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SENATE—*Monday, March 26, 1973*

The Senate met at 12 o'clock meridian and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

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

Almighty God, who has given us this good land for our heritage, grant to the people clean hands and pure hearts worthy of a nation whose trust is in Thee. Spare us from careless manners, compromising conduct, impure thoughts, unbrotherly ways, and unloving attitudes. In the penitential days of Lent make us honest in repentence and eager to accept Thy forgiveness and renewing grace. Make us new that we may be the peacemakers who are called the children of God and the pure in heart who see God.

We pray in the name of Thy Son. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 26, 1973.

To the Senate:

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

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

REPORT OF A COMMITTEE SUBMITTED DURING AJOURNMENT

Under authority of the order of the Senate of March 22, 1973, Mr. KENNEDY, from the Committee on Labor and Public Welfare, reported favorably, with an amendment, on March 23, 1973, the bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act, and submitted a report (No. 93-87) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, March 22, 1973, be dispensed with.

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

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. ABOUREZK) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 5445. An act to extend the Clean Air Act, as amended, for 1 year;

H.J. Res. 5. Joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth;

H.J. Res. 210. Joint resolution asking the President of the United States to declare the fourth Saturday of September 1973 "National Hunting and Fishing Day";

H.J. Res. 275. Joint resolution to authorize the President to issue a proclamation designating the month of May 1973 as "National Arthritis Month"; and

H.J. Res. 289. Joint resolution to authorize the President to proclaim the last Friday of April 1973 as "National Arbor Day."

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were severally read twice by their titles and referred to the Committee on the Judiciary:

H.J. Res. 210. Joint resolution asking the President of the United States to declare the fourth Saturday of September 1973, "National Hunting and Fishing Day";

H.J. Res. 275. Joint resolution to authorize the President to issue a proclamation designating the month of May 1973, as "National Arthritis Month"; and

H.J. Res. 289. Joint resolution to authorize the President to proclaim the last Friday of April 1973, as "National Arbor Day".

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 3298) to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

ATLANTIC UNION DELEGATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 83, Senate Joint Resolution 21.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

S.J. Res. 21, to create an Atlantic Union Delegation.

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

There being no objection, the joint resolution (S.J. Res. 21) was considered, or-

dered to be engrossed for a third reading, read the third time, and passed.

The preamble was agree to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 21

Whereas a more perfect union of the Atlantic community consistent with the Charter of the United Nations gives promise of strengthening common defense, while cutting its cost, providing a stable currency for world trade, facilitating commerce of all kinds, enhancing the welfare of the people of the member nations, and increasing their capacity to aid the people of developing nations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) The Congress hereby creates an Atlantic Union delegation, composed of eighteen eminent citizens, and authorized to organize and participate in a convention made up of similar delegations from such North Atlantic Treaty parliamentary democracies as desire to join in the enterprise, and other parliamentary democracies the convention may invite, to explore the possibility of agreement on:

(a) a declaration that the goal of their peoples is to transform their present relation into a more effective unity based on Federal principles;

(b) a timetable for the transition by stages to this goal; and

(c) a commission to facilitate advancement toward such stages.

(2) The convention's recommendations shall be submitted to the Congress.

(3) Not more than half of the delegation's members shall be from one political party.

(4) (a) Six of the delegates shall be appointed by the Speaker of the House of Representatives, after consultation with the House Committee on Foreign Affairs and the leadership, six by the President of the Senate, after consultation with the Senate Committee on Foreign Relations and the leadership, and six by the President of the United States.

(b) Vacancies shall not affect its powers and shall be filled in the same manner as the original selection.

(c) The delegation shall elect a Chairman and Vice Chairman from among its members.

(d) All members of the delegation shall be free from official instructions, and free to speak and vote individually in the convention.

(5) To promote the purposes set forth in section (1), the delegation is hereby authorized—

(a) to seek to arrange an international convention and such other meetings and conferences as it may deem necessary;

(b) to employ and fix the compensation of such temporary professional and clerical staff as it deems necessary: *Provided,* That the number shall not exceed ten: *And provided further,* That compensation shall not exceed the maximum rates authorized for committees of the Congress; and

(c) to pay not in excess of $100,000 toward such expenses as may be involved as a consequence of holding any meetings or conferences authorized by subparagraph (a) above.

(6) Members of the delegation, who shall serve without compensation, shall be reimbursed for, or shall be furnished, travel, subsistence, and other necessary expenses incurred by them in the performance of their duties under this joint resolution, upon vouchers approved by the Chairman of said delegation.

(7) Not to exceed $200,000 is hereby authorized to be appropriated to the Department of State to carry out the purposes of this resolution, payments to be made upon vouchers approved by the Chairman of the delegation subject to the laws, rules, and regulations applicable to the obligation and expenditure of appropriated funds. The delegation shall make semiannual reports to Congress accounting for all expenditures and such other information as it deems appropriate.

(8) The delegation shall cease to exist at the expiration of the three-year period beginning on the date of the approval of this resolution.

VISIT TO THE SENATE BY A DELEGATION OF PARLIAMENTARIANS FROM THE UNITED MEXICAN STATES

Mr. MANSFIELD. Mr. President, as the Senate is aware—as Congress is aware—since 1961, the Parliamentarians from the Congress of the United Mexican States and the Congress of the United States have been meeting on a yearly basis. In May of this year, we will meet for the 13th Mexican-United States Interparliamentary Conference at Guanajuato, Mexico.

We have with us in the Chamber today a number of distinguished Mexicans whom I should like to introduce at this time.

We have, first of all, the distinguished Ambassador from the United Mexican States, Jose Juan de Olloqui.

We have the distinguished Minister from the United Mexican States, Minister Julian Saenz.

We have the two cochairmen of the Mexican Parliamentary Delegation in the persons of Senator Victor Manzanilla, and the President of the Mexican Delegation, Diputado Marcos Manuel Suarez.

They are accompanied by Licenciado Daniel Magana, the Official Mayor of the Camara de Diputados.

They are all in the Chamber now and we are delighted to meet with them. We are happy that they saw fit to come to Washington to discuss with Representative JAMES C. WRIGHT, JR., of Texas, and me the forthcoming Conference; to discuss the details which can be covered and to indicate further that there are vital interests between our two great Republics and that these interests, while they coincide in many instances, in others they are different and cause some difficulties.

It is because of these mutual interests and concerns that we have met from time to time to try to understand one another better, to thrash out our differences, and to try to find solutions to those things which come between us.

I am happy to say that the Mexico-United States Interparlimentary Group down through the years has played a very important part, in my opinion, not as much through legislation, because we are not empowered to legislate on the basis of these meetings, but through a recognition of the problems. Of course, the outstanding settlement was the settlement of Chamizal.

Mr. SCOTT of Pennsylvania. Mr. President, to our colleagues, the distinguished Members of the Congress of Mexico, and to our friend the Ambassador from Mexico, my warm welcome.

Mr. DOMENICI addressed the delegation in Spanish and later supplied the following English translation of his remarks:

My name is PETE DOMENICI. I am a U.S. Senator from the State of New Mexico. In behalf of the sovereign State of New Mexico, its neighbors and in behalf of the U.S. Senate, I welcome you here. I do not speak Spanish fluently but I understand, and I hope you will consider my office as your headquarters for there are those from New Mexico in my office who speak your language and understand you well. Thank you for joining us and thanks for the friendly relationship that exists between your great country and ours.

Mr. MANSFIELD. Mr. President, I appreciate the remarks of my colleague, and I ask that Ambassador Olloqui, Minister Saenz, Deputy Suarez, Senator Manzanilla, and Liciendado Magana rise, so that we can pay our respects. [Applause, Senators rising.]

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, and pursuant to Public Law 91–510, appoints the Senator from North Carolina (Mr. HELMS) to the Joint Committee on Congressional Operations in lieu of the Senator from Connecticut (Mr. WEICKER), who has resigned.

ORDER OF BUSINESS

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

THE RESTORATION OF FISCAL SANITY IN FEDERAL SPENDING

Mr. HELMS. Mr. President, I have been made privy to some remarks to be made later today by the distinguished Senator from Michigan (Mr. GRIFFIN). In advance of his making those remarks, I commend him for a fine statement in support of efforts to restore fiscal sanity in Federal spending. Indeed, the Senator is correct in warning Senators that the American people will render a harsh verdict on those who, in the days and weeks ahead, continue to cast votes which unquestionably churn up a new spiral of inflation.

For Senators who may be unaware of it, I would like to call attention to a poll conducted last month by Lou Harris. By a margin of 59 to 28 percent, the people agree that "President Nixon is right in saying that inflation cannot be controlled unless Federal spending is cut to the bone." An earlier Harris poll found that 74 percent of the people believe Federal spending is the greatest single cause of inflation.

Obviously, Mr. President, the people know where the responsibility lies. They know that it is up to this Congress to hold the line on spending. The Harris

poll, in February, indicated that the public thinks, 51 to 37 percent, "Congress is wrong in opposing the President's spending program and should cooperate more with him." Senators should be mindful, in casting their votes this spring, that this same poll found the public giving Congress negative marks for its performance by a margin of 45 to 38 percent, while giving President Nixon positive marks for his first 4 years in office by 59 to 37 percent.

Mr. President, the American people are sick and tired of extravagant, wasteful Federal spending. They are sick and tired of seeing their tax dollars being squandered by the legions of Federal bureaucrats who administer those ineffective and other worldly programs which have been so heedlessly enacted over the years. And the people are sick and tired of their representatives in Congress who cling to the old bureaucracy-building philosophy of spend, spend, spend.

I said that the American people are going to render a harsh verdict on these Members. And I believe it follows, as the Senator from Michigan has often indicated, that the penalty they impose may very well be banishment from the Halls of Congress.

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

Mr. HELMS. I am delighted to yield to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, in the current debate over the President's budget proposals, we continue to hear that military goals are being favored over human needs, despite the fact that this is patently untrue. Let us look at the record over the past decade.

The 1964 budget allotted $53.5 billion, or 45 percent, to defense purposes, with $34.5 billion, or 29 percent, to human needs. This administration's 1974 budget reverses that ratio. It would apportion approximately $81 billion, or 30 percent, to defense, with $125.5 billion, or 46.7 percent, to human needs. Furthermore, whereas the 1964 budget devoted 8.8 percent of our gross national product to defense and only 5.6 percent to human needs, in the 1974 budget 6.2 percent of the GNP is designated for defense and more than 9 percent for human needs.

These are the hard figures, and they correctly reflect the fact that military programs are not being favored over domestic social programs—that, actually, if there is favoritism in this budget, it is for domestic social programs at the expense of defense spending. And what of this defense budget? I believe that it pares defense spending down to the bare minimum. The fat has been cut away, and only the muscle is left. As the distinguished and knowledgeable junior Senator from Washington has often reminded us, we must retain our perspective in viewing the Nation's military needs. In our disillusionment over the war in Vietnam, in our general desire for relief from the tensions of the cold war, we must remain alert to the importance of national defense. We must recognize that the new era of diplomatic achievement which was opened to us last year has depended and will continue to depend upon negotiation from a position of strength.

Mr. President, I believe that this debate over the budget could be conducted in a more constructive vein if the true relationship between defense spending and spending for human needs were recognized and acknowledged. I urge that we abandon inflammatory rhetoric, which is belied in the budget itself, and devote ourselves to a positive consideration of the Nation's total needs—which certainly include the need for fiscal responsibility and restraint and the necessity of preserving an adequate defense capability.

Mr. President, I wish to compliment the distinguished junior Senator from North Carolina for calling attention to the fact that later in the day the distinguished minority leader will speak with respect to the budget considerations.

I hope that all Americans, as they consider the great urgency of cutting down on spending so as more nearly to approach a balanced budget, will not overlook the fact that the President has very wisely reordered the priorities in order to reflect the fact that the hostilities in Southeast Asia have essentially come to an end and has properly focused attention on spending dollars on the needs of highest national priority.

I commend my distinguished colleague from North Carolina for his leadership, and I thank him for giving me an opportunity to say a word.

Mr. HELMS. I thank the generous Senator for his comment.

I should like to pose a question to the Senator. In his contacts with the people of his State, has his experience been somewhat the same as mine, the very gratifying experience of discovering that the people—in my case, the people of North Carolina—are fully aware that what is needed in this country is a return to fiscal sanity by their Federal Government?

Mr. HANSEN. Mr. President, I suspect that the sentiment in my State, the Equality State, is very similar to that of the sentiment in the State of the Senator from North Carolina. I am certain that the people in Wyoming, as nearly as I can interpret their feeling from reading the newspapers and answering letters addressed to my office, have a very clear understanding of what causes inflation and what makes prices push upward. They are realists, as I know the people in North Carolina are realists. They want to see that we get a handle on spending, that we approach fiscal sanity, and that they thereby will be the recipients of all the myriad advantages that admittedly will come from a more even financial course, so as to insure the kind of balance that must undergird the progress that is in store for us if we can get this budget more nearly back in balance.

Mr. HELMS. Mr. President, I was in my home State of North Carolina this past Saturday evening, in the far eastern part, which, as the distinguished Senator is aware, has an agricultural economy. Most of the people at this meeting—they numbered some 400—are farmers or are engaged in farm-related occupations.

After the meeting was over, I spent an hour or more hearing them tell me that they understand what the President and some Members of Congress are trying to do in reducing the Federal budget. They do not like the idea of giving up any of their farm programs, but their attitude almost unanimously was, "If you are going to cut across-the-board it is all right to cut me, too, but do not single out farmers."

My pledge to the farmers of my State is that insofar as the junior Senator from North Carolina is concerned the farmers are not going to be singled out. I am convinced from frequent meetings with the Secretary of Agriculture that this is not going to happen, this is not the intent of the administration and, furthermore, if the Senate and the House would simply sit down with the administration and seek a common ground on the farm program and on other programs, then the best interests of all Americans will be served.

ORDER OF BUSINESS

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

THE CONFRONTATION BETWEEN THE PRESIDENT AND CONGRESS

Mr. DOMENICI. Mr. President, I wish to join with my distinguished freshman colleague, the Senator from North Carolina, and our distinguished minority whip, the Senator from Michigan, to talk for a few moments to my fellow Senators about the confrontation which I think is taking place today between the President of the United States and Congress.

I would start by saying that a few short weeks ago I did not think I would come to this historic hall and so quickly stand in criticism of those who serve with me. But in a spirit of offering my views to my fellow Senators, let me start by saying that I do not think we need to confront the President, but rather that we had better confront the issue. It seems to me that we are giving a great deal of lip service to the problem of exercising fiscal responsibility, but what we are really saying is, "We do not think you ought to take our power away, Mr. President; we think the power to determine priorities and the power of the purse strings is ours." That is the confrontation that we bring to the administration today.

The American people do not want to be part of that confrontation because they do not care who has the power, but, indeed, they do care about results toward solving the problem of inflation which is robbing their pocketbooks and rendering productivity, which makes the American dream come true, almost a sham.

I would call it the futility of inflation. They are saying to us loud and clear, "We are not interested in your struggle

for power; we are interested in performance. If you have the power, Congress, take it and use it."

The American people say to us, "A few short months ago in December you said, congressional leaders, that we should not spend more than $250 billion this year. You said it in the Senate and the Members of Congress said it in the House," say the American people. "Although you have agreed that that is what you should spend, you proceed to appropriate $265 billion, and then you cannot agree, you and those in the House, on how to cut it by $15 billion. So the President proceeds to cut, to impound, and to change some programs that you Senators and Representatives passed and you do not like it."

Yes, I join with those who say we do not like it because it is our responsibility to determine how funds should be spent; our President should not have to impound to get us down to the $250 billion mark that we ourselves said should be our spending ceiling.

On the other hand, let me repeat, the American people want us to confront the issue; they do not want us to confront the President. They are not interested in the power struggle of constitutional dimensions between this Congress and our President over the power to impound and the power of the purse strings. But the American people are interested in stopping the cycle of inflation.

There are Americans taking second jobs, sending their wives to work, and yet at the end of the year they add up their new earnings and they are no further ahead, but perhaps further in debt than when the year began; they are not any more able to pay for the things they need for their children and their families and their homes than if they had not taken second jobs and worked overtime. They are saying loud and clear to us that this is our problem and they are saying to us that they do not want excuses, they want performance.

I ask my fellow Senators, those who campaigned in their own behalf and those who campaigned for others, if any of them campaigned for more inflation or higher taxes. I am certain none of them did. The facts of the matter are that their conduct here in the Senate would indicate that they do not think they can stop inflation and they think it will be enough to have a confrontation with the President rather than a confrontation with the issue.

The American people are aware that we are conducting business as usual. They are aware it was this business as usual that put us in the position we are in today, and they did not expect that this new Congress, with many new faces, and with many old faces who recognized the same problems, would conduct business as usual. They expected us to reform our budgetary practices and to do it quickly. They will not accept a confrontation with the President as a solution to a head-on collision with the issues of inflation, with the issue of ever-growing Federal programs that have high motives and which do little for the people that they are intended to help. I think we all know that the spirit of productivity is necessary for America to retain its economic vitality, and this spirit of productivity will remain alive only so long as it is real.

When it becomes a hoax, Americans will stop producing, they will stop working; they will look to others to care for them.

I submit that when we hear the Japanese and the Europeans talk of our economy as if they are also wondering whether it is real or whether it is a paper tiger, their observations of concern about our economy are accurate, and I think our observations of our economy and the productive quality of collective America are real.

I think it is going to take courage on the part of myself and my fellow Senators to confront the issue of inflation as it is affected by excessive Federal spending, and I think we are going to have to have exceptional courage if we are going to cut programs and if we are going to do a better job with our Federal programs; and it is not going to suffice to attack the Executive, who, because we are in default, has sought one way.

Unless we find a way, the American public will not look with favor upon us, and, more importantly, American history will not look well upon us, for we will be serious contributors to an American economy that was once vital and robust, but which is now very, very delicate.

My closing comments have to do with the period that we are going through, which I think is a period of transition—the transition from an old way of doing business to a new way of doing business. I think the impoundments and the cutting of programs and the new budgetary approach put new strains on all of us, because we are going through the process of finding a better way. I submit it is our responsibility to substitute accommodation for confrontation, and I submit that if we are willing to accommodate, the Chief Executive of this country will respond. But I believe that there are those among us who think this is a partisan issue, and confrontation brings clamor and commotion; but I truly believe that the American people expect accommodation. They expect some change on our part, some give and take.

I submit, fellow Senators, that if we give the administration that opportunity, we will pass through this transition into a new era of fiscal responsibility, and indeed Americans of today and the years to come will be the benefactors.

If we use this period of transition as a coverup of the need for change, the need for consolidation of American poverty programs and domestic programs, and if we use it as an excuse for reform because indeed we will be satisfying ourselves with a lot of noise and clamor, then I submit the American economy will suffer, perhaps irreparably, and the spirit of the American people to work and to try to take care of themselves will get paler, and that burden will lie heavily on our collective shoulders.

Courage should be our motto, and reform our goal. Most certainly, confrontation is easier, but in this instance I believe its rewards are minimal and selfish, and certainly not in the best interests of all Americans.

Thank you, Mr. President.

Mr. GRIFFIN. Mr. President, I wish to commend and congratulate the distinguished Senator from North Carolina (Mr. HELMS) and the distinguished Senator from New Mexico (Mr. DOMENICI) who have made very eloquent statements today.

While the two Senators who preceded me are freshmen, they are also fresh from the political hustings, having been recently elected in their States. It is obvious, I suggest, that they are very wise in terms of knowing what the people think, and how the people perceive the great debate now going on in the Halls of Congress.

ORDER OF BUSINESS

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

THE DEBATE OVER FEDERAL SPENDING

Mr. GRIFFIN. Mr. President, the current debate over Federal spending is truly a historic debate. It is historic, not because of a constitutional crisis, as many assert, but because the outcome is so important to the strength and future of the United States as leader of the free world.

During his first term, President Nixon took some historic initiatives in the area of foreign policy, initiatives which have revitalized American foreign policy and made it realistic and viable in the 1970's. Now, at the outset of his second term, the President has proposed some sweeping reforms here at home. He seeks to reorganize the executive branch to make Government more responsive—responsive to the people and to the demands of the future.

He seeks to phase out some tired, wasteful, and ineffective programs of the 1960's—and to replace those programs with a streamlined revenue sharing approach that shifts power to levels of government where the problems and the people are.

Most important, the President seeks to hold down Federal spending, so as to bring it more nearly in line with Federal revenues.

As he did in the international field, President Nixon is providing bold, imaginative initiatives on the domestic front. And Congress is challenged as never before—not for power—but to demonstrate an equal measure of responsibility.

Make no mistake about it, the American tax payers are watching closely to see what the response of Congress will be.

More and more, there is understanding among the people throughout the country that votes in Congress for the same old programs are really votes for more inflation or higher taxes, or both.

Ironically, observers overseas sometimes can be more objective and dispassionate in assessing action and inaction of the United States than we can do our-

selves. Recently the London Economist noted that Congress:

> Has no mechanism for setting an overall budget target, its total expenditures simply being an aggregate of the cost of programs approved on a piecemeal basis. No effort is being made to relate expenditure to revenue . . . and no consideration is being given to the question of spending priorities.

Foreign observers have good reason to watch what the Congress does. They know that a new round of inflation in the United States will have far-reaching international implications. More inflation, generated by deficit spending, would further undermine confidence in the dollar. It would make our products less and less competitive in world markets, and it could precipitate still another international monetary crisis.

We can no longer afford to have American export prices rising faster than those of our competitors in the world market. The crunch has come, and now it is up to Congress, the elected representatives of the people, to impose some self-discipline upon and within the United States. We can no longer afford the philosophy of spend and elect, without regard for the economic health of the Nation.

If the spend and elect philosophy was good politics in the past, I suggest to political pragmatists that a new day is here. The American taxpayers who are watching Congress know that massive new Federal spending will mean more inflation or higher taxes. And they do not want either one.

Like those who spoke before me, I am convinced that a new day is at hand. And those in Congress who fail to recognize it will not only fail their country in its hour of need, but they may soon become part of the political past themselves.

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

Mr. GRIFFIN. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, it seems to me that there is a real risk involved in the confrontation in which we now find ourselves. It seems that without the confrontation we go back to the middle of last year when there was a great feeling in the Congress about reforming Federal domestic programs, consolidating them and making them current, whether they be called revenue sharing or block grant programs. There was a sort of spirit of reform.

It seems to me that this confrontation could very well cover up that issue and we could go into next year kind of forgetful of reform, thinking the whole issue was the battle of the budget and impounding that we have just gone through.

Does the Senator have any feeling about that matter in light of my feelings?

Mr. GRIFFIN. Mr. President, I certainly agree with the analysis of the distinguished Senator. He perceives very well the difference between the views of the people and the views of some within the Congress who are focusing intently on the struggle for constitutional power as between the executive and legislative branches.

The people, as the Senator from New Mexico has so eloquently pointed out, are more concerned about the result—the outcome—in terms of the Nation and its good.

Those who get lost in the academic arguments about constitutional powers fail to see that the time for reform is ripe that the people are demanding a reordering of priorities, and that the President has his finger on the pulse of the Nation.

This is not a matter of partisan politics. For the most part, the people do not care about party blame or credit. They are concerned about results and what will happen to the country.

In this particular situation, I believe the President deserves more support than he is getting from the Congress, because he is right in what he seeks to do for the country.

Mr. DOMENICI. Mr. President, would the Senator yield for one further comment?

Mr. GRIFFIN. I yield.

Mr. DOMENICI. Mr. President, I wholeheartedly agree with the Senator from Michigan.

For about a month between my election and my arrival in Washington, I traveled over my State because I wanted to discuss the Federal programs that pertained to the schools. I had the school people meet with me on the problems as they pertained to the cities. I also met with the mayors and councils in each community.

I can say to the Senator that every single elected and appointive leader said that he does not want so many strings attached to the Federal programs. One school man said that he kept 12 different sets of books because they are each audited differently.

My concern is that I have come here committed to trying to do a better job of putting the money where the problems are, in the communities that have to administer them, rather than here. However, I wonder, in the process of fighting this battle of impoundment, if there are not those who will forget that there is a great need for reform and for improvement. Even if we admit that some of the impoundments are wrong and even if we admit that some of the effects of the executive approach are not what we want, we certainly do not think that winning that battle will solve the problems.

I think we could win the battle of impoundment and get the programs that have been curtailed reinstated and the contracts with the HEW overturned, perhaps because they were not then in accordance with the Constitution. However, even if that were to happen, I do not think we would have done a better job with the domestic programs, those on which we are trying so hard.

Mr. GRIFFIN. Mr. President, the Senator makes an excellent point.

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

Mr. GRIFFIN. Mr. President, I yield to the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, I commend the distinguished minority whip, the Senator from Michigan (Mr. GRIFFIN) for his budgetary analyses.

I want to comment on one point made here. There is certainly no partisanship about any of the comments that I have made or may make about the Federal budget. As a matter of fact, I am the first Republican to be elected from the State of North Carolina in the 20th century.

It is evident to me that I received more than twice as many votes as there are registered Republicans in my State. I have to tip my hat to the Democrats from North Carolina who, like all the rest, are concerned about the rising tide of inflation.

I have noticed here that every day the word "impound" is referred to. I received a letter from an old high school English teacher of mine who suggests that we look up the meaning of the word "impound" and ask ourselves whether it is possible for the President of the United States to impound something that does not exist.

What my old high school teacher is pointing out is that the Congress is striving to create a credit card government. I think she is quite accurate when she says that perhaps the word we should use is "save" rather than "impound."

Furthermore, I would say that if we look at the enormous Federal debt already run up that represents money borrowed and spent by Congress and by various administrations, the interest on the money already borrowed and spent is $40,000 a minute, which comes to over $666 a second.

I think that that in itself is cause for alarm.

Mr. GRIFFIN. Mr. President, I thank the Senator from North Carolina and the Senator from New Mexico for the excellent contributions they have made to this colloquy.

Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Would the Senator withhold his request?

Mr. GRIFFIN. Mr. President, I withhold my request.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized for not to exceed 15 minutes.

DEDICATION OF THE LAUREL RIDGE CONSERVATION EDUCATION CENTER

Mr. HARRY F. BYRD, JR. Mr. President, on March 16 the National Wildlife Federation dedicated its Laurel Ridge Conservation Education Center in Fairfax County, Va. Fairfax County, incidentally, is the largest political subdivision in Virginia. It has a population of some 450,000 persons.

Mr. President, it was a high privilege for me to attend and an honor to welcome those assembled, including the gracious First Lady, Mrs. Richard Nixon, to the Commonwealth of Virginia.

The dramatic growth of the National Wildlife Federation over the last decade dictated the need for expansion to Laurel Ridge. In 1961, President John F. Kennedy dedicated the Federation's main building at 1412 16th Street NW., Washington, D.C. At that time it appeared that the space there would prove adequate for years to come. This was clearly not the case.

I was impressed by what I observed at Laurel Ridge. The center is encompassed by 20 acres of gentle rolling, wooded land. The structure is designed to blend in with its natural surroundings. The facilities will greatly enhance the educational programs of this national conservation organization, the largest private federation of its type in the world.

I was even more impressed by the vision of the National Wildlife Federation. This building project, conceived almost a decade ago, was financed entirely by private funds. Through memberships and private donations, the $2.25 million necessary to finish the project was raised.

I think this type of private effort is commendable.

And I am proud that the National Wildlife Federation chose Virginia as a home for this conservation education center. Although the plan is still in the design stage, 17 of the 20 acres will eventually have nature trails and educational facilities which will serve as a national prototype of conservation education.

As a fitting tribute to the work of the Federation, Mrs. Nixon read the proclamation signed by the President on March 16, 1973, designating March 18 through 24, 1973, as "National Wildlife Week."

I know I join my fellow Virginians and the Nation in saluting the President, the First Lady and the National Wildlife Federation during the week of national recognition for the bounties of our national wildlife.

Mr. President, I ask unanimous consent that the program from the dedication ceremonies be printed in the RECORD in its entirety, showing the creed of the National Wildlife Federation, its distinguished directors and officers and the history of the organization. I ask unanimous consent also that the President's Proclamation No. 4200 be printed in the RECORD.

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

BUILDING DEDICATION—NATIONAL WILDLIFE FEDERATION

(Kennedy dedicated 1961)

LAUREL RIDGE CONSERVATION EDUCATION CENTER

The National Wildlife Federation Creed . . .

I pledge myself, as a responsible human, to assume my share of man's stewardship of our natural resources.

I will use my share with gratitude, without greed or waste.

I will respect the rights of others and abide by the law.

I will support the sound management of the resources we use, the restoration of the resources we have despoiled, and the safekeeping of significant resources for posterity.

I will never forget that life and beauty, wealth and progress, depend on how wisely man uses these gifts . . . the soil, the water, the air, the minerals, the plant life, and the wildlife.

The Officers, Directors and Trustees of National Wildlife Federation and National Wildlife Federation Endowment, Inc., welcomes you to the dedication of the Laurel Ridge Conservation Education Center.

Federation President—N. A. Winter, Jr.; Endowment President—Judge Louis D. McGregor.

Vice Presidents: Walter L. Mims; Homer C. Luick; G. Ray Arnett.

Federation Directors

Region 1, Lester B. Smith—At-Large.

Region, 2, Edmund H. Harvey—Dr. James H. Shaeffer.

Region 3, F. Bartow Culp—Judge Louis D. McGregor.

Region 4, Charles D. Kelley—Stewart L. Udall.

Region 5, Frederick R. Scroggin—M. A. Wright.

Region 6, O. Dwight Gallimore—Dr. Donald J. Zinn.

Region 7, Paul H. Wendler—Dr. Claude Moore.

Region 8, Walter S. McIlhenny—Courtney Burton.

Region 9, Everett R. Brue—Joseph D. Hughes.

Region 10, Fred A. Gross, Jr.—Robert Stack.

Region 11, A. W. "Bud" Boddy—Maynard P. Venema.

Region 12, C. Clifton Young—Turner W. Battle.

Region 13, Ernest E. Day—Trustee Dr. Greer Ricketson.

Federation Executive Vice President—Thomas L. Kimball.

Federation Treasurer—John Bain.

Endowment Executive Secretary—J. A. Brownridge.

Program

Dedication of National Wildlife Federation's Laurel Ridge Conservation Education Center, 8925 Leesburg Pike, Viennia, Virginia, March 16, 1973, 11:00 a.m.

Master of Ceremonies—N. A. Winter, Jr., NWF President.

Invocation—Thomas L. Kimball, NWF Executive Vice President.

Welcome to Virginia—Senator HARRY F. BYRD, JR.

History of Federation—Judge Louis D. MacGregor.

Address—John C. Whitaker, Under Secretary of the Interior.

Address—Earl L. Butz, Secretary of Agriculture.

Dedication of the Center—Mrs. Richard Nixon.

Presentation of Colors—U.S. Marine Color Guard Unit.

The National Anthem—U.S. Marine Band.

ABOUT THE FEDERATION

We have come a long way since those early days of 1936 when the National Wildlife Federation was founded during the first North American Wildlife Conference called by President Franklin Delano Roosevelt. The early days were plagued with problems that at times seemed to be almost insurmountable. Money was scarce, concern for the environment was negligible and the conservation crises were building rapidly.

During the next few years, problems multiplied to such an extent that only the truly dedicated stuck to the ship when it seemed that the Federation must founder and sink into oblivion. Those hardy pioneers did persevere, however, and after many years of struggle the National Wildlife Federation took its place as a powerful and effective voice speaking in the cause of conservation. We were among the first organizations to express concern about the deteriorating condition of our total environment: water pollution, air pollution, pesticides and all the many other activities that adversely affect our plant and animal eco-systems.

Having recognized early that man must learn to live in harmony with nature, the leadership of the N.W.F. has consistently supported proper land planning with increasing attention focused in preserving the aesthetic, fish, wildlife, and outdoor recreation values in a developing, industrialized, mechanized and computerized nation.

We are committed to the philosophy that we should not permit any species within our national surroundings, be it flora or fauna, to become endangered or extinct, that total protection and surplus harvest are essential tools of the natural scientist, to be used with great wisdom in providing optimum numbers, variety, and bounty of nature for all to enjoy.

It has become Federation policy and the source of its strength to listen to all voices on all sides of every issue. Through its carefully reasoned approach to complex and difficult environmental problems, the Federation has gained the respect of millions of people, both those who have supported our position and those opposed. Out of this respect has grown the organization we see today, fully capable of acting as spokesman for 3,500,000 people, representing the greatest natural resource cross-section of "grass roots America." The educational services rendered the unprecedented public interest in conserving the natural environment is greater than ever before in history. Evidence of the growth of interest and awareness of the work of the National Wildlife Federation is the building we dedicate today, first step in launching the action program of the National Wildlife Federation's Laurel Ridge Conservation Education Center.

Here we have room to service the rapidly expanding demand for knowledge and information about wildlife and ecology. Here we have room to expand into a total wildlife and environmental educational organization that is capable of providing the space for workshops, training sessions, lectures, film and slide shows, nature walks, and demonstration areas.

Yes, it is a far cry from the organization that took its first faltering steps in 1936 to be the healthy, growing organization of today. Our services cut across every facet of wildlife and environmental interest, our staff is active in every corner of the country and the world. Our current leadership, as those of the past, are fully committed to educational service and the dissemination of knowledge to all those who ask. An enlightened citizenry can provide the decisions, policies, and action that will ensure the quality of living we all seek.

We welcome you here today as evidence of your interest and your support in all of these activities and we are grateful for your continuing interest and support of our programs.

Sincerely,

N. A. WINTER, JR.,
President.

PROCLAMATION 4200

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Americans carved a nation out of the wilderness. Now we must preserve the wilderness for the Nation.

The theme of this year's National Wildlife Week is: "Discover Wildlife—it's Too Good To Miss." In a greater sense, Americans are rediscovering the natural animal world around them. Our concern for the fate of wild animals has increased. We have come to realize that the development of the human habitat has occurred at great cost to another kind of habitat. And we are seeking more effective ways to prevent and enhance our wilderness areas.

All men need refuges for their spirit. The wilderness invokes contemplation and provides recreation, and the animal wildlife of America provides a fascinating dimension to our natural heritage which we know must

be preserved for future generations to enjoy.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning March 18, 1973, as National Wildlife Week.

I ask all citizens to renew their efforts to preserve and enhance our natural environment, especially those areas now inhabited by our natural wildlife. Because the need is still great for better tools with which to do the job, I also urge the Congress once again to act promptly on my proposal to strengthen protection for hundreds of endangered species.

In Witness Whereof, I have hereunto set my hand this sixteenth day of March, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America that one hundred ninety-seventh.

RICHARD NIXON.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, the time to be taken out of the time allotted to the Senator from Virginia.

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

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

GOLD REVALUATION TO FORMALLY DEVALUE THE DOLLAR

Mr. HARRY F. BYRD, JR. Mr. President, sometime this week the Senate will consider legislation to revalue the Nation's gold supply. In another way of expressing it, the Senate will consider legislation to formally devalue the dollar.

When Under Secretary of the Treasury Paul Volcker appeared before the Senate Committee on Finance, he stated that the executive branch had taken radical action in regard to the American dollar. I had a short dialog with him on that subject.

As a prelude to the Senate debate which will begin the latter part of the week on dollar devaluation, I think it appropriate to read into the RECORD today a few questions which I put to Mr. Volcker in this regard, and Secretary Volcker's replies. I am reading now from pages 25 and 26 of the hearings before the Senate Committee on Finance, March 7, 1973:

Senator BYRD. Now you said in your dialog with Senator Hansen, that you found it necessary to take radical action. Would you indicate the radical action to which you referred?

Mr. VOLCKER. Well, we devalued the dollar twice and had a major exchange rate realignment in the last 14 months twice. I consider that radical action.

* * * * *

Senator BYRD. And it is, in your judgment, radical action to devalue the dollar twice in 14 months?

Mr. VOLCKER. It is indeed and this is nothing I look forward to repeating at all. It is radical action.

Those were the comments of the Under Secretary of the Treasury, Mr. Paul A. Volcker.

The reason that I have not opposed the radical action, formal devaluation of the dollar, is that it is merely formally doing what already has taken place: namely, there has been a deterioration in the value of the dollar. The dollar is less valuable, and it seems to be becoming increasingly less valuable each few months. It gets back, I am convinced, to the smashing government deficits that the Federal Government has been running.

The deficit during the current fiscal year will be the largest the Nation has ever had with the exception of World War II when we had 12 million men under arms and when the United States was fighting one war in Europe and another in the Pacific.

Mr. President, a few moments ago I said that the dollar was worth less. That is two words. Earlier I asked that that be stricken because I noted in the comments I made last week that it was published in the CONGRESSIONAL RECORD as one word; namely, worthless.

What I said last week was that the dollar was worth less—two words.

I do not imply that the dollar is worthless. Of course, it is not. But I do say that is is worth less.

After today, I shall try not to use that expression because it is susceptible to misuse particularly when the typesetters put those two words together instead of spacing them out.

But the dollar has become less valuable. It has become less valuable, in my judgment, because of the policies of the Federal Government in running these smashing Government deficits.

VACATING OF ORDER FOR SENATOR ROBERT C. BYRD TO SPEAK TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may vacate the time that was allotted to me under the order.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HASKELL). Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

Is there further morning business?

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER FOR SENATORS FANNIN AND GRIFFIN TO BE RECOGNIZED TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Arizona (Mr. FANNIN) be recognized for not to exceed 15 minutes; and that he be followed by the distinguished Senator from Michigan (Mr. GRIFFIN) for not to exceed 15 minutes.

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

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

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

Mr. MANSFIELD. Mr. President, for the information of the Senate five nominations were reported by the Committee on Foreign Relations. Four of them were reported approximately 10 days ago. The last one was reported on Friday. Unfortunately, I forgot to ask unanimous consent for the Senate to receive reports, nominations, messages, and the like over the weekend. Therefore, they are not on the calendar. However Senators on both sides of the aisle have been contacted—those who are in town—to see if there were any objections. There were no objections. The nominations will be taken up today and they will be taken up separately.

The PRESIDING OFFICER. The first nomination will be stated.

COMMODITY CREDIT CORPORATION

The legislative clerk read the nomination of Robert W. Long, of California, to be a member of the Board of Directors.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clayton Yeutter, of Nebraska, to be a member of the Board of Directors.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. AIR FORCE

The legislative clerk read the nomination of Lt. Gen. James V. Edmundson to be lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. ARMY

The legislative clerk read the nomination of Lt. Gen. William Joseph McCaffrey, to be lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Maj. Gen. Gilbert Hume Woodward, to be lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. NAVY

The legislative clerk read the nomination of Vice Adm. James F. Calvert to be vice admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the U.S. Marine Corps.

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

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

SELECTIVE SERVICE SYSTEM

The legislative clerk read the nomination of Byron V. Pepitone, of Virginia, to be Director of Selective Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations in the Air Force and in the Army, placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

ACTION

The legislative clerk read the nomination of Michael P. Balzano, Jr., of Virginia, to be Director of ACTION.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the confirmation of the nomination of Michael P. Balzano, Jr., of Virginia, be temporarily deferred only because I have forgotten to request that the Committee on Labor and Public Welfare be contacted to see if it is all right to bring up the nomination today.

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

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. Mr. President, I do not think that the majority leader should have to take all of the burden for having forgotten to make the request. I usually do that. I believe it was my shortcoming rather than his.

Mr. MANSFIELD. I understand the Committee on Labor and Public Welfare has not had its hearings on the nomination of Mr. Balzano. So I ask, without prejudice, that confirmation of this nomination be withheld for the time being until this nomination, which was referred jointly, and which has been reported by the Committee on Foreign Relations unanimously, is considered by the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MANSFIELD. Mr. President, to reiterate, the deferral of the nomination of Michael P. Balzano, Jr., is without prejudice, because it was agreed that the Committee on Labor and Public Welfare would have a hearing. That commitment must be honored.

DEPARTMENT OF STATE

The legislative clerk proceeded to read the nomination of V. John Krehbiel, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William B. Macomber, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

Mr. MANSFIELD. Mr. President, I wish to say that I think that the nomination of Secretary Macomber to be Ambassador to Turkey is one of the best choices made by this administration and one of the best choices that could be made by any administration. The nomination was reported by the Committee on Foreign Relations by a vote of 17 to 0, which indicates the high regard in which Mr. Macomber is held.

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

Mr. MANSFIELD. I yield.

Mr. MATHIAS. Mr. President, I shall not detain the Senate but I wish to join the distinguished majority leader in saying that I think Secretary Macomber, who has discharged so many very delicate missions for the United States over a long period of time, is one of the finest diplomats this country has. His assignment to the very important and sensitive post in Turkey is appropriate. I know he will discharge that duty with the same distinction that he has given to other duties on behalf of this country over a long period of time.

Mr. MANSFIELD. Yes, indeed. He is a man of great integrity, patriotism, dedication, and understanding. A better choice could not be made.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Eugene Paul Kopp, of Virginia, to be Deputy Director of the U.S. Information Agency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Marshall Green, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Dr. Ruth Lewis Farkas, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SUNDRY NOMINATIONS ON THE SECRETARY'S DESK

The legislative clerk proceeded to read the nominations of Robert A. Blake, of California, and sundry other persons, for appointment and promotion in the Foreign and Diplomatic Service.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

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

LEGISLATIVE SESSION

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

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT ON FINAL DETERMINATION IN CLAIM OF THE CREEK NATION

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report on final determination in Docket No. 273, the Creek Nation, plaintiff, against the United States of America, defendant (with accompanying papers). Referred to the Committee on Appropriations.

LIST OF CONTRACT AWARD DATES, DEPARTMENT OF DEFENSE

A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a list of contract award dates for the period March 15–June 15, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE ARMY

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 37, United States Code, to authorize travel and transportation allowances to certain members of the uniformed services stationed outside the United States for dependents' schooling, and for other purposes (with an accompanying paper). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE NAVY

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend section 5064 of title 10, United States Code, to remove the requirement that the Director and the Assistant Director of the Budget and Reports be officers in the line of the Navy (with an accompanying paper). Referred to the Committee on Armed Services.

REPORT OF DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms, for July-December 1972 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM OFFICE OF MANAGEMENT AND BUDGET

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes (with an accompanying paper). Referred to the Committee on Government Operations.

PROPOSED GRANT TO DESERT RESEARCH INSTITUTE

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed grant to Desert Research Institute, Boulder City, Nev., for a research project entitled "Mineral Recovery from Geothermal Brines" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

REPORT ON THE COLORADO RIVER BASIN PROJECT

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report of the Colorado River Basin project, for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE INTERIOR

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

REPORT OF NATIONAL COMMISSION ON MARIHUANA AND DRUG ABUSE

A letter from the Chairman, National Commission on Marihuana and Drug Abuse, transmitting, pursuant to law, a report of that Commission (with an accompanying report). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM THE SECRETARY OF THE TREASURY

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance fund, and for other purposes (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to reform, revise, and codify the substantive criminal law of the United States; to make conforming amendments to title 18 and other titles of the United States Code; and for other purposes (with an accompanying paper). Referred to the Committee on the Judiciary.

DOCUMENT ENTITLED "COMPLIANCE, ENFORCEMENT, AND REPORTING IN 1972 UNDER THE LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT"

A letter from the Office of Legislative Affairs, Department of Labor, transmitting, for the information of the Senate, a document entitled "Compliance, Enforcement, and Reporting in 1972 Under the Labor-Management Reporting and Disclosure Act" (with an accompanying document). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend the authorization of appropriations for certain programs for the education of the handicapped, and for other purposes (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

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

A resolution of the House of Representatives of the State of Montana. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTION

"Requesting the U.S. Senate and the U.S. House of Representatives to implement fully by statute the multiple use concept on Federal lands

"Whereas, the continuing increase in population of the United States, the increase in leisure time available to the public because of shorter work weeks, longer vacations and earlier retirement, and the steady increase in disposable income have combined to produce a vast growth of interest and participation in outdoor recreation by United States citizens, and indications are that this growth will continue at an accelerated rate in the future, and

"Whereas, varieties of outdoor recreation such as hunting, fishing, rockhunting, snowmobiling, backpacking, trail-riding, etc. at present and projected rates require that large expanses of land be available for such recreation, and

"Whereas, the increasing pursuit of such outdoor recreation on private lands has produced increasing animosity and resentment on the part of the owners of these private lands with resulting closure and posting of private lands to the public, and since this trend is obviously fated to continue to the point where very little private land will not be closed, and

"Whereas, the United States government holds title to large areas of grazing and forest land, especially in western states such as Montana, which are administered by the forest service and the Bureau of Land Management, and which under the multiple use concept are also available for recreational use, and

"Whereas, a large number of citizens, particularly in the western states, knowing that through their government they own these lands and consider that their free and untrammeled use of these federal lands is an historic, intrinsic and most valuable part of the American way of life, and

"Whereas, large areas of these federal lands are not directly adjacent to a public road or other public land and are accessible to the public only if the owners of adjoining or surrounding private lands allow trespass across their holdings, and

"Whereas, in the case of such secluded or de facto sequestered public lands in many instances the private landowners do not permit trespass and the public is being denied access, and whereas the number of such cases will continue to increase as friction between the public and the landowners grows, and

"Whereas, the trend to consolidation of ranch lands into larger units owned by corporations or more powerful individuals will undoubtedly exacerbate this situation, and

"Whereas, in many cases the property owner denying the public access to public lands is himself using these public lands for grazing as a permittee at an extremely favorable monetary cost as compared to rates on private land, and

"Whereas, the public must have access to these public lands in order to use them, and whereas ownership, use and access are inseparable by all rules of logic and equity, and

"Whereas, outdoor recreation, both by residents of Montana and tourists and visitors is an important source of income and is basically essential to fiscal stability and welfare of the state of Montana.

"Now, therefore, be it resolved by the House of Representatives of the State of Montana: That the Congress of the United States establish the following provisions by statute:

"(1) In the case of all federal lands used for grazing for forestry totaling six hundred forty (640) or more contiguous or adjacent acres, to which access to the public from public road or other public land is not possible because of intervening or surrounding private land owned directly or indirectly by the holder of grazing permit on public lands, the granting of future grazing permits shall require that as a condition of such permit the permittee shall grant, for the period of such permit, a right-of-way for vehicular traffic across his private lands to the public lands.

"This right-of-way need be no more than a trail used by the permittee himself, or twenty (20) foot wide lane along or near a fence line over terrain passable to a vehicle. At the discretion of the owner of the private land, the access trail or right-of-way may be posted with signs provided by the agency supervising the public lands indicating that it is an access route only, and that trespassing, hunting and shooting are prohibited on the private lands bordering the right-of-way and violations will be punished according to applicable state laws.

"The provisions above would also apply to federal land which is being used by a state grazing district or other organization or group of landowners.

"In the case of public lands surrounded by lands owned by a nonpermit holder, a lane twenty (20) feet wide passable to vehicles along or near section lines from the nearest public land or right-of-way would be condemned through eminent domain right.

"(2) In view of the obvious increasing need for public land for public recreation in the future, no federal land consisting of more than three hundred twenty (320) contiguous acres used for grazing or forestry should be allowed to pass from federal ownership by sale to any nongovernmental purchase except:

"(a) in connection with and as a part of the purchase of similar land of equal or greater value for recreation and grazing or forestry;

"(b) in connection with and as a part of public-private land exchanges or previously arranged purchase agreements intended to consolidate federal lands into larger blocks for more efficient use and administration;

"(c) in the case of lands that through location near urban areas, or because of utility for commercial or industrial use, have appreciated much above their value for agricultural or recreational use, provided that the monetary proceeds from such sale are earmarked for use to purchase replacement agricultural-forestry-recreational land.

"Be it further resolved, that a copy of this resolution be sent to the secretary of the United States Senate, the speaker of the United States House of Representatives, and to all of the Montana congressional delegation."

A resolution of the House of Representatives of the State of Montana. Referred to the Committee on the Judiciary:

"RESOLUTION

"Requesting the Congress of the United States to adopt an amendment to the U.S. Constitution which will reinstate the right of the States to protect the right of an unborn human being to life and offer the constitutional amendment to the States for ratification

"Whereas, the tradition of Montana law from its earliest statutes has been to provide legal protection to the fundamental rights of all human beings, including the right to life, and

"Whereas, the recent decisions of the United States Supreme Court has interpreted this protection to be contrary to the United States Constitution insofar as these decisions affect the right to life of unborn humans, and

"Whereas, Montana's traditions on behalf of human life and the protection of our human environment can best be continued only through appropriate constitutional protection.

"Now, therefore, be it resolved by the House of Representatives of the State of Montana: That the Congress of the United States is hereby urged and requested to adopt a constitutional amendment which will guarantee the right of the States to enact or preserve laws which protect the right to life of unborn human beings, and

"Be it further resolved, that copies of this resolution be forwarded to the Montana congressional delegation, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and the President of the United States."

A resolution of the House of Representatives of the State of Montana. Referred to the Committee on Labor and Public Welfare:

"RESOLUTION

"Beseeching the President of the United States, the Secretary of Health, Education and Welfare, and the Congress of the United States to protect and preserve the effectiveness and integrity of the regional medical programs

"Whereas, regional medical programs serving the people of Montana are fulfilling previously unmet rural health care needs, and

"Whereas, these programs are administered and managed at the local level with local nongovernmental personnel responsible to the regional advisory council, and the regional advisory council, as well as task force and/or committee members involved are donating their time on a voluntary basis to solve health problems at a local level, and

"Whereas, these programs build on existing strength and work with the private sector of health professionals to assist them in improving the quality and quantity of health care closer to the patient's home, and have become the most effective local force to assist the existing system to improve health care, and

"Whereas, these programs have contributed significantly to improvement of health care throughout Montana by demonstration of more effective rural health care arrangements; by assistance to community planning and health care needs to hospitals and health care personnel in raising the quality of health care; by training new types of health manpower and improving the skills of existing health care practitioners and the understanding of health care consumers through public education activities, and

"Whereas, these programs in Montana have demonstrated a marked ability to improve health care in undeserved and rural areas by support and training of health workers by assisting in the development of intensive coronary care units, oral cancer clinics, and consumer education projects, diabetes management and stroke rehabilitation, heart-kidney prevention, early recognition of cancer and other health problems, and

"Whereas, the regional medical programs in Montana have effectively cooperated with each other, state health agencies, comprehensive health planning, voluntary health organizations, and public as well as private, education institutions to provide assistance and consultation and establish cooperative arrangements in the regions.

"Now, therefore, be it resolved by the House of Representatives of the State of Montana: That the president of the United States, the secretary of health, education and welfare, and the congress of the United States are requested to provide sufficient funding for the fiscal year 1973 to permit continuation of the effective regional medical programs in Montana, and

"Be it further resolved, that the legislature of the state of Montana calls upon the congress of the United States to pass appropriate legislation extending authority for the regional medical programs on a continuing basis and appropriating sufficient funds for the fiscal year 1974, and

"Be it further resolved, that the legislature of the state of Montana calls upon the congressional delegation from the state of Montana to work avidly for the implementation of this resolution, and

"Be it further resolved, that copies of this resolution be sent to the president of the United States, the secretary of health, education and welfare, to the senate and house of representatives of the United States and to the senators and representatives representing the state of Montana in the United States Congress."

REPORT ENTITLED "PATENTS, TRADEMARKS, AND COPYRIGHTS"—REPORT OF A COMMITTEE (S. REPT. NO. 93-88)

Mr. McCLELLAN, from the Committee on the Judiciary, pursuant to Senate Resolution 245, 92d Congress, second session, submitted a report entitled "Patents, Trademarks, and Copyrights," which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Eugene Paul Kopp, of Virginia, to be Deputy Director of the U.S. Information Agency;

Marshall Green, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Australia;

William B. Macomber, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary to Turkey;

V. John Krehbiel, of California, to be Ambassador Extraordinary and Plenipotentiary to Finland;

Dr. Ruth Lewis Farkas, of New York, to be Ambassador Extraordinary and Plenipotentiary to Luxembourg; and

Michael P. Balzano, Jr., of Virginia, to be Director of Action.

The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Robert O. Blake, of California, and sundry other persons, for appointment and promotion in the Foreign and Diplomatic Service.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PEARSON:

S. 1356. A bill for the relief of Linda She Li. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 1357. A bill for the relief of Mary Red Head. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 1358. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Marias-Milk unit of the Pick-Sloan Missouri Basin program in Montana, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLELLAN:

S. 1359. A bill to amend section 9 of title 17 of the United States Code. Referred to the Committee on the Judiciary.

S. 1360. A bill to amend title 35 and title 17 of the United States Code to provide a remedy for postal interruptions in patent, trademark, and copyright cases. Referred to the Committee on the Judiciary.

S. 1361. A bill for the general revision of the copyright law, title 17 of the United States Code, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. McCLELLAN (for himself and Mr. SCOTT of Pennsylvania):

S. 1362. A bill to amend the act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1363. A bill to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the U.S. Passport Service, to establish a Passport Service Fund to finance the operations of the U.S. Passport Service, and for other purposes. Referred to the Committee on Foreign Relations.

S. 1364. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral.

Referred to the Committee on Labor and Public Welfare.

By Mr. STEVENS:

S. 1365. A bill to amend the act prohibiting certain fishing in U.S. waters in order to revise the penalty for violating the provisions of such act. Referred to the Committee on Commerce.

S. 1366. A bill to amend the Fishermen's Protective Act of 1967 in order to provide certain protection for U.S. fishermen and fish resources. Referred to the Committee on Commerce.

By Mr. CHURCH:

S. 1367. A bill relating to the income tax treatment of charitable contributions of copyrights, artistic compositions, or a collection of papers. Referred to the Committee on Finance.

By Mr. CASE:

S. 1368. A bill to prohibit the use for public works projects of any lands designated for use for parks, for recreational purposes, or for the preservation of its natural values unless such lands are replaced by lands of like kind. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS (for himself and Mr. BUCKLEY):

S. 1369. A bill to reestablish and extend the program whereby payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments. Referred to the Committee on Government Operations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCLELLAN:

S. 1359. A bill to amend section 9 of title 17 of the United States Code. Referred to the Committee on the Judiciary.

AMENDMENT TO COPYRIGHT ACT

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks, and Copyrights I introduce, for appropriate reference, a bill to amend section 9 of title 17 of the United States Code.

On February 27, the United Nations Educational, Scientific, and Cultural Organization announced the decision of the Government of the Union of Soviet Socialist Republics to adhere to the Universal Copyright Convention. The action of the Soviet Government was initially welcomed as a long-overdue acceptance of its responsibility toward the authors and other creators of works distributed and performed in the Soviet Union. The American intellectual community applauded the Soviet decision, because it will require the Soviet Union to extend to foreign nationals the same rights enjoyed by Soviet authors, including the payment of royalties.

Unfortunately, it now appears that the Soviet Government may contemplate using its adherence the Universal Copyright Convention as a tool to tighten its control over the circulation of literature which does not meet with Communist approval. On February 21, the Supreme Soviet adopted a decree amending the Soviet copyright law in connection with that country's adherence to the Copyright Convention. According to an Associated Press dispatch from Moscow the law "could sharply restrict publication in the West of works by Russian authors considered anti-Soviet." The news reports indicate that the new Soviet law apparently is designed to permit that country to prevent publication abroad of anti-Soviet works by bringing suits for infringement of United States or other copyrights, against publishers in foreign countries who issue these works. Presumably the Soviet Union under its domestic statute would claim proprietary rights in the United States or other foreign copyrights in the works of these authors.

The Authors League of America has expressed their serious concern at these developments and requested me to sponsor the bill which I am introducing today. A major objective of the international copyright community, and our domestic legislation, must be the protection of the rights of authors. The right to decide whether his work may be published in any country belongs to the author, or his heirs, or to the publisher or other person to whom he voluntarily has chosen to assign rights in the work. To assure that this fundamental right is preserved to the author, this legislation would amend section 9 of the U.S. Copyright Act to provide that a U.S. copyright secured to citizens of foreign nations shall vest in the author of the work, his executors or administrators, or his voluntary assigns. For the purposes of U.S. copyright law any such copyright shall be deemed to remain the property of the author regardless of any law of a foreign state which proports to divest the author or other persons of the U.S. copyright in his work. My bill further provides that no action for infringement of such copyright may be maintained by any nation claiming rights in such copyright by virtue of such foreign statute.

Before this legislation is processed by the Congress it will obviously be desirable to secure clarification of the intentions of the Soviet Government. I will also be interested in receiving the comments of the Department of State concerning the fears expressed by the Authors League, and others.

I ask unanimous consent that there be printed in the RECORD several editorials and articles from the New York Times, the Miami Herald, and the Washington Post.

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

[From the New York Times, Mar. 21, 1973]

REVERSE COPYRIGHT

When the Soviet Union announced several weeks ago that it was joining the Universal Copyright Convention, two schools of thought emerged on what the action meant. Optimists saw the Moscow move as part of a broader Soviet trend toward normalization of international relations and consequent improvement in the general atmosphere among nations. Pessimists contended, however, that the move was aimed at the very reverse of normalization, that Moscow sought primarily to use the copyright law as an additional bludgeon against its dissident writers with the aim of preventing the publication abroad of manuscripts the Soviet regime considered hertical.

On the evidence available now, the gloomier view was right. The Soviet Government seems to count on using the world copyright law to turn its tight domestic censorship into effective international censorship. New Soviet legal regulations just made public pose the threat of putting, say, Aleksandr Solzhenitsyn, between two fires. If a future manuscript of his is published abroad, he can be proscuted if he accepts responsibility for its extralegal export. But, if he claims the work left the Soviet Union without his consent, Moscow may be able to proceed against foreign publishers, using the convention's provisions as a legal basis for trying to block publication.

Ironically, the preface to the Universal Copyright Convention declares that "a universal copyright system will facilitate a wider dissemination of works of the human mind and increase international understanding." The apparent Soviet scheme now is to pervert the Convention into an instrument to hinder such "wider dissemination." That contradiction alone should make it possible for lawyers to frustrate the apparent Soviet intent to acquire international censorship privileges.

[From the New York Times, Mar. 18, 1972]

MOSCOW AMENDS LAW ON COPYRIGHT—OUTFLOW OF DISSIDENT WRITING IS APPARENT TARGET

Moscow, March 17.—The Soviet Union has amended its copyright law in an evident attempt to curb the unauthorized outflow of dissident literature.

Legal changes associated with Moscow's impending adherence to the Universal Copyright Convention also exempt from payment of royalties the reproduction of any writings for nonprofit scientific and educational purposes.

This provision seems to clear the way for continued free translation of much scientific and technical material in both the Soviet Union and the United States, if nonprofit use can be demonstrated.

These were among the principal points that emerged this week when the Soviet authorities published the text of amendments to existing Soviet copyright legislation dating from 1961. The legislation is part of the Soviet civil code adopted in that year.

New provisions tightening official control over the use of a Soviet citizen's writings in foreign countries made it evident that the wish to halt the outflow of underground literature had been a main factor inducing the Soviet Union to join international copyright arrangements at this time.

EXPLANATION OF DECISION

The Government's intention to join the 1952 Geneva Copyright Convention was announced Feb. 27 by the United Nations Educational, Scientific and Cultural Organization and becomes effective May 27. Soviet spokesmen have officially explained their decision as in keeping with the current trend toward international relaxation of tensions.

Previously, by abstaining from membership in the Copyright Convention, the Soviet Union was able to translate foreign authors at will without assuming any obligation to pay royalties. Other countries had similar uncontrolled rights to the use of Soviet writings.

By joining the international convention, the Soviet Union undertook to extend to foreign authors the same rights enjoyed by Soviet authors, including the payment of royalties. At the same time, Moscow also would be able to enjoin foreign publishers from issuing unauthorized Soviet materials.

The new legislation curbing the outflow of literature without permission is evidently intended to prevent the publication abroad of such authors as the novelist Aleksandr I. Solzhenitsyn, whose work is deemed ideologically unacceptable in the Soviet Union.

The copyright amendments, adopted Feb. 21 by the Presidium of the Supreme Soviet, the nominal legislature, were published in the Presidium's Vedomosti, or Bulletin, dated

Feb. 28. The issue reached subscribers this week.

The new regulations appeared to open the way for prosecution of Soviet authors who knowingly bypassed official channels in sending their work abroad. If an author contends that the work found its way abroad without his consent, the Soviet Union may now be able to take action against foreign publishers under the convention in an effort to block publication.

A key provision relevant to the problem of dissident literature secures a copyright over any manuscript in the Soviet Union not only to the author and his heirs but also to any assignee, which could conceivably be a Soviet Government agency. This would have the effect of giving the Soviet authorities virtually complete control over unpublished manuscripts in this country.

Another important change in the copyright legislation is a new section covering authors' rights. It says: "The procedure by which an author, citizen of the U.S.S.R., can assign the right for the use of his work within the territory of a foreign state is established by Soviet legislation."

The detailed procedure is not defined, but would clearly involve official control over the assignment of rights to any foreign publisher.

PUBLISHERS' REACTION HERE

The American publisher of Mr. Solzhenitsyn's current best-selling novel, "August 1914," said yesterday that the reported Soviet measures might "lead or force" the author to leave the Soviet Union to have his work published abroad. And the chairman of the Association of American Publishers, Robert L. Bernstein, termed the measures "regrettable" and "depressing."

Mr. Solzhenitsyn's publisher, Roger W. Straut Jr., said in an interview, "It's historically true that when Russian policy dictates a relaxation of their posture outside the U.S.S.R., they then tighten inside, and this seems to follow that policy."

Mr. Straus is the president of Farrar, Strauss & Giroux, which has published six of Mr. Solzhenitsyn's works, including an earlier best-selling novel, "The Cancer Ward," which won the Nobel Prize for Literature.

Mr. Bernstein said he had called an emergency meeting of the association's 21-man board of directors to discuss the new measures. The meeting is to be held here Wednesday after the association confers with State Department officials, authors and civil rights groups.

[From the Washington Post, Mar. 23, 1973]

CONCERN VOICED IN UNITED STATES AT SOVIET COPYRIGHT LAW

(By Anthony Astrachan)

NEW YORK.—A divided American publishing industry has made its first cautious response to what it calls "dismaying reports" that Soviet adherence to the Universal Copyright Convention "will be accompanied by repressive measures against Soviet authors."

The Soviets announced Feb. 27 that they would adhere to the international convention after centuries of ignoring western copyright practices under both czars and Bolsheviks. Last week they published a decree amending the domestic Soviet copyright law in connection with their adherence to the convention.

The decree makes it easier to punish dissident writers who send their works abroad. It does this by making the state the only legal channel for transmission abroad and by establishing three other provisions.

It extends copyright not only to published works but also to unpublished ones like the books of Aleksandr Solzhenitsyn, Nadezhda Mandelstam and scores of others that circulate in typed copies in the Soviet Union.

The decree also allows "compulsory purchase" by the state of a copyright from an author or his heirs. And it prevents translation for publication outside the Soviet Union without permission of the copyright holder.

In the past, samizdat (self-published) authors have contended that they did not authorize publication abroad, either because they genuinely had nothing to do with the transmission of a manuscript, or to protect themselves against state action.

If that happened under the new law, the Kremlin could theoretically sue the Western publisher of the work—though the Soviets almost never appear in a foreign court for any purpose.

Solzhenitsyn's American publisher—Roger Strauss, Jr., president of Farrar, Straus and Giroux—said he would continue to publish the Nobel prizewinner's work no matter what Soviet law might say—unless it put Solzhenitsyn's life, liberty or family in danger.

The sequel to "August 1914" is expected to be finished this year.

Other American publishers of samizdat authors took a similar line. But publishers who have made deals with Soviet state publishing houses said they would be in a real dilemma if confronted with a choice between those deals and a samizdat. They obviously leaned toward the state deals.

An emergency session of the board of directors of the Association of American Publishers Wednesday divided into two groups—one favoring a strong position and one that wanted more factual data before proceeding, according to industry sources.

After a 2½-hour meeting, they agreed unanimously on a compromise statement pledging "to take all steps which may be necessary at home or abroad to fulfill the commitments of American publishers and authors to the spirit of the Universal Copyright Convention."

Representatives of PEN and the Authors' League took part in the meeting and endorsed the statement.

The only steps that the statement specified were consultation with the State Department, members of Congress and other bodies and a request for clarification of the Soviet measures from Boris I. Stukalin. Stukalin is chairman of the U.S.S.R. state committee for publishing and headed a recent delegation of Soviet publishers to the United States.

Robert L. Bernstein, president of Random House and chairman of the publishers' association, added that the group would establish a permanent committee that would report monthly on the situation.

The publishers could, in fact, ask suspension of cultural exchanges that they had agreed on with the Soviet publishers; lobby against the exemption from the 30 per cent withholding tax on royalties that the Soviets are seeking under the U.S.-Soviet trade agreement; and lobby for an amendment to the U.S. copyright law that would prevent application of the Soviet measures here.

Their most effective measure, some observers suggested, would be to get members of Congress to do something comparable to Sen. Henry M. Jackson's proposal to deny the Soviets most-favored-nation status in trading as long as they make it difficult for Soviet Jews to emigrate to Israel.

[From the Miami Herald, Mar. 17, 1973]

LAW COULD BE BARRIER TO BOOKS—SOVIETS MODIFY COPYRIGHT PACT

MOSCOW.—A new Kremlin law could sharply restrict publication in the West of works by Russian authors considered anti-Soviet.

The law is Decree No. 138 of the Supreme Soviet, passed Feb. 21 but distributed this week in the legislative body's weekly bulletin of new legislation. It was signed by President Nikolai V. Podgorny.

The decree modifies Soviet law in connection with Moscow's announcement of Feb. 14 that it will become a party to the Universal Copyright Convention effective May 27.

The law seemed aimed at stopping publication abroad of "samizdat" works critical of the regime. Samizdat, which means self-published, circulate clandestinely in typewritten copies and many such works eventually reach the West published there.

Authors of "samizdat" have ranged from Nobel * * * to hundreds of obscure dissident Soviet citizens whose writing—evoke more political than literary interest.

The decree said the copyright pact, adopted in Geneva in 1952, will apply to "works first published on the territory of the U.S.S.R.—or, not published, but found on the territory of the U.S.S.R. in any objective form."

This seemed a clear reference to any work not officially published but circulated clandestinely.

If the manuscript were smuggled abroad and published under the name of a Soviet citizen, the secret police could presumably summon the author and confront him with the published work.

If he denied he authorized publication abroad, the Soviet Union could bring legal action against the Western publisher for violating the copyright convention. If the writer did authorize foreign publication, he could be prosecuted under Soviet law.

Solzhenitsyn, for example, has denied he authorized foreign publication of such best sellers as "The First Circle" and "Cancer Ward", both banned here. In such cases, the copyright pact would be a handy means of putting pressure on author or publisher.

The new law also specified that the Soviet Union would recognize a foreign copyright for a Soviet citizen only if the work were sent abroad "by a procedure established by legislation" of the U.S.S.R.

The new law added that this "procedure" is the only way a Soviet citizen can legally send a work abroad.

Soviet refusal to recognize a foreign copyright for a Russian author would deny him royalties earned from the book.

Boris I. Stukalin, chairman of the State Committee on Publishing, Printing and Book Distribution, said at a press conference March 9 that the "appropriate Soviet organization"—the state bank—would not transfer royalties from abroad unless the author had used official channels to send his work out of the country.

Under previous practice, an author banned here but published abroad could receive at least a cut of his foreign royalties by bank transfer. But the government charged a 13 per cent income tax plus a 35 per cent surcharge for converting the hard currency into ruble certificates.

By Mr. McCLELLAN:

S. 1360. A bill to amend title 35 and title 17 of the United States Code to provide a remedy for postal interruptions in patent, trademark, and copyright cases. Referred to the Committee on the Judiciary.

Mr. McCLELLAN, Mr. President, as chairman of the Subcommittee on Patents, Trademarks, and Copyrights, I introduce, for appropriate reference, a bill to amend title 35 and title 17 of the United States Code to provide a remedy for postal interruptions in patent, trademark, and copyright cases.

During the 92d Congress, at the request of the Department of Commerce, I introduced S. 4028 to grant relief from delays in the postal service in patent and trademark cases. The patent and trademark laws of the United States contain

certain time periods, during which specified actions must be taken by patent and trademark applicants and owners or by their attorneys or agents. Failure to take a required action within the statutory time period generally results in a forfeiture of some or all of the patent or trademark rights involved. There has occurred in the past, and may well occur in the future, disruptions of postal service because of labor disputes or exceptional circumstances, such as floods, riots, and so forth. The purpose of this legislation is to permit the Commissioner of Patents to provide relief from injury sustained by patent and trademark applicants when there is an interruption in regular postal service.

Subsequent to the introduction of S. 4028, I was requested to include in the bill appropriate provisions covering disruption or suspension of postal or other services in copyright cases. Such language has been added to the bill which I am introducing today. This additional language has been approved by the Copyright Office.

Favorable action on this bill would relieve the Congress and the executive branch of the time-consuming process of considering the merits of individual private bills for relief in the event of an interruption of postal service.

By Mr. McCLELLAN:

S. 1361. A bill for the general revision of the copyright law, title 17 of the United States Code, and for other purposes. Referred to the Committee on the Judiciary.

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks and Copyrights, I introduce, for appropriate reference, a bill for the general revision of the copyright law, title 17 of the United States Code, and for other purposes. Title I of this legislation provides for the general revision of the copyright law, title II establishes the National Commission on New Technological Uses of Copyrighted Works, and title III provides for the protection of ornamental designs of useful articles.

Other than for necessary technical amendments relating to the effective dates of various provisions, the bill is identical to S. 644 of the 92d Congress. That bill, other than for minor amendments, is identical to the bill reported by the subcommittee in December 1969.

As is by now well known, any significant progress on general revision of the copyright law has been effectively precluded in recent years by the multifaceted cable television issue. A major section of the revision bill relates to the resolution of the copyright status of the cable television industry. Progress on the revision bill had to await the adoption by the Federal Communications Commission of a new cable television regulatory scheme. These rules became effective during 1972.

Section 111 of the legislation approved by the subcommittee contains a comprehensive resolution of the CATV question, including both regulatory and copyright matters. The subcommittee adopted such a comprehensive provision in response to the recommendations of the then Chairman of the Federal Communications Commission. When Mr. Dean Burch became Chairman of the FCC he consulted the subcommittee concerning the development of coordinated procedures by the Congress and the Commission to facilitate a resolution of the CATV issue, and to permit the orderly development of the cable industry. Under the effective leadership of Chairman Burch substantial progress has been achieved in creating a constructive cable television policy for this Nation. The regulations adopted by the Commission are generally consistent with the recommendations made by the subcommittee in section 111 of the copyright bill. It is therefore anticipated that when the subcommittee processes the revision bill, it will eliminate those provisions of a regulatory nature that were the subject of the recent FCC rulemaking proceedings.

The subcommittee determined that the public interest justified, and practical realities required, the granting in certain circumstances of a compulsory license to perform copyrighted works. The subcommittee approved such licenses as part of the cable television, mechanical royalty, jukebox royalty, and performance royalty sections of the revision bill. With respect to each of those issues the subcommittee decided that the Congress would determine the initial royalty rate, and that a Copyright Royalty Tribunal would be established for the purpose of making periodic review and adjustment of the rates.

It has been proposed that special treatment should be accorded the cable television royalty issue. The principal justification for this position is a private agreement developed by Dr. Clay T. Whitehead, Director of the Office of Telecommunications Policy. The Whitehead agreement has been generally interpretated as seeking to eliminate the Congress from any role in determining cable television royalty rates. Even though public law places copyright affairs exclusively in the legislative branch, neither the Copyright Office of the Library of Congress, nor the House or Senate subcommittees having jurisdiction in copyright matters, were represented at Dr. Whitehead's meetings.

Another major issue in the revision legislation that requires brief comment at the present time is the photocopying of copyrighted works. There has recently been an organized letter-writing campaign by presidents of universities and others in support of a substitute photocopying section of the revision bill. Certain of these letters reflect an incomplete and somewhat distorted understanding of the decisions taken by the subcommittee. For example, Dr. Jerome B. Wiesner, president of the Massachusetts Institute of Technology, has written me that the subcommittee position:

> Seems likely to result in the imposition of a fee or a delay whenever a student or scholar wants to copy part of a copyrighted work in order to facilitate his study or research.

This is grossly inaccurate. The bill approved by the subcommittee, together with the draft of the report on that legislation, has made adequate and reasonable provision for the needs of research and scholarship.

Dr. Wiesner says the payment of any copyright fees would "constitute a regressive tax on education and research to give a windfall to publishers." Authors, publishers, librarians, and educators share many common goals. It is still to be hoped that a satisfactory accommodation can be achieved, and that the discussions currently in progress will result in the presentation of recommendations to the subcommittee with the endorsement of both the copyright and academic communities.

Prior to the suspension of action on the revision bill, the subcommittee conducted 17 days of hearings during which there was testimony by 149 witnesses. Subsequent to the hearings a number of public and staff meetings have been held on issues involved in this legislation. The subcommittee has also requested on a number of occasions supplementary written statements on specified issues.

The subcommittee has now received several requests to conduct additional hearings because of events which have transpired since the original action by the subcommittee on this legislation. My personal view is that additional hearings are unlikely to produce any significant new information. There is also the possibility that public hearings would tend to polarize positions on some issues where efforts to secure accommodations are still in progress. Despite these reservations the subcommittee will reopen the hearings to hear supplementary presentations on selected issues where there have been significant developments since the previous action of the subcommittee. The subcommittee will allocate equal time on these issues to the principal spokesmen for the various points of view. These issues include:

First. Library photocopying—sections 107 and 108 of the bill.

Second. The proposed amendment of the ad hoc committee—of educational organizations and institutions—on copyright law revision, relating to a general exemption for education purposes.

Third. The cable television royalty schedule.

Fourth. The application of the compulsory license provisions of the cable television section 111 to the carriage of sporting events by cable television systems.

Fifth. The proposed exemption for the making of copies of tapes of religious broadcasts—section 112(c) of the bill.

Since efforts to achieve a resolution of certain of these issues are continuing, it would not be feasible to conduct hearings at the present time. I shall follow the progress of the current discussions, and review the situation at a later date. When it would serve a constructive purpose, I shall schedule the hearings as soon as my other legislative responsibilities permit.

By Mr. McCLELLAN (for himself and Mr. SCOTT of Pennsylvania):

S. 1362. A bill to amend the act to provide for the registration and protection of trademarks used in commerce, to carry

out the provisions of certain international conventions, and for other purposes. Referred to the Committee on the Judiciary.

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks, and Copyrights, I introduce, for appropriate reference, on behalf of myself and Mr. SCOTT of Pennsylvania, a bill to amend the act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. This legislation is known as the proposed Unfair Competition Act of 1973.

The bill would establish a uniform body of Federal unfair competition law by creating a Federal statutory tort of unfair competition affecting interstate commerce, and by establishing Federal jurisdiction over such tort claims within the framework of the Trademark Act of 1964. The crux of the bill proposes a new section 43(a) of the Trademark Act including in three subsections those torts generally acknowledged to give rise to the major part of the law of unfair competition. In a fourth subsection, provision is made for the Federal courts to deal with other acts which constitute unfair competition because of misrepresentation or misappropriation of goods or services.

The bill provides that all of the remedies set forth in the Trademark Act for infringement of trademarks would be available in respect to acts of unfair competition. However, the bill would not affect remedies which are otherwise available or preempt the jurisdiction of any State in cases of unfair competition.

Most of the provisions in the bill which Senator SCOTT and I are introducing today are identical to S. 647 of the 92d Congress. The bill, however, does incorporate several amendments which have been suggested by the National Coordinating Committee which has been established to seek the passage of this legislation. The purposes of the principal amendments are:

First. To clarify the intent of the legislation to establish a Federal cause of action for unfair competition in meritorious product simulation cases of a type as to which relief has been barred under State law by virtue of certain decisions of the U.S. Supreme Court.

Second. To clarify that the misrepresentation or disparagement of another person's goods, and so forth, which is proscribed by this bill relates to "a false or misleading representation or omission of material information."

Third. To clarify that the legislation is not intended to broaden the presently existing common law in respect to the protection of trade secrets or confidential information.

Fourth. To clarify the discretionary authority of Federal courts to require proof of intent to injure, and so forth, in awarding monetary relief "subject to the principles of equity" under section 35.

By Mr. HUMPHREY:

S. 1363. A bill to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the U.S. Passport Service, to establish a Passport Service Fund to finance the operations of the U.S. Passport Service, and for other purposes. Referred to the Committee on Foreign Relations.

A U.S. PASSPORT SERVICE WITHIN THE STATE DEPARTMENT

Mr. HUMPHREY. Mr. President, I introduce legislation to solve a problem of growing proportions. I am referring to the problem of providing quick, economical, and efficient passport service to the growing number of American travelers.

Americans enjoy a higher standard of living than any other people in the world. This has enabled many of our citizens to take advantage of the opportunity to travel. Moreover, special travel packages, chartered tours, and student fares are making foreign travel available to more people than ever before. Approximately 7 million Americans, by one means or another, traveled outside the United States last year.

Mr. President, the Passport Office is not equipped to handle the increased demand for passports. Every spring the Passport Office faces a huge influx of applications for passports. This service along with the many other significant and important work functions, studies and projects are directly related to the processing and issuance of passports make efficient service difficult, if not impossible.

In fiscal year 1972 the Passport Office issued a total of over 2½ million passports. This volume of passports represents an increase in workload of 12.7 percent over the passports issued the previous year. Personnel utilization increased by 12 percent in fiscal year 1972 from 702 man-years utilized in fiscal year 1971 to 786 man-years utilized in fiscal year 1972.

There have been great increases during the past year in services requiring many man-hours to process. For example, the man-hours required to service locator and status cards in the files rose by 15 percent.

To some of these increasing demands the State Department has expanded a program under which post offices across the country will accept passport applications from Americans intending to travel abroad. At this time over 600 post offices throughout the United States are now processing passport applications.

The State Department began this program in 1970 despite the problems the Postal Service was experiencing. It seems increasingly clear that the Postal Service is unable to provide quick and efficient mail service let alone passport service. The Senate Post Office and Civil Service Committee is now conducting an investigation of the poor quality of postal service.

The State Department has offered other stop-gap solutions to passport problems. Night shifts were established in Boston, Philadelphia, and San Francisco passport agencies. A further solution to the problem offered by the State Department was to propose that in the future passports be issued to persons applying all over the country through three centralized plants located in low-rent areas on a regional basis.

Both of these plans proved to be totally unrealistic. Instead of bringing passport services closer to the people, the State Department solutions worked in the opposite direction. For example, to make their night shift idea work the State Department ordered the Passport Office to shift applications willy-nilly from one agency to another and many times to a third. Such a procedure was bound to produce inordinate delays in the issuance of passports.

Mr. President, it is time that the Congress stepped into this mess and offered a long range, practical solution to this problem. Back in 1956 when I was on the Government Operations Committee, I had a great deal to do with modernizing and updating the operation of the Passport Office. Modern machines and techniques were introduced to provide the kind of service that the American citizen wanted and deserved. It is obvious that this kind of service is no longer possible under the present system.

The bill I am introducing today will, I believe, restore fast and efficient service to the Passport Office. It is not too different from the bill I offered in 1956. The most important provisions are similar to those found in S. 3340 which I introduced then.

Section 1 of the bill creates within the Department of State a "U.S. Passport Service," which would be comparable to the Immigration and Naturalization Service of the Department of Justice. It would be responsible to the Secretary of State. This status is commensurate with the growing importance of the service it performs to the American public.

Another section gives the Director of the Passport Service the authority to establish passport agencies or passport service offices wherever the needs of the public require and whenever they will be self-sustaining. By self-sustaining I mean that the revenue they bring in, in fees, will equal or exceed the cost of their operation. This provides a reasonable check on the proliferation of passport agencies which some people in the State Department and elsewhere seem to fear.

The most important provision of this new bill is almost identical to a similar provision in S. 3340. It would establish for the Passport Service what is called a revolving fund. In simple terms this means that the Service would be permitted to use a portion of the revenue it returns to the Treasury each year to modernize its methods, to establish the new agencies, and generally to provide more and better service to the American public.

This provision would not permit unbridled spending by the Service. The bill provides for elaborate accounting procedures, annual audits by GAO with reports furnished to the President and Congress, and the annual submission of a business-type budget. These procedures offer a very firm system of checks and balances which will provide ample opportunities for scrutiny by both the executive branches of the Government of every penny that is spent by the Service.

And finally, the bill I propose today would increase the execution and passport fees presently set by law to $10 and $15, respectively. It has long been my belief that not only should this service of-

fered by the Federal Government be self-sustaining, but also that where local and State governments assist the Federal Government in its endeavors they should be fully compensated for their services.

Approximately half of the passport applications filed annually in the United States are executed before Federal and State clerks of court.

Mr. President, a Passport Office designed to meet the demands of 1956 will not meet the demands of 1976. It is estimated that 4 million passports will be issued in 1976. In order to meet this demand we need legislation which offers reasonable yet significant changes in the Passport Office. The bill I have presented today will provide American citizens with the kind of convenient, efficient, and economical service for which they pay, and to which they are entitled.

By Mr. HUMPHREY:

S. 1364. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral. Referred to the Committee on Labor and Public Welfare.

NATIONAL CHILD ABUSE PREVENTION ACT OF 1973

Mr. HUMPHREY. Mr. President, I am today introducing the National Child Abuse Prevention Act of 1973. This legislation broadens and strengthens the efforts of Federal, State, and local governments to develop child abuse, child neglect treatment and prevention programs.

Mr. President, it may come as a surprise and shock to many of us to realize that the highest number of deaths among children are child abuse related. Some authorities place the number of child abuse related deaths to around 700 a year, and about 50,000 to 200,000 children suffer serious physical abuse each year.

In a recent letter to me, Jule M. Sugarman, the Administrator of the New York Cities Human Resources Administration said:

> In our view the problems of child maltreatment in New York City have reached extraordinary proportions. Through October, nine thousand children have been reported as allegedly neglected and abused, with the 1972 annual total likely to reach ten or eleven thousand. Reported instances of suspected maltreatment resulting in child fatalities have averaged one per week with the actual incidence perhaps as high as 125 for New York City alone.

It is for this reason that I have joined with Congressman MARIO BIAGGI from New York in sponsoring this new legislation.

The National Child Abuse Prevention Act of 1973 would amend the Elementary and Secondary Education Act by adding a separate new title on child abuse.

This title provides for an authorization of $60 million of grants over a period of 3 years. Any State wishing to qualify for a portion of these funds must submit to the Secretary of HEW a comprehensive plan for child abuse treatment and prevention which includes:

Adequate reporting laws—either on the books or pending in the legislature—which meet the standards specified in this bill;

Programs designed to train professionals in the appropriate techniques of child abuse treatment and prevention;

Public education projects which would serve to inform citizens of the high incidence of child abuse and neglect, as well as indicating the procedures for reporting suspected cases of maltreatment to the appropriate social service and law enforcement officials;

The establishment of a central registry to coordinate on a statewide level all information relating to convictions and other court actions within that jurisdiction.

The bill also creates a National Child Abuse Data Bank within HEW. This central agency will receive and evaluate confidential reports from every State in the Nation, with a view toward determining the actual incidence of abuse and neglect throughout the country and those trends in treatment and prevention which could serve as a rational basis for developing program standards and criteria in the future.

Mr. President, my colleague from Minnesota, Senator MONDALE, has just introduced a comprehensive child abuse bill. I joined in cosponsorship of that legislation. I would hope that when my colleague holds hearings on his legislation that he would also consider the legislation I am sponsoring today.

Mr. President, I ask unanimous consent that two articles on child abuse, written by Dr. Vincent Fontana, an authority on child abuse prevention and treatment, and the text of the National Child Abuse Prevention Act of 1973, be printed in the RECORD.

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

CHILD ABUSE—A SOCIAL DISEASE

(By Vincent J. Fontana, M.D.)

It has been estimated that at least 700 children are killed every year in this country by their parents or surrogates. Last year the New York Central Registry reported 54 deaths, attributable to suspected parental maltreatment. The Medical Examiner's office reported 48 child homicides of which 50% did not appear in the Registry. Furthermore, 150 children's deaths were attributed to a party other than the parent, bringing the total number of deaths due to probable abuse up to approximately 200 in New York City, alone. And this figure is most likely a good reflection of true incidence.

Thousands of other children are permanently injured, both physically and mentally, in New York City in 1971 there was more than a 500% increase in reported cases of abuse and neglect within the period 1966–1970. The New York Times, February 14, 1972 reported that this year's cases will be close to 7,000, an increase in 3,000 over 1971.

While there is reason to believe that the increase in part may be a reflection of article 10 of the Family Court Act which broadened the definition of those officials mandated to report abuse, the very high estimate is certainly cause for deep concern—especially since a large number of cases go unreported at all. In a recent survey in Rochester, for example, it was estimated that 10% of all traumas in children between infancy and 14 appearing in the emergency room of Rochester General Hospital were due to abuse, another 10% to neglect. That is 20% of all traumas admitted to the emergency room fell into the category of maltreated children.

Violence is a social disease, of epidemic and endemic proportions, which is becoming more entrenched in our population. The future of our society and the entire fabric of our civilization rests on what can be done to avoid violence. Child abuse, a symptom of the violence running rampant in our communities results in social disorganization and disintegration. This generation's battered children, if they survive, will be the next generation's battering parents. Recent published reports suggest that hard core criminals and murderers in our society were formerly battered and abused as children. Hence, child abuse is not only a time limited phenomenon, to be seen as an age-specific social problem, but it is a dynamic phenomenon, both the cause and effect of a cyclical pattern of violence, indirectly reflected in all other statistics on crime.

The list of known injuries suffered by children at the hands of one or both parents has included parents throwing, shooting, stabbing, burning, drowning, suffocating, biting, sexually violating, and deliberately disfiguring their own infants and children. By far, the greater number of injuries resulted from beatings with various kinds of implements and instruments. In addition to bare fists, the more common instruments here included straps, electric cords, TV aerials, ropes, rubber hoses, sticks, spoons, pool cues, bottles, baseball bats, and chair legs. Some children have been strangled or suffocated with pillows held over their mouths, or plastic bags thrown over their heads. A number have drowned in bathtubs.

This disease of child abuse and neglect if not properly managed, leads to critical consequences. One out of every 2 battered children dies after being returned to his parents. Most authorities have agreed that the mortality rate of such children released after treatment is as high as 50%. If the case is not suspected and reported and if the community follow-up is not initiated or if the child is returned home, recurrent injuries and admissions to hospitals are frequently encountered, the child often arriving dead in the emergency room. In addition, a large percentage of children became lame, mentally retarded, blind, or show other evidences of permanent physical damage.

Of the 10,920 murders in this country in 1966, 1 in every 22 involved a child killed by his own parents. Dr. Resnick of Cleveland, Ohio, told the American Psychiatric Association that his investigation of child murderers, which included 88 mothers and 43 fathers, indicated that the killing of children could have been motivated by an altruistic crime in order to relieve the victim of suffering by an acutely psychotic parent under the influence of drugs. Parents also were noted to have unwanted children with extramarital difficulties and financial pressures and a spouse revenge attitude in abusing, neglecting, and often killing the unwanted child was also present.

Strong considerations should be given to the thesis that treating the syndrome of the battered child may be a means of preventing, not only possible permanent physical injury, death of the child, and psychological damage, but may also be a means of breaking the "violence breeds violence" cycle. The most important aspect of this entire disease and a fact that must be faced up to is that these children that have been abused and neglected and who survive physically will have emotional and psychological crippling which is passed on to succeeding generations with a sense of rejection and violence.

In a recent publication, Richard H. Hanson, a lawyer, wrote in the American Bar

Association Journal: "So much has been written about the 'battered child syndrome', that an observer might conclude that either nothing is being done about it or that everything that can be done has been done. The law in this area is still in its genesis regardless of the volume of printed words on the subject." He emphasizes: "Doctors, Social Workers, and Lawyers can take justifiable pride in the passage of child abuse laws in every state of the union, but the difficulties that remain in terms of education for diagnosis, more effective reporting and investigation, follow-up checks on the child, and family therapy cannot be minimized. Whether we get much further depends upon pursuing the intradisciplinary approach with ingenuity and persistence."

Paulsen in a study of the legal protections against child abuse expressed concern with the reporting laws: "Reporting is of course not enough. After the report is made, something has to happen. A multi-disciplinary network of protection needs to be developed in each community to implement the good intentions of the law. The legislatures which require reporting but do not provide the means for further protective action delude themselves and neglect children." Paulsen continued: "No law can be better than its implementation and its implementation can be no better than the resources permit." We feel that this is an important statement relating directly to the core of the problem of child abuse legislation in this country.

Certainly in the last decade, the most pressing problem of child abuse has been recognized by society by the passage of these child abuse laws in every state of the United States. However, a reluctance on the part of the physician, traditional yielding to parental authority by the courts, over-lapping of investigation by social service agencies, inadequate training of social workers and allied personnel in the field of child abuse, and very poor communication between the various disciplines responsible for protecting the abused child has resulted in the lack of protection for the abused and neglected child and has given an opportunity to the battering parents to continue these vicious actions.

Only through cooperative planning between the various agencies that are responsible for child protection can the child be properly cared for and the parents rehabilitated. These decisions must be made, not only to protect the child but also to help the parents. These decisions should be made with a cooperate effort on the part of the physician, social agencies, and the courts of the community. Protection of the child, the protection of parental rights should be the ultimate aim of all of these various disciplines. The physicians, the hospital administrators, social workers, and legal advisors should all have specific guidelines to direct them in delineating responsibility in the management of child abuse and neglect cases. These decisions are most important and cannot be left to personal feelings and bias of either physician, social worker, or judge. All humans are victims of making errors when encountering difficult decisions which in this grave disease may be responsible for the future welfare of a child who is injured again and oftentimes killed. The future of the abused child, in turn, is dependent on the education and enlightment of all people concerned with child care, upholding the laws of the various states, and finding means of reporting that will make protection of the child and subsequent investigations of child abuse more realistic and more efficient. Further progress can only be made in the prevention of this disease by proper interdisciplinary, cooperative educational programs, delineating responsibilities of the specific disciplines involved and a realistic follow-up of the cases with the subsequent determination of the effectiveness of a program by ultimate analysis of conclusions and decisions.

Community and personal involvement by all people will bring us closer to eradicating this social disease. The New York Child Abuse Law mandates that Physicians, Surgeons, Dentists, Osteopaths, Podiatrists, Optometrists, Chiropractors, Residents, Interns, Registered Nurses, Hospital Personnel, School Officials, Social Service Personnel, Medical Examiners, Coroners, and Christian Science Practitioners report all suspected cases of child abuse and neglect.

I would like to conclude this with a statement in a recent commentary in the medical journal, Pediatrics—"The death of a child may be a biologic event but pediatricians know better than most men that its etiology, prevention and treatment often fit more easily into a conceptual framework based on human behavior, environment, or society. It would seem, therefore, a single child's death, whether by public or private neglect, or by a fire or an air raid, in London or Vietnam, is always a finite biological event whose social significance must concern the pediatrician. Methods to prevent or treat the underlying social pathology impinge upon moral and ethical value systems in the power structures of human societies."

THE MALTREATMENT SYNDROME IN CHILDREN

(By Vincent J. Fontana, M.D.)

It is difficult to accept the fact that in our society today inhuman cruelty to children appears to be rapidly increasing and that the perpetrators of these crimes are, for the most part, not strangers but the parents themselves.

Only in the past decade has there been an apparent awareness of "battered" children. Kempe, in his report in 1962, gave results of a nationwide survey of hospitals and law enforcement agencies indicating a high incidence of battered children in a 1-year period. A total of 749 children were reported as being maltreated; of this number 78 died and 14 suffered permanent brain damage. In New York City alone in 1969, a total of 2,169 suspected child abuse cases were reported to the State Department of Social Services in New York City: 120% increase over the 1968 total of 987. The true incidence of this disease is unknown since only a fraction of the total number of neglected and abused children are recognized or come for medical attention.

The term "battered child syndrome" has served its purpose in the identification of a child who has been excessively abused and seriously battered. Unfortunately, it does not fully describe the true nature of this pediatric life-threatening condition. An all encompassing term that could be more appropriately applied is that of the "maltreatment syndrome in children." A maltreated child often presents with no obvious signs of being battered but with multiple minor physical evidences of emotional, and at times, nutritional deprivation, neglect, and abuse. In these cases, the diagnostic ability of the physician and other paramedical personnel can prevent the more severe injuries of inflicted trauma that are the significant causes of childhood deaths.

The maltreated child is often taken to the hospital or private physician with a history of "failure to thrive," malnutrition, poor skin hygiene, irritability, a repressed personality, and other signs of obvious neglect. The more severely abused children have been seen in the emergency rooms of hospitals with external evidences of body trauma, bruises, abrasions, cuts, lacerations, burns, soft tissue swellings, and hematomas. Inability to move certain extremities because of dislocations and bone fractures associated with neurologic signs of intracranial damage are additional signs of inflicted trauma. Abdominal signs and symptoms may also be present. Signs and symptoms pointing to the maltreatment syndrome of children, therefore, range from the simple undernourished infant with poor skin hygiene, irritability (often reported as "failure to thrive") to the "battered child"—the last phase of the maltreatment spectrum.

Diagnosis of the maltreatment syndrome is dependent on a precise history, physical examination, x-rays of long bones and skull, and social service investigation. The history related by the parents is often at variance with the clinical picture and physical findings noted on examination of the child. Physical examination, x-rays of long bones and skull, and high index of suspicion on the part of the physician will assist him in his evaluation and differential diagnosis.

Maltreatment of children by parental abuse or neglect may occur at any age with an increase of incidence in children under 3 years of age. One parent, more often the mother, is the active batterer and the other parent passively accepts the battering. The average age of the mother who inflicts the abuse on her children has been reported to be about 26 years, the average age of the father is 30 years. The battered child is usually the victim of emotionally crippled parents. The battering parent appears to react to his own child as a result of past personal experiences of loneliness, lack of protection, unwantedness, and lack of love. Some of these mothers have been raised by several foster parents during their own childhood. Divorce, alcoholism, unemployment, financial distress, perversions, and drug addiction play leading roles as "triggers" causing the potentially abusing parent to inflict abuse on his or her own children. The problem of child abuse does not seem to be limited to any particular economic, social, or intellectual level, race, or religion.

This disease, if not properly managed, leads to critical consequences. It is estimated that 1 out of every 2 "battered" children dies after being returned to his parents. Many of these battered children, if they survive and approach adolescence, begin to show signs of psychologic and emotional disturbances reported as irreversible in most cases. Karl Menninger believed that every criminal was an unloved and maltreated child. There has been expressed concern that the probable future tendency of abused children is to become the murderers and perpetrators of crimes and violence in our society.

Efforts have been made throughout the country to protect the abused or battered child by the enactment of child abuse laws in every state of the nation. Fundamentally these child abuse laws are only the first step in the protection of the abused and neglected child. It is what happens after the reporting that is of utmost importance. A multidisciplinary network of protection needs to be developed in each community to implement the good intention of these child abuse laws. The physician's duty is not only to report the cases of child abuse but also to initiate steps to prevent further maltreatment. He must become intimately involved in the social and legal actions taken to protect the child and assist, if necessary, in the treatment of the parents.

PHYSICIAN'S INDEX OF SUSPICION

History

Parents often relate a story that is at variance with clinical findings.

Multiple visits to various hospitals.

Familial discord or financial stress.

Reluctance of parents to give information.

Physical examination

Signs of general neglect, poor skin hygiene, malnutrition, withdrawal, irritability, repressed personality.

Bruises, abrasions, soft tissue swellings, hematomas, old-healed lesions.

Evidences of dislocation or fractures of the extremities.

Radiologic manifestations

Subperiosteal hematomas
Epiphyseal separations
Periosteal shearing
Metaphyseal fragmentation
Previously healed periosteal reactions
"Squaring" of the metaphysis

Differential diagnosis

Scurvy and rickets.
Infantile cortical hyperostosis.
Syphilis of infancy.
Osteogenesis imperfecta.
Accidental trauma.

PREVENTIVE MEASURES

Medical

Awareness of the problem and the diagnostic criteria.

Consider physical abuse in differential diagnosis of suspected cases.

Report suspected cases to child protective agencies or law enforcement bureaus or both.

Medical education of the graduate, postgraduate, and practicing physician.

Fulfillment of the physician's medical, moral, and legal responsibilities in the management of maltreated children.

Social

Recognition of the problem by society.

Community cooperation for better child protection.

Support of child protective agencies:

Sufficient funds.

Administrative structure with authority.

Persistent and precise complete social service investigation in suspected cases of child abuse.

Family life, education, and rehabilitation of parental delinquents.

Cooperative efforts of all social agencies in combatting the problem of maltreatment in children.

Legal

Protection of parents by the courts when presented with invalid evidences.

Protection of child by laws making it mandatory for a physician to report cases of maltreatment in children.

Protection of the physician by legislation which would prevent possible damage suits by the parties involved in any court action.

S. 1364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Elementary and Secondary Education Act of 1965 is amended by adding at the conclusion thereof a new title, to be referred to as the "National Child Abuse Prevention Act of 1973":

"TITLE X—CHILD ABUSE

"SEC. 1001. The Secretary of Health, Education, and Welfare (hereinafter referred to as the 'Secretary') is authorized to make grants to designated State agencies for the purpose of assisting the States and their political subdivisions in developing and carrying out child abuse and neglect treatment and prevention programs as provided in this title.

"SEC. 1002. For purposes of this Title—

"(1) the term 'State' means the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam; and

"(2) the term 'designated State agency' means an agency or instrumentality of a State which has been designated by the chief executive of such State as responsible for carrying out this Title in such State, and which has the legal and administrative powers necessary to develop, submit, and carry out (itself or through arrangements with other public or private agencies and instrumentalities) a State child abuse prevention plan: and

"(3) the term 'child abuse' has such meaning as may be given it by or under applicable State or local laws; except that in any case it shall include the physical or mental injury, severe abuse, or maltreatment or a child under the age of eighteen by a person who is responsible for the child's care and protection or who is a member of the child's household, occurring under circumstances which indicate that the child's health or welfare is harmed or threatened thereby, as determined in accordance with regulations prescribed by the Secretary.

"SEC. 1003. (a) There are authorized to be appropriated such sums, not exceeding $60,000,000 in the aggregate, as may be necessary to carry out this Act. There are authorized to be appropriated $20,000,000 for the fiscal year beginning July 1, 1973 and $20,000,000 for each of the two succeeding fiscal years.

"(b) Sums made available under subsection (a) shall be used by the Secretary for making grants to designated State agencies which have submitted, and had approved by the Secretary, State child abuse prevention plans fulfilling the conditions of section 1004.

"(c) The Secretary may allocate the sums made available under subsection (a) among the several States on the basis of their respective need for assistance in preventing and otherwise dealing with child abuse and their respective ability to utilize such assistance effectively.

"SEC. 1004. In order for the designated State agency of a State to qualify for assistance under this Title, such State must have in effect a child abuse prevention plan which embodies a program for effectively treating and preventing child abuse and neglect in the State. Such child abuse and neglect treatment and prevention plan shall not be limited to the following criteria and standards but will be required to:

"(1) demonstrate (A) that there are in effect throughout the State adequate State or local child abuse laws and related laws providing for the care and welfare of children, or that the State has initiated and is carrying out a legislative program designed to place adequate child abuse laws and related laws in effect throughout the State, and (B) that such laws are being or will be effectively enforced:

"(2) provide (under the child abuse laws referred to in paragraph (1) or otherwise) for the reporting of instances of child abuse, and for effectively dealing therewith through appropriate subsequent action and proceedings, in a manner complying with all of the conditions and requirements of section 1005;

"(3) demonstrate that there are in effect throughout the State, in connection with the enforcement of the laws referred to in paragraph (1) and the conduct of the activities described in paragraph (2), such administrative procedures, such personnel trained in child abuse and neglect treatment or prevention, such training procedures, such institutional and other facilities (public and private), such provisions for obtaining any required State, local and private funds, and such related programs and services as may be necessary or appropriate to assure that the State and its political subdivisions (through the program embodied in the plan and otherwise, with Federal funds made available under this Title) will be able to deal effectively with (and will in fact deal effectively with) child abuse and neglect in the State;

"(4) provide that the designated State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(5) provide for dissemination of information to the general public with respect to the problems of child abuse and neglect, and the facilities and methods available to combat child abuse and neglect; and

"(6) contain such other provisions as the Secretary may require to insure that the plan and the program embodied therein will to the maximum extent feasible achieve the objective of preventing or eliminating child abuse.

"SEC. 1005. (a)(1) As a condition of the approval of any State child abuse and neglect treatment and prevention plan, such plan shall provide for and require the reporting of cases of child abuse or neglect occurring in the State, with appropriate proceedings and other activities to deal with cases of child abuse or neglect so reported in the manner specified in this section.

"(2) In any case in which a doctor, nurse, schoolteacher, social worker, welfare worker, medical examiner, or coroner finds or has reason to suspect, on the basis of a child's physical or mental condition or on the basis of other evidence, that such child is or has been the victim of (or is threatened with) child abuse, he shall promptly submit a full report thereof to the police, social service administration, or judicial authority designated in the State plan.

"(3) Any doctor, nurse, schoolteacher, social worker, welfare worker, medical examiner, or coroner who knowingly and willfully fails to report a case of child abuse or suspected child abuse as required by subsection (a) shall be guilty of a misdemeanor.

"(4) Any doctor, nurse, schoolteacher, social worker, welfare worker, medical examiner, or coroner who in good faith submits a report under subsection (a) or participates in the making of such a report shall have immunity from any civil or criminal liability which might otherwise be incurred or imposed on account of his submitting or participating in the making of such report.

"(b)(1) If the individual making a report with respect to any child under subsection (a) determines that an emergency is involved, he may (subject to paragraph (2) hold the child in temporary custody of another person or agency, pending action based on such report, in order to protect the child's health and welfare and prevent further abuse.

"(2) Unless applicable State or local law specifically provides otherwise, no child shall be held in or transferred to temporary custody under paragraph (1) except under an order issued by a court of competent jurisdiction pursuant to a petition filed by the individual making such report. Any such order shall include a finding by the court that the person or agency in whose custody the child would be placed is competent to care for such child during whatever period is specified in the order.

"(3) Any report made under subsection (a), and any petition filed or order issued under paragraph (2) of this subsection, with respect to a child who is alleged to be the victim of child abuse, may include and apply to any other child or children living in the same household and under the same care if it is shown that such other child or children may be or become the victim of similar abuse.

"(c)(1) The police, social service administration, or judicial authority to which a report of child abuse or suspected child abuse is submitted under subsection (a) shall promptly investigate the matters involved and, if it determines that child abuse has probably occurred or is threatened, shall take the necessary steps to bring the matter before a court of competent jurisdiction for appropriate action in order to protect the child's health and welfare, and prevent further abuse of the child. The court shall have power to appoint one or more legal representatives for the child, consider in evidence the results of any medical examinations (including color photographs showing the in-

juries received), require psychiatric examinations of the parents or other persons charged with the abuse, and expedite any appeal which may be filed by the child's legal representative.

"SEC. 1006. The police, social service administration, or judicial authority to which a report of child abuse or suspected child abuse is submitted as described in section 1005(a) shall immediately refer such report to the designated State agency, which (after depositing a copy in its files in the interest of developing and maintaining a coordinated and accessible central registry for use in carrying out its child abuse and neglect treatment prevention program) shall in turn submit such report to the Secretary for use by the Social and Rehabilitation Service in the Department of Health, Education, and Welfare. The information contained in all such reports so submitted to the Secretary shall be kept strictly confidential within the Department of Health, Education, and Welfare, but summaries which cannot result in the identification of individuals with particular cases shall be prepared and published in order to inform interested persons with respect to national trends.

"SEC. 1007. The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this title.

By Mr. STEVENS:

S. 1365. A bill to amend the act prohibiting certain fishing in U.S. waters in order to revise the penalty for violating the provisions of such act. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, I am today introducing a bill which would amend subsection (b) of 16 U.S.C. 1082, the so-called Bartlett Act, to require that all fish on board any vessel apprehended fishing in American territorial waters be forfeited. Under the current law, only fish actually taken within our territorial waters need be confiscated.

The present statute does, indeed, provide a rebuttable presumption that all fish on board were in fact taken within our territorial waters. However, my bill replaces that rebuttable presumption with a conclusive presumption that they were so taken.

It is clear both from the statutory language and from the legislative history of section 1082(b) that fish can be ordered forfeited even though the vessel itself is not confiscated.

Mr. President, this bill is necessary in light of the present situation facing our coastal fishermen. Time after time, the same nations have been caught fishing well within the contiguous zone. Only last year, two Russian fishing vessels, the 362-foot *Lamut* and the 278-foot *Kolyvan* were caught fishing along with a number of other Russian fishing craft only 9.4 miles off St. Matthew Island in the Bering Sea, and well within the contiguous fishery zone. This well-publicized incident resulted in a classic sea chase which was only terminated by the threat of force. Even the presence of an armed Coast Guard boarding party on the bridge of the Soviet vessels was not sufficient to stem their flight. Such intrusions into American territorial waters and the contiguous fishery conservation zone must be dealt with harshly.

Last year when I first introduced this bill as S. 3299, I submitted a list of some 26 vessels apprehended in our contiguous fishery zone. I am not again going to burden the RECORD with this extensive list, but I refer the committee to my previous remarks. Although penalties have been increased, because of the continuing nature of the violations by these same nations, it is clear that the need for this amendment to the Bartlett Act remains.

At the same time I introduced the bill, I also included letters from U.S. attorneys from all parts of the United States detailing the value of the fish on board those vessels caught in their portion of the contiguous zone. Since that list was printed, I have received a letter from Mr. G. Kent Edwards, U.S. attorney for the district of Alaska. This is my home State and is the district in the United States in which by far the majority of the violations have occurred. His office has been charged with the prosecution of most of these offenders. Because this letter is, I believe, extremely illuminating, I would like to insert it in the CONGRESSIONAL RECORD to further explain the need for this bill.

I would like to note that S. 1365 specifically provides that the monetary value of the fish may be forfeited in lieu of the fish themselves. In order to insure that there is no question but that the forfeiture of the monetary value rather than the fish is to be at the discretion of the offending vessel's owner, this bill has been amended.

I request that the bill be printed in its entirety in the CONGRESSIONAL RECORD and followed immediately by Mr. Edwards' letter.

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

S. 1365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 2 of the Act entitled "An Act to prohibit fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States and by persons in charge of such vessels", approved May 20, 1964, as amended (16 U.S.C. 1082(b)), is amended by striking out all of such subsection following "subject to forfeiture and all fish" and inserting in lieu thereof "aboard such vessel or the monetary value thereof shall be forfeited; the election to forfeit the monetary value rather than the fish themselves shall be made by the United States Government."

U.S. ATTORNEY,
DISTRICT OF ALASKA AT ANCHORAGE,
March 13, 1972.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR TED: As near as I can determine there has been only one case in this district wherein the entire catch aboard a foreign vessel was forfeited for violation of our fishery laws. That case involved the Canadian vessel *All Star* on August 9, 1971. Although the entire catch was forfeited, due to mercury content, a large percentage of the fish had to be destroyed and the government recognized only $2,482.64 from the sale of the remainder.

Another forfeiture occurred in a case involving a violation of our International Pacific Halibut Convention regulations by the American vessel *Auk*. Enclosed is a copy of our memorandum to the Department of Justice outlining the disposition of this case.

It appears that forfeiture of cargo is normally not sought in these cases for several reasons, the primary one being the practical question of disposal. It must be remembered that normally the cargos in question consist of bottom fish for which there is little or no market in the United States. Even in those cases where the catch might be marketable, one must face the difficult problem of how to get it there. The cost of unloading and transporting it becomes not only expensive but sometimes impractical. This is particularly true when the vessels are being held in a port along the Aleutian Chain. It is true even when a portion of the cargo consists of canned fish as was the case with the Russian factory ship *Lamut*. We have found that such cans are not vacuum sealed and that there is reason to believe that the conditions under which the fish are processed and the lack of the vacuum sealing would probably prohibit marketing of the product in the United States for failure to meet FDA standards. In view of these facts, forfeiture of a catch would normally require its subsequent destruction. Yet even destruction is not an easy task since normally there is no readily available means of taking the catch out to sea for dumping. Certainly the Coast Guard is not equipped for such duty, and such services are usually not available near the area where the foreign vessels are normally moored. Consequently, disposal of the catch would be quite costly and burdensome to the government. Thus, in the past, the effort has been to try and obtain the same impact of economic loss through the government's monetary demand in settlement af its claims against the vessel, cargo and ship's master. Certainly the cases listed below are reflective of such an attempt.

You have also requested information regarding the estimated value of fish aboard each of the vessels involved in a fishery violation. A search of our files reveals that in only a few of those cases were notations made as to the estimated value of fish aboard the vessels in question. Those files containing such information reflect the following:

Vessel	Estimated cargo value	Civil and criminal penalty
Japanese Akebono Maru	$33,000	$33,000
Japanese Kaki Maru	2,000	35,000
Japanese Kiyo Maru	78,000	45,000
Russian Voldoloz	6,500	50,000
Japanese Kyusho Maru	108,000	115,000
Total	227,500	275,000

As you can expect, such estimates of cargo value are really no more than very rough guesses. According to my understanding, such information is usually not available because of the impracticality of obtaining an inventory of the cargo holds. For instance in the case of the Japanese longliner *Kyusho Maru No. 5* in November of 1971 efforts were made by the government to determine the approximate cost of inventorying the entire cargo. It appeared that such action would probably run as much as $12,000. Since the ship was moored in a Southeast port rather than at one of the remote Aleution ports, it can be assumed that such costs would be substantially higher in most cases.

None of the above is intended to indicate that this office would hesitate to push for the forfeiture of a catch or the inventorying of the holds under appropriate circumstances. We are intent in dealing firmly with such violations and believe that the results obtained during my tenure as United States Attorney are indicative of that fact. The statistics certainly reveal a steady increase in the amounts received by the government during that time with a dramatic rise having occurred in the last two cases (the $115,000 received from the Japanese and the quarter of a million recovery from the Russians).

If I can be of further assistance to you on this or any other matter, do not hesitate to contact me.

Sincerely,

G. KENT EDWARDS,
U.S. Attorney.

By Mr. STEVENS:

S. 1366. A bill to amend the Fishermen's Protective Act of 1967 in order to provide certain protection for U.S. fishermen and fish resources. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, on December 23, 1971, President Nixon approved legislation (Public Law 92–219, 85 Stat. 786) which added section 8 to the Fishermen's Protective Act of 1967. This law prohibits the importation of fish or fish products from countries engaging in certain illegal activities.

This act, as passed, differs to a certain extent from S. 2191 as I introduced it. For example, S. 2191 required the Secretary of Commerce to make certification directly to the Secretary of the Treasury who would then be required to prohibit the importation without granting the President discretion as he saw fit.

Upon subsequent examination of the subject, the committees, both House and since, in their collective wisdom came to the conclusion that it would indeed be best for the President to have the discretion to make the final decision in this important matter of international consequence. As the hearings and deliberations on this legislation progressed, I, too, was persuaded that the President of the United States must have the discretion to act wisely as he sees fit.

However, there was another substantial difference between S. 2191 and H.R. 3304, the companion House bill. S. 2191, my bill, expanded the acts constituting grounds for certification by the Secretary of Commerce to include:

First, conducting fishing operations in the territorial waters or the contiguous fisheries zone of the United States;

Second, destroying equipment owned by U.S. fishermen;

Third, engaging in any other activity which endangers U.S. fish resources.

These three grounds are, of course, in addition to the present basis for such a certification—conducting fishing operations in a manner or under circumstances which diminish the effectiveness of an international fishery conservation program.

Because H.R. 3304 was of such importance that action was immediately required, it was deemed best, and I did not protest, to provide immediate sanctions for foreign nationals violating international fishery conservation programs. I, therefore, did not at that time press for the inclusion of the additional three grounds for certification and importation prohibition. Because H.R. 3304 is now public law and we have implemented a program to deal with these countries which callously disregard international fish conservation programs, I should like to reintroduce the essence of these additional grounds for prohibition as contained in S. 2191. I am doing so in order that Congress may consider the necessity of inclusion of these additional grounds for certification and prohibition.

I made it a regular practice last year to place in the CONGRESSIONAL RECORD figures indicating the number of foreign fishing vessels off of my State of Alaska alone. These figures change almost weekly, but at this point, I ask unanimous consent that exhibit 1, a table of foreign fishing vessels seized between March 1967 and November 1971, for violation of American territorial waters off all U.S. coasts, be inserted in the CONGRESSIONAL RECORD at the end of my statement.

The difficulties encountered by fishermen whose gear has been totally destroyed by foreign nationals, is also well documented. In 1971, two of Alaska's most valuable and modern fishing vessels were completely stripped of their gear by Soviet trawlers off the Alaska coastline. These vessels, the *Viking King* and the *Viking Queen* and another vessel, the *M/V Endeavor*, were the subjects of considerable Soviet harassment prior to their disablement. I am attaching as exhibit 2 several of the letters I received from the owners and from the Departments of State, Commerce, and Transportation on the subject. These letters graphically illustrate not only the occurrences in the Bering Sea on March 3, 1971, and the extent of the damage suffered by all three vessels, but more importantly, the total inability of the United States to deal with the Soviet fleet.

As the attached correspondence indicates, the United States was able to exert no legal compulsion against the offenders because the incident occurred in a fish sanctuary in international waters and because our present laws permit no unilateral recourse. The loss of this gear required both vessels to travel to Seattle to be reoutfitted. Such repairs could only be effected after a long delay. The financial loss fell not only on the vessel owners themselves, but also upon their fishermen employees and on those who were depending upon the processing and transportation of the catch for a substantial portion of their yearly income. Fortunately, the Soviet Union agreed to negotiate concerning reimbursement of the vessel owners. However any reimbursement at all in these cases is extremely problematical and difficult. I commend the Soviet Union for their negotiation offer. However, I believe this incident does demonstrate the need for strict laws to prevent the recurrence of just such incidents.

In October 1971, I received a letter from Mr. Ed Fuglvog, a trawler captain from Petersburg, Alaska. This letter is one of the most amazing I have received in my entire public career. It indicates in detail with attached charts an amazing destruction of gear that he personally experienced at the hands of Russian trawlers. He even enclosed a piece of Russian trawl web which one of his bottom halibut hooks brought up near the scene of his gear destruction. This web clearly indicates that not only was the Russian fleet destroying American fishing gear in the area, but that it was also trawling for halibut and other bottom fish in violation of good fish conservation practices.

Unfortunately, there is no way to reproduce the net itself, the most graphic evidence, in the CONGRESSIONAL RECORD, however, it, along with the original letter, is available in my office files for any of my colleagues and their staffs who might wish to view this evidence. I have attached a copy of Captain Fuglvog's letter exhibit 3.

Unfortunately, these two cases are not the only examples of destruction of American fishing gear by foreign fleets. To indicate the extent of the problem, I have attached a table indicating the total damage to U.S. fishing gear by foreign fishing vessels off Alaska in 1970. This I have identified as exhibit 4.

Other types of illegal fishing activity also present serious problems and should serve as grounds for prohibition. Such activities include harassment of American fishermen and illegal and unsportsmanlike fishing activities wherever they occur and which may or may not be specifically prohibited or destructive of fishing equipment. Additional activities in this category would include the violation of foreign fish-licensing laws resulting in the depletion of U.S. fish resources.

Mr. President, these serious problems will not solve themselves. Although for many years we have been party to numerous fish conservation conventions, most such treaties require enforcement by the violator's home country. Such nations have usually been notoriously lax in prosecuting their own citizens. There are, however, several means by which we can protect our own fish resources. The first is by the enactment of tougher treaties—treaties giving coastal nations control over their own fish resources and providing enforcement authority in the coastal state wherein the violation occurred rather than in the violator's home country. I have pressed for such action by the U.S. delegation to the law of the seas conference and am considering legislation on this subject.

The second step we must take is to increase our surveillance and protective activities off our own coast. I receive weekly reports from the Coast Guard on this subject. For example, last February 23, off Alaska alone, 100 Russian fishing vessels and 55 Japanese fishing vessels were spotted. These were not in U.S. territorial waters and there was no allegation that any of them were fishing illegally or in contravention of any international treaty. However, the need for enforcement remains. These vessels were spread out from the Bering Sea to the Canadian border. Of the total number 155, 101 were in the Bering Sea and the rest were in the Gulf of Alaska and the North Pacific. To patrol the Bering Sea, an area of 873,000 square miles, the Coast Guard allocated one ship and several aircraft. South of the Aleutians, the Coast Guard has allocated another vessel and a few additional planes. These few vessels and aircraft patrol an area with a coastline

greater than that of the entire contiguous United States and have jurisdiction over fish resources at least equal to those in the remaining 49 States combined, Exhibits 5 and 6 depict respectively the summaries of U.S. Coast Guard vessel fisheries patrols off Alaska in 1970 and U.S. aerial fisheries patrols off Alaska for the same year. These tables indicate the need for additional patrol and surveillance commitments to protect Alaskan fisheries.

A third solution is the one to which this bill is addressed—the stiffening of penalties for those nations committing illegal fishing practices. Public Law 92–219 provides the muscle to act under the situations covered—the violation of a multinational fish conservation program. I have used it as a legal basis to request the Secretary of Commerce to take appropriate action. On February 6, I requested the Secretary of Commerce to suspend Japanese imports and seize the fish products currently held in storage in the United States because the fish were undersized. In response, I received a letter from the Department of Commerce under date February 21. I would like to attach copies of both of these letters in the RECORD as exhibit 7. The problems of proof in this area are great.

However, in those situations, the United States must have the ability to act. Public Law 92–219 gave this country the ability to act in certain situations. This legislation I am introducing today will permit us to act in other cases. The physical difficulties of apprehending and prosecuting the violators make even more necessary these amendments to Section 8 of Fisherman's Protective Act.

Mr. President, I believe this bill is of the utmost importance and request that my colleagues review my statement carefully as well as the exhibits attached to it. I request unanimous consent that the text of the bill be printed in its entirety in the CONGRESSIONAL RECORD at this point and followed by the several numbered exhibits.

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

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 8(a) of the Fishermen's Protective Act of 1967, as amended (68 Stat. 883, as amended; 82 Stat. 729, 85 Stat. 786, and 86 Stat. 1182) is further amended to read as follows: "When the Secretary of Commerce determines that nationals of a foreign country are, directly or indirectly (1) conducting fishing operations in a manner or under circumstances which diminish the effectiveness of an international fishery conservation program, (2) conducting fishing operations which are prohibited in the Act entitled 'An Act to prohibit fishing in the territorial waters of the United States and in cerain other areas by vessels other than vessels of the United States and by persons in charge of such vessels', approved May 20, 1964 (16 U.S.C. 1081 et seq.), (3) destroying equipment owned by the United States fishermen, or (4) engaging in any other activity which endangers United States fish resources, the Secretary of Commerce shall certify such fact to the President."

EXHIBIT 1

Date	Name of vessel	Nationality	Territory seizure made	Monetary penalties	Violation in—
Mar. 2, 1967	SRTM 8-413	U.S.S.R.	Alaska	$5,000	Territorial sea.
Mar. 22, 1967	SRTM 8-457	do	do	10,000	CFZ.
July 16, 1967	Tenyo Maru No. 3.	Japan	do	5,000	Territorial sea.
Aug. 3, 1967	SRTM 8-457	U.S.SR	do	20,000	CFZ.
June 3, 1969	Zenpo Maru	Japan	do	5,500	CFZ.
Do	Koai Maru	do	do	3,500	CFZ.
Sept. 22, 1969	Matsuei Maru	do	do	10,000	CFZ.
May 3, 1970	2 long-liners	Canada	do	5,000	Territorial sea.
June 27, 1970	Akebono Maru	Japan	do	30,000	CFZ.
July 2, 1970	Conrad	West Germany.	Massachusetts.	20,000	CFZ.
Aug. 18, 1970	Kaki Maru	Japan	Alaska	35,000	CFZ.
Aug. 20, 1970	Kiyo Maru No. 18	do	do	45,000	CFZ.
Sept. 17, 1970	Clipper II	Canada	do	5,000	Territorial sea.
Sept. 27, 1970	Kyoyo Maru	Japan	do	50,000	CFZ.
Feb. 10, 1971	SRTM 8-484	U.S.S.R.	do	50,000	CFZ.
Feb. 24, 1971	Lambda 54 Lambda 102 Lambda 91 Sondero 25 Lambda 91 Sondero 25	Cuba	Florida	25,000	CFZ.
July–August 1971	3 trawlers	Canada	Washington	1,500	Territorial sea.
July 9, 1971	All Star	do	Alaska	3,800	Do.
Aug. 18, 1971	Vodolaz	U.S.S.R.	do	50,000	CFZ.
Nov. 6, 1971	Ryusho Maru No. 5.	Japan	do	115,000	CFZ.

EXHIBIT 2

PETERSBURG FISHERIES, INC.,
Petersburg, Alaska, March 4, 1971.

Hon. TED STEVENS,
Senate Office Building,
Washington, D.C.

DEAR TED: We have been having one hell of a problem in the eastern Bering Sea this past week. Our two crab boats, *Viking Queen* and *Viking King,* have been fishing north of Unimak Island since January 15th. The weather has been absolutely terrible and they have fished a total of seven days the first month they were out there. None the less our fellows have kept struggling and have been picking up a few crab.

Last Saturday a Russian fleet of four stern trawlers moved in the "pot sanctuary" area and started dragging right where our gear was. As of last night, March 4th, our two boats had lost a total of twenty-four crab traps with a value of approximately $10,000. Yesterday they reported one fleet of ten Russians and a mother ship and another fleet of seventeen Russians and a third fleet of ten Japanese plus a mother ship, all north of Unimak Island approximately 20 to 30 miles off shore.

The Coast Guard cutter *"Sorrel"* was in the area on Saturday and then, for some reason of prior scheduling, went south of the peninsula and headed for Kodiak or Cordova. Immediately the foreign fleets moved into the area, which they are bound by international treaty to stay out of, and started dragging up our crab traps. The first part of the week, March 1st and 2nd, there was a tremendous storm up there so our boats had to find shelter in the Unimak Pass area but on Wednesday, the 3rd of March, they returned to the grounds and found this great concentration of foreign gear.

Finally on Wednesday, March 3rd, the Coast Guard got a plane to the area and was able to fly over the foreign fleets and photograph them in action. I understand that there will be a cutter back in this area by this weekend and hopefully this will resolve the problem. Not, however, our terrific gear losses.

I do not know how many other boats are fishing in the area but I do know that Carl Moses's boat the *Oceanic* suffered gear losses and another boat, the *Flood Tide* is reported to have lost 15 pots this week.

I think this points out several things, Ted. One is that the foreigners are not overly concerned with international agreements if they do not think they will get caught. The second is that we do not have sufficient surveillance in this area to assure that they abide by their agreements.

I feel that we should have a Coast Guard cutter stationed in Unalaska year around. Unalaska is now one of our major fishing ports. The nearest cutters to that area presently are in Adak and Kodiak which leaves a tremendously large unprotected area, not only from surveillance but also from the search and rescue viewpoint. There are probably a hundred boats fishing in this area in the winter months, including the Sand Point crab fleet, the Squaw Harbor shrimp fleet and the King Cove-False Pass crab fleet as well as Dutch Harbor and Unalaska.

I have been working closely with Ernie on this problem this week and he has been most helpful. Unfortunately Bud Weburg was replaced last Monday and Harold Hanson has not had very much experience in this field, in addition Harry Reetze, of the N.M.F.S., has been away from Juneau so we were not able to work directly with him.

I have been working with Lew Willians to get some good press coverage on this deplorable situation and hope, with your help, to bring the whole problem into focus.

It is a tough enough job to keep a fishing fleet working in the Bering Sea in the winter time without having the additional threat of being trampled by foreign fishermen on our shores.

I would appreciate anything you can do.

Very truly yours,

BOB THORSTENSON.

PETERSBURG FISHERIES, INC.,
Seattle, Wash., April 2, 1971.

Senator TED STEVENS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENS: In connection with the recent violation by the Soviet vessel CPT 4538, our vessels the M/V "Viking King" and the M/V "Viking Queen" lost respectively 35 and 5 King crab pots.

We therefore enclose our invoice for 40 pots at $426.16 or a total of $17,046.40.

We also feel that we are entitled to charge for lost fishing effort, which we are including in our invoice.

Very truly yours,

RICHARD C. KELLY,
Controller.

INVOICE

Soviet Vessel CPT 4538,
Embassy of the U.S.S.R.,
Washington, D.C.

King Crab Pots costing as follows:	
7 x 7 pot	$165.00
Buoys 2 at $10.50	21.00
Buoy 1	6.00
33 fathoms nylon line at $1.00	33.00
100 fathoms poly-prop. line at $.82	82.00
4 fathoms poly. prop. line at $1.27	5.08
1 bait decanter	.66
Labor for rigging pot	22.50
Shipping cost—Suttle to Dutch Harbor	90.00
Total	426.10
40 pots at $426.16	17,046.40

Lost catch for the above pots March 22 to May 1, 1971 (scheduled departure of Viking King for Seattle. The vessel is returning to Seattle due to the gear shortage).

Present average of remaining pots is 25 legal King Crab per pot.

Pots are hauled every third day.

Average weight per crab is six pounds.

Pots are emptied and rebaited on the average of every third day.

39 remaining days divided by 3 equals *13 pot haulings.*

40 pots x 25 King Crab x 6 pounds x 13 hauling equals *78,000 lbs. King Crab lost.*

78,000 lbs. King Crab at 21¢ per lb. (current price) equals *$16,380.00.*

Total Invoice, $33,426.40.

Make check payable to Petersburg Fisheries, Inc. Fishermen's Terminal, Seattle, Wash. 98119.

PAN-ALASKA FISHERIES, INC.,
Monroe, Wash., March 24, 1971.

Hon. Senator TED STEVENS,
Senator from the State of Alaska,
Juneau, Alaska.

SIR: As you are no doubt aware, we have been having serious problems with the flagrant violations of the Japanese and Russians in the negotiations pot-sanctuary area in the Alaska Bering Sea.

Two days, ago, one of our vessels, the M/V Endeavor, lost 42 king crab pots that were dragged off of their original locations by these foreign vessels. These pots have a value in excess of $350.00 per pot, which made this this vessel sustain a loss of over $14,000.00.

Other vessels, such as the Viking King, Viking Queen and Sea Spray, have had similar experiences in the last three weeks which have been protested but have not seemed to produce results on the trawling operations in this area. Major concessions were given in the negotiations with the Russians to restrict the crab quota in the Bering Sea, raising the size limitations and prohibiting trawling operation in the pot-operations in this area. Major concessions were given in the negotiations with the Russians to restrict the crab quota in the Bering Sea, raising the size limitations and prohibiting trawling operations in the pot-sanctuary area, but needless to say, the concessions that were given to them such as, calling at U.S. Ports for refueling, supplying and R & R have been one-sided as they have not stopped and obviously, do not intend to stop fishing with the illegal gear in this area. We as the largest packer or King Crab have whole-heartedly supported the Alaska Department of Fish and Game in all the conservation methods recently taken, such as (quotas, pot limits, registration area, and Season.)

Now, we find ourselves having to take necessary steps to protect the King Crab Fishing Industry being abused by these international violations.

This has got to stop. If we can't have protective measures, such as Coast Guard Surveillance of these areas, then these fishermen should be reimbursed for their pot losses. It seems to us that protection of one's resources is equally as important as protecting one's Country.

I can only impress on you, that we need all the help possible and all the pressures brought to bear on stopping this problem, or the individual companies and fishermen will be forced to revert back to taking the matter into their own hands in protection of their property, which could lead to serious consequences.

May I please hear from you on behalf of Pan-Alaska Fisheries, Inc. and also, as President of Northwest Fisheries Association, which represents all the major fish processors in Alaska, Washington and Oregon.

Sincerely,

RONALD JENSEN.
President.

DEPARTMENT OF STATE,
Washington, D.C., March 19, 1971.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: The Secretary has asked me to reply to your letter of March 4 regarding fishing by foreign vessels in a sanctuary area north of Cape Sarichef on Unimak Island, Alaska.

The areas in question is that area of the southeastern Bering Sea described in paragraph 3 of the Appendix to the Agreement of February 12, 1971 between the United States and the Soviet Union relating to fishing for king and tanner crab. In that area, "Unless otherwise agreed by the two Governments, only pots may be used to capture king crabs and tanner crabs for commercial purposes and no trawling may be conducted for other species . . ." This area, commonly known for obvious reasons as the "crab pot sanctuary", is depicted in the small chart attached, it being understood that the sanctuary includes only the waters seaward of the 12-mile fishery limit. The provisions of the February 12 Agreement regarding this sanctuary are the same as those of the previous Agreement between the two Governments on the subject, that of January 31, 1969.

On February 27, a Coast Guard air patrol, acting on a report from the American fishing vessel *Viking Queen,* observed four Soviet vessels trawling in the sanctuary area. Message blocks were dropped advising these vessels that they were operating in violation of the Agreement. The message blocks were not retrieved but the Soviet trawlers brought aboard their gear and got under way. A Coast Guard surface vessel was on the scene the following day but detected no further violations.

On March 3 a Coast Guard air patrol observed nine Soviet trawlers fishing in the sanctuary. Again message blocks were dropped to all vessels observed in violation. During the operation three of the nine vessels attempted to obscure their identification, as had one of the vessels at the time of the observation on February 27. Coast Guard surface vessels in the area during this period informed two Soviet transport ships of the provisions of the Agreement and the violations observed.

On receipt of this information, the Department called in an officer of the Soviet Embassy on March 5 to protest these violations of the Agreement. We have had no specific response so far to our representations on the subject, but there have been no reported observations of violations since those of March 3.

The provisions of the Agreement are enforced by each Government against its own nationals and vessels; no authority is provided for enforcement against nationals and vessels of the other country. In view of this, and since the area in question is part of the high seas beyond United States jurisdiction, the Coast Guard had no authority to seize the offending vessels.

We understand that the *Viking Queen* and perhaps other vessels have reported losses of fishing gear resulting from these trawling operations and that affidavits on this are in preparation. The Department will, of course, give careful consideration to any such documents with a view to such further action as may be appropriate.

I hope the foregoing will be helpful. If there is any further information we can provide, please let me know.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

DEPARTMENT OF STATE,
Washington, D.C., April 1, 1971.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: The Secretary has asked me to reply to your letter of March 22 regarding the continuing problem of violations by Soviet trawlers of the so-called "pot sanctuary" area north of Unimak Island. I refer also to my letter of March 19 on this subject.

On March 19, pursuant to our earlier approach of March 5, we gave the Soviet Embassy a tabulation of such sightings up to that date. The Soviet representatives informed us that the information they had received from Moscow was to the effect that investigation has disclosed no evidence of violations by Soviet vessels. We pointed out that in view of the officially confirmed reports available to us this was obviously an unsatisfactory response.

On March 24 following two additional reports of sightings of Soviet vessels trawling in the area, we again protested this matter to the Soviet Embassy in vigorous terms. Simultaneously, the Regional Director in Juneau of the National Marine Fisheries Service, Mr. Harry Rietze, was attempting to establish communications with the Soviet fleet commander with a view to arranging a meeting of the two to discuss this problem. We understand that the Soviet fleet commander has now responded and has said that he would advise Mr. Rietze shortly concerning the proposal for a meeting. The Agreements between the United States and the Soviet Union contain provisions for such meetings between local representatives for the solution of various kinds of problems.

With respect to Japanese activities, we have informed the Japanese Embassy of sightings of Japanese vessels trawling in this area. Such activities by Japanese vessels are not a violation of the Agreements with the United States. However, the Japanese Government has in the past informed us that as a domestic measure it continues to prohibit trawling by its nationals and vessels, in a larger area of the southeastern Bering Sea which encompasses the "sanctuary" area. Thus, trawling by Japanese vessels is a violation only of Japanese Government regulations, although it is obviously a matter of concern to us and we seek to bring such incidents to the attention of the Japanese authorities.

The Japanese have the same rights, of course, as American fishermen to get crab pots in this sanctuary area for the purpose of taking king or tanner crab, and we have reports that Japanese vessels are in fact engaged in this activity at the present time. It is possible, therefore, that some of the reports of Japanese vessels in the area may reflect entirely legitimate activities under the Agreements.

We trust that the latest representations and the communications between United States and Soviet local authorities will lead to a speedy solution of this problem. Mean-

while, we intend to take all practicable steps to correct the situation.

Sincerely yours,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

DEPARTMENT OF COMMERCE,
Washington, D.C., April 13, 1971.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Thank you for your letter regarding Soviet trawling in areas of the Bering Sea closed to fishing with mobile gear by a U.S.-Soviet agreement renewed February 12, 1971.

On March 31, 1971, a meeting took place between the Commander of the Soviet fleet in the Bering Sea, and officials of the U.S. Coast Guard and the National Marine Fisheries Service. The U.S. Delegation included Robert McVey, Associate Regional Director, National Marine Fisheries Service, Juneau, Alaska, and Commander Schneider, Chief, Intelligence and Law Enforcement Division, 17th Coast Guard District.

Mr. McVey presented written and photographic documentation of Soviet violations in the pot sanctuary area in the eastern Bering Sea. The Soviet fleet Commander said it had been his understanding that the agreement establishing the pot sanctuary area had expired January 31, 1971. He claimed that the renewal of the agreement on February 12, 1971, was not reported to the fleet on the fishing grounds until March 6, 1971. He indicated he would investigate all violations reported after March 6, 1971, and penalize the masters of any vessels involved.

He also indicated that the Soviet fleet in the eastern Bering Sea had been removed to an area west of 170° W., which is beyond the pot sanctuary area. He gave assurances that there would be no further violations of the sanctuary during 1971 and 1972 while the present agreement is in effect.

We are very concerned about the incidents that took place before the meeting with the Soviet fleet Commander was arranged. We will continue to work closely with the U.S. Coast Guard and the Department of State in efforts to insure that compliance with the agreement is maintained in the future.

Sincerely,

WILLIAM M. TERRY,
(Acting for Philip M. Roedel, Director).

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., April 22, 1971.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR TED: This is in response to your letters of March 11 and 22, 1971 concerning sightings of foreign vessels in the Unimak Island crab pot sanctuary.

As you are aware, the US-USSR King Crab Agreement of February 12, 1971 provides that no trawling may be conducted for any species in a described area north of Unimak Island and lying seaward of the nine mile fisheries zone contiguous to the territorial sea of the United States. This Agreement also specifies that each government will apply the measures of the Agreement to its nationals and vessels. Therefore, since the sanctuary in question is considered by the United States to be a high seas area, and the Agreement does not provide for coastal state enforcement, the Coast Guard's role in this regard is to conduct surveillance of the area, investigate reports of non-compliance and collect information to support appropriate action through diplomatic channels.

Since February 27 the date the *Viking Queen* reported foreign trawlers dragging in the crab pot sanctuary, Coast Guard vessels and aircraft have patrolled the area almost continuously. Message blocks dropped from aircraft, informing Soviet trawlers that they were in violation of the Agreement, have been ignored. Therefore, it appears that this increased presence of Coast Guard forces has had no deterring effect and that the present patrol effort provides sufficient information for diplomatic protest, the only means of censure in this situation.

However, Coast Guard and National Marine Fisheries Service representatives did arrange for a meeting with the Soviet fleet commander. During this meeting, held on April 2, the fleet commander gave a verbal, personal and a written guarantee that there will be no further violations of the crab pot sanctuary for the duration of the Agreement.

Japanese trawling in the halibut nursery grounds north of Unimak Island is a matter of concern to the United States but, again, since this fishing is in an area which the U.S. government recognizes as high seas the Coast Guard has no authority to restrict these operating. However, the Japanese Government has enacted domestic regulations which prohibit trawling in this area and, again, the Coast Guard's role is to conduct surveillance of the area, investigate reports of non-compliance and collect information to support diplomatic protest.

The matter of assigning additional Coast Guard resources to the Aleutian area is, of course, one which must be weighed against overall requirements for the deployment of resources. This is an area of continual review but, although units from other Pacific Districts are regularly assigned to supplement Alaska patrol during periods of the greatest foreign fishing activity no redeployment of a high endurance cutter or reassignment of resources from other areas is anticipated.

I hope that this information will be of help. If you find the need for any additional information, do not hesitate to ask.

EXHIBIT 3

PEETERSBURG, ALASKA,
October 20, 1971.

Hon. THEODORE F. STEVENS,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENS: The afternoon of the 24th of September we were in the process of setting our halibut gear consisting of 4 sets with 13 skates in each set. We were setting in depths from 100 fathoms to 90 fathoms and was midway through the 2nd set when we noticed some large boats ahead of us. Upon determining that they were part of a foreign trawl fleet we turned a a right angle to the starboard for 5 minutes and then made the same move again so that we were headed in the opposite direction. We continued in this direction with the remainder of our gear hoping we would be at a safe distance from the foreign trawlers.

We placed a blinking buoylight on the last end of the last set and then dropped the anchor nearby. About 0230 the next morning we awoke to begin hauling our gear back. We were surprised and concerned when we discovered we were surrounded by boats for there were lights all around us. Daylight does not appear until approximately 0700. There were boats moving by us at slow speeds, apparently towing their nets as there was activity on the decks.

We hauled one set back, 13 skates, and there was very little fish of any kind caught. The previous trip in the same area yielded considerable halibut plus assorted species such as gray cod, black cod and turbot. There was about 250 pounds of halibut or close to 20 pounds per skate average which is considered extremely poor. This average held up for the remaining gear that was hauled during the day.

The next set was very much the same, except that we hauled back only 10 full skates and half of another. Three and one-half skates were lost, plus one 45 lb. anchor, 150 fathoms of buoyline, one bag and flagpole. The next end of the third set should have been close by but was not where it should have been.

We had to run to the other extreme end and haul from there and back. The entire set was hauled back without incident. During this time Russian trawlers were towing from the deep part of the edge and up towards shallower water. The next set had eleven and one half skates left on it, a loss of 2½ skates plus 1 anchor, 150 fathoms of buoyline, one bag and one flagpole.

We conducted an extensive search for our missing gear with no sightings of any flags. Altogether we lost five skates of gear, 300 fathoms of buoyline, two 45 lb. anchors, 5 fathoms of ⅝" galvanized chain, two 75" buoy bags and 2 flagpoles for a total value of $764.50. In addition we were not able to use as much gear during the trip. We had 40,600 pounds and hauled 699 skates averaging 58.1 lbs. per skate and we could have more if we had our full string during the trip. We had some spare gear with us that we used to replace what was lost. However, if we had no losses we could have hauled a total of 728 skates and at a 58.1 lb. average would have given us a total of 1685 pounds more. At 39¢ per pound, which we received for our fish, would have meant an additional $657. Therefore, our total loss considering gear and fish would come to approximately $1,421.50.

When it was apparent that our gear was lost we were able to read numbers on three of the boats and these were recorded in the logbook. It is not known which boat was involved in our gear because of the distance between our ends and the various trawlers. There were at least seven Russian ships in sight most of the time. The name and number of one ship was the Ternery, no. 0987. The other two were 06981 and T6–1935.

The entries in the logbook includes the loran readings IL6 and IL7 at each end of each set. When all the gear was in I notified the Coast Guard in Kodiak and gave them the loran reading IL6–3291, IL7–2788 as the position where our gear was lost. I also stated the value of the gear lost as approximately $1,000.

We were forced to leave this area and move somewhere else. We felt we were being escorted away from the area as ship number T6–1935 moved along with us for a considerable distance.

Information constantly given to the fisherman indicates that the foreign trawlers are towing their gear above the bottom for perch, thus not tampering with bottom fish. The obvious decrease in fish caught plus the fact we had a portion of trawl web brought up on one of our hooks near where one of our ends had parted clearly shows that trawls are bouncing along the bottom and scooping up everything in its path.

The efforts of the International Harbor Commission becomes more meaningless as a regulatory body because we cannot control the areas foreign fleets operate. We are no longer operating on a sustained yield basis but on successive seasons of diminishing returns and it will become worse before it ever improves. The very slow growth rate of halibut means that it will be years before the younger fish can replace those that have been caught by foreign fleets. With the effort on pollock in the Bering Sea and the high mortality rate of the hundreds of thousands immature halibut caught in their foreign trawls they are destroying entire yearly quotas had they been allowed to mature. What is there to look forward to?

We would appreciate any effort you make that will lead to the recovery of our loss.

Sincerely,

ED FUGLVOG,
Captain, MIV Symphony.

P.S.—I have pictures of several of the vessels that were in the area which will be sent to you as soon as they have been developed.

EXHIBIT 4

TABLE 13.—DAMAGE TO U.S. FISHING GEAR BY FOREIGN FISHING VESSELS, 1970

Date	Reported by—	Alleged offender	Location	Losses and remarks
Crab gear:				
Feb. 28	Glen E. Evans, F/V seliet	Soviet freezer-trawler SRTM 8426 and 4 unidentified freezer-trawlers.	Chiniak Gully off Kodiak, 57–32N. 151–37W.	8 pots lost, 1 buoy marker damaged. Observed the SRTM 8426 trawl through crab pot string. Severed and damaged buoys surfaced behind the Soviet trawler.
Mar. 5	Oscar Joos, F/V Mordic	2 unidentified Soviet freezer-trawlers	20 miles north northeast of Ugak Island and 15 miles off Cape Chiniak.	2 pots lost. Observed Soviet vessels fishing within ½ mile of where missing pots should have been.
Apr. 18	Gilbert J. Johnson, F/V Beluga	Soviet freezer-trawlers Sargassa, SRTM 8451 and 1 unidentified.	Chiniak Gully off Kodiak, 57–28N. 151–35W.	6 pots lost. Observed subject vessels trawling very near the Beluga's gear. Coast Guard helicopter with NMFS Agent sent to investigate found 7 Soviet freezer-trawlers in area of loss.
Apr. 23–30	do	Unknown (believed to be Soviet trawlers).	do	19 pots lost. No foreign vessels seen in area during subject period but Soviet trawlers caused earlier losses in same area.
Apr. 8–27	James R. Fogle, F/V Invincible	do	do	9 pots lost. On Apr. 8 unidentified Soviet trawlers were seen fishing very near the Invincible's gear.
Apr. 26	William K. Kukahiko, F/V Aleutian Queen.	3 unidentified foreign trawlers	Eastern Bering Sea, 56–15N. 161–51W.	3 pots lost. Observed 3 trawlers fishing near his pot gear. The trawlers moved off when approached. Found Japanese tangle net entangled in 1 of his crab pots.
Apr. 29	Malcolm S. McDonald, F/V Pacific Fisher.	Unidentified Japanese vessels of Shikishima Maru fleet.	Eastern Bering Sea, 55–51N. 165–21W.	5 pots lost. Several unidentified Japanese fishing vessels and the factory ship Shikishima Maru seen in area of pot gear.
May 1	do	Unidentified Soviet trawlers	Eastern Bering Sea, 56–12N. 161–51W.	3 pots lost. Observed Soviet trawler fishing in area of pot gear.
Halibut gear: Mar. 29	Dale M. Samuelsen, F/V Eclipse	Japanese stern trawler Akebono Maru No. 15.	Central Bering Sea, 57–00N. 173–30W.	12 skates and associated gear valued at $1,220 lost. Subject vessel trawled through Eclipse's longline gear five times. Attempts by Eclipse to indicate the presence of her gear were not understood or were ignored.

EXHIBIT 5

TABLE 5.—SUMMARY OF U.S.-VESSEL FISHERIES PATROLS, 1970

U.S. patrol vessels			Number of sightings of foreign vessels				
Name	Period of patrol	Miles patrolled	Japanese	Soviet	South Korean	Canadian	Total sightings
Storis	Jan. 5–Dec. 18	25,084	277	267	25	0	569
Confidence	Feb. 2–Dec. 4	11,988	75	35	22	3	135
Resolute	Apr. 2–May 22	7,191	134	51	0	0	185
Bittersweet	May 4–6 and Oct. 27–30	1,438	4	0	0	0	4
Yocona	May 17–July 15	7,160	85	5	3	2	95
Ironwood	June 14–July 5	3,712	7	0	37	5	49
Venturous	July 15–Aug. 27	8,102	137	1	0	8	146
Citrus	Aug. 6–14	1,053	0	1	0	0	1
Sweetbrier	Sept. 15–18	1,116	3	0	0	4	7
Clover	Sept. 20–22	768	1	0	0	1	2
Balsam	Sept. 21–29	1,399	19	11	2	0	32
Total		69,011	742	371	89	23	1,225

EXHIBIT 6

TABLE 6.—SUMMARY OF U.S. AERIAL FISHERIES PATROLS, 1970

	Number of patrols	Hours flown	Miles patrolled	Number of foreign ships sighted				Total sightings
				Japanese	Soviet	South Korean	Canadian	
Kodiak Air Station	109	732.4	137,993	1,883	935	37	28	2,883
Annette Air Station	78	378.1	52,736	187	0	0	5	192
Total	187	1,110.5	190,729	2,070	935	37	28	3,075

EXHIBIT 7

FEBRUARY 6, 1973.

Hon. FREDERICK B. DENT,
Secretary of Commerce, Department of Commerce, Washington, D.C.

DEAR MR. SECRETARY: I am informed that Japanese fishermen have taken substantial amounts of halibut from the area of the Bering Sea east of the abstention line. The information I have received indicates that the Japanese have taken this halibut with trawling gear in areas designated for hook and line fishing only. Also, the information indicates that the Japanese have fished this area throughout the year when the area was officially open for halibut fishing only 21 days.

Imports of halibut filets from the Japanese indicate that the size of the fish being taken by the Japanese is also in violation of the International Convention for the High Seas Fisheries of the North Pacific Ocean.

From the information I have received the Japanese exported to this country over 19,000,000 pounds of halibut in the first eleven months of 1972. Yet, the amount of halibut that they report being taken from west of the abstention line plus their reported catches east of the line indicate that it would be impossible for them to have exported this amount of halibut to this country.

I call upon you to utilize the authority of the amendments to the Fishermen's Protective Act (PL 92–219) by suspending imports from Japan and seizing the import filets which are currently in storage in Seattle as having been taken in violation of the International Convention for the High Seas Fisheries of the North Pacific Ocean.

Cordially,

TED STEVENS,
U.S. Senator.

U.S. DEPARTMENT OF COMMERCE,
Rockville, Md., February 21, 1973.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: This is in response to your letter of February 6, 1973, regarding the alleged illegal fishery for halibut conducted by the Japanese.

Information from a Japanese trade source indicates that Japanese land-based trawlers did, in fact, retain halibut taken incidentally to other species in the eastern Bering Sea in contravention of the conservation recommendations of the International North Pacific Fisheries Commission (INPFC).

The Japanese fish the eastern Bering Sea (east of 175° W. longitude) throughout the year primarily for pollock and other ground fishes. However, they have agreed to an INPFC recommendation that halibut taken incidentally with trawl gear be discarded. They can fish halibut in the eastern Bering during the halibut season with longline gear but must observe the 26-inch size limit recommended by INPFC. The INPFC presently does not exercise authority over fisheries conducted west of 175° W., longitude, and in this area Japanese fishermen are free to fish for halibut with trawl gear.

Representatives of the halibut industry called to our attention the fact that sublegal halibut were being imported into the United States from Japan. The Pacific Fisheries Products Technology Center of the National Marine Fisheries Service, located in

Seattle, which examined some fillets identified as halibut from Japan, has concluded that: (1) the fillets came from true halibut, and (2) they were from undersized fish. In view of the limited sampling, the Center is planning to conduct further tests to verify their preliminary findings. However, there is no way of identifying the origin of these fish, as to whether they came from the grounds east of 175° W. longitude or west of that meridian.

With respect to the statement in the third paragraph of your letter, this needs some clarification. A total of 19 million pounds of halibut was not imported into the United States during the first 11 months of 1972. The actual amount of halibut imported totalled 14.5 million pounds, consisting of dressed fish and fillets. The 19 million pounds represented an estimate of the equivalent quantity of dressed fish after mathematically converting pounds of fillets into pounds of dressed fish.

Japan has annually submitted to the INPFC data on halibut landings for its mothership trawl and longline/gillnet fisheries. The data show that in 1971 Japan landed 12,580 metric tons (27.7 million pounds) of dressed halibut from the Bering Sea west of 175°W. longitude. They show no halibut catches east of 175°W. longitude. Data for 1972 are not presently available but should become available in the fall of 1973 at the next annual meeting of INPFC. Please note that the Japanese data submitted to INPFC only show the catch of halibut made by the mothership trawl and longline/gillnet fisheries. They do not include data from the land-based fishery.

The retention of land-based trawl caught halibut by Japanese vessels east of 175°W. longitude was brought to the attention of the Government of Japan at the November 1972 meeting of the INPEC held in Vancouver, British Columbia. The Japanese officials assured us that they would seek to control this problem.

We hope this clarifies the situation in the Japanese fishery. We are currently studying further the implications of all aspects of this matter, including your suggestion concerning the amendments to the Fishermen's Protective Act (P.L. 92–219), and will keep you informed of any developments.

Sincerely,

ROBERT M. WHITE,
Administrator.

By Mr. CHURCH:

S. 1367. A bill relating to the income tax treatment of charitable contributions of copyrights, artistic compositions, or a collection of papers. Referred to the Committee on Finance.

CHARITABLE CONTRIBUTIONS EQUITY FOR GIFTS BY AUTHORS AND ARTISTS OF THEIR OWN PROPERTY

Mr. CHURCH. Mr. President, the legislation which I introduce today is similar in intent, though not in language, to S. 1212, which I introduced during the last session of the Congress. Changes have been made in the text of the bill which I introduced last year to rectify a serious technical flaw in the legislation which would have granted tax benefits beyond the scope intended.

This bill is designed to change the Tax Reform Act of 1969's inadvertent mistreatment of authors and artists under the tax law.

As some Members will recall, it was during the consideration of the 1969 Tax Reform Act that it came to light that some political figures, both Democratic and Republican, would reap large tax benefits by donating their public papers. It was the feeling of the Congress that, inasmuch as the taxpayers had once underwritten the making of these papers, they should not again be asked to subsidize them, via the tax code, when they were given away by a public officeholder at the conclusion of his career.

In an attempt to solve that problem, Congress changed the tax law. However, in so doing, Congress swung too broad an axe. It not only eliminated the deduction allowable for the donation of public papers by politicians, but eliminated the deduction, based on fair market value, which had previously been granted to authors and artists.

The result has been that acquisitions by libraries, museums, and art galleries have been seriously harmed. All my amendment would do is to partially reinstate the tax treatment given to authors and artists prior to the passage of the Tax Reform Act of 1969 for up to 50 percent of the fair market value of their works. The amendment makes it clear that this tax advantage will not be granted to public officials.

The intent of the Congress will thus be carried out, and the oversight in the original act in part, at least, corrected.

Since the situation has not altered since I introduced my earlier legislation, I ask unanimous consent that my remarks in support of the change in the law which appeared in the CONGRESSIONAL RECORD at the time I originally introduced similar legislation, together with the supportive material which I presented at that time, appear at this point in the RECORD.

I further request that the text of my new bill, together with an in-depth study which was done by Mr. Mike Wetherell of my staff on the background of this problem and the need for a change in the law appear at this point in the RECORD.

There being no objection, the remarks, bill, and material were ordered to be printed in the RECORD, as follows:

GIFTS TO LIBRARIES INCENTIVE ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to amend section 170(e) of the Internal Revenue Code. This bill will equate the incentive to donate certain income property to specified nonprofit and governmental institutions with the incentive to sell those materials on the open market. Even though this bill will modify the restrictions contained in section 170(e), it does not weaken the reform purpose of the 1969 Tax Reform Act, and in some cases the restrictions in this bill strengthen that purpose.

Congress created an unfortunate hardship for its own Library when it enacted the Tax Reform Act of 1969. Through changes in section 1221(3) and in coordination with 170 (e), that act eliminated one of the Library's most important incentives to donations of materials that the donor had created. That incentive was the right of the donor to deduct from his gross income the market value of his own original materials when given to a nonprofit institution. At this moment, the donor may deduct only the base value of those materials—the cost of their creation—and not their fair market value. Thus, it is much more profitable for authors, composers, and artists to sell their original works than to donate them. As a result, the ability of the Library of Congress to acquire original collections has diminished greatly. I believe this bill will furnish a solution without any untoward consequences.

The problem was brought to my attention by Archibald MacLeish, former Librarian of Congress, who wrote me that—

"The principal glory of the Library is its Manuscript Division and one of the great achievements of the Manuscript Division has been its acquisition of American literary manuscripts and related correspondence. Writers, public men and others were encouraged by the Internal Revenue Code as it stood prior to 1969 to give materials of this kind to the Library and its collections made significant gains. In 1969, however, the Tax Reform Act of that year * * * (made a) distinction between donors who themselves *created* literary and historic documents and others who *collected* them. The collector, commercial or academic or whatever, received tax advantages if he gave the materials to a library; the creator did not."

Therefore, Mr. President, in the form of this bill I would like to see Congress take corrective action which will enable our own Library, and her sister institutions, to enjoy at least an equal chance, along with private collectors, to obtain original manuscripts of great historical and cultural value.

The severity of the impact of the 1969 change is startling, particularly when one examines figures furnished to me by officials of the Library of Congress. In 1967, 1968, and 1969 the Manuscript Division of the Library received an average of 313,926 manuscript pieces.[1] In 1970, only 69,803 pieces were received and many of these were of negligible value. The Manuscript Division is not alone in suffering the impact of the law's change. Indeed, the Music Division of the Library reports a decline in the number of donors from an average of 36 in the 3 fiscal years prior to the law's change, to only six in the first fiscal year after the law went into effect. One extremely important collection denied to the Music Division has received recent public attention. Because of the change in the law, Igor Stravinsky has been forced to place his manuscript collection, valued at $3.5 million, on the open market when, prior to the change, he could have donated it to the Library and not been penalized financially. The plight of Mr. Stravinsky, and this entire problem, is discussed in an article by Irving Lowens which appeared in the January 24, 1971, edition of the Saturday Star. I shall ask unanimous consent to place this article, and one by John J. Kominski which appeared in manuscripts, in the RECORD following my remarks.

TAX REFORM: A "HALF AX" EFFECT ON MANUSCRIPT CONTRIBUTIONS

(By John J. Kominski, General Counsel, Library of Congress)

Among other changes it made in the Internal Revenue Code, the Tax Reform Act of 1969 amended Section 1221(3) by providing that letters, memoranda, and similar property (or collections thereof) *are not to be treated as capital assets* if they are held by the taxpayer whose personal efforts created the property or for whom it was prepared or by a person who received the property as a gift from the one who created it. Accordingly, these materials are treated as ordinary income property. In addition, the Act gave new treatment, in Sections 170(b) and (e), to the amount allowed as a charitable deduction by making donations of such ordinary income property deductible only as to basis and not as to appreciation.

These two changes, perhaps more than any others, went a long way toward deferring gifts of manuscript materials to public institutions, such as the Library of Congress (which opposed these changes), or other

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[1] When the 1969 Act became effective in July of 1960, by far the greatest number of donations in that year came before the effective date.

organizations eligible for charitable treatment.

The wording of both House and Senate bills raised an immediate clamor among the literary world, and the Library of Congress felt the full impact of the growing concern among writers and composers. Attorneys, accountants, authors . . . all wanted to discuss the changes, to get the Library's views, to express doubts, resignation, and worst of all, disinterest in making future gifts. It was a reaction the Library expected, and although the Library hoped it would not be the case with all such donors, it conceded that it would most certainly be the case with those motivated in part by tax advantages.

The first seven months following passage of the Act pretty much tell the story. While other institutions have expressed a belief that changes in the law would not severely reduce private gifts, the Library felt otherwise. *Not a single new gift of a manuscript collection has been received by the Library since January 1970.* Some donors who had already established rather large collections were resigned to continue adding to them, but there were others in the same status who stopped contributing altogether. Furthermore, some authors felt the urge to express to the Library their resentment about the legislation in such creative terms that those letters, alone, may be said to have added immeasurably to the Library's collections.

More important than levity at this time, however, is an examination of just what changes in the Internal Revenue Code have brought about this reaction from authors and what those changes mean to the collector of manuscript materials.

It should be understood, at the onset, that a major purpose of the Act was to equalize the benefit of cash contributions and contributions of property which had increased in value, such as manuscripts. Under the old law, contributions of appreciated property could garner greater advantages to the donor than could a cash contribution. The old law allowed a deduction in the amount of the fair market value of the donated property at the time of the contribution and no tax became due on the appreciated value. Thus, the Congress considered that changes were necessary as a matter of equity if nothing else.

Basically, the concern of authors results from two changes made in the Internal Revenue Code with respect to gifts of appreciated tangible personal property: (1) the allowable amount of a charitable contribution of such property now depends on the character of that property; the amount may be appreciably lower for ordinary income property than for capital gain property, and (2) the term "ordinary income property", as initially stated, now includes "letters or memoranda," held either by the preparer of the person for whom such property was prepared.

On the other hand, the collector or inheritor of manuscript materials need not be so concerned. Materials which are ordinary income property in the hands of the creator-author, in most cases may become capital gain property in the hands of the collector or inheritor, and these latter individuals need only concern themselves with the particular nature of the donee charity or the use to which that institution will put donations of these materials. We shall consider the major and most drastic change first.

Prior to enactment of the changes, all donors of literary property (authors as well as collectors) could declare as a charitable deduction the fair market of the literary property at the time of the gift. No longer is that always true. The prospective donor must now consider the status of the property (ordinary income property or capital gain property) because of his relationship to it.

If the property, while in the donor's hands, is ordinary income property (as in the case of the author himself), the deduction is severely limited to cost basis alone. This rule is applicable *in all cases,* and the type of charitable recipient has no bearing on the amount of the allowable charitable deduction. Therefore, when the composer, artist, or author donates his original work, or the works of others *given to him,*[1] including letters received, the amount of his deduction may be little more than the cost of the paper and ink or the canvas and paint. It is important to note that these rules apply to contribution of ordinary income property made after December 31, 1969, with one exception: the effective date for contributions of letters, memoranda, or similar property prepared for or by the donor is July 25, 1969.

If the property is a capital gain property (as it would be in the hands of a collector), the deduction may be as much as the fair market value at the time of the contributions, i.e., the basis (cost) to the donor plus the appreciated value while he has held it. With respect to gifts of capital gain property, however, there are certain limitations on the allowable deductions. We shall consider these limitations next.

When a taxpayer donates tangible personal property which is not used by the donee charity directly in its exempt functions, the amount of the deduction for each donation of capital gain property is computed by subtracting 50 percent (62½ percent if a corporate donor) of the amount of the gain (that would have been long term capital gain had the donor sold the property) for the fair market value of the property at the time of the contribution. By way of example:

"Donor gives an eligible library a replica of a bronze French cannon (non-operative) 75mm. World War I vintage. For some reason, the library accepts this gift. The donor is a collector of artillery art pieces, and in his hands the cannon may be considered a capital gain property. However, it is not the type of material that particular library would collect or directly make use of. Donor is limited to a deduction of the cost to him of acquiring the art piece plus one-half the value said object has appreciated while in his possession."

On the other hand, if such property is *used* by the donee charity toward its exempt functions, it would appear that the donor will get the full fair market value as the amount of allowable deduction; consider:

"Donor is a collector of literary manuscripts. He wishes to donate some of these materials to an eligible library as well as several letters and memoranda which he has *inherited* from a deceased relative. Both types of property are considered capital gain property in his hands and both are materials which the library usually collects and directly uses. Assuming he proceeds with the gifts as planned, donor may deduct the full fair market value of these materials at the time of the gift."

The ceiling on *gifts of cash* was raised by the Act to 50 percent of an individual donor's adjusted gross income (it says at 5 percent for corporate donors) where the charity so qualifies, such as public charities (like the Library of Congress) and certain foundations. *However, gifts of capital gain property to qualifying charities remain subject to a deduction ceiling of 30 percent of an individual donor's adjusted gross income.* At present the only method by which the taxpayer may deduct contributions of appreciated property under the 50 percent maximum deduction ceiling is if he elects to take the unrealized appreciation in value into account for tax purposes—that is, "reduce the amount of the contribution".

[1] As used here, "gift" would not include inherited property. Inherited property is capital gain property. Thus, a widow of an author may get the full tax advantage if she *inherits* the manuscript material.

An individual taxpayer may still carry over excess capital gain property deductions to his next five years, and the carryover retains its 30 percent status for purposes of computing the allowable charitable contributions deductions in these carryover years.

There are many other considerations that should concern a prospective donor of manuscript materials, all of which give immediate credence to the recommendation that the donor should seek professional advice about his own particular situation and the status of the institution to which he intends to make a gift. For example, some manuscript materials ordinarily thought of as capital gain property may, because of the short period they have been held (less than six months), be considered ordinary income property. On the other hand, some manuscript materials may be used in a donor's trade or business; in which case, only that portion of the gain (if the property is sold at its fair market value at the date of contribution) which is subject to depreciation recapture rules would be considered ordinary income property, and any gain above this amount is treated as capital gain property.

At this point it should be clear that of two groups of prospective donors, collectors and authors, only the latter has experienced more acutely the "Congressional axe". In summary, then, the Tax Reform Act of 1969 has left us with three methods of treating charitable contributions:

1. *Cash contributions.* The new law now permits deductions of up to 50 percent of the donor's adjusted gross income, but gradually phases out the little-used "unlimited charitable deduction" provisions. This change should serve to increase cash contributions.

2. *Appreciated property of the ordinary income type.* The Act has created drastic change in this area; contributions of ordinary income property (such as literary property, including letters and memoranda) by creators are greatly discouraged. Early statistics appear to confirm this conclusion.

3. *Appreciated property of the capital gain type.* The new legislation has continued favorable treatment in this area; philanthropic inducement still permits a donor to deduct gifts of such property at their fair market value without recognizing any gain for tax purposes. There are two limitations; (1) to get the full fair market value, the donee charity must be able to use the gift directly in relation to its tax exempt purposes, and (2) the ceiling on such gifts is 30 percent of the donor's adjusted gross income. With respect to this latter limitation, however, a special option permits a donor to deduct gifts of such property up to 50 percent of his adjusted gross income if he reduces the value of his gift by one-half (½ of the appreciated portion. *Caveat:* if a taxpayer exercises this option, all deductions involving appreciated property for that year, including deductions carried forward from earlier years, must be similarly reduced. A donor may prefer this alternative when a gift property has a substantial fair market, but that part of the value which is appreciation is small.

Music: Why Tax Reform Should Be Reformed

(By Irving Lowens)

A few month ago, Igor Stravinsky's original manuscripts and personal papers were put up for sale on the open market. The price tag was $3.5 million, and considering their importance, anyone buying them would be getting a bargain.

These days, it costs $25 million per mile or more to build a superhighway. Are the thousands of items offered by Stravinsky, including the manuscripts of compositions which altered the entire history of 20th century music, worth less than one-fifth of a mile of concrete?

The Stravinsky papers have not yet been sold as of this writing. If you want to snap them up, Lew D. Feldman (30 East 62 Street, New York 10021) will be glad to accept your $3.5 million.

Meanwhile, the Library of Congress, to whom Stravinsky had been presenting his papers from year to year, sits on the sidelines biting its fingernails and hoping that some rich and civic-minded collector will buy them and donate them to the Library as a gift. The Library doesn't have $3.5 million with which to buy the papers, in which the Soviet Union reportedly has shown a lively interests.

The appearance of the Stravinsky papers on the open market seems to have been a direct result of certain strange provisions of the Tax Reform Act of 1969. Formerly, donors of literary properties (authors and composers as well as collectors) could declare as a charitable deduction the fair market value of the literary property at the time of the gift.

In other words, if Stravinsky gave to the Library of Congress as a gift his own manuscripts which would bring $3.5 million if sold, he could claim a deduction of that amount on his income tax return.

This is no longer true.

According to Section 1221(3) of the Internal Revenue Code, such things as music manuscripts, literary manuscripts, letters, memoranda and similar property, when still in the hands of the person whose personal efforts created the property, are no longer entitled to this treatment. If a composer wants to give them away to a library, law holds that these properties cannot be considered capital assets. They must be considered ordinary income properties, and as such, their value is established on a cost basis.

Thus, Stravinsky's original manuscripts in his hands are worth little more than the cost of paper and ink, regardless of their fair market value.

Ironically, exactly the same materials are considered capital assets when they are in the hands of a collector. This means that their value is established on the basis of the market. Thus, the collector giving the Stravinsky materials to the Library of Congress as a gift could legitimately claim a $3.5 million tax deduction, if that is what he paid for them; Stravinsky himself could claim nothing.

The Tax Reform Act, signed by President Nixon in December, 1969, was made retroactive to July 26, 1969. It was the intent of the amendments discussed here to make it impossible for former presidents (and especially Lyndon Johnson) and politicians to claim large income tax deductions by making gifts of their personal papers to presidential libraries.

The proponents of the Tax Reform Act had no special animus towards authors and composers, to say nothing of libraries, but the result of their work has been to penalize creators and to wreak havoc with acquisitions policies in scholarly institutions.

The Library of Congress formerly leaned heavily upon the tax advantage provisions of the old law in building up its magnificent collections of manuscript papers. Suddenly, their source of supply was shut off. Writing in July of last year, John J. Kominski, General Counsel of the Library, stated that "not a single new gift of a manuscript collection has been received by the Library since January, 1970."

The same story is being repeated in libraries across the country; the tax revision is looming as a major disaster.

Every January, a report on notable music acquisitions during the previous fiscal year (which runs from July through June) is printed in the "Quarterly Journal" of the Library of Congress. At first glance, the 1971 report, written by Edward N. Waters of the music division, looks very similar to that of 1970. But there is an ominous reference, in the second sentence, to the fact that "patterns of growth differed somewhat from the previous year," and a close reading of the section devoted to manuscripts of living composers shows how.

Discounting original manuscripts added to the collection as the result of commissions from the Coolidge and Koussevitzky Foundations (their legal status is still unclear), the division received as gifts manuscripts from only eight composers—Richard Adler, Radle Britain, Aaron Copland, Robert Evett, Don Gillis, Robert Parris, Igor Stravinsky and Edwin John Stringham—between July 1, 1969 and June 30, 1970. Several of these gifts were received before July 26, 1969.

Compare this to the Waters report on the previous year's acquisitions in the January 1970 "Quarterly Journal" and the change becomes painfully clear.

Between July 1, 1969 and June 30, 1969, the music division received gifts of manuscripts from 28 composers—Hugh Aitken, William Bergsma, Elliott Carter, Aaron Copland, Paul Creston, Alvin-Etler, Robert Evett, Johan Franco, Edmund Haines, Howard Hanson, Roy Harris, Alan Hovhaness, Karel Husa, Ulysses Kay, Meyer Kupferman, Ezra Laderman, Benjamin Lees, Nikolai Lopatnikoff, Teo Marcero, Peter Mennin, Robert Merrill, Darius Milhaud, Vincent Persichetti, David Raksin, Gardner Read, William Schuman, Robert Starer and Igor Stravinsky.

Perhaps even more alarming than the drastically curtailed list of donations during the first full years the Tax Reform Act was in effect is the degree to which the Library's search for new and important collections of papers and manuscripts has been hobbled.

When the Library does find a prospective donor whose papers it feels are important enough to warrant inclusion in the national collections, it is very careful to advise him that gift at this time of materials of his own creation may not benefit him taxwise. A copy of the General Counsel's "Memorandum on the Tax Reform Act of 1969" is furnished with the suggestion that he may want to discuss the matter with his accountant or lawyer.

Currently, the Library is urging prospective donors to consider placing their papers in the collections on a deposit basis. This means that the owner would retain legal title to them while, at the same time, they would be made available for research purposes.

It does not require much imagination to see this as a holding action until the problem caused by the new provisions of the Internal Revenue Code has been solved.

As serious as is the situation in the music division, it appears to be worse in the manuscripts division. The Tax Reform Act of 1969 strikes directly at many of that division's donors.

"The effects of the law have been damaging to the acquisition program of the manuscript division," stated Mary C. Lethbridge, the Library's information officer. "In 1969 several important collections were here on deposit pending the results of tax reform. When the provisions of the law were made known one playright withdrew his papers immediately. An actor also withdrew material on deposit, although some of his papers remain as earlier gifts to the Library. A poet requested the return of his deposited materials but was persuaded at last to let them remain on deposit. A novelist wrote an angry letter of protest, implying that his periodic gifts to the Library were at an end.

"Although the collections cited are in the arts where self-creation of valuable material is more obvious, the chief loss was a political-judicial collection for which a gift in 1969–70 had been planned.

"In 1970 there have been virtually no gifts of self-created material, although material has been received on deposit. Such deposits have come from long-term donors. No deposits of material for which there was no prior history of negotiation and/or earlier gift occurred. For example, one earlier donor deposited extremely valuable material in 1970 but gave nothing. A woman prominent in the theater gave only the segment of her papers identifiable as inherited; the remainder is on deposit."

The music division, too, has had its withdrawals of materials on deposits. It too has had its angry letters of protests. It too has received no deposits of material for which there was no prior history of negotiation.

No one in the Library is optimistic about future acquisitions of gift of manuscripts and personal papers belonging to live creators until the cost basis for tax deductions, established by the Tax Reform Act of 1969, can be returned to the fair market value basis of earlier years.

The ill-considered amendments to Section 1221 (3) of the Internal Revenue Code damage both creators and institutions of learning. If Stravinsky is to reap any financial benefit from his own manuscripts, he is forced to sell them. If the Library of Congress is to have such national treasures in its collections, it is forced to buy them. Neither of the principals involved does this willingly; the country as a whole losses because of the situation.

The National Music Library Association holds its annual meeting in Washington at the Dodge Hotel beginning next Wednesday. I hope that many of the librarians assembled here, whose institutions have been hurt just as much as the Library of Congress by the new tax provisions, will take advantage of their presence in the Nation's Capital to let their representatives in the Congress know their feelings in this matter.

S. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170(e) of the Internal Revenue Code of 1954 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF COPYRIGHTS, PAPERS, ETC.—In the case of a charitable contribution of a copyright, a literary, musical, or artistic composition, a letter of memorandum, or similar property by a taxpayer described in paragraph (3) of section 1221 to an organization described in clause (ii), (v), or (vi) of subsection (b)(1)(A) the reduction under subparagraph (A) of paragraph (1) shall be only one-half of the amount computed under such subparagraph (without regard to this paragraph) but only if the taxpayer receives from the donee a written statement that (A) the donated property represents material of historical or artistic significance and (B) the use by the donee will be related to the purpose or function constituting the basis for its exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described in subsection (c)(2)(B)). This paragraph shall not apply to letters and other papers collected by a public official during his term of office."

(b) The amendment made by this Act shall be applicable to charitable contributions made after the date of the enactment of this Act.

TAX TREATMENT OF DONOR-CREATORS UNDER THE TAX REFORM ACT OF 1969: THE CASE FOR REFORM

(By Mike Wetherell)

One of the major changes in the tax law accomplished by the Tax Reform Act of 1969[1] was in the field of charitable contributions.[2] One of the more interesting changes in the

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charitable contributions field was the new tax treatment afforded to "a copyright, a literary, musical or artistic composition, a letter or memorandum or similar property" held by the creator of such property [3] or "in the case of a letter, memorandum, or similar property, a taxpayer for whom such property was prepared or produced." [4] Little has been written in legal journals regarding this particular aspect of the Tax Reform Act of 1969.[5]

This paper will deal with this area of the Act and with its effect upon the creator-donor. It will also deal with the effect of the new provisions of the code upon charitable organizations which are especially interested in receiving donor created contributions: our libraries, museums and art galleries. In addition, it will pose several possible alternatives to the tax treatment currently afforded the donor-creator as a result of the 1969 changes in the tax code.

A BRIEF HISTORY OF THE TAX REFORM ACT OF 1969

"In 1967 155 individuals or couples with incomes in excess of $200,000 paid no federal income tax. Of that group, 21 had incomes exceeding $1 million." [6] That statistical fact was released by Secretary of the Treasury Joseph Barr as he was about to leave that post with the outgoing Johnson Administration following the election of 1968.

Following close behind Secretary Barr's revelation was a report compiled by the Treasury Department in the last years of the Johnson Administration [7] which explained that the no-tax-on-high-income phenomena was largely the result of the use of one or more of four tax provisions in the Internal Revenue Code.[8] One of the areas singled out was the tax treatment of gifts of appreciated property to charity.

This concern over the tax treatment of charitable contributions of appreciated property was carried over when, in April of 1969, the Nixon Administration sent its tax reform proposals to Congress.[9]

The proposals of both the Johnson [10] and Nixon [11] Administrations addressed themselves to the problem of the tax benefit that was derived from the contribution of ordinary income or short term capital gain property to charity. The studies pointed out that contributions of property of this nature granted the taxpayer a double advantage: (1) he was not taxed on the ordinary income earned with respect to the property when it is given to charity and, (2) the contributor received a tax deduction for the full fair market value of the property he contributed.[12]

Both the Johnson and Nixon Administration Treasury Departments recommended similar though not identical solutions to the problem.[13]

The House Ways and Means Committee agreed with the methods proposed by both the Johnson and Nixon Administrations in the treatment of gifts of ordinary income property or short term capital gain property to charity.[14] However, the House Ways and Means Committee went a step further. The bill reported by the Committee eliminated the deduction of appreciation in value for all tangible personal property, not just ordinary income and short term capital gains property.[15] The House bill also incorporated language which changed the definition of a capital asset to specifically exclude "a letter or memorandum, or similar property" [16] thus subjecting such property to the same tax treatment which had been accorded to copyrights and "literary, musical or artistic composition(s)" [17] under the Code.

When the Tax Reform Act [18] came before the Senate Finance Committee, the treatment of gifts of appreciated property to charity was discussed at length. Senator Jacob Javits of New York, in his testimony, pointed out:

"I am also concerned about the proposed treatment of gifts of appreciated property. This represents . . . one of the major inducements for gifts of valuable works of art and literature to our libraries, universities and museums. Frequently these provisions are the very reason why such works become available to the public rather than remaining in private collections where they can be enjoyed by only a few." [19]

Dr. Ernest L. Wilkinson, the President of Brigham Young University, expressed his opposition to the provisions of the House-passed bill as it affected contributions of manuscripts and art objects by stating:

". . . the Bill not only forces the undesirable Hobson's choice, upon the donor who gives appreciated real or intangible 'capital gain' property in the future interest form, it requires the same bad choice for a present gift of tangible personal property which has appreciated in value. This would effectively eliminate gifts of valuable books to universities and college libraries and it would eliminate gifts of valuable art objects to museums supported by such institutions . . ." [20]

In addition, the President of the American Association of Museums [21] and the President of the Association of Art Museum Directors [22] testified that the elimination of the tax advantage for contributors of art objects would have serious and detrimental effects upon their members. It was also pointed out that one of the most serious problems involved in tax deductions for this type of gift, that of valuation, had been overcome successfully by Internal Revenue Service endorsement of the Advisory Panel on the Valuation of Works of Art to the IRS. That panel of highly respected experts in the art world had proven to be instrumental in bringing under control the problem of determining just what a contributed work was worth for tax deduction purposes.[23]

The bill as reported out by the Senate Finance Committee made changes in the House treatment of gifts of appreciated property to charity.[24] The Senate returned to the recommendation set forth in the Nixon Administration tax reform proposals.[25] The Senate version provided that to the extent gifts of property which had appreciated in value would be treated as ordinary income or short term capital gain, if the property were sold, the charitable deduction would be reduced by the full amount of the appreciation in value. The Committee pointed out that examples of this type of property would be "letters, memorandums, etc., given by the person who prepared them (or by the person for whom they were prepared)." [26] The Senate Committee also reinstated the tax deduction on the appreciated value of tangible personal property not donated by the creator.[27] In so doing, the Committee made a rather strong statement of its policy regarding the tax treatment of donations to charity of works of art, paintings and books not produced by the donor:

"The Committee considers it appropriate to treat gifts of tangible personal property (such as paintings, art objects and books not produced by the donor) to public charities and schools similarly to gifts of intangible personal property and real property . . ." [28]

The Tax Reform Act of 1969, as finally enacted, carried over the Senate view of how to treat gifts of appreciated property which, if sold, would result in ordinary income (no deduction for the appreciated value) [29] and the allowance for the deduction of the full appreciation in value, with certain specified exceptions for gifts of tangible personal property produced by one other than the donor.[30]

The difference in treatment experienced by the creator-donor in comparison to other contributors of appreciated property in this situation is obvious. If an artist has a painting valued at $500, he has three choices: (1) he can keep the painting; (2) he can sell it at its $500 value; or (3) he can donate the painting to charity.

If he keeps the painting, he is taking the same risk you do if you were to buy it as an investment. He may feel he can get more than $500 and, like any man holding property which he expects to rise in value, wait until he feels the price is right before selling. If he sells the painting, he receives an immediate $500 of ordinary income upon which he must pay regular income tax rates as any wage earner does. If he gives the painting to a charity he can deduct the cost [32] of his paint and canvas or other materials from his income tax as a charitable contribution. The last choice gives him nowhere near the return he might expect in the case of the first two alternatives. In short, the financial impetus for him to contribute his painting, or in the case of an author, his manuscripts, to a charity is much smaller under the Tax Reform Act than it was under the prior law.[33]

On the other hand, if someone should purchase the painting at a price of $500 and it increases in value to $900, the third party can contribute the painting to an art museum and receive a $900 tax deduction. The deduction that the third party can gain is totally denied the artist even though the identical piece of property is involved in both transactions.[34]

In summation, the current status of the tax law as it affects the creator-donor is:

1. Section 170(e) of the Internal Revenue Code requires that any charitable contribution deduction claimed must be reduced by the sum of "the amount of gain which would not have been long term capital gain if the property contributed had been sold by the taxpayer at its fair market value (determined at the time of such contribution . . ." [35]

2. Section 1221 of the Internal Revenue Code specifically exempts from the definition of Capital Asset (and thus prohibits capital gains treatment of) "a copyright, a literary, musical or artistic composition, a letter or memorandum, or similar property held by—(A) a taxpayer whose personal efforts created such property (B) in the case of a letter, memorandum, or similar property, a taxpayer for whom such property was prepared or produced, or (C) a taxpayer in whose hands the basis of such property is determined, for purposes of determining gain from sale or exchange, in whole or in part by reference to the basis of such property in the hands of a taxpayer described in subparagraph (A) or (B)." [36]

3. Section 170(e) is keyed to the Capital Asset definition section. The result of exempting the materials included in Section 1221 (3) (A), (B) and (C) from the definition of a capital asset is to make income derived from their sale ordinary income and thus contributions of such material can be deducted as a charitable contribution only to the extent of the donor's basis in the property. No appreciation factor is allowed to be deducted.

THE EFFECT OF THE TAX REFORM ACT OF 1969 ON DONATIONS OF DONOR CREATED PROPERTY

Quite often, the dire effects predicted by those who oppose changes in the tax law do not materialize. The taxpayers affected seem to adjust remarkably well and business seems to carry on, if not as usual, at least tolerably well. Unfortunately, this has not been the case with donations of gifts by authors, artists, and public figures of their manuscripts, paintings, and papers respectively. From the evidence that I have been able to gather it appears that the dire warnings given regarding donations from these individuals to art galleries, museums, libraries and other charitable institutions

Footnotes at end of article.

were prophetic and that the effect feared by those who opposed the change appears to be materializing.

A news story in the Washington, D.C., Sunday Star, stated that as of January 24, 1971, the General Counsel of the Library of Congress had noted that "not a single new gift of a manuscript collection has been received by the Library since January 1970." [37]

The main thrust of the article by Irving Lowens was the tremendous loss suffered by the Library of Congress and the nation's musical heritage, when the late Igor Stravinsky placed his musical papers and manuscripts up for sale on the open market for a reported price of $3.5 million. In the past Stravinsky had made gifts of his papers to the Library of Congress and taken the fair market value of the papers as a deduction against his income tax.[38]

Lowens maintained that the loss of the papers to the Library of Congress was probably "a direct result of certain strange provisions of the Tax Reform Act of 1969."[39]

In addition, Lowens stated, "The same story is being repeated in libraries across the country; the tax revision is looming as a major disaster." The evidence would seem to bear Mr. Lowens' gloomy prediction out. The Library of Congress information officer was quoted as saying "The effects of the law have been damaging to the acquisition program of the manuscript . . . ." [40] In 1970 there have been virtually no gifts of self-created material, although such material has been received on deposit. Such deposits have come from long-term donors. No deposits of material for which there was no prior history of negotiation and/or earlier gift occurred." Some individuals who had left material at the Library, intending to donate them later, withdrew the material.[41]

However, some humor did prevail even in the aura of disaster. As the general counsel of the Library of Congress put it, "some authors felt the urge to express to the Library their resentment about the legislation in such creative terms that those letters, alone, may be said to have added immeasurably to the Library's collection." [42] The general counsel, however, made it quite clear that to his mind the effects upon donations to museums, libraries, art galleries and other charities had been serious under the law, ". . . contributions of ordinary income property (such as literary property, including letters and memoranda) by creators are greatly discouraged. Early statistics appear to confirm this conclusion." [43]

A chart prepared by the general counsel for the Library of Congress dramatically illustrates the detrimental effect that has resulted from the change in the law. The chart traces gifts of musical and other manuscripts to the Library of Congress before and after passage of the Tax Reform Act of 1969.

Donations of self-generated manuscripts

Donations by year, 1965–1970

Music Division: Because of the nature of these gifts, emphasis is placed not only on the number of self-created musical manuscripts given but the number of donors as well.

Fiscal Year 1965–1966, 2 donors, 94 music mss.

Fiscal Year 1966–1967, 35 donors, 371 music mss.

Fiscal Year 1967–1968, 37 donors, 174 music mss.

Fiscal Year 1968–1969, 36 donors, 280 music mss.

Fiscal Year 1969–1970*, 6 donors, 62 music mss.

Manuscript Division: Although the number of donors is usually unaffected, many donors give one or two or just a few manuscripts; therefore, the emphasis in this area must be placed on the number of pieces which usually evidence larger collections.

Calendar 1967, 34 donors, 177,347 mss.

Calendar 1968**, 43 donors, 180,804 mss.

Calendar 1969, 39 donors, 283,528 mss.

Calendar 1970** 34 donors, 69,803 mss.

(The above information is based on statistics compiled by the Music Division and the Manuscript Division in cooperation with the Library's Exchange and Gift Division.)

(Explanations are supplied by Counsel.)

JOHN J. KOMINSKI,
General Counsel.

The Library of Congress has been by no means the only institution to suffer from the changes in the tax law. In a memorandum circulated by the University of Oregon Library, located in Eugene, Oregon, the Librarian stated, "Gifts of manuscripts and art created by an author, composer or artist himself have been drastically reduced by the Tax Reform Act signed into law in December 1969."

A prominent artist informed the Bureau of Reclamation of the Department of the Interior which was gathering art for a major showing that he could not contribute to the show,

"A new law, whereby art collectors and speculators are privileged to such benefits (the fair market value deduction) and the creators of this wealth are denied, (sic) also the U.S. government suffers, the Institutions, Libraries, museums, Universities, and etc. Who profits by this unjust law? . . . You will find that other artists will turn you down also . . ."

Arizona State University's Librarian Karl B. Johnson noted, "There have been no author-donation of manuscripts to our manuscript collection since the passage of the above act."

The evidence indicates that serious damage may be done to our nation's art, museum and library system by restricting the right of artists and authors to contribute their paintings and papers to appropriate institutions and claim as a deduction the fair market value of these materials as they could prior to the enactment of the Tax Reform Act of 1969.

WHY WAS THE LAW APPLYING TO GIFTS GIVEN BY THE CREATOR CHANGED?

We have already seen in the brief history of the passage of the Tax Reform Act of 1969 that there was a great deal of concern expressed in the recommendations of the Treasury prepared by both the Johnson and Nixon Administrations over the tax treatment of gifts of appreciated property to charity. It is also clear that one of the reasons that appeared later were the revelations in the Wall Street Journal that prominent political figures, including former President Johnson and former Vice President Humphrey, were reaping or planned to reap tax benefits under the law.

Where prominent public figures are involved in the use of tax benefits considerations of a political nature cannot help but enter the picture. (Note, for instance, the recent concern over the fact that Governor Reagan of California took advantage of tax deductions which resulted in his paying no California income taxes.) There can be no doubt that in the case of this area of the law political considerations entered into the final treatment of gifts of ordinary income property to charity.

In addition, there was a tremendous amount of indignation expressed by Members of Congress over the fact that by making a gift of appreciated property to charity an individual could receive more "income" than if he were to sell the property and pay taxes on his gain. This concern was expressed in the Johnson Treasury Department recommendations,[44] in the Nixon Treasury recommendations,[45] in the House report on the bill,[46] in the Senate report [47] and in the final analysis of the Tax Reform Act as prepared by the staff of the Joint Committee on Internal Revenue Taxation.[48]

As the staff of the Joint Committee put it in its *General Explanation of the Tax Reform Act of 1969*:

"General Reasons for Change—The combined effect of not taxing the appreciation in value and at the same time allowing a charitable contributions deduction for the fair market value of the property given produced tax benefits significantly greater than those available with respect to cash contributions . . . As a result in some cases it was possible for a taxpayer to realize a greater profit by making a gift of appreciated property than by selling the property, paying the tax on the gain, and keeping the proceeds." [49]

To cure this defect the law provided that ordinary income type property which was donated to charity by the creator could not be deducted to the extent of its appreciation in value.[50] But at the same time the law allowed a full deduction where the property was donated by someone other than the creator to a charity if the donation was related to the charitable donee's purpose. Even where the gift is made to a qualifying charity which would not use the material for its regular operations but would sell it for needed funds the non-creator donor can take a deduction of up to 50% of the appreciation in the value of the property.[51]

Certainly with regard to the artist the Congress has admirably fulfilled its hopes. He can no longer donate property which he has created and receive benefits greater than if he had sold it and paid taxes. The same is true of the author or certain holders of letters and memoranda with market value. However, with respect to the collector or speculator in these items the same tax benefit exists.

Thus the same type of property receives different tax treatment, based not upon the nature of the property but upon the status of the person who holds it. That in itself is not an inherently inequitable concept. For instance, the treatment of a painting held by the artist who created it as ordinary income property [52] rather than granting it capital gains status would seem to be fair inasmuch as the sale of the property will obviously be "ordinary income" of the clearest kind to the artist.[53] That classification has been made in the Code for some time.[54]

But while such an argument can be made for treatment of property of the creator as ordinary income for determining the rate of taxation applicable, is the same argument valid when applied to the charitable contributions section of the Code? When we discuss a charitable contribution deduction we are discussing an incentive to give to charity property which will be of assistance to the charity. It would seem that the guiding principle then should be the value of the gift to charity as determined by the fair market value standard and not the secondary value of the property involved to the donor as determined by his relationship to it. In the case of the treatment of the property as ordinary income, we are quite properly dealing with the relationship of the holder to the property. But it would seem that in the charitable contribution field the Code's concern should be the relationship of the property to the charity. Once it has been determined that our tax laws will be drawn so as to allow tax deductions for gifts to charity based upon fair market value, or some percentage thereof,[55] is it wise to superimpose upon that structure the distinction between ordinary income and long and short term capital gains which has its origin in another section of the tax code, drawn with an entirely different tax policy in mind? Since it has been determined that it is the nation's policy to promote gifts to charity, and since it has been determined that the gifts shall be

Footnotes at end of article.

valued at fair market value,[58] it would certainly seem to follow that any gift to charity should be so valued, regardless of the status of the donor.

PROBLEMS IN THE VALUATION OF ART OBJECTS, MANUSCRIPTS AND MEMORANDA

One of the reasons which the House Ways and Means Committee gave for its rather drastic treatment of donations of art objects, manuscripts and memoranda was that this class of property was extremely difficult to value. The Committee stated that there was evidence of significant overvaluation for tax purposes and felt that it was best for the entire deduction structure in this field to be eliminated.[57]

Art objects are difficult to appraise.[58] Even experts with long experience in the field can disagree on the value of a painting, and a painting determined at one time to be valueless can easily increase in value with the passage of time or the increased recognition of the artist.[59]

However, at the very time Congress was considering the tax reform legislation, significant gains were being made by the Internal Revenue Service in solving the problem of the determination of value, for tax purposes, of art objects when, in February of 1968, the IRS formed the Art Advisory Panel to the Commissioner of Internal Revenue.[60]

The Standard of value which governs appraisal of art objects and similar property donated to charity is "fair market value." Fair market value, as defined by Section 1.170–1c(1) of the Income Tax Regulations is

". . the price at which property could change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. . ."

The standard of fair market value in appraising the value of gifts to charity seems eminently reasonable. Certainly some cash value must be placed upon objects which are claimed as a tax deduction and the value of the object in the marketplace would seem to be the logical standard.

However, determining the value of an art object on the open market is not as easy as one may think. For instance, how do you determine the price the "Mona Lisa" would bring at today's art prices? Is not each art object, in itself, unique by its very nature? Is the historical value of a painting by a great master properly a part of "fair market value?" [61] What other standards of value may properly be applied as part of fair market value? [62]

The problem of valuation of art objects is obviously a real one. It is not terribly difficult to visualize a harassed Internal Revenue Service employee attempting to determine the value of Aunt Bessie's still life which her great-nephew has decided to donate to the local historical society so it will not clutter his attic, and who has claimed at the same time a charitable deduction of $500. Prior to the formation of the Art Advisory Panel to the Commissioner of Internal Revenue the valuation problem on art objects had been especially troublesome.

However, the Art Advisory Panel has provided an independent source, accepted by contributors and the IRS, whose valuations of art objects provide a guidepost both for the IRS and for the contributors of artistic creations. In 1969 alone the Art Advisory Panel examined 500 art objects which involved deductions claimed by 21 individuals and reduced total claimed valuation for the gifts from $20 million to $15 million—a savings to the taxpayer of $5 million and untold savings in litigation which might otherwise had to have been carried out by the government.[63]

As of August 27, 1971, no one has successfully challenged a valuation rendered by the panel.[64] Some of the reductions made by the panel have been drastic.[65] In one case, a claimed deduction of $500,000 for contributed paintings was reduced to under $10,000. In another a claimed deduction of $100,000 for the donation of two paintings was reduced to $5,000. The panel has received wide praise for its work.[66]

It would appear on the basis of the panel's performance that the problem of valuation of gifts of art has been largely solved. Unfortunately, the same cannot be said for contributions of manuscripts, papers, letters and memoranda.

SPECIAL PROBLEMS INVOLVED IN VALUATION OF MANUSCRIPTS, PAPERS, LETTERS AND MEMORANDA

When you move from valuation of art objects to the valuation of manuscripts, papers, letters and memoranda, the valuation problem faced with regard to art objects still exists inasmuch as the setting of a fair market value is concerned. Beyond that similarity, however, the problems of setting value become considerably different.

One problem is quantity. The papers of a President can number in the millions, a successful author may have cartons of papers, as can a president of General Motors or other prominent figures.

Quite understandably, papers which may be extremely important to a future scholar and thus of interest to a library seeking to build collections of papers of prominent individuals may have little or no interest to a private collector. This makes market value extremely difficult to determine. As the head of the appraisal section of the Internal Revenue Service described the problem:

"Too often, I observe Appraisers or historians equating intrinsic values with the harsher economic term "market value" as required under the federal tax code . . . the simple fact remains that property does not always bring the price it should intrinsically. Under the law we can only be concerned with what the property would bring in terms of dollars in the open market place . . . it seems unrealistic and unreasonable to presume that the value of literary papers for tax donation purposes is considerably higher than the market prices actually paid for comparable papers, based on their intrinsic historical importance . . . what a library or educational institution might pay for a collection of papers in the ideal or unreal world of unlimited institutional budgets, is of less significance as an indication of value than the real world of budgetary limitations and the prices actually being paid for collections of papers." [67]

It is noteworthy that Mr. Ruhue is careful in his remarks to address himself to the fair market value of collections. Another problem is also evident. For instance, a handwritten letter by President Kennedy may be worth $500 to a private collector. But a Presidential Library may have several thousand handwritten letters and memoranda. Could one maintain that the fair market value of such a collection held in the library is a simple multiple of the fair market value of the individual papers sold on the open market to collectors? Could not the argument be made that if the library were to sell the papers it held in the open market that the value in the marketplace of such material would drop to perhaps $100 per letter, or $1.00, or less? Do the libraries by holding certain collections in fact have a considerable influence over what is fair market value with regard to papers and memoranda to a much greater extent than an art museum could possibly influence the price of an individual artist's works?

Is fair market value, in fact, a viable standard when we talk of charitable contributions of letters, papers and memoranda in collection form? Or is the problem really one not of the concept of fair market value as a standard but of the weighing of the various factors which comprise a paper or collection's fair market value?

But regardless of the problems of valuation, a valuation must be made. Even though the guideposts are few and the value speculative, the Congress has determined that in cases where such papers are not contributed by the creator their appreciated value is properly taken as a charitable deduction. Perhaps the literary world would do well to look to the art world's example.[68]

If the Art Advisory Panel is any indication, the formation of such a panel for the purpose of appraising papers or collections of papers would seem to be an invaluable asset and an economical addition to the valuation procedure.[69]

In any event, it would certainly seem that if one accepts the concept of the charitable deduction for papers, memoranda and collections contributed by those other than the creator; and if he accepts the concept that the purpose of the contribution is to promote charitable giving; then he cannot properly assert the valuation problem as a bar to granting the deduction to the donor-creator.

SHOULD THE LAW BE CHANGED?

It is obvious from what has been pointed out earlier that serious problems are developing for libraries, museums and other charitable institutions as a result of the changes made by the Tax Reform Act of 1969. It is equally obvious that authors, artists and creators, or holders of papers created for them which have historical significance, are inequitably treated in comparison with other holders of such property where the charitable contribution deduction is concerned. What then, if anything, can be done to cure these inequities?

First of all, it must be admitted that there is a difference between the individual who purchases a painting and then contributes it to charity and the man who creates the painting and contributes it to charity. Whereas the "basis" of the artist or author in the work is his paint and materials or the pen and ink respectively, the basis of the purchaser is what he has paid for the painting or manuscript. The purchaser makes more of a cash investment in the property.

However, an author or artist, it is clear, puts more into a work than just paint and pen and ink. How do you value his talent, time and creativity for tax purposes? Even though these are intangible additions to the work, there is no doubt in my view that our tax law should in some way recognize that an artist's or author's "basis" in his work is far more than paint and ink.

At the current time, there are several proposals for revising the revisions made by the Tax Reform Act of 1969 with reference to the tax treatment of gifts of appreciated property by creator-donors.[70]

The proposals fall into two broad categories: (1) reinstatement of the prior law, or (2) allowance for a deduction based upon some percentage of the fair market value of the gift.[71] In addition, one proposal, S.1212, introduced by Senator Frank Church of Idaho, would restrict the deduction for letters, memoranda, and collections to deny a deduction to "any letter, memorandum, or similar property which was written, prepared, or produced, by or for an individual while he has held an office under the government of the United States or of any state or political subdivision thereof, and which was related to, or arose out of, the performance of the duties of such office." [72] Thus the Church bill contains the same opposition to allowing political figures a tax deduction which was first expressed with regard to this class of creator-donor in the proposal of former Senator John Williams of Delaware.[73]

Either approach would improve the tax

Footnotes at end of article.

status of the creator-donor.[74] Hopefully, such a change would reverse the current trend away from the contribution of donor-created gifts to charity.

One proposal which involves the percentage-of-market-value deduction concept would tie that percentage to the income of the donor-creator on a sliding scale. Depending upon the formulas used, such an approach would certainly seem to be feasible; however, there is a question as to how successful it would be in generating gifts to charity of the nature which charitable institutions could utilize. As I have pointed out before, the purpose of this section of the Code seems to be to promote gifts to charitable institutions of the nature they would find of assistance in their operations.

If the income figure were set too low, the tax deduction would not be allowed to many prominent men, and is it not the paper of prominent men which our libraries and museums so greatly desire for their collections? If the income level were high, the proposal would appear to defeat its own purpose in restricting the tax advantages of charitable giving to those with high incomes. Perhaps the contradictions within the Code are not made any clearer than in this proposal. On the one hand it attempts to generate this type of gift to charity and on the other it places a restriction upon such gifts based upon the income of the donor, not upon the need of the charity, which, it would appear, was the need the Congress wanted to serve in allowing the charitable contribution originally.[75]

What then of simply reinstating the deduction as it existed prior to reform? This approach certainly has a great deal of appeal. If one accepts the argument that the major purpose of the charitable deduction is to promote gifts to charity, this would certainly be the most logical approach. It has the advantage of making tax treatment equal for both the creator-donor and the third party donor.[76] However, regardless of my personal feeling that this should be the sole purpose of this section of the Code, the Congress has dictated that the position of the donor shall also be a factor in this area of the law.[77]

Under Section 170(e) as keyed to Section 1221(3), the Congress has expressed its view that the relationship of the donor to the property should be taken into account in determining the amount of deduction which the donor may take. It would appear, therefore, that unless the Congress was willing to rescind this Congressional policy with regard to this section of the law, total reinstatement of the prior law would be extremely difficult to achieve. It would involve not only allowing the deduction, but a change of Congressional policy to the effect that the relationship of the donor to the property shall no longer have a bearing in determining the value of the gift for tax deduction purposes. It is not unthinkable that the Congress would make such a change in the law, but it does appear that this approach might have a more difficult time than some form of percentage reinstatement which would still recognize the relationship but not in such a drastic way.

An approach which allows a percentage of fair market value as a deduction, but does not at the same time tie that percentage to the income of the donor, would seem to be the better view. This maintains the determination of the Congress that the creator-donor is a special class of contributor while at the same time it does not restrict the higher income creator from contributing his creations to charity, and in this respect it still fulfills, though to a lesser degree, the intent of the charitable contributions section by making desirable materials available to museums, libraries, art galleries and the like.[78]

BY WAY OF SUMMING UP

In summation, the following points appear to be most evident to this writer:

(1) The Tax Reform Act of 1969 is causing serious and detrimental problems because of its treatment of contributions of donor-created property to charitable institutions. Especially hard-hit are libraries, museums and art galleries.

(2) Inasmuch as Congress has determined that gifts of appreciated property may be deducted to the extent of their fair market value from income for income tax purposes, there appears to be no reason to treat this class of appreciated property in the especially harsh manner provided in the Tax Reform Act of 1969.

(3) There are acceptable alternatives to current laws which would maintain the general intent which the Congress has expressed should govern the tax treatment of gifts to charitable institutions and, at the same time, not discourage donor-created gifts to charity.

(4) The best approach to revising the law would appear to be allowing a charitable deduction to the donor-creator, based upon a reasonable percentage of the fair market value of his gift separate from any considerations of his other income except insomuch as that income affects his contributions' base.[79]

FOOTNOTES

*Tax Reform Act, 1969, in effect.

**Tax Reform Act, 1969, in effect. The figure for 1969 could be misleading until one is informed that the majority of these gifts were received in the first six months of 1969 when the changes made by the Act were not yet in effect.

[1] P.L. 91–172, 83 Stat. 487, Amending the Internal Revenue Code of 1954.

[2] Pertinent articles in legal journals include "Charitable Contributions Under the Tax Reform Act of 1969" J. M. Skilling, Jr., *The Practical Lawyer* 16:41 February 1970; "Papers on Tax Reform Act by ABA National Institute Lecturers." *The Tax Lawyer*, Bulletin of the Section of Taxation of the American Bar Association, 23:431 Spring 1970; "Summary of the Tax Reform Act of 1969," Stanley Weiss, *The Business Lawyer*, 25:973 April 1970; "Summary of the Tax Reform Act of 1969," S. J. Machtinger, *Journal of the Beverly Hills Bar Association*, 4:20 March 1970; "The Charitable Deduction," John Y. Taggart, *Tax Law Review*, 26:63 November 1970; "Charitable Scene in Relation to the Tax Reform Act of 1969," M. R. Fremont-Smith, *Real Property Probate and Trust Journal*, 5:393 Fall 1970; "The Tax Reform Act and the Charitable Contribution," *University of San Francisco Law Review*, 5:153 October 1970; "Charitable Contributions Under the 1969 Tax Reform Act: A Checklist of the New Rules," Hans P. Olsen, *Law Notes*, 6:125 July 1970; "1969 Tax Reform Act: A Conference," *New York University Institute on Federal Taxation*, 28:1 1970 (Supp); "Tax Reform Act of 1969: Its Effect on . . . Charitable Contribution," J. H. Myers, J. W. Quiggle, *Fordham Law Review*, 39:185 December 1970. (For a discussion of the law prior to the Tax Reform Act of 1969 by the same authors, see "Tax Aspects of Charitable Contributions and Bequests by Individuals," James W. Quiggle and John Holt Myers, *Fordham Law Reviews*, 28:579, Winter 1959–60.); (See also for a discussion of the prior law, "Charitable Gifts of Appreciated Property," T. P. Glassmoyer, *New York University Institute on Federal Taxation*, 20:243, 1962.)

A vast amount of material has also been published in newspapers, trade publications, and popular magazines on the Tax Reform Act before, during and after its enactment. Materials used in this paper include: "Can Museums Survive Tax Reform?" T. B. Hess, *Art News*, 68:27 October 1969; "Art and Taxes," *Newsweek*, 74:75 September 1, 1969; "Of Gifts and Taxes," *Time* 94–47 August 29, 1969; "How to Make Millions and Not Pay a Cent (in Taxes)," *Newsweek*, 73:69 February 24, 1969; "Why Some Rich People Pay Little or No Tax," *U.S. News and World Report*, 66:73 Feb. 3, 1969; "Tax Reform: The Time Is Now," Joseph W. Barr, *Saturday Review*, 52:22 March 22, 1969; "What Is the Impact of Those Tax Breaks?" *Business Week*, p. 62, February 1, 1969; "Tax Reform," G. Krettek and E. O. Looke, *American Library Association Bulletin*, 63:1240 October 1, 1969; "Tax Reform Dangers Hit by ALA Washington," *Library Journal*, 94:3950 November 1, 1969; "Tax Break for Artists: New Law in Ireland," R. Gelatt, *Saturday Review*, 52:28 November 15, 1969; "Notes and Comment: Offers By Libraries to Promote Future Works and Private Papers by Living Authors," *New Yorker*, 46:19–20 July 25, 1970; "How Best to Support Artists," C. Cutler, *Art in America*, 59:47 January 1971; "First in War, First in Space, and Last in Support of the Arts," D. Preiss, *American Artist*, 35:5 April 1971; "1969 Tax Reform Act Hurting Libraries," *Library Journal*, 96:1553 May 1971; "Tax Reform a 'Half-Axe' Effect on Manuscript Contributions," John J. Kominski, *Manuscripts*, p. 242, Fall 1970; "Music: Why Tax Reform Should Be Reformed," Irving Lowens, *The Sunday Washington, D.C. Star*, p. C–8, January 24, 1971; "Arts Agencies Urge Artists' Tax Reform," Press Release of the North American Assembly of State and Provincial Arts Agencies, Released Washington, D.C. May 23, 1971. "Politicians' Loophole: Many Officeholders Cut Taxes by Donating Files to Various Institutions—Congressmen, Senators Use Device; Humphrey Gives Papers to Historical Society—Determining Value Is Tricky," Jerry Landauer, *Wall Street Journal*, p. 1, May 22, 1969; "Tax Loophole for Legislators," Editorial, *The Washington Post*, July 27, 1969; "Hoving Sees Peril in Tax on Art Gifts," Richard F. Shepard, *The New York Times*, p. 14, August 8, 1969; "IRS to Weigh Claimed Values of Art Gifts," Murray Seeger, *The Washington Post*, p. D–5, March 4, 1969; "Making It More Costly To Give Paintings Away," Paul Richard, *The Washington Post*, p. D–7, August 13, 1969; "Tax Reform: What It Means to You; Changes Proposed in Gift Deductions," *The National Observer*, p. 10, October 20, 1969.

There is also a great deal of material available in Congressional publications: *Tax Reform Studies and Proposals: U S. Treasury Department*. Jointly printed by the House Ways and Means Committee and the Senate Finance Committee, Feb. 5, 1969 in three parts, 91st Congress, First Session; *Tax Reform Proposals Contained in the Message from the President of April 21, 1969 and Presented by Representatives of the Treasury Department to the (House) Ways and Means Committee*, Printed by the House Ways and Means Committee, Tuesday, April 22, 1969, 91st Congress, First Session; *Tax Reform, 1969*, Hearings before the Committee, First Session, in 15 volumes; *Tax Reform Act of 1969*, House Report 91–413, in two parts, August 2, 1969; *Summary of H.R. 13270, The Tax Reform Act of 1969* (as passed by the House of Representatives), prepared by the staffs of the Joint Committee on Internal Revenue Taxation and the Committee on Finance, August 8, 1969, 91st Congress, First Session; *Tax Reform Act of 1969*, Hearings Before the Committee on H.R. 13270 to Reform the Income Tax Laws, in 7 volumes; *Tax Reform Act of 1969*, Compilation of Decisions Reached in Executive Session, Committee on Finance, United States Senate, Oct. 31, 1969, 91st Congress, First Session; *Summary of H.R. 13270: Tax Reform Act of 1969* as reported by the Committee on Finance, November 18, 1969, Prepared by the staff of the Joint Committee on Internal Revenue Taxation for the use of the Committee on Finance, No. 91–552, November 21, 1969, 91st Congress, First Session; *Tax Reform Act of 1969*, Conference Report No.

91–782, Dec. 21, 1969, 91st Congress, First Session; *General Explanation of the Tax Reform Act of 1969*, H.R. 13270, 91st Congress, Public Law 91–172, prepared by the staff of the Joint Committee on Internal Revenue Taxation, December 3, 1970.

[3] I.R.C. Section 1221 (3) (A).

[4] I.R.C. Section 1221(3) (B).

[5] A survey of legal writing in preparation for this paper revealed only one article devoted exclusively to this area of the law. Even that article was more in the nature of a brief report than a close analysis. "Artists Seek to Reinstate Prior Law for Gifts," *Taxwise Giving*, May 1971, p. 7.

[6] "Why Some People Pay Little or No Tax," *U.S. News and World Report*, 66:73 February 3, 1969.

[7] *Tax Reform Studies and Proposals: U.S. Treasury Department*, Joint Publication of the Committeee on Ways and Means of the House of Representatives and the Committee on Finance of the U.S. Senate. 91st Congress, First Session, February 5, 1969, in 3 parts.

[8] *Tax Reform Studies and Proposals: U.S. Treasury Department*, February 5, 1969, Part 1, Page 14. The four reasons given were:

(1) The exclusion of one-half of the taxpayer's net long term capital gains, with the alternative of taxation of the entire gain at a maximum rate of 25 per cent.

(2) The exclusion of interest received on State and local government bonds.

(3) The exclusion resulting from percentage depletion in excess of the capital invested in the ownership of minerals and other natural resources.

(4) The exclusion of the appreciation on charitable gifts of appreciated property such as stocks, to the extent that this appreciation is taken as a deduction.

[9] *Tax Reform Proposals Contained in the Message of the President of April 21, 1969 and Presented by Representatives of the Treasury Department to the Committee on Ways and Means*, Printed by the House Ways and Means Committee, Tuesday April 22, 1969, 91st Congress, First Session, pp. 72–73.

[10] *Tax Reform Studies*, part 2, pp. 178–179, 187.

[11] *Tax Reform Proposals*, p. 177.

[12] *Tax Reform Studies*, part 2, pp. 178–179, 187. *Tax Reform Proposals*, p. 177.

[13] "To prevent this unwarranted tax benefit it is recommended that, in cases of this type, the amount of ordinary income or short-term capital gain which would have resulted if the property had been sold at fair market value be included in taxable income subject to a charitable contribution deduction equal to the fair market value of the property." *Tax Reform Studies*, part 2, p. 180.

The Nixon Administration proposal read: "To prevent this unwarranted tax benefit it is recommended that Section 170 be amended to provide that the allowable charitable deduction be reduced by the amount of ordinary income or net short term capital gain that would have resulted if the property had been sold at its fair market value rather than being donated to charity." *Tax Reform Proposals*, p. 178.

[14] The House bill allowed the contributor to elect between the two approaches. He could either add his gain or income to his income and then take the deduction, or he could reduce his deduction by the amount of the gain or income he would have received had the property been sold at fair market value. *H.R. 13270*, Section 201(c) and (d), 91st Congress, First Session.

[15] *H.R. 13270*, Section 2012(c) and (d), 91st Congress, First Session.

The reason given in the House Report for this drastic change in treatment is noteworthy since it appears to impute a triple motive: 1) the large appreciation factor in gifts of art; 2) the difficulty of valuation; 3) the especially large appreciation factor when the creator donated the object.

"All charitable gifts of art, collections of papers and other forms of tangible personal property are to be subject to the treatment provided by the bill, regardless of the type of charitable organization receiving the gift . . . Works of art, such as paintings, are one of the types of items which frequently are given to charities, and in which there often is a substantial amount of appreciation. The large amount of appreciation in many cases arises from the fact that the work of art is a product of the donor's own efforts (as are collections of papers in many cases). Works of art are very difficult to value and it appears likely that in some cases they may have been overvalued for purposes of determining the charitable contributions deduction."

See *House Report 91–143*, 91st Congress, First Session, Part 1 at page 55.

[16] *H.R. 13270*, Section 513. 91st Congress, First Session.

[17] I.R.C. Section 1221(3). This change cannot be appreciated without some background on the political climate surrounding this special category of property. The House Ways and Means Committee completed its hearings on tax reform on April 24, 1969. I have been able to find no reference in those hearings alluding to any proposed change in the law relating to the tax treatment of gifts of letters and memoranda to charitable institutions. However, on May 22, 1969, the *Wall Street Journal* carried a front page news item entitled "Politicans' Loophole: Many Officeholders Cut Taxes by Donating Files to Various Institutions—Congressmen, Senators Use Device; Humphrey Gives Papers to Historical Society—Determining Value Is Tricky," which was written by Jerry Landauer. It detailed certain advantages realized by public figures who contributed papers and memoranda to various tax-exempt organizations and made use of the charitable deduction received to offset their income from other sources and reduce their tax liability. Since this property was not specifically exempted from the definition of capital assets, these taxpayers could, if they chose, sell their papers and have the income from the sale treated as capital gains rather than ordinary income.

The *Journal* article mentioned tax breaks either taken or contemplated by such prominent officials and political figures as former Vice President Hubert Humphrey, Bill Miller, the Vice Presidential running mate of Senator Barry Goldwater in 1964, former President Lyndon Johnson, Supreme Court Justice William O. Douglas and others from both political parties.

On July 23, 1969, former Senator John Williams of Delaware introduced Senate bill 2683 which would have specifically eliminated this deduction for papers contributed by persons employed by local, state, or federal governments, which were produced while they were so employed. (Congressional Record, vol. 115, pt. 15, p. 20461.)

Unlike the Williams proposal, the House bill treated all such memoranda and letters the same regardless of whether or not created by the person while he was employed by a governmental body at the local, state or Federal level. (Compare S. 2683, 91st Congress, First Session, and H.R. 13270, Section 201(c) and (d) and Section 513.) Since the House Committee heard no testimony on this subject, one must assume that the provision was added by the Committee after the hearings as a result of the *Journal* article and the public feeling against politicians making use of this provision of the Code. Since the House Committee had already determined that all holders of tangible personal property should be denied their previous right to deduct appreciation in value up to full market value of a gift, it is understandable that the Williams proposal to restrict the deduction only for public officials was dropped. It was simply no longer necessary under the House version of the bill since all parties who donated such property were denied the deduction.

[18] *Tax Reform Act of 1969*, Hearings before the Committee on Finance, United States Senate, 91st Congress, First Session, pp. 526, 569–571, 792–797, 998, 999, 1015, 1224, 1225, 1274, 1332, 1353, 1362, 1363, 1584, 1702, 1703, 2019, 2023, 2035, 2041–2045, 2064–2066, 2069, 2072, 2073, 2078, 2079, 2081, 2085, 2089, 2093, 2121, 2125, 2126, 2129, 2134, 2137, 2147–2150, 2153, 2154, 2164, 2165, 2168–2170, 2178, 2181–2183, 2186–2190, 2192–2205, 2210, 2220–2225, 2232, 2237–2247, 2250, 2263, 2264, 2266, 2267, 2269, 2270, 2495–2498, 2500, 2502–2508, 2513, 2514, 2517–2523, 2526–2528, 2531–2537, 2544–2546, 2549, 2556–2558, 2563–2566, 2568–2572, 2575–2578, 2581–2585, 2594–2597, 2600–2603, 2608–2611, 2616–2619, 2624–2631, 2634–2638, 2646–2648, 2651–2653, 2659, 3329, 3339, 3447, 4694, 4713, 4714, 4788, 5098, 5099, 5169, 5170, 5212, 5265, 5709, 5710, 5764, 5765, 6037–6041, 6193, 6194, 6269, 6274, 6275, 6278, 6279, 6426, 6427, 6429.

[19] Senate Hearings, Volume 3, p. 2035.

[20] Senate Hearings, p. 2063.

[21] Senate Hearings, p. 2137.

[22] Senate Hearings, p. 2140.

[23] Senate Hearings, p. 2144.

[24] *Tax Reform Act of 1969*, Senate Report No. 91–552, November 1969, 91st Congress, First Session, pp. 81–82. H.R. 13270 as reported in Senate. Section 201(a).

[25] *Tax Reform Proposals*, p. 178.

[26] Senate Report, p. 81. It is interesting to note that the Senate Report specifically alludes to letters and memoranda contributions, but makes only a secondary reference to "(paintings, art objects, and books not created by the donor)." It is also interesting to speculate on why the Committee continued the exemption from the capital assets definition of a "letter or memorandum or similar property" which was held by the taxpayer for whom the property "was prepared or produced." Does this mean the papers held by a "creator-donor" that were prepared for him by his staff? If so, the language is obviously too broad for it would encompass the person who received a letter from taxpayer A as well. Is this a holdover from the concept of a public official's donations contained in the Williams proposal on the theory that the taxpayers have subsidized the creation of the property once and should not be required to once again subsidize the property in the form of a contribution? Why is a letter created by taxpayer A and sent to taxpayer B any different than a painting created at the request of taxpayer C and painted by taxpayer D? Why, since the Senator had rejected the House approach denying the deduction to all holders of tangible personal property, did it leave this particular restriction in the bill? Could it have been an oversight?

[27] H.R. 13270, as reported to the Senate, Section 201(a).

[28] Senate Report, p. 82.

[29] I.R.C. Section 170(a) (1) (A).

[30] *General Explanation of the Tax Reform Act of 1969*, H.R. 13270, 91st Congress, Public Law 91–172, prepared by the staff of the Joint Committee on Internal Revenue Taxation. December 3, 1970. p. 78. I.R.C. Section 170(e) (1) (A).

[31] A fourth option, it should be pointed out, is available under Section 1011(b) of the Code. This is the so-called bargain sale. Prior to the Tax Reform Act this was a popular charitable contribution mechanism. The holder of appreciated property sold it to charity at his basis and took the value of the appreciation as a deduction. Thus, A with a painting with a fair market value of $10,000, for which he paid $5,000, would sell that property to charity B for $5,000. No gain would be recognized on the $5,000 he received and he received a $5,000 deduction for

the difference between the price paid and the fair market value.

The Tax Reform Act has changed that treatment. Under the new Section 1011(b), the contributor must allocate his basis between the portion sold and the portion donated. For example, in the case above, one-half of the $5,000 basis must be allocated to the part sold and one-half to the portion contributed. As far as the tax law is concerned, two transactions have taken place: 1) a sale for $5,000 of property with a basis of $2,500, and 2) a contribution of $5,000 with a $2,500 basis. Thus, in this example, $2,500 would be recognized as a gain for tax purposes when the bargain sale of the $10,000 painting takes place.

Could the artist or author under this provision of the Code get more favorable tax treatment by making a bargain sale to charity and then take a deduction for appreciation in value which is denied him for an outright donation under 170(e)?

The new proposed regulation issued by the Treasury Department on April 30, 1971, would seem to foreclose this possibility. See Section 1.170–A–(c)(2) examples 5 and 6. The Treasury takes the position that no appreciation occurs for purposes of a bargain sale in this case and since that is the case there is no appreciation to be allocated under 1011(b).

[32] It should be pointed out that the definition of cost is not without some difficulty. For instance, if the artist travels to France to create a painting, is the trip a part of his cost? Could it be deducted as part of his basis in the painting? If a sculptor must travel to Italy to choose marble for a statue, is the trip part of his cost or only the purchase price of the marble he selects? If an author travels in a country to write a book about it, are his travel expenses part of the cost of the literary composition he may later try to contribute to charity? Can the author properly claim the trip as part of creating the original manuscript, or must some type of allocation be made to the numbers of copies of books that may be sold?

[33] For a good brief description of the effects of Section 170(e), note "The Charitable Deduction," John Y. Taggart, *Tax Law Review* 26:63 November 1970, p. 107, "How Does Section 170(e) Work?"

[34] Here it would be well to note that even though the property is properly treated as ordinary income property to the creator, the reasons for treatment of property as capital gains or ordinary income should have no bearing on the contribution question. In the one case the Code is attempting to separate two classes of property for the purpose of levying a tax. In the case of the charitable contribution the Code is attempting to give an incentive to holders of certain desirable property of use of charity to give that property to charity. It would appear that there is no logical reason for treating the two types of property differently for contribution purposes after the decision to allow the deduction for such gifts is made. The two purposes are entirely different and relate to different policies within the Code.

[35] I.R.C. Section 170(e)(1)(A).

[36] I.R.C. Section 1221(3) (A), (B) and (C).

[37] "Music: Why Tax Reform Should Be Reformed," Irving Lowens, *The Sunday Star*, January 24, 1971, p. C–8.

[38] *Ibid.* As of August 25, 1971, the papers still had not been sold.

[39] *Ibid.*

[40] The manuscripts acquisition program of the Library of Congress is a large one. In a brochure entitled "Literary Papers and Manuscripts: Their Place in the National Collections" prepared by the Reference Department of the Manuscripts Division of the Library, it is stated "It is fair to say that virtually every person who has significantly influenced American life is represented in some way in the Manuscript Division of the Library of Congress." *The Quarterly Journal* of the Library of Congress, Volume 27/1970 indicates in its survey of recent acquisitions by the Library (pp. 357–75) that the vast majority of acquisitions are by gift as opposed to purchase. Purchases of the Library are generally restricted to papers of deceased parties and such purchases are generally made from funds which were themselves gifts to the Library as opposed to other revenue sources. Some papers may be purchased at times by the Government, however, and then deposited with the Library.

[41] *Ibid.* The individuals were not identified.

[42] "Tax Reform: A Half-Axe Effect on Manuscript Contributions," John J. Kominski, General Counsel, Library of Congress, *Manuscripts*, Fall 1970, p. 243.

[43] *Ibid.*, p. 246. In addition, the Annual Report of the Library of Congress, at page 6, stated:

"Effects of the Tax Reform Act of 1969, predicted by many libraries, are already being felt by the Library of Congress. Under the Act, personal papers—correspondence, speeches, diaries, manuscripts, compositions, and the like—are treated as ordinary income property and not as capital assets, if they are held by the one who created them, by the one for whom they were created, or by the one who has received them as a gift from the creator. In addition, the tax deduction allowed the donor of such ordinary income property is severely limited. As a result, many authors, composers, artists and public figures who formerly enriched the libraries of the Nation with gifts of their papers have either discontinued their gifts, deferred them, or deposited rather than donated their papers, pending a possible change in the law. As this report points out, however, some donors who have already established substantial collections of their papers in the Library of Congress have continued to add to them. On the other hand, it is significant that not one new gift of a manuscript collection was received by the Library from January 1970 to the close of the fiscal year. The Library's great collections of papers of statesmen, scientists, authors, musicians, artists, educators, and other figures form the raw material from which our history is reconstructed, strengthened, and embellished. The Tax Reform Act threatens to cut off the supply of that material and could well result in impoverishing our national heritage.

[44] *Tax Reform Studies*, 91st Congress, First Session, February 5, 1969, Part 2, p. 187.

[45] *Tax Reform Proposals*, 91st Congress, First Session, April 22, 1969, p. 177.

[46] House Report No. 91–413, Part 1, p. 53.

[47] Senate Report No. 91–552, p. 81.

[48] *General Explanation of the Tax Reform Act of 1969*, December 5, 1970. Prepared by the Staff of the Joint Committee on Internal Revenue Taxation, p. 78.

[49] *General Explanation*, p. 77–78. It should be noted that this possibility of a greater actual gain on a "gift": as opposed to a sale and payment of tax was based upon a highly specilized example. The example used was:

". . . a married taxpayer filing a joint return with $95,000 of income after allowing for deductions and personal exemptions is in the 60% marginal tax bracket and would have an after tax net income of $52,820. If this individual sells an asset valued at $15,000 which would produce $12,000 of income taxable at ordinary income rate, his taxable income rate would be increased to $107,000, and after payment of his tax, he would be left with $60,480 of after tax income. On the other hand, by donating the asset to charity, he pays no tax on the $12,000 income and also deducts the full $15,000 value of the gift from his other income, thereby reducing his taxable income to $80,000. After payment of Federal income tax, he would be left with $61,660. Thus, under present law, by donating the asset to charity rather than selling the asset, the taxpayer makes $1,180, the amount by which he improved his after tax position."

The example obviously rests on a high appreciation element and a high income level. One wonders in practical terms how often the abuse could occur. However, the important fact is that the Congress was obviously influenced strongly by the possible occurrence to take some action to prevent it, not that the possibility of the occurrence was remote. Query also whether the abuse is now even more hypothetical in view of the 50% maximum tax now allowable on earned income under Section *1348* of the I.R.C. which removes the 60% marginal tax bracket used in the example.

[50] I.R.C. Section 170(e)(1)(A).

[51] I.R.C. Section 170(e)(1)(B).

[52] I.R.C. Section 1221(3)(A).

[53] Some countries do not seem to feel the same necessity for treating artists in the same manner as other taxpayers with regard to income received from the sale of their creations. Ireland, for example, in its *Finance Act of 1969*, at the same time the United States was creating a significant economic problem for its artists and writers, granted a total exemption from income taxes for income derived from artistic works. Creative materials such as books or other writings, a play, a musical composition, a painting, picture or sculpture qualify for the no income tax status. See "Tax Break for Artists: New Law in Ireland," Roland Gelatt, *Saturday Review* 52:28 November 15, 1969.

[54] House Report 91–413. 91st Congress, First Session, Part I, pp. 148–149. The rationale for the distinction is discussed at some length by the Committee at this point in reference to the reasons for the change in treatment of papers and memoranda.

[55] The policy of allowing deductions against income for charitable contributions by individuals has been a part of the income tax law since 1917 (now I.R.C. Section 170). Estate tax deductions for bequests to charity were granted in 1918 (I.R.C. Section 2055). Gift tax deductions have been allowed since 1932 (I.R.C. Section 2522) and corporations have been allowed to take a deduction since 1935 (I.R.C. Section 170). "Federal Tax Support of Charities and Other Exempt Organizations: The Need for a National Policy," Lawrence M. Stone, *1968 So. California Tax Institute* 33, Note 15.

Of course, there are those who argue that there should be no deduction whatsoever for such contributions and a discussion of that topic could be made in some detail. Suffice it to say for the purposes of this paper that those advocates, until now, have been unsuccessful in eliminating the charitable contributions deduction.

[56] I.R.C. Section 170(e)(1)(A).

[57] House Report, Part 1, p. 55.

[58] Mr. Karl Ruhue, Chief of the Appraisal Section of the Income Tax Division for the International Revenue Service, suggested a set of broad rules for determining value "particularly for literary and art objects":

(1) A clear statement of the premise or concept of value with the appraiser's definition of that value;

(2) A notation of the effection valuation date;

(3) An accurate description of the object, in detail, with its history or provenance, including record of sales, exhibitions, etc.;

(4) Proof of authentication;

(5) An assessment of its historical value for exhibition purposes; for research purposes, etc.;

(6) Fully developed and detailed basis upon which value is placed:

(a) Sales record of other comparable material of like kind and quality at or near the valuation date;

(b) Factors and relevant conditions of the existing market for the valuation date.

(7) Complete statement of the appraiser's

particular qualifications for determining the value of the particular property;

(8) In the case of paintings or art objects, a photograph by a competent commercial photographer to show the object at its most revealing and artistic advantage."

"Valuation for Federal Tax Purposes," Karl Ruhue, *Antique Bookman,* November 1968.

[59] For a fascinating and readable account of how even the best experts in the art world can be duped by a clever con man and his associates, a book dealing with the exploits of Elmyr de Hory, probably the greatest art forger of all time, makes interesting reading. It is said that his paintings, had they not been exposed, would have a current market value of over $60 million. *Fake,* Clifford Irving, McGraw Hill, New York, 1968.

[60] The current members of the Panel are:

Dr. Richard F. Brown, Director, Kimbell Foundation, Fort Forth, Texas.

Mr. Charles E. Buckley, Director, City Art Museum, St. Louis, Missouri.

Mr. Bartlett M. Hayes, Director, American Academy, Rome, Italy.

Dr. Sherman E. Lee, Director, Cleveland Museum of Art, Cleveland, Ohio.

Mr. William S. Lieberman, Director, Drawings and Prints, Museum of Modern Art, New York, New York.

Mr. Anthony M. Clark, Director, Minneapolis Institute of Arts, Minneapolis, Minnesota.

Dr. Perry B. Colt, Chief Curator (Ret.), National Gallery of Art, Washington, D.C.

Mr. Charles C. Cunningham, Director, Art Institute of Chicago, Chicago, Illinois.

Mr. Kenneth Donahue, Director, Los Angeles County Museum of Art, Los Angeles, California.

Mr. Louis Goldenberg, Art Dealer, Wildenstein and Co., New York, New York.

Dr. George H. Hamilton, Professor, Williams College, Williamstown, Massachusetts.

Professor Charles F. Montgomery, University of Delaware, Newark, Delaware.

Mr. Frank Perls, Art Dealer, Perls Gallery, Beverly Hills, California.

Mrs. Esther W. Robles, Art Dealer, Esther Robles Gallery, Los Angeles, California.

Mr. Alexandre P. Rosenberg, Art Dealer, Paul Rosenberg & Co., New York, New York.

Mr. Theodore Rousseau, Vice Director, Metropolitan Museum of Art, New York, New York.

Dr. Merrill C. Rueppel, Director, Dallas Museum of Fine Arts, Dallas, Texas.

Mr. Eugene V. Thaw, Art Dealer, E. V. Thaw Co., New York, New York.

Past members of the panel have been:

Mr. Edward R. Lubin, Dealer, E. R. Lubin, Inc., New York, New York.

Mr. A. Hyatt Mayor, President, Hispanic Society of America, New York, New York.

Mr. Allan McNab, Art Consultant, La Point, Wisconsin.

Professor Charles Seymour, Jr., Yale University, New Haven, Connecticut.

Mr. Gordon Mackintosh Smith, Director, Albright-Knox Art Gallery, Buffalo, New York.

[61] Mr. Ruhue's remarks at note 58 supra. would seem to indicate that historical value can be a factor in the determination of fair market value.

[62] For instance, is the "intrinsic value" of an object of any use in determining its fair market value? It may be difficult for the Director of an art museum to speak in terms of the money value of a painting. He may use such terms as "invaluable" to describe an acquisition. Perhaps in terms of adding to the gallery's collection, of in adding to the know collection of paintings of a master (as where a previously unknown painting is uncovered), the acquisition is, indeed, "invaluable to the art world, but that factor would seem to have little bearing on the hard reality of the tax law which demands some money value be placed on the object at issue. Also see note 58 supra, and Revenue Procedure 66–49, Reprinted from the Internal Revenue Bulletin 1966–48 of November 28, 1966, which states at Section 2.02:

"As to the measure of proof in determining the fair market value, all factors bearing on value are relevant including, where pertinent, the cost, or selling price of the item, sales of comparable properties, cost of reproduction, opinion evidence and appraisals. Fair market value depends on value in the market and not on intrinsic worth." Query if the statement above is not inherently inconsistent. If the IRS is going to say all factors bearing on value are relevant, how may it then, in the same breath, say intrinsic value is not. The IRS may recognize its own problem inasmuch as Revenue Procedure 66–49 does not take the trouble to define the term "intrinsic value."

[63] "IRS Panel to Weigh Claimed Values of Arts Gifts," Murray Seeger, *The Washington Post,* March 4, 1969, p. D–5.

[64] "IRS Panel," *Post.*

[65] Although the panel has made significant reductions in the valuation of gifts for deduction purposes, it does not make advisory rulings. This would seem to be in line with IRS policy in this field. Mr. Ruhue, in his article in the *Antique Bookman,* supra. note 58 above, puts it in these terms:

"The Service will not approve valuations in advance of the filing of a tax return nor will they imply de facto recognition to an appraiser or appraisal group as to unquestioned advance acceptance of value determinations."

[66] "IRS Panel," *Post.*

[67] "Literary Papers and Tax Contribution Deductions," Speech by Karl Ruhue, Chief, Appraisal Section, Income Tax Division, IRS, before the American Society of Archivists, Madison, Wisconsin, October 1969.

[68] Indeed the indications are that they already have. The Appraisal Division of the Internal Revenue Service informed me in a telephone conversation that a meeting had been held in 1970 with representatives of the American Library Association to discuss the possibility of a panel similar to the Art Advisory Panel for the purpose of valuing papers, manuscripts, memoranda and collections of such materials.

[69] However, one may properly ask if such a panel could really determine values based upon the fair market value standard. Perhaps a purist might feel their valuations too speculative in light of the fact that the "market" for such collections is difficult to determine and that, as a result, the panel could not possibly make objective determinations. But is there any real alternative that would be more equitable to both the taxpayer and the government?

[70] The proposlas are 1) reinstatement of the prior law, an approach suggested by the Associated Council of the Arts (See "Art Agencies Urge Artists Tax Reform," a press release issued May 23, 1971 in Washington, D.C. by the Associated Council of the Arts); 2) reinstate the deduction up to 50% of the fair market value, except in the case of certain contributions by certain public officials, (see remarks of Senator Frank Church in the CONGRESSIONAL RECORD, vol. 117, pt. 5, pp. 6314–6317, on introduction of S. 1212); 3) reinstatement of the full deduction and changing the Code to treat this type of material as a capital asset upon sale (See H.R. 843, 92nd Congress, First Session, introduced by Representative Edward Koch of New York); 4) reinstatement of a percentage deduction based on fair market value but tying the percentage to the income of the donor on a sliding scale which would reduce the percentage deduction allowed as income increased.

[71] See note 70 above.

[72] S. 1212, 92nd Congress, First Session, Section (3)(B).

[73] See note 17 above.

[74] The most benefit to the creator-donor would result from acceptance of H.R. 843. Not only would the creator be allowed the full market value as a charitable contribution, he would be allowed to sell his creation on the market and pay tax on the proceeds at capital gains as opposed to ordinary income rates. Query whether this is wise. Would not allowing the creator-donor the advantage of capital gains treatment on sale accomplish just the opposite of what the charitable contribution envisions? Would it not mean that his economic advantage upon sale would be far greater than his economic benefit from a tax deduction for a contribution? Would not the tendency be to sell rather than donate if capital gains treatment were allowed on the proceeds of the sale? Indeed, if one accepts the idea that capital gains treatment was designed to stimulate investment in property, would not allowing the treatment for this class of property be inconsistent with the intent of this section of the Code? Is not a painting created by an artist created so he can realize income on the sale of a clearly ordinary nature as opposed to an investment in a property which may be later sold to realize a gain of a capital gains nature?

[75] For instance, under this approach might it not be argued that the Library of Congress still would have lost the Stravinsky collection? Would not an art gallery want its collection rounded out by the addition of an Andred Wyeth painting as opposed to the first attempts of an unknown artist in the low income category? Are we trying to add to the collections of our libraries, museums and similar institutions or grant a subsidy via the tax code to low income artists and writers?

[76] Query, however, if the treatment really is the same. For instance, given the fact that the collector donor's property is subject to capital gains taxation rates and the property of the creator-donor is subject to ordinary income tax rates, can it not be argued that the net impact upon tax collections is less when giving the full fair market deduction to the collector donor inasmuch as his income from the property would only have been taxable at capital gains rates whereas the donor-creator stands to gain a greater advantage for, if his property were to be sold, he would pay at ordinary income tax rates.

[77] I.R.C. Section 170(e).

[78] The legislation which takes this approach, however, is S. 1212 and, as pointed out earlier, it contains a provision restricting the deduction for certain public officials. It is certainly fair to ask why a political figure or public official, whose papers may be of the very nature which libraries and museums may well desire the most should be denied the same incentive to give as other creator-donors. Put another way, if our goal is to give incentives to give for the benefit of the charitable institution, is it fair to deny the incentive to the type of gift which they may be most desirous of obtaining? Another fact to consider, however, is that these papers have already been subsidized once by the taxpayer and have their value by virtue of the creator's public office. Is it fair to ask the tax structure once again to subsidize the material created?

[79] I.R.C. Section 170(b)(1)b(D).

By Mr. CASE:

S. 1368. A bill to prohibit the use for public works projects of any lands designated for use for parks, for recreational purposes, or for the preservation of its natural values unless such lands are replaced by lands of like kind. Referred to the Committee on Interior and Insular Affairs.

PARK LAND PROTECTION ACT

Mr. CASE. Mr. President, I introduce for appropriate reference a bill designed to insure that the steady advance of urbanization in this country does not overrun the present and future needs for parks, recreational areas, wildlife refuges and other open space.

Titled "The Park Land Protection Act," my bill will require replacement of any land that had been used for recreational purposes or the protection of its natural values if it is diverted to use in connection with a public works project that involves Federal financing. This means, as my bill says, replacement by land "comparable in value, quality and quantity."

Current law prohibits the taking of parks, wildlife refuges and recreation areas for highways unless the Secretary of Transportation finds there is no feasible and prudent alternative to the use of such land for a road. But there is nothing in the law to require replacement of the land if the Secretary finds there is no alternative to using it for a road.

My bill fills this gap, not only in regard to highways but to all public works projects using Federal funds.

The "replacement in kind" provision of my bill would apply both where a Federal agency seeks to utilize lands under Federal control and where the Federal Government assists the States, or their political subdivisions, in financing projects which involve the use of parks or open spaces under State or local jurisdiction.

In addition, it would require that offers of replacement must be made to the owners of private land that is being used for park or scenic purposes, for wildlife sanctuaries, or for protection of its natural values.

Should controversy arise over whether the replacement lands are of like kind, the dispute would be submitted to a "Park and Recreational Replacement Lands Review Commission," which would be established by my bill. This Commission would be composed of nine members appointed by the President—four from the executive branch of the Federal Government and five private individuals with recognized competence in real estate or conservation matters.

Several years ago, when I first introduced the original version of my Park Land Protection Act, I devoted a large portion of my remarks to pointing up the need to protect land to meet the Nation's recreational needs. Since then, I believe this need has become self-evident and accepted by the vast majority.

Many examples of the need for the bill could be cited but one should suffice at this time.

East Brunswick, N.J., recently dropped plans to develop a new park despite the fact that there was $119,550 in Federal and State funds available for acquisition of the 65-acre tract.

One of the reasons cited for failure to take the opportunity to develop the park was that the Army Corps of Engineers has proposed a dam project nearby and the park land may be flooded by the Corps of Engineers project, even though that project is at least 10 years away.

If there had been assurance that the park land would have to be replaced if its use was destroyed by the dam project, the decision might have been different.

What still is needed is a legal mechanism to provide this protection. This is the purpose of my bill.

It will say simply that our national store of recreational land and open space must be preserved and that any land that is used for any public works project must be replaced by land "comparable in value, quantity and quality."

In my view, this is a step that is overdue.

It is a step that would complement any action Congress may take this year on land use planning.

Obviously, the best land use plans can be upset by unforeseen demands for land for public works projects. But there must be some assurance that these demands are not met at the expense of meeting the need for recreational and open space areas. Our store of these lands must not be depleted to meet the need for public works projects.

Therefore, I believe my bill should be considered in connection with land use planning legislation and I urge that it be referred to the Senate Interior Committee for that purpose.

By Mr. JAVITS (for himself and Mr. BUCKLEY):

S. 1369. A bill to reestablish and extend the program whereby payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments. Referred to the Committee on Government Operations.

Mr. JAVITS. Mr. President, on behalf of the junior Senator from New York (Mr. BUCKLEY) and myself, I introduce a bill concerning the transfer of real property having a taxable status from the Reconstruction Finance Corporation or any of its subsidiaries to another Government department.

I ask unanimous consent that a list of former RFC plants in inventory, together with the bill itself, be printed at this point in the RECORD.

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

FORMER RFC PLANTS IN INVENTORY [1]

Air Force Plant No. 43, Stratford, Connecticut.

Air Force Plant No. 13, Wichita, Kansas.

Air Force Plant No. 50, Halethrope, Maryland.

Air Force Plant No. 28, Everett, Massachusetts.

Air Force Plant No. 63, Grafton, Massachusetts.[2]

Air Force Plant No. 29, West Lynn, Massachusetts.

Air Force Plant No. 59, Johnson City, New York.[2]

Air Force Plant No. 36, Evandale, Ohio.

Air Force Plant No. 27, Toledo, Ohio.[2]

Burlington Army Ammunition Plant, Burlington, New Jersey.

Tarheel Army Missile Plant, Burlington, North Carolina.

Riverbank Army Ammunition Plant, Stanislaus County, California.

Gateway Army Ammunition Plant, St. Louis, Missouri.

Saginaw Army Aircraft Plant, Saginaw, Texas.

Remington Rand Plant, St. Paul, Minnesota.

Naval Weapons Industrial Reserve Plant, Columbus, Ohio.

Naval Weapons Industrial Reserve Plant (LTV), Dallas, Texas.

Naval Air Turbine Test Station, Trenton, New Jersey.

GSA Administration Building (FOB), Kansas City, Missouri (GSA Inventory).

Mergenthaler Building (FOB), New York, New York (GSA Inventory).

National Lead Company (Portion), Tahawus, New York (GSA Inventory).[2 3]

FOOTNOTES

[1] All properties originally in DoD inventory unless otherwise noted. Of the properties in GSA inventory, the two designated "FOB" have been converted from industrial use to Federal office building use.

[2] Designates buildings reported excess to GSA and currently under disposal action.

[3] Agreement reached with National Lead Co. for sale of this property and an explanatory statement outlining proposed sale has been submitted to Congressional Committees on Government Operations. At the request of the Senate Committee, GSA is deferring the sale indefinitely. Deferral requested because of environmental concern expressed by State of New York.

S. 1369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress recognizes the transfer of real property having a taxable status from the Reconstruction Finance Corporation or any of its subsidiaries to another Government department has often operated to remove such property from the tax rolls of States and local taxing authorities, thereby creating an undue and unexpected burden upon such States and local taxing authorities, and causing disruption of their operations. It is the purpose of this Act to furnish temporary measures of relief for such States and local taxing authorities by providing that payments in lieu of taxes shall be made with respect to real property so transferred on or after January 1, 1946.

SEC. 2. As used in this Act—

(a) The term "State" means each of the several States of the United States.

(b) The term "real property" means (1) any interest in land, and (2) any improvement made thereon prior to any transfer thereof occurring on or after January 1, 1946, from the Reconstruction Finance Corporation to any other Government department, if for the purpose of taxation such interest or improvement is characterized as real property under the applicable law of the State in which such land is located.

(c) The term "local taxing authority" means any county or municipality, and any subdivision of any State, county, or municipality, which is authorized by law to levy and collect taxes upon real property.

(d) The terms "real property tax" and "real property taxes" do not include any special assessment levied upon real property after the date of a transfer of such real property occurring on or after January 1, 1946, from the Reconstruction Finance Corporation to any other Government department.

(e) The term "Government department" means any department, agency, or instrumentality of the United States, except the Reconstruction Finance Corporation.

(f) The term "transfer" means—

(1) a transfer of custody and control of, or accountability for the care and handling of, any real property, or

(2) a transfer of legal title to any real property.

(g) The term "Reconstruction Finance Corporation" includes all subsidiaries of the Reconstruction Finance Corporation.

SEC. 3. Where real property has been transferred on or after January 1, 1946, from the Reconstruction Finance Corporation to any Government department, and the title to such real property has been held by the United States continuously since such transfer, then on each date occurring on or after January 1, 1971, and prior to January 1, 1975, on which real property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such real property shall pay to the appropriate State and local taxing authorities an amount equal to the amount of the real property tax which would be payable to each such State or local taxing authority on such date if legal title to such real property has been held by a private citizen on such date and during all periods to which such date relates.

SEC. 4. (a) The failure of any Government department to make, or to make timely payment of, any payment authorized by section 3 of this Act shall not subject—

(1) any Government department, or any person who is a subsequent purchaser of any real property from any Government department, to the payment of any penalty or penalty interest, or to any payment in lieu of any penalty or penalty interest; or

(2) any real estate or other property or property right to any lien, attachment, foreclosure, garnishment, or other legal proceding.

(b) No payment shall be made under section 3 of this Act with respect to any real property of any of the following categories:

(1) Real property taxable by any State or local taxing authority under any provision of law, or with respect to which any payment in lieu of taxes is payable under any other provision of law.

(2) Real property used or held primarily for any purpose for which real property owned by any private citizen would be exempt from real property tax under the constitution or laws of the State in which the property is situated.

(3) Real property used or held primarily for the rendition of service to or on behalf of the local public, including (but not limited to) the following categories of real property; courthouses; post offices and other property used for purposes incidental to postal operations; and federally owned airports maintained and operated by the Civil Aeronautics Administration.

(4) Office buildings and facilities which are an integral part of, or are used for purposes incidental to the use made of, any properties described in paragraph (1), (2), or (3) of this subsection.

(c) Nothing contained in this Act shall establish any liability of any Government department for the payment of any payment in lieu of taxes with respect to any real property for any period before January 1, 1971, or after December 31, 1974.

SEC. 5. This Act shall take effect as of January 1, 1971.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 368

At the request of Mr. STAFFORD, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 368, the Uniformed Services Special Pay Act of 1973.

S. 471

At the request of Mr. CHURCH, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 471, a bill to encourage State and local governments to reform their real property tax systems so as to decrease the real property tax burden of low- and moderate-income individuals who have attained age 65.

S. 548

At the request of Mr. HUMPHREY, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 548, a bill to provide price support for milk at not less than 85 per centum of the parity price therefor.

S. 631

At the request of Mr. CHURCH, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act.

S. 632

At the request of Mr. CHURCH, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 632, a bill to amend title II of the Social Security Act to increase the amount which individuals may earn without suffering deductions from benefits on account of excess earnings, and for other purposes.

S. 633

At the request of Mr. CHURCH, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 633, a bill to authorize the Secretary of Labor to make grants for the conduct of older Americans home-repair projects, and for other purposes.

S. 874

At the request of Mr. WILLIAMS, the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 874, the Gifted and Talented Children's Educational Assistance Act.

S. 993

At the request of Mr. MONDALE, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. HATHAWAY), the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of S. 993, authorizing the issuance of right-of-way permits in the State of Alaska for certain purposes.

S. 1007

At the request of Mr. PEARSON, the Senator from Montana (Mr. MANSFIELD), the Senator from New York (Mr. JAVITS), the Senator from Utah (Mr. BENNETT), the Senator from Kansas (Mr. DOLE), and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of S. 1007, to provide for increased foreign commerce involving small businesses.

SENATE CONCURRENT RESOLUTION 18—SUBMISSION OF A CONCURRENT RESOLUTION EXPRESSING OPPOSITION TO CERTAIN MEASURES FOR THE CURTAILMENT OF BENEFITS UNDER THE MEDICARE AND MEDICAID PROGRAMS

(Referred to the Committee on Finance.)

SENATE MAJORITY OPPOSES MEDICARE, MEDICAID CUTS

Mr. MONDALE. Mr. President, I am proud to act on behalf of a bipartisan majority of my colleagues in the Senate—in introducing a concurrent resolution rejecting cuts in medicare and medicaid benefits proposed in the budget submitted by the President last January 29.

The President has said that he will submit legislation to Congress making the following changes in medicare and medicaid programs:

Increase the charge to patients for the first day of hospitalization from $72 to the full hospital charge.

Require the patient to pay 10 percent of actual hospital costs between the first and 61st days—now free under medicare.

Require those covered under part B of medicare to pay the first $85 of bills for physicians' services—instead of the first $60—and 25 percent of everything above that—instead of 20 percent.

Eliminate "low priority" medicaid services—including dental care for adults.

Under the present law, older Americans covered by medicare are assured that a stay in the hospital—even one as long as 60 days—will cost them no more than $72. But under the administration proposals a 3-week stay would cost a minimum of $200, and a stay of 60 days a minimum of $500. These figures are based on the 1972 average daily hospital service charge of $70 a day. But in many States—such as my own State of Minnesota, where daily hospital charges may run as high as $500—the budget proposals would place an even greater and absolutely intolerable burden on medicare patients.

We all agree on the need for economy. But we can spare this additional burden on those least able to pay. There is enough fat in the budget—in Pentagon waste, in extravagant space programs, in continued special tax benefits for powerful interests—to make up the difference many times over.

With a majority of the Senate on record against the administration's proposed cutbacks, 23 million older Americans will not have to spend weeks and months waiting in fear to see what Congress will do with these proposals—which would increase their out-of-pocket costs for health care by over $1 billion in 1974.

Mr. President, I ask unanimous consent that a copy of the concurrent resolution may appear at this point in the RECORD, together with an excellent article by Jonathan Spivak from last Friday's Wall Street Journal discussing the administration's medicare proposals.

There being no objection, the concurrent resolution and article were ordered to be printed in the RECORD, as follows:

S. CON. RES. 18

Whereas, in the National Budget proposed for the fiscal year ending June 30, 1975, the amount of expenditures allocated for the Medicare and Medicaid programs for such year is predicated upon the enactment into law of amendments to titles XVIII and XIX of the Social Security Act which would have the effect of—

(1) increasing the amount of the deductible, which is applicable (under part A of such title XVIII) with respect to the first day of inpatient hospital services received by a patient, to an amount equal to the average per diem cost of inpatient hospital services;

(2) imposing a coinsurance amount, with respect to inpatient hospital services (under part A of such title XVIII) received after the first day a patient receives such services and prior to the 61st day he receives such services, equal to 10 per centum of the actual costs imposed for such services;

(3) reducing coverage for physicians' services (under part B of such title XVIII) by increasing the deductible applicable thereto from $60 to $85, and by increasing the patient's share of such costs, above the deductible, from 20 per centum to 25 per centum; and

(4) eliminating (under such title XIX) Federal financial participation with respect to costs, incurred under a State plan approved under such title, attributable to the provision of certain low-priority services (including dental care) to adults: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that no such amendments be enacted.

SHOULD OLD FOLKS PAY MORE FOR MEDICARE? WOULD THAT CURB THE MISUSE OF SERVICES?

(By Jonathan Spivak)

WASHINGTON. Mary W., 75 years old, entered Washington Hospital Center here last November with diabetes and cancer. Though her seven-day stay cost $903.35, she paid only $72; medicare took care of the rest.

But, under a Nixon administration proposal she would have to pay nearly twice as much, or $152.13, for the same care.

That is a fair sample of the dollar-and-cents effect of one of President Nixon's most hotly disputed economy plans—one that proposes the elderly foot more of their health bills while the government pay less. The biggest change: Starting next January, the aged would have to pay 10% of their hospital bills. Their contributions now total far less than that. And though a few medicare beneficiaries would gain by the change, many would find their pocketbook burden doubled.

Against these presidential intentions, the elderly and their liberal friends in Washington are employing strong language. "Savage cutbacks proposed for the medicare health insurance program . . . represent a shameful repudiation of a pledge made to older Americans by the President," charges Nelson Cruikshank, 70, president of the National Council of Senior Citizens.

But Nixon spokesmen, denying any breach of promise, are pouring forth soothing reassurances. Caspar Weinberger, Health, Education and Welfare Secretary, says: "We believe that the medicare reforms . . . won't invoke financial hardship on the program's beneficiaries."

EMOTIONAL DEBATE

In the often emotional debate, serious economic issues are being thrashed out. The administration, backed by congressional conservatives, believes the rapid escalation of medicare costs must be halted. The proposed changes would mean a cut of 10%, saving an estimated $1.3 billion annually at the start and much more later on.

The advocates of the cutback argue, too, that the tightening-up would eliminate wasteful use of health services, make physicians more cost-conscious and tie medicare patients' payments closer to the actual cost of care.

"It seems clear that someone with a pension or even Social Security income can and should pay a small percentage of his income if he is going to stay in a hospital bed that is going to cost other people as much as $50 to $100 a day," insists Nixon aide John Ehrlichman.

Critics complain that the changes would impose a financial burden on the aged, prevent them from getting necessary medical care, produce a medicare fund surplus without passing the savings along to taxpaying workers and do nothing to solve the problem of rising medical costs. One Democrat, Sen. Edmund Muskie of Maine, even suggests "this plan could in fact increase costs for all concerned—the elderly, the government and the health industry.

The critics do concede one point: Charges paid by patients would be more closely related to actual hospital costs. Currently the aged must pay the national average cost for their first day of hospital care, regardless of what the hopsital charges and what the illness is. They, then get 59 days of free hospitalization. For the 30 days following they pay 25% of the average daily cost and for the 60 days following that they pay 50%. This arrangement plainly puts a burden on patients who are more seriously ill and stay in the hospital longer, and it ignores wide cost variation among individual institutions in different parts of the country.

Instead, the administration approach would have patients pay the actual charges for the first day of care. These range from $15 in small hospitals to $100 in big-city institutions. The national average is $72 a day. After the first day, patients would pay 10% of all hospital charges.

Some patients, particularly the 1% hospitalized for more than 60 days, would have money by the change. But most patients would pay more than at present, since the average hospital stay for medicare beneficiaries is only about 12 days. Secretary Weinberger concedes that the patient's payment for the average stay would rise to $189 from $84.

Other burdens for medicare beneficiaries would also rise. Under the program's separate coverage of doctor bills, patients would have to pay a higher "deductible" amount before the government would start shelling out. These payments would increase in the future by the same percentage that Social Security benefits rose.

COUNTING ON MEDICARE

The savings resulting from the proposed changes would permit a reduction of 6% to 7% in the payroll tax that finances medicare and would allow a cut of 30 cents from the $6.30 monthly premium for doctor-bill coverage. But the administration isn't proposing such adjustment. Instead, it is counting on the medicare cutbacks to help reduce the budget deficit.

Nixon men argue, moreover, that reducing medicare outlays would allow them to maintain spending for other health programs. But Congress likes to look on medicare and Social Security as a separate compartment of the budget and balance the tax revenue taken in and the benefits handed out.

Beyond that, Congress simply doesn't like the notion of curtailing basic benefits that so many voters count on. And this is one Nixon economy plan that would clearly require legislation to enact. Last year a much milder proposal to increase patients' hospital payments came to grief in the Senate Finance Committee. This year's tougher plan seems sure to meet even stiffer resistance, as Secretary Weinberger's stalwarts themselves concede. "There's a one-in-twenty chance to get the legislation," one HEW official says.

The clashing assessments of the Nixon proposal spring partly from conflicting views of medicare priorities. To those who see lowering of financial barriers to medical care as the overriding aim, any increase in payments to the elderly is a step backward. Certainly when medicare was adopted in 1965, Congress was more intent on increasing the aged's access to health care than on holding down the cost.

"The whole principle of medicare was that the elderly weren't getting the care they need because they couldn't afford to pay for it," insists Bert Seidman, Social Security director for the AFL–CIO.

To those more concerned about costs, the view is different. Since 1965 the price of medical care has skyrocketed, and the government has already imposed limits on physicians' fees and the length of hospital stays it will pay for. The proportion of the aged's total health expense covered by medicare has fallen to 42% from a peak of 45% in 1969. And by some estimates, the new Nixon plan would reduce the share to 35%.

Those eying medicare costs look also at the elderly's income and find it has risen sharply. Since 1965 Social Security benefits have increased 70%. The administration argues this rise should permit an increase of 70%, to $85 from $50, in the payment that a patient must make for doctor bills before the government pays. Thus, the aged wouldn't be any worse off financially under this part of the program than when it started in 1966, the economizers reason.

The proposed increase in patients' payments for hospital care is defended on the broad ground of promoting economy and efficiency in health care. Proponents contend that making patients share in the cost would deter needless treatment and increase price competition in the medical marketplace.

STOP-AND-LOOK ATTITUDE

Imposing a 10% patient payment for hospital care would act as "a reminder that these resources aren't free, and for a fair fraction of the aged it's probably a meaningful enough amount," Martin Feldstein, a Harvard economist, says.

"It achieves a stop-and-look attitude: Do I need to be in the hospital an extra day? Do I need this test?" argues Peter Fox, a HEW health expert.

Mr. Fox and colleagues contend that patients facing larger bills would seek to be admitted to lower-priced hospitals, to avoid costly tests and to shorten lengthy hospital stays. Admittedly the decisions are made by doctors, but proponents reason that patient pressure would make the medical men more cost-conscious and would minimize intervention by Washington. "My personal preference is to let doctors and patients make the decision, not the federal government," says Stuart Altman, a deputy assistant secretary at HEW.

There is little doubt that increasing charges to patients decreases their use of medical care. When a 25% patient payment was imposed by a Palo Alto, Calif., medical clinic, use by Stanford University employes covered by a university health plan dropped 24%. Studies of other health plans show similar effects. "If you put in a big enough financial barrier, you will have a diminution in use," concludes Howard West, director of the Social Security administration's division of health insurance studies.

Unfortunately, it is difficult to determine whether essential or nonessential medical services are cut back in such cases. Statistics are sparse and subject to differing interpretations. Moreover, there isn't any agreement on what is a proper amount of care for the aged or any other population group. Medicare enthusiasts tend to measure progress in dollars spent, but dollar amounts can't express the quality of care.

When medicare began paying the bills for the elderly, their use of health services jumped 25%. At the same time, use of health services by younger people fell, presumably because medical-care costs were vaulting.

But since 1969, hospitalization rates for the elderly have declined, the average length of stay has dropped sharply under pressure from medicare managers. "I don't see any evidence there is overutilization or underutilization now," says Herman Somers, a Princeton University health insurance specialist.

The idea of making the medical marketplace more responsive to price competition is appealing, but skeptics detect several drawbacks. How hard-headed can a worried, impoverished and medically unsophisticated patient be? Does a sick person want his doctor to skimp on the costs of his medical care?

Moreover, there are many of the aged who can hardly become more cost-conscious because of the administration's proposal. Some are so poor that medical-welfare programs take care of any payments they incur that medicare doesn't cover. Others are wealthy enough to buy supplementary private insurance to fill medicare's gaps. The existence of these groups weakens the case for the cutbacks.

The underlying question of how much individual patients should pay for their health care is an issue sure to arise in any future broad national health insurance program. Congress is already considering possibilities that range in generosity from an AFL–CIO proposal for paying the full cost of most care to an American Medical Association plan for providing limited financial help to low-income patients. The medicare outcome will show which way politics points.

AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF STATE—AMENDMENTS

AMENDMENT NO. 55

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

Mr. BAKER. Mr. President, for myself and Senators CASE, MAGNUSON, and MUSKIE, I send to the desk for appropriate referral an amendment to S. 1248, the State Department authorization bill, to create the Bureau of International Environmental Affairs in the Department of State.

The bureau would be headed by an Assistant Secretary of State and would combine the responsibilities and resources of the office of the Special Assistant to the Secretary for Fisheries, Wildlife, and Ocean Affairs and the Office of Environmental Affairs in the Bureau of International Scientific and Technological Affairs.

The functions of the Bureau would be as follows:

First. To formulate and implement policies and proposals for international environmental programs, including of course, fisheries, wildlife, and ocean affairs;

Second. To advise the Secretary of State in the consideration of environmental factors in the formulation of foreign policy;

Third. To represent the Department in international negotiations in the area of environmental affairs;

Fourth. To seek advice from and provide guidance to domestic environmental interests on activities affecting international relatons; and

Fifth. To insure effective coordination of policy responsibilities between the Department of State and other departments and agencies of the Federal Government in the field of international environmental affairs.

In order that the bureau might be created without displacing other unrelated offices within the Department, I have recommended a slight increase in funds for the "administration of foreign affairs" as requested in the authorization. Such an increase should provide the necessary salary for the Assistant Secretary, as well as adequate funds for increasing the expertise of the Department in the area of international environmental affairs.

Mr. President, I make this recommendation after having served on the official U.S. delegation to the 1972 United Nations Conference on the Human Environment, and before that as Chairman of the Secretary of State's Advisory Committee on the Conference.

The U.S. contribution to that historic effort was second to none, but throughout my tenure as chairman of the Advisory Committee, I repeatedly recognized the need for better coordination and cooperation, not only within the Department of State, but within the executive branch as a whole. Moreover, it is my judgment that U.S. participation in future international environmental endeavors can only be enhanced by coordinating and elevating these respective offices within the Department of State.

The conference held in Stockholm last summer was only a beginning, and much work remains to be done if we are to succeed in preserving and protecting the human environment we all must share. It is for this reason that I recommend the creation of this bureau.

Also essential to the success of environmental efforts is a better awareness of the problems which confront the nations of the world. Accordingly I have listed as one of the functions of the bureau, to seek advice from and provide guidance to domestic environmental interests on activities affecting international relations." The intent of that statement is to prompt the Department of State to honor a commitment Secretary Rogers made in his letter to the Advisory Committee upon receipt of our final report. That commitment was to consider the establishment of a "mechanism for continuing consultation in this area between the Government and the public." Since I have received no further notice of the Department's action in this regard, I feel compelled to remind them of the Secretary's letter and to urge that the bureau to be established by this amendment set, as one of its goals, broader consultation with members of the interested public.

If such consultation is carried out and the other steps recommended in my amendment are taken, I am convinced that the U.S. contribution to international environmental matters will more accurately reflect our capabilities in this field and the interest of the world will be better served.

I ask unanimous consent that the text of my amendment be included in the RECORD at this time.

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

AMENDMENT NO. 55

At the end of the bill, add a new section as follows:

BUREAU OF INTERNATIONAL ENVIRONMENTAL AFFAIRS

SEC. 106. (a) There is established within the Department of State a Bureau of International Environmental Affairs. The Bureau shall be headed by an Assistant Secretary of State designated by the Secretary of State.

(b) Under the general direction of the Secretary of State the Assistant Secretary of State so designated shall have the responsibility for, and there are transferred to the Assistant Secretary, the following functions within the Department of State:

(1) to formulate and implement policies and proposals for international environmental programs, including hereafter fisheries, wildlife, and ocean affairs;

(2) to advise the Secretary of State in the consideration of environmental factors in the formulation of foreign policy;

(3) to represent the Department in international negotiations in the area of environmental affairs;

(4) to seek advice from and provide guidance to domestic environmental interests on activities affecting international relations; and

(5) to insure effective coordination of policy responsibilities between the Department and other departments and agencies of the executive branch in the field of international environmental affairs.

The Office of the Special Assistant to the Secretary of State for Fisheries and Wildlife and Coordinator of Ocean Affairs, the Office of Environmental Affairs in the Bureau of International Scientific and Technological Affairs, and any other office or any bureau, division, section, or other organizational unit of the Department of State, all of whose functions are transferred under this section, shall thereupon cease to exist.

(c)(1) The first section of the Act of May 26, 1949, as amended (22 U.S.C. 2652), is amended by striking out "eleven" and inserting in lieu thereof "twelve."

(2) Section 5315(22) of title 5, United States Code, is amended by striking out "(11)" and inserting in lieu thereof "(12)."

On page 2, line 2, strike out "$282,565,000" and insert in lieu thereof "$282,715,000."

EXTENSION OF EXPIRING AUTHORITIES IN THE PUBLIC HEALTH SERVICE ACT AND THE COMMUNITY MENTAL HEALTH CENTERS ACT—AMENDMENTS

AMENDMENT NO. 56

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

TO AMEND S. 1136 TO PROTECT RELIGIOUS PRECEPTS IN MEDICAL CASES INVOLVING ABORTION AND STERILIZATION

Mr. CHURCH. Mr. President, tomorrow the Senate will begin consideration on S. 1136, to extend for 1 year the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act. I commend the Senate Labor and Public Welfare Committee for their prompt attention to the extension of these health programs. Included are such programs as the Hill-Burton hospital construction funds, the regional medical program, migrant health, allied health training and community mental health—all of which have enjoyed immense popularity and support in Idaho, a sparsely populated State

which cannot afford a school of medicine.

In Lewiston, Idaho, they find it hard to believe that the President has recommended the elimination of Hill-Burton funds for the reason that there is "no longer a shortage of hospital beds nationwide." At St. Joseph's Hospital, it is not uncommon to find patients utilizing beds in the hall. Vacancies are rare in the adult medical and surgical wards. There were hopes that St. Joseph's could expand and modernize through the use of Hill-Burton funds. But, to date, they have only a commitment for funds under this program if and when they become available for this much needed construction. Meanwhile, patients are juggled from room to room and often dismissed early to provide space for new arrivals. If Hill-Burton is not continued, there is little hope in this north Idaho community for adequate health facilities.

As we are all aware, the President has not requested the continuation of many of the programs included under S. 1136, and Secretary Weinberger has expressed his disapproval that Congress should choose to consider these programs in a lump-package bill. Without doubt, much could be gained by a congressional evaluation of each of the 44 programs involved and I know that Senator KENNEDY, in his capacity of chairman of the Senate Health Subcommittee, is most receptive to this idea. However, the President gave no warning of his proposal to eliminate ongoing programs and time does not permit adequate committee hearings before the June 30, 1973, expiration date. Therefore, I feel it compelling for the Senate to act favorably on this legislation, in order to insure that programs which are so vital to so many in each of our States may continue. One year should provide Congress with ample time to make a careful review of each program in question.

We are all familiar with the recent Supreme Court ruling in *Roe, et al.* v. *Wade*, District Attorney of Dallas County (41 U.S.L.W. 4213), that State laws which prohibit an abortion during the first 3 months of a woman's pregnancy are contrary to the due process clause of the 14th amendment to the Constitution and, therefore, invalid. Because of this decision, and the important role the Federal Government plays in medicine and medical care, I recently introduced Senate Joint Resolution 64 to protect physicians, health care personnel, hospitals, and similar health care institutions in the exercise of religious beliefs which proscribe the performance of abortions or sterilization procedures. In view of the germaneness of this resolution to S. 1136 which continues several hospital-related programs, I intend to offer it in the form of an amendment to S. 1136.

Freedom of religion is one of the great gifts of our land. Congress must never allow Federal funding to be used as an excuse for eroding freedom of religious practice by forcing abortions or sterilizations on church-affiliated institutions.

I ask unanimous consent that the text of this amendment be printed at this point in the RECORD together with the text of an article appearing in an Idaho newspaper concerning the abortion policy to be adopted by Latter-day Saints hospitals, a reprint from the Catholic publication, Commonweal, and newspaper accounts of another sterilization case currently before the Montana State courts, along with a synopsis of the Federal district case prepared by my staff.

A Supreme Court decision, of course, can neither be altered nor repealed by statute, since it rests upon the court's interpretation of the Constitution, the supreme law of the land; but Congress can and should fashion the law in such a manner that no Federal funding of hospitals, medical research, or medical care may be conditioned upon the violation of religious precepts. My amendment will safeguard the paramount right of church-affiliated hospitals to operate in conformity with their religious precepts.

I am certain each of us has in his State, hospital facilities which have been built, remodeled, enlarged, modernized, or equipped under the provisions of the Hill-Burton Act. Federal money made available for this purpose, has been extended on the condition that the hospitals shall comply with certain Federal regulations. These regulations need not be prescribed prior to the acceptance of the Federal grant or loan, but may be stipulated afterwards. Thus, hospitals which have in the past accepted Hill-Burton moneys could be made subject to Federal requirements that they perform abortions and sterilizations.

Already a case has arisen which should furnish us with ample grounds for legislative action. A Federal district court in Montana, in the case of Mike and Gloria Taylor against St. Vincent Hospital, has issued a temporary injunction compelling a Catholic hospital, contrary to Catholic beliefs, to allow its facilities to be used for a sterilization operation. The district court based its jurisdiction upon the fact that the hospital had received Hill-Burton funds.

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

AMENDMENT No. 56

At the end of the bill, insert the following new sections:

Section 6. It is hereby declared to be the policy of the Federal Government, in the administration of all Federal programs that religious beliefs which proscribe the performance of abortions or sterilization procedures (or limit the circumstances under which abortions or sterilizations may be performed) shall be respected.

Section 7. Any provision of law, regulation, contract or other agreement to the contrary notwithstanding, on and after the enactment of the Act, there shall not be imposed, applied, enforced, in or in connection with the administration of any program established or financed totally or in part by the Federal Government which provides or assists in paying for health care services for individuals or assists hospitals or other health care institutions, any requirement, condition, or limitation, which would result in causing or attempting to cause, or obligate, any physician, other health care personnel, or any hospital or other health care institution, to perform, assist in the performance, or make facilities or personnel available for or to assist in the performance, of any abortion or sterilization procedure on any individual, if the performance of such abortion or sterilization procedure on such individual would be contrary to the religious beliefs of such physician or other health care personnel, or of the person or group sponsoring or administering such hospital or other institution.

ABORTION: NEXT ROUND

Among predictable developments following the January 22 Supreme Cout decision striking down restrictive abortion laws in the United States were juridical problems for medical personnel and institutions with religious and ethical objections to easy and indiscriminate abortions. These developments have not been long in coming. A bill in the Oregon Legislature would require Catholic hospitals to admit patients for abortion operations; Wisconsin is faced with a measure threatening the license of a doctor or nurse who refused to perform an abortion; and Senator Frank Church told Congress of a federal district court action in Montana which compelled a Catholic hospital in Billings to allow its facilities to be used for a sterilization operation—quite a different medical procedure from an abortion, to be sure, but still contrary to traditional Catholic morality codes. What is significant in the latter instance is that the sterilization operation was ordered on legal grounds some would use to force reluctant hospitals to perform abortion services: it was the recipient of public funds under the Hill-Burton Act.

Thousands of hospitals throughout the country have been built, remodeled, enlarged modernized or equipped under the provisions of the Hill-Burton Act, including a substantial number of the 718 Catholic general hospitals, institutions which last year treated more than 23 million patients. Equally large numbers of these hospitals have received funds for research and other projects under government-sponsored National Institutes of Health programs, a detail which could increase the legal jeopardy of these institutions should a precedent be established whereby courts or legislatures made receipt of public funds a determinant in what public services a medical institution performed. Hospitals that received Hill-Burton funds would seem to be particularly vulnerable, since these funds are extended on conditions which, surprisingly, need not be prescribed by the government prior to acceptance of the grant or loan. It is noted, for instance, that the requirement on hospitals funded through the Hill-Burton Act to provide set amounts of care for charity patients is a condition laid on most hospitals *after* they had obtained federal money. There is certainly nothing objectionable about that condition. However, its post-factum application points up the vulnerability of hospitals that have received Hill-Burton funds to government disposition and government mandate.

Legislative action to protect hospitals from provision of law of government regulation requiring them to perform services that violate religious precepts, such as abortion and sterilization, has been initiated by Senator Frank Church of Idaho. Church's measure—Senate Joint Resolution 64—would also protect the religious and ethical beliefs of doctors, nurses and health-care personnel, as these relate to their professional practices. The measure has been referred to the Senate Committee on Labor and Public Welfare, and public hearings are expected later in the spring, perhaps before the Subcommittee on Health headed by Senator Edward Kennedy.

Interestingly enough, the resolution is attracting supporters across a broad ideological spectrum, including liberals like Proxmire and Biden and conservatives like Eastland and Byrd. Some are attracted by the basic anti-abortion features of the resolution, but some also see it safeguarding religious freedoms and civil rights and perhaps heading off efforts in the direction of a Constitutional

amendment, a move which many on both sides of the abortion issue fear would protract divisiveness over abortion in state after state over many years.

Senator Church's resolution would provide protections for hospitals and medical personnel that are vital. At the same time, opponents of the abortion decision must be looking ahead. Difficult questions will inevitably be raised with respect to the exclusivity of policy in institutions and among health-care people that Senator Church's resolution would protect. Specifically, are religious and ethical policies to be applied the same in areas where Catholic hospitals are the only ones for miles around, as they would be in populous areas where broader choices prevail for those seeking an abortion or sterilization? And if they are to be so applied, are Catholics then open to charges of imposing a moral ethic on the society of a particular geographical area? Further, is it reasonable to abolish all maternity and obstetrical services in Catholic hospitals in order to counter the possibility of abortions being performed there, as is under consideration in the Diocese of Great Falls, Montana? These are the kinds of questions that will be raised. Answers will be needed soon—and they must be more nuanced than those thus far forthcoming.

[From the Twin Falls (Idaho) Times- News, Mar. 2, 1973]

LDS Continue No Abortion

Salt Lake City.—Hospitals operating under the Health Services Corp. of the Church of Jesus Christ of Latter-day Saints continue to follow a no-abortion policy despite a late-January Supreme Court ruling that the decision on abortion is solely that of a woman and her doctor.

"We are opposed to doing abortions in our hospitals," said Dr. James O. Mason, commissioner of the Health Services Corp.

"The Church opposes abortion and counsels its members not to submit to abortion except when the life of the mother is seriously threatened," he said.

Mason said he could see future problems with the no-abortion stand.

"In an area where there is only one hospital, we see that we might have problems come up," he said. "A woman may feel her rights are being violated because she can't get an abortion anywhere else, and the local hospital refuses to give one."

Sen. Frank Church, D-Idaho, has already introduced legislation to prohibit the federal government from requiring religious hospitals to perform abortions if contrary to their faith.

At St. Benedicts Hospital in Ogden, Mother Henrita Osendorf took a stand similar to Mason's.

"We will absolutely not permit abortions to be performed in our hospitals," she said. "We do let a doctor perform one if the pregnancy endangers the mother's life."

"The Order of St. Benedicts takes the unequivocal stand to respect life," she added.

A national survey indicated that most hospitals are proceeding with caution in taking steps to implement the Supreme Court's decision, and a few are keeping their ban on abortions, Mason said.

He said the ruling "doesn't force a person to do an abortion or force an institution to do something against its standards."

Mason added that "freedom of conscience provides us the opportunity to make by-laws forbidding abortions."

Mason said the Mormon Church "with its position of trying to obey the laws, wants good laws. It is very tragic that we even have this type of a problem come up."

Essentially, the Supreme Court ruling of Jan. 22 means that a woman can ask her doctor for an abortion and can seek a doctor willing to perform it. The decision does not say that it grants the right to abortion on demand, Mason said. Doctors are not compelled to oblige a woman who happens to request an abortion.

Sterilization Upsets Catholic Hospitals: Eliminating Obstetrics Considered

Great Falls.—A court order directing a Roman Catholic hospital to allow its facilities to be used for a sterlization operation could cause some Catholic hospitals to do away with obstretrical and related services, a church leader said Wednesday.

The comment came from the Most Rev. Eldon B. Schuster, Great Falls, bishop of the diocese in which the Holy Rosary Hospital of Miles City is located.

The order against Holy Rosary, he said, has placed the church in a difficult position. Asked if Catholic hospitals might consider abolishing their maternity and obstetrical services if the ruling is applied to other Catholic institutions, the bishop replied, "Yes, in fact we're considering that now."

The order was issued Tuesday in Billings by State District Court Judge Charles B. Sande in response to a suit filed by Mr. and Mrs. Richard Kransky of Miles City. A federal judge dismissed the case last week on the grounds that no federal issue was involved.

The hospital bowed to the order by permitting Mrs. Kransky, 22, to be sterilized Wednesday simultaneously with the birth of a daughter, delivered by Caesarean section.

Bishop Schuster emphasized that while the hospital complied with the court order, the church did not condone the legal decision.

"We do feel," he said, "that civil law does not dictate our moral beliefs and it seems to me that court action involving the moral code of a sectarian hospital is an infringement" The bishop explained that the Catholic Church holds basically that sterilization is not permitted if it is purely for purposes of contraception.

The Kranskys and their lawyer had argued among other things that Holy Rosary Hospital was the only medical institution reasonably available for performance of the operation in that it is the only hospital in the area with the necessary facilities.

Bishop Schuster said the decision points to a need for the church to examine the services offered by its hospital, particularly in areas where there are no other hospitals.

"If we can't uphold our own moral values, we will have to reassess our services," he commented.

Although the suit was filed as a class action for the purpose of applying to all women under similar circumstances, Judge Sande's ruling applied only to Mrs. Kransky.

She has a 4-year-old son. A second child died two days after birth. Both were delivered by Caesarean section.

Holy Rosary Hospital is owned by the Presentation Sisters of Aberdeen, S.D., and is operated under authority delegated to an 11-member board of directors, which includes seven nuns and four lay persons.

A basic question in the case is whether the hospital is essentially a public institution. Billings lawyer Robert L. Stephens, Jr. of the American Civil Liberties Union argued for the Kranskys that the hospital is performing basically a public function and enjoys tax advantages granted to nonprofit institutions by the state.

The hospital's attorneys argued, however, that the hospital could not be forced to violate its religious principles and that it is a private institution not supported in any way by public money.

Also a plaintiff in the suit was Mrs. Kransky's physician, who claimed he was being denied the right to practice "acceptable obstetrical methods based entirely on religious and not upon valid medical reasons."

Although Judge Sande signed a temporary restraining order preventing the hospital from refusing Mrs. Kransky's request for the operation, he reserved ruling on the merits of the case and said it may be a matter for scrutiny by the state supreme court.

A similar suit is pending in federal district court in Billings against St. Vincent's Hospital, also a Roman Catholic Institution.

A major difference in the two cases is that St. Vincent's receives federal Hill-Burton funds.

Bishop Schuster said he is not aware of any similar cases in the United States.

David W. Patton, administrator of Holy Rosary Hospital, said that as a Catholic institution the hospital is operated in accordance with the church's ethical standards.

"We will have to study all of the ramifications of this case before deciding on what further action to take," he commented.

Sterilization To Be Appealed

Billings, Mont.—The attorney involved in legal action aimed at forcing Catholic hospitals to allow sterilization operations said Tuesday he plans to appeal an adverse ruling to a higher court.

Robert L. Stephens Jr., Billings, commented on a summary judgment issued last week by State District Court Judge C. B. Sande which allows Holy Rosary Hospital of Miles City to continue its policy of forbidding sterilization operations for contraceptive purposes.

The judge had issued a temporary order earlier which forced the hospital to allow its facilities to be used for a sterilization operation on one woman.

Stephens, an American Civil Liberties Union attorney, said his planned appeal might not be filed until a somewhat related suit now pending before the state supreme court is settled.

That suit, Stephens said, involves a physician's right to practice accepted medical procedures. He said the action was brought against St. Vincent's Hospital of Billings and is aimed at forcing the hospital to allow physicians to deliver babies by use of a method which involves the father being present in the delivery room.

"We are thinking of possibly asking to join in that appeal," Stephens said.

Stephens also is the plaintiff's attorney in a suit pending in federal district court which seeks to prohibit St. Vincent's hospital in Billings from refusing to allow sterilization operations.

Two weeks ago The Most Rev. Bishop Eldon B. Schuster of Great Falls said Catholic hospitals might have to discontinue obstetrical services if forced by the courts to permit sterilization operations purely for purposes of contraception.

The Billings chapter of the ACLU contends the policies of Catholic hospitals, often the only medical facilities in a community, have denied non-Catholics of a right to reasonable and accepted medical services.

Mike and Gloria Taylor Versus St. Vincent Hospital

Facts:

1. The St. Vincent Hospital was the only hospital in Billings that provided maternity care and intensive fetal care.

2. Under its policies, St. Vincent Hospital would permit surgical sterilization only in cases of pathological disorders or to correct pathological disorders, and then only as an incident of corrective measures.

3. Gloria Taylor was a borderline diabetic. Previously she had a history of difficult pregnancies. In addition, she had prior major surgery for the female organs.

4. Gloria Taylor delivered a baby by caesarean, and then sought to be sterilized.

5. St. Vincent Hospital provided a procedure for the transfer to another hospital.

6. However, the plaintiff established that this procedure would create complications.

Action: Injunctive relief to prevent hospital from refusing to perform the sterlization.

Jurisdictional Basis: Suit was brought in the Federal District Court because the St. Vincent Hospital received funds under the Hill-Burton Act.

Decision: Temporary injunction to prevent the hospital from refusing Mrs. Taylor's request for a sterlization.

ADDITIONAL STATEMENTS

RESPONSE BY SENATOR HUGHES TO THE PRESIDENT'S MESSAGE ON CRIME AND DRUGS

Mr. MANSFIELD. Mr. President, on March 17, Senator HAROLD HUGHES, of Iowa, responded to the President's message on crime and drugs on behalf of the majority in Congress. Senator HUGHES' statement was outstanding. Not only did he respond effectively to the President on the question of crime and drug abuse but he raised additional questions concerning aspects of crime and criminal justice that the administration chose not to address.

Notably, Senator HUGHES referred to the need in the area of correctional reform, the reform of penal institutions so as to transform them from crime-breeding facilities into institutions that serve to rehabilitate criminals and eliminate crime. He noted, too, the need to recognize at long last the victims of violence in our criminal justice system. In this regard there is presently on the Senate Calendar the Omnibus Crime Victim proposal, a measure that will undoubtedly be passed this week by the Senate.

I commend Senator HUGHES' statement on crime and drug abuse to the Senate and to the attention of the American people. It was truly an outstanding address. I ask unanimous consent that it be printed at this point in the RECORD.

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

RADIO MESSAGE BY SENATOR HAROLD E. HUGHES

WASHINGTON, D.C., March 17, 1973.—One of the great tragedies of our time is that law-abiding citizens of this great land are spellbound from day-to-day by the fear of crime and violence.

It doesn't have to be this way.

Don't tell me that this powerful and affluent nation that has so recently poured $150 billion on a marathon, undeclared war in Indochona can't mount an effective national program against illicit drugs and make its streets and homes and marketplaces safe for its citizens.

What is needed is a national commitment like the commitment we made a decade ago to put men on the moon. But a half-commitment won't do.

In his recent message to Congress on Crime and Drugs, President Nixon claims credit for his Administration for making what he terms "dramatic progress" against a crime wave that he says had "threatened to become uncontrollable" prior to his taking office.

When he speaks of "dramatic progress" in these areas, we must wonder what country he is talking about.

If anyone believes that things are looking up under this Administration on the drug and crime front, I suggest that some evening soon, he take a walk, alone and without benefit of protection, on the streets of any of our great cities, preferably in the poverty districts.

For any observer with eyes in his head, the evidence will be there. And he stands, I might add, an excellent chance of getting mugged as well as enlightened.

It is ironic that statistics of the FBI, the great law enforcement agency for many years impregnably non-political but now politicized by this Administration, are used to support Mr. Nixon's claims of progress.

The statistics, as usual, cut more than one way.

The President states with pride that the rate of growth of serious crime has slowed—to one percent in the first nine months of 1972. He overlooks the shocking fact that the incidence of violent crime is now over 33 percent above 1968. Whatever the rate of growth, the overall rate of crime is still unacceptably high, and FBI figures reveal persisting increases in violent street crime in cities ranging from New York to Denver. Crime in the suburbs is also escalating now at a startling rate.

I have found no convincing evidence to support the Administration's claims that the illicit drug smuggling into this country, particularly from Southeast Asia, has been appreciably diminished. The heroin addict population in the country has doubled since this Administration came into power and other forms of drug abuse have increased. I am sorry to say it, but our national effort to control dangerous drugs in the United States has a long way to go.

Mr. Nixon says his Administration draws the line on dangerous drugs this side of marijuana. In response to this debatable point, I can only ask: How about giving the Administration's full support to the Federal effort to control the abuse of the drug that accounts for more damage in terms of death, human misery and economic loss than all other dangerous drugs put together—alcohol—and the one addiction we really do know how to treat and control, alcoholism?

It is obvious that in dealing with a problem as massive and complex as crime in the United States, cooperation between the Democratically controlled Congress and the President is desirable, if not essential. We have, I believe, a foundation of agreement on which to build.

We agree that the control of the illicit drug traffic and other serious crimes in this country is a top priority of the nation.

We agree that law-abiding citizens in this country have a right to live in security from crime and that it is a mission of government to protect them from uncontrolled lawlessness.

I know of no responsible member of either political party who takes a "permissive attitude" on crime. The simple truth of the matter is that everyone hates crime.

The question is *what to do about it in terms of realistic, practical problem-solving?*

To me, the saddest part about Mr. Nixon's message was that it was primarily an appeal to the public fear of crime rather than a reasonable, tough-minded approach to solving a very complex social problem.

So far as the concrete proposals in his message are concerned, they represent a long voyage into the night of the past—a regression to punishments and sentencing methods that have long since been professionally discredited, so far as deterring criminal acts or correcting criminal tendencies are concerned.

What Mr. Nixon has proposed is a revision of the entire Federal criminal code along lines that would drastically increase the harshness of penalties and would limit the discretion of judges in imposing sentences.

This all goes into the face of professional judgment and world experience. Any qualified penologist will tell you that it is not the severity of the sentence that deters crime but the swiftness and certainty of the punishment.

For the good of all, it is the protection of society we must rationally seek in our criminal justice system, not public vengeance against those who commit crimes.

I, for one, believe that the President's call for a restoration of the death penalty is a simplistic and illusory way to sidestep the real problems of deterrence and corrections. Whether or not you believe, as I do, that the death penalty is wrong on moral grounds as a violation of the sixth commandment, the overwhelming weight of evidence is that it is not effective as a deterrent. Moreover, if the death penalty is mandated for some crimes, juries will be less likely to convict than where some discretion is granted, and kidnappers and hijackers who have already been involved in killing, when closed in upon will see nothing to lose by further killing.

In the clear light of day, I believe the people of this country want to move forward, not backward, in developing a fair and effective system of law, order and justice.

I know that the Democratic leadership and majority in Congress will readily provide cooperation for any realistic, practical and forward-looking proposals the Administration may make. And it is obvious that in dealing with a problem as massive and complex as crime in the United States, we need maximum cooperation between the legislative and executive branches.

Here are a few of the areas in which such joint action, backed with strong public support, is needed if we really mean what we say about curbing crime in the country:

We urgently need action to speed up trials and sentencing. The Democratic Congress has initiated legislation to enforce the Sixth Amendment right to speedy trial—within 60 days as the ultimate goal.

We need adequate measures to control the improper use of handguns.

Contrary to the Administration's viewpoint, we need a more efficient method of setting up programs and allocating funds for the Law Enforcement Assistance Administration than the present bloc-grant system that has produced ineffectiveness, waste and corruption.

We need reform of our over-crowded, understaffed, rotting prisons where first offenders enter to become hardened criminals and recidivists.

We need correction of social conditions known to be conducive to criminality—conditions such as overcrowding, chronic unemployment, poverty, inadequate health care, and discrimination.

That such conditions contribute to the development of criminal behavior among the people affected is simply a self-evident fact of life. Yet it is these very programs that the present Administration is most intent on eliminating or cutting back to the point of ineffectiveness.

We need legislation—such as is now in the Congressional hopper—for assistance to innocent victims of violence.

On the drug front, we need more emphasis on treatment and prevention—a stepped up effort to control the *demand* for dangerous drugs as well as the supply. As long as the demand exists and the traffic is lucrative, it will continue to be difficult to suppress smuggling and distribution, however severe penalties may be applied. In order to make real headway, at some point, we must get at the source of the problem—the addiction itself, and this, unfortunately, is the point of least emphasis by this Administration.

We need to improve the whole federal drug traffic enforcement effort—by reorganizing to eliminate inter-agency rivalry and fragmentation of effort.

We must tighten up the legal machinery against white collar crime if we are to expect anyone to respect the law.

The last point was one gaping omission in Mr. Nixon's message on crime. It is not just the nameless law-breaker who robs or kills or pushes narcotics who should be brought to justice. White collar crime is just

as serious. Fraud, bribery, rent-gouging and price-fixing ought to be included, not to mention political espionage, burglary and sabotage such as were involved in the notorious Watergate case.

We have been concerned—and rightfully so—about crime in the streets. We should be equally concerned about crime in the corridors . . . the corridors of the high echelons of government and business. If executive privilege is invoked to prevent essential witnesses from testifying in criminal cases and if the FBI is restrained from making a full investigation of such flagrant crimes as occurred in the Wategate case, how can the average American believe in our justice system?

In the aftermath of the Vietnam War and years of domestic tensions, we all recognize the need to quell divisive influences and unify our people again.

One way to bring this about, I am convinced, is to attend to compelling and long-neglected priorities here at home such as crime control.

We need to begin with more, better-trained and better-paid police.

Can we afford it? Is it worth it? We say yes.

In the battle of the budget, Congress and the President agree that there should be an overall limit on federal spending. There is no dispute about this.

The point at issue is where and how the money within that overall budget should be spent—where the true national priorities are.

This Administration has spent over $100 million to assist and train police and public safety officers in foreign lands. Meantime, here in our country, decent citizens are afraid to venture out on the streets.

It is time now to put our resources into controlling crime at home. We Democratic members of Congress are not advocating raising the overall level of spending. We are simply saying, let's put the money where our real priorities are.

If we employ anything like the energy and resources to keep the peace at home that we have expended in making war abroad, domestic tranquility and peace of mind are well within our reach.

POISON PREVENTION WEEK

Mr. SCHWEIKER. Mr. President, the week of March 18 through 24 is Poison Prevention Week. Each year there are more than 1 million cases of poisonings in the United States, including those from gases and vapors. About half of these deaths are accidental. But most tragically, fully one-third occur in children under 5 years of age.

In the Pittsburgh area of my State alone, two poison control centers, Children's Hospital and St. John's General Hospital, reported a total of 7,759 cases of poison ingestion in 1971, the last year figures were available. These figures indicate the cases taken to hospitals in the area and do not reflect ingestions treated privately by physicians or resolved by parents at home.

Since Congress passed a joint resolution in 1961 requesting that the President annually set aside the third week in March as Poison Prevention Week, countless numbers of civic, government, and business organizations in Pennsylvania have worked hard to educate parents on the handling of medicines, cleaning fluids, and other chemicals commonly found in the home. The Lancaster County Pharmaceutical Association last year distributed materials through the stores and schools. Activities were also conducted by the Boy Scouts of Milesburg and Kittanning, American Telephone and Telegraph of Pittsburgh and the Reese Candy Co. of Hershey.

Of course the problem is nationwide and Dr. Jay M. Arena, president of the American Academy of Pediatrics and a member of the Medical Advisory Board of the Council on Family Health, tells us that poisoning is now the most common medical emergency that exists in modern pediatrics. Dr. Arena, who has had a long career as a pediatrician and who now heads the Duke University Hospital Poison Control Unit, says that children's deaths from poisoning exceed the total of those from polio, measles, scarlet fever, and diphtheria combined.

Each year some 70,000 children under age 5 are involved in accidental poisonings. And at least two children in the age group die of poisoning every 3 days. Most often, these accidents occur between the ages of 1 and 3, when the child is just beginning to explore his environment and needs close supervision.

Over the years, manufacturers have made great strides in improving the quality of their products, making them more effective and efficient. Government, for its part, has been providing the force to make these products safe and, through legislation, providing consumers with the means to increase the safety aspects of using the product by requiring information on the label, appropriate warning signals, rules regarding advertising, and special packaging to thwart the curiosity of inquisitive youngsters.

The manufacturers of proprietary medicines have sponsored the Council on Family Health to promote the safe use of medicines and all household substances throuhout the year. The Council of Family Health reminds us to keep all household products and medicines out of reach of children, cap all medicines immediately after use, and store internal medicines separately from other household products.

I believe all Americans should support the goals of Poison Prevention Week. The problem of poisoning is often a family-sized tragedy that does not make page 1 of the papers or the TV screen, but the heartbreak is no less real. It is a daily problem of national magnitude that I urge everyone and organizations such as the Council on Family Health to deal with.

PAUL H. DOUGLAS' 81ST BIRTHDAY

Mr. PROXMIRE. Mr. President, today is the 81st birthday of our friend and former colleague, Paul H. Douglas.

Paul Douglas came to the Senate in January, 1949, after the spectacular upset victory in that year in which he was elected to the Senate from Illinois, Adlai Stevenson was elected Governor of Illinois, and Harry Truman was reelected President of the United States. The wisdom and good judgment of the people of the State of Illinois has never been more in evidence than it was on that occasion.

Paul Douglas spent the early part of his life as a great economist. Then he became an alderman in the city of Chicago where he gained great acclaim for his courage and independence of mind. He followed that career by joining the Marine Corps at the age of 50 and distinguishing himself in combat in the Pacific.

His Senatorial career, a career encompassing 18 years of dedicated and intelligent service to the people of his State and Nation, was not his only but his crowning achievement.

Paul was literally the first Senator to fight the so-called pork barrel rivers and harbors budget. He applied cost-benefit analysis to the budget before there was such a thing as cost-benefit analysis.

In 1952, he and HUBERT HUMPHREY started the first major congressional attack on tax loopholes—a fact that has now been largely forgotten.

He was and is a champion of the consumer and of the environment.

And in addition to all this he was a great teacher and speaker in the debates on the Senate floor. The wit and spontaneity and knowledge he displayed is rarely equalled in debate today.

But most important of all, Paul Douglas is a warm hearted, humane, and marvelous human being.

Paul, we salute you on your birthday. We hope you have many, many more.

COMMUNITY MENTAL HEALTH CENTERS

Mr. MONDALE. Mr. President, one of the saddest failings of our national health policies has been our inability to care properly for and provide hope to the mentally ill. In 1963, President John F. Kennedy took a major step when he proposed creation of a network of centers to serve the mentally ill. As a result, Congress approved and Federal, State, and local governments worked together to establish the community mental health center program.

In 1971 alone, more than 600,000 citizens sought to help at these centers. In the short period of their existence, many of the centers have developed highly effective programs in the areas of community education and prevention of mental illness. They have served thousands of poor people—particularly in rural areas—who would otherwise have no access to mental health services they could afford. So far about 400 of the 1,500 centers originally projected for the program by 1980 have been created.

We face heartbreaking and frustrating problems in dealing with mental illness in this country. We know that there is a correlation between mental illness and poverty. We know there are thousands of children whose emotional or mental handicaps are going undetected until they have become a major deterrent to learning and to functioning in our society. We know that the use of drugs and the rate of suicide among young people have skyrocketed in recent years.

And now the administration has decided to phase out the community mental health centers program, which I believe holds great promise for solving some

of these problems which our society has only begun to confront.

In a recent article in the Minneapolis Tribune, contributing editor Geri Joseph described dramatically the accomplishments of this program and the loss we would all experience if it were to be phased out as proposed. I ask unanimous consent that a copy of this article be printed in the RECORD.

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

THE PHASING OUT OF COMMUNITY MENTAL-HEALTH CENTERS

(By Geri Joseph)

To President Nixon, it may be the "new federalism." To those concerned with the care of the mentally ill, it sounds like an old, familiar story. And a discouraging one at that.

Tucked away in the President's budget message a few weeks ago was a little-noticed mention of his plan to get the government out of the community-mental-health-centers (CMHC) business. There were so many programs on the marked-for-death list that special-interest groups are just beginning to find their favorities among those proposed for closing out or cutting back.

But it is fair to say that no other program is to be discontinued because of its success. The federal responsibility for the mental-health centers is being "phased out," the administration indicated, because it has been a successful demonstration project. (Never mind that the centers were not intended to be merely a "demonstration project.")

Administration spokesmen offered another reason for ending federal participation. The centers program, they said, created inequities, since people served by them receive better care than people in the rest of the nation!

That explanation has an Alice in Wonderland quality that puzzles and angers many mental-health workers. Why not eliminate the inequities, they are asking, and fulfill the original goal of 1,500 centers across the nation by 1980? Why stop now when there are only about 400 functioning programs?

For years, citizen groups and individuals, shocked by terrible conditions in state mental hospitals, campaigned for better public understanding and more money. Both were slow in coming. But the community mental-health centers program was an enormous step in the right direction. With the Nixon administration proposing to end federal funding, the stimulation provided by federal concern also would end, and the program could falter and diminish.

Mental-health volunteers and professionals have .ittle confidence that revenue-sharing funds turned back to the states will provide the same support. Not only will competition for that money be intense, but much of the planning for health services will be directed by public-health experts. Traditionally, they have not been sympathetic to the needs of the mentally ill.

The CMHC program originated in 1963 with President John Kennedy, the only president to take official interest in the problems of the mentally ill. (Mr. Nixon has singled out cancer and heart disease and programs for both will be given increased funds. Without downgrading the need, one might ask how such priorities are determined.)

In a message to Congress, Kennedy proposed a network of community mental-health centers. "Every year," he said, "nearly 1.5 million people receive treatment in institutions for the mentally ill and the mentally retarded. Most of them are confined . . . within an antiquated, vastly overcrowded chain of custodial state institutions.

"This situation has been tolerated far too long. The federal government, despite the nationwide impact of the problem, has largely left the solutions up to the states. . . . The time has come for a bold new approach."

And so, for the first time on a large scale, the federal government concerned itself with the care and treatment of the mentally ill. That was part of the "bold new approach." About 30 percent of money for staffing, construction and special programs for children came through the government's National Institute of Mental Health. The remainder, 70 percent, came from states and local communities.

Those figures make the federal role sound small. In actual dollars, it amounted to about $624 million between 1964 and 1972. But those dollars were the all-important seed money that encouraged state and local matching funds. And that seed money also enabled the federal government to set standards.

Some of the horror and mystery about mental illness began to give way with the growth of the program. Better, more humane treatment followed, too. The light of community attention was healthy, and so was the help of local planning groups. A real alternative developed to the old-style treatment of "exile" in remote, poorly staffed institutions. That was another part of the "bold new approach."

The number of people seeking help in their community centers climbed steadily—from 372,000 in 1969 to 659,000 in 1971. Many of the centers are in areas of urban or rural poverty where those who can least afford quality mental-health care have easy access to them. Almost two-thirds of the centers' patients in 1970 had incomes of less than $5,000.

No claims are made that the CMHC is a perfect system for diagnosis and treatment of mental illness or that it does all that might be done in prevention and community education. The programs vary from place to place, some are better than others, and some try to serve too many people. Most of the centers serve areas of 300,000 people or more. In addition, Ralph Nader's group has criticized the program for not having enough "grass-roots involvement."

But most of the criticism results from the fact that fewer than 100 of the centers have been in existence for as much as five years. And only two states, North Dakota and Kentucky, come close to providing near-total coverage for their populations. But where programs exist, there is hope for improvement. The biggest problem is that no centers at all exist for the majority of people in this country. Mental-health workers fear they never will if the Nixon budget is passed.

"This is a disastrous set-back for the mentally ill and their families," Mrs. J. Skelly Wright, president of the National Association for Mental Health, said. "At what cost will they cut costs?"

And Brian O'Connell, association executive director, said reaction from state mental-health groups is "almost desperation in many quarters, a feeling of hopelessness." But the association is mobilizing its million volunteers to urge Congress to continue the federal stake in the community-mental-health-centers program, at least until the 1,500-centers goal is reached. There is strong intention, too, to try to change the mind of the man in the White House.

But optimism is in short supply. And the promise of Kennedy's "bold new approach" seems, unreasonably, foreclosed.

GRANDPARENTS DAY

Mr. ROBERT C. BYRD. Mr. President, a West Virginia newspaper editor, Mr. Robert K. Holliday, of the Fayette Tribune, has brought to my attention the commitment of a fellow West Virginian, Mrs. Joe McQuade, of Gauley Bridge, to the designation of a date to be known as "Grandparents Day." In this age of emphasis upon youth and neglect for the aging, I feel that Mrs. McQuade's sentiment is a worthy one, which will appeal to most thinking people.

I ask unanimous consent that Mr. Holliday's article concerning Mrs. McQuade's mission be printed hereafter in the RECORD.

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

MRS. MCQUADE TO GO DOWN IN HISTORY: FAYETTE RESIDENT HAS SPECIAL DAY PROCLAIMED FOR ALL GRANDPARENTS

Since West Virginia's Anna Jarvis of Grafton originated one of the most honored days of the year, Mother's Day, another West Virginian is responsible for creating another Day, that of Grandparents Day, which was officially set aside to be held May 27 of each year.

Mrs. Joe McQaude, Gauley Bridge, who is so closely connected with the elderly, the Senior Society of our area, county and state, said that the idea has been forming in her mind for some time, but its germination came about following a call from Gov. Arch A. Moore, Jr., just last week.

Mrs. McQuade, who serves on President Nixon's Council on Aging, said that she was writing to Gov. Moore about the idea of having an official Grandparents Day, late last week, when she suddenly decided to "just call him about it."

She said that one of the Department of Public Safety's state troopers answered the telephone at the Governor's office, telling Mrs. McQuade that his office was "literally swamped" with telephone calls, but informed the Gauley Bridge resident that he would try to help her if he could.

She explained her reason for calling, with the trooper telling her that he would relay her message and request to Gov. Moore.

She said that within 15 minutes, "just think, in 15 minutes, Gov. Moore called me in person to grant my request," Mrs. McQuade said, Gov. Moore stipulated that Grandparents Day not be set on his birthday, as it would "tell everyone just how old" he is.

So, between the two, Gov. Moore and Mrs. McQuade, they selected May 27 to be observed officially in West Virginia as Grandparents Day, this day to come between Mother's Day, the second Sunday in May, and Father's Day, the third Sunday in June.

Mrs. McQuade said that Grandparents Day will from now on be officially celebrated with May 27 set aside as the day of days for all grandparents.

She urged everyone, especially youngsters, to remember their grandparents, visit them, and think about them, not only on this day, but every day.

She feels also that Grandparents Day would be particularly appropriate to visit everyone in nursing and boarding care homes, with young people "adopting" grandparents to remember and work with.

"After all," Mrs. McQuade said, "we certainly owe our elderly and senior citizens a lot."

PROTECTION FOR SOURCES OF PUBLIC INFORMATION

Mr. CHURCH. Mr. President, recently I joined as a cosponsor of legislation sponsored by my distinguished colleague Senator ALAN CRANSTON of California which would provide a means by which newsmen could protect their confidential sources. Such a protection is vital to our society if the people's right to know is to be preserved. We cannot afford the

chilling effect upon free speech and free press presented by the spectacle of government agencies pressing for jail terms for reporters whose major crime has been to reveal to the public information which has embarrassed Government officials.

Recently, the legislature of the State of Idaho held hearings on this subject and Mr. Lyle Olson, the publisher of the Pocatello, Idaho, Idaho State Journal, testified in favor of legislation to protect newsmen's sources. Mr. Olsen makes an eloquent plea for the adoption of legislation of this nature.

Mr. Olson puts the argument for the legislation in a nutshell when he states:

This legislation is not a newsman's privilege law—although that is what it may be called by some, because it is not for newsmen. It is for the American citizen, on whose behalf the newsman acts.

Mr. President, I ask unanimous consent that the text of Mr. Olson's remarks, together with the text of the "Free Flow of Information Act," the proposal which I am cosponsoring, appear at this point in the RECORD.

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

WHY NEWSMEN NEED PROTECTION

(EDITOR'S NOTE.—Following is the text of a statement by Lyle Olson, managing editor of the Idaho State Journal, before the Senate State Affairs committee in a hearing Wednesday night in Boise. It is printed below as an editorial in support of S.B. 1128, the so-called newsmen's protection law)

I am pleased to appear here in support of S.B. 1128 on behalf of my newspaper, and as spokesman for the Idaho members of the Utah-Idaho-Spokane Associated Press Association. Those other members include the Idaho Falls Post-Register, the Blackfoot Daily News, the South Idaho Press at Burley, the Moscow Daily Idahonian, the Lewiston Morning Tribune, the Kellogg Evening News and the Idaho Daily Statesman.

Many of these newspapers have spokesmen here tonight, or will submit written statements, but I have the assurance of each they are solidly in support of S.B. 1128.

This solid support in Idaho reflects the concern expressed nationwide for similar so-called shield, or freedom of information laws. The American Newspaper Publishers Association has recommended passage by Congress of legislation which would block subpoena of reporters and unpublished news media materials in both federal and state proceedings, and there are some 30 measures currently before Congress which would give newsmen such protection.

According to Mr. Robert Notson, Publisher of the Portland Oregonian, 18 states had enacted shield laws as of 1972. Bills also have been put forward in legislatures of California, Oregon, Washington, Alaska and Idaho to legalize a newsman's right to protect his sources.

You may ask why, after nearly 200 years, such laws are now deemed necessary. That is because nearly all newsmen and judges believed the press enjoyed a cloak of protection under the first Amendment, guaranteeing freedom of speech. But a succession of decisions, including one by the Supreme Court of the United States, has recently made it clear the press enjoys no such protection. The Supreme Court said quite bluntly the First Amendment affords no privilege to a newspaperman over any other citizen, and in effect referred the issue back to the Congress (and by extension, to state legislatures) with the statement: "Congress has freedom to determine whether a statutory newsman's privilege is necessary and desirable and to fashion standards and rules as narrow or broad as deemed necessary to address the evil discerned and, equally important, to refashion those rules as experience, from time to time, may dictate."

What has been the result of removing the cloak of protection afforded newsmen in the past?

Several reporters have gone to jail for refusal to divulge the source of stories, a high dedication to principle that is illustrative of the devotion which newsmen hold for their profession. They went to jail even though in no case has the public interest been compromised, nor wrong-doers protected by a reporter's silence. The most abused was Los Angeles Times reporter William T. Farr, who spent 48 days in prison on a contempt citation arising out of a story about the 1970 Charles Manson trial. He calls his open-ended sentence a form of "psychological barbarity" we do not mete out to our worst criminals.

A more important result of the Supreme Court's ruling is the danger to a free flow of information to the public. Editor and Publisher Magazine of January 6, 1973, quotes Mr. Davis Taylor, Publisher of the Boston Globe and Chairman of the ANPA, as saying: ". . . Our reporters have already reported a drying up of sources because of fears stemming from the recent wave of subpoenas of newsmen and their materials." In other words, persons who might come forward to volunteer information of wrong-doing in government, or of criminal acts, now hesitate because they fear harm or reprisals if their identity becomes known.

It is not the press which suffers most when reporters—or their useful sources—are intimidated. It is the public. Our readers depend upon a free, unfettered press to throw light into dark corners, to expose corruption in high places, to call attention to the chipping away of our personal liberties by an increasingly aggressive government. The public depends upon a nosy reporter, if you will, as one important check in the system of checks and balances. It is the reporter or the broadcaster, backed by his editor and his publisher, who sallies forth to represent the ordinary citizen in the councils of government, and to ask the questions which need to be asked. The reporter has no personal axe to grind; he simply takes his obligation very seriously to report what is going on as fairly and accurately as is humanly possible. And, in our society, he alone is uniquely qualified to do the job he does. It is significant that the reporter does not ply his trade in nations which have no free government.

I do not wish to suggest there is a sinister plot afoot to centralize power or curtail free speech and inhibit other freedoms. But there are powerful interests at work which tend to usurp authority, to concentrate power in their own hands. There is even now an impending struggle between the legislature and executive branches of the federal government in which the ordinary citizen feels helpless to intervene, or even understand. The role of the press will be vital in "referring" this power struggle, freely commenting along the way, and there must be no fear of reprisals in a judicial chamber. The press has the right, and a duty, to report its findings to a public in danger of growing too cynical, too withdrawn, too intellectually dishonest.

You may wonder if all this really has any bearing on whether Idaho needs a shield law, when there is no record of any Idaho newsman being cited or threatened with contempt of court for failure to reveal sources. We believe Idaho does need such a law to forestall such an occurrence. Judges have been emboldened in recent weeks to threaten Idaho newspapers with contempt on other grounds. There is a discernible trend toward challenging, if not intimidating, the press in Idaho.

There is another good reason as well. A shield law will encourage investigative reporters to dig out information about criminal activity, or abuse of public office. The Idaho press has been criticized by some for failure to pursue sensitive stories. It seems logical we should encourage, rather than discourage, more efforts in that direction. Senator Alan Cranston of California, sponsor of one newsman's protection bill now before the Congress, has stated: "I am convinced that an absolute press confidentiality privilege would do more for the cause of law and order and justice than would any limitation of that privilege."

There are added benefits of a shield law. Reporters have dug up hundreds of news stories over the years, which have led to criminal indictments and convictions. News stories may provide useful information to law enforcement agencies, even if some confidential sources are not identified by the reporter. It has been my experience that the press and the law enforcement agencies in Idaho have had a successful working relationship, and I believe a shield law would strengthen that relationship.

Certain objections to a shield law have been heard—that it would make libel more difficult to prove, and that it would give newsmen a privilege not extended to other citizens. As to the first, I see nothing in S.B. 1128 which would make it any more difficult to prove libel. The news media would continue to be responsible for stories exposing a person to hatred, contempt, ridicule or obloquy. Challenged it is the press which must always prove truth or lack of malice.

As to status of newsmen, that is conferred upon them by the nature of their public duties. They occupy a unique role in a democracy, as the result of their inquiries benefiting the public through a free flow of information. This legislation is not a newsman's privilege law—although that is what it may be called by some, because it is not for newsmen. It is for the American citizen, on whose behalf the newsman acts. In regard to that point, I can commend the form of S.B. 1128 as a broadly based act, free from qualifying amendments. It is significant that at least two newsmen were jailed last year in states where qualified shield amendments, they can be twisted so as to provide little protection.

In conclusion, it would be possible to cite the observations of many historic figures who have recognized the need for a free and untrammeled press in America. Permit me to quote only the eloquent words of the distinguished jurist, Judge Learned Hand, who said, many years ago:

"The newspaper industry . . . serves one of the most vital of all general interests: the dissemination of news from as many different sources and with as many facts and colors as is possible. That interest is closely akin to, if indeed it is not the same, as the interest protected by the First Amendment: it presupposes that right conclusions are more likely to be gathered out of a multitude of tongues than through any kind of authoritative selection. To many this is, and always will be folly, but we have staked upon it our all."

S. 158

Amendments intended to be proposed by Mr. CRANSTON (for himself, Mr. KENNEDY, and Mr. CHURCH) to S. 158, a bill to insure the free flow of information to the public, viz: On page 1, strike out all after the enacting clause and insert the following in lieu thereof:

That this Act may be cited as the "Free Flow of Information Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. The Congress finds and declares that—

(1) the purpose of this Act is to preserve the free flow of news to the public through the news media;

(2) a public fully informed about events, situations, or ideas of public concern or public interest or which affect the public welfare is essential to the principles as well as the effective operation of a democracy;

(3) the public is dependent for such news on the news media;

(4) those in the news media who regularly gather, write, or edit news for the public or disseminate news to the public must be encouraged to gather, write, edit, or disseminate news vigorously so that the public can be fully informed;

(5) such persons can perform these vital functions only in a free and unfettered atmosphere;

(6) such persons must not be inhibited, directly or indirectly, in the performance of such functions by government restraint or sanction imposed by governmental process;

(7) compelling such persons to present testimony or produce material or information which would reveal or impair a source or reveal the content of any published or unpublished information in their possession dries up confidential and other news sources and serves to erode the public concept of the press and other news media as independent of governmental investigative, prosecutorial, or adjudicative process and functions and thereby inhibits the free flow of news to the public necessary to keep the public fully informed;

(8) there is an urgent need to provide effective measures to halt and prevent this inhibition in order to preserve a fully informed public;

(9) the practice of the news media is to monitor and report across State boundaries those events, situations, or ideas originally reported locally in one State which may be of concern or interest to or affect the welfare of residents of another State;

(10) the free flow of news to the public through the news media, whether or not such news was originally published in more than one State, affects interstate commerce;

(11) this Act is necessary to implement the first and fourteenth amendments to the Constitution of the United States and article I, section 8 thereof by preserving the free flow of news to the public, the historic function of the freedom of the press.

EXEMPTION

SEC. 3. No person shall be compelled pursuant to subpena or other legal process issued under the authority of the United States or of any State to give any testimony or to produce any document, paper, recording, film, object, or thing that would—

(1) reveal or impair any sources or source relations, associations, or information received, developed, or maintained by a newsman in the course of gathering, compiling, composing, reviewing, editing, publishing, or disseminating news through any news medium; or

(2) reveal the content of any published or unpublished information received, developed, or maintained by a newsman in the course of gathering, compiling, composing, reviewing, editing, publishing, or disseminating news through any news medium.

PRESUBPENA STANDARDS AND PROCEDURES

SEC. 4. (a) No subpena or other legal process to compel the testimony of a newsman or the production of any document, paper, recording, film, object, or thing by a newsman shall be issued under the authority of the United States or of any State, except upon a finding that—

(1) there are reasonable grounds to believe that the newsman has information which is (A) not within the exemption set forth in section 3 of this Act, and (B) material to a particular investigation or controversy within the jurisdiction of the issuing person or body;

(2) there is a factual basis for the investigation or for the claim of the party to the controversy to which the newsman's information relates; and

(3) the same or equivalent information is not available to the issuing person or body from any source other than a newsman.

(b) A finding pursuant to subsection (a) of this section shall be made—

(1) in the case of a court, grand jury, or any officer empowered to institute or bind over upon criminal charges, by a judge of the court;

(2) in the case of a legislative body, committee, or subcommittee, by the cognizant body, committee, or subcommittee;

(3) in the case of an executive department or agency, by the chief officer of the department or agency; and

(4) in the case of an independent commission, board, or agency, by the commission, board, or agency.

(c) A finding pursuant to subsection (a) of this section shall be made on the record after hearing Adequate notice of the hearing and opportunity to be heard shall be given to the newsman.

(d) An order of a court issuing or refusing to issue a subpena or other legal process pursuant to subsection (a) of this section shall be an appealable order and shall be stayed by the court for a reasonable time to permit appellate review.

(e) A finding pursuant to subsection (a) of this section made by a body, agency, or other entity described in clause (2), (3), or (4) of subsection (b) of this section shall be subject to judicial review, and the issuance of the subpena or other legal process shall be stayed by the issuing body, agency, or other entity for a reasonable time to permit judicial review.

SPECIAL LIMITATIONS

SEC. 5. (a) A finding under section 4 of this Act shall not in any way affect the right of a newsman to a de novo determination of rights under section 3 of this Act.

(b) If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of the invalidated provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

DEFINITIONS

SEC. 6. For the purposes of this Act:

(1) The term "information" includes fact and opinion and any written, oral, or pictorial means for communication of fact or opinion.

(2) The term "news" means any communication of information relating to events, situations, or ideas of public concern or public interest or which affect the public welfare.

(3) The term "newsman" means any person (except an employee of the Federal Government or of any State or other governmental unit while engaged in disseminating information concerning official governmental policies or activities) who is or was at the time of his exposure to the information or thing sought by subpena or legal process an operator or publisher of a news medium, or who is or was at such time engaged on behalf of an operator or publisher of a news medium in a course of activity the primary purpose of which was the gathering, compiling, composing, reviewing, editing, publishing, or disseminating of news through any news medium; and includes a freelance writer who has disseminated news on a regular or periodic basis to the public.

(4) The term "news medium" means any newspaper, periodical, book, other published matter, radio or television broadcast, cable television transmission, or other medium of communication, by which information is disseminated on a regular or periodic basis to the public or to another news medium.

(5) The terms "operator" or "publisher" mean any person engaged in the operation or publication of any news medium.

(6) The term "State" means any of the several States, territories, or possessions of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

Amend the title so as to read: "A bill to preserve the free flow of news to the public through the news media."

"THIRTY MINUTES WITH . . ."

Mr. ROBERT C. BYRD. Mr. President, on Thursday, March 22, I was the guest on "Thirty Minutes With . . .," a production of the National Public Affairs Center for Television which is hosted by Elizabeth Drew.

I ask unanimous consent that the transcript of that program be printed in the RECORD.

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

"THIRTY MINUTES WITH . . ."

ANNOUNCER. People from Washington, across the nation and abroad, people of consequence are questioned on the issues of our time by Elizabeth Drew on *Thirty Minutes With . . .*

Tonight, Senator Robert Byrd, Democrat, of West Virginia.

DREW. Senator Byrd, you hold the important position of Majority Whip of the Senate, the position for which you defeated Senator Kennedy a few years ago; you may be the next Majority Leader of the Senate; and you're also on several important committees. One of them is the Judiciary Committee, and on that committee it's been highly significant that you have opposed the President's nomination of Pat Gray to be the head of the F.B.I. I'd like to put some questions to you about that.

First, what do you think is going to happen, do you think Mr. Gray is going to be confirmed by the Senate?

Senator BYRD. I think the situation in the Judiciary Committee is very tight right now, I think there'd be a very close vote. I think the time runs against Mr. Dean. And—

DREW. You mean Mr. Gray.

Senator BYRD. Mr. Gray.

DREW. Yes.

Senator BYRD. And Mr. Dean has been so much in the hearings that——

DREW. The White House aide——

Senator BYRD. Yes.

DREW. —whom you do want to testify.

Senator BYRD. Yes, yes. I don't know, I think it's about 50–50 right now, but within a day or so, or a few days, by the time the Committee has its executive mark-up, there may be another vote or two to solidify one way or the other.

DREW. What do you mean that time runs against him. Why should that count against him?

Senator BYRD. Because with each new hearing there seem to be new developments which impair the chances for his confirmation.

DREW. Now the—one of the issues that's troubled you and some of your colleagues is the fact that Mr. Gray does not seem to be independent enough of the White House, and that he turned documents over to them in the course of investigating. In

the current context though, in the current atmosphere, is it realistic to expect a director of the F.B.I. to be chosen who is not tied to the White House in some way?

Senator BYRD. Well, I'm sure that in the past, Mr. Hoover undoubtedly submitted to the President of the United States from time to time, regardless of what party was in power, a letterhead memorandum summarizing the facts in connection with some individual or some situation. And he may——

DREW. Well we used to hear that he actually gave them the files.

Senator BYRD. He may even have shown the President a raw file from time to time. But never, never would Mr. Hoover have obsequiously and subserviently turned over repeatedly raw files without questions to White House echelon people; I don't think it was in Mr. Hoover's makeup. So we see something here entirely different, with an F.B.I. acting director turning over to Mr. John Dean, the counsel to the President, raw files over a long period of time, involving even re-interviews with people who were affiliated with the Committee for the Reelection of the President, who asked for such re-interviews to be private and outside the presence of an attorney. And yet these re-interview reports were even turned over to Mr. Dean.

Now the President in August stated that the White House investigation had been completed, and that no one on the President's staff or in the government was involved. But even subsequent to that August statement in San Clemente by the President, Mr. Gray has continued to supply Mr. Dean with raw F.B.I. files, even as late as October 10, without asking any questions as to whether or not the investigation was continuing.

I am afraid that the presumption of confidentiality on which informants could heretofore depend in giving infromation to the F.B.I. can no longer be assured or assumed.

DREW. But you have said that Mr. Hoover did some of this too, perhaps, you said, not to the degree, perhaps. But we know, or we have heard that he did turn over files to the—to the White House. There are stories that he turned over information to reporters and perhaps even to politicians on Capitol Hill. So did this presumption of confidentiality really exist before?

Senator BYRD. Yes, yes. As I say, Mr. Hoover, if there was any turning over of anything, he did it himself. And he——

DREW. Well what's the difference, as long as it was turned over?

Senator BYRD. And he went to the top. There's a great deal of difference in supplying Lyndon B. Johnson with a letterhead memorandum which is a digest of information. There's a great difference in doing that and in giving to someone on the White House staff raw, undigested, teletype information, interview reports, et cetera, et cetera.

DREW. We don't know for sure that this is unprecedented, either though, do we?

Senator BYRD. We have no reason to believe that it isn't. No reason whatsoever to believe that it isn't. There's been no indication that this has been done before.

DREW. The—you used the word acting director, and that's another question I wanted to ask you. Mr. Gray has been acting director since last May. In retrospect, do you think the Senate made a mistake in not insisting on examining his credentials at the time, and letting him be acting director for so long?

Senator BYRD. The Senate had no opportunity to examine his credentials.

DREW. Well couldn't—

Senator BYRD. There's—

DREW. Couldn't your committee have demanded that he be presented for confirmation?

Senator BYRD. I think the President made a mistake in not sending the name up immediately after the election. And we all presumed that this would be the case. Actually the President could have made an interim appointment during the adjournment of the Congress, and Mr. Gray would have served until the close of this session this year.

DREW. But, why didn't the Senate insist on confirmation of someone for such an important post, when he was named?

Senator BYRD. The Senate went on the presumption that the President was going to send the name up, immediately after the election. The President indicated during the election that he would not submit a name for the office of director during the campaign because it might become political.

DREW. It sure did, didn't it?

Senator BYRD. Well, I accepted that, but I did think the name would come up immediately thereafter.

DREW. But from May to November, there was someone running the F.B.I. whom the Senate did not insist on examining or having any approval of.

Senator BYRD. Well, under the law the Senate doesn't act to confirm the acting director. The Senate under the statute acts to confirm the director. We had no name before the Senate.

DREW. One of the, one of the issues also that has come up, as you say, is Mr. Dean, the White House aide whom you would now like to call to testify. The President has said that he won't let him, that he, Mr. Dean, is covered by executive privilege. What really can you do about that?

Senator BYRD. I think that under the circumstances, the Senate ought to reject the nomination of Mr. Gray.

DREW. But that still doesn't get to the executive privilege.

Senator BYRD. I understand that.

DREW. Yes.

Senator BYRD. But if the President is going to shut the door on information to the Judiciary Committee that it needs to make a proper and well rounded and sound and considered judgment concerning the nomination, then the Judiciary Committee ought to close the door on the nominee.

Now what can the Senate do? The Senate Judiciary Committee could subpoena Mr. Dean. I don't think that it will, I don't think that it ought to in this case. I think that the battle ground for a subpoena action should be shifted to the Ervin select committee on the Watergate investigation. That committee has broader authority.

The Judiciary Committee can reject this nomination, the President can send up another name, and we can have a director of the F.B.I.

DREW. Do you agree with Senator Ervin's suggestion that White House aides who do refuse to appear ought to be gone down and arrested by the Sergeant-at-Arms of the Senate?

Senator BYRD. Mr. Ervin is not talking through his hat. I think that in a case that is properly framed, where the facts are appropriate, this could be done. The Senate can order the arrest of a United States Senator. The Sergeant-at-Arms can be ordered to arrest a United States Senator, this has been done. Now if this can be done, why can't the Sergeant-at-Arms arrest an attorney, even though the attorney is the attorney of the President.

DREW. So you'd send him down Pennsylvania Avenue and he would somehow get in the White House gate?

Senator BYRD. He doesn't have to go in the White House gate.

DREW. How would he arrest him?

Senator BYRD. A subpoena can be served on an individual, a warrant can be served on an individual, a citation can be served on an individual, outside the White House, where the person lives, at his residence, or at the hotel, or at the restaurant where he's eating. Now, I'm not saying that I would do this in this case, but I am saying that in a situation which required this, where the facts and circumstances were such as to require the arrest of an individual on the White House staff, in order for a legislative committee to perform its duty, this can be done. It has been done, not with respect to someone on the White House staff, but the Sergeant-at-Arms has been ordered by the United States Senate to arrest an attorney and that was done.

The attorney was brought before the bar of the Senate, along with his clients, the Senate held a trial, sent the individual to jail, and the trial court upheld the Senate, the appeals court reversed the trial court, but the United States Supreme Court upheld the Senate, saying that in that particular case, there was a clear duty by the legislative committee to be performed, and that the act of the attorney for his clients was by its very nature and character, such as would obstruct the performance of that duty by the Senate committee.

DREW. And under the proper circumstances, you would go along with the idea of having this done to White House aides?

Senator BYRD. I would.

DREW. Now—but they're not appearing because their boss, the President, has told them not to, so would you arrest him?

Senator BYRD. No, no.

DREW. Well, then why arrest them, if they're obeying orders?

Senator BYRD. Well, I think that there is a doctrine of executive privilege, a very narrow doctrine that's never been clearly delineated. I think it's implied in the Constitutional powers of the President as Commander-in-Chief, and in his responsibility to faithfully execute the laws. But there's never been a Supreme Court decision in this area.

So, I think that where the President himself is concerned, and there are confidential communications, sensitive communications between the President and other individuals, the President I think can and ought to have the power to exercise executive privilege.

But to extend that doctrine to members of the White House staff, to lower echelon people, and say that they cannot come up before a committee and reveal communications involving a possible crime between themselves and third parties, someone else inside or outside the White House, I think is a ridiculous application of the doctrine.

DREW. To just finish out the Gray matter, as it were, just quickly, you said time is running out on Mr. Gray. As of now, would you then predict that he will be rejected?

Senator BYRD. I would not make any prediction.

DREW. All right. You've always been known as a tough law and order man, and that's why you're—

Senator BYRD. I was making tough law and order speeches before Mr. Nixon started making them.

DREW. And that's one of the reasons your role in this has been so interesting to people. Do you agree with the President's recent proposal that the death penalty, which the Supreme Court ruled unconstitutional, should be restored?

Senator BYRD. The Supreme Court did not rule the death penalty unconstitutional per se.

DREW. Right.

Senator BYRD. It merely said that the applications of it in the cases that were before it——

DREW. Said it was unevenly applied.

Senator BYRD. —were not uniform——

DREW. By the various states.

Senator BYRD. Yes, the application was not uniform, in which case it was unconstitutional, as being cruel and unusual punishment. I favor the death penalty, I have for many years, in certain cases; premeditated murder, treason. And I have some feeling that it ought to be applied certainly in some cases involving forcible rape, kidnapping. I don't think it ought to be made mandatory with

respect to hijacking, but I think there are certainly some hijackers who ought to be executed. But to make it mandatory I think might endanger passengers.

DREW. The President said that "the time has come for soft headed judges and probation officers to show as much concern for the rights of innocent victims of crime as they do for the rights of convicted criminals." Do you——

Senator BYRD. I said this a long time ago.

DREW. Oh, is he picking up on you then?

Senator BYRD. I don't—wouldn't say that, but that's not original.

DREW. Do you support the control of hand guns?

Senator BYRD. I have voted against registration and licensing of hand guns. I voted for the Bayh Bill last year, which dealt with the so called Saturday Night Specials. I think there has to be some way, if it can be found, to keep these cheap, easily secured weapons, out of the hands of the criminal. But I don't think that solves the problem.

I think if criminals know that punishment is sure, it's swift, and it will be severe, I believe that this is more of a deterrent. Criminals will get their guns if they have to steal them. If they can't kill with guns they'll kill with knives, so there are two sides to this question.

DREW. Did you say you supported the death penalty in certain rape cases?

Senator BYRD. I have felt that the death penalty ought to at least be there and be applicable in cases——

DREW. Which kinds of cases?

Senator BYRD. In cases involving forcible rape.

DREW. Any particular—or just any forcible rape?

Senator BYRD. Well I think it ought to be applicable in cases involving forcible rape.

DREW. The—responding to the President for the Democrats, Senator Harold Hughes of Iowa said that quote, "We need correction of social conditions known to be conducive to criminality, conditions such as over-crowding, chronic unemployment, poverty, inadequate health care, and discrimination." That "such conditions contribute to the development of criminal behavior among the people affected is simply a self-evident fact of life." Do you agree with Senator Hughes on that?

Senator BYRD. One of the great Justices of the Supreme Court once said something to the effect that the only thing that we can be certain of is that we're uncertain as to the causes of crime. I don't think anybody can be certain as to what causes crime.

DREW. Well there is a point of view, which he's expressing here, that social conditions and poverty are conducive—do lead to crime, and that those should be dealt with. He went on to say that it's these very programs that the President is—is ending, or cutting back on, and the President should not, because that—they do help cut down crime. Now what do you—where do you come out? There's a fairly strong philosophical difference here.

Senator BYRD. I think many people have that viewpoint, including Senators. And there may be something to it. I'm not trying to debunk it. I don't think, however, anybody can ascribe crime to poverty. I lived during the Depression, when there were millions of people walking the streets of America out of work, and yet we didn't lock the doors at our house, in that coal-mining community at night.

A person doesn't commit rape because he has an empty stomach. I think it's too simplistic to say that poverty causes crime. I don't argue with the statement that crime can be found infesting areas where there's great poverty. But I would say that there can also be shown to be areas, poverty-stricken areas, in which crime is not so prevalent.

DREW. In a speech in 1967, you said, "Slums are not built, they develop as a result of the careless living of people. We can take the people out of the slums, but we cannot take the slums out of the people." Does that mean that you will—are not so concerned with the President's cutting back on some of the programs to rebuild the inner cities and to deal with slums?

Senator BYRD. No. It doesn't mean that at all. I think that the inner cities are in trouble, and we need Federal programs that will help people. We need manpower training programs. We need programs that will assist people, while they're trying to get on their feet. We need better educational programs. We need better health programs. But I draw a distinction between the need for these, and my support for these programs, and my objections to the President's reduction of, or elimination of, some of the programs—I draw a distinction between that and the other side of the coin which appears to say, that poverty causes crime.

DREW. The Democrats in the Senate are going to try to come up with a budget of their own to counter the President's. Would you go along with the move which they're probably planning, to cut about ten or twelve billion dollars from defense and put it to domestic social programs?

Senator BYRD. I think there are two questions here. I will probably go along with a move, when I consider it to be the right move, properly justified, and researched, for a lowering of the President's ceiling. I will probably go along with some cuts in defense. But I would not support ten, I believe you said a ten to twelve billion dollars—I would not support that kind of a cut in defense. We talk about the re-ordering of priorities. Our first priority has been, is, and ought to always be our survival as a nation.

DREW. Then it isn't very likely the Democrats can get together on an alternative budget, is it?

Senator BYRD. Oh, I think it's possible. But if it's all going to come out of defense, I—I'm not so sure that I can go along with that. We can't take everything out of defense. We've got——

DREW. Now I'm not saying everything, but the—the—the thinking now is that ten or twelve billion dollars could come out.

Senator BYRD. I think it's entirely too much. I think it's unrealistic. I think we better think this thing through. We've got to remember that 56 percent of the defense dollar goes to pay people. And Congress itself has raised this military pay and military retirement. And this will be paid. And if we make meat axe cuts in the budget, these military increases, which we ourselves have enacted, are going to be paid, at the expense of weaponry, research, bone and muscle, in the defense budget.

DREW. You—some of the Democrats are also critical of the President for abandoning his plan—family assistance plan, and income maintenance plan. Are you disturbed that he's no longer proposing that?

Senator BYRD. I think it was a bad proposal in the beginning. I think the Congress did him a favor in rejecting his proposal. Now his theory was right. Let's get them off welfare. But his proposal wouldn't have done it. It would have—as I recall, it would have doubled the welfare case loads. I may be wrong in my figures, but it would have resulted in greatly increased welfare case loads, greatly increased expenditures, and we don't reform welfare by putting more people on the rolls, and paying more money out of the Treasury.

This is not to say there shouldn't be welfare reform, but his was not welfare reform.

DREW. You were once a member of the Ku Klux Klan, which you've been very open about saying, that as you look back you find that that was a mistake. You voted against the Voting Rights Act of 1965. Looking back, would you change that vote?

Senator BYRD. No.

DREW. You—

Senator BYRD. May I say, looking back, I might change my vote on the 1964 Civil Rights Act. I would like to recall that I voted for the 1957 Civil Rights Act, the 1960 Civil Rights Act, the 1962 Civil Rights Act, the 1968 Civil Rights Act. I voted against the 1964 Civil Rights Act. I voted against the 1965 Voting Rights Act. I probably would vote for the 1964 Civil Rights Act at this time.

DREW. You——

Senator BYRD. I might have voted for it at the time, had it not come to the Senate under the explosive, tense situation which really amounted to forcing the Congress to act with a cocked pistol at its temple. I didn't like this. I probably would vote for it today. I would not vote for the 1965 Voting Rights Act today.

DREW. We have very little time which is left, which is unfortunate, because there's a lot I want to ask you. I'd like to go into your own background for a moment, and coming from that into your current role. You were a poor boy in West Virginia, and you were working as a butcher, as I understand it, before you went into politics there. You put yourself through law school at night. Has this own—has your own background affected your view of what you think social policy ought to be in this country?

Senator BYRD. May I say first of all, with reference to the Voting Rights Act, I voted against it because I didn't think it was Constitutional. I don't think it's Constitutional today, even though the Supreme Court, the Warren Court, may have held otherwise.

Tennyson said, "I'm a part of all that I have met." I may be paraphrasing him. I suppose we're all a part, and influenced by, to some extent, our own conditions, the life which we've lived, circumstances which we've had to face, battles which we've had to fight. I wouldn't say that that isn't a part of my makeup.

DREW. It's said that you run the Senate by the Rule Book and the Bible. I can understand where the Rule Book comes in, but can you explain where you think the Bible pertains to running the Senate?

Senator BYRD. Well I have never heard that statement before.

DREW. I've seen it written about you, and I thought that they said that you——

Senator BYRD. I have heard the statement with respect to the Rule Book, and I think my so-called mastery of the rules is a myth. No Senator is a master of the rules. Only the Parliamentarian, and he perhaps isn't exactly a master of the rules and the precedents.

DREW. The Senate recently rejected a proposal to have its meetings open, the Committee meetings open, a proposal that the House did adopt. Why shouldn't the Senate Committees' business, when it's dealing with the public business, be open to the public?

Senator BYRD. I think that it's in the public interest, at times, to have closed meetings. The Senate is quite different from the House. In the Senate there's no rule of germaneness, there's no closed rule.

DREW. But we're talking about Committee meetings, so——

Senator BYRD. Yes.

DREW.—those are floor——

Senator BYRD. I know that.

DREW.—the things you're talking about?

Senator BYRD. Well any Senator in a Committee can offer any amendment he wishes to on the floor of the Senate and get a vote on it in public view. I think to have open meetings—particularly in the Armed Services Committee, and Appropriations Committee markups—now I'm not talking about hearings. The hearings are generally open, and they will continue to be. But I'm talking about markups, to have closed markups

in the Armed Services Committee, and Foreign Relations Committee, where there are very sensitive foreign relations matters, and in Appropriations Committee—I think would be a disservice to the public interest. It——

DREW. But those are where the critical decisions are made, aren't they?

Senator BYRD. It sounds good. But it doesn't work out that way.

DREW. Senator Byrd, your last question, we're about out of time, you're known for your faithful attendance on the Senate floor, for being there all the time. Do you feel that your colleagues spend enough time on the Senate floor, or they travel a bit much?

Senator BYRD. I think that most any Senator could, perhaps—well, let me say this in a different way. The Senate has not suffered very much from absenteeism. In other words, we haven't had to adjourn for lack of a quorum many times. We've been able to transact business. I do have a good record. It's partly because I am the Majority Whip and feel that it's my duty to stay on the floor. I think most Senators are conscientious about their duties. And the attendance record of most Senators is better than one might suppose.

DREW. I'm sorry, we're out of time. Thank you very much for coming.

Senator BYRD. Thank you.

PROPOSED SHIP CONSTRUCTION STANDARDS

Mr. CASE. Mr. President, the U.S. Coast Guard recently asked for comments on proposed ship construction standards which would require oil tankers built in the future to be equipped with double bottoms, providing space for taking on ballast water without using oil cargo tanks.

Because of the importance of the Coast Guard's proposal, I submitted a statement endorsing the general concept.

Since then, a similar statement submitted by the Center for Law and Social Policy on behalf of a group of environmental organizations has come to my attention.

Because the statement by the Center for Law and Social Policy details the issues involved so well, I believe it is worthy of the attention of all Members of Congress.

Therefore, I ask unanimous consent that the statement be printed in the RECORD.

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

CONSTRUCTION REQUIREMENT FOR TANK SHIPS—ADVANCE NOTICE OF PROPOSED RULE MAKING CGS 72-245P

CENTER FOR LAW AND SOCIAL POLICY,
Washington, D.C., March 15, 1973.

U.S. COAST GUARD,
Washington, D.C.

DEAR SIRS: We are writing in response to the Advance Notice of Proposed Rule Making (38 Fed. Reg. 2467 [January 26, 1973]) (the "Notice") on behalf of the Environmental Defense Fund ("EDF"), the Natural Resources Defense Council ("NRDC"), the National Parks and Conservation Association ("NPCA"), the Sierra Club, Friends of the Earth ("FOE"), the National Wildlife Federation ("NWF"), and The Wilderness Society to comment upon the tank ship construction standards which the Coast Guard is considering for proposal under Section 201 of the Ports and Waterways Safety Act of 1972, Pub. L. No. 92-340, 46 U.S.C. § 391a (the "Act"). We have acted as counsel for these groups on environmental matters in the past, and we have been asked by them to coordinate the presentation of their comments.

The environmental groups which we represent are all national, non-profit membership organizations deeply concerned about the preservation and protection of the marine and coastal environments. Their combined membership exceeds 2,300,000 persons throughout the United States and abroad.[1] The membership of each organization includes a substantial number of persons who reside in coastal areas which are increasingly directly affected by oil pollution, as well as scientists who have conducted and intend to continue to engage in research in coastal and estuarine areas and the marine environment.

All of the environmental organizations have made substantial efforts to improve the quality of the marine and coastal environments by means of litigation, testimony, policy analysis, and educational programs. For example, in the litigation field, EDF, NRDC and NPCA recently achieved a settlement with the Commerce Department under which it agreed to prepare environmental impact statements in connection with its program to subsidize the construction of United States oil tankers. And The Wilderness Society, FOE and EDF are now engaged in litigation regarding the adequacy of the Department of Interior's environmental impact statement for the proposed trans-Alaskan oil pipeline and its related marine transportation systems. In the area of international regulation of marine pollution, EDF, NRDC and the Sierra Club have taken an active role in commenting upon the proposed 1973 Convention for the Prevention of Pollution from Ships. These groups have also been actively involved in presentation of testimony on this subject. Thus, during the last session of Congress, EDF and the Sierra Club submitted comments to the Senate Commerce Committee on the Act; and earlier this month the Sierra Club, EDF, NRDC, NPCA and FOE presented testimony on deep water port policy at hearings held by that Committee.

We firmly support the proposed requirement for incorporation on oil carrying vessels trading in U.S. navigable waters of a segregated ballast capacity of not less than 45 percent of full load displacement, achieved in part through utilization of a double bottom of a minimum height of one-fifteenth of the beam. This proposal represents one of the most important efforts to date by any governmental agency to deal constructively and forthrightly with the growing threat posed by marine transport of oil to coastal and marine ecosystems. These fundamental changes in tanker design are long overdue and constitute necessary first steps toward an environmentally sound marine transportation policy. Indeed, segregated ballast and double bottom requirements are absolutely essential if the United States is to achieve the goal to which it, other nations and the environmental organizations we represent are committed of eliminating all intentional discharges of oil into the marine environment and of reducing to the greatest extent possible the risk of accidental spills.[2] We also believe such requirements are integral to fulfillment of the Congressional mandate to the Coast Guard embodied in the Act to establish design and construction standards for oil carrying vessels "to prevent or mitigate the hazards to life, property, and the marine environment" which they pose.

In addition to supporting the segregated ballast and double bottom requirements, we favor the proposal to require all tank ships (new and existing) to have the capability of retaining all wastes, including tank cleaning residues, on board for shoreside disposal. We further believe that both the segregated ballast-double bottom and waste retention capability requirements should be applied to tank barges.

However, we believe the proposals to limit the segregated ballast and double bottom requirements to large, future tankers and to tank barges of 300 feet or more, as well as to permit existing tankers to utilize load-on-top procedures in the face of environmentally preferable alternatives, will seriously undermine the pollution abatement objectives of the Act and should be abandoned.

I. THE ENVIRONMENTAL NECESSITY FOR SEGREGATED BALLAST AND DOUBLE BOTTOM REQUIREMENTS

There is no need to detail the increasing threat oil pollution from oil carrying vessels poses to the marine and coastal environments of this nation. Indeed, in Section 201 of the Act, Congress finds and declares:

"That the carriage by vessels of certain cargoes [including oil] in bulk creates substantial hazards to life, property, the navigable waters of the United States including the quality thereof) and the resources contained therein and of the adjoining land, including but not limited to fish, shellfish, and wildlife, marine and coastal ecosystems and recreational and scenic values. . . ."

The significance of this threat is underscored by the recent findings of the National Oceanic and Atmospheric Administration that "oil globules . . . in massive proportions infect nearly 700,000 square miles of blue water from Cape Cod to the Caribbean Sea."[3]

Normal tanker operations—including discharge of cargo tank washings and oily ballast water—now account for almost 70 per cent of the total influx of oil into the oceans from oil carrying vessels, while tanker accidents—including groundings and strandings—account for almost 20 per cent of tanker oil pollution.[4] If seaborne imports of oil to the United States increase, and if oil tankers numbers and traffic increase, as government and industry project, the environmental degradation from oil pollution resulting from such vessels and their operation will increase proportionately:

"Not only will the probability of accidents increase . . . but pollution of the marine environment from normal tanker operations . . . are [sic] also likely to increase. "S. Rep. No. 92-841, 92d, 2d Sess. 22 1972).

A requirement that oil carrying vessels possess the capability of carrying sufficient ballast for normal operations *without recourse to cargo tanks* such as the Coast Guard is considering is without doubt the most effective means for reducing damage to the marine environment from normal ballasting operations. The segregated ballast approach is effective because it eliminates the needs to mix oil and water, and to wash cargo tanks to hold ballast which may be clean enough to discharge at a loading port.

There can also be no question as to the environmental soundness of using a double bottom to achieve part of the required segregated ballast capacity. First, as the Notice points out: "double bottoms would provide . . . protection against accidental discharge caused by grounding incidents"—which are the most common kind of tanker casualty. Additionally, the redistribution of hull strength resulting from incorporation of a double bottom will reduce or at least delay breaking caused by stranding, thereby reducing the frequency of catastrophic oil spills. The double bottom is also likely to reduce operational pollution in at least two ways: (a) the smooth cargo tank bottom resulting from the double bottom design should eliminate sludge buildup and, thus, the need to clean cargo tanks to prevent this occurrence; (b) when tanks are cleaned to prepare for drydocking and overhaul, less wash water will be required for cleaning because of the elimi-

Footnotes at end of article.

nation of structural members within the tanks. The United States, in urging IMCO to require segregated ballast systems including double bottoms, recently estimated the environmental benefits of double bottoms as follows:

"1. Operational pollution reduced 95%.
"2. Accidental pollution reduced 35%.
"3 Total pollution reduced 67%."[5]

II. THE CONGRESSIONAL MANDATE

The language of the Act and its legislative history make clear that Congress intended that the Coast Guard give full and serious consideration to requiring segregated ballast capacity achieved in part through a double bottom and fully support, if not mandate, the adoption of such design standards. In Section 201(1) of the Act, Congress concluded that—

"Existing standards for the design, construction, alteration, repair, maintenance and operation of . . . [oil carrying vessels] must be improved for adequate protection of the marine environment."

In reaching this conclusion, Congress implicitly rejected the prevailing single bottom design for tankers and the traditional practice of utilizing cargo tanks for ballast and discharging oily water into the sea. To remedy such environmentally unsound practices, Congress, in Section 201(7) of the Act, directed the Coast Guard to establish standards—

"As soon as practicable . . . to improve vessel maneuvering and stopping ability and otherwise reduce the possibility to collision, grounding or other accidents, to reduce cargo loss following collision, grounding or other accidents, and to reduce damage to the marine environment by normal vessel operations, such as ballasting and de-ballasting, cargo handling and other activities."

Clearly, the most effective way to "reduce cargo loss following . . . grounding" is to have a double bottom on the vessel involved in the grounding.[6] Similarly, the most effective way "to reduce damage to the marine environment by normal vessel operations such as ballasting and deballasting" is to require the use of segregated ballast systems.[7]

The principal congressional report accompanying and the hearings on the Act reveal a clear recognition of the importance of these features.[8] For example, the Senate Commerce Committee in discussing possible methods for dealing with pollution from tanker groundings, cited double bottoms as "[p]erhaps the clearest instance of a standard presented at the Committee's hearings that must be seriously considered . . .", *Senate Report* at 2897, and concluded that "double bottom construction would lessen the likelihood of serious damage to the environment in those instances where groundings do occur." *Senate Report* at 2894. As regards prevention of pollution from deballasting operations, the Committee rejected industry's response to this problem (the load-on-top procedure) as "not an adequate solution", *Senate Report* at 2899, and concluded that "there seems little doubt that the adoption of segregated ballast could contribute significantly to protection of the marine environment. . . ." *Senate Report* at 2900.

In addition, Congress clearly intended that such standards be established by the United States for *all ships* entering its navigable waters whether or not progress is made toward their adoption in the international forum, concluding that the objective of protection of the marine environment should not be sacrificed on the altar of the principle of international regulation. *Senate Report* at 2903, 2908. In point of fact, it is our understanding that the present United States proposal to IMCO for segregated ballast systems, including double bottoms, is encountering opposition from several other IMCO members. Such opposition underscores the need for prompt adoption by the United States of these vital design standards for vessels trading in its navigable waters.

Finally, it is essential to recognize that Congress determined that economic considerations should not preclude adoption of segregated ballast and double bottom requirements. *Senate Report* at 2897–2900. Moreover, any increase in vessel construction costs incident to such design changes is likely to be relatively small, *e.g.*, 2 to 10 percent, and should be substantially offset in any event by reductions in operating costs. Any clean ballast system including double bottoms would reduce operating costs since no routine tank cleaning operations or complicated load-on-top procedures would be required during voyages. Cargo oil tank corrosion would be reduced since sea water would never be introduced to cargo tanks. Segregated ballast tanks would undoubtedly receive maintenance only in a shipyard, having only a minor effect on shipyard costs. And, operating costs would be reduced as a result of expanded segregated ballast capacity owing to resultant decrease in turn-around time in loading and discharge ports. In any event, as the Senate Commerce Committee recognized, oil carrying vessels have for too long been "designed and built exclusively for the economic benefit of their owners and customers, with little thought being given to their impact on the marine environment." *Senate Report* at 2897. Congress made a considered judgment in the Act that previously neglected environmental considerations are of paramount importance in devising new vessel design standards for the protection of the marine environment. Therefore, it is incumbent upon the Coast Guard to adopt segregated ballast and double bottom requirements for all vessels entering U.S. navigable waters as soon as possible.

III. PROBLEMS RAISED BY THE COAST GUARD PROPOSAL

The thrust of the Coast Guard's proposal is commendable and a necessary step towards improving the quality of the marine environment. However, there are certain basic problems in the proposal which may prevent achievement of this objective.

(a) Application to Future Tankers Only:

The Coast Guard's proposal would limit application of the segregated ballast and double bottom requirements to:

"(1) Tank ships delivered after January 1, 1976; and

"(2) Tank ships delivered before January 1, 1976, whose building contract is placed and whose construction is begun after January 1, 1974."

Nothing in the Act requires the Coast Guard to limit the proposed requirements in such a fashion. Indeed, the Senate Commerce Committee considered and rejected the legislative creation of such "grandfather rights" which, it was felt, would defeat the basic environmental protective purposes of the legislation. In so doing, the Committee reasoned:

"Providing strict 'grand-father rights" [would] . . . become an artificial incentive for tanker operators to use their oldest and worst tonnage in United States trade in the knowledge that regulations for the protection of the marine environment would not apply." *Senate Report* at 2907.

In proposing to limit the segregated ballast and double bottom requirement to a defined class of new vessels, the Coast Guard would create the precise type of artificial incentive which Congress sought to avoid.

In addition, the grandfather rights approach proposed by the Coast Guard could, as a practical matter, render a double bottom and segregated ballast requirement ineffectual until some time in the mid-1990's. A recent survey by the Federal Maritime Administration shows that, as of January 1, 1973, there were 533 oil carrying vessels on order or under construction throughout the world, including 276 tankers over 175,000 DWT; and, that the world tanker fleet contains an additional 750 tankers, including about 230 supertankers, all built within the last four years. The survey also shows that virtually none of these tankers will incorporate double bottoms or a segregated ballast capacity equal to 45 per cent of full load displacement.[9] The Coast Guard's proposal would leave this vast fleet of new oil tankers with useful lives of at least 20 years free to trade in the United States navigable waters.

In light of the problems raised by grandfather rights, but also recognizing the need for some grace period to allow for orderly adjustment to new design criteria, we recommend that the Coast Guard establish an absolute cut-off date within the near future after which no oil carrying vessel—regardless of its contract, construction or delivery date—would be permitted to trade in the United States navigable water unless it met the segregated ballast and double bottom requirement.

(b) Application of Double Bottom and Segregated Ballast Requirement to Small New Tankers:

We vigorously oppose the suggestion in the Notice that small, new tank ships be permitted to utilize the load-on-top procedure as a substitute for a segregated ballast system, including a double bottom. Not only is no justification for this distinction between small and large tankers found in the Act, (or the Notice itself), but it also appears inconsistent with the Coast Guard's own recent conclusions that segregated ballast systems, including double bottoms, are both pollution and cost effective for tankers at least as small as 20,000 DWT.[10]

(c) Authorization of LOT Procedure:

Despite the obvious environmental advantages of segregated ballast capacity, achieved in part through the use of double bottoms, the Notice states—without any explanation or analysis—that this would not be required on "[e]xisting tankships and small new tankships". Rather, according to the Notice, these vessels "would be permitted to engage in the practice of retention of oil on board (load-on-top) with specified discharge criteria". This so called "load-on-top" procedure involves in essence attempts to separate oil from dirty ballast water on board, thereby reducing—but by no means eliminating—the actual amount of oil discharged during deballasting operations.

While LOT procedure is superior to direct discharge of oil ballast to the sea, it is at best only 80 per cent effective in removing oil from overboard discharges and, thus, falls far short of meeting the no discharge criteria to which the United States and environmental groups are committed. Further, as noted above, the Senate Commerce Committee, rejected LOT as an acceptable operational procedure. In so doing, it noted the following "obvious, inherent shortcomings" of the load-on-top procedure:

"First, the rolling action of a ship in a seaway is not conducive to proper separation. Second, existing oil-water separators have generally proven inadequate for tanker ballast operation and even potential improvement in the technology of oil-water separators would certainly not seem capable of coping with various oils carried by tankers that have specific gravities close to that of water. Third, the economic or geographic features of a particular trade may not allow sufficient time for a tanker operator to fully utilize the load-on-top procedure and, since a procedure rather than design is involved, it is subject to de facto violations on a case-by-case basis." *Senate Report* at 2899.

In light of these considerations LOT procedures should only be permitted on existing tankers where other environmentally preferable alternatives, such as retrofitting for double bottoms and segregated ballast, are not possible, and, in those cases, should be *required* for such tankers.

(d) Retention of Wastes on Board:

Footnotes at end of article.

The Notice states that the Coast Guard is considering a requirement that all tank ships (new and existing) have the capacity to retain oily ballast and other wastes such as tank cleaning residues on board for shoreside disposal. We oppose such a requirement insofar as it might be construed as an alternative to fully segregated ballast systems for dealing with oil pollution resulting from ballast discharge.

Shoreside reception facilities appear, however, to offer substantial environmental benefits as regards disposal of tank cleaning residues, sewage and other wastes. We believe that such facilities, which are more effective than holding tanks on vessels and which are not subject to the same space and weight constraints or to varying weather conditions, should be used for treatment of these substances, provided that a no discharge standard is imposed and adequate efforts are made to enforce and police that standard. Thus, we favor standards requiring waste retention capability.

(e) Application of the Segregated Ballast and Double Bottom Requirement to Tank Barges:

The Notice invites comments as to the desirability of applying the proposed segregated ballast and double bottom requirement to tank barges 300 feet long or more engaged in ocean and coastwise service. We strongly support such application. However, there is no justification, in our view, for limiting such application to tank barges over 300 feet long; rather, the requirement should apply to all tank barges engaged in ocean and coastwise service. In particular, double bottoms are an essential requirement for these vessels which operate in relatively shallow and crowded coastal waters a large percentage of their time and therefore run a relatively high risk of groundings and collisions.

CONCLUSION

In conclusion, we emphasize the importance which the environmental groups attach to and the urgent need for prompt adoption of segregated ballast and double bottom requirements for all oil carrying vessels—regardless of size or type—which trade in this nation's navigable waters and commend the Coast Guard's initiative in this area. If you have any questions with respect to the comments presented above or desire any further assistance from the environmental groups in this matter, please feel free to contact either of the undersigned.

Very truly yours,

ROBERT M. HALLMAN,
ELDON V. C. GREENBERG,
Attorneys for Environmental Defense Fund, Natural Resources Defense Council, National Parks and Conservation Association, the Sierra Club, Friends of the Earth, the National Wildlife Federation and The Wilderness Society.

FOOTNOTES

[1] EDF, whose principal place of business is 162 Old Town Road, East Setauket, New York 11733, has a membership of 32,000 persons and a 700 member Scientists' Advisory Committee. NRDC, whose principal office is at 15 West 44th Street, New York, New York 10036, and has additional offices in Washington, D.C. and Palo Alto, California, has a membership of approximately 9,000 persons. NPCA, whose principal office is 1701—18th Street, N. W., Washington, D.C. 20009, has a membership of approximately 50,000 persons. The Sierra Club, whose principal place of business is at 200 Bush Street, San Francisco, California 94104, has a membership of approximately 140,000 persons. FOE, whose principal place of business is 529 Commercial Street, San Francisco, California 94111, has a membership of 27,000 persons. NWF, whose principal place of business is 1412—16th Street, N. W., Washington, D.C 20036, is composed of associate members and members of state affiliate member organizations, comprising over 2,000,000 persons. The Wilderness Society, which has its principal office at 729—15th Street, N. W., Washington, D.C. 20005 and a field office in Denver, Colorado, has a membership of about 80,000 persons.

[2] At its last meeting on marine pollution in 1971, the Intergovernmental Maritime Consultative Organization ("IMCO") adopted as a goal "the achievement by 1975 if possible but certainly by the end of the decade, of the complete elimination of the wilful and intentional pollution of the seas by oil . . . and the minimization of accidental spills."

[3] Mar Map Red Flag Report (No. 1), *Fish Larvae Found in Environment Contaminated with Oil and Plastic* (January 18, 1973).

[4] Porricelli, Keith, and Storch, *Tankers and the Ecology*, paper presented at the annual meeting of the Society of Naval Architects and Marine Engineers (November 1971).

[5] *Segregated Ballast Tankers Employing Double Bottoms*, supporting document to D. E. VIII/12 and M. P. XIV/3(c) presented to the Intergovernmental Maritime Consultative Organization by the United States of America (November 1972).

[6] See Kimon, Kiss, Porricelli, *Segregated Ballast VLCC's*, paper presented to the Chesapeake Section of the Society of Naval Architects and Marine Engineers (January 11, 1973); United States Coast Guard, *Report on Part 2 of Study I, Segregated Ballast Aboard Product Tankers and Smaller Crude Carriers* (February, 1973).

[7] *Id.*

[8] See S. Rep. No. 92–724, 92d Cong., 2d Sess., 1972 U.S. Code, Cong. & Ad. News 2886 (hereinafter cited as *"Senate Report"*); *Hearings on S. 2074 before Sen. Comm. on Commerce*, 92d Cong., 1st Sess. (September 22, 23, 24, 1971).

[9] Federal Maritime Administration, *Economic Viability Analysis* (prepared pursuant to Stipulation in *Environmental Defense Fund, Inc., et al.* v. *Peterson, et al.*) (March 2, 1973).

[10] United States Coast Guard, *Report on Part 2 of Study I: Segregated Ballast Aboard Product Tankers and Smaller Crude Carriers* (February 1973).

DEWITT AND LILA ACHESON WALLACE, PUBLISHERS OF READER'S DIGEST

Mr. TALMADGE. Mr. President, I rise to pay tribute to two Americans who have made one of the most significant contributions to America in the history of our Republic and have received a special recognition: DeWitt and Lila Acheson Wallace, publishers of the Reader's Digest.

This husband and wife team have contributed to the information and entertainment of hundreds of millions of people the world over for more than 50 years. They began their venture in 1922, and ever since, have made easily available to everyone a wealth of information on nearly every subject under the sun.

The Reader's Digest has become, in the words of President Nixon when he presented Medals of Freedom to the Wallaces, "a monthly university in print." It is used for resource material by professionals in the fields of government, theology, communications, and civics. It has become one of America's great institutions for the simple reason of its worth to so many. Between its covers can be found regularly a vast supply of concise, pertinent information, easy to understand and useful to all. In a society whose continued existence depends on a well-informed citizenry, such a publication is invaluable.

As Dixie Business publisher, Hubert Lee, so aptly puts it:

Mr. and Mrs. Wallace are the world's greatest wife-husband publishing team.

I ask that Mr. Lee's account of the Great Americans Award of 1972, as originally published in Dixie Business, be printed in the RECORD.

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

"GREAT AMERICANS" FOR 1972

(By Hubert F. Lee)

DeWitt and Lila Acheson Wallace, the founders in 1921 of Reader's Digest with $1,800 borrowed from Mr. Wallace's father and brothers, have been named for the 18th annual "Great American" award by the editors of Dixie Business.

Their first issue came out Feb. 1922, 50-years ago.

They are the world's greatest wife-husband publishing team.

Mrs. Wallace was selected as "One of World's 10 Greatest Women" in 1952—twenty years ago—by the editors of Dixie Business.

Mrs. Patricia Nixon was named one of the "World's 10 Greatest Living Women" this year by Dixie Business.

President Nixon presented the Medals of Freedom, the highest honor that the United States can bestow on a civilian, to Mr. and Mrs. Wallace on January 28th at a dinner at the White House.

Following are the citations on the Medals, read by the President when he made the presentations:

To DeWitt Wallace: the cofounder with Lila Acheson Wallace of the Reader's Digest and partner in its direction for half a century, he has made a towering contribution to that freedom of the mind from which spring all our other liberties.

This magazine has become a monthly university in print, teaching 100 million readers worldwide the wonder of common life and the scope of man's potential.

In DeWitt Wallace America has a son to be proud of—one whose lifework shows American enterprise at its creative best, and the American ethnic in its fullest flower.

To Lila Acheson Wallace: cofounder with DeWitt Wallace of The Reader's Digest half a century ago and partner with him in its direction ever since.

Lila Wallace has helped make all America better read.

Her vision and drive have given wings to the workhorse printed word, fashioning a Pegasus of a magazine that carries insights to 100 million readers wordwide.

Her gracious touch at Pleasantville has shown the way to infusing industrial settings with culture and the joy of work.

President Nixon, who was elected on November 7, 1972 as their "Great American" at the polls by the people of America, said in presenting the Medal at the White House dinner: 1–28–72

"In this room (the State Dining Room) the Great of the world and of America have been honored—kings, emperors, princes, prime ministers, and other great men and women.

"I recall myself to toasts to Churchill, DeGaulle, Nehru, all in this room. "And I think back a hundred years before when the room probably first began to be used for that purpose, to all the wonderful things that have happened here and the people who've been honored.

"But I can very truthfully say tonight we couldn't honor two people who deserve it more in this great first room of America than Lila and DeWitt Wallace."

Dr. Billy Graham, one of the speakers, said that Reader's Digest has served as source material "for sermons, for clergy, for political leaders, for speeches.

"I played golf with Bob Hope, Graham quipped," and when I would be praying about the putt, Bob had the Digest in his hands getting his next joke."

Secretary of State William Rogers noted that "in terms of international affairs, the Digest is a tremendous asset. It is published and read and respected in every country outside of the Communist bloc.

"And very few people in the world have been able to project the thoughts that we all respect the way Mr. and Mrs. Wallace have."

Bob Hope cracked jokes, including the line: "I am surprised Mr. Wallace is eating because it usually takes him a month to Digest anything.

Another: "I admire any man who made a fortune thinking small."

HOW IT ALL BEGAN

It all started in 1918 when Sgt. Wallace was in an Army hospital in France recovering from shrapnel wounds and had nothing to do but read magazines.

He realized that many articles were of enduring value were too long.

He became obsessed with the idea of condensing them and of publishing in a monthly magazine.

When he returned home the next year he spent his time at the public library condensing several dozen articles. He could not afford to buy the magazines.

Then he fixed up a full-scale dummy of Reader's Digest and mailed it to several publishers.

No publisher was interested.

In the meantime, Wallace lost his publicity job during the 1921 depression with Westinghouse.

So he decided to publish his own magazine.

That was the year I got out of the Army Air Service at Camp Benning, Ga., and went with the Atlanta Constitution as a reporter.

GORDON RULE: THE RIGHT OF CONGRESS TO OBTAIN TESTIMONY FROM GOVERNMENT OFFICIALS

Mr. PROXMIRE. Mr. President, last week Gordon Rule was given his job back after being in a bureaucratic limbo for several months following his appearance before the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee.

The Pentagon and the Navy are to be commended for the decision to reinstate Gordon Rule as Director of the Procurement Control and Clearance Division.

Just 3 weeks ago, 14 Senators and I wrote to Defense Secretary Elliot Richardson requesting that Mr. Rule's duties be restored.

The demotion and punishment of Mr. Rule as a consequence of his testimony before the Subcommittee on Priorities and Economy in Government was an unfortunate occurrence that could and should have been avoided.

The right of congressional committees to obtain information from individuals and the right of individuals to testify before Congress when invited to do so must not be tampered with.

Government officials who have facts or opinions that Congress needs to know must not be gagged or inhibited from communicating them.

I was convinced that a correct resolution of the controversy over Mr. Rule's testimony would be reached once all the facts were brought to the attention of Secretary Richardson.

The reinstatement order clears the record of a dedicated public servant whose efforts in the area of weapons procurement have saved the Government and the taxpayer millions of dollars.

In the New York Sunday Times magazine section of March 25, 1973, Brit Hume examined the Gordon Rule affair in a way that throws a great deal of light on the problems confronting individuals in the employ of the Pentagon who are devoted to the service of their country and who take literally their responsibility to eliminate the wasteful use of taxpayers' money. I recommend this insightful article to anyone concerned with the mismanagement of defense contracts.

This morning in the Washington Post, March 26, 1973, Morton Mintz reviews in the Gordon Rule affair and reports some comments by Mr. Rule in the aftermath of his reinstatement.

I ask unanimous consent to insert at the close of my remarks the articles from the New York Times magazine and the Washington Post be printed in the RECORD.

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

ADMIRAL KIDD VERSUS GORDON RULE

(By Brit Hume)

(NOTE.—Brit Hume, an associate of columnist Jack Anderson, is Washington editor of [More], a journalism review.)

When Ogden Corp., the company that owns the giant Avondale Shipyard in Louisiana, ran into trouble because of a suspiciously low bid on a Navy destroyer contract a few years ago, it did what other military contractors have often done: It demanded more money from the Government. At a high-level meeting in the office of then Under Secretary of the Navy John Warner, the company's chairman submitted a letter drafted by its Washington lawyer (himself a former General Counsel of the Navy). The company, the letter said, "neither willing nor able" to put up more money toward delivery of the destroyers. Therefore, it was "incumbent on the Department of the Navy" to come up with the needed cash or the shipyard would simply "stop work." When the company officials had been asked to leave the room, the admiral in charge of shipbuilding told Warner the contractor's demand for an extra $10-million on the spot and $4-million soon afterward was reasonable and ought to be paid. There seemed to be general agreement. But then a ruddy, expensively but conservatively dressed civilian interrupted. "Admiral," he said, "over my dead body will you reform that contract and give them $10-million. This is the goddamnedest thing I ever heard of, a contractor coming in and throwing a piece of paper on the table and saying that to the Navy."

The voice belonged to a man named Gordon W. Rule. Since he was the Navy's director of procurement, with authority over the business terms of every major Navy contract, his opinion could not be taken lightly. The result was the company's ultimatum was rejected, the letter withdrawn and work on the destroyers went forward under the original terms.

It was not the first time, nor the last, that such a blunt reproach had been heard from Rule. In a bureaucracy not noted for outspoken civil servants, he has not only survived but thrived for 10 years. During that time he has rejected contract claims worth tens of millions of dollars to huge corporations with enormous political influence. And he has spoken up, at times with astonishing irreverence, to a brigade of admirals and to civilian big shots ranging from the Secretary of Defense to the chairman of the House Armed Services Committee. His office has been the source of a stream of caustic memoranda, letters and telegrams, many of them both unsolicited and unappreciated.

How has he gotten away with it? "You've got to be right," he explains. "If you're wrong and you try something like that, goddamn, they'll clobber you. But if you're right and so right that it's a little obvious, I find that people respect the hell out of you although they may hate your guts. And believe me, I've got respect in the Department of Defense."

If that sounds boastful, it is. Gordon Rule is not a modest man. But it is also unquestionably true. For until recently, Rule's outspoken ways brought him not censure but the highest commendation. First, he won the Superior Civilian Service Award in 1967. In making the award, Adm. I. J. (Pete) Galantin, then Chief of the Naval Materiel Command, cited Rule for "courage in challenging the status quo, zeal, willingness to make innovations and, above all, your absolute integrity and ability to win cooperation and loyalty." It was high praise, but it was surpassed by the outpouring of panegyrics heard four years later when Rule was given the Navy's Distinguished Civilian Service Award, the highest honor a civil servant can receive. Assistant Secretary of the Navy Frank Sanders spoke of Rule as "the most salient point of a system of checks and balances" designed to insure that the business aspects of all Navy contracts got "independent, penetrating, objective review." Rule's job, said Sanders, was to "challenge, to question and to disapprove when such action is necessary, regardless of other considerations or consequences." The citation itself, presented by John Warner, by then the acting Secretary of the Navy, praised Rule for "extraordinary acumen, judgment, initiative and integrity . . . extreme professional skill . . . superior ability to reach the crux of problems quickly . . . outstanding service."

That was barely two years ago, but today Gordon Rule is in deep trouble with the Navy. He was ordered off his regular job and sent to a training school miles from the Pentagon to update the curriculum. It has taken several months, and now that it is done, more such assignments may be in store. His sudden demise was the result of his testimony before a Congressional subcommittee headed by Senator William Proxmire, the Wisconsin Democrat, last Dec. 19. Proxmire was inquiring into waste in military spending and was especially interested in the Navy's difficulties with two of its biggest contractors, Litton Industries Inc. and Grumman Aerospace Corp. Litton, the Navy's largest contractor, was seeking an extra $390-million in connection with a contract to build five helicopter assault vessels. Grumman, which had won the contract to build the Navy's F-14 fighter jet with a bid widely considered unrealistically low, was balking at fulfilling it because it wanted more money. Both Secretary of the Navy John Warner and Adm. Isaac Kidd Jr., the new Chief of the Naval Materiel Command, had refused to testify, citing the "delicacy" of ongoing negotiations with both contractors as their reason. As he had often done in the past, Rule accepted. In answer to pointed questions from Proxmire, Rule was sharply critical of both Grumman and Litton. But his most biting comment came when Proxmire sought his opinion of President Nixon's appointment of Litton's president, Roy L. Ash, to head the increasingly powerful Office of Management and Budget.

"Well," said Rule, "I think first, that old General Eisenhower must be twitching in his grave. He was the one who first called attention to the so-called military-industrial complex, and I frankly think we have added a new dimension. . . . I think it is almost a military-industrial-executive department complex. I think it is a mistake for the President to nominate Mr. Ash, whom I have never met. I think it is a worse mistake for him to accept the job."

By the next morning, Admiral Kidd was at the door of Rule's suburban Washington apartment, near the Pentagon, where Rule was sick in bed, with laryngitis. Shown to his bedside, the hefty gruff Admiral handed Rule a letter of retirement that needed only his signature. Kidd said he wanted it signed by the end of the day. He gave no reason except "the good of the Navy." Feeling under the-weather and overwhelmed, Rule at first agreed. But gradually his defiance began to return. The visit ended with Rule refusing to retire. Having failed to force him out of the Navy altogether, Kidd two days later simply dispatched him to the training school. Since it was technically only a temporary reassignment rather than a disciplinary demotion, there was nothing the Civil Service Commission could do about it. And Kidd indicated he had further such assignments in mind. Rule's only recourse was to file a grievance, which would ultimately be decided by Warner. Since the Secretary was in on the decision to reassign him, it was hardly likely that he would reverse it. Rule seemed beaten. At age 66, with full retirement benefits ahead of him and only himself and his wife to support, he might have been expected to give up under such adverse circumstances. But Rule, in the words of another Navy man, had not yet begun to fight.

If Gordon Rule is abrasive, and if he resists being pushed around by men like Kidd and Warner, it is in part because he doesn't consider himself just another civil servant. Conspicuously, he is one of the most fastidiously dressed men in Washington, and his wardrobe includes several blue neckties with gold stripes, which are not emblematic of the Navy, but of the Metropolitan Club, Washington's most aristocratic—and segregated—men's club. It is likely that Rule is the only career civil servant to belong to the club. He has been a member since 1940.

He was born in Washington in 1906 and went to Western High School in Georgetown, which in those days was attended by the sons and daughters of many of the city's most prominent families. He later went to George Washington University law school where he earned both a bachelor's and a master's degree in law. He spent seven years practicing at Covington & Burling, then, as now, the city's most prestigious and influential firm. He joined the Navy in 1942 as a lieutenant j.g. When he emerged in 1946, he had advanced to captain, a remarkably quick rise through the ranks, even in wartime. He returned to Covington & Burling, but left after a year to start his own practice. During the Korean war he returned to active duty and gained extensive experience in procurement, first as the deputy director, then as director of contracts for the Bureau of Ships. He negotiated contracts worth more than $2-billion, including those for the construction of the first nuclear submarine, the Nautilus, and the first supercarrier, the Forrestal.

He also negotiated the first contracts the United States had ever signed with foreign countries for the construction of ships and won a commendation medal from the Secretary of the Navy for the job. These experiences left Rule with one of his most fundamental beliefs, namely that negotiation is not just a necessary sidelight to an administrative job, but a highly sophisticated art that should be practiced only by skilled and experienced professionals, especially where large sums of public money are at stake. This conviction was strengthened when he was sent to Europe in 1952 as chief negotiator for the Defense Department in securing bases for American military installations under NATO. The assignment was supposed to last a year, but Rule was back in his law office in Washington three months early, furious over the State Department's interference in the talks with the foreign governments. He published an article about the experience in The Saturday Evening Post, which demonstrated that his use of pungent languagee is not a recently acquired habit. "For nine months recently," Rule wrote, "I drew a handsome Government salary and allowances in Europe at the expense of the American taxpayers. They were gypped, and I feel they should know why. . . . It [was] my unhappy privilege to sit at the negotiating table and watch our State Department Foreign Service officers bungle major negotiations with our European allies. . . . I am convinced that the United States is woefully lacking in capable, experienced negotiators who can sit down at a conference table with representatives of other governments and at least hold their own."

Although Rule was principally occupied for the next 10 years with his prosperous law practice, which involved representation of major corporations and trade associations before Congress and the executive departments, the lack of professionalism in Government negotiating continued to trouble him. Ultimately, he wrote a 52-page booklet on the subject called "The Art of Negotiation," which was published in 1962 at Rule's expense and dedicated "To My Country." It has been used as a training text by the Army, the Navy and the Foreign Service Institute.

In 1963, the job of "Director, Contract Clearance Division, Naval Materiel Command," came open and Deputy Assistant Secretary of Defense for Procurement Graeme Bannerman, an old friend, asked Rule to leave his law practice to fill it. Rule accepted, and plunged into the job with his customary gusto. One of his tasks was to reform the use of so-called letter contracts, whereby the Navy simply gave a contractor a set of specifications and written orders to start work, with the full terms to be worked out later. Rule had soon annoyed one admiral with a blunt letter directing him to come to terms on a particular letter contract or see the contract disapproved. The admiral complained to the Chief of Naval Materiel and Rule received the first in a series of warning letters he got during his first year on the job. He got so many, in fact, that his probation period was extended an extra year. "I have received a number of what they call 'letters of caution,'" Rule explains. "Every one has been because of the tone of the letters that I write. I've never gotten a letter of caution for substance."

It took several years, but Rule succeeded in devising a new way of handling letter contracts that greatly improved the Government's bargaining position. In the past, when the Government could not reach agreement with a company on the terms of a letter contract, it had no option except terminating it and starting over again with another company, a process that was both costly and time-consuming. Under Rule's new procurement regulation, the Government could extend the deadline for coming to terms, and, if there was still no agreement, a Government contracting officer could fix the price. The contracting officer's decision could be appealed to higher authority, but the burden of proof was on the company.

The new system grew out of an effort in the 1967 to hold down the burgeoning costs of the celebrated F–111 fighter jet, an ill-fated Navy-Air Force project. At the direction of Secretary of Defense Robert McNamara, Rule led a year-long, on-site investigation of the efficiency of the Pratt & Whitney aircraft plant, where the engines for the plane were being built on a letter contract. Rule's team concluded that the plant was operating well below its potential efficiency and used the data to project what the engines should cost.

This "should-cost" approach to pricing quickly became highly controversial. There were many, both inside and outside the Pentagon, who objected to it as a meddlesome attempt to tell a contractor how to run his business. Rule responded to such criticism in a tart letter to the head of Pratt & Whitney. "If," he wrote, "a contractor wishes to conduct a patently inefficient operation with excess indirect employes, poor estimating, labor that consistently fails to meet standards, lack of proper competitive subcontracting, abnormal spoilage and rework, etc., that is his business. It is the Government's responsibility, however, not to pay taxpayer's money for demonstrable inefficiencies . . ." The letter outraged the contractor, but Secretary McNamara passed word to Rule that it was the best letter on procurement he had ever read. The controversy produced a dead lock over the price of the engines, but Rule had earlier persuaded the company to allow him to make a contracting-officer's decision setting a price if such an impasse were reached. Pratt & Whitney objected to Rule's price as too low, so Rule got together with Joel Barlow, a Covington & Burling partner and the company's lawyer, and settled the dispute in a matter of days. The engines ended up costing about $100-million less than the contractor had predicted.

This and other such achievements kept Rule in good standing despite his abrasiveness and irreverence. At a time when military procurement was becoming a national scandal, the Navy could point with pride to its "system of checks and balances" in contracting, which neither of the other services have, and to a series of constructive procurement innovations. Rule was the key man in both and this may explain why he was chosen for the Distinguished Civilian Service Award. By honoring Rule, the Navy was honoring the idea of economy and quality in buying military hardware.

Similar public-relations considerations seem to have been involved in the appointment of Rule in late 1969 to head a new unit called the Contract Claims Control and Surveillance Group, which had authority over the Navy's proposed claim settlements in excess of $5-million. The group's job was to investigate all negotiated claims to determine if they were justified. If not, the group was to disapprove them. Although Rule's job already seemed to give him such authority, the Chief of Naval Matérial, Adm. I. J. Galantin, explained that he wanted the group, and particularly Rule, to be a "strong, visible face to put before Congress, the General Accounting Office, the contractors and the public." Rule took him at his word. Eighteen months later, the group found itself faced with a politically explosive claim that had been negotiated for $73.5-million with the Avondale Shipyard of Louisiana, the same yard whose earlier bid for more money on the same contract had been thwarted by Rule.

The claim had the full weight of the state's congressional delegation behind it, including then House Majority Leader Hale Boggs, House Armed Services Committee chairman F. Edward Hébert, Senate Finance Committee chairman Russell Long and then Senate Appropriations Committee chairman Allen Ellender. In the months preceding the tentative settlement, the Navy had been hearing regularly from this awesome Louisiana line-up. Navy officials had been summoned to a meeting in Boggs' office, where they were confronted by him, Hébert, top aides to Long and Ellender and representatives of the contractor. Shortly thereafter, the amount of the proposed settlement rose by almost $2-million. On another occasion, the contracting

officer in charge of the case was called into Deputy Defense Secretary David Packard's office to meet with Avondale representatives. The session was set up by Boggs. The Louisiana four also wrote jointly to Navy Secretary John Chafee, saying that the contractor "has offered considerable evidence in support of its position" and urging that the matter be "promptly adjudicated." The pressure made the Navy hierarchy nervous, but it made Rule furious. In July, 1971, in a blistering memo declaring that the claim was inadequately documented and that pressure had been brought "to such an unreasonable extent that one begins to wonder about the merit of the claim," Rule announced that it had been unanimously rejected. Twelve days later, Rule was notified that his claims group was about to be "reconstituted" so that a lawyer from the Navy General Counsel's office could be installed as the head of it. Before he could be officially removed, Rule resigned from the group.

A few weeks later he was summoned to Capitol Hill by John Reddan, counsel for Rep. Hébert's Armed Services Investigating Subcommittee. Rule took a Navy Department lawyer with him but Reddan wanted to interrogate Rule alone. Rule refused to be questioned without the lawyer and Reddan gave in. Rule was placed before a recording microphone to answer questions about charges by columnist Jack Anderson of Congressional pressure in the Avondale case. He asked if he could have a transcript of the recording. Reddan said no, so Rule got up and left. That afternoon, he was called on the carpet by Warner, who scolded him for taking a department lawyer with him. In the future, Warner said, Rule would have to hire his own lawyer.

He was back on Capitol Hill the next month to testify before Senator Proxmire and he took the opportunity to elaborate on his charge of pressure by the Louisiana delegation. Hébert told a reporter afterward that "Mr. Rule will have every opportunity to prove his allegations under oath—and he knows it." When Rule saw the quote in the New York Times the next morning, he promptly sent Hébert a telegram reminding him of the incident with Reddan. "His star-chamber, Gestapo tactics and attitude on that occasion were most offensive to me as a citizen and taxpayer and his recording of our conversation will show the world that I requested the opportunity to appear before a public hearing and testify under oath and your Mr. Reddan denied that request. . . . For you to now say that I know I will have the opportunity to testify under oath . . . is certainly a great deal less than factual."

Rule believes the Avondale controversy started his downfall. In the past, he had been an asset in the Navy's relations with Congress. But now he had publicly accused four of the most powerful men on Capitol Hill of using improper influence and topped that off by calling one of them, in effect, a liar. In addition, Rule's exacting approach to contractor claims had helped create a backlog of unresolved disputes which were causing friction between the Navy and its major suppliers, especially Litton and Grumman. When Adm. Isaac C. Kidd left his command of the Sixth Fleet in the Mediterranean to become Chief of the Naval Materiel Command in 1971, the pending claims totaled about $1-billion. Kidd was told upon taking his new job that he would have three major problems: the unresolved claims from Litton; the disagreement between the Navy and Grumman over the price of the F-14 jet; and Gordon Rule.

If anyone could have been expected to take a dim view of Rule, it was Kidd. The son of an admiral who became the first naval flag officer to die in combat when he was killed at Pearl Harbor, Kidd had been destined for a career in the Navy since birth. A burly, stern man of 53 who had compiled an outstanding record in a variety of commands at sea, he regards Navy regulations as "the foundation upon which you approach any problem," including, it turned out, procurement negotiations, in which he had little experience. He sees his foremost responsibility as "the need for getting reliable equipment into the hands of our bluejackets." He is deeply worried about what he considers the growing strength and menace of the Soviet Navy.

Kidd set the tone for his administration of the materiel command with a speech to a group of industry men shortly after he took over. He spoke of the "ominous threat facing the world today" and told the audience that "quality, cost-consciousness and financial profit are indeed sound motivators. . . . But if you look back in your college psychology books, I think you'll find that 'survival' is perhaps the most basic motivator of all!" The title of the speech was "What Have You Done for the Fleet Today?" and soon thereafter, a series of posters bearing this slogan began being distributed by the thousands throughout the command. Some of them bore a picture of Kidd looking as if he were staring out from the bridge of a ship, his binoculars around his neck.

It was clear that Kidd was not about to change his ways. But neither was Rule, and it was inevitable that they would have differences. Kidd had Rule's job description changed so that he was no longer the "principal agent of the Secretary of the Navy" but instead was responsible to one of Kidd's immediate subordinates. Undaunted, Rule kept up his caustic commentary on procurement matters.

About six months after Kidd took over, for example, Rule sent him a curt memo on a particular claim. "The purpose of this gratuitous memorandum," it began, "is to apprise you that a mistake has been made in the approval of this claim." Kidd acknowledges that he didn't appreciate much of what Rule said, but their differences didn't burst into public view until Rule's Dec. 19 appearance before the Proxmire subcommittee. By that time, Kidd had taken personal charge of the negotiations with both Litton and Grumman and had kept Rule out of them.

The major element in the Navy's dispute with Litton was the price of a group of helicopter assault vessels. The Navy originally planned to purchase nine, but decided in 1971 to buy only five. The original ceiling price was $133-million apiece, but after delays caused by production problems at the company's unorthodox, assembly-line shipyard in Pascagoula, Miss., and the Navy's reduced order, Litton demanded $211-million each. While he was still the company's president, Roy Ash accused the Navy of a "built-in sense of righteousness about Litton's performance," according to the minutes of a June 6 meeting in Washington. Ash said he would discuss his demands with Warner, the minutes show, and then go "on to the White House" with his case. Because Litton had been the Navy's largest contractor, it was a sensitive matter, and Ash's appointment as director of the President's budget office made it more so.

The Grumman controversy was equally charged. The Navy had contracted with the company to build 86 of the F–14 fighter planes at $16.8-million each with an option to buy at least 48 more at the same price. Grumman claimed it lost $65-million last year building the original batch and stood to lose $105-million more this year if it accepted the Navy's order for the additional 48. The company blamed the problem on "mutual" pricing errors and runaway inflation.

After Rule gave his headline-making testimony criticizing Ash, Grumman and Litton, and the Navy had moved against him, Proxmire invited Rule and Kidd to appear before his subcommittee together. Kidd declined, citing the prospect of Civil Service Commission proceedings on the matter as his reason. But the commission's general counsel decided that Rule's assignment to the training school could not be classified an "adverse action" and said the commission could not act on it. This left Kidd without his excuse. The result was a spectacular confrontation on Jan. 10 with Rule and Kidd seated side-by-side at the witness table before the irate Proxmire. The Senator began by denouncing the Navy's action against Rule as "the harassment of an able, dedicated and courageous public servant. . . ." "The significance of this episode," he said, "goes far beyond the issue of shabby, unjust treatment of one outstanding employee. It goes to the very heart of the legislative process and the ability of the Congress to obtain information on the activities of the executive branch." Proxmire reminded Kidd that Federal law prohibited the obstruction of Congressional inquiry and noted that Richard Nixon, while a Senator, had once introduced legislation making it a Federal crime to intimidate public employees from testifying before Congress.

Kidd, understandably, was on the defensive. He found himself acknowledging on the one hand that Rule "was probably the most competent gentleman we had in matters of procurement," but insisting on the other that he had lost confidence in him because of his alleged loose attitude toward news leaks and his inability to abide by instructions as to what to say before Proxmire's subcommittee. But Kidd insisted he wasn't trying to withhold information from Congress. And despite his declining confidence in Rule, and the fact that Rule had been sent on an obviously trivial mission, Kidd maintained that he had not disciplined him. Flip-flopping again, Kidd insisted that Rule's comments before the subcommittee had damaged the negotiations with Grumman and Litton. Both Proxmire and Rule had a field day with these tangled explanations. How, demanded Proxmire, had Rule's remarks hurt the negotiations? "That would be a bit difficult to measure and quantify," replied Kidd. "In other words," said the Senator, "The Navy considered any discussion of Litton or Grumman taboo." "That is what I told him, Mr. Proxmire, yes, sir," answered Kidd. Rule broke in at one point to charge that since the rejection of the Avondale claim, the Navy had systematically been reducing his influence. "I know what is going on," he said. "And I know that Admiral Kidd probably thinks I am a burr up ——— and he wants me out." When Kidd recalled how he had been told that Litton, Grumman and Rule would be his three major problems, Rule replied. "I hope he is not as screwed up in the negotiations with Litton and Grumman as he is with Rule." At another point, Rule said of Kidd, "This man has been in procurement 12 months, 13 months. All of a sudden he is an instant expert." What, Proxmire asked, was Kidd's response to that? "He is right," said Kidd, "he is right. I have no corner on the market on brains.'

The hearing may have succeeded in making Kidd and the Navy look foolish, but it did little to help Rule's standing with his superiors. Still, he is fighting to win back his job. He has withdrawn his grievance, leaving the next move up to the Navy now that his temporary assignment at the training school is complete. If there is no further action, he will automatically regain his old post. There seem to be two reasons for Rule's continuing the fight. One is that he enjoys the controversy with its attendant publicity and excitement. The other is that he likes his work. "You can practice law," he says. "You can have clients. You can make money. But you never get a feeling in your heart of having contributed a goddamned thing. In this job, boy, you really get that feeling. And what's so damned interesting

is that there are new questions every day in making these contracts and administering them and spending the taxpayer's money. These are fascinating questions. I love it." If he loved it, he was asked by a reporter, why did he risk his job with such bold comments about sensitive matters? "I got a kick out of talking about Grumman and Litton," he said, "because I really felt that those things had to be said. Those two companies had the Navy over such a barrel, sitting there negotiating with that guy who's so inexperienced."

The escalating costs of military contracts, of course, have been a problem for years. Rule believes there are two principal reasons why contractors so often submit unrealistically low cost estimates. One is that in a competitive bid, it is a good way to win the contract. This is known as "buying-in." But even in so-called sole-source procurement, where the Pentagon simply chooses the contractor it deems best suited to the job, Rule says there is also pressure for artificially depressed bids. It is caused by the desire of the military itself to keep the estimate low so that the program will be more palatable to Congress. Once the project is under way and millions have been spent, it is easier to get additional funds to keep it going. In any case, Rule believes, virtually everyone in a position to influence such matters stands to gain from high military appropriations. Rule once sat down and made a list of those with an influence on military spending. There are 10 classifications ranging from Congressmen, to the military, to the contractors themselves, to labor unions. "Everyone involved wants something," he noted. "When all these turn on their respective powers, where does that leave the taxpayer?"

Whatever becomes of Gordon Rule, his case put the Navy's dealings with Litton and Grumman on the front pages, and there can be little doubt that this was part of his objective. Soon after his testimony, Roy Ash was before Proxmire, being berated for the "palpable conflict of interest" in his Government job and relationship with Litton. That made the network news and caused more headlines. Whatever the Navy did now, it was a major story. Finally, it acted. Grumman, the Navy announced, would be held to the terms of its original contract for the additional 48 F-14's. And Litton would be paid $22-million less per ship than it had demanded for the helicopter assault vessels. What's more, Litton would be required to pay back $55-million in unearned construction progress payments under the contract. The decision involving Litton had been reached after negotiations failed and the system devised by Gordon Rule for dealing with such situations had been used. It was a contracting officer's decision, similar to the one Rule had made in the Pratt & Whitney case.

[From the Washington Post]

NAVY CRITIC RESUMES COST OVERRUN BATTLE

(By Morton Mintz)

The Defense Department's leading critic on Capitol Hill found himself commending the Pentagon and the Navy last week. The occasion was the reinstatement of a man named Gordon W. Rule as the Navy's top civilian procurement official.

"The reinstatement order clears the record of a dedicated public servant whose efforts in the area of weapons procurement have saved the government and the taxpayer millions of dollars," Sen. William Proxmire (D-Wis.) said.

Adm. Isaac C. Kidd Jr., chief of the Navy Material Command, who had assigned Rule to what the procurement official regarded as a Siberia, called him in Wednesday to restore him as director of the Procurement Control and Clearance Division.

"He absolutely could not have been nicer or finer," Rule said later. "The guy was wonderful"—concerned only with how to avoid "These claims and overruns" in procurement. "Believe me, I'll go all out to help him," Rule said.

The remarkable nature of the make-up session was underscored by the fact that it came while the Air Force and A. Ernest Fitzgerald, who was fired after disclosing a $2 billion over-run in the C-5A transport program, continued—at a Civil Service Commission hearing—a 3½-year-old battle over whether Fitzgerald should have his job back.

Only a matter of weeks ago, it appeared that the Navy and Rule also were destined to engage in years of legal combat.

Appearing before Proxmire's congressional Joint Economic Subcommittee on Jan. 10, Rule—with Kidd only a few feet away—testified that the Admiral "probably thinks I'm a burr up his ass, and he wants me out."

"I hope," Rule said at another point, that Kidd is "not as screwed up in the negotiations" with two leading Navy contractors, Litton Industries and Grumman Corp., "as he is with me."

Kidd, less flamboyant but no more complimentary, said he had been warned on taking over the Navy Material Command that Rule, Litton and Grumman would be his three principal problems, and that he had been losing confidence in Rule for 13 months, partly because he would "go outside the system."

The flap began at a December hearing of the subcommittee when Rule responded to a request by Proxmire to comment on President Nixon's appointment of Litton's president, Roy L. Ash, as director of the Office of Management and Budget.

Rule first said that "old General Eisenhower must be twitching in his grave." Later, he apologized for this "verbal excess" by which he intended "no disrespect."

Rule's principal objection was that Ash, while head of Litton last June, had proposed a "bail-out" of the firm to senior Navy officials, had said he would go "on to the White House to explain" Litton's financial problem, and had told of a grand plan envisioned by then Treasury Secretary John B. Connally for Congress to rescue all financially troubled Navy shipbuilders.

The next day, Rule, who holds the Navy's highest civilian award, was visited at his sickbed by Kidd. The admiral asked him to sign a request for early retirement. Rule refused.

The day after that, Kidd assigned Rule to update the curriculum at the Navy Logistics Management School in Anacostia. Kidd put no time limit on the assignment.

Rule actually began the assignment on Jan. 29. He now has recommended that the school's concern with procurement be of greater depth and duration, he said last week.

Proxmire and Rep. Les Aspin (D-Wis.) had protested repeatedly that Rule was punished and demoted as a consequence of his testimony, and that a law forbidding harassment and intimidation of witnesses may have been violated, Kidd insisted at the January hearing that the mission to Anacostia was a "lateral" move.

Last week Proxmire said he had been "convinced that a correct resolution . . . would be reached once all the facts" were presented to Defense Secretary Elliot L. Richardson. Three weeks ago Proxmire and 14 other senators petitioned Richardson to restore Rule.

"The right of congressional committees to obtain information from individuals and the right of individuals to testify when invited . . . must not be tampered with," Proxmire said.

MARYLAND DAY 1973

Mr. MATHIAS. Mr. President, Maryland Day is the day set aside by law for the annual observance of the arrival of the first colonists at St. Clements Island on March 25, 1634. It is a holiday within the Free State, and should be, because it commemorates the beginning of many important American contributions to mankind, the first seeds of which were planted in Maryland.

This year, Maryland Day was celebrated in a unique and splendid manner in a ceremony in the Washington Cathedral to dedicate the Maryland Bay in memory of Anna Campbell Ellicott, Charlotte Campbell Nelson, and Ella Campbell Smythe.

Those who participated in the service were:

The Very Reverend Francis B. Sayre, Jr., dean of Washington Cathedral.

His Excellency Marvin Mandel, Governor of Maryland.

The Reverend Lawrence J. Madden, S.J., director of campus ministry, Georgetown University.

Mr. Theodore H. Mattheiss, executive secretary, Baltimore Yearly Meeting Religious Society of Friends.

Bishop John Wesley Lord (retired), United Methodist Church.

The Right Reverend David K. Leighton, Sr., Bishop of Maryland, the Episcopal Church.

His Eminence Lawrence Cardinal Shehan, Archbishop of Baltimore, the Roman Catholic Church.

The Right Reverend William F. Creighton, bishop of Washington, the Episcopal Church.

The University of Maryland Chamber Singers and Chorus, Dr. Paul Traver, director, assisted by David Taylor.

The Cathedral Choir of Men and Boys.

The Maryland Bay and its symbolism has been described by Richard T. Feller, Clerk of the Works, and I ask unanimous consent that his guide be included at this point in the RECORD.

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

THE ELLICOTT MEMORIAL BAY

The areas between flying buttresses along the nave of the Cathedral Church of Saint Peter and Saint Paul are enclosed and designated as outer aisle memorial bays.

The Ellicott Memorial Bay, in the south outer aisle next to the Rare Book Library, is different from other bays in that it lacks a divider. Marble flooring at the same elevation as the nave floor is canopied with simple quadripartite vaulting. This part of the cathedral's fabric was made possible by the munificent bequest of Anna Campbell Ellicott, in memory of her sisters, Ella Campbell Smythe and Charlotte Campbell Nelson. By resolution of the Cathedral Building Committee, the bay was designated as a memorial to all three sisters. The inscription on the wall of the bay reads:

STONE CARVINGS

The three sisters were descendants of prominent Maryland families, hence this bay is enriched with symbols related to the state. At the peak of the arch where the vaulting ribs converge is an enlarged stone called a boss. Its function is similar to that of a keystone in a round arch. The Ellicott Bay boss is carved with a background of oak leaves, reminiscent of the historic Wye Oak.

Among the leaves are several small creatures: a racoon, a mother possum carrying her babies on her back, a Maryland terrapin, several denizens of the Chesapeake Bay—the Maryland crab, a starfish and an oyster. The

sculpture was designed, modeled and carved by Constantine Seferlis of the cathedral staff.

High on the east wall is the Maryland coat of arms, originally the family crest of Lord Baltimore. The shield was modeled and polychromed by cathedral sculptor Carl L. Bush and executed by cathedral master carver Roger Morigi.

THE STAINED GLASS

Many people came to the North American continent seeking refuge from religious persecution. In 1649 the Act of Toleration was adopted by the Maryland General Assembly. It was the first instance where trinitarian Christians made legal their efforts to live together in harmony. The large triangle at the top of the center lancet signifies the Act of Toleration. It is held by characteristic Maryland settlers, a gentleman cavalier and a tradesman or farmer. The two men stand on the Maryland coat of arms.

LEFT LANCET

Francis Asbury (1745–1816) was the first Methodist bishop consecrated in the United States, appointed by John Wesley in 1784. From 1784 until his death in 1816, he traveled on foot and horseback as a circuit rider, covering five to six thousands miles every year. Throughout his life he suffered from a disease of the throat which added greatly to the discomfort of his mission. However, he never relaxed his spartan self-control; the story of his life is one of triumph over hardship. Thus the artist has portrayed Asbury struggling up a mountain, leading his horse.

In the lower portion of the lancet is George Fox (1624–1691), principal founder of the Society of Friends. During his American trip in 1671–1672, he visited Maryland, where he preached to gatherings of settlers, winning many to the Quaker position.

RIGHT LANCET

The first American Roman Catholic bishop, John Carroll (1735–1815), was consecrated in 1790. He was founder of Georgetown University, which is sketched as it is seen today from Key Bridge. Below Bishop Carroll are the Dove and the Ark, the ships on which Lord Calvert's expedition come to Maryland in 1634. Father Andrew White, S.J. celebrated the first Roman Catholic mass in Maryland on March 25, 1634, under a great cross which had been hewn from a tree. His congregation included Governor Leonard Calvert. The single tepee indicates the wigams the settlers bought from the Indians to use until houses could be built.

CENTER LANCET

Thomas John Claggett (1734–1816 was the first Episcopal bishop consecrated in America. He became Bishop of Maryland in 1792. Bishop Claggett is shown holding a model of St. James Church, Lothian, Ann Arundel County, of which he was once rector. Captain John Smith, with fourteen companies, explored the Chesapeake Bay and its tributaries in the summer of 1608. He is said to have traveled three thousand miles in the open barge pictured, and he made a remarkable map of the area. Captain Smith is shown leading daily prayer.

The frieze across the base of the three lancets features the Maryland state flower (black-eyed susan), a Chesapeake Bay rockbass, a blue crab, a yellow perch, a sea nettle, a Baltimore oriole and an oyster. In the left lancet is the loblolly pine, while the center lancet features beech and white oak trees and on the right is mountain laurel.

Cathedral friends will have no trouble recognizing the luminous stained glass window as the creation of Rowan LeCompte, designer of some of the most beautiful glass in Washington Cathedral. It was fabricated and installed by his associate, Dieter Goldkuhle.

Mr. MATHIAS. Mr. President, it was appropriate that the service in the Maryland bay concluded with the prayer for Maryland composed several years ago by the Very Reverend Francis B. Sayre, Jr., dean of the cathedral, and which I would like to repeat.

Blow, Lord, Thy clean winds upon the shores and shoals of Maryland. Blow gentle breeze of blessing across the earth, atop her stalwart hills, and over the greening fields. Blow, Holy Spirit, the freshness of liberty through the hearts of Thy people whose domain named for a queen, yet worships the King who is the Father of us all.

So may Thy children catch upon their hopes the breath of glory which Thou doth send to fill the spangled sky, the lofty sails of ships, and the faithful lives of men.

Fulfill then, O God, the promise once borne upon the wings of a dove of a land of peace and companionship, and courage enough ever to follow after Thee; through Jesus Christ our Lord. Amen.

CHILD ABUSE

Mr. MONDALE. Mr. President, last week I and 13 other Members of the Senate introduced S. 1191, the Child Abuse Prevention Act, which is aimed at improving the prevention, identification, and treatment of child abuse.

According to the National Center for Child Abuse Prevention and Treatment in Denver, 60,000 cases of child abuse—including beating and other physical abuse by adults—are reported in this country annually.

The Subcommittee on Children and Youth, of which I am chairman, has a longstanding interest in trying to find solutions to the complicated problems of preventing and treating child abuse. Last fall we printed a document containing selected readings on the subject. This year we continued our investigations into the causes and possible means of eliminating child abuse and subsequently introduced S. 1191, the Child Abuse Prevention Act.

This week the subcommittee is holding three hearings on this legislation. The first two hearings will take place in Washington on Monday and Tuesday, March 26 and 27, in room 4232 of the Dirksen Office Building.

The third hearing will be held on Saturday, March 31, in Denver, Colo. at the University of Colorado Medical School. The subcommittee scheduled this field hearing in Denver because the child abuse team operating out of the medical center has developed some very promising methods of working with the families of abused children.

I was therefore extremely pleased to read in last week's edition of the National Observer a thorough and informative article describing the activities of the Denver Center. I ask unanimous consent that this article be printed in the RECORD.

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

THE CHILD-BEATERS: SICK, BUT CURABLE

(By Richard S. Johnson)

They find a healing process in sharing their experiences—including the nightmarish aspects. So one night a week they gather, some with husbands or wives, some alone. Sharon, pretty, trim, and modishly dressed, is the wife of a successful young salesman; she shook her baby by the ankles until its leg snapped. Mary, fat, wearing a sack dress, is the wife of a man who earned less than $4,000 last year; she choked her little girl. Cindy is the personable young widow of an Air Force flier who died in a plane explosion; in recurring fantasies she saw herself throwing her children to their deaths from atop an office building.

These parents are members of Families Anonymous, an organization for parents who have knowingly injured their children or are afraid they might. They are parents determined to gain control over their occasional violent impulses toward their children, whom they love—but whom they also sometimes hate.

Tonight there is a new couple. Both sit like frightened children, politely refusing coffee or Sanka.

"Well," someone asks in a theatrical voice, "who beat their kids this week?"

The question was dropped to break the ice. A few smile or laugh. Not the new couple: stiff, suspicious, proper. But they look at Mary with intense interest as she tells them: "I'll always be a battering parent."

At once there is a hush, an expectation. Then Mary adds: "But as long as I have this group, my child is safe with me. I'll never hurt her again."

They nod or quietly agree, relieved at what for them is obviously a truth. And in fact none has—since joining the group—hurt his child. And those whose children the courts had placed in foster homes have their children back home again. Except for the new couple, whose struggle for understanding of themselves, control of themselves, is now beginning.

To Dr. C. Henry Kempe, Families Anonymous is one of the innovative therapeutic approaches that demonstrate new hope for the "cure" of battering parents. If widely applied, these innovations can, he believes, save many thousands of children each year from injury or death.

Kempe is perhaps this country's best-known authority on the physical abuse of children by parents. Though his specialty is infectious diseases of childhood, he began his serious research into child abuse when he joined the pediatrics department of the University of Colorado School of Medicine 17 years ago.

Now head of that department, Kempe also directs the newly created National Center for the Prevention and Treatment of Child Abuse and Neglect.

The center began operating last Jan. 1, established on the previous work of the medical school's child-protection team and funded by gifts from private institutions, notably a three-year grant of $588,000 from the Robert Wood Johnson Foundation of Princeton, N.J.

It was Kempe who in 1961, at a meeting of the American Academy of Pediatrics, coined the term, "The Battered-Child Syndrome." Since then awareness has grown that the syndrome—the injury of a child through the nonaccidental hitting, kicking, throwing, or twisting by a parent or foster parent—is a significant cause of childhood disability and death in America and elsewhere.

Because there still isn't nationwide compliance with laws requiring the reporting of child abuse, experts agree that there is no accurate way to determine incidence. Kempe estimates there were about 60,000 reported cases in the United States last year.

"Child abuse is a sickening, largely overlooked problem in America," says Sen. Harrison J. Williams, the New Jersey Democrat who is chairman of the Senate Committee on Labor and Public Welfare. Last week Minnesota Democrat Walter F. Mondale, chairman of the committee's Subcommittee on Children and Youth, introduced the Child Abuse Prevention Act in the Senate. Williams and 13 other senators are cosponsors.

Mondale's subcommittee will hold hearings on the bill in Washington, D.C., beginning March 26. The bill would provide Federal funds for personnel and programs to prevent and treat child abuse. It would establish a National Center of Child Abuse and Neglect to be a clearinghouse for information and training materials. It also would set up a National Commission on Child Abuse and Neglect to examine, among other things, the effectiveness of existing laws affecting child abuse and neglect.

A WESTERN CULTURAL PATTERN

Studies suggest that the battered-child syndrome is only an extreme of a violent child-rearing pattern firmly established in Western culture. Two of Kempe's colleagues who have thoroughly studied the syndrome write:

There seems to be an unbroken spectrum of parental action toward children, ranging from the breaking of bones and fracturing of skulls through severe bruising to severe spanking and on to mild "reminder pats" on the bottom. To be aware of this, one has only to look at the families of one's friends and neighbors, to look and listen to the parent-child interactions at the playground and the supermarket, or even to recall how one raised one's own children or how one was raised oneself.

The amount of yelling, scolding, slapping, punching, hitting, and yanking acted out by parents on very small children is almost shocking. Hence we have felt that in dealing with the abused child we are not observing an isolated, unique phenomenon, but only the extreme form of what we would call a pattern or style of child rearing quite prevalent in our culture.

Those are the words of Drs. Brandt F. Steele and Carl B. Pollock, psychiatrists and professors at the Colorado medical school. For 5½ years they "studied intensively 60 families in which significant abuse of infants or small children had occurred." Battering parents, they found, are just like the rest of us in most respects. They come from farms, small towns, and cities. They are of Catholic, Jewish, and Protestant faiths—or of none, or are antichurch. They are intelligent and well educated and at the tops of their professions. They are unintelligent, poorly educated, and have poor job records. They are poor, middle-class, or wealthy.

TRAITS OF BATTERING PARENTS

And so Steele and Pollock and other researchers have disproved the belief "that child abuse occurs only among 'bad people' of low socioeconomic status."

Yet there are significant differences in the way battering parents and "normal" parents react to their children during crises. For example, say Pollock and Steele, a battering parent in a crisis is incapable of valuing a love object such as a child more than he values himself. Indeed, such parents characteristically turn to small children—even to infants—for nurturing and support and protection. When the children can't or won't co-operate, the parents—unable to cope by themselves with the emotional pressure they feel—sometimes respond in paroxysms of frustration and rage. At those times they cannot control the physical energy they use in "disciplining" or "punishing" or "training" their unrewarding offspring.

Apparently such behavior stems from the way the parents themselves were treated as children, say Pollock and Steele. Without exception the parents in their study group had been exploited, subjected to "intense, pervasive, continuous demand from their parents," and made to feel they could never do anything right.

Such child-rearing methods, say these psychiatrists, are "transmitted from parent to child, generation after generation."

Obviously such parents need help, these psychiatrists believe. But historically—and even today—the tendency has been to punish them.

Vincent De Francis, a lawyer who is director of the Children's Division of the American Humane Association, has said that "the general attitude toward the problem of child abuse, and a common reaction of people when confronted with the brutal facts, is shock and anger. A natural consequence is the desire to exact retribution—to punish unnatural parents for their acts of cruelty."

Such punishment, says De Francis, doesn't achieve anything except surface compliance with criminal statutes. Prosecution frequently places the child in even greater danger when the battering parent comes home—a parent whose motivational forces have remained untreated and whose emotional damage has become greater due to the punitive experience.

ABUSERS NEED MOTHERING

What, then, should society provide for such parents? "Mothering," says Kempe, Pollock, Steele, and evidently most other researchers. Their studies show that, without exception, battering parents suffered, in the words of Steele and Pollock, from "deprivation of basic mothering—a lack of the deep sense of being cared for and cared about from the beginning of one's life."

Mothering is tender loving care—a cliche suddenly freighted with meaning in the context of the battered child and his family. Either sex can mother, and Kempe and company believe a parent of either sex must have mothering before he can mother, before he can nurture and protect his children and refrain from violent physical abuse.

These experts' theory, simply stated, is that a person must *feel* loved before he can *give* love. That is why, says Kempe, the traditional modes of social agencies—welfare departments and the like—aren't highly successful in helping battering parents. Those modes are centered, he says, in the supervisory, once-a-week or once-a-month home visits of overworked caseworkers who are concerned for the child but who lack the training and time to make the parent feel cared for.

THREE MAJOR CRITERIA

A battering parent, Kempe says, needs help at 2 a.m. when he is tried, his baby is crying, and his "abusive pattern" is taking shape.

"In order for a child to be physically injured by his parents or guardian," Kempe writes in his latest book, *Helping the Battered Child and His Family* (J. B. Lippincott, 1972), "several pieces of a complex puzzle must come together in a very special way. To date we can identify at least three major criteria."

First, the parent must have a potential to abuse. He lacks the "mothering imprint." He feels isolated, unable to trust others. He has no spouse, or a spouse too passive to be able to give. And he has very unrealistic expectations for his children.

Second, there must be a special child, one the parents see as different, who fails to respond as expected, or who really is different—"retarded, too smart, hyperactive, or has a birth defect."

Finally, there must be a crisis or crises to trigger the abusive act. "These can be minor or major crises—a washing machine breaking down, a lost job, a husband being drafted, no heat, no food, a mother-in-law's visit, and the like." The crisis precipitates the act of abuse; it isn't the cause.

INNOVATIONS SEEN SPREADING

Kempe thinks that within 10 years the nation's child-welfare departments will rather universally be using the innovations now employed or recommended by his center. When that happens, he says, the battered-child syndrome—"which can be a fatal disease"—will begin to disappear.

The center here will continue to use its child-protection team: four pediatricians, four part-time psychiatrists, two social workers, a welfare-department representative, a co-ordinator, and one public-health nurse. The center also has a lawyer who represents it in court hearings and works toward reforms in the law. (The Colorado legislature last year amended the Colorado Children's Code to provide for a publicly paid law guardian with specific duties in protecting the rights of an abused child.)

Preventive and predictive services are also important in the center's work. Kempe says new and sophisticated means of prediction can reveal which persons ought *not* to become parents and which—if they become parents—need help. Prevention of child abuse includes a wide range of educational functions—reaching the public and officials—as well as practical things such as the 24-hour-a-day "hot line" over which any distraught parent can receive immediate support and counsel.

Finally, the center's treatment includes Families Anonymous, lay therapists called "parent aides," a day-care center where overwhelmed mothers can bring their children, a crisis nursery for infants, a mother-child unit where a mother and her child can live temporarily in a safe environment free from emotional pressures, and psychiatric care.

But Kempe isn't satisfied. He believes that nationally every county's protective-services department should be converted from the single-discipline approach of welfare departments to multidiscipline approaches applying expertise in social services, medicine, juvenile courts, and law enforcement. Such a change, Kempe says, would "cut across many of the traditions and unworkable rules and regulations that are built into most protective-services departments."

Thus Kempe conceives the nation's first defense of children as being a hospital-based child-protection team, such as that at the Denver center, in every county. The second line of defense would be the multidisciplinary protective-services units.

HEALTH ADVOCATES FOR CHILDREN

Ultimately Kempe would like established a nationwide corps of "health visitors," health advocates for children. Scotland has such a system now. Every child born is seen monthly by a health visitor, who follows the child's physical, emotional, and mental growth. One result, says Kempe, is that nonnurturing parents are identified and can be helped or, if they can't be helped, separated from their children.

About 10 per cent of the battering parents in America are psychotic or are aggressive psychopaths, Kempe says. He contends they cannot be helped while the child remains in the home. These parents' children, he says, should be placed permanently in foster homes, or, preferably, adopted into other families.

The other 90 per cent can be helped to become adequate parents, Kempe believes.

"A PARTICULARLY BRIGHT LIGHT"

He takes pride in his center's successes. The use of lay therapists, begun here four years ago, was a break-through that proved it is unnecessary to require years of training for persons to "mother" battering parents. The lay therapists make only $2 an hour. A battering parent may call his lay therapist at any hour. If he calls when he is in crisis, experience shows he's unlikely to hurt his child.

Kempt calls Families Anonymous a "particularly bright light." Begun in January 1972 by Joan and Walt Hopkins, it is patterned after a similar California organization formed earlier—and still directed—by a woman who calls herself "Jolly K" and who was herself a battering mother.

The Denver area now has four Families Anonymous groups. Kempe's center pays the salary of Mrs. Hopkins, a public-health nurse. Her husband, a private psychiatric social worker, helps without charge.

FINALLY, WORDS OF LOVE

Entries from Mrs. Hopkins' diary indicate a kind of heroic struggle and growth:

Jan. 21, 1972. First meeting. . . . At the end of two hours all three girls found they had common problems: 1) No self-confidence 2) Felt terrible when criticized 3) Did not believe it when complimented 4) Afraid to discipline their children.

April 4. Mary stated she had never told [her little girl] she loved her. So she was assigned this for homework.

April 11. Mary stated she did tell [her daughter] she loved her—every night just as she shut the bedroom door. The night before this meeting she left the door open and told her. She said it was hard but that she felt good being able to do it.

That group now includes about 15 young mothers and fathers. Besides receiving from one another the support and mothering they missed as children, they have "self-help" projects:

How to involve a spouse in solving problems.

How to learn to relate to their children. (Example: providing for fussy eaters tiny hamburger patties, two or three peas, and a pinch of spinach so the meal becomes a game, fun for all.)

How to be unashamed and unafraid to ask for help over "little problems" in their relationships with their children.

How *not* to have unrealistic expectations of small children.

How to learn to trust others through sharing phone numbers with members of the group. (Mrs. Hopkins' diary quotes one young woman as saying that she had never before had a "safe" person to talk to.)

How to devise practical ways to get relief from the demands of children. (For example, each mother must bring to her second meeting a list of baby sitters upon whom she could rely.)

How to enjoy themselves. (Two women confessed that a party before Mother's Day last year was the first party they had ever attended.)

MARY'S REMEMBRANCE

Perhaps one of the most significant demonstrations of growth was an essay Mary brought to the meeting at which the new couple appeared. Titled "First Night Tremor," it was her recollection of her first meeting. Mary writes:

What am I doing here? . . . Probably all they'll do is sit and stare at me. I'm fat, and have long hair and dress differently. I wish I hadn't come! . . . Say, that gal has a problem that I had with mine. Wonder what would happen if I mentioned to her what I tried. Wonder if she'd get mad. Well, here goes. Gee, she thought that was a good idea. No one has ever really said I had good ideas on raising my daughter before. . . . It's sure a good feeling to realize these people need me. Sure I need them, but they also need me! . . . I'm still fat . . . but no one really cares. I don't think they are seeing what I wear. I think they see me. . . . I like it.

G. EVERETT MILLICAN

Mr. TALMADGE. Mr. President, it is with pleasure and admiration that I call your attention to a man I personally regard highly and a man whose service to the causes of freedom and brotherhood have been exemplary.

G. Everett Millican has served in many capacities. He has been a vice president of Gulf Oil Co. He has served for 18 years as a State senator in Georgia. He was an Atlanta alderman for many years. His involvement in community affairs has been extensive despite numerous other responsibilities, and a list of the organizations and service agencies with which he is affiliated would grace anyone's record. And Mr. Millican's devotion and service to his beloved Morningside Baptist Church in Atlanta have resulted in an accelerated building program as well as a building of the spirit of fellowship and devotion to God.

Mr. Millican is the son of a Baptist minister. Although he never entered the ministry himself, he is active enough in his church and community to frequently deliver messages of inspiration. One such message has proven of such value to others that he has delivered it over 50 times to some of the largest civic clubs in the country.

The topic of this talk is freedom, and it is of such outstanding merit that I am nominating him for a Freedoms Foundation award. I know it will be of great interest to Members of the Senate, and I ask unanimous consent that it be printed in full in the RECORD.

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

TALK BY EVERETT MILLICAN, MORNINGSIDE BAPTIST CHURCH, OCTOBER 22, 1972

May I express my appreciation for the honor of designating today's service in my name and I thank each of you for being present. Several years ago I had the privilege of talking from this pulpit on the subject of "stewardship" and I know of nothing in our daily lives more important. I believe it is customary to read some scripture, and I would like to read one verse. It is First Corinthians 4:2. "It is required in *stewards* that a man be found faithful. He *may* be intelligent, gifted, skillful, capable, but he must be faithful" . . . stewardship applies to property, personality, opportunity, amusements, tithing, to only mention a few. As much as I would like to talk on our stewardship, I have picked the subject, "Where are we going"? I possibly should say "What are we doing about it"? I honestly believe that we are in a great crisis in this country and it is going to be necessary that each one of us, who have a great love for this country, to stand up and be counted. Let's go back to the beginning.

The place is Carpenters Hall in Philadelphia.

The condition of the American colonies was intensely difficult on the summer day when Mr. Lee, one of the delegates from Virginia, rose in his place to submit, upon the instructions of the legislature of that state, a motion that was not unexpected.

For the American colonies there appeared some possibilities of respectable retreat in the face of the preponderant English military power. For although the American forces were insignificant, and their commanding officer, The Virginia Planter, with no experience except in guerrilla campaigns against the Indians that ended in the overwhelming defeat of General Braddock's men, had achieved no considerable success around New York. The political situation in Britain was such that considerable leniency could be made if the colonies submitted promptly enough and abjectly enough.

Mr. Lee, following the instructions known to have been given him by the Virginia legislature, arose in his place at the termination of the roll call and moved that "Those colonies are, and by right ought to be, free and independent states".

The great debate had begun.

The principals on the floor were Mr. Dickinson, from Pennsylvania, who opposed the propositions and Mr. John Adams of Massachusetts, who supported them. Eventually the Congress named a committee that was directed to draft a declaration presenting the viewpoint expressed in Mr. Lee's resolution. The members of the committee were Mr. Franklin, an elderly gentleman from Philadelphia with considerable reputation as an author and publisher; Mr. Adams of Quincy, a lawyer of wide repute and the principal champion of the resolution on the floor of the congress; and Mr. Jefferson, of Albemarle County, Virginia, a lawyer with some reputation as a writer of incendiary pamphlets.

Mr. Jefferson was a man of charm, known to be attached to the ideas of his fellow Virginian, Mr. Mason, and to those of Mr. Samuel Adams, a smart incendiary of Boston, who inflamed men's minds by talk of individual responsibility. There was some surprise among members of the congress when the two senior members of the committee entrusted the actual writing of the document to the young Virginian.

In the oppressive heat of Philadelphia, sitting at a plain table in simple lodgings, the young lawyer—not long past his thirtieth birthday—prepared a document designed to justify in the eyes of all mankind the revolutionary and unthinkable proposal that the aristocrat from the tidelands of his home state had submitted to the representatives of the thirteen colonies.

Certainly this band of patriots, a motley crowd if anyone had ever observed such, must find it necessary to comply with the properties and in the formal language that Mr. Jefferson prepared. They sought to meet this obligation:

"The decent respect to the opinions of mankind requires that they should declare causes. . . ."

It was a bold statement. It asserted that ideas were more important than guns.

Let's listen to John Adams, as he speaks in favor of his younger friend's resolution, while Jefferson sat silent in his place:

"Sink or swim, live or die, survive or perish, I give my heart and hand to this vote."

Quietly, in the corners, Mr. Samuel Adams and Mr. Benjamin Franklin performed their allotted task. It was not their job to defend the declaration on the floor with a steady flow of eloquence. Theirs was a practical task—a buttonholing of members and taking snuff with them and discretely cajoling them into acceptance of a way by less than a million souls, themselves badly divided against all the world.

196 years lies between that day and this. Across that gulf of time it is difficult to say whether it was the skill of Mr. Jefferson's writing or the eloquence of Mr. Adams, or the finagling of Mr. Franklin, that carried the day, but in the end the members voted "Aye," and walked solemnly to the table at which the presiding officer sat to affix their signatures to the document which was concluded with these words:

"And for the support of this declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

They went and signed—Mr. Franklin, who though not a Quaker, in the somber brown that befitted a resident of the Quaker metropolis: Mr. Jefferson in the ill-cut clothes of the frontier lawyer—and then the old wit of Franklin must have bubbled over as he said:

"Well, gentlemen, now for sure we must all hang together or we will hang separately."

A nation had been born. Our nation—yours and mine.

And may I say that on July 4, 1826 (146 years ago) both Mr. Jefferson "The Sage of Monticello" and Mr. Adams "The Colossus of Independence" died. Jefferson, too ill to take part in the 50th anniversary celebration in Washington wrote this—"Let the

annual return of this day forever refresh our recollection of these rights and an undiminished devotion to them."

And when a Quincy, Massachusetts committee called upon Adams to compose a toast for the celebration he said "Independence Forever", and when asked would he care to say more, his reply—*"No, Not a word."*

Let's look further—there was a young law student named Nathan Hale who went down to spy on Sir Henry Clinton's men at New York and got himself hanged. There was a shuffling old peddler of needles and matches named Abraham Marah, who concealed in his peddler's pack a subversive manifesto called "Common Sense" that was written at Valley Forge and distributed up and down the back woods of Pennsylvania and Virginia and New York. There was an angry young country bumpkin named Salette who hid in the salt rivers and marshes between Savannah and Darien, Georgia, and slipped out in a canoe at night to blow up powder houses and to burn the supplies of Lord Cornwallis' Red Coats.

I could go on and on, but the foundation that these men and many others built is today in serious danger.

Have you ever wondered what happened to the men who signed the Declaration of Independence. Men, who the so-called Revolutionaries of today who would like to tear down our government, are trying to compare themselves with those who signed the Declaration 196 years ago.

I will not go into detail—some were captured and tortured—many had their homes ransacked and burned—nine fought in the war. Some of their wives and families were jailed and driven from their homes.

What kind of men were they? They included lawyers and jurists, merchants, farmers and large plantation owners, men of means, well educated. But they signed the Declaration of Independence knowing full well that the penalty would be death if they were captured.

Such were the sacrifices of those who signed the Declaration. They were not wild-eyed, rabble-rousing ruffians: They were soft-spoken men of means and education. They had security, but they valued liberty more.

I am sure those who signed our Declaration of Independence and those who wrote our Constitution had in mind a government that would not be overrun and destroyed by those things that we see today.

What is happening in America? Why do we indulge and permit these excesses and outrages; Why do so many continue to perpetrate and sanction them? The answers, while complex, are not as difficult and mysterious as they may seem.

At the heart of the problem is an age-old moral dilemma with which every healthy society must come to terms. It is that of balancing the rights of the individual against the good of society as a whole: of drawing a fine line between the function of government and the obligation of the citizen to himself and to his country. I believe a republic must preserve the proper balance between the duties of government and the responsibilities of its citizens—each must uphold its end of the bargain. When one is exaggerated at the expense of the other and the balance is lost, societies decay and eventually collapse from within

In my opinion, there are certain rights in a free republic which are the function of government to guarantee and protect. Among these is the right to life, liberty and the pursuit of happiness. But there are other so-called rights, about which we hear a great deal lately, which are not really rights at all. They have taken on an air of credence as "rights" because of the myths surrounding them. In the process of perpetrating these myths, genuine rights—such as the right of the majority to freedom from fear, to protection by the law and to the freedom to choose—have been so twisted and degraded that not only has its true meaning been obscured, but the acts committed in its name have made a mockery of its original intention. It is becoming fashionable today to justify almost anything by calling it a "right."

In the past several years we have seen our cities convulsed with destruction in the name of "civil rights".—Universities shut down by self styled Revolutionaries, both students and faculty members, in the name of "academic rights".—Sedition and draft evasion by cowards in the name of "morality—Radicals openly advocating guerrilla warfare and anarchy in order to disrupt the Democratic process and overthrow the government in the name of freedom:—A youth culture anesthetized and sustained by drugs in with those friends in America, they "the Communists" can go forward to total victory.

I am much concerned about what's going on in our country today. It is certainly a parallel between the rise and fall of Rome and of our own Republic.

"Dr. Robert Straus-Hauppe recently published a series of articles based on the observations of a number of historians: among them "Spengler, DeReincourt, Ferraro, Gibbons and some others.

He told how Rome had known a pioneer beginning not unlike our own pioneer heritage, and then entered into two centuries of greatness reaching its pinnacle in the second of those centuries, going into decline and collapse in the third. Yet, the signs of decay were becoming apparent in the latter years of that second century.

It is written that there were vast increases in the number of the idle rich, and the idle poor. The latter were put on a permanent dole, a welfare system not unlike our own. As this system became permanent the recipients of public funds increased in number. They organized into a political bloc with sizeable power. They were not hesitant about making their demands known, not with increasing frequency. Would-be emperors catered to them. The great, solid middle class—Rome's strength then as ours is today—was taxed more and more to support a bureacracy that kept growing larger, and ever more powerful. Surtaxes were imposed upon incomes to meet emergencies. The Government engaged in deficit spending. The denarius, a silver coin similar to our half dollar, begin to lose its silvery hue. It took on a copper color as the government reduced the silver content.

Even then, Gresham's Law was at work, because the real silver coin soon disappeared. It went into the name of "self expression": Hippies and flower children aimlessly wandering and littering our streets in the name of "love and peace"—motorcycle gangs killing and torturing—pornography and obscenity running rampant and in many cases condoned and approved by our courts: Unprecedented rising crime rate (more than 12 times faster than population increase):—Radicals and those who advocate overthrow of our form of government being invited to speak on college campuses. Lawlessness in many areas in the name of "The right to equal shares for everybody".

We see parades and riots in our streets in the name of peace. Some who march carry the flag of a nation that has killed over 50,000 of our young men. Are those who organize these parades interested in peace or with the welfare of our enemy? Some time ago the premier of North Vietnam in Hanoi, then Van Dong, made it plain that he does receive comfort and aid from all the protests and parades. His letter has been made public in Hanoi. It is addressed to his "Dear American Friends" and is full of praise and gratitude for their efforts. It expresses the hope that together hiding.

Military service was an obligation highly honored by the Romans. Indeed, a foreigner could win Roman citizenship simply by volunteering for service in the legions of Rome. But, with increasing affluence and opulance, the young men of Rome began avoiding this service, finding excuses to remain in the soft and sordid life of the city. They took to using cosmetics and wearing feminine-like hairdo's and garments, until it became difficult, the historians tell us, to tell the sexes apart.

Among the teachers and scholars was a group called the cynics whose number let their hair and beards grow, and who wore slovenly clothes, and professed indifference to worldly goods as they heaped scorn on what they called "middle class values".

I'm still talking about Rome.

The morals declined. It became unsafe to walk in the countryside or the streets. Rioting was commonplace and sometimes whole sections of towns and cities were burned.

And, all the time, the twin diseases of confiscatory taxation and creeping inflation were waiting to deliver the death blow.

Then finally, all these forces overcame the energy and ambition of the middle class.

Rome fell when its citizens lost their desire for freedom and lost sight of the good of the nation as a whole.

Here are some of the things that led to the decline and fall of the Roman Empire. How many of them do you recognize as happening in our country today?

Permissiveness in Society.
Immorality.
The welfare state.
Endless wars.
Consiscatory taxation.
Destruction of middle class.
Cynical disregard of the established human virtues and principles and ethics.
Pursuit of materialistic wealth.
The abandonment of religion by many.
Politicians who cater to the masses for votes, regardless of principle.
Inflation.
Deterioration of the monetary system.
Bribery.
Riots.
Street demonstrations.
Release of criminals on public.
Loss of masculine sturdiness.
Feminization of the people.
Scandals in public office.
Plundering of the public treasury.
Deficit spending.
Toleration of injustice and exploitation.
Bureaucracies and bureaucrats issuing "regulations" each week.
Centralization of government.
Public contempt for good and honorable men.

We are now approaching the end of our second century—it has been said that the days of a democracy are numbered once the stomach takes command of the head. When those who are less affluent feel an urge to break a commandment and begin to covet that which their more affluent neighbors possess they are tempted to use their votes to obtain instant satisfaction. (We see this in bloc voting in every election).

Under the phrase "the greatest good for the greatest number" we destroy a system which for 2 centuries has accomplished just that. *The greatest good for the greatest number.*

We see colleges divorcing themselves from participation in the defense of their nation due to demonstrations. We see riots in the streets—bombs being planted in factories, government buildings, defense, installations. We no longer walk the countryside or city streets without fear—draft dodgers at every turn—those who say it is no crime to break a law in the name of social protest—our moral code continues to erode—what happened to Rome can easily happen to us.

No city, state or nation rises to a higher level than the moral integrity and honestly of its leadership.

I ask you? What is happening to our leadership? Have the statesmen of former years been replaced by "politicians".

Some time ago I read a comment by Senator John Williams upon his retiring as Republican Senator from Delaware. "When I first came to the Senate, I looked around and wondered how in the world I ever got elected to a body of such able and wise men. Now, I look around and wonder how the devil some of these men ever got there".

Do we ever hear the word "economy" mentioned?

This word, "economy", has been lost in government at all levels. I wonder if we should not heed the advice given by Thomas Jefferson when he said, "I place economy among the finest and most important virtues and public debt as the greatest to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt. If we run into such debt, we must be taxed in our meat and drink, in our necessities, in our labor and in our amusements. If we can prevent the government from wasting the labor of the people, under the pretense of caring for them, they will be happy".

We are slowly sacrificing our legitimate rights. Liberty does not mean license from the law. The right to dissent means protest within the bounds of law, not mob rule. The right to the pursuit of happiness means equal opportunity, not guaranteed income or equal shares.

Democracy calls for equal opportunity under the law. It does not believe in guaranteeing equal results for everybody irrespective of effort. It is not the function of government to guarantee prosperity for everyone. It is the function of government to provide a climate in which everyone is free to prosper. The present outcry for "equal rights" is really a demand for "special rights".

In my opinion, there are some things which are beyond the realm of government and money to cure. In many cases, the underlying causes of poverty are lack of initiative or just plain laziness. The government cannot make a man learn a skill. It cannot keep a woman from having children for whom she is unable to care. Money will not buy incentive, the will to work or the desire to take advantage of educational and job-training programs. It will not buy the wisdom of prudence to use one's money for balanced foods, instead of a shiny new automobile or a color television set or a bottle of liquor.

It is time to put an end to the present soft-line response to violence. Too much disorder has been permitted for personal advantage under the guise of civil rights. Even if there were a just cause, no end could justify the means. Our first duty should be to uphold the law and to protect the rights of the majority. Decent, law-abiding citizens have a right to walk the streets without fear, a right to see their taxes spent for constructive purposes and, above all, a right to the preservation of their property. The current excuse for the permissive approach, that property is not as valuable as lives, is totally wrong. It not only establishes a dangerous precedent, which could result in complete anarchy, it is mistaken in principle. Property rights, along with the right to live, are among the oldest of all human rights. A man's property—his work—is an extension of himself. If you take away the product of his efforts, his life work, you destroy him as surely as if you had taken his mind and left his body as a live shell.

It is sheer folly to condone lawlessness in the belief that it is a form of social unrest which must have an outlet. This is to admit the criminal has become stronger than the law. To sacrifice the rights of the majority for the sake of pacifying a small minority is the epitome of misguided humanitarianism at best.

The time is already past to begin to counter the trend of concepts such as freedom and rights to the point that they are no longer recognizable: Time to reestablish the balance between the role of government and the responsibility of the individual. We must affirm the ethics of individual strength and substitute them for collective dependence. We should remind ourselves again and teach our children and grandchildren that real power lies in moral strength and mental integrity. These qualities are hard won products of a long process.

I believe that honest poverty deserves the conserted and prayerful attention of all who are blessed with a better life, but today we hear very little about "the poverty of character, morality and courage".

"The American private enterprise system, although under constant attack, has proven through the years to be the greatest anti-poverty program the world has ever known. Ten million jobs have been created within the past several years. The qualities of character, courage, vision, ability, faith and understanding made the United States a great nation. These qualities can only be by dedication and loyalty with one's heart.

May I urge that we do a better job in our responsibilty as citizens in voting than many of us have done in the past.

I hardly need labor this point but I would like to suggest its bearing on the small percentage of votes cast in most elections. Nothing is more frightening than this abdication of the right to vote by a large number of our citizens. It is frightening when we realize how many of our countrymen have laid down their lives to win for us this right from the American Revolution to the present. What they died for many of us won't even walk *down the street for*. Certainly we won't get wet for it, because if a little rain comes that always cuts down the number of voters. Nothing fades like a voter on a *rainy* day. *Remember—pressure groups vote.*

Some years ago a survey team examined voting habits of Chicago citizens for the period of four (4) years—This revealed among other things that qualified voters going to the polls included 99% of the tavern keepers and employees, 97½% of the gamblers and their employees, 16% of the housewives. 17% of the protestant ministers and 29% of the protestant church laymen.

Two weeks from now we have the privilege that citizens of many countries do not have—that of *freedom of voting* and I would urge you and every eligible voter in this country to exercise that priceless privilege.

We must stand up and be counted.

Many times "bad people are elected to office by good people who do not vote."

Edmund Burke many years ago wrote these words: "All that is necessary for the triumph of evil is that good men do nothing".

We might do well to remember the saying of Plato: "The punishment suffered by the wise who refuse to take part in the government is to live under the government of bad men".

I am a great believer in free enterprise. In my opinion free enterprise has nothing to do with politics, or wealth, or business, or class. It is a way of living in which you and I as individuals are important. Many little things make up this way of life . . . but think what we would lose if we ever surrendered it.

Some time ago, one of our TV commentators stated that some people are saying the bigger you are the better you are. Atlanta, in my opinion, can get all of the tall buildings, stadiums, colosseums, a liquor store and dance hall on every corner, and everything else to make it larger from a commercial and physical standpoint, *but* the one thing that makes a great city is dedicated citizens. The greatest asset any company has is dedicated employees and the greatest asset any city could have is dedicated citizens, and we are losing them mighty fast.

Atlanta is big town? Big in office buildings—hotels—motels—colosseum—civic center—art center *but* also big in crime growth . . . racketeering . . . gambling . . . criminal elements finding a home . . . juke joints . . . cocktail lounges . . . murders . . . prostitutes . . . hippies . . . and we will continue this. Last year we had 243 homicides in Atlanta. Make up your mind we already have organized racketeers and gangsters in Atlanta.

Let's take a look at what's happening.

With the population increase being practically zero for the past 10 years, we find these increases:

Homicides 161%.
Rape 293%.
Assaults 157%.
Burglaries 147%.
Robberies 259%.
Auto thefts 53%.

The erosion of freedom is our paramount peril. Many people recognize that something is wrong with our country. There is a growing uneasiness that something tragic is happening to American life. American morals are at a new low. Some colleges and universities are teaching that morality is "relative" and "one person's opinion is as good as another's". There are no moral absolutes, we are told.

Alarming is the breakdown in family life and family discipline. Parents are pampering their children and they are becoming irresponsible and soft. Children are permitted to indulge in anything that the crowd does.

Our paramount peril, however, is the loss of our individual rights and freedoms. Our power of self determination continues to be impaired with the passing of each year and once a government gains control of the economic area of life it can control every facet of our life. When a free economy is gone it will not be long until all our other freedoms will also disappear.

What are we going to do about it?

No one ever stands still. Either we go forward or we slip backward. We are all seeking happiness and success and as Christians, spiritual growth. Wonderful blessings have been showered upon us by giving us the privilege of living in such a great country as these United States and I urge that each of you take a more active part in public affairs and in civic responsibilities and opportunities, and that you urge your children and grandchildren to do likewise. Each of us have a responsibility to government . . . and only by accepting that responsibility will we continue to enjoy the liberties given us in the Declaration of Independence and in *our* competitive free enterprise system.

Keep in mind that there is a large number of people who do not believe this—they want strict government control of all business—all people—all services.

We must never forget that freedom is not a gift, automatically bestowed, but something not easily attained and difficult to keep.

I am sure we all want to protect the liberties we have and make our communities, our state, and our nation a better place in which to live, and I would like to close with the words of John Ruskin:

"When we build let it not be for the present delight, nor for the present use alone. Let it be such work as our descendants will thank us for, and let us think, as we lay stone upon stone, that a time is to come when these stones will be held sacred because our hands have touched them, and that men will say, as they look upon the labor and wrought substance of them see, this our fathers did for us".

GENOCIDE CONVENTION WOULD NOT USURP STATE POWERS

Mr. PROXMIRE. Mr. President, one argument often advanced against ratification of the Genocide Convention is that it would wreak havoc in the administration of criminal justice by allowing a confusion of jurisdictions for crimes of homicide, kidnapping, and assault and battery.

This argument contends that there could be no clear initial assumption of whether a crime was committed with "genocidal intent" and should, because of the Genocide Convention, be tried in Federal courts; or whether it was committed without such intent and belongs under State jurisdiction. Problems could arise if the initial assignment of jurisdiction offered in the indictment for the crime was wrong. A typical case offered by opponents of the convention in which justice would allegedly be obstructed is this: A man commits several atrocious homicides and is accused of genocide and put on trial in Federal court. The court finds no "genocidal intent" and thus acquits. State courts are then powerless to try the murderer because of the prohibition of double jeopardy in the Constitution, and the murderer goes free because of the initial mistake in assigning jurisdiction.

There are several answers to this argument. One is that it overstates the likelihood of such confusion. Since the convention is non-self-executing in view of the requirement of article V to enact the necessary implementing legislation, no procedures to deal with these cases have yet been devised. The United States, according to the administration, will not deposit its ratification of the treaty before such implementing legislation is enacted, so these objections are moot at this point. We can presume, for instance, that implementing legislation would countenance the possibility of such problems as mentioned earlier by reserving the rights of the States to prosecute and punish as homicides those acts described in the Genocide Convention. In such a case, then, Federal charges of genocide would be brought only when the intent was clear; when the intent was not clear, proper and prudent prosecution would dictate that indictment be sought under State laws against simple homicide.

Furthermore, the alleged proscription of consecutive Federal and State trials for genocide and homicide under the double-jeopardy clause of the Constitution is open to doubt.

Also, it is clear that opponents of the convention are again indulging in hypothetical hyperbole by exaggerating the importance of cases which are most unlikely to arise.

Mr. President, it is time we affirm our stand against genocide by ratifying this convention.

ROLE OF THE SENATE COMMITTEE ON AGING

Mr. CHURCH. Mr. President, the Special Committee on Aging has been charged by the Senate with the responsibility of keeping watch over all Federal activities related to aging, issuing recommendations, and then helping to make those recommendations become realities.

It is a demanding assignment, but a very necessary one. As chairman of that committee, I can attest to the very wide range of subjects which receive its attention. Within recent weeks, we have dealt at hearings with such subjects as the present and future of our social security systems, fires in highrise apartment houses for the elderly, administration proposals to raise costs paid by participants in the medicare program, and social service programs for the elderly.

Our interests are so numerous and diversified that we must select priority areas for our attention, but nevertheless we must somehow keep tabs on all that is happening.

A concise, but incisive, account of the committee's work is described in the March–April journals of the National Retired Teachers Association and the American Association of Retired Persons. Mr. Cyril F. Brickfield, legislative counsel for NRTA–AARP, is the author of the article, and he has done a splendid job of describing the committee. He also sums up the purposes of this year's major effort, hearings on "Future Directions in Social Security."

I ask unanimous consent that the article be printed in the RECORD.

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

OUR SENATE FRIENDS

(By Cyril F. Brickfield)

Many government bodies are working today for the interests of America's older citizens, but none more so than the Senate Special Committee on Aging. Established in 1961, the Committee is responsible for identifying and studying the special needs and problems of older persons and for making recommendations to the Senate based on its findings.

The Committee on Aging is not a legislative committee. Instead, it gathers the information needed by other committees when they write legislation affecting older persons.

A recent study described the role of the committee thus:

First, the committee proposes legislation to other committees in the Senate. It gathers information, analyzes possible solutions and presents data to show that legislation is needed.

Second, the committee works in the Senate to achieve passage of legislation benefiting older persons. It holds hearings to publicize the need for legislation and works to gather support among the Senators and the general public.

Third, the committee serves as a watchdog for the interests of persons over 65. It attempts to insure that the special needs of older persons are considered whenever legislation is enacted on any issue that might affect them.

For example, when housing legislation was considered in the Senate during 1972, committee members worked to include special provisions benefiting older persons. Senator Charles Percy of Illinois, who is a member of both the Special Committee on Aging and the Senate committee that considers housing legislation, was particularly active. He pressed especially for a provision to establish the office of Assistant Secretary on Housing for the Elderly. This official would be responsible for meeting the needs of older persons in the area of housing.

In addition, the committee oversees the activities of the Executive Branch to determine the effectiveness of Federal programs for older persons.

The Special Committee on Aging, with 22 members—13 Democrats and 9 Republicans—is one of the largest committees in the Senate. The committee is divided into seven subcommittees. The areas they study are consumer problems; employment and retirement income; Federal-state-community services; health; housing; long-term care and retirement.

During the 92nd Congress, the members of the committee worked to promote legislation in each of these seven areas. The 20 members of the committee are particularly effective as advocates for the interests of older persons in their role as members of other Senate committees.

With the enactment of HR 1 and of the 20 per cent benefit increase measure during 1972, sweeping changes have been brought to the Social Security system. Committee Chairman Frank Church of Idaho ranks these changes as second only to the achievements of 1935, when the original Social Security Law was passed, and 1965, when the Medicare system was established.

With this in mind, the committee in the 93rd Congress has begun a new series of hearings on "Future Directions in Social Security."

"Our goal," says Senator Church, "is to take a reflective look at the significance of recent accomplishments as well as actions that must ultimately be taken to build upon those accomplishments."

Experts in the field of Social Security will present their views on how the Social Security system can be improved, how Medicare coverage can be expanded and how these improvements should be financed. Representatives of our Association will also testify at these hearings.

To date, attempts to establish a similar Committee on Aging in the House of Representatives have not been successful. The need for such a committee is clear, and its usefulness has been amply demonstrated by the important role played by the Senate Special Committee on Aging. Our Association has long urged the establishment of a Special Committee on Aging in the House; this will continue to be one of our major legislative objectives in 1973.

TAX RELIEF FOR SMALL BUSINESSMEN

Mr. SPARKMAN. Mr. President, I wish to note my cosponsorship and strong support of the small business tax simplification and reform bill introduced recently by the distinguished chairman of the Select Committee on Small Business (Mr. BIBLE).

For many years I have been active in the effort to gain meaningful tax relief for the many small businessmen of my State of Alabama and throughout the Nation. See, for instance, "Time for Congress to consider tax relief for Small Business," remarks which I made on the Senate floor, appearing in the CONGRESSIONAL RECORD, volume 117, part 11, pages 14343–14344.

During 1972, I met with leading members of the tax-legislation-writing House Ways and Means Committee to see what might be done to advance the cause of small business tax relief.

I have been active in the field of small business for the past 22 years. I was especially pleased to have had a part in guiding into law the Small Business Tax Act of 1958.

The Small Business Committee realized that the small business tax changes in the Internal Revenue Code of 1954 were helpful but not broad enough to remove many discriminatory features in the tax laws. So, we renewed our work in the tax field in 1955. For example, a graduated corporate income tax was proposed to the Congress in 1956 and 1957. In the fall of 1957, I directed the committee to conduct a major, nationwide investigation of small business tax problems. The investigation, more extensive even than the 1952 investigation, was concluded in December 1957.

In January 1958, I submitted the committee's tax report to the Senate and introduced a seven-point small business tax adjustment bill. In February, I appeared before the House Ways and Means Committee to testify in behalf of this bill. The bill that was passed by Congress in the summer contained four of the seven proposals in my bill and two other features that were endorsed by me and some other committee members.

Special features of the tax bill were:

First, the tax option permitting owners of small, closely held corporations to choose to be taxed as partners.

Second, the plowback provision, permitting 20-percent additional depreciation in the year of an asset's purchase. This was applied to used as well as new equipment and, therefore, endorsed a fifth recommendation of mine for equal tax depreciation treatment for new equipment and the used equipment so frequently purchased only by small firms.

Third, the estate tax option, permitting 10-year installment payment of estate taxes on family-run business assets.

Fourth, an increase in the minimum accumulated earnings credit of use to small corporations from $60,000 to $100,000. This means small firms which previously did not have to prove that a $60,000 earnings surplus was reasonable would, under the new law, not have to prove reasonableness on as much as $100,000.

No less an authority than financial writer Sylvia Porter termed the committee acomplishments for small business in 1958 "an impressive package of aid to small business."

I as very pleased to join with Senator BIBLE to cosponsor the Tax Simplification Act when it was first introduced in 1970. I feel that the Senator from Nevada is entitled to a great deal of credit for developing over the past 6 years what is the most comprehensive proposal for small business tax reform which has ever come before the Congress.

I am glad that the Senator has not become discouraged. It sometimes takes many years for a good bill to work its way through Congress and be enacted into law. I hope that the Bible-Evins bill has now become one of those pieces of legislation "whose time has come."

Many of the time-honored ideas about the American economy are now being changed. We have witnessed two reevaluations of the American dollar in the past 14 months, and a trade deficit of $6 billion in 1972—the worst trade performance since the 19th century. We have witnessed inflation so severe that price controls were required, and the threat of renewed inflation clouds the economy again in 1973.

It seems to me this kind of economic performance is sending us a message, and we in Congress and in the executive branch of Government should be receptive to this message—that many of our fundamental economic policies need to be overhauled.

The area of taxation is, I believe, one where the adverse results to small business as a result of Federal, State, and local taxation and reporting requirements have accumulated over the years.

We do not expect a 2-month-old baby or a 2-year-old child to measure up to the same standards as an adult. Yet according to excellent hearings on paperwork conducted by the Senator from New Hampshire (Mr. MCINTYRE), we expect a family restaurant business to pay the same $800 in accounting fees as the 20-year-old restaurant, just to fill out government forms during its first year, whether it earns a dime's worth of profits or not.

The infant corporation is immediately subject to a 22-percent Federal tax rate. If the company earns a bit more than $500 a week, it must pay Federal tax at the same statutory rate as a billion dollar a year profit corporation which earns 40,000 times as much.

According to the figures cited by the Senator from Nevada (Mr. BIBLE) burdens on small- and medium-sized business continue and intensify as the firm grows to maturity and attempts to preserve its independence when its founder dies or wishes to retire.

It seems to me the time has come to ask whether it is wise or fair for small corporations to pay taxes at double the rate of large corporations.

It has always seemed to me that a small owner-operated business has a vested interest in efficiency and productivity. I have felt that where a man's pride as well as his dollars are involved, he has a double incentive for good workmanship and good service to his customers. Traditionally, small and new firms have given us the innovation and flexibility to develop new products which make this country more competitive internationally. These are factors that keep prices down and keep quality up. Small businesses also keep our economy open for young people, and hardworking people, and people with better ideas. I therefore think we must ask whether a tax system which penalizes small business and rewards larger corporations is helping or hindering the Nation in reaching the economic goals which we all desire.

Small businesses—about 12 million businesses of them in the country—can be a large force in the economy if they receive equitable tax treatment. They are 97½ percent of all businesses and they account for 44 percent of total employment and more than one-third of the gross national product. I think it is remarkable that small firms, with all of the handicaps they have been carrying, have been able to do so much.

I hope it will be possible that this bill and other small business tax bills, which have or soon will be introduced, be taken up as vehicles for considering the tax needs of small business in a systematic manner. I hope this will lead this 93d Congress to write into the law some practical and meaningful help for hard-pressed, new, small family, local, and independent business enterprises in Alabama and across the country so they may contribute to America's future as they have to its past.

THE OIL CRISIS

Mr. MONDALE. Mr. President, the public debate over the oil crisis which has manifested itself this past winter continues to intensify. Now that the coldest part of the winter is over, we face another potential crisis, this time in gasoline supplies.

Our Nation cannot continue to move from crisis to crisis. We need a comprehensive energy policy which takes into account the needs of consumers and the environment, as well as the urgent requirements for better and more reliable sources of energy.

The Midwest and Eastern States have been starved for energy resources, and will continue to be in difficulty unless changes are made. We in these sections of the country desperately need the oil and natural gas resources of the North Slope of Alaska. It is my firm belief that these resources can be delivered by a trans-Canadian pipeline with no greater delay than that which would result from a trans-Alaskan pipeline. In addition, such a pipeline would help to dramatically reduce currently inflated fuel prices in the Midwest and East.

The Alaskan oil and gas resources, however, are merely one facet of the much broader need for a comprehensive energy policy. Certainly, this need is greatest to help solve the near-term scarcity problems which cannot wait for the many possible long-term solutions in this field.

Mr. President, the St. Paul Pioneer Press recently published an editorial which accurately and wisely assessed the need for such an energy policy. This editorial urges vigorous congressional debate over the contours of our Nation's energy policy, and stresses the importance of developing such a policy as quickly as possible. I believe it presents a balanced and needed view of the need for rapid but effective action to meet our Nation's energy needs.

I ask unanimous consent that the Pioneer Press editorial be printed in the RECORD.

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

NEW OIL POLICIES NEEDED

While the public is bombarded almost daily with pessimistic predictions of shortages in natural gas, gasoline and fuel oil there is a scarcity of specific programs for improving conditions, other than to permit big price increases in the petroleum industry.

President Nixon has promised a comprehensive message on energy problems, but it has not yet appeared. It would be most helpful if the Administration would produce its program without further delay. Its own

policies on restrictive oil import quotas since 1969 were a factor in permitting recent Midwest fuel oil shortages to develop. Congress and the public should now be given the Administration's specific recommendations for new programs.

A variety of proposals are pending in Congress. Sen. Thomas McIntyre, D.-N.H., has a bill to abolish oil import quotas and substitute a tariff system which would permit greater competition and presumably increase supplies and lower or stabilize prices. In 1970 a Cabinet level task force of the Administration recommended this approach, but the proposal was discarded, apparently after opposition from the oil industry. This approach should be revivied by congressional action.

Sen. Walter Mondale, D-Minn., and Rep. Les Aspin, D-Wis., have introduced a bill favoring construction of a trans-Canada pipeline to bring Alaskan oil to the Midwest. This is an alternative to the proposed trans-Alaska pipeline which would deliver the oil to the Pacific Coast, a region which already has adequate supplies. Mondale and Aspin charge that the trans-Alaska project "would keep Midwestern and Eastern fuel prices high and jack them up higher when oil supplies run low in the future."

Meanwhile, although the U.S. oil industry complains that no new refineries are being built in this country, plans have just been announced for establishing a $300 million refinery in eastern Canada. Two other big new refineries already are in process of development in the same region. One in Nova Scotia will be completed in August and the other will start construction in May. All three are planned to refine crude oil from foreign sources.

The United States needs an overall program for dealing with its immediate, short-range oil scarcity problems. The Administration should produce its own recommendations, which then can be debated in Congress along with other proposals. And ways should be found to overcome the delays in plans for making Alaskan oil supplies available in the Midwest at the earliest possible time. Environmental considerations are important, but the necessity for bringing Alaska oil to American users is paramount.

FARMERS FEAR CROP SURPLUS

Mr. CHURCH. Mr. President, American housewives continue to agonize, and justifiably so, over the unending upward spiral in food prices. At the same time, farmers enjoyed their best income year in nearly two decades. Unfortunately, the combination of these two factors facilitates the conclusion that the American farmer is the bandit at the supermarket. Informing the American public that the realized net farm income for 1972 was still only about 10 percent above 1947 and that during this same period of time—1947 to 1972—corporate profits rose 250 percent is no medication for the deep cuts that are being made in every food budget. The plain truth is however, that the farmer receives only 40 cents out of every dollar that is spent at the grocery store. The other 60 cents disappears between the farm gate and the checkout counter.

While he is unfairly criticized by the hard-pressed consumer, the farmer is also feeling the razor's edge of the budget cutter's knife. The Nixon administration proposes to trim agriculture and rural programs by $1.5 billion. The primary reason given for these budget cuts by Mr. Butz is that the farmer's income has never been so high. Mr. David Mutch of the Christian Science Monitor recently provided the readers of the Washington Post with an informative analysis of the genuine fears of farmers that 1972 gains can be wiped out in 1973. I commend this article to my colleagues as a concise explanation of both the faulty assumptions that could quickly wipe out any gains made and the revealing relationship between the farmer's costs and his returns.

I ask unanimous consent that the article be printed in the RECORD.

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

FARMERS FEAR CROP SURPLUS—IT COULD DROP 1973 PRICES FASTER THAN 1972 GAINS

(By David Mutch)

CHICAGO.—While housewives fret about food prices going through the roof, American farmers worry about crop prices going through the floor.

How can it be, the consumer asks, knowing that, in 1972, farmers had the best year in 20 years, with net farm income up by $3.1 billion over 1971's $16.1 billion.

Here is how farmer Vere Vollmers of Wheaton, Minn., explains it: "President Nixon's farm policies are a gamble that Russia will have another crop failure. He's put about 40 million acres of idle land back into production and wants to end subsidy payments on wheat, feed grain, and cotton, and other crops.

"Basically, the idea of the farmer earning his money from the marketplace is good, but Nixon's plans allow no provision for the government to step in if there is a crop surplus. And so prices could drop faster than they went up this year."

The President says his policies are aimed at cutting the food-price rise, expected to be 6 per cent in 1973.

Vollmers sees the same problem farmers in the U.S. have seen for more than 40 years: Food production is so vigorous in America that overproduction and consequent deflated prices hang constantly over their heads like the sword of Damocles. They see their economic happiness hanging by a hair whenever the government threatens to withdraw its pervasive support in favor of a free market.

The actual volume of farm marketings last year was barely larger than in 1971—it was higher prices and government payments that raised farm income. Therefore, a larger crop in 1973 is easily achievable.

Last year, the billion-dollar wheat sale to the Soviet Union mopped up a grain surplus, with the Russians getting a bargain price. Already, there are reports from Moscow that the weather looks better this year and that Soviet officials will not commit themselves early to large purchases of American wheat. Hence, planning in this country to avoid supply fluctuations is not yet possible.

At the same time, acreage goes up in this country and government payments to farmers are expected to drop by $1 billion—a record—from $4 billion last year. These factors, plus the high prices farmers in general received last year for their crops, could combine to product a damagingly large surplus, many experts are beginning to say.

This point was made in a recent study by C. Edward Harshbarger for the Federal Reserve Bank of Kansas City, Mo. In that study, he warned that the "wheel of fortune in agriculture is a capricious device that is capable of producing sudden changes with little or no warning."

Farmers interviewed by the Christian Science Monitor News Service agree with another conclusion drawn by Dr. Harshbarger: Production costs—for fertilizer, fuel, equipment and credit—have risen much faster than farm income for years and, if farmers push up the crop supply this year, production costs will rise even faster.

Balancing the concern of oversupply are the growing population and improved eating habits in this country as well as demands by consumers elsewhere, such as in Russia, Japan and Europe, for better diets. China, too, may become a large importer of U.S. agricultural goods. All of this bodes well for keeping demand for U.S. agricultural products strong. Exports are more than $11 billion in this sector, a figure few would have believed possible only three or four years ago. Certainly, the U.S. balance of trade needs this help.

Farmers are as upset about the President's cuts in farm supports as are big city mayors about cuts in the poverty programs. Vollmeres had a bad year due to spring floods and then found a loan program dropped just before he applied. Some of his neighbors got in just under the wire. He is also very concerned that, if the soil-conservation program is dropped, it will hurt the next generation of farmers worse than this one.

Bobby Grueben, a cotton farmer from Rotan, Tex., said that, if subsidy payments are dropped, all cotton farmers in the U.S. "will be put out of business."

Here is how he explains it: "The Department of Agriculture estimates that it costs a minimum of 32 cents a pound to produce cotton. Last year, I got 20½ cents a pound on the market and the subsidy brought it up to 35 cents, with a profit of only 3 cents a pound."

Grueben and Vollmeres, along with other farmers, were in Washington recently to testify before Sen. Herman E. Talmadge's Senate Agriculture Committee. Senator Talmadge (D) of Georgia is highly critical of President Nixon's farm proposals. Grueben says he talked to a farmer from South Dakota who had thought "the subsidy for cotton was making us rich in Texas. So you see, even other farmers don't understand the subsidy program."

Consumers should—but don't—understand the economic position of farmers. In 20 years, the prices farmers get for crops have gone up only by 11 per cent, while retail food prices have gone up by 46 per cent. Sixty per cent of the family food dollar goes to transporting, processing and distributing food, and these sectors have risen fastest; in the same period, salaries of industrial workers went up by 129 per cent; food-marketing employees, 148 per cent. Farm costs in 20 years went up by 109 per cent, while taxes went up by 297 per cent.

NEW SCHOOL OF SOCIAL RESEARCH CENTER FOR NEW YORK CITY AFFAIRS

Mr. JAVITS. Mr. President, on Monday, March 19, 1973, I had the great honor of delivering an address before the New School of Social Research of the Center for New York City Affairs.

The Center for New York City Affairs, which is directed by Dean Henry Cohen and governed by a very distinguished board of directors, grew out of a rescue mission in the 1930's, when 167 European scholars, imperiled by totalitarian governments, were brought here by the university-in-exile program.

The new school sees adult education as its basic goal and provides a wide range of courses in the areas of education, the arts, and other areas. It is currently conducting a 2-year program leading to a master of arts degree in manpower

development; approximately 80 graduate students are now enrolled in this course, which will be so crucial to the future success of manpower policy.

The Subcommittee on Employment, Manpower, and Poverty of the Senate Committee on Labor and Public Welfare, of which I am the ranking minority member, is now considering comprehensive manpower legislation and my address sets forth in some detail my views with respect thereto, I ask unanimous consent that there be printed in the RECORD at this time a copy of my prepared remarks for that occasion together with a description of the 2-year program in manpower development which I mentioned.

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

FUTURE OF NATIONAL MANPOWER POLICY

The school has always been at the "cutting edge" of social change and I am most honored to be asked to participate in this meeting and to share my views with you on the "Future of National Manpower Policy".

At the present time the "cutting edge" is especially sharp, not only in the social sciences, but in politics, as the Administration moves quickly to attempt to implement what it considers to be the necessary reforms of the "Great Society" and other programs; these are very challenging times in the Congress for those of us who welcome change, but believe that it need not be carried out either abruptly or with such apparent disregard for the legislative branch.

Manpower training, like many other efforts that have found impetus in the war against poverty, is in the center of the action.

THE CURRENT SITUATION

One might ask the threshold question whether there is to be any "future" at all for manpower policy given the threats of the Administration last year to abandon manpower training altogether, the failure of the last Congress and the Administration to agree on comprehensive reform legislation, the "on again, off again" nature of recent federal administrative action—with freezes and recissions— and the Administration's fiscal year 1974 budget for manpower training which dropped from $1.6 billion in fiscal year 1972 to $1.2 billion in fiscal year 1974—a cut of 25%.

The great shame is that as the Administration moves toward its goals of managerial efficiency, decentralization, and maximum benefit to the recipients in social programs, it is creating in the interim an almost intolerable situation marked by administrative chaos, undermining of the ability of State and local government to plan effectively, and the resulting "shortstopping" of benefits to the intended recipients.

To give you a startling example, the Administration began this fiscal year by requesting $256.5 million for the funding of 575,000 opportunities in the Neighborhood Youth Corps summer program, a program that provides work experience during the summer months for disadvantaged teenagers.

A number of us have placed the need much higher; based on a survey conducted at my request by the National League of Cities—U.S. Conference of Mayors, $505.0 million is needed for a little over a million opportunities.

Joined by 26 Senators, I advised the Administration to that effect.

Now, the Administration has requested "rescission" of its original request so that no funds at all will be provided for the summer program, and States and cities are urged instead to meet the needs of youth by raiding funds for the Emergency Employment Act which were never intended for that purpose.

As this cannot be resolved for a number of weeks when we will seek these funds under a supplemental appropriations bill—which I shall do—planners are put into complete "limbo" with respect to the Neighborhood Youth Corps program and the public employment program both and the poor suffer.

COMPREHENSIVE MANPOWER TRAINING REFORM

These and other disrupting actions arise principally from the determination of the Administration to "go it alone" with respect to accomplishing manpower reform, that is, decentralization, decategorization, and consolidation of existing efforts but by administrative action alone.

This is most unfortunate and ironical because at the very same time that the Administration has abandoned its own "manpower revenue sharing" as a legislative proposal, the Congress stands ready to adopt that general approach. Indeed, Senator Nelson, Chairman of the Subcommittee on Employment, Manpower and Poverty and I intend to introduce in the next few weeks a proposal along those lines. Similar action may be expected in the House.

The basic difference between the Administration's approach and the one we will offer lies not in decentralization, decategorization or consolidation, but in what the federal role should be after these goals are generally achieved.

The Administration's proposals for special revenue sharing proceed on the assumption that States and cities are entitled to funds in almost any event.

We view shared funds as "trust funds" granted by the Federal government to States and cities as trustees charged with the duty of expending them wisely for the poor, the unemployed and the underemployed.

The federal government should not be in the position to tell the States, cities and counties what particular investments to make—that is the essence of decentralization and decategorization.

But the Federal government should guarantee that the funds are spent for the intended beneficiaries, that investments are generally prudent, and that they do not find their way directly or indirectly into the pocket of the "trustees"—the formal sponsor—generally a State or local unit of government or its nominee.

Translating these principles into the manpower area, respectively our bill will include very tough criteria to ensure coverage of the most disadvantaged, investments in programs where there is a job at the end of training, and criteria to ensure that worthwhile efforts now conducted by nonprofit agencies—such as community action agencies—are not squeezed out by programs that serve only to build up the prime sponsor.

Accordingly, we propose that if the "trustee" fails in any of these respects, then the federal government may revoke the trust and find some other agency or organization to do the job that needs to be done, or do it itself, as it does now.

There is no matter of higher priority than manpower reform, and I hope very much that the Administration will join with us in accomplishing this item of "unfinished business" with a new legislative mandate that these efforts deserve.

But manpower training reform—as essential as it is—does not give us a national manpower policy; it is in essence a matter of "recycling" efforts of the past into new and more flexible containers.

To determine a national manpower policy, it will be necessary to look to options in respect to both the public and private sector that address themselves to the matter of "full employment" generally.

PERMANENT PUBLIC SERVICE EMPLOYMENT

There are many distinguished experts who want to wipe out all manpower problems and reach full employment through a massive program of guaranteed work relying on "permanent" public service employment. One of the advocates of this approach, the Socialist leader, Michael Harrington, wrote in the *New York Times Magazine* on March 26, 1972:

"There should be a formal Federal guarantee of a right to work for every employable citizen. . . . The right to work would operate in two ways: negatively in that the Government would be obliged to offer meaningful employment to all those who cannot find it in the private sector (this is employer of the last resort); positively in that the Government should undertake comprehensive manpower planning and wherever indicated establish itself as an employer of the first resort."

In the Congress, proposals have been introduced authorizing the appropriation of as much as $9.0 billion annually for 1¼ million public service jobs.

In the long term, this approach may be the basis of a great leap to full employment, but let us not fool ourselves; it is not "in the cards" right now. We will not get that kind of fiscal commitment from either the Congress or the Executive in these times.

Even if we could it would be fraught with the danger that our manpower objectives would be lost in a form of "disguised revenue sharing" benefitting governments more than individuals.

TRANSITIONAL PUBLIC SERVICE EMPLOYMENT

But to say that a large scale permanent public service employment program is not imminent does not mean that we should abandon the commitment made to "transitional public service employment" under the Emergency Employment Act of 1971, which I co-authored with Senator Gaylord Nelson.

The Administration's posture is that the Act which authorized $1.25 billion and created 228,000 jobs in fiscal 1973 should not be continued beyond its expiration in June; no funds are contained in the fiscal 1974 budget for that purpose.

This position is entirely inconsistent with the Administration's previous approach to public service employment—unrealistic in terms of the present situation, and a lost opportunity in respect to the future of manpower policy generally.

It is inconsistent with the President's approach because President Nixon on December 15, 1970, in vetoing a permanent public service employment program said:

"Transitional and short-term public service employment can be a useful component of the nation's manpower policies".

We tailored the Emergency Employment Act in response to that concept.

The employment under the Emergency Employment Act is as short-term as the Administration could expect because of the $1.25 authorized, $1.0 billion is available only if unemployment is above the 4.5 percent level, the very threshold that the Administration chose in its first proposal for triggered funds.

It is a most unrealistic position because unemployment is still at the 5 percent level with more than four million unemployed. The Administration need only come to this City and walk through many of its depressed areas to realize that this program—which is really a "crumb" compared with the overwhelming needs—is generally needed.

It represents a lost opportunity because I believe that the Emergency Employment Act could, in the context of an extension, be used as a vehicle to test out the use of transitional public service employment in meeting the needs of particular groups where the Administration, in its own manpower report, expresses great concern.

The key word in the Emergency Employment Act has been "transitional", that is that jobs are to lead to "regular" employment in the public or private sector.

If the Administration is not comfortable with a general job creation program, then I recommend that it consider supporting extension of the Act with particular attention to groups of the potential labor force, where the term "transitional" has the most meaning, and where the needs are most pressing.

First, the transition from school to the world of work. In fiscal 1971, the Nation expended a total of almost $48.0 billion for elementary and secondary education; we spend almost $7,000 for the education of each child finishing the 11th grade.

But as large as our commitment has been, it has not been completely successful. Education is not an end in itself, its purposes are frustrated if it does not lead to the opportunity to lead a productive and meaningful life. Nothing is more depressing and inconsistent with the "American dream" and "work ethic" than the fact that unemployment among teenagers ranges from two to six times the national norm, reaching 30%–40% in poverty areas. 541,000 young persons, 16–19 years of age were out of school and out of work last year.

In contrast, only 16 percent of the current enrollees under the Emergency Employment Act are disadvantaged youth under 21; while 70 percent are aged 22 to 44. Thus, we are still left with what the Manpower Report of the President has described as the "critical problem" of youth unemployment. This record must be improved under any extension of the EEA, and the educational establishment must be brought into it more than under the current authority.

Second, the transition from the Armed Services to work. Under the EEA, 43 percent of the participants have been veterans, 27 percent from Vietnam. But there are now over 300,000 veterans from Vietnam still unemployed and clearly even more attention can and must be given to this deserving group.

Third, the transition from the welfare rolls to work. It is a national malady that in contrast to our "workfare" rhetoric, we provided in this past fiscal year only 43,600 public service jobs for welfare recipients under the EEA and the Work Incentive programs conducted under the Social Security Act; in fact only one in ten of EEA participants were on welfare. In contrast the Department of Labor estimates that one to two million of the 12 million persons on welfare fall into the "employable" category. Indeed, the President's own welfare reform measure of last year, H.R. 1 as passed by the House, would have provided for the creation of 200,000 additional transitional public service jobs. The fact that the vehicle, H.R. 1, has stalled on the road does not negate the necessity of providing for that quotient in a new context; the EEA provides that context.

Fourth, the transition from national correctional institutions to the world at large. Each year more than 100,000 previously incarcerated leave State, federal or local correctional institutions and begin their search for employment and a productive life.

Ex-offenders have levels of unemployment three times the national norm. Two-thirds return to prison. At the present time, the number of public service jobs made available to offenders is so miniscule that there is no data on it.

A quotient of EEA funds must be used for this purpose as a model to show private employers as well as the public generally that the ex-offender can serve well as a regular employee.

Finally, the transition from manpower training to regular employment. Training should be designed to lead to a job. But 500,000 persons leave training each year without a job lined up and for many, a transitional employment opportunity may be the necessary bridge between institutional and other training and regular employment.

With this emphasis to be considered along with manpower training reforms, I hope very much that the Administration will join with the Congress in an extension of the EEA, to that end, Senator Nelson and I intend to introduce, as a separate measure, a two year extension to be considered along with manpower training reform and in the process of consideration, I hope to focus it on the elements I have emphasized.

THE PRIVATE SECTOR

But again, let us not deceive ourselves. Public service employment, whether transitional or permanent, cannot be viewed as a "cure-all"; it is merely a tool in a broader national manpower policy.

The fact is that even if we doubled the authority under the Emergency Employment Act, the 440,000 jobs created would be but .5 percent of the 87.3 million persons employed annually.

The private sector is in essence the employer of both first and last resort and if we do not learn to run that sector in the interest of national manpower objectives then we might as well give up now.

Strengthening the economy, as the President has stressed, must continue to be one of our key objectives.

And we must continue on with successful efforts such as the JOBS program conducted by the National Alliance of Businessmen, and with tax credits, as now are available under the Talmadge Amendment to the Social Security Act.

But these are not enough in themselves and it is time that we developed new vehicles and initiatives to ensure that the private sector is operating to the maximum extent possible in the interest of a full employment policy.

Three new approaches should be considered:

First, I recommend that we establish a federal board or commission to put "'teeth" into the concept of full employment, particularly in respect to the private sector.

We have no agency at the present time which may serve adequately and forcefully as an "advocate" for full employment. The Council of Economic Advisers established under the "Full Employment Act of 1946" has been given a broader, and wholly advisory function; its responsibility is to oversee the general economy, it should not and cannot be an advocate for full employment alone and it has not been.

Neither can the National Commission on Productivity serve that function, as it too, has a related but different focus.

The Department of Labor, while generally entrusted with the goal of full employment has no charter to make recommendations with respect to the many programs outside of its jurisdiction.

Today the Government has a whole range of powerful tools available to it to help control the economy and insure that employment goals are reached. Budgetary policy, tax policy, procurement policy, the timing and location of public works, control of interest rates, foreign trade and investment policy, and wage and price controls as well as manpower training programs, are all powerful levers on employment levels.

It is about time that we started pulling those levers in a planned way so as to achieve and maintain full employment as well as price stability.

Importantly, such a board could undertake manpower planning and long-range and short-term surveys, including a review of decisions of public and private employers as they effect full employment.

S. 3927 "The Full Employment and Job Development Act of 1972" which I introduced in the last Congress with 14 cosponsors to establish such a Board will be reintroduced shortly for consideration in this Congress.

Second, we should begin to develop a policy of continuing education as an employer responsibility. We are clearly way behind the European nations such as France and Germany, in making it possible for all workers to adapt to technological changes through continued education. As indicated in "Work in America", a study prepared by the Department of Health, Education and Welfare: "Many Americans may want to enlarge their choices through additional education and training."

Possibilities in reacting to these needs—following the European models—include funding from a kind of payroll tax, or unemployment insurance fund, or providing incentives for actions taken on by the employer, in concert with the educational establishment.

Third, an unexplored area in the manpower field which leans heavily on the private sector is the use of vouchers for the purchase of manpower training and related employment opportunities.

This is particularly useful in terms of the problems of youth employment. We now give scholarships with federal assistance to those who pursue higher education; more than a billion dollars was loaned to 1.2 million students last year under the guaranteed student loan program, there is no reason why a voucher system could not be used as a "work scholarship" for youth who need it in order to enter the labor market. This follows similar experiments in education and housing. Thus, in this controlled way we can experiment with direct subsidies to private employers.

I plan to introduce separate legislation in the near future to advance this concept.

In conclusion, while I have broken down this presentation in terms of the public and private sectors, whether or not we have a national manpower policy will depend to a large extent on the bridge between the two. We need to bring the private sector into the prisons; educational experts should join with manpower experts in addressing the problem of youth unemployment, and the future of public service employment may well depend upon the extent to which the private sector begins to draw on the new experienced manpower pool created through public service employment programs. Working together, I hope that we can build a new national manpower policy which will benefit our great strength as a Nation and be compatible with both the tenets of the free enterprise system and the further social commitment which these times dictate.

A 2-YEAR PROGRAM OF PART-TIME STUDY LEADING TO THE MASTER OF ARTS DEGREE IN MANPOWER DEVELOPMENT CENTER FOR NEW YORK CITY AFFAIRS

This new graduate degree program has been designed to meet the growing need of the manpower profession for highly trained and skilled personnel in administration, planning and training.

Manpower Development is a new profession. Its evolution parallels a quarter-century of Federal legislation aimed at combating unemployment and poverty. The Full Employment Act of 1946; the Vocational Education Acts of 1946, 1963, and 1968; the first Manpower Development and Training Act of 1962 (which gave the field its name); the War on Poverty in the mid-60's, and the spate of educational legislation enacted in the 60's and 70's—all contributed to the growth of a vast network of public and private organizations devoted to job development and training, and to the creation of greater employment opportunities for the poor, the unskilled, the illiterate and the under-educated.

As part of a local, regional or national effort to meet the needs of the labor force,

the manpower practitioner engages in a variety of vital tasks, among them job training, vocational guidance, testing and assessment, job development, job placement and follow-up counseling, as well as overall manpower planning, analysis, and administration.

There is a critical need to strengthen performance and to prepare people to assume positions of leadership in the field. A continuing need for manpower professionals has developed in government agencies, educational institutions, community organizations, labor and private industry. They are required at every level of operations, and there is a particularly significant shortage of trained planners and administrators capable of formulating long-term manpower policy of local, regional or national scope.

The need for professionals with graduate preparation will become even more critical in the 70's as Federal commitments to the eradication of unemployment are intensified. Congressional appropriations for manpower development and training amounted to 500 million dollars in 1962; they will exceed 4½ billion dollars in 1972, and may reach 10 billion dollars by 1975.

The establishment of this graduate degree program in Manpower Development has been made possible by the Louis Calder Foundation.

THE NEW SCHOOL

The new MA program in manpower development extends the rare tradition of educational innovation which has characterized the New School for Social Research throughout its history. Established in 1919, The New School was the first American university to evolve out of a deep commitment to meeting the intellectual and professional needs of mature citizens. This commitment has given birth to a variety of courses and programs designed to help the working professional increase his competency.

From its earliest years on, The New School program has included courses of interest to practitioners in urban related professions. In the inaugural year of 1919, the institution offered a course on municipal government, and in the 1930's it became the first school to introduce courses on housing. In the 1960's, The New School developed within the Center for New York City Affairs the nation's largest and most diversified program of urban studies for both professionals and laymen.

The New School is a diversified urban university offering a variety of day and evening programs of undergraduate, graduate and adult education. In addition to the Center for New York City Affairs, its major divisions are the Adult Division, the Graduate Faculty of Political and Social Sciences, the Senior College (an undergraduate liberal arts college), and Parsons School of Design.

THE CENTER FOR NEW YORK CITY AFFAIRS

New York's high intensity of urban problems and concentration of leadership and expertise are invaluable resources for education in urban affairs. The Center for New York City Affairs, established in 1964, utilizes these unique resources in educational, research, and community service programs which focus on, but transcend the bounds of the metropolitan region. The location of the Department of Manpower Development within the Center assures students of the availability of these resources to their preparation for manpower policy roles. It offers them advantageous proximity to research, action programs, forums, publications and lectures on pressing city problems. It places them within an urban educational community that is rich with relevant ideas and high level dialogue and debate.

In addition to this degree program, the Center offers a MA degree program in Urban Affairs and Policy Analysis.

SETTING THE RECORD STRAIGHT ON TAX REFORM, MORTGAGE INTEREST DEDUCTIONS, CHARITABLE CONTRIBUTIONS DEDUCTIONS, AND THE LITTLE GUY

Mr. CHURCH. Mr. President, recently on the ABC network news show, "Issues and Answers," Presidential Adviser John D. Ehrlichman said, in effect, that the only way to raise more tax revenue was to tax the little guy. Now that may be Mr. Ehrlichman's opinion, indeed, with the largesse this administration bestows upon big businesses such as the Penn Central Railroad and Lockheed Aircraft, it undoubtedly is Mr. Ehrlichman's opinion. Unfortunately for Mr. Ehrlichman, but fortunately for the American taxpayer, this opinion has no basis in fact.

In the Washington Post of March 15, 1973, Mr. Hobart Rowen points out where additional revenue could be raised by closing tax loopholes that are anything but beneficial to the average taxpayer.

I think its time that the Nixon administration stopped using scare tactics to head off the long needed move for tax reform that is currently underway in the Congress. Mr. Rowen's column goes a long way toward clearing up the distorted picture that Mr. Ehrlichman painted for the average American taxpayer last week. I ask unanimous consent that Mr. Rowen's article entitled "Loopholes and Little Guys" appear at this point in the RECORD.

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

LOOPHOLES AND LITTLE GUYS

(By Hobart Rowen)

On ABC's "Issues and Answers" last Sunday, presidential aide John D. Ehrlichman said that "there is a lot of misinformation around in this business of tax loopholes," and then he did his best to spread some more of it around.

The basic point that Ehrlichman was trying to make is that it's not possible to raise a great deal of money by tax reforms, "unless you start digging into the average taxpayer's exemptions, or charitable deductions, or mortgage credits, or something of that kind."

That, as Mr. Ehrlichman must know, is simply not true. He was just trying the usual scare tactics that have been this administration's old reliable weapon against tax reform.

What is true is that the exemptions or loopholes he mentions account for a considerable part of the erosion of the tax base. But there is plenty more that he didn't choose to mention.

Could it be that Ehrlichman failed to point to other loopholes because the chief beneficiaries are businesses and the most affluent taxpayers?

For example, the exhaustive analysis of erosion of the individual income tax base by Brookings Institution economists Joseph A. Pechman and Benjamin A. Okner in January, 1972, for the Joint Economic Committee of Congress shows that under a comprehensive tax system, the Treasury would pick up $55.7 billion in revenue it now loses to the leaky tax structure.

Of this total, $13.7 billion would come from taxing all capital gains, and gains transferred by gift or bequest: $2.4 billion from "preference income" such as tax exempt, interest, exclusion of dividends, and oil depletion; $2.7 billion from life insurance interest; $9.6 billion from owner's preferences; $13 billion from transfer payments (welfare, unemployment compensation, etc.); $7.1 billion for the percentage standard deduction; $2.9 billion for deductions to the aged and blind; and $4.2 billion for other itemized deductions.

On the corporate side, Ehrlichman made no mention of the $2.5 billion in reduced tax burden that business will get this year through accelerated depreciation schedules (ADR); and another $3.9 billion via the investment credit. From 1971 through 1980, ADR will be worth $30.4 billion and the tax credit $45.2 billion (all U.S. Treasury calculations). And in that span of time, there will also be some $3 billion in give-aways through DISC—a tax shelter for export sales profits just created by the revenue act of 1971.

Another tax reform target Ehrlichman appears unable to see is income-splitting, which Pechman and Okner estimate causes a revenue loss of at least $21.6 billion annually, almost half of which is a benefit to a relative handful of taxpayers in the $25,000-$100,000 income brackets.

But there's more to it than that. Ehrlichman pretends to be concerned about that "average householder" who would be hit if he couldn't take his mortgage interest as a deduction. But of the $9.6 billion that Pechman-Okner show lost to homeowners' preferences, defined as deductions for mortgage interest and real estate taxes, $5.3 billion goes to the tiny 5 per cent of taxpayers with reportable adjusted gross income of $20,000 or more.

And how about Ehrlichman's warning that Uncle Sam can't raise tax-reform money in significant amounts "if you don't let the average householder . . . deduct charitable contributions to his church or to the Boy Scouts . . ."? Is he really worried about the little guy?

The Tax Reform Research Group (one of Ralph Nader's operations) showed last year that when you divide the number of taxpayers in each income group into the total tax preference benefits of charitable deductions, other than education, you find this:

Among taxpayers in the $7,000 to $10,000 income bracket, the average tax benefit for charitable contributions was $17.44; for those in the $10,000 to $15,000 bracket, $33.11; for those in the $20,000 to $50,000 bracket, $199.09; for those in the $50,000 to $100,000 bracket, $1,211.16; and for those making $100,000 and over, a whopping $11,373.56.

So who is Ehrlichman trying to kid? If the administration doesn't have a decent tax reform program, it's not because it could wring the money only out of the little guy, nor because there aren't outrageous loopholes waiting to be plugged. It's just because Mr. Nixon must believe that his constituency likes the inequitable tax system pretty much the way it is.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PUBLIC HEALTH SERVICE ACT EXTENSION OF 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 91, S. 1136.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was stated by title as follows:

A bill (S. 1136) to extend the expiring authorities in the Public Health Services Act and the Community Health Centers Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert in lieu thereof:

That this Act shall be known as the "Public Health Service Act Extension of 1973".

SEC. 2. (a) Section 304(c)(1) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(b) Section 305(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(c) Section 306(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(d) Section 309(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(e) Section 309(c) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(f) Section 310 of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(g) Section 314(a)(1) of such Act is amended (1) by striking "June 30, 1973" the first time it appears and inserting in lieu thereof "June 30, 1974", and (2) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(h) Section 314(b)(1)(A) of such Act is amended by—

(1) striking the term "June 30, 1973" in the first sentence and inserting in lieu thereof the term "June 30, 1974"; and

(2) striking the phrase "for the fiscal year ending June 30, 1973" in the second sentence and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(i) Section 314(c) of such Act is amended by—

(1) striking the term "June 30, 1973" in the first sentence and inserting in lieu thereof "June 30, 1974"; and

(2) striking the phrase "for the fiscal year ending June 30, 1973" in the second sentence and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(j) Section 314(d)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(k) Section 314(e) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(l) Section 393(h) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(m) Section 394(a) of seuch Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(n) Section 395(a) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(o) Section 395(b) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(p) Section 396(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(q) Section 397(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(r) Section 398(a) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(s) Section 601(a) of such Act is amended by striking the word "eight" and inserting in lieu thereof the word "nine".

(t) Section 601(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(u) Section 601(c) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(v) Section 621(a) of such Act is amended by striking "June 30, 1973" wherver it appears and inserting in lieu thereof "June 30, 1974".

(w) Section 625(2) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(x) Section 631 of such Act is amended by striking the word "two" and inserting in lieu thereof the word "three".

(y) Section 791(a)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(z)(1) Section 792(a)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(2) Section 792(a)(2) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(aa) Section 792(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the pharase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(bb) Section 792(c)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(cc) Section 793(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(dd) Section 794A(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ee) Section 794B(f) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ff) Section 794C(e) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(gg)(1) Section 794D(c) is amended (A) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974", (B) by striking out "each of the two succeeding fiscal years" and inserting in lieu thereof "each of the three succeeding fiscal years", and (C) by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

(2) Section 794D(e) is amended by striking out "1977" each place it occurs and inserting in lieu thereof "1978".

(3) Section 794D(f)(1)(A) is amended by striking out "each of the next two fiscal years" and inserting in lieu thereof "each of the next three fiscal years".

(hh) Section 901(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ii) Sections 1001(c), 1002(d), 1003(b), 1004(b), and 1005(b) of the Public Health Service Act are amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

SEC. 3. (a) Section 201 of the Community Mental Health Centers Act (42 U.S.C. 2681) is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(b) Section 207 is amended by striking out "1973" and inserting in lieu thereof "1974".

(c) Section 221(b) is amended by striking out "1973" each place it occurs and inserting in lieu thereof "1974".

(d) Section 224(a) of such Act is amended (1) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and (2) by striking out "thirteen succeeding years" and inserting in lieu thereof "fourteen succeeding years".

(e) Section 246 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(f) Section 247(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(g) Section 252 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(h) Section 253(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(i) Section 261(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(j) Section 261(b) is amended (1) by striking out "nine fiscal years" and inserting in lieu thereof "ten fiscal years", and (2) by striking out "1973" and inserting in lieu thereof "1974".

(k) Section 264(c) of such Act is amended (1) by striking the words "June 30, 1973" and

inserting in lieu thereof the words "June 30, 1973 and June 30, 1974" (2) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (3) by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

(l) Section 271(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(m) Section 271(d)(2) is amended (A) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (B) by striking out "1973" and inserting in lieu thereof "1974".

(n) Section 272 is amended by striking out "1973" and inserting in lieu thereof "1974".

SEC. 4. Section 601 of the Act entitled "An Act to amend the Public Health Service Act to revise, extend, and improve the program established by title VI of such Act, and for other purposes", is amended by striking "July 1 1973" and inserting in lieu thereof "July 1, 1974".

SEC. 5. (a) Section 121(a) of the Developmental Disability Services and Facilities Construction Act is amended by striking out "for each of the next five fiscal years through the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the next six fiscal years through the fiscal year ending June 30, 1974".

(b) Section 122(b) of such Act is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(c) Section 131 of such Act is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(d) Section 137(b)(1) of such Act is amended by striking "the fiscal year ending June 30, 1973." and inserting in lieu thereof "the fiscal years ending June 30, 1973, and June 30, 1974.".

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

EXTENSION OF TIME FOR EULOGIES TO THE LATE FORMER SENATOR GUY M. GILLETTE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the RECORD for eulogies to the late former Senator Guy M. Gillette remain open for an additional week.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

RESUMPTION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a resumption of the period for the transaction of routine morning business, with statements limited therein to 5 minutes each, and the period not to extend beyond 20 minutes.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

DOMESTIC RETREAT: NIXON BUDGET SUPPORT FOR RESEARCH AND RESEARCH TRAINING PROGRAMS

Mr. HUMPHREY. Mr. President, the Nixon administration's budget proposes drastic cutbacks in research and research training programs in our Nation's graduate schools. This represents not only misplaced priorities but extreme shortsightedness.

We may save a little in the short run, but we shall certainly lose heavily in the future.

The decision to terminate and phase out many research programs is not sound public policy. We will simply have to face the huge expense of restarting these programs 5 or 10 years from now, when we fall behind and confront another crisis as we did when the Soviets launched sputnik. This stop-go-policy is terribly inefficient and ineffective.

Two years ago, the President's Task Force on Education reported that during the next decade, resources available to colleges and universities must more than double if we are to meet our research needs and alleviate the inequalities in our education system. New discoveries are needed in the area of biomedical research, energy development, and environmental technology if the United States is to continue to be the world's leading industrial nation.

In the areas of social science, Government-sponsored researchers have found ways to allocate the costs of municipal services more rationally to promote balanced community growth. Economists are working on a project to link several national econometric models so that international trade and inflation may be studied. And, recently the benefits of federally sponsored research was clearly demonstrated by the announcement of a new discovery that could lead to effective solutions to the problem of drug addiction. This discovery was made at Johns Hopkins as the result of a grant from the National Institute of Mental Health. If this discovery should eventually result in a cure for drug addiction, the investment which we have made will have been repaid many times over. Yet despite results like this, the National Institutes of Health will receive little new support for research.

What is most disturbing is that the areas of NIH research to be funded are chosen by the Office of Management and Budget, without consulting the Scientific community. As Science magazine reported:

> When it comes to the budget proposals for the National Institutes of Health (NIH) and, therefore, Federal support of research, there are few, if any, leaders of the biomedical community who are happy with the choices that the President, through his Office of Management and Budget, has made.

There is certainly a need for program evaluation in the area of research, but all members of society, and especially scientific experts, should take part in this evaluation. Finding indicators of social benefit from scientific research is too difficult a task to be left to OMB.

Unfortunately, it is still the case that college education is primarily the prerogative of the young person from an upper income family, I find this to be morally, socially, and economically wrong.

For too many low- and middle-income children who cannot afford to go to college, much less attend graduate school, the real cost is that of not getting a higher education. They are denied the opportunity to develop their talents and obtain appropriate, high-paying jobs.

The misguided nature of the proposed cutbacks can be found in the following examples:

First, a new graduate fellowship program for disadvantaged students is cut by 25 percent. Thus, our efforts to bring about a long-needed diversity in the student population of graduate schools are being frustrated.

Second, the National Science Foundation training grant program receives only phase-out money. This could have disastrous long-run consequences. Scientists and research specialists do not grow on trees. There must be trained professionals if quality research is to continue.

Third, funds for the Health Manpower Act are cut by almost 40 percent from 1972 levels. This includes a two-thirds reduction in funds for nursing schools. While the need is growing the effort is shrinking.

Fourth. Support for foreign language and area study programs is terminated. Some of our country's finest programs, particularly in the field of Asian studies, may be ended completely. And all at a time when Asian experts are desperately needed to deal with the increased importance of China and Japan in world affairs. How can we expect to maintain good relations and formulate sound policies toward these countries if we lack expertise in their languages and cultures?

Fifth. Finally, graduate schools throughout the Nation are beginning to feel the pinch of trying to make less funds go further. University after university has reported that graduate training programs are suffering massive dislocations as a result of the Nixon budget. Said the Dean of the University of California at Berkeley, Sanford Elberg:

> The graduate education enterprise is being torn apart. It's a —— disaster.

Dean Elberg noted that he will lose funds for almost a thousand of 8,900 students next year.

Dean Elberg's predicament is shared by graduate deans at other schools. A recent article in the Washington Post

by Andrew Barnes catalogs some of the cutbacks and the impending loss of fiscal support as it effects graduate training. Barnes notes that "enrollments are off, sharply at some schools, and all face financial trouble."

Mr. President, the American people stand firmly behind our Nation's commitment to be the world's leader in the field of research and education. Congress will not allow this commitment to be watered down. The investment in graduate research and education must be continued.

I ask unanimous consent that an article from Science, detailing these reductions in research commitments, and an article written by Andrew Barnes of the Washington Post entitled "Elite Graduate Schools Are in Trouble," be printed at this pointed in the RECORD.

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

THE BUDGET OF THE U.S. GOVERNMENT—1974

The President's first peacetime budget is significant not only for the stamp it sets on priorities in the next fiscal year, but also as a guide to the general shape of spending in his second term. The message seems to be that many domestic programs will be cut, but science, with some qualifications, is to continue at steady state. The overall picture for federal investment in research and development is one of standstill, with a few new ventures made at the expense of fairly careful cuts in existing projects. The cost-cutters in the President's Office of Management and Budget (OMB) have gone over the science budget with a scalpel, not a hatchet.

Technology reached its apotheosis with the Apollo program, its nadir, some say, in Vietnam. Both adventures are now over, but the new budget unveiled last week seems to contain no backlash against either technology or pure science. Within the general standstill of science spending there is an evident, but limited, trend toward the focusing of research on specific objectives such as cancer and heart research and the prevention of natural disasters. What is notable is that basic research seems to have remained more or less inviolate, at least as judged by gross figures in the budgets of the leading science agencies. The National Science Foundation (NSF) will spend 5 percent more on research grants. The Atomic Energy Commission (AEC) supports physical and biomedical research at the same rate as before. And the National Institutes of Health appear to have more money available for research grants in fiscal 1974, although less for training and fellowships.

The "News and Comment" section this week is given over to an analysis of the budget as it affects science. Unlike other political statements, the budget message lays out the measures the President intends to support with hard cash as well as lip service. At the same time, the budget writers are not given to making things appear worse than they really are, and it is frequently hard to be sure just what is meant by a particular category of funds. The budget is explained in a set of four documents (the chief of which is known in the OMB as the "novel-sized" budget), but none defines exactly what is meant by research and development. The following articles attempt to sketch out the implications of the budget message for health, energy, defense, and the principal agencies responsible for federal support of science.

The President's budget is subject to change both by Congress and second thoughts in the OMB. Some of the programs slated for extinction have strong support in Congress or from constituencies outside government. And what the President seems now to be giving with one hand he may later take away by having the OMB impound the funds that Congress has appropriated, as has happened to the NSF's technology incentives program. But the general outline of the science budget is unlikely to change much, despite the departure from the White House of the Office of Science and Technology.

The federal budget for fiscal 1974 (which runs from July 1973 to June 1974) totals $268.7 billion, of which 6.25 percent is earmarked for R & D. In terms of obligations, the budget's $17.4 billion for R & D breaks down into $9.4 billion for military R & D, $2.5 billion for space research, and $5.5 billion for civilian R & D. Civilian R & D is up $0.3 billion over the current year. But scientists may feel the draught from the budgeteers' heavy retrenchment in categorical programs, particularly in the areas of health and education).

That civilian R & D would escape the budget makers' knives is something that few would have predicted prior to last week. Science lies in the small category of budget items which are "controllable," or not already committed. The $12.7 billion deficit expected for 1974 and the President's determination to control inflation and avoid a tax increase all pointed toward a savage slash in all of the controllables. As it turns out, the cutbacks in science-based activities amount to less than 4 percent of the $17 billion the OMB hacked away from federal programs, even though civilian science represented a considerably greater fraction of the controllable expenditures. Science may not have done well but it could have done far worse.

NICHOLAS WADE.

BUDGET BACKGROUND: WHERE SCIENCE STANDS AND WHY

The recession in science which began in the middle 1960's was generally attributed to pressures on the budget from costs of the Vietnam war and Great Society programs. It was hopefully assumed in the scientific community that the setback was temporary, merely a short-term reversal of the trends established in the early 1960's. President Nixon's budget for fiscal year 1974 released on 29 January is based on the assumption that U.S. military involvement in Vietnam is over. The budget makers also seem fairly optimistic that inflation has been restrained and employment is expanding. But the growth curve for science retains its horizontal ways.

The immediate explanation is clear enough. The Administration is determined to hold the line on federal expenditures to keep inflationary pressures in hand and developments within the budget in the past decade have made R & D particularly vulnerable to budget-cutting activities. In other sectors of the budget, particularly in programs which commit the government to payments to individuals—social security, public assistance, veterans benefits, medical care for the aged and indigent, for example—limits on spending are virtually impossible to set. More than $200 billion in the budget is estimated to be in this category of "uncontrollable" expenditures and the science budget, on the other hand, is eminently controllable.

In retrospect, the remarkable burst of growth in the science budget, beginning in the early 1960's, was produced by a very unusual combination of circumstances. The figures testify to the rapidity of expansion. In 1960 federal R & D expenditures amounted to about $7.7 billion with some $6.6 billion spent on military R & D. In 1963 the science budget was $12.4 billion ($8.6 billion military), and by 1966 the total was $15.4 billion ($6.8 military). The fiscal 1974 budget proposes an R & D budget of $16.7 billion with expenditures of $8.3 billion in the military sector. The first half of the 1960's, obviously, witnessed a boom in science spending with civilan R & D growing at a much faster rate than military R & D. By the later 1960's the rate of growth has flattened, the proportion of military R & D began to increase, and inflation had taken hold.

The boom in science in the first half of the decade was made possible not only by policy decisions but by unusually favorable economic circumstances. The end of the 1958–1961 recession began a long period of uninterrupted expansion of the economy during which productivity rose steadily and prices remained relatively stable. Federal revenues rose rapidly and some economists worried about "fiscal lag"—the retarding effect on the economy of the government's lack of ways to keep federal expenditures up with revenues. Science was a logical beneficiary in this situation not only because R & D was looked upon as fitting in with the philosophy of the "investment" budgets put forward by President Kennedy, but also because science was politically palatable. Major spending of federal programs of aid to education and medical care to the aged, for example, encountered impassable opposition in Congress at that period.

Because the scientific enterprise was starting from a relatively small financing base, the percentage increases in funding were very large. The expansion of the space program—the NASA budget rose from under $2 billion in 1962 to about $5 billion in 1966—of course provided a major fillip. The 1960's was a period of unexample expansion in higher education and there were jobs in universities and colleges as well as in industry for the rising tide of graduates of scientific manpower programs.

By the middle 1960's the buildup in Vietnam and the mounting cost of Great Society social and welfare programs had taken the discretionary slack out of the budget. President Johnson's fiscal 1967 budget submitted in January 1966 was the first budget in a decade not to carry a request for an increase in total spending for R & D. And from then on inflation took a mounting toll.

What are the post-Vietnam prospects for science? It is difficult to see the implications for science in the President's efforts to implement his concept of a "New Federalism." The budget indicates he will seek to strengthen state local governments by devolving responsibility for community programs currently administered by the federal government and by shifting federal funds directly to the operating governments through new "revenue sharing" programs. Most R & D programs presumably are "national" programs and would continue to administered from Washington. Congress, however, is expected to take a protective stance toward many of the programs in question and the debate over revenue sharing is likely to become a major skirmish in the battle of the budget.

A better clue to the outlook for science is probably the evaporation of the so-called "peace dividend" which was anticipated at the end of the Vietnam war. The continuation of military spending at a high level and the rigors of the Administration's countercyclical budget, which incidentally has been projected into 1975, seem to leave little room for expansion of the science budget. A group of independent economists in a Brookings Institution study, *Setting National Priorities The 1973 Budget*, see this inelasticity built into the budget lasting into the next decade unless big tax increases are voted or a major reordering of priorities occurs.

This sort of an economic interpretation of the fortunes of R & D in the federal budget can be carried too far. Sputnik, for example, obviously helped give impetus to R & D in the late 1950's and early 1960's. But it is clear that science faces tough, long-term competition for funds in the budget. Looking back, the early 1960's were

a mini-golden age for science, cut short by long-term trends in the budget.—JOHN WALSH.

PRESIDENT PROPOSES, CONGRESS DISPOSES—TRUE OR FALSE?

Congress's power of the purse is one that, like other powers, has come to be heavily shared with the executive branch. The President's new budget is subject to review by Congress, but, in practice, the legislators have limited possibilities for reordering the President's priorities. Internal disarray is one reason—Congress has no equivalent of a budget bureau to assess the overall budget only appropriations committees which do a piecemeal job. When Congress diverges from the dictates of the Office of Management and Budget (OMB), the Administration has a variety of devices for sidestepping congressional intent, ranging from a presidential veto to a simple refusal to spend the monies appropriated, a practice known as impoundment.

In the last session of Congress, for example, President Nixon twice vetoed appropriations bills containing more than he had requested for the Department of Health, Education, and Welfare (HEW). Congressional initiatives to set up a National Institute of Gerontology and a National Environmental Data System were also cut down by presidential veto. Probably the most pointed rebuff was Nixon's action on the water pollution bill, one of Congress' major legislative achievements, which provided money for waste treatment plants. The President vetoed the bill, Congress overrode the veto by overwhelmingly majorities of 52 to 12 in the Senate and 247 to 23 in the House, whereupon Nixon ordered that more than half of the funds—some $6 billion—authorized for the program's first 2 years be withheld.

Such high-handed behavior by the President in an area Congress feels to be its own preserve is deeply resented by many legislators. Particular fury has been generated by impoundment, a device that allows the President to kill parts of a bill without the fanfare of a full veto. Resentment over impoundment policies is believed by White House officials to have been the decisive factor in their defeat on the SST in March 1971. And impoundment promises to be a significant issue between Nixon and the 93rd Congress. Senate majority leader Mike Mansfield noted in his speech to the Senate Democratic caucus last month that impoundment is a "dubious Constitutional practice" which "denies and frustrates the explicit intention of the Legislative Branch." Similar expressions of impotent rage have been heard in the House, notably from Representative Jake Pickle (D-Texas), who complaiend recently: "A budget drawn up by the OMB seems to carry here the force of law. An act of Congress signed by the President does not. At this rate, we might as well sit around and make paper airplanes out of the laws we pass."

Contrary to the impression these protests might give, Nixon did not invent impoundment, which proved equally convenient for Presidents Kennedy and Johnson. (Over the last decade, impoundments have run at about 6 percent of total federal outlays.) The issue has been helped to prominence now in part because of the pressure being put on Congress by institutions such as Common Cause and Ralph Nader to assert its prerogatives, including that of financial control. More important; the party difference between Nixon and the present Congress casts his use of impoundments in a more partisan context than that of his predecessors. As it happens, impoundments have fallen heavily on such Democratic causes as urban renewal and the model cities program.

The most recent list of impounded funds the OMB has made available, current to the end of fiscal 1972, shows a total of some $10.5 billion withheld. Most impoundments are only temporary in that they are eventually released, sometimes up to a year late. Others, it seems, would revert to the Treasury if impounded until their appropriations, authority expired. The OMB is unable to say what percentage of impoundments are permanent.

IMPOUNDMENT AND PERMISSIVENESS

The constitutional issue of impoundment hinges on whether the President must or only may spend the sums appropriated by Congress. With some notable exception (such as the chairman of the House appropriations committee, George H. Mahon), Congress argues that he must, while the executive branch claims that appropriations are only permissive. OMB officials cite laws interpreted to mean that funds can be impounded for reasons of routine financial management (such as a project being delayed) or to combat inflation. The congressional comeback is the allegation that impoundments are made for reasons of policy. On one occasion the OMB withheld all the add-ons to the President's budget made by the House Public Works committee—a move that Congress sees as a denial of its right to set priorities.

Other impoundments include $21 million for institutional support and $9.5 million for graduate traineeships which were withheld from the National Science Foundation's 1972 budget. (Both were subsequently released, though the funds for graduate traineeships went into a general purpose fund.) Funds impounded from the NSF this year total $75 million or 9 percent of a $646 million budget. The funds, which may or may not be released before the end of the fiscal year, include $16 million withheld from the much touted R & D incentives program, and $43 million from science education.

Congress has sometimes tried to write language into a bill making it mandatory for the President to spend the full amount appropriated. Nixon vetoed one such bill, grounding his action in part of a legal memorandum drawn up by the then assistant Attorney General William H. Rehnquist, now a Supreme Court justice. But the Rehnquist memo, though useful against mandated appropriations, contained some rather unhelpful thoughts on impoundment. The memo states, in part:

"With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported by neither reason nor precedent. . . . It may be argued that the spending of money is inherently an executive function, but the execution of any law is, by definition, an executive function, and it seems an anomalous proposition that because the Executive branch is bound to execute the laws, it is free to decline to execute them."

The constitutional question of whether the President can decline to execute appropriations bills may soon reach the Supreme Court as the result of a suit filed by the state of Missouri. The suit challenges the President's right to impound highway trust funds voted by Congress. Some 23 Democratic senators have filed friend-of-court briefs supporting the state's case. But the Supreme Court, if the case gets that far, is likely to make the narrowest possible ruling in an effort to avoid, if possible, arbitrating so fundamental an issue.

Besides impoundment, there are other budgetary devices whereby congressional directives may be reinterpreted. Transfer authority, written into appropriations bills by Congress, allows a limited amount of money to be switched within an agency's budget—up to $750 million in the Defense Department. Reprogramming is a device that permits funds to be shifted from one purpose to another within the same budgetary account; the procedure is for the agency concerned to check with the chairmen of the relevant congressional committees. In fiscal year 1972, reprogramming in Defense approached $1 billion. Other sorts of money over which congressional control tends to be feeble are secret funds—whose amount is unknown but may be on the order of $10 billion a year—and deferred balances. The latter are special-purpose appropriations that may be carried over from one year to the next; if the original purpose falls through, the unexpended balance may, depending on the wording of the authorization language, be applied to new uses. In fiscal year 1971, Defense had $43 billion in unspent authority from previous years, in addition to its $71 billion budget.

Quite apart from the external mechanisms that erode the appropriations process, the process itself is none too well attuned to modern times. The persistent failure of Congress to pass appropriations bills before the beginning of the fiscal year—this year's HEW appropriation is a case in point—simply invites agencies to develop ways of circumventing Congress. The system of House and Senate appropriations subcommittees is not the ideal machinery for supervising a federal budget of present-day size and complexity. "We have no single, coordinated way in which we view the totality of our appropriations," Representative John A. Blatnik (D-Minn.) has observed. The creation of practically autonomous subcommittees within the appropriations committee has further split responsibility for total spending and overall management, he says. It remains to be seen whether the dissatisfaction of Blatnik and other congressmen will lead to any strengthening of Congress's appropriations system. The constitution may have given Congress what is called the power of the purse, but somehow the purse strings seem to lead round through the back door of the President's Office of Management and Budget.—N.W.

HEALTH

There are two generalizations that can be made about President Nixon's health budget for fiscal 1974. First, unless you are in an area that is one of the President's favorites—the White House calls them "high priority programs"—you will probably have less money than you did before, whether you are a research scientist or a sick person looking for medical care. Second, even if you are part of the in-crowd of the health establishment, increased funding in your field may not be as great as the Administration implies.

The President's budget for the Department of Health, Education, and Welfare (HEW) is one that reduces federal support for health delivery or service programs, sometimes to the point of extinction, and cuts basic research funds as well. Many observers see some merit in trimming some of the service programs under the Health Services and Mental Health Administration (HSMHA) and the National Institute of Mental Health (NIMH), agreeing with the President that they have either proved unsuccessful or have fulfilled their mission. Regional medical programs under HSMHA fall into the former category. They will be obliterated with little mourning. The NIMH's community mental health centers program, which will cost about $134 million in 1973, fall into the latter. The Administration maintains they have demonstrated their value and should now be supported by local governments. Within NIMH, the only programs in line for major funding increases are those dealing with addiction and drug abuse. The 1974 budget calls for an expenditure of $448 million in this area. The 1973 figure is given as $204 million. Options about the merits of this selective boost are mixed.

When it comes to the budget proposals for the National Institutes of Health (NIH) and, therefore, federal support of research,

there are few, if any, leaders of the biomedical community who are happy with the choices that the President, through his Office of Management and Budget (OMB), has made,

Nixon's favorite, high priority programs reside within the NIH. As everybody knows, they are cancer and heart disease. Each will benefit from an increase in funds. According to OMB figures, the budget of the National Cancer Institute (NCI) will go up by $74 million to $500 million for fiscal 1974. Heart disease seems to be a lesser favorite. The allotment for the National Heart and Lung Institute (NHLI) will jump by $19 million to $265 million, again according to OMB figures. It is not exactly a staggering rise. It is, however, a big jump over the 1972 budget which was $224 million. Sickle cell anemia has also been singled out as a priority program—NIH officials are beginning to refer to them as the President's "sacred cows"—and population research will go unhurt. As for everything else . . . According to NIH leaders, this is the first year that general research funds have suffered an absolute decrease, the first year that the emphasis on cancer and heart disease has actually cost other disciplines in dollars and cents. The President's budget is something they do not defend.

The first question anybody asks about the budget when it rolls off government printing presses at the end of January is, simply, is it up or down. Each year, the Administration, as one might expect, tries to emphasize places where its support of popular programs has grown. The press and other observers try to sort out the figures to see whether they will buy the government's analysis of itself. It is never an easy job. This year, with the health budget, it is particularly tricky, because the 1973 budget, which would normally be a standard reference against which to measure the upward and downward trends in the 1974 HEW money bill, does not really exist. It is the budget the President vetoed last summer. It has never been revived. Instead, NIH and all other agencies in HEW have been living on a "continuing resolution," which means that spending has been held, more or less, to 1972 levels.

As a result of this unusual and highly confusing situation, there are three different sets of 1973 figures one can use as a yardstick for measuring the 1974 budget. There are the figures in the original 1973 budget, the one Nixon sent to Congress last January just as he is sending the 1974 budget to the Hill now. There is the "revised" 1973 budget which is listed in the 1974 budget and which the Administration now considers the one that counts. It's figures are consistently lower than those originally presented for 1973. And, there is the 1973 budget according to the Congress of the United States. It's figures are consistently higher than either of the other two.

By looking at the various numbers as they apply only to the budgets for the NIH's institutes and research divisions, one can get an idea of the numbers games there are to be played. The total request in the 1974 budget is $1.531 billion. The total request in the revised 1973 budget is $1.483 billion. Thus, the new NIH budget is $48 million more than the old one. However, if you compare the 1974 figure with the original 1973 request ($1.570 billion), you get a different answer: $1.570 (1973)—$1.531 (1974) =—$0.39.

Viewed that way, NIH comes out way behind, particularly because these figures do not include inflationary factors. If you look at NIH from the perspective of what Congress wanted, the situation is poorer yet. Congress passed a bill appropriating $1.783 billion to NIH for 1973. By that measure, the President's 1974 request puts research $252 million behind.

Whatever set of figures you use to evaluate the situation, it is obvious that federal spending for medical care and for biomedical research is declining. Neither area was accorded any special treatment in the Administration's overall plan to trim federal spending. Certainly, this will offend those who used to be the recipients of federal largesse. Along these lines, the Administration will continue to push for development of controversial Health Maintenance Organizations which involve pre-paid care. However, it will bow out of graduate training and its concomitant institutional support altogether (*Science*, 26 January). Some institutional support will come through capitation grants, but they will be funded only at 1973 levels which many schools consider inadequate. Furthermore, the Administration has acted to reduce capitation. It will limit those funds to the country's 125 schools of medicine and osteopathy and 58 schools of denistry. Nurses and other health professionals are now out of the capitation picture. Whether these budgetary actions will really have an irreparable and adverse affect on the progress of biomedical research and the quality of medicine is hard to gauge, to put it mildly. But one aspect of all this that the biomedical brass finds most distasteful is the fact that they are really not in on the decision-making any more. For political reasons, for example, cancer and heart disease are targeted to be conquered and the implication is that, with enough money and good management, they will be. The OMB apparently believes this. Most scientists still do not, but their opinions carry little weight.

—BARBARA J. CULLITON.

SCIENCE FOUNDATION

The proposed budget for the National Science Foundation (NSF) for fiscal 1974 will be going up and down at the same time. In terms of actual spending, there will be a 2 percent rise to $584 million. In obligations, which include future spending, NSF will seek $641.5 million, or $33.2 million less than it did last year, and $8.7 million less than Congress appropriated when it voted $650.2 million for NSF's 1973 budget.

This has happened partly because this year NSF didn't get its full appropriation. The OMB held in reserve about $62 million of NSF's budget during fiscal 1973. The Administration plans to spend that money instead during fiscal 1974. Hence it can seek a lower new appropriation. This system of reducing new appropriations is being used throughout the budget this year.

At a press briefing on the budget, NSF director H. Guyford Stever maintained that NSF's basic research was being sustained in fiscal 1974. Most NSF basic research is funded through the Science Research Project Support (SRPS) program which seeks a 5 percent increase to $275 million. But if current 5 percent general inflation rates persist into fiscal 1974, this increase will be absorbed by inflation.

There are no new staff slots or funds for NSF to take over the functions of the now-abolished Office of Science and Technology. The White House announced on 26 January that Stever would be the new science adviser and NSF would assume OST's role. However, without new funds for this change, it is unclear how NSF can effectively don such a new, broadened role.

What will be cut back in fiscal 1974? The 1973 NSF budget was artificially swollen by about $20 million which paid for three ski-equipped C 130 aircraft for Antarctic research. More important for the future, graduate student support will decline by $4.8 million with the finish of the graduate traineeships. Institutional grants for science will decrease by $2 million to $6 million. NSF will seek $3 million only in special foreign currency for international programs; last year it sought $7 million.

There are some interesting increases reflecting NSF's interest in the newer so-called "practical" programs. The Very Large Array telescope will need $10 million in fiscal 1974 for construction. RANN, or Research Applied to National Needs, will get a healthy $9 million boost—largely in its hardware-oriented advanced technology applications section. Most of the basic science areas in SRPS receive $1 million raises; but engineering and social sciences did must better with $2.6 million and $2.1 million increases, respectively. The technology assessment program—one of the few relics of last year's Presidential Technology Message—will still be funded at $2 million, and the money for the R & D incentives program, which for a time had most of its $18 million 1973 appropriation held up by OMB, now expects to get $15 million before the end of fiscal 1973 and $18 million in fiscal 1974. Science education, which had $30.8 of it funding held up last year by OMB, will receive that money during fiscal 1974 along with a smaller new amount of $29 million—a clear example of how OMB holds on funds are being applied to the 1974 budget.

The NSF budget also illustrates the lesson that such documents cannot be read too skeptically. NSF's lead chart shows steady increases in NSF's "direct program funds" from $600 million in fiscal 1972 to the $641 sought for fiscal 1974. But in terms of budget authority—the ceilings on programs—NSF's share, with the exception of the airplanes—has been going down from $618 million in fiscal 1972 to $579.6 million in fiscal 1974.

What will become of the proposed NSF budget? If the past is any guide, the House and Senate will try to increase it, perhaps by as much as $50 million.

OMB may well continue to impound funds or delay them. Asked about this, Stever said he had assurances that OMB was committed to the full fiscal 1974 amount. But he later added "I have my suspicions." OMB withholding could well cancel out any congressional increases.

Most important, however, is the three-way fight brewing over NSF's future mission. The Administration's announcement that Stever and NSF will take over the science advisory role clearly indicated a new dimension for the agency. Meanwhile Senator Edward M. Kennedy (D–Mass.) whose bill, S32, would establish a new, applied wing within NSF, can be expected to try to move it through Congress this session. And the Republican legislators this year intend to submit an alternate bill dealing with NSF's role to the Congress too. If any rash reorganization of NSF comes about, it could affect how much money it finally receives.—DEBORAH SHAPLEY.

INFLATION

No one should read the federal budget, or any R & D funding statistics, without bearing in mind the impact of inflation on all the numbers involved.

The federal budgets, with some exceptions in the Department of Defense, do not include inflation rates in their calculations of spending trends so readers must calculate them in as they proceed to evaluate the actual worth of the funding. The difficulty lies in knowing which inflation rates to apply.

In 1973, the country's general rate of inflation was frequently mentioned as standing near 5 percent. The Administration hopes to cut that rate to 3 percent by 1 July 1973—at the start of fiscal 1974.

However, there is no single rate of inflation that applies everywhere; different fields of science have different rates of inflation, according to Edward C. Creutz, assistant director (research) of the National Science Foundation. Some fields of science use more equipment than others, and he says the cost of equipment, particularly of very sophisticated equipment, inflates more rapidly than do salaries and expenses. Thus, funding for high-energy physics, inflates not at the general 5 percent rate but at about 2 percent higher, or 7 percent. Creutz says that a rate of 2 percent higher than the normal rate is a

sound, "across the board" number to use for inflation in equipment-intensive fields.

Funds for less equipment-intensive fields, such as mathematics and theoretical astronomy, inflate at the general rate, since the money is spent for salaries and expenses. Scientific salaries are not inflating as fast as they were a few years ago, however, because there is currently a surplus of scientists for some fields, Creutz says.

So for fiscal 1973, an inflation rate of 5 to 7 percent should be applied depending on the field of R & D. Should the Administration succeed in lowering the general rate in fiscal 1974, rates of 3 to 5 percent should be applied.—D.S.

ENERGY

With nationwide shortages of fuel oil this winter spurring public fears of an energy crisis, the Administration's new budget propitiously asks Congress for $772 million to support energy-related R & D—an increment over the current fiscal year of $130 million. The new budget conveys continuing confidence on the part of the White House that the nuclear breeder reactor will meet the nation's long-term needs for electrical energy, but, for the short term, the budget carries quite a different message. In essence, the White House wants the nation's utilities to place more reliance on coal—as opposed to oil and natural gas—to meet energy demands through the mid-1980's. And the budget contains some sizable sums to buy the technology to make this new reliance possible.

As the budget's section on R & D puts it:

"Improved technology cannot, by itself, solve all energy and related environmental problems. But it can contribute to substantial reduction of their impact, particularly by the production of clean energy from coal—our most abundant fuel source."

The nation's known coal reserves exceed 500 billion tons, enough to last at the current rate of production for 800 years or more. Much of this, however, is bituminous coal containing up to 10 percent sulfur, an amount that makes it wholly unacceptable for use in most urban areas, especially in the Northeast, where strict limits on emissions of sulfur oxides are enforced. The President's Council on Environmental Quality has estimated that between 1970 and 1985 coal's contribution to the nation's total energy supply will slip from 20 to 17 percent unless economical methods are developed to overcome the sulfur problem.

Accordingly, the 1974 budget asks Congress for $129 million for fossil fuel R & D, an increase of nearly 20 percent over the current year. Most of this would be spent by the Interior Department through contracts to industrial firms; special emphasis would be placed on developing methods for "precombustion cleaning of coal to meet environmental standards." Such methods include gasification and liquefaction of coal and solvent extraction of sulfur from raw coal. A total of $60 million is earmarked for development of this technology in fiscal 1974, an increase of $15 million.

At the same time, the Administration will phase out a program in the Environmental Protection Agency that sought to develop means of scrubbing sulfur oxides from the stack gases of industrial and power plants. Thus industry is presented with a choice of pursuing stack gas technology on its own—an unlikely prospect, given current problems with the technology—or of banking on the success of "clean coal" technologies. The net effect may be a powerful inducement to accelerate coal mining in the vast and largely untouched deposits of the central plains and the Rocky Mountain states.

The rationale for accelerated coal production is not purely technological, however. In an energy message planned for later this winter, the President is expected to characterize increased coal production as a boon for national security and the U.S. balance of payments, to the extent that clean coal can reduce U.S. reliance on foreign petroleum and natural gas of low sulfur content.

Other, alternative sources of energy also receive new support in the 1974 budget. Money for solar energy and geothermal R & D would double to $16 million, and the Atomic Energy Commission is to receive $323 million for its work on the breeder, raising the government's contribution by 20 percent. Nonmiliary R & D on controlled fusion would increase $7 million to a 1974 total of $44 million The Administration also lumps the millions it is spending on laser-triggered fusion weapons under the heading of "clean energy" programs, on the grounds that such work might produce spin-off of interest to the civilian effort.

The new budget also creates a $25 million "central fund" for energy in Interior to support the "exploitation of promising technologies." This new money would seem to vest Interior with new authority over energy R & D, an arrangement that is consistent with the President's announced intention of transforming Interior into a Department of Natural Resources with central authority over national energy policy, both nuclear and nonnuclear.—ROBERT GILLETTE.

ENVIRONMENT

Is there anyone here who understands this book? These numbers don't make any sanse to me.—William Ruckelshaus, Administrator, Environmental Protection Agency (EPA), in discussing a portion of the budget with newsmen.

Mr. Ruckelshaus' tongue was planted firmly in cheek, but his complaint is nonetheless a common one. Federal budget documents are as much a masterwork of public relations as a proposal to Congress, and their lucidity sometimes rivals that of the Penn Central Railroad's annual report. But so far as one can divine from the voluminous documents released last week, the sector of the federal budget loosely described as "natural resources and environment" fared as well as any other category in a year when the watchword, more than ever, is inflationary control.

President Nixon has withheld about half the $11 billion authorized last week by Congress—over his veto—for water pollution control. At the same time though, the White House proposes to more than double the amount actually to be spent on pollution abatement (mostly for municipal sewage plants). This amount would rise from $727 million in fiscal 1973 to $1.6 billion in fiscal 1974.

In addition, the White House places a figure of $1.012 billion on its request for environmental R & D in fiscal 1974, an increase in obligations of $60 million. Much of this increase apparently would go into energy R & D.

A billion-dollar figure for environmental R & D may be a bit misleading, however, in two respects. For one, the definition of R & D is stretched to include such government services as maintenance of a weather satellite system and topographic mapping by the Geological Survey. Moreover, a close reading of the budget reveals several significant reductions in areas classically defined as R & D. Not the least of these involves a major "redirection" of the EPA's research program that tends to shift the agency away from development of pollution control technology and toward a narrower mission of supporting the agency's regulatory functions.

Thus, in fiscal 1974, the EPA's obligations for R & D would drop by $25 million to a level of $148 million. The single greatest cut, and potentially the most controversial, is an 88 percent or $15 million reduction in EPA's support of solid waste processing technology. In a news conference, Ruckelshaus maintained that this "new technology is in hand" and that it was now up to local communities to adapt it to their solid waste problems. This view, however, is not universally shared within the agency. "Obviously," one EPA official said privately, "this is a devastating reduction."

At the same time, the White House budget office proposes to cut 30 percent or $3 million from EPA's work on cleaner, alternative automobile engines and to terminate the agency's $5-million program to develop devices for scrubbing surfur oxides from industrial stack gases. Ruckelshaus said that the EPA has fulfilled its responsibility of nurturing this technology to a point where "only engineering problems remain," although he acknowledged that the severity of these problems is a matter of great controversy in industry.

Other EPA research programs in radiation, pesticides, noise, water quality, and the social effects of pollution would remain static or rise slightly in the new budget.

Elsewhere, the Interior Department cut $24 million from its Office of Saline Water, marking the end of a desalination demonstration program. The $2 million that remains will be applied to "basic" research in desalination. In what appears to be a pattern throughout the environmental sector of the budget, this reduction was offset by the creation in Interior of a $25-million contingency fund for energy R & D. Thus, a few selective increases appear to balance out a few selective cuts, leaving the overall funding picture essentially static.—R.G.

MILITARY

With an initial "post Vietnam" budget of $81.1 billion, the U.S. military establishment would have by far the largest peacetime budget ever, yet it is caught in an increasingly tight and troublesome fiscal situation. For the Pentagon the "peace dividend" comes largely in the shape of a struggle to meet huge payroll and retirement benefit costs, bear up under inflation, and, at the same time, modernize its forces by buying incredibly expensive new weapons—for instance, $19-million fighter aircraft (the F–14) and $1-billion submarines (the Trident).

In fiscal 1965, the last year before the massive U.S. involvement in Vietnam, the military budget was about $50 billion. By fiscal 1969, at the peak of the Vietnam war, the military budget—all of these figures include military assistance to foreign nations and defense-related spending of the Atomic Energy Commission—had increased by $31 billion to approximately its present size. Operational and force levels were of course much higher in fiscal 1969 than they are today. There were then 3.4 million uniformed personnel, some 1.2 million more than at present. Strategic forces then were at about the same strength as now except that today there are fewer B–52 bomber squadrons, but more missiles with multiple warheads. But conventional or "general purpose" forces—tactical air wings, attack and antisubmarine carriers, airlift and sealift forces, and so on—were all at higher levels 5 years ago.

Where, then, did the peace dividend go? There has been no decline in the military budget primarily because of two legacies of the Vietnam war—inflation and the "all-volunteer forces," with its extraordinary high payroll costs. Economists seem to agree that the wartime inflation, which zoomed upward to an annual rate of more than 6 percent in 1970 before it was finally checked, resulted from the government's failure to raise taxes promptly and avoid a deficit when military costs began escalating in 1965 and 1966. The price index for defense as well as other federal purchases is now up by more than a third of what it was in fiscal 1964. The idea of an all-volunteer army gained political currency as the military draft became one of the detested symbols of an unpopular war. Accordingly, the goal of phasing out the draft—this has just now been completed—and creating an all-volunteer force was adopted by Rich-

ard M. Nixon in his 1968 campaign platform as a way to defuse the war at home.

To attract the volunteers, the Administration and Congress set about to increase military pay and did so with a vengeance. In 1964 the basic pay of an Army recruit was $78 a month; by 1972 it had rise to $332 a month. A sergeant's basic pay during this period went from $205 per month to $467, a colonel's from $985 to $2057. The budgetary impact of the higher pay scales and allowances for active duty personnel, plus increasing benefits for retired personnel, was to be enormous. In fiscal 1968 the budget (actual outlays) for the Department of Defense was $78 billion, and, of that total, 42 percent was allocated to manpower costs, 42 percent to "investment" (weapons procurement, research and development, and construction of facilities), and the remainder to costs of operations. Under the fiscal 1974 budget, however, the share of manpower has risen to 56 percent and the share for investment has declined to 29 percent. The one encouraging sign Pentagon officials have noted is that over the past year these percentages have held steady, with no further erosion in the investment category.

There is expected to be one modest peace dividend, part of which can be applied to modernization of forces. Preparation of the new budget was completed prior to the announcement of the peace agreement, but, by taking into account the continuing "Vietnamization" of the conflict, the budget does show a decline of $3.3 billion from the $6.2 billion to be spent during the current fiscal year in Southeast Asia. Whether there will be any additional "dividend" from the Vietnam peace is not yet known. Investment in weapons procurement, R & D, and construction of facilities will rise by about $1.3 billion. Allocations for basic research will go up by about $29.6 million, remaining at about $0.5 billion overall, and the total for all R & D increases from $6.5 billion to $7.4 billion (this stated in terms of "obligational" authority rather than of outlays).

Development of three new strategic weapons would be continued under the new budget—the so-called antiballistic missile "Site Defense," the B–1 bomber, and the Trident ballistic missile submarine. The Site Defense is designed to defend U.S. Minuteman missile sites. The Strategic Arms Limitation Talks (SALT) agreement bans any deployment of such a system beyond the existing installation at Grand Forks, North Dakota, and one for the protection of Washington, D.C. (which the Administration apparently now has no intention of building). Further development of the system is referred to in the budget document as a "hedge" against possible abrogation by the Soviets of the SALT agreement.

The Air Force hopes to buy 244 B–1 bombers over the next 10 years, at a cost of about $11 billion. The Navy intends to build 10 Trident submarines, at a cost of $13.5 billion (unofficially, there have been reports that the Navy hopes to build perhaps as many as 15 or more of these submarines). The need for Trident and the B–1 has been disputed by the Federation of American Scientists, which includes among its leaders such strategic arms experts as Herbert F. York (former director of Defense Research and Engineering), and by the Center for Defense Information, a new group headed by a recently retired rear admiral who has held important sea commands. The 1974 budget document indicates that the real purpose of moves to deploy new systems such as Trident and the B–1 is to "provide the Soviet Union an incentive for meaningful negotiations" in the new round of SALT talks. This, in a word, is the "bargaining chip" argument.

As the enormous fiscal problems manifest in the proposed budget make clear, however, there is reason to question just how many new bargaining chips the United States can afford to put on the table. A projection for defense spending in fiscal 1975—still another year ahead—shows outlays rising to $85.5 billion or $4.4 billion over the outlays now proposed for 1974, with military pay and retirement benefits again the major factor in the increase. It will be ironic indeed if the "all-volunteer force" that has emerged as a legacy of Vietnam should turn out to be a built-in inducement to arms limitation.—LUTHER J. CARTER.

SPACE

The space program seems to be alive and well as it makes the transition into the post-Apollo era, despite recent fears at the National Aeronautics and Space Administration (NASA) that its activities might be cut back severely. NASA's fiscal 1974 budget of $3.1 billion is little more than half what its budget was at the peak of preparations for Apollo but is about the same size as this year's. Commenting on the new budget, NASA administrator James C. Fletcher pronounced the space program to be "balanced" and "surprisingly strong." Manned spaceflight activities will remain important, but with the unmanned and scientific activities claiming a larger share of the NASA budget than they have in the past. The experimental space station Skylab will be launched on schedule, in May of this year; the Apollo-Soyuz Test Project, the joint flight with the Soviets, will take place in the summer of 1975; and the first orbital launch of the space shuttle—the reusable vehicle intended to cut the cost of carrying astronauts and heavy payloads into space—is to come in 1979.

In the field of unmanned planetary exploration, a Pioneer mission to Juniper and a Mariner Venus-Mercury mission will be launched later this year, to be followed by a Mariner Jupiter-Saturn mission in 1977. The Viking orbiter/lander mission to Mars is set for 1975–76. Other activites will include the launching of the Orbiting Solar Observatory in 1974, of two German-American solar probes in 1974 and 1976, and of a number of technological "applications" satellites (for earth resources reconnaissance, weather studies, and the like) between now and the end of 197. With the foregoing manned and unmanned space activities, together with a modest program in aeronautics, NASA would have about 25,000 civil service employees throughout the 1970's and support about 100,000 contractor personnel (the later figure going somewhat higher at the peak of work on the space shuttle).

A clear indication that NASA's major programs were safe (certainly for the moment) came several weeks ago when the agency, faced with White House demands to do its part toward holding total federal spending for fiscal 1973 to a $250-billion ceiling, escaped with a cut of only $179 million. To make the cut, development of the shuttle was ordered slowed by somewhat less than a year off of its original schedule and the launch dates for two of the technological applications satellites was ordered delayed. In addition, there were decisions to suspend the High Energy Astronomy Observatory project (pending redesign of HEAO in a cheaper configuration), to phase out the communications satellites project (letting industry take over), and to terminate long-term projects for development of nuclear propulsion and large-scale nuclear power sources.

Should there ever come a decision to kill or indefinitely postpone the space shuttle, the agency's status may slip to that of an inconspicuous scientific and technological agency quietly doing interesting but not very exciting things. The shuttle is in fact critical to NASA's future, as that future is now envisioned. During this decade as much as a third of the agency's civil service personnel and up to one half or more of its contractor personnel will at times be working on this project. And, for the long term, once the shuttle becomes operational—at a total cost of at least $6.5 billion—an ambitious program of flights will have to be carried out to justify having built it. In terms of cost-effectiveness, the shuttle does not start breaking even unless at least 30 heavy scientific, military, or other payloads are launched annually over a 12-year period.

NASA officials probably are not going to be able to rest easy about the shuttle until a few billion dollars have been spent on it. Not more than about $775 million will have been spent by the close of fiscal 1974—little enough that the Administration might be tempted to cancel the project should severe budgetary difficulties again arise.

Yet NASA officials seem confident that the shuttle will be built, and there perhaps is little reason to believe otherwise. President Nixon has supported the project—although his new budget message contained no mention of the space program whatever—and, in Congress, it has survived handily all past attempts to kill it. The fact that the project helps sustain an aerospace industry that has suffered grieviously from layoffs is a point lost on no one. And, then too, NASA has going for it the fact that, both in Apollo and in the unmanned programs, it has generally met its goals and stayed within its budget.—L.J.C.

SUPERSONIC TECHNOLOGY

Ever since that day two years ago when the White House lost, by a close vote in the Senate, the battle to keep the supersonic transport alive, there has been speculation that President Nixon would ultimately seek to revive the project. The evidence now is that the President does indeed look to a possible revival of the SST, but not until later in the 1970's. The new NASA budget contains $28 million—more than twice as much as last year's budget—for research and development on supersonic technology. The work will focus on problems of noise, pollution, and efficiency of configuration.—L.J.C.

ELITE GRADUATE SCHOOLS ARE IN TROUBLE

(By Andrew Barnes)

America's elite graduate universities, the top dozen or so that produce a quarter of the Ph.D's each year, are in trouble. Enrollments are off, sharply at some schools, and all face financial trouble.

"The graduate education enterprise is being torn apart. It's a goddamn disaster," says the dean of the University of California at Berkeley, Sanford Elberg. He will lose funds for 900 of his 8,900 graduate students next year, "and that's just the tip of the iceberg."

Harvard expects to be able to admit 550 new students in its graduate programs next fall, down from 900 a few years ago. Students angered at lower stipends, have formed a union.

The number of people studying for doctorate degrees across the country continues to inch up despite the well-publicized glut on the job market, but the most prestigious universities complain they are being cut off from the federal money.

Some deans report the best students have already begun to branch out beyond the traditional inner circle of graduate schools, searching for more money.

The prestige schools were the big gainers when federal money started pouring into advanced education after Sputnik in the early 1960's, and they are the big losers in the current pullback.

And they have fewer jobs to offer as teachers of undergraduates, the traditional mainstay for graduate students when the money gets tight. Because they have focused on the most advanced studies, they simply have fewer undergraduates.

Gone is a whole range of federal programs supporting the brightest students:

National Aeronautics and Space Administration fellowships have disappeared with cutback in the space program. The National Science Foundation is supporting 1,450 stud-

ents, down from 7,800 in 1968. Office of Education's support for the training of college teachers has dropped from $47 million to $3 million since 1970.

All were programs for the most able graduates, who chose to take their fellowships to the best universities.

The coming fiscal year budget calls for a drastic cut in health-related graduate studies, and elimination of language and area studies.

George Owen, dean of the graduate school of arts and sciences at Johns Hopkins, sees the withdrawal of federal money in such a way that it hits the top universities hardest as "meddling with the interests of the academic community."

PROPOSAL AT HEW

"I think it's a general anti-intellectualism," says Owen. "A demonstration of power. It's saying to us 'Behave, look what we can do.' It has a capricious aspect which is unforgivable."

The charge is denied by Charles B. Saunders, an official at the Department of Health, Education, and Welfare, who ascribes the difficulties that may be caused by changes in federal programs to the fact that "the federal government does not have a national policy for graduate education and it never has."

HEW has before it a proposal from a committee headed by Frank Newman of Stanford University that it give money to graduate students and let them spend it wherever they would like, but Saunders said the study has not yet been given serious consideration.

Meanwhile, in the words of Berkley's Elberg, "we are using up all of our reserves, to pour into the breach."

"We're not going to be able to recruit the finest (students) in the nation," he fears. and with less and less financial support to offer, the question is, "Will they come, if admitted?"

Elbert sees the impending dissolution of departments. "It's a question of how long they want us to remain a great national resource."

WORK VULNERABLE

At the University of Wisconsin, which granted more doctorate degrees in 1970–71 (915) than any other university, Dean Robert M. Bock sees "very costly dislocations" coming. Graduate enrollment is down 1,000 since 1968, and will continue to fall, because the way to pay for the programs "simply is not identified."

At the University of Illinois, acting dean George Russell sees the work "on the forefronts of knowledge" most vulnerable. Graduate enrollment has been cut back 20 per cent. If the enrollment of 8,000 had to be cut back to 4,000, Russell says he could do it intelligently, but that programs respond badly to the current "instability."

"There are certain things that worry me," Russell says, about the way federal contracts seem to be drawn so as to stifle publication. If that happens "then we're in real trouble." An attack on academic freedom would be "just as bad as the attack on free press."

The University of Michigan, another of the public giants usually included among the top ranks, Dean Donald E. Stokes complains that programs being cut now are ones that were instituted to meet national needs. Stokes talks about the "heated knife" of federal cutbacks.

"We are just going to have to withdraw support from students and terminate programs," Stokes says.

Among the private universities, the complaints are, if anything, more vociferous.

FURTHER CUTBACK

At Massachusetts Institute of Technology, Provost Paul Gray says the federal government supported 800 to 900 students three years ago, 400 now, 250 next year and the decline is expected to continue. Students are switching to programs at less experienced universities because they can get teaching jobs.

Yale University's Dean Donald W. Taylor last week warned all graduate departments of a further cutback in the size of the graduate school next year, with an entering class of 425, well below the minimum of 500 he has written of in the past as forming a critical mass necessary to support specialized studies. "I see no reason for optimism at this point."

At the University of Chicago, Provost John T. Wilson reports enrollment stable despite sharp drops in federal graduate support. Chicago has concentrated on making loan money available as a substitute for grants. This may not work so well, Wilson says, for students who have already incurred many thousands of dollars of debt to pay for their undergraduate educations.

Princeton has seen a small cut in graduate enrollment, and a larger cut in the number supported by outside funds. "Students will be much less well supported," says Dean Charles Packard, and may decide not to come.

Harvard's reduction from 3,000 to 2,000 in graduate enrollment has meant "a lot of smaller, more specialized areas have had to be cut back," according to Richard Kraus, assistant dean.

As he was talking on the telephone last week, Kraus opened an envelope, containing only a torn piece of paper with a message, evidently from a disappointed scholar: "You should be ashamed of yourself."

QUALITY THREATENED

"Very high expectations are being eroded," commented Kraus, whose job is to parcel out the available money. "The pain is felt in extreme measure by the people who are here."

The Harvard Graduate Students Union argues that Harvard should spend more of the income of its $1.34 billion endowment to support graduate studies, but the university has so far disagreed.

Overall, what is happening to America's top graduate programs is seen by the Newman report on graduate education as:

"A shift in enrollment of Ph.D candidates from institutions of acknowledged quality to new institutions, giving rise to a threat to the overall quality of graduate training for scholarly research."

A central thrust of the Newman report is the encouragement of change among the 325 institutions which award doctorate degrees. This, it argues, can best be done with three new programs.

One would be direct grants to students, who would "vote with their feet," choosing the programs they believe to be best and being able to take their financial support with them.

A second would expand the federal role in making work and loan programs more available.

Third would be grants from the government to encourage promising innovations at colleges.

But this may be a long time coming, if it comes at all, and meanwhile the slogan of the Harvard graduate students remain "You can't eat prestige."

The PRESIDING OFFICER. Is there further morning business?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONSULAR CONVENTION WITH POLAND (EX. U, 92D CONG, 2D SESS.); CONSULAR CONVENTION WITH RUMANIA (EX. V, 92D CONG., 2D SESS.); CONSULAR CONVENTION WITH HUNGARY (EX. W, 92D CONG., 2D SESS.); EXCHANGE OF NOTES WITH ETHIOPIA CONCERNING THE ADMINISTRATION OF JUSTICE (EX. B, 93D CONG., 1ST SESS.); AND CONVENTION WITH JAPAN FOR THE PROTECTION OF BIRDS AND THEIR ENVIRONMENT (EX. R, 92D CONG., 2D SESS.)

Mr. ROBERT C. BYRD. Mr. President, as in executive session, on tomorrow, the Senate will vote on the following treaties and conventions:

First. A consular convention with Poland.

Second. A consular convention with Rumania.

Third. A consular convention with Hungary.

Fourth. A treaty involving an exchange of notes with Ethiopia concerning the administration of justice.

Fifth. A convention with Japan for the protection of birds and their environment.

I shall now read extracts from the committee reports with respect to each of the foregoing treaties and conventions.

As to the consular conventions with Poland, Rumania, and Hungary, the provisions contained in these conventions follow the pattern of bilateral consular conventions in force with a number of countries. They deal with such matters as the establishment of consulates in the countries involved, the inviolability of land and buildings used for consular purposes, tax exemptions, and notification to the consulate when a national of the United States is being detained by authorities in Hungary, Poland, or Rumania.

Set forth below are excerpts from Secretary Rogers' letter of submittal on each of the pending conventions:

POLAND

I believe that the signing of this Convention testifies to the welcome improvement in our relations with Poland which has been taking place during the past year. The Convention formalizes the consular rights and privileges agreed upon by representatives of the two countries as a result of negotiations begun in 1964 and pursued intermittently since then. Like bilateral consular conventions already in force with numerous countries, it guarantees early notification of detention of a country's nationals and access thereto; describes consular functions and responsibilities in such fields as the issuance of visas and passports and the performance of notarial services; and provides for the inviolability of consular communications, documents, and archives, and for the immunity of consular personnel with regard to legal proceedings in the host country.

HUNGARY

I believe that this Convention will make possible improved consular services in both countries. It will afford American citizens in Hungary a fuller degree of consular protection than existed previously, particularly by its guarantee of quick and unhindered communication between a citizen and his consul and prompt notification to the consul of any detention or other limitation of the freedom of one of his countrymen.

RUMANIA

As a result of this Convention, American and Rumanian consuls will be better able to help their fellow citizens in numerous ways. Improved consular services will be possible in both countries. These include issuance of passports and visas, performance of notarial services, and representation of the interests of nationals in estate matters.

More importantly, the convention assures that consuls whose nationals are detained or whose personal freedom is limited will be notified promptly—in no event more than 2 days—48 hours—after detention—and will have the right to visit and communicate with such nationals. Visits may take place as soon as possible, and may not be refused after 4 days—96 hours—from the date of detention.

DATE OF ENTRY INTO FORCE

The conventions with Poland, Rumania, and Hungary will enter into force 30 days after instruments of ratification are exchanged. According to the Department of State, all three of the countries involved have completed their ratification processes.

COMMITTEE ACTION AND RECOMMENDATION

The Committee on Foreign Relations held a public hearing on the conventions with Poland, Rumania, and Hungary on March 6, 1973, at which time Mr. K. E. Malmborg, Assistant Legal Adviser for Management and Consular Affairs, Department of State, testified in support of the conventions.

The committee considered the consular conventions in an executive session held on March 7, 1973, and, by voice vote, ordered them reported with the recommendation that the Senate advise and consent to their ratification.

As to the exchange of notes with Ethiopia concerning the administration of justice, the purpose of this exchange of notes is to terminate the notes exchanged on September 7, 1951, when the treaty of amity and economic relations between the United States and Ethiopia was signed. The notes which it is proposed be terminated set forth commitments on the part of the Ethiopian Government.

According to the executive branch, the notes have never been invoked during the 21½ years they have been in force and, in view of the unilateral and unusual character of the commitments involved, it is considered appropriate and highly desirable that the notes be terminated. The termination would become effective on the date the United States sends the Ethiopian Government a note informing Ethiopia of the U.S. intention to terminate.

COMMITTEE ACTION AND RECOMMENDATION

The Committee on Foreign Relations held a public hearing on the exchange of notes with Ethiopia on March 6, 1973. At that time Byron Keith Huffman, Jr., Assistant Legal Adviser for African Affairs, Department of State, testified on behalf of the administration. His prepared statement is reprinted below.

During an executive session held on March 7, 1973, by a voice vote, the committee ordered the pending exchange of notes reported favorably with the recommendation that the Senate give its advice and consent to ratification thereof.

As to the convention with Japan for the protection of birds and their environment, the purpose of the convention is: (A) to provide for the protection of species of birds which are common to the United States and Japan or which migrate between them; and (B) to provide that each country will develop programs to preserve and enhance the environment of the birds protected by this agreement.

BACKGROUND

The convention marks the culmination of several years of international conservation effort. Its origins date back to the 12th World Meeting of the International Council for Bird Preservation held in Tokyo in 1960. At those meetings, a Japanese-sponsored resolution, proposing that countries of the Pan-Pacific area conclude a convention for the protection of migratory birds, was unanimously adopted.

Following these meetings, studies were undertaken by the Department of Interior, the Smithsonian Institution and their Japanese counterparts. It was determined that approximately 189 species of birds should be protected by such an agreement.

In October 1969, delegates from the United States and Japan met in Washington and negotiated a draft convension. The current text is substantially the same as that 1969 draft.

The convention was signed in Tokyo on March 4, 1972, and was submitted to the Senate on August 18, 1972.

PROVISIONS OF THE AGREEMENT

The convention consists of a short preamble and nine articles followed by an annex which lists the 189 different species of birds protected by the agreement.

The primary objective of the convention is found in article III, which prohibits the taking of all migratory birds and their eggs listed in the convention's annex. Articles IIb and IIc provide for appropriate review and amendment of this annex in order to keep it current with scientific knowledge.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Convention between the Government of the United States of America and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, on March 6, 1973. At that time Ambassador Donald L. McKernan, Special Assistant to the Secretary for Fisheries and Wildlife and Coordinator of Ocean Affairs of the Department of State, testified in favor of the convention.

On March 14, 1973, the committee met in executive session and, by voice vote, ordered the convention reported favorably to the Senate for advice and consent to ratification.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. What is the pending business?

The PRESIDING OFFICER. The Senate is in a period for the transaction of routine morning business.

Mr. JAVITS. I thank the Chair, and ask to be recognized as within that period.

The PRESIDING OFFICER. The Senator from New York is recognized.

DR. BURNS AND INTEREST RATE BEHAVIOR

Mr. JAVITS. Mr. President, the behavior of interest rates during the past few weeks is a good example of the difficulty we shall have during the critical months ahead as we approach the top of the business cycle.

First and foremost I would like to commend the Federal Reserve Chairman, Dr. Arthur Burns, who also serves as the Chairman of the Committee on Interest and Dividends, for charting a secure course through the precarious issue of keeping interest rates in check, while continuing an appropriate monetary policy of moderate monetary expansion. He is just now in the way of making an extraordinary contribution to interest rate stability.

What we have read in the papers is that interest rates have gone up. This rise, incidentally, had been foreseen by virtually all economic analysts, for it is clear that with our economy under a full head of steam, the demand for credit is now running head-on with the need to keep the economy from going through the roof.

But now we have a change and the structure of interest rates in the financial markets is beginning to demonstrate the effect of Dr. Burns' Committee on Interest and Dividends. For example, the commercial paper rate, which consistently runs below the prime rate, was quoted today at 6⅝ percent to 7⅜ percent, which is substantially higher than the 6½-percent prime rate which is being posted by most major banks. As we have read, that 6½-percent rate is the direct result of Dr. Burns having convinced a number of major banks that they should go down from a 6¾-percent prime rate

level, but it is pretty clear that even the higher 7⅜-percent level is below what the prime rate would be if free market conditions were allowed to prevail.

It would be politically tempting to advocate hard controls on interest rates, but the current experience shows how difficult and dangerous this could be. For the difficulty is that the money markets are auction markets, where the law of supply and demand reigns virtually supreme; controls simply do not apply to auction markets. The danger of imposing hard controls is that controlled rates would impose huge distortions in the credit markets, shifting their activity and much heavier competition for funds into the low-interest rate sectors. We have already seen this happen with regard to the prime, which has attracted a disproportionate amount of borrowing out of commercial paper and into the banks themselves.

Also, when we are dealing with money, we are dealing with a subtle situation, not just in the local market but in the world market, which can be withheld without any great cost to the withholder but is terribly disruptive to bear.

What is developing from this experience, as described in the Wall Street Journal this morning, is an initiative by Dr. Burns to find ways in which increased pressure on interest rates will still keep debt costs for borrowers of moderate means down, while also keeping adequate flows of credit for those firms with access to national money markets. Here Dr. Burns is breaking new ground, and the complexities—both political and economic—of his task are enormous. The goal, which I believe to be in his grasp, is an interest rate structure where mortgage, consumer, and other rates which apply to the man in the street will not feel the full heat of rising interest rates. This is as much as we should expect from an economy which must at all times maintain the delicate balance between public policy and private freedom. Dr. Burns deserves great credit for maintaining this balance as do those banks that have shown a patriotic spirit of cooperation during this difficult time; I believe that this approach to interest rate "control" will prove to be the most equitable and effective, and at any rate, far less injurious to the economy than the direct controls which have been proposed by some.

I ask unanimous consent that an article about this situation in today's Wall Street Journal be placed in the RECORD.

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

[From the Wall Street Journal, Mar. 26, 1973]

ADMINISTRATION WANTS TO FREE PRIME RATE OF CONTROLS; URGES TWO-TIERED SYSTEM; SOME BANKS ROLL BACK BOOSTS

(By Edward P. Foldessy and James P. Gannon)

Although publicly chiding banks for boosting their minimum lending charges on corporate loans, the Nixon administration privately told bankers it wants to free the prime rate entirely from the control of the Committee on Interest and Dividends.

Despite the private disclosure, several banks bowed to the public criticism and partially rolled back their rate increases.

The administration's plan to decontrol the prime rate was detailed last Thursday at a meeting with banks that earlier had boosted their base interest rates to 6¾% from 6¼%. The banks ostensively were summoned to the meeting to "justify" their actions.

But informed sources said the discussions were "thoroughly political" with very little emphasis on the financial or economic side. The bankers were "severely warned" the sources stated, against making any public disclosure contradicting the committee's official statement after the meeting that the half-point increase in the prime rate "wasn't justified at this time.

Over the weekend, Arthur F. Burns, committee chairman, continued to press his public position. The committee summoned to meetings today three other banks that Friday announced increases to 6¾% in their prime rates: Chase Manhattan Bank, Chemical Bank and First National Bank of Chicago.

TELEPHONE CALLS TO BANKS

The action was followed up Saturday in telephone calls by Mr. Burns to banks posting 6¾% minimum rates. As a result of the calls, at least some banks, including Chemical Bank and First Pennsylvania Banking & Trust Co., Philadelphia, trimmed their rates to 6½%.

Chase Manhattan also lowered its prime rate to 6½% after its chairman, David Rockefeller, met with Mr. Burns in Washington Saturday afternoon. Mr. Rockefeller yesterday said Chase representatives will still meet with the CID staff today to present additional data. A spokesman for Chemical Bank, however, said its meeting was called off.

In the official statement last Thursday, Mr. Burns, who also is chairman of the Federal Reserve Board, suggested the banking industry adopt a two-tiered system for pricing corporate loans. Under such a dual system, large corporations that have access to national money and capital markets would receive one prime lending rate, while a second would apply to small businesses and "special moderation" would be observed.

On the question of the 6¾% prime rate, the statement went on: "It was the present judgment of the committee that, although costs of interest-sensitive funds to banks had risen considerably, an increase in the prime lending rate as large as one-half percentage point . . . wasn't justified at this time" on the basis of criteria the committee has previously set.

But according to sources at the meeting, Mr. Burns conceded the question of the prime rate was a "monkey on the back of the committee." That's "almost a direct quote," said one source. The committee chairman further told bankers that he'd rather prefer to see the prime rate itself treated as a money market rate and "outside the concern of the CID," the source related.

The interest committee is the watchdog group for so-called administered rates and hasn't any responsibility for open-market rates that fluctuate freely in response to supply and demand.

Another source said the CID isn't "particularly concerned with what General Motors has to pay. They're mainly worried about the corner drugstore."

UNHAPPY IN DUAL ROLE

It has been widely known in Washington that Mr. Burns has been unhappy in his dual role as chairman of both the CID and the Reserve Board. On one hand, the CID is obliged to keep the lid on interest rates. The Federal Reserve, however, for domestic and international considerations has had to foster higher market rates in an attempt to contain the nation's credit expansion.

By putting a lid on the prime rate, bankers have charged, the CID has distorted money flows and has made the Federal Reserve's monetary tasks more difficult.

Thus, setting the prime rate free, the Federal Reserve would have more latitude in carrying out credit policy.

But for political reasons the interest committee has had to pressure banks to moderate increases in the prime rate, analysts said. They noted the House Banking Committee starts hearings today on extending the President's wage-price authority for one year. And some administration critics have been pushing proposals to freeze all prices and interest rates for 60 days at their March 16 level.

If the CID didn't maintain the stern public position it has had on the prime rate, the analysts reason, it would hinder the administration's efforts at putting through a simple extension of the wage-price authority, unencumbered by mandatory freezes.

DOESN'T HAVE MASTER PLAN

According to bankers, Mr. Burns' dual-rate proposal would be the key to setting the national prime rate free. But the CID doesn't have a master plan to determine how to set up or administer the lower tier rate structure for small business. At the Thursday meeting, Mr. Burns told bankers he hadn't even had time to think of a definition of small business and indicated he might seek help from the Small Business Administration on that score.

Basically, the CID will rely on banks to come up with a viable plan to handle rates on loans to small businesses, one source said. "It isn't going to be worked out here," he stated.

Whatever the case, the maneuvering through the weekend left the banking industry widely split on the prime rate with some banks posting 6¼%, others at 6½% and still others at 6¾%.

The scurrying was initiated last Monday by Manufacturers Hanover Trust Co., New York, when it boosted its prime rate to 6¾% from 6¼%. It was joined by other banks including First National Bank of Boston; Continental Illinois National Bank & Trust Co., Chicago; Marine Midland Bank-New York; Republic National Bank of Dallas; Franklin National Bank of New York, and First Pennsylvania Banking.

By last night, all those banks, except Manufacturers Hanover, had trimmed their rates back to 6½%.

A number of other banks used the opportunity to raise their prime rates to 6½% from 6¼%. These included Wells Fargo Bank, San Francisco; Philadelphia National Bank; Chicago's Harris Trust & Savings Bank, and Commerce Bank of Kansas City. These increases brought no public response from Mr. Burns or other members of the interest committee.

At least one bank, San Francisco's Crocker Bank, over the weekend went to a 6¾% rate despite CID pressure that was placed on other banks.

Manufacturers Hanover said it would leave its prime rate at the 6¾% level announced last Monday. It said it believed the rate was within the guidelines of the interest and dividends committee, and would wait for the final assessment of the committee before taking any action.

Almost all of the banks that made any announcements Friday or over the weekend praised the idea of a dual prime rate and a number of banks moved to implement a lower-tier structure for small businesses.

Among these was Chase Manhattan, which Friday announced a "graduated" 6¾% prime before backing off to a straight 6½% rate yesterday. Under the graduated system, Chase said interest on loans at or tied to the prime rate, up to a total of $500,000 to any one borrower, would remain unchanged, linked to the 6¼% prime. All prime rate borrowings over that amount were to have earned a 6¾% rate.

"All loans tied to the prime rate will be covered by the new arrangements," Chase had said Friday. "The bank's prime rate will

be applied on a graduated basis in accordance with the amount outstanding to any single borrower."

In announcing yesterday the graduated system would be "temporarily" suspended, Chase said Mr. Burns "expressed considerable interest in the basic approach" the bank had taken. It added, however: "Mr. Burns said he felt the committee needed more time to study the various implications of the plan before making a definitive judgment."

First Pennsylvania took a different tack Friday. It said rates on consumer loans and residential mortgages would be frozen and that loan rates to small businesses that aren't contractually tied to the prime rate wouldn't be changed from pre-March 20 levels for at least a month.

The bank didn't make any mention of the freeze, however, after it rolled its prime rate back to 6½% Saturday.

In an interview, James F. Bodine, president of First Pennsylvania, said Mr. Burns called John Bunting, chairman of the parent company, "and asked Mr. Bunting to accommodate him (Mr. Burns). He fears that unless we roll back, every bank in the country would go to 6¾% (today). He asked us to stand fast temporarily, which was more or less defined as a period of about two weeks."

Asked if First Pennsylvania was likely to increase its prime rate after the cooling-off period, Mr. Bodine answered "sure." He added: "I believe the CID now concedes the point that we made the first time around—that the prime has to move with the money-market rates. Conditions could change in two weeks, but the environment of our discussions in the past few days has been such that we don't think it would be difficult to move to 6¾% at that time. It probably really ought to be 7% or 7¼%, but I don't think we'll get that level in two weeks time."

Franklin National, despite its rollback to 6½%, said it regarded 6¾% as justified. It added that it hoped there would be speedy clarification and implementation of the two-tier proposal. But, Franklin stated, it planned to reassess its position in the next week or two.

ORDER FOR SENATOR STEVENS TO BE RECOGNIZED ON WEDNESDAY, MARCH 28

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday next, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Alaska (Mr. STEVENS) be recognized for not to exceed 15 minutes.

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

PROGRAM

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

The Senate will convene at 10 a.m. Mr. FANNIN will be recognized for not to exceed 15 minutes, after which Mr. GRIFFIN will be recognized for not to exceed 15 minutes.

At 10:30 a.m., the first of five rollcall votes on treaties will occur—the treaties are not controversial and were reported unanimously from the Committee on Foreign Relations. The first yea-and-nay vote will require the usual 15 minutes, but the four successive following rollcall votes will be limited to not more than 10 minutes each.

The Senate will then take up the omnibus health program extension bill. Yea-and-nay votes will occur, and it is hoped that final passage of the bill can be secured tomorow.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and, at 2:02 p.m., the Senate adjourned until tomorrow, Tuesday, March 27, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 26, 1973:

DEPARTMENT OF STATE

Phillip V. Sanchez, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Honduras.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

The following-named persons to be members of the National Council on Educational Research for the terms indicated; new positions.

For a term of 1 year:
James S. Coleman, of Maryland.
Vincent J. McCoola, of Pennsylvania.
Vera M. Martinez, of California.
Carl H. Pforzheimer, Jr., of New York.
Wilson Riles, of California.
For a term of 2 years:
William O. Baker, of New Jersey.
T. H. Bell, of Utah.
Dominic J. Guzzetta, of Ohio.
Charles A. LeMaistre, of Texas.
W. Allen Wallis, of New York.
For a term of 3 years:
Patrick E. Haggerty, of Texas.
Ralph M. Besse, of Ohio.
John E. Corbally, Jr., of Illinois.
Ruth Hurd Minor, of New Jersey.
John C. Weaver, of Wisconsin.

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Gordon L. Doolittle, [redacted] FG, Air National Guard.
Brig. Gen. Raymond L. George, [redacted] FG, Air National Guard.
Brig. Gen. George M. McWilliams, [redacted] FG, Air National Guard.
Brig. Gen. Robert S. Peterson, [redacted] FG, Air National Guard.

To be brigadier general

Col. John C. Campbell, Jr., [redacted] FG, Air National Guard.
Col. Winett A. Coomer, [redacted] FG, Air National Guard.
Col. William D. Flaskamp, [redacted] FG, Air National Guard.
Col. Leo C. Goodrich, [redacted] FG, Air National Guard.
Col. Cecil I. Grimes, [redacted] FG, Air National Guard.
Col. Ronald S. Huey, [redacted] FG, Air National Guard.
Col. Paul J. Hughes, [redacted] FG, Air National Guard.
Col. Grover J. Isbell, [redacted] FG, Air National Guard.
Col. Billy M. Jones, [redacted] FG, Air National Guard.
Col. Raymond A. Matera, [redacted] FG, Air National Guard.
Col. Patrick E. O'Grady, [redacted] FG, Air National Guard.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 26, 1973:

COMMODITY CREDIT CORPORATION

The following-named persons to be members of the Board of Directors of the Commodity Credit Corporation:

Robert W. Long, of California.
Clayton Yeutter, of Nebraska.

SELECTIVE SERVICE SYSTEM

Byron V. Pepitone, of Virginia, to be Director of Selective Service.

DEPARTMENT OF STATE

Marshall Green, of the District of Columbia, a Foreign Service Officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

William B. Macomber, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

V. John Krehbiel, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Dr. Ruth Lewis Farkas, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

U.S. INFORMATION AGENCY

Eugene Paul Kopp, of Virginia, to be Deputy Director of the U.S. Information Agency.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the U.S. Air Force.

To be lieutenant general

Lt. Gen. James V. Edmundson, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. William Joseph McCaffrey, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Gilbert Hume Woodward, [redacted] Army of the United States (major general, U.S. Army).

IN THE NAVY

Vice Adm. James F. Calvert, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE MARINE CORPS

The following-named officer of the Marine Corps Reserve for temporary appointment to the grade of major general:

Louis Conti

The following-named officers of the Marine

Corps Reserve for temporary appointment to the grade of brigadier general:

Alan T. Wood
Hugh W. Hardy

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

Kenneth J. Houghton
Frank C. Lang
Robert D. Bohn
Edward J. Miller
James R. Jones
Charles D. Mize
Norman W. Gourley

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

Nolan J. Beat
Edward A. Parnell
Thurman Owens
Edward B. Meyer
William J. White
Noah C. New
Harold L. Coffman
Maurice C. Ashley, Junior

IN THE AIR FORCE

Air Force nominations beginning Omar R. Adame, to be lieutenant colonel, and ending Thomas F. Lowry, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on February 15, 1973.

IN THE ARMY

Army nominations beginning Laverne H. Dahl, to be lieutenant colonel, Regular Army, and colonel, Army of the United States, and ending Michael A. Richardson, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on February 15, 1973.

Army nominations beginning Joseph V. Brady, to be colonel, and ending Alberto W. Tio, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on February 15, 1973.

Army nominations beginning Sara E. Baucom, to be captain, and ending Walter M. Zoller, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on March 12, 1973.

Army nominations beginning Richard L. Absher, to be lieutenant colonel, and ending Armie K. Gruenewald, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on March 13, 1973.

IN THE DIPLOMATIC AND FOREIGN SERVICE

Diplomatic and Foreign Service nominations beginning Robert O. Blake, to be a career minister, and ending John E. Reinhardt, to be a career minister for information, and beginning John Eaves, Jr., to be a consular officer of the United States of America, and ending M. Patricia Wazer, to be a consular officer of the United States of America, which nomination list was received by the Senate and appeared in the Congressional Record on March 13, 1973.

HOUSE OF REPRESENTATIVES—*Monday, March 26, 1973*

The House met at 12 o'clock noon.

The Very Reverend Vasil Kendysh, Byelorussian Autocephalic Orthodox Church, Highland Park, N.J., offered the following prayer:

In the name of the Father, and the Son, and the Holy Spirit.

Almighty Father, Thou art our Creator, Teacher, and Judge. We beseech Thee, free us of all human weakness and guide us in every step of our life on a rightful path.

Eternal God, bless this august House of Representatives of the United States of America. Strengthen the minds of its Members with wisdom, fortify their hearts with love, and their deeds with courage and justice.

Merciful God, we pray Thee on this 55th anniversary of the Proclamation of Independence of Byelorussia, have mercy upon her people. Strengthen their faith in Thy infinite goodness, support them in their sufferings, restore their freedom.

O God, accept this humble prayer of ours, bless the United States of America. Bless Byelorussia and her oppressed people. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment, a bill of the House of the following title:

H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

The message also announced that the Vice President, pursuant to section 123 (a), Public Law 91–605, appointed Mr. RANDOLPH to the Commission on Highway Beautification in lieu of Mr. BAYH.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *March 22, 1973.*

Hon. CARL ALBERT,
The Speaker, House of Representatives.

DEAR SIR: On this date I have been served a Summons and Complaint by the United States Marshal that was issued by the U.S. District Court for the District of Columbia. The summons and complaint are in connection with Robert L. Mauro v. W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis Valeo, Secretary of the U.S. Senate, Civil Action No. 447–73 (U.S.D.C. D. D.C.). I have also received this date by certified mail (987602) the Plaintiff's Application for a three judge court to hear this action.

The Summons requires an answer to the Complaint within sixty days after service.

It is my purpose to inform you that I intend to make arrangements for my defense as provided for the Officers of the U.S. House of Representatives under 2 U.S.C. 118.

The Summons, Complaint and Plaintiff's Application in question are herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

SUMMONS

[U.S. District Court for the District of Columbia, Civil Action File No. 447–73]

(Robert L. Mauro, Plaintiff, *v.* W. Pat Jennings, Clerk of the U.S. House of Representatives; Francis R. Valeo, Secretary of the U.S. Senate, Defendants)

To the above named Defendant: W. Pat Jennings, Clerk of the U.S. House of Representatives.

You are hereby summoned and required to serve upon Robert L. Mauro, plaintiff, whose address is 20 Lippincott Avenue, Long Branch, N.J., an answer to the complaint which is herewith served upon you, within 60 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

JAMES F. DAVEY,
Clerk of Court.
MARY B. DEAVERS,
Deputy Clerk.

Date: March 7, 1973.

[U.S. District Court, District of Columbia, Civil No. —]

COMPLAINT FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF

(Robert L. Mauro, Plaintiff, *v.* W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis R. Valeo, Secretary of the U.S. Senate, Defendants)

Plaintiff Robert L. Mauro files this complaint under the Federal Declaratory Judgment Act, 28 U.S.C. Section 2201, and the Administrative Procedure Act, 5 U.S.C.A. Section 2201, stating that the bases for jurisdiction are that the matter in controversy arises under the Constitution and laws of the United States, diversity of citizenship exists, and the civil rights guaranteed to plaintiff under the Constitution and laws of the United States, particularly under Article XIV are being infringed.

Plaintiff petitions for a three judge court to hear the within complaint.

Plaintiff Robert L. Mauro, a citizen of the United States, and of the State of New Jersey, residing at 20 Lippincott Avenue, in the City of Long Branch, State of New Jersey, by way of complaint against the defendant W. Pat Jennings in his official capacity as Clerk of the U.S. House of Representatives, and whose office is at Room H–105, Capitol Building, Washington, District of Columbia, and the defendant Francis R. Valeo, in his official capacity as Secretary of the U.S. Senate, said defendant's office being in Room S–221, Capitol Building, Washington, District of Columbia, alleges that:

FIRST COUNT

1. Defendant W. Pat Jennings is the Clerk of the U.S. House of Representatives, and defendant Francis R. Valeo is the Secretary of the U.S. Senate.

2. Among the official duties of the aforesaid defendants are the receipt of official communications to the U.S. House of Representatives and the U.S. Senate, the defendant W. Pat Jennings having these duties in regard to the U.S. House of Representatives, and the defendant Francis R. Valeo having these duties in regard to the U.S. Senate. In addition, the defendants W. Pat Jennings and Francis R. Valeo, have among their duties the custody of said communications, and the reporting of same on the official calendars and journals of the U.S. House of Representatives and the U.S. Senate, respectively.

3. Among the official communications which the defendants W. Pat Jennings and Francis R. Valeo and their predecessors receive, keep or oversee the keeping of, and report to the bodies of which they are Clerk

and Secretary respectively, are applications from States Legislatures to Congress to call a convention for proposing amendments to the U.S. Constitution, pursuant to Article V of the U.S. Constitution.

4. Article V of the U.S. Constitution, Amendments to the Constitution—How Made, requires in part that "The Congress . . . on the application of the Legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which in either case, shall be valid to all intents and purposes, as part of this constitution, when ratified by the Legislatures of three-fourths of the several states, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress . . ."

5. Over two-thirds (over 34 of 50) of the State Legislatures of the several states have, pursuant to Article V, made application to Congress to call a convention for proposing amendments to the U.S. Constitution, among the States being the following:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

6. The membership of the U.S. House of Representatives and the U.S. Senate is subject to change every two years, in whole or in part, and the present Congress has not, to the best knowledge and belief of the plaintiff, received an official report on the calendar from either the defendant W. Pat Jennings or the defendant Francis R. Valeo as to the fact that more than two-thirds of the State Legislatures have made applications to Congress to call a convention for proposing amendments to the U.S. Constitution pursuant to Article V of the Constitution.

7. Plaintiff has a right under the Constitution and laws of the United States to have the provisions of Article V of the U.S. Constitution adhered to, and his constitutional and civil rights are infringed upon when the fact that two-thirds of the State Legislatures have submitted applications to Congress to call a convention for proposing amendments to the U.S. Constitution is not officially reported to the Congress (the U.S. House of Representatives and the U.S. Senate) by the defendants W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis R. Valeo, Secretary of the U.S. Senate, so that the U.S. House of Representatives and the U.S. Senate may be officially apprised that the prerequisite of Article V's mandate to call a convention, the filing of applications by two-thirds of the states, has been satisfied.

Wherefore, plaintiff prays as follows:

1) For a Declaratory Judgment that two-thirds of the State Legislatures have made applications to Congress to call a convention for proposing amendments to the U.S. Constitution within the meaning of Article V of the Constitution.

2) For an injunction directing defendants W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis R. Valeo, Secretary of the U.S. Senate, to officially report for the calendar or to place on the Calendar of the U.S. House of Representatives and the U.S. Senate respectively, that two-thirds of the State Legislatures have, pursuant to Article V of the Constitution, made application to Congress to call a convention for proposing amendments to the Constitution.

3) For such other relief as the Court may deem just and proper in the present case.

ROBERT L. MAURO,
Plaintiff.

STATE OF NEW JERSEY,
County of Monmouth, SS:

Robert L. Mauro, of full age being duly sworn according to law, upon his oath deposes and says:

1. I am the plaintiff in the within action, and am a citizen of the United States and of the State of New Jersey, residing at 20 Lippincott Avenue, Long Branch, New Jersey.

2. I have read the complaint and its allegations are true to the best of my knowledge and belief.

ROBERT L. MAURO.

Sworn to and subscribed before me this 5th day of March, 1973.

MIRIAM T. BONFORTE,
Notary Public of New Jersey.

U.S. District Court, District of Columbia, Civil No. 447–73

APPLICATION FOR THREE JUDGE COURT

(Robert L. Mauro, Plaintiff, *v.* W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis R. Valeo, Secretary of the U.S. Senate, Defendants)

Plaintiff Robert L. Mauro hereby makes application for a three judge court to hear the within action.

ROBERT L. MAURO,
Plaintiff.

WASHINGTON, *D.C.*,
March 22, 1973.

Hon. HAROLD H. TITUS, Jr.,
U.S. Attorney for the District of Columbia, Washington, D.C.

DEAR MR. TITUS: I am sending you a certified copy of a summons and complaint in a Civil Action No. 447–73 (U.S.D.C. D. D.C.) filed against W. Pat Jennings, Clerk, U.S. House of Representatives and Francis Valeo, Secretary of the U.S. Senate in the United States District Court for the District of Columbia and served upon me in my official capacity as Clerk of the House of Representatives by a U.S. Marshal on this date. I have also received this date by certified mail (987602) the Plaintiff's Application for a three judge court to hear this action and am attaching a certified copy of the Application.

In accordance with Title 2, U.S. Code, Sec. 118, I respectfully request that you take appropriate action, as deemed necessary, under the "supervision and direction of the Attorney General" of the United States in defense of this suit against The Congress of the United States.

I am also sending you a copy of the letter that I forwarded this date to the Attorney General of the United States.

With kindest regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

WASHINGTON, D.C.,
March 22, 1973.

Hon. RICHARD G. KLEINDIENST,
Attorney General of the United States, Department of Justice, Washington, D.C.

DEAR MR. KLEINDIENST: I was this day served with the attached copy of a Summons and Complaint by the United States Marshall that was issued by the U.S. District Court for the District of Columbia. The summons and complaint are in connection with Robert L. Mauro v. W. Pat Jennings, Clerk of the U.S. House of Representatives, and Francis Valeo, Secretary of the U.S. Senate, Civil Action No. 447–73 (U.S.D.C. D. D.C.). I have also received this date by certified mail (987602) the Plaintiff's Application for a three judge court to hear this action.

In accordance with the provisions of 2 USC 118, I have sent certified copies of the summons, complaint and application in this action to the U.S. Attorney for the District of Columbia requesting that he take appropriate action under the supervision and direction of the Attorney General. I am also sending you a copy of the letter I forwarded this date to the U.S. Attorney.

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

BYELORUSSIAN INDEPENDENCE

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

Mr. PATTEN. Mr. Speaker, another year has passed since I last addressed the House about Byelorussia. It is sad to say that we are not any nearer to seeing the people of Byelorussia obtain their freedom.

Here was a land so full of promise; here were a people so full of hope. Now each day brings them closer to being completely dominated by the Soviet Union as to not exist at all.

Byelorussia was formed by hardy people who took an active part in the world about them. It became a crossroads in commerce between Eastern and Western Europe. Gathering new ideas from both areas, Byelorussia was soon an artistic and cultural center in its own right. But others were jealous of Byelorussia's achievements, and she had to continually fight off outsiders. Finally, the Russians conquered her. The Byelorussians tried every chance they could to break the chains of Russian rule. Finally, after World War I, they succeeded. On March 25, 1918, 55 years ago yesterday, the Byelorussian Democratic Republic was established. A constitution was set up which guaranteed the following freedoms: direct and secret ballot open to all, freedom of speech, press, and assembly; national and cultural autonomy of all minorities; an 8-hour workday, and the right to strike. Truly the Byelorussians wanted to be free and independent.

Freedom was shortlived in Byelorussia, however, as the Red army once more came sweeping through. Since then the Byelorussian people have been subjected to oppression, terror, deportations, and an almost overwhelming program of russification. Still the Byelorussian spirit clings to hope, and they have faith that someday they will be free again.

Mr. Speaker, 55 years of servitude have failed to destroy the Byelorussian spirit, and it should be an inspiration to all of use who live in a free society. I urge my colleagues to do all they can to work for the freedom of Byelorussia so that the ideals we all share might be allowed to flourish again in this tiny nation.

THE 1973 JOINT ECONOMIC COMMITTEE REPORT

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

Mr. O'NEILL. Mr. Speaker, today, the distinguished chairman of the Joint Economic Committee and dean of the House, Hon. WRIGHT PATMAN, has filed the annual report of the Joint Economic Committee. This report is submitted each year in accordance with the requirements of the Employment Act.

I want to take this opportunity to commend this report to my colleagues in the House. It is a sharp and realistic exposure of the mismanagement of our economy by the administration. Let me allude briefly to some of the findings by this committee, which is made up of distinguished and able Members of both Houses.

While the administration claims that inflation will be held to 2½-percent rate in 1973, the facts are that we are in the midst of a runaway inflation that destabilizes our economy and our financial markets and threatens to bring about another recession.

The administration congratulates itself for the partial recovery from the low point that they got us into but totally ignores the tragic fact that the recession should never have taken place and that it cost the United States about $180 billion in lost output.

Typical of mismanagement is the incredible seesawing on stabilization policy. After steadfastly ignoring the need for a wage-price policy, for 2½ years, the administration made a 180-degree turn and pushed the country into an overnight freeze followed by a partially effective program. Then, when things showed some improvement toward the latter half of the year, they abruptly switched course again and adopted a totally ineffective phase III program. The result is that our living costs are going up at a frightening rate and there is a great loss of confidence both at home and abroad in the capability of the administration to manage the economic affairs of the Nation.

Nowhere in the President's economic program is there any believable proposal for achieving full employment. Evidently, the White House is little troubled by the notion that many Americans are out of work who might very well be gainfully employed to their own advantage and to the advantage of the Nation.

The administration has proposed a budget which ignores the urgent needs of our social sector while proposing substantial increases in military outlays—in spite of the fact that we have achieved a cease-fire in Vietnam.

As the report indicates, the administration's economic program offers no constructive agenda for the Congress or the American people. In addition to the defects that I have touched upon it fails to increase low- and middle-income housing; to provide adequate mortgage financing at reasonable rates; to reduce the great inequities in our tax system. It offers no proposals for reforming our costly and inequitable welfare system, a situation that was ably documented by another Joint Economic Committee report issued today under the leadership of MARTHA GRIFFITHS, the able chairwoman of the Joint Economic Committee's Fiscal Policy Subcommittee.

It cuts back on programs that would reduce poverty and offers no solutions for the deficiencies and rigidities that exist in our economy.

This is a most welcome document to those of us who are confronted daily with the grim realization that we must do the job here. The administration has failed and is failing to handle the job. It is up to us to decide the priorities in our Federal programs. It is up to us to decide on the stabilization measures needed. It is up to us to reform the tax programs. It is up to us to reverse the drastic scuttling of our poverty programs and resume the course of equitable, decent, and humane public policy.

REPORT OF JOINT ECONOMIC COMMITTEE

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

Mr. PATMAN. Mr. Speaker, I filed with the Congress today the 1973 Joint Economic Report of the Joint Economic Committee. The committee is required by Public Law 304 to file a report on the President's economic policy and to make recommendations to the Congress by March 1. However, due to the late filing of the President's Economic Report this year, House Joint Resolution 299 extended the committee's filing date to March 31.

I commend to my colleagues the findings of our report. Given the resurgence of inflationary pressures and the possibility of a credit crunch later this year, our economic prospects toward the end of 1973 are highly uncertain. The Joint Economic Committee recommends a comprehensive policy to keep the economy on a course of economic growth with relative price stability that will reduce unemployment to 4 percent within 12 months.

A responsible fiscal policy that can be achieved with a budget ceiling of approximately $268 billion should be accompanied by a monetary policy that accommodates continued growth and maintains or lowers current interest rates. The committee urges the Congress to reorder priorities within the budget ceiling as the spending mix proposed by the administration is totally unacceptable and ignores many of our most pressing human needs. We also recommend a more vigorous price-incomes policy. The recent inflation well in excess of a 6-percent annual rate is evidence that phase III has been an utter failure. The budget and incomes policy issues will be before the Congress in the immediate future and the analysis of the committee should be valuable to us.

The report, in addition to the majority recommendations, also contains supplementary views, minority views, and joint views on international economic policy.

INDIAN SELF-DETERMINATION ACT OF 1973

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

Mr. MEEDS. Mr. Speaker, I am introducing today four bills designed for the better administration of Indian affairs, improved tribal government and economic progress, and greater participation of Indians in planning their own future.

The four bills are the "Indian Self-Determination Act of 1973" expanding and facilitating the authority of Indian tribes to contract for BIA and Indian health services and programs; the "Indian Counsel Authority" proposed to increase the protection of Indian trust assets and eliminate conflicts of interest within the U.S. administration of Indian affairs; a bill to create an Assistant Secretary of the Interior for Indian Affairs; and a bill to amend or repeal inhibiting laws governing Indian affairs.

These bills are, in large part, adopted from the Indian legislative proposals submitted by the administration by executive communication of March 15. My four bills reach six of the seven areas covered by the administration's proposals. However, I have found it necessary to make several substantive changes in the proposals to make them conform to Indian requests and to better implement the oft-stated administration goal of Indian self-determination. In fact, my self-determination bill stands in lieu of three of the administration proposals which either fall short of the necessary tribal flexibility or endanger tribal stability.

I have introduced these bills primarily because the concept and intent of the proposals are good and is, in part, responsive to Indian-identified solutions to Indian problems and needs. As I said, I have made changes where appropriate and necessary. I will not, as yet, introduce a major important proposal expanding credit opportunities for Indians as I am not satisfied with many aspects of that administration proposal.

I also feel it necessary to introduce the legislation to gage the sincerity and will of the administration in moving forward with a sound, progressive Indian program. In a press conference of March 16 announcing the administration proposals, Under Secretary of the Interior John C. Whitaker stated that, had these bills been introduced and acted upon, the Wounded Knee seizure just might have been averted. He stated that—

> We need congressional action—not inconclusive hearings or an expression of sentiment at a press conference.

I sincerely hope that Mr. Whitaker and this administration do not view these proposals, whatever their value, as a panacea for the problems which beset Indians. It is clear that they will not solve all of the problems which Indians experience. It is unfortunate that Mr. Whitaker should take that position. As he becomes more familiar with Indians and their problems, he will find that there is ample blame for the administration and the Congress—past and present—to share for the mismanagement of Indian affairs extending over 100 years.

To attempt to make this a political issue is a serious mistake. These are extremely difficult problems that will necessitate bipartisan efforts in the Congress and cooperation—not recrimination—from the administration. Little is served by political rhetoric or "an expression of sentiment at a press conference."

I want to assure the Members of the House and the Indian people that the Subcommittee on Indian Affairs intends to take aggressive action on these proposals and on the many other problem

areas in Indian affairs. I hope that the administration, having offered the proposals, will cooperate in arriving at the enactment of sound legislation and not forget the proposals. There follows the text of the first bill:

H.R. 6106

A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in reaffirming the trust and treaty relationship between the United States of America and the American Indians, and between the United States and the Alaska Natives, which Indians and Natives are hereinafter referred to as "Indians", the purpose of this Act is to establish an Indian Trust Counsel Authority to provide independent legal counsel and representation for the preservation and protection of the natural resource rights of Indians.

SEC. 2. (a) The Indian Trust Counsel Authority, hereinafter referred to as the Authority, is established as an independent agency in the Executive Branch.

(b) The Authority shall be governed by a Board of Directors composed of three members to be appointed by the President by and with the advice and consent of the Senate.

(c) At least two of the members of the Board of Directors shall be Indians.

(d) The terms of office of members of the Board of Directors shall be four years, except that, of the first three members appointed, one shall be appointed for a two-year term, one shall be appointed for a three-year term, and one shall be appointed for a four-year term. A member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Upon the expiration of his term of office, a member shall serve until his successor has been appointed and qualified. A member of the Board of Directors may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

(e) The President shall designate one of the Directors to serve as Chairman at his pleasure.

(f) The members of the Board of Directors shall receive pay at the daily equivalent of the rate provided for grade GS–18 in section 5332 of title 5, United States Code, for each day they are engaged in the business of the Authority, and shall be allowed travel expenses, including a per diem allowance as authorized by section 5703 of title 5, United States Code, in connection with their services for the Authority.

SEC. 3. The Board of Directors shall convene at the call of the Chairman, but must convene at least once each quarter, to set policy for the Authority and review its activities. The Board of Directors shall report to the President and the Congress annually on the activities of the Authority.

SEC. 4. The Board of Directors shall, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint and prescribe the duties of a chief legal officer for the Authority, who shall have the title of Indian Trust Counsel, and who shall be paid at a rate equal to that provided for in level V of the Executive Schedule (5 U.S.C. 5316), and a Deputy Indian Trust Counsel, who shall be paid at a rate not in excess of that provided for grade GS–18 in section 5332 of title 5, United States Code.

SEC. 5. (a) The Board of Directors shall appoint, fix the pay of, and prescribe the duties of such attorneys as it deems necessary after consulting with the Indian Trust Counsel.

(b) The Board of Directors shall appoint and fix the compensation of such special counsel and experts as it deems necessary.

(c) Attorneys and special counsel appointed under this section may, at the direction of the Authority, appear for or represent the Authority in any case in any court, before any commission, or in any administrative proceeding.

(d) The Board of Directors may, in the event of a conflict between parties requesting the assistance of or the representation of the Authority under the provisions of section 8 or 9 hereof, hire special counsel or experts to assist or represent one or all of the parties.

SEC. 6. the Board of Directors shall, subject to the provisions of title 5, United States Code, appoint such employees as it deems necessary in exercising its powers and duties.

SEC. 7. The Authority, in the exercise of its functions, shall be free from control by any Executive Department.

SEC. 8. The Authority, with the consent of an aggrieved Indian, Indian tribe, band or other identifiable group of Indians, is authorized to render legal services in regard to rights or claims of the Indians to natural resources, including, but not limited to, rights to land, rights to the use of water, timber, and minerals, and rights to hunt or fish, within the United States' trust responsibility owing to the Indians, which services are now rendered by the Department of the Interior or by the Department of Justice, but nothing in this Act shall absolve the Department of the Interior and the Department of Justice of their responsibilities to the Indians, including those which derive from the trust relationship and any treaties between the United States and any Indian or Indian tribe: *Provided,* That the Department of Justice as of the effective date of this Act or as soon thereafter as practicable, is relieved of its responsibility to represent Indians or Indian tribes with regard to their rights or claims to natural resources, including, but not limited to, rights to land, rights to the use of water, timber, and minerals, and rights to hunt and fish. The legal services performed pursuant to this section may include, but shall not be limited to, the investigation and inventorying of Indians' land and water rights, and the preparation and trial and appeal of cases in all courts, before Federal, State, and local commissions, and in all administrative proceedings.

SEC. 9. The Authority, with the consent of an aggrieved Indian, Indian tribe, band or other identifiable group of Indians, acting in the name of the United States as trustees for the Indians, may initiate and prosecute to judgment in all courts of the United States suits against the United States, its officers and employees, and in all courts of the United States and of the States, suits against any of the States, their subdivisions, departments and agencies, or against persons and corporations, public or private, all actions in law and equity for the protection, preservation, utilization, conservation, adjudication or administration of natural resources or interests therein had or claimed by the Indians, including, but not limited to, rights to land, rights to the use of water, timber, and minerals, and rights to fish and hunt. The Authority is authorized to prosecute appeals in all courts of the United States and of the States, and to intervene in any Federal, State, or local administrative proceeding in order to protect the rights of the Indians. The United States waives its sovereign immunity from suit in connection with litigation initiated by the Authority under this section. Any suit against the United States, its officers, and employees shall be tried to the court without a jury.

SEC. 10. The powers granted to the Authority by this Act shall not extend to the filing or prosecution of or intervention in any action, claim, or other proceeding against the United States relating to any matter as to which a claim has been filed or could have been filed under the Indian Claims Commission Act of 1946, as amended, or any other special statute authorizing a claims suit to be brought by Indians against the United States but shall extend to section 1346(a)(2) and 1491 of title 18, United States Code: *Provided, however,* That the Authority may assist any Indian tribe requesting such assistance in its claim pending before the Indian Claims Commission.

SEC. 11. The Authority is authorized to:

(1) Make such rules and regulations as it deems necessary to carry out its functions.

(2) Request from any department, agency, or independent instrumentality of the Government any information, personnel, services, or materials it deems necessary to carry out its functions under this Act; and each such department, agency or instrumentality is authorized to cooperate with the Authority and to comply with a request to the extent permitted by law, on a reimbursable or nonreimbursable basis.

(3) Receive and use funds or services donated by others.

(4) Make such expenditures or grants, either directly or by contract, as may be necessary to carry out its responsibilities under this Act.

SEC. 12. There are authorized to be appropriated to the Authority created herein such sums as may be necessary to carry out the provisions of this Act.

The Indian Trust Counsel Authority bill will establish an independent agency in the executive branch with three directors, two of whom would be Indian, appointed by the President with the advice and consent of the Senate. The Board of Directors would appoint a Trust Counsel, Deputy, and such other attorneys and special counsel necessary to carry out its functions. It would be free of control of any executive department.

Section 8 provides that the Authority, at the request of the Indian or Indian tribe, is authorized to provide the broadest range of legal service and representation with respect to Indian claims or rights to natural resources within the trust responsibility. Neither Justice nor Interior would be absolved of its trust responsibility to Indians except that Justice would no longer be required to represent Indians in natural resource cases.

Section 9 authorizes the Authority, in the name of the United States as trustee, to sue any party, including the United States, to protect the trust interest of the Indians and to appeal or intervene in any such case. The sovereign immunity of the United States would be waived for the purposes of the section.

Section 10 prohibits the Authority from representing Indians in claims before the Indian Claims Commission except that it could provide certain incidental assistance in this regard.

While there are provisions of the bill which have met with Indian objections or questions which may require amendment, the concept has received wide Indian support.

The text of the second bill follows:

H.R. 6103

A bill to promote maximum Indian participation in the government of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; and for other purposes

Be it enacted by the Senate and House

of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Self-Determination Act of 1973".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, American Indian people, finds that—

(1) the prolonged Federal domination of Indian service programs has served to retard rather than enhance the progress of Indian people and their communities by depriving Indians of the full opportunity to develop leadership skills crucial to the realization of self-government, and it has denied to the Indian people an effective voice in the planning and implementing of programs for the benefit of Indians which are responsive to the true needs of Indian communities; and

(2) the Indian people will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations and persons.

DECLARATION OF POLICY

SEC. 3. (a) The Congress hereby recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination through maximum involvement and participation in, and direction of, Federal services to Indian communities which are more responsive to the needs and desires of those communities.

(b) The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing relationship with and responsibility to the Indian people through establishment of a meaningful Indian self-determination policy which will permit an orderly transition from Federal domination of programs for and services to Indians to effective and meaningful participation of the Indian people in the planning, conduct, and administration of those programs and services.

DEFINITIONS

SEC. 4. For the purposes of this Act, the term—

(a) "Indian" means an Indian, Eskimo, or Aleut person who is a member of a tribe, band, nation or community, including any Alaska Native Community as defined in the Alaska Native Claims Settlement Act, for which the Federal Government provides special programs and services because of their identity as Indians:

(b) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native community as defined in the Alaska Native Claims Settlement Act, for which the Federal Government provides special programs and services because of its Indian identity; and

(c) "tribal organization" means the elected governing body of any Indian tribe or any legally established organization of Indians which is controlled by one or more such bodies or which is controlled by a board of directors elected or selected by one or more such bodies (or elected by the Indian population to be served by such organization). Such an organization shall include the maximum participation of Indians in all phases of its activities.

CONTRACTS BY THE SECRETARY OF THE INTERIOR

SEC. 5. The Secretary of the Interior is authorized, in his discretion and upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organization of any such Indian tribe to plan, conduct, and administer programs, or portions, thereof, provided for in the Act of April 16, 1934 (48 Stat. 596), as amended and any other program or portion thereof which the Secretary of the Interior is authorized to administer for the benefit of Indians under the Act of November 2, 1921 (42 Stat. 208), and any Act subsequent thereto.

CONTRACTS BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

SEC. 6. The Secretary of Health, Education, and Welfare is authorized, in his discretion and upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organizations of any such Indian tribe to carry out any or all of his functions, authorities, and responsibilities under the Act of August 5, 1954 (68 Stat. 674), as amended.

GRANTS TO INDIAN TRIBAL ORGANIZATIONS

SEC. 7. The Secretaries of the Interior and of Health, Education, and Welfare are each authorized, upon the request of any Indian tribe, to make a grant or grants to any tribal organization of any such Indian tribe for planning, training, evaluation, and other activities specifically designed to make it possible for such tribal organization to enter into a contract or contracts pursuant to section 5 and 6 of this Act.

DETAIL OF PERSONNEL

SEC. 8 (a) The Secretaries of the Interior and of Health, Education, and Welfare are each authorized, upon the request of any tribal organization, to detail any civil service employee serving under a career or career-conditional appointment for a period of up to one hundred and eighty days to such tribal organization for the purpose of assisting such tribal organization in the planning, conduct, or administration of programs under contracts or grants made pursuant to section 5, 6, or 7 of this Act. The appropriate Secretary may, upon a showing by a tribal organization of a continuing need for an employee detailed pursuant to this section, extend such detail for a period not to exceed ninety days.

(b) The Act of August 5, 1954 (68 Stat. 674), as amended, is further amended by adding a new section 8 after section 7 of the Act, as follows:

"SEC. 8. In accordance with subsection (d) of section 214 of the Public Health Service Act (58 Stat. 690), as amended, upon the request of any Indian tribe, band, group, or community, personnel of the Service may be detailed by the Secretary for the purpose of assisting such Indian tribe, group, band, or community in carrying out the provisions of contracts with, or grants to, tribal organizations pursuant to sections 5, 6, or 7 of the Indian Self-Determination Act of 1973: *Provided,* That the cost of detailing such personnel is taken into account in determining the amount to be paid to such tribal organization under such contract or grant, and that the Secretary shall modify such contract or grant pursuant to subsection (c) of section 9 of the Indian Self-Determination Act of 1973 to effect the provisions of this section."

(c) Paragraph (2) of subsection (a) of section 6 of the Military Selective Service Act of 1967 (81 Stat. 100), as amended, is amended by inserting after the words "Environmental Science Services Administration" the words "or who are assigned to assist Indian tribes, groups, bands, or communities pursuant to the Act of August 5, 1954 (68 Stat. 674), as amended,".

ADMINISTRATIVE PROVISIONS

SEC. 9. (a) Contracts with tribal organizations pursuant to sections 5 and 6 of this Act shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the appropriate Secretary, such contracts may be negotiated without advertising and need not conform with the provisions of the Act of August 24, 1935 (49 Stat. 793), as amended.

(b) Payments of any grants or under any contracts pursuant to sections 5, 6, or 7 of this Act may be made in advance or by way of reimbursement and in such installments and on such conditions as the appropriate Secretary deems necessary to carry out the purposes of this Act.

(c) Notwithstanding any provision of law to the contrary, the appropriate Secretary may, at the request or with the consent of a tribal organization, revise or amend any contract or grant made by him pursuant to section 5, 6, or 7 of this Act with such organization as he finds necessary to carry out the purposes of this Act.

(d) The appropriate Secretary may, in his discretion, enter into contracts pursuant to section 5 and 6 of this Act with tribal organizations, by negotiation, without advertising, for the construction or repair of buildings, roads, sidewalks, sewers, mains, or similar items: *Provided,* That nothing in this Act shall be construed as authorizing or requiring a tribal organization to enter into an agreement, directly or indirectly, with a non-Indian party for the construction of buildings, roads, sidewalks, sewers, mains, or similar items without compliance with requirements of advertising and competitive bidding if the same would have been required had the agreement with the non-Indian party been entered into directly by the United States.

(e) In connection with any contract or grant made pursuant to section 5, 6, or 7 of this Act, the appropriate Secretary may permit a tribal organization to utilize, in carrying out such contract or grant, existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within his jurisdiction under such terms and conditions as may be agreed upon for their use and maintenance.

SEC. 10. The Secretaries of the Interior and of Health, Education, and Welfare are each authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying out the provisions of this Act.

SEC. 11. (a) The appropriate Secretary shall promulgate regulations relative to this Act no later than six months from the date of enactment of this Act.

(b) No later than sixty days prior to the promulgation of such regulations, the appropriate Secretary shall publish the proposed regulations in the Federal Register. No later than thirty days prior to the promulgation of such regulations, the appropriate Secretary shall provide, with adequate public notice, the opportunity for hearings on the proposed regulations, once published, to all interested persons.

SEC. 12. Nothing in this Act shall be construed as authorizing or requiring the termination of any existing trust responsibility of the United States with respect to the Indian people.

The Indian Self-Determination Act authorizes the Secretary of the Interior to contract with Indian tribes and organizations to carry out his functions and authorities under the Johnson-O'Malley Act, the Snyder Act, and any subsequent acts. The Secretary of HEW is similarly authorized to contract his Indian health functions to Indian tribes and organizations.

The bill also provides for grants to such organizations to aid them in planning and implementing such contracts. It authorizes the detail of certain BIA and IHS personnel, including commissioned PHS personnel, to such organizations for up to 270 days; provides for limited exemption of such contracts from certain Federal contracting laws which might prove too restrictive on Indian contractors; authorizes such contractor to use

Federal buildings, facilities, equipment, and personal property in carrying out the contract, and has a saving clause with respect to the continuation of the trust responsibility.

In testimony last year by Indian witnesses on the administration's "assumption and local control" proposal, it was apparent that the Indian people felt that this was another radical swing of the pendulum in Indian affairs without affording them the opportunity of experience in the middle ground. To them, Federal Indian policy seems to swing from rank paternalism to cruel termination. On the other hand, the proposed amendment of the Johnson-O'Malley Act does not go far enough. My proposal will provide this badly needed interim experience in Indian control of Indian programs.

The text of the third bill follows:

H.R. 6104

A bill to amend certain laws relating to Indians

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person owning or having in his charge or possession any horses, mules, burros, cattle, goats, sheep, or swine and who permits, drives, or otherwise conveys such livestock to range and feed on any trust or restricted land of any Indian or Indian tribe without the consent of said Indian or Indian tribe or otherwise to trespass thereon, shall be liable to a penalty of $5 per day for each animal in trespass, together with the reasonable value of the forage consumed during the period of trespass and any cost of gathering, handling, and caring for said livestock and cost of collecting the amount due under the authority of this section. Any livestock trespassing on any trust or restricted land may be impounded by the Secretary of the Interior. Notice of the impoundment shall be given as prescribed by regulation of the Secretary. Any animals impounded may be claimed by the owner within the time specified in the notice, upon payment of $5 per day for each animal impounded, the reasonable value of the forage consumed, and other costs allowed under authority of this section. An animal not so claimed shall be sold and net proceeds thereof, after payment of all necessary expenses and costs and the deduction of the $5 per day penalty and forage charge, shall be paid to the owner if claim and proof of ownership satisfactory to the Secretary are submitted within six months after the date of sale. The $5 per day penalty and forage charge, and the net proceeds of the sale if not paid to the owner of the animal, shall be deposited in the Treasury of the United States to the credit of the tribe, if tribal land is involved, or paid to the individual Indian owners, if individually owned land is involved. Any unbranded livestock over one year of age found running at large on trust or restricted land may be presumed to be in trespass and shall be subject to the provisions of this section.

SEC. 2. Indian tribal governments may enact laws and ordinances relating to the issuance of traders' licenses on their particular reservations. When a tribe has enacted such laws and ordinances, if it is so provided therein, the following Federal statutes relating to traders' licenses shall be inoperative as to that particular reservation: section 5 of the Act of August 15, 1876 (19 Stat. 200; 25 U.S.C. 261); section 1 of the Act of March 3, 1901, and section 10 of the Act of March 3, 1903 (31 Stat. 1066; 32 Stat. 1009; 25 U.S.C. 262); section 2132 of the Revised Statutes (25 U.S.C. 263, section 3 of the Act of June 30, 1834 (4 Stat. 729)); section 2133 of the Revised Statutes (25 U.S.C. 264, section 4 of the Act of June 30, 1834 (4 Stat. 729)), except that no business transaction, property or use of property shall be subject to taxation by virtue of this provision or by any tribe's laws or ordinances making Federal statutes relating to traders' licenses inoperative on its particular reservation.

SEC. 3. The following statutes or parts of statutes are hereby repealed:

(1) Section 2117 of the Revised Statutes, as amended, (25 U.S.C. 179).

(2) Section 2078 of the Revised Statutes (25 U.S.C. 68) and section 14 of the Act of June 30, 1834 (4 Stat. 735).

(3) Section 437 of title 18, United States Code, (62 Stat. 703).

(4) The Act of June 19, 1939 (ch. 210, 53 Stat. 840) (25 U.S.C. 68a, 87a).

The bill "to amend certain laws relating to Indians" is offered to eliminate some of the day-to-day irritations and complaints of the Indian people on the reservation and to transfer authority from the Federal Government to the tribal government.

Section 1 reforms the 1902 Federal law prohibiting and penalizing livestock trespass on Indian lands which has proven inadequate to control this problem. It increases the penalty for livestock trespass from $1 per day per head to $5 per day per head; imposes forage charges and other costs; authorizes impoundment and sale of such animals if not claimed, and disposition of the proceeds.

It is interesting to note, in view of the administration's policy of Indian self-determination, that the power of consent to such trespass is placed with the Secretary of the Interior in the administration's bill while the obsolete 1902 law placed it in the aggrieved Indian tribe's hands. My bill restores this power to the Indians.

Section 2 authorizes tribal governments to enact their own laws or ordinances regulating trading on Indian reservations. In the event of such tribal regulation, Federal laws licensing traders on Indian reservations are suspended and made inoperative on that particular reservation with the proviso that such suspension will not affect the tax status of Indians on the reservation.

Section 3 repeals certain obsolete laws regulating trade between Indians and Federal employees. While this is generally desirable, paragraph (3) of that section repeals a law prohibiting a Federal employee from having an interest in government or Indian contracts on behalf of Indians. I intend to examine that very closely.

The text of the fourth bill follows:

H.R. 6105

A bill to establish within the Department of the Interior the position of Assistant Secretary of the Interior for Indian Affairs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be hereafter in the Department of the Interior, in addition to the Assistant Secretaries now provided for by law, an Assistant Secretary of the Interior for Indian Affairs, who shall be appointed by the President by and with the advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe, and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior.

"SEC. 2. Section 5315, title 5, United States Code, is amended by striking the figure "(6)" at the end of item (18) and by inserting in lieu thereof the figure "(7)".

"SEC. 3. Section 1, title 25, United States Code (4 Stat. 564), is hereby repealed.

The Assistant Secretary legislation would create an additional Secretary of the Interior for Indian Affairs and abolish the position of Commissioner of Indian Affairs. Although the executive communication transmitting this proposal indicates that the duties of the new Assistant Secretary would be limited to Indian affairs, their proposed bill does not make this statutory.

We are eliminating a position whose sole responsibility and identity is Indian affairs. Indian witnesses have stressed the need to make this a matter of law to avoid the possibility that this position will become the catchall of miscellaneous functions within Interior. If the administration can make such a statement in their communication, they should have no objection to making it a matter of law. I have so proposed.

Mr. Speaker, with the appropriate revisions I have recommended and with my intent to hold comprehensive hearings on these proposals soon, I offer them for introduction and urge enactment.

INTENSIVE FOREST MANAGEMENT

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

Mr. WYATT. Mr. Speaker, intensive forest management is the key, not only to increasing U.S. timber production, but also to improving the forest environment for wildlife habitat, hunting, fishing, camping, and every conceivable form of forest recreation.

It is often easiest to define a term by saying what it is not. Intensive forest management is not a method of stripping our forests of their trees. Nor is it a concept which excludes all activities other than tree harvesting.

Lack of forest management implies letting the life cycle of a tree take its course, leaving the trees to the elements, to resist age, insects, disease, rot, wind, and fire and then to die wastefully, neglected, and unutilized.

Intensive management is one of the crowning achievements of the science of forestry. Many of its methods are those of the gardener. Weak and inferior trees are thinned to let in the sunlight and remove competition for hardier specimens. Seedlings are planted and given the benefit of fertilizers and chemical protection from forest pests. Genetic selection insures that only the hardiest and fastest growing species populate the new forest.

Intensive management also means that when a tree is harvested another is planted immediately to take its place and that the new growth is properly spaced to maximize the growth of wood fiber. When all methods of intensive management are properly applied, the result can be three to five times the production of wood fiber possible in an unmanaged forest.

We need intensive management on every acre of land capable of sustaining commercial forests.

SALUTE TO VPI, NIT CHAMPIONS

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

Mr. WAMPLER. Mr. Speaker, I want to call the attention of my colleagues to the wonderful victory enjoyed by the basketball team from my alma mater, the Virginia Polytechnic Institute and State University, Blacksburg, Va.

Yesterday, in tense and exciting overtime play, Virginia Tech defeated Notre Dame by one point, to win the National Invitational Tournament. This is the first national championship ever to be won by Virginia Tech in any sport.

Congratulations are in order for Coach Don DeVoe and the entire team. Their execution of the game was brilliant. They were good sports from start to finish, and showed remarkable persistence and discipline.

You can well imagine the sense of pride all Virginians feel in this great victory won through the proper application of skill and dogged determination. They have brought distinction in the best American tradition to Virginia Polytechnic Institute and State University. I salute them.

CRIMINAL CODE REFORM ACT OF 1973

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

Mr. HUTCHINSON. Mr. Speaker, last Thursday I introduced with 14 cosponsors H.R. 6046, the Criminal Code Reform Act of 1973, prepared by the Department of Justice to revise the Federal criminal code. This bill had its origin in Public Law 89–801 wherein Congress created the National Commission on Reform of Federal Criminal Laws to review the existing criminal code and make recommendations for its reform.

Following the report of the National Commission on January 7, 1971, the President instructed the Department of Justice to make an independent evaluation of the Commission's recommendations, analyze the existing criminal code, and thereafter prepare appropriate legislation encompassing comprehensive reform of Federal crime laws. The present bill is the result of that effort, over more than 2 years, by a team of experienced attorneys.

The bill is in three titles. Title I contains the essence of the bill. It consists of three parts setting forth, first, general principles of criminal law, second, a description of offenses and defenses, and third, sentencing, Among the innovations made by this title the foremost is the approach to the treatment of Federal jurisdiction.

Instead of including the facts establishing such jurisdiction as an essential element of an offense, as does present law, the bill defines the offense in terms of the culpable misconduct alone, while listing separately the circumstances giving rise to Federal jurisdiction. This approach, similar to the one recommended by the National Commission, is designed to enable the factfinder to concentrate on the alleged criminal conduct, for example, fraud, without having simultaneously to consider whether that conduct involved a use of some Federal instrumentality, such as the mails or an interstate wire facility, so as to give the Federal court jurisdiction. That question would be determined independently.

The bill also makes basic changes in the pattern of existing law by defining, for the first time, certain general defenses to alleged criminal activity and by replacing the current crazy-quilt of sentences and fines with a system whereby offenses are classified for purposes of imprisonment and fines into nine categories. Titles II and III of the bill primarily contain technical provisions as to conforming amendments, severability, and effective date, but title II also includes some substantive sections with respect to sanity of the defendant, parole, and juvenile delinquency.

Mr. Speaker, the need for a thorough overhaul of the Federal penal code is, as a result of the National Commission's groundbreaking and valuable work, commonly recognized as beyond dispute. I am, therefore, pleased to have introduced H.R. 6046 as a means of furthering the Congress' long overdue consideration of that subject. Of course, by introducing this bill I do not intend to convey my concurrence in all or any specific part thereof. Indeed, it is too early for such a final appraisal which must come only at the end of extensive hearings, consideration and debate. Nonetheless the bill does represent a solid springboard from which to begin our labors and I urge the Judiciary Committee to commence holding hearings with regard to the bill as soon as possible.

THE NUECES RIVER PROJECT

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

Mr. DE LA GARZA. Mr. Speaker, the 15th Congressional District of Texas has serious water problems, some of which would be solved by the Nueces River project, which has been determined to be a feasible way of providing municipal and industrial water to the Coastal Bend area.

When the Bureau of Reclamation issued its feasibility report two alternate sites were presented for the project's major storage structure. One is identified as the Choke Canyon Dam and Reservoir, the other as the R & M Dam and Reservoir.

Extensive studies have shown Choke Canyon to be the more economically feasible in meeting the area's water needs. This project would be located on the Frio River, a tributary of the Nueces, about 70 miles north of Corpus Christi. It would consist of the dam and reservoir with associated recreation and sport facilities. The reservoir, extending upstream about 34 miles, would have a controlled capacity of 700,000 acre-feet and a surface area of 26,000 acres.

The State of Texas has found the Nueces River project, with Choke Canyon Dam and Reservoir as the storage and regulatory facilities, to be feasible and in the public interest. The city of Corpus Christi supports the project with Choke River Dam and Reservoir.

In view of these facts, I have introduced a bill with my colleagues, Representatives JOHN YOUNG and ABRAHAM KAZEN, authorizing the Bureau of Reclamation to construct, operate, and maintain this project. I am requesting the chairman of the Interior and Insular Affairs Committee to hold on-site hearings on the Choke Canyon project.

Mr. Speaker, it is my hope that we can move forward expeditiously on this project, so vitally important to a growing section of south Texas.

COMPOSITION OF COMMITTEE ON BANKING AND CURRENCY

Mr. O'NEILL. Mr. Speaker, I offer a resolution (H. Res. 324) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 324

Resolved, That during the remainder of the Ninety-third Congress, the Committee on Banking and Currency shall be composed of forty members.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TO AMEND SECTION 14(B) OF THE FEDERAL RESERVE ACT

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

Mr. WIDNALL. Mr. Speaker, I have introduced today a bill H.R. 6092 to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The proposed legislation would extend for an additional 2 years, from June 30, 1973 to June 30, 1975, the temporary authority under which Federal Reserve banks may purchase public debt obligations directly from the Treasury in an amount not to exceed $5 billion outstanding at any one time. The present direct purchase authority was enacted during World War II and has since been extended from time to time on a temporary basis. The last extension was in 1971 and the authority will expire on June 30, 1973.

The authority has been used in recent years only in periods just prior to tax payment dates. Its existence permits the Department to operate with considerably lower cash balances than would otherwise be required. The authority was utilized once in both 1971 and 1972. The availability of the direct purchase au-

thority is also important as a standby means of providing a ready source of funds in the event of a disruption in the private financial markets due to a serious national emergency or a nuclear attack on the United States. The attached table demonstrates that the authority has been sparingly used in the past.

DIRECT BORROWING FROM FEDERAL RESERVE BANKS
1942 THROUGH 1972

Calendar year	Days used	Maximum amount at any time (millions)	Number of separate times used	Maximum number of days used at any 1 time
1942	19	$422	4	6
1943	48	1,320	4	28
1944	(1)			
1945	9	484	2	7
1946	(1)			
1947	(1)			
1948	(1)			
1949	2	220	1	2
1950	2	180	2	1
1951	4	320	2	2
1952	30	811	4	9
1953	29	1,172	2	20
1954	15	424	2	13
1955	(1)			
1956	(1)			
1957	(1)			
1958	2	207	1	2
1959	(1)			
1960	(1)			
1961	(1)			
1962	(1)			
1963	(1)			
1964	(1)			
1965	(1)			
1966	3	169	1	3
1967	7	153	3	3
1968	8	596	3	6
1969	21	1,102	2	12
1970	(1)			
1971	9	610	1	9
1972	1	38	1	1

[1] None.

HELP FOR PREPARATION OF TAX RETURNS

The SPEAKER pro tempore (Mr. MATSUNAGA). Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 10 minutes.

Mr. RANDALL. Mr. Speaker, we are nearing the season when the preparation of income tax returns will occupy the time of a lot of our constituents and will try the patience of millions of American taxpayers.

In performing this tedious chore, our citizens have always in the past—and I am sure they will this year—cheerfully accept what we in America know as a unique institution, it is the American system of self-assessment for the taxes due the Federal Government.

However, in recent years more and more taxpayers—and the count is now up to 36 million—have felt the need to have to pay someone to complete their tax returns.

This situation arises from two roots. First, over the years it seems our tax forms have become terribly complex, defying the complete or accurate understanding of our ordinary taxpayers.

Then, second, taxpayer assistance as far as the Internal Revenue Service is concerned, is, in the over-all, just token or very minimal in nature. It does not even begin to meet the needs of the average taxpayer.

I point especially to the situation in non-urban or the rural areas of this country.

If I may digress for a moment I will mention one instance where in the past there was a part time Internal Revenue agent assigned to one county. Taxpayers would come to seek assistance from the two or three adjoining counties. Now this year the IRS agent will show up for a short period of time, but those seeking help travel further from more removed areas. As a result of this lack or failure of assistance by the Department, there is a whole new industry that has sprung up across this country to fill the void or meet the demand for assistance in tax return preparation.

We do have a complicated tax situation at the Federal level consisting of baffing sets of forms, and when one couples that with inadequate taxpayer assistance, my conclusion is that these factors hit hardest at those who can least afford it, and that means the low- and low-middle income taxpayers and pensioners, and some very small business people in the rural areas—and especially those taxpayers who live in the small towns of America.

In the 92d Congress the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations held 3 days of hearings at that time on a bill, H.R. 7590, which had two purposes: One, to require additional emphasis be placed on taxpayer assistance by the Internal Revenue Service; and, two, to propose the issuance of regulations to govern the army—and I use that word advisedly—army of commercial tax preparers that have grown and grown because of these complex tax laws and our difficult tax-reporting system. I do not know what the reason may be for their failure or omission but there has been no report as requested from the Internal Revenue Service. There was no departmental report submitted on H.R. 7590 prior to adjournment last year.

At the conclusion of the hearings last year the Treasury Department, recognizing the need for corrective action, advised that the problems concerning tax-return preparers were under study and that draft legislation was being prepared. Bear in mind, this is the Internal Revenue Service's own conclusion.

Many months elapsed in the last Congress and so far, nearly 3 months this year, without a report from IRS. Another tax season has rolled around, and still the promised specific legislative draft has not been received. Obviously then taxpayers this year must meet their deadlines again while the Department does nothing more than study the matter.

Today, now, we still have no relief in the form of better taxpayer assistance. Actually, we have less help from the Internal Revenue Service than we had last year.

Meanwhile there exists this army of tax preparers that I spoke of a moment ago. Bear in mind they are not all bad, but on the other hand there are a lot of them that are unscrupulous. Many of these so-called or self-styled "tax experts," are incompetent. Then too there is plenty of evidence to indicate there are some illegal practices. Such practices reflect unfavorably upon the careful and competent tax preparers and accountants who are reputable and ethical.

So today, Mr. Speaker, as Chairman of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations, for myself, and on behalf of our ranking member, the gentleman from Florida (Mr. FASCELL) the gentleman from Rhode Island (Mr. ST GERMAIN) the gentleman from Michigan (Mr. CONYERS) the gentleman from Virginia (Mr. PARRIS) and the gentleman from California (Mr. HINSHAW)—all of whom are members of the Legal and Monetary Affairs Subcommittee—I am reintroducing what was the substance of H.R. 7590 of the 92d Congress. We have no illusions. We recognize that our step today is but a minimal first step, but we trust that it may get the Treasury Department off of dead center and that it may move in the direction of some affirmative action.

Certainly our committee is sensitive to the needs felt by the average American taxpayer for some assistance from a Government agency that continues to unload on them these more and more complex tax forms each year, which is exactly what will be happening between now and April 15. We view this bill as a vehicle from which we can start discussions that will lead to a fair and workable recommendation to eliminate some of the unqualified and unscrupulous tax preparers from our midst.

I hope our subcommittee will begin deliberations on these matters and achieve some favorable results before another tax season arrives.

THE 55TH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

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

Mr. KEMP. Mr. Speaker, yesterday, March 25, marked the 55th anniversary of the declaration of national independence by the people of Byelorussia.

The history of Byelorussia statehood goes back to the ninth century when several Slav tribes founded independent principalities on the territory of what is now Byelorussia. In the 13th century a unification of lands took place around the cities of Navahradak and Vilnia and a powerful new state, the Grand Duchy of Litva—Lithuania—was created.

The Grand Duchy introduced the ideas and works of the Renaissance to the area and became a cultural and artistic center of Eastern Europe. In 1517, Dr. Francisak Skaryna translated and published the Bible, making Byelorussia the third people, after Germans and Czechs, to have a printed Bible in their native tongue.

From the 13th to the 18th century, the people of Byelorussia endured severe trials to preserve their precious independence. In 1795, the growing state of Russia forcibly annexed all Byelorussia and subjected the newly conquered land to intense russification. The struggle for independence continued, however, and during Napoleon's Russian campaign Byelorussia was temporarily proclaimed

a sovereign state under its former name, Litva.

Anti-Russian uprisings occurred again in 1830 and from 1863 to 1870. The weakened state of the Russian regime during the First World War provided the Byelorussian people with the long awaited opportunity to achieve independence and self-determination.

In December, 1917, the All-Byelorussian Congress met in the city of Miensk and on March 25, 1918, proclaimed the Byelorussian Democratic Republic. A provisional constitution was adopted which provided for: direct and secret ballot open to all; freedom of speech, press, and assembly; national and cultural autonomy of all minorities; an 8-hour workday, and the right to strike.

More than a dozen states accorded de jure recognition to the independence of the Byelorussian Democratic Republic and legations and consulates were set up in several capitols.

Unfortunately, the people of Byelorussia were not to enjoy their new found freedom long. The Russians once again invaded the Nation and by overwhelming force subjugated Byelorussia.

In 1944, in Miensk, a Second All-Byelorussian congress was convened and reaffirmed the desire of the Byelorussian people for independence and freedom.

The proud history of Byelorussia clearly demonstrates that all efforts to eradicate Byelorussian nationalism and the search of her people for self-determination are doomed to failure.

It is fitting that we who live in a nation which has achieved the goals for which the Byelorussian people have fought for so many centuries, should pause on this important anniversary and pay tribute to these brave people. May the hopes and prayers of the Byelorussian people for restoration of liberty for their beloved nation soon be granted.

Mr. Speaker, Dr. Roger Horoshko, president of the Byelorussian-American Association, has provided me with several interesting articles which describe the historic struggles of the Byelorussian people. I include at this time, one of these articles, "The Golden Age of Byelorussian Culture":

THE GOLDEN AGE OF BYELORUSSIAN CULTURE

INTRODUCTION

Byelorussia, a charter member of the United Nations, and today a constituent Republic of the U.S.S.R., is a country of rich cultural and national heritage dating back a thousand years. Soviet Russia is using its "Operation Rewrite" to obscure this fact and in its place promotes its own thesis, namely that only with Soviet help did the Byelorussian people attain their nationhood.

In reality, the political and cultural role that Byelorussia played, especially during the time of its "Golden Age" in the 16th century, had a paramount impact on Eastern Europe. In Byelorussia this was an era characterized by advanced democratic basis of life and by religious and political tolerance hardly found anywhere else in Europe at that time. While most of Europe suffered from the effects of religious fanaticism, from persecutions and from inquisitions, the enlightened atmosphere in Byelorussia permitted Symon Budny, a philosopher, theologian and a disciple of Michael Servetus, to freely preach, publish and to disseminate his religious ideas. This took place at the time when in Geneva, Michael Servetus was burned at the stake for his "heretic beliefs".

It was this tolerance of all ideas and an almost unlimited freedom of speech, conscience and faith, which led Todar Eulasheuski, a Byelorussian writer of the late 16th century, to call that century golden.

Historically Byelorussia was known as Litva and the Byelorussian State as the Grand Duchy of Litva. The name Byelorussia was introduced during the Russian occupation of the Grand Duchy in the 18th and 19th centuries and has since then gradually gained acceptance. Litva should not be confused with the present day Lithuania, which under its historical name of Zhamoyc (Samogitia in Latin), was but a small part of the Grand Duchy to which it was semi-permanently annexed. On several occasions Zhamoy was traded by the Grand Duchy in return for favorable military settlements.

BYELORUSSIA—THE CROSSROADS OF EAST AND WEST

During the last quarter of the 15th century, the Grand Duchy of Litva attained its maximum territorial expansion, encompassing vast territories from the Baltic to the Black Seas. To the east the boundary reached to within eighty miles of Moscow. Byelorussian lands formed the nucleus of this huge state and Byelorussian people were its masters both politically and culturally.

Simultaneously with the territorial growth of the Grand Duchy, commerce expanded. The rivers Nioman, Dzvina, Dniapro, and various overland trade routes connected Byelorussia with countries of Western and Eastern Europe. Along these routes also came new cultural and spiritual ideas and influences of the Western and Byzantine civilizations. The synthesis of these two cultural elements occurring on the substrata of Byelorussia's own national traditions later became the cultural characteristic of the Byelorussian people.

Cultural ties of Byelorussia with the West were also maintained through the educational opportunities which Byelorussian youth found at the Universities in Prague, in Germany and in Italy. A great number of Byelorussian statesmen, officials and well-to-do citizens used this opportunity to educate their sons, and through them Byelorussia was exposed to a continuous stimulating flow of progressive and bold ideas of the Renaissance and the Reformation.

Especially fruitful contacts with Western Europe were in the arts—painting, architecture, and graphic arts. Churches, castles, palaces and city halls were being built or renovated in the Gothic style, in the styles of the Renaissance and later in the Baroque style. In the 16th century an original Byelorussian building style was developed which combined harmoniously the Gothic and Byeantine forms with local architectural traditions. Excellent examples of this "Byelorussian Gothic" style are the churches in Mazheiki, Synkavichy and Suprasl.

BYELORUSSIAN—AN INTERNATIONAL LANGUAGE

An important prerequisite for the fast pace of development of Byelorussian writing and literature during the "Golden Age", was the high level of development of the Byelorussian literary language attained previously. For centuries the Byelorussian language was not only the language of everyday use and religious writing, but also the official language of the Government of the Grand Duchy of Litva, and not only in Byelorussian lands, but also in all other lands comprising this state.

Byelorussian language was used widely by the Orthodox Church which served 80% of the population of the Grand Duchy. Only in liturgy and other prescribed services was Church-Slavonic retained. The Catholic Church of the Grand Duchy used Byelorussian side-by-side with Latin. Scholars and preachers of the Reformation used Byelorussian language in their writings and publications. In the 16th century, Byelorussian was also introduced into the Holy Books (Koran) of a small but politically significant Muslim population of the Grand Duchy.

The dominant political and cultural position of the Grand Duchy in Eastern Europe inevitably led to the wide use of Byelorussian language beyond its borders. Trade and peace agreements with other states of Eastern Europe were written in Byelorussian. The great Dukes and Byelorussian language in their correspondence and relations with the rulers of states and regions of Eastern Europe, among them Muscovy (Russia), Great Novgorod, Tver, Pskou, the then German Riga, Poland, Moldavia, Walakhia, and the Tartar Khanates. The rulers of these states, as a rule, replied to Great Dukes of Litva also in Byelorussian.

Latin was the only other language used by the Grand Duchy in diplomacy, and its use was limited to relations with Western Europe.

Thus during the 15th and 16th centuries Byelorussian language played an international role in the diplomatic relations of Eastern Europe similar to that of Latin in the West. For example, when in 1646 a dispute arose between Poland and Moscow concerning the language which was to be used in their diplomatic relations, the settlement came only after they both agreed to return to the established tradition—the use of the Byelorussian language.

AN ADVANCE LEGAL SYSTEM

The ancient democratic traditions of the Byelorussian people and a mass of accumulated legal and judicial records, provided just the right conditions for a high level of development of law in Byelorussia during the "Golden Age."

Codification of law had already begun in the 15th century and 1468 the first compilation of laws of the Grand Duchy, entitled "The Judgement Book," was completed. However, it wasn't until the 16th century that the high level of Byelorussian legal system was reached with the publication of the judicial code of the Grand Duchy known as the "Litouski Statut." The basic principles embodied in this code were deeply rooted in the tradition norms of Byelorussian common law.

Following two handwritten editions of 1529 and 1566, the first printed edition of the "Litouski Statut" appeared in 1588, and because of its completeness became one of the most authoritative judicial codes in Europe. Byelorussia's neighbors, the despotic Moscow and the anarchist-aristocratic Poland did not at that time attain a similar achievement in the legal field.

The chief editor and publisher of the third edition of the "Litouski Statut" was the Chancellor of the Grand Duchy, Leu Sapieha (1577–1633). In all three of its editions, "Litouski Statut" was written in Byelorussian. Later it was translated into Latin, Polish, Russian and German. The "Litouski Statut" remained in use for three centuries, and was used even after the Russian occupation of Byelorussia. It was only in 1839 that the judicially binding force of the code was terminated by Czar Nicholas I and Russian laws were universally imposed.

CHRONOLOGY

Chronology was another field which reflected the vigorous political and national life of the Byelorussian nation. During the 16th century there appeared a large number of new editions of old chronicles as well as a host of new chronicles. The more important chronicles that have survived the turbulent events of history are the chronicles of Bykhavlets, of the Great Dukes, of the Dukes of Slutsk, chronicles of Krasinski and Baczynski, and a whole series of lesser local chronicles.

BYELORUSSIAN PRINTING

A very important factor in the development of Byelorussian written "Golden Age"

was the birth of Byelorussian printing at the beginning of the 16th century. The foremost pioneer of Byelorussian printing was a renowned scientist and humanist of his time, Francisak Skaryna (1485–1540). After obtaining his Doctorate in Medicine from the Padua University in Italy, Francisak Skaryna set forth as his main goal the dissemination of knowledge and eduaction among his own people with the aid of printed books, and in the language best understandable to them, that is in his native Byelorussian. In 1517–19 in Prague and later in 1522–25 in Vilna, Skaryna published the books of the Bible in Byelorussian translation. This was the first Bible printed in Eastern Europe and one of the first in the world.

Commentaries and introductions to Skaryna's books were filled with expressions of intense patriotism, love of the common people and with religious tolerance. Historians of printing refer to Skaryna's richly decorated and illustrated books as "slavic Elsevir". Skaryna's varied interests and activities, typical of the learned men of Renaissance, left a legacy in many areas of Byelorussion cultural life—in religion, literature, art, linguistics, as well as in printing.

Following in Skaryna's footsteps were such men as Symon Budny, Vasil Ciapinski, Vasil Haraburda, Peter Mscislaviec, brohters Lukas and Kuzma Mamonich, Ryhor Chadkievich, and the Orthodox Brotherhood of Vilna. By the end of the "Golden Age" there were over ten publishing houses in Byelorussia. Their books could be found not only throughout Byelorussia, but also in the territories of the southern Slavs and even in Moscow despite the fact that there they were banned and often burned as "heretic".

Printed literature was used extensively by the Byelorussian Reformation movement, forcing the Orthodox and the Catholics into a lively debate in print. Consequently, an extensive religious and polemic literature had been accumulated by the second half of the "Golden Age".

The most prominent representative of the Byelorussian Reformation movement was Symon Budny (1530?–1593), a philosopher and a student of the Bible. Budny, first a Calvinist, and later the leader of Byelorussian Unitarians, was a prolific writer of polemic letters and theological treatises which he wrote in Byelorussian, Polish and Latin, and distributed in Switzerland, England, Prussia, Poland, Hungary, and in Byelorussia. Budny's main work in Byelorussian is a large theological treatise "Katykhyzis" (Niasviz, 1562) which lays down the basis for his reformist ideas and expresses his views on the main social problems of that time.

Among the Orthodox, a notable activist and a reformer of the Orthodox Church of the "Golden Age" was the Metropolitan of the Grand Duchy, Jazep Soltan (Metropolitan in the years 1497–1519). A prolific contributor to Byelorussian Orthodox writing was Archimadrite Siarhei Kimbar (1532–1565) of the Suprasl Monastery. The second half of the century marks important literary and editorial activity by Ryhor Charkievich (1505–1572). In 1575 Orthodox books were being printed in Vilna by Peter Mscislaviec. Famous for both their quality and the number of religious books published, were the Vilna publishing houses of Mamonich Brothers and of the Holy Trinity Brotherhood.

EDUCATIONAL AND SECULAR LITERATURE

Along with the general rise of the educational level in Byelorussia, the need for textbooks and reference books also increased. Publishers of religious books of all denominations turned their attention to this need. Special credit goes to the Orthodox Brotherhood in Vilna which published Byelorussian grade school readers, Byelorussian grammar and textbooks, and in 1595 published the first Byelorussian dictionary and lexicon edited by Laurenci Zyzani, an educator, scholar and theologian. Zyzani's Byelorussian grammar later became the primary source material for the Russian grammar of Michael Lomonosov.

In the field of secular literature both Byelorussian and Latin were used. In 1521, during his stay in Rome, Mikola Husouski wrote a poem for Pope Leo X, entitled "The Song of the Zubr". This poem of nearly 2000 stanzas was written with remarkable talent and presents vividly the beauty of Byelorussian wilderness and masterfully describes a relative of the bison-zubr, the king of Byelorussian forests. It further describes all the dangers of hunting the zubr, and clearly reffects poet's love for his country and his views on the major political events of his time. Also in Latin, Michael Litvanus published "The Habits of Tartars, Lithuanians (Byelorussians) and Muscovites (Russians)". In the years 1573–74, Filon Charnabylski of Orsha wrote in Byelorussian his "Vodpisy" (Reports). During the last quarter of the century poet John Radvan "glorified Byelorussian magnates, his benefactors, with his Latin poems. A Diary" describing a wealth of topical and historical events was written in Byelorussian by Todar Eulasheuski (1546–1604?).

CONCLUSIONS

This short survey points to a record of remarkable cultural and political achievements of the Byelorussian people and of the Byelorussian State, the Grand Duchy of Litva. In the 16th century, this level of accomplishment could not even be approached by Moscow, Poland or any other state in Eastern Europe. This is also the record which Soviet Russia tries to camouflage and falsify, thereby attempting to deny the cultural inheritance and historical achievements of the Byelorussian people. In this connection the change of names from the historical Litva to Byelorussia and from the historical Zhamoyc (Samogitia) to Lithuania, contributes to the confusion which the Russians exploit. However, a heritage of this scope and an abundance of documentary evidence from the era of the "Golden Age" still in existence, can not be suppressed either by might or by fraud.

BRINGING FEDERAL SPENDING UNDER CONTROL

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

Mr. EDWARDS of Alabama. Mr. Speaker, bringing Federal spending under control is a subject on the mind of every Member of this body. In an arena which thrives on disagreement and the adversary process, for once there is no dispute. We must inject fiscal sanity and fiscal responsibility into the Federal budgetary system.

To reach this goal, we must face a few basic facts. First, we must recognize that the cloud of uncontrolled Federal spending casts its shadow over most if not all of the problems grappled within this Chamber. The state of the Union rests upon the state of the economy which in turn is determined by the state of our Federal budgetary process. Reckless Federal spending effects every citizen of our land every time he or she picks up a paycheck and every time he or she goes to the supermarket or tries to balance the family budget at the end of the month.

We must face the fact that to cure inflation, we must get at the causes of inflation. And the candidate leading the field of probable causes is the unruly Federal budget. We must acknowledge, just as every American family acknowledges, that there is only so much money to go around. When the income is less than the outgo, expenses have to be cut or an additional source of income has to be found. Put simply, more money spent means more taxes, more inflation, or both.

We must face the fact that for every right there is a responsibility, that the right to spend is coupled inseparably with the responsibility to keep the budget in reasonable balance.

We must realize that the American people want a more efficient, more responsive, less expensive Government. They want, as the President has said, to get the Government off their backs and out of their pockets. And they expect the Congress to exercise the same care with their tax dollars as they exercise with their own family budgets. In fact, the strong feeling of the American people on this subject is probably the greatest cause for optimism in the fight to inject fiscal reason into the Federal budget. We can achieve this goal because we have the people squarely on our side.

Mr. Speaker, I am introducing today a bill which would provide Congress with the tools to set national priorities while at the same time controlling Federal spending. The bill would create a joint committee on the budget. This committee would develop a legislative budget each year, including estimated receipts and expenditures. The budget would recommend a reduction in taxes or in the public debt if estimated receipts exceed expenditures in any fiscal year.

My bill differs from others at this point. Rather than stopping with the unlikely prospect of a surplus in receipts, my bill requires a recommendation by the joint committee for increases in taxes or in the public debt when estimated receipts do not equal proposed expenditures. If the public debt is to be increased, the committee must provide an estimate of the effect upon inflation.

If we ignore the possibility of receipts not meeting expenditures and if we overlook the hard choices required if this occurs, we are engaging in the same old fiscal hypocrisy.

The bill sets up a system by which the costs of a given program will be realistically projected over a 5-year period so as to give the Congress a better idea of just what sort of monster it may be creating. It requires all major spending programs to be evaluated at least once every 3 years. This will allow the Congress to keep a firmer grip on the handle of programs than has been the case in the past.

Every new process will be tested by a limited pilot program to see if it is worthy of the taxpayer's dollar. This will prevent our throwing money at problems before we determine the best, most efficient way to solve them.

Under this bill, money for all Federal spending will have to be appropriated annually by Congress. This would cut down on the large percentage of the budget each year which is unreviewable by Congress and therefore unsusceptible to budgetary improvement.

These are just the highlights of the bill, but the primary thrust is what is im-

portant. We must turn the full light of fiscal responsibility on the congressional budgetary process. We must become aware of the consequences of each expenditure. And, most importantly, we must recognize that sometime, some place, we have to say no. We have to say that this program or that program, while a good one, is not good enough to warrant inflation or a tax increase.

I have previously introduced two bills which bear on the subject of budgetary reform. H.R. 1388 would make the fiscal year coincide with the calendar year, doing away with the confusion and the lack of synchronization with sessions of Congress. House Resolution 102 calls on the Committee on Appropriations to report all general appropriation measures for each fiscal year to the House before the beginning of that fiscal year so that the measures can become law before the beginning of the fiscal year. Under the current procedure, administrators in many cases have no way of determining how much money they will have for the fiscal year until long after the previous year has ended. This does not foster good planning and good continuity of programs.

Mr. Speaker, substantial portion of the debate on budget reform so far this year has concerned itself with alleged usurpation of power by the President and with long and intricate discussions about the separation of powers in our system of government. Certainly I may disagree with impoundment of funds for particular items or programs, but I cannot disagree with the President's overall objective of halting runaway Federal spending.

I am reminded, as I listen to the heated debate over impoundment, of the seventh chapter of Matthew, second and third verses:

> Why do you look at the speck of sawdust in your brother's eye, with never a thought for the great plank in your own? First take the plank out of your own eye and then you will see clearly to take the speck out of your brother's.

The Congress should dedicate its energies to removing the plank of fiscal irresponsibility from its own eye rather than concerning itself with the passage of bills which will burst the seams of the President's budget. Once we get our budget house in order, then we can take steps to extract the speck of impoundment from the President's eye.

THE ROLE OF CONGRESS

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

Mr. McFALL. Mr. Speaker, the relative strength of Congress as compared to other western legislatures is among the topics touched upon by several panelists in the recent Time, Inc.-sponsored Chicago symposium on the role of Congress. The moderator was Mr. Grunwald; the panelists were Henry Wilson, president of the Chicago Board of Trade; Senator WILLIAM SAXBE, of Ohio; Neil MacNeil, of Time magazine; John F. Bibby, of the University of Wisconsin; Senator WALTER MONDALE, of Minnesota; and Dr. Charles Jones. I include their exchange in the RECORD:

Senator SAXBE. For one thing, these people are career people who usually survive the election, and I have seen this also operate in India, where they do not have this time to prepare. It is spontaneous there. Frankly, I have great admiration for the way this operates, because what a wonderful thing it would be to get Kissinger down on the floor of the Senate once a week simply to find out what is going on. Or to get Stans down to find out what went on at Watergate.

This whole thing makes the parliamentary system much closer to the people, it seems to me, even than our congressional system where we have to go out on the hustings and talk to them.

I think that a professional staff is not possible in the congressional system, as it is under the parliamentary system.

Mr. MACNEIL. Why not?

Senator SAXBE. I do not think it is possible because of the inability of the parties to be strong enough to attract and keep staff people.

Mr. MACNEIL. It was laid down in the Reorganization Bill of 1946, I believe, that the committee staffs be professional——

Senator SAXBE. All right.

Mr. MACNEIL. —which has not been followed except by a few committees.

Senator SAXBE. When Russell Long, for instance, presents a finance bill on the floor of the Senate, which is one of the most important periods in that respect, he has at his fingertips full access to all of the information. He has one or two men with him on the floor, as you know, and this is true of Magnuson, this is true of the other committee chairmen when they come in to present their bills.

On the other hand, the opposition people, usually the opposition people on the committee, are silenced before they ever get there because they have had their say, so we are talking about the opposition not within the committee. They can only single out one little area where they can be knowledgeable, and with our staffs so limited, we can't do a great deal more than that unless you have a staff like Senator Kennedy, who has 30 people or 40 people over and above his regular staff. I would guess he has got 60 or 70 people on his staff.

Mr. GRUNWALD. Gentlemen, I think it is approaching time for lunch, but I know that all members of the panel would like very much to hear questions from the floor. I think we do have time for a few questions from the audience now, and we will, of course, continue the questions if you do not mind, during lunch.

Yes, sir?

Mr. WILSON. My name is Henry Wilson, I am president of the Chicago Board of Trade, and I served for six and a half years on the White House staff, with responsibility for the relationship between the House of Representatives and the Executive.

May I ask whether I may make a comment rather than ask a question?

Mr. GRUNWALD. Yes, sir. By all means.

Mr. WILSON. I think that this extremely interesting discussion has really missed the nub of the problem. I think everything that has been said is valid, the problems of press criticism, the problems of procedures, the problems of inadequate staffing, patronage, courage in various area. It seems to me that there is one and only one solution to it and that is to get abler members of Congress.

Now, there are some extremely able and some extremely courageous and hardworking members in both houses of Congress in both parties, but there are not enough of them. Two hundred years ago we had in this country, then a nation of 3,000,000 people, leaders of the quality of Washington, Jefferson, Adams, John Marshall, and Alexander Hamilton. Just think how much abler our affairs would be conducted these days if we had that quality of political leadership.

It is ridiculous to suppose that there is not that kind of ability now in a nation of 200 million people, and it is ridiculous to suppose that there is anything inherent, particularly in an extremely well-educated country, which makes it impossible to revive such qualities of leadership.

What do we do to encourage it? Well, there are a lot of things, but this is a media-type meeting here. I think that Neil MacNeil ought to be permitted, far more than he is, to write about some of the heroes in the Congress, the people who stick their necks out, the people who work 12 and 14 hours a day, and bone up and become genuine experts in their fields. These people should be held up as an example to the young people entering and emerging from college and shaping their careers.

It is appalling to see the polls on "What would you want your son to be?" It is less than 1% in terms of going into politics.

Mr. MACNEIL. Henry, I would like to pick you right up there. I am permitted to write about the heroes, such as they are.

I want to respond a little bit to your idea of encouraging more people to run for Congress. I do not want to come out against it, but I think you made an unfortunate choice of the able members back at the time of the Revolution. You said Washington, Jefferson and Adams, Hamilton and Marshall. Only one of the men whom you named served in Congress. You would have done better mentioning Madison and some of the other men.

To me, today, however, the membership of Congress is more able than it has ever been, and it is a part of the process of the whole country being a more educated country. Fifty years ago, 100 years ago, there were members of Congress who literally could not read or write. We do not have such phenomena now.

The membership of Congress is abler today, college-educated, for example, than at any time in history. I think we always need abler people in government, but it is by no means the nub of the question, to me. It seems to me that during this very period when the membership has been increasing in its overall ability, the Congress has slid into its present difficulties vis-à-vis the Executive.

Mr. GRUNWALD. Would you like to comment on that, Senator, or has Neil said it for you?

Senator SAXBE. No. He said it. I am delighted that Fritz got here, because I am sure, being a member of the majority, he has a much better grasp of what happens inside than I do.

Mr. GRUNWALD. Senator Mondale, whom we welcome, has agreed to talk to us at somewhat greater length at lunch, rather than trying to wedge him in now. I think perhaps there might be time for one more question from the floor before we move into the other room. Yes, sir?

Mr. BIBBY. John F. Bibby, of the University of Wisconsin, Milwaukee. My question, I guess, is mainly directed to Chuck Jones.

I think one of the unusual things that he alluded to about Congress is that unlike the legislatures in the rest of the Western World, Congress is still relatively strong. It has not gone into the decline that others have.

I have always thought that one of the reasons for this was the diffusion of power, that it is virtually impossible not only for party leaders to get a handle on it, but also for Presidents. Seniority and other things elevate to positions of authority people whom Presidents really cannot control effectively.

I wonder, if we should strengthen party leaders in the way that Chuck was talking about, whether we would not perhaps unintentionally also strengthen the President's hand to control Congress?

The President is a much more powerful figure today than in the days of Uncle Joe Cannon, and Czar Reed, and I would think that his institutional resources would be such that he could probably dominate even a more united party, and the Congress would come perhaps even further under the thumb of the President, even if the legislative body asserted itself.

That is one of the things that concerns me about strengthening political parties in the Congress. The diffusion of power in Congress, I think, is a safe thing.

Dr. JONES. I think that puts it very well, John, but it is a matter of the swing of the pendulum, always, and the question is, for me anyway, how do you increase the authority for party leaders enough to make them accountable for something?

It is not reasonable for me to ask party leaders presently to account for what they are doing because of the diffusion of power. So how do you maintain enough authority for their accountability while maintaining the advantages of the committee system?

Mr. GRUNWALD. I think we might adjourn for lunch. We will take a little nourishment and refreshment, and then continue the discussion.

(Whereupon the symposium was recessed until 1:15 o'clock p.m.)

Mr. GRUNWALD. Ladies and gentlemen, I apologize for interrupting your meal, but Senator Mondale has just very speedily finished his own, and I am sure you will want to hear from him.

By way of introduction, briefly, I would like to tell you that the other night some of us were talking about the future and it occurred to us that if by any chance Senator Walter Mondale and Senator Charles Percy were to run for higher office, which at least has been discussed occasionally, the confrontation might become known as the Battle of the Eagle Scouts, because obviously they both were Eagle Scouts at one time or another, and I think they still are trying to live it down.

I will not take time to tell you about Senator Mondale's record, I am sure you are familiar with it, and his very vigorous fights for the causes he believes in. He has certainly been one of the President's strongest opponents in the Senate, which is by no means his only distinction. He has worked very hard for the poor, the hungry, he has worked for urban causes, civil rights and many other things.

I am sure some of you will disagree with many of his policies, but you cannot deny, I think, his energy, his devotion to what he believes in, and the fact that he has made, really, a very interesting figure in the Senate.

Having done a little bit more research about him, I think I would like to reveal to you, if you are not familiar with the fact already, that in his youth between college terms he once worked sorting peas for the Jolly Green Giant. I think anybody who has done that should find Congress almost easy by comparison.

Ladies and gentlemen, Senator Mondale.

Senator MONDALE. Thank you very much, Henry, for that kind introduction. Actually, I was a pea lice inspector, and that, I have found, comes in very handy almost daily in the U.S. Senate.

Senator Saxbe and friends. I thought I would speak very briefly about the Congress, but instead of that I have decided to devote my time to an attack on an airline. We had a very lovely two hours waiting to take off from Minneapolis. I won't say that our weather was bad, but when they finished deicing one wing, the other wing was iced up again, and we chased wings for about two hours, and I am very sorry that we were late.

I have been briefed by Neil on what has been said, and I will make just a very few comments about it. First of all, I think this movement, which is increasingly apparent by Time, Inc., demonstrated again in the Stevenson-Mathias hearings now under way in Washington, the efforts by Common Cause and John Gardner and those by Ralph Nader in the recent congressional study, are long overdue, fundamentally important, and I hope are but the beginning of a long-term analysis and critique of the Congress and its role in American Government.

I understand a few points have been made that I would certainly like to endorse without dwelling on them. One is the need for more and better staffing, and for computer technology and other kinds of consultant aid.

I have been through many debates that required better staffing and more technical information than usually is available to us. Perhaps one of the classics was the one on the aircraft carrier, where I had myself and one college kid versus the U.S. Navy, and everybody who wanted to build an aircraft carrier, or who had a friend who was an ensign or above. It wasn't an even fight. It took literally days and months to prepare for it, to read the detailed documents and tables in order to try to deal competently with what turned out to be an extremely technical matter.

The same thing was true in the debate involving the space shuttle. In addition to all of NASA's resources, and all the industries that had space business, you may recall that a mysterious and magical group of full-page ads appeared in all the papers of the country. There was even a half-hour documentary, sponsored by the space industries, ridiculing those of us who questioned the space shuttle. The voices of people like Dr. Van Allen and Dr. Day and many of the other truly gifted space scientists were barely heard at all in that debate.

I am convinced that we foolishly handicap ourselves in the Congress by failing to properly staff ourselves. I find, unlike public resistance to salary increases for ourselves, very little public resistance to improvements and expansions in staff. I hope that this would be a readily agreed upon objective.

Second is the matter of computers. I have been in many debates, for example on the Education Committee, that dealt with complicated formulas and distributions. And I have found that whenever I am on the side of the Administration, I am surfeited with computer print-outs and data that comes within seconds, whenever I need it to prove how right I am. But if I am opposed to the Administration, computer print-outs always come late, prove the opposite point or always are on some other topic. So I think one of the rules is that he who controls the computers controls the Congress, and I believe that there is utterly no reason why the Congress does not develop its own computer capability, its own technicians, its own pool of information. I would hope that we do so.

I read Dr. Jones' excellent paper and I have been briefed, and I understand that Mike Mansfield has not had a good day.

I would like to provide what I think is some balance on the performance of the Congress. I think there is much that richly deserves criticism, the unquestioned rewards that go to seniority, the sometimes inexcusable delays, our apparent impotence in constitutional showdowns with the Executive. But I do not believe that the Congress is without a record that is worth looking at, a record that provides some balance to some of the criticisms that I have heard.

We might begin with the war in Viet Nam. What forum in this country first provided meaningful debate on the issue? Where did Americans first go for a hearing to ventilate the issues surrounding the tradegy of the war in Viet Nam? I think there is no doubt that they went to the Congress and particularly to the United States Senate.

The Senate, and particularly the Committee on Foreign Relations, did stand up in providing a public debate on the truth of that tragic war.

It is true that we did not succeed in passing amendments contrary to the wishes of the Executive to end that war. But I think that one of the contributing factors to the fact that the war may now be ended is that the Congress kept up a constant drum fire, repeatedly opened up the debate. Repeatedly offered in the Senate were McGovern amendments, Hatfield amendments, Mansfield amendments, and Cooper amendments. Senators tried consistently to keep that issue in the forefront of American political debates, and I believe that some credit should be given for that performance.

I think there are many other areas. Look at the issue of the environment. Where has the real leadership come to try to make progress in protecting the American environment? I think quickly the names of Gaylord Nelson, of Ed Muskie and of John Blatnik come to mind.

The first proposals to begin the assault upon pollution came from the Congress in the early 1950s. They were met with presidential vetoes, I think on two or three occasions. And this has been consistently true in the late 1960s and the early 1970s, including the last massive and fundamental Water Quality Act which the President vetoed, and which the Congress overrode, and apparently the President is vetoing again. It was the Congress that led in the field of the environment.

In the field of consumer rights we had some leadership during the Johnson Administration, but basically the consumers' movement has found its forum in the Congress.

The legislation for truth-in-lending, truth-in-packaging, auto safety, product safety, pipeline safety, flammable fabrics, the Consumers' Protective Agency, the movement for class actions; all these measures have found their support and movement largely within the Congress, and not from the Executive Branch.

I think in the last few years the civil rights movement of this country has depended upon the Congress and not upon the Executive Branch. We have tried to make the case, to develop the record, to argue in the Congress that the President's effort to dismantle this nation's longstanding objective to eliminate discrimination was wrong. And it has been the same with the President's effort to populate the Supreme Court with people deeply committed against the effort to enforce the 14th Amendment.

Those efforts came from the U.S. Senate, most of them with bipartisan support.

I believe that in many other areas such as education and alleviating poverty, areas in which I have been deeply involved, the Congress has acted effectively. It was Congress that developed such programs as those embraced in the recent Higher Education Act and the Child Development Act—programs which this nation desperately needs but which the President vetoed. There have been strong congressional efforts for emergency, stand-by employment measures as well.

I do believe it is unfair simply to dismiss the Congress as a totally inefficient, incompetent, unresponsive reactive institution. I believe it has many, many problems, but I believe we would be making a mistake just to dismiss it in those broad terms.

Now, having said that, I wish to say that I think there are many procedural changes that are needed. We have discussed here an addition to staff. I think we ought to take a tough look at the seniority proposals. I think we ought to take a look at the filibuster rules. We ought to take a look at the way the caucus selects committee membership, all sorts of things. But I think the underlying fact is that Congressmen usually do what they want to do. Often there are not just procedural reasons, but substantive reasons why things don't get done, political reasons.

The war in Viet Nam is a good example. We could have ended that war. All we needed

was the votes, but we did not have them. These people in the House went home time and time again, and they got elected, even though they voted against end-the-war amendments.

SPENDABLE EARNINGS INDEX CALLED MISLEADING AT BEST

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

Mr. MOSS. Mr. Speaker, may I call to the attention of my colleagues an article by Phillip W. McKinsey entitled "Spendable Earnings Index Called Misleading at Best."

I want to share Mr. McKinsey's summary of the spendable earnings index which spotlights one more misrepresentation and the resulting havoc President Nixon's economic policies have created.

The article follows:

SPENDABLE EARNINGS INDEX CALLED MISLEADING AT BEST

(By Philip W. McKinsey)

Until late in 1972 Nixon administration economists rarely missed an opportunity to talk about how fast the index of real spendable earnings was rising.

It showed, they claimed, how well the average American worker was faring under Phase 2 of wage-price controls, and it was a major piece of ammunition used to rebut union critics who argued controls were stiffer on wages than on prices and profits.

Since last October, however, the index has declined 1.5 percent and not much is being said about it. Real wages have not declined by anything like that much, but when a tax change occurs—social security taxes went up in January—the index reflects it because it is an "after-tax" measure. Thus the index dropped sharply in January, the latest figures available.

Other changes affect the index, too, so that its use as an indicator of the financial situation of an individual worker can be highly misleading. In the current issue of the Brookings Papers on Economic Activity, Brookings Institution economist George Perry looses a blast at the series:

"The series . . . is one of the most misused economic statistics. One reason for its misuse is that it is one of the most misleading economic statistics receiving regular monthly publicity," writes Mr. Perry in an unmistakable dig at the administration.

LIKE A STOPPED CLOCK

"In recent years, the series showed no increase at all in earnings and was often cited as evidence that wages were suffering badly in the race against inflation. In recent quarters, it has risen sharply and has been cited as evidence of how spectacularly well wage earners have been doing," he adds. "Like a stopped clock, the earnings series occasionally tells a true story. But when?"

Mr. Perry, who is recognized as one of the nation's leading economists in the field of labor force composition and related areas, believes the earnings series can be useful only if it is adjusted in a variety of ways depending on what question is asked of the data. "In fact, it is hard to think of any interesting question it can answer without adjustment," he says.

Even if one wants a measure that incorporates the effects of tax and price changes on wages, the real spendable weekly earnings index can be distorted from month to month by three other factors: overtime pay, the employment mix, and the number of hours worked. The index, as published, does not include sufficient information to allow one to sort out the effect of any of these.

If the length of the average work week increases, as it typically does during a recovery from recession and as it did last year, the index will rise even if wages do not and prices and taxes are unchanged. Likewise, if the amount of overtime pay increases and nothing else changes, the index will rise. And vice versa, of course.

In each case, a worker's pay will have risen because he has worked more hours not because he has gotten a pay increase. Mr. Perry cautions, however, "Once variations in average hours and overtime premiums are accounted for, the resulting measure of average hourly wages is still a distorted indicator of an individual's basic wage." He explains why:

"If every individual's wage were unchanged, but the employment of low-wage individuals expanded, the average wage and earnings would decline. Something like this has been happening in the U.S. economy for a long time, and the rate at which it happens varies from year to year."

Mr. Perry also disputes the usefulness of an index that lumps together even adjusted changes in real warnings and tax changes. "While measures of after-tax income are needed for many purposes, they are inappropriate in a measure of how well wages have been keeping up with prices, or even in a measure of well-being," he argues.

ADJUSTMENT TOOL PROPOSED

And last, the Brookings economist suggests that any earnings series of this type ought to be deflated—adjusted for price changes—using not the consumer price index (CPI), as is done, but using instead the deflator for consumption spending in the national income accounts. The CPI and the consumption deflator, which is a broader measure of price changes, have not moved together closely in recent years and Mr. Perry would opt for the latter.

Recognizing some of these problems, the Bureau of Labor Statistics (BLS) began more than a year ago to publish a real average hourly wage index that adjusts for changes in the employment mix and for overtime and use the CPI to deflate current-dollar wages.

Mr. Perry notes the existence of this new series but says something more is still needed. "We are [far] from having a combined measure of how much work a typical worker does and how much pay he receives per hour of work," he says, adding, "There is understandable interest in a measure of weekly take-home pay, too. While BLS does attempt to describe its series on real weekly spendable earnings carefully and to point out its shortcomings, a substantially improved series is urgently needed."

THE ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 30 minutes.

Mr. KASTENMEIER. Mr. Speaker, the American public has been inundated recently with messages from the oil industry about the energy crisis. The American Petroleum Institute keeps reminding millions of television viewers that "a nation that runs on oil cannot afford to run short" Continental Oil Co., in a double-page spread in several national magazines, warns us that "energy costs are bound to rise" and that "we need some practical trade-offs in the ecological area." And Mobil Oil Corp. wonders, in full-page newspaper ads, "Is anybody listening?" to its past and future warnings about the "energy crisis." But the fact is, much of the so-called energy crisis is being concocted in the board rooms and public relations offices of the Nation's major oil companies.

That is not to deny that many parts of the Nation are experiencing serious fuel shortages: schools closed in Denver, factories shut down in West Virginia. Illinois, Mississippi, and elsewhere, jet fuel was scarce at John F. Kennedy Airport in New York and Iowa farmers were unable to dry their corn harvest. In my State of Wisconsin, the State government was coordinating the day-to-day juggling of supplies to meet needs. Now we are hearing predictions of a gasoline shortage this spring. But those problems were avoidable. The fuel shorages are a demonstration of, not an energy crisis, but a gross failure by the Nation's oil companies and by the Federal Government.

According to petroleum figures, the supply of known oil reserves—exclusive of the large supply in Alaska—would last 9 years at current rates of production. Granted, the recent decline in the reserve/production ratio in the lower 48 States is worrisome, but surely a 9-year supply could have gotten us through the winter. Indeed, the Office of Emergency Preparedness says that oil industry representatives—including those from the American Petroleum Institute, Continental and Mobil—assured OEP last fall that there would be no fuel shortage this winter. But a shortage did develop and with it a well-timed stepped-up industry ad campaign about the "energy crisis."

This public relations blitz by the oil companies is aimed at preparing the consumer for higher prices although prices already are artificially high;

It is aimed at convincing Government agencies to relax environmental standards, although the incalculable social costs still would have to be paid even if not by the oil companies;

It is aimed at persuading Congress to deregulate the price of natural gas, although that is the single major Government energy policy which protects the consumer instead of the oil industry;

It is aimed at preserving the oil import quota system, although it can be demonstrated that it has failed to achieve its purpose;

And it is aimed at preserving or enlarging oil industry tax loopholes, although no industry is the beneficiary of more corporate welfare.

One might think from the TV commercials of the American Petroleum Institute that the Nation is in danger of running out of oil and other energy resources. That certainly is not the case. A publication prepared for the Senate Committee on Interior and Insular Affairs, "Conservation of Energy," had this to say:

The potential for improving the domestic resource base for both oil and gas is considerable. For example, it has been estimated that the ultimate reserves of oil in the lower 48 states could be between 575 billion and 2,400 billion barrels. Present proved reserves are 36.5 billion barrels. The ultimate natural gas resources have been estimated to be between 1,250 trillion and 2,175 trillion cubic feet. Present proved reserves are estimated at about 275 trillion cubic feet.

The Department of the Interior, in a 1972 publication entitled "United States Energy, a Summary Review," outlined the vast wealth of energy resources in this country:

Our nation has been bountifully endowed with a large resource base of fuel minerals, which include petroleum, natural gas, coal, oil shale, uranium and thorium. The energy content of known resources of these fuel minerals amounts to 13,100 quadrillion BTUs, enough to last 190 years at the rate of energy use in 1970.

The potential resources of fuel minerals that are on the verge of use but await technologic advance will last 16,500 years at the rate of energy use in 1970.

The industry itself acknowledges that the Nation's store of mineral wealth is immense. In its ad, Continental Oil says that the country has potentially recoverable oil reserves sufficient to meet present demand for 65 years, gas reserves for 50 years, coal reserves for 300 years, uranium reserves for 25 years and oil shale reserves for 35 years.

Why are not those vast resources being tapped? Amazingly, the oil companies contend that they need greater incentives for further exploration and production. But any projection of energy consumption for the next 25 to 30 years should furnish ample incentive to any company which hopes to grow and prosper. The Department of the Interior is predicting that the Nation's energy consumption will double before 1990, and others are predicting more rapid growth. That growth should be a boom for industry profits.

The oil companies would have us believe that these are difficult times for the industry in terms of profits. That, too, is not the case.

The 1972 National Petroleum News Factbook issue includes financial data on the Nation's largest oil companies, including profits in 1961 and 1971. The 24 companies for which figures are available for both years have more than doubled their combined profits, from $2.9 billion to $5.9 billion. The same publication shows that the Nation's domestic demand for all oil products jumped from 3.6 billion barrels in 1961 to 5.5 billion in 1971. Thus, while the Nation's oil consumption increased by just over 50 percent in a decade, the major oil companies' profits increased by just over 100 percent.

The country's largest oil company, Standard Oil of New Jersey, now Exxon, increased its profits from $758 million to $1,517 million during the decade. Second-ranking Texaco jumped from $430 million in profits to $904 million; third-ranking Gulf Oil from $339 million to $561 million; fourth-ranking Mobil Oil from $211 million to $541 million.

The same rosy profit picture emerges in comparing the oil industry to others. The M/G Financial Weekly, published by Media General Inc., reports a wealth of information on more than 3,400 major American corporations, including a compilation of earnings by industry groups. A recent issue showed that the 3,400-plus corporations reported total earnings of $50 billion in the past year. Of that total, 42 corporations engaged in oil refining and marketing reported earnings of more than $7 billion. In other words, roughly 1 percent of the corporations in the M/G list, the major oil companies, earned 14 percent of the profits. Those 42 companies had an average profit margin of 6.9 percent, compared to 5.1 percent for all corporations; and their return on stockholders equity was 11.2 percent compared to 10.6 for all companies.

That the current fuel shortage is a concocted "crisis" does not diminish in any way the fact that the nation will face a real energy crisis if decisive action is not taken now. U.S. energy demand is doubling every 20 years; electrical consumption alone is doubling every 10 years. But reserve supplies of oil and natural gas, which now furnish three-quarters of the Nation's energy, have been declining for more than a decade; the development of the Nation's most abundant fossil fuel—coal—cannot proceed full-scale until we can avoid the hazards of air pollution and devastation of strip mining; nuclear power is considered the long-range energy answer, but it still poses safety and environmental problems; and such sources as geothermal and solar energy await further technologies before widespread use.

What is needed—and on this point all agree—is a national energy policy. Regrettably, many who have addressed this problem have placed great emphasis on an adequate energy supply and less emphasis on environmental protection and consumer costs. The oil companies, in particular, talk of 'trade-offs" in the ecological area and of "balancing" environmental considerations and energy needs and—always—of higher prices. What I propose today is an energy policy in which environmental and consumers concerns are paramount.

My proposals are based on three principles:

That the Nation can meet its fuel needs by conserving huge amounts of energy now being wasted and by developing new technologies to tap our vast resources.

That the environment can and must be protected because any trade-offs which sacrifice environmental considerations merely shift the true costs to someone other than the user of the energy.

That energy costs can be held down by assuring competition between fuels and between energy companies, competition which is dwindling as the industry becomes more concentrated.

1. CONSERVE ENERGY

Much of the Nation's energy potential is lost either through inefficiencies in recovery of fuel resources or in converting energy to its ultimate use. The average amount of oil recovered from a reservoir, for instance, is only 30 percent of the amount in the ground. Only about 18 percent of the gasoline burned in the average car is converted to useful energy; the rest is wasted in start up, idling, deceleration, and elsewhere. A light bulb converts only 10 to 14 percent of its energy into light; the remainder is wasted as heat. The conversion of fossil fuels—oil, natural gas and coal—into electrical energy is enormous in terms of energy consumption, but the resulting electricity amounts to only 33 percent of the energy in the original fuels.

More efficient automobile engines or electrical generators obviously would conserve the limited supplies of fossil fuels. Less obvious, but of equal importance, are the benefits to the environment and to consumers. If an automobile converts a greater percentage of gasoline to useful energy, less pollution fouls the air and the driver saves on fuel costs. The same is true for generation of electricity.

Even without the new technologies necessary for greater efficiencies, however, a number of steps can be taken to conserve energy.

In the transportation sector, where one-quarter of the Nation's energy is consumed, one of the top priority items should be a shift from energy-gulping automobiles to cheap, clean, and convenient mass transit systems. With the same energy used by one car driver, we can move four commuters to and from work by bus. It is time for the Congress to consider tapping the highway trust fund for mass transit financing in urban areas where that is a practical alternative.

In the commercial and residential sector, where one-fifth of the Nation's energy is consumed, improved insulation in homes, apartments, and offices could reduce energy consumption—and costs—for heating and air conditioning by 20 percent. This could be accomplished by upgrading FHA standards for insulation.

In the utility sector, where one-quarter of the Nation's energy is consumed, we should be working toward establishment of a national power grid to interconnect the country's electrical transmission lines. By taking advantage of seasonal and time variations in utility peakload requirements, a national power grid would reduce by 20 percent the country's need for future generating capacity, according to one estimate. One example of its benefits: while west coast residents are still sleeping, excess electricity could be shifted to the East where demand is greater.

In the industrial sector, where well over one-quarter of the Nation's energy is consumed, we should provide the incentive of higher energy costs to encourage companies to implement energy-conserving efficiencies. Figures compiled by the Federal Power Commission show that big industrial users pay less than half as much as homeowners for each kilowatt hour of electricity. Permitting utility monopolies to provide volume discounts to big users makes no sense, either in terms of energy conservation or economic equity.

2. RESEARCH NEW SOURCES

Those and other energy-conserving measures will give the country some lead time in developing the new technologies needed to meet the increasing energy demand. In the past, research and development expenditures by oil companies and utilities have been relatively modest, less than 1 percent of their revenues. One wonders whether we would be facing an energy problem if those companies had spent less telling us about the energy crisis and more solving it.

In order to meet the needs of the future, it will be necessary for the Government to become significantly involved in energy research in the next few years. Since this research eventually will be turned into profits by the oil companies

and utilities, the costs should be directly charged back to those companies rather than financed through general tax revenues. The research costs will, of course, be passed on to consumers by the oil and utility companies, but in proportion to each consumer's energy use.

Top priority for research to meet near-term energy needs should be on environmentally sound uses of the Nation's abundant coal resources. This should include methods to remove sulfur oxides from stack gas emissions and to convert dirty coal into clean fuels through coal gasification and coal liquefaction.

The most promising coal research—and one that deserves adequate funding—is being done on a process called magneto-hydrodynamics. An MHD generator converts heat directly into electricity, skipping the mechanical portion of the conventional turbine generator. It is a highly efficient process which produces little pollution. In addition, it requires comparatively small amounts of water and would be a boom in the West where low-sulfur coal is abundant, but water is not.

The biggest share of Government money now being spent for energy research is on development of nuclear power. The conventional fission reactor now in use would rather quickly exhaust the Nation's supply of low-cost uranium. But the liquid metal fast breeder reactor, now being developed, has the rather amazing ability to produce more fuel than it consumes and it would extend the life of uranium resources by 50 to 70 times.

But nuclear energy is not without its problems, not the least of which is disposal of nuclear wastes. I believe, however, that a recent newsletter of the Federation of American Scientists put this particular problem in proper perspective. The federation pointed out that a 1,000-megawatt nuclear plant now produces a cubic yard of nuclear waste each year which must be kept into perpetuity. But, the federation added, a comparable fossil fuel plant produces 10 million pounds of particulates, 46 million pounds of nitrogen oxides, 100 to 190 million pounds of sulfur dioxides and 300 to 380 million pounds of ash each year.

Fission reactors such as those now in use and the breeder reactor also pose dangers from low-level radioactive emissions and from the possibility—even if remote—of a catastrophic accident. I believe that research into development of the breeder reactor should continue. But because of the safety problems of the fission reactors, I also believe we should place great emphasis on research into nuclear fusion. We do not know for sure if we will be able to develop the technology for a fusion reactor, but its tremendous advantages make it well worth a major spending effort.

Unlike fission powerplants, there is no danger of an explosion or runaway chain reaction in a fusion plant. One fuel for the process, deuterium, is available from the oceans in almost unlimited quantities—at least a 20 billion year supply at current rates of energy consumption. Because the fuel is available from the seas, it would not be necessary to strip mine vast acres of land as would be the case to obtain the uranium for the breeder reactor.

In addition to fusion, other long-term energy research funding should be aimed at developing solar and geothermal energy, two sources which have the potential for large amounts of clean energy.

3. PROTECT THE ENVIRONMENT

While the various research projects offer hope for clean energy in the long term, we cannot ignore environmental concerns in the short term. We cannot encourage strip mining or construct the Alaska pipeline or step up offshore oil leasing without assurances that we can prevent ecological disasters. Congress must take positive steps in the environmental area by enacting legislation on land use planning which, among other things, will regulate siting of powerplants, transmission lines, and refineries. Such legislation would not only protect the environment but would give the industry some planning guidelines to prevent delays in construction of needed energy facilities.

We must recognize that in some cases, environmental protection will mean more energy consumption, and thus higher consumers costs. The Environmental Protection Agency estimates, for instance, that the clean air standards for automobiles will mean an increase of more than 15 percent in gasoline consumption. We should be willing to pay the higher costs of environmental protection, but not the higher costs brought about by lack of competition in the energy industry, a point I will discuss later.

The important point is that those who consume the energy must pay the costs—the full costs—for it. That means the consumer who lights his Chicago home with electricity generated by burning coal strip mined in Montana or Wyoming must pay the cost of restoring the land. Otherwise, the rancher whose land is devastated subsidizes the true costs without receiving the benefits.

Any sound national energy policy must recognize the folly of subsidizing the energy companies, both through cost-free use of the Nation's air, water, and land as a garbage dump for industrial waste and through tax loopholes. Both shift the true costs of energy from the user to the general public.

4. ELIMINATE TAX LOOPHOLES

In his inaugural address, the President called for more self-reliance in the country. I think we should start by taking the oil companies off welfare. To paraphrase the President, let the oil companies ask not what their government can do for them, but what they can do for themselves. That means phasing out the various tax breaks which resulted in 1971 in the country's 18 largest oil companies paying only 6.7 percent of their net income in Federal income taxes.

One of the most amazing of those loopholes permits the oil companies to write off the royalties they pay to foreign governments dollar-for-dollar against their U.S. tax liability. Such royalties should be classified as normal deductible business expenses. That loophole not only robs the U.S. Treasury of millions of dollars, but it encourages foreign exploration for oil at the same time as the Government's import quota policy tries to discourage reliance on foreign oil.

5. END IMPORT QUOTAS

The whole oil import policy has been a sham. The limitation on imports is one of the major reasons for the shortages this winter. It is estimated that imports, which now account for one-fourth of the Nation's annual oil consumption, will account for one-half of all consumption by 1980. For the near-term, the Nation has little choice but to depend on imports to meet its growing needs.

The import system was established by Executive order in 1959 on the theory that quotas would protect the national security by insuring an adequate domestic supply. Quotas have been in effect for 14 years, but the fuel shortages of this winter are adequate testimony to the fact that the quota system has not worked.

Instead, the most significant effect has been to keep domestic oil prices artificially high by keeping out cheaper foreign oil. The 1970 Cabinet Task Force on Oil Import Control estimated that the quotas cost consumers more than $5 billion a year in higher fuel prices.

The system really is not designed to solve the national security problems which supposedly justify the quotas. For one thing, import "tickets" have been allocated to refiners and, therefore, they have done nothing to encourage domestic exploration and production. Additionally, the quotas have even restricted imports from more secure Western Hemisphere sources, such as from Canada.

One cannot consider import policy without examining the implications of the formation of the Organization of Petroleum Exporting Countries—OPEC—a cartel of oil-producing nations which has succeeded in forcing up the price of its oil without regard to costs of production or to supply-demand considerations.

The failure by oil companies and importing nations such as the United States to head off this cartel has made the whole import question much more difficult. The lack of competition between oil-producing countries has closed the price gap between foreign and domestic oil. That makes it all the more important that we address ourselves to the entire problem of oil imports. We should consider the following actions:

Import policy should be established, not by Executive order, but by statute where it is subject to public and congressional review. A clear legislative policy also would remove much of the uncertainty which may discourage investment in some sectors of the oil industry.

Import quotas should be eliminated: First, because we need the oil and, second, because the competition of foreign oil will keep down domestic prices. If it can be documented that some form of protection would encourage domestic production, it should be through a tariff system rather than quotas. Under a tariff system, the difference between lower world prices and higher domestic prices would go to the U.S. Treasury rather than providing an incentive for OPEC to raise its taxes even further.

Oil should be stockpiled in sufficient quantities to discourage the threat of

at least a short-term shutoff of foreign supplies. Such stockpiling might be financed through money generated by a tariff on oil imports.

The U.S. Government should be involved in negotiating with foreign governments over oil prices, rather than leaving such negotiations to the oil companies. The failure of oil consuming countries and oil companies to band together in a consumers' cartel permitted OPEC to effectively "divide and conquer" in forming the producers' cartel.

It may even be necessary for consuming countries to take the drastic step of removing the international oil companies from their positions as marketers of foreign oil. M. A. Adelman, an economist and oil expert from Massachusetts Institute of Technology, has recently written an instructive article in foreign policy in which he points out that the producing nations cannot fix oil prices without using the multinational companies:

> It is essential for the cartel that the oil companies continue as crude oil marketers, paying the excise tax before selling the crude or refining to sell it as products.
>
> Were the producing nations the sellers of crude, paying the companies in cash or oil for their services, the cartel would crumble. The floor to price would then be not the tax-plus-cost, but only bare cost. The producing nations would need to set and obey production quotas. Otherwise, they would inevitably chisel and bring prices down by selling incremental amounts at discount prices. Each seller nation would be forced to chisel to retain markets because it could no longer be assured of the collaboration of all the other sellers.

U.S. tax policy should be restructured to encourage domestic rather than foreign construction of refineries. Foreign location makes the oil companies more vulnerable to an interruption in supply.

6. REGULATE GAS PRICES

With favorable tax treatment, import quotas and lax antitrust enforcement, oil companies seem to have the upper hand on consumers in all areas of government policy. All but one that is. And that one, Federal Power Commission control over the wellhead price of natural gas sold in the interstate market, is a main target in the oil industry's current public relations campaign on the "energy crisis."

The oil companies point out that the price of natural gas is lower than that of competing fuels. It is their contention that natural gas prices are too low and that deregulation would give them the "incentive" for further exploration. But it seems to me that the gap in prices between natural gas and other fuels is because the competing fuels are artificially high—because of lack of competition in the energy industry, among other things. In any case, it is not necessary to deregulate natural gas prices to increase them.

If a case can be made for higher prices, the companies presumably should be able to convince the FPC. Rates are set to insure companies a fair rate of return on their investment. Anyone familiar with regulatory agencies in this country knows that it is the industry, not the consumer which has the decided advantage in rate cases. The FPC now has before it a staff proposal to give companies an extremely lucrative 15 percent return on total investment. If wellhead prices are increased, the boosts should be passed on to the big industrial users who are now paying only a fraction of the per unit price paid by homeowners.

It also is imperative that the Federal Government obtain an accurate estimate of the Nation's natural gas reserves before any drastic step such as deregulation of prices. The industry tells us that the known supply of reserves is declining, but the specifics of industry estimates are a tightly held secret and one which has not been verified by an objective source. It does not take too much imagination to realize that the industry has a vested interest in creating the impression that reserves are lower than they really are.

7. PROMOTE ENERGY COMETITION

Of the several recommendations I am proposing as part of a national energy policy, some, such as strict environmental protection and elimination of oil company tax loopholes, may have a tendency to push fuel prices higher; and others, such as continuing regulation of natural gas prices and elimination of the oil import system, will tend to keep prices down. This leads me to what I view as one of my key recommendations, one which will both insure an adequate fuel supply and keep prices down. That is to promote competition in the energy industry.

In the past decade, the energy industry has become concentrated in fewer and fewer hands, especially since oil companies started acquiring coal and uranium assets in their move toward becoming multifuel "energy companies."

Of the top 15 coal producers in 1970, four were oil companies, each of whom had purchased a major coal company in the past decade. Two others had assets in competing fuels, and a number were "captive" coal producers, owned by steel or nonferrous metals companies. Significantly, only three of the top 15 producers were independent coal companies which did not depend on competing fuels for an important share of their income.

Of the Nation's 25 largest oil companies, all 25 are involved in natural gas, 18 are in oil shale, 18 in uranium, 11 in coal and seven in tar sands, according to one study of the energy industry. Another study shows that the major oil companies account for 84 percent of U.S. refining capacity, 72 percent of natural gas production and reserve ownership, 30 percent of domestic coal reserves, 20 percent of domestic coal production, 50 percent of uranium reserves and 25 percent of uranium milling capacity.

Almost one-quarter of the coal reserve acreage being leased from the Federal Government is controlled by oil companies and, significantly, very few of those leases are producing. Oil companies—among them Humble Oil, Shell and Kerr McGee—also have been active in acquiring water, particularly in some of the coal rich western States where the water may be important in the development of that resource. Oil companies, including Union Oil, Standard Oil of California, Getty Oil, Phillips Petroleum, Gulf Oil, and Mobil Oil, are the major explorers for geothermal energy. The oil companies seem to have an insatiable appetite for monopolizing the energy industry.

This trend toward economic concentration, as well as such other noncompetitive aspects of the oil industry as joint ventures, joint ownership of pipelines and vertical integration from wellhead to gas pump, are dangerous. Without competition in the energy industry, there is danger of collusion, price-fixing, and market sharing and there is little incentive for lower prices, greater efficiencies, and more research into better technology.

I am sponsoring legislation which would prohibit oil companies from acquiring coal and uranium assets and which would require oil companies which now have such assets to divest themselves within 3 years of passage of the bill. I am also planning to introduce legislation dealing with the anticompetitive aspects of oil company ownership of pipelines. I am hopeful that these pieces of legislation will provide a focal point for a major congressional investigation into competition in the energy industry.

8. COORDINATE ENERGY POLICY

Congress should consider centralizing the authority over energy policy, both in the executive and legislative branches. Congressional quarterly reports that energy policy is now scattered among 64 Federal departments and agencies. Most of those responsibilities should be combined into major agencies, one dealing with development of energy and the other with regulation. Energy is important enough to the future of the country to merit a separate congressional committee.

9. GIVE CONSUMERS ACCESS

Congress also should stop one of the most insidious practices which distorts energy policy. I am referring to the industry advisory councils, such as the National Petroleum Council which "advises" the Secretary of the Interior. These councils actually are built-in lobbies which give industry—but not the consumer—access to and input into Government policy. The National Petroleum Council has recently published several major studies aimed primarily at one thing: promoting the profits and welfare of the energy industry.

The makeup of the NPC's Committee on U.S. Energy Outlook is illuminating. It includes representatives from Continental Oil; Humble Oil and Refining; Kerr-McGee; El Paso Natural Gas; Gulf Oil; Big Chief Drilling Co.; Ashland Oil; Atlantic Richfield; Shell Oil; Marathon Oil; Sun Oil; Louisiana Land and Exploration Co.; Texaco; Union Oil; Phillips Petroleum; Standard Oil of California; Murphy Oil; Cities Service; Standard Oil, Ohio; Standard Oil, Indiana; and a handful of independent operators, Government officials, and trade association members. The advisory councils either should be eliminated or balanced with consumer and public power representatives.

In summary, my recommendations for a national energy policy fall into nine major categories: Conservation of energy, research into new sources, protection of the environment, elimination of oil industry tax loopholes, elimination of oil import quotas, continued regulation

of natural gas prices, promotion of competition in the energy industry, coordination of energy policy, and opening consumer access to Government energy policies.

In order to accomplish those objectives, the Congress will have to clear a number of hurdles, including the anticipated opposition from some of the Nation's more powerful interest groups, the oil, utility, and highway lobbies among others.

But the accomplishment of these policies would give proper emphasis to environmental protection and to consumer costs as well as the adequacy of fuel supplies.

ESTABLISHMENT OF AN ENERGY DEVELOPMENT AND SUPPLY TRUST FUND

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

Mr. VANIK. Mr. Speaker, this past winter, houses in Maine have gone without heat, schools in Denver, were closed for lack of fuel. Factories in my own State of Ohio have been warned against further industrial expansion by officials of the natural gas companies. In the Greater Cleveland area new industries requiring gas are limited to space heat supplies. Thousands of pages of Government studies have been produced on the energy crisis; but Government seems paralyzed. It is very clear that our shortage of energy is slowly—but certainly—weakening the Nation's capacity to survive.

We have energy reserves which could supply us for centuries. We have in this country 3 trillion tons of coal, 300 billion barrels of crude oil, and the equivalent of 2 trillion barrels of oil from shale—and yet, the petroleum and gas companies tell us they are running out of supplies. It is clear that we face a shortage crisis.

How can this be? How can the industry, which only 5 years ago filled our ears with the confident words of expansion and growth, now tell us, suddenly, that the health of the industry and the fate of the Nation's economy is at stake? Is it only coincidence that the crest of this wave broke at a time when Congress is considering tax reform—reform which could cost the oil companies billions of dollars in the elimination of inefficient and unnecessary tax subsidies?

How can we trust the integrity of industry efforts—industry which in the past decades manipulated the Nation into import quotas which kept cheap oil from coming to America so as to protect an intensive development and consumption of high-priced domestic supplies. The leaders of the domestic oil industry moved Government policy toward controlled markets, shortage, and higher prices. Today's energy crisis was substantially created by the leaders of the industry. Should we listen to them today?

Contrary to the barrage of the industry media campaign, the energy crisis is not, fundamentally, a crisis of supply. What is really at stake in this crisis is the profit margins of the petroleum industry. What is the bounty the American people must pay to insure their lights remain on and their house warm?

Our present energy problems could represent a windfall of billions of dollars in profits to the large oil companies—all at the expense of the American consumer and taxpayer. If a more forceful congressional role is not forthcoming, the industry will simply exploit our present shortages to reap billions of dollars in consumer and Treasury funds as profits.

The energy policies of the past were inspired by fear and governed by selfishness. For 60 years we have followed the recommendations of the industry. For too long the Federal Government has been merely a sounding box for industry demands. We protected them with the import quota and the system of State prorationing—both of which restricted supply and inflated prices. We did this all in the interest of national security. But this winter we saw how dramatically these policies have failed.

Now we are asked to rely on the industry to formulate a national energy policy to solve the energy crisis. How can we trust these self-serving experts to chart America's future when they have failed so badly in the past? How can we place the public welfare in the hands of short-sighted men propelled by economic greed?

It is the height of folly to hold that the oil industry really has the interests of the American people in mind when it suggests an increase in the depletion allowance or the decontrol of natural gas prices. The conclusion is inescapable: the policies of the past have been proven inadequate; new policies are required immediately.

RELIANCE ON PRIVATE DATA

A good deal of our present confusion was created by the splintered Federal effort in energy matters. With so many pressure points, industry influence on policy can be exerted in many covert and subtle ways. The dependence of our energy policy on industry and private information was revealed, tragically, when General Lincoln, former Director of the Office of Economic Preparedness, testified before the Senate that last fall he had been misled by industry sources with regard to the Nation's supply of fuel oil—and thus the economy of much of the Nation suffered enormous damage due to fuel shortages this winter.

On the most fundamental level, that of information collection, the Federal Government is entirely dependent on the private sector. The Department of Interior today quotes the industry oracle, the Petroleum Council, on reserves. Reliable sources indicate, however, these industry estimates of reserves are understated by perhaps 50 percent. The potential for abuse in this situation is tremendous: the petroleum industry controls the marketplace—holding the country ransom to their price and tax demands. The situation is rapidly getting worse: the petroleum industry is buying into the taking over the coal and uranium industries. Already the oil industry owns over 50 percent of the Nation's coal capacity and 45 percent of the uranium production. Government failure to enforce antitrust policies is creating the frankenstein of a national energy monopoly.

A lack of impartial information represents one of the major obstacles to the formulation of an energy policy which truly reflects the public interests.

THE NEED FOR ENERGY CONSERVATION

The influence of industry on Government policy can be seen in other ways as well. It is interesting that the bulk of the present controversy is 'supply related"—that is, concerned with ways in which our domestic production can be improved, thus maintaining and increasing sales for the energy industry. Over the past two decades, we have developed incredibly extravagant patterns of energy consumption to the benefit of the petroleum industry. A truly balanced National energy policy, one concerned with the environment, would place a much greater emphasis on ways to lessen energy needs by improving the efficiency of energy transmission and utilization.

We waste fully one-third to one-half of all the energy we consume. A recent staff study from the Office of Emergency Preparedness estimates that by 1980 the Nation could conserve the equivalent of 7.3 million barrels of oil a day through implementation of a coherent program of energy conservation. The importance of this saving can be seen by the fact that crude oil production in 1970 was about 11 million barrels per day.

Yet despite the promising prospects of this course of action, it has received little debate on the National level. Instead, we are presently concerned with extending subsidies to the oil industry through an inequitable and wasteful system of tax preferences—preferences which permit the cost of an average oil well to be recovered 16 times over.

It is clear that hard decisions lie ahead if we are to meet our genuine energy needs in the future. In terms of curbing the demand for energy, feasible technologies now exist to accomplish significant conservation in industrial and residential energy use. Measures such as increased insulation in homes and more efficient industrial processes can and should be implemented immediately. Significant areas of research and development remain to be charted. The present internal combustion automobile engine is so inefficient that three-fourths of the gas it burns is wasted and the average miles per gallon delivered has decreased since World War II from 13.5 miles per gallon to 12.2 mpg; surely we are capable of improving the efficiency of our automobiles. I am sure that through a concerted effort we can cut our consumption of energy substantially without jeopardizing our economic and social well-being.

THE NEED FOR NEW RESEARCH FOR CLEAN ENERGY

At the same time a realistic assessment of future alternative energy sources must be undertaken. Present sources for energy research are misallocated and inadequate and are concentrated on energy sources which threaten the world's environment. Too much emphasis has been placed on the development of atomic energy at the expense of other, more reasonable, alternatives. A just-completed study conducted by the Rand Cor-

poration for the State of California on its electricity needs warns State officials against an over-confidence in the promise of atomic power:

The long awaited promise of abundant and inexpensive power from the atom has failed to materialize as rapidly as projected. Further plans for nuclear power plant construction are now beset with public controversy concerning nuclear safety and radioactive waste disposal.

We have placed an unwarranted faith in the atom to solve our energy needs. Meanwhile, research in other more realistic and less hazardous alternatives, such as solar energy and the gasification of coal, continues in relative obscurity. Ideally, funds for research would be generated internally from industry. But the large oil companies have found it more profitable to gear their capital expenditures to sales and promotion rather than research and development. The Washington Post revealed that the oil industry has spent over $3 million informing the public of the crisis in our energy sources. At the same time, Senator METCALF has compiled statistics which reveal that the electric utilities expend 3.3 times as much capital on promotion as they do on research and development.

One major oil company has just spent millions telling the American people how they changed two "s" 's to "x" 's. The stripes of the energy industry have not changed: they are more interested in profits and sales today than in meeting the problems of the future. The American people cannot rely on the energy industry for the hard research required. A trust fund is needed; a trust fund is the only way to provide for the high level of steady effort that is required.

A TIME FOR A NEW POLICY

It is clear that the solution of our energy problems will not be found which sustains and aggravates past mistakes. We must coordinate the different agencies now involved with energy planning. We must work to insure that our energy policy does not fall within the orbit of any one economic or regional interest, but becomes a national energy policy working for all of our citizens. We must provide for a comprehensive program of research and development to enable us to utilize our precious, depleting resources more wisely than we have in the past. We must also explore alternative energy sources which will not only free us from the limitations of fossil fuels but also improve our commitment to a clean environment. All these requirements demand an imaginative response on the part of the Congress.

In an effort to develop this new policy, Mr. Speaker, I will introduce tomorrow legislation which takes a creative approach to our energy dilemma. My proposal will establish an energy development and supply trust fund. I will leave to another time a more complete discussion of the specific details of this legislation. However, I would like to emphasize that if we are to solve our energy problems, we must step away from old policies and old mistakes and toward new and imaginative solutions, supported with adequate funding and directed to the public interest.

THE NORTHEAST RAIL CRISIS: DOT REPORT IS NOT THE ANSWER

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

Mr. ADAMS. Mr. Speaker, the railroads are a vital part of the economic and social life of the Nation. Every day I receive letters and telegrams about the box car shortage—this year intensified by the heavy demands of the Russian grain shipment. I know what rail transportation means to my own region, the Northwest, and the Port of Seattle which I represent. This transportation system is national—touch it in any part and the effect is felt throughout. The railroads of the Northwest and the shippers they serve cannot well survive without a viable rail system in the East and the huge urban market it serves.

The administration proposal for the solution of the Northeast railroad crisis as outlined in Secretary Brinegar's report to the Congress is a sort of magical mystery tour. The concept is that a new corporation would be created with no money. Since it has no money, it would issue stock and use this stock to acquire certain assets of the bankrupt railroads. These assets would be those designated by the Secretary of Transportation as being necessary for a core rail service. In deciding what this core rail service would be the Secretary would be given arbitrary and dictatorial powers—his decisions would not be reviewable by the courts, the Interstate Commerce Commission or the Congress. The report gives lipservice to the rights of shippers, affected communities and rail labor, but little more.

Despite the fact that the trustees of the Penn Central have stated that it will require $600 million to restore the ravaged Penn Central system, the report assumes that the core rail service can be preserved and continued with no Federal money. This is a "do it with mirrors" proposal and is simply presented to Congress with the pious hope that the problem can be solved within the framework of the private sector—by cooperative and public spirited action by all the parties involved.

I agree with the Secretary of Transportation that nationalization would be neither the efficient nor the proper way out of the Northeast railroad mess. But I had hoped with the expert knowledge at his disposal he would have prepared for the Congress a report that had some basis in reality. In effect, the administration is proposing to do nothing about the rail crisis in the Northeast except to throw this vital transportation network into the arena and see what survives in a free-for-all of economic greed. The philosophy of the "public be damned" has been given Presidential sanction.

There is no question that railroads in the Northeast are overbuilt—there is too much track and there are too many competing lines to survive as they are now. There are the basic problems of short hauls and high terminal costs. I very much doubt if any now prosperous railroad would buy up a substantial portion of the rail lines in the Northeast—even if they had the money, which they do not. As operating railroad men they would see the perils too well of taking it all; and if they only take part, the abandoned remainder, which may be uneconomic to a railroad balance sheet, can be economic life or death for the manufacturer, the shipper, or the worker or mean a complete abandonment of all railroad passengers.

A sound transportation system is vital to the social and economic life of any region. It has the quality of a public utility. From the foundation of this Nation, the Government has been directly involved in transportation—from the building of canals and waterways to the granting of land to railroads to the trust fund for highways. In America, public transportation in all the modes has always been a joint task of private enterprise and the Government. The public interest in the railroads in the Northeast was most recently demonstrated by the rapid and overwhelming vote on February 8 to postpone a strike on its largest railroad, the Penn Central. This action was taken not because of concern solely for labor or for management, for creditors or for stockholders, but because the Congress saw that this gigantic transportation system could not be shut down without creating chaos.

The public interest in the Northeastern railroads involves management and worker alike, it involves the shipper and the manufacturer; it involves the hundreds of communities who depend on rail service for both passenger and freight. The future of this service cannot be left to the arbitrary and capricious decision of the bankruptcy auction.

I believe that the Congress must determine a procedure whereby essential rail service can be continued and this procedure must consider the interest of all. I favor rationalization of the rail system in the Northeast; by this I do not mean nationalization but I do mean using a rational method to determine what a basic system should be. I think from the many proposals that Congress has before it, a good and rational plan can be created. This plan must include a means of deciding what rail service is essential which will give an opportunity for all interests to be considered; and it must recognize that some Federal investment in preserving this system is not only necessary, but proper and with ample precedent in our Nation's history.

REPORT FROM WASHINGTON

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

Mr. KOCH. Mr. Speaker, I am mailing to constituents my first newsletter of this Congress. For the interest of my colleagues, I would like to set forth the complete text of the newsletter. It follows:

CONGRESSMAN EDWARD I. KOCH REPORTS FROM WASHINGTON

Dear Constituent and Fellow New Yorker:

These are dreary days in Washington, and I am not talking about the weather. It's the Administration's attitude toward the

problems of our country that is distressing. When referring to the conditions of our urban centers recently, President Nixon said—

"The hour of crisis has passed. The ship of state is back on an even keel, and we can put behind us the fear of capsizing."

I suppose if one commutes between 1600 Pennsylvania Avenue and Key Biscayne, it is hard to see the problems, but if one lives in New York City one is in the eye of the storm and one sees that conditions have deteriorated in recent years.

The fundamental crisis facing the Congress is the President's refusal to spend money already appropriated for many domestic programs. The President's goals are two-fold. He wants the Congress to replace existing programs with "special revenue sharing" in various areas, such as housing and education; and he wants to reduce the budget. The President doesn't seem concerned about how long funding is suspended and people go without help while waiting for the enactment of revenue sharing—for the longer it takes, the greater the reductions in the budget.

We in Congress are concerned about the net amounts that will go to the states under revenue sharing compared to amounts appropriated under existing programs. The President has asserted that present funding levels will be maintained, but when the education revenue sharing proposal was recently announced, New York and other states readily saw they would lose millions of dollars.

The overture of the President's efforts to force Congressional approval of his revenue sharing proposals was the announcement of an 18 month housing moratorium. At first the moratorium was touted as a time to review existing programs, but now future funding is clearly tied to the enactment of the President's Community Development Revenue Sharing proposal.

In addition, the Nixon Administration has moved quickly to dismantle the Office of Economic Opportunity and has done its best to undermine the Legal Services program. President Nixon has even threatened to veto the Older Americans Act that provides such programs as nutritional services for the elderly.

The cutbacks have extended into the Labor Department while the unemployment problem continues and returning Vietnam Veterans are unable to get jobs. Approximately 4,500 veterans in New York City now draw welfare checks. They want to work, but cannot find employment. How can an Administration so quickly turn its back on the young men it sent to Vietnam?

The Nixon Administration has managed to combine both unemployment and inflation. Predictably, Phase III's "voluntary controls" have not worked. The Consumer Price Index for February showed the largest one month increase in 22 years with an unprecedented jump in food prices. I am co-sponsoring legislation to remove all restrictions on meat imports and to roll back and freeze food prices.

While cutting back our domestic programs, President Nixon is proposing that we aid Indochina's reconstruction. I am concerned about the devastation we have wrought in North and South Vietnam, but I would have a hard time justifying aid for our former enemy, as well as South Vietnam, while our own people suffer the consequences of domestic budget cuts. This is an issue that will be argued in Congress; and I would be interested in having your thoughts on it.

THE CIA AND THE FBI

In February, I brought under congressional scrutiny the CIA's involvement in local police enforcement matters. The CIA has provided training for police officers from a dozen police departments in the country despite the stipulation in the National Security Act of 1947, establishing the CIA, that it "shall have no police, law enforcement powers or internal security functions."

I appreciate the need for upgrading local law enforcement departments. But, I believe this assistance should be provided through the Justice Department's programs, and not the CIA.

The CIA is an intelligence agency removed from public and regular Congressional scrutiny. Any intelligence agency that operates secretly has potential dangers to a free society. We must be alert to abuses of its authority so that we don't wake up some morning to find that an agency we established to protect ourselves from outside subversion has become a Trojan Horse in our midst invading the private lives of our own people.

On March 5, after preliminary investigations were conducted by the House and Senate Government Operations Committees, Chairman Chet Holifield (of the House Committee) announced that CIA Director James Schlesinger had terminated the disputed training program. However, in his memorandum to Chairman Holifield. Mr. Schlesinger went on to say that such activities would be "undertaken in the future only in the most compelling circumstances and with his approval, I believe the Director does not have this discretion and I have asked the General Accounting Office for a ruling on whether the 1947 law is still binding and prohibits such actiivties.

The matter of privacy has also been raised by the nomination of L. Patrick Gray as Director of the FBI. On November 1, Reps. Ben Rosenthal, Jonathan Bingham and I wrote to Mr. Gray requesting that we be allowed to examine the files maintained by the FBI on the three of us as part of its collection of dossiers on Members of Congress. In response, while indicating that the dossiers contained only "biographical" material obtained from public information sources, Mr. Gray turned down our request stating that access to the files was "only on a need-to-know basis." This policy runs contrary to the bill I have introduced (my Federal Privacy Act) to require federal agencies to inform persons of files maintained on them and allow individuals to examine their files except in cases of national security.

In testimony before the Senate Judiciary Committee on March 9, I urged that Mr. Gray's confirmation be denied because of, among other reasons, his apparent insensitivity to improper government surveillance in our country. While the FBI must collect information on individuals engaged in criminal activities, it should not be amassing political dossiers on private citzens or public officials.

HEALTH CARE

We are all concerned about the problems in our health care system, particularly its high cost and failure at times to reach those who need it. In an effort to secure quality health care for everyone, I have made several proposals in this field, as well as co-sponsored Senator Kennedy's National Health Security Act.

I have re-introduced my bill to extend federal assistance for the Children & Youth and Maternal & Infant Care projects funded under Title V of the Social Security Act. Last year these projects were extended for one additional year, although I had proposed a five year extension. I am working for another extension with Ways and Means Committee Chairman Wilbur Mills.

The Title V programs deliver excellent comprehensive, personalized health care to over one million mothers and children of low-income families. In the six years of their existence, they have increased the number of "well-registrants" by 50% and reduced infant mortality in some areas by as much as 50%. There are 23 such Title V projects in New York City.

As a result of the success of these projects and the alternative abuses the medicaid program has suffered in New York City, I have proposed that this type of program be developed for medicaid patients. I have introduced legislation to give cities like New York, whose medicaid programs are being undermined by abuses, the option of providing health services to medicaid patients through such neighborhood health centers, staffed by salaried physicians, rather than through private physicians on a fee-per visit or fee-per service basis. An exception would be made for persons with severe chronic disabilities.

In my research on this matter, I found that in New York City medicaid costs have doubled in the last two years to $1.3 billion; only 4% of the City's doctors are collecting 85% of the medicaid payments; and the program is rife with abuses by some physicians overcharging, charging for services not rendered, and even putting patients through unnecessary tests and treatment. In short, under today's system, health care for New York City's medicaid patients is deteriorating while costs are soaring. This is particularly tragic when the Title V projects have demonstrated a successful alternative.

In another area, I have found that too many Americans are being subjected to unnecessary X-radiation exposure. Furthermore while 95% of the radiation we are exposed to comes from medical X-rays, there are few controls over X-ray equipment and persons operating it.

I have introduced H.R. 672 to apply federal performance standards recently promulgated for new X-ray machines used for diagnosis and treatment to *all* X-ray machines in use. The bill also mandates an annual inspection of the machines and the use of protective lead shielding on patients whenever X-rays are taken.

On March 9, the Senate Commerce Committee held hearings on radiation control. I testified on H.R. 672 and a companion measure, H.R. 673, that requires minimum federal standards for the training and licensing of radiologic technologists.

In some states we license car and TV mechanics. I feel it makes sense to license X-ray technologists who handle the most sophisticated of equipment—equipment that can provide extended life if properly used or shorten life if improperly operated.

CRIME

The problems of drug related crime continue to plague our country and particularly New York City.

Recently, Auguste Joseph Ricord, who was responsible for bringing at least a ton of heroin into this country every year since 1966, received the maximum federal penalty for unlawful distribution of narcotics: 20 years imprisonment and a $20,000 fine. He will be eligible for parole in less than seven years. I have introduced legislation, H.R. 4235, to increase the federal penalty for drug pushing by an adult non-addict to life imprisonment with parole available only after at least 20 years of the sentence has been served. The bill would affect pushers of hard narcotics.

When the 93rd Congress convened, I reintroduced my bill, passed by the House and Senate last year, but stalled in conference, to require states receiving LEAA assistance for their correctional facilities to provide drug therapy for imprisoned addicts. I also reintroduced my "Light on Crime" bill, H.R. 5055, providing $60 million annually through LEAA for five years to pay for two-thirds of the cost of installing high intensity street lighting. These lights, which turn night into day, are very effective in reducing crime, and are being installed on some New York City streets.

The Auxiliary Police Force, created in 1951, as a civil defense unit, has proved to be a valuable supplement to the City's regular po-

lice force. I have urged that the City's Auxiliary Police Force be quintupled over the next 4 years bringing its enrollment to 25,000. I also have recommended that the City provide Auxiliary Police with free uniforms and limited powers to issue summonses for parking and sanitation violations. The Defense Department has requested $83.5 million for the nation's Civil Defense program. I have urged the House and Senate Appropriations Committee to earmark some of these funds as "dual purpose" funds to be used by localities as Auxiliary Police subsidies.

I continue to work for passage of my bill to give the federal Executive Protection Service the responsibility for guarding foreign missions and consulates in cities throughout the United States. If enacted, this bill will free City policemen from consulate guard duty so they can return to the streets and protect the public.

MASS TRANSIT

Two proposals of importance to transit riders are now being debated in Congress. One would open the Highway Trust Fund to mass transit expenditures; the other would provide localities with federal aid for the maintenance and operation of mass transit systems.

If these proposals are approved by Congress, New York City will receive millions more in mass transit aid from the federal government than it does today. As a Member of Congress and as a subway rider, I am pressing the "straphanger's" case on both proposals.

On February 6, I appeared before the Senate Housing Subcommittee in support of H.R. 2734, a bill I am sponsoring with other Members of my Committee, to provide $400 million annually in mass transit operating subsidies and $3 billion in construction assistance. The distribution formula in H.R. 2734, which has become known as the "Koch formula," allocates operating assistance on a per revenue passenger basis; this means that each locality's share of the $400 million would depend on its proportionate share of the nation's total transit passengers. On this basis New York City would receive a large portion of the aid since its transit systems carry approximately 30% of the nation's transit passengers.

On March 15th the Senate approved the Federal Aid Highway bill making available $850 million annually for either mass transit or highway projects in urban areas. $850 million is a small portion of the total $6 billion highway budget but it represents an historic modification of the Highway Trust Fund and a first step toward the goal of a single National Transportation Trust Fund.

The Senate bill also includes a transit package expanding the eixsting mass transit program: $400 million annually in operating assistance and $3 billion in new capital authority. And, the bill opens the Highway Trust Fund to bicycle lane and shelter construction, a provision I first proposed in 1971.

Having suffered a setback in the Senate, the highway lobby will try to roll back the mass transit uses of Highway Trust Fund revenues in the House. I am working through the DSG Transportation Task Force, of which I am chairman, to build a coalition of support for the transit amendments. And, I have testified before the House Public Works Committee in support of the Senate's transit provisions.

Last month the cause of mass transit was aided by the formation of a new Mass Transit Subcommittee in the House Banking and Currency Committee. I am now a Member of this Subcommittee.

If New York City is to meet the air quality standards mandated by the 1970 Clean Air Act, greater use will have to be made of mass transit in the metropolitan area. The pollution crisis underscores the City's need for mass transit operating subsidies and more than $1 billion in federal assistance requested by the MTA for capital improvement and construction projects.

NEW COMMITTEE AND SUBCOMMITTEE ASSIGNMENTS

In the first weeks of this Congress, I was appointed to the House Administration Committee. I continue to be a Member of the Banking and Currency Committee with assignments on its Mass Transit, Consumer Affairs, Small Business and International Trade Subcommittees.

Parenthetically, I should note that I have been made Secretary of the New York Democratic Delegation which now meets two times a month. In the 91st Congress, I helped organize these meetings to increase our effectiveness as a delegation in the House and in our relations with the federal agencies.

Your comments on this newsletter and any proposals you might have on any subject are of interest to me. Please write to me c/o House of Representatives, Washington, D.C. 20515.

If you need assistance, call my New York City office at 264–1066 between 9:00 a.m. and 5:00 p.m. weekdays.

FEDERAL CRIME INSURANCE PROGRAM

If you are unable to get private insurance against burglary in your home, apartment, or place of business, you may wish to consider coverage under the Federal Crime Insurance Program. This insurance, at affordable rates, won't be cancelled because of losses. All of New York is covered under this program.

For information on rates and coverage, call any licensed insurance agent or broker in the state.

The newsletter also included three pictures. The captions for these pictures are as follows:

Recently, a thousand women with their children came to the federal office building in Manhattan to protest proposed day care regulations restricting eligibility in many federally assisted day care programs. The effect of the new regulations will be that an estimated 15,000 working women in the City, many of whom are paying taxes, will be forced to leave their jobs, stay home with their children, and go on welfare. I am cosponsoring legislation to nullify the proposed regulations, and on March 21 the Democratic Caucus voted unanimously to fight the Administration's cutbacks in the day care program and other social services. (For pictures #1 and 2)

On February 28, I was the keynote speaker at the 1973 Bicycle Symposium sponsored by the National Park Service concerning my legislation to use Highway Trust Fund monies for the development of bicycle lanes and shelters. The Congressional Ad Hoc Committee on Bicycle Transportation, of which I am co-chairman, in coordination with the Department of Transportation and the NPS is sponsoring a National Bike Day tentatively scheduled for July 15.

IS OMB RUNNING THE VETERANS' ADMINISTRATION?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR), is recognized for 30 minutes.

Mr. SAYLOR. Mr. Speaker, on February 27 of this year, I addressed this body concerning the oversight responsibilities of the standing committees of the House with respect to the department or agencies coming within their jurisdiction. I also spoke of the recent address of the Administration of Veterans' Affairs, Mr. Donald E. Johnson, in which he completely subordinates himself and the Veterans' Administration to the dictates of the Office of Management and Budget. Since my previous speech, additional evidence of such subordination has surfaced at recent hearings before the Subcommittee on HUD, Space, Science, Veterans and certain agencies of the House Appropriations Committee.

At these hearings Mr. Johnson introduced a letter addressed to him by the then Director of the Office of Management and Budget, Mr. Caspar Weinberger, dated January 26, 1973. The full text of the letter follows:

In reviewing the budget submission of all executive branch agencies, the President has been guided by his overriding commitment to avoid the need for a general increase in tax rates. As a result, the spending proposals set forth in the 1974 Budget for each Federal activity represent the maximum amounts that will permit the Administration to accomplish the following overall objectives:

For FY 1973, to hold total Federal outlays to $250 billion.

For FY 1974 and 1975, to reach and preserve a modest surplus in the full employment budget without the necessity for proposing an increase in tax rates.

The President has approved budget allowances for your agency as shown in Enclosure A for 1973 and Enclosure B for 1974 and 1975. He expects you to develop detailed plans and operations for your agency in such a way that your 1973, 1974, and 1975 budgets will be held within the totals shown. These amounts and all other information in this letter are confidential and should be guarded with care until the President's budget is transmitted to the Congress.

The 1975 allowances represent an innovation made this year in recognition of the impact that one year's commitments exercise on subsequent years' financial resources. These resources have become so increasingly preempted by prior actions that advance budget guidance and responsible forward planning have become essential to prudent financial management and sound fiscal policy.

Although the 1975 allowances are intended to provide firm guidance, the degree of uncertainty surrounding such forward estimates is obviously much greater than in the case of shorter term estimates. Adjustments (down as well as up) will, of course, be made in next year's budget process as required to take account of certain developments now unforeseen: for example, the outcome of this year's legislative action, later and more accurate statistics, more informed appraisals of workload, and other changes in the external environment.

Nevertheless, it is expected that any 1975 budget requirements which may result from legislation proposed or favored by your agency will be within the totals provided.

SUPPLEMENTALS

Proposals for 1973 supplementals under existing legislation are being transmitted to the Congress with the 1974 Budget. For your agency, they include only the item and amount listed in Enclosure A. Other current year supplementals will be transmitted later only if they meet the policy tests of OMB Circular No. A–41 and the resulting outlays can be offset within the annual totals provided herein for your agency. In such cases, required materials will be submitted in accordance with Circular No. A–41.

CIVILIAN EMPLOYMENT CEILINGS AND JANUARY 1973 PAY RAISE

Enclosure C sets forth the ceilings on civilian employment established by the President for your agency. The revised 1973 employment ceilings do not take account of the hiring freeze currently in effect. You may lift the hiring and promotion freeze as

soon as you can be certain that your agency can absorb—within the present 1973 outlay and appropriation estimates—the full amount of the January 1973 pay increase. For this purpose, transfers between appropriations may be contemplated, consistent with the language proposed in Title II of Part III of the 1974 Budget Appendix.

SIGNIFICANT POLICY DETERMINATIONS

The allowance for Medical Care is intended to ensure high quality medical care to greater numbers of veterans to be achieved by continuing emphasis on nursing home and outpatient care as alternatives to hospitalization and by further reducing the length of patient stay as indicated in the budget document. You are encouraged to seek ways of increasing managerial efficiency such as coordination of patients admissions with the schedule of testing and elimination of duplication of services within medical regions.

The study of the projected bed needs for the VA hospital system now underway with OMB participation, carries high priority and should aim for interim results in time for the Spring Budget Preview. We request that the study specifically address itself to the extended care program as well as the hospital program and indicate the future directions for nursing care and domiciliary beds.

An intensive reorganization of VA field offices will be undertaken, to conform to the standard Federal regions, with a tight redistribution of staffs to improve services, attain economies, and enhance the role of local organizations and governments.

A revised Compensation Rating Schedule will be issued effective in FY 1974, based upon the approved guidelines.

The budget allowances assume housing loan asset sales of $600 million in FY 1973 and $416 million in FY 1974.

The approved legislative program has been outlined in the OMB guidance recently conveyed to you and anticipates intensive VA-OMB staff work on reforms of pension, compensation, and burial benefits.

CIVIL RIGHTS ACTIVITIES

Within the employment and financing allowances established in this letter, you are to provide full staffing for activities attributable to contract compliance, enforcement of Title VI of the Civil Rights Act of 1964, and equal employment opportunity within the Federal service. Specifically, it is expected that you will support civil rights activities in 1974 at a level of at least $340,000 in obligations and fifty full-time permanent positions for Contract Compliance and Title VI, and $2,844,000 in obligations and 194 man-years for EEO activities. These amounts are included in the ceilings specified in this letter.

AUTOMATIC DATA PROCESSING SYSTEM

Within your agency's allowance, total obligations for acquisition and operation of ADP systems, excluding Salaries and Expenses, will not exceed $16,905,000 in 1973 and $11,295,000 in 1974. These obligations are based on your budget submission as specified under Section 27.2 (See Exhibit 27B) of OMB Circular No. A-11, Revised. You will shortly receive a request from this Office for submission of your revised plans for acquisition and operation of ADP systems, consistent with the selective moratorium on computer purchases and new leases, and field office reorganization plans.

The President expects each and every official in the Veterans Administration actively to support the budget set forth in this letter and its enclosures. This support should be given in testimony before congressional committees, in informal contacts with Members of Congress and their staffs, and in speeches and meetings with outside groups.

Sincerely,

CASPAR WEINBERGER,
Director.

1973 CEILING AND SUPPLEMENTALS PROPOSED VETERAN'S ADMINISTRATION

Within your ceilings as given below, separate allowances are approved as shown for supplementals now being requested.

[In millions of dollars]

	1973	
	Budget allowances	Outlays
Total allowance (ceiling)	−12,566	−11,758
Supplementals being requested in budget (−):		
Readjustment benefits	−318	−248
Allowance minus supplementals and items proposed for separate transmittal above	−12,248	−11,510

Note.—Each of the above amounts constitute a limit that will not be exceeded without prior approval of the Office of Management and Budget. The supplemental estimate for the readjustment benefits appropriation will continue to be the subject of close analysis by our staffs in the next few months due to the many uncertainties caused by the enactment of the recent GI bill amendments. In addition, it is expected that VA will completely review and overhaul the estimating and projecting techniques for this program and will install them in time to be useful in developing the final supplemental estimates.

Items included above which require new legislation or supplemental appropriations will be included in the 1973 ceilings only to the extent approved by the Congress if and when the needed legislation and appropriations are enacted. Reductions below the amounts identified above for such items and any decreases in estimated outlays for other programs should produce savings in the totals. These savings will not be applied elsewhere in your agency without approval of the Office of Management and Budget. Such savings may be needed to offset unforeseen and mandatory requirements elsewhere in the Government.

BUDGET ALLOWANCES FOR 1974 A ND 1975 [1]

[In millions of dollars]

	Budget allowances	Outlays
1974:		
Agency total	12,209	11,703
Amount included above for proposed legislation	(−357)	(−357)
1975:		
Agency total	12,161	11,875
Amount included above for proposed 1974–75 legislation	(−361)	(−361)

[1] The above amounts constitute a limit that will not be exceeded without prior approval of the Office of Management and Budget.

Amounts included above which require new legislation or supplemental appropriations will be included in the agency ceiling only to the extent approved by the Congress if and when the legislation and/or appropriation are enacted. Reductions below the amounts shown for such items and any decreases in outlays for the other programs should produce savings in the totals. These savings are not to be applied elsewhere in your agency without approval of the Office of Management and Budget. Such savings may be needed to offset unforeseen and mandatory requirements elsewhere in the Government.

EMPLOYMENT CEILINGS,[1] VETERANS' ADMINISTRATION

	June 1973	June 1974
Total employment, excluding disadvantaged youth and public service careers trainees	193,876	191,896
Full-time employment in permanent positions, excluding public service careers trainees	171,611	170,022

[1] These ceilings represent the upper limits for June 1973 and June 1974 employment for your agency. They cover all employment in your agency except for disadvantaged youth and worker-trainees under the public service careers program.

At the same hearings Mr. Johnson was asked to present the budget figures the hospitals and clinics of the VA had originally requested for fiscal year 1974, and the amount he, as Administrator, had requested of OMB as opposed to the budget request OMB approved for submission to the Congress. It is interesting to note that if one only examines the fiscal year 1973 and fiscal year 1974 columns in the fiscal year 1974 congressional budget request, then the fiscal year 1974 figures do not look at all bad. However, if one goes back and examines the fiscal year 1973 appropriation and compares this with the fiscal year 1973 and fiscal year 1974 columns in this latter budget request then it is immediately apparent that not only is this a bad budget but it also clearly violates the intent of the Congress.

It is most significant that both Mr. Weinberger's letter and the enclosures thereto, talks of the fiscal year 1975 budget allowances. A close examination of the fiscal year 1975 allowance, as shown on the enclosure to the letter [B], will show it to be below the fiscal year 1974 figure for the entire VA by some $48 million. Obviously OMB intends to decrease veterans benefits, including medical care, even further than the fiscal year 1974 budget would indicate. I believe the Congress needs to know more about this now rather than waiting on another crisis to be dumped into our laps as was the reduction in compensation payments to the severely disabled when the fiscal year 1974 budget was initially presented to the Congress.

In fiscal year 1973 the President's budget for the medical care appropriation encompassed levels of $2,551,153,000, a full-time-equipment-employment of 154,441 and a hospital census of 83,000. The Congress added $54,580,000 and 3,725 full-time-equivalent-employment to raise the hospital census to 85,500.

The appropriation was signed by the President on August 14, 1972, and the Office of Management and Budget issued an apportionment of funds on September 15, 1972. However, the employment related to the $54,580,000—3,725 FTEE—was not provided by the OMB.

Subsequent to these actions the OMB imposed employment ceilings which reduced the total employment by 5,799 positions and the full-time-equivalent-employment by 4,620; reduced the hospital census to 82,000; and, reduced the funding level by $64,080,000 to $2,542,000,000. The $64,080,000 was composed of the congressional add-on of $54,580,000 plus on OMB reduction of $9,500,000 related to the census reduction of 1,000 and the employment freeze initiated by the President on December 11, 1972. In addition, it was directed that the full cost of the January 1973 pay raise would be absorbed. The cost of the pay raise was $35,000,000 which made for a total program reduction of $99,080,000 in fiscal year 1973 in the medical care appropriation.

The medical and prosthetic research appropriation has also been affected by actions subsequent to the Appropriation Act of August 14, 1972. The congressional appropriation provided for $76,818,000 and a full-time-equivalent-employment of 4,005. The Office of Management and Budget has reduced these levels to $72,000,000 and 3,800 by directive to maintain an unobligated balance of $4,818,000 as at June 30, 1973. Fiscal year 1973 program levels have been adjusted in accordance with these directives.

In fiscal year 1974 the medical care appropriation is proposed at a level of $2,656,000,000, with a full-time equivalent employment of 153,546 and a hospital census of 80,000. This is an increase of $49,920,000, a decrease in census of 2,000 and maintaining employment at the fiscal year 1973 level.

The $49,920,000 increase would be insufficient to maintain the system at the fiscal year 1973 employment and workload levels. A 2,000 reduction in hospital census was made despite an increase of 698 census in new or replacement hospitals. To achieve this existing hospitals will need to be reduced by 2,698 average census. Since no new employment has been provided the employment necessary to care for the workload increases of 339 in VA nursing homes, 1,620,280 outpatient visits and specialized medical services started during fiscal year 1973, as well as the 698 census addition in new hospital activations will have, of necessity, to come from reductions in existing programs. These workload increases alone require better than 3,700 FTEE.

Just as important as the requirements for new workloads are to a responsive treatment system are those programs which cannot be provided for. For instance, in fiscal year 1974, a most essential program, that of education and training of health care personnel, will not receive the continuing impetus it must have in order to provide not only the VA needs but the whole Nation's increasing need for competent professional, paramedical, and administrative personnel.

This resource is invaluable if we are to continue to meet the health needs of the Nation's veterans. In the closing days of the 92d Congress we passed what became Public Law 92–541, Veterans Administration Medical School Assistance and Health Manpower Training Act of 1972. This law authorized the Veterans' Administration to assist eight new State medical schools in getting underway providing they were located adjacent to and become affiliated with VA hospitals.

It further authorized assistance to existing medical schools affiliated with VA hospitals, as well as other schools of allied health, affiliated with the VA to increase the production of professional and other health personnel. This bill authorized an appropriation of $75 million a year for a period of 7 years to alleviate the acute shortage of health manpower. The bill was signed into law by the President on October 25, 1972.

No other institution or system in the free world can contribute as can the VA to train such personnel. Now I learn to my utter amazement that OMB has not allowed the VA to ask for any funds either in a fiscal year supplemental or the fiscal year 1974 congressional request. It is my hope that the House Appropriations Committee and then this entire body will vote to add the entire $75 million to the fiscal year 1973 supplemental appropriation bill and the fiscal year 1974 appropriation. This is a matter that affects the health of not only veterans but the entire Nation.

Over the past 7 to 8 years the VA has made excellent progress in the activation of essential treatment modalities, which for budgetary purposes, have been labeled specialized medical services, such as alcohol and drug treatment units; blind centers; intensive/coronary care units; et cetera. These modalities totaling nearly 30 are essential components of any modern, responsive health system and to operate a system without them is to operate a second-class system. Due to budget restrictions no additional new medical services will be activated in fiscal year 1974.

The VA has continually tried to meet the challenges of an ever-changing program in the delivery of health care. Currently, programs related to hypertension screening, treatment of the aging, and sickle cell anemia are underway. However, the fiscal year 1974 budget will hold these efforts at no better than those started in fiscal year 1973 which at best are modest in scope and effect. In addition to the aforementioned programs are ones in dentistry, mental health and emergency care which should be pursued but cannot without budgetary assistance. None is available in fiscal year 1974.

The VA has over 5,000 buildings with a replacement value in excess of $4.5 billion. The medical care appropriation is responsible for the care of these facilities through its maintenance and repair program. Since the majority of these structures are over 20 years old the cost of this maintenance program is ever increasing. In addition to the regular maintenance and repair costs are costs related to minor improvement projects which are essential in making the facilities more responsible to the furnishing of health care. In a period of constantly rising prices, continuing deterioration of aging facilities and the need to adapt current facilities to new treatment concepts the fiscal year 1974 budget provides for only the same level of operation as it did in fiscal year 1973.

In a similar vein any system as large and complex as the VA hospital system needs to constantly update its equipment, both by new purchases and by replacing old or outdated equipment. Due to budgetary restrictions in fiscal year 1974 over $5,200,000 less will be spent for equipment. This will not only allow for less new equipment procurement but will cause the equipment replacement backlogs to rise to undesirable levels.

The thing that continues to bother me, and it certainly should bother every Member of this body regardless of his party affiliation, is the strong arm tactics of OMB. I again refer you to the last paragraph of Mr. Weinberger's letter to Mr. Johnson. It read as follows:

The President expects each and every official in the Veterans Administration actively to support the budget set forth in this letter and its enclosures. This support should be given in testimony before congressional committees, in informal contacts with Members of Congress and their staffs, and in speeches and meetings with outside groups.

When responsible officials are testifying before committees of Congress it is my belief they are there because of their particular expertise to impart important information and opinions to the Congress. If they are there merely to express to the Congress the position of OMB then we are wasting our time in such an exercise in futility. When Mr. Johnson saw fit to request of the OMB $2,829,408,000 with a full-time equivalent employment of 166,395 he must have had justification for it. Now he appears before the Subcommittee on HUD, Space, Science, Veterans and certain other agencies, House Appropriations Committee and knocks himself out to justify the amount of $2,656,000,000 and full-time equivalent employment ceiling of 153,546, the figure given him by the OMB.

I believe I speak for the entire membership of the House Committee on Veterans' Affairs when I say that we will insist that the Department of Medicine and Surgery be appropriated sufficient funds and authorized sufficient staff to provide quality medical care for veterans. This has never been more important than at this time when VA hospitals are receiving more and more of the seriously disabled from the Vietnam war.

CITIES "NEED TO KNOW" ON REVENUE SHARING

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

Mr. DANIELSON. Mr. Speaker, recently I received a letter from Mayor Gershon Lewis of Monterey Park, Calif., a city which is in my congressional district. Mayor Lewis has done an excellent job of delineating the questions and problems that face our smaller cities with respect to the various special revenue sharing programs which have been proposed by the administration—or, in the case of the manpower programs, created with the stroke of a pen.

One thing clearly pointed out by Mayor Lewis' letter is the fact that these drastic changes cannot be imposed with such suddenness, ignoring the need to provide the cities with adequate lead time to plan for changes. The cities must be given appropriate information for planning ahead. Cities such as Monterey Park must know what the administration's plans mean to them before they can even evaluate what the effect will be on their existing programs.

It is incumbent upon the administration and Congress to take early action that would provide the cities with this necessary information on which to base their future plans. I urge my colleagues to give the factors in the following letter every consideration as legislation for fiscal 1974 is developed. The letter from Mayor Lewis follows:

CITY OF MONTEREY PARK, CALIF.,
February 16, 1973.

The Honorable GEORGE E. DANIELSON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DANIELSON: After the submission of the President's Fiscal Year 1974 Budget to the Ninety-Third Congress last week, it is clear that the second Nixon Administration is moving toward a new orientation in domestic spending policies that could have serious effects upon the cities. Monterey Park must be included in this number. To assist you in your delibera-

tions during the upcoming budget sessions, I have endeavored to compile information that presents Monterey Park's position with regard to intergovernmental assistance.

The enclosed is a summary of our City's grant-in-aid activity during the last two calendar years. Two conclusions can be readily drawn from this summary. First, it is obvious that our City has not been able to pursue a great number of grants. Secondly, where we have been successful in obtaining grants, the major monies have come from the manpower programs.

With respect to the first conclusion, our City cannot draw upon sufficient staff resources to become skilled in the art of grantsmanship as some cities have done. We often encounter problems meeting detail requirements of several grant-in-aid programs. Whenever a program requires matching funds, our City is usually excluded due to a tight financial situation. Therefore, we support the concept of special revenue sharing to suit our needs. However, under those limited types of special revenue sharing being proposed by the Administration, it is still questionable that our City could qualify for aid. The $6.9 billion proposed for four types of special revenue sharing is a small amount when compared to the needs of the cities. This is especially true when it is clear that these funds may come from a consolidation of present categorical grant programs.

The loss of funds from proposed cuts and eliminations of manpower programs will greatly impair our work force. The City currently has 42 authorized positions through the PEP Program including 15 permanent positions that had to be deleted from the budget for austerity reasons just prior to the availability of EEA funds. Of the 56 persons hired by our City thus far through PEP, 37.5% have been Mexican-American (includes Spanish surnames), 5.4% Asian-American, and the remainder Caucasian. The unemployment rate, although lower than in previous months, continues to be high with a 4.8% rate and a 5.2% rate for Los Angeles County and the State of California, respectively, in January 1973. We are facing a dilemma with the eminent expiration of the program in June and final phase out by the end of the calendar year. In addition, our City utilizes the College Work Study and NYC Programs. The fate of the former is uncertain and the latter has been eliminated in the proposed budget. I do not have to tell you that NYC funds, in addition to providing manpower, provide jobs for young people in our area from disadvantaged families.

You have received under separate cover from me our position as regards the Administration freeze on housing programs. I will not dwell further here except to mention this for inclusion into the greater context of our situation.

We are hesitant to use our general revenue sharing funds to the extent of replacing these possible losses. It would not be possible for us to replace our entire PEP Program, as we received only $253,338 from revenue sharing funds for 1972 as opposed to $312,303 in federal EEA monies expended. At this time, the City Manager's recommendation to the Council is to use revenue sharing money to replace 15 positions from PEP that were originally deleted in the City's Fiscal Year 1972 budget. Moreover, the City is in dire need of many capital improvements, the cost of which far exceeds our revenue sharing allotment. General revenue sharing offers us only the chance to attempt to catch up with needs, not to provide new levels of service. Finally, the cities have always taken the position and had the understanding from the Administration and the Congress that general revenue sharing was not to substitute for present categorical grant-in-aid programs.

It seems that now more than ever the cities will have to depend on the members of the Congress to represent their views in Washington. We welcome attempts to bring about more decentralization of the Federal government that will allow the cities to determine their needs and how best to meet them. The Administration is calling for this, but at the same time it is also proposing an overall reduced role by the public sector in the solving of domestic problems. This philosophy would not appear workable.

Our City is aware, as are other cities, of Federal budget constraints. Part of this matter deals with the placing of priorities, but perhaps a more important element lies with much needed tax reform. Again, it will be up to Congress to make the steps in this area. The City Council and all of Monterey Park's citizens appreciate your interest and care for our problems and concerns. We support and encourage your efforts to that end.

Very truly yours,

GERSHON L. LEWIS, *Mayor.*

SUMMARY OF STATE AND FEDERAL GRANT-IN-AID ACTIVITY FROM JANUARY 1971 TO JANUARY 1973—CITY OF MONTEREY PARK

Program	Grant	Proposal name	Status
Intergovernmental Personnel Act, U.S. Civil Service Commission:			
Federal share	$20,250	Employee career development, critical performance standards, and performance evaluation program.	Applied: June 29, 1972. Denied: Nov. 1, 1972.
Local in-kind	8,161		
Total	28,411		
Intergovernmental Personnel Act, U.S. Civil Service Commission:			
Federal share	12,237	Management development program	Applied: Oct. 21, 1971. Denied: Feb. 14, 1972.
Local in-kind	4,079		
Total	16,316		
Intergovernmental Personnel Act, U.S. Civil Service Commission:			
Federal share	8,099	Employee performance eva uation	Applied: Oct. 21, 1971. Denied: Feb. 14, 1972.
Local in-kind	2,700		
Total	10,799		
Intergovernmental Personnel Act, U.S. Civil Service Commission:			
Federal share	19,009	Organization study	Applied: Oct. 21, 1972. Denied: Feb. 14, 1972.
Local in-kind	6,337		
Total	25,346		
Emergency Employment Act, Department of Labor:			
Section 5 (October 1971 to January 1973):			
Federal share	342,427	33 positions	Original application approved October 1971 with later additions and modifications. Program is scheduled to end June 30, 1973.
Local in-kind	36,692		
Total	379,119		
Section 6 (November 1971 to January 1973):			
Federal share	50,117	4 positions	
Local in-kind	5,569		
Total	55,686		
Section 9 (December 1972 to December 1973):			
Federal share	41,708	5 positions	
Local in-kind	4,634		
Total	46,342		
Older Americans Act, Title III, California Commission on Aging, HEW:			
Federal share	11,890	Servicing our seniors	Applied: July 1972. Approved: November 1972, (renewable after first year).
Local in-kind	3,963		
Total	15,853		
Legacy of Parks, HUD:			
Federal share	98,505	Acquisition—open space	Application never formally submitted for failure to provide local match.
Local match	98,504		
Total	197,009		

SUMMARY OF STATE AND FEDERAL GRANT-IN-AID ACTIVITY FROM JANUARY 1971 TO JANUARY 1973—CITY OF MONTEREY PARK—Continued

Program	Grant	Proposal name	Status
College Work Study:			
California State Legislative Assembly, July 1, 1971 to June 30, 1972			
Federal share	$5,143		Agreements are renewed yearly as funds allow.
Local match	857		
Total	6,000		
July 1, 1972 to Mar. 17, 1973:			
Federal share	3,030		
Local match	1,492		
Total	4,522		
ELAC, July 1, 1972 to June 30, 1972:			
Federal share	17,581		
Local match	4,369		
Total	21,950		
July 1, 1972 to June 30, 1973:			
Federal share	16,986		
Local match	4,514		
Total	21,500		
Neighborhood Youth Corps, Department of Labor:			
City receives no actual cash but is recipient of personnel provided through Mark Keppel High School and Casa Maravilla:			
1972—65 employees			Agreements are renewed yearly as funds allow.
1971—30 employees			
Omnibus Crime Control and Safe Streets Act, California Council on Criminal Justice, Department of Justice:			
Federal share	71,747	Measurement of an in-depth crime prevention program.	Applied: Nov. 22, 1971.
Local in kind	30,486		Denied: February 1972.
Total (3 years)	102,233		
Water and Sewer, HUD:			
Federal share	147,308	18-inch waterline in Garvey Ave	Applied: May 4, 1970.
Local match	186,577		Awarded: Apr. 12, 1971.
Total	333,885		
Office of Traffic Safety, State of California:			
State share	44,955	Emergency medical aid development program.	Applied: July 1971. Denied: February 1972.
Total	44,955		
Topics 1970–71, State of California, Department of Transportation:			
Federal share	40,882	Traffic control on Atlantic Boulevard	Applied: Jan. 13, 1970.
Local match	11,150		Awarded: Jan. 23, 1970, (yearly renewal).
Total	52,032		
1971–72:			
Federal share	23,118		
Local match	6,350		
Total	29,468		
1972–73:			
Federal share	23,118		
Local match	6,350		
Total	29,468		
Traffic Safety Act, Office of Traffic Safety, State of California:			
State share	24,833	Traffic control devices	Applied: Nov. 19, 1971.
	9,600	Traffic records	
	13,900	Identification and surveillance of accident locations.	No projects were funded.
	65,000	Police traffic services	
	12,500	Emergency medical services	
State share (2 years)	55,666	Traffic control devices	Applied: Oct. 3, 1972.
	43,000	Traffic accident records	
	15,000	Identification and surveillance of accident locations.	Pending.
State share	23,500	Pedestrian and bicycle safety	
	176,000	Police traffic services	
	41,500	Emergency medical services	
	15,000	Identification and surveillance of accident	Pending.

CAPT. GEORGE DIALS—DISTINGUISHED WEST VIRGINIAN

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, in the aftermath of the terrible tragedy of the collapse of the coal refuse pile on Buffalo Creek, W. Va., which killed 118 persons and left thousands homeless, the center of disaster operations was Man High School.

There are about 700 students at Man High School, and one of its outstanding graduates is George Edward Dials, son of a coal miner. I had the honor of nominating George Dials for appointment to the U.S. Military Academy in 1963. George was graduated from West Point in 1967 and went to Vietnam where he became a commander and earned a number of citations for honor and bravery under fire. George's distinguished military career and his love for West Virginia and for the people in the Buffalo Creek Area are underscored in the following article which appeared in the March 8 Logan Banner:

MHS GRADUATE PRAISED AS SERVICEMAN AND WEST VIRGINIAN

(EDITOR'S NOTE.—Any list of outstanding graduates of Man High School would not be complete unless it included the name of George Edward Dials. He graduated in 1963 as valedictorian of his class and entered the U.S. Military academy at West Point later that year. While associated in an advanced educational program in the Nuclear Engineering Department of the Massachusetts Institute of Technology, he became acquainted with Thomas E. Eaton, who now

lives at 989 Memorial Drive, Cambridge, Mass. Eaton was from the "Lead Belt" lead and iron mining region of Southeast Missouri, so he and George had something in common.

(During the past Christmas season, Eaton came to Logan to visit two of his friends—Arwind (Ervin) Gore and his family and Nanu Ashar and his family. Gore and Ashar, both mechanical designers with Guyan Machinery Co., were graduate students with Eaton in the Mechanical Engineering Department of the Missouri School of Mines.

(Shortly after returning to his home, Eaton wrote the following article about George Dials and sent it to The Banner, hoping that it "will be of interest to your readers, not only because George is a distinguished American veteran, but also because he is a true West Virginian concerned with the problem of his people."

(The Banner thanks Eaton for the article and is happy to publish it in its entirety.)

(By Thomas E. Eaton)

Where have they all gone—all those young men from West Virginia who served their country in the Armed Forces in Vietnam?

Now that the war is over, these young men are likely to become the most quickly forgotten veterans in U.S. history. Certainly, Vietnam will continue to be in the news. Also the stories about those deserters or draft dodgers who failed to do their duty will increase in frequency. That is news, you see, for it is the exception to the rule.

But let us not forget those from this state who proudly served their country. As in the previous wars of this century, many West Virginians served in the Army and served with distinction. West Virginia, too, has its honor roll of those who gave their lives in Vietnam and those who returned badly wounded. All deserve our warm thoughts and admiration for performing their duties as proud Americans and West Virginians.

A young man from Greenville (Hunt), Logan County, is likely one of the most highly decorated West Virginians to emerge from the Vietnam War. During his tour of duty there, Captain George E. Dials was a company commander with the 199th Light Infantry Brigade. According to his commanding officer at that time, George's unit was one of the most aggressive and successful in the brigade.

"The morale and effectiveness of his company was due largely to Captain Dials' own bravery under fire. His men knew that he would take the same chances that they had to take, and they respected him for it," the officer said.

As a result of the many combat actions that he and his company were involved in, George was decorated many times for heroism. In all, he received two Air Medals, a Bronze Star for Valor and three Oak Leaf Clusters (three additional awards), and the nation's third highest award for valor in combat—the Silver Star.

When asked about the war, George never talks about his own heroics but dwells on the heroics and sacrifices of the men with whom he served.

"I have no regrets about fighting in Vietnam or about the job that I did there," he said. "I think that the U.S. had an obligation to combat the spread of communism in Southeast Asia. The U.S. stands for liberty and freedom in the world community. We, her citizens, must pay more than simple lip-service to these concepts; if need be, we must be willing to fight to uphold freedom and liberty when they are threatened. I feel that our involvement in Vietnam gave the South Vietnamese the time to develop the capabilities to defend themselves and to guard their own freedom. To me, that was a worthwhile cause."

George was born at Kistler, Logan County, West Virginia, on Feb. 22, 1945. His father, Bill Edward Dials, and mother, Marion Perry Dials were both native West Virginians.

Tragically, George's father was killed in a coal-mining accident at Elk Creek when George was only four years old. Thus, he, his 18-month-old sister, Sarah, and his mother faced an uncertain and difficult future.

The family moved to Greenville in 1950 and remained there until George's mother and sister moved to Huntington in 1965.

But, it was in Greenville that George grew and developed into the man he is today. He attended the elementary school in South Man and the junior and senior high schools in Man. In 1963, George graduated as a valedictorian of his class.

Not only was he a good student, he was also a very able athlete. He had been captain of the football team and was an honorable mention guard and line backer on the All-State team.

Speaking of his childhood, George said:

"Well, we certainly were not well off financially, but I never thought of us as very poor. Sarah and I were always well-fed and had what we needed. My mother is a tremendous person. She held the family together.

"She was strong, tough and wise; anyway, that's how she appeared to me in those days. She was a good manager, too; she seemed to be able to stretch a nickle a mile. In fact, she can still do that. No, we never had a lot of money, but we had plenty of a much more important commodity—LOVE. Both Sarah and I owe a great deal to Mother."

Sarah now lives in Wayne, W. Va., with her husband, Charles Cornwell, and their one-year-old son, Donnie. Mrs. Marion Dials lives in Huntington where she works in the Dietary Department of the Cabell-Huntington Hospital.

In June, 1963, George entered the United States Military Academy through an appointment from Congressman Ken Hechler. At West Point he distinguished himself, also. In his senior year, George attained the permanent rank of Cadet Captain and commanded a cadet company.

In addition, he was chosen as a member of the All-East team of the 150-pound intercollegiate football league. On 7 June, 1967, George graduated from West Point and was commissioned as a second lieutenant in the Infantry, the beginning of a successful military career.

Presently, George lives near Boston, Mass., with his wife, Pamela, and two children—Bill, 4½, and Heather, 2. He is still in the Army and is attending the Massachusetts Institute of Technology under an Army-funded program. He will graduate in June, 1973, with master of science degrees in both nuclear engineering and political science.

What about the future?

"Pam and I both like the Army and, of course, I consider myself a professional soldier at this point," George said. "But, I am not sure that it will be a 30-year career for me."

When asked if he intends to return to West Virginia, George stated:

"If you mean permanently, I don't know yet. As I said before, I still like the Army and intend to stay in a few more years. I do visit West Virginia and Logan County quite often. In fact, I was in the Buffalo Creek area just after the tragedy in March last year. My grandparents, Lula and George Dials, lived in Kistler at the time. Shortly after the flood, my grandfather died of a heart attack. I was there to attend his funeral and back again in the summer to visit my grandmother, who now lives in Man."

He continued:

"I think about the region a great deal. I have great respect for the people and love the mountains that they call home. In all my travels, I have never known more hard-working, considerate and compassionate people. They—the people—represent the state's most valuable asset in my opinion.

"So, yes I've thought about leaving the service and going back, probably to get involved in state politics and government. That would provide the best mechanism for serving the peoples' interest and looking out for their welfare. But, I haven't made that decision yet."

This young man from West Virginia served his country in Vietnam and returned as a highly decorated combat leader. If he remains in the Army, he should go far, perhaps to become a general officer.

But, his ties to the state and the people are strong. It shows in his face when he speaks of his life and friends in the state. In addition, much of George's research has focused on developing quantitative measures of the social costs associated with surface and deep coal mining. This work was naturally prompted by his intense interest in his native West Virginia.

Perhaps, Captain George Dials and his family will return to his first home some day. Regardless, here certainly is a man worth remembering—not only for his services in Vietnam but also in anticipation of what he will accomplish in the future, in the Army or in West Virginia.

LYNDON BAINES JOHNSON—BY BOOTH MOONEY

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, memories of Lyndon Johnson will abound as long as there are those around who touched the perimeter in which this great man lived.

One who knew him well and served him diligently for years was Booth Mooney—well-known author, newspaperman, and President Johnson's executive assistant while he was Democratic floor leader in the Senate.

One of the Nation's finest newspapers, the Detroit News, mindful of the Mooney connection with then Senator Johnson, asked him to do the main piece on a special section the paper put out after the President's untimely death. This is such a tender, understanding article that all who ever knew President Johnson would want to read it—and I would want to share it.

Mr. Speaker, here is what Booth Mooney wrote about the man whose first biography, "The Lyndon Johnson Story," he wrote:

LYNDON BAINES JOHNSON: AUGUST 27, 1908—JANUARY 22, 1973

(By Booth Mooney)

Lyndon Baines Johnson was always a man in a hurry.

Before he assumed the presidency, he had served 12 years in the United States Senate and 12 in the House of Representatives. Earlier, as a young congressional assistant, he witnessed, and on the fringes participated in, the first 100 days of Franklin D. Roosevelt. He entered the House as one of FDR's favorites.

He experienced the trying and sometimes traumatic years of Harry S. Truman's regime, the quiet and confident years with Dwight D. Eisenhower, the too-few years of hope culminating in anguished tragedy with John F. Kennedy and finally, his own administration, which ended for him and the country with a deep sense of frustration.

Running all the way.

Lyndon Johnson came into the world on Aug. 27, 1908, on a farm in the rugged hill country of Texas, the first of five children

born to Samuel Ealy and Rebekah Baines Johnson. His father was a member of the Texas legislature, so Lyndon was exposed to talk of politics from an early age.

After graduating from high school and Southwest Texas State Teachers College, he taught school for a year before going to Washington in 1931 to become secretary to a newly elected congressman, a family friend, Rep. Richard M. Kleberg.

In the capital city, he benefited from the friendship of Rep. Sam Rayburn, who had served in the Texas legislature with his father. Rayburn was rising to a position of great power in Washington.

Arthur C. Perry, an old Washington hand who at that time was secretary to Senator Tom Connally of Texas, recalled that the newcomer made an immediate impact on the group of established congressional secretaries.

"I remember when Dick Kleberg brought Lyndon around to our office and told me he wished I would teach his new secretary everything I knew and show him how to find his way around Washington," Perry said. "Lyndon started asking questions as soon as he knew my name. He followed the same procedure with everyone else he met. He set out to learn all he could and learn it fast."

"You never had to tell him anything a second time," Perry said. "This skinny, 6-foot-3 boy was as green as anybody could be, but within a few months he knew how to operate in Washington better than some who had been here 20 years before him."

After Roosevelt was elected President in 1932, Rayburn brought his young fellow-Texan into contact with key men in the New Deal and eventually with President himself.

Elected a member of the House on April 10, 1937, he was reelected for five successive terms. In 1941 he was a candidate for the U.S. Senate in a special election, but did not win. It was the only election he ever lost.

On Dec. 8, 1941, as war was declared between the United States and Japan, Johnson, a member of the Naval Reserve, asked to be placed on active duty. He was the first member of the House to go into uniform. He served for eight months, with the rank of lieutenant commander, before FDR ordered all members of Congress in military service to return to their duties in Washington.

In 1948 Johnson entered the Texas Democratic primary as a candidate for the U.S. Senate. He won the nomination by a majority of only 87 votes out of more than a million cast, and there were cries of fraud. But his nomination prevailed, and in the general election he defeated his Republican opponent by a two-to-one majority. On Jan. 3, 1948, he became a member of the Senate.

Assigned to a major committee, the one on Armed Services, the freshman senator gave close attention to the state of the nation's military establishment. In 1950, as the Korean police action began, he introduced and the Senate passed a resolution establishing the Preparedness Investigating Subcommittee.

Johnson became its chairman and conducted a series of investigations of defense costs and efficiency.

These investigations brought him to national attention for the first time. They also earned the respect of senior members of the Senate, in particular such southern veterans as Richard B. Russell and Walter George of Georgia, and this was most important to a young senator. It meant he was being accepted in the Senate's "inner club."

A side effect of Dwight D. Eisenhower's sweeping 1952 victory was the defeat out in Arizona of Senate Democratic leader Ernest McFarland. When the Democratic senators no longer a majority, met in their first-of-the-session conference in Washington in January 1953, Johnson was unanimously elected floor leader. At age 44, he was the youngest man ever to be named to that position by either major party.

The Democratic Party was disorganized, deeply in debt, and without effectual national leadership. A schism had long existed between the southern and northern wings. Recriminations over the manner in which the losing presidential campaign had been waged were still being hurled back and forth.

Johnson set out to quiet the quarreling and to bring unity among his Senate Democrats. He succeeded. His tactics embraced a potent mixture of full consideration of all points of view, tact, persuasion, a policy of giving freshmen senators choice committee assignments, thus assuring their support of his leadership—and personal hard work.

At times he conducted business on the run—literally.

One afternoon, a staff member recalled, he and the senator left the Senate Office Building to go over to the other side of the Capitol to record a radio broadcast. Johnson's car was parked no more than a dozen feet from the door of the building. But he literally sprinted the short distance. It was that way with everything he did.

"Lyndon," his wife complained, although not bitterly, "acts like there's never going to be a tomorrow."

Johnson was reelected to the Senate in 1954, after having piled up a three-to-one majority over his opponent in the Democratic primary. In that year Democrats regained control of both houses of Congress, and he advanced from minority to majority floor leader in the Senate.

Friend and foe alike agreed that he turned in a dazzling performance in this role.

The "Johnson treatment" became a joyous byword in the congressional cloakrooms and at Washington cocktail parties. The gossips revelled in telling each other stories about Johnson—the compulsive talker, the waver of arms in the air, the wheeler-dealer of politics, the operator who could turn on charm and voice implied threats with equal facility. All to get the job at hand done.

He drove himself and his Democratic colleagues—and at times his Republican colleagues as well—in a way not previously known in the august Senate. And he became the most powerful majority leader in the history of that institution.

Much of his strength grew out of the fact that he was, in the largest sense, nonpartisan. He cooperated fully with the Republican President Eisenhower.

One of his notable achievements was to bring about passage of the first civil rights bill to get through the Senate since Reconstruction. That feat came in 1957 at a time when racial unrest was rising throughout the nation.

Johnson and House Speaker Sam Rayburn consulted with Eisenhower to an extent unknown to few Democrats and perhaps to no Republicans. The two men from Congress often journeyed to the White House, a mile distant, to talk informally over drinks with the President. These easy sessions, nobody pressuring anybody else, paved the way for congressional approval of more than one important legislative measure.

Johnson poured greater physical energy into his job than any other man on Capitol Hill. Even after he suffered a massive heart attack in July 1955, he bounced back after a reasonable period of convalescence. He shed 45 of his 220 pounds and, six months after the attack, returned to work. And he worked as long and hard as ever.

His great success as Senate majority leader led to widespread mention of Johnson as a possible Democratic presidential candidate. He was Texas' favorite son at the party's national convention in 1956.

It was not until 1960, however, that he made a serious bid for the nomination. It failed. He received 409 votes for President on the first and only ballot at the Los Angeles convention. John F. Kennedy was the choice of most.

On the following day, July 14, Johnson was nominated for vice president by acclamation, having been personally chosen by Kennedy as a running mate. The Kennedy-Johnson ticket was elected in November by the closest popular vote margin of any presidential election up to that time in the 20th century.

The years Johnson served as vice president were trying for the vigorous Texan. The glamorous Kennedys and their court were the rage in Washington. Johnson, out of style, did not have enough to do. He spent much time in unaccustomed and uncomfortable loneliness in his richly appointed office.

A compassionate newspaper correspondent recalled an hour-long visit there with the vice president. No one waited to see him in the anteroom, the newsman reported. He received precisely one telephone call during the hour the visitor was present. It was a painful letdown for a man who thrived on excitement, action and achievement.

The situation changed with stunning abruptness.

On a Friday afternoon, Nov. 22, 1963, John F. Kennedy became the fourth American President to die at the hands of an assassin. From the window of a warehouse in Dallas, a sniper fired two bullets into the President's head and body as the Chief Executive rode through the streets of the Texas city.

Ninety-nine minutes later, Johnson, his face heavy with grief, took the oath of office as President. The brief ceremony, with his wife and Mrs. Kennedy beside him, was held on Air Force One as it sat on the runway at Love Field in Dallas.

Flown immediately to Washington, Johnson spoke briefly at the airport in a message carried to the shocked nation by television.

This is what he said: "This is a sad time for all people. We have suffered a loss that cannot be weighed. For me it is a deep personal tragedy. I know the world shares in the sorrow that Mrs. Kennedy and her family bear.

"I will do my best. That is all I can do. I ask for your help and God's."

The new President moved swiftly to calm the fear that Kennedy's assassination had created. He was at once reassuring and commanding. He set the tone by entreating. "Let us continue," and the country responded.

"I have a feeling," Johnson wrote a friend, "that the tragedy of Nov. 22 marked a turning point in American history. The dissension in our land will, hopefully, give way to a new unity—a new reasonableness that will mark the beginning of an era of progress."

The year of 1964 was supremely Lyndon Johnson's.

Congress, responding to the leadership of a man regarded by its members as one of their own, set a legislative record that is not likely soon to be matched. Measures affecting civil rights, voting, taxes, medical care, immigration, schools, environmental pollution, and other legislation designed to alleviate the country's problems were whipped through the legislative body and signed into law by a triumphant President.

Ebullient was the word for the President in those happy and fruitful months. Everything seemed to be going his way as he plunged zestfully into the job for which he had been in training all his adult life.

In that year of glory, Johnson also became President in his own right. He campaigned as no man seeking the presidency had ever done before him. He loved every minute of it, tearing into his speeches as if they were so many juicy steaks, plunging into adoring crowds to "press the flesh" of every hand that could reach him, shouting over a bullhorn as he drove through city streets. "Yawl come to the speakin'."

On Nov. 3, 1964, he defeated Barry Gold-

water of Arizona by 42,121,085 popular votes to 27,145,161. He carried all but six states. It was the most one-sided result of a presidential election since 1936.

Johnson was inaugurated for a full term on Jan. 20, 1965. Shortly afterward, things began to fall apart.

At home and abroad, Americans found themselves confronting problems that loomed large and menacing. They soon began to blame the President.

Johnson had talked soothingly about any difficulties in foreign lands during his re-election campaign in particular downplaying the seriousness of the fighting in Vietnam. He had promised that American boys would not be sent "nine or ten thousand miles away from home to do what Asian boys ought to be doing for themselves."

But U.S. involvement in Vietnam escalated. Live telecasts from bloody battlefields brought the war into the homes of horrified Americans, and American casualties mounted. The Senate Foreign Relations Committee and its chairman, William Fulbright, were raising critical questions.

Closer to home, an uprising in Santo Domingo caused the President to dispatch U.S. forces into the Caribbean for the first time since 1927. The initial popular approval of his move soon turned to general dismay.

Right at home, the civil rights movement reached a turning point. In Selma, Ala., for the last time, blacks and whites were joining together in massive protest. Violence replaced marching and demonstrations. The Watts riots showed a clear and ominous change in the racial picture. Other riots scarred Detroit and other cities.

Dissent on college campuses mounted over the ever-increasing bloodshed in Vietnam. A cruel and unfair chant was born: "Hey, hey, LBJ, How many babies did you kill today?"

Along with everything else, the President was now having trouble with a recalcitrant Congress. He was trying to move too fast, his critics said. His reply was: "I have so little time." The sympathy and sentiment he had commanded after Kennedy's assassination were running out. He needed time—more time than was to be given him.

His boasted—and effective—consensus was gone by the latter part of 1966. Republicans scored substantial gains in the fall congressional elections.

In the White House, Lyndon Johnson suffered. The Great Society of which he had dreamed and preached was dissolving before his eyes. Press criticism was widespread.

One bright spot amidst this was the wedding, in the White House, of the younger Johnson daughter, Luci. Her father wore striped pants and a cutaway, something he had not even done for his inaugural.

The revolt against Administration policies developed into direct political action in the presidential election year of 1968. The President was challenged in the primaries, first by Eugene McCarthy, then by Senator Robert F. Kennedy. The Democratic party reeled under the internecine warfare.

The assassinations of another Kennedy and of Dr. Martin Luther King, the leading Negro advocate of nonviolence, threw the nation into more turmoil. Unbearable tension found an outlet in renewed rioting, burning of whole sections of cities, including the nation's capital, and other mass acts of violence.

Even before the deaths of Senator Kennedy and Dr. King, Johnson had arrived at a decision about his future course. On March 31, 1968, speaking over national television, the President announced that he was calling a halt to the bombing of North Vietnam and beginning a process that he hoped would lead to an end to U.S. engagement in the war.

Then he had more to say. He said in a single sentence. "I shall not seek and I will not accept the nomination of my party for another term." A large tear formed and rolled down his furrowed cheek.

Two days after this announcement, Johnson met with a small group of intimate friends to give them, as he said, "a fuller and personal explanation" of his action, which had stunned them as it had the nation.

"I'm just fed up to here," he said, placing his big hand at his neck, "with the way things have been going."

His tone was thoughtful, not self-pitying.

"I think I've done more for the Negro people than any President since Lincoln," he continued. "And what happens? Negro militants precipitate riots and all the liberals says it's my fault.

"No administration has ever done more for education. But students boo the mention of my name and accuse me of killing babies.

"I was always taught to believe that love of country is a good thing. But patriotism isn't 'in' these days. I wake up in the morning and read in the papers that 50 or 63 American boys have been killed in Vietnam—And then I turn on TV and some senator or other is making a speech saying I'm to blame and we ought to just turn Asia over to the Communists.

"It looks like this country is badly divided and I've become a symbol of the division. I hope that by getting out of the race I can make moves during the next nine months without being accused of political motivations. I'm not going to come out for anybody for the Democratic nomination. I'm going to be working for the country the best way I can, and I hope you-all will help me."

During his last months in the White House, he continued his search for peace. His concern for the country had not lessened. Having had made his decision about his future, however, he was more relaxed, calmer, than he had been in years.

He was the old-time Lyndon when he gave a dinner party on the White House lawn one mid-summer evening for several hundred old friends, many of them Texans. In a long, rambling after-dinner speech, made without notes, he managed to mention by names, and with reference to some personal incident of the past, scores of his guests, bringing guffaws and shouts of approval from the uninhibited assemblage. It was a virtuoso performance, wholly in the LBJ tradition.

Peace did not come, and he left the White House on Jan. 20, 1969.

Four years later, one day after Johnson's death at his ranch on Jan. 22, 1973, a truce in Vietnam was announced by President Nixon.

This writer's last contact with President Johnson was on Sept. 9, 1969, when I paid a visit at the ranch. As we talked about the matter on which I had come, he drove over his acres in the well-publicized white Lincoln Continental.

He looked the part of a rancher, wearing a khaki shirt hanging outside khaki trousers, cowboy boots, and a blue, long-billed golfer's cap which he clearly treasured.

He drove—fast on paved roads, slowly over grass-covered furrows—with his left arm curved around the steering wheel, half-turned in his seat to face me. Occasionally he stopped to give instructions to ranch hands.

"I'm just trying to be suggestive," he told me, "and not give orders. But," he added, "Damn it, they're sure bollixing things up with the way they're spraying those cattle."

One would have thought he had never left the ranch as he rode over the land he loved. He was completely engrossed, as always with the immediate task at hand. That was Lyndon Johnson.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RANGEL, for Monday, March 26 and Tuesday, March 27, on account of congressional business.

Mr. FRELINGHUYSEN (at the request of Mr. GERALD R. FORD), for March 23 through 30, on account of official business.

Mr. HELSTOSKI (at the request of Mr. MCFALL), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. GRIFFITHS, for 30 minutes, tomorrow, March 27, 1973, and to revise and extend her remarks and include extraneous matter.

Mr. RANDALL, for 10 minutes, today.

Mr. KEMP, for 10 minutes, today, to revise and extend his remarks and include extraneous material.

Mr. SAYLOR, for 30 minutes today, to revise and extend his remarks and include extraneous material.

(The following Member (at the request of Mr. KEMP) to revise and extend his remarks and include extraneous material:)

Mr. EDWARDS of Alabama, for 15 minutes, today.

(The following Members (at the request of Mr. JAMES V. STANTON) to revise and extend their remarks and include extraneous material:)

Mr. MCFALL, for 5 minutes, today.

Mr. Moss, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes today.

Mr. KASTENMEIER, for 30 minutes, today.

Mr. VANIK, for 15 minutes, today.

Mr. ADAMS, for 5 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. DANIELSON, for 10 minutes, today.

Mr. ALEXANDER, for 30 minutes, March 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KEMP) and to include extraneous material:)

Mr. SCHERLE in 10 instances.

Mr. TREEN in 10 instances.

Mr. RINALDO in three instances.

Mr. PETTIS in five instances.

Mrs. HECKLER of Massachusetts.

Mr. HOSMER in three instances.

Mr. ROBISON of New York.

Mr. ARENDS.

Mr. ZWACH.

Mr. HEINZ.

Mr. ANDERSON of Illinois in two instances.

Mr. KEMP in two instances.

Mr. HOGAN in two instances.

Mr. QUIE.

Mr. THOMSON of Wisconsin.
Mr. HAMMERSCHMIDT.
(The following Members (at the request of Mr. JAMES V. STANTON) and to include extraneous material:)
Mr. CORMAN in 10 instances.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. WILLIAM D. FORD in two instances.
Mr. DRINAN in five instances.
Mr. ROSENTHAL in five instances.
Mr. DINGELL in two instances.
Mr. ROONEY of New York.
Mr. ROGERS in five instances.
Mr. TAYLOR of North Carolina.
Mr. REID.
Mr. WON PAT.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

ADJOURNMENT

Mr. JAMES V. STANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 26 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 27, 1973, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1972, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submitted the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85–804:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 21, 1973.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85–804, the calendar year 1972 report on Extraordinary Contractual Actions to Facilitate the National Defense is transmitted herewith.

Table I shows that 300 contractual actions were approved and that 89 actions were disapproved. Included in the number of actions approved are 176 actions for which a potential Government liability cannot be estimated.

Table II lists the actions which have an actual or potential cost to the Government of $50,000 or more. Also included in this list are the 176 actions above for which a potential cost cannot be estimated.

Sincerely,

HUGH MCCULLOUGH,
Acting Assistant Secretary of Defense (Installations and Logistics).

TABLE I.—SUMMARY REPORT OF CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1972

[Dollar amounts in thousands]

Department and type of action	Actions approved			Actions denied	
	Number	Amount requested	Amount approved	Number	Amount
Department of Defense, total	300	$4,498	$2,840	89	$7,354
Amendments without consideration	2	1,203	656	15	6,535
Correction of mistakes	49	1,094	819	40	830
Formalization of informal commitments	44	2,201	1,365	29	16
Contingent liabilities	176				
Disposition of property	1			1	
Other	28			4	
Army, total	68	2,991	1,903	47	2,579
Amendments without consideration				5	2,125
Correction of mistakes	17	839	586	13	438
Formalization of informal commitments	39	2,152	1,317	28	16
Contingent liabilities	10				
Disposition of property	1			1	
Other (secretarial authority and residual powers)	1				
Navy, total	172	1,249	701	6	2,808
Amendments without consideration	1	1,197	650	2	2,804
Correction of mistakes	6	13	12	2	4
Formalization of informal commitments	4	39	39		
Contingent liabilities	156				
Disposition of property					
Other (contract modification or termination)	5			2	
Air Force, total	31	190	168	25	1,681
Amendments without consideration	1	6	6	8	1,606
Correction of mistakes	14	174	153	14	75
Formalization of informal commitments	1	10	9	1	(1)
Contingent liabilities	10				
Other (contract modification or termination)	5			2	
Defense Supply Agency, total	29	68	68	11	286
Amendments without consideration					
Correction of mistakes	12	68	68	11	286
Formalization of informal commitments					
Other (contract modification or termination)	17				

[1] Less than $500.

Source: Department of Defense, OASD (Comptroller) Directorate for Information Operations Mar. 13, 1973.

TABLE II.—LIST OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE JANUARY-DECEMBER 1972

Name and location of contractor	Actual or estimated potential cost	Description of product or service	Justification
FORMALIZATION OF INFORMAL COMMITMENT			
Army: Alabama Forge & Machine, Inc., P.O. Box 131, Talladega, Ala.	$235,000	155mm projectiles	The Army issued an REP for procurement of 155mm projectiles with the furnishing by the Government of production facilities. The facilities project request required approval at the DOD level which had not been obtained prior to issuance of the RFP. While the approval was being sought the contractor was requested orally, several times, to extend the expiration date of its proposal which added up to approximately 13 months. During this time the contractor obtained a plant and approximately 40 personnel which it maintained from Oct. 1, 1968, until the plant was finally closed in December 1969. The Government was at fault for repeatedly asking Alabama Forge to extend its proposal and should share in the expenses incurred by the company.

TABLE II.—LIST OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE—JANUARY-DECEMBER 1972

Name and location of contractor	Actual or estimated potential cost	Description of product or service	Justification
AMENDMENTS WITHOUT CONSIDERATION			
Navy: Gap Instrument Corp., 110 Marcus Blvd., Hauppage, N.Y.	$650,000	MK-53 attack consoles	In April 1971 Gap Instrument Corp. requested relief in the amount of $1,196,522 when only 3 of the MK-53 units had been delivered. At that time $1,091,329 was approved since the Government's interest would be best served by funding GAP so that it could continue producing the remaining MK-53 attack console units. As of August 1972, 13 units still remained to be delivered. These units could not be completed without additional funding. Based upon prevailing circumstances, it was deemed that the Government's interest would again be best served by allowing GAP to continue production and therefore the additional funding was allowed.
CORRECTION OF MISTAKES			
Army: General Electric Co., Missile & Armament Dept., Lakeside Ave., Burlington, Vt.	87,123	GAU-2B/B aircraft machine guns	On Sept. 30, 1965, a letter contract was entered into which provided that the Value Engineering Incentive provision of ASPR 1-1707.2(b) would be incorporated into the definitized contract. GE submitted 8 value engineering change proposals (VECP's) which were approved and applied under the contract prior to definitization. The total savings from the VECP's amounted to $174,246 of which 50 percent was due GE as its share. The definitized contract provisions failed to increase the contract price to cover this cost.
Keystone Micro-Scan, Inc., 151 Hallet St., Boston, Mass.	121,140	M48A3 fuzes	IFB DAAA09-72-B-0020 had a labor surplus set-aside quantity of 11,162,050 fuzes of which Keystone received 6,000,000. When all other eligible bidders refused the additional quantity, the set-aside was dissolved and Keystone received another 3,000,000 units. The transportation factor used in determining contract price was based on 80 percent delivery to Milan Army Ammunition Plant and 20 percent to Lone Star Army Ammunition Plant whereas all shipments were made to Milan. In addition the Government Furnished Equipment factor should have been computed on 9,000,000 units instead of 6,000,000 in order to arrive at the award price.
Northrop Corp., 2301 West 120th St., Hawthorne, Calif.	197,963	AN/ASH-19 voice warning systems	The voice warning systems gives crewmen an audio alert of an aircraft malfunction and was urgently needed in support of Southeast Asia. A letter contract was awarded for 350 systems with the option to purchase additional units. The Government exercised its option and purchased these additional units but inadvertently omitted the cost for special testing and ancillary items for the option quantity.

CONTINGENT LIABILITIES

Provisions to indemnify contractors against liabilities on account of claims for death or injury or property damage arising out of nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 176 contracts (the potential cost of these liabilities cannot be estimated inasmuch as the liability to the Government, if any, will depend upon the occurrence of an incident as described in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives or performance in hazardous areas.

Name of contractor	Number of contracts: Army	Navy	Air Force
Aerojet General Corp			2
Automation Industries, Inc		1	
Avco Corp		1	
Bell Aerospace Co			1
Bendix Corp		2	
Boeing Co			4
Bunker Ramo Corp		1	
Consolidated Services, Inc		1	
Chem-Nuclear Services, Inc		1	
General Devices, Inc		1	
General Dynamics Corp		82	
General Electric Co		19	
Hercules, Inc	1		
Honeywell, Inc		3	
Hughes Aircraft Co		1	
Litton Systems, Inc		1	
Lockheed Electronics Co., Inc		1	
Lockheed Missiles and Space Co		14	
Midgard Corp	1		
Newport News Shipbuilding & Drydock Co		4	
Rockwell International Corp		10	2
Nuclear Engineering Co., Inc		1	
Northrop Corp		1	
Raytheon Co		2	
Sperry Rand Corp		2	
Suntac Nuclear Corp	1		
Thiokol Chemical Corp	1		1
Vinnell Corp	1		
Western Electric Corp	2		
Westinghouse Electric Corp		7	
Proposed	3		
Total	10	156	10

Note—In addition to the above, indemnification clauses will be inserted into all air transportation contracts entered into by the Military Airlift Command for transportation services to be performed by air carriers which own or control aircraft which have been allocated by the Department of Transportation to the Civil Reserve Air Fleet.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

646. A letter from the Secretary of the Army and the Secretary of Agriculture, transmitting notice of the intention of the Departments of the Army and Agriculture to interchange jurisdiction of civil works and National Forest lands at Wynoochee Lake project in the State of Washington, pursuant to 16 U.S.C. 505 a and b; to the Committee on Agriculture.

647. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes; to the Committee on Armed Services.

648. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of August 10, 1956, as amended, to provide for more effective utilization of officers of the uniformed services; to the Committee on Armed Services.

649. A letter from the Consultant to the Secretary of Labor, transmitting a report on compliance, enforcement, and reporting in 1972 under the Labor-Management Reporting and Disclosure Act; to the Committee on Education and Labor.

650. A letter from the Chief Scout Executive, Boy Scouts of America, transmitting the organization's annual report for 1972, pursuant to the act of June 15, 1916 (H. Doc. No. 93-67); to the Committee on Education and Labor and ordered to be printed.

651. A letter from the Assistant Secretary of the Interior, transmitting the annual report of the Colorado River Basin project for fiscal year 1972, pursuant to 82 Stat. 885; to the Committee on Interior and Insular Affairs.

652. A letter from the Secretary of Commerce, transmitting his 60th annual report, covering fiscal year 1972, pursuant to 15 U.S.C. 1519; to the Committee on Interstate and Foreign Commerce.

653. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to provide for the extension of the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

654. A letter from the Secretary of Transportation, transmitting a plan for the preservation of essential rail transportation services in the northeast section of the Nation, pursuant to section 2 of Public Law 93-5; to the Committee on Interstate and Foreign Commerce.

655. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation, transmitting, a report covering the month of February 1973, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308 (a)(2) of the Rail Passenger Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

656. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report covering calendar year 1972 on extraordinary contractual actions to facilitate the national defense, pursuant to section 4(a) of Public Law 85-804; to the Committee on the Judiciary.

657. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to provide for the conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Joint Economic Committee. The 1973 Joint Economic Report; (Rept. No. 93-90). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WIDNALL:

H.R. 6091. A bill to expand the National Flood Insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; to the Committee on Banking and Currency.

H.R. 6092. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; to the Committee on Banking and Currency.

By Mr. ASPIN (for himself, Mr. Moss, Mr. ADDABBO, Mr. BADILLO, Mr. BELL, Mr. BINGHAM, Mr. BRASCO, Mr. BUCHANAN, Mr. BURTON, Mr. CORMAN, Mr. ECKHARDT, Mr. FASCELL, Mr. FISH, Mr. FREY, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HORTON, Mr. KEMP, Mr. KYROS, Mr. MATSUNAGA, Mr. MOLLOHAN, Mr. O'HARA, Mr. PODELL, and Mr. ROE):

H.R. 6093. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN (for himself, Mr. Moss, Mr. ROSENTHAL, Mr. SEIBERLING, Mr. VEYSEY, Mr. VIGORITO, Mr. WIDNALL, Mr. CHARLES H. WILSON of California, Mr. WRIGHT, and Mr. YATRON):

H.R. 6094. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI:

H.R. 6095. A bill to provide for a Federal loan guarantee and grant program to enable educational institutions and individuals to purchase electronic reading aids for the blind; to the Committee on Education and Labor.

By Mr. BOWEN:

H.R. 6096. A bill to amend title 38 of the United States Code to provide improved and expanded medical and nursing home care to veterans to provide hospital and medical care to certain dependents and survivors of veterans; to provide for improved structural safety of Veterans' Administration facilities; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BROYHILL of North Carolina:

H.R. 6097. A bill to amend the Tariff Schedules of the United States in order to suspend temporarily the duties on certain fresh, chilled, or frozen meats; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 6098. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of Alabama:

H.R. 6099. A bill to improve and implement procedures for fiscal controls in the U.S. Government, and for other purposes; to the Committee on Rules.

By Mr. HARRINGTON (for himself, Mr. ALEXANDER, Mr. BROWN of California, Mr. BURKE of Massachusetts, Mr. CARNEY of Ohio, Mr. DAVIS of South Carolina, Mr. DENHOLM, Mr. DRINAN, Mr. FROEHLICH, Mrs. GRASSO, Mr. HARVEY, Mr. HELSTOSKI, Mr. KOCH, Mr. MAZZOLI, Mr. MOAKLEY, Mr. OBEY, Mr. PODELL, Mr. RANGEL, Mr. ROSENTHAL, Mr. SEIBERLING, Mr. STARK, Mr. SYMINGTON, Mr. VANDER JAGT, Mr. WON PAT, and Mr. YATRON):

H.R. 6100. A bill to authorize the Secretary of Labor to provide financial and other assistance to certain workers and small business firms to assist compliance with State or Federal pollution abatement requirements; to the Committee on Banking and Currency.

By Mr. KOCH (for himself, Mr. BADILLO, Mr. CONYERS, Mr. FAUNTROY, Mr. MITCHELL of Maryland, Mr. NIX, Mr. PODELL, Mr. RONCALLO of New York, Mr. ROSENTHAL, Mr. ROYBAL, and Mr. TIERNAN):

H.R. 6101. A bill to provide for family visitation furloughs for Federal prisoners; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 6102. A bill to amend title 5, United States Code, to allow credit for civil service retirement purposes for time spent by Japanese Americans in World War II internment camps; to the Committee on Post Office and Civil Service.

By Mr. MEEDS:

H.R. 6103. A bill to promote maximum Indian participation in the government of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6104. A bill to amend certain laws relating to Indians; to the Committee on Interior and Insular Affairs.

H.R. 6105. A bill to establish within the Department of the Interior the position of Assistant Secretary of the Interior for Indian Affairs, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6106. A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'BRIEN:

H.R. 6107. A bill to amend the Federal Food, Drug and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL (for himself, Mr. FASCELL, Mr. ST GERMAIN, Mr. CONYERS, Mr. PARRIS, and Mr. HINSHAW):

H.R. 6108. A bill to require the Secretary of the Treasury to gather and compile information with respect to the financial cost of assisting taxpayers to comply with tax laws of the United States, and for other purposes; to the Committee on Government Operations.

By Mr. REES:

H.R. 6109. A bill to amend the Interstate Commerce Act, with respect to recovery of reasonable attorney's fee and court costs in case of successful prosecution or defense of an action for recovery of damages sustained in transportation of property; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 6110. A bill to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes; to the Committee on Banking and Currency.

By Mr. RODINO (for himself and Mr. HOWARD):

H.R. 6111. A bill to establish Capitol Hill as a historic district; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 6112. A bill to amend the Economic Stabilization Act of 1970, to stabilize food prices at their February 1, 1973, level, and for other purposes; to the Committee on Banking and Currency.

H.R. 6113. A bill to amend the Economic Stabilization Act of 1970, to stabilize rents at their January 10, 1973 level, and for other purposes; to the Committee on Banking and Currency.

By Mr. ST GERMAIN:

H.R. 6114. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may disapprove the President's action and require him to cease such impounding; to the Committee on Rules.

By Mr. WHITE:

H.R. 6115. A bill to authorize the construction of extensions of the American Canal at El Paso, Tex., operation and maintenance, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROOMFIELD:

H.J. Res. 461. Joint resolution proposing an amendment to the Constitution of the United States to provide for mandatory retirement of Members of Congress and the Federal judiciary; to the Committee on the Judiciary.

By Mr. COLLIER:

H.J. Res. 462. Joint resolution proposing an amendment to the Constitution of the United States to provide for direct popular election of the President and the Vice President of the United States; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois:

H. Con. Res. 165. Concurrent resolution authorizing and directing the Joint Study Committee on Budget Control to report legislation to the Congress no later than June 1, 1973, providing procedures for improving congressional control of budgetary outlay and receipt totals, the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973, and for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress; to the Committee on Rules.

By Mr. BIAGGI:

H. Con. Res. 166. Concurrent resolution requesting the President of the United States to rescind Executive Order 11246 as amended; to the Committee on Education and Labor.

By Mr. ZWACH:

H. Con. Res. 167. Concurrent resolution express the sense of the Congress wtih respect to the wtihdrawal of American troops from Europe; to the Committee on Foreign Affairs.

MEMORIALS

Under clause of rule XXII, memorials were presented and referred as follows:

105. By the SPEAKER: Memorial of the House of Representatives of the State of Montana, relative to the multiple use concept on Federal lands; to the Committee on Interior and Insular Affairs.

106. Also, memorial of the Legislature of the State of South Dakota, relative to the Wagner unit of the Pick-Sloan Missouri River Basin project; to the Committee on Interior and Insular Affairs.

107. Also, memorial of the Legislature of the State of South Carolina, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

108. Also, memorial of the Legislature of the State of South Dakota, relative to railway abandonments in South Dakota; to the Committee on Interstate and Foreign Commerce.

109. Also, memorial of the Legislature of the State of South Dakota, requesting Con-

gress to propose an amendment to the Constitution of the United States concerning abortion; to the Committee on the Judiciary.

110. Also, memorial of the Legislature of the State of Oklahoma, relative to "National Hunting and Fishing Day"; to the Committee on the Judiciary.

111. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to expanding the medicare program to include drug costs; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 6116. A bill for the relief of Gloria Go; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 6117. A bill for the relief of Hernan Beteta; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 6118. A bill for the relief of Ramo Alvez; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 6119. A bill for the relief of Arturo Robles; to the Committee on the Judiciary.

By Mr. YOUNG of Illinois:

H.R. 6120. A bill to permit the vessel *Manatra II* to be inspected, licensed, and operated as a passenger-carrying vessel, and for other purposes; to the Committee on Merchant Marine and Fisheries.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

73. By the SPEAKER: Petition of the council, Maui County, Hawaii, relative to funds for certain social service programs; to the Committee on Appropriations.

74. Also, petition of the Fourth Mariana Islands District Legislature, Trust Territory of the Pacific Islands, relative to the Office of Economic Opportunity; to the Committee on Education and Labor.

75. Also, petition of the Assembly of Kenai Peninsula Borough, Alaska, relative to development of the oil industry in the Gulf of Alaska; to the Committee on Interior and Insular Affairs.

76. Also, petition of Arnold E. Tarr, Lincolnton, N.C., relative to protection for law enforcement officers sued for damages in Federal court resulting from the performance of their duties; to the Committee on the Judiciary.

77. Also, petitions of various lodges of the Fraternal Order of Police, relative to protection for law enforcement officers sued for damages in Federal court resulting from the performance of their duties; to the Committee on the Judiciary.

78. Also, petition of K. Waligora, Baltimore, Md., relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

OBLIGATION TO OUR VETERANS

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. CULVER. Mr. Speaker, our satisfaction with the disengagement of our troops from Vietnam and our delight with the return of our prisoners of war must not overshadow our continuing obligation to all those who served this Nation during the war.

The administration's recent attempt to reduce benefits for disabled veterans, apparently defeated by a public outcry, is indicative of what may happen to returned veterans if we do not speak out and act in their behalf.

None of us would begrudge the former prisoners of war their offers of new cars, new wardrobes, and jobs. On the contrary, they earned everything they are receiving. But 2½ million other men served in the Vietnam war, and they too have earned a right to a fair deal from their country.

Within the Second Congressional District in Iowa, we have over 1,200 Vietnam era veterans registered as job ready with the Veteran's Employment Service but unable to find jobs. Additionally, there are 60 handicapped Vietnam era veterans listed as job ready; but they too are unable to find work.

Recently, the Des Moines Register published an editorial entitled "Don't Forget the Other Veterans" which states the case explicitly and which I would like to call to the attention of the House. I am including it as part of my remarks.

DON'T FORGET THE OTHER VETERANS

The first American prisoners of war to return from Vietnam were treated as heroes, their arrivals marked by red carpets, honor guards, brass bands and cheering onlookers. They were promised free vacations, a year's use of a new car and jobs with major industrial firms if they chose to leave the armed forces.

Operation Homecoming dramatized the end of a long and divisive war. The event was carried off with military precision as television cameras hovered over almost every stage of the return. It was not flawed by the rancor that marked the prisoner exchange after the Korean War, but it lacked the spontaneous jubilation of the victory celebrations after World War II.

The POWs deserve a warm welcome back to their homeland. They endured much, both physically and mentally, during their imprisonment. But the public adulation given them must not be allowed to overshadow the less visible return of others who bore the battle in Indochina. The attention focused on the POWs could provoke jealousies among veterans who were not promised jobs, cars or free vacations.

Nearly 50,000 Americans were dead when they were brought home from Vietnam. About 300,000 were wounded, half of them seriously, and thousands of them have permanent, disabling reminders of their ordeal. Sixty thousand or more became addicted to drugs, but only about a third are getting adequate treatment.

Unemployment among Vietnam veterans is not as bad as it was several months ago, but about 8.5 per cent of the veterans aged 20 to 24 don't have steady jobs. That is about 50 per cent higher than the jobless rate for the whole population. Unemployment among black veterans is about 9.5 per cent.

President Nixon's proposed cuts in public payrolls and in federally funded vocational training programs could adversely affect the jobs and job prospects of as many as 100,000 Vietnam veterans.

Let's not forget the other veterans of Vietnam while we share the happiness of the POWs and their families.

NORTH GEORGIA COLLEGE CENTENNIAL

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, March 26, 1973

Mr. TALMADGE. Mr. President, in May of this year North Georgia College at Dahlonega, will celebrate the 100th anniversary of its founding. This is a very proud occasion for North Georgia College, the second oldest unit in the university system of Georgia and our first State-supported coeducational college.

I salute the college, its administration, faculty, students, and alumni and extend my sincere congratulations on this centennial.

Gov. Jimmy Carter, of Georgia, has proclaimed the week of May 6 to May 12, 1973, as North Georgia College Week, and I ask unanimous consent that his proclamation be printed in the Extensions of Remarks.

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

NORTH GEORGIA COLLEGE CENTENNIAL

BY THE GOVERNOR

Whereas: North Georgia College, The second oldest unit of the University System of Georgia, opened its doors for class in 1873, one hundred years ago; and

Whereas: North Georgia College, inviting "Whoever will, may come," was Georgia's first state-supported coeducational college, and is today the State's only coeducational, military, liberal arts college; and

Whereas: North Georgia College has contributed significantly to education in Georgia, and through her alumni to the integrity and dignity of the State, the armed forces, and the nation at large; and

Whereas: North Georgia College stands on the site of the Old United States Gold Mint at Dahlonega, in Lumpkin County, the heart of one of Georgia's most historically important and colorful areas, the center of America's First Gold Rush; and

Whereas: The Faculty, Staff, Students, and Alumni of North Georgia College and the people of Dahlonega and of Northeast Georgia, who have supported the college and whom the college serves in turn, will commemorate the centenial anniversary of the founding of the college during the week of May 6 through 12; Now,

Therefore: I, Jimmy Carter, Governor of the State of Georgia, do hereby proclaim the week of May 6 to May 12, 1973, as North Georgia College Week in Georgia, and urge all the citizens of our State to join in celebrating this historic occasion.

THE DEFENSE BUDGET

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. TREEN. Mr. Speaker, the President's decision once again to direct America on a path of fiscal responsibility has been met by criticism from certain segments of our society. These crit-

ics are advocating a spend-now-pay-later policy which places a heavy burden on every hard-working family in this Nation, for programs which have proven to be fiscally irresponsible and socially unacceptable.

These critics argue that our national priorities are misplaced and that if we are to cut the Federal budget it should be cut in the area of defense. Well, I wish that we did not have to spend one single dollar on defense. But as the Poet Milton once observed:

Peace hath her victories (and price I might add) no less renowned than war.

I believe that President Nixon is aware of the emphasis which must be placed on our national priorities. For fiscal year 1974, for example, the shift in budget priorities, which began under the Nixon administration, has continued. Budget priorities for human resources are expected to grow at an annual rate of 15 percent from 1970 to 1974. Furthermore, by 1974 the budget for the Department of Defense will drop to 30 percent of the total budget at a time when human resources will rise to 47 percent.

In constant 1974 dollars the total figures for our defense budget are less than they were in fiscal year 1964, before the Vietnam buildup. Moreover, in the President's attempt to produce an effective and efficient all-volunteer military force—which I applaud—56 percent of the present budget goes for manpower costs. This means that we are now spending substantially less on weapon systems. In fact, if we consider inflation, spending for new weapons has decreased 24 percent in the last 9 years alone. Defense spending is thus at its lowest point—in constant dollars—since 1951.

I think, therefore, that it is important to keep these figures in mind when we talk about our national priorities. And, while I would be the first to say that we should save whatever and whenever we can, including in the area of defense, I think it is equally important to remember the words of British Air Chief Marshal Slessor:

It is customary in democratic countries to deplore expenditures on armament as conflicting with the requirements of the social services. There is a tendency to forget that the most important social service that a government can do for its people is to keep them alive and free.

I think most Americans feel this way and I am convinced that President Nixon is right, and that peace can only be achieved if we deal from a position of unquestioned military strength.

A recent editorial in the New Orleans Times-Picayune deals with this question and I am inserting it in the RECORD at this time to share with my colleagues:

DEFENSE BUDGET AND NEW "WAR GAMES"

As if to lay down a smokescreen to mask the nation's on-the-double march toward the social welfare state, high-pitched liberal blasts seem certain to bugle a counterattack on the 1974 Nixon budget.

One fiscal theater of operations to draw considerable flak will be the persumed preposterous budget for national defense.

"With American involvement in Vietnam at an end after 12 years," says paragraph two of an Associated Press news story on the subject, "proposed national defense spending for fiscal 1974 falls shy of the record $81.6 billion national defense budget of 1945, the final year of World War II."

It's not till paragraph 14 that that bit of editorializing is put into perspective thus: "If the 1945 defense budget of $81.6 billion were converted to current dollars"—constant dollars are the only means of legitimate comparison—"it would actually total more than $160 billion, far above the amount contemplated for next year."

Put another way, President Nixon's defense proposal is half as large as the record $81.6 billion budget of 1945—in actual purchasing power.

Dollar-for-dollar can be deceptive, moreover, for other reasons. Differences in technology, weaponry and strategic military planning preclude item-for-item comparisons between World War II defense budget days and today.

The $4.1 billion increase over this year's defense spending is attributed largely to higher pay levels associated with all volunteer forces and raises for civilian and military workers in the Defense Department.

Then there's the relative size of the 2,288,000 armed forces, which will be trimmed by 55,000 to reach the "lowest level in 24 years." Again, if such military comparisons must be made—they're superficial exercises that ignore world conditions and changing modes of warfare—by extending such logic a nation of 210 million people today which was 150 million in 1950 should have a proportionately strong army of 3,100,000. Reasoning from either angle is obviously absurd.

The American people, we believe, are squarely behind the President's world strategy of negotiating for peace and stability from strength—the only stance that Communist militarists seem to understand or respect. As world tensions ease, further mutual reductions in weapons and military forces should be possible, as in Europe and elsewhere.

Considering the shortcomings of Moscow's new five-year plan for economic progress, including agricultural woes that led to record grain purchases from the United States, the time may be ripe for Russians to agree to convert more of their swords into plowshares.

L. R. HARRILL—"MR. 4–H" IN NORTH CAROLINA

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, March 26, 1973

Mr. HELMS. Mr. President, a few weeks ago a distinguished citizen of my State, a close personal friend of mine, was presented a certificate of appreciation signed by both Secretary of Agriculture Earl L. Butz and Mrs. Butz. The certificate read:

TO L. R. HARRILL

For over 25 years of dedicated service and outstanding contributions to the development of the youth of our Nation through the 4–H Program of the United States Department of Agriculture.

Now, Mr. President, the brief text of that certificate tells something, but it by no means tells it all. In the first place, it should be noted that the certificate was signed by not only Secretary Butz, but by the charming Mrs. Butz as well.

There is a story behind that, Mr. President. Mrs. Butz is a native of my State. In 1930, she came to Washington with a group of other North Carolina 4–H youngsters. While here, she met—as Secretary Butz tells it—"a young 4–H farm boy from Indiana." L. R. Harrill was the leader of 4–H in my State. In fact, he is known throughout my State as the "Father of 4–H." And on that occasion in 1930, when the group of young North Carolinians came to Washington, L. R. Harrill was the chaperone.

That is when and where Earl Butz met the future Mrs. Butz. Needless to say, he has a very special gratitude for Mr. Harrill.

Mr. President, I could not begin to describe the noble career of L. R. Harrill in any adequate sort of way. He has meant so much to so many. He has given countless thousands of young people a helping hand. He has given them direction and inspiration.

Mr. Harrill's association with 4–H began with the 2 years he served in Cleveland County, N.C., as a "Cotton Club Boy." That was in 1915–16. He became State 4–H leader for North Carolina on January 1, 1926, and he served in that capacity until his retirement in 1964.

Since retiring, he has compiled and written a 50-year history of 4–H Club work in North Carolina. Recently, Mr. Harrill told me some of the highlights of his 40 years of service. With a smile, he said:

I would love to do it again.

He may be retired, Mr. President, but he maintains an abiding interest in young people, and particularly in 4–H. He is a distinguished Rotarian, having served as president of the Rotary Club of Raleigh, and as district governor. He is an active churchman, a dedicated Christian. Without question, he ranks as one of the most beloved citizens our State has produced.

On a personal note, Mr. President, let me say that L. R. Harrill has had a profound influence upon my life. He is no fair-weather friend; he is the kind of man who stands up to be counted.

My late, great friend, Senator Dick Russell of Georgia, used to describe his very special friends as "nature's noblemen." If I may borrow that expression from Senator Russell, I should like to apply it to my friend L. R. Harrill. It fits him like a glove.

THE CONSUMER'S RIGHT TO KNOW

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ANNUNZIO. Mr. Speaker, today's consumer is more sophisticated and more educated than ever before and is demanding to know what is in the prepared foods he is buying. Every day the Food and Drug Administration, the agency responsible for the regulation of food labeling, receives calls from consumers complaining that the ingredients are not listed on ketchup, ice cream, bread, mayonnaise, and dozens of other products. These are all members of a group of foods which are not required to list their ingredients.

This exemption from disclosure requirements is the result of that part of

the 1938 Federal Food, Drug, and Cosmetic Act regarding standardized foods. The law authorized the Secretary to issue standards of identity for any food when he feels it will "promote honesty and fair dealing in the interest of consumers." The label of such a standardized food is required to bear only the name specified in the standard of identity and certain optional ingredients. Standards of identity have been established for more than 350 products.

The food standards law was enacted to protect the consumer. Prior to 1938, there were numerous instances of manufacturers cheating on the ingredients of a product, using such things as starch for fill. It was felt that standards would help the consumer by establishing the ingredients which a product should contain. Violation of the standard could be dealt with speedily and effectively with the regulatory tools of the FDA.

However, exemption of standardized foods from listing of all ingredients is no longer valid in view of the change in lifestyles since 1938. At that time housewives knew that should be used in making such things as mayonnaise. Today's consumers are not familiar with preparation of many of these foods and there exists no practical way for them to find out what ingredients are in these products. Aside from the basic ingredients such as flour, milk, eggs, and so forth, advanced technology in food processing has resulted in the addition of many ingredients which even the most sophisticated consumer would be unaware of.

H.R. 1650, a bill which I cosponsored, provides a remedy to this very situation. It would amend the Federal Food, Drug, and Cosmetic Act to require a listing in the order of the predominance after processing, by their common or usual name, of all ingredients present in standardized foods along with an accurate statement of the amount of each ingredient present in the food—stated as a percentage.

The need for such legislation has been widely recognized. The FDA supports a program of disclosure for standardized foods but lacks the legislative authority to require such labeling. The White House Conference on Food, Nutrition, and Health recommended legislation to repeal the labeling exemption for mandatory ingredients in standardized foods. Numerous consumer groups are demanding more information in labeling.

In addition to requiring disclosure for standardized foods H.R. 1650 would require percentage listing of all ingredients in nonstandardized foods.

These measures are imperative not only to aid the consumer in shopping wisely but to protect him. Those with allergies or diet restrictions are threatened every time they eat prepared foods for which standards have been established. The consumer has the right to know what is in the food he is eating and it is the responsibility of the Congress to provide legislation requiring manufacturers to include the needed information on the label.

Mr. Speaker, H.R. 1650 is worthy of close attention by my colleagues and I urge bipartisan support for this much needed legislation.

THE NIBBLING AWAY OF THE WEST

HON. ALAN BIBLE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Monday, March 26, 1973

Mr. BIBLE. Mr. President, recently, the legislative chairman and publicity chairman of the White Pine County chapter of the Nevada CowBelles wrote to me and called my attention to an article, "The Nibbling Away of the West," which appeared in a recent issue of the Reader's Digest.

Nevada members of the CowBelles believe many important facts were overlooked by the author of the article and have composed a rebuttal which they feel deserves the attention of the public. I concur, in that I have always subscribed to presenting both sides of a given issue when possible.

As a result, Vivian Joy and Beth Robinson of Ely, Nev., have submitted an article to me for my consideration. I know both of these fine ladies and commend their article to Members of the Senate.

Ranchers in Nevada have always been cooperative with agencies of the Federal Government. They have a large investment in lands under jurisdiction of the Bureau of Land Management and the Forest Service. The CowBelles want the public to know of this interest and their financial support to good range practices and conservation of the public domain.

Mr. President, I request unanimous consent that the CowBelles' article be printed in the Extensions of Remarks.

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

REBUTTAL OF ARTICLE IN READER'S DIGEST

(By the White Pine CowBelles)

In an article in Reader's Digest, December 1972, "The Nibbling Away of the West" James Nathan Miller describes the alarming deterioration of our Public Range and Forest Lands. Mr. Miller places the major portion of responsibility on the shoulders of the Bureau of Land Mangement, the U.S. Forest Service, and livestock ranchers whose animals graze on these lands.

The following are some of the facts that we feel have been neglected or denied in Mr. Miller's article.

1. The Safford Grazing District in Arizona which he used as a typical example is not typical but one of the most extreme cases of range neglect and abuse. An accurate assessment of the problem could be arrived at only by consideration of a more reasonably typical example than Mr. Miller's choices. The Ely Grazing District and the forest lands adjacent to it provide such an example.

2. Even in the Safford District a combination of factors contributed to erosion and depletion.

3. Not all public domain was a continuous grassland dotted with flowers when the livestock industry began, as reported by early exploration accounts.

4. Cuts in range livestock numbers have been affected in many areas, in the Ely Grazing District as early as 1945 and as late as 1969. Over the years only 4 out of 19 units have had no reductions. In four units even greater second cuts were made after 20 years because the original cut was ineffective. Cuts have ranged from 5% to 70% in the 19 grazing units that comprise the Ely District. Similar cuts have been made by the Forest Service in the past proving just as ineffective.

5. These livestock cuts have not proven the answer except in combination with other practices. In the Ely Grazing District at the present time there are 14 range allotments involving 992,000 acres under allotment management plans as well as 5 out of 15 cattle allotments with the Forest Service, all in cooperation with the ranchers which incorporate a grazing system such as rest rotation.

6. Cooperation on the part of ranchers is *not* the major factor any longer. As a matter of fact, this District office of the BLM has 17 firm requests for more management plans. Time has shown that management plans and a rest rotation system with consideration of the physiological needs of plant life allows for restoration of plant vigor, seed production and reproduction of plant and also allows for the harvesting of plant resources as forage. Of interest is the fact that money in the Ely District contributed by ranchers in sagebrush and juniper rehabilitation projects has amounted to $655,000 since reseeding was started in this district. This is just towards plowing, chaining, and seed purchase. Fencing was cooperative in addition.

In the past most range improvement plans were on a financially cooperative basis with ranchers contributing around 50% in BLM units and 25% in Forest Service units. Under the more recent Range Management plans both agencies usually finance all or a major portion of the cost. The ranchers' investment comes in the form of management of their livestock to comply with management plans and grazing systems and routine maintenance of existing and new range improvements.

The present fee on the Forest is 72¢ per animal unit month (AUM) with a proposed raise to 91¢ AUM and an anticipated further increase up to $1.23 per AUM. In the last year BLM fees were raised from 53¢ AUM to 66¢ AUM with still further increases proposed up to $1.23.

7. Mr. Miller has failed to recognize the fact that time is required to do an extensive range practice and environmental analysis on each individual allotment as well as the time required to outline the new practice and implement it.

8. Mr. Miller stated that range management agencies have been negligent in recognizing the needs of wildlife. On the contrary, wildlife and recreational needs are given full recognition in the Forest Service and are an integral part of environmental analysis made by the BLM and the Forest Service preliminary to any allotment management plan system.

9. To a degree livestock can give complement to wildlife grazing. One example being that of a cow's tendency to crop the bitter brush branches thereby stimulating more tender shoots to sprout and ultimately providing more brouse for wildlife. Improvement of water by livestock producers has benefited wildlife as well as the reseedings which give animals a diversity of forage.

10. Mr. Miller seems to have overlooked the growing counter balance of the sentiments of the general public over minority private interest lobby groups, also the fact that the livestock producer is becoming a decreasing minority, having even less impact on legislation.

If Mr. Miller's objective was to stir public interest and instigate action he undoubtedly has achieved his goal. On the other hand by neglecting to describe some factors and emphasizing others his article has presented a distorted picture of what is admittedly a problem. It would be unfortunate if any solutions were based on such evidence as he gives.

Mr. Miller has made a point that to effect a cure and add recreational facilities will require greater funds not only through increased fees but also appropriations. We would like to still some impatience he seems

to want to generate, for it will take time to effect good range management.

We would agree with him that the BLM does need more inclusive authority in addition to that of range management provided by the Taylor Grazing Act if it is to be totally effective. Hopefully a reasonable National Land Use Policy Act will be enacted in the present legislative session. Sportsmen, recreationists, vacationers, rockhounds, livestock people, and the general public who use public lands should be aware of regulation changes going in.

Since about 86% of Nevada is Public Domain, it would appear that it is economically wise to perpetuate the livestock industry which makes use of these lands and provides tax revenue to our state and contributes to a stable economy.

MORE COMPLAINTS ABOUT THE SNAIL SERVICE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ALEXANDER. Mr. Speaker, in the past I have shared with you the letters and complaints I have received from individuals about the U.S. Postal Service. Now this steadily deteriorating situation has reached the point where I am hearing from an entire town. Mr. Ralph C. Murray, city attorney for West Helena, Ark., sent the following letter to Postmaster General Klassen complaining about the inefficiency of the system in handling West Helena's mail. I would like to share that letter with you at this time. The letter follows:

MARCH 19, 1973.

Re: West Helena, Ark.

Hon. E. T. KLASSEN,

Postmaster General, United States of America Post Office Department, Washington, D.C.

DEAR SIR: On behalf of the City of West Helena, Arkansas, and its citizens, I would like to bring to your attention a situation concerning the mail service which this city and its citizenry are experiencing at the present time. First, let me state that the population in and for the City of West Helena, according to the last census, is greater than for the City of Helena, Arkansas. The situation regarding the mail service to which I refer is that, for example, mailings from the City Hall of West Helena, Arkansas, are picked up by a postal vehicle operated by employees of the Helena Post Office, are postmarked Helena, delivered to West Memphis, Arkansas, for processing and delivered back to the West Helena Post Office for delivery to a West Helena citizen. It is very difficult for the officials of the City of West Helena and its citizens to understand such a situation as this. There are a number of other like situations existing in the handling of mail service from our city. As another example, on certain occasions, mail from the City of West Helena to Helena or from Helena to West Helena is processed through West Memphis for delivery which in effect causes delay of two to three days. This has been experienced by myself as well as others and even though the two cities of Helena and West Helena are only four or five miles apart.

As concerned citizens of these United States, we are as concerned with the expenses of our government as anyone but feel that expenses should not be curtailed to the extent that it would be so detrimental to efficient mailing services.

Your assistance and advice in this situation would be greatly appreciated.

Sincerely,

RALPH C. MURRAY,
Attorney for the City of West Helena, Ark.

POSSIBLE ELIMINATION OF RURAL POSTMARKS

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, March 26, 1973

Mr. TALMADGE. Mr. President, in the midst of increasing protests about inefficiency in the U.S. Postal Service, there is growing concern about steps being taken that will eliminate rural postmarks.

There recently was brought to my attention an excellent column written by Prof. Spencer R. Gervin, of Southwest Virginia Community College about this problem, and I ask unanimous consent that it be printed in the Extensions of Remarks.

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

[From the Lebanon (Va.) News, Feb. 24, 1973]

SNOWBALLS FROM HELL

(By Dr. Spencer R. Gervin)

Perhaps to keep the mail zipping may be worth the deprivation. But many will regret the effacement from Americana of "Hell", "Bowlegs," "Santa Claus", "Paw Paw", and "Spencer.". These names are soon to disappear from the mail, swallowed in the maw of automation.

In its elan to outzip the wind, the U.S. Postal Service is installing giant mail sorting and cancelling equipment at selected centers. Some 357 of these Area Mail Processing Centers are either now operating or being readied. Because these expensive machines must be kept busy, no longer can smaller post offices maintain their own postmark identity. Letters are to be hustled uncancelled from the mailing point to an AMPC, there to be processed for further zipping. All that will appear on the letter will be the state abbreviation and the last three digits of the area zip code.

Thus Tiptop (Virginia) will become something like VA242. Smartt (Tennessee) will emerge from automation as TN373. Crum (West Virginia) will disappear as WV660. Paw Paw (Kentucky) and Paw Paw (West Virginia) are headed for defruiting. Santa Claus (Indiana), Bow Legs (Oklahoma), and Tight Wad (Missouri) likewise are doomed to postmark extinction. Spencer (Virginia), Spencer (West Virginia), and Spencer (Tenn.) will be postally interred.

One group is distinctly unpleased by this automated esurience. The Post Mark Collectors Club of America plans to take up the matter at its annual convention this summer in Findlay, Ohio. For 27 years now this organization has avidly collected postmarked envelopes from post offices with unusual names.

Some collectors specialize in topical, that is, names of a particular genre like animals or weather. In the first category are such fauna as Raven (Virginia), Wildcat (West Virginia), and Lamb, Kentucky). Of the latter type are Thunderbolt (Georgia) and Hurricane (West Virginia).

In addition this club has established a museum in Republic, Ohio. Enshrined there are some 500,000 post marks. Of course, after the "expressive" postal names have been zipped into limbo, anyone may ask a post office to cancel his letter with an individual place-name stamp. Thus collectors may, so postal officials state, continue to pursue their hobby by personal contact with an individual post office. But it would take time and money, for example, to secure the postagraph of Long Botton (Ohio) or Rabbit Hash (Kentucky) for this purpose.

So the Post Mark Collectors Club plans to fight. Its President Herbert H. Harrington, of Warren, Ohio, is planning to throw the club's weight into a campaign of letter writing to Congressmen and Senators. "These machines," he fulminates, "are taking all the romance out of postmarks. They're ruining a poor man's hobby. It's getting now so as you don't know where your mail is coming from. All the envelope has is a lot of cuckoo numbers." The club's address is P.O. Box 87, Warren, Ohio 44482. Dues are $4 a year.

And just as hiked postal rates were a factor in the death of Life Magazine last year, so a thriving business in Michigan expects to suffer from these postal changes. No longer will it be possible to purchase "Snowballs from Hell" (Michigan)—with a postmark to prove it.

ABRIDGING THE RIGHT TO VOTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. RANGEL. Mr. Speaker in 1972, the Citizenship Education Department of the National Urban League, Inc., undertook a study of restrictions to black political participation that exist in the northern sector of this country. I recommend the booklet entitled "Abridging the Right To Vote" to all of my colleagues.

I now submit for your attention and the attention of my colleagues, the introduction to this booklet.

The Voter Registration Rights Act of 1973 (H.R. 4846) that I introduced in the House of Representatives will serve to eliminate many of the barriers placed in the way of eligible black voters:

ABRIDGING THE RIGHT TO VOTE: A STUDY OF STATE RESTRICTIONS AND BLACK POLITICAL PARTICIPATION [1]

INTRODUCTION

Most analyses of barriers to black political participation inevitably focus on the South, since the more blatant measures to disenfranchise black people were adopted there. The "grandfather clause," the "white primary" and the unceasing acts of terrorism and violence to prevent black political involvement are still vivid in the minds of many Americans.

But this focus has had at least two unfortunate consequences. The first is that, with the passage of the 1965 Voting Rights Act, and the disappearance of many of the more odius forms of disenfranchisement, increasing numbers of Americans now believe the major battles for the black franchise in the South have been won and that official disenfranchisement is a thing of the past.

Secondly, this "Southern perspective" also

[1] This report was prepared by Robert B. Hill, Director, Research Department, National Urban League, with the assistance of George A. Jordan, Research Assistant, and Esther Piovia, Social Science Analyst.

permits the American public to believe the primary barriers to the political participation of minority groups in the North have been internal and not external: it is only their apathy that hinders them.

The fact is that most studies of American voting procedures agree that external impediments, and not apathy, are primarily responsible for the relatively lower participation of Americans, whether black or white, compared to many Western countries. For example, only 61 percent of the U.S. electorate voted in 1968, while recent elections in England, Canada, West Germany and Denmark had turnouts of 72, 76, 87, and 89 percent, respectively.

Of course, these external barriers, particularly those related to registration requirements, fall disproportionately on persons who are black or Spanish-speaking, low income, and less educated.

Minority groups are particularly plagued by antiquated residency requirements, inaccessible sites, inappropriate registration hours, literacy tests and disqualifying regulations.

GUN CONFUSION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert in the CONGRESSIONAL RECORD an excellent editorial entitled "Gun Confusion" appearing in the West Side Courier published by its editor, my distinguished friend, Mr. Harry H. Weinbaum.

This fine editorial points out the unwisdom of many of the gun control proposals now pending before the Congress. The editorial follows:

GUN CONFUSION

Persistent confusion concerning crime control and gun control lies at the heart of controversy over the more radical anti-firearms proposals. The confusion has been compounded by those near-zealots who pursue but a single goal—the disarming of law-abiding citizens and the branding of the millions of members of such organizations as the National Rifle Association, at least by indirection, as little better than thugs.

In response to a nationally-syndicated article that compared handguns to heroin as a threat to the quality of American urban life, a police commissioner of Buffalo, New York commented: "In the long run, there must be a sensible system which will protect citizens' rights and still curb the illegal use of firearms, but no one has come up with it yet." The commissioner added, "As to the 'myth' about the National Rifle Association blocking effective gun laws, I hope all gun owners belong to the NRA . . . most members are respectable people who know how to handle arms properly."

Commenting on the same antigun article, the sheriff of Erie County, New York presented a refreshing approach to gun control legislation when he said, "I believe it is important to safeguard that right (to keep and bear arms), but we must also explore every possibility to reduce injury caused by firearms, taking into serious consideration proposals for gun control legislation which encourage rather than discourage the safe and proper possession and use of any firearms by all Americans who choose to have them."

Statements like this help correct the confusion created by promotion of the fallacy that banning gun ownership by the law abiding is synonymous with controlling crime.

SUPPORT FOR FISCAL RESTRAINT

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. COLLIER. Mr. Speaker, we have heard from the spenders as they have complained about the President's efforts to keep spending within bounds. It is time that we listened to those who support Mr. Nixon's campaign for fiscal restraint.

One of those who has spoken up for commonsense about the national budget is James A. Dunham, commissioner of accounts and finances for the city of Springfield, the capital of my State. In a recent appearance before the Springfield City Council, he made a very forceful statement in defense of the President. I am inserting it in the RECORD as part of my remarks.

FEDERAL SPENDING

Can a budget of approximately $268.7 billion be termed a "penny pinching budget" or "Uncle Scrooge"? Of course not.

From all the talk one would not easily get the notion that the President plans to spend $115.7 billion on "income security benefits" in the 1974 fiscal year. Or that this spending—on such things as old age benefits, medicare and medicaid, aid to families with dependent children, veterans benefits, and food stamps—is up 10% from the current year and 27% from the 1972 year.

Or that the share of the new budget such spending accounts for, 43.5%, is up from 42% this year and 39% in 1972. Or that the share of the budget that goes for most other purposes has been declining. National defense, for example, will account for 30.2% of the new budget, compared with 30.6% in 1973 and 33.8% in 1972.

So as you can see, social spending is still rising.

What the advocates of this resolution do not point out is that the Federal Government has not balanced its budget in the last 40 years. What has been the effect of this?

The Government expects to end the coming fiscal year more than half a trillion dollars in the red.

The total Federal debt is projected to climb to $505.45 billion by June 30, 1974, from an estimated $473.33 billion at the end of the current fiscal year.

Interest costs are expected to rise to $24.67 billion in the coming fiscal year, from $22.81 billion in the current year and $20.58 billion in the year ended last June 30. Next fiscal year's interest burden amounts to about 9% of the budget total and is nearly double the $12.59 billion paid in fiscal 1967, when the debt totaled $344.68 billion.

Interest on the debt is the third-largest category of outlays in the budget, trailing only income-security programs, and national defense.

In conclusion, if the Congress and the "social theorists" cannot add, then the President must subtract or else our taxes will continue to multiply.

HIGHWAY HEARINGS TESTIMONY

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HAMMERSCHMIDT. Mr. Speaker, on Tuesday of this week Clark McClinton appeared before the Transportation Subcommittee to testify on behalf of the National Crushed Stone Institute. Clark is a personal friend of mine and a distinguished Arkansas citizen.

He is a past president of the Arkansas Chapter of Associated General Contractors, past president of the Fayetteville, Ark. Chamber of Commerce, past chairman of the Fayetteville Planning Commission, and is now serving as a board director of the Arkansas State Chamber of Commerce.

In my judgment, Clark McClinton's statement is outstanding and I, therefore, want to share it with all of my colleagues:

STATEMENT OF CLARK C. MCCLINTON

Distinguished Chairman and Members of the Committee, thank you for giving us the opportunity to again appear before your committee.

I am Clark C. McClinton, President of McClinton Brothers Company, Fayetteville, Arkansas. I am also Immediate Past-Chairman of the Board of the National Limestone Institute. I am here today to speak on behalf of the National Crushed Stone Institute which is a federation of the National Crushed Stone Association and the National Limestone Institute. The federation consists of almost 800 individual member companies in some 40 states. The members of the two associations are responsible for a great majority of the crushed stone produced in our country. Sitting with me is Mr. S. James Campbell, Executive Vice President of Harry T. Campbell Son's Company, Division of the Flintkote Co. of Towson, Maryland. Mr. Campbell is the Immediate Past-President of the National Crushed Stone Association and also Immediate Past Co-chairman of the National Crushed Stone Institute. All of us—the members of the National Crushed Stone Institute—appreciate sincerely your hearing and consideration of our position on the subject of transportation for this Nation of ours.

Mr. Chairman, I don't believe that anyone in this room, or in this country, for that matter, can deny the outstanding success we have had with our Interstate System. It is very difficult to put a yard stick to this success because the benefits this Nation has reaped since its undertaking have been varied and tremendous. I think the committee will agree that the most important result of the Interstate System has been the thousands of lives which have been saved—modern roads do save lives—and when measured in millions of passenger miles traveled, the fatality rate of the Interstate System is less than half that on the rest of the road and street network.

Economically the Interstate System has been good not only to the Nation as a whole but also to local areas as well. In a recent study undertaken for the Federal Highway Administration, it was shown that National Interstate expenditures of $2.6 billion annually have resulted in the generation of approximately 955,000 jobs and more than $7.5 billion in total economic activity each year.

The Interstate System has become an essential and fundamental element of our na-

tional economy. Without Interstate routes, the production, assembly and distribution lines of industry and commerce would be fragmented to an impossible degree.

Mr. Chairman, the history and accomplishments of the Interstate program are indeed impressive; but now, as this success story nears its end with over 80% of the system completed, we must turn our efforts toward our ABC roads. Thousands of miles of these roads, which carry 70% of all highway travel, have been bypassed for improvement during the 17-year effort to build the controlled-access Interstate System. Many have become dangerous and unable to cope with today's greatly increased travel demands. And we are constantly demanding more and more of these roadways. For example, in the 17 years from 1956 our automobile population has grown from just over 65 million to nearly 118 million today. This is an unbelievable increase of over 80%. Also, under national policy prevailing today in regard to railroad transportation, hundreds of miles of track are being abandoned and dozens of rural communities are forced to rely on only one possible mode for their personal mobility and for all of their needs in hauling commodities. That one mode, of course, is the highway system. Since 1956 the railroads have abandoned over 15,000 miles of rail trackage. During that period only one state has shown an increase in rail trackage and that was only 20 miles. Add to this the fact that Penn Central has petitioned the courts to allow it to drop some 5,000 miles of track, and you have what amounts to quite an additional burden on our highways.

An outstanding example of the high price we pay in the lives of our citizens, because of our failure so far to adequately attack this problem, is Highway 27 in Florida, which runs between Miami and South Bay. In 1972 alone, twenty-nine human beings lost their lives on U.S. 27. What is the problem? Well, according to the safety director for Palm Beach County, the only problem is that Highway 27 is a two lane road. Years of pleading and demanding by public officials, private citizens and the news media to "do something" about U.S. 27 brought replies from state highway officials that there wasn't enough money to improve it. The tragic story of "Bloody 27", as it is now referred to, was graphically presented in the Miami Herald of February 18, 1973, and has been reprinted and included as part of this testimony.

Unfortunately this situation is not peculiar to Florida or U.S. 27—similar examples, I am sure, could be found in every other state. I know that out where I come from, we're driving on roads that were engineered and built forty and fifty years ago. Between my home town of Fayetteville and other parts of Arkansas, we badly need improved roads. And unless we do something to correct this deterioration of our primary and secondary roads, and do it now, the problem will continue to compound at an alarming rate.

The Department of Transportation has recognized and documented these needs in its 1972 Transportation Needs Study which it submitted to the Congress. In that report they indicated that the Nation's highway needs would require an expenditure of $29.6 billion a year to meet the current public demand. And most of that fantastic figure is not for new road construction, but for needed improvements on existing roads.

Mr. Chairman, for the reasons I have outlined, we feel very secure in restating the position we took last year before this committee, that is, we strongly recommend that at least an additional billion dollars be devoted to ABC and Urban Extension systems. We do not feel that this recommendation is out of context with our highway needs. The trend in recent years has been toward a reduction in our Interstate expenditures and we would suggest that money taken off the Interstate authorization be added to the ABC authorization. Another possible source is the billions of dollars currently held impounded by OMB.

Now I just talked in terms of billions of dollars, and it was easy to do so. It is not easy to understand the significance of a billion—it's not easy for me, it's not easy for most private citizens out around the country. All we know is that it is an awful lot of money, and it scares us to talk about spending that much. It goes against the innate thriftiness of most Americans, and that's one reason for some opposition to highway building. So let me put my point in a language and location which I do understand and which people out in the towns and cities of this country understand. This fiscal year, about $9.9 million in Federal money is being spent in Arkansas on primary roads. This is matched on a 50/50 basis by the state, so we will have almost $20 million total for those roads. Arkansas has 10 highway districts, so we have an average of less than $2 million per district. Well, no matter where you go in Arkansas, the most of an upgraded primary road you can get for $2 million is seven or eight miles. In most cases, furthermore, that is only a two-lane road. The point is, gentlemen, a billion dollars has not and will not buy much upgraded ABC road when looked at on a 50-state basis.

We have continually gone on record in support of adequate funding of our highway program so that we can meet the tremendous needs I have outlined. At our January convention the Board of Directors of the National Limestone Institute adopted a resolution which I believe would be appropriate to have inserted in the record at this point. The substance of this resolution was also adopted by the National Crushed Stone Association at their annual convention.

RESOLUTION

Whereas, American highways are a major and vital segment of our Nation's total transportation system and provide the greatest flexibility in the movement of people and materials within our mobile society; and

Whereas, the Federal-aid Highway Program was established by Congress in 1956 to initiate an ongoing program of highway development and to share with the various local governments the financial obligations necessary to secure an adequate highway transportation system in all sectors of our country; and

Whereas, the investment of funds in the Federal-aid Highway Program has perhaps generated more dollar movement in our economy through increased employment, greater industrial production and a heightened demand for goods and services throughout our economy, and has been financed entirely by a system of user taxation; and

Whereas, there still remains a tremendous need for highways to connect our major metropolitan areas and their suburban communities and outlying towns and villages, and for the improvement and upgrading of the already existing highways to a condition such that they can be used safely and efficiently by modern motor vehicles; now therefore

Be it resolved by the Board of Directors of the National Limestone Institute, Inc., this 17th day of January, 1973, that this Institute affirms its resolve to support and work for a Federal highway program that will most adequately serve the needs of all the American citizens; and

Be it further resolved that this Institute urges the elected representatives of the people to recognize the unfulfilled need for legislation to achieve implementation and continuation of highway building programs.

Another point to which we would like to address our remarks is that of diversion of Trust Funds for mass transit purposes. As is well known, the Administration and others have been and are continuing to push hard for diversion of over $1 billion from the Highway Trust Fund for mass transit use. It is also well known that the Senate last week narrowly passed a similar measure which opens up the $850 million in the Urban Systems Fund for mass transit. What I find surprising is that they did this after voting an additional $3 billion for mass transit contract authority out of the General Fund and $800 million, also out of the General Fund, for operating funds for mass transit. There seems to be no end to the demand for mass transit money and I am afraid that if we do open up the Trust Fund it would only be a short time before they would be demanding and getting a much larger share.

I would like to make it clear that we at NCSI are not against mass transit. As we pointed out in our testimony before the Senate Public Works Subcommittee on Transportation, we fully realize the mass transit needs of our major metropolitan areas. We feel we have recognized those needs by going on record for the establishment of a Mass Transit Trust Fund and are supporting a one cent increase on taxes levied on *all* transportation fuels to *help* finance it. We do not see the logic of splitting and therefore weakening the Highway Trust Fund in order to finance two modes when by all standards it is not nearly enough to meet the needs of our highways alone.

Finally, Mr. Chairman, we would like to address ourselves to the immediacy of passing a highway bill. We are all well aware of the fate of last year's highway legislation. The problems caused by failure to pass a bill are reaching epidemic proportions in the states. Several states have had to stop highway lettings due to a lack of funds and by July of this year a total of 37 states will be out of funds. It is plain to see that the important work of providing a highway system so necessary to our economy and way of life is rapidly coming to a halt. This not only allows already dangerous highways to further deteriorate but also escalates the cost of their repair as well as the cost of constructing new roads.

Gentlemen, we strongly urge early enactment of a highway bill that will take us closer to meeting the great transportation needs of our Nation.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

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

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the rel-

atives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

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

MR. AND MRS. HARRY STEVENSON TO CELEBRATE GOLDEN WEDDING ANNIVERSARY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. WILLIAM D. FORD. Mr. Speaker, on April 8, Mr. and Mrs. Harry Stevenson, of my hometown of Taylor, Mich., will celebrate their golden wedding anniversary. I bring this to the attention of my colleagues in the Congress because the Stevensons are a very special couple.

Both Harry and his wife, Gertrude (Koths) Stevenson, are descendants of pioneer families in Taylor, which discarded township status only a few years ago to become one of the fastest-growing cities in the area.

Harry Stevenson, now 73 years old, worked in Detroit automotive plants until his retirement 12 years ago as a supervisor. During this period, he continued a tradition of public service that had been begun by his father early in this century. The elder Stevenson served as township highway commissioner from 1910 to 1912; his son, Harry, served as township treasurer from 1939 until 1949. In the early 1950's, he was chairman of the local planning commission and served also on the zoning board of appeals and the water and sewer commission.

He has also been active over the years in many civic and social groups in Taylor, and most recently, was the charter president of the Taylor Senior Citizens Club. In 1970, he was named Taylor's "Most Outstanding Citizen" in recognition of his many contributions to the community.

Harry recalls that he bought a Model T Ford in the early 1920's—one of the first in the community—and used it in his courtship of Gertrude Koths, who lived on a nearby farm. After their marriage, they built a home on part of the Koths farm, and have lived there since that time on a street which bears the Koths family name. While serving as township treasurer, he worked with Willard Koths, his wife's cousin, who was township supervisor for several years. Mrs. Koths has also been active in the Taylor Senior Citizens Club.

The Stevensons have three sons, Harvey, Melvin and Gervin, and five grandchildren—and an uncountable number of friends and admirers throughout Taylor and the surrounding area.

I am proud indeed to include this remarkable couple among my constituents—among my friends—and I am pleased to share their life's story with my colleagues in the Congress. I am sure you all join me and the Stevensons' many friends in wishing them a joyous golden wedding anniversary, and many more happy years together.

WHY CAN'T TROOPS COME HOME?

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ZWACH. Mr. Speaker, today, I introduced a resolution calling for the President to vigorously press our NATO allies to assume a greater proportion of the cost of their own defense and to take whatever steps necessary to immediately withdraw 50 percent of our present troop commitment.

Gordon E. Duenow, editor of the Saint Cloud Daily Times, in our Minnesota Sixth Congressional District, recently wrote an editorial on this matter which merits publication in the CONGRESSIONAL RECORD where his views can be shared by all of the Members of Congress and the other people who read the RECORD.

Mr. Speaker, I insert Mr. Duenow's editorial in the RECORD:

WHY CAN'T TROOPS COME HOME?

Apparently we aren't looking for an easy way to cut our balance of trade deficit and at the same time help stabilize the dollar. If we were we certainly could take a close look at troops we have stationed around the world. This is a costly business.

For instance, according to preliminary calculations, it will cost the United States about $17 billion in fiscal 1974 to maintain a land, sea and air force of some 300,000 men in the European area along with elements in the United States ready for quick deployment there. If this figure is accurate, it would mean a jump of almost $3 billion in two years. The 1972 estimate came to $14 billion.

Columnist Bob Considine reported in the Times last week that the Germans still want us there in strength for protection, but they want us in the next town, not theirs.

If cost of maintaining our armed forces in foreign lands continues to go up, Congress may have something to say. In fact, the Senate Democratic caucus last week, by a margin of 6-to-1, demanded broad cutbacks in forces overseas in an effort to slash the balance-of-payments deficit and hold down the federal budget. So maybe something will be done.

The Nixon administration has been standing firm against U.S. troop pullbacks from the NATO area unless there is agreement with Russia and their European allies on mutual and balanced reductions on both sides. Complex negotiations on this issue have a long way to go.

Secretary of Defense Elliott L. Richardson has expressed strong opinions against withdrawing troops from Europe. He contends that a troop pullback might result in a buildup of the West German army and air force to fill the gap with the result that this could disturb other European nations with long memories of World War II.

While standing firm in the European area, the Nixon administration has favored trimming American forces in Asia.

There are 600,000 American troops overseas. It does seem strange that we have to maintain such a large armed force overseas when World War II has been over for more than 25 years.

LONG BEACH GIRL WINS NATIONAL VFW DEMOCRACY SPEECH CONTEST

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HOSMER. Mr. Speaker, I am honored to present to the Congress the winning speech in the national Veterans of Foreign Wars "Voice of Democracy" contest.

The winner was Miss Cindie Pridy, daughter of Mr. and Mrs. Kenneth G. Pridy of Long Beach, Calif., and resident of my Congressional District. Cindie was the California State winner in this 26th national contest and the eventual winner over more than 500,000 other entrants across the Nation.

She is an A-student at David Starr Jordan High School in Long Beach, active in athletics, a former Foreign Exchange Student, and president of the school's Cosmopolitan Club.

Cindie's prize-winning talk, "My Responsibility to Freedom," reflects her deeply held belief in the future of the United States and a commitment to preserve and protect our freedoms.

She received a $10,000 college scholarship from the VFW and its Ladies Auxiliary at a banquet here in Washington hosted by Vice President Agnew.

It is my pleasure to include in the CONGRESSIONAL RECORD at this point her outstanding talk.

MY RESPONSIBILITY TO FREEDOM

(By Cindie Pridy)

This past summer, I spent two and one-half months in Denmark as a foreign exchange student, living with a Danish family. Fantastic would be a very mild adjective to describe the summer I experienced. But of all my memories, one stands out as kind of special. And I'd like to share that with you now. There were 148 of us together on a charter flight from Copenhagen to New York City and we of course had to go through customs upon entry into the United States. After having such a fantastic summer I think you can appreciate the feeling of misgivings some of us had about coming home. But you know, even as depressed as I was; as the plane circled over New York prior to landing a chill began to run down my spine. Below me, just a few 100 feet was the United States. After what seemed an infinite amount of time, the wheels finally touched the ground and I thought to myself, "I've made it; I'm home." But the best was yet to come. As we walked down a long corridor, we neared the customs inspection center where there were flags outside of the doors. As I caught my first glimpse of an American flag I felt the excitement mount inside me and I knew that this was to be the climax of my summer.

Now I could sit down and analyze this feeling that I had and come up with some very complicated, intelligent sounding answers as to symbolism and so forth. But the simple fact is that I really got charged up when I saw the American Flag on American soil for the first time. Maybe it was a sense of pride, a calling out saying; "This is my flag . . . and this is my country." But whatever it was, when I look at an American Flag now, I look at it through different eyes. And

when I'm given the honor of saying the Pledge of Allegiance, I'm proud.

But what you may wonder, does all this have to do with "My Responsibility To Freedom?" To me the American Flag stands for a very special kind of freedom. The kind of freedom that over 580,000 American men have died for in the Revolutionary War, two World Wars and Korean War; not to mention the hundred of thousands that have died in other smaller scale conflicts. These men died not only for their flag and country but for the freedom they both represent. Now if even one man can give his life for this freedom we have, doing it in the name of his country and flag then I should surely strive to take pride and show respect to my flag.

But this is only part of my responsibility. I could sit all day long and worship a flag but that would not insure this freedom that so many have bravely and sometimes vainly fought for. No, although showing pride and respect to my flag are part of it, there is still a much greater part remaining; the responsibility of not being satisfied with the status quo.

We must not and will not allow ourselves to become idle and satisfied with the way things are. If you say that our government is no good and we are not really as free as people say we are then we must strive together to form a better government and freer freedom. We must not be satisfied with wide extremes of poverty and wealth. If a man cannot honestly feed himself then we must help to feed him. If a man is true in his desire to work and be helped, then we must help him. If a man is sincere in his desire to become educated, then we must educate him.

You may have noticed that I have changed to WE instead of I, that's because "My Responsibility To Freedom" is your responsibility to freedom. For you see my friends freedom cannot run on hunger, idle desire, or illiteracy. Broken dreams are not mended by one but by many. I remember a verse that says "One man working alone can do many things; many men working together can do anything."

"My Responsibility To Freedom" is to show honor and respect to my country and flag so that those who fought and died will not have done so in vain; to work with my brothers and not become idle and satisfied with what has already been done before me; to hope that someday my sons and daughters will know a freedom and peace even sweeter than this one, always keeping in sight that freedom is a privilege and not a right; always working for the birth of a new freedom for the sons of men not only in America . . . but everywhere.

ATLANTA LEADERS CALL FOR CONTINUATION OF OEO, COMMUNITY ACTION

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. YOUNG of Georgia. Mr. Speaker, on March 5, under the leadership of Vice Mayor Maynard H. Jackson and Alderman Marvin Arrington, the Atlanta Board of Aldermen adopted a resolution calling upon the President of the United States to continue the U.S. Office of Economic Opportunity and the Community Action Program pursuant to the Economic Opportunity Amendments of 1972. Mayor Sam Massell signed the resolution on March 9.

Our OEO program, Economic Opportunity Atlanta, and the community action services in our city have been of great value to the thousands of impoverished people they have reached. Poor people have been meaningfully involved in such efforts as Headstart, legal services, manpower training, and economic development. Now these efforts are threatened with cruel and unwarranted extinction.

The action of the leadership of the city government in Atlanta is one more example of nationwide concern and protest against elimination of OEO and Community Action programs. The resolution is as follows:

RESOLUTION BY VICE MAYOR MAYNARD H. JACKSON AND ALDERMAN MARVIN ARRINGTON

DEPARTMENT OF CITY CLERK,
Atlanta, Ga.

Whereas the United States Office of Economic Opportunity was established in 1964, pursuant to the Constitution and laws of the United States of America, to eliminate the causes and effects of poverty in America by affording the poor themselves maximum feasible opportunity to design programs to deal with these causes and effects and effectively to mobilize and coordinate available federal, state and local resources; and

Whereas the Office of Economic Opportunity is the only major federal agency devoted exclusively to the plight of the poor American; and

Whereas local public officials, poor people and private organizations all over America jointly organized broadly based local community action agencies which were recognized and funded by OEO; and

Whereas those community action agencies not only operate headstart, legal services, manpower training and economic development projects and perform countless other services for the poor, but are important and valuable bridges of communication between the poor, local public officials and private agencies and have been instrumental in fostering the peaceful rather than the violent approach to long-standing poverty related problems; and

Whereas President Richard M. Nixon proposes to abolish and is in the process of abolishing the Office of Economic Opportunity and direct federal support to the local community action programs by June 30, 1973, without establishing realistic alternatives for continuation of these functions:

Now, therefore, be it resolved by the Mayor and the Board of Aldermen that we respectfully urge President Nixon that the Office of Economic Opportunity and the community action program be continued pursuant to the Economic Opportunity Amendments of 1972.

Be it further resolved that a copy of this Resolution be transmitted forthwith to President Richard M. Nixon, the majority and minority leaders of the United States Senate and the House of Representatives, the entire United States Congressional Delegation for the State of Georgia, the respective chairmen of the appropriations committees of the United States House of Representatives and the Senate, the House of Representatives Education and Labor Committee, and Mr. Howard Phillips, Acting Director, Office of Economic Opportunity.

LEGISLATION FOR PRISON REFORM

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. KOCH. Mr. Speaker, the incidence of crime continues to mount in our country. Unfortunately, there is no one simple solution to the so-called crime problem. For, it is a problem whose many facets must be tackled through different programs before we can hope to be free of the criminal activities that engulf our cities.

While we press to eliminate the roots of crime—poverty and social alienation, we must also seek to rehabilitate those who have committed crimes. One area that directly affects such individuals is prison reform. I find this issue so important because of what can be done through the rehabilitation of offenders and the alternative of what happens to such individuals who are incarcerated under brutalizing prison conditions. I have introduced several bills on this subject and I would, at this time, like to bring them to the attention of my colleagues.

H.R. 677 is designed to provide for the development and operation of treatment programs for certain drug abusers who are confined to or released from correctional institutions and facilities. In 1970 the Omnibus Crime Control Act was amended to establish a program for the improvement of States and local correctional facilities. Under this law, grants for the upgrading of correctional facilities are made upon the submission and approval of a plan, meeting certain minimum requirements by a State. This bill adds a new requirement—that States make necessary provisions for the establishment and development of narcotic treatment programs in their correctional facilities and in their probation and parole programs.

Another bill I have introduced is H.R. 684 and is entitled the Family Visitation Act. It has 10 cosponsors, and would give prisoners in Federal institutions a minimum of 12 and up to 30 days of furlough during each year of his or her confinement, subject to his or her good behavior. This decision would be made by the chief executive officer of the institutions to which the prisoner is confined after consultation with the classification committee or treatment team, the mental health supervisor, and the individual's caseworker. Any violation of the furlough privilege would be deemed an escape and subject to penalties under existing laws.

H.R. 685 provides minimum standards for State and local correctional institutions receiving certain Federal financial assistance. H.R. 685 amends the Omnibus Crime Control and Safe Streets Act of 1968 by creating a Federal Prison Review Board. This Board shall establish minimum standards relating to: First, the construction, operation, and administration of correctional institutions and facilities, and, second, the training of personnel and the implementation of probation, parole, counseling, medical, psychiatric, vocational, and other rehabilitative programs with respect to correctional programs and practices. The Board may conduct studies and investigations, consult with Federal, State, and local personnel and hold any hearings which are necessary for the purpose of establishing and periodically revising the minimum standards and to determine the extent to which the standards are being implemented.

H.R. 686 and H.R. 687 both seek to reduce crimes committed by people who are

free on pretrial release, and those who are released after serving a prison sentence. The Pretrial Crime Reduction Act requires that criminal trials be held within 60 to 120 days after arrest. It provides a system of time limits and requires Congress to provide the money and personnel needed to clear up presently clogged dockets. It also establishes improved controls over probationers and parolees charged with crimes of violence. The Correctional Services Improvement Act attempts a sweeping reorientation of existing State and local jails and prisons. The Attorney General would be empowered to build, staff and turn over to the States model correctional facilities. They would be small in size with less than 300 inmates each, and would implement enlightened corrections techniques including work release, school release, and extensive personal counseling. Halfway houses would also be used to ease the transition from prison life back into normal society.

While these bills may not totally solve the crime problem, it is my belief that if passed and implemented effectively, we would be taking a significant step toward the goal which we all seek. I urge, therefore, favorable congressional action on these bills.

NATIONAL HUNTING AND FISHING DAY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 1973

Mr. KEMP. Mr. Speaker, again this year I was proud to be one of many cosponsors of the joint resolution to declare the fourth Saturday of September National Hunting and Fishing Day. This measure passed both Houses unanimously last year, and Hunting and Fishing Day, September 23, 1972, was celebrated throughout the country as a day of special recognition for more than 55 million hunters and fishermen.

In my own congressional district, the event was celebrated in Marilla by the Allied Sportsmen of Western New York as it was throughout the Nation by officially recognizing the role of America's sportsmen in conservation and outdoor recreation. Hundreds of clubs took the opportunity of this special day to lead the public in a rededication to the conservation and respectful use of our wildlife and natural resources.

Last year this special day was observed in some areas by adapting club facilities for conservation displays and exhibits and by showing conservation movies in clubhouses. Sportsmen's groups were assisted by civil clubs, schools, State game and fish departments, new environment clubs, and garden clubs in raising funds for conservation projects. Some clubs set up facilities to teach young people to shoot bows or rifles, pitch tents or catch fish.

Mr. Speaker, I am pleased my colleagues once again this year passed this measure unanimously to give our hunters and fishermen a special opportunity to work in their communities with their neighbors and business associates to show the public that the American sportsman is the best friend fish and wildlife ever had.

GREAT LAKES FLOODING AND THE INTERNATIONAL JOINT COMMISSION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. VANIK. Mr. Speaker, throughout the Great Lakes Basin, communities and homeowners are suffering from unprecedented high water levels, flooding, and accelerated erosion. On Friday, March 23, and today, Monday, March 26, the Inter-American Affairs Subcommittee of the House Foreign Affairs Committee, chaired by the Honorable DANTE FASCELL, has been holding hearings on the reasons for these disastrous conditions as well as possible solutions.

Because of the intense interest in this subject throughout the Great Lakes area, Mr. Speaker, I would like to enter in the RECORD at this point a portion of the statement which I made before the committee today:

ACTIVITIES OF THE INTERNATIONAL JOINT COMMISSION

Mr. Chairman, Members of the Committee: I am sure that I speak for all my colleagues from the shoreline areas of the Great Lakes when I express my appreciation for your leadership in calling these hearings on the activities of the International Joint Commission.

DAMAGE FROM HIGH WATER LEVELS

I have just returned from my Congressional District. I have seen the fresh toll of damage from Lake Erie's high waters. I have seen devastated homes. One man described how he lost 50 feet of his property last week by flood and erosion damage. He has photographic evidence of where his land was, and where it is now—and he wonders about where it will be before we are through. The fishing industry, the recreation industry, the homeowners all suffer. How can we tell a person whose lifetime earnings are invested in a house washing into the Lake that he built too close to these waters which never before came so high.

The water which navigation so critically needs overwhelms the flooded resident. The erosion going on in Lake Erie today will all have to be dredged out when the Lake will have to be deepened for modern navigation. Preventing erosion now will save dredging later on.

Mr. Chairman, we recognize that there is very little that can be done about this disaster situation today, next week, next month, or even this year. But what this hearing can do is help determine why the situation became so bad this winter—and what we can do to prevent this from happening again.

A MORE VIGOROUS I.J.C.

First of all, Mr. Chairman, from a review of the testimony given by the two I.J.C. Commissioners Friday, I would agree with your statement that it is obvious that a deeper look at the whole situation is needed. Today, I would like to make a few comments about some of the answers given by the Commissioners. I would like to point out some areas in which I believe better planning could have prevented some of the problems which we are facing today. I will try to point out some areas where man has affected the levels of the Lakes—sometimes with harmful side affects—and I would like to suggest some areas where better control of the range of Lake levels could be obtained. These issues are obviously too broad and too important to be covered in one day. I hope, therefore, that these discussions will raise some questions and ideas which can lead to further hearings and more thorough investigation of the issues involved.

I understand that Commissioner Herter pointed out that he was wearing "two hats"—not just an American hat; that it was a joint commission, a supra-national commission, in which almost all decisions made were unanimous. That is all very nice, Mr. Chairman, but who is looking out for the homeowners of my District and the other Districts along the Lakes? Where was the American representative when the Canadians unilaterally closed the Welland Canal? I would hope that in the future the American Commissioners could be a little more careful of the interests of the American public.

With regard to the question of the closing of the Welland Canal, I understand that the Commissioners said that they "do not want to cast aspersions" as to who was at fault for "the problems in liaison". Well, Mr. Chairman, the closing of the Welland increased the level of Lake Erie. It is increasing the damage to the people of my State. I would like to "cast aspersions"; I would like to know how this happened—and who is going to see that it doesn't happen again.

It seems to me that from Friday's testimony, the authority and the quality of the I.J.C. needs to be up-graded. Perhaps it is time that we had some full-time Commissioners. Perhaps it is time that we carried our full load of Commission responsibilities. I am embarrassed that the Canadians have assumed so much of the work of the Commission, when so much of the potential benefit falls to the American side. It is obvious from the delays in implementing the Ottawa Water Quality Agreement of last year that the Commission is under-staffed. Perhaps a more adequate budget and more adequate staffing will enable it to more adequately do its job. But I also feel that a little more public attention—such as this hearing—will help improve the performance of the Commission.

It increasingly appears that the authority of the Commission may be too limited.

It is time that we establish a Federal agency which could and would provide overall leadership of government activities on the Great Lakes. Since it is vital, by law and by common sense, to coordinate with Canada, an organization such as the I.J.C. is the logical group to take on leadership responsibility. At present, most of the agencies on the Great Lakes—especially the Corps of Engineers—are oriented too much toward navigation interests. What is needed is an agency which will watch out for and balance all of the various competing interests on the Great Lakes. The homeowner and city official deserve the same consideration as the power company and the big ore carrier. Pollution control activities and lake restoration efforts must be increased. The two governments should cooperate on public health issues and the maintenance of water quality.

For too long construction on the Great Lakes has been geared just to protect the shippers and power companies. The suits which have been brought against the Chicago diversion have all been one-sided, for the benefit of power generation and larger ships. It is past time that these interests were balanced against the interests of shore protection and the maintenance of beaches and recreational facilities. Today, ships have been and are being built on the Great Lakes which are so large that they cannot be fully

loaded at normal water levels and can only enter a few selected harbors. These shippers have an interest in high lake levels—but it is time that their interests be balanced against the needs of the shoreline communities.

A properly constituted I.J.C. could fulfill this responsibility to all the people of the region. It is the type of agency that we desperately need on the Lakes.

THE PRESENT HIGH WATER LEVELS: PARTIALLY A PRODUCT OF LACK OF PLANNING

The record high water levels which are causing so much distress are partially a fault of poor planning. In June of this past year, Hurricane Agnes dumped heavy rains on several of the lower Lakes. This followed the period January-May in which 15 inches more rain fell on the lower Lakes than in the comparable period in 1971. It just seems to me that those who study the Lakes for the government should have begun, at that time, to close off the Long Lake-Ogoki diversion, to keep the Welland Canal open, to plan for an early closing of the St. Mary's River. Better planning could have helped. Why was the Welland closed? Why was the first "special" action on the St. Mary's not taken until December 1 and the final necessary action delayed until January 30 of this year?

In their testimony Friday, the Commissioners indicated that these changes would only result in lowering the Lakes an "inch or two". Let me say here that a combination of changes can cause up to eight inches or more change in water levels. In other words, just as pennies add up to dollars, inches add up to feet. Lake Erie is about three feet above normal. An eight inch reduction then becomes quite significant. I might also point out here that the Commissioners said that one of the areas most susceptible to flooding was the western part of Lake Erie. This is because the Lake is very shallow throughout the area. Storm winds can easily whip up enormous waves in what is called a "sucer" effect. Thus in my area, particularly, a two inch increase in water levels can be transformed into an additional four inches in storm wave height. Thus in my area, every inch *does* count.

POSSIBLE WAYS TO CONTROL WATER LEVELS

In addition to better planning and use of existing controls, I would like to point out several areas where improvements in water controls could be made without undue expense.

LAKE SUPERIOR

For example, water can be diverted from the Hudson Bay Basin into Lake Superior, mostly for power generation purposes. This is the Ogoki-Long Lake Diversion. During high water periods on the Great Lakes, could not this flow of water be reversed. That is, the water could be pumped out of Lake Superior, through the power plants, and into the northern watershed.

CHICAGO DIVERSION

Second, the various court orders and Federal permits governing the Chicago Sanitary and Shipping Canal diversion seem to have grown together into a tangled web of red-tape which now denies us any flexibility in using the Chicago Diversion. I can certainly understand why the various states of the Basin, acting on behalf of their power companies and shippers, would want to restrict the flow of water out of Southern Lake Michigan during low water periods. But none of the States would have any objection now. What must be done, either through Congressional action or through modification of the court orders, is to permit the use of the Chicago Diversion on a flexible basis. When we have a low water cycle on the Lakes, keep the diversion to a minimum. When the water levels are high—and the situation on the Mississippi permits—let more water out. We must break our bondage to these inflexible court orders which are senseless 50% of the time.

I might add here that the International Joint Commission could have and should have a major role to play in providing for the better use of the Chicago Diversion. The Commissioners said Friday that they have no jurisdiction over the Chicago Canal. Well, from a reading of the 1909 Treaty and the debate surrounding it, that is officially correct.

In fact, the I.J.C. could play a leading role in the rationale use of the Canal. The International Waterways Commission of 1902 recommended limits on U.S. diversions in 1907. The Federal government has intervened in the Chicago Diversion cases on the grounds—among other things—of its interest in maintaining good relations with Canada. Canada has contributed to the discussion in these cases and has even communicated with the Court's special master.

The spirit of the 1909 Treaty and subsequent Canadian objections have played a major role in limiting diversions from Lake Michigan. I would like to enter in the hearing record at this point several passages from Don Courtney Piper's recent study entitled, *The International Law of the Great Lakes:*

"A study of the treaty and analysis of the correspondence relating to the negotiations supports the conclusion that Article II of the treaty accords to the United States the legal right to make a diversion at Chicago, but it does not accord a right to divert an unlimited quantity of water. Canada may object to the diversion if it produces "material injury" to navigation interests on its side of the line. Two difficult problems thus emerge that engender controversy. At what point does the diversion produce "material injury" to Canadian navigation interests? The treaty provides no criteria for making this judgment. Second, what legal weight must the United States accord to Canadian protests? The treaty does not provide any guidance.

"Since 1912, when the Secretary of War was asked to permit a diversion greater than 4,167 c.f.s., the Canadian government has consistently opposed any proposed additional diversion of water from Lake Michigan. Its objections have varied but in general they are based on the potential injury to Canadian navigation and hydroelectric power interests.

"In 1926 Canada reminded the United States that "neighborly goodwill" and the 1909 treaty led to the conclusion that no diversion from one watershed to another could be made without joint consideration and agreement."

It is obvious from a review of the history of the Chicago Diversion that consideration must be given to Canadian feelings on the issue, that diplomacy is required, and that the I.J.C. does in fact have a major role to play in obtaining Canadian agreement to changes in diversion rates.

Now the Canadians are up to their necks in the same water that we are, and I would feel that they would be willing to permit more flexible usage of the Chicago Canal. But in checking, my staff has found that the American side of the I.J.C. has not even raised the Chicago Diversion issue. Mr. Chairman, I feel that the unwillingness to become involved in this issue once again displays a lack of initiative and aggressiveness on the part of the American Commissioners. It is not too late for this issue to be raised, and I would hope that the Committee could encourage the Commissioners to do so.

NIAGARA RIVER

There are other areas where better water level controls could be obtained. It appears that the Niagara River could be modified so that controls could be installed similar to those on the St. Mary's River. The flow of water over the Falls is already carefully regulated.

In addition, there is already a diversionary canal, similar to the Welland Canal, in existence. This Canal, called the Black Rock Lock, might be modified to permit an additional diversion of water out of Lake Erie. More careful planning of water flow out of the St. Lawrence could help alleviate problems on Lake Ontario.

On Friday, Rep. McClory pointed out that when some of the Lakes are regulated and the others are not, the whole system can become distorted, with adverse effects on the unregulated Lakes.

I feel that a classic example of this is seen in the heavy channel dredging which has occurred between the ore fields of Lake Superior and the ports of Lake Erie. By dredging shipping channels along the upper Great Lakes—and particularly in Lake St. Clair—we have permitted more water to flow out of the upper lakes and into Lake Erie. In essence, we have lowered their elevation—but we have not lowered Lake Erie's elevation. We have not provided a way for that extra water to get out! If one could imagine Lakes Superior, Huron and Michigan as large bathtubs full of water, what we have done is to increase the size of the plug or drain. Thus more water flows out more quickly into Lake Erie and Lake Erie acts as a sink for the other Lakes.

In conclusion, I recommend that the International Joint Commission be given a fresh mandate for action solving the commercial, pollution, erosion and recreational needs of the Great Lakes Basin;

That the Commission be directed to immediately take steps to curtail the rising levels of the Great Lakes, by recommending increased outflow from the Chicago Drainage Canal to its full potential (from 3,000 cubic feet per second to 10,000); that the flow of the Albany River diversion from Hudson Bay be curtailed until the Great Lakes reach a more normal level;

That the American members of the Commission be instructed to develop with the Canadians a range of maximum and minimum levels of the Great Lakes consistent with the needs of commerce, recreation, pollution control and shoreline protection.

LYNDON BAINES JOHNSON

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ARENDS. Mr. Speaker, Lyndon Baines Johnson was an extraordinary man—an extraordinary Congressman, an extraordinary Senator, an extraordinary President.

I served with Lyndon Johnson in the House of Representatives. I worked with him when he was in the Senate and while he was in the White House. His remarkable capacity for leadership was always evident.

When he set objectives, he was not to be deterred in trying to reach them. While I saw him at work in many settings, I especially recall observing him in bipartisan leadership meetings. He was a master in any debate or discussion—always a forceful factor to be reckoned with. I was able to cooperate with him on several occasions. Yet, no matter how much we might have disagreed—and we did from time to time—I could never find myself in diminished respect of him.

It was especially interesting to witness Lyndon Johnson as Senate majority leader, and former Speaker of the House Sam Rayburn in action together. Both of

them clearly exemplified a philosophy which they most certainly must have shared—"To be leaders, you must lead!"

I was in attendance at President Johnson's burial in Texas. Being there for that service, I could truly understand why Lyndon Baines Johnson loved his native Texas, his beautiful home along the Pedernales, and the people who were his neighbors. It was from there that he drew his great strength, the strength which made him a skillful leader whose indelible print is left upon history.

TRIBUTE TO OUR FIGHTING MEN

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. TAYLOR of North Carolina. Mr. Speaker, now that the U.S. participation in the Vietnam war has almost ended and our prisoners are returning home, it is a fitting time to express our appreciation for their sacrifices and to let them know that we are proud of the courage with which they have endured a difficult and unpopular war.

The sacrifices these prisoners have been called upon to make have been made with deep respect for America. We should be grateful as a nation for their service and total dedication to God, family, and country. We know that these men will be facing many problems in the future months and years ahead in adjusting back to normal life. We must be ready not just to welcome them back, but to be willing to lend a helping hand at many points along the way as they return to the land they love and to which they sacrificed so much.

I have written or called each of the prisoners residing in the congressional district, which I represent, to let them know that I and my office will be available to them for any assistance that can be provided in resolving problems.

As we welcome back and pay tribute to our prisoners of war, who have served their country under difficult circumstances, let us not forget the more than 1,300 men still missing in Southeast Asia and the continued bravery of their families; nor the more than 46,000 Americans who made the supreme sacrifice; nor the 200,000 others who have been wounded, many of whom are in our Veterans' Administration hospitals. By the sacrifice of these men in a strange land in behalf of an alien people, they have helped strengthen the position of the free world.

I have been pleased to note that some of the counties and towns in my district are celebrating the return of our prisoners of war and are planning future programs paying tribute to those who are wounded and missing in action, and killed in action.

In some parts of this nation among some people it is not fashionable these days to honor our fighting men. These people have been so much against the unpopular war in Vietnam that they show no appreciation to the men who served there. The very word "patriot" has almost disappeared from respectable use. It has somehow become sophisticated and liberal and altogether cool to dwell incessantly upon the tragic mistakes that are a part of any war, but thank God, I believe that the people of western North Carolina know what the word "patriotism" means and realize that this country is truly a great country.

THE CONFEDERATE MUSEUM ON BERMUDA

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. RARICK. Mr. Speaker, on the corner of Kings Square and Duke of York Street across from the Town Hall in Saint George, Bermuda, visitors find a well-kept building bearing the sign "Confederate Museum."

Few descendants of Americans, even those of the Old South, are aware of this museum or its bold reminder of the past from over 100 years ago.

During my recent trip to Bermuda, on nearby Featherbed Alley, I noted an old antique print shop operated beneath a main museum. The gentleman in charge was a Mr. Frewen, who resorted to his notes to refresh his memory.

It seems that history records that the English were disposed to tolerate gentlemen of the Confederacy so long as cotton or coin were made available for Enfield rifles powder, and the like which were needed for the South.

So the United Confederate States assigned a council to Bermuda, a Mr. Bourne, who took up residence at Rose Hill, now Globe Hotel. The chargés d'affaires and chief Confederate agent in charge of blockade running was Maj. Norman Walker and his wife from Mississippi. Major Walker must have been a most dedicated and efficient man for the Southern cause since his record was of 2,054 attempts to run the Union blockade. He was successful on 1,735.

Another Confederate officer was a Lieutenant Chapman of the Navy, whose assignment was to import a custom-made seal and printing press from England to Bermuda and into the Confederate territory. Not until the fourth attempt to run the blockade was Lieutenant Chapman successful in getting the seal through to Wilmington, N.C. In 1912, the seal was placed in the Richmond museum.

The printing press never got to America and seems to have disappeared for a while, only to turn up when purchased at a public auction by John S. Dowell. From all reports, the press is now owned by Sir John Cox of Orange Grove Valley, Bermuda. A duplicate seal for the press had been obtained from England after Mr. Dowell came into control.

Major Walker did most of his work in the rooms above the present Confederate Museum and while it is reported that he left a detailed diary which should prove to be interesting data and facts, unfortunately, the present whereabouts of the diary is uncertain.

Perhaps the most interesting yarn on Mr. Walker is this—a loyal Mississippian, the major had sworn that his children must be born on Mississippi soil. Unable to get his wife off Bermuda, he imported two barrels of Mississippi dirt and placed it under the bed on which his child was born.

A brief report on the Confederate forces being present at Bermuda is reported in a pamphlet by David F. Raine entitled "A Guide to the Historic Towne of St. George, Bermuda," published by Pomano Publications, "Lazy Corner" Flatts, Bermuda.

I insert the relevant portion of the Guide in the RECORD, as follows:

THE TOWN AND THE CONFEDERATE FORCES

When the American Civil War broke out on 12th, April 1861, it was almost inevitable that many Bermudians would sympathise with the Rebels. Strong economic and social ties were, after all, traditional with Virginia and her allied states. Therefore, when President Lincoln announced a blockade against the Confederate coast, the town of St. George soon became a focal point in the gun-running between Europe and the South.

These operations were directed from the kitchen section of the old Government House of Samual Day. Built in 1699, it became the Headquarters of Major Norman S. Walker—Chief Political Agent for the Confederate States in Bermuda. Major Walker was dispatched to Bermuda in order to act as negotiator and supervisor of the blockade runs and, through the town, European guns, ammunition, clothing and money readily began to pass.

Major Walker worked in the main upstairs room of the building—now called "The Confederate Museum". His wife, Georgina, cooked their food in the nearby kitchen and they slept in an adjacent room. From his 'office', he studied details of the war's progress, held conferences with suppliers and shipping agents, and wrote numerous letters and reports. Outside, in St. George's harbour, gun-running vessels—such as the "Fergus" and "Robert E. Lee"—became frequent visitors.

Since the prices of the goods were prone to wide fluctuations, he had to bargain for virtually each cargo individually; when the costs were extremely high, he consulted with his superiors in Georgia and awaited their decision. The price of one Enfield rifle, complete with bayonet, scabbard, ram-rod and snap-cap, stood at 80 shillings in 1863; but the price was by no means fixed and the next shipment would have to be renegotiated. It was Major Walker's task to arrange payment and shipping of the goods, either directly to the mainland or else down to the Bahamas for re-routing to other Rebel ports.

From here, he also tried to secure loans and credit-notes, for the Confederate armies. The conflict was, in fact, destined to cost the Southerners a grand total of $3000 million—some of which passed through the hands and diplomacy of Major Walker.

At the conclusion of the war, Norman and Georgina Walker remained in Bermuda for a while and then eventually returned to America. The old Headquarters, however, still contain relics of his activities in St. George. There are buttons, badges and Confederate monies; bills and correspondence. Across the bannisters of the stairs which he had so often climbed a Rebel flag droops in grim remembrance of the defeat.

For the Confederate States, Bermuda's involvement was a vital link in their support system. For the privateers of these islands, it was an occasion to acquire additional wealth.

SOMETHING VERSUS NOTHING

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ROBISON of New York. Mr. Speaker, the efforts of our President to cut back on Federal spending are certainly to be applauded, and though I may not agree with all that he has proposed or with the extent to which he wants to cut some existing Federal programs, I have seen little in the way of serious alternatives proposed. This dilemma is well expressed in the following timely editorial taken from the March 9, 1973, edition of The Evening Press, published in Binghamton, N.Y., in my congressional district.

I am often impressed with the thoughtful, to-the-point opinions expressed by this paper, and the following is no exception. I commend "Something Versus Nothing" to my colleagues' attention.

SOMETHING VERSUS NOTHING

One of the sounder principles of politics is that you can't beat somebody with nobody. It carries over into the area of political thought. You can't that is, beat something with nothing.

And that, it seems to us, is the predicament congressional Democrats have reduced themselves to in the Great Spending Debate of 1973.

Whatever else the Nixon Budget for next year represents, it also is a carefully conceived economic plan designed to alter or eliminate a good many of the Democratic programs that have grown up over the last 40 years.

The Democratic response to all of this has been discouragingly simple: Put them all back. Make the government keep on doing what it has been doing, no matter how useless or discredited.

The President, as it happens is on fairly sound ground in contending that many of the programs, especially those created in the '60s, failed in practice. Some, however, did not, and there probably are others that could be rescued with a little patience.

This isn't what the Democrats are saying, though. They apparently are unwilling to concede that any of the programs have been demonstrably unsuccessful, and then suggest an alternative approach.

In any event, political roles have been reversed. Democrats have become defenders of the status quo, whether it deserves defending or not. Republicans, thanks to Nixon, have become the innovators.

There has been no inclination on the part of Democrats to suggest that federal spending should be higher than the $268.7 billion proposed by the President, or even to argue that the projected $12.7 billion deficit is not about the right size.

National Democrats content themselves with insisting merely that the federal government keep on doing anything and everything it has been doing since Franklin Roosevelt came to office in 1933.

Democratic leaders at the state and local level are concerned for the most part only with whether their constituencies are getting an appropriate share of the federal pie.

All of this adds up to a position of sorts, but it hardly represents a policy, a clear alternative to the Nixon proposals.

There has been no effort, as an example, to question whether Nixon's revenue sharing approach will work in the fashion that he contends, and, for that matter, whether it is a particularly good idea anyway.

There has been no serious Democratic effort to suggest that a modest rise in the income tax would be an appropriate response to the harsh arithmetic of a federal budget that must pay heed to strong inflationary pressures at a time of rising economic activity.

The Congress has shown no inclination to draw up its own order of spending priorities to meet that of the President.

The Great Spending Debate thus is no debate at all. We are never going to know whether Nixon's answers are the right ones, largely because the Democrats don't have any counter-program, except of course, to keep on doing everything we have been doing for 40 years.

WHAT'S WRONG WITH THE U.S. POSTAL SERVICE?

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my March 26, 1973, Washington Report entitled "What's Wrong With the U.S. Postal Service?"

WHAT'S WRONG WITH THE U.S. POSTAL SERVICE?

Even the President has complaints about the mail service. Recently he sent a special congratulatory message by mail to a 175th anniversary celebration in East Windsor, New Jersey, and it arrived six days after the celebration.

Any Congressman can tell you that a brief stroll down Main Street in any town in his District will bring a few complaints on the postal service, like these:

Too much mail takes too long to reach its destination.

Some mail never gets delivered—it just "disappears."

Mail pick-ups are being cut.

Too many packages are damaged or ruined when they reach their destination.

Mail delivery is erratic and undependable.

It is not easy to determine just what the reasons are for the deteriorating service. Some experts point to these factors:

More mail with fewer postal employees to handle it. A freeze was put on hiring, reducing the work force by 40,000 in the last year.

Morale among postal employees is at an all-time low. Understaffing and unrealistic work loads have caused much friction, and labor-management relations are jagged.

Experienced postal managers and postmasters have been lured into retirement by bonuses, and the new postal executives, accustomed to private business, have not managed the postal system well.

Transportation problems abound. Railroads no longer carry much mail, and air transport has low priority.

At the heart of the problem is the question whether delivering mail in this country is a business or a service, and the relationship between costs and service. In recent months the U.S. Postal Service has viewed it as a business, sharply reducing costs in response to the Congressional mandate for the Postal Service to pay its own way in time. But, as costs are reduced, service deteriorates, the public becomes dissatisfied, and the pressure builds for better service. The Postmaster General has recently said the Postal Service may have "lost track of service in its quest for reducing costs."

I believe the key to improved service is to view the Postal Service not as a business, but a service to be conducted in a businesslike fashion.

The more familiar one becomes with the size and complexity of the postal system, the less strident his criticisms are apt to be. The Postal Service is the largest enterprise in America, with 680,000 employees, 41,500 places of business, and handling 90 billion pieces of mail a year. Delivering mail efficiently at a reasonable cost to every home in America is a staggering task. In the "good old days," the mail service enjoyed, in the words of the Washington Post, "cheap labor, a widespread system of passenger trains, and an uncritical political climate that tolerated deficits in the name of public service and national unity." The postal system's problems stem from the absence of these factors.

Some improvements are being made. The deficit has been reduced from $204 million in Fiscal Year 1971, to $175 million in FY 1972; revenues were up by 18.3 percent, a postal rate increase was cancelled, and employee productivity climbed. The Postal Service has begun a $400 million effort to modernize and rebuild its physical plant (28 new processing plants in 1972–1973), to install automated mail-handling equipment, and to make efforts to speed mail delivery (average time for delivery decreased from 1.7 to 1.6 days between 1971 and 1972), and to protect parcels from damage. But for every report of progress there is a refutation, and the complaints continue.

The Congress must keep a sharp eye on the quality of mail service and exert pressure on the postal managers to achieve excellent service. Every avenue of improved service must be explored, including better labor-management relations, high speed mail processing equipment, modernization of facilities, a top-flight management team, improved transportation, and good working conditions for postal employees.

Better service will not come easily, but it must come, because it is vital to the unity and the prosperity of the country.

FIFTY-FIFTH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. BROOMFIELD. Mr. Speaker, yesterday was the 55th anniversary of Byelorussian independence. Accordingly, I rise to pay my respects and to express my admiration to the brave people of Byelorussia on this solemn occasion.

I say solemn for March 25 is not celebrated in Byelorussia. Soon after independence was declared the Soviet Union invaded and forcibly incorporated Byelorussia into the Soviet Union. No rhetoric, no rationalization, no alteration of history can excuse this brutal and savage show of force.

Today, the people of Byelorussia still long for the freedom which they lost 55 years ago. Despite the persistent efforts of the Russian Government to destroy the language and the culture of the Byelorussians, they have maintained their national and ethnic identity. No less than the captive peoples of Estonia, Latvia, and Lithuania, their determination to regain their freedom remains firm and strong.

Byelorussia has throughout her long history endured more than her fair share

of misery. Yet, on that day in March more than 55 years ago, centuries of perseverence against a succession of foreign rulers culminated in the victory of Byelorussian independence.

Measured in terms of history, the years of Soviet oppression that have followed are short indeed. Surely, they are much too short to extinguish the universal desire of all nations including Byelorussia to control their own destiny.

That is why I am confident that someday Byelorussia, like the other captive nations of Eastern Europe, will eventually throw off the chains of Soviet domination and join the community of free nations. At that time, March 25 will once more become a momentous and festive day to be celebrated not only by Byelorussians but by men of good will throughout the world.

RETIREMENT OF THE GREAT PATRICK CARDINAL O'BOYLE

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ROONEY of New York. Mr. Speaker, on March 2 of this year the country in general, and the District of Columbia in particular, lost an invaluable church and civic leader when Patrick Cardinal O'Boyle stepped down as the archbishop of Washington after a quarter of a century of service. His loss will be felt deeply by those who knew him and by those lives he touched. I am sure all the members of this august body will join with me in wishing Patrick Cardinal O'Boyle peace, happiness and Godspeed in his retirement.

Under unanimous permission heretofore granted me I include at this point in the RECORD an article on Cardinal O'Boyle which appeared in the Washington Star-News shortly after his retirement:

O'BOYLE RECALLS HIS TRIALS

Young Patrick Louis O'Boyle had been warned that when he was ready to take exams to determine his eligibility for entering a Catholic seminary he should do everything in his power to avoid getting Msgr. Connell McHugh as his examiner.

McHugh, although Irish himself, was a decided anglophile. Things could be rough for an Irish lad from Scranton, Pa.

Well, it was the luck of the Irish for Patrick. First of all, the day chosen for his exam was the 4th of July. But, worst of all, who was the only examiner around that scorching day in Brooklyn? None other than the awesome McHugh.

O'Boyle related the story with a twinkle in his eyes yesterday as he reminisced over the career that led him to become the first and only archbishop of the Archdiocese of Washington.

Patrick Cardinal O'Boyle, 76, received word Friday that Pope Paul VI had accepted the resignation he had tendered 18 months earlier, "for reason of age."

The cardinal said that when he entered the room or the examination, the all-business McHugh shoved a Greek New Testament into his hands and demanded, "Read."

"I hadn't read two lines when he yelled to me, 'Stop!' I though I had had it."

"Who taught you your Greek?" McHugh asked. Young Patrick replied that he had learned it while studying at St. Thomas College in the coal-mining city of Scranton.

"Are you sure your teacher didn't study at Oxford?" McHugh asked. It nonplused the lad. Why, he asked, was there concern?

"Well," McHugh responded, "it seems strange that a young man who was trained in St. Thomas College in Scranton should have an Oxford accent in Greek."

The Oxford accent did it. There is no surer way to the heart of an anglophile than to exhibit an Oxford accent. Young Patrick was on his way to seminary.

O'Boyle's career in Washington has not been without its share of continuing tests. In some of them he may not have fared as well as he did that day before McHugh. But his accomplishments far outweigh the criticism that has been leveled at him.

CONSERVATIVE IMAGE

The cardinal has been pictured as one of the more conservative American bishops, primarily because of his staunch stands on birth control, abortion and church discipline.

Yet, in the area of race relations, for instance, he desegregated the churches and schools he had inherited when he became archbishop 25 years ago.

Aside from the general spiritual tone of the archdiocese, with its 400,000 Catholics in the District, its Maryland suburbs and five Southern Maryland counties, O'Boyle takes considerable pride in the desegregation and race relations efforts.

When he came to Washington as archbishop in January 1948, segregationist policies were being practiced even at St. Matthew's Cathedral, which became the seat of the new archdiocese. And there was strong segregationist feeling in Southern Maryland. Without hesitation, O'Boyle ordered that segregation cease throughout the archdiocese.

60,000 BLACKS

There now are 60,000 blacks who are Catholics in the archdiocese, giving it the fourth largest black Catholic population of the nearly 290 American dioceses.

The archbishop said that of about 1,800 converts in the archdiocese annually, more than 1,000 of them are blacks. The percentage of blacks converting here is second among the U.S. dioceses, he said.

O'Boyle also was an early champion of open housing. One of his major accomplishments was establishment of the Urban Rehabilitation Corp., a nonprofit organization which reclaimed scores of houses for purchase by low-income families.

The archdiocese has been keeping pace with the growth of the metropolitan area, increasing from the 165,000 members when it was carved out of the Archdiocese of Baltimore, to its present level of 400,000. Then it had 74 parishes; O'Boyle has established 47 new ones.

He said there have been 317 buildings erected in the archdiocese since he took over—"all for a spiritual purpose."

"There is no use to put up a building . . . if it is not for a spiritual purpose," he said.

SCHOOLS CITED

There is other evidence of progressive attitudes. "I don't want to toot the horn," O'Boyle said, "but we've closed fewer schools than any other diocese in the country. We are keeping schools open that are a tremendous financial burden to us." Many of them, he said, contain a large number of children from poor families.

The cardinal, who was elevated to the rank in May 1967, also eliminated two orphans' homes when he came to the archdiocese and replaced them with 18 group homes, considered much more effective in meeting childrens' needs.

O'Boyle's fore, long before coming to Washington, was raising money to aid charitable causes. When he came here the annual "Orphans' Collection" was netting $39,000. He has burgeoned the annual fund drive into something which now nets more than $800,000 annually for charity.

RAISED $100 MILLION

When World War II ended, just a few years before O'Boyle came to Washington, he became executive director of War Relief Services. Before he came to Washington he had raised about $100 million in private funds and distributed help to the needy in 48 countries.

Auxiliary Bishop John S. Spence said, "I think it true to say that no worldwide figure helped more nations to recover their independence and more people within those nations to recover their respectability than did the director of War Relief Services."

O'Boyle's sense of helping the poor is reflected in the archdiocese by the fact in the parishes 85 St. Vincent de Paul conferences have been set up "to give instant help to the needy." The Ladies of Charity, he said, also have been strengthened considerably to assist the needy.

It was O'Boyle who inaugurated the drive to raise $12 million to erect the imposing Shrine of the Immaculate Conception adjacent to Catholic University. This he considers to be one of the landmarks of his career.

STERN HE IS NOT

Notwithstanding the accomplishments—and there are considerably more significant ones—the impression many people have gotten of O'Boyle is that he is conservative and a somewhat austere stern person.

Theologically conservative he might well be—judging by post Vatican II standards. But he is not austere or stern, at least not on the personal level.

It has been his stand on the birth control-abortion issue and his position of holding the hard-line authoritarian Catholic views that have created the image. In pre-Vatican II days his views would have been considered the normal Catholic way of looking at things. They still are the official way.

When "Humanae Vitae," the birth control encyclical, was handed down in 1968, controversy erupted. O'Boyle stuck to what he believed the Pope to be saying, namely that birth control by artificial means was not to be permitted Catholics.

When several of his priests joined the ranks of numerous liberal Catholic theologians and scholars at Catholic University and other institutions, he disciplined them on the ground that they were inveighing against Catholic doctrine which had not changed, despite popular demand that it should.

O'Boyle maintained that in good conscience to the task he had as a prince of the Church he could hold no other view and he could take no lesser action.

OUTSPOKEN ON ABORTION

The cardinal has been the most outspoken of the bishops on abortion. And his position is aggravated by the fact that some of American catholicism's most liberal scholars teach in his archdiocese—at CU and Georgetown University. Conflicts of the same magnitude ordinarily do not erupt in less pivotal dioceses.

O'Boyle last year celebrated the 50th anniversary of his ordination into the priesthood. He said it was the example of some sisters in his Pennsylvania hometown and of a priest that made him want to enter the ministry.

When O'Boyle was 10 his father, a coal miner, died and he and the other children had to help keep the family together. He worked as a $3-a-week messenger for Dun & Bradstreet. He also delivered morning and evening paper.

When he became archbishop he adopted the Latin motto "State in Fides"—stand fast in the faith. This, he said, was but a spirit-

ual extension of a cardinal rule he adopted early in his life: "When you've got a job to do, do it."

HE LOOKS AHEAD

So what is O'Boyle going to do now since he no longer is archbishop of Washington but officially the apostolic administrator until the Vatican names his successor?

"Well," he said, "I certainly don't want to be idle. But that's up to my successor. I propose to remain in Washington. The new ordinary is the one who will be in charge. It is simply my office to help him in every way possible. It is my obligation and duty, but I do it even beyond that . . . for the good of the Church."

Might a black become his successor? There is a strong move by blacks and others for this to happen.

"Whoever the Vatican wants to send to succeed me, if he's black or whatever, is fine with me," O'Boyle said.

Has he been disappointed in his tenure as archbishop?

"There have been difficulties, sure, but I can go to bed at night and say I tried my hardest.

"Or I like the way President Truman put it—but you can't quote that one—'I did my damnedest.' "

VOLUNTARY ARMY PLANS MEAN HUGE DEFENSE INCREASES WITH LESS MANPOWER

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. EVINS of Tennessee. Mr. Speaker, Mr. Joseph A. Califano, Jr., formerly special counsel and assistant to President Johnson, has written a most illuminating article in the Washington Post concerning the administration's proposed budget for the Department of Defense for fiscal 1974.

Mr. Califano points out that increased pay recommended to assure a viable volunteer military force is a major factor in the proposed increase of $5.4 billion in the Department of Defense budget over fiscal 1973. The defense budget goes on from $76.4 billion to $81.8 billion while Armed Forces strength from 1968 declines from 3,547,000—3½ million—to 2,233,000—2.2 million.

This analysis of the defense budget points out further that compared to the 1968 defense budget, the 1974 budget request will cost more than 30 percent more although the services will contain 1,314,000 fewer personnel.

Because of the concern of my colleagues and the American people in this most important matter, I place the article by Mr. Califano in the RECORD herewith.

The article follows:

A COSTLY ARMY OF VOLUNTEERS

(By Joseph A. Califano Jr.)

Lost in constitutional rhetoric and political bickering between the Hill and the White House may be the hope of any serious debate about some of the real choices that have quietly been made in the fiscal 1974 budget. Foremost among these is the decision to achieve an all-volunteer force through pay rates high enough to attract sufficient manpower.

An all-volunteer military is a very expensive proposition, since raising pay at the bottom requires increase in higher ranks and in retired pay as well. As in the case of so many weapons system, the Pentagon has already confronted a cost overrun.

Three years ago the President's Commission on an All-Volunteer Force, chaired by former Defense Secretary Thomas Gates, estimated that an all-volunteer force of 2 million men would cost the nation $1.5 billion per year more than it was then paying; 2.5 million men would cost $2.1 billion more.

The fiscal 1974 Nixon budget carefully avoids telling us precisely what the taxpayer will have to put out for the all-volunteer force; it nevertheless contains some interesting figures. The defense budget shows an increase of $5.4 billion over fiscal 1973—from $76.4 billion to $81.8 billion. This increase, the budget message tells us, is "primarily as the result of an additional $4.1 billion required to maintain military and civilian pay levels comparable to those in the private sector, to raise pay and benefit levels sufficient to achieve an all-volunteer force, to meet normal price increases, and to pay for higher military retirement annuities." The detailed manpower cost explanations are more revealing:

The proportion of the defense budget devoted to manpower costs in all-volunteer force fiscal 1974 will be 56 per cent; in fiscal 1968, the proportion for the combined draft and volunteer force was 42 per cent.

In 1968 manpower costs were $32.6 billion: in 1974 they will be $43.9 billion.

In 1968 the end strength of the armed forces was 3,547,000 men and women; in 1974 it will be 2,233,000.

Thus we will pay an additional $12.3 billion for a military manpower force reduced by 1,314,000 men and women. Put another way, an all-volunteer force 37 per cent smaller than a combined volunteer and draft force will cost over 30 per cent more. True, some of the $12.3 billion will go to higher retirement pay in line with new pay levels needed to attract the volunteers.

Thus even with a generous allotment for inflation, the nation will be spending some $6 billion more in fiscal 1974 for only two-thirds of the number of soldiers, sailors, marines and airmen that it had on active duty in 1968.

By design and incentive an all-volunteer army is structured to bring into the armed forces the poor and near poor and to free of even the danger of military service the middle- and upper-middle-class young. The draft never achieved perfect egalitarianism in distributing the burdens of military service, but at least it made the attempt. The all-volunteer concept—and the investment of billions to make it a reality—is consistent with the overall thrust of the administration's budget for fiscal 1974: a budget designed to appeal to the more affluent majority.

It is appalling that so many antiwar congressmen have climbed and stayed on the volunteer army bandwagon. Many have done so because of their revulsion at the Vietnam war and because they can rationalize the concept as providing that only those who "volunteer" will have to go to war.

This is a gross misreading of one of the central historical lessons of the war in Southeast Asia. What turned this nation around on Vietnam was not demonstrations in the street nor the demagogic rhetoric of Dellinger, Hayden and Spock. It was, in quite readable political terms to the Presidents who agonized over Vietnam, the realization that the vast middle class of America would not permit *their* sons to die in a war which they considered meaningless.

MARY CLARK RETIRES AS WELLESLEY TOWN CLERK

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, my hometown of Wellesley, Mass., has been extremely fortunate for the past 20 years to have had as its town clerk, Mrs. Mary C. Clark. Mrs. Clark retired from her office this month, and she will be sorely missed. Mary is a longtime friend of mine and well known to thousands of Wellesley residents. She is warm, understanding and thoughtful, and during her two decades as town clerk, she demonstrated an unqualified loyalty to the town. Her competence and integrity have been a constant source of pride to all the people of Wellesley.

Mary has seen great changes in the last 20 years—particularly in election laws. In an article by Nona Dearth in the Quincy Patriot Ledger of January 20, 1973, Mary Clark says:

The changes have created a greater workload but it's worth it—They lead to a fairer and more closely knit government.

We are greatly in need of dedicated public officials, and Mary Clark's career should serve as a model to those of us wishing to perfect the democratic process at all levels of Government. Mary has helped bring Government closer to the people. She will continue to live in Wellesley with her husband Kenneth now that she has retired, and we will all keep in touch with her.

Reprinted below is the Patriot Ledger article:

PROFILE: WELLESLEY'S MARY C. CLARK—20 YEARS AS TOWN CLERK

(By Nona Dearth)

WELLESLEY.—Probably the most respected person in the public eye in Wellesley is Town Clerk Mrs. Mary C. Clark. Her words carry weight, her opinions receive close attention.

A quiet spoken, reserved woman who prefers to remain inconspicuous, she has achieved her position of rare respect through her dedication to the town and her office.

When she retires a week after the election in March, she will have served Wellesley in the town clerk's office for 26 years—six years as assistant to the town clerk and the last 20 years as town clerk. It is obvious that she will miss the town hall at least as much as the town hall will miss her.

TIME TO CATCH UP

"But it is time I get caught up with my family and friends," she says.

Though she has watched the growth of the town since she was a little girl, she still finds it essentially the same friendly, lovely, intellectually stimulating community that it was when she was growing up.

She speaks fondly of the college atmosphere, the shopping facilities, the still gracious residential aspects of the town.

Born in South Natick, her family moved to Wellesley when she was just a few months old. She attended the Wellesley schools and went on for further studies in the liberal arts at the Boston Evening School.

Her devotion to the liberal arts is still a central interest in her life. Art and antiques are her consuming hobbies. She is an expert on the history of art.

"I enjoy the French painters of the 19th century, and I am especially interested in colonial American antiques," she says.

GOVERNMENT FIRST

But, obviously, her major interest for many years has been town government.

When she was still a young girl, she would attend town meetings with her father, James P. Keating, one of Wellesley's early businessmen who started his interior decorating and upholstering firm in 1899.

There were open town meetings then, upstairs in the town hall. The concern of residents, the give and take of discussion and the intricacies of town government held a fascination for the young Mary Keating that has not diminished.

When she decided to go to work, it was natural that she should gravitate to the town hall. She served as an assistant to Town Clerk John T. Ryan for six years, and when he died, she was appointed to fill the vacancy. She ran for the office the following March, won the election and has been re-elected for the past 20 years.

ELECTION LAWS CHANGED

She notes that the greatest change while she has held office has been in the election laws, changes she actively worked for. It pleases her that new residents in the state can now vote without a lengthy resident requirement. And she is especially pleased about the increase in absentee voting.

"The changes have created a greater workload but it's worth it," she comments. "They lead to a fairer and more closely knit government."

An active member of the International Institute of Municipal Clerks for 18 years, she has served on its advisory board and on its membership committee. She has also been secretary of the Massachusetts Town Clerks Association and served on the association's legislative committee.

SPACE NEEDED

For the past two years she has been putting the town's registered voters list on IBM equipment, a task that will be completed by the end of this year.

"That will be a real time-saver, helping to lighten the workload," Mrs. Clark remarks.

Asked if there are any changes she would like to see in her office, the answer is immediate.

"We need more space."

Twenty years ago there were three people working in the office. Today there are five, plus a part time worker—as well as reams upon reams of town records.

And what changes of significance would she like to see in the town government?

"That is a hard one to answer," she says, and pauses reflectively. "I feel Wellesley is well governed. There are very good people serving on town boards and committees. We are very fortunate."

However, she comments, with feeling, what she would not like to see—the town go to a town manager form of government.

"TOO MUCH POWER"

"It is too much power to give a man who is not elected," she states firmly.

Though she describes her job as "full time plus," Mrs. Clark makes it clear that she has not been chained to her desk.

"I have raised a son," she says with a twinkle, "and I am a past president of the Quota Club, for professional and business women, and years ago I was president of the St. Paul's Book Club."

Her son, Ralph Ditano, lives in Washington, D.C. where he works for the National Air Carriers Association. She remarried four years ago, becoming the wife of Kenneth F. Clark, a plant superintendent.

Even though she has enjoyed her years in office, Mrs. Clark is looking forward to more relaxed years. There will be more time to devote to art and antiquing. There will be more time for travel. She has traveled extensively in the United States and has made five trips to Mexico but there are always new places to see.

ENJOYING THE TOWN

And there will be the real pleasure of just enjoying the town she loves—seeing her friends more often, shopping leisurely in the stores she has frequented all her life.

"I do all my shopping in Wellesley," she admits. "It is so friendly and personal. I have known the managers for years, and everything is available."

It is all part of the special aura that is Wellesley. Mrs. Clark believes there are three reasons in particular that have made it possible for Wellesley to maintain its aura even though the population has grown considerably, from 20,876 in 1950 to more than 28,000 today.

"Wellesley has always enforced its very strict zoning laws, it is an educational and residential center and many residents are affluent. That combination produces the special quality of Wellesley," she says.

It is an atmosphere in which one can go willingly into retirement. Mary Clark is looking forward to it.

WELFARE SCANDAL II

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, every day the Congress delays in enacting welfare reform legislation is another day marked by fraud, waste, and mismanagement of a totally ineffective system of public welfare. A series of articles by two investigative reporters of the Milwaukee Sentinel exposes the waste of an estimated 20 percent of the funds allocated for public welfare in Milwaukee County. Our system is unfair to the honest and needy recipients. It is unfair to the hard-pressed taxpayer. The only gainers in this system are the welfare cheats and the gold-bricking caseworkers who are exploiting a rotten system.

I call the Members' attention to this second installment by Stuart Wilk, one of the two reporters, in which he describes his application for welfare using an assumed name and identification. Within a 20-day period of his application, Mr. Wilk had fraudulently obtained $145.20 from the Milwaukee County Welfare Department. All of the vouchers, checks, and other benefits Mr. Wilk received were returned upon publication of the exposé.

The article follows:

YOU CAN WALK RIGHT IN

(By Stuart Wilk)

It's true that you can simply walk in off the street and get on welfare in Milwaukee County.

I did it.

Within a 20 day period, the Milwaukee County Welfare Department gave me a series of vouchers, checks and bus tickets worth $145.20.

[All vouchers, checks and bus tickets issued to the reporter are being returned by The Milwaukee Sentinel to the Milwaukee County Welfare Department. This project cost the county nothing.]

All it took was patience. The wheels of the county's largest agency turn slowly as they convey clients from section to section and from case aide to case aide.

But basically getting on welfare is as easy as filling out a form and waiting for it to be processed.

Virtually everything on the form that I filled out was untrue. If the department had attempted to verify the "facts" on the application, it would have discovered that I had submitted a false application and was ineligible for general relief.

My experience with the department confirms what many people have believed for years.

Some persons receiving welfare assistance in Milwaukee County are ineligible.

The way the department claims it operates and the way it actually operates are two different things.

Going through the department's intake process can be agonizing and frustrating.

The first step for a single male to get on welfare is to visit the Wisconsin State Employment Service so the department is satisfied that the applicant has made an effort to find a job.

The "effort" turned out to be minimal, merely filling out a form and going through a perfunctory interview with an employment counselor.

My interview took place the afternoon of Jan. 15.

I used a borrowed Social Security card for identification at the employment service and registered under the name on the card.

I later used the Social Security card as my sole identification at the welfare department.

The card states: "For Social Security and tax purposes—not for identification."

Several days earlier I had rented a sleeping room at a rooming house at 1435 W. Kilbourn Ave. I used the Kilbourn Ave. address as my home address.

I never lived at the rooming house, although I showed up several times a week to chat with the landlord.

After going to the employment service, I went to the welfare department to get an application for general relief. I was given a declaration form and was told to return with the completed form before 8 a.m. the next day.

AREA CROWDED

I went back on Jan. 16. I stood in line to drop off my application and was then told to wait for my name to be called.

The waiting area was overflowing with applicants and other persons in various stages of the intake process. There were about 300 of us in all.

The lucky ones found seats. Others—some with infants in their arms—stood, sat on the floor or leaned against walls in various hallways.

Potential clients are given no indication how long they will wait before a case aide sees them. It is usually an eight hour process and applicants often have to come back two or three times.

Most applicants are afraid to go out to eat lunch or even to the rest room for fear that they will miss their call.

CARD SHOWN

The first case aide I saw read through my application and asked for "any kind of identification." She said it didn't matter what kind.

I showed her the borrowed Social Security card.

[This procedure did not jibe with what The Sentinel was later told by Frank Pokorny, financial assistance supervisor and head of the intake division

["From everyone who walks in I have to have a driver's license and Social Security

card. We require identification" for all categories of aid, Pokorny said.

[He added that "anybody coming in the front door better be who they (say they) are."]

After the interview, the aide said my name would be called again later in the day.

It was called again—10 minutes before the department closed at 4:30 p.m.

I was told by a different case aide that my file had not arrived from Record Control but that I could get a voucher for a meal. The voucher—for $2.17—was redeemable at various Milwaukee County restaurants.

I was told to return at 9 a.m. the next day.

I went back on Jan. 17 and waited for my name to be called. It wasn't.

After an hour and a half I walked into the case aide's office.

She was involved in paper work.

"I haven't left my desk yet," she said, adding that my file still had not come back from Record Control.

I asked how often records were delayed.

"Oh, it happens from time to time," said the aide.

I asked if it was possible that the record was sent to the wrong worker.

"Oh, I suppose it's possible," she said. "It's not supposed to happen but it happens. A lot of things happen around here that aren't supposed to happen."

STILL WAITING

At 1 p.m. I was still waiting.

The case aide said I could "take my chances" and continue to wait or that I could return the next day.

I said I'd come back later in the afternoon and asked for a voucher for a razor and soap. She issued a voucher for $1.95 for personal use.

Then she returned to her paper work.

I went back later that day, directly to the case aide's office. She said the file had arrived from Record Control, but that, since I had registered as a nonresident, I had been transferred to another case aide.

[A nonresident is one who has not lived continuously in the state of Wisconsin for a year. If one has lived here for a year but was on welfare during that time—or the state was in some other way supporting him—he would still be considered a nonresident.]

AFFIDAVIT SOUGHT

I was told to wait and that my name would be called by the other case aide.

Later in the afternoon, the other aide called me and said I should come back on Jan. 19 to fill out an affidavit listing my addresses since 1968 and my last two employers.

She asked the name of my landlord so that arrangements could be made for the department to pay my rent. I was given a voucher for $17.36 for eight days of meals and a slip for four bus tickets, which can be used for adult fares on Transport Co. buses.

When I returned on Jan. 19 I supplied the needed information for the affidavit and signed it.

Except for the Kilbourn Ave. address, none of the information I gave the department was true.

I made up past employers, former addresses, the names of schools.

INFORMATION RECEIVED

I was told by the case aide that my first grant would arrive at my home on Jan. 25. I asked for a clothing allowance and was told to come back on Feb. 1 to get a clothing voucher.

I was given a slip for four more bus tickets and also was given a photo ID card.

At this point I was officially on the Milwaukee County welfare rolls.

[According to Pokorny, however, all general relief applicants must see a counselor on the county's Work Experience and Training Program before receiving a welfare grant.

["I don't give them a sou—not one penny" until they do, Pokorny said.

[In most general relief cases, Pokorny said, a single male will be working within one or two days.

[Asked if this was in theory more than in practice, he responded, "Hell, no! It's in operation!"]

AIDE ARRIVED

I went to my rented room at 8 a.m. Jan. 25 to wait for the case aide to deliver my welfare grant.

Early in the afternoon, a case aide arrived—the fourth I had seen.

He asked my name and handed me two vouchers.

One was for food, to last from Jan. 23 until Feb. 20, made out for $56.42.

The other voucher was made out for $5 for personal use.

The aide asked me to sign a form for the request for clothing—socks, underwear and shirts. I signed the form and he left, less than a minute after his arrival.

On Feb. 1, I went back to the department for my clothing voucher. After I had waited several hours, my name was called by still another case aide, the fifth I had seen.

There had been some sort of "mixup," she told me, and it would be too late that day for the business office to prepare a clothing voucher.

She gave me a slip for four bus tickets and told me to return the next day.

When I went back Feb. 2, the clothing voucher was ready, made out for $12.30, redeemable only at Marcus Discount Store, 1730 W. North Ave.

"You have to go to Marcus Discount," the case aide said.

[But, according to Pokorny, "the worker doesn't specify the name of the store. . . . Usually it (the voucher) is undesignated."

[Sometimes the client will tell the worker that "he usually shops at a certain store so the voucher is made out to that store," Pokorny continued.

[Or, he said, the worker may "suggest" three or four stores if the client does not know where to shop.]

The case aide then gave me a slip for four more bus tickets and I left the department.

Later that day I checked with my landlord to see if he had received a rent check.

He had received a $42 check and had not cashed it. I bought the check back from him, explaining that I had found a job and would return the check to the department.

[The $42 was another apparent error on the part of the welfare department.

[According to Pokorny, the maximum rent allowance for a single male living in a sleeping room is $7 a week or $28 a month.

["That's absolute tops," said Pokorny, except in cases with "extenuating circumstances." In those cases, the additional rent would be cleared with Pokorny.

[But the case aide said the rent allowance would be $9 a week or 4.3 times $9 for a month.

[Even if that formula were correct, the proper amount of the check would have been $38.70 and not $42.]

For all I know, I'm still on welfare.

As of Feb. 2, I had received:

A $42 rent check.

$75.95 in meal vouchers.

$12.30 for a clothing voucher.

$6.95 in vouchers for personal use.

$8 worth of bus tickets.

Pokorny told The Sentinel:

"No one gets a penny unless he's eligible."

HOUSING MORATORIUM: REHABILITATION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Ms. ABZUG. Mr. Speaker, one of the housing programs affected by the administration's illegal and unconstitutional moratorium on Federal housing assistance in rehabilitation.

A picture of what this means in my home city of New York appeared in yesterday's New York Times, and I would like to share it with each of my colleagues.

This is what the Nixon program means down at the grassroots. We are not dealing here with abstract figures, but with attempts to provide decent homes for working people and their families.

The article follows:

U.S. FREEZE CURBS REHABILITATION PLAN

(By Robert E. Tomasson)

The efforts of some banks in the city to salvage their mortgages on financially troubled apartment buildings through rehabilitation and resale have been undercut by the Federal moratorium on housing subsidies.

More than two months after the Nixon Administration announced the subsidy moratorium, bank officials say they see no other alternative at present to the abandonment of several rehabilitation projects in the Bronx, upper Manhattan and Brooklyn.

"What you will see now is just more abandoned buildings, more foreclosures and vandalism in many of these neighborhoods," said George A. Mooney, president of the Washington Heights Federal Savings and Loan Association.

However, John B. Maylott, the area director for the United States Department of Housing and Urban Development, indicated that some of the buildings slated for rehabilitation may be granted special exceptions from the subsidy moratorium.

The subsidy program has provided the banks with an opportunity to recover millions of dollars on foreclosed mortgages and it has engendered extensive modernization projects. In the longer range, it has worked to stabilize some neighborhoods, a trend that helped protect mortgages on other buildings that seemed headed toward abandonment by their owners.

The experience of the Washington Heights institution illustrates what has been done. Starting some three years ago, the association acquired 28 apartment buildings in the Mott Haven section of the South Bronx—four of them through foreclosures and 10 when the owners simply turned back the mortgages after giving up on payments.

The remaining 14 buildings, several of them adjacent to the original properties, were purchased from private owners who were apparently on the verge of abandonment or from banks that had foreclosed on the structures.

The buildings, which contain about 1,000 apartments, are around St. Mary's Park, near the Bruckner Expressway and the approach to the Triborough Bridge. While all were classified as structurally sound, the five-story and six-story walk-ups were gradually sinking into disrepair, tenant abandonment and vandalism. Demolition of physically sound housing is often the end result of this process.

The mortgages on the four foreclosed and 10 abandoned buildings totaled about $1.5 million, a sum that the bank apparently had little prospect of recovering. The 14 other structures were purchased outright for a total of $700,000.

Today, the 28 buildings, known as the José de Diego-Beekman project, have been transformed into sparkling new apartment houses in which monthly rents average less than $38 a room.

Many of the entranceways into the original structures have been bricked over and common lobbies have been created for clusters of four or six buildings. The plumbing, wiring and heating systems have been replaced. Elevators and trash compacters have been installed.

Diego-Beekman, which opened almost two years ago, is the largest renovation carried out under Project Rehab, a program begun less than three years ago by HUD to help upgrade poor areas in 10 cities.

During its brief life, Project Rehab has completed, begun or committed funds for the rehabilitation of 75 buildings containing almost 2,000 apartments. Seven other Bronx buildings containing 148 units are still being considered for funding and may be approved for the program, according to HUD officials.

But for 63 Bronx buildings with 1,852 units, three buildings in Brooklyn with 107 units and 28 in Manhattan with 711 apartments, the subsidy moratorium apparently marks the end of hope for rehabilitation. Without Federal subsidies, rents in the renovated buildings would be too high to make renting possible.

Renting was possible in the Mott Haven project only after a complex series of financial arrangements had been completed. When it has assembled the 28 buildings, Washington Heights Savings and Loan sold them to the Continental Wingate Company, Inc., of Boston for $2.3-million, enough to cover its $1.5-million mortgages and the $700,000 it spent buying the 14 buildings on which it had not held mortgages.

"We simply don't have the people to process a complex deal like this," said Richard H. Grant, a senior vice president of the association.

Continental Wingate, a private development company that specializes in the rehabilitation of urban housing, was formed in 1966 by A Carleton Dukes, a lawyer with extensive real estate experience. The company has been active in Boston, Detroit, St. Louis and Buffalo under a variety of Federal subsidy programs. The Federal moratorium has come as a blow to Continental Wingate.

"Instead of gut rehabilitation, we will now have to look more at other programs, such as the Mitchell-Lama programs, and plans for moderate rehabilitation," Mr. Dukess said.

In Mott Haven, the largest rehabilitation project in the country, Continental Wingate had to coordinate the efforts of private lenders and city and Federal agencies.

It applied for and received a total abatement of city real-estate taxes for 40 years. The abatement will have little financial impact for the city because the original properties had produced only minimal taxes.

Continental Wingate then recruited 30 private investors—individuals and companies—who pledged some $5-million. The investment provided them with accelerated depreciation, a "tax shelter," which is important to those in high tax brackets.

The city tax abatement and the participation of private investors were dependent upon the guarantee of the new mortgages by the Federal Housing Administration and upon approval for Project Rehab aid.

The Project Rehab subsidies, which total about $1-million a year for the Mott Haven buildings, reduce the effective interest rate from about 7 per cent to 1 per cent.

The new permanent mortgages for the buildings total $25-million. The 40-year loans were provided by The Federal National Mortgage Association, the Government National Mortgage Association and a group of private investors.

While officials at Washington Heights Savings and Loan are hesitant about discussing profit and loss figures, Mr. Grant, the association vice president, said that the institution had suffered "a paper loss" of about $500,000. It was, however, able to recover the $1.5-million outstanding on the original mortgage.

The bank had been prepared to proceed with the rehabilitation of 14 other buildings containing about 600 units. The buildings, on East 141st Street between Cypress and St. Ann's Avenues, are about 60 per cent vacant.

"We assume this project is dead unless something happens," said Mr. Mooney, president of the bank.

Mr. Maylott, the HUD official who suggested the possibility of special exceptions to the subsidy moratorium, said:

"If any of these projects go ahead, it will be those connected with other Federal programs, such as Model Cities."

Both the completed Mott Haven project and the pending 600-unit program are in the Bronx Model Cities area, he noted.

North of the Mott Haven project—and outside the Model Cities area—nine buildings in the Morrisania section are being rehabilitated in a similar effort.

The structures, which were assembled by the Woodside Savings and Loan Association in Queens, are in the area bounded by 165th and 169th Streets and by the Grand Concourse and Webster Avenue.

Work on the nine buildings is nearly finished, but the Federal moratorium has thrown into doubt the next step of the program, in which 20 more structures would have been renovated.

"I just can't believe the subsidy program will stay frozen," said David Walentas, a partner in Two Trees, the development company on the Morrisania project. "If it does and nothing replaces it, it will mean there will be no more 'rehabs.' "

Alexander Frank, the president of Woodside Savings and Loan, said: "We are in some delicate talks with Federal officials and have not given up yet."

GOVERNOR ROCKEFELLER DESIGNATES APRIL AS CANCER CONTROL MONTH

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. KEMP. Mr. Speaker, over 16 percent of all deaths in the United States are caused by cancer. This dread disease now ranks second on the list of the Nation's greatest killers.

Gov. Nelson A. Rockefeller of my State of New York has issued a proclamation making April 1973 Cancer Control Month. In his proclamation, the Governor points out New York State's long commitment to the conquest of cancer and the part that the American Cancer Society and the world-renowned Roswell Park Memorial Institute play in the war against cancer in New York State.

Although the institute is not in my district, many of my constituents owe a debt of everlasting gratitude to Roswell Park and its director, Dr. Gerald P. Murphy, for their outstanding programs in cancer research, education, and service to cancer patients. Nobel prizewinners, Drs. Carl and Gerty Cori did some of their early work on carbohydrate metabolism there.

It has been estimated that many thousands of persons needlessly die of cancer because they neglect the warning signs of this dread disease. Governor Rockefeller is to be commended both for his long commitment to finding a cure for cancer and for setting aside the month of April as Cancer Control Month. The Governor honors those involved in the battle against cancer and urges that every citizen learn the potentially life-saving cancer danger signs.

Mr. Speaker, I include at this time for the RECORD Governor Rockefeller's proclamation concerning Cancer Control Month:

PROCLAMATION

Cancer is one of mankind's most vicious scourges. It strikes, in its many forms, both young and old. Currently, it ranks as the second leading killer disease in New York State.

New York State has long been committed to an unrelenting campaign to vanquish this destroyer. One of the primary weapons employed by the state is its world-renowned Roswell Park Memorial Institute, the State Health Department cancer research and treatment center at Buffalo. The Institute and its staff of 2,000 dedicated professionals have been responsible for numerous scientific breakthroughs.

The Institute, employing the latest surgical and technological advances, provides treatment in its 313-bed hospital to more than 4,000 cancer sufferers and outpatient services to an estimated 75,000 people each year. Its director, Dr. Gerald P. Murphy, is a member of the National Cancer Board and chairman of the National Prostate Cancer Task Force.

The American Cancer Society is playing a significant part in the war against cancer in New York State. In addition to numerous educational programs aimed at alerting the public to cancer's seven warning signals, the Society provides invaluable rehabilitative services to cancer patients and the financial support so crucial to the work of researchers and clinicians.

This fine organization deserves the support of every New York State citizen.

Now, therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim the month of April, 1973, as

CANCER CONTROL MONTH

in New YorkState.

Given under my hand and the Privy Seal of the State at the Capitol in the City of Albany this seventh day of March in the year of our Lord one thousand nine hundred and seventy-three.

NELSON A. ROCKEFELLER,
Governor.

KOREA GETS MUCH DESERVED CREDIT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. DERWINSKI. Mr. Speaker, too often in the United States, public opinion tends to rush from headline to headline and the friendship of trustworthy allies is too often taken for granted.

Therefore, I am especially pleased to direct the attention of the Members to an editorial by the distinguished international correspondent of the Copley Press, Dumitru Danielopol, which appeared in the Aurora, Ill. Beacon-News of March 8, 1973, which I believe is a very factual commentary on the Republic of South Korea.

The article follows:

KOREA GETS MUCH DESERVED CREDIT

(By Dumitru Danielopol)

WASHINGTON.—House Minority leader Gerald Ford of Michigan took time out the other day to pay a much deserved tribute to the Republican of South Korea.

Too often, it has been stylish—and disturbing—for Washington figures to minimize the sacrifices of allies, like South Vietnam, South Korea, Greece, Portugal, Spain etc. Listening to some, one would think they were enemies, not friends.

"I take this occasion, to pay tribute to the South Koreans, a gallant people who stuck by us to the very end in the Vietnam conflict," Ford said.

He reminded the House of the vital role they played throughout the war, keeping two divisions, 40,000 men in Vietnam.

"No nation could have had a more capable and willingly ally," he said.

It was high time we gave credit to the Koreans. They fought side by side with the American GIs and the South Vietnamese since October 1965 in a war which was not their own and in a country which was as alien to them as to the Americans.

But the Koreans had one thing in common with their Vietnamese allies: they knew what communism was like. They had first hand experience when Communist armies overran most of their country early in the Korean War.

The Korean contribution in the Vietnam war involved a total of 310,000 men who took part in the fighting. At one time 50,000 Koreans were in action.

It was the first time in the history of Korea that its fighting men went to a foreign war. Their job was to pacify the heavily populated coastal plains. Between Nha Trang and Quang Ngai centering in Binh Dinh province—some 5 per cent of the South Vietnam land space.

Their performance, as might be expected, got no favorable press from Communist or leftist-liberal newsmen.

The Koreans were accused of "paying off" the United States for its military aid. That is so much nonsense. Their troops fought valiantly and bravely under tough circumstances. Some 3,700 were killed (about 10 per cent of the U.S. casualties) and another 8,300 were wounded in battle.

Another accusation brought against the South Korean troops was that they used terror against the South Vietnamese civilian population. The charges were never documented or substantiated, despite thorough investigation by joint American and South Vietnamese missions.

"The Viet Cong don't wear uniforms," one Korean veteran told this correspondent. "When they shoot at you and you shoot back, you are accused of shooting a civilian. That's the vicious nature of a guerrilla war."

During their stay in South Vietnam, the Koreans protected and helped some 4.5 million South Vietnamese. They built 1,755 homes, 357 classrooms, 245 miles of highway. They taught the art of self-defense—the Korean version of Karate—to nearly a quarter million South Vietnamese.

They supplied some $71 million in Korean products.

"If there have been minor incidents, these must be expected in time of war," said a South Vietnamese official.

Even the critical, liberal Manchester Guardian of Britain concedes that "the Koreans are now going home to a hero's welcome."

"They were assigned some of the most difficult territory to control . . . they fought tenaciously and bravely. . . ."

POLITICAL SOLUTIONS PRODUCE REVERSE ECONOMICS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. RARICK. Mr. Speaker, as public attention is being mobilized into opposition to high food prices and energy shortages, many people are irrationally looking for political solutions, to economic questions.

Economists tell us that price is dependent upon supply and demand. If money is diverted through nonproduction into the marketplace, prices must rise. If production does not keep pace with supply, needs and demands, prices must rise. Supply and demand are further upset by well meaning "easy solutions" and government influences which threaten a natural condition.

Supply is dependent upon production. To gain more production people must work and capital must be attracted to increase output by the expectation of profit. The greater the incentive, the quicker production is increased and once supply meets demand prices level off or drop.

Another alternative is to reduce the demand by voluntary restraints and selective buying. But, the powers that exert the pressures of public opinion in our country seek not to solve the problem—not to encourage production, but to stagnate the short supply by imports and threats of price controls.

Reverse economics can only continue to turn our market prices upward and the accepted standards of living that we have achieved, upside down.

Again, we are watching the comforts and pleasures achieved by our free enterprise system being used as a political promise to destroy our system and change our country. There is nothing wrong with our system. The problem is that our system is not permitted to work by those who think a larger dose of socialism will improve on a little socialism.

I insert the related newsclippings, as follows:

[From the Evening Star and Daily News, March 23, 1973]

FARM PLANS DIM HOPE FOR MEAT PRICE CUTS

CHICAGO.—Midwestern cattle and hog raisers say they plan only modest expansions of their herds this spring, indicating that supplies of meat will be only slightly larger by fall and that retail meat prices will be little changed from today's record levels.

Their announced intentions contrast with Nixon administration promises of lower wholesale food prices in the second half of the year that might check the rising cost of supermarket beef and pork.

On the other hand Herbert Stein, chairman of the Council of Economic advisers, said yesterday consumer boycotts appear to be slowing down the rise in wholesale meat prices.

In a news conference reviewing economic developments so far this year, Stein said that part of the slowing down might be due to an increased number of cattle going to market. But he added that consumers may be making their mark too.

PASSING DOWN PRICES

"So the boycott or consumer resistance, which doesn't necessarily take the form of parades, seems to be having an effect," Stein said.

[Meanwhile, the Cost of Living Council announced yesterday that it will require meat processors, both smaller firms as well as the 21 largest meat packers already supervised by the council, to pass on to retailers any decreases in livestock prices.

The council, noting that such a requirement had not been effectively enforced in the past, warned it was going to crack down.

In a related development, the United Auto Workers said it would spearhead a nationwide meat boycott the first week in April to protest the "serious drain on the average American's take-home pay."

"It should be perfectly clear that in Phase 3 as in Phases 1 and 2, the average American family remains the chief victim of the administration's economic policies," said a resolution adopted by 3,000 delegates to the union's special collective bargaining convention, in Detroit.

Grain farmers in the Midwest, following new Agriculture Department urgings and policies, say they intended to plant a lot more soybeans and a little more wheat and corn this spring. This would insure a decline in feed grain prices after the fall harvest.

But this would be meaningless to consumers before the following spring unless there is an unforeseen surge in the number of hogs and beef cattle that farmers begin fattening now to market late this year and early in 1974.

To the great surprise of agricultural forecasters, Mid-western ranchers indicated this week that they are not rushing in to take advantage of today's record high live cattle and hog prices by increasing their herds.

Were they doing so, consumers could expect substantially lower pork and beef prices by Christmas, when this increased supply would pull ahead of consumer demand.

But the indicators farm economists have used in the past to forecast price trends were not working today, and the economists were at a loss to explain why farmers were not being encouraged by high market prices to expand meat production faster.

CONFIDENCE PUZZLING

They were equally puzzled by the Nixon administration's earlier confidence that meat prices would level off and perhaps decline by winter.

Despite a full year of increasingly profitable hog prices, there are only 2 percent more hogs on farms today in the Midwest than there were last year at this time. Hog raisers say they expect to increase their baby pigs by 5 percent in the March-May quarter and by only 4 percent in the June-August quarter.

But with exports to Japan expected to rise and American demand continuing, the economists expect only a slight decrease in wholesale prices that could be passed on to consumers.

The cattle report shows an increase of only 8 percent in the number of animals now on feed, fattening for market. But forecasters are predicting an increase in per capita consumption of beef that would largely offset this rise in supply.

Ranchers specializing in fattening hogs or beef cattle are already operating near the limits of their capacity and cannot put a great many more animals on feed, observers argue.

[From the Washington Post, March 24, 1973]

OIL IMPORT QUOTA CUT SECOND TIME

(By Thomas O'Toole)

Amid growing signs of an impending gasoline shortage, President Nixon for the second time this year relaxed the restrictions on oil imports into the United States.

The President yesterday issued an order from the Florida White House in Key Biscayne abolishing the limits placed on independent oil distributors that allows them to import no more than 60,000 barrels of oil a day.

The chairman of the White House Oil Policy Committee "has found that the national security will not be adversely affected." President Nixon said in a prepared statement. "I agree with his findings and recommendations."

The President's move comes at a time when the Interior Department is deluged with a record 220 petitions for oil import tickets from independent distributors, all pleading hardship. The petitions request imports of more than one million barrels of oil per day.

Under the current oil import policy, U.S. refiners are allowed to bring in 2.7 million barrels of foreign oil a day. The Oil Import Appeals Board is allotted another 60,000 barrels of oil per day for hardship cases, which are almost always small independents who normally get their oil from the large companies.

President Nixon's action yesterday does not affect the 2.7 million barrels a day allotted to the large refiners. What it does is abolish the 60,000-barrel-a-day limit for the hardship cases, in effect taking some of the pressure off the big refiners and putting more oil into the hands of the small independent who say they are unable to get crude oil to refine.

Yesterday's action marked the second time this year that President Nixon has moved to ease the fuel shortage in the United States by easing restrictions on oil imports. The first time was in January when he raised the import quota to its present 2.7 million-barrel-a-day level.

The White House move comes at a time when warnings of a gasoline shortage are cropping up around the country. The White House Office of Emergency Preparedness called on refiners to increase their gasoline output, declaring that oil companies are not producing enough to avoid shortages.

Earlier this year, the industry was jawboned into producing more heating oils and diesel fuels because of shortages of those two distillates. Typically, refineries produce heating oils before the winter season begins and gasoline before the spring motor season arrives.

OEP Acting Director Darrell Trent said gasoline production for the past five weeks averaged 42.5 million barrels per week, only one million barrels more than output during the same period a year ago.

"This increase is not enough to meet the need," Trent said, urging the industry to "immediately increase production of gasoline, both by operating refineries at near to capacity levels and by devoting a larger share of their yield to this product."

The shortage was already a reality to at least two distributors, one in New England and the other in the Middle West. One firm that sells gasoline to 13 service stations around Norwalk, Conn., said it had only one week's supply on hand. Another firm that operates a chain of 25 service stations around Minneapolis-St. Paul, reported it had to close all but six of them because it couldn't get any gasoline.

In Atlanta, the Gulf Oil Corp. told the city of Atlanta that it could not supply diesel oil for the city's buses past April 30. Gulf said its contract commitments will leave it so short of diesel fuel at that time that it will be unable to supply fuel to Atlanta, with which it has a verbal contract for five million gallons of oil a year.

[From the Washington Post, Mar. 24, 1973]

SOVIETS MAY JOIN U.S. ICE PROBE; DRILLING FINDS ANTARCTIC FREEZE ERA

The National Science Foundation said yesterday that the Soviet Union was considering favorably joining America's deep sea drilling project and contributing $1 million yearly.

If Russia joins, its contribution would cover about one-tenth the project cost.

The announcement followed by one day the announcement in New York that the project's drill ship, the Glomar Challenge, arrived in Christchurch, New Zealand, with discoveries about the Antarctic.

The expedition found evidence that the antarctic has been frozen at least 20 million years and that the Australian continent broke away from it 50 million years ago.

The frozen period is three to five terms longer than had been believed, Dennis E. Hayes of Columbia University and Lawrence A. Frakes of Florida State University said. They were co-chiefs aboard the 400-foot ship.

Core samples taken by drilling into the ice confirmed the theory that Australia was part of the Antarctic until about 50 million years ago. Drilling samples also found traces of natural gas on the sea bottom.

LICENSE TO KILL

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HOGAN. Mr. Speaker, I would like to call the attention of my colleagues to a recent article by Dr. Herbert Ratner, editor of Child and Family Quarterly, on the subject of abortion:

LICENSE TO KILL

It's kind of ironic that now that we've ended the killing in Vietnam, we have given the approval to killing right within our Country on a much larger scale. What I think is similar in both killings is that what makes the killing easy is you're not looking into the eyes of your victim, whether you're dropping a bomb from 30,000 feet or whether you're killing in the darkness of the womb.

Everybody recognizes that abortion involves killing and that this means the physicians of the Country will now be doing more killing than curing. It is a sad commentary on American medicine and forebodding or the future once we get started on his path. The original reason for the establishment of the learned profession of medicine was to distinguish real doctors from the sorcerers and witchdoctors who both killed and cured, and there was a basic need for society to make certain their healers weren't killers.

It's very distressing to see a decision, an opinion rendered which is based on data that is factually wrong. From this point of view, I think the justices were propagandized, either personally or by the mass media. As an example, over fifty percent of the women now getting abortions consist of young White women of college age. Contrary to Justice Blackmun's statement, abortion is much more dangerous than normal childbirth for this group both in respect to death and to the complications of abortion—which are very serious like perforation of the uterus, sterility, infection—than normal childbirth.

In claiming that they cannot determine when human life begins because there is disagreement among scientists is like saying the Blacks and Orientals aren't human beings because in terms of prejudices, this is what some people are still saying. What Justice Blackmun is saying is that if some people decide to call a fish a bird or a man a monkey, for whatever propaganda reason, that just because some people say it, we no longer know the difference between man and monkey. But contrary to Justice Blackmun and his colleagues, all the scientific evidence is in on who is a human being and the answer to what a fetus is can be as clear to the justices as it is to a Montessori pre-school child.

Though I haven't seen the final text, it has been stated that the majority opinion has dismissed the Hippocratic Oath because one scholar has presented as an hypothesis—a tenuous one at that—that the Hippocratic Oath was written by a small religious group of Greeks in the fifth century B.C. who weren't representative of all of the thinkers of the time. What is completely ignored is that the Hippocratic Oath has been accepted and treasured by the profession of medicine for over 2,000 years, and following the Nazi holocaust, was reaffirmed by the World Medical Association in Geneva in 1947.

Certain historian alleged that the German Catholic Bishops and in particular, Pope Pius XII, were guilty of not speaking up against the slaughter of the Jews. It is a similar situation now, in which the Bishops, along with men of other faiths and the general public, are convinced that people are being killed and they have spoken up against what they think is murder. In this case they are told, "Stop imposing your morality on others" The critics cannot have it both ways. They have urged the Bishops and leaders of all religious faiths to speak against the killing in Vietnam, but at the exact same time, on another kind of killing, they tell these religious leaders to keep their morality to themselves. What nonsense!

Personally, I am shaken at the superficiality of the thinking that has gone into what is clearly an opinion that doesn't rise above the utilitarian and the pragmatic. It is also shocking to think, and as the two dissenting justices have pointed out, that the Supreme Court of this Land has introduced this license to kill over the wishes of the public and the majority of legislatures of the Country.

When Supreme Court Justice Douglas wrote a majority opinion dealing with Mineral Springs Valley last Spring, he didn't hesitate to attribute, in the ecological context, personhood to a grove of trees whose preservation he was concerned with. It is clearly a sign of the anti-humanity of the times when the Supreme Court urges personhood for a grove of trees but not for the child in the womb.

MINNEAPOLIS' NICOLLET MALL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. FRASER. Mr. Speaker, these days when the suburban boom is threatening many downtown retail centers with extinction, downtown is still alive and well in Minneapolis.

A recent story in the New York Times tells how our city has pumped new life into its central shopping district through the use of an imaginative new pedestrian and transit way, the Nicollet Mall.

I want to take this opportunity to insert the New York Times story in the RECORD:

MALL FOCUS OF DOWNTOWN MINNEAPOLIS RISE

(By Robert A. Wright)

MINNEAPOLIS.—In winter, snow melts upon touching the heated pavement of the Nicollet Mall, the eight-block-long hub of the downtown shopping district, raising small clouds of steam. Even without this convenience, it is unlikely that shoppers here—inured to hard winters—would find weather an obstacle. But, increasingly, shoppers never have to go out of doors, proceeding from auto parking lots to stores, offices and hotels via a nework of second-story enclosed bridges.

This so-called skyway system, a kind of above-ground Rockefeller Center concourse, is the latest phase in a downtown revival here focused around the mall—the largest at its completion in mid-1968 and perhaps the most successful in the nation.

Delegations of concerned downtown merchants worried about the flight to the suburbs, including those involved with the proposed Madison Avenue Mall in New York, have beaten a path to the doors of the Minneapolis Downtown Council for advice.

The mall is pedestrian territory, the sidewalks having been extended into the former Nicollet Avenue, leaving just enough roadway to accommodate passing buses, which meander north and south along the gently curving street. Several plazas accommodate art, music and dance shows. One-way streets crossing the mall accommodate auto traffic and provide connections with suburban buses.

A minibus, serving just the mall area, carries some one million passengers a year. Passengers wait for their buses in heated shelters. Instead of the customary brilliance and obstruction of commercial signs, strollers along the mall encounter soft clusters of light, potted trees, flowers, sculpture and decorous fountains. Overhanging signs are prohibited.

Here are all of the city's major department stores—Dayton's, Donaldson's, J. C. Penney, Power's—and a wide variety of specialty shops, restaurants, hotels, banks and office buildings.

The mall cost $3.8-million to build all of it coming from assessments against property owners in the Nicollet Mallorea, except for $800,000 in Federal Government grants.

"We believe we're the biggest mall in the U.S.," say O. D Gay, executive vice president of the Downtown Council. "And we're by far the most successful. It's no trick to build a mall in Tampa or Laguna Beach. But we've done it in a cold climate."

Mr. Gay says he cannot calculate the amount of retail sales dollars that the mall has kept downtown and that might have been spent in suburban shopping centers, but, he points out, "there's not a vacant store on the mall."

"From the time the mall was planned to date I can trace over $250-million in new construction or rehabilitation on the mall or within one block of it," he said.

How has the mall affected stores in the vicinity? Apparently it has improved their business. Howard Parent, the store manager of Three Sisters, an apparel shop at the corner of 6th Street and Nicollet Avenue, who recently moved to Minneapolis from Cleveland, had this to say:

"My wife and I walked the length of the mall, a distance of 10 blocks, between 8 and 8:30 in the evening. What impressed us was all the window-shoppers.

"I don't have to tell you that window-shoppers are potential customers. In Cleveland you don't dare go downtown at night, but here there were people milling around, looking in windows.

"It has made a big improvement for the store," he said. "We use no newspaper ads, just window ads, and it has been very successful. Business has been on the upswing for the past two years. It must have something to do with the mall."

BLACKS AND THE ADMINISTRATION: ADDRESS BY VERNON E. JORDAN, JR.

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. YOUNG of Georgia, Mr. Speaker, on March 16 Vernon E. Jordan, Jr., executive director of the National Urban League, made a reasoned and perceptive analysis of the Nixon administration's policies and budget.

In an address to the National Press Club, Mr. Jordan cited the devastating impact the administration's proposals would have on minorities, poor whites, and the society as a whole.

Vernon Jordan and the National Urban League have earned the respect of rich and poor, black and white, because of a constructive, nonpolitical approach to solving urban problems. When Mr. Jordan speaks of the seriousness and urgency of matters before the Congress, Mr. Speaker, I think we should listen. The full text of his speech is as follows:

BLACKS AND THE NIXON ADMINISTRATION: THE NEXT 4 YEARS

In his Budget Message to the Congress, the President once again called for "a new American Revolution to return power to the people." But the Message itself, and the provisions of a federal budget that hacks away at social spending with ruthless intensity, can only be seen as the first shots of a *counter*-revolution designed to destroy the social reforms of the 1960s.

Indeed, the proposed budget is the blueprint for the conversion of a national policy of "benign neglect" into a policy of active hostility to the hopes, dreams and aspirations of black Americans.

I do not believe this policy is intentional, nor do I believe that it is the product of conscious, anti-black, anti-poor reasoning. Rather it is the by-product of a view of society and of the proper role of government that is incompatible with the implementation of the precious rights won by minorities in recent years. The yawning gap between the philosophy of decentralized government marked by a passive domestic role for the federal Administration, and the effects of such a system on poor people and minorities vividly illustrates how honorable intentions can have disastrous results.

I am reminded of the famous lines by T. S. Eliot: "Between the idea and the reality/Between the motion and the act/Falls the shadow." Today that shadow falls on black Americans, minorities, and on the overwhelming numbers of poor people who are white. It is they who are being asked to carry the burdens imposed by the impending massive federal withdrawal from moral and programmatic leadership in the domestic arena. The shadow that falls upon them is deep and its darkness spreads a blight across our land.

The Administration's domestic policy, as revealed in its budget proposals and in a flurry of public statements, encompasses on the one hand, sharp cuts in spending on social services, and on the other, a massive shift in resources and responsibility from Washington to local governments. These are the two prongs of a pincer movement that entraps millions of Americans.

A brief examination of just a few of the federal actions both proposed and already taken, are enough to indicate that urban America is well on the way to becoming a free fire zone doomed to destruction by the very forces it looks to for salvation.

In employment, the Emergency Act will be phased out, ending public service jobs for about 150,000 state and city employees, some forty percent of whom had been classified as disadvantaged. Job-creation and training programs already crippled by the refusal to spend appropriated funds, will be cut sharply. A wide variety of federally-backed summer and youth employment programs will be dropped, and special programs for high unemployment areas will be eliminated.

In housing, a freeze has been imposed on federally-subsidized housing affecting hundreds of thousands of low-income families and robbing construction workers of jobs.

In education, federal programs to provide compensatory educational services to disadvantaged children, and important vocational education programs will be dismantled, while day care student loans, special school milk programs and aid to libraries will be eliminated or reduced to a small fraction of their former size.

In health, 23 million aged and handicapped people will have an extra billion dollars torn from them in higher Medicare charges and lessened coverage, while funds for the successful community mental health centers and for new hospitals will be eliminated.

In addition to this listing of horror stories, there are further atrocities—the dismantling of the Office of Economic Opportunity and abolition of its over 900 community action programs; the end of the Model Cities program, and the effective end of urban renewal and a host of other federal programs of community development.

A number of arguments have been advanced to justify the far-reaching changes the new American counter-revolution seeks to establish. Taken together, they recall Horace Walpole's comment about the world: that it "is a comedy to those that think, a tragedy to those that feel."

It is said, for example, that the budget cuts are necessary to avoid new taxes and to control inflation. This neatly avoids mention of the imposition of a sharply increased social security payroll tax that falls disproportionately on the same low-income families that will be hurt most by social service cutbacks. I accept the need for a ceiling on federal expenditures, but I cannot accept the faulty priorities that raise military expenditures by just under five billion dollars while slicing funds for the poor and for the cities. The cost of one Trident Submarine would pay for the public service employment program. The requested increase in funds for the F–15 fighter is about equal to the amounts cut from manpower training funds. Federal disinvestment in human resources reflects an irrational choice of priorities.

Another reason for the cuts is the overly-optimistic view that many of the federal programs are no longer needed. The President himself seemed to be making this point in his Human Resources Message when he said: "By almost any measure life is better for Americans in 1973 than ever before in our history, and better than in any other society of the world in this or any earlier age." And the theme was repeated in the Message dealing with cities, which declared that "the hour of crisis has passed."

I cannot agree. I believe, instead, that the hour of crisis is upon us, and is intensified by the federal withdrawal from urban problems. I would hate to have to explain to a poor black family in Bedford-Stuyvesant that's chained to an over-crowded slum apartment because of the housing subsidy freeze that this is really the best of all possible worlds. I would hate to have to explain to a poor black farm worker in Mississippi that the record gross national product means he's living in a golden era. And I would hate

to have to explain to an unemployed Vietnam veteran who can no longer enter a federal manpower training program that he is being adequately repaid for his sacrifices.

Life in 1973 may be better for some people, but it is not better for black Americans. We are afflicted with unemployment rates more than double those for white workers. Black teenage unemployment is near 40 percent. Unemployment and under-employment in the ghettos of America is from one-third to one-half of the work force. The total number of poor people in this country has risen sharply in the past several years. No. This is no Eden in which we live and we cannot complacently agree that there is no longer a need for federal social service programs.

Another justification for ending some programs is arrived at by a method of reasoning I confess I am unable to comprehend. Such programs, it is said, have proved their worth and therefore the government should no longer operate them. Since they are so good, someone else should do them. I can only suppose that the next step will be to tell the Joint Chiefs of Staff that the armed forces have done such a good job that the federal government will stop funding them.

Another argument—a serious one of some substance—is that some programs have not worked and therefore should be abandoned. Such programs fall into two categories—those that appear to neutral observers to have accomplished their goals, and those that clearly have not been as effective as they should have been.

It is inaccurate and unfair to suggest that the community action programs or the Model Cities programs, to take two important examples, have failed. There is every indication that they have brought a new sense of spirit and accomplishment to many hundreds of cities. By fully involving poor people in the decision-making process they have contributed significantly to urban stability and to individual accomplishment. Federal evaluation studies endorse this view. Local political leadership has also insisted that the programs are successful. For years, the agony of the Vietnam War was justified on the grounds that we had made a moral commitment to the people there. Can we now abandon the moral commitment to our own cities and to our own people?

Some federal programs have been clear disappointments. Some of the housing subsidy programs, for example, were sabotaged not by poor people seeking a decent home, but by some speculators in league with some federal employees. Thus, although thousands of families have been sheltered by these programs; although scandal-free housing has been produced by effective non-profit organizations and although the need for low- and moderate-income housing is pressing, federal housing subsidies have been frozen and appear on their way to an early death. The victims of federal housing failures are being punished doubly—once by ineffective program control, and again by the moratorium on all housing subsidies. Ending all housing programs because some have shown signs of failure makes about as much sense as eliminating the Navy because some new ships have had cost over-runs.

The final justification of the Administration's policies, and the core of the new American counter-revolution, is that federal funds will be transferred to local governments in the form of bloc grants in four major areas—community development, education, manpower and law enforcement. It is proposed that the federal government end its categorical grant programs administered, financed and monitored by federal agencies and that local governments should now decide whether to spend federal monies on job-training or on roads, on compensatory education in the ghetto or on a new high school in the suburbs. This has been called "returning power to the people."

To black Americans, who historically had no choice but to look to the federal government to correct the abuses of state and local governments, that is very much like hiring the wolf to guard the sheep. It is axiomatic in American political life, with some exceptions, that the lower the level of government, the lower the level of competence and the higher the margin for discrimination against the poor and the powerless.

The power that has accrued to the central government is due to the failure of localities to be responsive to the needs of all but a handful of their constituents. Black Americans have looked to the federal government to end slavery, to end peonage, to restore our constitutional rights and to secure economic progress in the face of discrimination. Yes, we looked to Washington because we could not look to Jackson, to Baton Rouge or to Montgomery. White people looked to Washington too, for the federal programs that helped many of them survive the Depression, helped them move to suburbia and helped them to prosper economically. Now that Washington has finally embarked on programs that hold out some hope for minorities, we are told instead to look to local governments notorious for their historic insensitivity to the needs and aspirations of blacks and the poor.

Before falling prey to the siren song of local infallibility, the Administration should examine the use local governments are making of general revenue sharing grants already distributed. News reports from across the country repeat the same dismal story—federal money used to build new city halls, to raise police salaries, and to cut local taxes. All this is taking place at a time when school systems are falling apart, housing is being abandoned, and health needs are unmet. The record does not inspire confidence that lost federal social service programs will be replaced with effective local ones.

General revenue sharing is a fact. It is a reality. Thirty billion dollars is in the pipeline for state and local government. Rather than throw still more money at local governments at the expense of federal programs with proven track records, the Administration should be developing performance standards and effective compliance mechanisms that assure these local programs will work. Folding—or rather, crumbling—federal social service programs into no-strings-attached special revenue sharing packages seems to me to be a prescription for disaster.

Black Americans have been assured that anti-discrimination regulations will prevent local abuses. While the Treasury Department's guidelines have been revised and strengthened, we still cannot take heart from such assurances. They come just a few weeks after the Civil Rights Commission reported the persistence of "inertia of agencies in the field of civil rights," and after the government was subjected to a federal court order to enforce the laws against school segregation. It is hard to imagine that the politically-charged decision to withhold funds from states or cities that discriminate will be made. And without federal standards assuring that funds will be used in behalf of poor people in need of job-training, public housing, and special school and health programs, the money will once again find its way into the pockets of entrenched local interests.

The proposed special revenue sharing approach breaks faith not only with poor people, but with local governments as well. What Washington gives with one hand it takes with the other. Mayors who once hungered for no-strings-attached bloc grants are now panicked by the realization that the funds they receive will be inadequate to meet the needs of their communities and will be less than their cities get in the current categorical-aid programs. In addition, there is the probability that future special revenue sharing funds will continue to shrink. Rather than shifting power to the people, the new American counter-revolution creates a vacuum in responsible power.

We must not forget, as so many have, that federal programs today do embody local initiatives and local decision-making. The myth of the Washington bureaucrat making decisions for people 3,000 miles away is false. The money often comes from the federal Treasury. The broad program goals and definitions of national needs come, as they should, from the Congress. But the specific program proposals, their implementation, and their support come from local governments, citizens and agencies. Those federal dollars that are now deemed tainted actually enable local citizens to meet local problems under the umbrella of national financial and moral leadership. To shift the center of gravity away from national leadership is to compound the drift and inertia that appear to categorize our society today.

It is in this context that the blast of white silence is so puzzling. Far more white people than blacks will be hurt by the budget cuts. Yet the responsibility for calling attention to their impact falls increasingly on black leadership. There are three times as many poor white families as there are poor black families. The majority of people on welfare are white. Of the black poor, more than half don't get one devalued dollar from welfare. Two-thirds of the families who got homes through the now-frozen 235 subsidy program were white. The majority of trainees in manpower programs, and three-fourths of the people who will lose their jobs under the public employment program are white.

But because black Americans have been the most vocal segment of the population in urging social reforms, there is the mistaken impression that only blacks benefit from them. The Battle of the Budget is a larger-scale replay of the fight for welfare reform waged—and lost—last year. Then, as now, black leadership was out front in favor of a living guaranteed income for all. But we had few white supporters, although many more white people than black would have benefited. It is reasonable to ask, had we won that struggle would all of those poor white people have returned their income supplement checks? And it is fair to ask today that white people join us in the struggle to preserve the social services of the federal government that enable them, too, to survive.

The silent white majority that has been the prime beneficiary of the programs of the 1960s and is today the group most in need of further federal services will have to speak up. They are not stigmatized, as are blacks, by charges of special pleading by special Americans looking for special treatment. And their representatives in the Congress will have to act, too. They cannot complacently watch their constituents' welfare being trampled on, nor can they accept the shrinkage of their rightful constitutional role in our system of government.

Already, there have been signs that some Congressmen whose votes helped to pass progressive legislation a few short years ago are now of a mind to compromise with Administration power, to compromise the jobs and livelihood and needs of their constituents, to compromise the power of the Congress to control the purse and to influence domestic policies, and finally, to compromise their own principles. If this is so, it will be tragic for the Constitution, tragic for the country, tragic for the poor people, and tragic for the heritage of liberalism.

The gut issues of today—better schools, jobs and housing for all, personal safety and decent health care—are issues that transcend race. So long as they are falsely perceived as "black issues," nothing constructive will be done to deal with them. White America must come to see that *its* cities, *its* needs

and its economic and physical health are at stake. The needs of blacks and whites are too strongly intwined to separate. As Whitney Young used to say, "We may have come here on different ships, but we're in the same boat now."

So White Americans must join with black people to rekindle the American Dream, and to sing, in the words of Langston Hughes:

"O, let America be America again—
The land that never has been yet—
and yet must be."

LEGAL SERVICES FOR THE POOR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. RANGEL. Mr. Speaker, the need for legal services for the poor in this country is more widespread now than at any time in the past. But the President has not let this need affect his decision to dismantle the Office of Economic Opportunity, of which the legal services program is a part.

The legal services program has been providing invaluable legal assistance for the poor since its inception 8 years ago. Its 2,500 attorneys represented nearly a million poor people last year.

It is quite clear that the President is not overly concerned about the future of legal services. He has said that he would prefer to see it become an independent corporation so it would be excluded from political pressures. He vetoed such a bill 2 years ago. It is obvious that his real concern lies with constructing a program that would be under his control.

His Acting Director of OEO, Howard J. Phillips, has speculated that funds for legal services could come from individual cities by way of revenue sharing.

The differences in opinion suggest something less than a firm commitment to the survival of legal services.

But there are many people in this country who realize the importance of an independent program that would provide legal services for the poor. I am inserting into the RECORD the following resolution which was passed by the Student Bar Association of New York Law School. It will be a tragedy for America if the proposals they set forth, or similar proposals, are not enacted:

RESOLUTION

Whereas: There is a continuing need for legal services for the poor.

Whereas: There are federally funded Legal Servies Programs to meet this need in each of the states.

Whereas: These programs are facing an expanding demand for legal services and increased operating expenses.

Whereas: This Association continues to support the need for adequate legal services to the poor and the need for vital and independent programs to provide this representation.

Now, therefore, it is resolved:

1. The United States government should increase the level of funding of Legal Services programs to enable them to provide adequate legal services to eligible clients and to prevent a serious deterioration of the quality and quantity of service because of increased expense and mounting caseloads.

2. Government at all levels and lawyers from both the public and private sectors should take every step necessary to insure that legal services remain independent from political pressures in the cause of representing clients.

3. The Congress of the United States should enact a legal service corporation of a design consistent with the foregoing principles and the need to maintain full and adequate legal services for the poor.

LET US ACT NOW ON CONGRESSIONAL BUDGETARY CONTROL

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, this Wednesday, March 28, 1973, the House Committee on Rules, of which I am a member, will begin hearings on H.R. 5193 and related bills to restrict the authority of the President to impound funds appropriated by the Congress. While the bill introduced by the gentleman from Texas (Mr. MAHON) is commendable in many respects, the fact remains that it does not begin to come to grips with the problem that has prompted Presidential impoundments in the first place, and that is the inability of the Congress to exercise comprehensive, coordinated and responsible budgetary control. What we are being offered in that anti-impoundment bill is an antidote to neutralize an antidote which many Members justifiably find distasteful; but not only does this antidote not check the spreading poison of irresponsible and inflationary spending which is poisoning our fiscal system; in neutralizing the antidote used by the President it only guarantees the further spread of that poison.

What is clearly needed if we are serious about limiting the President's impoundment authority is a mechanism for at the same time setting our own fiscal house in order—an enforceable budget ceiling. That is the only rational and responsible approach to this problem. I therefore intend to support in the Rules Committee an amendment to H.R. 5193 which would make the provisions of that act contingent upon congressional adoption of an enforceable spending ceiling.

Last fall, in title III of the Public Debt Limit Act, this Congress established a Joint Committee on Budget Control and charged it with the responsibility of recommending appropriate budgetary control mechanisms and procedures no later than February 15 of this year so that these might be applied to our fiscal 1974 activities. Unfortunately, the Joint Committee was only able to make its preliminary recommendations by that date, and on February 27, 1973, Senate Concurrent Resolution 8 was slipped through the House, without prior warning, debate, amendment or a recorded vote, extending the final reporting deadline of the Joint Committee to the end of this session. Thus, any recommendations which finally emerged would obviously have no applicability to fiscal 1974.

I think this extension was a mistake, and to remedy this situation I am today introducing a concurrent resolution authorizing and directing the Joint Study Committee on Budget Control to report by bill or resolution no later than June 1, 1973, its final recommendations with respect to the operation of a spending ceiling for fiscal 1974 and procedures for limiting the impoundment authority of the President.

During our impoundment hearings this week, I intend to urge the Rules Committee to not only adopt the amendment to H.R. 5193 which I have earlier described, but also to report my concurrent resolution as a companion bill. If the Rules Committee rejects that amendment, I will urge that it provide a rule making my concurrent resolution in order as a substitute. This, in effect would postpone House action on impoundment legislation until it is brought to the floor by the Joint Committee as part of an overall budgetary control bill.

At this point in the RECORD, Mr. Speaker, I include the full text of my concurrent resolution along with an excellent letter to the editor from the Sunday, March 25, New York Times from Prof. Alpheus Thomas Mason of Princeton University on this subject:

H. CON. RES. 165

Resolved by the House of Representatives (the Senate concurring), That the Joint Study Committee on Budget Control is authorized and directed to report to the Congress, by bill or resolution, no later than June 1, 1973, its final recommendations with respect to any matters covered under its jurisdiction, provided that such report shall include, but shall not be limited to (1) procedures for improving congressional control of budget outlay and receipt totals, including procedures for establishing and maintaining an overall view of each year's budgetary outlays which is fully coordinated with an overall view of the anticipated revenues for that year; (2) procedures for the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973; and (3) procedures for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress.

[From the New York Times, Mar. 25, 1973]

THE VIBRATIONS OF POWER

TO THE EDITOR:

President Nixon's impoundment of funds invades a peculiarly Congressional province. Two bills, one sponsored by Senator Ervin, another by Representative Mahon, are designed to restrain him (editorial March 18). The situation is serious generally. Despite constitutionally shared powers, the President has monopolized war-making and foreign affairs. It's about time Congress got its back up.

Separation of powers is a misnomer. National power is inextricably fused, not separated. The principle is "subverted," Madison tells us, "where the *whole* power of one department is exercised by the same hands which possess the *whole* power of another department."

In the abstract, Congress has a strong case, but it is difficult to achieve a corrective. Irked by the President's non-unprecedented action, Congress accuses him of violating separation of powers. When Congress tries to recover what it has lost by acquiescence of executive usurpation, the President raises the same banner. History underscores Presidential aggrandizement. In retrospect, the Sen-

ate's triumph over Wilson in 1920 and the come-uppance the Supreme Court dealt Truman in the Youngstown Steel case seem like aberrations.

Successful operation of the separation-of-powers principle depends now, as always, on mutual respect and sensitivity to the requirements of free government. Jefferson held that "each party should shrink from all approach to the line of demarcation, instead of rashly overleaping it, or throwing grapples ahead to haul to hereafter." The self-restraint Jefferson had in mind is not likely to be forthcoming from President Nixon.

The Founders put powerful weapons in the hands of Congress, available for both direct and oblique counterattack. To use them at this critical juncture might seem retaliatory and thus violative of the Jeffersonian prescription. A not-unreasonable reaction may be that we are faced with a condition, not a theory. If, for example, President Nixon persists in withholding testimony necessary for an informed decision on the qualifications of Patrick Gray, the Senate has a heaven-sent opportunity to demonstrate its role, without shrinking an inch from Jefferson's sometimes fuzzy line.

The most dramatic parallel with the present crisis is the 1937 impasse between Court and President. The Court, transcending the line set by the separation-of-powers principle, had become a superlegislature. The President counterattacked with his court-packing threat. The outcome was ambiguous. Both sides won; both lost. The President won judicial acceptance of his program. Congress defeated Court packing. If either had scored outright victory, the separation-of-powers principle would have been "subverted."

Congress itself, like the Court in the 1930's, has contributed to the deadlock. The Justices did so by transforming judicial review into judicial supremacy, Congress by default or surrender of its role. The proposed bills, even without enactment, constitute overdue action, creating the tension that is incident to the balance of national power. Hamilton called "vibration of power" the "genius" of our system. This means preservation of enough tension to discourage any one department from daring to bid for total control.

ALPHEUS THOMAS MASON.

PRINCETON, N.J., *March 22, 1973.*

THE REAL COST OF IT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. GAYDOS. Mr. Speaker, year after year the American people were told by the Washington giveaway forces that foreign aid amounted to only a small fraction of the total Federal budget.

As the annual bills were presented, we heard figures of three or four billion and cuts in these down to an even more modest level, if anything it terms of billions could be considered modest.

Then, in 1971 as part of that year's foreign aid act, the Congress demanded that all the giveaway totals be lumped together in one document so the overall costs could be known.

So now we have the real picture of what was taken from our people in 1972 and scattered abroad under one program or another. Total foreign aid spending for that year was a staggering $11.3 billion in economic and military giveaways.

With this, then, as the 1972 figure, we only can wonder at what actually was given away in those years of the last quarter century in which foreign aid was in its heyday and generally unquestioned—the years in which our billions were used not only to resuscitate the war-damaged economies of Japan and Europe but to build up our present-day competitors who are preying on American jobs.

Surely, the $11.3 billion total for 1972 shows conclusively that our people have been taken for a merry ride. And now they are paying an awful price for that experience as the dollar crisis and the recent devaluations document.

Many of the billions of dollars now clogging money markets around the world originally were giveaway dollars, hard earned by Americans and taken from them in taxes for distribution abroad with no strings attached. And, in the most callous of ironies, the giveaway still continues.

When is this thing going to stop? We should have learned by now the bitter lesson that no nation can be recklessly generous and long survive as a solvent, money-sound member of the world community. And yet we persist in the handouts as though there were no cuts in our dollar's value, no enormous payments balance against us, no monumental Federal deficits and no unfilled needs at home.

THE 55TH ANNIVERSARY OF BYELORUSSIAN DEMOCRATIC REPUBLIC

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. DINGELL. Mr. Speaker, the philosopher, Schopenhauer, said—

A people which does not know its past is living merely for the time being in the present of the existing generation, and only through knowledge of its history does a nation become truly self-conscious.

Americans with links to eastern European nations which are now submerged under the Red seas of Soviet domination strive to keep alive the knowledge of the roots, traditions, and culture of their ancestors, for from this knowledge comes the foundations upon which much of the strength of America is laid. March 25 is one of the occasions when this is done. On March 25, Americans of Byelorussian descent and all those who cherish freedom from bondage and tyranny observe the 55th anniversary of the founding of the Byelorussian Democratic Republic.

On that date in 1918, the Rada, representing the first All-Byelorussian Congress, issued a proclamation of the independence of Byelorussia, which read:

A year ago the peoples of Byelorussia, together with all the peoples of Russia threw off the yoke of Russian tsarism which, taking no advice from the people, had plunged our land into the blaze of war that ruined most of our cities and towns. Today we, the Rada of the Byelorussian National Republic, cast off from our country the last chains of the political servitude that had been imposed by Russian tsarism upon our free and independent land. From now on, the Byelorussian National Republic is to be a free and independent power. The peoples of Byelorussia themselves, through their Constituent Assembly, will decide upon the future relations of Byelorussia with other states. . . .

Tragically, independence for Byelorussia was short lived, for within a year, the forces of the Bolshevik army brought about the subjugation of the Byelorussian people, and once again they found themselves under the yoke of Russian oppression—enslaved this time by the very forces which had enabled them to declare their independence from the tsars.

Even today, while under the heel of Soviet imperialism, the fierce pride in national identity, begun some seven centuries ago, burns brightly in the hearts of the Byelorussians. On March 25, as we commemorate Byelorussian Independence Day, we join in the hope that the Byelorussian struggle for independence, dating back to the 13th century, will succeed as it did for so brief a period in 1918. Drawing on the strength of their people's endurance during these seven centuries, the Byelorussians remain truly self-conscious as a nation; and so long as they do, the bright light of freedom will again shine on them.

PRESIDENTIAL PRIORITIES AND POCKETBOOKS

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. COLLIER. Mr. Speaker, on January 31 WMAQ–TV, a Chicago station presented an editorial on President Nixon's budget priorities. John A. Kociolko, a graduate student of Loyola University, offered a rebuttal on February 7.

Mr. Kociolko's reply to the editorial was so well reasoned and so well worded that it merits an even wider audience. I am therefore inserting it in the RECORD for the benefit of my colleagues.

The editorial follows:

PRESIDENTIAL PRIORITIES AND POCKETBOOKS

(The following is a reply to the January 31, 1973 Editorial on President Nixon's budget priorities. The reply was presented by John S. Kociolko, a graduate student of Loyola University.)

WMAQ–TV has joined the chorus of critics who demand that Congress reduce the Presidential authority of Richard Nixon. In November, voters gave the President a resounding electoral triumph. It appeared that the American people approved of Mr. Nixon's stewardship, and wished that he continue his policies in a second term. Yet we are now told that the power of the White House is too great, that Congress must seize the reins of government, and that the President must be restricted.

America's liberal spokesmen tried to restrict Mr. Nixon last year. They ran their candidate, and they lost. Undaunted, they insist that the man whom they despise so intensely shall not govern, regardless of the election. They speak loftily of restoring pow-

er to Congress, although for years these same individuals asserted that the nation needed a strong Presidency. In the 1960's liberal analysts applauded the far-reaching programs of the New Frontier and Great Society. Then one day they found Mr. Nixon in the White House, and suddenly discovered that Presidential prerogatives were far too extensive.

The authority of the Presidency is not a political balloon that can be inflated or diminished depending upon who sits in the Oval Office. Franklin Roosevelt and Harry Truman, John Kennedy and Lyndon Johnson pursued their policies as vigorous Chief Executives. Richard Nixon is today entrusted with the Presidency. He is entitled to a full measure of the power of that office, in order to achieve his goals at home and abroad. His platform of strengthening national defense while reducing government meddling with the lives—and pocketbooks—of the American people was endorsed at the polls. Those who dispute this mandate should retrieve a November newspaper—and re-read the election returns.

(This editorial was broadcast at various times on February 7, 1973.)

NEW DECOY DEVICE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ASPIN. Mr. Speaker, as part of a bitter internal struggle within the Pentagon, the Air Force is covering up at least $600 million in cost growth on a new Air Force decoy designed for bombers known as SCAD. The internal dispute which began in 1968 concerns whether the new decoy should be armed or not and whether the new device should be paced on old B–52 bombers, the new B–1 bomber, or both.

A showdown meeting between various factions was scheduled recently, but apparently no final decision has been made. The Air Force is covering up at least $600 million in cost growth on this program and probably hundreds of millions of dollars more in new cost overruns that will occur in the near future. The Air Force currently estimates the cost of the new decoy device at $926 million. But the Air Force does not include in its estimate the $109 million it will cost to modify the B–52's to use the new decoy and at least $500 million needed to arm the device.

The real cost of this new decoy is at least $1.5 billion and probably much more—not less than a billion as the Air Force has tried to convince Congress and the public.

The General Accounting Office—GAO—in a general staff study to Congress, also warns that as a result of technical changes and problems, including an increase in the weight of the device, additional cost overruns will occur. GAO says, it is expected that these changes will increase the procurement cost estimate.

In addition, current Air Force estimates do not include the cost of placing the decoy device on the new B–1 bomber. If SCAD is placed on the new B–1 bomber, the cost of the program will be boosted hundreds of millions of dollars.

The Air Force has also violated Pentagon regulations by refusing to provide Congress with quarterly reports on the status of the program. In addition to covering up hundreds of millions of dollars of cost growth, the Air Force has ignored Congress right provided by the Pentagon's own regulation to receive regular reports on weapons systems.

As many of my colleagues know, if any weapons system will cost more than $250 million, Pentagon regulations require that Congress be provided with a quarterly report known as a Selected Acquisition Report—SAR. The Air Force has refused to provide SAR's to Congress for several years.

Rather than create another gold-plated monstrosity causing massive cost overruns, the Pentagon should buy a cheap, effective decoy to protect our B–52 bombers.

The years of indecision, mismanagement, and internal haggling may prevent the B–52 from having the decoy devices it needs to penetrate the Soviet Union. The GAO in its report warns:

As a result of indecision and disagreement over basic issues, the program has experienced delays to the point that SCAD is now scheduled to be operational nearly 2 years after the threat it was intended to counter.

Secretary Richardson should put his foot down, stop the petty infighting among the brass, and opt for a cheap, inexpensive decoy to protect our B–52's. Otherwise our bombers, as a result of bickering and internal dissent, may not have the defenses they really need.

WHY AN ENERGY CRISIS?

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HOSMER. Mr. Speaker, Columnist Rus Walton of the Daily Pilot newspapers in Orange County, Calif., has put together a very entertaining, informative, and constructive article on why the Nation is facing an electric power shortage.

He points out that in our zeal to protect the environment, the "bug and bunny" people have successfully blocked many attempts to assure adequate supplies of electricity.

Mr. Walton's is one of the most cogent comments on the subject I have read in some time and I include it in the RECORD at this point:

[From the Daily Pilot, Mar. 8, 1973]

"BUG AND BUNNY" PEOPLE TO BLAME

(By Rus Walton)

There will come a day when the people of California will damn the Sierra Club and the Friends of the Earth and the other environmental extremists. And the politicians who have catered to them.

That day may come in the depths of a frigid winter—or in the middle of a broiling heat wave.

It will be a day when you flip the switch and there is no light. A day when you adjust the thermostat and there is no heat or air conditioning. A day when you go to the factory or the office and there is no job because there is no juice to turn the wheels or run the computer.

This State faces a critical power shortage. And, it is not far away: 8 to 10 years as things go now.

Paul Clifton, project coordinator for the state Resources Agency and chairman of its Power Plant Siting Committee, wrestles with this problem and he is worried.

Clifton is part of a team that is about to release an inventory of power facilities and projected needs. It is a grim projection.

"California's power requirements will double in the next 8 or 9 years and there is reason to really wonder if the power supply will keep pace with that demand," says Clifton.

"Even if things were opened up and the utility companies start building facilities right now, it would still be nip and tuck. It takes time to plan and license and build a power plant."

The big problem is that the bug and bunny people persist in slowing down, or halting, almost all attempts to solve the power problem.

California faces a severe shortage of fossil fuels on a "near term" basis. Which means that unless new sources of oil and gas are found, the barrel will be dry. Yet, the so-called conservationists persist in blocking plans to expand the oil supply.

They demand a moratorium on offshore exploration and drilling; they are successfully delaying the Alaskan pipeline.

"That pipeline means millions of barrels of oil a day to California. It wouldn't solve our problem, but it would sure help."

One of the obvious answers to the power crunch is the nuclear reactor. But say "nuclear" anywhere near a posey plucker and he goes into orbit.

"Those people have the idea that a nuclear power plant might explode. That it might go off like a bomb. It doesn't and it can't."

Clifton doesn't like the term "conspiracy" but he does feel that unfounded fears, ignorance and extremism are depriving the public of a vital power source.

The likelihood of an accident at an atomic reactor is extremely remote. A UCLA study done for the Resources Agency found that "the public health risk from . . . (either oil or nuclear fueled plants) . . . is in the range of the very low hazards . . . such as being struck by lightning or bitten by a venomous animal (about one death per year in a million population)".

The same report found that workers are 10 times safer in a nuclear power plant than in one fueled by oil.

Clifton believes that nuclear power plants are the only way to meet the power demands of the future.

He is all for the development of "exotic" sources such as geothermal and solar energy. But, those are still a long way off.

"Geothermal power, fully developed from known resources, would supply maybe 10–15 percent of our needs."

As for solar energy, one engineer observed it would require "batteries as big as Arizona" to provide power in any significant amount.

Some of the back-to-nature folks are against the construction of any additional power sources. They want reduction, not production. One of their suggestions is a progressive power rate: the more heat and light and power you use, the higher your rate.

You know who would get it in the neck on that one—the working guy. Through higher utility bills, higher prices for food and clothes, and higher taxes (schools, hospitals and public buildings are major users of power).

The state legislature had better get cracking on removing obstacles to the construction of power facilities.

WALTER R. GRAHAM, NOTED SPORTS EDITOR OF THE SPRINGFIELD, MASS., REPUBLICAN AND DAILY NEWS, RETIRED EDITOR OF THE SUNDAY REPUBLICAN, AND CIVIC LEADER: 1899–1973

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. BOLAND. Mr. Speaker, one of the finest journalists I have ever known, Walter R. Graham, retired editor of the Springfield Sunday Republican and sports editor of the Republican and the Springfield Daily News, died last Friday while vacationing in Florida.

Mr. Graham was a good and close friend of mine. Years ago I worked with him for several seasons managing the Springfield Daily News sandlot leagues and found him to be a tremendously understanding and warmhearted human being.

As the editor of the largest Sunday metropolitan newspaper in western Massachusetts, the Springfield Sunday Republican, Mr. Graham exercised his tremendous responsibilties in a fair, impartial, interesting, and knowledgeable manner. He had the wonderful ability to maintain marvelous communications with many hundreds of people with whom he came in contact and were privileged to know him.

Walter Graham joined the sports staff of the Springfield Daily Republican in 1923 following his graduation from Boston College, and was named sports editor of both the Republican and the Daily News in 1930. As both editor and columnist he understood the world of sports and its personalities as did few of his contemporaries in the newspaper business. He knew all of the great athletes of his era, and wrote about them with passion and consideration while utilizing his vast storehouse of information and knowledge of the world of sports.

He was named editor of the Springfield Sunday Republican in 1947, but he continued in his role as sports editor of the Sunday paper. During his years as sports editor of the Republican, he built up one of the finest sporting sections of any newspaper in the Nation, giving comprehensive coverage to all major national and international sporting events, and complete local and regional coverage to high school, prep school, college, sandlot league, and industrial teams.

Walter Graham's career in journalism spanned 43 years until his retirement in July 1966. Retirement did not put an end to his activity and personal involvement in the affairs of his community. He continued to display an intense interest and participation in the many civic, business, fraternal, and sporting organizations to which he belonged. They included: the Boston College Club of Western Massachusetts, which he founded; the Joint Civic Agencies of Greater Springfield, the Civic Action Committee, United Fund, Red Cross, Chamber of Commerce, Citizens Action Commission, the Springfield Area Development Corp., and as a trustee of the Naismith Memorial Basketball Hall of Fame at Springfield College.

In 1965, Mr. Graham was honored at a testimonial dinner for his years of dedication to amateur sports and civic affairs in Greater Springfield. The board of directors of the Small School Basketball Tournament honored him that same year for his contribtuions to basketball and he was presented with the 25th Harold M., "Kid," Gore Award. In 1969 Mr. Graham received the John L. Sullivan Memorial Award for his contributions to amateur sports. He also received the Van Horn Parents Sportsmanship Award and a citation from the American Legion for his support of that organization's baseball program.

The Pioneer Valley Press Club in Springfield awarded one of its annual scholarships in Mr. Graham's name in 1965. The Walter R. Graham News Media Award is also given in his honor to outstanding supporters of amateur sports through the western Massachusetts news media. Upon his retirement in 1966, the Massachusetts Senate adopted a resolution commending Mr. Graham for his accomplishments in journalism.

Mr. Speaker, I include with my remarks at this point editorials on Mr. Graham published in today's Springfield Union, yesterday's Sunday Republican, and Saturday's Springfield Daily News:

WALTER R. GRAHAM: LIFE OF SERVICE

Walter R. Graham, retired editor of The Sunday Republican and sports editor of The Republic and The Daily News, who died Friday at 73, was widely known and highly regarded.

An unusually competent newsman, during his 43 years on the Springfield papers, he did much of value for Greater Springfield.

He was one of the most enthusiastic and successful influences in the development of many sports and recreational programs for young people. He was equally zealous and effective in the promotion of numerous worthy civic enterprises for the general community.

Thus his life truly was one of public service. His many good deeds were beneficial to countless people. The memory of Walter Graham, a kindly and generous man, will be treasured forever by all who knew him.

SO LONG, WALTER GRAHAM

Editors don't write about other editors. We don't make news.

Normally.

That was not the case with Walter Graham, retired editor of the Springfield Sunday Republican and sports editor of the Daily News.

He had a gift that most hard-headed newsmen aren't blessed with. He charmed people. He had a knack for relating to the young, the old, the deprived. He walked with kings and queens and paupers, too. If a situation was dark and dreary, Walter brought sunshine.

His ballpark was sports. His fans were every man.

To walk in his shadow, as Horace Hill, his right arm and now associate editor of these newspapers, said was "a profound thing."

Walter Graham is missed. To his widow and family and host of friends, we can only add that his legacy of encouraging sports at all levels, especially for the young, was, and is one of the cornerstones for which the Springfield Union and Sunday Republican exist.

Who says newspapermen don't make news?

WALTER R. GRAHAM, A NEWSMAN FIRST

Walter R. Garham was a newspaperman, first and foremost. He was a skilled editor who made the sports pages of The Daily News and The Republican come alive for thousands upon thousands of sports fans throughout Western Massachusetts and for many readers outside of this area.

As sports editor of both papers for 36 years, and as managing editor of The Sunday Republican, Mr. Graham compiled a record of achievement that is tribute enough to his long service with The Springfield Newspapers.

But, Walter Graham was much more than a professional newsman. He was—to his many coworkers at the newspapers and to his countless friends in the world of sports and in the Greater Springfield community—a gentleman and a warm and friendly person.

In fact, during his more than three decades as a sports editor, Mr. Graham was probably the best known and most widely known representative of The Springfield Newspapers in Western Massachusetts. He served as toastmaster at banquets and sports functions on more occasions than probably even he could remember. And his "biographical poetry," with which he saluted many outstanding athletes and others in the community, came to be regarded as a Walter Graham "trademark."

Yet, it would be telling only part of his story to confine his accomplishments to his years as a reporter and then as an editor—a career that spanned 43 years from the time he joined the sports staff of The Republican in 1923 to his retirement in 1966. And the story is not complete if it stops with his many years of service in community affairs, or his reputation as a speaker and toastmaster.

For Mr. Graham was intensely interested in the people who populate the world of sports. He knew them all in this area and he was particularly interested in amateur sports. He was, as fellow newspaperman George Keefe point out, "The heart and soul of The Daily News sandlot baseball for 40 years."

He was, in point of fact, the "heart and soul" of whatever sport you care to name—baseball, hockey, basketball, boxing, and all the rest.

It is a measure of the great esteem and deep affection in which Mr. Graham was held by his coworkers that the first tributes—when the tragic news of his death reached us last night—came from the people who worked with him and knew him best at the newspapers.

As Sam Pompei, co-sports editor of The Daily News, summed up his feelings on learning of Mr. Graham's death in Florida: "He'd bend over backwards to be fair to anybody. He tried to be a good guy almost to a fault. I can't begin to list all the people he did things for. And he did them because he wanted to and for no other reason."

Walter Graham's death is a shock to all who respected him as an editor, admired him for his many, many contributions to sports programs and the concept of good sportsmanship, and loved him as a friend.

His death, at age 73, must also sadden the entire community because the Greater Springfield community is a better place today because of the personal imprint Mr. Graham left upon it.

We salute him for a job well done. And we mourn his passing.

HENRY GOUDY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. WILLIAM D. FORD. Mr. Speaker, I would like to pay public tribute to one of my constituents, Mr Henry Goudy,

who retired recently after 34 years as fire chief in the city of Wayne.

Mr. Goudy, who was born September 2, 1911, in Wayne, was the son of Charles Goudy, the city's fire chief from 1911 until his death in 1938, when Henry was named to the position. As a result, for the first time in 62 years, a Goudy is not serving as the head of Wayne's Fire Department.

Henry Goudy actually began his firefighting career as a high school student, in 1926, when he began working for the city as a Jack of all trades in the public works department. At that time, all city employees were automatically members of the volunteer fire department. When the fire siren sounded in the village hall—now the city's historical museum—young Henry rushed from his classroom to join his fellow firefighters. He had permission from his teachers and was the envy of the other students.

In 1929, the community established a formal fire department, and Goudy became half of the two-man force, working nights while the other man worked days. They were assisted by volunteers. The senior Goudy was still in command. Upon his death in 1938, the village council named Henry as chief.

Under his leadership, the department grew steadily. For more than 20 years, from 1941 until 1962, the Wayne Fire Department provided protection to both Wayne and the township of Nankin. In 1953, they moved to the present-day fire station.

By the time Goudy retired, the department listed 19 fulltime firemen, with a fleet of modern equipment including two rescue units.

During his long tenure, Goudy received many awards and citations for his service. He is especially proud that he served a year as president of the Great Lakes District of Firefighters, which includes fire chiefs in a nine-State area. He is also justly proud of his department's firefighting record. Although Wayne has had its share of fires, there has never been a major fire involving loss of life. No fireman was ever lost on the job during his years as chief.

Goudy and his wife, Genevieve, who taught in Wayne schools for more than 20 years, have been married 31 years. They live on Sims Street, next to the house in which he was born. The couple's daughter, Jane, is a senior at Eastern Michigan University.

Mr. Speaker, I share in the pride which every Wayne resident feels for this outstanding public servant, and I am happy to bring his story to the attention of my colleagues.

IN SUPPORT OF CONGRESSMAN O'NEILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. WON PAT. Mr. Speaker, a few days ago our distinguished colleague and House majority leader, Congressman O'NEILL, spoke out against the administration's tampering with farm policies which have resulted in some of the highest food prices in years.

As a result of unrealistic crop production controls and inept administration of our national farm output, families across the Nation are forced to pay prices which are often 20 percent or more than we paid last year.

I fully agree with Congressman O'NEILL that the administration's action in these matters deserves the full indignation of the American people. And, Congressman O'NEILL is to be highly congratulated for speaking out against the policies which have unnecessarily brought economic hardship to many persons, and in particular to the poor, the elderly and others who must subsist on fixed incomes.

The American citizens of Guam must suffer the fruits of our present farm policies also—policies which tell farmers to cut back on planting vital crops at a time when we need more output and not less. Guam imports a great deal of our foodstuffs from the mainland United States. Because of the considerable distance which these items are shipped, our cost of living is among the highest for any American community.

The cost of meat, eggs, milk, bread, and almost any other staple which we consider necessary for our daily diet will cost the consumer almost twice as much on Guam as it will in California, for example. It does not take much imagination, then, to understand what happens to food prices on Guam as a result of skyrocketing prices on the mainland.

But in the midst of this unprecedented rise in food prices, do we find succor in the statements of our Federal officials? Do we hear promises of action which will result in food prices being lowered and farm production being increased to meet the growing demands of both the American consumer and that of others to whom we sell great amounts of food?

Hardly. What we hear is administration spokesmen telling us that we should all be thankful that the food price increases will be a bit slower during the rest of the year.

And while we are also being lectured that price controls will not work, the Labor Department is stunning the consumer with the news that our cost of living, mainly thanks to higher food prices, increased more last month than in any other month since 1951.

There are many inequities in life which man is willing to bear with some degree of resignation. But farm policies which give the Russians cheap wheat and make the middleman rich, while forcing some American families to go without a decent meal, are not among the things in life which we should forebear willingly.

Across the Nation voices are rising in protest against the relentless march upward of food prices. How much longer is the American public to condone policies which seem to have no other purpose than to benefit the few and deny the many?

Mr. Speaker, I hope that the American consumer, whether he be on Guam or anywhere else in this great country, will continue to protest vigorously until those who are making our farm policies understand that the time has come to put the interests of the average family first, before that of business or our foreign trading partners.

THE PONY EXPRESS—MAIL SERVICE OR SNAIL SERVICE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. EVINS of Tennessee. Mr. Speaker, the operation of the U.S. Postal Service regrettably has become something of a bad joke—a return to the Pony Express mail service of the Old West days would be an improvement in many areas of the Nation.

For example, in Watertown, Tenn., in the Fourth Congressional District of Tennessee which I am honored to represent in the Congress, 6 days were required for urgently needed medicine mailed from Lebanon, Tenn., to reach Watertown, Tenn., some 15 miles distant.

The press, congressional hearings and my mail have provided many such examples.

The fact is that rather than providing an efficient mail service, the U.S. Postal Service has developed inefficiency into an art. One letter, for example, required 17 days to reach its destination 50 feet away in Charleston, W. Va. One citizen in Lantana, Fla., was outraged when 2 weeks was required to receive a letter from his next-door neighbor. In Atlanta, 10 days was required for a letter to reach its destination 4 miles away.

Recently I received a call from a friend and constituent, Mr. Cecil Elrod of Murfreesboro, Tenn., who related the instance of a resident of nearby Smyrna who called his dress shop on a Monday to order a pair of gloves for a wedding on the following Saturday. Smyrna is 12 miles from Murfreesboro.

The gloves failed to arrive in time for the wedding 5 days later—they were delivered the following Monday, precisely 7 days later.

As a result of this continuing and persistent pattern of inefficiency and poor mangement, I have reluctantly concluded that my vote in favor of establishing the Postal Service was a mistake. In my view, Congress should seriously consider reestablishing the Post Office Department as formerly constituted.

The Constitution, Article I, Section 8, declares:

> Congress shall have the power to establish post offices and post roads.

Congress exercised its mandate and responsibility for almost 300 years—and achieved a much more efficient mail delivery service than the now highly-touted mail service, which has been called the "snail service."

However, we were led to believe that the Post Office Department should be turned over to management experts who could solve the isolated problems that existed at that time.

Frankly, it has been my suspicion all

along that much of this was a political ploy to replace career specialists with favored appointees—and a recent study showed that the hierarchy of the Postal Service is loaded with fat cat political appointments.

Twenty postal officials earn more than $42,500 a year. I am advised that this equals the number of officials in this salary range in all other executive branches, Cabinet members excluded.

The American Postal Worker magazine in a recent article points out that executive positions in the $15,000 to $60,000 bracket in the Postal Service have increased in number from 84 to 1,846.

The magazine then lists a number of examples of little known patronage jobs created in the Postal Service.

These include Manager of Creative Services—$25,183 to $33,493; Social Priorities Specialist—$18,634 to $24,783; and Suggestions Award Administrator—$22,767 to $30,280—among many others.

It is no wonder then that the operation of the Postal Service under this type of management has been replete with miscalculations, poor judgment decisions, slowdown in service, blunders, and the projection of a false image of accomplishments that reportedly even deceived the top Postmaster General.

Indications are that many of the problems confronting the Postal Service stem from these basic mistakes:

A reduction in the postal work force of 40,000 employees with a job freeze at a time when the volume of mail is increasing by the billions of pieces each year.

Forcing postal workers to work overtime and long hours on a continuing basis, resulting in lost efficiency and low morale, and increased costs.

Offering bonus incentives to encourage veteran career employees and experienced management personnel to retire, which left great gaps in the management experience and capability of the Postal Service.

A breakdown in management in varying degrees caused by the inexperience of the new executives who, as one magazine charitably put it, are unfamiliar with the quirks of public service.

Rushing into an automated system without proper testing.

Reductions in mail service with elimination of many post offices, rural routes and other services in rural areas and small towns.

The general "public-be-damned" attitude by many officials of the Postal Service that relegated service to the people to a lower priority than effecting reductions in personnel and budget.

The refusal to heed advice and counsel from Congress.

Postmaster General Elmer T. Klassen recently, in a moment of candor, admitted that the Postal Service was so "hell bent" on reducing costs that we perhaps lost track of service, which is an amazing admission from the manager of the national postal service corporation. In another moment of candor, General Klassen said, as reported in the press, that he did not give a damn what publicly elected officials say about mail service.

Regrettably, the Postal Service has become an object of concern and ridicule, and much of the great service tradition of the Post Office Department has been lost.

Someone has suggested that the next Christmas stamp bear the words—"O Lord, Deliver Me."

It has also been suggested that all postal executives be required to see the movie "Deliverance" in the hope that they will get the point.

However, this subject is really not a joking matter—this relegation of a proud service to a symbol of bad management and inefficiency and the resulting impact on vital and needed mail deliveries.

In this connection, a sampling of the mail I have received from constituents concerning the poor Postal Service follows:

WATERTOWN, TENN.,
December 1, 1971.

Mr. JOE L. EVINS,

DEAR SIR: I'm writing you in regard to our mail. We order medicine mailed out from Lebanon and we live at Watertown and the postmaster at Lebanon told me on the telephone that they send the mail that is to come from Lebanon to Watertown—He sends it to Nashville and they keep it there until he gets a sack full then is sent back thru Lebanon back to Watertown. It doesn't make sense to me. We ordered some medicine the other day was mailed on Thursday and we did not get it until the next Tuesday and I thought mail was always sent the quickest route.

If you will look around Lebanon you will find plenty complaints besides us. This happens very often but this is just one example. I told Mr. Wright that I was going to write you about it and he said I need not do that there was nothing you could do about it.

We have had this trouble for 5 or 6 years and I just hated to write you about it.

Yours,

HOMER JOHNSON.

LIVINGSTON, TENN.,
October 17, 1971.

Hon. JOE L. EVINS,
House Office Building,
Washington, D.C.

DEAR MR. EVINS: I'm writing you this letter on a Sunday, but there's no good reason for it because it won't leave Livingston until Monday afternoon. Since one of the recent "efficiency" moves by the post office, there has been no mail going out or coming into Livingston on Sundays or holidays. This means that during the increased number of Monday holidays we have no dispatches of mail from Saturday afternoon until Monday afternoon . . . which is almost unbelievable in these days of supposed "rapid communication"!

All along, it seems that the postal rates have increased and our mail service decreased. This is a bad combination! Can you assist us in securing adequate mail service? I am sure that I speak for a large number of citizens of this town and the surrounding area in bringing this situation to your attention. All of us will greatly appreciate the help you are able to give us toward improvement of our mail service.

Sincerely,

RALPH A. PRATHER.
LEWISBURG, TENN.,

August 24, 1972.

Rep. J. L. EVINS,
Washington, D.C.:

Attached is a clipping that expresses my experience with the deteriorating Postal Service.

I have received 1st Class Air Mail double Cardboard protected that was punctured & double bent, insured parcels broken & handled like pieces of cast iron.

Pass this along to the proper committee Chairman or other bureaucrat.

RALPH BEARD.

MAIL SERVICE DETERIORATES ACROSS UNITED STATES

The mail service in the U.S. just ain't what it used to be.

The old philosophy that the mail must get through doesn't mean much anymore. The new postal service, that is being run as a private corporation instead of as a branch of the government, seems to have a completely new theory about moving the mails.

Transportation in this country has improved considerably in the past few decades over what it used to be. Yet it takes longer to get a letter from Florida to California than it did 20 years ago. An airplane can fly from coast-to-coast in three or four hours but it may take as much as three or four days to send a letter across the country by airmail.

"We take our hats off to the post office people," Bill Stewart, president of D & S Color said. "They're doing their best to make an impossible system work.

"We have nothing against the people who work for the postal services, but we do believe the present system of handling the mail needs revision."

One of the major reasons for breakdown in efficiency since the system became a private corporation is that the thousands of postal workers who are retiring all the time are not being replaced. And despite the claims of automation in the post office these days, it's still not possible to move the mails without people.

Mail is being received at D & S Color without post dates or even the town it was sent from. The mail boxes in front of our local main post office have no pickup time on them anymore. Apparently the postal service isn't quite sure when the mail will be collected from the boxes.

As far as D & S photo packages are concerned, all of them leave our West Coast Florida lab stamped with the mailing date. Any of our customers who receive their photos late should have their local post office stamp when the box arrived at its destination and return the stamped portion of the box along with a letter protesting the mail service to D & S. We'll take care of the rest.

Stewart feels that now is the time to let the politicians know about the inefficiency of the postal service. It's an election year and if our elected officials get complaints from thousands of their constituents about the deterioration of the service they will undoubtedly take notice and possibly even do something.

Although the control of the postal service has been taken out of the hands of the politicians in Washington, it is still under the control of the Capitol bureaucracy and the elected officials still have some say. In fact, they have considerable say if they want to, because they allocate a portion of the money used by the new postal service to keep the mails moving.

So let your elected officials know how you feel about the service you've been getting. Whether it's the slow down in the packages from D & S or the inability to get a letter from place-to-place within a reasonable time—let them hear about it. That's the only way the mail service will be improved.

TULLAHOMA CHAMBER OF COMMERCE, INC.,
Tullahoma, Tenn., June 8, 1971.

Mr. W. D. PARHAM,
Postmaster Tullahoma Tenn.

DEAR MR. PARHAM: As President of the Tullahoma Chamber of Commerce, with over 160 commercial, industrial and professional members, I request your assistance in realigning Tullahoma in the Area Mail Processing Sys-

tem. I understand that both Chattanooga and Nashville will be Sectional Centers and under the present alignment, all the Tullahoma out-of-town mail will go to Chattanooga for canceling and sorting and will then be rerouted. I also understand that you will be required to dispatch the out-of-town mail at 3:30 p.m. rather than 5:30 p.m.

If the proposed alignment becomes effective, one extra day and possibly two extra days will be involved in sending and receiving mail to and from Nashville. For example, if a business order from Tullahoma to Nashville is mailed after 3:30 p.m., it would not leave here until 3:30 p.m., the next day. It would then be canceled and sorted in Chattanooga, and then sent to Nashville and delivered probably on the third day after the mailing date. This situation would cause a *very adverse* effect on the residents of Tullahoma and on business activity here.

As you know, Tullahoma is economically and culturally aligned with Nashville instead of Chattanooga and the bulk of our out-of-town mail and commercial orders go to Nashville in the natural course of events. It is, therefore, very important that Tullahoma be aligned with the Nashville Center instead of Chattanooga.

Please advise us what we can do to accomplish this alignment.

Yours very truly,

DOYLE E. RICHARDSON,
President, Tullahoma Chamber of Commerce.

CUMBERLAND VALLEY
BROADCASTING CO., INC.,
McMinnville, Tenn., February 26, 1973.

Hon. JOE L. EVINS,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: A recent article which appeared in an issue of the "American Postal Worker," a copy of which is enclosed, has infuriated employees of the McMinnville post office. Frustrated already as a result of the mounting complaints which are accompanying the handling of mail by the National Postal Service, one of them handed me the enclosed and suggested that I pass same along to you.

As I have earlier suggested, I do not believe the Post Office Department can long continue under its present method of operation. I further believe that 95 per cent of the employees of the local office would prefer to return to the former system.

The poor performance of the mails is a daily topic of conversation among business people, shippers and those who must rely on the service and because of this poor performance, many are turning to such agencies as U-P-S and others for delivery service. If present arrangements continue, it will not be long until such agencies as U-P-S will make the post office an almost total liability on the taxpayers.

"Where The Plums Are" is just another example of the false economy of the Nixon administration and its deception.

Ever your friend,

CHICK BROWN.

The Postal Service has established methods of processing mail that requires that much mail travel circuitous routes to reach a destination of only a few miles.

Mail deliveries have been reduced and cut back, collection boxes have been removed, small branch post offices have been closed, post offices are closed on Saturdays in many communities—all of these cutbacks in services are occurring despite increases in postal rates.

Our people have a right to demand and expect efficient mail delivery service and we must remember that the Post Office Department was not established as a profitmaking business venture, but as a needed and necessary service—an essential service mandated by the Constitution.

If strong action to remedy these deficiencies requires the restructuring of the present Postal Service and the reestablishment of the U.S. Post Office Department—responsive to the public need—then Congress should act in the public interest.

DR. RALPH DAVID ABERNATHY TESTIFIES ON REVENUE SHARING

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. YOUNG of Georgia. Mr. Speaker, yesterday the Reverend Dr. Ralph David Abernathy, president of the Southern Christian Leadership Conference, testified at the U.S. Department of the Treasury, Office of the Secretary and Office of Revenue Sharing, on proposed regulations under the Revenue Sharing Act.

Dr. Abernathy gave a stern warning about a danger implicit in the concept of revenue sharing when he said:

. . . we cannot ignore the possibility that in the long run "Revenue Sharing" may prove to be merely the financial underpinning for a return to the infamous "states rights" doctrine, which, as we all know, so far in the history of this country has never been progressive.

Dr. Abernathy specifically called for strengthening of antidiscriminatory rules under revenue sharing, and guaranteeing compliance with the regulations.

I urge my colleagues, Mr. Speaker, to read this statement and take note of Dr. Abernathy's reminder that the victims of poverty and discrimination are taxpayers, too, and have a right to their full share of the funds disbursed under revenue sharing. Dr. Abernathy concludes—

Our movement to secure these rights, is in no mood to put up with the kind of trickery and cruel deception which was the experience of our people when Reconstruction was brutally ended 100 years ago.

His full statement follows.

STATEMENT BY DR. RALPH DAVID ABERNATHY

Mr. Chairman: These public hearings are being convened at a time of deep social crisis in our country. The evidence of this crisis is all around us. It need not be detailed by me at this time. Nevertheless, none of us can afford to be unmindful of the fact that the nature of the crisis in our country today threatens the important gains achieved by the American people through the Civil Rights Movement of the 1960's; gains which took much hard work and much sacrifice to make a reality.

Today, with unemployment and underemployment for millions of people who want jobs becoming a permanent feature of the economic life of this society; with deplorable housing conditions and declining social services, especially in the cities, a fact of everyday life, one must pose the question: Does this General Revenue Sharing Act represent a serious effort by the Congress to honestly meet its moral obligations as elected representatives of the people of this country? I, for one, having serious reservations about the very philosophy behind the Revenue Sharing proposals as a means of dealing with the many problems facing our country today. For we cannot ignore the possibility that in the long run "Revenue Sharing" may prove to be merely the financial underpinning for a return to the infamous "states rights" doctrine, which, as we all know, so far in the history of this country has never been progressive. As a case in point, in the city of Atlanta, where the Southern Christian Leadership Conference maintains its national headquarters, and my home, it was once proposed by the City Fathers that Revenue Sharing funds be used to give rebates to utility companies.

At any rate, our three organizations: Operation PUSH, the National Welfare Rights Organization and the Southern Christian Leadership Conference, represented here today and supported by many other organizations, are registering our concern with various features of this legislation, which I understand is commonly known as the General Revenue Sharing Act of 1972 (public law 92–512).

As President of the Southern Christian Leadership Conference, an organization which over the past 18 years has some record of involvement in the struggle to end racist practices in our country, I want to call particular attention to that section of the General Revenue Sharing Act dealing with the problem of discrimination. This is Section 51.32 in the Rules and Regultaions covering the handling of Revenue Sharing funds. This Section of the General Revenue Sharing Act correctly adopts some of the language of Title VI of the Civil Rights of 1964, which was a landmark piece of social legislation prohibiting discrimination in the handling of federal funds.

However, Part 4–E in this Section of the Revenue Sharing Bill, dealing with the important point of guaranteeing compliance with the anti-discrimination clause, is very weakly and loosely worded. This Section, if it is to be of value, must be strengthened to require that the secretary monitor and determine compliance not only of "recipient government" as now stated in that bill, but also private banks, loan agencies, and other institutions receiving such federal Revenue Sharing funds. Given the long history of racist practices of the banking and other financial institutions in our country, any serious compliance and review procedure must make these agencies directly accountable to the federal government and on a regularized basis.

In addition, Mr. Chairman, we strongly urge that Title VII of the Civil Rights Act of 1964 be incorporated in letter and spirit into the General Revenue Sharing Act in order to guarantee much-needed safeguards against discriminatory practices. Under Title VII of the Civil Rights Act of 1964 the range of employment practices in which discrimination is prohibited include such things as hiring, firing, lay-off, recall, and promotional opportunities on the job. Furthermore, state and local governments, employment agencies and labor organizations are subject to the anti-discrimination rule under Title VII. The General Revenue Sharing Act of 1972 needs such provisions.

Mr. Chairman, the long dark night of discrimination is not yet over in our country and we are fully aware that there are those in high places who wish to increase and prolong the darkness. Yet, the millions in our country who have known poverty and discrimination are determined to share in the abundance which the gross national product of this country represents. This is a right which we are committed to see become a reality. And our movement to secure these rights is in no mood to put up with the kind of trickery and cruel deception which was the experience of our people when Reconstruction was brutally ended 100 years ago.

Blacks, Puerto Ricans, Mexican-Americans, together with millions of whites (who, by the way, are the majority of poor in Amer-

ica) pay billions of dollars in taxes to the federal government each year. "Revenue Sharing" is a mockery if the needs of this population are ignored or under-represented in the distribution of these funds.

Thank you, Mr. Chairman.

EULOGY TO STANLEY E. WAYMAN

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ROGERS. Mr. Speaker, Stanley E. Wayman, one of the Nation's outstanding photographers and a fifth generation Floridian, died here in Washington. Only 45 years old, Mr. Wayman had an outstanding career in the field of photography and was a staff member of Life magazine from 1957 until 1971. He won numerous awards, including the White House Press Photographers' Association Award, of which he was a member. Mr. Wayman's career carried him all over the world. He once lived for weeks in the Baffin Bay area of the Arctic photographing the white walrus, and on another occasion he swam with Jon Lindbergh under water off the coast of Peru to photograph whales. I would like to insert in the RECORD comments on Mr. Wayman as carried by the Miami Herald, the Washington-Star News, and the Washington Post:

[From the Miami Herald, March 1973]

STANLEY WAYMAN, 45, NOTED PHOTOGRAPHER

(By Earl Dehart)

Services for Stanley E. Wayman, 45, a former photographer for The Miami Herald and for Life magazine until it folded in 1972, will be at 10 a.m. Tuesday in the Metropolitan Methodist Church in Washington, D.C.

Mr. Wayman, a native of Moore Haven, Fla., who got his first camera when he was 12, died Saturday of a heart attack in Washington while driving a babysitter home.

Police said the car went out of control and struck a utility pole in Northwest Washington. The babysitter was not seriously hurt.

Mr. Wayman had worked for The Miami Herald from 1950 to 1955 before becoming a fulltime free-lance photographer for national magazines through the New York agency of Ralpho and Guillumette.

During his Herald career he covered many big news stories and gained both state and national awards for some of his outstanding pictures.

John Walther, the Herald's chief photographer, said Mr. Wayman came to the newspaper from Pan American World Airways, where he was a public relations photographer.

"He was just about the first photographer (at The Herald) to use 35mm cameras," Walther said.

"He really enjoyed outdoor stuff like fashion and nature assignments."

Mr. Wayman received national coverage in Newsweek in 1954 after taking pictures of the arrest and jailing of a local bookie suspect. The magazine used his photographs as a peg to review the gambling situation in Greater Miami and the part The Herald played in helping drive out big-time gambling operations.

After leaving The Herald, Mr. Wayman was named first prize winner in the series division of a nationwide contest conducted by the University of Missouri School of Journalism.

At Life, he worked in Washington, Moscow, Paris and Bonn until the magazine closed operations.

He had covered four presidents and was known for his cover stories and photo essays on wildlife.

Mr. Wayman was born 10 miles west of Moore Haven and was graduated from Moore Haven High School.

When he was 12, his dad bought him a camera and darkroom equipment. The trouble was, there wasn't any darkroom. The imaginative young Wayman looked about and set up his darkroom in a nearby abandoned outhouse.

The local newspaper said, "Despite these primitive surroundings, Wayman has done quite well with his photography."

He was the only official photographer correspondent assigned to Moscow by Life for several years, and was one of Life's photographers who covered Nikita Khrushchev's visit to the United States.

"Khrushchev is a good subject to photograph from any angle," Mr. Wayman said in 1960. He added that the Russian leader could be readily recognized, even from the back of his head.

"Most of Life's pictures are editorially honest," he once said.

"A photographer must be editorially honest and lean over backward so as not to inject his personality into the picture."

Mr. Wayman is survived by his wife, Diane; three children, Seth, Sara, and Katherine Ann; his mother, Rena; and a brother, Tom.

The family requests memorials be sent to the Heart Fund.

[From the Sunday Star and Daily News, Mar. 11, 1973]

STANLEY E. WAYMAN, 45; PRIZE-WINNING LENSMAN

Stanley E. Wayman, 45, a prize-winning photographer best known for his work with Life Magazine, died Friday after a heart attack. He lived on 44th Street NW.

Police said Mr. Wayman was driving his car in the 2100 block of Foxhall Road NW when he was stricken. The auto then struck a utility pole.

Mr. Wayman, highly acclaimed for his nature photography, joined Life in 1957, serving in Chicago, Paris, Bonn and Moscow. His picture of one of the National Zoo pandas appeared in the final issue of Life in December.

Mr. Wayman's career carried him literally to the ends of the earth. Once he lived for weeks in the Baffin Bay area of the Arctic with only wolves as his companions. On another assignment, he swam with Charles Lindbergh under water off the coast of Peru to photograph whales. He covered four presidents with his camera.

A native of Moore Haven, Fla., he took up photography at the age of 12.

He leaves his wife, Diane, and three children, Seth, Sara and Katherine Ann; his mother, Mrs. Rena Wayman of La Belle, Fla., and a brother, Tom Wayman, of Palm Beach, Fla.

Services will be at 10 a.m. Tuesday at Metropolitan Methodist Church, New Mexico and Nebraska Avenues NW.

The family suggests that expressions of sympathy be in the form of contributions to the Heart Fund.

[From the Washington Post, Mar. 12, 1973]

STANLEY WAYMAN, EX-"LIFE" LENSMAN

Stanley E. Wayman, a former photographer with Life magazine whose last assignment was in its Washington bureau, died early Saturday following a heart attack. He was 45.

Police said Mr. Wayman was driving a baby-sitter home when he apparently suffered the attack. The car went out of control and struck a utility pole. The babysitter was not hurt seriously.

Mr. Wayman was born in Moore Haven, Fla., and by the age of 12 he had decided to be a photographer. He bought his first camera with the proceeds he received from shooting squirrels and selling their pelts to Sears & Roebuck. When he finally bought the camera, he threw away the gun and never fired one again.

He joined Life magazine in 1957, after working for newspapers in Florida, and remained with Life until it folded last December. At the time of his death, he was free lancing out of Washington.

Mr. Wayman's specialty was nature photography and his pictures of wild animals from various parts of the world appeared numerous times on the magazine's cover. During his tenure with Life, he was assigned to bureaus in Paris, Bonn and in Moscow before coming to Washington. The family resided at 3212 44th St. NW.

He received numerous photography awards, including six first-place awards from the White House Press Photographers Association, of which he was a member.

He is survived by his wife, Diane, his children, Seth, Sarah and Katherine Ann Wayman; a brother, Thomas, of Palm Beach, Fla., and his mother, Rena Wayman, of La Belle, Fla.

VETERANS: THE TRUE WELCOME HOME

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. RANGEL. Mr. Speaker, in all the hoopla and ballyhoo over our returning veterans, we must not lose sight of what so many men are coming home to: unemployment and welfare. The situation in New York City is particularly serious, with few job openings and veterans with minimal job training. In this light, I commend Eleanor Holmes Norton, chairman of the City Commission on Human Rights, for initiating hearings on this subject. A New York Post editorial of March 6 entitled "Unheralded Veterans" is quite relevant and timely. I now submit the editorial for your attention and the attention of my colleagues.

The editorial follows:

UNHERALDED VETERANS

A warm national welcome has been accorded the men from the Vietnamese prison camps in recent days and it is assured those who will follow them home; the country has been far less generous to another kind of veteran—to whom POW could mean Put Out of Work.

As Chairman Eleanor Norton of the City Commission on Human Rights observed yesterday, "thousands of ordinary soldiers" have returned home without any recognition comparable to the reception for the captured men; on the contrary, they are no better trained for civilian jobs than they were when inducted, 4000 of them are now on welfare in this city alone and there may be many more added to the rolls in the coming months.

The CCHR plans to conduct hearings on the subject later this month. It is a matter of national interest—in common with the new report from the Center for the Study of Responsive Law which describes the many failures of the nation's veterans' hospitals in

meeting the needs of the men home from Vietnam. The difficulty, very often, is budgetary and administrative, not professional.

It has been noted frequently that the return of the Vietnam GI has often gone unnoticed—or even been guiltily ignored. The reception for the prisoners cannot compensate for the broader negligence.

ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. HOGAN. Mr. Speaker, today I would like to insert again excerpts of medical evidence from the Massachusetts criminal abortion trial Commonwealth against Brunelle. As I said, it is tragic that the U.S. Supreme Court decided such a grave constitutional issue with an incomplete record because the trial court hearings, in the case decided, consisted only of oral arguments; no medical experts testified and no depositions were taken by the trial courts.

In the Massachusetts case, factual evidence was taken.

The excerpts follow:

CROSS EXAMINATION OF MALKAH T. NOTMAN, M.D., BY MR. IRWIN

Q. (by Mr. Irwin) How about when the surgeon removes the fetus? Is that killing a human being, in your judgment?

A. (Dr. Notman) I don't know that the issue of a human being comes into it.

Q. You don't?

A. It is a fetus.

Q. It is, and is it nonhuman, in your testimony?

A. The whole consideration of what is human, I think, is not really a medical issue. Is a tumor non-human?—because it grows. Is a toenail nonhuman because it is removed from a toe?

Q. Does a toenail breathe and think and have a pulse?

Q. Does a tumor?

A. No, not independently.

Q. A fetus does, doesn't it?

A. Breathe and think and have a pulse?

Q. Yes.

A. It depends on what age.

Q. Even as early as 12 weeks, does it not?

A. Think?

Q. Think.

A. No.

Q. At what age does it think?

A. After it is born.

Q. Does it react if it is touched in the womb of the mother?

A. I don't know.

Q. To stimuli?

A. I think it rarely has the occasion to do that.

Q. Have you ever heard of transplacental uterine transfusion?

A. Yes.

Q. That is a medical procedure whereby the fetus in the womb of the mother is transfused directly?

A. I don't know that it is the fetus.

Q. What is it at that point?

A. It may be the fetus. I am not familiar with the exact procedure. It is a transfusion of—sometimes it is fluid and sometimes it is blood.

Q. Into a human being?

A. It is into the fetus.

Q. With restoration?

A. Not necessarily.

Q. In 90 percent of the cases, does [it] have restoration?

A. I don't know.

Q. You're an M.D.

A. Yes. When I was training, this was not a procedure that was done, and it is not my area of specialization.

Q. Do you concede to the Court that this zygote—are you familiar with the term "zygote"?

A. Yes.

. . . . if left in its own state and unhindered by any intervention except spontaneity, will mature into a human being?

A. No. Can I explain?

Q. You are not aware of that?

A. It won't. Not necessarily.

Q. Let's forget abortion.

A. Or fetal illness or maternal illness or maternal nutrition?

Q. Let's talk about abortionists. If we can keep abortionists away from the fetus, and all the other natural illnesses that kill fetuses, will you tell us whether or not that zygote will eventually be a human being?

A. I don't think that is a question I can answer, because the whole basis of the question is a misconception.

Q. Why don't you let me decide, or the Court decide, whether the whole basis of my question is a misconception.

Do you know what a zygote is?

A. Yes.

Q. Do you think it is relevant to the whole question of whether or not the law should allow somebody to invade the womb and kill this thing—and that's what you people refer to as a thing—do you refer to this as a "thing" or a growth?

A. Yes.

Q. Or a witless tapole, or something like that?

A. We don't call it names. We call it a fetus.

Q. You are not quite prepared to say to the Court whether or not that fetus is living or human or capable of existence, are you?

A. I think your form of the question is not answerable, because there are many, many things that are living that are not human.

Q. We understand that, but the abortionists are not working on that.

A. The surgeons may be.

Q. Do you want to tell us, if you would, please, whether or not you have an opinion as to when that growth becomes a human being, or do you have no opinion?

A. I think the concept of human being is not a medical concept.

Q. It becomes human only after the child is born, is that right?

A. That's right.

Q. You have no trouble labeling an infant two months old out of its mother's womb or two minutes old out of its mother's womb as a human being?

A. That's correct.

Q. What is it that makes it at that point a human being?

A. His capacity of existence.

Q. He has that capacity at five months, if you want to go in surgically and take him out of his mother's womb?

A. At six or seven months. I haven't heard of any at five or six.

Q. You haven't heard of any at six months who have lived?

A. It depends on the weight.

Q. Have you heard of any prematurely born infants who were five or six months old who lived outside of their mother's womb? Is it your testimony you don't know of that?

A. My testimony is that I don't know of that.

Q. Of anybody, any youngster who ever lived at that age, five or six months, outside of his mother's womb. How about seven months?

A. Seven is possible.

Q. Is it a human being?

A. After it's born.

Q. Only after it is born. Will you tell the Court what it is that makes this miracle of passing from the womb out to this world, what is it that transforms that fetus, as you call it, into a human being at that point.

A. I think these are extremely vague kinds of things to answer. They are answered by different people in different ways. This is not medical.

Q. I understand: where the child is born dead naturally, and so on and so forth, because the nutritional . . .

A. Or mentally retarded.

Q. Let's suppose the case of the healthy woman who has no illness, who has a healthy zygote and eventually a healthy fetus, and has great nutrition: Will that eventually be a human being she gives birth to?

A. After she gives birth.

Q. Not until the moment she gives birth?

A. That's right.

Q. By that, do you mean 36 weeks?

A. Do you think this is something really relevant to my area of expertise?

Q. Do you know that, if uninhibited by natural disease to the mother or itself or without the intervention of an abortionist, will that zygote eventually mature into a human being?

A. It depends on the nutritional state of the mother, and there are large parts of the world where . . .

Q. Why don't you answer?

A. This is not a medical question. It is a religious one or . . .

Q. You said medically it is a human being at seven months?

A. After it is born. It is capable of independent existence.

Q. And it is capable of that long before it is born, is it not?

A. Not long before it is born.

Q. Is it a day before?

A. I don't know. I would like to make a comment about . . .

Q. I know, you would like to make a lot of comments. Mr. Oteri will allow you to make whatever comments you feel are necessary, and the Court will decide whether or not he feels they are appropriate.

REDIRECT EXAMINATION OF MALKAH T. NOTMAN, M.D., BY MR. OTERI

Q. (by Mr. Oteri) Now Doctor, at one point Mr. Irwin was talking to you about the difference between humanity or human beings and the fetus, and he asked you about the day before the birth it was a human being, and you attempted to answer him and were stopped.

Is there anything you want to add to that?

A. (Dr. Notman) I don't think the issue when the fetus is a human being. I don't think that I can answer and attempt to pin it down to the day before birth or six days before. I would have to say the same thing: There are many things in medicine there are no clear answers, or many things in biology where there is no clear answer, such as sometimes the difference between living and not living, and I don't feel that I can answer this issue of humanity.

Q. Is it your opinion that the issue of humanity is not a medical decision?

A. That's right.

Q. Mr. Irwin asked you at one point was the zygote a human being, and, if allowed to develop without interruption by the spontaneous abortion and nutrition failures and many other things which result in the fetus being expelled, it would develop into a human being.

Would you please tell us your feeling on the development of the zygote and its potential for birth?

A. My best informed judgment is that this concept of letting a zygote develop, or letting a fetus develop, is a misconception; that in order for a normal pregnancy, an ordinary role of pregnancy to occur, there has to be a very intimate relationship, nutritionally and many other ways—circulation, excretion of wastes and other ways—between the moth-

er and fetus. It is a misconception to consider it developing on its own, let alone. The mother has to have adequate nutrition, adequate psychological resources, in order for the pregnancy to go along in the ordinary way.

It is not that you water it and it grows like a plant. I think it is part of that concept, and I don't think it is a proper way to conceive of pregnancy.

Q. At least the pregnancy, until the seventh month the fetus is incapable of sustaining life?

A. That's right.

Q. And the fetus is attached to the mother and lives or does not live, depending on the mother sustaining it?

A. That's right.

Q. And it is attached in the same form, basically, as any other kind of tumorous growth or medical malfunction would be?

A. It is not attached, but it depends on her for nutrition.

AN EXAMPLE FOR THE NATION

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. BAFALIS. Mr. Speaker, in these days when practically everyone is demanding that the Federal Government solve their problems, it is extremely pleasing to learn there are still some Americans who can and will take the initiative in attempting to solve their own problems.

It is particularly heartening for me because the problem-solving Americans of whom I speak are residents of Florida's 10th Congressional District.

But let me tell you exactly why I am heartened.

A few months ago, a group of Martin County, Fla., residents became worried over the rapid development along the ocean beaches of their area.

They had always enjoyed the beach and had considered unlimited access to the sand and surf as a way of life which would never change.

But expanding resorts and developing condominiums—not to mention the soaring cost of oceanfront real estate—threatened the public's access. The beach itself is public but, without access routes, it might as well be hidden behind high fences.

Determined to save for their children and grandchildren that great pleasure of life—enjoying miles of seashore—these residents formed the Martin County public beach fund.

First, they won a pledge from the county commissioners that the county would match, dollar for dollar, any amount which the group could raise through a public drive.

Next, they approached State and Federal officials and asked them to match the amount raised by the public and the county.

With these firm commitments, the public beach fund launched a "save our beaches" campaign.

It was truly a community effort. Businessmen gave willingly. So did professional men and women. Civic groups dipped deep into their treasuries. Housewives went door to door with their appeal.

Even Martin County schoolchildren did their share. Classes were rearranged so youngsters could go into the community and work to raise funds for the "save our beaches" campaign.

They washed cars, ran errands, held bake sales, sold "save our beaches" sweatshirts, anything to raise money for this community effort.

By the time the campaign ended, the Martin County public beach fund had surpassed its $200,000 goal by more than $12,000.

That money, coupled with matching funds from the county, State, and Federal Governments, will mean eight more access strips, insuring that Martin County residents and visitors will be able to enjoy Florida's beautiful beaches for generations to come.

I am immensely proud of these citizens. And, I am convinced this type of "people in action" program is one which could, and should, be emulated throughout the Nation.

THE WORKPLACE ENVIRONMENT IS THE MOST POLLUTED

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. REUSS. Mr. Speaker, a new paperback book is becoming a minor classic among working people and the environmental movement. It is called, appropriately, "The American Worker: An Endangered Species" and is billed by the publisher, Ballantine Books, as—

The first book to examine our most dangerous habitat—the workplace and the million occupational illnesses it causes every year.

The author of this new book, which goes into a second 30,000-copy printing on April 1, is Franklin Wallick, who spent productive years in Wisconsin as a labor editor and has been editor of the United Auto Workers' Washington Report since 1963.

This new book has been an eye-opener to many who still think of the environment as polluted skies and rivers, because for the first time our attention is directed toward the environmental horrors which beset millions of our fellow Americans at their place of work, be it a factory, an office building, or a public institution.

A thoughtful and comprehensive review of the book has been written for the March 1973, issue of Not Man Apart, the excellent publication of Friends of the Earth, and I include it in the RECORD along with comments from other reviews:

THE AMERICAN WORKER: AN ENDANGERED SPECIES

(By Franklin Wallick and reviewed by Jeff Stansbury)

During the stripmining debate in Congress last year, Representative Ken Hechler (D-W. Va.) pondered his primary election triumph over an entrenched foe, Representative James Kee, who had long done the coal lobby's bidding. Kee had been heavily favored to win. Their mountainous election district had been gerrymandered in his behalf, and Kee had exploited Hechler's tough stand against the strippers as an alleged threat to the jobs of thousands of West Virginians.

Nevertheless, Hechler whipped Kee by a stout margin, ended a petty dynasty in West Virginia politics, and went on to reclaim his House of Representatives seat in November. After his primary upset, I asked this eloquent maverick why he thought he had won.

"The job issue never cut any ice," he said. "I told voters I was against the exploitation of land because it was also the exploitation of people. They saw the truth of it."

As tersely as that, Hechler offered up the ultimate environmental insight! And it was no mere piece of rhetoric. Over the years, Hechler had fought the strippers with deadly eloquence, had equated the ravaging of mountainsides with the economic blight of mountain people, had exposed the hidden subsidies which a few rapacious corporations extracted from West Virginians: subsidies of lost wildlife, lost streams, lost villages, lost economic futures, and lost freedoms. But just as forcefully, Hechler had also exposed the subsidies of flesh in the deep mines where men stooped, sickened, and died.

The 1969 Coal Mine Health and Safety Act was largely his work, and only Hechler and Senator Harrison Williams (D-N.J.) had kept the Nixon Administration's flabby enforcement of this law from becoming a pure farce. West Virginians knew this and voted accordingly.

The exploitation of land is the exploitation of people: Where is this truth raised to a higher pitch of tragedy than in the work places where millions of blue-collar employees spend half their waking hours? By conservative estimate, 25 million workers (mostly blue collar) suffer on-the-job injuries each year. Three hundred thousand cope with job-induced diseases of the lungs, heart, liver, brain, eyes, skin, stomach, intestines, and other organs. At least 18,000 die on the job, and countless millions more die from occupational diseases contracted years, even decades, earlier.

Just as surely as West Virginians subsidize the strippers, these men and women subsidize US corporations through doctor's bills, hospital fees, and shortened lives. Most industries *could* prevent most of the occupational injuries, diseases, and deaths that now occur, but it is economically sounder for them to pay workers or their widows a few crumbs in "compensation" than to prevent such mayhem in the first place.

Two years ago, for the environmental column I was then co-authoring with Stewart Udall. I visited the home of Robert C. Ferdinand in Hazleton, Pennsylvania. Ferdinand was 43 years old and had worked at the Kawecki-Berylco Industries' beryllium plant in Hazleton from 1957 to 1968. He had not worked a day since.

"It is fair to say," we later wrote, "that KBI used Ferdinand's skills as a maintenance mechanic to increase its profits, and in return it gave him a modest wage and a death sentence. Pale, hazel-eyed, still stocky, Ferdinand cannot even do the dishes without sitting down to rest. He can barely climb a flight of stairs. He cannot roughhouse with his five kids. . . . Ferdinand has chronic systemic beryllium disease.

" 'That plant was a rathole and still is,' he says. 'The maintenance mechanics got the worst of it. We cleaned beryllium off the machines with sulfuric acid—what a combination that was. The company never let us know the results of its air-monitoring tests. After a bad leak or spill, they'd tell us to go back into the area before any new tests were run. When we complained, the safety director got angry and told us to wear our safety glasses, respirators, and hard hats. But we could still taste the beryllium.' "

In 1970 Ferdinand lost 40 pounds. A biopsy—or more precisely an *assay*—found 139 milligrams of beryllium in his lungs for every gram of lung tissue. Yet KBI refused to pay him workman's compensation.

Now comes a book written in homage to all the Robert C. Ferdinands of this country, the millions of men and women who endure American's most polluted environment: the industrial workplace. No environmentalist who has not made some pilgrimage, intellectual or literal, to this fume-ridden, dust-ridden world can consider his or her education complete—and Frank Wallick's *The American Worker: An Endangered Species* is an excellent place to start.

Wallick has been doggedly writing about—and lobbying against—the ravages of workplace pollution for years. As the editor of the United Auto Workers' "Washington Report," he has also covered plenty of conventional conservation issues and is one of the few living, breathing bridges between unions and environmental groups. He writes the following more in sorrow than anger:

"Most environmentalists who properly decry the fouling of America are oblivious to that more concentrated and hazardous pollution found at the workplace. . . . The books, the articles, the list of legislative priorities, the speeches, the conferences which bring the American environmentalists together and represent so much in the restoration of balance—all these efforts to redo and remake America's environment still bypass the most neglected environment of all. Only two current environmental books, *Our Precarious Habitat* and *Earth Tool Kit*, have given any mention to the workplace environment. The skills and insights of the environmental leaders of America are needed to . . . clean up and make safe the workplace environment."

Most of Wallick's criticisms rap other institutions, however. The medical profession, for one:

"It is a rare physician, indeed, who will take into account occupational exposures when making a diagnosis or even determining cause of death in an autopsy. The schools of medicine in the United States have not regarded occupational medicine as legitimate study . . . [and] the company doctor all too frequently is a castoff from the practice of medicine." In Hazleton, Pennsylvania, Ferdinand's company doctor told him: "The presence of beryllium in the lungs has no diagnostic significance."

The press, for another:

"The press coverage of the fight for the Occupational Safety and Health bill during 1970 was incredibly poor. The *Washington Post* spent more time discussing the perils of smog over Tokyo during 1970 than it did in reporting on the smog in America's own workplaces, including its own pressrooms."

The "safety" establishment, for another:

"Howard Pyle, the National Safety Council's director (and now chairman of the advisory committee to the Occupational Safety and Health Administration . . . believes that the path to worker safety lies in more slogans, more pep talks, more safety clambakes, and more protective clothing. Governor Pyle does not intend to ruffle any corporate feathers."

And, above all, the U.S. Department of Labor:

"The way Labor Department officials have tried to shunt most of the [1970 Occupational Safety and Health] law back into the hands of the states is another example of Labor's haphazard attitude toward worker safety and health. The prime reason for passage of a national law was the utter failure of states to act. Yet the Nixon Administration has moved heaven and earth to put as much of the program back into the laps of the states as they could get away with. . . . There is no passion, no sense of vigilance, no flash of humanity which marks the behavior of most Labor Department personnel hired to protect the lives of millions upon millions of workers."

Wallick's *The American Worker* is no diatribe, however. It is a reasoned, surprisingly temperate essay on the causes and potential cures of occupational disease. Here the environmental reader will find ample evidence of the carcinogens, the suspected mutagens and teratogens, the pneumocomoses and other destructive agents that abound in the industrial workplace. Between 100,000 and 450,000 chemical compounds have been released into the environment since 1900, Wallick says. "Some eight-thousand chemicals are commonly used in modern industry. So-called safety limits (Threshold Limit Values or TLVs) have been set on 450 chemical substances used in the work environment. It is estimated that at least 600 new chemical compounds are introduced each year. . . . Little testing as to the human health effects is made; workers who use new chemicals are treated as human guinea pigs."

Here, too, readers will find guideposts along the path toward reforms; a worker's bill of rights, a fledgling coalition between radical doctors and workers, and a second needed coalition between workers and environmentalists to secure honest enforcement of the 1970 Occupational Safety and Health Act. In particular, I recommend Wallick's chapter, "Toward a Worker-Student Alliance," to environmentalists. Though written for students, its message about tactics, goals, and psychology applies just as well to environmentalists who may intellectually grasp the continuity of all pollution—inside the workplace and out—but whose class origins may poorly equip them to approach workers without hangups.

There is *every* reason for environmentalists to make common cause with workers and no good reason for them to forfeit the advantages of such an alliance. [See story elsewhere in this issue about FOE's support of Oil Workers' Strike.] In support of this brief, I offer the following evidence.

The environmental movement has been strong on momentary shifting coalitions (such as those lobbying for the 1970 clean air and 1972 clean water amendments) but weak on forging long-term alliances with other economic-political groups.

The hidden subsidy—whether of open space, clean air, or workers' flesh—lies at the root of all pollution, and it unites workers and environmentalists whether they perceive it or not.

Workplace pollution is the source of conventional outdoor pollution—but it is more deadly.

A deliberately restricted access to information, mostly corporate information about the degree and kinds of pollution, hampers both environmental groups and unions.

The Nixon Administration is attempting to hand both occupational health and environmental (especially water pollution) enforcement programs back to the states, who have demonstrated their incompetence to handle them.

Just as environmental groups have lost faith in the *ambient quality* approach to air and water pollution controls, so have unions lost faith in the ambient, or Threshold Limit Value, approach to workplace pollution. What is indisputably needed in both cases is a rigorous check on effluents—i.e., a *performance* standard.

The "economic infeasibility" argument is pushed by industry to slow down both workplace performance standards and effluent controls on air and water pollution.

Industry often tries to drive a wedge between workers and environmentalists on the "job issue"—real or threatened plant shutdowns following pollution cleanup orders.

Divided, workers and environmentalists cannot reform industry or break industry's control of the political process. United, they can handsomely increase their clout. This is not romantic daydreaming; it is a hard political fact.

FROM THE BOOK

Mike Lavelle in The Chicago Tribune says: "When anybody talks to me about the environment, I ask what environment? Mine, theirs, outside, inside, mines? And I recommend that all environmentalists read 'The American Worker: An Endangered Species' by Frank Wallick which tells it like it is and then some."

Harry Conn, Press Associates, Washington news service for the labor press: "It's about time someone came along and put the serious problem of a healthy workplace in perspective. Someone has come along—Franklin Wallick, the editor of UAW's Washington Report. His handy paperback book, The American Worker: An Endangered Species, looks at the problem squarely from the standpoint of a worker."

From Capitol Stuff, Jerome Cahill, New York Daily News: "President Nixon—meet Frank Wallick. With an assist from friends like Carl Carlson, Steve Wodka, Anthony Semeraro, Don Corn and Maurice Veneri, he is the driving force behind an effort to get Uncle Sam off dead center in the field of industrial health and safety."

Bill Becker, President, Arkansas AFL–CIO: "This book should be must reading for every local union officer and staff representative in the country."

Leonard Zubrensky labor lawyer in Milwaukee, Wisconsin: "I never dreamed that anyone could write such a fascinating book about occupational illness."

Gus Lumpe in The Missouri Teamster: "The greatest value of Wallick's book seems to be that he demonstrates that the cleanup of the workplace environment is not a task too big to tackle."

Pulitzer Prize Winner Nick Kotz in The Washington Post: "Frank Wallick has written a stirring, persuasive, fact-filled book about a mostly ignored national problem which should concern us all—health and safety in the workplace. If this book receives the attention it deserves, it will rank with Ralph Nader's 'Unsafe at Any Speed' and Rachel Carson's 'Silent Spring.' But it may well be ignored, as the problem has been, because most of us are thoroughly ignorant about what goes on within factory walls or about the quality of air circulated in air-conditioned office buildings."

IUE News: "For only $1.50 Frank's book can show you how to become an expert on saving your life, your health, your limbs—and those of your shopmates."

Steel Labor: "The book is a call to arms of the 80 million persons employed in and on the nation's factories, stores, service industries, and farms to get involved in the fight against unheathy and unsafe conditions on the job."

American Teacher: "A comprehensive, thoughtful, highly readable book, it can be used as a resource in the classroom and in the union hall and central labor council."

The Nation: "An excellent account of occupational illnesses among American workers; factual, informative, well-documented."

Longshoremen Dispatcher: "The book tries to simplify some of the bureaucrats gobbledygook which has kept workers in the dark about occupational safety and health."

The Machinist: "Wallick's book provides the guidelines for workers and unions to get more leverage within the limit of the Occupational Safety and Health Act. He breaks down into shop language, terms like 'threshold limit values,' decibels, and others."

PERSPECTIVES ON IMPOUNDMENT

HON. JOHN B. ANDERSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, it has been charged that the administration is impounding funds largely in the human resources area, yet the following figures attest to the invalidity of that claim: Thirty-seven percent of all impoundments came from the highway trust fund alone, another 25 percent of all impoundments are accounted for by the Defense Department; and an additional 6 percent of total impoundments are comprised of funds in the veterans' benefits and services, general government, and space research and technology areas. Thus, over 70 percent of all impoundments being made are not from human areas, but from defense, space, and highway funds. I find it somewhat ironic to note that these are precisely the traditional targets of attack by the very same group of liberals who are now decrying the impoundments being made.

To be sure, there have been impoundments of health, manpower, housing, and environmental funds. But when one examines the rationale for these actions, one sees that they are not deliberate policy maneuvers designed to thwart Federal aid to those in need, but generally wise and responsible policy decisions arising out of sound estimates of national needs and priorities.

INCOME MAINTENANCE IMPOUNDMENTS

Only 2 percent of total impoundments comes from income security funds—welfare, food stamps, social security, and so forth. Moreover, such impoundments constitute only 0.23 percent of the total outlays made for such programs: Put another way, less than one-fourth of 1 percent of expenditures designed to help those in need are currently being withheld by the administration.

Moreover, over 90 percent of the impounded funds under the income security category are attributable to the food stamp program. While it is tempting to cry that the administration is heartlessly withholding funds from the starving poor, it turns out that Congress ordered that impoundment in the appropriation act: It specifically instructed that $158 million be placed in a contingency reserve to be used when needed (7 United States Code 2011–2025, Agricultural-Environmental and Consumer Protection Appropriation Act, 1973). The specific authority for holding this money in reserve (31 United States Code 665) specifies that if it is determined that such reserve funds are not needed to carry out the program, a rescission of the appropriation should be requested. The fiscal year 1974 budget contains no such recision request, so it appears that the administration fully expects such funds may still be obligated—though not at this particular time.

Of the remaining $17 million impounded by the administration out of the income security category, $12 million is to be used for Social Security Administration construction trust fund purposes. Here again, the intent of the administration is not to halt the use of these funds, but to spread them evenly over the years: This $12 million will be available for expenditure after this fiscal year ends; it would be foolish for the administration to spend such a multiyear authorization all in 1 year and leave the remaining years high and dry.

Finally, $4.8 million of the remaining $5 million impounded from income security programs are Railroad Retirement Board funds. Here again, the motive is not malice or indifference, but fiscal responsibility. Every year the Railroad Retirement Board receives $0.25 percent of the taxable payroll of railroad workers from the unemployment trust fund. This money is to be used for administrative expenses, but if the total amount is not required, the remainder is merely held in reserve—to be returned to the trust fund at the end of the year.

This is exactly what has happened: The board did not use its full allotment, so the rest goes back to the trust fund. In such a situation, is the President supposed to issue an administrative directive to require the board to spend the full amount, whether needed or not, just so he can avoid criticism for impoundment?

HEALTH ASSISTANCE IMPOUNDMENTS

Health is another vital human resource program area, yet the data indicate that in this case the administration is withholding a staggering 0.04 percent of the total health budget. Moreover, almost 67 percent of all the funds impounded under health services are from the Indian Health Service; and once again, it turns out that these funds are to be available for expenditure next year to build hospitals which are now only in the planning stages. As an alternative to impoundment, should the President have just committed funds to build hospitals without blueprints?

The other one-third—$2 million—was for National Institutes of Health buildings and facilities—again withheld, because it will be available for expenditure next year. A hint of the administration's intention is shown in its request for a recision of budget authority for some funds under this same program. The amount of the recision request was only $500,000, but it could have easily been $2 million. If the administration really wanted a funding cutback on this program and was presently withholding funds with the intent that they should never be spent, why did it not simply make a slight increase in its recision request rather than bear the brunt of criticism for impounding such funds? An alternative and more likely explanation is that the administration does intend to spend the funds, but with over a year left to spend them, why should it be in any hurry?

EDUCATION AND MANPOWER IMPOUNDMENTS

In the area of education and manpower, the administration has impounded a rather miniscule 0.74 percent of total outlays. Moreover, 82 percent of the $78 million impounded in this category is accounted for by National Science Foundation salaries, expenses, and activities. While it is not my purpose here to debate the merit of such expenditures, it should be pointed out that such reductions can hardly be said to somehow penalize the poor. After all, it is primarily affluent upper middle-class professors, scientists, and technicians who receive the preponderant share of direct benefits from NSF outlays.

The administration gives three reasons for these NSF impoundments: First, to save money by greater operating efficiency; second, to await the completion of plans, designs, and specifications; and third, to allow the President to meet the budget ceiling. These funds will be available next year, so they are not in jeopardy of expiring due to impoundment. The administration has specifically stated that impoundment for these particular funds is a temporary deferral of expenditure, and only if such funds continue to be impounded at this time next year, for example, does it seem fair to question the administration's good faith in this regard. The action to impound these funds only occurred on January 18 of this year.

Roughly 5 percent of education and manpower training funds now being impounded come out of the Howard University fund. On the surface this appears to be a delight to critics of the administration since they can simply point to the impoundment and say, "In spite of the crying need for more black education in this country, look what the administration has done."

However, to do so would be to ignore three important facts: First, the impoundment is temporary and is for purposes of allowing administrative mechanisms to be set up so that once funds are expended they will not be wasted; second, funding for Howard University by the Federal Government already constitutes 61 percent of total academic program operating costs; third, despite the President's alleged insensitivity to the needs of disadvantaged black Americans, Federal funding for Howard University was up 46 percent over last year.

The final 15 percent of impounded education and manpower training funds is accounted for by various Office of Education higher education programs. Of this about $2 million is being withheld to be expended next year. The other $10 million cannot be spent after June 30, but it should be underscored that the budget reflects no estimated lapse of budget authority under this program. If the administration intended to withhold these funds until the authority for expenditure expired, this would appear in its estimate of lapsed authority at the end of fiscal year 1973. Since it does not, it seems fair to believe the administration when it says that deferral is temporary and that the funds will be spent this year. The final proof of this lies in the fact that the administration has asked Congress for a budget amendment to allow an additional $1.1 billion for higher education: A completely inexplicable action if one assumes that the administration is out to gut the higher education budget.

COMMUNITY DEVELOPMENT AND HOUSING IMPOUNDMENTS

Of the projected total fiscal year 1973 outlays for community development and housing, 13.4 percent are being held by the administration as reserves. Of this

amount, 99.5 percent is being held for two purposes: To control inflation, and to keep within the budget ceiling. However, all of these funds will be available for expenditure in the upcoming year.

Roughly 75 percent of all community development and housing funds now being withheld are for the basic water and sewage facilities grants program. I must admit that it would be a distortion of fact to imply that the administration intends to spend these funds, despite the fact that obligational authority will carry over in future years. In this case, it is the administration's view that this program has aided relatively few communities, yet all communities have an obligation to provide such services. The administration does not see why one community should benefit at the expense of another community by being fortunate enough to receive a grant while the other community, which perhaps has equal or greater needs, pays Federal taxes to provide that grant. As an alternative, the administration would like to see urban revenue sharing enacted so that all communities have Federal money to spend on this and other worthwhile projects. If Congress is concerned about the freeze on funds for this purpose, it should expeditiously approve the administration's community development revenue share bill—a legislative proposal made about 3 years ago.

Close to 9.5 percent of impounded funds for community development are accounted for by the rehabilitation loan fund, and a further 4 percent by public facility loans. Here again, the administration does not see the merit of aiding a select few—especially when subsidies have been disbursed without regard to income. Even so, the administration has left itself the option of continued financing of such projects since these funds will still be available next year. Finally, a little over 1 percent of community development funds which are now in reserves were drawn from the Housing Production and Mortgage Credit program—specifically, nonprofit sponsor assistance funding. This action is a temporary one, pending review of the entire Federal housing subsidy operation.

Before concluding in this area, I want to also emphasize that the administration's impoundment actions should be viewed in the wider context of its record during the entire last 4½ years. If you look at the budget data you will see that in fiscal year 1969 total outlays for community development and housing were $2.3 billion. However, even allowing for the $529 million that is being impounded in the current year, fiscal year 1973 outlays will still total almost $4 billion—a 71-percent increase above the level which prevailed when the Nixon administration took office.

So I do not think it can be very accurately argued that the administration has been niggardly when it comes to the problems of our urban areas or the housing needs of low-income Americans. Indeed, its current efforts to force a review of some of the programs in this area are motivated by a genuine desire to do even more by restructing these programs with a view to obtaining a greater return on each dollar of Federal outlay.

NATURAL RESOURCES AND ENVIRONMENT

Nearly $1 billion has been impounded out of close to $7 billion appropriated for natural resources and the environment. Twenty-nine percent of this amount comes from the Forest Service program to construct forest roads and trails, and is being kept in reserve to achieve the most effective and economical use of the funds, as they will be available for expenditure in fiscal year 1974.

I might make the parenthetical comment here that the primary beneficiaries of such forest roads and trails are not campers, tourists, and nature enthusiasts, but logging companies who have leases to cut timber on Federal lands. There is some question in my mind, therefore, as to why general taxpayers should be footing the bill for outlays which accrue to the benefit of profitmaking concerns in the first place. Perhaps some of my liberal friends on the other side of the aisle concerned that these funds be spent immediately can help me with an answer on that particular question.

In total, 35 percent of all resources and environment impoundments are being withheld for the purpose mentioned above. Only 2.8 percent of all impoundments in the resources and environment category will not be available for expenditure after June 30. Moreover, 80 percent of these nonavailable funds come from the Forest Service's forest protection and utilization program, yet these impounded funds represent only 6 percent of total funds already expended under this program. Clearly, then, these impoundments do not represent an attempt by the administration to eliminate entire programs in the natural resources area.

AGRICULTURE PROGRAM IMPOUNDMENTS

One of the more controversial areas of impoundments has been for agriculture programs. Sixteen percent of the Department of Agriculture outlays have been impounded by the administration, and this includes impoundments for programs which the administration fully intends never to reinstate. Fifteen percent of agriculture impoundments will not be available for expenditure beyond June 30, so the administration need only withhold such funds for a few more months to achieve its objectives.

Yet it should also be noted that the majority of such funds are in programs for which large outlays have already been made—evidenced by the fact that total impoundments in programs with funds not available beyond June 30 represent only 12 percent of outlays already made under these programs during the current fiscal year. In addition, in the case of three of the most controversial programs being eliminated by the administration, funds will be available in fiscal year 1974, so that there is a long leadtime for congressional reform of such programs as Rural Electrification Administration, rural environmental assistance, and the rural water and waste disposal programs.

It should be pointed out that the REA program is not being phased out: it is being restructured to reflect the change in the economy over the past 30 years. The 2-percent interest rate formerly used in that program was set in 1944, when the Treasury bill rate was below that figure. Today, the Treasury bill rate is over 5 percent, and the administration has made the frank admission that it cannot see the necessity for continuation of the 2-percent rate when rural electric cooperatives for the most part can afford a 5-percent rate. The impoundment of funds under REA was done only because it was illegal to use REA funds to make 5-percent loans.

Moreover, the $450 million in REA funds withheld will be more than matched by a net increase in loan authority next year of $200 million above the amount of loans which would have been made under the old REA program in fiscal year 1973. The same is true of rural water and waste disposal grants, which have been shifted to the rural development insurance fund. While it is true that no separate authorization for this program is desired by the administration, the fact is that even now—despite impoundments—money is available for carrying out these projects: it is simply coming from another source. Finally, the rural environmental assistance program is being phased out, because the administration does not see the need for subsidizing practices which are profitable to farmers anyway. I strongly support its position on this program.

IMPOUNDED FUNDS AVAILABLE FOR FUTURE EXPENDITURES

A final point which should be made concerns the total amount of funds now impounded which will eventually be spent. It has been claimed in many quarters that present impoundments are far more insidious now than in the past, since they are allegedly being used to reorder priorities contrary to congressional intent. Somehow this perception does not square with the fact that less than 5 percent of all impounded funds will not be available beyond June 30, 1973, a total of less than half a billion dollars.

Yet even this is not a true reflection of the administration's intent, as authority for many programs will expire simply due to program savings and unneeded funds left over at the end of the year. Of all the rationales used for impoundment, the two dealing with inflation control and remaining within the debt ceiling have been the ones used to eliminate programs thought to be unneeded by the administration. Yet it turns out that only $40 million of all impounded funds have been impounded for those two purposes alone and which, at the same time, will not be available for expenditure in the upcoming year. This represents 0.02 percent of all budget outlays.

VIETNAM AND MISUSED AMERICAN POWER

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. CRANE. Mr. Speaker, there will be discussions for many years to come about

the role of our country in the war in Vietnam.

I am confident that historians will conclude that this commitment was one on behalf of freedom and self-determination for the people of South Vietnam, and one against aggression.

It was an effort to show the world that such aggression would not be permitted to succeed and not to repeat the blunders of a previous generation which believed that peace might be achieved through appeasement. Munich showed conclusively that it could not.

Yet, if our goals in Vietnam were valid, and our purpose unselfish, the unfortunate fact is that the manner in which the war was conducted, from its very beginning, insured that the result would be less clear than the cost should have justified.

Discussing the conduct of the war, Charles J. Stephens, who visited Vietnam three times, once as a member of the Citizen's Committee for Peace With Freedom in Vietnam to study Vietnamization and report on its progress to President Nixon, notes that—

The tragedy of America's involvement in Vietnam is not that the U.S. chose to stand and fight against Communist aggression, but that we chose to stand and fight so badly.

Mr. Stephens points out that—

First, we virtually guaranteed the enemy that his homeland would not be invaded. Second, we did nothing, until the very end of our involvement, to deny the enemy continued access to vital imports through Haiphong harbor. Third, we foolishly delayed many years before cutting the enemy's supply lines in Laos and Cambodia.

In addition, states Mr. Stephens—

. . . we misused the only offensive element of our strategy, American airpower, by largely limiting it to "reconnaissance" rather than "strategic" bombing, and by unilaterally halting it in the midpoint of the conflict without securing any concessions in return.

It is the future which is important at this time. What have we learned from Vietnam? Charles Stephens expresses the view that—

Vietnam showed we lacked the will to use American power decisively. Vietnam has apparently also drained us of the will to maintain American power. In the next confrontation with the Communists we may not be able to safeguard even our survival.

If Americans learn the proper lessons from the war in Vietnam, we will be in a position not only to safeguard our own survival but also to fulfill our worldwide commitments. If we do not learn such lessons, the situation may be far more perilous.

I wish to share with my colleagues the thoughtful statement of Charles J. Stephens, which appeared as a letter to the editor of the New York Times on February 11, 1973, and insert it into the RECORD at this time.

[From the New York Times, Feb. 11, 1973]

VIETNAM: FOLLY OF MISUSED POWER

To the Editor:

The tragedy of America's involvement in Vietnam is not that the U.S. chose to stand and fight against Communist aggression, but that we chose to stand and fight so badly. Never have such self-defeating restrictions been placed on the use of American military power.

First, we virtually guaranteed the enemy that his homeland would not be invaded. What greater incentive could we have possibly given Hanoi to continue the battle? Second, we did nothing, until the very end of our involvement, to deny the enemy continued access to vital imports through Haiphong harbor, imports constituting about 80 per cent of North Vietnam's war material. Third, we foolishly delayed many years before cutting the enemy's supply lines in Laos and Cambodia. Finally, we misused the only offensive element of our strategy, American airpower, by largely limiting it to "reconnaissance" rather than "strategic" bombing, and by unilaterally halting it in the midpoint of the conflict without securing any concessions in return.

It was argued that this was a "limited political objectives. Why then was it logical to bomb the docks at Campha and not the docks at Haiphong? Why was it right to cut the supply lines in Cambodia and Laos in 1970, '71, but not right in 1965, '66, '67, '68, '69? Why was it right to bomb certain strategic targets intermittently and not all continuously? Why was it right to mine Haiphong harbor in 1972, but wrong from 1965 on? These were the years when the Chinese were skirmishing with the Russians. This was also the time of the "Cultural Revolution" which plunged China into near anarchy. If ever there was a time when China was less prepared to bail out North Vietnam, this was it.

Not the "arrogance of power" but the hesitant and timid use of it created the U.S. fiasco in Vietnam. The polarization of our people, the new isolationism, the folly of thinking that we can build a beautiful America while small nations are engulfed in the flames of totalitarian aggression—these are the more ominous repercussions of our Vietnam folly.

For while it is true that President Nixon is extricating America from Vietnam, he cannot extricate us from the world in which we live. And this world will be a perilous one if we abdicate our international responsibilities and fail to reverse the alarming decline in our military power engendered by the disparagement of all things military which was bound to follow the protracted Vietnam agony. By grim contrast, the Russians are forging ahead of the United States in all categories of strategic weapons.

Vietnam showed we lacked the will to use American power decisively. Vietnam has apparently also drained us of the will to maintain American power. In the next confrontation with the Communists we may not be able to safeguard even our survival.

CHARLES J. STEPHENS.

SOMERS, N.Y., *February 7, 1973.*

CANCER CONTROL MONTH SEES ROSWELL PARK NEARING 75TH

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. DULSKI. Mr. Speaker, Gov. Nelson A. Rockefeller of New York has proclaimed April as "Cancer Control Month."

In his proclamation, the Governor very properly has cited the outstanding research and treatment work on cancer by the Roswell Park Memorial Institute in Buffalo, N.Y.

This great institution is world-renowned and one of the oldest of its kind.

Indeed, in just a couple of weeks, on May 2, Roswell Park Memorial Institute will be marking its 75th anniversary.

There has been great progress in the fight against cancer. As a result of research, there are many, many patients who can be cured today when diagnosis and treatment is timely. For many, many more patients, cancer can be controlled by continuing treatment.

But there is much yet to be learned. We must continue with full vigor and support the all-out backing of research and treatment such as goes on daily at Roswell Park and at other research centers around the world.

Mr. Speaker, the Congress has given its support to the fight against cancer. We have enacted progressive enabling legislation and we have backed it up with necessary appropriations.

That medical science is making significant and effective progress is quite evident. Hopefully, a broad-scaled answer is closer at hand.

Mr. Speaker, as part of my remarks, I include the text of Governor Rockefeller's proclamation.

PROCLAMATION

Cancer is one of mankind's most vicious scourges. It strikes, in its many forms, both young and old. Currently, it ranks as the second leading killer disease in New York State.

New York State has long been committed to an unrelenting campaign to vanquish this destroyer. One of the primary weapons employed by the state is its world-renowned Roswell Park Memorial Institute, the State Health Department cancer research and treatment center at Buffalo. The Institute and its staff of 2,000 dedicated professionals have been responsible for numerous scientific breakthroughs.

The Institute, employing the latest surgical and technological advances, provides treatment in its 313-bed hospital to more than 4,000 cancer sufferers and outpatient services to an estimated 75,000 people each year. Its director, Dr. Gerald P. Murphy, is a member of the National Cancer Board and chairman of the National Prostate Cancer Task Force.

The American Cancer Society is playing a significant part in the war against cancer in New York State. In addition to numerous educational programs aimed at alerting the public to cancer's seven warning signals, the Society provides invaluable rehabilitative services to cancer patients and the financial support so crucial to the work of researchers and clinicians.

This fine organization deserves the support of every New York State citizen.

Now, Therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim the month of April, 1973, as Cancer Control Month in New York State.

Given under my hand and the Privy Seal of the State at the Capitol in the City of Albany this seventh day of March in the year of our Lord one thousand nine hundred and seventy-three.

NELSON A. ROCKEFELLER.

BYELORUSSIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. BIAGGI. Mr. Speaker, 55 years ago, on March 25, 1918, the proclamation of independence by the people of Byelo-

russia took place. I am honored to join with my colleagues in the House of Representatives in paying tribute on this occasion to the brave Byelorussians.

The history of Byelorussian statehood goes back to the ninth century when several Slav tribes founded independent principalities on the territory of what is today Byelorussia. The Byelorussians were forced to live under czarist rule for several centuries until they seized the opportunity afforded by the Russian Revolution of 1917, and proclaimed their independence on March 25, 1918.

They then formed their own democratic government in the capital city of Minsk and began to rebuild their wartorn country. Unfortunately, the Byelorussians did not enjoy their richly deserved freedom for very long. In December of 1918 the Red Army overran Byelorussia, annexed it to the Soviet Union, and all Byelorussians became the Soviet Union's helpless victims.

Since that time, for over five decades, the Byelorussians have been living under the oppressive yoke of the Communists. Present Moscow-Byelorussion relations are strictly colonial in nature and have two distinct aims. One is to exploit the Byelorussian natural resources for the benefit of Russian imperial expansion, and the other is to eradicate Byelorussian nationism in the hope of fostering a homogenous Soviet empire. The Byelorussians are forced to endure the same bondage which shackles many other eastern and nothern European states.

Today, all Americans join with citizens of Byelorussian ancestry in renewing our commitment to the principles of freedom. It is our deeply felt hope that the day is not far off when the people of Byelorussia will be able to enjoy the blessings of liberty.

AN INVITATION TO IMPROVE A GOVERNMENT SERVICE

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. QUIE. Mr. Speaker, complaints have raised about the delay in obtaining final decisions from the National Labor Relations Board due to the backlog of cases pending before the Board.

Various proposals have been made to correct the situation. Two administrative law judges for the NLRB have collaborated on an article in the winter issue of the Administrative Law Review. These judges make some very far-reaching suggestions and I submit the article for printing in the RECORD so that my colleagues in the Congress may be apprised of this recommendation:

AN INVITATION TO IMPROVE A GOVERNMENT SERVICE OR HOW TO MAKE THE NATIONAL LABOR RELATIONS LAW MORE EFFECTIVE AT LESS COST

(By George L. Powell and Lowell Goerlich) *

Lest the reader think that the blunt challenge set forth in the title and the body of our article reflects any disrespect to anyone on the payroll of the National Labor Relations Board, be he a member or any other employee, he should know at the outset that such thoughts should be put aside, for the contrary is the truth. Our years of experience in all aspects of the Board's operations have distilled the following essence.

The problem with which this discussion is concerned is obscured and compounded because the published concepts of the workings of the National Labor Relations Act do not always conform to what actually takes place. To illustrate the point, we have set forth immediately below a description of the National Labor Relations Board such as one might find in a government manual or an advanced civics book and thereafter a description of how the Board actually operates in dealing with unfair labor practices.

STATEMENT FOR PUBLICATION

The National Labor Relations Board, an independent federal agency established in 1935, administers the nation's principal labor relations law. This statute, the National Labor Relations Act, generally applies to all employers and employees in interstate commerce except the railroads and the airlines and their employees, which are under the coverage of the Railway Labor Act.

A complex statute, the NLRA has a simple purpose: to serve the public interest by promoting the free flow of commerce through encouragement of collective bargaining, protection of employees' participation or nonparticipation in employee organizations, and prohibition of specified unfair labor practices by employers or by unions. The achievement of this aim through administration and enforcement of the Act is the overall job of the National Labor Relations Board.

As an agency, the NLRB has five Board members and a General Counsel, each appointed by the President subject to Senate confirmation. The Board members are appointed to five-year terms, the term of one member expiring each year. The General Counsel is appointed to a four-year term. Reappointments may be made and have been made.

Headquartered in Washington, D.C., the NLRB has 31 regional offices and 11 smaller field offices throughout the country, with a Washington and field staff numbering approximately 2,400. The General Counsel has general supervision of the regional offices.

The NLRB has no statutory independent power of enforcement of its orders, but it may seek enforcement in the United States courts of appeals. Similarly, parties aggrieved by the orders may seek judicial review. Attorneys under the supervision of the General Counsel represent the Board in the courts of appeals in these cases.

In its statutory assignment, the NLRB has two primary functions: (1) to prevent and remedy unfair labor practices, by unions or by employers, and (2) to determine by conducting secret-ballot elections whether workers wish to have unions represent them in collective bargaining. The NLRB does not act on its own motion in either function. It processes only those unfair labor practice charges and petitions for employee elections which are filed with it at the 31 NLRB regional offices. Anyone may file—individual, employer or union.

This article concerns itself only with how the Board handles and should handle unfair labor practices.

BLUNT TRANSLATION OF ABOVE STATEMENT

By statute the National Labor Relations Board is established as an "agency of the United States." In this role through its General Counsel it prosecutes unfair labor practice complaints, and through its members it adjudicates unfair labor practice cases and proposes remedies which "will effectuate the policies of the Act." It then may be called upon to defend its disposition of a matter in a case in a court of appeals. Thus the agency in respect to unfair labor practices acts as both prosecutor and judge. It is similar to a system which would provide that the Attorney General of the United States would be both the prosecutor and district judge in cases arising under the statutes of the United States—or a system under which the district judge handled the prosecution of cases before himself and thereafter defended himself before an appellate court. For the agency to judge, as it does, the cases which it has instituted seems offensive to the maximum *Inquum est aliquem rei sue esse judicem*: "It is wrong for a man to be a judge in his own case." While this procedure, antithetical to most concepts of due process of law, is sometimes justified under the guise of administrative efficiency and competence (or expertise), it often achieves neither of these.

The obvious evils of this system have no doubt been tolerated because in actual practice the Board members never hear unfair labor practice cases and in a substantial number of cases perform acts only ministerial in nature which are acts tantamount to signature endorsement of the recommendations of their legal staffs. Such circumstance may not be laid to the fault of the members of the Board but results from the physical limitations beyond which five men cannot operate. Thus the Board members never hear an unfair labor practice case, seldom preside over an oral argument or read a record, and only infrequently do they actually review exceptions and briefs of counsel or actually write decisions.

What actually happens is that unfair labor practice cases are tried before administrative law judges, who hear the evidence, weigh it, decide the case and issue a written decision, fitting the facts they find into the previously decided case law and policy.

As for administrative efficiency, the system allows little. Delay is inherent in the system as it has evolved, since a case is never in the first instance submitted to the members of the Board. As a result, the Board members' decisional duty is delegated, in the first instance, to an administrative law judge. On appeal to the Board, his work, except for the taking of testimony, is duplicated for the greater part by the Board members' legal assistants, who operate anonymously and thus bear no responsibility for Board decisions. Moreover, Board decisions and orders are not self-enforcing, but must be enforced in the courts of appeals, a lengthy process.

As for expertise, many past members have become actively associated with labor-management affairs for the first time upon their appointment on the Board. Prior to their appointment few have ever actually represented either management or labor; few have actually negotiated a labor contract or tried or heard a labor case. For those members expertise has been a matter of academic vicariousness.

Thus the agency has been cloaked with a fiction because the system under which it operates is repugnant to administrative expendiency or expertise. If there exists any administrative expertise it is lodged in persons who perform the Board members' prime functions for them. And to the extent that the system operates efficiently it can only be by this delegation of functions to others.

The statute provides that the Board is to issue complaints. The General Counsel has final authority "on behalf of the Board" to exercise that function. The statute provides that the Board or a member thereof shall hear unfair labor practices cases, but this function, as noted, is always performed by an administrative law judge as the trial judge. At this level some expertise has crept into the system, for of late the Civil Service Commission has certified for appointment only those persons who have possessed some

* The authors are administrative law judges on the staff of the National Labor Relations Board.

experience in the field of labor-management relations.

The statute also provides that the Board shall state its findings of fact and shall issue orders and grant affirmative relief in unfair labor practice cases, but in reality these functions, performed in the first instance by the trial judges, are for the most part administratively approved by the Board members. It is plain, therefore, that the administrative law judge is a necessary functionary in the system and is the very foundation on which the whole administrative process for the trial of unfair labor practices must rest. Without him the whole system would fail, for five members cannot physically perform the functions which presently require the endeavors of almost 100 administrative law judges. Moreover, if the Board members are to fulfill their total duties, they must devote some time to other than unfair labor practices cases.

STATISTICAL EVIDENCE

According to information obtained from an official letter of the Board, the administrative law judges issued 980 decisions in the fiscal year 1971.[1] The parties were satisfied with these decisions in approximately 30 percent of the cases, and no appeals from them were taken to the Board. Therefore, approximately 294 cases went no farther than the initial decision. (That this figure almost equals the total number of cases that went to the courts for enforcement of Board orders will be noted below.)

Comparing these figures to the success the Board has had in enforcing its decisions before the appellate courts, there is found a striking similarity. In cases decided in fiscal 1971, 371 Board orders were before the courts for enforcement. Of these 74 percent or 275 percent of the appeals the Board agreed with the judge's decision but added some comment; in 12 percent of the appeals the Board reversed in part; and in 8 percent the trial judge was completely reversed. Thus, 80 percent of the original decisions were completely affirmed by the Board and 92 percent were affirmed in whole or in part.

In cases that were appealed to the Board, 65 percent of the decisions of the judges were adopted *in toto* by the Board; in another 15 were enforced in full; 12 percent or 46 were enforced with modification; 4 percent or 15 were remanded; one was partially affirmed and partially remanded; and 9 percent or 34 were reversed and the Board order set aside. A comparative table shows:

FISCAL YEAR 1971

[In percent]

	Initial decisions on appeal to the Board	Board decisions on appeal to the courts
Adopted in full	80	74
Reversed in part	12	12
Reversed in full	8	9
Remanded		4

Statistics are not available to show the percentage of cases wherein the appellate courts reinstated a decision of the administrative law judge that had been reversed by the Board.[2]

DOES THE BOARD DUPLICATE THE WORK OF THE TRIAL JUDGE AND IS IT PROFITABLE?

If no appeal is taken from an NLRB trial judge's order within 20 days, a Board order is issued automatically affirming the initial decision. Thus with respect to 30 percent (294) of the 980 decisions in fiscal 1971 issued by the trial judges, the parties did not exercise their right to appeal.

The corollary is that 70 percent of trial judges' decisions were appealed to the Board. A Board member simply does not have time to review each such appeal. Indeed it is doubtful that the record alone in an average case can be thoroughly reviewed in one day, much less the exceptions and the briefs of the parties and the judge's decision.[3] The Board seldom hears oral argument.

Therefore, the Board members' statutory functions on appealed unfair labor practice cases must be assumed by other persons. That the Board can fulfill or is fulfilling its statutory function without substantial assistance is sheer fiction. Who then actually performs the statutory functions of the Board, which are to "state its findings of fact" and "issue and cause to be served an order requiring such person to cease and desist from such unfair labor practice, and to take such affirmative action as will effectuate the policies of the Act" where an unfair labor practice is found, and to "state its findings of fact" and "issue an order dismissing the complaint" where unfair labor practices are not found after the case has left the trial judge? These functions are performed *with statutory approval* by legal assistants to Board members who review the transcripts and prepare draft opinions. Here lies one of the vices in the system, for these assistants, lacking statutory decisional responsibility, are neither certified by the Civil Service Commission as competent, experienced persons in the field of labor-management relations, as are the administrative law judges, nor generally possessed of expertise in the field. Many are youngsters in the profession.

On appeal, the work of the trial judges is essentially duplicated by these legal assistants except that those reviewing the cases do not have the added benefit of actually hearing the witnesses testify and "feeling" the trials. A time factor is added in that the case is prolonged for many months on review, during which period the irritation from which the case springs continues to seethe.

Moreover, the Board members are exposed to the whims and caprices of this group of assistants, since the Board members, unable to make personal reviews of the record, must rely upon their presentations. Under this system, a litigant may never have his point of view actually submitted to a Board member. Thus the litigant never really has a day in court before the Board members, who by statute are commanded to make the decision. To a lawyer, practice before the Board is filed with frustrations and anxieties; the lawyer never knows whether his client's case has been heard by those who decide.

At the present time even after the duplication of effort set out above, the Board reversed the trial judges, in full, in only 8 percent of all the cases in fiscal 1971! And think of the months of delay that were needed to accomplish this!

The legal assistants who did the review work for the Board members in fiscal 1971 numbered 105 and were specifically attached to individual members for payroll and supervision, with each member having approximately one-fifth of the total. The money spent for the Board members and their staffs was $3,672,000 in fiscal 1971. Thus, $3,480,000 was spent for Board staff and support services in addition to salaries of the Board members of $192,000. (The annual salary of each of the four members is $38,000 and that of the Chairman is $40,000.) It is arguable that the very presence of Presidential appointees looming over the shoulder of the trial judge, and available to the parties themselves, tends to "keep in line" an independent judge, but it also is arguable that a competent person rises to fill his responsibilities. It is also arguable that people like to appeal from adverse decisions. But, as in all things, a compromise usually is struck in ordre to get "the most for the money." Isn't $3,000,000[4] really too much to pay for 78 decisions (8 percent of 980), a substantial number of which are themselves reversed by the circuit court of appeals?

SOLUTION TO DUPLICATION AND EXPENSE

Shorn of the fiction which surrounds the Board, the truth is that the only day in court a litigant may be assured of is the presentation of his case before the trial judge. Fiction therefore ought to be renounced and the judge's function should be recognized for what it has become and should be separated from the frustrations of the system. In view of the nature of the review and his certified competence in the field, it seems sensible that the decision of the judge who hears the testimony, makes findings of fact which as to credibility are final, finds and states the law and contrives the remedy, ought to be final and reviewable only in the court of appeals. If his decisions were final, they would patently constitute a more efficient and informed achievement of the purposes of the Act and contribute to the furthering of peaceful and harmonious relationships between management and labor. These administrative law judges, equipped with the know-how in the field and permitted personal contact with the litigants and enjoying a recognized status, may better promote settlements and render decisions with a rational understanding of the problems which face management and labor.

Administrative law judges are presently appointed from a roster furnished by the Civil Service Commission in conformity with Civil Service practices. They gain admission to the roster because they are seasoned lawyers, are qualified experts in the field of labor-management relations law, have had practical experience in the field and satisfy the prerequisites for decisional responsibility. No other persons who deal with the decisional process in connection with unfair labor practices are or must be so qualified. Considering the competency of the trial judges ensured by the Civil Service Commission, it is unreasonable that his decision should be subject to review by members of a Board who cannot do it or by legal assistants whose expertise and competency have not been accredited by the Civil Service Commission.

Moreover, the system has developed the proceedings before the judges to the point where they are akin to trials in district courts. They are no longer administrative proceedings conducted with the laxity or informality of an administrative agency. This has come about because the cases are of a type which require a strict observance of the well-established courtroom procedures. They deal with the guilt or innocence of the charged party and the consequences of error may have serious impacts not only on the litigant but

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[1] Letter to Robert P. Weil from Acting Chief, Division of Judges, Charles W. Schneider, dated June 5, 1972.

[2] The great respect that the courts of appeals have for decisions of NLRB trial judges is illustrated by the recent decision in Ward v. NLRB, 68 Lab. Cas. ¶12,759 (5th Cir. June 5, 1972), *reversing* Everett Construction Co., 186 N.L.R.B. No. 440 (1970). In that case the trial examiner (as he was called) found that the Act had been violated. The Board reversed and dismissed the complaint, and the individual involved appealed at his own expense. The court of appeals concluded its opinion reversing the Board by saying that the trial examiner's result "is . . . the only result which the evidence permits.

"The petition for review is granted. The order of the Board is vacated and the case remanded for further proceedings consistent with this opinion and with the original findings and decision of the Trial Examiner." *Id.* at 24,427.

[3] Transcript pages averaged 331 per case in fiscal 1971.

[4] Not all of the $3,480,000 was spent on unfair labor practice cases.

also on the entire field of labor-management relations. In these cases, in order that fair play and due process can be achieved, trials must follow the basic standards which regulate trials in district courts. The courts of appeals so require.

OUR PROPOSAL

We propose that what is practice should be acknowledged in theory. We propose that the administrative law judges become labor judges, whose decisions are final, subject to review by the appropriate appellate courts; *that these judges shall be appointed by the Board from a roster of qualified personnel furnished by the Civil Service Commission;* that these judges shall have exclusive jurisdiction over other labor-management cases except where a jury is involved; that the jurisdiction of the judges shall be nationwide; and that they shall be assigned to hear the case in the place where the cause of action arises. All other jurisdiction under the Act will be retained in the Board.

Our proposal not only gives legal effect to what in part is now practice but abolishes a fiction which has caused concern, turmoil and frustration among litigants and lawyers. It will propagate the purposes of the Act, one of which is to "provide orderly and peaceful procedures" in that:

(1) If labor courts with the jurisdiction suggested are established, able lawyers experienced in the field of labor-management relations, from both management and labor, will be encouraged to participate in labor-management affairs on a judicial level, and thereby a greater experience, competence and understanding will be brought to the field, all of which will contribute to the lessening of tensions between management and labor, an objective of the National Labor Relations Act.

(2) The additional expense to the government incurred as a result of the present duplication of the trial judges' work will be eliminated, resulting in substantial savings to the government.

(3) The time lag between the trial judges' decisions and the Board's decisions will be avoided and pending uncertainties and contentions will be more speedily resolved, with the result that the causes of labor disputes affecting interstate commerce will be more expeditiously removed.

(4) Expertise, indigenous to a blue ribbon type judge, will be available to litigants in all branches of labor-management relations.

(5) Decisions will result which will have a more compatible relationship with the problems of the litigants who appear before the labor judge, for, because he has been personally exposed to the litigants, his interests will not be wholly academic.

(6) The case load of Board members will be decreased, which will allow them a greater personal participation in the affairs of the Board and a more active surveillance of the administration of the Act.

(7) The Board will no longer be affected with a split personality which causes it to act as prosecutor and judge in the same case. Thus it may concentrate on the enforcement of the Act's purposes and policies unrestrained by its own past judicial pronouncements.

(8) Labor-management cases may be instituted before labor judges, experts in their field, whose knowledge of labor-management affairs will enable them to suggest rational settlements and render more speedily meaningful decisions.

(9) Relieving the district courts of significant labor-management jurisdiction will allow district judges more time for consideration and adjudication of the cases with which the district courts are more generally concerned.

(10) By reason of the expertise of the labor judge, an empathy may be created between the judge and the litigants which will contribute to the settlements of disputes and issues before him.

(11) Confidence in the competence and impartiality of the adjudicating forum will be enhanced by the knowledge that the labor judge is chosen for his merit and achievements in the field of labor-management relations and not as a political accommodation.

(12) The Labor Court system will contribute to an appropriate consideration of stare decisis and to a stability and reliability in the field of labor-management relations now generally in doubt.

(13) The policy of the Labor Board is now a matter of decisional law as interpreted by the courts of appeals and the Supreme Court. Should the Board wish to establish new policy it can do so in either of two ways, *i.e.*, by using its rule-making power, or by issuing a complaint based upon its new theory and testing the theory before the administrative law judge and the courts of review—just what it does now in total effect.

(14) The appointment of judges will be exposed to a minimum of politics with its attendant problems in that the judges will be chosen from a roster of qualified personnel furnished by the Civil Service Commission, yet the appointment of the judges by the Board will credit current public opinion as it is reflected in the Board.

SPECIFIC PROPOSALS

We propose that:

I. The Judges Division of the National Labor Relations Board shall be continued as an independent agency of the United States Government and shall be known as the Labor Court of the United States, the members thereof to be known as Judges of the Labor Court or Labor Judges.

II. The Labor Court shall have exclusive original jurisdiction of all actions involving unfair labor practices arising under Section 7 and 8 of the National Labor Relations Act, and original jurisdiction concurrent with the district courts of the United States of any civil actions arising under the National Labor Relations Act or involving a labor dispute as defined in Section 2(9) of the Act, or in which a labor organization is a party. The Labor Court shall also have original jurisdiction concurrent with the district courts of the United States and courts of the states of civil actions arising under the Fair Labor Standards Act of 1938, as amended, and the Labor Management Reporting and Disclosure Act of 1959, as amended.

III. Trial in the Labor Court shall be a labor judge without a jury. Civil actions within the jurisdiction of the Labor Court in which the right of trial by jury is preserved as declared by the Seventh Amendment to the Constitution, or as given by a statute of the United States, may be removed to a district court of the United States having jurisdiction of any party (other than the party who instituted the action who is deemed by instituting such action to have waived trial by jury) prior to the time required for him to file his responsive pleading in the Labor Court.

IV. Until rules of procedure are promulgated by the Labor Court and approved by the Board, the Court shall apply the Rules of Civil Procedure for district courts of the United States and the statutes of the United States relating to district courts of the United States, so far as practicable.

V. Appeals from final orders and judgments of the Labor Court shall be as provided in the Federal Rules of Appellate Procedure and the relevant statutes of the United States governing appeals from district courts of the United States.

VI. The labor judge, in respect to the administration of his duties and the enforcement of his orders, shall possess the same powers as the judges of the district courts of the United States, including the power to punish by contempt and to issue and enforce subpoenas *ad testificandum* and *duces tecum*.

VII. The Board, subject to the civil service laws, and upon certification for expertise by the Civil Service Commission, shall appoint as many additional judges of the Labor Court as the Board from time to time finds necessary for the proper performance of the Labor Court's duties, and they shall hold office during good behavior. Initially administrative law judges holding office may serve as labor judges for a period of two years, after which they may be reappointed by the Board, subject to the civil service laws and upon certification for expertise by the Civil Service Commission.

VIII. Judges of the Labor Court may be removed by the Board after notice and opportunity for a public hearing, for inefficiency, neglect of duty or malfeasance in office, but for no other cause. Appeal from such removal may be processed through the civil service procedures.

IX. Labor judges shall not engage in any other business, vocation or employment.

X. An administrative office of the Labor Court, under the direction of the Board, shall be maintained in the District of Columbia, where a director of administration of the Labor Court, appointed by the Board, shall be stationed. Deputy directors of administration of the Labor Court, appointed by the Board, may be stationed in such other cities as the Board may determine. The director shall receive and preserve pleadings and other papers filed with the Labor Court and shall maintain a docket of cases pending before the Labor Court. He shall assign cases to each labor judge for trial or other proceedings, secure suitable courtroom accommodations for the trial, publish and distribute the decisions, orders and judgments of the labor judges, provide clerical services generally for the Labor Court and perform such other duties as are from time to time required by the Court or the Board. The Board shall furnish the director and the Labor Court such personnel as will be adequate to meet their needs and functions. In assigning a case to a labor judge, due consideration shall be given to the geographic area of his assignment and to his current caseload with the objective of equalizing geographic assignments and caseloads among the several judges. Trials shall be conducted in the judicial district where the unfair labor practice in question was alleged to have been committed.

XI. Unless there is a controlling Supreme Court precedent, a labor judge shall follow and be bound by the precedent established by the court of appeals for the circuit wherein the unfair labor practice was alleged to have been committed or other cause of action arose.

XII. The National Labor Relations Board shall retain all other jurisdiction under the National Labor Relations Act.

A distinguishing feature of our proposal is that it contemplates that labor judges will be appointed for competency and expertise in the field without political intervention, except as it may be reflected in current public opinion as it is currently represented in the appointments of the Board members. Such appointments have generally been bipartisan.

DRUG TESTING PROGRAM

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 1973

Mr. ASPIN. Mr. Speaker, the military is increasing the accuracy of its drug testing program, but much more improvement is needed before the program

is really a success. I recently released new statistics revealing an upward swing in the accuracy of the program. But the military still has a long way to go before the program successfully identifies all drug users within the military. For example, within a recent week at Tripler Army Medical Center in Hawaii, only 40 percent of the heroin users were correctly identified in its accuracy sample. Hundreds of GI's are still probably slipping through the drug testing screen.

Low accuracy ratings have also been recorded in recent weeks by the Air Force in San Antonio, Tex., the U.S. naval hospital in San Diego and Oakland, and one private laboratory—Washington Reference Laboratory in Washington, D.C. At present, the worst situation exists at the Air Force Base in San Antonio where only 62 percent of the heroin samples, 68 percent of the barbiturate samples, and only 40 percent of the amphetamine samples, are correctly identified.

However, the overall success rate has been improved in the last year.

The Pentagon has exceeded its goal of correctly identifying 90 percent of the samples of heroin and amphetamine users. But the drug testing program still incorrectly identifies 19 percent of the barbiturate users.

While progress has been made, more is needed until the drug screening program correctly identifies all drug abusers and offers them help.

HOUSE OF REPRESENTATIVES—*Tuesday, March 27, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be of good courage and He shall strengthen your heart, all ye that hope in the Lord.—Psalms 31: 24.

Almighty God, unfailing source of light and life, whose glory is in all the world and who calls us to walk with Thee that we may truly live, prepare our hands and hearts for the work of this day. Help us to turn from the errors and mistakes of the past, treasuring only the wisdom and the humility they may have taught us.

Deepen within us a lore for goodness, truth, and beauty. Renew in us the spirit which enables us to really live all our lives and which helps us to lead our citizens toward a more abundant life together.

Bless our Nation with Thy most gracious favor. Keep her firm in her faith in freedom, just in her exercise of power, generous in her protection of weakness and wise in her activities on behalf of mankind. May righteousness and good will mark our national life and may our deepest trust ever and always be in Thee.

In the spirit of Christ we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

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

S.J. Res. 21. Joint resolution to create an Atlantic Union delegation.

The message also announced that the Vice President, pursuant to Public Law 91–510, appointed Mr. HELMS as a member of the Joint Committee on Congressional Operations in lieu of Mr. WEICKER, resigned.

THE HONORABLE CORINNE C. BOGGS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the gentlewoman from Louisiana, Mrs. CORINNE C. BOGGS, be permitted to take the oath of office today. Her certificate of election has not arrived, but there is no contest, and no question has been raised with regard to her election.

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

There was no objection.

Mrs. BOGGS appeared at the bar of the House and took the oath of office.

PROJECT VIETNAM

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

Mr. HALEY. Mr. Speaker, in these hopefully closing days of U.S. involvement in the war in Vietnam, I would like to pay tribute to two outstanding Americans from my congressional district who performed so well during this war although they were not wearing military uniforms at the time of their service. I am referring to Al and Del Ettinger who gave birth to an idea in 1966 called Project Vietnam which eventually was responsible for sending 12,175 gift packages to soldiers from the Sarasota County area who were stationed in South Vietnam.

Anyone who has ever served the Nation in wartime on foreign soil appreciates most fully the importance of mail call and will readily agree it was usually the most effective morale boosting event of their days in combat. Al Ettinger remembered this fact of service life from his experience during the First World War in the famed Rainbow Division and later in the Second World War as a marine. He became determined to make as many soldiers as possible know that they were remembered and appreciated during this country's most recent war. He and his wife started Project Vietnam alone, but as the months passed they began receiving help from volunteers, local civic organizations, and private contributors. Their humanitarian gesture stands proudly alongside the many other patriotic acts carried out by Americans during the war in Southeast Asia.

In recognition of their unselfish efforts, these two very special Americans were named Citizens of the Year in Sarasota and became recipients of a national award from the Freedoms Foundation at Valley Forge. I would personally like to thank Mr. and Mrs. Al Ettinger, who with many others went beyond the call of duty to relieve some of the heavy burden our men in uniform were called upon to shoulder during the long Vietnam war.

IMPOUNDED FIRE CONTROL FUNDS RESTORED

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

Mr. RARICK. Mr. Speaker, I take this time to inform our colleagues that I have been advised that the $4 million previously impounded from the cooperative forest fire prevention program has been restored by the Office of Management and Budget.

This will allow the fire protection program to continue at the $20,027,000 level already contracted for in current fiscal year.

I have been assured by the Chief of Forest Service that the money will now be made available to State foresters for this vital program; and that the proper State authorities have been so informed.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain reports.

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

There was no objection.

FOREIGN GIVEAWAY TO ALGERIA

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

Mr. WOLFF. Mr. Speaker, while we sit here earnestly delving into means to tighten the reins of Federal spending—while the Office of Management and Budget cuts the heart out of needed domestic programs—the administration has the temerity to approve a foreign giveaway of monumental proportions to a country with which we do not even have diplomatic relations.

According to a report which I saw this morning, the Directors of the Export-Import Bank have approved a deal which, if we in the Congress have any fiscal integrity left, we will try to bring to an immediate halt.

Despite the fact that we do not have diplomatic relations with Algeria, the Export-Import Bank has approved a $402 million financing package to construct an LNG plant in Algeria.

To put the icing on the cake, Algeria insisted on putting up the faith and credit of their Government instead of repaying the loan out of the proceeds from the gas. Faith and credit. Look at the history, here again our energy needs are to be put at the mercy of an unfriendly government. How stupid can we get?

The safety of liquefied natural gas transportation cannot yet be assured. My colleagues will recall that I have spoken on the floor about a Bureau of Mines report as well as a Coast Guard study both of which present serious questions regarding the safety of LNG transport.

I feel we must act to stop this deal because of the cash outflow from our country and because, in addition to a dollar drain, this is of questionable safety in the first place.

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

Mr. WOLFF. I yield to the gentleman from Ohio.

Mr. VANIK. The gentleman has made a very appropriate statement. I want to agree with him.

It is incredible that the Export-Import Bank has just authorized a $157 million direct loan at 6 percent interest to Sonatrach, Algeria's state-owned gas and oil monopoly, for liquified natural gas facilities to be constructed at Arzew. The action of the Export-Import Bank provides loans of $157 million and guarantees of $157 million in matching loans for the same project from the First National City Bank of New York and other lenders. To my knowledge, this is the first time the Export-Import Bank has guaranteed loans to a nation with whom America does not have diplomatic relations.

Another extraordinary feature of this project consists of an Export-Import Bank guarantee for $52.5 million that Sonatrach—the Algerian monopoly company—expects to borrow from non-U.S. lenders to help cover "local costs" of the project. This constitutes a recent increment to Export-Import Bank policies since it guarantees a loan made by foreigners to foreigners.

I am fully aware of our need for energy resources—gas needs are critical—but it appears necessary to establish some reasonable limitations on what the American taxpayer must pay to get it. Under the present plan $314 million will be exported to build a facility in a country with which we have no diplomatic relations. All of the risks and all of the interest subsidy is being thrust on the back of the American taxpayer.

Several weeks ago, the Export-Import Bank granted a 6-percent loan to a Japanese company for the purchase of American aircraft. How can we justify a taxpayer-subsidized loan to a developed company already swamped with surplus dollars?

In fiscal year 1972 the Export-Import Bank loaned $2.3 billion at subsidized interest rates which are not available to American enterprise. In addition, in fiscal year 1972, it has provided guarantees of $1.2 billion, all of which are a contingent liability of the American consumers. Under present laws, the Export-Import Bank can do anything it likes provided the President says it is in the national interest. It can loan and guarantee loans to any citizen in any nation at interest rates which discriminate against comparable enterprise developed in America.

If the Export-Import Bank can continue unrestrained in subsidized loans and guarantees to dollar-heavy nations and high risk loans and guarantees to nations which despise us to the point of nonrecognition, the Export-Import Bank may well be on the way to exporting what little remains of national solvency and credibility.

Mr. WOLFF. I thank the gentleman.

REQUEST FOR APPOINTMENT OF CONFEREES ON H.R. 2107, RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance program, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

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

Mr. TEAGUE of California. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

A SAD DAY AND A HAPPY DAY

Mr. HÉBERT. Mr. Speaker and Members of the House, today is a sad day and also a happy day. We have just witnessed a ceremony that recalls to us the sadness of the day when our majority leader, the gentleman from Louisiana, Hale Boggs left us. It is a happy day for us to welcome the gentlewoman from Louisiana, "LINDY" BOGGS, to this body.

It was 33 years ago that LINDY came here with Hale and myself to begin our service in the Congress. It is a happy day, LINDY, for the Members of the Louisiana delegation. It is our pleasure at this time to welcome you to this body and to say we are glad because it is not as a stranger, but as an old-time friend and somebody who knows us, as we know her.

Mr. Speaker, may the days ahead in this body be as long and as happy for the gentlewoman from Louisiana as they were for Hale.

Our hand of welcome is out to the gentlewoman from Louisiana, and may God bless her.

Mr. SIKES. Mr. Speaker, it is with great pleasure that I join in extending a personal welcome to a courageous and lovely lady, a long time friend, and the newest Member of this body.

LINDY BOGGS is no stranger to Washington. She came here with her able and distinguished late husband in 1941 and she has been well and affectionately known since that time not only for the effective and constant support and the love she gave to Hale Boggs, but for her own contributions to a stronger Democratic Party and a better America.

Through the years Hale Boggs was destined to become one of the Nation's great Congressmen and an outstanding leader of his party and LINDY was constantly at his side helping and encouraging in his important work.

Now that Hale has been lost to us, we are indeed fortunate that LINDY has picked up his fallen mantel and that she will carry it forward in the splendid tradition of her husband. We know also that LINDY BOGGS will leave her own imprint on the pages of history. Her ability has long been recognized and I am confident her contributions will be many and they will be important.

I compliment the people of her district for exercising the good judgment to send her to Congress. They have a deserved pride in her, a pride which we in Congress also share.

Because of the long and warm friendship which Mrs. Sikes and I have had for LINDY and Hale, I am particularly happy to join in this welcome. I know that she brings courage and strength and ability which are needed in the deliberations of this body. I know also that this lovely and devoted lady will hold high the best traditions of good Americanism in the Halls of Congress.

Mr. MATSUNAGA. Mr. Speaker, I take this opportunity to join my distinguished colleagues in welcoming the Honorable LINDY BOGGS to the House of Representatives. I am sure she will serve the citizens of Louisiana's Second Congressional District as effectively and honorably as did her husband, Hale, before his tragic disappearance in the Alaskan wilderness.

During Hale's distinguished service in the House, I developed a close friendship with the Boggs family and I am especially pleased to be able to welcome LINDY to the House. I wish her a long and rewarding term as Louisiana's Congresswoman. In the final analyses the people of her district, her State, and the Nation will prove the true beneficiaries because LINDY BOGGS came to Congress.

Furthermore, Mr. Speaker, I am pleased to note that we are now assured of the continuation of the famous Boggs garden parties which have become a Capitol Hill tradition.

GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER. Is there objection to

the request of the gentleman from Louisiana?

There was no objection.

FOREST AND GAME MANAGEMENT

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

Mr. WYATT. Mr. Speaker, A well-founded, intensive forest management program is needed not only to meet increasing demands for wood fiber, but to meet increasing demands for other amenities of the forest, too.

Game populations, for instance, increase and thrive in managed young growth stands and this has been pointed out by a number of studies conducted by game experts at various universities scattered around the Nation.

Old growth stands have been described as "biological deserts" while the reverse is true of young growth timber stands. In young growth, say the experts, more sunlight reaches the ground because the canopy or "over-story" has been opened up. Sunlight is necessary, not only for trees, but for low-lying brush and shrubs vital in the food chain for many animals.

And any hunter knows that "edge effect" is important in big game habitat. "Edge" results in timber harvest areas when openings are created by removal of timber and hunters know that elk and deer feed in the openings where the browse and forbs are found but they like to have thickets and escape routes into the thickets available when danger approaches.

Log landings, secondary haul roads and skid trails not only produce a great deal of browse and forbs but are also excellent as escape routes.

Intensive forest management can, and does, provide for the multiple amenities of the forest.

INTERNATIONAL TRADE

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

Mr. DENT. Mr. Speaker, this morning I had the opportunity to listen to a well-known international banker. He announced that by mid-summer the balance of trade would be in our favor and we would no longer be in a deficit position.

This is reminiscent of the period of 1960, 1961, and 1962, to my memory. It is nothing but the same old ploy that has always been pulled every time this Congress faces a problem of a deficit in our international trade. They will change it around; it is very simple; they will export less to the United States and import a little more from the United States for a while and change it to such a position that we will start to shout "hallelujah" and give them 5 more years of coming into the American market. If we do what the President wants us to do, as he suggested I believe a week ago, I can assure this Congress that in the next 5 years you will not recognize this country.

ELECTION TO COMMITTEE ON FOREIGN AFFAIRS

Mr. MILLS of Arkansas. Mr. Speaker, I offer a privileged resolution (H. Res. 325) and ask for its immediate consideration.

The Clerk read the resoluton as follows:

H. RES. 325

Resolved, That Donald W. Riegle, Jr., of Michigan, be, and he is hereby, elected to the standing committee of the House of Representatives on Foreign Affairs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION TO COMMITTEE ON BANKING AND CURRENCY

Mr. MILLS of Arkansas. Mr. Speaker, I offer a privileged resolution (H. Res. 326) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 326

Resolved, That Corinne C. (Lindy) Boggs, of Louisiana, be, and she is hereby, elected to the standing committee of the House of Representatives on Banking and Currency.

PROVIDING FOR STRIKING OF MEDALS IN COMMEMORATION OF ROBERTO WALKER CLEMENTE

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3841) to provide for the striking of medals in commemoration of Roberto Walker Clemente.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I shall not object, or at least I hope I shall not object.

Mr. MOORHEAD of Pennsylvania. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. MOORHEAD of Pennsylvania. This is the bill I discussed with the gentleman from Iowa the other day.

Mr. GROSS. And there is almost no expenditure of funds?

Mr. MOORHEAD of Pennsylvania. There is no expenditure from the Treasury.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the outstanding athletic, civic, charitable, and humanitarian contributions of Roberto Walker Clemente, the Secretary of the Treasury is authorized and directed to strike and furnish to the Chamber of Commerce of Greater Pittsburgh, Pittsburgh, Pennsylvania, (1) one gold medal, to be awarded at the discretion of such organization, with suitable emblems, devices, and inscriptions to be determined by such organization subject to the approval of the Secretary of the Treasury, and (2) not more than two hundred thousand duplicate medals of sizes and alloys to be determined by such organization subject to the approval of the Secretary of the Treasury, to be made and delivered at such times as may be required by such organization in quantities of not less than two thousand. Any profits derived by such organization from the sale of such medals shall be contributed by such organization to the Roberto Clemente Memorial Fund, Pittsburgh, Pennsylvania. The medals are national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, and security satisfactory to the Director of the Mint, shall be furnished to indemnify the United States for the full payment of such costs.

SEC. 3. No medals shall be made under the authority of this Act after December 31, 1974.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEVENTH ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I am pleased to transmit the Seventh Annual Report of the National Endowment for the Humanities, for fiscal year 1972.

It is essential that the disciplines of the humanities—languages, history, philosophy, literature and ethics among others—be brought to bear on problems of contemporary concern, both national and international. The Federal Government recognizes this need—and has been responsive to it.

I particularly commend to your attention the program of "Youthgrants in the Humanities," begun in fiscal year 1972, which provides needed support for young people doing scholarly work in the humanities. Another impressive effort is the Endowment's State-Based Program, which, in less than two years, has established committees in 38 States to encourage public education. The "Jefferson Lecture in the Humanities," aimed at bridging the gap between humanistic learning and public affairs, is also successfully underway.

The public's response to the work of

the National Endowment for the Humanities may be measured in part by the fact that public contributions to the Endowment have exceeded federally appropriated funds for the third year in a row. This is clear evidence of broad public support for the objectives of the National Endowment and, I believe, gives added justification to the steadily increasing funding which I have requested and which the Congress has provided for its very worthwhile endeavors.

RICHARD NIXON.

THE WHITE HOUSE, *March 27, 1973.*

WATER RESOURCES OF THE DELMARVA PENINSULA, A SUMMARY REPORT TO THE CONGRESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–68)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to submit the enclosed report, "Water Resources of the Delmarva Peninsula, a Summary Report to the Congress," by E. M. Cushing, I. H. Kantrowitz, and K. R. Taylor, which was prepared in compliance with Public Law 89–618 (S. 2287), October 4, 1966.

The Delmarva study was made in response to the specific act cited above, which was sponsored by Senator J. Caleb Boggs of Delaware (S. 2287) and Secretary of the Interior Rogers C. B. Morton (H.R. 9922) who was a Representative from Maryland in 1966. Public Law 89–618 authorized and directed the Secretary of the Interior to make a comprehensive investigation of the water resources of the Delmarva Peninsula. The principal objective of the study was to determine the availability of fresh-water supplies to meet future needs of the peninsula area. The summary report indicates that the amount of fresh water that can be developed perennially on the peninsula is about 1,500 million gallons per day. This amount is more than 10 times the use in 1970 and about six times the estimated use of water on the peninsula by the year 2010.

In addition to this summary report to the Congress, required by Public Law 89–618, the Geological Survey plans to compile and publish in 1973 a more detailed report on the study for use by public and private agencies and individuals. That report will provide information for use in long-range planning, development, and management of water supplies.

RICHARD NIXON.

THE WHITE HOUSE, *March 27, 1973.*

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 58]

Abzug	Frelinghuysen	Minish
Andrews, N.C.	Giaimo	Mink
Armstrong	Gray	Nelsen
Aspin	Harsha	Nix
Badillo	Harvey	O'Brien
Bell	Hawkins	Price, Tex.
Bingham	Helstoski	Rangel
Blatnik	Holifield	Reid
Burke, Calif.	Horton	Rooney, N.Y.
Carney, Ohio	Hudnut	Roybal
Chisholm	Karth	Sikes
Clark	King	Staggers
Derwinski	Koch	Stanton,
Diggs	Kuykendall	J. William
Esch	Lent	Steiger, Wis.
Eshleman	Madigan	Tiernan
Flowers	Mann	Wilson, Tex.
Ford,	Meeds	Young, Ill.
William D.	Milford	

The SPEAKER. On this rollcall 379 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CHANGE OF LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, I wish to announce to the House that H.R. 3153, the technical and conforming changes in the Social Security Act, has been taken off the calendar for today at the request of the chairman.

DEMOCRATS ASSUME LEADERSHIP IN RENT-PRICE CONTROLS

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

Mr. O'NEILL. Mr. Speaker, House Democrats introduced yesterday a bill fixing rents and freezing all prices and interest rates for 60 days.

Once again, the Democrats have taken the initiative to fill the hiatus made by the Nixon administration's inability to provide effective leadership in controlling inflation.

Let us take a look at what the Nixon economy has brought us. Indeed, Nixon has terminated mandatory wage and price controls and given us rent increases as much as 30 percent in some of our major cities, a far cry from the 5.5 percent "voluntary guidelines" of phase III.

And President Nixon has told the American housewife that she must now pay 2.5 percent more this week to feed her family than she paid last week. That spells an annual cost increase of $34 for madam consumer. Last month, beef increased 7 percent and pork 5.3 percent.

And all this represents the highest jump in food prices for a single month in a generation.

It is beginning to look as if we are reentering a period of accelerated inflation. Phase III just is not working and the American people are not buying the Nixon administration's "self-enforcing" game plan to take this Nation down the primrose path of economic malaise.

Immediate action is needed to halt the spiraling increase in food prices, rents, and interest rates.

But the White House has not yet come up with any meaningful proposal to curb inflation. So, Congress is taking the initiative to strengthen the stabilization program and put an end to inflation. The Democrats on the Banking and Currency Committee, under the aegis of Chairman WRIGHT PATMAN, and with the strong endorsement of the democratic leadership, have submitted their own proposal to work out a new economic stabilization plan to replace President Nixon's unacceptable phase III program.

Following the 60-day freeze, the President will be required to institute mandatory controls across-the-board on all elements of the economy when the rates of inflation exceed 3 percent for a 3-month period.

Rents will be stabilized at levels prevailing on January 10, 1973, the last day of phase II.

A consumer council will be established to serve as an ombudsman for the consumer's benefit.

GAO will be vested with the power to review all reports concerning prices, profits, wages, salaries, rents, and interest rates, which are submitted under the stabilization program.

And the democratic alternative will provide for greater public disclosure by companies seeking price increases.

Controls under phase II were not infallible. But the reluctant imposition of these controls by President Nixon has given this Nation by far the best record of any developed industrial nation of holding in check the forces of inflation.

And the Democratic Congress can assume the credit for that, just as the Democratic Congress is now offering an alternative to phase III that has teeth in it.

In introducing a strong rent-price control measure, Congress has gained the confidence of the American people and exercised the responsibility of economic review which will lead our Nation toward sound economic policy and well-being.

NEW TAX PLAN FOR CIVIL SERVICE PENSIONS

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

Mr. PODELL. Mr. Speaker, civil service employees have for years been at a disadvantage with regard to the income tax treatment of their contributions to pension funds. Employees of private corporations generally have noncontributory pension benefits, and self-employed individuals can deduct their contributions to qualified retirement plans under the Keogh plan. Employees of tax-exempt organizations are granted special tax advantages with respect to annuities purchased for them by their employer.

Only the public employee is required to pay taxes on the money which is mandatorily withheld each year as his contribution to a retirement fund. While most other Americans need pay taxes on their pension benefits only when those benefits are received, the public employee's contributions are taxable in the year in which they are contributed, when the taxpayer is in a much higher income bracket than after retirement.

Several years ago, the Internal Revenue Service issued Revenue Ruling 69–650, which seemed to say that mandatory employee contributions to retirement were not includible in income in the year earned. Last year, however, in Revenue Ruling 72–250, the IRS indicated that the previous ruling did not apply to civil servants. Several groups of public employees have brought lawsuits in various parts of the country to resolve the issue, but no decisions have yet been handed down. I believe that it is up to Congress to end this discrimination against public employees, and I have introduced legislation today to accomplish that purpose. This bill amends the Internal Revenue Code to defer the payment of income tax on amounts deducted from a public employee's wages for purposes of retirement, until the amounts are actually received by the taxpayer. The enactment of this legislation will erase a glaring inequity in our tax laws, and will extend to our public employees the same advantages that are available to privately employed and self-employed individuals.

GREEK INDEPENDENCE DAY

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

Mr. EDWARDS of California. Mr. Speaker, March 25 marked the 152d anniversary of Greek Independence Day.

This observance is mocked by the fact that a backward-looking, repressive dictatorship has now ruled Greece for nearly 6 years.

The regime in power brings no honor either to Greece or to the Western Alliance. It has stifled the free and creative energies of the talented Greek people, and made the Greek police and army the jailers of their fellow citizens.

The Greek nation has thus been denied, in Churchill's phrase, "the health-giving controversy" that springs from democracy.

Only the most gullible or the most shamelessly cynical can contend today, after years of repression and deception, that the ruling junta is moving Greece toward a genuine democracy.

The question is sometimes asked, "Well, why don't the Greeks revolt?" American officials themselves have used this tactic to deter critics. To which Greeks respond, as, "So you want us to revolt?" And that usually ends the conversation.

Revolt? With what arms? All the weapons are in the hands of the police and army. In addition, there is the further, crippling weapon of fear based on a system of spies and informers and torture.

A coup from within, by those with weapons, is possible, especially if the situation deteriorates.

A sudden change could occur, for the seeming passiveness of the Greeks is misleading. Under the surface apathy is a feeling of permanent grievance similar to that which repeatedly exploded in Eastern European nations during the 1950's and 1960's.

Recently we have read of the student disturbances in Athens, Salonika, and Patras.

I regard these disturbances as significant, for it takes more guts for a Greek student to challenge the government than it does in most Western nations.

First, they are contending with a repressive dictatorship, with beatings, jailings, and an absence of due process as the tools of reprisals.

Second, it is very difficult to be accepted into a Greek university, for facilities are limited. In the polytechnical school, for example, only a small percentage of qualified applicants are accepted.

Third, once a student graduates jobs are scarce.

Fourth, the blacklist is common and a blacklisted student can have his career ruined.

So the risks are not light nor lightly taken. There was a certain desperation in the student action, a cryingout in the wilderness to the civilized world.

A comprehensive article on the student protest, by foreign correspondent Dan Morgan, recently appeared in the Washington Post. It is set forth below.

In addition, under leave to extend my remarks in the RECORD, I insert a letter written by Mr. Emmanuel Kothris, former Minister and Deputy in the Greek Parliament, to the Creton newspaper Masoohios.

Mr. Kothris, a political elder, has not sought the safety of the sidelines but has continued to speak out as a matter of honor and conviction. As a consequence he has been hounded by surveillance and has been called in for police interrogation. A few weeks ago he was denied a passport to come to Washington to attend, along with national and international representatives, the 21st Annual Presidential Prayer breakfast. An interesting counterpoint was provided by the regime when it issued a passport to Elias Eliou, a leftist former deputy, to attend a Communist gathering in Moscow.

It is believed that one reason Mr. Kothris was denied a passport was the letter reproduced below.

Solomos, the Greek "national poet," inspired generations of Greeks with his "Ode to Liberty," which became the national anthem. When the students of Athens sang this hymn on the grounds of the university earlier this month they were savagely beaten by the police.

Those who love freedom must honor those who take risks in freedom's cause.

Accordingly, the article and letter follow:

[From the Washington Post, Mar. 7, 1973]

PROTESTS SHOW CRACKS IN GREEK REGIME

(By Dan Morgan)

ATHENS.—"I don't understand where the foreign correspondents who visit this country find all this opposition to the regime," an American diplomat here said a year ago. "I live here year-round but I'm darned if I can find it."

That assessment of a population's acquiescence in the military-backed dictatorship established by the April 1967 army coup expressed one of the puzzles of Greek life at that time. Despite the suspension of most civil and political liberties and repression of dissidents, Greece under martial law has projected an image of prosperity, stability and contentment.

After a months of widespread student unrest, however, some small cracks have appeared in the picture. At the universities themselves, the campus protests revealed a sizable opposition to policies that have eroded educational independence and imposed controls over many aspects of academic life.

Government assertions that the unrest was engineered by a tiny minority of "anarchists," "former politicians," and "Communists" seem unconvincing after sitins, protest meetings, and boycotts that involved a majority of the 80,000 Greek university students.

[The government closed the Athens University Law School for a week yesterday and banned a general student meeting, according to wire service reports from Athens. Police and uniformed military police patrolled the area, and witnesses said several demonstrating students were arrested.]

There is also at least some evidence that the drafting of 97 students into the army, and the beating of some of them inside university buildings, may have cost the government the confidence of segments of society that had been neutral or even in favor of its authoritarian rule.

Some 1,200 citizens signed a protest against the induction of students into the armed services. The presumably thoroughly pro-government Senate (Executive Council) of the embattled Athens Polytechnic University resigned in protest against police brutality.

The position of Prime Minister George Papadopoulos still seems unassailable. He commands the police, army and security services and has the support of Greece's business and financial groups. Even the government's most bitter critics have trouble presenting a credible scenario that would lead to its downfall.

Yet Papadopoulos conceded the essential difficulty he faces in governing a country that lacks any political mechanism for defusing tensions.

Although Papadopoulos promised the student-faculty group that he would heed legitimate student requests, few observers believe that the government is in any position to make essential compromises without jeopardizing its own status. Hints from officials suggest that the government may be preparing to use the unrest to justify further delays in moving toward more representative government.

Public opinion is difficult to measure in Greece. The vast majority of Greek citizens seem to a non-Greek eye to be preoccupied with enjoying their booming consumer society. But opponents of the government maintain that the outward indifference is artificial and that the real significance of the student protests was that they roused many Greeks from their political passivity.

"The image of inviolability has been broken," said a journalist. "The sense that the regime is in total control of everything is less strong than it was."

"Education is the essence of society and without free education you cannot develop a society," said a professor. "We are returning to the 19th century, when our fight was over academic freedom and the inviolability of the university."

"The events have made all Greeks sensitive to the deprivation of their basic liberties," said a young student interviewed in Athens last week. "The way the government handled

the demonstrations made the whole country conscious that they were living under a violent regime."

Such views clearly are a shock to a government that has energetically courted the younger generation in hopes of winning it over to the ideals of its so-called April revolution. Students have been pampered with free medical care, cheap meals, loans and free movie tickets.

While offering these blandishments, however, the government tightened its controls over Greece's universities. Through a series of decrees and new constitutional acts, it assumed powers to dismiss and appoint professors and named government commissars (usually generals) with broad powers to supervise universities. An estimated one-third of Greek professors are believed to have left their posts because of dismissal, resignation or early retirement since 1967.

In responding to a steadily growing student movement which was demanding a larger voice in educational matters, the government has followed a zigzag course. Under pressure from several thousand students, the government permitted students to elect their own boards last November.

But dissident sources claimed that progovernment forces tried to control the outcome with intimidation, procedural tricks and fraud.

Student demands include the release of the 97 drafted students, repeal of the special decree that withdrew their deferments, undergraduate participation in drafting a new law on higher education, new elections for student boards, and removal of police informers and suspected members of the former strongarm Fascist youth organization "EKOS" from the campus.

What happens next may depend on the depth of underlying tensions in Greek society and the strength of mass support for change. Student sources say their movement is independent of any political party. But for any opposition to be effective ultimately, it would have to offer some convincing alternatives to the present government. Such an alternative does not exist, and some Greeks fear that the opposition could become divided between leftists and social reformers on one side and conservatives who would like to restore the monarchy of exiled King Constantine.

At this stage, Greek prosperity may be working against social agitation. Greek per capita income exceeded $1,000 in 1971 and national income grew by 8½ percent. Strikes are illegal in Greece but there has not even been a wildcat walkout of serious proportions in six years.

Opponents of the government insist that the euphoria is misleading and that worker unrest will soon appear over rapidly rising prices. More than 250,000 Greeks have gone abroad to seek better jobs. Economic critics say that corruption has increased under the dictatorship and that economic inequalities have widened as a result of special tax treatment for powerful economic groups.

They also maintain that such important economic indicators as private capital investments in manufacturing have dropped off since 1967.

Workers in Greece have seldom been an effective political force. For this reason, some government opponents put their hopes in the army, whose position toward the government's handling of the student issue is uncertain. However, student leaders say they are doubtful that the army could play a role in restoring democracy and more progressive policies.

"Since the Greek civil war, our army has become more and more reactionary and riddled with secret organizations," said one source. Nevertheless, the Papadopoulos government apparently worries more about opposition to it from the right than from the left. Many retired army officers are still angry over the expulsion of King Constantine after an abortive royal countercoup on Dec. 15, 1967.

"What unites us," said a former conservative politician this week, "is our contempt for the regime. We Greeks shall pursue the road that leads to our freedom."

Mr. Kothris Proposes Government of National Unity

(Mr. Emmanuel Kothris letter to Messoghios)

Dear Mr. Editor: I am answering your questions:

You are wrong in believing—and I regret to state so publicly—that the Prime Minister and the majority of his collaborators sincerely wish to reach an understanding with the political leadership for the restoration of parliamentary Democracy and free institutions in our Country

If they really wanted it, this would have been achieved because the political leaders would not refuse to make sacrifices if they were convinced that in this manner that national interest is served. However, I believe that in this case, through this policy, of supposed understanding with the "political world" and the alleged "march towards true democracy," only the humiliation and submission of the political leaders to the regime are being sought. But, in this respect the rulers underestimate the political maturity of our people. It has not been realized as yet by them, that there is no "old" and "new" political world, but a unique one, which is continuously being renewed according to the political life of our Country. Therefore, the creation of an artificial and unnatural political life, like the one they are pursuing, leads neither to true Democracy nor does it serve the Nation.

If the Prime Minister truly believes that return to political normalcy is a duty that serves the Nation's interests, he does not need to have any preliminary understanding with the "political world," least of all with its spokesmen

He can, (and according to the Constitution, he has the right), invite exiled King Constantine to return to his throne with the possibility that the latter could exercise unhindered his Constitutional duties. Thus the process for the return of the country to normal political life would start smoothly and political leaders would be given the opportunity to contribute to National Unity under the leadership of the King. Similarly, the return of the exiled politicians, including Mr. Caramanlis, and with their participation, the formation of a transitional government of National Unity to face crucial problems and to conduct free elections in due time would be facilitated. In this manner the country would march steadily on the normal political course and any danger of anarchy as a result of the continuation of the current political anomaly will be averted.

We should not forget that the cooperation of the democratic political leaders with any regime must depend on its ideological goals and not on its longevity. Thus, the political leadership of our country reserves the right to enter a dialogue with the representatives of the present regime only when we are convinced that they too sincerely seek return to normal political life.

But when they declare that we do not exist and at the same time they do not permit the creation of new political forces in a normal way, that is, through the normal operation of democratic processes, when they do not implement the Constitution nor the institutional laws which they themselves formed. (i.e. as the law on political parties), when in essence they keep in force martial law throughout the country and when they attack a King and the system of Crowned Democracy through controlled press and forget that they promised to maintain of the present form of government of Crowned Democracy, then how is it possible to believe that by such policies they aim at the return of political normalcy?

Is it a proof of political normalcy that we move "freely" in our cities, "thanks to the compassion of the government" and not on the basis of our lawful constitutional right? Or when the policing of the political and social life of the leaders who have offered numerous national services and of many of our followers increases day by day?

I agree that violent overthrow of the regime will have unfavorable repercussions on the security of the Country This is an additional reason that all should contribute towards a speedy political normalization But, no one can exclude unpleasant developments in our political life as long as the present political anomaly continues.

Sincerely,

Emmanuel Kothris.

PROPOSED LEGISLATION FOR POST OFFICE DEPARTMENT

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

Mr. du PONT. Mr. Speaker, the frustrations of trying to deal with the U.S. Postal Service have been well documented by both Houses of Congress, by the media, by word of mouth, and by Postal Service officials themselves. We have shared with our constituents the agony of trying to have mail delivered within a reasonable interval. Through it all, the post office management has pursued budget cutting to the point of irrationality without having to share in the financial losses they have caused their customers.

Today, I am introducing legislation which will require the Post Office to be held financially accountable for their ineffectiveness under a guaranteed insured delivery system. This will create a new class of mail which will allow patrons to purchase an assured date of delivery. If the Post Office Department does not fulfill its responsibility under the agreed upon terms, then it will be liable for provable damages up to statutory limit of $2,500.

Today, the small businessman or average consumer is at the mercy of an unreliable and unpredictable Postal Service when conducting his financial dealings. I have documented cases of customers suffering real and potential losses as a direct result of the inadequancies present in the system. Also it seems to me that even under a usually reliable delivery schedule that there should be some means of the consumer protecting himself against a loss that is not his responsibility. However, my proposal goes beyond the factor of financial loss. It goes to the very root of what I believe is wrong with the management of the post office. They are insensitive to the attitudes and needs of their customers. I see this measure as one means of raising their level of concerns for those customers who are most affected by their poor performance. Hopefully, this legislation will also serve as a starting point for other services which are more fully responsive to the needs of their patrons.

In summary, I believe this proposed legislation fills a gap in the services offered to postal customers. It should also serve as means of overcoming the Postal Service management's ofttimes cavalier attitude toward customer service. I think these are goals worth pursuing under the best of conditions but absolutely necessary ones in view of the continuing inability of the Post Office Department to meet its responsibilities.

THAT CHAMPIONSHIP SEASON

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

Mr. McDADE. Mr. Speaker, on Sunday night in New York City, Mr. Jason Miller's play, "That Championship Season" received the Broadway theater's Tony Award as the best play of the season. It was an award that was richly deserved, and followed the Critics Award as best play of the season given to the same drama.

Jason Miller is a native of the city of Scranton, the son of John A. and Mary Miller, who reside at 118 South Fillmore Street in Scranton, and who must be overwhelmed with joy to see their fine son so honored by the most exacting drama critics in the world. To make it on Broadway is to walk into the history of the drama in perpetuity. Jason Miller has made his own mark on the history of American drama.

Jason was an outstanding young man in Scranton, where he attended St. Patrick's High School in West Scranton. He attended the University of Scranton, and it was there, and in the plays at Marywood College, that Jason has his first experience in the theater. He was, as all who knew him at the time agree, an intense student of drama, who spent long hours of studied concentration on the part assigned him, so that he would be believable from the first moment he walked on the stage. It is perhaps this concentration which has made "That Championship Season" a play so intense in individual characterization.

From Scranton, Jason went to the noted theater of the Catholic University of America, here in Washington. He met and married a wonderful young lady named Linda Mae Gleason, the daughter of one of the great action comedians in American television, the incomparable Jackie Gleason.

Now Jason has stepped far beyond those days when he was a student of the drama, and has become a formidable voice in the writing of American drama. Additionally, he has pursued his own career as an actor, and will shortly be seen in a motion picture that is also centered in this city of Washington, "The Exorcist," after the remarkable novel of the same name.

It is a delight for me to extend my own warmest congratulations to Jason Miller on this singular and most-deserved honor, and I know I speak for all my colleagues here in the Congress in so congratulating him.

ACTION TO STEM ALARMING RISE IN FOOD COST

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

Mr. ROGERS. Mr. Speaker, in light of yesterday's announcement of the most recent increase in the cost of food, I would like to bring to the attention of my colleagues action being taken by one of my constituents which is designed to help in part.

We have heard and seen accounts of various consumer groups and indeed individuals who are boycotting beef because of the steady and alarming price increase. But I could not think of any such action taken by a commercial establishment, until I received a letter from Philip Romano.

Mr. Romano owns a fine restaurant in Palm Beach. In fact, Romano's 300 has received several awards, including the Holiday Magazine Award in 1973 as one of the 190 finest restaurants in North America.

But as of April 1, Mr. Romano will not carry beef on his menu. In his letter to me, he says that he has no doubt that his clientele could afford the increase he would attach as a result of rising prices, but that instead of taking this action, his menu will simply be beefless.

Mr. Romano notes that he received help from the Government via a small business loan and his action is an attempt to help the Government in trying to bring beef prices back in line.

I would also note that I have heard that the students at the University of Maryland are planning to petition to have beef removed for at least 1 month from its menus in an attempt to accomplish the same goal. I understand that the university uses about a ton of beef a day.

I commend both for their action in doing their share to help stem the alarming rise in food which has caught this Nation by storm over the past 3 months, and I am passing on Mr. Romano's letter to the Secretary of Agriculture and the Cost of Living Council as a call for some immediate action on this inflationary problem. I also call on the President to establish guidelines if he remains firm in his conviction that a price control is unwise.

ISSUES FACING THE CONGRESS AND THE NATION

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

Mr. McFALL. Mr. Speaker, this morning the leadership of the House and the Senate met in another of the series of meetings on the issues facing the Congress and the Nation. At this time I would like to insert in the RECORD the press release on the meeting of March 27.

The House-Senate Democratic leadership held the third in a series of monthly meetings today in an office of the Speaker of the House. Attending the meeting were Speaker CARL ALBERT, Senate Majority Leader MIKE MANSFIELD, House Majority Leader TIP O'NEILL, Senate Majority Whip ROBERT BYRD, House Majority Whip JOHN MCFALL, and Senator TED MOSS.

The deteriorating state of the national economy and the lack of firm and effective leadership on the part of the President in restorng stability to the Nation's economic life dominated discussion. There was consensus that the lifting of phase II controls was premature, and several factors contributing to the inadequacy of present administration economic policies were noted: rising inflation and cost of foods, lumber, steel, and other items; the recent devaluation of the dollar, the second such action in 15 months; the recent precipitous drop in the stock market; the continued adverse balance of trade and rapidly rising rents.

The joint leadership endorsed recent action taken by the House Committee on Banking and Currency concerning future economic policy and agreed that legislation providing anything short of phase II controls would be inadequate.

Other topics discussed at this morning's meeting were: Congressional spending and the budget ceilings; the scheduling of floor action of bills which were vetoed by the President in the last session; the scheduling of anticipated Presidential vetoes in the next few weeks, the status of impounding legislation and a general discussion of the legislative schedule in the House and Senate.

The leaders agreed that they would make every effort to clear the regular appropriations bills, at least through the House, before the first of July, and they jointly urged committee chairmen in both bodies to move their authorization bills as rapidly as possible in order to expedite the passage of the appropriations bills.

ANNOUNCING HEARINGS ON NIXON IMPOUNDMENTS LEGISLATION

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

Mr. MADDEN. Mr. Speaker, on tomorrow, Wednesday, March 28, the House Rules Committee will open hearings on the various bills pending pertaining to the impoundment programs of President Nixon. These hearings will open in room 2154, Rayburn Building, at 10:30 a.m. The hearings will be televised. On Thursday, the hearings will continue in the Foreign Affairs Committee room, No. 2170, at 10:30 a.m.

I think that a substantial majority of Members agree that we do have an immediate and pressing need for some form of anti-impoundment legislation.

President Nixon has abused the principle and the precedents of impoundment. The Congress knows that the law requires him to prevent deficiencies in specific accounts. The Congress recognizes the commonsense in holding back money when you can get the job done for less.

But we do not concede that the President has any right to use impoundment

to slow down a job or to halt it altogether, merely because he happens to disagree with that particular program. No theory of impoundment gives the President the right to thwart the will of the Congress.

Thus far, Mr. Nixon has used impoundment to curtail or to shut off a vast spectrum of programs that cut across the entire domestic scene and that affect the well-being of millions of Americans. Impoundments of 1973 funds have held up more than half a billion dollars for housing and urban development programs, more than $159 million for the food stamp program, hundreds of millions of dollars for conservation programs and other programs to benefit the rural areas, almost $2.5 billion in aid to highways, and $6.6 billion in grants for construction of water and sewerage treatment facilities. Millions of dollars have been curtailed on educational programs.

Mr. Nixon has, in effect, substituted his wishes for the collective and deliberative judgment of 435 Members of the House of Representatives and 100 U.S. Senators.

What is at stake here is whether we are going to have one-man rule or whether we are going to continue our system of shared and balanced powers.

President Nixon seeks now to overstep his share of the powers distributed by the Constitution and to intrude upon the very fountainhead of congressional powers.

A recent poll taken by Oliver Quayle in St. Louis shows that the people are worried about trusting too much authority to a single individual.

Overwhelmingly, the people felt that the Congress—not the Executive—should set the ceiling on spending.

The people have not supported Mr. Nixon to the extent that they would give him a Congress of his own party—one which might be more responsive to his wishes. Mr. Nixon is the first President since Rutherford B. Hayes not to have had even one Congress of his own political persuasion.

Lacking a congressional mandate, President Nixon has gone ahead and taken power, including the power reserved to the Congress, and has used it as it has pleased him.

I think the people recognize President Nixon's unilateral impoundment actions as a growing threat to our democratic processes, and they are wary of those tendencies.

President Nixon is attempting to impose on this Nation his personal philosophy of a Federal Government remote from the people and uninvolved with their needs. He wants a retreat from social responsibility—a repudiation of the kind of humanitarian principles that have prevailed in Government for 40 years.

STUDY OF FEDERAL WELFARE PROGRAMS

The SPEAKER. Under a previous order of the House, the gentlewoman from Michigan (Mrs. GRIFFITHS) is recognized for 30 minutes.

Mrs. GRIFFITHS. Mr. Speaker, as chairman of the Subcommittee on Fiscal Policy of the Joint Economic Committee I want to share with the Members the findings of a major study of that committee based on data gathered by the General Accounting Office at my request.

Our committee has been working away for more than a year now, describing and analyzing the whole range of welfare programs or income maintenance programs. We counted up 100 programs and found that they cost the Federal taxpayers more than $100 billion a year.

But we wanted to know more. We wanted to show these programs in practice, not just in theory.

We asked the GAO: "Who is getting these benefits: How much are they getting, and from how many programs are they receiving them?"

Mr. Speaker, in a nutshell what we found makes the offerings of the two Georges—McGOVERN and Wiley—look like pikers.

The GAO at my request went into six low-income areas and drew samples of 1,758 households in all. They went to the records of 100 Federal, State, and local programs to see whether any members of these households have gotten benefits during the year.

They searched records of Federal, State, and local agencies sending out checks for programs such as AFDC, general assistance, social security, those passing out food, those which house people, those which pay health bills, and those which provide day care and other services. We added up the value of the benefits from all these programs, and for the first time we can give the Members a picture of what is really happening in welfare today.

Now, Mr. Speaker, our findings do not necessarily apply to the entire country or even to all of the poor. But I for one find that it makes a convincing case for drastic action.

This shows us how all income maintenance programs work in chart 3.

In chart 3 the sheer number of people who have contact with the public welfare bureaucracy is staggering. And I might add that it is far greater than one would guess by just looking at the number of AFDC recipients alone.

Sixty percent of our households receive benefits from at least one program, and the chances are very good that each receives more than one benefit; 40 percent receive benefits from two or more programs; 11 percent participated in 5 or more programs, on down to almost one percent involved in 9 to 11 programs. Our big winner was a household of 5 people which got benefits from 11 different programs. The benefits totaled 691 tax-free dollars, of which $599 was in cash.

Now, Mr. Speaker, I want to keep pointing out to the Members and keep reminding the Members that not only are these benefits not taxable; they are not garnisheeable. This money is not like other money.

In chart 4 we can see that descriptive language rather than actual cities has been used for the sites: eastern city, south Atlantic city, southern city, northwestern city, western city, and rural counties.

Mr. Speaker, what is incredible to me is that if one lives in the two southern cities, one is apparently more likely to already have had contact with the public welfare establishment than if one lives in the three other urban sites. This is shown in chart 4.

A lot of people were very upset because the President's family assistance plan would have made so many people in the South eligible for benefits. Those people are too late. They are already getting them.

Mr. Speaker, who are these people who get so many benefits? Of course, many are members of large households or those with children or those with aged heads. But we have to look at some actual cases to understand how it can happen that households get five or more benefits and to understand the variety of situations. There is no general rule. But all of this is legal.

There is no fraud; no fraud is necessary to do very well under our present way of doing business.

Look at this couple in an eastern city, for example. They are supporting a young wife and a wife's teenage brother with AFDC, general assistance, food stamps, and medicaid benefits. They live in a public housing unit and the teenager is with the Neighborhood Youth Corps. They have tax-free benefits which are worth $385 a month supplemented by the wife's earnings of $429.

In B you find a young woman who has a total of $460 a month in cash from AFDC and the Neighborhood Youth Corps and from private earnings. She also gets food, housing, and health care subsidies.

I want to point out to you we found other households in this same city each also having three people whose earnings were far less than this woman had in cash; yet they got not one penny of help from any program. Do you know why? In large part it is because the families were married couples. These four families were struggling along with earnings of less than $350 a month—no food stamps, no medicaid, no public housing, no welfare to add to their earnings. The young woman with $460 in cash plus everything else is far better off.

C. In this three-generation family of five in a southern city—and this is one of the big winners, also—they received 11 benefits, 5 of which were cash payments totaling $599 a month. They also got food, medicaid, housing, and service benefits, bringing the grand total to $691 monthly.

D. This mother of 10 children in a midwestern city received an average of $793 in monthly benefits. This is over $9,500 a year. A working man or woman would have to earn over $11,000 gross to have the equivalent net income after taxes and work expenses. In the midwestern city, the low-income neighborhood where this woman lives, earnings for a woman working full time at the median wage are less than $5,000; they are less than $7,000 for men.

Now, some of you may be troubled because we put dollar values on benefits like food and medicaid and housing and

services. You may say goods and services are not as valuable as cash to people. This is probably true in many cases, but if you ignore these benefits altogether, you are really saying that these nontax benefits have no value at all. I can tell you this is false, because we have heard from the recipients themselves when Congress or the administration has tried to tighten the food stamp eligibility requirements or increase the deductibility and copayment amounts under medicare.

In fact, in the State of Pennsylvania there is now pending a case. In that State you can be too poor to be eligible for the Department of Housing and Urban Development's section 236 subsidized rent programs. There is a minimum rent specified that cannot exceed a certain percentage of your income. The State of Pennsylvania in a class action suit charged that the HUD policy is illegal because HUD fails to include food stamp and medicaid benefits as income. In other words, the State believes that ability to pay should take into account all noncash benefits.

Chart 6: Make no mistake, the system is unfair. You can take two families with exactly the same income and of precisely the same size and you will find that what they get varies all over the place.

We have had some actual cases here that make this perfectly clear. In an eastern city we found a woman rearing her three children on $355 a month and benefits of $359, $281 of which was cash from AFDC.

Household B here is another family of four, but it is headed by a man. He earned an average of $346 a month and he had unemployment benefits averaging $25 for a total of $371. But this family is not eligible for AFDC, of course, so it has less than household A, even though the man's earnings are lower than those of the woman receiving AFDC.

Then in the lower part of chart 6 we have two elderly couples living in the rural counties site. Couple C gets welfare for the aged, called old-age assistance, because its social security check is small.

So these people, because they get old age assistance, automatically qualify for surplus food commodities and medicaid, both of which go along with public assistance in the rural counties site.

Couple D's income, on the other hand, is too high to draw old age assistance, and so they do not get free food commodities or medicaid either. Couple D does get medicare coverage, but medicaid would be more valuable to them. For example, if couple D wants physician's insurance under part B of medicare they must pay $11.60 per month for it. Medicaid pays this premium for couple C. If couple D has hospital, doctor, and drug needs not covered by medicare, it must do without them or pay for the treatment, or seek charity care. Medicaid will pay for most such health care needs for couple C. So in effect for the elderly it would be better not to have too high social security so they could qualify for old age assistance so they can receive all the rest of these benefits.

We are taking care of the poor far better than we are taking care of people who have only social security.

Then chart 7: Of course, most of these programs were set up to help the poor. You would think that families lucky enough to receive benefits from five or even more programs would surely escape poverty. The truth is, some do not. Chart 7 shows just how much benefits these households receive, they receive a great many benefits.

The top bars in chart 7 show that most beneficiaries in fact are poor when they apply for their benefits. After they get their cash benefits, 67 percent of these households in the southern city and 29 percent in the eastern city are still poor. But when their food and housing benefits are added in too, as shown here in the third set of bars, the percentage in poverty falls to 31 percent in the southern city, and 8 percent in the eastern city.

I can assure you that this way of looking at these programs and how they can reduce poverty is far more accurate than the official counts of who is poor and how poor they are. The census surveys do not include the value of food and housing benefits at all. This means that the $2 billion in food stamp bonuses, for example, are implicitly given a value of zero. Of course, even if the census did count these benefits in, this country would still have a serious poverty problem, but we would know far more about how well we are doing in eliminating poverty, and who is still poor. So before the President declares an end to the war on poverty, maybe we really need to know how many prisoners of war are left behind. You cannot just look at cash benefits such as AFDC or social security alone in judging whether benefits are adequate when recipients usually get other benefits too. It is a little like the woman getting alimony and child support who also got the family house, and everything in it, the savings account and a car and a settlement that requires the man to educate the kids and pay all their health bills. Believe me, that man and woman and their lawyers added it all together, the cash and everything else.

Finally, if we add in the Government costs of all benefits such as health and other services—as if they were income, we will still find some poor households. This is shown in the last set of bars in chart 7. But we also find that some people do very well.

For example, at two of the six sites the five-benefit households had total private incomes and benefits averaging over $6,500 a year. In fact, benefit levels can easily exceed what people could earn in a full-time job and what their neighbors are currently earning.

Chart 8: Chart No. 8 shows just that. Here we compare the actual benefits of nonworking people with children, receiving five or more benefits, with what their neighbors in the low-income areas are earning. In eastern city food, cash, and housing benefits alone average $426, none of which is taxable, and for which there are no work expenses. This amount for nonworkers exceeds the median wages for women who are working full-time in eastern city as well as in southern city, and benefits very nearly equal these wages in South Atlantic and midwestern cities.

If we deduct $60 a month for income taxes and work expenses, benefits are even close to the average workingman's wages in these areas.

We can see that benefits are significantly below men's wages only in midwestern and western cities.

Does it not seem time to make the system fairer to these people, to the workers?

Chart 9: Not only do some benefit packages compete with wages, but the programs themselves do not match our workfare rhetoric. They do not insure that recipients can better themselves financially by going to work. Quite simply, working can leave one little better off, and sometimes worse off, because his benefits are reduced if he does work.

After your benefits are reduced, and after you net out work expenses and payroll taxes, if you are a recipient who goes to work, you may see little change in your total income. Your AFDC grant falls; you pay more for food stamps and public housing; and there are steep social security taxes. Why break your back for even a reasonable $3 an hour when you can keep only 75 cents of it?

In this chart it shows that 70 percent of these people with five benefits from $1 earned would get either nothing at all or a high of 32 cents, so that they would work 8 hours for a little more than $2.50.

Chart 9 shows, then, that some of them would get 33 cents up to 49, and so on, but this shows the difference in what we are saying and in what we are really doing. If we cut out all of these benefits when they go to work, they really do not realize anything from it.

Chart 9 shows the pitifully small gain that some beneficiaries get from these earnings. Since most of the households in chart 9 include AFDC, we may be tempted to assume that work incentives are irrelevant because AFDC recipients are either unemployable or unemployed. But here are the facts. Adults in urban AFDC households do work. The first bar for each site here in chart 10 shows the proportion of AFDC households having adult earnings for some part of the year. We see that about one-quarter to three-quarters of the AFDC households had an adult earner and, therefore, had income in addition to the AFDC grant for some portion of the year.

The second bar on each site applies only to AFDC households in which there is only one adult, generally a woman. We see that the AFDC parent was known to have worked in from 19 to 70 percent of these households. This means that the work-incentive features of AFDC and other programs are important—and they are important for women heading families.

Would AFDC recipients have worked more or reported more earnings if they did not lose benefits at such a high rate? We do not know, but it does seem unfair to recipients who work to be so little better off relative to those who do not.

These facts suggest to me that we ought to quit trying to divide people up into categories such as "employable" and "unemployable" on the basis of their

sex and other such characteristics. These theoretical categories exist in the minds—maybe our minds—but not in the real world of the poor.

If people are in need, perhaps we should help all of them uniformly and fairly.

Chart 11: The subcommittee has gone around the country looking into how all these programs are administered. I now have a great deal of sympathy for case workers who are struggling with constantly changing rules. They have an impossible job. And one of the most unfortunate things about having so many programs helping the same group of people is that we are wasting money duplicating administrative tasks. Meanwhile, these programs are stumbling all over each other and preventing one another from effectively carrying out our legislative intent. With all of these agencies checking on income and family circumstances, keeping records, mailing checks or paying vendors, and enforcing program rules while serving largely the same clientele, the amount of wasted motion must be fantastic.

We can get an idea of the administrative problems from this chart, No. 11. This is, of course, something of an extreme case. It shows the flow of benefits from 10 programs for one household over a 1-year period. These nine people got medical care from the Public Health Service and through medicaid; they received unemployment insurance, AFDC, and food stamps; they got free school lunches, special title I educational aid, and milk for the children; they participated in MDTA manpower training and the concentrated employment program; and they had some private income. I ask Members: would you want the responsibility of assuring that these people got exactly the amount they should—no more, no less—every week and every month of the year or, indeed, at the precise moment when the Federal auditors come around?

If I had to give you the conclusions I draw from all of this, it would be the following: For years we have been designing programs as if each had its own unique constituency and as if each operated all by itself. We have not paid much attention to coordinating them before now, and we have not added them all up. What is happening? We have ended up with so many programs that they cannot be run well. Some people are left out while others scoop up thousands—far more than we could possibly provide to everyone in similar circumstances on a fair basis, and no one is in charge of all this.

If we look at only the 21 major income maintenance programs with some Federal involvement, we find they fall under the jurisdiction of 10 legislative committees of the House and nine of the Senate, and they are administered by 11 Federal agencies. No one committee has the reponsibility for viewing them all together. The executive branch, which has initiated a good share of these programs, is even blinder.

But the Congress at least is digging into the issues. In my judgment, studies such as this are crucial—we just have never looked before at all the programs together.

This study has been very much a cooperative undertaking. The subcommittee and I greatly appreciate the expert assistance of the Comptroller General of the General Accounting Office, Elmer Staats, and his staff in helping to design this study and in gathering the data in a thoroughly competent way. Secondly, I want to thank Congressman WAYNE HAYS, chairman of the Committee on House Administration, for processing the data collected with the computer facilities of the House information systems center. I would also like to thank both the majority and the minority leadership of the House for making this study possible, the majority and minority members of the Ways and Means Committee and of the Joint Economic Committee and the Committee on Appropriations. All of them have cooperated.

I think this study is historic. It is the first time the Congress has collected this type of information and then run it through the computers and analyzed the data itself. I hope that this is only the beginning of congressional efforts in which we share resources to produce studies from which the entire Congress—and certainly the administration—will benefit.

If there are some questions and I have the time, I will be glad to answer them.

Mr. ARENDS. Mr. Speaker, I want to congratulate the gentlewoman from Michigan for this very informative presentation.

Will this be made available in a public document?

Mrs. GRIFFITHS. Yes, we have it available now. We even have the charts available and we will see to it that all Members have a copy.

Mrs. SULLIVAN. Mr. Speaker, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I, too, wish to compliment the gentlewoman from Michigan on this very great study. It is something which has been needed for a long time.

I would like to ask this question: Has the gentlewoman from Michigan come to any conclusions on what might be done now that we have this information, even though we have no way of continuing it?

Mrs. GRIFFITHS. One of the things which I think we ought to do at once is that I feel we should set up some type of device in Congress where, if we are going to offer one of these programs or a Member offers one of these programs, it should first be analyzed by some experts to show us the effect on that program upon all other programs. It seems to me that would be the correct method if we do it at once, but I hope that before this study is over, we are going to be able to offer a substitute for the entire mess.

Mrs. SULLIVAN. If the gentlewoman from Michigan would continue to yield, I know that the gentlewoman has spoken of this often and we have often discussed the possibility of every recipient of any kind of program having a social security card and a number so that all of these benefits could be listed.

Mrs. GRIFFITHS. Yes, a social security number for everyone, in my opinion, is an absolute necessity.

For a long time the only people who did not have social security numbers were those who were getting something from the Government. If a person earned anything, the Government demanded that that person have a social security number because the Government wanted its share of his earnings. However, I think everyone should have a social security number. I think it should be given to a person and put on his birth certificate so that we can absolutely identify which of these programs help and which does not.

Mrs. SULLIVAN. There are two follow-up questions: Does the gentlewoman from Michigan feel that we would be able to introduce and pass legislation making this a requirement?

Mrs. GRIFFITHS. I have been trying this for 8 years. We have now gotten to the place where, if a person has any kind of benefit coming to him, he has to have a social security number.

I think a number should be given at birth.

Mrs. SULLIVAN. The second question I have is this: If such a thing were possible, if everyone had a social security number, at what time does the gentlewoman from Michigan think that these benefits then could be put onto the record of the individual in the same method as earnings are put on?

Mrs. GRIFFITHS. I presume it could be done, but what I think we need to stop this mess is a program that helps people more equitably than having 11 programs.

Mr. LONG of Maryland. Mr. Speaker, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, I, too, wish to congratulate the gentlewoman from Michigan. She has done a terrific job in pulling all this material together and presenting it in such a dramatic way.

In the minds of many people, the alternative to all of these programs is going to be a guaranteed annual income.

Mrs. GRIFFITHS. In place of 100 different guaranteed incomes, which is what we have.

Mr. LONG of Maryland. I would like to ask the gentlewoman from Michigan whether she thinks the same type of analysis ought to be applied to that. I looked into it in a very small way. I found that the guaranteed income as it was presented to us several years ago in the Nixon proposal also offered practically no incentives to work. Under that proposal, if a person added together the cost of going to work—such as transportation, lunches, work clothes, and the fact that he cannot paint the bathroom while he is working—the person who worked got almost nothing out of putting in 50 hours working and traveling back and forth to his job.

Mrs. GRIFFITHS. Before we have finished I hope that we will be able to analyze whatever program we suggest and present it to the Members, to show them exactly how it will work.

Mr. LONG of Maryland. I just want to

warn the gentlewoman that the alternative to this—a seemingly simple program—may have almost as many pitfalls.

Mrs. GRIFFITHS. Yes. There will be many problems, but not as much as for this.

The SPEAKER pro tempore (Mr. MAZZOLI). The time of the gentlewoman from Michigan has expired.

(On request of Mr. GROSS, and by unanimous consent, Mrs. GRIFFITHS was allowed to proceed for 1 additional minute.)

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

Mrs. GRIFFITHS. I yield to the gentleman from Iowa.

Mr. GROSS. I want to join other Members in commending the gentlewoman not only for the accumulation of the material but also for her excellent presentation of it. I wish to say to her that I now have an excellent reason for having voted for "Women's Lib."

Mrs. GRIFFITHS. I thank the gentleman. The gentleman can see that the place where the men are really being treated badly is in welfare. What we are really doing is breaking up families.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I, too, want to commend the gentlewoman from Michigan.

It is obvious that the gentlewoman has focused attention upon the duplication and fragmentation of programs. There are simply not enough in the way of incentives for this to work, and there is too much in the way of incentives for those who are on the benefit side of the welfare program.

Mrs. GRIFFITHS. I thank the gentleman.

Mr. DON H. CLAUSEN. Mr. Speaker, I want to commend most highly the lady from Michigan (Mrs. GRIFFITHS) not only for this special order she has taken today to discuss and inform us on the proliferation and overlap in our public welfare assistance programs, but to state for the record that the information she has collected and presented, with the assistance of the General Accounting Office, has been long overdue and in my view will indeed stand forever as an historic document. The time and hard work this dedicated legislator and her staff have devoted to compiling this study, in my judgment, merit our highest praise.

As Mrs. GRIFFITHS has so ably stated, her concern over the huge overlap in federally assisted public welfare programs did not just develop during the past few months. As chairman of the Joint Economic Committee's Subcommittee on Fiscal Policy, her in-depth study will, I am sure, receive thoughtful and careful analysis by her colleagues on the committee and hopefully by the whole House as well.

I have long shared Mrs. GRIFFITHS' concern for the widespread duplication and fragmentation that permeates our public welfare programs which, as she has documented here today, have offered more incentives for people not to work and for families to split up, than they have for people to seek gainful employment or to keep their families together.

What this study reveals represents a tragedy and a travesty not only for the needy disadvantaged, but for all working men and women in America. While, over the years, the Congress has created program upon program in all good faith, and in spite of the many warnings, we never stopped long enough to survey the counterproductive giant we were actually creating. One of the most revealing aspects of this study, in my view, is the documented manner in which competing public welfare programs have completely undone the original intent of the Congress. As a result, I believe a tremendous disservice has been done to the very people we were trying to reach.

From this study and the followup action that is so desperately needed, I would hope that a joint legislative-executive effort along truly bipartisan lines can now go forward to completely overhaul and improve our public welfare programs in this country. Certainly, Mrs. GRIFFITHS has documented the need for reform here today and I do not believe there is any question that the time has come.

GENERAL LEAVE

Mr. DON H. CLAUSEN. Mr. Speaker, I ask unanimous consent that all Members be permitted to revise and extend their remarks at this point in the RECORD, because I believe they will want to associate themselves with the remarks the gentlewoman from Michigan has made.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONGRESSIONAL HANDLE FOR THE FEDERAL BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, for a number of years, and particularly in recent months, there has been rising concern over congressional responsibility and ability to deal with the Federal budgetmaking process. I believe it is of vital interest to the Nation that the Congress recapture and maintain control of the national budget.

Congress has recognized the critical need for this by establishing the Joint Study Committee and Budget Control. The interim report of the joint committee has pointed clearly to the many facets of the complicated budgetary control problem which has arisen. Another point which should also be made is that failure to obtain control of the budget—from the raising of income, to the allocating of resources through spending of available funds—will continue to restrain the power of the Congress to reorder national priorities.

I would like to share with my colleagues today some of the views which I have expressed to the joint committee.

Congress must adopt a firm policy that will hold the line on spending. The Nation's taxpayers are already overburdened. A tax increase could be the straw that breaks the camel's back.

Congress must establish a firm policy of working within a fiscally sound budget. Individuals and companies adopt this as good business practice in order to avoid bankruptcy. Is it not also sound governmental policy?

Congress must establish a national policy that is designed to curb and end inflation. The cruelest method of payment for Government services is through the allowance of inflation which indirectly taxes those who can least afford to pay—persons on the lower end of the income scale and persons on small fixed incomes.

Some very basic reform is needed in the Federal budgetary process.

Congress must establish a national fiscal policy directed at achieving maximum employment, productivity and purchasing power in nongovernmental activities, and maximum efficiency and effectiveness in using governmental financial resources.

Ceilings must be established on spending and on new obligational authority. This is not to say that new activities should not be considered, or authorized, but that spending should not be mandated for them which would violate congressionally adopted fiscal policies.

A policy for appropriating funds to be available for a limited period of time should be adopted. If, in accordance with responsible fiscal policies, the funds have not been spent or definitely obligated at the end of the period the spending, obligational or contracting authority should lapse. And, if Congress deems it necessary and wise, new appropriations should be made. The minimum time limit on this authority should be 1 year and the maximum period should be 2 years.

I recognize the workload this implies. But, I believe continuous and timely review of the spending, contracting, and obligational policies of the Federal Government is absolutely necessary to the maintenance of budgetary control.

Trying to do the work required of Congress without the staff and equipment it needs is like trying to fly a jet aircraft on a washing machine motor.

A mechanism—informational system staffed by nonpartisan, professional personnel and provided with sufficient modern equipment—should be established to provide the Ways and Means and Finance Committees with accurate data on the income which will be available for Federal programs.

The Appropriations Committees of the House and Senate should be provided with a similar mechanism which can provide all Members of the Congress with clear, up-to-date information on financial obligations of the Federal Government.

There should be established within the House and the Senate budget committees charged with the responsibility of recommending to their respective Houses the level at which the Federal budget should be set. These committees should have the authority to recommend al-

locations for each of the committees of the House and the Senate telling them what portion of the budget they may use in authorizing the contribution, or the establishment, of programs over which they have jurisdiction.

The membership of the House budget committee should be composed of the Speaker, the majority leader, the minority leader, the minority whip, and the chairmen and ranking members of each standing committee.

In the Senate the budget committee should be composed of the majority leader, the majority whip, the minority leader, the minority whip, and the chairmen and ranking members of each standing committee.

The budget level recommendations of each House should become effective only after a vote of approval by the membership of that House. A joint committee of the membership of the House and Senate budget committees should be established and charged with the responsibility of reconciling the differences in the levels and allocations to committees of the budgets agreed on by the two Houses. When they have completed their work, their agreement should be brought to each House for acceptance or rejection.

A strict schedule for these committees to complete their work and the Congress to agree on budgetary levels and allocations to committees should be established.

Depending on the time schedule that is adopted, it would be possible for the other committees of both Houses of Congress to be carrying on their work of hearings, studies, and investigations at the same time that the first steps of the budgetary process are taken. By the time the budget levels and allocations are agreed upon by the Congress many, if not all, of the hearings in these committees should also have been completed.

A ceiling should be included in each appropriations bill. And, no individual appropriations bill should become effective until congressionally approved within the context of the total budget. At, or near, the end of each year, the Congress should meet specifically for the purpose of considering whether budget ceilings should be adjusted and whether taxes should be increased or deficit spending should be accepted.

The proposal that Congress regain and maintain control of the national budget means a significantly increased workload. But, it is a job that we as elected representatives of the people are morally and constitutionally bound to accept and carry out.

It is essential that the Congress gain and maintain control of the national budget. To do so will require increased efficiency of operation within the Congress. Vital to this is the development of a system of communication and coordination within each House and between the Houses of Congress. Congress is not now equipped to play in the same league with the Executive. The task of handling the national budget is a demanding one which cannot be carried out unless Congress is willing to equip itself with sufficient professional staff and equipment to development and analyze the information required for budgetmaking.

Throughout the 20th century Congress has taken a backseat to the Executive. Now, more than at any other time in this century, we of the Congress have an opportunity to strive for the position of an equal legislative branch which would restore the balance of powers as intended by the Constitntion.

I am convinced that Mr. Nixon has skillfully captured the feeling of the general public on the subject of Government spending. But, most every American would agree that it is far better to return the responsibility for the budget to the Congress than allow it to continue to concentrate in the Executive.

The task of rseponsible, knowledgeable, responsive budgetmaking is a demanding one. To do it properly will require significant congressional reform. I urge that the Congress meet this challenge head on and make the changes necessary for gaining and retaining control of the Federal budget process.

REESTABLISHMENT OF RENT CONTROLS

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

Mr. WILLIAMS. Mr. Speaker, today I urge all of my colleagues to join me in support for the reestablishment of rent controls on a nationwide basis. As we all know, these controls, which were flexible, were removed in phase III of the President's "new economic policy" because his advisers had assured him that the rental market was "soft." The rental market, Mr. Speaker, is about as "soft" as a block of case-hardened steel. The fact is, that in many areas, rents have gone up from 20 to 40 percent since the removal of controls.

Housing is one of man's most basic needs. We must act to assure all Americans that the cost of a roof over their heads will not be prohibitive. Our first step must be the immediate reinstatement of strong rent controls that will cover all rental units nationwide.

Mr. Speaker, there is another area with which the Congress should concern ourselves because it directly contributes to the high cost of housing. Lumber is one of the most expensive components in all types of housing, and the price of all lumber continues to soar.

I oppose the classification of lumber as an agricultural product. This erroneous classification allowed prices to climb steadily throughout phase II, and with the relaxation of controls in phase III, the cost of lumber has now nearly doubled. To remedy this situation, we must move quickly to control lumber prices. In fact, we must move to bring the prices of all agricultural products and meats under control.

One of the most urgent problems is the need for controls on the export of logs, particularly to Japan. Controls on this currently unrestrained exportation of a vitally needed resource will help meet our expanding needs for new housing starts here at home.

The Banking and Currency Committee is holding hearings on extending the Economic Stabilization Act, and any such extension must be such to bring inflation completely under control. It is expected that the committee will move rapidly to complete these hearings and report the extension of the Economic Stabilization Act to the House for consideration.

Congress must then act quickly to meet our responsibilities to the American people to control spiraling housing costs, keep rents within the reach of our people, and control inflation.

TAX-FREE LOTTERIES

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

Mr. MCKINNEY. Mr. Speaker, last June I introduced a bill which would exempt State lottery winnings from an individual's taxable income.

Today I am reintroducing this legislation in the hope that the 93d Congress will be able to get around to enacting this proposal. I do not have to stand before you and detail the fiscal problems presently affecting many of our States. In recent years, the State-operated lottery has come to the fore as a chief means for many of these States to raise extra revenue. At present, seven States are operating lotteries and have already grossed over $875 million. In its first month alone, the State of Michigan grossed over $14 million.

The primary purpose of my bill is to encourage the growth of these lotteries and to remove a tax which stands as an obstruction to further growth. Last year, when I contacted the lottery commissioners concerning the idea of tax-free lotteries, they wholeheartedly welcomed this concept and many pointed out that a prime source of public dissatisfaction with lotteries is the exorbitant size of the Federal tax bite. Commissioner Joseph Burns of Connecticut forwarded information showing that in winning a top prize of $75,000, the average family in my State would return $39,780 to the Federal Government. Such a tax bite becomes even greater in States such as New York where winners still face payment of State and local taxes.

Mr. Speaker, I should also like to mention that this legislation would be very detrimental to one segment of society. The illegal numbers rackets, which gross staggering profits for organized crime, would be dealt a severe blow. In reporting on this legislation last year, Mr. Robert Waters, Washington correspondent for the Hartford Courant, pointed out:

> In Connecticut and the five other states where lottery winners have faced this problem, McKinney's bill should draw heavy support.
>
> But the professional gamblers won't like it—and for good reason. The popular practice of "piggybacking" the state lottery would lose part of its attraction. "Piggybacking" happens when bookmakers take bets on the winning lottery numbers. Why would anyone want to play the state lottery via a bookie?

Here's one good reason: The winnings are paid off in funds that aren't taxable. Legally, of course, all gambling winnings are taxable. But when you do business with a bookie he isn't about to tell the Internal Revenue Service how much you won. So, if you're a greedy winner, neither do you.

Thus, if you take home $75,000 from a bookie, you get to keep it all.

The official state winners don't enjoy this anonymity. These lucky people get their pictures in the newspapers complete with names and addresses. And of course, they also get to share a fair share of their winnings with the IRS.

McKinney's bill would equalize this situation. On payoffs, at least, the state and the bookies would offer the same attraction: a tax free jackpot. And with an official IRS exemption for state lotteries, McKinney's bill has an edge over the bookies. The winners would have a "legal tax free prize."

I think Mr. Waters has advanced a good point which serves to highlight the fact that with over 30 States actively considering instituting lotteries, now is the time to change this archaic, counterproductive Federal policy. For anyone worried about the effect of this proposal on the Treasury, it is my feeling that there would be little loss of revenue should this bill be enacted into law. Taxes on lottery winnings already come under the category of unanticipated revenue, and I think it is very necessary that the Congress act now to adopt tax-free lotteries before the Federal Government becomes too dependent on their moneys.

In closing, I would like to call your attention to the fact that we have been speaking about tax reform in Congress for a number of years. It finally looks as if we will get around to initiating some reform during the 93d Congress. I would like to think that this bill deserves all due consideration in this regard. It is time that we closed the credibility gap of one segment of government promising the average American a chance for a small fortune, while, if he is lucky enough to win, another government entity comes along and takes half of it back.

I would like to take this opportunity to include in the RECORD some of the letters from the lottery commissioners which I hope my colleagues will take the time to review:

STATE OF CONNECTICUT,
COMMISSION ON SPECIAL REVENUE,
Wethersfield, Conn., March 2, 1973.

Hon. STEWART B. MCKINNEY,
Congress of the United States, House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR STEWART: We were delighted to learn that you are planning to reintroduce your bill that will exempt lottery winnings from Federal income taxes. We certainly enthusiastically support this legislation.

Our argument is, of course, that the lottery itself will be considerably strengthened by this proposal and will encourage greater participation and thus provide greater income for the State. In addition, the money provided for winners will be funneled into the mainstream of our economic activity and should really net just as much money in Federal taxes as if they were taken at the source. Everything we can do to ease tax burdens on a local basis will, in our judgment, result in less demand from states to the federal government for support. We believe this is a sound argument.

During the period from February 15, 1972, when we began to sell lottery tickets and the end of January, 1973, we sold almost eighty million tickets at fifty cents each. The State of Connecticut received a net profit from this lottery of more than fifteen million dollars. If our prize structure were based on lottery free winnings, we believe we could considerably improve upon that performance.

For the same period, fourteen million dollars was awarded in prize money and thousands of Connecticut residents benefitted. We know that the Federal income tax received a good portion of this sum, but we also feel that the money would have performed more profitably, both for Federal and State Government, had it been received tax free.

The problem of convincing non-lottery states of this sales incentive may be difficult, but we do applaud your efforts.

Please let us know if we can furnish any more definite material for your use.

Sincerely,

JOSEPH B. BURNS,
Executive Secretary.

STATE OF MICHIGAN,
BUREAU OF STATE LOTTERY,
Lansing, Mich., March 5, 1973.

Hon. STEWART B. MCKINNEY,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MCKINNEY: Thank you for your recent letter and background materials dealing with your proposal to exempt lottery winnings from federal income taxes.

There is no question that your proposed revision of the tax code would be popular with residents of lottery states and others who participate in lotteries. We have found in our brief history that nearly everyone anticipates winning a big prize someday and expresses concern about the federal "tax bite." Lottery winnings are exempted from state and local taxation.

Michigan's lottery started last November 13 and has averaged sales of more than 5 million tickets each week in our first 15 weeks (through March 1). The Lottery Act provides that at least 45% of gross revenue shall be earmarked for prizes. Operating costs will be somewhere between 10–15%, leaving about 40% for the State's General Fund. Lottery revenues are not now earmarked for any particular use by the state.

We will attempt to keep you informed of our progress in the coming months and we wish you well in your attempt to change the tax code. If we can be of any assistance, please feel free to contact this office.

Sincerely,

GUS HARRISON,
Commissioner.

MASSACHUSETTS STATE LOTTERY COMMISSION,
Newton, Mass., March 7, 1973.

Hon. STEWART B. MCKINNEY,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR REPRESENTATIVE MCKINNEY: I wish to express appreciation on behalf of the Massachusetts State Lottery Commission for filing legislation which will exempt state lottery winnings from federal income taxes. We strongly support this bill.

We will be following the passage of this legislation with great interest and sincerely hope the outcome will be favorable.

Sincerely yours,

WILLIAM E. PERRAULT.

STATE LOTTERY COMMISSION,
Trenton, N.J., March 1, 1973.

Hon. STEWART B. MCKINNEY,
Member of Congress, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN: I thank you for your letter expressing your interest in the furtherance of State operated Lotteries by the introduction of legislation geared to exempt State Lottery winnings from Federal Income Taxes.

The New Jersey Lottery Commission is grateful to you for your activity in this regard. The New Jersey Congressional Delegation will be informed of our concern in this matter.

I am, also, taking the liberty of appropriately notifying the Executive Directors of all other State operated Lotteries of your proposed legislation.

Sincerely,

RALPH F. BATCH,
Executive Director.

SWEEPSTAKES COMMISSION,
Concord, N.H., March 7, 1973.

Hon. STEWART B. MCKINNEY,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN MCKINNEY: We were very pleased to learn that you are planning to introduce another bill that would exempt state lottery winnings from federal income taxes. The enactment of this legislation would be received most enthusiastically by the public. Since the federal government has instituted revenue sharing programs for the States, it seems logical that Congress should take other reasonable steps that would further increase State revenue. In addition, by making the purchase of legal lottery tickets sold by sovereign states more attractive to the public, the goal of eliminating illegal forms of gambling operated by racketeers might be realized.

In 1972 over $2,700,000 was distributed to the State School Districts in New Hampshire—about $17 per student. An Income and Expense Statement is enclosed.

We shall urge our Congressional delegation to support your efforts. We also hope that you will give your support to pending legislation that would amend the present archaic federal antilottery laws and permits the use of the mails, radio and television for state legalized lotteries. We certainly are entitled to at least the same status that Congress has given pari-mutuel racing.

Very truly yours,

EDWARD J. POWERS,
Executive Director.

DEPARTMENT OF TAXATION AND FINANCE, DIVISION OF THE LOTTERY,
Albany, February 23, 1973.

Hon. STEWART B. MCKINNEY,
Member of Congress, House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN MCKINNEY: Thank you for your letter of February 16, 1973 stating that you were continuing your fine efforts to exempt State Lottery winnings from Federal Income Taxes.

The New York State Lottery is a Division of the Taxation and Finance Department under the direction of Commissioner Norman Gallman who is of the opinion that exemption of Lottery prizes from taxation would provide a real impetus to the New York State Lottery as well as many other state lotteries.

However, the Commissioner is concerned that a problem might arise as the New York State Personal Income Tax Law generally conforms with the Federal Income Tax Law and the New York State Division of the Budget might be inclined to oppose exempting Lottery prizes from State Income Tax, not so much for the revenue involved, but rather because this might result in potential further exemptions on pari-mutuel and other gaming profits.

However, the New York State Lottery Commission, which serves as an advisory body to the Commissioner of Taxation and Fi-

nance on Lottery matters, has filed a bill in the New York State Legislature to exempt winnings in the State Lottery from all local and state taxes.

We anticipate the New York State Lottery will raise over $53 million for additional aid to education for the 12-month fiscal period ending March 31, 1973. Since the beginning of the Lottery in June of 1967 the State has received nearly $198 million in revenue.

Please feel free to contact me if any further information is required.

Sincerely,

ERNEST T. BIRD,
Director.

ROLE OF CONGRESS

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

Mr. MCFALL. Mr. Speaker, the question of procedural paralysis in Congress was discussed by Senator WALTER MONDALE, of Minnesota, in a recent Chicago appearance at the Time, Inc.-sponsored "Role of Congress" symposium. The gentleman from Minnesota's remarks are included in today's RECORD, along with some panel discussion, moderated by Henry Grunwald of Time, Inc.:

ROLE OF CONGRESS

Is the Congress somehow procedurally paralyzed? Or does the Congress represent what the people want? I think many times we get those two things confused.

Examine the impasse that is growing between the Executive Branch and the Congress over the impounding of funds. They have impounded highway funds, they have impounded housing funds, sewer and water treatment funds, auto-safety funds and so on. Many people say that that proves the Congress is incompetent and impotent. I do not think it is that simple. I think many of the Brahmins in the House and Senate agree with what the President is doing. And while they may object publicly, they kind of go along with him because he represents some of the priorities that they believe in.

It is not necessarily just procedural hang-up, although I agree that that is part of it.

I want to close with two points, as I see them. First, and I understand this was not dwelt on this morning, what I regard to be the fundamental importance of financing in campaigns. This is the dark side of the political moon. This explains a lot of the mysteries of the Congress, of the presidency, of the state legislatures, of the county boards, the school boards and the city councils.

This morning my friend, Senator Goldwater, said, "I detest the notion that people do things for money in politics," which is another one of Goldwater's great contributions to thought in American life.

I have a friend with whom I was discussing this issue of money and politics. He is a rich man, a wonderful man, and I said: "You know, we need to get your money off the backs of politicians. We need to make it possible for an honest man to be elected and remain honest if he wants to."

He said, "I understand that, but how would we control politics then?"

That was a perfectly honest question, and I think it expressed the standard operation of business and financial interests in this country today. And it is not getting better, it is getting demonstrably and tragically and dangerously worse.

I do not know what this last presidential campaign cost, but I would guess that when the two candidates and the other presidential nominees and candidates were involved, very close to a $100 million, just at the Presidential level. Then you had the Senators, Congressmen and the local officers, and you must have a bill close to $200 or $300 million.

How do you raise that money? There are a couple of ways you can't raise it. There's just not enough money in UNICEF boxes to raise it any more. You go places where people have money. That's how you raise money. There are, thank God, a lot of wonderful people in this country who I think do contribute generally for good government. But I think the subtlety and the corrosiveness of money in American politics is the most fundamental issue in Congressional reform. What is not explained is the financial arrangements, the influence of money, the influence of the large contributor. The power to get in and out of an office is, more than any of us here want to admit, influenced by money and those who have money. If you change all of the procedures of the Congress and leave the present corrupting system, I don't think you are going to see much change.

Now, I don't want to be misunderstood. I think the system is much more honest than we have any right to expect it to be. I think I am honest—I'm talking for myself—I know Bill Saxbe is, and I think most of my colleagues are. But there isn't a single one of us who does not detest the present system of having to run for office and raise these massive and growing amounts of money. It is a national scandal and it mortgages American politics to money.

The American people now know that. They see it. They read about it, whether it is the ITT case or the other cases we have heard about in both political parties. They know that increasingly politicians are being forced to respond to money. I think the biggest thing we can do to reform Congress and American politics is to have some system of public support for campaigns.

Now, some people say: "Well, let's solve it through public disclosure, through the timeliness of the disclosure of campaign expenditures." That is a good idea, but it does not work effectively. I think we are going to find, even with this new Campaign Disclosure law, that when the record is written and we look back at it, there was an awful lot of washing of money.

The whole idea behind the Campaign Disclosure law is to tell the American people where you are getting the money. We saw how some of it went through the Mexican banks, but a lot more of it went in different ways, I am convinced of that. I do not have any evidence, but I am convinced that if a person of doubtful stature wants to get some money into the campaign of a good friend, he can find plenty of ways of doing it without anybody except him, his donee and God knowing about it.

I think finally what we need to do in American politics is to do what Teddy Roosevelt urged us to do in 1906. That is to get some kind of system of public support, the dollar check-off, some kind of per-vote contribution, so that it is possible for an honest man to run for office, be elected and deserve the office once he is in. Today, regrettably, I think there is more doubt about that than any of us know or care to admit.

The final point is trying to encourage and help gifted young men and women seeking public office, and this is where I think the media are to be criticized.

You follow the star system. You over-cover the big names. You will play up the dumbest idea if it comes out of some mouths and you will ignore the most creative ideas if they come out of Saxbe's mouth.

You wait for the gifted young man or woman to get elected to the local school board, the local city council, the state legislature. You let him try to put together his team and his organization, you let him try to learn government, you let him try to stay free from corruption and then slowly work his way up until finally some time he gets to Washington. And then, 10 or 15 years later, he somehow comes to your attention.

I think that one of the best things that the media of this country could do is to have an annual search to look for gifted and talented young men and women seeking office for the first time. A search for people who are making creative and courageous proposals, who are standing up for things that are important. And then try to give them some coverage when they most need it.

You can't keep Nixon out of the headlines. But there are today at least 5,000 wonderful, wonderful people trying to get elected to a state house or a state senate or a city council. I have seen hundreds of them in Minnesota quit because no one pays a darned bit of attention to them, never mentions the fine work they are doing or what they are saying. They can't get a story, they can't get any coverage and as a result they lose hope for their political careers. These are some of the things I hope we might do. Thank you.

Mr. GRUNWALD. Thank you, Senator Mondale. I think your idea of an annual, shall I say, talent search being conducted by the press is fascinating, and I promise you we will give it very serious attention.

I think Senator Saxbe deserves perhaps not equal time, but at least a chance for a comment.

Senator SAXBE. Thank you.

Fritz and I have been on the same side more often than we have been on opposite sides. For instance, this year I carried the ball against the aircraft carrier, with the same results that he had before, and if there ever was a bug hitting the windshield, it is when you try to tell them about the aircraft carrier.

But also I agree with him on most of the things he says. Now, money in politics is a problem that bothers all of us. But it always bothers me as to who is going to decide who gets the money. Who is the bright young man? As Irvin Cobb said one time: "Every time they talk about birth control, I remember I was the fourth child."

Now my experience on money is much like Fritz's. People who give you money for a campaign damn well want their money's worth. They are like the fellow that buys a girl a beer for a quarter and then tries to squeeze it out of her. They are going to get their money's worth.

Now, as to the effectiveness of Congress at the present time. Fritz talked about the great service we have done in regard to the Viet Nam War, that we have done in consumer areas, in ecology, and so on. What he is saying reminds me of the boxer that tells his opponent: "Look, I'll get even with you. I'll bleed all over you."

We are telling the President: "We can't top you, but we'll make you feel bad."

That to me, rather than dramatizing the power of Congress, dramatizes the weakness of Congress. We can't stop him, but we have built a backfire that has served to some extent the purpose which we intended.

Thank you.

Mr. GRUNWALD. Thank you. I wonder whether any of you would like to ask a few more questions of our panel, and especially the Senators here?

Mr. MARTIN. I am Louis Martin.

I would like to ask the Senator if he would comment on a cause that some of us are concerned about, and that is the abolition of some of the antiquated voting registration laws. These help to discourage a great many poor people from registering, because the process is outmoded and it is a bureaucratic mess to get them registered.

I was wondering if, perhaps, some reform of the registration process of qualified voters would not in turn improve the representative character of the Congress?

Senator MONDALE. I do not think there is

any question about that. I think it obviously would. I saw the figures, and I think that something like 45 million eligible people did not register, did not bother to qualify. And I would bet that 90% of them were below the poverty level, poor people, working people.

On election day in Minnesota I was having coffee in a hotel, and two waitresses came up and said, "Can I vote?" I said, "Certainly." The said, "We didn't register. Can we register today?"

Well, you may say they are certainly low in civic understanding. But they are working wives with families at home and husbands who work, and it is very hard to go down to City Hall to register during working hours because they can't afford it. I personally think that you ought to be able to register when you vote, sign up.

Mr. GRUNWALD. Are there any other questions?

Mr. STEELE. John Steele.

This morning we heard a good deal of talk from the panel about the congressional role in the spending process, and we also hear a good deal of talk about establishing national priorities in the fiscal field.

Is there any way the Congress can be brought into the business of budget making, or is that purely an executive function? Neil, I suggest perhaps several of our panel members might be willing to comment on that.

Mr. MACNEIL. I think it is critical that the Congress do exactly that.

I have lost my once-detailed knowledge of the creation of the Budget Bureau, but my recollection of it is that in the period prior to its creation—it was created in 1921—Congress and the Executive had come to a catastrophic stage in dealing with national spending. Not only did the Congress literally force on President Harding the creation of the Budget Bureau, but they also restructured their own committees for this purpose.

The appropriations committees sometime in the 1880s in effect lost control of the spending processes. The appropriations was distributed among the legislative committees.

The Budget Bureau was an agency, as I understood it, created in the 1920s to help Congress handle the budget in a meaningful way. In the years since it has been variously reshuffled. It was once in the Treasury Department. It is now a wing of the White House, under the direct control of the White House, but it was created initially to aid Congress in its approach to national financing.

The Congress now has no agency to make sense out of the federal budget. I think the Congress either should create its own budget bureau and approach the problem that Senator Saxbe mentioned this morning of relating spending to taxation, as it once did, or make the Budget Bureau a joint agency of the Congress and the President, so that the Congress can approach this critical area in American government, of who gets the cookies.

Mr. STEELE. This to me is such a critical question and so much to the point of our discussion that I wonder if the Senators might have a word on their reaction?

Mr. MACNEIL. I would like to add to your question. Why isn't the appropriation process a policy-making decision by Congress on where the money goes?

Senator MONDALE. I think it should be. In the last Congress we established a joint committee of the House and the Senate to study ways of enabling Congress to regain its control over federal spending.

With reference to the debate over the debt ceiling, I was strongly against the ceiling because I think it would have thrown all the congressional spending powers under the Constitution to the President, but it did raise the question of congressional responsibility over its own spending. Congress once did take a substantial role and did serve responsibly in trying to balance out individual appropriations with an overall target, priorities and the rest.

This, I am afraid, we do not do very well, and I think we should. I strongly support the proposal and I hope the joint committee will come up with an approach for some sort of overall budget responsibility in the Congress and with the necessary staffing.

One of the proposals that Senator Javitz and I have led on, which has passed the Senate twice, is to set up an Office of Budgetary Priorities in the Congress, with computers, staffing and the rest, to help us analyze and sort out the problems and do a better job of discharging our responsibility there.

Senator SAXBE. The difficulty of trying to straighten this out from a spending-taxing concept is almost impossible to comprehend.

You have heard that New York is an ungovernable city, in other words, it has gone so far down the road that nobody can get the handle on what is happening in New York City. There is also this intimation in our national affairs. In other words, that the elected officials have abandoned to the civil servants the job of putting together the budgetary requirements of this government.

Now, one of the difficulties that always come up in this is the fact that so many of these things are frozen in. If you have a 5% annual wage increase, you have a 5% increase in the Department of Defense and all other areas. This is built in, you have no control over this at the present time, and 60% of the DOD budget is frozen into personnel. The only thing you can do is to lop off great numbers of personnel, because you cannot change that part of the budget that has to do with personnel. This is true in most of our other departments, and personnel takes an increasingly large amount of this budget.

Now, the problem we have today is that there is no common meeting place for spending and the taxing, so one goes its merry way and the other goes its way. The Bureau of the Budget is put in the catbird seat in saying to the Congress: "Well, you passed this and you appropriated this money, but there is not enough money to go around, so we are going to lop it off here and we are going to lop it off there." Then when Congress comes back to the President, we say: "You can't do this. We passed this money."

Well, that is not the issue. The question is, what is the priority, and this is what Fritz is talking about, establishing a priority of what we are going to do.

Now, I think I have given you enough of an intimation to ask, is it possible to straighten it out, or is this federal bureaucracy of unmanageable proportions?

Unless Congress puts the spending and the budgeting together, unless we can somehow get these two together in the Congress, we strengthen the Executive Branch. It can then be so righteous as to say: "O.K., you appropriated this but you didn't provide the money for it, so somebody has to stand in there in a position of reality." That makes us appear rather ridiculous to the public.

Mr. LEVI. Julian Levi, University of Chicago.

Time after time the relevant information as to the effectiveness of programs is in the hands of the bureau chiefs and the department heads in the Government, and in fact, it is a bitter contest, often not won, for the Executive himself to find out what is occurring.

I don't know why the appropriations committees of the Congress do not include a provision in the appropriation that a small sum, one-tenth of 1% or something of that sort, be set aside to be made available to the committees of the Congress for them to commission the studies that ought to be made to determine the effectiveness of the programs.

I can say to you that as to the programs which I know best, in the housing and the education fields, surveys and studies of that kind, independent of the Office of Education, independent of Housing and Urban Development, would have long ago dictated the abandonment of programs that are totally ineffective and often, as a matter of fact, accomplishing the exact opposite of what anybody intends.

Mr. MACNEIL. The gentleman raises a whole area of concern that we have not touched, which is the overview responsibilities of the Congress in seeing to it that the decisions of Congress, the will of Congress, is in fact administered by the Administration.

There was a time, I think in his Inaugural Address, William Henry Harrison, who may be noted for nothing less than the making of an Inaugural Address, said that he was prepared to act on the decisions of Congress, and I think Presidents at that time did so.

The idea of providing the Congress with a few odd bob to check on whether the programs are effective is interesting, and could be useful. But to me the problem is not whether the program itself is effective. It is whether or not the Administration is following the will of Congress. The whole area of congressional overview is neglected and any idea to produce an overview is useful.

Mr. GRUNWALD. With your permission, I will now simply thank Senators Saxbe and Mondale and Dr. Jones, as well as Neil MacNeil, for being here, and for being so stimulating and provocative, and above all, I would like to thank all of you for giving us your time to join us here today.

It is impossible for a single meeting or a series of meetings to bring about fundamental changes, but I hope that in the future you will look back on this and feel that perhaps you have been present at the beginning of something fairly important.

As far as our publications are concerned, I can promise you that we will not, as far as we are able, drop the issue.

Thank you again, and goodbye.

THE OFFICE OF ECONOMIC OPPORTUNITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, this morning, I was pleased to have the opportunity to present my views on the future of the Office of Economic Opportunity to Representative HAWKINS' Subcommittee on Equal Opportunities of the Committee on Education and Labor. The subcommittee is presently looking into the Nixon administration's plan to dismantle the OEO and destroy utterly the community action programs which have been the backbone of its work on behalf of the forgotten citizens of our country.

I believe that the OEO has proven its great value in the 8 years since it was established, and am a sponsor of legislation that would preserve it.

The text of my statement to the subcommittee follows:

STATEMENT OF REPRESENTATIVE BELLA S. ABZUG BEFORE THE SUBCOMMITTEE ON EQUAL OPPORTUNITY OF THE HOUSE COMMITTEE ON EDUCATION AND LABOR

The Nixon Administration has changed the war against poverty into a war against poor people, the elderly, small businessmen, unemployed veterans, the handicapped, mothers and working people.

In dismantling the Office of Economic Opportunity, the Administration is saving about $350 million at a terrible human cost to

Americans. At the same time its new budget proposes to squander $311 million for more military aid to Laos, a favor the people in that bombed and devastated country would no doubt prefer to be spared.

The Administration is cutting $519 million in Emergency Employment Assistance and $252 million on other manpower programs for its citizens at the same time that it is planning in fiscal 1974 to throw another $750 million to $1 billion into paramilitary aid programs for South Vietnam, Laos and Cambodia.

It is spending $15 million on an Army contract awarded to its pet corporation, ITT, to provide a military communications system for the government of General Thieu. That is just $5 million less than the total amount O.E.O. provided to the Human Resources Administration in New York City during the current year for community action programs.

These priorities are undoubtedly highly profitable for the defense contractors who have fattened off the taxpayers for decades and who use their profits to manipulate and further corrupt the Executive branch. But they are cruel and perverted when judged against the needs of our people.

You have heard in detail the kinds of programs that will be destroyed in the Nixon axe-cutting spree. In the 20th Congressional District, which I represent, the O.E.O. cuts alone mean a loss of $2,413,665, about 359 staff jobs and 2800 summer jobs. These cuts, are, of course, only part of the Administration's attack on the living standards and quality of life of the more than 400,000 residents in the 20th C.D.

Under other Nixon budget cuts, mental health clinics, educational programs, medical research, housing subsidies, economic development for small business, child care, homemaker services for the elderly, legal assistance for the poor, aid to veterans, rehabilitation help for drug addicts and alcoholics—all are to be mercilessly slashed or completely abandoned.

Mr. Chairman, the most recent data available for the 20th C.D. show that more than half the families living there have incomes of less than $10,000 a year. Twenty-three thousand families have incomes below $5,000 a year. Compare this with the yearly income of almost $11,000 which the Bureau of Labor Statistics estimates that a family of four needs to maintain a moderate standard of living. And then compare BLS figures with the *real* cost of living in this city, where food prices are shooting up at an incredible rate and the only help consumers get from the federal government is advice to buy slide rules or to eat less.

To eliminate the community action programs that help people survive and to eliminate jobs for the poor and the youth is particularly callous in view of the abnormally high unemployment rates among Puerto Ricans and Blacks in the low income areas of this city, including parts of the 20th C.D.

A survey of these low income areas for 1971 showed that 70 percent of their population are Blacks and Puerto Ricans and more than half of the families living there are headed by women. In these low income areas, the unemployment rate for Black men was 7.2 percent and 5.9 percent for Black women. For Puerto Rican men it was 8.8 percent and 10.2 percent for Puerto Rican women. The jobless rates for teenagers are shocking: 39.8 percent for Puerto Rican men and 30.1 percent for Puerto Rican women; 35.8 percent for Black men and 32.7 percent for Black women.

Now the Nixon Administration, which has the nerve to preach about the "work ethic" and self-reliance, is cutting the life-lines for thousands of people dependent upon community action programs for jobs and assistance.

I urge the members of this committee to help reinstate the OEO program through decisive legislative action, and I urge it to act quickly before the OEO regional offices are shut down by the end of April.

Congress must call the President's bluff by developing its own Counter-Budget and by showing that the $12 billion Mr. Nixon is squeezing out of programs to meet basic human needs can be more than made up by cutting military spending and closing tax loopholes that favor the rich.

I also urge the members of this subcommittee to lend their full support to speedy enactment of such measures as H.R. 1415, a bill that provides for the federal government to encourage and assist states and local communities to develop and implement comprehensive programs for public service employment in hospitals, schools, parks, recreation centers, public health, sanitation and other municipal and state services.

We are doing far too little for those in need. We must do more, not less. We must, at the very least, save the OEO and allow it to continue to serve the needs of individuals and communities.

CHURCH STOCKHOLDERS OF U.S. BUSINESSES IN NAMIBIA

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

Mr. DIGGS. Mr. Speaker, I wish to insert for the attention of my colleagues the press release of the Episcopal Churchmen for South Africa on American Metals Climax & Newmont Mining, their stockholder resolutions calling on two American mining corporations to wind up their involvement in Namibia, South West Africa.

The official policy of the United States is to discourage investment in Namibia. I wish to take this occasion to heartily applaud the efforts of those shareholders who are working to cause their corporation to review its involvement in Namibia. Mr. Speaker, I also wish to insert the text of resolution filed by ECSA with AMAX.

EPISCOPAL CHURCHMEN
FOR SOUTH AFRICA,
New York, N.Y., January 25, 1793.

CHURCH GROUP PRESSES U.S. CORPORATIONS TO WITHDRAW FROM NAMIBIA

Episcopal Churchmen for South Africa has filed stockholder resolutions calling on two American mining corporations to wind up their involvement in Namibia (South West Africa). ECSA charges they are part owners of a company which pays taxes to and accepts the apartheid laws of South Africa, which occupies Namibia in defiance of the United Nations. The U.S. companies are American Metal Climax, Inc. and Newmont Mining Corporation, each of which owns 29% of Tsumeb Corporation, a major component of Namibia's rich mining industry. Newmont operates Tsumeb. AMAX and Newmont are both listed on the New York Stock Exchange. ECSA holds three shares of AMAX and two shares of Newmont.

The United Nations General Assembly in 1966, by a vote of 114 to 2—the United States concurring, terminated the League of Nations mandate by which South Africa had governed Namibia. The U.N. set up the Council for Namibia to administer the country, but it has not been able to exercise its territory. General Assembly and Security Council resolutions and a 1971 advisory opinion of the International Court of Justice have consistently sustained the U.N.'s lawful rights in Namibia.

The Namibian people's determination for freedom has mounted over the past two and a half decades. Namibians have been shot, tortured, arrested, tried in South African courts and condemned to South African prisons. Last year Namibian workers, including those at Tsumeb mines, protested against South African rule and apartheid with a nation-wide strike. Leaders of the National Convention, which represents the bulk of Namibia's 800,000 inhabitants, reject South African rule and call for a U.N. presence there to assist their country to independence.

In 1972, ECSA, a non-profit organization of churchpeople, presented proposals at the AMAX and Newmont shareholder meetings asking for disclosure of information about Tsumeb's operations. At the AMAX meeting, Mr. Theo-Ben Gurirab, representative at the United Nations and in the Americas for the South West Africa People's Organization declared:

"The future legitimate government of Namibia will be most eager to deal with foreign interests in Namibia according to their prior exploitation and discriminatory and repressive practices in collaboration with the illegal occupying apartheid regime. . . I must remind you in the strongest possible terms that your company is reaping huge profits on the backs, sweat, tears and blood of my people."

RESOLUTION

Resolution filed with American Metal Climax, Inc. by Episcopal Churchmen for South Africa, a shareholder

Whereas, the United States Government has declared that its policy is to discourage any further investments in Namibia (South West Africa); and

Whereas, such investment serves to strengthen the illegal control the South African Government maintains over Namibia and increases South Africa's vested interest in continuing its occupation of Namibia;

Therefore, be it resolved that the stockholders request the Board of Directors to adopt appropriate resolutions to initiate the process of amending the Certificate of Incorporation of the Corporation by adding the following new subparagraph at the appropriate place:

"Notwithstanding the foregoing, the Corporation shall not conduct or be party to any operations in Namibia (South West Africa), either directly or through subsidiaries or affiliates, and shall use its best efforts to see to it that present operations in Namibia (South West Africa) in which it has an interest are wound up."

STATEMENT

Statement supporting resolution filed with American Metal Climax, Inc. by Episcopal Churchmen for South Africa, a shareholder

The South African Government refuses to yield control over Namibia (South West Africa) to the United Nations, the lawful authority. The United Nations in 1966 terminated a League of Nations mandate by which South Africa had governed Namibia. Since then resolutions of the General Assembly and the Security Council and an advisory opinion of the International Court of Justice have consistently sustained the United Nations' lawful right in Namibia. The United States Government has accepted the World Court decision and has stated a policy of discouraging further investments in Namibia. The Corporation is part owner of Tsumeb Corporation, one of the largest investors in Namibia, which pays taxes to and accepts the racially discriminatory laws of South Africa in Namibia. Such cooperation presents a danger to the Corporation by involving it in direct support of an illegal regime and the use of forced labor.

FOREIGN INVESTMENT IN THE UNITED STATES

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

Mr. REUSS. Mr. Speaker, on March 23 I spoke in New York before the Sixth Annual Institutional Investor Conference and emphasized the importance of attracting foreign direct investment in the United States. I would like to include in the RECORD the following excerpts from that speech:

FOREIGN DIRECT INVESTMENT COULD HELP THE DOLLAR AT HOME AND ABROAD

Everybody recognizes achieving balance in our international payments as a top priority. But we are overlooking what could be our best bet—vastly increased foreign direct investment in high-technology U.S. plants. For the past fifteen years, we have been exporting our capital and technology, to the great benefit of our multinational corporations and of most of the industrialized world. It is now time to look homeward and encourage the reverse process—direct U.S. investment, joint adventures, licensing agreements by productivity-conscious European and Japanese firms.

Direct foreign investment can aid our balance of payments in three important ways:

1. *Increased capital inflows,* spurred by the exchange rate realignments which make U.S. plant and equipment 20–30 percent cheaper than before. Some investing countries are shy of capital themselves, but even if the investment capital would need to be raised in this country, the incoming technology by itself would be a help.

2. The products made in the United States, particularly with the help of U.S. marketing methods, could further aid our balance of payments by *displacing imports.*

3. With our high wage scales, we need to concentrate on high-technology *exports.* It is about time we got a 'reverse lend lease' from Europe and Japan.

Take the case of the recently opened Kikkoman soy sauce plant in Elkhorn, Wisconsin. Local interests initially opposed this Japanese direct investment, despite the fact that the Japanese had been buying midwestern soy beans, shipping them to Japan, making the sauce, and exporting the sauce back to the middle west. Today, Kikkoman is a howling success. There are 50 new jobs; a brand new $9 million plant will be on the local tax rolls; our balance of payments is helped; and the new Japanese families are much in demand at Rotary luncheons, and a delight to the local school system.

Even though foreign direct investment looks like our best road to balance of payments salvation, practically nobody in government is really beating the drums for it. The White House wants to remove all controls on U.S. capital investment abroad, on the somewhat fragile theory that our bread on the waters will be returned some day. The State Department is gung ho about foreign portfolio investment in Wall Street—which would be nice for our investment account, but not much help in making American jobs or upgrading American technology. The Treasury, with its very expensive and not very successful DISC tax bonanza, is all out for vastly expanded U.S. exports. The Department of Commerce is devoting a big budget toward enticing more tourists to the U.S.

Attracting foreign direct investment is a rare opportunity for American manufacturing firms, American banks, and the American investment industry to make jobs, increase productivity, and boost our balance of payments.

The January 16, 1973, issue of World magazine contained an excellent article by Stefan H. Robock on the impact of foreign investment in the United States. Excerpts from the article, entitled "The Silent Invasion," follow:

THE SILENT INVASION

(By Stefan H. Robock)

Silently but surely the United States is being invaded. * * * I am referring to the accelerated but little noticed trend of foreigners to establish or acquire business enterprises in the United States. European and Japanese direct investment in American business operations has been growing at a faster rate in the last few years than has American business investment abroad. Furthermore, this silent invasion promises to pick up even greater momentum.

The rapidly expanding foreign-business presence in the United States is neither narrow nor of limited interest. Much of it does not come into popular view: for instance, the vast array of industrial chemicals, industrial machinery, and agricultural fertilizers produced in the States by foreign-owned companies. But at the consumer level, the range and variety of products locally manufactured by foreign firms is almost endless.

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As of 1970 the value of U.S. direct investments (i.e., investments that carry with them participation in management as contrasted with portfolio investments, which do not) in Europe reached almost $25 billion, whereas the value of direct investments in the United States by Europeans was slightly less than $10 billion. But as shown in the table (page 29), the growth rate of inflows of European direct investments increased to almost 13 per cent annually over the 1966–1970 period from only 5 per cent annually during the 1959–66 period, whereas the rate of U.S. investment in Europe dropped to 12.7 per cent from a level of 17.1 per cent over the earlier period.

When examined by type of business activity, the trend of European investments in the U.S. is even more impressive. Foreign investment in the insurance and finance field has not grown rapidly; but European investments in both petroleum and manufacturing have been at much faster rates than reverse flows to Europe by American companies.

The value of Canadian investment in the United States is large, totaling more than $3 billion in book value as of 1970, but recent growth trends have been less dramatic than those of the European investors in the United States. Japanese investment is still small but growing rapidly. The Japanese have been shying away from direct investment in the U.S. except to build up sale and service organizations and to develop sources of supply for forest-product raw materials. Since the international financial crisis of late 1971 and the revaluation of the yen, however, the Japanese situation has changed radically.

The revaluation has made imports from Japan more expensive, and several Japanese companies are now assembling color television sets in the U.S.—Hitachi and Sony in California and Matsushita in Puerto Rico. By building sets in the U.S., the Japanese say they can make quicker deliveries, lower their transportation costs, and possibly enter the console market. But the most important reason is to hedge against any further revaluation of the yen, which would reduce even further the competitiveness of imports.

The continuing large balance of payments surplus of Japan and new government policies to encourage Japanese to reduce this surplus by increasing outflows of investment capital has accelerated still another trend toward buying into U.S. companies.

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At least four major changes laid the foundation for a delayed European and Japanese response. First, a new world balance in the economic strength of the leading industrial nations had emerged. Secondly, by building on a venerable research capability that was disrupted by the war, the Europeans were able to close the technology gap and reassert technological leadership in a number of traditional fields. The Japanese also came to the fore as technological leaders by a highly effective program of quickly absorbing and building on top of the technology of the West. A third factor was a crash program supported by foreign governments to strengthen European and Japanese firms through mergers and through closing the gap in management skills. A fourth factor was the growing realization that the Americans were not necessarily unbeatable in the economic and business fields.

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To emphasize the change in relative strength in international economic relations, the German and Japanese governments have begun to encourage the direct export of capital, in some cases by tax concessions, for private business investment abroad, while President Nixon, who had hoped to remove the restrictions on American investment abroad, was forced to ignore the subject and retain his predecessors' restrictive measures. Of course, the causes of the U.S. balance of payments difficulties go beyond the Vietnam War. The U.S. began to run a balance of payments deficit beginning about 1950, but the problem was not regarded seriously so long as we continued to hold most of the world's gold supply.

In any event, without reviewing all the complexities of the international financial situation and the recent difficulties of the international monetary system, a principal result of these events has been the strengthening of foreign currencies relative to the U.S. dollar. This development gave a double boost to foreign investment in the U.S. The cost of goods produced at home by foreign companies rose relative to those produced abroad.

At the same time, a revalued German deutsche mark, a Swiss franc, a Dutch guilder, and a Japanese yen were able to buy that much more in dollar assets. It should be no surprise, therefore, that the European countries with the three strongest currencies—the Swiss, the Dutch, and the Germans—are the same three countries that provided the bulk of the new direct investment in the U.S. during the late 1960s.

To explain the silent invasion as a result of foreign superiority in technology may come as a blow to the American ego. But the flood of imports from Europe and Japan based on technological advantages rather than simply on cheap foreign labor should have already brought home to Americans the reality that the technology balance has shifted. Also, it may be well to recall that before World War II the technological lead in such fields as pharmaceuticals and chemistry was held by Swiss and German firms with long tradititons of R and D.

Early in the post-World War II reconstruction period, European governments and private companies adopted strategies to close the technology gap, in some cases through cooperative research efforts across national boundaries in such fields as space, nuclear research, and aircraft.

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America's technology lead has been heavily military in origin but in such glamorous industries that the narrowness of its base was often unnoticed.

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Servan-Schreiber, with his best-selling book *The American Challenge*, did much to persuade Europeans that they were lagging behind the Americans in business-management skills. Management skills, even more than technology, have been the driving force behind U.S. industrial expansion abroad. Europe's tardy appreciation of this fact has been largely offset by the zeal with which European legislators, educators, and a host of public and private organizations have turned to the promotion of management education in Europe.

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Academic and other training courses may become the major source of management strength in the future. But in the immediate past the most effective institution for the management training of Europeans and Japanese has been the U.S. foreign subsidiary.

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Concurrently with the push for management training, European and Japanese governments have actively encouraged business mergers so that their national firms would not lack size for competing internationally.

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Probably the most fascinating of the ingredients supporting the silent invasion was the shrugging off by European and Japanese businessmen of a long-standing inferiority complex vis-à-vis dynamic American businessmen. Export success in labor-intensive products, such as shoes, apparel, and textiles, was easily explained as due to lower foreign wage rates. But foreign producers have also had dramatic success in exporting to the U.S. more sophisticated products, such as automobiles, industrial machinery, and electronics, which did much to shatter the image of American business superiority and increase foreign business confidence. Along with this factor, Nicholas Faith has added the effect of the Vietnam War in challenging at an even broader level the sense that the Americans were unbeatable. But not to be underestimated are the many success stories of foreign firms who were brave enough to invade the U.S. market and managed to survive and even prosper.

Such has been the overall setting for the silent invasion. At a more specific level, individual firms were able to find in the U.S. special opportunities related to their area of operations and capabilities. With growing self-confidence many foreign enterprises have taken over U.S. businesses, motivated mainly by the availability of dollars for investment; government encouragement to invest in the United States; and opportunities for profitable returns. In some cases the establishment of new plants was based on technological advantages. In other situations foreign firms had built up a large enough demand in the American market through exports to justify the establishment of an American plant that would offer locational advantages in transportation savings and in better servicing the market. One important motivation shared by a number of foreign companies operating in the United States is the opportunity to learn sophisticated advertising, marketing, and product-development techniques, which can be applied elsewhere in the world by other subsidiaries of the foreign enterprises. Such has been the justification in part of Unilever's operations in the United States.

* * * * *

Will the trend continue, and what are the implications of the silent invasion? * * * I expect Americans to continue relaxed about the foreigners in our midst. * * * And so long as our international balance of payments situation remains unfavorable, the U.S. official position is certain to encourage capital inflows in the form of direct or portfolio investments.

Even some of the American labor unions, while opposing foreign expansion by U.S. firms as a form of exporting jobs, have followed the governmental pattern of encouraging foreign firms to enter the United States. United Auto Workers President Leonard Woodcock visited Japan in October 1972; and one of his missions was to encourage Japanese auto producers to set up shop in this country. At least three state governments have set up offices in Europe for attracting new industries to their areas, and numerous state delegations have visited foreign countries to discuss future investment in their regions.

* * * * *

In those cases where foreign firms are willing to enter into joint ventures, or be somewhat silent partners, as in the aforementioned Japanese cases, American firms can profit through partnership in the United States with foreign corporations by gaining access to overseas distribution channels and to foreign technological developments.

Another interesting pattern now emerging is the proposal by capital-surplus Middle Eastern oil countries, Saudi Arabia in particular, to make major investments in the U.S. oil industry. As in most of the major oil-producing countries, oil royalties and taxes at new high rates are pouring into the government treasury much faster than the government can spend them. The strategy to invest in "downstream" facilities offers the hope of sharing even more in the profits reaped from their own natural resources. In the hope of improving their bargaining power and securing continued access to Middle Eastern oil, American international oil companies are likely to accede to the expressed wishes of Saudi Arabia.

So long as the silent invasion brings new products and increases competition in the American market, the American consumer will have little cause to complain. Even when acquisitions of existing companies, such as the Olivetti take-over of the old Underwood typewriter company, mean that existing sources of supply will be saved from extinction or operated more efficiently, consumers' interests are benefited.

Of course, the silent invasion will not be in those fields of production where low labor costs are the prime consideration, such as shoes, textiles, some lines of apparel, and electric components. But as students of location economics are aware, the most efficient site for many industries is near the source of raw materials, such as industrial water in the case of chemicals and electric power in the production of aluminum. Despite the widely accepted notion that wage rates are the critical factor in the competitiveness of American industry, the silent invasion is ironic proof that for many foreign firms it is most advantageous to manufacture in the United States.

In large part the European-Japanese response was inevitable. * * * The silent invasion may be hard on the American ego. Yet through Vietnam we have learned to adjust to the new reality that we are not invincible in military affairs; now we will have to adjust to the reality that America's dynamic business capability is being successfully challenged. Fortunately, a successful silent invasion can have favorable, rather than unfavorable, results.

THE COST OF MEAT—THE PRICE SPIRAL CONTINUES

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

Mr. VANIK. Mr. Speaker, there is really no need to repeat it—every shopper in America knows it: meat prices are soaring through the ceiling, and meat is soaring off the kitchen table.

During the last 18 months, a community committee on consumer prices, located in the eastern suburbs of Cleveland, Ohio, has done a brilliant job in providing me with data on changing food and consumer prices in the Greater Cleveland area. I would like to enter in the RECORD at this point, some of the latest sample data which the committee has provided me.

	Fall 1971	Mar. 1, 1973	Mar. 19, 1973	Percent change fall, 1971 to Mar. 19, 1973
Beef:				
Hamburger	$0.69	$0.92	$0.99	43
Ground chuck	.68	.98	1.04	53
Roasts:				
Chuck, semi-boneless	.88	1.14	1.18	34
Pot roast	.74	1.09	1.18	59
Steaks:				
Chuck, semi-boneless	.98	1.24	1.35	37
Top round	1.09	1.68	1.78	70
Sirloin	1.34	1.64	1.68	25
Porterhouse	1.64	1.88	1.94	18
Poultry:				
Fryer, whole	.29	.52	.54	86

I would like to add here that the chairman of the committee, Mrs. Carolyn Sugiuchi, who along with the other volunteers has done such an excellent job, will be testifying before the Joint Economic Committee here in Washington, next Wednesday, April 4. It is my hope that her testimony—and the food price documentation which is pouring in from all over the Nation, will lead to substantial amendments to the administration's proposed phase III program.

It is imperative that when the Congress considers extension of the Economic Stabilization Control Act and the laws governing phase III, that direct controls be applied to foods. It is inflation in the food goods sector which most directly affects those on fixed and low incomes and those with large families.

Mr. Speaker, I would like to add at this point that I am heartily in support of the efforts which have sprung up, spontaneously throughout the Nation, to protest the price of meat. Meat boycotts are being organized throughout the Nation, including some in my own 22d Congressional District.

The uncontrolled food inflation over the past 19 months has devastated the budgets of all Americans. Millions of our citizens have been moved from self-sufficiency to dependency by the cruel impact of inflation. Even more seriously, the high price of meat is eliminating a proper share of this essential food from the diet of our young people who require more for growth and development.

While such boycott efforts are commendable citizen action and can play an important role in reducing the demand for meat and lessening price pressures, the American public expects more from its government leaders. It expects a government policy that will make meat boycotts unnecessary.

While the administration is to be commended for reducing the number of farm acres in the set-aside program—a type of "soil bank" program in which the farmer is paid to keep land out of production, there are still some 20 million acres of farmland which are not being fully used and for which the farmer is being paid to keep out of full production. These remaining acres should be brought into full use as soon as possible.

Finally, and in the meat sector particularly, permanent repeal of the meat import quota is needed. The Meat Import Quota Act of 1964—an anticonsumer bill which I opposed at that time—regulates the supply of foreign meat entering the United States, limiting the amount of foreign meat to about 3 percent of total U.S. meat consumption.

We all appreciate the need for an adequate income to American farmers, But the simple fact is that the supply of meat is inadequate at prices which large families and low-income families can afford. This shortage, which is worldwide, will become more acute in the years ahead.

Foreign meat is tougher, leaner, lower grade than U.S. meat. It is almost exclusively of the processing meat variety—hamburger, hot dog, and sausage. It is the type of meat primarily used by large and low-income families. As a recent Tariff Commission report pointed out, it is generally not competitive with domestic meat which specializes in choice, tender steaks and roasts.

I might add here that American meat is just about the finest in the world—with the result that many of the most famous—and expensive—restaurants of Europe and Japan are importing American steaks and roasts. It now appears that while domestic prices continue to soar, we are exporting over 52 million pounds of the finest cuts of "Kansas City steaks" to the gourmet restaurants of the world. These exports further restrict supply at home, with the result that the shopper pays more.

Recognizing the crisis in meat prices, the administration temporarily suspended meat import quotas last June for a period of 6 months. In December of this year, it announced suspension of supply restrictions for another year.

But temporary suspension of meat supply restrictions does not appreciably increase the supply of this cheaper priced processing meat. Foreign producers will not substantially alter their production and shipping plans for what appears to be a temporary change in the American market—a market which may be suddenly restricted by the stroke of a pen. For example, Australia, one of our principal trading partners, requires its ranchers to sell 1 pound of meat in the world market for every 2.5 pounds sold in the American market—even though they would rather sell more in the American market. The temporary relaxation of import quotas will not substantially increase meat supplies since producers must plan years ahead to increase herds to meet American needs.

In addition to my legislation to provide for permanent repeal of the Meat Import Quota Act of 1964, I will be introducing legislation tomorrow to provide for a repeal of the 3 cents per pound duty now being charged against every pound of fresh, chilled, or frozen beef imported into this country. Similarly, efforts must be made to repeal the tariff rates now applied against mutton and lamb—rates which are almost as high as the rates on beef. Mr. Speaker, it is unconscionable to maintain a tariff against meats when the price of domestic—and foreign—meats is skyrocketing and has gone beyond the regular purchase price of millions of American families.

ARE MEAT PRICES STARTING TO DECREASE?

During the past week, there has been considerable comment to the effect that, because of reduced demand, meat prices were beginning to decline. An analysis of the Chicago wholesale meat markets between Monday and Wednesday of last week could have supported that contention. But a study of the market's performance on Thursday and Friday and on Monday of this week indicates that the price decline in choice cuts is already being halted and is climbing upwards again. This price "turn-around" appears to be due to a decision by the ranchers to withhold livestock until prices stabilize or the boycott ends. In the live cattle markets in Omaha on Thursday, March 22, and Friday, March 23, "not enough steers and heifers [were] on offer for adequate price test."

Mr. Speaker, I would like to include the relevant Chicago meat price tables in the RECORD at this point. They are a clear warning that stronger Government action is needed and needed immediately.

MEAT PRICES [1]

	August 1971 [2]	December	Feb. 27	Mar. 16, 1973	Mar. 22, 1973	Mar. 23, 1973
Choice:						
Steers, 6/700	53½	57/57½	66/66½	69/69½	66½	68½/69
Trimmed loins, 40/50	98	86/87	96	1.02	1.05	1.05
Ribs, 30/35	74	79/80	82	85	86	86–87
Processing:						
Full carcass, bull, fresh	70	77½	94	1.00	99	99
Boneless beef, fresh, 90 percent lean	65	73/73½	92/93	94–95	92½/93½	91½/92½
Boneless chucks, fresh	66	75	91½	95	94	93/94
Trimmings, 85/90	61	67	38½	90½	89	87/88
Imported:						
Cow, 90 percent	61½	71	92½/93	92/93	89	87
Bull, 90 percent	63½	74½	94½	95/95½	93/94	92/93
Shank meat	64½	74/74½	94½/95	95/95½	92/93	91/92

[1] Domestic meats, f.o.b. Chicago. Imports ex dock, port-of-entry as listed, national provisioner yellow sheets about the middle of each month.

[2] Average prices during 30 days prior to Aug. 14, 1971.

Not only does the Choice meat market appear to be climbing back upward, but at the close of business Monday, March 26, Choice steers, 600 to 700 pounds, were being quoted in Chicago at 70 cents per pound.

It should also be remembered that the prices in this table are wholesale prices. Even the high prices of last March 16 have not yet been fully passed onto the retail stores.

Finally, it should be noted that there is some weakness in price in the imported meat categories—although they are still nearly 50 percent higher than in August of 1971. Some of this price softness may be attributed to continuing uncertainty in the world money markets—an uncertainty that is likely to diminish in the weeks ahead—as well as to rumors that the administration may ask for a removal of the 3 cents a pound tariff on imported meats. Since this rumor has caused some downward pressure on these foreign meats—the type of meats so important for large families and those with fixed incomes—it is obvious that we should take positive action to change that rumor to fact: We should take immediate action to repeal the tariff as soon as possible.

Finally, in an effort to help the American consumer during the present meat crisis, I would like to enter in the RECORD at this point, a brief analysis, released by the Department of Agriculture and printed in the Family Economics Review of December 1972, which lists the grams per pound of various products and the relative price of these products. These two figures can tell the shopper which products provide the most protein for the dollar. The U.S. Department of Agriculture table follows:

TABLE 1.—COST OF 3 OUNCES OF COOKED LEAN FROM SPECIFIED MEAT, POULTRY, AND FISH AT AUGUST 1972 PRICES

Item	Retail price per pound [1]	Cost of 3 ounces of cooked lean
Hamburger	$0.76	$0.20
Chicken, whole, ready-to-cook	.41	.20
Turkey, ready-to-cook	.55	.22
Beef liver	.80	.22
Ocean perch, fillet, frozen	.77	.22
Chicken breasts	.78	.27
Ham, whole	.78	.27
Pork, picnic	.63	.29
Haddock, fillet, frozen	1.07	.31
Ham, canned	1.23	.31
Chuck roast of beef, bone in	.85	.38
Pork loin roast	.92	.46
Rump roast of beef, boned	1.50	.51
Round beefsteak	1.51	.51
Pork chops, center	1.29	.58
Rib roast of beef	1.32	.59
Sirloin beefsteak	1.58	.68
Veal cutlets	2.76	.69
Lamb chops, loin	2.04	.94
Porterhouse beefsteak	1.87	.97

[1] Average retail prices in U.S. cities, Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 2.—COST OF 20 GRAMS OF PROTEIN [1] FROM SPECIFIED MEATS AND MEAT ALTERNATES AT AUGUST 1972 PRICES

Item	Retail price per pound [2]	Cost of 20 grams of protein
Dry beans	$0.25	$0.06
Peanut butter (12 oz. jar)	.50	.12
Eggs, large (dozen)	.51	.13
Chicken, whole, ready-to-cook	.41	.15
Bean soup, canned (11½ oz. can)	.17	.16
Beef liver	.80	.19
Hamburger	.76	.19
Tunafish (6½ oz. can)	.45	.20
American process cheese (8 oz. pkg)	.54	.21
Ham, whole	.78	.22
Round beefsteak	1.51	.33
Frankfurters	.91	.33
Rib roast of beef	1.32	.44
Pork sausage	.86	.45
Bologna (8 oz.)	.63	.46
Bacon, sliced	.99	.52

[1] One-third of the daily amount recommended for a 20-year-old man.
[2] Average retail prices in U.S. cities, Bureau of Labor Statistics, U.S. Department of Labor.

THE DEMOCRATIC ALTERNATIVE ON THE ECONOMIC STABILIZATION PROGRAM

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

Mr. PATMAN. Mr. Speaker, today 20 Democrats on the Banking and Currency Committee are introducing legislation to stiffen the economic stabilization program and to provide an effective alternative to President Nixon's altering phase III effort.

The bill was cosponsored by myself and WILLIAM BARRETT, MRS. LEONOR SULLIVAN, HENRY REUSS, WILLIAM MOORHEAD, FERNAND ST GERMAIN, JOSEPH MINISH, RICHARD HANNA, TOM GETTYS, FRANK ANNUNZIO, THOMAS REES, JAMES HANLEY, FRANK BRASCO, ED KOCH, WILLIAM COTTER, PARREN MITCHELL, WALTER FAUNTROY, ANDREW YOUNG, JOHN JOSEPH MOAKLEY, and PETE STARK.

The legislation will impose an immediate freeze on prices and interest rates at levels no higher than those prevailing on March 16, 1973. The freeze will remain in effect indefinitely, but the President is to immediately launch a program designed to roll back prices and interest rates to reduce inflation.

The rollback plan is to be implemented and completed within 60 days after enactment.

The bill allows the President to make adjustments in the freeze order when it is necessary to prevent gross inequities. However, the President must publish a specific determination with a statement of considerations for the action in the event any adjustments are made. Any exemption from the rollback orders must be accompanied by a similar statement and justification.

At the end of the 60-day period, a "triggering mechanism" will go into effect which will allow the Congress and the public to monitor the progress of the stabilization program. If the rate of inflation, as measured by the Consumer Price Index, exceeds 3 percent for any 3 months—or 2.5 percent for any 12-month period—the President must revert to a mandatory set of controls over all elements of the economy.

Mr. Speaker, we believe that this three-step plan will apply pressure on the President to develop a firm stabilization program which will bring inflation under control and allow us to stabilize the economy.

It should be noted that what we are proposing are amendments to existing law. He will retain the broad powers he now has under the Economic Stabilization Act plus the additional powers and requirements granted and imposed under these amendments. Thus, the President will retain flexibility necessary to administer the program, but the Congress will have provided strong direction for any future stabilization program.

It is hoped that the President will be sufficiently firm under the freeze and rollback orders so that there will be no necessity for the trigger mechanism for mandatory controls to be placed into effect. But the triggering mechanism—the 3-percent guideline—does provide a strong incentive for all elements of the economy—as well as the administration—to support efforts to reduce inflation. If banks continue to insist on higher interest rates, if the business community pushes for higher prices, or if labor demands unwarranted wage increases, then there is danger that the trigger mechanism will be tripped and mandatory controls instituted across the board.

Incidentally, the guidelines—the 3 percent for a quarter and the 2½ percent for the year—basically track the claims which the administration has made for its own stabilization efforts. So we are simply holding the administration to its own word.

Mr. Speaker, this legislation assures that the administration cannot continue to allow the Nation to drift into more and more inflation. It sets up a timetable—with a monitoring device—which says that the President must either stabilize the economy or he must resort to mandatory controls across the board. This will put an end to the vagueness which has existed, particularly since the announcement of phase III.

In summary, it provides: First a freeze; second, a rollback; third, a continuing monitoring of stabilization programs; and, fourth, mandatory controls without exception if the stabilization program falters again.

The legislation also includes these other major areas:

Stabilization of rents. This amendment stabilizes rents at levels prevailing on January 10, 1973, the last day of phase II. The President may allow rents to increase from the established level but only where there has been an increase in taxes imposed by a State or local government, a capital improvement during the period of occupancy and increases in the cost of services and materials. Only actual cost increases may be passed on. This amendment also allows the President to roll back rents beyond January 10, 1973.

Regulation of credit for commodity futures trading. This amendment allows the Federal Reserve to regulate credit in the commodity futures.

Consumer Counsel. This establishes an Office of Consumer Counsel. The Counsel is empowered to examine all records, information, and testimony relating to any matter before the President in respect to economic stabilization. The Consumer Counsel is empowered to require a public hearing and written decision by the Cost of Living Council in respect to any price, interest rate, or wage adjustment which is covered by the act. The Consumer Counsel is also directed to advise consumers in ways to make beneficial decisions to themselves in the purchase of goods and services so as to affect the cost-of-living economy. The Counsel is vested with subpena power and standing to sue the Cost of Living Council whenever it fails to act in accordance with the law or with its own regulations.

General Accounting Office. This amendment empowers the Comptroller General to review all reports concerning prices, profits, wages, salaries, or interest rates submitted by any person to the President in the stabilization effort. The Comptroller also must inform the Congress whenever he discovers that a person has taken, or is about to take, action which departs from the standards for prices, profits, wages, salaries, or interest rates established under authority of the Act.

Public disclosure. This amendment would require business enterprises subject to reporting requirements of the Cost of Living Council to make public any report it is required to submit to the Council. It also requires any person who raises any interest rate to make public a report justifying such a raise. This amendment, however, would allow a business enterprise to exclude from any report made to the public any information which is proprietary in nature and which relates to the amount or sources of its income, profits, losses, costs, or expenditures. It may not exclude from that report data concerning its price for goods and services.

Reporting. This amendment requires the President to transmit a quarterly report to Congress describing changes in productivity, consumer prices, wholesale prices, corporate earnings, interest rates, wage earner rates and employment and

unemployment on an industry-by-industry basis.

Authority to allocate petroleum products. This amendment allows the President to establish priorities for the use and allocation of supplies of petroleum products to meet the needs of various sections of the country and to prevent any competitive effect resulting from the shortage of such products.

Definition of substandard earnings. This amendment requires the President to exempt all wages from controls which are $3.50 per hour or less.

One-year extension of the act. This amendment extends the stabilization authority until April 30, 1974.

The legislation, as introduced, follows:

H.R. 6168

A bill to amend and extend the Economic Stabilization Act of 1970

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

Amendments to the Economic Stabilization Act of 1970

SECTION 1.—The Economic Stabilization Act of 1970 is amended by redesignating sections 204 through 220 as sections 209 through 224, respectively, and by inserting immediately after section 203 the following new sections:

"§ 204. Freeze of prices and interest rates.

"(a) Notwithstanding any other provision of this Act, all prices and interest rates are hereby frozen at levels no higher than those prevailing on March 16, 1973. The President may, by written order stating in full the considerations for his action, make adjustments with respect to prices and interest rates in order to correct gross inequities.

"(b) Immediately, but not later than 60 days after the date of enactment of this section, the President shall, by written order stating in full the considerations for his action, roll back prices and interest rates to levels lower than those prevailing on March 16, 1973, in order to reduce inflation and otherwise carry out the purposes of this Act. The President may make specific exemptions from the rollback by written order stating in full the considerations for his action determining that such rollback is unnecessary.

"(c)(1) Whenever the consumer price index (all items—United States city average) as compiled by the Bureau of Labor Statistics, United States Department of Labor, for a calendar month exceeds—

"(A) an annual rate of 3 per centum for any three consecutive months (the first such months of which begins after the sixtieth day after the date of enactment of this section), or

"(B) an annual rate of 2.5 per centum for any 12 consecutive months (the first such month of which begins after the close of December 31, 1972), then within thirty calendar days the President is authorized and directed to issue orders and regulations to establish a mandatory program to—

"(i) stabilize prices, wages, and salaries at levels not less than those prevailing on May 25, 1970, in order to reduce inflation; and

"(ii) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth.

"(2)(A) Notwithstanding any other provision of this Act, no order or regulation may be issued under this subsection unless it is made on the record after opportunity for a hearing.

"(B) Not withstanding any other provision of this Act, the public shall have access to all data and other information which is the basis for or is used in any manner to formulate any standards issued by the President under this section.

"§ 205. Stabilization of rents.

"(a) Notwithstanding any other provision of this Act, the President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any necessary capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, and any reasonable increased costs of services and materials.

"(b) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act.

"§ 206. Regulation of credit for commodity futures trading.

"For the purpose of preventing the excessive speculation in and the excessive use of credit for the creation, carrying, or trading in commodity futures contracts having the effect of inflating consumer prices and industrial costs, the Board of Governors of the Federal Reserve System shall prescribe regulations governing the amount of credit that may be extended or maintained on any such contract. The regulations may define the terms used in this section, may exempt such transactions as the Board may deem unnecessary to regulate in order to carry out the purpose of this section, and may make such differentiations among commodities, transactions, borrowers, and lenders, as the Board may deem appropriate.

"§ 207. Consumer Counselor

"(a) There is established in the legislative branch the Office of Consumer Counselor, which shall be headed by the Consumer Counselor, who shall be appointed for a term of one year by the Temporary Emergency Court of Appeals established by section 216(b)(1) of this Act. The Consumer Counselor shall be compensated at the rate prescribed for level III of the Executive Schedule.

"(b) The Consumer Counselor may appoint such employees of the Office of the Consumer Counselor at such salaries as are necessary to carry out the provisions of this section.

"(c) Notwithstanding section 210, the Office of the Consumer Counselor, under the direction of the Consumer Counselor, shall have authority to investigate fully, on complaint from a consumer, or otherwise, all official actions of any board, commission, or similar entity charged with the duty to carry out the provisions of this title, and any such board, commission, or similiar entity shall promptly upon request make fully available to the Office of the Consumer Counselor all records, information, and testimony relating to any matter which such Office investigates.

"(d) The Consumer Counselor, or his delegate, shall have authority for any purpose related to his official duties, to issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served on any person under this subsection, the Consumer Counselor may apply to the district court for any district in which such person is found for appropriate relief to compel such person to obey such subpena.

"(e) The Consumer Counselor may, as the result of an investigation under subsection (c)—

"(1) intervene by submitting a written statement of his objections and the reasons therefor; or

"(2) require a public hearing and decision on the record as provided in section 556 of title 5 of the United States Code;

in any rulemaking or adjudication or other decision of any board, commission, or similar entity, where the Consumer Counselor determines such intervention or requirement is necessary in order to prevent the making of a rule, the adjudication of a case, or the making of any other decision contrary to law, contrary to the intent of the Congress, contrary to the Constitution, or contrary to the rules of such board, commission, or similar entity.

"(f) If any board, commission, or similar entity makes any rule, adjudication, or other decision notwithstanding the objections of the Consumer Counselor under subsection (e), the Consumer Counselor may apply to the appropriate district court for all appropriate relief to compel such board, commission, or similar entity to act in accordance with law, the intent of the Congress, the Constitution, or the rules of such board, commission, or similar entity.

"(g) The authority conferred upon the Office of Consumer Counselor and upon the Consumer Counselor by this section with respect to any board, commission, or similar entity charged with the duty to carry out the provisions of this title shall also extend to any action of any officer, agency, or entity of the Federal Government which in any manner affects the stabilization of prices, rents, wages, salaries, dividends, or interest.

"(h) The Office of the Consumer Counselor shall take all necessary action to advise consumers of information necessary to make intelligent decisions on the purchase of consumer goods and services and so effect cost-of-living economies.

"§ 208. General Accounting Office

"(a) Notwithstanding any other provision of this Act, the Comptroller General of the United States (hereafter referred to in this section as the 'Comptroller General') shall have authority to review all reports concerning prices, profits, wages, salaries, or interest rates submitted by any person to any officer, department, agency, board, commission, or similar entity established pursuant to authority granted the President by this title.

"(b) The Comptroller General shall promptly inform the Congress whenever the review provided for in subsection (a) reveals that any person has taken or is about to take action which departs substantially from the standards for prices, profits, wages, salaries, or interest rates established under the authority of this title. Neither section 210 of this Act, nor section 1905 of title 18, United States Code, shall in any way limit the information which the Comptroller General may transmit under this section to the Congress."

PUBLIC DISCLOSURE

SEC. 2. Section 210 of the Economic Stabilization Act of 1970, as redesignated by section 1 of this Act, is amended—

(1) by striking out "All" and inserting in lieu thereof "(a) Except as provided in subsection (b), all"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1)(A) Any business enterprise subject to the reporting requirements under section 130.21(b) of the regulations of the Cost of Living Council in effect on January 11, 1973, shall make public any report (except for matter excluded in accordance with paragraph (2)) so required which covers a period during which that business enterprise charges a price for a substantial product which exceeds by more than 1.5 per centum the price lawfully in effect for such product on January 10, 1973, or on the date twelve months preceding the end of such period, whichever is later. As used in this subsection, the term 'substantial product' means any single product or service which accounted for

5 per centum or more of the gross sales or revenues of a business enterprise in its most recent full fiscal year.

"(B) Any person who raises any interest rate shall make public a report justifying any such raise.

"(2) A business enterprise may exclude from any report made public pursuant to paragraph (1)(A) any information or data reported to the Cost of Living Council, proprietary in nature, which concerns or relates to the amount or sources of its income, profits, losses, costs, or expenditures but may not exclude from such report, data or information so reported which concerns or relates to its prices for goods and services.

"(3) Immediately upon enactment of this subsection, the President or his delegate shall issue regulations defining for the purpose of this subsection what information or data are proprietary in nature and therefore excludable under paragraph (2), except that such regulations may not define as excludable any information or data which cannot currently be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a substantial product as defined in paragraph (1)."

REPORTING

SEC. 3. Section 221 of the Economic Stabilization Act of 1970, as redesignated by section 1 of this Act, is amended by adding at the end thereof the following new subsections:

"(c) On the thirtieth day after the date of enactment of this subsection, and at monthly intervals thereafter, the President shall transmit to Congress a report describing any action taken by him or any delegate of his under this title and giving his assessment of the status of the program authorized by this title.

"(d) The President shall transmit reports to Congress not later than thirty days after the close of each calendar quarter describing changes in—

"(1) productivity, compensation per man-hour, and unit costs, by major industry;

"(2) consumer prices for all items and for major components;

"(3) wholesale prices for all items and for major components;

"(4) corporate earnings by major industry, including profits before and after taxes and profits before and after taxes as a percentage of stockholders' equity or investment and of sales;

"(5) interest rates for consumer and business loans;

"(6) average hourly earnings by major industry within the private nonfarm sector; and

"(7) employment and unemployment by major industry; which occurred when comparing such calendar quarter to the calendar quarter immediately preceding it (by percent and including index numbers)."

AUTHORITY TO ALLOCATE PETROLEUM PRODUCTS

SEC. 4. (a) The first sentence of section 202 of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and that in order to maintain and promote competition in the petroleum industry and assure sufficient supplies of petroleum products to meet the essential needs of various sections of the Nation, it is necessary to provide for the rational and equitable distribution of those products."

(b) The first sentence of section 203(a) of such Act is amended—

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

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof a new paragraph as follows:

"(3) provide after public hearing, conducted with such notice, under such regulations, and subject to such review as the exigencies of the case may, in his judgment, make appropriate for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anticompetitive effects resulting from shortages of such products."

DEFINITION OF SUBSTANDARD EARNINGS

SEC. 5. Section 203(d) of the Economic Stabilization Act of 1970 is amended by inserting at the end thereof the following new sentence: "The President shall prescribe regulations defining for the purposes of this subsection the term 'substandard earnings', but in no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields $3.50 per hour or less."

ONE YEAR EXTENSION OF THE ACT

SEC. 6. Section 223 of the Economic Stabilization Act of 1970, as redesignated by section 1 of this Act, is amended by striking out "1973" both times it appears therein and inserting in lieu thereof "1974".

INFORMATION AND THE USE OF EXECUTIVE PRIVILEGE

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I would like to announce forthcoming hearings by the Foreign Operations and Government Information Subcommittee on the subject of so-called "executive privilege," a matter of vital interest and importance to the Congress.

Hearings will be on H.R. 4938, a bill introduced by the gentleman from Illinois (Mr. ERLENBORN) and cosponsored by a number of members of the Government Operations Committee. It would amend the Freedom of Information (5 U.S.C. 552) to require that all information be made available to Congress or the Comptroller General by the executive branch, except where executive privilege is invoked by the President himself. Hearings will commence at 10 a.m., Tuesday, April 3, in room 2154, Rayburn House Office Building. They will continue on April 4 and 5.

Our subcommittee held extensive hearings in the last Congress on the issue of executive privilege and its many ramifications that affect the right of Congress to information that is of vital importance in the exercise of our constitutional responsibilities. These new hearings will probe further into the ways in which the present constitutional crisis of power between the White House and the Congress may be dealt with in a rational and intelligent manner.

Members of Congress and others interested in the subject area of these hearings who wish to testify or submit statements should contact the subcommittee office, room B-371B, Rayburn House Office Building—225-3741.

BUDGET IMPACT ON HEALTH MANPOWER PROGRAMS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, another measure of the impact of President Nixon's budget for fiscal year 1974 on important domestic programs is to consider the area of health manpower programs.

At my request, the following data on budgetary effects have been compiled on the consortium of health manpower programs, a partnership of all educational institutions and health care delivery systems in the St. Louis metropolitan area.

As the data indicate, the 17 non-Federal members of the consortium will be required to absorb an estimated $1.6 million cutback in Federal support. Much of this reduction is in support for nurse training programs. At a time when health manpower shortages are cited as critical, I find it difficult to understand the administration's rationale for its budgetary recommendations in the health manpower field. Moreover, with increasing concern over the quality of health care received and the efficiency of health care delivery, it is inconceivable that the administration would make such recommendations.

At this point, Mr. Speaker, I include the following table summarizing the cutbacks and listing the institutions affected by the budget reductions:

School	Nurse Capitation	Nurse and allied Health Loan Trainee-ships	Division of allied Health Special Projects	Division of allied Health Special Improvements	National Institute of Mental Health	Other
Belleville Area College, Belleville, Ill.	$27,996	$14,420				[1] $56,957 Regional Medical Program Grant
State Community College of East St. Louis, East St. Louis, Ill.	$12,000	$9,000		$138,000		
Lewis and Clark Community College, Godfrey, Ill.	8,939	18,897				

School	Nurse Capitation	Nurse and allied Health Loan Traineeships	Division of allied Health Special Projects	Division of allied Health Special Improvements	National Institute of Mental Health	Other
Maryville College, St. Louis County	$94,498	----------	$25,000	----------	----------	----------
St. Louis Junior College, St. Louis City	39,600	$67,000	----------	$70,000	----------	----------
St. Louis University, St. Louis City	94,466	215,639	10,303	132,909	----------	[2] $92,961 [3] 107,194
Southern Illinois University (Edwardsville), Edwardsville, Ill	$27,000	$144,264	----------	----------	$30,032	[2] $54,120
Total	304,499	469,220	$35,303	$340,909	30,032	421,232
Grand total	$1,601,195.00					

[1] Regional medical program grant. [2] Nursing special project. [3] Physician's assistant.

VENICE RED DEVILS—TRUE CHAMPIONS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the Venice, Ill., Red Devils high school basketball team recently completed an outstanding season, culminating in a third-place win in the Illinois statewide class A competition.

Anyone familiar with Illinois high school basketball realizes the excellence required to make it through regional and sectional playoff competition to reach the final tournament at Champaign, Ill. The Red Devils led by their outstanding coach, Bill Ohlendorf, not only made it through the regionals and sectionals but fought their way to a third-place finish at Champaign.

Last Sunday, March 18, the citizens of Venice turned out to welcome their Red Devils home their great showing. The Granite City Press-Record, which serves the Venice area, covered the event. In joining the many loyal supporters in congratulating the team I include the Press-Record article:

VENICE THIRD IN STATE, FIRST IN FANS' HEARTS

(By Walter "Mick" Strange)

Signs and banners welcoming home the Venice High School cagers lined the streets of Venice as over 300 carloads of Red Devil fans began to gather at 12:30 p.m. Sunday at the stoplight intersection of Illinois Route 203 and Bend Road.

The team, it was clear, might be third in state class A (small high school) competition, but it was first in the hearts of many thousands of fans.

The autos—along with fire trucks, police cars and motorcycles—were decorated with red and white streamers and large signs reading "Venice Red Devils—Our Champions."

The parade traveled through the Eagle Park area, down Second Street in Madison and all around Venice, ending at the school.

Over 1,000 fans filled the Venice gym to pay tribute to the team.

"Needless to say, everyone in Venice, in fact everyone in the Tri-Cities, is proud of our team," Mayor John E. Lee told the gathering.

"Both the team and the cheerleaders on and off the floor at Champaign made everyone proud of them."

The team won Friday night and divided two Saturday tournament games to capture the third-place statewide trophy.

Venice School Superintendent John O. Pier, Lewis Sabin, high school principal, Leo Davinroy, president of the Venice board of education, and Horace Calvo, state representative, all gave high praise to the team and the cheerleaders.

When Devil Coach Bill Ohlendorf was introduced to speak, he received a standing and enthusiastic round of applause that lasted several minutes.

Ohlendorf, filled with emotion, lauded not only the basketball talents of the team but its attitude and behavior during the entire season. The squad was described by the coach as "truly outstanding."

Following the 45-minute program in the gym, a social for the fans and team was held in the cafeteria.

ASSESSING DESIGN FOR DOMESTIC PROGRAMS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, many of us have expressed concern over the shape of President Nixon's domestic program structure. One of the most objective assessments of the new design appeared in a March 18 editorial in the Metro-East Journal, a Lindsay-Schaub newspaper in East St. Louis, Ill.

For the benefit of my colleagues who share my concern I include the editorial at this time:

NIXON TEARS DOWN BEFORE REBUILDING

President Nixon's design for a new structure of federal domestic programs still ignores too many of the barriers that stand between today's inadequate domestic situation and a better tomorrow and national life.

The President has not yet sent to Congress bills to implement his special revenue sharing programs. At the same time, he already is tearing down as fast as the law will allow, and in some cases faster, federal social programs that many people, especially low income people, need desperately even with their shortcomings.

That has made it impossible for state and local officials around the country to plan their budgets for the upcoming fiscal year. It is an invitation to much governmental fiscal chaos and more than a little individual human tragedy for the millions of minorities, poor white and elderly caught in poverty.

Nor has Mr. Nixon made it clear how the increasingly troubled central cities of the nation's large and medium sized metropolitan areas will make up for the revenues and social programs they will lose to suburbs and less troubled areas.

Equally disturbing is Mr. Nixon's failure to lead on the important issues of race relations and local government modernization and consolidation, issues that must be dealt with to achieve what the President is trying to achieve.

The still uncorrected flaw of both general and special revenue sharing is that both disperse a large, but relatively limited number of federal domestic aid dollars to existing local governmental units across the country without much regard for relative national importance of the many problems they face.

General revenue sharing, which the President sold last year as extra rather than replacement federal aid, made sense as it was originally proposed. But coupled with the President's outright cutbacks in many direct federal aid programs this year, at the moment it amounts to a retreat from efforts to deal with nationwide human problems on a national basis.

That's because political boundaries in most metropolitan areas of the country, and in many more rural regions as well, especially here in Illinois, make little sense. Neither do the local government structures that have grown up with them. The boundaries separate rich and poor, blacks and whites in ways that make much of local government exceptionally wasteful and unable to cope adequately with the problems that face people living in those areas.

Revenue sharing, general or special, almost surely will fail for these reasons, just as have many federal direct aid programs, which operate much more through state and local governments and much more on the initiative of officials of those governments than the President concedes or most people realize.

Unfortunately, revenue sharing as now constituted encourages those in effective governmental units to put off reform; it offers no incentive to consolidation or modernization.

The President's failure to provide leadership on the question of racial integration in education and employment, and most crucially in residential patterns, over the past four years, only makes this difficult situation even worse.

The fatal flaw in the Nixon domestic program as it now stands is not that it is heading in the wrong direction. The President's intentions are sound.

The real weakness is that it is a simplistic response to national problems that are intertwined and complex.

National opinion polls show that the majority of Americans oppose most of what Mr. Nixon has proposed to do domestically in his budget.

Most people don't disagree with the President's desire to put the national house in better order. Nor do we.

But all of us have a substantial stake in much of the old national house that has been built painfully even if inadequately over the years.

Mr. Nixon should heed the message, go back to the drawing boards and provide a lot more details of what he has in mind before he goes further in tearing down the old house before he has in hand a more detailed, comprehensive plan for a new one.

TEXAN NAMED OUTSTANDING HOME BUILDING REPRESENTATIVE

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, each year the National Association of Home Builders selects one of its representatives as the "Outstanding Representative of the Year." The award honors the representative whose "leadership does the most in any year to support and advance the National Association of Home Builders and building industry objectives, locally, statewide and nationally."

This year the Outstanding Representative Award has been awarded to Harold P. Hill, an outstanding builder who has been a member of the National Association of Home Builders for 23 years.

Texas has long been a leader in home building and it is only fitting that a Texan, Harold Hill, ought to be honored by the National Association of Home Builders as its Outstanding National Representative for 1972.

THE COMMITTEE ON INTEREST AND DIVIDENDS' INTEREST RATE GAME

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Nation has just watched another of the continuing interest rate charades which has resulted in higher prime rates.

The Committee on Interest and Dividends, an entity established under the Economic Stabilization Act, is supposed to be protecting the American people from the ravages of higher interest rates, but in reality it is serving as a mechanism to implement these higher rates.

Back on February 2, a group of bankers raised the prime rate from 6 percent to 6¼ percent and Dr. Arthur Burns, chairman of the Committee on Interest and Dividends, went into a flurry of letters and telegrams, presumably aimed at forcing a rollback. We had the rollback for a few days, and then the Committee on Interest and Dividends suddenly announced that an increase to 6¼ percent was justified. We then had 6¼ percent interest rates across the board throughout the United States—with the official imprint of the Committee on Interest and Dividends.

We racked along at 6¼ percent until March 19, when another group of big banks announced that they were raising their interest rates to 6¾ percent. The Committee on Interest and Dividends then hurriedly summoned the bankers to Washington and now we have a new agreement that interest rates can be raised to 6½ percent. And today the prime rate stands at this higher 6½ percent at most banks throughout the United States—again with the official imprint of the Committee on Interest and Dividends.

To sustain the public relations of these CID-approved increases, there has been talk about the establishment of a so-called dual rate. Under this plan, as the Committee on Interest and Dividends has propagandized it, the prime rate for large corporations would fluctuate with market rates while the rates for small businesses and others would be under some kind of general surveillance.

The CID has not explained how this might help the small businessman, the farmer, and the consumers who are already paying rates two and three times those enjoyed by the large customers—the prime borrowers. It is difficult to determine from this latest propaganda just what a dual rate would mean for a consumer paying 36 percent on a small loan or for a small businessman paying 10 to 15 percent to maintain his operations. The truth is that the smaller borrowers never have the advantage of the prime rate. And the concept of a dual rate is just window dressing to try to make the interest rate increases more palatable.

Mr. Speaker, I sincerely hope that we do not see any more reenactments of the games which the Committee on Interest and Dividends and the banks played last week. Apparently, the banks have the feeling that they can freely announce large interest rate increases—far beyond any reasonable justification—and then when the pressure is applied, they can simply cut these increases in half. By halving the difference everyone is happy—as the banks and the CID see the world.

This way, the banks get what they wanted in the first place—an interest rate increase—and the Committee on Interest and Dividends look like it was tough by cutting the increases in half. But this little game has brought us steady increases in interest rates and has left the American public with no protection.

A large part of the public excitement—the telegrams and letters and public pronouncements about interest rates—stemmed from an administration effort to ward off congressional moves for mandatory interest rate controls. The CID, which has been dormant for most of its life, has appeared active in recent weeks in anticipation of congressional hearings on the Economic Stabilization Act. The effort is to make the CID appear to be vigorous in pursuing its "voluntary program" and to indicate there is no need for mandatory controls.

But underneath this public relations flurry, interest rates have been going up for all borrowers—not just for prime borrowers. The interest rate picture is going to get worse before the year is out and we may have a credit crunch approaching the magnitude of the high interest, tight money period of 1969 and 1970.

The real test now is whether the Congress will join the Committee on Interest and Dividends and the big banks in deluding the American public. It is essential that the Congress not join in this charade and that it stands up and demands a full set of controls on money lenders to protect the American public.

The Congress has been fooled in the past by Administration claims on monetary policy and interest rates and I trust that the Members will not allow themselves to be deluded any longer on an issue which affects everyone in the Nation.

Mr. Speaker, I place in the RECORD an article from the Washington Evening Star-News for March 26 and the American Banker for March 26.

[From the Washington (D.C.) Star-News, Mar. 26. 1973]

BANKS, GOVERNMENT SETTLE PRIME RATE CONTROVERSY

(By Lee M. Cohn)

Banks around the nation today established a 6½ percent prime lending rate, up from 6¼ percent, with the Nixon administration's tacit approval—pending the removal of federal controls from rates charged on loans to big corporations.

The 6½ percent prime rate—the minimum interest on bank loans to the most creditworthy corporations—was a compromise reached during the weekend between leading bankers and the administration's Committee on Interest and Dividends.

Several leading banks had raised their prime rate to 6¾ percent last week, provoking a confrontation with CID Chairman Arthur F. Burns, who also is chairman of the Federal Reserve Board.

After listening to the bankers' arguments, the CID said, Burns told them that "on the basis of the committee's present criteria a prime rate of 6¾ percent could not be justified."

The formal statement did not say specifically that a quarter-point increase to 6½ percent had been cleared, but a spokesman noted that the CID had not objected to that rate level and added "6½ percent is acceptable."

Banks which had raised the rate to 6¾ percent took the CID's hints and rolled it back to 6½ percent. Manufacturers Hanover Trust Co., New York, which had initiated the move to 6¾ percent, clinched the deal today by cutting its rate to 6½ percent.

Other banks, which had held at 6¼ percent while awaiting resolution of the argument, raised their rates to 6½ percent. That rate is expected to become universal within a few days.

There were clear indications that the banks settled for 6½ percent with the understanding that additional increases would be permitted soon, particularly on loans to big corporations.

Burns last week suggested and during the weekend specifically endorsed the idea of a "dual" prime rate.

"If such a plan can be developed, the interest rate on business loans to large corporations might well be left to the market," the CID said. "However, interest rates on loans to smaller businesses, farmers, home buyers and consumers would remain under strict surveillance" by the CID.

That is, the CID would abandon its effort to control the prime rate for big corporations, if the banks would agree to go slow in raising rates on loans to small businesses and the other categories of borrowers.

This does not mean that small businesses would pay lower interest rates than big corporations.

Few small companies qualify for the prime rate. In many cases, their rates are a specified percentage increment above the prime.

Thus, if the prime rate for big corporations should rise to 7 percent after removal

of controls, a small company might pay 7½ percent or more.

But the banks would undertake to raise the rate on small business loans more slowly than the prime rate for big corporations, instead of automatically maintaining the full amount of the traditional rate spread.

The CID said its staff will work on the dual rate idea in cooperation with banking experts and loan officers of the banks.

Meetings with several banks scheduled by Burns for today were canceled. The agreement was worked out at meetings Saturday and Sunday, supplemented by telephone conversations.

President Nixon has refused to impose mandatory controls on interest rates, relying instead on "voluntary" restraint backed up by Burns' pressure tactics.

While tightening credit and raising interest rates in his capacity as chairman of the Federal Reserve Board, Burns as chairman of the CID has tried to hold down the most visible and politically sensitive rates—on prime, small business, home mortgage, consumer and farm loans.

MORE CONTROL FEARED

The administration fears that rapid increases in these rates might lead Congress to impose mandatory controls on interest rates, and might undermine support for wage and price controls.

The new 6½ percent prime rate is the highest since January, 1971. The rate dropped to 4½ percent in early 1972, then began rising last March as the Federal Reserve started tightening credit. The increase from 6 to 6¼ percent occurred last month.

Manufacturers Hanover said today it is trimming its rate to 6½ percent "for the time being." The bank said it will "look forward as a matter of some urgency to the formulation by the (CID) of an effective version of its dual rate proposal to help relieve the aggravated condition of money and credit markets."

[From American Banker, Mar. 26, 1973]

POLITICS MUST BE WEIGHED IN PRIME MOVES, BURNS TOLD BANKERS

(By Ben Weberman)

NEW YORK.—Arthur F. Burns, chairman of the Committee on Interest and Dividends and the Federal Reserve Board, acknowledged when he met with commercial bankers late last week that it is painful and disturbing for commercial banks to hold down the prime lending rate, but he insisted that it is necessary for them to assume that burden in order to avoid Congressional imposition of ceilings on interest rates.

Thus, he placed the context of the discussion primarily in political terms and warned that adherence to economic analysis and adjustment to market forces without concern for politics would bring consequences that could well obliterate operation of the free market in banking.

Under these conditions, he set down no guidelines to inform bankers exactly which level of prime rate would be acceptable at any particular time. The main thrust of the meetings last week among CID staff, Mr. Burns banks' staffs and executive officers was to discuss conditions under which it would be possible to increase the prime lending rate.

Conflict between two main forces precipitated the confrontation over plans by the $13.9 billion-deposit Manufacturers Hanover Trust Co. and seven other banks to raise the prime rate to 6¾% from the 6¼% level established Feb. 26; how to eliminate distortions in the money market which accounted for an exceptionally rapid rise in shore-term interest rates since bank loans began rising sharply in early February, and how to do so without bringing down the wrath of Congressmen who want to impose ceilings on interest rates.

The Congressional temper was demonstrated last Tuesday when a proposal by Sen. Thomas J. McIntyre, D., N.H., to amend the Economic Stabilization Act by freezing interest rates at the highest point during the 30 days up to March 16 was defeated by the narrow margin of 41 in favor and 45 against. Mr. Burns cited this to bankers last week as an example of the political danger they were courting.

By the close of business Friday, the prime rate situation was thoroughly confused. Among the eight banks which had announced an increase in the prime initially, four remained at the 6¾% level they had originally established, and four shaved part of the increase and moved down to 6½%.

All agreed to hold unchanged the rates charged to small businesses, along with those for consumer installment and mortgage loans.

Remaining at 6¾% were Manufacturers Hanover Trust, the $3.4 billion-deposit First Pennsylvania Banking & Trust Co., the $3.4 billion-deposit Franklin National Bank, and the $785 million-deposit Southern California First National Bank, San Diego.

Retreating to 6½% were the $4.8 billion-deposit Marine Midland Bank-New York, the $9.6 billion-deposit Continental Illinois National Bank & Trust Co., the $2.7 billion-deposit Republic National Bank, Dallas, and the $4.6 billion-deposit First National Bank, Boston.

In addition, the $12.5 billion-deposit Chemical Bank, New York, announced an increase in its prime lending rate to 6¾% Friday, coupling this with a statement which management believed conformed to the criteria set down by Mr. Burns in a press release accompanying the Feb. 23 go-ahead to the $2.5 billion-deposit Girard Trust Bank, Philadelphia, permitting an increase to 6¼% from 6%. These criteria were repeated in the statement released last Thursday afternoon when the meeting with the group of seven banks terminated.

Chemical said that "in line with the suggestion of the CID that the banking community consider a dual prime rate structure, this increase will not apply with respect to smaller businesses which are not contractually tied to the prime. On the loans to small businesses, future policy will be to moderate the extent of any increases and such adjustments would be delayed. No changes are contemplated in home mortgage consumer lending rates. He believes this new overall lending policy will help assure availability of credit to small businesses and consumers."

But Chemical soon received a telegraphed office at 2:30 p.m. Monday, bringing complete invitation from Mr. Burns to appear at his factual information on costs and warning them to be prepared to clarify policy with respect to loans to small businesses.

Later Friday afternoon, the $24.9 billion-deposit Chase Manhattan Bank announced that it, too, would raise its rate to 6¾% for prime rate borrowers but coupled this announcement with an outline of a "graduated prime rate structure." And this touched off a telegraphic invitation to meet with Mr. Burns.

The bank said that under the new rate pattern, interest on loans at or tied to the prime in size up to $500,000 would remain unchanged and linked to the present 6¼% rate. The charge for larger credits would go up to the 6¾% base.

Unlike Chemical and Chase, the $2.4 billion-deposit Philadelphia National Bank, the $7.4 billion-deposit Wells Fargo Bank, San Francisco, and the $642.6 billion-deposit Commerce Bank of Kansas City, NA, Kansas City, Mo., announced increases in their prime rates to only 6½% during the day. They received no summons from the chairman of the Federal Reserve Board.

Virtually every bank which took prime rate action stressed in its announcement that it would hold unchanged the rates charged to small businesses. These charges will remain—at least for the time being—at levels set when the prime was 6¼%, they explained.

But there was some confusion about the definition of a small business. "A corporation which earns $500,000 in New York is small," one banker said, "but in my area, these are the giants."

One reference by Mr. Burns at his meeting on Thursday to loans of $25,000 as typical of a small business need was derided by one banker who declared that such loans are hardly larger than consumer installment borrowings. . . .

THIRD HIGH SCHOOL CREDIT UNION OPEN IN CONNECTICUT

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, on past occasions I have discussed with Members of this House two high school credit unions that were being operated at Fort Knox, Ky., and Natick, Mass. Now there is a third high school credit union which opened just recently in Norwalk, Conn.

The credit union was organized after the school system's mathematics courses were updated to contain a unit on credit unions. During the development of the course, school administrators felt that the students could set up and operate their own credit union.

A group headed by Mr. Malcolm Austin, supervisor of the mathematics department of the Norwalk Board of Education, obtained permission from the Connecticut State Bank Department to allow the United Credit Unions of Norwalk, a credit union that serves all of the board of education employees, to include all registered high school students in the city.

The United Credit Union will underwrite all expenses of the student credit union until it becomes self-supporting. While United will supply management assistance, it will stay for the most part in the background allowing the students to run the credit unions themselves. The students have already elected their own board of directors and named their credit and supervisory committees.

While the credit union in Connecticut is the third student credit union in the country, it is the first student credit union to cover more than one school. In addition to Norwalk High School, the credit union covers students at Brien McMahon High School and the Center for Vocational Arts, Norwalk's two other high schools.

Not only will the credit union enable students to better understand our monetary system and to gain a firsthand look at how financial institutions are operated, but the credit union will also mean that the student can establish a credit rating while he is in school, and after he graduates, he can use that credit rating to good advantage.

It is, indeed, encouraging to see another student credit union in operation and I hope that in future months additional credit unions will begin operations throughout the country. As I have stated in earlier discussions of the student

credit union in every school system in the country.

ENERGY POLICY BLUEPRINT

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, recently there appeared in the Oil Daily an article indicating that the General Mid-Continent Oil and Gas Association had produced a comprehensive position paper regarding the Nation's energy problems.

The report was prepared over a 2-year period during which time Nick Wheless of Shreveport, La. was president of the association. Without having read the report itself—although I will do so—I can tell you that it is a thorough and definitive job if Nick Wheless had anything to do with it. Nick is a farsighted individual who possesses as much expertise in his field as anyone I know. He has long been recognized as a leader in the oil and gas industry by his peers.

According to the Oil Daily article, the report outlined several recommendations to the current problem, which, I feel, have merit. Specifically, it urged the Federal Government to honor all bids at offshore leases sales which meet minimum, preannounced standards. In addition, it recommended that future import programs should be directed at improving increased domestic producing and refining capacity.

As one who is particularly concerned with finding solutions to the current energy problems, I noted with interest the statement from the report that "there is no justification for direct government participation in oil and gas exploration, drilling or development operation," as long as private enterprise is encouraged to do so on its own.

Mr. Speaker, I include the article which appeared in the Oil Daily for February 19, 1973 at this point:

ENERGY POLICY BLUEPRINT

(By Billy G. Thompson, editor, the Oil Daily)

HOUSTON.—The General Mid-Continent Oil & Gas Association has produced a position paper which should be a boon to industry and government, alike, as they grapple with the petroleum imports issue and the overall U.S. energy problem.

Adopted last week at the annual meeting of the Mid-Continent of directors, the "statement on national energy and petroleum imports policy" reflects the views of leading independent and major producers of oil and gas. Even so, it takes cognizance of the roles and woes of other segments of the domestic petroleum industry to the extent that they can be comfortable in lending endorsements.

Two years in the making, the Mid-Continent document traces broad guidelines within which industry, legislators and regulators can advance without difficulty toward an early and meaningful national energy policy.

The position paper deals with economic and political considerations, oil and gas imports, ecological issues, energy resources on public lands, and research and development activities aimed at bettering the U.S. energy base.

In numerous instances, the Mid-Continent paper is similar or embraces positions taken by other oil industry organizations in these areas. But, it appears to move deeper and/or broader—oftentimes with a sharper thrust—to position.

In the section on oil and gas imports, for example, the association declared:

"Without a strong domestic petroleum producing and refining industry, the United States would be at the mercy of foreign cartels. These cartels would be in a position to raise oil prices even more rapidly than they are already being raised today."

Mid-Continent supported the mandatory oil import program as an instrument needed for national security. But the association found security needs to extend beyond military requirements to include sufficient oil supplies to sustain economic growth, provide essential civilian demands and to meet the need of industry.

Mid-Continent urged retention of quantity-restriction imports controls but it steered away from "peril-point" levels, saying, "any import level which is established should be designed to provide additional incentives for domestic energy production."

Elsewhere in the imports section, the association urged:

—Development of contingency plans to cope with emergencies resulting from import supply interruptions. Such plans should include a security storage program backed up by an emergency rationing system.

—Origins and destinations of imports should be as diverse as possible. Regional preferences should be contingent upon a clearly defined advantage to the U.S.

"To the extent that additional imports, such as LNG, are required, special attention should be given to diversifying the sources of these supplemental supplies and the destinations within the U.S. to which such supplies are to be delivered." Mid-Continent said. "Where petroleum feedstocks, such as naphtha or LPG, are required to produce substitute natural gas, these feedstocks should be refined in the U.S. to the maximum extent possible to avoid exporting domestic refining capacity."

—Future changes in the imports program should be aimed at improving the security of U.S. petroleum supply by promoting increased domestic producing and refining capacity. To this end, Mid-Continent said, "changes should include reducing the percent of total imports represented by products and unfinished oils, and placing increased emphasis on imports of crude oil, condensate and gas liquids."

On ecological considerations in developing an energy policy, the association urged "sensible long-range goals for environmental quality with regard both for the protection of public health and welfare and for society's need for increased production and consumption of energy resources."

Emphasizing that much of the U.S. energy resources is situated on publicly owned land, the association urged continuation of oil, gas and other mineral exploration and development in those areas "under the sound and long-standing principle of multiple use."

Mid-Continent called for larger and more frequent sales of outer continental shelf leases. "There should be a sufficient number of lease sales each year to support an annual leasing program of 3–5 million acres per year," the association said.

Mid-Continent found administration of the National Environmental Protection Act has delayed, beyond legislative intent, development of offshore petroleum provinces.

The association urged the federal government to honor all bids at offshore leases sales which meet minimum, preannounced standards.

"The government's recent practice of rejecting bids because they did not equal a figure held in secret, after disclosing the operator's evaluations, is discriminatory and prejudicial toward the bidders and could destroy their competitive position in future bidding," Mid-Continent asserted.

The current practice of awarding five-year leases in frontier and difficult operating areas may not be adequate, said the association in proposing longer leasing terms where difficulty of operations warrants.

Mid-Continent called on Washington to revise an announced position under which the U.S. would renounce all rights to seabed resources beyond 200 meters water depth.

Overall, Mid-Continent maintained, "there is no justification for direct government participation in oil and gas exploration, drilling or development operation," if an economic and political climate that encourages private enterprise prevails.

Preparation of the Mid-Continent position paper spanned the two-year tenure of N.H. Wheless Jr. of Shreveport, La., as president of the association. It is a sharp reflection of the philosophies of Wheless and many other independent operator-producers who stand tall in the domestic petroleum industry, even among the major companies.

The Mid-Continent paper, by almost any measure, is an excellent blueprint for the Congress and the White House to use in hammering out a national policy that will lift the U.S. from a wilderness of "vague objectives, fuzzy programs and policies, and the cumbersome machinery dealing with the nation's growing energy problems," as Wheless described the situation last week.

WALTER LIPPMANN AT 83

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous remarks.)

Mr. WAGGONNER. Mr. Speaker, a most thought-provoking article appeared in Sunday's Washington Post, which I would like to call to your attention. If you missed it, you will have a chance to see it in the RECORD, as I will include it following my remarks.

The article consists of an interview with the renowned political writer, Walter Lippmann, who at age 83 has some different ideas about society and Government than he has had at some times in the past.

Although I certainly do not agree with everything Mr. Lippmann has to say, there is a good deal that I do agree with.

Mr. Lippmann maintains that attempting—as the Government has—to do everything for everyone has historically proven to be an incorrect course to follow.

To attempt to improve society, Lippmann says, is the desirable and humane thing to do; however, he maintains that to attempt to "perfect an imperfectable society," as some from the new liberalism camp would do, is a mistake. Man cannot be perfected by changing his environment.

It's not possible by government action or any other action I know to create a perfect environment that will make a perfect man.

The fallacy lies in "the belief in human perfectability through Government action." The rejection of the radical ideas of the new left in the 1972 Presidential election was to be expected.

His interviewer, with reference to Lippmann's professed conservatism, queried. "It is effective to deal with the symptoms of poverty, for example rather than the causes?" Lippmann's reply deserves consideration: "Can anybody know what the causes are? There are many causes: laziness, wastefulness.

Those are traits inherent in human beings. Some make for poverty and some make for wealth."

According to Mr. Lippmann, part of the myth of the perfectability of man is that he can solve everything and that Government can provide solutions to all of our society's problems, that we in Government can answer all the questions and remedy all of the ills, and that everything will be taken care of if we can just spend more and more of the taxpayers' money. Mr. Lippmann terms this nonsense as "the American myth." In a word, Lippmann cuts out the heart of the new left philosophy.

We in the Congress cannot provide a panacea for every problem that confronts us. And I think that it would be refreshing, indeed, if more political leaders admitted as much.

I cannot agree with Mr. Lippmann's view that parliamentary democracy is a "doubtful experiment" that will become increasingly unworkable as the population continues to grow. Representative government is the hope of our civilization.

It is an interesting volte-face from Mr. Lippmann's early years as a political writer when he did espouse some of the same views as those he now criticizes. Nevertheless, coming from Walter Lippmann, it is as refreshing as a breath of fresh spring air.

WALTER LIPPMANN AT 83: AN INTERVIEW WITH RONALD STEEL

Q: *Nixon's been President for over four years. How would you assess his performance?*

A: His role in American history has been that of the man who had to liquidate, defuse, deflate the exaggerations of the romantic period of American imperialism and American inflation. Inflation of promises, inflation of hopes, the Great Society, American supremacy—all that had to be deflated because it was all beyond our power and beyond the nature of things. His role has been to do that. I think on the whole he's done pretty well at it.

Q: *Aside from his prolongation of the Vietnam war, which you've criticized, how do you feel about his domestic policies?*

A: He will do anything he thinks is expedient.

Q: *Is that necessarily a bad thing?*

A: No, it isn't. He's a Keynesian when it suits him and he isn't when it doesn't suit him. That's the way public men have to act.

A: *You see him as responsive to public mood?*

A: He's very cunning.

Q: *So you would give him rather high marks?*

A: Yes. He has played a very disagreeable role, but a role imposed upon him by historical necessity.

Q: *Do you look on Nixon's crushing defeat of McGovern as merely a personal victory, or as something deeper—a repudiation of the philosophy of the New Deal and of the Great Society?*

A: My feeling is that what happened in the Nixon-McGovern election is what happens in all elections of advanced modern industrial societies when the basic policy of the Jacobin or Rousseauistic philosophy is repudiated. By that I mean the belief that man is essentially good and can be made perfect by making the environment perfect, and that the environment can be made perfect by taxing the mass of people to spend money for improving it. Modern society won't accept that philosophy and it is usually repudiated. Sometimes the repudiation takes the form of fascism, but this rejection is morally and intellectually the equivalent of it, without some of the ugly features of fascism.

Q: *What do you mean by the "moral equivalent" of fascism?*

A: The equivalent of fascism in my view is the repudiation by the society, by the masses of people of the whole Rousseauistic belief in man's inherent goodness and perfectability. The mechanics of the repudiation is another matter. Whether the society takes the form of a dictatorship or a parliamentary system is a secondary question to what is being repudiated.

Q: *Were these ideas repudiated because they were too ambitious or because they represented something incapable of achievement?*

A: I think they represent something that is incapable of being achieved in human society. They are philosophically and morally untrue. Man is not naturally good, nor is his nature perfectable by economic means. The Jacobin philosophy is being repudiated in every advanced society because it involves attempting to do by taxation and appropriation things not possible to do. It's not possible by government action or any other action I know to create a perfect environment that will make a perfect man.

Q: *Do you believe that those policies did in fact fail?*

A: I don't think every detail of those policies, every reform, failed. But the idea that motivated them has failed.

Q: *If the idea has been repudiated then what happens to the effort to achieve social change through government action? Is that repudiated too?*

A: It goes on, but there are a lot of errors that have been discarded in the course of human history, and this is one of them.

Q: *Do you think the effort to achieve any kind of social change through the government is undesirable?*

A: Certainly it's desirable. It's not the effort to achieve reforms that's wrong, but the inner ideological or philosophical content of these particular efforts. This is where the fallacy lies—the belief in human perfectability through government action.

Q: *Did McGovern represent this philosophy?*

A: Yes. McGovern believed in all the corollaries that go with this philosophy and he espoused any one of them that seemed to him promising. In this election, the people themselves showed that they won't have it. This is a philosophy that has been more or less prevalent in the Western world since the 18th Century. People have fallen for it for generations. But now it is being repudiated almost everywhere. Sooner or later it always gets repudiated.

Q: *How would you distinguish what you all call Jacobinism from the kind of liberalism represented by Lyndon Johnson?*

A: The difference is that liberalism is a much more measured form of human improvement. It neither claims nor seeks the exaggerated results claimed by Rousseauism and Jacobinism. It regards man as improvable but not perfectable; it takes a much more modest view of what mortal man is capable of doing.

Q: *Were the goals of the New Deal and the Great Society rooted in this Rousseauistic or Jacobin approach?*

A: Yes. We have been in the grip of this general view of the nature of society at least since Woodrow Wilson.

Q: *If this philosophy has been repudiated, does this mean there will be less government intervention in the lives of the people?*

A: No, I wouldn't say it would mean less intervention, but the difference between perfectability and improvability is a very big one. The belief in government as the agent of perfectability is what has been repudiated. People have rejected the idea that you can use the government—by controlling it, by getting the majority or physically seizing it—to do what I regard as what history has now shown to be impossible. Sometimes this repudiation can take the form of fascism. But it didn't here. Instead it took the form of Nixon Republicanism. But a corruption of that, or a more extreme form of it, could lead to fascism, just as fascism can lead to Nazism. The Jacobin-Rousseauistic view of society and human nature will lead to the most dangerous forms of fascism or even Nazism if it is not brought under control.

Q: *So this administration should be welcomed by liberals because it's headed off a reaction that could have degenerated into fascism?*

A: I supported Nixon in '68 and I preferred him vastly to McGovern in '72. In that sense, yes. That doesn't mean I'm enthusiastically pro-Nixon. What he's done is historical: Nixon has performed a service that historically had to be performed if American society was not to be blown up or disintegrate or crumble.

Q: *Nixon has certainly appealed to self-reliance and attacked the social welfare programs of the past four years. Won't this lead to a cynical neglect of the poor, the disadvantaged and the abandoned?*

A: I thought there was no hope for those abandoned, if you call them that, members of society in those programs. These programs had been greatly excessive, as occurs in every advanced society. But it was much exacerbated in our society because actually taking from those who had really meant taking from whites to give to blacks. That was a cause of deep division and bad feeling in this country.

Q: *But if the government does not play a big role, what hope is there for the disadvantaged?*

A. I'm not accepting Nixon's philosophy. But no government can bring people up. They have to achieve it themselves. The belief that the government can do it is one of the great illusions of our time.

Q: *In the kind of society we have, can the disadvantaged achieve economic and social equality?*

A: I don't know. Nobody knows enough now to say yes or no to that question. There are all kinds of hidden assumptions we don't know the answers to.

Q: *Being opposed to what you call Rousseauian Jacobinism, do you consider yourself a conservative?*

A: I am a conservative; I think I always have been. But that doesn't mean that I'm a conservative who agrees with William Buckley.

Q: *What kind of conservative are you?*

A: I never joined Barry Goldwater or anybody like that. I don't consider myself that kind. I hope and trust I am a conservative in the line of Edmund Burke. I believe in certain fundamental things in philosophy and constitutional law which are conservative as against the Jacobins.

Q. *One of the definitions of conservatism is a belief in a hierarchical traditional society. Do you believe in that?*

A. Well, I believe in what we used to call meliorism. You can make things better, but you can't make them perfect.

Q. *Is it effective to deal with the symptoms of poverty, for example, rather than the causes?*

A. Can anybody know what the causes are? There are many causes: laziness, wastefulness. Those are traits inherent in human beings. Some make for poverty and some make for wealth.

Q. *The liberal would say we can isolate and eradicate the causes of poverty.*

A. Does he know them? If he thinks he does, he's mistaken.

Q. *Is this rejection of the Rousseauian philosophy also a repudiation of the goal of social equality and progress?*

A. Social equality, if you carry it far

enough, is an absurdity. That doesn't mean that you have to be in favor of social privilege or inequality.

Q. I suppose the essence of Rousseau's thought is that man is corrupted by his environment and by social conditions—"Man is born free but he is everywhere in chains." It's this conception you consider false?

A. Yes, if you like, that's one thing.

Q. If you reject Rousseau's argument that man is born free, but is enchained by unjust laws, how do you achieve equality and justice?

A. Look, man isn't born everywhere free and equal. It's impossible that he should be born that way. The Rousseau-Jacobin doctrine was that he could be perfected by changing his environment.

Q. If you reject this, isn't the alternative simply to ride along with the status quo?

A. I don't think so. I don't think it does at all. It just makes you work very hard. You have to do things specifically and practically and in accordance with the possibilities of man. I read the other day a quotation from a Chinese which seems to me to sum up that Jacobin view. He said, "On television we watched the men the Americans put on the moon. We are going to be the first to put a new man on earth." That, I think, is exactly the Jacobin revolutionary philosophy.

Q. I suppose the idea that man is not perfectable is based on the belief in original sin. Do you believe in original sin?

A. In that sense, yes.

Q. Government is playing a much greater role in the lives of its citizens. Do you see this as irreversible?

A. Yes, I do. We're a mass society and a great many of our troubles and evils come from that. There are too many people alive in order to govern, control them and inform them. You have to have things that you wouldn't have dreamt about if you had a smaller population.

Q. So even though the people have rejected the idea of the government as an agent of perfectability, they've accepted that the government must play a powerful role in their lives?

A. We've accepted it, but we're very rebellious about it, too. I mean people hate filling out all the forms—I know we do in this house—and we have to employ lawyers and bank people and so on to fill out forms for us and tell us what they mean. That's a burden. There are a lot of people who have just resigned themselves, taken themselves out of what we would call the welfare state. They don't fill out the forms, they just don't live in it.

Q. As a result of this growing governmental role, do you see a danger of authoritarianism and repression?

A. There's always a tendency of the governing power to be repressive if it can be. That has to be resisted.

Q. What are the best means of resisting? Through the courts?

A. The role of people is crucial. We resisted Joe McCarthy in the 1950s by denouncing him. McCarthy didn't have enough power to arrest us, those of us who did denounce him, and so we revealed him for what he was. Finally a lot of people got angry with him.

Q. Do you see the government's prosecution of Daniel Ellsberg as an act of repression or intimidation?

A. No, I don't think it's an effort to do that. I think public papers which are classified and regarded as secret should not be stolen or revealed by anybody who is not willing to pay the price of doing it. It's the case of the Boston Tea Party: If the king's tea is there and you dump it in the harbor, then you expect to pay the penalty of dumping it in the harbor. One thing I like about Elisberg is that he doesn't deny that he will take the penalty.

Q. If there's a higher loyalty than the law itself should those with the courage to defy it be applauded?

A: I think it was a good thing to reveal the Pentagon Papers because classification has become a vicious habit which needs to be resisted. But that doesn't mean that every paper should be stolen or revealed. The penalty for doing that must be enough to deter anybody from doing it frivolously or easily.

Q: *There's a great controversy now about executive privilege and whether members of the President's personal staff and his Cabinet should be obliged to testify before Congress. Do you feel the President is abusing this prerogative?*

A: While there obviously has to be some kind of executive privilege, it must be used with the utmost discretion and restraint. Our system of government will simply not work if any principle is pushed to an extreme. There must be respect for the rules on the part of everybody—the President, the Congress, the courts. The men who wrote the Constitution were rational gentlemen. They knew the system they were devising could not work unless the rules were respected. Their primary assumption was that the kind of people who were running the government would play by the rules. If the President refuses to do this, nothing works and you don't have our constitutional system. The President of the United States is actually a king, with all the powers and all the limitations inherent in a king. What is important is that there be respect for the unwritten law, which is an important part of the American constitutional system.

Q: *It's been said that one of the effects of the Vietnam war has been the questioning of all forms of authority—the family, state, religion. Do you think this is happening?*

A: I don't think it's the result of the Vietnam war. The breakdown of forms of authority is a much deeper and wider process in modern history than the Vietnam war. I wrote a book back in the beginning of the century about the dissolution of the ancestral order. Clearly, the ancestral order of the family, for instance, has been much more affected by the contraceptive pill than it has by anybody's speeches or by the war.

Q: *Is this breakup of the ancestral order dangerous?*

A: Well, yes. It's dangerous in the sense that the fabric of society is of a cellular structure, of families related to each other in tribes and nations. Of course the destruction of that threatens to produce the chaos of modern times.

Q: *You see this as leading to authoritarianism or facism?*

A: It's absolutely one of the things that will occur. Yes, there'll be all kinds of repression.

Q: *It is said that we live in an age of permissiveness in which all the old values pretty much have been destroyed, including the belief in patriotism and the state. Can people live with that kind of uncertainty in their lives without any focal point of attachment?*

A: I think it's a good question, but there's no easy answer to it. Whether people can live without an organized life around authority and the belief in something is a question that the modern age has been experimenting with, and hasn't solved.

Q: *I suppose it's in periods like this that people have created new religions in the past.*

A: When they've been lucky.

Q: *How do you feel about the future of parliamentary democracy?*

A: I think it's increasing unworkable mechanically with the growth of population. Aristotle said long ago that there's a certain size a good city should have so that the human eye could see its limits. There is a limit which we have passed in these mass democracies. Societies are not capable of governing themselves if they're that crowded and that numerous.

Q: *Then you look at parliamentary democracy as . . .*

A: As a doubtful experiment.

Q: *And a parenthesis in history perhaps?*

A: Parliamentary democracy was the product of a much simpler, less numerous, stratified society, class system. Whether it can be applied to these massive modern democracies, I don't know. It's very doubtful.

Q: *What do you see as the alternative?*

A: I don't think anybody can see an alternative. I certainly haven't got a panacea for it. That's a very American question you asked. I'll tell you what: Part of this illusion of what I call Jacobinism for short is that there's a remedy for every evil and a solution for every problem. A lot of things are not solvable.

Q: *If they're not solvable, what attitude can we take toward these problems—stoicism?*

A: Stoicism, resignation, acceptance. Part of the myth of the perfectability of man is that he can solve everything.

Q: *If we're forced to live in a world where we recognize that problems can't necessarily be solved and also that America may not have anything very special to give to the world, we're in for a very difficult process of adjustment. Isn't the basis of our society that we can create the future?*

A: It is the American myth.

Q: *Other societies have something to fall back on; the continuity of their history, a religion, a strong social structure. We have nothing like that.*

A: No, and we have this feeling—this comes from the Puritians—that we are a chosen people with a mandate from God Himself to make a perfect world for ourselves and for everybody else. Of course that is a terrible myth.

Q: *There's been a great concern over the freedom of the press recently—the right of newsmen to protect their sources, the effort of the government to intimidate the media. You've been concerned with this problem throughout your career. Do you think there is a serious threat to freedom of the press?*

A: I think that very often troubles of the press come from a commercialized desire to get scoops, to be the first to print the news. These "sources" very often are places to get tips of what's going to happen. The desire of newspapers to be the first to print particular information is corrupting to the whole journalistic process. In the journalistic world I grew up in, it wasn't a question of law whether you had to divulge your sources. It was a question of whether the reporter had the guts to refuse to reveal where he got the information, whether he was willing to go to prison if necessary. That was regarded as the elementary code of a newspaper man. The reverse of that was—and this was always my practice—when someone told me something in confidence. I didn't pass it on to the reporters so we could get a scoop. I had a relationship with the man I was interviewing and I didn't want to print that.

Q: *Does the press have a responsibility to to publish what it thinks is newsworthy at whatever cost?*

A: I wouldn't make a generalization. I think raw news, raw fact, is not intelligible anyway to the public, and has to be explained. The explanation is as important as the fact itself. The duty of the press is to put forth no raw news but explained news.

Q. *Does the press have a responsibility to the government to keep secrets, even if it thinks the government is doing something wrong—as in the Bay of Pigs or the Pentagon Papers?*

A: I think that's a matter of conscience. I would decide only in specific cases.

Q: *You've known many officials during your career. What is the proper relationship between reporters and government officials?*

A: I certainly have. I feel that newspapermen cannot be the personal or intimate friends of very powerful people. They just can't. It won't work. They'll either end in corruption of the press or a quarrel, and I've

said that before. You cannot be in the confidence of a king.

Q: *There is a lot of talk now about the press abusing its privileges and of government restraints on the press. Should the press monitor itself through a public commission, as a way of preventing the government from interfering?*

A: The press should be responsibly edited. But it shouldn't edit itself by law, decree or fiat or anything like that. Commissions to monitor the press and things like that are artificial anyway. They never work.

Q: *You have probably been the most successful political journalist we've ever had in this country. But if you had it to do over again would you have chosen a different kind of life?*

A: Had I been gifted to do it—and I wish I had—I would like to have been a mathematician.

Q: *Why?*

A: I would have liked that kind of life. The precision, the elegance . . . there's something about it that attracts me esthetically.

Q: *Did you consider the writing of books or your journalism more important?*

A: I considered writing books the more important thing. I always viewed journalism as the place where I accumulated facts and information that I used for my books. Being a journalist was rather like the doctor, you know, who has to go and practice.

Q: *Forty years ago you launched a new kind of column—serious political analysis—that had never been done before. But with the growth of TV and news magazines, do you thing the political column still plays an important role today?*

A: I think it plays an important role whether or not it's signed and presented as a column. The columnist is really a specialist writing editorials. The column is an editorial, and an editorial really should be an explanation of a fact. A good editorial is something which makes a fact much clearer.

Q: *Are the newspapers performing that task adequately today?*

A: No, but it's a very difficult task to perform.

PHASE II CONTROLS NEVER REALLY EFFECTIVE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, phase II of the control program in respect to rents never was really effective. In my area rents were enormously increased in many instances, sometimes 30 to 40 percent. There were many tragic instances of people who were turned out of their apartments because of rent increases they could not pay. Then came the complete lifting of rent controls July 11 by the President's directive. Rents again took a surge upward in countless places, often imposed upon the very poor, so that there is a tragic need today for effective rent controls to protect the people of this country who rent against excessive charges by money-hungry landlords. At least we should go back to, and freeze, the rents in effect January 11 until a system of controls can be reestablished that will give a fair measure of protection to the people who have to rent living facilities in this country.

I want to commend the Honorable WRIGHT PATMAN, chairman, and the members of the House Banking and Currency Committee for the hearings they began Monday of this week on the general subject of the extension of the authority to the President to impose controls upon the critical elements of the economy and especially for the consideration given by the committee for the necessity of giving some relief to the people who rent. From Miami two very able spokesmen for the renting population of our area appeared before the committee, one of whom was Alan Becker, distinguished member of the Florida House of Representatives, able attorney, and counsel for the Tenants Association of Florida, Inc., and the Florida Coalition of Mobile Home Owners. These two consumer-oriented tenant organizations have a combined south Florida membership of over 15,000 people. Mr. Becker is an able and aggressive attorney fighting for the rights of people who rent in the south Florida area against excessive charges by landlords. He presented in his statement glaring instances of such excessive charges.

Other Members of the House will, I am sure, find conditions similar to those Mr. Becker describes in their districts and will, I hope, join in the fight to give relief from excessive rents to the people in this country who have to rent. Therefore, Mr. Speaker, I include Mr. Becker's statement and exhibits in the RECORD following these remarks:

STATEMENT BY MR. ALAN BECKER

FLORIDA HOUSE OF REPRESENTATIVES,
Tallahassee, Fla., March 26, 1973.

I want to thank you for the opportunity to appear before you today to urge the mandatory reimposition of controls on rent.

Over the past two years I have been the attorney for the Tenants' Association of Florida and the Florida Coalition of Mobile Home Owners. These two consumer oriented tenant organizations have a combined South Florida membership in excess of 15,000 people. I am also an elected member of the House of Representatives of the Florida Legislature. In each capacity I have been deluged with the plaintiff cries of people now confronted with the seemingly endless escalation in the cost of rental housing. In Friday's Miami Herald, columnist Charles Whited reported that he had encountered many people who have to scrimp on food to pay the rent. As an emergency action the Miami Beach City Council last week passed an ordinance of doubtful constitutionality freezing rents for a 90 day period.

People are in trouble and are looking to this Congress for help. The abandonment of Phase II marked an unparalleled abandonment of the American people. We are all too well aware of what has happened since January 11th. I received a letter from a 76 year old lady which is typical. Living on her $132 welfare check each month, her rent was $100. The day after the President ended the freeze her rent was increased to $120 a month leaving $12 for her to live on. There are many such senior citizens in Florida. Their Social Security checks and meager income is continuously eroded by inflation. Then there is the example of a moderately luxurious apartment building whose rent range was from $400 to $600. On January 12th the range jumped to $600 to $900 per month.

The effect of such increases would obviously be disastrous to the preponderance of Florida retirees who, although in many cases are affluent in terms of net personal wealth, receive relatively small current incomes. The fears of the later years are certainly enough without adding the fear of living too long to afford a place to live.

Another group of citizens unique in their number of Florida re its almost one million residents of mobile homes. They consist mostly of retirees and young couples just starting their lives together; all have limited means. They buy the mobile home and rent the lot it sits on. And their rents go up. From throughout the state we've heard reports of gauging beyond belief. A Miami mobile park immediately imposed a 20% increase. And the people asked for help. In Broward County one park raised the rent 57%, another 52%. These examples are not atypical.

Excessive increases in rent have plagued our South Florida Community in the last two months. Certainly Phase II controls were no model of efficient and fair stabilization of inflation. Enforcement was infrequent and inept. Complexity and loopholes allowed rent increases far in excess of wage increases. Those on the front lines in the battle against inflation thought the rent stabilization guidelines to be a meager governmental effort, hardly meaningful. But with the coming of Phase III every tenant was to learn just how bad things could be. In our area there has been a continuing rash of rent increases average over 30% for all types of accommodations.

What brought about these soaring rentals? South Florida leads the country in new housing construction but we cannot make a dent in the less than 1% vacancy rate for available housing, substandard dwellings included. According to the latest figures available Dade County Florida (which includes Miami and Miami Beach) has the second highest median rent in the country at $122.00 per month. I don't think, however, that anyone here would live by choice in one of Miami's $122 apartments. The highest rents in our nation are those of Broward County, Florida (including the cities of Hallendale, Hollywood and Ft. Lauderdale) just to the north. In Dade County, 41% of the population overpays for rent (over-payment being defined as more than 25% of income for rent). In my district of over 350,000 people the figure is higher with more than 50% of the population overpaying for their housing, as much as two thirds of their income among the 79% of the people on Miami Beach who are over 60 years of age.

In a market like this it is obvious that no voluntary controls are going to work. Greed and opportunity for exploitation will not subside for the sake of a healthy economy. Only reimposition of the Phase II controls will provide some small measure of relief. I think this Committee and Congress realize that what is needed is not only extended authority for the President to control inflation but a Congressional mandate to stabilize the most significant economic factor in the life of most Americans, the cost of housing.

In establishing effective guidelines for the regulation of rents I would suggest that the guidelines existing under Phase II were not unreasonable. If properly and diligently enforced and interpreted they would undoubtedly effectuate the goal of temporary control leading to a more permanent stabilization. I would only caution against rigidity in the promulgation of regulations. Specifically, I have in mind the definition of so-called "luxury" apartments. In Tallahassee last week I heard that defined as rental units in excess of $200 monthly rental. In Dade County that amount would provide barely adequate shelter. The Miami Herald column I referred to earlier told of a lady who pays $2,400 a year for a one room efficiency that was $1,600 a few years ago. The room includes just bedding and dishes. I've seen many of these small, old apartments. They have no heat or air conditioning and more than their share of dirt. But the rents are high and getting higher.

I am, therefore, asking you as the ultimate representatives of the people for help. We are now told by some that it is patriotic not to eat meat. Without Congressional relief—and fast—there will soon be no patriotic place

to live. It is imperative that the Congress extends controls on the economy and impose controls on rent without delay.

MIAMI, FLA.,
February 7, 1973.

DEAR MR. BECKER: I am a widow 76 years old having had my second stroke and a nervous collapse recently. I am barely existing on aid to the aged ($132.00 monthly) I have been living in this same apartment (No. 10) for 18½ years as of Feb. 1. When I came here in 1954 my rent was $40.00 then it went to $45 after 13 years. When the present landlord, Richard Cappeletti took over Feb. 1st, 1970 he raised my rent from $45 to $85 and then to $100. Now he has given me notice as of March 1 my rent will be $120.00 which will leave me $12 to exist on. As you know, this is utterly impossible.

I trust you will be able to assist me. Thanking you: I am,

Sincerely yours,
Mrs. MARGARET A. TEEPLE.

P.S.—I get no social security.

MIAMI, FLA.,
February 3, 1973.

Representative ALAN BECKER.

DEAR SIR: All I want you to know is that since our dear President lifted the Rent Control he left the control to the Land Lords and they went to town fast.

I am at Little Farms Mobile Ct. and I was raised $10.00 per mo. I own a 10 x 45 trailer and I paid $70.00 per mo. and next mo. it will be $80 per mo. What is this all about and where do we go from here. I am a senior citizen and is there no respect for us.

Thank you,

CHARLES ZARRIELLO.

[From the Daily Sun Reporter, Feb. 18, 1973]

DADE LEGISLATORS HEAR RENT, HOUSING ILLS

(By Walter Dozier)

Dade legislators conducting a forum on housing and landlord-tenant ills Friday heard calls for either rent control or more public housing based on a claim that nearly half the county's residents pay more than 50 per cent of their income in rent.

The meeting, called by Dade State Sen. Jack Gordon, took place in the county commission chambers and included a panel of Gordon, Senators George Firestone and Ken Meyer along with Representatives Alan Becker, Barry Kutun, Marshall Harris and Bill Lockwood. Athalie Range, former director of the state Department of Community Affairs, also attended.

George Reed of Dade County "Little HUD" (federally-funded housing and urban development) told the lawmakers, "we have 64,818 people in this county waiting for public housing.

"Some on that list have been there for over a year and some are elderly," Reed said.

He said that in light of the recent federal freeze on funds for low-income housing, state legislators should consider pressuring Washington into lifting the freeze or "help us with state funding."

Rep. Harris told the panel and audience that, "the state just doesn't have the money to finance public housing like this.

"There's a lot more opposition to housing on the state level than many people realize," he said.

Mrs. Range echoed Harris on that point. "Since we are dealing with a highly prejudiced legislature, and I say that without reservation, we just aren't going to get much public housing," she told the group.

The lawmakers were then confronted with an alternative in rent control by a legal services attorney and spokesmen from local tenant groups.

Legal Services attorney Howard Dixon told the lawmakers that between the current sewer connection moratorium, a growing population and higher rents they should act.

"Here in Dade County tenants pay more rent out of their incomes than in any place in the country and that calls for action."

Dixon urged the panel to push the passage of an enabling act in Tallahassee that will give local governments the authority to institute emergency rent controls.

In 1969 the Florida Supreme Court ruled that without such an act, local governments cannot institute any form of rent control, regardless of the need.

Dixon pointed out that "if the state can't fund public housing, if the moratorium can't be lifted, the least you can do is give us this rent stabilization act."

He said it won't cost the state any money and added that if it wanted to the Dade delegation could get the bill passed.

Such a bill, in fact, has been filed by Becker and Rep. Gwen Cherry and has been assigned to the House Community Affairs Committee.

Lockward is a member of that committee and when asked about the chances of getting the enabling act passed, he said "it won't be easy."

"I'm afraid if we press on it too much they'll (legislators from northern and central Florida counties) try to throw out everything else on housing we want."

But Dixon and Eufala Frazier, of the Florida Tenants Association, said the problems of high rents, limited housing and low incomes are common throughout the state.

"Jacksonville, Tampa, Orlando—they got the same problems we do, so they're going to need this legislation too," Mrs. Frazier said.

[From the Miami News, Jan. 18, 1973]

HOLDING RENTS DOWN

Several local tenant organizations report that landlords are already knocking on tenants' doors for more money since President Nixon announced the end of rent controls.

Some sort of increase is probably justified in the face of higher maintenance costs. This assumes, however, that property owners will undertake necessary repairs, especially in the low income neighborhoods where landlords have a tendency to boost the rent and forget the maintenance.

Tenants have little recourse under Florida law, which makes no provision for placing rents in escrow until the property is brought up to minimum standards. One practice, also known as the rent strike, has been effective in cleaning up slum properties in other cities.

In the face of expected rent hikes, leases provide the only protection for tenants. But many tenants are not familiar with the legal terms of compliance in their leases. They can easily be intimidated into accepting a decrease in services or an increase in rent without offering resistance. (And in effect, a decrease in services or maintenance constitutes a rent increase.)

Tenant groups are talking about seeking court injunctions to prevent excessive rent hikes. But this process, as in most court cases, is long and expensive. By the time the courts can move, tenants are likely to find themselves in the street, the subjects of evictions.

Local rent controls have been declared illegal according to Florida's constitution. Yet increased pressures from tenants and tenant organizations in the last few years may give the Legislature the incentive to pass enabling legislation that would allow local governments to impose controls.

We hope local housing officials can deal with the compliance aspect while landlords work towards better tenant relations. Everyone would benefit if landlords resolved to provide decent living conditions and hold rents down.

RENT CONTROL URGENT

It is indeed appalling to read the latest edict of the President, the man who stated prior to election day in his order calling for a rent watch, that he would not tolerate any unconscionable rent gauging by property owners.

How in the name of common sense he can justify his words with his actions is something we must be shown. If the President is sincerely of the understanding that there will be no unusual rent increases, he is, I am afraid, in for a shock. I would indeed be pleasantly surprised and my faith in humanity will have been given a much needed boost, if no run-away increases begin to show up in our area, in fact in all of Dade County.

This action points up that much more how urgent it is that the state legislature give speedy approval to an enabling act as has been prefiled by Rep. Gwen Cherry. This act would authorize local government to determine the need for rent control in its own community.

I, for one, am strongly in favor of the county government giving this matter its immediate attention so that in the event the state legislature does grant the authority no time shall be unnecessarily lost. A city in this state is too small to effectively organize the force required and to budget such an enforcement agency.

I am urging all citizens to write to their respective legislators and demand that action be taken. It may be well that our esteemed governor consider the calling of a special session to meet this serious situation.

Unless our property owners meet this economic problem with compassion and fairness they may well create a mood which will result in a county-wide rent strike. As has been said: the best of wells runs dry.

LOUIS KROLL,
President, Miami Beach Retirees.

[From the Daily Sun-Reporter, Feb. 18, 1973]

HAS IT REALLY HAPPENED?

Was there a time when you had gone to bed with a free and clear mind; had a good night's sleep; awakened in the morning and in your newspaper you read an article which raised your eyebrows and you exclaimed, "has this really happened?"

This dilemma has probably happened to thousands and thousands of people who were shocked, disappointed, depressed and frustrated, because of one short sentence, "The President has decontrolled rents."

As one of those who became aware of the President's order, I certainly found myself muttering, "is this a dream or is this true?" How could that happen? Only a week or so before the Jan. 11 order I, as president of the Tenants Association of Florida, had received bulletins from the Price Commission and from the Rent Advisory Board indicating their plans of increasing the force to compel compliance of the economic stabilization regulations.

Was it a joke when the administration issued a publication called "Rent Watch" in October of 1972, advising the senior citizens that their social security increase will be fully protected since they will monitor and spot check apartment buildings to be sure that landlords will not take advantage of the few extra dolars which the elderly will have to spend?

Maybe that extra dress for her; or maybe a few shirts for him; or maybe just a trip to Disney World on the bus; or maybe a trip to visit their daughter and see the grandchildren; it may take them a year to save these few dollars but they will have put it away.

Now that there is not protection for the tenant, some landlords have advised the social security recipient and those on fixed

incomes; your rent is being increased now that controls have been eliminated!

I wish I could ask our esteemed President, Why did you sell these people out? Why was it before your election, you indicated and promised, that under Phase II, all violators would be dealt with?

Mr. President Nixon, did you not in your heart know, that this was only a Political promise; as so many of our politicians have been doing for the past one-hundred years? Are we people still gullable?

Do these people who need places to live have to tread softly and must they still fear the wrath of their landlords? o! Mr. President Nixon, I have always said and you should agree, it is better to die on your feet than to live on your knees. I do not believe in militancy but if militancy achieves an objective, I am for it.!

I am warning landlords; "your greed will be your downfall." We have just begun to fight and in my years on this earth I have never gone into a fight unless I know I can win and with the public being treated unfairly by these unscrupulous landlords they must join together.

People are human beings and we must have a feeling in our hearts that we cannot stand by and allow unfairness and inequities to continue. I wish to repeat that my message does not point the finger at every landlord, but from the stack of complaints that are being registered, there must be action, taken which will bring to light, who is responsible; and who is riding the crest of the wave of misery to the defenseless tenant!

SHEPARD W. DAVIS,
President, Tenants Association of Florida.

[From the Miami Herald, Mar. 1, 1973]

TRAGEDY OF BEACH'S ELDERLY POOR

(By John Pennekamp)

At least 15 of the United States have smaller total populations than Dade County, yet each has a problem that is particularly highlighted here—in Miami Beach:

What to do about the elderly who are poverty-stricken or nearly so?

Miami Beach has situations that place it apart from all the others.

It is a topranked resort area.

Many of its property owners want to demolish buildings placed on their lands in the 1920s, with their thoughts now on high-rise, big-money developments.

It is a city that is divided between those who live with federal, state and local welfare help and those whose wealth is great. In between are those who get along comfortably.

And, even more spectacularly, there is an almost absolute division of the areas marking the living places of these residents.

Much has been made of a growing morals question involved in Miami Beach's situation where elderly couples, unmarried, live together. In that way each receives the maximum of public funds; if they were married, the total would be less.

In most instances the situation is simply a practical solution, but immorality is the critics' charge.

Some receive help from their children, or other relatives, who see this as a simple solution; it eliminates bother, which is one of the evils of old age.

Quite a few are in disagreement with their landlords, who try to eke all the income the traffic will bear and neglect their places in the hope of a city order to tear them down, thus opening the way with the help of zoning variations to bigger and more remunerative buildings.

Structure for structure, Miami Beach's so-called slum area bears little adverse comparison with areas of similar identification in Miami and other Florida cities, with New York, Chicago, Seattle, and a hundred others throughout the country, with one exception:

The promise of real-estate value increase here is greater, and money has a way of wiping out other considerations: it produces some severe judgments.

We don't want the poor and the elderly in Miami Beach, says a public official, his eyes trained on the one room housing units, often closet-like, with toilet facilities "down the hall."

The judgment is raw and harsh, more so than intended, and could be better stated.

Obviously, many of the people living in Miami Beach's slums don't belong in one of the world's foremost resort cities. Miami Beach itself cannot condone the development, nor can it finance change.

Neither can the state or federal government, while there are millions of younger people who want to come to Miami Beach—for a look at least—but who may not be able to do so in their lifetimes.

The Federal government, supplemented by the state, has moved far in the direction of caring for the poor and elderly, but with Miami Beach there is the constant question:

It is a preferred property. Should the federal, or any other government or agency, move in, buy property and prepare it for the elderly and poor? If so, who is to get the favor of resort-city living for which thousands hanker?

I don't know the answers, do you? Remember all of the time that this is only one of the problems that are repeated with variations, not quite as bleak or serious as those of Miami Beach.

You don't solve it by giving the poor and often destitute nice-sounding names. Those you can't eat or sleep on, although they might add a little dignity.

Few want that kind of dignity. All appreciate that they have given an average lifetime of service to their country and its institutions. They only feel that luck has done them in.

Which is, of course, true.

TENANTS FILE CLASS ACTION OVER INCREASE IN RENTS

(By Pat Gurosky)

Tenants of a downtown Miami apartment building, claiming their landlord violated Phase Two rent controls, have filed a class-action suit against him.

They say the alleged violations resulted in rent increases of up to 60 per cent.

Residents of the Parkleigh Apartments, 530 Biscayne Blvd., have asked in the suit that Howard Garfinkle, owner of the building, award them three times the amount their rents were increased, retroactively.

Tenants Maria Llerena, Annina Deutsch and Joseph Verses are listed as plaintiffs along with all residents "similarly situated." There are about 234 residents in the 90-unit apartment house.

About 15 of them, including the three above, who signed leases during Phase Two of the federal economic stabilization plan last year, were notified Nov. 30 that their rents would go up Jan. 1.

Rent controls were lifted Jan. 11. The Parkleigh rent increases were later postponed until Feb. 1.

Apartment manager Phil Comoro said in a letter that the building was exempt from the Phase Two rent curbs because it qualified as a "rehabilitated dwelling."

The controls exempted buildings in which the cost of rehabilitation exceeded half the fair market value of the dwelling. About $800,000 worth of improvements were to have been made in the Parkleigh by Nov. 30.

The tenants, however, claim that many of the improvements have not yet been made, and that despite some redecorating, service has gone down in the building since rents went up.

Phil Mendick, active in the Parkleigh Tenants Association, said that his $136 efficiency apartment will cost him $200 a month when his lease expires in May.

"Some whose leases have already run out had to move because they couldn't afford the increase," he said. "And others have been paying under protest."

The tenants in question had a rider attached to their leases listing the increases that would take place in the event the building qualified for the exemption.

TENANTS ASK NIXON TO CUT RENT RISES

(By William A. Elsen)

Representatives of 150 area tenant associations voted unanimously yesterday to ask President Nixon for an immediate rollback of rent increases, some of which have approached 50 per cent here.

The 250 persons attending a meeting of the Washington Area Federation of Tenant Associations also recommended that tenants resist rent increases but did not call solely for rent strikes.

The group passed unanimously six resolutions in a four-hour meeting called in reaction to rent increases made after the President abolished Phase II rent controls Jan. 11.

Voting came after Del. Walter E. Fauntroy (D-D.C.) addressed four workshop sessions during the meeting at All Souls' Church, 16th and Harvard Streets NW.

Fauntroy told the sessions that he will produce a draft of rent-control legislation "by this time next week" and invited area tenants to submit to his office specific information on their problems with landlords since the end of Phase II.

"Unless the people affected (by rent increases) scream," they're going to get hurt, Fauntroy said.

Fauntroy also revealed that he and six other area congressmen will meet Wednesday or Thursday with representatives of the Cost of Living Council to discuss the legislators' request last week for reinstitution of Phase II rent sanctions against landlords who retaliate against legal activities by tenants.

The congressional group also includes Sen. Charles McC. Mathias (R-Md.), Sen. J. Glenn Beall (R-Md.), Rep. Marjorie S. Holt (R-Md.), Rep. Lawrence J. Hogan (R-Md.), Rep. Gilbert Gude (R-Md.) and Rep. Joel T. Broyhill (R-Va.).

"Any time you get Mr. Broyhill with us, you know it's time to move," said Fauntroy, apparently referring to Broyhill's probusiness reputation.

Asked if his legislation could be enacted in time to help area tenants fight rent increases due March 1, Fauntroy said: "Time is a function of the political pressure you build. Once you get it started, it depends on the kind of pressure brought on various congressmen."

As Fauntroy began to answer a question on immediate return to Phase II controls, he stopped in midsentence to inquire: "Is the press here?" The press was, and Fauntroy told his questioner: "I just can't get into that now."

Fauntroy did express confidence that a forced rent rollback may come after this week's meeting with the Cost of Living Council. "This is a holding action," he said, "until we can push through some legislation."

The group later passed a resolution supporting a bill already introduced by Sen. Clifford P. Case (R-N.J.) who called for a return to Phase II guidelines which limited rent increases to 2½ per cent.

The group approved three methods of tenant resistance—payment of the increase with a check saying "Paid under protest." initiation of partial rent strikes by placing the amount of rent increase in an escrow

account each month or initiation of total rent strikes by placing the entire rent due in an escrow account.

THE 26TH REPORT TO CONGRESS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the 26th report to Congress which was recently issued by the U.S. Advisory Commission on Information is a remarkable document in two respects. In the first place, it sums up the experience that this Government has had with overseas information and cultural programs for the past 25 years as seen through the eyes of an outside, independent advisory commission of five private citizens who are appointed by the President and confirmed by the Senate for 3-year terms.

As the House knows, together with my colleagues on the Foreign Affairs Subcommittee I tried for 5 years to disentangle the various overlapping strands and bureaus on the executive side which dealt with the ideological aspects of the cold war. The hearings that we held and the reports that were issued are matters of record but the progress that has been made on the executive side as a result of these hearings has been slim.

The value of the present report lies in its analysis of the growing importance of international communications as a potent new force in our foreign relations, and in the 18 recommendations for the improvement of USIA that it offers. The report also directs its comments to the President and to the Congress of the United States with the recommendation that this arm of our foreign policy be substantially strengthened in a new period of international detente and dialog.

Second, the Advisory Commission's report also signals the departure of the Commission's Chairman—Dr. Frank Stanton, vice chairman of the board of CBS—who has completed three terms in this capacity and spanning both Democratic and Republican administrations. The report contains his judgment and experience of 9 years with USIA coupled with the judgments, professional experience, and knowledge of his colleagues on the Commission.

I have had the opportunity, as have some of my colleagues in the House, to spend many hours with this Commission over the years in examining and discussing the USIA. We share a common interest in the potential of our country's public diplomacy. And we have benefited from their advice, counsel, and wisdom.

Dr. Stanton's present colleagues have summed up his contribution to this work in the following manner:

> Finally, four members of this Commission wish to acknowledge with genuine appreciation the distinguished leadership of the Commission's Chairman, Dr. Frank Stanton, the former President and current Vice Chairman of the Board of the Columbia Broadcasting System, who is retiring from the Commission after having been its Chairman for almost nine years.
>
> Dr. Stanton led his Commission with vigor and imagination. He gave of his time, thought and energy with unstinting generosity, and left a record deeply etched by his personality, foresight and accomplishments. One of America's statesmen in mass communications, his advice and counsel to the Executive, to the Congress, and to Directors of USIA have helped substantially improve the U.S. Government's projection of the voice, pen and vision of America to the people of other countries. This we would like to record as colleagues and as witnesses in the enterprise.

I would like to join in this well-deserved tribute. I may add from personal knowledge that only recently Dr. Stanton took off 48 hours from his busy schedule to fly to Costa Rica in order to help inaugurate a new binational center in that country.

When Public Law 402 was written in 1948 the Congress was highly skeptical over the idea of a permanent foreign information program. To insure that it would develop in the most exemplary manner possible the authors of the legislation wisely provided for an outside advisory group which would be composed of five of America's most qualified citizens in communications for the purpose of overseeing the activity. This Commission is also authorized to give advice to the Congress and to the executive by sharing with them their professional experience in the field of communications and public opinion.

Throughout these years this Nation has benefited from the uniformly high caliber of the men and women who have served on this Commission. I have come to know and admire them and to respect their judgments and recommendations. Through written reports to Congress, periodic testimony before committees of Congress and personal consultation, the quality of their advice and their intensive commitment to the task of achieving greater international understanding of the United States has been made apparent to us all.

A glance at the present membership will bear out my remarks. The chairman has been known as a statesman in the broadcasting industry. Equally important, his interests have been as varied and encyclopedic as the scope of this country's public diplomacy and mission abroad. Mr. Hobart Lewis president and editor-in-chief of the most widely read magazine in the world, Reader's Digest. Mr. James Michener is an internationally renowned author of great distinction. Mr. John Shaheen's interests include broadcasting and newspaper publishing along with his worldwide interests in national resources development. And Dr. George Gallup, this Nation's leading authority in public opinion polling and a pioneer of this field throughout the world, is a recent appointee to the Commission.

These are the members who have produced the report which I hope will serve as policy guidelines as well as inspiration to Mr. James Keogh, the new Director of USIA, and to the new management team that has recently taken over at USIA, including our own former colleague from Utah, Sherman Lloyd. I will be looking forward to the Agency's response to the recommendations in this report.

For the report summons the USIA to devote itself energetically and imaginatively to the task of perpetuating through communications the atmosphere of international detente that has been ushered in by the historic trips of President Nixon to the PCR and the USSR.

The Commission's report puts it this way:

> President Nixon's historic achievements in opening channels of communications to the People's Republic of China and in improving them to the Soviet Union and the Eastern European countries provide the U.S. Information Agency (USIA), as the government's principal communications agency in foreign affairs, with an enormous opportunity. For USIA is an ideal agency in a time of detente and dialogue.

As a Member of Congress I would like to express appreciation and gratitude to the members of this Commission who, working without compensation, have labored in one of the most difficult yet important areas of our country's obligations—international communications, ideology, and foreign policy. In a world which has shrunk so much in the past 25 years the work of the U.S. Information Agency must not be allowed to falter or diminish. Indeed, in my mind its importance should increase as international detente, dialog, and negotiations gradually replace crisis, violence, and polemical diatribe.

I urge my colleagues to read the entire report. I believe it will add to your understanding of what USIA can do on behalf of the United States if it is properly equipped, properly managed, properly funded, and properly positioned in the Federal foreign affairs structure of the executive branch of the Government.

This report commemorates the 25th anniversary of the passage of Public Law 402, known as the Smith-Mundt Act, which established the legislative policy framework for the work of USIA. The report concludes with 18 recommendations for USIA which should help it improve further its organization, its policies, and its programs. I hope the Agency will respond positively to these recommendations and I hope that the House Foreign Affairs Committee will have an opportunity to examine them as well. I include with my remarks a copy of the release that accompanies the report, for the benefit of my colleagues in the House:

U.S. ADVISORY COMMISSION ON INFORMATION

"President Nixon's historic achievements in opening channels of communications to the People's Republic of China and in improving them to the Soviet Union and the Eastern European countries provide the U.S. Information Agency (USIA), as the government's principal communications agency in foreign affairs, with an enormous opportunity. For USIA is an ideal agency in a time of detente and dialogue."

This is the major conclusion of the 26th Report of the U.S. Advisory Commission on Information,* addressed to the Congress and released today.

*Frank Stanton (Chairman), Columbia Broadcasting System; Hobart Lewis, *Reader's Digest;* James Michener, Author; John Shaheen, Shaheen Natural Resources Company; George Gallup, American Institute of Public Opinion.

The Commission's Report summons USIA to meet the inherent challenge of the President's new foreign policies by formulating information policies and programs that are aimed at expanding dialogue and detente among the nations of the world. For "just as crisis tends to feed on crisis," the Commission said, "so detente can generate detente . . . (and) the communications of detente reinforce and help perpetuate atmospheres of detente."

The mission of USIA should be directed to the task of achieving the new objectives of the nation as enunciated by the President in his inaugural address:

"Let us continue to bring down the walls of hostility," the President said, "which have divided the world for too long, and to build in their place *bridges of understanding*—so that despite profound differences between systems of government, the people of the world can be friends. Let us build a structure of peace in the world in which the weak are as safe as the strong—in which each respects the right of the other to live by a different system—*in which those who would influence others will do so by the strength of their ideas*, not by the force of their arms."

Since this Report was completed the President has further spelled out these objectives in his speech of February 20, 1973 to the South Carolina legislature when he said,

"We will continue the dialogue with the Soviet leaders; we will continue the dialogue with the People's Republic of China, and in this year ahead, we will renew discussions that we have been having in the past with our friends in Europe and in other parts of the world, because as we talk to those who have been our adversaries in the past, we must not overlook the vital necessity of strengthening the bonds we have with our allies and our friends around the world."

The Commission believes that "an Agency dedicated to such policies and goals, thoroughly integrated in the government's foreign affairs structure cannot help but be acceptable to the Congress, to the President and to the American people. For it will then be operating in accordance with the best wishes and hopes of those who wrote the basic legislation (that authorizes this activity). Equally important, the U.S. as a force for peace will be brought home to the other nations of the world where competition between the ideologies and political systems of the major powers will continue for a long time."

This 26th Report to Congress commemorates the 25th anniversary of Public Law 402, the Smith-Mundt Act which has provided the statutory framework for this country's foreign information and cultural service.

In a broad, general review of USIA's mission and performance during the past 25 years (including its predecessor agencies in the Department of State) the Commission concludes that although an information agency cannot guarantee approval of U.S. policies through communications alone, it can strive to make them understood. This, the Commission believes, USIA has done successfully in many areas of the world, including countries where a direct U.S. presence is not possible.

The Commission's Report contains 18 major recommendations for improving the policies, programs, and organization of USIA and its position in the federal foreign affairs structure. They are:

1. The United States Information Agency's unique resources and knowledge of foreign public opinion should be communicated by its Director and his associates at the highest levels of government—the President, the Secretary of State and the President's Assistant for National Security Affairs. USIA should be in on the takeoffs as well as the landings in foreign policy.

2. The President's active role in foreign communications calls for a more explicit utilization of the resources and personnel of USIA.

3. The U.S. should remain competitive with other nations in the information and cultural fields.

4. USIA should develop plans to orient both new and veteran U.S. Ambassadors to the Agency's mission and resources and to urge the closest relationship between Public Affairs Officers and their Ambassadors.

5. USIA should expand its practice of inviting U.S. Senators and Representatives to attend U.S. Information Agency regional conferences and exhibitions abroad.

6. USIA should substantially augment its programs in explaining U.S. economic policies and problems. It should develop further its personal capabilities in this complex but increasingly important area of American foreign policy.

7. USIA should bring into better balance its cultural and information programs. It should also appoint a prominent cultural affairs director to invigorate the cultural programs and to help achieve this balance.

8. USIA should avoid "press agentry" in its programs to reach important foreign audiences.

9. USIA should focus as much of its time on improving the substance of its effort as it does on techniques and methods.

10. The Voice of America must be kept competitive. Today it ranks fourth behind the USSR, the People's Republic of China and the Arab Republic of Egypt in number of languages and in number of hours broadcast per week. VOA also lags in its capacity to deliver a signal.

11. Although USIA is compelled at present to live within its reduced budget by concentrating primarily on select audiences, it should not ignore or turn away from responding to interest in the U.S. that is expressed by the average citizen or by those "natural audiences" disposed to use USIS libraries abroad.

12. USIA must improve the coordination of its media programs

13. USIA should reexamine the effectiveness, format and content of its magazines.

14. USIA must conduct a comprehensive review of its motion picture and television objectives.

15. USIA is ready to provide the fullest assistance to national plans for the celebration of the Bicentennial.

16. The Commission wishes to repeat a recommendation made in its 25th Report which called for a mixmum information program in a test country in order to determine the effectiveness of the function in achieving U.S. objectives if that function is properly funded.

17. USIA top management, its senior officials in Washington and its Public Affairs Officers abroad, should subject its programs and policies to systematic appraisal.

18. The Commission once again renews its recommendation first enumerated in the 23d Report to Congress in February 1968 that there be instituted an independent, comprehensive reexamination of USIA's mission and operations by an outside organization.

The Commission stresses the crucial role played by communications today and notes that more people have expanded their focus of attention to include information about other countries including the United States.

The Commission concludes that *"this increase in the people's attention zone all over the world is the major pivotal contribution of communications."* As a result, all major nations of the world are engaged in foreign information work that has led to a tremendous exchange of ideas, products, life styles, and a gradual modification of attitudes.

USIA has used every conceivable communications technique to keep millions of people throughout the world more accurately informed about the people and policies of the U.S. The best estimates of those who struggle with methods of determining the reach of USIA's information and message about the U.S. is that it ranges "from a conservative figure of 150 million to 230 million people a year."

The Report highlights the Agency's two basic functions. The first, to disseminate information about the U.S., has been implemented despite a steadily declining financial base. The second, to serve as a reliable feedback of what people around the world think about the U.S. and its policies, has been used but sparsely by those who are responsible for formulating U.S. foreign policy and U.S. national security policy. In the Commission's judgment, USIA must not only strive to increase international understanding of the U.S. but to bring to the attention of top U.S. officials the attitudes and opinions of people around the world.

The Report focuses on the President as the most visible symbol of American foreign policy abroad. It recommends that USIA must be brought closer to the national security and foreign policy decisionmaking process in order that its unique insights and information can be made available at the place where American policy is forged. The Commission reasserts that USIA should be in at the takeoffs as well as the landings in foreign policy in order to accomplish its mission with maximum effectiveness.

Copies of the Commission's 26th Report may be obtained from the Commission's office at 1750 Pennsylvania Avenue, Room 1008. For further information contact Louis T. Olom, Staff Director. Telephones: 632-5211 or 632-5227.

The United States Advisory Commission on Information—a citizens group created by the Congress in 1948, appointed by the President and confirmed by the Senate—conducts a continuing overview of USIA operations, and in its annual report both assesses those operations and proposes recommendations for the future. Its current membership: Frank Stanton (chairman), vice chairman of the Columbia Broadcasting System, New York; Hobart Lewis, editor-in-chief of *Reader's Digest*, New York; James Michener, author, Pipersville, Pennsylvania; John Shaheen, president of Shaheen Natural Resources Company, New York; and George Gallup, chairman of the board, American Institute of Public Opinion, Princeton, New Jersey.

FEDERAL CHARTER FOR GOLD STAR WIVES OF AMERICA

(Mr. WALSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WALSH. Mr. Speaker, today I have joined with our colleague, Mr. FORSYTHE, in seeking a Federal charter for the Gold Star Wives of America.

Mr. Speaker, I have long been active in the veteran's organizations and have had the privilege and pleasure of meeting with the Gold Star Wives on many occasions. They are such a dedicated group of women who have proven so many times in so many ways their devotion to the great cause for which they stand.

The national organization was founded in 1945 and its membership, now more than 2,000, is made up of the widows of our fighting men who lost their lives in service to this great Nation.

Their main objective is to serve the widows and children of those who made the supreme sacrifice for America. They provide moral and material support to them and generally help them through their anguish.

This is a most praiseworthy effort and I firmly believe the Gold Star Wives deserve the charter which they seek. I urge all of my colleagues in the House to support this effort.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CRONIN) and to revise and extend their remarks and include extraneous matter:)

Mr. WILLIAMS, for 5 minutes, today.

Mr. MCKINNEY, for 5 minutes, today.

(The following Members (at the request of Mr. OWENS) to revise and extend their remarks and include extraneous matter:)

Mr. MCFALL, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. REUSS, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

(The following Member (at the request of Mr. STUDDS) and to revise and extend his remarks and include extraneous matter:)

Mr. PATMAN, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL.

(The following Members (at the request of Mr. CRONIN) and to include extraneous matter:)

Mr. TREEN.

Mr. QUIE in three instances.

Mr. KEATING.

Mr. ASHBROOK in three instances.

Mr. CLEVELAND.

Mr. ANDERSON of Illinois in two instances.

Mr. TAYLOR of Missouri.

Mr. WYMAN in two instances.

Mr. HUNT.

Mr. PARRIS in five instances.

Mr. GERALD R. FORD in two instances.

Mr. BRAY in two instances.

Mr. THOMSON of Wisconsin.

Mr. MIZELL in five instances.

Mr. WAMPLER.

Mrs. HECKLER of Massachusetts.

Mr. BURGENER.

Mr. MINSHALL of Ohio.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. DE LUGO.

Mr. JAMES V. STANTON.

Mr. ALEXANDER in five instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Ms. ABZUG in five instances.

Mr. BOLLING.

Mr. ROUSH in two instances.

Mr. EDWARDS of California in two instances.

Mr. REES in three instances.

Mr. MCFALL.

Mr. VANIK.

Mr. HARRINGTON.

Mr. EVINS of Tennessee in six instances.

Mr. KASTENMEIER.

Mr. HANNA in three instances.

Mr. ULLMAN.

(The following Members (at the request of Mr. STUDDS) and to include extraneous matter:)

Mr. DAN DANIEL.

Mr. BIAGGI in five instances.

Mr. HUNGATE.

Mr. PATTEN in two instances.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 21. Joint resolution to create an Atlantic Union delegation; to the Committee on Foreign Affairs.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on March 26, 1973, present to the President, for his approval, a bill of the House of the following title:

H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

ADJOURNMENT

Mr. STUDDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 18 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 28, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

658. A letter from the Secretary of the Air Force, transmitting a report on military construction contracts awarded by the Department of the Air Force without formal advertisement during the 6 months ended December 31, 1972, pursuant to section 804 of Public Law 90–110; to the Committee on Armed Services.

659. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend title V of the Housing Act of 1949 to transfer certain farm labor housing and rural rental housing loans and related liabilities from the Agricultural Credit Insurance Fund to the Rural Housing Insurance Fund, and for other purposes; to the Committee on Banking and Currency.

660. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to expand the National Flood Insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; to the Committee on Banking and Currency.

661. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

662. A letter from the Executive Director, American Academy of Arts and Letters and National Institute of Arts and Letters, transmitting the annual reports of the Academy and the Institute for 1972, pursuant to section 4 of their charters; to the Committee on House Administration.

663. A letter from the Secretary of Transportation, transmitting a report on activities during 1972 under the Ports and Waterways Safety Act of 1972, pursuant to section 203 of the act; to the Committee on Merchant Marine and Fisheries.

664. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend certain laws affecting the Coast Guard; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H.R. 5683. A bill to amend the Rural Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act, and for other purposes; (Rept. No. 93–91). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 327. Resolution providing for the consideration of H.R. 5610, a bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; (Rept. No. 93–92). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 328. Resolution providing for the consideration of H.R. 5293, a bill authorizing continuing appropriations for the Peace Corps; (Rept. No. 93–93). Referred to the House Calendar.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 6121. A bill to amend title II the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 6122. A bill to increase the subsistence payments to students at the State Marine schools; to the Commission on Merchant Marine and Fisheries.

By Mr. BLACKBURN:

H.R. 6123. A bill to amend the Uniform Time Act of 1966 to advance to the last Sunday in May the commencement of daylight saving time and to advance to the last Sunday before the first Monday in September the conclusion of daylight saving time period for the year; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK:

H.R. 6124. A bill to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe, Minn; to the Committee on Interior and Insular Affairs.

By. Mr. BURKE of Massachusetts:

H.R. 6125. A bill to increase from $240 to $480 per year the amount of earned income which will be excluded in determining eligibility for and amount of benefits payable to individuals under the Federal program for supplemental security income for the aged, blind, and disabled, established by title XVI of the Social Security Act; to the Committee on Ways and Means.

H.R. 6126. A bill to amend the program of supplemental security income for the aged blind, and disabled (established by title XVI of the Social Security Act) to provide for cost-of-living increases in the benefits provided thereunder; to the Committee on Ways and Means.

H.R. 6127. A bill to amend the Social Security Act to eliminate the requirement that a recipient of disability insurance benefits under title II of such act must wait for 24 months before becoming eligible for coverage under medicare; to the Committee on Ways and Means.

H.R. 6128. A bill to provide for repayment of certain sums advanced to providers of services under title XVIII of the Social Security Act; to the Committee on Ways and Means.

By Mr. BURTON (for himself, and Mr. DON H. CLAUSEN):

H.R. 6129. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mr. CARNEY of Ohio:

H.R. 6130. A bill to amend title II of the Social Security Act to provide that when an individual under age 62 retires from covered employment after 30 or more years of service under an employees pension benefit plan, the period after such retirement and before his attainment of such age shall be excluded in determining the amount of his social security benefits if the exclusion of such period would increase the amount of such benefits; to the Committee on Ways and Means.

By Mr. CLARK:

H.R. 6131. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H.R. 6132. A bill to authorize a national bicycle transportation system in accordance with title 23 of the United States Code; to the Committee on Public Works.

By Mr. COHEN (for himself and Mr. SARASIN):

H.R. 6133. A bill to provide a privilege for newsmen against the compelled disclosure of certain information and sources of information; to the Committee on the Judiciary.

By Mr. CRONIN:

H.R. 6134. A bill to amend title 37, United States Code, so as to extend from 1 to 3 years the period that a member of the uniformed services has following his retirement to select his home for purposes of travel and transportation allowances under such title, and for other purposes; to the Committee on Armed Services.

By Mr. DE LUGO:

H.R. 6135. A bill to place certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DORN (by request):

H.R. 6136. A bill to amend title 38 of the United States Code to provide increased awards of service-connected compensation to certain blinded veterans who are suffering from additional disabilities; to the Committee on Veterans' Affairs.

H.R. 6137. A bill to amend title 38 of the United States Code to provide an additional aid and attendance allowance to certain service-connected blinded veterans; to the Committee on Veterans' Affairs.

By Mr. DRINAN:

H.R. 6138. A bill to guarantee the free flow of information to the public; to the Committee on the Judiciary.

By Mr. DU PONT:

H.R. 6139. A bill to promote public health and welfare by expanding and improving the family planning services and population sciences research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6140. A bill to amend title 39, United States Code, to provide a mail delivery insurance program under which a person who insures an article of mail could recover for losses occurring when there is late or no delivery of the article; to the Committee on Post Office and Civil Service.

By Mr. EILBERG (for himself and Mr. DRINAN):

H.R. 6141. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for annual flu shots; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 6142. A bill making an urgent supplemental appropriation for the national industrial reserve under the Independent Agencies Appropriation Act for the fiscal year ending June 30, 1973; to the Committee on Appropriations.

By Mr. EILBERG (for himself and Mr. ROSE):

H.R. 6143. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 6144. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 6145. A bill to amend title II of the Social Security Act to eliminate the duration-of-marriage requirements (and other special requirements) which are presently applicable in determining whether a person is the widow of an insured individual for benefit purposes; to the Committee on Ways and Means.

H.R. 6146. A bill to amend title IV of the Social Security Act to allow a State in its discretion, to such extent as it deems appropriate, to use the dual signature method of making payments of aid to families with depedent children under its approved State plan; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 6147. A bill to amend the Public Health Service Act to establish a national program of health research fellowships and traineeships to assure the continued excellence of biomedical research in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. ANDERSON of Illinois, Mr. ARCHER, Mr. CONABLE, Mr. DERWINSKI, Mr. DUNCAN, Mr. EILBERG, Mr. FORSYTHE, Mr. HASTINGS, Mr. HOGAN, Mr. HORTON, Mr. LUJAN, Mr. VEYSEY, Mr. WARE, and Mr. YATRON):

H.R. 6148. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and postrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAY:

H.R. 6149. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Development Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRIFFITHS:

H.R. 6150. A bill to amend title 32, United States Code, to provide that Army and Air Force National Guard technicians shall not be required to wear the military uniform while performing their duties in a civilian status; to the Committee on Armed Services.

By Mr. GUDE (for himself, Mr. WOLFF, and Mr. STEELE):

H.R. 6151. A bill to amend the Economic Stabilization Act of 1970, to direct the President to establish a Rent Control Board which, through the establishment of a cost justification formula, will control the level of rent with respect to residential real property, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARRINGTON:

H.R. 6152. A bill to provide adequate mental health care and psychiatric care to all Americans; to the Committee on Interstate and Foreign Commerce.

By Mr. HILLIS:

Hr. 6153. A bill to assure the imposition of appropriate penalties for persons convicted of offenses involving heroin or morphine, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving heroin or morphine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6154. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Commitee on Veterans' Affairs.

H.R. 6155. A bill to amend title 38 of the United States Code to provide that certain veterans who were prisoners of war shall be deemed to have a service-connected disability of 50 percent; to the Committee on Veterans' Affairs.

Br. Mr. HILLIS (for himself, Mr. LOTT, Mr. RAILSBACK, and Mr. HARRINGTON):

H.R. 6156. A bill to establish improved nationwide standards of mail service, require annual authorization of public service appropriations to the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HOGAN:

H.R. 6157. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mr. HOWARD:

H.R. 6158. A bill to provide for improved labor-management relations in the Federal services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JARMAN:

H.R. 6159. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN:

H.R. 6160. A bill to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and

other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism; to the Committee on Interstate and Foreign Commerce.

By Mr. McFALL (for himself, Mr. BROWN of California, Mrs. BURKE of California, Mrs. CHISHOLM, Mr. DANIELSON, Mr. DELLUMS, Mr. EILBERG, Mr. FRASER, Mr. HARRINGTON, Mr. HAWKINS, Mr. JONES of Oklahoma, Mr. LEGGETT, Mr. MACDONALD, Mr. METCALFE, Mr. MOLLOHAN, Mr. OBEY, Mr. PODELL, Mr. RANDALL, Mr. ROSENTHAL, Mr. STOKES, Mr. THOMPSON of New Jersey, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 6161. A bill to amend the Economic Stabilization Act of 1970 to establish a temporary Price-Wage Board, to provide temporary guidelines for the creation of price and pay rate stabilization standards, and for other purposes; to the Committee on Banking and Currency.

By Mr. McKINNEY:

H.R. 6162. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. MILLS of Arkansas:

H.R. 6163. A bill authorizing the Secretary of Agriculture to carry out a program providing for the inspection of fish produced on fish farms in the United States; to the Committee on Agriculture.

By Mr. MILLS of Arkansas (for himself, Mr. VANIK, Mr. ANDREWS of North Dakota, Mr. BUTLER, Mr. DON H. CLAUSEN, Mr. DINGELL, Mr. PASSMAN, Mr. ROUSSELOT, Mr. SANDMAN, Mr. SATTERFIELD, Mr. SMITH of Iowa, Mr. THONE, and Mr. WRIGHT):

H.R. 6164. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition of emigration; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself, Mr. ARCHER, Mr. BAFALIS, Mr. BAKER, Mr. BEVILL, Mr. BROYHILL of North Carolina, Mr. CORMAN, Mr. DAVIS of South Carolina, Mr. DENHOLM, Mr. DICKINSON, Mr. EILBERG, Mr. FISHER, Mr. GUYER, Mr. HANSEN of Idaho, Mr. HASTINGS, Mr. HENDERSON, Mr. HINSHAW, Mr. HUBER, Mr. JONES of North Carolina, Mr. MATHIS of Georgia, Mr. MATSUNAGA, Mr. MOLLOHAN, Mr. STEIGER of Wisconsin, Mr. TREEN, and Mr. WON PAT):

H.R. 6165. A bill to amend titles 37 and 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve up to age 60, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (for himself, Mr. ROBERT W. DANIEL, JR., Mr. ROBINSON of Virginia, and Mr. YOUNG of Alaska):

H.R. 6166. A bill to amend titles 37 and 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve up to age 60, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. NEDZI:

H.R. 6167. A bill to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. PATMAN (for himself, Mr. BARRETT, Mrs. SULLIVAN, Mr. REUSS, Mr. MOORHEAD of Pennsylvania, Mr. ST GERMAIN, Mr. MINISH, Mr. HANNA, Mr. GETTYS, Mr. ANNUNZIO, Mr. REES, Mr. HANLEY, Mr. BRASCO, Mr. KOCH, Mr. COTTER, Mr. MITCHELL of Maryland, Mr. FAUNTROY, Mr. YOUNG of Georgia, Mr. MOAKLEY, and Mr. STARK):

H.R. 6168. A bill to amend and extend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. PODELL:

H.R. 6169. A bill to amend the Internal Revenue Code of 1954 to defer the payment of income tax on amounts deducted from a public employee's wages for purposes of retirement until the amounts are received by the taxpayer; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 6170. A bill to provide a moratorium in which the payment of interest on U.S. obligations will be suspended, to provide that for this period interest-bearing obligations will be refunded with 20-year non-interest-bearing obligations, and to provide that the saving to the United States will be used to reduce the public debt; to the Committee on Ways and Means.

H.R. 6171. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of certain uncompensated services of attorneys and physicians; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. BREAUX, Mr. BURTON, and Mr. ROE):

H.R. 6172. A bill to provide for programs of public service employment for unemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. REUSS (for himself, Mr. BROWN of California, Mr. METCALFE, and Mr. THOMPSON of New Jersey):

H.R. 6173. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 6174. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 6175. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of Pennsylvania:

H.R. 6176. A bill to amend title 10 of the United States Code so as to permit members of the Reserves and the National Guard to receive retired pay at age 55 for nonregular service under chapter 67 of that title; to the Committee on Armed Services.

H.R. 6177. A bill to amend the Interstate Commerce Act to expedite the making of amendments to the uniform standards for evidencing the lawfulness of interstate operations of motor carriers; to the Committee on Interstate and Foreign Commerce.

H.R. 6178. A bill to amend the Interstate Commerce Act to extend coverage of such act to certain motor vehicles used to transport schoolchildren and teachers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6179. A bill to amend section 402 of title 23, United States Code, to extend certain deadlines relating to apportionment of highway safety funds, and for other purposes; to the Committee on Public Works.

By Mr. ROONEY of Pennsylvania (for himself and Mr. ECKHARDT):

H.R. 6180. A bill to amend the Interstate Commerce Act to provide improved enforcement of motor carrier safety regulations; to protect motor carrier employees against discrimination for reporting violations of such regulations; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROY (for himself, Mrs. SULLIVAN, Ms. ABZUG, Mrs. CHISHOLM, Mr. DRINAN, Mr. FAUNTROY, Mr. HECHLER of West Virginia, Mr. HEINZ, Mr. HELSTOSKI, Mr. METCALFE, Mrs. MINK, Mr. MOSS, Mr. PODELL, and Mr. WON PAT):

H.R. 6181. A bill to establish a Consumer Savings Disclosure Act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits; to the Committee on Banking and Currency.

By Mr. SISK:

H.R. 6182. A bill to prohibit the exportation of logs from the United States; to the Committee on Banking and Currency.

By Mr. SMITH of New York:

H.R. 6183. A bill to provide self-government for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SNYDER:

H.R. 6184. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

By Mr. STRATTON:

H.R. 6185. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. STUCKEY (by request):

H.R. 6186. A bill to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies; to the Committee on the District of Columbia.

By Mrs. SULLIVAN (for herself, Mr. CLARK, Mr. DOWNING, Mr. GROVER, and Mr. MAILLIARD):

H.R. 6187. A bill to amend section 502(a) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself, Mr. HECHLER of West Virginia, Mr. FLYNT, Mr. HAMILTON, Mr. MILLS of Arkansas, Mr. SNYDER, Mr. BAKER, Mr. ASHBROOK, Mr. JOHNSON of California, Mr. DUNCAN, Mr. ROSENTHAL, Mr. MCCLOSKEY, Mr. GUBSER, Mr. LATTA, Mr. THOMSON of Wisconsin, Mr. MOLLOHAN, Mr. KUYKENDALL, Mr. KEATING, Mr. CRANE, Mr. CLARK, Mr. CLANCY, Mr. LANDGREBE, Mr. QUIE, Mr. BURKE of Florida, and Mr. WRIGHT):

H.R. 6188. A bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself, Mr. ASHLEY, Mr. ESCH, Mr. HOLIFIELD, Mr. MOSS, Mr. MINSHALL of Ohio, Mr. LEGGETT, Mr. HELSTOSKI, Mr. MCCLORY, Mr. WAGGONNER, Mr. CULVER, Mr. ANDERSON of Illinois, Mr. STUBBLEFIELD, Mr. RODINO, Mr. BRAY, and Mr. SYMINGTON):

H.R. 6189. A bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws; to

the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of New Jersey (for himself, and Mr. GROSS):

H.R. 6190. A bill to amend the Criminal Code to prohibit former Members of Congress from using seals, flags, license tags, or other insignia or devices which imply they are currently Members of Congress; to the Committee on the Judiciary.

By Mr. ULLMAN (for himself, Mr. CAMP, Mr. CLARK, Mr. FLOOD, Mr. FOLEY, Mr. ICHORD, Mr. JOHNSON of California, Mr. MCSPADDEN, Mr. QUILLEN, Mr. ROONEY of Pennsylvania, Mr. RUNNELS, Mr. SAYLOR, Mr. SHOUP, Mr. SKUBITZ, Mr. STUBBLEFIELD, Mr. SYMMS, and Mr. UDALL):

H.R. 6191. A bill to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty; to the Committee on Ways and Means.

By Mr. VANDER JAGT (for himself, Mr. DE LUGO, Mr. BINGHAM, Mr. RIEGLE, Mr. MELCHER, Mr. ROSENTHAL, Mr. DIGGS, Mrs. HECKLER of Massachusetts, Mr. YOUNG of Illinois, Mr. FORSYTHE, Mr. WOLFF, Mr. WON PAT, Mr. PIKE, Mr. RANGEL, Mr. DRINAN, Mr. WIDNALL, Mr. MAZZOLI, Mr. MOAKLEY, Mr. CLEVELAND, Mr. DAVIS of South Carolina, Mr. TIERNAN, Mr. BUCHANAN, Mr. ROYBAL, Mr. FREY, and Mr. DANIELSON):

H.R. 6192. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER JAGT (for himself, Mr. JONES of Tennessee, Mr. MCDADE, Mr. MONTGOMERY, Mr. LEGGETT, Mr. PEPPER, Mr. MATHIS of Georgia, Mr. HARRINGTON, Mr. LEHMAN, Mr. CAMP, Mr. BRASCO, Mr. BRINKLEY, Mr. HELSTOSKI, Mr. STUDDS, Mr. ROE, Mr. PODELL, Mr. YATRON, Mrs. GRASSO, Mr. HUDNUT, Mr. EILBERG, Mr. CHAMBERLAIN, Mr. HARVEY, Mr. LOTT, Mrs. CHISHOLM, and Mr. SARBANES):

H.R. 6193. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK:

H.R. 6194. A bill to amend the Internal Revenue Code of 1954 to provide for an energy conservation tax, to establish the Energy Development and Supply Trust Funds, and for other purposes; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 6195. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospital and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

By Mr. WINN:

H.R. 6196. A bill to prohibit assaults on State law enforcement officers, firemen, and judicial officers; to the Committee on the Judiciary.

H.R. 6197. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents; to the Committee on the Judiciary.

By Mr. WOLFF (for himself and Mr. ROYBAL):

H.R. 6198. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

By Mr. BYRON:

H.J. Res. 463. Joint resolution designating November 11 of each year as "Armistice Day"; to the Committee on the Judiciary.

By Mr. DENT:

H.J. Res. 464. Joint resolution to authorize the President to proclaim the 22d day of April of each year as Queen Isabella Day; to the Committee on the Judiciary.

By Miss JORDAN:

H.J. Res. 465. Joint resolution prescribing model regulations governing implementation of the provisions of the Social Security Act relating to the administration of social service programs; to the Committee on Ways and Means.

By Mr. SPENCE:

H.J. Res. 466. Joint resolution authorizing the President to proclaim the second full week in October each year as "National Legal Secretaries' Court Observance Week"; to the Committee on the Judiciary.

By Mr. STUCKEY:

H.J. Res. 467. Joint resolution proposing an amendment to the Constitution to permit the imposition and carrying out of the death penalty; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

112. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal assumption of welfare costs of the States; to the Committee on Ways and Means.

113. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the National Health Care Expansion and Improvement Act; to the Committee on Ways and Means.

114. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to most favored nation status for the Soviet Union; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENITEZ:

H.R. 6199. A bill for the relief of Guillermo Rivera Rivera; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 6200. A bill to grant a Federal charter to the Crime Stoppers Club, Inc.; to the Committee on the District of Columbia.

By Mr. RIEGLE:

H.R. 6201. A bill for the relief of Claudia Montgomerie-Neilson; to the Committee on the Judiciary.

By Mr. STUDDS:

H.R. 6202. A bill for the relief of Thomas C. Johnson; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 6203. A bill for the relief of Albertina C. Dias; to the Committee on the Judiciary.

By Mr. ROBISON of New York:

H.R. 6204. A bill for the relief of Helen Lampo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

79. By the SPEAKER: Petititon of the Board of Supervisors, Los Angeles County, Calif., relative to automobile emission standards; to the Committee on Interstate and Foreign Commerce.

80. Also, petition of Paul A. Leipo, Jr., and other members of the International Brotherhood of Police Officers, Local 332, Bridgeport, Conn., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

81. Also, petition of Lt. Bob Bostic and other members of the Greensburg, Ind., Police Department, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

82. Also, petition of O. S. McCaw and other members of the Fraternal Order of Police, Blue Grass Lodge No. 4, Lexington, Ky., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

83. Also, petition of Joseph R. Ray and others, Sanford, Maine, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

84. Also, petition of William Pavia, Bellingham, Mass., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

85. Also, petition of Joseph A. Clabaugh and other members of the Fraternal Order of Police, Lodge No. 69, Hanover, Pa., relative to protection of law enforcement officers against nuisance suits; to the Committee on the Judiciary.

86. Also, petition of the Legislature of Rockland County, N.Y., relative to the "Fort Worth Five"; to the Committee on the Judiciary.

87. Also, petition of the city council, Euclid, Ohio, relative to controlling the level of Lake Erie; to the Committee on Public Works.

SENATE—*Tuesday, March 27, 1973*

The Senate met at 10 a.m. and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

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

Lord of our lives, in this quiet morning interlude help us to put aside all other thoughts and duties that for a moment we may know Thy nearness. Fill our lives with new meaning and purpose. Help us to grasp the truth that we labor not alone, for Thou art with us; we work not in our own strength, for Thou dost support us. Rekindle the fire of faith our fathers gave us. Make our hours radiant with truth and our daily work resplendent with the faith which believes in the ultimate triumph of righteousness.

Through Jesus Christ, our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 27, 1973.

To the Senate:

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

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, March 26, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

U.S. FOREST SERVICE REORGANIZATION—RUMORS

Mr. MANSFIELD. Mr. President, during the weekend, news reports appeared in Montana indicating possible changes and consolidations in the regional setup of the U.S. Forest Service. Senator METCALF and I do not like what we hear. We have not had verification, but we understand that consideration is being given to moving the regional offices from Missoula, Mont., Ogden, Utah, and Albuquerque, N. Mex., to the Denver, Colo., Federal region, including the closing of many national forest headquarters.

While we do not disagree with the effort to unify the regional setup for many national Federal programs, it is important to point out that there are exceptions. National forest activity is limited to certain areas of the Nation. Any plan to make the Forest Service conform to the Federal regional system is ridiculous. Missoula is the headquarters of region I, one of the most active of the Forest Service regions. It is centrally located and is within easy access of all the national forest headquarters. Missoula is the center of considerable administrative and research activity.

Region I is made up of the State of Montana, northern Idaho, eastern Washington, and the grasslands in North Dakota and northern South Dakota. Region I headquarters in Missoula administers 26,126,940 acres of National Forest lands. There are 16 national forests within its jurisdiction, 10 in my State, five in Idaho, and one in Washington. The vast majority of the national forests in Montana are in western Montana and if we look at a map we can see that Missoula is the logical, central location. If region I is absorbed into region II in Denver, it will be some 800 to 1,000 miles away. Region II administers 20,000,000 acres of national forest. There are 186,000,000 acres in the entire national system of forest lands. The United States is a very large landholder and it does not seem unreasonable to ask that they continue to be administered from nine regional headquarters. Building up an even larger administrative monster in Denver, in addition to the one in Washington, D.C., is not going to simplify matters. Such action takes away more responsibility and action from local authority.

We also understand that this proposed reorganization involves a number of national forest headquarters consolidations and closures. If this is accurate, then it seems very inconsistent with what the administration would like us to believe on another front. We all know that national forest timber sales are way down, in fact below the annual allowable cut. This is due in part to an OMB enforced personnel cut. There is no way in which the Forest Service can efficiently offer timber sales without adequate personnel. To do otherwise would open up vast acreages to a rape of the timber resources.

All of this is being done at a time when the Nixon administration's Cost of Living Council indicates that they will increase temporarily the Nation's lumber supply in an effort to combat rising housing costs. The Council's recommendations reportedly will include increasing the Federal timber available for commercial harvest. How can this be done when they are reducing personnel?

The report indicates that the Council also wants to attack the railroad boxcar shortage as a contributor to high lumber prices. This is a very real problem and the Interstate Commerce Commission has through its regulatory authority, attempted to expedite the movement of railroad boxcars with new car orders and stiff penalities. However, the administration has severely limited the ICC personnel ceiling so that they cannot hire personnel to enforce and inspect the movement of cars.

In conclusion, Mr. President, Senator METCALF and I are very disturbed by these recurring reports. We thought we laid them to rest about a year ago. We wish to take this public opportunity to remind the current administration of the Miles City Veterans' Administration Hospital. Senator METCALF and I will not stand by and watch a viable and effective arm of the U.S. Forest Service in Missoula, Mont., dissipated and cut up. Region I should remain in Missoula and it should remain with its present activities and jurisdiction.

Mr. President, I ask unanimous consent to have printed in the RECORD, a series of communications my colleague, Senator METCALF, and I have received and initiated with the appropriate Federal agencies.

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

MISSOULA, MONT., *March 26, 1973.*

Senator MIKE MANSFIELD,
Capitol Hill,
Washington, D.C.:

Alarmed by article in today's Missoulian indicating U.S. Forest Service will close regional headquarters in Missoula, Ogden, and Albuquerque within the next 1 to 3 months and consolidate them in Denver. Plan includes consolidating offices from Great Falls and Butte to Helena as well as other involved changes. News article referred to a high-ranking Forest Service official in region 4 making the announcement at Twin Falls to the Idaho Wildlife Federation Convention. This would be a major blow to Missoula and the already disrupted Montana economy. Please refer to my letter of September 3, 1971, in regard to economic and social impacts: 1. Would you please inform me to the accuracy of this news information and any details regarding this proposal. 2. Since this is a vital matter, your assistance and cooperation to strongly oppose the closing of the Missoula regional headquarters before the proposal becomes official would be greatly appreciated.

Sincerely yours,

GEORGE LAMBROS.

MARCH 26, 1973.

Hon. EARL L. BUTZ,
Secretary, Department of Agriculture:
Hon. JOHN MCGUIRE,
Chief, U.S. Forest Service:

Rumors have come to my attention that U.S. Forest Service region 1 headquarters now at Missoula, Mont., will be transferred to Denver. I object strongly to any such plan. Missoula is strategically located in the heart of timber resources in region. Regional concept as now established does not necessarily apply to several of our natural resources. Denver is remote on the fringe of the most active forest regions. I would like your reassurance that nothing will be done to dissipate Forest Service activity at Missoula. Any plan to move the Missoula headquarters will be met with strong opposition here in the Senate.

Regards,

Senator MIKE MANSFIELD.

Hon. EARL BUTZ,
Secretary, Department of Agriculture,
Washington, D.C.:
Mr. JOHN MCGUIRE,
Chief, Forest Service, Department of Agriculture, Washington, D.C.:

Constituents have asked me to check a rumor that the Forest Service is considering moving its Missoula regional headquarters to Denver. Will appreciate your reassurance that this is not the case. The transfer of management from near the center of the resource to an area more than 800 miles away and on the fringe of the resource would be neither efficient nor economical and would work a very real hardship on Montanans sincerely concerned with the management of national forest resources.

LEE METCALF,
U.S. Senator.

Mr. MOSS. Mr. President, I rise to associate myself with the distinguished majority leader (Mr. MANSFIELD) in protesting the move now apparently under way in the Forest Service to reorganize its regional setup into the 10 standard offices of the standard regional concept of the Federal Government. This would mean splitting up the Intermountain regional office in Ogden, Utah, and scattering its work elsewhere in regional offices far removed from the scene of its action. Such a move would be unwise,

shortsighted, and environmentally indefensible.

The Forest Service admits that it is examining all regional boundary arrangements to see if it cannot pass its regional boundary arrangements into the Federal pattern. It has not yet admitted that such action will take place, but few of us are fooled that this is not what the Nixon administration wants the Forest Service to do, and will force it to do if it can get away with it.

Mr. President, it makes little environmental or administrative sense to force the Forest Service into the regional concept straightjacket. The philosophy underlying that concept is based upon centralizing regional offices of all Federal programs into 10 urban locations. Perhaps for those Federal programs whose objective is to raise the welfare of urban residents, this concept is sound.

But it is not sound for those agencies whose objective is to manage natural resources in an environmentally sound manner. The regional office should be maintained where the resources are. Ogden is in the middle of the resource area which serves Utah, southern Idaho, western Wyoming and Nevada. It is in the heart of the Intermountain national forests.

To try to administer the work in these forests from Denver, or from the Pacific coast, is unsound and reasonless.

If we want efficiency and effectiveness in the management of our forest lands, we must administer the work close to where it is being undertaken. Effective resource management is on-the-ground management—not management a thousand miles away.

I realize that this action is being proposed because of current budget restraints, but I predict it will be proved pennywise and pound foolish so far as the future of our forests is concerned.

I strongly oppose it and will do everything in my power to prevent it.

PROCLAMATION DESIGNATING THE WEEK OF APRIL 23, 1973, AS NICOLAUS COPERNICUS WEEK

Mr. SCOTT of Pennsylvania. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 5.

The ACTING PRESIDENT pro tempore laid before the Senate House Joint Resolution 5, which was read twice by its title, as follows:

H.J. Res. 5. Joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth.

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SCOTT of Pennsylvania. Mr. President, before moving for passage, I should like to note that the joint resolution is in celebration of this great scientist's 500th anniversary. It also reminds me of the story of Galileo, a devoted student of Copernicus' theory of the universe, who was tried for heresy, under a charge from the illiterati of the day that he recant his belief that the Earth and the planets moved in relation to the Sun.

As they forced Galileo to his knees for the recantation, the story goes that he was heard to say, in the ancient Italian of the time, "E pur si muove"—that is, "Nevertheless, it moves."

Now that is something that history should forever remember, that this man, the follower of Nicolaus Copernicus' theory which changed the course of scientific study and scientific thought for all the world thereafter, nevertheless was not changed by the rigidity of the illiterati.

At the end he said, "Nevertheless, it moves."

That is the spirit that I think should inform science today, and inform statesmen, as well. "If you believe it, say it; if you have it, flaunt it."

The ACTING PRESIDENT pro tempore. The question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 5) was ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

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

THE DOLLAR DEVALUATION

Mr. FANNIN. Mr. President, twice within 14 months we have had a formal devaluation of the U.S. dollar. Now the dollar is floating in the international money market. Despite these considerable adjustments, the dollar remains under attack.

Dr. James J. O'Leary, vice chairman of New York's U.S. Trust Co., was quoted in a recent Forbes magazine as saying:

I'm not a prophet of doom, but the way things are going, this devaluation is just the second in a long series of devaluations.

I hope that Dr. O'Leary is wrong, but I believe that he is correct unless we can, using some of his words, change "the way things are going."

What we must do is to restore discipline and use some economic common sense if we are to stop the downward spiral of the dollar.

We cannot expect other nations to protect our dollar while we refuse to discipline wild Federal spending and while we take other congressional actions that skyrocket manufacturing costs and restrict our ability to compete in world markets.

Our balance of payments deficit sends more and more weakening dollars overseas each month, adding to the $80 billion in American currency inundating the money markets of the world.

Mr. President, if we are to bring inflation under control at home, restore confidence in the American economy, and protect the dollar abroad, there are four steps that we must take:

First. We must bring Federal spending under control immediately and also take other actions to stop inflation.

Second. We must stop the erosion of our position in world trade, not through protectionism, but through a rebirth of the competitive spirit within America and the renegotiation of trade agreements so that American goods can be offered on an equal footing in all world markets.

Third. We must have a new spirit of cooperation between management and labor to keep wages from further outstripping productivity.

Fourth. We must provide the economic climate within the United States to encourage the expansion of our industries.

Unfortunately, Mr. President, we have only scratched the surface in our attempts to deal with some of these problems.

Almost every move in Congress the past decade has been in the wrong direction.

We lowered taxes in 1969 and 1971 at a time when Congress was expanding Federal spending, thus increasing our already staggering national debt.

We added on to the more than 1,000 domestic assistance programs, many of which are extravagant, wasteful, and clearly ineffective.

An article, "A Clear Call to Congress—Control Spending Now," in the February 1973 Reader's Digest elaborates on this subject. I ask unanimous consent that this excellent article be printed in the RECORD at this point.

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

A CLEAR CALL TO CONGRESS—CONTROL SPENDING NOW!

(By Caspar Willard Weinberger)

At the rate we're going, says the newly designated head of the government's biggest civilian agency, the tax bite will soon be so huge that the economy will stagnate.

It is time to say No—loud and clear—to the demands for ever greater federal spending. Failure by Congress to do so has produced a ballooning federal budget of more than a quarter trillion dollars, fueled inflation and weakened the dollar. Our national debt is now so staggering that interest on it alone costs taxpayers nearly $24 billion a year. "The tax burden of the American people," says President Nixon, "has reached the breaking point."

When the President brought me to the Office of Management and Budget 2½ years ago, he gave me one assignment—to keep under control a federal budget that was threatening to get out of hand. He asked me to direct a sweeping examination of the entire federal government, to recommend those programs that can be eliminated and those that can be cut, to identify those agencies that are—in his words—"too bloated."

The more I probed, the more apparent it became that throwing the taxpayers' money at one problem after another does not guarantee solutions. From 1965 to 1972, per capita federal spending for education, manpower, health and income-security programs shot up from $180 to $445. The budget of the Department of Health, Education and Welfare soared to $76 billion in 1972, will outstrip even the Defense Department in this fiscal year and go far ahead in fiscal 1974, largely because of huge increases in Social Security payments.

The 940-page Catalogue of Federal Domestic Assistance lists more than 1000 differ-

ent programs. Examine these programs and you often find little or no correlation at all between money spent and results achieved. Multimillion-dollar urban-renewal projects have left thousands homeless. Giant public-works projects have too often wreaked environmental havoc. Ever-rising payments under the existing welfare system have encouraged second and third generations to stay on the dole.

As *Fortune* magazine recently observed, "There is too much government money pouring into outmoded, unsuccessful or ill-conceived activities." Yet attempts to cut off these programs rarely succeed. Consider what happened two years ago when President Nixon asked Congress to restructure, reduce or eliminate 57 different federal activities and save the taxpayers nearly $3 billion a year.

There was no longer a need, said the President, for the government to own a railroad in Alaska or a steamship line in Panama. Sell them to private industry. End the $84-million-a-year program that pumps subsidized milk into some of the nation's wealthiest school districts. Let private yacht owners maintain their own marinas instead of using government largesse. Cut off "disability" payments to veterans with *arrested* tuberculosis, he recommended.

Reaction was fierce. Special-interest groups—from the Veterans of Foreign Wars to the National Education Association—bombarded Capitol Hill with letters, telegrams and petitions. Lobbyists roamed Congressional corridors rounding up opposition to the economy proposals. The President has been able to put into effect only $675 million in savings out of the nearly $3 billion he sought.

Time after time in recent years, Congress nas failed to pay sufficient attention to the total effect of its individual program decisions. For example, the President asked Congress for $6 billion to combat water pollution. Congress hiked this to $18 billion, and when the President vetoed the bill as inflationary, it easily passed over his veto.

No one is in favor of polluted rivers. But, as Sen. John McClellan noted, "The time has come when we must act to conserve our fiscal resources just as we have moved to conserve our natural resources." If we do not, the implications are ominous. The highly respected Conference Board, a nonpartisan research group, warned recently that "massive and almost continuous jumps in federal spending are posing a serious threat to the country's economic stability."

In the period 1969–1972—when military spending actually declined $3 billion, or four percent—"income security programs," from welfare to Social Security, rose 71 percent, to $65 billion. Outlays for pollution control increased 188 percent, for housing and community development 115 percent, for manpower training 94 percent.

Government—federal, state and local—now eats up about one third of the Gross National Product in taxes. We are moving toward the 40-percent mark—a point where the experts say it will be impossible to maintain a free-enterprise, incentive-oriented economy.

The Congress and the Executive, Working together, can halt this head-long plunge toward greater government control of the economy. At this point, however, it seems that Congress is lagging behind. In its closing hours last fall, the Senate rejected the President's plea for a rigid ceiling of $250 billion for fiscal 1973—an increase of $18 billion over 1972, and $143 billion over 1962.

If the people are ever to get responsible fiscal policy, three things must be done:

Abandon the unworkable. Traditionally, federal programs increase in scope year after year. Economist Peter Drucker puts it this way: "The moment government undertakes anything, it becomes permanent. Government really cannot abandon anything." But this Administration disagrees.

For months, the economists and technicians in the Office of Management and Budget have been conducting an intensive investigation of government programs. Armed with facts and figures, they will propose to Congress the termination of those programs that have not worked, the restructuring of those of marginal value. This will not be easy. Every President since Dwight Eisenhower has called for major revisions in the aid to impacted-areas school program, a boondoggle that funnels hundreds of millions of dollars into the wrong areas (Montgomery County, Md., the nation's wealthiest county, receives twice as much money under this program as the nation's hundred poorest counties).

The Administration will suggest cutbacks or revisions in program of federal housing subsidies that can only be called a multibillion-dollar failure. We want reform in the "compensatory education" program where money supposedly aimed at helping the underprivileged has gone for high-paid consultants and parking-lot paving. We will ask an end to certain anti-poverty programs whose "cost effectiveness" cannot be proved—programs that appear to benefit only those employes administering them.

In short, we will ask Congress to abandon those projects that have not worked. There will be anguished cries from special-interest groups. But only by slashing away at the dead wood can the money be found for new, workable approaches to our problems.

Consider long-range implications. Often programs with low first- and second-year costs are entered into with scant recognition that the country has been committed to massive funding before any benefits are realized. Thus in 1965 Congress voted to let the government sign rent supplement contracts stretching up to 40 years. Few legislators who approved $72 million for the first four years of the program realized that they were obligating future Congresses to spend nearly $3 billion by the year 2009.

Frequently, ill-conceived—and open-ended—matching programs enable states and localities to stage outright raids on the federal treasury. In 1967, Congress approved an amendment to the Social Security Act, requiring Washington to put up $3 for every $1 spent by state and local governments on undefined "social services." The amendment was a veritable bonanza and states were free to use the money for everything from paving roads to making movies. Outlays by Washington leaped 460 percent in four years. Twice, Administration officials pleaded with Congress to curb the runaway program. And twice Congress refused. Only last year, when Congress passed the $6-billion-a-year revenue sharing bill, did it agree to place a $2.5-billion-a-year lid on social services. But supporters have made clear they will try this year to remove the ceiling so that once again the program can grow like Topsy.

Overhaul the archaic budget process. The manner in which Congress handles the budget has become fragmented and fumblesome. At the root of the problem is that at no time does Congress adopt a comprehensive budget for the federal government. Never does it consider programs in light of what resources are available. Never does it set priorities through a systematic process.

When the President's budget reaches Capitol Hill in January, it is immediately parceled out among the various appropriation and authorization subcommittees. The subcommittees, concentrating on their own interests and concerns, give little consideration to the relationship that their actions might have on the overall budget. This manner of considering appropriation bills virtually forbids the development of sound fiscal policy.

There is also the matter of delay. Although the fiscal year begins more than five months after the budget is submitted, Congress rarely gets around to enacting more than a few of the 14 major appropriation bills by that time. Instead, "continuing resolutions" are passed, enabling government agencies to continue the same old programs at the same old rate. Opportunities for economy, for reform, for restructuring inadequate programs, are lost.

Congress can learn several vital lessons from the way the states handle their budgets. Many adopt a fixed budget at the beginning of each legislative session. Only then do they determine what each program deserves in the way of funding. Many set absolute deadlines for budgetary enactment. Other legislative business is out of order until approval of the budget.

Rep. Paul Findley, Illinois Republican, has incorporated many of these ideas into a budget-reform package. Co-sponsored by distinguished members of both parties, the Findley proposal would enable Congress for the first time to approach the budget question sensibly.

It would require the House to adopt a comprehensive federal budget before it could begin appropriating funds. This budget would include an estimate of tax revenues, expenditure ceilings for each main appropriation bill, and a recommendation for making up any deficit—by raising taxes, increasing the debt limit, or both. Only then could Congress begin doling out the money.

This proposal provides a good starting point for Congressional review of the budget process. Such a review must be given high priority in the 93rd Congress. For only reform of the entire process will permit Congress once again to act as the guardian of the U.S. Treasury. It is not only the budget of the U.S. government that is broken by irresponsible Congressional actions—it is the budget of every American family.

EVERYBODY'S SPENDING SPREE

Until 1930, aside from periods of active war, residents of the United States never spent more than about 15 percent of their income on the expenses of government. Now, on the average, that fraction stands at about 40 percent. And the plain fact is that governments are spending that amount not because of war or fear of war, but of the role that we, as citizens, have assigned to government. The federal government was until 40 years ago viewed primarily as a keeper of the peace, an umpire. Today, we view it as responsible for treating every social and personal ill, as the source from which all blessings flow.

There is hardly one among us who believes that he is getting his money's worth. Yet so long as we simply blame waste and bureaucracy, but continue to believe in the omnipotence and beneficence of government, the trend toward ever bigger government will continue.

That trend will stop only when and if we recognize that government is the problem, not the solution; that the general welfare requires that we dethrone the federal government from its role of Big Brother and restore it to its historic role as keeper of the peace and umpire.—Economist MILTON FRIEDMAN in Newsweek.

Mr. FANNIN. Mr. President, Secretary Weinberger makes some very good points in this article. Congress has made a start toward budget control and I believe we should accelerate this effort.

We must put an end to the irresponsibility which has forced President Nixon to take the extreme action of impounding funds. We are fortunate have a President with the courage to step in and restrain spending when Congress has acted irresponsibly.

Now I would like to take up my second point—our foreign trade situation. We are just now coming to realize how closely related our domestic and foreign trade problems can be. Let us examine just how our foreign trade deteriorated, and how our dollar crisis came about.

In the 1950's, when the Marshall plan and other postwar reconstruction plans were being implemented, Europe and Japan were still busily rebuilding their war-torn economies. In contrast, the U.S. economy was the strongest in the world. But today our competitive strength is challenged by Japan and the enlarged European economic community in particular.

By 1970, our share of the world's Gross National Product had declined to 30 percent from almost 40 percent in 1950. Meanwhile, the European community's share had grown from 11 to 15 percent, and Japan's share had increased from 1.5 to 6.2 percent.

World trade in 1970 had increased to 5 times its 1950 level, but the increase primarily benefited the Common Market countries and Japan. The Common Market's share of the vastly expanded postwar trade volume just about doubled—from 15 percent in 1950 to 28 percent in 1970. The new expanded Common Market will account for half of world trade in industrial products. Japan's share rose from 1 to 6 percent. Japan's record of export growth has been unparalleled—an annual growth of 19 percent over the 20-year period 1950–70. In sharp contrast, the U.S. share of world exports declined slightly—from 16 to 14 percent.

Another important trade trend in this same time period has been the rising proportion of U.S. output in the form of services. Goods are becoming less important in our economy and employment is shifting to service occupations, such as transportation, communications, trade, education, medical services, and other professions and Government. This trend raises key questions about our future international trade position since most services are difficult to export and raising productivity in services is more difficult than in manufacturing.

During the 1960's, our exports and imports both grew faster than the economy, but because our imports outpaced our exports, our trade balance has swung from a favorable $6.8 billion in 1964 to an unfavorable $6.4 billion in 1972.

Mr. President, the trade statistics are even more disturbing when they are further distilled. The figures show a steady decline in our ability to compete internationally in high technology and manufacturing industries where America once reigned supreme.

U.S. Department of Commerce figures released in December showed that the United States had a $7.1 billion deficit in the balance of trade for manufactured goods while Germany was producing a $16.4 billion surplus and Japan had a favorable balance of $19 billion. These particular exports are job sustaining.

The statistics show a steady plunge of the U.S. balance of trade in manufactures from 1960 onward, while Germany and Japan have soared.

This sharp shift in our trade balance has generated increasing and understandable concern about the economic effects of our trade in general and imports in particular. It has been estimated that between 600,000 and 750,000 jobs were lost between 1964 and 1971 as our trade balance shifted from surplus to deficit. However, Department of Labor job impact studies show that trade has had a net favorable effect on our overall employment. The effect on incomes has been similarly favorable, since in general export-oriented jobs are better paying than import-competing jobs.

Of course, our balance of payments covers more than our merchandise trade. The United States has run a basic balance-of-payments deficit in almost every year since 1950, but our favorable trade balance kept the deficit rather small until 1971. If the international monetary mechanism had been responsive, our continuing payments deficits would have resulted in an effective devaluation of the dollar long before the formal devaluation in 1971. But this did not happen, because of the rather inflexible official exchange rate system inherited from the Bretton Woods agreements in 1944. In fact, due to devaluations of some other currencies, the official dollar value of the dollar, perversely, was slightly higher in 1970 than in 1960. The Smithsonian Agreement of December 1971 finally officially recognized the inadequacies of the current fixed foreign exchange rate system and provided some measure of relief to the United States through a 7.9-percent dollar devaluation. Further relief has been provided by our additional 10-percent devaluation on February 12 of this year. But the hoped-for favorable impact on our trade balance may be slow in coming and meager in amount. This is because of trade barriers imposed against our exports particularly in the European Common Market and Japan.

On September 25, 1972, President Nixon in speaking to the governors of the World Bank and the International Monetary Fund said:

> We shall meet competition rather than run away from it. We shall be a stimulating trading partner, a straight forward bargainer.

He went on to say:

> I want to see new jobs created all over the world, but I cannot condone the export of jobs out of the United States caused by any unfairness built into the world's trading system.

Our trade with the European Common Market—the world's most important trading area—has been substantial and rising, but our favorable trade balance has been shrinking. In part, this may be due to the EC's variable import levy system for agricultural products under which U.S. grain exports to the EC have declined 30 to 35 percent from their peak.

Another problem in our trade with the Common Market is the preferential tariff treatment granted imports from less developed countries thereby discriminating against similar imports from the United States such as citrus fruits.

We have had an adverse trade balance with Japan since 1965 and the deficit has been growing. In part, this is because much of the Japanese export effort is aimed at the United States, since the Common Market has erected formidable barriers against imports from Japan. The bulk of our exports to Japan—exclusive of aircraft and a few high technology items—is agricultural products and industrial raw materials. In turn, Japan sells us increasing amounts of sophisticated products, such as cameras, tape recorders, calculating machines, radios, television sets, and sewing machines, as well as steel, textiles, and motor vehicles.

Here again, as in the case of the Common Market, there is a lack of equity in Japanese-American commercial relationships. For example, except for a modest tariff, Japanese autos enter the U.S. market unhindered. On the other hand, our auto manufacturers face a variety of restrictions in Japan. Commodity and road taxes are aimed at the larger cars from the United States. The result is that a $9,000 Cadillac sells for $30,000 in Japan, and even the Pinto sells for nearly $5,500 there. When our auto firms seek to invest directly in Japan, they are faced with other restrictions, such as the stipulation that they may own only a minority share of a Japanese company and must conform to restrictions on the composition of a subsidiary's management.

It is unrealistic to believe the Japanese can expect to continue selling $9.1 billion in the United States when they buy only $4.9 billion. Americans are absorbing more than 41 percent of the Japanese exports.

The General Agreement on Tariffs and Trade was drawn up in the immediate postwar era of the 1940's and is unsuited to the realities of the 1970's. Trade negotiations in the early and mid-1960's did nothing to correct the imbalances. These negotiations, in fact, made our situation worse rather than better. It is time to correct the inequities in GATT.

Now I would like to consider the matter of productivity.

Our economy makes real gains when productivity measured by output per man hour, rises faster than hourly labor costs. This favorable relationship held true in the years 1961 through 1967. But when labor costs rise faster than productivity, as in the period 1969–71, "cost-push" forces prices up and makes our exports less competitive in world markets. It is not the absolute level of wage rates that matters, therefore, but the labor cost per unit of output. In her fastest growing export industries Japan experienced annual wage increases of 14 percent in the 1965–70 period, but her annual productivity gains of 15 percent or more outpaced wage gains. In steel the annual productivity gain was 18 percent. In the United States, on the other hand, wage gains exceeded productivity increases over the same period, widening the unit labor cost gap to our disadvantage.

What is happening in the United States that differs so much from Japan? Perhaps a letter-to-the-editor of the Arizona Republic has some food for thought. I ask unanimous consent that

the letter, which appeared March 9, 1973, be printed in the RECORD at this point.

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

"CANCEROUS GROWTH" ANALYZED

Editor, The Arizona Republic:

A diagnosis made by Arthur F. Burns, chairman of the Federal Reserve Bank, stated: that the United States is suffering from a "cancerous growth" causing a steadily increasing balance of payment deficit.

Both the cause of the "cancer" is known and its cure available.

A few dismal statistics should jar some of us out of chronic lethargy: 30 per cent of our population work for all governments; 10 per cent are on public welfare: 15 per cent are retired: 10 per cent are engaged in the production of military supplies; and another 10 per cent are employed in rendering services.

This 75 per cent of our people are consequently not employed in the production of consumer products. Then it follows that such products must be supplied by the 25 per cent actually at work producing goods for the consumption of all. Since this seems to be an impossible task, we must resort to the importation of additional products to sustain our present high living standards.

If the 25 per cent producing force operated efficiently, they plus our technology might be able to fulfill our product needs. But the fact is that their performance is not only expensive but never up to par either qualitatively or quantitatively. The group is dominated by its "labor leaders" who in turn terrorize the politicians, and who in turn effectively stifle and kill any legislation aimed at even slight amelioration.

All one need do is to contrast the foregoing with the situation in West Germany and Japan to conclude that unless some extreme changes occur here, we cannot compete with these countries which also possess equal technical know-how.

In the past 14 months it was not the dollar that was devalued 18.5 per cent; it was rather the United States itself.

ABRAHAM ENGELMAN.

Mr. FANNIN. Mr. President, we also should consider the fact that there are several unique aspects of the Japanese industrial worker.

First, the worker enjoys lifetime job security with his company. This makes him ready to accept technological change, since he knows his employer will retrain him if his old job is automated out of existence.

Second, although unions are relatively as important in Japan as in the United States, the unions are organized by company, not by trade. As a result, the union identifies its interests with the company and is less likely to strike than is its American counterpart.

Third, labor is treated as a fixed cost, so that in an effort to reduce its fixed costs per unit, the typical Japanese company operates at high capacity, resulting in extremely low export prices.

We also must consider the fact that not only the unions, but the Government works hand-in-hand with industry in Japan to promote exports and discourage imports. The Japanese Government fosters trade practices which are illegal under U.S. law and of doubtful legality under international trade agreements.

It is imperative that union strategy change in America. The dictatorial power of union leaders over the years, along with the support of a majority of Members of Congress and without the objections of the administrations in power, resulted in devastating increases in wages without corresponding increases in productivity.

Generally speaking, productivity per dollar of wages continue falling more and more below other industrial countries, particularly Japan.

American workers must produce better to justify the high wages they receive in comparison with other workers in other countries of the world.

Even though foreign wages have been rising rapidly, they still are well below U.S. levels. The average hourly wage rate paid to U.S. workers, exclusive of fringe benefits, was $3.80 per hour in 1972 according to the latest figures I have seen.

In West Germany, workers earned $2.55 per hour last year.

In Japan, the rate was $1.90 per hour.

And in Taiwan, workers in 1971 were being paid on the average of about 21 cents per hour for their work in manufacturing industries.

Our labor leaders must give some very serious thought as to what happens each time they demand extravagant wage increases, or when they interfere with the use of our technology, or when they oppose an end to outdated work rules and featherbedding.

Our industries can pay more than Germany only if our workers produce more than German workers. Our industries can pay two times the Japanese rate only if our workers outproduce the Japanese 2 to 1.

President Nixon's phase II brought some relief from the spiraling labor costs, but in October 1972, Price Commission Chairman C. Jackson Grayson, Jr., cited productivity as his biggest concern and brightest hope."

This certainly is a time of great concern in the United States in view of the fact that labor contracts for some 4.7 million workers are being negotiated this year. Productivity must be taken into consideration in determining any wage increases to be granted.

It is unlikely that we in America will emulate the Japanese in their highly successful efforts to become the world champions of trade. But we do know that as a nation we must raise our productivity faster than money wage, including wage supplements, if we are to improve our badly deteriorated balance of trade.

And it is obvious that we must have new trade agreements which will give American-made merchandise a fair shot at the Japanese and the European markets.

Mr. President, so far I have covered three of the four points I made at the outset. Now I will talk about the fourth point. The need to provide the economic climate within the United States to encourage the expansion of our industries.

The cost of production continues to rise. Raw materials are getting costlier as a result of extreme environmental controls. Almost unworkable and costly regulations have been imposed for manufacturing and other business operations.

If we continue to ignore our precarious position in world trade—not recognizing our inability to continue one unrealistic decision after another that detrimentally affects our productivity—we will experience periodic devaluations perhaps of even greater magnitude than the 8 and 10 percent recently forced upon us. Some economists believe that unless Congress reverses the course it has traveled the last decade, eventually devaluations of an additional 30 to 40 percent in relation to gold will occur.

We cannot continue year after year passing legislation which ties the hands of our industry and reduces its ability to compete against the other great manufacturing nations.

We could end up with an ecological paradise that is an economic desert. We could have the safest plants in the world, because there is no demand for the overpriced goods they were designed to produce. We could have the highest paid workers in the world, without any work for them to do.

We should have stringent safety laws, we should have environmental protection, we should have good paying employment for everyone willing to work—but we must consider the impact that our every regulation can have on our economic future and then decide whether we can pay the price.

This is also true with taxation. It has been fashionable in the past few years to propose punitive taxes for business and industry. Currently we are faced with a great number of these proposals which could choke off the capital needed to create jobs and kill off the corporations which are the lifeblood of our economic system.

Congress already has erected huge barriers of redtape for our business and industry. There is no incentive for business expansion unless there are justifiable profits to be made. If we impose new tax schemes which discourage the investment of capital, we will be choking off the jobs needed by the millions of new workers entering our labor market each year.

A critical factor in the faster economic growth of our leading industrial competitors has been their higher rate of investment in new productive facilities and equipment. The rate of machinery and equipment investment in Japan—as well as in West Germany—was double ours in the 1968–70 period measured as a share of GNP—20 percent in those countries as against 10 percent here.

Profits are an important determinant of business investment. When profits decline as a percentage of GNP, U.S. investment in new plant and equipment suffers. Between 1950 and 1970, pretax corporate profits slumped from 15 to 7.6 percent of GNP. Even after last year's strong recovery, this relationship only rose to 8.1 percent. True, public investment may raise our national productivity through improved roads, education, or health, but our public investment has concentrated on defense, welfare and old-age medical benefits.

Retained profits help create jobs. In manufacturing, the average investment required per job is $20,000. The amount varies according to industry. In the oil industry, it takes more than $100,000 of capital to create one job; in the chemical industry the comparable figure is $40,000.

Wages and profits go together: High-profit industries pay high wages; low-profit industries pay low wages.

We must have profitable industries during the coming decade and the remainder of this century if we are to meet the economic and social goals that have traditionally been a part of the American dream. Consider, for example, the need we will have in the immediate future for oil imports to relieve the energy crisis. Some experts have calculated a cost of $36 billion per year for imported fuel by 1985, and this is based at the present price of fuel. The cost could be much higher. Even if we move strongly to develop our own fuel resources, we still will need a considerable amount of imported fuels in the coming decade. No one is going to give us this oil; we will have to pay for it; and the only way we can pay for it is to have a healthy economy with strong manufacturing industries competing in the world markets.

Mr. President, I do not want to leave the impression that nothing is being done to seek the answers to our dollar dilemma.

President Nixon sought a limit on Federal spending in the last Congress, and we in Congress now have a joint committee trying to come up with a budgeting system which will give us some control of Federal spending.

International trade and monetary agreements are being renegotiated and I am encouraged by the Nixon administration's determination to get a fair break for America. We can no longer afford to make economics subordinate to politics in international diplomacy.

The administration has struggled mightily to hold down pay increases so that they are somewhat in line with productivity increases.

But I am concerned as to whether we here in Congress are working with appropriate urgency concerning urgent issues.

And I am disturbed about what appears to be a lack of understanding among the American people as to the significance and the extent of our current economic problems both at home and abroad. It is the American people who are the victims of the economic miscalculations which have been made in the past and which could be made should Congress fail to act or should Congress move in the wrong direction.

Our people have been lulled into believing that a nation can enjoy the fruits of plenty without making the sacrifice of nurturing the trees.

We must restore discipline—in our work and in our Government.

If Congress is to be the leading force that most of us want it to be, then we should begin right here to impose the discipline necessary to rescue the Nation from our dollar crisis.

President Nixon in his message to Congress on February 22, spelled out our goals:

We must be restrained in Federal spending.

We must show reasonableness in labor-management relations.

We must comply fully with the new Phase III requirements of our economic stabilization program.

We must continue our battle to hold down the price of food.

And we must vigorously meet the challenge of foreign trading competition.

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

ORDER OF BUSINESS

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged against the time allotted to the Senator from Michigan.

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to consider executive business.

CONSULAR CONVENTION WITH POLAND (EX. U, 92D CONG, 2D SESS.); CONSULAR CONVENTION WITH RUMANIA (EX. V, 92D CONG., 2D SESS.); CONSULAR CONVENTION WITH HUNGARY (EX. W. 92D CONG., 2D SESS.); EXCHANGE OF NOTES WITH ETHIOPIA CONCERNING THE ADMINISTRATION OF JUSTICE (EX. B, 93D CONG., 1ST SESS.); AND CONVENTION WITH JAPAN FOR THE PROTECTION OF BIRDS AND THEIR ENVIRONMENT (EX. R, 92D CONG., 2D SESS.)

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consider and vote on the five treaties.

The Senate, as in Committee of the Whole, proceeded to consider Executive U, 92d Congress, second session, the Consular Convention with Poland, which was read the second time, as follows:

CONSULAR CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC

The Government of the United States of America and the Government of the Polish People's Republic,

Desiring to regulate and develop consular relations between the two States,

Have decided to conclude a Consular Convention, and for that purpose the following Plenipotentiaries have been designated:

For the Government of the United States of America:

WILLIAM P. ROGERS, Secretary of State,

For the Government of the Polish People's Republic:

STEFAN OLSZOWSKI, Minister of Foreign Affairs,

who have agreed as follows:

PART I—DEFINITIONS

ARTICLE 1

For the purposes of the present Convention, the following terms shall have the meanings hereunder assigned to them:

(a) "Consular establishment" means a consulate general, consulate, vice consulate, or consular agency;

(b) "Consular district" means the area assigned to a consular establishment for the exercise of consular functions;

(c) "Head of a consular establishment" means a person directing a consular establishment with the rank of consul general, consul, vice consul, or consular agent;

(d) "Consular officer" means any person, including the head of a consular establishment, to whom the exercise of consular functions has been entrusted;

(e) "Employee of a consular establishment" means any person performing administrative, technical or service duties at a consular establishment;

(f) "Member of a consular establishment" means any consular officer or employee of a consular establishment;

(g) "Premises of a consular establishment" means buildings or part of buildings, as well as the grounds ancillary thereto, used exclusively for the purposes of a consular establishment;

(h) "Archives of a consular establishment" means official correspondence, documents, records, codes, and ciphers, as well as the office equipment assigned exclusively for their protection or safekeeping.

PART II—OPENING OF CONSULAR ESTABLISHMENTS AND APPOINTMENT OF OFFICERS AND EMPLOYEES OF THESE ESTABLISHMENTS

ARTICLE 2

1. A consular establishment may be opened on the territory of the receiving State only with the consent of that State.

2. The sending and receiving States shall determine by agreement the seat of the consular establishment as well as the limits of its consular district.

ARTICLE 3

1. The head of a consular establishment appointed by the sending State may exercise consular functions after presentation of letters of commission or similar instrument and after the issuance to him of an exequatur or other appropriate document of recognition by the receiving State.

2. The receiving State may grant to the head of a consular establishment provisional recognition permitting him to exercise consular functions until such time as the exequatur or other document of recognition has been issued to him.

3. Immediately after the issuance to the head of a consular establishment of an exequatur or one of the documents described in paragraphs 1 and 2, the competent authorities of the receiving State shall take the necessary measures to enable him to exercise his consular functions and to enjoy the rights, privileges, and immunities to which he is entitled.

ARTICLE 4

1. The sending State may, subject to the procedures established by Articles 3, 6 and 7 assign one or more members of its diplomatic mission in the receiving State to the per-

formance of consular functions. Except as provided in paragraph 5 of Article 31, a member of a diplomatic mission who has been so assigned shall continue to enjoy the privileges and immunities to which he is entitled as a member of the diplomatic mission.

2. The sending State may establish within its diplomatic mission a consular section, which may have a consular district in accordance with subparagraph (b) of Article 1 and paragraph 2 of Article 2.

ARTICLE 5

1. If the head of a consular establishment cannot carry out his functions or if the position of head of a consular establishment is vacant, and officer of the same consular establishment or another consular establishment, or a member of the diplomatic staff of the diplomatic mission of the sending State in the receiving State, may exercise his functions temporarily. In this case the fact he has been entrusted with the functions of head of the consular establishment shall be communicated in advance in writing to the foreign affairs ministry of the receiving State.

2. The person designated in paragraph 1 shall enjoy during the period of temporary exercise of the functions of head of the consular establishment the rights, privileges, and immunities of head of the consular establishment. In the event that this person is a member of the diplomatic staff of the diplomatic mission, he shall also enjoy the additional privileges and immunities to which he is entitled as a member of the diplomatic mission, in accordance with paragraph 1 of Article 4.

ARTICLE 6

1. Only nationals of the sending State may be consular officers.

2. Consular officers may be appointed from among the nationals of the sending State admitted to permanent residence in the receiving State only with the consent of the latter.

ARTICLE 7

1. The receiving State shall issue to each consular officer an appropriate document certifying his right to perform consular functions in the territory of the receiving State. For this purpose the sending State shall notify the receiving State in advance of the full name, functions, and class of all consular officers.

2. The sending State shall also notify the receiving State of the full name and duties of the employees of a consular establishment.

3. A consular officer notified to the receiving State in accordance with paragraph 1 shall be entitled to perform his consular functions after the receiving State has issued to him an appropriate document certifying his right to perform his functions.

ARTICLE 8

1. The receiving State may at any time, and without having to explain its decision, notify the sending State through diplomatic channels that a consular officer is persona non grata or that an employee of a consular establishment is unacceptable. In such a case the sending State shall accordingly recall such officer or employee.

2. If the sending State refuses or fails within a reasonable time to carry out its obligations under paragraph 1, the receiving State may refuse to recognize the officer or employee concerned as a member of the consular establishment.

ARTICLE 9

1. The sending State, acting either in its own name or through one or more natural or jurisdictional persons acting on its behalf, shall have the right to acquire under such tenure as may be authorized by the law of the receiving State, whether by purchase, lease, or otherwise, lands, buildings, parts of buildings, and appurtenances which the sending State considers necessary and appropriate for consular purposes, including residences for members of the consular establishment.

2. The sending State shall have the right:

(a) to construct, reconstruct, or alter buildings and other appurtenances on land held in accordance with the provisions of paragraph 1, subject to compliance with the conditions prescribed by the regulations of the receiving State concerning construction, or concerning space, zoning, or town planning;

(b) to employ, by contract or otherwise, its nationals, or entities organized under its laws, to design, construct, reconstruct, or alter such buildings. The employment of nationals of the receiving State by such entities shall be subject to the law of the receiving State.

PART III—RIGHTS, PRIVILEGES AND IMMUNITIES

ARTICLE 10

1. A shield with the coat-of-arms of the sending State, the name of the consular establishment in the English and Polish languages, and signs explaining the designation of the offices may be placed on buildings in which the offices of the consular establishment are located.

2. The flag of the sending State may be flown at the building in which a consular establishment is located. This flag may also be flown at the residence of the head of a consular establishment and on his means of transportation while being used by him for official purposes.

ARTICLE 11

1. The premises as well as the archives of a consular establishment are inviolable.

2. Authorities of the receiving State shall not enter the premises of a consular establishment or the residences of consular officers without the consent of the head of the consular establishment, the chief of the diplomatic mission of the sending State, or a person duly authorized by one of them to give such consent. Such consent is presumed in the event of a fire or other disaster requiring immediate protective measures. In no case, however, are these authorities permitted to violate the principle of the inviolability of the archives of a consular establishment, and especially to examine or seize them.

3. The premises of a consular establishment and residences of members of the consular establishment located in the same building shall be appropriately set apart from each other.

ARTICLE 12

1. A consular establishment shall have the right to free communication with the authorities of its State, including diplomatic missions or other consular establishments of the sending State, regardless of their location, making use of all public means of communication.

2. A consular establishment may use diplomatic or consular couriers, diplomatic or consular pouches, and may use codes and ciphers.

3. The correspondence of a consular establishment, courier mail and sealed diplomatic or consular pouches bearing visible external marks of their official character, whether sent by the establishment or destined for it, shall be inviolable, and the authorities of the receiving State shall not examine or detain them. Nevertheless, if the competent authorities of the receiving State have serious reason to believe that a pouch has contents other than correspondence, documents, or articles of an official character designated exclusively for official use, they may request that such pouch be opened in their presence by an authorized representative of the sending State. If this request is refused, the pouch shall be returned to its place of origin.

ARTICLE 13

1. Consular officers and members of their families forming part of their households shall enjoy immunity from the jurisdiction of the judicial and administrative authorities of the receiving State.

2. Employees of a consular establishment shall enjoy immunity from the jurisdiction of the judicial and administrative authorities of the receiving State in respect of acts performed by them within the scope of their official duties.

3. The provisions of paragraphs 1 and 2 shall not, however, apply in respect of civil action:

(a) arising out of a contract concluded by a consular officer or an employee of a consular establishment in which he did not contract expressly or impliedly as an agent of the sending State;

(b) by a third party for damage arising from an accident in the receiving State caused by a vehicle, vessel or aircraft;

(c) arising out of acts performed under Article 31 as provided in paragraph 5 of that Article.

4. Persons mentioned in paragraphs 1 and 2 shall not, however, abuse the immunities enjoyed by them, and are expected to respect the laws and regulations prevailing in the receiving State, including traffic regulations.

5. The sending State may waive the immunities described in this Article. Such waiver shall always be expressed and transmitted in writing to the receiving State.

6. Waiver of immunity from jurisdiction in respect of civil and administrative proceedings shall not be held to imply waiver of immunity in respect of the execution of the judgment, for which a separate waiver shall be necessary.

ARTICLE 14

1. Members of a consular establishment may be called upon to attend as witnesses in the course of judicial or administrative proceedings. In the event of the refusal of a consular officer to give evidence at such proceedings, no coercive measure or penalty may be applied to him. An employee of a consular establishment shall not, however, decline to give evidence, except in the cases mentioned in paragraph 3.

2. The respective provisions of paragraph 1 concerning consular officers and employees of a consular establishment shall apply also to members of their families forming part of their households.

3. Members of a consular establishment are under no obligation to give evidence concerning matters connected with the exercise of their functions or to produce offical correspondence or documents related thereto. They are also entitled to decline to give evidence as expert witnesses with regard to the law of the sending State. These rights shall not be invoked if the interest of justice so requires and the interests of the sending State are not affected.

4. The authorities of the receiving State, in taking the testimony of a member of a consular establishment, shall take all appropriate measures to avoid hindering his performance of official duties. Upon the request of the head of a consular establishment such testimony may, when possible, be given orally or in writing at the consular establishment or at the residence of the person concerned.

ARTICLE 15

1. Members of a consular establishment and members of their families forming part of their households shall not be subject in the receiving State to military service, to the duty of appearing as a member of a jury or lay judge, or in any other capacity of a compulsory nature, including the obligation to pay any equivalent fees for the nonperformance of such duties.

2. Members of a consular establishment, as well as members of their families forming

part of their households shall not be subject to the regulations of the receiving State regarding registration, reports, permits for alien residence, or any such regulations normally relating to aliens.

ARTICLE 16

1. The sending State shall have the right to import into the receiving State materials or equipment for the construction, reconstruction, alteration, repair, maintenance, and operation of the premises, buildings, and appurtenances referred to in Article 9.

2. All articles, including means of transportation, which are imported by the sending State for the use of a consular establishment or are necessary for the construction, reconstruction, alteration, repair, maintenance and operation of buildings or other structures held or occupied by a consular establishment in accordance with Article 9, shall be exempt on the territory of the receiving State from all customs duties and taxes or other taxes imposed by reason of importation.

ARTICLE 17

1. The baggage, effects, and other articles including means of transportation, imported exclusively for the personal use of a member of a consular establishment and members of his family forming part of his household, shall be exempt from all customs duties and taxes, or other taxes resulting from importation.

2. The exemptions defined in paragraph 1 shall be recognized with regard to property imported by a person authorized thereunder at his first entry and subsequent entries into the receiving State, as well as with regard to that property consigned to a member of a consular establishment while he is performing his consular functions or other defined duties at said establishment. However, this shall not apply to articles the importation of which is expressly forbidden by law. The receiving State may limit the number of automobiles imported free of duty by members of a consular establishment for their and their families' personal use.

3. It is understood, however, that

(a) This Article shall, except with respect to accompanying baggage at first entry, apply as to members of a consular establishment only when their names have been communicated to the foreign affairs ministry of the receiving State and they have been duly recognized in their official capacity; and

(b) in the case of consignments, the receiving State may, as a condition to the granting of exemption, require that a notification of any such consignment be given in a prescribed manner.

ARTICLE 18

1. The sending State shall be exempt from all taxes, assessments, or similar charges levied for public purposes, for the payment of which it would otherwise be legally liable in the territory of the receiving State, with respect to:

(a) the acquisition, sale, construction, and maintenance of immovable property of which the sending State is the legal owner or which is owned by one or more natural or juridical persons acting on its behalf when such property is used for the consular purposes specified in paragraph 1 of Article 9, or when such property has been acquired for such purposes and is not being used for other purposes;

(b) the occupation of immovable property of which the sending State is the lessee;

(c) the acquisition, sale and maintenance of movable property by the sending State which is used for consular purposes;

(d) the performance of consular functions, including the collection of consular fees and charges in accordance with the provisions of Article 37.

2. If the law of the receiving State does not authorize the sending State to acquire immovable property for consular purposes, including residences, as the legal owners in its own name or in the name of one or more natural or juridical persons acting on its behalf, the exemption provided in subparagraph (a) of paragraph 1 shall apply to immovable property transferred to the sending State for perpetual use, or leased or rented for a stated period of at least ten years.

3. The exemptions specified in subparagraph (a) of paragraph 1 and in paragraph 2 shall not apply to taxes, assessments, or similar charges levied for specific services or for local public improvements by which the property is specially benefited.

ARTICLE 19

Movable property left upon the death of a member of a consular establishment or member of his family forming part of his household shall be exempt from taxes of any kind, such as state, inheritance, succession, or similar taxes, if the property was located in the receiving State, exclusively in connection with the sojourn in that State of the deceased as a member of a consular establishment or member of his family forming part of his household. Any part of such movable property which does not exceed in value twice the total of all official income received from the sending State in the year immediately preceding the death shall be deemed conclusively to constitute property located in the receiving State exclusively in connection with the decedent's sojourn there as a member of the consular establishment or a member of his family forming part of his household.

ARTICLE 20

1. The members of a consular establishment, as well as members of their families forming part of their households, shall, except as provided in paragraph 2, be exempt from the payment of all taxes or similar charges of any kind imposed by the receiving State or any local authorities thereof for the payment of which the officer or employee would otherwise be legally liable.

2. Exemption from taxes or similar charges may not be applied to taxes and charges imposed:

(a) by reason of or incident to the acquisition as the result of death of rights to property located in the receiving State, such as estate, inheritance, or succession taxes, with the exception specified in Article 19;

(b) by reason of or incident to the transfer in the form of a gift of property located in the receiving State;

(c) incident to the ownership or acquisition by purchase by members of a consular establishment or members of their families forming part of their households of real property situated in the receiving State, if they are acting in their own name and not in that of a consular establishment;

(d) for specific services rendered;

(e) on income derived in the receiving State from sources other than emoluments, salaries, wages, or allowances received from the sending State in connection with the discharge of official functions or duties.

ARTICLE 21

The privileges and immunities recognized by paragraphs 1 and 2 of Article 13, paragraphs 1, 2, and 4 of Article 14, Articles 15, 17, 19 and paragraph 1 of Article 20 shall not be enjoyed by members of a consular establishment and members of their families forming part of their households if they are nationals of the receiving State or have the status in the receiving State of an alien admitted to permanent residence. However, all members of a consular establishment shall enjoy the rights described by the provisions of paragraph 3 of Article 14.

ARTICLE 22

1. All means of transportation belonging to the sending State, to members of a consular establishment, or to members of their families forming part of their households, and used for the needs of a consular establishment or of the persons mentioned above, shall be properly insured against civil claims by third parties.

2. The provisions of paragraph 1 shall not apply to members of a consular establishment and members of their families forming part of their households who are nationals of the receiving State or have the status in the receiving State of an alien admitted to permanent residence, who will be subject to the obligation of insuring their private means of transportation in accordance with the regulations of that State.

PART IV—CONSULAR FUNCTIONS

ARTICLE 23

1. To the extent that it is permitted by international law, a consular officer shall be entitled within his consular district, in accordance with the laws and regulations of the receiving State, to protect the rights and interests of the sending State, and of its nationals, both individuals and bodies corporate. To this end, he may address himself to the courts and other authorities of the receiving State in the consular district, and, if the receiving State does not object, to its central authorities.

2. A consular officer may, subject to the practice and procedures obtaining in the receiving State, represent or arrange appropriate representation for nationals of the sending State before the courts and other authorities or official persons of the receiving State for the purpose of obtaining, in accordance with the laws and regulations of the receiving State, the protection of the rights and interests of these nationals, if because of absence or any other reason they are not in a position at the proper time to assume the defense of their rights and interests.

ARTICLE 24

A consular officer shall be permitted to cooperate in the development of economic, commercial, cultural, and scientific relations between both States as well as in furthering by other means friendly relations between them.

ARTICLE 25

A consular officer shall have the right to carry out the following functions within his consular district in accordance with the laws of the sending State:

(a) to register nationals of the sending State, to issue or amend their passports and other travel documents, and also to issue visas to persons desiring to travel to the sending State;

(b) to receive declarations from nationals of the sending State and to issue them appropriate certificates and documents based thereon;

(c) to prepare documents of vital statistics pertaining to births and deaths of nationals of the sending State, as well as receive statements concerning marriages in cases where both persons to marry are nationals of the sending State; however, this does not relieve the nationals of the sending State of the obligation to observe the laws and regulations of the receiving State concerning reporting or registering of births and deaths, and the performance of marriage;

(d) to authenticate the official signature and seal which appear on any legal act or other official documents drawn up before a notary or other officer of the receiving State or which appear on a copy or extract taken from any vital records books or other official records of the receiving State, with a view to making the document, when presented for any purpose, acceptable in administrative or judicial proceedings in the sending State;

(e) to prepare acts or documents of a legal nature, including commercial documents, wills and contracts, as well as to certify and

authenticate signatures on them, to receive acknowledgements, and in general to take such action as may be necessary to render them valid, when a national of the sending State requests the performance of these activities and when these acts and documents are to be used outside of the territory of the receiving State, or when requested by any other person when these documents are to be used in the territory of the sending State, provided that these activities are not contrary to the law of the receiving State;

(f) to issue certified copies of documents and extracts thereof from the archives and registers of the consular establishments;

(g) to translate any acts and documents and to certify to the accuracy of such translation;

(h) to receive from national of the sending State on a voluntary basis testimony or statements requested by courts and other authorities of that State, as well as receive from such nationals oaths or affirmations in accordance with the applicable law of the sending State;

(i) to deliver to nationals of the sending State any official documents from authorities of the sending State.

ARTICLE 26

1. Copies of the acts and documents mentioned under subparagraphs (d) and (e) of Article 25, duly authenticated or certified by the consular officer under official seal, shall be admitted in judicial and administrative proceedings in both the sending and receiving State, equally with the originals, and shall have the same force and effect as though they had been prepared or issued by or executed before a notary public or other public official of the receiving State.

2. All acts and documents prepared by courts and other authorities or officials of the receiving State properly authenticated in the territory of that State by a consular officer of the sending State shall have, in judicial and administrative proceedings in the sending State, the same force and effect as acts and documents prepared by the courts and other authorities or officials of the sending State provided such acts and documents have been drawn and executed in a manner not inconsistent with the laws and regulations of the sending State.

ARTICLE 27

1. A consular officer is authorized to transmit, upon request by a court of the sending State, letters rogatory to the authorities of the receiving State competent to act thereon.

2. A consular officer is authorized to receive voluntary testimony of citizens of the sending State, for use in that State.

ARTICLE 28

A consular officer, acting ex officio or on behalf of persons having a legitimate interest in the matter, may propose to the courts or other competent authorities of the receiving State appropriate persons to act as guardians or trustees for nationals of the sending State or to act as custodians of the property of such nationals when it is left without supervision.

ARTICLE 29

1. A consular officer shall have the right within his consular district to confer with any national of the sending State, to give him assistance or advice, and where necessary to arrange for legal assistance for him. If a national of the sending State desires to visit or communicate with his consular officer, the receiving State shall in no way restrict the access of the national to the consular establishments of the sending State or object to visits to such national by a consular officer of the sending State.

2. The appropriate authorities of the receiving State shall immediately inform a consular officer of the sending State of the detention or arrest of any national of the sending State who has not yet been admitted to permanent residence in the receiving State. In the case of the detention or arrest of a national of the sending State who has been admitted to permanent residence in the receiving State, the appropriate authorities of the receiving State, on the request of such national, shall immediately inform a consular officer of the sending State of such detention or arrest.

3. The receiving State shall forward without delay any correspondence from a national of the sending State detained or arrested in the receiving State addressed to a consular officer of the sending State. A consular officer shall upon his request be informed of the reasons for the detention or arrest of any national of the sending State. A consular officer may visit such national at any time and may communicate in writing with him in the language of the sending State or of the receiving State for the purpose of safeguarding his interests, with the observance, however, of the laws and regulations of the receiving State.

4. In case of a trial of a national of the sending State in the receiving State, the appropriate authorities of the receiving State shall, at the request of the consular officer, inform such officer of the charges against such national, and shall permit the consular officer to be present during the trial of such national, wtih the observance, however, of the laws and regulations of the receiving State.

5. A consular officer of the sending State shall have the right, subject to local prison regulations, to visit and communicate with a national of the sending State who is serving a sentence of imprisonment in the receiving State.

6. The rights of visiting and communicating provided in paragraphs 2, 3 and 5 shall be exercised in conformity with the laws and regulations of the receiving State, including prison regulations; provided, however, that the application of those laws and regulations shall not prevent a consular officer from visiting his national without delay, communicating freely with him, and obtaining information of the charges against him.

7. The provisions of paragraphs 1, 2 and 3 have appropriate application also to any person employed on a vessel or aircraft of the sending State who is not a national of, or who has not been admitted to permanent residence in, the receiving State.

ARTICLE 30

Whenever the appropriate local authorities of the receiving State learn of the death in the receiving State of a national of the sending State, they shall without delay so inform a consular officer of the sending State. The consular officer shall be entitled, upon his request and for consular purposes, to receive from the appropriate authorities of the receiving State a copy of the certificate of death of such national.

ARTICLE 31

1. Whenever the appropriate local authorities of the receiving State learn of the opening of an estate resulting from death in the receiving State of a national of the sending State who leaves in the receiving State no known heir or testamentary executor, they shall as promptly as possible so inform a consular officer of the sending State.

2. Whenever the appropriate local authorities of the receiving State learn of the death of a person, regardless of nationality, who has left in the receiving State an estate in which a national of the sending State residing outside the receiving State may have an interest under the will of the decedent or otherwise in accordance with the laws of the receiving State, they shall as promptly as possible so inform a consular officer of the sending State.

3. A consular officer of the sending State shall have the right, directly or through his representative, to protect the interests of a national of the sending State who is not a resident of the receiving State and who is not otherwise represented. In such circumstances the consular officer shall be permitted, in accordance with applicable laws and regulations, to request local authorities to supply information concerning holdings or interests of any such national especially shares in estates, pension rights, insurance or employees' compensation benefits.

4. A consular officer of the sending State shall be entitled to receive for transmission to a national of the sending State who is not a resident of the receiving State any money or other property to which such national is entitled as a consequence of the death of another person, including shares in an estate, payments made pursuant to employees' compensation laws, pension and social benefits systems in general, and proceeds of insurance policies, unless the court, agency, or person making distribution directs that transmission be effected in a different manner. The court, agency, or person making distribution may require that a consular officer comply with conditions laid down with regard to:

(a) presenting a power of attorney or other authorization from such national residing outside the receiving State;

(b) furnishing reasonable evidence of the receipt of such money or other property by such national; and

(c) returning the money or other property in the event he is unable to furnish such evidence.

5. Whenever a consular officer receives any money or other property for transmission to a national of the sending State pursuant to paragraph 4, he shall be subject, with respect to such function, to the laws and to the civil jurisdiction of the authorities of the receiving State in the same manner and the same extent as a national of the receiving State.

ARTICLE 32

1. A consular officer shall be entitled to give assistance to vessels under the flag of the sending State, as well as to their crews, and he may address himself for this purpose to the authorities of the receiving State. A consular officer may, where stipulated by the laws of the sending State, enjoy the right of supervision and inspection of vessels under the flag of that State and their crews, and he may take all measures to assure observance of the laws of the sending State with regard to navigation. For this purpose he may visit vessels and be visited by the masters and crews of vessels of the sending State.

2. Without prejudice to the right of the courts or other authorities of the receiving State to assume jurisdiction over crimes or offenses which disturb the peace or security of the port and to enforce the laws of the receiving State, all measures taken by a consular officer in accordance with the laws of the sending State concerning vessels under the flag of that State and their crews, including the signing on and discharge of the master and members of the crew, as well as the settlement of disputes of all kinds between the master and members of the crew, shall be respected by the authorities of the receiving State. For the execution of such functions, the consular officer may request assistance from competent authorities of the receiving State.

ARTICLE 33

1. If it is the intention of the authorities of the receiving State to arrest or otherwise detain in custody any person on board a vessel under the flag of the sending State who is not a national of the receiving State, including the master or crew member thereof, or to seize any property aboard such a vessel, these authorities, except in cases where it is impossible in practice because of ur-

gency, shall inform a consular officer in time to accord him an opportunity to visit the vessel before these measures are carried out. If it shall be impossible in practice to inform a consular officer in advance, the authorities of the receiving State shall inform him as soon as possible, according him full opportunity to visit and communicate with the arrested or detained person and to take appropriate steps to safeguard the interests of such person or vessel.

2. The provisions of paragraph 1 shall not apply to passport, customs, and health inspection, nor to measures taken by the authorities of the receiving State at the request of the master or with his permission.

ARTICLE 34

1. If a vessel under the flag of the sending State is wrecked or damaged in the territory of the receiving State, or if the continuation of its voyage shall in any way be rendered impossible, the authorities of the receiving State shall inform a consular officer immediately and shall take all practical measures for the preservation and protection of the vessel as well as the persons, cargo and property on board.

2. If the person who represents the interests of a vessel described in paragraph 1 is unable to make necessary arrangements in connection with the vessel or its cargo, a consular officer may make arrangements on his behalf. A consular officer may under similar circumstances take appropriate steps with regard to cargo and other property owned by the sending State or the nationals thereof, which belongs to a wrecked or damaged vessel of other registry, except when the vessel is under the flag of the receiving State.

3. No customs duties shall be levied against a damaged vessel under the flag of the sending State or its cargo or stores unless they are delivered for use in the receiving State.

ARTICLE 35

1. The term "vessel" as used in Articles 32, 33, and 34, means all types of vessels authorized to fly the flag of the sending State, with the exception of warships.

2. The provisions of Articles 32, 33, and 34 shall also apply in relation to civil aircraft and civil aviation to the extent that they are capable of such application.

ARTICLE 36

A consular officer shall be permitted to perform all other consular functions entrusted to him by the sending State, as long as their performance is not contrary to the laws of the receiving State.

ARTICLE 37

A consular establishment may levy in the territory of the receiving State the fees and charges provided by the laws and regulations of the sending State for consular acts.

PART V—FINAL PROVISIONS

ARTICLE 38

1. The present Convention shall be ratified and shall enter into force on the thirtieth day following the date of the exchange of instruments of ratification, which shall take place at Washington as soon as possible.

2. The present Convention shall remain in force until six months from the date on which one of the Contracting Parties gives notice of termination of the Convention in writing to the other Contracting Party.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed the present Convention and have affixed thereto their seals.

DONE in Warsaw on May 31, 1972, in two copies, each in the English and Polish languages, both texts having the same force.

For the Government of the United States of America:

WILLIAM P. ROGERS

For the Government of the Polish People's Republic:

STEFAN OLSZOWSKI

FIRST PROTOCOL TO THE CONSULAR CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC

At the time of signing of the Consular Convention of this day between the Government of the United States of America and the Government of the Polish People's Republic, the undersigned Plenipotentiaries, duly authorized, have further agreed on the following provisions:

Without derogation of such additional rights and benefits as the sending State may be entitled with respect to its diplomatic and other official property on the territory of the receiving State, the provisions of Articles 9, 16, and 18 of the Consular Convention shall apply likewise with respect to movable and immovable property, including residences, owned or likewise held by the sending State and used for:

(a) diplomatic purposes, including those of permanent missions to international organizations; and

(b) for information and cultural activities not conducted within diplomatic missions or consular establishments.

The present Protocol constitutes an integral part of the aforesaid Consular Convention between the Government of the United States of America and the Government of the Polish People's Republic.

DONE in Warsaw on May 31, 1972, in two copies, each in the English and Polish languages, both texts being equally authentic.

For the Government of the United States of America:

WILLIAM P. ROGERS

For the Government of the Polish People's Republic:

STEFAN OLSZOWSKI

SECOND PROTOCOL TO THE CONSULAR CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC

At the time of signing of the Consular Convention of this day between the Government of the United States of America and the Government of the Polish People's Republic, the undersigned Plenipotentiaries, duly authorized, have further agreed on the following provisions:

1. It is agreed between the Contracting Parties that the notification to a consular officer of the detention or arrest of a national of the sending State not admitted to permanent residence in the receiving State, specified in Paragraph 2 of Article 29 of the Consular Convention, shall take place within three days from the time of detention or arrest.

2. It is agreed between the Contracting Parties that the notification to a consular officer of the detention or arrest of a national of the sending State admitted to permanent residence in the receiving State, specified in Paragraph 2 of Article 29 of the Consular Convention, shall take place within three days from the time of the request of such national that the consular officer be notified.

3. It is agreed between the Contracting Parties that the right to visit, specified in Paragraph 3 of Article 29 of the Consular Convention, shall be accorded to the consular officer within four days from the time of detention or arrest of any national of the sending State.

The present Protocol constitutes an integral part of the aforesaid Consular Convention between the Government of the United States of America and the Government of the Polish People's Republic.

DONE in Warsaw on May 31, 1972, in two copies, each in the English and Polish language, both texts equally authentic.

For the Government of the United States of America:

WILLIAM P. ROGERS

For the Government of the Polish People's Republic:

STEFAN OLSZOWSKI

EXCHANGE OF NOTES CONCERNING POLISH CITIZENSHIP LAW AND PROCEDURAL PRACTICE

No. 37.

The Embassy of the United States of America refers to the talks held between representatives of the Embassy and representatives of the Ministry of Foreign Affairs of the Polish People's Republic on the subject of reducing the possibilities of misunderstanding in the application of the citizenship laws of both countries, and has the honor to request that factual data related to the basic provisions of the citizenship law be conveyed and that points of procedural practice be explained.

1. In particular, the Embassy requests information concerning the formalities related to obtaining Polish recognition of loss of the citizenship of the Polish People's Republic by persons who have been naturalized abroad. The basic elements of this explanation of the Polish practice should contain information on the procedure to be followed by naturalized United States citizens to renounce nationality of the Polish People's Republic or obtain recognition of United States citizenship at Polish consular posts abroad, on the period normally required to complete these procedures, and the time at which loss of citizenship of the Polish People's Republic or recognition of the United States citizenship takes legal effect in Poland.

2 The Embassy also requests information concerning Polish interpretation of citizenship status during the temporary or permanent residence in Poland of persons mentioned in paragraph 1. It would also be helpful to have information about the types of identification documents issued to aliens residing in Poland who possess foreign passports and to aliens residing in Poland who do not possess foreign documentation, as distinguished from the documentation issued to citizens of the Polish People's Republic.

The Embassy also requests confirmation of its understanding that naturalized United States citizens whose United States citizenship has been legally recognized by the Polish authorities may reacquire the citizenship of the Polish People's Republic only through application for citizenship and official acceptance of this application by the appropriate Polish authorities.

The Embassy avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurances of its high consideration.

WARSAW, *May 31, 1972.*

(Translation)

Nr D.Kons.II.213/16/72.

The Ministry of Foreign Affairs of the Polish People's Republic presents its compliments to the Embassy of the United States of America and in reply to note No. 37, of May 31, 1972, has the honor to convey the following information:

1. According to Article 13 of the Law of February 15, 1962 concerning Polish citizenship/Dziennik Ustaw No. 10, poz. 49/ a Polish citizen may acquire foreign citizenship only by obtaining permission to change citizenship, issued by the appropriate Polish authorities. According to paragraph 1 Article 16 of that Law the appropriate authority is the Council of State. However, in regard to persons who reside abroad, the Council of State, on the basis of paragraph 3 of the cited Article, authorized the Minister of For-

eign Affairs to grant permission to change citizenship, and also concurred in the transfer of this authorization by the Minister of Foreign Affairs to some Heads of Consular Posts, including the Head of the Consular Division of the Embassy of the Polish People's Republic in Washington, D.C., as well as the Consul General of the Polish People's Republic in Chicago, in regard to persons who already acquired foreign citizenship.

In these circumstances, the Polish citizen residing in the United States and holding citizenship of that State acquired through naturalization, may apply for permission to change Polish citizenship to United States citizenship by submitting appropriate application to the Head of the territorially proper Consular Post of the Polish People's Republic in the United States of America. Such application should be personally signed by the person in question, should contain the main elements of his curriculum vitae, and should give reasons for changing citizenship.

Practically, in a substantial majority of the cases involving persons who besides their Polish citizenship hold also United States citizenship, this procedure is simplified and the decision is taken by the Head of a Consular Post within the period of two to three weeks. In the remaining cases, which are not numerous, this procedure may last longer due to the necessity to submit the matter to the Minister of Foreign Affairs. In any case the loss of citizenship of the Polish People's Republic in regard to the above mentioned persons takes place on the day of issuance of the decision on permission to change citizenship of the Polish People's Republic to citizenship of the United States of America. From that date the Polish authorities consider the person in question as a foreign citizen only.

Polish citizens who acquired a foreign citizenship during the period of validity of the Law on citizenship of the Polish State of January 20, 1920, that is to say, until January 18, 1951, automatically lost Polish citizenship upon acquisition of the foreign citizenship except in the circumstances described in that law and other provisions related to it.

2. Persons who were permitted to change the citizenship of the Polish People's Republic to the citizenship of the United States of America, in accordance with the procedure described in paragraph 1, are considered as aliens holding exclusively the citizenship of the United States of America during their temporary or permanent residence in Poland. The Polish authorities issue to such persons having permanent residence in Poland special documents called "cards of permanent residence". Naturalized United States citizens who were permitted to change the citizenship of the Polish People's Republic to the citizenship of the United States of America may reacquire the citizenship of the Polish People's Republic only and exclusively by submitting to the Council of State of the Polish People's Republic individual applications for granting citizenship of the Polish People's Republic as provided by Article 8 of the Law of February 15, 1962 concerning Polish citizenship/Dziennik Ustaw No. 10, poz. 49/. Such applications should be sent through the intermediary of the praesidia of people's councils on the county (powiat) level.

The Ministry of Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its high consideration.

WARSAW, *May 31, 1972.*

CXIX——604—Part 8

EXCHANGE OF NOTES CONCERNING PERSONS ENTERING THE POLISH PEOPLE'S REPUBLIC OR THE UNITED STATES OF AMERICA FOR TEMPORARY VISITS

EMBASSY OF THE UNITED STATES OF AMERICA,

Warsaw, May 31, 1972.

Note No. 38.

His Excellency ROMUALD SPASOWSKI,
Vice Minister of Foreign Affairs,
Warsaw.

EXCELLENCY: With reference to the signature today of the Consular Convention between the Government of the United States of America and the Government of the Polish People's Republic, I have the honor to confirm that both Parties have agreed to the following provisions:

1. Persons entering the Polish People's Republic for temporary visits on the basis of United States passports containing Polish entry visas will, in the period for which temporary visitor status has been accorded (in conformity with the visa's validity), be considered United States citizens by the appropriate Polish authorities for the purpose of ensuring the consular protection provided for in Article 29 of the Convention and the right of departure without further documentation, regardless of whether they may possess the citizenship of the Polish People's Republic.

2. Persons entering the United States of America for temporary visits on the passports of the Polish People's Republic containing United States entry visas will, in the period for which temporary visitor status has been accorded, be considered Polish citizens by the appropriate authorities of the United States of America for the purpose of ensuring the consular protection provided for in Article 29 of the Convention and the right of departure without further documentation, regardless of whether they may possess the citizenship of the United States of America.

3. Persons mentioned in paragraphs 1 and 2 do not lose the right to consular protection and the right of departure without further documentation if the period for which temporary visitor status has been accorded to these persons expired during judicial or administrative proceedings which prevented their voluntary departure.

I avail myself of this opportunity to renew to Your Excellency the assurances of my high consideration.

WALTER J. STOESSEL, Jr.

(Translation)

Warsaw, May 31, 1972.

Mr. D. KONS. II/213/15/7.

His Excellency WALTER J. STOESSEL, Jr., *Ambassador Extraordinary and Plenipotentiary of the United States of America, Warsaw.*

EXCELLENCY: With reference to the signature today of the Consular Convention between the Government of the Polish People's Republic and the Government of the United States of America, I have the honor to confirm that both Parties have agreed to the following provisions:

1. Persons entering the Polish People's Republic for temporary visits on the basis of United States passports containing Polish entry visas will, in the period for which temporary visitor status has been accorded (in conformity with the visa's validity), be considered United States citizens by the appropriate Polish authorites for the purpose of ensuring the consular protection provided for in Article 29 of the Convention and the right of departure without further documentation, regardless of whether they may possess the citizenship of the Polish People's Republic.

2. Persons entering the United States of America for temporary visits on the passports of the Polish People's Republic containing United States entry visas will, in the period for which temporary visitor status has been accorded be considered Polish citizens by the appropriate authorities of the United States of America for the purpose of ensuring the consular protection provided for in Article 29 of the Convention and the right of departure without further documentation, regardless of whether they may possess the citizenship of the United States of America.

3. Persons mentioned in paragraphs 1 and 2 do not lose the right to consular protection and the right of departure without further documentation if the period for which temporary visitor status has been accorded to these persons expired during judicial or administrative proceedings which prevented their voluntary departure.

I avail myself of this opportunity to renew to Your Excellency the assurances of my high consideration.

(Signed) R. SPASOWSKI.

The Senate, as in Committee of the Whole, proceeded to consider Executive V, 92d Congress, 2d session, the Consular Convention with Romania, which was read the second time, as follows:

CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE SOCIALIST REPUBLIC OF ROMANIA

The United States of America and the Socialist Republic of Romania, desirous of regulating consular relations between the two countries and of thus contributing to the development of their relations of friendship on the basis of respect for the principles of sovereignty and national independence, non-interference in internal affairs, equality in rights, and reciprocal advantage, have decided to conclude a consular convention and for that purpose have appointed their plenipotentiaries:

The President of the United States of America;

Mr. William P. Rogers, Secretary of State

The President of the Council of State of the Socialist Republic of Romania:

Mr. Corneliu Manescu, Minister of Foreign Affairs who, having communicated to each other their full powers, found to be in good and due form, have agreed as follows:

ARTICLE 1. DEFINITIONS

For the purpose of this Convention, the terms introduced hereunder shall have the following meaning:

(a) "consular establishment" means any consulate general, consulate, vice consulate or consular agency;

(b) "consular district" means the territory assigned to a consular establishment for the exercise of consular functions;

(c) "the head of the consular establishment" means the consul general, consul, vice consul, or consular agent directing the consular establishment;

(d) "consular officer" means any person authorized to perform consular functions, including the head of the consular establishment;

(e) "consular employee" means any person employed in administrative, technical, or service functions of the consular establishment;

(f) "consular premises" means the buildings or parts of buildings and the land ancillary thereto which are used exclusively for the purposes of the consular establishment;

(g) "members of the family" means the spouse, minor children and other relatives of a consular officer or consular employee, who form part of his household;

(h) "vessel" means any ship flying the flag of the sending state except warships;

(i) "law" means the laws, decrees, regulations, ordinances and similar provisions having the force of law.

ARTICLE 2. ESTABLISHMENT OF CONSULAR POSTS

1. Either High Contracting Party may, under the present Convention, establish consular establishments in the territory of the other High Contracting Party; the establishment of a consular establishment shall, in each case, be subject to the consent of the receiving state.

2. The location in which a consular establishment will be established, its classification, and the area of the consular district, as well as any subsequent change thereof, shall be fixed by agreement between the sending state and the receiving state.

ARTICLE 3. HEADS OF CONSULAR ESTABLISHMENTS

1. Before the head of a consular establishment is appointed, the sending state shall, through diplomatic channels, obtain the consent of the receiving state for that person.

2. The sending state shall, through diplomatic channels, transmit the consular commission of the head of the consular establishment to the receiving state.

3. The consular commission shall include the full name of the head of the consular establishment, his class, the consular district, and the location and classification of the consular establishment concerned.

4. The head of a consular establishment shall enter upon the exercise of his consular functions only after receipt of an exequatur or other authorization of the receiving state.

5. The receiving state may grant the head of the consular establishment provisional recognition to exercise his consular functions pending the receipt of his exequatur or other authorization.

ARTICLE 4. ACTING CHIEFS

1. In the event the head of a consular establishment is unable to exercise his functions or if the position is vacant, the consular establishment may be placed under the temporary charge of a consular officer of the consular establishment concerned, of another consular establishment of the sending state located in the territory of the receiving state, or of a member of the diplomatic staff of the diplomatic mission of the sending state to the receiving state. The receiving state shall be notified in advance of the full name of the person appointed as acting head.

2. While the acting head is in charge of the consular establishment, the provisions of the present Convention shall apply to him on the same basis as to the head of the consular establishment concerned.

ARTICLE 5. CONSULAR OFFICERS AND CONSULAR EMPLOYEES

1. The sending state may staff its consular establishments with the number of consular officers and consular employees it considers necessary. The receiving state, however, may request that the number of such officers and employees be kept within limits considered by it to be reasonable and normal, having regard to existing circumstances and conditions in the consular district and to the needs of the particular consular establishment.

2. The sending state shall communicate in advance to the receiving state the full name and class of each consular officer other than the head of the consular establishment, as well as the full names and the duties of the consular employees.

3. Consular officers must be nationals of the sending state and must not have been admitted for permanent residence in the receiving state. However, nationals of the sending state, who, in accordance with the law of the receiving state, are also nationals of the latter, may be appointed as consular officers only with the consent of the receiving state.

4. Consular officers and consular employees who are nationals of the sending state may not carry on any other profession or undertake any activity for personal profit on the territory of the receiving state.

5. The receiving state shall, upon request, issue for each consular officer a document attesting to his consular capacity.

ARTICLE 6. PROCEDURES FOR TERMINATING THE ACTIVITIES OF CONSULAR OFFICERS AND CONSULAR EMPLOYEES

1. The receiving state may at any time, and without having to explain its decision, notify the sending state through diplomatic channels that a consular officer in *persona non grata* or that a consular employee is unacceptable. In such case, the sending state shall recall the consular officer or terminate the activities of the consular employee.

2. If the sending state refuses to fulfill this obligation within a reasonable period of time, the receiving state may, in the case of the head of the consular establishment, withdraw his exequatur or other authorization, or, in the case of another consular officer or of a consular employee, pursuant to notification to the sending state through diplomatic channels of the decision taken, cease to recognize that person in such a capacity.

ARTICLE 7. THE EXERCISE OF CONSULAR FUNCTIONS

1. Consular functions are exercised for the protection of the rights and interests of the sending state and of its nationals in relations with the receiving state, for the development of commercial, economic, cultural and scientific relations, and for furthering any other type of friendly relations between the two states.

2. Consular functions shall be exercised by consular officers of the sending state; they may also be exercised by members of the diplomatic staff of the diplomatic mission of the sending state in the receiving state. The full names of the members of the diplomatic staff who will perform consular functions shall be notified in advance to the receiving state. Except as otherwise provided in this Convention, members of the diplomatic staff of the sending state who have been notified to the receiving state as performing consular functions shall continue to enjoy their diplomatic privileges and immunities.

3. Consular functions are exercised within the limits of the consular district. The exercise of consular functions outside the consular district will be done only with the prior consent of the receiving state.

ARTICLE 8. FUNCTIONS RELATING TO RECORDS, REPRESENTATION OF NATIONALS, AND THE ISSUANCE OF VISAS

Consular officers have the right to:

(a) keep a register of nationals of the sending state who are domiciled in or are residents of their consular district;

(b) issue and amend passports and other travel documents to nationals of the sending state and visas to persons who wish to travel in the sending state;

(c) assure representation for nationals of the sending state before the judicial and other authorities of the receiving state, for the purpose of obtaining provisional measures for the preservation of the rights and interests of such nationals, to the extent that this is consistent with the law of the receiving state;

(d) request and receive copies of or extracts from documents of public registry;

(e) inquire of local authorities on behalf of a national of the sending state concerning his welfare, property, or other interests.

ARTICLE 9. TRANSMITTAL AND RECEIPT OF DOCUMENTS

1. Consular officers have the right to serve, in a manner not inconsistent with the law of the receiving state, upon nationals of the sending state who are on the territory of the receiving state, official documents which are from authorities of the sending state.

2. Consular officers shall have the right to receive on a voluntary basis from nationals of the sending state declaration intended for judicial or administrative procedure in the sending state in accordance with international agreements in force or, in the absence of such international agreements, in any other manner compatible with the law of the receiving state.

ARTICLE 10. NOTABLE FUNCTIONS

1. Consular officers shall be entitled, upon request, to act as notary and in capacities of a similar kind, and to perform certain functions of an administrative nature, provided that there is nothing contrary thereto in the law of the receiving state.

2. The acts and documents resulting from the exercise of the functions described in paragraph 1 of this Article shall have in the receiving state the same force and effect as though they were done, authenticated, or certified by the competent authorities of the receiving state, provided that there is nothing contrary thereto in the law of the receiving state.

ARTICLE 11. FUNCTIONS RELATING TO VITAL STATISTICS

Consular officers are entitled to keep a register of births and deaths of nationals of the sending state and to issue certificates relating thereto. However, the provisions of this Article do not exempt any person from the obligations he may have under the law of the receiving state to notify the authorities of that state concerning births and deaths.

ARTICLE 12. FUNCTIONS RELATING TO ESTATES

1. Consular officers may perform in estates matters the following functions:

(a) safeguarding the interests of nationals, both individuals and bodies corporate, of the sending state in cases of succession *mortis causa* in the territory of the receiving State;

(b) subject to the practices and procedures obtaining in the receiving State, representing or arranging appropriate representation for national of the sending State before the tribunals and other authorities of the receiving State, for the purpose of obtaining, in accordance with the law of the receiving State, provisional measures for the preservation of the rights and interests of these nationals, where, because of absence or any other reason, such nationals are unable at the proper time to assume the defense of their rights and interests.

2. The competent authorities of the receiving State, if they have knowledge, shall without delay inform the consular establishment of the sending State, regarding:

(a) the existence of an estate left by a national of the sending State who died in the receiving State;

(b) the existence of an estate to which a national of the sending State who is not permanently resident in or represented in the receiving State has or claims an interest as legal inheritor, executor, or testamentary beneficiary, or with any other title.

3. In case a national of the sending State dies while located temporarily in or in transit through the territory of the receiving State, his personal effects, other than those acquired in the receiving State the export of which is prohibited at the time of his death, as well as sums of money left by him, shall be turned over to the consular establishment

of the sending State with provisional title and without any formality.

ARTICLE 13. FUNCTIONS RELATING TO MARITIME AND RIVER NAVIGATION

1. Consular officers are entitled to extend aid and assistance to vessels of the sending State which enter a port within their consular district.

2. Consular officers are entitled to communicate with the crews of vessels of the sending State, visit the vessels, verify and confirm the vessel's papers and the documents relating to the cargo and, in general, see that the shipping law of the sending State is complied with. To the extent it does not violate the law of the receiving State, consular officers may likewise take the necessary measures to ensure order and discipline on such vessels.

3. In case of damage, stranding or shipwreck in the national or territorial waters of the receiving State of a vessel of the sending State, the competent authorities of the receiving State shall promptly notify the consular establishment and inform it of measures taken for the rescue and protection of the vessel, its crew, passengers, cargo and stores. To the extent authorized by the law of the receiving State, these authorities shall facilitate the cooperation of consular officers of the sending State in these measures and the attendance of consular officers at any proceedings which are convened as a result of the damage, stranding, or shipwreck. Consular officers may request the authorities of the receiving State to take additional measures for the rescue and protection of the vessel, its crew, passengers, cargo and stores.

4. If the owner of the vessel or any other person authorized to act for him is not in a position to make the necessary arrangements in connection with the damaged, stranded or shipwrecked vessel, or its cargo or stores, the consular officers may make the necessary arrangements on the owner's behalf. The consular officers may under similar circumstances make appropriate arrangements in connection with the cargo or stores owned by the sending State or by nationals of the sending State which are found or brought into port from any stranded or shipwrecked vessel. No customs duties of any kind shall be levied against a shipwrecked vessel of the sending State or for its cargo or stores, provided that these are removed from the receiving State.

5. In case the competent authorities of the receiving state intent to take measures of attachment, forced sale, or detention against vessels of the sending state, they shall inform the consular establishment in advance so that a consular officer may be present when such measures are taken. If, because of the urgency of the matter, it has not been possible to inform the consular establishment, and the consular officer was not present when the measures were taken, the authorities of the receiving state shall promptly inform the consular establishment of measures taken. The consular establishment shall also be informed of the interrogation of any members of a vessel's crew by the authorities of the receiving state.

6. The provisions of paragraph 5 of this Article do not apply to customs, passport, or sanitary inspections.

ARTICLE 14. FUNCTIONS RELATING TO CIVIL AVIATION

The provisions of Article 13 shall also apply, to the extent that they are capable of such application, to civil aircraft and civil aviation, provided that this is not contrary to the provisions of any agreements in force between the High Contracting Parties.

ARTICLE 15. OTHER CONSULAR FUNCTIONS

Consular officers may exercise any other consular function, of the nature of those provided for in Articles 8–14 of the present Convention or of any other nature, entrusted to the consular establishment by the sending state, which are not prohibited by the law of the receiving state or to which no objection is taken by the receiving state or which are provided for in international agreements in force between the sending state and the receiving state.

ARTICLE 16. USE OF THE COAT OF ARMS AND FLAG OF THE SENDING STATE AND OF THE INSCRIPTION DESIGNATING THE CONSULAR POST

1. The coat of arms of the sending state, with the inscription designating the consular establishment, may be affixed at the consular premises.

2. The flag of the sending state may be flown at the consular premises, at the residence of the head of the consular establishment, as well as on his means of transportation used in the performance of his official activity.

ARTICLE 17. ASSISTANCE IN PROCURING PREMISES AND RESIDENCES

1. The receiving state shall either facilitate the acquisition on its territory, in accordance with its law, by the sending state, of the premises necessary for the consular establishment, or shall assist the sending state in obtaining accommodation in some other way.

2. The receiving state shall also, where necessary, assist the consular establishment in obtaining suitable residences for its consular officers and consular employees.

ARTICLE 18. INVIOLABILITY OF CONSULAR PREMISES AND OF THE RESIDENCE OF THE HEAD OF THE CONSULAR ESTABLISHMENT

1. The consular premises and the residence of the head of the consular establishment shall be inviolable. The authorities of the receiving state may not enter the consular premises or the residence of the head of the consular establishment, except with the consent of the head of the consular establishment, or the chief of the diplomatic mission of the sending state, or of another person empowered by them.

2. The receiving state has a special obligation to take all appropriate measures to protect the consular premises against willful damage or intrusion, as well as against disturbance of the peace of the premises or impairment of its dignity.

3. The consular premises, their furnishings, the property of the consular establishment and its means of transport shall be immune from any form of requisition for purposes of national defense or public utility. If expropriation is necessary for such purposes, all possible steps shall be taken to avoid impeding the performance of consular functions, and prompt, adequate and effective compensation shall be paid to the sending state.

ARTICLE 19. FISCAL EXEMPTIONS RELATING TO PREMISES AND RESIDENCES

1. Lands and buildings situated in the territory of the receiving state which are owned by the sending state or are leased by it for the requirements of a consular establishment, or as residences for the consular officers or consular employees, shall be exempt from all taxes and charges in the receiving state, with the exception of charges for special services rendered.

2. The exemptions referred to in paragraph 1 of this Article shall not apply if, under the law of the receiving state, such taxes and charges are payable by the person who contracted with the sending state or with the person acting on its behalf.

ARTICLE 20. INVIOLABILITY OF CONSULAR ARCHIVES

Consular archives and documents are inviolable at all times and wherever they may be.

ARTICLE 21. FREEDOM OF COMMUNICATION

1. The receiving state shall permit and protect freedom of communication for official purposes between the consular establishment and the sending state, as well as with the diplomatic missions and other consular establishments of that state wherever situated.

2. In the course of its consular communications, the consular establishment has the right to use diplomatic or consular couriers, the diplomatic or consular pouch, all public means of communication, and messages in clear language or in code or cipher.

3. The official correspondence of the consular establishment, regardless of the means of communication used, and the consular pouch are inviolable. The consular pouch shall not be opened or detained. Nevertheless, if the competent authorities of the receiving state have serious reason to believe that the pouch contains something other than official correspondence, documents and the items described in paragraph 4 of this Article, they may request that the pouch be opened in their presence by an authorized representative of the sending state. If this request is refused by the authorities of the sending state, the pouch shall be returned to its place of origin.

4. The consular pouch or its packages, if it is composed of several packages, must be sealed, must have visible external marks of their official character, and must contain only official correspondence or documents and objects destined for the exclusive use of the consular establishment.

5. The consular courier may not be a national of the receiving state or an alien admitted for permanent residence in that state. He must possess an official document which indicates his capacity and the number of packages of which the consular pouch is composed. In the exercise of his functions, the consular courier is protected by the receiving state. He enjoys personal inviolability.

ARTICLE 22. PROTECTION OF NATIONALS OF THE SENDING STATE

1. In all instances when a national of the sending state is placed under any form of deprivation or limitation of personal freedom, the competent authorities of the receiving state shall inform the consular establishment of the sending state without delay and, in any event, not later than after two days.

2. The consular officer has the right to receive correspondence or other communications from a national who is under any form of deprivation or limitation of personal freedom and to take appropriate measures to assure him legal assistance and representation. Likewise, the consular officer has the right to visit him, to hold discussions, and to communicate with him. These visits shall take place as soon as possible, but in any event they shall not be refused after the lapse of a four-day period from the date when he was placed under any form of deprivation or limitation of personal freedom

3. The competent authorities of the receiving state shall, without delay, inform the national of the sending state about the right accorded him by this Article to communicate with a consular officer.

4. The rights referred to in paragraph 2 of this Article shall be exercised in conformity with the law of the receiving state, subject to the proviso, however, that the said law must enable full effect to be given to the purposes for which the rights accorded under this Article are intended.

ARTICLE 23. COMMUNICATION WITH THE AUTHORITIES OF THE RECEIVING STATE

In the exercise of the functions provided for in the present Convention, consular officers may communicate with:

(a) the competent state or local authorities of their consular district;

(b) the federal authorities of the receiving state, to the extent this is permissible under the law and custom of the receiving state.

ARTICLE 24. FREEDOM OF MOVEMENT

Subject to its law regarding zones in which access is prohibited or regulated for reasons of national security, the receiving state shall assure members of the consular establishment freedom of travel and movement in its territory.

ARTICLE 25. CONSULAR CHARGES AND FEES

1. The consular establishment may levy, in the territory of the receiving state, charges and fees prescribed for consular services by the law of the sending state.

2. The sums collected in accordance with paragraph 1 of this Article are exempt from any taxes and dues in the receiving state.

ARTICLE 26. FACILITIES ACCORDED CONSULAR OFFICERS AND CONSULAR EMPLOYEES

The receiving state shall take the necessary measures to ensure that consular officers and consular employees will be able to carry out their functions and duties, respectively, and enjoy the immunities and privileges accorded by the present Convention and by the law of the receiving state.

ARTICLE 27. PROTECTION ACCORDED CONSULAR OFFICERS

The receiving state shall treat consular officers with the respect due their office and shall take all appropriate steps to prevent any injury to their person, freedom or dignity.

ARTICLE 28. JURISDICTIONAL IMMUNITY AND PERSONAL INVIOLABILITY OF THE HEAD OF THE CONSULAR ESTABLISHMENT AND OR MEMBERS OF HIS FAMILY

1. The head of the consular establishment shall not be subject to the criminal, civil or administrative jurisdiction of the receiving state, except in respect of a civil action:

(a) arising out of a contract concluded by the head of the consular establishment in which he did not contract expressly or impliedly on behalf of the sending state;

(b) brought by a third party for damage resulting from an accident in the receiving state, caused by a vehicle, vessel or aircraft.

(c) The person of the head of the consular establishment shall be inviolable. No measure of execution may be taken against him, except where the provisions of sub-paragraph (a) or (b) of paragraph 1 of this Article apply and then only when the execution can be carried out without prejudice to the inviolability of his person or residence.

3. The members of the family of the head of the consular establishment shall be accorded personal inviolability and immunity from criminal jurisdiction in the receiving state, provided that they are not nationals of or permanently resident in the receiving state, and are not engaged in private occupation for gain in that state.

ARTICLE 29. JURISDICTIONAL IMMUNITY AND PERSONAL INVIOLABILITY OF THE MEMBERS OF THE CONSULAR ESTABLISHMENT

1. Consular officers and consular employees shall enjoy immunity from the criminal, civil and administrative jurisdiction of the receiving state in respect of acts performed by them within the scope of their official duties.

2. The provisions of pargraph 1 of this Article shall not, however, apply in respect of a civil action:

(a) arising out of a contract concluded by a consular officer or a consular employee in which he did not contract expressly or impliedly as an agent of the sending state;

(b) by a third party for damage arising from an accident in the receiving state caused by a vehicle, vessel or aircraft.

3. With respect to activities carried on apart from the functions of their office, consular officers shall not be subject to:

(a) measures of preventive restraint or detention, unless they commit a crime in the territory of the receiving state for which the law of that state provides a maximum penalty of five years or more deprivation of freedom and then only on the basis of a warrant issued by the competent judicial authorities of the state;

(b) any other measures of deprivation of freedom, except in the execution of a final judicial judgment.

4. When criminal proceedings are instituted against a consular officer, he must appear before the competent authorities of the receiving state. In such case, the proceedings shall be instituted in the shortest period of time possible and shall be conducted with the respect due him by reason of his official position and, except in the case specified in paragraph 3 of this Article, in a manner which will hamper as little as possible the exercise of consular functions.

5. In case any measures of deprivation of freedom are taken against a consular officer or a member of his family or against a consular employee, the competent authorities of the receiving state shall, without delay, inform the head of the consular establishment of the sending state of this.

ARTICLE 30. GIVING OF EVIDENCE AND EXPERT OPINIONS

1. Consular officers, other than the head of the consular establishment, and consular employees may be called upon by the competent authorities of the receiving state to give evidence in the course of judicial or administrative proceedings. If a consular officer refuses to appear or to give evidence, no coercive measures or other penalty shall be applied to him. Consular employees may not refuse to testify as witnesses except in the cases mentioned in paragraph 3 of this Article.

2. The authority requiring the evidence shall avoid interference with the consular officer in the performance of his functions. It may take such evidence at the consular establishment or at the residence of the consular officer or accept a statement from him in writing, whenever this is possible and permitted. In the case of a consular employee, the authority requiring the evidence shall take all appropriate measures to avoid interfering with his activities.

3. Consular officers and consular employees are not obliged to give evidence concerning matters connected with the exercise of their functions and are not obliged to produce official documents and material from the consular archives. They are also entitled to refuse to give evidence as expert witnesses with regard to the law of the sending state.

4. Consular officers called upon to give evidence may make a declaration without taking an oath.

ARTICLE 31. EXEMPTION FROM PERSONAL SERVICES AND OTHER OBLIGATIONS

Consular officers and consular employees, and members of their families who are not nationals of the receiving state and who are not aliens lawfully admitted for permanent residence in the receiving state, shall be exempt in the receiving state from obligations and services of a military nature, from any kind of compulsory services, and from any contributions that may be due in lieu thereof. They shall likewise be exempt from obligations relating to the registration of aliens, from obtaining permission to reside, and from compliance with other similar obligations applicable to aliens.

ARTICLE 32. EXEMPTION FROM CUSTOMS DUTIES AND INSPECTION

1. The receiving state shall permit the importation or exportation into or from its territory of articles intended for:

(a) the official use of the consular establishment;

(b) the personal use of consular officers and consular employees, and members of their families who are not nationals of the receiving state and who are not aliens lawfully admitted for permanent residence in the receiving state, including goods intended for furnishing their residences. Consumer goods shall not exceed the quantities reasonably necessary for the personal use of those concerned.

2. The receiving state shall exempt the consular establishment and consular officers and consular employees of the sending state from the payment of all customs duties or similar taxes and charges imposed on the articles referred to in paragraph 1 of this Article, or imposed upon the importation or exportation of such articles. The exemption provided by this paragraph does not apply to charges levied for storage, cartage, and other similar services.

3. The personal baggage of consular officers shall be exempted from customs inspection. Such baggage may be inspected only if there are serious reasons to believe that it might contain articles other than those indicated in paragraph 1 of this Article or articles the importation or exportation of which is prohibited by the law of the receiving state. Such an inspection must be carried out in the presence of the consular officer concerned, or of a member of his family, or of another consular officer from the nearest consular establishment of the sending state.

ARTICLE 33. FISCAL EXEMPTIONS

1. Consular officers and consular employees, and members of their families who are not nationals of the receiving state and who are not aliens lawfully admitted for permanent residence in the receiving state, shall be exempt from all dues and taxes, personal or real, national, regional or municipal.

2. The exemptions provided for in paragraph 1 of this Article shall not apply in case of indirect taxes of a kind normally incorporated in the price of goods or services, or in case of estate, inheritance, or gift taxes. Similarly, the exemptions provided for in paragraph 1 of this Article shall not apply in the case of taxes and similar charges relating to:

(a) the acquisition or ownership of private immovable property located in the territory of the receiving state;

(b) income received from sources in the receiving state;

(c) the rendering of specific services.

3. In the event of the death of a consular officer or consular employee, the receiving state shall:

(a) permit the export of the movable property of the deceased and exempt such property from all export taxes and similar charges, with the exception of any such property acquired in the receiving state the export of which is prohibited;

(b) exempt the movable property of the deceased from all estate or inheritance taxes and similar charges if this property is located in the receiving state exclusively in connection with the presence in that state of the deceased as a consular officer or consular employee.

ARTICLE 34. THE BEGINNING AND END OF IMMUNITIES AND PRIVILEGES

1. Consular officers and consular employees shall benefit from the immunities and privileges provided by the present Convention from the moment they cross the border of the receiving state to take up their posts or from the moment they enter on their duties if they are already in its territory.

2. Family members of the persons mentioned in paragraph 1 of this Article shall benefit from the immunities and privileges of this Convention in the following manner:

(a) from the moment the consular officers and consular employees begin to benefit from the immunities and privileges in conformity with paragraph 1 of this Article;

(b) from the moment of crossing the border of the receiving state, if they entered in its territory after the date foreseen by sub-paragraph a of this paragraph;

(c) from the moment they become family members of a member of the consular establishment.

3. When the activities of a consular officer or consular employee have come to an end, his immunities and privileges and also the immunities and privileges of his family shall cease at the moment he leaves the territory of the receiving state or upon the expiration of a reasonable period of time after the termination of his employment.

4. The immunities and privileges of consular employees who are nationals of the receiving state shall come to an end at the state who are permanently resident in the receiving state shall come to an end at the same time they lose their official capacities.

5. The immunities and privileges of family members shall also come to an end from the moment they no longer form part of the family of a consular officer or consular employee. However, if such persons make known that they intend to leave the territory of the receiving state within a reasonable period of time, their immunities and privileges shall remain in force until such time.

6. In the event of the death of a consular officer or consular employee, the members of his family shall continue to enjoy the immunities and privileges which are recognized by this Convention until they leave the territory of the receiving state or until the expiration of a reasonable period of time for this purpose.

ARTICLE 35. RESPECT FOR THE LAW OF THE RECEIVING STATE

Without prejudice to the immunities and privileges of the present Convention the persons enjoying these immunities and privileges must respect the law of the receiving state.

ARTICLE 36. THIRD-PARTY LIABILITY INSURANCE

All vehicles owned by the sending state and used by the consular establishment, and all vehicles belonging to consular officers, consular employees, or members of their families, must be adequately insured against third party risks. In the case of such persons who are nationals of the receiving state or persons admitted to permanent residence in the receiving state, insurance shall be obtained to the extent that insurance is required by the law of that state.

ARTICLE 37. PROVISIONS APPLICABLE TO JURIDICAL ENTITIES

The provisions of this Convention relating to nationals of the sending state shall apply, in like manner, to juridical entities which have the nationality of that state conferred according to its law.

ARTICLE 38. WAIVER OF IMMUNITIES AND PRIVILEGES

1. The sending state may, by a notification through diplomatic channels to the receiving state, waive the immunities and privileges enjoyed by a consular officer or consular employee pursuant to Articles 28, 29 and 30 of the present Convention.

2. Waiver of jurisdictional immunity in a civil or administrative proceeding shall not be regarded as implying a waiver of immunity with respect to the execution of the judgment, for which a separate renunciation is required.

ARTICLE 39. TERMINATION OF 1881 CONVENTION

The present Convention replaces the Consular Convention signed at Bucharest on June 5/17, 1881.

ARTICLE 40. RATIFICATION, ENTRY INTO FORCE, DENUNCIATION

1. The present Convention shall be subject to ratification and the instruments of ratification shall be exchanged at Washington as soon as possible.

2. The present Convention shall enter into force on the thirtieth day following the date of the exchange of the instruments of ratification. It shall remain in force for a term of ten years, and thereafter, unless terminated in accordance with the provisions of paragraph 3 of this Article.

3. Either High Contracting Party may terminate the present Convention at the end of the initial period of ten years or any time thereafter, by notifying the other High Contracting Party in writing, one year in advance.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed this Convention and affixed thereto their seals.

DONE at Bucharest on July 5, 1972, in two original copies in the English and Romanian languages, both texts being equally authentic.

For the United States of America:
WILLIAM P. ROGERS
For the Socialist Republic of Romania:
CORNELIU MANESCU

PROTOCOL TO THE CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE SOCIALIST REPUBLIC OF ROMANIA

At the time of the signing this day, July 5, 1972, of the Consular Convention between the United States of America and the Socialist Republic of Romania, the undersigned Plenipotentiaries, duly authorized, give the following assurances of their Governments in connection with the performance of consular functions in inheritance matters provided for in Article 12 of the Convention, and in connection with the exercise of inheritance rights by nationals of either High Contracting Party in the territory of the other High Contracting Party:

The Government of the United States of America assures the Government of the Socialist Republic of Romania that:

1. there is no Federal law or other legislation barring or restricting the rights of Romanian nationals to receive inheritances in the United States of America and have the sums derived therefrom transferred to them;

2. the courts or other authorities competent in inheritance matters are aware that the Socialist Republic of Romania is not included among the countries enumerated in 31 Code of Federal Regulations 211 to which United States Government checks are not sent, under authority of the Secretary of the Treasury. United States Government checks and warrants issued for any purpose whatsoever are being sent to payees in the Socialist Republic of Romania;

3. it will, should there be occasion for it, inform the courts or other authorities competent in inheritance matters of the assurances given by the Government of the Socialist Republic of Romania through this Protocol.

The Government of the Socialist Republic of Romania assures the Government of the United States of America that:

1. United States nationals may exercise their inheritance rights in the Socialist Republic of Romania on the same conditions as Romanian nationals and may transfer, in dollars or other foreign currency, the sums obtained from such inheritances, at the official rate of exchange with the most favorable premium established in this matter in accordance with Romanian law;

2. Romanian nationals will receive, in full, in dollars or other foreign currency, the sums resulting from estates probated and settled in the territory of the United States of America and transferred to the Socialist Republic of Romania. Insofar as they are not permitted to retain the sums in foreign currency, such sums shall be converted into lei at the official rate of exchange with the most favorable premium established in this matter in accordance with Romanian law;

3. For sums representing inheritance shares received in the United States of America by Romanian heirs, no fees or taxes shall be charged, with the exception of consular fees.

The present Protocol forms an integral part of the Consular Convention between the United States of America and the Socialist Republic of Romania, signed at Bucharest on July 5, 1972.

For the United States of America:
WILLIAM P. ROGERS
For the Socialist Republic of Romania:
CORNELIU MANESCU

The Senate, as in Committee of the Whole, proceeded to consider Executive W, 92d Congress, 2d session, the Consular Convention with Hungary, which was read the second time, as follows:

CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE HUNGARIAN PEOPLE'S REPUBLIC

The President of the United States of America and the Presidential Council of the Hungarian People's Republic;

Motivated by the desire to regulate consular relations and thereby contribute to the development of the relations between the two countries as well as the facilitation of the protection of the rights and interests of their nationals;

Have agreed to conclude a Consular Convention and for this purpose have appointed their Plenipotentiaries:

The President of the United States of America:
WILLIAM P. ROGERS, Secretary of State
The Presidential Council of Hungarian People's Republic:
JANOS PETER, Foreign Minister
Who have agreed on the following:

PART I. DEFINITIONS

ARTICLE 1

For the purposes of this Convention:

(1) the term "consulate" shall mean any consulate-general, consulate, vice-consulate or consulate agency;

(2) the term "consular officer" shall mean any person, including the head of a consulate, who has been appointed as such in accordance with the provisions of the Convention, and charged with the performance of consular duties;

(3) the term "consular employee" shall mean any person employed in the administrative, technical or domestic service of a consulate and notified as such to the receiving State in conformity with Article 5(1);

(4) the term "vessel of the sending State" shall mean any vessel registered in the sending State.

PART II. ESTABLISHMENT OF CONSULATES AND CONSULAR APPOINTMENTS

ARTICLE 2

(1) The establishment of a consulate by the sending State in the territory of the receiving State shall be subject to the consent of the latter State.

(2) The sending and receiving States shall determine by agreement the seat of the consulate, its classification and the consular district.

ARTICLE 3

(1) Prior to the appointment of the head of the consulate of the sending State it shall, through diplomatic channels, request the approval of the receiving State.

(2) The head of a consulate may enter upon the performance of his duties as soon as he receives an exequatur or other authorization from the receiving State after the

presentation of his consular commission or other document of appointment.

(3) The consular commission or other document of appointment shall specify the full name of the head of the consulate, his rank, the consular district and the seat of the consulate.

(4) After the presentation of the consular commission or other document of appointment, the receiving State shall issue to the head of the consulate the exequatur or other authorization as soon as possible and free of charge. A State which refuses to grant an exequatur or other authorization shall not be obliged to give the sending State reasons for such refusal.

(5) Pending delivery of the exequatur or other authorization, the head of a consulate may be admitted on a provisional basis to the performance of his duties.

(6) The authorities of the receiving State when granting the exequatur or other authorization or when granting their provisional approval, shall undertake the measures necessary in order that the head of the consulate may perform his tasks.

ARTICLE 4

(1) If the head of a consulate is unable for any reason to act as such or if the post is temporarily vacant, the sending State may appoint a consular officer belonging to the same consulate or to another consulate in the receiving State or a member of the diplomatic staff of its diplomatic mission in that State to act temporarily in his place. The name of the person concerned shall be notified as soon as possible to the ministry of foreign affairs of the receiving State.

(2) Such acting officer shall be accorded the same rights, privileges and immunities and shall be subject to the same obligations as if he had been appointed under Article 3.

(3) If, in accordance with the provisions of paragraph (1) of this Article, a member of the diplomatic staff of the diplomatic mission of the sending State is charged temporarily with heading the consulate, this assignment shall not affect his diplomatic privileges and immunities.

ARTICLE 5

(1) In the case of a consular officer to whom Article 3 does not apply, as well as in the case of a consular employee, the sending State shall notify in advance through the diplomatic channel the ministry of foreign affairs of the receiving State of the name, nationality, rank and function of the officer or employee.

(2) The receiving State shall, upon the request of the sending State, issue for each consular officer included in the provisions of paragraph (1) a document recognizing his right to exercise consular functions.

ARTICLE 6

(1) (a) A consular officer shall be a national of the sending State and not a national or a permanent resident of the receiving State.

(b) A consular employee may be a national of the sending State, a national of the receiving State or a National of a third State.

(2) The prior consent of the receiving State shall be required in the following cases:

(a) any appointment of a national of the sending State if the person concerned has already been authorized to enter, or reside in, the receiving State for other purposes. This limitation shall not apply, however, in the case of a person who is already a member of the staff of a consulate, or of the diplomatic mission, of the sending State in the receiving State;

(b) the appointment as a consular employee of a national or a permanent resident of the receiving State or a national of a third State.

ARTICLE 7

The receiving State may at any time and without having to explain the reason for its decision, notify the sending State through the diplomatic channel that a consular officer or consular employee is unacceptable. The sending State shall thereupon cancel the appointment of the person concerned, or recall him, or terminate his duties at the consulate. If the sending State fails to carry out this obligation within a reasonable period, the receiving State may, in the case of the head of a consulate, withdraw the exequatur or other authorization or, in the case of a consular officer or consular employee, decline to continue to recognize him in such capacity.

PART III. FACILITIES, PRIVILEGES AND IMMUNITIES

ARTICLE 8

(1) The receiving State shall treat a consular officer with due respect and shall take all appropriate steps to prevent any attack on his person, freedom or dignity, or that of any member of his family residing with him.

(2) The receiving State is under a special duty to take all appropriate steps to protect the consular premises and the residence of a consular officer against any intrusion or damage and to prevent any disturbance of the peace of the consulate or impairment of its dignity.

ARTICLE 9

(1) The receiving State shall either facilitate the acquisition on its territory, in accordance with its laws and regulations, by the sending State of premises necessary for its consulate or assist the sending State in obtaining accommodations in some other way.

(2) It shall also, where necessary, assist the sending State in obtaining suitable accommodations for consular officers and for consular employees who are neither citizens nor permanent residents of the receiving State.

(3) The sending State shall have the right, in the territory of the receiving State and in accordance with its laws and regulations, to acquire, own, lease for any period of time, or otherwise hold and occupy such lands, buildings, and appurtenances as may be necessary and appropriate for consular purposes, including residences for officers and employees of the consulate who are not nationals of the receiving State.

(4) The sending State shall have the right, in accordance with the laws and regulations of the receiving State, to erect buildings, and appurtenances on land which it owns or leases in accordance with paragraph (3) of this Article.

ARTICLE 10

Land, buildings and parts of buildings, used exclusively for the purposes of a consulate, shall be inviolable. The authorities of the receiving State shall not enter the said land, buildings or parts of buildings except with the consent of the head of the consulate or of the head of the diplomatic mission of the sending State or of a person nominated by one of them. The provisions of this paragraph shall apply also to the residence of the head of a consulate.

ARTICLE 11

The consular premises, their furnishings, the property of the consulate and its means of transport shall be immune from any form of requisition for purposes of national defense or public utility.

ARTICLE 12

(1) The flag of the sending State and its consular flag may be flown and its coat-of-arms displayed on the building in which the consulate is installed and at the entrance door thereof, on the residence of the head of the consulate and on the means of transport used by him in the performance of his official duties.

(2) In the exercise of the rights accorded under this Article regard shall be paid to the laws, regulations and usages of the receiving State.

ARTICLE 13

(1) The consular archives and documents shall be inviolable at all times and wherever they may be.

(2) Documents and objects of an unofficial character shall not be kept in the archives.

ARTICLE 14

(1) A consulate shall be entitled to exchange communications with the Government of the sending State and with the diplomatic mission, or other consulates, of that State in the receiving State or in a third State. The consulate may for this purpose employ all public means of communication as well as couriers, sealed pouches, bags and other containers, and may use codes or ciphers. However, the installation and use of a wireless transmitter by the consulate shall be subject to the consent of the receiving State.

(2) In respect of public means of communication, the same tariffs shall be applied in the case of a consulate as are applied in the case of the diplomatic mission.

(3) The official correspondence of a consulate (whatever the means of the communication employed) as well as the sealed pouches, bags and other containers deferred to in paragraph (1) of this Article shall, provided that they bear visible external marks of their official character, be inviolable and the authorities of the receiving State shall not examine or detain them. They shall contain only official correspondence and objects intended exclusively for official use.

(4) Persons charged with the conveyance of consular pouches, bags and other containers shall be accorded the same rights, privileges and immunities as are accorded by the receiving State to the diplomatic couriers of the sending State. Any such person shall be provided with an official document indicating his status and the number of packages constituting the consular pouch, bag or other container.

ARTICLE 15

(1) A consular offcer shall be immune from the jurisdiction of the receiving State except in the cases referred to in Article 48 of this Convention and in paragraph (2) of this Article.

(2) The immunity provided in paragraph (1) of this Article shall not, however, apply in respect of civil actions:

(a) relating to private immovable property situated in the territory of the receiving State, unless he holds it on behalf of the sending State for the purposes of the consulate;

(b) relating to succession in which the consular officer is involved as executor, administrator, heir or legatee as a private person and not on behalf of the sending State;

(c) relating to any professional or commercial activity exercised by the consular officer in the receiving State outside his official functions;

(d) by a third party for damage arising from an accident in the receiving State caused by a vehicle, vessel or aircraft.

(3) The provisions of paragraphs (1) and (2) of this Article shall apply as well as members of the family of the consular officer, residing with him, provided in each case that the person concerned is not a national or permanent resident of the receiving State.

(4) (a) A consular employee, who is a national of the sending State and not a permanent resident of the receiving State and who has been notified under Article 5(1) as having administrative or technical functions, shall be immune from the criminal jurisdiction of the receiving State. He shall also be immune from the civil and administrative jurisdiction of that State in respect of any act performed in his official capacity, subject

to the exception described in paragraph (2)(d) of this Article.

(b) The provisions of the first sentence of subparagraph (a) of this paragraph shall apply as well to members of the family of such a consular employee who has been notified under Article 5(1), residing with him, provided in each case that the person concerned is not a national or permanent resident of the receiving State.

(5) A consular employee other than one described in paragraph (4) of this Article, provided that he is not a national or permanent resident of the receiving State, shall be immune from the jurisdiction of that State in respect of any act performed in his official capacity, subject to the exception described in paragraph (2)(d) of this Article.

ARTICLE 16

(1) In the event of the arrest or detention of, or the institution of criminal proceedings against, a consular employee described in Article 15(5), the receiving State shall immediately inform the head of the consulate accordingly.

(2) The provisions of paragraph (1) of this Article shall apply as well to those members of the family of a consular officer to whom the benefits of Article 15(3) do not apply and to members of the families of a consular employee to whom the benefits to Article 15(4)(b) do not apply.

ARTICLE 17

(1)(a) A consular officer or consular employee may be called upon to attend as a witness in the course of judicial or administrative proceedings.

(b) In the event of the refusal of a consular officer or a consular employee described in Article 15(4) to give evidence at such proceedings, no coercive measure or penalty may be applied to him.

(c) A consular employee shall not, however, decline to give evidence, except in the cases mentioned in parargaph (3) of this Article.

(2) The respective provisions of paragraph (1) of this Article concerning consular officers and consular employees shall apply also to members of their families, residing with them, who are not nationals or permanent residents of the receiving State.

(3) Consular employees are under no obligation to give evidence concerning matters falling within the official work of the consulate. They are entitled to decline to give evidence as expert witnesses with regard to the law of the sending State.

(4) The authorities of the receiving State shall not require the production of any official document or object.

(5) The authorities of the receiving State, in taking the testimony of a consular officer or a consular employee, shall take all appropriate measures to avoid hindering his performance of official duties. Upon the request of the head of a consulate, such testimony may, when possible, be given orally or in writing at the consular establishment or at the residence of the person concerned.

ARTICLE 18

(1) The sending State may waive any of the privileges and immunities provided for in Articles 15 and 17.

(2) Without prejudice to the provisions of paragraph (3) of this Article, the waiver shall in all cases be express and shall be communicated in writing to the receiving State.

(3) the initiation of proceedings by a person entitled to immunity from jurisdiction under Article 15 shall preclude him from invoking immunity from jurisdiction in respect of any counter-claim directly connected with the principal claim.

(4) Waiver of immunity for jurisdiction in respect of civil or administrative proceedings shall not be held to imply waiver of immunity in respect of execution of the judgment for which a separate waiver shall be required.

ARTICLE 19

Subject to its laws and regulations concerning zones entry into which is prohibited or regulated for reasons of national security, the receiving State shall ensure freedom of movement and travel in its territory to all officers and employees of the consulate.

ARTICLE 20

(1) A consular officer, as well as, provided that he is not a national or a permanent resident of the receiving State, a consular employee, shall be exempt in the receiving State from service in the armed forces and from other compulsory public service of any kind, e.g., jury duty, and military obligations connected with requisitioning, military contributions and billeting.

(2) The provisions of paragraph (1) of this Article shall apply also to members of the family of the consular officer or consular employee, residing with him, provided in each case that the person concerned is not a national or a permanent resident of the receiving State.

ARTICLE 21

(1) A consular officer, as well as, provided that he is not a permanent resident of the receiving State, a consular employee, shall be exempt from all requirements under the laws and regulations of the receiving State relative to the registration of aliens and permission to reside and from compliance with any other similar requirements applicable to aliens.

(2) The provisions of paragraph (1) of this Article shall apply also to members of the family of a consular officer or consular employee, residing with him, provided in each case that the person concerned is not a permanent resident of the receiving State.

ARTICLE 22

(1) No tax or other similar charge of any kind shall be imposed or collected by the receiving State or any state or municipal subdivision thereof in respect of—

(a) land, buildings or parts of buildings owned or leased by the sending State or by a natural or juridical person acting on behalf of that State and used exclusively for any of the purposes specified in Article 9;

(b) transactions or instruments relative to the acquisition of such premises.

(2) The provisions of sub-paragraph (1)(a) of this Article shall not apply with regard to payments due in respect of specific services rendered.

(3) The exemption accorded under paragraph (1) of this Article shall not apply to taxes or other similar charges payable under the law of the receiving State by a person contracting with the sending State or with a person acting on its behalf.

ARTICLE 23

No tax or other similar charge of any kind for the payment of which the sending State would otherwise be legally liable shall be imposed or collected by the receiving State or any state or municipal subdivision thereof, in respect of the acquisition (with the exception of indirect taxes of a kind which are normally incorporated in the price of goods or services), ownership, possession or use of movable property by the sending State for consular purposes.

ARTICLE 24

No tax or other similar charge of any kind shall be imposed or collected in the receiving State or any state or municipal subdivision thereof in respect of fees received on behalf of the sending State as compensation for consular services or in respect of any receipt given in connection with such a fee.

ARTICLE 25

(1) A consular officer or consular employee or a member of his family forming part of his household shall, provided in either case that he is not a national or permanent resident of the receiving State, be exempt in the receiving State from all taxes, or similar charges of any kind imposed or collected by the receiving State or any state or municipal subdivision thereof, except—

(a) on the acquisition, ownership, occupation or disposal of immovable property situated within the receiving State;

(b) without prejudice to the provisions of paragraph (2) of this Article, on income derived from private occupation for gain or from other sources, or on the appreciation of assets, within the receiving State;

(c) on transactions, or instruments affecting transactions, including stamp duties;

(d) without prejudice to the provision of Article 27, on the passing of property at death;

(e) indirect taxes of a kind which are normally incorporated in the price of goods or services;

(f) charges levied for specific services rendered.

(2) A consular officer or, provided that he is not a national or permanent resident of the receiving State, a consular employee, shall be exempt in that State from all taxes or other similar charges of any kind imposed or collected by the receiving State or any state or municipal subdivision thereof in respect of the official emoluments, salary, wages or allowances received by him as compensation for his official duties.

ARTICLE 26

(1) The receiving State shall, in accordance with such laws and regulations as it may adopt, permit entry of and grant exemption from all customs duties, taxes, and related charges other than charges for storage, cartage and similar services on:

(a) articles including motor vehicles for the official use of the consulate;

(b) articles including motor vehicles for the personal use of a consular officer or members of his family forming part of his household, including articles intended for his establishment.

(2) Consular employees and members of their families shall enjoy the privileges and exemptions specified in paragraph (1)(b) of this Article in respect to articles imported at the time of first installation.

(3) The personal baggage accompanying a consular officer, or a member of his family forming part of his household, shall be exempt from customs inspection, unless there are serious grounds for presuming that it contains articles not covered by the exemptions mentioned in paragraph (1)(b) of this Article, or articles the import or export of which is prohibited by the law or controlled by the quarantine regulations of the receiving State. Such inspection shall be conducted only in the presence of the consular officer, the member of his family concerned, or of the authorized representative.

(4) The provisions of paragraphs (1)(b), (2) and (3) of this Article shall not apply in the case of consular employees, or members of their families, or members of the families of consular officers when the person concerned is either a national or permanent resident of the receiving State or is engaged in the receiving State in private occupation for gain.

ARTICLE 27

If a consular officer, a consular employee or a member of his family, residing with him, dies and leaves movable property in the receiving State, no tax or other similar charge of any kind shall be imposed or collected by the receiving State or any State or municipal subdivision thereof in respect of that property and no limitation upon export shall be applied, provided,

(a) that the deceased person was not a national or a permanent resident of the receiving State;

(b) that the person entitled to receive the

property as a consequence of the death is not a national or a permanent resident of the receiving State;

(c) that the presence of the property in that State was due solely to the presence of the deceased in the capacity of a consular officer or consular employee or as a member of the family of a consular officer or consular employee.

ARTICLE 28

(1) Without prejudice to the provisions of paragraph (4) of this Article, a consular officer, as well as, provided that he is not a national or a permanent resident of the receiving State, a consular employee, shall, with respect to services rendered by him for the sending State, be exempt from the social security provisions of the receiving State.

(2) The exemption provided for in paragraph (1) of this Article shall apply also to members of the family of the consular officer or consular employee, residing with him, provided in each case that the person concerned is not a national or a permanent resident of the receiving State.

(3) In addition, the exemption provided for in paragraph (1) of this Article shall apply to a person in the private service of the consular officer or consular employee, provided in each case that the person concerned

(a) is not a national or a permanent resident of the receiving State; and

(b) is covered by the social security provisions of the sending State or of a third State.

(4) Any such consular officer or consular employee who employs a person to whom the provisions of paragraph (3) of this Article do not apply shall observe any obligations imposed upon employees under the social security provisions of the receiving State.

(5) The exemption provided for in paragraphs (1), (2) and (3) of this Article shall not preclude voluntary participation, insofar as such participation may be permissible, in the social security system of the receiving State.

ARTICLE 29

(1) A consular officer or consular employee shall receive the immunities and privileges due to him under this Convention as from the moment of crossing the frontier of the receiving State to take up his post or, if he is already present in that State, as from the moment of entering upon his duties.

(2) Members of the family of a person to whom paragraph (1) of this Article applies, residing with him, shall receive the immunities and privileges accorded to them under this Convention.

(a) as from the moment that the consular officer or consular employee become entitled to receive immunities and privileges in accordance with paragraph (1) of this Article;

(b) if they entered the receiving State after that date, as from the moment of crossing the frontier; or

(c) as from the moment of becoming members of the family of the person concerned, as the case may be.

(3) When the appointment of a consular officer or consular employee comes to an end, his immunities and privileges, as well as the immunities and privileges of members of his family, residing with him, shall cease as from the moment of his departure from the receiving State or upon the expiry of a reasonable period after termination of his appointment.

(4) In the case of a consular employee who is a national or a permanent resident of the receiving State immunities and privileges shall cease upon the termination of his appointment.

(5) Insofar as concerns any act performed in his official capacity by a consular officer or consular employee, immunity from jurisdiction shall continue to subsist without limitation of time.

(6) The immunities and privileges of members of the family shall likewise cease as from the moment when they cease to be members of the family of the consular officer or consular employee in question. However, if the person concerned undertakes to depart from the territory of the receiving State within a reasonable period thereafter the immunities and privileges shall continue to be accorded until that date.

(7) In the event of the death of a consular officer or consular employee, members of his family shall continue to receive the immunities and privileges accorded to them under the Convention until the moment of their departure from the receiving State or until the expiry of a reasonable period granted for this purpose.

PART IV. CONSULAR FUNCTIONS

ARTICLE 30

The receiving State shall accord full facilities for the performance of the functions of the consulate.

ARTICLE 31

(1) In addition to the functions otherwise specified in this Convention, a consular officer may perform any other functions with which he is entrusted by the sending State, provided they are not prohibited by the laws and regulations of the receiving State.

(2) A consular officer shall be entitled to perform consular duties only within his own consular district. The performance by him of consular duties outside that district shall be subject to the consent of the receiving State.

(3) Upon notification to the receiving State, a consular officer shall be entitled to perform duties on behalf of a third State, provided that the receiving State does not raise objection.

(4) A consular officer may, on notification to the receiving State, act as representative of the sending State to an international organization. In this capacity he shall be entitled to receive any facilities, privileges and immunities accorded to such a representative by international law; however, in respect of the performance by him of any consular function, he shall not be entitled to any greater immunity from jurisdiction than that to which a consular officer is entitled under the present Convention.

ARTICLE 32

A consular officer shall be entitled,

(a) to protect and promote the rights and interests of the sending State and those of its nationals including juridical persons;

(b) to advance the interests of the sending State with regard to commercial, economic, scientific and cultural matters and tourism and to further the expansion of contacts and the development of friendly relations between the sending State and the receiving State in these and other fields;

(c) to ascertain by all lawful means conditions and developments in the commercial, economic, cultural and scientific life of the receiving State, to report thereon to the Government of the sending State and give information to persons interested.

ARTICLE 33

In connection with the performance of his duties, a consular officer shall be entitled to address

(a) the competent local authorities within his consular district; and

(b) the central authorities of the receiving State to such extent as the laws and usages of that State permit.

ARTICLE 34

A consulate shall be entitled to levy in the receiving State the fees and charges prescribed under the laws and regulations of the sending State for the performance of consular services.

ARTICLE 35

Subject to the practices and procedures obtaining in the receiving State, a consular officer shall be entitled to represent or arrange appropriate representation for nationals of the sending State before the tribunals and other authorities of the receiving State, for the purpose of requesting, in accordance with the laws and regulations of the receiving State, provisional measures for the preservation of the rights and interests of these nationals where, because of absence or any other reason, such nationals are unable at the proper time to assume the defense of their rights and interests.

ARTICLE 36

A consular officer shall be entitled to serve judicial documents and execute letters rogatory in accordance with international agreements in force or otherwise not inconsistent with the laws and regulations of the receiving State.

ARTICLE 37

(1) A consular officer shall be entitled,

(a) to keep a register of nationals of the sending State;

(b) to register or receive notification of the birth or death of a national of the sending State;

(c) to record a marriage solemnized under the law of the receiving State, or a divorce granted under the law, provided that at least one of the parties to such marriage or divorce is a national of the sending State;

(d) to solemnize a marriage, provided that both parties thereto are nationals of the sending State and provided also that the solemnization of such marriage is not prohibited under the law of the receiving State.

(2) Nothing in the provision of paragraph (1) of this Article shall exempt any private person from any obligation imposed by the law of the receiving State with regard to the notification to, or registration with, the competent authorities of any matter dealt with in those provisions.

ARTICLE 38

A consular officer shall be entitled to issue, revoke, renew, amend, and extend the validity of passports, entry, exit and transit visas and other similar documents.

ARTICLE 39

(1) A consular officer shall be entitled, provided that there is nothing contrary therto in the laws and regulations of the receiving State,

(a) to draw up, attest, certify, authenticate, legalize or otherwise validate documents of a juridical character or copies thereof, whenever such services are requested.

(i) by a person of any nationality for use in the sending State or under the law of that State; or

(ii) by a national of the sending State or of the receiving State for use in a third State;

(b) to translate documents and to certify the accuracy of the translation.

(2) In any case where a document referred to in paragraph (1) of this Article is required for use in the receiving State, the authorities of that State shall be obliged to give it the same force and effect as though it had been drawn up or certified or translated by the competent authorities or officials of the receiving State; provided that such documents shall have been drawn and executed in conformity with the laws and regulations of the receiving State.

ARTICLE 40

(1) A consular officer shall be entitled to safeguard, within the limits imposed by the laws and regulations of the receiving State, the interests of minors, other persons lacking full capacity, and persons absent from the receiving State, who are nationals of the sending State, particularly where any guardianship or trusteeship is required with respect to such persons. He may propose to the competent authorities of the receiving State the names of appropriate persons to act as guardians or trustees.

(2) If it comes to the knowledge of the

competent authorities of the receiving State that measures are required to be taken for the appointment of a guardian or trustee of a national of the sending State, they shall promptly so inform the consular officer.

ARTICLE 41

(1) In any case where a national of the sending State has been placed under detention pending trial or subjected to any other deprivation of personal liberty, the competent authorities of the receiving State shall notify the appropriate consulate of the sending State accordingly. Notification shall be made without delay and in any event within three days.

(2) The consular officer shall be entitled to receive correspondence or other communications from a national who has been so placed under detention pending trial or subjected to any other form of deprivation of personal liberty and to take the necessary steps to provide him with legal assistance and representation.

(3) The consular officer shall likewise be entitled to visit, to converse with and to communicate with the national. Visits shall be permitted at latest after the expiry of four days from the date on which the national was placed under detention pending trial or subjected to any other deprivation of liberty.

(4) In any case where a national of the sending State has been subjected to detention pending trial, or any other deprivation of personal liberty, or has been convicted and is serving a sentence of imprisonment, the consular officer shall have the right to visit, to converse with and to communicate with him. Visits may be made on a recurrent basis and at intervals of not more than one month.

(5) The rights referred to in paragraphs (2), (3) and (4) of this Article shall be exercised in conformity with the laws and regulations of the receiving State, subject to the proviso, however, that the said laws and regulations must not nullify these rights.

(6) A national to whom the provisions of this Article apply may receive from the consular officer parcels containing food, clothes, medicament and reading and writing materials to the extent that the applicable regulations of the institution in which he is detained so permit.

(7) The competent authorities of the receiving State shall, without delay, inform the national concerned of the rights of visit and communication granted under this Article.

ARTICLE 42

Where it comes to the knowledge of the competent authorities of the receiving State that a national of the sending State has died in the former State they shall, without delay, inform the appropriate consular officer accordingly and shall transmit to him a copy of the death certificate or other document recording the death.

ARTICLE 43

(1) Where it is brought to the knowledge of the competent authorities of the receiving State that there is in that State an estate,

(a) of a national of the sending State; or

(b) of a deceased person of any nationality in respect of which a national of the sending State has an interest,

the said authorities shall, without delay, inform the appropriate consular officer accordingly.

(2) The provisions of this Article shall apply whatever the place of the death of the deceased person.

ARTICLE 44

(1) In all those cases in which an estate is left in the receiving State by a national of the sending State, or by any person when a national of the sending State has an interest in the estate, the consular officer shall be entitled to take steps, in accordance with the laws and regulations obtaining in the receiving State, personally or through his authorized representative,

(a) for the protection and preservation of the estate;

(b) for the administration (including the distribution) of the estate.

(2) In all those cases in which an estate is left in the receiving State by a national of the sending State or by any person when a national of the sending State has an interest in the estate, the consular officer within whose consular district the estate is being administered, or if no administration is instituted, within whose consular district the property included in the estate is situated, shall be entitled to represent the interests of the national of the sending State concerned.

(3) The provisions of paragraphs (1)(b) and (2) of this Article shall not entitle the consular officer to act as an attorney at law, but he is entitled in such cases to give a power of attorney to an attorney at law.

(4) The provisions of this Article shall apply whatever the place of the death of the deceased person.

ARTICLE 45

The right of the consular officer described in Article 44 shall cease as from the time when a person who has received a power of attorney from the national concerned appears before the competent authority.

ARTICLE 46

(1) The consular officer shall be entitled, in accordance with the provisions of the laws and regulations obtaining in the receiving State, and in behalf of a national of the sending State:

(a) to take provisional custody of the personal property left by a deceased national of the sending State;

(b) to administer the property of a deceased national of the sending State who at the time of his death was not present in the receiving State, or has not appointed an executor of the estate in the receiving State, provided that the consular officer shall relinquish such administration upon the appointment of another administrator by the component court;

(c) to receive such money and property to which the national of the sending State is entitled upon the death of a person of any nationality, including shares in an estate, payments made pursuant to pensions and social benefits systems in general, and proceeds of insurance policies;

(d) to deliver the monies and properties mentioned in paragraph (1)(c) of this Article. The receiving State may require that the liabilities of the estate, declared within the period prescribed by law, shall first be paid or guaranteed.

(2) In the cases included in paragraphs (1) (c) and (d) the court, or other component authority or the person distributing the estate, may require that the consular officer comply with the following conditions:

(a) present a power of attorney from the national mentioned in paragraph (1)(c) of this Article; or

(b) present within a reasonable time appropriate evidence which verifies the receipt of the money and property by the national concerned; or

(c) return the money and property if he is unable to present such evidence.

ARTICLE 47

(1) In any case where a national of the sending State who is not domiciled in the receiving State dies while temporarily present in that State, money and personal effects in his possession, provided that they are not claimed by a person who is present and entitled to claim them shall be turned over without delay on a provisional basis and for conservatory purposes, to the appropriate consular officer of the sending State. This provision shall be without prejudice to the right of the competent authorities of the receiving State, to take charge of them in the interests of justice.

(2) If an authority of the receiving State is charged with the administration of the estate of the deceased person the consulate shall hand over the money and personal effects to the said authority.

(3) The exportation of the money and personal effects shall be subject to the laws and regulations of the receiving State.

(4) The provisions of this Article shall be without prejudice to the provisions of Articles 43 to 46.

ARTICLE 48

The consular officer in exercising the rights described in Articles 44 to 47, notwithstanding the provisions of Article 15 (1), is subject to the laws of the receiving State and to the jurisdiction of the judicial and administrative authorities of the receiving State in the same manner and to the same extent as a national of the receiving State.

ARTICLE 49

(1) A consular officer shall be entitled to render every assistance and aid to a vessel of the sending State which has come to a port or other place of anchorage within the consular district.

(2) A consular officer may communicate with the vessel and proceed on board, accompanied, if he desires, by other consular officers or by consular employees, as soon as she has been given permission to establish contact with the shore.

(3) The master aind members of the crew shall be permitted to communicate with the consular officer and for this purpose they may also, subject to the laws and regulations of the receiving State with regard to the port area and the admission of foreigners, proceed to the consulate or to some other appropriate place designated by the consular officer.

(4) A consular officer may invoke the aid of the competent authorities of the receiving State in any matter relating to the performance of his duties with respect to a vessel of the sending State or to the master and members of the crew of such a vessel.

ARTICLE 50

(1) A consular officer shall be entitled,

(a) to investigate any incident occurring on board a vessel of the sending State during her voyage, question the master and any member of the crew, examine and confirm the vessel's papers, take statements with regard to her voyage and destination and generally facilitate the entry into, stay in and departure from, a port of the vessel.

(b) to arrange, provided this is not contrary to the law of the receiving State, for the engagement and discharge of the master or any member of the crew or for his return to the vessel;

(c) without prejudice to the powers of the receiving State, to settle disputes of any kind between the master and any member of the crew, including disputes as to wages and contracts of service, to the extent that this is permitted under the law of the sending State;

(d) to make arrangements for the medical treatment and for the repatriation of the master or any member of the crew of the vessel;

(e) to receive, draw up, notarize, and deliver any declaration or other document prescribed by the law of the sending State in connection with vessels.

(2) A consular officer may, to the extent that the law of the receiving State permits him to do so, appear with the master or any member of the crew of the vessel before the courts and authorities of the receiving State, render them every assistance (including the making of arrangements for legal aid) and act as or arrange for an interpreter in matters between them and these courts and authorities.

ARTICLE 51

(1) Where it is the intention of the courts or other competent authorities of the receiving State to take any coercive action or to institute any formal enquiry on board a vessel of the sending State, they shall so inform the appropriate consular officer. Except where this is impossible on account of the urgency of the matter, such notification shall be made in time to enable the consular officer or his representative to be present. If the consular officer has not been present or represented he shall, upon request, be provided by the authorities concerned with full information with regard to what has taken place.

(2) The provisions of paragraph (1) of this Article shall apply also in any case where it is the intention of the competent authorities of the port area to question the master or any member of the crew ashore.

(3) The provisions of this Article shall not, however, apply to any routine examination by the authorities in regard to customs, immigration, public health, the safety of life at sea, oil pollution, wireless telegraphy or any similar matter, or with the consent of the master of the vessel.

ARTICLE 52

In any case where a vessel of the sending State is wrecked, runs aground or otherwise sustains damage in the national or territorial waters of the receiving State, the competent authorities of that State shall, without delay, so notify the appropriate consulate of the sending State. The said authorities shall, likewise, notify the consulate of measures taken, or intended to be taken, for the purpose of safeguarding and preserving the lives of persons on board the vessel and her cargo.

ARTICLE 53

The provisions of Articles 49 to 52 shall apply also in relation to civil aircraft to the extent that such an application is feasible.

PART V. GENERAL PROVISIONS

ARTICLE 54

(1) All persons to whom privileges and immunities are accorded under this Convention shall, without prejudice to the said privileges and immunities, be under an obligation to respect the laws and regulations of the receiving State, including those relative to the control of traffic.

(2) Vehicles owned by the sending State and used by the consulate, and those of consular officers, consular employees, or members of their families, must be covered by insurance against third party risks.

ARTICLE 55

(1) Members of the diplomatic staff of the diplomatic mission of the sending State in the receiving State may be appointed to perform consular, in addition to diplomatic, duties. The name of any person so appointed shall be notified to the ministry of foreign affairs of the receiving State.

(2) A member of the diplomatic mission to whom paragraph (1) of this Article applies shall be accorded the same rights as a consular officer under this Convention. Without prejudice to the provisions of Article 48, he shall continue to receive the privileges and immunities accorded to him by virtue of his diplomatic status.

ARTICLE 56

(1) This Convention shall be ratified and shall enter into force thirty days after the exchange of instruments of ratification, which shall take place at Washington as soon as possible.

(2) The Convention shall remain in force for a period of five years. In case neither High Contracting Party shall have given to the other, twelve months before the expiry of the said period of five years, notice of intention to terminate the Convention, it shall continue to remain in force until the expiry of twelve months from the date on which notice of such intention is given by one High Contracting Party to the other.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed this Convention and affixed thereto their seals.

DONE in duplicate at Budapest this seventh day of July, 1972, in the English and Hungarian languages, both texts being equally authoritative.

For the President of the United States of America:

WILLIAM P. ROGERS

For the Presidential Council of the Hungarian People's Republic:

JANOS PETER

The Chairman of the United States Delegation, in connection with the negotiation of what became Article 41 of the Consular Convention between the United States and Hungary, asked the Chairman of the Hungarian Delegation what the Hungarian practice was with respect to those persons whose detention pending trial or subjection to any other deprivation of personal liberty in Hungary would be notified to the United States Counsul in Hungary and whom United States consular officer would be authorized to visit during the period of detention in Hungary.

The Chairman of the Hungarian Delegation referred the Chairman of the United States Delegation to American Legation Notes numbers 84 of September 11, 1963, and 178 of January 2, 1964, and to Hungarian Notes numbers S2/12/x/15-1/1963, dated November 30, 1963 and S2/12/x/1-1/1964 of February 7, 1964 in reply. The Chairman of the Hungarian Delegation stated that these notes reflected current Hungarian practice and that, out of the same humanitarian considerations, persons travelling to Hungary with valid American passports and Hungarian visas valid for a temporary stay in Hungary would be given in the benefits of Article 41 of the Consular Convention.

The Chairman of the United States Delegation stated that the Hungarian practice as thus explained by the Chairman of the Hungarian Delegation would constitute a sufficient basis for consular notification and access in accordance with the terms of Article 41 of the Consular Convention and that he was prepared to accept Article 41 on the basis of that understanding of the Hungarian practice.

The Chairman of the Hungarian Delegation then asked the Chairman of the United States Delegation what the American practice would be with respect to the application of Article 41 of the Consular Convention to persons travelling to the United States with valid Hungarian passports and American visas valid for a temporary stay in the United States. The Chairman of the United States Delegation replied that the American practice would be to give such persons the benefits of Article 41 of the Consular Convention.

The Chairman of the Hungarian Delegation stated that this American practice with respect to the persons mentioned in his inquiry would also constitute a sufficient basis for notification and access of the Consular officer in accordance with terms of Article 41 of the Consular Convention.

The Senate, as in Committee of the Whole, proceeded to consider Executive B, 93d Congress, 1st session, the exchange of notes with Ethiopia concerning the administration of justice, which was read the second time, as follows:

ADDIS ABABA, *October 20, 1972.*

His Excellency Dr. MENASSIE HAILE,
Minister of Foreign Affairs, Imperial Ethiopian Government, Addis Ababa.

EXCELLENCY: I have the honor to refer to the Note of September 16, 1965 from the Ministry of Foreign Affairs which refers to the Treaty of Amity and Economic Relations between the United States of America and Ethiopia, signed at Addis Ababa on September 7, 1951, and proposes that the Notes of the same date accompanying that Treaty and concerning the Administration of Justice be terminated.

Upon instruction of my government I have the honor to state that the United States agrees to the termination of the above-mentioned exchange, such termination to be effected on the date of a Note of Confirmation to be presented to the Imperial Ethiopian Government by the Government of the United States of America at the earliest possible time.

The Government of the United States of America for its part has the honor to inform the Imperial Ethiopian Government that pending transmission of its aforecited Note of Confirmation it would not expect these provisions to be invoked. The Government of the United States of America takes note of the Imperial Ethiopian Government's views thereon, agrees that these provisions do not accord with current international practice and would advise United States citizens wishing to invoke them accordingly, should the issue arise during the interim period.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

E. ROSS ADAIR,
American Ambassador.

IMPERIAL ETHIOPIAN GOVERNMENT,
MINISTRY OF FOREIGN AFFAIRS,
Addis Ababa, September 16, 1965.

His Excellency EDWARD M. KORRY,
Ambassador of the United States of America, Addis Ababa.

EXCELLENCY: I have the honour to refer to the Treaty of Amity and Economic Relations between Ethiopia and the United States of America, signed at Addis Ababa on September 7, 1951, and to propose that the notes concerning the administration of justice which were exchanged on the same date, and which are an integral part of that treaty, be terminated.

If the foregoing meets with the approval of the Government of the United States of America, it is proposed that this note and Your Excellency's reply agreeing thereto shall constitute an agreement between Ethiopia and the United States of America, which shall enter into force on the date of your reply.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

KETEMA YIFRU,
Minister of State For Foreign Affairs.

The Senate, as in Committee of the Whole, proceeded to consider Executive R, 92d Congress, 2d session, the Convention with Japan for the Protection of Birds and Their Environment, which was read the second time, as follows:

CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF JAPAN FOR THE PROTECTION OF MIGRATORY BIRDS AND BIRDS IN DANGER OF EXTINCTION, AND THEIR ENVIRONMENT

The Government of the United States of America and the Government of Japan,

Considering that birds constitute a natural resource of great value for recreational, aesthetic, scientific, and economic purposes, and that this value can be increased with proper management,

Considering that many species of birds migrate between areas of the United States of America and of Japan, where such birds live temporarily,

Considering that island environments are particularly susceptible to disturbance, that many species of birds of the Pacific Islands have been exterminated, and that some other

species of birds are in danger of extinction, and

Desiring to cooperate in taking measures for the management, protection, and prevention of the extinction of certain birds,

Therefore, have agreed as follows:

ARTICLE I

This Convention shall apply:

(a) For the United States of America, to all areas of the United States of America and its possessions including the Trust Territory of the Pacific Islands;

(b) For Japan, to all areas under the administration of Japan.

ARTICLE II

1. In this Convention, the term "migratory birds" means:

(a) The species of birds for which there is positive evidence of migration between the two countries from the recovery of bands or other markers; and

(b) The species of birds with subspecies common to both countries or, in the absence of subspecies, the species of birds common to both countries. The identification of these species and subspecies shall be based upon specimens, photographs or other reliable evidence.

2. (a) The list of the species defined as migratory birds in accordance with paragraph 1 of this Article is contained in the Annex to this Convention.

(b) The competent authorities of the Contracting Parties shall review from time to time the Annex and, if necessary, make recommendations to amend it.

(c) The Annex shall be considered amended 3 months after the date upon which the two Governments confirm, by an exchange of diplomatic notes, their respective acceptance of such recommendations.

ARTICLE III

1. The taking of the migratory birds or their eggs shall be prohibited. Any sale, purchase or exchange of these birds or their eggs, taken illegally, alive or dead, and any sale, purchase or exchange of the products thereof or their parts shall also be prohibited. Exceptions to the prohibition of taking may be permitted in accordance with the laws and regulations of the respective Contracting Parties in the following cases:

(a) For scientific, educational, propagative or other specific purposes not inconsistent with the objectives of this Convention;

(b) For the purpose of protecting persons and property;

(c) During open hunting seasons established in accordance with paragraph 2 of this Article;

(d) With respect to private game farms;

(e) Taking by Eskimos, Indians, and indigenous peoples of the Trust Territory of the Pacific Islands for their own food and clothing.

2. Open seasons for hunting migratory birds may be decided by each Contracting Party respectively. Such hunting seasons shall be set so as to avoid their principal nesting seasons and to maintain their populations in optimum numbers.

3. Each Contracting Party shall endeavor to establish sanctuaries and other facilities for the protection or management of migratory birds.

ARTICLE IV

1. Both Contracting Parties agree that special protection is desirable for the preservation of species or subspecies of birds which are in danger of extinction.

2. Whenever either Contracting Party has determined the species or subspecies of birds which are in danger of extinction and prohibited the taking thereof, the Contracting Party shall inform the other Contracting Party of such determination, and of any cancellation thereafter of such determination.

3. Each Contracting Party shall control the exportation or importation of such species or subspecies of birds as are determined in accordance with paragraph 2 of this Article, and of the products thereof.

ARTICLE V

1. The Contracting Parties shall exchange data and publications regarding research on migratory birds and birds in danger of extinction.

2. The Contracting Parties shall encourage the establishment of joint research programs on, and conservation of, migratory birds and birds in danger of extinction.

ARTICLE VI

Each Contracting Party shall endeavor to take appropriate measures to preserve and enhance the environment of birds protected under Articles III and IV. In particular, it shall:

(a) Seek means to prevent damage to such birds and their environment, including, especially, damage resulting from pollution of the seas;

(b) Endeavor to take such measures as may be necessary to control the importation of live animals and plants which it determines to be hazardous to the preservation of such birds; and

(c) Endeavor to take such measures as may be necessary to control the introduction of live animals and plants which could disturb the ecological balance of unique island environments.

ARTICLE VII

Each Contracting Party agrees to take measures necessary to carry out the purposes of this Convention.

ARTICLE VIII

Upon the request of either Government, the two Governments shall hold consultations regarding the operation of this Convention.

ARTICLE IX

1. This Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

2. This Convention shall enter into force on the date of the exchange of the instruments of ratification. It shall remain in force for 15 years and shall continue in force thereafter until terminated as provided herein.

3. A Contracting Party may, by giving one year's written notice, terminate this Convention at the end of the initial 15 year period or at any time thereafter.

IN WITNESS WHEREOF the representatives of the two Governments have signed this Convention.

DONE in duplicate, in the English and Japanese languages, both equally authentic, at Tokyo, this fourth day of March, 1972.

For the Government of the United States of America:

ARMIN H. MEYER

For the Government of Japan:

TAKEO FUKUDA

ANNEX

1 White-billed or Yellow-billed loon (*Gavia admsii*)
2 Arctic loon (*Gavia arctica*)
3 Red-throated loon (*Gavia stellata*)
4 Red-necked grebe (*Podiceps grisegena*)
5 Horned grebe (*Podiceps auritus*)
6 Short-tailed albatross (*Diomedea albatrus*)
7 Black-footed albatross (*Diomedea nigripes*)
8 Laysan albatross (*Diomedea immutabilis*)
9 Northern fulmar (*Fulmarus glacialis*)
10 Pink-footed shearwater (*Puffinus carneipes*)
11 Wedge-tailed shearwater (*Puffinus pacificus*)
12 Sooty shearwear (*Puffinus griseus*)
13 Slender-billed shearwater (*Puffinus tenuirostris*)
14 Christmas shearwater (*Puffinus nativitatis*)
15 Bonin Island petrel (*Pterodroma hypoleuca*)
16 Bulwer's petrel (*Bulweria bulwerii*)
17 Fork-tailed storm petrel (*Oceanodroma furcata*)
18 Leach's storm petrel (*Oceanodroma leucorhoa*)
19 Harcourt's or Madeiran storm petral (*Oceanodroma castro*)
20 Tristram's storm petrel (*Oceanodroma tristrami*)
21 Wilson's storm petrel (*Oceanites oceanicus*)
22 Red-tailed tropicbird (*Phaethon rubricauda*)
23 White-tailed tropicbird (*Phaethon lepturus*)
24 Masked or Blue-faced booby (*Sula dactylatra*)
25 Red-footed booby (*Sula sula*)
26 Brown booby (*Sula leucogaster*)
27 Pelagic cormorant (*Phalacrocorax pelagicus*)
28 Red-faced cormorant (*Phalacrocorax urile*)
29 Greater frigatebird (*Fregata minor*)
30 Lesser frigatebird (*Fregata ariel*)
31 Cattle egret (*Bubulcus ibis*)
32 Plumed egret (*Egretta intermedia*)
33 Reef heron (*Demigretta sacra*)
34 Japanese night heron (*Gorsachius goisagi*)
35 Chinese little bittern (*Ixobrychus sinensis*)
36 Schrenck's little bittern (*Ixobrychus eurhythmus*)
37 Whooper swan (*Cygnus cygnus*)
38 Canada goose (*Branta canadensis*)
39 Brant (*Branta bernicla*)
40 Emperor goose (*Anser canagicus*)
41 White-fronted goose (*Anser albifrons*)
42 Bean goose (*Anser fabalis*)
43 Snow goose (*Anser caerulescens*)
44 Mallard (*Anas platyrhynchos*)
45 Gadwall (*Anas strepera*)
46 Pintail (*Anas acuta*)
47 Teal (including Green-winged teal) (*Anas crecca*)
48 Falcated teal (*Anas falcata*)
49 Garganey (*Anas querquedula*)
50 Baikal teal (*Anas formosa*)
51 European widgeon (*Mareca penelope*)
52 American widgeon (*Mareca americana*)
53 Shoveler (*Spatula clypeata*)
54 Common pochard (*Aythya ferina*)
55 Canvasback (*Aythya valisineria*)
56 Tufted duck (*Aythya fuligula*)
57 Baer's pochard (*Aythya baeri*)
58 Common goldeneye (*Bucephala clangula*)
59 Bufflehead (*Bucephala albeola*)
60 Oldsquaw (*Clangula hyemalis*)
61 Harlequin duck (*Histrionicus histrionicus*)
62 Steller's eider (*Polysticta stelleri*)
63 Common scoter (*Melanitta nigra*)
64 Common merganser (*Mergus merganser*)
65 Red-breasted merganser (*Mergus serrator*)
66 Smew (*Mergus albellus*)
67 Rough-legged hawk (*Bueto Lagopus*)
68 Gray sea-eagle (*Haliaeetus albicilla*)
69 Steller's sea-eagle (*Haliaeetus pelagicus*)
70 Japanese sparrow hawk (*Accipiter virgatus*)
71 Black kite (*Milvus migrans*)
72 Osprey (*Pandion haliaetus*)
73 Gyrfalcon (*Falco rusticolus*)
74 Peregrine falcon (*Falco peregrinus*)
75 Sandhill crane (*Grus canadensis*)
76 Common gallinule or Moorhen (*Gallinula chloropus*)
77 Eurasian coot (*Fulica atra*)
78 Snowy or Kentish plover (*Charadrius alexandrinus*)
79 Little ringed plover (*Charadrius dubius*)

80 Ringed plover (*Charadrius hiaticula*)
81 Greater sand plover (*Charadrius leschenaultii*)
82 Mongolian plover (*Charadrius mongolus*)
83 Dotterel (*Eudromias morinellus*)
84 American golden plover (*Pluvialis dominica*)
85 Black-bellied plover (*Pluvialis squatarola*)
86 Ruddy turnstone (*Arenaria interpres*)
87 Common snipe (*Gallinago gallinago*)
88 Swinhoe's snipe (*Gallinago megala*)
89 Jacksnipe (*Lymnocryptes minimus*)
90 Long-billed dowitcher (*Limnodromus scolopaceus*)
91 Bar-tailed godwit (*Limosa lapponica*)
92 Wood sandpiper (*Tringa glareola*)
93 Wandering or Polynesian tattler (*Tringa incana* including *T. brevipes*)
94 Common sandpiper (*Tringa hypoleucos*)
95 Spotted redshank (*Tringa erythropus*)
96 Greenshank (*Tringa nebularia*)
97 Greater yellowlegs (*Tringa melanoleuca*)
98 Whimbrel (*Numenius phaeopus*)
99 Bristle-thighed curlew (*Numenius tahitiensis*)
100 Least whimbrel or Eskimo curlew (*Numenius minutus* including *Numenius borealis*)
101 Australian curlew (*Numenius madagascariensis*)
102 Knot (*Calidris eanutus*)
103 Great knot (*Calidris tenuirostris*)
104 Curlew sandpiper (*Calidris ferruginea*)
105 Dunlin (*Calidris alpina*)
106 Rufous-necked sandpiper (*Calidris ruficollis*)
107 Long-toed stint or Least sandpiper (*Calidris minutilla* including *Calidris subminuta*)
108 Temminck's stint (*Calidris temminckii*)
109 Baird's sandpiper (*Calidris bairdii*)
110 Sharp-tailed sandpiper (*Calidris acuminata*)
111 Pectoral sandpiper (*Calidris melanotos*)
112 Spoon-billed sandpiper (*Eurynorhynchus pygmeus*)
113 Buff-breasted sandpiper (*Tryngites subruficollis*)
114 Ruff (*Philomachus pugnax*)
115 Broad-billed sandpiper (*Limicola falcinellus*)
116 Sanderling (*Crocethia alba*)
117 Northern phalarope (*Lobipes lobatus*)
118 Red phalarope (*Phalaropus fulicarius*)
119 Skua (*Catharacia skua*)
120 Pomarine jaeger (*Stercorarius pomarinus*)
121 Parasitic jaeger (*Stercorarius parasiticus*)
122 Long-tailed jaeger (*Stercorarius longicaudus*)
123 Glaucous gull (*Larus hyperboreus*)
124 Glaucous-winged gull (*Larus glaucescens*)
125 Slaty-backed gull (*Larus schistisagus*)
126 Herring gull (*Larus argentatus*)
127 Black-tailed gull (*Larus crassirostris*)
128 Black-headed gull (*Larus ridibundus*)
129 Black-legged kittiwake (*Rissa tridactyla*)
130 Sabine's gull (*Xema sabini*)
131 Ivory gull (*Pdgophila eburnea*)
132 White-winged black tern (*Chlidonias leucopterus*)
133 Aleutian tern (*Sterna aleutica*)
134 Common tern (*Sterna hirundo*)
135 Gray-backed tern (*Sterna lunata*)
136 Bridled tern (*Sterna anaethetus*)
137 Black-naped tern (*Sterna sumatrana*)
138 Least or Little tern (*Sterna albifrons*)
139 Sooty tern (*Sterna fuscata*)
140 Brown noddy (*Anous stolidus*)
141 Lesser or Black noddy (*Anous tenuirostris*)
142 Gray ternlet or Blue-gray noddy (*Procelsterna cerulea*)
143 White tern or Fairy tern (*Gygis alba*)
144 Common murre (*Uria aalge*)
145 Thick-billed murre (*Uria lomvia*)
146 Pigeon guillemot (*Cepphus columba*)
147 Ancient murrelet (*Symhliboramphus antiquus*)
148 Parakeet auklet (*Aethia psittacula*)
149 Crested auklet (*Aethia cristatella*)
150 Whiskered auklet (*Aethia pygmaea*)
151 Least auklet (*Aethia pusilla*)
152 Rhinoceros auklet (*Cerorhinca monocerata*)
153 Tufted puffin (*Lunda cirrhata*)
154 Horned puffin (*Fratercula corniculata*)
155 Snowy owl (*Nyctea scandiaca*)
156 Short-eared owl (*Asio flammeus*)
157 Common cuckoo (*Cuculus canorus*)
158 Oriental or Himalayan cuckoo (*Cuculus saturatus*)
159 Hawk cuckoo (*Cuculus fugax*)
160 Jungle nightjar (*Caprimulgus indicus*)
161 White-rumped swift (*Apus pacificus*)
162 Wryneck (*Jynx torquilla*)
163 Barn swallow (*Hirundo rustica*)
164 Bank swallow (*Riparia riparia*)
165 Hawfinch (*Coccothraustes coccothraustes*)
166 Redpoll (including common and hoary redpoll) (*Carduelis flammea* including *C. hornemanni*)
167 Bullfinch (*Pyrrhula pyrrhula*)
168 Pine grosbeak (*Pinicola enucleator*)
169 Brambling (*Fringilla montifringilla*)
170 Rustic bunting (*Emberiza rustica*)
171 Golden-crowned sparrow (*Zonotrichia atricapilla*)
172 White-crowned sparrow (*Zonotrichia leucophrys*)
173 Fox sparrow (*Passerella iliaca*)
174 Skylark (*Alauda arvensis*)
175 Water pipit (*Anthus spinoletta*)
176 Indian tree pipit (*Anthus hodgsoni*)
177 Red-throated pipit (*Anthus cervinus*)
178 White or Pied wagtail (*Motacilla alba*)
179 Gray wagtail (*Motacilla cinerea*)
180 Yellow wagtail (*Motacilla flava*)
181 Narcissus flycatcher (*Muscicapa narcissina*)
182 Chinese gray-spotted flycatcher (*Muscicapa griseisticta*)
183 Middenforff's grasshopper warbler (*Locustella ochotensis*)
184 Arctic warbler (*Phylloscopus borealis*)
185 Eye-browed thrush (*Turdus obscurus*)
186 Siberian rubythroat (*Erithacus calliope*)
187 Mountain hedge-sparrow or accentor (*Prunella montanella*)
188 Violet-backed starling (*Sturnus philippensis*)
189 Ashy starling (*Sturnus cineraceus*)

The ACTING PRESIDENT pro tempore. Without objection, the following five treaties will be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification:

The Consular Convention with Poland, Ex. U (92d Cong., 2d sess.);

The Consular Convention with Romania, Ex. V (92d Cong., 2d sess.);

The Consular Convention with Hungary, Ex. W (92d Cong., 2d sess.);

The Exchange of Notes with Ethiopia Concerning the Administration of Justice, Ex. B (93d Cong., 1st sess.);

A Convention with Japan for the Protection of Birds and Their Environment, Ex. R (92d Cong., 2d sess.).

The clerk will read the five resolutions of ratification.

The assistant legislative clerk read as follows:

Resolved, (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the Consular Convention between the Government of the United States of America and the Government of the Polish People's Republic, with Protocols, signed at Warsaw on May 31, 1972 (Ex. U, 92–2).

Resolved, (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the Consular Convention between the United States of America and the Socialist Republic of Romania, with Protocol, signed at Bucharest on July 5, 1972 (Ex. V, 92–2).

Resolved, (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the Consular Convention between the United States of America and the Hungarian People's Republic, signed at Budapest on July 7, 1972 (Ex. W, 92–2).

Resolved, (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to ratification of a note of September 16, 1965, from the Government of Ethiopia and a reply note of October 20, 1972, from the Government of the United States which would terminate notes exchanged on September 7, 1951, concerning the administration of justice and constituting an integral part of the treaty of amity and economic relations between the United States and Ethiopia (Ex. B, 93–1).

Resolved, (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, signed at Tokyo on March 4, 1972 (Ex. R, Ninety-second Congress, Second Session).

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the five treaties.

The yeas and nays were ordered.

CONSULAR CONVENTION WITH POLAND (EX. U, 92D CONG., 2D SESS.)

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the resolution of ratification of Executive U, 92d Congress, 2d session, a Consular Convention with Poland?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Arkansas (Mr. FULBRIGHT), are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS), is absent because of illness.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT), the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Louisiana (Mr. JOHNSTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Wyoming (Mr. HANSEN) and the Senator from Idaho (Mr.

McCLURE) are detained on official business.

If present and voting, the Senator from Wyoming (Mr. HANSEN), the Senator from Idaho (Mr. McCLURE) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 90, nays 0, as follows:

[No. 59 Ex.]

YEAS—90

Abourezk	Eagleton	Metcalf
Aiken	Eastland	Mondale
Allen	Ervin	Montoya
Baker	Fannin	Moss
Bartlett	Fong	Nelson
Bayh	Goldwater	Nunn
Beall	Gravel	Packwood
Bellmon	Griffin	Pastore
Bennett	Gurney	Pearson
Bentsen	Hart	Pell
Bible	Hartke	Percy
Biden	Haskell	Proxmire
Brock	Hatfield	Randolph
Brooke	Hathaway	Ribicoff
Buckley	Helms	Roth
Burdick	Hollings	Saxbe
Byrd, Harry F., Jr.	Hruska	Schweiker
Byrd, Robert C.	Huddleston	Scott, Pa.
Cannon	Hughes	Scott, Va.
Case	Humphrey	Sparkman
Chiles	Inouye	Stafford
Church	Jackson	Stevens
Clark	Javits	Stevenson
Cook	Kennedy	Symington
Cotton	Long	Taft
Cranston	Magnuson	Talmadge
Curtis	Mansfield	Thurmond
Dole	McClellan	Weicker
Domenici	McGee	Young
Dominick	McGovern	
	McIntyre	

NAYS—0

NOT VOTING—10

Fulbright	McClure	Tunney
Hansen	Muskie	Williams
Johnston	Stennis	
Mathias	Tower	

The ACTING PRESIDENT pro tempore. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

CONSULAR CONVENTION WITH ROMANIA (EX. V, 92D CONG., 2D SESS.)

The ACTING PRESIDENT pro tempore. The Senate will now proceed to vote on Executive V, 92d Congress, 2d session, the Consular Convention with Romania. The question is, Will the Senate advise and consent to the resolution of ratification? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS), is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Wyoming (Mr. HANSEN) is detained on official business.

If present and voting, the Senator from Wyoming (Mr. HANSEN) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 92, nays 0, as follows:

[No. 60 Ex.]

YEAS—92

Abourezk	Eagleton	McGovern
Aiken	Eastland	McIntyre
Allen	Ervin	Metcalf
Baker	Fannin	Mondale
Bartlett	Fong	Montoya
Bayh	Fulbright	Moss
Beall	Goldwater	Nelson
Bellmon	Gravel	Nunn
Bennett	Griffin	Packwood
Bentsen	Gurney	Pastore
Bible	Hart	Pearson
Biden	Hartke	Pell
Brock	Haskell	Percy
Brooke	Hatfield	Proxmire
Buckley	Hathaway	Randolph
Burdick	Helms	Ribicoff
Byrd, Harry F., Jr.	Hollings	Roth
Byrd, Robert C.	Hruska	Saxbe
Cannon	Huddleston	Schweiker
Case	Hughes	Scott, Pa.
Chiles	Humphrey	Scott, Va.
Church	Inouye	Sparkman
Clark	Jackson	Stafford
Cook	Javits	Stevens
Cotton	Kennedy	Stevenson
Cranston	Long	Symington
Curtis	Magnuson	Taft
Dole	Mansfield	Talmadge
Domenici	McClellan	Thurmond
Dominick	McClure	Weicker
	McGee	Young

NAYS—0

NOT VOTING—8

Hansen	Muskie	Tunney
Johnston	Stennis	Williams
Mathias	Tower	

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 92, and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

CONSULAR CONVENTION WITH HUNGARY (EX. W. 92D CONG., 2D SESS.)

The PRESIDING OFFICER (Mr. HATHAWAY). The question is, Will the Senate advise and consent to the resolution of ratification of Executive W, 92d Congress, 2d session, the Consular Convention with Hungary?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS). is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON, the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Wyoming (Mr. HANSEN) is detained on official business.

If present and voting, the Senator from Wyoming (Mr. HANSEN) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 92, nays 0, as follows:

[No. 61 Ex.]

YEAS—92

Abourezk	Eagleton	McGovern
Aiken	Eastland	McIntyre
Allen	Ervin	Metcalf
Baker	Fannin	Mondale
Bartlett	Fong	Montoya
Bayh	Fulbright	Moss
Beall	Goldwater	Nelson
Bellmon	Gravel	Nunn
Bennett	Griffin	Packwood
Bentsen	Gurney	Pastore
Bible	Hart	Pearson
Biden	Hartke	Pell
Brock	Haskell	Percy
Brooke	Hatfield	Proxmire
Buckley	Hathaway	Randolph
Burdick	Helms	Ribicoff
Byrd, Harry F., Jr.	Hollings	Roth
Byrd, Robert C.	Hruska	Saxbe
Cannon	Huddleston	Schweiker
Case	Hughes	Scott, Pa.
Chiles	Humphrey	Scott, Va.
Church	Inouye	Sparkman
Clark	Jackson	Stafford
Cook	Javits	Stevens
Cotton	Kennedy	Stevenson
Cranston	Long	Symington
Curtis	Magnuson	Taft
Dole	Mansfield	Talmadge
Domenici	McClellan	Thurmond
Dominick	McClure	Weicker
	McGee	Young

NAYS—0

NOT VOTING—8

Hansen	Muskie	Tunney
Johnston	Stennis	Williams
Mathias	Tower	

The PRESIDING OFFICER (Mr. HATHAWAY). Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

AN EXCHANGE OF NOTES WITH ETHIOPIA CONCERNING THE ADMINISTRATION OF JUSTICE (EX. B, 93D CONG., 1ST SESS.)

The PRESIDING OFFICER. The Senate will proceed to vote on Executive B, 2d session, 92d Congress, an Exchange of Notes with Ethopia Concerning the Administration of Justice.

The question is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from California (Mr. TUNNEY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Wyoming (Mr. HANSEN) is detained on official business.

If present and voting, the Senator from Wyoming (Mr. HANSEN) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 92, nays 0, as follows:

[No. 62 Ex.]

YEAS—92

Abourezk	Eagleton	McGovern
Aiken	Eastland	McIntyre
Allen	Ervin	Metcalf
Baker	Fannin	Mondale
Bartlett	Fong	Montoya
Bayh	Fulbright	Moss
Beall	Goldwater	Nelson
Bellmon	Gravel	Nunn
Bennett	Griffin	Packwood
Bentsen	Gurney	Pastore
Bible	Hart	Pearson
Biden	Hartke	Pell
Brock	Haskell	Percy
Brooke	Hatfield	Proxmire
Buckley	Hathaway	Randolph
Burdick	Helms	Ribicoff
Byrd, Harry F., Jr.	Hollings	Roth
	Hruska	Saxbe
Byrd, Robert C.	Huddleston	Schweiker
Cannon	Hughes	Scott, Pa.
Case	Humphrey	Scott, Va.
Chiles	Inouye	Sparkman
Church	Jackson	Stafford
Clark	Javits	Stevens
Cook	Kennedy	Stevenson
Cotton	Long	Symington
Cranston	Magnuson	Taft
Curtis	Mansfield	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Weicker
Dominick	McGee	Young

NAYS—0

NOT VOTING—8

Hansen	Muskie	Tunney
Johnston	Stennis	Williams
Mathias	Tower	

The PRESIDING OFFICER. On this vote, the yeas are 92, and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

A CONVENTION WITH JAPAN FOR THE PROTECTION OF BIRDS AND THEIR ENVIRONMENT (EX. R, 92D CONG., 2D SESS.)

The PRESIDING OFFICER. The Senate will proceed to vote on Executive R, 2d session, 92d Congress, a Convention with Japan for the Protection of Birds and Their Environment.

Mr. MAGNUSON. Mr. President, it is a distinct pleasure for me to join my colleague from Arkansas (Mr. FULBRIGHT) on the matter of this important international convention to conserve endangered species. The Committee on Commerce, which I am privileged to chair, has recently conducted extensive hearings into the matter of endangered species as well as legislation to grant special protection to worldwide species of marine mammals.

I am convinced that the U.S. Government is providing international leadership in this area of wildlife conservation. As a delegate to the United Nations Conference on the Human Environment in Stockholm last summer, it was my pleasure to hear a speech by Dr. Robert M. White, Administrator of the National Oceanic and Atmospheric Administration—NOAA—of the Department of Commerce. In my opinion, that speech—aimed at providing worldwide protection of our dwindling stocks of great whales—was the finest made at the entire conference. Dr. White received a standing ovation, one which was richly deserved. Dr. White is to be commended for his leadership at NOAA, not only in protecting and conserving the fish and marine mammals under his jurisdiction, but in creating a worldwide spirit of respect for NOAA's reputation for scientific expertise in the oceans resources.

President Nixon has just appointed Dr. White as the U.S. Commissioner to the International Whaling Commission. In this role, I am convinced that Dr. White will continue to bring pressure on those nations which continue their whaling operations to begin phasing them out as soon as possible. I am informed that even the Japanese, who were the ones responsible for blocking a 10-year whaling moratorium at the Stockholm conference, are beginning to have second thoughts about the impact of their actions.

For the information of my colleagues, the International Whaling Commission last year in London—because of American pressure—finally adopted some meaningful quotas on the fin whale. These quotas are in addition to the complete protection allegedly afforded to the white whales, the bowheads, the humpbacks, the grey, and the blue whales. The Japanese and Soviet whaling commissioners are attempting to resist this pressure. But I believe that the weight of world opinion eventually will force even these nations to cease their wasteful whaling practices.

The Marine Mammal Protection Act of 1972 was the result of many months of work by the Commerce Committee last year. This act, signed by President Nixon in October, is the most far-reaching animal protection legislation in the world. It establishes the most rigid standards of protection of all marine mammals, and it requires the Department of the Interior and the National Oceanic and Atmospheric Administration to prevent the killing, capturing, harassing, or importing of these animals except under certain provisions which will benefit the health and stability of the stocks.

On another matter, Mr. President, two existing international organizations involved in fishery management and conservation face difficult problems in the years ahead. They are the International Commission on North Atlantic Fisheries, ICNAF, and the International North Pacific Fisheries Commission. We have all heard with dismay of the dwindling stocks of finfish off the New England coast because of overfishing by fleets of vessels from East and West Europe and some from the Far East, notably Japan. But I would warn my colleagues today that a day of reckoning is ahead, not only for the fisheries of the North Atlantic, but in the North Pacific and Bering Sea as well. As a result of overfishing, our Nation's sadly depressed fishing industry faces darker days ahead. Many fishermen are beginning to wonder if any fish will be left by the time a satisfactory law of the sea treaty is agreed upon in the United Nations. It will require all of the talent of our State Department negotiators to protect our Nation's fisheries resources.

We have a long way to go. I commend my distinguished friend, the chairman of the Foreign Relations Committee, for the work he has done in this area, too. In my opinion, the Congress has been far out front in recognizing this issue and in recommending and pushing legislation to solve these problems.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Wyoming (Mr. HANSEN) is detained on official business.

If present and voting, the Senator from Wyoming (Mr. HANSEN) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 92, nays 0, as follows:

[No. 63 Ex.]

YEAS—92

Abourezk	Eagleton	McGovern
Aiken	Eastland	McIntyre
Allen	Ervin	Metcalf
Baker	Fannin	Mondale
Bartlett	Fong	Montoya
Bayh	Fulbright	Moss
Beall	Goldwater	Nelson
Bellmon	Gravel	Nunn
Bennett	Griffin	Packwood
Bentsen	Gurney	Pastore
Bible	Hart	Pearson
Biden	Hartke	Pell
Brock	Haskell	Percy
Brooke	Hatfield	Proxmire
Buckley	Hathaway	Randolph
Burdick	Helms	Ribicoff
Byrd, Harry F., Jr.	Hollings	Roth
	Hruska	Saxbe
Byrd, Robert C.	Huddleston	Schweiker
Cannon	Hughes	Scott, Pa.
Case	Humphrey	Scott, Va.
Chiles	Inouye	Sparkman
Church	Jackson	Stafford
Clark	Javits	Stevens
Cook	Kennedy	Stevenson
Cotton	Long	Symington
Cranston	Magnuson	Taft
Curtis	Mansfield	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Weicker
Dominick	McGee	Young

NAYS—0

NOT VOTING—8

Hansen	Muskie	Tunney
Johnston	Stennis	Williams
Mathias	Tower	

The PRESIDING OFFICER. On this vote, the yeas are 92 and the nays are 0. Two-thirds of the Senators present and

voting having voted in the affirmative, the resolution of ratification is agreed to.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate return to legislative session.

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

EXTENSION OF CLEAN AIR ACT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a massage from the House of Representatives on H.R. 5445.

The PRESIDING OFFICER laid before the Senate H.R. 5445, an act to extend the Clean Air Act, as amended, for 1 year, which was read twice by title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5445.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

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

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EXTENSION OF SOLID WASTE DISPOSAL ACT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 5446.

The PRESIDING OFFICER laid before the Senate H.R. 5446, an act to extend the Solid Waste Disposal Act, as amended, for 1 year, which was read twice by title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the bill.

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

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

LEAVE OF ABSENCE

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senator from Massachusetts (Mr. BROOKE) be permitted leave from the Senate on official business for a visit to Indochina from Tuesday, March 27, to Monday, April 30, 1973.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

REPORT ENTITLED "WATER RESOURCES OF THE DELMARVA PENINSULA, A SUMMARY REPORT TO THE CONGRESS"—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Interior and Insular Affairs. The message is as follows:

To the Congress of the United States:

I am pleased to submit the enclosed report, "Water Resources of the Delmarva Peninsula, a Summary Report to the Congress," by E. M. Cushing, I. H. Kantrowitz, and K. R. Taylor, which was prepared in compliance with Public Law 89–618 (S. 2287), October 4, 1966.

The Delmarva study was made in response to the specific act cited above, which was sponsored by Senator J. Caleb Boggs of Delaware (S. 2287) and Secretary of the Interior Rogers C. B. Morton (H.R. 9922) who was a Representative from Maryland in 1966. Public Law 89–618 authorized and directed the Secretary of the Interior to make a comprehensive investigation of the water resources of the Delmarva Peninsula. The principal objective of the study was to determine the availability of freshwater supplies to meet future needs of the peninsula area. The summary report indicates that the amount of fresh water that can be developed perennially on the peninsula is about 1,500 million gallons per day. This amount is more than 10 times the use in 1970 and about six times the estimated use of water on the peninsula by the year 2010.

In addition to this summary report to the Congress, required by Public Law 89–618, the Geological Survey plans to compile and publish in 1973 a more detailed report on the study for use by public and private agencies and individuals. That report will provide information for use in long-range planning, development, and management of water supplies.

RICHARD NIXON.

THE WHITE HOUSE, *March 27, 1973.*

REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to transmit the Seventh Annual Report of the National Endowment for the Humanities, for fiscal year 1972.

It is essential that the disciplines of the humanities—languages, history, philosophy, literature and ethics among others—be brought to bear on problems of contemporary concern, both national and international. The Federal Government recognizes this need—and has been responsive to it.

I particularly commend to your attention the program of "Youthgrants in the Humanities," begun in fiscal year 1972, which provides needed support for young people doing scholarly work in the humanities. Another impressive effort is the Endowment's State-Based Program, which, in less than two years, has established committees in 38 States to encourage public education. The "Jefferson Lecture in the Humanities," aimed at bridging the gap between humanistic learning and public affairs, is also successfully underway.

The public's response to the work of the National Endowment for the Humanities may be measured in part by the fact that public contributions to the Endowment have exceeded federally appropriated funds for the third year in a row. This is clear evidence of broad public support for the objectives of the National Endowment and, I believe, gives added justification to the steadily increasing funding which I have requested and which the Congress has provided for its very worthwhile endeavors.

RICHARD NIXON.

THE WHITE HOUSE, *March 27, 1937.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. Rule VII provides that morning business be now in order.

PUBLIC HEALTH SERVICE ACT EXTENSION OF 1973

Mr. MANSFIELD. Mr. President, I move that the Senate return to the con-

sideration of Calendar No. 91, S. 1136; that it be laid before the Senate and made the pending business without benefit of a morning hour.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The Senate proceeded to consider the bill.

Mr. KENNEDY. I thank the Chair. I ask unanimous consent that Dr. Larry Horowitz have the privilege of the floor during the consideration of this measure.

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

Mr. KENNEDY. Mr. President, I rise to urge the enactment of S. 1136, a bill to extend those provisions of the Public Health Service Act and the Community Health Centers Act which expire June 30, 1973. Twelve of the most significant authorities of the act, including health services research and development, health statistics, public health training, migrant health, comprehensive health planning, medical libraries, Hill-Burton hospital construction, allied health training, regional medical program, family planning and population research, community mental health centers, and developmental disabilities are involved in this legislation.

This bill has broad bipartisan sponsorship in both Houses of Congress, including 15 of the 16 members of the Labor and Public Welfare Committee in the Senate and all of the members of the Subcommittee on Public Health and Environment in the House.

Mr. President, the Labor and Public Welfare Committee has tried repeatedly, since last May, to avert the monumental legislative logjam which this legislation responds to.

Last year, the committee included in S. 3327, the Health Maintenance Organization and Resources Development Act of 1972, a separate title which proposed to extend and improve several expiring Public Health Service authorities. The committee invited the administration to testify in respect to that title of S. 3327 on May 11, 1972.

Former Department of Health, Education, and Welfare Secretary Richardson stated at the time:

All these authorities are major components of the Department's health program and it is our preference to be able to address them all comprehensively on the basis of information we are currently analyzing in our planning, budget, and legislative review process. At the present time, our planning process is not sufficiently advanced to a point which would permit us to testify on May 17 on these expiring authorities.

Subsequently, the committee conducted a hearing on S. 3327 and heard the following organizations testify vigorously in support of the bill:

American Nursing Home Association;
American Dental Association;
American Public Health Association;
Association of Schools of Allied Health Professions;
American Hospital Association;
Association of State and Territorial Health Officers;
Comprehensive Health Planning Agency of Missouri;
American Nurses Association;
American Dental Assistant Association;
Association of Dental Hygienist;
American Association of Dental Schools;
California School of Denistry, University of Southern California;
American Psychiatric Association;
National Association for Mental Health;
Committee Against Mental Illness; and
National Council of Community Mental Health Centers.

At the time the committee met in executive session to mark up S. 3327, it decided to separate the provisions contained within title V of that bill from the HMO bill, and to order those provisions favorably reported to the Senate as a separate bill. The new bill, S. 3716, the Health Facilities, Manpower, and Community Mental Health Centers Act of 1972 was favorably reported to the Senate by the committee by a vote of 16–0 on August 16, 1972.

In addition, in 1972 the committee acted on a number of other of the expiring Public Health Service authorities separately. For example, on July 27, 1972, the committee held a hearing on S. 3441, public health training and on S. 3752, medical libraries. All of the witnesses—except the administration—who testified on those bills supported prompt enactment of the legislation. The committee received testimony in support of those bills from the dean of the University of Michigan School of Public Health, the Association of American Medical Colleges, the American Academy of Family Physicians, the American Medical Association, the Student American Medical Association, the librarian of the Medical Library of the Washington Hospital Center, the Association of Research Libraries, and the Association for Hospital Medical Education.

For the administration, the Assistant Secretary of the Department of Health, Education, and Welfare for Health and Scientific Affairs, Dr. Merlin K. DuVal, testified:

Generally, Mr. Chairman, we are currently reviewing all public health service authorities that expire at the end of fiscal year 1973 with a view to identifying necessary and desirable amendments. This review, however, is not complete. We anticipate submitting our *detailed legislative recommendations in connection with the 1974 budget*. We request your cooperation in not extending any of these authorities until we have completed our review. Accordingly, we recommend against enactment of S. 3441, S. 3764, and S. 3752 at this time.

The Senate proceeded to the consideration of S. 3716 as well as S. 3441, S. 3752, and S. 3762, an extension of the expiring provisions of the Public Health Service Act in respect to migrant health, on September 20, 1972. After incorporating the provisions of S. 3441, S. 3752, and S. 3762 into S. 3716, the Senate passed S. 3716 by a vote of 78–0.

Unfortunately, companion legislation never emerged from the House of Representatives.

Mr. President, on January 29 of this year, President Nixon's budget was submitted to Congress. But contrary to our expectations, no HEW legislative proposals accompanied the budget.

That budget did make clear, however, the President's intention to allow several important health authorities to expire—including regional medical programs, Hill-Burton, community mental health Centers, Public Health Training and Allied Health.

Thus, the budget asked the Congress to accept the phasing out of several health programs without providing an overall indication of administration intentions for the entire Public Health Service Act.

On January 17, then Secretary-designate Weinberger testified at his confirmation hearings that detailed legislative proposals would be forthcoming in the February–March area.

By March 8 there was still no indication of any forthcoming legislative proposals. Thus, given the absence of any specific legislative proposals, the short time to the expiration of the health authorities, and the President's intention to let several of those authorities lapse, the Labor and Public Welfare Committee introduced S. 1136. Its intention was and is to give the Congress the time it requires to play its constitutionally guaranteed role in determining the substantive shape of legislation.

Mr. President, at the time S. 1136 was introduced it was placed directly on the Senate Calendar. Subsequently, the Senate unanimously agreed to the motion of the assistant minority leader, Senator GRIFFIN, to commit the bill to the Labor and Public Welfare Committee in order for Secretary Weinberger to have an opportunity to comment upon it. Further, the Senate directed the committee to report the bill within 2 weeks.

Secretary Weinberger testified in opposition to the bill on March 22. Once again the Secretary could produce no specific constructive legislative proposals. Once again, he said they would be forthcoming but refused to give a date. And in the course of the hearing, it became very clear that the dismantling of those programs currently out of favor with the administration had begun in earnest. The director of the regional medical programs had issued phaseout instructions to all the RMP's. Several of those phaseout plans were available to the committee at the time of the hearing. Each made it clear that orders to dismantle the program had been given.

In addition, the committee obtained a copy of a detailed personnel list which indicated when each of the central office RMP positions was to be abolished.

Under questioning, Secretary Weinberger conceded that no Hill-Burton grant money had yet been allocated to the States for this current fiscal year.

Mr. President, the Secretary's appearance before our committee confirmed our fears. The process of phasing out health programs has begun in earnest; and yet the Congress has had no opportunity to work its will.

Our committee is on record to take a fundamental look at the entire Public Health Service Act. I reiterate that commitment now. We will strive to consolidate, recodify and rationalize the legislative authorities in a manner which defines the most appropriate Federal role in meeting the health needs of the American people.

Mr. President, the administration is truly isolated in its position on S. 1136. Our committee has received supportive, written testimony from the following groups:

American Academy of Pediatrics;
American Association of Colleges of Pharmacy;
American Association of Dental Schools;
American Clinical Laboratory Association;
American Dental Association;
American Dental Hygienists' Association;
American Dietetic Association;
American Federation of Labor and Congress of Industrial Organizations;
American Federation of State, County, and Municipal Employees—AFL–CIO;
American Heart Association, Inc.;
American Hospital Association;
American Nurses' Association, Inc;
American Public Health Association;
American Speech and Hearing Association;
Association of American Medical Colleges;
Association of Schools of Public Health, Inc.;
Association of State and Territorial Health Officers;
Association of University Programs in Hospital Administration;
Boston University School of Nursing;
Columbia Montour Mental Health Association;
Federation of Associations of Schools of the Health Professions;
Sandra R. Gill;
Harvard University;
International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America—UAW;
Joint Health Venture;
Michigan Dental Association;
National Association of Counties;
National Council of Community Mental Health Centers, Inc.;
The Network Staff;
New York City Health and Hospitals Corp.
New York State Association for Mental Health, Inc.;
United Mine Workers of America;
United States Catholic Conference; and
The University of Michigan.

I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks all the written testimony from these groups.

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

(See exhibit 1.)

Mr. KENNEDY. Mr. President, in addition, evaluation studies done by HEW cast doubt on the basic premises of their position. The National Institutes of Health has developed an in-house rebuttal to the severe reduction in research training grants. Secretary Weinberger dismisses all of this opposition and blames it on the "growing education—health—poverty complex." Yet, under questioning he was unable to name one scientist or one health group supportive of his position.

Mr. President, Wilbur Cohen, one of Mr. Weinberger's distinguished predecessors sums up the differences this way:

> It is a simple task to repeal and eliminate health programs. It is a hard and long task to create programs of excellence. Programs should not be wiped out without a careful examination by the Congress of alternatives, options, and the risks and benefits.

It is just such a careful examination that S. 1136 will enable us to make. I urge its enactment.

Mr. President, this statement, I think, indicates the position of the Senate Health Committee and myself as its chairman. We have been attempting for just about a year to draw from the administration its positions on the respective health bills, and have been unable to do so.

As my opening statement suggests to the Senate, Secretary Richardson indicated that the administration would make its legislative proposals available to the committee the latter part of this last year, but they were never forthcoming. Then, during the latter part of last year, when the Assistant Secretary for Health appeared before the committee, Dr. DuVal, he indicated that the recommendations would be made available at the time of the submission of the budget in January of this year, but they were still not forthcoming.

Then, at the time of the confirmation hearing of Secretary Weinberger, he indicated that legislative proposals would be available in February or March; then, when he appeared before the committee again only a week ago, he indicated that he was still unable to provide for the committee any legislative proposals. In contrast, he was able only to indicate which pieces of legislation the administration wants terminated. There was no submission of any alternative, really, for the committee to consider on any of the programs marked for termination.

Now we are at the end of March—and it is time for this committee to act. We have, over the period of the past year, met our responsibilities in the consideration of these pieces of legislation. We have passed a number of them, and the record will indicate such. Last year, the House of Representatives failed to act.

Now I think that it is appropriate that we give the kind of careful attention required to improve these various extensions. We have to determine what part of the act should be continued, where there is duplication, overlap inefficiency, and wastage; and we have to deal with the various difficulties. We are pledged to do just that. While we consider the best course of action we must continue the various health programs which today, in a wide variety of different parts of the country, benefit millions of Americans from all walks of life.

So we are pledged to accept the challenge of the administration to make these various health programs more efficient, equitable, and to eliminate waste and duplication.

We would have welcomed statements and comments by the administration as to ways in which they think the existing programs could have been made more efficient; but we never received that information. The only information we did receive was that the administration intended to get several parts of this legislation; like the regional medical programs, Hill-Burton, community mental health centers and allied health.

Our health subcommittee is committed to use the period afforded by S. 1136 to examine in considerable detail, these various pieces of important legislation and to make them more efficient; we will make the act compatible with a future health insurance program, regardless of the final form that health insurance takes.

It is because of that understanding on the part of 15 of the 16 members of the Labor and Public Welfare Committee that we have received such strong bipartisan support for S. 1136. Senator SCHWEIKER, who is the ranking minority member of the Health Subcommittee, and Senator JAVITS, who is the ranking minority member of the full committee, have been enormously helpful.

That is our proposal, Mr. President. Our report goes into considerable detail as to the various provisions of the legislation itself and what each one of these pieces of legislation actually provides.

I can think, even at the outset, of a number of different changes that I myself would like to make in these various programs; others would make additional changes; but I think it was the feeling of the committee to propose a straight extension and then to do the kind of exhaustive work that should be done in consideration of these programs to make sure that they really are benefiting the American people and providing the best health care that they possibly can provide.

EXHIBIT 1

AMERICAN ACADEMY OF PEDIATRICS,
Evanston, Ill., March 22, 1973.

Hon. EDWARD KENNEDY,
Chairman, Subcommittee on Health,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: On behalf of the American Academy of Pediatrics, I wish to record endorsement of S. 1136 designed to extend the expiring authorities within the Public Health Service Act for one year. It is understood that this one year will be utilized by the Congress to extensively review our federal effort in the area of health planning, service, research and training so that a master plan for federal responsibility might be further developed.

The phase out of many existing programs

without adequate preparation for transition and alternative methods for innovation and basic support would cause many significant problems in pediatrics, particularly where these authorities are now being utilized as a cutting edge to find new solutions to existing problems. Among current authorities are programs which might be modified to enhance their effectiveness, such as the Regional Medical Program which has stimulated development of newborn intensive care units in many areas and have demonstrated dramatic reductions in infant mortality, Hill-Burton which might be directed toward modernizing outpatient facilities for primary care delivery, public health training support which is particularly important as states continue to assume a greater responsibility for planning and delivery of services. We hope to provide further commentary and suggestions in the coming months.

The American Academy of Pediatrics, in supporting S. 1136, would urge prompt action.

Sincerely yours,

ROBERT G. FRAZIER, M.D.,
Executive Director.

AMERICAN DENTAL ASSOCIATION,
Washington, D.C., March 21, 1973.

The Honorable EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The American Dental Association shares the concern of the sponsors of S. 1136 over the possibility that several health program authorities may be permitted to expire without appropriate review by Congress.

As previously noted in testimony before your Committee, the Association has a particular interest in the allied health training program which provides support for the education of dental hygienists and dental assistants who are essential in the efforts to deliver high quality dental care to our population.

The Association also has a special interest in the support of schools of public health which are relied upon to provide professional personnel to staff state and local departments of health throughout the nation.

Additionally, of course, the Association has a direct and vital interest in the medical library and comprehensive health program.

In view of the current demands upon the time of both the legislative and appropriations committees having jurisdiction over these programs, the Association concurs with and supports the one-year extension as provided in S. 1136.

We would appreciate the inclusion of this letter in the record of the hearings.

Sincerely yours,

PAUL W. KUNKEL, Jr., D.M.D.,
Chairman, Council on Legislation.

AMERICAN ASSOCIATION OF COLLEGES OF PHARMACY,
Silver Springs, Md., March 22, 1973.

Hon. EDWARD M. KENNEDY
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, New Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: This letter is to inform you that the American Association of Colleges of Pharmacy has recently acted to endorse S. 1136 which will extend for one year the various expiring health program authorities named therein.

Your comments on S. 1136 at the time of introduction have dramatically highlighted the need for this temporary extension of these important health programs. Your decision to extend these authorities to allow adequate consideration of possible changes is the only practical solution in view of the short time before the programs expire and the time needed to establish adequate funding levels.

Pharmacy schools have been assisted by several of the expiring programs. For example, the regional medical program has provided funds which permitted several pharmacy schools to begin the development of drug information systems to aid pharmacies and physicians to quickly research complicated drug problems. The medical library assistance program also permitted acquisition of drug and medical journals and research data used in these drug information programs. Also the program has permitted fuller utilization of the National Library of Medicine resources.

Recent studies have identified drug misadventures, particularly adverse drug reactions, which may cost the American public between 1 and 6 billion dollars annually, pharmacy school faculty are vitally interested in pursuing health service delivery research to improve prescribing by interaction between pharmacists and prescribers. Health service research and development programs must be continued to permit this important research.

As you and the co-sponsors of S. 1136 give consideration to the revision of the included authorities over the next year, we hope you will call on the AACP for assistance, particularly on those programs which may bear on improved drug therapy and related needs of the public.

Sincerely yours,

CHARLES W. BLIVEN,
Executive Secretary-Treasurer.

ASSOCIATION OF DENTAL SCHOOLS,
Washington, D.C., March 15, 1973.

Hon. EDWARD M. KENNEDY,
Old Senate Office Building,
U.S. Senate
Washington, D.C.

DEAR SENATOR KENNEDY: On behalf of the membership of the American Association of Dental Schools. I would like to offer the Association's support of Senate Bill 1136 and its companion bill in the House, which propose a one-year extension of the Public Health Training Act, Regional Medical Programs, the Allied Health Personnel Act, and other legislation.

The Association was pleased to learn that all members of the Senate Labor Committee, but one, are supporting the Bill and that the Senate is expected to pass it.

The AADS believes that the Public Health Training Act, Regional Medical Programs, and the Allied Health Personnel Act, should not be allowed to expire since they support programs which are an integral part of the national effort to provide better health care services for the people.

Further, the Association firmly believes that Congress should retain its Constitutional prerogatives to sustain legislative programs which it has created and which it believes are effective.

The Association would be pleased to assist you and your Health Subcommittee in any way it can.

Sincerely,

BEN F. MILLER, III,
Secretary-Treasurer.

AMERICAN CLINICAL LABORATORY ASSOCIATION,
March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, U.S. Senate, New Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: I am writing as counsel to the American Clinical Laboratory Association, and on its behalf, to urge the passage of S. 1136. The Association endorses this bill's underlying objective, to extend the expiring authorities in the Public Health Service Act for a one year period. ACLA believes it appropriate that the Congress have the opportunity for careful consideration of the various programs covered by these acts, so that those programs worthy of continuation, whether with modification or not, be carried forth for the benefit of the public.

The Association further believes that the Clinical Laboratories Improvement Act of 1967 (CLIA), which is part of the Public Health Services Act, should also be the subject of Congressional attention during the next year. To the extent that the CLIA needs revision in order to afford even greater protection to the citizens of the United States than has resulted from the Act's passage, ACLA offers its assistance.

Sincerely yours,

H. ROBERT HALPER.

AMERICAN DENTAL HYGIENISTS' ASSOCIATION,
Chicago, Ill., March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the American Dental Hygienists' Association I am pleased to present the Association's views on S. 1136, a bill to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The Dental Hygiene Profession has a vital interest in that section which extends the existing allied health professional law, providing federal support to dental schools of dental hygiene and assisting.

There are not now nor has there ever been sufficient numbers of dental auxiliaries. In fact, present manpower indicate that there is only one practicing dental hygienist for each 10,000 population in the United States. In contrast, adequate manpower needs were described to this Committee last year in terms of one dental hygienist per 4,250 population—more than twice the number presently available.

Should the related Allied Health Programs be allowed to expire, the negative effect would be compounded. Not only will our educational system (the source of manpower fulfillment) cease to expand, it will begin to regress.

Developing programs that were assured federal assistance cannot assume full financial responsibility and inevitably some will close their doors to students. This failure results in loss of manpower and wasted tax dollars which were invested in recent years.

As a direct consequence, we are in full support of the one-year extension as provided in S. 1136. We would appreciate the inclusion of this letter in the record of the hearing.

Sincerely yours,

MARY COSABOOM, R.H.D.,
Chairman, Committee on Legislation.

THE AMERICAN DIETETIC ASSOCIATION,
Chicago, Ill., March 19, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing on behalf of the 24,000 members of The American Dietetic Association to express our full support for the enactment of S. 1136 that would extend for one year several expiring authorities under the PHS Act, including provisions for the training of allied health professions manpower at the undergraduate and graduate degree levels.

In recent years, the awareness of the general public of the importance of nutrition to health has expanded significantly. This pub-

lic interest is reflected in legislation approved by the Congress to expand and improve the school lunch program and the food stamp program as well as meal service for the elderly. These enactments have increased the demand for dietitians and nutritionists as will the proposed regulations of FDA pertaining to food labeling and the proposed HMO legislation that stresses preventive health services.

If Federal support for the training of dietitians and nutritionists is curtailed as of June 30, 1973, as proposed by the Administration, the training resources of colleges, universities, and schools of public health will necessarily be reduced. Such a reduction would sharply diminish the number of graduates in dietetics and nutrition. In time, the shortages of these health workers would become more severe, thereby giving an added dimension to the "health care crisis" that has been acknowledged on a bipartisan basis.

In our view it would be more efficient and economical to modify existing authorities for the Federal support of allied health manpower training programs as an alternative to the proposal of the Administration. It would take many years to overcome even a temporary curtailment of Federal support for the training of allied health personnel.

With best wishes, I am

Sincerely,

ISABELLE A. HALLAHAN, R.D.,
President.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., March 19, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: Over the years Congress has enacted many vital programs to fulfill the health needs of the people of our nation. Fifteen of these programs expire in 3½ months.

These health programs include among others the Hill-Burton Hospital Construction Act, the Community Health Centers Act, and the Allied Health Professions Education Act. We recognize that over the years priorities among health programs change and that Congress and the Executive must review such programs to see that the health needs of the nation are being adequately met. We fear, however, that there is insufficient time between now and June 30 to review and make desirable changes in these many programs to meet our changing health needs.

The AFL–CIO therefore supports the purpose of S. 1136 to extend the many categorical health programs for an additional year in order that they may be tailored to best serve the health needs of our nation.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFL–CIO,
Washington, D.C., March 15, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The American Federation of State, County, and Municipal Employees is a labor union representing over 600,000 employees of state and local governments across the country. Over 120,000 of our members are professional and paraprofessional health personnel. We congratulate you and the fourteen other senators on the Labor and Public Welfare Committee, Republicans and Democrats, for your introduction of S–1136, The Public Health Act of 1973. We urge its speedy adoption.

This Act gives Congress adequate time systematically to consider practical and necessary revisions in existing federal health programs. It provides a workable alternative to the ill-considered approach recommended by the Department of Health, Education and Welfare, of simply eliminating many of these programs and making no provision for continuing the services they furnish.

We are by no means slavishly devoted to continuation of every single categorical health program now being funded by the federal government. Indeed, we see many areas in which programs can be combined or made more efficient. We think, however, that Congress, not the Executive, is the proper branch of government to undertake a revision of these federal efforts—hearing testimony from the Executive, of course, but also hearing the views of people directly affected by these programs. Clearly, the best way to achieve this end is to give Congress sufficient time to examine all these programs. Therefore, we recommend passage of S–1136.

Sincerely yours,

JERRY WURF, *International President.*

AMERICAN HEART ASSOCIATION, INC.,
New York, N.Y., March 14, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The present rapid dismantling of health research and delivery programs and facilities may be a major loss to the health of Americans. Senate Bill 1136 would provide opportunity for study during a period of one year so that the programs covered under that bill could each be adequately studied and, if necessary, revamped in a fashion best designed to provide the maximum cost-effectiveness for the future.

I would like to support the speedy passage of S–1136. The impact of announced changes in some programs has been such that delay imperils the functioning of agencies vital to the health of each of us. Simply discarding the programs, or dismantling them hurriedly, will mean that many groupings of skills will be dispersed. The one-year extension in S–1136 provides time for careful reappraisal of each program and such a reappraisal will serve the nation's health needs.

Very truly yours,

CAMPBELL MOSES, M.D.,
Medical Director.

AMERICAN HOSPITAL ASSOCIATION,
WASHINGTON SERVICE BUREAU,
March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the American Hospital Association which represents some 7000 hospitals and other health care institutions throughout the country, is vitally concerned with the health programs of the federal government. This is to inform you that the American Hospital Association fully supports your bill, S. 1136, to extend for one year the following health programs: Health Services Research and Development, Health Statistics, Public Health Training, Migrant Health, Comprehensive Health Planning, Hill-Burton, Allied Health Training, Regional Medical Programs, Medical Libraries and Community Mental Health Centers.

At the Annual Meeting of the American Hospital Association here in Washington last month, the Association's Board of Trustees and House of Delegates approved a resolution expressing grave concern about the drastically reduced commitment to health programs in the Administration's FY 1974 budget. This resolution recognized the crucial need for improved and coordinated comprehensive health planning. At the same time, it stressed the fundamental necessity of continuing federal assistance through such programs as Comprehensive Health Planning, Hill-Burton, Regional Medical Programs and Community Mental Health Centers Program. Further, we believe that some aspects of these programs need improvement and redirection.

We believe it is essential that these programs which provide federal assistance in priority areas of health activity be continued. On the other hand, it is evident that adequate legislative consideration of the issues involved in the numerous programs requiring extension and the efforts of your Senate Health Subcommittee aimed at recodifying and restructuring the Public Health Service Act cannot be completed within the short time remaining before June 30, 1973.

The American Hospital Association supports S. 1136 to provide a one year extension of the expiring legislative authorities without substantive changes in these programs in order to provide time for the full legislative review of each of the programs.

We are convinced that continuity of these important programs is essential and a detailed evaluation and review of them is necessary so that their continuation, and where indicated, restructuring, will more effectively and efficiently serve the health needs of the people of our country. The bipartisan support of S. 1136 is most encouraging to the health field and we urge its prompt enactment.

Sincerely

LEO J. GEHRIG, M.D.,
Vice President, Federal Relations.

AMERICAN NURSES' ASSOCIATION, INC.,
Kansas City, Mo., March 20, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Senate Committee on Labor and Public Welfare, Washington, D.C.

DEAR SENATOR KENNEDY: The American Nurses' Association would like to express its support for S. 1136 "Public Health Service Act Extension of 1973."

The Chairman and members of the Health Subcommittee, who sponsored S. 1136 are to be commended for sponsoring this legislation which will continue support to various important health programs while allowing Congress ample time to review, in an orderly fashion, each of the programs involved. If federal support for ongoing activities is to be discontinued, at the very least a reasonable transition period is essential in order to arrange for continued services through other mechanisms if at all possible.

Of particular concern to the A.N.A. are extensions of health services for domestic agricultural migrant workers, regional medical programs, community mental health centers, traineeships for public health and support for allied health personnel.

The recent outbreak of typhoid in Florida provides an excellent example of the need for improving health and other services to migrant workers and their families. The cost of providing preventive health care, including immunizations to children and adults, proves to be very small indeed when compared with the cost of treating the more than ninety persons who have been confirmed to be suffering from typhoid fever and of tracing carriers across the state of Florida as well as into other states.

However, the major focus of migrant health programs should be the well-being of the migrant families themselves.

Living, out of economic necessity, in housing which is often unsanitary and crowded, the migrants and their children are subject to frequent ailments, which, because they are often untreated, may become chronic or acutely critical. Lacking money

to pay a doctor or hospital, they seldom see either. Embarrassed by their situation, they tend to wait until medical emergency forces them to seek such services. Malnutrition and hunger also predispose migrant workers to disabilities which hobble their hopes for the future. Health services for domestic agricultural migrants must be continued and improved.

A program of the complexity of Regional Medical Programs, which crosses the usual institutional and geographic boundaries for cooperative efforts, takes several years to become fully operational. In recent years there has been solid achievement evident in many RMP's. Their continuing education programs have met the needs of thousands of health practitioners. The American Nurses' Association has heard from nurses in many parts of the United States expressing their high opinion for the educational benefits of RMP's. Nurses feel strongly that most RMP's are achieving their goals and that patient care is being directly improved through these efforts. Notable change in critical cardiac care is evident as a result of educational programs which helped nurses and physicians to develop new skills. Other significant achievements have been improvement in care of patients with cancer, stroke, and severe kidney problems. The effect of research is significant only when the time gap between the acquisition of new knowledge or technology and its application in daily patient care is short, and in this shortening of the knowledge gap, RMP's have been successful. We do not mean to imply for the long term future there should be no changes in the legislation but we are disturbed by the present rapid dismantling. A one year extension very soon seems imperative.

Among the most important recent advances in mental health care has been the creation of Community Mental Health Centers to provide diagnosis, treatment, and rehabilitation of mentally ill and emotionally disturbed persons in their own communities. The American Nurses' Association supported the Community Mental Health Centers Act of 1963 and subsequent legislation amending the Act. Nurses believe that the availability of service in localities where people live helps in early recognition of illness and intervention at a time when treatment is likely to be most successful (and, incidentally less costly). Amendments providing support for mentally ill children and for the retarded have been viewed by nursing as particularly important. Because of lack of community and often, family understanding about mental illness and mental retardation, the mentally ill and retarded are all too frequently rejected.

The success of programs to combat both mental and physical illness depends in large measure on the availability of well-qualified professional manpower. Therefore, we are particularly concerned that there be extension of staffing grants for Community Mental Health Centers.

We strongly support the extension of public health traineeships. Public health is one of the few areas of health care which is truly interdisciplinary. There is tremendous rhetoric about the need for interdisciplinary education and the health team approach to solving problems but little financial support is available. It would be a tragic loss to have school support and traineeships terminated. Termination of support for training of health care professionals, particularly physicians, nurses, social workers, administrators and others concerned with public health, would perhaps be valid if evidence existed showing an adequate and continuous supply of such providers of care. Of course that is not the case.

We support the extension of aid for the training of allied health professionals. It is obvious, given the complexity of health care today, that many disciplines in the health field with special knowledge and skills must be involved, if comprehensive care of high quality is to be provided. We believe that federal funds should be available for well-established educational programs for the preparation of health professionls and in carefully controlled demonstration projects to evaluate the effectiveness of new types of health workers.

Again, we emphasize our strong support for the immediate extension of these authorities.

We urge favorable consideration of S. 1136 and request that this communication be made a part of your Committee's record of hearings.

Respectfully,

EILEEN M. JACOBI, Ed.D., R.N.,
Executive Director.

AMERICAN PUBLIC HEALTH ASSOCIATION,
Washington, D.C., March 19, 1973.

Hon. EDWARD KENNEDY,
Chairman, Subcommittee on Health, Senate Committee on Labor and Public Welfare, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to express the appreciation of the American Public Health Association to you and the other cosponsors of S. 1136 for your leadership and concern for providing continuity for the several programs authorized by the Public Health Service Act that would expire on June 30, 1973 in the absence of affirmative action by the Congress.

In our view, the abrupt termination of these programs would be clearly inimical to the public interest if not an abdication of leadership in the field of health at the Federal level.

Several of the PHS programs that the Administration proposes to terminate are essential to the orderly development of the health manpower and facility resources that are needed now. The shortages will be accentuated to the extent that financial barriers to health care are reduced or eliminated in the years ahead.

We realize, of course, that S. 1136 is intended as an interim measure to provide continuity pending final consideration of modifications in existing authorities under the PHS Act. I want to take this opportunity to offer the assistance of this Association to the extent that it would be helpful to your Subcommittee in its important work.

With best wishes, I am

Sincerely,

MARGARET B. DOLAN, R.N.,
President.

AMERICAN SPEECH AND HEARING ASSOCIATION,
Washington, D.C., March 14, 1973.

Senator EDWARD M. KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: The American Speech and Hearing Association (ASHA), on behalf of its more than 15,000 graduate-trained speech pathology and audiology members, enthusiastically endorses your bill (S. 1136) to extend funding authorities contained in the Public Health Service and Community Mental Health Services Acts for a one-year period beyond their scheduled June 30, 1973 expiration.

Our concern over the prospective phasing out of the vital health programs authorized by these statutes is perhaps best expressed by the following excerpt from one of the many membership letters we've received on the subject:

Here in Savannah our Georgia Regional Medical Program is responsible for the development of an important stroke facility. Our speech and hearing center is contracted for services with that facility. Georgia Regional Medical Program has also approved, but not funded, a project of ours involving the training and supervision of volunteer helpers in an asphasia program. They have invited another of our project applications concerning the development of an itinerant speech pathology service program for outlying areas within our region. With the exception of our program here in Savannah, and a small program in Brunswick, speech therapy services for stroke patients are not available anywhere in our region. This fact has more meaning when one realizes that our region apparently has the highest incidence of stroke in the country. Our projected service programs will suffer a significant setback if the Regional Medical Program is phased out.

The speech pathology and audiology profession is grateful to you, Senator, and to the fourteen other members of the Labor and Public Welfare Committee for the insight and incentive which S. 1136 evinces. We at ASHA intend to contribute in every way possible to the bill's early passage by both Houses of Congress.

Sincerely,

RICHARD J. DOWLING,
Director of Governmental Affairs.

ASSOCIATION OF AMERICAN MEDICAL COLLEGES,
Washington, D.C., March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Senate Labor and Public Welfare Committee, Washington, D.C.

DEAR MR. CHAIRMAN: The Association of American Medical Colleges notes with interest that your Subcommittee will hold a hearing March 22 on S. 1136, the Public Health Service Act Extension of 1973. We hope that this letter in support of the bill will be accepted as part of the hearing record and will be helpful to the Senate in its consideration of S. 1136.

The bill provides a direct one-year extension of 33 provisions of the Public Health Service Act and 9 provisions of the Community Mental Health Centers Act, from June 30, 1973 to June 30, 1974. It makes no substantive changes in the law. It extends the following programs: health services research and development, health statistics, public health training, migrant health, comprehensive health planning, Hill-Burton, allied health training, regional medical programs, medical libraries, and community mental health centers.

Many of these legislative authorities are critical to the responsible advance of medical education. The Association has testified on these measures separately many times in the past. The Subcommittee's records will reveal that occasionally we have recommended reform and revision of some programs. We regret that the Congress, notwithstanding the best efforts of the Senate Health Subcommittee in the past year, has not agreed upon a way to carry out such reform before the basic authorities expire on June 30.

The Association agrees with your statement to the Senate on March 8 that "it is not possible for the Congress to do an adequate job of restructuring and updating and consolidating these legislative authorities" in the coming three months. We applaud your promise to do everything you can "to assure that legislation in this regard is favorably reported from the Committee to the Senate by next winter." The Association consequently supports S. 1136 as an interim measure and urges its passage by the full Congress as quickly as possible.

In expressing this support, we must emphasize that it is the responsibility of the Association of American Medical Colleges to cooperate with both the legislative and executive branches of the federal government in offering our suggestions for improving health programs. Should S. 1136 become law, the Association will continue to make its views known to the Congress and the Administration on the component parts of the leg-

islation and on our evaluation of the many programs it contains.

These programs, which directly affect the health of millions of Americans, were written into law originally because Congress determined that they were needed. We commend Senator Javits' remarks to the Senate on March 8 that through passage of S. 1136 "Congress will determine that the health programs included in this bill will remain on the statute books until Congress has the opportunity to work its will on the substantive nature of expiring law, including congressional determination of their viability."

The Association fully agrees that these programs must be evaluated separately, that the nation's changing health needs must be considered, and that revision and even redirection may be required. This necessary evaluation cannot be accomplished in the next three months. It can be accomplished most thoroughly following a simple one-year extension.

We offer our assistance to the Subcommittee in the days immediately ahead as the Senate considers S. 1136, and in the coming months when the programs it contains are considered for reform. The Association can draw upon the valuable experience of 114 medical schools, 400 teaching hospitals and 51 academic societies to provide information useful to the Congress. We hope that you will call upon us.

Sincerely,

JOHN A. D. COOPER, M.D.
President.

ASSOCIATION OF SCHOOLS OF PUBLIC HEALTH, INC.,
March 19, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing on behalf of the eighteen schools of public health in the United States in support of S. 1136 that would provide continuity in the Federal program of financial assistance for public health training while Congress determines the extent to which the authorities of sections 306 and 309 of the Public Health Service Act require modification.

In our opinion, the Federal government has a responsibility to provide financial assistance for public health training because the 18 schools of public health are a national resource. All 50 States depend on schools of public health for professional public health manpower to staff State, city and county health departments and environmental protection agencies.

Since President Eisenhower signed the Hill- Rhodes legislation into law in 1958, the schools of public health have more than doubled enrollment and graduates. Despite this expansion, there is a severe shortage of trained public health personnel. It would be extremely shortsighted, therefore, to force a severe reduction in the educational resources that have been mobilized by schools of public health. Such a reduction would be mandated unless the authorities of sections 306 and 309 of the PHS Act can be continued.

Let me take this opportunity to pledge the full cooperation of this Association to your Subcommittee in considering the future scope and levels of support for public health training.

With deep appreciation, I am

Sincerely,

HERSCHEL E. GRIFFIN, M.D.,
President.

THE ASSOCIATION OF STATE AND TERRITORIAL HEALTH OFFICERS,
Washington, D.C., March 19, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Association of State and Territorial Health Officers is deeply concerned over the recommendation of the Administration to eliminate the Hill-Burton Program of Federal financial assistance for the construction and modernization of health care facilities as of June 30, 1973.

Arguments that the Hill-Burton Program should be eliminated because some communities have more hospital beds than are needed do not stand up in face of the fact that the States report a backlog of $13 billion in modernization needs and $7 billion in new facility needs. (See attached table.)

Consequently, this Association strongly urges approval of S. 1136 so that the Hill-Burton Program can be continued and its contribution to health facility construction activities at the State level can be maintained. The elimination of this program would severely handicap the States in meeting the health facility needs of their citizens.

Be assured that this Association will be pleased to offer its assistance to your Subcommittee in developing amendments to improve and expand the Hill-Burton Program.

With best wishes, I am

Sincerely,

JOHN S. ANDERSON, M.D., *President.*

ESTIMATED HEALTH FACILITY CAPITAL NEEDS

[In millions of dollars]

Category	Total	Modernization	Additional capacity
All	$19,675	$12,725	$6,950
General	12,465	8,805	3,660
Long-term care	4,010	2,500	1,510
Public health centers	910	490	420
Outpatient facilities	1,695	750	945
Rehabilitation facilities	595	180	415

Note: Facility and bed count from fiscal year 1971 Hill-Burton State plans.

Senator EDWARD KENNEDY,
Capitol Hill,
Washington, D.C.:

Passage of S1136 to extend the only source of support for the development of health administration education is critical to providing management capacity for health programs. The health services of this country are undermanaged now and new developments such as HMOS add to the demand for trained managers. Administration plans will reduce management training capacity and waste previous public investment in development of health administration programs. One year minimum assessment makes good sense.

GARY L. FILERMAN,
Executive Director, Association of University Programs in Hospital Administration.

BOSTON UNIVERSITY,
Boston, Mass., March 16, 1973.

Senator EDWARD M. KENNEDY,
Chairman, Senate Subcommittee on Health, Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: It is with great interest and a moderate measure of relief that I have learned of the introduction of Senate Bill S. 1136 which would provide a one year extension of several health laws.

The continuation of these laws for this period would provide vital time necessary for planning adjustments in programs provided for in these laws.

The significance of maintaining continuity in services for people can best be seen through the ways in which these programs have assisted this School of Nursing, helped hospitals and other health care agencies and their clients. Some of these are:

1. Through the Regional Medical Program we have been able to initiate, conduct and otherwise participate in workshops keeping staff nurses in participating hospitals updated in their skills in neurological nursing with emphasis on the stroke patient.

2. Additional workshops on speech and hearing disabilities occuring as a sequelae of stroke were given whereby nursing staffs of at least five large health care centers were trained.

In addition,

3. Nurses trained in the above mentioned workshops were given educational skills which would help them set up sessions for staff nurses in their own hospitals and settings, thereby increasing and extending the number of nurses already taught. Ongoing programs attest to the value of this approach.

4. Community health centers have been able to provide training opportunities for our students, baccalaureate and graduate, demonstrating how persons with a wide variety of health needs not requiring medical regimens or interventions can be managed by professional nurses: such as drug surveillance, nutrition management, health screening of the elderly, well baby clinics, etc.

5. Another vital aspect of the necessity of community health centers is the sharing and colleague relationships developed among all health professions is the less bureaucratic, hierarchial hospital structure. Community health centers provide a more flexible atmosphere for the implementation of intraprofessional training and education as well as offering invaluable opportunities for nurses to serve as primary care givers in implementing assessment skills of history taking and physical examination, follow-up of previously initiated medicine and health regimens to assure that the patient is maintaining the regimen successfully.

Knowing of your deep commitment to creating positive influences on American health, I am urging your continued maintenance of this position, and appreciate your efforts on behalf of our nation's citizens.

Sincerely yours,

IRENE S. PALMER,
Dean and Professor.

COLUMBIA MONTOUR,
MENTAL HEALTH ASSOCIATION,
Bloomsburg, Pa., March 15, 1973.

Senator EDWARD KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: Our local Mental Health Association would like to express our sincere appreciation to you for your hard work and efforts particularly regarding S.B. 1136. We honestly feel that this piece of legislation is of paramount importance in continuing to maintain the effective functioning of community mental health centers.

We have devoted considerable effort and time in establishing this type of program in our community and are now able to see its positive benefits and the results that can be accomplished as opposed to utilization of massive state hospitals presently overcrowded and understaffed.

Your efforts on behalf of the mentally ill and the mentally retarded are not going unrecognized by local mental health associations such as ours. Please keep up the good work.

Sincerely,

LEONARD P. MAJIKAS, ACSW.
Secretary.

FEDERATION OF ASSOCIATIONS OF SCHOOLS OF THE HEALTH PROFESSIONS,
March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing on behalf of the Federation of Associations of Schools of the Health Professions to urge prompt approval of S. 1136 that would extend ten authorities of the Public Health

Service Act that otherwise would expire June 30, 1973.

Of most direct concern to this Association are the authorities for the training of allied health professions manpower and public health training. To provide continuity in terms of expanded enrollments and educational resources it is essential that there be no interruption in Federal support during the year ahead as Congress deliberates the scope and extent of financial assistance that is required to meet health manpower needs in the years ahead.

Let me take this opportunity to commend you and the other cosponsors of S. 1136 for your leadership in the field of health.

With best wishes, I am

Sincerely,

JOHN A. D. COOPER, M.D., *Chairman.*

ASBURY PARK, N.J., *March 16, 1973.*

Senator EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: I am writing this letter to urge passage of bill *S1136*, to extend the Community Mental Health Services Act for one year.

The need for this type of service is paramount, if one realizes how preventive measures taken in the Community, can eliminate possible commitment to State Institutions, which is more costly to the taxpayer eventually.

I am proud that New Jersey has taken such steps thus far. It is progressive thinking.

Sincerely,

SANDRA R. GILL.

HARVARD UNIVERSITY,
Cambridge, Mass., March 19, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR KENNEDY: I endorse wholeheartedly S. 1136 to extend authorizations under Secs. 306 and 309 for graduate public health traineeships and for grants to offset, in part, the cost of training public health professionals in the graduate schools of public health.

The Harvard School of Public Health contributes nationally to far greater extent than locally or regionally. At least 75 percent of its students come from outside Massachusetts to prepare for public service in the several states and in the federal government. Federal participation in financing their training is therefore appropriate, indeed essential, if such training is to be continued at anywhere near present levels.

Without such support, the training programs of our School will be drastically curtailed. For lack of traineeships, student enrollment certainly will decline at a time when the demand for our graduates is greater than ever. Less than 10 percent of present students are able to pay their own way here. Most are advanced professionals already in debt for their basic education. Discontinuance of the formula grants would hit hardest at those departments in which the highest proportion of students concentrate for training in the delivery of health care and the operation of public and private health agencies. Without formula funds the departmental budgets, personnel and operations will be cut by 40–50 percent. Schoolwide, the formula funds cover 20 percent of the salaries of the entire teaching faculty.

This threat is all the more distressing because it comes just after the appointment of a new Dean, Dr. Howard H. Hiatt, who is moving vigorously to ascertain the most pressing health manpower needs in the country and to meet them by establishing new training programs. For example, he plans to launch a program to prepare college graduates for careers as health planners, analysts and managers. This is in direct response to federal, state and local expressions of need for a new kind of health professional who would be sophisticated in medicine and health on the one hand and skilled in the analytical and managerial sciences on the other. Loss of federal support would seriously compromise the future of this program, which is related to the delivery of health services, and others in environmental health and safety, child development and other areas of national concern.

Ironically, the School of Public Health is just now completing construction of an educational building which was financed largely by federal funds in order to permit a doubling of student enrollment and expansion of training programs. These purposes surely will be defeated if the Congress does not restore in large measure the cutbacks which the Administration proposes to make in funds for health training.

I urge passage of S. 1136.

With best wishes,

Sincerely yours,

DEREK C. BOK.

SOLIDARITY HOUSE,
Detroit, Mich., March 16, 1973.

Senator EDWARD M. KENNEDY,
Chairman, Health Subcommittee, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR KENNEDY: I am writing to express to you the support of our Union for the passage of S. 1136, the bill to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act, which was introduced under your sponsorship and that of 14 of your Senatorial colleagues.

I recognize that virtually all of the authority to continue these programs expires on June 30, 1973. While I thoroughly support the view that you have expressed, as well as that outlined by a number of your colleagues, that these programs need careful review and possible restructuring, I support your view that this cannot be done in the short time available to the Congress and that one year's extension would provide orderly and meaningful study, analysis and decision on these programs.

Real hardship would result, I believe, if these programs were permitted to die without careful consideration and evaluation. For example, the Community Mental Health Centers provide resources where many of our members are able to secure services under the mental health benefits of our collective bargaining agreements. These services are paid for under our negotiated health insurance. That insurance would be much less meaningful if means were available to pay for services but there were reduced opportunities to obtain them.

The UAW is deeply interested in the expansion of prepaid group practice programs throughout the country, for we see in them opportunities to provide improved health services to large numbers of people. To a considerable extent these programs depend upon personnel from the allied health professions. The sudden cutting off of aid to these professions has serious import for the future of health delivery in this country.

There has been a great deal reported on the so-called adequacy of the number of hospital beds and extended care facilities available in this country. The figures may well be accurate in terms of national averages. There are, however, special areas of need in many parts of the country whose residents cannot be helped by national averages when in fact there are no or very few facilities available to them. Accordingly, precipitous termination of the Hill-Burton Act without careful review of its implications would be unfortunate.

I refer to these three specifics as illustrative of the need to give the Senate more time to study, review and make decisions on the whole situation.

I hope, therefore, that your Committee and the Congress will see fit promptly to act to pass S. 1136.

Sincerely,

LEONARD WOODCOCK,
President, International Union UAW.

JOINT HEALTH VENTURE,
Los Angeles, Calif., March 16, 1973.

Senator EDWARD KENNEDY,
Senate Office Buidling,
Washington, D.C.

DEAR SENATOR: Pending the formulation of a national policy of health resource development, so badly needed by this country, we urge you to support a one-year extension of *all* existing health program authorizations. This extension should be provided to allow time for the development of a reformed health care policy within the next year. Meanwhile, we can not afford the cost in human lives and well-being the expiration of the current health care programs would mean for the American people.

We urge you to effectively exert pressure, as a member of the Senate Health Subcommittee, for the passage of *Senate Bill 1136*. We urge you to oppose what will no doubt be a strong opposition campaign by the White House. Health is not an economic luxury, but a right of every American.

Thank you for your concern. We hope to hear from you soon concerning the results of your efforts.

Sincerely,

The staff and members of Joint Health Venture.

KAREN COE, *Secretary.*

P.S.—Please include this letter in the record on the hearings of Senate bill 1136. Staff and members of the Senate Health Subcommittee.

MICHIGAN DENTAL ASSOCIATION,
Lansing, Mich., March 16, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The 4,100 members of the Michigan Dental Association strongly urge the passage of S. 1136 which restores funding for the next fiscal year to several projects including schools of public health.

The dental division of the School of Public Health at the University of Michigan will virtually cease to exist if the President's recommendation for funding cutbacks is implemented. Students now in the program will be cut off and the faculty will be reduced so severely that the school probably will not be able to operate.

This school is a national asset and has produced much of the dental public health personnel for the entire nation for many years. A sizable share of the personnel of the Dental Division of the U.S. Public Health Service has come from the University of Michigan School of Public Health.

The dentists in Michigan strongly urge the Subcommittee on Health to report favorably on S. 1136.

Your favorable consideration will be very much appreciated.

Sincerely,

JOHN G. NOLEN, D.D.S.,
Executive Director.

NATIONAL ASSOCIATION OF COUNTIES,
Washington, D.C., March 16, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The National Association of Counties supports your bill S. 1136 which is cosponsored by 14 other mem-

bers of the Labor and Public Welfare Committee.

We agree that a simple one year extension of the expiring sections of the Public Health Act is the proper approach at this time. There is not enough time in the three and half months left before this legislation expires for Congress to complete the kind of review necessary to write and pass new legislation.

We look forward to working with you on redrafting this legislation.

Sincerely,

BERNARD F. HILLENBRAND,
Executive Director.

NATIONAL COUNCIL OF COMMUNITY MENTAL HEALTH CENTERS, INC.,
Washington, D.C., March 21, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We wish to express our strong support for S. 1136, extending the authorization for the Community Mental Health Centers and other expiring health programs for one year, through fiscal 1974, and ask that this letter be made a part of the record of your hearings on the measure.

The National Council of Community Mental Health Centers is a non-profit organization representing 219 community mental health centers, most of whom have received federal funding.

It is essential that the Congress be given adequate time to thoroughly study the Administration's health proposals, as contained in its fiscal 1974 budget, and then to make sound judgments as to which, if any, should be adopted and which countermanded. Such a task cannot be completed before these programs expire on June 30, and the extension of the legislation through prompt enactment of S1136 is therefore needed.

We are totally opposed to the President's recommendation eliminating the Community Mental Health Centers Program, and thus accept S1136 as a stop-gap measure, and not a substitute renewal of the CMHC Act.

The Community Mental Health Centers program is one that has worked well by all account—seven by the Administration's own admission. It has caused the creation of effective, viable, community oriented programs for treating the mentally ill. It is a program that has helped to reduce the population of state mental hospitals, kept people in jobs and family and served to strengthen the fabric of the communities served. The Congressional ambition for the CHMC program, as reflected in the 1963 Act, envisioned a network of centers covering the nation's entire population—somewhere between 1500 and 2,000 programs. Today we have reached about the one-third mark—493 centers having received federal funds, of which 389 are operating.

The President should not be allowed to make a unilateral decision to abrogate a Congressional mandate; and yet that is what will happen if S1136 is not enacted soon. The President is calling for the dismantling of the program and thrusting the burden of financing and execution on the states, although it is clear that the resources are not yet available in the states to carry on existing programs and develop new ones.

We estimate that there are upwards of 200 community mental health programs, which would serve an estimated 25 million people, ready to be funded or in the developmental stage: none of these will become operational unless S1136 is enacted, and the Congress then passes a substantive renewal of the Community Mental Health Centers Act.

Sincerely,

JONAS V. MORRIS,
Executive Director.

THE NETWORK STAFF,
Washington, D.C., March 20, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health.

SENATOR KENNEDY: Network supports and encourages the passage of S. 1136, Public Health Service Act Extension of 1973. Many of the more than 1600 sisters of our task force, deeply concerned and struggling against the injustice in the present health care system, would speak to you themselves of this concern if time permitted; but since time is limited, I have been asked to represent them.

Many of these members are working in the present programs which S. 1136 will extend. They recognize that the time for reform of the health care system is now and realize that Congress needs time to legislate adequately in regard to these health resource development programs if there is going to be a national commitment to human justice in health. Therefore, we support a one-year extension of all existing authorization so that Congress can have the time it needs to legislate on these programs so vital to the American people.

I ask the committee to record this support for S. 1136 in the record of the hearings.

Respectfully,

Sister MARY RAE WALLER,
Network National Staff.

NEW YORK CITY,
HEALTH AND HOSPITALS CORP.,
New York, N.Y., March 19, 1973.

Senator EDWARD KENNEDY,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: As the Chief Executive Officer of the largest non-federal health system in the United States, I am writing in support of your bill to extend the Public Health Service Act and the Community Mental Health Centers Act.

The New York City Health and Hospitals Corporation was created in 1970 to improve the municipal hospital system and to work toward the development of comprehensive health services for the citizens of New York City. This system includes among its facilities some nineteen hospitals in addition to neighborhood family care centers and community mental health centers. The Corporation employs 45,000 people who care for some two million patients annually.

As typical of many municipal health systems throughout the country, the Corporation is continuously faced with the need to improve the quality of care being delivered through expanding both its ambulatory facilities and replacing and modernizing its antiquated physical plants. The Health and Hospitals Corporation has moved to better serve its outpatients by the establishment of community mental health centers and neighborhood family care centers located in the communities in which their patients reside. They represent a commitment to reach out into the community to improve the quality and increase the accessibility of its ambulatory care services.

In addition to building new facilities where needed, the Corporation has completed a $50 million crash renovation program designed to make improvements to twelve of its existing institutions, while a $21 million program is currently underway and will benefit the remaining hospitals. Many of these efforts would not have proceeded without the Public Health Service and Community Mental Health Centers Acts. That work is now in grave jeopardy for it is conservatively estimated, without a definite compilation of proposed cutbacks, that some $15–20 million will be lost by the Corporation.

This is not to deny that experience has demonstrated certain legislative revisions are necessary. But, these are complicated issues and time is needed to make substantive changes. This is the reason why an extension of the Public Health Service Act is so crucial in order that a more rational approach for change can be formulated and implemented.

These legislative proposals have introduced health care into the community not as an experiment, but as an integral part of the health care delivery system. The thrust of these programs has been community-based health services and we have realized the expansion of ambulatory and neighborhood-based facilities which have enabled us to begin to provide a first line of comprehensive health care for all people.

Withdrawal of this support now, without an opportunity to resolve the problems inherent in these programs is not the answer, and will leave individuals to bear an increasingly significant portion of their health care expenses. This is an expense and burden few can afford.

Again, on behalf of the New York City Health and Hospitals Corporation and the people it serves, I offer our bipartisan support to extend the Public Health Service Act.

Sincerely,

JOSEPH T. ENGLISH, M.D.,
President.

THE NEW YORK STATE ASSOCIATION FOR MENTAL HEALTH, INC.,
Albany, N.Y., March 13, 1973.

Hon. JACOB J. JAVITS,
Albany, N.Y.

DEAR SENATOR JAVITS: The New York State Association for Mental Health and its 38 Chapters throughout the State of New York strongly urge the support of Senate Bill 1136—Public Health Service Act of 1973.

This bill provides for the renewal of funding for Community Mental Health Centers throughout the country.

We sincerely believe that the entire concept of community board mental health services would be seriously affected if this bill is not passed.

Sincerely,

Mrs. GORDON W. HATHAWAY, Sr.,
President.

UNITED MINE WORKERS OF AMERICA,
Washington, D.C., March 16, 1973.

Senator EDWARD KENNEDY,
Chairman, Health Subcommittee, Labor and Public Welfare Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR KENNEDY: There are compelling reasons for passage of S. 1136. All of the authorities expire in just over three months and some constitute the means where federal support is provided for greatly needed health services. It would border upon the unconscionable, for instance, to interrupt health services for domestic migrant agricultural workers and their families. The current tragic typhoid fever episode at the Homestead, Florida, Migrant Camp is clear evidence of the need for increased assistance, not for discontinuance of this program. It would also be inappropriate to terminate a program just recently beginning to provide physicians in the rural coal mining communities of Appalachia. Some of these communities are now for the first time receiving benefits of modern medicine provided by young well-trained physicians.

Thorough study and review of the efficacy of these programs is indicated. Such study will unquestionably reveal the need for change in many, if not all, of these authorities. Health programs probably suffer a similar degree of inefficiency as do other governmentally-sponsored programs. Other programs such as cost overruns in the military establishment and mismanagement in the private sector, Lockheed and the Penn Central Railroad to cite just two, however, do

not appear to be subjected to the punitive approach as that indicated for health programs in the proposed 1974 budget for HEW. The Hill-Burton programs need new direction, not abandonment, because our nation must replace antiquated and obsolete hospitals and to develop the kinds of facilities necessary to an enlightened health care system. There are striking examples of innovations resulting from Regional Medical Programs and to scrap, rather than revise, the Program because of instances of less than to be desired results would be extremely shortsighted. These are among the several clear reasons for the passage of S. 1136.

Sincerely,

LORIN E. KERR, M.D.

U.S. CATHOLIC CONFERENCE,
DIVISION OF HEALTH AFFAIRS,
Washington, D.C., March 16, 1973.

Hon. EDWARD KENNEDY,
Chairman, Subcommittee on Health, U.S. Senate, Washington, D.C.

DEAR SENATOR KENNEDY: Your proposal S. 1136, introduced in the Senate on March 8, 1973, represents a judicious approach to the subject of reassessing current programs operating under the Public Health Service and Community Mental Health Centers Acts.

Because of the magnitude and significance of these health programs, it is clear that a mere three months is too brief a period in which Congress can adequately update, restructure or consolidate the pertinent legislative authorities. It would seem that serious consideration of questions raised as to the effectiveness of existing health programs cannot possibly take place before the June deadline. Indeed, your subcommittee is already taxed by its commendable efforts in the field of health maintenance organizations human experimentation and emergency medical services.

Accordingly, it is only fair that Congress promptly enact a remedial measure such as S. 1136 to allow its members sufficient time to render a more tempered judgment on these crucial health issues.

We applaud your efforts on behalf of S. 1136 and look forward to its timely enactment.

Sincerely yours,
Sister VIRGINIA SCHWAGER, S.P.,
Director.

THE UNIVERSITY OF MICHIGAN,
SCHOOL OF EDUCATION,
Ann Arbor, Mich., March 16, 1973.

Senator EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, Senate Committee on Labor and Public Welfare, Washington, D.C.

DEAR SENATOR KENNEDY: I am wholeheartedly in support of S. 1136 to extend expiring authorities in the Public Health Service Act which you introduced with fourteen other Senators.

I strongly believe it would be very unwise to precipitately act upon termination or major modification of the several expiring health program authorities.

There is a pressing need for some important changes in some of these health programs, but their complexity and far-reaching significance requires careful and deliberate consideration.

Many of the expiring programs have a vital bearing on the implementation of any national health insurance program. Since the President has not yet forwarded his specific legislative proposal for national health insurance to the Congress, it will not be possible for Congress to complete action on legislative proposals in this area this year. These health insurance proposals should be considered carefully in relation to the various public health legislation and their interrelationship.

From my past experience as Secretary and Under Secretary of Health, Education, and Welfare, I believe that there should be a period of sufficient advance notice to States, localities, medical schools, etc. of any major changes in financing or program emphasis. This is necessary to assure proper and efficient administration. A one-year extension of expiring legislation is a more considerate, efficient, and intelligent way of going about making basic program changes than making changes solely in relation to budgetary considerations.

It is a simple task to repeal and eliminate health programs. It is a hard and long task to create programs of excellence. Programs should not be wiped out without a careful examination by the Congress of alternatives, options, and the risks and benefits.

Sincerely,

WILBUR J. COHEN,
Dean.

REGIONAL MEDICAL PROGRAM
FOR TENNESSEE MID-SOUTH,
Nashville, Tenn., March 20, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: In response to your request for this information, I would like to inform you of the support of the Regional Medical Program Coordinators, with the support of more than 2,000 policy-making RMP Regional Advisory Group members, for the extension of the Regional Medical Program authorization for one year.

During the one-year extension period the Coordinators hope to contribute their extensive experience and expertise to the further consideration of the future of the Regional Medical Program.

While we do not specifically propose an indefinite extension of RMP as known in the past, we are concerned that the various reasons given for discontinuing the Regional Medical Program are at sharp variance with the facts of our experience. Our analysis follows and is forwarded for your consideration in reaching a judgment in this matter.

There are three sources of statements giving reasons for discontinuing the RMP:

1. DHEW memo to Regional Offices transmitted on or about January 30, 1973
2. Appendix to the Budget for FY '74
3. DHEW Budget Analysis by Program (FY '74)

You will note that the reasons given in these sources are all different, a fact which leads us to question how carefully they have been thought out.

Source 1: DHEW memo to Regional Offices on or about January 30, 1973 (attached).

The key item is ". . . inappropriate use of Federal funds for professionals' continuing education."

Please note that Section 900 (a) of PL 91–515 (our current legislation, attached) specifically uses the words *continuing education* as a mandated mission of RMP. Please note also that in the very next paragraph, Source 1 cites Professional Standards Review Organizations to assume that role in the future. However, not only is the PSRO role limited to a small part of all health care, but it is also true that when the PSROs identify deficiencies in health professionals' health care performance, corrective continuing education will be a vital element in remedying such deficiencies.

Source 2: Appendix to the Budget for FY '74 (attached).

Two key statements cited are as follows:

". . . originally established to upgrade health care for persons threatened by heart disease, cancer, stroke, kidney and related diseases, the RMPs in recent years sought more to improve access to and generally strengthen the health care delivery system."

Please note that this suggests a deviation from assigned mission. However, your attention is invited to Section 900(d) of PL 91–515 and to the budget narratives of FY '72 and '73 (attached) to indicate that such a broadened scope for RMP was specifically directed by the Administration itself. Moreover, it is quite clear that when the health care delivery system itself is strengthened, patients with heart disease, cancer, stroke and other diseases will also be benefited. As a matter of fact, our experience is that if patients have only very limited access to primary health care, the specialized treatment facilities for the categorical diseases are not really available to them either because the normal referral pattern does not exist.

Next, ". . . despite expenditures over $500 million for these activities, there is little evidence that on a nationwide basis the RMPs have materially affected the health care delivery system."

I would bring to your attention Sections 900(a) and (d) of PL 91–515 which specify that RMPs shall work non-coercively through voluntary regional cooperative arrangements, and moreover that the program will not interfere with established patterns. We consider it remarkable that voluntary and cooperative changes have been brought about throughout the nation despite these constraints. Secondly, the reference to $500 million is the total for all RMPs since 1966. The amounts spent by the RMPs nationally in the area of strengthening the health care delivery system have occurred mainly after January 1971 when the FY '72 budget narrative appeared; and that total more nearly approximates $80 million. Hence the total of $500 million is not applicable to the argument.

Source 3: DHEW Budget Analysis by Program (FY '74, attached).

The relevant statements are as follows:

". . . regionalized systems of health care as originally envisioned in legislation have not been realized. The regions are almost identical with state boundaries."

Please note that "originally" RMP was for regionalized information and specialized services, *not* for health care *systems*. More importantly, however, the statement ignores the fact that most RMPs are *sub*-regionalized according to catchment or service areas within the region, so that functionally the state boundaries do not interfere with the regionalized systems which have been developed. A number of the regions do extend across state boundaries.

The Statement, ". . . projects supported have not been carried out according to any consistent theme or set of priorities," is a criticism which ignores the directions of the FY '72 & '73 budget narratives in which a "shift in emphasis" is specifically directed (see attached, underlined).

Finally, the statement is made: ". . . dismantling the superstructure of the RMPs will also reduce the competition for the limited staff available with the skills needed to make a contribution to improving the health service system in the United States."

Please note that this statement clearly admits that the RMPs' staffs *do* have the skills to contribute toward improving the health service system in the United States as we and the Administration both desire. What is incomprehensible to us is that the Administration should recommend dismantling the RMPs in order to accomplish what we are already doing.

This is furnished to you in response to your request for information, and I hope it may be useful to you in the course of your

further analysis of the merits for continuation of the Regional Medical Programs.

Sincerely yours,

PAUL E. TESCHAN, M.D.,
Chairman, RMP Coordinators.

SOURCE 1

(NOTE.—This Memo was transmitted from HEW to all DHEW Regional Offices about Jan. 30, 1973.)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, "REGIONAL MEDICAL PROGRAMS"

[In millions of dollars]

	1972 actual	1973 President's budget	1973 Current estimate	1974 estimate
Budget outlays	99	145	141	25
Budget authority	103	130	60	0

PROGRAM DESCRIPTION

Regional Medical Programs began in 1965 as a mechanism to link the expertise of medical centers with practicing physicians and community hospitals, with special emphasis on heart, cancer, stroke, and, later, kidney diseases. This linkage was mainly in the form of education and training programs for health care practitioners, on the one hand, and development of specialized resources, such as intensive care units. The purpose of these activities was to improve the quality of care available for heart, cancer, stroke, kidney and related diseases. There are currently 56 RMP's which vary in size from single cities to combinations of several States.

REASONS FOR TERMINATION

The greatest expenditure of RMP funds has been in the area of continuing education and upgrading training of health personnel. It is not an appropriate use of Federal funds to finance continuing education for professionals generally capable of financing his own education to improve professional competence. Training programs supported by RMP's have been short-term in nature. In FY 1971, 60 percent of the people receiving training by RMP attended a project lasting one day or less. Another 27 percent attended one lasting no more than 5 days, and only 13 percent attended projects lasting more than 5 days.

As a result of various legislative and administrative decisions in recent years, several activities for improving the quality of care previously assigned to RMP are now being supported by other HEW organizations, such as the special NIH cancer and heart initiatives, and the system of Professional Standards Review Organizations being set up under the Medicare authorities.

[Public Law 91-515 91st Congress, H.R. 17570
October 30, 1970]

An act to amend titles III and IX of the Public Health Service Act so as to revise, extend, and improve the programs of research, investigation, education, training, and demonstrations authorized thereunder, and for other purposes

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

TITLE I—AMENDMENTS TO TITLE IX OF THE PUBLIC HEALTH SERVICE ACT

SEC. 101. This title may be cited as the "Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970".

SEC. 102. Section 900 of the Public Health Service Act is amended to read as follows:

"PURPOSES

"SEC. 900. The purposes of this title are—

"(a) through grants and contracts, to encourage and assist in the establishment of regional cooperative arrangements among medical schools, research institutions, and hospitals for research and training (including continuing education), for medical data exchange, and for demonstrations of patient care in the fields of heart disease, cancer, stroke, and kidney disease, and other related diseases;

"(b) to afford to the medical profession and the medical institutions of the Nation, through such cooperative arrangements, the opportunity of making available to their patients the latest advances in the prevention, diagnosis, and treatment and rehabilitation of persons suffering from these diseases;

"(c) to promote and foster regional linkages among health care institutions and providers so as to strengthen and improve primary care and the relationship between specialized and primary care; and

"(d) by these means, to improve generally the quality and enhance the capacity of the health manpower and facilities available to the Nation and to improve health services for persons residing in areas with limited health services, and to accomplish these ends without interfering with the patterns, or the methods of financing, of patient care or professional practice, or with the administration of hospitals, and in cooperation with practicing physicians, medical center officials, hospital administrators, and representatives from appropriate voluntary health agencies."

REGIONAL MEDICAL PROGRAMS

No extension beyond June 30, 1973, of the regional medical program authorities is being requested.

Over a period of 8 years, the Federal Government, by means of grant awards and direct staff activities, promoted and developed 56 RMP's, regional cooperative arrangements among the Nation's health care providers and institutions. Originally established to upgrade the health care of persons threatened by heart disease, cancer, stroke, kidney disease and related diseases, the RMP's in recent years sought more to improve access to and generally strengthen the health care delivery system. Despite Federal expenditures in excess of $500 million for these activities, however, there is little evidence that on a nationwide basis the RMP's have materially affected the health care delivery system. Further expenditure of scarce Federal health resources on this program, therefore, cannot be justified on the basis of available evidence.

BUDGET NARRATIVES FOR REGIONAL MEDICAL PROGRAMS (1972-74)

FY1972.—Through grants, the development of regional cooperative arrangements among the Nation's health professions and institutions for: (1) improvement of regional health resources and services, and (2) enhancement of the capabilities of providers of care at the community level; and specifically to improve personal health care for persons threatened by heart disease, cancer, stroke, kidney disease, and related diseases. These activities are aimed at improving the quality of health care and strengthening the health care system generally throughout the Nation.

To date, 55 regions encompassing the entire Nation have received planning grants; of these, 54 have been awarded operational grants. The one remaining region is scheduled to become operational in 1971.

The 1972 budget introduces a stronger discriminatory policy which will be applied in awarding grants to individual Regional medical programs. As a result; a sharp retrenchment in grant awards will be made for those Regional medical programs which have been the least productive in order to support selected increases for those Regional medical programs which have shown the greatest innovative potential for moving the local health care system toward improved accessibility and quality of care. The new policy will also require a shifting emphasis in the use of current funds by the remaining programs.

The major shift in emphasis by the Regional medical programs will be directed toward improved and expanded service by existing physicians, nurses, and other allied health personnel; increased utilization of new types of allied health personnel; new and specific mechanisms that provide quality control and improved standards and decreased costs of care in hospitals; early detection of disease; implementation of the most efficient use of all phases of health care technology; and supporting the necessary catalytic role to help initiate necessary consolidation or reorganization of health care activities to achieve maximum efficiency.

FY 1973—(a) Grants and contracts.—Through grant awards and direct staff activities, the 56 regional medical programs promote and sustain the development of regional cooperative arrangements among the Nation's health professions and institutions for: (1) Improvement of regionalization of health resources and services, and (2) enhancement of the capabilities of providers of care at the community level. These activities are aimed at improving the quality of health care and strengthening the health care system generally throughout the Nation and specifically to improve personal health care for persons threatened by heart disease, cancer, stroke, kidney disease, and related disease.

In 1973, emphasis will be placed on: First, Manpower development and utilization programs.—Training aimed at enabling existing health manpower to provide more and better care and training of new kinds of health manpower. A significant portion of the 1973 request would be used for these activities including a major new initiative in support of area health education centers; second, new techniques and innovative delivery patterns.—Activities aimed at improving the accessibility, efficiency, and quality of health care. Through their provider linkages, the RMP's will act as catalytic agents for the planning and development of health maintenance organizations, ambulatory and emergency medical care services, particularly for rural areas, and for the application of new technologies, including automated systems and centralization of laboratory facilities. Third, regionalization activities.—Provider initiated activities leading to greater sharing of health facilities, manpower, and other resources. These activities will include support for comprehensive interregional kidney disease projects. Fourth, development and implementation of quality of care guidelines and performance review mechanisms.—Such guidelines and mechanisms are necessary to the development of the new and more effective comprehensive systems of health services such as health maintenance organizations, rural health delivery systems, and emergency health care systems. Fifth, development, demonstration and application of biomedical and management techniques.—Activities aimed at increasing productivity of providers and extending specialized services to areas not currently covered.

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

COMPREHENSIVE HEALTH PLANNING

An increase is recommended for health planning to strengthen the capacity of the 56 State and 208 areawide health agencies to influence the orderly and efficient development of local health services and to design

their health systems more effectively. Unplanned growth can bring about misdirected priorities, such as excessive reliance on inpatient care when ambulatory service might be more appropriate. Renewal of the legislation for comprehensive health planning will provide for strengthening the effectiveness of both State and areawide health planning bodies. Funds in 1974 will support an estimated 258 areawide agencies.

REGIONAL MEDICAL PROGRAM

The legislative authority for the Regional Medical Program expires at the end of FY 1973. The Administration will not seek its extension, and plans to award no grants after June 30, 1973. This action is being taken because the regionalized systems of health care as originally envisioned in the legislation have not in fact been realized during the seven years of this program's existence. The Regions are almost exclusively identical with State boundaries and the projects supported have not been carried out according to any consistent theme or set of priorities. Nearly all of the RMP projects overlap other project grant programs supported by the Department; most particularly, comprehensive health planning, health services research and development, and heart and cancer research. Dismantling the superstructure of the RMPs will also reduce the competition for the limited staff available with the skills needed to make a contribution to improving the health service system in the United States.

HEALTH MAINTENANCE ORGANIZATIONS

Legislation will be re-introduced to foster the development of Health Maintenance Organizations. These locally organized direct service plans provide preventive and treatment services on a prepaid voluntary basis. They hold promise of controlling rising health care costs and improving access to high quality health care services compared to other patterns of delivery.

Federal assistance will be provided through an integrated program of grants, contracts, loans and loan guarantees to plan, develop and facilitate initial operations of HMO's. It is estimated that 1974 funding will support 93 planning projects, 67 development projects, and 30 operational programs. Legislation will encourage participation in the HMO as an alternate to present indemnity plans. States will be assisted in amending laws that now restrict HMO development, and technical assistance will be offered in HMO development.

MEDICAL FACILITIES CONSTRUCTION

A major contribution to building the needed national supply of hospital and clinic facilities is credited to the 26 year old Hill-Burton program.

Mr. DOMINICK. Mr. President, I am a cosponsor of S. 1136, which would extend for 1 year without change—at fiscal year 1973 authorization levels—those health programs authorized under the Public Health Service Act, and the Community Mental Health Centers Act, which are due to expire June 30 this year.

The administration's position on this bill was stated forthrightly and succinctly by Secretary Weinberger in his testimony before the Labor and Public Welfare Committee.

The thrust of his testimony was that a simple extension will perpetuate the existing welter of overlapping, duplicative categorical health programs, many of which should be reduced, consolidated, or eliminated. He feels there is nothing to be gained by postponing the hard decisions that must be made when these programs are reviewed.

I support S. 1136, not because I feel the status quo is entirely satisfactory, or because I want to procrastinate, but because I feel there simply is not enough time for our committee to carefully review these programs and make intelligent recommendations to the Senate before they expire on June 30. I think there is considerable merit in the criticisms expressed by the administration. I think we should examine each program closely to determine whether it should be extended, changed, or combined with other programs. But there is no way we can do this with 12 separate programs and come up with rational proposals before June 30.

By providing a simple 1-year extension, S. 1136 will give us the time we need. I hope such an extension will not encourage the committee to procrastinate until we find ourselves in the same mess a year from now. Hearings should be scheduled soon, so that the administration and other interested parties can give us their recommendations. Hopefully, the end result will be legislation which through consolidation, and elimination where necessary, will reduce and rationalize the existing tangle of categorical health programs.

It should be noted in this regard that the administration has provided us with no concrete alternatives. The fiscal year 1974 budget recommendations are not the proper mechanism for rationalizing our health programs. I feel strongly that under the Constitution it is the executive branch's duty to recommend, rather than dictate with regard to legislative authority. To the extent that the fiscal year 1974 budget requests no money for programs the administration feels should not be continued, it is an attempt to do the latter.

An even more direct attempt to do this is the administration's unilateral action to terminate the regional medical programs before Congress has had the opportunity to review it. This is a clear intrusion by the executive branch into the jurisdiction of Congress. The regional medical programs were established pursuant to a law made by Congress. So long as that law remains on the books, it is the Executive's duty to execute it. Beyond that, all the Executive can properly do is recommend to the Congress that the program be changed or terminated. The decision must be made by Congress. If that is not true, in the words of a constituent, "What are we here for?"

Already in this session, I have introduced S. 1006, an extension of the Hill-Burton Act with some modifications to take into account the surplus of hospital beds in large urban areas while providing necessary support for construction and modernization of facilities in rural areas and smaller communities where the need is critical. Other legislation being considered would provide alternative to some of the programs contained in this omnibus bill, but again, I would emphasize that these alternatives are being developed by the Congress, not the executive branch.

In conclusion, Mr. President, the Constitution is explicit that legislative power resides solely wth the Congress. I feel we should guard that power jealously, and exercise it responsibly, keeping in mind always that the proper Federal role is not all-inclusive, that the mere spending of Federal dollars frequently does not solve problems, and that Federal revenues are indeed limited. For that reason alone—in order to preserve the status quo while Congress exercises responsibly its decisionmaking powers with respect to programs it has created—S. 1136 should be passed.

Mr. PELL. Mr. President, I urge my colleagues to support S. 1136, the "Public Health Service Act Extension of 1973." This legislation extends for 1 year, in basically unaltered form, and at the present fiscal year levels of authorization, the soon to expire authorities of the Public Health Service Act and the Community Mental Health Centers Act.

I hope that the Senate Labor and Public Welfare Committee, of which I am a member, and the Congress as a whole will always give this administration's legislative proposals a full and fair hearing. It is clear that we have asked the administration for thorough evaluation of those expiring authorities, and have encouraged it to submit constructive proposals to help us recodify this vital piece of legislation.

In response we have received the administration's fiscal year 1974 budget proposal, which raises serious questions as to the desirability and effectiveness of some of these important authorizations. It proposes to terminate, phase out or substantially change several programs whose aims and objectives I consider to be worthy, and which should, on the balance of information presently available to us, continue to be implemented. I speak specifically of the administration's proposals to terminate the Hill-Burton hospital and ambulatory care facilities construction and modernization program, the community mental health centers programs, and the regional medical programs for heart, cancer, and stroke, and to substantially change and redirect such programs as comprehensive health planning, and maternal and child health services.

The administration's able representatives who testify before us give several main reasons for these proposed terminations and cutbacks—these programs do not deserve priority in the competition for Federal funds, they are ineffective, duplicative, or wasteful, and Congress intended them to be of only a temporary or demonstration nature, and that there is private funding readily available for them. Recognizing and respecting the right and the obligation of the administration to put forth its viewpoints and legislative recommendations in their most favorable light, I am also aware of the constitutional duty of Congress to thoroughly evaluate and scrutinize these proposals. Out of this kind of dialog, sound legislation will hopefully emerge.

In my opinion, the administration has not, in its recommendations to terminate and change these authorities, made a persuasive case. I suggest that its proposals are insufficiently substantiated by the weight of the data and evidence it has presented to us; they do not present to us; they do not present us with a vi-

able legislative alternative to the extension of the existing authorities.

In my own State of Rhode Island implementation of the administration's budgetary proposals for health would eliminate or imperil $262,000 in Federal funds for services at the child development center for handicapped children at Rhode Island Hospital, $83,000 for immunization protection against polio and other diseases for youngsters in poor and near-poor families, $254,000 for maternity and infant care for high-risk mothers in inner city areas, $63,500 in dental care for retarded children, and $530,000 for food protection and sanitation.

My State will in this fiscal year receive approximately $2,600,000 in grant and loan funds under the Hill-Burton program. In the last 2 years primary emphasis has been placed on modernization and development of much needed ambulatory and long-term care facilities. Although the administration contends that a general overabundance of unoccupied hospital beds indicates that Hill-Burton aid should be terminated, its budget makes no provision to provide Federal funding for these ambulatory care facilities. Furthermore, hospital administrators in my own State tell me that although there may be a high rate of unoccupied beds in some geographical areas, this applies primarily to obstetrical and gynecological beds—not to medical-surgical wards.

If the community mental health centers program is phased out, Rhode Island would lose its opportunity for obtaining millions of dollars in Federal funds for the construction and staffing of such centers.

Rhode Island is a small State. We pride ourselves, and I think justifiably so, on the strides we have made in making innovative and efficient preventive health care available to increasing numbers of our citizens. I am personally familiar with many of the federally funded programs, and the persons administering them in my State. I have seen little or no evidence that these programs do not deserve priority or that they are wasteful, and inefficient. To the contrary, these programs seem to be working well, and are just beginning to realize their potential. Among the members of the communities which they serve there is almost universal agreement that Federal funding is still needed.

The regional medical programs have been the subject of administration criticism. In Rhode Island they provide grants and contracts for ambulatory health service planning in Newport County, the creation of an area library at Brown University, inservice education for nurses in the management of patients with diabetes mellitus at Miriam and St. Joseph's Hospital in Providence, and screening, first-aid, and referral to physicians and hospitals in the Pawtucket Model Cities program. I think that these programs are accomplishing valid objectives.

I reiterate my readiness and willingness to be receptive to viable administration alternatives, to modernize, coordinate, and improve existing public health service legislation. Where there is inconclusive evidence or honest differences of opinion as to the priorities of various programs, on their efficiency or effectiveness, I will do all that I can to be flexible. Nevertheless, I will oppose this administration in what I believe to be an improper use of the budget as a legislative mechanism. To ask for a reduced level of funding for certain programs where moneys have been appropriated by Congress raises a serious constitutional issue. Over its implications, reasonable men may differ; but to order, either directly or indirectly the dismantling of functioning programs, under presently existing authorities, without the consent of Congress is to me clearly violative of constitutional prerogatives. Congress, not the President, is the duly delegated lawmaking representative of the people.

For these reasons I support the "Public Health Service Act Extension of 1973".

CONGRESS MUST RETAIN THE RIGHT TO DETERMINE FEDERAL AID TO HEALTH

Mr. HUMPHREY. Mr. President, I urge the Senate to take favorable action today on the Public Health Service Act Extension of 1973, S. 1136. Immediate enactment of this legislation, to extend various authorities under the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act, now scheduled to expire in less than 4 months, is essential if Congress is to exercise effectively its power to determine the response of the Federal Government to the critical health care needs in our Nation today.

Nowhere is the administration's retreat from domestic problems better illustrated than in its proposals for cutbacks and terminations of funding for vital health research, training, and services, under the fiscal 1974 budget. And these budget decisions fly in the face of the mandates and lawmaking powers of Congress.

I had the honor to serve in this Chamber with Senator Lister Hill of Alabama, the father of Federal involvement in health programs. His contribution on the Senate side of Capitol Hill was matched by a lifetime of dedication to the same cause by Representative John Fogarty of Rhode Island. Between them, these two exceptional, honest and concerned public servants led in the erection of a structure of Federal commitment to the health of America which has avoided partisanship in the interests of alleviating human suffering.

The National Institutes of Health have served as ever-growing, enduring monuments to their vision and compassion. No better investment was ever made by a government on behalf of all its people.

Over the years the Federal commitment to health research has wrought significant results. Scientific researchers in federally supported laboratories brought into being cumulative miracles; the conquests of rubella and polio alone justify our total expenditures.

Now all this is in danger.

The President has submitted a budget spelling out sheer disaster for much of the carefully reared structure of Federal aid to health. The overwhelming majority of the National Institutes of Health are to be starved for funds, while only two major programs receive new funding.

How such a policy can be followed by a modern government in this day and age totally escapes me. It defies logic. Virtually every person in the Nation has in some direct or indirect manner benefited from this ongoing massive research effort. Nobel laureates even now are to be found working on the NIH campus.

The philosophy of those in the White House and the Office of Management and Budget seems to be to cut mercilessly at every program until some vital element of our health commitment is ruined.

The Hill-Burton program for construction of various health facilities is slated to be completely phased out. In operation for 26 years, Hill-Burton has provided Federal funds to more than 3,800 communities for construction of 6,265 public and nonprofit hospitals and nursing homes. Now it is to be wiped out, totally ignoring the desperate need for such facilities in thousands of places across the Nation. In rural America facilities are needed, as well as on Indian reservations and in inner cities. Thousands of existing facilities are desperately in need of extensive updating and remodeling.

If Federal funds are cut off and Hill-Burton comes to an end, our Nation's physical plant in the health area will shortly be in as disastrous a shape as it was when we began these programs.

The administration has also callously advocated total withdrawal of Federal support from the community mental health centers program.

Mr. President, here is a successful venture which has reduced by 50 percent the number of patients admitted to State mental institutions, and has grown in effectiveness since its inception in 1963.

Federal grants have been provided under the act for construction of facilities offering comprehensive mental health services. Later amendments authorized grants for staffing specialized services for alcoholics, drug addicts and children.

By mid 1972, 423 centers had been funded. Each served populations of between 75,000 and 200,000 people. Yet under the President's proposed budget, no funds are requested for new construction or staffing grants. Many such centers have been located in high poverty areas, where they have yielded significant results.

The Federal contribution has been 25 percent. Once that contribution is removed, all too many local jurisdictions will be left with no alternative funding sources. We can, therefore, predict with reasonable certainty that most of these centers will have to close.

A similar fate awaits the regional medical program under the President's fiscal year 1974 budget. This vital Federal undertaking consists of contracts and grants under the heart disease, cancer, and stroke amendments of 1965. Its main purpose is to establish regional cooperative arrangements between medical schools, research institutes and hospitals. Once such linkups were made, strides would be made in research, training, medical data exchange, and demonstra-

tion of patient care in fields of heart disease, cancer, stroke, and related ailments.

Today there are 56 regional medical programs across the country. In the process, many Americans have been able to receive up-to-date care.

A fourth major Federal health program scheduled for elimination is the National Institutes of Health research training grants and fellowships, which have provided support for educating scientists for 20 years. Training grants include stipends awarded students to support research training mainly in biological and medical sciences. There is also some support for related fields such as psychology, social sciences, and engineering.

Fellowships, although awarded to institutions, are for support of specific individuals. In 1971 alone, NIH fellowship and training grant programs provided assistance for approximately 37.5 percent of all graduate students in basic medical sciences and 21 percent of those in all biosciences.

This broad support for research has yielded remarkable dividends to all of us, lifting the shadow of several ancient scourges from our land. People have been saved from tragic death or permanent mutilation. Such a cumulative endeavor is worth further broad support rather than, of all things, heartless elimination.

Another prime example of incredible steps backward by the Nixon administration that can seriously undermine our Nation's health resources is the proposed slicing of funds for health manpower training. The President's budget would decrease the amount which the Bureau of Health Manpower could obligate for grants and contracts in fiscal year 1974 by $347 million.

We do not have such a perfect system of health care that we can afford any loss of support in such an essential area. Health care in the United States is a paradox. In no nation can more complex and more sophisticated methods of health care delivery be found. But the dividends of advanced medical research, technology, and treatment have not been translated into the best or even adequate health care for everyone in the United States. In 1967, the United States ranked 14th in the rate of infant mortality among industrial nations. Life expectancy at birth for a U.S. male—68.8 years—is nearly 5 years shorter than that of a Swedish male. In 10 nations, the expectancy for females exceeds the 73.7 year average for the United States.

Much of the discrepancy between knowledge available in health care and actual health of the average citizen is due to both short supply and poor distribution of our health manpower. Some estimate that America currently needs about 50,000 more physicians. Latest American Medical Association statistics show 133 counties across the United States are without a single private practicing physician. We are in particular need of primary care physicians—this proportion of family practitioners in relation to population declined by more than 20 percent between 1963 and 1970.

Doctors are not the only health personnel needed. Nurses are in great demand in all parts of the United States. In 1970, approximately 700,000 R.N.'s were practicing and an additional 150,000 were needed. By 1980, there is expected to be a shortage of 200,000 nurses. Severe shortages of allied health personnel also exist. New educational programs are preparing members of the allied health professions to offer more and more of these services which, in the past, only a doctor was authorized to provide.

Few will argue with the contention that we need more health personnel. Many are curious as to exactly what and how programs of assistance for training would be affected by the proposed budget cuts for fiscal year 1974.

First, the level of funding proposed for health professions assistance programs—programs for educational support of physicians, osteopaths, dentists, pharmacists, optometrists, pediatricians, veterinarians and professional public health personnel—is $232 million less than in fiscal year 1973.

This reduction of funding in the broad category of "health professions" mangles several programs. For example, Congress authorized a total of $299 million for construction grants in fiscal year 1974 for research and teaching facilities, yet no money is requested by the President for construction grants.

Institutional support has been provided through capitation grants and special project grants. Capitation grants are awarded on a formula basis and are to be used to support education programs. The budget estimates indicate support of 125 schools of medicine and osteopathy in fiscal year 1974, only 2 more than in fiscal year 1973. The number of schools of dentistry receiving capitation grants, 58, would remain constant. Capitation grant support of 109 schools of veterinary medicine, optometry, pharmacy, and podiatry would be terminated.

In addition, Congress has authorized special project grants and contracts for a broad range of assistance including curriculum improvement, training new kinds of personnel, innovative educational programs, improving supply and distribution of health personnel, and so forth. The President is suggesting funding of less than half as many special project awards in fiscal year 1974 as in fiscal year 1973—a drop from 234 to 108.

The program of scholarship grants for health professions students as it is now set up is scheduled to be phased out. No new scholarship grants would be made in fiscal year 1974. Regardless of financial need, scholarships would be awarded only to students committing themselves to serve in a Federal program to meet national needs.

Similar reductions are proposed for support of nurse training programs. Whereas a total of $115 million was originally requested for obligation for fiscal year 1973, only $47 million has been requested for fiscal year 1974. Cuts totaling $28 million are requested for the remaining months of fiscal year 1973.

As in the case of the health professions construction grant program, no funds are requested for grants for construction of nurse training facilities. Institutional support in the form of capitation grants is scheduled to be terminated in fiscal year 1974. The program of scholarship grants for nursing students is also scheduled to be phased out.

The picture is even more bleak for Federal support of public and allied health programs. Last year's level of requested funds for obligation to programs of public health training was $18 million, and $34 million for allied health. No funds have been requested for support of such programs in fiscal year 1974. On top of this, cuts have been requested in available funds for obligation in the remainder of fiscal year 1973—$6 million from public health and $11 million from allied health.

Perhaps no other Federal programs contribute so much to our health care complex as programs of health manpower training. Their benefits are not limited to a select few, but are shared by persons of all income, social, age, and racial groups. Congress cannot sit by and watch the administration render these programs ineffective by lack of funding.

Mr. President, these unilateral health budget reduction decisions by the administration must not be allowed to stand. Congress must not allow the executive branch to usurp its legislative power to continue or revise basic authorities under statutory law for Federal assistance for hospital construction or modernization, regional medical programs of vital importance to rural America, community mental health centers and programs to address developmental disabilities, and for medical libraries, allied health training, health services research and development, health statistics, public health training, migrant health programs, family planning and population research, and comprehensive health planning. The 1-year extension of these authorities provided for in the legislation before the Senate is essential to enable Congress to give thorough consideration to major legislation addressed to the future of these programs.

It is unconscionable that the Nixon administration should now oppose this extension after frustrating the legislative process by steadfastly refusing, for months on end, to provide any specific legislative recommendations for these programs. Last year, in the face of repeated declinations by the Department of Health, Education, and Welfare to testify, the Senate acted upon several measures designed to assure continued Federal support for vital programs to advance health care across the Nation. In January of this year, the Secretary-designate of HEW promised to provide legislative recommendations, but these failed to materialize.

Instead, the President's budget for fiscal 1974 simply recommends the termination of a number of these authorities. As late as March 22, Secretary Weinberger could only state once again that legislative proposals would be forthcoming from HEW.

This constitutes a record of total irresponsibility on the part of the executive branch with respect to planning and action to meet the critical health care needs of America.

I find no sense of obligation to the American people in an administration policy of cutting back and terminating health programs. If this policy is allowed to stand, incalculable losses will be suffered—some never to be restored—in health research, health training, and the conquest of sickness and disability.

Therefore, Congress must act, and act decisively. I urge the immediate enactment of the Public Health Service Act Extension of 1973 to enable America to get on with these absolutely essential tasks.

AMENDMENT NO. 56

Mr. CHURCH. Mr. President, I call up my amendment No. 56.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CHURCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, insert the following new sections:

SEC. 6. It is hereby declared to be the policy of the Federal Government, in the administration of all Federal programs, that religious beliefs which proscribe the performance of abortions or sterilization procedures (or limit the circumstances under which abortions or sterilizations may be performed) shall be respected.

SEC. 7. Any provision of law, regulation, contract, or other agreement to the contrary notwithstanding, on and after the enactment of the Act, there shall not be imposed, applied, or enforced, in or in connection with the administration of any program established or financed totally or in part by the Federal Government which provides or assists in paying for health care services for individuals or assists hospitals or other health care institutions, any requirement, condition, or limitation, which would result in causing or attempting to cause, or obligate, any physician, other health care personnel, or any hospital or other health care institution, to perform, assist in the performance of, or make facilities or personnel available for or to assist in the performance of, any abortion or sterilization procedure on any individual, if the performance of such abortion or sterilization procedure on such individual would be contrary to the religious beliefs of such physician or other health care personnel, or of the person or group sponsoring or administering such hospital or other institution.

Mr. CHURCH. Mr. President, recently the Supreme Court of the United States ruled in *Roe, et al.* v. *Wade, District Attorney of Dallas County* (41 U.S.L.W. 4213), that State laws which prohibit an abortion during the first 3 months of a woman's pregnancy are contrary to the due process clause of the 14th amendmend to the Constitution and, therefore, invalid. The decision, in effect, prevents any interference in the relationship between a doctor and an expectant mother during early pregnancy, with regard to her legal right to obtain an abortion.

Of course, this decision can neither be altered nor repealed by statute, since it rests upon the court's interpretation of the Constitution, the supreme law of the land. Nevertheless, the decision does raise a serious question as to its possible impact upon the Federal Government's extensive involvement in medicine and medical care.

For example, thousands of hospitals throughout the United States have been built, remodeled, enlarged, modernized or equipped under the provisions of the Hill-Burton Act. Federal money made available for this purpose, has been extended on the condition that the hospitals shall comply with certain Federal regulations. These regulations need not be prescribed prior to the acceptance of the Federal grant or loan, but may be stipulated afterward.

Thus the requirement that hospitals, furnished Hill-Burton funds, must prove that charity patients account for not less than 3 percent of their yearly operating costs, represents a relatively recent condition laid upon most hospitals after they had obtained the Federal money. Once having accepted the money, the hospitals are subject thereafter to comply with such regulations as the Federal administrative agency may choose to impose.

Physicians who participate in the medicare and medicaid programs could find themselves in the same predicament. Their eligibility might come to be conditioned upon their willingness to perform all those services prescribed by Federal regulations.

Given this state of the law, I can well understand the deep concern being expressed by hospital administrators, clergymen, and physicians whose religious beliefs prohibit abortions and/or sterilization in most cases. Catholic hospitals, for example, do not permit their facilities to be used for the performance of an abortion under ordinary circumstances. It is simply contrary to the Catholic faith, regardless of what the civil law may say.

Nothing is more fundamental to our national birthright than freedom of religion. Religious belief must remain above the reach of secular authority. It is the duty of Congress to fashion the law in such a manner that no Federal funding of hospitals, medical research, or medical care may be conditioned upon the violation of religious precepts.

Now is the time to erect the appropriate safeguards against such transgressions. Even though the Supreme Court's decision does not impose the obligation upon a hospital, there is nothing in existing law to prevent zealous administrators from requiring the performance of abortions, within the limits of the Court's decision, as a part of their regulations pertaining to federally funded programs.

This apprehension is anything but whimsy. Already a case has arisen which should furnish us with ample grounds for legislative action. A Federal district court in Montana, in the case of Mike and Gloria Taylor against St. Vincent Hospital, has issued a temporary injunction, compelling a Catholic hospital, contrary to Catholic beliefs, to allow its facilities to be used for a sterilization operation. The district court based its jurisdiction upon the fact that the hospital had received Hill-Burton funds.

Given the injunction issued by the court against St. Vincent's Hospital in Billings, together with the possible administrative ramifications of the recent Supreme Court decision on abortions, it should be evident that a provision needs to be written into the law to fortify freedom of religion as it relates to the implementation of any and all Federal programs affecting medicine and medical care.

For this purpose, I have called up the amendment that is now pending, and I hope that the manager of the bill will accept it. The amendment would simply clarify the intent of Congress with respect to the significance of accepting Federal funding as it might apply to the question of performing abortions or sterilizations in religious affiliated hospitals where such operations are contrary to religious belief.

Mr. President, if Congress fails to clarify its intention, then we face a plethora of lawsuits. The effect will be so debilitating in many communities that Congress ought to take timely action to avoid it.

Already in my own State, where the people have been made aware of the Montana decision to which I have referred, there has been a striking outcry. The Catholic bishop in Spokane has spoken of civil disobedience. There is open conjecture in the press that obstetrics divisions of Catholic hospitals might be closed to perform operations contrary to their religious beliefs.

Nothing in the decision of the Supreme Court requires Congress to lay down such a rule, but the present law is not explicit on this point. Either we are going to have a uniform rule laid down by Congress, which has the power to impose such conditions as it may choose upon the acceptance of Federal money, or we are going to leave this to many different courts to decide, without the benefit of any explicit expression of congressional intent. That will cause chaos. Now it is time to speak. Now when we are faced with the extension of these programs. That is the purpose of the amendment and I hope it is possible for the manager of the bill to accept it.

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

Mr. CHURCH. I am happy to yield to the distinguished Senator from Illinois.

Mr. STEVENSON. Mr. President, first of all I commend the Senator from Idaho for bringing this matter to the attention of the Senate. I ask the Senator a question.

One need not be of the Catholic faith or any other religious faith to feel deeply about the worth of human life. The protections afforded by this amendment run only to those whose religious beliefs would be offended by the necessity of performing or participating in the performance of certain medical procedures; others, for moral reasons, not necessarily for any religious belief, can feel equally as strong about human life. They too can revere human life.

As mortals, we cannot with confidence say, when life begins. But whether it is life, or the potentiality of life, our moral convictions as well as our religious beliefs, warrant protection from this in-

trusion by the Government. Would, therefore, the Senator include moral convictions?

Would the Senator consider an amendment on page 2, line 18 which would add to religious beliefs, the words "or moral"?

Mr. CHURCH. I would suggest to the Senator that perhaps his objective could be more clearly stated if the words "or moral conviction" were added after "religious belief." I think that the Supreme Court in considering the protection we give religious beliefs has given comparable treatment to deeply held moral convictions.

I would not be averse to amending the language of the amendment in such a manner. It is consistent with the general purpose. I see no reason why a deeply held moral conviction ought not be given the same treatment as a religious belief.

Mr. STEVENSON. The Senator's suggestion is well taken. I thank him.

Mr. CHURCH. Mr. President, I ask unanimous consent that my amendment may be modified by adding, on line 18, page 2, after the words "religious belief", the three words—"or moral conviction".

The PRESIDING OFFICER. The Senator has a right to so modify his amendment. The amendment will be so modified.

Mr. CHURCH. I thank the Senator from Illinois very much for the suggestion he has made. I think it improves the amendment.

Mr. STEVENSON. Mr. President, the U.S. Supreme Court in its abortion decision has found for women a new right of privacy in the 14th amendment and virtually no rights under that amendment for the unborn. I would have thought that such moral questions as when life begins and may be terminated in the womb would best be left to the elected representatives of the people in their legislatures.

Being mortals, we cannot with confidence say when life begins. I believe the Government in all its branches should move with the greatest reluctance to diminish the value of human life on all questions—whether it be the termination of life, or its potentiality in the womb, or the imposition of capital punishment.

I sense a growing acceptance of human life as but another commodity in a world which knows too much of violence and too little of the human spirit. Human life is in danger of becoming but a fragment of an increasingly anonymous, depersonalized collective existence. The Government ought, it seems to me, in its actions sanctify human life, never cheapen it. And when governmental decisions are taken which defy the competence of mortals and risk a diminution of human life, such as the legalization of abortion, they should be taken by elected bodies representing a public consensus.

The Court has effectively prevented States from prohibiting abortion during the first 6 months of pregnancy. That might be a proper decision for a State legislature, though I personally would be most reluctant to permit abortion on demand after the first quickening in the womb, that is, after the first trimester. The Court has not said that the Federal Government must affirmatively require or encourage abortion or sterilization in federally supported medical facilities. To go that far would give individuals an intolerable choice of either rejecting Federal assistance necessary to the welfare of the sick—or of aiding in the performance of acts they deem immoral. The Constitution poses no such dilemma for American citizens. It does not dictate our moral beliefs. And I do not believe Congress ever intended to do so. Yet, a Federal court has already required a hospital to allow its facilities to be used for the performance of sterilization. It based its decision upon the fact that the hospital received Hill-Burton funds from the Federal Government.

One need not be of one religious faith or another to be offended by such a governmental intrusion into the religious beliefs of citizens. This could be but the first blow in a more general assault upon the religious and moral beliefs of individuals whose only offense is a reverence for human life and a professional commitment to serve it. A further concern is the possibility that medical facilities may be forced to reject Federal support or to close obstetrical operations. It is difficult for me to see the gains in such a policy no matter how one looks at it. Doctors would not be denied the chance to perform these medical procedures by the Church amendment. They can be performed often in doctors' offices and often in other facilities. No individuals will be denied an abortion or sterilization consistent with their own religious or moral convictions, if at the same time the moral and religious convictions of others are respected by the amendment. Some medical facilities will be closed to the performance of such medical procedures, but the religious and moral beliefs of those who serve in such facilities will be protected from intrusion by the Government.

I must side with the protection of deepfelt religious and moral convictions, even if it causes some inconvenience to doctors and patients. I therefore commend the Senator from Idaho for offering his amendment and accepting the modification I proposed. That modification merely extends the protection of the amendment to those who for moral, as opposed to religious, reasons cannot in good conscience participate in medical procedures which terminate life, or its potentiality. The amendment, as modified, makes it clear that no law of the Congress requires a doctor, or hospital, or other health care personnel, to perform or allow to be performed in its facilities, an abortion or sterilization procedure.

Mr. GRIFFIN. Mr. President, I wish to indicate that I support this amendment. However, it will be necessary to have a rollcall vote on it. I suggest the absence of a quorum.

Mr. CHURCH. Mr. President, will the Senator withhold his request for a quorum call

Mr. GRIFFIN. I withhold my request.

Mr. CHURCH. Mr. President, I ask unanimous consent that the distinguished senior Senator from Delaware (Mr. ROTH) be added as a cosponsor of the amendment.

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

Mr. GRIFFIN. Mr. President, I renew my request.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays on the pending Church amendment.

The yeas and nays were ordered.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished manager of the bill (Mr. KENNEDY), the distinguished assistant Republican leader (Mr. GRIFFIN), the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from Idaho (Mr. CHURCH), and the distinguished Senator from Florida (Mr. GURNEY) to propose the following unanimous-consent request:

I ask unanimous consent that time on the bill presently before the Senate be limited to 1 hour, to be equally divided between the distinguished Senator from Massachusetts (Mr. KENNEDY) and the distinguished Senator from New York (Mr. JAVITS); that time on the pending amendment by the distinguished Senator from Idaho (Mr. CHURCH) be limited to 1 hour, to be equally divided between the distinguished author of the amendment (Mr. CHURCH) and the distinguished Senator from New York (Mr. JAVITS); that time on the amendment by the distinguished Senator from Florida (Mr. GURNEY) be limited to 1 hour, to be equally divided between the distinguished author of the amendment (Mr. GURNEY) and the distinguished manager of the bill (Mr. KENNEDY); that time on any other amendment, debatable motion, or appeal be limited to 30 minutes, to be equally divided and controlled in the usual form; that Senators in control of the time on the bill may yield therefrom to any Senator on any amendment, debatable motion or appeal; that no amendments not germane be in order with the exception of the aforementioned amendments in the event they may not be considered germane; and that the time begin running on the bill or the Church amendment at 2 p.m. today.

Mr. JAVITS. Mr. President, will the Senator from West Virginia yield?

Mr. LONG. Mr. President, I object. I object.

The PRESIDING OFFICER (Mr. NUNN). Objection is heard.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, was it not the understanding of the Chair on the agreement which I proposed just a moment ago, if accepted, that the time thereon would begin running only at 2 p.m. today?

The PRESIDING OFFICER. That was the statement made, yes.

Mr. ROBERT C. BYRD. I thank the Chair and I renew my request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia?

Mr. JAVITS. May I ask the Senator if he would now propose that we recess until 2 o'clock?

Mr. ROBERT C. BYRD. I think there will be some legislative history to be made first, after which the distinguished manager of the bill, at his discretion, will recess the Senate until 2 p.m. today.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, I should like to ask the distinguished Senator from Idaho (Mr. CHURCH) if he would respond to one or two questions that I have. What was intended by the words on page 2, line 19 "* * * of such physician or other health care personnel * * * "?

The thought occurs to me that it would seem reasonable to say that where one seeks a sterilization procedure or an abortion, it could not be performed because there might be a nurse or an attendant somewhere in the hospital who objected to it. If it was not a matter of concern to that individual, it seems to me that that is getting to be a little farfetched, that is, that someone who had nothing to do with the matter and was not involved in it one way or the other, just someone who happened to be working in a hospital, and was not involved in an abortion or a sterilization procedure, could veto the rights of a physician and the rights of patients to have a procedure which the Supreme Court has upheld.

Mr. CHURCH. Let me make clear, Mr. President, that such is not my intention. I understand the basis for the expression of concern on the part of the Senator from Louisiana, but the words on line 19, "* * * of such physician or other health care personnel, * * *" relate back to the same words used on lines 12 and 13 and must be read in context with those words.

Mr. LONG. If I understand what the Senator is saying, he is saying that a nurse or an attendant who has religious feelings contrary to sterilization or abortion should not be required and would not be required by any Federal activity to participate in any such procedure to which they hold strong moral or religious convictions to the contrary.

Mr. CHURCH. That is correct.

Mr. LONG. So that this would not, in effect, say that one who sought such an operation would be denied it because someone working in the hospital objected who had no responsibility, directly or indirectly, with regard to the performance of that procedure. It would only be that one who was involved in performing the operation or in assisting to perform the operation could not be required to participate when he or she held convictions against that type of procedure.

Mr. CHURCH. The Senator is correct. The amendment is meant to give protection to the physicians, to the nurses, to the hospitals themselves, if they are religious affiliated institutions. So the fact Federal funds may have been extended will not be used as an excuse for requiring physicians, nurses, or institutions to perform abortions or sterilizations that are contrary to their religious precepts. That is the objective of the amendment. There is no intention here to permit a frivolous objection from someone unconnected with the procedure to be the basis for a refusal to perform what would otherwise be a legal operation.

Mr. LONG. I thank the Senator for that explanation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescended.

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

RECESS UNTIL 2 P.M.

Mr. KENNEDY. Mr. President, I move that the Senate stand in recess until 2 p.m. today.

The motion was agreed to; and (at 1:12 p.m.) the Senate took a recess until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DOMENICI).

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

The message is as follows:

To the Senate of the United States:

I am returning today without my approval S. 7, the "Rehabilitation Act of 1972."

This bill is one of several now before the Congress which mask bad legislation beneath alluring labels.

Their supporters would have the American public believe that each of these bills would further an important social cause, but they neglect to warn the public that the cumulative effect of a Congressional spending spree would be a massive assault upon the pocketbooks of millions of men and women in this country. They also fail to warn us that simply throwing money at problems does not solve anything; it only creates poor legislation which frequently misses the target.

As President, it is my duty to sound the warning—and to defend the public interest by vetoing fiscally irresponsible, badly constructed bills that come to my desk from Capitol Hill. S. 7 is such a bill.

Over the past nineteen months, we have made significant headway toward a goal that has eluded America for nearly two decades: full prosperity without war.

But all of our economic progress—and all of our hopes—will be washed away if we open the floodgates on the Federal budget.

S. 7, if enacted, would result in an increase in Federal outlays of some $1 billion above my budget recommendations for fiscal years 1973–1975.

To some Members of the Congress, a $1 billion increase in Federal spending may seem only a small crack in the dam. But there are more than a dozen other bills already before the Congress which also carry extravagant price tags. And more seem likely to follow during the remainder of the year.

If we allow the big spenders to sweep aside budgetary restraints, we can expect an increase of more than $50 billion in Federal spending before the end of fiscal year 1975. This would force upon us the unacceptable choice of either raising taxes substantially—perhaps as much as 15% in personal income taxes—or inviting a hefty boost in consumer prices and interest rates.

The American people have repeatedly shown that they want to hold a firm line on both prices and taxes. I stand solidly with them. At a time when the world is watching to see if we can demonstrate our willingness to hold down inflation at home while we seek monetary stability abroad, this resolve is more important than ever. I shall therefore veto those big-spending bills which would jeopardize our economic hopes for the future.

I would emphasize that even if S. 7 were not fatally flawed by its large expense, I would have serious reservations about signing it, for it also contains a number of substantive defects. Among them:

—It would divert the Vocational Rehabilitation program from its original purposes by requiring that it provide new medical services. For instance, it would set up a new program for end-stage kidney disease—a worthy concern in itself, but one that can be approached more effectively within the Medicare program, as existing legislation already provides.

Vocational Rehabilitation has worked well for over half a century by focusing on a single objective: training people for meaningful jobs. We should not dilute the resources of that program or distort its objective by turning it toward welfare or medical goals.

—Secondly, S. 7 would create a hodgepodge of seven new categorical grant programs, many of which would overlap and duplicate existing services. Coordination of services would become considerably more difficult and would place the Federal Government back on the path to wasteful, overlapping program disasters.

—By rigidly cementing into law the organizational structures of the Rehabilitation Services Administration and by confusing the lines of management responsibility, S. 7 would also prevent the Secretary of Health, Education, and Welfare from carrying forward his efforts to manage vocational rehabilitation services more effectively.

—Finally, by promising increased Federal spending for this program in such a large amount, S. 7 would cruelly raise the hopes of the handicapped in a way that we could never responsibly hope to fulfill.

Through past increases in funding and by our efforts to find more effective means of providing services, this Administration has demonstrated its strong commitment to vocational rehabilitation. Funding for the Vocational Rehabilitation program will reach $650 million under my budget for the coming fiscal year, an increase of 75 percent over the level of support when I took office. Two other sources of funding for rehabilitation of the handicapped, the Disability Insurance Trust Fund and the new Supplemental Security Income program, will provide another $100 million. Altogether during the coming fiscal year, the Vocational Rehabilitation program should provide services for about 1.2 million people—an increase of more than 50 percent over the figure of four years ago.

This is a good record and one that provides promise for the future. I shall thus look forward to working with the Congress in developing a more responsible bill that would extend and strengthen the Vocational Rehabilitation program.

This Administration has submitted recommendations to both the 92nd and 93rd Congresses which would accomplish these purposes. The 92nd Congress passed a bill which contained some of my recommendations but was so inordinately expensive that I felt compelled to veto it. In returning S. 7 without my approval, I ask the 93rd Congress now to turn its attention to the substitute recently offered by Representative Earl Landgrebe.

My decision to disapprove S. 7 should be seen by the Congress as more than just an isolated rejection of a single piece of unwise legislation. It is part of my overall commitment to hold down taxes and prices. I remind the Congress of that determination, I ask the Congress to consider carefully the implications of spendthrift actions, and I urge the Congress to be more reasonable and responsible in the legislation it passes in the future.

RICHARD NIXON.

THE WHITE HOUSE, *March 27, 1973.*

PRESIDENT'S VETO MESSAGE ON REHABILITATION ACT OF 1972 (S. DOC. NO. 93-10)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President's veto message with respect to S. 7, the Rehabilitation Act of 1972, be printed as a Senate Document.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

ORDER TO HOLD MESSAGE AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President's veto message be temporarily held at the desk.

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

PUBLIC HEALTH SERVICE ACT EXTENSION OF 1973

The Senate continued with the consideration of the bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the amendment by the Senator from Idaho (Mr. CHURCH) to S. 1136. Under the unanimous consent agreement, the 1 hour allotted for debate on the amendment will be divided between the Senator from New York (Mr. JAVITS) and the Senator from Idaho (Mr. CHURCH).

Who yields time?

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Are amendments to the Church amendment which are germane to the amendment in order?

The PRESIDING OFFICER. They are in order when the time has expired on the amendment.

Mr. JAVITS. I thank the Chair.

Now, Mr. President, in view of the fact that Senators may not know that the Senate is now in session, I hope, with the concurrence of the other side, that I may ask unanimous consent for a brief quorum call with the time to be charged equally to both sides.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I hope the attachés of the Senate will notify the Senator from Idaho (Mr. CHURCH) that his amendment is now under consideration.

The reason why I have urged the Senate to take a little time to consider this amendment is that it is a matter of very great social and political importance in the country, both within the States and within the Nation, as to what we shall do about abortion.

It will be noted that the Church amendment, as proposed to public health programs does two big things. First, it declares it a policy of the Federal Government, in the administration of all Federal programs—I emphasize that—that religious beliefs which proscribe the performance of an abortion shall be respected. Then it proceeds to implement that provision with simply the negative of the proposition: That is, where they are prohibited by religious beliefs rather than where religious beliefs may encourage their utilization.

Further, the amendment inhibits the exercise of this right granted, according to the Supreme Court, by the Constitution of the United States to an individual woman, where the institution—which is the thing that is troubling me here the institutional view—or the individual physician, or other health personnel has a religious objection to performing or assisting or making facilities available in respect to any abortion or sterilization procedure.

If this were confined to the moral and religious convictions of the individual—that is, the physician or the individual health personnel. I do not see how anybody can object. But I am very deeply disturbed about the fact that we may be adopting a completely unconstitutional amendment in this bill with respect to abortion, when one reads the case of Roe against Wade. This is the landmark case, which settled this issue, the opinion being delivered by the Supreme Court on January 22, 1973, Opinion No. 70–18 of the U.S. Supreme Court. There were both concurring and dissenting opinions in that matter, but the majority was very deeply convinced and apparently prevailed, and that is the law of the land.

So question No. 1, which is very important, is whether or not there is equal protection of the laws with respect to an institution, again leaving aside the individual but that I can understand, and there I think the Constitution operates affirmatively; that is, the individual has a right to follow his religious views when it guides his individual action.

The second half of it, however, is where it is an institution; and the question is whether that institution can have a religious view because of the religious view, as this proposed amendment says, of the person or group sponsoring or administering such hospital or other institution.

Can an institution or a group have a religious scruple without violating the establishment clause of the Constitution?

The other thing that troubles me about the all-inclusive character of this amend-

ment is that this relates to giving Federal help to such an institution. Question: Is it equal protection of the laws to give help to such an institution which proscribes or prohibits abortion or sterilization procedures, which is now a perfectly lawful hospital function, while such aid is given to other institutions which furnish such service? Question: Is that giving a particular benefit which is discriminatory and not equal protection of the laws?

The question which the Supreme Court faced did not arise in this way, because in the case of Roe against Wade, the issue was whether State laws which prohibited abortion except for medical reasons, in emergency cases, were constitutional. That, of course, involved the 14th amendment, and there the court held that they were not constitutional; and this opinion is very illuminating in addressing ourselves to this subject.

I refer to page 37 of the opinion, which gives the rationale. I read from that page as follows:

> The court has recognized that a right of personal privacy or a guarantee of certain areas or zones of privacy does exist under the Constitution.

Then it goes on to say, on the next page:

> The court's decisions recognizing the right of privacy also acknowledge that some state regulation in areas protected by that right is appropriate.

So that is not an unqualified right.

Then the court lays it off with two juridical concepts, at the bottom of page 37 of the opinion, by the following:

> This right of privacy—whether it be founded in the Fourteenth Amendment's concept of personal liberty and restrictions upon State action, as we feel it is, or, as the District Court determined, in the Ninth Amendment's reservation of rights to the public, is broad enough to encompass a woman's decision whether or not to terminate her pregnancy.

The Court held in the affirmative, that it was; and the Court—that is, the Supreme Court—based its decision upon the 14th amendment, the very same amendment which not only assures personal liberty but also assures equal protection of the laws.

This is the question we face, Mr. President: Suppose we have an area in which practically no services of this kind are available yet we have the amendment which Senator CHURCH has proposed. Quite apart from the equal protection of the laws as to individual hospitals and other institutions—whether that is discriminatory—but going only to the question of the woman's right, and that is the right of privacy the court was seeking to protect, if she cannot get that service practically, is she not being denied a right under the 14th amendment, especially where it is attributable to the Federal Government's action in giving support to that particular institution, notwithstanding the fact that it denies her the right of privacy which the Supreme Court has sustained?

Mr. President, the reasons why I raise these questions, which are profound questions, are these: If we should enact law which contains this amendment pretty much as we have it here, raising these issues will advise the Supreme Court of the United States that the question of constitutionality was raised; that the points which seemed at least one lawyer to be inherent in adopting this amendment were brought up; and that the Senate thereupon—because we will have a record vote—made its decision in the light of the questions raised regarding constitutionality. That is point one.

The other point which I think is very important is that the Supreme Court will hear—I am sure that other lawyers in the Chamber will wish to join issue—other views concerning constitutionality as it affects our vote; and therefore the Court will be enlightened and informed by actions which are, as we lawyers say, part of the res gestae—that is, happened at the time of the heat of the struggle—and be aided in making its decision. It must be realized, Mr. President, by those who vote, whichever way they vote, that this is a justiciable question and undoubtedly will be submitted for consideration by the courts. So much for the constitutional issue.

I would like to move now to the practicalities of the amendment itself, and if I may have Senator CHURCH's attention, I would appreciate it greatly. It has been suggested to me that two amendments are necessary if we would go this route.

One would be a provision that such a hospital or health care institution as is benefited by this amendment may, notwithstanding the fact that State laws may not proscribe such treatment, proscribe it itself because of the religious views of those who sponsor or administer it. Should we not provide that no such institution, however, may discriminate against a doctor or against health personnel who do not entertain those religious or philosophical beliefs, rather than to allow that view on the part of the institution itself to affect the individual liberty of the individuals who may not agree?

Question: Should there be a proper nondiscrimination clause in this amendment?

Second, should not the fact that the hospital or other institution entertains this policy be very open and public; so that, for example, a woman is not going to dash into such a hospital without notice that the hospital will not do what she may want done, and therefore she would be able to help herself by seeking assistance elsewhere?

So I would like to address those points to the Senator from Idaho. I have drafted amendments on that score, which may be desirable, assuming that the Senate may well adopt this amendment, to make these two provisions respecting its form.

Finally, I would be less than fair to my friend and colleague, for whom I have great respect, if I did not say that to me, without in any way anticipating how I shall vote on the matter, it would cause me much less pain on constitutional grounds if the institutional reference were eliminated. I could see it respecting philosophy or the religion of any other person engaged in giving care, and I would not want to punish a hospital or other institution because it employed or had on its staff such personnel. But I am deeply concerned on constitutional grounds when we make it institutional and provide that hospitals or other institutions may prescribe this form of treatment, with respect to the religious views or philosophical views—because we have added the words "or moral conviction," which broadened it considerably—"of the person or group sponsoring or administering such hospital or other institution."

It is not easy. I know people have shied away from this debate in all States of the Union, but nonetheless, the fact is that we have passed an effective law in the State of New York, and the Supreme Court, in what I consider to be one of its most historic and constructive adjudications, has laid down the rules regarding this matter in its own decision. I felt it necessary to speak rather than just let this amendment go by, which would have been easy to do because there seems to be a feeling that when you get into hot subjects like this that it is better to let them go by and not discuss them. I do not feel that way. The Supreme Court has spoken, and the Supreme Court has made a fair disposition of the case, with the greatest respect for the religious views of a large body of Americans. I would hope that settled the question. I believe it does. I certainly go with the Supreme Court's decision.

But here is yet another aspect of it which has been raised by the amendment of the Senator from Idaho (Mr. CHURCH) which is not covered directly on point by the decision. I felt it my duty as a Senator and as a lawyer, coming from a State that has legalized abortion, to raise these constitutional issues for the information of my colleagues and the ultimate utilization by the court of last resort.

I reserve the remainder of my time.

Mr. CHURCH. Mr. President, I yield myself such time on the amendment as I may require.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CHURCH. Mr. President, I have listened to the distinguished Senator from New York with the interest and consideration that any remarks he makes on this floor deserve. He is a constitutional lawyer and he has addressed himself to the constitutional aspects of this question.

I also have examined the decisions of the Supreme Court, the Rowe against Wade decision, and another decision, that of Doe against Bolton. I think we should be clear as to what the Court decided in the case of Rowe against Wade. It decided that State governments may not outlaw abortion during the first 3 months of pregnancy. It did not decide that religious affiliated hospitals had an affirmative duty to perform abortions, if contrary to the religious precepts of those institutions. It did not decide that the right of privacy to which the Senator from New York referred is a right re-

served only to the individual. On the contrary, the Court said in Rowe against Wade, making reference to the second case that I will speak to in a moment——

Mr. JAVITS. Where is the Senator reading?

Mr. CHURCH. I am reading from the decision of Rowe against Wade, page 49 of the court decision. The court said:

> In Doe v. Bolton procedural requirements contained in one of the modern abortion statutes are considered. That opinion and this one, of course, are to be read together.

Let us turn from the Rowe against Wade decision, where the court decided that no State law which prohibits abortion in the first 3 months of a woman's pregnancy is valid under the 14th amendment to the Constitution, to the case of Doe against Bolton. Doe against Bolton had to do with a Georgia statute relating to State control over abortion. That case addressed itself to the issue of whether hospitals themselves had rights apart from rights that may be enjoyed by individuals or rights of religious belief.

At page 16 of the decision the court said:

> . . . it is to be remembered that the hospital is an entity and that it, too, has legal rights and legal obligations.

But the court went on, citing section 26–1202(e) of the Georgia statutes:

> Under § 26–1202(e) the hospital is free not to admit a patient for an abortion. It is even free not to have an abortion committee. Further, a physician or any other employee has the right to refrain, for moral or religious reasons, from participating in the abortion procedure. These provisions obviously are in the statute in order to afford appropriate protection to the individual and to the denominational hospital. Section 26–1202(e) affords adequate protection to the hospital and little more is provided by the committee prescribed by § 26–1202(b)(5).

Although this is dicta, it is clear the Supreme Court itself suggested in these two decisions that it is laying no affirmative duty upon denominational hospitals to perform abortions and that hospitals, as well as individuals, have legal rights which the Court itself respects.

I think that raising the constitutional question here is not supported by the two relevant Supreme Court decisions. We are faced with an entirely different question which is not constitutional in character.

No, Mr. President, this amendment is addressed to an entirely different issue. It is addressed to the intent of Congress. As matters now stand, the Federal law simply does not make it clear what requirement Congress intends to impose upon religiously affiliated hospitals if they receive Federal money. The state of the law needs to be clarified.

I do not bring this amendment to the floor today for any whimsical reason. I am not conjuring up apparitions. Already we have had court decisions that raise this question and make it apparent that Congress must act promptly to resolve the question before this becomes an issue for disruption, dissent and hysteria in the land.

I cited a case previously in Montana where a court held that because a hospital had received Hill-Burton funds, the Federal court had jurisdiction to issue an injunction requiring the hospital to make its facilities available for a sterilization operation, which was contrary to the religious precepts of the church-supported hospital.

I have already cited the reaction to that decision. The Bishop in Spokane said he is prepared to practice civil disobedience before he permits Catholic hospitals to perform operations contrary to their religious beliefs.

I have already cited the real and present danger that many of these religious hospitals, if coerced into performing operations for abortions or sterilizations contrary to their religious precepts, will simply eliminate their obstetrics department.

Do we want this to happen? I do not think that the Congress intends that Federal money should be used as a lever to force religious hospitals or Catholic doctors to perform operations that are contrary to their moral convictions or religious beliefs. It was the last thing Congress had in mind when Hill-Burton funds were made available—that there was some hidden condition that would later attach to the acceptance of these funds that would force Catholic hospitals to perform abortions or sterilizations.

Can anyone say it would be fair that because a hospital had received Federal money 15 years ago—when no one had any thought that the abortion issue would become the issue it is today—to build a wing, to add a new surgical operating room or, to obtain certain modern equipment, that the Federal Government could come along 15 years later and say, "Owing to the fact that you accepted Federal funds for these purposes, you are now required to perform abortions?" Do you think it is fair to the hospital or to the people affiliated with it to impose such after-the-fact requirements upon them? Of course Congress did not intend it so, but not until today has it been necessary for Congress to explicitly state that it imposes no such requirement when it extends Federal moneys to assist these hospitals in the performance of their functions?

Mr. President, it is widely recognized that such a clear statement of congressional intent has become necessary. The Catholic Conference of Bishops has expressed its support for this amendment. They recognize the necessity to clarify the law. But this is not simply a Catholic question. There are many other religions that have strong feelings concerning abortions and sterilizations that are equally affected. In my own State, for example, there are hospitals affiliated with the Mormon Church, the Church of Jesus Christ of Latter-Day Saints. The position of that church on the question of abortion is similar to the position of the Catholic church. And throughout the land we have other church-affiliated hospitals that are equally concerned.

I think, for the benefit of giving us some perspective on this question, it would be appropriate to mention here that 19 percent of the Nation's hospitals are affiliated with one or another church. Of this 19 percent, 29 percent of the church-affiliated hospitals are protestant, 64 percent are Catholic, 2 percent are Jewish, and 5 percent are of other religious denominations.

So this amendment addresses itself to a distinct minority of our hospitals. One thousand one hundred and eighty-six is the total figure. Most of our hospitals are not church owned, and this amendment would not in any way affect sterilizations or abortions in publicly owned hospitals.

This amendment does not lay down any requirement on any hospital as to what it may or may not do. This amendment is directed at what the Federal Government may or may not do. It clears up an ambiguity in the present law by making it explicitly clear that it is not the intention of Congress to mandate religious hospitals to perform operations that are contrary to deeply held religious beliefs.

Now, we have to make a choice, and it would be difficult for me to believe that the Congress of the United States could make any other choice but to uphold freedom of religion, which is one of the most basic and sacred of those liberties for which this land stands.

Even if we were to make a different choice, even if we were here to decide, or at some later date to decide, that we would make it a condition for the acceptance of Federal funds to lay upon the religious hospitals an affirmative duty, that they perform abortions and sterilizations or other procedures that were contrary to their religious precepts, then surely we would want to do it in such a way that it would have a prospective effect. Surely we would not want to do it in such a form that hospitals would be required to perform such services because they had accepted Federal funds 10 and 15 years ago. That is preposterous.

No matter how you look at this question, the time has come for Congress to make clear what it intends.

The time is upon us because we have a bill pending that would extend Hill-Burton and other federally financed medical programs. So, we cannot dodge the issue. We have to face up to it now and set down a uniform standard for the courts and for those Federal administrators charged with the responsibility of carrying forward these Federal programs.

Mr. President, I have modified my amendment in one regard, at the request of the distinguished Senator from Illinois (Mr. STEVENSON), to include in addition to the religious beliefs, moral convictions, because the Supreme Court has given moral convictions a status comparable to religious beliefs in this field.

I see no reason why the amendment ought not also to cover doctors and nurses who have strong moral convictions against these particular operations. That is the only modification to the amendment. And I think it has improved the amendment.

I would hope that as we approach a vote the Senate would make it clear by an overwhelming vote that we do not intend that Federal money should be conditioned upon the violation of deeply held religious beliefs or moral convictions.

Mr. NELSON. Mr. President, will the Senator yield for a question?

Mr. CHURCH. I yield.

Mr. NELSON. Mr. President, does the amendment go on line 19?

Mr. CHURCH. The Senator is correct. The moral convictions go after "religious beliefs."

Mr. NELSON. Mr. President, due to my own dereliction, I did not get around to reading the amendment until just now. I did not realize that it was to be called up. However, I wish the Senator from Idaho would clarify something for me.

Is the Senator saying in section 7 only that a doctor or health personnel of some kind may as individuals refuse on their own to participate in any surgery involving sterilization or abortion? Is that what the Senator is saying?

Mr. CHURCH. That is one of the things I am saying.

Mr. NELSON. That is all right. I do not quarrel with that. However, I am wondering whether there is any way to compel them anyway. Has anyone suggested compelling a doctor to perform an abortion if it is against his religious belief or moral conviction?

Mr. CHURCH. I would say to the Senator that we are already faced with a situation in which a hospital that is church affiliated, a Catholic hospital in Montana, has been enjoined to permit the performance of a sterilization operation contrary to the Catholic belief. In that case the Federal Court based its jurisdiction upon the grounds that that hospital had heretofore accepted Federal money for construction under the Hill-Burton Act.

Obviously this could be the beginning of a whole plethora of court decisions based upon Federal funding and placing upon those who receive Federal funds a requirement that as a condition for eligibility they must perform certain operations that may be contrary to their moral conviction or religious belief.

I think that Congress should make it clear that we do not intend that Federal money be conditioned in this way.

Mr. NELSON. Mr. President, did the Senator place in the RECORD the rationale of the Federal judgment, that the judge based his injunctive relief upon the proposition that the Supreme Court decision therefore made it obligatory upon the hospital to perform this surgical procedure?

Mr. CHURCH. In this particular case, the judge based his jurisdiction on the fact that the hospital had previously received Hill-Burton funds, not in any way upon the recent decision of the Supreme Court relating to abortion procedures. This amendment makes it clear that Congress does not intend to compel the courts to construe the law as coercing religious affiliated hospitals, doctors, or nurses to perform surgical procedures against which they may have religious or moral objection.

Mr. NELSON. Is it the intent of section 7 that the refusal to permit the performance of the surgery involving sterilization or abortion in the hospital must be based upon a moral conviction or religious belief?

Mr. CHURCH. The Senator is correct.

Mr. NELSON. Mr. President, does that mean then that if a hospital board, or whatever the ruling agency for the hospital was, a governing agency or otherwise, just capriciously—and not upon the religious or moral questions at all—simply said, "We are not going to bother with this kind of procedure in this hospital," would the pending amendment permit that?

Mr. CHURCH. The amendment would not touch this operation based upon religious freedom and the prerogatives of church-affiliated hospitals.

Mr. NELSON. Mr. President, I thank the Senator.

Mr. CHURCH. Mr. President, I see that my time is rapidly expiring. In the time remaining I would like to briefly relate the situation in my own State.

Idaho has 47 generally approved hospitals, two of which are LDS and eight of which are Catholic affiliated.

The LDS affiliated hospitals are located in St. Anthony, Idaho Falls, and Cassia County, Idaho.

The Catholic affiliated hospitals are located in Idaho Falls, Pocatello, Arco, Jerome, Boise, Nampa, Cottonwood, and Lewiston.

These church-affiliated hospitals serve approximately 40 to 50 percent of the population. A majority of the hospitals are publicly owned. There is no great difficulty for those who wish to obtain a sterilization or an abortion operation to go to the publicly owned hospitals where such procedures are available.

The Senator from New York said that we should amend this so as to impose some of public notice. However, it has been commonly understood throughout our life that Catholic hospitals do not perform abortions except under extraordinary circumstances where life may require it. We do not have to put a pubic notice on the front door of a Catholic hospital to tell the people what they already know.

This amendment does not impose any requirements on the hospital. It merely says that the Government does not impose a new requirement conditioning the acceptance of Federal money upon the performing of certain operations that are contrary to religious beliefs, or deeply held moral conviction.

Let it be clear that Congress does not intend to impose such a requirement upon the acceptance of Federal funds.

I would like to make it clear in connection with my own State that Mr. John Hutchison, of the Idaho Hospital Association, has told me that no area of Idaho would be without a hospital within a reasonable commuting distance which would perform abortion or sterilization procedures. Moreover, in an emergency situation—life or death type—no hospital, religious or not, would deny such services.

There is no problem here. The people understand the situation.

The PRESIDING OFFICER. All time of the Senator from Idaho has expired.

Mr. CHURCH. So for this reason, I hope that the Senate will see fit to adopt the amendment.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. The Senator from New York (Mr. JAVITS) has 10 minutes.

Mr. KENNEDY. I yield the junior Senator from New York (Mr. BUCKLEY) 3 minutes on the bill.

Mr. BUCKLEY. Mr. President, I compliment the Senator from Idaho for proposing this most important and timely amendment. It is timely in the first instance because the attempt has already been made to compel the performance of abortion and sterilization operations on the part of those who are fundamentally opposed to such procedures. And it is timely also because the recent Supreme Court decisions will likely unleash a series of court actions across the United States to try to impose the personal preferences of the majority of the Supreme Court on the totality of the Nation.

I believe it is ironic that we should have this debate at all. Who would have predicted a year or two ago that we would have to guard against even the possibility that someone might be free to participate in an abortion or sterilization against his will? Such an idea is repugnant to our political tradition. This is a Nation which has always been concerned with the right of conscience. It is the right of conscience which is protected in our draft laws. It is the right of conscience which the Supreme Court has quite properly expanded not only to embrace those young men who, because of the tenets of a particular faith, believe they cannot kill another man, but also those who because of their own deepest moral convictions are so persuaded.

I am delighted that the Senator from Idaho has amended his language to include the words "moral conviction," because, of course, we know that this is not a matter of concern to any one religious body to the exclusion of all others, or even to men who believe in a God to the exclusion of all others. It has been a traditional concept in our society from the earliest times that the right of conscience, like the paramount right to life from which it is derived, is sacred.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. KENNEDY. I yield the Senator 3 more minutes on the bill.

Mr. BUCKLEY. In this amendment, we seek to protect the right not only of institutions, but of individual doctors and individual nurses throughout this country, to live by their own consciences. Through the adoption of this amendment, we will try to insure that individuals and institutions will not be penalized because of the recent Supreme Court decisions.

I urge my colleagues to adopt the amendment overwhelmingly.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes on the bill.

During the course of the consideration of this legislation, we have heard the

senior Senator from New York enumerate some very interesting and challenging constitutional questions which are raised by this amendment. Let me say, as chairman of the Health Subcommittee, that we did not have an opportunity to examine the amendment in our committee in the hearings or in the markup. During the course of the hearings, we heard only from the Secretary of HEW, and solely on the question of the extension of the existing Federal health legislation that expires in June. Thus we did not have the opportunity to consider this amendment on its merits or in light of the various constitutional question it raises. It is understandable why the Senator from Idaho would raise this issue here. I think it is equally understandable why the senior Senator from New York and others are concerned about the constitutional implications of the question, particularly since we have not had a chance to give it the attention we might have liked.

Mr. President, there are really two potentially conflicting provisions of the first amendment relating to the constitutional issue here. There is the establishment clause of the first amendment, and there is the free exercise clause of the first amendment. I would agree with the interpretation presented by the senior Senator from New York (Mr. JAVITS), namely, that Congress has the authority under the Constitution to exempt individuals from any requirement that they perform medical procedures that are objectionable to their religious convictions. Indeed, in many cases, the Constitution itself is sufficient to grant an exemption to protect persons from official acts that infringe on their free exercise of religion. I think of the Selective Service cases in the Supreme Court, granting exemptions from the draft in circumstances broader than those granted by Congress. I think of *Sherbert* v. *Verner*, 374 U.S.C. 398 (1963), the landmark decision by the Warren court, protecting Seventh-day Adventists from State requirements that they be willing to work on Saturdays as a condition of qualification for unemployment compensation. I think of *Wisconsin* v. *Yoder*, 406 U.S.C. 205 (1972), the most recent authoritative ruling of the Supreme Court, in which the Court, in a unanimous decision on this issue by Chief Justice Burger, held that Amish children were not required to attend the public schools of Wisconsin. In both of these decisions, the Court, emphasizing its strong concern to protect the free exercise of religion of the individuals involved, held that the exemptions were not an unconstitutional establishment of religion.

The more difficult question is whether Congress can exempt the institution itself. The first amendment to the Constitution, which includes both the establishment clause and the free exercise clause, also includes clauses protecting freedom of speech and freedom of the press.

We know that in the recent Pentagon papers case, for example, the freedom-of-speech protection was applied not only to the individuals as members of the press, but also to institutions of the press, such as the New York Times and the Washington Post. Thus, there are strong precedents in the first amendment area for organizations and institutions to avail themselves of its protections in their own right.

In addition, however, whatever the ability of a hospital or other institution to invoke the free exercise of religion clause in its own right to sustain the exemption in the pending amendment. There is strong authority for the view that Congress has broad leeway to define what is necessary and proper for the protection of first amendment rights of individuals. Since the days of John Marshall and the decision in McCulloch against Maryland in the early 19th century, the Supreme Court has given Congress wide power in exercising its best judgment to protect individual rights and liberties. I believe that the Court will sustain the judgment of Congress that, in order to give full protection to the religious freedom of physicians and others, it is necessary to extend the exemption in the pending amendment to the facilities where they practice their profession and livelihood.

I think the case that has been made by the Senator from Idaho (Mr. CHURCH) in justification of this provision fully warrants favorable consideration by this body. Therefore, I intend to support the amendment.

I would indicate to the Senator from Idaho that while we will have to take this matter to conference, the discussion of constitutional issues and questions which have been raised this afternoon will continue. I would certainly hope that he will counsel with us and assist us as we prepare for the conference, so that we will be able to resolve these questions in as satisfactory manner and achieve the goal of his amendment.

I hope that Senators will support the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I yield myself 4 minutes.

The Senator from Masachusetts (Mr. KENNEDY) has expressed very well for himself and myself the purport of the amendment. However, I think we ought also to define our terms.

One or two of the points made by the Senator from Idaho (Mr. CHURCH) do need to be made clear for the RECORD. He spoke constantly of our mandating hospitals to engage in these operations. Obviously, we are not mandating hospitals to do anything. We are only deciding who shall get Federal help and who shall not, and they shall all offer the same range of services. Or shall one group of hospitals be excluded from that particular service which is in the range of the others' services.

But, as he said, we cannot undercut a decision on a constitutional matter, in fairness to the Court and ourselves, except to raise it, which I have done, and I think it is our duty to do it. The Court will decide that point, but will know, at least, that we have recognized the issue.

Furthermore, publicly owned hospitals are not independently owned hospitals; indeed, they are the minority of hospitals. In most cases, hospitals are privately owned. There are 4,838 nongovernmental hospitals and 2,159 governmental hospitals, which includes Federal, State, and local Government hospitals. I hope that we will be able to deal with that in conference. That gave me trouble, the words—

or of the person or group sponsoring or administering such hospital or other institution.

That is a very loose phrase. I do not know when a person sponsors or administers. Suppose the superintendent of a hospital was Catholic, but the hospital was not a Catholic hospital, and he had concerns, but the hospital did not; does that mean that if the superintendent asserted his beliefs, that would be the end of the matter for the hospital he is administering, but by no means dominating its policy? As happens in all amendments on the floor, we have to take into consideration the looseness of the language which may be employed and do our utmost with it in conference. Once the issue, such as the issue here, has been resolved, it will be by the way in which the Senate acts.

Finally, Mr. President, I should like to point out that there is nothing about this that corrects any errors of the past. What we are doing is having legislation which relates to the future, in the words—

there shall not be imposed, applied, or enforced—

Which obviously, again, I think in conference, if necessary, we could make clear. If this becomes a policy of law, we will not have one policy for the future and apply another one with forfeiture in the past.

There is only one real basic point that I hope the Senator from Idaho might reconsider his position on, and that is on the question of notice. That is important. I do not see why the institution would not be proud to post a notice, giving everyone notice that they cannot seek that kind of help in that particular hospital. Then they could, indeed, do what he said occurs in his own State of Idaho—which is a perfectly proper argument—go elsewhere, because, in my view, the courts may very well come down on the practical end of this, and that is, decide it on exactly that basis, that the Federal Government has a right to finance activities, even with this particular provision in it, as long as the service is obtainable, so that the individual is not cut off from the opportunity to obtain it somewhere within practicable range of the particular place the individual is located.

So, I would hope that when the time expires, the Senator from Idaho might consider, one, the nondiscrimination amendment, that is, against personnel in such an institution who might have other views and, two, the notice amendment which would simply construct a total policy for Congress and then, assuming that is passed, it would be our duty to give the utmost attention we could to the Senator's intent and try to lock it into the bill. That will make it effective and that will give us the best chance to have it stand up constitutionally.

I might say to the distinguished Senator from Idaho——

Mr. CHURCH. Mr. President, if I may interject there, is the Senator prepared to offer two amendments on this?

Mr. JAVITS. Yes. I have both of them and I will send them to the Senator right away.

I should like to say to the Senator that if he desires any more time for his discussion, we can yield it to him on the bill; but I would like to say this, that he has made a splendid argument, as the Senator from Massachusetts (Mr. KENNEDY) said, and I think his argument, his and mine, and that of Senators KENNEDY and BUCKLEY, will be extremely useful both in fashioning the legislation and in any adjudication—and we will undoubtedly have adjudication—by the courts.

The PRESIDING OFFICER (Mr. DOMENICI). The Senator's 4 minutes have expired.

Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. JAVITS. Mr. President, I send amendments to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 1, line 3, strike the words "religious beliefs which proscribe" and insert in lieu thereof "religious beliefs or moral convictions regarding".

On page 2, add after line 21 the following new sections:

"SEC. 8. In respect of a hospital or other health care institution referred to in Section 7 such hospital or other health care institution shall not discriminate in the employment, promotion, extension of staff or other privileges or termination of employment of any physicians or other health care personnel on the basis of their personal religious or moral convictions regarding abortion or sterilization or their participation in such procedures.

"SEC. 9. Any individual, hospital or other health care institution declining to participate in such procedures on the grounds of such religious or moral convictions shall post notice of such policy in a public place in such institution."

Mr. JAVITS. Mr. President, I ask unanimous consent that the amendments may be considered en bloc.

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

Mr. JAVITS. Mr. President, I have submitted this amendment not with any thought of doing anything other than what the Senate wishes to do in respect to this matter, but I do believe that it is appropriate to give the measure a proper balance as we pass it. I intend, if my amendments are adopted, to vote with Senator CHURCH.

The first amendment relates to the catechism on page 1, line 3, and substitutes as a declaration of policy the words "religious beliefs and moral conviction" instead of "religious beliefs which proscribe."

Mr. President, I ask that the amendment be revised accordingly—"religious beliefs and moral conviction regarding".

The PRESIDING OFFICER. The Senator has a right to so modify his amendment.

Mr. JAVITS. So that it reads, in lieu of the words "religious beliefs which proscribe" because that only relates to one kind of attitude—in order to give it balance, "religious beliefs and moral convictions regarding."

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

Mr. JAVITS. I yield

Mr. CHURCH. I suggest "religious beliefs or moral conviction."

Mr. JAVITS. Fine. It will read "religious beliefs or moral conviction regarding." I modify my amendment to read that way.

On page 2, section 8 would be an addition. Nothing is changed in Senator CHURCH's amendment, except that this addition is included:

In respect of a hospital or other health care institution referred to in section 7—

That is, Senator CHURCH's amendment—

such hospital or other health care institution shall not discriminate in the employment, promotion, extension of staff or other privileges or termination of employment of any physician or other health care personnel on the basis of their personal religious or moral convictions regarding abortion or sterilization or their participation in such procedures.

I wish to make it clear that that particular amendment simply will protect anybody who works for that hospital against being fired or losing his hospital privileges if he does not agree with the policy of the hospital and goes elsewhere and does what he wishes to do, but he cannot do it in that hospital, and Senator CHURCH is right about that. There, the hospital controls.

Mr. CHURCH. In other words, if a physician who was part of a staff of a Catholic hospital, let us say, who was not himself a Catholic and had no compunction about performing sterilization or abortion operations, were to perform them in some other hospital, a public hospital, where there is no feeling against it, then he would not be discriminated against by the Catholic hospital for having performed those operations elsewhere.

Mr. JAVITS. Exactly.

Mr. CHURCH. I am in full accord with that, and I think that helps to improve the amendment.

Mr. JAVITS. Section 9 would add the notice aspect we discussed, and it does not have to be some blatant, ridiculous nailing of x points on the door of the hospital. We do not expect that. It is just so that the people are informed of the policy of that hospital.

Mr. JACKSON. Mr. President, will the Senator yield, so that I might ask a question of the Senator from Idaho to clarify a matter contained in his amendment?

Mr. JAVITS. May I just finish this?

Mr. JACKSON. All right.

Mr. JAVITS. This is section 9:

Any individual, hospital or other health care institution declining to participate in such procedures on the grounds of such religious or moral convictions shall post notice of such policy in a public place in such institution.

I yield to the Senator.

Mr. JACKSON. I should like to ask the distinguished Senator from Idaho a question with respect to clarifying the intent of the amendment on the specific point as to whether or not his amendment in effect preempts State law.

I refer specifically to section 2, which was contained in the original Senate Joint Resolution 64, and which is now being offered in the form of an amendment. Section 2 starts out "Any provision of law."

As I understand the position of the Senator from Idaho, that refers to Federal law, and his amendment does not preempt State law in this particular field.

Mr. CHURCH. The Senator is correct. Nothing in this amendment undertakes to preempt or interfere with State law.

Mr. JACKSON. I thank the distinguished Senator from Idaho for clarifying that point. There was a question in my mind, based on the language in the amendment. I believe the Senator has now made it very clear. He is the author of the amendment, and I do not think there is any doubt about the meaning of the amendment.

Mr. JAVITS. That is a very good point.

Mr. CHURCH. I think the point is well taken.

Mr. President, although I have said to the able Senator from New York that I see no particular need to post notices in Catholic hospitals that abortions are not normally performed there, I have no particular quarrel with a notice provision if the Senator feels that one should be added to this amendment. It is possible that in some cases such a notice provision would help to advise the individuals in the public as to where they should go if they are looking for a sterilization or an abortion operation. Therefore, I have no objection to this amendment in either of its aspects, and I hope the Senate will adopt it.

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

Mr. JAVITS. I yield.

Mr. BUCKLEY. I should like to get some clarification.

The effect of the proposed amendment of the Senator from New York would be to eliminate the words "which proscribe" and substitute the word "regarding." Is that correct?

Mr. JAVITS. That is correct.

Mr. BUCKLEY. I am not sure whether

this is a distinction with a difference or not.

Mr. JAVITS. There is no secret about my purpose. It only seeks to balance out a statement of policy. We are going to respect whatever the religious or moral convictions are on either side of the case, and our purpose is to respect them. That is the reason for the nondiscrimination portion.

Mr. BUCKLEY. Therefore, if a particular institution did in fact proscribe these medical procedures, the Federal Government would be without power to override that policy?

Mr. JAVITS. That is correct.

Mr. BUCKLEY. I thank the Senator.

Mr. JAVITS. Mr. President, I am ready to yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back his time on the amendment to the amendment?

Mr. KENNEDY. May I withhold the time?

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. I withhold my time.

Mr. PASTORE. Mr. President, will the Senator yield? I would like 3 minutes to ask a question.

Mr. KENNEDY. I yield.

Mr. JAVITS. Mr. President, is it on the amendment to the amendment?

Mr. KENNEDY. Yes.

Mr. PASTORE. As a matter of fact, it is on the whole thing. The amendment of the Senator is going to be accepted, so it is part of the package. I hope I am not being limited.

My question is this: What the Senator from Idaho is actually doing in his amendment is to say that Hill-Burton funds shall not be denied to any hospital that does not choose to allow abortions to be committed within that hospital.

Mr. CHURCH. If the refusal is based upon religious beliefs or moral convictions against such procedure.

Mr. PASTORE. Naturally, that is what the case would be.

The amendment of the Senator from New York goes on to say that in the event any doctor who does practice in this hospital does commit an abortion in another hospital that does permit abortions to be committed, he shall not be barred from practicing in the first hospital.

Where do we get that right to tell a hospital what to do or what not to do? Is that hospital not a private organization?

Mr. CHURCH. The Senator is correct but the Senator's amendment—and the Senator from New York can speak for it best—provides that any hospital accepting Federal funds will do so with the understanding.

Mr. PASTORE. In other words, what the Senator is actually saying is that if the first hospital bars that physician who committed an abortion in the other hospital, it shall be denied Hill-Burton funds.

Mr. CHURCH. No.

Mr. JACKSON. There is no penalty.

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

Mr. CHURCH. I yield.

Mr. KENNEDY. As I understand it, these hospitals are already receiving Federal funds. Therefore the requirement is that they shall not discriminate.

Mr. PASTORE. But if they do, what happens?

Mr. JACKSON. Nothing.

Mr. PASTORE. Then, what are we doing? We have wasted a whole morning doing nothing.

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

Mr. PASTORE. I yield to anyone who can clear it up.

Mr. JACKSON. I cannot clear it up, but I cannot see in the combination any penalty, unless I do not read it correctly.

Mr. PASTORE. My question is in two parts. First, how does the Congress of the United States impose on the discretion, judgment, and right of doctors of the private hospital, whether Catholic, Jewish, or Protestant; and, two, if it does and can do it, what is the penalty?

Mr. JAVITS. Mr. President, if the Senator will yield, I am the author of the amendment so perhaps I should answer. In the first place, it is not imposing a duty on any hospital except the hospital seeking to qualify for Federal funds. Then it says that notwithstanding that, the hospital may participate in the program. That is the affirmative benefit. But it qualifies the benefit by saying that if they do discriminate against the doctor who is in their hospital because he has done something they do not approve of in the other hospital, we have the authority to deprive them of that benefit.

Mr. PASTORE. What is the benefit?

Mr. JAVITS. The Federal money given for example under Hill-Burton.

Mr. PASTORE. Then there is the penalty. It sounds dictatorial.

Mr. JAVITS. These are Federal benefits under a Federal program which some may get and some may not get, depending on many forms of qualification. One form may be the range of hospital services. The Senator from Idaho provides, and I agree, that the particular hospital does have to give the same range of medical benefits as any other hospital. I say, very well, they still get the money if they do not. But suppose that hospital fires a doctor because they do not approve of what he did in another hospital. I say they do not have the right to fire him, and they may lose the benefits of Federal funds because they are discriminating against a doctor. So you have two conditions.

Mr. PASTORE. So there is a penalty.

Mr. JAVITS. I hope so. I do not know if it will be so adjudicated by the administrator, but it is there.

Mr. PASTORE. Let us assume it is a private hospital, be it Catholic or Jewish, and, as a rule, that any person who is on the staff of that hospital and commits an abortion in another hospital, when the first hospital does not permit an abortion to be committed, and that hospital does not receive one red cent from the Federal Government, then what is the penalty?

Mr. JAVITS. None whatever, and the law does not apply.

Mr. PASTORE. Can that physician be discharged from that hospital under the Senator's amendment?

Mr. JAVITS. Yes.

Mr. PASTORE. For having committed an abortion in another hospital?

Mr. JAVITS. Yes.

Mr. PASTORE. It all comes down to Federal funds.

Mr. JAVITS. Nothing else

Mr. CHURCH. The Senator is correct.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. JAVITS. I yield back my time.

Mr. CHURCH. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York to the amendment of the Senator from Idaho (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Idaho as amended. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from California (Mr. TUNNEY), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Louisiana (Mr. JOHNSTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Wyoming (Mr. HANSEN) is necessarily absent.

The result was announced—yeas 92, nays 1, as follows:

[No. 64 Leg.]

YEAS—92

Abourezk	Eastland	McIntyre
Aiken	Ervin	Metcalf
Allen	Fannin	Mondale
Baker	Fong	Montoya
Bartlett	Goldwater	Moss
Bayh	Gravel	Nelson
Beall	Griffin	Nunn
Bellmon	Gurney	Packwood
Bennett	Hart	Pastore
Bentsen	Hartke	Pearson
Bible	Haskell	Pell
Biden	Hatfield	Percy
Brock	Hathaway	Proxmire
Buckley	Helms	Randolph
Burdick	Hollings	Ribicoff
Byrd, Harry F., Jr.	Hruska	Roth
	Huddleston	Saxbe
Byrd, Robert C.	Hughes	Schweiker
Cannon	Humphrey	Scott, Pa.
Case	Inouye	Scott, Va.
Chiles	Jackson	Sparkman
Church	Javits	Stafford
Clark	Kennedy	Stevens
Cook	Long	Stevenson
Cotton	Magnuson	Symington
Cranston	Mansfield	Taft
Curtis	Mathias	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Tower
Dominick	McGee	Weicker
Eagleton	McGovern	Young

NAYS—1

Fulbright

NOT VOTING—7

Brooke	Muskie	Williams
Hansen	Stennis	
Johnston	Tunney	

So Mr. CHURCH's amendment, as amended, was agreed to.

Mr. GURNEY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. GURNEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 9, lines 8 and 9, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $31,500,000 for the period ending October 31, 1973".

On page 9, line 12 and 13, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $8,330,000 for the period ending October 31, 1973".

On page 9, lines 16 and 17, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $6,000,000 for the period ending October 31, 1973".

On page 9, lines 20 and 21, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $5,330,000 for the period ending October 31, 1973".

On page 9, lines 24 and 25, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973 and $5,000,000 for the period ending October 31, 1973."

On page 10, lines 3 and 4, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $10,000,000 for the period ending October 31, 1973."

On page 10, line 7, strike "June 30, 1974" and insert in lieu thereof "October 31, 1974."

On page 10, lines 9 and 10, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $6,500,000 for the period ending October 31, 1973."

On page 10, lines 14 and 15, strike out "June 30, 1974" and insert in lieu thereof "October 31, 1973."

On page 10, lines 18 and 19, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $13,000,000 for the period ending October 31, 1973."

On page 10, line 22, strike out "June 30, 1974" and insert "October 31, 1973."

On page 11, lines 1 and 2, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $4,000,000 for the period ending October 31, 1973".

On page 11, lines 5 and 6, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $55,000,000 for the period ending October 31, 1973."

On page 11, lines 9 and 10, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $52,500,000 for the period ending October 31, 1973."

On page 11, lines 13 and 14, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $4,330,000 for the period ending October 31, 1973."

On page 11, lines 17 and 18, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $750,000 for the period ending October 31, 1973".

On page 11, lines 20 and 21, strike out "June 30, 1974" and insert in lieu thereof "October 31, 1973.

On page 11, lines 23 and 24, strike out "June 30, 1974" and insert in lieu thereof "October 31, 1973."

On page 12, lines 3 and 4, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $1,500,000 for the period ending October 31, 1973."

On page 12, lines 7 and 8, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973 and $1,250,000 for the period ending October 31, 1973."

On page 12, lines 10 and 11, strike "June 30, 1974" and insert in lieu thereof October 31, 1974."

On page 12, strike lines 13 and 14 and insert in lieu thereof "for the year ending October 31, 1965 and each of the next eight years—".

On page 12, lines 17 and 18, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $52,500,000 for the period ending October 31, 1973".

On page 12, lines 21 and 22, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $30,000,000 for the period ending October 31, 1973".

On page 12, line 25, strike "June 30, 1974" and insert in lieu thereof "October 31, 1974".

On page 13, lines 3 and 4, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $500,000,000 for the period ending October 31, 1973".

On page 13, strike lines 6 and 7, and insert in lieu thereof "fiscal year ending June 30, 1971 and the next two fiscal years" and insert in lieu thereof "year ending October 31, 1971 and each of the next two years".

On page 13, lines 10 and 11, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $14,500,000 for the period ending October 31, 1973".

On page 13, lines 14 and 15, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $5,000,000 for the period ending October 31, 1973".

On page 13, lines 17 and 18, strike out "June 30, 1974" and insert in lieu thereof "October 31, 1973".

On page 13, lines 21 and 22, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $10,000,000 for the period ending October 31, 1973".

On page 14, lines 1 and 2, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $10,000,000 for the period ending October 31, 1973".

On page 14, lines 5 and 6, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $4,000,000 for the period ending October 31, 1973".

On page 14, lines 9 and 10, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $425,000 for the period ending October 31, 1973".

On page 14, lines 13 and 14, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $2,000,000 for the period ending October 31, 1973".

On page 14, lines 17 and 18, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $2,000,000 for the period ending October 31, 1973".

On page 14, lines 21 and 22, strike the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $3,330,000 for the period ending October 31, 1973".

On page 15, line 2, strike "July 1, 1974" and insert in lieu thereof "November 1, 1973".

On page 15, strike lines 6, 7, and 8, and insert in lieu thereof the following:

"(3) Section 794D(f)(A) is amended by striking the word 'fiscal' wherever it appears and by striking 'June 30, 1971' and inserting in lieu thereof 'October 31, 1971'."

On page 15, lines 11 and 12, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $85,000,000 for the period ending October 31, 1973".

On page 15, lines 16 and 17, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $5,000,000 for the period ending October 31, 1973".

On page 15, lines 21 and 22, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $33,000,000 for the period ending October 31, 1973".

On page 15, strike lines 23 and 24 and insert in lieu thereof the following:

"(b) Section 207 of such Act is amended by striking out 'June 30, 1973' and inserting in lieu thereof 'October 31, 1973'."

On page 16, strike lines 1 and 2 and insert in lieu thereof the following:

"(c) Section 221(b) of such Act is amended by striking out 'June 30, 1973' and 'July 1, 1973' and inserting in lieu thereof 'October 31, 1973 and November 1, 1973, respectively'."

On page 16, lines 5 and 6, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $20,000,000 for the period ending October 31, 1973".

On page 16, strike out lines 7 and 8, and insert in lieu thereof "and (2) by striking fiscal year ending June 30, 1967 and inserting in lieu thereof 'year ending October 31, 1967'."

On page 16, lines 10 and 11, strike "June 30, 1974" and insert in lieu thereof "October 31, 1974".

On page 16, lines 14 and 15, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $17,500,000 for the period ending October 31, 1973".

On page 16, lines 17 and 18, strike "June 30, 1974" and insert in lieu thereof "October 31, 1974".

On page 16, lines 21 and 22, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert

in lieu thereof "for the fiscal year ending June 30, 1973, and $5,000,000 for the period ending October 31, 1973".

On page 17, lines 1 and 2, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $27,500,000 for the period ending October 31, 1973".

On page 17, strike out lines 3 through 6 and insert in lieu thereof the following:

"(j) Section 261(b) is amended by striking the word 'fiscal' everywhere it may appear and by striking 'June 30, 1971' and 'July 1, 1973' and inserting in lieu thereof 'October 31, 1971' and 'November 1, 1973', respectively."

On page 17, strike out lines 7 through 12 and insert in lieu thereof the following:

"(k) Section 264(c) of such Act is amended—

"(1) by striking the word 'fiscal' everywhere it may appear; and

"(2) by striking 'June 30' everywhere it may appear and inserting in lieu thereof 'October 31'; and

"(3) by striking 'July 1' and inserting in lieu thereof 'November 1'."

On page 17, lines 15 and 16, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $10,000,000 for the period ending October 31, 1973".

On page 17, strike out lines 17 through 20 and insert in lieu thereof the following:

"(m) Section 271(d)(2) is amended by striking the word 'fiscal' everywhere it appears and by striking 'June 30, 1972' and 'July 1, 1973' and inserting in lieu thereof 'October 31, 1972' and 'November 1, 1973', respectively."

On page 17, strike lines 21 and 22 and insert in lieu thereof the following:

"(n) Section 272 of such Act is amended by striking out 'June 30, 1973' and inserting in lieu thereof 'October 31, 1973'."

On page 18, line 2, strike out "July 1, 1974" and insert in lieu thereof "November 1, 1973".

On page 18, strike lines 3 through 8 and insert in lieu thereof the following: "Section 121(a) of the Developmental Disability Services and Facilities Construction Act (42 U.S.C. 2661) is amended by inserting immediately after the first sentence the following: 'There is authorized to be appropriated for the period July 1, 1973 through October 31, 1973, $7,000,000.'."

One page 18, lines 11 and 12, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $7,000,000 for the period ending October 31, 1973".

On page 18, lines 15 and 16, strike out the words "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "for the fiscal year ending June 30, 1973, and $45,000,000 for the period ending October 31, 1973".

On page 18, lines 19 and 20, strike out the words "each of the fiscal years ending June 30, 1973 and June 30, 1974" and insert in lieu thereof "the fiscal year ending June 30, 1973, and for the period ending October 31, 1973".

Mr. GURNEY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. GURNEY. Mr. President, I do not intend to take very long.

Mr. KENNEDY. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. There will be order in the Chamber.

Mr. GURNEY. Mr. President, it is difficult to support the committee's proposal as it is currently written. It asks that we extend every one of some 44 health care programs for a full year at a total cost to the taxpayer of some $2.5 billion. It does this in the face of claims by the administration and by independent observers that a substantial number of these programs duplicate or overlap each other, or are outdated, inefficient ways by which to achieve particular health care goals. The committee arrived at its decision, initially, even before there were hearings on the bill. Now, a few weeks later, we see it on the floor again after just 1 day of hearings and one witness.

We simply cannot afford the luxury of delay which this legislation would allow. We fool ourselves if we think that Americans benefit from such a course of action. If money is wasted in inefficient or outdated health programs, then it is money lost that could have been used to meet society's more pressing health needs as well as other pressing needs. In effect, we face a double loss: First, a loss from what we fail to accomplish in meeting real health care needs. Second, we face a loss from what we are unable to accomplish in other areas—crime prevention, water or air pollution, and drug abuse for example.

I believe the committee's recommendation on this bill epitomizes one aspect of the conflict over the Federal budget now raging between Congress and the Executive. Who is going to assume responsibility for the efficient use of the people's money? Does the Congress have the discipline to marshall its decision-making powers in order to decide on the appropriate use of tax dollars? Must we continually have legislation through extension, with little or no review or change of existing programs?

The committee points out that these programs expire June 30, that they are important and vital and must be renewed, and that there is not time now to review them all in depth. In turn, the administration points out that they do not have all of their recommendations yet.

Thus it is said that we need time to evaluate these programs. That is a reasonable request, particularly in view of the myriad health care goals this legislation contains. But a full year? I do not think so.

I propose, and that is what my amendment does, that we extend the Public Health Service Act and Community Mental Health Centers Act for 4 months beyond the current expiration date, or until October 31, 1973. With the month of August lost to Congress because of the recess during that month, this amendment would still give us 6 full working months from now in which to evaluate these programs.

The issues for our deliberation have been clearly drawn in the administration's testimony. Do these programs work? Are there better ways to carry them out? Are there better sources of money or manpower than those provided by Federal resources?

Let me say, in addition to this—and then I shall be through—that I have had people come into my office in the last few weeks to talk to me about the bill. Some of them have told me that some of the programs we should pass. Some have also asked me not to make their names public, because they do not want to be "shot down" by their constituents. But they have actually told me they do not want these programs. Others have told me they need the programs vitally. Still others have said that we could probably cut back these programs and make them more efficient.

I would simply say that if there has not been time to prepare a specific bill and have it considered by the committee, why do we not, on this bill, take our time, until October 31, which will almost be the full working time that Congress may be in session this year, and come up with a bill that we can pass. That is what we ought to be doing with the public health programs. But let us do it with some real facts and real testimony to back our own position.

Otherwise we shall be going to the administration, saying, "No, we are not going to spend the money because we do not believe the programs are good." I say we have a chance for compromise. I am not asking anything more than to extend this program for 4 months or so, in which we can work out a bill.

Mr. DOMENICI. Mr. President, will the Senator from Florida yield?

Mr. GURNEY. I yield.

Mr. DOMENICI. I support the Gurney amendment. I think that yesterday, when I spoke before the Senate on whether we should engage ourselves in confrontation or accommodation, my remarks were squarely on the question that is before us today. I am certain that those who support this measure are aware of the fact that more time is needed to evaluate which programs should continue, which ones should be stopped, and what new ones should be started.

I concur wholeheartedly with the statement of the Senator from Florida with regard to how those involved in the programs are telling Senators that some of these programs are good, and some are not so good. I think as we go through this year—this transition year—when we are attempting to reenact old laws, old authorizations, and frequently even last year's appropriation measures, that, if we do accommodate them, some transition, not one which will indefinitely burden the beneficiaries of the laws, but one which will give the Senate time to pass better laws, America will be better.

I certainly think it is admitted, from the brief testimony before us, that there has not been enough time to evaluate the programs in the bill. If that is the case, perhaps there is justification to continue them rather than to terminate them.

I think the Senator from Florida offers an amendment that the Senate should subscribe to. Perhaps we should consider an amendment to give ourselves and the administration more time to decide what we should do.

I urge Senators to support the amendment of the Senator from Florida.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The Health Subcommittee in May of last year recognized that it would take them all winter to consider more than

50 pieces of legislation we are considering this afternoon which are included in the 12 extensions of the Public Health Act and the Mental Health Act. We invited Secretary Richardson of Health, Education, and Welfare to come before the Health Subcommittee in May of last year, so that we could take the whole of the period in the consideration of these particular proposals.

Secretary Richardson indicated that he was not prepared to come up, that the administration was in the process of formulating their programs. In September of last year, we asked Dr. DuVal, the Assistant Secretary of Health, Education, and Welfare for Health and Scientific Affairs, to come up and appear before the Health Subcommittee and give us his best judgment about these 12 proposals.

Dr. Duval testified that the administration did not want the Health Subcommittee to act, because we are going to have proposals in January and February of next year in connection with the President's budget.

So what did we do? Because we felt that we had a responsibility to act, we nevertheless incorporated seven of those proposals in a bill and submitted it to the Senate. The Senate passed S. 3716 by a vote of 78 to 0. But the House of Representatives did not act on it.

So we waited until January and February of this year, and what happened? The President's budget was sent up, but it did not include any specific legislated proposals. Mr. Weinberger then came before the committee, and we asked him, "Where are the proposals? We are ready to act now."

Mr. Weinberger said:

They will be up some time in February." But only last week, Mr. Weinbeger came before the Committee on Labor and Public Welfare, and we said, "Now, Mr. Weinberger, we want your proposals on the extensions of these various Acts. Will you give us your answer?

He said:

We are not prepared to give you an answer now. I cannot give you a specific date.

Mr. President, this legislation expires in June. But we have had virtually no cooperation from the administration since last May in respect to this vital legislation.

All we have done in the bill now before the Senate is take the identical dollar figures for fiscal year 1973 and continue these programs for the year. I have a number of substantive changes I would like to see made in the legislation and other members of the committee, Democrats and Republicans alike, have other changes, I am sure. But 15 out of 16 members of the committee supported the idea of a simple extension in order to give the Congress time to act.

I as chairman and they as members of the Health Subcommittee, Democrats, and Republicans alike, decided that we would begin forthwith to consider the whole range of the legislation. Because it is a massive job, Mr. President, it will require a year for consideration and action. That was recognized by the committee itself. So 4 months will not be the answer.

The second question is: How can we support the proposal of the Senator from Florida when he is unable to give us any idea, this afternoon, of what the administration's position will be on any of these proposals? He is not saying, "If we only give them 4 months, I have all the different proposals here in my back pocket this afternoon, and the committee can consider them between the end of March and the end of the 4-month extension, and act responsibly."

He cannot do it, because of the 12 proposals we are considering, there is only one on which the administration has spoken, and that is on the extension of the Medical Libraries Act. There has been no indication that the administration would come up at any time and give us their views on the other extensions, except for those authorities they wish to terminate.

Finally, let me say this: We know that the appropriations are made by Congress on an annual basis. What is the Appropriations Committee going to do with a 4-month extension? It would be virtually impossible to consider it. A 4-month extension on these various proposals, with all that means in terms of the appropriations process, would obviously mean the strangulation of this legislation. And let me say quite frankly, I sincerely believe that that is the position of the administration on a number of these authorities.

On the regional medical program, the community mental health centers program, the Hill-Burton program, the public health training programs it is clear that the administration is interested in ending the authorities. They would do this even over the very wide-ranging, strongly objecting positions which have been stated by a wide variety of groups, including the National Institutes of Health, people involved in the mental health areas, and other distinguished researchers in health fields.

For all those reasons, Mr. President, I hope the amendment will be rejected by the Senate.

I have indicated to this body, on behalf of the members of the health subcommittee, that we are prepared to act. We are hopeful that in the consideration of this legislation, which will surely take a full year, that we will obtain early reports from the administration, so that we can work, to the extent that that is possible, in a constructive and positive manner.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. KENNEDY. Mr. President, I reserve the remainder of my time.

Mr. GURNEY. Mr. President, I yield 5 minutes to the distinguished Senator from Colorado.

Mr. DOMINICK. Mr. President, I take the floor, I might say, with some reluctance, because I have supported the pending bill in committee on two occasions, and I believe, if I am not mistaken, that I am a cosponsor of it. I am not sure, but I think so.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMINICK. The thing which bothered both the Senator from Massachusetts and me during these hearings and indeed all the way through is that we had no alternative. We did not have time enough, we both felt, to be able to go over these programs one by one and decide for ourselves whether they ought to be extended, changed, or modified in any way.

Hearing about the fact that there was to be no more funding, for example, on the Hill-Burton Act, I put in a provision for a 3-year extension of it, but with some changes—changes providing that no new bed hospitals would be built unless they received the approval of comprehensive health planning which, in a given area, would determine where beds were needed and where they were not. I hope we can come to some kind of hearing on that proposal relatively soon. Other Members of Congress are arriving at other proposals on their own initiative.

It would strike me that some argument could be made for the positions the administration has taken on programs that have worn out their usefulness. The nonfunding of the Hill-Burton Act was largely based on the fact that we have more beds than we need now.

That is true only in certain areas. It is not true in other areas. There are many areas, even in my own State, in rural communities, where aid and assistance are needed for adequate hospital facilities.

We also still have need for updating, modernization, improvement, and the application of new technology in hospital systems. So there are a great number of needs in the health interests of the people of our country which I think we should go forward with, with a variety of changes in the existing programs, but making those changes congressionally, and not just cutting off the whole idea.

The question is: Do we need to continue the existing programs for a whole year? That is what this amendment is about.

It seems to me that between now and the end of October, which would be the period of time provided under the amendment of the Senator from Florida, giving us a total of not 4 months, but 7 months, the Health Subcommittee of this body and the health subcommittees in the other body could easily prepare and put together a number of proposals in a number of different areas, which would then be up for funding before the Appropriations Committees, without having to leave the whole thing hanging in limbo for a year. Therefore, I intend to and will support the Senator from Florida on his proposed extension.

Congress, whether it be the Senate or the House of Representatives, can act promptly. We have done it in the past, both in committee and on the floors. Seven months, after all, is quite a long period of time for review and for modernization of those programs when needed.

A typical example which I mentioned in my opening statement, when this funding was brought up today, is the regional medical planning programs. Those programs, although they have been of use in some areas of the country, have been of no use in other areas of the country. A great number of them have

been used in order to channel funds in, and in order to provide continuing education for the doctors. That is of help in some instances. In many areas it is not. Moreover, it can be done through other programs.

It would seem to me that we could, piece by piece, look these matters over as we go along and make the changes before the 7-month period has expired.

For that reason, I am happy to support the Senator from Florida and urge the adoption of his amendment.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield myself 5 minutes on the bill. I take this time on the bill because I think it is particularly appropriate to discuss the arguments which I would present on the bill on the Gurney amendment.

I would like to say at the outset that I strongly support the Gurney amendment, and I feel it is wholly consistent with the positions I have taken on the bill, which I set out in the minority views on page 95 of the committee report.

We had in the committee just 1 day of hearings on this bill, during which the only administration witness was the Secretary of HEW. The Secretary was pinned down in question on that day on two or three of the subjects pretty largely covered by the bill, and especially the community mental health centers programs. There really was little done getting into policy decisions which are behind the decisions reflected in the budget.

It is interesting to note that we hear much said about how the Executive is taking over the authority and prerogative of the legislative branch of the Government. Yet, so far, here, the committee is so helpless, apparently, to act on these programs itself, that after a couple of years of knowing that changes were anticipated—and I think, to be realistic, knowing that the changes would be made—the committee itself failed to come forth with one serious piece of legislation in this area.

The complaints now being made, that the administration has not come up with its legislative recommendations, it seems to me the committee itself has a responsibility for coming up with legislative recommendations, particularly under those circumstances.

It is perfectly all right to wait and ask for information from the department, and for suggestions from the department, but particularly with Congress in the unreceptive mood it is today, insofar as the recommendations of the Executive are concerned, and I do not think we should be sitting around waiting for the recommendations of the Executive on programs that we think should be changed. Of course, in the budget and in the recommendations of the administration, we know what the administration's position is on a number of programs, and the number they think should be discontinued, so why have we not been having hearings and listening to witnesses on those particular programs? We know they will recommend that they be discontinued.

If we take the Gurney amendment approach, and add on an additional 4 months, which is desirable, we can at least do that and then take a look at the programs we know the administration wants to discontinue and decide whether they should be continued or discontinued, which we can do by holding hearings and listening to witnesses and making our decision as to what the proper legislative process is. But to give a blanket extension at this time would be a great mistake. That is what the bill attempts to do.

But the accusation that because, somehow, the administration, by not coming up with recommendations as to continuing authorizations covered in one way or another substantively in the budget recommendations, is somehow trying to legislate by extension or by cutting off in the budget, I would reply to that by saying that that is what is being attempted to be done here, and what is surely being attempted to be done in other programs which, in effect, is legislation by simple extension of authority without looking into the substance of a particular measure.

We should take a look at the substance. The Secretary of HEW did do a good job of explaining the general position. We can develop from this numerous guidelines because there was no committee report available at an early date, at least until today. On March 22, I did insert into the RECORD, on page 9078, a statement by Secretary Weinberger before the committee last week, talking about these programs. He pointed out at that time, and I repeat here, some of the discussion with regard to the particular programs and with regard to the overall proposal of the bill to extend authorizations blindly in what I would call a log-jam or a pig-in-a-poke approach to the probem.

The authorizations come to about $2 billion more than $1 billion of the 1974 budget request. Some of these authorizations, including comprehensive health planning, health services, research and demonstration, and medical libraries support, would continue to be funded under the President's 1974 budget.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TAFT. Mr. President, I yield myself an additional 5 minutes under the bill.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 additional minutes.

Mr. TAFT. Mr. President, let us take a look at some of the programs in which there has been a phaseout, termination, or reduction, as suggested by the administration.

The first is the Hill-Burton program. It is admitted, as the Senator from Colorado (Mr. DOMINICK) very soundly pointed out, that the Hill-Burton program, in many respects, has outlived its usefulness, as in many areas there is a surplus of hospital beds, yet they are continuing the building of more hospital construction programs without relation to the needs of where they are. So that it seems to me very unfortunate to do that. Let us not kid ourselves. If we do not face up to the situation and put a deadline on ourselves other than the mere additional year on us, I doubt whether we will see in this Congress—never mind in this year—any major changes in the Hill-Burton program. Especially coming from a large State, which I think is getting unfavorable treatment under the Hill-Burton program, I particularly feel that we should be taking a hard look at this problem, examine it closely, and come up with a better hospital program, to put it on a fair basis where distribution of funds are concerned, and direct our efforts with regard to facilities in those areas where the facilities are most needed.

As to the regional medical programs, the position of the administration is perfectly clear. Its position is that the greatest percentage of the funds has gone to finance the continuing education of health professionals who, in many fields, could possibly provide for their own support, which they are building up for their own professional competence.

There are other funds under which, in various ways, they are funded. It seems to me that on the regional medical programs, we should be able to come to a pretty quick conclusion, that the committee, with a few days of hearings as to whether we think the regional medical programs should be funded or should not be continued, either way.

I do not see any reason to put this off for a year. Four months is ample time in which to make sensible recommendations on the part of the Senate.

As to the categorical allied health program, Federal support to institutions training subprofessional health personnel will be targeted on innovative projects under the flexible authorities of the existing Comprehensive Health Manpower Act. We should have hearings and the committee should be able to fund and authorize it under continuing legislation that would be authorized by this particular bill.

As to the community health centers program, the Secretary has been specific in his testimony in that regard, and the fact that the administration's position is that the community health centers programs concept, which is a demonstration project, has run through the demonstration phase, and that we will, because the commitments were made for 8 years, be funding existing health services, set up on a phasing-out basis as originally planned, but the demonstration is completed and we should make a decision whether further demonstration is needed or whether some general community health center plan financed by the Federal Government for all communities in the United States is the proper way to go. We should undertake the responsibility of looking into this.

These are some of the factors that should be considered when we take a look at this legislation today, although it seems to me that it is doubtful, or wise, blindly to extend the program for an additional year and say we cannot put off the decision another year and then come around and take a look at it again because the administration did not come up with some proposal and we agreed to it right away. The far more sound approach is to take that of the Senator from Florida and extend the proposal at least

for an additional 4 months to see whether we can attack it piecemeal. There is no need for all the items to be in one particular bill. They are separate programs and basically they can be handled and considered separately. The committee should take the responsibility to do just that. The proposal of the Senator from Florida is a sound proposal and one that deserves the support of the Senate. As to the support, I, for one, will maintain the position I took in committee, that I think the committee should measure up to its responsibilities. I am not going to vote for it merely as an extension program without looking at the merits, or taking the responsibility of taking care of the health programs of this country.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. KENNEDY. Mr. President, the arguments I have heard here this afternoon by the Senator from Ohio have an Alice in Wonderland quality. It was the Secretary of HEW who said in the spring of last year that, because the administration did not have its proposals sufficiently perfected, we should wait and delay. To accommodate the Republican Secretary of HEW, we did so. Then Mr. DuVal came up, and he said:

> We do not want to extend various proposals. We will have our own proposals in January or February.

So, out of consideration for the Assistant Secretary of HEW, we withheld any action on some of them. We acted on seven programs, which actually passed in the Senate. Mr. President, I can give assurance to my friend from Ohio that the administration did not give us any proposals at all on any of these programs. We will have a proposal before the Senate next year on every one of these proposals, either with or without the objection of the administration: But we cannot allow ourselves to be put in a position where the Secretary of HEW asks us to wait for their recommendations, where the Assistant Secretary of HEW asks us to wait until January or February of this year, where the new Secretary of HEW asks us to wait; and now we find ourselves at the end of March with no action yet on basic programs that are expiring.

Now we hear from the Senator from Ohio, "What has been wrong with the committee?" We have been trying to accommodate the position taken by two different Secretaries of HEW and the Assistant Secretary of HEW. We have done our best to accommodate them. But now we are going to act.

For that reason, I hope the Senate will give us the kind of time we need, in order to consider these matters the way they should be considered. I hope the Gurney proposal will be defeated.

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

Mr. GURNEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Florida. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey (Mr. WILLIAMS) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Wyoming (Mr. HANSEN) is necessarily absent.

The result was announced—yeas 37, nays 56, as follows:

[No. 65 Leg.]

YEAS—37

Baker	Domenici	Pearson
Bartlett	Dominick	Percy
Beall	Fannin	Proxmire
Bellmon	Fong	Roth
Bennett	Goldwater	Saxbe
Brock	Griffin	Scott, Pa.
Buckley	Gurney	Scott, Va.
Byrd, Harry F., Jr.	Helms	Stevens
	Hruska	Taft
Cook	Mathias	Thurmond
Cotton	McClure	Tower
Curtis	Nunn	Young
Dole	Packwood	

NAYS—56

Abourezk	Gravel	McGovern
Aiken	Hart	McIntyre
Allen	Hartke	Metcalf
Bayh	Haskell	Mondale
Bentsen	Hatfield	Montoya
Bible	Hathaway	Moss
Biden	Hollings	Nelson
Burdick	Huddleston	Pastore
Byrd, Robert C.	Hughes	Pell
Cannon	Humphrey	Randolph
Case	Inouye	Ribicoff
Chiles	Jackson	Schweiker
Church	Javits	Sparkman
Clark	Kennedy	Stafford
Cranston	Long	Stevenson
Eagleton	Magnuson	Symington
Eastland	Mansfield	Talmadge
Ervin	McClellan	Weicker
Fulbright	McGee	

NOT VOTING—7

Brooke	Muskie	Williams
Hansen	Stennis	
Johnston	Tunney	

So Mr. GURNEY's amendment was rejected.

PROGRAM

Mr. SCOTT of Pennsylvania. Mr. President, I rise to inquire of the distinguished majority leader the program for the remainder of the day, and beyond.

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

Mr. KENNEDY. Mr. President, I yield 5 minutes on the bill to the majority leader.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, in response, may I say that it is anticipated that very shortly the vote on final passage of the pending business will occur.

The distinguished Senator from Louisiana (Mr. LONG), the chairman of the Committee on Finance, would like to have the Senate take up H.R. 3577, an act to provide an extension of the interest equalization tax, this evening. He does not think it will take too long. There is an expiration date of Saturday. If we do not finish that measure tonight—we will not stay in session too late—it will be carried over until tomorrow.

That measure will be followed, in turn, by H.R. 1975, an act to amend the disaster relief bill, and that, in turn, will be followed by the bill to amend the Par Value Modification Act, S. 929, and that, in turn, will be followed by the five bills on crime reported by the Committee on the Judiciary.

Mr. McCLELLAN. Mr. President, if the Senator will yield, what day will that be?

Mr. MANSFIELD. Later in the week, if we get to it. We will try to give the Senator at least 1 day's notice.

Mr. SCOTT of Pennsylvania. As to the vote on whether or not the veto of the President will be sustained or not on the Vocational Rehabilitation Act, what is the plan for calling up that measure?

Mr. MANSFIELD. Next Tuesday, at a reasonable hour.

Mr. SCOTT of Pennsylvania. This is notice, then, to Senators that it will be Tuesday afternoon and we are trying to accommodate as many Senators as possible by virtue of this early notice. Tonight, I believe, is the reception being given by poultry fanciers, but I take it we have an obligation to do our duty here.

Mr. MANSFIELD. It all depends on whether the egg or the chicken came first—well, that is it, anyway.

PUBLIC HEALTH SERVICE ACT EXTENSION OF 1973

The Senate continued with the consideration of the bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

Mr. KENNEDY. Mr. President, does the Senator yield back the remainder of his time?

Mr. JAVITS. I yield myself 1 minute on the bill.

Mr. President, this is an essential bill. We will do our utmost to resolve each of these measures by proper consideration that the course of time and this bill allow.

Mr. President, the reason for my strong support for the Public Health Service Assistance Extension of 1973 (S. 1136), of which I am a cosponsor along with 15 of the 16 members of the Labor and Public Welfare Committee, was set forth in detail on March 8, 1973, in my remarks in support of its immediate consideration by the Senate.

The bill now under consideration has one purpose: To reaffirm the intention of Congress that the Congress will determine whether and which of the health programs extended for 1 year by the bill will continue. Executive budget action which has let certain health programs wither, vanish, or be effectively terminated by lack of adequate funding, is not the appropriate mechanism to determine

the fate of vital substantive health programs affecting millions of Americans.

It is entirely possible that, in the words of Secretary Weinberger when he testified before the Committee on Labor and Public Welfare:

> If the Congress and its responsible Committees were carefully to examine each such authority in light of its relative priority in the competition for scarce Federal dollars, it would agree with the Administration that many of these authorities should be allowed to terminate on June 30, 1973.

But the evidence regarding the need for the programs' fiscal life or death must be fully developed and documented for the Congress by the Executive. The Executive power of the purse—through zero budget appropriations requests or requesting funding support for expiring programs—should not determine what laws Congress shall pass, and how they shall be implemented. Congress is and must continue to be an equal partner in the process of determining the future for programs affecting the American people.

The Executive should be checked and balanced by the Congress, which is also of the people's elected officials. That is the genius of the American political system. I believe that is the way we should proceed, rather than upon action taken solely by the President.

The complexity of the task before the Congress in evaluating and making its will known in regard to the more than 50 separate sections of law affecting nearly every facet of current Federal support of the Nation's health care system is enormous. The committee's determination and commitment to move as rapidly as possibly to permit Congress to rationalize these legislative authorities in a manner consistent with the appropriate Federal role in respect to the health needs of the American people is, I believe, documented by its past performance, as detailed in the committee report on the pending bill.

Let us turn to just those health programs Secretary Weinberger has testified the administration is proposing to phase out or terminate—community mental health centers, Hill-Burton, and regional medical programs—and to those proposed for redirection such as comprehensive health planning and services.

In regard to the latter, there has been no legislative proposal submitted to the Congress. All that can be gleaned is Secretary Weinberger's generic testimony and what the administration has proposed in the 1974 budget. In essence, a determination to utilize expiring section 314(e) of the Public Health Service Act for funding programs the Executive chooses to support. I am concerned that the Executive has failed to recognize what Congress has made crystal clear in regard to such proposed action. Only last year the Congress passed and the President signed into law, Public Law 92-449. The legislative history of section 314(e) is enunciated in Senate Report 92-285, where in discussing this section of the law it cites the House Committee on Interstate and Foreign Commerce in its report on the Communicable Disease Control Amendments of 1970:

> In each of its budget presentations each year since the enactment of section 314(e), the Department of Health, Education, and Welfare has earmarked specific amounts of the 314(e) fund request for specific programs for the coming year. In other words, the categorical grant approach has continued since the enactment of Public Law 98-749, except that instead of the Congress setting the categories, the categories have been set by the Department of HEW.

One of the purposes of this bill is to restore some control to Congress of the categories of health programs for which project grant funds are to be made available.

The Senate Labor and Public Welfare in respect to this matter in its report on the Health Services Improvement Act of 1970 stated:

> The Committee notes with concern the fact that a large proportion of the programs funded under section 314(e) continue to be too narrowly focused rather than focused upon the broader area of the organization and delivery of health services.

In regard to the programs the Executive has recommended for termination:

First. Hill-Burton: I have long indicated my dissatisfaction with the grant allocation formula of the program and the need to redirect this program to meet the $12.7 billion needs of modernization and upgrading of outmoded and overburdened public hospitals—whose lives are in a fiscal crisis—and for emphasis to be put upon innovative outpatient treatment facilities that might keep many out of the expensive hospital treatment setting. Hospital new bed construction is but one facet of this program and in response to Secretary Weinberger's "a special Federal grant program for hospital construction is now unwarranted," I would suggest the Congress may wish to consider how the program could be modified by, for example, certificate of need legislation and strengthened with more effective comprehensive health planning and regional medical program overview.

Second. Community Mental Health Centers: I would agree with Secretary Weinberger that "this program has proven itself," but Congress has no evidence that without Federal assistance we can establish what to date Congress has strongly supported, "rationalize these legislative authorities in a manner consistent with the appropriate Federal role in respect to the health needs of the American people." In this regard, I would like to share with Senator SCHWEIKER his concern—which he expressed at the hearing on the pending bill—about Secretary Weinberger's interpretation of the community mental health centers program as "demonstration." I find nothing in any of either the House or Senate reports on this legislation, since its renewal in 1965, 1967, 1970—or Senate passage in 1972—which permits of an interpretation of CMHC's as a "demonstration" program. Until the Congress has sufficient evidence to prove that localities will undertake to bring CHMC services to their people, I believe Congress should provide appropriate Federal funding support.

Third. Regional Medical Programs: I am not convinced that the Executive's dissatisfaction about regional medical program's seemingly ill-defined or amorphous role and corollary searching for more specific missions—which in many instances I share—is sufficient reason for Congress to terminate the program. There are 56 functioning regional medical programs, nationwide coverage having been achieved by 1968, and their capabilities, missions, and achievements vary. But if, as alleged, all have not been programs of excellence, this does not mean—unless somewhere there is documentary evidence, which I have not as yet had made known to me, to the contrary—that the entire regional medical program should be terminated rather than have Congress work its will in determining how the program can most effectively be utilized in assuring that all our citizens have equal opportunity for quality medical care.

Mr. President, this brief overview of the complex issues which must be considered in any serious congressional fundamental review and evaluation of the programs encompassed in the pending measure makes it clear why Congress should pass this bill and preserve its prerogatives and priorities, rather than permit Executive action alone to be the determining factor.

In closing, Mr. President, I should like to assure concerned citizens that the 1-year extension of the Developmental Disabilities Services and Facilities Construction Act is in no way an indication of my support for the existing law's definition of "developmental disabilities." My commitment to broadening the definition—as I indicated during hearings on that measure—has not abated. Nor, does my support of this measure mean I will in any way diminish my efforts and work to establish a national commitment for a "bill of rights for the mentally retarded." I feel strongly that the "bill of rights for the mentally retarded" should be enacted into law this year.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BARTLETT). The question is on agreeing to the committee amendment, as amended.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Have the yeas and nays been ordered?

The PRESIDING OFFICER. No, they have not.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator ask for the yeas and nays on the amendment or on passage?

Mr. KENNEDY. On passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

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

Mr. HELMS. Mr. President, I approach consideration of this bill with great con-

cern that we may be misleading the American people as to the future of the Federal Government's role in supplying tax funds for health services and medical facilities.

The false expectations which may be created by the passage of this bill are, I feel, accurately outlined in the minority views to the committee report, authored by the distinguished junior Senator from Ohio (Mr. TAFT).

I feel it is essential during this Congress that the Senate make a positive effort to consolidate and supply a reasonable perspective to the existing legislative authorities in this area. This is absolutely imperative, Mr. President, if we are to arrive at a more appropriate Federal role in the total effort to provide for the health needs of all the American people. This is why it is especially discouraging to note that the committee has reported out a blanket extension for all the existing programs. It is imperative that we discriminate between those programs with merit and those without merit, if we are to make positive changes in our health care delivery system.

Mr. President, the committee's own report recognizes the need to upgrade, improve, and, in some cases, eliminate provisions in the existing Federal programs relating to health care. How then can we, as responsible legislators, rationalize the authorization of more than $2 billion to continue for 1 year, programs which are admittedly deficient, if not in some cases totally unnecessary?

There is a tremendous inertia inherent in large-scale Federal programs which extensions, such as the one we are now considering, only tend to reenforce.

I earnestly look toward the committee for the legislative initiative to deal with these programs in a substantive way and report out to the Senate constructive alternatives to the present health care programs. In the meantime, I cannot justify a vote for the status quo in the face of such a pressing need for change.

Mr. President, I ask unanimous consent that the minority views of the distinguished junior Senator from Ohio (Mr. TAFT), be included at this point in the RECORD.

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

MINORITY VIEWS OF MR. TAFT

In a very short span of time—one day of hearings—during which the Administration was the only witness, the Committee reported S. 1136, a bill to extend umbrella protection for some forty-five health programs. This protection insures that all of these programs, due to expire June 30, 1973, will continue for another year regardless of whether or not they have proven to be worthwhile.

What this bill is attempting to do is to buy more time, at a $1.8 billion price tag, to study the desirability of further extensions. In reality, it is not buying time but is pointing out an agonizing fact that we as a Committee have not done our job. If we had, there would be no need for a blanket, automatic, one-year extension.

In the last Congress the Committee reported a similar bill on August 16, 1972. In the Committee report, several members stated in *Additional Views* that there was ample time to explore the question of a change in the Hill Burton formula prior to that program's expiration date, June 30, 1973. Yet here we are, seven months later, asking for more tomorrows, which brings me to the crux of my objection.

My objection to reporting this bill was not based on the difference with the Committee over the wisdom of extending one or another of these programs. Doubtless, some of them should be continued and others should not. However, the Committee has taken the course to legislate through extension rather than face the task of scrutinizing these programs and making judgments on the merits, even though we have three months in which we could do so. Such a course serves only to prolong the anxiety and confusion of those affected in the field.

I recognize that this scrutiny will be difficult, but I also recognize that when we entered this legislative body that all decisions facing us would not be easy or popular. Yet such decisions must be made, and in my judgment an automatic one-year extension of these programs to prevent a so-called "log jam" is poor justification for this type of legislating.

ROBERT TAFT, Jr.

Mr. DOLE. Mr. President, over the past two decades Congress has enacted a great number of health programs to improve health care in America. Many of these programs still operate efficiently and effectively and perform vital roles in the Nation's total health care system. Yet some health programs have proven less effective than originally expected or have accomplished their intended purpose.

I am sure my colleagues agree there is a need for a comprehensive review of the the Nation's various health programs. Yet the task of sifting through the ongoing health programs to determine which should be extended and which should be deleted is not simple or clear-cut. Many factors often cloud the issue in any individual program so its effectiveness or ineffectiveness might not be immediately apparent. For example, it is difficult to judge the effectiveness of a program on a national scale when some programs are naturally more effective in urban areas and others are more productive in a rural setting. In many cases, efficient administration and community participation in a health program will make it effective in one community or State while it is a complete failure somewhere else where leadership and community involvement are lacking. Thus, the value of a program cannot always be assessed by viewing limited examples of its operation.

TIME FOR EVALUATION

To properly evaluate the performance of our existing health programs and formulate constructive alternatives, Congress must study in depth the impact of existing programs in individual communities and their combined effect on the Nation as a whole. We must analyze alternative and better means of coordinating the existing facilities and programs, so a stronger basis is established for developing a more comprehensive system of health care.

This comprehensive analysis requires time—time to thoroughly analyze the ongoing programs and ample time for planning any change in Federal funding arrangements. By providing advance notice of the changes in these programs, those now dependent on Federal assistance which is to be terminated can seek alternative sources of funding from local and State sources. In many instances, an additional year of Federal aid will enable many of the programs currently dependent on Federal funds to become self-supporting.

Because present time requirements do not permit a thorough congressional analysis of the health programs which expire June 30, and because alterations in these programs at this late date would stifle the efforts and erode accomplishments of many individuals and communities who have been working successfully under existing programs, I, today, support S. 1136, the 1973 Public Health Service and Community Mental Health Centers Extension Act.

S. 1136 extends the 44 expiring program authorities under the Public Health Services and Community Mental Health Centers Acts in order that the existing health programs may be continued during a period in which Congress considers more comprehensive legislation and program reform. I support the floor amendment which grants a 4-month extension of the authorities since I feel this is adequate time for Congress to take appropriate action. However, should that amendment fail, rather than see the existing programs terminate June 30, I will support the 1-year blanket extension proposed in the committee bill. The 1-year blanket extension will provide more adequate time for a thorough analysis of existing programs, permit comprehensive new programs to be considered, and establish a transition period during which new avenues of Federal support can be studied and local and State support examined so that accomplishments under the existing programs will not be lost due to an abrupt cessation of funds.

KANSAS REGIONAL MEDICAL PROGRAM

Several programs valuable to Kansas would be seriously damaged if the existing authorities are not extended and Federal funds are not made available for their continuation beyond June 30 of this year. The regional medical program authorized under 901(a) of the Public Health Services Act is one program due to expire June 30, 1973, if action is not taken. The regional medical program—RMP— has been under fire in many sections of the country and in some instances the attack has been justified but the Kansas RMP has proven to be one of the most effective programs in existence for upgrading health care in the State and improving the delivery of health services, especially in rural areas.

During the past 6 years, the KRMP has invested nearly $8 million in efforts to improve health care of the people of Kansas. The University of Kansas Medical School, acting as the Federal grantee, has contracted with over 20 institutions and organizations across the State to assist them in carrying out specific project activities to improve the availability of quality health care in that community.

IMPROVING RURAL HEALTH CARE

One of these programs, the nurse clinician program, has helped meet some of the problems created by the rural doctor shortage which exists in many parts of the State. Under this program participating nurses undergo 8 weeks of inten-

sive classroom work and 10 months of internship. The nurse clinician is then placed in a community under the supervision of a physician and assists the physician by relieving him of some of the routine office procedures, assisting in emergency situations, making house calls, and administering to patients under the doctor's supervision. The nurse also helps take histories, assists in physical examinations and diagnostic tests, and helps manage chronic disease patients such as those suffering from arthritis and diabetes. Through the use of these paramedical skills, medical services are being expanded and extended into the home, and in some instances the nurse clinician is being utilized to expand medical services in a previously doctorless community.

The nurse clinician program is operated through Wichita State University and since its inception in 1972 has enrolled 29 nurses. By June of 1973, the nurse clinician program will be serving 23 counties in Kansas. The average cost per trainee is approximately $2,750 and each clinician is estimated to increase a single physician's capacity by 30 percent.

KRMP has also made substantial progress toward the goal of bringing advances in medical knowledge to the bedside of Kansas patients. Physicians and nurses have received special training and developed skills in the latest techniques for acute coronary care, pulmonary disease care, cancer care, and renal dialysis nursing. Other KRMP funds have been utilized to develop a cancer information center to handle data on cancer patients in the State, and a library system linked to field offices in Great Bend, Wichita, and Topeka, which is used to provide immediate medical access to library resources for health professionals across the State.

EMERGENCY MEDICAL CARE

KRMP has led the way in developing an emergency medical service system for Kansas. In cooperation with the department of family practices at the University of Kansas Medical School, KRMP assisted in training 1,360 emergency medical service personnel including 330 Kansas highway patrolmen and 1,030 firemen, law enforcement personnel, and ambulance attendants to improve their skills and assist their effort to reduce the mortality rate due to trauma and other medical emergencies. In conjunction with the State department of health and the Governor's Commission on EMS, KRMP has developed a comprehensive statewide emergency medical service plan to provide better emergency care to all residents of the State.

I am currently a cosponsor of a bill which would assist this State effort by making available military transportation and medical equipment for emergency services around the military bases in Kansas. This bill, S. 31, would authorize the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation service to meet the needs of civilians living in the community around existing military bases. This expanded utilization of the military medivac teams to meet civilian needs should be a matter of priority consideration now that the military demands for their services have diminished, and I would hope that the Armed Services Committee can give S. 31 prompt attention and favorable consideration.

LOCAL HEALTH MANPOWER TRAINING

Five health services/educational activities have also been established across the State by KRMP. They have the responsibility of identifying local health manpower needs and developing local training opportunities for local talent. Programs offered through Fort Hays State College, Colby Community College, Marymount College, Washburn University, and Wichita State University analyze the needs of health facilities and practitioneers in various communities and train local health personnel who are interested in serving in that particular community.

Other innovative programs sponsored by KRMP have established nurse clinics in seven small towns in Ottawa County in association with the resident physician in the county seat to improve health care delivery in the county. In Wichita, a program was established to help juvenile diabetics deal with the everyday problems of diabetes. In Great Bend, a comprehensive educational program retrained and reactivated 72 nurses.

I bring these programs to the attention of my colleagues for two reasons.

First, to illustrate the effectiveness of the RMP in Kansas and to show the severe impact on health services in Kansas which would result if an abrupt termination of Federal funding of the program occurs at this time. But in addition, I feel the KRMP programs reveal the potential for improvement in health care in Kansas which is possible with better utilization and organization of existing medical resources, KRMP programs have been inexpensive and at the same time have proven the efficiency and effectiveness of improving our existing medical care system. They appear to be a vastly preferable alternative to total replacement of our existing system with a $100 billion a year federally controlled program whose performance potential is unknown and whose cost in taxes to the American public is equally uncertain. I, therefore, ask my colleagues to join in support of the RMP as practical and efficient means of improving our national health care program by building on the solid base which already exists. The administration has expressed the belief that the Federal Government should assume a more limited role in the health care field with emphasis on special finances for structural changes in the health care system either by providing new facilities or demonstrating new types of delivery systems. I can think of no better example of a limited amount of Federal money having greater impact on the development of new techniques for improving health care delivery than has been recorded by the operation of the RMP in Kansas.

COMMUNITY MENTAL HEALTH CENTERS

S. 1136 also extends the authority of the Community Mental Health Centers Act whose programs are vital to quality health care in Kansas. As a nation, we are just beginning to recognize the importance of a total health care program—one which provides for the mental as well as physical well-being of our citizens. The community mental health centers play a vital role in the health care picture and in the lives of a great many Kansans. Before MHC's were established in Kansas, mental health care was available only in a few cities. This meant that those in rural Kansas had to seek services far from their homes and were often placed on waiting lists, because of overcrowded conditions in State facilities. Now with community mental health centers in nine communities across the State, Kansans are able to receive outpatient care and guidance before extremely serious problems evolve.

This ounce of prevention has proven to be worth a pound of medicine by providing clinical and consultative mental health services through the community health centers, costly and ineffective long-term and custodial care in State mental institutions has been reduced. Since community mental health centers have been established in Kansas, the number of people requiring services from State institutions has dropped considerably while the number of people receiving mental health assistance has steadily increased.

The mental health care centers in Kansas have provided care for those in need of the services at rates they can reasonably afford. However, if Federal staffing and consultative service funds are discontinued after June 30, 1973, the availability of these comprehensive services to a large portion of the population will be threatened. The High Plains center which serves the northwestern portion of the State will be forced to drastically reduce its services if the Mental Health Center Authority is not extended. This will mean that many northwest Kansas residents will be without mental health services since the closest institution assistance is in many places more than 200 miles away. The result all too often is that consultation is avoided until the problem becomes so critical that institutionalization is required.

The Prairie View center in south-central Kansas also stands in dire need of staffing funds and a new community health center in eastern Kansas will not receive the $215,000 needed to meet startup costs unless the program's authority is extended. The 1-year extension of the Community Mental Health Center Authority is important in Kansas, because the mental health activities in the State are now at a critical stage. Federal assistance at this time is needed to put the program on its feet, so it can stand alone in the future.

STUDENT ASSISTANCE

Other legislative authority extended 1 year by S. 1136 are the Allied Health Professions Personnel Act, which provides scholarships, grants, work-study programs, and loans for allied health students. These provisions are important to Kansas since approximately one-half of health professions students depend on some type of assistance.

S. 1136 will also extend the authorization for the Partnerships for Health Act which provides 314 (a), (b), and (d) funds for State and areawide health planning agencies and the formula grants for public health services programs. The Developmental Disability Services and Facilities Construction Act is extended for 1 year and will continue the demonstration and training grants for the university affiliated facility program operated at the UAF centers in Parsons, Lawrence, and Kansas City.

These public health service and mental health programs are of particular significance in Kansas, although their record nationwide may not be as strong as we might hope. Cessation of Federal support for these programs at this time and on such short notice would be a blow to the health care in Kansas and a waste of the funds already invested in many of these programs up to this time.

Mr. MONDALE. Mr. President, it is essential that the Congress act promptly to extend these important health authorities which would expire on June 30. This is important not only to the institutions and beneficiaries who depend on these programs, but it is a test of the role of the Congress itself. I do not overstate the case when I say that the issue of the constitutional separation of powers is at stake here.

The administration has proposed in its 1974 budget that four of the programs which would be extended by this bill be terminated in the next fiscal year. However, we have not had the benefit of any detailed analyses or recommendations on those or any other of the programs which expire. Instructions have already gone out to recipients of funds under some programs looking toward their termination, without any consideration by the Congress.

A very novel and radical theory of the power of the executive branch has been put forth by the administration this year. As we all know, the administration is attempting to phase out the Office of Economic Opportunity and some of its programs—notwithstanding the fact that only last year the President signed a bill extending the programs for 2 years. Termination actions are underway at this very moment, based simply on the President's proposal—and I underscore proposal—that funds be withdrawn from community action programs next year. Here is a case where the statutory authority for continuing the OEO programs is clear—and yet the administration asserts the right to terminate them merely because it has not proposed funds for them next year.

In light of this dangerous precedent, it is quite clear that the administration's intent is to prevent the Congress from expressing its will concerning such vital programs as the Hill-Burton hospital program, the regional medical program, the community mental health centers program, allied health training, and public health training. It simply proposes to end them—without waiting for concurrence of the Congress. I wonder what has happened to the time-honored tradition that "the President proposes and the Congress disposes." I wonder what has happened to the constitutional provision that legislative powers are vested in the Congress. I wonder what has happened to the Constitution's charge that the President "take care that the laws be faithfully executed."

We do not stubbornly insist on the simple continuation of programs about which the administration has serious objections. We have repeatedly asked the executive branch for its specific recommendations and for its detailed analyses. They have not been forthcoming. Indeed, last May, the Secretary of Health, Education, and Welfare declined our invitation to testify on these very matters. He promised that the recommendations of the administration would be developed in plenty of time for the Congress to consider them before the authorities expired in June 1973. They have never been received.

Assistant Secretary of Health, Education, and Welfare Duval testified in July 1972, that the detailed recommendations of the administration should be expected "in connection with the 1974 budget." That budget was received 2 months ago and the legislative recommendations still have not been received.

In January 1973, Mr. Caspar Weinberger told the committee that the administration's detailed legislative recommendations should be expected in February or March. However, just last week, Secretary Weinberger testified that the administration still was not prepared to submit its detailed legislative recommendations and urged that the committee not act on extension of these expiring authorities.

Although he told us that he believed "it would be in everyone's interest to face the issues now," he is still not prepared to tell us what the specific recommendations of the administration are. In these circumstances, I think it would be a serious abdication of the constitutional role of the Congress to permit the administration arbitrarily and unilaterally to terminate these programs which have long served so well to help in improving the health of our citizens.

We are entirely prepared to consider revisions and consolidations of these programs, where the case can be made. But it is incumbent upon the administration to present its proposals to us and let us consider how to deal with them. For example, many have pointed out that the regional medical program has in some cases not achieved its objectives and and it overlaps other programs. Perhaps some of these programs have not been successful. But we have in Minnesota the northlands regional medical program which is one of the most outstanding health programs in the Nation. It should not be abolished, because other programs have been unsuccessful. As far as duplication is concerned, my colleagues and I are fully prepared to consider how to relate this program better to others which the administration proposes to continue. Similarly, many criticisms have been leveled at the Hill-Burton hospital construction program—alleging that we now have a surplus of hospital beds and that we need no more new construction assistance. But the administration has failed to tell the Congress and the public how this argument relates to the proposed termination of authority for modernization of hospitals.

We have many hospitals throughout the country, especially in large cities, where the plants are so obsolete that costs are enormously high and care is not as good as it should be. In Minneapolis for example, we have begun to replace obsolete facilities of the Metropolitan Medical Center and Hennepin County General Hospital. This is a very innovative program which provides for joint use by a public and private hospital of certain facilities. It has been widely praised as an example of the best kind of planning which we should demand in our hospital programs. We do not propose to add any hospital beds at all through this project. In fact, it contemplates a reduction in the number of hospital beds.

No one wishes to build additional hospital beds where they are unnecessary and we have effective State planning mechanisms to assure that we do not. But it is absolutely vital that we continue to replace obsolete plants with the most modern facilities that we can design and build. This clearly cannot be done without continued Federal assistance.

The same thing applies to the other programs the administration wants to terminate. Where a case can be made for revision, we will be glad to consider it. But we cannot permit the executive branch to terminate these programs unilaterally—and without any assurance that an adequate substitute will be available.

Another example is the community mental health centers program. Here, the administration argues that the program has been successful—so it should be terminated. The rationale for terminating the community mental health centers program is nothing more than that, eventually, we will have a national health insurance program which will permit everyone to purchase needed mental health services. However, we have yet to receive the administration's health insurance proposals. Two years ago, the President made recommendations for national health insurance, but it was many months until the bills finally reached the Congress. When they did, and we examined them, we discovered that 38 million people were left completely outside of the coverage of its proposals. Certainly, with this kind of background, we cannot permit a valuable program to be terminated merely on the promise that someday we will have new legislative recommendations which will fill the gap.

Mr. President, I cannot believe that the Congress is ready to close its doors and turn over all of the powers of Government to the President of the United States. We were elected to legislate—and legislate we must. This bill is an essential step in carrying out our constitutional responsibilities. I hope that it will be approved by an overwhelming margin in the Senate and speedily acted on by the House.

Mr. PEARSON. Mr. President, I rise in support of legislation extending for 1 year at present funding levels 10 major health programs which would normally expire at the end of the current fiscal year. In my judgment, passage of this bill is needed to insure a continuing Federal commitment to the goal of helping provide quality health care to all Americans.

We now find ourselves in a pressing situation, both with regard to the continued vitality of Federal health programs and the proper relationship between the executive and legislative branches. Last year, the Senate approved with my support legislation extending the Public Health Service Act and the Community Mental Health Centers Act in a manner similar to the bill now before us. Although the lateness of Senate approval precluded House action prior to adjournment, there was a clear indication of congressional support for the programs covered by these two acts.

At that time, we were assured by the distinguished chairman of the Senate Health Subcommittee that a thorough review and recodification of existing health programs were underway, an effort which would include an extensive study of their goals, their accomplishments, and the feelings of the American people toward them. Although this review continues on a priority basis, the situation has been further complicated by the administration's abandonment of major health programs in the proposed fiscal year 1974 budget.

Mr. President, the duty of Congress in this instance is clear. In my judgment, decisions which the President has made regarding the Nation's health program are not his to make alone. Administration statements to the contrary, there are several programs which have achieved not only substantial results, but the solid support of the communities they serve as well.

Among these is the Kansas regional medical program which in 1967 became one of the first such programs in the country to receive Federal funding under an expanded Public Health Service Act. The KRMP represents a consortium of local medical providers designed to respond to the particular health needs of Kansas. Altogether this program coordinates the operations of 26 separate activities, ranging from emergency treatment programs to the upgrading of health care facilities in rural, sparsely populated regions of the State.

The efforts of KRMP to improve the health system in Kansas have yielded substantial results. In conjunction with the Kansas University Medical Center, KRMP has trained nearly 1,500 emergency medical services personnel, including the Kansas Highway Patrol. Together with numerous State officials, KRMP is now involved in the development of a statewide emergency medical services master plan.

In rural Ottawa County, heretofore lacking in primary health care facilities, the KRMP established a clinical health care system in cooperation with local physicians. This program was so well received that county citizens have voted to increase public expenditures for its continuation, no small achievement in light of growing public opposition to rising taxes.

Mr. President, these are but two of the many fine examples which amply demonstrate the efficacy of this program and its value to Kansas. But unless the legislation now before us is enacted, there will be no further Federal support after June of this year.

It would indeed be unfortunate if the Federal Government discontinued its funding of this worthy effort. For this is not just another bureaucracy operating by long distance from Washington. Rather, it is a federally financed, local effort which has received the endorsement and cooperation of State officers, local governments, and—most importantly—the people of Kansas.

As an example of how all levels of Government can meet the needs of the Nation, this and other health programs now scheduled for extinction deserve continued Federal support. As an indication of the continuing national effort to respond to health needs, the bill we now consider deserves congressional support.

Mr. President, I ask unanimous consent that three editorials from Kansas newspapers be inserted in the RECORD at this point. Those from the Kansas City Kansan and the Great Bend Daily Tribune describe further the activities of the KRMP. The editorial from the Phillipsburg Review outlines programs which the KRMP and the Kansas State Legislature have formulated.

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

[From the Kansas City Kansan, July 28, 1971]

HEALTH CARE QUALITY GOOD

Quality of health care available to Kansans is higher today than at anytime in the past.

This continuous upgrading of care is due to efforts of many individuals, institutions and organizations. However, much credit is due to projects conducted during the past four years by the Kansas Regional Medical Program.

KRMP is a federally funded, locally controlled effort to upgrade health care thruout the state. Headquartered at the University of Kansas Medical Center, KRMP has sponsored a variety of training programs since its founding designed to familiarize health professionals in the state with latest techniques of treatment.

It has proved most useful in spreading new medical developments from the confines of the reesarch lab to the practicing physicians, nurses and other health professionals in small towns and hospitals thruout Kansas.

The regional medical program was founded here in 1966 as part of a national effort to more effectively combat heart disease, cancer and stroke. It began operations in 1967 under a federal grant of slightly more than $1 million.

Since then, KRMP has sponsored training courses for occupational and physical therapists, circuit courses to upgrade the training of practicing nurses, seminars for doctors in the use of drugs to treat cancer, coronary care programs for nurses and a host of other projects designed to help health professionals help their patients.

The program recently received a federal grant for about $1,762,000 to finance its fifth year in operation which will include three major new projects as well as continued operation of five existing projects.

One of the new projects will be to train 40 nurses for expanded roles as nurse clinicians who will perform many routine tasks that now take up much of physicians' time. These nurses will take an 8-week primary academic course at KUMC and then train for 10 months under the doctors for whom they will work. Such use of nurses is one answer to the doctor shortage. Ivan Anderson, KRMP associate director, said the program may improve the productivity of physicians by as much as 25 to 30 per cent.

Another program is designed to train kidney patients and their families to perform home dialysis, a process by which the patients' blood is "washed" of impurities by machine, a function normally performed by the kidneys.

This program will also train nurses thruout the state in the care of kidney patients.

The third new program will establish a tumor registry. It will contain a central file on cancer cases in the state, thereby helping identify the nature and prevalence of cancer in Kansas. The registry will also forward to individual doctors the recorded experiences of other physicians on the best methods of treating certain types of cancer.

KRMP's five continuing programs include a 6-week refresher course for inactive nurses in Kansas City, Kan., a cardiac care education course in Wichita, a year-round area educational program for doctors, nurses and other health professionals in Great Bend, training for medical records clerks and a network of medical libraries with call-in service available to physicians thruout the state.

Altho these programs are designed to train health professionals, the real beneficiaries will continue to be the people of Kansas.

[From the Great Bend Daily Tribune, Oct. 25, 1971]

BENEFIT TO ALL

The Kansas Regional Medical Program, in which the Central Kansas Medical Center is involved, has recently issued its fourth year report.

It has a set of goals which are designed to continually up-grade the health services which are provided by members of the medical profession. With the University of Kansas Medical Center as the base, the KRMP includes a number of hospitals in its program.

A glance at the report indicates some of the achievements of the regional program. A medical library network for Kansas with staff in Kansas City, Great Bend, Topeka and Wichita is established; courses have been held for dieticians; special programs have been held for nurses who deal with patients with kidney problems, strokes and heart disease; training programs have reactivated 65 inactive nurses from 14 counties. These are but a few of the wide range of the health spectrum in which the Kansas Regional Medical program has been operating during its past four years.

Obviously, its efforts have been of great benefit to everyone in this area of the state in particular through the association of the Central Kansas Medical Center with the program. It should be a matter of state pride that Kansas was one of the first states to receive federal support for such a program . . . and that this area's medical center should be the first to be included in the state program.

[From the Kansas Phillipsburg Review, Feb. 22, 1973]

HEALTH CARE DELIVERY

A year ago Kansas broke new ground in an effort to improve the delivery of general health care throughout the state when the

legislature made a minor and little noticed change in the statutes which permitted the K. U. Medical Center to support medical residences away from the walls of the University hospital.

Kansas thus became the first state to recognize the value of a broader medical experience for young doctors, who can now receive a portion of their medical education in general hospitals of high quality located in situations which deal with the health problems of the public on a day-to-day basis.

Yet quality control was not surrendered. This learning experience is still under the direction and control of the K. U. Medical Center, which must approve the hospitals, and the staff involved before setting up a residency program, and the work is under constant review.

The direct action taken here conforms to the new emphasis on the Family Practice specialty, which equips young doctors to meet general health care needs, contrasted to the more sophisticated specialties in which complete concentration on one single phase of medicine is given throughout the period of residency.

Medical authorities have been recognizing the need for far more emphasis on family practice than has been given by medical schools in the past 15 years.

Dr. David E. Rogers, Dean of the Medical School at Johns Hopkins University, summed up the change in thinking in a recent statement to the American Medical college:

"We must stop pretending that we are adequately fulfilling our educational mission by continuing to limit our faculty, our students and efforts almost exclusively to this one special institution (the University hospital) . . . Our obligation to the training of physicians that we must have multifaceted educational laboratories that will permit the student to become acquainted in health problems as they are encountered by members of a community . . . not just those which are important to a research-oriented faculty."

Kansas has now taken the first steps in this direction.

Dr. Wm. O. Rieke, vice chancellor for health affairs at the K. U. Medical Center, feels that the extension of the medical center program into well-equipped hospitals with competent personnel, is a desirable objective to give residents more exposure to general health needs at the community level; but at the same time, that this extension must be under the supervision and control of the medical center.

A program of this type is already under way. Dr. Jack Walker, at the same time, is heading up a new department of Family Practice Specialty at the Medical Center. Wesley Hospital, at Wichita, which started such a program under the direction of Dr. Stan Mosier and Dr. Vic Voarhees, already has 17 young graduate doctors taking a three-year family practice course.

In the past, fully 80 percent of all young doctors have entered the more sophisticated specialties, learning virtually everything about one phase of medicine and very little about others. General health care needs, however, comprise fully 80 percent of the work of the medical profession, and new emphasis is now being placed on this latter phase of public need in Kansas.

During this same period, new attention has been centered on paramedical assistance with special course work now offered under K. U. Medical Center auspices at Wichita University for nurse-clinicians under the direction of Dr. Cramer Reed.

Registered nurses may take this concentrated course of instruction, and then be certified to do such tasks as may be assigned to them by the primary physician. It is emphasized that no patient may be treated, however, without the instructions of the physician.

The Hansen Health Care program proposes to use these new skills with a central radioband network. The procedures have been checked at all levels of the medical profession.

Dr. Bob Brown, director of the Kansas Regional Medical Advisory Council, who is working on other innovative programs for the development of Rural Health Care, says the program is headed "in the right direction."

The Hansen Foundation, in establishing a grant to finance the "D. G. Hansen Rural Health Care Program" is putting all of these innovative steps together in a single "package." It is the hope of the Foundation that a pilot project which will be of assistance in developing better rural health care everywhere, has here been started.

We hope so, too, for better health care is the most vital and pressing need of countless communities across the land, and we hope that what helps us may help others.

THE EFFECTS OF PRESIDENT NIXON'S POLICY TO TERMINATE COMMUNITY MENTAL HEALTH CENTERS PROGRAM ON INDIANA

Mr. BAYH. Mr. President, I speak in support of the Public Health Services Assistance Extension Act of 1973, of which I am a cosponsor and urge its passage.

S. 1136 now under consideration has one purpose: to reaffirm the intention of Congress that Congress will determine whether and which of the health programs extended for 1 year by the bill will continue. Executive budget action which lets certain health programs wither, vanish, or be effectively terminated by lack of adequate funding, is not the appropriate mechanism to determine the fate of vital substantive health programs affecting millions of Americans.

We have known for some time that the expiration of the major portions of the Public Health Service Act would create a legislative logjam. We attempted to anticipate that last year, and in fact successfully passed S. 3716 by a 78 to 0 vote, to improve many of the expiring provisions. The administration testified in opposition to that and it died in the House. Despite repeated attempts to get constructive legislative proposals from the administration, and despite repeated assurance that such legislation would be forthcoming—first by January, then by February, then before spring—none has been forthcoming.

Many of the affected health programs were passed in some of the finest hours of the Congress, and with the full and active support of past Presidents. But now we are confronted with a President who would turn away from the good we have accomplished, who would withdraw the gains we have made, and who would say to the American people regarding these vital health programs: "You'll get no more assistance from the Federal Government. From now on you can work things out for yourself."

The President's budget for fiscal year 1974 proposes the total elimination on radical restructuring of the Hill-Burton hospital program, the allied health training program, the regional medical program for heart, cancer, and stroke, the public health training program, and the community mental health centers program.

Our bill makes no substantive changes in the law. It simply extends the life of the following health programs from June 30, 1973, to June 30, 1974: Health services research and development, health statistics, public health training, migrant health, comprehensive health planning, Hill-Burton, allied health training, regional medical programs, medical libraries, and community mental health centers.

The impact of the President's health budget proposals is graphically illustrated in the case of the community mental health centers programs.

A decade ago, the Congress passed the Community Mental Health Center Act, which was designed to establish 2,000 centers throughout the Nation. The goal of these centers has been to make high quality care available to all citizens who suffer from the many mental illnesses. In addition, they provide special programs for the mental health of children, for drug abuse, and for alcoholism.

Today, 515 community mental health centers have been established. That is scarcely one-fourth of the total required to reach all Americans in the local community setting. Already the centers have been proven successful, and have relieved the overcrowding and stress that exists in too many State mental hospitals.

Does President Nixon want to expand this humane legislation? He does not. His budget proposes that the legislation be allowed to expire this June 30—with nearly 1,500 centers remaining to be built and staffed.

The Office of Management and Budget has come up with an ingenious device for obscuring the administration's real intentions. At first glance, the fiscal 1974 request for mental health programs appears to be doubled.

But the total includes $636 million that would not be spent in 1974 at all. That amount, already authorized for the centers, would be portioned out annually through 1980. President Nixon would end Federal support in 1980, and the centers would have to rely entirely on State and local governments, private contributors, and third-party payment systems.

And not only Federal taxes are supporting these centers today. Federal funds currently amount to only about 30 percent of the centers' total budget. State and local governments already provide 40 percent of the funds needed to keep the centers at their important work. The Federal contribution is needed, and will be needed beyond 1980, to establish new centers and to assist those already in operation.

The effects of this action on community mental health in Indiana will be serious.

Currently there are 8 federally funded centers in Indiana, 4 of them serving areas designated as urban or rural poverty areas. These centers provide comprehensive mental health services to a total population of 1,398,242 people making these services readily available within their own community. Emphasis is placed on ambulatory care, to encourage the patient to continue living at home if possible or in small community residential centers.

A fully comprehensive range of services

is required of all federally funded centers to insure that every patient receives the form of care best suited to his needs. Federally funded centers provide a unique system of care for all persons in a designated area, including preventive services—provided through education and consultation programs for schools, probation and police departments, welfare agencies, church groups and other public agencies. Linkages with other caregivers in the community, required under the Federal program, insure continuity of care, as well as early detection of mental disorders or potentially handicapping conditions.

Care in a community mental health center is demonstrably more effective and less costly than institutional care. Yet, under the Nixon administration's policy it is highly probable that over the next several years many people in Indiana will be denied community care—and referred instead to State mental hospitals—because alternative care will just not be available.

To give some idea of the Federal contribution to Indiana through the CMHC program, grants totaling $2.728 million were awarded to Indiana centers in fiscal year 1972, and $3.038 million in fiscal year 1973. These grants break down as follows:

To meet part of the costs of staffing:	
Fiscal year 1972	$2,303,000
Fiscal year 1973	2,670,000
To meet part of the costs of staffing a specialized facility for children:	
Fiscal year 1972	425,000
Fiscal year 1973	368,000

Under current law each Federal grant is reduced gradually over an 8-year period. As these grants drop off—and under the administration's current policy, as they expire completely—local communities and the State of Indiana must pick up approximately $3 million per year. This is in addition to the contribution already made by the State and localities to meet the costs of the CMHC program which are not covered by the Federal grant. These include all operational costs, as well as the non-Federal share of staffing costs. The most immediate and direct effect on Indiana of Mr. Nixon's policy would, however, be the loss of $1,087,786 in Federal funds which were to have been awarded shortly.

There are a total of 33 catchment areas in Indiana, yet only eight of these areas have a community mental health center. The termination of the Federal program makes it highly unlikely that the remaining 25 catchment areas will be served by a CMHC at any time in the near future. The large reductions in Federal categorical grant programs, as well as the impact of the termination of the centers' program itself, will place a heavy burden on the State's resources. While existing centers may be able to recover lost Federal dollars from the State, it seems highly questionable whether new centers, which require a considerable investment, will be initiated.

In two of these catchment areas, planning for a comprehensive community mental health program has been completed, and applications for Federal grants approved by NIMH. As a direct result of the cutoff in new grants awarded—which the administration ordered in fiscal year 1973—these two centers will not receive more than $1 million which they had expected. In addition, the Mental Health Center of St. Joseph County, which received a Federal construction grant in 1968, will not receive its expected staffing grant. This center's grant application has also been aproved by NIMH and would have been awarded had funds been available. Whether the center can continue to offer services to its community under these circumstances is questionable.

Thus Indiana will not receive the following CMHC program funds, although the grants have been approved:

Mental Health Center of St. Joseph County, South Bend, Ind., $265,212.

Region Ten Community MHC, Columbus, Ind., $557,362.

Regional MHC, Kokomo, Ind., $265,212.

If these services—already expected in the communities—are to be provided, State and local tax money must meet the entire costs, including the $1.1-million share the Federal Government was expected to provide.

Perhaps the most tragic aspect of the administration's policy is that we are ending the Federal effort with less than one-quarter of the centers needed to service the entire country. Slow as our progress has been, there has until now been a growth in the number of centers operating every year since 1966. Unfortunately, that growth seems likely to end. Of the 33 catchment areas in Indiana nine are in poverty areas—areas where alternative sources of funds are extremely scarce. For those living in the 25 areas not serviced by a community mental health center and in need of care the outlook is now grim. Many will wind up in the State mental hospital, becoming an even greater burden to the taxpayer.

Others will continue to live in the community while their condition steadily worsens, requiring, eventually, more expensive treatment and having less chance of a complete recovery.

Ironically this administration has stressed its support for the concept of community mental health, and the question of whether the federally funded community mental health centers program has provided better and more readily accessible care is not at issue. For example, in the HEW budget the termination of the CMHC program is justified as follows:

> The workability of the community mental health center concept has been thoroughly demonstrated and a large portion of a national system will have been put into place when the eight year grants provided for in current law are concluded. The Administration proposes that the Community Mental Health Centers Act be allowed to expire on June 30, 1973 on the grounds that the current momentum behind the community mental health center concept should be adequate to maintain existing centers and stimulate the establishment of new centers.

On another occasion, an administration aide recently assessed the community mental health centers program success and concluded that the Federal program was "inequitable, because people served by the federally funded centers receive better care than the rest of the Nation."

Last week Mr. Caspar W. Weinberger, Secretary of Health, Education, and Welfare reiterated the administration's curious attitude toward the mental health centers program, in testimony before the Senate Subcommittee on Health. Mr. Weinberger said in part:

> We believe that continued preferential treatment by the Federal Government of a few communities is unwarranted.

This is indeed a curious position for an administration that is determined to see to it that less than one-fourth of the centers contemplated by Congress when it passed the act will even get off the ground. Of course the obvious way to guarantee that each community in need of such a center has the opportunity to develop one is to extend the program and fulfill the mandate of Congress.

Thus the question is not "Do we continue to fund community mental centers?" the question is "How do we provide the funding?"

The administration maintains that States and localities together with contributions by public and private health insurance plans can support community mental health centers. Yet, most insurance plans do not cover the services offered in mental health centers and a bare 12 percent of all centers' income is derived from public and private health insurance. Furthermore, the administration's own Health Insurance Partnership Act of 1972 did not even provide coverage of mental health services, and its 1973 proposal is not expected to remedy this. Should some form of Federal health insurance program be enacted which does provide full coverage for CMHC services, the administration has still failed to explain how centers are to survive in the meantime.

The States and localities it seems, under the administration's policy, must pick up the tab. As of this date, Indiana will have received a total of $4.92 million under this program.

The following chart indicates the population being served by federally funded community mental health centers in Indiana. P indicates a center serving a designated poverty area:

	Population served
The Community MHC (P)* Indianapolis, Ind	197,070
Southern Indiana-MH & Guidance Ctr., Inc. (P)* Jeffersonville, Ind.	200,000
Comp. CMHC (P)* Vincennes, Ind.	75,490
Southwestern Indiana MHC, Inc.,* Evansville, Inc	248,000
Katherin Hamilton MHC, Inc. (P)*, Terre Haute, Inc	216,637
Mental Health Center of St. Joseph Co., Inc., South Bend, Ind.	124,723
Memorial Hosp. of South Bend, South Bend, Ind	120,322
Community Hospital of Indianapolis, Inc., Indianapolis, Ind	216,000
Total	1,398,242

* Operational (other centers have received construction funds only).

It seems incredible that so worthy a program would be dropped. But most incredible of all is the administration's twisted reasoning for phasing out support of community mental health centers. People receive better care at these centers. That is why they were established. That is why they should be strengthened, not weakened, and that is why more centers are needed.

Mr. President, the importance of this particular measure is not any one or more of these health programs, but the total constitutional issue of how our laws are to be made.

It is entirely appropriate for the President to urge Congress to terminate any one or more of these existing health programs and provide the evidence to Congress to justify his recommendation. But the action of the executive must be checked and balanced by the Congress, that is the genius of the American political system.

I am not totally satisfied with each and every one of the programs that will be extended by S. 1136, but the passage of this bill will provide the necessary time frame for Congress to work its will regarding all of the provisions and to bar an executive budget recommendation from determining either what health programs are to live or die, or how these programs are to be modified, improved, and implemented.

YEAR EXTENSION OF HEALTH PROGRAMS ESSENTIAL, SAYS SENATOR RANDOLPH

Mr. RANDOLPH. Mr. President. I support the measure now being considered in the Senate to extend the expiring authorities of the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. I commend the capable chairman of the Subcommittee on Health (Mr. KENNEDY) for his leadership in bringing S. 1136 to the Senate.

Some 12 major health programs will expire on June 30 of this year unless the pending measure, S. 1136, is enacted into law. The President's budget for fiscal year 1974 indicates the administration's intention to allow many of these to expire. With respect to others, no specific legislative recommendations have been forthcoming.

It is my strong belief that a 1-year extension of these expiring authorities is absolutely necessary. The administration only 2 months ago revealed some of its intentions with respect to expiring health programs. If we, in the Congress, are to legislate intelligently we must carefully review the administration's rationale for terminating or revising these programs. We, in the legislative branch, of the Federal Government must make our own assessment of what should be terminated or consolidated or revamped. The short period of time between now and June 30 will not permit the careful scrutiny of these complex health programs that will be required if Congress is to act responsibly.

The able Senator from Massachusetts has outlined the meaning of S. 1136. I wish to focus specific attention on just three of the programs proposed to be extended.

DEVELOPMENTAL DISABILITIES ACT

The Developmental Disabilities Services and Facilities Construction Act became law in 1970. Its authorizations expire this June, as do those of the other programs in S. 1136. Hearings have been held by the Subcommittee on the Handicapped, which I am privileged to chair, on S. 427, a bill to extend the act for 1 year.

Although the subcommittee intended to review carefully the operation of the Developmental Disabilities Act with the hope that whatever substantive changes were necessary could be made before the end of the fiscal year, it soon became apparent that a great number of concerns have arisen with respect to the operation of that act. These concerns have centered on the methods by which funds are being allocated, how funds are being spent, and how the law has been implemented and administered.

In order to fulfill our responsibility of legislative oversight, the Subcommittee on the Handicapped has initiated an in-depth study of the developmental disabilities program. We have asked the General Accounting Office to provide in detail answers to a rather lengthy list of questions. An adequate GAO response will take time, more time than is remaining in this fiscal year. When the General Accounting Office completes its report, it is my firm intention, and that of the members of the Subcommittee on the Handicapped, to review the report and develop substantive legislation without delay.

The Committee on Labor and Public Welfare, in order to prevent the expiration of the Developmental Disabilities Act, and to provide adequate time for a detailed study of that act, agreed to include a 1-year extension of the act under the aegis of S. 1136.

HILL-BURTON PROGRAM

The administration is seeking to end the very successful, 27-year-old Hill-Burton hospital construction program. The justification for the administration's position was provided by the Secretary of Health, Education, and Welfare in testimony before the Committee on Labor and Public Welfare on March 22, 1973. The Secretary stated:

> We have clearly passed the point where this kind of special Federal intervention is needed by our health service delivery system. . . . A special Federal grant program for hospital construction is now unwarranted.

I indicated to the Secretary my belief that although the total number of hospital beds in the United States may be adequate on paper, there is a maldistribution of such facilities. I also expressed the belief that the Hill-Burton program had a definite continuing function with respect to the renovation of old hospital facilities and providing new outpatient care facilities.

Certainly the Hill-Burton program is neither outmoded nor unnecessary in my own State of West Virginia. In fact, if there were no limitations on Federal matching grant funds, West Virginia could initiate worthwhile, necessary projects totaling $88.8 million over the next 2 years. In fiscal year 1974, my State also could utilize over $36.6 million in Hill-Burton funds. I am certain that other States are similarly situated. The administration's pronouncements notwithstanding, the Hill-Burton program is most definitely not passé.

REGIONAL MEDICAL PROGRAM

Another program that the administration seeks to terminate is the regional medical program. It appears that the principal argument for discontinuation is that RMP has mainly operated as a source of continuing education for professionals generally capable of financing their own education. This is not at all my understanding of the function or operation of the program in West Virginia. In my State, seven clinics are being built in remote rural areas where medical service has heretofore been virtually nonexistent. The State RMP has developed a pediatric nurse assocate program to expand the medical resources available to children. Valued assistance has been provided by the West Virginia RMP in obtaining grants for various health programs in the State.

The Secretary of HEW also stated in his testimony of March 22:

> We are proposing the termination of the Regional Medical Program because we believe that it has not achieved its promise when it was first enacted seven years ago, and shows no reasonable chance of doing so in the future.

During its short life the West Virginia regional medical program has undertaken no fewer than 38 projects, including a rural multicounty emergency medical service program, home health care, maternity care using nurse midwives, a biomedical computer information project, surveys of health needs, and many others. Without the RMP, I fear that many of these badly needed projects would not be carried forward in West Virginia.

Mr. President, I conclude by reaffirming my strong support for the enactment of S. 1136, and I urge my colleagues to favor the continuation of these vital health programs with their affirmative votes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. COTTON. Mr. President, on this vote I have a pair with the distinguished Senator from South Carolina (Mr. THURMOND). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey (Mr. WILLIAMS), the Senator from Louisiana

(Mr. JOHNSTON), the Senator from California (Mr. TUNNEY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Wyoming (Mr. HANSEN) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The pair of the Senator from South Carolina (Mr. THURMOND) has been previously announced.

The result was announced—yeas 72, nays 19, as follows:

[No. 66 Leg.]

YEAS—72

Abourezk	Ervin	McIntyre
Aiken	Fong	Metcalf
Allen	Fulbright	Mondale
Baker	Gravel	Montoya
Bayh	Gurney	Moss
Beall	Hart	Nelson
Bellmon	Hartke	Nunn
Bentsen	Haskell	Packwood
Bible	Hatfield	Pastore
Biden	Hathaway	Pearson
Burdick	Hollings	Pell
Byrd, Harry F., Jr.	Huddleston	Percy
Byrd, Robert C.	Hughes	Randolph
Cannon	Humphrey	Ribicoff
Case	Inouye	Saxbe
Chiles	Jackson	Schweiker
Church	Javits	Sparkman
Clark	Kennedy	Stafford
Cook	Long	Stevenson
Cranston	Magnuson	Symington
Dole	Mansfield	Talmadge
Dominick	Mathias	Weicker
Eagleton	McClellan	Young
Eastland	McGee	
	McGovern	

NAYS—19

Bartlett	Goldwater	Scott, Pa.
Bennett	Griffin	Scott, Va.
Brock	Helms	Stevens
Buckley	Hruska	Taft
Curtis	McClure	Tower
Domenici	Proxmire	
Fannin	Roth	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Cotton, against.

NOT VOTING—8

Brooke	Muskie	Tunney
Hansen	Stennis	Williams
Johnston	Thurmond	

So the bill (S. 1136) was passed, as follows:

S. 1136

An act to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled That this Act shall be known as the "Public Health Service Act Extension of 1973".

SEC. 2. (a) Section 304(c)(1) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(b) Section 305(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(c) Section 306(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(d) Section 309(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(e) Section 309(c) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(f) Section 310 of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(g) Section 314(a)(1) of such Act is amended (1) by striking "June 30, 1973" the first time it appears and inserting in lieu thereof "June 30, 1974", and (2) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(h) Section 314(b)(1)(A) of such Act is amended by—

(1) striking the term "June 30, 1973" in the first sentence and inserting in lieu thereof the term "June 30, 1974"; and

(2) striking the phrase "for the fiscal year ending June 30, 1973" in the second sentence and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(i) Section 314(c) of such Act is amended by—

(1) striking the term "June 30, 1973" in the first sentence and inserting in lieu thereof "June 30, 1974"; and

(2) striking the phrase "for the fiscal year ending June 30, 1973" in the second sentence and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(j) Section 314(d)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(k) Section 314(e) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(l) Section 393(h) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(m) Section 394(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(n) Section 395(a) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(o) Section 395(b) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(p) Section 396(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(q) Section 397(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(r) Section 398(a) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(s) Section 601(a) of such Act is amended by striking the word "eight" and inserting in lieu thereof the word "nine".

(t) Section 601(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(u) Section 601(c) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(v) Section 621(a) of such Act is amended by striking "June 30, 1973" wherever it appears and inserting in lieu thereof "June 30, 1974".

(w) Section 625(2) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(x) Section 631 of such Act is amended by striking the word "two" and inserting in lieu thereof the word "three".

(y) Section 791(a)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(z)(1) Section 792(a)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(2) Section 792(a)(2) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(aa) Section 792(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(bb) Section 792(c)(1) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(cc) Section 793(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(dd) Section 794A(b) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ee) Section 794B(f) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ff) Section 794C(e) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(gg)(1) Section 794D(c) is amended (A) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974", (B) by striking out "each of the two succeeding fiscal years" and inserting in lieu thereof "each of the three succeeding fiscal years", and (C) by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

(2) Section 794D(e) is amended by striking out "1977" each place it occurs and inserting in lieu thereof "1978".

(3) Section 794D(f)(1)(A) is amended by striking out "each of the next two fiscal years" and inserting in lieu thereof "each of the next three fiscal years".

(hh) Section 901(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(ii) Sections 1001(c), 1002(d), 1003(b), 1004(b), and 1005(b) of the Public Health Service Act are amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

SEC. 3. (a) Section 201 of the Community Mental Health Centers Act (42 U.S.C. 2681) is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(b) Section 207 is amended by striking out "1973" and inserting in lieu thereof "1974".

(c) Section 221(b) is amended by striking out "1973" each place it occurs and inserting in lieu thereof "1974".

(d) Section 224(a) of such Act is amended (1) by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974" and (2) by striking out "thirteen succeeding years" and inserting in lieu thereof "fourteen succeeding years."

(e) Section 246 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974."

(f) Section 247(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974."

(g) Section 252 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(h) Section 253(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(i) Section 261(a) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973 and June 30, 1974".

(j) Section 261(b) is amended (1) by striking out "nine fiscal years" and inserting in lieu thereof "ten fiscal years", and (2) by striking out "1973" and inserting in lieu thereof "1974."

(k) Section 264(c) of such Act is amended (1) by striking the words "June 30, 1973" and inserting in lieu thereof the words "June 30, 1973 and June 30, 1974" (2) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (2) by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

(l) Section 271(d) of such Act is amended by striking the phrase "for the fiscal year ending June 30, 1973" and inserting in lieu thereof the phrase "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(m) Section 271(d)(2) is amended (A) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (B) by striking out "1973" and inserting in lieu thereof "1974".

(n) Section 272 is amended by striking out "1973" and inserting in lieu thereof "1974".

SEC. 4. Section 601 of the Act entitled "An Act to amend the Public Health Service Act to revise, extend, and improve the program established by title VI of such Act, and for other purposes" is, amended by striking "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

SEC. 5. (a) Section 121(a) of the Developmental Disability Services and Facilities Construction Act is amended by striking out "for each of the next five fiscal years through the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the next six fiscal years through the fiscal year ending June 30, 1974".

(b) Section 122(b) of such Act is amended by striking out "for the fiscal year ending June 3, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(c) Section 131 of such Act is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

(d) Section 137(b)(1) of such Act is amended by striking "the fiscal year ending June 30, 1973." and inserting in lieu thereof "the fiscal years ending June 30, 1973, and June 30, 1974.".

SEC. 6. It is hereby declared to be the policy of the Federal Government, in the administration of all Federal programs, that religious beliefs or moral conviction regarding the performance of abortions or sterilization procedures (or limit the circumstances under which abortions or sterilizations may be performed) shall be respected.

SEC. 7. Any provision of law, regulation, contract, or other agreement to the contrary notwithstanding, on and after the enactment of the Act, there shall not be imposed, applied, or enforced, in or in connection with the administration of any program established or financed totally or in part by the Federal Government which provides or assists in paying for health care services for individuals or assists hospitals or other health care institutions, any requirement, condition, or limitation, which would result in causing or attempting to cause, or obligate, any physician, other health care personnel, or any hospital or other health care institution, to perform, assist in the performance of, or make facilities or personnel available for or to assist in the performance of, any abortion or sterilization procedure on any individual, if the performance of such abortion or sterilization procedure on such individual would be contrary to the religious beliefs or moral convictions of such physician or other health care personnel, or of the person or group sponsoring or administering such hospital or other institution.

SEC. 8. In respect of a hospital or other health care institution referred to in section 7 such hospital or other health care institution shall not discriminate in the employment, promotion, extension of staff or other privileges or termination of employment of any physician or other health care personnel on the basis of their personal religious or moral conviction regarding abortion or sterilization or their participation in such procedures.

SEC. 9. Any individual, hospital or other health care institution declining to participate in such procedures on the grounds of such religious or moral convictions shall post notice of such policy in a public place in such institution.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I want to express very briefly my appreciation to the ranking minority member of the Health Subcommittee, the Senator from Pennsylvania (Mr. SCHWEIKER) for the work he did in developing this legislation. I also thank the ranking minority member of the full Committee on Labor and Public Welfare, the Senator from New York (Mr. JAVITS), for his direction, counsel, and guidance. I also thank the chairman of the full Committee on Labor and Public Welfare, the Senator from New Jersey (Mr. WILLIAMS), who was enormously cooperative and helpful in the scheduling of the meetings and executive sessions and was of extremely valuable help and support.

I also thank the Senator from Colorado (Mr. DOMINICK), who was the former ranking minority member of the Health Subcommittee, and who also has been extremely helpful in health and other measures. His assistance was extremely useful.

Mr. President, I also wish to thank the staff members of the committee—Larry Horowitz, who did great work in the development of this legislation under the leadership of LeRoy Goldman, the staff director of the subcommittee. I also wish to thank Jay Cutler, who represents the minority. I doubt if there are harder working members of the staff of the Health Subcommittee or the full Committee on Labor and Public Welfare.

It is very significant to point out the excellent efforts on the part of all of these people.

I want to stress at this time, after the passage of the bill, we all recognize that a heavy responsibility goes to the committee in the redrafting of the Health Services Act. This work has already been started. The staff members have already spent a great deal of time on the selection of material and witnesses. We will have a full program outlined for us in the very near future.

We look forward to reporting back to the Senate—hopefully with the administration's support—a measure to provide more effective health programs for the American people.

BOARD OF DIRECTORS OF GALLAUDET COLLEGE—APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. DOMENICI). The Chair on behalf of the Vice President, pursuant to Public Law 83–420, appoints the Senator from Iowa (Mr. CLARK) to be a member of the Board of Directors of Gallaudet College.

CANADA-UNITED STATES INTERPARLIAMENTARY MEETING—APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. DOMENICI). The Chair, on behalf of the Vice President, pursuant to Public Law 86–42, appoints the Senator from Minnesota (Mr. HUMPHREY) to the Canada-United States Interparliamentary Meeting to be held in Washington, D.C., April 4 to 8, 1973.

INTEREST EQUALIZATION TAX EXTENSION ACT OF 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 88, H.R. 3577.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

Calendar No. 88, H.R. 3577, a bill to provide an extension of the Interest Equalization Tax, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments on page 2, in line 3, strike out "June 30, 1974" and insert in lieu thereof "March 31, 1975"; in line 15, strike out "on or after January 1, 1973" and insert in lieu thereof "after December 31, 1972, except that in the case of the assumption of a debt obligation of a foreign corporation which is treated as issued under section 4912(c)(2) after December 31, 1972, and before January 1, 1974, the amendment made by paragraph (1) shall apply with respect to estates of decedents dying after December 31, 1972."

On page 3, beginning with line 1, strike out—

"(e) ISSUES AFTER JANUARY 29, 1973, IN CASE OF SHIPPING COMPANIES IN LESS DEVELOPED COUNTRIES.—

"(1) REPEAL OF EXCLUSION.—Except as provided by paragraphs (2), (3), and (4), subsection (a)(2) shall not apply to acquisitions of stock or debt obligations of a corporation described in subsection (a)(1)(B) (relating to certain less developed country shipping companies) which were issued on or after January 30, 1973."

"(2) EXCEPTION FOR PREEXISTING COMMITMENTS.—Paragraph (1) of this subsection shall not apply to an acquisition—

"(A) made pursuant to an obligation to acquire which, on January 29, 1973—

"(i) was unconditional, or

"(ii) was subject only to conditions contained in a formal contract under which partial performance had occurred; or

"(B) as to which on or before January 29, 1973, the acquiring United States person (or, in a case where 2 or more United States persons are making acquisitions as part of a single transaction, a majority in interest of such persons) had taken every action to signify approval of the acquisition under the procedures ordinarily employed by such person (or persons) in similar transactions, subject only to the execution of formal documents evidencing the acquisition and to customary closing conditions, and the acquiring United States person (or persons)—

"(i) had sent or deposited for delivery to the foreign issuer or obligor from whom the acquisition was made written evidence of such approval in the form of a commitment letter, memorandum of terms, draft purchase contract, or other document setting forth, or referring to a document sent by the foreign issuer or obligor from whom the acquisition was made which set forth, the principal terms of such acquisition, or

"(ii) had received from the foreign issuer or obligor from whom the acquisition was made a memorandum of terms, draft purchase contract, or other document setting forth, or referring to a document sent by the acquiring United States person (or persons) which set forth, the principal terms of such acquisition.

"(3) EXCEPTION FOR PUBLIC OFFERING.—Paragraph (1) of this subsection shall not apply to an acquisition if—

"(A) a registration statement (within the meaning of the Securities Act of 1933) was in effect with respect to the stock or debt obligation acquired at the time of its acquisition;

"(B) the registration statement was first filed with the Securities and Exchange Commission on January 29, 1973, or within 90 days before that date; and

"(C) no amendment was filed with the Securities and Exchange Commission after January 29, 1973, and before the acquisition which had the effect of increasing the number of shares of stocks or the aggregate face amount of the debt obligations covered by the registration statement.

"(4) EXCEPTION FOR OPTIONS, FORECLOSURES, AND CONVERSIONS.—Paragraph (1) of this subsection shall not apply to an acquisition—

"(A) of stock pursuant to the exercise of an option or similar right (or a right to convert a debt obligation into stock), if such option or right was held on January 29, 1973, by the person making the acquisition or by a decedent from whom such person acquired the right to exercise such option or right by request or inheritance or by reason of such decedent's death, or

"(B) of stock or debt obligations as a result of a foreclosure by a creditor pursuant to the terms of an instrument held by such creditor on January 29, 1973."

And insert in lieu thereof:

"(e) REPEAL OF EXCLUSION FOR ISSUES AFTER JANUARY 29, 1973, IN THE CASE OF LESS DEVELOPED COUNTRY SHIPPING COMPANIES.—Subsection (a)(2) shall not apply to acquisitions of stock or debt obligations of a corporation described in subsection (c)(1)(B) (relating to certain less developed country shipping companies) which were issued after December 31, 1972."

(2) CONFORMING AMENDMENT.—Section 4916(a)(2) is amended by inserting "(except as provided in subsection (e))" after "less developed country corporation".

(c) EXCEPTIONS TO EXCLUSION RULES FOR CERTAIN PRE-EXISTING COMMITMENTS, ETC.—

(1) EXCEPTION FOR PRE-EXISTING COMMITMENTS.—Section 4916(e) of the Internal Revenue Code of 1954 (relating to repeal of exclusion for issues after January 29, 1973, in the case of less developed country shipping companies) shall not apply to an acquisition—

(A) made pursuant to an obligation to acquire which, on January 29, 1973—

(i) was unconditional, or

(ii) was subject only to conditions contained in a formal contract under which partial performance had occurred;

(B) as to which on or before January 29, 1973, the acquiring United States person (or, in a case where 2 or more United States persons are making acquisitions as part of a single transaction, a majority in interest of such persons) had taken every action to signify approval of the acquisition under the procedures ordinarily employed by such person (or persons) in similar transactions, subject only to the execution of formal documents evidencing the acquisition and to customary closing conditions, and the acquiring United States person (or persons)—

(i) had sent or deposited for delivery to the foreign issuer or obligor from whom the acquisition was made written evidence of such approval in the form of a commitment letter, memorandum of terms, draft purchase contract, or other documents setting forth, or referring to a document sent by the foreign issuer or obligor from whom the acquisition was made which set forth, the principal terms of such acquisition, or

(ii) had received from the foreign issuer or obligor from whom the acquisition was made a memorandum of terms, draft purchase contract, or other document setting forth, or referring to a document sent by the acquiring United States person (or persons) which set forth, the principal terms of such acquisitions;

(C) of stock or a debt obligation issued in connection with the purchase or lease of a ship the construction of which was begun before January 30, 1973, if—

(i) the acquisition meets the requirements of subparagraph (B) (except that for purposes of this clause, the term "January 29, 1973" appearing in such subparagraph shall be read as "April 30, 1973"), and

(ii) the contract for the construction of the ship was entered into by the United States person, or by a less developed country corporation described in section 4916(c)(1)(B) of the Internal Revenue Code of 1954 which is a member of the same controlled group (within the meaning of section 1563(a) of such Code) as that person, which purchased or leased such ship; or

(D) of stock or a debt obligation issued in connection with a purchase or lease of a vessel the construction of which was begun before January 30, 1973 if—

(i) a request for a ruling had been filed with the Internal Revenue Service within 60 days prior to January 30, 1973, with respect to the transaction.

(ii) before such date the United States person financing the transaction (or if two or more such persons are participating in financing the transaction, a majority in interest of such persons) had approved the transaction, or given a commitment to participate in the transaction (orally or in writing), subject to customary closing conditions, and

(iii) the vessel to be acquired in the transaction was delivered on or before March 1, 1973.

For the purposes of this paragraph—

(1) FOREIGN ISSUER OR OBLIGOR.—The term "foreign issuer or obligor" shall include any person which, on the date of such acquisition, owned at least 80 percent of each class of stock of the foreign issuer or obligor, as determined under section 958(a) of the Internal Revenue Code of 1954, or which is the agent or representative of such person.

(II) ACQUIRING UNITED STATES PERSON.—The term "acquiring United States person (or persons)" includes the immediate predecessor in interest to such person or persons.

(2) EXCEPTION FOR PUBLIC OFFERING.—Such section 4916(e) shall not apply to an acquisition if—

(A) a registration statement (within the meaning of the Securities Act of 1933) had been in effect, with respect to the stock or debt obligation acquired, at the time of its issuance;

(B) the registration statement was first filed with the Securities and Exchange Commission on January 29, 1973, or within 90 days before that date; and

(C) no amendment was filed with the Securities and Exchange Commission after January 29, 1973, and before the issuance of such stock or debt obligation which had the effect of increasing the number of shares of stock or the aggregate face amount of the debt obligations covered by the registration statement.

(3) EXCEPTION FOR OPTIONS, FORECLOSURES, AND CONVERSIONS.—Such section 4916(e) shall not apply to an acquisition—

(A) of stock pursuant to the exercise of an option or similiar right (or a right to convert a debt obligation into stock), if such option or right was held on January 29, 1973, by the person making the acquisition or by a decedent from whom such person acquired the right to exercise such option or right by bequest or inheritance or by reason of such decedent's death, or

(B) of stock or debt obligations as a re-

sult of a foreclosure by a creditor pursuant to the terms of an instrument held by such creditor on January 29, 1973.

(4) CONSTRUCTION.—The provisions of this subsection shall be construed and applied as if this subsection were part of chapter 41 of the Internal Revenue Code of 1954 (relating to interest equalization tax), and the terms used in this subsection shall have the same meaning as such terms have when used in such chapter.

On page 11, line 17, strike out "(c)" and insert in lieu thereof "(d)".

On page 12, beginning with line 4, strike out:

"(a) GENERAL RULE. The tax imposed by section 4911 shall not apply to the acquisition by a United States person of stock or a debt obligation constituting all or part of an original or new issue (as defined in section 4917(c)) which was issued for the purpose of financing new or additional direct investment (as defined by the Secretary or his delegate) in the United States by the foreign issuer or obligor and which qualifies under subsection (b).

And insert in lieu thereof:

"(a) GENERAL RULE.—The tax imposed by section 4911 shall not apply to the acquisition by a United States person of—

"(1) stock or a debt obligation constituting all or part of a new issue (as defined in section 4917(c)) which was issued for the purpose of financing new or additional direct investment (as defined by the Secretary or his delegate) in the United States by the foreign issuer or obligor and which qualifies under subsection (b),

"(2) stock pursuant to a right to convert a debt obligation into stock without the payment of any further consideration if such debt obligation qualified for exclusion from tax under this subsection when it was issued, or

"(3) a debt obligation issued for the purpose of refunding or refinancing a new or original issue which met the requirements of paragraph (1) when that new or original issue was issued.

On page 14, after line 8, insert:

For purposes of this subsection, a foreign issuer or obligor shall not be considered to have failed to meet the requirements of this subsection with respect to an issue of stock described in subsection (a)(2), or a debt obligation described in subsection (a)(3), if he complies with the requirements imposed on him by this subsection with respect to the debt obligation converted, refunded, or refinanced.

And on page 16, beginning with line 18, insert:

(e) CORPORATIONS FORMED TO ACQUIRE FOREIGN SECURITIES.—Section 4912(b)(3) (relating to acquisitions from domestic corporation or partnership formed or availed of to obtain funds for foreign issuer or obligor) is amended by adding at the end thereof the following: "The preceding sentence shall not apply to the acquisition of stock or a debt obligation of a domestic corporation all of whose acquisitions of stock or debt obligations of foreign issuers or obligors are either subject to the tax imposed by section 4911 or without liability for payment of such tax under section 4916, 4917, 4918, or 4920(b). An acquisition to which section 4914(c) applies shall not be taken into consideration in determining whether a domestic corporation or partnership is formed or availed of for the purpose of obtaining funds (directly or indirectly) for a foreign issuer or obligor."

(f) EXPORT FINANCING.—

(1) SALE OR LEASE OF UNITED STATES PROPERTY OR SERVICES.—Section 4914(c)(1) (relating to export credit, etc., transactions) is amended to read as follows:

"(1) IN GENERAL.—The tax imposed by section 4911 shall not apply to the acquisition of a debt obligation arising out of the sale or lease of tangible personal property or service, or both, if—

"(A) payment of such debt obligation (or of any related debt obligation arising out of such sale or lease) is guaranteed or insured, in whole or in part, by an agency or wholly owned instrumentality of the United States; or

"(B)(i) not less than 85 percent of the amount of the loan or the amount paid or other consideration given to acquire such debt obligation is attributable to the sale or lease of property manufactured, produced, grown, or extracted in the United States, or to the performance of services by United States persons, or to both, and

"(ii) the extension of credit and the acquisition of the debt obligation related thereto are reasonably necessary to accomplish the sale or lease of property or services out of which the debt obligation arises, and the terms of the debt obligation are not unreasonable in light of credit practices in the business in which the person selling or leasing such property or services is engaged.

The term 'services' as used in this paragraph and paragraph (2), shall not be construed to include functions performed as an underwriter."

(2) REFUNDING OR REFINANCING CERTAIN DEBT OBLIGATIONS.—Section 4914(c) is amended by redesignating paragraph (8) as (9), and by inserting after paragraph (7) the following new paragraph:

"(8) REFUNDING OR REFINANCING CERTAIN DEBT OBLIGATIONS.—The tax imposed by section 4911 shall not apply to the acquisition of a debt obligation issued for the purpose of refunding or refinancing a new or original debt obligation if—

"(A) the purpose for which and circumstances under which the new or original debt obligation was issued are such that, were such debt obligation issued on the date on which the refunding or refinancing debt obligation is issued, the acquisition of that new or original debt obligation would not be subject to tax under section 4911, and

"(B) the terms of the refunding or refinancing debt obligation are not unreasonable in light of credit practices in the business in which the person acquiring the debt obligation is engaged and the refunding or refinancing of the new or original debt obligation is customary in transactions of the type out of which it arose."

(g)(1) EXCLUSION FOR ACQUISITIONS BY QLFC'S TO FINANCE EXPORTS.—Section 4915(e)(1)(A) is amended to read as follows:

"(A)(i) the amounts received by the corporation as a result of the acquisition will not be used to acquire stock of foreign issuers or debt obligations of foreign obligors (other than stock or debt obligations the acquisition of which is not subject to the tax imposed by section 4911 on account of section 4914(c)), or utilized in any way outside of the United States other than for the acquisition of tangible personal property for leasing which is manufactured or produced in the United States, or (ii) the funds used for such acquisition were obtained from sources outside the United States; and".

(2) Section 4920(d)(2) is amended by striking out everything preceding subparagraph (A) and inserting in lieu thereof the following:

"(2) all debt obligations of foreign obligors (other than debt obligations the acquisition of which is not subject to the tax imposed by section 4911 on account of section 4914(c)) acquired by such corporation, and all tangible personal property not manufactured or produced in the United States acquired by such corporation for leasing, are acquired and carried solely out of—".

(h)(1) PARTICIPATING FIRMS TRADING FOR THEIR OWN ACCOUNTS.—Section 4918(e) (relating to sales effected by participating firms in connection with exempt acquisitions) is amended by—

(A) striking "or" at the end of paragraph (7),

(B) redesignating paragraph (8) as (9), and

(C) inserting after paragraph (7) the following new paragraph:

"(8) sells for its own account and pays the tax imposed under section 4911 on its acquisition of such stock or debt obligation not later than the time it would be required to pay over such tax to the Secretary or his delegate if such tax were withheld under paragraph (7); or".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to acquisitions of stock or debt obligations made on or after July 15, 1967.

(i)(1) INTEREST EQUALIZATION TAX REFUNDS.—Section 4919(a) (relating to credit or refund) is amended by striking out "credit or refund (without interest)" and inserting in lieu thereof "credit (without interest) or refund".

(2) Section 6611 (relating to interest on overpayments) is amended by redesignating subsection (h) as (i), and by inserting after subsection (g) the following new subsection:

"(h) REFUND WITHIN 45 DAYS AFTER FILING CLAIM FOR REFUND OF INTEREST EQUALIZATION TAX PAID ON SECURITIES SOLD TO FOREIGNERS.—No interest shall be allowed under subsection (a) on any overpayment of the tax imposed by section 4911, arising by reason of section 4919(a), if the overpayment is refunded within 45 days after the filing of a claim for refund for that overpayment of tax with respect to a prior quarter."

(j) CHANGES IN DEFINITIONS AND SPECIAL RULES.—

(1) FOREIGN LENDING OR FINANCE BUSINESSES.—Section 4920(a)(3A) is amended by—

(A) amending subparagraph (A) to read as follows:

"(A) the term 'lending or finance business' has the meaning given to it by section 542(d)(1), except that the portion of subparagraph (B)(i) of such section following '60 months' shall be disregarded;" and

(B) adding at the end of such section the following sentence: "For purposes of determining whether a domestic corporation is primarily engaged in the lending or finance business, ownership of stock of an affiliated corporation which satisfies the requirements of clause (i) and (ii) of paragraph (3)(C) shall be disregarded."

(2) FUNDING OF STOCK OPTIONS AND OTHER ISSUES OF STOCK.—Section 4920(b)(2) (relating to class of stock defined) is amended by—

(A) striking "or" at the end of subparagraph (C),

(B) redesignating subparagraph (D) as (E),

(C) inserting after subparagraph (C) the following new subparagraph:

"(D) issued after November 10, 1964, and prior to January 30, 1973, upon exercise of a stock option granted to an individual, in connection with his employment by the employer corporation, to purchase stock of such corporation if the tax imposed by section 4911 has been paid;",

(D) amending clause (ii) of subparagraph (E) (as redesignated by subparagraph (B) of this paragraph) by inserting before the semicolon the following: ", or on the latest record date before the issuance of such additional shares",

(E) amending clause (iv) of such subparagraph (E) by inserting after "4917," the following: "or are shares issued after January 29, 1973, upon exercise of an option described in section 4914(a)(8) (determined without regard to whether or not the optionee is a United States person) granted to an employee who immediately after such option is granted is an individual described in section 422(b)(7) (provided that the ag-

gregate number of shares of such class subject to all options described in section 4914(a)(8) (determined without regard to whether or not the optionee is a United States person) that are granted during one calendar year does not exceed one percent of the total number of outstanding shares of such class on the first day of such calendar year),".

(F) striking the period at the end of clause (v) of such subparagraph (E) and inserting a semicolon and "or",

(G) inserting after such subparagraph (E) the following new subparagraph:

"(F) issued after March 31, 1973, as consideration for, or upon conversion (or in connection with the prior conversion) of debt obligations which were the consideration for, the acquisition of stock of a foreign corporation, if immediately after such acquisition the acquiring corporation owns (directly or indirectly) more than 50 percent of the total combined voting power of all classes of stock of such foreign corporation, or the acquisition of more than 50 percent (in value) of the assets of a foreign corporation, if—

"(i) such corporation satisfied the requirements of sections 4920(b)(2)(E) (i), (ii), and (iii);

"(ii) shares of such class were held of record by more than 5,000 persons on such corporation's latest record date before January 1, 1973;

"(iii) during the period beginning on January 1, 1973, and running through the date of issuance of such shares, shares of such class were listed for trading on one or more national securities exchanges registered with the Securities and Exchange Commission;

"(iv) during the period beginning on January 1, 1973, and running through the date of the issuance of the additional shares such corporation has maintained its principal office in the United States;

"(v) during the period beginning on January 1, 1973, and running through the date of issuance of the additional shares such corporation has been engaged in trade or business in the United States;

"(vi) during the 5-year period immediately preceding the date of issuance, the aggregate number of additional shares (other than additional shares issued under subparagraph (B), (C), (D), or (E) of this subsection) does not exceed 5 percent of the total number of outstanding shares of such class on the first day of such 5-year period, and

"(vii) the acquired foreign corporation was engaged in the active conduct of a trade or business (other than as a dealer in securities) immediately before the date of such acquisition.", and

(H) striking "subparagraph (D)" wherever it appears in the text of such section 4920(b)(2) after subparagraph (F) (added by subparagraph (G) of this paragraph) and inserting in lieu thereof "subparagraph (E)".

(3) FOREIGN SOURCE BORROWING BY QLFC FROM RELATED CORPORATIONS.—Section 4920(d)(2)(A)(ii) is amended to read as follows:

"(iii) a foreign corporation (not including a qualified lending or financing corporation or a foreign corporation engaged in the commercial banking business which acquires such debt obligations in the ordinary course of such commercial banking business), if such corporation (or one or more includible corporations in an affiliated group, as defined in section 1504, of which such corporation is a member) owns directly or indirectly (within the meaning of section 4915(a)(1)) 10 percent or more of the total combined voting power of all classes of stock of such foreign corporation, except to the extent such foreign corporation has, after having given advance notice to the Secretary or his delegate, sold its debt obligations to persons other than persons described in clauses (i) and (ii) and this clause and is using the proceeds of the sales of such debt obligations to acquire the debt obligations of such corporation (or such other domestic corporation),".

(4) PERCENTAGE OF STOCK OWNED BY PARENT CORPORATION OF QLFC.—Section 4920(d)(2)(B) is amended by striking out "by one or more members of a controlled group (as defined in section 48(c)(3)(C)) of which such corporation is a member (or by a corporation which would be such a member if it were a domestic corporation)" and inserting "by a corporation owning directly or indirectly (within the meaning of section 4915(a)(1)) 10 percent or more of the total combined voting power of all classes of stock of such corporation".

(5) SOURCE OF FUNDS FOR QLFC'S.—Section 4920(d)(2) is amended by—

(A) striking "or" at the end of subparagraph (C),

(B) striking the semicolon at the end of subparagraph (D) and inserting in lieu thereof a comma and "or", and

(V) adding at the end thereof the following new subparagraph:

"(E) the proceeds of the sale of debt obligations (by a domestic corporation which has made an election under section 4912(c) with respect to such debt obligations) to a person other than a person described in clause (i), (ii), or (iii) of subparagraph (A) if the proceeds are transferred directly from the lender to such corporation;".

(6) EQUITY INVESTMENTS OF QLFC'S.—Section 4920(d)(3) is amended to read as follows:

"(3) which does not acquire or own any stock of foreign issuers or of domestic corporations or domestic partnerships other than—

"(A) stock of one or more members of a controlled group (as defined in section 48(c)(3)(C)) of which such corporation is a member (or of a corporation which would be a member if it were a domestic corporation) acquired as payment for stock, or as a contribution to capital, of such corporation,

"(B)(i) stock of a corporation described in section 4915(e)(2)(C) or section 4920(a)(3B), if 10 percent or more of the total combined voting power of all classes of such stock is owned (directly or indirectly) by the acquiring corporation, or

"(ii) stock of a partnership which meets the requirements of section 4920(d)(1) and (2) under regulations promulgated by the Secretary or his delegate, if immediately following the acquisition such corporation owns (directly or indirectly) 10 percent or more of the profits interest in such partnership,

"(C) stock acquired by such corporation through foreclosure, where such stock was held by such corporation as security for loans or leases described in paragraph (1) if such stock is disposed of within a 90-day period beginning on the day after the date of such foreclosure (including any additional 90-day periods reasonably necessary to dispose of such stock that the Secretary or his delegate may allow), or

"(D) stock of a foreign corporation acquired in connection with and incidental to an acquisition of a debt obligation in a transaction described in paragraph (1) if (i) at the time of the acquisition of the debt obligation the value of such stock does not exceed 10 per centum of the value of the debt obligation, and (ii) the terms of the debt obligation are not unreasonable in light of credit practices in the business in which the corporation acquiring such debt obligation is engaged; and".

(7) STOCK DIVIDENDS BY CERTAIN MUTUAL FUNDS.—Section 4920(e) (relating to certain mutual funds) is amended by inserting before the period ", except stock issued as a capital gain dividend, as defined in section 852(b)(3)(C)".

Sec. 4. Report by Secretary of Treasury.

The Secretary of the Treasury shall study the effect on international monetary stability of the exemption granted under the authority of section 4917 of the Internal Revenue Code of 1954 (relating to exclusion for original or new issues where required for international monetary stability) from the tax imposed by chapter 41 of such Code (relating to interest equalization tax) of new issues of Canadian stock or debt obligations. The Secretary shall report to the Congress, not later than September 30, 1973, the results of such study and his conclusions as to whether the termination of such exemption will have such consequences for Canada as to imperil or threaten to imperil the stability of the international monetary system, together with any recommendations, including recommendations for legislation, he may have.

Mr. LONG. Mr. President, I ask unanimous consent that Michael Stern, Robert Willan, William Morris, and Robert Best of the staff of the Committee on Finance, and Laurence Woodworth, Donald Evans, Howard Silverstone, and Michael Bird of the staff of the Joint Committee on Internal Revenue Taxation, be permitted to have the privilege of the floor during the consideration of this measure.

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

Mr. LONG. The principal feature of H.R. 3577 is the provision extending the interest equalization tax for another 2 years, from March 31, 1973, until March 31, 1975. This 2-year extension is the major difference between the bill as reported by the committee and the House-passed bill, which would have extended the tax for 15 months until June 30, 1974.

The Treasury Department requested the committee to extend the tax until the end of December 1974, because it believed that the tax should at that time be permitted to expire. Because of this Treasury view, the committee did not believe that a June 30 expiration date was appropriate. That date would have required an additional 6-month extension if the tax were to terminate in December 1974. At the same time, the committee is by no means sure that Congress will want to permit capital flows out of the United States free of tax after 1974. The balance-of-payments problems we now face are of large proportion and it appears likely they will extend beyond 1974. As a result, we in Congress may well want to extend the tax beyond the 1974 termination date the administration now seeks.

The committee met this date problem by extending the tax until the end of March 1975. Had we extended the tax only until December 1974, since Congress is unlikely to be in session in December, we might at that time be powerless to act if an additional extension beyond the end of December were necessary. The March 1975 date will give us plenty of time to consider the future of this tax during a period we are likely to be in session.

Both the House and the committee have adopted several minor modifications and the committee has added a number of technical amendments; a description of these modifications and technical amendments is contained in the committee report and I ask unanimous consent that pertinent parts of the report relating to these amendments be printed in the RECORD at the end of my statement. The amendments are largely tech-

nical in nature and they have been cleared by the Committee on Finance as well as by the Treasury Department. So far as I know there is no objection to any of them.

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

(See exhibit 1.)

Mr. LONG. Let me outline briefly the purpose of the interest equalization tax. Its purpose is to protect our balance-of-payments position by restraining capital outflow from the United States. This is accomplished by discouraging foreigners from borrowing in the United States by increasing the cost to foreigners of this borrowing. The tax achieves this result by providing the equivalent of an increase in the annual interest rate on funds borrowed from the United States by as much as 1½ percentage points. The President has discretion to vary the tax to an interest rate equivalent of anything up to this rate. Presently he has imposed a tax equivalent to an interest rate differential of three-fourths of 1 percent.

The extension of the interest equalization tax is necessary at the present time because the expiration of the tax would add significantly to our already excessive balance-of-payments deficit which reached $22 billion in 1971 and nearly $14 billion in 1972. In addition, extension of the tax is necessary even with the recent move away from fixed exchange rates by "floating" the dollar and other currencies. The tax is necessary at this time to avoid significant capital outflows before the currency revaluations and trade negotiations have had an opportunity to correct the underlying imbalances in our international accounts. Moreover, removal of the tax at this time could undermine the pending trade negotiations with our major trading partners who would regard removal as premature and indicative of insufficient concern about our balance-of-payments deficits and capital outflows.

An indication of the possible capital outflow effect if the tax were not extended is provided by the lower interest rates in the United States than abroad and the record of the tax in restraining borrowing in the United States by foreigners.

Our capital markets are much better organized than those of foreign countries and any time our interest rates are lower than those in foreign countries, there is a temptation to borrow here. This is particularly important now because our interest rates are below those in many foreign countries.

For example, in October 1972, the yield on long-term U.S. Government bonds was 5.69 percent; the average for Western European Government bonds was 7.19 percent, a differential of 1.5 percentage points. The differential on industrial issues is also significant. In December 1972, the rate on U.S. industrials was 7.33 percent, while the rate in West Germany was 8.58 percent, in France was 8.3 percent, and in the United Kingdom was 10.4 percent. These differentials between the foreign interest rates and the lower U.S. rates are clearly large enough to attract a significant amount of foreign borrowing in the absence of the tax.

In addition, during the period we have had this tax in effect, and also controlled to some degree direct investments abroad, U.S. companies have issued large amounts of foreign securities abroad to finance their direct investment in various countries. If the tax were not to continue, there would be a temptation to refinance some of these amounts in the United States. At the end of 1972, the volume of these securities outstanding amounted to $15.2 billion not counting bank loans. As a result, the tax is essential to prevent the refinancing of this large "overhang" of securities held by foreigners which are associated with U.S. companies.

Even apart from this special situation of U.S. companies with securities held by foreigners, the interest equalization tax has also been effective in preventing foreigners from financing both new securities here and also selling outstanding securities here. Based upon past trends, and experience in those areas where the tax is not operative, it appears that, even apart from the special situations that I have referred to, the tax, on the average, prevents foreigners from borrowing something like $2 billion a year in our markets.

The interest equalization tax is also important because it is a part of a larger program designed to reduce capital outflows. Not only do we have the interest equalization tax which applies to so-called portfolio investments—that is, where the investment is not so large as to be a factor in the control of the foreign company—but we also have the direct investment control program run by the Department of Commerce and also the program run by the Federal Reserve System to limit short-term bank credit abroad. If the interest equalization tax were not to be continued, therefore, not only would we have the increase in capital outflow arising from portfolio investments, but it seems unlikely that it would be possible to maintain our capital outflow controls in the direct investment area if this eventuality were to come to pass.

I think it is clear from these considerations that extension of the interest equalization tax is necessary to avoid capital outflows which could be destabilizing both for the recently floated dollar and for the upcoming trade negotiations. By this I do not mean to imply that a continuation of this tax will solve our balance-of-payments problems. Far from it. But one thing I think we can be sure of: our balance-of-payments problem will be much worse without this tax.

I urge the Senate to pass this bill and extend this tax for a 2-year period.

EXHIBIT 1

GENERAL EXPLANATION OF THE BILL AS AMENDED BY COMMITTEE

1. Extension of interest equalization tax (sec. 2 of the bill and sec. 4911(d) of the code).

Under present law, the interest equalization tax expires as of April 1, 1973. The House has extended the application of this tax for a period of 15-months, or until July 1, 1974. As explained more fully in the prior part of this report, "Reasons for the bill," this tax continues to be an essential part of the U.S. balance-of-payments program, and its extension for the additional period is believed to be necessary in view of our present balance-of-payments situation. However, for the reasons indicated above, the committee has amended the House bill to provide a 2-year extension.

2. Estate taxation of debt held by foreign persons where interest equalization tax applies (sec. 3(a) of the bill and sec. 2104(c) of the code).

Present law contains a procedure which is designed to enable domestic companies and partnerships to directly obtain foreign funds for their foreign affiliates in a manner which complies with the restrictions on foreign investment imposed by the Office of Foreign Direct Investment in the Commerce Department. This procedure allows a domestic company or partnership to elect (under sec. 4912(c)) to treat an issue of its debt which is issued to foreign persons as subject to the interest equalization tax if acquired by a U.S. person. This provides assurance that the obligations issued by the domestic company or partnership in connection with the foreign borrowing will not be acquired by U.S. persons and thus provides the necessary assurance for the foreign direct investment program that the funds obtained from the foreign borrowing will not be indirectly replaced by U.S. funds.

This procedure, which was adopted in the Interest Equalization Tax Extension Act of 1971, was in large part designed to allow domestic companies and partnerships to obtain these foreign funds directly rather than having to utilize foreign subsidiaries[1] for this purpose as had been done in the past. Since foreigners supplying funds to foreign corporations would not be subject to the flat 30-percent (or a lower rate imposed by treaty) U.S. tax on the interest income involved (generally imposed on interest paid by U.S. residents to foreign persons), Congress decided not to apply this tax to the interest paid on debt subject to the new interest equalization tax election (provided the debt has a maturity of not more than 15 years and was originally purchased by underwriters with a view to distribution through resale). In the absence of this exemption, the new procedure would not have provided a viable alternative to the past practice of using foreign subsidiaries to obtain the foreign funds, since the domestic debt issued under the new procedure would have been subject to the 30-percent withholding tax but the debt issue by the foreign subsidiaries would not have been. In the absence of this provision, therefore, it would have been substantially more attractive to foreign investors to purchase the debt obligations from foreign corporations.

At the time the new procedure was adopted in the Interest Equalization Tax Extension Act of 1971, another difference in the treatment of debt issued by a domestic company to a foreign person and debt issued by a foreign subsidiary—namely, the applicability of the U.S. estate tax to nonresident alien decedents for debt issued by the domestic company but not to debt issued by the foreign subsidiary—was not dealt with. It was then thought that this difference would not appreciably affect the marketability of debt issued by a domestic company under the new procedure. However, experience since that time has proved this was not the case. The potential applicability of the U.S. nonresident alien decedent estate tax to the debt of a domestic company apparently has made debt issued under the new procedure unattractive to many foreign investors and, this, in turn, has substantially impaired the workability and effectiveness of the new procedure.

To correct this shortcoming in the new procedure and attain the intended objectives

[1] Under present law, it is also possible to use for this purpose domestic financing corporations which have 80 percent or more of their gross income from sources without the United States. References hereafter to foreign subsidiaries are intended to include these domestic financing companies.

of the new procedure, the provisions of the House bill, with which the committee agrees (with one exception noted below), provide an exemption from the U.S. estate tax imposed on nonresident alien individuals for debt obligations issued by a domestic company or partnership under the new interest equalization tax election procedure (secs. 861(a)(1)(G) and 4912(c)). The bill achieves this result by providing (in sec. 2104(c)) that obligations are to be treated as situated outside the United States (and thus are not subject to U.S. estate tax) when they are held by a nonresident alien individual and the election referred to above has been made. This result is to remain unaffected regardless of the rate of the interest equalization tax. This will provide these debt obligations with the same U.S. income and estate tax attributes as bonds issued by a foreign subsidiary and should make them equally attractive to foreign investors from this standpoint. The U.S. estate tax base of U.S. citizens and residents remains unaffected by this provision. This amendment is generally to apply with respect to estates of decedents dying on or after January 1, 1973.

The House provision, in addition to applying to debt obligations issued from 1973 on, also would apply to debt obligations that were issued before 1973, including debt obligations of foreign financing subsidiaries which are assumed by its U.S. parent. This assumption rule would permit foreign financing subsidiaries to reincorporate in the United States in order to avoid existing foreign income taxes.

However, the committee concluded that if this provision were to be allowed to go into effect immediately, it might have an adverse impact on the budgets of small countries where U.S. corporations have organized foreign financing subsidiaries. Therefore, the committee postponed the effective date of this provision for one year, or until January 1, 1974, but only in the case of assumptions of debt obligations of foreign financing subsidiaries in the period from January 1, 1973 to January 1, 1974.

3. Shipping companies in less developed countries (sec. 3(b) and (c) of the bill and sec. 4916 of the code).

Under present law, the interest equalization tax does not apply to the acquisition by a U.S. person of stock or debt obligations of a less developed country corporation. Among the foreign corporations which qualify as less developed country corporations are corporations which derive substantially all of their income from the operation of ships or aircraft registered in a less developed country and whose stock is substanially owned by U.S. persons or residents of less developed countries.

The less developed country exclusion is designed to avoid cutting down the flow of private capital to those nations with chronic capital shortages, urgent development needs, and limited capability for foreign borrowing on normal commercial terms. The Congress has previously recognized that the United States has long had a responsibility for assisting these nations in their struggle to achieve improved standards of living, and therefore recognized that the application of the tax to issues of these countries would work against that objective.

The House concluded, and your committee agrees, that the less developed country exclusion which applies to shipping corporations which derive substantially all of their income from the operation of aircraft or ships registered in those countries and whose stock is substantailly owned by U.S. persons or residents of those countries does not result in significant capital investments in less developed countries.

Instead it appears to have merely resulted in the registration of ships in those countries. Furthermore, it appears that this exclusion has also had the effect of encouraging the use of U.S. funds for the construction of ships in other developed countries (not the United States). Therefore, the committee agreed with the provisions of the House bill which provide that this exclusion is no longer to apply to the acquisition of stock or a debt obligation of a less developed country shipping corporation which was issued on or after January 30, 1973. The committee wants to make it clear that the less developed country exemption will generally continue to be applicable to nonshipping corporations which have significant operations within those countries. For example, the acquisition of stock or a debt obligation of a foreign corporation which derives substantially all of its income from the active conduct of a ship building business in a less developed country will generally continue to be exempt from the interest equalization tax.

Preexisting commitments.—The House recognized that there may be preexisting commitments already outstanding on January 29, 1973, under which stock or debt obligations would subsequently be acquired. Therefore, the House bill provides that this exclusion continues to apply to an acquisition made pursuant to an obligation to acquire stock or debt obligations which, on January 29, 1973, was unconditional or was subject only to conditions contained in a formal contract under which partial performance had occurred. The committee concurs with the provision.

Under the House bill, the exclusion also continues to apply to acquisitions as to which on or before January 29, 1973, the acquiring U.S. person, (or, in a case where two or more U.S. persons are qualifying as part of a single transaction, a majority in interest of such persons) had taken every action to signify approval under the procedures ordinarily employed by such person (or persons) in similar transactions and satisfied one of two conditions. Under a committee amendment, a predecessor in interest may also be eligible for the exclusion where he took the actions referred to above.

Under both the House and committee versions of the bill, for this provision to apply the acquiring U.S. person must have satisfied the Treasury Department that he sent or deposited for delivery to the foreign issuer or obligor written evidence of such approval in the form of a commitment letter or other signed document setting forth the principal terms of the acquisition, subject only to the execution of formal documents evidencing the acquisition and to customary closing conditions.[2] (Under the committee version of the bill, the foreign issuer or obligor includes a person owning at least 80 percent of each class of stock of the foreign issuer or obligor on the date of the acquisition, or the agent or representative of that person.) In order for the House or committee provision to apply, however, the acquiring U.S. person must have both approved the acquisition and sent or deposited the requisite commitment letter or similar document on or before January 29, 1973. In lieu of the first condition described above (relating to the commitment letter), the acquiring U.S. person may establish that he had received from the foreign borrower, prior to January 30, 1973, a memorandum of terms, draft purchase contract, or other document setting forth the principal terms of the acquisition, subject only to the execution of formal documents evidencing the acquisition and to customary closing conditions.

For this exclusion to apply where two or more U.S. persons acquire stock or debt obligations in a single transaction, under both versions of the bill more than 50 percent of the actual value of the stock or debt must have been subject to the commitment letter or other document setting forth the principal terms of acquisition on or before January 29, 1973. A person who entered into a short sale contract on or before January 29, 1973, generally will be considered subject to a preexisting commitment because, in effect, such person is unconditionally obligated to make an acquisition to cover the short sale.

Another type of preexisting commitment brought to the attention of the committee involves the situation where it is a normal business practice of some businessmen to give oral rather than written commitments for financing the acquisition of ships (as discussed above, the House bill requires written commitments). As a result, the committee has provided in addition to the present preexisting commitment provisions contained in the House bill, that this exclusion is to continue to apply to an acquisition if it meets three conditions: (1) within 60 days prior to January 30, 1973, a request for a ruling under this exclusion had been filed with the Internal Revenue Service in connection with the transaction; (2) prior to January 30, 1973, the U.S. person financing the transaction (or a majority of the U.S. persons participating in financing the transaction) had approved (or given a commitment to participate in) the transaction, either orally or in writing, subject to customary conditions; and (3) the vessel to be acquired in the transaction is delivered on or before March 1, 1973.

Construction commenced by announcement date.—The committee further amended the bill to provide that the exclusion is to continue to apply to an acquisition of a debt obligation of a less developed country shipping corporation if it was issued in connection with the purchase or lease of a ship if three conditions are met: (1) the construction of the ship was begun on or before January 29, 1973; (2) the acquisition met the requirements of the preexisting commitment provisions of the House bill (described above) except that the acquiring U.S. person must have taken every action to signify approval of the acquisition prior to May 1, 1973 (instead of prior to January 30, 1973); and (3) the contract for the construction of the ship was entered into by the U.S. person, or its related less developed country shipping corporation, which purchases or leases the ship.

Public offering registered by announcement dates.—The House bill, in addition to the commitment letter approach, provides that the exclusion is to continue to apply to an acquisition of the stock or a debt obligation of a less developed country shipping corporation if three conditions are met: (1) a registration statement (within the meaning of the Securities Act of 1933) had been in effect, with respect to the stock or debt obligation acquired, at the time of its issuance; (2) the registration was first filed with the Securities and Exchange Commission on January 29, 1973, or within 90 days before that date; and (3) no amendment was filed with the Securities and Exchange Commission after January 29, 1973, and before the acquisition which had the effect of increasing the number of shares of stock or the aggregate face amount of the debt obligations covered by the registration statement. For purposes of this provision, the committee intends that securities which may be issued without liability for the in-

[2] Any transactions in which a U.S. person purchases from a foreign corporation a ship built outside the United States and leases it back on a bareboat charter to that corporation is subject to U.S. Maritime Administration approval. Maritime Administration approval of such a transaction is an example of a "customary closing condition." Similarly, a contingency of a favorable Internal Revenue Service ruling with respect to the nonapplicability of the interest equalization tax based upon the exclusion for less developed shipping corporations is an example of a "customary closing condition."

terest equalization tax because of the application of the public offering provision provided in the House bill and subsequently are resold under another registration statement may be acquired without liability for the tax.

Existing options and foreclosures of existing instruments.—Both the House and the committee versions of the bill also provide that the exemption is to continue to apply to an acquisition of stock of a less developed country shipping corporation pursuant to the exercise of an option or similar right or of a right to convert a debt obligation into stock of the same issuance if the option or right was held on January 29, 1973, by the person making the acquisition or by a decedent from whom the person acquired the right to exercise the option or right by bequest or inheritance or by reason of the decedent's death.

Both versions of the bill further provide that the exclusion is to continue to apply to an acquisition of stock or a debt obligation of a less developed country shipping corporation as a result of a foreclosure by a creditor under the terms of an instrument held by the creditor on January 29, 1973.

4. Exclusion for original or new issues to finance direct investment in the United States (sec. 3(d) of the bill and new secs. 4922 and 6689 of the code).

At the present time, foreign issuers or obligors wishing to make direct investments in the United States cannot raise funds from U.S. persons for such direct investment generally without the U.S. person being subject to the interest equalization tax on the direct investment. The House concluded, and the committee agrees, that this restriction limiting the amount of new capital which the foreign person may raise in the United States in order to make a direct investment here, has the effect of discouraging the foreigner from making the basic investment here.

In view of these circumstances, both versions of the bill provide a procedure under which a foreign person who wishes to make a direct investment in the United States may obtain some of the funds for the direct investment from U.S. persons without subjecting the acquisition (of the foreign person's securities) by the U.S. persons to the interest equalization tax. The House and the committee believes that this exclusion is appropriate, however, only in situations where the funds being raised in the United States will remain as investments in the United States. In addition, for such an exclusion to apply, the House and the committee believe that the foreign source funds to be invested here should be of a type which will result in the creation of new jobs in the United States.

For the reasons given above, the committee is in agreement with the provisions of the House bill which provide that the acquisition of stock or a debt obligation of a foreign issuer or obligor which is part of a new or original issue, issued for the purpose of financing new or additional direct investments in the United States, is not to be subject to the interest equalization tax. However, this exclusion is not to apply unless the foreign issuer or obligor demonstrates to the Treasury Department's satisfaction, prior to the date of the issuance of the stock or debt obligations involved, that certain conditions will be met. This exclusion is to apply only to the first acquisition of the stock or debt obligations. However, generally a subsequent acquisition of these stock or debt obligations would be exempt from the tax, since in most cases, the acquisitions would be eligible for the exemption for prior American ownership and compliance (under sec. 4918).

As explained above, this exclusion, under both versions of the bill, applies to the acquisition of a new issue of stock or debt obligations of a foreign issuer or obligor to finance new or additional investment in the United States. For this purpose, direct investment which is new or additional means an investment which is primarily for land, buildings, and equipment. However, it also includes sufficient capital to operate the business. For instance, direct investment which is new or additional includes the building of a new plant for the purpose of manufacturing in the United States, and, also, sufficient operating capital to run the plant. A new direct investment would also include the purchase of such stock which constitutes not less than 10-percent of the total combined voting power of all classes of stock of a corporation if that purchase was of the authorized but unissued stock or treasury stock of the corporation (for this purpose, purchases of stock from other stockholders is not to be considered a new or additional direct investment). Investments in service industries may qualify. However, not intended to be included is new direct investment for the acquisition and exploitation of natural resources. Furthermore, this term does not include the purchase of capital equipment for use directly or indirectly in a foreign country. Nor does it include any funds invested by, or for the operation of, a stock brokerage house, investment company, or a bank. It is contemplated that the Treasury Department will issue guidelines to more fully define the direct investment which will be considered acceptable under this exclusion. In doing so, it is expected that a major consideration to be taken into account by the Treasury Department is the likelihood that a proposed investment here by a foreigner will create new jobs in the United States. As a result, it is expected that the exclusion generally will be applicable only to new investments with respect to which new jobs are being created in the United States. This, of course, means that the purchase of existing facilities generally will not qualify.

The direct investment may be made directly by the foreign issuer or obligor in such assets as plants, machinery, equipment, and supporting production facilities in the United States, or indirectly by a U.S. corporation (controlled by the foreign issuer or obligor) which will make the capital investment in the above-described assets.

Both the House and committee versions of the bill provide that the foreign issuer or obligor must satisfy the Treasury Department that he will meet certain conditions before the exclusion applies to an acquisition of stock or debt obligations. First, generally, he must establish that at least 50-percent of the funds required for the direct investment in the United States will come from foreign sources. (The committee intends that the 50-percent foreign source funds requirement be applied on an issue-by-issue basis. The U.S. source funds are not applied ratably to all the issues of the foreigner in determining if the test is met.)

Second, he must establish that the investment will be for a minimum of a 10-year period.

Third, the foreign issuer or obligor must establish that during that 10-year period the aggregate amount of all of the foreign investments in the United States made by him will, at no time, be reduced below the aggregate amount of all his direct investment in this country, as determined immediately after the investment to which the exclusion applies. For example, if the foreign issuer or obligor had $1 million invested in the United States immediately before the investment to which the exclusion applies, and he makes an additional investment of $2 million in the United States (of which $500,000 came from U.S. sources under this exemption), that foreign issuer or obligor must maintain at least $2 million of investments at all times in the United States during the 10-year period (the $1 million previous investment, the $500,000 of U.S. source funds, and $500,000 of foreign source funds). Minor reductions in this required amount of aggregate investment may be allowed at the discretion of the Treasury Department if they are of a temporary nature.

Fourth, the foreign issuer or obligor must during the 10-year period comply with all other conditions and requirements the Treasury Department prescribes. For purposes of this requirement, it is contemplated that the Treasury Department may prescribe certain requirements for one foreign issuer or obligor which may not be prescribed with respect to another issuer or obligor. For example, if a foreign issuer or obligor has no significant investment in the United States, he may be required to enter into a bond, deposit funds in special bank accounts in the United States, or purchase special Treasury notes in the amount of the interest equalization tax which would be imposed but for this exclusion. However, it is contemplated that once he has established that he has made such a significant investment, such special requirements as these will no longer be imposed. However, other requirements may continue to be imposed where appropriate.

Fifth, the foreign issuer or obligor must establish that during the 10-year period he will submit to the Treasury Department any reports and information required in order to substantiate compliance by him with the preceding conditions. He must also keep sufficient records in the United States to substantiate compliance. After the foreign issuer or obligor satisfies the Treasury Department that he will meet the conditions described above, the stock or debt obligations may be issued. Any acquisition of these stock or debt obligations as part of a new or original issue is excluded from the interest equalization tax.

The committee, while agreeing with the House provision, has made certain minor technical modifications which are discussed below.

Stock issued without payment of additional consideration upon the conversion of a debt obligation (which itself was acquired without liability for the interest equalization tax by reason of the exclusion for original or new issues to finance direct investment in the United States) may also be acquired without liability for the tax. However, stock issued upon the exercise of a warrant is considered as an issue of new stock and must meet all of the requirements of this provision of the House bill.

A debt obligation issued for the purpose of refunding or refinancing a debt obligation which was eligible for this exclusion may be acquired without liability for the tax by reason of this exclusion if the amount of the debt is not increased.

Imposition of tax on failure to comply with conditions.—Both the House and the committee versions of the bill also contain rules providing for the loss of the exclusion in the case of subsequent noncompliance by the foreign issuer or obligor. If the foreign issuer or obligor subsequently fails to comply with any of the conditions applicable to him under this exclusion at any time during the 10-year period, liability for the interest equalization tax will be imposed upon that foreign issuer or obligor at the time his failure to comply occurs. The amount of tax due in the case of noncompliance will be equal to the amount of tax which would have been due (determined as if this exclusion had not applied to the acquisitions) at the time the stock or debt obligations entitled to the exclusion were acquired by U.S. persons as a new or original issue. However, in no case will liability for the interest equalization tax be imposed upon a foreign issuer or obligor under this provision if the tax itself has expired. The amount of tax is to be determined under the rates applicable at the time of the acquisition of the stock or debt obligations as a new or original issue and not at the time of the failure of the foreign issuer or obligor to

comply with the conditions. If the exclusion applied, a United States purchaser of the foreigner's stock or debt obligations will not become liable for the tax because of the failure of the foreign issuer or obligor to comply with the conditions applicable to him.

Penalty for failure to comply with conditions.—If a foreign issuer or obligor fails to comply with the conditions imposed upon him, as described above, both the House and the committee versions of the bill, in addition to any other penalties imposed by law and in addition to the tax imposed upon him by reason of the operation of these provisions, subjects him to a penalty equal to 25 percent of the amount of the tax which is imposed upon him by reason of his failure. This penalty is not to apply if the failure was due to reasonable cause and not due to willful neglect.

In any case in which the interest equalization tax (or any penalty in respect to it) is imposed on the foreign issuer or obligor by reasons of the provisions relating to the exclusion for direct investment in the United States, the usual filing, payment, and other requirements with respect to the interest equalization tax are to apply.

The exclusion for new or original issues of stock or debt obligations for new or additional direct investment in the United States, and the relating provisions, are effective upon the date of the enactment of this bill.

5. Corporations formed to acquire foreign securities (sec. 3(e) of the bill and sec. 4912 (b)(3) of the code).

Under present law, if a domestic corporation or partnership acquires foreign securities, generally, it is subject to the interest equalization tax on those acquisitions. In addition, if it is found that the corporation or partnership is formed or availed of for the principal purposes of acquiring foreign securities, the shareholders or partners are taxed on their stock or interest as if the corporation or partnership was foreign. In this case, a credit for their taxes is given to the corporation or partnership. If an investment company acquires more than a *de minimis* amount of foreign investment, the Internal Revenue Service has held that the entire issue of the shares of the investment company may be subject to the interest equalization tax at the full rate in the hands of the investment company shareholders.

The committee believes that taxation at the shareholder level does not serve a useful purpose, except in limited situations, and creates an unnecessary degree of complexity. Therefore, the committee has amended the House bill to provide that the interest equalization tax is to be imposed at the corporate level, rather than the shareholder level, where all the foreign investments of the domestic corporation were taxable or were exempt from taxation by reason of the exclusions relating to less developed countries, the Canadian exemption, the exemption for prior American ownership and compliance, or as foreign stock treated as domestic. Acquisitions which would be excluded from tax under other provisions, such as the direct investment exclusion, would be taxable under the present rules at the shareholder level with a credit to the corporation.

6. Extension of credit for export financing (secs. 3(f), (e), and (g)(1) of the bill and secs. 4914(c)(1), 4912(b)(3), and 4915(e)(1)(A) of the code).

Under present law, the interest equalization tax does not apply to the acquisition by a U.S. person of debt obligations in connection with certain export credit transactions. This exception is provided in present law in order not to impose an impediment upon the sale or lease of U.S. made goods. These rules vary in scope, however, depending upon the nature of the transaction and the U.S. person acquiring the foreign debt obligation. Thus, for example, a commercial bank may acquire a foreign debt obligation (without liability for the interest equalization tax) arising out of the sale or lease of personal property or services if not less than 85 percent of the amount of the loan is attributable to the sale or lease of U.S. made goods or the performance of services by U.S. persons, if the extension of credit and the acquisition of the debt obligation is reasonably necessary to accomplish the export transaction and the terms of the foreign debt obligations are not unreasonable. Further, any U.S. person may generally acquire a foreign debt obligation which is guaranteed or insured by an agency such as the Export-Import Bank of the United States. There are additional circumstances under which a U.S. person may acquire a foreign debt obligation (without liability for interest equalization tax) in connection with the sale or lease of U.S. made goods or the performance of services by a U.S. person. These additional rules, however, are limited to cases where the U.S. person acquiring the foreign debt obligation, manufactured the goods (or the goods were manufactured by an affiliate of the U.S. person) or the sale or lease was made in the ordinary course of the U.S. person's trade or business, or a debt obligation was first acquired by either the manufacturer or exporter and was later transferred to any other U.S. person.

It has come to the attention of the committee that the limitations in the above rules have prevented some U.S. persons from acquiring foreign debt obligations (without liability for interest equalization tax) in cases where the U.S. person has acquired foreign debt obligations in an export credit transaction which have a favorable balance of trade impact. Therefore, the committee has liberalized the restrictions in these types of situations previously applicable to the acquisition of a foreign debt obligation in connection with an export credit transaction.

Expansion of export credit exemption (sec. 3(f) of the bill and sec. 4914(c) of the code).—The committee's amendment provides that the interest equalization tax is not to apply to the acquisition of a debt obligation of a foreign issuer or obligor arising out of the sale or lease of tangible personal property or services (not including functions performed as an underwriter) if not less than 85 percent of the amount of the loan is attributable to the sale or lease of U.S. made goods (whether or not produced by a U.S. person) or to the performance of services by U.S. persons. In order for this exception to apply, the acquisition of the debt obligation must be reasonably necessary to effectuate the sale or lease of the property or services out of which the debt obligation arises, and the terms of the debt obligation must not be unreasonable in light of the credit practices in the business in which the person selling or leasing the property or services is engaged. In addition, the refunding or refinancing of a debt obligation may qualify for the export credit exemption. In order for the refunding or refinancing to qualify, the amount of the new debt obligation may not exceed the amount of the previous debt obligation. Further, the previous debt obligation must be one which, if it arose at the time of the refunding or refinancing, would qualify for an exemption from the interest equalization tax as an export credit transaction. Finally, the terms of the refunding or refinancing must not be unreasonable in light of credit practices in the business in which the person who is providing the refunding or refinancing is engaged and the refunding or refinancing must be in a transaction in which the refunding or refinancing is not unusual. Thus, for example, if the sale of a ship with a 20-year life was financed by debt obligations having a 5-year life to maturity, the refunding or refinancing of the original debt obligations for an additional 5-year period will qualify for an export credit exemption if the original debt obligation could qualify under the export credit exemption provided in the committee's version of the bill at the time of the refunding or refinancing.

Loans to U.S. persons to finance export transactions (sec. 3(e) of the bill and sec. 4912 (b)(3) of the code).—A domestic corporation or partnership which lends funds to a foreign person may be treated as being formed or availed of for the principal purpose of obtaining funds for a foreign issuer or obligor. However, this loan may be exempt from the interest equalization tax if it is an export credit transaction. It has come to the attention of the committee that if another corporation invests in the stock of, or makes a loan to, this corporation or partnership in order for it to enter into an exempt export credit transaction with a foreign borrower the other corporation may be subject to the tax (since it is treated as acquiring the debt obligation of the foreign borrower).

Accordingly, the committee has amended the House bill to provide that an acquisition which satisfies the requirements of being an export credit transaction and is, therefore, without liability for interest equalization tax is not to be taken into consideration in determining whether a domestic corporation or partnership is formed or availed of for the principal purpose of obtaining funds for a foreign issuer or obligor.

Exclusion for acquisitions by QLFCS to finance exports (sec. 3(g)(1) of the bill and sec. 4915(e)(1)(A) of the code).—Under present law, investments in a QLFC (qualified lending and finance corporation) or domestic lending and financing corporation may not be used to acquire stock or debt obligations of foreign issuers or obligors unless the U.S. person making the investment obtained the funds for his investment from sources outside the United States. The committee does not see why a QLFC or domestic lending and financing corporation should not use domestic funds to acquire a foreign debt obligation when the acquisition arises out of an export credit transaction which is exempt from the interest equalization tax. Accordingly, the committee has amended the House bill to provide that a QLFC or domestic lending or financing corporation may use domestic source funds to lend for qualified export credit transactions or to buy U.S. made goods for leasing outside of the United States.

7. Participating firms trading for their own accounts (sec. 3(h) of the bill and sec. 4918 (e) of the code).

Under present law, there are a number of circumstances under which a participating firm may issue a broker-dealer confirmation indicating that the securities it is selling are exempt from tax. However, present law does not specifically provide for the issuance of a confirmation where a participating firm sells securities it purchased for its own account and pays the tax itself. Regulations dealing with this problem have not been issued since these provisions were enacted in 1967. Despite this, the Treasury Department has indicated in a technical information release that in these situations a confirmation will be considered to be valid. The validity of a confirmation is important mainly because if a firm issues a false confirmation the law provides a penalty of 125 percent of the tax that otherwise would be payable.

The committee has amended the House bill to make it clear that a participating firm may issue a valid broker-dealer confirmation if it sells securities for its own account and pays the tax by the date it would have had to deposit the funds in a separate account if it had been acting for a customer instead of for itself. However, the 125 percent penalty will continue to apply to all tax avoidance cases. Additionally, the rules applicable to these transactions remain unchanged (in-

cluding the rules relating to the requirements of making returns, to the time for filing returns, and to interest and penalties).

Since it is the opinion of the committee that this rule relating to participating firms trading for their own account is declarative of existing law, this amendment to the House bill has been made retroactive to the date of the original adoption of the participating firm rules (i.e., it is to apply to acquisitions of foreign securities made after July 14, 1967).

8. Interest equalization tax refunds (sec. 3(i) of the bill and sec. 4919 and 6611(e) of the code).

Under present law, an underwriter or dealer in securities which acquires foreign securities generally is subject to the interest equalization tax upon that acquisition. However, the firm is generally allowed a credit or refund of the tax to the extent the foreign securities are resold to foreigners. An interest equalization tax return is required to be filed by the firm for each calendar quarter during which it incurs liability for the tax. If the firm does not resell the foreign securities until after the elapse of a 2-day period in the case of stock or a 90-day period in the case of debt obligations, it is required to pay the tax. If the due date for the quarterly return falls in this period, a tax must be paid even though subsequently if it resells the foreign securities to foreigners it may claim a credit or refund of the tax paid. However, under present law, the firm is not entitled to interest on a refund regardless of the length of time the Internal Revenue Service takes to process the claim for refund.

It has come to the attention of the committee that the processing of the types of refunds referred above may in some cases take the Internal Revenue Service up to two years. It is the opinion of the committee that such a delay is excessive. Therefore, the committee has amended the House bill to provide that a firm in this situation is to be entitled to interest on a refund which is not paid within 45 days after the date on which the claim for refund is filed for an overpayment in a prior quarter.

9. Foreign lending or finance businesses (sec. 3(j)(1) of the bill and sec. 4926(a)(3A) of the code).

Present law provides an election for a U.S. corporation which, in effect, exempts it from the interest equalization tax, if it (together with any subsidiaries) is primarily engaged in a lending or finance business (making loans for 48 months or less) through offices located outside the United States and holds itself out in the ordinary course for its foreign lending or finance business as lending money to the public generally. This result is accomplished by permitting the U.S. companies meeting these tests to elect to be treated as foreign corporations for purposes of this tax.

As stated above, in order for the tax not to apply, a U.S. corporation making this election must be "primarily" engaged in a lending or finance business. If a U.S. corporation borrows funds abroad and loans these funds to its foreign subsidiary which makes loans to foreigners, it may be considered "primarily" engaged in the finance business. However, if this procedure is followed, it may in certain circumstances, violate the thin capitalization rules of the Internal Revenue Service. If the thin capitalization rules would be violated by a loan, corporations generally would make an equity investment in the subsidiary in order to provide it new funds with which to operate. On the other hand, if the U.S. corporation makes an equity investment in its foreign lending and finance subsidiary, it may be subject to the interest equalization tax even though only foreign funds are used for this equity investment, since it may no longer be considered as being "primarily" in the lending or finance business.

It is the opinion of the committee that this restriction on the equity investments of electing U.S. corporations in their foreign lending or finance subsidiaries is unduly burdensome and serves no U.S. balance of payments purpose if foreign funds are used for the investment. Therefore, the committee has amended the House bill to provide that a U.S. corporation which would otherwise be treated as primarily engaged in the foreign lending or finance business is to be allowed to make equity contributions to foreign lending and finance corporations which are members of the same affiliated group without being considered not "primarily" engaged in a lending or finance business. Only foreign source funds may be used for this type of investment.

The committee has also amended the House bill to change the rule discussed above providing that in order for a corporation to be considered as primarily engaged in a lending or finance business, it may make only loans of 48 months or less. While this maturity was the trade practice when this provision was originally enacted, it is now the trade practice to regularly make loans for periods of up to 60 months. Therefore, the committee has provided that the 48-month rule be extended to 60 months.

10. Funding of stock options by foreign corporations treated as domestic (sec. 3(j)(2)(A)–(F) of the bill and sec. 4920(b)(2) of the code).

Under present law, certain of foreign corporations are considered as domestic issuers and, thus, the acquisition of their stock by a U.S. person is not subject to interest equalization tax. Generally, if at least 65 percent of the stock of a foreign corporation was held by U.S. persons at the time of the original enactment of the interest equalization tax, or if the stock was principally traded on a U.S. stock exchange and if at least 50 percent of the stock was held by U.S. persons, the foreign stock is treated as the stock of a domestic corporation for purposes of the interest equalization tax. The committee has noted that certain of these specially treated foreign corporations desire to grant their employees an option to buy their stock. If these employee stock options are granted with respect to a new class of stock issued after November 10, 1964, their exercise generally will result in the interest equalization tax being imposed on the acquisition of the stock.

The effect of this provision is to the exempt some option stock from the interest equalization tax while imposing the tax on others, solely on the basis of whether or not the stock was outstanding at the time of the original enactment of the interest equalization.

To remove this difference in treatment, the committee has amended the House bill to provide that stock acquired by U.S. employees upon the exercise of their stock options is to be exempt from the tax where certain conditions are met. These conditions are: (1) the stock must be held (as shown on the records of the corporation) by more than 250 shareholders on the corporation's last record date before either July 19, 1963, or the date of the issuance of the additional shares; (2) the stock must be issued pursuant to an option plan which is not transferable other than by will or similar means and which is exercisable only by the U.S. employee during his lifetime; (3) no stock may be issued to an employee who owns more than 5 percent of the stock of the corporation; and (4) the options granted in a year do not represent more than 1 percent of the outstanding stock of the corporation. This provision applies to stock issued after January 29, 1973, and it includes both stock issued under a qualified stock option plan (under section 422) and under a nonqualified plan. The number of shares of stock is to be adjusted to reflect recapitalizations and stock dividends during the year.

Another related problem presented to the committee involved situations where stock had already been issued to employees after November 10, 1964, under a stock option plan. This stock when acquired by employees who are U.S. persons was subject to interest equalization tax. In such cases the marketability of the stock issued after November 10, 1964, has been seriously restricted since it must bear a legend that it may be subject to the interest equalization tax if acquired by a U.S. person. The committee concluded that it was unfortunate to restrict the sale of the stock in this manner in the case of these U.S. employees. As a result, the committee amended the House bill to provide that stock acquired by an employee upon the exercise of an employee stock option which is issued to the employee by his employer after November 10, 1964, and prior to January 30, 1973, is to be exempt from the tax if the tax was paid in any prior acquisition of the stock in those cases where the stock was issued pursuant to the exercise of an employee stock option. This rule is not needed for stock issued after January 30, 1973, since it is expected that stock (issued pursuant to the exercise of employee stock options) after that date will generally come within the provisions of the stock option rules discussed above.

11. Foreign corporations treated as domestic in reorganizations (sec. 3(j)(2)(G) of the bill and new sec. 4920(b)(2)(F) of the code).

Under present law, a foreign corporation whose stock is treated as domestic stock (meeting the general tests set out in No. 9 above) can issue new stock after November 10, 1964, without payment of interest equalization tax if all of the additional stock is issued in exchange for shares of a domestic corporation which is engaged in the active conduct of a trade or business immediately before the exchange. However, this rule does not apply if the stock is issued for the stock of a foreign corporation. The committee concluded that this rule which distinguishes between stock acquisitions of corporations solely upon the basis of where the acquired corporation is organized, is overly restrictive and can unduly retard the growth of business predominantly owned by U.S. persons.

As a result, the committee has amended the House bill to permit the issuance of stock as consideration for the acquisition of stock of a foreign corporation if immediately after the acquisition the issuer owns more than 50 percent of the stock of the acquired corporation. Alternatively, stock may be issued as consideration for the acquisition of more than 50 percent of the assets of a foreign corporation. It is common for these acquisitions to be effected by using either stock or convertible debt obligations as consideration. Therefore, stock may be issued upon conversion of debt obligations, or in connection with the prior conversion of debt obligations (such as to repay a loan of exempt shares used to convert such debt obligations), which were the consideration for the acquisition of stock or assets.

However, for the tax not to apply if these corporations acquire other corporations in this manner, they must meet the following tests. The acquired corporation must be engaged in the active conduct of a trade or business other than as a dealer in securities, immediately before the acquisition. Further, the stock of the acquiring corporation must have been held by more than 5,000 persons on the corporation's last record date before January 1, 1973. During the period beginning January 1, 1973, and running through the date of the acquisition, the acquiring corporation's stock must have been traded on a U.S. stock exchange, it must have had its principal office in the United States, and it must have been engaged in business in the United States. Additionally, the acquiring corporation must have been actively engaged in a trade or business on July 19, 1963, shares of the class of stock must have been held by

more than 250 shareholders on the corporation's last record date prior to that date, and prior to the issuance of the additional shares the percentage requirement (65 percent or 50 percent) must have been met. Lastly, the corporation may not issue more than 5 percent of its stock for this purpose. In determining whether the 5 percent requirement has been met, the stock issued for the acquisition is added to other stock issued for this purpose during the preceding 5 years. The number of shares issued during the preceding 5 years is to be adjusted to reflect recapitalization and stock dividends during those years.

12. Qualified lending and financing corporation (QLFC) (sec. 3(g)(2) and (j)(3)–(6) of the bill and sec. 4920(d) of the code).

Present law contains a procedure whereby a U.S. person may make a direct investment in a foreign corporation (or in an electing domestic corporation) if certain conditions are met. Corporations which satisfy the conditions are referred to as qualified lending and financing corporations (QLFCs). The conditions which a corporation must meet are: First, the business activities of the corporation must be the making of loans, the acquiring of accounts receivable, the leasing of tangible personal property and the servicing of debt obligations. Second, loans made to foreign persons (and foreign made tangible personal property used in the leasing business) must be made with foreign funds from specified foreign sources. These foreign source funds include loans from unrelated foreign persons, earnings from the foreign lending or financing business, and contributions to capital or as payment for its stock where the funds are derived from the sale of debt obligations by a related company to the specified types of foreign persons. The committee has become aware of the fact that there are a number of limitations as to what a QLFC may do and still retain the exemption from the interest equalization tax. In order to permit a QLFC to finance the sale or lease of U.S. made goods and to compete more effectively with foreign competitors, the committee has made a number of minor modifications which do not adversely affect the U.S. balance of payments.

Exclusion for acquisitions by QLFCs to finance exports (sec. 3(g)(2) of the bill and sec. 4920(d)(2) of the code).—Under present law, a QLFC may use its own domestic earnings to acquire U.S. made goods for leasing outside the United States. However, a QLFC may not use domestic funds to finance the sale of property manufactured in the United States. The committee is of the opinion that the differing results in these transactions cannot be justified. Accordingly, the committee has amended the House bill to permit a QLFC to use domestic source funds to finance the sale of U.S. made goods.

Foreign source borrowing by QLFCs from related corporations (sec. 3(j)(3) of the bill and sec. 4920(d)(2)(A)(iii) of the code).—Under present law, if a QLFC borrows foreign source funds from a related foreign corporation, these funds are treated as being from qualified foreign sources only if the related foreign corporation has given prior notice of its intent to borrow from nonrelated foreign sources and to use these funds to lend to a related QLFC.

The committee believes that these prior notice and tracing requirements are unnecessary where a related commercial bank makes a loan to a QLFC. Furthermore, it is not practicable to trace the source of the funds to the bank's depositors. The committee also believes that these requirements are too restrictive in that they prevent a related commercial bank from lending to a related QLFC which relends the funds to a second related QLFC.

For these reasons, the committee has amended the House bill to permit a related commercial bank to make a loan to a related QLFC without having to comply with the prior notice and tracing requirements. In addition, the committee's bill permits a related QLFC to make a loan to a second related QLFC (currently the second QLFC is generally required to obtain the funds from unrelated sources).

Percentage of stock owned by parent corporations of QLFC (sec. 3(j)(4) of the bill and sec. 4920(d)(2)(B) of the code.—Under present law, a QLFC may only make loans to foreign persons out of the proceeds of the payment for its stock or contributions to its capital, if these proceeds were derived from the sale to unrelated foreign persons of securities by a more than 50 percent related corporation. Therefore, the funds obtained by a QLFC from a 10 percent direct investor in a QLFC may not be loaned to foreign persons. The committee is of the opinion that any investment which qualifies as a direct investment under the interest equalization tax provisions should be able to qualify as a source of funds which may be lent to foreign persons. Accordingly, the committee has amended the bill to reduce the more than 50 percent ownership requirement to a 10 percent or more ownership requirement in determining whether proceeds of the payment for stock or contributions to capital of a QLFC may be lent to foreign persons.

Source of funds for QLFCs (sec. 3(j)(5) of the bill and sec. 4920(d)(1) of the code).—Under present law, a QLFC may obtain foreign source funds by borrowing from related foreign corporations or certain related domestic corporations which are treated as foreign. It would appear that from the standpoint of the effect on our balance of payments an equally acceptable source of foreign funds are funds obtained from a related domestic corporation which obtains these funds from the proceeds of the sale of its debt obligations which the related domestic corporation has elected to be treated as subject to interest equalization tax (these debt obligations are in effect treated as the obligations of a foreign issuer). As a result, the committee has amended the bill to provide that the proceeds from the sale of debt obligations by a domestic corporation which has made an election to treat the debt obligations as foreign is to qualify as a source of funds to be loaned to foreign persons by a QLFC if the proceeds are directly transferred by the foreign lenders to the QLFC. In this case the debt obligations must be sold to unrelated foreign persons.

Equity investments of QLFCs (sec. 3(j)(6) of the bill and sec. 4920(d)(3) of the code).—Under present law, QLFSs generally are not permitted to own stock of other corporations. It has come to the attention of the committee, however, that there are a number of valid business reasons for a QLFC to make an equity investment in another corporation. For example, obtaining the stock of a borrower may be the most effective means a QLFC may have of foreclosing on a loan. Also, a QLFC may need to make an investment in a second QLFC in order to participate in an investment in certain foreign countries. Finally, a QLFC may, as part of a financing transaction, take back shares of a foreign issuer or obligor.

Since foreign funds are used for these acquisitions and they are customary transactions in the lending and financing business, the committee concluded that QLFCs should be able to make these types of investments. Accordingly, the committee amended the bill to provide that a QLFC may (1) make a 10 percent or more equity investment in another QLFC or in a partnership which would generally satisfy the requirements of being a QLFC; (2) acquire stock by foreclosure if the stock is disposed of within a ninety day period beginning on the day after the date of the foreclosure (or such additional 90 day periods as the Treasury Department determines are needed to dispose of the stock); or (3) acquire stock of a foreign corporation if it is in connection with, and incidental to, a financing transaction, but only if the stock does not have a value in excess of 10 percent of the value of the debt obligation and the terms of the debt obligation are not unreasonable in light of the credit practices in the business in which the person acquiring the debt obligation is engaged.

13. Stock dividends by certain mutual funds (sec. 3(j)(7) of the bill and sec. 4920(e) of the code).

Under present law, a qualifying domestic mutual fund which is investing in foreign securities may elect to be treated as a foreign issuer with respect to any acquisition of its stock.

A problem exists in this case where a domestic mutual fund which has elected to be treated as a foreign issuer for purposes of the interest equalization tax issues a stock dividend to shareholders who have the option to receive a cash dividend. In this case, the stock dividend is subject to the interest equalization tax in the hands of the shareholders, since the shareholders are treated as receiving interests in stock in foreign corporations.

Since the availability of such an option to the shareholders does not contribute to any adverse effect on the U.S. balance of payments, the committee amended the House bill to allow stock dividends to be distributed to the shareholders without the imposition of an interest equalization tax in the case of mutual funds which have made the election referred to above.

14. Report by Secretary of Treasury (sec. 4 of the bill).

Under present law, there is an exclusion for new or original issues where the President of the United States determines that the imposition of the interest equalization tax will have consequences for a foreign country which imperil or threaten to imperil the stability of the international monetary system. At the present time an Executive order is in effect determining that the imposition of the interest equalization tax would have such consequences in the case of Canada. Questions have arisen as to whether under this standard there continues to be a need for this exclusion for Canadian issues. As a result, the committee has added a provision to the House bill requiring the Secretary of the Treasury to study the effect of the Canadian exemption on international monetary stability and report to the Congress not later than September 30, 1973. The report is to contain the results of his study and his conclusions as to whether termination would imperil or threaten to imperil the international monetary system, together with any recommendations he may have, including those involving legislation.

Mr. LONG. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and regarded as original text for the purpose of further amendment.

Mr. JAVITS. Mr. President, I shall not object, but I reserve the right to object. The Senator has taken care of any possible amendments to the committee amendments.

I understand from my office that I may have a technical amendment, although I do not know. However, I would greatly appreciate it if the manager of the bill would give me an opportunity to check that out.

Mr. LONG. The Senator's right to offer an amendment to a committee amendment is not prejudiced.

Mr. JAVITS. I understand.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

Mr. LONG. Mr. President, unless we expect the present very bad balance-of-payments situation to get a great deal worse than it is, unless we want interest rates to rise drastically and immediately, then this bill must be passed by the end of March. Otherwise there would be a tendency for American funds to flow out after the end of this month for investment outside of the United States.

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

Mr. PASTORE. Mr. President, I object.

The PRESIDING OFFICER (Mr. BURDICK). Objection is heard. The clerk will continue the call of the quorum.

The legislative clerk continued to call the roll.

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

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

The bill is open to further amendment.

Mr. JAVITS. Mr. President, I sought the floor before, in order to make some brief remarks on the interest equalization tax and especially, as I have entertained the view for a long time and have expressed it time and time again, because the tax is a bad and ineffective way to approach our balance-of-payments difficulties. Those difficulties have already proliferated. They are worse now than ever. The balance of payments which we have today is in worse shape than it was on the occasion of the extension in 1969. The interest rate disparities between the United States and other countries, notably the United Kingdom, Germany, Italy, and others, is still so wide that we are caught in a box. There is very little we can do about it, even though this is a regressive tax.

The important point which I should like to make is that in view of our unhappy balance-of-payments situation, it is very desirable to support considerable investment in the United States. That is what our Government has generally pursued with a very constructive policy on that score.

As I am heavily involved in many of these matters, in a public policy sense, I should like to ask the chairman of the Finance Committee if he would be kind enough to give me his attention and reply to one or two questions.

There has been a great deal of feeling, especially in Europe, that if the United States withholding tax on dividends and interest for foreigners were repealed, there would be an enormous difference in terms of portfolio investment in the United States. At the present time, net foreign purchases of U.S. securities constitute one of the most favorable sectors in our international payments accounts. This suggests, however, that there is a substantial amount of investment which has been put off by the rather considerable "penalty" which the withholding provision represents.

I should therefore like to ask the distinguished Senator from Louisiana (Mr. LONG) whether the consideration of this matter has been or will be a subject of consideration by the Finance Committee. The issue is important at this time, because it is, perhaps, tailor-made to the question whether we would really get an affirmative portion of foreign investment here, which otherwise we would not get, due to a phrasing in the law that way.

Mr. LONG. This matter has been suggested by the chairman of the Ways and Means Committee, Mr. MILLS, and is presently under study by the House Ways and Means Committee. If it can be worked out without serious tax evasion possibilities there is much to be said for it.

Mr. JAVITS. I thank my colleague very much.

Mr. LONG. The problems involved, as the Senator knows, are many, but if they can be resolved, I think we should give it serious consideration.

Mr. JAVITS. Would the Senator from Louisiana agree with me that this be done with a scalpel, that is, with great care, to see that it will result in an improvement in the investment level?

Mr. LONG. If we do not do it carefully, it will provide a windfall to Americans who arrange to have their investment income sent to them abroad. The Senator does not want that, as I am sure I do not.

Mr. JAVITS. Another question I had for the Senator was this: We have tried in a variety of ways to bring about a proposal by the Treasury Department of its own concepts for comprehensive reform of the Internal Revenue System, the so-called tax loophole business. It may be recalled that last year an amendment which I had tried on that score was headed off, as it were, by a commitment from the Treasury Department that it would submit such a plan. Now, so far as I can see, notwithstanding a lot of followup, nothing like that has happened.

Does the Senator still believe that that is desirable? I certainly do think it is, that we should do something and try to get that out of the administration even though we failed the last time on a kind of gentlemen's agreement basis.

Mr. LONG. The administration is committed to making tax reform recommendations. Of course, that matter will be resolved first when these recommendations are sent to the Ways and Means Committee which presently is conducting hearings on the matter. So that I have no doubt we will see, in the next few months, the administration's recommendations in the tax reform area. They have been the subject of considerable discussion.

Mr. JAVITS. I thank my colleague very much. That is very reassuring. I gathered as a corollary to that that the Senator and the committee, at least a majority on the committee, join in the strong feeling that the concepts of a comprehensive tax reform proposal should, in the first instance, come from the administration itself.

Mr. LONG. I certainly would expect the administration to present its views. I am sure that we will be hearing from the administration relative to its recommendations during the next few months.

Mr. JAVITS. I thank my colleague very much, and ask unanimous consent that a copy of my correspondence with Secretary of the Treasury Shultz, on the subject of tax reform, together with other documents useful for developing a legislative history on the subject, be inserted in the RECORD.

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

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 24, 1972.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR JACK: Thank you for your letter of June 8, with respect to the tax reform issue.

I hope your concern that the Administration has taken a negative attitude about this important issue has been dispelled by the President's remarks in his press conference of June 22, 1972. In that press conference, the President made a firm commitment to tax reform. He announced that an intensive Treasury study of tax reform has been under way for some time and that a tax reform proposal will be forwarded to the Congress by the first of next year.

The President has now made a meaningful commitment to over-all tax reform as you suggested. In light of the President's remarks, I do not feel that legislation establishing a one-year tax reform commission along the line of your draft bill would be necessary or desirable. The time of the Treasury tax staff is heavily committed to preparation of proposals in accordance with the President's timetable. It is the Treasury practice to consult with outside experts where consultation would be helpful. However, the appointment of a one-year commission would obviously be inconsistent with our half-year timetable, and would, in any event, be a serious diversion of Treasury energies from its present tax reform program.

I am enclosing a copy of a transcript of the President's press conference for your information.

Sincerely yours,

GEORGE P. SHULTZ.

[The President's News Conference of June 22, 1972]

SCHOOL FINANCING AND TAX REFORM

Q. Mr. President, would you tell us what progress you are making toward keeping your promise about finding a way to relieve property taxes and provide fair and adequate financing for public schools and save the private schools?

The PRESIDENT. First, with regard to the general problem of tax reform, I would like to commend Chairman Mills for the position that he has taken. I had breakfast with him and Congressman Byrnes and with Secretary Connally before I went off to the Soviet Union.

We discussed the problem of tax reform. He is very interested in tax reform. I am interested in tax reform and, of course, I have noticed several candidates that have expressed themselves on this point.

The problem is that tax reform, or tax legislation, in an election year, as Mr. Mills, as one of the most experienced men in this field, and Mr. Byrnes both agree, is simply not a wise course of action. It is hard enough to get a responsible tax law in a non-election year. In an election year it will be totally impossible.

Consequently, I think Chairman Mills' announcement that he will begin hearings on

tax reform legislation early in the next session of the Congress shows high statesmanship. Now we will be ready for those hearings.

Secretary Connally instituted, at my request, an intensive study within the Treasury Department of how we could reform the tax system to make it more equitable and to make it more simple and also to deal with problems like property tax which fall upon 65 million people and therefore are, in my view, unfair.

These studies have gone forward. Considerable progress has been made. Secretary Shultz is continuing these studies and I will make a decision on it prior to submitting the budget and will present recommendations to the next Congress dealing with these issues.

I will not at this time prejudge the various proposals that have been presented before me. Certainly included in that decision will be relief for nonpublic schools. I am committed to that, and the approach of tax credits in this area will be included in that proposal.

Just so that somebody won't say I was trying to duck a hard one here, I know the question of value-added will come up. There has been a lot of speculation about that. Value-added—I have instructed or directed the Secretary of the Treasury, along with my Council of Economic Advisers—can be considered as a possible approach but only if we can find a non-retrogressive formula.

Tax reform should not be used as a cover for a tax increase. Value-added has to be evaluated then under those circumstances.

On final point I will make is that as we move in this area we have to realize that we have had considerable tax reform over the past 3 years. Nine million poor people have been totally removed from the Federal tax rolls. The lower-income taxpayers have had reductions of 83 percent in their taxes since 1969 and middle-income taxpayers have had reductions of 13 percent.

But there are still inequities. One point I particularly emphasize: At a time that we have made some necessary reforms, some of which I have referred to, we have moved in the wrong direction in another way. The tax system, particularly the Federal income tax system, is hopelessly complex. I majored in law school in tax law. As a lawyer I used to do quite a bit of tax work. I naturally don't take the time to make up my own income tax returns now. But when Manolo came in recently and asked me to help him figure out the forms, I had to send him to a lawyer, and when that is the case with a man who is in basically not a high income bracket, then it is time to do something to make the system not only more equitable but make it more simple. It will put some lawyers and accountants out of business, but there are other things they can do.

Q. Are you saying all these proposals won't come until after the first of the year?

The PRESIDENT. We will make the proposals before the first of the year, but they will not be considered by the Congress until after the first of the year.

It would not be fair to the American people, it would not be fair to those, for example, interested in the nonpublic school relief, to suggest that the Congress, in this sort of sputtering, start-and-stop period—I mean, they are stopping next week and they come back for 6 weeks and maybe come back after the Republican Convention and the rest—that it could enact tax reform. It is not going to happen, and I am aware of that.

* * * * *

JAVITS URGES PRESIDENT TO MAKE TAX REFORM REPORT PUBLIC

Mr. JAVITS. Mr. President, on the eve of President Johnson's message on the state of the Union—a message that reportedly will deal directly with the fiscal policy of the United States—I rise to urge him to make public the staff report on tax reform.

Mr. President, an amendment to the tax surcharge bill last year—an amendment I sponsored—called for a report on tax reform by the President before December 31, 1968. When that time arrived, the White House announced that a report on this critical subject would not be made available to the general public and to Congress generally but would be delivered only to the appropriate committees.

Mr. President, once this report is circulated in Congress it must inevitably become public as members of the committees are not bound by a secrecy label on such a document. A vital aspect of the whole situation is the continuance of the 10-percent surcharge in whole or in part and this in turn is affected by what can be gained by tax reform.

I feel that this subject is so important a part of the entire fabric of our economic situation today, that I urge the President to take off the secrecy label and make it public now at the time when he is commenting on the state of our economy and proposing a budget for fiscal year 1970.

A budget without proposals for tax reform would be seriously deficient in one vital aspect—it would ignore the fact that the people who pay have a right to know that if they are to continue to pay more, it is at least equitable.

I ask unanimous consent that a New York Times editorial dated January 10 and a New York Post editorial of the same date, critical of the President's refusal to submit tax reform proposals to Congress, and a January 2, 1969, article from the Wall Street Journal on this subject be printed in the RECORD at the conclusion of my remarks.

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

[From the New York Times, Jan. 10, 1969]

EVADING TAX REFORM

President Johnson has set a deplorable example in this farewell period by refusing to submit his recommendations on tax reform to Congress and the country. When Congress approved the surtax last year, it stipulated that the President send tax reform proposals to Capitol Hill by Dec. 31.

Instead of welcoming the opportunity to provide leadership on this vital issue, Mr. Johnson shied away from it. The Treasury experts prepared a tax message but the President has kept it secret. He did send private copies to the chairmen and ranking members of the State Finance and House Ways and Means Committees. This curious performance was justified as a courtesy to the incoming Nixon Administration which would have to administer any new tax law. But Mr. Johnson's highest obligation is not to the convenience of his successors but to the public which pays these inequitable taxes and which has the right to know in detail what is wrong with them.

Representative Wilbur Mills, chairman of the House Ways and Means Committee, and Senator Russell Long, chairman of the Finance Committee, and their senior Republican colleagues agreed with this under-the-table procedure. Naturally they would. They like to write the tax laws and they prefer as little interference as possible from the President, the Treasury experts, the rank-and-file members of Congress or the general public.

Mr. Mills is once again discussing reforms his committee may initiate, but this provides no grounds for optimism. In the past ten years, Mr. Mills has talked more and done less about tax reform than any man in the history of the Republic.

Taxes meanwhile are about as unfair as they were on April 20, 1961, when President Kennedy sent a tax reform message to Congress. What he said then about the subtle corruption of expense account deductions could well be said of the entire income tax law: "This is a matter of national concern, affecting not only our public revenues, our sense of fairness, and our respect for the tax system, but our moral and business practices as well."

The tax laws bear too heavily upon the poorest people and much too lightly upon many of the wealthy. President Johnson may have refused to submit any proposals publicly to Congress because of the embarrassment of the oil depletion allowance which is so important in his native Texas. The oil depletion allowance is excessive, but there are many other loopholes and inequities which are more important and more technical involving capital gains, estate taxes and depreciation.

Senator Javits of New York is right in insisting that if the White House will not commit itself on tax reform, the very least it should do is make the recommendations of the Treasury available to the ordinary public. The public is going to need all the information it can get if it is ever to win the battle for tax reforms over the opposition of the lobbyists and the Congressional insiders.

[From the New York Post, Jan. 10, 1969]

THOSE LOST "FINDINGS" ON TAX REFORM

It may be a Happy New Year for opponents of federal tax reform; in any event, they had special reason to celebrate on New Year's Eve.

That was the deadline date by which President Johnson was to have submitted his reform recommendations to Congress. There is no doubt that he was under formal, legal obligation to act. An amendment, sponsored by Sen. Javits (R-N.Y.), to last year's tax surcharge act specifically requiring him to send up proposals by Dec. 13.

What he sent instead to Congressional leaders was a sheaf of studies and proposals made by Treasury Dept. staff members. He said: "I have not made any judgment on these staff proposals. They are the technical product of the tax specialists in the department and have not been discussed or examined by me."

It may be that the technical findings are both illuminating and informative guides to legislation, but neither the public nor most Congressmen are in a position to judge. The staff reports and recommendations are still secret.

Sen. Javits has forcefully protested this furtive maneuver and has demanded full public disclosure. "I do not," he says, "see anything but benefit that can come from an open declaration and an open debate." The alternative to both may be indecent burial of important information bearing on tax reform. The President is not necessarily obliged to endorse the findings. But he has no right to "lose" them.

[From the Wall Street Journal, Jan. 2, 1969]

JOHNSON TO PASS MAJOR TAX REFORM PLANS TO NIXON, INSTEAD OF MAKING THEM PUBLIC

WASHINGTON.—President Johnson put a major tax reform effort deeper into limbo by refusing to submit a special message to Congress.

Within a few hours of the New Year's Eve deadline set in the 10% surtax bill enacted last summer, Mr. Johnson made clear in Texas that the reform proposals would be passed privately to key Congressmen and to the Nixon Administration instead of being made public as originally envisioned.

The proposals, according to earlier comments of Treasury officials, were to include a sizable amount of income-tax relief for low-income families offset by tighter tax treatment of corporations and of affluent personal taxpayers.

Among the key restrictive features, it's understood, was to be a minimum tax assuring that no one could entirely escape income

taxes because of receipts from tax-exempt sources such as interest on municipal bonds or because of specially large deductions for charitable donations and the like. Also, Treasury technicians had hoped for a more effective estate and gift tax system and for curbing the tax break some corporations get through having a large number of subsidiaries.

Because of the heavily liberal nature of the proposals and because of their complexity, Treasury strategists appeared doubtful that the Nixon Administration would be inclined to push most of the features very soon or very ardently, if at all.

Mr. Johnson had originally promised a tax-reform message in his economic report of early 1967, but it was withheld to avoid complicating the difficult-enough progress of his surtax proposal in Congress.

EARLIER ASSURANCES

Until quite recently, high officials had continued to give both public and private assurances that the message would be submitted well before the year-end deadline set by Congress.

But in New Year's Eve letters to the Speaker of the House and the President of the Senate, Mr. Johnson advised that tax-reform proposals developed by the Treasury will instead be passed on without recommendation to the Nixon Administration.

This decision was made, he said, with the concurrence of House Ways and Means Chairman Mills (D., Ark.) and Senate Finance Chairman Russell Long (D., La.), whose committees would handle such legislation.

"We believe," the President asserted in his letters, "that in justice to the Administration that will take office within the next month and who will have to live with and administer any legislation passed, it is only appropriate that they have the opportunity to examine carefully and make their judgment on these matters." President-elect Nixon's Treasury Secretary-designate, David Kennedy, also concurred in this decision, Mr. Johnson said, adding that "all data pertaining to this matter will be made available to the incoming Secretary of the Treasury promptly."

The President stressed that he wasn't taking any stand on the proposals, which he said are available to Congress. "These studies and proposals, although reviewed by Secretary Fowler (who resigned the top Treasury post last month), should be viewed primarily as the technical product of the Treasury staff," Mr. Johnson wrote. "I have not received, considered or made any judgments on these staff proposals."

AVAILABLE TO CONGRESS

Rep. Mills said he had been advised that the tax-reform material is available to the appropriate Congressional committees. The ways and means chairman said in a statement that he thought it "desirable for a new Administration to review this material and work out arrangements with the ways and means and finance committees for hearings on these tax proposals at a time convenient to both." He said Sen. Long concurred in this, adding that so did the ranking minority members of the two committees, Sen. John Williams (R., Del.) and Rep. Byrnes (R., Wis.).

The Administration's failure to make public the Treasury proposals drew criticism from Sen. Javits (R., N.Y.), sponsor of the amendment that called for a Presidential tax-reform message by Dec. 31. He noted that while "at least the thinking of the present Administration at the staff level will be available to the appropriate committees and to the new Administration," this "does not comply with the amendment in that it is not the President's report . . ."

Tax reform is so important in relation to fighting inflation and whether to extend the surtax, which is slated to expire June 30, Sen. Javits said, "that members of Congress, financial experts and the public generally ought to have a chance to consider" the Treasury staff proposals. He urged the President allow the report to be made public.

Mr. KENNEDY. Mr. President, I call up my amendment No. 57 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 30, after line 22, insert the following new section:

"SUBMISSION OF PROPOSALS FOR TAX REFORM

"SEC. 5. Not later than 120 days after the date of enactment of this Act, the Secretary of the Treasury shall submit to the Congress proposals for a comprehensive reform of the Internal Revenue Code of 1954."

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

Mr. KENNEDY. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that George Grumbar may have permission to remain on the floor during this debate.

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

Mr. KENNEDY. Mr. President, the amendment at the desk is submitted on behalf of myself and the Senator from Minnesota (Mr. HUMPHREY), and it is a very simple amendment. It covers a subject matter which has been considered a number of times on the floor of the Senate with respect to various tax measures.

The purpose of the amendment is to require the administration to submit a comprehensive program of tax reform for consideration by Congress at the earliest practicable opportunity. The amendment would require the Secretary of the Treasury to submit a tax reform plan to Congress no later than 120 days after the date of enactment of the pending bill to extend the interest equalization tax. Since the current tax expires on March 31, and since the pending bill to extend the tax has already passed the House, it is likely that the bill will be signed into law by the President within a few days. Therefore, under the 120-day provision of the amendment I am introducing, Congress will have the benefit of the administration's proposals for tax reform at the end of July or in early August.

It is long past time for the administration to inform Congress and the American people about its plans on the critical issue of tax reform. The rising popular demand for such reform was a major issue in the 1973 election campaign, and nothing that has happened in the intervening months has diminished the need. If anything, the outcry across the country has increased in the months since election day. Rarely has anyone described the existing feeling more effectively than Phil Stern in the title of his new best-seller, "The Rape of the Taxpayer." The feeling is especially intense today, as millions of taxpayers throughout the Nation enter the final throes of preparing their annual returns to meet the April 15 tax deadline of the Internal Revenue Service.

Responding to the rising tide of popular demand for tax reform, the Committee on Ways and Means of the House of Representatives began an extensive series of hearings on tax reform at the outset of the 93d Congress. So far, the committee has heard literally scores of hours of testimony, extending over many weeks, comprising thousands of pages of evidence by experts on tax reform. Thanks to the leadership and initiative of Chairman MILLS and his committee, a tax reform bill is already beginning to take shape on the horizon of the 93d Congress.

But throughout the preliminary stages of this major debate in Congress, we have not had the benefit of any formal position paper or proposals by the administration. To the extent that we have any indication at all of the administration's position, it is the ominous indication that they stand for no reform at all, but simply a perpetuation of the existing tax system—a system that flouts the basic principle of our progressive income tax, and turns it instead into a swiss cheese of loopholes, incentives, shelters, and safe harbors for the special interests and the few who have the wealth and expertise to profit from such provisions.

The amendment I am offering is an entirely appropriate addition to the pending legislation on the interest equalization tax. At a time when the Federal Government is about to embark on a major extension of a significant existing tax provision, it is especially important that we take the longer view and facilitate a major goal of the 93d Congress, the enactment of comprehensive tax reform.

To me, there could be no more outrageous or unfair distortion of the principle of tax justice than to maintain the many flagrant inequities that now exist in the way our tax laws operate. Congress ought to have the benefit of the administration's views on tax reform, and we ought to have them now, as the debate in Congress and across the country begins to move into high gear.

Often before, as in the surtax debates of 1968 and 1969, the cause of tax reform has been effectively enhanced by coupling it to major tax legislation. We can do no less today, at a time when the need for reform is now more urgent than ever before.

Indeed, in 1968, Congress enacted virtually the identical provision I am proposing today. In the Revenue Expenditure and Control Act passed in June that year, the Senate adopted a floor amendment by voice vote, proposed by the distinguished senior Senator from New York (Mr. JAVITS) requiring the then Democratic administration to submit a program for comprehensive tax reform by the end of the year.

The wisdom of that amendment was amply justified by subsequent events. The tax reform program proposed by the outgoing administration of President Lyn-

don Johnson was a landmark in the history of tax reform in the United States. It laid the groundwork for the omnibus Tax Reform Act of 1969, and was an immense contribution to the debate that year in Congress.

The amendment I propose today is designed to achieve the same result. Let the debate on tax reform go on, but let it go on in an informed and even-handed way, so that Congress can write laws that fairly reflect the mandate of our people for tax reform. Only then will we have a Revenue Code that represents the true interests of all the people, a code that brings real tax justice to every American citizen.

Mr. President, I had raised this issue at the time of the revenue-sharing bill in September of last year, and the floor manager of that bill, the distinguished chairman of the Committee on Finance, indicated to me that he did not feel that the Revenue-Sharing bill was a proper vehicle for such consideration, although he expressed the view at that time that the proposal itself had some merit. So now Senator HUMPHREY and I submit it again, and urge that such proposals be submitted by the administration.

Mr. President, I think all of us are aware that the American people are generally very concerned about the issue of tax equity, and appropriately so. The House of Representatives is already deeply involved in a very extensive review of the whole tax system in this country, and we know that sometime in the not too distant future, the Committee on Finance will also concern itself with this issue. It is only appropriate that we have the best judgment of the administration, too, so that Congress and the American people will understand the administration's position on these important measures. So this proposal follows a pattern that has been accepted in the past. I think it is a matter which is extremely important.

I feel that the administration should welcome this concern and initiative by Congress in trying to obtain its ideas and give its proposals the due consideration which they should appropriately receive. I hope that the committee will be able to take this amendment to conference.

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

Mr. KENNEDY. I yield.

Mr. JAVITS. I think this really should be bipartisan, and I hope other Senators might join. It is a matter I have pursued for a long time, as the Senator has so gracously said, and I would like the Senator to add my name as a cosponsor of the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the name of the Senator from New York be added as a cosponsor of the amendment.

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

Mr. HUMPHREY. Mr. President, I am joining the Senator from Massachusetts (Mr. KENNEDY) in sponsoring this tax reform amendment. The amendment we are proposing today is simple. It directs the President of the United States to submit to Congress proposals for the comprehensive reform of the Tax system within 120 days.

That is all it does. It does not mention any specific loopholes.

It just says, plainly and simply, "Mr. President, give the Congress the benefit of your thinking on tax reform."

I note that the President is very willing to give us the benefit of his thinking on spending, and the reform of the congressional budgetary process. Mr. Nixon has proposed a spending ceiling. He has proposed modifications in the way Congress examines the budget.

That is his right.

All of us need to be concerned about fiscal responsibility. But may I suggest that there are two sides to fiscal responsibility.

The first begins with the President's own budget proposals: For 4 years now, the President has sent a budget to Congress filled with deficits—more than $100 billion of deficits in 4 years. I do not know how fiscally responsible that is. But I do know that Congress has cut those budgets by $20 billion in the last 4 years. I call that fiscal responsibility.

The other side to the fiscal coin is taxes and tax justice.

Mr. President, there is no doubt about it. The tax system of this country is out of joint. It tilts toward the big corporations and the special interest.

Last fall, the American people were treated to a parade of administration spokesmen saying that the administration would soon have a tax reform plan of its own.

Treasury Secretary Shultz on September 1 said that the "Administration was working on a tax reform plan of its own."

On October 10, 1972, John Ehrlichman said:

> We are going to propose to the next Congress a plan that will relieve, that will start down the road of reducing the burden of property taxes.

Consequently, in June of last year President Nixon said:

> We will make the proposals before the first of the year, but they will not be considered by the Congress until after the first of the year.

It is now March of 1973. The House Ways and Means Committee is presently holding hearings on tax reform. April 15, tax day, is quickly approaching, and still there is no plan, no proposal, no legislation from the Nixon administration.

In fact, there is just the opposite. The Nixon administration has begun a concerted drive to diminish support for tax reform.

About 2 weeks ago, Presidential Counselor John Ehrlichman stated on nationwide television that tax reform would mean working Americans would lose their personal deductions and deductions for home taxes and mortgage interest.

Mr. President, that may be the administration's view of tax reform. If it is, then the President should send Congress legislation that removes these types of deductions. I am certain the Congress would be very interested in such a proposal.

But the fact is that the administration has not made any proposals.

As every working man and woman knows, injustice runs throughout our tax system:

In 1969, corporate taxes amounted to 20 percent of the total revenue of the United States. By 1974, that percentage was reduced to 15 percent.

The Nixon Revenue Act of 1971 gave business a 9–to–1 advantage over individuals as far as tax relief was concerned.

In 1970, over 100 Americans with incomes of over $200,000 paid no income tax.

In 1970, the Nation's 20 largest oil companies paid an average tax of 8.7 percent; that is less of a rate than a workingman making $8,000 a year pays.

Payroll taxes have increased from 21 percent of the total governmental revenues in 1969 to 31 percent in 1970.

The profits for big business rose to over $50 billion last year, all at a time when corporate taxes were going down and down.

Some major U.S. corporations pay more in taxes to foreign countries than they do to the U.S. Treasury.

Mr. President, this is what the average workingman sees in our tax system: unfairness, injustices, unevenness.

That is what we must try to correct. We can do so in a responsible manner. We can do so in a way that preserves the driving engine of private enterprise while at the same time injecting an element of fairness into the Internal Revenue Code.

And, Congress and the President should work together in this endeavor.

That is why I am cosponsoring this amendment today. We need to know the President's thinking. We want his counsel. We want his advice. He should be willing to give it to us without any direction by Congress. That is surely the responsible way to legislate and run a government.

We need and ask some indication of support for tax reform by the President.

Mr. LONG. Mr. President, I have discussed this matter with the Senators sponsoring the amendment, and I am willing to take it to conference, and I hope the House will accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LONG. Mr. President, I call up a series of clerical amendments to this measure and ask unanimous consent that they be considered as one amendment. They are purely of a perfecting nature.

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

The amendments will be stated.

The legislative clerk read as follows:

On page 2, line 21, strike "1972" and insert "1973".

On page 6, line 9, strike "December 31, 1972" and insert "January 29, 1973".

On page 8, line 5, strike "ship" and insert "vessel".

On page 8, line 14, strike "ship" and insert "vessel".

On page 8, line 21, strike "ship" and insert "vessel".

On page 14, line 13, strike "complies" and insert "continues to comply".

On page 14, line 15, before the period insert a comma and the following: "for the full 10-year period".

On page 20, line 9, before "Section 4920 (d) (2)" insert "Definition of QLFC amended.—".

On page 21, line 14, before "Section 6611" insert "Grace period for prompt refunds.—".

On page 23, line 4, after the comma insert "or its parent or subsidiary corporation,".

On page 23, line 5, strike "such corporation" and insert "any such corporations".

On page 29, strike line 18, and insert "allow), or".

The PRESIDING OFFICER. Without objection the amendments are agreed to. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BUCKLEY. Mr. President, today the Senate has an opportunity to divest the statute books of one of the more futile exercises in capital controls ever invented; namely, the interest equalization tax. This measure was established as a temporary measure in the early 1960's to slow down the deterioration in the U.S. balance of payments without the painful process of altering the exchange rate. This program, the interest equalization tax, was a failure in its own right, and it led to more stringent controls; namely, the foreign direct investment and voluntary foreign credit restraint program.

I think it would be useful to quote from the "International Economic Report of the President" transmitted to the Congress last week. This report by the President emphasizes the utter ineffectiveness of the interest equalization tax and related capital controls to effect the desired change in the balance of payments.

The VFCR, the IET, and the FDIP were established as temporary measures in the early 1960s to assist our balance of payments by restricting financial outflows resulting from US direct investment abroad, portfolio investment in foreign stocks and bonds, and commercial bank lending abroad. In retrospect, the direct favorable influence of these capital control measures on the overall payments balance may have been only marginal. Moreover, to the extent that they did work, they may have had a longer term negative effect of delaying the more fundamental adjustments which were needed and finally undertaken in 1971. They have also imposed an administrative burden on both private business and the Federal Government.

One reason controls may not achieve their intended effect on the overall payments balance is that restrictions on financial flows can have off-setting effects on other components of the balance of payments. For example, a restriction of financial flows abroad may lower the investment component of the balance of payments, but it also may lower exports because foreigners cannot obtain dollar financing abroad. Thus, to some extent, the overall payments balance effect is neutralized.

The restrictions also had another effect which worked to neutralize their intended impact. Since foreign corporations desired to borrow dollars, they issued dollar-denominated debt in the Eurobond market, or borrowed in the Eurodollar markets. Foreigners who had dollars and wanted to invest in dollar-denominated securities then could invest in the Eurobond and Eurodollar market instead of in the US security markets. As a result, foreign investment in the United States was lower than it otherwise would have been because of the restriction, thus offsetting the balance of payments effect of the controls.

Now that the United States has demonstrated a willingness to change the exchange rate, this more straightforward method of controlling imbalances in the balance of payments should replace a jury rigged capital control system.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Maine (Mr. MUSKIE), the Senator from Alabama (Mr. SPARKMAN), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Wyoming (Mr. HANSEN) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Maryland (Mr. MATHIAS). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Maryland would vote "nay."

The result was announced—yeas 83, nays 3, as follows:

[No. 67 Leg.]

YEAS—83

Abourezk	Cranston	Javits
Aiken	Curtis	Kennedy
Allen	Dole	Long
Baker	Domenici	Magnuson
Bartlett	Eagleton	Mansfield
Bayh	Eastland	McClellan
Beall	Ervin	McGee
Bellmon	Fannin	McGovern
Bennett	Fong	McIntyre
Bentsen	Gravel	Metcalf
Bible	Griffin	Mondale
Biden	Gurney	Montoya
Brock	Hart	Moss
Burdick	Hartke	Nelson
Byrd, Harry F., Jr.	Haskell	Nunn
Byrd, Robert C.	Hatfield	Packwood
Cannon	Hathaway	Pastore
Case	Helms	Pearson
Chiles	Hollings	Pell
Church	Hruska	Percy
Clark	Hughes	Proxmire
Cook	Humphrey	Randolph
Cotton	Inouye	Ribicoff
Saxbe	Jackson	Roth
Schweiker	Stafford	Talmadge
Scott, Pa.	Stevens	Tower
Scott, Va.	Stevenson	Weicker
	Symington	Young

NAYS—3

Buckley	Dominick	McClure

NOT VOTING—14

Brooke	Johnston	Taft
Fulbright	Mathias	Thurmond
Goldwater	Muskie	Tunney
Hansen	Sparkman	Williams
Huddleston	Stennis	

So the bill (H.R. 3577) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BENNETT. Mr President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I move that the Senate insist on its amendments and requests a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. TALMADGE, Mr. HARTKE, Mr. BENNETT, and Mr. CURTIS conferees on the part of the Senate.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

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

A resolution adopted by the City Council of Holland, Michigan, expressing appreciation for the passage of the General Revenue Sharing bill. Ordered to lie on the table.

A resolution adopted by the City Council of Holland, Michigan, relating to revenue sharing. Referred to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, with amendments:

S. 352. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service (Rept. No. 93-91), together with separate views.

Mr. FONG. Mr. President, I am filing minority views on S. 352, however, those views are not ready to be filed yet.

I ask unanimous consent that I be allowed to file my minority views at a later date, probably tomorrow, and that those minority views be printed as part II of the report on S. 352.

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

Mr. ROBERT C. BYRD subsequently said: Mr. President, I have been requested by the distinguished Senator from Wyoming (Mr. McGEE) to make the following unanimous-consent request: He has reported the bill S. 352, with an amendment, from the Committee on Post Office and Civil Service today. On his behalf, I ask unanimous consent that the views of Mr. FONG, which are not yet available, but are to be submitted with

the report, be printed as a part of the report on S. 352.

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

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 1235. A bill to amend Public Law 90–553 authorizing an additional appropriation for an International Center for Foreign Chanceries (Rept. No. 93–92).

REPORT ENTITLED "REPORT OF ACTIVITIES DURING THE 92D CONGRESS"—REPORT OF A COMMITTEE

(S. REPT. NO. 93–89)

Mr. MOSS. Mr. President, in accordance with the requirement established by section 136(b) of the Legislative Reorganization Act of 1946, as amended, I submit the attached report on the activities of the Senate Committee on Aeronautical and Space Sciences during the 92d Congress. The report was agreed to without objection by the Committee.

The PRESIDING OFFICER. The report will be received and printed.

REPORT ENTITLED "OPERATION OF ARTICLE VII, NATO STATUS OF FORCES TREATY"—REPORT OF A COMMITTEE

(S. REPT. NO. 93–90)

Mr. ERVIN, from the Committee on Armed Services, submitted a report entitled "Operation of Article VII, NATO Status of Forces Treaty," which was ordered to be printed.

REPORT ENTITLED "LEGISLATIVE REVIEW DURING THE 92D CONGRESS BY THE SENATE COMMITTEE ON RULES AND ADMINISTRATION"—REPORT OF A COMMITTEE

(S. REPT NO. 93–93)

Mr. CANNON, from the Committee on Rules and Administration, submitted a report entitled "Legislative Review During the 92d Congress by the Senate Committee on Rules and Administration," which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. FANNIN (for himself, Mr. HANSEN, and Mr. DOMINICK):

S. 1370. A bill to amend the Internal Revenue Code of 1954 to facilitate acquisition of ownership of private enterprises by the employees of such enterprises. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 1371. A bill to require the Secretary of Agriculture to call a hearing in a milk market order area upon petition of producers. Referred to the Committee on Agriculture and Forestry.

By Mr. CHILES:

S. 1372. A bill to establish the Spessard L. Holland National Seashore in the State of Florida, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 1373. A bill for the relief of Mr. Conegundo A. Echivarre; and

S. 1374. A bill for the relief of Miss Such Shih Lo. Referred to the Committee on the Judiciary.

By Mr. HART:

S. 1375. A bill to provide adequate mental health care and psychiatric care to all Americans. Referred to the Committee on Labor and Public Welfare.

S. 1376. A bill to preserve the Office of Economic Opportunity. Referred to the Committee on Labor and Public Welfare.

By Mr. FULBRIGHT (by request):

S. 1377. A bill to amend the law authorizing the President to extend certain privileges to representatives of member states on the Council of the Organization of American States. Referred to the Committee on Foreign Relations.

By Mr. MOSS (for himself and Mr. HART):

S. 1378. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision. Referred to the Committee on Post Office and Civil Service.

By Mr. BAKER:

S. 1379. A bill to authorize further appropriations for the Office of Environmental Quality, and for other purposes. Referred to the Committee on Public Works.

By Mr. PERCY (for himself and Mr. STEVENSON):

S. 1380. A bill to change the name of the Indiana Dunes National Lakeshore to the Paul H. Douglas National Lakeshore. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT (for himself, Mr. ABOUREZK, Mr. BELLMON, Mr. BENTSEN, Mr. COOK, Mr. DOLE, Mr. DOMINICI, Mr. EAGLETON, Mr. FANNIN, Mr. GURNEY, Mr. HANSEN, Mr. MANSFIELD, Mr. MCCLELLAN, Mr. MCCLURE, Mr. NUNN, Mr. PEARSON, Mr. SPARKMAN, Mr. TALMADGE, and Mr. HOLLINGS):

S. 1381. A bill to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 1382. A bill for the relief of Maria Helena de Souza;

S. 1383. A bill for the relief of Magdalena Pisga Mulato. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1384. A bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 1385. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

S. 1386. A bill to authorize appropriations for the saline water program for fiscal year 1974, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. TALMADGE:

S. 1387. A bill to amend section 204 of the Agricultural Act of 1956. Referred to the Committee on Agriculture and Forestry.

By Mr. TALMADGE (for himself, Mr. EASTLAND, Mr. MCGOVERN, Mr. ALLEN, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. CLARK, Mr. CURTIS, Mr. BELLMON, and Mr. DOLE):

S. 1388. A bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research. Referred to the Committee on Agriculture and Forestry.

By Mr. INOUYE:

S. 1389. A bill to amend the Service Contract Act of 1965 to extend its geographical coverage to contracts performed on Canton Island. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON:

S. 1390. A bill to authorize a national policy and program with respect to wild predatory mammals; to prohibit the poisoning of animals and birds on the public lands of the United States; and to regulate the manufacture, sale, and possession of certain chemical toxicants, for predator control purposes. Referred to the Committee on Commerce.

S. 1391. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Wisconsin River for potential addition to the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONDALE:

S. 1392. A bill to establish a ceiling on expenditures for the fiscal year 1974 and to provide procedures for Congressional approval of action taken by the President to keep expenditures within the ceiling. Referred to the Committee on Government Operations.

S. 1393. A bill for the relief of Gloria Borja Tan. Referred to the Committee on the Judiciary.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 1394. A bill to authorize the acquisition of lands within the Vermejo Ranch, N. Mex. and Colorado, for addition to the national forest system, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. RANDOLPH:

S. 1395. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails. Referred to the Committee on Post Office and Civil Service.

By Mr. HELMS:

S. 1396. A bill for the relief of Ricardo A. and Clina Kostner. Referred to the Committee on the Judiciary.

By Mr. FULBRIGHT (for himself and Mr. MCCLELLAN):

S. 1397. A bill authorizing the Secretary of Agriculture to carry out a program providing for the inspection of fish produced on fish farms in the United States. Referred to the Committee on Commerce.

By Mr. FULBRIGHT (by request):

S. 1398. A bill to authorize the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines funds for making payments on certain pre-1934 bonds of the Philippines, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. KENNEDY (for himself, Mr. HATHAWAY, and Mr. MUSKIE):

S. 1399. A bill to establish the Olson Home, Cushing, Maine, as a national historic site. Referred to the Committee on Interior and Insular Affairs.

By Mr. HRUSKA (for himself and Mr. MCCLELLAN):

S. 1400. A bill to reform, revise, and codify the substantive criminal law of the United States; to make conforming amendments to title 18 and other titles of the United States Code; and for other purposes. Referred to the Committee on the Judiciary.

S. 1401. A bill to establish rational criteria

for the mandatory imposition of the sentence of death, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HARTKE:

S. 1402. A bill to establish a Federal program to encourage voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors. Referred to the Committee on Labor and Public Welfare.

By Mr. SCHWEIKER (for himself, Mr. BAKER, Mr. CANNON, Mr. EASTLAND, Mr. PASTORE, and Mr. SCOTT of Pennsylvania):

S.J. Res. 84. Joint resolution proposing an amendment to the Constitution of the United States with respect to prayer in public buildings. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FANNIN (for himself, Mr. HANSEN, and Mr. DOMINICK):

S. 1370. A bill to amend the Internal Revenue Code of 1954 to facilitate acquisition of ownership of private enterprises by the employees of such enterprises. Referred to the Committee on Finance.

Mr. FANNIN. Mr. President, on behalf of myself, Mr. HANSEN, and Mr. DOMINICK, I introduce a bill to amend the Internal Revenue Code and ask that it be appropriately referred.

This legislation is designed to facilitate the expanding of the capital ownership base of the U.S. economy, beginning with the employees of U.S. corporations which account for over 80 percent of the goods and services produced by the private sector.

Today there is vital need for revitalization of the free enterprise system. We need to create incentives that will rekindle the work ethic in America.

You may be familiar with some of the unhappy statistics:

The fact that more people draw money from the Government for not working today than during the depression;

The fact that General Motors estimates that absenteeism costs the company more than $50 million annually in fringe benefits alone;

The fact that some workers purposely sabotage the assembly lines they work on;

The fact that too many workers have no pride in the product they are turning out.

We obviously have a problem that threatens our national well-being and our ability to remain competitive in world trade.

We have been told that the alienation of youth and the general frustration of many Americans today is the inevitable result of the capitalist or free enterprise system. In the past, the solution to every problem is to create more bureaucracy, to provide more government control, to dilute the capitalist system.

This attitude has prevailed in the Congress now for the better part of four decades; and as a result we have found that we have inflation, unemployment, and an apparent lack of national determination or purpose.

Mr. President, the amendments to the Internal Revenue Code contained in this bill would allow for the expansion and development of corporate financing techniques called employee stock ownership plan—ESOP—which are successfuly being employed by a growing number of corporations.

One of the major problems in the current economic scheme is the manner in which corporations obtain new financing. In most cases a corporation will borrow money to buy new productive machinery. When the loan is paid off, it means usually that the book value of the outstanding stock has increased. This indirectly benefits the old stockholders, or the established capitalists, but does not in itself add any new stockholders.

Today when corporations issue new stock to finance their expansion, this stock is usually purchased by the already established capitalists. Lower and middle class Americans simply do not have the excess income to make large investments in stock.

Under this bill, corporations would have new incentives to obtain their new financing through employee trusts.

The existing ESOP plans incorporate the use of a deferred compensation trust—technically a stock bonus trust—into the financing process itself. Under one ESOP technique, the trust borrows funds to invest in the employer corporation. This instantly makes the employees beneficial owners of the corporation's stock, subject only to the trust's paying off the loan. The employer corporation obligates itself to make annual payments into the trust in amounts sufficient to amortize the debt out of tax-deductible dollars.

The tax deduction makes it possible for the corporation to build greater capital ownership into employees than it otherwise could, and the cost of financing its growth is about the same as if it conventionally borrowed and repaid—as to principal—in after-tax dollars After the employer's stock has been paid for in this manner, the trust can, if desired, be diversified by tax-free exchanges of stock for other securities, or by a public offering out of the trust

In order to facilitate the use of ESOP financing methods by business by linking the day-to-day performance of work by employees and the day-to-day growth and operation of business, the bill modifies the Internal Revenue Code as follows:

First. Provides that a qualified employee benefit trust shall have the tax characteristics of a charitable organization for purposes of income, estate, and gift taxes.

Second. Provides a tax deduction to corporations for the amount of dividends which they pay on stock held by qualified profit-sharing or stock bonus plan trusts, provided that the dividends are promptly paid over to the employees covered by the plan.

Third, Provides for an increase from 15 percent to 30 percent in the percentage limitation on the maximum annual tax-deductible contribution that can be made to a qualified employee benefit trust

Fourth. Provides an additional tax deduction for a corporation making a contribution to a qualified profit-sharing or stock bonus trust where the trust pays off indebtedness incurred to purchase stock of the corporation. The amount of the special deduction would be 50 percent of the principal amount of the indebtedness paid by the trust during the taxable year of the corporation.

Mr. President, the most important aspects of the ESOP financing technique are:

The loan is made not directly to the corporation, but to a specially designed ESOP that qualifies as a tax-exempt employee stock bonus trust under section 401(a) of the Internal Revenue Code. Such trusts normally cover all employees of the corporation and their relative interests are proportional to their relative annual compensation—however defined—over the period of years that the financing is being paid off. The trusts are normally under the control of a committee appointed by management and its membership may include labor representatives.

The committee invests the proceeds of the loan in the corporation by purchasing newly issued stock at its current market value.

The trust gives its note to the lender, which note may or may not be secured by a pledge of the stock. If it is so secured, the pledge is designed for release of proportionate amounts of the stock each year as installment payments are made on the trust's note to the lender and the released stock is allocated to participants' accounts.

The corporation issues its guarantee to the lender assuring that it will make annual payments into the trust in amounts sufficient to enable the trust to amortize its debt to the lender. Within the limits specified by the Internal Revenue Code, such payments are deductible by the corporation as payments to a qualified employee deferred compensation trust. Thus the lender has the general credit of the corporation to support repayment of the loan, plus the added security resulting from the fact that the loan is repayable in pretax dollars.

Each year as a payment is made by the corporation into the ESOP, there is allocated proportionately among the accounts of the participants in the trust a number of shares of stock proportionate to the partiicpant's allocated share of the payment. Special formulas have been designed to counteract the relatively high proportion of early amortization payments used to pay interest and the relatively high proportion of later amortization payments used to repay principal.

As the financing is completed and the loan paid off, the beneficial ownership of the stock accrues to the employees. Most trusts are designed to permit the withdrawal of the portfolio in kind, subject to vesting provisions, either at termination of employment, or at retirement. However, it is desirable to so design the ESOP that any dividend income on shares of stock that have been paid for by the financing process and are then allocated to the employees' accounts, be distributed currently to the employee-participants, thus giving them a second source of income.

Diversification of the trust can be

achieved after a particular block of stock has been paid for by exchanging the stock, at fair market value, for other shares of equal market value. Since the trust is a tax exempt entity, such diversification is without tax impact.

The ESOP financing technique properly uses the qualified deferred compensation trust to give the employee a means of legitimately buying and paying for capital as a function of enabling the corporation to finance its growth and the acquisition of assets, and motivating its employees, it can properly be said that what the employee receives is not compensation in the sense of pay for labor at all. He is being provided with a means of buying stock through the device of a deferred compensation trust, coupled with a commitment by the corporation—usually to a third person—to pay what amounts, in economic theory, to a pretax preferential dividend to employee buyers who are being so financed. The justification from the standpoint of the corporation, for making such an economic preferential dividend is that it wishes to take advantage of the acquisitive instinct of employees in order to motivate them, not only to work harder, but to insist upon their fellow workers also working harder and to use every effort to achieve cost savings. The employee, in short, is by the ESOP financing technique, put in a position where what he does, and what his fellow workers do, affects the value of his capital holding. No better motivational device can be conceived.

The concern about the problems of worker alienation that abound in our society today turn primarily on the fact that most work in America does not make a man rich. To be rich means to own income producing capital. A man who merely has high wages or a high salary, dissipated by the high cost of living and high taxes, an income that will terminate the instant he stops performing personal productive toil, is not rich, no matter what income he receives. The most important type of job enrichment is simply enrichment.

Through the use of ESOP financing, the corporation can obtain low cost capital, not on a short term basis, but on a long term basis, after the tax savings, and the yield of that savings retained in the corporation, has restored the temporary earnings dilution. Corporations need, but heretofore have never had, a way to raise the incomes of employees without raising their costs. Whether the yield of the capital represented by the stock acquired by the ESOP trust is accumulated in part in the corporation, or accumulated in the trust, or passed through the trust into the employees' pockets, such income is for the exclusive benefit of the employee participants in the trust. The employees either gain current income, or current capital appreciation, or capital accumulation, or any two or all three of these from the moment they acquire beneficial ownership of the stock. Absent this unique arrangement, so long as we have rising costs of living, rising taxes—which need no documentation—and reasonably rising expectations, employees have no possibility, if we are realistic, of avoiding frustration except to demand progressively more pay for the same, or very often for less work input.

By planning in advance to build a reasonable share of the ownership of the corporation's growth into the labor force, management puts the employees in a position where their economic security and future income growth can occur without their demanding more and more pay for the same, or for less work. Thus every reason that management has historically used to avoid the class conflict approach to labor relations justifies ESOP financing from the corporation's standpoint. ESOP financing attacks the causes of inflation by enabling the employee to build his economic security without demanding progressively more pay for progressively less work, the force that has powered the engine of inflation for 40 years or more.

Thus, Mr. President, the benefits of providing every worker a chance to participate in the ownership of capital are enormous:

It spreads the base of capitalism.

It motivates productivity.

It increases income and purchasing power.

It could minimize unemployment and welfare.

It raises the tax base.

It eliminates causes of inflation.

And it provides adequate retirement income.

Mr. President, I ask unanimous consent that the full text of the bill be placed in the RECORD at the conclusion of my remarks.

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

S. 1370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170(b)(1)(A) of the Internal Revenue Code of 1954 (relating to percentage limitations on the deduction for charitable contributions by individuals) is amended—

(1) by striking out "or" at the end of clause (vii),

(2) by inserting "or" at the end of clause (viii), and

(3) by inserting after clause (viii) the following new clause:

"(ix) a trust described in section 401(a),".

(b) Section 170(c) of such Code (relating to definition of charitable contribution) is amended by inserting after paragraph (5) the following new paragraph:

"(6) A trust described in section 401(a) (other than a trust created by the taxpayer or by a corporation which, directly or indirectly, controls or is controlled by the taxpayer or the person or persons who control the taxpayer) if, pursuant to the terms of the trust or a condition of the contribution, no part of the contribution may be allocated to or held for the benefit of the taxpayer, or if the taxpayer is an individual, the taxpayer's spouse, children (including legally adopted children), grandchildren, or parents, or any person who owns 50 percent or more in value of the stock of the corporation that created the trust, or, if the taxpayer is a corporation, any shareholder who owns, directly or indirectly, 50 percent or more in value of the stock of the corporation, or, in the case of a partnership, estate, or trust, any partner or beneficiary thereof."

(c) Section 2055(a) of such Code (relating to the reduction for transfers for public, charitable, and religious uses in computing the taxable estate) is amended—

(1) by striking out "or" at the end of paragraph (3),

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) to a trust described in section 401(a) if, pursuant to the terms of the trust or a condition of the contribution, no part of the contribution may be allocated to or held for the benefit of the decedent's spouse, children (including legally adopted children), grandchildren, or parents, or any person who owns, directly or indirectly, 50 percent or more in value of the stock of the corporation that created the trust."

(d) Section 2522(a) of such Code (relating to the deduction for charitable and similar gifts in computing taxable gifts) is amended—

(1) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) a trust described in section 401(a) if, pursuant to the terms of the trust or a condition of the contribution, no part of the contribution may be allocated to or held for the benefit of the donor, his spouse, children (including legally adopted children), grandchildren, or parents, or any person who owns, directly or indirectly, 50 percent or more in value of the stock of the corporation that created the trust."

(e) The amendments made by subsections (a), (b), and (d) shall apply only with respect to contributions or gifts made after the date of the enactment of this Act. The amendment made by subsection (c) shall apply only with respect to estates of decedents dying after such date.

SEC. 2. (a) Part VIII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to special deductions for corporations) is amended by adding at the end thereof the following new section:

"SEC. 251. DIVIDENDS PAID ON STOCK HELD BY CERTAIN QUALIFIED EMPLOYEE TRUSTS.

"(a) GENERAL RULE.—In the case of a corporation, there shall be allowed as a deduction the amount of any qualified dividend paid during the taxable year by the corporation on its stock.

"(b) QUALIFIED DIVIDEND DEFINED.—For purposes of subsection (a), a dividend paid by a corporation shall be a qualified dividend if—

"(1) the stock with respect to which the dividend was paid was held on the record date for such dividend by a trust which forms part of a profit-sharing or stock bonus plan described in section 401(a), and

"(2) the dividend is paid by the trust to the employees who are covered by such plan during the year in which it is received by the trust in the proportion in which such dividend is to be allocated to the employees under the plan."

(b) The table of sections for such part is amended by adding at the end thereof the following new item:

"Sec. 251. Dividends paid on stock held by certain qualified employee trusts."

(c) The amendments made by this section shall apply only with respect to dividends paid after the date of the enactment of this Act.

SEC. 3. (a) Section 404(a)(3)(A) of the Internal Revenue Code of 1954 (relating to the limitation on the deduction for contributions to profit-sharing and stock bonus trusts) is amended by striking out "15 percent" each place it appears and inserting in lieu thereof "30 percent".

(b) Section 404(a)(7) of such Code (relating to the limitation on the deduction for contributions to more than one trust) is amended by striking out "25 percent" and inserting in lieu thereof "50 percent", and by striking out "30 percent" and inserting in lieu thereof "50 percent".

(c) The amendment made by this section shall apply only to taxable years beginning after the date of the enactment of this Act.

SEC. 4. (a) Section 404 of the Internal Revenue Code of 1954 (relating to deduction for contributions of an employer to an employees' trust) is amended by adding at the end thereof the following new subsection:

"(g) Additional Deduction for Certain Contributions—

"(1) General rule.—If contributions are paid by an employer under a plan described in subsection (a)(3) under which such contributions are to be used for the purpose of paying stock acquisition indebtedness of the trust, there shall be allowed, in addition to the deduction allowed under subsection (a), a deduction equal to 50 percent of the amount of the stock acquisition indebtedness paid by the trust during the taxable year.

"(2) Stock acquisition indebtedness defined.—For purposes of paragraph (1), the term 'stock acquisition indebtedness' means the principal amount of any indebtedness of the trust incurred in connection with—

"(A) a qualified stock purchase by the trust of stock of the employer, and

"(B) any purchase from the employer by the trust of any stock (including treasury stock) of the employer.

"(3) Qualified stock purchase defined.—For purposes of paragraph (2)(A), the term 'qualified stock purchase' means the purchase by a trust of issued and outstanding stock of the employer if immediately after such purchase the trust is in control of the corporation. For purposes of the preceding sentence, the term 'control' means the ownership of stock possessing at least 50 percent of the total combined voting power of all classes of stock entitled to vote or at least 50 percent of the total value of shares of all classes of stock of the corporation."

(b) The amendment made by subsection (a) shall apply only to taxable years beginning after the date of the enactment of this Act.

By Mr. BELLMON:

S. 1371. A bill to require the Secretary of Agriculture to call a hearing in a milk market order area upon petition of producers. Referred to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, Federal milk market orders authorized by the Agricultural Marketing Agreement Act of 1937, as amended, provide the pricing structure for almost 65 percent of the milk sold by farmers in this country. As such these market orders heavily influence the level of income of dairy farmers all across the Nation.

In enacting the Agricultural Marketing Agreement Act Congress sought to provide a basis for the orderly development of the markets for a number of farm commodities, including milk. It was intended that the market orders developed would be responsive to the needs of the farmer. It is for this reason that full opportunity is given for public hearing during the development of a market order. As a means of maintaining the responsiveness of a market order to the needs of the market, provision is made in the act for the calling of hearings to consider amendments that may be needed from time to time.

Unfortunately dairy farmers operating under many of the milk market orders have found it imposible to get the Secretary of Agriculture to hold a hearing for the purpose of considering a needed amendment to an order. During the last winter, requests were made in 30 or more of the 62 Federal milk markets order areas for emergency hearing to consider the need for price increases to meet extraordinary increases in operating costs which was causing the liquidation of dairy herds and thus leading to a shortage of milk for consumers. The request for the hearing was denied out of hand without ever giving an opportunity to present the case.

Mr. President, it is one thing to base an adverse decision in the case of a market order on the record developed as a part of a public hearing. It is quite another, however, to arbitrarily deny even the hearing itself. The legislation I am introducing today will provide the means of preventing that from happening. It will assure that the market orders developed under the Agricultural Marketing Agreement Act are responsive to the needs of the markets they are designed to serve.

By Mr. HART:

S. 1375. A bill to provide adequate mental health care and psychiatric care to all Americans. Referred to the Committee on Labor and Public Welfare.

Mr. HART. Mr. President, it has been estimated that as many as 20 million Americans may suffer from mental illness.

If those projections applied to a physical disease, this country would declare a national emergency and would launch some sort of crash program to conquer mental illness.

Despite the absence of such a declaration, public awareness of mental illness is growing, and we are learning that it is a disease which afflicts many people in various ways and which often can be successfully treated.

Proof of this growth in public understanding is the fact that many health insurance programs now cover treatment and hospitalization costs resulting from mental illness.

However, I think it fair to say that mental health still does not receive the priority attention given other types of health care problems.

Of course, one might argue that, in the face of complaints about the rising cost of medical care, the distinction is not worth making.

However, as we look toward the day, not too distant, I hope, when we will have some type of national health insurance program to insure adequate medical treatment, regardless of an individual's income for physical disorders, we hear too little discussion of providing the same opportunities for adequate mental health care.

For that reason, I introduce today a bill, admittedly far from complete, to provide mental health care for all Americans in need of such care.

The bill does not address itself to cost or how the program will be financed. Hearings will provide better answers than I to these questions. I offer the legislation not as a solution, then, but as a vehicle for discussion.

The sooner such a discussion begins, the sooner the Nation will arrive at satisfactory answers as to how best insure that our system of health care provides adequate treatment for all types of illnesses.

Certainly I would be remiss if I did not give full credit to Congressman MICHAEL HARRINGTON of Massachusetts for taking the initiative in this matter. The bill I am introducing is taken from legislation prepared by Congressman HARRINGTON which he will introduce today in the House.

By Mr. HART:

S. 1376. A bill to preserve the Office of Economic Opportunity. Referred to the Committee on Labor and Public Welfare.

THE WAR ON POVERTY

Mr. HART. Mr. President, the administration is proceeding to abolish the Office of Economic Opportunity and to dismantle or to reduce the funding for many of the Office's programs.

This action means, in effect, that the administration is reorganizing a congressionally authorized office without the consent of Congress, is ignoring the intent of the enacted economic opportunity amendments to finance a war on poverty.

One does not have to contend that all of the antipoverty programs, or even a large majority of them have been successful to take exception to the administration's actions regarding OEO.

As the National Legislature acting under the authority of the Constitution, the Congress, since 1964, has approved a series of proposals designed to help eradicate poverty in this Nation of affluence.

If, indeed, this country is prepared to abandon this effort or redesign its plan of attack, so be it, but that is not a matter for the administration alone to decide.

Congress, which had a role in launching the war on poverty, also must have its say on changing strategies or withdrawing from the battlefield with the goal still not achieved.

For that reason, I introduce a bill to prohibit impoundment or diversion of EOE funds. It is my hope that this bill may provide an opportunity for the Senate to debate and vote on the future of the war on poverty.

Congressman JOHN CONYERS of Detroit, author of the legislation, introduced an identical bill last week in the House of Representatives. I am pleased to join with Congressman CONYERS in taking this action to encourage Congressional consideration on this issue.

I ask unanimous consent that a section by section synopsis of the Economic Opportunity Amendments of 1973 and the text of the bill be printed at this point in the RECORD.

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

SECTION-BY-SECTION SYNOPSIS OF THE ECONOMIC OPPORTUNITY AMENDMENTS OF 1973

SEC. 1. Prohibits the impoundment of funds appropriated by Congress for economic opportunity programs and exempts the Of-

fice of Economic Opportunity from the provisions of the Federal Anti-deficiency Act;

Sec. 2. Provides for the continuation of Community Action Programs;

Sec. 3. Same as above;

Sec. 4. Provides that a vacancy occurring in the Office of the Director may be filled temporarily for not more than 30 days in conformity with title 5, United States Code, section 3348;

Sec. 5. This is the key provision. It suspends the President's authority to authorize the Director to delegate any of his powers or functions, or programs administered under this Act unless he complies with the terms of the Executive Reorganization Act. This will provide Congress with the opportunity to evaluate the effectiveness of the Office of Economic Opportunity;

Sec. 6. Prohibits the Director from disposing of property belonging to the Office of Economic Opportunity that would have the effect of reducing the Office's powers, functions or programs.

Sec. 7. Provides that the Director shall not transfer funds to other Federal agencies for the performance of Office of Economic Opportunity functions delegated after January 31, 1973, if the President has not complied with the requirements of the Executive Reorganization Act of 1949 as provided in section 5 above. This section also provides, that any unexpended funds so transferred prior to March 1, 1973 be returned to the Office of Economic Opportunity;

Sec. 8. Provides procedures for a full and fair hearing before financial assistance may be suspended under any title of this Act.

S. 1376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, This Act may be cited as the "Economic Opportunity Amendments of 1973".

PROHIBITION OF IMPOUNDMENT OF APPORTIONMENTS AND DIVERSION OF FUNDS

SECTION 1. (a) The Congress directs that no part of any sums which have been apportioned pursuant to the provisions of the Economic Opportunity Act of 1964 shall be impounded or withheld from the purposes for which appropriated by any officer or employee in the executive branch of the Federal Government.

(b) No funds authorized to be appropriated for carrying out the Economic Opportunity Act of 1964 shall be expended by or on behalf of any Federal department, agency, or instrumentality other than the Office of Economic Opportunity, except (1) as may be provided by Reorganization Plan, or (2) for functions delegated to another Federal department, agency or instrumentality before January 31, 1973.

(c) Section 3679(c) of the Revised Statutes of the United States (31 U.S.C. 665(c) shall not apply with respect to appropriations made to carry out the Economic Opportunity Act of 1964.

GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE

SEC. 2. (a) The first sentence of section 221(a) of the Economic Opportunity Act of 1964 is amended by striking out "the Director may provide financial assistance" and inserting in lieu thereof "The Director shall provide financial assistance," and by inserting before the period at the end thereof a comma and the following: "except that he may suspend financial assistance to recipients for failure to comply with applicable laws or regulations."

(b) Section 221(a) is further amended by striking out "also" in the last sentence.

(c) Section 221(b) of such Act is amended by striking out "he may extend financial assistance" and inserting in lieu thereof "he shall extend financial assistance".

SPECIAL PROGRAMS AND ASSISTANCE

SEC. 3 Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out "the Director may develop" and in lieu thereof "the Director shall develop".

OFFICE OF ECONOMIC OPPORTUNITY

SEC. 4. Section 601(a) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"A vacancy occurring in the Office of the Director shall be filled in conformity with Title 5, United States Code, section 3348."

AUTHORITY OF DIRECTOR

SEC. 5 Section 602(d) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"The Director's authority, under this subsection, to delegate any of his powers is hereby suspended for a period of one year from the date of enactment of this sentence. For the duration of such period, the Director shall not delegate or transfer any of his powers or functions, or programs administered under this Act unless the President complies with the requirements of Chapter 9 of Title 5, United States Code (relating to executive reorganizations). The provisions of section 905(b) of such title shall not apply to a reorganization under this provision. Any transfers or delegations effected after January 31, 1973, not in compliance with this provision, are hereby rescinded and such powers, functions and programs are returned to the Director. This provision shall not apply to delegations made prior to January 31, 1973, and shall not affect the Director's authority to reimburse the heads of other Federal agencies for the performance of such functions so delegated: *Provided,* That he complies with the requirements of this subsection to assure the maximum possible liaison between the Office of Economic Opportunity and the delegate agencies."

LIMITATIONS ON DISPOSAL OF PROPERTY

SEC. 6 Section 602(f) of the Economic Opportunity Act of 1964 is amended by striking the semicolon following the word "otherwise" and inserting in lieu thereof the following: ": *Provided,* That no authority exercised under this subsection shall have the effect of abolishing, or reducing the powers or functions of the Director of the Office of Economic Opportunity, any component thereof, or any program administered under this Act;".

LIMITATION ON TRANSFER OF FUNDS

SEC. 7 Section 602(h) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"The Director shall not transfer funds under this subsection for a period of one year from the date of enactment of this provision unless the President has complied with the requirements of Chapter 9 of Title 5, United States Code (relating to executive reorganizations). Any unexpended funds transferred to other Federal agencies after March 1, 1973, not in compliance with this provision, are directed to be returned to the Office of Economic Opportunity. This provision shall not apply to transfers of funds made to continue programs, or to exercise powers or functions transferred by the Director prior to January 31, 1973."

APPEALS, NOTICE AND HEARING

SEC. 8(a) Section 604 is amended by striking out clause (2) and in lieu thereof inserting the following:

"Financial assistance under any title of the Act shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for re-funding under any title be denied unless the recipient agency has been afforded reasonable notice and opportunity for a full and fair hearing, and the Director solely on the basis of the record in that hearing has made a determination that the recipient agency cannot, in accordance with this Act and the rules, regulations, guidelines and other standards promulgated thereunder, satisfactorily administer the project or program for which financial assistance was extended: *Provided,* That the programs or projects instituted on a pilot, demonstration, or experimental basis pursuant to sections of the Act authorizing such programs or projects shall not be afforded the protections of this section."

(b) Section 604 is further amended by relettering 604(3) as "604(3)(A)" and striking the period at the end of 604(3) and adding the following: "and the Director solely on the basis of the record in that hearing has made a determination that the recipient agency cannot, in accordance with this Act and the rules, regulations, guidelines and other standards promulgated thereunder, satisfactorily administer the project or program for which financial assistance was extended. (B) For the purpose of this section, re-funding will be considered denied if the renewed funding will be reduced by more than 5 percent of Federal financial assistance available to the recipient agency under the immediately previous grant, contract or agreement, or if the period of operation authorized under the renewed grant, loan or agreement is less than 12 months. Only recipient agencies denied refunding subsequent to December 31, 1972, shall be entitled to a hearing on a denial of re-funding pursuant to this section."

By Mr. FULBRIGHT (by request):

S. 1377. A bill to amend the law authorizing the President to extend certain privileges to representatives of member states on the Council of the Organization of American States. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to amend the law to extend certain privileges to representatives of member states on the Council of the Organization of American States.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State to the Vice President dated March 2, 1973.

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

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of the July 10, 1952. (66 Stat. 516, 22 U.S.C. 288g) is amended as follows:

(a) The title of the Act is amended to read as follows: "An Act to extend certain privileges to the representatives of member states and permanent observers to the Organization of American States."

(b) The body of the Act is amended to read as follows:

"That, under such terms and conditions as he shall determine, the President is hereby authorized to extend, or to enter into an agreement extending, to the representatives

of member states (other than the United States) to the Organization of American States and to permanent observers to the Organization of American States, and to members of the staffs of said representatives and permanent observers, the same privilege and immunities, subject to corresponding conditions and obligations, as are enjoyed by diplomatic envoys accredited to the United States."

DEPARTMENT OF STATE,
Washington, D.C., March 2, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate.

DEAR MR. PRESIDENT: I have the honor to transmit herewith for the consideration of the Senate an amendment to Public Law 82–486 (66 Stat. 516, 22 U.S.C. 288g, July 10, 1952), An Act to Extend Certain Privileges to Representatives of Member States on the Council of the Organization of American States.

The purpose of the amendment is to provide the President with the authority to extend or enter into an agreement extending to the Permanent Observers to the Organization of American States and their staffs the privileges and immunities extended to the Permanent Representatives of the member states and their staffs under the provisions of PL 82–486.

The General Assembly of the Organization of American States, by resolution AG/RES 50 (I–O/71), adopted April 23, 1971, established the status of Permanent Observers to the Organization and authorized the Permanent Council to set the criteria for this status. By resolution CP/RES. 52 (61/72) adopted January 19, 1972, the Council provided that nonmember American states and those non-American states that participate in OAS programs were eligible to apply for this status. (At present there are two countries in the first category and some thirteen which might qualify under the second.) To date six countries—Canada, Guyana, Israel, Italy, the Netherlands, and Spain—have applied for and been granted Permanent Observer status. Canada and Spain have each indicated that their designated Permanent Observer will have Ambassadorial rank and their Permanent Observer mission in Washington will function separately from their diplomatic mission. Three of the other observer countries have designated their Ambassadors to the United States to serve as Permanent Observers to the OAS, and it is expected that most of the countries which apply for observer status in the future will also designate the Ambassador to the United States to serve additionally as Observer to the OAS.

Ambassadors and members of their staffs who are dually accredited to the United States and as Permanent Observers to the OAS are already accorded diplomatic privileges by virtue of their accreditation to the United States. However, the Permanent Observers who are *not* part of their country's diplomatic mission are not entitled to diplomatic privileges and immunities under existing legislation. The proposed amendment would authorize the President to extend privileges and immunities to this category of OAS participants, thus according to the members of the observer missions who are not part of their country's diplomatic mission the same diplomatic privileges enjoyed by the Permanent Observers who are accredited to the United States as well as being accredited as observers to the OAS.

The privileges and immunities extended by the proposed amendment would at this time add a relatively small number of persons to the list of those entitled to diplomatic privileges under existing legislation, as only Canada and Spain have indicated an intention of establishing separate observer missions, each having named a Permanent Observer and one Alternate of diplomatic rank. The Department believes that the active participation of the Permanent Observers in the activities of the OAS is very much in the national interest of the United States. This legislation is narrow in scope and will apply only to the Permanent Observers to the OAS, and to those members of their staffs entitled to privileges and immunities. It is not applicable to observers to any other international organization.

In addition to adding the members of the OAS Permanent Observer missions to the legislation authorizing the President to extend privileges and immunities to the representatives of the OAS member states and their staffs, the proposed amendment would revise the terminology of the Act to make it consistent with the Charter structure as revised by the OAS Charter amendments which entered into force on February 27, 1970. At that time the structure of the Organization was changed so that the old Council and its subordinate Councils were replaced by three co-equal Councils: the Permanent Council, the InterAmerican Economic and Social Council, and the InterAmerican Council for Education, Science and Culture. In conformity with this change, most member country representations have been converted to Missions (in most cases designated "Permanent Mission") to the OAS, headed by "Permanent Representatives (or simply Representatives) to the Organization of American States." The Chief of Protocol of the OAS has suggested that all member countries standardize their representation in this manner.

It is therefore proposed that the existing legislation be changed to refer to representatives of member states "to the Organization of American States" instead of representatives of member states "on the Council of the Organization of American States."

The Department has been advised by the Office of Management and Budget that from the standpoint of the Administration's program there is no objection to the submission of this proposed amendment to PL 82–486 to the Congress for its consideration.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

By Mr. MOSS (for himself and Mr. HART):

S. 1378. A bill to encourage earlier retirement by permitting Federal employees to purchase into the Civil Service Retirement System benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision. Referred to the Committee on Post Office and Civil Service.

RETIREMENT BENEFITS FOR EMPLOYEES OF FEDERAL-STATE COOPERATIVE PROGRAMS

Mr. MOSS. Mr. President, I am today introducing a bill to bring employees of Federal-State cooperative programs under the civil service retirement system. Although hearings have been held on legislation of this type in the past, no action has been taken.

Let us hope that the 93d Congress will bring an end to this longstanding inequity.

As everyone knows, retirement privileges have been extended to State and county agricultural extension workers, but most of the other employees who are now working or have worked in the past on programs financed by the Federal Government and operated by State or local government are excluded. They are treated like second-class citizens when it comes time to retire.

Aside from the importance of establishing a uniform Federal retirement system, passage of this bill would be most helpful in assuring to the Federal Government the experience and expertise of many men and women who now hesitate to take positions offered to them. Recruiting of experienced employees would be enhanced if these employees could be sure that their years of service in cooperative programs would be credited toward retirement.

Mobility and interchange between the States and the Federal Government is vital if national agencies are to continue to act in an effective and innovative fashion. As cooperation among Federal, State, and local units grows—and I think this definitely is the pattern of the future—we must facilitate and encourage, not hinder, the exchange of personnel.

The argument has been offered that the proposed extension of benefits would constitute still another Government expense. At this point, we simply do not know how many people will be covered by the law. Even if we had an up-to-date and accurate estimate of the number eligible, we still have no means of determining how many employees would elect to take advantage of the provisions of the bill or for how long annuity payments would have to be made. Some employees who have already retired may have a short life expectancy and thus may decide that the advantages of entering the retirement fund are limited.

The key point in considering cost, however, is that none of these people is asking for a Federal handout. In order to participate, the employee would have to pay into the Federal civil service retirement an amount equal to the aggregate of what he would have paid into the fund during his period of service plus interest. This lump sum should more than offset the initial costs of the bill.

By Mr. BAKER:

S. 1379. A bill to authorize further appropriations for the Office of Environmental Quality, and for other purposes. Referred to the Committee on Public Works.

Mr. BAKER. Mr. President, the Environmental Quality Improvement Act of 1970—title II of Public Law 91–224—created the Office of Environmental Quality, which has operated as a part of the President's Council on Environmental Quality.

Because Public Law 91–224 authorized appropriations for the office through fiscal year 1973, there is a need before June 30 to extend the authorization for the office. The bill I am introducing today would authorize such an extension.

The following is a list of funds authorized and appropriated for the Council and the office since their establishment.

	Public Law 91-190	Public Law 91-224	Budget request	Appropriations	Obligations
Fiscal year:					
1970	$300,000	$500,000	$600,000	$350,000	$315,000
1971	700,000	750,000	1,450,000	1,450,000	1,409,000
1972	1,000,000	1,250,000	2,250,000	2,250,000	2,145,000
1973	1,000,000	1,500,000	2,500,000	2,500,000	[1] 2,500,000
1974	1,000,000		2,466,000		

[1] Estimate.

This bill, as drafted by the administration, does not impose a limit on authorizations. Personally, it is my hope that when the bill is considered in committee that a reasonable annual limitation will be included in any bill that is reported to the Senate floor.

The work of the Council and the Office, since their inception, has been of great value to our national effort to improve environmental quality. It is my hope that this legislation will receive prompt consideration. Mr. President, I ask unanimous consent that a copy of the bill, as well as a letter to the President of the Senate from Chairman Russell E. Train be included at this point in the CONGRESSIONAL RECORD.

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

S. 1379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 205 of the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4374) is amended to read as follows:

"Section 205. There are hereby authorized to be appropriated for the operations of the Office of Environmental Quality and the Council on Environmental Quality such sums as the President may request for fiscal year 1974 and for each fiscal year thereafter. This authorization is in addition to those contained in Public Law 91-190."

MARCH 16, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "To authorize further appropriations for the Office of Environmental Quality, and for other purposes."

One of the purposes of the Environmental Quality Improvement Act of 1970 (PL 91-224) is "to authorize an Office of Environmental Quality, which, notwithstanding any other provision of law, shall provide the professional and administrative staff for the Council on Environmental Quality established by Public Law 91-190." Section 205 of the Act authorized appropriations on a sliding scale ending with fiscal year 1973. A new authorization beginning with fiscal year 1974, to supplement the standing authorization in PL 91-190, is necessary to enable the Council to continue performance of the functions and responsibilities contained in PL 91-224 and PL 91-190.

The proposed bill would authorize "such sums as the President may request for fiscal year 1974 and for each fiscal year thereafter."

The Council has been advised by the Office of Management and Budget that enactment of the proposed legislation would be in accord with the program of the President.

Sincerely,

RUSSELL E. TRAIN,
Chairman.

By Mr. PERCY (for himself and Mr. STEVENSON):

S. 1380. A bill to change the name of the Indiana Dunes National Lakeshore to the Paul H. Douglas National Lakeshore. Referred to the Committee on Interior and Insular Affairs.

TO CHANGE THE NAME OF THE INDIANA DUNES NATIONAL LAKESHORE TO THE PAUL H. DOUGLAS NATIONAL LAKESHORE

Mr. PERCY. Mr. President, yesterday a great gentlemen, my distinguished predecessor in the Senate, Paul H. Douglas, celebrated his 81st birthday.

At this time, I am reintroducing, with the cosponsorship of the distinguished junior Senator from Illinois (Mr. STEVENSON), a proposal which would change the name of the Indiana Dunes National Lakeshore to the Paul H. Douglas National Lakeshore. In 1958, Senator Douglas introduced the first bill to establish a national lakeshore along the dunes. Through the years, he fought for the preservation of the Indiana Dunes against formidable odds. In 1966, he achieved victory, when the dunes were established as a national lakeshore.

Since Illinois, with 11.1 million people, is one of the few States that does not have a national park within its borders, the dunes have become a favorite recreation area for northern Illinois residents. As Carl Sandburg once remarked.

The Indiana Dunes are to the Midwest what the Grand Canyon is to Arizona.

As the champion of saving the Indiana Dunes, Paul Douglas merits having the national lakeshore named after him. "Of all my legislative work," he said in his autobiography, In the Fullness of Time, "the dunes park was closest to my heart." On the occasion of his 81st birthday, let us pay proper tribute to the man who had the vision and the fighting spirit necessary to preserve this area.

Mr. President, I ask unanimous consent that the text of the bill renaming the Indiana Dunes National Lakeshore to the Paul H. Douglas National Lakeshore be printed in the RECORD at this point.

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

S. 1380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the national lakeshore established pursuant to the Act of November 5, 1966 (80 Stat. 1309), known as the Indiana Dunes National Lakeshore, shall hereafter be known as the "Paul H. Douglas National Lakeshore", and any law, regulation, map, document, or record of the United States in which such lakeshore is designated or referred to under the name Indiana Dunes National Lakeshore shall be held to refer to such lakeshore under and by the name of the Paul H. Douglas National Lakeshore.

Mr. BARTLETT (for himself, Mr. ABOUREZK, Mr. BELLMON, Mr. BENTSEN, Mr. COOK, Mr. DOLE, Mr. DOMENICI, Mr. EAGLETON, Mr. FANNIN, Mr. GURNEY, Mr. HANSEN, Mr. MCCLELLAN, Mr. MCCLURE, Mr. MANSFIELD, Mr. NUNN, Mr. PEARSON, Mr. SPARKMAN, Mr. TALMADGE, and Mr. HOLLINGS):

S. 1381. A bill to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes. Referred to the Committee on Interior and Insular Affairs.

LIMITATION ON RECREATION FEES

Mr. DOLE. Mr. President, I am, today, joining in the introduction of legislation to limit the assessment of recreation fees scheduled to be charged at Federal lakes administered by the Corps of Engineers.

This bill is necessary to clarify the intent of Congress with regard to these fees, and it is required to avoid a completely unnecessary and impractical burden on millions of American families.

MAJOR INTEREST

The proposal to begin charging a variety of fees for the use of recreational facilities at federally-constructed lakes in Kansas has generated some of the most intense feelings in recent memory. Citizens from every walk of life have voiced their strongest objections to these fees and the way in which they have been presented.

It may be surprising to some to hear that a proposal involving water recreation could be of major interest to Kansans, but the construction of more than a dozen multipurpose reservoirs in the State—plus others nearby in Missouri, Arkansas, Nebraska, and Oklahoma—has made water and its many recreational uses prominent in the lives of Kansas citizens. Millions of people every year come to enjoy the waters and surrounding areas of these Kansas lakes, and many Kansans go to the lakes in the neighboring States.

VALUABLE TO KANSANS

These lakes and the opportunities they represent for recreation and entertainment have provided a great source of enrichment for the lives of many Kansans. A wholesome, constructive, and economical new variety of recreational and leisuretime activities has been created. And whether you think in terms of

youngsters exploring the wonders of nature and engaging in healthful exercise; families getting together for picnics, weekend camping, and boating expeditions; or older citizens finding new pleasures in their retirement years—these lakes have become a major part of the lives of many Kansans. And I believe they are extremely valuable.

As one who was born and raised virtually in the center of the State at a time when a small pond was a major landmark, it is still surprising to see huge lakes with their boats, fishermen, and camping families in Kansas today. In my hometown, Russell, it is difficult to become accustomed to the sight of speedboats parked in the same driveways which, when I grew up, were 200 miles or more from any worthwhile body of water. Today, a resident of Russell can have his boat in Wilson Lake for a summer evening of fishing or waterskiing within a half hour of leaving work. Times have, indeed, changed.

TWO CONCERNS

So I understand the concern of the people in Kansas over the fees proposed by the Corps of Engineers.

Actually, I believe these concerns lie in two particular areas. First is a concern with their substance—the fees themselves. And second is a concern with the way in which the Corps of Engineers has gone about implementing them.

A QUESTION OF FAIR PLAY

The American people have a deep-seated sense of fair play and due process. They expect to be treated fairly by their fellow citizens in their business and personal dealings. And, when they do not receive fair treatment or if they feel someone is trying to pull a "fast one" on them, they have a well-deserved reputation for indignation and loud complaint. And if Americans are famous for these characteristics in their personal dealings, they are doubly known for their reaction against supposed abuses by their Government.

And I believe the people of Kansas—as reflected in the largest volume of mail to my office on any subject in more than a year—got the impression that the Corps of Engineers was less than totally candid and straightforward in the proposal and consideration of these fees.

SHORT TIMETABLE FOR CITIZEN COMMENTS

They saw that the law authorizing these fees was passed in July 1972. They saw that the Corps of Engineers did not make its fee proposals public until February 1973, in the Federal Register, a publication which is hardly everyday reading for most citizens. And they then saw the statement that it was "impractical and contrary to the public interest" to give more than 15 days for public comment and criticism of the proposals.

Well, I believe the people had a different view of the public interest and the practicalities involved here. After waiting some 6 months from passage of the enabling legislation, to see these fees put forward in an obscure notice in an equally obscure Federal publication with an unsubstantiated assertion that the people should only have 15 days to comment, they felt something unusual was happening.

And I think I can understand the feelings of a father with two children when he saw this fuzzy, unclear bureaucratic notice saying he might have to pay upwards of $30 per weekend to take his family camping at the local lake. And then he read further and saw that all this was going to happen without any opportunity for him to speak out and be heard because by the time he found out—the comment period had expired.

Well, as we subsequently learned, there were errors in the published proposal, the comment period was extended, the Corps of Engineers clarified several points about what fees would and would not be charged, and as finally promulgated, the fees did not come near totaling $30 per weekend.

TARNISHED REPUTATION

But I do understand the wide concern—particularly in light of the feeling in some quarters that the Federal Government in general and the Corps of Engineers in particular has a somewhat tarnished reputation for failing to involve the public at appropriate stages in its decisionmaking processes. In many cases this criticism is unwarranted, but a a case such as this certainly does nothing to enhance the standing of the Corps of Engineers or our Government in the eyes of the ordinary citizen and taxpayer.

OBJECTIONS

When these proposals were first brought into the spotlight—in addition to making the point that the public comment period was too brief—I registered three major objections to the proposals.

First, I pointed out the possibility that the fees could be totally unreasonable for most families using the lakes. Following the corrections and clarifications made by the corps, it appears that the maximum fees in each category will not be charged or will not apply.

The highest individual assessment is set at $2—and that at fewer than half of the overnight camping sites. And I do not believe from what the people have told me that they object to a fair fee charged for a valuable service—such as a neat, clean and well-equipped overnight camping area.

The other two major objections have not been resolved, as far as I am concerned. They involve the administration of certain fee collections and, as a related matter, the application of these fees at the places where they are collected.

Insofar as fees other than those for overnight camping are concerned, it seems almost impossible to avoid great administrative difficulties which in addition to creating major inconvenience and irritation for the public will also cost far more than the amount of the fees collected. Thus, these fees will do no good for anyone—the people who pay them, the Corps of Engineers, or the taxpayers generally.

CLARIFICATION REQUIRED

In addition there is the serious question of whether Congress ever intended fees to be charged for the use of day recreation areas and other facilities which most visitors could be expected to utilize when they visited these lakes. In several meetings with Corps of Engineers officials, this point has stood out in sharp disagreement. Apparently the corps believes it is required to impose fees for some day recreation areas, regardless of the administrative difficulties or the inconvenience to the public or the likelihood that the collections will not be enough to offset costs.

I, for one, do not believe it is appropriate to charge fees for day-use recreation areas for picnic tables, drinking fountains, toilets and other lightly developed facilities. First, there is the question that Congress did not intend for them to be charged and the legislative history gives substantial weight to this point.

Second, it simply seems that common sense would avoid initiating a fee program which will probably cost more than it earns—and likely create a good deal of inconvenience and disagreement in the process. Perhaps this legislation is needed to save the Corps of Engineers from itself and from the embarrassment, unpopularity and waste of charging fees for these particular facilities.

I hardly think Congress should make the image or self-imposed difficulties of the Corps of Engineers its major concern. But I do believe we must act on behalf of the public interest.

Therefore, I am joining today in the introduction of legislation to make the intent of Congress unmistakable that day use recreational facilities and other ordinary facilities which any visitor might be expected to utilize, should not be subject ot fees.

I would point out that the schedule of fees published by the Corps of Engineers shows that few day use sites—columns B and C—at most lakes will be subject to the fees; however, this fact does not solve the problems of administration, inconvenience or unprofitability which constitute the basic objections to imposing the fees at all.

So Mr. President, I am pleased to join in this legislation to limit these fees. I believe it will serve the public interest by eliminating a great source of displeasure and inconvience for those who go to these lakes for recreation and leisure activities. It will remove from the Corps of Engineers an unnecessary and cost-analysis unjustified administrative burden. And in the long run it will probably save the American taxpayers money.

I would hope this bill can receive hearings and passage at an early date, so this difficulty can be resolved as soon as possible.

I ask unanimous consent to have a schedule printed in the RECORD at this point for the schedules for Kansas projects and areas where the Corps of Engineers proposes to charge these fees, the text of the explanatory press release from the Kansas City district office of the corps, and the text of this bill.

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

CORPS OF ENGINEERS FEES AREAS, 1973—KANSAS

Project and area name	(A) Camping Area	(A) Camping Fee	(B) Day use Area	(B) Day use Fee	(C) Group use Area	(C) Group use Fee
Council Grove Lake:						
Richey Cove North	X	$1				
Richey Cove South Area No. 2	X	1				
Canning Creek	X	1				
Neosho Park Area No. 1	X	1				
Neosho Park Area No. 2	X	1				
Neoshc Park Area No. 3	X	1				
Neosho Park Area No 4	X	1				
Richey Cove South Area No. 1	X	1				
Elk City Lake:						
Card Creek	X	1				
Oak Ridge	X	1				
Fall River Lake:						
Midd.e and North Rock Ridge Cove	X	1				
Brown's Cove	X	1				
White Hall Bay	X	1				
John Redmond Reservoir:						
Damsite North	X	2	X	$0.50	X	$6
Hickory Creek East	X	1				
Hickory Creek West	X	1				
Damsite West	X	1				
Damsite South	X	1				
Redmond Cove North	X	1				
Kanopolis Lake:						
Outlet	X	2				
Venango	X	2				
Marion Lake						
Hilsboro Cove	X	1	X	.50		
Durham Cove	X	1				
French Creek Cove	X	1				
North Cottonwood Cove	X	1				
Milford Lake:						
Clayview					X	$6
Farnum Creek	X	$1				
Outlet	X	1				
Rolling Hills	X	2	X	$0.50		
School Creek	X	1				
Timber Creek	X	1				
Perry Lake:						
Longview	X	2	X	.50		
Old Town (South)	X	2	X	.50		
Old Town (North)	X	2				
Paradise Point	X	2	X	.50		
Perry	X	2	X	.50		
Rock Creek	X	2	X	.50		
Slough Creek	X	2	X	.50		
Sunset Ridge	X	2	X	.50		
Thompsonville	X	2				
Pomona Lake:						
Carbolyn	X	1				
Michigan Valley	X	2	X	.50		
Outlet	X	1				
Wolf Creek	X	2	X	.50		
Tuttle Creek Lake:						
Baldwin Cove	X	1	X	.50		
Carnahan Creek	X	1	X	.50		
Garrison					X	3
Stockdale	X	2	X	.50		
Swede Creek	X	1				
Tuttle Creek Cove	X	1				
Wilson Lake:						
Lucas Park	X	1				
Minooka Park	X	2	X	.50		
Otoe Park	X	2	X	.50		
Sylvan Park	X	1				

U.S. ARMY CORPS OF ENGINEERS,
March 23, 1973.

CORPS ANNOUNCES FEES FOR CORPS LAKES

Colonel W. R. Needham, Kansas City District Engineer, announced today that recreational user fees have been established for the ten Corps lakes located in Kansas, Missouri, Iowa and Nebraska which are under the jurisdiction of the Kansas City District. These fees have been established in accordance with Public Law 92-347 dated July 11, 1972, passed by the 92nd Congress. Fees are scheduled to be placed in effect May 21, 1973 and continue through September 30, 1973, the Colonel said.

Purpose of the fees is for operation, maintenance and improvement of recreational facilities. Fees collected will be deposited in a special account of the U.S. Treasury and be made available to the agency concerned.

According to Colonel Needham, by definition, day use and overnight camping fees will be charged for use of highly developed areas where a substantial Federal expenditure has been made in the development of an area. If a person desires to use a developed public use area during the day, he would pay only the day use fee. If he remained overnight, he would be charged the camping fee, but he would not be charged both fees. It would simply be one or the other, depending on whether or not he stayed overnight.

There will be some free day use areas at each Corps lake where no substantial Federal expenditure has been made.

Colonel Needham explained day use fees of 50 cents per car will be charged in designated areas and overnight camping fees of $1.00 or $2.00 per camping unit will be charged in designated use areas, depending upon improvements such as access roads, potable water, pit or flush-type rest rooms, picnic tables, fireplaces, refuse containers, and designated trailer or tent space.

There will be no charge for launching a private boat in any public use area on the ten lakes in the Kansas City District. Individuals may park their vehicles in parking areas after launching their boats at no charge while boating. However, if they return to the public use area after boating where user charges are in effect, and use the facilities, they will be charged a fee established for that particular area, the Colonel explained.

User fees in the day use areas will cost 50c per vehicle, regardless of the number of occupants, the Colonel said.

Camping and day use fees for the ten lakes in operation in the Kansas City District have been established at the various public use areas at each lake as follows:

Kanopolis Lake located on the Smoky Hill River southwest of Salina, Kansas, has two public use areas where fees for overnight camping are to be charged. They are the Outlet Area immediately below the dam and the Venango Area located on the north side of the lake near the dam. An overnight camping fee in the amount of $2.00 per camping unit for each area has been established. There are no day use fees at Corps operated public use areas on Kanopolis Lake.

Visitor attendance at Kanopolis Lake for 1972 totaled 435,000.

User fees at Wilson Lake on the Saline River near Russell, Kansas, will involve four public use areas. Lucas Park and Sylvan Park areas will have a camping fee of $1.00 each, but no day use fees are involved. Minooka Park and Otoe Park areas will have a camping fee of $2.00 and a day use fee of 50c.

Visitor attendance at Wilson Lake during 1972 totaled 536,000.

Milford Lake on the Republican River near Junction City, Kansas, has six public use areas affected, Farnum Creek, School Creek outlet, and Timber Creek will have camping available at $1.00 per night, but no day use fees are involved. At Rolling Hills public use area a camping fee of $2.00 and a day use fee of 50c has been established. The Clayview public use area has a group camp facility where a $6.00 fee will be charged for either camping or day use by various groups. Reservations may be made with the project manager.

Visitor attendance at Milford last year totaled 1,913,000.

Tuttle Creek Lake located on the Big Blue River north of Manhattan, Kansas, has six public use areas where fees are to be charged. Baldwin Creek and Carnahan Creek have a camping fee of $1.00 and a day use fee of 50c. Stockdale public use area has a camping fee of $2.00 and a day use fee of 50c. Both Swede Creek and Tuttle Creek Cove public use areas will have a camping fee of $1.00, but no day use fee.

The Garrison public use area has a group camp facility where a user fee for either camping or day use will be $3.00. Reservations may be made with the Project Manager.

Visitor attendance at Tuttle Creek Lake in 1972 was 1,304,000.

Perry Lake located on the Delaware River north of Perry, Kansas, has nine public use areas where user fees are applicable. A fee of $2.00 for camping and 50¢ for day use will be charged in the Longview, Old Town (South), Paradise Point, Perry, Rock Creek, Slough Creek, and Sunset Ridge public use areas. Old Town (North) and Thompsonville public use areas each have a camping fee of $2.00, but no day use fee.

There were 2,029,000 visitors at Perry Lake during 1972.

Pomona Lake west of Ottawa, Kansas, has four public use areas affected by the user fees. Carbondale and Outlet public use areas have a $1.00 fee for camping, but no day use fee.

Michigan Valley and Wolf Creek areas have a camper fee of $2.00 and a day use fee of 50¢.

Visitor attendance at Pomona Lake during 1972 was 1,256,000.

Harlan County Lake located on the Republican River near Alma, Nebraska, has five public use areas affected by the user fees. Hunter Cove public use area will have a $2.00 fee for camping, but no day use fee. The Outlet and Methodist Cove public use areas have a camping fee of $1.00, but no day use fee. Patterson Harbor public use area will have a camping fee of $1.00 and a day use fee of 50¢. The Gremlin Cove area is a day use area where a fifty-cent charge will be made, but no camping will be permitted in that area.

Attendance at Harlan County Lake during 1972 was 990,000

Pomme de Terre Lake on the Pomme de Terre River near Hermitage, Missouri, has seven public use areas affected by the user fees. The Bolivar, Lightfoot, and Wheatland areas have a camping fee of $2.00 and a day use fee of 50¢. A fee of $2.00 will be charged for camping at the Damsite public use area. No charge will be made for day use. Nemo public use area will have fees of $1.00 for camping and 50¢ for day use. Both the Outlet

and Pittsburg public use areas will have a fee of $1.00 for camping, but no day use fees.

Visitor attendance at Pomme de Terre Lake during 1972 was 2,261,000

Stockton Lake located on the Sac River near Stockton, Missouri, has nine public use areas where user fees will be charged. Cedar Ridge, Crabtree Cover, Hawker Point, Masters, Mutton Creek, Orleans Trail, Ruark Bluff, and Stockton public use areas all have camping fees of $2.00 and day use fees of 50¢. The Old Mill public use area has a camping fee of $2.00, but no day use fees.

Visitor attendance at Stockton during 1972 was 1,849,000.

Rathbun Lake located on the Chariton River near Centerville, Iowa, has six public use areas affected by the user fees. Bridgeview, Buck Creek (West), Island View, Rolling Cove, and South Fork public use areas will each have a camping fee of $2.00 and a day use fee of 50¢. The Buck Creek (East) public use area has a camping fee of $2.00, but no day use fees.

Attendance at Rathbun Lake during 1972 was 1,588,000.

Visitor attendance at the ten Corps lakes in the Kansas City District during 1972 totaled 14,161,000. Campers at the same lakes during the same period totaled 3,996,000, or 28% of the visitor total, the Colonel concluded.

S. 1381

Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of Section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 897; 16 U.S.C. 460L (b) is amended to read as follows:

"(b) SPECIAL RECREATION USE FEES.—Each Federal agency developing, administering, or providing specialized sites, facilities, equipment, or services related to outdoor recreation shall provide for the collection of special recreation use fees for the use of sites, facilities, equipment, or services furnished at Federal expense: *Provided,* That in no event shall there be a charge for the day use or recreational use of those facilities or areas which virtually all visitors might reasonably be expected to utilize, such as, but not limited to, lightly developed or back country campgrounds, picnic areas, boat ramps where no mechanical or hydraulic equipment is provided, drinking water, wayside exhibits, roads, trails, overlook sites, visitors' centers, scenic drives, and toilet facilities."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1384. A bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

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

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 16, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill, "To authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes."

We recommend that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The bill directs the placement, in a separate fund of the Treasury, of the annual franchise fee received by the Secretary of this Department from the concessioner in connection with the Rainbow Bridge floating concession operation in Glen Canyon National Recreation Area. The bill further authorizes the Secretary to annually transfer such fees from the fund to the Navajo Tribe of Indians, in consideration of the tribe's continued agreement to the use of former Navajo Indian Reservation lands for the purpose of anchoring the Rainbow Bridge floating concession facility.

It is intended that the compensation commence after the enactment of the legislation, and be for franchise fees that accrue after that date. Under the terms of an agreement with the Tribal Council, the annually transferred franchise fees will be the only compensation the tribe receives for use of the lands as an anchor for the floating complex.

Glen Canyon National Recreation Area, Arizona and Utah, is administered by the National Park Service pursuant to P.L. 92–593, the 1972 Act establishing the national recreation area. Prior to passage of that Act, substantially the same area was administered by the National Park Service pursuant to a cooperative agreement with the Bureau of Reclamation, dated April 18, 1958, and revised September 17, 1965. As a part of recreational developments for the area, in January 1965 the National Park Service and its concessioner constructed a floating marina complex, installed it on Lake Powell in Forbidding Canyon, and anchored the facility to former Navajo Indian Reservation land. Pursuant to section 2 of the Act of September 2, 1958 (72 Stat. 1688), former reservation lands transferred to the United States for the Glen Canyon project may not be used for public recreational facilities without the approval of the Navajo Tribal Council. (Section 2(b) of P.L. 92–593, the Act establishing the national recreation area, explicitly continues the Tribal Council's right to approve recreational use of Parcel B lands.) The tribe has construed the use of former reservation lands for anchoring the Rainbow Bridge floating concession complex in Forbidding Canyon as a use for public recreational facilities within the purview of section 2 of the 1958 Act. While the use of the lands for this purpose was necessary to protect the floating complex, we believe the tribe is correct in its view.

The Navajo Tribal Council has approved the use of the former reservation lands for this purpose, in an agreement approved September 11, 1970, which relates generally to the use and development of the Glen Canyon National Recreation Area and adjacent tribal lands. The tribe's approval, however, and its agreement to any recreational use of former reservation land within the recreation area, as well as cooperative development of contiguous tribal lands, is contingent upon transfer of the annual franchise fee for the Rainbow Bridge floating concession complex in Forbidding Canyon to the tribe.

The facility at Forbidding Canyon consists of a floating marina offering emergency boat repair services, boat fuel and oil, and the services of a camping supply store. Pursuant to a concession contract executed March 26, 1969, it is operated by Canyon Tours, Inc. The contract covers the 30-year period January 1, 1969, to December 31, 1998, and authorizes the concessioner to provide visitor services at both the Rainbow Bridge floating complex and Wahweap. The franchise fee is a $60 annual fee for the use of Government-owned structures, plus 2¼ percent of the annual gross receipts from the combined facilities.

Under an earlier contract, which was superseded by the one mentioned above, Canyon Tours, Inc., has provided services at the Rainbow Bridge floating complex from July 1, 1964, through December 31, 1968. That contract—applicable only to the Rainbow Bridge floating complex—provided for a franchise fee of $200 annually, plus 3 percent of the annual gross receipts. Under that formula the franchise fee paid was as follows:

1965	$1,064
1966	3,065
1967	3,784
1968	4,923

On the basis of past receipts, it can be estimated that payments to the Navajo Tribe under the proposed legislation will probably be in excess of $5,000 per year. As noted above, the tribe will receive only those franchise fees accruing after passage of the legislation.

Although there are no other situations in which franchise fees are transferred by the National Park Service to an Indian Tribe, at Bighorn Canyon National Recreation Area, Montana, the Crow Indian Tribe of Montana is given a preferential right to construct and operate revenue-producing facilities on certain Federal lands, and to retain any resulting revenues, pursuant to the Act of October 15, 1966 (80 Stat. 913; 16 U.S.C. 460t).

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

NATHANIEL REED,
Assistant Secretary of the Interior.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1385. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

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

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 19, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill "To amend section 2 of the Act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands".

We recommend that the bill be referred to the appropriate committee for consideration and strongly urge its enactment.

Public Law 91-578 currently authorizes the appropriation of $60 million for fiscal years 1971, 1972, and 1973, but it makes no provision for funds for the civil government of the Trust Territory beyond fiscal year 1973. Our proposed bill would authorize the appropriation of such sums as may be necessary for the civil government of the Trust Territory.

The Trust Territory of the Pacific Islands is administered by the United States pursuant to a strategic trusteeship agreement concluded in 1947 with the Security Council of the United Nations. Under this agreement the United States is charged with the promotion of political, social, educational and economic development. The Trust Territory was originally under the administration of the Secretary of the Navy, but in 1951 administrative responsibility was transferred to the Secretary of the Interior.

Governmental responsibilities are carried out through a territorial government established by order of the Secretary of the Interior. The chief executive of the Trust Territory is appointed by the President with the advice and consent of the United States Senate. The territory has a bicameral legislative body composed of a twelve-member Senate and a House of Representatives with 21 members. The Judiciary is independent of the Executive and Legislative Branches and is headed by a Chief Justice appointed by the Secretary of the Interior.

The Trust Territory Government has made substantial progress in recent years in developing and implementing a coordinated program, which is normally projected five years in advance. The complexity of the current political situation with respect to Micronesia, however, makes it difficult to project with certainty the needs for that long a period into the future. We recommend, therefore, an appropriation authorization not restricted as to either an annual amount or for a single year.

While the 1974 budget includes an appropriation of $56 million for the Trust Territory, we do not necessarily foresee this amount as an indication of appropriation levels for future years since the outcome of the present negotiations is so uncertain. Even with the status negotiations continuing, however, it seems clear that appropriations for the civil government of the Trust Territory are likely to continue for some period beyond fiscal 1974. Accordingly, we believe it is desirable not to limit the amount or period of years for which appropriations are authorized for maintaining the civil government.

The United States Government has for over three years been negotiating with a delegation of the Congress of Micronesia toward a mutually beneficial form of association. We have come a long way and have developed with that Congress the basis of a compact of free association under which Micronesia would be internally self-governing and the United States would be responsible for the foreign affairs and defense of Micronesia. Other areas of the relationship have yet to be resolved, but future negotiations are expected to outline the framework of the obligations and commitments between the United States and Micronesia in greater detail. A part of the status negotiations will focus upon the financial commitment from the United States to Micronesia that will replace the current administrative financial burdens now held by our government. Moreover, it is possible that agreement on an association of the Marianas Islands with the United States may develop rather quickly.

Over the years, substantial strides have been made in the development of political institutions of which the establishment in 1964 of the territorial legislative body, the Congress of Micronesia, was a major step. Educational progress also has been substantial, and universal education through the twelfth grade has been established as an attainable goal. Utilization of the area's limited natural resources has lagged until recently although tourism and the utilization of the resources of the surrounding seas present immediate opportunities for gainful employment and income.

During fiscal year 1974 and subsequent years, the Trust Territory will continue the programs begun in prior years. The four main goals of the current and proposed programs are: (1) improving of health and education programs and facilities in the Trust Territory; (2) developing a viable money economy in Micronesia, which requires land registration and title determination and public works improvements; (3) increasing the ability of Micronesians to communicate with each other and with the rest of the world; and (4) bringing more Micronesians into high-ranking and responsible positions in the Government.

The FY 1974 program reflects a policy of holding the increasing cost of operations to a minimum in order that maximum amounts may be made available for needed capital improvements. Additional staffing will be held to a minimum but consistent with the need to insure the operation of new facilities. The replacement of United States personnel by qualified Micronesians characterizes many programs during this period, and emphasis will continue to be directed toward the development of a physical infrastructure.

Appropriations will be requested as necessary and will reflect the relative priorities within those amounts for continued progress in providing support for elementary, secondary and post secondary public education; for dental, mental, preventative, and environmental public health programs, including expansion of water and sewerage systems; and for increased electric power generation and improved communications.

The Congress of Micronesia is concerned about economic development and cites roads, shipping facilities and airports as high priority items. Construction and improvement of such facilities is vital to education, health, commerce, and the simplest operations of government and private enterprise in most areas of the Trust Territory. With the territory's 20 major population centers scattered across 3,000,000 square miles of ocean, such facilities are critical. Accordingly, work will continue on the improvement of airfields, roads, and shipping facilities.

Another program which is necessary for the development of Micronesia is a district land tenure system which will adequately protect the needs of the people of Micronesia and serve as a base for future economic development. The present land program, which was started in FY 1971, will be continued in order to provide ownership and boundary determinations and title registration for both public and private lands.

The achievement of the proposed program for FY 1974 will continue to place a major burden upon the people of Micronesia. Consistent with existing policies, construction will be done where possible with local contractors, using local labor and, wherever possible, using locally available building material. This will provide quality facilities at lower prices and at the same time provide training, employment, and incomes for young people and those working at subsistence level. Because of their complexity, large projects may continue to require outside contractors. In addition, locally generated revenues will continue to increase. The recent passage by the Congress of Micronesia of the first Trust Territory tax on salaries, wages, and business receipts evidences a solid commitment by the citizens of the Trust Territory to share in the cost of their government and development of their economy.

The Office of Management and Budget has advised that the presentation of this proposed legislation is in accord with the Administration's program.

Sincerely yours,

JOHN KYL,
Assistant Secretary of the Interior.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1386. A bill to authorize appropriations for the saline water program for fiscal year 1974, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to authorize appropriations for the saline water program for fiscal year 1974, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

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

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 5, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To authorize appropriations for the Saline Water Program for fiscal year 1974, and for other purposes."

We recommend that the bill be enacted.

FISCAL YEAR 1974 APPROPRIATION AUTHORIZATION

The legislation under which the Office of Saline Water conducts its program, the Saline Water Conversion Act of 1971 (42 U.S.C. 1959–1959h, as amended), authorizes "to be appropriated such sums, to remain available until expended, as may be specified in annual appropriation authorization acts." In order to meet fiscal year 1974 program requirements, we propose an appropriation of $2,527,000 be authorized to conduct the desalting research and development program. This represents a decrease of $24,344,000 from 1973 authorized appropriations, as more particularly set forth below:

Authorized expenditure	1973	1974
(1) Research expense	$5,850,000	0
(2) Development expense	12,131,000	0
(3) Design, construction, acquisition, modification, operation, and maintenance of saline water conversion test beds and test facilities	5,085,000	$250,000
(4) Design, construction, acquisition, modification, operation, and maintenance of saline water conversion modules	1,075,000	677,000
(5) Administration and coordination	2,730,000	1,600,000
Total	26,871,000	2,527,000

The decrease from the 1973 program level reflects a major redirection in Federal de-

salting research. Construction and operation of capital-intensive test facilities for further development of processes such as distillation and branch-water reverse-osmosis desalting will be curtailed. These processes are sufficiently advanced to be taken over by private industry as the costs of competitive, conventional sources of water supply rise. More emphasis will be placed on basic research on promising new processes such as desalination of seawater by membranes, which offer a greater return at a much lower level of funding. Development work will be limited to bringing these latter processes to the stage where further development can be profitably undertaken by the private sector.

Of amounts authorized and appropriated, $22,399,937 was made available to carry out the saline water conversion program for fiscal year 1973 and $6,675,094 remains as planned carryover to FY 1974. Program funds required for FY 1974 total $9,202,094, including the $6,675,094 carryover. Research and Development expense programs (categories (1) and (2) totaling $2,800,000 will be entirely funded from carryover funds as a result of the redirection of the program during FY 1973. Test beds, facilities, and modules programs (categories (3) and (4) amount to $4,802,094, including carryover funding of $3,875,094. Administration (category (5)) expenses of $1,600,000 are based upon reduced employment and other support costs.

In view of the proposed reduction in the total program, we recommend that the previously employed breakdown of appropriations authorized for categories (1) through (4) be eliminated in order to permit more efficient utilization of new and carryover funds; and the accompanying draft bill so provides.

The annual authorization approach has been retained for FY 1974 because of the proposed program redirection previously mentioned. However, in view of this redirection and the nature and level of the program anticipated in future years, it is recommended that the use of annual authorizations be discontinued as unnecessary and time-consuming.

Section 1 of the bill would authorize the appropriations for FY 1974 set forth above. Section 2 would provide an automatic increase in authorization for FY 1974 should subsequent Federal employee pay, allowances, or other personal benefits require additional appropriations beyond the proposed authorization level. This will obviate the possible need to seek amendment of the authorization for these automatic increases. Section 3 of the bill would eliminate the need for annual authorizations after FY 1974 as described above.

ENVIRONMENTAL EFFECTS

The environmental impact of the program that will be carried out under this Act during FY 1974 is described in the enclosed environmental statement dated February 1973. Should future actions under this program involve significant environmental effects not previously covered by an environmental impact statement prepared under section 102 (2) (C) of the National Environmental Policy Act of 1969, such a statement will be prepared and circulated in accordance with the Act's requirements.

The Office of Management and Budget has advised that this proposed legislation is in accord with the program of the President.

Sincerely yours,

JOHN C. WHITAKER,
Acting Secretary of the Interior.

By Mr. TALMADGE (for himself, Mr. EASTLAND, Mr. MCGOVERN, Mr. ALLEN, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. CLARK, Mr. CURTIS, Mr. BELLMON, and Mr. DOLE):

S. 1388. A bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research. Referred to the Committee on Agriculture and Forestry.

Mr. TALMADGE. Mr. President, the news is full of stories about the high cost of food. Almost every metropolitan daily that one picks up these days has something about high food costs in it. Recently, a major weekly news magazine had a picture on its front cover of a man eating a sandwich made out of dollars.

Of course, the food items which housewives are most concerned about are the meats—and meat prices have risen recently. After a period of years in which meat producers were making little or no profits and a period which forced many of them to cut back production or to get out of business altogether, meat prices have begun to respond to a booming market demand. Because meat producers have not received an adequate return for their production in the past years, they are not geared up to produce the quantity of meat that today's affluent consumer is demanding. Hopefully today's improved prices will encourage greater production of meat, but this will take time—more than 3 years in the case of cattle.

Certainly, it behooves us to do everything within our power to increase the efficiency of our livestock producers so that they can meet the burgeoning world demand for protein. Currently, livestock producers' organizations agree that disease and parasites are the greatest handicaps to efficient production and profits. The USDA report, "A National Program of Research for Agriculture" stated:

> Infectious diseases represent the single greatest hazard to the production of an adequate and wholesome supply of animal protein.

With the current world and national shortage of meat, we cannot afford to waste meat animals. The total value of U.S. livestock and poultry is over $31 billion plus the annual offtake. The estimated annual loss of U.S. livestock and poultry because of animal disease is $3 billion or 10 percent of total value.

Despite the importance of meat animals to the Nation's consumers and despite the current shortage of certain meats, the Federal Government devotes little money to research on diseases that affect food animals. A report released last year by the National Academy of Science called "New Horizons for Veterinary Medicare" states that funding for research in veterinary medical colleges is far from adequate. In reviewing its report, the National Academy of Sciences stated:

> American livestock continues "under the threat of highly infectious and devastating diseases from abroad," and research is needed to develop means of prompt detection and treatment. Moreover, "many chronic, infectious, parasitic, toxic, metabolic, nutritional, reproductive, genetic, degenerative, and neoplastic diseases and disorders of animals in the United States have not yet been attacked effectively" and the "food loss for which these diseases are responsible is too great to be accepted."

Our livestock producers' organizations agree that disease and parasites are the greatest handicaps to production and profits. The livestock industry has made great strides in recent years in improving the quality of meat animals and increasing production. However, the current worldwide protein shortage and the increased price of meat in this country shows that we cannot afford to neglect the kind of research that will give an even greater stimulus to meat animal production.

Moreover, current methods of producing livestock and poultry in large concentrated units have the inherent risk of greater and more frequent exposure to disease. Currently, the U.S. Department of Agriculture is undertaking an intensive research program on Asiatic Newcastle disease as part of an emergency program to eradicate the disease in the United States. Five hundred thousand dollars was recently allocated by the USDA for a 7-month crash effort by the Agriculture Research Service in cooperation with five universities to stamp out the disease that has played such havoc in the commercial egg laying industry in southern California.

We should not have to wait as long as was necessary in the case of the Newcastle epidemic to undertake intensive research efforts to stamp out animal or poultry disease. Although there are a number of well-equipped and well-staffed laboratories scattered throughout the Nation, they are slow to respond to the immediate research needs of livestock producers. Their best efforts are directed toward the control and eventual eradication of major livestock diseases such as hog cholera, brucellosis, tuberculosis, and foot-and-mouth disease.

Our schools of veterinary medicine should have the funds, facilities, and personnel to work on animal disease problems immediately as they occur throughout the Nation. They need the flexibility to work on any disease problem within their capability without spending a year or more searching for a source of support. The legislation which I am introducing today would give them this flexibility.

In addition to research on diseases of meat animals, there is need for increased research on diseases of horses and of companion animals such as dogs and cats. I need not remind my colleagues of the epidemic of VEE which was a severe threat to the $12 billion horse industry.

Mr. President, the bill I am introducing was introduced by the late chairman of our committee, Senator Ellender, on June 26, 1972. This bill was introduced late in the 92d Congress and no action was taken on it. However, it is extremely worthy legislation and I am hopeful that we can take prompt action on it this year.

The bill that I am introducing would authorize the Secretary of Agriculture to administer a grant program for research and research facilities needed in solving the health problems of livestock, poultry, and companion animals. There are three meaningful features of this legislation:

First. The recipients of funds would be the colleges of veterinary medicine and the State agricultural experiment stations. At institutions having both a college and an agricultural experiment

station, the college would be the recipient.

Second. Funds would be distributed to eligible institutions according to a formula. The formula gives a weight of 48 percent to the research capacity of the eligible institutions and a weight of 48 percent to the relative State value of livestock and poultry—with the exception that this amount cannot exceed three times the funds obtained through research capacity. Four percent of the funds would be retained for departmental administration of the program. Funds may also be appropriated for research facilities—to be distributed in a like manner.

Third. An advisory board would be appointed by the Secretary to make recommendations concerning relative animal health research capacity of eligible institutions, animal health research priorities, and other matters related to the administration of the act. Eighteen colleges of veterinary medicine and 38 State agricultural experiment stations would directly participate in the program to be established under this bill.

Mr. President, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks a list of the veterinary medical colleges and State agricultural experiment stations that would be eligible for benefits under this bill.

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

(See exhibit 1.)

Mr. TALMADGE. It is wrong to consider that animal disease losses are the problems of the livestock producers only. The current controversy over protein shortages and meat prices is eloquent testimony to the fact that animal diseases are the problems of consumers also. Disease losses are a part of the cost of production for which the public must pay. In the long run, it will be much cheaper to invest in more research to eliminate costly diseases. It is estimated that the cost of carrying out the program to be authorized by this legislation would be $5 million for the first year with an annual increase of $5 million over 4 years until the program reached a $25 million level. Such Federal expenditures would amount to only a fraction of the $3 billion annual loss due to animal diseases.

Mr. President, I am not wedded to the formula for distribution of funds under this bill or to other provisions in the bill. When the Committee on Agriculture and Forestry holds hearings, we may decide that changes are desirable. However, I do feel that we must take prompt action to begin a research program that will reduce animal losses due to disease.

EXHIBIT 1

ANIMAL HEALTH RESEARCH ACT

1. VETERINARY MEDICAL COLLEGES ELIGIBLE TO RECEIVE ANIMAL HEALTH RESEARCH ACT FUNDS

School of Veterinary Medicine, Auburn University, Auburn, Ala.

School of Veterinary Medicine, Tuskegee Institute, Tuskegee Institute, Ala.

School of Veterinary Medicine, University of California, Davis, Calif.

College of Veterinary Medicine, Colorado State University, Fort Collins, Colo.

School of Veterinary Medicine, University of Georgia, Athens, Ga.

College of Veterinary Medicine, University of Illinois, Urbana, Ill.

School of Veterinary Science and Medicine, Purdue University, Lafayette, Ind.

College of Veterinary Medicine, Iowa State University, Ames, Iowa.

College of Veterinary Medicine, Texas A&M University, College Station, Tex.

College of Veterinary Medicine, Kansas State University, Manhattan, Kans.

College of Veterinary Medicine, Michigan State University, East Lansing, Mich.

College of Veterinary Medicine, University of Minnesota, St. Paul, Minn.

School of Veterinary Medicine, University of Missouri, Columbia, Mo.

New York State Veterinary College, Cornell University, Ithaca, N.Y.

College of Veterinary Medicine, Ohio State University, Columbus, Ohio.

College of Veterinary Medicine, Oklahoma State University, Stillwater, Okla.

School of Veterinary Medicine, University of Pennsylvania, Philadelphia, Pa.

College of Veterinary Medicine, Washington State University, Pullman, Wash.

2. STATE AGRICULTURAL EXPERIMENT STATIONS ELIGIBLE TO RECEIVE ANIMAL HEALTH RESEARCH FUNDS

Institute of Agricultural Sciences, University of Alaska, College, Alaska.

Arizona Agricultural Experiment Station, Tucson, Ariz.

Arkansas Agricultural Experiment Station, Fayetteville, Ark.

Connecticut Agricultural Experiment Station, New Haven, Conn.

Connecticut Agricultural Experiment Station, Storrs, Conn.

Delaware Agricultural Experiment Station, Newark, Del.

Institute of Food and Agricultural Sciences, University of Florida, Gainesville, Fla.

Hawaii Agricultural Experiment Station, University of Hawaii, Honolulu, Hawaii.

Idaho Agricultural Experiment Station, Moscow, Idaho.

Kentucky Agricultural Experiment Station, Lexington, Ky.

Louisiana Agricultural Experiment Station, University Station, Baton Rouge, La.

Maine Agricultural Experiment Station, Orono, Maine.

Maryland Agricultural Experiment Station, College Park, Md.

Massachusetts Agricultural Experiment Station, Amherst, Mass.

Mississippi Agricultural and Forestry Experiment Station, State College, Miss.

Montana Agricultural Experiment Station, Bozeman, Mont.

Nebraska Agricultural Experiment Station, Lincoln, Nebr.

Nevada Agricultural Experiment Station, Reno, Nev.

New Hampshire Agricultural Experiment, Station, Durham, N.H.

New Jersey Agricultural Experiment Station, New Brunswick, N.J.

New Mexico Agricultural Experiment Station, New Mexico State University, Las Cruces, N.Mex.

New York State Agricultural Experiment Station, Geneva, N.Y.*

North Carolina Agricultural Experiment Station, Raleigh, N.C.

North Dakota Agricultural Experiment Station, State University Station, Fargo, N. Dak.

Ohio Agricultural Research and Development Center, Wooster, Ohio.

Oregon Agricultural Experiment Station, Corvalis, Oreg.

Pennsylvania Agricultural Experiment Station, University Park, Pa.

Puerto Rico Agricultural Experiment Station, Rio Piedras, P.R.

Rhode Island Agricultural Experiment Station, Kingston, R.I.

South Carolina Agricultural Experiment Station, Clemson, S.C.

South Dakota Agricultural Experiment Station, Brookings, S.Dak.

Tennessee Agricultural Experiment Station, Knoxville, Tenn.

Utah Agricultural Experiment Station, Logan, Utah.

Vermont Agricultural Experiment Station, Burlington, Vt.

Agricultural and Life Sciences Research Division, Virginia Polytechnic Institute, Blacksburg, Va.

West Virginia Agricultural Experiment Station, Morgantown, W.Va.

Wisconsin Agricultural Experiment Station, Madison, Wis.

Wyoming Agricultural Experiment Station, University Station, Laramie, Wyo.

3. STATE AGRICULTURAL EXPERIMENT STATIONS INELIGIBLE TO RECEIVE ANIMAL HEALTH RESEARCH ACT FUNDS

Alabama Agricultural Experiment Station, Auburn, Ala.

California Agricultural Experiment Station, Berkeley, Calif.

Colorado Agricultural Experiment Station, Fort Collins, Colo.

Georgia Agricultural Experiment Station, Athens, Ga.

Illinois Agricultural Experiment Station, Urbana, Ill.

Indiana Agricultural Experiment Station, Lafayette, Ind.

Iowa Agriculture and Home Economics Experiment Station, Ames, Iowa.

Kansas Agricultural Experiment Station, Manhattan, Kans.

Michigan Agricultural Experiment Station, East Lansing, Mich.

Minnesota Agricultural Experiment Station, St. Paul Campus, St. Paul, Minn.

Missouri Agricultural Experiment Station, Columbia, Mo.

New York Agricultural Experiment Station, Cornell Station, Ithaca, N.Y.

Oklahoma Agricultural Experiment Station, Stillwater, Okla.

Texas Agricultural Experiment Station, College Station, Tex.

Washington Agricultural Experiment Station, Pullman, Wash.

* Eligible Agricultural Experiment Station in which there apparently is not current animal health research.

By Mr. NELSON:

S. 1391. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Wisconsin River for potential addition to the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

Mr. NELSON. Mr. President, I am introducing today a bill to add the lower Wisconsin River to the list of rivers being studied for inclusion in the national Wild and Scenic Rivers system.

Originally established in 1968, the Wild and Scenic Rivers system is intended to include those rivers which "possess outstanding scenic, recreational, geologic, fish and wildlife, historic, cultural, and other similar values."

The lower Wisconsin River, stretching 74-miles from Prairie du Sac in Sauk County, through southwestern Wisconsin, to Prairie du Chien on the Wisconsin-Iowa border, meets all of these requirements. The river has served for numerous studies on the ecological development of waterways by major uni-

versities, for investigations into the history of the creation of the Great Lakes, and also represents a recreational resource of the highest quality.

In 1969, the Interior Department considered adding the lower Wisconsin River to a broad study of the recreational values of the upper Mississippi River area. Although it was not subsequently included in that study, the Department did indicate an interest in including the Wisconsin River in the overall long-range plans for resource preservation in the Midwest.

The addition of the lower Wisconsin River to the Wild Rivers system would be particularly appropriate at this time. The inclusion of the Namekagon River, and portions of the Wolf and St. Croix Rivers in the system when it was first established, the addition of the lower St. Croix under legislation which I sponsored in 1972, and the development of the Apostle Islands and a number of other new national parks and lakeshores in Wisconsin, Minnesota, and Michigan, all point to the possibility of establishing a network in the upper Midwest of complementary areas of unsurpassed beauty and great national significance.

The Wisconsin River remains relatively unspoiled by pollution or commercial development. Having had the opportunity to "ride the rapids" of the river and to see the breathtaking natural beauty of this magnificant waterway, it is easy to understand the importance of swift action to preserve the natural state of the Wisconsin River.

Mr. President, the Prairie du Chien Courier Press on March 7, 1973, printed a moving article on the lower Wisconsin River, entitled "Time Machine Backs up 300 Years, Little Change in Wisconsin," which vividly illustrates the preserved beauty of the Wisconsin River. I ask unanimous consent that this article, along with a copy of the bill I am introducing, be included in the RECORD at this point.

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

TIME MACHINE BACKS UP 300 YEARS, LITTLE CHANGE IN WISCONSIN

Reflections on the Wisconsin River cast back some strange figures. Canoeists on the lower river have often imagined they were the explorers, Marquette and Jolliet. Today, as it was 300 years ago, the lower Wisconsin River is a quiet dreamy stream.

Changes are noticed by the historians. The hillsides are clocked with great stands of timber. There are some bare spots. Spotted animals graze in the background. Their reflections on the ripples remind one of the buffalo herds. Little settlements send up their steam and smoke from morning fires.

Instead of tepees there are shingled roofs in the distance. Man has changed along with Nature. Most of the lower Wisconsin River resembles that of old. Great sandbars hinder the speedy action of the canoes. The good eye of the lead paddler places the canoe in the deeper waters. It will be a struggle against the currents to undo the grounding of a canoe.

Paddles dipping in unison drop their jewels of memory. To the resonant drip there is the same gurgling sound of the fleeting ripples skudding from the sides of the canoe. Overhead there is the wilderness of the river. Birds continue their serenade along with the humming of the water against the fallen trees. Leaves and branches form an armada of encore to the people marking the 300 years of time.

Around the bend is civilization. This time the tepees and wooden pole homes of the Indians take the form of a farm settlement of this new 300 years of progress.

The Wisconsin River has changed each year for 300 years. The islands have reformed. The river is shallower due to the control dams of the power and paper industry along the middle and upper reaches of the Wisconsin. The lower river from Spring Green to Prairie du Chien has changed little. On some occasions, the highways echo their sounds from the hills—the chugging of farm machinery, the occasional tapping of a small industry in the distance.

The shore line has changed in small places. There are summer cottages and a few year-around homes. This doesn't destroy the natural appearance of the river. The railroad and highway bridges bring a shocking reminder to the present to be a reflection in looking back, to disappear from view at the bend.

Marquette and Jolliet found this a peaceful river. Travelers today enjoy the lower river. Residents of the area have claimed this is one of the most under-rated areas of the midwest. It is a near wild river, with all the peaceful calmness for the novice canoe or river person. This is a drifting river.

A helping hand of strong current makes the Wisconsin River a dream of a place. The sandbars are nice camping areas. You should have some local information on the safe and best places to camp. The Wisconsin River is stronger than any swimmer, so the respect and concern of the users of an unexplored area is necessary for safety.

Early explorers didn't take the changes of the modern generations. They respected the beauty, tranquility, majesty and calm of the various waterways. This is the gateway to exploration of the journey to the Mississippi; a doorway to 300 years of discovery.

S. 1391

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

"(28) Wisconsin River, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien."

By Mr. MONDALE:

S. 1392. A bill to establish a ceiling on expenditures for the fiscal year 1974 and to provide procedures for congressional approval of action taken by the President to keep expenditures within the ceiling. Referred to the Committee on Government Operations.

AMENDMENT NO. 59

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

Mr. MONDALE. Mr. President, today I am pleased to introduce the Budget Control Act of 1973.

The last several months have seen an unprecedented effort by the Executive branch to assume virtually complete control of domestic priorities without either the advice or consent of the Congress. Just for example, in recent weeks the President has:

Impounded half of the authorization for water pollution control passed last fall over his veto;

Frozen Federal housing programs;

Decreed an end to the public service jobs program;

Without warning, cut off access to the farm emergency disaster loan program, enacted at Presidential request last August;

Ordered the end of 56 regional medical programs and a phase-out of Federal support of over 500 community mental health centers;

Ended most efforts to help farm communities;

Announced plans to sharply reduce day care and other social service programs designed to help families off the welfare rolls, and to help the elderly avoid institutionalization.

This is only the beginning of a long list. Top Presidential advisors have sworn to disregard congressional actions opposing program termination. And the climate of cooperation, respect and compromise between the Executive branch and Congress—so essential to the operation of our constitutional system—threatens to dissolve into bitter infighting from entrenched and inflexible positions.

This must not be allowed to go further.

The legislation which I am introducing today is designed to guarantee the financial responsibility of the Federal Government, to restore the Congress to its proper role in public decisionmaking, and to reestablish the conditions for a full and equal dialog between Congress and the executive branch regarding the future of American domestic policy.

First, the bill is designed to establish a congressional ceiling on Federal expenditures of $268 billion in the next—1974—fiscal year. This figure would be automatically adjusted upward to reflect any increase in Federal revenues through tax reform or economic growth beyond present expectations. If in the course of the congressional appropriations process the ceiling is exceeded, all funds available for expenditure in controllable areas of Federal spending would be reduced on a pro rata basis.

Second, the bill would end the practice the so-called "impoundment" of congressionally appropriated funds which has been put to such extraordinary use—or rather abuse—by the present administration. I propose to accomplish this through the procedure suggested by the very distinguished and able Senator from North Carolina (Mr. ERVIN).

A BUDGET CEILING

Title I of the bill which I am introducing today would establish a ceiling of $268 billion on all Federal expenditures during the next fiscal year.

This expenditure level reflects a consensus among economists; in fact, it is $700 million below the level proposed by the President himself. In the opinion of most experts, it will limit inflationary pressure without jeopardizing our continuing economic recovery.

To the extent that Congress exceeds this ceiling, all funds available for expenditure would be reduced pro rata—so that priorities established through the legislative process would be preserved. The following fixed obligations of the U.S. Government would be exempted from reduction: interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants, medicaid social service grants under title IV of the Social

Security Act, food stamps, military retirement pay, and judicial salaries.

The mechanical function of computing pro rata reductions would be performed by the Office of Management and Budget, and submitted to Congress by the President for approval under expedited procedures.

The $268 billion ceiling would be automatically adjusted upward to reflect increased revenues through tax reform or economic growth.

AN END TO IMPOUNDMENT

With the establishment of a firm ceiling on expenditures, there is no excuse at all for continuing the practice of impoundment, which threatens to tip a balance of power between Congress and the Executive which has lasted nearly 200 years. Therefore, title II of the legislation I propose adopts the approach developed by the distinguished Senator from North Carolina (Mr. ERVIN). No impoundment would be permitted without the approval of Congress. And again, expedited procedures for prompt consideration of impoundment requests would be provided.

Under this approach, the President would be required to report all impoundments to the Congress, which would consider them under expedited procedures which would prohibit delay. If not approved by the Congress within 60 days, any authority to impound would expire.

Proposals have been advanced in both the House and the Senate under which Presidential impoundments would stand under disapproval by the Congress within a given period. But with the many opportunities open to an organized congressional minority to delay and obstruct, this approach is not workable.

If there is to be effective congressional participation, the burden of justifying impoundment must lie with the Executive, as the Senator from North Carolina (Mr. ERVIN) has proposed.

I recognize that there is waste, there are ineffective programs which may need cutting—and there are circumstances where all funds provided by Congress cannot wisely be spent. And so this bill permits the President to withhold funds—subject to congressional approval. We in Congress must assert and accept our responsibility. We must have dialog between Congress and the Executive in the arena of reform, not single-handed demolition by the executive branch.

THE NEED FOR IMMEDIATE ACTION

My bill does not attempt to resolve all of the complex and difficult questions involved in establishing an ongoing congressional budgetary process. Those questions are well presented in the recent interim report of the Joint Study Committee on Budgetary Control, and must be resolved after further study by the committee and full debate by the Congress. This process will take time, and almost certainly will be completed too late to take effect this year.

Instead, the bill which I am proposing today is designed to establish immediate congressional control of Federal spending and priorities for the next fiscal year, beginning July 1 of this year—while the Congress considers the organizational questions involved in a more permanent approach.

And we must take immediate action before the Congress becomes an ornamental advisory board to the Office of Management and Budget.

NEED FOR AN EXPENDITURE CEILING

Everyone agrees that a ceiling on expenditures is badly needed. The American people cannot afford to pay for continued deficits on the record level of recent years.

During the first 4 years of the Nixon administration, the total deficit has exceeded $80 billion—more than all the deficits of Presidents Eisenhower, Kennedy, and Johnson put together. While these deficits may have been useful during our recovery from the recession of 1969, to continue them would contribute to another round of unchecked inflation.

In recent months the need to bring spending under control has become even more urgent. We are now experiencing the worst inflation in 22 years, putting an intolerable burden on our citizens and threatening the stability of the dollar abroad.

Much of this is due to delayed adoption and premature abandonment of wage and price controls and other economic mistakes, but some of it is due to the spiraling deficits of recent years.

By acting now to impose a firm ceiling on spending, we can assure American citizens that inflation will not be fueled by more deficit spending, and we can assure our friends abroad that we are doing our part to maintain the stability of the dollar.

We can demonstrate clearly that Congress is prepared to act in a fiscally responsible manner.

But let us set the record straight. Over the past 5 years, the Congress has cut Presidential requests for appropriations by approximately $30 billion. We have increased other forms of Federal spending for example, through increased social security benefits—by only a little more. And a major share of these increases has come in social security and medicare programs which are fully funded through the payroll tax, and which therefore do not themselves cause deficit spending. Charges that the Congress has spent vast sums over the objections of the administration are simply not true.

The Congress has not outspent the executive branch. And the Congress is on record as favoring a spending ceiling.

Last October, both the House and Senate overwhelmingly agreed to the $250 billion ceiling on expenditures proposed by the President for the current—1973—fiscal year.

But when the executive branch refused to tell us where the cuts would be made, the Senate insisted that cuts be made across the board, so as to retain the priorities previously established by the Congress. And we acted last fall under the leadership of the former senior Senator from Idaho (Mr. JORDAN) a widely respected member of the President's own party, and certainly an economic conservative. Unfortunately, the President refused to accept these limits on impoundment, and the measure died in conference with the House.

While the Congress has not outspent the administration, and while the Congress has agreed with the administration on the need for a spending ceiling, the Congress, on a bipartisan basis, has often disagreed with the administration on how funds should be spent. And this is the real root of the present dispute between Congress and the Executive.

IMPOUNDMENT

When the President disagrees with the Congress, the Constitution gives him the right to veto legislation—and the veto in turn may be overriden by a two-thirds majority of both the House and Senate. But in recent months, the President has simply refused to spend—or "impounded"—funds in those areas where he disagrees with congressional judgments.

There is no way to override an impoundment. While this may appear to some in the executive branch to be a more efficient way to manage government, it also carries us too far down the road to one-man rule. And once we start down that road, we may find it hard to turn back.

Mr. President, figures on current impoundment released by the administration last month reveal a truly fundamental and alarming shift in the relationship between the Congress and the executive branch in determining our national priorities.

According to the administration, only 3.5 percent of available funds are presently impounded. But I have just discovered that an analysis by the Congressional Research Service reveals that an incredible 29 percent of controllable funds made available by the Congress for nondefense purposes in the current year have been impounded. And this figure does not include other actions which, according to the Office of Management and Budget, do not fit the technical definition of "impoundment"—including the administration's refusal to allocate $6 billion of the $11 billion enacted by the Congress last fall over the President's veto for water pollution control.

In the words of a Congressional Research Service analyst:

> Whatever the merits of the technical argument, it certainly suggests that the total amount of reserves—from whatever sources—are at a record level.

A CHALLENGE TO THE ADMINISTRATION

The issue between the Congress and the President is not the amount of Federal spending, or the amount of the Federal deficit. On those questions, I believe we agree. The issue is the unchecked power claimed by the administration to destroy some programs entirely, while spending fullbore for others, with no regard for the requirements of law.

Under our Constitution, the President has the right—even the obligation—to send the Congress his recommendations on what should be done in the Nation's interest. And after the Congress has acted, he has the authority to accept or to reject what we have done. But nowhere does the Constitution give the President the right to substitute his judgment for that of the Congress. He

can suggest—he can lobby—he can try to persuade—he can do many things, but he cannot act in our stead.

Yet, that is precisely what this President is trying to do—what in fact he is doing. From every indication, he is attempting on his own—without the consent of the Congress—to repeal the shared, bipartisan commitment to social and economic justice which this Nation has consciously, and at times painfully, developed over the past 40 years.

The question is: Will the Congress do what is necessary to make its own judgment felt in this great decision? Will we act affirmatively to reassert our constitutional authority in the budgetary process? Will we be able to come together in common cause to preserve the balance between the executive and legislative branches of Government which has served us so well for nearly 200 years?

Or will we, instead, continue to gradually but knowingly relinquish our constitutional authority to the White House?

It saddens me to know that large numbers of Americans—perhaps even a majority—are convinced we will do the latter. They are convinced that the Congress is overmatched in this struggle—they are convinced that our resources—staff, access to information, command of media, and all the rest—cannot compete on an equal footing with those of the Executive. But, most of all, they are convinced that we cannot agree among ourselves on a plan of action to correct the present institutional imbalance.

It is with this latter point most firmly in mind, Mr. President, that I have designed my bill. It is intended to be a bill that virtually every Member of the Congress can support if he or she wants to effectively restore congressional authority to its proper place in our decisionmaking process. It is for this reason that the bill is based on two fundamental principles:

That the Federal Government must live within its financial means;

That within those means, the Congress itself shall determine how our resources shall be spent.

These principles have nothing to do with party—I am preparing a ceiling even below the President's own. They have nothing to do with ideology—liberals and conservatives alike have adhered to them both since the Nation's beginning. They have only to do with budgetary responsibility and constitutional government—concerns that are shared by all Americans.

Mr. President, I would hope, that my colleagues who subscribe to these principles will join me in this effort. I would hope as well that the President of the United States will lend us his support. He has spoken forcefully and often on behalf of both budgetary responsibility and constitutional government. If he is sincere in his support of these principles, then this bill is one that he can readily endorse. If he does not support these principles, then we—and the Nation—should know that.

But I am hopeful that the President will support this effort, because I am convinced that only by working together—within our constitutional framework—can we achieve our common goals.

I am convinced that only through compromise between the Congress and the President will our Government work as it was intended to work—in the interests of all its citizens. That is why I am proposing that the Congress accept a budget ceiling even lower than the President has proposed: if adopted, it is absolute proof that the Congress is prepared to live within sound financial limitations.

I for one am more than willing to live within the ceiling proposed in this bill. I will work as best I can in the Congress for additional revenues through closing the special interest loopholes which riddle our tax laws. It will work to cut waste in the Pentagon and in social programs as well. And I will work to invest the savings in meeting our urgent domestic needs—for a cleaner environment, decent health care, better education, and urban and rural development.

If the Congress agrees to live within the President's budget ceiling, then the question becomes, will the President in turn agree that the Congress shares responsibility for determining how the Nation's resources are to be spent in meeting its needs?

It is that question, Mr. President, to which we are most earnestly awaiting the President's answer.

Mr. President, I am also submitting an amendment, intended to be proposed by me, to the bill (S. 929) to amend the Par Value Modification Act.

I ask unanimous consent that the bill I have introduced (S. 1392), and the amendment which I have submitted (No. 59) be printed in the RECORD.

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

S. 1392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Budget Control Act of 1973".

SEC. 2. The following provisions of this Act may be cited as the "Expenditure Control Act of 1973".

TITLE I—CEILING ON FISCAL YEAR 1974 EXPENDITURES

PART A—ESTABLISHMENT OF A CEILING

SEC. 101. (a) Except as provided in subsection (b), expenditures and net lending during the fiscal year ending June 30, 1974, under the Budget of the United States Government shall not exceed $268,000,000,000.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, exceed $255,300,000,000, the limitation specified in subsection (a) shall be increased by an amount equal to such excess.

SEC. 102. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, propose reservations from expenditure and net lending, from appropriations or other obligational authority otherwise made available, of such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 101.

(b) In carrying out the provisions of subsection (a), the President shall propose reservations of amounts proportionately from appropriations or other obligational authority available for all programs and activities of the Government (other than expenditures for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants, Medicaid, social service grants under title IV of the Social Security Act, food stamps, military retirement pay, and judicial salaries).

(c) The President shall propose reservations of expenditures under this section by one or more special messages to the Congress. Each special message shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message shall be printed as a document of each House.

(d) Any proposed reservation of expenditures shall become effective on the date on which a concurrent resolution approving such reservation is agreed to by the Senate and the House of Representatives pursuant to title II of this Act.

SEC. 103. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this Act, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for expenditure (after the application of this Act) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESERVATIONS OF EXPENDITURES

SEC. 111. The following sections of this title are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in section 202); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 112. As used in this title, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows (the blank spaces being appropriately filled): "That the Congress approves the reservations of expenditures set forth in the special message of the President to the Congress dated ——— —, 19— (House Document ———, Senate Document ———)."

SEC. 113. A resolution with respect to a special message shall be referred to a committee (and all resolutions with respect to the same message shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

SEC. 114. (a) If the committee to which has been referred a resolution with respect to a special message has not reported it before the expiration of ten calendar days after its introduction (or, in the case of a resolution received from the other House, ten calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such message which has been referred to the committee.

(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be

made after the committee has reported a resolution with respect to the same special message), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(c) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same special message.

SEC. 115. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a special message, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

SEC. 116. (a) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a special message, and all motions to proceed to the consideration of other business, shall be decided without debate.

(b) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a special message shall be decided without debate.

SEC. 117. If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been referred to committee, no other resolution with respect to the same message may be reported or (despite the provisions of section 204(a)) be made the subject of a motion to discharge.

(2) If a resolution of the first House with respect to such message has been referred to committee—

(A) the procedure with respect to that or other resolutions of such House with respect to such message which have been referred to committee shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

TITLE II—REQUIREMENT OF CONGRESSIONAL APPROVAL OF IMPOUNDMENTS

SEC. 201. (a) Except as provided in subsection (g), whenever the President impounds any funds appropriated or otherwise obligated for a specific purpose or project, or approves the impounding of such funds by any officer or employee of the United States, he shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the funds impounded;

(2) the date on which the funds were ordered to be impounded;

(3) the date the funds were impounded;

(4) any account, department, or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment;

(5) the period of time during which the funds are to be impounded;

(6) the reasons for the impoundment;

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message shall be printed as a document for each House.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit promptly to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted.

(f) The President shall publish in the Federal Register each month a list of funds impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

(g) The provisions of this title shall not apply to any reservation of expenditures which the President proposes to the Congress pursuant to the provisions of section 102 of this Act.

SEC. 202. The President shall cease the impounding of funds set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a resolution in accordance with the procedure set out in section 304 of this title.

SEC. 203. For purposes of this title, the impounding of funds includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated or otherwise obligated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made, and

(2) any type of executive action which effectively precludes the obligation or expenditure of the appropriated funds.

SEC. 204. The following subsections of this section are enacted by the Congress:

(a) (1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) (1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the President's message is received by that House.

(2) The matter after the resolving clause of each resolution shall read as follows: "That the Senate (House of Representatives) approves the impounding of funds as set forth in the special message of the President dated ————, Senate (House) Document No. ——".

(3) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c) (1) A resolution introduced with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration. It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution shall not be in order. It shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to, and it shall not be in order to move to consider any other resolution introduced with respect to the same special message.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

AMENDMENT NO. 59

At the end of the bill insert the following:

SEC. 2. The following provisions of this Act may be cited as the "Expenditure Control Act of 1973".

TITLE I—CEILING ON FISCAL YEAR 1974 EXPENDITURES

PART A—ESTABLISHMENT OF A CEILING

SEC. 101. (a) Except as provided in subsection (b), expenditures and net lending during the fiscal year ending June 30, 1974, under the Budget of the United States Government shall not exceed $268,000,000,000.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, exceed $255,300,000,000, the limitation specified in subsection (a) shall be increased by an amount equal to such excess.

SEC. 102. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, propose reservations from expenditure and net lend-

ing, from appropriations or other obligational authority otherwise made available, of such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 101.

(b) In carrying out the provisions of subsection (a), the President shall propose reservations of amounts proportionately from appropriations or other obligational authority available for all programs and activities of the Government (other than expenditures for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants, medicaid, social service grants under title IV of the Social Security Act, food stamps, military retirement pay, and judicial salaries).

(c) The President shall propose reservations of expenditures under this section by one or more special messages to the Congress. Each special message shall be transmitted to the House of Representatievs and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message shall be printed as a document of each House.

(d) Any proposed reservation of expenditures shall become effective on the date on which a concurrent resolution approving such reservation is agreed to by the Senate and the House of Representatives pursuant to title II of this Act.

SEC. 103. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this Act, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for expenditure (after the application of this Act) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESERVATIONS OF EXPENDITURES

SEC. 111. The following sections of this title are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in section 202); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 112. As used in this title, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows (the blank spaces being appropriately filled): "That the Congress approves the reservations of expenditures set forth in the special message of the President to the Congress dated ———— —, 19— (House Document ——, Senate Document ——)."

SEC. 113. A resolution with respect to a special message shall be referred to a committee (and all resolutions with respect to the same message shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

SEC. 114. (a) If the committee to which has been referred a resolution with respect to a special message has not reported it before the expiration of ten calendar days after its introduction (or, in the case of a resolution received from the other House, ten calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such message which has been referred to the committee.

(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same special message), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(c) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same special message.

SEC. 115. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a special message, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

SEC. 116. (a) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a special message, and all motions to proceed to the consideration of other business, shall be decided without debate.

(b) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a special message shall be decided without debate.

SEC. 117. If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been referred to committee, no other resolution with respect to the same message may be reported or (despite the provisions of section 204(a)) be made the subject of a motion to discharge.

(2) If a resolution of the first House with respect to such message has been referred to committee—

(A) the procedure with respect to that or other resolutions of such House with respect to such message which have been referred to committee shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

TITLE II—REQUIREMENT OF CONGRESSIONAL APPROVAL OF IMPOUNDMENTS

SEC. 201. (a) Except as provided in subsection (g), whenever the President impounds any funds appropriated or otherwise obligated for a specific purpose or project, or approves the impounding of such funds by any officer or employee of the United States, he shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the funds impounded;

(2) the date on which the funds were ordered to be impounded;

(3) the date the funds were impounded;

(4) any account, department, or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment;

(5) the period of time during which the funds are to be impounded;

(6) the reasons for the impoundment;

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message shall be printed as a document for each House.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit promptly to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted.

(f) The President shall publish in the Federal Register each month a list of funds impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

(g) The provisions of this title shall not apply to any reservation of expenditures which the President proposes to the Congress pursuant to the provisions of section 102 of this Act.

SEC. 202. The President shall cease the impounding of funds set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a resolution in accordance with the procedure set out in section 304 of this title.

SEC. 203. For purposes of this title, the impounding of funds includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated or otherwise obligated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made, and

(2) any type of executive action which effectively precludes the obligation or expenditure of the appropriated funds.

SEC. 204. The following subsections of this section are enacted by the Congress:

(a) (1) As an exercise of the rulemaking power of the Senate and the House of Rep-

resentatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b)(1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the President's message is received by that House.

(2) The matter after the resolving clause of each resolution shall read as follows: "That the Senate (House of Representatives) approves the impounding of funds as set forth in the special message of the President dated ———, Senate (House) Document No. ——".

(3) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c)(1) A resolution introduced with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration. It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution shall not be in order. It shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to, and it shall not be in order to move to consider any other resolution introduced with respect to the same special message.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 1394. A bill to authorize the acquisition of lands within the Vermejo Ranch, New Mexico and Colorado, for addition to the national forest system, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. MONTOYA. Mr. President, on behalf of myself and my colleague from New Mexico (Mr. DOMENICI), I am pleased to introduce a bill authorizing the acquisition of land within the Vermejo Ranch in New Mexico and Colorado for addition to the national forest system.

This bill was introduced in the 92d Congress as S. 2699. The bill passed the Senate last year on June 15, and was favorably reported by the House Agriculture Committee on October 3. Time ran out on the bill before the House could act on it, however, and it died with the adjournment of the 92d Congress.

Mr. President, time is now running out on the period when we may acquire this unique and beautiful land. The Vermejo Ranch is part of an estate which is rapidly being liquidated. If the Congress does not act quickly to acquire the land for the public, the opportunity may be lost forever. In the place of what could have been a majestic park of mountains and high country open to all, we may end up seeing this area ravaged by subdividers and open only to the owners of vacation homes.

Although both the Senate and the House committees last year reported the bill favorably, I am sorry to report that the Department of Agriculture objected to the passage of the bill. Their objections were based on two grounds.

First, the USDA argued that the site of the Vermejo Ranch is too far removed from major population centers to be accessible to large numbers of people. The answer to this argument is simply that the site is well within driving distance of Albuquerque, Denver, Pueblo, and Colorado Springs—all major population centers in the West.

Second, the Department argued that there is no money available with which to acquire the property. Granted, Mr. President, it is difficult to acquire this land with land and water conservation fund moneys when the administration cuts the land and water conservation fund appropriation request from the authorized level of $300 million annually to a mere $50 million for fiscal year 1974. But I think that the Department should come up with better arguments than to plead financial helplessness in the face of an unpleasant situation of its own creation.

Moreover, even if the project cannot be funded immediately, passage of this bill would enhance our ability to fend off commercial interests now seeking to buy the land, while giving us time to work with private conservation organizations and foundations to secure funds which could hold the land until the United States could purchase it. Representatives of the Sierra Club have recently been in my office, and they advise me that they are already in contact with the Ford Foundation and other organizations in an effort to preserve the Vermejo.

At this point, Mr. President, I ask unanimous consent to include in the RECORD certain portions of last year's Agriculture Committee report on S. 2699.

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

VERMEJO RANCH ACQUISITION

The Committee on Agriculture and Forestry, to which was referred the bill (S. 2699) to authorize the acquisition of lands within the Vermejo Ranch, New Mexico and Colorado, for addition to the national forest system, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

SHORT EXPLANATION

S. 2699 would authorize the Secretary of Agriculture to acquire such lands, waters, and interests as he deems desirable for national forest purposes within the proposed Vermejo Ranch purchase area as shown on a map on file in the Office of the Chief of the Forest Service. Acquisitions would become a part of the Carson National Forest. Moneys appropriated from the land and water conservation fund would be available for such acquisitions; and such acquisitions would not be counted for the purpose of the provision of section 6(a)(1) of the Land and Water Conservation Fund Act of 1965, which provides that not more than 15 percent of the acreage added to the national forest system pursuant to that section shall be west of the 100th meridian.

NEED FOR THE LEGISLATION

Unless the Federal Government acts now to purchase this 480,000-acre tract of land which adjoins the Carson National Forest the opportunity may be forever lost.

Evidence presented during the course of the hearings on this measure, taken from an article which appeared in the December 25 National Observer, indicated that:

"There is much concern from all interested parties that a consortium might buy the ranch and immediately start on a helter-skelter land-resort development that would neatly subdivide the ranch into a thousand parcels.

"Reportedly, there are two consortiums close to making the buy. 'I'm not at liberty to discuss who offers what or whether they even made an offer,' Simon says. But whenever there is so much money and land hanging fire, secrets are hard to keep. It is known the Japanese Mitsubishi Corp. is interested, and that another group of private individuals bid the $26,500,000 if the $1,000,000-plus worth of cattle were thrown in.

"Now a consortium headed by Charlie Crowder of Albuquerque is supposedly close to a bid. Crowder, a respected land dealer, has a group of movie stars, land developers, and financiers ready to go, according to the current story. 'Charlie's sort of a mysterious character,' says the Forest Service's Ted Koskella. 'You never know what he's up to until he comes in with, in our case, a land exchange all neatly tied together. He has pulled off more than his share of deals. * * *'" and

"'The first man to meet our terms will buy the ranch,' says Richard U. Simon, the Fort Worth lawyer handling the sale, 'We've told the Forest Service and members of Congress all along that we will not wait to see if they finally decide to buy it. Right now we have half-a-dozen private groups seriously negotiating for its purchase. * * *'"

Senator Clinton P. Anderson in his testimony described the land and the opportunity in this way:

"The Vermejo Ranch is the heart of the old Maxwell Land Grant originally granted by the Governor of Mexico on January 11, 1841, and finally confirmed by the United States Supreme Court in 1887. The grant originally contained approximately 1,714,765 acres. During the next 50 years after the confirmation of the grant, there were numerous subdivisions of the grant. These tracts passed from one owner to another until 1945 when Mr. W. J. Gourley, a prominent businessman from Ft. Worth, Texas, began acquiring property in the area. Between 1945 and 1948, Mr. Gourley purchased several tracts and consolidated them into what is now known as the W-S or Vermejo Ranch.

"This trace of land adjoins the Carson National Forest and could be easily managed by the Forest Service * * * Kaiser Steel Com-

pany holds a coal lease on about 252,000 acres. The lease permits the company to use sufficient of the surface to operate the mines but does not permit town sites. All exploration reports indicate that all present and future milling would be deep underground mining of coal with very little surface disturbance.

"I view this tract of land as one of the most valuable of its kind in the Southwest and believe it is in asset that should be acquired and preserved by the Government for the people of this country. If purchased by the Government and added to the National Forest and managed under the multiple use laws, it would provide outdoor recreation of many varieties to thousands of people from many states annually. It would provide grazing for approximately 10,000 head of cattle belonging to local ranchers. The ranchers in this area are mostly individuals with a very few head of livestock and are, for the most part, at or below the poverty level income. Grazing permits would enable these people to increase their herds and flocks and be a tremendous economic boost to a chronically depressed area. In the past, the income from this ranch as mostly gone to Texas banks; and except for some employment of local people, it has not been a great economic asset to the State of New Mexico. In the years to come, there will, of course, be a new timber crop to be harvested; and the value of this timber we expect to be much greater than it would be at this time.

"The Gourley Estate has offered this ranch to the Government for approximately 26 million which, according to appraisals made and provided me by the Forest Service, is not out of line with other sales in New Mexico. If the ranch is not acquired by the Government, there is a possibility that this important watershed will be broken up and sold to speculators, or to a Japanese company that has been trying to acquire the ranch for exploitation. I hope that we can put this valuable land into public ownership."

Witnesses described the wildlife habitat and resources as truly exceptional, by far the best of any area of like size in the State. There is a fine herd of no less than 4,000 elk, and mule deer number about 12,000. Black bear are more numerous than anywhere else in the State. There are 200 antelope in the low-lying prairie area. Merriam wild turkeys are in good supply and with the existing optimum habitat there is room for an increase in numbers. There are also blue grouse in the areas above 8,500 feet, and a considerable number of ducks nest around the lakes and beaver ponds.

There is a normal population of mountain lions. There are gray foxes, bobcats, too many coyotes, badgers, abert and chicaree squirrels, prairie dogs, cottontail, snowshoe, and jack rabbits. Beavers are abundant and provide many ponds to augment trout waters. The endangered black-footed ferret may still exist there.

Nowhere else that I know of can one find the variety and abundance of wildlife species that is resident on Vermejo Park. The outstanding feature of the big game situation is that the area embraces both summer and winter range. There is suitable habitat for restoration of bighorn sheep and ptarmigan, which were indigenous to the area.

The trout fishing resources are extensive, diversified, and exciting. There are about 100 miles of trout streams and 60 lakes, large and small. Some lakes can be enlarged and new ones developed by transferring water rights from agriculture to fisheries. The fisheries resources are of special interest because lakes and streams are located in the most beautiful scenic areas.

The area is adaptable for camping, picnicking, scenic sightseeing—by car or otherwise—bird and animal watching, picture taking, rock collecting, exploring, mountain climbing, hiking, backpacking, horseback riding, horse pack-in trips, wilderness experiences, et cetera.

This remarkable Vermejo Park area has virtually unlimited resources for all of these activities. There is spectacular scenery all the way from 6,000-foot lowlands to the 13,000-foot timberline peaks. Wild flowers occur in great variety, since the area embraces five of the six life zones found in New Mexico and five of the seven to be found in North America.

Land today is in great demand. Land is the most valuable resource that we have. Land of the quality of Vermejo Park is as sound an investment as can possibly be made. It is a once-in-a-lifetime occurrence to have the opportunity to acquire for public use and benefit a tract of land of this size and packed with multiple, high quality resources. It seems to many individuals and organizations that it would be a major tragedy for the Forest Service not to be authorized to acquire Vermejo Park, or ranch.

COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970 the committee agrees with the original acquisition cost estimate of the U.S. Department of Agriculture of about $26.5 million.

Administrative cost estimates by the Department of Agriculture would approximate $288,000 per year.

The committee agrees with the Department on its estimates.

Mr. DOMENICI. Mr. President, I am pleased to join with the senior Senator from New Mexico, Senator MONTOYA, in introducing a bill which would add a truly unique and beautiful parcel of land—the Vermejo Ranch—to our national forest system.

This magnificent ranch covers 480,000 acres of truly unsurpassed terrain in northern New Mexico and southern Colorado.

Fishing lakes, trout streams, timber lands, lush meadows, and huge populations of deer, elk, antelope, and other wild animals are abundant. And the land itself has a broad range of topographic and climatic conditions seldom found in a single parcel of land, regardless of size.

We, in New Mexico, are proud of the Vermejo Ranch and are thrilled with its magnificence; we would like to share this with visitors for generations to come.

I believe we must preserve the natural beauty of our great country, we must shelter such magnificent areas as this. We must preserve it for future generations.

It will cost this country a mere $55 an acre to add Vermejo Ranch to the national forest system. I believe this is a small price to pay for such enduring beauty that our sons and grandsons for years to come will be able to enjoy. If we should let this opportunity pass, we will not have another chance to acquire such splendid land as this at any price.

By Mr. RANDOLPH:

S. 1395. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails. Referred to the Committee on Post Office and Civil Service.

Mr. RANDOLPH. Mr. President, I am introducing legislation today which, if enacted, would provide direct congressional support for the dissemination of news, opinion, scientific, cultural, and educational material through the mails. As a result of passage of the Postal Reorganization Act of 1970, Congress is no longer in the business of setting rates for any class of mail. That task is now implemented by the Postal Rate Commission with approval of the new Postal Service Board of Governors.

On June 29, 1972, the Board of Governors announced that temporary rate increases would become permanent on July 6, 1972. Regular second-class mail rates were increased an average of 127 percent phased in over a 5-year period. Nonprofit magazines also have seen their costs increase substantially as a result of the rate hike. Until the new schedule of rates became permanent, a per piece charge had never been imposed upon authorized nonprofit mailers. This charge is in addition to the per pound rate increase schedule now in effect. I know that the impact of postal rates on nonprofit publications is of particular concern to many people. Representatives of the American Legion, for example, have discussed this issue with me on numerous occasions.

For over half a century prior to enactment of Public Law 91–375, the Congress provided preferential mail rates for second-class publications. These rates included commercial magazines, newspapers, publications of veterans organizations, churches, and other nonprofit groups who disseminated information to benefit the public. The question remains, are second-class publications, profit and nonprofit, worth saving? I think they are, and I am sure I am not alone in this observation.

Several of our colleagues have introduced legislation which would be of benefit to second- and third-class publications. My measure is another variation of possible changes in the law. In my judgment, Members of Congress concerned with this subject are not certain what the final answer should be. I know that I am not. It is vital that we explore a range of possibilities. I am confident that the Senate Committee on Post Office and Civil Service, of which I am the ranking member, will carefully consider this bill along with S. 411 by Senator MCGEE, S. 842 by Senators KENNEDY and GOLDWATER, S. 630 by Senator NELSON and other proposals in order to report legislation which will be of benefit to second-class users in this country.

Briefly my bill would do the following:

First of all, this legislation would amend the policy section of the Postal Reorganization Act of 1970 to make it abundantly clear that the Postal Service has an obligation to provide postal services at rates which will encourage and assist the wide publishing of information and differing points of view on all issues of interest to the country.

Second, this measure would prohibit the imposition of a per piece surcharge upon second-class qualified nonprofit matter.

Third, this bill would set the second-class postal rates at the level of June 1, 1972, for the first 250,000 issues of newspapers and magazines sent through the mails. These rates include the approximately 33⅓ percent increase in second-

class charges that were put into effect on a temporary basis last May. This provision would be of particular support to the smaller, almost nonprofit independent journals of opinion that already exist. It would also encourage the entry to new pubilcations of this type and provide continuing outlets for divergent views and fresh ideas.

Any future increase in second-class rates for issues over the 250,000-copy ceiling would be phased in during a 10-year period under this bill. This 10-year period would apply only to increases on editorial content, and any increases for advertising material would be implemented during 5 years as is presently the law for both categories.

In addition, this legislation would provide for sharing of second-class rate increases one-half by mail users and one-half by appropriations: first, nonprofit second-class sharing would apply to unphased amount of the recently approved rate increase as well as to all future increases; second, regular rate second-class sharing would apply only to rate increases resulting from future Postal Rate Commission proceedings—all the recently approved rate increases would have to be paid by the mail user.

Finally, my bill requires a permanent congressional appropriation for public service subsidies and revenue forgone.

By Mr. FULBRIGHT (by request):

S. 1398. A bill to authorize the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines funds for making payments on certain pre-1934 bonds of the Philippines, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to authorize the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines funds for making payments on certain pre-1934 bonds of the Philippines, and for other purposes.

The bill has been requested by the Secretary of the Treasury and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Secretary of the Treasury to the Vice President, dated March 7, 1973, and an analysis of the bill.

There being no objection, the bill, letter and analysis were ordered to be printed in the RECORD, as follows:

S. 1398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (g) of section 6 of the Act of March 24, 1934, as amended (22 U.S.C. 1393(g)), (relating to the trust account for the payment of pre-1934 bonds of the Government of the Philippines) is repealed.

SEC. 2. In order to implement the Executive Agreement concluded between the Government of the United States and the Government of the Republic of the Philippines on November 26, 1969, under which the Government of the Republic of the Philippines agreed to assume from the Secretary of the Treasury sole responsibility for payments of the principal of and interest on all outstanding bonds of the Philippines, its Provinces, cities and municipalities, issued prior to May 1, 1934, under authority of Acts of the Congress of the United States, the Secretary of the Treasury is authorized to transfer to the Government of the Republic of the Philippines whatever sums remain on the effective date of this Act in the special trust account with the Treasurer of the United States in the name of the Secretary set up by section 6(g)(4) of the said Act of March 24, 1934, as amended.

SEC. 3. As of the date of the transfer of sums to the Government of the Philippines, authorized by section 2 of this Act, the United States shall cease to be liable for the payment of principal or interest on all outstanding bonds of the Philippines, its Provinces, cities and municipalities, issued prior to May 1, 1934, under authority of Acts of the Congress.

SEC. 4. This Act shall take effect 60 days after the date of its enactment.

SECRETARY OF THE TREASURY,
Washington, D.C., March 7, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To authorize the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines funds for making payments on certain pre-1934 bonds of the Philippines, and for other purposes."

The proposed bill authorizes the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines, sixty days after the date of enactment, the money then held in a special trust account in the Treasury for making payment on certain Philippine bonds issued before 1934, all of which have matured. The Philippine Government would assume the responsibility for such payments and, as of the date of transfer, the United States would cease to be liable for them. As of June 30, 1972, the total outstanding amount of principal and interest on the bonds was $138,733.69. As of the same date, the special trust account held $138,739.21. There have been few payment transactions during the past several years.

Enactment of the proposed bill would be in the best interests of this Government and of the Government of the Republic of the Philippines for the following reasons. The special trust account was established in 1946 with money received from the Philippine Government in effect to guarantee that payment on its obligations would be made. Those obligations have now matured and the exact liability therefor determined. However, it cannot be said when, if ever, all the outstanding matured bonds and interest coupons will be presented for payment, and the Department of the Treasury considers therefore that it is unnecessary for it to continue to maintain indefinitely the special trust account on the books of the Treasury. Finally, the Philippine Government, by an Executive Agreement dated November 26, 1969, has agreed to assume sole responsibility for the payments of its bonds if and when presented.

I enclose herewith an analysis which offers more detailed information concerning the provisions of the draft bill and the reasons for its proposal.

It would be appreciated if you would lay the proposed bill before the Senate. An identical bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE P. SHULTZ.

ANALYSIS OF A TREASURY PROPOSED BILL

"To authorize the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines funds for making payments on certain pre-1934 bonds of the Philippines, and for other purposes."

The proposed bill authorizes the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines the money held in a special trust account in the Treasury to make principal and interest payments on outstanding bonds of the Philippines, its Provinces, cities and municipalities, issued before May 1, 1934, pursuant to Congressional authorizations (those bonds are hereafter referred to as pre-1934 Philippine bonds for ease of reference). The Philippine Government would assume responsibility for the payments. The United States would not be liable therefor as of the date of transfer.

In order to accomplish this purpose, the proposed bill repeals subsection (g) of section 6 of the Act of March 24, 1934 (48 Stat. 456), as added by the Act of August 7, 1939 (53 Stat. 1226, 1228) and amended by the Act of September 22, 1959 (73 Stat. 621, 622), codified at 22 U.S.C. 1393(g), which provides the specific statutory authority of the Secretary of the Treasury to make principal and interest payments on pre-1934 Philippine bonds and prescribed the conditions for setting up the special trust account and its authorized investment. The bill provides for an effective date 60 days after enactment to allow the Treasury adequate time for making the necessary fiscal arrangements.

By 1963 all of the obligations for which the special trust account is liable had matured. The total outstanding liability for principal and interest was $138,733.69 on June 30, 1972. More than enough money, $138,739.21 on the same date, remains in the special trust account to satisfy that liability. The Treasury Bureau of Accounts maintains $57,174.21 of the amount on hand for payments on the peso denominated bonds and the Office of the Treasurer of the United States administers the remainder for payments on the dollar denominated bonds.

The trust account to which the bill refers was set up by the first section of the Act of August 7, 1939 (53 Stat. 1226), which added subsection (g) to section 6 of the Act of March 24, 1934 (48 Stat. 456). That subsection provided for the establishment before July 4, 1946, of a special trust account in the Treasury for the purpose of meeting principal and interest payments on "bonds of the Philippines to which a moral obligation of the United States might have been attached" (H. Rept. 1058, 76th Congress, 3 (1939) and S. Rept. 453, 76th Congress, 3 (1939)), and specified the Secretary of the Treasury as the person authorized to make such payments when the amount in the account was adequate. The account was to consist of all sinking funds maintained by the Government of the Philippines itself for the payment of its bonds, one of which consisted of the proceeds of taxes imposed on exports to the United States, pursuant to section 6(e) of the 1934 Act. The trust account was to consist also of the supplementary sinking fund on deposit with the Treasurer of the United States held for the same purpose, consisting of quarterly payments by the Philippine Government of the proceeds of export taxes imposed and collected by it after August 7, 1939, pursuant to section 6(g)(1) as added to the 1934 Act by the 1939 Act. Pursuant to an agreement between the Government of the Philippines

and the Secretary of the Treasury, that Government also made annual payments into the trust account between 1946 and 1951.

All provisions of section 6(g) of the 1934 Act have either been fulfilled or have expired, except for the provision in subsection (g)(5) authorizing the Secretary of the Treasury to make principal and interest payments on pre-1934 Philippine bonds. In particular, in accord with subsection (g)(5) in November 1951 the Secretary determined that the trust account balance was sufficient to meet principal and interest payments on all outstanding bonds, and all interest and principal payments began to be paid from the account; up to that time the independent Philippine Government had made all principal and interest payments. Also, in accord with the provisions of subsection (g)(5) that, whenever the Secretary determined that the trust account balance was in excess of an amount adequate to meet interest and principal payments on all such obligations, such excess be turned over to the Treasurer of the Philippines, the Secretary determined to be excess and returned to the Philippines an aggregate of $1,838,000, consisting of $1,000,000 in May 1954, $600,000 in February 1962, and $238,000 in August 1965.

The Government of the Republic of the Philippines has agreed to accept the sums which the bill proposes to be transferred and thereafter to assume full responsibility for principal and interest payments in an Executive Agreement with the Government of the United States, dated Novmber 26, 1969, which by its terms will enter into force upon receipt by the Philippine Government of advice from the United States Government that the proposed bill has been enacted. Therefore, enactment of the proposed bill is necessary to implement the Executive Agreement. The Department of State Legal Adviser's Office, in a 1969 Memorandum of Law, concurred in the Treasury conclusion that enactment of the proposed bill was necessary because section 6(g)(5) of the 1934 Act specifies the Secretary of the Treasury as the official authorized to make principal and interest payments on pre-1934 Philippine bonds.

By Mr. KENNEDY (for himself, Mr. HATHAWAY, and Mr. MUSKIE):

S. 1399. A bill to establish the Olson Home, Cushing, Maine, as a national historic site. Referred to the Committee on Interior and Insular Affairs.

OLSON HOME NATIONAL HISTORIC SITE

Mr. KENNEDY. Mr. President, the legislation we introduce today would establish as a national historic site, the Olson Home in Cushing, Maine. I ask unanimous consent that the full text of the bill be printed at the conclusions of these remarks.

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

(See exhibit 1.)

Mr. KENNEDY. Though many Members of Congress and many Americans may not be familiar with the name "Olson Home," almost everyone is familiar with the house that serves as the setting in the haunting painting by the distinguished American artist Andrew Wyeth—"Christina's World." This legislation not only commemorates a historic colonial structure, a well-known American painter, but a tradition in American art.

The National Park Service ordinarily considers sites for inclusion in the national park system only if the structure or site has achieved historic importance more than 50 years ago. But we have an opportunity with this legislation to make a part of that system, a site which though of relatively recent historic importance has become so meaningful to most Americans that inclusion in this national historic preservation effort is more than warranted.

Andrew Wyeth, born July 12, 1917, received his early artistic training from his father, the noted illustrator Newell Convers Wyeth. The Wyeth family spent their summers in the picturesque Maine countryside where Andrew found the subjects of the landscapes and seascapes that were exhibited in 1937 in New York. Since that time, the success of Andrew Wyeth has grown enormously; and he is considered our leading American painter.

He is admired by critics and public alike for his intimate and loving portrayals of the land and the people of Maine and Pennsylvania. His water colors and temperas are exhibited in the Art Institute of Chicago, University of Nebraska, Boston Museum of Fine Arts, Metropolitan Museum of Art, Butler Art Institute, Toledo Museum, New Britain Institute, and the Lincoln Museum in England among others. Life magazine noted in 1948:

> If there is such a thing as a purely American tradition in art, it is represented at its best in the straightforward canvases of Andrew Wyeth.

Andrew Wyeth's talent has been characterized as fresh, flawless, lyric, polished, clear, controlled, and as the New York Times pointed out in 1953:

> It is only the rigorous discipline of his craftsmanship that keeps the lid on pessimism and on a sort of wild nostalgia for the lost and for the displaced.

It is this feeling for the lost or displaced or the lonely that permeates the famous painting, "Christina's World." In the painting, Christina Olson, crippled and haunted looks toward her house which stands in stark isolation against the horizon. Through the years Andrew Wyeth did over 200 paintings and drawings of Christina. "Christina's World" now hangs in the Museum of Modern Art in New York. Critics since 1948 when the painting was completed have overwhelmingly praised the artistic achievement of the painting. But beyond all of this, the painting has a very special meaning to the rest of us who are neither artists nor critics. And it is this unique feeling for the painting that is most difficult to characterize in words, but so clearly present when confronted with the work. Perhaps, the sense of alienation, frustration, and loneliness that Christina represents matches our own in the modern world; but at the same time it is not a hopeless portrait and Christina's sense of belonging to and being a part of her natural surroundings is similar to our own return to an awareness and appreciation of our natural gifts.

The Olson home is a three-story structure 70 miles from Portland, Maine, that houses a permanent collection of Wyeth paintings. The home has been lovingly restored and maintained by Joseph E. Levine and opened to the public for their appreciation. To date over 20,000 people have had the opportunity to view the artist's work and enjoy the home and land.

The Olson home which often accommodates 2,000 visitors a week will need expert and continuous care and maintenance through the years if the 173-year-old house is to withstand the pressure of time. Mr. Joseph E. Levine and the Cushing Historical Society have restored and preserved the home to the great benefit of us all. We have an opportunity with this legislation to assure that the outstanding work which they have done will be preserved for our children and all future generations of Americans.

EXHIBIT 1

S. 1399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to acquire by gift or by purchase with appropriated or donated funds the lands, including improvements thereon, in Cushing, Maine, comprising the so-called Olson Home, together with such additional lands as the Secretary may deem necessary for the purpose of establishing the Olson Home as a national historic site.

SEC. 2. The property acquired by the Secretary of the Interior under the first section of this Act shall constitute the Olson Home National Historic Site. Such historic site shall be administered by the Secretary of the Interior, through the National Park Service, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935.

SEC. 3. In furtherance of the purposes of this Act, the Secretary of the Interior is authorized to enter into cooperative agreements with public and private agencies, institutions, organizations and other entities to assist in the preservation and interpretation of the aforementioned properties, or portions thereof.

SEC. 4. There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this Act.

By Mr. HRUSKA (for himself and Mr. McCLELLAN):

S. 1400. A bill to reform, revise, and codify the substantive criminal law of the United States; to make conforming amendments to title 18 and other titles of the United States Code; and for other purposes. Referred to the Committee on the Judiciary.

THE CRIMINAL CODE REFORM ACT OF 1973

Mr. HRUSKA. Mr. President, I take great pleasure in introducing on behalf of myself and the distinguished senior Senator from Arkansas (Mr. McCLELLAN) S. 1400, the Criminal Code Reform Act of 1973.

In 1966, the Congress created the National Commission on Reform of Federal Criminal Laws and charged it with these statutory duties:

> SEC. 3. The Commission shall make a full and complete review and study of the statutory and case law of the United States which constitutes the Federal system of criminal justice for the purpose of formulating and recommending to the Congress legislation which would improve the Federal system of criminal justice. It shall be the further duty of the Commission to make recommendations for revision and recodification of the criminal laws of the United States, including

the repeal of unnecessary or undesirable statutes and such changes in the penalty structure as the Commission may feel will better serve the end of justice. (Pub. L. 89–801).

Along with my cosponsor, the chairman of the Subcommittee on Criminal Laws and Procedures, the Senator from North Carolina (Senator ERVIN) I was privileged to serve on the Commission.

On January 7, 1971, the Commission submitted to the President and the Congress its final report, which contained a series of recommendations designed to serve as a work basis for congressional consideration of the need for reform with a view toward further refinement of our federal system of criminal justice.

At that time President Nixon made the following statement:

STATEMENT BY THE PRESIDENT AFTER RECEIPT OF THE REPORT OF THE NATIONAL COMMISSION ON REFORM OF FEDERAL CRIMINAL LAWS, JANUARY 16, 1971

Over two centuries the Federal criminal law of the United States has evolved in a manner both sporadic and haphazard. Needs have been met as they have arisen. Ad hoc solutions have been utilized. Many areas of criminal law have been left to development by the courts on a case-by-case basis—a less than satisfactory means of developing broad governing legal principles.

Not unexpectedly with such a process, gaps and loopholes in the structure of Federal law have appeared; worthwhile statutes have been found on the books side by side with the unusable and the obsolete. Complex, confusing and even conflicting, laws and procedures have all too often resulted in rendering justice neither to society nor to the accused.

Laws that are not clear, procedures that are not understood, undermine the very system of justice of which they are the foundations.

In 1966, Congress undertook to provide the United States with a modern, comprehensive, and workable Federal code. The first major step in that effort was an act of Congress creating the Commission on Reform of the Federal Criminal Law—and its principal author was Congressman Richard H. Poff of Virginia.

Composed of distinguished legislators, judges, attorneys—all of demonstrated competence in the field of Federal criminal law—the Commission was mandated to review exhaustively the Federal criminal code—and to make recommendations for both procedural and substantive reform.

The Commission has fulfilled its mandate, and I was pleased to receive its report. My personal appreciation goes to the members of the commission, the advisory committee, and the staff—and especially to the Commission Chairman, the Honorable Edmund G. Brown, the Vice Chairman, Congressman Poff, and the chairman of the Advisory Committee, Justice Tom Clark.

Even a brief examination of the report indicates the enormous investment of time and thought it represents, and the value of this vast work of 4 years. Because of its scope, and its various approaches to controversial problems, it would be premature at this time for me to render judgment on the substance of the recommendations.

What is apparent, however, is that the 92d Congress has been given what the 89th Congress had requested—a broad comprehensive framework in which to decide the issues involved in reform of the Federal criminal code.

I have directed the Attorney General to create and staff a team of experienced Justice Department attorneys to undertake their own evaluation of the Commission's many suggestions and further to make the results of their evaluation available to the appropriate committees of the Congress. Further, I have directed the Department to work with Congress in the same close and cooperative spirit that marked the evolution and passage of the District of Columbia Court Reform and Criminal Procedure Act of 1970.

Certainly, the need for clarification and modernization of Federal criminal law is as great as was the need for reform of the criminal law and procedures of the District of Columbia. Just as in the later, so in the former, procedural reform must go hand-in-glove with substantive reform—as the Chief Justice recommended himself in the State of the Judiciary message.

Further, if the same spirit of bipartisan cooperaton prevails in this new endeavor, as it did in the last, our success is assured.

In accordance with the President's statement, the following request was made of the former Attorney General John Mitchell:

THE PRESIDENT'S MEMORANDUM TO THE ATTORNEY GENERAL DIRECTING ACTION, JANUARY 16, 1971

The Federal Criminal Code reflects our national growth. It has continously been amended to meet new problems. However, this evolution has resulted in conflicting and overlapping criminal statutes. The entire Code is in dire need of comprehensive reform.

I have recently received the Report of the National Commission on Reform of Federal Criminal Laws, which was created in 1966 to make a thorough and complete review of the statutory and case laws constituting the Federal system of Criminal Justice. The Report provides a useful framework for considering the issues involved in reform of the Federal penal law.

Because reform of the Federal Criminal Code should be among the highest of priorities of your Department, I am requesting you to take the following actions:

1. Establish a team of experienced attorneys within the Department of Justice to work full-time on a comprehensive reform of the Federal Criminal Code, and make sufficient deployment to that team of other personnel with specialized expertise.

2. Prepare a thorough evaluation of the Commission's Report.

3. Make an independent examination of the present Federal Criminal Code and recommendations for its comprehensive reform.

4. Carefully examine the recent address on the State of the Judiciary by the Chief Justice of the United States, and consider procedural as well as substantive areas of reform.

5. After the foregoing through analysis, prepare and submit appropriate legislation encompassing comprehensive reform of our Federal Criminal laws.

6. Work closely with appropriate Congressional committees and their staffs throughout your evaluation and recommendation process.

I would like to receive in six months a summary of your progress and your views concerning appropriate future action.

In February of 1971, the Subcommittee on Criminal Laws and Procedures, under the chairmanship of Senator MCCLELLAN, began an ambitious set of hearings and studies on the recommendations of the Commission. These hearings continued over the course of the 92d Congress and culminated in the introduction of S. 1, the massive "Criminal Justice Codification Revision and Reform Act of 1973" on January 12 of this year. Along with Senator ERVIN, I was pleased to join Senator MCCLELLAN in cosponsoring S. 1.

Over the course of the last 2 years, the Criminal Code Unit within the Department of Justice has labored diligently along with representatives of other interested Federal agencies, in the effort to create the Criminal Code Reform Act.

In his sixth state of the Union message on crime on March 14, 1973, the President announced his imminent submission to Congress of legislation to revise, reform, and codify existing Federal criminal laws. The bill which I introduce today and S. 1 will thus provide the two major legislative items upon which the Senate will focus in coming months as it proceeds to move in the direction of creating a new Federal Criminal Code

S. 1 represents the diligent and unsparing efforts of Senator MCCLELLAN and others too numerous to mention. Similarly, the bill which I introduce today is the product of extensive and intensive effort by the administration. As is to be expected, however, there are a number of differences between S. 1 and S. 1400—some minor, others more substantial—but even a cursory comparison between them demonstrates their essential similarity of conception and execution.

Despite the differences between S. 1 and the subject bill, it must be emphasized that neither is partisan in nature. The revision, reform and codification of the Federal criminal law is universally conceded to be imperative. For too long now our efforts to protect life and property, human rights and domestic tranquillity have been hobbled by the most fundamental element of the criminal justice system, the law itself.

While numerous individual criminal statutes, particularly some of the more recent ones, have been of great value, a great number have been of little or no use, and as a body of law existing provisions have been deficient. S. 1400 faces this problem squarely by suggesting a rational, integrated code which is both workable and responsive to the demands of our highly complex 20th-century society.

The bill is structured as an amendment to title 18 of the United States Code—Crimes and Criminal Procedure: Title I consists of a thorough revision of substantive Federal criminal law and its codification into an integrated Federal Criminal Code; title II provides necessary conforming amendments to the entire United States Code. The new Federal Criminal Code proposed by title I of the bill is divided into three parts: the first part deals with general provisions and principles, the second with definitions of Federal offenses, the third with provisions for sentencing.

PART I: GENERAL PROVISIONS AND PRINCIPLES

Part I of title I, setting forth general provisions and principles with respect to such matters as Federal criminal jurisdiction, culpability, complicity, and defenses, contains a number of significant innovations. Foremost among these is a new approach to the treatment of Federal criminal jurisdiction—treating as a Federal offense the basic criminal misconduct which occurs under circumstances giving rise to Federal jurisdiction rather than regarding the offense in terms of an affront to some Federal jurisdictional factor such as the mails.

Among the numerous advantages to this approach are clarity of drafting, uni-

formity of interpretation, and consolidation of numerous existing offenses consisting of basically the same type of conduct. For example, approximately 70 theft offenses under current law—each written in a different fashion to cover the taking of various kinds of property in different jurisdictional situations—have been replaced by 5 general sections. Almost 80 forgery, counterfeiting, and related offenses have been replaced by three sections. About 50 statutes involving perjury and false statements have been consolidated into four sections. Approximately 70 arson and property destruction offenses have been reduced to four.

Similar advantages result from the bill's treatment of culpability, the mental element of an offense. Instead of 79 undefined different terms, or combinations of terms, presently found in title 18, the bill uses four defined terms—intentionally, knowingly, recklessly, and negligently—to describe the state of mind.

Another major innovation reflected in part I is the codification, for the first time in Federal criminal law, of general defenses to prosecution. Not only does codification of defenses comport with the bill's overall goal of setting forth in one place all major aspects of substantive Federal criminal law, it permits clarification of areas in which the law is confused, supplies uniform Federal standards in the area for the first time, and would provide congressional support for the better-reasoned judicial interpretations under existing law.

Probably the most significant feature of the bill's chapter on defenses is its treatment of the insanity defense. Under section 502, a mental disease or defect will not absolve a person of guilt unless it deprives him of the intent or knowledge required for commission of the offense charged. The purpose of this formulation, which has considerable support in psychiatric and legal circles, is to shift the inquiry from "Was he able to control his conduct?" to "Did he know what he was doing and if so, does he require treatment or does he deserve imprisonment?" This innovative approach to the problem of the relationship between mental illness and crime could go far to assure better protection for society while at the same time providing meaningful dispositions for the mentally diseased.

PART II: OFFENSES

Part II of title I defines in one place, for the first time since 1790, all Federal felonies, as well as certain related Federal offenses of a less serious character. As is true of part I, part II encompasses a variety of essential reforms. Offenses and, in appropriate instances, specific defenses, are defined in simple, concise and straightforward terms.

Those provisions of existing law which have been found to be obsolete or unusable have been eliminated—for example, 18 U.S.C. 1651—operating a pirate ship on behalf of a "foreign prince"; 18 U.S.C. 45—detaining a U.S. carrier pigeon; 18 U.S.C. 2198—seducing a female steamship passenger—loopholes in existing law have been closed—for example, section 1731—theft of union welfare funds—and new offenses have been created where necessary—for example, section 1862—leading organized crime. Of course, where existing law has proved satisfactory and where existing statutory language has received favorable case law interpretation, the law and the operative language have been retained.

Reforms are also suggested with respect to penalties: anomalies have been obviated and penal sanctions have been provided which appropriately reflect the seriousness of the offense by contemporary standards. In some instances, higher potential penalties result—for example, the penalty for arson has been raised from 5 to 15 years in prison—in others the potential penalties have been reduced—for example, impersonation of a foreign official carries a 3 rather than a 10-year prison term. Thus, the effect of the bill's penalty provisions is to reflect current judgments as to the seriousness of different offenses. This is particularly true with respect to the death penalty, which would be provided only for particularly heinous criminal conduct such as wartime treason, sabotage or espionage and murder in certain types of situations—section 2401.

As with the definitions of an offense, the circumstances giving rise to Federal jurisdiction over an offense—the jurisdictional bases—are spelled out in simple, concise langage. Far more important, however, is the bill's discriminating approach to Federal jurisdiction. It emphatically rejects the notion of drastic encroachment on areas of State sovereignty, whether by proliferating the number of jurisdictional bases or by radically expanding their applicability. Indeed, jurisdiction has been contracted in areas in which the States have demonstrated little need for assistance in effectively protecting their citizens.

Although the bill reflects a modest extension of Federal jurisdiction, extreme care has been taken to limit expansion to areas of compelling Federal interest which are not adequately dealt with under present law. For example, under present law traveling in interstate commerce to bribe a witness in a State court proceeding is a Federal crime—18 United States Code 1952—but traveling in interstate commerce to threaten or intimidate the witness is not, even if the intimidation takes the form of murder. Obviously, the Federal interest—assisting the State in safeguarding the integrity of its judicial processes—is the same in each case. This being so, an extension of Federal jurisdiction is plainly warranted.

It is anomalous situations of this kind which have prompted the moderate expansion of Federal jurisdiction reflected in the Code. And, of course, the existence of Federal jurisdiction does not require that it be exercised blindly. As they have in the past, Federal prosecutors, under guidelines issued by the Department of Justice, can be expected to continue to exercise discretion by deferring to local authorities in cases primarily of State concern. The bill encourages the sound exercise of prosecutorial discretion in this area by requiring the filing of annual reports by the Department to bring to the attention of Congress the number of cases brought under each of the various jurisdictional bases—section 211.

PART III: SENTENCING

The reforms wrought by parts I and II of title I would have little practical significance if they were unaccompanied by a realistic approach to the myriad problems which arise once a person has been convicted of a Federal offense. Existing law in title 18 alone, provides for 18 different terms of imprisonment and 14 different fines, often with no discernible relationship between the possible term of imprisonment and the size of the fine. Part III of the bill, therefore, replaces existing anomalies with a rational system whereby offenses are classified for purposes of imprisonment and fines into eight categories.

The bill provides for imposition in appropriate cases of a "notice sanction" requiring a corporate or individual defrauder to give notice of the conviction to those innocent victims who may be entitled to file civil claims for damages—section 2004; and includes mandatory minimum prison terms for persons using dangerous weapons in the course of a crime—section 1813—traffickers in hard narcotics—section 1821—and organized crime leaders—section 1862.

To reduce the possibility of unwarranted disparities in sentencing, the bill sets forth criteria for the imposition of sentence—including, in section 2401, detailed criteria for imposition of the death penalty. Another significant change which is suggested in this area is the inclusion of a parole component in all prison sentences to insure that control will be maintained over hardened criminals after their release from confinement.

As even this limited review of the bill's more significant features makes clear, its potential for enhancing our Federal law is enormous.

This bill can be regarded as a truly momentous advance toward fulfillment of one of the most basic demands of our society, justice in the administration of the criminal law, for justice in the administration of the criminal law inevitably rests upon the justice of the criminal law.

Mr. President, when S. 1 was introduced, Senator McCLELLAN and I both indicated that we were not prepared to provide a blanket endorsement of its provisions. That bill was viewed only as a preliminary work product. It is a starting point. A base upon which to build. Each provision will be given deep study and serious consideration. Some will be adopted, some modified, and some rejected during the processing of the bill. The senior Senator from Arkansas has authorized me to say that his attitude and approach to the instant bill will be the same as they will be with respect to S. 1. So will mine.

The bill which I introduce today is recognized as a monumental effort by the administration, including the Department of Justice and other participating departments and agencies. Particular accolades should go to former Attorney General Mitchell, Attorney General Kleindienst, Assistant Attorney General Henry Petersen and Mr. Ronald L. Gainer who led the Code Unit in the Criminal Division of the Department.

There is much room for debate on this bill and S. 1. I myself will likely have

reservations with respect to certain provisions of S. 1400. For example, there is no provision in it for the appellate review of criminal sentences as embraced by the final report of the national commission. Moreover, this concept is not even recognized to the extent of current law with respect to dangerous special offenders as contained in title 18 United States Code, section 3576, added by Public Law 91–452, the Organized Crime Control Act of 1970.

The lack of authority and machinery to review unreasonable sentences has troubled this Senator for many years. Hopefully, the bill that eventually emerges from Congress to supplant the current Federal criminal law will contain some provision in this regard along the lines of S. 716 which I introduced on February 1 of this year with the cosponsorship of Senator McCLELLAN.

Senator McCLELLAN and I firmly believe that the project of rewriting title 18 must be approached with a healthy spirit of compromise. The bill that we will eventually bring forward will have provisions to which we may object or about which we may not be enthusiastic, and that may be true as to each member of the subcommittee and the full Judiciary Committee. But if we are to bring about this reform, again I say that there has to be some give and take. We will have to make up our minds that we are not going to vote against the whole program just because it contains one provision of law or one feature of a bill that we do not like.

S. 1400 and S. 1 offer Congress its first opportunity in nearly 200 years to restructure Federal criminal law so as to better serve the ends of justice in its broadest sense—justice to the individual and justice to society as a whole. While it would be unrealistic to assume that every facet of S. 1400 or S. 1 will be viewed with equal favor by all observers, I do not think it too much to hope that the task of translating the proposals they embody into reality will be approached with quiet reason and in a spirit of true bipartisanship. The monumental importance of the undertaking demands no less.

I ask unanimous consent that the following exhibits be printed in the RECORD at the conclusion of my remarks:

First. Excerpts from the President's sixth message to Congress on the state of the Union;

Second. Letter from the Attorney General transmitting the Criminal Code Reform Act of 1973;

Third. An analysis of the subject bill; and

Fourth. A series of comparison tables.

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

EXHIBIT No. 1

THE WHITE HOUSE.

To the Congress of the United States:

This sixth message to the Congress on the State of the Union, concerns our Federal system of criminal justice. It discusses both the progress we have made in improving that system and the additional steps we must take to consolidate our accomplishments and to further our efforts to achieve a safe, just, and law-abiding society.

In the period from 1960 to 1968 serious crime in the United States increased by 122 percent according to the FBI's Uniform Crime Index. The rate of increase accelerated each year until it reached a peak of 17 percent in 1968.

In 1968 one major public opinion poll showed that Americans considered lawlessness to be the top domestic problem facing the Nation. Another poll showed that four out of five Americans believed that "Law and order has broken down in this country." There was a very real fear that crime and violence were becoming a threat to the stability of our society.

The decade of the 1960s was characterized in many quarters by a growing sense of permissiveness in America—as well intentioned as it was poorly reasoned—in which many people were reluctant to take the steps necessary to control crime. It is no coincidence that within a few years time, America experienced a crime wave that threatened to become uncontrollable.

This Administration came to office in 1969 with the conviction that the integrity of our free institutions demanded stronger and firmer crime control. I promised that the wave of crime would not be the wave of the future. An all-out attack was mounted against crime in the United States—

The manpower of Federal enforcement and prosecution agencies was increased.

New legislation was proposed and passed by the Congress to put teeth into Federal enforcement efforts against organized crime, drug trafficking, and crime in the District of Columbia.

Federal financial aid to State and local criminal justice systems—a forerunner of revenue sharing—was greatly expanded through Administration budgeting and Congressional appropriations, reaching a total of $1.5 billion in the three fiscal years from 1970 through 1972.

These steps marked a clear departure from the philosophy which had come to dominate Federal crime fighting efforts, and which had brought America to record-breaking levels of lawlessness. Slowly, we began to bring America back. The effort has been long, slow, and difficult. In spite of the difficulties, we have made dramatic progress.

In the last four years the Department of Justice has obtained convictions against more than 2500 organized crime figures, including a number of bosses and under-bosses in major cities across the country. The pressure on the underworld is building constantly.

Today, the capital of the United States no longer bears the stigma of also being the Nation's crime capital. As a result of decisive reforms in the criminal justice system the serious crime rate has been cut in half in Washington, D.C. From a peak rate of more than 200 serious crimes per day reached during one month in 1969, the figure has been cut by more than half to 93 per day for the latest month of record in 1973. Felony prosecutions have increased from 2100 to 3800, and the time between arrest and trial for felonies has fallen from ten months to less than two.

Because of the combined efforts of Federal, State, and local agencies, the wave of serious crime in the United States is being brought under control. Latest figures from the FBI's Uniform Crime Index show that serious crime is increasing at the rate of only one percent a year—the lowest recorded rate since 1960. A majority of cities with over 100,000 population shows an actual reduction in crime.

These statistics and these indices suggest that our anti-crime program is on the right track. They suggest that we are taking the right measures. They prove that the only way to attack crime in America is the way crime attacks our people—without pity. Our program is based on this philosophy, and it is working.

Now we intend to maintain the momentum we have developed by taking additional steps to further improve law enforcement and to further protect the people of the United States.

* * * * *

THE CRIMINAL CODE REFORM ACT

The Federal criminal laws of the United States date back to 1790 and are based on statutes then pertinent to effective law enforcement. With the passage of new criminal laws, with the unfolding of new court decisions interpreting those laws, and with the development and growth of our Nation, many of the concepts still reflected in our criminal laws have become inadequate, clumsy, or outmoded.

In 1966, the Congress established the National Commission on Reform of the Federal Criminal Laws to analyze and evaluate the criminal Code. The Commission's final report of January 7, 1971, has been studied and further refined by the Department of Justice, working with the Congress. In some areas this Administration has substantial disagreements with the Commission's recommendations. But we agree fully with the almost universal recognition that modification of the Code is not merely desirable but absolutely imperative.

Accordingly, I will soon submit to the Congress the Criminal Code Reform Act aimed at a comprehensive revision of existing Federal criminal laws. This act will provide a rational, integrated code of Federal criminal law that is workable and responsive to the demands of a modern Nation.

The act is divided into three parts—

1. General provisions and principles;
2. Definitions of Federal offenses; and
3. Provisions for sentencing.

Part 1 of the Code establishes general provisions and principles regarding such matters as Federal criminal jurisdiction, culpability, complicity, and legal defenses, and contains a number of significant innovations. Foremost among these is a more effective test for establishing Federal criminal jurisdiction. Those circumstances giving rise to Federal jurisdiction are clearly delineated in the proposed new Code and the extent of jurisdiction is clearly defined.

I am emphatically opposed to encroachment by Federal authorities on State sovereignty, by unnecessarily increasing the areas over which the Federal Government asserts jurisdiction. To the contrary, jurisdiction, has been relinquished in those areas where the States have demonstrated no genuine need for assistance in protecting their citizens.

In those instances where jurisdiction is expanded, care has been taken to limit that expansion to areas of compelling Federal interest which are not adequately dealt with under present law. An example of such an instance would be the present law which states that it is a Federal crime to travel in interstate commerce to bribe a witness in a State court proceeding, but it is not a crime to travel in interstate commerce to threaten or intimidate the same witness, though intimidation might even take the form of murdering the witness.

The Federal interest is the same in each case—to assist the State in safeguarding the integrity of its judicial processes. In such a case, an extension of Federal jurisdiction is clearly warranted and is provided for under my proposal.

The rationalization of jurisdictional bases permits greater clarity of drafting, uniformity of interpretation, and the consolidation of numerous statutes presently applying to basically the same conduct.

For example, title 18 of the criminal Code as presently drawn, lists some 70 theft offenses—each written in a different fashion to cover the taking of various kinds of property in different jurisdictional situations. In the proposed new Code, these have been reduced to 5 general sections. Almost 80 for-

gery, counterfeiting, and related offenses have been replaced by only 3 sections. Over 50 statutes involving perjury and false statements have been reduced to 7 sections. Approximately 70 arson and property destruction offenses have been consolidated into 4 offenses.

Similar changes have been made in the Code's treatment of culpability. Instead of 79 undefined terms or combinations of terms presently found in title 18, the Code uses four clearly defined terms.

Another major innovation reflected in Part One is a codification of general defenses available to a defendant. This change permits clarification of areas in which the law is presently confused and, for the first time, provides uniform Federal standards for defense.

The most significant feature of this chapter is a codification of the "insanity" defense. At present the test is determined by the courts and varies across the country. The standard has become so vague in some instances that it has led to unconscionable abuse by defendants.

My proposed new formulation would provide an insanity defense only if the defendant did not know what he was doing. Under this formulation, which has considerable support in psychiatric and legal circles, the only question considered germane in a murder case, for example, would be whether the defendant knew whether he was pulling the trigger of a gun. Questions such as the existence of a mental disease or defect and whether the defendant requires treatment or deserves imprisonment would be reserved for consideration at the time of sentencing.

Part Two of the Code consolidates the definitions of all Federal felonies, as well as certain related Federal offenses of a less serious character. Offenses and, in appropriate instances, specific defenses, are defined in simple, concise terms, and those existing provisions found to be obsolete or unusable have been eliminated—for example, operating a pirate ship on behalf of a "foreign prince," or detaining a United States carrier pigeon. Loopholes in existing law have been closed—for example, statutes concerning the theft of union funds, and new offenses have been created where necessary, as in the case of leaders of organized crime.

We have not indulged in changes merely for the sake of changes. Where existing law has proved satisfactory and where existing statutory language has received favorable interpretation by the courts, the law and the operative language have been retained. In other areas, such as pornography, there has been a thorough revision to reassert the Federal interest in protecting our citizens.

The reforms set forth in Parts One and Two of the Code would be of little practical consequence without a more realistic approach to those problems which arise in the post-conviction phase of dealing with Federal offenses.

For example, the penalty structure prescribed in the present criminal Code is riddled with inconsistencies and inadequacies. Title 18 alone provide 18 different terms of imprisonment and 14 different fines, often with no discernible relationship between the possible term of imprisonment and the possible levying of a fine.

Part Three of the new Code classifies offenses into 8 categories for purposes of assessing and levying imprisonment and fines. It brings the present structure into line with current judgments as to the seriousness of various offenses and with the best opinion of penologists as the efficacy of specific penalties. In some instances, more stringent sanctions are provided. For example, sentences for arson are increased from 5 to 15 years. In other cases penalties are reduced. For example, impersonating a foreign official carries a three year sentence, as opposed to the 10 year term originally prescribed.

To reduce the possibility of unwarranted disparities in sentencing, the Code establishes criteria for the imposition of sentence. At the same time, it provides for parole supervision after all prison sentences, so that even hardened criminals who serve their full prison terms will receive supervision following their release.

There are certain crimes reflecting such a degree of hostility to society that a decent regard for the common welfare requires that a defendant convicted of those crimes be removed from free society. For this reason my proposed new Code provides mandatory minimum prison terms for trafficking in hard narcotics; it provides mandatory minimum prison terms for persons using dangerous weapons in the execution of a crime; and it provides mandatory minimum prison sentences for those convicted as leaders of organized crime.

The magnitude of the proposed revision of the Federal criminal Code will require careful detailed consideration by the Congress. I have no doubt this will be time-consuming.

* * * * *

CONCLUSION

This Nation has fought hard and sacrificed greatly to achieve a lasting peace in the world. Peace in the world, however, must be accompanied by peace in our own land. Of what ultimate value is it to end the threat to our national safety in the world if our citizens face a constant threat to their personal safety in our own streets?

The American people are a law-abiding people. They have faith in the law. It is now time for Government to justify that faith by insuring that the law works, that our system of criminal justice works, and that "domestic tranquility" is preserved.

I believe we have gone a long way toward erasing the apprehensions of the last decade. But we must go further if we are to achieve that peace at home which will truly complement peace abroad.

The Federal Government cannot do everything. Indeed, it is prohibited from doing everything. But it can do a great deal. The crime legislation I will submit to the Congress can give us the tools we need to do all that we can do. This is sound, responsible legislation. I am confident that the approval of the American people for measures of the sort that I have suggested will be reflected in the actions of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *March 14, 1973.*

EXHIBIT 2

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: In his State of the Union message on crime on Wednesday, March 14, 1973, President Nixon stated that he soon would be transmitting to the Congress a bill to reform, revise, and codify the substantive criminal law of the United States. Attached for your consideration and appropriate reference is the proposal to which the President referred—the Criminal Code Reform Act of 1973.

The proposed Criminal Code Reform Act had its genesis in Public Law 89-801, by which the Congress created the National Commission on Reform of Federal Criminal Laws to review the existing criminal code and to make recommendations for its reform. On January 7, 1971, the Commission submitted its report to the President and the Congress "as a work basis upon which the Congress may undertake the necessary reform of the substantive criminal laws." Upon receipt of the report, the President acknowledged the valuable contribution of the Commission and directed that the Department of Justice establish a team of experienced attorneys to "prepare a thorough evaluation of the . . . Report [of the Commission,] make an independent examination of the present Federal Criminal Code and recommendations for its comprehensive reform . . . [and,] after the foregoing thorough analysis, prepare and submit appropriate legislation encompassing comprehensive reform of our Federal criminal laws." For two years the Department of Justice has been engaged in the task assigned by the President. The attached Criminal Code Reform Act is the product of that effort.

The need for reform and codification of the federal criminal law is universally conceded. For too long now our efforts to protect life and property, human rights and domestic tranquility have been hobbled by the most fundamental element of the criminal justice system, the law itself. While numerous individual criminal statutes, particularly some of the more recent ones, have been of great value, an even greater number have been of little or no use, and as a body of law the existing provisions have been sadly deficient. The Criminal Code Reform Act faces this problem squarely and meets it fairly, by providing a rational, integrated code which is both workable and responsive to the demands of our twentieth century society.

Although the Code contains approaches and proposals suggested by numerous sources, its principal indebtedness is to the "work basis" supplied by the Commission and to those elements of the current statutory and case law that have proved particularly effective.

Title I of the draft bill contains the revision of the substantive federal criminal law. It consists of an amendment of existing Part I of title 18, United States Code, which replaces that Part with three parts relating, first, to general provisions and principles of criminal law; second, to a description of federal offenses; and third, to sentencing for offenses against federal law.

Part I of the proposed Code sets forth general provisions and principles with respect to such matters as federal criminal jurisdiction, culpability, and complicity, and codifies, for the first time in federal criminal law, general defenses to prosecution.

The matter of the most fundamental importance in Part I is the approach to the treatment of federal criminal jurisdiction—treating as a federal offense the basic criminal misconduct which occurs under circumstances giving rise to federal jurisdiction rather than regarding the offense in terms of an affront to some federal jurisdictional factor. Among the numerous advantages to this approach are clarity of drafting, uniformity of interpretation, and consolidation of numerous existing offenses consisting of basically the same type of conduct. While the basis of this approach had been recommended by the Commission, the variation adopted by the Department of Justice achieves the advantages of the approach without fostering a material expansion of the reach of federal criminal jurisdiction. This has been accomplished by including in each section describing an offense a separate subsection which concisely spells out the specific circumstances giving rise to federal jurisdiction, and which tailors those circumstances to the scope of current law unless there is good reason to vary from it. The proposed Code, therefore, rejects any expansion of federal jurisdiction which would cause a material encroachment on areas of state sovereignty, whether by proliferating the number of jurisdictional bases or by significantly expanding their applicability.

Part II of the proposed Code defines in one place, for the first time since 1790, all federal felonies, as well as certain related federal offenses of a less serious nature. Offenses and, in appropriate instances, specific defenses,

are defined in simple, concise, and straightforward terms. Those provisions of existing law which have been found to be obsolete or unusable have been eliminated, duplicative or overlapping provisions have been consolidated and gaps have been closed. Where existing statutory provisions—particularly the more recent enactments—have proved satisfactory, and where existing statutory language has received valuable case law interpretation, the law and the operative language have been retained.

Part III of the proposed Code replaces the existing hodgepodge of sentences and fines with a rational system whereby offenses are classified for purposes of imprisonment and fines into nine categories. (These categories are made applicable to offenses described outside Title 18 as well as those described within the Title.) For the most part, these penalty levels generally reflect the terms of imprisonment determined by the Congress to be warranted by the current counterparts of the specific offenses listed in the Code, although mandatory minimum prison terms have been included for persons using dangerous weapons in the course of a crime, traffickers in hard narcotics, and organized crime leaders, and a parole component has been included in all prison sentences to insure that "street-time" supervision will be available for all offenders and not just those found to deserve early release on parole. The fine levels, however, have been substantially increased in order that they may be felt not just by defendants without major financial resources but by those defendants, corporate and individual, who for too long have tended to view criminal fines as an insignificant potential addition to the cost of doing business. Moreover, Part III provides for the imposition in appropriate cases of a "notice sanction" requiring a corporate or individual defrauder to give notice of the conviction to those innocent victims who may be entitled to file civil claims for damages. The death penalty provisions of the proposed Code have been carefully drafted to meet the concerns expressed by the justices of the Supreme Court; the penalty is made available only for particular crimes—treason, sabotage, espionage and murder—and then only under certain very limited circumstances.

Title II of the draft bill primarily contains conforming amendments, including amendments designed to retain but relocate those provisions concerning misdemeanors which are appropriately located outside Title 18 because of their relationship to a certain government agency or program, and amendments to conform references to existing sections of Title 18 to the new section numbers. There are a few substantive changes made by Title II. The provisions relating to parole, the sanity of the defendant, and juvenile delinquency have been substantially amended in accord with the amendments to Title 18 made by Title I of the draft bill, and a new statute of limitations provision has been included to provide a single provision for all federal offenses. A few other provisions have been modified or repealed, consistent with the sentencing provisions in proposed Part III of Title 18. Other technical, conforming amendments to certain provisions outside Title 18 which remain to be made will be prepared and submitted for later consideration.

Title III of the draft bill contains the severability and effective date provisions.

Congress is now presented with its first opportunity in nearly 200 years to simplify and restructure the federal criminal law so as to serve more effectively the ends of justice in its broadest sense—justice to the individual and justice to society as a whole. While every facet of the proposed Code may not be viewed with equal favor by all observers, we do not think it too much to hope that the task of translating the proposals it embodies into reality will be approached with quiet reason and in a spirit of true bipartisanship. The monumental importance of the undertaking demands no less.

We look forward to working with the Congress in its consideration of this legislation and we will welcome the opportunity to provide testimony and documentary explanations of the reasons underlying specific aspects of the Code.

The Office of Management and Budget has advised the Department that enactment of this proposal would be in accord with the Program of the President.

Sincerely,

———— ————,

Attorney General.

EXHIBIT 3

OUTLINE OF SOME OF THE MOST SIGNIFICANT PROVISIONS OF S. 1400

CHAPTER 1

§ 102. Four purposes of sentencing are listed: assurance of just punishment, deterrence, incapacitation, and rehabilitation.

§ 103. The common-law rule requiring strict construction of penal statutes is applicable to the code only to the extent necessary to assure fair notice of what constitutes an offense. Any other historical aspects of the rule are expressly made inapplicable, as they are under current case law. Such an express abrogation of the other historical aspects of the rule is included in several modern state codes.

§ 104. This section assures that any civil remedy available to a victim of an offense will in no way be abrogated by any provision of the code.

§ 105. Applicable sentences for offenses are separated into nine penalty levels, instead of permitting an infinite range of penalties.

§ 111. A total of seventy-nine terms commonly used throughout the code are catalogued and specifically defined. In current law, many of these terms are undefined and others are separately defined with conflicting meanings. Standard definitions for such frequently used terms as "anything of value", "government", "mail", "public servant", and "United States" is a major improvement over current law.

CHAPTER 2

Chapter 2 introduces the general treatment of federal jurisdiction in the proposed new criminal code. The essence of the code approach is to impose punishment for the underlying misconduct which is within the federal jurisdiction, rather than to impose punishment for the interference with the jurisdictional factor itself. For example, the essence of section 1621 is kidnapping, rather than, as in the primary provision of current law, the interstate transportation of a victim of a kidnapping. The power of the federal government to prosecute for kidnapping under section 1621, however, is limited by a subsection setting forth the particular circumstances permitting prosecution (among these being the interstate transportation of the victim). This approach has several material advantages, not the least of which are clarity of drafting, uniformity of interpretation, and consolidation of offenses into fewer offenses with several jurisdictional bases. This is the most fundamental innovation proposed by the Brown Commission.

Two collateral jurisdictional proposals were also made by the Brown Commission. First, the Brown Commission recommended consolidating the existing circumstances giving rise to federal jurisdictional bases, one or more of which would apply to each penal section by cross reference. This, by the generality of the language employed, would significantly expand federal jurisdiction in numerous offenses.

This approach is rejected in the proposed new criminal code; instead, particularized bases, tailored to the penal section in which they appear, have been employed. This approach permits tight control over any jurisdictional expansion or contraction. Second, the Brown Commission proposed that some offenses be subject to federal prosecution if they occur in the course of another offense over which federal jurisdiction exists. While this concept of ancillary ("piggyback") jurisdiction has several advantages, and in fact is employed in substance in several provisions of current law, its broad application as suggested by the Brown Commission would result in a material increase in federal jurisdiction. While the proposed new criminal code adopts the concept of ancillary jurisdiction because of its basic advantages, its use in the proposed code is severely limited—considerably more limited than its use in the Brown Commission proposal or the use of the analogous "compound grading" technique employed in S. 1.

§ 202. Proof of more than one circumstance giving rise to federal jurisdiction over an offense does not, in itself, increase the number of offenses committed. Thus, theft of a federal document from the mails on a military post is one offense (theft) with three circumstances giving rise to federal jurisdiction, rather than three offenses (theft of government property, theft from the mails, and theft on a federal enclave).

§ 203. This section defines in one place the territorial maritime, and aircraft jurisdiction of the United States. A major addition to the special territorial jurisdiction is jurisdiction over the Indian country. This, together with associated changes, will eliminate the discrimination in current law so that an offense committed by or against an Indian will now carry the same penalty as an offense committed by or against a non-Indian. As under current law, however, federal law does not apply to Indian reservations where a state has exclusive jurisdiction or where tribal law has been applied.

The broad range of the special aircraft jurisdiction incorporates the requirements imposed by treaties.

§ 204. This sets forth in a single provision all instances in which the United States may prosecute for an offense committed outside its ordinary jurisdiction. It contains three innovations. First, in subsection (g) it closes the gaps in jurisdiction where a civilian accompanying the Armed Forces commits an offense for which the host nation will not or cannot prosecute, where a United States diplomat commits an offense and cannot be prosecuted by the foreign nation because of his immunity, and where a member of the armed forces commits an offense in a foreign nation and the commission of the offense is not discovered prior to his discharge. Second, in subsection (h) extraterritorial jurisdiction is extended to cover any offense by or against a U.S. citizen outside the jurisdiction of any nation, thereby permitting prosecution for offense committed in areas not now covered by the law of any nation, such as Antarctica or the moon. Third, subsection (i) covers such extraterritorial jurisdiction as is required by treaty to implement United States obligations under various international conventions. This provision would cover piracy, for example, as an aspect of extraterritorial jurisdiction under a treaty, through which traditional assault and property-taking offenses may be prosecuted rather than as a substantive offense of "Piracy."

§ 211. Annual Reports to the Congress, setting forth for each offense the number of prosecutions commenced during the preceding year, and identifying the number prosecuted under each particular circumstance giving rise to federal jurisdiction, are required for the purpose of providing the Congress with the information necessary to make reasonable determinations concerning the advisability of expanding or retracting the reach of federal jurisdiction in particular areas. This means of ascertaining and controlling the exercise of federal jurisdiction by legislative review is substituted for the

Brown Commission's hortatory approach. The Brown Commission had called for the declination of prosecution unless there exists a "substantial federal interest" in an offense, such as would be prompted by the involvement of organized crime or the corruption of state law enforcement agencies; the existence or nonexistence of such a "substantial federal interest" would not be litigable.

CHAPTER 3

§§ 301–302. The mental element of an offense must be described by one of four defined terms denoting particular states of culpability. The current title 18 uses 79 different terms or combination of terms to cover the same ranges of culpability. The simplification should permit far more uniformity of interpretation. The Brown Commission proposal and several modern state codes, in emulation of the Model Penal Code, have employed variations of the same four terms.

§ 303. Subsection (c) provides that culpability is not required for jurisdictional factors. Consequently, it is not a requisite to federal conviction that, for example, a sniper be aware that the police officer he is shooting is a federal police officer, nor that a thief be aware that it is federally-owned property he is stealing. This accords with current case law in most, but not all, areas.

CHAPTER 4

§ 402. The liability of an organization for the conduct of its agent has been drafted to parallel existing case law, rather than to contract the existing law slightly as the Brown Commission inadvertently proposed, or to expand it slightly as others have suggested.

CHAPTER 5

For the first time in federal law, general defenses to prosecution are codified. However, instead of adopting the Brown Commission approach of detailing all of the ramifications of the various defenses, they are set forth in simple, general terminology designed to permit the courts necessary flexibility. This approach will permit the clarification of areas in which the case law is confused, and will provide Congressional support for the more carefully considered interpretations under existing law, while not presuming to occupy the field.

For the most part the codified defenses reflect present law in the majority of jurisdictions. The major exception is the defense of insanity. The proposed approach reflects rejection of the *McNaughton* rule combined with the "irresistible impulse" rule, the numerous variations of these rules suggested by the ALI and others, and the *Durham* rule with which the District of Columbia had experimented. The proposal would permit insanity to serve as a defense to a criminal prosecution only if the insanity precluded a finding of the existence of the required mental element of the offense. Under this "criminal intent" test, a defendant who suffers from a mental disease or defect, but who nevertheless is capable of acting intentionally or knowingly, would have his insanity considered at pre-sentence stage in connection with a determination of what should be done with him. While this is not yet the law in any American jurisdiction, respectable legal and psychiatric authority has developed in its support and it was recommended by a minority of the Brown Commission.

CHAPTER 10

§ 1001. There is, under the current law, no attempt statute of general applicability, although a number of individual offenses contain attempt provisions. This section makes it an offense to attempt to commit any Federal crime. The attempted offense in most instances carries the same penalty as the completed offense on the theory that a defendant who begins to commit an offense should not benefit from a happenstance causing its interruption. Nevertheless, to encourage abandonment of criminal enterprise, a voluntary, complete, and effective avoidance of the offense constitutes an affirmative defense.

§ 1002. The conspiracy provision reflects current law, as developed through judicial interpretations of the present general conspiracy statute.

§ 1003. With the exception of subornation of perjury, there is no solicitation offense in current Federal law. The Brown Commission recommended a general offense covering the solicitation of another to commit any Federal offense. This section severely limits the offenses for which solicitation is itself an offense because of concern that its indiscriminate application might in some areas infringe on First Amendment protections.

CHAPTER 11

§ 1101. Unlike the Brown Commission approach, treason is cast in the terminology employed in the Constitution, thereby assuring constitutionality and preservation of existing case law. Major rebellion is graded less severely than assistance to foreign enemies.

§ 1102. Domestic rebellion, of lesser scope than that described in 1101, is made a separate offense, carrying a lesser penalty than treason. While possibly giving the appearance of cutting back on the reach of existing law, it does not do so in fact, since it is similar to 18 U.S.C. 2382 and 2384.

§ 1103. This replaces the Smith Act, 18 U.S.C. 2385. It is a simplified version, embodying those elements the Supreme Court held necessary to the validity of the Smith Act and eliminating the superfluous verbiage and the matters held to be invalid.

§ 1104. This penalizes the use of weapons by a group of persons for the purpose of taking over a government function or a government agency. There is no comparable provision in current law, although the Brown Commission proposed a similar provision. The Brown Commission proposal, which would penalize the use of weapons by a group for "political purposes", is broader than § 1104.

§ 1111. There is added to the traditional means of committing sabotage the knowing supplying of defective materials for national defense purposes.

§ 1121. This section covers the espionage offenses—collecting and communicating military secrets to foreign powers—now found in 18 U.S.C. 793(a)(c) and 794.

The subject of espionage is defined as "national defense" information, a term less broad than the Brown Commission's "national security" information. It covers any information relating to the national defense, whether or not classified. The offense requires a specific intent to harm the United States or to benefit a foreign power. Espionage carries the highest penalty if, *inter alia*, it is committed either during wartime or during a specially-declared period of "national defense emergency."

The Brown Commission's proposal to cover espionage on behalf of domestic rebels is rejected; adequate coverage is available under related sections.

§ 1122. Disclosure of national defense information to any person not authorized to receive it is made an offense even though the information is not classified. This covers such information as has not yet been stamped as classified, and such information as is inherently not capable of being classified. The offense is currently covered by 18 U.S.C. 793 (d) and (e).

§ 1123. This offense, derived from 18 U.S.C. 793(f), punishes grossly negligent conduct, on the part of one entrusted with national defense information, who subjects it to compromise.

§ 1124. The offense of disclosing classified information has been broadened both as to leakers, by including former officials and other persons entrusted with classified materials, and as to recipients, by covering disclosure to any unauthorized person, not merely communists or foreign agents as in current law (50 U.S.C. 783 (b)). It is sufficient for conviction that the information was classified; the propriety of the classification is irrelevant. To avoid the possibility of penalizing persons who have no special responsibility for classified information, penalization of the recipient either as an accomplice or as a co-conspirator is expressly precluded.

§ 1125. An unauthorized recipient of classified information himself commits an offense only if he is a foreign agent. The provision of current law (50 U.S.C. 783(c)) covering communists who are not foreign agents, as well as foreign agents, is dropped.

CHAPTER 13

§ 1301. Current law contains an offense for conspiracy to defraud the government (18 U.S.C. 371) but not a substantive offense of defrauding the government. This section replaces that portion of the conspiracy statute with a substantive offense. In combination with the theft provision which covers frauds involving the taking of property, and the various other provisions of Chapter 13 which cover specific forms of non-property taking frauds against the United States, this section assures adequate coverage against any scheme to defraud the government.

§ 1313. The penalty for bail jumping parallels the penalty provided for the underlying offense charged in cases of major crimes. This eliminates the incentive to jump bail in the hope of facing a reduced penalty after sufficient time has passed that the government's main case has grown stale through unavailability of witnesses and evidence.

§ 1315. Introducing or possessing contraband items in a federal prison is graded according to the seriousness of the item involved, ranging from high penalties for such things as firearms or heroin to very minor penalties for such things as prohibited food items or cigaretts which are deemed contraband purely for reasons of prison discipline. Under current law, possession or introduction of any prohibited item carries a ten-year felony penalty.

§ 1321. The outright bribery of a witness in an official proceeding to influence his testimony receives separate treatment, as it does in current law. It carries a relatively high penalty, reflecting the seriousness of the offense and its effect on the administration of justice.

§ 1322. Payments that do not amount to outright bribes, but are nonetheless improper payments for or because of a person's testimony or appearance at an official proceeding, are penalized as they are under current law. Problems that have plagued the courts on the issues of who specifically is a witness or when an official proceeding has begun have been resolved.

§ 1323. Current law covers tampering with witnesses and informants by means of force or threats only in a vague obstruction of justice statute. This section spells out the prohibited conduct in detail, but continues a catch-all clause to assure that the coverage of current law is maintained. The provision of current law making it a federal crime to cross a state line or to use an interstate facility for the purpose of bribing a witness in a state case is broadened to cover such conduct for the purpose of threatening or intimidating such a witness.

§ 1324. Current law does not cover crossing a state line or using an interstate facility to retaliate against a witness or an informant in a state proceeding. This section would parallel the bribery jurisdiction in such cases.

§§ 1331–1336. These sections deal with criminal contempt and related offenses. Contempt may be punished summarily, as it carries only a six-month prison term. However, if the contemptuous behavior con-

stitutes an offense under another provision of the Code (e.g., failure to appear as a witness), the person could later be prosecuted for such an offense and would face an additional prison term of up to three years. Under current law, there is no limit on the term of imprisonment that may be imposed after a prosecution for criminal contempt.

§ 1342. Current law does not make perjury an offense if the false testimony is not material. This section creates such an offense, carrying a misdemeanor penalty, as a lesser-included form of perjury.

§ 1343. This section consolidates the numerous false statement statutes scattered throughout the United States Code—47 in title 18 alone. The offense, unlike current law, is graded below the penalty for perjury in order to obviate practical difficulties under the current statutes. Oral false statements, as well as written ones, are covered by the section. A limited defense is codified to exempt oral false statements, and written false statements, made to law enforcement officers.

§ 1346. In correspondence with the action of Congress in 1970, the two-witness rule in perjury prosecutions is eliminated, a retraction defense is codified, and a provision is included permitting conviction upon proof of two inconsistent statements without proof of which of the two is false. The element of "materiality", which previously has been left to case law, is codified along the lines of existing judicial interpretation.

§ 1351. Although the term "corruptly" is eliminated, this section covers in a simplified fashion the same reach as the current bribery provisions, and maintains the high penalty under current law (fifteen years) for bribing a public servant.

Concurrent federal jurisdiction to prosecute state and local briberies is not extended beyond current law. Where jurisdiction does exist to prosecute for a state bribery, however, it is the federal definition of bribery that will apply, and not the definition that happens to exist under the laws of the particular state in which the offense occurred. This should help simplify federal prosecutions for such state and local briberies.

§ 1352. The current lesser-included form of bribery is maintained to cover those situations where no express agreement or understanding can be proved, but where a payment, either before or after the official action in question, is made "for or because of" such action. This provision has proved to be of material value.

§ 1354. Payments to public servants, political party officials, and relatives of public servants are made illegal if the payment is made in return for the recipient's exerting influence on a public servant with respect to his official action.

§ 1356. Public servants are prohibited from using their own official actions or information gained because of their position for private gain while they remain public servants or for one year after they leave public service. As a statute of general applicability this offense is new to federal law.

§ 1357. The use of force, threat, intimidation, or deception to influence a public servant in the exercise of his official duties is prohibited. However, a defense is provided if the threat was of lawful conduct and its purpose was solely to influence the public servant to perform his duties properly.

CHAPTER 14

§ 1401. Contrary to the Brown Commission proposal, for the purpose of avoiding unnecessarily complex proof problems the tax evasion statute is graded as a seven-year felony irrespective of the size of the tax deficiency.

CHAPTER 15

§ 1501. The current statute covering conspiracy to deprive a person of his civil rights is modified by writing it as a substantive offense, by eliminating the more antiquated provisions as to the manner in which the offense may be committed (going 'in disguise" on a highway or on another's premises), by eliminating the requirement that the victim be a citizen, and by grading the offense as a misdemeanor rather than a 10-year felony. The reduction to a misdemeanor is appropriate in light of the nature of the offense, and in light of the fact that an actual assault, maiming. or murder occurring in the course of the offense may be separately charged and punished.

§ 1502. This replacement for the current civil rights statute reaching state action covers a law enforcement officer who intentionally commits a crime against a person which deprives that person of his civil rights. It is narrower than existing law in that it covers only acts that are criminal in themselves; it is broader than existing law in that the required intent concerns the criminal act and not the deprivation of civil rights.

§ 1531. Coverage of existing law is expanded to include disclosure of the contents of intercepted mail, thereby paralleling the provisions of the wiretapping statute.

§§ 1532–1533. The current statutory provisions against wiretapping and electronic eavesdropping are maintained. The current provision that prohibits certain advertising of eavesdropping devices is expanded to cover additional forms of advertising.

CHAPTER 16

§ 1601. The degrees of murder are eliminated as they have been employed historically, only to differentiate between murders to which the death penalty is applicable and those to which it is not; this differentiation is supplied in the proposed new code by section 2401.

The felony-murder doctrine is continued in a modified form. It applies only if the killing occurs in the course of one of the offenses specified, if the killing is of a person other than one of the participants in the offense, and if the killing in the course of the offense was a reasonably foreseeable possibility from the standpoint of the defendant.

Concurrent federal jurisdiction over homicide (and other offenses in the assault area) is limited to lesser federal public servants who are law enforcement officers, prison employees, or other specifically designated for coverage by the Attorney General, and who are killed because of their official duties. Concurrent federal jurisdiction is also provided, by the ancillary jurisdiction concept, over killings occurring in the course of certain specified felonies, some of which currently carry an increased penalty if death results in the course of the offense, and some of which do not. While the Brown Commission draft would permit federal prosecution for a murder occurring in the course of any other federal offense, the proposed code limits the attachment of such ancillary jurisdiction to approximately twenty-five federal offenses in which the availability of an aggravated penalty is most needed.

§§ 1602–1603. In these sections, as in the assault series, an increased penalty is provided if the victim of a manslaughter or a negligent homicide is the President or a successor to the presidency.

§ 1611. Unlike the recommendation of the Brown Commission, but like current law, this provision provides an appropriately severe penalty (15 years) where an assault reaches the level of maiming.

§ 1615. This provides for an increased penalty for engaging in any criminal conduct which recklessly endangers the life of another. The provisions, which was suggested by the Brown Commission, provides a convenient way for upgrading offenses, which may or may not in themselves endanger human life, when life in fact is endangered (e.g., arson). It also provides a means of increasing the penalty where extremely aggravated forms of regulatory offenses are committed.

§ 1621. Current law punishes kidnapping for ransom "or otherwise." This section spells out the specific instances in which a kidnapping will warrant the highest penalties. The grading section is designed to deter a kidnapper from subjecting his victim to serious bodily injury or death.

§§ 1622–1623. These are lesser-included forms of kidnapping, carrying grading levels proportionate to the offense. Current law applies the same penalty to all forms of kidnapping.

§ 1625. The grading of aircraft hijacking is altered, like kidnapping, to provide the highest penalty where a victim of the offense is killed, the next highest penalty where a victim of the offense is seriously injured, and the third highest penalty where no victim of the offense is injured. This approach is predicated on the theory that the primary responsibility of the government is to deter the offender from taking the lives of innocent victims.

A special aircraft hijacking jurisdiction provision has been provided to implement the responsibility of the United States under the recent Convention for International Cooperation to Combat Aircraft Hijacking.

§ 1631. The offense of rape, and the other sexual offenses in the sections that follow, apply without distinction as to the sex of the offender or of the victim; forcible sodomy is included in the definition of the offense.

No particularized evidentiary requirements, corroboration requirements, or instruction requirements are included, nor is there any defense or grading distinction based upon the promiscuity of the victim.

The fifteen-year penalty is the basic penalty only. To it is added, by the use of the ancillary jurisdiction concept, any penalty for use of a weapon (seven years), serious bodily injury (seven years), maiming (fifteen years), or death (life imprisonment or death).

§ 1632. Subsection (a)(4) provides a general lesser included form of rape which serves to assure that an offender is less apt than under current law to avoid any penalty at all where a jury questions the sufficiency of the victim's resistance.

§ 1633. Consensual sexual activity between peers is excluded from the statutory rape provision. A limited mistake of age defense is provided.

CHAPTER 17

§§ 1701–1703. The grading of the arson series of offenses, while apparently lower than is customary, is subject to being increased by application of the assault and murder series of offenses where persons are injured or killed, and by application of the reckless endangerment offense where, although no one is injured, persons are endangered by the commission of the offense. Vital public facilities are specifically included for protection against arson, bombing, and other damage.

§ 1711. The modern state code version of burglary is largely adopted, with the rejection of the outmoded common law requirement of a "breaking". The federal interest in covering such premises as bank buildings and post offices is preserved.

§ 1712. The criminal trespass statute is carefully graded so that the penalty matches the degree of protection required by the premises in question and the amount of notice a trespasser has received. The highest penalty (Class A misdemeanor) is limited to trespass in highly secured government premises and dwellings.

§ 1721. The robbery offense is cast in traditional terminology, which has a fairly settled meaning, instead of the "theft plus assault" terminology suggested by the Brown Commission.

§ 1722. Extortion is included as a separate offense, paralleling the robbery offense, instead of being submerged in the general theft section as suggested by the Brown Commission. This avoids the loss of a favorable body of case law. However, the section is worded to overcome the adverse effects of a recent Supreme Court opinion construing the legislative intent as to one aspect of the existing statute in an unusually restrictive manner.

A jurisdictional provision is added to permit federal prosecution of persons extorting money from an employee of a federally-insured bank, thus filling a major gap in the current law which covers only bank robbery and not bank extortion.

§ 1723. This section creates a lesser form of extortion, permitting a grading distinction not available under current law.

§ 1724. The loansharking provisions passed by Congress in 1968 are here incorporated in revised form. The only material change is the making of an independent offense out of elements constituting only a *prima facie* case under the 1968 legislation. This offense, committed by making a loan of over $100 at an annual interest rate in excess of 45 percent which is unenforcible under the law of the state in which it is made (and which presumably is intended to be enforced by extra-legal means), carries a seven-year penalty as opposed to fifteen years for the other two forms of loansharking. The plenary federal jurisdiction provided by the 1968 act, which was based upon the commerce power and the bankruptcy power, is continued unchanged.

§ 1731. The 70-some theft provisions under current law are consolidated into a single offense. It covers all common law property-taking offenses, including larceny, embezzlement, misappropriation, and fraud. It should assure a far greater uniformity of case interpretation than previously has been possible. The extensive list of circumstances under which the federal government might prosecute for theft is derived from the jurisdictional provisions of the numerous statutes being consolidated.

§ 1735. The existing mail fraud and wire fraud statutes have been extremely valuable in federal prosecutions of "white collar" crime, having received highly favorable interpretations by the federal courts. Incorporating these statutes within the general theft provision, as suggested by the Brown Commission, could well result in the loss of what is one of the most important bodies of federal case law. This section sets forth the provisions of those existng statutes, using, for the most part, the current language. A primary difference is that, since the central element of the offense is the scheme to defraud rather than the use of the mails for interstate communications as in existing law, the mailing, for example, of fifty post cards in furtherance of a single scheme will constitute one offense rather than fifty. This meets the concerns that have been expressed about this aspect of the existing statutes.

A new statutory injunction remedy is provided in the procedural part of the Code to restrain violations of this section—a remedy that should be of considerable importance in protecting potential victims from "white collar" crime. This provision parallels the effective provision for injunctive relief which has long been available for violation of the fraud provisions of the Securities and Exchange Act. The limited injunctive relief currently granted the Postmaster General is too narrow to be effective.

§ 1741. This section consolidates more than 50 current statutes relating to counterfeiting and forgery—including statutes covering the counterfeiting and forgery of U.S. and foreign currency and securities; U.S. documents, badges, seals, etc.; writings used to influence an action of the U.S.; records of federally insured banks, and securities and tax stamps. The section creates a distinction between the terms "counterfeited" and "forged" and clearly defines each term, eliminating the confusion engendered by the common law use of these terms as synonyms. Counterfeiting (manufacturing a writing in its entirety) is treated as a more serious crime than forgery (altering an otherwise genuine writing).

§ 1742. This section consolidates more than 20 current statutes dealing with the unauthorized use of certain writings of the U.S., such as obligations and securities, seals, passports, licenses, citizenship documents, postage stamps, etc. The unauthorized issuance or use of such writings, where there is a federal interest, is given the same general coverage as in the forgery and counterfeiting area, thereby providing consistent and uniform coverage.

§ 1743. Consolidated in this section are approximately fifteen current statutes relating to the manufacture, use, or possession of implements suited for the counterfeiting of U.S. coins, currency, stamps, postmarks, vouchers, securities, seals, citizenship papers, visas, licenses, and foreign coins and currency.

§ 1751. This offense of commercial bribery, although broadly worded, is limited by the circumstances giving rise to federal jurisdiction to those cases where the payments involve the banking industry and government contractors. Contrary to the suggestion made by the Brown Commission, the reach of the section is not broadened beyond the bounds of current law. Existing federal jurisdiction over the offense is, in fact, contracted in order to avoid an unnecessary overlap with state criminal jurisdiction where there is no real need for federal intervention. The specific provisions of current law dealing with the televised quiz shows and "payola" in the record industry are maintained as misdemeanors outside the criminal code.

§ 1752. This section moves from title 29 of the United States Code the most serious form of bribery of union officials—involving payments from employers to influence union actions—and increases the penalty from a misdemeanor level to a three-year felony.

The present title 18 statutes covering bribery of pension and welfare officials is continued. Its reach is expanded, however, to cover all trust funds for employee benefits. Current law is also expanded to include the bribing of union officials in relation to union membership procedures and work placement, and in relation to the investment or expenditure of union assets—a coverage which will parallel that of the existing theft provisions.

§ 1765. This section retains existing penalty provisions of current law that punish such acts as distributing misbranded foods or drugs with intent to defraud, thereby preserving the availability of felony prison sentences for this form of "white collar" crime. The current penalty for sound recording piracy is increased to a felony level to reflect recent problems in that industry.

§1766. Offenses concerning the knowing distribution of adulterated meat, poultry, and eggs are moved into the criminal code and maintained as felonies in order to ensure public safety and protection.

CHAPTER 18

§§ 1801–1805. These sections generally maintain the substance of the existing federal law concerning riots, although the definition of "riot" has been contracted to require participation by at least five rather than three persons. In addition, federal jurisdiction over the offense of participating in a riot has been slightly contracted and the penalty for the offense has been reduced from five years to six months, unless the riot occurs in a federal prison or other federal detention facility, in which case the penalty is one year. Similar grading distinctions are applied to inciting or leading a riot and arming rioters.

§§ 1811–1812. These sections incorporate the existing penal provisions from regulatory offenses involving firearms and explosives.

§ 1813. As in a recently-enacted provision of existing law, the use of a firearm or explosive in the course of a crime is made an independently chargeable offense with a mandatory minimum penalty. This provision also covers, although by a lower mandatory penalty, the use of any other kind of dangerous weapon in the course of a felony.

§ 1821. These provisions parallel, in the code form, the new penal sanctions for drug offenses recently proposed to Congress to supplement those enacted in 1970. Basically, they will provide more severe penalties for persons who traffic in substantial quantities of hard narcotics, while continuing present law with respect to other drugs. A procedural section continues provisions for discharging first offenders found guilty of mere possession, as well as for expurging records of such offenders who are less than 21 years old. Possession of marijuana or other drugs continues to be a misdemeanor.

§§ 1831–1832. These provisions consolidate several current statutes covering gambling activities, restricting the application of federal law to large-scale illegal gambling and to protection of state anti-gambling policies. Under section 1831, engaging in an illegal gambling business of a specified size, or accepting lay-off wagers, carries a seven-year penalty. Section 1832 prohibits interstate transmission of gambling information and transportation of gambling devices or proceeds from gambling.

Pending the recommendations of the newly-created Commission on the Review of the National Policy Toward Gambling, no changes in the wagering tax laws are included.

§ 1851. This section consolidates various provisions of current law dealing with obscenity. The section covers dissemination of obscene material to all persons other than those who have legitimate scholarly or medical reasons for possessing it. The definition of "obscene material" is more objective and precise than under current law; this will make the coverage of the law clearer to citizens and to the courts.

§ 1861. This section largely parallels the racketeering provisions of the Organized Crime Control Act of 1970. The penalty, however, is raised from 20 years to 30 years. Provisions for criminal forfeiture and civil remedies have been moved to the procedural part.

§ 1862. Current law does not contain an offense of leading a criminal syndicate, although several suggestions for such an offense have been made in the past. As a practical matter, the offense can never be prosecuted unless evidence has been secured as a result of a wiretapping warrant, unless an undercover agent has infiltrated the organization, or unless a member of the organization is willing to testify (occasional instances of such willingness are beginning to occur). The offense carries a thirty-year potential penalty, with a ten-year mandatory minimum.

§ 1863. This section continues the current law proscription on use of evidence to prosecute organized crime activities and raises the penalty from five to seven years.

§ 1881. This section incorporates the assimilated crimes provisions of current law. It is of less importance than in current law, however, because the rest of the code, by separating the federal jurisdictional elements from the definitions of offenses, provides a readymade federal code for application in enclaves. Hence, all major offenses in enclaves will be prosecuted directly under other federal statutes, leaving only the relatively less important offenses to be assimilated.

CHAPTER 20

§ 2002. This provision has the effect of reducing all felonies outside title 18 to the

level of a one-year misdemeanor, except for certain repeating offenders. This is made possible by moving all serious felonies into the proposed new criminal code, and by leaving outside title 18 only those offenses for which one-year's imprisonment, or less, is sufficient.

§ 2003. This section continues the court's discretion to order the making of a presentence investigation and report in felony cases.

§ 2004. This section permits a judge to impose a requirement that certain defendants give notice to classes or persons affected by their convictions in order to facilitate private suits for restitution. There is no such express provision in current law. While the Brown Commission would have applied such a provision only to corporate offenders, this provision also includes individual offenders convicted of offenses involving fraud.

CHAPTER 21

§ 2101. This section follows current law in creating no presumption for or against probation.

§ 2102. Unlike current law, a minimum one-year term of probation is provided where probation is imposed for a felony.

§ 2103. A split sentence as a condition of probation, as provided by current law, is eliminated. The same general effect can be achieved by alternative means.

§ 2104. This section is consistent with present law, rejecting the recommendation of the Brown Commission that probation be required to run concurrently with federal, state, or local prison terms. Since the purpose of probation is to observe how a person conducts himself out of custody, a probation term cannot sensibly run concurrently with a prison term.

CHAPTER 22

§ 2201. This section effects a material increase in current fine levels in order to make sanctions against "white-collar" crime more effective. The basic fine levels are approximately ten times the amounts recommended by the Brown Commission. The higher alternative limit of double the defendant's gain or the victim's loss was recommended by the Brown Commission. If the defendant is convicted of a non-title-18 offense for which the maximum fine is even higher than that permitted by section 2201, the highest of the three limits is the one that governs.

§ 2202. In imposing a fine, the court is required to take into consideration the defendant's ability to pay.

§ 2204. Imprisonment for willful refusal to pay a fine (as opposed to inability to pay a fine) is permitted for a limited period if the nonpayment is inexcusable. Inexcusable failure to pay by an organization renders the appropriate disbursement officer subject to imprisonment for the failure to pay.

CHAPTER 23

§ 2301. Under this provision, the judge retains power to sentence a defendant to any term of years up to the maximum set for the offense. Authority is provided for a judge to set a minimum term which a defendant must serve before being eligible for parole, but, unlike the current law which makes a minimum term automatic in the absence of a contrary action by the court, affirmative action by the court is required to impose such a term. The longest period that can be set by the court is one-fifth of the total term imposed, as opposed to one-third of the total term imposed as is the case under current law.

§ 2302. Included automatically within any sentence to imprisonment is a term of parole to which a defendant may be subject even if he has served the total term of his imprisonment, and an additional contingent term of imprisonment, totalling no more than one year, to which he may be subject if he violates parole after having served the full term of imprisonment imposed. Such a provision, the substance of which was recommended by the Brown Commission, does not exist in current law. It assures that all prisoners will receive at least some street supervision.

§ 2303. The provisions of this section limit the power of a court to impose consecutive sentences. No such statutory limitation exists in current law.

CHAPTER 24

§ 2401. This section creates a constitutionally supportable death penalty provision. It would permit application of the death penalty only to treason, sabotage, or espionage, or to murder committed either by itself or in the course of seven other federal offenses. Even in such instances, the penalty could not be imposed unless the jury, in a separate proceeding, found that one or more factors in the list of aggravating factors existed, and that none of the factors in the list of mitigating factors existed. Upon such a special finding, however, imposition of the death penalty by the judge would be mandatory.

CHAPTER 42

§ 4202. This provision, unlike the corresponding provision recommended by the Brown Commission, creates no presumption either for or against parole. The Parole Board is required to reconsider a denial of parole annually instead of every three years as under current law.

§ 4204. Under current law, the period of parole lasts for the balance of the term of imprisonment imposed but not served, whether it is 20 days or 20 years. This section requires the imposition of a specific parole term of between one and five years, irrespective of the period of imprisonment imposed but unserved. Contrary to current law, the Parole Board is empowered to terminate a period of parole prior to its expiration date.

§ 4205. Contrary to current law, the Parole Board is empowered to increase, up to a total period of five years, any lesser term of parole previously imposed.

§ 4207. This section sets forth detailed provisions for the revocation of parole to accord with requirements of a recent Supreme Court decision.

EXHIBIT NO. 4

Cautionary note: These tables should be used as a rough guide, since they attempt to compare materials that are not always comparable.

TABLE 1

This table traces the provisions of present title 18, United States Code, to the final report of the National Commission on Reform of Federal Criminal Laws (the Brown commission); to S. 1400, the Criminal Code Reform Act of 1973; and to S. 1.]

Present title 18	Brown commission	S. 1400	S. 1
1	109(j), (s), (z), (ab)	111	1-1A5.
2	401	401	1-2A6.
3	1303-04	1311	2-683.
4	1303	1311	2-6B3.
5	109(am)	111	1-1A4(68).
6	109(n)	111	1-1A4(34).
7	210	203	1-1A4 (64).
8	1754 (j)	1744	2-8E1(c).
9	210	203	Omitted.
10	219 (a), (b)	111	1-1A4(31), (42).
11	109(m), 1112(4)(c), 1201(a)(a).	111	2-5A1(8).
12	Title 39	Omitted	Title 39.
13	209	1881	1-1A8.
14	211	111	1-1A6(c).
15	1745 (b), (k)	1744	Omitted.
Ch. 2—Aircraft and motor vehicles:			
31	Omitted	111	Do.
32-33	1611-13, 1701-09	1611-15, 1701-04	2-8B1, 2-8B2, 2-8B5, 2-8B6, 1-2A4.
34	1601-09	1601-03	1-4E1.
35	1354, 1614	1343, 1616	2-7C3, 2-6D2.
Ch. 3—Animals, birds, fish and plants:			
41	1705, title 16	1703, title 16	2-8B6, title 16.
42	1411, title 16	Title 16	2-6G4, title 16.
43	1411, title 16	1343, title 16	2-6G4, title 16.
44	Title 16	Title 16	Title 16.
45	1705, title 16	Omitted	2-8B6.
46-47	Title 16	Title 16	Title 16.
Ch. 5—Arson: 81	1701	1701-04	2-8B1, 2-8B2.
Ch. 7—Assault:			
111	1301-2, 1367, 1611-14, 1616-18, 1631-33.	1302, 1357-58, 1611-14, 1616-17, 1813.	2-7C2, 2-7C3, 2-7C4, 2-6B1, 2-6B2, 2-6B3.
112	1611-14, 1616-18, 1631-33.	111, 1611-14, 1621-23, 1813; title 22.	2-7C2, 2-7C3.
113	1001, 1611-14, 1616-18	1001, 1601, 1611-14	2-7C2, 2-7C3, 1-2A4.
114	1612	1611-12	2-7C1.
Ch. 9—Bankruptcy:			
151	1756(3)	1764	2-8F1(d).
152	1321, 1351-52, 1356, 1361, 1732, 1756.	1341, 1343, 1764	2-8F1, 2-6D1, 2-6D2, 2-6D3,2-6E1. 2-8D3.
153	1732-1737	1325, 1731	2-8D3, 2-8D6.
154-55	Title 11	Title 11	Title 11.
Ch. 11—Bribery, graft and conflict of interest:			
201	1321, 1361-63, 1732, 1741(k), 3501.	111, 1321-22, 1351-52	1-1A4(58), 2-6E1, 2-6E2, 2-8D3, 1-4A3.
202	Title 5	Title 5	Title 5.
203	1362, 1365, title 5	1352, 1354; title 5	2-6E1, 2-6E2, title 5.
204	Title 5	Title 5	Title 5.
205	1363, 1365, title 5	1353-54; title 5	2-6E2, title 5.
206	Title 5	Title 5	Title 5.
207-09	1327, title 5	1352; title 5	2-6F3, title 5.
210	1361, 1364	1354-55	2-6E1, 2-6E2.
211	1361 1364-65, title 5	1354-55; title 5	2-6E1, 2-6E2, title 5.
212-16	1857, title 12	1751, title 12	2-8F2, title 12.
217	1361-63	1351-53	2-6E1, 2-6E2.
218	3301(2), title 5	Title 12, proc. pt. title 18.	1-4C1(1), title 5.
219	1206, title 5	Title 5	2-5C5, title 5.
224	1757	1753	2-8F2.
Ch. 12—Civil disorders:			
231	1801-04	1801-02, 1804	2-9B1, 2-9B3, 2-9B4.
232	1801-04	111, 1805	2-9A1.
233	206	205	1-1A6(g).
Ch. 13—Civil rights:			
241	1501	1501	2-7F1.
242	1502-1521	1501-02	2-7F1 2-7F5.
243	Title 28	Omitted	2-7F2 title 28.
244	Title 10	Title 10	Title 10.
245	1511-16	111, 1511-13	2-7F2 2-7F3 2-7F4.

Present title 18	Brown commission	S. 1400	S. 1
Ch. 15—Claims and services in matters affecting Government:			
281	Title 5	Title 10	Title 5.
283	Title 5	Title 10	Title 5.
285	1356 1732, 1735(2)(e), 1753.	1731, 1743	2-6D3, 2-8D3.
286	1352, 1732	1343, 1731	2-6D2, 2-8D3, 1-2A5.
287-89	1352, 1732	1343, 1731	2-6D2, 2-8D3.
290	Title 38	Title 38	Title 38.
291	Title 28	Title 38	Title 28
292	1363 title 5	Title 5	2-6E2.
Ch. 17—Coins and currency:			
331	1751	1741	2-8E1.
332	1732, 1751	1731, 1751	2-8D3, 2-8E1.
333	Title 12	Title 12	Title 12.
334	1753	1742	2-8E6.
335	1753	1742	2-8E2.
336-37	Title 31	Title 31	Title 31.
Ch. 18—Congressional assassination kidnapping and assault: 351	[Omitted as separate Section].	1001-02, 1601, 1611-14, 1621-23.	2-7B1, 2-7D1, 2-7C2, 1-2A5, 3-10A1(b).
Ch. 19—Conspiracy:			
371	1004, 1732-34, 1751	1002, 1301	1-2A5, 2-8D3, 2-8D5.
372	103, 1303, 1352, 1366-67, 1401, 1511(c).	1002 1302, 1357-58	1-2A5, 2-6B1 2-6B3, 2-6E3, 2-6E4, 2-6D2 2-7F1
Ch. 21—Contempts:			
401	1341-45, 1349	1331	2-6C6.
402	1341-45, 1349	1331-36	2-6C1, 2-6C2.
Ch. 23—Contracts:			
431-33	1372; title 5	Title 5	2-6F3; title 5.
435	Title 15	Title 41	Title 15.
436	1733, title 18, pt. E	Title 5	2-8D3.
437	1372; title 25	do	2-6F3; title 25.
438-39	1363; title 25	Title 25	2-6E2; title 25.
440	Title 39	Title 39	Title 39.
441	Title 41	do	Title 41.
442	Title 44	Title 44	Title 44.
443	1356; title 41	Title 41	2-6D3; title 41.
Ch. 25—Counterfeiting and forgery:			
471-73	1751	1741	2-8E1.
474	1751-52	1743	3-8E3, 2-8E1.
475	Title 31	Title 31	Title 31.
476-77	1752	1742-3	2-8E3.
478	1751	1741	2-8E1.
479-80	1751	1741	2-8E1, 28E2.
481	1751-52	1743	2-8E1, 2-8E2, 2-8E3.
481-83	1751	1741	2-8E1, 28E2.
484	1751	1741	2-8E2.
485-86	1751	1741	2-8E1.
487-88	1752	1743	2-8E3.
Ch. 26.—Counterfeiting and forgery:			
489	1411; title 31	Title 31	2-6G4, title 31.
490	1751	1741	2-8E1.
491	1755	Title 31	2-8E5.
492	Title 31	do	1-4A4; title 31.
493-97	1751	1343, 1741	2-8E2.
498	1751	1741	2-8E1, 2-8E2.
499	1381, 1751, 1753	1301, 1741	2-6F4, 2-8E1, 28E2.
500	1751, 1753	1741, 1742	2-8E1.
501	1751-53	1741-42	2-8E1, 2-8E3.
502	1751	1741	2-8E1.
503	1751-52	1741, 1743	2-8E2, 2-8E3.
504	Title 31	Title 31	Title 31.
505	1351-52, 1751	1341, 1343, 1741-42	2-6D1, 2-6D2, 2-8E1.
506	1751-52	1741	2-8E1.
507	1751	1741	2-8E2.
508	1751	1741	2-8E1.
509	1752	1741-43	2-8E3.
Ch. 27—Customs:			
541-42	1411	1343, 1421, 1423	2-6G4.
543-45	1411; title 19	Title 19, 1421-23; proc. part title 18.	2-6G4; title 19.
546	Title 22	Title 22	Title 22.
547	1411	1421-2	2-6G4.
548	1411, title 19	1343, 1421; proc. part title 18.	2-6G4; title 19.
549	1411, 1732	1343, 1345, 1421, 1731-32.	2-6G4, 2-8D3.
550	1352, 1732	1343, 1731	2-6D2, 2-8D3.
551	1323, 1367, 1411	1325, 1345	2-6B3, 2-6C1, 2-6G4.
552	401, 1002	Omitted	1-2A6, 2-9F5.
Ch. 29—Elections and political activities:			
591	Omitted	do	1-1A4.
592	1535	do	2-6H1.
593-94	1511, 1531	Omitted; 1521	2-6H1, 2-7F3.
595	1511, 1531-32	1523	2-6H1, 2-7F2, 2-7F3.
596	Omitted	Omitted	Omitted.
597	1531	1521	2-6H1.
598	1532	1523	2-7F2.
599-600	1364-65, 1531	1355; title 2	2-6E2.
601	1511, 1532-33	1523	2-6H1, 2-7F2.
602-03	1534	1525	2-6H2.
604-05	1532	Omitted	2-7F2.
606	1533	1524	2-6E5.
607	1534	Omitted	2-6H2.
608-12	Title 2	Title 2 (omitted in part).	Title 2
613	1541	1526	2-6H3.
Ch. 31—Embezzlement and theft:			
641	1732	1731-32	2-8D3.
642	1732, 1752	1731, 1742-43	2-8D3, 2-8E3.
643	1732, 1737; title 5	1731	2-8D3, 2-8D6; title 5.
644	1732, 1737; title 12	1731	2-8D3, 2-8D6; title 12.
645-47	1732, 1737; title 28	1731	2-8D3, 2-8D6; title 28.
648-53	1732, 1737; title 5	1731; title 5	2-8D3, 2-8D6; title 5.
654	1732, 1737	1731	2-8D3, 2-8D6.
655	1732, 1737, 3501	1731	1-4A3, 2-8D3, 2-8D6.
656-57	1732, 1737	111, 1731	2-8D3, 2-8D6.
658	1738	1735	2-8D7.
659	206, 707, 1732, 1737	205, 1731-33	2-8D3, 2-8D6, 3-11B5, 2-8D4.
660	707, 1732, 1737	1731	2-8D3, 2-8D6, 3-11B5.
661	1732, 1737	1731	2-8D2, 2-8D3, 2-8D6.
662	1732, 1737	1732	2-8D4.
663-64	1732, 1737	1731	2-8D3, 2-8D6.
Ch. 33—Emblems, insignia and names:			
700	Title 4	Title 4	2-9G1.
701	Title 4	Title 4	Title 4.
702	Titles 10, 42	Title 10, title 42	Titles 10, 42.
703	Title 22	Title 22	Title 22.
704	Title 10	Title 10	Title 10.
705-06	Title 36	Title 36	Title 36.
707	Title 7	Title 7	Title 7.
708	Title 22	Title 22	Title 22.
709	Title 4	Title 12, title 28	2-8F4; title 4.
710	Title 10	Title 10	Title 10.
711	Title 7	Title 7	Title 7.
712-13	Title 4	Title 4	Title 4.
714	Title 43	Title 43	Title 43.
715	(Not considered)	Title 16	(Not considered.)
Ch. 35—Escape and rescue:			
751	1306	1314	2-6B5, 1-2A4.
752-53	1306	1001, 1314 (omitted in part).	2-6B5, 1-2A6, 2-6B3.
754	1301	Omitted	2-6B1.
755	1306-07	Omitted	Omitted.
756-77	1120	1118	2-5B11.
Ch. 37—Espionage and censorship:			
792	1118	1311	2-5B10.
793-94	1112-13	1002, 1121-24	2-5B7, 2-5B8.
795-97	1112-13, 1712; title 50	Title 50	2-5B7, 2-5B8, 2-8C5; title 50.
798	1114	Omitted	2-5B8.
799	1712; title 42	Title 42	2-8C5; title 42.
Ch. 39—Explosives and other dangerous articles:			
831	Title 49	Title 49	Title 49.
832-34	1602, 1613, 1701, 1704; title 49.	1615; title 49	2-7B3, 2-8B1, 2-8B3; title 49.
835	Title 49	Title 49	Title 49.
836	Title 15	Title 49	Title 15
Ch. 40—Importing, manufacturing, distribution and storage of explosive material:			
841	Title 26	Title 15	Title 26.
842	1812; title 26	Title 15	2-9D3, title 26.
843	Title 26	Title 15	Title 26
844	109(i), 1614, 1618 1701, 1705, 1811, 1814, 3202(2)(e); title 26.	111, 1601, 1611-13, 1615-17, 1701-04, 1811, 1813, proc. pt. title 18.	2-7C3, 2-8B1, 2-8B5, 2-9D2 2-9D2, 2-9D5; title 26.
845-48	Title 26	Title 15	Title 26.
Ch. 41—Extortion and threats:			
871	1614-15	111, 1616-18	2-7C3.
872	1381, 1617, 1732-33	1722	2-6F4, 2-9C3, 2-9C4.
873	1381, 1617, 1732-33	1723	2-9C3, 2-9C4.
874	1732	1722-23	2-9C3.
875-77	1614, 1617-18, 1732-33.	1616-17, 1722-23	2-7C3, 2-9C3, 2-9C4.
Ch. 42—Extortinate credit transactions:			
891-96	1771	111, 1724	2-6D2.
Ch. 43—False personation:			
911	1352	1343; title 8	2-9C2.
912-13	1381	1361, 1731, 1361	2-6F4.
914	1732-33	1731-32	2-8D3.
915	1381	1731	2-6F4.
916	Title 7	Title 7	Title 7.
917	Title 36	Title 36	Title 36.

EXHIBIT NO. 4—Continued

[Cautionary note: These tables should be used as a rough guide, since they attempt to compare materials that are not always comparable.]

TABLE 1—Continued

[This table traces the provisions of present title 18, United States Code, to the final report of the National Commission on Reform of Federal Criminal Laws (the Brown commission); to S. 1400, the Criminal Code Reform Act of 1973; and to S. 1.]

Present title 18	Brown commission	S. 1400	S. 1
Ch. 44—Firearms:			
921	Title 26	Title 15	Title 26.
922	1812; title 26	do	2-9D3; title 26.
923	Title 26	do	Title 26.
924	1811, 3202(2)(e); title 26.	1343, 1812-13; title 15.	2-9D2, 1-4B2(b)(2)(v); title 26.
925-28	Title 26	Title 15	Title 26.
Ch. 45—Foreign relations:			
951	1206; title 22	1128	2-5C5; title 22.
952	1112-14	1121-24	2-5B7, 2-5B8.
953	Omitted	Omitted	Omitted.
954	1353	do	2-6D2(a)(7).
955	Title 22	Title 22	Title 22.
956	1202	1202	2-5C1, 1-2A5.
957	1001-02	Omitted	Omitted.
958	1203	1203	2-5C2.
959	1203; title 22	1203	2-5C2, title 22.
960	1201-02	1201	2-5C1.
961	1204-05; title 22	Title 22	2-5C3, 2-5C4; title 22.
962	1201, 1204-05; title 22.	Title 22	2-5C1, 2-5C3, 2-5C4; title 22.
963-64	1204-05; title 22	1204; title 22; 1001, 1204; proc. part title 18.	2-5C3, 2-5C4; title 22.
965	1204-05, 1352; title 22.	1204; title 22; proc. part title 18.	2-5C3, 2-5C4, 2-6D2; title 22.
966	1352; title 22	1204, 1343; title 22; procd. part title 18.	2-6D2: title 22.
967	1204-05, title 22	1204; title 22; proc. part title 18.	2-5C3, 2-5C4; title 22.
969	Title 22	Title 22	Title 22.
970	(Not considered)	1701-04	(Not considered.)
Ch. 47—Fraud and false statements:			
1001	1352	1343	2-6D2.
1002	1751	1741	2-8E2.
1003	1732, 1751	1343, 1731, 1741	2-8D3, 2-8E2.
1004	1753; title 12	1742	Title 12.
1005	1352, 1732, 1751, 1753; title 12.	1343, 1741, 1742	2-6D2, 2-8D3, 2-8E2, title 12.
1006	1352, 1372, 1732, 1751, 1753, 1758; title 12.	1343, 1356, 1742, 1751.	2-6D2, 2-6F3, 2-8D3, 2-8E2, 2-8F3; title 12.
1007	1352, 1732	1343, 1731	2-6D2, 2-8D3, 2-8E2.
1008	1352, 1732, 1751	1343, 1741	2-6D2, 2-8D3, 2-8E2.
1009	Title 12	Title 12	Title 12.
1010	1352, 1732, 1751, 1753.	1343, 1741	2-6D2, 2-8D3, 2-8E2.
1011	1352, 1732	1343	2-6D2, 2-8D3.
1012	1352, 1356, 1361; title 42.	1343, 1731, 1741; title 5; title 12.	2-6D2, 2-6D3, 2-6E1; Title 42.
1013	1732	1343, 1731	2-8D3.
1014	1352, 1732	1343	2-6D2, 2-8D3.
1015	1108, 1221, 1224, 1352, 1753.	1301, 1343, 1742	2-6D2, 2-5D3, 2-5D1.
1016	1352, 1753	1343, 1742	2-6D2.
1017-19	1753	1343, 1742, 1743	2-6D2.
1020	1352, 1732-33	1343	2-6D2, 2-8D3.
1021-22	1753	1343, 1731, 1742	2-6D2.
1023	1732-1737	1731	2-8D3, 2-8D6.
1024	1732; title 10	1731, 1732	2-8D3, title 10.
1025	1732, 1753	1731	2-8D3, 2-6D2.
1026	1352	1343	2-6D2.
1027	1352, 1732-33	1343	2-6D2, 2-8D3.
Ch. 49—Fugitives from justice:			
1071-72	1303	1311	2-6B3.
1073-74	1310	1316; proceeding part title 18 (omitted in part).	2-6B7.
Ch. 50—Gambling:			
1081	Title 46	Title 46	Title 46.
1082	1831; title 46	1831; title 46	2-9F1; title 46.
1083	Title 46	Title 46	Title 46.
1084	1831-32	205, 1832; title 47	2-9F1, 2-9F2.
Ch. 51—Homicide:			
1111	1601-02	1601	2-7B1, 2-7B2.
1112	1601-03	1001, 1602-03	2-7B3, 2-7B4.
1113	1001	1001	2-7B1, 2-7B3, 1-2A4.
1114	1601-03	111, 1601-03, 1611-14	2-7B1, 2-7B3, 2-7B4.
1115	1601-03	1601-03	2-7B4.
1116-17	(Not considered)	111, 1002, 1601-03	[Omitted as separated section].
Ch. 53—Indians:			
1151-53	211	203	1-1A6(b).
1154-56	Title 25	Omitted	Title 25.
1158-62	do	1343; title 25; omitted in part.	Do.
1163	1732	1731-32	2-8D3.
1164-65	Title 25	Title 25	Title 25.
Ch. 55—Kidnapping:			
1201	1631-33; 1635	1002, 1621-24	2-7D1, 2-7D4.
1202	1304	1312	2-6B3(a)(3).
Ch. 57—Labor: 1231	1551	Omitted	2-77F6.
Ch. 59—Liquor traffic: 1261-65	Title 27	Title 27	Title 27.
Ch. 61—Lotteries:			
1301-03	1831-32	1832; title 39	2-9F1, 2-9F2.
1304-05	Omitted	Title 47	Omitted.
1306	Title 12	Title 12	Title 12.
Ch. 63—Mail fraud:			
1341-43	1001, 1732, 1751	1734	2-8D5.
Ch. 65—Malicious mischief:			
1361	1705	1701-04	2-8B5, 2-8B6.
1362	1107, 1705	111-1112, 1701-04	2-5B4, 2-8B5, 2-8B.
1363	1107, 1613, 1704-05	do	Do.
1364	1701, 1705	1701-04	2-8B1, 2-8B2.
Ch. 67—Military and Navy:			
1381	1119	1117, 1311	2-5B10.
1382	1712	Title 50	2-8C5.
1383	1712; title 10	do	2-8C5, title 10.
1384	1841-43	Omitted	2-9F3, 2-9F4.
1385	Title 10	Title 10	Title 10.
Ch. 69—Nationality and citizenship:			
1421	1732, 1737; title 28	1731	2-8D3, 2-8D6, title 28.
1422	1362, 1732	1351-52, 1731	2-6E2, 2-8D3.
1423	1225, 1352, 1531, 1751, 1753.	1224-25, 1301, 1341, 1343, 1741, 1742.	2-5D3, 2-6D2.
1424	1221, 1224, 1351-52, 1753.	1224, 1301, 1341, 1343, 1742.	2-5D1, 2-5D3, 2-6D1, 2-6D2.
1425	1224, 1351-52, 1361, 1753.	1224, 1301, 1343, 1742	2-5D3, 2-6D1, 2-6D2, 2-8E6.
1426	1351-52, 1751-52	1341, 1343, 1741-43	2-6D1, 2-6D2, 2-8E2, 2-8E3.
1427	401, 1002	Title 8	1-2D6, 2-5D3.
1428	Title 8	do	Title 8.
1429	1342-43	1332-33	2-6C2.
Ch. 71—Obscenity:			
1461	1851	1851	2-9F2.
1462-6	1851	1851; proc. part title 18.	2-9F5.
Ch. 73—Obstruction of justice:			
1501	1301-03, 1611-12	1302, 1611-14	2-6B1, 2-6B2, 2-7C1, 2-7C2.
1502	1301-02	1302, 1611-14	2-6B1, 2-6B2.
1503	1301, 1321-24, 1327, 1346, 1366-67.	1321-25, 1357-58	2-6B1, 2-6C1, 2-6C3, 2-6F2, 2-6C4, 2-6E3, 2-6E4.
1504	1324	1326	2-6C3.
1505	1301 1321-23, 1327, 1346, 1366-67.	1321-25	2-6B1, 2-6C1, 2-6F2, 2-6C4, 2-6E3, 2-6E4.
1506	1323, 1352, 1356, 1732	1325, 1343, 1345, 1731	2-6C1, 2-6D2, 2-6D3, 2-8D3.
1507	1325	1328	2-6C4.
1508	1326	1327	2-6C5.
1509	1301	1302, 1357	2-6B1.
1510	1322, 1367	111, 1322-24	2-6C1, 2-6E4.
1511	1361, 1831-32	1351-52, 1831	2-9F1, 2-6E1.
Ch. 75—Passports and visas:			
1541	1381, 1753	1361, 1742	2-6F4, 2-6D2, 2-8E6.
1542	1225, 1352, 1753	1221-22, 1225, 1343	2-5D3, 2-6D2.
1543	1751	1225, 1741, 1742; title 22.	2-8E2.
1544	401, 1002, 1221-22, 1225; title 22.	1221-22, 1225; title 22.	1-2A6, 2-5D1, 2-5D; title 22.
1545	Title 22	Title 22	Title 22.
1546	1221-22, 1351-52 1751-53.	1221-22, 1341, 1343, 1741, 1743.	2-5D1, 2-6D1, 2-6D2, 2-8E2, 2-8E3.
Ch. 77—Peonage and slavery:			
1581	1301, 1631-32	1302, 1622	2-6B1, 2-7D1, 2-7D2
1582	401, 1002	Omitted	1-2A6, 2-7D2.
1583	1631	1622	2-7D1.
1584-85	1631-32	1622	2-7D1, 2-D72.
1586	1002	Omitted	Omitted.
1587-88	1631-32	1622	2-7D1, 2-7D2.
Ch. 79—Perjury:			
1621	1351	1341	8-6D1.
1622	401, 1003	1003	2-6D1, 1-2A6, 1-2A3, 2-6C1.
1623	1351	204, 1341, 1346	2-6D1, 2-6D2.
Ch. 81—Piracy and privateering:			
1651	201(1); chs. 16-17	204	E-1A4(53) and (54); Chs. 7-8.
1652	208(h)	204	1-1A7, 2-7B1, 2-8B2.
1653	208(g)	204	1-A7.
1654	208(h), 401, 1002	204	1-1A7, 1-2A6.
1655	1805	204	2-7D5.
1656	1732	204	2-8D3.
1657	401, 1002-04, 1805	204	2-7D5, 1-2A6, 1-2A4, 1-2A5.
1658	1613, 1705, 1732	204	2-8B6, 2-8D3.
1659	201(a)(1), 1721	204	1-1A4(54) and (65), 2-8D2.
1660	1304, 1732	204	2-8D4, 2-6B3.
1661	201(1), 1721	204	1-1A4(54), 2-8D2.
Ch. 83—Postal Service:			
1691-99	Title 39	Title 39	Title 39.
1700	1737, title 39	do	2-8D6; title 39.
1701	1301	1302	2-6B1.
1702	1564, 1732	1302, 1531, 1731	2-7G3, 2-8D3.
1703	1564, 1705; title 39	1302, 1531, 1703; title 39.	7-7G3, 2-8B6; title 39.
1704	1734; title 39	1731	2-8D3; title 39.
1705	1301, 1564, 1705	1302, 1703	2-6B1, 2-7G3, 2-8B6.
1706	1301, 1705, 1732	1302, 1703, 1731	2-6B1, 2-8B6, 2-8D3.
1707-10	1732	1731-32	2-8D6.

Present title 18	Brown commission	S. 1400	S. 1
1711	1732, 1737	1731; title 39	2-8D3, 2-8D6.
1712	1352, 1732; title 39	1343, 1731; title 39	2-6D2, 2-8D3; title 39.
1713	1753; title 39	1942	2-6D2; title 39.
1714	Omitted	Title 39	Omitted.
1715	Title 39	do	Title 39.
1716	1001, 1601-03, 1612-13, 1701-02, 1704-05; title 39.	1601-03, 1611-15; title 39.	Chs. 7-8, title 39.
1716A	Title 39	Title 39	Title 39.
1717	1001, 1003; title 39	1001, 1003; title 39	1-2A3; 1-2A4, title 39.
1718	Title 39	Title 39	Title 39.
1719	1733	1731	2-8D3.
1720	1733, 1751	1731, 1741	2-8D3.
1721	1732, 1737; title 39	1731	2-8D3, 2-8D6; title 39.
1722	1352, 1733; title 39	1343, 1731	2-6D2, 2-8D3; title 39.
1723	1733; title 39	1731; title 39	2-8D3; title 39.
1724	Title 39	Title 39	Title 39.
1725	1733; title 39	1731; title 39	2-8D3; title 39.
1726-28	1732; title 39	1352, 1731	2-8D3; title 39.
1729-31	1381; title 39	Title 39	2-6F4; title 39.
1732	1753; title 39	1343, 1742	2-6D2; title 39.
1733	1733; title 39	1731	2-8D3; title 39.
1734	Title 39	Title 39	Title 39.
1735-37 (new)	Title 39	Title 39	Title 39.
Ch. 84—Presidential assassination, kidnapping and assault:			
1751	1001, 1004, 1601-03, 1611-12, 1631-32; Title 18, pt. D.	111, 1001-02, 1601-02, 1611-14, 1621-23; proc. pt. title 18.	2-7B1, 2-7D1, 1-2A4, 1-2A5, 3-10A1.
1752	(Not considered)	205, 1871; title 3	2-6B1, 2-8B6.
Ch. 85—Prison-made goods:			
1761-62	Title 15	Title 15	Title 15.
Ch. 87—Prisons:			
1791	1309; title 18, pt. E	1315	2-6B6, 3-12C1.
1792	1308-09	1315, 1801-03	2-6B6, 2-9B1, 2-9B3, 1-2A4, 1-2A5.
Ch. 89—Professions and occupations:			
1821	Title 15	Title 15	Title 15.
Ch. 91—Public lands:			
1851	1732	1731	2-8D3.
1852-54	1705, 1732	1702-03, 1731-32	2-8B6, 28B3.
1855	1702, 1704-05	1702-03	2-8B2, 2-8B3.
1856	1703	Title 43	2-8B4.
1857-58	1705	1703	2-8B6.
1859	1301	1302	2-6B1.
1860	1617; title 43	Title 43	2-9C4; title 43.
1861	1732; title 43	do	2-8D3; title 43.
1862-63	1712	Omitted in part; 1712	2-8C5.
Ch. —Public officers and employees:			
1901	1732, 1737, 3501; title 5.	1731	2-8D3, 2-8D6, 1-4A3; title 5.
1902	1371-72	1356, title 5	2-6F1, 2-6F3.
1903	1372	1356	2-6F3.
1904	1371-72	Omitted	2-6F1, 2-6F3.
1905	1371, 3501	Title 5	2-6F1, 104A3.
1906	1371; title 12	Title 12	2-6F1; title 12.
1907-08	1371; 3501; title 12	do	2-6F1, 1-4A3; title 12.
1909	1363; title 12	do	2-6E2; title 12.
1910	Title 28	Title 28	Title 28.
1911	1732, 1737; title 28	do	2-8D3, 2-8D6; title 28.
1912	1363, 1732, 3501	1353	2-6E2, 2-8D3, 1-4A3.
1913	Title 5	Title 5	Title 5.
1915	Title 19	Title 19	Title 19.
1916	1737; title 5	1731; title 5	2-8D6; title 5.
1917	1352, 1512; title 5	1343; title 5	2-6D2, 2-7F3; title 5.
1918	Omitted	Title 5	Omitted.
1919	1352, 1732	1343, 1731	2-6D2, 2-8D3.
1920	1352-1732	1341, 1343, 1731	6-6D2, 2-8D3.
1921	1732: title 5	1731	2-8D3; title 5.
1922	1352, 1511, 1617; title 5.	1343; title 5	2-6D2, 2-7F2, 2-9C4; title 5.
1923	1732, 1734	1731	2-8D3.
Ch. 95—Racketeering:			
1951	1001, 1004, 1721, 1732	111, 1721-22	2-9C1, 2-9C3, 2-8D2, 2-8D3.
1952	1361, 1403, 1701, 1732, 1822-24, 1831-32, 1841.	1321-22, 1351-52, 1701, 1721-23, 1821-22, 1824, 1831-32, 1841.	2-9C1, 2-6E1, 2-6G3, 2-8B1, 2-9E1, 2-9E2, 2-9F4.
1953	1831-32	205, 1832	2-9F2.
1954	1758; title 18, pt. E	1752	2-8F2.
1955	1831; title 18, pt. D	1831; proc. pt., title 18	2-9F1, 1-4A4.
Ch. 96—Racketeer influenced and corrupt organizations:			
1961	Not considered	111, 1861	2-9C1.
1962	do	1002, 1861	2-9C1.
1963	do	1861; proc. pt., title 18	2-9C1, 1-4A4.
1964	do	Proc. pt. title 18	3-13A1, 3-13A2, 3-13A3.
1965	do	do	3-13A4.
1966	do	do	3-13A4.
1967	do	do	3-13A4.
1968	do	do	3-13A5.
Ch. 97—Railroads:			
1991	1001, 1711, 1713	1711	2-7B1, 2-8D2, 1-2A4.
1992	707, 1601-03, 1613, 1701-02, 1705.	1601-03, 1611-14, 1701-04; proc. pt. title 18.	2-7B1, 2-7B2, 2-7B3, 2-7B4, 2-8B1, 2-8B2 2-8B5, 2-8B6.
Ch. 99—Rape:			
2031	1641-42	1631-32	2-7E1.
2032	1641, 1646	1633	2-7E2.
Ch. 101—Records and reports:			
2071	1356, 1705, 1732	1345, 1731	2-6D3, 2-8B6, 2-8D3.
2072	1753; title 7	1343, 1742	2-6D2, title 7.
2073	1732-33, 1737, 1753	1343, 1731, 1741	2-8D3, 2-8D6, 2-6D2.
2074	Title 15	Title 15	Title 15.
2075	Title 5	Title 5	Title 5.
2076	Title 28	Title 28	Title 28.
Ch. 102—Riots:			
2101-02	206, 707, 1801-02	205, 18-1-03, 1805	2-9B1, 2-9B2, 2-9A1.
Ch. 103—Robbery and burglary:			
2111-12	1721	1721	2-8D2.
2113	1601-3, 1611-13, 1711, 1721, 1732.	111, 1601-02, 1611-14, 1711, 1721, 1731-32.	2-7B1, 2-7B2, 2-7B3, 2-7B4, 2-7C1, 2-7C2, 2-8C1, 2-8C2, 2-8D1, 2-8D2, 2-8D3.
2114	1611-13, 1721	1611-14 1721	2-7C1, 2-7C2 2-8D1, 2-8D2.
2115	1711	1711	2-8C2.
2116	1301, 1611-12, 1712-13.	1302, 1611-14, 1712	2-6B1, 2-7C1, 2-7C2, 2-8C5.
2117	206, 707, 1001, 1712-13.	205, 1711; proc. pt., title 18.	1-2A4, 2-8C5, 2-8C2.
Ch. 105—Sabotage:			
2151	1105	111	2-5B4.
2152	1107, 1301, 1705, 1712	1111-12, 1302, 1701-1704, 1712.	2-5B4, 2-6B1, 2-8B6, 2-8C5.
2153-54	1004, 1105-07	1002, 1111-1112	2-5B4, 1-2A5.
2155-56	1105, 1107	1002, 1111-12	2-5B4, 1-2A5.
2157	Omitted	Omitted	Omitted.
Ch. 107—Seamen and stowaways:			
2191	1612, 1633	1611-13, 1623	2-7C1, 2-7C2, 2-7D3.
2192	1001, 1003-04, 1633, 1801, 1803.	1117, 1621-23, 1626	2-5B6, 2-7D3, 2-9B1, 2-9B3, 1-2A3, 1-2A4, 1-2A5.
2193	1805	1626	2-7D5.
2194	1631-33	1621-23	2-7D1, 2-7D2, 2-7D3.
2195	Title 46	Title 46	Title 46.
2196	1613	1615	2-8B6.
2197	1732, 1751, 1753	1731, 1741-43	2-8D3, 2-8E2.
2198	1642	1631-32	2-7E2.
2199	1714, 1733	111, 1713	2-8D3.
Ch. 109—Searches and seizures:			
2231	1301, 1366, 1611-13, 1616.	1302, 1358, 1611-14, 1813.	2-6B2, 2-6E3, 2-7C2, 2-7C3, 2-7C4.
2232	1301, 1323	1302, 1325	2-6B1, 2-6B2, 2-6C1.
2233	1301, 1323, 1401, 1732	1302, 1731	2-6B1, 2-6C1, 2-6G1, 2-8D3.
2234-36	1521	1501-02	2-7F5.
Ch. 111—Shipping:			
2271	1004, 1705, 1732	1002, 1702-04, 1731	2-8B6, 2-8D3, 1-2A5.
2272	1705, 1732	1702-04, 1731	2-8B6, 2-8D3.
2273	1705	1702-04	2-8B6 .
2274	1001-04, 1705; title 46.	204, 1002, 1301, 1702-04; Proc. pt. title 18.	2-8B6, 1-2A3, 1-2A4, 1-2A5; title 46.
2275	1601, 1611-13, 1701 05.	1615, 1701-04	2-7B1, 2-7C1, 2-7C2, 2-8B1, 2-8B2, 2-8B3, 2-8B4, 2-8B5.
2276	1001, 1705, 1711-13	1703, 1711	2-8B6, 2-8C2, 2-8C5, 1-2A4.
2277-78	Title 46	Title 46	Title 46.
2279	1712; title 46	do	2-8C5; title 46.
Ch. 113—Stolen property:			
2311	1735(7), 1736, 1741(f), 1754(k), (l).	111, 1744	2-8A1(12), 2-8A2.
2312	1732, 1736	1731	2-8D3, 2-8D8.
2313	1732	1732	2-8D3.
2314-15	1732, 1751, 1752	1301, 1731, 1732, 1741, 1743.	2-8D3, 2-8E2, 2-8E3.
2316-17	1732	1732	2-8D3.
2318	Title 15	Title 15	Title 15.
Ch. 115—Treason, sedition, and subversive activities:			
2381	1101-02	1101	2-5B1, 2-5B2.
2382	1118	Omitted	2-5B10.
2383-85	1103	1102, 1002, 1101-02, 1002, 1103.	2-5B3.
2386	1104; title 50	Omitted	2-9D1; title 50.
2387	1110	1117	2-5B6.
2388	1004, 1109-11, 1303	1002, 1114, 1116-17, 1311.	2-5B5, 2-6D2(a)(6), 2-6B3, 1-205.
2389-90	1101-03, 1203	1203	2-5B1, 2-5B2, 2-5B3, 2-5C2.
2391	1004, 1109-11, 1303	Title 50	2-5B6, 2-6D2(a)(6), 2-6B3, 1-205.
Ch. 117—White slave traffic:			
2421	1841	1841	2-9F4.
2422-23	1631-32, 1841-42	1621-22, 1841	2-7D1, 2-7D2, 2-9F4.
2424	Omitted	Omitted	Omitted.

EXHIBIT NO. 4—Continued

[Cautionary note: These tables should be used as a rough guide, since they attempt to compare materials that are not always comparable.]

TABLE 1—Continued

[This table traces the provisions of present title 18, United States Code, to the final report of the National Commission on Reform of Federal Criminal Laws (the Brown commission); to S. 1400, the Criminal Code Reform Act of 1973; and to S. 1]

Present title 18	Brown commission	S. 1400	S. 1
Ch. 119—Wire interception and interception of oral communications:			
2510	1563; Title 18, pt. D	111, 1534	3-10C1.
2511	1561; title 18, pt. D; title 47.	1001, 1532; proc. pt. title 18.	2-7G1.
2512	1562	1533	2-7G2.
2513	5802	Proc. pt. title 18	1-4A4, 3-13A3.
2514		do	3-10D2.
2515	5803	do	3-10C5.
2516	5804	do	3-10C2.
2517	5805	do	3-10C3, 3-10C2.
2518	5806	do	3-10C3, 3-10C5, 3-11E1.
2519	5807	do	3-10C4.
2520	5808	do	3-13A2.
Ch. 207—Release:			
3150	1305	1313	2-6B4.
Title 18 app.:			
1201	1812; title 26	1812; title 15	Omitted.
1202	do	do	Do.

TABLE No. 2

This table traces the provisions of the Final Report of the National Commission on Reform of Federal Criminal Laws ("the Brown Commission") to the provisions of S. 1400, the "Criminal Code Reform Act of 1973."

Brown Commission	S. 1400
Ch. 1: Preliminary provisions:	
101	101
102	102
103	omitted
104	omitted
109	111
Ch. 2: Federal penal jurisdiction:	
201	omitted
202	omitted
203	1001–03
204	303
205	202
206	205
207 (see 211)	omitted
208	204
209	1881
210	203
211	203
212	204
219	111
Ch. 3: Bases of criminal liability: Culpability; causation:	
301	301
302	302
303	501
304	501
305	omitted
Ch. 4: Complicity:	
401	401
402	402
403	403
409	111
Ch. 5: Responsibility defenses: Juveniles; intoxication; mental disease or defect:	
501	
502	503
503	502
Ch. 6: Defenses involving justification and excuse:	
601 (omitted in part)	104
602	521
603	522
604	522
605	omitted
606	523
607	521–24
608	omitted
609	532
610	511
619	111, 524
Ch. 7: Temporal and other restraints on prosecution:	
701	3281
702	531
703	omitted
704	omitted
705	omitted
706	omitted
707	omitted
708	omitted
709	omitted
Ch. 10: Offenses of general applicability:	
1001	1001
1002	omitted
1003	1003
1004	1002
1005	1004
1006	omitted
Ch. 11: National security:	
1101	1101
1102	1101
1103	1101–1103
1104	1104
1105	1111
1106	1112
1107	1111
1108	1115
1109	1115–16
1110	1117
1111	1114
1112	1121
1113	1122
1114	1121–22, 1124
1115	1124
1116	1125
1117	omitted
1118	1311
1119	1117, 1311
1120	1118
1121	1131
1122	1127
1129	omitted
Ch. 12: Foreign relations, immigration and nationality, foreign relations, and trade:	
1201	1201
1202	1202
1203	1203
1204	1211
1205	1204
1206	1128
Immigration, naturalization, and passports:	
1221	1221
1222	1222
1223	1223
1224	1224
1225	1225
1229	1226
Ch. 13: Integrity and effectiveness of Government operations:	
1301	1302
1302	1302
1303	1311
1304	1312
1305	1313
1306	1314
1307	omitted
1308	1801
1309	1315
1310	1316
1321	1322–23
1322	1322–23
1323	1325
1324	1326
1325	1328
1326	1327
1327	1323
1341	1331
1342	1332
1343	1333
1344	1335
1345	1336
1346	1003
1349	1334
1351	1341
1352	1342–43
1353	1343
1354	1344
1355	1346
1356	1343–45
1361	1351
1362	1352
1363	1353
1364 (omitted in part)	1355
1365	1354
1366	1357
1367	1324, 58
1368	1351–55, 1357–58
1369	1359
1371	omitted
1372	1356
1381	1361
Ch. 14: Internal revenue and customs offenses:	
1401	1401
1402	1402
1403	1411
1404	1411
1405	1411
1409	1403
1411	1421–23
Ch. 15: Civil rights and elections:	
1501	1501
1502	1502
1511	1511
1512	1512
1513	1512
1514	1512
1515	1513
1516	omitted
1521	1502
1531	1521–22
1532	1523
1533	1524
1534	1525
1535	omitted
1541	1526
1551	omitted
1561	1532
1562	1533
1563	1534
1564	1531
Ch. 16: Offenses involving danger to the person:	
1601	1601
1602	1602
1603	1603
1609	1601–03
1611	1613
1612	1612
1613	1615
1614	1616
1615	1618
1616	1614
1617	1723
1618	1617
1619	omitted
1631	1621
1632	1622

1633 ---------- 1623
1634 ---------- 1621–23
1635 ---------- 1625
1639 ---------- 1624
1641 ---------- 1631
1642 ---------- 1632
1643 ---------- 1631
1644 ---------- 1632
1645 ---------- 1633
1646 ---------- 1634
1647 ---------- 1635
1648 ---------- omitted
1649 ---------- 1636
1650 ---------- 1631–35
Ch. 17: Offenses against property:
1701 ---------- 1701
1702 ---------- 1615, 1701–02
1703 ---------- omitted
1704 ---------- 1615, 1701–02
1705 ---------- 1702–03
1706 ---------- 1701–02
1708 ---------- 1704
1709 ---------- 111, 1704
1711 ---------- 1711
1712 ---------- 1712
1713 ---------- 1711–12
1714 ---------- 1713
1719 ---------- 1714
1721 ---------- 1721
1731 ---------- 1731
1732 ---------- 1731
1733 ---------- 1731
1734 ---------- 1731
1735 ---------- 1731
1736 ---------- 1731
1737 ---------- 1731
1738 ---------- 1735
1739 (omitted in part) ---------- 1733
1740 ---------- 1731, 1735
1741 ---------- 111
1751 ---------- 1741
1752 ---------- 1743
1753 ---------- 1742
1754 ---------- 1744
1755 ---------- Title 31
1756 ---------- 1764
1757 ---------- 1753
1758 ---------- 1751–52
1759 ---------- 1771
1771 ---------- 1724
1772 ---------- 1761
1773 ---------- omitted
Ch. 18: Offenses against public order, health, safety and sensibility:
1801 ---------- 1801
1802 ---------- 1802
1803 ---------- 1803
1804 ---------- 1804
1805 ---------- 1626
1811 ---------- 1811–12
1812 ---------- 1811–12
1813 ---------- 1811–12
1814 ---------- 1811
1821 ---------- 1825
1822 ---------- 1821–22
1823 ---------- 1822, 24
1824 ---------- 1823
1825 ---------- 1821–23
1826 ---------- 1821–24
1827 ---------- 5101
1829 ---------- 111, 1825
1831 ---------- 1831
1832 ---------- 1832
1841 ---------- 1841
1842 (omitted in part) ---------- 1841
1843 ---------- omitted
1848 ---------- omitted
1849 ---------- 1636, 1841
1851 ---------- 1851
1852 ---------- 1871
1861 ---------- 1871
Ch. 30: General sentencing provisions:
3001 ---------- 2001
3002 ---------- 105
3003 ---------- omitted
3004 ---------- 2003
3005 ---------- omitted
3006 ---------- 2002
3007 ---------- 2004
Ch. 31: Probation and unconstitutional discharge:
3101 ---------- 2101
3102 ---------- 2102
3103 ---------- 2103
3104 ---------- 2104
3105 ---------- omitted
3106 ---------- omitted
Ch. 32: Imprisonment:
3201 ---------- 2301
3202 ---------- omitted
Ch. 32: Imprisonment:
3203 (omitted in part) ---------- 2204
3204 ---------- 2303
3205 ---------- 2304
Ch. 33: Fines:
3301 ---------- 2201
3302 ---------- 2202
3303 ---------- 2203
3304 ---------- 2204
Ch. 34: Parole:
3401 ---------- 4202
3402 ---------- 4202
3403 ---------- 4204
3404 ---------- 4205
3405 ---------- 4206
3406 ---------- 4208
Ch. 35: Disqualification from office and other collateral consequences of conviction:
3501 ---------- omitted
3501 ---------- omitted
3503 ---------- omitted
3504 ---------- omitted
3505 ---------- omitted
Ch. 36: Life imprisonment:
3601 ---------- omitted
Ch. 36: Provisional: Sentence of death or life imprisonment:
3601 ---------- 2401
3602 ---------- 2402
3603 ---------- 2401
3604 ---------- 2401
Appellate Review of Sentence: Title 28:
1291 ---------- omitted

By Mr. HRUSKA (for himself and Mr. McCLELLAN):

S. 1401. A bill to establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes. Referred to the Committee on the Judiciary.

RESTORING THE DEATH PENALTY

Mr. HRUSKA. Mr. President, I introduce for myself and the distinguished senior Senator from Arkansas (Mr. McCLELLAN) S. 1401, a bill to establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes.

Earlier today, I introduced S. 1400, the massive "Criminal Code Reform Act of 1973." Section 2401 of that bill provided in certain instances for the imposition of the death sentence in Federal prosecutions for treason, sabotage, espionage, and murder. Section 2402 of S. 1400 set forth the procedures to be followed in determining the applicability of the sentence of death in these instances.

The bill which I now send to the desk would work the same effect as sections 2401 and 2402 of S. 1400. It is introduced separately in order to allow the Congress to act upon the death penalty as an independent issue of immediate concern, which can be resolved prior to final action on the larger project of rewriting the present Federal Criminal Code.

Present Federal law provides that the death penalty is an authorized sentence upon conviction in at least 10 instances, including murder, treason, rape, air piracy, and delivery of defense information to aid a foreign government. (18 U.S.C. sec. 34 (destruction of motor vehicles or motor vehicle facilities where death results); 18 U.S.C. sec. 351 (assassination or kidnaping of Member of Congress); 18 U.S.C. sec. 794 (gathering or delivering defense information to aid a foreign government); 18 U.S.C. sec. 1111 (murder in the first degree within the special maritime and territorial jurisdiction of the United States); 18 U.S.C. sec. 1114 (murder of certain officers and employees of the United States); sec. 1716 (causing death of another by mailing injurious articles); 18 U.S.C. sec. 1751 (Presidential and Vice Presidential murder and kidnaping); 18 U.S.C. sec. 2031 (rape within the special maritime or territorial jurisdiction of the United States); 18 U.S.C. sec. 2381 (treason); and 49 U.S.C. sec. 1472 (i) (aircraft piracy)).

As drafted, they appear to be unconstitutional under the 1972 decision in *Furman* v. *Georgia*, 408 U.S. 238 (1972). In addition, there are several other statutes that authorize the death penalty, but each appears to be unconstitutional under *United States* v. *Jackson*, 390 U.S. 570 (1968), because by permitting the jury and not the court to impose the penalty, they inhibit the exercise of the right to demand a jury trial.

This bill will cure the constitutional defects inherent in present law as revealed in Furman and thus restore the death penalty as an available sentence in certain heinous situations.

This "two-track" approach to restoring the death penalty was suggested by the President in his March 14 crime message and is supported fully by the chairman of the Subcommittee on Criminal Laws and Procedures (Mr. McCLELLAN) and myself.

Mr. President, in the unlikely event that any Senator is unaware of it, I would like to call attention to a particularly shocking crime which was committed here in a Washington suburb just a short time ago. According to newspaper accounts, 5 men armed with handguns and a shotgun held about 25 employees of a vending machine company hostage for more than an hour. During that time, they beat, kicked, pistol-whipped and shot their victims in what appears to have been a random exercise of terror. One of the detectives who investigated it described it as the most vicious holdup he had ever seen. At the end of it all, one of the assailants was dead. Two suspects and a dozen of the innocent victims were hospitalized. It appears to have been pure chance that none of the victims was killed. As it is, one woman employee—shot in the throat—may not be able to speak for a year, and others may have been permanently disfigured.

Reports indicate that at least two of the suspects were not new to crimes of violence. In fact, they had pleaded guilty less than a week earlier to charges that they were accessories to a murder the previous September. They were at the time of this most recent incident free on bond awaiting sentencing.

This case is not unique. It does underscore once again the desperate need for

tough, realistic new efforts to curb lawlessness and violence. And, particularly, it underscores the need to restore the death penalty to our laws.

But if they run true to form, we will hear social theorists talking about the "inhumanity" of new laws to curtail the criminals, rather than about the rights of peaceful citizens to be free from the threat of imminent violence.

Mr. President, I say to the social theorists: Read the reports of this appalling episode, which took place only last week, and tell the victims if the lenient approach to crime which you advocate should be pursued to the exclusion of all else. Read the accounts of the victims who, in the midst of the mayhem, were told, and I quote: "there's no death penalty—what do I have to lose," and then tell these victims that there is no merit in the recommendation that capital punishment be restored.

The American people, in my judgment, are fed up with the kind of outrage that occurred last week in the Maryland suburbs. There can be no other way to describe it. They simply are fed up. There must be a return to the idea that when a person breaks a law, he must be held personally responsible and he must be punished for it. The American people are not of a mood to accept anything less.

The instant bill would create a constitutionally supportable death penalty, limited in applicability solely to wartime treason, sabotage or espionage, or to murder committed during the course of seven specified offenses or under other limited circumstances. However, the death penalty could only be imposed if the jury, in a separate proceeding, determined that the offense was aggravated by one or more specified circumstances and that none of the enumerated mitigating factors was present.

It is my understanding the Criminal Laws Subcommittee will shortly begin consideration of this issue. Hopefully, we will be able to enact this bill with any necessary modifications in the not too distant future.

I ask unanimous consent that the text of the bill and the transmittal letter be printed in the RECORD immediately following my remarks along with newspaper accounts of the shocking crime referred to earlier in this statement and excerpts from the President's sixth crime message to the Congress.

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

S. 1401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 227 of title 18, United States Code, is amended by adding after section 3562 a new section 3562A, to read as follows:

"3562A. Sentencing for capital offenses.

"(a) A person shall be subjected to the penalty of death for any offense prohibited by the laws of the United States only if a hearing is held in accordance with this section.

"(b) When a defendant is found guilty of or pleads guilty to an offense for which one of the sentences provided is death, the judge who presided at the trial or before whom the guilty plea was entered shall conduct a separate sentencing hearing to determine the existence or nonexistence of the factors set forth in subsections (f) and (g), for the purpose of determining the sentence to be imposed. The hearing shall not be held if the Government stipulates that none of the aggravation factors set forth in subsection (g) exists or that one or more of the mitigating factors set forth in subsection (f) exists. The hearing shall be conducted.

"(1) before the jury which determined the defendant's guilt;

"(2) before a jury impaneled for the purpose of the hearing if

"(A) the defendant was convicted upon a plea of guilty;

"(B) the defendant was convicted after a trial before the court sitting without a jury; or

"(C) the jury which determined the defendant's guilt has been discharged by the court for good cause; or

"(3) before the court alone, upon the motion of the defendant and with the approval of the court and of the Government.

"(c) In the sentencing hearing the court shall disclose to the defendant or his counsel all material contained in any presentence report, if one has been prepared, except such material as the court determines is required to be withheld for the protection of human life or for the protection of then national security. Any presentence information withheld from the defendant shall not be considered in determining the existence or the nonexistence of the factors set forth in subsection (f) or (g). Any information relevant to any of the mitigating factors set forth in subsection (f) may be presented by either the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials; but the admissibility of information relevant to any of the aggravating factors set forth in subsection (g) shall be governed by the rules governing the admission of evidence at criminal trials. The government and the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any of the factors set forth in subsection (f) or (g). The burden of establishing the existence of any of the factors set forth in subsection (g) is on the government. The burden of establishing the existence of any of the factors set forth in subsection (f) is on the defendant.

"(d) The jury or, if there is no jury, the court shall return a special verdict setting forth its findings as to the existence or nonexistence of each of the factors set forth in subsection (f) and as to the existence or nonexistence of each of the factors set forth in subsection (g).

"(e) If the jury or, if there is no jury, the court finds by a preponderance of the information that one or more of the factors set forth in subsection (g) exists and that none of the factors set forth in subsection (f) exists, the court shall sentence the defendant to death. If the jury or, if there is no jury, the court finds that none of the aggravating factors set forth in subsection (g) exists, or finds that one or more of the mitigating factors set forth in subsection (f) exists, the court shall not sentence the defendant to death but shall impose any other sentence provided for the offense for which the defendant was convicted.

"(f) The court shall not impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in subsection (d) that at the time of the offense

"(1) he was under the age of eighteen;

"(2) his capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to prosecution;

"(3) he was under unusual and substantial duress, although not such duress as to constitute a defense to prosecution;

"(4) he was a principal, as defined in section 2(a) of this title, in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to prosecution; or

"(5) he could not reasonably have foreseen that his conduct in the course of the commission of the offense for which he was convicted would cause, or would create a grave risk of causing, death to another person.

"(g) If no factor set forth in subsection (f) is present, the court shall impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in subsection (d) that:

"(1) if the defendant is convicted of an offense under section 794 or 2381 of this title:

"(A) the defendant has been convicted of another offense under one of those sections, committed before the time of the offense, for which a sentence of life imprisonment or death was imposable;

"(B) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security; or

"(C) in the commission of the offense the defendant knowingly created a grave risk of death to another person; or

"(2) if the defendant is convicted of murder or of any other offense for which the death penalty is available if death results:

"(A) the defendant committed the offense during the commission or attempted commission of, or during the immediate flight from the commission or attempted commission of an offense under section 751, 794, 844(d), 844(f), 844(i), 1201, or 2381 of this title, or section 902(i) of the Act of August 23, 1958, as added by section 1 of the Act of September 5, 1961, and amended (75 Stat. 466, 49 U.S.C. 1472(i));

"(B) the defendant has been convicted of another federal or state offense, committed either before or at the time of the offense, for which a sentence of life imprisonment or death was imposable;

"(C) the defendant has previously been convicted of two or more state or federal offenses with a penalty of more than one year imprisonment, committed on different occasions before the time of the offense, involving the infliction of serious bodily injury upon another person;

"(D) in the commission of the offense the defendant knowingly created a grave risk of death to another person in addition to the victim of the offense;

"(E) the defendant committed the offense in an especially heinous, cruel, or depraved manner;

"(F) the defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value;

"(G) the defendant committed the offense as consideration for the receipt, or in expectation of the receipt, of anything of pecuniary value; or

"(H) the defendant committed the offense against

"(i) the President of the United States, the President-elect, the Vice President, or if there is no Vice President, the officer next in order of succession to the office of the President of the United States, the Vice-President-elect, or any person who is acting as President under the Constitution and laws of the United States;

"(ii) a chief of state, head of government, or the political equivalent, of a foreign nation;

"(iii) a foreign official listed in section 1116(b)(1) of this title, if he is in the United States because of his official duties; or

"(iv) a Justice of the Supreme Court, a federal law enforcement officer, or an em-

ployee of a United States penal or correctional institution, while performing his official duties or because of his status as a public servant. For purposes of this subsection, a 'law enforcement officer' is a public servant authorized by law or by a government agency to conduct or engage in the prevention, investigation, or prosecution of an offense."

SEC. 2. Section 34 of title 18, United States Code, is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the section.

SEC. 3. Section 844(d) of title 18, United States Code, is amended by striking therefrom the words "as provided in section 34 of this title".

SEC. 4. Section 844(f) of title 18, United States Code, is amended by striking therefrom the words "as provided in section 34 of this title".

SEC. 5. Section 844(i), title 18, United States Code, is amended by striking therefrom the words "as provided in section 34 of this title."

SEC. 6. The second paragraph of section 1111(b) of title 18, United States Code, is amended to read as follows: "Whoever is guilty of murder in the first degree shall be punished by death or by imprisonment for life."

SEC. 7. Section 1116(a) of title 18, United States Code, is amended by striking the words ", except that any such person who is found guilty of murder in the first degree shall be sentenced to imprisonment for life".

SEC. 8. Section 1201 of title 18, United States Code, is amended by inserting after the words "or for life" in subsection (a) the words ", and if the death of any person results, shall be punished by death or life imprisonment".

SEC. 9. The last paragraph of section 1716 of title 18, United States Code, is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the paragraph.

SEC. 10. The fifth paragraph of section 1992 of title 18, United States Code, is amended by changing the comma after the words, "imprisonment for life" to a period and deleting the remainder of the section.

SEC. 11. Section 2031, title 18, United States Code, is amended by deleting the words "death, or".

SEC. 12. Section 2113(e) of title 18, United States Code is amended:

(a) by striking therefrom the words "kills any person, or"; and

(b) by striking therefrom the words "or punished by death if the verdict of the jury shall so direct" and inserting in lieu thereof the words "or may be punished by death if death results".

SEC. 13. Section 902(i)(1) of the Act of August 23, 1958, as amended (49 U.S.C. 1472 (i)(1)), is amended to read as follows:

"(1) Whoever commits or attempts to commit aircraft piracy, as herein defined, shall be punished

"(A) by imprisonment for not less than twenty years; or

"(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life."

SEC. 14. The analysis of chapter 227 of title 18, United States Code, is amended by inserting after item 3562 the following new item:

"3562A. Sentencing for capital offenses."

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., March 14, 1973.

THE SPEAKER,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is attached for your consideration and appropriate reference a draft bill, "To establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes."

In *Furam* v. *Georgia*, 408 U.S. 238, decided June 29, 1972, the United States Supreme Court held that statutes which left the imposition of the death penalty to the unfettered discretion of a judge or a jury violated the Eighth and Fourteenth Amendments of the Constitution. The decision thereby invalidated the death penalty provisions of all federal statutes under which the death penalty is now imposable.

Furman was decided by a five-to-four vote, each justice writing a separate opinion. Of the majority, only two justices, Brennan and Marshall, argued that the Constitution mandated an absolute prohibition of the death penalty. Justices Stewart, White, and Douglas based their concurrences in the reversals on the fact that the statutes before the Court left the imposition of the death penalty to the unchecked discretion of the judge or jury, thereby permitting and occasioning irrational, selective, and discriminatory imposition. None of the opinions of the latter three justices precludes the upholding of the constitutionality of a death penalty procedure which would remove such unchecked discretion.

It is the Department's opinion that *Furman* holds unconstitutional the imposition of the death penalty as a discretionary, nonmandatory sentencing alternative, but nevertheless does not preclude the enactment of appropriate circumscribed legislation authorizing the imposition of the death penalty. It is the view of the Department that it is reasonable to conclude that the death penalty has deterrent value, and that it may provide a measure of protection against incorrigible, dangerous individuals.

In his recent message on law enforcement and drug abuse prevention, President Nixon stated:

"I am convinced that the death penalty can be an effective deterrent against specific crimes. The death penalty is not a deterrent so long as there is doubt whether it can be applied. The law I will propose would remove this doubt.

"The potential criminal will know that if his intended victims die, he may also die. The hijacker, the kidnapper, the man who throws a fire bomb, the convict who attacks a prison guard, the person who assaults an officer of the law, all will know that they may pay with their own lives for any lives that they take."

Under the Department's proposal, capital punishment will require a post-trial sentencing hearing for the purpose of determining the existence or nonexistence of specific aggravating factors or mitigating factors. The hearing will be held before the judge who presided at the trial and before the same jury, or, under certain circumstances, before a jury specially impanelled or before the judge alone. Imposition of the death penalty by the judge will be mandatory if there is a special verdict finding the existence of one or more aggravating factors and the absence of any mitigating factor. The death sentence is prohibited if the existence of any one or more mitigating factors is found.

Among the factors which would preclude the imposition of a death sentence are the youth of the defendant, lack of capacity to appreciate the wrongfulness of the conduct, and unusual and substantial duress. Aggravating factors include, for treason or espionage, the creation of a grave risk to the national security, and for murder, the killing of another person during the commission of the offense of kidnapping or aircraft hijacking, the assassination of the President of the United States, and the commission of murder after conviction of another offense for which a sentence of life imprisonment or death was imposable.

I urge the prompt introduction and early enactment of this legislation.

The Office of Management and Budget has advised that enactment of this legislation would be in accord with the Program of the President.

Sincerely,

———— ————,
Attorney General.

[From the Washington Evening Star and Daily News, Mar. 14, 1973]

ORDEAL IN TERROR

(By Toni House and Jackie Stone)

John Terry Robinson had just punched out for the day on his job as a mechanic at the Canteen Corp. in Landover and was walking to his truck when a large brown car with five men wheeled into the lot.

"Who are they?" a Canteen driver asked Robinson.

"I don't know," he replied. "Maybe they're here to rob the place."

Moments later Robinson's glib aside turned into terrifying reality as he and 24 others found themselves hostages of a group of masked men intent on robbing the company of its estimated $25,000-$30,000 daily receipts.

For what "seemed like days" to Robinson, he and the others were jammed in an 8-by-12 foot yellow tile and concrete men's room, where they were subjected to verbal and physical abuse as the masked men ran in and out of the bathroom, firing handguns wildly and shouting epithets.

"I think I'll throw a hand grenade in here," Robinson recalled one suspect in a red ski mask saying. Robinson said he was "the crazy one . . . the big mouth."

"There's no death penalty, what do I have to lose?" Robinson said the man shouted.

"None of us thought we'd get out of there alive," recalled another hostage, Edward Foley, as he described the ordeal. 'The way they were acting, they were like maniacs . . . high on dope. I'm sure they had every intention of killing us all."

Foley was among the wounded hostages.

Robinson's keys were still dangling in the lock of his white van at the company and his wedding band was safely tucked in a roll of toilet paper in the men's room that had been his prison as Robinson told of the 60-minute ordeal while awaiting treatment at the emergency room of Prince Georges General Hospital last night.

Robinson had been pistolwhipped as had five other hostages. His light blue Canteen Corp. shirt and dark blue pants were spattered with blood.

Here's his story:

About 3:30 p.m. the 27-years-old Bladensburg mechanic said he was walking across the parking lot at the Ardmore-Ardwick warehouse when he was seized at gunpoint by two of the suspects. Robinson then was hustled inside the warehouse and herded into a men's room, which was rapidly filling with fellow employes being rounded up at gunpoint by the bandits and collected there.

The hostages were ordered to lie on the floor of the bathroom and keep quiet. They followed orders, lying in a squirming sweating heap, on the yellow concrete floor.

"Every couple of minutes" a gunman would open the bathroom door and fire wildly into the room, apparently in an effort to keep the large number of hostages cowed. Robinson could not recall how many shots were fired. It was not clear at this time if anyone was wounded in the bathroom.

On one occasion a bandit opened the door and ordered the hostages to place all of their valuables in the sink. Some threw their wallets and valuables into a pile, while others tried to hide theirs.

Robinson said he concealed his wedding ring in a toilet paper roll tube, but threw his wallet and watch into the sink to satisfy the bandits.

On another occasion the bandits opened the bathroom doors and said "they would kill anybody they caught with keys," Robinson said, which touched off a flurry of activity as men and women scattered and hid keys around the bathroom.

Raymond U. Johnson, a Dunbar Express guard (an armored car employe) who had already been wounded twice, was dragged from the bathroom by gunmen who took him to a small, unopened safe and ordered him to open it.

They returned to the room and hustled out Nancy Weaver, a coin counter, who Johnson suggested knew the combination. Johnson told police Miss Weaver said she had to have her pocketbook to open the safe, then was shot in the neck before she could get it.

At least two women, Eleanor Miller and Wendy Post, were pistol-whipped in front of the hostages in the room. Mrs. Miller said she did not know why she was hit.

Miss Post was struck in the mouth and the gun discharged. "My God," she screamed, as the blow split her mouth and knocked out several of her teeth, Robinson said.

"You better hope you have a God," he said a gunman replied. "Maybe you'd be better off back with Adam and Eve."

Robinson's chance came when he and five others were marched outside to serve as cover for the bandits as they tried to escape from police who had cordoned off the warehouse.

The gunmen kept firing at police as they lined up the hostages against the building wall in front of a line of parked company trucks.

Robinson was ordered to open a truck door but said the keys were lost inside. "I was pistol-whipped for my trouble," he said, and while the masked men considered what to do next, he shoved past them and dashed for the police line.

As he zig-zagged across the pavement, he said, the bandits fired at him three times. He heard one bullet ricochet off a truck and whistle past him.

Foley said he probably was the last of the employes herded into the men's room. The next 45 minutes were a nightmare of threats and violence.

"They said they wanted all our billfolds, watches and valuables. Then they told the service manager, Howard Dillard, to pick up the stuff and put it in a paper bag. When he said he didn't have one, they hit him, knocked him down, bashed his head against a wall and then pulled him back to his feet again. Dillard told them to give him a bag and that's when they shot him in the arm."

The gunmen then forced Dillard to go with them to the money room and open the safe. Then Nancy Weaver was taken from the bathroom to the money room, where she was shot in the neck.

When the gunmen attempted to move the sacks of money into their car, they saw the police and ordered Foley and five other employes to act as hostages and accompany them to the loading dock. The police and the gunmen began to exchange fire.

"John Robinson was standing in front of me, and he pushed this one guy down between two trucks. Robinson took off running and managed to get away," Foley said.

"Then the guy turned around and fired twice at me. I was running toward the police lines, and I guess the second shot must have hit me. But I ran, and then crawled and ran again to the side of the building. A policeman hollered for me to 'Get down, and that's when my leg gave way."

Foley, the father of four lives in Lothian, Md. and fills the canteen machines at the Star-News. The gunmen's bullet still lodged in his left thigh. He said his doctor has not yet decided whether (or when) to remove the bullet.

"The doctor said it didn't do a lot of damage, and that maybe an operation to remove it, at least right now, would do more harm than good."

Asked what his thoughts were this morning, Foley replied, "At first I was just sorry to learn that the police had only killed one of them. Those kind of people shouldn't be on the street. Two of them were out on bond on murder charges already.

"As long as they (the courts) keep letting people out on bond when they're charged with major crimes, this kind of thing is going to keep on happening. They should keep this kind of criminal locked up until he can go to trial."

[From the Washington Post, Mar. 15, 1973]

VICTIMS PETRIFIED IN HOUR OF TERROR

(By Ivan G. Goldman)

"Petrified, that's the best way to describe how everyone felt," said the guard yesterday who was shot four times by holdup men during a wild robbery attempt Tuesday at a warehouse in Prince George's County.

"There was no reason to shoot any of those people," said armored car guard Raymond H. Johnson. "Everyone was too scared even to scream. I didn't think I'd ever get out alive."

Johnson was one of at least three hostages shot by five would-be robbers during the Tuesday shooting at the Canteen Corp. building in the Ardmore-Ardwick Industrial Park.

County police surrounded the building, killed one suspect and captured four others, wounding two.

Johnson, shot in both legs, the right shoulder and neck, described a bloody scene of random mayhem as the trapped, enraged bandits shot, beat and pistol-whipped unarmed hostages. He was shot when he and another guard, William T. Marks, stumbled into the holdup while making a currency pickup.

"We didn't know what was going on," Johnson said. "We were both trapped. They were already inside. They pulled their guns on us. We both tried to pull our guns, and that's when I got shot the first time, in the leg.

"Then they told us to go into the bathroom with the others. I asked them where it was, and that's when I got beat in the face with a gun. They told us to behave ourselves or we'd get killed. Then they worked over my partner, beating him for no reason at all. Then they put us in the men's room with the others."

Johnson said there was no room for him to lie down with the dozen or so other hostages, confined there. He stood bleeding in a corner, and no one attempted to administer to his wounds. "I was bleeding pretty badly," he said matter-of-factly.

"One of the gunmen stayed in there with us the whole time. That's the one I wanted to blow away. He was beating this woman. He told her to get out from behind the door. As he said it, he slapped her with the butt of his gun. I saw teeth go flying.

"He was the same one who shot me all four times. One guy (bandit) came in and told a guy to take his shirt off. He wanted it for the muzzle of his shotgun. He didn't take it off fast enough and they shot him and ripped it off him.

"Then they took me out and put me in the vault where they kept the change. They told me to open the safe, and I said I didn't know the combination. I told them who had it, and they brought her in. She wasn't fast enough or something, and they shot her in the neck. They were mad because she said the combination was in her pocketbook."

Johnson said it was difficult to keep track of time, but it soon became evident that the building was surrounded by police, and that the gunmen knew it. He said the gunmen had him begin loading bags of coins and currency from a pile onto a cart, and that he was shot three more times during the loading "because I wasn't fast enough.

"There were about 30 or 40 bags, and I loaded the better part of them. Then they told me to push the cart through the door," he said. "I did, and that's when I got away. I told police there were other people in there."

Johnson, who has worked for Dunbar Express Co., the armored car firm, four weeks, said the one-hour ordeal "took about a year, it seemed."

Johnson was in fair condition in Prince George's County Hospital and Nancy Carmen Weaver, 32, a Canteen employee, was in serious condition yesterday with a gunshot wound in the throat. Police were still piecing together details yesterday, and had not fully interviewed all witnesses.

Assistant Police Chief John W. Rhoads said he believed about five other employees were hiding in the building during the one-hour siege. They were not taken by the holdup men, he said, but they were unable to get out of the building safely as the robbers shot it out with police.

All four suspects were charged with armed robbery and murder. A Maryland law dictates that when death results from the commission of a felony, then the perpetrators can be held legally responsible for the death.

Police said Baron Jerome Cathy, 22, of 3457 25th St. SE, was shot to death at the scene, an office-warehouse at 7650 Preston Dr., in the industrial park. They identified the four other suspects as Guy Thurston Marshall, 22, of 408 Aspen St. NW; Robert John Young, 27, of 5011 Jay St. NE; Samuel Edward Brown, 27, of 2930 Knox St. SE; and Robert Wesley Smith Jr., 27, of 823 N. Henry St., Alexandria.

Smith, Young, and Brown were under police guard yesterday in Prince George's General Hospital. Hospital authorities said Smith was in fair condition with gunshot wounds in the chest and face. Brown was in fair condition with a gunshot wound to the abdomen. Young was in good condition with multiple lacerations and a jaw fracture.

The three patients were held without bond. Marshall remained in the county jail in Upper Marlboro after County District Court Judge Howard S. Chasanow set his bond at $125,000.

Marshall, who appeared smiling at the hearing and wearing jail denims and shower clogs, was unable to post the bond. He said nothing at the brief hearing.

County State's Attorney Arthur A. Marshall Jr. (no relation to the suspect Marshall) said Marshall and Young had pleaded guilty Friday in County Circuit Court as accessories before the fact in the Sept. 18, 1972, murder of Dennis Johnson, 26.

Each had been free on $10,000 bond awaiting sentencing. Law enforcement officials described the murder as a narcotics-related execution. Robert E. Hall, 25, of 1234 Prairie St. NE, was convicted of first-degree murder and conspiracy to commit murder in the slaying by a County Circuit Court jury trial yesterday.

Rhoads said that about 50 county policemen surrounded the building minutes after the robbers entered the building. They were summoned, he said, by a silent alarm pressed by a Canteen employee.

The robbers had driven to the building in a stolen 1971 Cadillac, Rhoads said. He said they entered through a loading dock, pulling their guns immediately and herding employees into the men's room.

Rhoads, who directed the battle, said his men fired "only a few shots" because they knew the gunmen held hostages.

Rhoads said one of the gunmen fired at police Maj. Blair Montgomery as Montgomery, speaking through a bullhorn tried to persuade the men to throw down their guns and surrender. Only one man came out

unarmed, Rhoads said, and he was captured without injury.

"In terms of criminal brutality," Rhoads said, "that was the worst crime scene I've ever seen. For no apparent reason people were shot and beaten unmercifully."

THE WHITE HOUSE,
March 14, 1973.

MESSAGE TO CONGRESS

The sharp reduction in the application of the death penalty was a component of the more permissive attitude toward crime in the last decade.

I do not contend that the death penalty is a panacea that will cure crime. Crime is the product of a variety of different circumstances—sometimes social, sometimes psychological—but it is committed by human beings and at the point of commission it is the product of that individual's motivation. If the incentive not to commit crime is stronger than the incentive *to* commit it, then logic suggests that crime will be reduced. It is in part the entirely justified feeling of the prospective criminal that he will not suffer for his deed which, in the present circumstances, helps allow those deeds to take place.

Federal crimes are rarely "crimes of passion." Airplane hi-jacking is not done in a blind rage; it has to be carefully planned. Using incendiary devices and bombs are not crimes of passion, nor is kidnapping; all these must be thought out in advance. At present those who plan these crimes do not have to include in their deliberations the possibility that they will be put to death for their deeds. I believe that in making their plans, they should have to consider the fact that if a death results from their crime, they too may die.

Under those conditions, I am confident that the death penalty can be a valuable deterrent. By making the death penalty available, we will provide Federal enforcement authorities with additional leverage to dissuade those individuals who may commit a Federal crime from taking the lives of others in the course of committing that crime.

Hard experience has taught us that with due regard for the rights of all—including the right to life itself—we must return to a greater concern with protecting those who might otherwise be the innocent victims of violent crime than with protecting those who have committed those crimes. The society which fails to recognize this as a reasonable ordering of its priorities must inevitably find itself, in time, at the mercy of criminals.

America was heading in that direction in the last decade, and I believe that we must not risk returning to it again. Accordingly, I am proposing the re-institution of the death penalty for war-related treason, sabotage, and espionage, and for all specifically enumerated crimes under Federal jurisdiction from which death results.

The Department of Justice has examined the constitutionality of the death penalty in the light of the Supreme Court's recent decision in *Furman* v. *Georgia*. It is the Department's opinion that *Furman* holds unconstitutional the imposition of the death penalty only insofar as it is applied arbitrarily and capriciously. I believe the best way to accommodate the reservations of the Court is to authorize the automatic imposition of the death penalty where it is warranted.

Under the proposal drafted by the Department of Justice, a hearing would be required after the trial for the purpose of determining the existence or nonexistence of certain rational standards which delineate aggravating factors or mitigating factors.

Among those mitigating factors which would preclude the imposition of a death sentence are the youth of the defendant, his or her mental capacity, or the fact that the crime was committed under duress. Aggravating factors include the creation of a grave risk of danger to the national security, or to the life of another person, or the killing of another person during the commission of one of a circumscribed list of serious offenses, such as treason, kidnapping, or aircraft piracy.

The hearing would be held before the judge who presided at the trial and before either the same jury or, if circumstances require, a jury specially impaneled. Imposition of the death penalty by the judge would be mandatory if the jury returns a special verdict finding the existence of one or more aggravating factors and the absence of any mitigating factor. The death sentence is *prohibited* if the jury finds the existence of one or more mitigating factors.

Current statutes containing the death penalty would be amended to eliminate the requirement for jury recommendation, thus limiting the imposition of the death penalty to cases in which the legislative guidelines for its imposition clearly require it, and eliminating arbitrary and capricious application of the death penalty which the Supreme Court has condemned in the *Furman* case.

By Mr. HARTKE:

S. 1402. A bill to establish a Federal program to encourage voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors. Referred to the Committee on Labor and Public Welfare.

Mr. HARTKE. Mr. President, there will be more than 2 million blood transfusions performed in the United States this year. One out of every 150 of these will cause a death from serum hepatitis in the over 40 age group. Many more transfusions will cause sickness in younger people.

Hepatitis is a growing menace to our Nation's health. Dr. J. Garrot Allen, of Stanford Medical Center, has estimated that at least 455,000 hospital bed-days are devoted to this disease every year. Effective measures, however, can go far to wiping out this disease. The bill I am introducing today is designed to provide the means necessary to accomplish that goal.

In many communities throughout the Nation, there is a critical shortage of blood. To meet this need, blood banks have been established. Most of these blood banks are highly reputable and have performed invaluable service to those in need; but there are far too many unscrupulous blood banks which have failed to screen properly those who donate their blood.

Much of the serum hepatitis in this country comes from the paid blood donor. He may be an alcoholic or a drug addict seeking money for his habit, and some commercial blood banks are all too willing to give him the few dollars he seeks without checking into his background.

Profitmaking blood banks have been established because—regrettably—the voluntary donor system has not been able to meet the demand for blood. Hospitals have no choice but to turn to the commercial blood bank for their supply, yet reliable studies have shown that the risk of contracting hepatitis from the blood of paid donors is from 11 to 70 times greater than the risk from voluntarily donated blood.

Although the Federal Government is already involved in the regulation of blood banks, additional licensing is necessary.

To meet the problems of regulation, my bill would establish a new office in the Department of Health, Education, and Welfare, to license, inspect, and regulate all blood banks in this country. The poor past performance of the National Institute of Health, now the Bureau of Biologics under the Food and Drug Administration, is proof enough that responsibility should be placed elsewhere.

Because the lack of voluntary blood is the only justification for using paid donors, my bill provides for a national effort to recruit voluntary donors. It also requires that the source of each pint of blood be clearly stated on its label.

Under my proposal, the Director of the National Blood Bank is to inspect, license, and regulate all blood banks. It authorizes $9 million for a national program to recruit voluntary donors, include efforts to develop new procedures and techniques to inform the public of the need to donate blood voluntarily.

The Director will be assisted by an advisory council made up of representatives of blood banks, consumers, and the public relations industry. The council will advise in the development of long range policy for the blood bank program and provide expert advice on proposed regulations and voluntary recruitment efforts.

Recognizing that the national blood bank systems of the American Red Cross and the American Association of Blood Banks deserve special attention, the bill authorized the Director to accept their inspection and accreditation program in lieu of Federal inspections.

Among its other provisions, it would establish two classes of accredited blood banks. Class A blood banks are those having a maximum percentage of voluntary donors. Class B blood banks are all others. The Director is required to update annually the percentage to qualify for class A status to the highest level consistent with an adequate national blood supply. Federal agencies are prohibited from purchasing blood from other than class A blood banks.

Mr. President, 17 States have no laws governing blood banks. Another 21 have laws which prevent patients infected by contaminated blood from collecting monetary damages. It is time that the Federal Government acted to protect the health of the American public.

A serious illness or accident is tragedy enough without the danger of receiving contaminated blood. The quality of blood available to hospitals is nothing short of disgraceful. The legislation I introduce today will make it possible for us to eradicate this disgrace without further delay.

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

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

S. 1402

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

SHORT TITLE

SECTION 1. This Act may be cited as the "National Blood Bank Act of 1973".

FINDINGS

SEC. 2. The Congress finds that human blood is necessary for medical treatment and that an adequate supply of pure and safe blood throughout the United States is essential to the welfare of the Nation. Congress further finds that interstate shipment of pure and safe whole blood and blood components is necessary for the welfare of the United States; that since human blood is a living tissue which cannot be manufactured, an adequate interstate supply of blood depends upon the willingness of individuals to donate their blood; that since the virus hepatitis is transmitted in human blood and is found significantly more often in the blood of persons who donate for monetary compensation than in the blood of voluntary donors the purity and safety of the national blood supply is seriously threatened by the inadequate level of voluntary donation and by monetary compensation of blood donors. The Congress therefore finds that the welfare of the United States will be promoted by development of a 100 per centum voluntary blood supply as soon as feasible, that voluntary donation should therefore be encouraged and promoted, and that certain procedures and standards should be established with respect to the operation of all blood banks in the United States.

ESTABLISHMENT OF PROGRAM; DIRECTOR

SEC. 3. There is established in the Department of Health, Education, and Welfare a National Blood Bank Program to be under the supervision of a Director appointed by the Secretary of Health, Education, and Welfare. The Director of the National Blood Bank Program (hereinafter in this Act referred to as the "Director") shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

FUNCTIONS AND DUTIES OF DIRECTOR

SEC. 4. (a) NATIONAL BLOOD BANK SYSTEMS.—Upon the application of any group or organization of blood banks, the Director shall designate such group or organization as a national blood bank system under this Act if the group or organization—

(1) includes member blood banks in not less than ten States, which member banks have drawn an aggregate of not less than two million units of blood in the year preceding application;

(2) requires by written contract member blood banks, which are not maintained and operated directly by the group or organization, to adhere and be bound by the rules and regulations of the group or organization;

(3) requires all member blood banks to maintain a program for the recruitment of voluntary blood donors;

(4) adopts rules and regulations for the operation of member blood banks which rules and regulations are approved by the Director and certified to be equal to or more stringent than the standards for blood banks and transfusion services of the American Association of Blood Banks and the applicable standards of the American Red Cross;

(5) provides for—

(A) accreditation of member blood banks which operate in conformity with the rules and regulations referred to in paragraph (4);

(B) a program approved by the Director of annual, unannounced inspection of accredited member blood banks to determine adherence to such standards; and

(C) recommend the fining, suspension, or termination of accreditation of member blood banks which fail to adhere to such standards;

(6) requires that accredited member blood banks—

(A) designate named individuals in such accredited member blood banks to have express responsibility for recruitment of voluntary blood donors;

(B) be open for business on days and at hours most convenient for voluntary blood donors;

(C) cooperate with other blood banks in the recruitment of voluntary blood donors and in other functions; and

(D) label clearly each unit of blood collected as "donated" when it is from a voluntary blood donor or "purchased" when it is from a paid blood donor.

(b) PROMOTION OF VOLUNTARY BLOOD DONATION.—In order to assure an adequate supply of pure and safe blood throughout the Nation, the Director shall—

(1) develop, by grant or contract, new procedures, materials, and techniques to inform the public of the need to voluntarily donate blood;

(2) provide direct assistance to establish an adequate supply of voluntary blood in those parts of the country where it is presently unavailable;

(3) develop a national program to honor and recognize all voluntary donors;

(4) establish yearly goals of voluntary donors for each blood bank;

(5) conduct evaluations of the effectiveness of various recruitment techniques and inform the licensed blood banks of the most effective techniques;

(6) classify blood banks which collect no more than a specified percentage of their blood from paid donors as "Class A Blood Banks" and classify all other blood banks as "Class B Blood Banks";

(7) annually increase the allowable percentage of paid donors to qualify as a "Class A Blood Bank" to the highest level consistent with an adequate national blood supply.

(c) DONOR REGISTRY.—The Director shall maintain a registry of all persons who give blood after July 1, 1972, to a licensed blood bank and shall identify individuals on such registry who may have been implicated in the transmission of hepatitis or who should otherwise be disqualified as blood donors. The Director shall notify all blood banks of such disqualifiying information.

LICENSE TO OPERATE AS A BLOOD BANK

SEC. 5. (a) LICENSE REQUIRED.—No person may operate as a blood bank unless such person is licensed under this section.

(b) REQUIREMENTS OF LICENSE.—Upon application therefor the Director shall issue a license to operate as a blood bank to any person if—

(1) such person agrees to require identification of each blood donor and such other information relating to each blood donor as the Director may prescribe; and

(2) such person agrees to transmit to the Director such information (including information indicating that the donor may be infected with hepatitis) as the Director may require; and

(3) the application therefor contains or is accompanied by such information as the Director finds necessary and the applicant agrees and the Director determines that the blood bank will be operated in accordance with standards the Director issues to carry out the purposes of this Act, including standards for purity, potency, and safety of blood, donor selection, allowable percentage of paid donors, regulations covering the management of blood inventories; and a requirement that all blood be tested by the best practical test for the presence of hepatitis; and

(4) such person agrees to clearly label each unit of blood collected as "low risk" when it is from a voluntary donor and "high risk" when it is from a paid donor.

(c) PERIOD OF VALIDITY.—A licensed issued under this section shall be valid for a period of three years, or such shorter period as the Director may establish for any blood bank or class or classes thereof.

(d) FEES.—The Director may require payment of fees for the issuance and renewal of licenses, but the amount of any such fee shall not exceed $125 per annum.

(e) The Director or his designee shall conduct an annual inspection of each blood bank licensed under this section to determine compliance with standards issued under this Act. The time of such inspections shall not be announced prior to the inspection.

(f) The Director may designate a national blood bank system as his inspecting agent for purposes of this section. He may accept accreditation by a national blood bank system in lieu of this inspection requirement.

(g) REVOCATION, SUSPENSION, OR LIMITATION; NOTICE AND HEARINGS; GROUNDS.—A blood bank license may be revoked, suspended, or limited if the Director finds, after reasonable notice and opportunity for hearing to the licensee blood bank, that such licensee or any employee of the blood bank—

(1) has been guilty of misrepresentation in obtaining the license;

(2) has engaged or attempted to engage or represented himself as entitled to perform any procedure or category of procedures not authorized in the license;

(3) has failed to comply with reasonable request of the Director for any information or materials or work on materials, he deems necessary to determine the blood bank's continued eligibility for its license hereunder or continued compliance with the Director's standards hereunder;

(4) has refused a request of the Director or any Federal officer or employee duly designated by him for permission to inspect the blood bank and its operations and pertinent records at any reasonable time; or

(5) has violated or aided and abetted in the violation of any provisions of this section or of any rule or regulation promulgated thereunder.

(h) LEGAL PROCEDURE; IMMINENT HAZARD TO PUBLIC HEALTH; JURISDICTION OF DISTRICT COURT; TEMPORARY INJUNCTION OR RESTRAINING ORDERS; BOND; FINAL ORDERS.—Whenever the Director has reason to believe that continuation of any activity by a blood bank licensed under this section would constitute an imminent hazard to the public health, he may bring suit in the district court for the district in which such blood bank is situated to enjoin continuation of such activity and, upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.

(i) APPEALS; PETITIONS; RECORD; ADDITIONAL EVIDENCE; MODIFIED OR NEW FINDINGS; JURISDICTION OF COURT OF APPEALS; CONCLUSIVENESS OF FINDINGS; REVIEW BY SUPREME COURT.—

(1) Any party aggrieved by any final action taken under subsection (e) of this section may at any time within sixty days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director or other officer designated by him for that purpose. The Director thereupon shall file in the court the record on which the action of

the Director is based, as provided in section 2112 of title 28.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Director, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Director, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Director may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside in whole or in part, temporarily or permanently. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(j) VIOLATIONS AND PENALTIES.—Any person who willfully violates any provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both such imprisonment and fine.

ADVISORY COUNCIL

SEC. 6. (a) ESTABLISHMENT.—There is established an Advisory Council to be composed of the following nine members appointed by the President:

(1) two representatives from each national blood bank system, one of whom shall be a person with not less than five years' recent experience in blood bank administration;

(2) three representatives of blood consumer groups including:

(A) one hospital administrator,

(B) one representative of organized labor.

(C) one representative of business management; and

(3) two persons experienced in advertising and public relations neither of whom may be employed or retained during their service on the Council by any firm or other organization which is engaged in operating a blood bank.

(b) DUTIES OF COUNCIL.—The Advisory Council shall—

(1) make recommendations to the Director with respect to long-term policy goals for the National Blood Banks Program established under section 3 of this Act;

(2) make recommendations to the Director with respect to the encouragement of blood donation and the motivation, recruitment, and recognition of blood donors; and

(3) make recommendations to the Director relating to reciprocal transactions between national blood bank systems to the extent that no agreement relating to such transactions exists between such systems.

(c) TRAVEL EXPENSES; PER DIEM.—While away from their homes or regular places of business in the performance of services for the council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

ANTITRUST EXEMPTION

SEC. 7. Notwithstanding any antitrust law, as defined in section 2(a) of the Antitrust Civil Process Act (76 Stat. 548; 15 U.S.C. 1311 (a)), a national blood bank system may exclude or reject from membership in such system any blood bank which does not qualify for tax-exempt status under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1954.

BLOOD ASSURANCE PROGRAMS

SEC. 8. No person other than a blood bank which is classified as a "Class A Bank" may maintain any program in which individuals deposit blood in advance of their need for blood or pledge to give blood upon request.

PURCHASE OF BLOOD BY FEDERAL GOVERNMENT

SEC. 9. No agency, department, or other instrumentality of the Government of the United States shall contract for or pay for the provision of blood from any person other than a "Class A Blood Bank" and such agency department, or other instrumentality shall take such measures as may be necessary to insure that such blood has been tested according to the best available test for hepatitis.

DEFINITIONS

SEC. 10. For the purposes of this Act, the term—

(a) "Blood" means human whole blood, or any component thereof.

(b) "Blood bank" means any person or other entity engaged in the bleeding of individuals and performing two or more of the following functions—

(1) recruitment of blood donors;

(2) processing of blood for transfusions;

(3) storage of blood;

(4) crossmatching of blood;

(5) administration of blood to individuals; or

(6) preparation of blood components for transfusion.

(c) "Blood donor" means a paid blood donor or a voluntary blood donor.

(d) "Paid blood donor" means an individual who receives monetary compensation or an adjustment in his scheduled period of prison confinement for his donation of blood or any component thereof.

(e) "Voluntary blood donor" means any individual donating his blood other than a paid donor.

(f) "Accredited blood bank" means a blood bank accredited by a National Blood Bank System.

AUTHORIZATION

SEC. 11. There is authorized to be appropriated $10,000,000 for the fiscal year 1973, $10,000,000 for the fiscal year 1974, and $10,000,000 for the fiscal year 1975 to carry out the purposes of this Act.

Mr. PERCY. Mr. President, Senator HARTKE and I together sponsored the National Blood Bank Act in the last Congress. No one can be as pleased as I that Senator HARTKE is reintroducing this bill today. Assuring the people of this country a safe and economical blood supply deserves priority consideration, and the senior Senator from Indiana deserves our commendation and support for again giving the Senate an opportunity to consider this fine bill.

Since our introduction of the National Blood Bank Act, blood banking in this country has seen some important changes, most notably in my home State, Illinois. Illinois, I am very proud to say, is a leader in the blood banking field. Since last October 1, when the State blood labeling law went into effect, all blood in Illinois is labeled "From Volunteer Donor" or "Purchased." And after July 1, 1973, any attending physician who orders the use of purchased blood must specify in the patient's medical record his reasons for such action. In essence, Illinois has banned purchased blood and is well on its way toward a statewide all-volunteer donor system.

What Illinois is doing can have significant impact for the public health in the country. Therefore, on March 16, I went back to my State and met with the members of the Governor's blood task force and other blood experts to assess the impact of the State blood labeling law and to solicit recommendations for Federal legislation on blood banking.

What I learned at the meeting has persuaded me not to join Senator HARTKE in the reintroduction of the National Blood Bank Act at this time. Instead, at a later date I will be introducing a modified version of the bill, incorporating the lessons that Illinois has learned about blood banking from its blood labeling law.

By Mr. SCHWEIKER (for himself, Mr. BAKER, Mr. CANNON, Mr. EASTLAND, Mr. PASTORE, and Mr. SCOTT of Pennsylvania):

S.J. Res. 84. Joint resolution proposing an amendment to the Constitution of the United States with respect to prayer in public buildings. Referred to the Committee on the Judiciary.

Mr. SCHWEIKER. Mr. President, I introduce for myself and Senators BAKER, CANNON, EASTLAND, PASTORE, and SCOTT of Pennsylvania, a joint resolution proposing an amendment to the Constitution of the United States with respect to voluntary prayer in public schools and buildings. On January 4 of this year I introduced a similar proposal, Senate Joint Resolution 10, which I am pleased to say has 28 cosponsors, including the Senators who join me today.

In brief, Senate Joint Resolution 10 provides for restoration of "voluntary, nondenominational prayer or meditation" in our public schools and buildings. I introduced Senate Joint Resolution 10—identical to Senate Joint Resolution 34 introduced by Senator SCOTT in the 92d Congress—because I disagree with the Supreme Court decisions of the 1960's which held school prayer unconstitutional. I believe prayer has a place in our public schools and I believe the great majority of Americans share my belief.

The joint resolution I offer today calls simply for the restoration of voluntary prayer in our public schools and buildings. It is introduced after extensive consultation with constitutional authorities from both the Library of Congress and the academic community. It is the opinion of these experts that the words "nondenominational" and "meditation" confuse the question at hand, and that inclusion of this language will only serve to diminish chances for ultimate passage of the school prayer amendment.

These expert opinions are based on the following considerations. First, "nondenominational" is a word not easily defined in legal terms. To find a truly non-

denominational prayer would require legal contortions. Second, "meditation" is not currently prohibited by the Supreme Court. Meditation, and even some student-sponsored prayer sessions, are permitted around the Nation. But that is not the issue at hand. What we are concerned with is returning truly voluntary prayer to the classroom.

The three school prayer resolutions introduced in the Senate this year in addition to my resolution, Senate Joint Resolution 10, also provide for "nondenominational" prayer. Thus, the joint resolution we introduce today provides a clear alternative to those previously introduced. It is my hope that the sponsors and supporters of those other resolutions will now unite behind the "voluntary prayer" language in this new resolution.

It is also important to note that when the House of Representatives voted on this issue in 1971, the word "voluntary" was substituted for the word "nondenominational" in the school prayer amendment. If we are to achieve ultimate passage of the school prayer amendment, it must be approved by both the Senate and the House, the President, and the legislatures of three-fourths of the States. That is why it is so important for us to unite behind the most widely accepted version of the amendment.

The resolution we offer today is similar in wording to House Joint Resolution 333, introduced in the House of Representatives by Congressman CHALMERS P. WYLIE, of Ohio, February 8. The lone difference between the two versions is that in addition to affirming the right of persons lawfully assembled in any public building to participate in voluntary prayer, my proposal also expressly permits States and the District of Columbia to provide for voluntary prayer in the public schools of that jurisdiction. It is a subtle difference, but I think it leaves no room for doubt about the legislative intent of the resolution. We intend by this measure to return voluntary prayer to the classroom. I look forward to working closely with Congressman WYLIE, and all supporters of school prayer, toward our mutual goal.

Mr. President, I am convinced that support for school prayer is at an all-time high and that supporters of prayer are becoming disillusioned with Congress. The vast majority of people want prayer returned to our public schools, and they cannot understand why their elected officials remain unresponsive. The time has come for swift and affirmative action on the school prayer issue.

Mr. President, I request that the full text of the joint resolution be printed in the RECORD at the conclusion of my remarks.

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

S.J. RES. 84

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within 7 years after its submission to the States for ratification:

"ARTICLE —

"Nothing contained in this Constitution shall prohibit the several States and the District constituting the seat of government of the United States from providing for voluntary prayer in the public schools of that jurisdiction, nor shall it abridge the right of persons lawfully assembled in any public building to participate in voluntary prayer."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 31

At the request of Mr. HOLLINGS, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 31, authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians.

S. 34

At the request of Mr. HOLLINGS, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 34, to provide for accelerated research and development in the care and treatment of autistic children.

S. 136

At the request of Mr. SCHWEIKER, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 136, a bill to authorize financial assistance for opportunities industrialization centers.

S. 352

At the request of Mr. MCGEE, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 352, to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

S. 397

At the request of Mr. STEVENSON, the Senator from Iowa (Mr. CLARK), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. MOSS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 397, to require disclosure of financial interests by Members of Congress and certain congressional employees.

S. 408

At the request of Mr. THURMOND, the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 408, to amend the Food Stamp Act of 1964 in order to prohibit the distribution of food stamps to any household where the head of the household is engaged in a labor strike.

S. 514

At the request of Mr. MOSS, the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 514, to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data.

S. 580

At the request of Mr. PERCY, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 580, to establish an Institute for Continuing Studies of Juvenile Justice.

S. 626, S. 627, S. 628, AND S. 629

At the request of Mr. Moss, the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 626, to provide increases in certain annuities payable under chapter 83 of title 5, United States Code; S. 627, to provide that the first $4,000 received as civil service retirement annuity from the United States or any agency thereof shall be excluded from gross income; S. 628, to eliminate the annuity reduction made in order to provide a surviving spouse with an annuity during periods when the annuitant is not married; and S. 629, to increase the contribution by the Federal Government to the costs of Federal employees' health benefits insurance.

S. 645

At the request of Mr. BAYH, the Senator from California (Mr. TUNNEY), and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 645, a bill to strengthen interstate reporting and interstate services for parents of runaway children; to conduct research on the size of the runaway youth population; for the establishment, maintenance, and operation of temporary housing and counseling services for transient youth, and for other purposes.

S. 783

At the request of Mr. CHILES, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 783, to establish the Everglades-Big Cypress National Recreation Area in the State of Florida.

S. 821

At the request of Mr. BAYH, the Senator from Michigan (Mr. HART), was added as a cosponsor of S. 821, a bill to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

S. 861

At the request of Mr. Moss, the Senator from Michigan (Mr. HART) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of S. 861, to allow an income tax deduction for repair or improvement of a taxpayer's residence.

S. 909

At the request of Mr. HOLLINGS, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 909, to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus Federal property to State and local public recreation agencies.

S. 1033

Mr. DOMENICI. Mr. President, today I am pleased to join my distinguished colleague from Oregon, Senator BOB PACKWOOD, in sponsoring S. 1033, a bill to control the export of timber from the United States.

The matter of cosponsorship of legislation is a matter I take very seriously

and I must be convinced before committing myself to cosponsoring legislation that a problem exists which is addressed by the legislation in question. In regard to S. 1033, I am convinced, as are many people, that there is a critcial need to control the export of timber from the United States. I agree with Senator PACKWOOD that the national interest demands a cutback in timber exports. Figures cited by Senator PACKWOOD when introducing S. 1033 show that the export of logs, primarily to Japan, and the import of "substituted lumber," primarily from Canada, results in a balance-of-payments deficit which is highly detrimental to the trade position of the United States.

One of the other serious threats to our national interest has an all too familiar face these days—inflation. The cost of wood for the average home has gone up $1,200 in the past 6 months alone. There can be no doubt that part of the rising cost of lumber is directly attributable to this Nation's growing dependence on imported lumber which is free of any form of price or profit margin control on the first transaction, while at the same time foreign buyers are outbidding domestic users for native-grown timber.

I realize, as does Senator PACKWOOD and other sponsors of S. 1033, that control of exports is not the final answer to the problem of rising lumber costs. We need to take action to increase the total supply of timber and our capacity to process it, for example. But, control of log exports, to my mind, is a step which must be taken if any other efforts are to be of beneficial consequence to the American consumer who can no longer afford to pay the exorbitant price tag attached to timber products. I note with pleasure that hearings are already being held on this bill. I urge its speedy passage when reported to the floor.

S. 1036

At the request of Mr. DOLE, the Senator from Kentucky (Mr. COOK) was added as a cosponsor of S. 1036, to amend the Internal Revenue Code with respect to legislative activity by certain types of exempt organizations.

S. 1083

At the request of Mr. BAYH, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 1083, a bill to amend certain provisions of Federal law relating to explosives.

S. 1120

At the request of Mr. RIBICOFF, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1120, a bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system.

S. 1125

At the request of Mr. HUGHES, the Senator from Nevada (Mr. CANNON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Rhode Island (Mr. PELL) and the Senator from California (Mr. TUNNEY) were added as cosponsors of S. 1125, to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism.

S. 1128

At the request of Mr. ERVIN, the Senator from Texas (Mr. BENTSEN) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 1128, to protect the freedom of speech and of the press and to secure the flow of information in interstate and foreign commerce by protecting the newsman against the compulsory disclosure of confidential sources of information and the compulsory production of unpublished information.

S. 1148

At the request of Mr. CRANSTON, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of S. 1148, to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes.

S. 1199

At the request of Mr. HOLLINGS, the Senator from Nevada (Mr. BIBLE) and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 1199, amending the Internal Revenue Code to permit a married couple to deduct certain household and dependent care expenses when one spouse is a full-time student to the same extent that a deduction would be allowable were both spouses employed.

S. 1265, S. 1266, S. 1267, AND S. 1268

At the request of Mr. STEVENSON, the Senator from Michigan (Mr. GRIFFIN), the Senator from Florida (Mr. GURNEY), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 1265, S. 1266, S. 1267, and S. 1268, to provide long-range as well as emergency relief from shoreline erosion.

SENATE JOINT RESOLUTION 1

At the request of Mr. BAYH, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of Senate Joint Resolution 1, a proposed amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

SENATE JOINT RESOLUTION 4

At the request of Mr. DOLE, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Joint Resolution 4, to authorize a National Welcome Home to our Prisoners Week.

SENATE JOINT RESOLUTION 24

At the request of Mr. MCINTYRE, the Senator from Wyoming (Mr. HANSEN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of Senate Joint Resolution 24, to establish the fourth Saturday of each September as "National Hunting and Fishing Day."

SENATE JOINT RESOLUTION 47

At the request of Mr. BARTLETT, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of Senate Joint Resolution 47, to prevent forced busing in our Nation's schools.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 15

At the request of Mr. HART, the Senator from New York (Mr. JAVITS) was added as a cosponsor of Senate Resolution 15, to establish a special committee to investigate the feasibility of improving the efficiency in the conduct of Senate hearings.

EXTENSION OF THE INTEREST EQUALIZATION TAX—AMENDMENT

AMENDMENT NO. 57

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

Mr. KENNEDY. Mr. President, I send to the desk an amendment to H.R. 3577, the bill to extend the interest equalization tax, and I ask that it may lie on the table and be printed.

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

Mr. KENNEDY. The purpose of the amendment is to require the administration to submit a comprehensive program of tax reform for consideration by Congress no later than 120 days after the date of enactment of the pending bill to extend the interest equalization tax.

Mr. President, I ask unanimous consent that the text of the amendment may be printed in the RECORD.

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

AMENDMENT NO. 57

On page 30, after line 22, insert the following new section:

"SUBMISSION OF PROPOSALS FOR TAX REFORM

"SEC. 5. Not later than 120 days after the date of enactment of this Act, the Secretary of the Treasury shall submit to the Congress proposals for a comprehensive reform of the Internal Revenue Code of 1954."

AMENDMENT OF PAR VALUE MODIFICATION ACT—AMENDMENT

AMENDMENT NO. 58

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

SPENDING CUTS JOINTLY MADE BY CONGRESS AND THE PRESIDENT

Mr. EAGLETON. Mr. President, I send to the desk an amendment to S. 929, a bill to amend the Par Value Modification Act, and ask that it be printed and held at the desk.

This amendment would do two things. First, it would establish by law the expenditure ceiling of $268.7 billion recommended by the administration for fiscal year 1974. Second, it would provide for a cooperative approach between the President and Congress in making such spending cuts as may be necessary to stay within that ceiling.

In the past, spending ceiling proposals have foundered on the question of who will make the reductions which may be necessary to stay within the adopted ceiling. At least three approaches have been suggested.

The first would be to give to the President absolute discretion to make what-

ever cuts he chooses. That is totally unacceptable to me and I believe to a majority in Congress. It would be nothing less than a congressional blessing of impoundments.

The second approach may be even worse since it appears to give Congress a voice in the reductions which are made but, in reality, gives it no voice at all. This provision would restrict Congress to the right to say no to the spending cuts recommended by the President.

Suppose Congress does say no. The spending ceiling would still stand and it would have to be met. Clearly, in that situation, the President would feel obliged to impound the money anyway—and very likely the same money Congress said it did not want cut.

The third approach would limit the discretion given the President by providing either that he cut all programs by a given percentage or that he not cut any one program by more than a given percentage. That is preferable to the other two approaches discussed, but it still has serious drawbacks.

The most obvious is that some programs would be able to stand the prescribed reduction better than others. All would depend on how severely that budget was pruned when it went through the Congress. For example, a health or education program which was pared to the bone in the appropriations process might be put out of business altogether should it have to absorb a further 5 or 10 percent reduction. By contrast, other programs will get through the Congress with a good deal of fat in them and could stand a healthy reduction or two.

All of this will lead, as it has in the past, to exemptions for certain budget items, beginning with the so-called uncontrollables but inevitably extending to other favored programs as well. And, thus, would begin the unraveling of the whole effort to impose discipline on spending.

An additional problem is the uncertainty of whether the percentage cut provided for would be sufficient to bring total spending for the year within the ceiling adopted.

Finally, this approach fails to fully meet the impoundment question. Granted it is better than giving away all of Congress' power of the purse to the President. But I am not sure that giving away only part of it meets the serious constitutional questions at issue. I believe there is a better way and my amendment attempts to set out such a procedure.

Basically, it is the same procedure used in appropriating money except that in this case Congress would be rescinding funds already appropriated. Under my amendment, the following steps would be taken in the event reductions must be made to meet the adopted spending ceiling:

First, the President would advise Congress when the cumulative total of appropriations and other spending bills exceeded the ceiling and offer his recommendations for cuts.

Second, Congress would take those recommendations under consideration. If it failed to act within 30 days the President's recommendations would stand.

Third, however, Congress would have the right, operating under special procedures to assure that the resolution reaches a vote within the 30 days allowed, to substitute its own recissions equal to the amount needed to stay within the ceiling. Such a resolution would be open to amendment.

Fourth, if, after both Houses passed such a substitute measure, the President failed to sign it into law or vetoed it, the ceiling automatically would be adjusted upward by the amount involved, unless and until a recission measure is agreed upon. That would prevent a deadlock over this issue and preclude the President from merely turning to his assumed impoundment powers to effect the reductions he originally asked for.

I hope that some day Congress will be able to perfect its procedures for considering spending bills so that we never run into the problem of exceeding the ceiling. But realistically viewed, that day is a long way off.

In the meantime, we must face up to the problem before us and devise some means of dealing with it. I believe my amendment would effectively answer the demand for greater discipline in Federal spending while preserving the constitutional roles of both Congress and the President.

The amendment deals with the budget process as it is, allowing Congress to continue considering spending measures on their merit. The one change it would require is that at the end of that process, Congress must review its work and come up with the hard decisions on overall priorities which it tends now to put off.

Mr. President, I ask that the text of my amendment and an article by Alton Frye which appeared in a recent edition of the Washington Post, be printed in the RECORD at this point in my remarks.

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

AMENDMENT No. 58

At the appropriate place insert the following new section:

Sec.—(a) Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government shall not exceed $268,700,000,000.

(b) Whenever the President determines that appropriations or other obligational authority hereafter made available would require or permit expenditures and net lending during fiscal year 1974 to exceed the limit prescribed by subsection (a), he shall propose, by special message transmitted to the Congress, reservations from expenditure and net lending, from appropriations or other obligational authority heretofore or hereafter made available, of such amounts as are necessary to keep expenditures and net lending during fiscal year 1974 within such limit. A proposal under this subsection shall be transmitted to both Houses on the same day and shall be delivered to each House while it is in session.

(c) The President is authorized, after the close of the 30-day consideration period (as defined in subsection (e)) applicable to a proposal transmitted under subsection (b), to reserve from expenditure and net lending the amounts set forth in such proposal, unless, before the close of such 30-day period, the Congress has passed legislation rescinding appropriations or other obligational authority available for expenditure or net lending during the fiscal year 1974 in an aggregate amount not less than the aggregate amount of reservations set forth in such proposal. If, before the close of such 30-day period, the Congress has passed such legislation, but it does not become law, then the figure set forth in subsection (a) is hereby increased by an amount equal to the aggregate amount of reservations set forth in such proposal.

(d) During the 30-day consideration period applicable to any proposal transmitted by the President under subsection (b), any proposed legislation to rescind appropriations or other obligational authority shall be highly privileged in both Houses of the Congress and rules similar to the provisions of sections 911, 912, and 913 of title 5, United States Code, shall, apply to such proposed legislation, except that amendments to such proposed legislation shall be in order. This subsection is enacted as an exercise of the rulemaking power of the Senate and House of Representatives, respectively.

(e) The 30-day consideration period applicable to any proposal submitted under subsection (b) is the first period of 30 calendar days of continuous session of the Congress after the date on which the proposal is transmitted to the Congress. For purposes of the preceding sentence, (1) continuity of session is broken only by an adjournment of the Congress sine die, and (2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 30-day period.

(f) In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to subsection (c), and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution.

the amount available for expenditure (as determined by the President) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

MENDING THE FRAYED CONGRESSSIONAL PURSESTRINGS

(By Alton Frye)

In the ebb and flow of efforts to modernize Congress, there is at least one constant: Congress and its critics tout control of the pursestrings as the most powerful tool of the legislative branch. It has been and should be, but the strings have frayed. More and more congressmen are searching for ways to ward off the creeping impotence of their authority to raise and appropriate federal funds.

The latest spur to concern on this point was President Nixon's request for explicit congressional approval of a $250 billion ceiling on expenditures for fiscal 1973. After intensive debate, Congress declined to give the Chief Executive *carte blanche* to cut back spending as he deems necessary. As a result, the President will cut back spending as he deems necessary.

He will do so, however, without either sanction or guidance from the legislature. He will do so largely by resorting to the ancient but dubious custom of impounding funds in areas where, according to the executive's fiscal plans, Congress has over-appropriated. Experience suggests that even an irate Capitol will be unable to compel a determined White House to spend money against its will.

This situation represents a serious degeneration of our politics. Yet the crucial problem is not that, through impoundment and administrative stretch-outs of programs the

executive imposes its priorities on the budget; it is that Congress lacks a conclusive mechanism for asserting its own priorities in a budget of finite dimensions. Through its decentralized authorization and appropriations procedures, Congress treats elements of the budget in detail. But it has no means to integrate those elements into a coherent whole or to reconcile their spending implications with likely revenues.

Over the years this classic lament has prompted many to call for a "legislative budget." The idea has usually been for Congress, on receipt of the President's budgetary recommendations, to devote some time to a broad overview of national needs and programs and to adjust the general priorities of the budget before descending to closer analysis of its several parts. The merit of the idea is exceeded only by its improbability.

Perhaps the moment is opportune to consider a less perfect but more practicable cure for this malady. If Congress is not equipped for comprehensive budget-making, it makes sense to focus on marginal decisions to refine the *de facto* budget which emerges from the legislative process. Given the nature of that process, the vital choices lie at the end, rather than the beginning, of the road. Congress needs a method to review its actual appropriations and to align them with the demands of fiscal prudence.

As outlined in recent hearings before Sens. Charles McC. Mathias and Adlai Stevenson III, a fresh approach to this problem might follow procedures similar to those employed for government reorganization plans. Within 30 days after Congress concludes action on appropriations, the President could be obliged by statute to submit his recommendations, if any, for adjusting planned expenditures. He should specify the programs and amounts he proposes to reduce. If, within another 30 days, Congress does not object, the President's proposals would take effect. However, prior to that deadline, Congress could change the Executive's recommendations by a joint resolution prescribing alternative cuts in a total amount not less than that proposed by the White House.

This arrangement promises several advantages. Such a device would focus and contrast executive and legislative priorities in the final stages of the budget process, where it matters most. Unlike the present circumstances, Congress would retain effective authority to endorse or alter the President's preferences. And Congress would have a unique opportunity to view the overall results of its own handiwork, confronting the hard choices at the margin which now elude it.

This mechanism could also serve as a fulcrum for more responsible engagement of the two parties in Congress. The Democratic and Republican Policy Committees could well assume the tasks of analyzing the President's priorities and of proposing alternatives. They could, in theory, provide a natural forum for synthesizing the perspectives of the diverse membership and committees of the Congress.

This plan would add two months to a process which is already too prolonged, but the latter problem might best be redressed by shifting the fiscal year to a calendar-year basis, affording Congress a full year to consider the budget. Paradoxically, this procedure might encourage speedier action on individual funding bills, since Congress could look forward to an opportunity at the end of the year to clear up discrepancies and to shift certain emphases.

Both Congress and the President ought to welcome a method to harmonize their fiscal and programmatic preferences, for both profess their dedication to constitutional government. Present practice affronts that ideal. Imperfect though it may be, the idea sketched here offers to fill a void which Congress tolerates only at peril to itself and its constituents.

DOMESTIC VOLUNTEER SERVICE ACT OF 1973—AMENDMENTS

AMENDMENT NO. 60

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

Mr. CRANSTON. Mr. President, I submit for printing and appropriate reference a series of amendments presented en bloc to S. 1148, the proposed "Domestic Volunteer Service Act of 1973," which I introduced on March 8, 1973. These amendments are bipartisan in nature and are cosponsored by the ranking minority member of the Special Subcommittee on Human Resources, Mr. BEALL, which will meet in executive session to consider S. 1148 on March 28, as well as by the three original sponsors of S. 1148, Senators RANDOLPH, WILLIAMS, and KENNEDY. At the same time, I am today, Mr. President, adding Senator BEALL as a cosponsor of S. 1148.

Thus, these amendments represent a bipartisan approach in the consideration of this bill and oversight of the Action Agency by the subcommittee.

The amendments, Mr. President, are intended basically, first, to afford the Agency some more flexibility in the expenditure of its funds as earmarked in the bill, specifically for special volunteer programs under part C of title I—by reducing the earmarked part A—VISTA—amount from $27.5 to $26 million and the UYA earmarked amount from $10 to $8.5 million for fiscal year 1976, thereby making $3 million more available for part C programs in fiscal year 1976—and for foster grandparents and older American community service programs under part B of title II—by permitting prior year's carryover balances—approximately $6 million from fiscal year 1973—to be included in the $25 million earmarked in annual obligations for the traditional FGP program; second, to limit any allowances and stipends paid to fulltime volunteers serving in a year-long program under part C of title I to those authorized for volunteers under part A of title I; third, to require special efforts to recruit minority group older persons into the title II older Americans programs—rather than to lower the 60-year age minimum to 55, as proposed in S. 1148 as introduced in view of the shorter life span and more rapid aging of minority group persons generally); and fourth, to provide for a Deputy Associate Director of the Action Agency for older American programs and to make such official, as well as the Deputy Associate Director for VISTA and UYA—also specified in the bill—appointed by the Director, but not necessarily directly responsible to him.

Mr. President, I am particularly delighted with the bipartisan, nonpartisan spirit and action represented by these amendments and want to express my personal appreciation for the enormously effective and cooperative efforts of the subcommittee's ranking minority member, Mr. BEALL, who has worked out these amendments with us. I believe these amendments strengthen the bill and I look forward to bringing S. 1148 to the floor for action prior to the April 18 spring recess.

I ask unanimous consent that the amendments be printed in the RECORD.

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

AMENDMENTS NO. 60

On page 16, line 8, strike out "The" and insert in lieu thereof "Except as provided in subsection (c) of this section, the"; and between lines 10 and 11, insert the following new subsection:

"(c) The Director, in accordance with regulations he shall prescribe, may provide to volunteers serving as fulltime volunteers in a program of one or more years' duration under this part such allowances and stipends, to the extent and in amounts not in excess of those authorized to be provided under part A of this title, as he determines are necessary to carry out the purpose of this part."

On page 16, line 24, page 18, line 18, page 20, line 5, strike out "10" and insert in lieu thereof "5" in each place.

On page 21, line 21, and on page 23, line 11, strike out "fifty-five" and insert in lieu thereof "sixty"; and on page 27, between lines 14 and 15, insert the following new section:

"MINORITY GROUP PARTICIPATION

"SEC. 23. The Director shall take appropriate steps to insure that special efforts are made to recruit, select, and assign qualified minority group individuals 60 years and older to serve as volunteers under this title."

On page 31, line 16, strike out from "who" through the end of line 20 and insert in lieu thereof "primarily responsible for programs carried out under parts A and B of title I of this Act, and one Deputy Associate Director primarily responsible for programs carried out under title II of this Act, who shall be appointed by the Director."

On page 54, line 19, strike out "50" and insert in lieu thereof "not less than 12".

On page 55, lines 4 and 11, strike out "$27,500,000" and insert in lieu thereof "$26,000,000"; on lines 13 and 18, strike out "$37,500,000" and insert in lieu thereof "$34,500,000" in each place; and on lines 20 and 25, strike out $47,500,000" and insert in lieu thereof "$44,500,000" in each place.

On page 55, line 22, insert "and" after the semicolon.

On page 56, line 1, strike out from "but" through the end of line 11 and insert in lieu thereof "shall be apportioned for use for carrying out parts A, B, and C, respectively, of this title for each such fiscal year in an amount for each such part bearing the same ratio to the total of such excess amount made available for each such year as the amount set aside for use for each such year under each such part in clauses (1), (2), and (3), respectively, of this subsection bears to the total of such amounts set aside for use for each such fiscal year under all such parts."

On page 57, lines 16 and 19, insert "a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 211 equals" after "of" in each place; and on lines 18 and 24, strike out "subsection (a) of section 211" and insert in lieu thereof "such subsection" in each place.

NOTICE OF HEARINGS BY DISTRICT OF COLUMBIA COMMITTEE ON NOMINATION OF DAVID LUKE NORMAN TO BE AN ASSOCIATE JUDGE, SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia will hold a public hearing on the nomination of David Luke Norman to be an associate judge of the Superior Court of the District of Columbia on

Tuesday, April 3, at 9:30 a.m. in room 6226, New Senate Office Building. Persons wishing to present testimony at this hearing should contact Mr. Robert Harris, staff director of the District Committee, room 6222, New Senate Office Building, by Monday, April 2, 1973.

NOTICE OF HEARING ON CERTAIN NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 4, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nominations:

J. Foy Guin, Jr., of Alabama, to be U.S. district judge, northern district of Alabama, vice Clarence W. Allgood, retired.

James H. Hancock, of Alabama, to be U.S. district judge, northern district of Alabama, vice Seybourn H. Lynne, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ADDITIONAL STATEMENTS

THE AUTOMOBILE AND THE NATION'S ECONOMY

Mr. GRIFFIN. Mr. President, an article in the February 19, 1973, issue of the Detroiter, published by the Greater Detroit Chamber of Commerce, focused sharply on the importance of the automobile to the Nation's economy as a whole. I ask unanimous consent that the article be printed in the RECORD.

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

LEST WE KILL "THE GOOSE THAT LAYS THE GOLDEN EGG"

(By Dwight Havens)

The American automobile industry is paying the price of leadership. The most successful sales year in history has just been completed. The industry is achieving technological miracles in passenger safety and environmental clean-up. But ironically, it also has become the scapegoat for many of America's ills and is increasingly attacked by its emotional critics.

It seems everyone is determined to take a pot shot at this most visible industry. Environmentalists, safety groups, consumer groups, and all levels of government are clamoring for a piece of the action. Their number appears to be legion.

With open season on the industry, its public image has deteriorated. Although once respected, recent polls show that it no longer has the same high regard it once had.

But leadership has always had its critics—justified or not. It is the extent that is worrisome. The number, depth and scope of the industry's critics is becoming dangerous.

Harassment of the industry is at an unprecedented level. Ironically, it comes at a time the industry's positive responses to its responsibiilties are at an all-time high.

The auto industry has been a major target in the unprecedented effort to clean up our air. The industry has responded dramatically. It is cleaning up its plants, processes and products to a degree that soon it may well deserve the title: "Nation's Cleanest Major Industry." And the work continues at a feverish pace to meet air pollution and product safety standards and deadlines.

Meeting government deadlines has become a way of life for the industry. It has lived up to its responsibilities and the challenges posed by changing safety regulations and anti-pollution deadlines. Large sums of money are being spent in safety research of vehicles involving the entire gamut of safety related items. This is a thorough examination from initial design to air bags. Millions of additional dollars have been spent on environmental improvements.

But the dilemma still remains. Will the soaring costs to the industry and inevitably to the customer achieve the desired benefits? Evidence suggests that the cost-benefit ratio is out of line. Reasonableness and realism in the standards and the lead-time required to meet them are missing. This means unnecessarily high costs to the industry and to the nation. This is a national expense we cannot afford.

For the past several years, the industry has made tangible and unprecedented progress toward meeting the federal standards, but critics continue to slice away with emotion-tinged barrages at the industry.

They continue to flail away at an industry that provides one out of every six jobs in this country, that provides one-sixth of the $1 trillion plus Gross National Product, that provides one-fifth of the total of all state tax revenues collected last year.

We are talking about an industry that provides 13.4 million jobs, a $185 billion chunk of the Gross National Product and state taxes of nearly $10 billion. We are talking about a major foundation of the American economy.

If that isn't enough, those who berate the industry ignore the fact that the economic growth of the nation during the past 75 years is largely attributable to the motor vehicle; that our 100 million plus vehicles provide all of us—including critics—new freedom in choosing where to work, live and spend our leisure; while improving our standard and quality of life.

No industry is so large that it cannot be severely restricted, harmed, even destroyed by ill-timed and unnecessary political decisions and directives forced upon it. And that is the present danger to the automotive industry.

While the industry is being subjected to the penalties of leadership, it is important to recognize the magnitude and value of its contribution to all of us.

Nationally the industry has 534 plants located in 243 cities. More than 900,000 people are currently employed in motor vehicle assembly and parts manufacturing. But one job in this industry generates 16 more jobs in allied industries. That brings the total vehicle-related work force to 13.4 million people, or one out of every six jobs.

It is easy to see why the nation's economists observe the fluctuations in the automotive market so closely. Some 50,000 firms supply materials, parts, components and services to motor vehicle manufacturers. Major producers of steel, iron, aluminum, cotton, nickel, rubber and zinc are all affected by the economic health of this industry.

Despite the critics, the real test remains in the marketplace. And the auto industry has always met and continues to meet all challenges of the marketplace. Last year's sales were record breaking. And the pace has continued into this year.

But there is cause for concern. Overregulation, unreasonable safety and pollution standards, rigid and arbitrary deadlines could introduce a straight-jacket of inflexibility that even the giant auto industry cannot overcome without seriously affecting the saleability of its product in the marketplace. And that affects all of us.

This is a time for cool heads, a time for reasonableness and a realistic evaluation of the course immediately ahead. There's too much at stake to bind the fate of the industry to unrealistic and unnecessary bureaucratic decisions. The future of the auto industry is a proper concern for us all.

There is a responsibility here for each of us. Each of us has a stake in the future health and viability of the American automobile industry. Everyone in business, government and labor must carefully consider their own involvement and actions to be certain that they are part of the solution and not part of the problem. We must be careful we constructively help improve the industry—lest we kill "the goose that lays the golden egg."

LATIN AMERICAN TEACHING FOUNDATION GROWS RAPIDLY IN MEXICO

Mr. CHILES. Mr. President, I would like to call to the attention of my distinguished colleagues in the Senate a very interesting article that appeared in the February 7, 1973, issue of the News concerning the Latin American teaching fellowships—LATF—program. The News is Mexico's major English-language paper.

I have had the honor of serving for the past year as a member of the national advisory board of the LATF program. This program sends young men and women at the Ph. D level to Latin America to teach in Latin American universities. The great bulk of the support for this effort comes from the Latin Americans themselves. There are currently 95 LATF fellows in Latin America of which 12 are in Mexico. This is a very practical program that has paid real educational and cultural dividends for both Latin America and the United States.

I am particularly pleased by the current position of the three former LATF fellows who are currently teaching in major universities in Florida. The main burden of teaching in the area of Latin American economics at the University of Florida, University of Miami, and Florida State University is carried by former LATF fellows Bill Tyler, Jan Wogart, and Mike Everett respectively.

I am especially pleased to see the expansion of the LATF program in Mexico. We in the United States need an increased understanding of our very important neighbor to the South. Franklin Roosevelt launched the "good neighbor" policy in the 1930's. But you can only be a good neighbor if you understand your neighbor. And it is practical programs like LATF that lead to increased understanding.

I have had recent meetings with William M. Cloherty, director of operations for LATF, and Kevin Kinsella, LATF's resident director in Mexico, in which they outlined the prospects for a substantially increased program in Mexico. I am pleased that our Government is going to help his effort in a modest way. I am hopeful that private sources in both Mexico and in America will increase their support of this very successful program.

I ask unanimous consent that the article be printed in the RECORD.

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

FELLOWS FIGHT "BRAIN DRAIN"

(By Patricia Alisau)

In the wake of ever-increasing industrialization, one of the most practical exchanges between the U.S. and Mexico is a corps of dedicated young social scientists and technicians.

Manning university posts an interning in multinational business firms throughout Latin America, the group belongs to the Tufts Latin American Teaching Fellowship (L.A.F.T.), a non-profit organization run by Tufts University's Fletcher School of Law.

Open to doctoral candidates or persons with Ph.D's, the bilingual L.A.F.T. fellows are no ordinary envoys for U.S. technology. Their task in Mexico and other Latin countries is a give-and-take venture.

To stem the Latin American "brain drain," L.A.F.T. helps industrial firms and universities to expand their education programs and at the same time provide teaching and business internship experience for the fellows.

Another major goal is to give fellows a first person look at Latin America in anticipation of their returning to teach in the U.S.

Since L.A.F.T. positions run for 24 months, the individual gets an in-depth picture of the assigned country.

Mexico has 12 fellows placed in Monterrey, Mexico City and Cholula, Puebla. The fruits of their labor are already evident.

Hunt Howell, an economist from the University of Pennsylvania in his second year of a business-internship here, is conducting research for his doctoral dissertation on corn and oil seed yields. He is working with the Mexican Research Center for Wheat and Corn and the National Agricultural Research Institute, in their long-range programs to make Mexico an exporter of top-grade grain.

Supported by I.B.M. de Mexico in the research. Howell also helped design I.B.M.'s first science center in Latin America, opened in Mexico City last June. Purpose of the center is to conduct joint research projects with outside institutions throughout South America.

Many of the fellows hail from other parts of the globe besides the U.S. For some, like Dr. Vivekananea Kandarpa, a metallurgist from India teaching mechanical engineering at the Americas in Cholula, this is their first classroom experience.

A National Academy of Science fellow and former research physicist with Michigan State University, Dr. Kandarpa is already adding a course in applied experimental engineering to the U. of A. curriculum.

Another fellow, Dr. Fred Golden, teaches chemical engineering at Cholula. A Ph. D from Berkeley, Golden plans to develop timely new programs around projects like pollution control and update existing lab facilities.

Dr. John Farnbach uses his teaching tools at Mexico City's Universidad Ibero-americana. A graduate of Princeton University who once designed electronic instrumentation for underground nuclear tests, Farnbach was at first taken aback by the students' reactions to him. "It was embarrasingly favorable," he said. "They look up to me as an authority because they think any technical knowledge from the U.S. is superior."

Contrary to Farnbach's experience, not all fellows are wholly accepted at first. Sometimes openly accused of being foreign agents they work hard at earning respect from their students.

Take the case of a former fellow in Mexico who taught at one of the upper level technical schools. In the beginning students taunted him with "Yankee Go Home." Later he became one of the most popular teachers with pupils at the institute.

L.A.F.T. was founded in 1965 by Prof. William S. Barnes of the Fletcher School of Law and Diplomacy who set it up as a small experimental program. In 1967 the first 10 fellows were sent to Latin America. To date more than 120 have been placed.

NEW FEDERALISM

Mr. THURMOND. Mr. President, the Secretary of Housing and Urban Development, Mr. James T. Lynn, made an interesting and informative address March 6, 1973, to the annual Anderson, S.C., Chamber of Commerce ladies' night banquet.

In delivering this speech on domestic policies and problems in the United States, Secretary Lynn made a very fine impression. He conveyed in an eloquent presentation, the administration's views on "New Federalism" and the fight against inflation. I believe it would be of interest to every Member of this body to read the remarks of Secretary Lynn on that occasion.

Mr. President, I ask unanimous consent that the text of Secretary Lynn's address to the Anderson, S.C., Chamber of Commerce on March 6, 1973, be printed in the RECORD.

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

EXCERPTS FROM REMARKS PREPARED FOR DELIVERY BY JAMES T. LYNN

I'd like to talk to you this evening about some extremely important intiatives President Nixon is taking on the domestic scene.

Let me quote from his January address to the South Carolina Legislature, if I may. This is the quote:

"For much too long, power has been flowing from the people, from the cities, from the counties, from the States, to Washington, D. C. And that is why, beginning with an historic move on revenue-sharing, and in other areas, I feel firmly we must turn it around, and that power should flow away from the concentration in Washington back to the states and the people."

What we have there is the core element of what the President has termed the New Federalism.

It's a fairly good bet, I think, that New Federalism is a label that will affix itself to the President's two terms.

But New Federalism is vastly different from what we've known in the past under other labels—the New Deal, the Fair Deal, the New Frontier, the Great Society.

Certainly I would be the last to suggest that those Democratic concepts were conceived with less than noble intention. I would be the last to say they were devoid of accomplishment.

But what they shared was a devotion to the concept of Federal superiority, if not infallibility. If you don't trust government, they said, trust State and local government least of all.

They also shared the conviction that money solves all problems. At the level of government philosophy, they rejected the contention that money can't buy happiness.

And those concepts often seemed to incorporate the suggestion that the Federal money supply is endless.

You remember Pogo's line, "We have met the enemy, and they are us." It's about time someone said, "We've found out where that supposedly endless supply of Federal money is coming from, and it's our pockets." . . .

Now, the New Federalism is directly opposed to the concept of Federal omnipotence and unchecked spending. And it is important to note that a return of power to State and local government is only part of what the concept is about.

Another very important part is the requirement that the continuing Federal Establishment, which we all know *will* continue with all its essential functions, be made more responsive and more responsible. . . .

Let us mention as well the consideration that kept the New Federalism and new Federal responsibility from being more than a mere Presidential preference.

It was the literal danger to the Nation, as the President saw it, if spending and program escalations were to continue unchecked.

He was and is trying to tell us that we simply don't have any choice about exercising control. We simply can't go on multiplying projects, programs and deficits without wild inflation. He means, of course, the kind of inflation that makes a cruel hoax of wage increases—the kind of inflation that hurts everybody, including the people all those expensive projects and programs are supposed to help.

The inflation battle is difficult enough already. And the only other possible eventuality, if spending isn't held in check, is higher taxes.

All these things led the President to his proposals, some of them recent, some from his first term. This, to refresh your memory, is the present state of his New Federalism package:

First, hold Federal spending during the current fiscal year, which ends this coming June 30, to $250 billion. Hold the next fiscal year's figure to $269 billion and the figure for fiscal 1975 to $288 billion.

It's the only way, says the President, to the inflation down and prevent that tax increase.

And the only way to hold the figures to those levels, he decided, was to limit spending of some funds appropriated in the current fiscal year—and to curtail or end some programs that aren't doing the job they were supposed to do.

We're all very well aware of the controversies that have grown up around this decision. I will return to that matter in a moment.

But second, in the President's New Federalism package, is his plea for Congressional approval to reorganize and streamline the Federal Establishment. The object is to increase efficiency as well as to save money.

The President's reorganization proposal was first made in 1971. As you might recall, he wants to take seven existing Departments and reduce them to four, organized around major missions.

The seven Departments are my own—Housing and Urban Development—plus these six: Agriculture, Commerce, Interior, Labor, Transportation, and Health, Education and Welfare. The titles of the four new Departments indicate their missions—Community Development, Human Resources, Economic Affairs and Natural Resources.

Congressional adoption of this reorganization would go a long way toward improving coordination of related programs—and toward better management generally.

The third major element in the President's New Federalism package is that central matter of returning power to the States and municipalities. We are already into it, of course, through general revenue sharing. But the President wants to go much further, through special revenue sharing.

To oversimplify, the idea of special revenue sharing is to abolish Federal categorical grant programs in particular areas and give the money to governments below the Federal level to spend within very broadly defined areas, the better to get more out of both Federal and local dollars.

Of course, an equally important part of the concept is to return to State and local governments the decision-making power and responsibility they should have had all along.

Now, with all this—a shifting in the poles of governmental power . . . a shaking of staid bureaucracies . . . a decision to eliminate

entrenched but basically unworthy projects and programs—we are in the midst of what could be the most profound governmental change in the history of the Republic.

Upheavals of that magnitude make almost inevitable the controversies I referred to earlier. As I said, we all know they exist.

Congress, for example, is unhappy over the idea of withholding appropriated funds that, if spent, would send expenditures soaring over the President's budget limits.

There is a predictable—and understandable—displeasure among those whose jobs or programs are being cut back or eliminated. No one likes to change jobs against his wishes—or to lose known benefits in exchange for new approaches which might or might not be of as much benefit to that particular person.

I think it is well to put those complaints into better perspective.

The first point to be made is that the Federal budgets we are proposing are certainly not pinch-penny affairs, even with the restraints the President has proposed or put into effect.

The $250 billion budget for the current year is itself $18 billion more than the figure for Fiscal 1972.

From this year's $250 billion, the President would add $19 billion next year—the Fiscal year beginning—July 1—making the total $269 billion.

He would add yet another $19 billion for the next year—Fiscal 1975—raising the total to $288 billion.

And so the money is there. The question is how it can be spent most wisely, and wisdom dictates shutting down ineffective programs and spending the money where good can be done. This does not imply a lack of compassion or an abandonment of the needy.

The President noted in his recent Budget Message to Congress that—during the period between 1969 and 1974—outlays for Federal human resource programs will more than double. Total budget outlays during the same period will grow by only 46 percent.

This Administration has shown its compassion for the elderly during the past four years by increasing Social Security benefits from $30 billion in 1970 to $55 billion in 1974, for an increase of 83 percent.

As still another example, nearly five million more poor, aged and disabled persons will benefit in 1974 through expanded financial support for health services.

Despite the halt in new subsidized housing commitments during a period for evaluation of better ways to provide housing, subsidized starts in calendar year 1973 will exceed the starts in calendar year 1972, and will be over 300,000 units.

Let us consider urban programs like site improvements, street widenings, relocation benefits and the sale of land for development purposes. The operating level of those programs will continue, through Fiscal 1974, at the average rate of the past five years—or slightly more than $1 billion.

A number of categorical programs—those like Urban Renewal and Model Cities—are being replaced, and that is causing considerable complaint.

But the President is asking for a $2.3 billion Better Communities Act—the special revenue sharing program—and that $2.3 billion will be more than the total appropriation for the community development categorical programs we're doing away with.

What the Better Communities Act means is that communities get their share of the $2.3 billion directly and make their own decisions about how to spend it on those projects.

I'd like to mention one thing about officials who talk about how we're slowing programs down and how they're not getting proper funding.

They should think about what excessive spending—and anything more that the President has outlined *would* be excessive—what that excessive spending would cost all levels of government in terms of inflation.

I've been dealing mostly with the *particulars* of the New Federalism as it takes shape. But I'd like to go just briefly into the spirit of it . . . an example why it's so clearly needed.

In the past few years, we've seen Urban Renewal, for example, do some exciting things—if you're familiar with them, the Gateway in Minneapolis, the riverbank in San Antonio, the Embarcadero in San Francisco, a downtown plaza in beleaguered Newark or the world's largest pedestrian mall, in Fresno, California.

But we've also seen bulldozers roaming around other cities with less aim than we would have liked . . . and with insufficient regard for the people who had occupied the land we'd just cleared.

We've seen the Model Cities program bring on a whole new way of planning in a fruitful coalition between City Hall and disadvantaged and alienated neighborhoods.

But we've also seen the promise frittered away in too many cases by endless bickering.

We've seen HUD-subsidized housing go up and sometimes be successfully occupied on a permanent basis.

But other times we've seen it abandoned almost immediately.

The trouble is that, in too many such programs, the results have been entirely unsatisfactory.

Why?

I won't try to cover *all* the reasons, but one thing I can tell you is that we've been too tied up in the very process of getting Federal taxpayers' money from the Federal treasury to the local agencies.

Under the system as it exists, there's no way to give enough attention to purpose and performance.

I wish you could sit in one day at a meeting between representatives of my department and the people receiving the grants.

You wouldn't hear them talking about how great everything is going. You'd hear a lot of terms like grants-in-aid, submission requirements and waivers. You'd hear complicated or baffling names for a lot of requirements and regulations.

A whole new language has developed. In the past, in and out of jokes about Federal bureaucracy, we've called it governmentese or gobbledygook.

And what it does is talk us all out of any really good idea of just what is going on.

There's a story that one of our designated Model Cities in New England had a large Greek population in the neighborhood being improved.

Somebody made the suggestion that we translate the Model Cities submission requirements into Greek.

The HUD staff felt there was a certain redundancy there!

What the New Federalism envisions is a curbing of red tape and conflicting government preferences, and a by-passing of roadblocks.

It envisions increased efficiency through a revenue sharing process that returns much of the money and many of the programs and a great deal of the decision-making to the local level.

You might be thinking you've heard so much about Federal power and bureaucracy that it hardly bears repeating.

But the point, ladies and gentlemen, is that a President of The United States is finally trying to do something about it.

For years we have heard that constant and justified litany about the abandonment of State and local rights.

How ironic it would be now if scattered opposition—in the Congress, in the cities, among special interest groups—should combine to tie the President's hands.

I think the various opponents of various aspects of the President's overall program should recognize that the well-being and the future of this Nation are involved.

I think they should look beyond themselves and bite the bullet. The opportunity could be a long time coming again.

If, in 1976, George Washington and Thomas Jefferson could somehow look in on us and see what 200 years had wrought, they surely would see much to elate them and much that was disappointing.

Let us hope they would at least see government at all levels—local, State and Federal—acting as the true instruments of the people, busy with the job of securing the blessings of liberty for its citizens and their prosperity.

THE 81ST BIRTHDAY OF FORMER SENATOR PAUL H. DOUGLAS

Mr. STEVENSON. Mr. President, Senator Paul H. Douglas taught us that no task is impossible so long as man has the desire and commitment to seek its fulfillment. We are all his students and would do well to remember the lessons of his life. As I salute him on the occasion of his 81st birthday, I find it impossible to cite all his myriad achievements or adequately measure the greatness of this man.

Senator Douglas' accomplishments cannot be easily quantified nor can their positive effect on the lives of our people be adequately measured.

He is a source of vision, and his legislative accomplishments still produce countless benefits for all Americans.

He is an inspiration and a conscience in public life.

Mr. President, Senator Douglas is well known for his understanding of the complexities of our economy. He recognized that economic growth is not necessarily economic maturity or economic justice. Through his efforts, means for stimulating rational national growth were made available through such vehicles as the Economic Development Act of 1965. He possessed the skill and understanding required to see such landmark legislation enacted. He also possessed the foresight to know that it was not enough. In his own words:

> With the free land gone and with ever closer concentration in industry, finance and commerce, it is necessary to find new ways in which (the) spirit of true democracy may express itself. To seek to do so is indeed to put oneself at the very center of the real spirit of Americanism . . . a living union with the great tradition of our country.

Paul Douglas possesses that real spirit of Americanism. He continues to help us live by it. And his career will always stand out as an inspiration to those who seek, as he did, to improve the human condition through our self-governing political process.

PROPOSAL FOR A MARGINAL BALANCED BUDGET POLICY

Mr. FANNIN. Mr. President, one of the most important objectives of the 93d Congress must be to come up with a system to bring Federal spending under control and stop the chronic deficit spending which has been a prime cause of the runaway inflation we now face.

It has been my privilege to take part

in the work of the Joint Study Committee on Budget Control. We have heard some interesting testimony and some good proposals.

In my judgment one of the most sensible proposals put before the committee came from Prof. William A. Niskanen, Jr., of the University of California at Berkeley. He proposes a system that would allow for flexibility, but would place the responsibility for overspending clearly on the shoulders of those who cause it.

Mr. President, I believe that this topic is of deep concern to all Members of Congress and I ask unanimous consent that the text of Professor Niskanen's remarks to the committee on March 14, 1973, be printed in the RECORD.

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

PROPOSAL FOR A MARGINAL BALANCED BUDGET POLICY

I am pleased to have the opportunity to address the important subject of this Committee. My remarks this morning summarize one chapter of a study on "Structural Reform of the Federal Budget Process" to be published shortly by the American Enterprise Institute.

Federal fiscal policy is now charged with two major functions:

Efficient allocation of the nation's resources between the federal and non-federal sectors, and

Stabilization of the national economy at low rates of unemployment and inflation.

At best, unfortunately, the present federal budget process can perform one or the other of these functions, but not both. The evidence of the last several years suggests that the increasing focus on the stabilization function has undermined the allocation function without making an effective contribution to stabilizing the economy. The primary reason for both of these effects is that the *marginal* dollar of federal spending is financed, partly or wholly, by increasing the federal deficit.

The one essential characteristic of fiscal policy necessary to perform both the allocation and stabilization functions is that, after some desired amount of fiscal stimulus or restraint, any change in federal spending be wholly financed by changing some broadly-based and broadly perceived tax. This form of fiscal policy is best described as a "marginal balanced budget policy"; the total federal budget may have any planned surplus or deficit that is believed appropriate under expected economic conditions, but any approved *changes* in federal spending, around the level consistent with the desired fiscal effects, would be balanced by an approved change in tax rates to generate an equal change in expected tax revenues.

The general characteristics of a process designed to implement a "marginal balanced budget policy" are summarized below:

1. The process starts with the submission of the President's budget, usually late in January. As at present, this budget would propose a total spending level, estimate the revenues expected from the current tax system and any proposed changes, estimate the expected economic conditions, and discuss the appropriate fiscal policy for these conditions. At this stage, this process would not differ from present practices.

2. Soon after submission, Congress would have a formal fiscal policy review conducted by some joint or select committee consisting of the leadership of the major economic committees. This committee would review the *total* spending and revenues in the President's budget, the expected economic conditions, and the proposed fiscal policy—based on submissions by the administration, its own staff, and outside sources. This committee would then submit a resolution establishing an outlay *target* for the next fiscal year for all activities included in the unified budget, and this resolution would be subject to approval by both houses and the President. This part of the process would be similar to the ill-fated "legislative budget" process established by the Legislative Reorganization Act of 1946 with a number of critical exceptions:

(a) the outlay constraint would be a *target*, and not a ceiling, and

(b) most important, the resolution would provide for an automatic change in the personal income tax to generate revenues equal to the *difference* between total approved outlays and the target outlays, given the expected economic conditions.

3. After approval of the resolution establishing the outlay target and the tax trigger, Congress would review each spending bill "on its own merit" as it does now. If the total outlays approved by Congress, including those for programs not requiring annual approprations, exceeded the approved outlay target by some threshold amount, personal income tax rates would automatically be increased (without any additional required legislation) to generate expected revenues equal to the outlay difference. Conversely, of course, if the total outlays approved by Congress were less than the threshold, personal income tax rates would be reduced to reduce expected revenues by the outlay difference.

This process is primarily designed to establish a dollar-for-dollar relation between *marginal* federal spending (relative to the outlay target) and expected personal income tax revenues. This condition should improve both the allocation function and the stabilization function of fiscal policy. Changes in the personal income tax would make the public face and bear the current tax cost of marginal federal spending, and every congressman contributing to a spending decision would be forced to defend the tax effects of the aggregate of these decisions. This process would contribute to the stabilization function by stabilizing the expected surplus or deficit in absolute amounts. If actual economic conditions differ from those expected at the time the outlay target is established, the actual surplus or deficit will differ from that expected in a counter-cyclical direction. This process, thus, would constrain the expected surplus or deficit to that planned in setting the outlay target and still permit counter-cyclical variations in the actual deficit to reflect current economic conditions.

The major institutional issues that must be resolved to make this process effective are identified and discussed in my larger study.

Both the administration and Congress contribute to the problems of implementing an effective fiscal policy. Although the administration has assumed the primary role in formulating fiscal policy, no administration to date has developed successful procedures to serve both the allocation and stabilization functions. The intermittent presidential request for discretionary spending or tax authority reflects this concern, but Congress has been understandably unwilling to grant this authority. Congress' one major experiment to formulate and implement a legislative budget was a dramatic failure. The major reform in the federal budget process suggested here requires the understanding and approval of Congress. In contrast with the proposals for presidential spending or tax authority, this reform would affirm the primary authority of Congress to formulate and implement fiscal policy. At the same time, this reform would broaden the policy role of Congress, by sharing with the administration the responsibility for formulating the appropriate fiscal policy in each year, and would establish a process that would constrain the aggregate spending decisions of Congress in order to implement the fiscal policy approved by Congress. There is both sustained and current evidence of widespread support within Congress for the objectives of a legislative budget but, as yet, no consensus on an acceptable procedure. The reform described here is suggested for consideration in the belief that Congress wants to exercise a greater responsibility in formulating fiscal policy and is willing to approve some procedure that would make its own spending decisions more consistent with the fiscal policy Congress itself selects.

ARMS CONTROL

Mr. FULBRIGHT. Mr. President, on blue Monday, March 26, there were two significant articles in the morning papers, one in the New York Times, the other in the Washington Post.

Together these articles remind us once more, that the cold warriors in our midst cannot accept the idea of detente with Russia.

They and their patrons insist upon keeping the arms race going at full steam ahead, and, as always at this time of year, as the appropriation procedures begin, they produce frightening stories about Russian prowess and American weakness. Ever since the "missile gap" fiction of the presidential campaign of 1960 it has been fashionable for the Washington Post to carry such stories of American feebleness, which I suppose have their origin in the Pentagon propaganda machine.

I ask unanimous consent to insert the two stories in the RECORD at this point in my remarks.

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

[From the New York Times, Mar. 26, 1973]

U.S. ARMS CONTROL BODY FACES SHAKE-UP AND CUTS

(By John W. Finney)

WASHINGTON, March 25.—The Arms Control and Disarmament Agency—the semi-autonomous agency created in the Kennedy Administration to coordinate and direct disarmament policy—is undergoing an identity crisis, brought on by the threat of a personnel shake-up and by budget cuts.

As described by the White House to the agency's Senate supporters, the Administration's intent is not to dismantle but rather to reshape and revitalize the 12-year-old body.

But in arms-control circles within and outside the Government, there is growing concern that the White House is intent on transforming the political outlook and reducing the influence of the agency, which has taken the lead in negotiating the arms control agreements of the last decade.

Among past and present officials of the agency there is also a mounting suspicion that the White House moves reflect the behind-the-scenes influence of Senator Henry M. Jackson, who has been privately critical of the agency, and portend an Administration shift toward a harder line on strategic arms negotiations with the Soviet Union.

Even if the Administration's intent is only to reshape the organization, some officials also are fearful that the White House has set in motion an irreversible process leading to the virtual dismantling of the agency. With the present uncertainty over the future status of the agency, they say, it is going to be extremely difficult to recruit qualified individuals to serve in the organization.

There are indications that the White House already is running into difficulty in filling the director's post, which has been vacant for nearly four months.

BUDGET CUT PROPOSED

It was understood that the post was offered to Dr. Harold Agnew, the director of the Atomic Energy Commission's Los Alamos scientific laboratory, and that he declined.

The administration now has reportedly offered the job to Dr. Fred Charles Ikle, head of the social science department at the Rand Corporation and a former professor of political science at Massachusetts Institute of Technology.

Dr. Ikle at first declined the offer but now, according to Senate sources, has changed his mind and is likely to be nominated to the post shortly. He has the endorsement of Senator Jackson.

In recent months there have been a series of White House actions all seemingly aimed at reducing if not displacing the agency from its original status as a policy-making organization directly responsible to the President and the Secretary of State.

For the coming fiscal year, the Administration has proposed a one-third cut in the agency's annual $10-million budget. The budgetary cut would fall heaviest on the agency's research program, which would be reduced from an annual level of $2-million and more to around $500,000.

Since last January, according to associates, John J. McCloy, the chairman of the agency's once influential but now dormant general advisory committee, has been trying unsuccessfully to see President Nixon to protest the budget cuts. It was Mr. McCloy a prominent Republican and a banker who has long been active in the disarmament field, who in 1961 proposed creation of the disarmament agency to President Kennedy.

Except for its symbolic importance, the budgetary cut is not regarded as necessarily crippling the agency. There was a feeling among many agency officials that much of the past research was of secondary importance.

"A STATE OF LIMBO"

Far more serious to agency officials is the way the Administration seems to be stripping the agency of its functions and top staff. "We are in a state of limbo," commented one official who is being forced out, "and quite frankly we are baffled as to the Administration's intentions for the agency."

The 1969 law provided that one of the principal functions of the agency would be "preparation for and managment of United States participation in international negotiations in the arms control and disarmament field." Under this mandate, the director of the agency represented the United States in the negotiations that led to the 1968 treaty to bar the spread of nuclear weapons and the 1972 agreements on limitation of strategic arms.

The agency has now been removed from a negotiating role in the second round of strategic arms talks under way in Geneva.

Gerard C. Smith, who represented the United States in the first round of the talks, resigned in January as director of the agency. Even before his resignation, President Nixon had made clear his intention to go outside the agency for the American representative in future negotiations. In line with this decision he picked U. Alexis Johnson, a senior diplomat with considerable negotiating experience but little background in the disarmament field.

Then the White House dealt another blow to agency morale by suggesting unofficially that most if not all the top officials of the agency would be replaced.

As a result, the agency is expected to lose some of its most experienced officials, such as Lawrence D. Weiler, counselor to the director; James F. Leonard, assistant director of the international relations bureau, and Spurgeon M. Keeny Jr., assistant director of the science and technology bureau.

The impending personnel changes are viewed as part of a Government-wide attempt by the White House to shake up the top bureaucracy and make it more responsible to the views and policies of the Nixon Administration.

But in the case of the arms control agency officials see an additional White House motive of attempting to change the philosophical outlook of the agency. It is at this point that officials see the influence of Senator Jackson entering the picture.

There have been subtle yet significant philosophical differences between the arms control agency and Senator Jackson over the proper approach toward strategic-arms agreements with the Soviet Union.

Basically, the arms control agency has argued for agreements based on the concept of parity, where each side might have dissimilar strategic forces but enough to assure the destruction of the other if attacked. In essence this concept was incorporated into the interim agreement imposing a five-year freeze on the deployment of offensive strategic weapons.

Senator Jackson was openly critical of the first agreement on strategic arms, which he contended placed the United States in a potential position of nuclear inferiority. In an amendment ultimately endorsed by the White House last year, Senator Jackson argued that any future arms-control agreements should be based on the concept of numerical equality of intercontinental strategic weapons.

With the arms control agency divorced of its negotiating responsibility, as had been urged by Senator Jackson, and with many of the agency's policy-making officials being removed, observers within and outside the Government see the Nixon Administration shifting toward what they regard as the "hard-line" approach of Senator Jackson.

[From the Washington Post, Mar. 26, 1973]

DEMOCRATS AND NATIONAL DEFENSE

(By Joseph Alsop)

Nowadays, in the dark hours before dawn, you sometimes wonder whether a lot of virtuous Americans do not actually want to see their country defeated. Consider, to begin with, the powerful drive now taking shape among the liberal Democrats in Congress to dismantle the national defense.

Then consider a few other things of some significance, like the dreadful surprise that followed hard on the heels of the first round of SALT talks. The surprise took the form of a Soviet test, demurely delayed until the first SALT round was over, of a submarine-launched ballistic missile with a range of about 4,500 miles.

The surprise was dreadful for several reasons. To begin with, the range of this new submarine-launched missile exceeds by around 1,000 miles the maximum that had been considered possible by the American scientific analysts. The first SALT agreement was squarely based on the U.S. analysts' predictions, which have now turned out to be poppycock.

Then, too, the Soviet test proved that in the first round of SALT talks, the Soviet negotiators had been grossly misleading, if not directly untruthful. They had pleaded that their submarine launched ballistic missiles had a much shorter range than the comparable American weapons. They had stressed the complex operational factors that make an increase of range almost exactly equivalent to an increase of number, in the case of strategic missiles launched from submarines.

Hence the Soviets had claimed they had a right to a lot more submarine-launched missiles than the United States. This claim, made in the sacred name of "parity," was in fact recognized. Under SALT I, the Soviets are allowed to build up to a total of 950 submarine launched nuclear missiles, whereas the United States is held to a level about 600 such missiles.

Now, however, the Soviets have a submarine launched missile of much longer range than any in the U.S. arsenal, either in existence or in prospect. Its present accuracy has been questioned, but accuracy can always be improved. With missiles of such range, moreover, Soviet nuclear submarines can lurk in the Bering Sea or the Sea of Okhotsk, far beyond the reach of U.S. sea surveillance, and thence loft their missiles to almost all the most vital American targets!

In sum, this single Soviet missile test betokens a coming change in the strategic balance that ought to give the creeps to any liberal Democrat who gives a pin about his country's future. Instead, one of the prime aims of the liberal Democratic attack, now being organized in the Senate, is the destruction of the U.S. Trident program. This is the program, of course, intended to give this country greater and less vulnerable seaborne nuclear striking power.

One of the main objections to Trident, naturally, is that the new missiles will be MIRVed—in other words, will have multiple warheads capable of being independently targeted. The doctrine of the virtuous is that if the United States goes on MIRVing its missiles, the Soviets will then be driven to MIRV their missiles. This, once again, is purest goose talk.

Soviet nuclear missiles are not MIRVed today, simply because Soviet missile development took a wrong turn a good many years ago. To MIRV a missile successfully, you have to put a complex miniaturized computer on board the missile. For detailed guidance, the Soviets instead relied for a long time on computer-systems at the launch point, rather than using on-board computers.

Throughout much of the first round of SALT talks, however, it was already perfectly clear that the Soviets were working, all out to correct this past error—and thus to MIRV. Another recent Soviet missile test has shown, furthermore, that the Soviets have already achieved considerable success in this intensive effort.

The new missile tested is called the SS–17. It has an on-board computer and a range of 6,000 miles. It can even be regarded as a new "counterforce weapon." But the main point is that the new missile is a long step in the direction of much more widespread Soviet MIRVing, which the goose-talkers say we must not "stimulate." In such matters, the Soviets need no stimulation.

The goose-talkers still quack about "parity." In reality, another question already faces us. How will the Soviets behave, if and when they are allowed to acquire a heavy predominance of nuclear striking power? Any sensible man ought to be able to figure out the answer to that question. And the question indicates where the Soviets are heading.

RESEARCH IN SURFACE MINING RECLAMATION TECHNIQUES AT BEREA COLLEGE, KY.

Mr. COOK. Mr. President, on March 7, 1972, I appeared before the Interior Subcommittee of the Appropriations Committee and urged that a budget addition of $1,575,000 be allowed the Forest Service to expand its research program at Berea College in Kentucky for improved technology for the reclamation of surface mined lands. In addition I requested that $1,320,000 be made available to construct an office-laboratory at Berea.

While the construction funds were not

authorized, an increase, in a lesser amount, was added for the research and demonstration of reclamation techniques. Unfortunately, these funds were impounded and this much needed research was curtailed. I intend to pursue this matter in this session of the Congress.

Mr. President, I bring this to the attention of my colleagues at this time because the Interior Committee has just completed hearings on several surface mining bills and are in the process of drafting a revised bill. I anticipate that it will be submitted in the near future for Senate action. The hearings left no doubt that the very foundation upon which any acceptable bill will be based is the requirement that adequate reclamation must be accomplished by the mining operator. Such reclamation of the surface will require that a detailed plan be submitted by the operator before a mining permit can be issued. Prior to the release of his posted bond, such reclamation must be accomplished. This is as it should be and I have always supported this policy. However, I submit that without adequate research in reclamation techniques, optimum results may not be obtained. In essence, the coal industry finds itself in much the same position in mining its coal as does the utility industry in the use of the coal itself. Here again regulations are outstripping research. As I did in my statement on March 1, 1973, concerning the requirement for a commercially tested desulfurization system, I again urge that this imbalance be corrected. I believe that the bill, S. 1283, of which I am a cosponsor, would provide research to assist the Nation in its search to find ways to use our coal. However, as over 50 percent of this coal is surface mined, we have an equally important problem of finding acceptable ways to continue this production.

I do not believe that we can consider this reclamation research and demonstration program expansion at Berea, Ky., separate from surface mining operations. Rather, as the only sustained Federal research program of its kind in the Nation, it is an integral part of the surface mine legislation itself.

I have been granted the opportunity to appear before the Interior Subcommittee of the Appropriations Committee when this subject is considered and have been assured by its chairman, my good friend Senator BIBLE, that he will give this important matter his personal attention. I hope that my colleagues will do likewise.

GUY M. GILLETTE

Mr. HUGHES. Mr. President, the 2-week period designated by the Senate for the placing of eulogies in the RECORD to honor the memory of the late distinguished former Senator from Iowa, Guy M. Gillette, has been graciously extended for another week.

I have in hand a number of newspaper obituaries and commentaries concerning Senator Gillette's life and career. I ask unanimous consent that they be printed in the RECORD to round out the Senate's tribute to this great, departed public servant.

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

[From the Des Mones (Iowa) Tribune, Mar. 3, 1973]

LAWMAKER GILLETTE DIES AT 94—NOTED SENATOR FROM IOWA

CHEROKEE, IOWA.—Guy M. Gillette, 94, who as a U.S. representative and later a U.S. senator represented Iowa from the depression years of the 1930s until the mid-1950s, died early Saturday at the Sioux Valley Memorial Hospital here.

His death followed a prolonged illness for which Gillette had been hospitalized for a number of years. Hospital officials said the cause of death was a combination of age and illness.

Funeral services will be at 2 p.m. Tuesday in the Memorial Presbyterian Church at Cherokee, with burial at the Oak Hill Cemetery.

LEFT SENATE IN 1955

A Cherokee native, Gillette had been living here since leaving the U.S. Senate in 1955. He had been a resident of a nursing home wing of the Sioux Valley hospital since November, 1966, officials said.

A Democrat, Gillette was a U.S. representative from 1933 until 1936 and a U.S. senator from 1936 to 1945 and again from 1949 to 1955.

Gillette was the last living member of the bipartisan Senate committee appointed to work with the late Secretary of State Cordell Hull in preparing a tentative draft of the original United Nations Charter.

Because of his work on the charter and his lengthy membership on congressional foreign relations committees. Gillette maintained a steadfast faith in the U.N.

In one of his lengthy interviews, in 1966, Gillette said, "I fully believe that the United Nations organization represents the highest point ever attained by civilized nations in the prevention of deadly and destructive wars."

He was known as an inveterate reader of newspapers, news magazines, classical poetry and history.

Gillette was known as Iowa's "Mr. Democrat" through much of two decades.

He was in Congress all but four years from 1933 to 1955—four years in the House and 14 in the Senate. His Senate service, interrupted by defeat in 1944, was resumed in 1949; and ended again when he was defeated by Republican Thomas Martin in 1954.

While he was out of the Senate from 1945 to 1949, he was chairman of the Surplus Property Board for six months and then was president of the American League for a Free Palestine.

He was elected to the Democratic State Central Committee in 1958, and became chairman of the Iowa State Volunteer Crusade for the American Cancer Society later that year. He won the American Freedom Association's 1954 World Peace Award.

After giving up his Senate seat in 1955, he served as counsel for the internal security division of the Senate Post Office and Civil Service Committee for a short time and then returned to his home, on a 200-acre farm west of Cherokee.

Gillette had an air of independence that attracted an emotional following that transcended party lines, and gave him the ability to carry Senate elections in Iowa in years when no other Democrat could win.

He got votes from persons who both idolized and hated then President Franklin D. Roosevelt.

He was a delegate to the 1940 Democratic national convention, but did not attend because he opposed a Roosevelt third-term nomination.

Gillette was elected to Congress in the 1932 Roosevelt landslide. He had attracted some attention by voting against the National Recovery Act (NRA) and the first Agricultural Adjustment Act (AAA).

The death of Senator Louis Murphy in 1936 sent Gillette to the Senate for the two-year remainder of Murphy's term. Gillette's opposition to Roosevelt's "court packing" proposal raised Gillette to martyrdom in the 1938 Democratic Senate primary in which the Roosevelt administration backed former Representative Otha D. Wearin against Gillette.

CLOSE RACE

Gillette defeated Wearin and went on to defeat former U.S. Senator L. J. Dickinson, a Republican, in the 1938 general election.

But the general election race was so close that the winner was not known for days.

Gillette finally won by a 2,805-vote margin—about one vote per precinct—in the same year the late George A. Wilson led Republicans back to the Statehouse after a six-year absence by defeating Gov. Nelson G. Kraschel by 56,000 votes.

SENSED DEFEAT

In 1944, U.S. Senator Bourke B. Hickenlooper, riding Republican resurgence, went from governor to senator by retiring Gillette by a 29,734-vote margin. Gillette, incidentally, felt he'd lose that election. His guess was he'd be 25,000 votes shy.

But Gillette made a spectacular comeback in 1948 with a 162,000-vote victory over then incumbent George Wilson. The Gillette margin compared to former President Harry Truman's victory in Iowa of 28,000 votes.

Martin ended Gillette's senatorial career in 1954 when he defeated Gillette by 39,000 votes.

LAW PRACTICE

Gillette was born two miles west of Cherokee on Feb. 3, 1879. He was graduated from Drake University Law School in 1900, and practiced law in Cherokee for 17 years. He enlisted in the Spanish-American war at 19; was a captain in World War I. When the war ended, he returned from France to enter dairy farming instead of resuming his law practice.

He had been elected Cherokee county attorney in 1907, and to the Iowa Senate—by a single vote—in 1912. From 1912 to 1932 he had only a casual interest in politics.

He easily won the Democratic nomination for Congress in 1932 and was elected by 10,000 votes in 1932 general election. He was re-elected by 26,000 votes in 1934.

Gillette married Rose Freeman of Randolph in 1907. Mrs. Gillette died in Washington in 1955. They had one son, Mark, now a Ft. Lauderdale, Fla., businessman.

[From the Washington Post, Mar. 4, 1973]

ISOLATIONIST TURNED INTERNATIONALIST—FORMER SENATOR GUY GILLETTE DIES

(By J. Y. Smith)

Former U.S. Sen. Guy M. Gillette—an isolationist turned internationalist, an advocate of rigid farm price supports who also worked for lower consumer prices, a onetime foe of President Franklin D. Roosevelt who was also a critic of the late Sen. Joseph R. McCarthy—died yesterday in Cherokee, Iowa. He was 94.

Between 1932, when he was elected to the House of Representatives, until 1954, when he was defeated in a bid for re-election to the U.S. Senate, he spent 18 years in Congress representing Iowa.

He was known as one of the best Democratic votegetters in a largely Republican state and at one time was the only member of his party in the Iowa congressional delegation.

In the years prior to World War II, Sen. Gillette opposed President Roosevelt's plan to "pack" the Supreme Court. He was a member of a group of congressmen who Mr. Roosevelt wanted to purge from Congress. Nonetheless, the voters kept him in office.

He voted against extending the Selective Service Act after the outbreak of war in Europe, against lend-lease assistance for Britain, and for any changes in the Neutrality Act that was designed to keep the United States out of foreign wars.

But by the time his first full term in the Senate was coming to a close in 1944 (he was defeated for re-election that year by Bourke B. Hickenlooper, a Republican), he had come to the view that the future of world peace lay in an international organization. To this end, he helped draft the U.S. formulation of the Charter of the United Nations.

By that time, Sen. Gillette had also made his peace with Roosevelt, who appointed him chairman of the Surplus Property Board even though the senator had opposed Roosevelt's nomination for third and fourth terms.

Sen. Gillette was returned to the Senate in 1948. It was during this period that he worked for revisions to strengthen the U.N. charter.

It was in the same period that he was among the critics of Sen. McCarthy, the Wisconsin Republican. He served on the Senate Elections Subcommittee that investigated McCarthy's financial affairs in 1951–52. McCarthy's attacks on the Committee's findings formed part of the basis for his censure by the full Senate in 1954.

Throughout his career in Congress, Sen. Gillette backed high, rigid farm-price supports. But on two occasions, he conducted hearings in the Senate that led to the reduction of coffee prices.

The senator was born in Cherokee, Iowa. He took a law degree from Duke University in 1900. He established a law practice in his hometown and was elected Cherokee County attorney in 1906.

In 1912, he was elected to the Iowa State Senate, where he served four years.

When the United States entered World War I in 1917, Sen. Gillette joined the Army. As a boy of 14, he had joined the Iowa National Guard. He signed for service in the Spanish-American War, but got no closer to the fighting than a training camp in Georgia. In World War I, he was a captain in the infantry and spent much of his time training troops.

After the war, he gave up his participation in politics and became a farmer for 14 years.

In 1932, he was elected to Congress. He was re-elected two years later. Near the end of his second term in the House, he ran successfully for an unexpired term in the Senate. He was re-elected to the Senate in 1938.

Following his defeat by Hickenlooper in 1944 and his service on the Surplus Property Board, Sen. Gillette returned to Iowa. In the meantime, he refused nomination to a federal judgeship by President Harry S. Truman, saying he was not qualified for the position.

It was during the period between 1945 and 1948, when he went back to the Senate, that he became president of the American League for a Free Palestine.

During his final term in the Senate, Sen. Gillette, who was a member of the Senate Foreign Relations Committee, warned against U.S. involvement in Indochina.

In a speech prepared for delivery in the Senate in April, 1954, he said the United States is "deeply, dangerously and perhaps inextricably involved" in Indochina and that it would start a "program of political warfare, as distinct from military measures."

This was prior to the French withdrawal from Indochina and the negotiation of the Geneva Accords that divided Vietnam into northern and southern regions.

Following his final retirement to Cherokee, Sen. Gillette suffered a stroke in 1966. He was hospitalized in recent years.

He is survived by a son, Mark.

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

EX-SENATOR GUY GILLETTE DEAD; IOWAN, 94, IN CONGESS 18 YEARS—FARM DEMOCRAT WENT FROM ISOLATION TO INTERNATIONALISM—MADE COMEBACK IN 1948

CHEROKEE, IOWA, March 3.—Former Senator Guy M. Gillette, a Democrat who represented Iowa in the United States Congress for 18 years, died at a hospital here early today. He was 94 years old.

A GENIAL ORATOR

(By Alden Whitman)

Silver-haired, handsome, tall and soldierly in bearing, Guy Mark Gillette looked the part he played in life for 14 years, that of a United States Senator. He had, moreover, the oratorical skills to match and an independence of mind that recommended him to Iowa's voters. In addition, he possessed an innate geniality that made him popular with his fellow members of Congress.

A powerful vote-getter in a traditionally Republican state, Mr. Gillette was elected first to the House of Representatives in the Roosevelt sweep of 1932. Near the end of his second House term, he was elected to a two-year term to fill a vacancy in the Senate, where he remained through 1945, defeated for re-election by Bourke B. Hickenlooper, a Republican.

Three years later he staged a spectacular comeback and reentered the Senate for six years. He was unseated in 1954, an event many observers traced to President Dwight D. Eisenhower's popularity and Mr. Gillette's opposition to the flexible-farm-price-support system.

Although Mr. Gillete was more than 75 years old when he made the race, he conducted a robust campaign and maintained his reputation as one of Iowa's foremost orators. He spoke then, as he had in Congress, without notes or a manuscript but with a notable variety of vigorous gestures.

In defeat he was without rancor. Asked what he thought had "primarily" accounted for his loss, he replied:

"Well, primarily, it was that I didn't get enough votes."

A WORKING FARMER

Mr. Gillete's down-to-earth approach to politics reflected his farm background. He was born a farmer's son in Cherokee on Feb. 3, 1879, and spent some of his adult years as a farmer who milked his cows twice a day and took pride in his ability to "pick" a chicken and grow tall corn.

Mr. Gillette took his law degree at Drake University in Des Moines in 1900 and set up practice in his hometown. He entered politics as a Democrat almost immediately and was elected to local posts, becoming a state senator in 1912. His margin was one vote in a strong Republican district.

In World War I, he was a captain in the Army and served five months overseas. Released and back home in 1919, he discovered that in his absence he had run—and been defeated—for state auditor.

Mr. Gillette was just as pleased, returning to farming for what he described as 14 years of "happy days."

Urged by friends to run for the House in 1932, Mr. Gillette accepted with reluctance and won by 10,000 votes. Two years later, his margin rose to 26,000 votes. In the House, his chief legislative activity was in behalf of farmers, and he sought to expose monopoly and profiteering by middlemen in the food industry.

An independent New Dealer, he opposed the National Recovery Administration program of President Franklin D. Roosevelt. He also voted against the Agricultural Adjustment Act on the ground that it was "compulsory and passed the processing tax from the industrial East to the West."

Mr. Gillette was renominated for the House in 1936, but during the summer Senator Richard Louis Murphy was killed in an automobile accident, and a state Democratic convention chose Mr. Gillette as a candidate for the vacancy. He won easily.

In the Senate, he opposed President Roosevelt's Supreme Court reorganization plan and was reportedly on the President's "purge list" for the 1938 primaries. However, Mr. Gillette defeated his opponent, who had been endorsed by the President's confidant and spokesman Harry L. Hopkins, and went on to win in the general election.

WORKED ON U.N. CHARTER

In this Senatorial term, Mr. Gillette shared the isolationist views of many Midwesterners. He voted against lend-lease and against extending Selective Service. He also fought modification of the Neutrality Act as an aid to Britain and France. By 1943, however, he had changed his attitude, introducing a resolution that supported the principles of the Atlantic Charter and advised the President to negotiate "a postwar peace charter."

The Gillette resolution was eventually merged into another resolution approving American participation in a world organization. Mr. Gillette was then named to a bipartisan Senate group that worked with the State Department in drafting the United Nations Charter.

His other legislative activities included a bill designed to curb exploitation of racial prejudice in elections, a vote to abolish the Fair Employment Practices Commission and a vote to support a stringent antistrike bill. Mr. Gillette was also a critic of what he considered excessive spending for election purposes.

ACTIVE FOR REFUGEES

Mr. Gillette was a prime mover, in 1943, in the creation of the War Refugee Board, and his was a powerful voice to save surviving European Jews.

In 1944, the Senator withdrew as a delegate to the Democratic National Convention because, he said, "I could not conscientiously vote for the renomination of President Roosevelt." He had also opposed a third Roosevelt term in 1940, but less dramatically.

Following the Senator's 1944 defeat, President Harry S Truman offered him a Federal judgeship, but instead he took the presidency of the American League for a Free Palestine. The group advocated a democratic Arab-Jewish government for Palestine. Mr. Gillette headed the league until 1948.

Returned to the Senate in that year, he made frequent headlines for his efforts to keep consumer food prices from getting out of hand.

His term was also notable for his clashes with the late Senator Joseph R. McCarthy of Wisconsin. As a member of a Senate Elections subcommittee, Mr. Gillette questioned whether Mr. McCarthy had diverted to his personal use contributions from his anti-Communist campaign fund. Mr. McCarthy denied that he has misused the monies, but the special Senate subcommittee that voted later for his censure took into account his refusal to cooperate fully with the Gillette subcommittee.

Following his defeat in 1954, Mr. Gillette was employed as counsel by Senate committees, returning in 1961 to his Cherokee farm, where he lived until his death.

In 1907 Mr. Gillette married Miss Rose Freeman, a schoolteacher, now dead. Their son, Mark Freeman Gillette, survives.

[From the Cherokee (Iowa) Daily Times, Mar. 3, 1973]

GUY M. GILLETTE DIES AT 94

Guy Mark Gillette, credited generally as the most illustrious and famous citizen in

the history of Cherokee, died Saturday at Sioux Valley Memorial Hospital, where he had been in residence for the past few years. He was 94.

Former congressman and U.S. senator, the prestigious Democrat was in public life over a span of six decades; and, until his final days, he remained aware of and interested in events of the world.

An adversary of President Franklin Delano Roosevelt and a confidant of Secretary of State Cordell Hull and other national leaders, Gillette outlived his contemporaries.

On the world scene, Gillette is remembered for his impassioned involvement in helping form the new nation of Israel.

Nationally, he is noted for his change from being an isolationist in the Thirties to an internationalist in the Forties, when he aided in establishing the United Nations.

But, in his own estimation, the most memorable contributions he made in his years of public service were in helping Iowa farmers get electric power and in promoting soybeans as a new cash crop.

In a lifetime of varied pursuits, most always concerned with helping others, he was in turn a soldier, lawyer, legislator, farmer and statesman.

Guy Mark Gillette was born in Cherokee County on Feb. 3, 1879, the son of Mark Dennis Gillette and Mary Hull.

He married Rose Freeman on June 17, 1907. She preceded him in death in 1956. Their son, Mark, now resides in Florida.

Gillette's career as a soldier began when he was only 14 years old. As a member of Company M, Fourth Regiment, Iowa, National Guard, Gillette was on duty during a railroad strike in Sioux City.

In 1898, Gillette was called into federal service during the Spanish-American War and as a sergeant, with Company M, served out the emergency in a Georgia camp.

The hometown company, which had been disbanded, was reactivated in 1910 under Gillette, then a captain. Then in 1917, Gillette again was called into service, heading an infantry company which went overseas in 1918. When discharged in 1919, he was a major.

A graduate of Cherokee High School in 1896, Gillette received his law degree in 1900 after spending a year as an understudy to his uncle, J. D. F. Smith, who was a Cherokee attorney, and a year at Drake Law School.

He began his professional practice here in 1901.

Gillette's political career began in 1906 when he was elected county attorney. Defeated in 1908, Gillette was appointed city attorney for Cherokee.

In 1912, Gillette won election to the Iowa Senate from a district comprising Cherokee, Plymouth and Ida counties—a district which had never before sent a Democratic senator to the legislature.

Four years later, Gillette had determined that America's entry into the war in Europe was imminent, so he announced that he would not seek reelection. However, he was nominated on a write-in vote. He did not campaign for the post and was narrowly defeated.

Following World War I service, Gillette farmed near Cherokee until 1932 when he again ran for office and was elected to the U.S. House of Representatives. Almost immediately, the Cherokee native formed a group of congressmen from Midwest states to work for legislation that would benefit their area, and Gillette was named chairman.

In 1936, Gillette resigned his House post and was elected to the U.S. Senate to fill a vacancy. He was reelected in 1938.

An isolationist in the years preceding World War II, Gillette often clashed with President Roosevelt, particularly concerning neutrality legislation.

On Oct. 2, 1941, amid predictions that war soon would break out with Japan, Gillette introduced a Senate resolution calling for investigation of what he believed to be subversive groups of Japanese on the mainland and in Hawaii. And privately, he used his position to pass on to the State Department intelligence reports which indicated that Japan planned to attack Pearl Harbor.

Once the U.S. had entered the war, Gillette began to change his philosophy. By 1944, he was recognized as an internationalist; and as a member of the Senate Foreign Relations Committee, he worked with Hull to chart this country's conception of the United Nations. He introduced the first Senate resolution calling for creation of the international organization.

That same year, he failed to win reelection.

In the election aftermath, President Harry Truman offered Gillette an appointment to the federal bench, and the Cherokean made headlines when he refused. He reasoned that he was not qualified, inasmuch as he had not practiced law for years. A Washington correspondent commented that "An honest man has been found."

Appointed chairman of the Surplus Property Board, Gillette served in that capacity until mid-1945 when he resigned to become president of the American League for a Free Palestine.

In 1948 the same year that the United Nations authorized the creation of Israel as a nation, Gillette ran for the U.S. Senate and was elected.

In 1954, he was defeated when he sought another six-year term at the age of 75. He returned to Cherokee to live in semi-retirement.

In his later years, he was active locally as a member of the Chamber of Commerce and Rotary Club, as chairman of the Cherokee County Red Cross for three years, as member of the Cherokee Library board and as a member of the Chamber's industrial committee. He also served as a director of Cherokee State Bank.

In 1964, Gillette was honored at a community banquet attended by Gov. Harold Hughes. Tributes to Gillette's contributions came from President Lyndon Johnson, ex-President Truman, Sen. Margaret Chase Smith and Sen. Henry Cabot Lodge.

The following year, Gillette was presented with a scroll of honor by the United Nations Association of Iowa.

In 1966, at the age of 87, Gillette suffered a stroke and was hospitalized.

Funeral services will be held Tuesday at 2 p.m. at Memorial Presbyterian Church. Rev. A. E. Goldhorn will officiate and burial will be in Oak Hill Cemetery.

Speculative Lodge No. 307 A.F. and A.M. will meet at the Masonic Lodge temple Tuesday at 1:15 to conduct a Masonic Service.

The Gillette family requests that memorials reflect Mr. Gillette's love of nature and his belief that a strong democracy is an educated one. Memorials may be sent to the Cherokee Park Commission, the Cherokee Garden Club or the Cherokee Library Board.

[From the CONGRESSIONAL RECORD, Feb. 4, 1969]

NINETIETH BIRTHDAY ANNIVERSARY OF FORMER SENATOR GUY M. GILLETTE, OF IOWA

Mr. HUGHES. Mr. President, Monday, February 3, was the 90th birthday anniversary of a distinguished American public servant, former U.S. Representative and Senator, Guy M. Gillette, of Iowa. Senator Gillette, who was stricken with serious illness in 1966, observed his birthday in the Sioux County Memorial Hospital in his native Cherokee, Iowa, alert and in good spirits. Born in Cherokee in 1879, Guy Gilette served as county attorney in Cherokee County and subsequently as State senator. He was elected a U.S. Representative in 1932. After two terms of outstanding service in the House, he was elected U.S. Senator in 1936. His achievements have been outstanding, both in and out of Congress. Many present Members of the Senate will remember his distinguished work on the Committee on Foreign Relations and the fact that he is the only living Senate Member who signed the United Nations Charter. At a time when America has awakened to the valued contributions our citizens can make in the later years of their lives, we are particularly proud of Senator Gillette, who remains acute of mind and young of heart despite his confinement in the hospital. My own affection and esteem for Senator Gillette, feelings shared by all Iowans, were contained in the telegram which I sent to him on his birthday. It reads as follows:

"Heartiest congratulations to you on the happy occasion of your ninetieth birthday. Your distinguished career of public service stands as an inspiration to me as to all other Iowans. God bless you and your fighting heart."

I know that this distinguished American would enjoy hearing from his friends and colleagues of the Senate.

GUY M. GILLETTE,
Cherokee, Iowa, March 17, 1964.

DEAR MAC: I need your help today in a couple of matters—

First, A group of psychiatrists called on me yesterday and said they were contacting me at the request of Governor Hughes of Iowa who was greatly interested in helping in the field of alcoholism and had asked these men to make a study and report of such advance had been made and was being made in this field. That the four Scandinavian countries had made strides in this field and it was urged that a small delegation go into that area and find what had been done and what was being done. They wanted me to help in forwarding such a study trip.

I told them that I knew nothing of the possibility of funds to finance such a trip however of value it might be. And that if Federal funds were available in whole or in part, it would be necessary that it be a National inquiry rather than an Iowa inquiry. And in addition, it would have to have the clearance of the State Department. I told them I would try to find out if any Federal funds were available in whole or in part to go with State fund to finance the study and inquiry. I would welcome for them any information or suggestion as it would be highly desirable that if Scandinavia or any area had developed means of help for these unfortunates, we should have the benefit of their advanced work.

MARCH 24, 1964.

Hon. GUY M. GILLETTE,
Cherokee, Iowa.

DEAR SENATOR: It was delightful to hear from you in your letter of St. Patrick's Day, and I was glad to be asked to give you some help.

With respect to your first request about possible Federal funds for a study and treatment of alcoholism in Scandinavia, the following information may be useful:

The National Institutes of Mental Health is sponsoring research in alcoholism, and, indeed, has financed a meeting with representatives from Scandinavia and other countries on the methods they use in treating this malady. Grants by NIH can be made to individuals, but as a general rule a sponsoring institution is involved. This need not be a university or a medical school but could be a county or State psychiatric or medical society. If your group of psychiatrists would find an appropriate public or private sponsoring institution and draw up a fairly specific proposal for submission to NIH, we on the Committee would be very happy to help it on its way through the bureaucratic labyrinth. I would imagine that the State Depart-

ment of Health would have considerable knowledge and experience in checking and handling NIH research grants.

STATEMENT ON GUY GILLETTE'S DEATH

Washington, D.C., March 3, 1973.

All Iowans will be saddened at the death of Guy Gillette, a great Senator and a consummate gentleman. In his two periods of service in the Senate, Senator Gillette faithfully represented the people of Iowa and the people of America. In his twilight years, he has been a benign father-figure to younger Iowans in public life, including me. I often sought his counsel and received strength from his advice and encouragement.

He was a ruggedly independent but compassionate man who looked the part of a Senator and conducted himself with strength, wisdom and dignity.

[From the Cherokee (Iowa) Daily Times Mar. 3, 1973]

THE LIFE AND TIMES OF THE HONORABLE GUY MARK GILLETTE

1879—Born February 3.
1893—Enlisted in Iowa National Guard; in Sioux City "Pullman Fuss."
1896—Graduated from Cherokee High School.
1898—With rank of Sergeant in Co. M., off to Spanish-American War.
1899—Read law with J. D. F. Smith, uncle.
1900—Graduated from Drake Law School.
1901—Began law practice in Cherokee.
1906—County Attorney.
1907—Married Rose Freeman.
1908—City Attorney.
1909—Reactivated Co. M., 56th Ia., Reg., serving as Captain.
1912—State Senator.
1917 to 1919—WWI, discharged March 10, 1919.
1919 to 1932—Was a "'dirt farmer" and dairyman.
1932—Elected to Congress.
1936—Resigned from the House; elected to the U.S. Senate to fill a vacancy.
1938—Elected to six-year term in Senate.
1944—Lost Senate seat. After defeat, in 1945 was offered a position on Federal Court by President Truman but refused.
1944-45—Chairman, Surplus Property Board. Resigned July 15.
1945-48—President of the American League for Free Palestine.
1948—Elected to Senate.
1954—Defeated in bid for reelection. Returned to Cherokee. Age 75.
1958—July 4, Gillette Park dedicated.
1964—Cherokee Testimonial Dinner given in his honor.
1966—Oct. 24, United Nations Day, tree planted in Gillette Park in his honor.
1966—Late in year suffered severe stroke.

HE SANG BASS IN THE CHOIR

Guy Gillette's national prominence tended to overshadow his contributions on a local level.

Some years ago, when asked to summarize his busy life in and around Cherokee, Mr. Gillette responded as follows:

"It rather surprised me that I had participated in so many local activities; but, I was born and raised here, and it is natural that I would have an interest in my home community.

"I am not listing these to show what a humdinger I was, but as factual matter that you might want to have in your files after my demise."

Church—Presbyterian. Sang bass in choir many times. Superintendent of the Sunday School for two or three years. Helped organize and was president of Men's Brotherhood and planned most of its programs during the years when it was the strongest men's organization in the city.

Lodge—Master Masonic Lodge. Chancellor Commander of Knights of Pythias. Secretary F.O. Eagles. Captain and trainer of Uniform Rank Knights of Pythias unit, taking it to state meetings. Captain and trainer of Girls' Drill Team which visited several neighboring towns.

Sports and Social Groups—For several years was manager of semi-pro baseball team, playing teams in surrounding towns. Member of city bowling team, which competed in other towns. Helped organize and was a member of Cherokee Tennis Association. Member of city whist team, which played teams from several cities. For many years was president of dancing club and helped organize military balls and others.

Military—Member of original Co. M, 4th Iowa Military, and went with this company to the 1893 railroad strike at Sioux City (14 years of age). Member of Co. M, 52nd Iowa Infantry Volunteers, Spanish American War. In 1909 reorganized Co. M, 56th Iowa, and established it at Cherokee; and helped organize the group that built the Maple Street Armory. In World War I, attended officers training camp at Minneapolis. In Europe as Captain of Co. F, U.S. Regular Infantry. As member of Treptow Camp, American Legion, organized the Miniature Minstrels, which played in several cities. Wrote all the music, songs, and minstrel material, and played the piano for them.

Political—County chairman for many years of the Democratic County Committee. Served as City Attorney, County Attorney, State Senator. Later served over 20 years in Washington as 9th District Congressman and U.S. Senator from Iowa.

Later years—Member of Cherokee Chamber of Commerce and minor committees. Rotary Club, County Red Cross chairman for three years. Member of the Industrial Committee. Member of Library Board. Board of Directors of Cherokee State Bank.

[From the Washington Star & Daily News, Mar. 4, 1973]

EX-SENATOR GUY GILLETTE DIES, ISOLATIONIST BEFORE WORLD WAR II

CHEROKEE, IOWA.—Former U.S. Sen. Guy M. Gillette, a one-time isolationist who later became one of the United Nations' strongest supporters, died yesterday at the age of 94.

Sen. Gillette had been hospitalized for the past few years. He suffered a stroke in 1966.

Until World War II, Sen. Gillette was an isolationist, opposing lend-lease and U.S. involvement in foreign wars, although he had fought in the Spanish-American War and World War I. At one point he was one target of an attempted "purge" of unfriendly congressmen by President Franklin D. Roosevelt.

After the war, Sen. Gillette worked for international cooperation. He was a member of a bipartisan Senate group that worked with the State Department to formulate the U.N. charter and he authored a resolution that set up a group to study U.N. charter revision.

IN CONGRESS 18 YEARS

Sen. Gillette, a Democrat, was in Congress for 18 years. He was first elected to the House in 1932. Near the end of his second term, he was elected to a two-year term to fill a Senate vacancy.

He remained in the Senate through 1944, was defeated, then was re-elected in 1948 by the greatest majority in Iowa history. He was defeated in 1954 by Republican Thomas E. Martin.

Sen. Gillette, who received his law degree from Drake University, fought Roosevelt on several issues besides foreign policy. He opposed Roosevelt's third and fourth terms in the White House and his plan for reorganizing the Supreme Court.

GOT FDR APPOINTMENT

After Sen. Gillette's 1944 defeat, however, Roosevelt appointed him chairman of the Surplus Property Board. He resigned after 5 months. He later was offered a federal judgeship by President Harry S Truman, but instead accepted the presidency of the American League for a Free Palestine.

Born on a farm here, Sen. Gillette retained an active interest in the land. He lived for a while on a small farm near Cherokee where he grew corn and raised hens.

Sen. Gillette was a widower. He is survived by a son, Mark. Services will be Tuesday at the Memorial Presbyterian Church here.

PROVISIONS OF THE GENOCIDE CONVENTION ARE CLEAR AND PRECISE

Mr. PROXMIRE. Mr. President, those who oppose Senate ratification of the Genocide Convention have often gone to great lengths to point out the purported vagueness of the provisions of that convention. In the words of one of my distinguished colleagues who opposes ratification, the "meaning of the convention is shrouded in uncertainty" such that "no mind can fathom" the effects of some of its provisions.

In fact, Mr. President, opponents of this convention are doing their best to foster this uncertainty by bringing up the most outlandish hypothetical conditions and asking with alarm, "will the Genocide Convention bring ruin to our system of laws?" In reality, the provisions of the Genocide Convention are as clear and precise as those of any other treaty or law I can think of.

For example, there has been much ado about the term "mental harm" as it appears in article II of the convention as a possible commission of genocide. This term has repeatedly been further elucidated by the understanding requested by the Senate Foreign Relations Committee, that "mental harm" means "permanent physical injury to mental faculties." This to me seems a perfectly clear expression which can be applied without undue difficulty to specific cases. What opponents of the convention apparently desire is a definition of mental harm which would cover every conceivable instance of possible mental harm and spell out whether it comes under the convention's definition or not. Even I, not trained as a lawyer, know very well that no law can fully spell out its precise application; that is what courts of law are for. We can certainly expect this to be the case with the Genocide Convention.

Another aspect of "uncertainty" conjured up by opponents of the convention is the jurisdictional question. We are led to believe that enactment of the convention will mean that citizens of our country will be led away in chains to face the cruel sanctions imposed by an international penal tribunal. This, of course, would not be the case. Article VI of the convention stipulates—in completely clear English—that—

Persons charged with genocide or any of the other acts enumerated . . . shall be tried by a competent tribunal of the nation in

the territory of which the act was committed or by such international penal tribunal as may have jurisdiction with respect to those contracting parties which shall have accepted its jurisdiction.

This makes abundantly clear that implementation of the treaty provisions is wholly up to the signatories unless they agree otherwise.

Mr. President, we should ratify this convention without delay.

THE BIKEWAY PLAN

Mr. DOMINICK. Mr. President, it has come to my attention that the bicycle, one of our earlier forms of transportation, may hold the solution to some of today's environmental and traffic problems. A recent report compiled by the Denver Planning Office at the request of the Denver City Council, entitled "The Bikeway Plan," clearly shows the potential of the bicycle to eliminate air and noise pollution, reduce traffic problems, and promote physical fitness.

Prior to preparing "The Bikeway Plan," the Denver Planning Office conducted a survey and found that there are a significant number of bicycle commuters in the Denver area, and an even larger percentage of commuters who would use bicycles if bikeways were available. The planning office then developed a plan for a network of bicycle routes designed to give commuters living within a 5-mile radius of downtown Denver a clean, efficient, and economical alternative to driving to work. A pilot bicycle route from an outlying residential area to the heart of downtown Denver is being established with the expectation that this pilot route will lead to the establishment of a 164-mile network of bikeways for the Denver area.

Mr. President, it is only too well known a fact that each year our citizens become a little less physically fit, our air a little more polluted, and our traffic a great deal more unbearable. I am very pleased that Denver—along with several cities which have already developed extensive bikeway systems—is among the leaders in exploring the use of bicycles to reverse this trend.

I am indebted to Mr. Linden Blue, councilman at large of the city and county of Denver, for bringing this matter to my attention. I would like to take this opportunity to commend Mr. Blue for his leadership in the development of this idea, and applaud his associates at the Denver City Council and the Denver Planning Office for the excellent work they did in preparing "The Bikeway Plan."

EDWARD DURRELL STONE, ARCHITECTURAL GIANT

Mr. FULBRIGHT. Mr. President, in the February-March issue of the magazine Modern Maturity there appears an article by Arthur S. Freese entitled "The Man Who Designed It."

This article consists of an interview with the famous architect, Edward Durrell Stone, together with appropriate comments by the author of the article.

Mr. Stone has long been recognized as one of the greatest architects ever produced by our country.

I am especially proud of the fact that Mr. Stone is a native of my hometown Fayetteville, Ark., where he spent his youth and where his interest in architecture was first aroused by a local competition to build birdhouses.

I regret that the CONGRESSIONAL RECORD cannot reproduce the distinguished photograph of Mr. Stone which accompanies the article.

I ask unanimous consent to include the article as part of my remarks.

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

THE MAN WHO DESIGNED IT

(By Arthur S. Freese)

Edward Durell Stone has long straddled the architectural world as one of the few genuine giants of our era. His buildings cover the earth. He has built mosques in Jordan and science institutes in Pakistan. His El Panama Hotel in Panama City set the style for hotels from Hawaii to Istanbul.

Here in the United States, where he has designed buildings literally from coast to coast and border to border, his latest distinctive contribution is the new Ethel Percy Andrus Gerontology Center on the University of Southern California campus in Los Angeles.

Born on March 9, 1902, in little Fayetteville, Ark., Stone has spent 56 of his almost 71 years involved with building. At 14, he won a local competition for the design of a bird house and says the fame and fortune—his name was in the paper and he won $2.75—started him on his career.

In his early school, he recalls, "they didn't know the difference between a carpenter, an architect and a builder." But he moved to Boston where his older brother was an architect. Working as an office boy and studying at night, Edward Stone won three architectural scholarships; to Harvard, then to MIT, finally for advanced studies in Europe.

Returning to New York City in 1929, his first work was on the Waldorf Astoria Hotel. Then, while working on Rockefeller Center, he became friendly with Nelson Rockefeller who brought him into the Museum of Modern Art project as associate architect. As Stone says, "This was my first significant building and the first so-called modern building in New York—a very auspicious start." He was, by then, 35.

But architecture, he explains, "is not traditionally a young man's profession, since clients usually don't entrust the huge sums of money involved to an architect until he has built an organization." Pausing, he goes on with a mischievous chuckle: "As a rule of thumb, an architect only tools up for his life's work when he's about 50—so it pays to keep his health and live forever if he wants to get that life's work done."

With a string of doctorates and honorary awards, Stone has taught at Yale, Princeton, MIT, Cornell, Columbia, New York University and the University of Arkansas.

A few of his designs are the John F. Kennedy Center for the Performing Arts and the National Geographic Building in Washington, D.C., the American Pavilion at the 1957 Brussels World's Fair, New York's General Motors Building, Chicago's 80-story Standard Oil of Indiana Tower, and the Eisenhower Medical Center in Palm Desert, Calif. He was recently named architect for a $50 million hotel-resort complex outside Dubrovnik, Yugoslavia, overlooking the Adriatic Sea, and is said to be the first American architect to get a major commission in Eastern Europe.

What has this giant of modern art and architecture—for the two go hand in hand—to offer from his vast talent and experience? Here are some of his thoughts:

Which of your buildings do you like the best?

Architects go through phases in their careers. The Museum of Modern Art was in what we then called the "international style." When I was 50, I built the U.S. Embassy in New Delhi and it has a sentimental attachment for me—it was a landmark in my career, a striking departure and an individual personal approach. [This building has been called a masterpiece, one of the most significant structures of our century.]

What should architecture be?

The architect should never approach any problem with a preconceived idea. The building should grow out of all the circumstances—its relationship to the community, the reason for it, the client's wishes—all the considerations unique to that particular problem.

What were your goals in designing the Andrus Center?

When you work on a college campus with a tradition—and USC is one—it's very important that all the buildings be related in scale, size and material. USC's campus is fundamentady in the Romanesque tradition: It's a red brick campus of certain size buildings. I wanted to design something related, and the center is just that—a very basic solution to a building. It's historically good in that climate and in the architectural tradition of the area, being built around a beautiful garden or courtyard (or patio, as it is called there).

It had to satisfy all the requirements I've mentioned and the result is, I think you'll agree, a very distinguished building.

How do you rate the Andrus Center with your other buildings?

I think it's one of the recent *good* buildings. It rates high because it was built for and is harmonious with the particular place, climate and client.

How important is good architecture to a happier world?

It's one of the factors profoundly affecting man in his environment. Man responds to a beautiful environment. The Italians, for example, love the beauty of their cities and villages—they know how to live in them and relish them. They've planned for people, and the people are happy even though most of them have only very modest incomes.

What should older people look for in architecture, for greater happiness in their later years?

Buildings have lives just as human beings do. A simple way to get great pleasure from your environment is to have a rudimentary knowledge of architectural history; with this, you can follow the history of the whole development of the city. It's fascinating—and I'm sure there are primers on architectural history that can enable laymen to know where the ideas originated.

Are retirement communities a good thing?

I don't think *retirement* is a very good idea and I don't ever intend to retire unless I develop some physical infirmity. The painter Titan was 90; Churchill, Adenauer, Pope John, De Gaulle—all had some of their most productive years when they were elderly. I think man seeks his own justification through work and feeling useful, so giving up the enormous personal satisfaction of being useful to your fellow man is, *I* think, a mistake.

Retirement communities are not a good idea—they're places where you assemble a lot of people who've given up striving for a realization of their life's work.

What kind of home have you designed for yourself?

I haven't. It's amazing what you can do to express your personal taste by the transformation of a house, but I've never *built* a house for myself. Like the proverbial shoemaker? Exactly!

Should people change homes at different times of their lives?

My avocation is travel. Seeing how past civilizations lived inspires and recharges me. But I can only speak for myself—I like change, and I don't know how many different places I've lived in New York, Long Island, Connecticut. I think change is good for everyone.

How good is today's architecture?

Not very. In my profession—like most, I'm told—there are only a handful of architects who are any good: only 10 per cent are really qualified. I don't know whether I should be *in* that 10 per cent, but if not, it isn't for lack of effort!

How do you see the profession of architecture?

The responsibility of guiding a government or a great corporation in the expenditure of sometimes hundreds of millions of dollars is a fantastic vote of confidence, a great privilege not given to many people and I take it seriously. There's a moral obligation not to be cavalier with expenditures, to try to bring to this scene more than you derive from it. It's always hard to reconcile dreams with dollars—but that's one of the principal objectives of architecture.

What changes for the better have you seen in architecture?

I don't find many things that inspire me. There hasn't been much striving for excellence in architecture here since Thomas Jefferson. I would hasten to add, though, that in the last 20 years there is a concern about the ever-growing problems of pollution.

Should we have community planning for future building?

The only city the United States ever planned was Washington, D.C. Thomas Jefferson was an architect and George Washington, a surveyor; they started us off in a fabulous manner. But the country grew so fast that it was built without advance planning, and this was one of history's major irresponsibilities. Since the 1850's, nothing has been done right. Now it all has to be done over—and it will be. There's more realization now that buildings are not single objects but must all relate to a large pattern—should all be fitted into a grand plan.

How much attention should be given to ecological balance and the need to avoid overcrowding?

Only 20 years ago, no one had the faintest realization that we'd ruined our environment, poisoned our rivers, that our air was dangerous. They didn't even *use* the phrase ecological balance. Now they're in a panic.

We need more parks and plazas in the cities, less crowding, more room; places where people can be free of automobiles, like beautiful Venice, a city of pedestrians.

What is your recipe for happiness?

The great period of Greece was our highest civilization, a time of beauty and intelligence—yet they didn't have a word for happiness! The closest meant work in a worthy cause to a constructive end. That's how I feel. You can't get happiness from external things, it has to originate inside—from doing whatever you can to the fullest limits of your ability and for the benefit of your fellow man.

Is today's world better or worse off than when you were a child?

Things were relatively simple and idyllic when I was a boy—the problems my three sons face in our society today are very difficult with all the labyrinths and pitfalls of modern life.

What do you consider the world's greatest danger today?

I don't think there's any easy answer, but the single most alarming thing is the prospect of overpopulation.

What do you believe is the world's greatest hope?

Education, because through it you can alleviate such fundamental problems as hunger. It's the one sure route to the future.

What do you think is the world's greatest need?

Granted the basic problems are food, shelter, and so on—but education should dispel all these. Man has always relied on his spiritual life and should continue to do so.

If you had your life to live over, what would you do differently?

I'm sure that inadvertently I've hurt some people, but I know my motivations were acceptable and I have no regrets. I think I've been blessed and probably have gotten more out of life than I have deserved.

What is the most significant lesson you ever learned?

Maybe it's a banality, but I think you should really make certain that in every single instance when you deal with another human being you give more than you get—that's a fundamental belief of mine. I've tried to live that way and will continue to.

Have you any special advice for younger generations?

I've always been obsessed with excellence. I've tried to convey that idea to my three sons—and have succeeded.

What goal should one seek in life?

Excellence and, through its pursuit, justification of one's own existence. Only through searching for excellence can one find happiness.

How important is knowledge?

I'm not a scholarly or a reflective man. I can't sit under a tree with a book of poetry. I'm a man who's concerned with other people with making their lives more acceptable through their environment.

How important are friends?

Love of my fellow man is a very basic part of my life. I actually do genuinely love my fellow man, and I'm not presumptuous enough to believe I'm entitled to pass judgment on others.

How important are religious beliefs?

I personally find the Christian philosophy important and I like to live by it.

How important are the arts?

A friend of mine said all great periods of history are great only because of the art they produced. I find solace in that because I'm dedicated to the arts. No one is interested in who was mayor of Venice when Michelangelo created "David," or who was king of France when Chartres Cathedral was built.

How important is science?

Architecture is a combination of art and science. The invention of the elevator and the concept of framing a building with steel made possible the skyscraper, America's unique contribution to architecture. It has a "made in U.S.A." label on it.

Have you found most people, in the long run, to be good?

Yes, yes, yes! I long ago decided I wasn't going to live in suspicion of my fellow man. I work and live in trust of others, and I've very, very seldom been disappointed.

Which individuals among those you have known have you liked the most?

My wife. She's my inspiration and the most important person in my life.

If you could take a look at the world in 2073, what would you like to see?

That's a large order. Of course, the folly of war is incredible. If, by some miracle—I'm not optimistic—war were eliminated. . . .

THE DEDICATION OF MENDEL RIVERS PARK AND THE UNVEILING OF A MONUMENT OF THE LATE CONGRESSMAN IN CHARLESTON, S.C.

Mr. THURMOND. Mr. President, on March 23, 1973, a ceremony was held in downtown Charleston, S.C., dedicated to the memory of our late and distinguished colleague, Congressman L. Mendel Rivers.

It was a fitting tribute to a great American who contributed so much to the security of this Nation. A crowd of about 1,000 persons jammed the small park adjacent to the county courthouse where a monument of Congressman Rivers was unveiled by Mrs. Rivers.

Congressman F. EDWARD HÉBERT, the able successor to Mr. Rivers as chairman of the House Armed Services Committee, delivered the principal address. Other speakers were Gen. Mark W. Clark and Gov. John C. West.

In addition to Mrs. Rivers and other members of her family, the ceremony was attended by a sizable delegation from Washington and people from all walks of life in South Carolina. It was my pleasure to be among them. Throughout the short program there was praise for the patriotism which guided Congressman Rivers and which makes this country great.

Indeed, this Nation is better for having had the leadership and services of Mendel Rivers. His dedication and his foresight have left indelible lines of progress and patriotism for all of us to follow.

Mr. President, there were several newspaper articles and editorials published about the dedication ceremonies. I ask unanimous consent that four such accounts be included in the RECORD at the conclusion of my remarks. They are as follows: "Rivers' Patriotism Lauded," Charleston Evening Post, Charleston, S.C., March 23, 1973; "Rivers Monument," the News and Courier, Charleston, S.C., March 24, 1973; "Friends Dedicate Rivers Monument," the News and Courier, Charleston, S.C., March 24, 1973; and "Clark Lauds Rivers as 'Mighty Mendel'," the State, Columbia, S.C., March 24, 1973.

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

RIVERS' PATRIOTISM LAUDED

(By Sally Lofton)

A little girl clutching her Raggedy Ann doll, the working man and woman, the poor, the rich, and local, state and national leaders came out to pay tribute to the late L. Mendel Rivers today.

Several hundred persons attended the ceremony held to dedicate a monument erected in his honor in the County Courthouse Park.

Keynote speaker for the ceremony was U.S. Rep. F. Edward Hebert, chairman of the House Armed Services Committee. Hebert served in Congress with Rivers for 30 years; both of them were sworn in together in 1941.

Hebert said he remembered Rivers as "one of the greatest patriots of all time. . . for the great leadership he gave . . .

"I remember the heap of trouble we got into when I stumped for Strom Thurmond for President in Louisiana and Mendel stumped for him in South Carolina . . .

"I remember those of us in Congress who were fearful Charleston would sink if it got any more military here."

Hebert paraphrased a quote of John C. Calhoun whom he said Rivers patterned himself after, saying "At the essence of government is the consideration of public service as a public trust."

The Louisiana congressman said the memory of Mendel Rivers should be a blend of 'What I remember and what you remember

into a common memory of a great man, a great American whom you'll never forget."

Also speaking in tribute to Rivers was Gov. West, who said he should be remembered for making the term "freedom" have meaning and be a reality. Gen. Mark W. Clark, chairman of the Rivers Monument Committee, said he would remember Rivers as "Mendel the Mighty," a phrase which he said sums "his patriotism, his statesmanship, his many strengths."

Unveiling the bronze bust, sculptured by Willard Hirsch, was the congressman's widow. She was escorted by her son. S.C. Rep. L. Mendel Rivers Jr.

Among the guests at today's ceremony were Sen. Ernest F. Hollings and Sen Strom Thurmond, and U.S. Reps. Mendel J. Davis, Melvin Price, Bob Wilson, Samuel S. Stratton, Lucien N. Nedzi, William L. Dickinson, Floyd V. Hicks, Richard C. White, John E. Hunt, W. C. Daniel, Floyd D. Spence, Marjorie S. Holt and Robert W. Daniel Jr.

Also attending was Robert W. Stevens, former Secretary of the Army; Dewey J. Short, former chairman of the House Armed Services Committee; Gen. William C. Westmoreland, USA (ret.), former Army chief of staff; Vice Adm. Hyman T. Rickover and Maj. Gen. Marion L. Boswell of the Department of Defense; Maj. Gen. John R. Blandford, USMC, (ret.), former chief counsel of the House Armed Services Committee; Rear Adm. Alfred J. Whittle, commander of Submarine Flotila Six, Charleston Naval Base; and Brig. Gen. Robert L. Moeller, commander of the 436th Military Air Lift Wing at the Charleston Air Force Base.

RIVERS MONUMENT

Dedication on a sunny March day of a monument to the late L. Mendel Rivers paid honor to a renowned son of Charleston and added another spot of beauty to a famous neighborhood. The bronze bust by Charleston sculptor Willard Hirsch was unveiled by the congressman's widow, in the company of friends and admirers of her husband, in a small park between the venerable court house and the new county office building. An iron fence matches the one around Washington Square across Meeting Street near Broad.

In appropriate ceremonies, three speakers concisely and eloquently paid tribute to Mendel Rivers, a man they all knew well: Gov. John C. West, Rep. F. Edward Hébert, who succeeded Mr. Rivers as chairman of the House Armed Services Commitee, and Gen. Mark W. Clark, chairman of the Rivers Monument Committee. Distinguished guests from far and near were gathered in Meeting Street for the occasion, joined by people of the community. The News and Courier joins in applause for those who had a part in developing this tasteful memorial to Mendel Rivers. His name deserves to be known by generations yet to come.

FRIENDS DEDICATE RIVERS MONUMENT

(By Barbara S. Williams)

L. Mendel Rivers would have loved it.

His friends were there.

The crowd of 1,000 ranged from the "man on the street" to the star-studded military and the power politician.

The sky was blue, the music by the Sixth Naval District Band was stirring and the speeches contained the kind of poetic imagery Rivers liked.

While they sometimes drowned out the oratory, it somehow seemed appropriate that there were military planes in the sky as the L. Mendel Rivers Monument was dedicated Friday.

It was a time for reminiscing.

Rivers' successor as chairman of the House Armed Services Committee, Rep. F. Edward Hebert of Louisiana, mentally carried the crowd back in time.

Hebert remembered how he and Rivers stood together in the House chamber in Washington to take the oath of office in 1941.

The Louisiana Democrat also recalled the trouble he and Rivers got into with their party when they stumped their states for States Rights presidential candidate and now-Republican U.S. Sen. Strom Thurmond, who was among the crowd of dignitaries.

Hebert was among many in the audience who made the trip to the Birmingham, Ala., hospital where Rivers died of heart failure on Dec. 28, 1970. "I remember the last time I saw him there. So full of fire and life, giving me orders," Hebert recalled.

Rivers' final trip back home to the First District he had turned into a military stronghold also was on Hebert's mind. "I remember seeing the highways lined with people, black and white, waiting for the funeral cortege. They wanted to see for the last time a man who had been their friend," Hebert said.

Rivers' old friend, Gen. Mark W. Clark, who headed the monument committee, told the crowd that history should portray the late congressman as "Mendel the Mighty."

"It is the kind of title more Americans should seek. It is the way I shall fondly remember him. It sums up his patriotism, his statesmanship, his many strengths," Clark said.

Gov. John C. West described Rivers as a "man born to challenge and a man born to greatness."

". . . . He will be remembered as a man who defended his nation when many attacked it; he will be honored as a man who supported national defense when many criticized it; he will be saluted as a patriot when the term was not totally appreciated," West said.

The list of notables who came to Charleston to salute Rivers is long. It includes Vice Adm. Hyman G. Rickover, former Secretary of the Army; Robert T. Stevens, former Armed Services Committee Chairman; Dewey J. Short, South Carolina's congressional delegation, and the entire House Armed Services Committee. The crowd also included many just plain friends and employes, including long-time assistant Mrs. John Bull.

In the crowd were two Mendels, Rivers' son and godson, who have both climbed the political ladder since the congressman's death.

Mendel J. Davis succeeded Rivers as First District Congressman and L. Mendel Rivers Jr. is a new member of the State House of Representatives.

Young Rivers escorted his mother across Meeting Street to the new Courthouse Square Park where the monument is located. While the monument itself has been on view for several weeks, a bust of Rivers, by Charleston sculptor Willard Hirsch, was unveiled at the ceremony by Rivers' widow and son.

CLARK LAUDS RIVERS AS "MIGHTY MENDEL"

CHARLESTON.—The late Rep. L. Mendel Rivers, chairman of the House Armed Services Committee for five years, was lauded Friday by Gen. Mark W. Clark as "Mighty Mendel."

Clark, speaking at a dedication ceremony for a monument to Rivers, said the former First District congressman "was mighty and he was right."

The general, retired president of The Citadel, joined Gov. John C. West, current Armed Services Chairman F. Edward Hebert, D-La., and more than 100 other officials for the ceremony.

"He was a mighty man, a mighty servant of the people, a mighty politician, a mighty statesmen," said Clark. "Yes, he was mighty right."

About 700 citizens whom Rivers liked to call "My people" joined in paying tribute to Rivers during ceremonies in a small courtyard in the shadow of the historic Port City's county office building.

Rivers' widow and son, State Rep. L. Mendel River Jr., D-Charleston dedicated a large granite memorial and bronze bust of Rivers during the ceremony.

Hebert, the man who succeeded Rivers as chairman of the Armed Services Committee, was principal speaker.

He said be remembered Rivers as that "gangly kid born on the other side of the tracks who came up the hard way to become one of America's greatest patriots."

"No one who can remember Mendel Rivers can ever remember him acknowledging inferiority in anything he did," Hebert said.

"He sought always to reflect superiority."

West said Rivers knew that "only through strength could we bargain and negotiate for peace."

"I hope—as do all Americans—that we have reached the point that a true and meaningful peace can be achieved," he said.

"If we are successful, then our entire nation owes a debt of gratitude to L. Mendel Rivers, the man who kept America strong and helped it weather one of the most difficult periods in our nation's history."

West said Rivers' name would "take its place among the greatest Americans of our time" and he described the late congressman as a "man born to challenge, a man, born to greatness."

The entire House Armed Services Committee attended the event along with Sens. Ernest F. Hollings, D-S.C., and Strom Thurmond, R-S.C., and Rep. Mendel J. Davis, D-S.C., Rivers godson and successor in office.

The granite monument, enclosed in a high wrought-iron fence, described Rivers as a "Statesman and Patriot." A short inscription reads: "He spoke for his neighbors and strove to keep his country strong."

The monument and bust were made possible, in part, by small donations from Rivers' former constituents.

"This monument will be a tangible and visible reminder for generations to come of the affection and esteem which we held for him," said West.

SOCIAL SERVICES REGULATIONS COUNTERPRODUCTIVE

Mr. EAGLETON. Mr. President, new social services regulations proposed by the Department of Health, Education, and Welfare on February 16 would have a devastating effect on the ability of Missouri to provide meaningful services to public assistance recipients, and would virtually eliminate preventive and supportive services to enable families to stay off the welfare rolls and older people to remain in their homes.

Many aspects of the proposed regulations are open to criticism. In my view, those with the most serious implications are a prohibition against the use of private funds as a State's matching share and severe restrictions on eligibility for services of those who are not currently welfare recipients.

The immediate effect of these regulations in Missouri would be the closing down of a large number of day-care centers, forcing perhaps hundreds of families onto the welfare rolls.

Their effect, in the long term, would be to indefinitely postpone the development of vitally needed social services, including those which can enable older people to avoid institutionalization and remain in their homes.

DAY CARE JEOPARDIZED

One of the more important components of the social services program in Missouri is day care for the children of

working mothers. This day care is provided primarily through contracts with other public or private agencies and with the State's share of the funding coming from either private sources or model cities agencies.

A prohibition against the donation of private funds would put in immediate jeopardy day-care programs serving over 600 children in St. Louis, 60 to 70 children in St. Joseph, and 30 children in Mexico.

Uncertainties about the future of model cities funding affect a second day-care program in St. Louis serving over 200 children and day-care services for more than 600 children in Kansas City.

Putting aside the question of continued funding, the proposed regulations governing the eligibility of children to receive day-care services would disqualify large numbers of those children who now receive day care in Missouri.

Under existing regulations, social services may be made available to low-income families and individuals who are potential welfare recipients for a period of up to 5 years and to former welfare recipients for a period of up to 2 years.

Under the proposed regulations, a person leaving the welfare rolls would be deprived of supportive services, including day care, within 3 months. Services would be available to potential welfare recipients for a period of only 6 months, and only if their income did not exceed 133⅓ percent of the State's public assistance payment level.

Under these rules, the Kansas City Model Cities Agency estimates that 60 percent, or 450, of the children between the ages of 3 and 5 years now receiving day care in Kansas City would be made ineligible.

Mr. President, the effect of these regulations would be to deny day care to those families who can derive the most benefit from it. The end result could well be the addition of hundreds of Missouri families to the welfare rolls.

The Child Day Care Association of St. Louis estimates that 100 of the 600-odd families they serve could end up on welfare if their day-care eligibility is terminated.

In St. Joseph, as many as 52 former welfare recipients whose children now receive day care in the Wesley/Catholic Services day-care program might be forced to return to the welfare rolls.

Mr. President, how ironic it is that an administration which lauds the "work ethic," which professes concern for the "working poor," and which criticizes, and properly so, the disincentives built into our welfare programs should now say to a mother in St. Joseph, Mo.: "As long as you work so little that you qualify for welfare, you may have day care for your children. But if you work your way off welfare, then you must make other arrangements for your children or quit your job and go back on welfare."

SUPPORTIVE SERVICES FOR ELDERLY WOULD BE ELIMINATED

Under a law passed by Congress last year, the States are required to spend 90 percent of their social services funds for the elderly on services for current welfare recipients. This is a statutory requirement that I believe should be reconsidered.

In any event, the proposed regulations would make it virtually impossible for States to utilize even 10 percent of their funds for elderly persons not receiving old-age assistance.

Under current regulations, services may be provided beginning at age 60 to enable an elderly person to maintain his or her independence and avoid institutionalization. Under the proposed regulations no such services could be provided until 6 months before the person's 65th birthday.

The Kansas City Model Cities Agency tells me that 210, or 70 percent, of the elderly people it now serves with homemaker services, home-delivered meals, chore service, transportation, and protective care would become ineligible. The provision of adult services in the St. Louis model cities area would be similarly affected.

Mr. President, in my view, our efforts should be directed toward providing more adequate supportive services for the elderly. Without those services, many more of our senior citizens will be forced to leave their homes and turn to various forms of institutional care at a greater expense to the public and to their own self-esteem and dignity.

DEVELOPMENT OF NEW SERVICES WOULD BE THWARTED

Missouri has a relatively small social services program. Currently it receives Federal funds at an annual rate of $17 million even though its share under the $2.5 billion ceiling established by Congress last year is $57 million.

Prospects for the development of more adequate services for public assistance recipients and other low-income residents lie largely with the contribution of private funds.

If the use of such funds is prohibited, those prospects would vanish and a number of projects now in the developmental stage would have to be postponed indefinitely.

In St. Louis a coalition of voluntary agencies has agreed to provide necessary social services to the approximately 18,000 old age assistance recipients in that community. A communitywide network of information and referral services is also being planned. Both of these projects are dependent upon the use of private funds.

In St. Joseph a home health care project, a cooperative effort between a United Fund agency and two general hospitals, was to have been implemented later this year. If the use of private funds is prohibited, both that effort and a projected social services program for public housing residents in St. Joseph would go by the boards.

CONGRESS MAY ACT TO SAVE SOCIAL SERVICES

Mr. President, on February 14 a group of 46 Senators, in a letter addressed to Secretary Weinberger, expressed our concern about the proposed regulations.

I ask unanimous consent that the text of that letter and the Secretary's reply dated March 14, be printed at this point in my remarks.

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

FEBRUARY 14, 1973.

Hon. CASPAR WEINBERGER,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: We are extremely concerned about reports that forthcoming social service regulations may make fundamental changes in the operation of federally-assisted programs in the fields of day care, aid to the elderly, mental retardation and juvenile delinquency.

In particular, we would like to register our strong opposition to the reported administrative repeal of existing provisions which permit the use of privately contributed funds—from charitable organizations such as the United Way of America—to make up the required local or state match. This proposed change would seriously undermine the excellent existing private-public partnership approach to human problems. These kinds of cooperative efforts should be encouraged rather than discouraged.

Such an extreme change in the existing social services program is unwarranted. Fears of an uncontrollable budget in this area were resolved by the $2.5 billion ceiling on Title IV–A which the Congress adopted last year. And less extreme proposals for dealings with isolated examples for abuse have been offered by individuals such as former Secretary Richardson. We are attaching for your information a copy of a letter Secretary Richardson sent to Representative Wilbur Mills last October concerning this issue.

In addition, we would like to express our concern about other parts of the reported new regulations such as those which would repeal the current use of in-kind contributions for the non-federal match, deny day care eligibility to former welfare recipients just after this day care program has permitted them to find employment and leave the welfare rolls; and raise serious questions about whether the Federal Inter-agency Day Care Standards—which establish minimum protection for children in federally-assisted day care and which have been in effect for the past 5 years—will continue to apply.

We respectfully request that we be informed in advance about any proposed changes in areas such as these, and that if and when any changes are proposed they be available for public comment and later revision.

With warmest personal regards,
Sincerely,
Senators Mondale, Javits, Ribicoff, Packwood, Stevenson, Abourezk, Bayh, Beall, Brooke, Burdick, Case, Church, Cranston, Dominick, Eagleton, Fulbright, Gravel, Hart, Hartke, Hatfield, Hathaway, Huddleston, Hughes, Humphrey, Kennedy, Mathias, McGee, McGovern, McIntyre, Metcalf, Moss, Muskie, Nelson, Nunn, Pell, Percy, Randolph, Schweicker, Stafford, Stevens, Taft, Tunney, Williams, Clark, Montoya and Symington.

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., March 14, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAGLETON: Thank you for your expression of concern over the proposed revisions in the social service regulations which govern programs operated under the public assistance titles of the Social Security Act.

A Notice of Proposed Rule Making was printed in the Federal Register February 16. We believe the redirection in the regulations is consistent with Congressional intent when titles I, IV–A, X, XIV, and XVI were amended in 1962 to allow 75% Federal matching of the costs of social services.

The amendments were added to encourage States to provide services in order to help people receiving public assistance to become self-supporting or self-sufficient and to prevent families and individuals from becoming dependent on welfare. The Administration has always understood that these programs were targeted entirely for the poor and near poor, among whom are some mentally retarded persons, as well as aged persons and youth in danger of delinquency. Other Departmental authorities, however, are designed specifically to serve individuals and groups with special problems such as mental retardation, regardless of income. Eligibility for federally supported public assistance social service programs is limited to families and individuals on welfare and those who are very close to dependency on such assistance.

The Department has been engaged in a lengthy discussion of the use of private funds as the State's share in claiming Federal match. Members of Congress, particularly those on the Senate Finance Committee, have expressed concern over continued recognition of these funds. This matter also was brought up recently in the hearing on my confirmation as Secretary of Health, Education, and Welfare. Consistent with the concerns expressed, we have included a prohibition on the use of these funds in the proposed regulations. You may be assured that the Department will analyze very carefully comments on this subject in order to determine the most appropriate position. However, at no time has use of in-kind contributions been valid for matching under these programs. These rules imply no change in that prohibition.

There appears to be some misunderstanding of the intent of the proposed revisions. At State option, any family in danger of becoming dependent on welfare within six months is eligible to receive day care and other services in order to allow the caretaker to accept training or employment. If such a family is not eligible as a former recipient within the three-month limitation, but might be forced to return to welfare without day care services, it is possible that the family may again be determined to be eligible under the "potential" category. The six-months' limitation for potential recipients does not preclude receipt of services for a longer period of time; it does require States to certify, at the end of the six-month period, that the recipient is still in immediate danger of welfare dependency if services were not provided. The purpose of the provision is to make certain that States do periodically review these categories.

We are mindful of the necessity and importance of day care standards. The existing Federal Interagency Day Care Requirements are now under intensive review and will become effective as soon as final clearance and approval procedures are completed.

The purpose of publishing proposed regulations is to stimulate discussion of the provisions before final rules are set. After you and members of your staff have studied the proposed regulations, we hope you will comment further. I am asking Departmental staff to be available to assist in interpreting specific provisions to assure a better understanding of the purposes of the revised regulations.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

Mr. EAGLETON. Mr. President, on March 14, a bipartisan group of Senators, under the leadership of the Senator from Minnesota (Mr. MONDALE) introduced S. 1220, a bill to limit the authority of the Secretary of Health, Education, and Welfare to promulgate regulations governing the social services program.

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

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

S. 1220

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

SEC. 2. (a) The regulations of the Secretary of Health, Education, and Welfare (relating to the administration of titles, I, X, XIV, and XVI, and part A of title IV, of the Social Security Act) as in effect on January 1, 1973, shall remain in full force and effect insofar as such regulations relate to—

(1) the use of privately contributed funds and inkind contributions as part of State expenditures, in determining (for purposes of any such title or part A) the amount of the Federal contribution to which any State is entitled on account of expenditures incurred by the State for social services under a State plan approved under any such title or part A: *Provided,* That the Secretary may clarify requirements that such privately contributed funds be expended in accordance with a State plan.

(2) the authority of any State, under any such plan, to define the categories or classes of individuals who are eligible to receive such social services;

(3) the authority of any State, under any such plan, to include, as social services, drug and alcohol treatment programs, education and training services, and comprehensive service programs for children, the elderly, or the disabled (including such programs for mentally retarded children and adults);

(4) reporting requirements of States, under any such plan, with respect to the provision of social services; or

(5) the standards imposed, under any such plan, with respect to the provision, as social services, of day care services.

(b) No regulation, promulgated by the Secretary of Health, Education, and Welfare after January 1, 1973, shall have any force or effect, and any such regulation shall be invalid, if, and insofar as, such regulation is inconsistent with the provisions of subsection (a).

Mr. EAGLETON. Mr. President, briefly, this bill would preserve existing regulations relating to—

The use of privately contributed funds and inkind contributions to make up the State's matching share;

The authority of the States to provide services to past welfare recipients for up to 2 years and to potential welfare recipients for up to 5 years;

The authority of the States to provide drug and alcohol treatment programs, education and training services; and comprehensive services for children, the elderly and the disabled;

The application of day-care standards; and

Reporting requirements of the States.

Mr. President, I am hopeful that Secretary Weinberger and his Department will recognize the counterproductive nature of the proposed social services regulations. I cannot believe that this administration really wants to take actions that would penalize industry and self-reliance or that would require the institutionalization of additional numbers of our elderly citizens.

However, if the final regulations to be issued by HEW do not provide for the continued use of private funds and do not preserve the ability of the States to provide preventive and supportive social services, then I will join with Senator MONDALE in an effort to obtain the expeditious enactment of S. 1220.

Mr. President, I ask unanimous consent that there be printed at the conclusion of my remarks resolutions adopted by the Missouri House of Representatives and the City Council of Kansas City; a statement by Bert Shulimson, director of the Missouri Division of Welfare; and communications from James E. Meyers, president, health and welfare council of Metropolitan St. Louis; Donald Checkett, executive director, child day care association of St. Louis; Frank E. Boykin, chairman, board of commissioners, St. Louis Housing Authority; Samella Gates, director, Kansas City Model Cities Agency; and Robert L. Slater, president, and Rabbi Stephen Arnold, chairman of the planning committee, St. Joseph Area United Fund.

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

MISSOURI HOUSE OF REPRESENTATIVES—RESOLUTION

Whereas, the Department of Health, Education and Welfare has proposed new regulations that will affect the delivery of Social Services under the Social Security Act; and

Whereas, these regulations, if enacted, would seriously curtail, if not eliminate many of the services Missouri has been able to provide for low-income families, senior citizens, and child welfare programs; and

Whereas, some of these services are protective services to children and adults, including health related, employment, educational, day care, family planning, foster care, and homemaker services; and

Whereas, the proposed regulations, if and when effective, will have the effect of discouraging the poor, both on and off public assistance rolls, from exerting further efforts to break the poverty cycle in which they are entrapped, and of encouraging or even requiring low-income parents who have now broken the poverty cycle to return to the status of welfare recipients for lack of financial ability to provide day care for children; and

Whereas, the Missouri Division of Welfare's capability to deliver these essential social services may well bid to have a disastrous impact on the urban centers of St. Louis, Kansas City, Springfield, St. Joseph and others;

Now, therefore, be it resolved, that the House of Representatives of the 77th General Assembly of the State of Missouri hereby expresses its dismay and objection to the proposed new Social and Rehabilitation Service Regulations of the Department of Health, Education and Welfare on the delivery of Social Services in Missouri, and petitions such modification of these regulations as will assure the continuance of all services currently offered to its low-income citizens; and

Be it further resolved, that this Resolution be adopted and that copies hereof be provided to Mr. Casper W. Weinberger, Secretary of Health, Education and Welfare; to Mr. Phillip J. Rutledge, Acting Administrator, Social and Rehabilitation Service; to Mr. Robert Davis, Regional Commissioner, Social and Rehabilitation Service; to each of the Missouri members of the United States Senate and House of Representatives, thus conveying the conviction of the General Assembly that such proposed change, if permitted to stand, will result in serious harm and dan-

ger to the general well-being of the citizens of the sovereign State of Missouri.

Offered by Representative Phillip B. Curls, et al.

I, Agnes Moore, Chief Clerk of the House of Representatives of the 77th General Assembly, certify that the above is a true and correct copy of House Resolution No. 118 adopted by the House of Representatives, March 15, 1973.

AGNES MOORE,
Chief Clerk.

RESOLUTION

Expressing dismay at the impact of social and rehabilitation service regulations proposed by the Department of Health, Education, and Welfare of the United States, on child day care programs

Whereas, among many federally funded programs of value to the community now facing drastic reduction or outright curtailment under new fiscal policies of the federal government, the Child Day Care Program is ingeniously devised and of unique value, in that its benefits, largely directed to low-income employed parents, have enabled former welfare recipients to accept employment and to remove themselves from public assistance rolls, and have freed mothers, otherwise required to remain at home to supervise their children, to augment the family income above the poverty level by accepting gainful employment; and

Whereas, new Social and Rehabilitation Service Regulations proposed by the Department of Health, Education and Welfare of the United States, by effectively restricting the funding of Day Care programs to children of current welfare recipients, threaten to reduce the number of children now cared for by such projects in Kansas City by more than 60%; and

Whereas, such proposed regulations, if and when effective, will have the effect of discouraging the poor, both on and off public assistance rolls, from making further efforts to break the poverty cycle in which they are entrapped, and of encouraging or even requiring, low-income parents who have now broken the poverty cycle to return to the status of welfare recipients for lack of acceptable and economically feasible facilities for day care of their children; and

Whereas, the Council is dismayed at the impact of such proposed regulations on Child Day Care Programs, and on the lives of hundreds of deserving citizens of this City to whom such programs represent the sole opportunity to escape from the ignominy of poverty and reach the dignity of self support and self respect; Now, therefore,

Be it resolved by the Council of Kansas City:

That the Council hereby express its dismay at the impact of new Social and Rehabilitation Service Regulations, proposed by the Department of Health, Education and Welfare of the United States, on Child Day Care programs, in Kansas City, and throughout the Nation; and

Be it further resolved, that this Resolution be spread upon the minutes of the Council in testimony thereof, and that copies hereof be provided to Mr. Caspar W. Weinberger, Secretary of Health, Education and Welfare, to Mr. Philip J. Rutledge, Acting Administrator, Social and Rehabilitation Service, to Mr. Robert Davis, Regional Commissioner, Social and Rehabilitation Service, to each of the Missouri members of the United States Senate, and to each member of the United States House of Representatives from a Congressional District including any portion of the City of Kansas City, Missouri, in token of the deep conviction of the Council that such regulations, if permitted to stand, will destroy important fibers in the fabric of American self sufficiency and self respect.

STATEMENT

(By Bert Shulimson, Director, Missouri Division of Welfare)

On February 16 the Department of Health, Education, and Welfare published a proposed set of new regulations affecting the social services program under the Social Security Act. We believe these regulations, if they are finalized, will severely restrict the ability of Missouri to provide adequate social services through this agency.

However, a thirty day period prior to the final adoption of the proposed regulations will be given to any comments, suggestions or objections. We are submitting our objections to Washington and, in addition, are advising Governor Bond and the members of the Missouri Congressional delegation of our objections. Furthermore, members of the Missouri General Assembly, members of the County Welfare Commissions, and private agencies and organizations that provide services to welfare recipients will have our comments.

At the present time nearly $25 million is being spent per year on social services to low income families and public assistance recipients in Missouri. Seventy-five percent of the cost of these services has been provided by Federal Government while the remaining twenty-five percent is money that has been appropriated by the State Legislature or is private funds donated by other public and private agencies.

Some of the services that are provided are protective services to children and adults, health related services, employment services, educational services, day care services, family planning services, foster care services, and homemaker services. Some or all of these services are presently available to all welfare recipients and other low income families residing in model cities areas or in designated public housing facilities. The proposed regulations could drastically curtail the Federal funds available to the state for these social services.

Some of the more restrictive provisions of the new regulations include the elimination of the use of private donated funds to match Federal funds, a narrow definition of eligibility for low income families to receive social services, overly restrictive and burdensome procedures for the administration of such programs, the limitation of the kinds of services which can be matched by the Federal Government, and a significant loss of Federal matching funds for the state's child welfare program.

We are concerned about the impact of these regulations on low income families in Missouri. These regulations are exceedingly harsh and will substantially reduce social services to families in need. The definition of services to "former and potential" recipients has been so limited as to make the procedures unworkable and unusable. Especially since so many other programs providing services to the poor are about to be curtailed, it is unfortunate that low income families and public assistance recipients must now suffer a reduction in welfare services which help to break the cycle of poverty.

The most profound affect of the new regulations would be to virtually eliminate the Division of Welfare's capability to purchase certain social services such as day care from private agencies or other government organizations. Since many families presently receiving services will be unable to pay for the cost of these services, many day care programs and agencies will be forced out of operation. Thus in additon to thousands of low income children and adults being denied these services, as many as 500 jobs in day care centers and other service programs will be jeopardized.

The attached tables list and describe the purchase of service programs which most probably will have to be eliminated. Letters have been sent to the private agencies we are contracting with advising them of the precarious situation and the public housing and model cities programs will be contacted shortly.

The proposed regulations will also place Missouri's child welfare program in difficulty since a major portion of the present Federal matching funds will no longer be available for the cost of providing these services. More state revenue will have to be appropriated to offset this reduction.

Other restrictions will affect the eligibility for services of those recipients in model cities and Federal housing units. The requirement that the Division of Welfare would have to individually certify every child and every person who was to receive purchase of services, describe the kind of services to be purchased, and justify the need for them would necessitate a complete new paperwork procedure. An assistance recipient would no longer be automatically eligible for such services just because he was an active assistance recipient and a new determination by Welfare staff would have to be made on a quarterly basis. These are procedures which are not being done at the present time and most assuredly the Division of Welfare does not have the service staff and the money to comply with these regulations.

In short the proposed regulations would effectively reduce the amount of money which would be spent on the provision of social services through private agencies and other units of state and local government. The major restrictions in the new regulations to contend with being: prohibition of the use of private donated funds as match; reduction in the percentage of "former and potential" recipients who can be served; elimination of group services and provision for individual services based on an individual service plan; and a quarterly redetermination of eligibility for services. These restrictions, taken either individually or collectively, will hamper the operation of the service program.

We are hopeful that the Federal Government will rescind much of what is contained in the proposed regulations. We understand that these regulations were designed to curtail social service expenditures in those states which had taken unfair advantage of "loop holes" in the laws. Contrary to statements originating from Washington, the Missouri Division of Welfare program has been "clean" and Federal dollars have been well spent. No Division of Welfare staff or outside agency personnel have "got fat" providing social services. No funds intended for services have been used to build roads, buy uniforms, or make films, to mention a few abuses that have apparently taken place in other states.

The total loss of Federal matching money for the 1973–74 fiscal year is estimated to be in excess of $7.5 million with the total loss in dollars for services to be $10 million. This will represent a thirty-three percent reduction in funds available for social services in fiscal 1974 as compared with fiscal 1973.

We had planned to expand our social services program in fiscal 1974 to take advantage of money authorized by Congress in the Revenue Sharing Act. Missouri's share was to have been $57 million. It now appears entirely unrealistic for us to expect to be able to match these funds without support from the private sector and other government agencies. To add to the problem, it is now believed that the Department of Health, Education and Welfare will not spend as much as Congress has provided and Missouri's share for social services will only be about $40 million.

The states and other parties will have until March 19, 1973 to object or comment on the proposed social services regulations, and any

such communications should be addressed to the Administrator, Social and Rehabilitation Service, Department of Health, Education and Welfare, 330 Independence Avenue, S.W. Washington, D.C.

PROGRAM DESCRIPTIONS

I. Provider: Child Day Care Association of St. Louis.

Donor: Health and Welfare Council of Metropolitan St. Louis.

This program provides Day Care services to children from families who are current recipients of AFDC as well as former and potential recipients residing within Model Cities Neighborhoods or Housing Authority. The geographic area served by this contract is Metropolitan St. Louis and during January 1973, CDCA provided services to a total of 627 children. The total approved budget for this project is $140,000.00.

II. Provider: Wesley/Catholic Services.

Donor: United Community Council of St. Joseph.

This program provides Day Care services to current AFDC recipients and former and potential recipients residing in St. Joseph and Buchanan County. During January 1973, W/CS served a total of 45 children and the approved budget for this project is $60,960.00.

III. Provider: Kansas City Model Day Care Corporation.

Donor: Kansas City Model Cities.

Program provides Day Care Services to children from families who are current AFDC recipients or former and potential recipients residing within Housing Authority or Model Cities neighborhoods. Geographic area covered by this agreement is Metropolitan Kansas City and Jackson County. Total number of children served during January 1973, was 329 and approved budget for this project is $2,400,000.00.

IV. Provider: Early Childhood Education Center, Kansas City Board of Education.

Donor: Kansas City Model Cities.

Program provides Day Care Services to children from families of current AFDC recipients as well as former and potential clients residing in Model Cities Neighborhoods or Housing Authority. Geographic area served by this program includes Metropolitan Kansas City and Jackson County. A total of 359 children received services under this program in January 1973, and the approved budget for this program is $800,763.00.

V. Provider: St. Louis Division of Community Services.

Donor: St. Louis Model Cities.

This program provides protective, transportation, homemaker, home delivered meals, and chore services to current recipients of OAA, AB, and PTD residing in the Metropolitan St. Louis area. The program also provides these services to former and potential recipients living within the Model Cities neighborhoods and Housing Authority in this same geographic area. Approved budget for this program is $644,752.00.

VI. Provider: Early Child Care Development Corporation.

Donor: St. Louis Model Cities.

Program provides Day Care services to children from families currently receiving AFDC and former and potential recipients living in the Model Cities neighborhoods and Housing Authority. Geographic area by this program is St. Louis Metropolitan area. During January 1973, 230 children received services and approved budget for the project is $1,478,560.00.

VII. Provider: Housing Authority Social Service Center, Health and Welfare Council.

Donor: St. Louis Housing Authority.

Program provides Information and Referral, job development and counseling, community planning, and social group activities to current, former and potential recipients of assistance, with the exception of GR and BP to residents of public housing in the St. Louis Metropolitan area. Approved budget for this program is $1,705,152.00.

VIII. Provider: Services for the Elderly, Human Resources Corporation.

Donor: Kansas City Model Cities.

This program provides the same social services to the same client population as the program in St. Louis (see #V) which is sponsored by St. Louis Model Cities; approved budget for this program is $400,000.00.

IX. Provider: Sikeston Child Day Care.

Donor: Bootheel Regional Planning Commission.

Program provides Day Care Services to children from current AFDC families and former and potential recipients living within the Housing Authority. Geographic area served by this program is Scott County. Total of 30 children received services in January 1973. Total approved budget for the program is $49,439.05.

X. Provider: American Camping Association.

Donor: Health and Welfare Council of Metropolitan St. Louis.

This program provides summer camping experience for children from families who are current recipients of AFDC in St. Louis City, St. Louis County, Jefferson, St. Charles, and Franklin Counties. Total budget for this program which operates primarily during the summer is $565,339.00.

XI. Provider: National Youth Development Foundation.

Donor: United Community Services of Jackson County.

Program provides same services as provided under purchase agreement with American Camping Association in remaining areas of the State not covered by ACA contract. This project also operates primarily during summer and approved budget is $375,000.00.

XII. Provider: Courtney Community Child Care Center.

Donor: Mexico Housing Authority.

Provides Day Care Services to children from families in Audrain County who are current recipients of AFDC and former and potential recipients living in Mexico Housing Authority. Total of 28 children received service in January 1973; and approved budget is $39,600.00. Program was initiated in November 1972.

XIII. Provider: Serve, Incorporated.

Donor: Fulton Housing Authority.

Program provides Homemaker services, Home Delivered Meals, Educational, Employment, Housing Improvement, and Social Group Activities to current recipients of all categories except GR and BP in Callaway County and former and potential recipients in Fulton Housing Authority. Approved budget for program is $69,113.17. Program initiated in Mid-December.

XIV. Provider: East Central Missouri Mental Health Center.

Donor: Mexico Housing Authority.

This program provides the same services as program of Fulton Housing Authority, but eligible clients are limited to current recipients of assistance residing in Mexico Housing Authority. Program was approved on February 15, 1973, and is not yet in operation. Approved budget is $43,500.00.

XV. Provider: Information and Referral Health and Welfare Council.

Donor: Metropolitan Association of Philanthropy.

This contract was approved in June 1972, as a planning contract for the development of a network of Information and Referral for the St. Louis Metropolitan area. Original amount of contract was $50,240.00, but contract expires February 28, 1973, and may not be renewed under new regulations.

HEALTH AND WELFARE COUNCIL,
OF METROPOLITAN ST. LOUIS, INC.,
St. Louis, Mo., February 28, 1973.

Hon. THOMAS F. EAGLETON,
Senate Office Building,
Washington, D.C.

DEAR TOM: On behalf of the Board of Directors of the Health & Welfare Council I have today sent the enclosed letter regarding the proposed social service regulations to the Administrator of the Social and Rehabilitation Service of the Department of Health, Education and Welfare.

First, let me thank you for co-signing the letter to Secretary Weinberger on this subject. We appreciate your prompt and forceful action.

The implications of these regulations cause us great concern. They will severely restrict the ability of both the public and voluntary agencies to serve those in need. On one hand our State Division of Welfare will provide fewer services to less people. On the other hand the demand on the voluntary agencies will increase substantially while the amount of governmental support will either be decreased or in some areas totally eliminated.

Let me cite some specific examples:

Twenty-one day care centers (list enclosed) in our community are serving approximately 600 children on AFDC. If the prohibition against the use of voluntary funds goes into effect, these 600 children may be deprived of this service unless either the State provides the local matching funds or the United Fund or some other voluntary source provides the amount currently coming from the Federal government. Even if the prohibition against the use of private funds is eliminated from the proposed regulations, approximately 90 of these children may no longer be eligible for this service because of the restrictive new eligibility requirements.

Approximately 3,000 children on AFDC have attended 39 different camps operated by 17 voluntary agencies in our community. A copy of the camps and agencies is enclosed. This program is endangered on two grounds. First, it is dependent upon the use of private funds for matching purposes; and second, the proposed regulations seem to eliminate camping as a service in which the Federal government participates financially.

Our social sevice program serving the tenants of public housing will have to be cut back severely if the prohibition against "area eligibility" goes into effect and if information and referral services is no longer a permissible service. We have been developing this program for over a year and may now find that a significant investment of time and Federal money may go down the drain.

A number of important programs in our community are now in the developmental stage. These efforts will have to be terminated as a result of the proposed new regulations. A coalition of voluntary agencies has agreed to provide the necessary social service to Old Age Assistance recipients, of which there are approximately 18,000 in our community. This effort has been given a high priority by the Division of Welfare but is again dependent largely upon the use of private funds for matching purposes. The other project in danger is a community-wide network of information and referral sevices. This network would result in a more effective utilization of all our health and social welfare resources. It would also assist the Social Security Administration in carrying out a mandate given to them by the President last summer.

You can see from the above examples that the proposed regulations affect a large number of people and agencies in our community. Anything that you can do to avert the negative impact of these regulations will be deeply

appreciated by those citizens affected by them.

Sincerely yours,

JAMES E. MEYERS,
President.

HEALTH AND WELFARE COUNCIL OF METROPOLITAN ST. LOUIS, INC.,
St. Louis, Mo., February 27, 1973.

ADMINISTRATOR,
Social and Rehabilitation Service, Department of Health, Education and Welfare, Washington, D.C.

DEAR SIR:

The Health and Welfare Council of Metropolitan St. Louis, a voluntary association representing close to two hundred health and social welfare agencies, and business, labor, professional and other civic organizations appreciates the opportunity to comment upon the proposed regulations pertaining to the provision of services for families and children and for aged, blind or disabled individuals published in tentative form on February 16th, 1973. The contents of this letter have been approved by our Board of Directors at a regularly scheduled meeting on February 27, 1973.

We are impressed with the clarity and precision of the regulations and especially applaud the emphasis upon specific goal achievement. While there may be certain administrative problems with the stricter requirements for individual service plans we believe this emphasis is laudatory and if implemented through the provision of all required services will produce tangible results.

There are, however, a number of provisions in the proposed regulations which cause us great concern and we wish to comment on these in detail.

Reduction of mandatory services.

Families and Children: The proposed regulations reduce the mandatory services to be provided by each State to family planning, foster care and protective services for children. While each of these mandatory services are desirable and should be available throughout each State, the proposed reduction of mandatory services is deficient for the following two reasons:

(1) They appear to be in violation of the statutory requirements for services of Title IV A of the Social Security Act;

(2) They negate both the intent of the law and make it impossible to achieve the service goals stated in the proposed regulations.

Title IV A of the Social Security Act states that a State plan must provide a program of family services which will assist the recipients to attain or retain capability for self support and care, and maintain and strengthen family life. Family services are defined as services to a family or any member thereof for the purpose of preserving, rehabilitating, reuniting, or strengthening the family, and such other services as will assist members of a family to attain or retain capability for the maximum self support and personal independence.

The proposed regulations state that the services to be provided must be directed to the achievement of the following specific goals:

(1) Self support goal: To achieve and maintain the feasible level of employment and economic self sufficiency.

(2) Self sufficiency goal: To achieve and maintain personal independence, self determination and security, including for children the achievement of potential for eventual independent living.

In view of the statutory requirement for family services and the specific goals of self support and self sufficiency we believe that limiting mandatory services to family planning, foster care and protective services for children is undesirable and self defeating.

The three mandatory services address themselves only to certain aspects of the definition of family services and only deal with a portion of the "self sufficiency goal." None of the mandatory services are related to the self support goal which we believe is of equal importance.

We, therefore, urge that the entire subject of mandatory services be thoroughly reexamined before new regulations are proposed and implemented. We are especially concerned about the elimination of the following mandatory services which appear under the following headings in the current regulations: 220.17 Employment objectives; 220.18 Child care services; 220.22 Services to meet particular needs of families and children; 220.24 Services related to health needs; and 220.25 Legal services.

Aged, Blind and Disabled: While we recognize that Titles I, X, XIV, and XVI do not require mandatory services for the aged, blind or disabled we believe that the current regulations which make certain services mandatory are sound and should be retained. The language in the proposed regulations which refers to services in the adult categories as "defined" services is undesirable and may lead to a further deterioration of services for those population groups.

Other comments on services: The proposed regulations reclassify a number of mandatory services as optional services and eliminate others completely. Our concern about the reduction of mandatory services has been expressed in the previous section. Throughout the proposed regulations we note an obvious limitation of specific services to be provided—either mandatory or optional—and a deemphasis or elimination of those services which focus on prevention, rehabilitation, protection of legal rights, and the development aspects of family life generally and children specially, and the removal of barriers which prevent families and individuals from becoming self supporting and self sufficient.

Specifically we note that because of the limited definitions of services the provision of resident camping and information and referral may have inadvertently been completely eliminated. Resident camping contributes substantially to helping children attain personal independence and achieve the potential for eventual independent living. Information and referral services result in maximum utilization of public and voluntary agencies providing similar or related services which is one of the requirements of both the current and proposed regulations.

Limitation of the definition of "former" and "potential" recipients: One of the positive aspects of our public assistance programs, has been the fact that while financial assistance was limited to those who met specific and in some states overly rigid income and resource limitations, services could be provided to a far wider population.

The intent of providing services to former and potential recipients is to enable those who have been recipients to remain self supporting and self sufficient and to prevent others from becoming dependent upon financial assistance payments. The current regulations define "former" and "potential" quite broadly. This, in our judgment, is wise and foresighted. It is better to provide social services to families and individuals while they are still comparatively self supporting and self sufficient instead of waiting until they are just one step from destitution.

The proposed regulations by severely limiting the definition of "former" and "potential" recipients constitute a serious step backward. While these proposed regulations may save money in the short run they will result in greater costs in the long run. They will on one hand serve as a disincentive for recipients to leave the assistance programs and on the other hand many others who would never become recipients because of the availability of services will actually wind up as recipients.

We, therefore, urge that the current regulations pertaining to "former" and "potential" recipients be retained substantially in their present form. We also believe that the current regulations which permit group or area eligibility are sound and economical and should be retained.

Prohibition against use of donated funds for matching purposes: The proposed regulations state: "Donated private funds or in-kind contributions may not be considered as the State's share in claiming Federal reimbursement."

Current regulations read: "Donated private funds for services may be considered as State funds in claiming Federal reimbursement. . . ."

The current regulations, in our judgment, if properly enforced contain adequate safeguards against the misuse of the utilization of private funds. The provision permitting the use of private funds has resulted in a sound partnership between the governmental and voluntary sectors. Furthermore, it has tended to result in a better utilization of liimted financial and human resources.

We want to assure that in our community this provision has not resulted in reduced allocations of voluntary funds to the social services provided under the Social Security Act but has been used for increasing and improving the quantity and quality of these services.

During the past year 3,668 children have received day care and camping services as a result of $300,000 of donated funds. If the proposed regulations remain unchanged these children will be deprived of services unless the State legislature replaces these funds.

Not only do we strongly urge the retention of the current provision but its use should be encouraged wherever feasible. If this provision is eliminated it will severly damage the social services programs for those most in need.

Sincerely yours,

JAMES E. MEYERS,
President.

CHILD DAY CARE ASSOCIATION OF ST. LOUIS,
St. Louis, Mo., March 9, 1973.

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

DEAR MR. PRESIDENT: We wish to call your attention to the impact proposed HEW regulations would have on the lives of working ADC families and other working poor persons in St. Louis.

The regulations prohibiting the use of private funds as matching funds for social service programs would immediately stop day care services to 527 working ADC mothers in St. Louis and in addition, would stop day care services to another 100 non-ADC working poor. The effect of this appears to be diametrically opposed to your own stated goals for the attainment of personal independence.

If the intent of this regulation is to force states to assume the matching fund responsibility, then it seems vitally important to allow them a year in which to plan for the assumption of this responsibility. If you intend to substitute special revenue sharing funds, then the action ought to wait until such legislation is passed. Failure to allow a phasing over period will simply mean the loss of day care services to working parents and the destruction of their ability to maintain their employed status.

The regulation which restricts the definition of former and potential recipients has an equally destructive effect on poor families striving to stay off welfare. The 100 plus such families we are serving will very likely end up on the welfare rolls if their ability to receive employment related day care services is destroyed. The use of geographic eligibility (Model City area and public hous-

ing) is an important tool in the fight against poverty, particularly if it is restricted to those families under the poverty guidelines who reside in such areas.

The regulation which requires certification, an individual plan and periodic re-verification is one we agree with in principal, however, it should be broadened somewhat so that as a nation, we do not spend a disproportionate amount of time, effort and money on a constant bureaucratic merry-go-round of paper-work. Let's limit service to eligible persons but let's do it in a reasonable manner which does not wind up defeating its own purpose.

The concept of private and public money working together is a valuable one and should be maintained. It is, in fact, the first really viable example of this concept in practice. If there have been abuses, regulations can be devised to curb the abuses. It is not necessary to destroy the entire concept in the process.

We appreciate this opportunity to express our point of view and sincerely trust that you will see the validity of our position on these matters and instruct the Department of Health, Education and Welfare to modify the proposed regulations accordingly.

Sincerely,

DONALD CHECKETT,
Executive Director.

ST. LOUIS HOUSING AUTHORITY,
St. Louis, Mo., March 8, 1973.

ADMINISTRATOR,
Social and Rehabilitation Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR SIR: I wish to comment upon the proposed social service regulations published in tentative form on February 16, 1973.

The St. Louis Housing Authority has long been aware of the inadequacies of social services to its tenants, most of whom are either current, former or potential recipients of public assistance. After many false starts the Missouri Division of Welfare decided to purchase through the Health & Welfare Council of Metropolitan St. Louis, comprehensive social services, including information and referral services, for the tenants of our various projects. This purchase of service arrangement fully utilizes the concept of goal oriented social service delivery. The program is now in the second year of its existence and is beginning to show some initial results.

We believe that the proposed regulations seriously endanger our project for the following reasons:

1. While our tenant population is composed predominantly of (approximately 75 percent) current public assistance recipients, it also includes a significant number of former and potential recipients who will be excluded from services under the proposed regulations. These former and potential recipients are struggling to remain off the public assistance programs and should not be penalized for this effort by being denied extremely valuable social services.

2. We have found that the information and referral services provided in each of our housing projects has been of great value in assisting tenants to obtain services from public and voluntary agencies in our community. Frequently, these services have been provided at no cost to the State agency.

3. The most prevalent problem faced by our tenants is in the area of employment. The social services program, therefore, has concentrated heavily on assisting tenants to become partially or fully self-supporting. This has required the provision of a variety of social services, all of which are currently included as mandatory services. Limiting the mandatory services to family planning, foster care and protective services for children will make the task of rehabilitating our tenant population far more difficult, if not impossible.

4. Some of the services provided to public housing tenants have been made possible through the donation of voluntary funds. If such funds may no longer be used for matching purposes, these services, we are afraid, will no longer be available to our tenants.

For the above reasons, we urge that the proposed regulations be changed in order to enable the Division of Welfare to continue operating a comprehensive social services program for our tenants. The specific changes which we suggest are:

1. To make all services mandatory which are required to help families and individuals achieve the goal of self support and self sufficiency.

2. To make I & R a service in which the Federal government will financially participate.

3. To retain the current definitions of former and potential.

4. To permit the continued utilization of private funds for matching purposes.

We are sure that you will give these comments your most serious consideration.

Sincerely yours,

FRANK E. BOYKIN,
Chairman, Board of Commissioners.

MODEL CITIES,
CITY OF KANSAS CITY, MO.,
March 16, 1973.

MR. PHILIP J. RUTLEDGE,
Acting Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. RUTLEDGE: On behalf of the Kansas City, Missouri Model Cities Agency, I am writing to express our grave concern and to comment adversely on the proposed regulation published in the Federal Register of February 16, 1973 relative to the Title IV–A program of social services for children, and the elderly.

In order to better focus your attention and demonstrate the magnitude of the potential problems we are facing, I will confine my review and comments to a single item, the proposed eligibility requirements, and the effect of those requirements on projects which Model Cities is now funding.

Model Cities now provides local matching funds for two projects under Title IV–A: Day Care and Social Services for the Elderly. Under the new proposed eligibility requirements 450 children between 3 and 5 years old (more than 60%) would be ineligible for day care services and 210 elderly (more than 70%) would also be ineligible.

On the surface, it would seem that Model Cities is providing matching funds to services for a large number of non-welfare families and individuals who can pay for the services and thus are not intended to have the benefit of those services. But a simple examination of AFDC and OAA payments will shatter this illusion. In the State of Missouri, the AFDC payment for a mother with 4 children is $121.00 monthly. The OAA payment for an elderly individual is $85.00 monthly. 133⅓% of $121.00 and $85.00 is $161.00 and $113.00 respectively. We question your interpretation of the statutory language as saying in effect that only those families (e.g., mother with 4 children who have income of less than $161.00, and elderly individuals who have income of less than $113.00 are potential welfare recipients and thus qualify for Title IV–A programs. Many states, including Missouri, define eligibility for AFDC and OAA on the basis of minimum level necessary for subsistance but provide payments which are substantially below that state-determined level. This is a fact of life, especially for a large portion of Model Neighborhood residents.

In addition, we also question the wisdom for this interpretation for the following reasons:

(1) In view of the widely known disparity of AFDC and OAA payments between states, we don't believe it's wise nor reasonable to relate income requirements for potential welfare recipients to the welfare payments the state is presently providing. We have been using OEO poverty guidelines as income eligibility requirements. The OEO poverty guidelines are far more realistic for indicating a minimum level of subsistence, and they are applied nation-wide as we believe is the intent of federal social legislation.

(2) It is to the advantage of those individuals served, the community in which they live, the state and the nation as a whole to have social services provided to a wider range of income levels than the proposed regulation would allow. We trust HEW, with its vast investment in social programs, understands that it is not only important but almost mandatory to have wide income-group participation to make social service programs successful. Our experience with the Model Cities Program certainly reaffirms this point. If the proposed regulation is put into effect, it would be most ironic that while HUD is learning painfully through the experience of concentrating poverty families, location-wise, HEW is in effect promoting a similar type of concentration program-wise.

(3) There is a good chance that the families and elderly individual will try to be qualified as AFDC or OAA recipients in order to take advantage of social service and day care programs. We believe this is a direct contradiction to the legislative intent, but for the many borderline cases we expect this would be the result of the regulation. (e.g. it is only natural for an elderly person who has only social security income to try to qualify for OAA even only for a small portion of it in order to receive benefits from the social service for elderly project.)

Our concern is definitely shared by the City, the State, and many others who are involved in Social Programs. Though we believe they have written to yon individually, we do wish to call to your attention the attached copy of resolution no. 42387 of the Kansas City, Missouri, City Council relative to this issue.

In closing, I want only to re-emphasize that we are unequivocally opposed to the proposed changes in Title IV–A eligibility as published in the February 16, 1973 Federal Register.

Sincerely,

SAMELLA GATES,
Director.

ST. JOSEPH AREA UNITED FUND,
St. Joseph, Mo., March 9, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

SIR: I am taking this opportunity to comment and advise of our official Board action on the proposed regulations on social services as published in the Federal Register on February 16, 1973. This proposal will drastically eliminate or curtail a number of essential social services presently being provided in St. Joseph to those individuals presently eligible.

Specifically, the proposed regulations will:

(a) eliminate Day Care services for 74 children, and may cause 52 former welfare recipients now participating in these programs to return to the welfare roles.

(b) leave dozens of low-income families without essential Home Health Care services which were proposed as a cooperative project between a United Fund agency and two general hospitals for implementation later in the year.

(c) drastically reduce the number of low-income children who will be able to attend summer camp this year in YMCA and Girl Scout programs.

(d) eliminate or indefinitely postpone vital social services to residents of public housing and other low-income family housing projects within the metropolitan St. Joseph area.

The particular regulations that severely

limit our ability to serve individuals in need within our community are the following:

(a) Section 221.6 *Eligibility.*

This section places such restrictions on former and potential client service eligibility as to make such persons virtually indistinguishable from current recipients. Such restrictions fail to recognize the preventive and supportive aspects of current programs which keep people free from dependency and contribute to the well-being of the total community.

(b) Section 221.61 (a) and 221.62 *Private Donated Funds.*

The use of private donated funds would have virtually no impact on the expansion of services because of the ceiling placed on social service allotments to states under the State and Local Fiscal Assistance Act of 1972. If proposed eligibility requirements are maintained, this would further limit increases in social service expenditures.

Furthermore, the restrictions on the use of such donated funds precludes the possibility of maintaining a viable public/private partnership in the delivery of human care services in a comprehensive and coordinated manner.

(c) Section 221.5 *Optional Services.*

This section, by limiting the number of optional services under Family and Adult Services, prevents flexibility in designing other programs which have been of significant benefit to our community, for example, information and referral services, family planning, etc.

We are cognizant of and support the stated goals behind the change in regulations; namely, to substitute more careful procedures for assuring that dollars allocated will be spent in the best interests of those needing the services the most. We believe that this can be accomplished by a careful review and possible revision of the regulations and eligibility requirements; however, we do not believe that this can be done within a thirty-day period.

On behalf of hundreds of benficiaries who will be denied vital community services, we ask your reconsideration of the actions taken on February 16.

Sincerely,

RABBI STEPHEN ARNOLD,
Chairman, United Fund Planning Committee.

ROBERT L. SLATER,
President, St. Joseph Area United Fund.

KATE RODEN: PORTRAIT OF A YOUTH VOLUNTEER

Mr. PERCY. Mr. President, the February issue of the Mental Retardation News featured an article about Miss Kate Roden, an extraordinary young Illinois woman, who is a nursing student at the Youth National Association for Retarded Children.

Miss Roden's activities in the two areas of mental retardation and physical health care represent a combination of talent and interest that will be of tremendous benefit not only to her patients, but also to the rest of us who will be indirectly affected by her career. I congratulate Miss Roden on the fine accomplishments of her term as president of YNARC and wish her much success in her chosen field of service.

Kate Roden's achievements and ambitions can be held up as models for us all. I ask unanimous consent that the article from the Mental Retardation News be included at this point in the RECORD.

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

KATE RODEN: PORTRAIT OF A YOUTH VOLUNTEER

For a young woman who has said "I could never devote my life to any one subject," Kate Roden has a headstart on accomplishing just the opposite. This pert, 21-year-old president of Youth NARC has been involved in the field of mental retardation as a volunteer since she was ten.

Kate's involvement is due in part to the close relationship between her and her older sister, Barbara, who is mentally retarded. As a child, Barbara would experience epileptic seizures. When the seizure would begin, Mr. and Mrs. Roden would send Kate and her two brothers out of the room. "I used to go outside and walk around wondering if she was going to die. It was quite frightening because I didn't understand what was happening. And it seemed to me that my parents spent more time with her than with me," Kate recollected.

One day as Mrs. Roden was working on a dress in the sewing room, young Kate appeared at the door and declared, "You don't love me as much as you love Barbs!" Mrs. Roden stopped sewing and according to Kate, "She just engulfed me with her arms and my parents knew I was ready and needed to learn about mental retardation and what it meant."

Kate was rarely embarrassed by her sister's retardation, mostly frustrated by the lack of understanding from other children.

"My sister is a very loving and sensitive person. And she knows she cannot do everything we can do. She's discussed it with me often. But she is very proud of the things she can do well. She likes to sew, although she needs a little help in finishing the garment. And she is really quite a good artist."

SERVED ON WISCONSIN COMMITTEE

Kate's mother, a special education teacher, and father have been involved in local associations for retarded persons. So, when the Youth ARC movement first started gaining ground in Wisconsin just four months after grants from the Alcoa Aluminum Corporation and the federal government made it possible for NARC to initiate a youth activities program, Kate was chosen to serve on the steering committee which organized a May 1968 conference to kick-off the state wide association. It is to Kate's and her fellow-committee members' credit that the Wisconsin Youth ARC has become one of the strongest in the Youth NARC chain which now has 15,000 members and over 500 local associations.

Although the organizational aspect of the youth group has changed somewhat since its inception six years ago, the personal aspect and its purpose remain the same—young people helping retarded persons of all ages. That help might include a Youth ARC member spending an afternoon in the park with a retarded child, or, it might encompass a full scale campaign for needed facilities within the community. Recently, after Youth NARC membership became alarmed at the high incidence of retardation due to lead poisoning, a conference to establish a coalition of youth volunteers to work toward the eradication of lead poisoning was held, funded by the Department of Health, Education & Welfare's Bureau for Community Environmental Management.

"Youth NARC is an ideal situation for young people who really want to do something," Kate said in interview with *Mental Retardation News.* "We are saying, 'Hey! There's a need here, and we're willing to help do something about it!' It gives us an opportunity to show our community and civic concern and at the same time learn about careers in the field of mental retardation and health care."

A young person doesn't have to be interested in mental retardation and health care as a career, however, to become a member of a Youth ARC. Any person between the ages of 13 and 25 is eligible to join his local group. If there is no local Youth ARC, he can obtain information about the group closest to his home by writing NARC headquarters in Arlington, Texas.

DEVELOP LEADERSHIP ABILITIES

Being a member of Youth NARC also affords a young person the chance to develop leadership abilities while working within the framework of the organization. Kate is one of the many who have taken advantage of this learning experience. Three years after serving on the steering committee in Wisconsin, she was elected president of Youth NARC.

DISTINCTIVE STYLE

That election opened the door to many new and exciting experiences for Kate, each of them challenging and rewarding. And she has met them all with great finesse. For in spite of any apprehension she may have felt, Kate has brought a distinctive inimitable style to the presidency. She has insisted on the personal touch in every respect of her administration—writing her own letters of appointment and corresponding with Youth ARC leaders across the nation.

She takes great delight in dropping in on Youth meetings unannounced and participating in the interaction before identifying herself. "It's really fantastic. They know who I am before they know what office I hold, and we really communicate on a person-to-person basis."

DEDICATED TO COOPERATIVE EFFORT

In addition to her many other achievements, Kate has been particularly dedicated to generating a spirit of cooperative effort on the part of adult and youth members within NARC. This is most evident in the work of the Interaction Committee which she chairs. In discharging its responsibility to effect divisional status for Youth within NARC, the committee has obtained approval for a new organizational model which strengthens the voice of local and state Youth ARCs by giving state presidents direct voice in setting national priorities. It is a great source of pride to Kate that the NARC constitutional amendment which will formally recognize the Youth group as a division of NARC has been initiated during her final term as president.

"I think the new working relationship between Youth and adult ARCs is fantastic. We need this. The divisional status will give us a broader base from which to work. It will help give us greater national visibility," she said.

Preliminary discussions and plans for the change were begun in 1971, Kate's first year in office. In the months that followed, she devoted much of her time to helping draft the model for divisional status and Youth ARC bylaws. Ratification of the bylaws is expected at the upcoming Youth ARC Convention to be held in August at Boise, Idaho.

Coming to the presidency after a four-year period of rapid membership growth, Kate geared much of her effort to organizational development. Due in part to her unrelentless drive to see better understanding between youth and adults, some dozen Youth members have been appointed to serve on various NARC committees, including the extremely active Membership Development Committee. And in addition, a task force which is currently writing proposed standards for the evaluation of member units is including a section for Youth ARCs.

MATURITY OF JUDGMENT

"A great deal of credit for the divisional status goes to Kate," said Marion Smith, NARC Senior Vice President. Smith, who is President Robert L. Jensen's special representative to the Youth ARC Interaction Committee, has worked closely with Kate during her administration. "She had some pretty tough homework facing her, and the enthusiasm and dedication with which she pursued it has helped to make the new status a reality.

"Kate has shown a maturity of judgment that many adults might feel is uncommon in a young person," he continued. "Her creativity in problem-solving has enabled us to quickly and logically resolve some situations that might otherwise have been a deterrent in the continued development of Youth NARC.

"In addition to being an articulate and knowledgeable spokeswoman for Youth, I feel strongly that Kate has made a lasting contribution in helping to build a firm foundation for Youth NARC in the years to come."

TIME AND TRAVEL

If Kate were unprepared for any aspect of her presidency it might be the great amount of time she must devote to it. For instance, recently she flew out of O'Hare in Chicago on a Thursday to attend the Southeast Regional Conference in Orlando, Fla., and was there for three days before returning to school. Two days later she left for Minneapolis for a three day meeting of the American Association on Mental Deficiency in which she also holds membership. She finished in Minnesota at 5 AM and headed immediately for Pendleton, Ore., and the Northwest Regional Conference. Two days later she was back at school trying to catch up on all the classes she had missed and getting ready for the Iowa Youth ARC Convention which started the next week.

JUNIOR NURSING STUDENT

Somehow, however, she has managed to squeeze in enough college hours to become a junior nursing student at the University of Illinois, Kate spends five hours per week attending lectures at the Medical Center and twenty hours per week working at a Cook County Hospital in Chicago as required to receive a Bachelor of Science degree in nursing.

"You have to learn all the textbook things, naturally. I could cite you the symptoms of and treatments for metabolic acidosis—but, really, I don't know what it's all about until I've worked with a child who is suffering from the effects of diarrhea."

She recently completed a pediatric unit and has attended children who are mentally retarded. One of her patients was a two-and-a-half-year-old boy who was mentally retarded. "As a nurse I could understand his physiological problems, but I also had a sensitivity to his retardation and could understand it, too. I think I communicated with him and that gave me a true sense of meeting his needs."

Public health holds particular intrigue for Kate as a career possibility, and she feels that at this time, at least, she is headed in that direction. "I don't think I could fit into the regimented pattern of a hospital. And, I prefer working with the emotional needs of the patient and his family as well as the medical needs. I guess you could say that I have a humanistic approach toward nursing."

PHILOSOPHY OF EDUCATION

You might also say that she has a "humanistic" approach toward many things—one of which is education: "Education isn't necessarily what you learn from books, you know. Education is the total of your experiences—it's what you learn in the pursuit of life."

Putting her words into action, Kate has taken time off from her formal education to seek work experience. After her freshman year which was spent at Beloit College, she participated in a field program. Her first assignment was at the Cooperative School and Rehabilitation Center in St. Paul, working with young adults with mental retardation.

After four months there, she moved to Rochester, Minn., where she was a live-in volunteer at the Former Adolescent Psychiatric Unit of Mayo Clinic. Her five months in Rochester turned out to be some of the most memorable of her life. "I will never regret taking the time to do this. I learned so much about myself.

"One of my projects was to help the director of the unit with a new diagnostic form designed to do away with labels—like schizophrenic, paranoid. Just like we're trying to do away with the labeling of retarded persons."

RAP SESSIONS IMPORTANT

Kate is into communication among people. Her idea of an exciting evening is one spent with a few friends—sharing experiences and talking. This is not unusual, however, for her family has been having "rap sessions" all her life. The Rodens are undeniably part of that seemingly vanishing breed—the family unit.

Home for Kate is a rambling farmhouse on the Illinois side of the Wisconsin-Illinois stateline, about 10 miles out of Beloit. Their farm itself is not in any town, but part of a group of rural communities. Kate's home overlooks 140 acres of farmland, replete with a pond that's ideal for ice skating after the first good freeze. None of her ancestors were farmers, however, at least none in Kates recollection. As a matter of fact, her grandfather was an inventor of sorts. He came up with an idea for a special mailing wrapper device and founded the "Pull the String" Mailing Wrapper Company in 1894. Kate's father has kept the family business going with the able assistance of his only employee, "Gerty," a trustworthy machine that has been spitting out mailing labels for nearly a century.

KEPT FAMILY TRADITION

Not only have the Rodens kept the family business alive, but the family tradition of doing things together has been nourished also. They always seem to have a project going. Several years ago, the project was refurbishing a retired school bus, painting it and furnishing it with beds, sofa, table and chairs. When completed, it was a great camper and dutifully hauled the Roden troupe on many an expedition across the United States.

PROJECT IN THE WORKS

One of their biggest undertakings is still in the works. They are planning to build a small residential facility for retarded persons on several acres of their land. In this project, Barbs is leading the way with what may prove to be the most valuable advice since she can offer personal observations on what a mentally retarded person needs and wants most. Although realization of the facility is still several years away, it will be completed with their special brand of togetherness.

Perhaps it is the support and encouragement of her family that has enabled Kate to work so diligently as the number one volunteer in Youth NARC. She is never hesitant to get a plug in, wherever or whenever possible. For instance, displayed prominently on the briefcase she carries is a bold, bright sticker bearing the initials Y.A.R.C. (Youth Associations for Retarded Children). Kate said, "You'd be surprised how many people ask me what it means!" And, of course, she is always willing to tell the story of youth volunteers.

She is also willing to discuss the future of Youth NARC. "One of the most important things, I think, is joining with adult members of NARC in pressing for the application of the knowledge we now have. Some European countries have taken what we know and put it into action, accomplishing great things for their retarded citizens. And, we must never stop looking for the answers to why there is retardation and also get involved in prevention.

"In the future," she continued, "I think you will see even greater membership growth." Citing current Citizen Advocacy activities by Youth ARCs in such states as Illinois, Florida, Nebraska and Tennessee, she said, "I think you will also see young people who are advocates for the human rights of all individuals, young people who can speak with knowledge about mental retardation, and young people who are willing to help provide the manpower necessary to offer increased services to mentally retarded persons."

WILL SERVE AS PAST PRESIDENT

One of those young people will no doubt continue to be Kate Roden. Although her term as Youth NARC President is up in August, she will continue to serve on the board of directors as immediate past president. After that, Kate would like to get back to volunteerism on a one-to-one basis, in a less administrative capacity.

Whatever she decides to do, you can be assured that Kate will do it with the same determination she displayed as an adolescent when she marched confidently up to her father and announced, "I want to be a person of my own. I don't want to be known just as Harlan Roden's daughter!"

He smiled and sympathized, "I know what you mean, Kate. It's the same for me. In many places, I'm known as Kate Roden's father!"

But when you think about it, Kate Roden's father must be a pretty nice person to be.

DOES NOT CONCUR WITH VA STUDY

Mr. DOLE. Mr. President, the Topeka, Kans., State Journal of March 8, 1973, carried a most interesting interview with Dr. Mark Ardis, director of the Veteran's Hospital in Topeka.

Dr. Ardis points out that the Topeka VA Hospital was not visited by congressional staffers who recently conducted a secret study of the care and treatment of veterans in VA hospitals which resulted in critical conclusions of the VA hospital system.

The interview was most informative and I would like to share it with my colleagues in the Senate.

I ask unanimous consent that the interview with Dr. Mark Ardis be entered into the RECORD.

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

TOPEKA'S UNIT NOT VISITED

(By Stannie Anderson)

Topeka VA Hospital was not one of the 14 VA hospitals visited and criticized by a congressional committee and "as far as I am concerned, the hospital here provides excellent care comparable to any hospital in the community," Dr. Mark Ardis, director, said today.

The hospital director said seven personnel positions were dropped "in the recent shuffle as a part of the economy moves. These were partly from current vacancies that we simply won't fill. We have made every effort to keep the cuts in areas that do not affect patient care."

Topeka VA is not on the verge of being closed, he emphasized, and there have been many indications to the contrary. Among them are the intensive care unit being completed and the activation of a nuclear medicine unit, for which approval has been received to purchase $100,000 worth of equipment.

Dr. Ardis said that if VA hospital quarters are cramped, they would not meet hospital accreditation standards.

"At the present time, as far as I know, there is no hospital in the VA system that is not accredited. In the private sector there are a good many hospitals that are not accredited. So there's an absolute inconsistency there. The accreditation standards are very clear cut, and no hospital is accredited unless it meets the standards."

Discussing the charge that daily census figures of VA hospitals over the nation have pad-

ded their figures by 2,000, Dr. Ardis said Topeka VA had as many as five beds recently that it couldn't use for anywhere from a day to a week in one building while installing bedside oxygen.

He did not feel this was a significant number. Nor did he feel that 2,000 beds out of service among the approximately 98,000 operating beds over the nation was significant on any one particular day, because the average daily patient load is about 35,000 this year.

"At the present time at Topeka VA we have no waiting list in medical or surgical wards," Dr. Ardis said. "We do have a waiting list in psychiatry and in the intermediate service (extended care). But there is never a waiting list for an emergency or for treatment of a service-connected ailment. Waiting for psychiatric treatment, for a non-emergency patient, may be about two weeks."

HO CHI MINH

Mr. FULBRIGHT. Mr. President, Mr. Lloyd Shearer, in the March 18 Parade magazine, wrote a succinct and lucid article about a recent book by Mr. Charles Fenn, entitled "Ho Chi Minh." It is one of the most interesting, short descriptions of some of the circumstances of our engagement in Indochina that I have seen. I ask unanimous consent that it be inserted in the RECORD as part of my remarks.

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

WHEN HO CHI MINH WAS AN INTELLIGENCE AGENT FOR THE UNITED STATES

(By Lloyd Shearer)

DUBLIN, IRELAND.—Charles Fenn, an American intelligence agent who had worked for The Associated Press in China and India, recruited the kind, bearded old gentleman towards the end of World War II. Fenn recruited him in the Indochina cafe on Chin-Pi Street in Kunming, China, in March, 1945.

The gentleman, then 55, lived in a small, dank room above a candle shop. He wore Chinese-type cotton trousers and jacket and spent most of his spare time in "The American Office of War Information, where he read everything from Time magazine to the Encyclopedia Americana."

Fenn gave him the code name Lucius and agreed to supply him with radio equipment, a radio operator, arms and medical supplies.

In return, Lucius and his band of Vietnam guerrillas agreed to fight the common enemy, Japan, to rescue American airmen who were shot down in Indochina, and to provide the Americans with the latest intelligence. As part of the deal Lucius also asked to meet Gen. Claire Chennault, then commanding the U.S. 14th Air Force in China.

ONE PHOTO, SIX PISTOLS

At the meeting Lucius was gracious, diplomatic and said he wanted only one favor from the American general, an autographed photo. Chennault was only too happy to comply. Later, Lucius asked Charles Fenn for one further favor: "Six new Colt .45 automatic pistols in their original wrappings."

With Chennault's autographed photo and the six .45's, Lucius was able to become the leader of the Vietminh and to help rescue 17 American airmen.

In August, 1945, when the Americans dropped atomic bombs on Hiroshima and Nagasaki, Lucius wrote a final letter to Charles Fenn.

"The war is finished," he wrote in English. "It is good for everybody. I feel only sorry that our American friends have to leave us so soon. And their leaving this country means that relations between you and us will be more difficult.

"The war is won. But we small countries and subject countries have no share, or very small share, we have still to fight. I believe that your sympaty (sic) and the sympaty of the great American people will always be with us.

"I also remain sure that sooner or later, we will attain our aim because it is just. And our country get independent. I am looking forward for the happy day of meeting you and our other American friends in Indochina or in the U.S.A.!"

Lucius was Ho Chi Minh, the Communist father of Vietnam, who died in 1969 and never lived to see his country united or at peace.

RUNS ARTISTS COLONY

Fenn, 65, who now runs an artists colony in Schull, a fishing village of 500 in County Cork, Ireland, tells how he first recruited "Uncle Ho" into the U.S. intelligence network, how Ho operated behind the lines, how he was compelled to fight on against the French and later, the Americans.

It's all in his worthy, objective, revealing book, *Ho Chi Minh*, which Scribner's plans to publish within the next few months.

"The first time I met Ho," Fenn recalls, "was on March 17, 1945, in the Office of War Information in Kunming, China. I kept a diary—extracts are printed in my book—which is why I'm so exact about the date.

"Back then I was an agent for OSS, the Office of Strategic Services which was later to become the Central Intelligence Agency. My assignment was to work with another intelligence group operating in Indochina, a group known as GBT, from the initials of three Allied civilians, formerly employed by an oil company in Saigon. These three were L. L. Gordon, a Canadian; Harry Bernard, an American, and Frank Tan, a Chinese-American. They had superb French contacts and supplied the Allies with the best intelligence on Vietnam until the Japanese wiped out their French contacts. I was then ordered to replace those contacts with a Vietnamese network of agents.

"Kunming in early 1945," Fenn narrates, "was filled with Vietnamese—they were called Annamites—but we had been warned not to use them since no one seemed to know which of them were reliable and which were not.

"An officer I knew in AGAS, still another operational U.S. intelligence agency (Air Ground Aid Services), told me there was an old Annamite in Kunming who had rescued an American pilot down in Vietnam, a Lieut. Shaw, and who also controlled a rather large political group in Vietnam.

"A meeting was arranged, and Ho came with a young associate named Fam. Ho wasn't at all what I expected. He had a silvery wisp of a beard, which gave him the appearance of an elder, but his eyes were bright and alert and all his movements were vigorous. We spoke in French. He told me that what he wanted from the Americans was recognition of his group, the Vietminh or the League of Independence, something which some of our OSS men had previously denied him.

COMMUNIST QUERY

"I remember asking Ho if his Vietminh group was Communist, and he said the French called all Vietnamese who wanted their independence, Communists. I told him something about our work and asked if he would be interested in providing us with intelligence on Japanese movements. He said yes but that he had neither radios nor men who knew how to operate such sophisticated equipment.

"I told him that it could all be arranged and asked what he wanted in return. He said arms and medicines. We agreed to meet again.

"At our next meeting," Fenn continues, "we discussed radio equipment, the logistics of supplying Ho's group and which of us would accompany him back to his cave headquarters in Bac Bo, Vietnam. It was at this meeting that Ho again asked to see General Claire Chennault. We agreed to arrange such a meeting providing Ho didn't ask the general for anything.

"On the 29th of March, Ho met Gen. Chennault, who gave him a photo and signed it, 'Yours Sincerely, Claire L. Chennault.'

BECOMES TOP MAN

"Weeks later, after we had flown Ho down to the border in one of our small taxi planes, an L–5, and he had walked back into Vietnam, he invited all the top leaders of Vietnam, his political rivals, to a meeting. He told them that he had secured the help of the Americans and Gen. Chennault in particular. When his rivals doubted him, Ho whipped out Chennault's autographed photo, then gave as a gift to each of the leaders, one of the six Colt automatics we had previously supplied him with. That clinched it for him. From that point on Ho Chi Minh was the number-one man in Vietnam, and we had a trusted agent whom we regularly supplied with weapons, radio equipment, operators, and medicine. All of it served to reinforce his position and status.

"I wanted to join Ho but AGAS wouldn't let me parachute into his headquarters. Instead we dropped in a young officer named Phelan. Like the rest of us, Phelan started out suspicious of Ho, particularly because of his Communist background, but ended up convinced that the old man was a selfless, dedicated patriot.

"Ho set up an excellent intelligence network of native agents, and he served us well, very well. We exchanged correspondence for some time but I regret that circumstances prevented me from ever seeing him again.

"Unfortunately some of the men OSS sent into Vietnam were not the most perceptive and intelligent men we had. I have frequently wondered if America might have found in Ho, not merely a second Tito but a new species of political animal—one who could transmute Marxism into true internationalism."

When I asked Charles Fenn if he thought the current cease-fire in Vietnam would work, he said, "in my opinion it will work long enough to extricate the U.S. forces and prisoners of war from Vietnam, but I doubt if it will work for the Vietnamese.

"After all, the South Vietnamese and the U.S. together were unable to beat the North Vietnamese and the Viet Cong. Can it seriously be supposed that the South Vietnamese by themselves can now have a better success?

"The elections in Vietnam" he predicted, "can take place only against a background of squabbles, intimidation and bitter accusations of rigging. If the North Vietnamese lose, they will certainly find ways to sabotage the elected government as being falsely instigated. They will make it unworkable. They will take over in a series of coups, some of them bloodless. I should think this might happen within a year or two.

MUST OFFER SUBSTITUTE

"If we deplore this situation," he went on, "we need to remember that the evil lies not so much in such high-handed methods as in the U.S. having supported, as it did in China, a regime which was unable to win the hearts and minds of the population. It is not much good being anti-Communist (or anti-anything) if you cannot offer people a substitute they believe in."

Fenn, like other authorities on Vietnam, believes that had President Truman and his Secretary of State Dean Acheson been more knowledgeable and farsighted, had they been more tolerant and open-minded with their one-time intelligence agent, Ho Chi Minh, and his nationalist-Communist background—as President Nixon is of the Soviet

Union's Leonid Brezhnev and China's Mao Tse-tung—then the U.S. might never have gotten so long and expensively bogged down in the tragic Vietnamese quagmire.

Surely in hindsight that was the single most costly error of the Truman-Acheson and subsequent U.S. Administrations.

PRODUCTIVITY IN THE FOOD INDUSTRY

Mr. JAVITS. Mr. President, I testified on March 14 in support of the extension of the authorization for the National Commission on Productivity, a commission which was set up by legislation I introduced.

The purpose of the Productivity Commission is to seek solutions to a national crisis which evolved during the 1960's; namely, the reduced output per man-hour of American workers. This problem has caused us great damage in our international competitive position, and it also generates inflation at home. For if productivity does not keep pace with increased labor costs, the result is—as it has been in the United States over the past 5 years—reflected in higher prices of goods produced.

Since the food industry has a huge impact on the cost of living, and since the food price component in recent years and the most recent wholesale price index has risen steeply and exorbitantly, the success or failure of productivity in that area is of major concern; even though Americans now spend a lower percentage of their disposable income on food than any other people in the world. In order for this to be true in the future, the food industry in this country must find new and innovative ways to bring food from the farmer to the table.

Prof. Gordon Bloom has recently completed a comprehensive study of productivity in food area, a work entitled "Productivity in the Food Industry: Problems and Potential." Because of the impact that the food industry's productivity record has on our country's productivity gains, Mr. President, I ask unanimous consent that a summary of Mr. Bloom's book be printed in the RECORD.

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

PRODUCTIVITY IN THE FOOD INDUSTRY: PROBLEMS AND POTENTIAL

(By Dr. Gordon F. Bloom)

The American food industry has performed an outstanding job in bringing an abundance of food to the American consumer at low prices. In no other country in the world do consumers spend such a low percentage of disposable income on food as in the United States. This record of achievement has resulted from the individual efforts of thousands of manufaturers, wholesalers, and retailers to lower costs and to improve the efficiency of their own businesses.

The American food industry will continue to make such efforts to further improve efficiency in the future. But such individualistic efforts are unlikely to be able to cope with the cost pressures which now face the industry. The pressures arising from consumerism, environmental concerns, increasing demand for meat and other products, and rising costs in agriculture stemming from the growth of union organization, a rising minimum wage, and other factors are likely to be felt at the checkout counters in the form of higher prices. Moreover, the industry record of improvement in manhour output—which over the past decade averaged about 3 per cent per annum—is unlikely to be able to cope with the level of wage adjustments now being demanded by unions in the industry.

Although there is much talk about improving productivity in the industry, it is unlikely that the rate of change in manhour output will vary materially from that in the past unless government adopts a program designed to stimulate needed research and to eliminate institutional, legal, and systems barriers which impede rapid progress. It is sobering to consider that in the entire period from 1929 to 1958, which was marked by one of the most revolutionary changes in the long history of food distribution—the transition from service to self-service stores—the rate of improvement in manhour output in food wholesaling and retailing averaged only about 2.8% per annum.

What is needed is a systems approach which look at the entire food distribution business as one process and will seek to design programs and to standardize components so as to achieve major breakthroughs in productivity. There are a number of reasons for believing that such a systems approach is required to achieve results in the food industry:

1. The most visible areas of inefficiency in the industry lie in the intercorporate orbit—in the great wasteland between the manufacturer and the wholesaler and the retailer. Legal and institutional problems have retarded progress in this area.

2. The nature of technology in industry at large is changing: a number of significant technological developments—including the Universal Code and Automatic Checkout—can only be feasible if introduced on an overall basis with agreements among firms as to standardized applications.

3. Efforts by individual companies to improve productivity have sometimes been counterproductive from a systems viewpoint because they have produced diseconomies elsewhere in the system at the same time as they have improved efficiency of the initiating company.

4. The structure of the food industry is such that key leadership could be brought together in industry committees to establish priorities for technological advances, to suggest areas for standardization, and to recommend overall policies which would improve productivity on an industry basis.

If the nation is truly interested in improving productivity in the food industry, it should embark upon a long range program which would involve:

1. Government sponsored research into complex distribution problems, such as greater use of the unit train, carton standardization, unitized shipments, and the like which are now being neglected because they are beyond the scope of control of any one company.

2. Industry committees should be convened with authority to set priorities, to focus on areas of inefficiency, and to recommend corrective procedures, including greater standardization.

3. Subject to satisfactory safeguards to protect the public interest, the application of the antitrust laws should be relaxed so as to permit and to encourage cooperative action among firms designed to improve food industry productivity.

DISTRICT COURT JUDGE QUASHES WATERGATE SUBPENAS

Mr. ERVIN. Mr. President, on March 21, Judge Charles R. Richey of the U.S. District Court of the District of Columbia delivered an eloquent and significant decision denying a motion that would have required the reporters and officials of four publications—the Washington Post, the Washington Evening Star News, the New York Times, and Time magazine—to testify and release certain documents arising in the course of the publications' Watergate investigations. The subpenas, which were issued by the Committee for the Reelection of the President which is plaintiff in a libel suit against the Democratic National Committee, were extremely broad, encompassing all the tapes, notes, drafts, and documents prepared and obtained in the course of their investigations.

I highly commend Judge Richey's decision to quash these subpenas. His wise opinion only serves to reaffirm my faith in the courts as the best means of handling this difficult problem.

As you are aware, Mr. President, the Subcommittee on Constitutional Rights has recently conducted hearings on the pending newsmen's privilege legislation. But such legislation would not have been necessary had the Supreme Court decided in the Caldwell case to take a balanced approach to this problem. To my mind, this would have been preferable. Judge Richey's fine opinion confirms my judgment. I ask unanimous consent that excerpts from the decision as they appeared in the Washington Post of March 22, 1973, be printed in the RECORD.

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

OPINION OF JUDGE ON PRESS FREEDOM

We, then, must go to the constitutional issue which is viewed by this court, at least, as one of the first magnitude. What is involved here is the right of the press to gather and publish, and that of the public to receive, news from widespread, diverse and often times confidential sources.

Now, this record contains numerous and persuasive affidavits of prominent figures in the fourth estate or the field of journalism which assert unequivocably that the enforcement of these subpoenas would lead to the disclosure and subsequent depletion of confidential news sources without which investigative reporting would be severely, if not totally, hampered.

The competing consideration is the right of litigants to procure evidence in civil litigation.

Underlying that right is the basic proposition that the public has a right to every man's evidence, and that in examining any man's or any person's claim of exemption from the correlative duty to testify, there is the primary assumption that there is a general duty to give what testimony one is capable of giving, and that any exemptions which may exist are distinctly exceptional.

This court is of the view, and so finds that these cases are all exceptional on the basis of the facts alleged, and, thus, require a special, if not particular, scrutiny by the courts.

This court is well aware that other courts in civil and criminal cases, including the Supreme Court of the United States in a landmark case involving a newsman's testimony before a grand jury, have been reluctant in the absence of a statute to recognize even a qualified newsman's privilege from the disclosure of confidential news sources.

In view of the decisions and circumstances present in many of the cases, I think it will be instructive for all of us to note what is not—and I emphasize "not"—present in the instant cases.

First of all, these three cases . . . are not criminal cases. And even though they are primarily, with one exception, actions for monetary damages, their importance in the eyes of this court transcends anything yet encountered in the annals of American judicial history.

The movants are not parties, as has been suggested today, to these actions. But they have merely been called upon to testify and produce documents at an oral deposition. The parties on whose behalf the subpoenas were issued have not demonstrated that the testimony and material sought here go to the heart of their claim . . .

What is ultimately involved in these cases between the major political parties . . . is the very integrity of the judicial, as well as the executive, branches of our government and our political processes in this country.

For, without information concerning the workings of the government, the public's confidence in that integrity will inevitably suffer. This is especially true where, as here, strong allegations have been made of corruption within the highest circles of government and in a campaign for the presidency itself.

This court cannot blind itself to the possible chilling effect the enforcement of these subpoenas would have on the flow of information to the press and, thus, to the public.

This court stands convinced that if it allows the discouragement of investigative reporting into the highest levels of government, that no amount of legal theorizing could allay the public's suspicions engendered by its actions and by the matters alleged in this lawsuit . . .

Now, in proceeding to fashion a remedy in the instant case, the court would recall the words of Mr. Justice Powell's concurring opinion in the Branzburg v. Hays matter, wherein he stated, and I quote:

"The asserted claim of privilege should be judged on its facts by the striking of a proper balance between the freedom of the press and the obligation of all citizens to give relevant testimony.

"The balance of these vital constitutional and societal interests on a case-by-case basis accords with the tried and traditional way of adjudicating such questions."

Now, the court has noted the above constitutional interest, which, I might add, is an interest which translates itself in my mind into nothing less than the problem of maintaining an informed public, capable of conducting its own affairs . . .

Against this interest must be balanced the interest of the parties to receive evidence going to the substance of their claims.

Yet, there has been no showing that the alternative sources of evidence have been exhausted or even approached as to the possible gleaning of facts alternatively available from the movants herein.

Nor has there been any positive showing of the materiality of the documents and other materials sought by the subpoenas.

In the face of these considerations, it appears to the court that what is asked for here, in effect, is for the doors to the reporters to be completely opened.

The scales, when balanced, however, are heavily weighted in favor of the movants.

The recognition that the movants are entitled, in my mind, to a qualified privilege from having to testify under the circumstances of these cases is not totally without legal precedent . . .

All indicate that First Amendment values will weigh differently in a civil case as against a criminal case.

And it should be noted that the Supreme Court, itself, in Branzburg declared that, without some protection for seeking out the news, freedom of the press would be eviscerated, and that is an exact quote.

This court disagrees with counsel for the newsmen in the sense that they can be said to have an absolute privilege. This court believes that the holding of an absolute privilege under the circumstances even of this case would be clearly improper under the Branzburg decision.

Now, it may be that at some future date the parties in this case will be able to demonstrate to the court that they are unable to obtain the same information from sources other than the movants, and that they have a compelling and overriding interest in the information thus sought.

Until that time, this court will not require movants to testify at the scheduled depositions or to make any of the requested materials available to the parties.

In conclusion, the court notes and believes that the First Amendment to the Constitution, to the Bill of Rights of the federal Constitution, is broader than that suggested by counsel for the news media. It entitles the public to more than the right to know. It also requires that any incursions into the areas protected by the Bill of Rights will be given a prompt judicial inquiry, and, hopefully, one that will be predicated on a judicial decision that will not only be sound—and this is what I want to emphasize—but which the public will understand and accept . . .

The government generally, and the courts in particular, must always stand first in the vanguard of upholding the spirit, as well as the letter, of the First Amendment freedoms which, of course, are among the most precious of a citizen's fundamental rights.

This includes recognition of a special role for the press as was so well expressed by James Madison when he said, and I quote:

"A popular government without popular information, or the means of acquiring it, is but a prologue to a farce or tragedy, or perhaps both."

The court will enter an order that the subpoenas be quashed at this time.

DENYING THE HANDICAPPED: THE TRAP OF "HOSPITALITIS"

Mr. DOLE. Mr. President, an article about Miss Stephanie Monteverdi, a young woman facing what most consider an impossible life situation, was recently brought to my attention. Miss Monteverdi was born without arms or legs. She is an example of one of many severely disabled individuals with a strong desire to be as self-sufficient as possible. Many severely disabled never escape an often deplorable hospital existence. Some have no families and, therefore, no homes. They are unemployed and have no transportation available even if a job opportunity were to arise. During this Congress I have again introduced the Disabled Workers Transportation Assistance Act which provides for the reimbursement of extraordinary transportation expenses incurred by certain disabled individuals. This is one step to help solve transportation problems. Attention should also be focused on establishing supervised housing in order that a severely disabled individual may be a contributing part of our society and not a hospital shut-in.

The following article, "Denying the Handicapped: The Trap of 'Hospitalitis'," by Joanna Mermey, appeared in the Village Voice January 18, 1973. At this point I ask unanimous consent this article be printed in the RECORD.

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

DENYING THE HANDICAPPED: THE TRAP OF "HOSPITALITIS"

(By Joanna Mermey)

Stephanie Monteverdi was born 21 years ago without arms or legs. The only homes she has known are New York City institutions. She grew up at Bellevue and now lives on a ward at Bird S. Coler Hospital on Welfare Island in a drab green cubicle. Her door is a sheet on a string. Day after day, Stephanie sees her fellow patients leaving on a slab and she wants out before it's too late.

Although Coler is clean, drug addiction and alcoholism are rampant and patients fear for their lives. Neglect is evident at any time of day when the halls are filled with patients in wheelchairs or stretchers staring vacantly into space or glued to the television sets waiting to die.

This bright, sensitive, active young woman has taught herself to type, file, write, and care for herself—with her prosthesis and without—preparing for an eventual life in the "outside world," as she calls it. Her overwhelming desire is to live in the community and be independent. But almost insurmountable barriers prevent her escape and force Stephanie and hundreds like her to be prisoners in the isolated depressing world of the institution.

When Stephanie finished high school in 1971, she applied to the New York State Office of Vocational Rehabilitation (OVR) for assistance in planning vocational goals. OVR is the only governmental agency which funds education and vocational training for the disabled in New York State. If OVR considers an individual feasible for employment, it will pay for training and transportation costs only to and from the training site.

On her own initiative, Stephanie applied to and was accepted at the Human Resources Administration, a vocational training school on Long Island, but OVR refused to sponsor her and she could not go. She applied and was accepted at New York Community College, but OVR did not consider her "college material," based on its own tests, and she could not attend. OVR would not even give her the chance to secure or fail.

No matter how many times she asked the agency about the status of her case, she was given no information and told to wait. Finally OVR informed her that because she had no outside home to go to, it was impractical to invest money in her because a patient is not permitted to work on the outside and live in the hospital.

In order for OVR to act any further Stephanie had to find a place to live. But there was no place for her to go. Housing for the handicapped is almost non-existent. Practically no private housing with the needs of the handicapped in mind is being built. Although public housing does provide some housing, federal laws mandate that only families may apply. Foster homes are an alternative, but according to Stephanie's social worker these homes have been traditionally reserved for the immobile elderly.

By February 1972, Stephanie was tired of no action. "I wrote a letter to the Daily News Action Reporter and suddenly OVR finds me a program. You've got to do it yourself. I may be physically handicapped but my spirit isn't. I'm not giving up," she said emphatically.

She commuted to an evaluation program at the Federation of the Handicapped and was told she should be trained for homebound work, which would put her behind closed doors again. In the meantime, Stephanie had spent two summers working in the nursing office in the hospital as part of the Neighborhood Youth Corps, and had also registered patients to vote. When OVR was asked whether her work experience had any effect on her evaluation, her counselor remarked, "We never thought to consider it."

One of the reasons for the decision to train her for homebound work was based on her need for special transportation and the total lack of government funds to transport handicapped working people to their jobs. (The handicapped must pay for their own transportation, which may run as high as $90 per week.)

Stephanie is caught up in the vicious circle that affects the handicapped. She can't get a job until she leaves the institution, but she can't find a place to live. Even if she does find a home outside, she won't be able to afford the astronomical cost of transportation and won't be able to work. If she leaves the institution, she may be forced to stay in an apartment and depend on welfare, although she desperately wants to become a contributing member of the community.

If Stephanie stays in Coler much longer, she's liable to become one of the "failures," as Dr. Maurcy Silber, Director of Rehabilitative Medicine, describes them. "They are the patients," he explains, "who have chronic hospitalitis and will never leave the institution. They have been institutionalized to such an extent that they cannot be saved."

Al Santana and Bernie Lighte, whom Silber has called "failures," react violently to this categorization. "Silber used that excuse because he can't conquer us," said Lighte. Lighte, who cannot control his bodily movements and is strapped to a wheelchair, types with his foot. Editor of the patient newsletter, he wants to become a writer. "But, Dr. Silber and OVR say I'm too far gone," he laughed cynically. "You know what I'd love to do more than anything," he said with a grin. "Go to Jimmy's and drink with the writers and politicians. I may be stuck in this place but I know where the action is."

Santana, formerly a salesman in the Fulton Fish Market, is now a quadraplegic as a result of an accident. He was appointed by Manhattan Borough President Percy Sutton to Planning Board 8 to represent the hospital community, and also heads the Patients' Coalition which is demanding better care and opportunities for the patients. By no reasonable standards is Al Santana a failure.

"In this institution you are a number and a vegetable," says Santana very matter-of-factly. "The only difference between this and a prison is that there are no bars. We're not looked at as individuals but as case numbers who may live another 15 or 20 years. I have five kids and have been here for eight years. I know I'm not destined to lie in a cubicle and be a number."

Coler's rehabilitation unit is quite selective and actively treats only 133 of the 1100 patients. Its success rate is very high. But Lighte charged, "If a patient is not an interesting teaching case, he is not cared for. As a result of staff neglect, patients who were once able to carry on limited movement are now stiff and motionless and dying by inches."

"When, at 1:30, 'As the World Turns' comes on, Coler stops," Lighte continued. "If you want to go to the bathroom you either hold it or let it go. If you have an accident in the chair when the shifts are changing, they leave you for the next shift. When the next shift arrives, you get it in the neck and they ask you why you didn't have the early shift clean you up."

Santana's anger flares when he sees employes watching television and collecting their paychecks. "We have patients who have the ability to do administrative work, but are denied that right by archaic government laws. No patient is allowed to work at Coler."

After seeing elevator operators shut the doors in patients' faces, I was impressed by one operator who showed compassion for a patient just learning to use an electric wheelchair. He spent several moments showing her how to maneuver the chair out of the elevator. I later learned that he had once been a patient at Coler and understood the despair and frustration of the patients.

Patients receive bi-weekly allowances. Those on welfare receive $8.50 and those on medicaid $13.25, which the state feels is sufficient. But Stephanie says, "After a few sodas and cigarettes there's nothing left for a new dress or a trip outside, but we're not supposed to need those things. You know what it feels like to be on welfare when you want to work?"

Santana is presently trying to organize a lobbying effort to pressure the government to allow patients to work. He feels this will allow the hospital to function as a halfway house (an idea Silber rejects) and give the doctors added insight into the patients' potential.

"This place is crawling with drug addicts and alcoholics," Lighte said, shaking his head. "Patients are turning on other patients and mugging and stealing to keep up their habits. We're afraid of traveling in the halls at night for fear of attack. The patients have asked since 1969 for a drug program but nothing has been done."

Dealing with the medical staff is another problem Santana explained. "We are treated as sub-human. Our cases are discussed with everyone except the patient. (Dr. Silber very willingly discussed privileged details of Miss Monteverdi's case with this reporter and Voice photographer Fred McDarrah.)

Santana recalled Dr. Silber's bowel training program for para- and quadraplegics. "Everyone had to move their bowels once a day. We were *required* to move them between 7 and 8 a.m. That's when breakfast is served. Can you imagine eating breakfast on a bedpan?

"We are human beings with normal desires," Santana mused quietly. "But they would never consider us having normal sexual relationships. We have no place for privacy in this hospital. The third floor hallway is lovers' lane. We find our own hiding places. When Dr. Silber and members of his staff were asked whether there was sexual activity in the hospital, they laughed, and Silber remarked, "Sure, one patient just had an abortion; does that answer your question?"

Santana alleges he was removed from the rehabilitation program for political reasons. He attacked the medical staff for not attending to the patients and was soon transferred off rehabilitation. He says his chart now reads "no program." He still believes that if patients can open communication with the doctors and the administration, there is a chance for improvement, but Lighte maintains that the patients fearing staff reprisals, are often afraid to stand up for their rights.

Theodore Perkins, executive director of Bird S. Coler, blames the problems on lack of money. He is aware of the drug problems but says he has no money for a psychiatric unit or drug program. He attributes the lack of care to the fact that "it is hard to attract qualified staff to this type of institution. The medical staff wants the glamor jobs. If we have a hospital full of Bernie Lightes no doctor would work here. We have to select interesting cases to keep a staff."

Perkins tried to prevent McDarrah from taking pictures of anything except those he had authorized. He was very amenable to our photographing patients typing and writing, but when he found McDarrah taking pictures of patients lying around the hallways he had a security guard follow us. He seemed afraid to let others see the hundreds of patients sitting around waiting to die. It is interesting to note that Perkins informed us that Oscar Turk, who works as a liaison with the patients, and was the only member of the administration who was cooperative, is to be fired for talking too much.

Dr. Silber, representing the medical staff, blamed the failures on "society." When asked why they were failures, he refused to comment on the subject. "People won't accept the handicapped," he said. "They look at them as freaks." He admitted that, "after 30 years in this business, I still have not gotten used to seeing a seriously disabled patient." He defined a patient as "one who has tremendous insecurity by definition of being a patient and an inferiority complex by definition of being handicapped." If this is how the Director of Rehabilitation perceives the patient, how can he expect society to change its values or the patients to achieve success? His attitude is perceived by every patient interviewed.

Santana sees the future in store for the handicapped as complete oblivion unless there is a public outcry. "We will continue to be hidden in institutions dying slowly without treatment. The city spends $40,000 a year per patient for a bed, three lousy meals, and medication."

The city could provide patients with a luxury apartment, a full-time nurse, and transportation to and from work for half that cost. Instead enormous amounts of money are spent to let the patients rot in Bird S. Coler.

Because of pressure from the press, OVR has once again agreed to reconsider Stephanie Monteverdi after a year's hiatus. A spokesman from the agency told me OVR would be willing to try to place her in a training program, although she has not found suitable housing as yet. OVR must first meet with a team from the hospital to determine if the hospital thinks she is ready to leave Welfare Island for the outside world. Hopefully they will vote in her favor. But as Dr. Silber told me, "I don't care what you want or what Stephanie wants. I am the expert and I make the decisions."

COMMUNITY ACTION PROGRAM AND LEGAL SERVICES

Mr. INOUYE. Mr. President, the Office of Economic Opportunity is presently being dismantled by the Nixon administration without the expressed approval of the Congress and in violation of the letter of the law which gives authority to the Office through June 30, 1975. A number of beneficial services to those citizens who are economically disadvantaged are being ended as a result of the actions of Howard Phillips, the Acting Director of OEO, under the orders of the President.

Several of the programs administered by the OEO have been debated since the inception of the war on poverty. Supporters of the community action program and legal services projects have consistently argued that these programs are necessary if poor people are to be given the proper motivation to join the mainstream of American economic, social, and community life. Detractors of these programs, including Mr. Phillips, have argued that these agencies aggravate social tensions and foster dissent.

I wish to introduce into the record a resolution which was passed by the Senate of the State of Hawaii on March 16, 1973. This resolution places the Senate of the State of Hawaii firmly on the side of the supporters of the legal services program. The Legal Aid Society of Hawaii which works as an integral part of the Hawaii legal services project and the staff of the project have been providing legal assistance to the poor for several years. This assistance has begun to make the American goal of "justice for all" a reality in Hawaii. I wish to be counted among the supporters of these programs. Accordingly, I request unanimous con-

sent that this resolution, which eloquently expresses my views concerning the need for continuation of Federal support for Legal Services programs, be printed in the RECORD.

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

SENATE RESOLUTION NO. 182

COMMENDING THE HAWAII LEGAL SERVICES PROJECT OF THE LEGAL AID SOCIETY OF HAWAII

Whereas the Legal Aid Society of Hawaii provides legal assistance to persons who cannot afford private counsel; and

Whereas the Hawaii Legal Services Project, a part of the Legal Aid Society of Hawaii sponsored by the National Legal Services program, furnishes legal assistance in noncriminal matters to poor persons throughout the State; and

Whereas the staff of the Hawaii Legal Services Project have for many years served as dedicated and capable counsel for the poor through negotiation, in the courts, in administrative hearings, and before the legislature; and

Whereas the activities of the Hawaii Legal Services Project have been of profound benefit not only to the poor but to all people of the State of Hawaii; and

Whereas certain changes at the national level may result in reduced funding for the Hawaii Legal Services Project, or in restrictions upon the scope of services which it can provide to the poor: Now, therefore be it

Resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1973, that the Hawaii Legal Services Project of the Legal Aid Society of Hawaii be, and it hereby is, commended for its excellent efforts in behalf of the poor; and be it further

Resolved, That the Senate of the State of Hawaii fully supports the continued existence of the Hawaii Legal Services Projects in its present form; and be it further

Resolved, That certified copies of this resolution be transmitted to President Richard M. Nixon, Governor John A. Burns, Senator Hiram L. Fong, Senator Daniel K. Inouye, Representative Spark Matsunaga, Representative Patsy Mink, and Legal Aid Society of Hawaii President Robert R. Mackey, S.M.

TIME FOR THE DEPARTMENT OF TRANSPORTATION TO ACT NOW ON SCHOOLBUS SAFETY

Mr. PERCY. Mr. President, over 7 years ago, Congress gave to the Secretary of Transportation the authority to issue regulations and to establish standards for motor vehicle safety. This was meant to include standards for schoolbus safety.

Two specific acts, the Federal Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, allow the Secretary to approach this problem via different routes. The Highway Safety Act of 1966 instructs the Department of Transportation to assist the States in establishing and operating various programs designed to reduce traffic accidents. The general wording of this act and the reliance on State regulation, however, has precluded effective Federal action.

On the other hand, the National Traffic and Motor Vehicle Safety Act of 1966 vests in the Secretary of Transportation authority to prescribe Federal safety regulations for all motor vehicles. Since the act is administered in the Department of Transportation under the provisions of the National Highway Traffic Safety Administration — NHTSA — it could serve as the most capable tool for establishing effective schoolbus safety standards. The act places the authority to promulgate schoolbus safety regulations with the Department of Transportation. Accordingly, no new legislation would be necessary if agency officials carried out their assigned responsibility.

During the 7 years which have elapsed since the passage of this act, 41 Federal motor vehicle standards have been drafted by the National Highway Traffic Safety Administration by its own count. On the surface, this appears to be an impressive attempt by the Department of Transportation to comply with the act. In fact, in its report to the House and Senate Commerce Committees on legislation introduced last year by Senator NELSON to mandate schoolbus safety standards by a fixed date, the Department of Transportation pointed to these 41 proposed regulations as clear evidence that NHTSA was satisfactorily complying with the stated intent of the National Traffic and Motor Vehicle Safety Act of 1966. The report concluded that the new legislation was not necessary in light of that effort.

Further investigation reveals, however, that this conclusion is far from accurate and that the facts on which it is based may be misleading. Three concerned students at the George Washington University Law School—James T. Bruce, Carol A. Elder and Laura G. Ross—under the supervision of Prof. John Banzhaf, undertook an exhaustive review of these 41 proposed regulations and presented their findings in a 106-page petition sent to the Department of Transportation pursuant to 5 U.S.C. 533(e), 49 C.F.R. 533.31(a), and 49 C.F.R. 5.11. Read together, this statute and supporting Federal regulations establish the right of any interested person to submit a petition to the appropriate administrator of any Federal agency asking him to issue new regulations or to amend existing departmental regulation or rules.

This group, organized as "BUSWREC"—BAN Unsafe Schoolbuses Which Regularly Endanger Children—charged the Department of Transportation with procrastination and outright neglect of its statutory duty under the National Traffic and Motor Vehicle Safety Act of 1966. They further proposed eight separate engineering performance standards to insure schoolbus safety: safety seats, rollover strength structural integrity, driver restraints and steering wheel delethalization, front seat passenger protection, elimination of stanchions, and safer exit doors.

BUSWREC's petition also points out that only 21 of the 41 proposed standards, relied on by the Department of Transportation to stifle legislation last year, apply to schoolbuses. Furthermore, the petition demonstrates that most of these regulations were drafted for passenger car safety and were extended to include schoolbuses seemingly as an afterthought.

Another alarming fact indicated in the BUSWREC petition reveals that the Department of Transportation classified schoolbuses under the category of "buses" generally, and only occasionally were they cited under a separate classification. When only one out of 72,000 full-time employees in DOT is working on schoolbus safety on a full-time basis—according to a recent investigative series by WTTG–TV—Metromedia—reporter John Goldsmith—neglect seems inherent.

Just after I became a cosponsor of S. 847 in February, these various charges against the Department of Transportation were brought to my attention. S. 847 is similar to S. 2582, introduced last year by Senator NELSON, which the Department of Transportation argued was not necessary in light of their 41 proposed regulations. The bill would amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the Department of Transportation to issue, within 18 months after enactment, minimum design standards concerning specific aspects of schoolbus safety performance.

Shortly after I joined Senator NELSON and others on S. 847, several Congressmen and Senators, including myself, received a letter, dated February 15, 1973, from BUSWREC. This letter thoroughly explained the reasons underlying their petition to the Department of Transportation. Their principal conclusion was that:

> In the past 4½ years, DOT has issued or proposed only four bus standards which can be said to have involved any significant agency effort, and these four standards have undesirable limitations. Contrast this to the 41 existing or proposed standards listed in the DOT outline which gave the impression of a conscientious ongoing Federal effort to improve schoolbus safety.

The real difference involves the comprehensiveness and effectiveness of the DOT standards. Unfortunately, neither of these factors seems to have been considered by this Department in formulating standards. Ultimately, it will be the difference between the number of children who are needlessly killed or maimed, and those who would have gone unharmed if protected by adequate safety standards.

As more data, substantiating BUSWREC's charges was received, I sought an explanation of this apparent disregard by DOT for the safety of the 20 million American children who ride schoolbuses each day.

On March 1, 1973, I wrote Secretary Claude Brinegar, explaining that I cosponsored S. 847 because I had become convinced that NHTSA had abdicated its public responsibility under the National Traffic and Motor Vehicle Safety Act of 1966. In that letter, to be printed in its entirety at the conclusion of my remarks, I asked Secretary Brinegar personally to investigate whether the Department had failed to follow the clear instructions of that act, requiring promulgation of Federal standards for safer schoolbuses.

I pointed out to the Secretary that even the regulation of just a little over a month ago for safer bus seats was not without a history of unacceptable delay. The long overdue proposal came after a 5 year hiatus and only after the BUSWREC report was issued. By contrast, seat standards have been in effect for regular autos since 1968.

On further analysis, it now turns out that even this seat regulation leaves much to be desired. It wholly ignores a recent recommendation by the New York State Automobile Association to that State's legislature proposing a padded seat compartment, including a padded shoulder rail, padded armrests, and high-back rearward facing seats. The proposed standard also does not apply to side-facing seats commonly found on "short route" buses and does not adequately provide for seat integrity in side-impact situations. Moreover, the proposed standard leaves unmentioned such interior features in the immediate vicinity of passenger seats as overhead hand grasps, hazardous window frame structure, and aisle poles.

Finally, I pointed out to Secretary Brinegar that figures, furnished by a NHTSA spokesman and cited in a Washington Post article of February 28, 1973, conservatively estimated that over 1.4 million American children ride to school each day dangerously standing in the aisles. The article concluded that no major attempt to reduce this number of standees had been implemented by DOT, even though standard 17, part 204, title 23, Public Transportation Safety, issued May 6, 1972, effective June 6, 1972, prohibits this dangerous condition.

On March 19, 1973, I received what I regretfully considered to be an unsatisfactory response from Secretary Brinegar. Basically, the Secretary related that the NHTSA was currently reviewing many of the possible safety countermeasures which I mentioned in my letter to him, but the response implied that all was proceeding space so far as schoolbus safety was concerned.

It appears that DOT feels that what in some instances has been referred to as "the yellow tin can" which we call a schoolbus is not in urgent need of mandatory standards for rollover protection, efficiency and integrity of joints, emergency exists, floor strength, and the elimination of padding of interior poles.

In light of the 47,000 schoolbus accidents costing 150 lives and injuring 5,600 persons in 1971 alone, I could not disagree more with the Department's assessment. If DOT does not reorder priorities and act shortly, I plan to call for an investigation in the very near future within the Senate Permanent Investigations Subcommittee, on which I serve as the ranking minority member.

As a result of this apparent lack of concern on the part of DOT, I have written directly to the presidents of the major schoolbus manufacturing companies enlisting their support and suggestions for comprehensive Federal safety standards. I am awaiting their replies, in the hope that the industry will be more responsive to this urgent situation than the Department of Transportation.

In order for Senators who are particularly interested in this problem to have a complete record of the entire exchange of correspondence referred to above, I ask unanimous consent that the following documents be printed in the RECORD at this point: my March 1 letter to Secretary Brinegar; Secretary Brinegar's March 19 response to my letter; and BUSWREC's March 21 memorandum, commenting on Secretary Brinegar's response to me. I also request that the original BUSWREC letter of February 15, 1973, with attached appendices be included at this point.

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

U.S. SENATE,
Washington, D.C., March 1, 1973.

Hon. CLAUDE S. BRINEGAR,
Secretary, Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: In the last several months I have become increasingly concerned about the safety of the 20 million American children who ride schoolbuses each day. On February 8, 1973, I co-sponsored a bill (S. 847) that would finally require the Department of Transportation to issue comprehensive safety standards for the design and construction of new schoolbuses by a date certain. Mandatory standards would be required for emergency exits, interior protection for occupants, floor strength, seating systems, crashworthiness of body and frame, vehicle operating systems, windows, windshields, fuel systems, exhaust systems, and flammability of interior materials.

I supported that bill, frankly, because I am convinced that NHTSA has abdicated its public responsibility under the National Traffic and Motor Vehicle Safety Act of 1966 to promulgate Federal standards for safe schoolbuses. I would ask you to investigate whether there has not been a dereliction of duty in the fact that the Department has failed to promulgate certain elementary precautions and regulations to prevent schoolbus accidents. In 1971 there were 47,000 schoolbus accidents, taking 150 lives and injuring some 5,600 persons, many of the injuries particularly resulting from weak structural design which allowed the buses to crumble upon impact. Too many buses have too many joints and far too few rivets fastening the sheet metal exterior to the bus frame. As a result, upon impact during a collision, the sheet metal not infrequently peels back almost like a giant cookie cutter and needlessly lacerates children riding on the bus. Moreover, parts of the bus have been known to break apart in such circumstances.

Many other tragedies result from poor seating design with the chest and heads of children propelled into inflexible metal bars atop seat backs. Still other children suffer serious injury when their bodies are thrust forward over low seat backs and into steel protrusions in the front of schoolbuses.

Seven years ago, the Congress gave DOT the power to issue motor vehicle safety standards which would prevent "unreasonable risk of death or injury" in schoolbus accidents. It is a tragic commentary on the carrying out of that mandate that today Congress sees a need for "kick in the pants" legislation to spur NHTSA into action that is long overdue.

Last year when legislation nearly identical to S. 847 was introduced, Congress was informed by the Department of Transportation that such legislation was unnecessary. An impressive list of 41 schoolbus safety standards (issued or proposed) was offered as evidence that NHTSA was pursuing its mandate vigorously. No doubt the relevant Commerce Committees of both Houses were soothed by these assurances.

I am disturbed, however, that the Congress was misled. A number of Congressmen and Senators, including myself, recently received an in-depth analysis of the 41 schoolbus safety standards allegedly issued or proposed by NHTSA. A group of George Washington University law students—organized to ban unsafe schoolbuses which regularly endanger children (BUSWREC)—took the time to exhaustively scrutinize all motor vehicle safety standards applicable to schoolbuses that had been issued or proposed as of December 31, 1972. I find their principal conclusion, expressed in a letter to me dated 15 February 1973 (which I am attaching), to be most upsetting:

". . . in the past 4½ years, DOT has issued or proposed only four bus standards which can be said to have involved any significant agency effort, and these four standards have undesirable limitations. Contrast this to the 41 existing or proposed standards listed in the DOT outline which gave the impression of a conscientious ongoing Federal effort to improve schoolbus safety."

If NHTSA's presentations have not been duplicitous, at the very best the agency has not been wholly candid about its progress in the area of schoolbus safety.

Last week the agency finally proposed a bus seating standard which apparently has been in development for about 5 years now. First, let me say that its arrival, however belated, is welcome. Probably no other single standard was as sorely needed to protect the millions of children who ride schoolbuses daily.

As I read this standard, however, I can't help but wonder if the major portion of it could not have been issued years earlier. High seatbacks, padding, strong seat anchorages, and seat belts are all the kind of safety features that were incorporated into automobiles at least five years ago. Even if this proposal is finalized, buses are not expected to incorporate the required equipment until after September 1, 1974.

If such a rudimentary and vital standard took this long, how much longer—how many more months and years—must we wait for more improvements in schoolbus safety? How many children will be needlessly maimed or even killed before NHTSA overcomes its inertia again to recognize and proclaim the obvious?

I am also concerned about another area of schoolbus safety which apparently has been neglected by NHTSA and that is the enforcement of Standard 17, Part 204, Title 23, Pupil Transportation Safety. In particular, this standard clearly prohibits standees on schoolbuses while in motion. Yesterday's Washington Post cited a "conservative" estimate coming from a NHTSA spokesman and based on 1970 figures that over 1.4 million children ride to school each day dangerously standing in the aisles of schoolbuses.

I realize that the states have primary responsibility to enforce these rules, but when the states fail to do so the Federal government is authorized to reduce Federal funding as an incentive to compliance. If I am wrong and NHTSA is encouraging state compliance, then please inform me. To aid in the enforcement of this requirement, would it not be feasible to request through a press release that any parent who discovers that his child is forced to stand on a schoolbus enroute to or from school should contact NHTSA immediately?

Claude, this letter is written with regret, because under the leadership of NHTSA Administrator, Douglas Toms, the agency has established an outstanding record of promulgating effective safety standards in other phases of motor vehicle safety. I regret his announced departure from that post because I believe that his vigorous concern for automobile safety would have been carried over into the schoolbus area. Perhaps it was a matter of priorities. But the priority need for prompt and concentrated attention to schoolbus safety cannot be overstated. I only hope that past neglect in the area of schoolbus safety will be remedied forthwith. I encourage you personally to look into this matter and energize the agency effort so that fur-

ther legislation and other such stimuli will be rendered unnecessary.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 19, 1973.

Hon. CHARLES H. PERCY,
Committee on Government Operations,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of March 1, 1973, commenting on school bus safety, and enclosing a copy of your correspondence from Mr. James T. Bruce. The petition to which Mr. Bruce refers was submitted by Mr. Lowell Dodge, Director, Center for Auto Safety, on December 29, 1972, in accordance with regulations governing the answering of petitions.

The Department shares your concern for school bus safety. It should be remembered that the estimated pupil fatality total for 1971 was 83. Of these, 17 were pupils on the bus, 33 were pupils run over by the bus, and 33 were pupils run over by other vehicles. Despite the small number of fatalities, the Department recognizes the need to ensure the well-being of school children while they are being transported to and from school in school buses. To this end, the Department is working to improve school bus safety under both the Highway Safety Act and the National Traffic and Motor Vehicle Safety Act.

Under the Highway Safety Act, the Department, in May 1972 made what it considers to be a significant advance in the regulation of school bus operation, issuing Highway Safety Program Standard No. 17, Pupil Transportation Safety. The standard is designed to improve State programs for transporting pupils safely in urban and rural areas by setting requirements for proper and safe equipment; maintenance of equipment; selection, training, and supervision of drivers and maintenance personnel; and administrative provisions in the field of pupil transportation.

In general, Standard No. 17 has been well received and is being implemented by the States through the various legislative and administrative bodies that have responsibility for implementing the requirements of the standard. Since standard implementation requires considerable resources and coordination of numerous public and private groups, the Act contemplates implementation over a reasonable period of time. In most cases the States are afforded several years to achieve full implementation. The need for several years for implementation is especially true with respect to the standard requirement prohibiting standees to which you refer. The National Highway Traffic Safety Administration (NHTSA) has encouraged States to being immediately to seek solutions to their standee problem. State officials have begun to develop plans for legislative amendments, rerouting and rescheduling plans, and additional vehicle purchases that may be necessary to eliminate standees. We hope to see some significant advances in this area as more States acquire administrative and substantive capabilities in the area of pupil transportation safety.

There has also been significant activity under the Vehicle Safety Act. The majority of all safety standards promulgated thus far under this Act, including those relating to school buses, were initially promulgated to improve passenger car performance since this vehicle type represents 80 percent of the vehicle population. A great deal of basic research and standard developmental work was put into this effort. Many of these standards address basic safety problems that are common to several vehicle types, including buses. The standards are, therefore, appropriate for application to buses. The fact that limited additional effort was necessary to adapt the requirements does not detract from the safety benefits of these standards.

In addition to the need for some adaptation efforts, it is also true that issuance of safety standards normally necessitates the shutdown and changeover of vehicle assembly lines. Passenger car assembly lines are usually shutdown annually to accommodate a model year change, while the shutdown and changes of truck and bus assembly lines are considerably longer. Thus, a longer lead-time is needed by the truck and bus industry for the introduction of standards if a complete disruption of the truck or bus assembly process is to be avoided. For this reason, truck and bus standards became effective at a later date.

We have recently instituted several important rulemakings relating specifically to buses. Motor Vehicle Safety Standard No. 217, Bus Window Retention and Release, is designed to reduce the possibility of pupil ejection and will aid in emergency egress. The standard also provides for the identification of emergency exists. Also, on February 29, 1973, a Notice of Proposed Rulemaking was issued on bus passenger seating and crash protection. The proposed standard would require buses to have passenger seats that are stronger, higher, and less hostile on impact than present seats. An alternative seat belt restraint system is provided that employs lap belts and sequential warning systems.

Many planned research and developmental efforts discussed in the Department's earlier submissions are also continuing. Crash Avoidance Standards, particularly on direct and indirect visibility aids for the school bus driver to prevent him from inadvertently running over the child, continue to be studied. This is especially important in view of the high percentage of pupil fatalities (66 of 83 total) that are outside the vehicle. In addition, Highway Safety Program Standard 17 includes requirements relating to school vehicle identification and regulation of other motorists around the vehicle, as well as requirements for mirrors.

Crash Survivability Standards will further reduce the injuries and fatalities experienced by children inside the bus. These standards are concerned with occupant protection, of which the new seating standard is a part, as well as the structural integrity of the bus itself. The National Transportation Safety Board has recommended that school bus structures be improved, particularly in the area of joint construction. NHTSA is presently drafting a new standard which addresses this problem and has scheduled it for early release.

In addition, a School Bus Structural Improvement Program is being included in the NHTSA FY 1973 research programs. The research is intended to establish the performance of current model buses by a series of structural and operational tests, and by structurally modifying an advanced "prototype" bus and test its performance. This program will point the way toward future improved school bus safety standards.

The NHTSA is currently reviewing many of the possible safety countermeasures mentioned by you and those which are included in the petition to which you have referred. All of the docket information and other sources, including research reports related to school bus safety, are being used for consideration in implementing the NHTSA course of action on school bus rulemaking.

I appreciate your bringing this critical situation to my attention, and I share your concern for the safety of children who ride in school buses everyday. If I may be of any further assistance, please contact me.

Sincerely,

CLAUDE S. BRINEGAR.

MEMORANDUM

MARCH 22, 1973.

To Senator Charles H. Percy.

From Carol Elder, Laura Ross, Jim Bruce: BUSWREC (Ban Unsafe Schoolbuses Which Regularly Endanger Children).

Re Schoolbus Safety: March 19 Response of Department of Transportation Secretary Brinegar to Letter of Senator Percy dated March 1, 1973.

The following issues are raised by Secretary Brinegar's response:

DISPARATE STATISTICS

Secretary Brinegar says that an "estimated" 17 children were killed while passengers in schoolbuses in 1971. While this figure is subject to dispute because of the lack of accurate or comparable reporting by states, a much more significant figure in any consideration of the magnitude of the schoolbus safety problem is the sum of 5,600 disabling injuries in schoolbus accidents in 1971. The latter figure does not even include the undoubtedly thousands of reported and unreported *nondisabling* injuries, nor does it include injuries—disabling or otherwise—in the following states: Alaska, Connecticut, Georgia, Minnesota, Michigan, Pennsylvania, Rhode Island, Wyoming. (National Safety Council—Accident Facts, 1972—p. 93)

All these injuries to passengers are for the most part unnecessary and senseless results of Departmental and industrial inaction in not requiring a safer vehicle. Furthermore, the NHTSA 1971 figure of 17 fatalities is very suspect considering the fact that we know of one recent schoolbus accident alone in 1972, in New Mexico, in which there were 19 passenger deaths. There are 290,000 schoolbuses in the U.S.

The figures cited in your letter of March 1 had been cited earlier by former DOT Secretary John Volpe.

IMPLEMENTATION OF STANDARD 17

In his reply, Secretary Brinegar states, with respect to Standard 17:

"Since standard implementation requires considerable resources and coordination of numerous public and private groups, the Act contemplates implementation over a reasonable period of time. In most cases the States are afforded several years to achieve full implementation. The need for several years for implementation is especially true with respect to the standard requirement prohibiting standees to which you refer. The National Highway Traffic Safety Administration (NHTSA) has encouraged States to begin immediately to seek solutions to their standee problem."

The passage above is an exercise in obfuscation and another attempt to deflect criticism of DOT's nonfeasance by misleading a concerned Member of Congress. When Standard 17 was issued on May 6, 1972, it was accompanied with the traditional comments of the Administrator of NHTSA, excerpts of which are set forth below. It is important to note that the Pupil Transportation Safety requirements were divided into 4 distinct categories:

A. Administration
B. Identification and equipment
C. Operation
D. Vehicle maintenance

The "no standees" provision was included under category "C. Operation" as part C. (3) (d) (2). The question of when compliance would be required was specifically addressed by Administrator Douglas Toms in the comments which explain the standards:

"It is expected that States will begin immediately to implement the administrative, operational and maintenance requirements of the Standard by developing whatever programs are possible for the 1972–73 school

year. Of particular importance are establishment of an administrative authority, development of schoolbus inspection procedures, and programs for proper selection and training of schoolbus drivers.

"It is understood that since the schoolbus fleet represents an existing capital investment, the equipment and identification requirements may be less susceptible to immediate compliance. It is expected, however, that States will begin immediately to develop programs showing the long-range plans for achieving full compliance with these as with all other requirements within a reasonable period of time." (*Federal Register*, Vol. 37, No. 89, p. 9212, Saturday, May 6, 1972)

Thus, NHTSA expected that there would be *immediate* implementation of Categories A, C, and D. Whatever programs that were *possible* for the 1972–73 school year were expected to be *immediately* developed. The "no standees" provision is included under this urgency deadline.

Implicit in this language is the assumption that any delay in implementation of Categories A, C, or D could be justified only if the Secretary were convinced that the particular provisions in question were not within the realm of possibility for immediate implementation.

The less urgent "reasonable period of time" deadline was reserved for "Category B. Identification and equipment" and for other category requirements that *could not possibly* be met in the 1972–73 school year.

This is not just legalistic hairsplitting. It is clear that DOT has effectively repealed this sense of urgency with respect to categories on administration, operation, and vehicle maintenance, including the "no standees provision." By simple misinterpretation and obfuscation of the original standard, DOT has gutted Standard 17 for the next several years.

The Federal Highway Safety Act is unequivocal as to the Secretary's duty:

"Federal aid highway funds apportioned on or after January 1, 1969, to any State which is not implementing a highway safety program approved by the Secretary in accordance with this section shall be reduced by amounts equal to 10 per centum of the amounts which would otherwise be apportioned to such State under section 104 of this title, until such time as such State is implementing an approved highway safety program. Whenever he determines it to be in the public interest, the Secretary may suspend, for such periods as he deems necessary, the application of the preceding sentence to a State. Any amount which is withheld from apportionment to any State under this section shall be reapportioned to the other States in accordance with the applicable provisions of law." (Public Law 89–564, Title I—Highway Safety Section 101, Title 23, Chapter 4 Highway Safety Section 402(b)(2)(c)).

Thus, if Secretary Brinegar believes it is in the public interest to delay the implementation of Standard 17, particularly with regard to the "no standees" provision, that should be made clear. The question he faces is whether it is in the public interest for over 1.44 million children to ride to school each day standing up for the next "several years."

It has been nearly 10 months since Standard 17 became effective (June 6, 1972). Not one cent of highway construction funds has been withheld as a result of action by the Secretary to "encourage" compliance with Standard 17.

ADAPTATION OF AUTO STANDARDS TO SCHOOLBUSES

In the second paragraph of page two of his letter, Secretary Brinegar discusses the Department's activity under the Vehicle Safety Act. He discusses why many of the standards first applied to cars were later made applicable to buses: "The fact that limited additional effort was necessary to adapt the requirements does not detract from the safety benefits of these standards." The Secretary apparently missed the point that Senator Percy was trying to make in his March 1 letter. If indeed, as the Secretary puts it, these earlier auto standards "address basic safety problems that are common to several vehicle types, including buses" and these auto standards ". . . are, therefore, appropriate for application to buses" and only "limited additional effort was necessary to adapt the requirements" to buses—then why was there such a prolonged delay (5 years) before the adaptation was completed?

PRIORITIES AGAINST DELAYS

Senator Percy expressed the belief in his letter that the reason for delay in promulgating needed standards was really a problem of agency priorities. However, Secretary Brinegar suggests a much more disturbing explanation:

"A longer leadtime is needed by the truck and bus industry for the introduction of standards if a complete disruption of the truck or bus assembly process is to be avoided. For this reason, truck and bus standards became effective at a later date."

Secretary Brinegar has thereby rewritten the Motor Vehicle Safety Act so that assembly line convenience displaces passenger safety. It would appear that the public must wait until the bus and truck industries decide to shut down their assembly lines before safety standards can be implemented.

Furthermore, Secretary Brinegar heralds a new policy of disincentives to innovation in the transportation industry: manufacturers should, by this reasoning, minimize improvements in their vehicles so that assembly line shutdowns become less frequent. In this manner an even longer "leadtime" will become necessary.

If indeed a longer leadtime is needed to give adequate notice to the truck and bus manufacturers, then why doesn't NHTSA issue the standards *immediately*, but increase the period between the standard's issuance and its effective date? This would give a longer period of effective notice to the industry. Normally, the lag time is about two years, and it is not uncommon for the Secretary to grant extensions.

Finally, except for the proposed standard on seating which, if adopted, will not become effective until September, 1974, there really are no Federal standards covering buses which would require any major structural changes. For the most part, the only disruption involved would be changing the subcomponent fed into the assembly line. The effect on the assembly line itself would be minimal.

RECENT RULEMAKING PROPOSALS OF DOT

On page 3 of the Brinegar letter, two recent rulemakings relating specifically to buses are discussed. Standard 217, Bus Window Retention and Release was issued on May 10, 1972, and will be effective September 1, 1973. It sets the minimum total area of unobstructed openings for emergency exits on buses *but schoolbuses are explicitly excluded from this requirement!* If a schoolbus happens to contain push-out windows (few do) or other emergency exits, then these exits must conform to certain standards for identification of the exit, means of opening the exit and a requirement that an individual can pass unobstructed through the exit. This standard also requires the window frames (excluding the windshield) to retain the window when a test force is applied such as might be exerted by a person being thrown against it.

The other standard concerns bus passenger seating and crash protection. It is long overdue but sorely needed. Nevertheless, it has several weaknesses, a number of which were pointed out by the Insurance Institute for Highway Safety Status Report of February 26, 1973:

The standard would not apply to side-facing or rear-facing seats commonly found on "short route" buses

The proposal has no requirements for seat strengths in oblique or side force loadings.

The proposal does not address hostile window frame structures, overhead hand grasps, foot rests, luggage racks, aisle poles or other needlessly hazardous bus interior features that are located outside a small, designated zone directly ahead of the passenger seats.

If bus makers choose to install belts, seat anchorages would have to be stronger than on seats without belts. "Forward" and "rearward" seat strength performance tests would also be modified. Under the proposal, passenger belt anchorages (which are required to be attached to the seat) would be tested under a pull of only 1,000 pounds. Under a standard already in existence (FMVSS 210), seat belt anchorages for passengers and drivers of cars and trucks and for bus drivers are tested under a pull of 5,000 pounds.

However, there is another more glaring deficiency in the proposal. If the manufacturer does not choose to install belts, then in an accident where the bus impacts at an oblique angle or is hit from the side or rolls over, there is no provision for preventing the occupants from flying out of their seats. In November of 1968 the National Motor Vehicle Safety Advisory Council recommended that any seat standard include "protection from side impact by use of arm rests . . ." In response to the Council's recommendations on seats, the NHTSA acknowledged in September, 1969, that they were working on a seat standard: "This proposal includes requirements for high seat back, seat anchorages, *padded armrests (on the aisle side)* . . ." (emphasis added). In research done on bus safety at UCLA a safety seat was designed, built and tested. It included a safety armrest that would restrain the occupants if thrown to the side during a collision. Somehow along the way NHTSA dropped this critical component of the safe bus seat.

Finally, the performance standard is worded so that the anchorage of each seat will be tested individually. There is no guarantee that in an accident the floor structure to which the seats are attached will remain strong when *all* the seats are subjected to the impact decelerations *simultaneously*.

SUMMARY

Secretary Brinegar is not responsive to the question of why within the last 4½ years DOT has issued or proposed now only 5 bus standards which can be said to have involved any significant agency effort. (Senator Percy's letter mentioned 4 as of the end of 1972—the bus seating standard has since been proposed.) Those standards are: Bus Seating, Bus Window Retention and Release (No. 217 mentioned above); Hydraulic Brake Systems (No. 105) which will not be effective until September 1, 1975; Air Brake Systems (No. 120) which does not require any bus to have these safest of brakes but rather imposes restrictions on those buses which do have air brakes; and finally the standard on Direct Fields of View is only proposed.

FEBRUARY 15, 1973.

Hon. CHARLES H. PERCY,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: We are a group of three George Washington University Law Students who are concerned, as you are, for the safety of the twenty million children who travel daily in schoolbuses. In December 1972, we submitted to the Department of Transportation a 106-page legal petition for rule-making for the following schoolbus safety standards: 1) well-anchored safety seats; 2) energy-absorbing high seatback with armrest; 3) roll-over strength; 4) joint

efficiency; 5) front seat passenger protection by wheel delethalization; 7) elimination of stanchions; and 8) outward opening exit doors. These recommendations for safety standards for schoolbuses were based on the analyses and conclusions of the National Transportation Safety Board, the Institute of Transportation and Traffic at UCLA, the Society of Automotive Engineers, and the Vehicle Equipment Safety Commission.

We felt the necessity for taking this "public interest" action because we believe that the Department of Transportation has been derelict in its duty to fulfill the mandate of the National Traffic and Motor Vehicle Safety Act of 1966. From your past and continuing expression of concern for these youngsters traveling in fragile yellow schoolbuses, we feel that you have reached a conclusion similar to ours: The Department of Transportation has grossly neglected the issue of schoolbus safety.

In response to H.R. 11159 and S. 2582 (companion bills) introduced in the 92nd Congress, you received letters from the Department of Transportation indicating that there was no need for this type of legislation to be enacted. (A copy of the letter to Senator Magnuson is attached and labeled as Appendix I).

Attached to DOT's letter of assurance was an outline of their efforts entitled "Existing or Proposed Federal Motor Vehicle Safety Standards Relating to the Areas of School Bus Performance Listed in Section 3 of S. 2582." A number of Senators and Congressmen received this outline from DOT.

We have analyzed this document line-by-line (Appendix II) to determine what, in fact, DOT has done in the area of schoolbus safety. Our conclusion is that the Department's activity on schoolbus safety is more imagined than real. Indeed, it would appear to us that the Department has misled the Congress into thinking that the agency was committed to promulgating safety standards in the critical area of crash-worthiness and occupant protection. As the summary to Appendix II fully explains, in the past 4½ years, DOT has issued or proposed only four bus standards which can be said to have involved any significant agency effort, and these four standards have undesirable limitations. Contrast this to the *41* existing or proposed standards listed in the DOT outline which give the impression of a conscientious ongoing federal effort to improve schoolbus safety.

A further documentation of the Department's zealous pronouncements is a case study, researched by us, of the Agency's repeated promises for a standard on safety seats over the last four years. (Appendix III) All technical studies done in this area have indicated that the overwhelming cause of schoolbus injuries is the seat, and that it is critical that the "unconscionable engineering" of the schoolbus seat be corrected. Yet, the Department has done nothing but make empty promises since 1968.

As we are sure you are aware, legislation has been again introduced in this Congress urging the Department of Transportation to enact schoolbus safety standards within a fixed time period. We would hope that our enclosures will demonstrate to you that there is a need for this type of legislation. The Department's assurances of schoolbus safety programs will not effectuate safety standards; the impetus must come from the Congress. Not only has the Department misled the Congress in believing that there is no need for legislation in this area (as documented in Appendix I and II); but, it has repeatedly issued false promises to curtail criticism from the Congress, the mass media, and the concerned public.

Should we be able to be of any further assistance in your efforts to establish the Department of Transportation's accountability for the safety of twenty million youngsters, please do not hesitate to contact us.

Sincerely yours,

JAMES T. BRUCE,
CAROL A. ELDER,
LAURA ROSS,
Chairman.

OFFICE OF THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 17, 1972.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Transportation on S. 2582, a bill

"To amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize design standards for schoolbuses, to require certain standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes."

This bill would require the Secretary of Transportation to issue, within 18 months after the enactment of this bill, minimum design of performance standards covering specified aspects of schoolbus safety performance. "Schoolbus", as defined in this bill, includes any motor vehicle designed primarily for the purpose of transporting children to and from schools. The aspects of performance would be (1) emergency exists, (2) interior protection for occupants (including restraint systems), (3) floor strength, (4) seat anchorages, (5) crash worthiness of body and frame, (6) vehicle operating systems, (7) windows and windshields, (8) fuel systems, (9) exhaust systems, and (10) flammability of interior materials.

The Secretary would be required to procure an experimental safety schoolbus not later than three years after the enactment of this bill.

Schoolbus manufacturers and distributors would be required to follow special certification procedures in addition to those presently specified in the Act. The manufacturers and distributors would be required to certify that each new schoolbus had been individually inspected and test driven for the purpose of determining its conformity with all applicable safety standards. Further, dealers would be required to certify that they had test driven each new schoolbus.

This bill would also require the Secretary to investigate and report to the public the probable cause of each fatal schoolbus accident and of each fatality in such accidents.

The Department recognizes the need to ensure the well-being of school children while they are being transported to and from school in schoolbuses. To this end, the Department is working to improve schoolbus safety under both the National Traffic and Motor Vehicle Safety Act and the Highway Safety Act. Under the former Act, the Department has issued or is developing standards relating to eight of the ten schoolbus performance areas specified in section 3 of this bill. A complete list of these standards is attached to this letter.

Among the proposed standards are ones relating to bus seating, window retention and release, and tires. The proposal on bus seating would require stronger seats and seat anchorages, substantial padding in the immediate seat area, and increased seat back height for improved occupant protection. It would also require the elimination of lethal surfaces. A notice of proposed rulemaking on the proposal will be issued next year.

Notices of proposed rulemaking have already been issued with regard to the other two proposals. The window notice proposes minimum escape criteria and requirements for the integrity of the structure and latching mechanisms of bus windows. The tire notice proposes performance requirements for pneumatic tires. Final rules with respect to both notices will be issued early next year.

Under the Highway Safety Act, the Department is nearing issuance of a Highway Safety Program Standard on Pupil Transportation. The standard is intended to improve State programs for transporting school children safely by setting requirements for safe routing; proper and safe schoolbus equipment; maintenance of schoolbuses; and selection, training and supervision of schoolbus drivers and maintenance personnel. Implementation of this standard will improve the already good safety record of the schoolbus. The fatality rate (based on each hundred million hours of travel) for schoolbuses is approximately 1 as compared to 96 for passenger cars.

In view of the Department's rulemaking activity on schoolbus safety, the requirement for the promulgation of standards covering specific performance areas appears unnecessary. The authority clearly exists for promulgating standards with respect to the specified performance areas and is being so used.

The authorization in section 1 of this bill for the formulation of safety standards for schoolbuses in terms of either design or performance is also unnecessary. We understand the present Vehicle Safety Act as conferring authority to set performance standards which affect design so long as they are stated in objective terms and regulate only those features of vehicles and equipment which bear on their safety performance.

The value of performance standards is that they provide the manufacturer with latitude in his choice of a method of compliance. In addition, they permit him to innovate and adopt superior methods of compliance as they are developed. This opportunity enables the manufacturers to compete with each other in the extent to which their vehicles exceed the level of safety performance required by the standards.

Design standards, i.e., standards that contain a detailed description of every significant aspect of a product, including materials and processes used, would unduly inhibit innovation and competition. If several methods of providing a particular type of safety performance were available, the Department would probably be compelled to issue a design standard for each of them. Further, new methods of compliance could not be adopted until the Department had had an opportunity to evaluate them and then promulgate additional design standards for those methods providing the necessary level of safety.

Issuance of performance standards would obviate the necessity for issuing multiple standards for the same aspect of vehicle performance. A well-drafted performance standard would also make generally unnecessary amendments or new standards as new methods of providing the required level of safety were developed. Only when the technology of the new methods had advanced substantially beyond that of the methods existing at the time of the drafting of the standard might an amendment be necessary.

The additional certification procedure specified in section 5 of this bill is unnecessary and impracticable. Manufacturers and distributors of schoolbuses are already required by section 114 of the Vehicle Safety Act (15 U.S.C. 1403) to certify the conformity of each schoolbus with all applicable safety standards. Failure to issue such a certification is a violation of the Act and punishable by a civil penalty of up to $1,000 per violation. Further, the issuance of a certification by a person who, in the exercise of due care, has reason to know such certification is false or misleading in a material respect is also a violation of the Act. While testing of a vehicle in accordance with the

test procedures specified in the safety standards is not required under the Act, it is the best method for establishing the requisite care.

Several bus safety standards which have been issued or are being developed specify destructive test procedures, such as a collision into a fixed barrier. Thus, the testing by manufacturers and distributors of each new schoolbus in accordance with such test procedures would clearly be impossible.

Furthermore, even as to those procedures which are nondestructive, no guidance is provided in this bill as to what conduct would satisfy the inspection and test driving requirements in section 5. While the ambiguity might be eliminated by promulgation of interpretive regulations under section 119 of the Act (15 U.S.C. 1407), such rulemaking would duplicate the effort expended in devising the test procedures in the standards. More importantly, such regulations might, by specifying requirements other than the complete test procedures in the standards, dilute the due care provision. Instead of establishing minimum requirements for the measures which would have to be taken to satisfy the due care provision in the case of schoolbuses, this section and the regulations might be construed as establishing maximum requirements.

Section 7 of this bill, which would require the investigation of all fatal schoolbus accidents, may also be unnecessary. The Department has already been directed under section 106 of the Act (15 U.S.C. 1395) to investigate motor vehicle accidents to collect data on the relationship between vehicle performance and accidents and deaths and injuries resulting from such accidents. Pursuant to that authority, the Department has established multi-disciplinary accident investigation teams to collect the necessary data. This data is invaluable in identifying the need for developing new safety standards. It is also useful in verifying the efficacy of existing safety standards.

In selecting schoolbus accidents to be investigated, we give special attention to those accidents likely to yield the most new knowledge on schoolbus safety. We believe that this practice of selective investigation should be continued since it permits us to maximize the amount of new knowledge collected on the safety performance of different types of vehicles.

In view of the foregoing discussion, the Department does not favor the enactment of this legislation.

The Office of Management and Budget advises that there would be no objection from the standpoint of the Administration's program to the submission of this report to the Congress.

Sincerely,

JOHN W. BARNUM,
General Counsel.

Existing or Proposed Federal Motor Vehicle Safety Standards Relating to the Areas of Schoolbus Performance Listed in Section 3 of S. 2582

1. Emergency Exits: New—Bus Window Retention and Release.[1]

2. Interior Protection for Occupants (including restraint systems):

(a) FMVSS No. 208—Occupant Crash Protection.

(b) FMVSS No. 209—Seat Belt Assemblies.

(c) FMVSS No. 210—Seat Belt Assembly Anchorages.

(d) New—Amend FMVSS No. 201—Occupant Protection in Interior Impact.[1]

(e) New—Amend FMVSS No. 203—Impact Protection for the Driver from Steering Control Systems.[1]

(f) New—Bus Passenger Seating and Crash Protection.[2]

3. Floor Strength: FMVSS No. 207—Anchorage of Seats.

4. Seat Anchorages: FMVSS No. 207—Anchorage of Seats.

5. Crashworthiness of Body and Frame:

(a) New—Amend FMVSS No. 204—Steering Control Rearward Displacement.[1]

(b) New—Vehicle Crash Energy Management Systems.

6. Vehicle Operating Systems:

(a) FMV'S No. 101—Control Location, Identification, and Illumination.

(b) FMVSS No. 101—Transmission Shift Lever Sequence, Starter Interlock, and Transmission Braking Effect.

(c) FMVSS No. 103—Windshield Defrosting and Defogging Systems.

(d) FMVSS No. 104—Windshield Wiping and Washing Systems.

(e) FMVSS No. 107—Reflecting Surfaces.

(f) FMVSS No. 108—Lamps, Reflective Devices, and Associated Equipment.

(g) FMVSS No. 112—Headlamp Concealment Devices.

(h) FMVSS No. 113—Hood Latch Systems.

(i) FMVSS No. 116—Motor Vehicle Hydraulic Brake Fluids.

(j) FMVSS No. 121—Air Brake Systems.[1]

(k) New—Amend FMVSS No. 105—Hydraulic Brake Systems.[1]

(l) New—Amend FMVSS No. 106—Brake Hoses and Brake Hose Assemblies.[1]

(m) New—Amend FMVSS No. 111—Indirect Visibility.

(n) New—Amend FMVSS No. 117—Retreaded Tires Other Than Passenger Cars.

(o) New—Brake Shoe and Pad Assemblies.

(p) New—Vehicle Power Requirements.

(q) New—Tires, Rims, Wheels, other than Passenger Cars.[1]

(r) New—Road Wheel Performance.

(s) New—Tire Pressure Warning Indicator.

(t) New—Direct Fields of View.[2]

(u) New—Spray Protectors.

(v) New—Accelerator Control Systems.[1]

(w) New—Driver Environment.

(x) New—High Speed Warning and Control.[1]

(y) New—Alcohol Interlock System.

(z) New—Warning Devices.[1]

(aa) New—Amend CFR575.101—Consumer Information—Stopping Distance.[1]

7. Windows and Windshields:

(a) FMVSS No. 205—Glazing Materials.

(b) New—Amend FMVSS No. 212—Windshield Mounting.[1]

(c) New—Bus Window Retention and Release.[1]

(d) New—Windshield Zone Intrusion.[1]

8. Flammability of Interior Materials: FMVSS No. 302—Flammability of Interior Materials.

APPENDIX II: ANALYSIS OF "EXISTING OR PROPOSED FEDERAL MOTOR VEHICLE SAFETY STANDARDS RELATING TO THE AREAS OF SCHOOLBUS PERFORMANCE LISTED IN SECTION 3 OF S. 2582"

1. Emergency Exits: New—Bus Window Retention and Release [1]

This standard was indeed issued on May 10, 1972 and will be effective September 1, 1973. It sets the minimum total area of unobstructed openings for emergency exits on buses *but schoolbuses are explicitly excluded from this requirement.* If a schoolbus happens to contain push-out windows (few do) or other emergency exits, then these exits must conform to certain requirements on identification of the exit, means of opening the exit and a requirement that an individual can pass unobstructed through the exit.

2. Interior Protection for Occupants (including restraint systems):

(a) FMVSS No. 208—Occupant Crash Protection: This standard provided incremental increases in the effectiveness of restraint systems for occupants and eventually will require complete passive protection for all occupants. Rollover protection and lateral impact protection standards are spelled out. It is a thorough, tough, occupant crash protection standard. *However, these provisions do not apply to school buses.* The driver of the schoolbus is only required to have a seatbelt—that is all this standard demands of schoolbuses. Effective 1/1/72

(b) FMVSS No. 209 Seat Belt Assemblies: specified requirements pertaining to the manufacture of seat belt assemblies for all vehicles. The requirements apply to straps, webbing, buckles, fasteners, hardware designed for installation. Again, in the case of schoolbuses, only the driver must have a seat belt. Effective 7/1/72

(c) FMVSS No. 210 Seat Belt Assembly Anchorages: Effective 7/1/71 although this standard applied to automobiles in 1968.

Specifies the requirements for seat belt assembly anchorages to ensure effective occupant restraint and to reduce the likelihood of failure in collisions. Included is a requirement for anchorages for lap and upper torso restraint belts in all forward facing outboard seats (four in standard sedans).

However, the upper torso restraint is not required for anyone in a school bus and only the driver must have a seat belt.

(d) New—Amend FMVSS No. 201—Occupant Protection in Interior Impact: [1]

"Over a wide range of impact speeds, the injuries suffered by driver and passengers are largely determined by the extent to which the structures on the inside of the vehicle have been designed to cushion the heads and other parts of the bodies hitting them. This standard specifies requirements to afford impact protection for occupants; it contains requirements for padded instrument panes, seat backs, sun visors, and armrests."

However, this standard does *not* apply to schoolbuses and as of Feb. 15, 1973 it still did not, nor had a Notice of Proposed Rulemaking been issued although the footnote indicated that some action would have been taken by June 30, 1972.

(e) New—Amend FMVSS No. 203—Impact Protection for the Driver from Steering Control Systems: [1]

Specifies requirements for minimizing chest, neck, and facial injuries by providing steering systems that yield forward, cushioning the impact of the driver's chest and absorbing much of his impact energy in front-end crashes. Such systems are already proving highly effective in reducing the likelihood of serious and fatal injuries.

Unfortunately, this standard does not apply to school buses. The footnote indicated that by June 30, 1972 either a Notice of Proposed Rulemaking or the rule would be issued. As of Feb. 15, 1973, neither have appeared.

(f) New— Bus Passenger Seating and Crash Protection: [2]

The history of DOT's delay on this standard is provided in Appendix III.

3. Floor strength: FMVSS No. 207 Anchorage of Seats: This standard requires "when tested in accordance with S5, each occupant seat, *other than a side facing seat or a passenger seat* on a bus, shall withstand the following forces." (emphasis added) Thus, this standard applies only to the school bus driver's seat.

4. Seat Anchorages: FMVSS No. 207—Anchorage of Seats. See 3.a.

5. Crashworthiness of Body and Frame:

(a) New—Amend FMVSS No. 204—Steering Control Rearward Displacement: [1]

Specifies requirements limiting the rearward displacement of the steering control into the passenger compartment to reduce the likelihood of chest, neck, or head injuries.

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[1] Final rule or notice of proposed rulemaking to be issued by 6/30/72.

[2] Final rule or notice or proposed rulemaking to be issued by 12/31/72.

However, this standard does not apply to schoolbuses. We can only presume that the proposed amendment would bring schoolbuses under this provision. Although the footnote says that either a Notice of Proposed Rulemaking or final rule will be out by June 6, 1972, as of Feb. 15, '73 no action has been taken of any kind.

(b) New—Vehicle Crash Energy Management Systems: Presumably this standard would require devices or designs that would soak up the force of an accident impact. At present there is no such standard proposed or in existence that would apply to schoolbuses.

6. Vehicle Operating Systems:

(a) FMVSS 101—Control Location, Identification, and Illumination: This standard requires that essential controls be within reach of driver when wearing his seat belt and that certain of these controls be labeled when mounted on the instrument panel. For buses with a gross weight under 10,000 pounds there are instrument panel illumination requirements effective as of Sept. 1, 1972, and for heavier buses the illumination provisions are effective March 1, 1973.

(b) FMVSS No. 102—Transmission Shift Lever Sequence, Starter Interlock, and Transmission Braking effect:

Requires that transmission shift lever sequences have the neutral position placed between forward and reverse drive positions. Its purpose is to reduce the likelihood of driver error in shifting. Also required is an interlock to prevent starting the car in the reverse and forward drive positions, and an engine-braking effect in one of the lower gears at vehicle speeds below 25 miles per hour.

This provision has applied to schoolbuses since Jan. 1, 1968.

(c) FMVSS No. 103—Windshield Defrosting and Defogging Systems: Requires that there be a windshield defrosting and defogging system, but schoolbuses are exempted from the section that sets performance standards for these systems.

(d) FMVSS No. 104—Windshield Wiping and Washing Systems: The schoolbus must have a windshield wiper and washing system and performance standards are specified.

(e) FMVSS No. 107—Reflecting Surfaces: Specifies limits on how much light can be reflected from windshield wiper arms, inside windshield moldings, horn rings, and the frames and brackets of inside rearview mirrors.

(f) FMVSS No. 108—Lamps, Reflective Devices, and Associated Equipment: The number, location, and brightness of red and amber lights on schoolbuses is specified.

(g) FMVSS No. 112—Headlamp Concealment Devices: Just in case anyone ever desires a rakish sports schoolbus, there are safety requirements applicable to disappearing headlamps.

(h) FMVSS No. 113—Hood Latch Systems: There must be a hood latch and two latches if the hood blocks the driver's view when opened.

(i) FMVSS No. 116—Motor Vehicle Hydraulic Brake Fluids: Minimum physical requirements for brake fluids used in any motor vehicles.

(j) FMVSS No. 121—Air Brake Systems: [1] The original standard consisted of performance and equipment requirements for vehicles which have air brakes. There is no requirement that specific vehicles be equipped with air brakes. The footnote suggested that changes were imminent and indeed on Feb. 24, 1972, minor amendments were issued.

(k) New—Amend FMVSS No. 105—Hydraulic Brake Systems: [1] This standard established requirements for hydraulic brakes, but schoolbuses were excluded. However, on Sept. 2, 1972 the standard was amended to include schoolbuses. Unfortunately, the provisions applying to schoolbuses will not be effective until Sept. 1, 1975.

(l) New—Amend FMVSS No. 106—Brake Hoses and Brakes Hose Assemblies: [1] The standard at present does not apply to schoolbuses at all. The footnote indicates that an amendment would be proposed or issued by June 30, 1972. However, as of Feb. 15, 1973 nothing has appeared.

(m) New—Amend FMVSS No. 111—Indirect visibility: This standard is entitled "Rear-view Mirrors" in the Code of Federal Regulations because it only applies to passenger cars and multipurpose vehicles, not schoolbuses. As of Feb. 15, 1973, there has been no action taken of any kind on an Indirect Visibility standard.

(n) New—Amend FMVSS No. 117—Retreaded tires, Other than Passenger Cars: The existing standard is entitled "Retreated Pneumatic Tires". Labeling and manufacturing requirements are set forth along with performance requirements for retreated tires. However, schoolbuses are not included under this regulation and the amendment to include schoolbuses has not appeared in any form.

(o) New—Brake Shoe and Pad Assemblies: No sign of this has appeared at all as of Feb. 15, 1973.

(p) New—Vehicle Power Requirements: No evidence of such a standard as of Feb. 15, 1973.

(q) New—Tires, Rims, Wheels, other than Passenger Cars: [1] An Advance l Notice of Proposed Rulemaking was issued in Nov. 1972.

However, it would only specify labeling requirements for tires filled with cellular foam instead of air.

(r) New—Road Wheel Performance: No sign of such a standard as of Feb. 15, 1973.

(s) New—Tire Pressure Warning Indicator: No sign of such a standard as of Feb. 15, 1973.

(t) New—Direct Fields of View: On April 12, 1972, a notice of proposed rulemaking was issued that "specifies requirements for freedom from obstructions in fields of direct view of driver, for light transmittance of glazing materials within those fields of view, for visibility of the front vehicle corners, and for the installation, view interception, adjustment, and spectral transmittance of sun visors."

(u) New—Spray Protectors: As of Feb. 15, 1973, no such standard has appeared.

(v) New—Accelerator Control Systems: [1] On April 8, 1972, a standard was issued specifying that the accelerator must return to idle if the linkage breaks or the driver's foot is taken off the accelerator. However, compliance is required only after September 1, 1973. Also, a proposed rulemaking was unveiled that would require the accelerator to return to idle after no more than ½ second.

(w) New—Driver Environment: No such proposal seen as of Feb. 15, 1973.

(x) New—High Speed Warning and Control: [1] Although action was supposed to be taken by June 30, 1972, nothing has appeared on this subject as of Feb. 15, 1973.

(y) New—Alcohol Interlock System: No such standard has been issued or proposed as of Feb. 15, 1973.

(z) New—Warning Devices: [2]

Establishes shape, size and performance requirements for reuseable day and night warning devices that can be erected on or near the roadway to warn approaching motorists of the presence of a stopped vehicle. It applies only to devices that do not have self-contained energy sources.

This standard was issued on March 1, 1972, but will become effective Jan. 1, 1974. As one can see from the description of the proposal it has nothing to do with schoolbus design or construction.

(aa) New—Amend CFR 575.101—Consumer Information — Stopping Distance [1]: This standard does not apply to school buses and no amendments have been issued or proposed as of Feb. 15, 1973.

(7) Windows and Windshields:

(a) FMVSS No. 205—Glazing Materials: Specifies requirements for all glazing materials used in windshields, windows, and interior partitions of motor vehicles. Its purpose is to reduce the likelihood of lacerations to the face, scalp, and neck, and to minimize the possibility of occupants penetrating the windshield in collisions.

This standard has applied to all vehicles since Jan. 1, 1968.

(b) New—Amend FMVSS No. 212—Windshield Mounting [1]: This standard requires that, when tested as described, each windshield mounting must retain either: (1) not less than 75 percent of the windshield periphery; or (2) not less than 50 percent of that portion of the windshield periphery on each side of the vehicle longitudinal centerline, if an unrestrained 95th percentile adult male manikin is seated in each outboard front seating position. The purpose of the standard is to keep the vehicle occupants within the confines of the passenger compartment during a crash.

This standard has applied since Jan. 1, 1970 to passenger cars, not to schoolbuses and no proposed amendments have appeared, although supposedly action was to be taken before Jan. 1, 1972.

(c) New—Bus Window Retention and Release: [1] The rule was issued May 10, 1972, and will become effective Sept. 1, 1973. This standard requires the window frames (excludes the windshield) to retain the window when a test force is applied such as might be encountered by a person being thrown against it. It does not apply to windows which have a minimum dimension less than 8 inches. "The purpose of this standard is to minimize the likelihood of occupants being thrown from the bus and to provide a means of readily accessible emergency egress." (See 1.a.)

(d) New—Windshield Zone Intrusion: [2] No such standard has been proposed as of Feb. 15, 1973, even though action was supposed to be taken by June 30, 1972.

(8) Flammability of Interior Materials: FMVSS No. 302—Flammability of Interior Materials:

This standard specifies burn resistance requirements for materials used in the occupant compartment of motor vehicles in order to reduce deaths and injuries caused by vehicle fires. This applies to cars, trucks, multipassenger vehicles, and buses as of Sept. 1, 1972.

SUMMARY OF APPENDIX II—AS OF DECEMBER 30, 1972

There are 22 Federal standards which have been issued or proposed which apply to school buses. Two of these (No. 213 Child Seating Systems and No. 125 Warning Devices) have absolutely nothing to do with the operation or design of schoolbuses and so there are really only 20 applicable standards. Of these 20 standards 15 are currently effective, 1 is proposed, and 4 are issued but not yet effective.

As of Aug. 6, 1968, four and a half years ago, 9 of these 20 standards were already in effect. Hence under the present administration of NHTSA only 11 standards applicable to schoolbuses have been proposed or issued. Of these 11 standards 4 consisted of simply requiring buses to meet prior existing automobile safety standards. That is, the agency merely extended the applicability of previous standards to include buses. These standards are No. 101 Control Location, No. 210 Seat Belt Assembly, No. 207 Anchorage of Seats, No. 207 Seat Belts Installation. All four of these standards had been drafted and made applicable to automobiles by Aug. 6, 1968.

[1] Final rule or notice of proposed rulemaking to be issued by 6/30/72.

[2] Final rule or notice or proposed rulemaking to be issued by 12/31/72.

Their extension to include buses required minimal effort on the part of NHTSA. So in the past 4½ years only 7 standards applicable to schoolbuses can be said to have been truly researched, debated and issued.

Of these 7 standards applicable to schoolbuses which required some agency resources to develop in the last 4½ years, only 4 can be said to have involved consideration of buses in particular. The other three standards (No. 124 Accelerator Control, No. 302 Flammability of Interior Materials, No. 116 hydraulic brake fluids) apply to nearly all vehicles and so they did not require any special effort on the part of NHTSA as far as bus safety is concerned.

Only 4 standards remain for our consideration and they apply to buses in general and not just schoolbuses. First, Direct Fields of View is only proposed. Second, No. 105 Hydraulic Brake Systems will not be effective until Sept. 1, 1975. Third, No. 121 Air Brake Systems does not require buses to have air brakes, the safest kind of brake available. Rather *if* the bus is equipped with air brakes *then* there are certain requirements. And finally, the standard on Bus Window Retention and Release and Emergency Exits specifically exempts schoolbuses from the provisions on emergency exits. Yet the above 4 standards are all that NHTSA can claim to have accomplished in the area of bus safety in the last 4½ years under the mandate of the National Traffic and Motor Vehicle Safety Act of 1966.

APPENDIX III: IN A PETITION FOR RULEMAKING FOR THE ESTABLISHMENT OF SCHOOLBUS SAFETY STANDARDS WHICH WAS SUBMITTED TO THE DEPARTMENT OF TRANSPORTATION ON DECEMBER 29, 1972

The following was the justification for the standard on seating systems which the petitioners proposed:

JUSTIFICATION FOR STANDARD ON SEATING SYSTEMS

Of all the motor vehicle occupant hazards which might be classed as "unconscionable engineering" probably none can compare to the typical schoolbus seat. Of particular notoriety is the steel "guard rail" and the steel bar which often forms the top of the typical seatback.

Six years have elapsed since the passage of the Federal Motor Vehicle Safety Act and yet even today schoolbuses are being sold with these dangerous seats. To a thoughtful engineer the interior of these buses is a grotesque but precise array of steel weaponry, with each child's head targeted for a piece of steel. The driver, the children, and even the schoolboard which purchased the bus are all, most likely, unaware of the dangers involved. And yet suddenly, with no warning, one of those schoolbuses will eventually have an accident. The yellow schoolbus will instantly be transformed into the yellow peril as all the children are simultaneously hurled against the steel cudgels before them. Injuries and deaths will be inflicted which are entirely unnecessary, wholly the result of negligent engineering.

This prediction is certainly within the realm of reasonable forseeability. In fact, it is a statement of the inevitable.

In November of 1968 the National Motor Vehicle Safety Advisory Council—the Council authorized by Congress to advise the National Highway Safety Bureau (and later the successor organization—the NHTSA)—offered the following recommendation to the Bureau:

"7. Collision protection of schoolbus as follows: . . . (g) performance standards for seats within schoolbus should be developed making allowances for: seat back height requirements, strength to withstand forward and rear force application, protection from side impact by use of arm rests and elimination of all force-concentrating contours and materials within possible range of the pupils during impact."

In response to this specific schoolbus safety recommendation of the Advisory Council the Bureau stated the following:

"Docket No. 2–11, at the discussion paper phase, applies to passenger seats in school buses. This proposal includes requirements for high seat backs, seat anchorages, padded armrests (on the aisle side) and padding on rear of seat backs. Other impact protection requirements in the interior of the bus could be added. . . ."

In a study which was contracted-out by DOT in 1969 to the Institute of Transportation and Traffic Engineering of UCLA the researchers made the following conclusions in their report entitled "School Bus Seat Restraint and Seat Anchorage Systems":

"The overwhelming cause of injury in a school bus collision is the seat. This fact does not appear to hold true for commercial and charter buses using a covered seat. It is probable that, as currently designed, seats account for, or contribute to, two-thirds or more of the injuries in the TYPE III impacts."

Thus, as early as 1969 the Department was cognizant of the importance of issuing a standard on passenger seats. Its Advisory Council and researchers were calling for action and the National Highway Safety Bureau (predecessor of NHTSA) was showing incipient signs of interest.

On January 27, 1970 Senator Edward Kennedy wrote DOT Secretary John Volpe a letter in which the Senator expressed his concern for the deplorable lack of safety engineering in schoolbuses and recommended rulemaking in a number of areas:

"All of these questions seem to be matters that the Department should have resolved long ago to carry out the mandate of the National Traffic and Motor Vehicle Safety Act. Nearly all of these points were cited on the recommendations of the National Motor Vehicle Safety Advisory Council on November 26, 1968, and positive action by the Department was discussed in a report by the National Highway Safety Bureau . . . I believe the following steps should be a matter of immediate concern and action by your Department.

"1. Performance standards for seats and for padding of seat backs, the latter also affecting school buses now in service."

John Volpe replied to Senator Kennedy's letter on February 10, 1970, referring specifically to the Kennedy recommendation on seats:

"Performance standards for Seats:

"The Department, in Dock 2–11, has already initiated the first rule-making action to upgrade substantially the safety performance of school bus seats. Prior to proceeding with this work a research contract was initiated with the ITTE at the UCLA, . . . to provide objective criteria for seat performance standards. While the information from this research has not been as definitive as we would like, we nevertheless believe that there is sufficient information for us to proceed with this rule-making . . ."

In a letter written five days later by the Acting Administrator of the National Highway and Traffic Safety Administration, Douglas Toms, to a Dr. Shelness of the Physicians for Auto Safety—a professional concerned-citizens group, the Acting Administrator noted that—

"In addition, we will soon release a notice of proposed rulemaking on bus seats which will provide additional protection to school children."

It would seem, then, that in early 1970 a federal standard on bus seats was forthcoming and all concerned legislators and citizens could rest assured that the Department of Transportation was looking after the welfare of their little loved ones.

But a whole year passed and there was no proposed rule making on bus seats. The Department had not forgotten about the earlier promises it had made. On the contrary, at a New Jersey Symposium on Seat Belts and Emergency Exits in School Buses NHTSA trotted out its Director of Pupil Transportation—David Soule to demonstrate their commitment to keep their promise:

"The DOT will soon issue a Federal Motor Vehicle Safety Standard on a high strength padded safety seat that will materially reduce the hostile environment presented by the present bare metal frame found in most of today's school buses."

1971 moved on and the Department did not. But the Administrator of NHTSA managed to raise hopes once again that a rule making on seats was at hand. At a hearing in July before a subcommittee of the Committee on Government Operations which was investigating the "Effectiveness and Efficiency of DOT Programs Relating to Automobile and Schoolbus Safety" Mr. Toms testified:

"We deem one of the best payoffs in schoolbus standards would be to provide for friendlier seats. One thing we do not like are the seats with the metal hard rails and metal backs so as the youngster moves forward in any kind of a crash he strikes a solid, unyielding surface . . . We are moving forward to see that the seat backs and most of the interior parts of the bus are friendlier.

"Docket 2–11. Bus Passenger and Crash Protection. Notice of proposed rulemaking to be issued late summer or early fall 1971. Proposes stronger seats and seat anchorages, elimination of lethal surfaces, substantial padding in the immediate seating area, and increased seat back height for improved occupant containment."

The summer passed and the early fall came and still there was no rulemaking. But Administrator Toms was back on the Hill with his now familiar projections:

"I would like to describe briefly three of our current proposals for improved bus safety. We are nearing completion of a notice of proposed rulemaking that would require stronger seats and seat anchorages, substantial padding in the immediate seating area, and increased seat back height for improved occupant protection. It would also require the elimination of lethal surfaces."

Apparently the legislators had had their fill of empty promises for in late September Senator Gaylord Nelson and Congressman Les Aspin introduced companion legislation that would require the Department of Transportation to issue standards within a specified time period. After the General Counsel for DOT informed the legislators that the Department was certainly aware of its authority to promulgate rules, he went on to say:

"Among the proposed standards are ones relating to bus seating, window retention and release, and tires. The proposal on bus seating would require stronger seats and seat anchorages, substantial padding in the immediate seat area, and increased seat back height for improved occupant protection. It would also require the elimination of lethal surfaces. *A notice of proposed rulemaking on the proposal will be issued next year.*" (emphasis added)

That letter was dated February 19, 1972. Almost two months later NHTSA issued a press release in which it said:

"NHTSA is preparing several standards that apply to new school bus construction. Our goal here is to increase bus safety in the area of occupant crash protection. The most significant standard would relate to improved occupant containment. We will attempt to improve the hostile environment inside present buses, so that, in a crash situation, occu-

pants are retained within the bus and are protected from serious injury. *One proposed standard, to be issued shortly,* deals with bus passenger seating and crash protection. It would require stronger seats and seat anchorages, elimination of lethal surfaces, substantial padding in the immediate area, and increased seat back height. The purpose is to contain passengers between strong, well padded, high-backed seats during a crash situation." (Emphasis supplied)

A little over a month later in a letter to Congressman John Moss, Chairman—Subcommittee on Commerce and Finance, House of Representatives, Secretary Volpe made the following announcement:

"A third rulemaking action relating to bus passenger safety is underway. *A notice of proposed rulemaking is slated to be published in the next few weeks,* titled, "Bus Passenger Seating and Crash Protection". This notice will propose greatly improved passenger protection in the form of strong, well-padded, high-backed seats to form passenger compartments which will restrain and protect passengers in most crash situations."

The seasons passed with summer turning into fall and again there was no proposal for rule making. In late September of 1972 a newspaper article in a Washington, D.C. paper quoted the agency (NHTSA) as saying that they "had decided to give priority consideration to proposing strong seats with higher backs to protect children in buses."

"In a few more weeks, the agency said, it will have a notice of proposed standards for stronger, safer seats. Then in a few months, a hearing will be held and eventually a seat standard will be announced." (emphasis added)

The reporter observed that "It has taken six years to get this far on a seat standard. No one will venture to guess how long it will take to get a standard on a safer bus structure." Actually the reporter was assuming a great deal in thinking that the agency was getting any nearer to a standard on seats than it had in 1968 when it first recognized the critical need for one. In an October status report of the Insurance Institute for Highway Safety the Institute quoted an NHTSA official as saying:

"NHTSA will soon require schoolbus manufacturers to build buses equipped with high, padded seat backs, . . . a public proposal of the requirement is 'imminent' . . ."

A pattern emerges of promises and assurances of DOT's forthcoming actions which never seem to materialize. DOT's strategy so far has been effective in blunting their critics' charges but surely the patience of the public is limited. The situation is doubly intolerable because NHTSA has created a bottleneck, clearly implying that no other major action on schoolbuses will be undertaken until the seat standards are proposed:

"Asked about his agency's reaction to the (NTSB) board's call for immediate action on schoolbus structural strength, an NHTSA official told Status Report that it would be 'possibly two years' before NHTSA issues a corrective standard. It is giving priority, he suggested, to the area of passenger restraints in school buses, which it feels is the 'biggest single' factor in occupant protection. 'Once we get that out of the way we can go after the other things,' he said . . .NHTSA hopes that the improved seat backs (which they plan to propose a rule on soon) "will negate" the need for seat belts in school buses, he said."

Thus, it would appear that NHTSA's major priority in schoolbus safety is passenger restraints, but NHTSA hopes that the need for restraints will be obviated by improved seats. And we are told that a proposal for rule-making is imminent. Again, words of assurance quell the public outcry for action. But this strategy is losing its credibility.

SENATOR CHARLES H. PERCY'S NEWS RELEASE

WASHINGTON.—Senator Charles H. Percy (R-Ill.) said today on the Senate floor that the Department of Transportation may have misled the Congress about the need for new legislation requiring safety standards for schoolbuses by a fixed date.

When legislation was introduced in Congress last year, Percy said, D.O.T. officials testified that it was "unnecessary" because, they claimed, comprehensive safety requirements were already underway.

"I am disturbed, however, that the Congress was misled," Percy said. "An 'impressive' list of 41 schoolbus safety standards was used as evidence that the National Highway Safety Administration was pursuing the issue vigorously," Percy said. "But a recent independent study of those standards does not support the agency's position," he said.

The study, conducted by concerned members of the George Washington University Law School—organized to Ban Unsafe Schoolbuses Which Regularly Endanger Children (BUSWREC) concluded that as of the start of this year, D.O.T. had issued or proposed only four bus safety standards since 1968 which involved any significant agency effort—and those four have serious limitations.

"The real difference involves the comprehensiveness and effectiveness of the D.O.T. standard—they are neither," Percy said. "Ultimately, it will be the difference between the number of children who are needlessly killed or maimed, and those who would have gone unharmed if protected by adequate safety regulations," he added.

Percy wrote to D.O.T. Secretary Claude S. Brinegar saying, "If NHTSA's presentations have not been duplicitous, at the very best the agency has not been wholly candid about its progress in the area of schoolbus safety."

In his letter to Brinegar, Percy said that he has supported another schoolbus bill this year, despite D.O.T. claims that new legislation was not needed. "I supported that bill, frankly, because I am convinced that NHTSA has abdicated its public responsibility," he said.

"I would ask you to investigate whether there has not been dereliction of duty in the fact that the Department has failed to promulgate certain elementary precautions and regulations to prevent schoolbus accidents," he said in his letter.

Percy noted that in 1966, Congress gave D.O.T. authority to issue safety standards for all motor vehicles, including schoolbuses, and that no new legislation would be needed if agency officials were doing their job.

"After a five year delay, and after the BUSWREC report was issued, NHTSA proposed a regulation for safer bus seats just a little over a month ago. By contrast, seat standards have been in effect for regular autos since 1968," he said.

"And even this seat regulation leaves much to be desired," he said. In addition to the fact that it ignores the recent recommendation by the New York State Automobile Association to that State's legislature proposing a padded seat compartment, including a padded shoulder rail, padded armrest, and high back rearward facing seats, Percy also criticized the stand because:

It does not apply to side-facing seats commonly found on "short route" buses.

It does not adequately provide for seat strength integrity in side-impact situations.

It leaves unmentioned such interior features in the immediate vicinity of passenger seats as overhead hand grasps, hazardous window frame structures, and aisle poles.

Percy said the reintroduced legislation is a "tragic commentary on the carrying out of the (1966 Congressional) mandate that today Congress sees a need for 'kick in the pants' legislation to spur NHTSA into action that is long overdue."

Percy cited an investigation conducted last week by local TV Station WTTG (Metromedia) which revealed that of 72,000 full-time employees in the Department of Transportation only one is assigned full-time responsibility for schoolbus safety.

"Viewing the problem as an example of ill-considered priorities at best if not outright dereliction," Percy noted that in 1971 there were 47,000 schoolbus accidents costing 150 lives and injuring 5,600 persons. He warned that if D.O.T. failed to act soon, he would call for an investigation "in the very near future" within the Senate Permanent Subcommittee on Investigations on which he serves as ranking minority member.

Percy characterized Secretary Brinegar's lengthy response to his letter as "regretfully unsatisfactory," but expressed the hope that now that the schoolbus safety problem has been brought to the Secretary's personal attention, he will give the matter priority consideration.

"From all I can tell," Percy said, "D.O.T. feels that the yellow tin can which we call a schoolbus is not in urgent need of mandatory standards for roll-over protection, efficiency and integrity of joints, emergency exits, floor strength, and elimination or padding of interior poles. I couldn't disagree more."

Secretary Brinegar's response said, "The NHTSA is currently reviewing many of the possible safety countermeasures mentioned by you."

In a separate action, Percy has written directly to the presidents of the major bus manufacturing companies enlisting their suggestions and support for comprehensive Federal safety standards.

SENATOR ERVIN'S STATEMENT ON "SPEECH OR DEBATE" CLAUSE BEFORE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

Mr. ERVIN. Mr. President, on Wednesday, March 21, 1973, I had the pleasure of appearing before the Joint Committee on Congressional Operations, in connection with the Joint Committee's hearings on the Legislative Role of Congress in Gathering and Disclosing Information.

The protection of Members of Congress from intimidation and harassment by the executive and judicial branches of Government is an integral part of the separation of powers doctrine and is a matter which rightly concerns every Member of Congress.

Mr. President, I ask unanimous consent that my remarks before the Joint Committee on Congressional Operations be printed in the RECORD.

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

STATEMENT OF U.S. SENATOR SAM J. ERVIN, JR., BEFORE THE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

I want to commend the Joint Committee on Congressional Operations for its initiative in scheduling these hearings. Americans of every ideological persuasion are greatly concerned that the principle of separation of powers, one of the fundamental doctrines incorporated in our Constitution, is on its deathbed. The search for a cure has become absolutely essential if the form of government established under our Constitution is to be preserved. I am confident that this Committee's hearings will underline the imbalance of power that presently exists among the branches of the federal government and

point us toward some remedies to this imbalance.

While there are many important issues currently associated with the principle of separation of powers—including such matters as Executive impoundment of appropriated funds, sweeping Presidential assertions as to the scope of executive privilege, and the troublesome relationship between Congress and the President in the conduct of foreign affairs—I want to concentrate today upon the issues in conflict with respect to the "Speech or Debate" Clause of Article I, Section 6 of the Constitution. This Clause is a vital part of the doctrine of separation of powers inasmuch as it protects members of Congress from intimidation by the Executive and Judiciary through the use of judicial inquiry into legislative activity.

During its last term the Supreme Court decided two cases, *United States* v. *Gravel*, 408 U.S. 606 (1972), and *United States* v. *Brewster*, 408 U.S. 501 (1972), in which the Court set forth its interpretation of this Clause. In my opinion, these decisions pose a dangerous threat to the independence and integrity of the Legislative Branch.

The Senate was properly alarmed about the threat to its independence posed by the judicial inquiry into the activities of Senator Mike Gravel. After the Supreme Court agreed to hear the case, the Senate on March 23, 1972, adopted S. Res. 280 authorizing the filing of an *amicus curiae* brief with the Court on its behalf. The Senate realized that the Supreme Court would interpret the "Speech or Debate" Clause and, in the words of the resolution, feared that the Court thereby might "impair the constitutional independence and prerogatives of every individual Senator, and of the Senate as a whole."

The Senate's fears were well-founded, for on June 29, 1972, the Supreme Court did just that. In handing down its decisions in *United States* v. *Gravel* and *United States* v. *Brewster*, which also involved an interpretation of the "Speech or Debate" Clause, the Court set forth significant restrictions as to the scope of the protection provided Members of Congress by the Clause.

In these two cases the new majority on the Court tinkered with the very heart of the constitutional doctrine of separation of powers. These decisions impair the constitutional independence and prerogatives of every individual Senator and of the Senate as a whole to a degree none of us anticipated when the resolution was adopted.

These two Supreme Court decisions have os restricted the immunity given to Members of Congress by the "Speech or Debate" Clause that they can no longer independently acquire information respecting activities of the Executive Branch nor inform their constitutents of their findings without risking criminal prosecution. Indeed, these decisions raise the clear danger that a Member's speech or vote on the floor may subject him to inquiry by the Executive or Judicial Branch.

The framers of the Constitution wrote the "Speech or Debate" Clause to remedy a very specific evil. Fresh in their minds was the history of harassment by English kings and their judges of Members of Parliament who spoke out in the course of their legislative activities in a manner embarrassing to the Crown. The legislative immunity incorporated in our Constitution is a product of that turbulent period in English history marked by the Glorious Revolution and the beheading of Charles the First. Indeed, one reason Charles the First lost his head was his imprisonment of Members of Parliament who opposed his overseas military campaigns.

Justice Frankfurter related the history and origins of legislative immunity to the "Speech or Debate" Clause in his excellent opinion in the case of *Tenney* v. *Brandhove*, 341 U.S. 367, 372 (1971):

"In 1668, after a long and bitter struggle, Parliament finally laid the ghost of Charles I, who had prosecuted Sir John Elliot and others for 'seditious' speech in Parliament. . . . In 1689, the Bill of Rights declared in unequivocal language: 'That the Freedom of Speech, and Debate or proceeding in Parliament, ought not to be impeached or questioned in any Court or Place out of Parliament.' 1 Wm. & Mary Sess. 2, Ch. 2.

"Freedom of speech and action in the legislature was taken as a matter of course by those who severed the Colonies from the crown and founded our Nation. It was deemed so essential for representatives of the people that it was written into the Articles of Confederation and later into the Constitution. . . .

"The reason for the privilege is clear. It was well summarized by James Wilson, an influential member of the Committee of Detail which was responsible for the provision in the Federal Constitution. 'In order to enable and encourage a representative of the public to discharge his public trust with firmness and success, it is indispensably necessary that he should enjoy the fullest liberty of speech, and that the should be protected from the resentment of everyone, however, powerful, to whom the exercise of that liberty may occasion offence.' II Works of James Wilson (Andrews ed. 1896) 38."

Until these decisions by the present activist majority, the Supreme Court relied heavily upon this history to derive the meaning of the Clause. When I refer to a court as "activist," I mean a court which ignores the history or policy or settled precedents underlying a particular clause of the Constitution or statute. The Supreme Court popularly considered "liberal," as was the Warrent Court, or as "conservative." The vice is the same whatever the ideology—placing the Court itself above the Constitution. It is not interpreting and applying, but rewriting.

An unfortunate example of an activist court at work is also found in the majority opinion in *United States* v. *Brewster*, written by Chief Justice Burger who was joined by Justices Stewart, Marshall Blackmun, Powell and Rehnquist. There the majority concluded that the English history which gave rise to Artcile I, Section 6 of the Constitution was no longer dispositive in interpreting the "Speech or Debate" Clause. It was satisfied that "our history does not reflect a catalog of abuses at the hands of the Executive that gave rise to the privilege in England."

The Court has conveniently forgotten much about American history. During the infamous "alien-sedition" period the Federalist Administration used the judiciary to intimidate anti-Federalist Congressmen. For example, in 1798 Congressman Matthew Lyon was convicted and sentenced before a biased Federalist judge who was motivated by purely partisan political considerations. The judge would not even allow Lyon time to prepare his defense. In 1797 a grand jury under the supervision of another Federalist judge, conducted an inquisition of an anti-Federalist Congressman for "sedition" in sending a newsletter to his constituents critical of the Administration's war policy. Thomas Jefferson considered the grand jury's action to be a blatant violation of the "Speech or Debate" Clause and suggested that the grand jurors should be arrested and imprisoned for this "great crime wicked in its purpose, and mortal in its consequences."

Of course, even if the Court were correct about its American history, its conclusions would be of little comfort. My fears would not be allayed by the knowledge that until now most Presidents have exercised great restraint in hauling legislators they do not like into court. Effective separation of powers between branches of government must rest not only upon good faith and great expectations, but also on the firm bedrock of Constitutional principles.

The Constitution provides two methods by which Congressmen can be held accountable for their misdeeds. They can be disciplined by the body of which they are a members and they can be disciplined by the electorate at the next election. These means of holding Congressmen accountable for misbehavior do not compromise the independence of the Legislative Branch.

Apparently, the Supreme Court's majority in the *Brewster* case was not satisfied with what the Founding Fathers provided for in this respect. This majority ignored the explicit words and policy of the Constitution in favor of what it believed to be a better procedure for dealing with alleged misdeeds by members of Congress. In so doing, the Court's majority in *United States* v. *Brewster* ran roughshod over the "Speech or Debate" Clause.

Earlier Courts, concerned about the independence of Congress, have felt it necessary to give the Clause the broadest possible interpretation. Chief Justice Burger, in his majority opinion in *United States* v. *Brewster*, dismissed these prior judicial expressions. He wrote that, "the contention for a broader interpretation of the privilege draws essentially on the flavor of the rhetoric and the sweep of the language used by the courts, not on the precise words used in any prior case, and surely not on the sense of those earlier cases, fairly read." He thus rationalized away the important policies and principles underlying the Clause which have been recognized by all Supreme Courts until this one by the simple and unconvincing device of labelling the Court's past precedents as mere rhetoric and sweeping language.

The *Brewster* case involved the alleged solicitation and acceptance of a bribe by former U.S. Senator Daniel B. Brewster of Maryland. A 1969 indictment charged that Senator Brewster as a member of the Senate Post Office and Civil Service Committee had been influenced in his actions on legislation proposing changes in postal rates as the result of an alleged $24,000 bribe from the mail-order company of Spiegel Inc. The District Judge dismissed the indictment against the former Senator on the ground that he was immune from prosecution under the "Speech or Debate" Clause. The Supreme Court reversed by simply concluding that the bribery could be proved without relying on the evidence of what the Court defined as protected activity—the actual vote on the postal rates.

The *Gravel* case involved Senator Mike Gravel's reading of the "Pentagon Papers" at a meeting of the Senate Public Works Subcommittee on Public Buildings and Grounds and the inclusion of the documents into the Subcommittee record. The case arose out of the attempt by a Federal grand jury in Boston to inquire into the matters relating to the public disclosure of the Papers, and its subpena of an aide to the Senator. Senator Gravel moved to intervene in the aide's motion to quash the subpena—asserting immunity under the "Speech or Debate" on behalf of the aide.

Although the Senator failed to quash the subpena against this aide, the lower Federal courts granted a protective order precluding questioning of the Senator or any member of his staff about the Subcommittee meeting, including the acquisition and subsequent publication by Beacon Press of the Papers and the proceedings before the Subcommittee. The Court of Appeals based its order on its conclusion that the aide and Senator Gravel enjoy similar immunities under the Clause and on a common law privilege akin to that accorded Executive and Judicial officials to protect them from liability for official conduct.

There were several different issues before the Court in each of these two cases. However, the fundamental question facing the Court in both cases was the same, a question

of jurisdiction—whether inquiry into certain behavior of Members of Congress could be conducted by the Executive and Judicial branches or whether the separation of powers concept and the "Speech or Debate" Clause require that the inquiry remain the exclusive responsibility of the Legislative Branch.

The general question of what activity is protected by the "Speech or Debate" Clause and, therefore, is within the exclusive jurisdiction of Congress took three forms in these cases.

First, in the *Gravel* case, the Court decided whether aides to Members of Congress enjoy the same immunity under the Clause as Members themselves.

Second, in *Gravel* and to a certain extent in Brewster, the Court determined what was "legislative activity" and thereby protected by the Clause. More precisely the Court determined whether a Member was engaged in legislative activity when he acquired information on the activities of the Executive and informed his constituents of his findings.

Finally, in *Brewster* the Court was concerned with the extent to which a Federal court could indirectly question a Senator on concededly protected activity—the casting of a vote—without violating the Clause.

The Court decided the first issue—whether aides enjoyed the same immunity as their legislator-employers—in the affirmative. It concluded that the immunity of an aide is identical to that of the Senator. In the Court's words the Clause provides immunity to the aide, "where his conduct would be a protected Legislative act if performed by the Member himself."

Unfortunately, this determination by the Court is of little significance because what the Court gave with one hand it more than took away with the other.

While the Court concluded that an aide enjoys immunity equal to that of his Senator, it so restricted the immunity enjoyed by the Senator as to make it largely worthless to the Senator or his aide. It decided, in the *Gravel* case, that the acquisition of information in preparation for a legislative hearing and the publication of the hearing thereafter are not protected activities. And, in *Brewster*, it held that even a protected activity such as voting is still subject to inquiry by the Court or the Executive Branch.

Under the Supreme Court's view, no activity is protected except the narrowly defined casting of a vote or the giving of a speech before the House or in Committee. No preparatory acts leading up to a protected activity would be immune under the Clause. A Senator would not be protected when he obtains information for use in a speech or a hearing or when he attempts to bring the result of his legislative activity or that of the whole body to the attention of the public. Further, even the narrow range of activity still protected after these decisions—voting and speaking on the floor—is subject to question if the Executive or the Judiciary can find a possibility of an illegal act. So, in effect, not even voting and official speaking are any longer covered by the Clause.

In *Gravel* the Court excluded acquisition and republication from the protection of the "Speech or Debate" Clause because these matters did not fall within its new artificial definition of "legislative activity." According to the Court the only activity which is "legislative" and therefore entitled to protection is that which is "an integral part of the deliberative and communicative process by which Members participate in committee and House proceedings with respect to the consideration and passage or rejection of proposed legislation or with respect to other matters which the Constitution places within the jurisdiction of either House." In other words, five of the Justices of the Supreme Court, none of whom has spent any time in Congress, have concluded that the acquisition of information for hearings and the communication of the results of hearings to the public are not "integral" parts of the legislative process.

This definition of "legislative activity" reflects a lack of appreciation of the things essential to the legislative process. As we all know, the formulation, consideration and passage of legislation involves much more than the introduction of a bill, a few speeches and a vote. The Washington Post, in an editorial critical of this decision, on July 15, 1972, made this point quite forcefully:

"This decision is extremely troubling because it declares, in effect that the only communications essential to the legislative process are those among congressmen. This relegates to a lesser realm the constant, churning traffic in ideas and opinions between congressmen and citizens. Yet this communication is central to the idea and functioning of representative government, not peripheral as the court seems to think."

To my mind, Chief Justice Parsons had a much more realistic view of the legislative process when he defined the scope of legislative activity in the case of *Coffin v. Coffin*, 4 Mass. 1, 27 (1808):

. . . for every thing said or done by him, as a representative, in the exercise of the functions of that office, without inquiring whether the exercise was regular according to the rules of the house, or irregular and against their rules.

According to Chief Justice Parson, "legislative activity" is what we as Members of Congress do as representatives of our constituents. If we feel that we are representing our constituents by investigating the Executive Branch's conduct of a foreign war, as anti-Federalist Congressmen did during Federalist Administrations in the late 1700's, that is legislative activity and beyond inquiry in a Federal court. If we want to inform our constituents of the findings of our investigations, that is also legislative activity and beyond inquiry by a Federal court. Of course, we are not unaccountable in the performance of these legislative activities. Our constituents can vote us out of office if they decide that any of our activities do not represent their interests. And the Senate can establish rules and penalize us for activity it deems inappropriate. But the Supreme Court can contrive no definition which will convince me that it is appropriate for any Federal court or grand jury to inquire into such legislative activity as obtaining information about the functioning of the Executive Branch and informing the public of the actions of its government.

What I have just stated has been the unquestioned law of this land for almost two centuries. Indeed the Supreme Court has frequently relied on Justice Parson's formulation (e.g., *Kilbourne* v. *Thompson*, 103 U.S.C. 163 (1880)).

There is very disturbing language in these opinions, language which illustrates a lack of appreciation of what is essential to the legislative function. Although the *Brewster* decision does not turn on what is and what is not legislative activity, the majority felt compelled to expound on the subject. Despite the fact that it is all dicta, the Court's reasoning reveals its attitude toward Congress and perhaps explains the real reason why the Court stripped Congress of immunity for acquisition and publication in *Gravel*.

In *Brewster*, the Court expressed its view that Congress is incapable of disciplining its own Members in a wise manner and that Congress could not provide all the protections that a Federal court could in disciplining misbehavior.

But to my mind, the most serious affront to this body occurred in the Court's distinction in *Brewster* between protected and nonprotected activity. The Court drew a distinction between what it determined to be "political" activity and "legislative" activity. The majority would not protect what it labels as "political" activity or "errands" performed by Congressmen:

These include a wide range of legitimate "errands" performed for constitutents, the making of appointments with government agencies, assistance in securing government contracts, preparing so-called "news letters" to constitutents, news releases, speeches delivered outside the Congress. . . . They are performed in part because they have come to be expected by constituents and because they are a means of developing continuing support for future elections.

In essence, the majority believes that those activities we do on behalf of our constituents are for our own personal advancement, that is, for increasing our chances of re-election. It regards them as "political" and therefore not entitled to protection. It demeans many legitimate acts we perform in our representative capacity or as ombudsmen between the people and their government by labeling them as "errands" and assuming that they are performed for base political reasons.

As disturbed as I am about the ruling in *Gravel* and dicta in *Brewster* stripping immunity from acquisition and republication, I fear that the Court may have sounded the death knell for the "Speech and Debate" Clause in its holding in *Brewster* permitting indirect inquiry into the motives for a Member's actual speech or vote in the floor or in committee. The Court in *Brewster* split over whether inquiry into a nonlegislative act (bribery in this case) could be conducted without indirectly bringing into question a legislative act—the casting of a vote in committee or on the floor. Justice White, who wrote the majority opinion in *Gravel*, thought that inquiry into the former was for all practical purposes an inquiry into the latter and filed a vigorous dissent in *Brewster*.

In writing the majority opinion in *Brewster*, Chief Justice Burger was faced with Justice Harlan's fine opinion in the case of *United States* v. *Johnson*, 383 U.S. 169, a 1966 case with facts almost identical to *Brewster*. In that case the Court frustrated a prosecution of a Congressman for giving a speech in return for a bribe, while in *Brewster* the prosecution was for the casting of a vote in return for a bribe. Justice Burger distinguished the cases by concluding that the *Johnson* Court would have been satisfied if the government had proven the bribe and a promise to give a speech without offering the speech as evidence of the bribe. Therefore, the Chief Justice reasoned, the prosecution in *Brewster* could proceed if the government would offer only the promise to vote and not the vote itself. Ironically, almost the same argument was offered by the Justice Department in the *Johnson* case and was explicitly rejected by Justice Harlan.

In Justice White's view an inquiry into the bribery would of necessity touch upon matters which are, beyond question, within the scope of the privilege—that is the vote itself and the Senator's motives in casting the vote. In the Justice's own words:

"Insofar as it charged crimes under 18 U.S.C. § 201(c)(1), the indictment fares little better. That section requires proof of a corrupt arrangement for the receipt of money and also proof that the arrangement was in return for the defendant 'being influenced in his performance of any official act . . . . Whatever the official act may prove to be, the Government cannot prove its case without calling into question the motives of the Member in performing that act, for it must prove that the Member undertook for money to be influenced in that performance."

Justice White recognized the Chief Justice's logic for what it was—mechanistic and artificial—a logic which fails to recognize the fundamental principle underlying the "Speech or Debate" Clause.

We could look upon these decisions fatalistically. We might resign ourselves to the view that the unbridled expansion of Executive Privilege and the withering of legislative privilege are part of an inevitable trend of aggrandizement of power in the Presidency evidenced throughout American history. But if we do so, we profane our oaths to uphold the Constitution and indeed we may preside over the funeral of our system of government.

If we do not respond rationally and firmly to the constitutional crisis wrought by these decisions, the doctrine of separation of powers may die a quiet and ignoble death. The Congress may find itself in the same situation as Parliament found itself under the reign of Charles the First. That crisis led to revolution in 1640 and a total restructuring of the English system of government. Continued inaction on our part may lead to consequences no less grave for our constitutional system. As Woodrow Wilson once warned, warfare between branches would be fatal to the continuation of democratic government.

SHENYANG ACROBATIC TROUPE

Mr. JAVITS. Mr. President, April 18 will be the date of a historic TV broadcast. The Shenyang Acrobatic Troupe of the People's Republic of China will perform that evening for 90 minutes. This special event marks a significant opening in the door of cultural exchange between the people of China and the people of the United States.

The bringing of this engaging TV performance to the American people is the result of the efforts of David J. Mahoney, chairman and president of Norton Simon, Inc. Mr. Mahoney witnessed the performance of the Shenyang Acrobatic Troupe when it was in the United States. He decided that all the American people should have the opportunity to witness performances that took place in New York; Washington, D.C.; Chicago and Indianapolis. His decision has been translated into action and on April 18 the TV performance of the Shenyang Acrobatic Troupe will be an experience for everyone to share.

Mr. Mahoney's introductory remarks to the TV special are as follows:

"President Nixon's dramatic visit to the People's Republic of China last year, brought about a new chapter in our relationships with China. And we at Norton, Simon, Inc., are proud to be part of this move toward friendship through understanding.

"And so, we are particularly pleased to present the renowned Shenyang Acrobatic Troupe—the first performing arts group from the People's Republic of China to visit the United States. I first heard of the Shenyang Troupe when I was in China last November. Not long after, they conducted their first tour of this country, to standing room only audiences. Wherever they played—Chicago, Indianapolis, New York and Washington's Kennedy Center, where tonight's show was taped—the people loved it. And like everyone who's seen the show, I found them fascinating.

"Chinese acrobatics is one of the world's oldest art forms, going back to the second century before Christ. Today, acrobatics are taught in every Chinese primary school and virtually every province has its own troupe. The Shenyang Troupe, which is named for the city in northeast China, is the most celebrated acrobatic troupe throughout the world.

"It is our sincere hope that the Shenyang Acrobatic Troupe presentation will be just the first in a long series of cultural and educational exchanges between the people of the United States and the People's Republic of China."

SCHOOL FINANCING IN MINNESOTA

Mr. HUMPHREY. Mr. President, the State of Minnesota under the leadership of Gov. Wendell Anderson has had the courage and vision to face up to the requirements of financing quality education. The Governor led the fight to establish a financing system that provides a fair and equal finance base for all school districts in the State of Minnesota.

The article by the respected columnist Carl T. Rowan entitled "School Financing: Minnesota Moves" describes the program that was outlined by the Governor and the action taken by the State of Minnesota.

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

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

SCHOOL FINANCING: MINNESOTA MOVES

(By Carl T. Rowan)

ST. PAUL, MINN.—An honest-to-goodness revenue sharing plan would not be the Trojan-horse disaster that the Nixon scheme is if more states and local officials showed the guts and farsightedness being manifested here in my old home state.

A lot of mayors and some governors are now screaming that Mr. Nixon has suckered them on revenue sharing. They say he gives a dollar with one hand and takes two with the other by hatcheting social programs previously financed by Washington.

Many of these local officials deserve just what they are getting, because they always viewed revenue sharing as a way to get money without facing the political risks of raising local taxes or revising their own spending priorities.

A lot of poor people and minorities are screaming about revenue sharing because they fear that states and cities cannot, or will not, grapple with immense social problems the way the Federal Government could.

Their fears are well justified. Most states and cities never lifted a finger to deal with the problems of hunger in general, or school lunches in particular, until the national government moved in. What state or city ever made a real go at compensatory education for the culturally and educationally deprived, or a "head start" program for four-year-olds?

The challenge these last several years has not been whether local government would show initiative in the social fields; the question was whether they could be forced to spend federal allocations on the poor for whom they were intended instead of diverting monies to luxuries and frills for the already affluent.

Yet, if more state officials had the good sense and the guts of Minnesota's young Gov. Wendell R. Anderson, revenue sharing would not be such a sham and America's needy would have less reason to be suspicious.

Anderson has been bold enough to raise taxes, something that was political suicide for his predecessors. He has shown a genuine concern for the education of the poor and the handicapped—and has made Minnesota the foremost example of progress toward a public education financing system that is fair to rich and poor alike.

It was just under two years ago that the California Supreme Court ruled that the quality of public school education available to a child could not be conditioned on the property wealth of the local school district because this automatically meant that one child got a super education while another child was neglected.

A federal appeals court then confirmed the unconstitutionality of the old "real estate tax" system of financing public schools. But just a few days ago the U.S. Supreme Court ruled, 5–4, that that California judge and the appeals court were wrong.

But Gov. Anderson had seen enough in his state to conclude that the property tax system was unjust. The suburban Anoka school district was levying a tax of $581 on a $20,000 home so it could spend $536 per pupil; yet the suburban Golden Valley district levied only $369 on a similar home in order to spend $837 per pupil.

Democrat Anderson said he "felt it absolutely essential to try to do something about school financing in Minnesota."

What he did was badger a Republican-controlled legislature into raising the liquor tax 25 percent, the tax on a pack of cigarettes by a nickel, the sales tax by a penny (a 3⅓ percent boost). He increased the income tax and wiped out the deductibility of federal taxes paid by corporations.

By raising these taxes, the legislature could reduce real estate taxes by an average of 11.5 percent and still come up with $600 million in new money. This money enabled the state to increase its support for the maintenance costs of education from 43 percent in 1971 to 70 percent today.

The result is that the $20,000 homeowner in Anoka now is taxed only $359 to provide $627 per pupil, while the Golden Valley resident is taxed $397 to provide $1,031 per pupil. The Anderson plan has made great progress at equalizing the taxes, but the richer districts continue to boost expenditures faster than poor ones.

Anderson is now pressing a Democrat-controlled legislature to increase the budget by $700 million for the next two years, with about $250 million of the increase going to education. He wants the legislature to commit the state to raising per-pupil expenditures in all the poorer districts to the statewide average within six years.

Minnesota officials say they are handicapped because they have no idea what the federal revenue sharing package for education will do for or to the state—if Congress approves such a package.

But this is one place where officials are moving on their own to at least try to do what is fair for people and good for the state.

REPORT TO KANSAS

Mr. DOLE. Mr. President, I ask unanimous consent that the text of my latest report to the citizens of Kansas be printed in the RECORD.

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

WASHINGTON NEWSLETTER

(By BOB DOLE of Kansas)

DOLE WARNS OF MAJOR EFFECTS OF FUEL SHORTAGE

Citing the inability of seven independent Kansas refineries to obtain sufficient crude oil supplies for maintaining capacity fuel production, Senator Dole has warned of possible major effects on agriculture and consumers.

In a letter to President Nixon, also signed by the other members of the Kansas delegation, Dole pointed out that these refineries, particularly cooperatives, which are major suppliers of agricultural fuels, are producing at 1.3 million gallons below their capacity

each day because they cannot obtain enough crude oil.

In a statement on the Senate floor, Dole said, "If farmers cannot get fuel for their planting, they will be unable to meet the rising demand for their crops and products—with the certain outcome of severe dislocations in our rural economy and food prices being driven to new heights."

The Senator said "while immediate action is imperative, a reallocation of existing crude oil supplies is, however, not a complete long or short term answer. Many other questions involving increased supplies, more efficent use, and better planning must be taken into account as we deal with the broad outlines of a comprehensive national energy policy."

Dole urged the President to "continue all efforts to secure immediate relief" for these shortages by increasing the supplies of crude oil made available to these refineries.

93D CONGRESS TO CONSIDER MAJOR LEGISLATIVE ISSUES

Many issues will be considered during the first session of the 93rd Congress. Some of the major items will be:

Federal-Aid Highway Act of 1973—This bill was reported out of the Senate Public Works Committee on March 1. The proposed highway legislation would authorize spending of nearly $18 billion over the next three years.

Federal Housing Program—The loan insurance authority of the Federal Housing Administration expires June 30.

Health Insurance—Several proposals for National Health Insurance plans will be considered. The Subcommittee on Health of the Finance Committee, of which Senator Dole is a member, will be the first to consider the legislation.

No-fault Insurance—A No-Fault Insurance Plan was reported in 1972 but not considered by the Senate.

Wage-Price Controls—The President's power to enforce wage and price controls expires April 30.

DOLE SEEKS HEARINGS ON USER FEES

Senator Dole has joined with 15 other Senators in requesting Senate hearings on the proposed User Fees to be collected by the Army Corps of Engineers at water resource development projects.

Dole has held a series of meetings with Major General J. W. Morris of the Army Corps of Engineers and with other Senators concerning the User Fees proposal which was published on February 1.

Following a meeting on March 14, Dole indicated the following points had been clarified:

1—There will be no Corps of Engineers fees whatsoever for the use of private boats on the lakes in question or for boat launching ramps where no special mechanical or hydraulic equipment is available.

2—Only use fees comparable to those charged at similar sites by other federal agencies (U.S. Forest Service and Department of Interior) would be charged.

3—Preliminary studies indicate that overnight fees at approximately 90% of the camp and trailer sites, where fees have customarily been charged by the Corps since 1965, would be less than $2.00—significantly below the $4.50 maximum mentioned in the published proposal.

However, Dole said there was serious disagreement with the Corps of Engineers over the intent of Congress regarding the collection of fees at day use recreation areas.

The letter requesting hearings was sent to the Senate Interior Committee and to the Chairman of the Parks and Recreation Subcommittee.

DOLE PROPOSES EXTENSION: SENATE HOLDS HEARINGS ON FARM PROGRAMS

Hearing began February 27, in the Senate Agriculture and Forestry Committee on farm programs. Senator Dole has introduced legislation to extend present farm programs for five more years. Working with Senator Milton Young (R-N.D.), Dole drafted the bill. Several Senators from farm states are cosponsoring it.

The bill was designed to assure the continuation of the wheat, feed grains, dairy and wool programs and the Food For Peace Program.

Dole said, "Kansas farmers have generally indicated to me that they are pleased with these programs, they enable them to plant those crops which are most profitable to their particular operation."

Two factors of the present farm program which Dole believes require a closer look and may result in amendments to the bill are:

—the method of determining domestic marketing certificate payments to a recurrence of the inequities resulting from the Russian wheat sale of last summer; and

—proven yield provisions for wheat allotments have several weaknesses and need close scrutiny in considering new farm legislation.

The Senate hearings are expected to continue through April.

DOLE ADDS KANSANS TO SENATE STAFF

Senator Dole has made some recent additions to his Washington staff. The new staffers, all Kansans and graduates of Kansas universities are:

Judy Ann Barnes, 1970 graduate of the Washburn University School of Law. Judy is from Great Bend and attended Fort Hays Kansas State College as an undergraduate.

Becky Sinclair, 1970 graduate of Kansas State University with a B.S. in Speech Pathology. Becky is from Salina.

William J. Daley, 1970 graduate of Washburn University with a B.A. in Political Science. Bill is from Parsons.

George E. Speer, 1971 graduate of Kansas University with a B.A. in History. George is from Kansas City, Kansas.

RESOLUTION INTRODUCED TO INVESTIGATE VIETNAM WAR

Senator Dole has introduced in the 93rd Congress a resolution to create a Joint Congressional Committee to investigate the causes and origins of U.S. involvement in Vietnam.

Dole proposed that a joint committee, appointed by the Speaker of the House and the President of the Senate conduct a thorough study and investigation of United States involvement in Vietnam from 1945 to the present.

When proposing the resolution Dole said, "When the battle flags have all been brought home and America has recovered her sons, and the question is asked, 'How did it all begin?' A people such as ours cannot simply reply with weary indifference, 'Ah if one only knew.'"

"We must know. We have paid bitterly for whatever wisdom there may be in this longest war. And if from that wisdom, we may get peace and reconciliation—and if by that wisdom we may prevent the loss of other, future lives—then should we not seek that wisdom? I think we must."

In a reply letter dated February 23, 1973, Senator J. W. Fulbright, Chairman of the Foreign Relations Committee, wrote: Dear Senator Dole: examination of the origins of the war is called for. The staff of the Committee has issued a few pamphlets on this subject, but we have not as yet undertaken a full-fledged investigation, such as called for by your resolution.

I appreciate your writing me.

(s) J. W. FULBRIGHT.

DOLE APPOINTED TO FINANCE—SENATE RANK INCREASES

In the 93rd Congress, Senator Dole will be the 67th ranking member of the Senate.

On his major committees, Dole is the 2nd ranking Republican on the Agriculture and Forestry Committee and 5th on the Finance Committee.

In addition, Dole is the 3rd ranking Republican on the Select Committee on Nutrition and Human Needs and 3rd on the Select Committee on Small Business.

Senator Dole is on five of the six subcommittees the Agriculture and Forestry Committee. They are:

Agricultural Credit and Rural electrification—

Agricultural Production, Marketing and Stabilization of Prices—

Agricultural Research and General Legislation—

Rural Development—Foreign Agricultural Policy—

Dole's appointment to the Finance Committee makes him the fourth Kansas Senator to serve on that Committee since 1919.

The first was Charles Curtis, who was a member between 1919 and 1929. While a member of the Committee, Senator Curtis was majority leader and resigned in 1929 to become Vice President of the United States.

Senator Arthur Capper was the next Kansan to serve on the Committee; he was a member from 1935 to 1942.

In 1953, Senator Frank Carlson became a member, he served on the Finance Committee until his retirement in 1968.

Dole has been appointed to three key subcommittees of the Finance Committee. They are:

Health—this subcommittee will deal with major health issues such as Medicare, Medicaid and Health Insurance proposals.

Private Pension Plans this Subcommittee will deal with the rights of the individual and the guarantees of pension plans.

International Finance and Resources—this subcommittee will be concerned with taxation of overseas income, foreign investments and energy.

REAPPOINTED TO U.S. COMMISSION FOR UNESCO

Senator Dole has been reappointed to the U.S. National Commission for the United Nations Education, Scientific and Cultural Organization (UNESCO).

The U.S. National Commission for UNESCO is a 100 member body of citizens and non-governmental organizations which advises the Department of State on matters of International science, culture, education and communications.

SENATOR TESTIFIES ON U.S. POSTAL SERVICE

On March 8, Senator Dole appeared before the Senate Post Office and Civil Service Committee to testify on the operations of the U.S. Postal Service.

Dole told the Committee that he had received more complaints about mail service than any other government service provided to Kansas. He said that problems most often mentioned included:

The consolidation of rural routes

The reduction of Post Office personnel and operating hours

The possibility of additional postal rate increases

The possible discontinuance of Sunday delivery service to third and fourth class Post Offices.

Dole said that all Kansans, whether from a large or small community, have a right to expect efficient mail service and the U.S. Postal Service should be committed to delivering this service.

"The U.S. Postal Service cannot be viewed as just another business," Dole said, "rather, it must be considered as a public service providing both commercial and social services on which every community relies."

Postmaster General E. T. Klassen, a former Kansan, was present during Dole's testimony. Klassen said he is familiar with the problems facing rural residence in regard to lack of efficient postal service and that he appreciated the Senator's testimony. However, he added, it will be some time before all of the problems can be corrected.

DOLE URGES JUDGESHIP FOR KANSAS

Senator Dole has urged the Senate Subcommittee on Improvements in Judicial Machinery to authorize an additional Federal Judgeship for the District of Kansas.

Dole told the Subcommittee that, "the District of Kansas has been identified, by a four year survey of the Administrative Office of the United States Courts, as one of the districts where the workload had increased to the point that a new judgeship was necessary."

Dole said two factors add considerably to the volume of work in the District of Kansas.

1—The presence of the United States Penitentiary at Leavenworth and the stream of prisoners petitions, challenges and appeals flowing out of Leavenworth into the Federal Court in Kansas.

2—The unusually high ratio of criminal cases tried by juries, Dole said he was, unaware of the cause of this but, "anyone who has ever practiced as either a prosecutor or defense attorney can verify, a jury trial is infinitely more time-consuming than a case tried before a Judge.

HEARINGS REQUESTED ON DATE CHANGE FOR VETERANS DAY

Senator Dole has requested the Senate Judiciary Committee to hold hearings on his proposal to reinstate November 11, as Veterans Day. In 1971, Veterans Day was changed to the fourth Monday in October in lieu of November 11.

The Kansas Senator said that Veterans Day is a day of great significance to all Americans and changing the legal holiday date cannot erase its significance.

Dole said, "An extra three-day weekend is little justification for slighting this Nation's tribute and homage to the men and women who have made free holidays possible at all.

THE U.S. PRESENCE IN CAMBODIA

Mr. FULBRIGHT. Mr. President, I noted on the back page of the press on Monday, March 26, a statement that U.S. Air Force planes had just completed the 19th consecutive, daily B–52 bombing attack in Cambodia. Yesterday it was so close it rattled windows in Phnom Penh.

The news from Cambodia is, except for the recent attack on the Palace in Phnom Penh, so relegated to the back pages that the American people are not aware of what military force is being used in their name in that country.

I believe it is imperative that the administration make a public statement focused on these three questions:

First. What are American forces doing in Cambodia?

Whom are we striking? Whom are we supplying?

How many Americans are in Cambodia, in or out of uniform?

Second. Why are we carrying on these activities in Cambodia?

Are we protecting American forces there?

Are we there to support Lon Nol and the form of government he represents?

Has the executive branch made some vague "commitment" to Lon Nol?

Third. By what authority is the United States carrying on any military activities in Cambodia?

By some wild stretch of the imagination has the administration projected SEATO as a legal basis for our military presence?

Does the President assert—as the Kings of old—that as Commander in Chief he can order American forces anywhere for any purpose that suits him?

Unless a full, forthcoming statement is made shortly, I see no course other than a full public hearing with the Secretary of State to explore this subject in depth.

ANNUAL BROTHERHOOD AWARD TO MANUEL JARA, FORT WORTH, TEX.

Mr. BENTSEN. Mr. President, I wish to make a few remarks about an outstanding organization, and about an outstanding citizen of Texas who will be honored by that organization within a few days.

The organization is the National Conference of Christians and Jews, which has worked tirelessly since 1928 to advance the ideas of brotherhood and respect for all men among Americans. The goals of the NCCJ represent the highest values of our civilization. Its methods, devoid of the harshness and stridency which lead to divisiveness, are effective. And, its accomplishments are many.

The citizen of Texas to whom I refer is Manuel Jara, of Fort Worth. On March 29, the West Texas Region of the National Conference of Christians and Jews will present to Mr. Jara its annual brotherhood award. And, judging from his record of service to his community and Nation, it would be difficult to imagine a more appropriate recipient. His energy seems boundless, the list of his activities endless.

Manuel Jara now serves as president of Catholic Social Services for Tarrant County, Tex. and of the International Good Neighbor Council in Fort Worth. He is a past president of the Community Action Agency of Tarrant County.

He has also made his services available to an immense range of worthy causes, including the National Conference of Christians and Jews, which he serves as a director; Tarrant County Child Study Center; Easter Seal Society; Arthritis Foundation; Tarrant County United Fund; North Texas Region of American GI Forum; Tarrant County Drug Abuse Council; and Big Brothers of Tarrant County.

Manuel Jara has been honored by the President of the United States for his work for the Selective Service as an adviser to registrants; he has been honored by the Director of the U.S. Office of Economic Opportunity; and he has been praised for his efforts by the Governor of Texas, the mayor of Fort Worth, the county judge of Tarrant County, the American GI Forum, the Governor of the Mexican State of Jalisco, and the mayor of Guadalajara, Mexico.

SENATOR WILLIAM BENTON

Mr. RIBICOFF. Mr. President, March 19, 1973, I announced in the Senate that former Senator William Benton, of Connecticut, had died on March 18. Bill Benton was a brilliant man whose talents were diverse, ranging from advertising to business to politics. He was a great American and his Nation and the State of Connecticut benefited enormously because of his efforts. The Hartford Courant on March 21 and the Hartford Times on March 26 carried editorials on Bill Benton. I ask unanimous consent that the editorials be printed in the RECORD at this point along with an article about Bill Benton from the New York Times of March 25.

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

WILLIAM BENTON—AN APPRAISAL

(By Sidney Hyman)

William Burnett Benton, Yale '21, worked a year for the National Cash Register Company and was then told by his strongwilled mother—a school teacher—to enroll in the Harvard Law School. But for the first time in his young life, he defied her by entering instead the world of advertising.

When news of his waywardness in New York reached his mother in St. Louis, she compressed her outrage into a one-sentence letter: "I am appalled to learn that you are going to waste yourself in a business which does nothing except say that Palmolive soap is a good soap."

Only 14 years of Mr. Benton's life, which ended last week on the eve of his 73d birthday, were tied to advertising. And of these, only six were spent with Benton & Bowles, which he and Chester Bowles founded in July, 1929 and from which he voluntarily resigned, as planned, in 1935.

He was 35 at the time, and his break with the business was irrevocable.

Yet no matter what he did afterward, and did with distinction in different fields—in education, publishing, national politics and diplomacy—sniffish people declassed his worth, saying that he was "just another flim-flam Madison Avenue type."

Mr. Benton, on his part, never apologized for his time in advertising. Many of his best achievements were rooted in the million dollars paid him in installments for the stock he sold back to Benton & Bowles when he resigned from the firm.

The money financed his high-risk ventures involving the purchase or start of a cluster of companies that were to make him a worldwide force in mass education, and only incidentally one of the richest men in the United States.

When Mr. Benton embarked in 1922 on his short but lucrative career in advertising, New York had more agencies than Chicago, but Chicago was where the most creative minds in the field were to be found.

Most of the valedictorians of the "Chicago school" were trained at Lord & Thomas, whose head and sole owner was Albert D. Lasker. Mr. Lasker, all imperious, exciting, excitable and wacky genius, was to the advertising world of the day the same protean force that John H. Patterson of the National Cash Register Company was to the world of "scientific sales management."

To expose himself to what Mr. Lasker had to teach, Mr. Benton moved from New York to Chicago in the mid-nineteen-twenties and into a job at Lord & Thomas. Mr. Benton gave Mr. Lasker what the agency head wanted and he absorbed from Mr. Lasker what he needed to know before he brought his own firm of Benton & Bowles to birth.

There were particular reasons why that firm became after six years of life one of the largest single-office advertising agencies in the United States.

First, the Great Depression of the nineteen-thirties forced corporations to examine their advertising policies and to welcome new ideas. The need for new ideas brought creative men to the forefront in place of the old-line account executives who had previously dominated the advertising business.

It was a time when other young men like Mr. Benton and Mr. Bowles, originally

trained as copywriters, founded their own advertising agencies or took over the direction of existing firms.

A second element in the success of Benton & Bowles was Mr. Benton's introduction into New York of the consumer research surveys that he had accidentally devised at Lord & Thomas in Chicago. These gave client prospects the hope of being more scientific in deciding how to sell and advertise their products in a market where effective consumer purchasing power was drastically curtailed.

The rough-hewn surveys Mr. Benton introduced into New York were later eclipsed in polish and significance when Raymond Rubican, the creative head of one of the most admired newer advertising agencies of the day, turned to the academic world for help. At Northwestern University on the edge of Chicago, he found a young sociologist named George Gallup, who was perfecting techniques for polling public opinion.

Another element in the success of Benton & Bowles involved innovations in the use of radio.

The innovations included the first use of live audiences and the first cueing of audiences with placards reading "laugh" or "applaud."

The commercials were also something new. Previously, during a "pause for a commercial announcement," a "voice from the sponsor" would read a few paragraphs of advertising. This was changed after Benton & Bowles launched the "Maxwell House Show Boat."

The actors drank coffee, smacked their lips and tinkled their cups to give listening audiences around the country an acoustical substitution for what their eyes could not see. These innovations were followed by a Benton invention of the singing commercial—something for which he later did penance.

Above all, Mr. Benton's success in winning business away from old and large advertising agencies lent credence to a theory he advanced and proved by his later success with other enterprises at which big companies had faltered or failed.

"Every great corporation," he said, "is struggling with many failures buried down in its soft underbelly, failures awaiting development by enterprising men with original ideas. If I were a young man in pursuit of wealth I would look for and compete with the big corporations at their weak points.

"I am not talking about a corporation such as the Commonwealth Edison Company. You don't compete with monopolies when you are a young man, though you try to create and own them when you get older. But as a young man, I would look for the soft spots in the business structure of the great nonmonopolistic corporations and start my own business in one or another of these areas."

WILLIAM BENTON

William Benton, former United States Senator from Connecticut, died quietly in his sleep March 18 at his New York City apartment. It may come as a surprise to some that the educator, statesman, politician, advertising pioneer, art collector, traveler, lecturer and philanthropist ever slept. For Mr. Benton crammed five diverse careers into his almost 73 years whetted by an insatiable thirst for activity abetted by seemingly unlimited energy.

Thanks to his perfect sense of business timing, whatever he touched seemed to turn to money. Yet, though his genius for innovation made him a millionaire by the age of 35, it was as a statesman and educator that Mr. Benton wanted to be recalled. Once the foundation of his fortune was laid, he spend his life using much of it for a number of good causes, particularly related to education.

Under his guidance, financial losers such as Encyclopedia Britannica and Muzak Corporation became winners. His advertising agency, Benton and Bowles, in partnership with former Connecticut Governor Chester Bowles, became the world's sixth largest. Always daring to try something new, he developed the first sound commercials for radio. During his tenure as Senator from 1949 to 1953 he initiated the investigation of Senator Joseph McCarthy leading to the Wisconsin legislator's censure.

While active in international affairs, he was a member of the Committee for Economic Development which helped rebuild Europe after World War II and led to the formation of the U.S. Information Agency. Later he supervised the infant Voice of America radio operation.

Besides his countless private interests, Mr. Benton was most proud of his work with colleges and universities, including those at Chicago and Bridgeport, Brandeis University and the University of Connecticut. In the latter capacity he worked for higher salaries for faculty and scholarships for deserving needy students.

Up to $45 million in encyclopedia royalties have benefited the University of Chicago since Mr. Benton turned them over to the school in 1943. All his stock in the firm went to establish the Benton Foundation in 1968. His extensive art collection now is housed in the UConn art museum bearing his name.

For his humanitarian efforts at home and abroad, Mr. Benton has been honored many times. But perhaps his greatest gift was his flair for living—"at full tilt" as a biographer put it. It is not surprising that so large an enthusiasm overflowed to encompass so many of his fellow men, the beneficiaries of his generosity for years to come.

WILLIAM BENTON

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

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

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

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

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

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

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

He has been praised for his political courage—in attacking McCarthy at the high tide of the other senator's popularity, for instance. His courage also displayed itself in decisions affecting his personal life. It took courage to refuse a Rhodes scholarship in favor of going into the advertising business, and it took courage to buy Encyclopaedia Britannica when encyclopedia salesmen were joked about as pests.

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

PROTECTION OF THE NEWS MEDIA

Mr. GOLDWATER. Mr. President, in recent weeks we have heard a great deal of discussion about freedom of the press and whether the Congress should enact some kind of legislation to provide a Federal "shield" granting newsmen and their sources of information either absolute or qualified protection under the law.

As one who has long revered the freedoms which our Founding Fathers sought to protect through the first amendment to the Constitution, I have listened carefully to the pros and cons of this debate and studied carefully legislation proposed for the protection of the news media.

Up until this moment, I do not see how any legislation could be adopted which would not only dilute the protection of the first amendment for all citizens and endanger the very freedom of the press which the legislation is designed to protect.

The big stumbling block comes when legislators encounter the problem of just who the legislation is supposed to shield. The question arises as to how to define "newsmen" or whether the word is to be defined at all. If the law attempts to define the term "newsmen" it would, in effect, be establishing a system for licensing members of the press. And Mr. President, when you reach the point where the press is licensed by any branch of the Government, you reach the point where the word freedom is meaningless.

But on the other hand, if you do not define the term newsmen, any irresponsible person in the country can get out a mimeographed scandal sheet and claim immunity under the law. Failure to define the term "newsmen" in this kind of law would extend its protection and privileges to anybody who claims to be a journalist and provide him with immunity from testifying about a crime he may have witnessed or knows about.

The impossibility of enacting sound legislation in this area is comparable to the impossibility of accurately defining who is a "newsman." Where can the line be drawn? After all, newsmen are not professionals in the same sense as are doctors and lawyers. They are not required to measure up to a set of standards for the right to practice. They are not required to meet any particular standards of responsibility or honesty, except as these traits are demanded by their employers and by the possible penalties inherent in the libel laws.

Mr. President, in my public life, I have encountered all kinds of newsmen, the majority of whom were responsible and

honest. However, I encountered some who were nothing more than liars and character assassins. I had the privilege of suing one such journalist—an alleged magazine publisher—and was awarded a $90,000 judgment against him. And having had such an experience, I would shudder to think of passing a law which would grant this man and those like him any special privileges not enjoyed by the remainder of our citizens.

Mr. President, I have a great and abiding belief in the ability of the legitimate press in this country to defend its own freedom. I agree with many of the more conscientious newsmen who claim there is no need for setting newsmen apart from other citizens and making their freedom something more than just an exercise of free speech.

Mr. President, I would remind the Senate that the first amendment of the Constitution states that—

> Congress shall make no law—abridging the freedom of speech or of the press.

I am just wondering whether the current rush to shield the news media might not do just what the amendment warns against. As the gentleman from North Carolina, my colleague, Senator ERVIN, has himself stated:

> The same Congress which grants the privilege may condition it on proper conduct. A future Congress, irritated by a critical press, may hold repeals of the privilege as a threat to secure a more compliant press.

Thus, Mr. President, legislation which would for the first time put the Government in the position of granting special privileges to newsmen and set them apart from other citizens might just be the kind of a law the Founding Fathers and the Constitution warned against.

It is my considered belief, Mr. President, that the Constitution is clear and adequate as it now stands. The only true way to protect the freedom of the press is to allow the courts to apply the provisions of the first amendment to each individual case as it arises. Any other course, I believe, would violate the spirit of the first amendment and increase rather than diminish the threat to a free press in this country.

CHILD NUTRITION EDUCATION ACT OF 1973

Mr. HUMPHREY. Mr. President, on March 1 I introduced S. 1063, the Child Nutrition Education Act of 1973. The purposes of that legislation include the raising of the school lunch program's reimbursement rates, the establishment of an effective nutrition education program, and the expansion of the school breakfast program. In addition, S. 1063 seeks to clarify States' responsibilities with regard to recalcitrant school districts that have refused to provide free or reduced price school lunches to all needy children and to extend the school lunch program to all schools in a participating school district, as we required by Public Law 91–248 to be effective January 1, 1971.

It has come to my attention that there is some misunderstanding about my intentions pursuant to section 14 of the Child Nutrition Education Act of 1973. In order to fully clarify my purposes under that provision, I think it is necessary to provide a brief explanation of it.

Section 14 of my bill—which would amend section 8 of the School Lunch Act—42 U.S.C. 1757—is not intended to postpone the requirement that, as of January 1, 1971, all needy children in participating school districts were to receive free or reduced price lunches. That requirement—which is contained in section 9 of the act—42 U.S.C. 1758—will not be changed or postponed at all by my proposed legislation. In point of fact, I take great pride in the role I played in assuring that all needy children, whose family income falls below the income poverty guideline must receive a free lunch; school districts may provide reduced price lunches to children whose family income is above the income poverty guideline. That was accomplished by the passage of Public Law 92–433 last year, a bill that I cosponsored.

In order to accomplish the provision of free lunches to all needy children in participating school districts, those districts, since January 1, 1971, have been required to provide school lunch program services in all of their schools. The purpose of my bill, S. 1063, is not to diminish that requirement but to put greater strength in it. All needy children in participating school districts, under my bill, retain their section 9 rights—(obtained in Public Law 91–248 and Public Law 92–433—to go to court to enforce their free lunch entitlements. But, since several school districts have not fully extended the program, it is clear that more substantial means must be used to accomplish this goal.

Section 14 of my bill gives clear instructions to State educational agencies. Those agencies, as a condition of disbursing Federal school lunch program funds to school districts, must make sure that such school districts implement the program in all of their schools by June 30, 1975. Previously, the State agencies did not know how to enforce the provisions of section 9 requiring the extension of the program to all schools in a district that contained needy children. Now those State educational agencies will know that they may not disburse Federal funds after June 1975 unless local school districts comply with our present requirements under section 9. This added remedy will give needy children a better chance to have their present free lunch rights enforced.

Finally, my bill will require States to expand the program to nonparticipating school districts. Unlike poor children's present rights in participating school districts, indigent children in nonparticipating school districts cannot legally compel officials to expand the lunch program to their schools. My bill would change this and would bring midday nutrition to needy youngsters residing in nonparticipating school districts.

In sum, my bill takes the necessary steps toward feeding the needy throughout the country. No effort is more important. I am hopeful that the day will soon come when no child is denied equal educational opportunities due to his hunger and consequent inability to learn. My bill will take the necessary steps to end malnutrition in our Nation's classrooms.

REFORMING THE CONGRESSIONAL BUDGET PROCESS

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD my letter to the Honorable JAMIE L. WHITTEN and AL ULLMAN, cochairmen of the Joint Study Committee on Budget Control, on the subject of reforming the congressional budget process.

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

U.S. SENATE,
Washington, D.C., March 23, 1973.

Hon. JAMIE L. WHITTEN,
Hon. AL ULLMAN,
Cochairmen, Joint Study Committee on Budget Control.

DEAR MESSRS. CHAIRMEN: Thank you for giving me the opportunity to submit testimony on this very important subject, namely, reforming the Congressional budget process so that Federal spending outlays reflect national priorities without contributing to inflationary fiscal policies and insuring that Congress can assert its proper responsibility in this crucial area.

OFFICE OF GOALS AND PRIORITIES ANALYSIS

As we have become recently aware, this country faces a major budget crisis brought about by the fact that we in Congress have been voting to spend money at a rate faster than our ability to gather revenues at full employment. No reasonable person could deny that one of the chief contributing factors to this deplorable situation has been the absence of anybody in the Congress responsible for informing the Congress about the hard facts of priorities planning.

No existing office or committee provides the kind of overview which is necessary. This arises simply from the fact that most Committees are specialists in and advocates for a certain slice of the federal dollar. It is assumed that when a bill is considered by the Senate or the House on the floor that an overview will be provided. But we all know that the Congress itself too often proceeds piecemeal—as do the Committees—without overview.

Thus, the Congress needs a mechanism which would assist it by providing a framework for and encouraging that overview as well as additional information to make keen assessments of relative priorities within that framework.

For some years, I have proposed an Office of Goals and Priorities Analysis—in effect, a Budget Bureau responsible to the Congress—so that we might be able to make rational choices among appropriations with the same analytical capability as the Executive Branch has when drafting its own budget proposals. The most recent version of my proposal is contained in Title II of S. 5 (attached), which has been re-introduced in 1973 after having passed the Senate last year.

Title II of S. 5 would establish within the Congress all Office of Goals and Priorities Analysis. The Director and Assistant Director of the Office are to be appointed jointly by the majority leader in the Senate and the Speaker of the House. Drawing from the social data and program evaluations generated by the Council of Social Advisers and other sources, the Office of Goals and Priorities Analysis would submit an annual report to the Congress setting forth goals and priorities in the general context of needs, costs, available resources, and program effectiveness. It would also provide information to members of the Congress on an ongoing basis.

At a time when the ability of Congress to carry out its responsibilities even in its own

domain of power over the purse has been challenged, it is essential that those of us who serve in the public trust have at our disposal more adequate means of making enlightened priority decisions.

Of course, the appropriations process is the vital mechanism through which the Congress seeks to reflect its views on budgetary priorities. But there remains a great need to equip Congress with the kind of manpower, data and technology that would furnish it with the information necessary if it is to fully examine and evaluate each appropriations measure, separately and perhaps most crucially—in view of all other appropriations measures, with regard to the relative needs of the Nation. The office proposed in title II would not supplant the efforts of the Appropriations Committees to determine the Nation's expenditures. Rather, it would further explain, coordinate and compare the various budgetary proposals so as to provide the overview so necessary to responsible fiscal planning. The program information it would collect and interpret would be made available to other committees and individual Members of Congress.

The Congress needs such an institution in order to attempt to redress the imbalance that exists in the information available to the legislative, as opposed to the executive branch, in the essential matter of expenditures.

Since 1965, budget outlays on a unified basis have increased by $111 billion. As a result, we are now in a budget crisis of major dimensions, wherein tax hikes or cutting back on established programs has to be seriously considered and cutbacks are in fact taking place. Furthermore, many observers agree that the helter-skelter way in which certain programs were enacted has impaired their effectiveness. The authors of the recent Brookings Institution study on national priorities have pointed out to us that some effective prior planning as to how we could best have spent this $111 billion would have prevented the budget crisis from occurring. That is what the Office of Goals and Priorities Analysis could have given us.

Therefore, I strongly urge that as a first step in Congressional budgetary reform you establish a Congressional budget bureau, along the lines which the Senate has already approved in Title II of S. 5.

MANDATING APPROPRIATIONS

While Congress must reform its budgetary and appropriations processes, it also must take action to recapture its control over the expenditure of federal funds. By this I refer to the impoundment problem.

I am a member of the Senate Ad Hoc Subcommittee on Impoundment of Funds which includes members of the Judiciary Committee and Government Operations Committee.

This subcommittee held hearings on S. 373, which is cosponsored by over 50 members of the Senate, including myself, and which seeks to limit the ability of the Executive to impound appropriated funds without the approval of the Congress. Similar legislation has been introduced in the House by its leadership and it is quite likely that some type of measure will pass both houses of Congress seeking to limit the ability to impound appropriated funds.

However, it should be recognized that Congress throughout the years has not only acquiesced in impoundments by the Executive but has made most of its appropriations permissive rather than mandatory. When Deputy Attorney General Joseph T. Sneed testified before the Ad Hoc Subcommittee on Impoundment, he stated that there had been few instances where Congress had expressed an unequivocal intention to mandate spending for a particular program. Mr. Sneed concluded that if Congress wishes to mandate full spending for a particular program it must do so in unmistakably clear terms.

Mr. Sneed further stated in his testimony that the President often must consider other laws such as the debt limit in deciding whether or not to spend money appropriated by the Congress in an appropriations law.

In addition, Mr. Sneed also felt that to mandate spending Congress must explicitly express an intention to override the Anti-Deficiency Act and all other direct and indirect statutory sources of Presidential spending control. Even then he felt Congress' power was limited in the area of foreign affairs and military affairs by the President's Constitutional powers. During the course of the questioning, Mr. Sneed did admit that Congress could mandate that funds be spent notwithstanding other laws and that the Executive would probably have to spend them.

At another hearing on the confirmation of Secretary of Health, Education, and Welfare Weinberger, I asked whether the Department would spend moneys mandated by the General Education Provisions Act and Mr. Weinberger said that those funds would be spent as called for by the Congress.

Thus, without conceding the correctness of any arguments made by Deputy Attorney General Sneed, I believe the Congress can and should mandate spending in those areas where it feels this should be done. When the supplemental appropriations bill was before the Senate, I suggested language mandating spending since it was clear that HEW was going to spend over $2 billion less than was called for by Congress in that bill. At the time, the Chairman of the Appropriations Committee thought that the problem should be dealt with on a broad basis and not just on one particular bill which basically only covered expenditures in the Department of Labor and HEW. I agreed and did not press the amendment at that time.

I believe that this Committee should consider recommending to the Appropriations Committees of the House and Senate that they include the following language in appropriations bills to mandate spending:

"Notwithstanding any other provision of law, the full amounts appropriated under this Act for projects and activities shall be made available and obligated by the appropriate departments, agencies, corporations, offices and other organizational units of the Government during the period for which appropriated."

This language would obviate the Anti-Deficiency Act, the Debt Limit and any other statutory authorities relied upon by the President for his authority to impound appropriated funds.

If we are to recapture our authority over the spending of federal funds, it is imperative that Congress mandate spending so that the Executive will be presented with a clear expression of Congressional intent to spend funds in an area. If we do not want all the funds spent then we should appropriate less or give the President discretion to hold back a certain amount in particular appropriations bills.

It is not enough to reform the budgetary and appropriations process alone but we must also reassert Congressional power and prerogatives over the purse if we are to prevent further erosion of Congressional power and further imbalance in the Constitutional separation of powers.

With best wishes,

Sincerely,

(s) JACOB K. JAVITS.

RULES OF THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. SPARKMAN. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, I ask unanimous consent that the rules of the Committee on Banking, Housing and Urban Affairs be printed at this point in the RECORD.

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

RULES OF COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

(Adopted in executive session, Mar. 11, 1971)

RULE 1.—REGULAR MEETING DATE FOR COMMITTEE

The regular meeting day for the Committee to transact its business shall be the last Tuesday in each month; except that if the Committee has met at any time during the month prior to the last Tuesday of the month, the regular meeting of the Committee may be cancelled at the discretion of the Chairman.

RULE 2.—COMMITTEE

Investigations

(a) No investigation shall be initiated by the Committee unless the Senate or the full Committee has specifically authorized such investigation.

Hearings

(b) No hearing of the Committee shall be scheduled outside the District of Columbia except by agreement between the Chairman and the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

CONFIDENTIAL TESTIMONY

(c) No confidential testimony taken or confidential material presented at an executive session of the Committee or any report of the proceedings of such executive session shall be made public either in whole or in part by way of summary, unless specifically authorized by the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

INTERROGATION OF WITNESSES

(d) Committee interrogation of a witness shall be conducted only by members of the Committee or such professional staff as is authorized by the Chairman or the ranking minority member of the Committee.

Prior notice of mark-up sessions

(e) No session of the Committee or a subcommittee for marking up any measure shall be held unless (1) each Member of the Committee or the subcommittee, as the case may be, has been notified in writing of the date, time and place of such session at least 48 hours prior to the commencement of such session, or (2) the Chairman of the Committee or subcommittee determines that exigent circumstances exist requiring that the session be held sooner.

Prior notice of first degree amendments

(f) It shall not be in order for the Committee or a subcommittee to consider any amendment in the first degree proposed to and measure under construction by the Committee or subcommittee unless a written copy of such amendment has been delivered to each Member of the Committee or subcommittee, as the case may be, and to the office of the Committee at least 24 hours before the meeting of the Committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the Members of the Committee or subcommittee voting. This subsection shall apply only when at least 48 hours written notice of a session to mark up a measure is required to be given under subsection (e) of this rule.

RULE 3.—SUBCOMMITTEES

Authorization for

(a) A subcommittee of the Committee may be authorized only by the action of a majority of the Committee.

Membership

(b) Membership to subcommittees shall be by nomination of the Chairman and the ranking minority member of the Committee and shall be approved by the majority vote of the Committee.

Investigations

(c) No investigation shall be initiated by a subcommittee unless the Senate or the full Committee has specifically authorized such investigation.

Hearings

(d) No hearing of a subcommittee shall be scheduled outside the District of Columbia without prior consultation with the Chairman and then only by agreement between the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Committee.

Confidential testimony

(e) No confidential testimony taken or confidential material presented at an executive session of the Subcommittee or any report of the proceedings of such executive session shall be made public, either in whole or in part or by way of summary, unless specifically authorized by the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Subcommittee.

Interrogation of witnesses

(f) Subcommittee interrogation of a witness shall be conducted only by members of the Subcommittee or such professional staff as is authorized by the Chairman or the ranking minority member of the Subcommittee.

Special meetings

(g) If at least three members of a subcommittee desire that a special meeting of the Subcommittee be called by the Chairman of the Subcommittee, those members may file in the offices of the Committee their written request to the Chairman of the Subcommittee for that special meeting. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the Subcommittee of the filing of the request. If, within three calendar days after the filing of the request, the Chairman of the Subcommittee does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Subcommittee may file in the offices of the Committee their written notice that a special meeting of the Subcommittee will be held, specifying the date and hour of that special meeting. The Subcommittee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk of the Committee shall notify all members of the Subcommittee that such special meeting will be held and inform them of its date and hour. If the Chairman of the Subcommittee is not present at any regular, additional, or special meeting of the Subcommittee, the ranking member of the majority party on the Subcommittee who is present shall preside at that meeting.

Voting

(h) No measure or matter shall be recommended from a Subcommittee to the Committee unless a majority of the Subcommittee are actually present. The vote of the Subcommittee to recommend a measure or matter to the Committee shall require the concurrence of a majority of the members of the Subcommittee voting. On Subcommittee matters other than a vote to recommend a measure or matter to the Committee no record vote shall be taken unless a majority of the Subcommittee are actually present. Any absent member of a Subcommittee may affirmatively request that his vote to recommend a measure or matter to the Committee or his vote on any such other matter on which a record vote is taken, be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter and to inform the Subcommittee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman of the Subcommittee any time before the record vote on the measure or matter concerned is taken, the member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee.

RULE 4.—WITNESSES

Filing of statements

(a) Any witness appearing before the Committee or Subcommittee (including any witness representing a Government agency) must file with the Committee or Subcommittee before noon 48 hours preceding his appearance 75 copies of his statement to the Committee or Subcommittee. In the event that the witness fails to file a written statement in accordance with this rule, the Chairman of the Committee or Subcommitte has the discretion to deny the witness the privilege of testifying before the Committee or Subcommittee until the witness has properly complied with the rule.

Length of statements

(b) Written statements properly filed with the Committee or Subcommittee may be as lengthy as the witness desires and may contain such documents or other addenda as the witness feels is necessary to present properly his views to the Commmittee or Subcommittee. It shall be left to the discretion of the Chairman of the Committee or Subcommittee as to what portion of the documents presented to the Committee or Subcommittee shall be published in the printed transcript of the hearings.

Fifteen-minute duration

(c) Oral statements of witnesses shall be based upon their filed statements but shall be limited to 15 minutes duration. This period may be extended at the discretion of the Chairman presiding at the hearings.

Subpoena of witnesses

(d) Witnesses may be subpoenaed by the Chairman of the Committee or a subcommittee with the agreement of the ranking minority member of the Committee or Subcommittee or by a majority vote of the Committee or Subcommittee.

Counsel permitted

(e) Any witness subpoenaed by the Committee or Subcommittee to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

Expenses of witnesses

(f) No witness shall be reimbursed for his appearance at a public or executive hearing before the Committee or Subcommittee unless such reimbursement is agreed to by the Chairman and ranking minority member of the Committee or by a majority vote of the Committee.

Limits of questions

(g) Questioning of a witness by members shall be limited to 10 minutes duration, except that if a member is unable to finish his questioning in the 10 minute period, he may be permitted further questions of the witness after all members have been given an opportunity to question the witness.

Additional opportunity to question a witness shall be limited to a duration of 10 minutes until all members have been given the opportunity of questioning the witness for a second time. This 10 minute time period per member will be continued until all members have exhausted their questions of the witness.

RULE 5.—VOTING

Vote to report a measure or matter

(a) No measure or matter shall be reported from the Committee unless a majority of the Commitee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a matter be cast by proxy. The proxy shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the roll vote of the members present and voting, as an official record of the vote on the measure or matter.

Vote on matters other than a report on a measure or matter

(b) On committee matters other than the vote to report a measure or matter, a member of the Committee may request that his vote may be cast by proxy.

Vote to report a measure or matter

(c) No measure or matter shall be reported from the Committee unless a majority of the Committee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a measure or matter be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the roll call vote of the members present and voting, as an official record of the vote on the measure or matter.

Vote on matters other than a report on a measure or matter

On Committee matters other than a vote to report a measure or matter, no record vote shall be taken unless a majority of the Committee are actually present. On any such other matter, a member of the Committee may request that his vote may be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the vote on such other matter is taken, the member may withdraw a proxy previously given. All proxies relating to such other matters shall be kept in the files of the Committee.

RULE 6.—QUORUM

No executive session of a Committee or a Subcommittee shall be called to order unless a majority of the Committee or Subcommittee, as the case may be, are actually present. Unless the Committee otherwise provides or is required by the Rules of the Senate, one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

RULE 7.—STAFF PRESENT ON DAIS

Only members and the Clerk of the Committee shall be permitted on the dais during public or executive hearings, except that a member may have one staff person accompany him during such public or executive hearing on the dais. If a member desires a second staff person to accompany him on the dais he must make a request to the Chairman for that purpose.

RULE 8.—PUBLIC ATTENDANCE AT MEETINGS

Except in the case of the conduct of hearings (which are provided for in section 112(a)

of the Legislative Reorganization Act of 1970), or in the case of any meeting (other than a hearing) to consider the nomination of an individual submitted by the President to the Senate for its advice and consent, all meetings for the transaction of business, including sessions for marking up bills and resolutions, of the Committee and subcommittees thereof shall be open to the public unless the Committee or subcommittee (as the the case may be) in open session and with a quorum present, by majority vote conducted by roll call, determines that all or part of the remainder of the meeting on that day shall be closed to the public. In the case of any such meeting with respect to a nomination, the Committee or subcommittee in executive session may, with a quorum present and by majority vote conducted by roll call, determine that the meeting for that day shall be open to the public.

DRUG ABUSE

Mr. GURNEY. Mr. President, on February 20 I introduced S. 918, a bill to require a mandatory life sentence for those convicted for illegal trafficking in narcotics and for those convicted for committing a violent crime while under the influence of such drugs. Joining me in supporting the bill are my distinguished colleagues Senator BIBLE, Senator EASTLAND, Senator HELMS, Senator PASTORE, and Senator THURMOND.

When the Senate Judiciary Committee begins hearing on this and other related antidrug abuse proposals, I intend to propose a modification of S. 918 to allow a mitigated sentence if the individual convicted for pushing drugs is cooperative in disclosing information relative to illegal drug sources.

As presently written, S. 918 provides for a mandatory life sentence with no suspension or probation or parole. The amendment I intend to add will allow the court to determine, upon recommendation of the U.S. attorney, whether or not the individual has cooperated in providing useful source information. If the court so determines, those provisions regarding mandatory sentencing would not apply.

In his own proposal relating to the sentencing of drug pushers, the distinguished chairman of the Senate Judiciary Committee, Senator EASTLAND, provides a similar exemption to the mandatory life sentence. I believe this provision has strong merit for several reasons.

First of all, it is obvious that we will not be able to stop drug abuse and drug trafficking unless we can get to the source of these illegal drugs. As those who are involved in drug abuse enforcement efforts are well aware, it is rarely the street pusher who is the real source of the problem. This fellow is more than likely just one of a network of people engaged in smuggling, storing, transporting, and distributing a large amount of narcotics throughout the country and typically he is an addict himself. Uncovering these networks and getting to the ringleaders may take months or even years. We cannot afford years—or even months—when the stakes are so high. Thus, any assistance in breaking a ring is important.

Second, it is likely that this approach will result in increased information to assist our law enforcement people. Faced with the prospect of spending his life in prison, a pusher will have little to lose and everything to gain by cooperating. If he refuses to cooperate, he will go to prison and we will have rid the streets of another menace.

Third, there is legal precedent for such sentence reduction. Common law has traditionally left room for discretion in sentencing where cooperation is involved. We are now witnessing apparently successful use of this information stimulating device in the Watergate case, where Mr. McCord is offering to provide, according to him, a great deal of hitherto concealed information about the Watergate affair.

Finally, the constant fear of being identified will put pressure on those involved in the drug business, and should serve as a deterrent to some who might consider becoming involved.

I have been greatly encouraged by the support I have received from many individuals in connection with S. 918. I believe this amendment will improve the bill even further. It provides a just alternative and a strong deterrent toward drug abuse.

A NATIONAL ENERGY POLICY

Mr. JACKSON. Mr. President, on March 20, Andrew J. Biemiller, director of the department of legislation of the AFL–CIO spoke before the second annual energy forum of the U.S. National Committee of the World Energy Forum.

Support was expressed for the $20 billion, 10-year program I introduced with 27 colleagues earlier this week, to make America self-sufficient in energy by 1983.

Mr. Biemiller, our respected former colleague in the Congress who is one of the most perceptive spokesmen in Washington, expressed confidence that this country can find answers to the need for a national energy policy.

He pointed out that all Americans, as workers, consumers, and as environmentalists have a vital stake in solving this problem and I share those views.

The AFL–CIO represents 15 million union members throughout America. Over the years their efforts have benefited not only members of organized labor but all Americans through their support of far-sighted and progressive legislation and policies for the benefit of our society as a whole.

I welcome labor's continued concern over the shape and content of U.S. energy policy. I ask unanimous consent that Mr. Biemiller's comments on "A Realistic National Energy Policy" be printed in the RECORD.

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

A REALISTIC NATIONAL ENERGY POLICY

Some 14 years ago, the AFL–CIO urged adoption of a comprehensive national policy covering both natural resources and energy. Now that there is a so-called "energy crisis" perhaps our voice will be heard.

Less than one month ago, the AFL–CIO Executive Council repeated its call for such a policy—a policy that would "foster and sustain full employment, protect and preserve the environment, benefit the consumer, prevent monopoly and eliminate wasteful and . . . contradictory activities among" federal agencies.

It doesn't take a divining rod to figure out why the labor movement is concerned about future energy sources:

First, our members are workers. Without energy, there is no work.

Second, they are consumers. Every month they receive in the mail their electric and gas bills. About once a week they take the family car to the gas station. So, they are very concerned about prices.

Third, in addition to working in this country, they also live here. Workers are concerned about the environment, too. When they go fishing they don't want to find the water polluted and the fish dead.

While it is traditional for the labor movement to point out problems—such as natural resources and energy—we are also optimists. We have faith that this country can find the answers that will satisfy union members and all Americans as workers, as consumers and as environmentalists.

Since we were talking about the need for a national energy policy long before many of our industry colleagues, there is no point in trying to stampede the labor movement into panicked reactions in a so-called "crisis."

For example, the natural gas companies are going to have to convince us that gas prices will not soar if federal regulation over gas pipeline companies is lifted. And I'll be frank with you: we are not the least bit impressed with the cries for an increased return on investment, especially with today's average return of 15 percent.

The Interior Department says that the petroleum industry has exported refining capacity and 110,000 refining jobs and plans to increase its export through 1975.

The oil companies are going to have to do a lot of talking to convince us that the export of 110,000 American refining jobs was in the best interests of the American workers who buy their products. (Parenthetically, I might add, the oil companies—with two notable exceptions—have shown proper concern for the workplace as an environment and given workers a contractual role in keeping the workplace safe and healthful. It is a lesson other industries should heed.)

Rather than promote a panic, we believe the energy industry should support the reasoned approach of Senators Jackson and Magnuson. Just as this country set and achieved a goal of reaching the moon in 10 years, let us set a goal of energy self-sufficiency in 10 years.

This goal is not going to be achieved by more and more government concessions to industry. The favorable economic and regulatory climate of the past decade did not encourage private research and development. It only brought about complacency and neglect. That is why the federal government must stimulate a $20 billion, 10-year research and development project that takes into consideration all potential energy sources and the nation's supply of natural resources.

I believe that every member of this panel is a realist—in business and in politics. If for one minute, anyone here thinks that the consumer is prepared to loosen what few controls he now has—regulatory and environmental controls—because of slick television commercials, then he is not being realistic.

One of the things organized labor is most concerned about is the trend toward monopolies in energy-production. Rather than loosen regulations, we think they should be tightened. We don't think they should be punitive.

Let's also face facts about the scope of the federal research and development effort that is required. There is less than $800 million in the current federal budget for energy research and development—and three-quarters of this is for nuclear power. That's called putting all of our eggs in the nuclear basket.

We believe the budget should be more like

$2 billion a year to promote research and development of all potential energy sources—coal gasification, solar power, shale oil, advanced power cycles, coal liquification and geothermal energy. Because energy is a national problem, the federal share of research funds should be proportional to the risk and uncertainty of each approach.

A broad-scale, national research and development project could serve as a bargaining point with foreign oil producers. As long as they believe the U.S. has no place to go, they won't reduce their prices. But other countries are very much aware of the technological potential of the United States. They know that if the sleeping giant of American research and development is awakened, America will have another place to go and won't be sympathetic toward trading "partners" who gouged this nation when it needed help.

While we are talking about self-sufficiency, it would be a mistake to leave out America's battered and neglected merchant marine. Self-sufficiency demands a healthy U.S. merchant marine capable of transporting petroleum and natural gas—American ships, flying the American flag and manned by American seamen.

It is critical that the public be informed as to what is going on. After all, the public, as consumers, will be paying the bill. What I'm saying is advertising is not what I'd call information, and trying to push the Congress into passing special interest or "relief" measures is not going to solve the problems.

Hence, the AFL–CIO repeats its call for a full-scale Congressional investigation of the so-called energy crisis.

We reiterate our support for a Council on National Energy Policy.

We again ask for creation of a TVA-type development agency for raw materials and energy fuels. This agency would oversee domestic fuel reserves on public lands and in the oceans, while maintaining a proper balance between industry needs, consumer needs and environmental needs.

We repeat our support for a truly national power grid system open to all utilities.

Loud and clear, for those who may have missed it earlier, we repeat our opposition to efforts to remove interstate natural gas pipeline companies from federal regulation.

We repeat, for the umpteenth time, our call for expanded research into alternatives for the internal combustion engine.

And lastly, we call for a Congressional investigation of the increasing concentration of energy resources in a small number of giant corporations.

The AFL–CIO believes that the United States must be self-sufficient in energy. This country cannot be dependent upon the political whims of foreign countries. That is not "protectionism"; that is plain common sense.

We are optimistic. It is a big job, but it can be done. The stakes are enormous—to producers, to consumers, to the economy.

1983 is the target, and the goal is abundant supplies of reasonably priced fuels to meet this country's needs. Lets get on with the job.

RETIREMENT OF ASSISTANT SECRETARY SPENCER J. SCHEDLER

Mr. SAXBE. Mr. President, Mr. Spencer J. Schedler, Assistant Secretary of the Air Force for Financial Management, will leave Government service on March 31 of this year to accept a position as executive vice president of Hycel, Inc., a Houston based manufacturer of automated medical laboratory equipment.

I look upon Mr. Schedler's leaving with mixed emotions. On the one hand, I know that his new position in industry affords him a great personal opportunity, and a chance to spend more time with his lovely wife, Judy, and son, Ryan. But, on the other hand, the Government will miss having the highly capable services of this fine gentleman, who was dedicated and devoted to the service of his country and to the concept of sound financial management of the Air Force.

Since Mr. Schedler became Assistant Secretary, the Air Force has made substantial improvements toward controlling cost growth on major weapons systems, implemented a centralized and automated military pay system, and reduced the cost of operating its ever more complex modern weapons systems for the defense of the Nation.

As a result of these changes, there has been vast improvement in the overall financial operations of the Air Force, with the taxpayers of this country being the chief beneficiaries.

I ask the unanimous consent of the Members of this body, to enter in the RECORD my sincere appreciation for the service Mr. Schedler rendered to the Nation as Assistant Secretary of the Air Force, and my best wishes to him in his new venture.

ROBERT BALL—A SUPERB PUBLIC SERVANT

Mr. MONDALE. Mr. President, the March 15 Washington Post contained an editorial on Robert M. Ball, who has served as Commissioner of the Social Security Administration for the past 11 years.

The editorial—entitled "A Superb Public Servant Steps Down"—summarizes well why those of us who have worked with him hold Commissioner Ball in such high esteem.

In these days when there is so much talk about Government programs that do not work, he has demonstrated that Government programs can work—that they can bring real benefits to people efficiently and fairly. And he has given us a standard against which all programs can be measured.

He has given real meaning to the term "Government service." He will be missed.

I ask unanimous consent that the Post editorial on Commissioner Ball be printed in the RECORD.

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

A SUPERB PUBLIC SERVANT STEPS DOWN

This is the last week of duty for Robert M. Ball, the remarkable Commissioner of the Social Security Administration, who has been in office for 11 years and who served in lesser jobs with the Social Security Administration for 21 years before that. To the disappointment of many—ourselves included—the White House picked up Mr. Ball's pro forma resignation this winter after the election. But we do not feel that Mr. Ball's leaving office should be the occasion for expressing more gloom. Rather, it seems a moment briefly to recount the career of this extraordinary public official. For Mr. Ball's 34 years in government constitute a genuine good news story—and, not incidentally, they challenge some of the absolutes you hear tossed around these days concerning the capacity of the federal government to govern and the capacity of the bureaucracy to do well by the rest of us.

Mr. Ball, who began his career in 1939 in the field organization of the Bureau of Old Age and Survivors Insurance, worked his way up through the career service to become Social Security Commissioner. In the course of so doing he threatened, by his performance, to give the bureaucracy a good name. For, in his particular way, Mr. Ball has been the ideal public official: fair-minded, energetic, committed to the success of the statutes he administered and—above all—apolitical. In the 11 years since he came to preside over the Social Security Administration, all these attributes were put to the test as coverage (and complexity) expanded at a geometric rate during the 1960s.

Lyndon Johnson was fond of describing the actions required to put Medicare into effect after its enactment in 1965 as the most complicated and arduous government operation undertaken since the military planning operations of World War II. He didn't exaggerate much. Mr. Ball and his associates had 11 months' time to arrange for such diverse and intricate matters as medical standards, hospital care regulations, insurance coverage, accounting procedures, reimbursement techniques and the rest for some 19 million Americans who came under Medicare's provisions as of July 1, 1966. To look back over the news clippings of the period is to read a wealth of public statements from all manner of concerned persons predicting certain disaster on D-Day. It didn't happen—and the reason it didn't lies largely with the man who is now leaving his government post. That particular exercise in competence and success would of itself have been enough to distinguish Mr. Ball's career. But as many people in this town know it was typical—not atypical—of his performance. Robert Ball's 34 years in government were devoted to showing what *could* be done.

THE LAW OF THE SEA CONVENTION

Mr. JACKSON. Mr. President, members of the U.S. delegation to the Law of the Sea Convention are now completing preparatory sessions in New York for the upcoming Law of the Sea Convention to be held in Santiago, Chile, later this year. The actions taken in Santiago will, in many respects, determine not only how productive our oceans will be in the future, but also how harmoniously we will be able to work with both developed and undeveloped nations.

Attaining success at the Law of the Sea Convention is essential—and it will come only through a complete understanding of the problems involved, and a willingness on the part of each nation to discuss these matters in an open and frank way. Because of its timeliness, I would like to call to the attention of my colleagues a highly innovative and well-thought-out article by Capt. A. T. Church, Jr., U.S. Navy, retired, entitled "The Time Has Come the Porpoise Said * * *." In this article, which was published in a centennial issue of Naval Institute Proceedings, Captain Church views the needs of law of the sea reforms from a wholly different perspective—that of the inhabitants of our marine environment. Perhaps the overriding theme of the article is that the need for boundaries and other restrictions are not nearly as great as having an understanding by all nations concerned that we are all dependent upon the marine environment—and we must deal in an air of cooperation if we are to benefit by the things the oceans have to provide.

Captain Church, who is a personal

friend of mine and a cousin of our colleague from Idaho (Mr. CHURCH), is eminently qualified to write this article on law of the sea. He is a graduate of the U.S. Naval Academy, he conducted international law extension courses at the Naval War College, served variously as assistant chief of staff at CinCPacFlt, acted as senior aid to the Under Secretary of the Navy, on the Joint Staff, and was in OpNav.

In closing, Mr. President, I should point out that Captain Church comes from a true and distinguished Navy family. His father, A. T. Church, Sr., graduated from the Naval Academy and later managed the Bremerton Naval Shipyard in Washington State. Further, Captain Church's son, A. T. Church III, also graduated from the Naval Academy and is now a lieutenant in the Navy serving on a destroyer in the Pacific.

I ask unanimous consent to insert the text of Captain Church's article in the RECORD so as to make it available for all Members to read.

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

THE TIME HAS COME, THE PORPOISE SAID . . .

(By Capt. A. T. Church, Jr.)

They had all come together on a plateau on the North Atlantic Ridge in November 1972. There were eels from the Sargasso Sea, turtles from Ascension Island, seals from the Bering Straits. They were all there—yellow-bellied sunfish, dogfish, stately seahorses, tuna, swordfish, halibut, mackerel, whales, and exotic tropical fish that carried the proxies of many crustaceans and smaller species that could not come because of the distance involved or lack of fare.

Earlier, the Temporary Chairman, Everett McKinley Actopus, had welcomed them and reminded them that the first CIO Convention had been called to formulate the oh-fish-all position toward the International Conference on the Law of the Sea, to be held in 1973.

The introduction of Percival Lee Porpoise to the Convention by the Temporary Chairman, Ev Octopus, had been memorable. Affectionately wrapping several arms around Percy Porpoise, while holding up several other arms for silence—and two in his inimitable "Victory" sign—Octopus had intoned: "Our Permanent Chairman, as you all can tell from his novel navel, is neither fish nor fowl. He is, however, a mammal who is not about to be taken in by a line; a mammal who prefers plain old herring and mackerel to caviar; a mammal who knows a can of worms when he sees one; a mammal who . . ."

Following the tumultuous applause for Octopus' introduction, a hush fell over the convention as Porpoise grasped the rostrum with both flippers and began earnestly: "The time has come," he said, "to talk of many things . . ."

When the ovation had died down and he was permitted to resume, he continued. "Gentlefish, compared to the insect world and the stars in the heavens, we are a minority. Yet, we who inhibit 70% of the viable area of the planet have our rights, too. We have the right to eat what we like." At these words, the herring, mackerel, and squid delegations coughed nervously and eyed the nearest exits. "We have the right to love"—the distaff dolphins present smiled and nodded in agreement—"and, finally, we have the right to *protest*."

"I remind you again," Porpoise continued, "that our CIO Conference was convened in anticipation of a U.N.-sponsored Conference on the International Law of the Sea, to be held in 1973. As most of you know, the United Nations is an organization and forum for a landlubber species which calls itself *Homo sapiens*, a term which refers to its alleged wisdom, as reflected by its enormous brain—somewhat half the size of mine.

"This species—for convenience sake, let's call it Man—is one of many, many forms of life that crawl around on the land. However, man has assumed unto himself a position of predominance over all other land-based species. Man, it has been said, although neither the strongest nor the swiftest, is easily the smartest of all living things. But, of course, nobody but man has said so.

"We can learn something of the nature of Man when we ponder the thought that he shudders at the sound of the word 'man-eater'—yet thinks 'fishing' is a *manly* sport. We can agree if we define 'manly' as insultingly as he does the word 'fishy'—something doubtful or suspicious. You, my friends, and I have cause to worry.

"Their Conference on the Law of the Sea will cover seven topics: (1) the Seabed Regime, (2) the Continental Shelf Regime, (3) the Territorial Sea Regime, (4) the Regime of the High Seas, (5) *Fishing* and Conservation of Living Resources, (6) Scientific Research, and (7) Preservation of the Marine Environment. It is obvious that the fifth and the last of these topics are of greatest concern to us. However, mankind will be looking into all these topics as they—not necessarily as we—might perceive each problem. Consequently, one of the major decisions that has faced our Committee on International Law and the sub-committees which have been hard at work here for several weeks before this Conference convened, was whether we should comment to the Secretary General of the United Nations on all the topics to be addressed at their 1973 Conference, or only on those that were clearly of direct vital interest to you and me. Your Committee on International Law of the Sea elected the former alternative for two reasons. First, it is possible that *any* action associated with the sea conceivably could affect us; and second, because of our vastly greater knowledge of the sea environment, our comments—solicited or not—might be helpful. Accordingly, our Report to the Secretary General, which I shall present to you shortly for your approval, embraces all those topics although not item by item.

"I must once again stress the naive character of the creature with whom we are dealing. For example, mankind simplistically assumes that the small fish eats the tiny fish, the medium-sized fish eats the small fish, and so on. To a degree, that is correct, and for their purposes perhaps that will suffice for the present; however, we all know that such a view fails to take into consideration the millions of years that it has taken us to attain the ecological oceanic balance of which we may be justly proud.

"One point they do not understand is that we have no objection to providing them with food from our over-abundance. To assure you that the foregoing statement is correct, I discussed this point at length with the cod, tuna, shellfish, and other concerned delegates a few days ago. They will confirm the point, but each and every one added a qualification, to wit: 'provided that it does not upset the ecological balance within the oceans.' They (*Homo sapiens*) may have difficulty understanding our philosophy on this, because they are not naturally inclined to share their own overabundances with their neighbors. The point we wish to make to them is that they are most welcome to our over-abundance if at the same time they will not further deplete those endangered species which contribute to our ecological balance. They should not confuse this with the evolutionary process of gradual extinction of a species that does not contribute to any ecological balance. To read the statements of their environmentalists, one might conclude that if dinosaurs were still on land Man would go to great extremes to ensure their perpetuation.

"Making this clear may be difficult, because one of the accomplishments of which they are most proud is their U.N. 'Declaration of Human Rights,' prepared without regard to commensurate 'responsibilities,' despite the advice of all their world leaders at the time. In short, they are strong on *rights* and weak on *responsibilities*. I warn you on this point. They may grab you with no thought of your—or even their own—perpetuity! In brief, we cannot credit them with an understanding of the difference between the flowers and the weeds of life's garden.

"With your indulgence, then, I will proceed directly to read to you what your Committee on the International Law of the Sea has proposed that I forward to the Secretary General of the United Nations, with the request that he place it before their Conference in 1973."

Resolved! That the following be forwarded to the Secretary General of the United Nations:

My dear Secretary General:

I am Percival Lee Porpoise, Permanent Chairman of the Conference of Inhabitants of the Ocean, and I am respectfully addressing you on the subject of your forthcoming International Conference on the Law of the Sea.

We note that you do not plan to address a large body of your well established common law of the sea, notably such matters as blockade, pacific blockade, neutrality, insurgency, contraband, and related matters such as continuous voyage. This is understandable. This body of law was developed during the period you call "colonial," and by association might be repugnant to many developing nations. However, having objectively observed its application, we wish to remind you that you cannot erase experience, and that you will find within that body of law many options for the settlement or avoidance of disputes that are far less drastic and bloody than initial resort to the foot soldier and attack aircraft.

First, I shall address the matter of *Boundaries*. Each of your seven topics contains an underlying implication that a great deal of your discussions will relate to boundaries that you will establish on the sea—lines that you will draw on your maps and charts of the oceans. I would remind you that life has been absolutely chaotic on land ever since you crawled out of the waters a few hundred million years ago. One of your first territorial imperatives was to set up boundaries—borders, fences, maps with lines. At one time you even tried to do this with sea areas under a *mare clausum* concept, which did not hold water. Furthermore, most of your lives over the centuries have been involved in bloodletting over jurisdictional disputes about these same artificial boundaries.

We serve notice to you: we have no intention whatsoever of abiding by any boundaries you set up. Nevertheless, there is a tie-in with your anti-pollution efforts and to that extent we do have an interest in "general areas" as opposed to "specific boundaries."

To be completely candid, I must inform you that although the report of the Conference of the Inhabitants of the Ocean has been endorsed by over one million sea species, there was one dissent. This was the shark vote. The sharks were strongly of the view that this Conference should endorse a position that lines and boundaries be established throughout the ocean areas and that you then fight it out as to who controls what. The shark delegation was outvoted, but I regret to inform you that this Conference cannot assume responsibility for fu-

ture shark actions should you fail to heed the advisories set forth herein.

I note that in the past your agreements concerning fishing—terrible word!—have been formulated without any consistency with respect to territorial boundaries. In general this is good, since no standard rule will fit all the geography and sinuosities of the coasts throughout the world, let alone the habits of our migratory fish species. What I hope I am getting across to you is that if I am a seal caught at a certain latitude, it is of little significance to me whether the Canadian, U.S., Japanese, or Soviet fisherman had the "right" to catch me. He was there! He could afford to be there without being interfered with. Artifical boundaries are not going to change that. Furthermore, whereas one of your nation states may have the right of appeal to an International Court of Justice, Ms. Seal does not. Thus, Ms. Seal's survivors and mourners are concerned with *quantities, not boundaries*. Without intending to carp, we are not concerned with species that might become extinct by normal evolution. We are, however, very much concerned about an "over-catch" of species vital to our current ecological balance.

If the nations of the world decide that they wish to pro-rate the resources that are available in the oceans, they will have to do so in a spirit of cooperation. Governments have as yet shown little disposition to do so, but people might do this! Still, in the last analysis, unilateral declaration of boundaries in the oceans is naive. Those who can exploit *will* exploit, as both men and fish have observed in the continuing threat of the Red Tide. Those who cannot are incapable of doing anything about it.

In this connection the oceans' population recognizes, as one of your more intelligent achievements through the years, your concept of "innocent passage" as the fundamental precept of international law of the sea. This provides all people, nations, ships, and other interests an overriding privilege insofar as their action is innocent. How intelligent you have been to narrow the question to the meaning of "innocent" in the military sense, instead of arguing about whether a ship was there or 200 miles offshore! Of course, we are aware of the disruptive efforts to expand the interpretation of "innocent" beyond its historical military connotation—to such areas as potential pollution, for example. Should that happen you will have entered into an entirely new era of oceanic chaos. We do not care!

We are quite aware of your "International Law of the Sea." Perhaps we are more cognizant of it than you seem to be. It appears that you cannot get off the subject of boundaries—3-mile limit, 6-mile limit, 12-mile limit, 200-mile limit! If you would only look into your own common law of the sea you would find that, through the last few centuries, you have already established various degrees of control of territorial and extra-territorial waters for specific purposes. Even before you engaged in arguments about territorial waters being too restrictive—when in fact they were over-permissive—exclusive rights to sponge diving were recognized 20 to 30 miles offshore, and the right to the resources on and under the sub-shelf on the part of a contiguous state also had acceptance world-wide. In brief, you have long ago settled most of the issues that you are preparing to go to conference to argue about. All the principles exist in your customary law. If you must insist on codifying it—a step of doubtful value—we only advise you to stick to principles, not depths or distances.

I now take up my second subject, Freedom of the Seas, to which the right of innocent passage is directly related. Fish enjoy freedom of the seas. Except as it might interfere with his own ecological balance, any fish may go any place where man still has left him sufficient oxygen to breathe. "Freedom of the Seas," as we understand your application of the expression, has meant freedom to engage in international commerce without interference—provided, of course, that a nation has the merchant fleet to engage in international commerce, and provided that it has a navy to protect that merchant fleet. That ties in very nicely with recent extensive claims over territorial waters. In other words, it is our observation that one of the powerful nations could make exorbitant claims and be able to back them up with force. A smaller state might make similar claims, but could not back them up. The smaller state, at your 1973 Conference, is therefore looking for a guarantee that will ensure him against past practices, and he is doing it in a most artificial and arbitrary manner, and—we must add—with complete inattention to the words and actions of the de facto seapowers. The real power of customary law that the smaller state has in its favor is the right of innocent passage which permits his ship absolute freedom of passage through any ocean waters. Instead of pressing for that principle, the small state is attempting to protect itself against past practices that are completely unrelated to the present situation. Their actions are self-defeating.

This paradox becomes even more apparent when one examines the much-touted concept of the resources of the sea as "the common heritage of mankind." My friends and I have reservations about that wording, but I shall not dwell on the point. However, with that altruistic start, the nations that have most to benefit from the concept are staking claims that they cannot police, e.g., 200 miles of absolute jurisdiction. Such claims, if acknowledged, could take up 30% to 50% of the ocean floor and the waters above. Add to that a very possible agreement on a 200-meter depth jurisdiction off the coast of the littoral state, and very little is left for "all mankind." What is left is in the very deepest areas of the ocean that will be the last and most difficult for you to exploit. Actually, very few of *us* even inhabit those depths. It leaves absolutely nothing to your landlocked beneficiary of the concept of "the common heritage of all mankind."

It is therefore obvious that your efforts to establish your individual nation states' areas of cognizance are based on a deep feeling of mutual distrust. The reactions of your nation states have often been perverse. Again, you might question as of what interest is this to us. I can answer quite honestly. We have no interest in going on land, not even as tourists, but at the same time we detect a strong tendency on your part of going into the sea. We are vitally concerned over the manner in which you do it.

I would suggest to you that we have at least two elements of leverage on our side. I have already mentioned our shark delegation, whose position we have not at this time supported. Should we reverse our position, I am sure you would find them very effective "shock troops," and I suggest they would in those circumstances be actively supported by sting rays, barracuda, killer whales, Moray eels, and others of our group. Secondly, we have already on our books legislation to be implemented only in emergencies. Although this was intended to be a passive protest to pollutant activities on a regional basis. it is sufficiently broadly written to be applicable against a more active challenge. This is our "no-bite" dictum. Fishing requires patience and certain equipment, but, above all else, it requires fish. Oceanwide, we know we could hurt you if we all kept our mouths shut. We also are developing oceanwide tactics for net avoidance.

As my third point, I should like briefly to address a group of problems, all interrelated, which I am sure will be considered at your Conference. These involve scientific research in the oceans, navigation control, and the matter of absolute versus limited jurisdiction.

To start with the last one, the fact that you have a need for any jurisdiction at all is evidence of your mutual distrust and lack of cooperation. We only advise that your own common international law of the sea provides you with all sorts of limited jurisdiction if you deem that any jurisdiction at all be necessary. Certainly extensions of absolute jurisdiction are retrogressive.

With respect to navigation control it is rather obvious that a state with an underwater drilling rig, for example, would wish to avoid having it rammed by a tanker of a foreign, or even its own, flag. So would the tanker! Seemingly, such a simple problem could be resolved without claims of absolute jurisdiction over the waters in which the drilling rig is established.

This is a serious problem on a state bordering on an international strait. Because of your preoccupation with staking our boundaries, you are threatening your customary law of right of free navigation through straits and territorial waters. It would, of course, be an economic absurdity for a ship to be diverted 200, or even six, miles around some arbitrary line established by one nation which might choose to deny the right of free navigation. This is why we have contended throughout that your concept of "innocent passage" is the real wisdom of your international law of the sea. No master of a ship will deliberately endanger his ship. That point was confirmed at the Convention for the Prevention of Collisions at Sea in London in October 1972. The results of that Convention, although amply provided with legal advice, primarily will be the views of seamen.

Your Convention, alas, is *political*. We advise that you not override the judgments of seamen!

I understand that one of your serious concerns is with respect to scientific activities of one or more nations off the coasts of other nations. You may, of course, decide to place inordinate restrictions on this type of activity. Actually, we are not overly concerned if you obstruct yourselves and delay your advancement of knowledge in the oceanic medium. We of the undersea world are quite content without you. At the same time, we are alert to your belated but growing awareness of the resources in the ocean and under the ocean floor, as the ant is resigned to the existence of the anteater. So we accept your continued scientific research and eventual extensive arrival into the sea environment as inevitable. We only trust that your 1973 Conference will serve as a medium through which you arrive in a responsible manner.

With respect to scientific activities in the waters contiguous to a particular State, it would appear that a simple Resolution to the effect that the contiguous State be invited to participate in any such scientific activities would be reasonable and adequate.

You do not need boundaries and restrictions. You need a "control" system.

Next, Mr. Secretary General, I address my fourth subject, which is anti-pollution. This, as you undoubtedly understand, is a matter of some urgency to us. We realize, of course, that the International Conference on the Law of the Sea is separate from the U.N. Conference on Anti-Pollution. Nevertheless, we feel that, essentially, the issues you face in your conferences and the decisions you may reach will be interlocking.

I must strongly advise that we are greatly disturbed by explosions of mammoth tankers on the high seas and by collisions of your ships in the approaches to your harbors, with resultant spills of oil and loss of life to the fish species. I know that you can counter the implications of this statement by pointing out that much greater spillage occurs from natural faults. This is true, but fish have advance warning on most natural phenom-

ena. We have no such warning on acts committed by you, however, accidental they may be.

These, and following comments, therefore, are important to your Law of the Sea Conference, because with diverse rules of navigation over "staked-out" sea areas by many different members of your organization, the net result will be confusion, collision at sea, and resultant pollution. I apologize for my redundance in reporting that the intransigent shark delegation favored this confusion, but we are at a period in our history wherein the minority view must be overemphasized.

With the exception of such incidents as I have cited above, and which I suggest you carefully consider during your forthcoming Conferences, the undersea inhabitants are not too concerned about oil pollution on the high seas. We have become used to a little bit of oil. We get very little because most of it is is removed by bacteria. Nevertheless, a touch here and there has become like dressing on the salad Since you are completely and abysmally uninformed as to how much oil the ocean can absorb, I trust you will abstain from any rulings about the right of passage of ships based on their potential oil discharge, including that from ballast and bilge, in the course of normal operations.

The ocean on the whole probably can absorb all the pollutants that you could accidentally pour into it over the next few thousand years. Still, we do not condone your habit of dumping concentrations of pollutants into confined off-shore or harbor areas. This has already become a serious problem for many of our shellfish species.

We have watched your anti-pollution efforts and we favor them in general. However, we are aware of your instinctive reaction, after having ignored a problem for decades or more, to take drastic and illogical actions in an attempt to correct it. For example, one of your nations, the United States, is imposing stringent restrictions on merchant ships with respect to sewage disposal and doing very little about effluent discharges in the major waterways from urban areas. Merchant ships contribute perhaps a maximum of one tenth of one per cent to the problem. We find it difficult to applaud such misdirected efforts toward pollution abatement. We would prefer that you go to the seat of the problem. To reinforce this point by using an example in a somewhat unrelated field, this same nation, the United States, has a catastrophic accident record on its highways, 95 to 98% of which are caused by incompetent or drunken drivers. The answer of this nation to that problem has been to go to great expense to the consumer to ensure that the incompetent or drunken driver will have an absolutely safe automobile with which to commit mayhem.

May I assure you that we do not want this philosophy carried over into your adventures into the oceans; nor do we wish to see it germinate in your Conferences on the Law of the Sea and Pollution in 1973.

We do indeed endorse your efforts to limit pollution of the seas. We object to actions such as have been taken in San Diego, California, where you have created a most unsightly area off Point Loma in the interests of anti-pollution of San Diego Bay, the results of which must be as repulsive to you as it has been to us. We support efforts on a gradual scale that will counteract the incessant pollution of inshore areas. At the same time we warn you against radical extremes. Some of our species over the past few thousand years have adjusted themselves to a diet of some of your pollutants. Too radical a readjustment could be devastating!

In sum, please bear in mind that when pollution issues are considered at your Conferences—and we are sure they will be—it is our request that you do not take steps that will so upset the ecological balance in the oceans that it will deprive me of my dinner—and you of yours!

RESOLUTION ADOPTED BY ARKANSAS HOUSE OF REPRESENTATIVES ON RECREATION USE FEES

Mr. FULBRIGHT. Mr. President, the Arkansas House of Representatives has recently adopted a resolution which urges the U.S. Corps of Engineers to refrain from establishing special recreation use fees.

The resolution points out—

These projects were initially constructed from public funds and the establishment of schedules of fees for the use of these projects will deny access thereto to thousands of citizens, and will enable only individuals of wealth or substantial income to gain the benefits from these projects.

The proposed special recreation use fees, in compliance with provisions of Public Law 92–347, appear to have significantly enlarged the scope of activities and facilities which will be subject to use fees by requiring that comparable fees should be charged by all Federal agencies for comparable facilities and services.

As the special recreation use fees are of a particular concern to the people of Arkansas, I have been in contact with the U.S. Corps of Engineers about this matter.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

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

HOUSE RESOLUTION 29

Urging the U.S. Corps of Engineers to refrain from establishing special recreation use fees

Whereas, the Corps of Engineers has engaged in numerous projects in Arkansas in creating dams, reservoirs, and other water impoundments; and

Whereas, these projects were constructed from tax funds paid by the public and were constructed for multiple public purposes; and

Whereas, one of the purposes for which these projects were constructed included the availability thereof for public recreation purposes; and

Whereas, thousands of citizens of this State, and of other states, have benefited from recreational use of these projects; and

Whereas, the United States Corps of Engineers published a proposed regulation in the February 1, 1973 Federal Register proposing to establish special recreation use fees for various projects under the jurisdiction of the Corps of Engineers; and

Whereas, said regulation would propose to impose fees for camp and trailer sites, boat storage, boat houses, and for operating a motor boat or other boat thereon; and

Whereas, such system of fees and charges would make it impossible for many families to continue to enjoy camping, boating, fishing, and other recreational activities on such Corps of Engineers projects; and

Whereas, these projects were initially constructed from public funds and the establishment of schedules of fees for the use of these projects will deny access thereto to thousands of citizens, and will enable only individuals of wealth or substantial income to gain the benefits from these projects,

Now, therefore, be it resolved by the House of Representatives of the 69th General Assembly of the State of Arkansas:

That the House of Representatives respectfully urges each member of the Arkansas Congressional Delegation to use the influence of their office in opposition to the proposed special recreational use fees which were published on page 3051 of the Federal Register, Volume 38, Number 31, on Thursday, February 1, 1973.

Be it further resolved that, upon adoption hereof, a copy of this Resolution shall be furnished to the Chief Engineer of the United States Corps of Engineers, and to each member of the Arkansas Congressional Delegation.

THE DOCTOR SHORTAGE

Mr. McINTYRE. Mr. President, today I want to discuss the doctor shortage, a shortage national in dimension but acute in certain areas.

Now when we talk of a doctor shortage, we are considering more than a straight numbers situation. We are also discussing maldistribution.

We not only need more doctors, we need them in the right places.

By far the great majority of physicians are located in metropolitan areas where facilities and technical assistance are readily available.

This is not the case in many rural areas. Nor is it always the case in the inner cities; 133 counties have no active physician in patient care, yet nearly half a million Americans live in these, predominantly rural, areas.

And, as I have already noted, many inner cities are also deprived in terms of physician services.

Let me quote the President in his 1971 health message to the Congress:

In some areas of New York, he said, there is one doctor for every 200 persons, but in others the ratio is one to 12,000. Chicago's inner city neighborhoods have some 1,700 fewer physicians today than they had 10 years ago.

And just 2 years ago the mayor of Baltimore told a Senate hearing that

. . . so many doctors have left Baltimore for the suburbs that 15 census tracts have no neighborhood doctors.

Mr. President, the Congress has not been insensitive to this problem. Steps are and have been taken to meet it. The Federal Government has provided substantial assistance to medical schools through the Health Professions Educational Assistance Act, an act originally enacted in 1963 and amended five times since.

This legislation provides a variety of programs to aid schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, and podiatry.

The Congress last amended this program in 1971 when it passed the Comprehensive Health Manpower Training Act, and the strength of the Congress' support lies in the fact that this bill passed the Senate without a nay vote and cleared the House with only three dissents.

As the legislation now stands, financial support is authorized for construction of medical and other health professions schools, for capitation grants for basic educational support, for special projects to encourage curriculum im-

provements and enrollment expansions, and for startup assistance to new schools of medicine, dentistry, and osteopathy.

In addition to authorizing a variety of student assistance programs, the act authorizes grants for family medicine training and grants for graduate training of physicians and dentists who are taking their internships and residencies in primary care.

Mr. President, the intent of this legislation is clear. It provides many incentives for medical schools to increase their enrollments, broaden their curriculums, train increasing numbers of primary care physicians, and encourages physicians to practice in areas of greatest need.

Over the years, the support authorized by the Health Professions Educational Assistance Act has made a significant contribution to our medical education resources.

In 1968, there were 10,240 first-year medical students in the Nation's medical schools. By 1972 the figure had risen to 13,330, as the number of medical schools increased from 100 to 108 in that same timespan.

In fiscal 1973 it is estimated that 12,859 medical students—almost 30 percent of the eligible students—will receive HPEA student loans, while 7,305—17 percent of the eligible students—will receive HPEA scholarships.

But in spite of increasing enrollments, in spite of additional schools, thousands of individuals who want to become physicians are still being turned away.

In the 1971–72 academic year, 29,172 applied for entrance into medical schools. But only 12,335 were accepted.

And this discrepancy tells only half the story, Mr. President, because the individuals we have been educating in medicine have become specialists and not family practitioners.

In 1931, 72 percent of the private practicing physicians in the United States were family practitioners. But by 1967, only 2 percent of the students graduating from medical school followed that pursuit.

It should be obvious from these starkly simple figures that the need to provide more physicians, particularly family practitioners, remains very great, Mr. President.

Yet it is equally obvious that incentives are there, incentives already provided by law.

Given this, it seems clear to me that it is crucially important to fund those programs authorized under the Health Professions Educational Assistance Act at a level which would help them to meet their objectives.

Yet it is equally clear to me, Mr. President, that this is not the administration's intent.

Consider its fiscal 1974 budget:

No new construction grant money is requested;

No funds are requested for startup assistance;

Only 81 special project grant awards will be made to medical and osteopathic schools, as contrasted with 174 in fiscal 1973;

Schools of medicine, osteopathy, and dentistry will continue to receive capitation grants, but other schools authorized for such assistance under the Health Professions Educational Assistance Act will not.

Obviously, this administration does not consider increasing the number of trained physicians a priority concern, and this is truly unfortunate. It is more than unfortunate: it is dangerous.

Real progress has been made under the HPEA Act in the last 10 years, but much remains to be done, far too much, Mr. President, to countenance the fiscal starving of such important legislation.

Underscoring all this is still another factor:

We must remember that the physician shortage is only one aspect of the health problem facing poorer areas. Even where good health is available, the poor are often closed out of the system either because they cannot pay, or, equally significant, because of cultural and psychological fears.

I believe these barriers must be broken down. This is why on March 6 I reintroduced my National Health Care Act of 1973—S. 1100—a measure directed at improving both the financing and delivery of health care. I believe comprehensive legislation of this kind is necessary if we are to guarantee quality health care to all Americans at a cost they can afford.

The doctor shortage problem bears an important relationship to national health insurance. It is clear that any national health insurance will greatly increase the demand for health services as more and more people are given access to comprehensive care.

In view of the current shortages of health manpower, I do not believe the system will be able to meet this new demand, and so strongly urge my colleagues to support the full funding of health manpower programs already legislated and authorized.

LEGISLATIVE REVIEW ACTIVITIES OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. ERVIN. Mr. President, section 136(b) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 190d (b)), requires Senate standing committees to make reports "not later than March 31 of each odd-numbered year" with respect to their activities during the previous Congress in reviewing the "application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of that committee."

The following report is submitted in compliance with the above requirement. Complete details concerning all of the activities of this committee will be contained in the activities report for the 92d Congress, which will be published at a later date.

COMMITTEE JURISDICTION

The functions of the Committee on Government Operations, pursuant to the Legislative Reorganization Act of 1946, as amended, require consideration of legislation and other matters dealing with budgeting and accounting, other than appropriations, and with reorganizations in the executive branch of the Government. The committee is further required to: First, study audit and other special reports submitted by the Comptroller General of the United States to the Congress; second, study the operation of Government activities at all levels with a view to determining economy and efficiency; third, evaluate the effects of laws enacted to reorganize the legislative as well as the executive branch of the Government; and fourth, study intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

BUDGETING AND ACCOUNTING

During the 92d Congress, the committee received and reviewed 291 reports containing reviews of various governmental activities, prepared by the General Accounting Office, pursuant to the Budget and Accounting Act, 1921, the Accounting and Auditing Act of 1950, the Government Corporation Control Act, and the Legislative Reorganization Act of 1970. In addition, the committee staff met with GAO staff on numerous occasions to discuss action indicated to follow up on GAO recommendations.

In further implementing its responsibilities relative to budgeting and accounting, the committee staff, in collaboration with the GAO, reviewed the execution of all legislative enactments dealing with financial management in the Federal Government. This review, which is part of a continuing study of these matters, was entitled, "Financial Management in the Federal Government, Volume II." Published as Senate Document 92–50, it contained selected information on all financial developments in this field from the enactment of the Treasury Act of 1789 and dealt with all developments from the 80th through the 86th Congresses.

Finally, the committee reviewed various operations under the Budget and Accounting Act, 1921, and processed and considered a number of bills to amend that statute.

EVALUATION OF LEGISLATIVE REORGANIZATION

During the 92d Congress, the committee conducted a continuing study and appraisal of the effect of the Legislative Reorganization Act of 1970—Public Law 91–510—to determine whether it enabled the Congress to operate effectively and whether further legislative action was required to improve committee and congressional operations. In this connection, special emphasis was placed upon the requirements of the Senate.

This study revealed that additional legislation was required to: First, correct certain omissions in the 1970 act relative to use of counterpart funds by committees of the House of Representatives; second, clarify and simplify certain procedures relative to supplemental expenditure authorizations for Senate standing committees; third, enable improvements in specified operations of the Senate Disbursing Office; fourth, clarify the status

and source of payment of minority clerical personnel for Senate committees; fifth, authorize professional staff members of the Appropriations Committee and the Majority and Minority Policy Committees of the Senate, and certain joint committees, to obtain the same specialized training as was authorized by the 1970 act for professional staff members of standing committees; sixth, raise the minimum age of Senate pages; and seventh, require Senate committees, and certain joint committees, to reimburse the General Accounting Office for the salaries of employees assigned or detailed to such committees.

Following further study and consideration, the committee reported favorably H.R. 4713 which became Public Law 92–136 on October 11, 1971. All of the recommended actions were included in this act, except the proposed change in the age of Senate pages which was left unchanged.

EXECUTIVE REORGANIZATION

During the 92d Congress, the committee, and its Subcommittee on Executive Reorganization and Government Research, continued its evaluation of the effects of laws enacted to reorganize the executive branch of the Government, as well as its study and review of the operation of research and development programs financed by Federal departments and agencies in order to bring about governmentwide coordination and elimination of overlapping and duplication of scientific and research activities.

Following hearings and careful consideration by the subcommittee, the committee concluded that revision and clarification of chapter 9 of title 5, United States Code—executive reorganization—was necessary. In reporting an extension of the President's authority to submit reorganization plans, the committee revised and restructured portions of the statute in an effort to clarify and simplify its language without effecting any changes in the procedures or the substantive law provided for therein. These revisions were embodied in Public Law 92–179—December 10, 1971.

During the 92d Congress, in connection with its continuing study and surveillance of the executive branch, the committee prepared and issued its annual chart reflecting the organization, structure, and personnel requirements of executive branch departments and agencies, as of January 1, 1972. In addition, the committee conducted extensive hearings relative to the President's major departmental reorganization proposals.

In the field of Government research, the committee issued two committee print, prepared by the subcommittee, which appeared in December 1971 and November 1972, as parts 6 and 7, respectively, entitled "An Inventory of Congressional Concern With Research and Development."

NATIONAL SECURITY AND INTERNATIONAL OPERATIONS

In carrying out its responsibility for efficiency and economy of all branches and functions of the Government in the field of national security and international operations, the Subcommittee on National Security and International Operations studied the operation of the National Security Act of 1947, as amended, and, in this connection, reviewed the role of the National Security Council and its relation to the other national security agencies, including the Department of State and the Department of Defense. The subcommittee issued three committee prints on international negotiation, and one committee print on councils and committees.

INTERGOVERNMENTAL RELATIONS

The continuing responsibility of the Committee on Government Operations for Intergovernmental Relations is conducted by its regularly established Subcommittee on Intergovernmental Relations, which carried on the following legislative review activities:

REVIEW OF ACTIVITIES OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS (ACIR)

The Subcommittee on Intergovernmental Relations, on November 16, 1971, conducted a legislative review hearing on the operations of the Advisory Commission on Intergovernmental Relations which was created in 1959 by Public Law 86–380.

At that hearing the subcommittee heard testimony from several witnesses, including Robert E. Merriam, Chairman of the Advisory Commission on Intergovernmental Relations, who was accompanied by Mayor Richard G. Lugar of Indianapolis, the Vice Chairman; Representative AL ULLMAN, a Commission member; and William R. MacDougall, Executive Director of the Commission. In addition, the subcommittee reviewed the activities of the Advisory Commission on Intergovernmental Relations since 1966, when it last conducted such hearings. At that time, the subcommittee submitted a report entitled "Five-year Record of the Advisory Commission on Intergovernmental Relations and Its Future Role," published as Senate Document 80, 89th Congress.

The subcommittee found that in recent years the Advisory Commission on Intergovernmental Relations has sought to play a more active role in securing implementation of its recommendations for intergovernmental action. At the same time, the ACIR staff has increased the number and scope of its reports as well as its range of technical and professional assistance to all levels of government.

The subcommittee concluded that at a time when State and local governments are faced with responding positively to awesome challenges confronting them, it is doubly important that the ACIR—as an independent, bipartisan body representing all levels of our Federal system—be maintained and strengthened. The subcommittee was somewhat concerned, however, that the Advisory Commission on Intergovernmental Relations faces some danger of becoming too closely allied with spokesmen for the Federal Government.

REVIEW OF THE INTERGOVERNMENTAL COOPERATION ACT OF 1968 (P.L. 90–577)

The subcommittee held hearings in March and April 1972, to review the Intergovernmental Cooperation Act of 1968, and considered a bill, S. 3140, which would have amended the 1968 act. The purpose of the bill was to improve the efficiency of the Federal grant-in-aid system by strengthening State auditing procedures, providing a mechanism for the consolidation of grant programs in the same functional area, and providing a mechanism for approval of combined applications for joint grant-in-aid projects which require funding from two or more programs. Following approval by the full committee, S. 3140 was reported favorably on August 17, 1972—Senate Report 92–1109. It passed the Senate on September 14, 1972, and was referred to the House of Representatives which took no further action.

REVIEW OF THE UNIFORM RELOCATION ACT OF 1970 (P.L. 91–646)

During its review of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, the subcommittee found a series of shortcomings in the law. As a result of that finding, the subcommittee recommended favorable action on S. 1819, which was reported favorably by the full committee on March 28, 1972—Senate Report 92–721—and passed the Senate on April 12, 1972. This legislation would have continued until July 1, 1976, full Federal funding of the first $25,000 per displacee in relocation assistance payments to persons forced to move from their homes or businesses by a federally assisted project. It was also intended to expend the coverage of the 1970 act. An amended version of S. 1819 passed the House August 7, 1972. On October 10, 1972, Senate and House conferees agreed to a compromise version of S. 1819. That legislation failed to be enacted, however, when the House, for lack of a quorum, was unable to act upon the conference report before the adjournament of the 92d Congress.

REVIEW OF THE INTERGOVERNMENTAL PERSONNEL ACT OF 1970 (P.L. 91–648)

During its review of the Intergovernmental Personnel Act of 1970, the subcommittee considered legislation, S. 3141, to amend that act. The purpose of this legislation was to create a Federal-State fellows program and a Federal-urban fellows program in order to provide for the employment of younger citizens by State and local governments, thereby strengthening the federal system. The subcommittee heard testimony on S. 3141 March 7, 1972, and took no further action.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED (40 U.S.C. 471)

The committee continued its review of the activities of the General Services Administration with particular reference to activities and operations under the Federal Property and Administrative Services Act involving the disposal of surplus property.

Hearings were held by the Ad Hoc Subcommittee on Federal Surplus Property, and numerous proposals to improve the administration of the act were considered and processed, a number of which were enacted into law.

The committee also considered and processed 111 proposals from the GSA, and other Federal agencies, relating to the disposal of surplus Federal property by negotiated sale.

ADDITIONAL LEGISLATIVE REVIEW ACTIVITIES

During the 92d Congress, the committee, through its Permanent Subcommittee on Investigations, conducted inquiries and investigations in specified areas, relative to economy and efficiency in the Government at all levels.

In 1971, following an intensive inquiry into the operations of military service clubs, messes, and post exchanges, the Permanent Subcommittee on Investigations found evidence of widespread fraud, corruption, and other criminal activities in the operation of these nonappropriated-fund activities. Following the completion of the inquiry, which included public hearings, the committee issued a report, prepared by the subcommittee, detailing its findings and conclusions—Senate Report No. 92–418. Thereafter, the Department of Defense, and other Federal agencies, took more than 60 corrective and remedial actions designed to eliminate any repetition of the practices found. Where appropriate, information was turned over to the Department of Justice for appropriate action, and the principal individuals concerned were tried and convicted. In addition, four legislative proposals, including amendments to the Budget and Accounting Act, 1921, designed to correct and prevent the practices found, were prepared by the subcommitteee, and introduced in the Senate.

The subcommittee also conducted an intensive investigation into theft, conversions, and manipulation of stolen securities involving many millions of dollars. Following hearings by the subcommittee, various remedial and corrective actions were taken by Federal regulatory agencies which were concerned, and recommendations are expected to be forthcoming for appropriate legislative action.

The Permanent Subcommittee on Investigations, in cooperation with the Department of Defense, engaged in a thorough study of the disposal of surplus and excess war materiel by the armed services, and of the military supply and procurement system. A specific objective of this study was to determine whether existing statutes are adequate to regulate U.S. participation in international sales of surplus and excess war materiel. Following hearings, in 1971, the military services undertook a series of corrective actions, designed to remedy numerous deficiencies in the present system, which, if fully implemented, are expected to result in annual additional returns from such sales of approximately $50 million.

WEINBERGER PLEDGES BILINGUAL SUPPORT

Mr. CRANSTON. Mr. President, I wish to share with Senators a most heartening letter I have received from HEW Secretary Caspar W. Weinberger, in which he promises administration support for the bilingual education program and assures me that the program will be continued at division status within the U.S. Office of Education.

The Secretary also indicates that a permanent director for the Division will be named in the near future.

As author of the measure that resulted in the bilingual program being elevated to a division, I am deeply pleased to have the assurances of the new Secretary that bilingual education will have organizational priority and full administration support over the next 4 years.

Mr. President, I ask unanimous consent that my letter of February 23, 1973, to Secretary Weinberger, and his response to me of March 22, be printed at this point in the RECORD.

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

FEBRUARY 23, 1973.

Hon. CASPAR W. WEINBERGER,
Secretary of Health, Education and Welfare, Washington, D.C.

DEAR MR. SECRETARY: According to information I have received from within the U.S. Office of Education, the present Bilingual Division is slated to be reorganized back to its former, lower status as a small program within the Bureau of Elementary and Secondary Education. If this report is correct, I urge you to intervene and correct what I believe to be an unsound decision.

Last year, I authored an amendment to S. 659—the Higher Education bill—that prohibited unauthorized program mergers and fund transfers from one appropriation to another. The amendment is now law. The original language of my measure included the statutory organization of the Bureau of Elementary and Secondary Education and specified a Division of Bilingual Education within BESE. I agreed, as did other conferees on the bill, to drop this statutory organization language upon receipt of written assurances by the then Secretary of Health, Education, and Welfare, Elliot Richardson, that the bilingual program would be raised to a Division within BESE. These assurances were received, and the conferees adopted my amendment minus the statutory organization language.

In the months that have passed (it will be a year in May) the Bilingual Division has struggled along with no permanent director and only token support from the Administration. Preliminary budget figures for 1974 included no funds for bilingual education, and though monies were eventually restored, they are less than was spent last year, despite growing evidence of need. As you know, the funds normally devoted to training bilingual teachers under the Education Professions Development Act, are absent from the President's new budget. Also, the funds specified by the Congress to be spent for bilingual purposes under the new school desegregation program have been reduced to a tiny fraction of the amount the Congress appropriated. And now we learn that the federal bilingual effort may be denied even token visability by dropping it in status and, unquestionably, in spirit and vitality.

As Senator from California, I protest strongly this reportedly contemplated action. The history of the federal role in bilingual education is brief, but so very promising. Successful, federally-sponsored bilingual programs have sparked enthusiasm and renewed hope in schools throughout California, the Southwest, and elsewhere in the nation, and have provided a base for encouraging local and state actions without reliance upon federal funds.

We dare not, I believe, let our efforts at the federal level subside into atrophy. It is not a matter of differing philosophies about what the federal role should be; it is a matter of honor about keeping federal promises.

I am hopeful that your response will assure our bilingual constituents in California and elsewhere that the federal efforts in bilingual education will not waste away or vanish, just at the height of their promise. The Division of Bilingual Education should be continued, a permanent Director appointed, and its place as a national priority program clearly established by the Administration as it has by the Congress on so many occasions.

With best regards.

Sincerely,

ALAN CRANSTON.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., March 22, 1973.

Hon. ALAN CRANSTON
U.S. Senate
Washington, D.C.

DEAR ALAN: Thank you for your letter of February 23 concerning a report from the Office of Education that the Division of Bilingual Education would be reorganized back to its former, lower status as a small program within the Bureau of Elementary and Secondary Education.

Let me assure you that this report is incorrect. There are no plans to reduce the status of Bilingual Education below the Division level. We are hopeful of announcing our selection of a permanent director for the Bilingual Education Division in the near future.

Please be assured of the Administration's continued support for the Bilingual Education Program.

Sincerely,

———— ————, *Secretary.*

HOUSING AND COMMUNITY DEVELOPMENT ISSUES FOR 1973

Mr. STEVENSON. Mr. President, the impact of the administration's housing moratorium and community development terminations has been shrouded by the complexities of the budget and facile rhetoric from the administration. However, the February issue of the Journal of Housing sets the record straight in a clear and unemotional article by Mary K. Nenno and John Maguire.

Among other things, the authors find that:

The level of new commitments for federally subsidized housing will drop from 426,924 units in fiscal year 1972 to 29,800 units in fiscal year 1974—a reduction of 93 percent in activity.

Because of housing units already committed before the moratorium, there will be a continuing level of new construction starts of 232,400 units in fiscal year 1974. This is a slight reduction from the 259,100 units anticipated for fiscal year 1973 but a reduction of 27 percent from the level of 322,025 new housing starts in fiscal year 1972. The level will drop off drastically in fiscal year 1975 because of no new commitments in fiscal year 1974.

The moratorium, added to an already slowed-down pace of new construction activities, will place the HUD assisted programs 45 percent behind the goals set for these programs by the end of fiscal year 1974, as projected in the first annual housing goal report published in 1968.

The suspension of the HUD housing programs will have an economic impact related to new housing starts spread over fiscal years 1973, 1974, and 1975. In total, it will result in a loss of $7.5 billion in new housing construction activity, with a total economic impact, including related facilities and services of $19.3 billion. There is an estimated loss of 2.2 million man-years of employment.

Mr. President, the picture painted by

Miss Nenno and Mr. Maguire's objective presentation amounts to a searing indictment of the administration's lack of housing policy. I ask unanimous consent that the article be printed in the RECORD.

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

HOUSING AND COMMUNITY DEVELOPMENT ISSUES LOOMING FOR 1973 WHITE HOUSE/CONGRESSIONAL DEBATE

(By Miss Mary K. Nenno, Director, NAHRO Policy and Research Division, and John Maguire, Staff Director, NAHRO Information Center for Community Development)

The Nixon Administration, in the early weeks of 1973, initiated a series of fiscal and budgetary actions and offered a set of proposals designed to curb federal spending and to accomplish the President's program of "New Federalism," i.e., a restructuring of the federal system, a reorganization of the national government, and a redirection of public decisionmaking away from the federal government to state and local government. In the housing and community development field, these actions included:

—an 18-month moratorium on new commitments programs, effective June 30, 1973, to be replaced in part by a Community Development Special Revenue Sharing Program, whose effective date would be a year later, July 1, 1974; and

—the impoundment of nearly 1.25 billion dollars of fiscal year 1973 appropriations and Congressionally-approved contract authority for housing, urban development, and rural development programs (see chart on page 66).

The blueprint for the Administration's new domestic strategy is set forth in a series of Presidential statements issued since the first of the year; the second inaugural address, the State of the Union message, the budget proposal for fiscal year 1974, the 1973 Economic Report, and the January 8 announcement of an 18-month housing moratorium. These policy directions are summarized in a terse opening paragraph of the budget messeage sent to Congress on January 29: "The 1974 budget proposes a leaner federal bureaucracy, increased reliance on state and local governments to carry out what are primarily state and local responsibilities, and greater freedom for the American people to make for themselves fundamental choices about what is best for them."

The keystone of the fiscal year 1974 budget is a 268.7 billion dollar spending ceiling and the maintenance of a 250 billion dollar ceiling for the current fiscal year. The President's firm intention to maintain these ceilings is based on a belief that this decision will result in improving the nation's economic picture. As further detailed in the 1973 economic report, the "268.7" figure is designed to preclude the necessity for new taxes, to reduce inflation to an annual rate of 2.5 percent, to lower unemployment to a 4.5 percent rate, to accelerate national economic growth to a 6.75 percent figure, and to cut the federal deficit in half, to a 12.7 billion dollar level.

While the 268.7 billion dollar spending ceiling does represent an 18.7 billion dollar rise over estimated fiscal year 1973 spending, increases in "uncontrollable" items (e.g. interest in the national debt and increased social security payments) mean that other programs must be terminated or curtailed to achieve this spending maximum. The budget, therefore, proposes a termination of over 70 programs and severe spending reductions for dozens more. Likewise, the budget also reveals the extent of fiscal year 1973 impoundments necessitated to maintain this year's 250 billion dollar level and proposes to stretch other fiscal year 1973 appropriations through the end of fiscal year 1974.

In addition, to the housing and community development areas cited above, the budget also would terminate such programs as: the public service employment program; Hill-Burton hospital construction; federal library construction grants; regional medical research and treatment centers; and training programs for medical and scientific research personnel. The budget also proposes to phase out federal support for local mental health programs; to curtail or to eliminate various education and manpower programs, including a drastic reduction in "impacted" aid to local school districts; and to reduce federal spending in the environmental field. Ironically, the budget does call for increases in certain areas, such as a 5.7 billion dollar increase in defense and smaller increases for law enforcement, housing and community development research, and mass transit.

The President also proposes that federal special revenue sharing be substituted for many of the programs in the fields of manpower, education, and community development. His budget proposes four such categories of special revenue sharing—community development, education, law enforcement, and manpower. These programs, similar to those proposed two years ago by the President, but not enacted by Congress, would allocate federal money to state and local governments to be used within these broadly defined areas. However, in some cases the special revenue sharing would result in less federal money than is currently being spent and in others (community development) would not be activated until 12 months after the existing programs were terminated. Proposals for two other special revenue sharing programs—transportation and rural development—are dropped from this year's legislative package.

The President's justification for terminating programs and proposing special revenue sharing is summed up in his State of the Union message: "The time has come when we must make clear choices—choices between old programs that set worthy goals but failed to reach them and new programs that provide a better way to realize those goals; and choices, too, between competing programs—all of which may be desirable in themselves, but only some of which we can afford."

Implicit in these messages, moreover, is the President's determination to bring about a restructuring of the federal bureaucracy. It is expected that his executive reorganization proposals to create four new supercabinet posts will again be sent to Congress (see 1971 JOURNAL, No. 2, page 61). Pending Congressional action, the President has moved to accomplish much of this reorganization through administrative action. For example, Housing and Urban Development Secretary Lynn has already been named community development counselor to the President and, as such, is to coordinate all federal programs in the fields of housing, transportation, and community development, not just those administered by his department (see page 62). In a related move, the budget proposes to dismantle the Office of Economic Opportunity and transfer its functions to various other departments. (The community action programs would be terminated but could continue at the local level by using general or special revenue sharing funds.) Finally, the elimination of programs or their substitution by special revenue sharing would mean a reduction in the federal bureaucracy, another goal of "New Federalism." In short, the President summarized his philosophy in a radio address of January 28, telling Americans that the purpose of his new program was "to get big government off your back and out of your pocket."

The President's Philosophy: An analysis of "New Federalism" is contained in the Presidential messages and documents reveals five undercurrents in the philosophy that underlies it.

First, the President's domestic priorities are clearly economic, not social. Curbing inflation is given a higher priority than rebuilding cities. In fact, controlling the economy becomes the chief federal domestic function, with the solution of social problems relegated to state and local government for action.

Second, the Administration firmly believes that many existing categorical grant programs are not working and, therefore, should be eliminated, reevaluated, or replaced. Housing and community development programs fall within this category, as noted below.

Third, the "economy first" argument is being used to kill or cripple a number of programs that have always been unpopular with conservatives. The dismantling of OEO is one prime example of this undercurrent.

Fourth, there is a belief that the shifting of responsibility to state and local government in certain areas will improve efforts to cure social problems. This "grass roots" philosophy is evidenced in the special revenue sharing proposals. A corollary to this feeling is that state and local government will be strengthened by the shifting of responsibility to them and that the citizen will be better served by local decisionmakers.

Fifth, there is a distrust of the present federal bureaucracy, composed, to a large degree, of men and women believed to be more sympathetic to the philosophy of the Democratic party than to Republican goals. Because of civil service protection, many middle management staff and professionals remain within the bureaucracy, having entered into federal service during the Kennedy and Johnson years. The President may feel thwarted by these bureaucrats and, hence, see a major governmental reorganization and restructuring as the only means of accomplishing his objectives.

HUD 1974 APPROPRIATIONS REDUCED BY 37 PERCENT

Appropriations requests to Congress for the Department of Housing and Urban Development for fiscal year 1974 total 2.7 billion dollars: a net reduction of 1.6 billion dollars, or 37 percent, from the 4.3 billion dollars appropriated for fiscal year 1973. Actual HUD outlays in 1974, however, will increase from 3.4 million dollars to 4.8 billion dollars, reflecting the momentum of past commitments.

The principal area for reductions is community development, where the appropriations request is over 2 billion dollars less than approved in fiscal year 1973, a drop of over 90 percent. This reduction reflects the termination of all new community development activity for seven categorical grant programs by June 30, 1973 (urban renewal, model cities, water and sewer, open space, neighborhood facilities, rehabilitation loans, and public facility loans). To replace them, the budget anticipates Congressional passage of urban community development special revenue sharing legislation, to be effective on July 1, 1974. The budget document projects an annual level of 2.3 billion dollars for fiscal year 1975 for community development under new legislation.

In terms of the urban renewal program, the budget document indicates that the full fiscal year 1973 appropriation will be committed during the fiscal year (950 million dollars for regular Title I programs and 510 million dollars for disaster assistance). For fiscal year 1974, 137.5 million dollars is proposed but this amount will not support new activity. The funds for 1973 must cover existing activity in urban renewal projects, including

NDPs, until the effective date of special revenue sharing. The appropriations request for 1974 covers 127 million dollars for conventional projects and 10 million dollars for NDPs and is intended only to accelerate the close-out of existing projects, as well as to "preserve the capability" of local agencies (e.g. provide administrative costs) over the year so that they will be in a position to participate in any special revenue sharing for community development effective on July 1, 1974.

During a January 28 radio address, the President cited urban renewal as one of the programs that needs replacement. He stated: "[Urban renewal programs] have cost us billions of dollars, with very disappointing results. And little wonder. How can a committee of federal bureaucrats hundreds or thousands of miles away, decide intelligently where building should take place? This is a job for people you elect at the local level, people whom you know, people you can talk to."

An additional 20 million dollars is made available under the 312 rehabilitation program, bringing the amount available for fiscal year 1973 to 70 million dollars; this additional funding will be used for loans to facilitate the closing out of urban renewal projects. A total of 72 million dollars still remains impounded and the 117 code enforcement program is not reactivated.

Model cities funding will be used to supplement programs in effect as of June 30, 1973. It is estimated that the funds will be sufficient to provide localities, on the average (except for planned variations cities), new funds at a rate of 55 percent of the current grant level, from February 1, 1973 to July 1, 1974, with no additional funds thereafter. Not all cities will be funded at the average rate but funds will be withdrawn from poor performers and reallocated to better performers. According to the Administration, model cities "does not have a significant enough impact on social and economic problems nationally to justify continued funding as a separate program."

The fiscal year 1974 budget also anticipates the termination by June 30 of the community development training and fellowship programs funded at a 1973 level of 3.5 million dollars and the new community supplementary assistance program funded in 1973 at 7.5 million dollars.

The largest increase in the HUD appropriations, other than for housing payments, is for research and technology, with a new level of 71.5 million dollars, up 18.5 million dollars over last year. This is largely a result of the addition of 13 million dollars for research and demonstration efforts formerly performed by the Office of Economic Opportunity. The balance of the increase (5 million dollars) will be used to maintain the level of HUD research activity attained in 1973. A major emphasis of HUD research and technology will be in *housing management* (11 million dollars); *housing allowances* (11.6 million dollars); *other research* to support national housing programs (9.4 million dollars). In addition, a range of research activities (17.8 million dollars) will focus on *environment and utility service technology; patterns and trends of national growth;* and *delivery, equity, and quality of local government services.* For the first time since 1969, no funds will be allocated to Operation Breakthrough.

A significant shift in direction, although related only to an increase of 10 million dollars in appropriations, is in the "701" comprehensive planning program. In the past, the majority of this funding was made directly to cities for comprehensive planning. Beginning in 1974, grants will be made only to states, with governors expected to make sub-allocations to local governments and other eligible recipients in accordance with state priorities. The Administration intends to propose legislation to broaden this program into "a more flexible instrument of community development planning and management assistance, which will support all aspects of government management including the application of development resources."

Appropriations for the Federal Insurance Administration's national flood insurance program will be doubled, from 10 million dollars to 20 million dollars. This money will be used for administrative expenses and for studies and surveys necessary for conduct of the program.

Significant appropriations decreases occur within HUD management. Total appropriations for department management decline by some 6 million dollars, reflecting the projected cut-backs in total HUD personnel by some 12 percent. The number of permanent full-time employees is expected to be cut to 13,868 by June 30, 1974, a drop of 1968 from the expected June 30, 1973 level. Virtually all all of this decrease will result from reductions in the staffing of housing production (1540) and community deveopment (382) programs as a result of the projected reduced workload. The full impact of these staff reductions is shown in "functional" areas. Salaries and expenses for housing production and mortgage credit are reduced from 15.7 million dollars in 1973 to 5.3 million dollars in 1974, the result of the cut of over 1500 employees in this area.

Appropriations requests for all other HUD activities remain at basically the same levels as in 1973. For further detail, see the table on page 68.

1974 HOUSING BUDGET TIED TO MORATORIUM, REVIEW

In housing, the fiscal year 1974 HUD budget provides, in essence, no new contract authority for subsidized housing programs and confirms the January 8 announcement of an 18-month moratorium on all new assisted housing commitments, resulting in a withholding of 431 million dollars of Congressionally-approved fiscal year 1973 contract authority. This moratorium is part of the President's strategy to reduce federal spending and curtail programs that he feels have not accomplished their goals.

The 18-month "freeze" on new housing commitments implements these objectives in specific ways:

The suspension of new housing commitments will result in substantial reductions in outlays in the federal budget beginning in fiscal year 1973, when there will be fewer past commitments reaching the completion stage requiring federal housing payments. These suspensions, it is estimated, will save 50 million dollars from the federal budget in fiscal year 1973, 305 milion dollars in fiscal year 1974, and 612 million dollars in fiscal year 1975.

There will be a new dependence on the "private market." The present strong position of private housing production will be called upon to serve a larger part of housing need. Private housing starts in 1972 reached 2.4 million housing units, despite a drop in federally-assisted housing. In 1972, 318,000 housing units were produced with federal assistance for low- and moderate-income families, 13.5 percent of total production. This compares with 408,000 units in 1971 (20 percent), and 400,000 units in 1970 (28 percent).

Housing assistance programs are among those programs that "set worthy goals but failed to reach them." These programs are to be reevaluated, particularly with a view to establishing "a greater sense of responsibility at the state and local level, and among individual Americans." The 18-month suspension will provide a time for such reevaluation.

Rationale for Suspension of Housing Programs: The rationale for the suspension of new housing commitments in the HUD-assisted housing programs, as well as for the decisions on housing funding as part of the fiscal year 1974 HUD budget, is expressed as follows in the appendix to the budget: "The Federal Government has committed itself to long-term housing assistance payments which will cost the Federal taxpayer in the range of 57 billion dollars to 82 billion dollars in direct subsidy payments alone, as well as additional sums for various tax subsidies. These programs have not produced results commensurate with the costs to the taxpayer. Instead, the statutory programs have:

"Provided a fortunate few with new housing through subsidies totaling 700 dollars to 3000 dollars annually, while other families in the same income range pay more for unsubsidized housing that is not new;

"Provided windfall profits and tax shelters to intermediaries in housing and financial sectors;

"Created strong pressures for builders, developers, suppliers, and laborers to inflate construction and land costs, causing subsidized housing to cost more than comparable unsubsidized housing;

"Placed families in homes which they cannot afford to maintain thus severely straining the family budget.

"The Administration is evaluating alternative means for enabling families and individuals to afford adequate housing on their own."

Some Impacts of the Housing Suspension: *New commitments reduced*—Because of the 18-month moratorium on new commitments for HUD housing assistance programs that began on January 5, 1973 and is reflected in the proposed fiscal year 1974 budget, there will be the following relative reductions in *new* activity (see table on page 70):

The level of new commitments will drop from 426,924 units in FY 1972 to 29,800 units in FY 1974—*a reduction of 93 percent* in activity.

The level of new commitments in FY 1973 will drop from an anticipated level of 500,800 units in the original FY 1973 budget to 195,000 units in the adjusted budget—*a drop of 62 percent.*

Construction starts leveled off: Because of housing units already committed before the moratorium of January 5, 1973 (units under preliminary loan contract in public housing or with approved feasibility in FHA-assisted programs), there will be a continuing level of *new construction* starts of 232,400 units in fiscal year 1974. This is a slight reduction from the 259,100 units anticipated for FY 1973 but a *reduction of 27 percent from the level of 322,025 new housing starts in fiscal year 1975 because of no new commitments in FY 1947.*

Housing authorizations unused: The moratorium on new commitments will leave unused substantial amounts of contract authorization for the rent supplement and Sections 235 and 236 programs—in total for these three programs, 436.1 million dollars, which could produce some 485,500 new housing units for low- and moderate-income families. There will be no unused authority in the public housing program; it will require further Congressional authorization if new commitments are to be made.

Housing goals set back: The January 5 moratorium on new commitments, added to an already slowed-down pace of new activity resulting in lower numbers of construction

starts, will place the HUD-assisted housing programs 45 percent behind the goals set for these programs by the end of fiscal year 1974, as projected in the original 1968 housing goals. By the end of FY 1974, (the sixth year for the 10-year goals) the original goals for HUD-assisted programs projected half of the 6 million subsidized units for the 10-year period; based on FY 1974 budget projections, goal. The most serious goal gaps are in rent housing (55 percent gap), both of which serve the lowest-income families. Only four years remain (through fiscal year 1978) to make up these deficits (see table at right).

Economic activity and jobs lost: The suspension of the HUD housing assistance programs (the failure to utilize the available contract authority in Sections 235 and 236 programs) will have an economic impact related to new housing starts spread over FY 1973, 1974, and 1975. In total it will result in a loss of 7.5 billion dollars in new housing construction activity, with a total economic impact, including related facilities and services, of 19.3 billion dollars. There is an estimated loss of 2.2 million man-years of employment (see table on page 68).

Public Housing Modernization Suspended: The public housing modernization program is suspended, as of June 30, 1973. This program has been utilizing annual contributions authority at a level of 20 million dollars for the last two fiscal years and has a cumulative obligation of 87.5 million dollars. In a special HUD study made in March 1971, unfunded modernization requirements were estimated at approximately 90 million dollars, which, if funded, would require slightly over 77 million dollars of additional contract authority. A total of 20 million dollars of contract authority was utilized in each of the fiscal years 1972 and 1973, leaving an unfunded requirement at the end of the FY 1973 of 35 million dollars, not counting additional requirements which may have developed since March 1971.

Nonprofit Housing Sponsor Funds Suspended: The nonprofit sponsor fund was suspended as of January 5, 1973—and the FY 1974 budget has no appropriations request. In FY 1973, 31 sponsors received loans covering 3565 housing units, for a total of 1.1 million dollars. As expressed in the budget appendix, activity is being discontinued "since the program is considered an ineffective means of providing assistance which is available elsewhere from a variety of public and private organizations."

Public Housing Operating Subsidy Extended on "Interim Formula": Operating subsidy is projected at a level of 280 million dollars for FY 1974 to cover "forward funding" obligations. This is in contrast to the fiscal year 1973 level of 350 million dollars (which covered 260 million dollars in "forward funding" obligations, 60 million dollars to restore 1972 deficits, and 30 million dollars in reimbursements). *The 1974 fiscal year projection involves extending the use of the "interim formula" of December 1, 1972 through fiscal year 1974.* The minimum requirement for public housing was estimated by HUD at 325 million dollars in early 1972. Experience under the 1972 "formula" indicates that the funds most housing authorities receive will be seriously deficient in terms of operating cost needs. The true need for operating subsidy is estimated at close to 400 million dollars.

Housing Payments Budget Item Increases: The major increase in the HUD budget is for payments for assisted housing already in management—up to 300 million dollars over fiscal year 1973, reflecting 365,000 new subsidized units placed in management over last year's figure. Total assisted housing payments for next fiscal year are 2.1 billion dollars.

Public housing accounts for 1.3 billion dollars of this 1974 payment, including 689 million dollars for debt service; 280 million dollars for operating subsidies (see above for discussion); 248 million dollars for leased housing; and 87.5 million dollars for modernization debt service. There will be 1,170,000 units of public housing under payment in fiscal 1974, a 100,000-unit increase. In *rent supplements*, a total of 162,000 units will be under contract (a 36,000 unit increase), increasing appropriations to 164 million dollars. Fifty thousand *Section 235* units will come into management in fiscal 1974, bringing the total to 503,000 units requiring a 412 million dollar appropriation. The largest increase, however, is in the Section 236 program, with an additional 174,000 units coming into management for a total of 335,000 units under this program. The appropriations request will increase to 800 million dollars.

PROGRESS TOWARD 1968 HOUSING GOALS FOR LOW- AND MODERATE-INCOME FAMILIES UNDER HUD PROGRAMS

[In dwelling units, starts and rehabilitation, estimated through fiscal year 1974]

HUD programs	Original goals, 1969–74	Actual housing units, 1969–73	Estimated housing units, fiscal 1974	Gap in goals progress behind goal	
				Units	Percent
Public housing	995,000	386,499	60,000	−548,501	55
Sec. 235 (homeownership)	695,000	400,883	17,100	−277,017	39
Sec. 236 (plus other rentals)	865,000	517,921	136,600	−210,479	24
Rent supplements	360,000	80,463	19,400	−260,137	72
Rehab loans and grants	135,000	53,865	6,855	−74,280	55
Total	3,050,000	1,439,631	239,955	−1,370,414	45

Source: For original housing goals: hearings before the Subcommittee on Housing Urban Affairs, March 1968, submission by the Department of Housing and Urban Development, pt. 2, table 1-c, page 1325. For actual starts: fiscal years 1969 through 1971, President's Fourth Annual Report on National Housing Goals," 1972, pp. 44–45. For estimated housing starts: fiscal years 1972, 1973, and 1974, Budget Highight Tables," fiscal year 1974, HUD, Jan. 29, 1973, table 9.

AMOUNT OF FISCAL YEAR 1973 APPROPRIATED FUNDS AND CONGRESSIONALLY-APPROVED CONTRACT AUTHORITY CURRENTLY IMPOUNDED

Appropriated funds for community development and other HUD programs impounded:	
Water and sewer grants	$400,175,000
Sec. 312 rehabilitation loan fund [1]	72,320,000
Nonprofit sponsor loans and grants	6,686,000
Open space grants	50,050,000
Public facility loans [1]	20,000,000
Interstate land sales protection program	2,341,000
Subtotal	551,572,000
Congressionally-approved contract authority withheld:	
Sec. 235 homeownership	221,000,000
Sec. 236 rental assistance	175,500,000
Rent supplements	38,600,000
College housing	10,200,000
Subtotal	441,300,000
Farmers Home Administration funds impounded:	
Rural water and waste disposal grants	120,000,000
Housing for domestic farm labor	2,947,000
Mutual and self-help housing	832,000
Rural housing insurance funds	133,000,000
Subtotal	256,779,000
Total	1,249,651,000

[1] Includes balance available from loan repayments.

APPROPRIATIONS REQUESTED FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT: FISCAL YEAR 1974

[In thousands of dollars]

	Estimated appropriations 1972–73	Appropriations requests: 1973–74
Housing production and mortgage credit:		
Nonprofit sponsor fund	$1,000	
Total	1,000	
Housing production and mortgage credit—GNMA:		
Restoration of capital—special assistance funds		$95,647
Participation sales insufficiencies	26,054	24,931
Total	26,054	120,578
Housing management:		
Housing payments:		
Public housing	1,214,500	1,305,000
College housing	11,500	19,000
Rent supplements	122,000	164,000
Sec. 235 (homeownership)	340,000	412,000
Sec. 236 (rental)	112,000	200,000
Total	1,800,000	2,100,000
Community planning and management:		
Comprehensive planning grants (701)	$100,000	[1] $110,000
Community development training	3,500	
New community assistance grants	7,500	
Total	111,000	110,000
Community development:		
Urban renewal programs	[2] 1,450,000	[3] 137,500
Rehabilitation loans (312)	70,000	
Model Cities	500,000	
Neighborhood facilities grants	40,000	
Open space land programs	100,000	
Total	2,160,000	137,500
Federal Insurance administration: National flood insurance	100,00	20,000
Interstate land sales registration	885	1,100
Research and technology	53,000	[4] 71,450
Fair housing and equal opportunity	9,489	9,850

	Estimated appropriations 1972–73	Appropriations requests 1973–74
Department management:		
General management, administration, staff services	$25,048	[4] $29,325
Regional management and services	22,991	20,200
Salaries and expenses, functional programs	72,041	[5] 64,300
Total	120,080	113,825
Total HUD appropriations	4,291,508	2,684,303

[1] Additional authorizing legislation will be proposed by the administration to focus 701 grants more particularly on improving State and local government management.
[2] Includes $510,000,000 for disaster assistance.
[3] The administration anticipates community development revenue-sharing legislation to be enacted by July 1, 1974 and funded at $2,300,000,000 for fiscal year 1975.
[4] Includes $13,000,000 in research activity transferred from the Office of Economic Opportunity.
[5] The increase in general management and administration includes creation of the new office of Inspector General. Under salaries and expenses for functional programs, there is a decline in Housing Production and Mortgage Credit from $15,700,000 to $5,300,000 reflecting the reduction of over 1,500 employees.

ECONOMIC IMPACT OF SUSPENSION OF NEW ACTIVITY IN HUD HOUSING ASSISTANCE PROGRAMS, FISCAL YEAR 1973 AND 1974[1]

	Housing starts possible with unutilized contract authority as of June 30, 1973 [2]	Total cost (millions)
I.—Construction cost:		
Sec. 235 (single-family homeownership):		
Improvement: $15,200	260,000	$3,952.0
Land improvement: $2,500	260,000	650.0
Sec. 236 (multifamily rental):		
Improvement: $13,500	190,500	2,571.8
Land improvement: $1,700	190,500	323.9
Public Housing (no unutilized authority)		
Total, construction cost		7,497.7

	Per unit cost	Number of units	Total cost (millions)
II.—Community facilities to support housing:			
Sec. 235 (single-family)	$3,000	260,000	$780.0
Sec. 236 (multifamily)	1,500	190,500	285.8
Additional direct expenses	250	450,500	112.6
Durable goods and services	500	450,500	225.3
Total, community facilities			1,403.7
Total, housing and supporting facilities cost (sum of I and II)			8,901.4
III.—Multiplier effect:			
Total, direct expenditures: I and II ($7,497.7 + $1,403.7): $8,901.4 multiplied by 2			$17,802.8
IV.—Related services:			
Real estate taxes:			
Sec. 235	420	260,000	109.2
Sec. 236	400	190,500	76.2
Interest:			
Sec. 235	1,578	260,000	410.3
Sec. 236	1,357	190,500	258.5
Insurance:			
Sec. 235	60	260,000	15.6
Heat and utilities:			
Sec. 235	360	260,000	93.6
Maintenance and repairs:			
Sec. 235	168	260,000	43.7
Annual operating expenses on multifamily units:			
Sec. 236	2,562	190,500	488.1
Total, related services			1,495.2
Total, dollar impact (I, II, III, and IV)			19,298.0

	Total man-years lost
V.—Impact on employment: Based on a factor of 115 workers employed for 1 year for each $1,000,000 spent on all construction and related facilities and services:	
Total, dollar impact ($19,298.0×115)	2,200,000

[1] Based on factors supplied by Dr. Michael Sumichrast, National Association of Home Builders.
[2] Part of the economic impact from unutilized authority will come in the fiscal year ending June 30, 1973, because of cutbacks in projected construction starts in fiscal year 1973. The sec. 235 construction starts were reduced by 105,500 units over the original fiscal year 1973 budget; the sec. 236 starts were reduced by 87,800 units over the original budget. Public housing starts were reduced 20,000 units over the original projections in fiscal year 1973 but will be placed under contract in fiscal year 1974.

NEIGHBORHOOD YOUTH CORPS SUMMER JOB PROGRAM

Mr. JAVITS. Mr. President, on February 20, 1973, 26 Members of this body joined with me in a letter to the President calling to his attention the very serious youth unemployment problem and the need for an aggregate of $505.5 million for the Neighborhood Youth Corp summer job and recreation programs to provide a total of 1,018,991 job opportunities, as well as recreation and transportation; joining in that letter were the following Senators: Mr. ABOUREZK, Mr. BIBLE, Mr. BROOKE, Mr. BURDICK, Mr. CANNON, Mr. CASE, Mr. CLARK, Mr. CRANSTON, Mr. GRAVEL, Mr. HART, Mr. HASKELL, Mr. HATHAWAY, Mr. HATFIELD, Mr. HUDDLESTON, Mr. HUGHES, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGEE, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. NELSON, Mr. RANDOLPH, Mr. TUNNEY, Mr. WEICKER, and Mr. WILLIAMS.

The President announced on March 21, that the administration plans to provide 776,000 summer jobs for poor youth this summer with $424 million in Federal funds. This is some recognition, at least, of the very crucial—if not dangerous—situation we would face this summer with respect to youth unemployment in our major cities and poverty areas—where the unemployment rate ranges from 30 to 40 percent.

In fact, however, the administration's proposal still falls short by 242,891 jobs of the 1,018,991 needed according to a city-by-city survey conducted by the National League of Cities-U.S. Conference of Mayors at my request, and, perhaps even worse, the administration would ask the cities to provide the 776,000 slots by raiding funds appropriated by the Congress for certain other equally needy groups in our Nation—the returning veteran, the welfare recipient, the displaced aerospace engineer and other unemployed.

This arises from the fact that $300 million—almost three-fourths of the amount to be made available for the summer jobs—is to be taken out of funds already requested by the administration and appropriated by the Congress for the Emergency Employment Act of 1971, the public service employment program.

The $300 million is itself 29 percent of the $1.25 billion requested by the administration and appropriated by the Congress for the Emergency Employment Act.

Ironically, none of the proposed funding is to be provided under the Economic Opportunity Act of 1964 or the Manpower Development and Training Act of 1962—the statutory sources of the Neighborhood Youth Corps summer programs since its inception—even though the administration requested and the Congress already made available $256.5 million for 575,000 summer jobs for that specific purpose.

The Emergency Employment Act is designed to provide "transitional" job opportunities for unemployed and underemployed persons of all socioeconomic and age groups; although youth are among those who may receive assistance, the act focuses on year-round programs; it was not designed to focus on short-term work experience between school years; the latter is the focus of the Neighborhood Youth Corps summer job program.

Thus the situation is that the administration has been "keeping money in the drawer" specifically appropriated by the Congress for one purpose—and now urges that cities and other governmental agencies utilize funds—intended for another and essential purpose—to meet the needs of youth.

This is more than impoundment; it is impoundment and breach of promise.

The cities were entitled to rely upon and undertake planning under the administration's own requests both for full funding for the Emergency Employment Act, and for at least $256.5 million for the 1973 Neighborhood Youth Corps summer job program.

The administration's proposal means that instead cities and States are left with the "Hobson's choice" of "firing the father in order to hire the son."

It means that the administration is giving cities and States new responsibilities but "at a discount"; the decision-making "buck" is being passed to the local level, but dismembered on the way.

It means, most sadly, that someone will suffer—either poor youth with 30 to 40 percent unemployment or Vietnam veterans with 10 to 20 percent unemployment or thousands of the approximately 2 million persons on welfare who are "employable" but cannot get jobs; even with full funding the Emergency Employment Act of 1971 could reach only 228,000 or approximately 5 percent of the four million unemployed.

When the second supplemental appropriations bill is considered in the Senate, within the next few weeks, I shall seek the funds necessary to meet the actual needs of the cities for summer jobs for disadvantaged youth and related transportation and recreation—which the National League of Cities estimates at $505.5 million—witout diminution of efforts under the Emergency Employment Act of 1971.

The "crises of the cities" is not just a youth employment crisis; with national unemployment at 5.1 percent—0.6 percent above the 4.5 percent threshold which "triggers" the Emergency Employment Act into operation—it affects millions of other individuals; the administration should be held to its original commit-

ments to do what is necessary to do the job.

Mr. President, in the administration's announcement, the President states that the "Government commitment to summer jobs is being matched by significant efforts in the private sector" and noted that the National Alliance of Businessmen has a goal of 175,000 young people. I share the President's pride in this private effort and urge that it be undertaken with the maximum commitment from the private sector. But in even "easier times", similar goals have netted approximately 150,000 jobs and we must not forget that the "target" group we are talked about is not just the 1,018,991 which the cities indicate they can effectively place, but over 1.7 million youth. Accordingly, we need a greater governmental commitment and a greater private commitment at the same time if, to cite the President's statement,

The summer of 1973 is to be a time of expanded opportunity for young Americans.

I ask unanimous consent that the statement by the President, dated March 21, 1973, together with a copy of the letter dated February 20, 1973, and attachments as well as a copy of a letter from the National Alliance of Businessmen to me dated March 16, 1973, be printed at this point in the RECORD.

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

STATEMENT BY THE PRESIDENT

Today I am pleased to report that a total of $424 million in Federal funds will be available this summer for youth programs, some $3 million more than last year.

This money should help in making the summer of 1973 a time of expanded opportunity for young Americans.

The outlook for young people this summer is encouraging in many ways. Job prospects are particularly promising, thanks in large measure to the rapid expansion of our economy. Last year the unemployment rate for youth dropped by 1.8 percent, even though the youth labor force increased by 1.1 million people. This summer, as we continue to lower the overall rate of unemployment, we can expect still further gains for young Americans.

One important element in the employment picture—especially for disadvantaged youth in our central cities whose unemployment rate is far too high—is that funding from Federal programs will be sufficient to support 776,000 job opportunities for young people. Total Federal funding available for this effort will be $354 million, slightly less than last year but more than the average of previous years.

Three different sources are available to States and localities in providing such jobs:

—*The Emergency Employment Assistance Act.* Last year I asked that money for this program be increased from $1 billion in fiscal year 1972 to $1.25 billion for the current fiscal year. Under a continuing resolution passed by the Congress last month, full funding is now available for this program, and we estimate that the States and local communities will be able to use some $300 million of it for summer youth jobs.

—*Direct Federal Employment.* An additional $50.4 million is available to the Federal Government itself for hiring young people through ongoing Federal programs. The Federal-State Employment Service should provide a total of 120,000 jobs for young Americans through its Youth Summer Placement Program.

—Finally, another $3.5 million is available for summer job programs through the *Youth Conservation Corps.*

I am also happy to report that this Government commitment to summer jobs is being matched by significant efforts in the private sector. For example, the National Alliance of Businessmen plans a massive summer employment campaign to hire an additional 175,000 young people in 126 major metropolitan areas. Overall, I am hopeful that this summer will bring another significant increase in the employment rate of our youth.

For those under fourteen, a wide range of recreational opportunities will be available this summer through federally funded recreation programs operated by cities, colleges and universities across America. These programs are targeted to the needs of disadvantaged youth, providing them with healthful exercise, sports instruction and exposure to local cultural institutions. Such efforts will make the coming summer a better and more productive time for approximately 2.3 million people.

Other summer programs will provide transportation services to make these employment and recreational opportunities more accessible. Approximately 850,000 young people will benefit from federally financed transportation services concentrated in the Nation's largest cities. In another important effort—one that is also expanding this summer—the summer nutrition program will serve some 128 million meals to nearly 2 million needy young Americans.

Our Nation's youth are our most valuable natural resource. Each of these summer programs will enrich their lives and help develop their potential as well-rounded human beings and as good citizens. I pledge the fullest possible cooperation of the Federal Government to help make the summer of 1973 a great summer for all of our young people. And I urge the American people to give their fullest cooperation and support to all of these efforts.

U.S. SENATE,
Washington, D.C., February 20, 1973.

Hon. RICHARD M. NIXON,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: We are writing to urge you to submit revised and amended budgetary requests for fiscal year 1973 for an aggregate of $505,517,789 for the Neighborhood Youth Corps summer job program and related transportation and recreation components for the coming summer. The Administration's revised budget request for fiscal year 1973 does not request any funds for the program.

As you know, the Neighborhood Youth Corps summer jobs program, which is authorized under the Manpower Development and Training Act of 1962 and the Economic Opportunity Act of 1964, provides work experience opportunities with public and private non-profit agencies, and related transportation for economically disadvantaged youth, fourteen to twenty-one years of age; the recreational component of the program funds meaningful activities for poor youth six to twelve years of age.

Our request consists of the following elements:

$476,887,788 for the Neighborhood Youth Corps summer job program to make available an aggregate of 1,018,991 job opportunities, as outlined in detail below; last year the Administration provided 740,200 opportunities with an aggregate of $316,250,000.

$24,946,580 for the recreation component; last year a total of $14.8 million was provided.

$3,683,431 for the transportation element; last year $1.2 million was made available.

These requests are documented on a city-by-city basis in the enclosed letter dated January 12, 1973 and attachments to Senator Javits from the National League of Cities-United States Conference of Mayors, which represent the Nation's cities.

As stated in the National League of Cities letter, the amounts requested are those which the cities may "effectively utilize". In fact, the overall needs are much greater; for example, the Department of Labor estimates that in the job program more than 1.8 million poor youths could benefit—almost twice the number which may be covered under our request.

The Administration's position is set forth in the enclosed letter dated February 2, 1973 from the Secretary of Labor, Peter J. Brennan, which states:

"Under the President's revised 1973 budget, the Manpower Training Services appropriations does not contain funds for the funding of a 1973 NYC Summer Program. Instead, local sponsors of EEA projects will be permitted to use, to the extent they desire, 1973 EEA funds for a summer employment program. In addition, States and local communities may elect to use existing Manpower Training Services funds available in the communities to supplement the EEA summer program."

While we recognize and share the Administration's general concern with respect to limiting federal expenditures during the current fiscal year, we believe that funding for the Neighborhood Youth Corps should be given the highest priority and attention. Although, the Administration has been successful in reducing unemployment nationally from six percent to five percent, disadvantaged youth in poverty areas continue to face unemployment rates ranging from thirty to forty percent. The Neighborhood Youth Corps program is designed for that group and provides a meaningful alternative to wasted summers of restlessness.

The Emergency Employment Act of 1971 (EEA) cannot be viewed as an adequate alternative source of funding to meet the employment needs of poor youth. As you know, the Act is designed to reach all ages and socio-economic groups and coverage is largely at the discretion of State and local sponsors. Unfortunately, experience indicates that coverage of poor youth will not be adequate to their needs. Of the 138,170 job opportunities presently funded under the $1.0 billion available nationally, only 14,150—or approximately 10.2 percent—are held by poor youth under the age of twenty-two; even if the Administration's request for an additional $250 million for fiscal year 1973 is appropriated, it is quite clear that the aggregate number of slots that could be made available to poor youth from these new sources will not begin to meet the needs which we have documented.

Similarly, manpower training services funds available in communities will not be satisfactory alternative sources of jobs for poor youth; in fact, if the Administration's new requests for fiscal year 1973 are appropriated, appropriations (not taking into account the Neighborhood Youth Corps summer program) will fall approximately $200.0 million below the actual level for fiscal year 1972.

We were very gratified by your support for a supplemental appropriation last summer and we urge you to respond to these needs at the earliest possible time so that poor youth can make plans for a profitable and meaningful summer and the communities and agencies responsible for administering

the program may ensure the most effective use of funds.

Very truly yours,

Jacob K. Javits, James Abourezk, William D. Hathaway, Frank E. Moss, John V. Tunney, Dick Clark, Hubert H. Humphrey, Harrison A. Williams, Jr., Edward M. Kennedy, Walter D. Huddleston, Jennings Randolph, Harold E. Hughes, Alan Bible, Gaylord Nelson, Philip A. Hart, Clifford P. Case, Edward W. Brooke, Alan Cranston, Quentin Burdick, Floyd K. Haskell, Edmund S. Muskie, Gale McGee, Walter F. Mondale, Mark O. Hatfield, Mike Gravel, Howard W. Cannon, and Lowell P. Weicker.

NATIONAL LEAGUE OF CITIES,
UNITED STATES CONFERENCE
OF MAYORS,
January 12, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: In response to your request for information, we have made inquiries as to the cities' 1973 needs for the summer Neighborhood Youth Corps slots. The information we have received from the 50 largest cities shows that the total number of slots these 50 large cities could effectively use this summer is 421,930.

On the basis of our contacts with a sample of smaller cities, we estimate that their needs and the number of slots these smaller cities could effectively utilize total 597,061.

Combining these figures—the total for the 50 largest cities with estimated needs for the balance of the Nation—the present real need for 1973 is 1,018,991 slots nationwide.

We trust that these statistics will be helpful to you in pointing up the critical need for an adequate appropriation for the summer Neighborhood Youth Corps.

Sincerely,

ALLEN E. PRITCHARD, Jr.,
Executive Vice President, National League of Cities.
JOHN J. GUNTHER,
Executive Director, U.S. Conference of Mayors.

SUMMER NEIGHBORHOOD YOUTH CORPS

City and (rank in size)	Population	Slots: 1972 need	Slots: 1972 actual [1]	Slots: 1973 need	Dollars [2] 1973 need
REGION I					
Boston (16)	641,000	5,000	5,213 (4,692)	6,400	$2,995,200
REGION II					
Buffalo (28)	463,000	4,268	2,238 (2,014)	6,834	3,198,312
Newark (35)	382,000	14,563	7,000 (6,300)	14,563	6,815,484
New York (1)	7,868,000	77,500	54,800 (49,320)	77,500	36,270,000
Rochester (49)	296,000	4,650	1,030 (927)	4,650	2,176,100
REGION III					
Baltimore (7)	906,000	9,420	7,712 (6,941)	9,420	4,408,560
Norfolk (47)	308,000	2,625	2,200 (1,980)	3,500	1,638,000
Philadelphia (4)	1,949,000	12,500	8,571 (7,714)	15,000	7,020,000
Pittsburgh (24)	520,000	9,265	5,670 (5,103)	9,265	4,336,000
District of Columbia (9)	757,000	36,000	3,999 (3,599)	20,000	9,360,000
REGION IV					
Atlanta (27)	497,000	3,408	4,680 (4,212)	5,388	2,521,584
Birmingham (48)	301,000	2,135	2,757 (2,481)	2,774	1,298,232
Jacksonville (23)	529,000	1,735	637 (573)	2,500	1,170,000
Louisville (38)	361,000	3,500	2,250 (2,025)	3,500	1,638,000
Memphis (17)	624,000	2,394	1,935 (1,741)	2,394	1,120,392
Miami (Dade County) (42)	335,000	8,226	5,429 (4,886)	8,226	3,849,768
Nashville (30)	448,000	2,000	1,700 (1,530)	2,000	936,000
Tampa (50)	278,000	6,515	2,649 (2,384)	6,515	3,049,020
REGION V					
Chicago (2)	3,367,000	40,000	31,617 (28,455)	40,000	18,720,000
Cincinnati (29)	452,000	3,000	3,592 (3,233)	5,000	2,340,000
Cleveland (10)	751,000	11,100	12,457 (11,211)	12,500	5,850,000
Columbus (21)	540,000	2,000	1,650 (1,485)	1,800	842,400
Detroit (5)	1,511,000	25,000	18,488 (16,639)	25,000	11,700,000
Indianapolis (11)	745,000	2,500	2,100 (1,890)	3,000	1,404,000
Milwaukee (12)	717,000	3,000	3,379 (3,041)	3,379	1,581,372
Minneapolis (32)	434,000	2,735	1,800 (1,620)	3,080	1,441,440
St. Paul (46)	310,000	1,025	1,120 (1,008)	1,300	608,400
Toledo (34)	384,000	990	1,400 (1,260)	1,400	655,200
REGION VI					
Dallas (8)	944,000	2,280	1,505 (1,355)	2,280	1,067,040
El Paso (45)	322,000	3,000	1,168 (1,051)	4,672	2,186,496
Fort Worth (33)	393,000	1,507	155 (140)	1,507	705,276
Houston (6)	1,233,000	3,560	5,284 (4,756)	5,664	2,650,752
New Orleans (19)	593,000	5,000	3,085 (2,776)	5,000	2,340,000
Okla. City (37)	366,000	1,530	1,010 (909)	1,530	716,040
San Antonio (15)	654,000	5,514	5,080 (4,572)	6,000	2,808,000
Tulsa (43)	332,000	1,011	771 (693)	1,011	473,148
REGION VII					
Kansas City (26)	507,000	4,000	3,580 (3,222)	4,000	1,872,000
Omaha (41)	347,000	1,670	867 (780)	1,670	781,560
St. Louis (18)	622,000	5,910	8,060 (7,254)	9,000	4,212,000
REGION VIII					
Denver (25)	515,000	2,100	2,038 (1,834)	2,100	$982,800
REGION IX					
Honolulu (44)	325,000	2,800	791 (711)	2,800	1,310,400
Long Beach (40)	358,000	432	384 (345)	432	202,176
Los Angeles (3)	2,813,000	24,568	25,319 (22,787)	27,491	11,700,000
Oakland (39)	362,000	5,850	2,050 (1,845)	5,850	2,737,800
Phoenix (20)	582,000	17,000	3,964 (3,567)	17,000	7,956,000
San Diego (14)	697,000	4,510	4,733 (4,259)	5,500	2,574,000
San Francisco (13)	716,000	8,000	4,000 (3,600)	8,000	3,744,000
San Jose (31)	446,000	3,535	1,910 (1,719)	3,535	1,654,380
REGION X					
Portland (36)	382,000	5,000	2,500 (2,250)	5,000	2,340,000
Seattle (22)	581,000	5,000	2,163 (1,947)	5,000	2,340,000
SAMPLING OF CITIES OTHER THAN 50 LARGEST					
Akron, Ohio	275,425	1,216	1,190 (1,071)	1,351	632,268
Albany, N.Y.	114,873	540	449 (404)	600	280,000
Albuquerque, N. Mex.	243,751	1,000	815 (733)	1,000	468,000
Amarillo, Tex.	127,010	1,092	820 (738)	1,200	561,600
Baton Rouge, La.	165,963	225	150 (135)	250	117,000
Columbia, S.C.	113,542	1,825	2,030 (1,827)	2,030	950,040
Columbus, Ga.	154,168	1,820	1,720 (1,548)	2,000	936,000
Dayton, Ohio	243,601	1,500	1,320 (1,188)	2,500	1,170,000
Des Moines, Iowa	200,587	750	750 (675)	750	351,000
Erie, Pa.	129,231	950	950 (855)	950	444,600
Flint, Mich.	193,317	1,800	920 (828)	2,000	936,000
Ft. Lauderdale, Fla.	139,590	540	600 (540)	600	280,800
Gary, Ind.	175,415	4,447	3,500 (3,150)	4,447	2,081,196
Greensboro, N.C.	144,076	871	880 (792)	968	453,028
Hartford, Conn.	158,017	2,730	2,495 (2,245)	3,000	1,404,000
Jackson, Miss.	153,968	757	403 (363)	757	354,276
Knoxville, Tenn.	174,587	1,520	1,520 (1,368)	1,520	711,360
Lansing, Mich.	131,546	900	460 (414)	1,000	468,000
Lincoln, Nebr.	149,518	350	386 (347)	400	187,200
Little Rock, Ark.	132,483	1,320	72 (65)	1,320	617,760
Mobile, Ala.	190,026	900	756 (680)	950	444,600
Montgomery, Ala.	133,386	500	557 (501)	570	266,760
Riverside, Calif.	140,089	150	75 (67)	150	70,200
Santa Ana, Calif.	156,601	2,550	1,900 (1,710)	2,800	1,310,400
Savannah, Ga.	118,349	600	550 (450)	650	304,200
Shreveport, La.	182,064	637	628 (565)	700	327,600
Syracuse, N.Y.	197,208	1,365	1,200 (1,080)	1,500	702,000
Tacoma, Wash.	154,581	600	588 (529)	600	280,800
Wichita, Kans.	276,554	980	1,075 (967)	1,075	503,100
Winston-Salem, N.C.	132,913	850	750 (675)	850	397,800
Worcester, Mass.	176,572	825	705 (634)	900	421,200
50 largest, total		410,831	278,490 (250,641)	421,930	197,463,240
Balance of cities		537,893	461,732 (415,559)	597,061	279,424,548
Total		948,724	740,222 (666,200)	1,018,991	476,887,788

[1] All figures in the above chart represent 10-week slots except the first column under "72 Actual" which are 9-week slots.

[2] Dollar figures represent 10-week, 26-hour slots at $1.65 per hour.

SUMMER RECREATION SUPPORT PROGRAM (RSP)

	1972 need	1972 actual	1973 need
REGION I			
Boston	$180,000	$168,000	$350,000
REGION II			
Buffalo	120,000	123,000	125,000
Newark	140,000	100,000	200,000
New York	2,934,000	2,336,000	2,934,000
Rochester	95,000	68,000	136,000
REGION III			
Baltimore	335,000	302,910	335,000
Norfolk	180,000	132,000	201,500
Philadelphia	$700,000	$543,000	$1,000,000
Pittsburgh	165,000	168,000	200,000
District of Columbia	364,000	245,000	364,000
REGION IV			
Atlanta	180,000	143,000	180,000
Birmingham	170,000	120,000	170,000
Jacksonville	175,000	150,000	250,000
Louisville	130,000	96,000	130,000
Memphis	305,000	264,000	305,000
Miami (Dade County)	192,000	126,000	192,000
Nashville	150,000	150,000	200,000
Tampa	175,000	132,000	175,000
REGION V			
Chicago	$2,100,000	$913,000	$2,100,000
Cincinnati	175,000	135,000	175,000
Cleveland	205,000	230,000	380,000
Columbus	211,000	132,000	211,000
Detroit	897,000	399,000	897,000
Indianapolis	195,000	130,000	260,000
Milwaukee	155,000	144,000	160,000
Minneapolis	96,000	63,000	130,000
St. Paul	58,000	36,000	58,000
Toledo	120,000	84,000	120,000
REGION VI			
Dallas	285,000	228,000	285,000
El Paso	200,000	194,000	250,000

SUMMER RECREATION SUPPORT PROGRAM (RSP)—Con.

	1972 need	1972 actual	1973 need
Fort Worth	$173,000	$108,000	$175,000
Houston	440,000	350,000	440,000
New Orleans	300,000	306,000	500,000
San Antonio	400,000	324,000	500,000
Tulsa	115,000	92,000	200,000
Oklahoma City	170,000	108,000	170,000
REGION VII			
Kansas City	130,000	118,000	200,000
Omaha	96,000	61,000	96,000
St. Louis	384,000	254,000	405,000
REGION VIII			
Denver	170,000	126,400	170,000
REGION IX			
Honolulu	99,000	70,000	140,000
Long Beach	125,000	72,000	125,000
Los Angeles	650,000	552,000	650,000
Oakland	125,000	104,000	125,000
Phoenix	200,000	144,000	288,000
San Diego	200,000	164,000	825,000
San Francisco	250,000	180,000	250,000
San Jose	100,000	85,000	100,000
REGION X			
Portland	135,000	89,000	135,000
Seattle	129,000	89,000	129,000
50 largest, total	15,928,000	11,451,310	18,096,500
Balance of cities	6,030,000	3,548,690	6,850,080
Total	21,958,000	15,000,000	24,946,580

SUMMER YOUTH TRANSPORTATION PROGRAM (SYTP)

	1972 need	1972 actual	1973 need
REGION I			
Boston	$20,000	$10,700	$20,000
REGION II			
Buffalo	13,000	7,500	13,000
Newark	39,500	23,437	69,300
New York	251,400	149,130	500,000
Rochester	12,000	7,500	15,000
REGION III			
Baltimore	35,000	21,100	35,000
Norfolk	12,000	7,500	25,600
Philadelphia	24,360	24,360	100,000
Pittsburgh	22,000	12,650	22,000
Washington, D.C.	38,700	22,960	100,000
REGION IV			
Atlanta	30,000	12,080	30,000
Birmingham	24,000	13,790	24,000
Jacksonville	14,000	6,300	14,000
Louisville	12,500	7,500	12,500
Memphis	18,000	11,860	18,000
Miami (Dade County)	23,000	12,000	23,000
Nashville	12,000	7,000	12,000
Tampa	17,000	7,500	0
REGION V			
Chicago	70,000	42,240	70,000
Cincinnati	15,000	7,920	15,000
Cleveland	35,000	19,310	35,000
Columbus	17,000	8,640	17,000
Detroit	75,000	36,560	75,500
Indianapolis	15,000	8,480	15,000
Milwaukee	65,000	47,280	66,192
Minneapolis	20,000	12,380	75 000
St. Paul	12,500	7,500	12,500
Toledo	15,750	7,990	20,000
REGION VI			
Dallas	23,990	19,340	23,990
El Paso	58,900	38,900	77,800
Fort Worth	15,000	8,130	15,000
Houston	45,000	25,060	0
New Orleans	25,000	14,790	25,000
Oklahoma City	25,000	14,000	25,000
San Antonio	26,570	14,570	26,570
Tulsa	12,500	7,500	20,000
REGION VII			
Kansas City	50,000	13,970	50,000
Omaha	15,000	13,500	16,000
St. Louis	43,500	25,790	43,500
REGION VIII			
Denver	$29,000	$18,320	$29,000
REGION IX			
Honolulu	15,000	7,500	15,000
Long Beach	16,000	7,500	16,000
Los Angeles	82,870	82,870	164,000
Oakland	28,000	15,000	28,000
Phoenix	23,000	11,740	25,000
San Diego	30,000	14,360	30,000
San Francisco	25,000	11,970	25,000
San Jose	8,160	7,500	9,000
REGION X			
Portland	13,000	25,000	25,000
Seattle	32,100	19,060	32,100
50 largest total	1,608,940	979,487	2,155,552
Balance of cities	1,141,060	520,513	1,527,879
Total	2,750,000	1,500,000	3,683,431

NATIONAL ALLIANCE OF BUSINESSMEN,
Washington, D.C., March 16, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate, Committee on Labor and Public Welfare, Washington, D.C.

DEAR SENATOR JAVITS: Thank you for your letter of March 9, 1973. We appreciate your interest and share your concern for the problems of providing job opportunities for disadvantaged youth this summer. The Alliance will be operating this coming year with about one third fewer metro offices throughout the country, as we are streamlining our efforts to provide the greatest results within the limits of the funds available to us.

In spite of this, we have decided not to lower our goals from last year and have set a minimum target of 175,000 jobs for the summer of 1973. The survey of our field offices for individual targets is not yet complete, but if there is any adjustment to this figure it will be upward.

Because other summer work programs, notably Neighborhood Youth Corps, are doubtful participants this summer, NAB will make a very strong effort to pick up as much of the slack as possible with job opportunities in the business community.

With best wishes,

Sincerely,

LAWRENCE L. O'CONNOR.

TRIBUTE TO SENATOR McCLELLAN'S SERVICE AS CHAIRMAN AND JAMES R. CALLOWAY'S SERVICE AS CHIEF COUNSEL AND STAFF DIRECTOR OF THE GOVERNMENT OPERATIONS COMMITTEE

Mr. ERVIN. Mr. President, the name JOHN L. MCCLELLAN has long been synonymous with U.S. efforts to combat crime, strengthen law enforcement, and reform the administration of criminal justice. His unprecedented achievements in this field have earned him Presidential acclaim and the lasting gratitude of a nation engaged in an unrelenting war against crime.

As the vigorous, able, and effective chairman of the Senate Permanent Subcommittee on Investigations for 18 years, Senator MCCLELLAN has been the driving force behind its exposure of organized crime in this country. He has uncovered malfeasance, mismanagement, and corruption in both governmental and private institutions. He has conducted more than 107 major investigations and saved taxpayers billions of dollars which otherwise would have been squandered or wasted in operations of the Federal bureaucracy. No other chairman of a congressional investigating committee in the history of the U.S. Congress has approached Senator MCCLELLAN'S records for tenure as chairman of both the Permanent Subcommittee on Investigations and the Select Committee on Improper Activities in the Labor or Management Field—popularly known as the McClellan Committee—for number of investigations conducted, total days and hours of hearings, and numbers of witnesses heard.

Since 1955, more than 135 persons have been convicted of unlawful acts uncovered by Senator MCCLELLAN'S subcommittee and its productive incursions into the twilight zone of crime in America. From investigations of military textile contracts, the Billie Sol Estes empire, and PX scandals to the riots on college campuses and the underworld infiltration of the securities market, JOHN L. MCCLELLAN has led the way for honesty in Government and a society free from the scourge of corruption.

Mr. President, it was altogether fitting, therefore, that the Committee on Government Operations paid special tribute to the senior Senator from Arkansas upon his resignation as chairman of the Permanent Subcommittee on Investigations, a body he led with such remarkable distinction. I ask unanimous consent to insert into the RECORD a resolution adopted by the Committee on Government Operations on January 26, 1973, so honoring Senator MCCLELLAN for his long and meritorious subcommittee service.

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

RESOLUTION OF THE COMMITTEE ON GOVERNMENT OPERATIONS OF THE U.S. SENATE

ADOPTED JANUARY 26, 1973, IN RECOGNITION OF HON. JOHN L. M'CLELLAN

Whereas the distinguished Senior Senator from Arkansas, has honorably and faithfully served for 18 years as Chairman of the United States Senate Permanent Subcommittee on Investigations of the Committee on Government Operations; and

Whereas John L. McClellan throughout his many years as Chairman of the Subcommittee has taken an unswerving stand in defense of freedom and democracy and has worked unrelentingly to combat crime, corruption and subversion in America; and

Whereas John L. McClellan has been acclaimed nationally for his vigorous, energetic and effective investigation into the operations of organized crime and into unlawful labor-management practices; and

Whereas John L. McClellan's diligent efforts have led to the enactment of legislation which has saved taxpayers untold millions of dollars, strengthened our Nation's fight against crime, bolstered the forces of law and order and improved our system of criminal justice; and

Whereas John L. McClellan has rendered exemplary and outstanding service to the Committee and Subcommittee, to the United States Senate, to the State of Arkansas, and to the people of this Nation; and

Whereas John L. McClellan has found it necessary to resign his Chairmanship of the

Permanent Subcommittee on Investigations in order to devote more of his time and energy to his new responsibilities as Chairman of the Committee on Appropriations: Now, therefore, be it

Resolved, That the Committee on Government Operations, and the Members thereof, express and record their deepest appreciation and esteem for John L. McClellan's extraordinary leadership, his valued and treasured friendship and his personal contributions to the Committee and Subcommittee, to the Senate of the United States and to the people of his State and Nation.

Mr. ERVIN. Mr. President, in the course of serving in the Congress, one of the most distinct pleasures and rewarding moments comes with the opportunity to honor staff members who have made special contributions to the legislative process and to the welfare of this great Chamber. Speaking personally and on behalf of the Committee on Government Operations which I chair, I wish to offer such deserved recognition today to James R. Calloway, former chief counsel and staff director of my committee.

Jim Calloway's 12-year career on the committee was filled with extraordinary achievement—a testament to his unusually high professional abilities and his unusually high personal qualities. But he did more than just manage, administer, and oversee the countless day-to-day details of the committee, its four subcommittees, and large staff with remarkable skill and aplomb. He did more than counsel the committee membership and its chairman with willing dedication, singular ableness, and selfless tact. He went well beyond all normal expectations in fulfilling the myriad and multifaceted responsibilities of his job. Jim Calloway's most exceptional mark was his creative initiative—his astuteness in recognizing the larger legislative picture and adding this pertinent dimension with such clarity and originality to his many committee endeavors.

It is particularly noteworthy that those who have had the good fortune to have known and worked with Jim Calloway in his committee capacities over the years have only the highest admiration, esteem and affection for him. As we begin this 93d Congress, all of us serving the committee and on its staff will sorely miss his loyal presence, his keen advice, and his skillful direction. But we take pride in Jim Calloway's appointment as counsel of the Committee on Appropriations and wish him continued success and every good fortune in this new position.

Mr. President, I ask unanimous consent to insert into the RECORD a resolution of appreciation adopted by the Committee on Government Operations on January 26, 1973, in tribute to Jim Calloway.

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

RESOLUTION OF THE COMMITTEE ON GOVERNMENT OPERATIONS OF THE U.S. SENATE

ADOPTED JANUARY 26, 1973, IN RECOGNITION OF JAMES R. CALLOWAY

Whereas, James R. Calloway has honorably, loyally, and faithfully served, since 1961 as Professional Staff Member, and, since 1966 as Chief Counsel and Staff Director, of the Committee on Government Operations of the United States Senate; and

Whereas, James R. Calloway has, in these capacities, untiringly, effectively and efficiently performed his Committee duties in an outstanding manner, demonstrating the highest qualities of responsible staff leadership, creative initiative and exemplary dedication; and

Whereas, James R. Calloway has made numerous and extraordinary contributions to the Committee on Government Operations, specifically its Chairman, and its Members, as well as the Senate of the United States and, by virtue of his expertise, skill and knowledge, has advanced and improved the legislative process, and rendered unique and able assistance in the development and enactment of legislation which has enhanced the economy and efficiency of government, the organization and performance of the Executive Branch thereof and the intergovernmental relationships of government at all levels; and

Whereas, James R. Calloway has found it necessary to relinquish his position with this Committee in order to assume new duties and responsibilities as Counsel of the Committee on Appropriations; Now, therefore, be it

Resolved: That the Committee on Government Operations, and the Members thereof, express and record their deep appreciation and esteem for his many exceptional contributions and for his years of dedication, loyalty and service to this Committee, to the Senate of the United States, and to the people of this Nation.

Mr. ERVIN. Mr. President, I would also like to place into the RECORD some excerpts from the transcript of the executive session in which Senator MCCLELLAN and Mr. Calloway received their resolutions. These excerpts reflect, I believe, the attitudes and feelings of each of the members of the committee.

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

EXCERPTS OF MEETING

(Senate Committee on Government Operations, March, 1973)

Resolution for Senator McClellan:

Senator JAVITS. "Mr. Chairman, may I say on behalf of the minority that I have had long experience with Senator McClellan and I have yet to find the definition of an American more accurately portrayed than that of our distinguished former Chairman."

Senator JACKSON. "Mr. Chairman, from my side, may I just say, as the Chairman read the Resolution, it does, indeed, describe a man who is, in every sense, a real, decent American, and I speak as one who served with him, continuously now, for 21 years, since January of 1953. And I might say that anyone who has dealt with Senator McClellan, whether it be as a witness, an adversary or a friend, has always found one thing to be true, and that is: He is fair, honorable, and decent. And I do not know how one can add much to that.

"With that, I wholeheartedly join in the comments of the Chairman and the distinguished minority member Senator Javits."

Chairman ERVIN. "I would like to say that some years ago I was on a radio program and was asked about a possible candidate for the Presidency, and I said: "If you want to get a man with rugged individualism and rugged honesty and rugged courage—the rugged courage of Grover Cleveland—nobody fits that definition better in my book than John McClellan."

Resolution for James R. Calloway:

Senator JACKSON. "Mr. Chairman, I am very pleased to move the adoption of the Resolution. I think all of us who have served on the Committee—and I have been on it since Jim first came to the Committee—deeply respect his professionalism. We know we could always get the right answer from Jim. He was always fair, as Staff Director of the Committee. And it has been a real pleasure for my staff and for myself to work with Jim Calloway."

Senator JAVITS. "Mr. Chairman, I would like to join in and adopt everything that Senator Jackson has said about Jim Calloway, and I think, equal in rank with this testimonial we are giving him now, is that fact that he has been called to at least as eminent a position by the man with whom he had worked for many years.

I can think of nothing that would delight me more, if I were Chief Clerk of this Committee, than to know that when the Chairman went to so high a responsibility he wanted me with him to assure that he would discharge that post credibly.

I certainly congratulate Jim and second the Resolution."

Chairman ERVIN. "My personal experience with Jim has been that he has always done his full duty and he always went the second mile not only for the Committee but for every member of the Committee that needed his assistance."

Senator CHILES. "I just wanted to say, as a freshman member of this Committee, Jim Calloway spent an awful lot of time with me and my staff trying to get us prepared, and I think that, in spite of all his other duties, he will spend a considerable amount of time with the freshman members of the Appropriations Committee, doing the same thing.

Certainly, I think Jim Calloway represented all of the members of the Committee in his work.

Chairman ERVIN. "Well, I know when you are speaking, in law, about evidence, I think Jim Calloway is about the best evidence I know of the truth that what good is accomplished by a Senator or by the Senate is due, in large measure, to those like Jim Calloway, who assist us."

Mr. MCCLELLAN. Mr. President, I am deeply touched by this tribute from the senior Senator from North Carolina and my colleagues on the Senate Committee on Government Operations.

While I appreciate this expression of support, I am convinced that whatever success that I have achieved as chairman of the Senate Permanent Subcommittee on Investigations is based upon the assistance given me by the members of the committee. Little could have been accomplished without the confidence, the cooperation, and the dedicated efforts of the members of the committee.

Mr. President, I cherish the long and close association I have had with my colleagues in the committee and look forward to working with them under the able leadership of Senator HENRY M. JACKSON as chairman of the Senate Permanent Subcommittee on Investigations and Senator SAM ERVIN as chairman of the Senate Government Operation's Committee.

Again, I thank my colleagues for this fine tribute.

Good staff work is an indispensable essential to the wise and sound deliberations of this body. Overall, the Senate has been most fortunate in this respect. And, no committee of the Senate has been better served than the Committee on Government Operations during the 7 years that James R. Calloway was its chief counsel and staff director.

As the former chairman of the Committee on Government Operations, it is

a source of great personal pleasure to me to see Mr. Calloway honored in this Chamber today. It is also a great privilege and pleasure to announce that the Committee on Appropriations has appointed him as its new counsel.

I am extremely pleased to make this announcement because Mr. Calloway has proven himself to be a skillful legislative technician who is exceptionally knowledgeable and who is a most loyal Senate staff member. He has shown unusual administrative ability, tact, and efficiency in the performance of his duties to the Committee on Government Operations, to the Senate, and to the people of the United States.

I know he will make a signficant contribution to the vital work of the Committee on Appropriations.

During his 12 years of dedicated service on the Committee on Government Operations—the last 7 as its chief counsel and staff director—Mr. Calloway evidenced his professionalism in the finest tradition and sense of the term. He discharged his responsibilities with thoroughness, expedition, and efficiency. He dealt with problems of law, administration, and procedure in a fashion that reflects a high degree of credit on himself and on this body.

I take special pride in his accomplishments over the past dozen years. Our contacts and association together have extended far beyond a mere professional and official relationship. His courtesies, his devotion to duty, and my respect for his abilities have commanded my lasting admiration for him.

Mr. President, I strongly endorse the sentiments expressed in the Government Operations Committee resolution.

THE STATUS OF PUBLIC TELEVISION

Mr. HART. Mr. President, over the past few months there have been troubling signs of disagreement and disarray within the ranks of public television in this country. The Corporation for Public Broadcasting, an independent agency established by Congress, has announced its intention to assume control over all national programing decisions for public television. Licensee organizations, stations, and production agencies from coast to coast have responded with cries of protest and dismay. This internal division troubles me, because, unless resolved, it obviously does not bode well for the future of public television.

In Michigan, the tangible benefits of the Federal contribution to the public television system are evident. With the help of Federal funds, public television stations in Michigan have grown in number and in capability. WTVS in Detroit, now in its 17th year on the air, has recently been joined by WGVC in Grand Rapids and WNPB in Marquette, both of which went on the air just 3 months ago. These three stations, along with stations in East Lansing, Mount Pleasant, and University Center have all been aided by the national programing underwritten by Federal funds and by public television facilities grants from HEW. But now what should be a healthy partnership between CPB, the major source of Federal funds, and the stations looks progressively weaker.

For the past 2 months, two distinguished representatives of Michigan's public broadcasting licensees—Dr. Clifton Wharton, Jr., president of Michigan State University and head of WKAR, East Lansing, and Mrs. Edward Cole, board member of WTVS in Detroit—have been on a negotiating team representing the views of the public television licensees before the Corporation for Public Broadcasting. The existence of this special team suggests a growing split between CPB goals and licensee goals. That "split" results from the CPB effort to wrest from station control all responsibility for selecting and scheduling national programing and from CPB's disregard for the wishes of the local stations as to what programs they desire to be funded for next season. These actions clearly run counter to the spirit and the letter of CPB's mandate from Congress.

Congressional support for the establishment and funding of the Corporation for Public Broadcasting dates back to the recommendations of the Carnegie Commission report on public broadcasting. Essentially, those recommendations envisioned the progressive growth and strengthening of an American public television system based on two principles: Local control of programing decisions and long-range, insulated funding to protect an otherwise vulnerable communications medium from abuse. CPB was to act as a patron or "guardian angel" for the system, but was specifically forbidden from producing programs and from operating anything resembling a national network.

We all know that the long-range financing promise has not yet been fulfilled—nearly 6 years after passage of the act—and recent CPB announcements indicated that centralization, not localism, is the watchword of the Corporation. CPB apparently does not feel bound by the rstrictions imposed on its activities by the 1967 act. An indication of licensee apprehension about CPB's actions is the fact that licensees, meeting in Washington this week will vote on whether to unite in a single new public television organization. The purpose of the proposed new licensee organization would be to oppose actions taken by the Corporation for Public Broadcasting on licensee control of national programing and interconnection policy.

Mr. President, the twin principles of localism and long-range insulated financing were cited in the 1967 Carnegie report and more recently they have been linked together by the administration. Dr. Clay Whitehead of the Office of Telecommunications Policy appeared before the Senate Subcommittee on Communications a few weeks ago and repeated the administration position that long-range financing should not be considered until certain structural changes in public broadcasting were made. Dr. Whitehead referred to President Nixon's concern that the fundamental principle of localism was being lost in an ever more centralized public television system.

Dr. Whitehead's testimony prompted me to submit to him a written list of quetsions about his attitudes toward the future of public broadcasting. Among my questions were the following:

First. How do you feel about the apparent contradiction between your stated position of concern over the centralization of powers in Washington and the recent CPB action which serves to centralize those powers in an even more concentrated manner?

Second. Where is the administration's long-range financing plan for public broadcasting which was promised many months ago?

Third. How do you feel about public affairs or current events programing decisions for the national service?

Fourth. What is the role of the local stations with regard to programing decisions for the national service?

Dr. Whitehead's answers are not, in my view, fully responsive to my questions. However, I ask unanimous consent that the questions and the answers be inserted in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HART. Mr. President, in any event, I must express my strong disagreement with the conclusions reached by the administration. It seems to me that, given the demonstrable need for more funds and for long-range financing in public television and given the recent attempt to centralize decisionmaking power in an organization that is not under licensee control, Congress would be well advised to look carefully at the status of public television today, 6 years after passage of the Public Broadcasting Act. The time has come for Congress to compare the goals and principles of the Carnegie report with the reality of public television as we see it today.

At the very least, Congress should consider whether significant amendments should be added to the Public Broadcasting Act to spell out more explicitly the limitations originally imposed on the Corporation's powers and responsibilities. The most important of these limitations, of course, are the prohibitions against program production and against control of the national interconnection.

Mr. President, public television simply cannot survive and maintain any credibility if it is continually involved in a national political dispute. Where there is a possibility that 15 men and women, appointed by the President and confirmed by the Senate, have ultimate control over public broadcasting's direction and goals, public broadcasting is in trouble. Further, I suggest we redouble our efforts to develop a plan for long-range insulated financing. The gravity of the present situation—centralized program control and no plan for long-range

financing even in evidence on the horizon—dictates that Congress examine much more closely the changing relationship between the independent licensees and the Corporation for Public Broadcasting. A long-range financing plan is long overdue—a plan that guarantees insulation for public television from undue control from any and all quarters.

EXHIBIT 1

QUESTIONS FROM SENATOR HART TO DR. CLAY WHITEHEAD

Dr. Whitehead, you have expressed concern over what you describe as the centralization of power in the Public Broadcasting Service. At the same time you urge that the local stations should be the primary decision-makers in matters of programming.

Just recently the Corporation for Public Broadcasting announced that it was planning to assume all responsibility for national television programming and PBS, which is governed by a board with a majority of station representatives, would be responsible only for the operation of the interconnection system. A question which naturally comes to mind is "How do you, Dr. Whitehead, feel about the apparent contradiction between your stated position of concern over the centralization of powers in Washington and the recent CPB action which serves to centralize those powers in an even more concentrated manner?"

"Where is the Administration's long-range financing plan for public broadcasting which was promised many months ago?"

"How do you feel about public affairs or current events programming on public television?"

"What is the role of the local stations with regard to programming decisions for the national service?"

(With regard to last question, I must state my own prejudice that the local stations must have a major role in decisions affecting national programming. The freedom to use or not use nationally distributed programs is not the same as playing an active role in the decisions about which programs will be offered and at what time.)

ANSWERS OF DR. WHITEHEAD TO SENATOR HART

Your other questions touched on public broadcasting and certain recent developments in the relationship between the Corporation for Public Broadcasting and the Public Broadcasting Service.

At the outset, let me state that I share your "prejudice" in favor of local stations and the weight they should carry in public broadcasting generally. I continue to believe, as I have previously indicated, that decentralization of programming activities should be a cornerstone of the public broadcasting foundation, and that local stations should play a major role in decision-making in matters of programming. The most effective way for them to play this role is not to provide for some limited local station representation in national entities that make program decisions, but to implement the plan of the Public Broadcasting Act, which gives local stations the autonomy and authority for complete control over their program schedules.

Once this and other issues in public broadcasting are resolved it will be appropriate to consider long-range financing.

Finally, public affairs and current events programming is an important component of public television's contribution to the flow of information. Indeed, this type of programming is recognized as part of every broadcasters responsibilities under the Communications Act of 1934.

While I support public affairs and current events programming done by local educational broadcast stations on public television, I have been concerned about use of appropriated funds to produce and disseminate such programming at the national level, especially with the tendency of program production to become centralized in New York or Washington based production centers. Reliance on federal monies for the maintenance of public affairs programming is inappropriate and potentially dangerous. Robust electronic journalism cannot flourish when federal funds are used to support such programming.

THE PRESENT STATE OF THE NATION'S ECONOMY

Mr. HARTKE. Mr. President, I submit for printing in the RECORD a statement made by the AFL–CIO Executive Council delineating their concern for the present state of the Nation's economy and suggesting steps they feel should be taken to lift America's economy to a sustained and balanced level, to create jobs and expand needed public facilities and services.

I commend the AFL–CIO on their analysis of the many facits of the economic problem and ask unanimous consent that the statement be printed at this time.

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

THE NATIONAL ECONOMY

The momentum of the economy's rapid expansion, which got under way last year after a slow start in 1971, is carrying forward in 1973.

However, 4.4 million workers, or 5 percent of the labor force, were still unemployed in January and an additional 2 million workers were compelled to work part-time because full-time jobs were not available. In addition, the recent sharp rise in the wholesale prices of farm products and processed foods—at a yearly rate of 45.1 percent in the three months from November to January—threatens to reverse the reduced pace of increasing living costs and undermine the government's stabilization effort. And the continuing deterioration of America's position in international economic relationships adds uncertainty to business conditions.

The outlook for economic developments during the course of 1973, particularly in the latter part of the year, is further clouded. The Administration's proposed cuts of essential government programs and predictions of a tightened monetary policy—with interest rates already moving up—can bring a substantial slowdown in the pace of the economy's expansion, if they become a reality. Moreover, the probable slowing in the rise of consumer expenditures, which account for close to two-thirds of total national output, can add to the emergency of growing economic difficulties before the end of the year.

Yet, continuation of a rapid rate of economic expansion throughout 1973—accompanied by specific job-creating government measures—is essential, if further reductions in the unsatisfactory level of unemployment are to be achieved, in this period of sharply advancing productivity and fast growth in the civilian labor force.

The core of the economy's rapid expansion, last year, was in residential construction and consumer spending. Housing starts rose from the depressed level of 1.4 million in 1970 to 2.1 million in 1971 and 2.4 million in 1972—spurred by government programs, a widespread housing shortage and increasing real incomes of many families. The volume of consumer expenditures, after accounting for increased prices, rose 6 percent in 1972, following a nearly 4 percent gain in the previous year—reflecting the slower pace of inflation since early 1971, as well as increases in wages, working hours and employment and an extraordinarily sharp rise of installment credit.

But the home-building industry states that the rise of housing starts of the past two years is now over. At present high rentals for new apartments and prices of homes, in relation to family incomes—combined with a hold-down of government programs and anticipated further increases of interest rates—housing starts are expected to decline in 1973.

In addition, the pace of rising consumer expenditures will probably slow down, after the early months of the year. With repayments in installment debt now running at $11.6 billion a month, the more than 15 percent rise in the extension of installment credit of 1972 cannot be sustained through 1973. The anticipated slowing of installment buying and the growing burden of repayments mean that the pace of rising consumer expenditures, during the second part of the year, will increasingly depend on consumer buying power and confidence—employment, wages and the degree of advance of living costs.

A slackening rise of consumer spending during the second half of the year and the expected decline of housing starts through 1973 can be offset, only partially, by the anticipated 14 percent rise of business investment in plants, machines and equipment. During the latter part of 1973, the national economy may become dominated by a temporary, lopsided boom of business outlays for capital goods, with declines or slower rates of expansion in other economic sectors.

The foundation for such a lopsided condition has been set by the government-encouraged, unbalanced profit boom, with after-tax profits shooting up 14 percent in 1971 and about 15 percent in 1972, while wage increases have been under government restraint. And this lack of balance in the economy will be aggravated, if the government pursues proposed cuts of essential job-creating programs, while the growth of the money supply is slowed substantially and interest rates climb.

As the year progresses to its close, such trends could produce a sharply slowing pace of general economic expansion, with a renewed rise of unemployment.

Government measures are required to assure a balanced expansion of the economy in 1973, with rising real incomes and declining unemployment—decisive and selective measures to lift the economy on a sustained and balanced basis, to create jobs and expand needed public facilities and services.

1. We urge the Congress to reject proposals to cut or terminate essential government programs and, instead, to expand the operation of programs that strengthen American society and create job opportunities.

We repeat our request to the Congress to adopt an expanded and strengthened public-service employment program—federal grants to the states and local governments for the creation of jobs to provide needed public services.

2. Tax justice and additional federal revenue are needed and can be achieved by eliminating major loopholes of tax privilege for corporations and wealthy families. Such action can eliminate the continuing federal budget deficits that have resulted from the effects of the 1969–1970 recession and the grant of billions of dollars of special tax subsidies to business.

3. We urge the Congress to direct the Federal Reserve System to allocate a portion of available bank credit, at reasonable interest rates, to effectuate the construction of housing and community facilities. We also urge the Congress to require pension funds and trust accounts of banks to invest a proportion of these moneys in low- and moderate-income housing. Socially important projects need protection against the fluctuations of the money market so that in period of tight money all available credit is not channelled to corporate interests at the expense of the public good as is the case now.

A Congressional review of the entire Federal Reserve System and the nation's monetary policy is long overdue—to bring America's central bank fully into the federal government structure, to provide improved coordination of the nation's monetary policy and to make the Board of Governors and the managing boards of the district banks more representative of the major groups of the economy, including workers and consumers.

4. We urge the Administration and the Congress to eliminate the inequities that persist in the economic stabilization program.

5. We call on the Congress for immediate action to increase the federal minimum wage and to extend the coverage of the Fair Labor Standards Act to the millions of low-wage workers who are still outside of the law's protection.

6. We urge the Administration and the Congress to adopt and pursue a comprehensive policy to halt the continuing deterioration of America's position in the world economy—to stop the export of American jobs and undermining of the nation's industrial base, to regulate the export of American technology and capital, to eliminate the tax and other incentives that encourage U.S. companies to expand their operations in foreign countries and to curb the rising tide of imports that displace American production.

BLUEPRINT FOR A CRIMINAL JUSTICE SYSTEM

Mr. COOK. Mr. President, for the past several years, the distinguished senior Senator from Illinois (Mr. PERCY) has been a leader in corrections reform. We all owe him a debt of gratitude for his contributions in this field.

Last July, the Penitentiaries Subcommittee of the Senate Judiciary Committee held hearings on the Federal Corrections Reorganization Act, introduced by Senator PERCY. As a followup to those hearings, I would like for my colleagues to have available to them an article that Senator PERCY wrote for the American Criminal Law Review, volume 11, No. 1, 1972.

Mr. President, I ask unanimous consent that the Senator's article appear in the RECORD at this point.

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

THE FEDERAL CORRECTIONS REORGANIZATION ACT: BLUEPRINT FOR A CRIMINAL JUSTICE SYSTEM

(By the Honorable CHARLES PERCY)

INTRODUCTION

The "criminal justice sysetm" is a phrase widely used to describe the combined functions of our police, our courts and our prisons. The system strives to ensure protection for potential victims, fairness and rehabilitation for offenders, and justice for all. To accomplish these goals we attempt to employ a system of coordinated, interdependent efforts between the police, courts and prisons. This so-called criminal justice system, however, neither dispenses justice nor even vaguely resembles a system.

Overview of the present system

Statistics compiled over the past twelve years confirm that our prior efforts have been wholly inadequate. While our population rose 13.3% between 1960 and 1970, reported incidents of violent crime and property crime rose 156% and 180% respectively.[1] But even these estimates fail to fully expose our failures, particularly because they exclude "white collar" crimes such as embezzlement, tax fraud and price-fixing and only reflect increases in the number of crimes reported to authorities.[2]

Furthermore, only one out of every 70 reported crimes results in an individual being charged, convicted, sentenced and incarcerated.[3] But even those we bring within the system have failed to respond to our efforts. About 80% of all felonies are committed by repeaters [4] and about two-thirds of all prison inmates have been in prison previously.[5]

There have been efforts to reform the system,[6] but too often these efforts have been haphazard and piecemeal. Attention is often focused upon one aspect of the system while another equally important and vitally related aspect is completely ignored. The District of Columbia Court Reform and Criminal Procedures Act of 1970,[7] for example, modernizes courtroom management procedures, but leaves the other parts of the system, particularly the prisons, virtually unable to cope with the inevitable result of its reforms—a massive influx of new cases.

In hearings held before the Senate Subcommittee on Business, Commerce and the Judiciary of the Committee on the District of Columbia, the consequences of piecemeal reform were dramatically described. Because of the new procedures implemented by the Act, prosecutions in the District were estimated to increase from 2,150 in 1970 to approximately 5,200 in 1973.[8] This, in turn, was expected to increase the overall number of offenders committed to the District of Columbia Department of Corrections from 3,972 in September of 1970 to an estimated 5,258 by the end of June, 1972.[9] But facilities have not expanded to meet the needs. In fact, the Department of Corrections now seriously contemplates the use of 10 railroad cars to house 200 inmates in order to relieve severe overcrowding.[10]

At the federal level, the corrections crisis is no less severe. Perhaps there is no better example of a completely overburdened agency than the United States Board of Parole.[11] With only eight members and a staff of eight hearing examiners, the Board assumed responsibility for over 20,000 prisoners in fiscal 1970.[12] During that year, the Board issued 17,453 official decisions,[13] each requiring the concurrence of at least two members. Thus, nearly 35,000 individual decisions were made by only eight men.

Another factor, however, compounds the problem. In addition to making these decisions, the members and examiners conducted 11,784 personal hearings in prisons across the nation.[14] Were the Board members to have the patience of Job and the wisdom of Solomon, they still could not make 35,000 individual decisions and conduct thousands of hearings in one year with anything approaching the care and close personal attention that both the prisoner and society deserve.

At the operational level, the burdens are also overwhelming. A mere 640 federal probation officers supervise 42,541 people.[15] The resulting average caseload, 66 per officer, is nearly twice that recommended.[16] In large metropolitan areas, however, each officer is burdened with over 100 cases.[17]

Footnotes at end of article.

Response to the criminal justice crisis

The inadequacies of the criminal justice system have not gone unnoticed, however. Everyone from the President to the Chief Justice has pointed to the stunning failure of the system to serve and protect society. In the corrections area, for example, President Nixon has pointed out:

"The various stages of rehabilitation are often poorly coordinated at present. The offender cannot proceed in an orderly manner from confinement to work release to release under supervision and finally to an unsupervised release. The unification of the various programs involved could bring to this process the coordination and sense of progression it badly needs." [18]

Fortunately, however, many have offered new ideas as well as condemnations. Since 1967, four presidential commissions, dozens of legislative reports and the authors of more than 500 books and articles have recommended reform of our correctional system.[19] But despite these suggestions and others made as early as 1929 by the Wickersham Commission, we have taken no positive steps towards overhauling this tragically inadequate system.

I am not an expert in the area of criminal justice. My background is in business, and during my years in the Senate, I have attempted to scrutinize the operations of the government by using the same commonsense approach I once applied to business organizations. Consequently, the President has given me the responsibility of introducing and managing four major Executive Reorganization bills now pending before the Congress.[20] The need for these bills is great, but nowhere is the need for reorganization greater than in the criminal justice system.

Federal Corrections Reorganization Act

For these reasons, I introduced the Federal Corrections Reorganization Act. S. 3185, on February 17, 1972.[21] This bill attempts to reorganize the federal system of justice by providing a new structure in which to incorporate many suggestions that have been made, but never fully implemented. To supplement the structural reform, the bill creates new programs that have been suggested and tested by some of the most respected people in the field of criminal justice.[22]

As President Nixon has observed, however, " 'reform' as an abstraction is something that everybody is for, but reform as a specific is something that a lot of people are against." [23] I have found this to be true concerning prison reform. Although I have received much favorable comment on the bill, and everyone has agreed that something should be done, many people are reluctant to discard the present system.

By utilizing a forum such as this article, I hope to stimulate critical comments that will improve the bill.[24] I originally introduced the legislation, not because I considered it to be the final solution to the problems of the criminal justice system (because it is not), but because I felt it necessary to provide a catalyst for the generation of thought, comment, and hopefully, some results. The following analysis will illustrate how the Act changes the current system and will outline the new organization that would be created, the new programs that would be encouraged, and the results that should be achieved.

It should be kept in mind, however, that this is an organizational bill. We are all cognizant of the need to deal with the problems that foster and promote crime, and our efforts in this regard should continue unabated. Nevertheless, while we attempt to solve these long-term problems, we should neither ignore the problems inherent in the structure of the present system nor fail to

reform it so it may effectively meet the challenge posed daily by crime in our nation.

TITLE I—FEDERAL CORRECTIONS ADVISORY COUNCIL

In 1950, Congress enacted 18 U.S.C. 5002, authorizing the creation of an "Advisory Corrections Council" to: "improve the administration of criminal justice and assure the coordination and integration of policies respecting the disposition, treatment, and correction of all persons, convicted of offenses against the United States. It shall also consider measures to promote the prevention of crime and delinquency (and), suggest appropriate studies in this connection to be undertaken by agencies both public and private." [25]

The potential embodied in the enabling legislation, however, has not been realized. While our crime rate has skyrocketed and our system of justice has staggered, the Advisory Corrections Council has failed to meet during the last five years. No one is even sure when the members of the Council last got together.[26]

The role of that Council, as it is delineated by statute, is an important one; yet, today that role is not adequately filled. In response to President Nixon's memorandum of November 13, 1969,[27] the Inter-Agency Council on Corrections was established within the Executive branch to perform a similar function. According to its Director, Norman Carlson, this Council has three goals:

1) Develop recommendations for national policies and priorities in corrections.

2) Develop strategies and mechanisms to implement national corrections policies and priorities.

3) Deevlop methods of maintaining closer coordination between federal agencies, private industry, labor, and state and local jurisdictions in an endeavor to develop better tools as aids in the correction of the offender.[28]

Although I think the Inter-Agency Council is a step in the right direction, more coordination is needed. It is the responsibility of the Congress to take the initiative, to build on the present foundation and thereby to bring some order out of the chaos that now exists in our criminal justice system.

One experience will illustrate the present extent of the confusion. I was interested to know exactly how much money was being spent by the federal government for programs designed to benefit the criminal offender. I soon found, however, that no one knew either the total amount being spent or how many were spending. Consequently, on October 28, 1971, I requested the Comptroller General of the United States to initiate an investigation in an attempt to answer this simple question.

The efficiency of the General Accounting Office is well known, yet despite its efficiency, it took more than half a year for G.A.O. to obtain the information I requested. Seven months later, on May 17, 1972, I received the report of the Comptroller General. It identified 11 different federal departments and agencies which were conducting programs designed to benefit the criminal offender, programs that together cost $192 million per year.[29]

Although the programs identified were all worthwhile, no one knew what the government as a whole was doing. Thus there was a real danger that these programs might be operating at cross-purposes. We were spending close to $200 million per year in such a totally uncoordinated manner that it took more than a half of a year just to find the programs. If a business were to operate in this manner, it would soon be bankrupt.

The results of this inquiry, I believe, present dramatic evidence of the need for a coordinating body to monitor the various public and private activities in this area, and to recommend alternative approaches to the government. I believe that the Federal Corrections Advisory Council, established in Title I of S. 3185 fills this need.

The membership of such a Council must be diverse and professional, grounded in both practicality and academia. The Council, as I promise it, would be composed of two former federal prisoners, two criminologists, an attorney, a former or retired federal judge, two law enforcement officials, two sociologists, two psychologists, one person representing the communications media and one person, with some knowledge and interest in this area, who may not fit into any particular category. In addition, various officials of the government would serve as ex-officio members of the Council.

The Council would have three main purposes:

1) to exercise an investigative and advisory role in the overseeing and direction of the federal corrections system;

2) to recommend standards and guidelines for States to meet in order for them to be eligible to receive grants under any federal program involving state law enforcement and correctional agencies, including the reorganization of their criminal justice system in a manner consistent with the rest of the bill; and

3) to serve as a clearinghouse for study, planning and dissemination of information in the field of corrections.[30]

To achieve these ends, the Council would establish a study center at which information could be collected and disseminated. It would sponsor seminars for judges, attorneys, correctional officers, and all others who are part of the criminal justice system in order to make them more aware of their place in an integrated scheme.

Out of such a structure would emerge the new ideas and suggestions necessary for more efficient operations of our correctional system. More specifically, the Council would recommend a complete reorganization of federal correctional facilities for the purpose of increasing the alternative means available for disposition of individual cases. After regular meetings it would also issue yearly reports to the three branches of government, recommending what courses of action each should follow to keep the system operating at peak efficiency, without sacrificing justice and safety for all citizens.

The experience of groups such as the Vera Institute of Justice in New York and the EXCEL program in Indiana would also assist the Council in its efforts.[31] The success of these groups would be made part of the system, and their observations would be invaluable in the initial stages of reform. We need some central body that can collect such information and bring it to the attention of those who are working in this area. Properly organized, such data will serve as a catalyst for new ideas and programs.[32]

The Council established by Title I of S. 3185 would perform these functions and, I believe, perform them well. We must stop mindlessly discussing and creating innumerable councils and boards, while allowing other such bodies, without clear-cut charters and sufficiently diverse membership, to languish in the statute books. These sham organizations give the appearance of coordination without providing its benefits. We need to establish an effective body that will have both the authority and the responsibility to find new solutions to old problems in a way that will truly serve the needs of contemporary society.

TITLE II—FEDERAL CIRCUIT OFFENDER DISPOSITION BOARD

In order to establish some consistency in the operational phase of criminal justice, we need an overall authority to assume responsibility for the administration of the new organization. At present, the federal courts lack such an authority and, as a result, do not apply uniform standards in dealing with offenders who are brought before the bench. This lack of uniformity is most conspicuous in the sentences imposed by federal judges. In 1965, for instance, the average length of prison sentences for narcotics violations was 83 months in the 10th Circuit, but only 44 months in the 3rd Circuit.[33] Similarly, during 1962, the average sentence for forgery ranged from a high of 68 months in the Northern District of Mississippi to a low of 7 months in the Southern District of Mississippi.[34] Faced with such inequality, we can only agree with the conclusion of the former Attorney General and later Supreme Court Justice Robert Jackson:

"It is obviously repugnant to one's sense of justice that judgment meted out to an offender should be dependent in large part on a purely fortuitous circumstance; namely, the personality of the particular judge before whom the case happens to come for disposition.[35]

This inconsistency was also clearly illustrated at workshop sessions of the Federal Institute on Disparity of Sentences.[36] Judges were given sets of facts for several offenders and offenses and were asked what sentences they would have imposed. In one case involving tax evasion, of 54 judges who responded, three judges voted for a fine only; 23 voted for probation; and, 28 voted for prison terms ranging from less than one year to five years.[37] As a result of this type of experiment, judges themselves have attempted to resolve these discrepancies by meeting to study various sentencing techniques.[38]

While these trends are encouraging, we must not fail to appreciate the time and energy that would be consumed if we leave the solution of the disparity problem to an already overworked judiciary. If we impose this added burden upon our judges, we can only diminish their effectiveness. The task of providing for a coordinated sentencing policy in the federal judicial system should be given to a body that is better suited to that type of problem. Since the problem is national in scope, a national body is needed.

Title II of S. 3185 would establish a Federal Circuit Offender Disposition Board [the Circuit Board] to handle precisely this type of problem. The 11 board members, each representing a federal circuit, would be drawn from the fields of corrections, psychiatry, psychology, sociology, law, medicine, and education among others. It would set national guidelines for the imposition of sentences but would not arbitrarily impose its will upon every federal judge in the country. We do not now, nor should we ever contemplate complete uniformity of sentencing, for such a practice would ignore the need for individualized, if not personalized, attention for a particular offender. The Circuit Board, however, would help the federal judiciary to function harmoniously as a component part of an integrated system of justice.

Nor would the Circuit Board be concerned with just one facet of the criminal justice system. Questions involving bail, alternative programs, parole and incarceration are integral parts of the sentencing function and should all be confronted at the national level. To meet this need, the Circuit Board would also establish guidelines for federal courts in pre-trial release, diversion in lieu of prosecution, probation, parole, diversion in lieu of incarceration, and incarceration.

The Circuit Board would also hear appeals from decisions concerning parole. Since it would also establish national policy on parole, it is the logical body to handle appeals of this nature. In this regard, it would be much like the present United States Board of Parole, except that it would be relieved of the day-to-day decisionmaking responsi-

Footnotes at end of article.

bility.[39] Under the new system which S. 3185 would establish, the operational decisions would be made on a local level, allowing the Circuit Board to concentrate on the setting of policy and conducting appellate hearings.

Each member of the Circuit Board, as representative for a federal circuit, would oversee the direction and operation of the various local (District) boards within his circuit. In essence, a pyramidal structure would be established, thus providing a continuity of responsibility and a decision-making procedure that separates policy formulation from operational detail.

TITLE III—DISTRICT COURT OFFENDER DISPOSITION BOARDS

When a person is apprehended and charged with the commission of a federal crime, the steps through which he proceeds, from arrest to release, should be monitored and directed by one authority. At present questions of setting bail, pretrial procedures, presentencing investigations, tests and evaluations to determine prison assignments and eligibility for parole are all determined by separate agencies, with little or no coordination among them.[40] As a result, an offender is often shunted from agency to office, to department, to board, thus minimizing the effectiveness of each body and reducing the possibility for his effective rehabilitation. Neither the individual offender nor society is served by such a haphazard process.

The Reorganization Act would replace the present hodgepodge with a network of District Court Offender Disposition Boards (District Boards) to supervise the activities of the system components in each district. The membership of a District Board would represent the same diverse background as that of the Circuit Board, but given the varying caseload of individual districts, the number of people on each of them should vary.[41]

The District Boards are designed to achieve two major goals: regionalization and unification. In the parole area, for instance, no longer would 35,000 individual decisions be made and 11,784 personal hearings conducted by 16 Parole Board members and examiners, located thousands of miles away, with little or no time to investigate cases with any degree of personalized attention. Instead, each District Board would handle an average of about 400 cases per year, with detailed attention for each.

This process of regionalization is probably the least controversial aspect of the bill.[42] Regionalization of decision-making, with the right to appeal to a national body, is the only logical way to deal with the large number of cases passing through our criminal justice system each year. In fact, such an approach has long been used by the federal trial court system. Our judicial system has come a long way since the days when judges would ride a circuit, yet our parole process has barely moved. The regionalization of decision-making would belatedly bring the parole process into the twentieth century.

Unification is a much more difficult concept to implement since few bureaucracies are willing to dismantle themselves. If left alone, however, the present system will continue to function with the speed and direction of an amoeba. Perhaps we can afford this type of resistance to change in some areas of our society, but we can ill afford to expend our money and patience in return for a criminal justice system that only offers a rate of failure fast approaching 70%.[43]

There has been quite a bit of discussion as to whether we might not solve the problem by grafting new procedures and rights onto the old system. This approach, however, would further tax an already overburdened system and only increase the already intolerable inefficiency. The only way to resolve the problem is to scrap the unworkable system and replace it with one designed to meet the needs of both offender and society.

The new system must be designed with care. It must ensure professionalism and personal attention. It must guarantee fairness and provide officials with sufficient time to carefully consider all of the factors relevant to a proper sentencing or parole decision. But more than this, any new system should be just that—a system, coordinated and integrated with the other aspects of the criminal justice process. Similar functions should be performed by a single body, a body that provides a reservoir of expertise upon which other parts of the system can rely for sound recommendations and efficient operations. By unifying these various functions within the District Boards, such a coordinated system would emerge.

THE OPERATION OF THE NEW SYSTEM

Pre-trial procedures

After arrest each defendant would be assigned to the District Board which would promptly recommend the proper bail to be set. At this point, the District Board would become acquainted with the individual by conducting a relatively cursory examination into the defendant's background. Since it would be futile for someone else to repeat the same investigation at a later point in the proceedings, the process of sifting through the information would be performed with an eye towards later stages of the process.

This information would be distilled into a formal report for use at a precharge conference attended by counsel for the defense and the prosecuting attorney. Unlike the plea-bargaining conference commonly held, the primary concern of the participants would not be the quickest disposition of the case at hand,[44] but rather the determination of the appropriateness of noncriminal disposition for the offender.[45]

Not every defendant ought to be prosecuted. Chief Judge Harold H. Greene of the District of Columbia testified before the Congress on June 23, 1971 that "present court figures suggest that perhaps as many as twenty per cent of the total number of cases prosecuted annually might be diverted from the criminal justice system if a narcotics pretrial diversion project were fully implemented." [46] In the same way confirmed alcoholics should not be processed through the criminal justice system. Sick people will not benefit from legal interference and the system will only be stifled by their sheer numbers.[47]

Certainly the federal system will not be plagued by relatively large numbers of alcoholics or drug addicts, but if they do find their way into the system, there should be a procedure whereby they can be diverted from the legal system into medical facilities. Both they and society will benefit from this diversion since there is little use in prosecuting a sick person for having exhibited the symptoms of his disease.

Likewise, there are offenders who may not be sick but whose problems can be better dealt with by a diversion project than by prosecution. In New York, for instance, the VERA Insitute of Justice sponsored the Manhattan Court Employment Project, a program designed to divert defendants who could benefit from some type of vocational training. Alcoholics and drug addicts were specifically excluded from this project and the results were dramatic. The average rate of arrest among active participants was .039% during the second quarter of fiscal year 1971–72,[48] partly because the project established a regular procedure for screening defendants and evaluating the chances for successful diversion in lieu of prosecution. Great attention was given to ensuring that the offender would be helped and society protected.

If we want a correctional system that pays for itself many times over by truly helping to "correct" an offender, we must utilize programs such as this. The Precharge Conference would provide an opportunity to make these rational decisions, based upon sound background developed by the District Board.

Placement in a diversionary program, of course, would depend upon the consent of the particular defendant. The charges would be held in abeyance until such time as the defendant either demonstrates his successful completion of his diversion project, or is terminated. A necessary compliment to any program of this kind, however, is an intensive counseling apparatus supervised by the District Board.[49]

If the experience of the aforementioned projects were indicative of the successes the new system will bring, there would be a substantial benefit to society in terms of reduced crime. The savings to society derived from the reduction of crime as well as the improvement in the quality of our human resources would more than offset any increased costs of the re-organization. Diversion projects have proven their worth. The system should, therefore, be redesigned so that diversion decisions can be intelligently made.

Sentencing

If the defendant were prosecuted and convicted, the District Board would again play a very important role. As previously noted, many judges will disagree on the proper disposition of a convicted defendant in a particular case. But under S. 3185, the Circuit Board will have established board national sentencing guidelines. Within these guidelines, it will be the responsibility of the District Board to recommend the sentence that should be imposed upon the offender. It would base its recommendation not only upon the professional background of its members, but also upon the substantial amount of information it has accumulated during prosecution.

At present, pre-sentence reports are widely used for informational purposes.[50] These reports are prepared by probation officers who not only have a caseload two to three times greater than that recommended, but who also serve as parole officers as well. Because of their burdensome caseloads, they do not have the time to prepare a complete presentence report. Under the new system, the local board report would, of course, recommend the penalty to be imposed, such as probation, a fine, an alternative to incarceration, or incarceration. But the report would also include two new and very significant elements. The purpose or reason for imposing the sentence and the goals the offender must attain in order to obtain release from the court's jurisdiction.[51]

The Supreme Court has noted four purposes for imposing a sentence: 1) deterrence of similar crimes, 2) protection of society, 3) discipline of the offender, and 4) rehabilitation of the offender.[52] There may be other valid reasons, yet too often these are never articulated by the court, let alone understood by the offender. In S. 3185, the District Board would make it clear why a sentence was imposed.

By establishing corrections goals for offenders we will transform sentencing into a meaningful, achievement-oriented process. The sentence will be shaped to correspond with the offender's needs, thus improving the chances of successful rehabilitation. More specifically,

"[a] detailed judicial determination of the specific goal to be attained by supervised confinement would provide administrators with guides for shaping the individual's correctional experience as well as serve as a benchmark by which the progress and nature of each prisoner's treatment within the institution could be judged." [53]

The new procedures in S. 3185 would give the sentencing process the attention and professionalism it has long deserved. In a society

Footnotes at end of article.

interested in the rights of the accused, we have tended to focus all of our attention on arrest and trial. But it is probably more important to society to effectively deal with a criminal after we have convicted him. The courts themselves have recognized the misplaced emphasis by focusing more directly upon sentencing procedures, prison conditions and parole practices.[54] The time has long passed for the process of sentencing to be elevated to a more professional status.

A report, prepared for me by the Library of Congress on September 30, 1971, examined the procedures for sentencing criminals in foreign countries. The report indicates that other countries have made efficient use of outside experts to aid the court in the sentencing process. Though all of the countries studied left the finding of guilt and the responsibility for imposing a sentence to the courts, "these standard procedures do not prevent the courts from seeking expert advice where problems arise as to the imputability of a crime because of the mental condition of the defendant, or other factors residing within him or his environment. In Scandinavian countries, for instance, the courts as a practical matter rely heavily on the advice of experts who are appointed directly by the courts, rather than appearing as expert witnesses for the defense or the prosecution." [55]

Informal procedures have developed, both in this country and abroad, which recognize the inability of the court, by itself, to adequately determine a sentence. Consequently, advice and recommendations are sought, be it from a pre-sentence report by a probation officer, or a panel of experts.

Given the great importance of the sentencing process, informal methods of dealing with sentencing should be incorporated in a formal structure through which the most competent and professional advice can reach the court on a regular basis. The present haphazard manner of getting this type of information should be replaced by a newer model. In this regard the United States can and should be a leader in proposing and implementing solutions for these complicated problems.

I re-emphasize that recommendations by the Board would not be binding on the sentencing judge. At all times, he would retain his prerogative to reject the advice and impose his own sentence. If he is to reject the advice, however, he too would have to state both his reasons for imposing the particular sentence and goals he feels the offender should attain. This additional procedure is necessary to protect both society and rights of the individual offender.

Probation and parole

Under the present system, if an offender were released into the community under limited supervision or placed on probation, his community or probation officer would operate under the administrative authority of the court. This again imposes a needless burden upon our court system. Since an administrative body, the District Board, would already exist, good management would dictate that a community officer be under its administrative responsibility. The community officer, now better supervised, would help the offender to achieve the rehabilitation goals set for him by the court.

Despite the fact that parole and probation, two supervised release programs, have evolved in an historically independent manner,[56] it makes little sense to institutionalize an historical accident by keeping two similar functions separate and distinct. Today, for instance, one man may be both a probation officer reporting to the court, and a parole officer reporting to the parole board. In either case, he performs essentially the same function but responds to two masters, possibly with two different philosophies. In the legislation which I have proposed, the community officer would answer only to the District Board, which would handle the administrative problems and ensure that the sentence and its goals would be carried out in the most efficient manner.[57]

If the offender were incarcerated, the value of the goals set by the trial judge would be equally significant. At present, too many inmates have no clear idea of what they must do in order to effect their return to the community. I have received innumerable letters from prisoners who have been denied parole without knowing why. They were never told with any specificity what they had to do to make parole, and often waited months for a one word answer, "yes" or "no," from the Parole Board.[58]

Although the United States Parole Board has made limited improvements, the prisoner still does not receive the type of in-depth report that inspires him to improve himself. He still neither knows why he has been denied parole nor what he must do in the future. The anger and frustration created by this arbitrary process is a major cause of both prison unrest and the high rate of recidivism among ex-offenders.

The procedures established by S. 3185 would replace this antiquated process with a system of incentives based upon reason. Upon entering prison, the offender would know why he was sentenced, and what he had to do to obtain release. The goals toward which he could strive would always be in sight.

At least once a year the District Board would hold a hearing to determine the prisoner's progress. The hearing would consist of an in-depth study of the prisoner's record by people familiar with the case from the time of arrest. This would replace the five minute presentation before an overworked and nameless official that is now so common in the parole area. During these hearings, a review of the offender's progress would be made, and within two weeks he would receive a decision as to his suitability for parole. Within another two weeks, the detailed reasons for the denial of parole would be given to the offender, hopefully accompanied by a personal visit.

An obvious benefit of this type of approach would be a reduction in tension inside our prisons and an increasing emphasis upon the rehabilitation of the individual offender. Those individuals who threaten the safety of the community would be confined, but those who could be safely released under supervision would have the opportunity to rejoin their families, as well as a greater chance of staying out of prison.

Once released on parole, the offender's community officer would also be under the authority of the District Board. His progress in the community could be monitored in a manner that would both help the offender to readjust to his surroundings and ensure the safety of others.[59]

The District Board is the logical body to fill our very pressing needs. By regionalizing, it would make the decisional process one that is open to thought and personalized attention, and by unifying, it would eliminate needless duplication of function. Perhaps we are still doomed to suffer through experiences like that of Jarndyce and Jarndyce in *Bleak House*.[60] Perhaps we will continue to tolerate a system that does nothing but produce failures. But common sense demands that something be done. S. 3185 offers us a new approach that will ensure that our criminal justice system meets the needs of all Americans.

Conclusion

Machiavelli warned that "[T]here is nothing more difficult to carry out, nor more doubtful of success, nor more dangerous to handle, than to initiate a new order of things." [61] But certainly, nothing could be worse than our present system of justice. No one is satisfied with it; everyone clamors that it must be changed. We must now take positive action to give meaning to our words.

I believe that the changes proposed by S. 3185 can help solve the problems created by crime in a free society. Those of us in the Congress, as well as members of the legal community, should not feel it necessary to limit ourselves to past mistakes. Adherence to present procedures will bind us to a system as archaic and useless as many of our antiquated prisons. We should learn from past experience, the successes as well as the failures, and thereafter apply our knowledge to the creation of a new system of criminal justice. This is the goal of the Federal Corrections Reorganization Act.

The Act was considered in the House of Representatives by the Judiciary Subcommittee Number 3.[62] In the Senate the Act was the subject of hearings on July 25, 26, and 27 before the Subcommittee on National Penitentiaries of the Judiciary Committee. At that time it received searching examination that will help make it a better bill. Realistically, I know that this bill will not be passed by Congress this year; time is too short. I plan to reintroduce this bill during the next Congress, however, with changes inspired by the many helpful comments that I have and will continue to receive.

We cannot permit such a vital bill to languish and be forgotten in the Congress. We can ill afford to allow the present system to sap our resources while giving us nothing but failures. The Congress must act so that we may transform an apparatus designed for the needs of a horse-and-buggy era into a system that will meet the challenges of our modern society in an effective and professional manner. In the struggle to meet this challenge, I look forward to working with the legal community to achieve this common goal. Its suggestions and ideas and support will be essential to success.

FOOTNOTES

[1] F.B.I., Uniform Crime Report 2–4, charts 1–3 (1970).

[2] The National Opinion Research Center has estimated that the rate of violent crime in 1965–66 was almost twice that actually reported. The rates for burglary and forcible rape were respectively estimated to be three and four times the reported levels. National Opinion Research Center Survey, *reprinted in* The President's Commission on Law Enforcement and the Administration of Justice, Task Report: Crime and Its Impact—Assessment 17 (1967).

[3] Testimony of Jerome M. Rosow, Assistant Secretary for Policy Evaluation and Research, United States Dept. of Labor, Before the Subcomm. on National Penitentiaries, Senate Comm. on the Judiciary, May 19, 1971, *quoted in* 117 Cong. Rec. 20,746 (daily ed. Dec. 7, 1971).

[4] C.Q. Weekly Report, June 4, 1971, at 1219, *quoting* Richard W. Velde, Associate Administrator, Law Enforcement Assistance Administration.

[5] *Id., quoting* Chief Justice Warren Burger.

[6] For an account of one attempt at corrections reform see in this *Symposium* Note, *The Youth Corrections Act* at —.

[7] D.C. Code §§ 11–101 to 23–1705 (Supp. IV 1971).

[8] *Hearings on Impact of the Court Reform and Criminal Procedure Act of 1970 on the Correctional Institutions in the District of Columbia Before the Subcomm. on Business, Commerce and the Judiciary of the Senate Comm. on the District of Columbia*, 92d Cong., 1st Sess. 166 (1971).

[9] *Id.*

[10] Letter from Kenneth Hardy, Director of the District of Columbia Dept. of Corrections, to Senator Charles Percy, June 23, 1972.

[11] *See* 18 U.S.C. § 201 *et seq.* (1970).

[12] [1968–1970] United States Board of Parole Biennial Report 16.

[13] *Id.* at 17.

[14] *Id.* at 16.

[15] Statement of Wayne P. Jackson, Chief of the Division of Probation, Administrative Office of the United States Courts, Before the Subcommittee on National Penitentiaries Senate Comm. on the Judiciary, July 26, 1972. (presently unpublished).

[16] *Id.*

[17] This figure was supplied by Benjamin Meeker, Chief Probation Officer, Chicago, Illinois, through a communication to the office of the author.

[18] Statement of the President Outlining 13 Point Program for Reform of the Federal Corrections System, Nov. 13, 1969 *in* PUBLIC PAPERS OF THE PRESIDENTS OF THE UNITED STATES: RICHARD NIXON, 1969, at 924 (1971). [hereinafter cited as Statement of the President].

[19] TIME, Jan. 18, 1971, at 48.

[20] S. 1433, 92d Cong., 1st Sess. (1971); S. 1432, 92d Cong., 1st Sess. (1971); S. 1431, 92d Cong., 1st Sess. (1971); S. 1430, 92d Cong., 1st Sess. (1971).

[21] *See* app. A *infra* for complete text of S. 3185.

[22] *E.g.*, The EXCEL Program, Indianapolis, Indiana; P.A.C.E. Institute, Cook County, Illinois; Vera Institute of Criminal Justice, New York, New York, EXCEL and Vera are discussed *infra* note 31.

[23] Address by President Nixon, National Conference on the Judiciary, in Williamsburg, Va., March 11, 1971.

[24] I have already redrafted the Bill several times, based upon comments I have received.

[25] 18 U.S.C. § 5002 (1970).

[26] Letter from Comptroller General to Senator Percy, May 17, 1972.

[27] Statement of the President, *supra* note 18.

[28] Letter from Norman Carlson, Chairman, Inter-Agency Council on Corrections, to Senator Percy, July 7, 1971.

[29] The findings of the G.A.O. are reproduced in app. B, *infra*.

[30] S. 3185, 92d Cong., 2d Sess. § 102 (1972).

[31] EXCEL, Ex-Offender Coordinated Employment Lifeline, with the aid of matching funds from both the federal government and the State of Indiana, conducts a job placement and counseling program for ex-offenders. By primarily relying on businessmen and former parole officers to encourage employers to hire those with prison records, EXCEL has met with significant success. In January, 1972 it had placed 175 of its clients and by March of that year had increased that number to 250.

Vera Institute of Justice, a private organization based in New York City, has developed and continues to sponsor a number of projects to benefit criminal offenders. The Institute and the projects it sponsors (*e.g.*, Manhattan Bail Project, Manhattan Court Employment Project, Manhattan Bowery Project) operate with the close cooperation of the New York City police and corrections departments as well as other city agencies. For a dscription of a number of Vera's projects see CITY OF NEW YORK, CRIMINAL JUSTICE COORDINATING COUNCIL TWO YEAR REP. (April 1968–April 1969).

[32] In Statement of the President, *supra* note 18, Mr. Nixon emphasized the need for such a system. He concluded that "the poor record of our rehabilitative efforts indicates that we are doing something wrong and that we need extended research both on existing programs and on suggested new methods." After noting the large number of federal agencies involved in corrections, he recognized that "if all of these efforts are to be effectively coordinated then some one authority must do the coordinating."

[33] THE PRESIDENT'S COMMISSION ON LAW ENFORCEMENT AND THE ADMINISTRATION OF JUSTICE, TASK FORCE REPORT: THE COURTS 23 (1967) [hereinafter cited as TASK FORCE REPORT: THE COURTS.

[34] *Id.*

[35] *Id.*, *quoting* 1940 ATT'Y GEN. ANN. REP. 5–6. *Cf.* ABA PROJECT ON MINIMUM STANDARDS FOR CRIMINAL JUSTICE, STANDARDS RELATING TO SENTENCING ALTERNATIVES § 2.1(a), Comment (Approved Draft 1968) [hereinafter cited as ABA STANDARD: SENTENCING] which suggest that

"[o]ne of the chaotic aspects of the law relating to sentencing is the condition of the penal codes themselves. It is easily demonstrable in most states that the sanction available for different offenses are utterly without rational basis. This in turn is one of the significant contributors to disparity in treatment of offenders of comparable culpability."

[36] The Institute, convened on October 12 and 13, 1961 by the Chief Judges of the Sixth, Seventh and Eighth Circuits, extended invitations to all District Judges of the three circuits. This and similar Institutes are authorized by 28 U.S.C. § 334 (1970) "for the purpose of studying, discussing and formulating the objectives, policies, standards and criteria for sentencing those convicted of crimes and offenses in the United States . . . ." *Id.*

For a record of the proceedings see *Seminar and Institute on Disparity of Sentences*, 30 F.R.D. 401 (1961) [hereinafter cited as *Seminar and Institute*].

[37] *Seminar and Institute*, *supra* note 36, at 505, table 5A.

[38] The establishment of a Sentencing Council and Sentencing Institutes is also recommended in ABA STANDARDS: SENTENCING *supra* note 35, at § 7.1–2. For a review of similar judicial sentencing programs and alternative solutions to the disparity problem see TASK FORCE REPORT: THE COURTS, *supra* note 33, at 22–26.

[39] The United States Board of Parole places heavy reliance upon its hearing examiners in making parole decisions. In a recent conversation with the author, James Nagel of the United States Parole Board estimated that as many as 85 per cent of all parole decisions are made by hearing examiners with only the concurrence of the Board member.

[40] *See* Diagram of the Present Criminal Justice System, app. C *infra*.

[41] Each District Board would have a minimum of five members. The need for flexibility in the maximum membership of each District Board becomes apparent upon examination of recent caseloads in the United States District Courts. The total number of criminal cases commenced in the 93 DISTRICT courts was 36,837 in fiscal 1969, 40,025 in fiscal 1970 and 45,880 in fiscal 1971, or an average caseload of 385 cases per district in 1969, 430 cases in 1970 and 493 cases in 1971. In the District courts of Illinois, for example, the caseloads are distributed as follows:

Northern District of Illinois:
1969—868.
1970—732.
1971—1,020.
Eastern District of Illinois:
1969—93.
1970—168.
1971—162.
Southern District of Illinois:
1969—158.
1970—201.
1971—205.

1971 ATT'Y GEN. ANN. REP. 11, table 1; 1970 ATT'Y GEN. ANN. REP. 16–17, table 1; 1969 ATT'Y GEN. ANN. REP. 105–06 table 1.

[42] During a recent conversation with the author, George Reed, former Chairman of the United States Board of Parole, stated that the parole process will, of necessity, move in the direction of greater regionalization.

[43] *See* note 5 *supra* and accompanying text.

[44] The intensity of the concern for summary disposition was expressed by Judge Lummus several decades ago:

"[T]he prosecutor must subordinate almost everything to the paramount need of disposing of his list during the sitting. Rather than dismiss the excess by nolle prosequi, with no penalty, he must induce in fact guilty to plead guilty in order that some penalty may be imposed. Half a loaf is better than no bread. . . ."

Enker, *Perspectives on Plea Bargaining*, in TASK FORCE REPORT: THE COURTS *supra* note 33, app. C, at 112 *quoting* LUMMUS, THE TRIAL JUDGE 43–46 (1937). *See* Ohlin and Remington, *Sentence Structure: Its Effects Upon Systems for the Administration of Criminal Justice*, 23 LAW & CONTEMP. PROB. 495, 504 (1958). *See generally* ABA PROJECT ON MINIMUM STANDARDS FOR CRIMINAL JUSTICE, STANDARDS RELATING TO GUILTY PLEAS (Approved Draft 1968); D. NEWMAN, CONVICTION: THE DETERMINATION OF CONVICTION WITHOUT TRIAL (1966).

[45] The President's Task Force on the Courts suggests:

"(A) conference between the prosecutor and defense counsel before formal charges are filed would provide an opportunity for them to discuss the appropriateness of noncriminal disposition of the case. . . . When there is a factual basis for the charge, the central concern at the precharge conference should turn on the question of what disposition is most appropriate for the offender and whether prosecution or noncriminal methods are the preferable way to attain that disposition."

TASK FORCE REPORT: THE COURTS, *supra* note 33, at 7–8.

[46] *Hearings on Drug Addiction and Treatment in the District of Columbia Before the Subcomm. on Public Health, Education, Welfare and Safety of the Senate Comm. on the District of Columbia*, 92d Cong., 1st Sess. 14 (1971).

[47] According to statistics compiled by the F.B.I., drunks account for approximately one-third of all arrests. TASK FORCE REPORT: THE COURTS, *supra* note 33, at 99. The success of the Manhattan Bowery Project, however, clearly shows the benefits derived by diverting alcoholics from the system. Arrests for disorderly conduct, loitering and public intoxication in the Bowery during 1968 totalled 3,655. After the institution of a diversion project, arrests on those charges dropped to 157 in 1971. Letter from George V. Pascale, Vera Liaison Office, New York City Police Dept. to Senator Percy, August 30, 1972. *See generally* CITY OF NEW YORK, CRIMINAL JUSTICE COORDINATING COUNCIL TWO YEAR REP. (April 1968-April 1969) [hereinafter cited as CRIMINAL JUSTICE COORDINATING COUNCIL].

[48] Manhattan Court Employment Project, Quarterly Report 5 (2d Quarter, 1971–1972). *See generally* CRIMINAL JUSTICE COORDINATING COUNCIL, *supra* note 47, at 10–12.

[49] Such a program is authorized in S. 3309, 92d Cong., 2d Sess. (1972), introduced by Senator Quentin Burdick and co-sponsored by the author.

[50] *See* R. DAWSON, SENTENCING 11–65 (1969) for a detailed discussion and evaluation of pre-sentencing practices. (Dawson primarily relies upon a comparison of the results of field investigations conducted in the cities of Detroit and Milwaukee and the State of Kansas.)

[51] If the offender is to be incarcerated, the recommendation would include the goals the prisoner must attain in order to be released on parole.

[52] Lay, *A Judicial Mandate*, TRIAL, Nov.-Dec. 1971, at 15.

[53] *Id.*, at 18.

[54] Cross reference to Kutak.

[55] Library of Congress, Procedure for Sentencing Criminals in Foreign Countries, Sept. 30, 1971 (report prepared for Senator Percy). *See also* J. CONRAD, CRIME AND ITS CORRECTION (1967) (a survey of international corrections theories and practices).

[56] For a history of the parole process see, *e.g.*, D. DRESSLER, PRACTICE AND THEORY OF PROBATION AND PAROLE 56–76 (2d ed. 1969); G. GIARDINI, THE PAROLE PROCESS (1959); C. NEWMAN & C. THOMAS, SOURCEBOOK ON PROBATION, PAROLE AND PARDONS (3d ed. 1968); Moran, *The Origins of Parole*, 1945 NATIONAL PROBATION ASSOC. YEARBOOK 71; O'Leary, *Parole Administration* in this *Symposium* at—.

For a history of probation see, *e.g.*, D. DRESSLER, *supra*, at 16–32; United Nations, Dept. of Social Affairs, *The Legal Origins of Probation, in* PROBATION AND PAROLE: SELECTED READINGS 3 (R. Carter and L. Wilkins ed. 1970).

[57] The North Carolina Penal Study Committee, for example, could find: "no logical reason why these persons should not be supervised by one department. The education, training and type of supervision is essentially the same." NORTH CAROLINA PENAL STUDY COMMITTEE, INTERIM REP. 13 (March, 1971) [hereinafter cited as INTERIM REP.].

[58] Despite its lack of manpower, the United States Board of Parole has attempted to provide more detailed justification for its decisions. In two institutions the Board has instituted the use of a check list of reasons for denial of parole. The reasons included (*e.g.*, "He has not done enough in the institution to improve himself"; or "[b]ecause of the nature of the offense, justice requires he be confined for a longer period of time."), are, at best, a slight improvement. See U.S. Board of Parole, Form H–7a.

[59] The North Carolina Penal Study Committee also concluded that "the supervision of all persons convicted of crime and who are released and placed on probation, parole or given conditional release should be supervised under one system. INTERIM RET., *supra* note 57.

[60] "(The court was) mistily engaged in one of ten thousand stages of endless cause, tripping one another up on slippery precedents, groping knee-deep in technicalities, running their goat hair and horse-hair warded heads against walls of words; and making a pretense of equity with serious faces as players might. . . . Well may the court be dim, with wasting candles here and there: well may the fog hang heavy in it, as if it would never get out: well may the stained glass windows lose their colour, and admit no light of day into the place: well may the uninitiated from the streets, who peep in through the glass panes in the door, be deterred from the entrance by its owlish aspect. . . . [B]ut Jarndyce and Jarndyce still drags its weary length before the court, perennially hopeless. The empty court is locked (now). If all the injustice it has committed, and all the misery it has caused, could be locked up in it, and the whole burnt away in a great funeral pyre,—why so much the better." C. DICKENS, BLEAK HOUSE 2, 3, 5 (Riverside ed. 1956).

[61] N. MACHIAVELLI, THE PRINCE 21 (Mod. Library ed., L. Ricci transl. 1940).

[62] The bill was introduced by colleague Congressman Tom Railsback of Illinois as H.R. 13293.

APPENDIX A

A bill to promote more effective operations and management of the Federal corrections system by reorganizing certain functions and creating new organizations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Federal Corrections Reorganization Act".

(b) (1) The Congress hereby declares that a reorganization of the Federal departments and agencies dealing with parole, probation, and other activities relating to the disposition of Federal offenders is necessary to insure a unified and coordinated approach to the rehabilitation of such offenders and the protection of society.

(2) The Congress further declares that the Federal Government has primary responsibility for formulating coordinated Federal corrections policies with regard to prison construction, the appointment and training of corrections personnel, pretrial and posttrial release programs, alternatives to incarceration, the establishment of a national clearinghouse and study center for corrections, and other such activities.

(3) The Congress further declares that the Federal Government has a responsibility in recommending standards and guidelines to States for the operation of programs concerning State correctional facilities, and the treatment of State offenders.

TITLE I—FEDERAL CORRECTIONS ADVISORY COUNCIL

ESTABLISHMENT; COMPOSITION

SEC. 101. (a) There is hereby established the Federal Corrections Advisory Council (hereinafter referred to in this Act as the "Council") which shall consist of the following members:

(1) two members who shall be former inmates of Federal Correction Institutions;

(2) two members who shall be criminologists;

(3) one member who shall be an attorney;

(4) one member who shall be a former or retired judge of a Federal court;

(5) two members who shall be involved in law enforcement;

(6) two members who shall be sociologists;

(7) two members who shall be psychologists;

(8) one member who shall be appointed on the basis of his knowledge and interest in the field of corrections;

(9) one member representing the communications media;

(10) Director of the Federal Bureau of Prisons (ex officio member);

(11) Administrator of Law Enforcement Assistance Administration (ex officio member);

(12) Attorney General of the United States (ex officio member);

(13) Associate Justice of the Supreme Court (ex officio member), who shall be designated by the Chief Justice of the United States;

(14) Secretary of Health, Education, and Welfare (ex officio member);

(15) Secretary of Labor (ex officio member);

(16) Director of the Office of Management and Budget (ex officio member); and

(17) Chairman of the Federal Circuit Offenders Disposition Board (ex officio member).

(b) The Council shall elect, from among its members, one member to serve as Chairman. The Council may appoint and fix the compensation of a Director (who shall be responsible for the administrative duties of the Council) and such other staff personnel as it deems necessary.

(c) Members of the Council designated in clauses (1) through (9) of subsection (a) of this section shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve for terms of five years, except that of such members first appointed, two shall serve for terms of one year, two shall serve for terms of two years, two shall serve for terms of three years, two shall serve for terms of four years, and one shall serve for a term of five years, as designated by the President at the time such appointments are made. Members shall be eligible for reappointment.

(d) (1) Members of the Council designated in clauses (1) through (9) of subsection (a) of this section shall receive compensation at the rate of $100 for each day on which they are engaged in the performance of duties of the Council, and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses reasonably incurred in the performance of the duties of the Council.

(2) Members of the Council serving ex officio shall serve as members of the Council without additional compensation, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses reasonably incurred in the performance of the duties of the Council.

(e) The first meeting of the Council shall be called by the Attorney General of the United States.

PURPOSE OF COUNCIL

SEC. 102. It shall be the purpose of the Council—

(1) to exercise an investigative and advisory role in the oversight and direction of the Federal corrections system;

(2) to recommend standards and guidelines for States to meet before being eligible to receive grants under any Federal program involving State law enforcement and correction agencies; and

(3) to serve as a clearinghouse for study, planning, and dissemination of information in the field of corrections.

FUNCTIONS OF COUNCIL

SEC. 103. (a) The Council shall recommend to the courts of the United States and other appropriate Federal instrumentalities and officers, guidelines, and standards for—

(1) the training and appointment of correctional employees within the Federal system;

(2) the design of the physical plan and facilities of Federal prisons and the replacement of existing Federal correctional institutions;

(3) the operations of all Federal correctional institutions;

(4) pretrial and posttrial release programs;

(5) the operation of the Bureau of Prisons; and

(6) States to meet as a condition of eligibility for Federal grants which may be made by the Law Enforcement Assistance Administration, or any other Federal instrumentality when such grant has a substantial relationship to corrections, pretrial release, posttrial release, or alternatives to incarceration.

(b) The Council shall establish an information and study center for—

(1) the collection, evaluation, and dissemination to appropriate Federal, State, or private organizations of information relating to corrections and corrections reform;

(2) the training of personnel in the field of Federal and State corrections, including parole and probation personnel;

(3) conducting seminars for attorneys, judges, administrators, Federal and State correctional officials, ex-offenders, and students of the correctional system;

(4) the study, analysis, and encouragement of plans and projects relating to corrections submitted or recommended by private organizations;

(5) the development of a plan which, if adopted, would reorganize the Federal corrections system in a manner which, within the five-year period following the date of the enactment of this Act, would give the Federal courts maximum flexibility in deciding upon the disposition and treatment of Federal offenders, and which would give the district court disposition boards and Federal prison authorities maximum flexibility with respect to disposition and treatment; and

(6) the study of plans and petitions from Federal prisoners and ex-offenders.

(c) The Council shall submit annually to the President of the United States, the Chief Justice of the United States and the Congress (through the Committees on Government Operations, Appropriations, and Judiciary of the Senate and House of Representatives) a public report which shall—

(1) examine the effectiveness of the various Federal programs and activities relating to the field of corrections;

(2) review and assess other programs in the field of corrections which are unique or otherwise of national significance;

(3) recommend legislative action to the Congress, and recommend to the President and the Chief Justice administrative actions which could be taken by the executive and judicial branches, to improve the system of corrections;

(4) comment specifically on the implementation of the recommendations of the so-called Wickersham Commission (the National Commission on Law Observance and Enforcement—1931), and the report of the President's Commission on Law Enforcement and Administration of Justice—"The Challenge of Crime in a Free Society"; and

(5) comment specifically on the introduction of legislation to establish academies for correctional officers training on either a national or regional basis.

(d) In carrying out its functions under this act, the Council shall insure the coordination and integration of policies and programs respecting the disposition, treatment, and rehabilitation of offenders on the Federal and State levels.

(e) The Council shall assist in the development of funding requests for all Federal instrumentalities which participate in or contribute to the areas of correction and the rehabilitation of offenders, and shall, upon request, be available to advise the Congress on matters involving the allocation of Federal resources in such areas.

(f) Any vacancy in the membership of the Council shall not affect its powers and shall be filled in the same manner as the original appointment was made.

(g) The Council may establish such temporary task forces as it may deem necessary.

(h) The Council is authorized to enter contracts or other arrangements for goods or services, with public or private profit organizations, to assist it in carrying out its duties and functions under this Act.

TITLE II—FEDERAL CIRCUIT OFFENDER DISPOSITION BOARD

Establishment; Composition

Sec. 201. (a) There is hereby established the Federal Circuit Offender Disposition Board (hereinafter referred to in this Act as the "Circuit Board"), which shall be composed of eleven members appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall represent diverse backgrounds, including, but not limited to, the fields of correction, psychiatry, psychology, sociology, law, medicine, education, and vocational training. Such members shall serve for terms of four years, except that, of the members first appointed, three shall serve for terms of one year, three shall serve for terms of two years, three shall serve for terms of three years, and two shall serve for terms of four years, as designated by the President at the time of their appointment, each member shall be designated by the President to represent a specific judicial circuit. The Attorney General shall call the first meeting of the Circuit Board within six months of enactment.

(b) The Circuit Board shall elect, from among its members, one member to serve as Chairman. The Chairman shall represent the Circuit Board on the Council. The Circuit Board is authorized to appoint and fix the compensation of such employees as it determines necessary to carry out its duties under this Act.

(c) Members of the Board shall receive compensation at the rate of $100 for each day on which they are engaged in the performance of the duties of the Board, and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses reasonably incurred in the performance of the duties of the Board.

(d) The Circuit Board is authorized to enter into contracts or other arrangements for goods or services, with public or private profit organizations, to assist it in carrying out its duties and functions under this Act.

Functions

Sec. 202. It shall be the function of the Circuit Board to formulate, promulgate, and oversee a national policy on the treatment of offenders under the jurisdiction of any court of the United States on the basis of a charge of having violated any of the laws of the United States. In carrying out such function, the Circuit Board shall, among other things—

(1) establish and recommend sentencing guidelines and standards for the United States courts, and provide periodic review thereof;

(2) establish guidelines and standards for the United States courts in probation, parole, or other forms of release of offenders;

(3) hear appeals by offenders denied parole on the sole ground that a District Board deviated from the established national guidelines and standards established pursuant to clause (2) of this section;

(4) assist and advise the Council in determining overall Federal correction policy;

(5) assign to each member of the Board the responsibility of overseeing the direction and operation of the various District Boards within the circuit which such member represents; and

(6) assign each member of the Board the responsibility of notifying the President of the United States of any vacancy on the various District Boards within the circuit which such member represents.

Reports

Sec. 203. The Board shall, not less than annually, make a written report to the Attorney General concerning the carrying out of its functions and duties under this Act.

TITLE III—DISTRICT COURT DISPOSITION BOARDS

Establishment; Composition

Sec. 301. (a) There is hereby established in each judicial district a District Court Disposition Board (hereinafter referred to in this Act as the "District Board"), which shall be composed of not less than five members appointed by the President of the United States, by and with the advice and consent of the Senate, and representing diverse backgrounds, including, but not limited to, the fields of corrective, psychiatry, psychology, sociology, law, medicine, education, and vocational training. Such members shall serve terms of six years, and shall be eligible for reappointment. The Board shall elect, from among its members one member to serve as Chairman. The Board may appoint and fix the compensation of such employees as it determines are necessary to carry out its duties under this Act. The Attorney General shall call the first meeting of each District Board.

(b) Each member of a District Board shall be compensated in an amount equal to $——— per annum, and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses reasonably incurred in the performance of the duties of the Board.

(c) Each District Board may establish such units as it determines necessary, which may include an investigation unit, a pretrial evaluation unit, a presentence unit, a youthful offender unit, and a narcotics and alcohol unit. Each unit shall consist of such members as shall be determined by the Board. Each unit, with the approval of the Board, shall be authorized to appoint and fix the compensation of such employees as it determines are necessary to carry out its duties.

(d) Immediately following the arraignment of a person charged with a Federal offense, the case shall be assigned to the District Board, which shall—

(1) investigate the defendant's background, family ties, relationship with the community, employment history, and the circumstances surrounding the alleged offense, and other information which it deems pertinent;

(2) recommend, if indicated, mental observation, or medical observation for problems such as alcoholism, drug addiction, or other mental or physical disabilities; and

(3) submit, within thirty days of arraignment, a written report to the counsel of record for such defendant, and the office of the United States attorney having jurisdiction over the case.

(e) The report shall set forth the findings and conclusions of the District Board, including its conclusions as to any physical, mental, social, economic, or other problems of the defendant and shall recommend whether and what type of diversion of the defendant from the criminal justice system of prosecution is desirable. The report shall be made part of the permanent record of the defendant's case.

(f) The report shall be the basis for discussion between the United States attorney and counsel of record for the defendant at a formal precharge conference, during which the report and alternatives to prosecution shall be considered. If the United States attorney and counsel for the defendant agree that diversion of the defendant from the criminal prosecution system would be desirable, and an appropriate authorized diversion program exists, then the charges against the defendant shall be suspended for up to twelve calendar months, subject to the defendant agreeing to participate in that program. The Board shall file with the court a statement of the date the defendant has commenced participation in the program. The United States attorney shall make periodic reviews as to the progress of the defendant while participating in the program. If the United States attorney is not satisfied with the defendant's progress, he may resume prosecution of the charges by filing, within one year after the defendant commenced participation in the program, a statement of intention to resume prosecution, which shall include the reasons for resumption of prosecution. If the United States attorney does not file a timely statement of intention to resume prosecution of the charges against the defendant, the charges shall be permanently dismissed. The statement of intention by the United States attorney to resume prosecution shall be included in the record of the case.

(g) If a defendant is prosecuted for, and convicted of, a Federal offense, the court shall refer the record of the case to the appropriate District Board for review and consideration prior to sentencing. The Board shall examine and review the record, the pretrial evaluation report and other pertinent information concerning the case, including the recommendations of counsel for the defendant. Within thirty days after receiving the record, the Board shall file a written report with the court, the counsel for the defendant, and the United States attorney, such report shall include—

(1) the sentence recommended by the Board, which may be a suspended sentence, probation, imprisonment, or any alternative authorized by law to imprisonment;

(2) the reasons for the sentence recommended; and

(3) if imprisonment is recommended—

(A) the reason imprisonment is recommended (such as for reasons of punishment, deterrence or rehabilitation) and what alternatives were considered as inapplicable, and the reasons therefor;

(B) the term of imprisonment recommended and the institution or facility in which the imprisonment is recommended to be carried out; and

(C) the goals for the offender to attain while so imprisoned which, when attained, should entitle him to parole, but the goals may, from time to time, be revised by the District Board.

(h) If the court determines not to follow the recommendations of the District Board, it shall so state in writing along with the reasons therefor, and the purposes and goals of its sentence.

(i) The District Board shall carry out, with respect to a defendant who has been sentenced, the functions relating to probation, parole, or other form of release (as the case may be) transferred to the Board pursuant to section 401 of this Act. In carrying out those fuctions, the District Board shall hold an annual hearing with respect to each offender who has been sentenced to imprisonment. In the hearing, all pertinent information concerning the offender shall be reviewed with a view to determining the progress of the offender in attaining the goals established for him by the District Board. At the hearing the offender shall have the right to be represented by counsel, to submit evidence, and to cross examine witnesses. Within fourteen days following the conclusion of the hearing, the Board shall make its determination as to whether the offender should be released on parole or other authorized alternative action taken. A determination by the Board to authorize release on parole of an offender eligible for parole shall be accompanied by a statement of the conditions of parole. If the Board determines that an offender who is not eligible for parole should be released on parole, it shall recommend to the appropriate court that the sentence of the offender be reduced so that the offender may be so released, or that an authorized alternative disposition be made. Within fourteen days after the determination, the District Board shall submit to the offender and to the appropriate court a written report containing the decision of the Board and the reasons therefor, including the views of the Board with respect to the goals the offender has attained and the goals he has not yet attained.

(j) A quorum for any hearing held pursuant to subsection (i) shall be not less than three members of the District Board.

(k) The decision of the District Board may be appealed to the Circuit Board by the offender affected by the decision solely on the basis that the District Board, in conducting the hearing, failed to follow the standards and guidelines established by the Circuit Board pursuant to section 202(2) of this Act. Nothing in this section shall be construed as abridging the right of an offender to appeal a sentence to the Federal courts.

(l) The District Boards are authorized to enter into contracts or other arrangements for goods or services, with public or private profit organizations to assist them in carrying out its duties and functions under this Act.

TITLE IV—TRANSFER OF FUNCTIONS

PAROLE; PROBATION

SEC. 401. There are hereby transferred to the District Boards established by this Act all functions which were carried out immediately before the effective date of this section—

(1) by the Federal Board of Parole;

(2) by any United States court relating to the appointment and supervision of probation officers;

(3) by the Attorney General relating to the prescribing of duties of probation officers; and

(4) by the Director of the Administration Office of the United States Courts relating to probation officers and the operation of the probation system in the United States courts.

MISCELLANEOUS

SEC. 402. (a) With respect to any function transferred by this title and exercised after the effective date of this section, reference in any other Federal law, rule, or regulation to any Federal instrumentality or officer from which or whose functions are transferred by this Act shall be deemed to mean the instrumentality or officer in which or whom such function is vested by this Act.

(b) In the exercise of any function transferred by this Act, the appropriate officer of the District Board to which such functions were so transferred shall have the same authority as that vested in the officer exercising such function immediately preceding its transfer, and such officer's actions in exercising such functions shall have the same force and effect as when exercised by such officer having such function prior to its transfer by this title.

(c) All personnel (other than the members of the Board of Parole), assets, liabilities, property and records as are determined by the Director of the Office of Management and Budget to be employed, held or used primarily in connection with any function transferred by this title are hereby transferred to the District Boards in such manner and to such extent as the said Director shall prescribe. Such personnel shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions.

(d) Effective on the effective date of section 401 of this Act, the Board of Parole shall lapse.

(e) As used in this Act, the term "function" includes powers and duties.

EFFECTIVE DATE

SEC. 403. Sections 102, 103, 202, subsections (d), (e), (f), (g), (h), (i), (j), and (k) of section 301, and sections 401 and 402 of this Act shall take effect upon the expiration of the one-hundred-and-twenty-day period following the date of the enactment of this Act. All other provisions of this Act shall take effect upon the date of its enactment.

DEFINITION

SEC. 404. As used in this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands and Guam.

AUTHORIZATIONS

SEC. 405. (a) On and after the date of the enactment of this Act, all moneys received by any court of the United States as fines, penalties, forfeitures and otherwise shall be deposited in the Treasury to the credit of Federal Circuit Offender Disposition Board and shall be available for carrying out the purposes of this Act.

(b) There are authorized to be appropriated such sums as may be necessary in addition to those available pursuant to subsection (a) of this section to carry out the provisions of this Act.

APPENDIX B

Listing of programs designed to benefit the criminal offender

[Amount applicable to criminal offender—fiscal year 1971]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE	
Office of Education:	
Vocational Education	$1,188,000
Adult Education Program	2,381,000
Title I of the Elementary and Secondary Education Act of 1965	19,100,000
Title II of the Elementary and Secondary Education Act of 1965	(1)
Teacher Corps Program	1,502,000
Project START [2]	90,000
Drug Education Program	(1)
Nationwide Education Programs in Corrections	400,000
Career Opportunities Program	$112,000
Community Service Program	29,000
Title I of the Library Services and Construction Act	(1)
Health Services and Mental Health Administration:	
Research on criminal behavior and on the sociology of crime	2,200,000
Supporting research and development—Corrections	2,100,000
Narcotic Addict Rehabilitation Program	6,591,000
Training of social workers, psychiatrists, and paraprofessionals in the correctional field	5,167,000
Narcotic Addict Community Assistance Program	18,939,000
Social and Rehabilitation Service:	
Title I of the Juvenile Delinquency Prevention and Control Act of 1968	634,256
Title II of the Juvenile Delinquency Prevention and Control Act of 1968	2,530,000
DEPARTMENT OF LABOR	
Offender Rehabilitation Program	15,900,000
OFFICE OF ECONOMIC OPPORTUNITY	
Legal Services Program	(1)
Drug Rehabilitation Program	(1)
Volunteers in Service to America (VISTA)	(1)
Other Programs and Projects [3]	5,410,950
DEPARTMENT OF THE INTERIOR	
Employment Assistance Program	200,000
CORPS OF ENGINEERS	
Rehabilitated Offender Program	6,300
ENVIRONMENTAL PROTECTION AGENCY	
Physically Handicapped Program	(1)
DEPARTMENT OF AGRICULTURE	
Extension Service	(1)
Forest Service	(1)
U.S. POSTAL SERVICE	
Job Opportunity Program	(1)
Postal Academy Program	(1)
DEPARTMENT OF JUSTICE	
Law Enforcement Assistance Administration:	
Block grants under title I, Omnibus Crime Control and Safe Streets Act	(1 4)
Discretionary grants under title I, part C, of the act [5]	18,969,625
National Institute of Law Enforcement and Criminal Justice	2,100,000
Grants under title I, part E, of the act	(6)
Other bureaus:	
Rehabilitation of offenders [7]	22,170,000
Treatment of narcotics and dangerous drug offenders	2,428,000
Federal Prison Industries, Incorporated [8]	44,500,000
JUDICIAL BRANCH (FEDERAL PROBATION SERVICE)	
Services of probation officers	17,500,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	
Model cities program	(1)
Total	192,148,131

[1] We were unable to determine the amount of funds being applied to programs or projects affecting the criminal offender. For more details, see appendix II.

[2] This project was co-funded. The Office of Education contributed $75,500, and the Civil

Service Commission provided the remaining $14,500.

[3] This total is a sum of the examples presented on page 16 in appendix II and is not to be considered all inclusive.

[4] Part C includes estimated expenditures of $50,660,000 for correction and rehabilitation. Information was not available, however, to show how much of this money would be spent to benefit the criminal offender.

[5] Our analysis included only those projects interpreted as having direct impact on the criminal offender. Projects having indirect impact, such as research projects and studies, were excluded.

[6] The amount budgeted for part E was $47,500,000 for fiscal year 1971. Information was not available to show the amount of funds to be spent for projects to benefit the criminal offender.

[7] The amount includes $20,990,000 from the Bureau of Prisons. The total appropriations for the Bureau were about $74.9 million for fiscal year 1969, $87.6 million for fiscal year 1970, and $120.2 million for fiscal year 1971. In this report we included only those funds that we could identify as being expended for programs and projects to benefit the criminal offender.

[8] This figure represents the total sales for fiscal year 1971. Net industrial profits were about $5 million. The Federal correctional institutions' vocational training programs are funded from these profits.

CORVAIR STABILITY CONTROVERSY

Mr. RIBICOFF. Mr. President, on March 14, 1973, I released the results of a 2½ year staff study of charges by Mr. Ralph Nader that representatives of General Motors had misled the Subcommittee on Executive Reorganization concerning the safety of the 1960–63 Corvair automobile at a hearing on March 22, 1966. The staff found that GM had not misled the subcommittee and I therefore informed Mr. Nader that I saw no reason to hold any further hearings on this matter.

I intended to place the staff report and related exhibits in the RECORD March 14, but, in response to a request from Mr. Nader, I agreed to delay doing so until he had an opportunity to comment on the report. Yesterday, Mr. Nader sent me a lengthy letter, memorandum and other material concerning the report which shall appear in the RECORD after the staff report. Following Mr. Nader's material will appear a response to his memorandum by my staff. This material will provide a complete public record on this important controversy.

To assist the public in reading and understanding this material, I have prepared the following brief table of contents:

Attachment I Staff Investigation Report and Exhibits.

Attachment II Nader letter to Senator RIBICOFF dated March 12, 1973.

Attachment III RIBICOFF letter to Nader dated March 14, 1973, and staff memorandum in response to Nader letter.

Attachment IV Nader letter to Senator RIBICOFF dated March 26, 1973.

Attachment V Nader staff memorandum and exhibits.

Attachment VI RIBICOFF letter to Nader dated March 27, 1973, and staff memorandum in response to Nader letter and memorandum.

Having complied with the rules of the Joint Committee on Printing, I ask unanimous consent that these documents be printed at this point in the RECORD.

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

ATTACHMENT I—STAFF INVESTIGATION REPORT AND EXHIBITS

To: Senator RIBICOFF.
From: Robert Wager and John Koskinen.
Re: Corvair Stability Controversy.

I. SUMMARY

For more than two and a half years, we have conducted an extensive investigation into Mr. Ralph Nader's charges that statements of certain General Motors witnesses at the hearing of March 22, 1966, misled the Subcommittee on Executive Reorganization concerning the safety of the Corvair automobile. After consideration of all the relevant evidence, we have concluded that the subcommittee was not misled and hence there is no basis for reopening the hearings for further testimony on the stability and handling of the Corvair.

Although we have not upheld Mr. Nader's charges against the Corvair and General Motors, we believe they were made in good faith based on the information available to him. After gathering all the evidence concerning them, we can understand how he reached the positions stated in his letters. The documents he cites provide some support for his views. However, we believe the clear preponderance of the evidence, much of which was unavailable to Mr. Nader, is on the other side.

II. BACKGROUND

A. The 1966 Hearings

We believe it is best to begin by reviewing the testimony at the hearing relating to the Corvair. The subject of the hearing on March 22, 1966, was General Motors' (hereinafter GM) investigation and surveillance of Mr. Nader's personal life (Tr. 1380). The issue of Corvair safety was first discussed by Mr. Aloysius F. Power, general counsel of GM, when he maintained that the Corvair was not unsafe, and cited two court cases, *Anderson* v. *GM*, and *Collins* v. *GM*, in which GM had won jury verdicts (Tr. 1409).

Mr. Nader's (hereinafter Nader) testimony followed the GM witnesses and was devoted in large part to an attack on the safety of the Corvair (Tr. 1469–1500). His statement described the Corvair as "an inordinately dangerous vehicle" (Tr. 1469), and he submitted for the record a design study of the Corvair prepared at his request by a New York consulting firm (Tr. 1471).

In a short rebuttal, Mr. James Roche, chairman of GM, asked to have inserted in the record a copy of the statement made by Mr. Louis Bridenstine, assistant general counsel of GM, and Mr. Frank Winchell (hereinafter Winchell), chief of research and development at Chevrolet, to the Michigan Legislature in February 1966 (Tr. 1554). Mr. Bridenstine's statement to the Michigan Legislature said in part:

"* * * to assure that your committee is not misled, we can advise you regarding litigation already terminated. In the only two cases in which this claim that the Corvair is defectively designed has been tried and decided, the juries in both instances returned verdicts in favor of General Motors * * *. In both cases, and under proper rules of procedure and evidence, the juries disagreed with plaintiffs' counsel and agreed with our position. (Tr. 1555)."

Winchell's statement to the Michigan Legislature explained certain automotive engineering terms relating to vehicle dynamics, described the stability and handling characteristics of the 1960–65 Corvair, and commented upon Michigan Senate bill 773, which would have established a lateral acceleration standard of 0.75 for all vehicles operated within the State (Tr. 1559–63).

The printed hearings of the subcommittee contained additional material relating to the safety of the Corvair. This includes a rebuttal to Winchell's statement by Dr. Thomas Manos, associate professor of mechanical engineering at the University of Detroit, and a plaintiff's witness in certain (*Anderson, Collins, and others*) Corvair court cases (Tr. 1564–70), a statement by Mr. Harry M. Philo, one of the plaintiffs' attorneys in the *Anderson* case, entitled "Accident Reconstruction Problems in Corvair Cases" (Tr. 1570–72), and a copy of the complaint in *Franklin* v. *GM*, one of the leading Corvair cases of the time (Tr. 1573–80).

The committee report to the Senate on the Federal role in traffic safety noted the continuing controversy over the Corvair. It said:

"During the hearing, and in documents submitted for the record, the safety of the Corvair automobile was debated. The subcommittee reaches no conclusions on this matter. The subcommittee lacks the technical competence to do so. Moreover, such an inquiry is beyond the purpose of the hearing and the jurisdiction of the subcommittee. This is not the proper forum to decide that issue. (S. Rept. 951, 90th Cong., second sess., 1968, p. 33.)"

Thus, the subcommittee made no determination about the safety of the Corvair as a result of the 1966 hearings. Moreover, we had no jurisdiction over the 1966 traffic and highway safety legislation. Accordingly, it is difficult to see any substantive effect on the subcommittee from the GM statements concerning the Corvair.

The safety of the 1960–63 Corvair design has been heavily litigated. Nearly 300 cases have been filed, of which about 30 are still pending. The potential liability from the pending cases exceeds $40 million.

The subcommittee had no further involvement with the Corvair until Nader's letters to you and Secretary Volpe on September 4, 1970, requesting that you and the Department of Transportation undertake official investigations into the safety of the vehicle and GM's actions concerning it. These letters, and subsequent correspondence, are attached as exhibit 5.

B. Department of Transportation evaluation of the stability and handling of the 1960–63 Corvair

In response to Nader's request, and in accordance with his suggestions, the Department of Transportation (DOT) conducted extensive performance tests of the 1962 Corvair and five other contemporary vehicles—a 1962 Falcon, 1962 Volkswagen, 1963 Renault, 1960 Valiant and a 1967 Corvair. To assist the Department in evaluating the results, it employed three independent, outside technical experts.

The tests were conducted at the Texas Transportation Institute (TTI) under the supervision of DOT engineers in the summer of 1971. All vehicles were instrumented and every test was filmed. The five test maneuvers selected by DOT were designed to disclose any instability or susceptibility to rollover.

After examining the data and films, the DOT concluded in July 1972 that "the handling and stability performance of the 1960–63 Corvair does not result in abnormal potential for loss of control or rollover and its handling and stability performance is at least as good as [the other vehicles tested.]" DOT Report, p. 93.

After independently reviewing the test results, the panel reached the same conclusion and added, "the 1960–63 Corvair does not have a safety defect and is not more un-

stable or more likely to rollover than contemporary automobiles." (Panel Report, p. 3.)

The conclusion of the DOT and its independent panel are consistent with the results of tests performed by Consumer Union, Ford Motor Co., GM, and with statements of expert witnesses questioned during our investigation.

Nader has challenged the validity of the DOT conclusions, claiming that they conflict with earlier tests conducted by the University of Michigan Highway Safety Research Institute (HSRI). Nader further asserts that the DOT ignored both relevant Corvair accident statistics developed by Professor B. J. Campbell at the University of North Carolina, and GM test report PG 11106, which showed that a 1960 Corvair overturned in a J-turn at 25 mph. Nader's comments on the background of the DOT tests and his analysis of them, prepared by Dr. Carl Nash, are attached as exhibit 1. This material has also been submitted to the Senate Commerce Committee.

Many of Nader's contentions are technical and we do not have the capability to evaluate them fully. We asked the DOT to give us its analysis and response to his claims. After considering them, the DOT reaffirmed its previous conclusions. The DOT letter is attached as exhibit 2.

Nader places great reliance on the HSRI test results, pointing out that the Corvair rolled over in the HSRI drastic steer-drastic brake maneuver when tested in a lightly loaded condition. (It did not roll over in the corresponding DOT tests when loaded with an additional 615 pounds.)

We asked DOT to explain the difference in result between its own tests and those conducted at the HSRI. In response, DOT advised us that at the conclusion of the drastic steer brake comparative tests it noted the results were not the same as those obtained by HSRI. Accordingly, DOT decided to conduct another series of tests on the Corvair in a lightly loaded condition.

DOT described the test results as follows:

"No outrigger contact (i.e., simulated overturning) occurred during any of the TTI 28 p.s.i. (hot) front and rear tire noncomparative maneuvers. During one 50 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver, with the tires that had the unique sidewall, shoulder, and tread wear from previous severe limit maneuvers, outrigger contact occurred. The tires were switched so the tires with the smaller amount of wear from the limit maneuvers were placed on the outboard side of the vehicle in the turn and the tires with the greater amount of wear were on the inboard side of the turn. No outrigger contact occurred at either the same steering input or more severe steering inputs up to the limit of the equipment.

"During the 60 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver again with tires worn from previous severe limit maneuvers, no outrigger contact occurred until the last run with the maximum (for the equipment) steering input. When the rear tires were switched left to right and right to left and the maneuver repeated at this maximum input, no outrigger contact occurred. . . .

"The tires in the 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative tests were tires that had the unique wear patterns from previous severe limit maneuvers similar to those believed to be on the Corvair during the HSRI drastic brake maneuver. The tires on the 28 p.s.i. (hot) front and rear TTI noncomparative tests were tires that had not been used in previous limit maneuvers. These tires were broken-in and the wear monitored in accordance with the procedures of the comparative test program. The wear referred to is that resulting from severe limit maneuvers, not normal highway wear."

DOT believes its results are valid and pointed out "considerable and important differences" between the HSRI and TTI tests:

"One significant difference was the condition of the test surfaces which in both cases were former aircraft runways. The surface in the original HSRI tests, which they recognized as being in poor condition, was concrete that was spalled and cracked with marked irregularities and uneven displacement at the divider strips. The test surface at TTI on the other hand was in much better condition, with more even and uniform surface and less distortion at the divider strips. HSRI personnel aided in the selection of the TTI test site and recommended the actual area on the runway that was subsequently used . . . .

"Another significant difference was the effect of using tires that had unique and abnormal sidewall, shoulder, and tread wear patterns resulting from previous severe limit maneuvers and using tires that had been broken-in and the wear monitored to assure uniformity and repeatability in the tests."

In a follow up study to the one cited by Nader, but not noted in his material, HSRI found "a dramatic sensitivity of peak side force to tire shoulder wear—the type of wear which occurs during limit turning tests." Vehicle Handling Performance, Summary Report, November, 1972, p. 5. Therefore, HSRI concluded that "adequate measurements of 'O.E.' limit cornering performance cannot be made for certain tire-vehicle systems by a testing method which utilizes repetitive runs as a means of searching for the limit, since the testing process acts to alter the O.E. condition." Ibid, p. 17.

This finding and conclusion are particularly relevant in comparing the results of the original HSRI and TTI tests. Robert Ervin, the HSRI engineer who conducted the 1970 tests, told us that the tires were not checked for wear nor were they rotated during the tests. All six test maneuvers were performed on one set of four tires, Ervin stated. This would tend to confirm DOT's assertion that the tire wear characteristics were a significant difference in the two tests. It would also be consistent with another recent report from HSRI which declared that "tires are probably the single most important vehicle component in determining how the vehicle responds in extreme steering and braking maneuvers." Limit Handling Performance as Influenced by Degradation of Steering and Suspension systems, November 1972, volume 1, p. 26.

Another important point should be made about the tires used in the HSRI and TTI tests. DOT installed original equipment type tires on the Corvair at TTI, but Ervin told us that the HSRI Corvair was equipped with three different make and model tires. (Two Peerless and two others from different manufacturers. Ervin could not recall them, and the car has been disposed of by HSRI.

Use of these tires by HSRI may have substantially affected the stability and handling performance of the Corvair. Earlier in our investigation, as discussed further in the Corporate Responsibility section below, we found that certain after-market tires significantly changed the handling characteristics of the Corvair and other cars. Though some attention has been given to the danger which may result from mixing radial and bias ply tires, particularly snow tires, there has been no recognition that serious stability and handling problems may arise from the use of certain replacement tires. As indicated below, this subject requires further study by DOT, the tire manufacturers and auto companies.

As a third reason for the difference in result between its own tests and those of HSRI, DOT noted that the drastic steer-drastic brake maneuver conducted with the lightly loaded Corvair at TTI involved "more severe" speeds and steering wheel inputs than those performed at HSRI.

Finally, DOT concluded, "none of the miscellaneous test material and data modifies our previously announced decision that the handling and stability performance of the 1960–63 Corvair does not result in an abnormal potential for loss of control or rollover and that its handling and stability performance is at least as good as the performance of some contemporary vehicles both foreign and domestic. If anything it adds support to our decisions relative to importance of certain controls necessary for this type of testing. . . ." DOT then asked the panel members whether the results of the lightly loaded vehicle tests would cause them to change their conclusions or report. "Each [of them] indicated that it would not," DOT told us.

Further analyses of the TTI tests also support the views of DOT and the panel. Nader stresses the additional 615 pounds carried in the Corvair during the comparative DOT tests, claiming they made the car more resistant to spinout and overturning. Background p. 14.

It is true that this weight increased the *initial* resistance to spinout and rollover by about 20 percent. But after the brakes were applied in the drastic steer-drastic brake maneuver, this weight provided 20 percent *more* energy toward spinout and rollover. This is the result of the well-known flywheel effect. The added weight made it more difficult to reach the point where spinout or rollover would occur, but once that point was reached, the additional 615 pounds made it more likely that these responses would occur. (See explanation attached as exhibit 3.) This is implicit in the GM recommendation that the Corvair be tested in a lightly loaded condition. See GM submission to DOT, Proposed Vehicle Testing Procedure, p. 1–3. Accordingly, we do not believe that the additional weight tended to make the Corvair more stable in limit of control maneuvers, rather it tended to make the car more unstable and hence made a spinout or rollover more likely than if the vehicle were tested in a lightly loaded condition.

In summary, we believe that neither the HSRI test results nor the additional weight carried in the Corvair during the comparative DOT test runs provide a sufficient basis for invalidating the conclusions reached in the DOT and panel reports.

Second, Nader asserts that DOT "dismissed" data compiled by Professor B. J. Campbell of the University of North Carolina. Nader claims that Campbell's data is "more directly indicative of the handling and stability problem which the Corvair and other rear-engine swing axle cars have since it directly measures the incidence of crashes which are most likely to be due to handling defects." Analysis, p. 11.

The DOT report discussed the Campbell data and noted the relationship of the accident statistics to the changes in the Corvair suspension. (See report, p. 32–33). But it declined to draw any specific conclusion from the data "in view of unexplained changes in the same data for other vehicles, such as the Chevy II, and Valiant about which there is no knowledge of any pertinent changes in the vehicle during the related periods." Report, p. 32.

We called Professor Campbell to discuss his data and its significance. He explained that he had studied more than 270,000 auto accidents over a period of two years in North Carolina, and had divided them into seven categories: ran off road, car v. fixed object, car v. other object, car v. car, car v. truck, multiple vehicle, and other. A summary of his Corvair data is attached as exhibit 4.

Differing with Nader's interpretation of his classification system, Professor Campbell told us that it did not "directly measure" the incidence of crashes due to handling defects. He pointed out that a car may go

off the road or become involved in another type of accident for a number of reasons other than loss of control caused by a handling defect. Campbell believes Nader has overstated the conclusions which may be drawn from his classification system.

Continuing, Campbell stated that the trend of the Corvair ran off road accidents statistics corresponds to changes made in the rear suspension in 1964 and '65. But he pointed out two important caveats which must be considered when interpreting the data:

1. The Corvair pattern is not unique. The Corvette (which has never been challenged on its stability and handling) has an even higher percentage of off road crashes. (See exhibit 4.) Accordingly, Campbell observed that his present data does not permit a conclusion that the Corvair accidents are due to its rear suspension and the Corvette crashes to another cause. "You can't have it both ways," Professor Campbell declared. Logically, both sets of data require a consistent conclusion.

2. While the Corvair's percentage of off road crashes is relatively high, Campbell noted that in assessing its total handling performance, you must also take into consideration its less than average number of accidents in other categories. For example, Campbell's statistics show that the 1960–63 Corvair is consistently involved in significantly less than average truck and multiple vehicle accidents.

We asked Professor Campbell what conclusions he has reached on the basis of his study of the Corvair. He replied that up to the limit of control [.6g] he believes the car is perfectly satisfactory. He told us he had owned a '61 Corvair, driven it 70,000 miles and was satisfied with its performance. But at the limit of control it performs differently from most other cars, he thinks. We then asked him whether he believed this difference was sufficient to justify the finding of a defect and consequent recall. He answered, "no." "The benefit to the public does not justify the cost. If I were [Douglas] Toms [Director of the NHTSA], I would not recall the Corvair," he concluded.

Finally, Nader contends that DOT accepted GM's unsupported claims that PG 15699 and 17103 were not relevant to its inquiry. Analysis p. 13. He maintains that PG Report 11106 showed the Corvair's lack of stability by rolling on its side in a J-turn maneuver at 25 mph. Analysis, p. 14.

Test reports 15699 and 17103 are discussed below. Report 11106 is also a rollover test similar to the later ones. There is nothing significantly new or different in it.

In answer to Nader's charge DOT wrote us,

"The NHTSA did not accept the opinions or conclusions of either the proponents or opponents of the Corvair without question. We did solicit and accept films, data and information from various sources and read and listened to many opinions. The Administration then sifted and evaluated these inputs to arrive at our own independent conclusions. The fact that we may have arrived at the same conclusions as someone else does not mean they were adopted without question. Allegations to the contrary are simply not true.

"More specifically, NHTSA's evaluation of the significance of these GM rollover tests is documented on pages 34 and 35 of the NHTSA report and the summary is quoted here for your information:

" 'In summary, because of the nature and severity of these development tests which were not representative of the practical driving environment, these tests should not reasonably be interpreted to conclude that 1960–1963 Corvair is susceptible to rollover at low speeds on a flat surface in the normal driving environment.'

"The foregoing is NHTSA's evaluation—not GM's."

To conclude this section, we do not believe that Nader's criticisms of the DOT report justify rejecting its conclusions. As noted above, we do not have the technical capability to make an independent engineering evaluation of the stability and handling of the Corvair. Congress established the National Highway Traffic Safety Administration to make just such technical judgments. We must accept its conclusions where, as here, they appear reasonable and its tests were conducted in accordance with Nader's suggestions. Of course, our decision in this matter is limited to the context of this report. The Senate Commerce Committee will make its own determination of the quality and competence of the DOT report.

We shall now consider Nader's charges concerning GM's conduct in certain Corvair lawsuits, its statements to the subcommittee and the Michigan Senate, and its handling of certain documents. These matters deserve separate consideration from the technical issues.

C. Charges concerning the Corvair

Nader's letter to you on September 4, 1970, alleged that GM officials knowingly misled the subcommittee regarding the safety of the Corvair by "suppression of test data and films * * *". The letter to Secretary Volpe claimed that "GM proving ground test and films back in 1962–63 conclusively proved the Corvair uniquely unstable with unprecedented rollover capability unlike any other American car." The letter relied on certain GM documents and a so-called "hot documents" file as proof of these claims.

Your reply to Nader on September 14, 1970, said that his charges "raise important issues which the subcommittee must seriously consider." Accordingly, you asked him to provide you with "all the information in his possession concerning the Corvair."

Six weeks later, on October 23, Nader sent you a 32-page letter, concurrently distributed to the press, detailing his allegations against GM. It made four basic charges:

"1. Suppression of adverse documents within GM;

"2. Fraud in the defense of the *Anderson* and *Collins* cases;

"3. Conflict between the results in proving ground tests 17103 and two GM statements—Mr. Roche's testimony to the subcommittee in 1965 on improvements in automobile stability and Mr. Edward Cole's letter of September 1970 to Secretary Volpe explaining the significance of that proving ground report. This charge was repeated and expanded in Nader's letter to you on July 8, 1971;

"4. A greater likelihood that the Corvair wheel rim would contact the road than would the wheel rim of other cars."

A second letter to you, on May 20, 1971, did not concern the stability and handling of the Corvair. Accordingly, it is discussed in another section of this report.

The third letter, on July 8, 1971, was accompanied by several documents, and made seven basic charges against GM:

"1. Throughout the 1950's and early 1960's Maurice Olley, a highly respected GM suspension engineer, warned the corporation of the hazards of a rear engine, swing axle independent rear suspension vehicle, such as the Corvair;

"2. GM attempted to suppress the existence of these warnings and falsely attempted to explain them away in the court cases;

"3. In the interest of cost savings, GM refused to adopt modifications to the 1960 Corvair which would have remedied its defect;

"4. The difference in front/rear tire pressures was insufficient to provide adequate vehicle stability;

"5. After introduction of the Corvair, GM failed to take the action necessary to correct the car's defect, but instead attempted to fix it through minor modifications;

"6. Winchell misrepresented the nature of the changes in the 1964 Corvair suspension;

"7. Winchell misrepresented the purpose and effect of the 1965 Corvair suspension modifications."

Copies of your correspondence with Nader and his three letters are attached as exhibit 5.

During the entire period of the investigation, we had numerous conferences with Nader and his associate, Mr. Gary Sellers, to develop and refine the issues further. These meetings provided several leads and helped advance the progress of the inquiry. We also asked GM for written responses to Nader's charges, all of which had received wide publication in the Nation's press.

D. The investigation

Our investigation focused on two principal issues—the veracity of GM's testimony to the subcommittee in 1966 and its conduct of certain Corvair lawsuits.

On the same day you wrote to Nader requesting that he provide the subcommittee with all the information and documents in his possession substantiating his charges, you wrote to GM asking for certain information and material discussed in Nader's letter. Ross Malone, vice president and general counsel of GM, and his staff, cooperated fully in the investigation. Throughout the investigation they provided access to every document sought to be inspected and every person asked to be interviewed. In total, they furnished us with thousands of pages of information and scores of individual documents and films in answer to Nader's charges.

To support their claims Nader and Sellers provided us with 53 documents. Carl Thelin, Harley Copp, George Caramanna, and others not presently connected with General Motors provided additional documentary evidence which contributed to the investigation. Much of this material is discussed in later sections of this report.

All these documents were helpful in illuminating various aspects of the case and have been carefully studied, but the heart of our investigation consisted of 117 hours of recorded interviews with 97 people. They covered 33 days in seven cities. The majority of our time, 20 days, was spent in Detroit. These interviews were reduced to writing and now cover over 4,000 pages. Except as indicated below, each is accompanied by a sworn affidavit attesting to the truth of the statements made. In addition to the interviews and affidavits, we obtained written statements and spoke on the telephone with more than 30 other present and former GM employees concerning their knowledge of certain issues relating to Corvair safety.

Our interviews covered every level of the corporation, from the top management, Messrs. Roche and Cole, to clerical and technical employees. We sought to obtain all relevant information on the issues before us by the best means possible. Thus, the information we gathered includes personal interviews, written documents, films, graphs, and charts.

In addition to our interviews with current GM personnel, we questioned many retired and former employees and several persons not connected with GM.

III. THE CORVAIR ISSUE

A. The October 23, 1970, Letter

1. Status of adverse documents within GM

Nader's letter alleged that GM atempted "to hide from the courts and even from their own defense witnesses the existence and contents of reports (such as PG 15699 and 17103) critical of the Corvair's safety." (P. 6) (Reports 15699 and 17103 are a series of related rollover tests conducted by GM in 1962 and 1963. They are attached as exhibit 6). This

charge is apparently based on statements of Carl Thelin, a former GM employee in the product analysis unit (a group of Chevrolet engineers assigned to the defense of the Corvair and other Chevrolet products), reported in the Washington Post on September 27, 1970. The article is attached as exhibit 7.

We questioned Mr. Thelin (hereinafter Thelin) at length concerning this matter. Early in the interview he acknowledged, "Any opinion I might have about withholding is strictly the opinion of an engineer who looks at the questions and looks at the answers and makes his decisions based on personal belief, which are not necessarily the result of legal training." This statement places the issue in proper perspective. The question is whether GM was legally obligated to produce certain documents in the court cases and failed to do so.

In examining the record of these and other cases, we have not reviewed them in the manner of an appellate court, to determine whether the verdict reached was clearly erroneous. This would be inappropriate for a Senate investigation. Rather, we sought to determine whether GM had perpetrated a fraud or deceit upon the courts so that it would have been improper for the corporation to rely on the judgments obtained as judicial findings favorable to its position.

Thus, whether GM restricted access to reports within the corporation is relevant here only if it resulted in illegal actions in the trial of the Corvair cases. Moreover, in order for the subcommittee to have been misled, the unlawful actions must have taken place before March 22, 1966, the date of the Senate hearing.

We find both necessary elements missing here. In March 1966, *Anderson* and *Collins* were the only cases which had been litigated to a conclusion. In *Anderson*, the court required production of only those documents in existence prior to April 19, 1963, which related to the testing of 1960, 1961 and 1962 models. Since PG 15699 was issued June 14, 1963, and 17103 on November 4, 1963, there was no requirement for GM to furnish them to the plaintiff. Similarly, in *Collins*, the discovery order was confined to tests of 1960 and earlier models. Accordingly, there was no reason to supply those particular reports to the plaintiff.

Furthermore, so far as we could learn, knowledge of these documents was not withheld from GM witnesses in these cases. Almost contemporaneous with the trials, GM produced test reports 15699 and 17103 for discovery in the *Franklin* case (see discussion below). We questioned many witnesses closely on this point, but could find no evidence that these reports were concealed from the lawyers and engineers involved in the *Anderson* and *Collins* cases.

Nader next maintains that GM testimony before the subcommittee and the Michigan Senate overstated the results of the *Anderson* and *Collins* cases and thus misled us. As examples, he cites Power's assertion at the hearing that "engineers have advised us that it [the Corvair] isn't unsafe, and they have testified in two cases already in court and a jury has accepted their testimony;" and Bridenstine's Michigan statement that "In both (*Anderson* and *Collins*) cases and under proper rules of evidence, the juries . . . agreed with our position." Nader claims "this testimony directly conflicted with GM's own internal documents such as PG 17103 . . ." (Letter, p. 5.)

To the extent the GM statements imply that the *Anderson* and *Collins* cases were a complete disposition of the Corvair safety issue, they attempt to make too much of the cases. *Collins* and *Anderson* were simply the findings of two juries in two separate legal and factual situations. The fact that the juries there did not find that the design of the Corvair contributed to those specific accidents does not resolve the general question of the safety of the Corvair. A more proper description of these cases would have been to state that juries in two cases had found that the Corvair design did not cause those specific accidents.

We believe that in the manner of advocates both GM and Nader have misstated the decisions in the *Anderson* and *Collins* cases. GM's version was too broad, implying that the general question of safety had been at issue, and Nader's too narrow arguing that the cases could not legitimately be mentioned at all. We do not believe the subcommittee was misled by GM's characterization of the cases, for as noted above, the subcommittee reached no conclusion on the question of Corvair safety in 1966 and the DOT study has supported GM's position that the Corvair was not unsafe.

Nader's letter to Secretary Volpe on September 4, 1970, claimed that certain films and reports properly responsive to interrogatories were "secreted in a special category of hot documents." In answer to a subcommittee inquiry, GM acknowledged on October 21, 1970, the existence in 1965 and 1966 of a collection of documents which might be used by plaintiff's lawyers in an adverse manner. These items were commonly called "hot documents" by some of those acquainted with them, and were kept in the legal staff offices. These documents had been collected by GM lawyers in the fall and winter of 1965–66, after the trial of the *Anderson* and *Collins* cases, in an attempt to determine whether additional documents existed which might be used adversely to GM's position in future litigation. We were told that there was no index or list of those documents, and they were subsequently disassembled. GM stated that it was not possible to reconstruct the collection, but, according to the best recollection of the lawyers, they included PG reports 17103, 15699, 12207, 11543, and 11106. Our investigation disclosed that the collection also contained engineering correspondence and minutes of Chevrolet engineering staff meetings.

Though the existence of this collection of documents was not widely known among GM lawyers involved in the Corvair litigation, we could find no evidence that any document contained in it was unlawfully withheld from a plaintiff in a lawsuit. Where necessary, GM lawyers consulted this collection in responding to interrogatories to insure that answers were complete and, when legally required, supplied relevant documents to the plaintiffs.

In March 1966, there were many other cases in the pretrial stage. Among the most significant were *Franklin* and *Fuette*. We investigated GM's response to the court orders in these cases and determined that no relevant data had been improperly withheld from the plaintiffs (for specific discussion of PG 15699 and 17103, see infra).

Nader and Sellers have unsuccessfully attempted in other contexts to prove suppression of documents and to secure a reopening of certain Corvair cases.

In 1971, Nader wrote to Judge Bernard Jefferson, the judge who decided the *Drummond* (Corvair) case, alleging suppression of documents and perjury at the trial. Judge Jefferson, rejected the charges and refused to reopen the case, pointing out that Nader had no standing to raise such issues (Los Angeles Times, Aug. 5, 1971).

Sellers charged two GM attorneys with misconduct before the grievance board of the Michigan State Bar Association. He alleged that they filed false answers to interrogatories in two cases by failing to disclose the existence of certain microfilm records. After review, the board dismissed the complaint (file No. 29793, Jan. 20, 1972).

In one of these two cases, *Veatch* v. *GM* (U.S.D.C. Kansas, 1971), the plaintiff sought to impose sanctions on GM for failure to disclose the existence of the microfilm records which were involved in the Michigan bar proceeding. The court denied the plaintiff's request saying, "I can't find that there was a withholding of information, which, if taken as true, would have caused a different result to ensue."

2. Fraud in the defense of the court cases—Anderson

With respect to the *Anderson* case, Nader's letter charged that the testimony of Frank Winchell, then head of Chevrolet research and development, was "grossly misleading" in response to questions concerning the existence of written records of tests for several 1960, 1961, and 1962 Corvairs. Nader asserted, in effect, that by this testimony Winchell denied the existence of PG 15699 and 17103.

The testimony in question at pp. 4802–03 follows:

By Mr. MASTERSON:

Q. Mr. Winchell, were there Corvair automobiles involved in this testing?

A. Yes, sir.

Q. How many?

A. Well, I tried to estimate that a moment ago. I think I—I couldn't say it very precisely, 12 to 24, in that area.

Q. Does it include 1960, 1961, and 1962 models?

A. Yes, sir.

Q. And were the results of your testing reduced to writing?

A. No. Our—our testing was a development, exploratory kind of work where we are seeking fundamental facts.

Q. And the results of these tests were not reduced to writing?

A. Not formal reports with——

Q. Well, was any of the data preserved?

A. Well, when you say "any of the data," I—I would be hard pressed to say. Our custom in this thing, I have to explain to you, Mr. Masterson, is——

Q. Well, my question was: Is any of the data preserved?

A. I can't—I can't say positively whether there was any or not. I presume there was some.

Q. Where would it be if it was preserved?

A. Probably in our Research and Development files.

Q. Of which you are the head?

A. Yes, sir.

Q. Do you know whether it was preserved or not?

A. I can't really say, Mr. Masterson. It was——

[The transcript then changed to another subject.]

Nader's letter sets out Winchell's testimony at pages 4802–4806 of the record and concludes, "Thus, by these untruthful answers, GM withheld significant GM proving ground test reports and records which were essential to her [plaintiff's] case." (Letter, p. 11.)

A proper evaluation of Winchell's testimony in *Anderson* must be based on the entire record in the case, and the knowledge gained during our investigation. Earlier in his testimony in the *Anderson* case, Winchell explained why no written records were made of these tests. He told the court that in 1961 and 1962, the research and development unit established a vehicle dynamics group in order to determine more precisely the factors which influence automobile behavior. The group was quite small: Two engineers, two technicians, and a driver-consultant. Mr. Winchell stated that they tested between 100 and 200 cars, front-engine as wel' as rear-engine vehicles, including the 12 to 24 Corvairs of various designs he personally tested (Tr. 4787–91). He informed the court that the testing program took place at a number of locations: The GM proving ground, the GM technical center, and road racing courses across the country (Tr. 4799–800).

It was these tests for which Mr. Winchell said there were no formal reports. As the record shows, the judge found it difficult to

accept that such extensive testing could be done without written reports, so Mr. Winchell distinguished for the court (and later for us), the informal test procedures used in Chevrolet research and development and the more formal test procedures applicable to the Chevrolet production engineering group for the product improvement program. The Chevrolet Research and Development unit does the basic design and evaluation to establish the feasibility of the car and its components, while product engineering is concerned with the design of the production hardware and subsequent refinements.

Our investigation showed that only tests performed at the GM proving ground by GM proving ground personnel result in formal proving ground test reports. Since the vehicle dynamics team used its own personnel and equipment at many locations for these tests, there were no formal reports, and therefore Winchell's testimony was correct.

Winchell's testimony did not deny that some records had been kept; in fact, he said that the results were noted and he presumed that some material was preserved in the research and development files. In the course of our investigation, we learned that at the conclusion of the vehicle dynamics program in 1966, after the *Anderson* trial, the results were summarized in a series of films.

When asked by the judge how the engineers communicated the results of their work to others at GM, Winchell replied that this was done "by personal contact * * * in meetings and (ride) evaluations * * *" (Tr. 4807). This testimony was corroborated for us by two knowledgeable witnesses, George Caramanna, a technician in the research and development group for 13 years, told us that the results of most research and development tests were not written, but personally communicated. Mauri Rose, the driver of the cars in many of the vehicle dynamics tests, described most of the work as "seat of the pants stuff", which was not written up, but orally discussed.

It should be noted that Winchell's testimony did not deny the existence of PG 15699 and 17103. Those reports were the result of work done for the Chevrolet product engineering section by the GM proving ground. This was completely separate from the work performed by Winchell and his group.

The only testimony by Winchell which is relevant to Nader's charges shows that in response to a question concerning the existence of lateral acceleration tests on the Corvair in 1960, 1961, and 1962, he replied "there are quite a few published reports on that, I believe." (Tr. 5226.) And in answer to a related, following question, he said, "I presume such reports would be at the proving ground or the Chevrolet engineering center." (Tr. 5230–31)

3. Defense of Collins

Concerning the *Collins* case, Nader's letter made three principal allegations: False testimony by Mr. Winchell in four instances, deceit by GM in denying the existence of certain test reports and willful failure to produce PG 17103.

As in the *Anderson case*, Winchell's testimony must be judged on the entire record, not just the sections quoted in Nader's letter. Winchell's testimony in this case covers over 750 pages. We have carefully reviewed all of it. It discloses that Winchell was responsible only for the design of the Corvair transmission (tr. 2676), and that it was the duty of each engineer to test the component he had developed (tr. 2691). We further established that Winchell did not become involved in matters relating to the suspension and handling of the Corvair until 1960, after its public introduction.

One of Nader's charges against Winchell was that he denied knowledge of important proving ground reports such as 11245 (a tire blowout test) and 11106 (a rollover test) (letter, p. 17). However, in view of his role in the development of the car, it was understandable that he would not have known about these reports. He did not have responsibility for such matters and was not involved in them.

Moreover, the testimony quoted by Nader related to records of testing at Manitou Springs, Colo., and did not call for a response from Winchell concerning PG 11245 and PG 11106. It should also be noted that the Manitou Springs test was done in 1958, during the research and development phase of the car's preparation. Accordingly, a formal test report was not made regarding stability and handling.

A second charge against Winchell is that he denied the existence of lateral acceleration tests on the 1960 Corvair (letter, p. 13). The testimony cited in Nader's letter fails to support this charge and is rebutted by other evidence. It is clear from the trial transcript that the plaintiff was attempting to prove that the Corvair was not adequately tested prior to public sale. The plaintiff's lawyer was trying to show that the tests Winchell had previously referred to were done in connection with the litigation. In response, Winchell said only that these tests did not involve the 1960 Corvair. (See transcript pages 3213–16 attached as exhibit 8.)

At no time did Winchell deny the existence of lateral acceleration tests. In fact, at page 3766 of the record, he said he had run such a test on a 1960 Corvair and at page 3848–49, he acknowledged the existence of written reports on such tests. The testimony cited on page 20 of Nader's own letter (page 3856–58 in the trial record) also shows that Winchell recognized the existence of lateral acceleration tests. (These pages are attached as exhibit 9.)

The third asserted instance of Winchell's alleged false testimony is his statement, "I have never seen the Corvair rolled over on the [GM] skid pad."

The excerpt quoted on page 19 of Nader's letter (page 3855 of the trial record) makes it clear that the plaintiff's attorney, Mr. Harney, was asking Winchell whether he was present when a Corvair was rolled on the skid pad.

"Q. Have you ever at General Motors seen a car turned over on the skid pad except for a Corvair?

"A. Yes, sir.

"Q. What kind?

"A. Renault.

"Q. A Renault. Any others?

"A. Volkswagen.

"Q. Any other?

"A. I can't recall of any others.

"Q. Each and every one was a rear engine car?

"A. Those two are rear engine cars.

"Q. And Corvair is a rear engine car?

"A Yes.

"Q. You have seen the Corvair roll over on the skid pad?

"A. I have never seen the Corvair rolled over on the skid pad.

"Q. Didn't you see the movies that were presented?

"A. I saw those. When you said skid pad, I thought you were referring to our skid pad."

The record and our investigation support Mr. Winchell's answer. He had previously testified that he personally rolled a Corvair at the proving grounds, but not on the skid pad (Tr. 3154, 3360, 3361), and he had seen the rollover film produced at trial. There would be no reason for him to deny his presence at such a test. So far as we have been able to determine, this is a true statement.

The fourth instance of alleged false testimony by Winchell was his statement that the only skid pad test for which movies existed was the rollover test at one and one-half miles per hour (letter, p. 18). The test Nader refers to was not a rollover test, but a simulated road-ability test, which Winchell designed to demonstrate the dynamics of load transfer distribution (Tr. 3259–60). Nader's letter did not cite any transcript page on which Winchell is alleged to have made such a statement, but it appears that he is referring to Winchell's testimony on p. 3858, where he is being questioned about the documents and films he has seen since his arrival in San Jose for the trial. There Winchell did not deny the existence of rollover test film because he was not questioned about it.

Nader also alleged that "the depositions of other key GM employees were equally inaccurate as to the existence of past records or proving ground tests." (letter, p. 12.) As proof of these charges, Nader cited Winchell's answers to certain questions concerning the depositions of Harry Barr, then chief engineer of Chevrolet, and Kai Hansen, staff engineer, taken 2½ years earlier in another case, *Drummond* v. *G.M.*

In response to questions by plaintiff's counsel in which counsel asserted that Barr and Hansen had said that "practically everything that had to do with the testing of the Corvair had been destroyed by General Motors," Winchell stated, "I did not read that." (Tr. 3128.) On the contrary, Winchell said that to his knowledge, such material had not been destroyed.

We questioned Barr and Hansen closely concerning their depositions in the *Drummond Case*. Both denied under oath making the statement attributed to them by the plaintiff's councel. We also obtained copies of their depositions and reviewed them. We could find nothing in them to support the contention of Mr. Harney, plaintiff's counsel. In fact, Hansen testified that some of the engineering reports were still in existence (p. 86), and the record shows that a number of such documents were presented to the plaintiff at the deposition (p. 87).

Turning from Winchell's testimony to the corporate response to the plaintiff's subpena in *Collins*, Nader charged, "There were essential proving ground tests such as PG 11245 * * * and PG 11285, which were never admitted by GM to exist." (Letter, p. 16.) The record shows, however, that the test report and film for 11245 were submitted to plaintiff in that case (tr. 1477, 81).

PG 11285 was not submitted to the plaintiff because it was a rollover test, and in GM's judgment, beyond the scope of a subpena calling for "tests of stability and handling characteristics." (tr. 1482, 87.) The plaintiff's attorney, Mr. Harney, obtained a copy of the film of this test from counsel in the *Anderson* case, and sought to use it as a basis for subpenaing similar tests from GM. After a long debate, in which its admissability was fully argued to the court, the judge refused to grant the subpena and excluded the test (tr. 1498).

Based on this ruling, it seems likely that the other rollover tests cited in Nader's letter, such as 11106 and 12207, also would have been excluded by the judge. The *Collins* case did not involve vehicle rollover and Harney repeatedly stated that he was seeking "lateral" or "directional" stability tests (see e.g., pp. 1496–97 and 3856–58, where he used these words nine times). Carl Thelin and George Caramanna, former GM employees, told us that a distinction between lateral stability and rollover tests was recognized by GM engineers. Many of the engineers later corroborated this point during our interviews. (Cf. P.G. Report 2673–16, which establishes the procedure for a steady state lateral stability test. See also Vehicle Dynamics Terminology SAE J670a 1965.) In any event, it is difficult to believe that the plaintiff was prejudiced by lack of these reports, since GM did furnish voluntarily, although not required by the court, the motion pictures of PG 11106, a rollover test, which were shown to the jury. Moreover, the court allowed

numerous other rollover films to be placed in evidence by Harney.

During our investigation Gary Sellers submitted a list of 15 additional PG reports which he believed GM should have supplied in the *Collins* case. The majority of these reports consisted of static ride and roll rate and durability tests. As noted above, the subpena in the *Collins* case required the production of "tests of stability and handling characteristics * * *." In interpreting these words, it is important to remember that there was no pretrial discovery in the case. All discovery took place during the trial. Since Harney stated that he was seeking lateral or directional stability tests, it was reasonable for GM to conclude that he wanted directional controllability tests under normal operating conditions—the generally accepted meaning of lateral stability tests within the engineering profession and the corporation (see Vehicle Dynamics Terminology, supra). Such tests are not commonly understood to include static or durability tests. (Ibid.)

The final allegation concerning the *Collins* case was that PG 17103 should have been produced. At page 15 of Nader's letter, he quotes from GM's statement of September 26, 1970, which said that the report had not been produced "because, in the opinion of our counsel, it has not been called for," and concludes "no objective analysis can fail to discredit this statement." He then quotes the relevant language from the subpena in the *Collins* case which required the submission of "all tests * * * of stability and handling characteristics of Corvair prototype, Corvair preproduction and 1960 Corvair automobiles * * *" But as noted above, the court required only tests relating to 1960 and earlier models to be produced. The automobiles used in PG 17103 were modified 1962 and 1963 models. Accordingly, GM was under no obligation to supply it in this case.

4. Comparison between the results of PG 17103 and two GM statements

a. The Roche statement

Nader's letter of October 23, 1970, charged that certain statements of Roche in 1966 and Cole in 1970 conflict with the results of PG 17103.

First, concerning Roche's statement, the five paragraphs quoted by Nader on pages 23 and 24 of his letter were not part of Roche's March 1966 testimony, as stated by Nader. Roche made these comments 8 months earlier during his July 1965 testimony on the Federal role in traffic safety. He did not refer to the Corvair by name, stating generally "Today's automobile, even at higher speeds (more than 50 miles per hour), is almost impossible to turn over (in a J turn), unless the outside wheels strike an obstacle."

Nader contends Roche's statement is contradicted by the results of PG 15699 and 17103. In these tests a modified 1962 and a 1963 model Corvair rolled over in J turns at speeds lower than 50 miles per hour

In July 1965, Roche was one of several auto industry witnesses called to testify before the subcommittee. His testimony was broad gaged. He began by saying, "My comments . . . will concentrate on what the corporation has done and its significant contributions to the overall improvement of traffic safety in this country." Then he listed a two-page, chronological summary of the safety advances made by GM in the past 55 years. The paragraphs Nader cites are a segment of that testimony. In the quoted portion, Roche was speaking generically about the safety improvements made in GM cars in the past 30 years. The Corvair's safety was not raised specifically anywhere during the 1965 hearings.

Nader does not claim that these paragraphs are incorrect in the context in which they were made. Rather, he seeks to test them by a much narrower standard—a proving ground test of two Corvairs—a tiny fraction of the many models GM produced during those years.

In defense of Roche's statement, GM argues that it was literally true. When Roche said, "Today's automobiles," the phrase meant, and was intended to mean just 1965 model cars.

We cannot agree with GM's interpretation of Roche's testimony. The thrust of Roche's statement and the language he used are too broad to be narrowed to a single model year. In context, Roche's statement could just as easily be interpreted to mean all contemporary vehicles on American roads. If his statement was to be limited, this should have been done clearly with no ambiguity.

Reading Roche's statement broadly, however, we do not find it misleading. As noted above, the Department of Transportation found that the tests which resulted in PG 17103 were severe engineering tests, not representative of normal driving patterns. Though the Corvair did overturn several times during them, it did not experience a single rollover during the DOT tests at speeds up to 60 miles per hour, when equipped with original equipment type tires in good condition. And DOT found that the Corvair was no more likely to overturn than other similar cars. Thus, the DOT results do provide some support for Roche's statement as applied to the 1960–63 Corvair.

Moreover, in light of the time period between Roche's 1965 statement and the March 1966 hearing, and the fact that the subcommittee specifically disclaimed any findings relating to Corvair safety, we do not believe the subcommittee was misled by Roche's statement.

b. Cole's letter of September 7, 1970 to DOT

On pages 24–25 of Nader's letter he claims Cole's description of the PG tests in reports 15699 and 17103 "is contradicted by the language of 17103." Cole described the tests as "engineering development tests in which Corvairs, specially equipped with experimental parts, were intentionally overturned by experienced test drivers using violent maneuvers designed to overturn them." Nader contends that the "actual words of test run No. 120 show the vehicle to be a '1963 production' " car.

The automobile used in run No. 120 was a 1962 Corvair which had been modified for the rollover tests by installation of a roll bar, removal of the gas tank and rear seat, and the attachment of a 50th percentile dummy in the left rear passenger seat to simulate an unfavorable load condition. In addition, the rear suspension rebound angles had been reset to 7¼ degrees. GM advised us that these modifications adversely affected the rollover stability of the car by about 10 percent, compared to a production vehicle with two passengers in the front seat.

Nader's allegation that the vehicle used in run No. 120 is a production car, is apparently based on the test summary sheet in the PG report. (P. 11.) Under the heading "designation of shock absorber," the phrase "63 production" is written on the line summarizing run No. 120. He probably concluded from this that the vehicle was a "63 production" car.

But the car was, in fact, a 1962 model which had been altered for the tests. The engineers who conducted them believed that it was representative of a production car for their purposes; however, it is not accurate to say that the vehicle was a "63 production". It was a 1962 with 1963 shock absorbers on which the rear suspension rebound angles had been set to nonstandard specifications. (Standard angles on 1962 models initially was 10.4 and 11 degrees. This was later reduced to 8.1 and 9 degrees during the model year, and further reduced in 1963 to 6.8 and 8 degrees.)

We believe DOT aptly described PG 15199 and 17103 when it said: "because of the nature and severity of these development tests (they are) not representative of the practical driving environment * * *" DOT report p. 35. This is consistent with Cole's characterization of them.

5. The alleged greater likelihood that the Corvair wheel rim would contact the road than would the wheel rim of other cars.

The gravamen of Nader's argument here is that the instability of the 1960–63 Corvair rear suspension causes the tires to tuck under in hard cornering maneuvers thereby allowing the wheel rim to hit the road and tip the car over. As evidence, he points to tire scraping in PG reports 15699 and 17103 (letter, p. 29–30). Accordingly he asserts that Winchell's Michigan Senate statement that "photographs of tire distortion with a car sliding sideways will show no significant difference between the proximity of the rim to the pavement of the Corvair and any other automobile" is untrue.

Nader's theory is apparently based on the then widely held belief that wheel rim contact caused the Corvair rollovers (see Nader, Automobile Design Hazards, 16 American Journal Proof of Facts, section 91, pp. 121, 130–131). This idea was disapproved by DOT. Through frame-by-frame analysis of the motion pictures of 15699 and 17103, the Department found that the "wheel rim contact with the pavement is not the precipitating cause of Corvair rollover, but occurs in the course of rollover." (DOT report p. 33.) DOT also found that "tuckunder is not observed until the vehicle is well into a rollover mode." Ibid. From this it concluded that tuckunder "is not a major contribution to Corvair rollovers." Ibid.

GM submitted side pull test photographs to the subcommitteee showing the relative rim to ground clearance of Corvair rear and Falcon front tires at various levels of lateral acceleration. They, too, support Winchell's statement.

B. Letter of July 8, 1971

1 and 2. The writings and testimony regarding Maurice Olley

Maurice Olley was a highly respected GM suspension engineer. He retired from the corporation in December 1955, but was periodically retained for years afterward as an informal adviser. We sought to interview Mr. Olley, but were advised by his close friend, Mr. William Milliken of the Cornell Aeronautical Laboratory, that this would be impossible due to his poor health. Olley died on April 20, 1972.

Olley was a prolific writer, publishing many articles on vehicle suspension. Nader cites some of them to show that Olley warned GM of the dangers inherent in the design of the Corvair suspension (letter, pp. 9–13). Nader also contends that GM should have produced the Olley papers in response to the subpenas in the *Collins* and other cases (letter, p. 11). Finally, Nader alleges Winchell's testimony in the *Anderson* and *Collins* cases explaining Olley's writing was deceptive and misleading.

Nader's letter cites only a few of the many papers and articles written by Olley concerning the Corvair and the swing axle rear suspension which it employed. To obtain a complete picture of Olley's views on the Corvair and its suspension, we requested GM to provide us every relevant document written by Olley. After a thorough search of individual and corporate files, GM delivered to us numerous documents, several of which apparently were unknown to Nader or the general public. Two of them are especially relevant to our inquiry.

The first is titled "Cadet Studies," dated April 16, 1957. From the text of the paper, it is obvious that the design of the Corvair was then under consideration by the GM management. Olley discussed the proposed swing axle rear suspension, concluded that a swing axle should be used and stated that the type adopted for the Corvair was superior to the single or double jointed low center

axle (pp. 5, 7–8) (this paper is attached as exhibit 10).

The second is titled simply "Corvair," and dated June 29, 1959, just 3 months before public introduction of the car. In it Olley reviews the characteristics of the car, explains how certain design goals were achieved, and concludes, "There's no question that the car is an outstanding success." (P. 9.) (This paper is attached as exhibit 11.)

Thus, it is clear that Olley participated in the design process on the car and approved of the result. We believe these papers are more probative of Olley's views on the Corvair than his earlier, general writings which did not specifically concern the car.

Olley's papers recognized that improved tire design would be necessary for satisfactory handling in the Corvair. In the "Cadet Studies" paper he said, "The need for tires with cornering power more nearly proportional to the load seems a necessary part of rear engine development." (P. 9.)

In his paper on the Corvair, he noted that:

"Modern low profile, long cord tires, using Tyrex cord, and mounted on wide rims, have cornering power much more nearly proportional to load than anything which was available a few years ago . . . All that is needed is to use normal inflation in rear tires of modern type and adequate size, and then to reduce the inflation of the fronts until, with the assistance of independent suspension in front and a swing axle at the rear, we have produced the desired margin of understeer." (P. 5.)

This is much the same point Winchell made in his testimony in the *Anderson* case, which Nader criticized on page 13 of his letter. Nader's remarks about Winchell's testimony in the *Collins* case (p. 12) may be similarly disposed of. There, Winchell stated that rear wheel jacking occurs only under severe lateral acceleration. As noted above, this is exactly what DOT found in its tests and so stated in its report (p. 33).

Olley's paper, "Corvair Steering", cited by Nader, is consistent with his previous papers on the Corvair. From the preface and subsequent discussion, it is evident the purpose of the paper was to explain that the Corvair's limit of control could be extended by altering the roll couple distribution. This is the course GM followed in the 1964 and 1965 suspension changes. Olley's statement that "The increased cornering power of the rear tires virtually 'saves the life' of the Corvair," follows from his prior stress on the importance of proper tires on rear engine, swing axle cars.

Olley acknowledged that his calculations were preliminary and incomplete. He was focusing on only one point—roll couple distribution. We find no expressed or implied statement that the then current vehicle was unstable of handled improperly. (Olley's paper "Corvair steering," is attached as exhibit 12.)

Nader's contention that GM should have provided the Olley papers to the plaintiff in the *Collins* case cannot be supported. As stated above, the subpena in that case required the production of "tests, studies, reports, et cetera, pertaining to GM proving ground tests of stability and handling characteristics * * *" The Olley papers were completely independent of the proving ground reports. So far as we could find, there is no reference in any of them to any proving ground tests of stability and handling characteristics.

3. GM's alleged refusal to adopt modifications to the Corvair which would have remedied its defect.

Nader argues that GM failed to install a front stabilizer bar and multiple leaf rear spring suspension because they would have increased the cost of the car and produced a more harsh ride. In support of this charge, he quotes a paper by Charles Rubly, one of the GM engineers who developed the Corvair suspension (letter, p. 15).

Our investigation disclosed that the pretest model version of the Corvair did include a front stabilizer bar. However, later development tests with and without the bar showed that it contributed little to the car's handling. (See PG report 10841. Mar. 17, 1959, attached as exhibit 13.)

As a result, McCullom, one of the supervisory engineers, ordered the bar removed. His memorandum to Rubly said, "This car with the latest engine mounts is a very good handling car either with or without the stabilizer bar. Without the bar there is a slight loss of straight ahead stability and an improvement in cornering. There was no noticeable increase in roll when the bar was removed and the ride balance is improved." (Memo dated Mar. 29, 1959, attached as exhibit 14.) Subsequently, Hansen wrote a memorandum to Barr concerning the decision to remove the stabilizer bar:

"The decision to remove the front stabilizer bar on the Holden vehicle was based on the rides which took place on Tuesday, April 7 at the Proving Ground.

During this ride demonstration, the rider and other people drove the Holden [the preproduction code name for the Corvair] with and without the stabilizer bar, and in the writer's opinion it was felt that during the normal maneuver of this vehicle, it would be acceptable to remove the stabilizer bar for production. However, while testing this vehicle at higher speeds and under extreme cornering, it was not as good for recovery feel.

"Based on this experience, we have the agreement that all handling test work will be based on no stabilizer bar on this vehicle. If however during this test program it is felt that the stabilizer bar is needed, we will go ahead and reinstate it as per our agreement and that we leave the provisions in the front cross member so that it could be reinstated without modifications in production." (memo dated April 20, 1959.)

These documents demonstrate that GM's decision to remove the stabilizer bar was based on engineering test data on ride evaluations. We believe these contemporaneous documents are more probative of GM's reason for removing the stabilizer bar than Rubly's later explanation.

The evidence adduced by GM showed that the swing axle rear suspension of the Corvair was selected after evaluation of several different types. In addition to the Olley paper referred to above, the GM Engineering staff conducted model studies of four alternative rear suspensions (these studies are attached as exhibit 15). Though there was considerable doubt about the accuracy and correlation of these tests to actual vehicle performance, they showed that the Corvair rear suspension begins jacking at approximately .7g and the vehicle would overturn at 1.0g. (Later tests show these particular figures to be nearly correct.) The other suspensions studied did not show rollover at that level of lateral acceleration. The engineers who conducted and evaluated the tests recognized, however, that since their calculations did not consider the effect of the front suspension, tire characteristics and road surfaces, the results could not be used as a basis for production decisions.

The test figures were given to Cole and Hansen, but did not cause them to change the Corvair suspension. Hansen did not recall the tests, but described them as "academic studies." However Barr did remember them and said he considered this level of lateral acceleration to be quite high, much better than the VW, which was the model they used for comparison.

In retrospect, Von Polhemus, the engineer who ordered the model studies made, said the difference in performance among the four suspensions were marginal because the conditions at which they occurred were far beyond normal or "even abnormal" driving.

Zora Duntov, a Chevrolet engineer consulted in the development of the Corvair, independently reached the same conclusion as the GM engineering staff. We asked him whether a car which would overturn at about 1.0g would be safe to drive in ordinary traffic. He assured us it would be.

Nader alleges that a certain 1956 Olley patent shows the technology was available for GM to produce a more stable car than the Corvair (letter, p. 14–15). Our research disclosed that Olley's patent concerned a means for lowering the rear roll center in order to alter the roll couple distribution. James Musser, an engineer in the Chevrolet R. & D. unit, testified in the *Collins* case that he built and evaluated a Corvair with such a suspension. He said it was rejected because they found no benefit from it (Tr. 4484–88). Moreover, Olley, himself recognized the disadvantages of such a suspension and recommended against its installation on the "Cadet" car (see Cadet Studies, p. 7).

The 1960 Corvair rear suspension was an adaptation of the one used on the VW, Renault, and Fiat. Over the next 2 years, as part of the vehicle dynamics program undertaken by Chevrolet R. & D., Winchell's group built several experimental models in an effort to extend the Corvair's limit of control. Semon Knudsen, then general manager of Chevrolet, told us that in mid 1962, some critical magazine articles and the pending litigation prompted him to ask Winchell to recommend changes which would overcome the criticism. At the same time, the production engineering group. Rubly, Hansen, et cetera, were also working on a revised rear suspension. In December 1962, Knudsen accepted Winchell's proposal and ordered it to be installed on the 1964 cars. Knudsen said he considered this to be a normal product development.

Thus, we conclude on the basis of our investigation that GM did not select the Corvair suspension solely on the basis of cost or to achieve a plush ride. We believe GM attempted in good faith, after long study and testing, to select the suspension which would provide the best combination of performance, comfort, safety, and economic value for the consumer, and that these efforts continued until the 1964 and 1965 suspensions were developed and approved for production.

4. Tire Pressure and Vehicle Stability

Nader contends "it is violative of sound engineering practice to rely on tire pressure differential to give stability to a vehicle." As authority he cites statements from two automotive engineers (letter 18–19, 24–26).

Of course, vehicle stability is not solely a function of tire pressure. As we learned in our investigation, many other factors must be considered—front and rear suspension, wheel and tire size, and the specifications of the tire itself. A car may have acceptable handling with one make and model tire, and yet be unacceptable with another (see discussion below under corporate responsibility.)

We have previously indicated that we do not believe GM relied solely upon tire pressure to achieve vehicle stability. This was only one of the methods used to obtain the desired result. As evidence of this, even after the 1964 and 1965 suspension changes had altered the roll couple distribution, GM continued to recommend that tire pressures be maintained at 15 front/26 rear.

Substantial tire pressure differentials have long been common practice in the auto industry. Such differentials were standard on the other rear engine compacts of the period. The recommended tire pressure for the VW was 17 front/23 rear. For both the Renault Dauphine and the Fiat 600, it was 14/23.

Significant tire pressurre differentials are generally accepted practice in front engine vehicles which may be expected to carry heavy loads in the rear. The recommended tire pressures for the 1960 and 1961 Falcon wagon, for example, were 22 front/26 rear

with normal load, and 22 front/30 rear with full load. Some manufacturers even advised a reversal of tire pressure under full load conditions. The normal pressures on the 1960 and 1961 Rambler were 22 front/20 rear. But with full load they were changed to 22 front/30 rear. Recent model Ford, Chrysler, and American Motors wagons continue the practice of advising substantially higher rear tire pressures.

It should also be recalled that in his paper on the Corvair, referred to above, Maurice Olley specifically endorsed the tire pressure differential on the car (see p. 5).

Finally, the DOT steady turn, rough road test demonstrates that even with nearly equal tire pressure, the Corvair is a stable, understeering vehicle. In this test, the tires were inflated to 23 front/26 rear. The car was then driven at 30 mph through a .3g turn over three series of differently spaced bumps. (This is a more severe turn that a driver would be likely to encounter in everyday driving at that speed.) The test is designed to evaluate the car's ability to hold a designated path over unforeseen obstacles. The chart on page 72 of the DOT report shows that the Corvair remained in a state of stable understeer throughout the turn. Its performance compared favorably to the other cars tested. The chart on p. 69 shows that the decrease in lateral acceleration (i.e., the tendency of the car to slide off the road) between all the cars tested was less than .04g, a very small difference.

These results are consistent with tests performed by GM in 1967, in connection with the *Neilan* case in California. There, the tire pressures tested were 28 front/28 rear and 30 LF, 28 RF/28 LR and 23 RR. In both tests the transition from understeer to oversteer occurred at about .35g in a steady state turn on the skid pad. The transition point with standard 15 front/26 rear tires was .4g. In all of the tests, limit of control performance was not substantially affected by the tire pressure differentials (test results available in subcommittee files).

5. Corvair modifications

Nader claims GM suppressed information concerning changes in the shock absorbers and rebound camber angles, while trying to improve the stability of the Corvair through these detail modifications (letter, p. 21).

The results of our investigation do not support this charge. We found no effort to hide such information. In fact, Winchell's Michigan Senate statement mentioned the control arm angle in connection with the 1964 suspension changes (Tr. 1562).

Nader correctly summarizes the efforts of the Rubly group in 1962 to extend the Corvair's limit of control and so reduce its susceptibility to rollover. But the purpose of these tests was not a "cheap fix," for none of those involved thought that the car was unsafe. In fact, many of the GM engineers who worked on the Corvair bought the 1960–63 models, drove them daily and gave them to their wives and children to drive.

6. Winchell statements on the nature and purpose of the 1964 suspension changes

Nader argues that the 1964 suspension changes were not part of normal product development, but were a belated recognition of Olley's warnings and advice on how to remedy the Corvair's handling defect (letter, p. 22). As evidence, he cites a paper issued by Chevrolet R. & D. in June, 1964, stating that "shortly after" it was discovered that roll couple distribution was responsible for the Corvair's "misbehavior," a car with a single leaf transverse rear spring and front stabilizer was built and demonstrated.

Our discussion above provides a full answer to Nader's charges here, but a brief summary may be useful at this point. The 1960 Corvair suspension was developed after extensive research and testing. Various alternatives were considered and rejected by management, including the front stabilizer bar and other types of rear suspensions. Subsequently, both Chevrolet R. & D. and the production engineering group attempted to increase the limit of control and improve its resistance to rollover. In late 1962, after comparative performance tests, Knudsen chose the suspension design proposed by Winchell incorporating the stabilizer bar and leaf spring and ordered it installed on the 1964 cars. Our investigation revealed that this car was not built until just a few days before the tests in December 1962.

Nader maintains that the quotation from the vehicle dynamics paper demonstrates GM's "fraud" on the subcommittee and proves we were misled (letter, pp. 4, 5, and 22). But this statement, like all others, must be analyzed in context. The purpose of the vehicle dynamics program was "to understand more about the things influencing maximum controllability" (p. 9). Thus, the Corvair was tested and compared with racing and sports cars, such as the Corvette and Formula 1 Cooper (p. 9). Applying what they learned during the program, R. & D. designed and built three sports car versions of the Corvair (p. 10).

It was in this context that the paper referred to the Corvair's "misbehavior." Clearly, it meant the car's limit of control performance under extreme conditions, not its stability and handling in everyday driving. In short, we found no evidence showing GM made the 1964 suspension changes to remedy a safety defect.

7. Winchell Statement on the Purpose and Effect of the 1965 Suspension Changes

Nader aserts that Winchell misrepresented the purpose and effect of the 1965 suspension changes by failing to disclose that they limited the maximum rebound angle of the rear wheels to 4 degrees and by concealing his prior statement that the 1964 modifications were inadequate to make the Corvair "at least as safe as the standard Chevrolet." (Letter, pp. 22–23.)

We find no suppression in Winchell's omission of the change in the rear wheel rebound angles from his statement. Nader apparently believes that the rebound angles are related to the jacking characteristics of the swing axle (letter, p. 23). But the rebound angle has no real effect on the control characteristics of the car (see PG 15699 and 17103). The rebound angle is simply an indicator of the amount of suspension travel and the quality of the ride (higher angles mean more suspension travel and thus a smoother ride). There was no need to discuss this matter in connection with the 1965 suspension.

Nader cites an alleged 1964 Winchell to Knudsen memo as proof that the 1965 suspension change was not made "for the purpose of improving ride, while at the same time, maintaining the control characteristics and higher limits achieved in 1964," as claimed by Winchell in his Michigan statement. Nader asserts the memo shows that Winchell believed the 1964 changes were insufficient to make the car as safe as a standard Chevrolet, and hence this was the real reason for adoption of the 1965 suspension. We could find no such Winchell to Knudsen memo; GM did, however, voluntarily provide us a memo from Winchell to Ellis Premo, chief engineer of Chevrolet, dated June 21, 1963, the last sentence of which states, "If in management's judgment this car must be as safe as the conventional Chevrolet, engineering must take the position that the swing axle is inadequate." It is attached as exhibit 16.

We questioned Winchell very closely on two separate occasions about this statement. Throughout our interviews Winchell maintained that the Corvair was an improvement over earlier compact cars because it had a higher limit of control than other front or rear engine cars, and was more resistant to rollover than other rear engine cars. From the first, he acknowledged that it was easier to overturn than a standard Chevrolet once it was out of control. In his 1963 memo he was taking the position that if management wanted the Corvair to have the same rollover resistance as a standard Chevrolet, then use of the swing axle must be discontinued.

Within GM, Winchell was both constructive critic and defender of the Corvair. As head of Chevrolet R. & D., he forcefully advocated suspension charges to improve its ultimate performance. And as chief technical adviser to the product liability lawyers, he argued equally strongly for the defensibility of the Corvair in court (see discussion below under Corporate Responsibility).

We find no inherent conflict in these roles. Winchell wanted to improve the Corvair, to make it a better car, but he believed it was a safe car. The fact that Winchell owned both a 1960 and a 1962 Corvair, which his wife and daughter drove, strongly supports his repeated statements that he believed the car was safe even without either the 1964 or 1965 suspension improvements.

With regard to the 1964 suspension, the Winchell to Premo memo itself makes clear Winchell did not believe the 1964 suspension was inadequate. In the first paragraph of the memo, he states that the 1964 suspension "is absolutely satisfactory for cornering stability." It is well established that the limit of control of both the 1964 and 1965 Corvair is .7g. (See DOT Report, p. 20.)

It is important to note at this point that the management decision to install the 1965 suspension was not based either on Winchell's memo or on any finding or consensus that the Corvair was unsafe.

Semon Knudsen, general manager of the Chevrolet Division at the time the decision was made, told us that "the 1965 [suspension] was merely a further development since we were doing an entirely new car." When he asked him specifically about the effect of the Winchell memo, he replied, "I can't recall that I discussed it with him . . . I never thought it [Corvair] was a particularly unstable car . . . the 1965 Corvair [suspension] was quite similar to the Corvette suspension, there were a number of reasons for putting it on . . . we got a little rub-off [the prestige of] the Corvette. . . ."

Knudsen's description of the reasons for installing the modified Corvette suspension on the 1965 Corvair is supported by the documents we reviewed. By January 18, 1963, Chevrolet had determined to adopt the Corvette type suspension for 1965. See exhibit 17. This decision was carried forward in the Chevrolet presentation to the Engineering Policy Group on February 20, 1963. (The Engineering Policy Group is composed of the top executives of the corporation who must approve every new car program before it can be implemented for production.) The Chevrolet presentation to the Engineering Policy Group makes clear that the primary reason for the 1965 suspension, and the resulting improved handling, was not safety, but economics—to improve the competitive position of the Corvair. The document is attached as exhibit 18.

The Engineering Policy Group approved the Chevrolet presentation on February 20. Thus, the corporate decision on the 1965 rear suspension was made 5 months before Winchell's memo to Premo. It played no role in the management determination.

Later, however, some engineers questioned the necessity for adopting the 1965 suspension and it was in answer to this view that Winchell's memo was written.

We were troubled by Winchell's statement to Premo so we asked him why the Corvair buyer should not receive the same protection from rollover as the buyer of a standard Chevrolet. He responded that every automobile is a series of compromises in performance, economy, safety, and other characteristics. The Corvair achieved greater vehicle responsiveness than comparable cars at a cost of some loss of rollover resistance.

Winchell believed the car was safe for highway driving and a good overall value for the consumer. He pointed out that a similar comparison could also be made between the standard Chevrolet and the Cadillac, but this would not necessarily mean the Chevrolet was unsafe.

Winchell's statement to the Michigan Senate was directed to the technical aspects of the 1960–65 Corvair (Tr. 1559). His description of the purpose and effect of the 1965 changes is consistent with the documents referred to above and the performance characteristics of the 1965 Corvair (see PG report 20105, available in subcommittee files).

In sum, we do not believe that Winchell's statement to the Michigan Senate concerning the 1965 suspension changes misled the subcommittee.

IV. THE CORVAIR CRITICS

During our investigation we solicited the views of several individuals who were critical of the stability and handling of the Corvair or of GM's conduct in the litigation concerning it.

A. Dr. Thomas Manos

The first critic of the Corvair was Dr. Thomas Manos. At the invitation of Jerome Sonosky, then staff director and general counsel of the subcommittee, he supplied a critique of Winchell's statement before the Michigan Senate for our record (pp. 1564–70).

We need not unduly lengthen this report with a full analysis of each of Dr. Manos' 14 points. It will be sufficient here to note his basic thesis was that rear wheel tuck-under causes oversteer which results in loss of control and finally allows the wheel rim to touch the ground thereby overturning the car. This theory was disproven and rejected in the DOT report (p. 33).

B. Carl Thelin

A second critic was Carl Thelin, a former engineer in the product analysis unit at General Motors. We interviewed him in private three times at his home in Buffalo, N.Y. We did not obtain an affidavit from Thelin swearing to the truth of his testimony because he was the first person we interviewed and our policy of obtaining such affidavits was adopted later. However, he seemed open and honest during our discussion and we do not doubt his veracity.

Thelin's principal contention was that GM should have disclosed PG Reports 15699 and 17103 in the Corvair litigation (we have previously dealt with the charge that knowledge of these documents was suppressed within the corporation, *supra*). As Thelin expressed it to us, "I had the personal feeling that instead of playing split the hair [on the interrogatories], why not just give it to them anyway, just get it out in the open once and for all, and let's have it out [on the merits]. I would have liked to have seen that. But it didn't happen." Thelin objected to the strict interpretation which the lawyers gave the interrogatories, though he recognized that it was their job to interpret them and his to provide the material for answers.

Thelin also pointed out two unusual aspects of PG Report 17103. First, during his search for the document he discovered that the PG number on the Chevrolet technical test report was incorrect, an extra zero having been added so that it read "170103." (The technical test report is the notification from the Chevrolet proving ground engineer to the Chevrolet production engineer who requested the test, that it had been completed.) And second, the cover of the PG report was stamped "special security handling."

We carefully reviewed GM's actions in the court cases in which the production of PG reports 15699 and 17103 could have been required. As explained above, they were not called for in the *Anderson* and *Collins* cases.

These documents would, however, have been required to be produced in the *Franklin* case, but the plaintiff's lawyer elected to seek a contempt order and default, alleging that GM had failed to comply with the subpenas. Concurrently, GM appealed to the Illinois Supreme Court contending that the subpenas were invalid. The court sustained GM and the case was settled without further discovery in 1967. Nevertheless, the record shows that GM had produced the test work orders (the test instructions from the production engineer to the proving ground engineer) and Chevrolet technical test reports which related to PG reports 15699 and 17103. We also determined that both test reports were available for discovery. After interviewing the lawyers and engineers who worked on the case, and reviewing all the relevant facts and documents, we were unable to find fault with GM's conduct in this litigation.

The last case which requires discussion is *Porterfield* v. *G.M.* Though the events in this case occurred after March 22, 1966, and hence the subcommittee could not have been misled by anything which happened during it, we viewed this litigation as a major test of GM's good faith compliance with court orders. The interrogatories in the case clearly called for PG 15699, and it was listed in 1967, and actually produced in 1969. The lawyers and engineers assigned to the case at the time believed PG 17103 was not within the scope of the court order and accordingly did not produce it.

Three years later, however, the case having remained pending, another GM attorney took a contrary view and argued within the legal staff that PG 17103 should have been produced. He also questioned the sincerity of those who reached the earlier decision concerning the report. After a lengthy internal debate, the general counsel of GM, still believing the document was not called for, decided to produce it, "out of an abundance of caution." We closely examined all the individuals and documents involved in the case and concluded that GM's original judgment was honestly reached and justified on the merits.

Returning to Thelin's contention that 15699 and 17103 should have been disclosed in the litigation, as an engineer, he would have personally preferred to face squarely the issue of the stability and handling in the Corvair—with *all* the relevant documents before the court or jury. But this is not the way our adversary system of law functions. The defendant need not volunteer valuable information to the plaintff. He is required to provide only so much information as the plaintiff may obtain by valid discovery order. GM followed these rules. We cannot say it acted improperly in doing so. Thelin did not cite any specific cases in which PG 15699 and 17103 should have been produced but were not. We could find none.

The mystery of the extra zero in the PG number on the Chevrolet technical test report was resolved as Thelin thought it would be. During our interview he suggested that it was simply a clerical error. Subsequently, we learned that Gerald A. Kansier, a clerk in the technical data department of the Chevrolet division office at the proving ground mistyped the number. The error was discovered and corrected at an unknown date prior to November 8, 1966.

Turning to Thelin's last point, we found that the "special security handling" designation was created by Louis Lundstrom, director of the proving ground, and his assistant, George Vanator, head of the technical data department, in 1963, to provide better document control of material they considered to be valuable or sensitive to the automotive divisions. (The proving ground serves as the test center for all divisions of General Motors and rigid security is maintained to assure confidentiality of test data—for each division). The designation was not related to the conditions or circumstances under which the tests were conducted. The test for PG 15699 and PG 17103 were not performed in secret, nor was there any special urgency about them.

Lundstrom and Vanator did not consult with the automotive divisions or the legal staff in establishing this category of documents, nor did they provide specific criteria for classifying test reports. Neither of them could recall any event which caused them to initiate this classification, and we could find no connection with the Corvair litigation.

We found that there were a total of 13 proving ground reports stamped "special security handling." Only one, PG 17103 was relevant to the stability and handling of the Corvair. It was the first one designated for special security handling, but the policy establishing this category had been determined sometime previously. The category was not devised specially for this report.

When a document was stamped special security handling it was omitted from the regular proving ground indices, but listed on a separate index in Vanator's office. No copies were to be made of the report when it was sent to the division which had requested it, and the division was asked to return the report after 30 days.

However, Nelson Farley, the Chevrolet engineer who requested the test resulting in PG 17103, refused to send back the report and kept it in his files. Lundstrom and Vanator then decided to "discontinue" their file on the report. "Discontinued" files were burned. This did not mean, however, that all references to the report were eliminated from the proving ground records. The Chevrolet test work order and Chevrolet technical test report remained in a separate file in the Chevrolet installation at the proving ground and the PG report continued to be listed on the special security handling index. The only result of "discontinuing" the report was that it did not appear in certan proving ground files. However, the report was retained in the Chevrolet division files.

The special security handling classification was abandoned after about a year and a half, because the automotive divisions would not cooperate in the procedures. Later, probably in 1966, report number 17103 was restored to the chronological index, but the report was not physically replaced in the library file until recently.

We found the story of the special security handling documents a puzzling episode in our investigation. We could find no intent to suppress the test results, for no effort was made to hide the test film of the rollovers. It was filed in the normal manner. Nor was any consideration given to classifying report 15699 as a special security handling document. It remained in all the Proving Ground files and indices. Certainly, anyone wanting to prevent plaintiffs from learning of the tests would have made some attempt to conceal the films and an obviously related report. (See p. 3 of PG 17103, which specifically refers to 15699, the first half of the rollover tests).

After interviewing Lundstrom and Vanator at length, and in the absence of other evidence to the contrary, we concluded that their zeal to protect the security of proving ground data, as a general policy, led them to devise the special security handling classification. The subsequent burning of the report was a disturbing act. No harm came of it, but as a result of these disclosures GM has taken steps to assure the integrity of the proving ground filing system.

C. George Caramanna

George Caramanna was a technician in Chevrolet research and development for 13 years, from 1957 to 1970. In newspaper stories in May and June 1971, he alleged that the Corvair was unstable and that GM officials were aware of it at the time the car was introduced. (See articles from LA Times and Detroit Free Press attached as exhibit 19.)

Throughout the summer of 1971, we attempted to arrange an interview with Caramanna, but he and his attorney, Gary Sellers, declined to cooperate voluntarily, until September. During this period GM was able to take Caramanna's deposition in the *Flynn* case, thereby learning in advance much of what he was to tell us. This virtually eliminated any advantage of surprise we might have had in using his information as the basis for questioning GM employees.

We spent more time interviewing George Caramanna than any other witness in the entire investigation—the tape alone runs over 14 hours. But his testimony is difficult to evaluate for two reasons. First, he refused to correct and return the bulk of his testimony after we had transcribed it and sent it to him for correction. And second, his testimony contained numerous conflicts and inconsistencies, particularly on technical matters.

Despite this, we were able to discern six specific charges:

1. GM should not have removed the front stabilizer bar prior to public introduction of the Corvair. In support of this contention he points out that the prototype vehicle, with the stabilizer bar, rolled over the first time it was tested on the skid pad in 1958. He also claims that he and Frank Burrell, a foreman on the Corvair project, warned Kai Hansen against removal of the stabilizer bar.

2. The Corvair was not properly tested before public introduction.

3. Von Polhemus, a GM suspension engineer, told the men working on the Corvair project that the rear suspension was unsafe.

4. The main fault of the Corvair suspension was the 14-inch rear roll center. This was too high. Tests with a GM suspension test vehicle demonstrated this.

5. Experienced racing and rally drivers such as Denise McCluggage thought the car was not safe.

6. The installation of a stabilizer bar, shorter rear springs and rebound straps would have prevented the Corvair from rolling over.

We will consider these charges seriatim.

Taking up the first one, we have already demonstrated that GM tests proved that the stabilizer bar had no appreciable effect on the stability of the Covair. And in our interview, Caramanna acknowledged that the stabilizer bar alone would not remedy the Covair's alleged defect. When we questioned Burrell about Caramanna's statements, he denied telling Hansen the car was unsafe without the stabilizer bar. In fact he said all those working on the car were pleased with the way it handled. He added that he never heard Caramanna criticize the stability and handling of the Corvair.

The skid pad rollover cited by Caramanna resulted from a broken rear cross-member which was not adequately constructed and attached to the frame, Hansen told us. He showed us the blueprints for the production car incorporating strengthened parts (blueprints available in subcommittee files).

Concerning Caramanna's contention that the Corvair was not adequately tested, both Hansen and Burrell testified that the car was given all the regular preproduction tests. Emphasizing the point, Hansen said the car was test driven "more extensively than any other car I have been connected with." As an example of the testing, we were given reports of a test trip to Berea, Ky., and a 1,000-mile simultated cross-country trip made at the proving ground. (See exhibit 20.)

Polhemus denied Caramanna's charge that he thought the Corvair rear suspension was unsafe, pointing out that he owned and drove both a 1962 and a 1963. In fact, Polhemus told us that he preferred the 1960–63 car to the 1964 and 1965 models. He thought they were more "responsive."

Caramanna believed that work on the GM suspension test vehicle (STV) showed that the rear roll center of the car was too high. In 1963, Caramanna was one of those assigned to build the STV, which could be altered to simulate the suspsension of any car. They tested it for the first time in the fall of that year with the suspensions set like that of the Corvair. In this condition, Randy Beinke, the engineer in charge of the project, recorded "Ready to reset suspension to roll center height of 3½ inches from 7 inches, which is too high, causing jacking of the outside wheels at lateral accelerations in the area of lg."

At our interview, Beinke distinguished between the STV and the Corvair, noting that the STV had a narrower tread than the Corvair thus tending to make it more likely to jack at a lower level of lateral acceleration and racing-type tires which enabled it to generate much higher cornering forces than the Corvair. He said the tests were more severe than those performed on production cars and concluded that there was little analogy between the Corvair and STV tests.

More to the point, our investigation revealed that the height of the real roll center on the 1964 Corvair was also 14 inches, and everyone but Caramanna acknowledged that this is a safe handling car. From what we have said above, it is clear that the transition from understeer to oversteer of the 1960–63 Corvair was attributable to the roll couple distribution, not the height of the roll center.

Turning to Caramanna's fifth charge, he was chief mechanic for the Corvair rally cars at the 1961 Trans-Canada rally. Denise McCluggage was one of the drivers. We asked Caramanna what she thought of the cars, and he said, "very bad." This proved untrue (see below, for discussion of McCluggage's views). At the conclusion of the rally Caramanna wrote a memorandum to Duntov reporting on his experiences. He concluded, "Car height is felt to be of more importance than handling." (See exhibit 21.)

Caramanna's last argument was that the installation of certain suspension components would prevent the car from rolling over. During our interview, however, he acknowledged that this equipment did not help much in ultimate performance. This was demonstrated by test number two of PG 15699, where a car with these components rolled 180 degrees on the seventh run.

D. David Lewis

Lewis was an employee of the GM public relations department for several years before leaving to become a professor of business history at the University of Michigan. Nader and Sellers advised us that he had an interesting story to tell and urged us to call him. We did, and he related he following incident to us:

"In 1961 the son of an executive vice-president was crippled for life in a Corvair in what his father thought was an uncalled-for accident. The father ordered a full-scale investigation at the GM Tech Center. The car was torn down, thoroughly tested and found to have the faults Nader mentioned. GM lawyers and certain P.R. people were taken out to the Tech Center and shown the findings. They went away shaking their heads, but GM kept quiet about it. (Letter of March 8, 1971, and attachment in subcommittee files)."

On investigating this allegation we found that Cyrus W. Osborn, the son of Cyrus R. Osborn, executive vice president of GM in charge of the engine divisions and overseas operation, was injured in an accident while driving a Corvair on December 22, 1959. According to the report in the Detroit News, young Osborn was speeding on an expressway at 5 a.m. when the car went out of control, careened up an embankment, rolled down, struck a utility pole, spun around and turned over several times (Detroit News, December 22, 1959, p. 1).

Every GM lawyer, engineer and executive we interviewed was questioned about these events, but we learned nothing. Many of them recalled the accident, but none knew of any investigation or meeting at the Tech Center. Osborn is now deceased but Joan Marland was his secretary at the time of the accident. She said so far as she knew there was no study of the accident.

Edward Cole, whose office was next to Osborn's at the time, told us that he went to the scene of the accident that morning and found no skid marks, which would show an attempt to control the car. Hence, he concluded that young Osborn probably fell asleep at the wheel. Later, he examined the vehicle and found no parts failure which might have caused the accident.

At our request, GM conducted an internal investigation of Lewis' charges in which the following additional individuals were asked about purported events:

E. V. Gilliland—Attorney (retired).

William Hamilton—Public Relations (retired).

Alvie Smith—Industry-Government relations (formerly public relations).

Joseph Karshner—Public relations.

Thomas Groehn—Public relations.

Kenneth Brooker—see file searches.

Paul King—Chevrolet Engineering (formerly passenger car development—Chevrolet proving ground).

Charles W. Kramer—Chevrolet engineering, proving ground.

William Konopacke—Chevrolet engineering, proving ground.

George Peters—Public relations.

In addition, the following files of the corporation were specially searched:

1. Engineering staff files—Ken Brooker, secretary to engineering policy group and manager-staff operations—engineering staff.
2. Harry Barr files—1959–65.
3. E. N. Cole files—1959–65.
4. Legal Staff files.
5. Cyrus Osborn files.

All of this, we were informed, yielded nothing.

Finally, we spoke with Mrs. Osborn and her son. She told us that so far as she knew there had been no GM investigation of the accident. She recalled that her husband was "completely shattered" by the accident and "blamed himself excessively for allowing the boy to drive a car he was not familiar with. He did not want to see the car or talk to anyone about the accident," she concluded.

The son did not remember the accident, but said he had never talked to anyone at GM about it. Mrs. Osborn said that a police officer had seen the accident and told them that the car had swung around a mail truck, possibly skidded on a patch of ice, and went out of control up on the embankment.

We obtained a copy of the Detroit Police Department accident report (available in subcommittee files). It states that the Osborn vehicle was exceeding the speed limit and that the driver had been cited for reckless driving. The officer making the report found no defect in the car.

Our inability to find anyone who knew anything of these events was both puzzling and disconcerting, so we searched for other explanations of Lewis' allegations. We found that on March 22, 1960, Bruce Hancock, the son of a proving grounds employee and two other boys, were injured in an accident in a Corvair. Hancock lost control of the car at an icy spot on a road near the proving ground and hit a tree at about 50 miles an hour.

Two extensive reports on the accident were made by Paul Skeels and Richard Painter of the proving ground staff. However, neither was critical of the Corvair and Skeels concluded, "I think that the high crushability of the Corvair front end should be given full credit for keeping the severity of this accident as low as it was." (Accident reports

available in subcommittee files.) It is possible that with the passage of time there may have been some confusion and distortion of these accidents and Lewis may simply be repeating a merged, erroneous version of both of them.

There is one other plausible explanation for Lewis' charges. In July 1962, Mr. G. P. Ausburn of Stephen E. Blewett & Associates, an engineering consulting firm, requested GM to compare the performance of the Corvair and certain other cars as part of the preparation for forthcoming trials. These tests were subsequently conducted under the test work order No. 25592. The results were seemingly unfavorable to the Corvair, but it was later discovered that the tests were not properly performed and hence the data was inaccurate. It is possible that at a discussion of these test results, the name Ausburn was repeated as Osborn, and combined in some manner with the story of the accident.

Neither of these theories is a completely satisfactory explanation of Lewis' story. Some piece of the picture may still be missing. Though we could find no evidence to corroborate his statements, we could not positively disprove them. However, we found no reason to doubt his honesty and sincerity.

On balance, we are inclined not to credit Lewis' story, due to the sheer weight of the negative evidence. The police report gave Osborn no cause to be suspicious of the stability and handling of the Corvair. Moreover, those most affected by the accident, the Osborn family, did not hold the Covair responsible. Accordingly, it is improbable that GM conducted a study or investigation of young Osborn's accident.

E. Sergay, Fonda, and Smith

During our investigation, Nader submitted to us and DOT, statements by three automotive engineers, Dimitry Sergay, Albert Fonda, and Ralph Smith, concerning PG 15699, 17103, and the rollover susceptibility of the Corvair. The DOT report succinctly analyzes these statements (pp. 35–40) and concludes that they provide no basis for finding a safety defect. We accept this judgment and believe there is no further need to comment on their views.

F. The owner complaint letters

In April 1971, news stories revealed the existence of thousands of 1961, 1962, and 1963 Chevrolet owner complaint letters. GM reacquired these letters, which had been sold for scrap, and subsequently announced in June 1971, that all 77,167 microfilm records had been cataloged. Of this total, 14,700 concerned the Corvair, GM said, with 25 classified as steering control complaints. We reviewed all of them, and, while four related to stability or cross wind performance, they would not, in our view, constitute notice of a potential safety defect.

G. Harley Copp

Harley Copp is an automotive engineer with Ford Motor Co. During the late 1950's, he was one of the engineers who developed the Falcon automobile. On June 3, 1971, he wrote Senator Magnuson, chairman of the Senate Commerce Committee, challenging GM's statement that the Corvair's limit of control "is equal to or better than the limit of control of competitive cars of the same era."

He contended that the Falcon had a superior limit of control and offered three principal items of evidence in support of his claim (1) The Corvair overturned three times during Ford evaluations of the car in 1959, (2) the Corvair rear suspension caused poor handling in emergency maneuvers, and (3) 1959 films of comparative performance on the Ford test circle and road course clearly showed the Falcon to be a superior handling car. Copp's letter contained additional allegations that Maurice Olley warned against the use of the swing axle rear suspension and that the swing axle plus high rear roll center caused oversteer. These charges are dealt with elsewhere in this report and so will not be further discussed here. The full text of Copp's letter is attached as exhibit 22. We interviewed Copp twice and spoke with him several times on the telephone concerning the information he provided.

At our suggestion, Copp prepared a numerical performance rating of the Falcon and Corvair in the test film and a critique of Winchell's statement in the 1966 hearing record. The critique is attached as exhibit 23. After the publication of the DOT report, Copp discovered certain mathematical errors in his calculations and submitted an amended version of the ratings to us. They are attached as exhibit 24. Copp also provided us a critique of the DOT report, which is attached as exhibit 25. The fourth document supplied by Copp was his comments on certain Ford documents concerning efforts to establish a company handling standard. It is attached to the exhibit No. 26. The Ford documents are available in the subcommittee files.

We questioned Copp about each of the three rollovers he cited. The first was the Bill Stroppe rollover, which is discussed in a separate section below. The second occurred while a young engineer trainee was driving the car. Copp was not present and did not know the circumstances of the rollover. The third one took place in Kentucky during a competitive evaluation trip. Like the Stroppe rollover, it happened off the road when the Corvair skidded and hit a ditch.

We do not believe these rollovers demonstrate that the Corvair is unstable. The two of which Copp knew both occurred off the road. Most rollovers take place in this manner. See "Analysis of Rollover Accident Factors and Injury Causation" by Huelke, Marsh, and Sherman, attached at exhibit 27. This is because there are few roads in this country with adequate space and coefficient of friction to enable a car to overturn on the pavement. Typically, rollovers happen when a car runs off the road and strikes an object or encounters a surface which generates sufficient friction to produce a rollover. Any car can overturn in these circumstances.

Copp's statement about the performance of the Corvair under emergency conditions is not supported by the DOT drastic steer-drastic brake test results and the panel comments relating to it. The drastic steer-drastic brake test is a severe emergency maneuver in which the vehicle is turned sharply and the brakes locked up. The test is designed to induce overturning, but as stated above, the Corvair did not experience outrigger contact (that is, simulated overturning) at speeds up to 60 miles per hour when equipped with original equipment type tires in good condition. The panel also commented on the performance of the Corvair under extreme conditions. It declared that "Although the 1960–63 Corvair does oversteer from 0.4 to 0.6, it is not unstable, and the control sensitivity is superior to that of contemporary vehicles * * * the data supplied * * * showed the Corvair to be stable in the range from .0g to .6g laterally." (Panel report, p. 24) Based on this evidence, we believe the handling of the Corvair is satisfactory in emergency situations within its limit of control.

The most probative, seemingly objective, evidence submitted by Copp was the comparative handling film. However, when DOT analyzed it with a frame-by-frame projector, it found inappropriate driver conduct in several sequences which resulted in erratic vehicle performance (DOT report 40–52). Hence, DOT concluded that the film was "not a valid evaluation of the handling characteristics of the 1960 Corvair." (Id., at 52.)

We asked Ford whether its engineers had viewed the film with such a projector. Ford replied that Charles Vranian, a vehicle development engineer, had done so. We interviewed Vranian, and he told us he had viewed the film several times on or about August 1, 1972, in preparation for rerunning the 1959 circle and handling course tests. When we questioned Vranian about the driver's behavior, he told us that he, too, observed the arm and hand movements cited by the DOT, but he could provide no explanation for them. In summary, he said he could "not disagree" with the DOT conclusion and added "it reflects my experience."

Vranian told us further that he was directed to reperform the 1959 tests, by William Innes, Ford executive vice president for North American operations about July 25 or 26, 1972. In doing so, first, he acquired a 1961 Falcon and a 1961 Corvair. Then both vehicles were restored as closely as possible to original manufacturers' specifications. He obtained from Uniroyal a set of the exact tires made for the Corvair a decade ago.

The tests were run between August 1–5 by Vranian and two other engineers, John Dobbyn and Carl Wenzel. During the tests, Vranian drove both cars so that he could gauge the performance of each. Of course, the tests could not precisely duplicate the 1959 runs, since different vehicles and drivers were involved, and the surface of the track had been repaved. However, the drivers drove the cars at speeds of 20, 25, 30, 35, 40, and 45 miles per hour, so that the tests would resemble as closely as possible the 1959 runs. The tests did not exactly follow the 1959 series, since the Corvair was not driven with equal, nonstandard, tire pressures.

Vranian reported that on the test track circle, the Corvair "had a quicker response than the Falcon" and did not leave the pavement. He rated their performance as "relatively equal." On the handling road, the Corvair again showed a quicker response and did not go off the road at any time. "There was no difference in keeping either vehicle on the S curve * * *." And again he rated the performance of the cars as "relatively equal."

We asked Vranian to explain the substantially different results in 1959 and 1972. He replied he could not do so.

We next questioned him about several statements critical of the Corvair contained in an October 1, 1959, report to the Ford executive committee (Copp cites them in his film analysis). We were informed, however, that most of these statements do not appear in the document in the Ford archives. The page containing them is not included in the official record of the committee meeting. Bruce Kulp, a senior attorney on the Ford legal staff, offered the explanation that the report supplied to Ford by Copp, and then by Ford to the subcommittee, was an unofficial draft.

One important statement, however, does appear in both documents. It said, "The Corvair * * * shows marked instability under conditions of severe cornering and passing." Vranian said this did not conform to his experience.

We could not accept the markedly different results achieved in the two Ford tests without further investigation, so we asked GM whether it had conducted tests similar to those done by Ford. GM responded that it had performed the Ford tests three separate times in 1972, twice at its own proving ground, and once on the Ford test track. All the tests were instrumented and filmed. A summary of the results prepared by GM is attached as exhibit 28. We viewed the films and found the summary of them accurate. The GM results were consistent with the 1972 Ford tests and contradicted the 1959 Ford test. Thus, these tests have now been performed five times—on four occasions the Corvair handled well, and once it did not. Copp attempted to explain the first test results in terms of driver response to the transition from understeer to oversteer. He seems to argue that the driver could not be responsible for the performance of the car because he could not move the wheel with suf-

ficient speed to affect the performance of the car. Both DOT and our own consultant, Ray Caldwell, rejected this theory (see exhibits 29 and 30, respectively), and their position appears correct. First, none of the vehicles in the recent Ford and GM tests performed in this manner. Second, like DOT, we examined the film with a frame-by-frame projector and noted an apparent relationship between the driver's movements and the performance of the car. These did not seem to be normal corrective steering changes. Accordingly, we share DOT's belief that the 1959 Ford test film is not a valid measure of the stability and handling of the Corvair.

As noted above, we asked Ray Caldwell to serve as our consultant to assist us in evaluating the material provided by Copp. Caldwell was a member of the DOT advisory panel, so he was familiar with all the basic information concerning the Corvair. We found him fair and objective about the issues before us. He analyzed Copp's critique of Winchell's statement before the Michigan Senate and concluded that "Winchell's comments are reasonable given the atmosphere of that time" (letter, p. 3). In addition, he found that the Ford film did not substantiate Copp's arguments (letter, p. 7). Caldwell's letter is attached as exhibit 31.

After we received Copp's revised papers, we asked Caldwell to reconsider the statements in his letter and amend it, if necessary. He responded that, "I would make no changes or modifications in my previous statement as a result of Mr. Copp's amended views." (See exhibit 30.)

Once the Copp film has been rejected as a basis for evaluating the Corvair, much of his critique of the Winchell statement is also negated, for as Copp himself notes, "There is a direct relationship between my film analysis and my critique * * *." Further, we accept Caldwell's assessment of Copp's arguments. Based on all the evidence before us, we believe he has properly analyzed Copp's charges and that there is nothing in Winchell's statement which misled the subcommittee concerning the stability and handling of the Corvair.

One point, however, does require further discussion. Winchell stated that, "Even reversing the tire pressure differential is unrecognizable at 30 to 40 miles per hour in a Corvair. The effect becomes noticeable as the speed increases, but it does not render the car uncontrollable." (Tr. 1561.) We questioned several persons about the accuracy of this statement.

In support of Winchell's statement, GM produced three documents—two letters from Winchell to Edwin Gilliland, a lawyer on the GM legal staff, dated June 1 and 3, 1964, and a note from Winchell to Joseph Bidwell, another GM engineer, dated July 16, 1964. They are attached as Exhibit 32. The letters discuss the possible effect of the tire pressures (LF 25, RF 17, LR 21, RR 20 or 17) on the Pierini car. (The *Pierini* case was one of the early Corvair lawsuits). In the first letter, he stated, "My opinion is that the average individual could not tell whether the tires were properly inflated or inflated as claimed." In the second letter, he added, "I subsequently drove the car (a Corvair with the same tire pressures as the Pierini car) for several days, to and from work, 20 miles each way, up to 90 m.p.h. and am convinced that at 30–35 m.p.h. these pressures were in no way responsible for Mrs. Pierini's loss of control." Finally, the note to Bidwell said,, "Our tests on the Corvair have shown conclusively that at these speeds [about 40 m.p.h.] neither engineer or layman can differentiate between normal and reversed tire pressures."

Thelin told us Winchell wanted to be certain the 1966 Michigan Senate testimony was accurate, so he asked all the engineers in the product analysis unit to critique it before presentation. Thelin said that several of the engineers objected to the statement concerning tire pressures on the ground that reversing them would ruin the quality of the ride and make the front end feel "very stiff." But the difference in handling would be "relatively small," he said.

When we questioned Kai Hansen about the effect of reversing tire pressures, he said the average person would notice a difference in the riding qualities of the car and its "straight ahead stability would be poor."

Winchell's correspondence, written long before the Michigan Senate statement was prepared, plus his submission of the statement to his fellow engineers for their review is ample evidence of his good faith belief in the truth of the statements made therein. Obviously, the effects of reversing the Corvair tire pressures is a subject on which automotive engineers can, and do, differ, but we found no persuasive evidence that Winchell's statement, as written, is untrue. Accordingly, we do not believe the subcommittee was misled by it.

At the end of our second interview, we asked Copp what standard we should use in determining whether we had been misled. He replied that if the performance of the Corvair and Falcon were within 10 percent of each other, on a fair test of stability and handling, we could conclude we were not misled.

We consider the DOT tests an objective comparison of the two vehicles. In only one of the five maneuvers employed by DOT did the performance of the Corvair fall below that of the Falcon. This was on the first test, steady turn braking on a smooth road without the wheels locked. There, while the response of the two vehicles was similar, the Corvair showed a greater tendency to slide out than the Falcon, but this occurred under harder braking. However, taking all five tests as a whole, it may be said that if one had ridden as a blindfolded passenger in the Corvair and Falcon, he would have been unable to determine from the responses of the cars in which vehicle he was riding.

This conclusion is consistent with Vranian's description of the stability and handling of the Corvair and Falcon as "relatively equal."

Though Copp's contention about the handling performance of the Falcon and Corvair could not be sustained, he should be commended for speaking out on an important public issue. We believe Copp is a man of integrity and sincerity, motivated solely by loyalty to the product he helped design and a sense of responsibility to participate in the debate on a major question of vehicle safety.

V. CORVAIR SUPPORTERS

In the course of our investigation we discussed the Corvair with three independent automotive experts who expressed approval of its stability and handling. We also obtained two road test reports on the Corvair from Consumers Union, the independent product testing organization.

A. Consumer Union

In January 1960, CU tested the Corvair, Falcon, and Valiant. In commenting on the car it said:

The Corvair corners with very little sway * * * As to the Corvair's handling, and the sandstorm of controversy about understeering vs. oversteering and the advantages and disadvantages in relation to front vs. rear mounting of an engine, CU suggests that prospective buyers need not be unduly concerned. CU's Corvair did oversteer moderately (though less than a Volkswagen, for instance), but so to an extent do a million other cars now on U.S. roads.

It is probably true that the Corvair, if driven in ignorance of its oversteering tendency, or with faulty judgment, will get the driver into trouble a little more easily—and into trouble requiring somewhat more skill to get out of—than a car that understeers to a similar extent. * * *

Later that same year, in July, CU road tested six compact cars. It described the Corvair's handling qualities as "agile, accurate; feels cross winds badly; oversteers when cornering hard," but concluded "unless it is recklessly driven no unusual amount of handling skill is required; on the contrary, the Corvair in normal use controls with ease and precision and inspires confidence." (P. 376.)

These results are consistent with the performance of the Corvair in the later DOT, Ford, and GM tests.

B. Denise McCluggage

Denise McCluggage was one of the leading women race and rally drivers of the late 1950's and early 1960's. For a time she was the automobile writer for the New York Herald Tribune. She is widely respected, both as a driver and as a journalist.

General Motors employed her as a consultant on the *Collins* case, and as noted above, she was one of the Corvair drivers in the 1961 Trans-Canada rally. When George Caramanna told us that she considered the Corvair a bad car, we contacted her and asked for her views on the Corvair. We also asked her whether she had any information which would indicate that GM officials thought the Corvair unsafe.

Her answer speaks for itself and the full text of her letter is included as exhibit 33. She has had no contact with GM since 1965, and we believe the letter expresses her true opinion.

It is unnecessary to quote at length from the letter. One sentence will suffice. Summing up concerning the Corvair she said, "In short, it was not really the *best* car, but it was better than most being offered us on this side of the Atlantic at the time." (Emphasis in original.)

We investigated her statement about the alleged Phil Hill rollover and found that Hill did not roll over a Corvair.

C. Bill Stroppe

Bill Stroppe has long been associated with the racing, testing and vehicle preparation activities of the Ford Motor Co. He has had a close and continuing connection with Ford for nearly two decades. He prepared and drove Lincolns during the Mexican Road Races of the mid-fifties and recently prepared and co-drove the Bronco which won the Mexican 1,000 for the second year in a row. Stroppe has an excellent reputation as a man who knows automobiles.

During our first interview with Harley Copp, he told us that Stroppe and some of his associates had rolled a Corvair during an evaluation run at the Ford Proving Ground. We contacted Stroppe and asked him to tell us how the rollover occurred and to give us his opinion of the stability and handling of the Corvair.

His answer is included as exhibit 34. He concluded, "All members of the test crew felt the Corvair to be a very good automobile. The vehicle handled well and was stable on the track even in high wind testing."

At the end of our interview with Vranian, we read Stroppe's conclusions to him and asked if he agreed with them. He replied that he did.

In a telephone conversation, Stroppe supplemented his letter. He recalled that in the fall of 1959, he and one of his drivers were called back to Dearborn to make a second evaluation of the Corvair. Ford engineers had written a report stating that the Corvair was a dangerous, unsafe car, and Ford management asked Stroppe for an independent evaluation of the car.

Apparently based on this internal engineering report, Ford, and its advertising agency. J. Walter Thompson, prepared an advertising campaign aimed at showing the instability of the Corvair. In one sequence a Corvair was shown rolling over on the Ford test track while being passed by a Falcon.

However, after testing the Corvair again, Stroppe told Ford that the car had "good control." There were no rollovers and he

concluded that the car was "well engineered" and "handled real well." The advertising campaign was never used, but Copp asserted the decision not to implement it was unrelated to Stroppe's evaluation of the car.

D. Mauri Rose

Mauri Rose was an outstanding racing driver during the 1930's and 1940's, winning the Indianapolis 500 three times. After his retirement from racing, he worked as a test driver for Chevrolet and in this capacity tested many Corvairs. He is now retired from GM, and is teaching automotive mechanics in a Michigan high school.

At Gary Sellers' urging, we interviewed Rose on one of our trips to Detroit. Sellers told us that though Rose formerly worked for GM, he would be an unbiased, independent witness. We found this to be true.

He told us that he considered the Corvair to be a stable, safe handling vehicle. In fact, he said he tried to roll it over but could not do so.

As evidence of his faith in the car, he told us that he bought a 1961 Corvair with standard transmission for his daughter. Though her left hand was paralyzed by polio when she was a child, she controlled the car well. He then told us that one night, when she was driving the car at top speed (over 80 m.p.h.), a tire blew out, but she was able to bring the car to a safe stop. Rose seemed to feel that this was ample proof of the stability and handling of the Corvair.

VI. NONCORVAIR ISSUES

During the past 2 years, Nader, Sellers, and others have raised several issues outside the scope of our investigations into GM's testimony regarding the stability and handling of the Corvair. Nader's most significant charges were set forth in a letter to you on May 20, 1971.

A. The May 20, 1971, Letter

This letter contained three basic charges:

1. Private detective reports obtained by GM on the Locality of Mayor's Committee of Harlem, N.Y., and John Volosin, a union official and former employee, contradict Roche's statement that the Nader investigation was—

"A very uncommon occurrence in our corporation, and to my knowledge this is the first one of this kind that has ever been undertaken * * * other investigations have to do only with minor affairs, such as preemployment checks of individuals * * * perhaps internal problems we might have with employees, and perhaps problems in connection with embezzlement, and purchasing activities or other activities of the corporation." (Tr. 1385.) (Letter 4–5.)

2. In the *Collins* case, GM used a female private investigator to obtain information concerning the plaintiff's case, thus refuting Roche's statement that private investigators had been used "only in Mr. Nader's case." (Tr. 1383.) (Letter 6–7.)

3. The hearing record of the March 22, 1966, proceedings had been unlawfully altered by GM and the subcommittee staff. (Letter 7–13.)

We shall consider each of these in turn.

1. The Private Detective Reports

Nader urges that Roche be recalled by the subcommittee to explain these and other investigations of individuals conducted under GM's auspices. At our first meeting, with Nader and Sellers in 1970, following the receipt of Nader's October letter, we informed them that our investigation would be focused on the testimony concerning the Corvair. We made it plain that we would investigate all matters relating to the testimony on stability and handling, and the Corvair litigation, but we would not reconsider the GM investigation of Nader unless new information was forthcoming.

The private detective investigations cited by Nader in his letter were known to the subcommittee and Nader long before his 1971 letter. The Justice Department reviewed all the facts underlying Nader's allegations in its investigations, and found no basis for criminal action against Roche. Its investigation disclosed that private detective Gillen had conducted 26 prior investigations for GM. They were described by the Justice Department as:

". . . criminal and credit record checks of persons who were employed or under consideration for employment by General Motors or one of its dealers. A few of the investigations are similar to the Nader investigation in that surveillance was used and the subject's moral character was inquired about. Although the reason for each investigation was not always mentioned in the reports, it appears that none of them were of an intentionally harassing nature or of persons who had criticized General Motors or one of its products."

And the Department concluded:

"With regards to possible perjury stemming from Roche's testimony that the Nader investigation was the first of its kind engaged in by General Motors, it is clear from records of the hearing that the reference was to a complete background investigation of a General Motors critic. As indicated earlier, an examination of the investigations by Gillen for General Motors reveals nothing which would contradict any of the testimony. If a statement under oath is "literally true," there can be no perjury."

(Justice Department memorandum, July 19, 1968, in subcommittee files.)

2. Use of a private investigator in the Collins case

Nader asserts that in this case GM used an undercover agent in an attempt to obtain information concerning the plaintiff's evidence and theory of the case. This action and related events were the subject of a California law suit, *Ford* v. *GM*, filed only a month before the hearing on March 22, 1966. Nader believes this incident should have been disclosed in Roche's testimony.

We thoroughly investigated the events alleged by Nader. We learned that the private investigators were hired by local counsel, John Whitney, without prior approval of any GM personnel. Both David Harney, counsel for the plaintiff and John Costanzo, local counsel for GM confirmed that it was customary for them to use private investigators in cases against one another.

According to Mrs. Patricia Pola, the private investigator involved, she was instructed by her supervisor, Mr. Wilson of the Kraut & Schneider agency, to "go to the Hyatt House and keep my ears open." She understood that her mission was to find out the schedule of the plaintiff's investigators so that they would be easier to trail the next day. She was not assigned to learn the theory and details of the plaintiff's case, but decided on her own to do this.

Harney and Paul O'Shea, his expert witness, told us that from the outset they suspected Pola was a private investigator employed by the defendants. They confirmed it when they found a Kraut & Schneider timesheet in her car, while ostensibly helping her with her luggage. Harney claimed an anonymous telephone call had advised him that a woman would be used to obtain information about the case from his investigators.

After one day on the case, Harney accused Pola of being a private investigator and subpenaed her as a witness in the case. Local counsel then dismissed the investigators. Edward Adkins, the GM attorney assigned to the *Collins* case, first learned these facts on his arrival in San Jose, for the beginning of the trial.

A few days later, at a hearing before the judge in the Collins case, Whitney admitted that he had hired Pola but insisted her objective was "strictly surveillance" of the plaintiff's investigators (Collins Tr. 287). This was confirmed to us by Mr. Albert Moffat, president of Kraut & Schneider. Harney maintained that an attempt had been made to influence one of his witnesses (Collins Tr. 288). Defendants motion to quash the subpena on Pola was rejected, but she was never called to testify in the case.

Adkins did not inform his superiors at GM of these events until the following February, when the *Ford* suit was filed (the suit was later dismissed in return for an extension of time for filing an appeal in another case, thus giving some indication of a lack of substance to the Ford case). Subsequently GM informed local counsel that before undertaking background investigations or surveillance of persons involved in litigation, they must obtain the approval of the general counsel.

GM claims it had no obligation to disclose this incident in Roche's testimony because it had not authorized the employment of the investigators. Moreover, GM contends that the private detectives were not used to investigate any individual.

Though GM did not directly hire the investigators it did accept ultimate responsibility for their actions through payment for their services by its liability insurer, Royal Globe. And while the detectives did not investigate O'Shea, as they did Nader, there is at least a limited parallel in the surveillance of an adversary individual.

Roche told us he did not know of the *Ford* case at the time he testified on March 22, 1966. This was confirmed by the GM legal staff.

GM's lawyers argue they believed in good faith that the *Ford* case was unrelated to the Nader investigation. We do not doubt the sincerity of their assertion but both instances involved the use of private detectives for surveillance of individuals opposing the corporation. In part, this is what Roche apologized for on March 22, 1966.

We need not belabor the point here. The statute of limitations has run on any possible offense. Moreover, it is evident from the Justice Department memorandum that, having found no grounds for prosecution in the Locality Mayors and Volosin incidents, it would find none here. Nor do we believe the subcommittee was misled in any substantial way by Roche's failure to inform us about the *Ford* case. The outcome of the hearing would have been no different if we had known of the case. But we do believe that the judgment of GM's legal staff was faulty in this instance. The circumstances of the *Ford* case were within the ambit of the Nader investigation, and for complete candor, should have been disclosed.

3. The transcript alterations

Nader charges that the printed record of the March 22, 1966, hearing was "changed or falsified by deletions as well as additions" (letter p. 7). The changes he says, had the effect of "altering the chronology of events, covering up evidence and contradictions and removing assertions of fact" (letter p. 8). Relying on an audio transcript of the hearing, Nader cited five examples of altered testimony:

"(1) the deletion of the statement by GM President James M. Roche that the GM investigation "did not employ girls as sex lures" (p. 1381),

"(2) the deletion of the critical word "entire" from Mr. Roche's original statement that GM's "entire intent" in making their investigations were limited to finding out my "qualifications, background, expertise and association with such attorneys, . . ." (p. 1390),

"(3) the deletion of that portion of Senator Kennedy's request that Mr. Roche state if phone calls were in fact made by "representatives of GM", (p. 1391),

"(4) the deletion of that portion of Senator Harris' question regarding GM's responsibility for its "agents", (p. 1401),

"(5) the insertion of a new limiting phrase in Mr. Bridenstine's original sworn answer to an inquiry regarding the cost of the 'others (investigations)' by GM. At the hearing Mr. Bridenstine was heard to testify that as to the cost of the investigations, 'the bill up there was $120'. In the printed record, as later published, however, his answer appears differently. The two words 'in Connecticut' have been inserted. This has the obvious effect of limiting the scope of his assertion and making it cover some thing *other than* total cost."

Believing we could not legitimately investigate our own conduct, we referred this matter to the Justice Department, requesting that it reconsider its 1968 decision that there was insufficient evidence to warrant prosecution of GM officials for perjury or obstruction of justice. Concurrently, we made available to the Department copies of the original, unedited, 1966 transcript and other documents relating to Nader's charges.

After reviewing all the evidence, the Justice Department found no evidence of any misconduct and determined that "none of the matters brought to our attention merits further outside inquiry or suggests a conclusion different from that previously reached in our 1968 letter regarding perjury and obstruction of justice." (Copies of your statement, the letters to the Justice Department and its response are attached as exhibit 35.)

We considered Nader's charges extremely serious and so, in addition to the Justice Department inquiry, we conducted our own internal investigation with staff members not involved in the 1966 hearings. We found that there were indeed, many variations between Nader's tapes and the printed record. By our count the stenographer missed words or phrases 64 times in the record covered by Nader's material. Three of the deletions were changes number 2, 3, and 4 cited by Nader in his letter. We believe these omissions, as well as the others, were inadvertent. No evidence has been offered to prove otherwise.

The fifth change mentioned by Nader, the addition of the words "in Connecticut" was requested by GM. In our view, this was a minor clarification to indicate that the cost of the O'Neill investigation in Connecticut was $120, so as not to leave the misimpression that GM spent only $120 for the entire investigation of Nader.

The first change cited by Nader, the deletion of the words "did not employ girls as sex lures" is the most difficult to explain. These words were in the printed text of Roche's statement which was handed out to every reporter who attended the hearing. They were also reported the following day in the New York Times and Washington Post and were in the transcript General Motors returned to the subcommitee after making suggested corrections. The text of Roche's testimony that is still made available by the corporation today continues to include these words.

Th wide public distribution of Roche's statement and its reporting in the press made it extremely unlikely that General Motors would have been able to gain anything by engaging in some unethical or illegal conduct to have these words deleted from the transcript. No evidence of such conduct has been found.

The Justice Department specifically therefore concluded that a printer's error was the likely explanation, particularly in light of the series of clerical and printing errors made throughout the transcript. This conclusion was also reached by Thomas Whiteside in his book, "The Investigation of Ralph Nader". (See pp. 167–168.)

In considering Nader's allegations of transcript changes, it is appropriate to note that Nader made 96 changes in his own testimony. All were grammatical or minor, except one instance. In that case Nader made a substantive change in his qualifications to evaluate engineering and statistical information (Tr. 1127, record 1510). In response to Senator Kennedy's question whether he had any training as an engineer, the original transcript shows Nader answered as follows:

"Mr. Nader. I have no formal training as an engineer, Senator. I have picked up and learned through the process of self education a considerable amount of knowledge in this area as well as in statistics."

That answer was changed in the printed record to read as follows:

"Mr. Nader. I have had no formal training as an engineer, Senator. I have familiarized myself with engineering materials and have a knowledge of statistics. As an attorney I am also trained in the evaluation of evidence for sound policymaking."

We believe we should also point out that the subcommittee staff cooperated completely with Nader in his search for an original hearing transcript before he made his charges. In fact, it was our suggestion that he contact the radio–TV networks to ascertain whether they had a recording of the hearing. They did, and thus Nader was able to obtain a tape recording. This conduct is hardly consistent with an effort on our part to conceal the transcript changes.

We believe that no significant changes in the transcript were made by GM or Nader and that the reporter's omissions were insufficient to mislead the Justice Department or the general public.

B. Alleged pressure on Carl Thelin

On Monday, October 12, 1970, prior to our first interview with Thelin on November 28, he was approached by William Milliken, Jr., director of the division in which he worked at the Cornell Aeronautical Laboratory, regarding his involvement in the Corvair controversy. Milliken expressed concern that Thelin's statements might jeopardize the laboratory's confidential military and civilian contracts. During the conversation, Thelin raised the possibility that he might be required to go to Washington for an extended period during a Government investigation. Milliken responded that if he did go, it would have to be "on your own," and then added, "you might not have anything to come back to."

Later that same week, on Wednesday or Friday, Milliken again spoke with Thelin. They discussed the stability and handling of the Corvair at some length and then Milliken said that if Thelin was called to Washington for a long time, "it would be treated like jury duty."

We asked Thelin if he felt threatened by this incident. He answered, "I felt an indirect threat. The only thing he said was that if I went to Washington I would be on my own and I interpreted that [to mean] that when I came back I'd have nothing to do * * * And later on he said he didn't mean for it to be that way. And I'm sure that he doesn't mean for it to be that way. I take it from the many conversations that we've had since then that he wouldn't take a move like that."

We also met with Milliken about this episode. He assured us that he had meant no threat to Thelin. His remark that if Thelin went to Washington, it would be "on his own," simply reflected the laboratory's decision to separate Thelin's personal involvement in the Corvair matter from his position as an employee. He believed any misunderstanding about Thelin's employment status at the laboratory was quickly eliminated by their subsequent conversations.

An abbreviated version of this episode was reported later in the Washington Post on March 10, 1971 (Washington Merry-Go-Round, p. B13). The article implied that this matter should have been referred to the Justice Department for investigation. We disagree.

Title 18 U.S.C. 1505 makes it a crime to threaten any witness in connection with any congressional committee investigation. It is obvious from the above that these events took place several weeks before our first interview with Thelin. We had had no contact with him at the time they occurred. Accordingly, Thelin was not a "witness" within the meaning of the statute.

Moreover, Thelin did not raise the matter with us at either our November or December interviews, and later told us, "you're beating a dead horse * * * There was a misunderstanding between Bill and me and it probably was only a misunderstanding * * *". We believe the matter was insufficient to warrant referral to the Justice Department.

Thelin resigned from the laboratory in September 1972, to accept a position as an automobile safety engineer at Consumer Union. Thelin wrote to us, "I sought this job, not to escape any pressure at CAL, but because I believe that this assignment will be more career-like than the job-shop-like atmosphere of fighting for contracts at CAL."

C. Altered and missing documents

During our investigation Nader and Sellers alleged that certain documents submitted to the subcommittee in 1966 by GM and Gillen were altered and that other material had been withheld from us. Upon investigation, we found that the title page of the detective report on Nader had been changed before delivery to the subcommittee, the first page of Gillen's instructions to his agents had been omitted and three letters between Eileen Murphy, the GM law librarian, Richard Danner, the GM Washington lawyer, and detective Gillen were not disclosed.

Gillen acknowledges changing the title page of the detective report.

As submitted to the subcommittee in 1966, the title page read:

"This investigation was initiated to obtain detailed background information on Ralph Nader, author of the book, "Unsafe at any Speed," and of various articles. The primary objective is to fill in those periods of his life not covered in preliminary information, with emphasis on anything showing prejudice against automobiles or their manufacturers, or any subsidy involved in his writings."

At our request, GM supplied a copy of the original first page.

It read:

"This investigation into the background of the above was initiated for a client or our client, who is considering making a job offer to Nader. Client company, or organization, is impressed by Nader's apparent intelligence, talent for research and writing ability, but wish to know more about him before aproaching him. Investigation to concentrate on his prejudices, political leanings, source of income and any other area which might embarrass any employer."

In connection with the March 1966, hearing, Gillen provided the subcommittee a copy of his instructions to his agents consisting of six typewritten pages. We asked GM if any part of the document had been altered or was not furnished to the subcommittee in 1966. GM denied any knowledge of changes in it, but provided us an additional page which Gillen had not submitted in 1966. We established that GM received the page after June 16, 1967, as a part of the discovery in a law-suit by Nader against Gillen in the New York State courts. Gillen alleged in his deposition in the case that GM had participated in the alteration of the document.

The three letters referred to above were from Murphy to Danner on February 25, 1966, Danner to Gillen on February 28, and

Gillen to Danner on March 3. The letters are now in the public domain (see Whiteside, The Investigation of Ralph Nader, pp. 126–127). GM told us that the letters were not given to the subcommittee in 1966, because the investigation had terminated and hence they were not within the scope of the subcommittee's request for documents.

We did not spend much time on any of these matters during our investigation and will not devote more space to them here. None of them was ever related to the testimony on the stability and handling of the Corvair. The Justice Department memorandum makes clear that it had access to all these documents and allegations concerning them and found no basis for further action against GM. Accordingly, we consider these matters closed.

D. Vincent Gillen

Gillen was the private detective employed by GM to investigate Nader's background in 1966. In the two subsequent Justice Department investigations for the subcommittee in 1966 and 1967, he was interviewed twice by the FBI and was deposed by Nader's lawyers in Nader's civil suit against him. After reviewing the deposition and all other available relevant information, the Justice Department twice concluded that there were no grounds for prosecuting any individual in connection with the March 1966 hearing. The Department again reaffirmed this conclusion in 1971 (see exhibit 35).

During our interview with Gillen, he revealed no new information which was inconsistent with his previous statements or which materially added to the evidence presented to the Justice Department.

E. Eileen Murphy

Miss Eileen Murphy, the retired GM law librarian who played a primary role in the investigation of Nader, was the first person we attempted to see in our investigation. At Nader's urging, we called her on our initial trip to Detroit in December 1970, to arrange an interview. She declined to see us and reported our request immediately to the Corporation. GM informed us that Miss Murphy had a serious heart condition which was previously unknown to us. Accordingly, in the absence of any indication from Miss Murphy, or anyone else, that she would talk to us or could provide relevant information, we did not again seek to interview her.

However, in the summer of 1972, we learned that Thomas Whiteside had interviewed her for his book on the GM-Nader investigation. We then arranged an interview with Miss Murphy at her apartment in Detroit on October 17, 1972. She refused to allow the discussion to be tape recorded, but did agree to review the notes we took and make any additions or corrections she felt necessary. After reading our record of the conversation she asked permission for her former secretary at GM to retype portions of several pages. We agreed, advising her that, while we had not informed GM of our meeting, she was free to do so.

We need not recount the substance of our entire 2 hour interview with Miss Murphy. We believe it will suffice to list a few of the points she made which are relevant to our present inquiry or have some possible historical significance:

"(1) She was not involved in any Corvair litigation and had no knowledge of it. As she recalls, the principal concern over the Corvair cases was whether the legal staff had sufficient personnel to handle them properly.

"(2) She was not present when Daniel Boone, a GM lawyer, overturned a Corvair at the proving ground in December 1964. He did not discuss the incident with her. (Boone was the GM lawyer in charge of product liability litigation in 1964. He died in January 1965. The rollover is discussed further below.)

"(3) Bridenstine probably did not know of the initiation of the Nader investigation and she did not report to him concerning it.

"(4) The seven page so-called Murphy memorandum was "simply 'goodies' that she had been able to obtain herself from the O'Neill report and questions she had put to particular friends of hers." None of her friends had done any special investigation or questioning on her behalf but simply responded to telephone or personal inquiries of a general nature. Miss Murphy noted that most of the material in her memorandum is nothing but gossip and that in no way was the memorandum based on any other investigations other than the O'Neill report. As far as Miss Murphy knows, no other investigation was conducted but she firmly felt that someone was "trotting right after us while the investigation was going on."

"(5) She did not know whether Roche first learned of the Nader investigation on March 6, 1966, as he stated to the subcommittee."

We questioned GM about the Boone rollover and learned that it occurred during the preparations for a demonstration of the Corvair for lawyers and potential expert witnesses at the Mesa, Ariz., proving ground.

After analyzing the plaintiff's arguments, Boone had determined that the cases could be defended by proving through expert witnesses that the Corvair was not inherently unstable. This was the strategy GM used in the *Anderson* and *Collins* cases.

Charles Simmons, a GM engineer, was in the car with Boone at the time the rollover occurred and told us that it happened during a demonstration of understeer and oversteer. He explained that Boone had a tendency to slow down, as in normal driving, and so did not experience the oversteer. On his last attempt, he increased the speed of the car too greatly and it rolled over in a turn. Boone and Simmons apparently recognized the possibility that the car would overturn, because Simmons recalled they were wearing seat belts and crash helmets.

VII. CORPORATE RESPONSIBILITY

The ultimate question in the Corvair controversy extends beyond the details of the litigation and the interpretation of technical engineering data. The real issue is corporate responsibility—did GM meet its obligation to produce a car which is reasonably safe for driving on American roads and then, before ordering the Corvair defended in court, did the top management of GM fulfill their responsibility to inform themselves about its stability and handling?

We believe that the results of the DOT, recent Ford, GM and Consumers Union tests, plus the statements of McCluggage, Stroppe, and Rose require an affirmative answer to the first question. By every objective measure we have been able to find, the Corvair compares favorably in stability and handling with contemporary compact cars of that era.

One of the priority objectives of our investigation was to detemine whether the chief officers of GM were aware of the controversy over the stability and handling of the Corvair during the mid-1960's and, if so, what action they took concerning it. We believed this was vitally important because, if management was properly informed about the situation and still believed in good faith that the car was safe, it would be strong evidence that the subcommittee was not subjectively misled (i.e., that GM believed the Corvair was unsafe but testified otherwise). Further, it would tend to show that the corporation acted responsibly concerning the Corvair. Conversely, if we could not establish such facts, there would be grounds for a contrary conclusion.

We found no corroborated evidence that any engineer, lawyer or executive within GM thought the Corvair was unsafe at the time it was developed and produced.

Beyond this, our investigation disclosed that in May 1965, just prior to the trial of the *Anderson* and *Collins* cases, the top management of GM met with the Corvair lawyers and engineers to discuss the litigation. There was an offer to settle the *Anderson* case for $350,000 and Harney had offered to settle all 61 of his law suits for $5.7 million, The question was whether to accept the offers.

Those attending the meeting included Donner, chairman of the board; John Gordon, president of GM; James Goodman, executive vice president; Cole, vice president for car and truck operations; Knudsen, general manager of Chrevolet; from the legal staff, Power, Bridenstine, Rosiello, Adkins, and Frank Allen; and from the Chevrolet engineering staff, Hansen and Winchell. The lawyers had gathered together for presentation at the meeting all of the documents available at the time which might be used in an adverse manner. In discussing them, the lawyers expressed some apprehension about the outcome of the cases, but Winchell strongly maintained that the Corvair was safe and defensible. No one argued the car was unsafe. Hence, management decided to reject the settlement offers and to defend the cases.

Further, concerning corporate responsibility, GM assumed an obligation to bring to our attention all relevant information concerning the Corvair, even where it might be unfavorable to the car. We have already cited some examples of this. In addition, while preparing for the trial of a case in 1971, GM discovered that certain aftermarket tires could "adversely affect the handling of the car to a substantial degree." As a result, GM conducted laboratory and road tests on eight popular brands of aftermarket tires, size 6.50–13 in new condition, both in sets of four, and mixed with worn original equipment tires. Two models of the Corvair, and one front engine vehicle were used in the tests. GM found that the handling characteristics of the aftermarket tires tested varied considerably from each other, and from the new original equipment tires. Some of the 1971 model aftermarket tires substantially degraded the handling characteristics of all of the vehicles used in the testing. The GM tests were limited in scope and did not constitute a complete evaluation of the tires. However, they did show that under certain cornering conditions the Ward Riverside HST and General Jet tires gave the worst performance. GM informed DOT of these tests.

These test findings opened up an entirely new aspect of the stability and handling of the Corvair. They showed that when equipped with certain tires, the handling of the car is unacceptable under some driving conditions. Yet on other tires it was acceptable. But the significance of these tests goes beyond the Corvair, for GM found that the handling of the front engine car, the Chevy II, was also unacceptable with certain makes and models of tires. Clearly, this is an area which requires further research by the auto manufacturers, tire companies, and DOT. If DOT is to establish vehicle handling standards this will probably require comprehensive tire performance standards as well.

But there were some defects in GM's record of corporate responsibility. We have already pointed out that at certain places GM's testimony to the subcommittee and the Michigan Senate was imprecise. It was GM's responsibility to make its statements as clear as possible. If there were limitations on its assertions, they should have been explicitly stated, not supplied by others. We also pointed out GM should have disclosed the surveillance during the *Collins* case to the subcommittee.

In addition, GM's statement in the owner's manual concerning tire pressures was not comprehensible to the average driver. It said "Oversteer problems may also be enountered with incorrect pressures." In fact, most drivers do not understand what oversteer is and how it affects the handling of a car. At the time the Corvair was introduced, there was a widespread belief (not entirely accurate) that tire pressure differentials could sub-

stantially affect handling performance. This was not properly reflected in the owner's manual.

After talking with all the Corvair lawyers and engineers, we gained a clear impression that in the 1965–66 period, GM was not organized to respond to the demands of the Corvair litigation. Answers to interrogatories seemed to be made on an individual, ad hoc basis, documents appeared to be scattered throughout the corporation, and correlation between proving ground reports and films was very difficult.

The same lack of organization and coordination was apparent on the engineering side of the corporation. At one time or other during the development and production of the 1960–65 Corvair, Chevrolet R. & D., Chevrolet product engineering, and the GM engineering staff all worked on the Corvair rear suspension. Most of the time, one group did not seem to know what the others were doing. We understand that this situation resulted from the GM policy of decentralization and the desire of management to encourage some degree of competition among its employees, but we suspect that had the efforts of these groups been pooled, or better coordinated, the decision to alter the roll couple distribution might have been reached and implemented earlier than it was.

VIII. CONCLUSIONS

The history of the Corvair, from its early engineering development in the mid 1950's to the litigation concerning it in the mid 1960's is much like a giant jigsaw puzzle with thousands of pieces. Only when all of them are sorted out and fitted together does the entire picture of these events become understandable. We believe the foregoing sections of this report have presented the relevant evidence necessary for determination of the basic issues before you. Accordingly, based on this record, and the evidence available to us, we submit the following conclusions:

1. The Subcommittee on Executive Reorganization was not misled by the testimony of GM witnesses concerning the stability and handling of the Corvair at the hearing on March 22, 1966. As indicated above, the DOT, GM, recent Ford and Consumer Union tests support the GM contention that the handling performance of the 1960–63 Corvair compares favorably to similar contemporary cars. Furthermore, the executive level meeting of May 1965 demonstrates that the responsible officials of GM believed in good faith, with sufficient knowledge, that the Corvair was safe and defensible in court. We were unable to find any evidence that they negligently or willfully failed to consider any documents or information which would have led a reasonably prudent executive to a contrary decision.

2. GM did not engage in any fraud or deceit in its conduct of the *Anderson, Collins* and other cases we reviewed.

3. None of the other matters alleged by Nader warrant further investigation by the subcommittee or reopening of the hearings. In particular, we reaffirm the subcommittee's previous conclusion that the 1966 hearing protected the integrity of the legislative process and safeguarded the right of witnesses to testify free from harrassment or intimidation. (S. Rept. 951, 90th Cong., 2d sess., 1968, p. 33).

4. Nader's accusations against Frank Winchell are unjustified. Winchell bore the brunt of Nader's charges in the letters of October 23, 1970, and July 8, 1971, both of which were publicly released and widely reported. Accordingly, we believe it is appropriate to state for the record that we could find no factual basis for Nader's allegations. So far as we could determine, in his testimony in court and interviews with us, Winchell's statements were accurate and honest to the best of his knowledge and ability.

5. GM's record of corporate responsibility concerning the Corvair contains both pluses and minuses. The relevant facts and information have been discussed above. We do not believe any of these matters warrant further investigation or hearings by the subcommittee, or referral to Federal or State law enforcement agencies.

Necessarily, our conclusions are based only on the record before us. Though we have sought to make a thorough investigation, there may be some contrary documents and information which we have not uncovered or, which were not brought to our attention, as requested, by Nader, GM, and the people we interviewed during our 2½-year investigation. In the absence of such evidence, we have reached the judgments set forth above.

In closing our report it is important also to point out those matters on which we reached no conclusion. Though we have made a comprehensive investigation of the engineering development of the Corvair and certain litigation concerning its stability and handling, the conclusions we reach are limited by the focus of our inquiry. The basic issue before us was whether the subcommittee was misled about the safety of the Corvair. We believe our investigation has satisfactorily resolved that question. But we express no opinion on the technical questions relating to the ultimate safety of the car. Nor do we sanction every action of GM in all the cases litigated during the past decade or express any opinion on the outcome of those trials. We determined only that there was no fraud in the cases we reviewed.

EXHIBIT 1

A CRITIQUE OF THE NHTSA DEFECT INVESTIGATION OF THE 1960–63 CORVAIR HANDLING AND STABILITY

(By Carl E. Nash)

I. BACKGROUND TO THE NHTSA CORVAIR HANDLING AND STABILITY DEFECT INVESTIGATION

ORIGINS OF THE SWING AXLE CORVAIR

Maurice Olley was Chevrolet's Director of Research and Development until 1955. In 1956, he applied for a patent for a swing axle design which looks very much like the one used on the original Corvair. There is a crucial difference, however, in that Olley's design has a roll center about 35% lower than that of the Corvair. The reason for the difference was made clear in his patent, granted on November 3, 1959, in which Olley criticized the conventional swing axle such as was used on the Corvair:

"The ordinary swing axle, under severe lateral forces produced by cornering, tends to lift the rear end of the vehicle, so that both wheels assume severe positive camber positions to such an extent that the vehicle not only "oversteers" but actually tends to roll over. In addition, the effect is non-linear and increases suddenly in a severe turn, thus presenting potentially dangerous vehicle handling characteristics." [1]

Among the objects of Olley's design were "to reduced [sic] the roll couple carried by the wheels and, therefore, reduce the tendency of the vehicle to 'oversteer.'" Another object was "to provide a suspension of this stated character which is simple in construction, low in cost and efficient in operation." Olley also stated, "[t]ests have shown that by dropping the swing axis only a few inches, significantly improved results are obtained." The patent was assigned to GM indicating that these design subtleties had been explored in GM's test facilities at least three years before the first Corvair was sold to the public.

Although Olley was brought back from retirement by GM in 1959 to give his public endorsement of the Corvair design, he still had doubts about it. In a paper written in April 1961 for General Motors' internal use only, Olley said:

"It is shown that in the present Corvair the swing axle, due to lift, handles rather worse than a solid axle, but other studies have shown that this effect decreases rapidly as the roll couple carried by the swing axle is decreased." [2]

The design parameters proposed here by Olley were those eventually incorporated in the 1964 model Corvair. Designs which reduced the rear roll couple of swing axle suspensions had been incorporated on the swing axle Porsche and Mercedes Benz well before the original introduction of the Corvair. The decision to ignore these design advances on the Corvair was dictated by cost considerations, consistent with the GM policy of giving safety second priority to cost.[3] The roll couple distribution between front and rear suspension can be altered in at least two ways. The rear roll couple can be reduced by lowering the height of the rear roll center, or by directly reducing the roll resistance of the rear suspension springs.

The former would have required extensive redesign of the rear suspension springs. The former would have required extensive redesign of the rear suspension, so that for the 1964 model Corvair, a transverse leaf spring with no roll resistance was used to support part of the weight of the car, allowing a reduction in the stiffness of the rear coil springs. The total roll resistance of the vehicle was kept approximately as before by adding an anti-roll bar to the front suspension.

Assuming evidence submitted to the National Highway Traffic Safety Administration (NHTSA) for their Corvair handling and stability defect investigation [4] constitutes all relevant material from GM, tests of the 1960 model Corvair handling and stability were sparse to say the least. The first recorded GM tests of a production design Corvair in emergency maneuvers were not made until April, 1959, just before production was to begin. In a summary discussion of these tests, the GM report states:

"J Turns to the right were tried on the Military skid pad at 15, 20, and 25 m.p.h. Right rear wheel lift was noticeable at 15 and 20 mph. At 25 mph the vehicle rolled onto its top." [5]

Later Proving Ground reports on these tests, conducted in 1962 and 1963 (PG–15699 [6] and PG–17103 [7]) showed that only two changes resulted in a substantial improvement in the stability of the Corvair in J turns. First were those changes which were subsequently incorporated into the 1964 model—a redistribution of the roll couple toward the front suspension. The second change which was done strictly for recording purposes, was the addition of two high speed movie cameras to the rear of the vehicle which lowered the center of gravity 0.8 inches and moved it back 4.7 inches. The cameras increased the weight at the rear from 1,771 pounds to 1,981 pounds and increased the moment of inertia of the vehicle about all principle axes. General Motors report PG–17103 concluded:

"These tests showed that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modifications to shock absorber design and configuration. A test phase which incorporated a pair of high speed movie cameras mounted on outriggers to the rear of the car, showed that this change in the weight distribution prevented the car from overturning during these test maneuvers.

"A 1964 prototype suspension installed in the car made the dynamic stability characteristics acceptable for several different test conditions."

The importance of such loading was to become a central issue in the much later government tests of the Corvair. The GM engineers found the pre-1964 Corvair without the cameras relatively easy to roll at speeds between 25 and 40 mph even with improved

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shock absorbers and shorter limits on suspension rebound travel.[8]

Consumers who owned Corvairs were also experiencing difficulties with the Corvair. Within six years of the introduction date, more than one hundred suits alleging handling instability had been filed against GM. Although most of these suits were settled for small amounts following GM's controversial success in two of the early suits, several were settled out of court for amounts on the order of $100,000 and more.[9] Up to the time of the NHTSA investigation of the Corvair, 219 such suits had been filed.

INITIAL GOVERNMENT INTEREST IN THE CORVAIR

The issue gained wide public notoriety with the publication, in late 1965, of Ralph Nader's *Unsafe at Any Speed*.[10] The first chapter of this work, "the Sporty Corvair," detailed the case against the Corvair's handling and stability as it was known at that time. The book, and the subsequent admission of General Motors' then President James Roche that his company had conducted an investigation into Nader's private life, gave impetus to the movement in Congress to pass Federal auto safety regulation legislation.[11] This legislation, which was signed into law on September 9, 1966,[12] and contained a section which authorized investigation by the Secretary of Commerce (later the Secretary of Transportation) into motor vehicle defects which might affect traffic safety, and subsequent notification of vehicle owners by the manufacturer if a defect was found.

There was considerable debate in the new safety agency over the question, not addressed by the legislation, of whether the Act covered defects in vehicles built before the passage of the Act. The debate had not been decided by April 24, 1968 when Nader wrote to Lowell K. Bridwell, Administrator of the Federal Highway Administration, under which the National Highway Safety Bureau (NHSB, precursor to the NHTSA) operated. Nader opened:

"The National Highway Safety Bureau is now entering its twentieth month under the auto safety law without having begun to exercise responsibility for achieving the recall of these defective vehicles which the manufacturers refuse to recognize. The most notorious of these defective vehicles are the 1960–1963 Corvairs, with their well-known handling instability (in addition to a catalogue of other distinctive hazards common to all Corvairs ranging from excessive fuel tank exposure, ramrodding-prone steering column and carbon monoxide leakage from the heater." [13]

A month later, Dr. William Haddon, Director of the NHSB, reacted to Nader's challenge by proposing to Bridwell the following:

"I . . . recommend that we take this [the issue of the Corvair's alleged propensity for crash involvement and lack of crash protection] to the National Academy of Engineering and request them, with whatever fiscal support they require, and within our, as you know, very limited resources, to appoint a blue-ribbon ad hoc group which would undertake to answer just as thoroughly and as objectively as possible the questions which have been raised with respect to the early Corvairs." [14]

Haddon was frustrated in his attempt despite repeated memoranda to Bridwell. His memorandum for the record dated September 17, 1968, reads simply, "No oral or other response has been received with respect to this memo [of July 24, 1968, asking for an opinion on the Corvair issue]. My position remains unchanged." [15] Beneath the typewritten memo is a later handwritten note stating that Bridwell did not want the Corvair issue opened, did not want Haddon to go to the National Academy of Engineering, and did not want a legal opinion on whether the NHSB could investigate defects on pre-September 1966 cars. By this date, however, the General Counsel of the Federal Highway Administration Howard Heffron had concluded in a memorandum that the Act covered defects in pre-1966 vehicles.

THE BEGINNING OF THE NHTSA INVESTIGATION

The Corvair issues lay dormant for two more years. Then on September 4, 1970, Nader addressed a letter to Secretary of Transportation John A. Volpe.[16] In this letter, he not only reiterated his view that the NHSB had a public responsibility to investigate the Corvair stability and heater (carbon monoxide leakage) defect issues, but charged GM officials with "collusion . . . to sequester and suppress company produced data and films proving the Corvair (1960–63 models) dangerously unstable."

The NHTSA opened what was to have been a four month arm chair investigation with a meeting between NHTSA defect office including Frank Mitchell and Robert Eaton. By the end of December 1970, the NHTSA had completed its evaluation of the evidence in its possession concerning the Corvair handling and stability, and it was rumored that the agency was prepared to find no defect in the Corvair handling and stability.

On February 23, 1971, Nader again wrote to the Secretary urging that the agency undertake its own objective testing of the Corvair.[17] He also transmitted an offer, made by a Michigan citizen of a Corvair for testing. Although the government accepted the car and kept it as a back-up vehicle, it was never used in the test program which was subsequently undertaken.

THE COMPARATIVE VEHICLE HANDLING TEST PROGRAM

The NHTSA hurriedly put together a test program based on NHTSA contract tests done at the Highway Safety Research Institute (HSRI) of the University of Michigan. Apparently the HSRI was asked, in March 1971, to perform the NHTSA's defect investigation tests on the Corvair and other contemporary cars, but declined because of the lack of a good test track. The original 1970 HSRI tests were designed to demonstrate the efficacy of input-response handling test procedures using programmed automatic driving equipment. Four vehicles had been used in the HSRI tests, a 1961 Corvair, a 1967 Ford Station Wagon, a 1969 Mercedes 250 sedan, and a 1970 Toyota 2000 GT sports coupe.[18] The Corvair was found to be comparatively unstable in some of these tests. The Corvair easily rolled against its roll limiting outriggers in a test in which "the limit response condition [condition in which the vehicle may be said to fail the test] . . . corresponds to the case where the rolling motion following release of the brake is so great as to cause the vehicle to roll over." None of the other cars in the test program reached this limit. The final report of the HSRI tests was submitted in November, 1970 to the NHTSA.

After HSRI turned down the Corvair defect test contract, Cornell Aeronautical Laboratories (CAL, now Calspan Corp.) was asked to take the contract. Vehicle purchasing was begun in Buffalo, New York (where CAL is located).[19] The CAL contract was withdrawn within about a week because of the discovery of a possible conflict of interest.

Mr. Carl Thelin, an employee of CAL at the time, had previously worked (from September, 1965 through 1966) for GM in their Product Analysis Group (a cover name for the Corvair litigation defense group). In 1970, Thelin acknowledged and confirmed some of the unethical tactics used by GM's legal defense in Corvair litigation. Because of the likelihood that GM would strenuously object to this possible conflict of interest, the contract was terminated.

On the recommendation of HSRI personnel, the Texas Transportation Institute of Texas A & M University (TTI) was hurriedly chosen as the sole source contractor to carry out the testing under the close supervision of six NHTSA engineers.

Because TTI had never carried out vehicle handling tests of the type proposed by the NHSTA, an HSRI engineer was contracted by TTI to demonstrate the use of the HSRI-developed automatic driving and test epuipment.[20] None of the six NHSTA engineers assigned to the project were recognized experts in the field of vehicle dynamics. The project engineer, Ernest Wittich, was a sixteen year veteran of GM (Buick and Oldsmobile Divisions) before joining the NHSTA in 1968.[21] Mr. Wittich doesn't hold an engineering degree, and received all of his technical training (mainly in the area of service and reliability) from the General Motors Institute. Wittich also had the potential of a direct financial conflict of intrest in that he concurrently held stock in GM while supervising the Corvair testing.[22] It was not for lack of other engineers in the NHTSA or even in the Office of defects investigation that Wittich was chosen as project engineer. There were approximately twenty other engineers in the defects office alone. The NHTSA's insensitivity to Wittich's potential conflict of interest when compared with their hypersensitivity concerning Thelin, is but one obvious example of the way in which the investigation was biased toward exoneration of the Corvair.

To assure that all interested parties agreed on the complex technical aspects of the expensive comparative tests being undertaken by the NHTSA, associates of Nader asked permission to have an observer at the sight of the tests but were turned down. They next asked for public review and comment on the agency's test conditions and procedures and were again refused. The NHTSA would agree only to receive blind comments and suggestions. Both GM and Gary Sellers, an attorney and former associate of Nader, submitted comments. Thus the agency afforded no opportunity for discussion or comment which would have helped to assure that they were fully informed of all views on the test methods and conditions.

In his letter to Rudolpho Diaz, Acting Associate Director of the NHTSA's Motor Vehicle Programs, Sellers stressed that the Corvair be tested with "the critical variables . . . at the most severe levels—those most likely to reveal the defects alleged—or the differentials in the margin of safety present." [23] Diaz replied on March 25, 1971, with the statement, "Your suggestions are good ones. I feel that our test procedures can accommodate all of the specific recommendations you offered as to test criteria, vehicles to be tested and the necessity for 24-hour supervision to assure tamper-free test results." [24] The important issue, however, was whether the critical variables were at their most severe levels.

The NHTSA subsequently deemed that the overriding consideration was expediency in carrying out the tests, and violated Diaz' commitment to Sellers in several important respects. For example, when the agency engineers found that the weight of the test equipment overloaded the smallest of their test cars, the Renault Dauphine, the decision was made to load *all* of the vehicles, including the Corvair, to their maximum recommended load rating, rather than make adjustment in each vehicle in the amount of equipment used.

The NHTSA sanctioned the heavy loading despite the fact that their engineers claimed to have carefully studied a GM proving ground report, PG–17103, which showed that the effect of loading the rear of the Corvair was to make it "very stable." In these GM tests two high speed cameras had been mounted low and behind the rear bumper of a nearly stock Corvair to film the tires

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and rear suspension during j-turn tests. These emergency maneuvers performed at speeds of from 27 to 36 mph resulted in no rollovers, and the test report notes, "the car looked very stable." After the cameras were removed, reducing the weight on the rear wheels by more than 200 pounds, a 30 mph j-turn was performed with the vehicle otherwise as before.

The report notes that this time, "the car rotated to the right approximately 180° and the right rear wheel lifted approximately 2 feet. High speed movies taken of this test showed that the car was very nearly in a roll condition." The NHTSA engineers ran their 1971 tests with the Corvair in a condition rather similar to that which GM had found "very stable" eight years previously.

All vehicles in the test program at TTI were fully loaded, "to match the manufacturer's maximum recommended weight with passengers and luggage." (Maximum recommended weight usually refers to six passengers and about 200 lbs. of luggage.) But it cannot be claimed that the distribution of the weight matched that of passengers and luggage. Aside from the test equipment, which was mounted low in the passenger compartment, it appears from the film of the tests that the extra weight was added primarily to the ends of the vehicle below the center of gravity. This extra weight, combined with the weight of the outrigger used to prevent overturning, significantly increased the yaw moment of inertia as well as the roll moment of inertia. The combination would make the Corvair both more resistant to drastic oversteer (spinout) and to overturning. The lowering of the center of gravity which probably also occurred (although it was not measured) would also have enhanced the vehicle's stability.

The "loading" decision was curious for at least two other reasons. First, the HSRI test equipment as used in their Michigan tests in 1970 weighed less than 350 pounds while the NHTSA had twice that amount in their cars. No explanation is given for the extra weight in the NHTSA tests, nor does it appear that they could measure any important parameters that HSRI could not. In fact, much of the equipment was the same in both tests. Second, the two comparison test vehicles which caused all of the vehicles to be fully loaded—the Volkswagen and the Renault—were small foreign vehicles whose handling qualities were known to be at least as bad as is the Corvair's.

Drivers of these small foreign sedans were well aware of the radical differences between the handling of these cars and that of typical American cars. The Corvair, on the other hand, was designed to seem as much like an American car as possible, with fairly "slow" steering and considerable understeer under moderate cornering stress. Thus, adding the Renault and VW to the tests compromised them by making it seem necessary to load all of the test cars to their limits. The performance of the Renault and VW was not pertinent to the goal of the testing and was a waste of both time and money.

Even had the NHTSA engineers not been aware of the handling and stability performance advantage given by heavily loading the Corvair, it must have become obvious to them shortly after the testing commenced that their Corvair was exceptionally stable. However, rather than re-evaluating their test conditions and procedures, the NHTSA engineers compounded their error by simply continuing their tests with the fully loaded cars.

The NHTSA personnel were further confronted with the fact that their own test results were completely at odds with all other test findings on the Corvair. Professor Leonard Segel, head of Physical Factors at Highway Safety Research Institute, and one of the authors of the HSRI vehicle handling test report in which a 1961 Corvair was tested, suggested a rationale for the outcome of the NHTSA's Corvair investigation:

"It seems patently clear that the DOT personnel, having produced negative findings in the Texas tests, reevaluated the data developed and furnished by other parties and drew conclusions which they felt to be consistent with their own test findings. On the basis of personal conversions that I had with DOT personnel associated with this program, it is my recollection that they fully expected the Corvair to roll over in the course of the test program. Since it did not (according to the official report), it appears that NHTSA staff have gone to some effort to discredit the conclusions drawn by others or to interpret the test findings of other parties in a manner so as to make their own findings look reasonable. Whether there has been any effort to twist the facts would be difficult to say. For example, I can see how NHTSA personnel and the evaluation panel, in view of their fundamental limitations in separating the "wheat from the chaff," would arrive at the position expressed in these two documents in the fact of the hard evidence produced in Texas." [25]

One must conclude that either the NHTSA and TTI personnel knew that these tests would not demonstrate the Corvair defects, or these personnel were not professionally competent to carry out a valid Corvair handling and stability test program.

The loading of the Corvair was justified by Secretary Volpe by noting that Sellers had suggested that the Corvair be tested "also with the maximum recommended load." [26] However, Sellers' overriding requirement was that critical variables be at their most severe levels. In the case of the Corvair, it is apparent that the most severe level of vehicle loading is lightly loaded—as with a driver alone or driver and passenger only.

VEHICLE DEGRADATION AND OTHER FACTORS

One issue not addressed at all in the Corvair handling and stability investigation was the effect of degradation of tires and suspension components on the stability and handling of the Corvair. Precedent was set in the other Corvair defect investigation, into the Corvair direct air heater, that normal degradation should be considered a factor in a defect investigation.

The Corvair uses air to directly cool the engine of the car. In the process, the air passes over all parts of the engine including the exhaust manifolds. The air heated by the engine is then used by the direct air heater to warm the passenger compartment. It was alleged that there was a significant likelihood that this air could become contaminated with exhaust gases containing the poisonous gas carbon monoxide from an improperly sealed cylinder head (six individual seals), or from parts of the exhaust system (which had at least twelve joints in the direct flow of the cooling air, each with the potential for leakage).

Contrary to the practice used in the handling and stability investigation, vehicles which were in consumer's hands and were in various states of degradation were tested for carbon monoxide leakage (CO) into the interior of the cars from the heating system.[27] No attempt was made to bring the cars up to the original condition before testing, or to otherwise repair them. In contrast, in the case of NHTSA's handling and stability tests, the only Corvair used was renewed to approximately original condition before any testing was performed. The factor of degradation was never even considered in the handling investigation.

The automobile safety law does not limit the definition of a safety defect or its direct potential to one which must be present at the time of a vehicle's manufacture. It is obvious from the legislative history that a safety defect can be the result of unforseen degradation.[28] Specific cases in which the NHTSA has determined a defect such as the Corvair heater case and the Chevrolet engine mount case, have set the precedent that degradation must be considered a factor in analyzing a safety defect under the law.[29]

On the basis of the NHTSA's test evidence, the 1965 model Corvair heater was declared defective by the NHTSA on October 29, 1971. Although GM denied the defect on the basis that the vehicles would have no CO leakage if kept in optimal condition, it agreed to send defect notifications to all owners of 1961–69 Corvairs. The notification did not comply with the minimum legal requirements, so that the NHTSA caused a second letter to be sent from GM to Corvair owners. GM refused, however, to pay for any repairs necessary to eliminate the defect other than their obligated warranty repairs.

The Corvair heater defect also exacerbates the effect of the Corvair's handling instability in that carbon monoxide from the Corvair heater may cause a driver's perception and reactions to become impaired. Such an impaired driver would be even less able to cope with the Corvair's unusual responses in emergency maneuvers.[30] The fact that General Motors refused to recall the Corvair for the heater defect or to recommend an adequate repair for the defect means that most Corvairs continue to have the potential for carbon monoxide leakage from their heaters.

A second allegation concerning the Corvair's stability was also never addressed in this defect investigation. Having a high proportion of weight at the rear (nearly two thirds of the total vehicle weight), the Corvair could be expected to be less stable under side wind buffetting than the more conventional front engine car. This is because the further forward the center of gravity of a vehicle, compared to the center of pressure due to a side wind, the better the vehicle's ability to hold a straight course without steering correction. A lightly loaded vehicle would be most sensitive to sidewinds.

THE ENGINEERING PANEL EVALUATION

To give the NHTSA defect investigation the approval of independent professionals before its public release a group of three outside engineers was empanelled by the NHTSA on September 15, 1971. Their charge was "to arrive at joint panel findings, conclusions and recommendations about past and future NHTSA programs for evaluations of the 1960–1963 Corvair handling and stability." [31] The panel included an auto racing specialist, an aerospace engineer, and a highway engineer. The latter, Dr. Paul H. Wright, had a potential conflict of interest in that he was currently under contract with the NHTSA to produce Multidisciplinary Accident Investigations. Should his findings have embarrassed the agency, it might well have jeopardized his contract.

The NHTSA's panel of engineers was somewhat more critical of the Corvair than was the NHTSA. The panel noted that a Corvair's lateral acceleration "might go from 0.3 g to 0.6 g in a quarter to a half second depending on the attitude and speed of the vehicle." They further noted that the difference between cornering at .4 g. on a 108 ft. radius curve and at .6 g on a smaller radius curve is only about ⅛ turn of the steering wheel, and that the vehicle approaches divergent instability at around .6 g lateral acceleration. (Lateral acceleration is the acceleration toward the center of a curve resulting from the sideward forces between the road and tires. Here it is expressed as a fraction of the acceleration due to gravity in a free fall.) The panel recommended that owners be cautioned about the "unusual handling characteristics under conditions of hard cornering," and about the need for correct tire pres-

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sures to avoid exacerbating the unusual handling.

The NHTSA issued a press release on August 12, 1972, stating that such a communication would be sent to Corvair owners. The four page proposed text of the letter was attached. The first 2½ pages summarized the NHTSA's position on the issue. The cautions concerning tire pressures and the understeer-oversteer transition recommended by the panel were buried at the bottom of the third page, written in such bland and reassuring language as to defeat the purpose of the warning. Subsequent protests from the Senate Commerce Committee and Nader caused NHTSA Director, Douglas Toms, to reconsider sending the letter. In a letter to Nader dated September 21, 1972, Toms admits "we lean toward the view that the $100,000 [the cost of sending the letter to the several hundred thousand remaining owners of early Corvairs] can be put to more productive uses." No letter of any kind was sent to Corvair owners on its handling problems.

CONCLUSIONS

The NHTSA issued its findings on the Corvair handling and stability defect investigation in a 134 page report, along with the engineering panel's 24 page report, on July 12, 1972. A detailed critique of the NHTSA report is contained in part II of the present paper.

The NHTSA will not have any vehicle handling standards for new cars anytime in the foreseeable future, according to its latest program plan. The NHTSA had assumed that by making comparisons between the Corvair and other contemporary small cars, that the issue of the validity of the tests themselves would not have been raised. However, the extremely idealized and limited conditions of the vehicles and tests make generalization of the test results completely unwarranted. It is not known, for example, if loading a conventional front engine vehicle causes an improvement or a degradation in the response of the vehicle to inputs from the HSRI tests. It is clear that the Corvair's emergency maneuvers response improves considerably when it is loaded. However, a heavily loaded Corvair will be operating much closer to its design limits and may therefore be more likely to suffer catastrophic failure of the tires or suspension components.

It had initially been hoped that the Corvair defect investigation test program would add to the general knowledge of vehicle handling standards and their compliance test procedures. In fact, little or nothing was learned which could be said to advance the understanding of the connection between vehicle handling and stability, and traffic safety.

FOOTNOTES

[1] Olley, Maurice, "Independent Rear Suspension for Vehicles," Patent number 2,911,052, application May 13, 1956, issued November, 1959.

[2] Olley, Maurice, "Corvair Steering," April, 1961, p. 11.

[3] Rubly, Charles, "Suspensions from the Ground Up," Chevrolet Motor Division, General Motors Corp., for presentation to the SAE National Automobile Week, Detroit, Mich., March 15–17, 1960. Cost was listed in this article as the primary reason for using the swing axle in the Corvair.

[4] The file for IR–279 is available from the Technical Reference Division, National Highway Traffic Safety Administration, Department of Transportation, Rm 5108 Nassif Building, Washington, D.C. 20590. General Motors claims to have supplied the NHTSA with all test materials which are relevant to the Corvair handling and stability.

[5] General Motors Proving Ground Report PG–11106, June, 1959.

[6] GM Proving Ground Report PG–15699, June 14, 1963.

[7] GM Proving Ground Report PG–17103, March 30, 1964.

[8] In PG–17103, the Corvair with 1962 and 1963 suspensions rolled in five out of 26 tests. In PG–15699, the Corvair rolled nine times in 59 runs with various modifications to the shock absorbers and springs.

[9] Nader Ralph, *Unsafe at Any Speed*, Grossman Publishers, New York, 1965, p. 9. Pierini v. GM was settled out of court for $70,000, Veatch v. GM was settled out of court for $150,000, Furr v. GM was settled for $49,000, Cantos v. GM was settled for $66,000 to be paid by both GM and a San Fernando, California auto dealer, Franklin v. GM was settled for "a very substantial amount" which could not be disclosed as a condition of settlement imposed by GM.

Many of the lawyers for the plaintiffs settled or dropped their cases because they could not sustain the financial drain imposed on them by a battery of GM attorneys and technical employees armed with cameras and other equipment for courtroom use.

[10] Ibid.

[11] Hearings before the Subcommittee on Executive Reorganization "Federal Role in Traffic Safety," Part 4, March 22, 1966.

[12] National Traffic and Motor Vehicle Safety Act of 1966, Public Law 89–563, enacted September 9, 1966.

[13] Letter from Ralph Nader to Lowell K. Bridwell, Administrator, Federal Highway Administration, dated April 24, 1968.

[14] Memo from Dr. William Haddon, Jr., Director, National Highway Safety Bureau, to Mr. Lowell K. Bridwell, dated June 4, 1968.

[15] Memorandum for the record from Dr. Haddon dated September 17, 1968.

[16] Letter from Ralph Nader to Secretary of Transportation John Volpe dated September 4, 1970.

[17] Letter from Ralph Nader to Secretary Volpe dated February 2, 1971.

[18] Dugoff, Howard, R. D. Ervin, and Leonard Segel, *Vehicle Handling Test Procedures*, Highway Safety Research Institute, University of Michigan, Ann Arbor, Michigan, November, 1970 (prepared under contract FH–11–7297 with the National Highway Safety Bureau.)

[19] *Input Response Tests of Selected Small Passenger Cars*, Texas Transportation Institute, Texas A & M Research Foundation, College Station, Texas, November, 1971, pp. 20, 21.

[20] Ibid., p. 1.

[21] Letter from B. A. Boaz, Acting Director, Office of Consumer Affairs and Public Information, NHTSA, to Carl Nash dated August 8, 1972.

[22] October 6, 1972, deposition of Ernest Paul Wittich in Dillon v. GM, U.S.D.C. Central District of California, No. 71–2162–ALS.

[23] Letter from Gary Sellers to Rudolfo A. Diaz, Acting Associate Director, Motor Vehicle Programs, NHTSA, dated March 17, 1971. Purchase of most of the test vehicles had been completed prior to this date.

[24] Letter from Rudolfo Diaz to Gary Sellers dated March 25, 1971.

[25] Letter from Leonard Segel, Head, Physical Factors Group, Highway Safety Research Institute, University of Michigan, to Ralph Nader, dated August 17, 1972, p. 1.

[26] Letter from Secretary of Transportation John A. Volpe to Ralph Nader dated September 15, 1972.

[27] IR–249, the NHTSA defect investigation into the Corvair Direct Air Heater, was opened during September, 1970, and concluded on October 29, 1971.

[28] Testing was carried out on 292, 1961–69 Corvairs by the Automobile Club of Southern California, among which a significant number were found to have dangerous amounts of Carbon Monoxide in the passenger compartment from the heater.

[29] The Act defines a defect to include "any defect in performance, construction, components, or materials in motor vehicles or motor vehicle equipment." It gives the Secretary of Transportation the authority to investigate a defect which "relates to motor vehicle safety." The Chevrolet engine mount defect (IR–258) concerns the "possibility that separated motor mount may allow motor to lift, which may affect throttle linkage, momentarily increasing throttle opening, possibly to full throttle." The separation of the engine mount is a result of degradation of the rubber which allows it to separate from the metal plates which attach to the frame and engine of the car.

[30] Carbon Monoxide in levels as low as 50 parts per million is known to affect both the perception and motor response.

[31] *Panel Evaluation of the NHTSA Approach to the 1960–1963 Corvair Handling and Stability*, General Testing Laboratories, Inc., January 25, 1972, p. 2.

II. ANALYSIS OF THE NHTSA'S EVALUATION OF THE 1960–1963 CORVAIR HANDLING AND STABILITY

The NHTSA's *Evaluation of the 1960–1963 Corvair Handling and Stability*[1] is not an objective technical paper assessing all of the evidence and documentation concerning the handling and stability of the early Corvair. The report selectively discusses primarily the evidence which was made public before the release of the *Evaluation* in July, 1972, and then presents an abridgement of the Texas Transportation Institute report[2] on the NHTSA's tests of the handling and stability of the Corvair and five other small cars. Much of the important, but little known evidence concerning the Corvair's instability is simply ignored in the *Evaluation*.[3]

The major evidence discussed in the *Evaluation*, aside from the TTI test report, is as follows:

1. Miscellaneous items under the heading, "Analysis of General Motors Documents and Related Material." Although no attribution is given, much of this material was developed by General Motors for its defense of the Corvair, both against lawsuits and at the Michigan State Senate hearings of February 21, 1966.[4]

2. Two reports dated October and November, 1963, by John Garrett of Cornell Aeronautical Laboratory (CAL) which include rollover occurrence data in selected crashes on rural roads in Utah and New Mexico,[5,6]

3. A report, dated July, 1970, by Prof. B. J. Campbell director of the Highway Safety Research Center of the University of North Carolina.[7] The primary purpose of Campbell's report was to show injury rates in various makes and models of cars involved in standardized crash types. Campbell's data also include some statistics on the frequency distribution of involvement in various types of crashes.

4. General Motors proving ground reports PG–15699[8] and PG–17103,[9] given particular emphasis because Nader had brought them to public attention before the beginning of the NHTSA investigation. Discussion of these proving ground reports is scant, however. The NHTSA preferred to devote most of this part of its report to critiques of these reports by three independent engineers[10] which had been forwarded to the NHTSA by Nader.[11]

5. Films made by the Ford Motor Company in late 1959 which show a comparison of the handling characteristics of a 1960 Corvair and a 1960 Falcon,[12] with an analysis of the films made in 1971 by Harley Copp, a senior Ford engineer.[13]

Conspicuously missing from the NHTSA's *Evaluation* is discussion of the following relevant materials and facts:

1. The 1970 report from the Highway Safety Research Institute of the University

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of Michigan (HSRI) prepared under contract for the NHTSA concerning vehicle handling test methods.[14] The methods developed by HSRI under this contract were used by the NHTSA in its Corvair handling tests. Omitted by the NHTSA is any reference to the fact that a 1961 Corvair was one of the test vehicles used in the HSRI project, and that in the HSRI tests the Corvair rolled over a large number of times.

2. An unpublished update of the earlier week by Campbell in which the data base has been considerably expanded.[15]

3. GM proving ground report PG–11106,[16] completed in 1959, which showed that a 1960 model Corvair could be rolled in a j-turn on smooth pavement at a speed of 25 mph.

According to the NHTSA report introduction, the analysis of all documentary evidence on the Corvair handling and stability took place in less than four months at the end of 1970. (3) (Page references to the NHTSA *Evaluation* will be given in parentheses in the text.) Testing of the Corvair had not been contemplated until Nader wrote to Secretary Volpe on February 23, 1971,[17] urging that it be done. The introduction goes on to state that the testing was completed on July 15, 1971, (4) a full year before the results of the investigation were made public. No explanation is given for this 12-month delay.

CHOICE OF TEST METHODS

The discussion of the evidence considered begins with a section titled "Current State-of-the-Art." Here, the NHTSA report states that "Task Performance tests, which include the driver-vehicle interface were ruled out because of the inability to quantitatively measure the driver inputs and reactions." (7) The NHTSA concedes that the input-response tests used "had never been validated nor had they been correlated with actual driving maneuvers." (8) They were chosen primarily because they eliminated the human uncertainties and allowed "accurate repetition of a variety of steering and braking control inputs." (8) The NHTSA had contracted the development of the HSRI input-response handling test procedures and equipment as a part of its program to establish a motor vehicle safety standard for handling.

Carl Thelin, a former GM engineer, said in a recent letter to Clarence Ditlow,[18] a Nader associate:

Apparently, only HSRI and the DOT are proponents of this approach to evaluating automobile handling. Everyone else (this is probably not exactly true, but close) including me and GM do believe that the handling picture must include a normal driver and a roadway to drive upon.

Similarly, Harley Copp, Director of Engineering Technical Services Office of Ford's Product Development Group, said in testimony before the Senate Commerce Committee,[19]

The test methods employed by NHTSA are in no way representative of those used by the automotive industry for developing and measuring handling stability and controllability of our products. The point of these statements is that while it may be useful to evaluate vehicles in highly idealized tests (cars driven by machines or near perfect road surfaces) as was done by the NHTSA, an important part of any *comprehensive* vehicle handling test program should be to operate the vehicles with *drivers* on *real road conditions.*

OVERSTEER AND UNDERSTEER

The beginning of the discussion, "Control Characteristics," displays a full page drawing which purports to show the difference between oversteer and understeer. (13) Although no attribution is given, it is obviously copied directly from GM's testimony before the Michigan State Senate in 1966.[20] The illustration, and the accompanying text "an oversteering vehicle will tend to generate a smaller radius, with increasing lateral acceleration, without any change in steering angle." (12) are fundamentally misleading in indicating that an oversteering vehicle which is at the limit of control will leave the road toward the inside of a curve, with the vehicle heading in its direction of travel. The fact is that both under- and oversteering vehicles will leave a roadway with the radius of the path of the center of gravity increasing (that is, toward the outside of a curve) when they exceed their limit of control. The reason is that the centripetal forces generated by the tires are not large enough to continue to accelerate the vehicle toward the center of the curve. The terms "understeer" and "oversteer" indicate whether the front or rear tires will have greater side slip or will lose traction first. The understeering car (typical in America and considered desirable) will leave the roadway with the front of the vehicle leading. Given a sufficient unobstructed path, control can be re-established by either reducing the steering angle or the speed of the vehicle so that the front tires will regain traction.

The divergently oversteering car, on the other hand, will leave the roadway with the rear of the vehicle overtaking the front, spinning about a vertical axis. If the vehicle has rotated significantly, it will lose traction entirely, and control cannot be regained because the direction the car is heading will not coincide with the direction of the path of the vehicle.

The oversteering vehicle is also more dangerous than the understeering vehicle because of the likelihood of its turning broadside to its direction of travel. Regardless of its intrinsic propensity to overturn, the likelihood of a vehicle's overturning is considerably increased when it is traveling sideways so that the torques which would overturn it act perpendicular to the axis about which the moment of inertia is smallest. Oversteer is self-generating in that once a vehicle begins to oversteer, its lateral acceleration (which promotes the oversteer) is increased either by the fact that the curve of its path will have a smaller radius, or because the vehicle may be sliding sideways.

The Corvair was designed to understeer under most ordinary circumstances both because GM engineers believed that understeer is generally desirable and to make the normal handling qualities of the rear engine Corvair as similar to the front engine GM cars as possible. As cornering speeds or conditions become more severe the Corvair will begin to oversteer. It is the occurrence of this transition which is often blamed for the handling difficulties of the Corvair.

THE DRIVERS REACTIONS

The NHTSA report states (as did the draft of the letter to Corvair owners) that, "Drivers, though they may not be aware of their actions do correct for these phenomena [vehicle over- and understeer] in everyday usage of their vehicles."(14) No reference is given for this statement, nor is it stated under what conditions it is true. In fact, the statement is a tautology, being accurate only under the conditions in which drivers normally retain control of their vehicles. The statement has no particular value without some very careful experimental work to define the limits of its validity for drivers in a Corvair. To make that statement to Corvair owners is tantamount to guaranteeing that they will never lose control of their cars, a fact disproved daily on the highways.

The NHTSA discussion of the tolerance limits of drivers to lateral accelerations which may occur in their driving is equally simplistic. Loss of vehicle control on an incident-per-mile traveled basis is very rare, even in an early Corvair.[21] It is precisely the unexpected, though not necessarily unusual, condition—a defect in the road or vehicle, a heavy crosswind, an impaired driver, or an unusual traffic situation—which will lead to a crash. Under these conditions, the behavior of ordinary drivers under ordinary conditions simply does not apply to Corvair drivers in emergency conditions. Furthermore, the "basic research conducted by General Motors [which] has established that a driver, characteristically, when confronted with an unexpected obstacle, will not attempt evasive maneuvers which will require lateral accelerations in excess of about 0.3 g,"(14) refers to people driving conventional front engine vehicles. A driver in a Corvair may make a steering correction in an emergency condition which, if made in an ordinary vehicle, would not cause the vehicle's lateral acceleration to exceed 0.3 g, but which might cause the Corvair to go completely out of control.

The NHTSA's analysis also ignores the fact that the lateral acceleration experienced by a driver may not be directly related to the lateral forces which are generated instantaneously by the vehicle's tires. The report by the NHTSA states that "It also was observed in GM films and reported on at least one road test (Autocar, January 6, 1961) that wheel hop (patter) occurs prior to incipient vehicle breakaway, at which time the Corvair can still be controlled, indicating that discernible warning is given to the driver prior to the limit of control. (19) There is no indication in the NHTSA report that the driver is able to feel or hear the wheel "patter." The allegation that such warning is given is directly contradicted in a 1960 paper by Charles Rubly,[22] a GM engineer. Rubly's paper shows that lateral front seat frame motion induced by vertical wheel tramp in the Corvair is considerably reduced compared to other cars of the period so that the driver of a Corvair is, to a large extent, insulated from feeling the wheel motion. There is also no mention of wheel hop having occurred in the NHTSA's tests of the Corvair.

On the same subject, Mr. Copp notes:

". . . On these real world undulating roads the total vehicle lateral G forces are much lower than the transient and instantaneous lateral loads which are constantly developed between the tires and the road. Therefore, with most suspension systems running on undulating blacktop the total vehicle g loads are often very low while instantaneous G forces between the tires and road are near the critical point due to suspension system absorption of the undulations, bumps and changes in road camber." [23]

ACCIDENT DATA—THE CORVAIR IN THE REAL WORLD

The NHTSA's discussion of Corvair rollover rates is confusing because it includes three analyses of accident statistics which show two completely different aspects of the question of Corvairs handling and stability dangers.

The data in the Garrett study of rollover accidents carried out at Cornell Aeronautical Laboratory (CAL)[24] are probably a subset of the data used in Garrett's CAL Volkswagen study [25] (8749 vehicles in the former, and 45,523 in the latter). There was considerable selection in this data in that it includes only rural crashes in which there was personal injury. The rollover rate is also listed only as a percentage of these crashes, and not as a function of vehicle-miles traveled in the particular make or group. The CAL data are therefore not an indication of the effect of the Corvair's handling and stability on its likelihood of becoming involved in a crash, but rather are primarily an indication of its rollover instability when the Corvair is out of control during a crash. It is not surprising that the Corvair did not compare unfavorably in this tabulation because of its

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low center of gravity. Further, the dilution of the data by the inclusion of an indeterminant number of 1964 and later models, makes the data invalid for an evaluation of just the 1963 and earlier models which have a serious handling deficiency. For example, if the approximately twenty percent post-1963 Corvairs in the CAL study had a rollover rate half of that of the pre-1964 models, the overall rate of rollover for all Corvairs would be reduced by 10% from the rate for the pre-1964 Corvairs.

Rollover is not necessarily the best measure of a vehicle's handling and stability in any event. Rollover is usually preceded by a loss of control which means that the vehicle will turn at least partially sideways before overturning. North Carolina's Professor B. J. Campbell's data [26] are more directly indicative of the handling and stability problem which the Corvair and other rear-engine, swing axle cars have since it directly measures the incidence of crashes which are most likely to be due to handling defects. The NHTSA dismissed this data by noting that it included crashes in which there were blowouts, excessive speed, and impaired drivers. (32) The NHTSA's Multidisciplinary Accident Investigations have shown that virtually all crashes result from several factors including road and traffic conditions, driver error, and vehicle design. A vehicle handling defect will generally be exposed in an emergency situation brought on by other factors in which a non-defective vehicle could be kept or brought back under control. Obviously if all cars were kept in excellent condition, and all drivers were completely alert and well trained and operated their vehicles in a sensible manner, and all road conditions were reasonably good, the serious accident rate would be reduced to a very small fraction of what it is, regardless of the design of motor vehicles within fairly wide limits. What Professor Campbell's data show is that given normal range of operating conditions, the early Corvair will leave the road and crash, for whatever reason, significantly more often than typical cars of the period. Furthermore, Professor Campbell's later data (which the NHTSA failed to obtain) shows that the involvement rate in single vehicle crashes of the 1964 Corvair (with suspension improvements) is much nearer the mean for its contemporaries than is the 1963 and previous Corvairs. A similar trend is noted by Professor Campbell in the data for the Volkswagen sedan over the several years of modest improvement of its rear suspension system (1967–1969 models) which were similar to the evolution of the Corvair suspension.

GM'S PROVING GROUND TESTS

The next section of the NHTSA report is devoted to "Analysis of Documents Commented on by Engineers Cited by Mr. Nader." Cited in this section are the GM reports PG–15699 and PG–17103 (which had first been brought to the attention of the NHTSA in Nader's September 4, 1970, letter under their job numbers PG Job No. 032127 and PG Job No. 032307); [27] comments on these reports by three engineers, Ralph Smith, Albert Fonda, and Dimitry Sergay (submitted with Nader's December 15, 1970, letters); and a film from the Ford Motor Company showing Ford's comparison tests of a 1960 model Falcon and a 1960 Corvair, done in late 1959, and comments on the film by Harley Copp, sent to Senator Magnuson in 1971.

The NHTSA showed its willingness to accept GM's unsupported claims that PG–15699 and PG–17103 are not relevant to the agency's inquiry. The agency's summary states, "because of the nature and severity of these [GM] development tests which were not representative of the practical driving environment, these tests should not reasonably be interpreted to conclude that 1960–1963 Corvair is [sic] susceptible to rollover at low speeds on a flat surface in the normal driving environment." (35)

Rollovers occurred in these tests at speeds as low as 28 mph. The "practical" or "normal driving environment" is left conveniently undefined. Given the NHTSA's attitude toward the GM tests, it is curious that they chose to conduct their own tests using automatic driving equipment in input-response tests, since such tests must be even further from the "practical" and "normal driving environment" than are the GM tests.

General Motors had found, in proving ground test PG–11106 that the Corvair lacked stability in emergency maneuvers (in a 25 mph J-turn, the Corvair rolled on to its side). As a result of GM's concern for the Corvair's propensity for rollover in J-turns between 25 and 40 mph, they requested two test series be carried out at the GM proving ground, each designed to find the suspension modifications necessary to improve the Corvairs deficient roll stability. The changes in the suspension of the 1964 model Corvair "made the dynamic stability characteristics *acceptable* for several different test conditions." [emphasis added] The implication of this statement is that the "dynamic stability" of the earlier Corvair was less than "acceptable." Taken together, the three test reports constitute evidence, produced by GM itself, of serious deficiencies in the Corvair's handling stability. The fact that GM's tests showed the Corvair to have a handling instability should create a presumption of that defectiveness which the NHTSA should have directly attempted to rebut before rendering its conclusion.

In the NHTSA analysis of the GM tests, a particular point is made of the fact that "The center of gravity had been shifted upward and rearward as a result of these modifications to the vehicle [installation of a roll bar, removal of some glass and the rear seat, and minor body modifications in the GM test Corvair]." (36) The total shift of the center of gravity of the GM proving ground Corvair was about two inches. The NHTSA's real concern for the importance of the position of the center of gravity in handling tests is illustrated by the fact that it was never measured on the NHTSA's test car.[28] The NHTSA engineers made a belated effort to measure the center of gravity on their car at TTI, but failed.

The statement is made by the NHTSA that "other American vehicles can also be made to roll over on flat surfaces." (37) This statement has been shown to be true only in a very few special cases, and ignores the crucial issue: what is the severity of conditions required before a conventional car will overturn (if in fact it will roll under any set of conditions) compared with the relatively normal conditions under which a Corvair will roll? The HSRI test Corvair, for example, consistently rolled in the drastic steer-drastic brake maneuver, while none of the other vehicles in their 1970 tests (including a 1967 Ford Station Wagon) would roll under any set of conditions.[29]

GM's own tests confirm the relative lack of roll resistance of the Corvair. Their report, PG–15699, states:

"A rollover occurred in nine of the ten Corvair suspension modifications . . . Analogous to the Corvair Roll-Over Stability Evaluation Test Series, tests were performed on a production 1961 Chevrolet 4-door sedan. Eight trial runs were made with instrumentation and two more were made without the maneuverability handicap of the instrument cables and instrument van. (30)

THE FORD FILM

After devoting only one page to a direct discussion of only two of GM's many proving ground tests and five pages to rebutting the opinions of three engineers on these two reports, thirteen pages of the NHTSA report are devoted to a discussion of the single Ford Motor Company submission, the existence of which was suppressed until a Ford executive Harley Copp, revealed it in June, 1971. The film shows a handling test comparison between a 1960 Ford Falcon and a 1960 Chevrolet Corvair. In this section of the *Evaluation*, the NHTSA disputes the validity of these tests which show the inferiority of the Corvair compared to the Falcon in handling characteristics. The NHTSA claim is that the driver of the Corvair contrived to throw the Corvair out of control.

There is considerable controversy surrounding the Ford films. Intially, when asked about the films, W. A. McConnell, Director of the Product Test Operations Office, Product Development Group of Ford Motor Company, wrote to Senator Warren G. Magnuson, Chairman of the Senate Commerce Committee:

"We believe these tests were performed objectively. In this connection, we discussed the film with the drivers of both vehicles who stated that the tests were performed to the best of their ability." [31]

As a result of the NHTSA report, however, Ford purchased a used 1961 Corvair and repeated the tests. In the new test series, the driver "had no difficulty in negotiating the turns at the speeds set forth in the Safety Administration report which were apparently the speeds used in the 1959 film." [32] However, in a second letter from McConnell to Senator Magnuson, it is noted:

"The person who directed the [1959 Falcon-Corvair] test and the drivers continue to maintain that the cars were driven to the best of the drivers' ability and they deny that any improper steering in-put into the Corvair was involved." [33]

The letter goes on:

"Thus, there seems to be a discrepancy between the 1959 film and certain tests of the Corvair this year. This perhaps could be explained by the use of different cars, different track surfacing, different drivers and all the other circumstances that could vary over a 13 year period."

Ford also conducted at least two other test series which included a Corvair, in 1966 and in 1968. The ability of these lane change and obstacle avoidance tests to detect vehicles with unacceptable handling qualities was apparently checked by using the Corvair as a vehicle which was below the standards considered acceptable by the Ford engineers for vehicle handling.

The issue of the validity of the 1959 Ford tests cannot be resolved without a considerably more detailed and careful investigation, including an attempt to determine the exact condition of the test track in 1959, and an attempt to replicate more exactly the *1960* model Corvair equipped with tires built to 1959 specifications. No attention has been paid to the effect of changes in tire technology between 1959 and 1971, the year the tires used in the Corvair investigation were purchased.

It is not necessary, however, to determine the validity of the 1959 Ford tests in order to draw some conclusions as to their value in the determination of the question of defect in the early Corvair. The commentary given following the first showing of the film to Ford's Executive Committee on October 1, 1959, states:

"The lack of extreme cornering ability is not a significant product disadvantage in itself. Of much greater significance in the preceding film has been the difficulty experienced by the Corvair driver in re-establishing control over his vehicle once it had been lost. This is indicative of a lack of stability which is more likely to be encountered by the average driver under average conditions and this condition is deemed to be a significant product disadvantage.

"The Corvair with its rear heavy weight distribution shows a marked instability under conditions of severe cornering and in passing. While the driver will not encounter

Footnotes at end of article.

difficulty under most normal driving conditions, there are frequently encountered emergency conditions such as slippery pavement or emergency maneuvers in which the driver cannot maintain control of the vehicle.[24]

THE NHTSA'S CORVAIR TESTS AT TTI

The abridged version of the TTI test report which appears in the NHTSA's Evaluation reflects many of the deficiencies of the complete TTI report. The discussion of the test equipment used at TTI was limited to noting that the tests were of the "input-response" type, and that the "test procedures employed in this program were defined by NHTSA although they were closely related to methods previously developed and used at the HSRI."

The discussion of the modifications to the vehicles as they were brought "up to the manufacturer's specifications in accordance with its individual service manuals," is equally uninformative. For example, the total discussion of the choice of tires for use in the testing program is as follows:

"The tires used in the test program were as close to the original O.E.M. specifications (size, manufacturer, tread design, and materials) as possible. The correct tire sizes in the present-day line and materials were found for all the cars except the Renault."

Tire technology has advanced considerably since 1959. Both two and four ply tires were were used on the Corvair between 1959 and 1963, and various tread compounds and sidewall constructions were used. While it is true that most of the Covairs on the roads today will have recently built tires, the assessment of much of the evidence from the past requires a detailed understanding of the differences between the original equipment tires of the Corvair from 1959 through 1963 and the tires used in the NHTSA tests at TTI so that it can be determined whether the deficiencies in the Corvair's handling and stability have been at least partially corrected by improvements in modern tires.

CONCLUSIONS

A major deficiency in the NHTSA Corvair investigation is that it was conducted in a completely ad hoc manner. Belatedly opened at the insistence of Ralph Nader, it was even more belatedly expanded to include actual vehicle testing for the same six months later. The NHTSA engineers apparently never formulated a program for the investigation, never critically analyzed the General Motors propaganda and theses, and never developed any criteria for determining either the weight of evidence in the investigation nor the standards against which a finding would be made.

Overall, the NHTSA's Corvair *Evaluation* selectively highlights materials which support its apparently preconceived findings. Considerable weight is given to GM's Corvair submissions and explanations first publicized in the 1966 Michigan Senate hearings and to the materials prepared for GM's defense in product liability litigation. GM's internal working research, (proving ground reports PG–11106, PG–15699, and PG–17103) aimed at discovering and eliminating the handling stability deficiencies in the Corvair, showed the serious problems in the Corvair's handling and stability. But these reports were ignored or dismissed by the NHTSA as irrelevant. Similarly, the most comprehensive accident investigation work on involvement rates of particular makes and models (by B. J. Campbell of the University of North Carolina) was also ignored in favor of an older and more limited study of questionable relevance.

The NHTSA approved the HSRI study which showed significiant handling and stability problems with the Corvair by imitating its procedures in their tests at TTI but then simply ignored the dissimilar and divergent findings of the HSRI completely in its *Evaluation*.

The NHTSA had an interest in the outcome of the Corvair investigation. The NHTSA was dependent on the good will of General Motors to support the agency's passive restraint and Experimental Safety Vehicle programs. GM was the only major auto company which did not overtly oppose the NHTSA's passive occupant restraint regulation, motor vehicle safety standard 208, by not joining the other manufacturers in a suit to delay its implementation. The NHTSA was also aware that a finding of a defect in the Corvair handling and stability could require a similar finding for the Volkswagen Beetle, the Renault Dauphine, and several other vehicles. Such a finding would have led to demands for the recall of between one and two million vehicles at a cost which could approach $100 million.

There is evidence that the agency ignored serious conflicts of interest among individuals with a direct responsibility for the conduct of the investigation and its review. Yet the NHTSA was not so oblivious to potential conflict of interest to allow it when there might have been a protest from General Motors. There appears to have been a substantial gap between the level of training and competency of the NHTSA and Texas Transportation Institute engineers and technicians and the expertise required to understand the subtleties of the questions involved in the investigation. This was especially true in the fact of the massive amount of material varying widely in relevance and veracity, and the major pressures being brought to bear on the investigation from all sides. Remarkably, none of the engineers involved in the project had either specialized training in vehicle handling, nor were any of them recognized experts in the field.

As documentation for the level of care exercised in the expenditure of nearly a million dollars of public money, the NHTSA Evaluation demonstrates considerable incompetence as well as misplaced priorities. For purposes of comparison, the Highway Safety Research Institute's Vehicle Handling Test Procedures, completed in 1970, included the development of a considerable amount of test equipment as well as the test procedures. The cost of the HSRI contract was $193,065. The Texas Transportation Institute's tests did not require any significant development of equipment or procedures, was supervised by no less than six NHTSA engineers who also participated in the testing, and cost the American public $271,163.

FOOTNOTES

[1] *Evaluation of the 1960–1963 Corvair Handling and Stability*, National Highway Traffic Safety Administration, Department of Transportation, July, 1972, p. 3.

[2] *Input Response Tests of Selected Small Passenger Cars*, Texas Transportation Institute, Texas A & M Research Foundation, College Station, Texas, November, 1971.

[3] A list of GM submitted documents and films is a part of the public file for IR–279, which is available in the Technical Reference Division, NHTSA, Rm 5108 Nassif Building, 400 7th Street, SW, Washington, D.C. 20590.

[4] "Statements by General Motors Corp. before the Michigan Senate Highway Committee (Including Discussion of 1960–1963 Model Corvair)" General Motors Corp., Lansing, Michigan, February 21, 1966, p. 15.

[5] Garrett, John W., "A Study of Rollover in Rural United States Automobile Accidents," Automotive Accident Crash Injury Research, Cornell Aeronautical Laboratory, Inc., in the Twelfth Stapp Car Crash Conference, October, 1968.

[6] Garrett, John W., and Arthur Stern, "A Study of Volkswagen Accidents in the United States," ACIR, Cornell Aeronautical Laboratory, Inc., Buffalo, New York, November, 1968.

[7] Campbell, B. J., *Driver Injury in Automobile Accidents Involving Certain Car Models*, Highway Safety Research Center, University of North Carolina at Chapel Hill, July, 1970.

[8] Heurtebise, B., "Rollover Stability Evaluation of Various Corvair Suspension Systems," GM Proving Ground Report PG–15699, June 14, 1963.

[9] Culver, C. C., "Corvair Dynamic Stability Tests for Chevrolet Motor Division," GM Proving Ground Report PG–17103, March 30, 1964.

[10] Statement by Ralph Smith in response to questions from Ralph Nader about the implications of GM Proving Ground tests of the Corvair rollover propensity, PG–15699 and PG–17103. Statement by Albert G. Fonda and Dimitry Sergay, in response to questions from Ralph Nader concerning PG–15699 and PG–17103.

[11] Letter from Ralph Nader to Secretary of Transportation John A. Volpe dated December 15, 1970.

[12] "1960 Falcon-Corvair Handling Comparison (film), Ford Motor Co., October, 1959.

[13] Copp, H. F., "Falcon Vs. Corvair Handling, Film Analysis Quantification of Handling Comparisons," July 26, 1971.

[14] Dugoff, Howard, R. D. Ervin, and Leonard Segel, *Vehicle Handling Test Procedures*, Highway Safety Research Institute, University of Michigan, Ann Arbor, Michigan, November, 1970.

[15] Private communication between Prof. Campbell and the author. The data show the crash rate of various makes and models of automobiles operating in North Carolina as a function of vehicle miles traveled.

[16] General Motors Proving Ground Report PG–11106 dated June, 1959.

[17] Letter from Ralph Nader to Secretary Volpe date February 23, 1971.

[18] Letter from Carl Thelin to Clarence Ditlow dated July 31, 1972.

[19] Copp, Harley, testimony before the Committee on Commerce of the U.S. Senate, Hearings on Oversight: Auto Safety, July 25, 1972.

[20] General Motors, "Statements by General Motors Corp. before the Michigan Senate Highway Committee," p. 15.

[21] Office of Science and Technology, *Cumulative Regulatory Effects on the Cost of Automotive Transportation* (RECAT), February 28, 1972, p. II–A2. The mean time between vehicle crashes of any kind in the U.S. is about four years. No specific figures are available for the Corvair.

[22] Rubly, Charles M., "Suspensions from the Ground Up," Chevrolet Motor Division, General Motors Corp., for Presentation to the SAE National Automobile Week, Detroit, Michigan, March 15–17, 1960.

[23] Copp, Harley, Testimony before the Senate Commerce Committee, op. cit.

[24] Garrett, op. cit.

[25] Garrett and Stern, op. cit. Cornell Aeronautical Laboratory has, in its Transportation Research Section, an Accident Research Section which is under the direction of Mr. Garrett. They have only one data bank for the large scale collection of crash statistics, and the two reports were issued within a month of each other.

[26] Campbell, op. cit.

[27] Letter from Ralph Nader to Secretary Volpe dated September 4, 1970.

[28] Texas Transportation Institute, op. cit., p. 21.

[29] Dugoff, Ervin, and Segel, op. cit. The NHTSA further notes in the *Evaluation* (57), "As in the case of the Corvair, a considerable amount of effort is required to achieve rollover and it is difficult to repeat." This statement is contradicted by the HSRI *Vehicle Handling Test Procedures*, which states, "the positive identification of a single limit response point [a set of conditions under which rollover would take place] is considered adequate demonstration of the discriminatory power of this unique test procedure."

[30] GM, PG–15699, p. 2.
[31] Letter from W. A. McConnell, Director, Product Test Operations Office, Product Development Group, Ford Motor Company, to Senator Warren G. Magnuson, Chairman, Committee on Commerce dated April 26, 1972.
[32] Letter from W. A. McConnell to Senator Warren G. Magnuson dated December 22, 1972.
[33] Ibid.
[34] Copp, Harley, "Falcon Vs. Corvair Corvair Handling, . . . " p. 1.

III. A Comparison Between the HSRI and TTI Tests of the 1960–1963 Corvair Handling and Stability

The tests carried out by the Texas Transportation Institute [1] (TTI) under the direction of the National Highway Traffic Safety Administration (NHTSA) were modeled after, and used much of the same equipment that was developed by the Michigan Highway Safety Research Institute (HSRI) in their contract on *Vehicle Handling Test Procedures*.[2] The primary difference in the two tests relative to the Corvair, was that HSRI used a lightly loaded 1961 Corvair coupe, while the TTI test vehicle was heavily loaded 1963 Corvair sedan. Although there are some differences between the 1961 and 1963 model Corvairs,[3] the most important difference in the two vehicles tested was the loading.[4] GM has testified that there are no significant differences in the handling and stability of any of the 1960–1963 Corvairs. The ride rate of the Corvair rear suspension is such that adding the equivalent of six passengers and their luggage as was done at TTI will deflect the rear suspension at least two inches from its unloaded state, and will deflect the front suspension even more.[5] The result is that the rear wheels will be decambered around 5° (that is, they will lean inward at the top at an angle of 5° from the vertical), giving considerably better lateral rear wheel traction. The added weight also lowers the center of gravity, the rear roll center, and increases the lateral force required for significant lifting of the rear of the vehicle (jacking).

[Editor's Note.—The omitted here is available in subcommittee files.]

These effects are best illustrated by comparing the results of the rapid extreme steering tests carried out both at HSRI and TTI. In this test, the vehicle is driven in a straight line at 30 mph. The accelerator is released, and simultaneously, the steering wheel is turned through a predetermined angle. This produces something like a "J" turn.

In the HSRI tests, the steering wheel was initially turned through an angle of 86°, and in successive tests to greater angles in increments of 22°. According to Professor Leonard Segel, one of the investigators on the HSRI contract, between the runs with the steering wheel turned to 129° and 151°, "[n]ot only was there an abrupt change in the character of the response, there was also a marked increase in the peak value of the lateral acceleration that was achieved.[6] The HSRI data show that the peak lateral acceleration increased from .47 to .78 times the acceleration of gravity when the final steering angle increased from 120° to 151° (a small change in the position of the steering wheel in the range between a quarter and a half turn, especially at the relatively low vehicle speed of 30 mph). Professor Segel also notes that the change in turning response character is due to "the kinematic properties of the swing axle resulting in the rear end of the vehicle lifting and the rear tires inclining with respect to the road . . ." [7] He concludes, it should be emphasized that this jacking behavior of the rear axle occurs in a rather abrupt manner, causing the vehicle to spin and increase its sideslipping velocity." [8]

Footnotes at end of article.

The HSRI data can also be analyzed in the terms used by the NHTSA. The HSRI data can be presented in the same form as the NHTSA data—yaw rate (the rate of rotation about a vertical axis) times velocity versus lateral acceleration.[9] When the yaw rate times the velocity is less than the lateral acceleration, the yaw rate is less than it would be if the vehicle were cornering at a steady speed with no side slipping of the tires. This condition can be described by the term "understeer." If the yaw rate-velocity product is greater than the lateral acceleration, the vehicle can be described as oversteering. The transition between understeering and oversteering occurs in the HSRI test between maximum steering angles of 129° and 151° indicating that a significant factor in the transition is the occurrence of jacking in the rear suspension. Figure 1 shows a comparison between the lateral acceleration versus the yaw rate—velocity product for the lightly loaded and heavily loaded Corvairs in step steer tests. Note that the heavily loaded car does not spin significantly until the lateral acceleration exceeds .9g while the lightly loaded car spins considerably at between .7 and .8g with maximum steering wheel angles in excess of 151°. Apparently, the jacking of the rear end of the heavily loaded Corvair is not a serious problem. Jacking leads to high yaw rates because it places the wheel on the outside of the turn at a very unfavorable angle for maximum lateral traction.[10]

In a 1961 paper on Corvair suspension characteristics,[11] Maurice Olley, a retired General Motors suspension engineer, calculated the magnitude of the lift due to jacking which could be expected to result from the high roll center and relatively stiff roll resistance of the rear suspension of the Corvair. His paper, which appears to be the precursor of the suspension changes made in the 1964 model Corvair,[12] states:

It is shown that in the present Corvair the swing axle, due to lift, handles rather worse than a solid axle, but other studies have shown that this effect of the swing axle decreases rapidly as the roll couple carried by the swing axle is decreased.

In fact a swing axle which carries the proportion of the roll couple normally carried by a rigid axle will perform almost exactly like a rigid axle, as regards steering, and will ride better because it does not tramp.[13]

Olley's equations show further that the lift will be smaller in magnitude if the vehicle is heavily loaded.[14] The lift is proportional to the height of the roll center which is reduced by about 15% with a fully loaded Corvair. The lift is also roughly proportional to the difference in lateral force on the outside and inside rear wheels which is reduced when the vehicle's center of gravity is lowered because of the reduced weight transfer. Also important is the fact that two inches of lift of a fully loaded Corvair will only bring it back up to its unloaded height while two inches of lift of an unloaded Corvair will put the inside rear wheel at its full rebound position.

These results were graphically demonstrated in the TTI tests of the Corvair in that there was no strong discontinuity in the steering response as a function of the steering wheel angle in the rapid extreme steering tests as there had been in the HSRI tests using a lightly loaded Corvair. Further, it appears from the films of the TTI tests that in none of the Corvair tests was there sufficient lateral force developed in the fully loaded Corvair to jack the outer rear wheel to its full rebound position. While there did seem to be some jacking, it appeared only to lift the vehicle to around its unloaded height at the outside of the turn.

Concerning the HSRI tests, Segel noted that the simple "J" turns they carried out were terminated because of the fear of overturning the Corvair.

At that time we were doing the "step steer" maneuvers (J-turns with closed throttle) without outriggers and the behavior of the Corvair became sufficiently threatening as to convince the test driver that the sequencing of runs at higher steer inputs should be discontinued. I have reexamined the Corvair J-turn data and it appears that we may not have reached the "limit turning" response, as was established for the three other test vehicles. Thus, we are left with the question as to whether the Corvair would have rolled over in the J-turn maneuver, if the test procedure had not inhibited the driver from pushing the vehicle harder.[15]

It should be remembered that these manuevers were being carried out at an initial speed of only 30 mph, and that the maneuver were far less drastic than the drastic steer, drastic brake maneuvers used in both the HSRI and TTI tests. Furthermore, the important question here is not whether the HSRI vehicle would have turned over, but rather whether an average or less than average driver could control the Corvair after it had undergone the drastic transition that accompanies the jacking of the rear suspension. It is obvious that given a large enough clear flat space, and in the absence of roll over, loss of control of the Corvair would not be a problem. Where a driver would get into trouble is in the more confined spaces typical of actual roads, which have the combined dangers of objects which can be struck, and road and curb irregularities which can cause an out of control Corvair to roll over.

The other HSRI tet in which significant differences from the TTI tests were found is the drastic steer, drastic brake maneuver. With an initial speed between 47 and 48 mph, and a steering wheel angle of 324° the HSRI Corvair consistently rolled against the rollover limiting outriggers. The manuever involves steering the vehicle to a predetermined angle, and when the vehicle's yaw rate is greatest, applying the brakes for a half second.

In similar tests at TTI, with speeds of 40, 50, and 60 mph, and steering wheel angles ranging up to 400°, there was no outrigger contact in any of the 1963 Corvair tests. The differences can again be laid to the various effects of heavily loading the TTI vehicle.

General Motors engineers had discovered the effect of loading the rear axle of the Corvair eight years before the NHTSA demonstrated the same effect. While tests of rollover stability of the Corvair were being carried out at the GM Proving Ground, "Chevrolet Motor Division asked that high speed cameras be mounted on the rear of the vehicle to photograph rear wheel tire and suspension action." [16] Both J-turns and modified J-turns at 30 and 36 mph were run. The series was terminated "because the car looked very stable under the various maneuver configurations." [17]

After removing the cameras but making no other changes, a 30 mph J-turn was attempted during which, "the car rotated to the right approximately 180° and the right rear wheel lifted approximately 2 feet. High speed movies taken of this test showed that the car was very nearly in a roll condition." [18] The dramatic increase in the roll stability of the car equipped with the two cameras had resulted from an increase in the weight on the rear wheels of 210 pounds, a slight lowering of the center of gravity, and an increase in the yaw moment of inertia.

In the TTI tests, off-design tire pressures (approximately equal pressure in front and rear tires) were used in only one of the test maneuvers, steady turn on a rough road. The only explanation given was that "[b]ecause of program constraints, it was not feasible to test the vehicles under all of the suggested combinations of conditions." The HSRI report strongly indicates the need for

tests using off-design tire pressures because of the deterioration of the Corvair's handling under such conditions. In the rapid, extreme steering maneuver, the change in the character of the response (under- to oversteer) occurred in the 30 mph step steer tests between steering wheel angles of 108° and 151° rather than between steering wheel angles of 129° and 151° as in the case of recommended tire pressures.

In the drastic steer, drastic brake maneuver with off-design tire pressures, the HSRI researchers found the following:

"In the tests with off-design tire pressures, the severity of motions in response to comparable sub-limit [no outrigger contact] control inputs was uniformly greater than in the tests with nominal pressures [15 psi front and 30 psi rear]. This finding . . . demonstrates the desirability of tests with off-design service factors when evaluating motor vehicles with the drastic steer and brake maneuver." [19]

What legitimate conclusions can be drawn from the comparison between the HSRI tests with a lightly loaded Corvair and the TTI tests with a fully loaded Corvair? The stability of a Corvair in emergency maneuvers can be improved considerably by adding weight to the rear of a Corvair which is in good mechanical condition and which is equipped with good tires. This cannot be recommended for repair of the Corvair's handling instability for at least two reasons, however. First, the directional instability of the Corvair in sidewinds would be exacerbated by adding weight to the rear of the car. Second, the stress of constantly operating a ten year old car fully loaded would increase the likelihood of excessive wear or breakage of suspension components, as well as causing excessive tire wear, making the car more hazardous to drive. The NHTSA had no justification for their generalized conclusion "that the handling and stability performance of the 1960–1963 Corvair does not result in an abnormal potential for loss of control or rollover and that its handling and stability performance is at least as good as the performance of some contemporary vehicles both foreign and domestic." [20] Had the NHTSA tested a lightly loaded Corvair at TTI they would presumably have the same results as those of HSRI, and this conclusion could never have been put forth.

In his letter to Mr. Nader, Professor Segal stated in his conclusion:

"Finally, it seems rather odd that both the writers of the DOT report and the panel chose to ignore the findings produced at HSRI. We rolled the Corvair a large number of times and produced sufficient wheel-rim/road-surface contacts that the rear suspension and axle assembly finally broke loose, dropping the transmission on the test pad. We then had to repair the Corvair to complete our test program. It appears that rollovers occurring with a less than fully loaded Corvair didn't count as valid data points for the purposes of DOT's study." [21]

Whether it was an oversight or an attempt to hide the HSRI findings as damning of the NHTSA test program that caused the NHTSA to ignore the HSRI tests (which were the precursors of the TTI tests) is not known. Repeated attempts by the author to speak with the NHTSA technical staff about the TTI tests have been denied. However, it does not speak well of the quality or thoroughness of the NHTSA investigation that no attention was paid to the HSRI work. The NHTSA had, in effect, given its endorsement to the HSRI work by first accepting it in completion of its contract responsibilities, and second, in adopting, almost completely, the methodology and instrumentation of the HSRI for its own testing at TTI of smaller cars including the Corvair.

FOOTNOTES

[1] Texas A & M Research Foundation, *Input Response Tests of Selected Small Passenger Cars*, Texas Transportation Institute, College Station, Texas, November, 1971.

[2] Dugoff, Howard, R.D. Ervin, and Leonard Segel, *Vehicle Handling Test Procedures*, Highway Safety Research Institute, University of Michigan, Ann Arbor, Michigan, November, 1970.

[3] Some of the changes which are important to the handling and stability of the Corvair were to two ply tires, rear shock absorbers with revised grommets and retainers and shorter length to restrict rebound travel, a hydraulic cut-off for the rear shock absorbers, and changes in the spring rates and front suspension geometry.

[4] The HSRI vehicle was loaded with around 260 pounds of testing equipment and an 85 pound outrigger assembly. The front seats were removed, however, so that the total load was probably less than the 245 pounds. The TTI vehicle carried the "manufacturer's maximum recommended weight with passengers and luggage." Although this figure is not given in the TTI report, it is probably around 1,000 pounds.

[5] The rate of each rear spring is around 120 pounds per inch of deflection so that a load of 480 pounds on the rear of the car would depress both rear springs two inches. The wheels are mounted so that they are 22.5 inches from the pivot point of the swing axle so that a two inch deflection of the axle would rotate the axle and wheel through 5°.

[6] Letter from Professor Leonard Segel, Head of the Physical Factors Group, Highway Safety Research Institute, Ann Arbor, Michigan, to Mr. Ralph Nader, dated August 17, 1972, p. 3.

[7] Ibid.

[8] Ibid.

[9] Because the exact value of the yaw rate-velocity product at the time of the peak lateral acceleration cannot be determined from the HSRI report, the peak yaw rate and initial velocity are used. The error which results should be small.

[10] Tires develop their maximum lateral force when they are cambered somewhat away from the direction of their side slip (that is, when the top of the tire leans away from its direction of sideslip travel). Tires rapidly lose lateral traction when they are cambered in the other direction. Jacking significantly increases the rear tire slip angles because it causes the tire on the outside of the turn (which carries the greatest load) to have the wrong camber for maximum lateral traction.

Edward Heitzman, formally of Princeton University, told the author in a private communication that the forces which lead to jacking cannot be sustained after the car has jacked because of the reduced traction when the wheels become strongly cambered (this comment refers to steady state cornering). In tests which he carried out, he said that he observed this slip-stick phenomenon. Because of the effective insulation of the driver from the wheel motion, however, it is doubtful that a driver would be aware of the phenomenon.

[11] Olley, Maurice, "Corvair Steering," General Motors Corp., Written April, 1961, published December, 1961.

[12] The changes in the 1964 Corvair were to add a front anti-roll bar and a rear transverse single leaf spring which is mounted so that it supports the rear of the vehicle, but does not contribute to the roll stiffness of the rear. Lower rate rear coil springs are also included. The result is that the front suspension carried most of the Corvair's roll resistance.

[13] Olley, p. 11.

[14] Olley's equation gives the lift as:

$$h = \frac{Yh_r}{K_r t - Y}$$

where:

Y = difference in lateral force between the left and right rear tires

h_r = roll center height at rear axle

K_r = rate of each rear spring (force/deflection)

t = width of rear track

[15] Letter from L. Segal to R. Nader, p. 3.

[16] Culver, C. C., "Corvair Dynamics Stability Test for Chevrolet Motor Division," PG 17103, November 4, 1963, p. 6.

[17] Ibid, p. 7.

[18] Ibid.

[19] Dugoff, et al., p. 92.

[20] *Evaluation of the 1960–1963 Corvair Handling and Stability*, U.S. Department of Transportation, National Highway Traffic Safety Administration, Washington, D.C., July, 1972, p. 93.

[21] Letter from L. Segal to R. Nader, p. 5.

ADDENDUM TO THE REPORT ON THE CORVAIR CONCERNING SUPPRESSED DATA FROM THE TESTS OF THE CORVAIR CARRIED OUT FOR THE NHTSA AT THE TEXAS TRANSPORTATION INSTITUTE

The preceding report makes clear the primary difference between the NHTSA's 1960–1963 Corvair tests carried out at the Texas Transportation Institute (TTI tests) and most other known handling and stability tests of the Corvair. The Corvair used in the TTI tests was loaded "to the manufacturer's maximum recommended weight with passengers and luggage" while in most other tests, the Corvair was loaded with the equivalent of one or two passengers, as it would usually be found on the roads.

In previously secret test data and films recently revelaed by the NHTSA, it has been learned that the NHTSA and TTI engineers did, in fact, conduct some tests at TTI with a lightly loaded Corvair. The documents state:

It appeared [to the NHTSA engineers supervising the TTI tests] that the results were not the same as the HSRI Corvair tests, Therefore, unofficial tests were run with the load condition similar to the HSRI tests. This resulted in the Corvair being 615 pounds lighter than the fully loaded comparative tests [sic.]. (from a memo from Robert Carter, Associate Administrator for Motor Vehicle Programs, NHTSA to Douglas Toms, Adminsitrator, NHTSA, dated December 13, 1972.)

These "unofficial tests" with a lightly loaded Corvair were withheld by the NHTSA defects office engineers from the public until about a month ago. Even at that time, there was no public notice of any wind indicating that the material had been made available to the public in the NHTSA's Technical Reference Division in Washington, D.C. The agency claims that only the six engineers directly involved in the TTI tests knew about these tests and that the Administrator, the Chief Counsel Lawrence Schneider, the Associate Administrator for Motor Vehicle Programs, and the Chief of the Office of Defects Investigation Andrew Detrick, were all unaware of the documents or tests until they were inadvertently revealed by one of the six engineers. Thus, these tests were concealed not only during the investigation, but for six months after the NHTSA announced the finding that the Corvair had no "abnormal potential" for loss of control or rollover.

Since the tests of a lightly loaded Corvair at TTI were not conducted in a logical or systematic way, the results of these tests do not support any conclusion or finding. (a summary of the TTI tests of the lightly loaded Corvair is at the end of the Addendum.) The tests were all drastic steer-drastic brake maneuvers conducted at 50 and 60 mph. There were two sequences of runs, each preceded by six pre-test runs. The first sequence of eleven runs was carried out on well-used tires at General Motors' recommended tire pressures. In two of these runs, the Corvair would have overturned but for the outriggers. In the second sequence, with new tires all inflated to 28 psi, the right rear

rim contacted the pavement on one pre-test run and in one test run, but there were no cases of rollover. In none of the newly revealed test runs were the test conditions (amount of wear of the tires, tire pressures, speed, steering input, and so on) identical to either (1) the Highway Safety Research Institute's Corvair tests or (2) the TTI tests with a fully loaded Corvair. Since these tests cannot strictly be compared, no conclusions can be drawn, and the data is of little direct value.

The questions which are raised by this newly available data or which remain unanswered cast substantial doubt on the validity of the NHTSA's Corvair handling and stability defect investigation:

1. What were the reasons which led the NHTSA and TTI engineers to test any Corvairs in a lightly loaded condition?

2. Was it determined before the test series was begun what, if any, significance would be placed on the results of the test, assuming the various possible vehicle responses?

3. Once the decision was made to test the Corvair with a light load, why were the highly worn tires used in the first sequence? When the second sequence of lightly loaded Corvair tests was begun, why were non-recommended tire pressures used in view of the fact that such a condition would not allow comparison with either the earlier TTI test (with recommended tire pressures and heavy loading) or with the HSRI tests?

4. Why were none of the other vehicles which had been tested at TTI run in similar, light load tests for comparison purposes?

These questions can be answered only by the six engineers who conducted the tests and who cooperated in suppressing the lightly loaded Corvair test data. The NHTSA has refused for the second time, on February 1, 1973, the author's request to interview Mr. Wittich or Mr. Lilley. The reason cited by the Chief Counsel, Lawrence Schneider, is that the author is a potential litigant against the NHTSA, and should not have any opportunity to discover government information at this time, via personal contact with these NHTSA engineers. Mr. Schneider did offer the opportunity to meet with Andrew Detrick, the Chief of the Office of Defects Investigation. However, since Mr. Detrick was not, according to the NHTSA public information office, privy to the suppressed test data, such a meeting would have been of little value.

To understand the importance of the subtleties involved in the drastic steer-drastic brake tests, and how this may account for differences between the two TTI test series and also the HSRI tests which might have resulted from improper test parameters and procedures, consider the HSRI description of the test:

1. The vehicle, initially proceeding along a straight path at a speed of 50 mph [for example], which was subjected to a half sine wave steering wheel input [the steering wheel was turned and then straightened within about one second] which produced a yaw-roll response [the vehicle spins about a vertical axis while rolling to the side] of a characteristic form.

2. At a point in time where the vehicle's yaw rate response had just about reached a maximum [the vehicle would have rotated significantly], a severe step of brake input was applied. This input caused the vehicle's wheels to lock and perceptibly perturbed the yaw and roll response.

3. After one half second, the brake input was suddenly released. The vehicle's wheels resumed rolling. The associated sudden increments in lateral force and roll moment produced little change in yaw rate but a very substantial augmentation of the rate of rolling. (It will be noted that the relative phase of control actions and response variables is extremely significant.)

The single most crucial event in the sequence is the timing of the brake application after the initial steering input. If the brakes are applied too soon, the steering input will not be able to begin the rotation of the vehicle. (Locking the front wheels with the brakes will cause them to slide forward rather than to track in the direction of the turn.) If the timing of the brake application is too late, the vehicle may already be sliding so that the tires will not be able to regain traction after the brake is released. The HSRI report also states,

Quantitatively, this combination of control inputs simulates a real-world emergency maneuver where the driver attempts to avoid an obstacle by simultaneously steering and braking, then releases the brakes upon perceiving the skidding resulting from wheel locking. The critical juncture in the maneuver is the instant immediately following brake release, when the locked wheels suddenly spin up, and the magnitudes of the lateral tire forces increase from near zero to relatively high values. As the maneuver becomes more extreme, a motor vehicle will exhibit an increasingly severe response, possibly to the point of rollover. The character of the resulting response and the maneuver severity level at which it occurs are considered to represent performance qualities of distinct safety-relevance. So too, again, the influencing thereon of service factor variations.

It is clear, when viewing the HSRI films, how these factors interact. The response of the Corvair in the TTI tests appear qualitatively different, however. While the HSRI Corvair had rotated perceptibly before the brake was applied, in the TTI tests the braking appeared to occur sooner, before the vehicle had begun to respond significantly to the steering in both test series. Furthermore, in some of the TTI tests, the brake application did not appear sufficient to cause wheel lock-up, necessary for a successful test run.

The NHTSA claimed that "the results were the same whether the maneuver was conducted with the vehicle loaded to the manufacturer's recommended maximum limit or only partially loaded." This conclusion refers to only one factor in the tests, whether or not there was outrigger contact (equivalent to rollover). In the 31 pre-test and test runs with a lightly loaded Corvair, there was spinout in all cases except one, while in the heavily loaded Corvair test series, spinout occurred in only those cases where the speed and steering inputs were fairly severe. Even when spinout occurred with the heavily loaded Corvair, it was never much more than a quarter turn rotation. The spinouts with the lightly loaded Corvair were typically a full half turn with the car rolling backward in its original direction of travel after the maneuver.

Beyond the direct technical questions involved in the TTI tests, including the suppressed test series, is the question of the scientific standards of the whole test program. Secretary Volpe's reply to an inquiry about the Corvair investigation by Nader and the author discusses the standards of practice he expected in his department:

There are many differences in purposes of the HSRI and TTI tests. As in any scientifically based test, it is standard practice to examine the effect of the variation of a parameter by holding all other variables essentially constant and changing only the one parameter under study. This approach was utilized in the two tests in question.

. . . the purpose of the TTI tests was to compare the handling and stability characteristics of the 1960–1963 Corvair with the same characteristics of some selected contemporary vehicles. In doing this, only the vehicle model was allowed to vary. There was no variation between the vehicles' configurations since they were all restored to manufacturer's specifications, the environmental and other test conditions were held as closely as possible and each vehicle was subjected to the same input. Although these tests were conducted properly, it is not proper to attempt to draw a conclusion from the combination of the two tests [HSRI and TTI] relative to cause and effect when in fact several parameters are varying at the same time. To attempt to do so violates the experimental procedures described above and is careless, arbitrary, and capricious with the data.

The standard set by the Secretary was violated by the NHTSA's own engineers in the tests they suppressed. In these tests, they varied several parameters, condition of the tires, tire pressure, and loading simultaneously. If the standard of care demonstrated in the suppressed test series is indicative of the care taken with the remainder of the series, the NHTSA's conclusion to the Corvair handling and stability defect investigation collapses like a house of cards.

RESULTS OF TESTING A LIGHTLY LOADED 1963 CORVAIR IN THE DRASTIC STEER-DRASTIC BRAKE MANEUVER AT THE TEXAS TRANSPORTATION INSTITUTE ON JUNE 9, 1971

Run No.	Speed	Steering input (degrees)	Brake input (seconds) Time	Duration	Remarks
Pretest runs with worn tires at 18 p/in² front, 30 p/in² rear:					
1	50	200	0.7	0.5	Spinout.
2	50	300	.7	.5	Do.
3	50	350	.6	.5	Do.
4	60	200	.6	.5	Do.
5	60	300	.6	.5	Do.
6	60	350	.5	.5	Do.
Test runs with worn tires at 18 p/in² front, 30 p/in² rear:					
1	50	200	.7	.5	
2	50	300	.7	.5	R/R rim contact, rim bent outrigger contact.
3	50	350	.6	.5	Spinout.
4	50	400	.6	.5	Do.
5	50	300	.6	.5	Do.
6	50	300	.7	.5	Do.
7	60	200	.6	.5	Do.
8	60	300	.6	.5	Do.
9	60	350	.5	.5	Do.
10	60	400	.5	.5	R/R rim contact, rim bent outrigger contact.
11	60	400	.5	.5	Spinout.
Pretest runs with new tires at 28 p/in² (all tires):					
1	50	200	.7	.5	Do.
2	50	300	.7	.5	Do.
3	50	350	.6	.5	Do.
4	60	200	.7	.5	Do.
5	60	300	.6	.5	R/R rim contact, spinout.
6	60	350	.6	.5	Spinout.

Run No.	Speed	Steering input (degrees)	Brake input (seconds) Time	Duration	Remarks
Test runs with new tires at 28 p/in² (all tires):					
1	50	200	.7	.5	Do.
2	50	300	.7	.5	Do.
3	50	350	.6	.5	Do.
4	50	400	.6	.5	Do.
5	60	200	.7	.5	Do.
6	60	300	.6	.5	R/R rim contact, spinout.
7	60	350	.6	.5	Spinout.
8	60	400	.6	.5	Do.

EXHIBIT 2

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, D.C., February 23, 1973.

Mr. ROBERT J. WAGER,
Staff Director and General Counsel, Subcommittee on Executive Reorganization and Government Research, U.S. Senate, Washington, D.C.

DEAR MR. WAGNER: The following information is supplied in response to your verbal request for comments on Mr. Nader's recent critique of the National Highway Traffic Safety Administration (NHTSA) handling and stability investigation of the 1960–63 Corvair.

As we have previously stated, the Corvair investigation generated a great deal of investigative information from the industry, the public, and the NHTSA comparative testing program. Upon completion of the investigation, most of this information was placed in our public files. Other miscellaneous test material and data, including the pilot test program, test data rejected because of instrumentation errors and incorrect procedures, and certain noncomparative tests not relating directly to our comparative testing were not placed in the public file at that time because our technical staff did not consider this material and data to be valid for the comparisons nor was it used for this purpose. At no time was this material intentionally withheld from the public. Once compiled and indexed, this miscellaneous material, which in no way invalidated or compromised the conclusion of NHTSA's report, was added to the public file and voluntarily forwarded to the Senate Commerce Committee.

Also, this material was not withheld from the Panel. It was always available for their review as part of the large volume of documents and films accumulated during the extensive NHTSA investigation. The Panel had a sizable task in reviewing all the material studied and work performed by NHTSA and they did not examine in detail each and every piece of information. Subsequently the Panel was contacted to determine if specifically considering the noncomparative tests would result in modification of their conclusions or report. Each of the Panel members indicated that it would not.

There were some considerable and important differences between the Highway Safety Research Institute (HSRI) tests and the Texas Transportation Institute (TTI) tests. One significant difference was the condition of the test surfaces which in both cases were former aircraft runways. The surface in the original HSRI tests, which they recognized as being in poor condition, was concrete that was spalled and cracked with marked irregularities and uneven displacement at the divider strips. The test surface at TTI on the other hand was in much better condition, with more even and uniform surface and less distortion at the divider strips. HSRI personnel aided in the selection of the TTI test site and recommended the actual area on the runway that was subsequently used. Even this test surface at TTI was too irregular and rough for HSRI's follow-on research contract; this area was resurfaced to create a smooth, high-coefficient skid pad that eliminated these irregularities.

Another significant difference was the effect of using tires that had unique and abnormal sidewall, shoulder, and tread wear patterns resulting from previous severe limit maneuvers and using tires that had been broken-in and the wear monitored to assure uniformity and repeatability in the tests.

The tires in the 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncompartive tests were tires that had the unique wear patterns from previous severe limit maneuvers similar to those believed to be on the Corvair during the HSRI drastic steer, drastic brake maneuver. The tires on the 28 p.s.i. (hot) front and rear TTI noncomparative tests were tires that had not been used in previous limit maneuvers. These tires were broken-in and the wear monitored in accordance with the procedures of the comparative test program. The wear referred to is that resulting from severe limit maneuvers, not normal highway wear.

No outrigger contact occurred during any of the TTI 28 p.s.i. (hot) front and rear tire noncomparative maneuvers. During one 50 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver, with the tires that had the unique sidewall, shoulder, and tread wear from previous severe limit maneuvers, outrigger contact occurred. The tires were switched so the tires with the smaller amount of wear from the limit maneuvers were placed on the outboard side of the vehicle in the turn and the tires with the greater amount of wear were on the inboard side of the turn. No outrigger contact occurred at either the same steering input or more severe steering inputs up to the limit of the equipment.

During the 60 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver again with tires worn from previous severe limit maneuvers, no outrigger contact occurred until the last run with the maximum (for the equipment) steering input. When the rear tires were switched left to right and right to left and the maneuver repeated at this maximum input, no outrigger contact occurred.

Another difference between the HSRI Corvair drastic steer, drastic brake maneuver and the TTI noncomparative maneuvers was that the large majority of TTI noncomparative maneuvers were conducted at more severe levels.

It is NHTSA's view that none of the miscellaneous test material and data modifies our previously announced decision that the handling and stability performance of the 1960–63 Corvair does not result in an abnormal potential for loss of control or rollover and that its handling and stability performance is at least as good as the performance of some contemporary vehicles both foreign and domestic. If anything it adds support to our decisions relative to importance of certain controls necesary for this type of testing. The variation in results on tests due to abnormal tire wear is also supported by more recent research.

Mr. Nader now attempts to deny the advice of his own experts. On March 17, 1971, Mr. Gary Sellers, Mr. Nader's expert advisor at the time, wrote a letter to Mr. Rodolfo A. Diaz stating that in his opinion the maximum vehicle load represented the *most severe* test conditions for this parameter. Contrary to "speaking for himself," as Mr. Nader states, Mr. Sellers' opening paragraph states: "Mr. Nader has asked me to follow-up on this matter. . . ." No less than 10 times in this letter he refers to Mr. Nader and himself as "we" or "our." Further, these recommended test procedures were made known by copies of Mr. Sellers' letter to Mr. Nader and two of his other engineering experts, Mr. Edward Heitzman and Mr. Albert Fonda, who never indicated any disagreement. In documentation of these facts, we quote more fully from Mr. Sellers' March 17, 1971, letter:

"In general, we suggest that the testing on these vehicles begin under conditions where the critical variables (such as high coefficient of friction, equal tire pressures, heavy weight load, etc.) are at the most severe levels—those most likely to reveal the defects alleged—or the differentials in the margin of safety present. If under these conditions, the Corvair does *not* respond in a dangerous fashion, at variance with the public's expectation of response, then the public can be content that the defects revealed in the GM proving ground reports are anomolus or mistaken. . . ."

and:

"Or more specific suggestions are: . . . 5. That the vehicle also be tested with the maximum recommended load (such as weight of four to six passengers), as might often be experienced on a Sunday drive. (Mrs. Collins had six people in her vehicle and luggage on the roof when her Corvair went out of control.) . . ."

Due to the complexity of any vehicle handling and stability tests, it is impossible to test all vehicles in all configurations and load conditions. The nature of the NHTSA input-response tests required a heavy instrumentation load and as these tests were for comparison, the full load test condition was adopted as the test configuration most compatible for all the vehicles involved. This was, of course, in keeping with the recommendations of Mr. Nader's experts as to the most severe conditions. It would appear that the Corvair critics' objections are prompted more by the results than by an objective review of the procedures.

Considering the infinite combinations of vehicles we do believe that our tests and studies have sufficiently covered the subject, including variations of configurations, to establish that the Corvair handling is not a safety related defect.

NHTSA evaluated a considerable amount of documents and films from General Motors (GM) and other sources where human drivers were operating Corvairs under extremely severe conditions as well as normal conditions. The NHTSA rationale for not using human drivers in its test program is documented on pages 6–10 of the NHTSA report. Essentially, this part of the report explains the limitations in the state-of-the-art relative to vehicle handling, the lack of definitive standards, the problems of quantifying the effects of driver-vehicle-road interface, and the reasons for NHTSA selection of input-response tests for the Corvair test program. Further, it explains the specific criteria for the selection of the maneuvers and test conditions actually used in the NHTSA tests.

Finally, the NHTSA would like to call your attention to the fact that the record is full of opinions by individual drivers, some of considerable reputation. The injection of still another human driver into the tests, with

the attendant questions of driver selection, driver skill, and definition of "normal conditions," would have yielded just another subjective opinion and resulted in prolonging the debate as long as one side or the other was not satisfield with the result.

The problem of determining the effects on vehicle control of drivers impaired by carbon monoxide, alcohol or drugs is the subject of major research by both industry and Government and is, of course, beyond the scope of the Corvair test program. With the current state of scientific knowledge on this subject it is easy to philosophize but virtually impossible to quantify this effect on the Corvair's handling and stability.

NHTSA is confident that none of the officials assigned to the Corvair handling and stability study had a conflict of interest. Mr. Ernest P. Wittich, a former employee of GM, has been accused of having a conflict of interest by Mr. Nader. While employed by GM, Mr. Wittich participated in a savings plan that resulted in the simultaneous acquisition of GM's stocks *and* Government savings bonds. At present he still retains the nominal amount of stocks and Government bonds acquired through this savings program. The modest amount of his holdings is considered to be inconsequential to affect the integrity of an employee's services in any manner in which he may act in his governmental capacity. Contrary to Mr. Nader's inferences, Mr. Wittich did not have sole control of the study or test preparation. In addition to normal supervision by his engineer supervisors, he was joined by three other engineers during the tests. Further, the test program and procedures were formulated by a larger group of engineers and Mr. Wittich had minimal input into these requirements.

The NHTSA did not accept the opinions or conclusions of either the proponents or opponents of the Corvair without question. We did solicit and accept films, data and information from various sources and read and listened to many opinions. The Administration then sifted and evaluated these inputs to arrive at our own independent conclusions. The fact that we may have arrived at the same conclusions as someone else does not mean they were adopted without question. Allegations to the contrary are simply not true.

More specifically, NHTSA's evaluation of the significance of these GM rollover tests is documented on pages 34 and 35 of the NHTSA report and the summary is quoted here for your information.

"In summary, because of the nature and severity of these development tests which were not representative of the practical driving environment, these tests should not reasonably be interpreted to conclude that 1960–1963 Corvair is susceptible to rollover at low speeds on a flat surface in the normal driving environment."

The foregoing is NHTSA's evaluation—not GM's.

In addition to GM's data on driver-vehicle interaction, NHTSA also examined other reports of such interactions and related driver-vehicle-road interface problems that are documented on pages 97–102 of the NHTSA report:

"A Study of the Relation Between Forward Velocity and Lateral Acceleration in Curves During Normal Driving. ("Human Factors," June 1968)

"Accident studies by Cornell Aeronautical Laboratories, Inc., and B. J. Campbell, University of North Carolina.

"Technical articels and consumer groups analyses of Corvair performance.

"Ford Motor Company data."

Mr. Nader also cited certain Ford Motor Company data in his accusations. As recently as May 12, 1972, in his press conference Mr. Nader used a 1959 Ford Motor Company film and an analysis of it by Mr. Harley Copp to support his contention concerning driver-vehicle-road interface actions. This material was not considered valid by NHTSA in its evaluation.

Since that time these tests on which Mr. Nader relied so heavily have been reproduced four times. Twice they were reproduced at the GM Proving Grounds by GM. The clearly documented results support the NHTSA analysis. The tests were also reproduced twice at the Ford Proving Grounds, once by GM and once by Ford Motor Company. The GM test were well documented and they again confirm NHTSA's analysis and disprove Mr. Nader's accusations. The Ford Motor Company tests were not documented as precisely as the GM tests but the results were essentially the same. In a letter to the Senate Commerce Committee the Ford Motor Company described these tests as follows:

"In an attempt to resolve the question, we purchased a used 1961 Corvair and had one of our engineers, who is not a professional driver, drive it on the same segments, of our track on which the original test was conducted. He had *no* (emphasis added) difficulty in negotiating the turns at the speeds set forth in the Safety Administration report, which were apparently the speeds used in the 1959 film. We also permitted General Motors to conduct tests of the Corvair and Falcon on this track and we understand that *neither the Corvair nor the Falcon had any difficulty negotiating the turns* (emphasis added)."

We have forwarded Mr. Nader's comments to the Panel members for their information and evaluation. Should any member feel the need to comment further or modify their conclusions, we will arrange to obtain this information also.

In summary, we believe we have completed all logical investigation of the Corvair's handling characteristics within the constraints of the resources the question warrants expending. A huge volume of data and information has been examined and an engineering test program conducted, both in an unbiased and professional manner. The Administration has spent over one-half million dollars in direct costs for less than one-half of 1 percent of the vehicles on the road and probably a considerably lower percentage of the mileage driven.

If we can be of any further assistance, please contact us.

Sincerely,

ROBERT L. CARTER,
Associate Administrator, Motor Vehicle Programs.

EXHIBIT 3

The mass moment of inertia of an object of fixed size is in direct proporation to its weight. The equation to determine the mass moment of inertia of a rectangular, homogenous body about its centroidal axis) axis through the center of gravity) is:

I equals *M* times (a^2 plus b^2) divided by 12.

M equals *W* divided by 32.2.

M equals the total mass of the object, which is equal to the weight divided by the acceleration due to gravity and A and B are the height and width of the object measured perpendicular to the axis.

The length of the Corvair is 15 feet (180 inches), the width is 5.58 feet (67 inches), and the height is 3.8 feet (45 inches measured from the floor pan to the roof). The Corvair as tested by HSRI in 1970 probably weighed about 2985 pounds (2500 pounds nominal weight, plus 350 pounds for the test equipment plus gas, oil, etc.).

Inserting these figures into the formula gives a resistance to spin (or energy for spin) of 2400 slug feet squared when the weight is 3600 pounds and 1990 slug feet squared when the weight is 2985 pounds. Similarly, the resistance to roll (or the energy for roll) is 427 slug feet squared at 3600 pounds and 354 slug feet squared when the weight is 2985 pounds.

Thus, the 600 pound weight difference made a 20.4 percent difference in the mass moment of inertia. Inertia is that property of an object which resists a change in motion. Given the same input, a more heavily laden vehicle will require a longer time to reach its full response, but will ultimately reach the same level of response. Once it does, the greater weight provides more energy to be dissipated. Thus, in the drastic steer-drastic brake maneuver, the increased weight served to resist spinout and rollover up to the time of brake application. However, once the brakes were applied, the increased weight created more energy to be expended, and hence made spinout or rollover more likely than if the vehicle had been lightly loaded.

EXHIBIT 4

Corvair accident data provided by Prof. B. J. Campbell, University of North Carolina

	Reference group (270,697 cars)	1960 Corvair (365 cars)	1961 Corvair (505 cars)	1962 Corvair (181 cars)	1963 Corvair (532 cars)	1964 Corvair (377 cars)	1965 Corvair (395 cars)	1966 Corvair (174 cars)	Corvette all years (188 cars)	1963 updated (903 total cars)	1964 updated (691 total cars)	1965 updated (810 total cars)
Offroad	16.62	26.57	27.32	29.83	30.82	22.61	17.21	19.54	38.29	28.46	18.37	15.30
Car versus fixed object	.60	.54	.19	2.20	1.8	.53	.25	1.14	1.06	.44	6.57	.37
Car versus other object	.64	1.64	1.78	.55	.93	1.06	.75	.57	0	1.32	.72	.37
Car versus car	55.40	57.80	56.03	55.24	53.19	62.06	63.54	62.06	52.12	54.37	63.53	65.06
Car versus truck	15.19	7.67	6.73	7.18	7.14	6.36	7.59	8.62	5.31	6.97	7.52	8.14
Multiple vehicle	7.73	4.10	6.53	4.97	6.76	7.16	10.12	7.47	2.65	7.30	7.67	9.38
Other	3.77	1.64	1.38	0	.93	.79	.5	.57	.53	1.10	1.59	1.35

EXHIBIT 5

SEPTEMBER 4, 1970.

Senator ABRAHAM RIBICOFF,
Chairman, Senate Subcommittee on Executive Reorganization, Senate Government Operations Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR RIBICOFF: Enclosed is a copy of a letter which I have sent to Secretary John Volpe concerning the suppression of test data and films by General Motors regarding the hazards of the Corvair.

As you recall, the only treatment of the Corvair problem before Congress was before your Subcommittee on March 22, 1966. On Page 1554 of the hearing, Mr. James Roche, President of General Motors, produced for the hearing record Exhibit 143 containing statements by Louis G. Bridenstine and Frank Winchell which were seriously misleading and consciously erroneous. It is ironic that although the National Highway Safety Bureau was established during the peak of the Corvair controversy, it never made any attempt to investigate this massive series of design hazards. It was as if the Corvair issue was

too big to deal with under the 1966 law—when just the opposite should be true.

Knowingly misleading a Congressional Committee is a grave matter. I would request that you obtain a detailed explanation of these statement's from Mr. Roche in the light of the attached information. Re-opening the inquiry to see whether the National Highway Safety Bureau can redeem its neglectful four years and act to protect the public in this truly shocking vehicle hazard would be appropriate. The Corvair is no longer being produced, but over a million are on the road with the carbon monoxide seepage and 600,000 of these vehicles with the inherent instability that leads to breakaway and rollover. The continuing Corvair casualties, particularly among the young and poor who now have many of these models, should provide the most profound reason for the small amount of attention that is respectfully requested of your Subcommittee.

Thank you.

Sincerely,

RALPH NADER.

SEPTEMBER 4, 1970.

Hon. JOHN A. VOLPE,
Secretary of Transportation, Department of Transportation, Washington, D.C.

DEAR SECRETARY VOLPE: For five years, nearly four of them under the auto safety law, the federal government has declined to become involved in the Corvair matter, notwithstanding the mass of evidence as to its hazards which has been externally collected and transmitted to the government. Now comes decisive evidence which reveals a labyrinthic and systematic intra-company collusion, involving high General Motors officials, to sequester and suppress company produced data and films proving the Corvair (1960–63 models) dangerously unstable. The Department of Transportation can no longer avoid confronting the GM–Corvair depravity and the daily carnage of innocent people injured or killed in these vehicles. Probably 600,000 of these Corvairs are still on the roads, driven increasingly by the young and the poor. Little can be done about past Corvair casualties, except as a spur to end this dismaying refusal to act by the Department. Much can be done to prevent further crash-injuries and to understand additional, serious design defects affecting all Corvairs (1960–1969 models). But first it is necessary to understand the enormity of what General Motors officials have done to their customers (and passengers), the federal government, the courts and any American who trusted the testimony and assurances of the nation's largest industrial corporation. For in a word, GM manufactured and maintained a massive lie.

The company's credibility is not at stake here. Its credibility is shattered here. It can now be reliably asserted that GM proving ground tests and films back in 1962–63 conclusively proved the Corvair to be uniquely unstable with unprecedented rollover capability unlike any other American car. (Such characteristics were known by GM engineers when the Corvair was in its design stage back in the late Fifties. But the cautions of the more concerned were over-ridden by management which refused to adopt a much safer suspension system then available.) None of this information was ever offered or disclosed in response to court orders to produce such or any other requests from federal and state officials. On the contrary, in a consistent posture of suppression and prevarication, the company declared the Corvair as safe as any other car and asserted that any claims to its lack of safety were false.

Before the Senate Subcommittee on Executive Reorganization on March 22, 1966, James M. Roche, then President, General Motors Corp. read approvingly into the hearing record a statement by GM's Assistant General Counsel, Louis H. Bridenstine and a technical account by Mr. Frank Winchell, Chief Engineer for Research and Development of Chevrolet Motor Division, which will become principal exhibits of the falsehoods and distortion utilized by the company's spokesmen. Other GM officials, including Mr. Edward Cole, now the company president and long known as the "father of the Corvair" stated what GM's own tests said was not so about the vehicle's handling.

Mr. Winchell's statement was replete with statements contradicted by GM's own, secret test data and films to which Mr. Winchell had access. For example, in words to be substantially repeated under oath before courts across the land, Mr. Winchell told the Michigan Senate Committee on Highways (February 21, 1966) that "The Corvair differs from other cars only in the arrangement of its components" and "Photographs of tire distortions with a car sliding sideways will show no significant difference between the proximity of the rim to the pavement of the Corvair and any other automobile." These statements were made by Mr. Winchell, now a special assistant to Mr. Cole, although they are contradicted by GM proving ground data and films which were completed between three and nearly four years earlier.

Despite repeated interrogatories and motions to produce in litigation involving crash victims, these data and films were secreted in a special category of "hot documents". For example, your Department should be interested in obtaining all the reports, memos and films growing out of PG Job No. 032127 beginning approximately April 11, 1962 and specifically including those portions dealing with Test run numbers 46–50, 58, 71, 75, 80, 86, 92, 99, 104; and arising out of PG Job No. 032307 beginning approximately Nov. 13, 1962 and specifically including those portions dealing with test run numbers 117, 120, 125, 126, 127–31, 134, 135–36. These films showing roll overs at speeds of 26 mph, 28 mph, and 30 mph would be enlightening repudiation of the shocking disparities articulated in courts and before legislative hearings by GM officials.

In the afore-mentioned Michigan testimony, Mr. Bridenstine, now GM's number two lawyer (after General Counsel Ross Malone) had the presumption of raising the Canons of Professional Ethics regarding the behavior of a Detroit attorney while he has been closely involved in keeping suppressed the test data and films by GM's own engineers showing the early Corvairs to be exceptionally facile roll over candidates. He maintained this stance against the regular crashes incident to Corvair rollovers week after week and against the court sanctioned interrogatories put to GM for this material. The canons may well be applied to Mr. Bridenstine's behavior.

Pertinent to this suppression of data damaging to the Corvair and the public statement and testimony that all was well with the vehicle is the company's tactics of attrition and judicial manipulation. In a major Corvair trial, GM's presentation misled the California judge, Bernard Jefferson, into writing a lengthy opinion concluding that the Corvair design was not unsafely designed. Having obtained such a decision, GM proceeded to transform it into a promotion and in an obscene gesture perhaps unheard of in corporate legal history, initiated its distribution to its Chevrolet dealers, state and federal legislators and other influential recipients including judges. Sizable settlements in Corvair litigation are associated with how close plaintiff's lawyer gets to the "hot documents" in his discovery motions. If GM's lawyers could not wear the plaintiff down by dilatory techniques, or flout the discovery orders with impunity, the company order from the top would be to "purchase the case" with a settlement. Several settlements have exceeded the $100,000 level.

The afore-mentioned test data, together with other memoranda, letters, and corroborating personnel, show conclusively that:

GM officials knew they had a safety problem involving rollover and uncontrollability before the Corvair litigation started about 1963, and dabbled with a cheap prospective technical "fix" that flopped;

GM officials consciously refused to issue warnings or recall the vehicles;

GM officials launched a policy of falsely stating that the Corvair did not behave differently than any other American car and misled members of three branches of government at both state and federal levels;

GM officials demanded or condoned unethical behavior by its lawyers and engineers which had major repercussions on the frequency of Corvair crashes and casualties;

GM officials at the highest level were responsible for the preceding policies and spared no expense to perpetuate false defense strategies in the courts and suppression of GM's own tests adverse to the Corvair;

The gravity of the situation proceeds from the personal responsibility of the Chairman of the Board, Mr. Roche, and the President, Mr. Cole. For years, they have been on notice as to the problems of the Corvair; indeed Mr. Cole took a personal role in its design. For years, thier legal duties to the public safety, not to mention their shareholders, should have required the disclosure of all company tests data, regardless of its criticality, simply because American lives are involved. For years, they actively defended the Corvair and carefully avoided true disclosure. If in the annals of corporate irresponsibility this behavior is not grounds for resignation, then the monster of corporatism has overtaken the law. They should both resign.

The situation of Mr. Ross Malone, GM's General Counsel and former President of the American Bar Association is one of a need for prompt re-appraisal. Having joined the company nearly two years ago, he is the heir, rather than the shaper of most of the Corvair legal strategy. However, his duty is to require reversal of odious practices such as placing as many private, potential Corvair expert witnesses on a monthly retainer to monopolize this "market" around the country, or requiring attorney's with whom they settle to agree not to take any more Corvair cases. More important, Mr. Malone must realize the grave impropriety of using his lawyers as a shield to hide lifesaving company test data and as a sword to defeat attempts to obtain such information under judicial procedures. One has only to read the newspapers' regular descriptions of sudden rollover Corvair crashes to realize that the proper legal advice to the corporate client is to promptly warn motorists and recall and fix the source of instability, not to camouflage the truth and mass the company's legal resources to overwhelm plaintiffs and tie up the courts. There is the added responsibility for corporate counsel to review all cases where interrogatories were not responded to truthfully and completely.

A design defect that affects all Corvair models from 1960 to 1969 permits the seepage of combustion chamber gases into the passenger compartment along with the heated air. These gases include carbon monoxide. This is a very common complaint, as many letters to the National Highway Safety Bureau and General Motors show. GM has hundreds of these complaints. Privately, both present and former engineers for the company concede the defect, but the company policy officials continue to cover it up. In the opinion of specialists, this is a most serious hazard and has been known to overwhelm or sicken the driver. Further information known to GM is forthcoming for your consideration.

Clearly, the Department of Transportation has the authority to take action to pro-

tect motorists and passengers. It can require GM to send a notification of defect(s) to all Corvair owners. Although this year GM defeated a request by the National Highway Safety Bureau to obtain congressional authority to compel recalls, the requirement to notify usually involves a recall.

The Department should also request from Mr. Roche a complete report on the Corvair design and the company's secret test and film data and relevant memoranda. It must be emphasized that the materials and other associated facts will soon be released irrespective of whether or not he takes this opportunity to assert full corporate responsibility.

While to some, the cessation of Corvair production means the vehicle is history, the fact is that Corvairs are being driven every day hundreds of thousands of miles by hundreds of thousands of drivers under latent hazards that should be considered intolerable by your Department. Your counsel has exerted authority to require defect notification on pre-1966 vehicles in the Chevrolet truck wheel defect. This range of vehicle defects for the Corvair is much more serious in volume and severity. The preposterous pretext underlying National Highway Safety Bureau inaction regarding the Corvair—namely that there is civil litigation pending—borders on malfeasance in office. Civil litigation should never block enforcement of the law.

How corporations react to crises of their own making is increasing, tending toward cataclysmic potential for many citizens, as companies become larger and their technology more complexly fraught with hazards. General Motors, thanks to outside pressures and inquiries, no longer receives uncritical deference to its alleged knowhow that was its unearned increment from society. Too many facts have been unloosed among the public in recent years about the company's suppression of pollution control technology, its profligate expenditures on profitable trivia and wasteful corporate ego trips to the detriment of attention to safety, durability, ease of repair and efficiency in vehicle operation. At the present time, GM lobbyists and lawyers are all over Washington pursuing callous drives to seriously weaken the air pollution legislation and to delay the installation of the air bag, or similar system, in motor vehicles so thousands of lives could be saved in crashes. Their collusion with other auto companies in these efforts, particularly the pollution lobbying, makes a mockery out of the consent decree which they signed last year with the Antitrust Division of the Justice Department.

Further revelations about Corvair collusion and suppression, known and condoned at the highest GM levels will open new public understandings of the extent to which this company will go to shield its defective vehicles even from its own self-indictment of them.

I look forward to your response.

Sincerely yours,

RALPH NADER.

SEPTEMBER 14, 1970.

MR. RALPH NADER,
Washington, D.C.

DEAR MR. NADER: The charges made in your letters to Secretary Volpe and me, and the response of Mr. Cole to them, raise important issues which the Subcommittee on Executive Reorganization and Government Research must seriously consider.

Your letter to me alleged that at the hearing on March 22, 1966, GM officials "knowingly misled" the Subcommittee. The letter to Secretary Volpe, charged that "GM proving ground tests and films back in 1962–63 conclusively proved the Corvair uniquely unstable with unprecedented rollover capability unlike any other American car." It cited certain GM documents and a so-called "hot-documents" file as proof of your claims.

Mr. Cole's letter to Secretary Volpe countered that the material you referred to "were reports of engineering development tests in which Corvairs, specially equipped with experimental parts, were intentionally overturned by experienced test drivers using violent maneuvers designed to overturn them." His letter offered to make available to Secretary Volpe any information or material on the Corvair relating to its safety.

Accordingly, I have requested that GM provide the Subcommittee with those documents and films referred to in your letter to Secretary Volpe plus any other significant proving ground reports concerning the handling and safety of the Corvair, and any memoranda between Mr. Bridenstine, Mr. Power, Mr. Winchell, Mr. Cole, Mr. Knudsen, and Mr. Roche or other high ranking officers concerning the safety of the Corvair. I have also asked for a memorandum explaining the alleged "hot-documents" file.

Concurrently, I request that you provide the Subcommittee with all the information in your possession concerning the Corvair.

Only by examining all the relevant evidence will the Subcommittee be able to determine a proper course of action. Accordingly, I ask that you cooperate with us in bringing this matter to a prompt conclusion.

If you have any questions, please contact me, or Robert J. Wager, General Counsel of the Subcommittee.

Sincerely,

ABE RIBICOFF,
Chairman.

[For release Sunday, October 25, 1970 A.M.]
October 23, 1970.

HON. ABRAHAM A. RIBICOFF,
Subcommittee on Executive Reorganization, Washington, D.C.

DEAR SENATOR RIBICOFF: In response to your letter of September 12, 1970, I have now compiled the following analysis of certain documents and issues concerning the safety of the Corvair automobiles manufactured and sold by General Motors from 1960 through 1969. This analysis summarizes the relationship and contradictions between documents suppressed by GM and GM's March 1966 testimony before your subcommittee. I believe the now emerging record shows that much of that GM testimony was inaccurate, dishonest or both with regard to many matters, and particularly the stability and safety of the 1960 through 1965 Corvairs.

The examples below are illustrative of this massive conspiracy:

MISREPRESENTATION NO. 1: THE CONTINUING FRAUD IN GM'S LEGAL DEFENSE OF THE CORVAIR

Background facts and GM's statements to the U.S. Senate

During your March 22, 1966 hearings in Washington, D.C. you questioned the General Counsel of GM as to the reasons for GM's investigation of me. In his response, Mr. Aloysius Power testified that GM had investigated Nader's charges of an "unsafe and inherently improper and unsafe design" since GM's "own people, engineers, have advised us that it [the Corvair] isn't unsafe."

The exact testimony, at page 1447, was:

* * * * *

Senator RIBICOFF. . . . Do you investigate everybody who writes an article about a General Motors car?

Mr. POWER. No. We don't find many people doing it on the scale that this was done, and we don't find anybody writing where they are saying that it is unsafe and inherently improper and unsafe design. That is a pretty serious charge.

Senator RIBICOFF. Well, it is.

Mr. POWER. But if someone else writes an article on that, we will check into that one, too. Now, we have got the question of whether or not we are going to stand for disparagement of a product where our own people, *engineers have advised us that it isn't safe, and they have testified in two cases already in court and a jury has accepted their testimony.* (emphasis added).

Senator RIBICOFF. Couldn't you write a book or an article saying that the Corvair was safe?

Mr. POWER. Well, I know it is—

* * * * *

In addition, the March 22, 1966 hearing record contained large amounts of material involving the safety and stability of the Corvair. Indeed, this was the underlying issue which had instigated most of the actions by all parties. I specifically brought this issue to the Committee's attention at pp. 1499–1501.

At the conclusion of my testimony, Mr. James Roche, then President of GM, asked for and received permission to insert, as part of the record at page 1554, GM's testimony by Mr. Louis H. Bridenstine, Assistant General Counsel of GM, and Mr. Frank Winchell, Chevrolet Chief Engineer for Research and Development, before the Michigan Senate Committee on Highways on February 21, 1966. This testimony ridicules court challenges by plantiffs injured in Corvairs. Mr. Bridenstine's purpose was in his own words "to assure that [the Michigan] Committee is not misled" as to the issues involved. His intent was to deter the enactment of Michigan auto safety legislation. Mr. Bridenstine purported to show that juries, with the best first-hand access to facts, had all exonerated GM after examining a complete record of Corvair driving performance. The implication of Mr. Roche's insertion in your hearing record was clear—that since all the evidence had been fairly studied and the assertions of plaintiffs had been deemed by juries to be unsubstantiated, the U.S. Senate Committee need not examine the safety of the Corvair's handling characteristics.

Mr. Bridenstine's remarks, a part of the Ribicoff Committee record at page 1555, were:

Therefore, consistent with our policy and practice, we have not included in this statement to your committee evidence establishing the safe design of the 1960–63 Corvair.

However, *to assure that your committee is not misled,* we can advise you regarding litigation already terminated. In the only two cases in which this claim that the Corvair is defectively designed has been tried and decided, the juries in both instances returned verdicts in favor of General Motors. The first case involved a trial of ten weeks in San Jose, California. The second case, in which Mr. Philo and his law firm participated, involved a six weeks' trial in Clearwater, Florida. In his statement before your committee, Mr. Philo named Dr. Thomas Manos an authority for Mr. Philos' assertions. It is interesting that Dr. Manos testified at length for the plaintiff and was cross-examined in both trials regarding his tests and conclusions on the Corvair design.

In these two trials we, of course, presented evidence and our witnesses were cross examined regarding the development, design and performance of the Corvair. *In both cases and under proper rules of procedure and evidence,* the juries disagreed with plaintiffs' counsel and agreed with our position. (emphasis added)

Effect of these misrepresentations

GM's insinuations that several litigated law suits had conclusively determined the safety of the Corvair were persuasive.

No further examination of Corvair design defects was made by the U.S. Senate. More important, the entire Congress was deceived as is evident from the auto safety legisla-

tion enacted later in 1966. Had it been realized that a vehicle marketed for six years and sold in the millions was secretly known by the manufacturer to be susceptible to rollover at low speeds under normal operating conditions, surely the Congress would not have hesitated to legislatively require mandatory recall and criminal penalties for willful neglect by the manufacturer. It is anguishing to speculate how many millions of Americans have perished or been maimed since 1966 because of the absence of these necessary deterrents in the basic auto safety law.

GM's testimony in February and March 1966 necessarily was both an assertion by GM that they had testified accurately before the Courts, and that they knew of no existing evidence which would rebut that testimony. To that extent, this testimony directly conflicted with GM's own internal documents, such as PG 17103, which were being withheld from Courts across the country, from the Michigan Senate Committee and from your U.S. Senate Subcommittee.

Details of GM's misrepresentation

Mr. Carl Thelin, a former GM engineer, has now publicly stated that at the time Mr. Power was testifying before your Subcommittee in 1966, Mr. Thelin was discovering a macabre scheme, originating inside GM before 1966, to hide from the courts and even from some of their own defense witnesses the existence and contents of reports critical of the Corvair's safety. This scheme was a deliberate frustration of an injured person's basic right, embodied in the rules of evidence of state and Federal law, to receive in a law suit the product maker's data about the safety tests of his product without having first to identify the information itself.

The suppressed documents included the now renowned PG 17103, which showed that the 1962 Corvair would, if subjected at a speed of less than 30 mph to a simple J-turn (essentially the situation any car experiences if it hits a wet patch or rough spot in the road or if it makes a sudden turn while passing another car) rollover on a level surface. Also suppressed were other test reports, such as PG 15699, where the Corvair in 9 of 10 tests rolled over while the Chevrolet sedan did not roll over under the same test conditions. These documents provide substantial evidence of the defects in the suspension system of the 1960–64 Corvairs. Mr. Thelin's statements and referenced documents make it clear that the GM conspiracy was known to, if not directed by, Mr. Power's legal staff.

The essence of the GM plan was to keep any damaging relevant information from potential witnesses, including some witnesses for GM. Thus, the testimony of these witnesses could reflect only what they knew, which was necessarily less than the complete truth or clear untruths. This scheme was therefore a deliberate, premeditated attempt first to mislead injured plaintiffs and the Courts, and then the Michigan and U.S. Senate Committees, and finally the public, as to the safety of the Corvair. Mr. Power's assertions that he knew the Corvair was a safe car could have been repeatedly contradicted by the release of the evidence requested by plaintiffs, but suppressed by Mr. Power's staff inside General Motors.

As a further example of the misrepresentation by GM as to the safety of the Corvair, the public record shows that the data which GM supplied to the courts in the two completed trials cases (*Anderson* v. *General Motors Corporation* and *Collins* v. *General Motors Corporation*) was purposefully inaccurate and incomplete. GM's boasting to the Michigan Senate and your Subcommittee about these cases compounded the fraud.

For example, in the *Anderson* case in Clearwater, Florida, GM in the person of Mr. Frank J. Winchell, then Chevrolet Chief Research and Development Engineer, was grossly misleading in its response to plaintiff's questions about whether written records were kept of the proving grounds tests on 12 to 24 Corvair automobiles of the model years 1960, 1961 and 1962.

Despite the existence of PG reports 17103, 15699 and other tests of a similar nature, pages 4802–4806 of the transcript (Law No. 17,013 shows that Mr. Winchell asserted the following under oath:

* * * * *

VOIR DIRE EXAMINATION

By Mr. MASTERSON:

Q. Mr. Winchell, were there Corvair automobiles involved in this testing?

A. Yes sir.

Q. How many?

A. Well, I tried to estimate that a moment ago. I think I—I couldn't say it very precisely, 12 to 24, in that area.

Q. Does it include 1960, '61 and 1962 models?

A. Yes sir.

Q. And were the results of your testing reduced to writing?

A. No. Our—our testing was a development, exploratory kind of work where we are seeking fundamental facts.

Q. And the results of these tests were not reduced to writing?

A. Not formal reports with—

Q. Well, was any of the data preserved?

A. Well, when you say "any of the data," I—I would be hard pressed to say. Our custom in this thing, I have to explain to you Mr. Masterson, is——

Q. Well, my question was: Is any of the data preserved?

A. I can't—I can't say positively whether there was any or not. I presume there was some.

Q. Where would it be if it was preserved?

A. Probably in our Research and Development files.

Q. Of which you are the head?

A. Yes sir.

Q. Do you know whether it was preserved or not?

A. I can't really say, Mr. Masterson. It was——

The COURT. Are you telling us that you do a great deal of research and keep no records of what you find out?

A. Well, we don't—what I said is we don't issue any formal reports. When you are—when you are in the exploratory range of this thing you are not in a position to come to any conclusions.

The COURT. But do you keep any written records of what you find out each day or do you just try to keep that in your mind?

The WITNESS. No, we do note our results, and we meet and discuss them, and they are held for some period of time, but I couldn't tell you whether they are still in existence or not.

The COURT. All right, sir.

FURTHER DIRECT EXAMINATION

By Mr. NUNEZ:

Q. Mr. Winchell, in that connection what is the—what is the usual procedure for—that is set in motion at Chevrolet—for doing something to or with an automobile that will result in a formal test report?

A. Well, the procedure is—originates with the—what we call the product engineer, the man who is responsible for releasing this component to production. He is called the Production Engineer. He writes a test order or a build order or a design order. If it is a test order, the test order goes to the laboratory head or the proving ground head. He assigns certain people to the conduct of the test, they meet and discuss what they are going to do. The test is conducted, and the produce (sic) engineer gets the—gets the facts from the test immediately, verbally, and then as a matter of record, if we think that that—that test has any use to us in future design work, or as a reference, a formal report is written by report writers under the direction of the test engineer.

The COURT. Do you keep any record of the tests that were made that you decided had no use to you so that you don't repeat that test the next month or next year?

The WITNESS. Well, our Research and Development Group, sir, is rather small, and we don't run that——

Mr. NUNEZ. Excuse me, Mr. Winchell, I think the Judge can hear you quite clearly, but I would——

The COURT. You face the Jury——

Mr. NUNEZ. Address your answers to me.

The COURT. So everyone can hear, then.

The WITNESS. We have—as I say, in this particular program I had about two engineers to start with, and I don't run the hazard of this thing being repeated by personnel.

By Mr. NUNEZ:

Q. Well, you were telling me about a particular device that makes a record on a—on a running piece of graph paper, some kind of paper.

A. Well, Mr. Masterson asked me specifically——

Mr. MASTERSON. May I ask that the witness repond to the Judge's question? The Judge asked you if you preserved data so that you don't repeat the test which was not useful to you.

The WITNESS. Well, I can't give just a yes or no answer on that. Sometimes we do, and sometimes we don't. I say, if—if, in our opinion, we think it has some influence on our future conduct we keep it for some period of time. If we don't think so, we don't keep it.

The COURT. Proceed, Mr. Nunez.

The WITNESS. Could I say something by way of explanation here?

The COURT. Yes, sir.

The WITNESS. In writing a report that is going to be useful to engineers of, say, three or four or five years hence, it has to be a very comprehensive report. Just to—to supply him with a data sheet of some measurements you've taken doesn't necessarily do him any good. And what I'm trying to say is the composition of a very comprehensive report that an engineer some five or six years hence or farther can make use of, requires a good deal of effort by the reporting engineer. And so we don't bother with things that we don't think have that kind of value in research and development.

By Mr. NUNEZ:

A. All right. Did any of the—the data that you gathered in your testing and evaluation of vehicle handling back in the 1960 through 1962 era, was any of it resulted into any sort of formal form or written form or a form which would preserve the information that you derived from those tests?

A. Not to my recollection.

* * * * *

Thus, by these untruthful answers, GM withheld significant GM proving ground test reports and records from the plaintiff which were essential to her case. Just as misleading is the fact that GM's suppressed test reports, such as PG 17103, tend to rebut and discredit the limited test results which GM did produce as evidence.

The depositions of other key GM employees were equally inaccurate as to the existence of past records of proving ground tests. The transcript of the case of *Collins* v. *General Motors Corporation* (Superior Court of the State of Calif. Santa Clara C.) partially reveals the contents of depositions of GM Vice President Harry Barr and GM Chassis Design Chief Kai Hansen.

In the questioning, the plaintiff's attorney was attempting to establish the existence of written records of proving ground and other Corvair tests. The transcript in that case, Docket No. 149317, shows at page 3264:

* * * * *

By Mr. HARNEY:

Q. As of 1962 is it correct that practically everything that had to do with testing the Corvair had been destroyed by General Motors?

A. Not to my knowledge.

Q. Have you read the deposition of Harry Barr in which he said that was true?

A. No. I did not read that.

Q. Did you read the deposition of Kai Hansen in which he said that was true?

A. I did not.

Q. You only read the portion of Kai Hansen's deposition on the subject of whether he was against the location of the engine in the rear?

A. I believe Kai Hansen had his deposition taken a number of times and I didn't read them all.

Q. Which one did you read?

A. It has been more than a year ago and I don't know which one I read, Mr. Harney.

Q. Who asked you to read the depositions?

A. I think Mr. Gilliland of our legal staff at that time asked me.

* * * * *

I believe that as your Subcommittee examines the records it will find numerous similar examples. But, this will not be easy. Recognizing the treacherousness of its activities, General Motors has, as a matter of corporate policy, attempted to destroy the public and private records of all litigation. For example, we have been told that GM has purchased the Courts' only file copy of the *Collins* transcript from the Court reporter. Luckily, parts of that transcript were previously secured by various plaintiffs. This partial transcript alone reveals the enormity of the fraud perpetrated by General Motors. In the *Collins* transcript at pages 3213–5 Mr. Winchell denied the existence of lateral acceleration tests on a 1960 Corvair, although skid pad rollover tests revealing lateral acceleration information are detailed in PG Report 11106 of 6/10/59, in PG Report 11285 of 8/25/59, and PG Report 12207 of 5/5/60, and were actually available but hidden in GM files.

* * * * *

By Mr. HARNEY:

Q. These tests that you have told the jury about were not in any way connected with the decision to put the Corvair on the American market, were they?

Mr. WHITNEY. Which tests are we referring to?

Your honor, I object to it. He said these tests. Mr. Winchell has been on the stand for time after time and he has testified to many tests.

Q. Each and every test you talked about in this case was never, ever done in connection with the original decision to put the Corvair on the market, correct?

Mr. COSTANZO. I object to that upon the ground counsel has already referred to certain tests that were shown to the jury. When he follows that up with another question about this, obviously it leaves the impression he is talking about the tests that were shown to the jury. I object to that question, your Honor.

The COURT. Will you repeat your question?

Mr. HARNEY. Yes.

Q. With respect to each and every test that you as a witness have participated in in connection with showing to the jury, each and every test was done in connection with litigation and not in connection with the decision to put the Corvair on the market?

A. The decision to put the Corvair on the market was made in 1957 or '58.

Q. Can you answer my question?

A. Are you talking about the 1960 or 1965 Corvair?

Q. I am talking about all the tests you have talked about in this trial in front of these twelve ladies and gentlemen plus the alternates.

A. Some of the tests that were run were certainly related to the 1964 and 1965 Corvair. The 1960 Corvair, no.

Q. Like this set you brought in here, did you have that set?

A. Not that particular one, but that is not a novel demonstration of lateral acceleration.

Q. Did you have such a thing to demonstrate the lateral acceleration of a 1960 Corvair?

A. No sir.

Q. No sir. How about this table here?

A. No sir.

Q. How about that chart behind you?

A. Well, this is a reproduction of a very ordinary chart that we use.

* * * * *

To reestablish the record for the benefit of your Subcommittee's review and the public file, I strongly recommend that you procure the entire Collins transcript from General Motors. We would, of course, appreciate the opportunity to study it, and to assist your Subcommittee with further comments.

The GM statement to the public on September 26, 1970 said: "Test Report 17103 has not been produced because, in the opinion of our counsel, it has not been called for."

No objective analysis can fail to discredit this statement. In fact, GM suppressed Test Report 17103 inside the company and deliberately withheld it in several court cases I have checked already—even where the plaintiff had requested all the relevant tests of the Corvair.

For example, in the *Collins* case in California on June 11, 1965, the plaintiff had requested and received a valid Superior Court order for GM to produce.

* * * * *

. . . all tests, studies, reports, movies, photographs and other documents pertaining to Milford, Michigan or Mesa, Arizona or other General Motors Proving Ground Tests of stability and handling characteristics of Corvair prototype. Corvair pre-production and 1960 Corvair automobiles and such Proving Ground tests of other rear engine cars as a comparison to or model for the design of the said Corvair automobile . . .

* * * * *

In response to this court order, GM simply never produced or acknowledged the existence of many essential proving ground tests some of which are identified in this letter. Thus, the plaintiff who requested such tests from GM in *Collins* was denied his legal rights.

Although the films GM suppressed in the *Collins* case clearly would have changed the character of the trial, the plaintiff was forced, by his own ignorance, to accept GM's statement that there was only *one* proving ground test for which film existed from all the Corvair testing up to that time. The plaintiff did subpoena that short film of a 1961 Corvair which went out of control and was allowed to show it to the jury on June 30, 1965; however, GM weakened its effect by not producing any precise details or data for the film and no films or data of existing GM comparison tests run with other U.S. cars. As a result, the test showed the jury just as little as GM had intended.

There were essential proving ground tests such as PG 11245 or August 7, 1959 and PG 11285 of August 25, 1959, which were never admitted by GM even to exist. Mr. Carl Thelin has already made a public statement that these omissions were familiar to him, were the result of a corporate policy to consciously withhold this evidence from injured parties and even to mislabel film to implement its difficult retrieval. Other GM employees will confirm this conspiracy and allow you to identify the persons responsible for the creation of this monstrous scheme.

A primary agent in the GM plot was Mr. Winchell. For example, he testified to the *Collins* jury on July 12, 1965, at the time he was serving in a key executive position with responsibilities for the legal defense of the Corvair, that he knew of no written records that were kept of the testing of the Corvair before it was released to the public in late 1959. His testimony at page 2690 was:

VOIR DIRE EXAMINATION

By Mr. HARNEY:

Q. Were you present when any stability or handling tests were done on the Corvair before it was released to the public?

A. Yes sir.

Q. Where was that, sir?

A. At the proving ground and at our Manitou proving grounds in Colorado. We have a Pike's Peak proving ground in Colorado. It was located in Manitou Springs.

Q. What year was that, sir?

A. That was '58.

Q. You were personally present?

A. Yes. I was in the car. I was not during the testing period; I was a passenger in the car.

Q. Were written reports made?

A. Not to my knowledge.

Mr. HARNEY. All right. Thank you.

The above testimony, under oath, should be compared with the contents of such PG reports such as PG 11245 of August 7, 1959 which is a tire blowout comparison at 60 mph., or PG 1110C of June 10, 1959, which was a skid pad roll test on the then soon to be released Corvair, so that the Committee can ask itself whether such test results could even possibly have been unknown to Mr. Winchell.

Two other examples illustrate the utter depravity and insolence with which GM conducted its legal defense of the Corvair in courts and before your Subcommittee. Despite the existence of over one dozen fully documented rollover test reports involving hundreds of trial runs of Corvairs, completed from 1959 through May 1965, with uncounted numbers of rollovers and other examples of instability of these cars, Mr. Winchell told the jury in the *Collins* case that "I have never seen the Corvair rolled over on the [GM] skid pad" (p. 3855).

In addition, despite the fact that GM had made at least several movies of Corvair rollovers by 1964, Mr. Winchell testified to the California Court in 1965 that the *only* skid pad test for which movies existed was the rollover test at one and one half miles per hour, a movie which had been shown to the jury there. In summary, Mr. Winchell's assertions of ignorance about the rollovers on film in PG 17103 and PG 15699 are totally implausible in light of his position at GM at that time.

Mr. Winchell's exact testimony was:

Mr. HARNEY: Q. Do you know who the man at General Motors is who developed a method of turning cars over?

[Mr. WINCHELL] A. No, sir.

Q. Do you know whether or not it is extremely difficult to make the modern car rollover except for the Corvair?

A. I wouldn't agree to that.

Q. Isn't it true that at General Motors in order to get non-Corvairs to turn over, they had to build tremendous ramps that practically turned the thing over in the air or run them into soft dirt off an embankment?

A. No, I don't think that is true.

Q. Have you ever at General Motors seen a car turned over on the skid pad except for a Corvair?

A. Yes, sir.

Q. What kind?

A. Renault.

Q. A Renault, any others?

A. Volkswagen.

Q. Any others?

A. I can't recall of any others.

Q. Each and every one was a rear engine car?

A. Those two are rear engine cars.

Q. And Corvair is a rear engine car?
A. Yes.
Q. You have seen the Corvair roll over on the skid pad?
A. I have never seen the Corvair rolled over on the skid pad.
Q. Didn't you see the movies that were presented?
A. I saw those. When you said skid pad, I thought you were referring to our skid pad.
Q. General Motors' skid pad.
A. I thought you were referring to Dr. Manos' test.
Q. No, there is another film that was shown to the jury in this case at the General Motors' skid pad where a Corvair automobile comes out from the right going to the left and the driver jerks the wheel and then he jerks it back and it rolled over.
A. I remember that. I am sorry.
Q. Who was driving the car?
A. I don't know the man's name.

* * * * *

By Mr. HARNEY:

Mr. Winchell, since you have been here in San Jose, have you seen any General Motors test on the lateral stability or the directional stability with instrumentation of the Corvair automobile?

A. Since I have been in San Jose? That would be tests conducted here in San Jose?
Q. No, the physical presence of any such report in San Jose since you have been here?
A. Yes, I think so.
Q. And you know where such test reports would be located?
A. I was shown a stack of material that I understood had been submitted to the plaintiff in this case and was asked was I familiar with these tests. I said I couldn't say. Some of them I had some familiarity with, some I did not.
A. I am asking, Mr. Winchell, about lateral stability and directional stability tests on the Corvair with instrumentation. Do you understand my question?
A. Yes sir.
Q. And you have seen such reports?
A. There were quite a few reports there. Some of this test, I seem to recall having seen several roadability tests.
Q. With instrumentation?
A. Yes sir, all the roadability tests are with instrumentation.
Q. What type of instrumentation?
A. I don't know precisely what type, but I know the data they get. What particular instruments they used in getting it, I can't testify to that.
Q. Would it be correct that the only instrumentation in any test of what you are aware of was in the one mile an hour test?
A. If I understand your question correctly, absolutely not.
Q. Then you have seen other test reports pertaining to the lateral stability and the directional stability of the Corvair with instrumentation, true?
A. If I understand your question correctly, yes, sir.
Q. You have seen it here in San Jose?
A. I saw the reports that I spoke of. I saw the data that I read to you in evidence. I saw the photographs that were submitted in evidence. I saw the film that was submitted in evidence of this one and a half mile an hour test. That is all I can recall at the moment.
Q. Any movies you have seen of any lateral stability or directional stability test is the one mile an hour test, correct?
A. I believe that's correct, yes, sir.

Mr. COSTANZO: Are you referring only to the Corvair automobile, Counsel?

Mr. HARNEY: Yes, sir.

By Mr. HARNEY:

Q. On exhibit——
A. Excuse me. Just a moment. I saw Dr. Manos' movie.
Q. I am talking about emanating from General Motors.
A. I don't believe so, Mr. Harney.

* * * * *

This testimony shows how GM has been able to obtain untold numbers of fraudulent judgments or settlements across the country. To document the size of this injustice for your Subcommittee and the public record, I urge you to request from GM a summary of the number and location of all payments made by General Motors in settlement to injured Corvair plaintiffs or potential plaintiffs, and to find out from GM what they plan to do to give justice to those people (like Mr. Anderson and Miss Collins) who have been injured at least twice by GM's avarice.

Misrepresentation No. 3: The Corvair's Instability Compared to other American Cars

Background facts and GM statements

During your 1966 Subcommittee hearings, then-GM President Roche presented the history of GM's continuous addition of safety features to GM cars since 1910. In the course of that presentation, Mr. Roche discussed the improvements made in the stability of GM cars. As proof of that assertion Mr. Roche cited the difference in rollover capacity of today's automobiles with their 1935 predecessors. Mr. Roche's exact words, at pages 660 and 661, were:

* * * * *

The center of gravity of vehicles has been lowered substantially over the years, improving vehicle stability.

Since 1935, on a regular Chevrolet the center of gravity, the point at which the car's weight will balance, has been lowered from 24.8 to 19.6. This is a reduction of over 5 inches—or more than 26 percent—in center of gravity during the past 30 years. Similar lowering of the center of gravity has been achieved on the other General Motors car lines. These changes have made our cars less top heavy and more sure footed, decreasing the possibility of rollovers.

We have film footage and data concerning earlier destructive tests run with cars on what we now call the J-turn. A 1935 car traveling at about 50 miles per hour on a grass field would roll over when put into a severe J-turn. *Today's automobile, even at higher speeds, is almost impossible to turn over in the same type of sharp turn unless the outside wheels strike an obstacle.* This J-turn test is included in the GSA specifications for testing the ability of tires to remain inflated during such a turn at 50 miles per hour on a concrete surface.

Our modern frames, which are much sturdier, have also contributed to this increased stability. New design concepts have allowed us to lower the side rails for a lower car and these rails are integrated more closely with the body than those of earlier years. This provides greater rigidity and strength for the overall body structure. [Emphasis added.]

* * * * *

Mr. Edward N. Cole, in a letter of September 7, 1970 to Secretary of Transportation John Volpe, said that the test reports to which Mr. Nader referred were "reports of engineering development tests in which Corvairs, specially equipped with experimental parts, were intentionally overturned by experienced test drivers using violent maneuvers designed to overturn them."

The conflict between GM's statements and its own Proving Ground tests

If Mr. Roche's 1935 model car rolled over at 50 mph, then "one of today's automobiles", such as a 1963 Corvair, is revealed in the suppressed PG Report 17103 (in test run #120) to have rolled over on its roof, a roll of 180°, when taken into "a simple J-turn" at 28 mph or at less than 60% of the 50 mph speed. Moreover, there were other separate test runs in PG 17103 such as the 18 test runs from 115–119 and 121–133 which indicate that the few changes made there in the shock absorber design and configuration were GM attempts to stabilize that production model system. In test runs 135 and 136, where 1962 shock absorbers were used with slight shimming to limit the rear rebound angles slightly, which would tend to increase stability the test report results in both cases said that the car "exhibit[ed] unstable characteristics."

In summary, the actual words of test run #120, as a "'63 production" vehicle totally conflict with both Mr. Cole's explanation that the only Corvairs tested were "experimental," and Mr. Roche's testimony that GM had done so much to increase the stability of its cars since 1935.

The actual text of the results and conclusions of PG Report 17103 are even more damning of the Corvair. At page 1 that document says:

"These tests showed that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modifications to the shock absorber design and configuration . . . A 1964 prototype suspension installed in the car made the dynamic stability characteristics acceptable for several different test conditions."

Conclusions

Test run No. 120 of PG 17103, together with PG 15699, illustrates that GM has clearly misrepresented the stability of the 1960–63 Corvairs both in 1966 and again in 1970. In short, GM's own proving ground reports on the performance of their Corvairs refute Mr. Roche's statements before your Subcommittee, and Mr. Cole's statements last month.

Although Mr. Roche did not define where "today's automobile" would be "almost impossible" to roll over, Mr. Roche could only have been referring either to a grass surface or to the proving ground surface.

If Mr. Roche has testified that the 1960–63 Corvairs would be "practically impossible" to roll over on a grass field at 50 mph, then he must be asked to document this to your Committee since engineering authorities appear to agree that a grass field would have (in comparison to the proving ground) several factors that would make a rollover *easier* than at the proving ground. (These factors are the variable surface and a greater likelihood of a "plowing" effect, which would probably more than offset the grass field's lower coefficient of friction).

Alternatively, if Mr. Roche had assumed or stated that the 1960, 1961, 1962 and 1963 Corvairs would be very difficult to roll over on the proving ground, while a 1935 car would not, then he has clearly told the Subcommittee a tale which is directly and specifically contradicted by his proving ground report 17103, which documents that the 1963 production model Corvair rolled over at speeds of 28 to 30 mph. Indeed, the suppressed PG Reports, particularly PG 17103, illustrate that despite improved, less roll-inducing surface of concrete, the 1960–63 Corvairs would, and did, roll over at speeds of 26, 28 and 30 mph. In fact, his 1962 PG test 17103 may suggest that if these Corvairs had a 1935 type suspension system the rollover might have been averted. In short, if Mr. Roche was saying that GM's 1966 suspension systems would prevent rollover except at speeds far above 50 mph because GM has improved them so much, the 28 mph rollover in PG 17103 indicates that he is not only totally inaccurate, but also that the 1935 suspension may actually have been more stable than the 1960–63 Corvair suspension.

The overall significance of PG 17103 is also made explicit in the text of that document.

The summary of test run 136 on page 8 of PG 17103, after the conclusion of over 24 test runs, says:

"The decision was made by the Chevrolet Motor Division engineers to discontinue testing this shock absorber and suspension system configuration since it was quite obvious that the car could be rolled."

The additional significance of this test with 1962 shock absorbers is its applicability to 1960 and 1961 Corvairs. The testimony of Chief of Chevrolet Chassis Design, Mr. Kai Hansen, in the *Anderson* court transcript at page 975, has affirmed that there is no significant difference between the 1960 through 1962 Corvairs in regard to their suspension and shock absorber systems.

MISREPRESENTATION NO. 3: THE LIKELIHOOD OF CORVAIR WHEEL RIM HITTING ROAD COMPARED TO OTHER CARS

General Motors' statements in 1966

Prior to 1966, plaintiffs' attorneys and safety engineers had all suggested that there was an unusually high likelihood that the rim of the '60–'63 Corvair wheel would hit the pavement when the Corvair went into maneuvers like the J-turn. The essence of their argument was that such a touching of the rim of the wheel was more likely in the Corvair than with other autos, and that this was additional evidence of the unusual lack of stability in the Corvair. (If the wheel rim firmly hits the pavement, even GM's experts have agreed that a rollover of the Corvair is imminent, if not inevitable; but GM has insisted that this is only an effect of a rollover already under way from other very unusual circumstances.)

Mr. F. Winchell's 1966 testimony to the Michigan State Senate, which Mr. Roche inserted in your hearing record of March 22, 1966, stated that the tire distortions of the Corvair were not significantly different from "any other automobile" in the "proximity of the rim to the pavement." This testimony was offered as the essential part of his conclusion that the Corvair was as stable as other American cars. Mr. Winchell also offered the misleading explanation that Corvairs may roll over, but that this was because rollovers occur in any car which strikes an embankment, obstacle, or goes off the road. Mr. Winchell's exact statement, at page 1561, was:

"Photographs of tire distortions with a car sliding sideways will show no significant difference between the proximity of the rim to the pavement of the Corvair and any other automobile."

The conflicting evidence in PG Report 17103

The tests for PG Report 17103 were performed at the GM proving ground in late 1962 and early 1963. Over 30 test runs were made during these tests which involved either an exact production model Corvair, Corvairs with insignificant variations from production models, or Corvairs with modifications which increased (or were intended to increase) stability over the 1960–63 production models. Indeed, Mr. Winchell acknowledged to your Senate Government Operations Subcommittee staff in September 1970 his awareness of PG Report 17103 about the time it was performed; however, both the text and the photos of PG 17103 contradict his assertions as to tire distortion given to the Ribicoff Subcommittee in 1966.

For example, in the first *12 out of 12* tests of PG 17103 (before the stabler 1964 type suspension was tried), the paint on the Corvair tires was scraped off every time at least half way up to the rim, and in five test runs *all the way up to the rim* itself (see pp. 4, 5 and 6 of PG 17103). This scraping of the tire illustrates that even in the test runs without a rollover result, a rollover was most certainly, only narrowly avoided. Moreover, the scraping was greater (was higher on the tire) on these 1962 and 1963 production Corvairs than on the Corvairs with the 1964 suspension system, which were tested in runs 137 through 146, where no tire scraping was mentioned. In test 118, the Corvair was actually described as 'quite unstable by the engineers, even where the changes in the suspension system (from production standards) were those designed to increase stability beyond that of the 1960–63 models (see pp. 4, 5 and 6 of PG 17103).[1]

[1] The use of the word "unstable" and other similar potentially damaging words probably have been removed from most now existing versions of GM proving ground reports. It was part of Mr. Thelin's job to substitute softer phrases for or totally eliminate such language.

This illustration of the instability of the Corvair was also known to GM from PG 15699. The photographs of the tires in the tests in PG 15699 also show the difference in tire scraping on the 1962 Corvair used in this test compared to the virtual absence of this phenomenon on the standard 1961 Chevrolet, even though these vehicles experienced identical maneuvers. Thus, much of the significance of the first 12 tests of PG 17103 (compared to the last five tests, where a 1965 type suspension system was used) was shown by the difference in the scraped paint phenomenon. This paint phenomenon indicates that large portions of the sides of the tires touched the road—even in the cases where the Corvair did not actually roll over.

Conclusion

Although Mr. Winchell has acknowledged that he had awareness of PG 17103 at the time of his 1966 testimony, its conclusions are omitted from his testimony. This omission is significant because those test conclusions (from 1963 tests) about Corvair tires are in direct conflict with his own proving ground reports, particularly PG 17103 and PG 15699. In particular, Mr. Winchell's 1966 testimony is rebutted by the photos and tests of the last 11 tests of PG 15699. In summary, he misled the Subcommittee into the belief that (1) no evidence existed which would illustrate the radical difference between the Corvair and other automobiles and (2) he made no mention of the significant increases in the stability of the Corvair and the reduced tire scraping when the suspension changes were adopted for the 1964 Corvair.

Final conclusion

I am sending a copy of this letter to Senator Warren Magnuson, Chairman, Senate Committee on Commerce, and Senator Vance Hartke, Chairman, Senate Commerce Subcommittee on Surface Transportation, in view of the fact that GM's conduct now clearly involves matters of great public safety for Corvair owners and thus falls within the purview of the National Traffic and Motor Vehicle Act of 1966. I would be happy to sit down with you and your staff or Senator Magnuson and his staff to discuss further or amplify any of the statements in this letter.

In view of the seriousness of the above findings, I strongly urge you or Senator Magnuson to thoroughly examine GM's conduct and to convene a public hearing to determine:

(1) Precisely who is responsible for these misrepresentations to your Subcommittee;

(2) Whether your Subcommittee should proceed to request the Department of Justice to undertake an investigation to determine the nature of possible violations of Title 18, § 1001. This section of the U.S. Code provides for the fine and imprisonment of individuals who are determined to have engaged in fraud, false statements or misrepresentations to an agency of the U.S. Government;

(3) Whether other action should be recommended to any other U.S. or State District Attorneys who were engaged in earlier litigation regarding the Corvair in which GM's representations were inaccurate and incomplete. At a minimum, I believe you or Senator Magnuson should obtain from the State records and from GM a summary of how many past cases they have defended in a manner like the *Anderson* and *Collins* cases, in the light of their General Counsel's statement to you in 1966 that there were over 106 lawsuits in 23 states attacking the design of the Corvair; and

(4) Whether to recommend to the Department of Justice that General Motors Corporation be assessed the maximum penalty under Sections 108 and 109 of the National Traffic and Motor Vehicle Safety Act of 1966 for failure to effect Safety Defect Notification to all owners of 1960–1963 Corvairs under § 113.

Sincerely,

RALPH NADER.

MAY 20, 1971.

HON. ABRAHAM RIBICOFF,
Chairman, Subcommittee on Executive Reorganization, Old Senate Office Building, Washington, D.C.

DEAR SENATOR RIBICOFF: Enclosed are copies of newly obtained materials, including some heretofore non-public documents, from which your Committee should be able to prove beyond any reasonable doubt the falsity of much of the General Motors' 1966 testimony to your Committee.

These documents are:

1. Private detective reports, ordered by GM, which show investigations into the lives of private citizens who had criticized or questioned the civil rights practices of General Motors' during the 1960's—although Mr. Roche swore to your Committee that during that period of time GM had conducted no other investigations of "critics" of the Corporation.

2. Private detective reports, ordered by GM, which show an investigation into the life of a labor union official who had left regular employment by General Motors to become one of over 200 "International Representatives" of the United Auto Workers. Mr. Roche swore to your Committee that only a "very few" investigations of any kind had been conducted by General Motors and that those which were conducted had "to do only with minor affairs such as preemployment checks of individuals who are joining us, perhaps internal problems we might have with employees, and perhaps problems with embezzlement and purchasing activities or other activities of the Corporation."

The attached investigation of the U.A.W. official does not fall into any of these categories—but instead was ordered as a general investigation with particular emphasis on "subversive or Communist activities,"—although he had been an excellent employee for over 15 years and there was not a scintilla of evidence of such activities on his part—clearly this was a cover story to justify a search for negative material of any type.

3. A complaint from the California Superior Court of February 1966 describes how the GM attorney in a 1965 Corvair court case employed a private detective agency, who in turn employed a woman spy, in a frantic effort to entice an expert witness who was testifying for plaintiffs. Mr. Roche swore to your Committee that as to the use of private detectives, that "only in Mr. Nader's case"

Footnotes at end of article.

had detectives been used to investigate "an expert witness".

4. Documentation of significant alteration of testimony given under oath at the Committee hearings of March 2, 1966. In short, the Committee Hearing record, published in July 1966 as *The Federal Role in Traffic Safety*, Part Four, does not faithfully reproduce the sworn testimony because it contains major deletions and additions in the testimony of the GM witnesses.

In summary, GM President, James Roche, has denied under oath the use of investigative procedures on "expert witnesses", "critics" of the corporation, or on other parties. His statment were inaccurate and misled the Senate and the Committee and the public. Then the 1967 Justice Department investigation of GM was based on a false record of the proceedings. Thus the public was misled once again.

The total effect of these actions has also unfortunately destroyed the validity of some of the conclusions of your Subcommittee Report of January 1968 at page 33, which said: "The purpose of the hearing was to protect the integrity of the legislative process and to safeguard the right of witnesses to testify free from harassment or intimidation. The subcommittee believes that these purposes were accomplished".

Yet the record now available, and presented here, shows how GM nullified those conclusions: GM penetrated the very heart of the legislative process by finding a way to testify inaccurately and then to later falsify the basic record of facts upon which other Senate and Justice Department decisions were made.

GM's sworn testimony denying other investigations of GM critics

The Roche testimony was:

"Senator RIBICOFF. Mr. Roche, I appreciate your forthright statement. What concerns me is this: Here you are the head of one of the largest companies in the world. I can understand your desire to find out if there is a connection between Mr. Nader and other attorneys involved in litigation. But how widespread is it, in corporations such as yours, to have people who are involved in controversies or who might make a derogatory remark about General Motors to have their entire life investigated?

"Mr. ROCHE. It is a very uncommon occurrence in our corporation, Mr. Chairman, and to my knowledge this is the first one of this kind that has ever been undertaken. On the contrary, I think that we solicit the comments and the criticism of our products. We spend a great deal of money and time through consumer research and other methods to find out what people think about our products, and what they like about them, and what they dislike about them. An episode of this kind is certainly a very rare and unusual occurrence in General Motors.

"Senator RIBICOFF. Do you know that it is rare or unusual or does this take place without you ever realizing it?

"Mr. ROCHE. No, sir; I would know about it if it did take place, and we have been making very careful checks to ascertain what other investigations have been made, and other investigations have to do only with minor affairs, such as preemployment checks of individuals who are joining us, perhaps internal problems we might have with employees, and perhaps problems in connection with embezzlement, and purchasing activities, or other activities of the corporation.

"There have been very few of them. I have had the records checked very carefully over the past years, and I can assure you that there is nothing except very minor investigations along the line that I have mentioned." (Page 1385.)

Investigations by GM which refute Mr. Roche's testimony

The attached records, which include GM correspondence, illustrate that GM's actual practice in responding to critics has been to employ investigators to probe into their private lives. For example, in 1960, the Harlem, New York, "Locality of Mayor's Committee," informed New York office of General Motors Acceptance Corp. that their Committee survey detected discriminatory hiring policies at GMAC; the Committee requested a reply to its letter. In response GM sent the usual acknowledgment of receipt of the letter, denied the existence of discrimination, but secretly instigated a thorough investigation of the letterwriter, his associates, *and his civil rights group*, the "Locality of Mayors Inc." In fact, GM used the same firm of detectives, Gillen and Associates, whose activities were examined by you in the 1966 investigation. This GM investigation (of which the resultant report is attached as appendix item "C") included sending a spy to the office of the critical civil rights group.

In order to gain entrance to the private offices of the civil rights group and its associates and to obtain a lengthy interview, the spy misrepresented himself and the purpose of the visit. The spy took extensive notes on *other* personal conversations of the civil rights leader, where he kept his records, and even induced the unsuspecting critic to offer him a job. All of this information was then formally reported back to GM. (See Appendix item "C")

This conduct, *ordered* and *paid* for by GM, is in direct conflict with Mr. Roche's pious denials (above) and his description of the investigation of GM's critics as "the first one of this kind that has ever been undertaken." Indeed, the short time lapse between (1) the July 5, 1960 and July 13, 1960 letters to GMAC, and (2) GM's initiation of this investigation, indicates that initiation of investigations may be almost routine for the GM Personnel Office in Detroit. Mr. Roche should be recalled by the Committee to enumerate how many other individuals or groups critics of GM have had their activities and those of their work associates and their businesses, subjected to GM-paid spying expeditions, simply for sending critical letters to GM—an act certainly *less public* and *less critical* than writing a widely-read book critical of a major GM product.

Another GM-ordered investigation—inconsistent with Roche's explanation—is the GM investigation of Mr. John Volosin of Linden, New Jersey.

As the attached records show (in Appendix Exhibit D) Mr. Volosin was investigated by GM within one week after leaving regular employment there to become an International Board member of the United Auto Workers. While Mr. Volosin retained some GM seniority in this new position, he was neither an employee nor within any other class of persons which GM admittedly investigates.

The investigation of Mr. Volosin is particularly serious because similar use of private agents by GM officials was condemned in U.S. Senate Hearings in 1937 as "labor espionage" when they were used to try to break the labor movement in the auto industry. At that time, GM witnesses gave their assurances to the Senate that the use of private detectives had been discontinued. (*See* Hearings, *Violations of Free Speech and Rights and Rights of Labor*, parts 6–8, Senate Education and Labor Committee, 75th Congress, 1st Session, 1937)

Another example of deception in Mr. Roche's 1966 testimony relates to his explicit and unqualified denials of similar investigations of "expert witnesses". He said: "Troubled by what appeared possibly to be a concerted effort on the part of a few trial attorneys handling most of the Corvair cases to stimulate both additional cases and the kind of sensationally adverse publicity that might influence juries against the Corvair—and troubled further by requests from shareholders as well as from both satisfied and worried Corvair buyers that the corporation counteract the harsh attacks on this product which had been continuously made outside the courtroom—our general counsel felt called upon, *first*, to ascertain whether any actions for libel of the corporation or its products or bar association, grievance procedures, based on violations of the canons of ethics, should be instituted against members of the bar (including Mr. Nader) who publicly discussed pending or anticipated litigation; *second*, to ascertain whether any witness, or author of any book or article which might be offered as evidence in any court (including Mr. Nader) who were most often said to be cited, or consulted by these attorneys, or to be publicizing their allegations, could properly be cross examined in any trial in which they might appear as expert witnesses to show bias, lack of reliability or credibility, if it were a fact that they had a self-interest in the litigation or had been attempting deliberately to influence public opinion.

"In Mr. Nader's case, and only in Mr. Nader's case, the general counsel felt that he could not ascertain the answers to these questions—and they were only questions, not charges—without using a private investigating agency to check on Mr. Nader's credibility, reliability, and qualifications as an expert witness and his ties, if any, with these attorneys." (page 1383)

Rebuttal

This testimony was prepared in 1966. At that time, GM legal officials had known since June, 1965, that an attorney for GM in a Corvair case had employed a private detective agency which in turn used a female agent in an attempt to discover information about the case and the opposing witnesses. This undercover agent told the plaintiff's chief witness that she had been deserted at a hotel near the trial location (a long way from her home) when her real purpose apparently was to ensnare the witness. Fortunately, the plaintiff's attorney uncovered the plot, on approximately June 7, 1965, and served a subpoena on her for the purpose of obtaining her testimony against GM in the forthcoming case. She assaulted him during the service of the subpoena.

The details of this sordid maneuver and GM's involvement are spelled out in the court complaint (attached hereto as Appendix E) filed against GM and its allies, on February 17, 1966, in the Superior Court of the State of California in and for the County of Los Angeles, No. 878958. In short, GM legal officials were reminded of this episode less than five weeks before they denied its existence to your Committee.

The fact that this case was eventually settled out of court by GM does not obscure the falsity of Mr. Roche's 1966 statements to the Committee. Moreover, this California episode may explain why the 1966 GM testimony to the Senate was subsequently doctored to delete Mr. Roche's denial of the use of "sex lures"—particularly since the facts of the California case appear to involve "accosting" actions which were later conceded by Mr. Roche to constitute "harassment" and thus are more than an attempt to "annoy or invade the privacy of any other critic" of GM which attempts he specifically denied. Thus, the deletion would remove the "use of sex lures" issue from further examination as to its accuracy.

The changes made in the Committee's record of the testimony

Newly discovered evidence, attached as Appendix item A, reveal a successful attempt by GM to breach the integrity of the Senate's internal processes. Testimony given under oath becomes an official Senate Record and cannot[1] be modified in any substantial way. As you know, the only "official" record of hearings held by the Senate Government Operations Subcommittee on March 22, 1966 is that version published by GPO in July 1966. Unlike the informal debates on the floor of Congress or informal Committee hearings, where substantial editing of the transcript can be made, the record of formal hearings, where witnesses are under oath, is supposed to be a complete and accurate record of what occurred. The importance of this fact is underscored in this case since the testimony involved was given by irate citizens, not members of Congress, was not on the floor of Congress, and was given under oath. I have recently been informed, however, that parts of that record have been changed or falsified by deletions and as well as additions made on the subcommittee's hearing transcript prior to its being printed in July, 1966.

To ascertain the fact, on April 15, 1971, Mr. Gary Sellers of my office called Mr. Robert Wager, now General Counsel of your Subcommittee, to discover what testimony, if any, might possibly have been changed. Mr. Wager stated that the original Committee transcripts of March, 1966 were apparently discarded quite recently (in 1971) by the Committee, so that no record was available.

Subsequent reference to an accurate record of the original testimony which I will make available to you, indisputably establishes the existence of major transcript changes. Indeed, this evidence (examples of which are presented and examined in detail in Attachment A of this letter) indicates that *major* deletions and additions in the original transcript were made. The changes to which I refer were made both in the prepared testimony read into the record and in responses by GM witnesses to cross-examination. The substantial nature of these changes demonstrates a falsification of the original transcript. They have the effect of altering the chronology of events, covering up evidence and contradictions and removing assertions of facts.

Major examples of such altered testimony are:

(1) The deletion of the statement by GM President James M. Roche that the GM investigation "did not employ girls as sex lures" (p. 1381);

(2) The deletion of the critical word "entire" from Mr. Roche's original statement that GM's "entire intent" in making their investigations were limited to finding out my "qualifications, background, expertise and association with such attorneys, . . ." (p. 1390);

(3) The deletion of that portion of Senator Kennedy's request that Mr. Roche state if phone calls were in fact made by "representatives of GM" (p. 1391);

(4) The deletion of that portion of Senator Harris' question regarding GM's responsibility for its "agents" (p. 1401); and

(5) The insertion of a new limiting phrase in Mr. Bridenstine's original sworn answer to an inquiry regarding the cost of the "others [investigations]" by GM. At the hearing Mr. Bridenstine was heard to testify that as to the cost of the investigations, "the bill up there was $120". In the printed record, as later published, however, his answer appears differently. The two words "in Connecticut" have been inserted. This has the obvious effect of limiting the scope of his assertion and making it cover something *other than* total cost.

A clear pattern shows in these major transcript manipulations. Each reduces or removes the liability of GM witnesses. No such luxury attended other witnesses as what few changes as were made, none went to the basic facts in issue before the Committee. More specifically, the testimony of Mr. Power and Mr. Roche was substantially changed in the above examples and in 10 other places—while other witnesses were allowed to make only non-substantive or the most minor editorial changes.

The existence of clear grounds for prosecution is shown by the contradiction of parts of the now-uncovered original GM testimony. The conflicts between this testimony and the details contained in the Murphy memorandum make the Senate staff's failure to recommend prosecution very puzzling. The final printed record of the hearing did contain a few selected excerpts from the Murphy memorandum; however, these excerpts only hinted at the disparity between the truth and the original GM testimony because the other much more significant contradictions of Roche and Power had been removed from the transcript and were not printed in the July version. For example, GM witnesses testified that only two investigations were made (the O'Neill investigation in November 1965 and the Gillen investigation of January, February and March of 1966). The Murphy memorandum of January 1966, however, contained at least ten new pieces of information which GM had somehow obtained in January 1966 but which GM had *not* received from the O'Neill Report. (This included information about family vacations, law school activities, family business matters, etc.) The presence of these new facts showed the existence of other investigations by General Motors, but no Justice Department action was taken since later material transcript alterations obscured this fact. Moreover, at several other points in the transcript, the GM testimony was altered to allow the insertion of language which placed the blame for certain investigative actions on "Gillen" when the facts do not support that charge (p. 1444). At another point, the GM Assistant General Counsel was asked about the cost of "the others" [investigations] besides the Gillen investigation. While Mr. Bridenstine actually said the cost of all "others" was $120, his altered testimony asserts that $120 was the cost of only the investigation up "in Connecticut". These two new words were added to his testimony.

That these alterations in the hearing transcript are vital to the import of the document is manifest. Their legal materiality is unquestionable. In your opening statement, of that hearing, you declared: "I am concerned because I know that the subcommittee will never be able to complete its work successfully if witnesses believe their personal lives might be investigated and their rights to privacy infringed by the auto industry or other interested parties.

"This situation cannot be allowed to go unchallenged. It goes to the very heart of the legislative process. If this hearing does nothing else today, it should reaffirm the right and duty of every citizen to speak his mind on matters of public interest and concern".

Thus, GM cannot argue that changes made in the record of sworn statements regarding the number of times, cost of, and degree to which GM investigated the lives and work of its critics do not go to the genesis of the 1966 Hearings.

In February 1967, when the Murphy memorandum and other facts and documents were made known to the U.S. Senate, your Committee called for and received a F.B.I. investigation into the accuracy of GM's testimony. The investigation was to cover "any violations of the criminal laws" of the United States or the District of Columbia. Now, it is clear that the F.B.I. investigation was defective from the beginning because it was based on the secretly altered hearing record rather than on the untouched original transcript. The investigation ended, not surprisingly, in August 1968 with a recommendation that no action be initiated against GM. The full record now allows the public to see the defects inherent in the Justice Department's response to your February 1967 request for an "investigation and determination of whether criminal acts have been committed under the Federal criminal statutes", in connection with the 1966 hearings. The alterations in the printed record on which the investigation was based, however, had the effect of protecting the GM witnesses from just such an investigation. That is, the record falsifications, carefully limiting the scope of several major factual assertions, clearly prevented F.B.I. detection of violations 18 U.S.C. § 1001 (relating to false statements). The changes in the record apparently also led the Department of Justice to look only for the possible commission of perjury rather than for perjury *and* false statements. This omission alone rendered the whole Justice Department study of the '66 hearings defective. (The failure to pursue the possibility of § 1001 violations was conceded by the Justice Department in response to an inquiry made within the last two weeks.)

The difference between the federal crimes of perjury (18 U.S.C. § 1621) and making false statements (18 U.S.C. § 1001) is basically that the offense of making false statements, § 1001, is far broader in scope. It is substantially easier to plead and prove than perjury. Any *complete* investigation based on the accurate hearing record would have included a study of the application of this section.

Such a study would have shown, for example, that under § 1621 only one person testifying before the Committee could be held to have perjured himself. In contrast, under § 1001 the author of a statement read before the Committee by an other can be held criminally liable. I have attached as an Appendix A a more complete discussion of the legal consequences of the application of these two sections to specific GM conduct. (See Appendix-item F.)

The major deletions and additions to the testimony of GM witnesses, which I have discussed, came at a time when the record was in the custody of the Subcommittee staff—and apparently were made without your knowledge or that of any Senator. They raise, therefore, questions regarding the personal responsibility of certain Senate employees during that period in 1966. These questions are reinforced by the fact that the Senate was simply deprived of a significant GM document at the March 22, 1966 hearing because it, the "Murphy Memorandum," was withheld by a Senate aide. In 1967 the same aide minimized the effects of his act and expressed doubt that the hearing would have been much different had the Senators on the Subcommittee seen the memo. Even in 1967, when only evidence in printed Hearings of July 26, 1966 was considered, this explanation sounded weak, albeit remotely possible. However, comparing the Murphy Memorandum with the *actual* 1966 hearing record demonstrates the significance of the memo-

[1] Lawfully.

randum, both to the U.S. Senate in 1966 and to the Justice Department in 1967. For example, it contained evidence that an investigation, in addition to those admitted by GM, had been conducted, and that the "entire" intent of the corporation could hardly have been to seek "connections with attorneys" since the memo contained no discussion relevant to that inquiry. Moreover, the "in depth" investigative technique was not simply a frolic pursued by Gillen but was really undertaken at GM's direction. In short, the suppression of the Murphy memorandum at that time kept the Senate from knowing of other investigations (plural). That suppression also concealed from the Senate GM motives different from the one disclosed in the Hearing. Also, the attached examples of the true transcript showing changes subsequently made, illustrate other contradictions in the original testimony of GM officials. Roche, Power and Bridenstine when the testimony is compared with other facts or with the Murphy memorandum.

Predictably enough, much of the transcript falsification consists of changes which serve to remove these contradictions. For example, the March 22, 1966 Senate hearing dwelt heavily on the cause of the surveillance and other invasions of privacy. GM's answer was that the Gillen investigation went too far and that the only errors of GM's legal counsel's office were in failing to act to limit the investigation once it had knowledge of its extent and in issuing a false press release. Yet the suppression of the Murphy memorandum (which clearly reveals an intent different from "pre-employment" or "Corvair litigation" which the Senate finally accepted) and the transcript deletions effectively cut off any further committee questioning or investigation of the truth of certain GM statements. For example, at p. 1401, Senator Harris stated that GM "of course has to assume responsibility for its employees and agents", and then asked Chairman Roche if GM employees knew prior to the March 9 press release that extraneous matters were regularly being investigated by detectives and "agents". Roche's actual answer admitted that GM employees knew of these methods and he accepted responsibility for their silence. Yet the doctored transcript deletes the words "and agents" from Senator Harris' question, and thus greatly limits the scope of the answer, and the scope of any subsequent inquiry.

Similarly, Mr. Roche actually denied "the use of sex lures" at p. 1381, in his prepared statement, which he read into the record. But in the official Committee version the denial is deleted. Why? At a minimum, this deletion assured Mr. Roche that he did not have to be questioned about the accuracy of this assertion either in reference to the Washington, D.C. case or to other cases as the California case. Indeed, Mr. Roche has been able for five years to say he never uttered a denial. He should certainly be required to finally to tell the truth—since the suppression of the Murphy memorandum (which reveals other investigation results and broader GM purposes) concealed the contradictions which would certainly have led the Senators to ask Mr. Roche to explain these matters.

For almost five years now General Motors officials have covered up the actual substance of their actions. The above evidence not only relates to substantive crimes but relates to GM's credibility on the safety issue. GM has resisted the U.S. Senate and perverted its public function by presenting behind closed doors its selection of evidence on safety issues. Meanwhile, over 500,000 of the 1960–63 Corvairs continue in use. These drivers are continually subjected to the risk of injury and death because they remain ignorant of facts known to General Motors for years. Apparently GM's hope is that the whole matter will be studied superficially or will simply fade away, just as the original investigation of their actions was treated and then faded away. I know you will now end this pattern. Unfortunately, I don't believe you can expect the General Motors Corporation to correct itself through self-imposed sanctions against those men in the corporation who misled the public and the Senate. Mr. Roche swore to you, for example, that he had approved the March 9th press release on the basis of assurances by his Assistant General Counsel. These assurances were later shown to be "untrue" at the hearing. Since that time, the man who wrote that misleading public statement and gave those false assurances has been promoted to Vice President of General Motors. So much for GM's capacity for self reform.

In addition, General Motors' backstage maneuvers demonstrate that public hearings are now imperative. I write to you out of a concern that despite the unquestioned integrity and good faith of your staff members and those concerned with the subject at the Department of Transportation—GM has assumed such a pervasive degree of control over the terms and conditions of the present investigation that the subjects outlined in my letters of last September and October may not be adequately examined in public.

Although Mr. Cole proclaimed to the world in September 1970 that the evidence on these charges would show that GM and its executives "have been faithful to their public trust," GM's response to these investigations reveals a continuing aversion to any public scrutiny of most of that same evidence. Unfortunately thus far they have succeeded in keeping this important information out of public view. For example, GM has monotonously reiterated the groundless statement that much of the evidence concerning this no longer produced car must be kept secret to protect its "proprietary interests". It unsupportably claims that the attorney-client privilege requires that a large amount of additional evidence be suppressed. Ross I. Malone, GM General Counsel, has apparently extracted agreements from members of the Senate staff and the Department of Transportation which have insulated critical evidence from public examination. This sequestered evidence could well answer the questions of the members of the engineering and legal professions who have been trying to sort out the needlessly secret information surrounding this matter for ten years. This pointless hide-and-seek has caused Senate employees to conduct inquiries in secret and has precluded public access even to the transcript. There is no justification to treat data on a vehicle which is no longer in production with this secrecy.

Unhappily, Mr. Malone's efforts to control the terms and conditions of these investigations did not stop with agreements requiring secrecy. His improper attempts to ingratiate himself and his employees include the provision of limousines and on-the-spot expensive secretarial services in Detroit.

By insisting that these preliminary inquiries into the charges be conducted in such a clubby atmosphere (and that GM be allowed to tell its story on the Q.T.). Mr. Malone has seriously weakened if not destroyed the credibility and moral force of any conclusions favorable to GM that might result from such a process. As Professor Lon Fuller has pointed out, belief in the disinterestedness of the judge and the opportunity for full hearing of both sides are important considerations which led moral force to an official decision.

And, naturally, a full hearing of both sides contemplates a vigorous, knowledgeable adversary-type development of the evidence. Little, if any, critical examination by parties outside the Committee staff has been made of the carefully selected secret GM evidence. This is especially significant in light of the implications of the information I have outlined. The many credible and relevant witnesses—outside and inside GM—do not have a chance to present their evidence and recollections under this type of inquiry.

Cross-examination is, as Wigmore said, "beyond any doubt the greatest legal engine ever invented for the development of the truth." But your investigators may have been unduly handicapped by the absence of meaningful cross-examination owing to the condition of secrecy. Mr. Malone apparently extracted from them. Without the opportunity to study the documents and testimony now being offered by GM, it is next to impossible for others to offer any concrete suggestions relating to the creditability of the company's presentation. The prime purpose and utility of the ability to cross-examine and present witnesses is to correct false impressions generated by self-selected expressions by the opposing party.

Your Committee's past experience with GM's deceptions in volunteered statements and sworn testimony also proves the need for a public hearing. In 1966, your Committee was given a lesson in the unreliability of General Motors' selective version of evidence. As you will recall at the time General Motors' use of detectives first came to public attention General Motors first issued a denial, and then a deceptive press release. That press release was at best misleading, because, as you said, Senator: "It is apparent, as you thumb through and read this report, that practically none of the investigation has anything to do with what you [General Motors] contended your investigation was for in your news release of March 9." (Hearings of March 22, 1966, p. 1396)

Thus, as Senator Robert F. Kennedy pointed out, "had the chairman not called a hearing, really the public and the newspapers would have been misled." (Hearings p. 1389)

Now, very substantial evidence backed by knowledgeable witnesses formerly employed by General Motors, has surfaced. The importance of the Corvair to millions of Americans who must drive or ride in them and the necessity to make truth in Congressional hearings a deterrence to future corporate deception and prevarication on other issues call for a public hearing by your Committee.

I hope that the attached documents will assist your inquiry in making such a decision shortly.

Thank you for your interest.

Sincerely,

RALPH NADER

JULY 8, 1971.

Hon. ABRAHAM RIBICOFF,
Chairman, Subcommittee on Executive Reorganization, Senate Office Building, Washington, D.C.

DEAR SENATOR RIBICOFF: Pursuant to your request for written submissions wherever possible, enclosed are copies of recently obtained materials, including some heretofore non-public documents. From these materials your Committee should now be able to prove beyond any reasonable doubt, both the hazards in the early Corvair and the falsity of much of the General Motors' sworn testimony to your Committee related to this subject. Whatever additional facts and explanations are needed can certainly be resolved by a public hearing.

These documents are:

1. A history, entitled *"Vehicle Dynamics and G.S. II Programs"* dated June 16, 1964

and prepared by Chevrolet Research and Development, which describes among other things, Chevrolet's efforts to fix the Corvair from 1960–64.

2. *"Corvair Steering"* by General Motors' legendary Maurice Olley in 1961 (which discusses the steady state performance of the 1961 Corvair), and concludes that even under very modest stresses, the differential in tire pressure is necessary to "save the life of the CORVAIR."

3. *"Notes on Suspensions"* by Maurice Olley, dated August, 1961.

4. *"Notes on Handling Stability"* by Maurice Olley, dated March 17, 1953.

5. A GM document, prepared in 1965 which is entitled *"Corvair Changes and Chassis Improvements."*

6. GM Proving Ground Reports numbered PG15699 & PG17103-tests performed in 1962 and 1963.

7. Data from Document #000907, apparently prepared in 1965, and which shows the Corvair's shock absorber changes before 1964, i.e., changes in rear suspension maximum rebound angle.

8. A GM paper entitled *Agenda* which outlines the presentation of a "Vehicle Dynamics Course" for GM personnel which occurred from June 27–29, 1966.

9. *"Vehicle Dynamics"* Course, dated January 20, 1966—in rough draft.

10. A letter from Harley Copp to Senator Magnuson of June 3, 1971.

These documents finally provide a fairly complete picture of GM's knowledge (1) of the origin of the handling deficiencies which caused, what General Motors chooses to delicately call in document #1 above, the Corvair's "misbehavior", (2) of General Motor's efforts to remedy these deficiencies, (3) of major misrepresentations General Motors has maintained in order to obscure from the public what it has known for years about the Corvair's "out of control" characteristics, and (4) of the issues that demand further exploration in light of what is now revealed.

This letter was prepared so that you and the rest of the Senate—and the American public—might have a more complete picture. Because much of that picture's contents is so shocking—we enclosed the attached documents together with an evaluation and explication of their importance.

Underlying issue: The fraud in GM's public statements

Speaking of the duty to be candid and honest with the public in these matters Senator Robert F. Kennedy said, at the Senate Investigative hearings of GM in 1966, "nobody has a greater responsibility really than General Motors." (p. 1399) The attached evidence shows exactly how General Motors has contemptuously ignored that responsibility in its public and court presentations on the Corvair.

For example, on May 5, 1966 James Roche wrote on behalf of GM and solemnly assured you, your Committee and the U.S. Senate:

"Historically we have recognized that we bear a responsibility not only for searching out actual or potential defects in our automobiles, but also for correcting these defects at no cost to the owner under our policy and warranty program. * * * Finally, when we detect a product failure which, in the opinion of the responsible engineering, manufacturing and service groups, requires a recall campaign even though the cars may have been in the hands of their owners for many months, we take steps to insure that appropriate corrections are made just as soon as it is physically possible. The moment a defect is discovered, our engineers set to work to find its cause. Next they determine the proper remedy, design any parts that may be necessary and change production techniques that may be involved. If new parts are required for the correction, they are sent to the field as soon as they can be fabricated." * * *

And, of course, since September 1966, Federal law has required notification of such defects to owners and users.

As to the more precise issue of the safety of the Corvair for the past ten years, despite widespread public clamor about the unsafe handling of the early Corvair and an ever-mounting toll in resulting injuries and deaths, General Motors has persisted in the public position that the 1960–1963 Corvair is controllable to the same extent as "all passenger cars of the same period," and that the changes made in 1964 were nothing more than "a step in the normal process of product improvement." (p. 1562) At other points GM officials have asserted that they have produced "all" the evidence for the courts, and that "they know" the Corvair was a "safe" vehicle. (p. 1558 & 1447). In summary, GM has said they know of no evidence of an unsafe quality in the Corvair, and anything they observed as a problem could not be fixed until 1964.

Those who have taken issue with GM's position have been ridiculed and fought in courts as General Motors has publicly accused them of conducting a "vendetta" and of issuing "false and vitriolic statements" with the ulterior motive of destroying the confidence of its customers and the public in GM. (GM Press Release of October 25, 1970 and Edward Cole letter of September 7, 1970).

Moreover, when a few secret GM proving ground reports first revealed to the public in the fall of 1970, the President of GM, sent a letter of September 7th to Secretary of Transportation, John A. Volpe, in which he said that such test results were hardly typical of the Corvair since the Corvairs in these tests "were especially equipped with experimental parts, [and] were intentionally overturned by * * * violent maneuvers * * *."

Facts

The above GM assertions are at complete variance with the attached GM reports and records. For example, one of the enclosed documents from General Motors' own records is *their* history of Corvair problems. This document reveals in its own words, that in *January, 1960*, a "more or less informal", in fact, undisclosed program was initiated to evaluate the "out of control" characteristics of the Corvair. The results of that clandestine program, implemented in the 1964 and 1965 model changes, constitute irrefutable proof of the fraud in General Motors' continued public refusal to acknowledge the existence of and causes for hazardous instabilities in the 1960–63 Corvairs. This secret history of General Motors' Corvair program says that: "in January 1960" a program was initiated to evaluate the "out of control" characteristics of the Corvair and that:

Experiments with roll couple distribution suspension configurations, etc., indicated that the jacking characteristics consequent to the swing axle and roll couple distribution was responsible for the misbehavior. A Corvair with a single leaf transverse rear spring and front stabilizer was built and demonstrated shortly thereafter. (p. 11)

In short, even the single leaf spring was fully developed "shortly" after 1960. Despite these facts, on March 22, 1966 Mr. Roche submitted for your Committee's record, on behalf of General Motors, a deceptive presentation prepared by his subordinates that stated that the 1964 and 1965 changes to the Corvair were made only in the "normal process of product development," and also equated the 1960–63 Corvair controllability with "all American passenger cars of that date." Since he told the Committee he had looked thoroughly into the matter before that testimony, Mr. Roche, or the authors of his presentation, must have known what one of the GM's secret records said—that *some years* before GM had concluded that the Corvair was not only different from other cars but that "the jacking characteristics consequent to the swing axle and roll couple distribution was responsible for the [Corvair's] misbehavior." (See attached *"Vehicle Dynamics"* etc.) The only other explanation for this deceptive testimony was of willful insubordination from Mr. Cole on down. For example, even though the GM engineer responsible for the Corvair suspension, Charles Rubly, had admitted in a scientific paper that in 1958–1959 the foremost consideration in deciding how to attempt to find stability for the Corvair was *cost*, not feasibility; the attached documents show the details of this decision and its effects. GM officials refused to incorporate the front stabilizer bar and transverse leaf springs (to substantially correct the Corvair's instability) even though these corrective changes were known and developed in 1959, were later offered to Corvair owners as a higher priced option (RPO 696). Moreover, the revelations of Mr. George Caramanna, a GM technician who worked on the original Corvair, substantiate the case that it was originally designed and tested with the front stabilizer bar but the bar was ordered removed from production models. Both the front stablizer bar and the transverse leaf spring were begrudgingly adopted for the 1964 model Corvair, but only after the failure of numerous lower-cost corrective attempts. Indeed, there are now witnesses such as Mr. Caramanna, who are available to say that they knew that the single leaf transverse spring (finally used in the 1964 Corvair) was actually the same development implemented *two years earlier* in the 1962 Chevy II. In part, these refusals of a few GM officials to put the 1964-type changes on the 1959 Corvair led to putting the burden on the Corvair owner to maintain 73% more pressure in the rear tires than in the front tires.

The attached documents, particularly the Research and Development paper of June 1964, and the memoranda of Maurice Olley written in 1953 and 1961, reveal that the root cause and the nature of the defect in the Corvair. The 1953 Olley memo actually suggests the precise corrective action which was eventually taken by Chevrolet over 10 years later. The second Olley memo of 1961 shows that even after the solution was clearly outlined to GM officials a second time, these few men went ahead to produce well over one-half million *more* of the 1962–63 model Corvairs, and failed to warn their customers of these well-understood dangers.

What also is now revealed is Mr. Cole's misrepresentations to the U.S. Government and to your Committee in 1970 regarding PG Reports No. 15699 and 17103. For example, in these two test reports we see the results of a series of tests run in May and June of 1962 (PG 15699) and November, 1962, March, April, May, 1963 (PG 17103). When the subject of these Corvair rollover tests arose last September, Mr. Cole told the public that:

"These were reports of engineering development tests in which Corvairs, specially equipped with experimental parts, were intentionally overturned by experienced drivers using violent maneuvers designed to overturn them. The purpose of the tests was to evaluate the experimental parts as to their effect upon the handling characteristics of the Corvair."

This flatly erroneous characterization of these reports deserves close comparison with the documents themselves. The discrepancy between what Mr. Cole described, and the actual reports offers a splendid example of the kinds of distortions that, unchallenged and not subject to cross-examination, GM engages in regularly.

The actual text of PG test report 15699 said that it involved: "A series of vehicle roll-

over tests to determine the roll stability characteristics of ten different modifications to the suspension system of a 1962 Corvair '700' series, 4-door sedan," and "Comparative tests were also conducted with a 1961 Chevrolet, 4-door sedan. This vehicle had no modification to the suspension system." (p. 2)

Tests were run on ten types of Corvair suspension modifications designed to limit the maximum rear axle movement in rebound. Nine vehicles rolled when subjected to a J-turn maneuver at speeds under 25 mph. Of the one that did not roll, the PG Report says: "The suspension system that appeared to be the most stable [Test No. 31] used production components excepting for the rear shock absorbers which were of the hydraulic rebound cut off type with 0.5 inch spacer blocks." As suspension engineers will testify, these changes were all designed by the best GM engineers to *increase* the Corvair's stability, and cannot now fairly be characterized by Mr. Cole as experimental parts which would make the Corvair less stable. As to the runs done for comparison's sake on the 1961 Chevrolet, the PG Report said: "Eight trial runs were made with instrumentation and two were made without maneuverability handicap of the instrument cables and instrument van. (Figure 14). No roll-overs were experienced in these 10 runs." (p. 5)

Mr. Cole obviously overlooked this aspect of PG 15699 and what it implies about the stability of the Corvairs that overturned in what he calls "violent maneuvers", since these same "violent maneuvers" failed to roll a standard Chevrolet. This aspect of this test also rebuts GM's 1966 testimony that the controllability of the 1960–63 Corvairs was comparable to "all American passenger cars of that date."

The text of the final report of P.G. 17103 also reveals the error of Mr. Cole's statement to the public. The text said the test purpose was: "to evaluate and determine the dynamic stability characteristics on the Chevrolet Corvair with various shock absorbers and suspension configurations." The test results were summarized by the PG Report language which itself refutes Mr. Cole's explanation that these Corvair tests were atypical because the Corvairs were "specially equipped with experimental parts" and were "intentionally overturned . . . using violent maneuvers designed to overturn them." As the test itself said in its Results and Conclusion section at page 1:

"These tests showed that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modification to shock absorber design and configuration. A test phase which incorporated a pair of high speed movie cameras mounted on outriggers to the rear of the car, showed that this change in the weight distribution prevented the car from overturning during these maneuvers.

"A 1964 *prototype* suspension installed in the car made the dynamic stability characteristics acceptable for several different test conditions. The last run of the series was an abnormally severe maneuver from a super elevated surface to a level surface and caused the car to overturn."

Thus this GM test report also disposes of Mr. Cole's September 1970 assertion that the GM tests themselves were a situation in which experimentally equipped cars "were intentionally overturned by experienced drivers using violent maneuvers designed to overturn them." Instead, you can see that the GM tests were seeking configurations with "acceptable" dynamic stability characteristics (nonrolling) in the different test conditions. Also, as the test said, the 1964 prototype suspension "made the dynamic stability characteristics acceptable for several different test runs." In fact, when the rolling of the 1964 prototype occurred in the last run, the test report explained that by stressing that "an abnormally severe maneuver," had been involved. In short, the earlier test runs were not that severe.

CONCLUSION AS TO THE CREDIBILITY OF GM'S PRESENT MANAGEMENT

Putting aside Mr. Cole's misdescription of these test reports, they (together with 1959 tests such as PG 1106 which showed rollover even then) unarguably demonstrate that GM officials recognized and knew that the Corvair was so unlike other American cars that they were spending large sums to develop a "fix" which would not clearly reveal their original error and would not involve the easily available but earlier rejected remedies of the front stabilizer bar and transverse leaf springs. These remedies—which, according to available witnesses, would have cost GM less than twenty dollars per Corvair—were apparently considered too expensive for a vehicle which was still trying to compete with the less costly Falcon and the Valiant. Thus, even twenty dollars was too great a price to correct a danger which these few men had privately described as the Corvair's "misbehavior."

We believe the clear inaccuracy of the GM assertions about the Corvair reveals how little GM thinks of the public, the Government, and the U.S. Senate. What stands revealed by these actions of a few GM executives makes a mockery of Edward N. Coles' pious protestations last fall that "GM and its executives have been faithful to their public trust." What stands revealed is a sordid story of how a very few General Motors' executives misused the vast resources of that organization to hide their mistakes and thus serve their personal interests in self-entrenchment and eventual advancement, even though this meant unjustified uses of the stockholder's money, violation of GM's acknowledged duty to the public, and most importantly, preventable injuries and fatalities to uncounted innocent people who had put their faith in the GM "Mark of Excellence."

The balance of this letter contains a chronological explication of the details of the decision-making within GM with reference to the Corvair, revealed by the attached documents.

THE YEARS 1950–1958

First Issue: Did General Motors officials learn, before the Corvair's production, of the existence of its unusual susceptibility to spin out of roll over?

Background

The preeminent engineer in the field of vehicle handling, General Motors' Maurice Olley, warned General Motors repeatedly in his public writing of the hazards in the roll couple distribution associated with rear engine designs. He also warned of the added disadvantages in rear swing axles. What has been unknown up to this time is what he said and did privately.

We now know that GM engineers, including Olley, developed a lightweight rear engine car in the late 1930's, but that it had "pronounced oversteering which was eventually balanced by creating a 16 pound tire pressure differential (19/35 psi), or by using 400 pounds of sand in the nose, or by using one inch larger rear tires. Finally, however, the car was fitted with a front anti-roll bar and de Dion rear suspension, which gave it better rear cornering power—particularly with a 23/33 psi tire pressure differential.

One of the recently acquired documents shows that at least as early as 1953, GM's Maurice Olley wrote a GM memorandum (attached as item 4) to men such as E. N. Cole, C. M. Rubly and K. Hansen, all of whom were to play prominent roles in developing the Corvair, about the hazards in the roll couple distribution that was to be expected in a rear engine vehicle.[1] Mr. Olley was the "senior stateman" at General Motors on such matters. His papers on "Suspension and Handling" date back to at least 1937. When in 1953 he wrote to other engineers that the effects of the roll couple distribution associated with a rear engine design might be alleviated by increasing the amount of roll couple carried on the front wheels by means of a *front stabilizer bar*, it should be assumed that they listened. Moreover, Mr. Harley Copp of the Ford Motor Company has recently testified that GM engineers specifically rejected, "as early as 1946–47" the "use of the swing axle type" for the rear independent suspension.

In 1953 Mr. Olley also delivered a technical paper, "*European Postwar Cars*," containing a sharp critique of rear-engine automobiles *with swing-axle suspension systems*. He called such vehicles "a poor bargain, at least in the form in which they are presently built," adding that they could not handle safely in a wind even at moderate speeds, despite tire pressure differential between front and rear.

Also, of course, in a subsequently much discussed 1956 patent application, Mr. Olley made the following statement with reference to a swing axle independent suspension:

"While this type of suspension has enjoyed a certain measure of success, particularly in the relatively small vehicles popular in Europe, it nevertheless possesses certain inherent disadvantages which have thus far prevented widespread acceptance. In particular, the ordinary swing axle, made severe lateral forces produced by cornering, tends to lift the rear end of the vehicle, so that both wheels assume severe positive camber positions to such an extent that the vehicle not only 'oversteers' but actually tends to roll over. In addition, the effect is non-linear and increases suddenly in a severe turn, thus presenting potentially dangerous vehicle handling characteristics." [2]

GM's refusal to admit knowledge—their courtroom denials

When the design of the original Corvair came under fire from injured parties, these parties attempted to show that Mr. Olley had warned GM. In response, General Motors has tried to put a great deal of distance between itself and the relevant engineering opinions of Maurice Olley, by testifying about the Olley papers and opinions as if they were interesting only as historical relics, applicable only in the days when cars were narrow, high, stiffly sprung and running on tires not as good as those available when the Corvair was designed.

Clear examples of GM's duplicity as to their early knowledge are found in their courtroom denials of knowledge of the dangers in the Corvair—and their denial in court of the existence of such memoranda, tests, or the knowledge these would have given them. For example, after the 1960–63 Corvairs were involved in accidents in which the driver experienced as "unexpected response or "loss of control" of the vehicle—(the very dangers which Mr. Olley had predicted in the above 1956 patent application for safer swing axle vehicles of this type), the victims of Corvair accidents tried repeatedly, in courts across the country, to ascertain whether Mr. Olley or GM had found (but not used) a means of correcting this control or response problem *before* or *while* it produced the 1960–63 Corvairs. In attempt-

[1] "Notes on Handling Stability" by Maurice Olley—Appendix Item No. 4.

[2] U.S. Senate Hearings, March 22, 1966, p. 1494.

ing to show GM's knowledge, the victims obtained court orders to see all relevant GM "memoranda, tests, etc." on this subject. These orders certainly should have required GM to produce some of the attended Olley papers; however, no such candor was practiced by GM.

For example, in the *Collins* v. *GM trial*, GM was required on June 11, 1965 by the Superior Court of California, Santa Clara County, to produce for the plaintiff; "any tests, studies, reports, movies, photographs, and other documents pertaining to . . . General Motors Proving Ground Tests of stability and handling characteristics of Corvair prototype, Corvair pre-production and 1960 Corvair."

The 1953 and 1961 Olley documents were *not* produced in response to that subpoena although the 1961 documents are based on stability and handling (steering) information and the *Corvair Steering* document specifically discusses the 1960 and 1961 Corvair.

The particular value to the plaintiff of Mr. Olley's 1953 paper to these GM executives would have been to show that he warned these executives of the inherent handling problems in rear engine cars and the possibility of alleviating them by increasing the roll couple carried by the front wheels. Olley had said in that paper at page 12:

"Rear engine cars, with a 35–65 weight distribution, are virtually unmanageable in a wind, unless fitted with twin tires at the rear. The same statement applies to trucks and busses with a similar weight distribution unless these are fitted with twin rear tires. This was explained on a basis of over and understeer (Figure II), *but this does not fully account for the extremely light steering feet of rear-engine cars. It appears that the handling of rear engine cars might be improved by fitting a front stabilizer so as to increase the feel of the road.* Such a stabilizer is limited however by consideration of lifting the inside front wheel off the ground on a hard turn." (Emphasis added.)

In summary, over five years *before* the Corvair was developed a few GM officials were put on notice of this danger but did not adopt these necessary precautions when they designed and produced their Corvair.

In later court cases, when plaintiffs were denied access to, or even acknowledgement of, the secret Olley documents, these Corvair victims then tried to show GM's knowledge of these dangers by referring to the *public* Olley statement (on the same general problem) which he made in his 1956 patent application and elsewhere. In reply to this evidence, GM witnesses maintained in numerous ways, that even the publicly available Olley warnings (in published papers and in patent applications) were either based on outmoded concepts, were irrelevant or inaccurate. Indeed, when asked to testify about Olley's public comments, GM witnesses were apparently confident enough of support in suppressing the secret Olley memos that they demeaned and rebutted his less damning and *less specific* public conclusions.

As an example of how some GM employees suppressed this Olley data, the case of *Collins* v. *GM* in California in 1965 reveals their basic plan and its effects. Olley's 1956 patent application (and accompanying statements) were introduced into evidence by the plaintiff in an attempt to show its relationship to the Corvair and the resulting danger therein. The head of Chevrolet Research and Development, Mr. Frank Winchell, was then asked whether he agreed with Olley's contention that:

"In particular, the ordinary swing axle under severe lateral forces produced by cornering tends to lift the rear end of the vehicle so that both wheels assume severe positive camber positions to such an extent that the vehicle not only oversteers but actually tends to roll over."

Mr. Winchell's incomplete and deceptive answer was that the Olley statement only applied to the most unusual driving circumstances. His exact words, at page 3330, were:

"Under the circumstances that he [Olley] describes, that is true; under the severe lateral acceleration, point nine, or something like that, the wheels come together and the center of gravity raises."

This testimony (by confining Olley's statements to these conditions, of "severe lateral acceleration, point nine or something like that") stressed that only extreme or grossly reckless circumstances would precipitate the oversteering danger. Contrary evidence, detailed in Olley's 1961 memorandum, was never acknowledged. This evidence concluded that both the rise in center of gravity and oversteer originate in a Corvair around 0.3g to 0.4g and that they grow rapidly after that point. Moreover, the PG tests such as PG11106 of June 1959, showed a roll over of a Corvair at 25 mph in a simple J turn. Even existence of this data, apart from the serious conclusions which can be drawn from it, was suppressed by GM. Moreover, the testimony of Mr. Winchell further explained away the Olley prediction (of oversteer followed by rollover) by producing other GM tests that showed that the Corvair was average, if not better than average in cornering performance, and then stating that Olley's predicted dangers only arose under conditions which were far beyond "the performance limit of average cars." Mr. Winchell's exact testimony, at page 3331 of the transcript was:

"Now, I would agree with Mr. Olley as I have agreed here that under severe lateral acceleration far beyond the capability of the driver, far beyond the performance limit of average cars, far beyond the standards in which highways are designed, such things [oversteer possibly followed by rollover] exist. . . ."

A similar pattern of dishonest testimony was followed in the *Anderson* v. *GM* trial in Florida in 1965. When Mr. Winchell was asked his opinion of Olley's 1956 statements about the dangers of the rear swing axle vehicles (quoted above) Mr. Winchell swiftly distinguished the Olley comments from the conditions present in the 1960 Corvair. By his precise explication of the many differences between most rear engine cars and the Corvair, the "expert" witness superficially agreed with the Olley comment, but explained away its relevance by telling the court that Olley's comments were based upon inapplicable engineering facts, and that while these facts had existed in the cars Olley had examined, they were not relevant to the 1960 Corvair.

Mr. Winchell's exact testimony denigrating the Olley patent was:

"Mr. Olley is talking about cars of the vintage of about '52 to '54 which had a very short tread compared to the Corvair, a very high center of gravity compared to the Corvair, and narrow rims, tires without the cornering power that we have now, and without the linear extension that we have now." (p. 5218).

Conclusions

The above testimony, as a partial presentation of the engineering facts, would have been misleading *even if* Mr. Olley had not written "Corvair Steering" which explicitly details the weakness of the 1961 Corvair and stated at one point that the 73% differential in tire pressure "virtually saves the life of the Corvair." Given the existence and circulation of "Corvair Steering", the 1965 courtroom testimony more fully reveals the willingness of Mr. Winchell to deceive the court.

In GM's attempt to minimize the importance of Mr. Olley or his ideas, F. Winchell, not only disputed the quality of Olley's knowledge but even denied knowledge of Olley's employment by GM after his retirement about 1956. For example, during the *Anderson* v. *GM* trial when asked to comment upon Olley's public writings and was recognized as a competent or capable person," [sic] Winchell said: "Mr. Olley has not been active or intimate with the developments since his retirement" and that "[I] don't recall Mr. Cole's statement that Mr. Olley was in consultation [for GM] through 1960." (p. 4967)

Although Olley had indeed returned to GM to prepare his damning 1961 memorandum, GM found it easiest to deny these unpleasant facts by denying Olley's presence. Thus, in the fullest tradition of vast power holders, GM made the truth teller a nonperson.

Surely this testimony, by the then head of Research and Development for Chevrolet, creates a clear presumption of malfeasance or nonfeasance of the grossest magnitude—in the absence of facts still unknown to the public today. Therefore, we request that if your review of this material comes to the same conclusion, you communicate this to Mr. James Roche or Mr. Ross Malone.

Most importantly, the above facts show that GM officials knew *before* 1958, and were told again in 1961, of the dangers in a Corvair type vehicle.

Also, the final redesign of the Corvair in 1964 and 1965 vindicated Mr. Olley to an extent that can't be muffled by General Motors' many attempts to make Olley a nonperson in the intervening years, i.e., when General Motors finally corrected the handling instabilities in the Corvair they did so by making changes recommended before production began—installing a front stabilizer bar (as Mr. Olley had recommended in the case of rear engine cars in his 1953 paper attached hereto), and then abandoning the swing axle independent rear suspension (which also had drawn Mr. Olley's criticism in various papers and patent claims during the 1950's) in favor of a four-link type of rear suspension.

In short, GM officials knew of the Corvair's danger from the Olley studies and from experiments on foreign rear engine cars. They were specifically on notice of the danger from the rollover tests of the Corvair prototype in 1958 and 1959:

Second Issue: Could GM Officials Have Implemented Safety Precautions Before Producing the 1960 Corvair?

The GM position

As GM stated to the U.S. Senate in 1966, the suspension (safety) changes for the Corvair in 1964 and 1965, were introduced in a normal process of "product development." (see p. 1452) In short GM made clear that such changes were always introduced as soon as the state of the art was developed.

The facts

The Olley patents and the information from Harley Copp, (the engineer chiefly responsible for the competing Falcon for the Ford Motor Company) show that technology for producing a Corvair (without the dangerous qualities of the 1960–1963 models) was available in 1958. Indeed, the evidence shows that the front stabilizer bar was used on the prototype Corvair in 1958–1959—was planned for the 1960 production model Corvair, but was discarded (along with the multiple leaf rear spring), apparently because of cost considerations. All this is not to say that the Corvair's designers and executive supervisors ignored such considerations when they designed the Corvair. On the contrary, there is quite conclusive evidence that they know they had a problem, that the car's designers recognized the potential for trouble in the cars roll couple distribution and the aggravation of that characteristic by the particular swing axle rear suspension they had chosen. The evidence herein further shows that they tried to control these problems by larger tires, wider rims and a recommended tire pressure differential; however, they rejected known, available alternatives for correcting the roll couple distribution primarily because

of cost and in the interest of a softer ride. In a paper delivered to the Society of Automotive Engineers in March, 1960, Charles M. Rubly, Chevrolet staff engineer in charge of the Corvair suspension system spelled it out. Pertinent excerpts follow:

"Engineering fully realized that with a weight distribution of 40% front and 60% rear there was an unusual situation with regards to handling in a conventional passenger car. * * * It was then decided that a tire of larger size, incorporating new internal construction, plus a wider rim and compatible suspension geometry were necessary to accomplish our handling objective, without compromising ride comfort, or adding undue harshness to the vehicle. * * * 15 psi (pounds per square inch) represents the Corvair front tire pressure and 26 psi represents the Corvair rear tire pressures. Note that under these tire pressures and at one passenger load the front and rear tire deflections are practically the same. The objective was to arrive at equal tire deflections front and rear under riding conditions and equal slip angles front and rear during cornering. At five passenger load the difference in tire deflection in less than .1 inch. * * * Thus, in line with our original objective, an engineering solution to lateral stability has been obtained by proper design of tires, rims, and specified inflation pressures."

* * * * * * *

Rear suspension

The swing axle independent rear suspension (Fig. 10) is one of the most interesting features of the Corvair chassis. * * * This type of swing axle suspension is, we believe, unique in its application. * * * Another interesting aspect of this particular swing axle was the roll couple distribution front to rear. * * *

It is also true that on a swing axle suspension of this type more of the roll couple is taken on the rear than on the front, and if you had equal tire pressures, front and rear, the result would be great slip angles on the rear than on the front.

Again the saving grace of the lighter front end, which allowed the Corvair to use a much lower tire pressure on the front than the rear. This in turn produced small differences between front and rear tire slip angles under cornering conditions.

One of the obvious questions is "if you wish more of the roll couple to be taken on the front wheels why did you leave the stabilizer off?"

First, we felt the slight amount of gain realized did not warrant the cost, secondly, we did not wish to pay the penalty of increased road noise and harshness that results from use of a stabilizer.

Another question that no doubt can be asked is why did we choose an independent rear suspension of this particular type? There are other swing axle rear suspension, of course, that permit transferring more of the roll couple to the front end. Our selection of this particular type of a swing axle rear suspension is based on:

1. Lower cost.
2. Ease of assembly.
3. Ease of service.
4. Simplicity of design.
5. We also wished to take advantage of coil springs * * * in order to obtain a more pleasing ride.
6. Reduction of unsprung weight results in a softer feeling vehicle and a shake reduction. * * *
7. The ability to isolate the body from distortion stresses. * * * This last point is very important in reducing transmission of road noise and engine noise into the vehicle. * * *

* * * In this paper we have attempted to take a closer look at some of the developments that made a fundamentally different approach a very practical one.[3]

Summary

It does not require an engineering degree to see, therefore, that the men who designed the Corvair considered the recommended tire pressure differential critically important in counteracting the recognized effects of the roll couple distribution, and it is also clear that the foremost reason for their rejection of available methods for transferring more of the roll couple to the front—a front stabilizer bar and a different type of rear suspension—was: COST.

Not surprisingly, in an analogy to the tactic which has seen General Motors never call Maurice Olley to testify but instead attempt to discount and discredit the opinions Mr. Olley offered GM on relevant subjects in the 1950's, Mr. Rubly and the other key men who made the crucial decisions on the design of the Corvair suspension, and who knew of its dangers, have never, as far as we know, been offered as witnesses by General Motors. And when such men have appeared as reluctant witnesses summoned by General Motors' opponents to depositions, they have suffered from atrociously poor memories.

THE YEARS 1958–60

Third Issue: What Did GM Officials Do To Protect The Public From These Special Hazards of The Corvair?

In summary, they rejected the front stabilizer bar and they recommended that a car be operated with a tire/pressure differential to save the manufacturer money but it is certainly not a reasonable substitute for designing stability into the vehicle.

The evidence will show that even when used with the recommended tire pressure differential the original Corvair does not have an acceptable degree of lateral stability. Nonetheless, since Mr. Rubly found the possibility of using a tire pressure differential to achieve stability a "saving grace" in the Corvair, it should be understood why in any case such a solution, even though it may have lessened the production cost of the automobile, was incompatible with sound engineering practice.

Derwyn Severy, nationally recognized expert in connection with questions of automobile safety and, on occasion, a witness employed by General Motors to testify on such questions, has said:

"Where the public at large is expected to maintain the tire pressure understanding, then I'd say it becomes a dangerous situation to the extent that the vehicle is sensitive to oversteer or directional instability from variations in tire pressure."

Robert N. Janeway, an engineer who has headed Chrysler's dynamic research, says:

"* * * this expedient must be considered a last resort. For, instead of stability being inherent in the vehicle design, the operator is relied upon to maintain a required pressure differential in front and rear tires. This responsibility is, in turn, passed along to service station attendants, who are notoriously unreliable in abiding by tire pressures. There is also serious doubt whether the owner or service man is fully aware of the importance of maintaining the recommended pressures."[5]

The "serious doubt" entertained by Mr. Janeway has to be followed by a firm conviction that neither owners nor service station attendants could be charged with knowledge of the importance of the recommended tire pressure differential in the Corvair. For *five consecutive years*, 1960 through 1964, Corvair Owners Manuals accompanied the prescribed tire pressures with cryptic warning:

"Oversteer problems may also be encountered with incorrect pressures. Maintain the recommended inflation pressures at all times."

But, as a judge who pursued this subject during a Corvair trial has observed:

"None of the engineers of General Motors could explain what this language meant. This is preposterous. Why was such language used? Certainly the average purchaser would have no conception of what was meant by this language in the Owner's Guide."[6]

In any case, the most persuasive evidence that it is violative of sound engineering practice to rely on a tire pressure differential to give stability to a vehicle, has to be the backpeddling GM has done and the misrepresentations it has advanced in a frantic effort to minimize the importance of the tire pressure differential since the Corvair's stability became a public issue. Certainly someone at General Motors must have seen that such misrepresentations would sooner or later be tagged as lies or as establishing a corporate position that the men to whom General Motors entrusted that aspect of the problem involving lateral stability were engineering idiots.

THE YEARS FROM 1960–62

Fourth Issue: (1) Did GM Executives Engage in a Continued Refusal from 1960–1962 to Correct the Defect? (2) Did Their Earlier Attempts to Correct the Corvair's "Misbehavior" Concentrate on Finding a Cheap "Fix"?

Both to the U.S. Senate and to courts, a few GM officials have described the 1960–1963 suspension designs as the same. For example, in the Winchell statement GM submitted to your Committee, he speaks about "the design characteristics of the 1960–1963 Corvair." (p. 1559) Similarly, this was the evidence given by GM to Judge Jefferson. Other court cases reveal the same pattern of testimony i.e., there were no significant differences in these suspensions. Also, the attached "Agenda" used by GM officials to brief their attorneys and other personnel also states that the 1960–63 suspensions were "the same."

Facts

The attached documents, originating in the Chevrolet R & D Section of GM show that there were several significant pre-1964 suspension changes. These included a limitation on rebound angle and a change in rear spring rate. Also, the results of several GM Proving Ground reports were available in 1962, which showed certain systems that appeared to be the more stable when spacer blocks and other changes were made. For example, in P.G. 15699, done in early 1962, the best results appeared when the vehicle used production components except for the rear shock absorbers which were of the hydraulic rebound cut off type with 0.5 in. spacer blocks. As in the other Chevrolet Layout L–58339 shows, [Plaintiffs' Exhibit 91 in *Franklin* v. *General Motors*], these modified shock absorbers were then incorporated in the 1963 Corvair (6/12/; ECR 47153).

In summary, the full history of the 1959–1962 efforts by Chevrolet and GM engineers to correct the Corvair's "misbehavior" is just beginning to emerge; however, apparently it involves two more or less parallel efforts, one by the men who designed the Corvair and the other initiated by Chevrolet R&D in January 1960.

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[3] *Suspensions From The Ground Up"* by Charles M. Rubly, for presentation at SAE National Automobile Week, March 15–17, 1960.

[5] *Passenger Car Design and Highway Safety*, Consumers Union, 1962, p. 45.

[6] *Drummond* v. *General Motors*, California Superior Court, Los Angeles County, No. 771 098, p. 24.

The first of these efforts, the one by the men who designed the Corvair, sought to find a cheap "fix" to tinkering with the car without altering its basic design. Although there were some early changes in the rear spring rates that may have affected the vehicle's handling characteristics, Mr. Rubly and his group apparently focused on the possibility of controlling the problem by reducing the maximum rebound or positive camber in the rear wheels. In a pre-production test it had been noted that restricting the rebound tended to improve the car's roll stability.[8] So, shortly after the car went on sale, its designers were experimenting with shims in an effort to limit rebound.[9] Further work in this direction prompted an interim revision of the shock absorbers in the middle of the 1962 model year "to restrict rebound."[10] The maximum rebound or positive camber in the rear wheels were thereby limited to 9°, as contrasted with the original 11°.

In May and June of 1962, ten different such suspension modifications—not all involving changes in the shocks but all aimed at limiting rebound—were tested for their effect on the Corvair's roll stability characteristics.[11] The suspension modification that appeared "most stable"—*i.e.*, the only one with which the car did not roll over—used rear shock absorbers of the hydraulic rebound cut-off type of 0.5 in. spacer blocks. These shock absorbers were incorporated as a change in the 1963 model "for improved ultimate stability."[12] Some General Motors' records say that they limited maximum rebound or positive camber in the rear wheels of 8°.[13] However, a proving ground test report now available says, "These shock absorbers limited the rear wheel rebound angle to 7½°."[14]

In any case, further tests of equipment to limit the maximum rebound and thus improve lateral stability led to the conclusion, according to the General Motors' report, PG 17103, "that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modifications to shock absorber design and configuration."

These tests apparently ended hopes that the "fix" could be cheap.

Summary

As far as we can tell, GM never admitted that the 1962, or mid-1962, or 1963 rear suspension was different from the 1960–1962 models. Such an admission would have raised an immediate question by the Corvair victims as to what was the nature of the difference, and the reason for the change. For GM to explain changes of this sort would, in turn, have had some critical implications concerning both their lack of effectiveness and GM's own evaluation of the original system. And, who knows, exploring the reasons for the different shock absorbers used in the 1963 model might have led the Corvair victims in turn to uncovering P.G. Reports 11543, 12207, 15699 and the P.G. 17103. As noted above, GM did not undertake that risk. Thus the attached documents prove conclusively the falsity of GM's testimony on the identity of the 1960–1963 suspensions. (See Appendix items No. 5 and 7)

It is to be expected that GM will, at this late date, attempt to excuse its false swearing on this matter by minimizing the importance of the different shock absorbers in the mid-1962 and again on the 1963 model, as it now attempts to minimize the importance of the tire pressure differential it prescribed for the early Corvairs. However, such shock absorber and rebound limitation changes were essential enough to involve substantial costs to GM and nobody familiar with GM will ever believe that it consciously spent money on a quest for meaningless non-visible vehicle modification.

Fifth Issue: The Suspension Changes in the 1964 Corvair—Were There Misrepresentations by Mr. Winchell as to the Nature of Corvair Modifications in 1964?

GM's position and testimony

The Winchell statement GM submitted to your Committee says that the 1964 modifications of the Corvair suspension system: "did not alter the full rebound control arm angle at the rear wheels. They did transfer more of the roll couple to the front wheels and, thus, transfer more cornering force to the outside front wheel. All of this was in an attempt to extend the limit of control as a step in the normal process of product improvement. The limit of control was increased to approximately 0.7g lateral acceleration with terminal neutral steer." (p. 1562)

Facts and conclusion

However, when Mr. Winchell testified that the 1964 changes "did not alter the full rebound control arm angle of the rear wheels" he neglected to state that, as the attached internal documents from Research and Development conclusively prove, the maximum rebound design angle of the Corvair had been changed in May 1962, and then again in the 1963 model. These documents also conclusively show that the length of the standard shock absorber had been reduced three times—in the 1962 model, again in May of 1962, and then again with the 1963 model. Thus this talk by Mr. Winchell about '64 control arm rebound was essentially irrelevant and misleading. The only question is whether the 1964 change in roll couple distribution was indeed part of "the process of normal product improvement".

GM's own research and their P.G. tests make it clear that GM knew of the value of the roll couple and stabilizer bar in 1953, and that all the attempted fixes that failed were in lieu of stabilizer bar and roll couple changes. Since GM knew of this need in 1953, and then was aware of the roll-overs of the Corvair in 1959, and was continually reminded of the inability of tests such as P.G. 11543 (of November 1959) to cure the problem, without a stabilizer bar, particularly in light of the 1961 Olley memorandum. Mr. Winchell's 1966 testimony which described the '64 adoption of the stabilizer bar and leaf springs as *"normal product improvement"* was totally misleading—particularly in suggesting that all this was done as rapidly as the knowledge became available. Indeed, the roll bar was on the prototype Corvair and the Vehicle Dynamics Paper of April 1964 makes the statement that "shortly after" Chevrolet R&D found out that "roll couple" distribution was largely *"responsible for the misbehavior"* of the Corvair—*"a Corvair with a single leaf transverse rear spring and front stabilizer was built and demonstrated."* (p. 13). Certainly this knowledge was driven home again to Mr. Winchell by Mr. Olley's 1961 paper, and it was reemphasized when tests were run with a stabilizer bar, and the results were studied. Yet inexplicability this alternative continued to be rejected by the Chevrolet decision makers. Thus, by Mr. Winchell's own Department's statement, the 1964 changes were developed in response to a determination of the reasons for the "misbehavior" of the early Corvair, NOT "in the normal process of product improvement."

Sixth Issue: Did GM Represent the Purpose and Effect of the 1965 Corvair Suspension Changes?

GM's position

Mr. Winchell's statement to the Senate said:

The changes made in the 1965 suspension were for the purpose of improving ride, while at the same time maintaining the control characteristics and higher limits achieved in 1964. (p. 1562).

Issue

This testimony (which equates the 1965 changes with the 1964 changes), to the extent it does, contains a puzzling failure, repeated elsewhere in court, to mention that the 1965 Corvair rear suspension also limited the maximum rebound or positive camber in the rear wheels to approximately four degrees as contrasted with the maximum rebound or positive camber of approximately eleven degrees in the 1960 Corvair, and approximately 6.8° in the 1964 model. Why this omission? Was it significant in misleading the Senate and the courts?

Conclusion

Your investigations should study Mr. Winchell's letter to Semon Knudsen, at the time General Manager of Chevrolet, which took the position that the 1964 changes were insufficient, that the full redesign of the 1965 suspension system was needed if the Corvair was to be "at least as safe as the standard Chevrolet." Thus, it is difficult, if not impossible, to understand how Mr. Winchell, of all people, could represent the 1965 changes as being merely for the "purpose of *improving ride*, while at the same time maintaining the control characteristics and higher limits achieved in 1964." (p. 1562, Senate Hearings)

While true that the ultimately important 1965 changes had made the roll couple distribution, 54% rear and 46% front in the 1965 Corvair (p. 28); however, the 1965 changes also limited maximum rebound. More significantly, in regard to the rebound limitation, Mr. Winchell's own history of the Chevrolet vehicle dynamics program rebuts Mr. Winchell's public testimony. Within GM, Mr. Winchell admits that the work on the "out of control" characteristic of the Corvair "indicated that *the jacking characteristics consequent to the swing axles and* roll couple distribution were responsible for the misbehavior." (p. 11, emphasis added)

Therefore, a summary list of the misrepresentations in the single paragraph of the Winchell statement concerned with the 1965 changes is:

1. The statement implies that the increase in control achieved by the changes did not require any alteration of the full rebound control arm angle of the rear wheels. We know that not only did the 1965 changes limit the maximum rebound in the rear wheels but that "the jacking characteristics consequent to the swing axles" had been determined by Mr. Winchell's own group as a cause of the Corvair's "misbehavior."

2. The 1965 changes "were for the purpose of improving ride, while at the same time *maintaining* the control characteristics and higher limits achieved in 1964." Mr. Winchell's own position urging adoption of the more extensive suspension changes that became the 1965 model contradicts this statement. Also, its implication that the unmentioned 1965 limitation of the maximum rebound in the rear wheels must have been for purposes of "improving ride" is contradicted by the conclusion of Mr. Winchell's own group that "the jacking characteristics consequent to the swing axle" were a cause of the Corvair's "misbehavior."

In other words, with the use of an alternative to the "swing axle" originally selected for the rear suspension, the Corvair's handling peculiarities were significantly corrected *in later models*.

But when public questions were raised from 1965 to the present moment about the handling safety of earlier models still on the road, GM indignantly replied that the upper unit of control of the Corvair is 0.6 G and

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[8] GM Test Report No. 25004–13 (1958).

[9] See data on Chart entitled *Shock Absorber & Rebound Travel.*

[10] Data from GM Chart No. 000907—Appendix item No. 7.

[11] P.G. Report No. 15699—Appendix item No. 6(a).

[12] "Corvair Changes & Chassis Improvements," p. 2.

[13] Data from GM Chart No. 000907.

[14] P.G. Report No. 17103, p. 5—Appendix item 6(b).

"this lateral acceleration is the upper limit of control ability for all passenger cars of the same period", and swore to you the changes in the 1964 and 1965 models were nothing more than "a step in the normal process of product improvement." Indeed, GM suppressed their explicit presentation to their own staff that after the 1964 changes, GM's changes to the 1965 Corvair were necessary to eliminate jacking. Nevertheless, GM testified to the U.S. Senate that "The changes made in the 1965 suspension were for the purpose of improving ride, while at the same time maintaining the control characteristic and higher limits achieved in 1964." [15]

Seventh Issue: What was GM's Duty to Protect the Public?

But this history contains an even grimmer irony. It was just about the time that GM was introducing the Corvair to the American public in the fall of 1959 that the Michigan Supreme Court was compelled to angrily spell out for GM a manufacturer's duty when it acquires knowledge of a latent defect in a product it has sold that may endanger the user. The case was *Comstock* v. *General Motors*, and the latent defect at issue involved the loss of brake fluid in certain Buicks:

"In our view, the facts in this case imposed a duty on defendant to take all reasonable means to convey effective warning to those who had purchased '53 Buicks with power brakes when the latent defect was discovered.

"* * * Prompt warning could easily have prevented this accident."

What Did GM do to Protect the Public? The Attempted Tire Pressure Fix, and GM's Refusal to Admit its Failure

As seen earlier, the only significant decision GM made to offset the instabilities resulting from the drastic roll couple distribution in the original Corvair (as seen by them in PG 11106 of June 1959) was in the adoption of a tire pressure differential, 15 psi front and 26 psi rear when cold. The technique was well known. Mr. Olley's 1953 paper had pointed out, "Decreasing front tire inflation, increases the aligning torque of the front tires and therefore the handling stability." (p. 12) And again, "Lowering the front inflation will also increase the aligning torque and road feel." (p. 13) However, P.G. 11106 of June 1959, had shown GM's Holden automobile (the GM code name for its prototype version of the Corvair) had wheel lift at 15 and 20 mph and actual rollover at 25 mph.

Thus, the tire pressure recommendation carried with it the implication that GM knew that stability was not inherent in the Corvair's design. In the Owner's Manual, GM accompanied the prescribed tire pressure differential with a cryptic warning:

"Over-steer problems may also be encountered with incorrect pressures. Maintain the recommended inflation pressures at all times."

Could this warning be considered a good faith attempt to cope with recognized instabilities in the Corvair design? It seems doubtful particularly when it was disowned in the courtroom by GM. As Judge Bernard Jefferson's opinion said of the Owner's Manual "warning":

"None of the engineers of General Motors could explain what this language meant. This is preposterous. Why was such language used? Certainly the average purchaser would have no conception of what was meant by this language in the Owner's Guide."

Judge Jefferson's question—"Why was such language used?—has never been answered by GM documents—except that the 1961 Olley memo now reveals its true value—to "save the life of the Corvair."

But on the other hand, when the Corvair came under public attack, GM evolved a corporate position that minimized any possible effect in the tire pressure differential. In the Winchell statement GM submitted to your Committee, for instance, he says:

"Tire experts would agree that failure to maintain the optimum or recommended tire pressures in *any* vehicle may result in some degree of oversteer, or some change in stability. However, *even reversing the tire pressure differential is unrecognizable at 30 to 40 mph in a Corvair.* The effect becomes noticeable as the speed increases, but it does not render the car uncontrollable. The pressures selected for the Corvair were the best choice for satisfaction and value to the customer in control, tread-life and ride."

Facts

The available evidence, much of which is attached hereto—the 1953 Olley paper, the Cornell Aeronautical Research in the 1950's, GM's resort to tire pressure differential in the effort to equalize cornering coefficients (and the revealing language in the cryptic Owner's Manual warning), the 1960 Rubly paper, etc.—all show that GM knew the inherent instabilities in the Corvair before it was put on the market, that GM knew that the corrective action indicated was to shift more of the roll couple to the front, and that GM knew of methods, other than fiddling with tire pressures, to obtain a better roll couple distribution.

Somewhere else—unless it has been destroyed—there must be technical data, minutes of meetings, some evidence from which it can be determined what other data prompted GM to prescribe the tire pressure differential that it *now* would lead the public to believe inconsequential. Their shyness on the subject is understandable. Anyone who understands this subject knows that the basis for the prescribed tire pressure differential will also evidence GM's knowledge of the instabilities in the design at a time *before* it was placed on the market. Despite GM's bad memory on this matter, there are now records which show that the date on which this 73% tire pressure differential was decided was January 21, 1959.

General conclusion

The men responsible for the production of the 1960–63 Corvair should not be heard to say that this presentation is a rejection of American business, apropos Mr. Roche's desperate repose pattern. That is too arrogant and transparent a canard. As the evidence herein demonstrates this letter is primarily a commentary on the men responsible for misusing GM's resources for a purpose unworthy of American business.

There are about 600,000 of these dangerous Corvairs still on the road. The hazard inherent in them have undoubtedly been multiplied by the ravages of age, and because of their vintages they are driven increasingly by the young and the poor—those classes of people who are probably least able to spend the money for necessary corrections in their basic mode of transportation. Thus, every passing day presents the probability of more casualities in continuing sacrifice to the careers of a group of men at GM who until now have succeeded in suppressing evidence of their callousness. As Mr. Fonda and Mr. Sergay estimated a few months ago, these 600,000 will probably be involved in over 500 more maiming roll overs if they are left on the road. Although the Corvair's past impact cannot be retrieved, these men still can help save lives and injuries in the future by coming out candidly—if they rethink their professional obligations to the public. It is now a question only of who steps forward first.

A public hearing by your Committee can assure that the new deaths and injuries do not occur in these roll over vehicles. This should not be delayed by the Department of Transportation study of whether this roll over propensity is a defect under the 1966 law. Another certain benefit of a public hearing will be to place before the public the heater defect which affects hundreds of thousands of families from the carbon monoxide leakage.

In a reflection of the reward structure within GM, the officials responsible for the Corvair debacle continue in control of the world's lagest manufacturer, enjoying the rich personal rewards they have reaped for shielding this corporate crime. Nothing suggests that they have any remorse whatsoever for the innocent human beings who have been maimed by GM's refusal to acknowledge and warn of—or correct—the hazards General Motors has secretely recognized for years under their own euphemistic label of "misbehavior."

This presentation offers to the United States Senate and the Department of Transportation—and the entire American public—documentation of this whole story from General Motors' own records. For a decade GM has refused to come clean, so such records are now our most conclusive evidence.

Mr. James M. Roche, Chairman of GM, has recently expressed distress over the present availability of large portions of GM's heretofore secret Corvair records, and has taken to public platforms to denounce those who ask employees to "blow the whistle" on corporate misbehavior seriously harmful to the public interest. Mr. Roche complains that, "however, this is labeled—industrial espionage, whistle blowing, or professional responsibility—it is another tactic for spreading disunity and creating conflict." (Speech of James M. Roche, March, 1971.) Thus his fear of public scrutiny of the manner in which GM operates leads him to argue that the public concern for truth about safety and health must be limited by the degree of disunity or conflict the truth would create. This attitude is the consummate corporate tyranny since the most dishonest areas would receive the least disclosure. Mr. Roche is saying that what cannot be disclosed is that which GM decides is in its interest, regardless of the public or consumer interest. He should read the professional canons of ethics (engineering and law) which define professional responsibility to the public as above that of the employer. Nonetheless, when at the end of that day Mr. Roche doffs his mantle as corporate spokesman and approaches things on a more ordinarily human level, even he would subscribe to the proposition that human lives and well-being are more important than the need to adhere to what Chevrolet internal memos call the "party line" in the name of a diseased sense of corporate loyalty. Certainly the forthright approach of one automobile executive engineer in the person of Mr. Harley Copp, shows that the truth is not anti-business. Rather, Mr. Copp's actions show that moral awareness and the sense of personal responsibility have not yet been stifled in all of the Detroit decision makers. Mr. Copp's testimony also shows that much of his information was shared with other auto executives, and thus it suggests that your Committee should investigate why the equivalent GM executives have never dared to speak as candidly in public about the Corvair. The interested public will be watching the degree to which Mr. Copp is treated with honesty and fairness by the Ford Motor Company for his display of professional engineering conscience.

In any case, the attached material should show the real basis for the current anger of some General Motors officials over "whistle blowing". Responsibility for one of the most scandalous episodes of corporate suppression of truth ever to reach public view can now be established, and the evidence of it, after ten years of being successfully cloaked, probably never would have seen the light of day if the consciences of a few insiders had not told them that the public interest in the truth of this matter is more important than

[15] P. 1562.

any career risks they might run in bringing that evidence forward.

In the fresh light of the new evidence and its implications contained in this letter, together with the gatherings of your staff's inquiry, the public should be able to learn, through a public hearing by your Committee, the facts and necessary admissions. Only a public hearing can set the record straight and assist the Congress in forming remedial policies so that such corporate manipulations be less likely to occur in the future. We respectfully urge you to commence such a hearing, hoping that you share the view that these materials and additional information in your Committee's possession compel such a conclusion.

Thank you for your continuing interest.

Sincerely yours,

RALPH NADER.
GARY SELLERS.

EXHIBIT 6

GM PROVING GROUND REPORT 15699

TEST REPORT—ROLLOVER STABILITY EVALUATION OF VARIOUS CORVAIR SUSPENSION SYSTEMS

FOREWORD

Mr. N. E. Farley of the Chevrolet Motor Division requested the Experimental Engineering Department to conduct a series of vehicle roll-over tests to determine the roll stability characteristics of ten different modifications to the suspension system of a 1962 Corvair "700" series, 4-door sedan.

Comparative tests were also conducted with a 1961 Chevrolet, 4-door sedan. This vehicle had no modifications to the suspension system.

These tests were performed during May and June 1962.

TEST RESULTS

The test vehicle was evaluated with ten types of suspension modifications. The suspension system that appeared to be the most stable (Test No. 3), used production components excepting for the rear shock absorbers which were of the hydraulic rebound cut off type with 0.5 in. space blocks. A .625 in. diameter front stabilizer bar was installed on the front suspension. Tables 1 and 2 are listings of the suspension systems evaluated and indicate if the vehicle rolled.

DISCUSSION

Mr. N. E. Farley of the Chevrolet Motor Division requested the Experimental Engineering Department to conduct a series of vehicle roll-overs to determine the roll stability characteristics of ten different modifications to a 1962 Corvair "700" series, 4-door sedam. The acceleration forces acting on the vehicle at the instant of incipient roll-over, as recorded by seven accelerometers located on the vehicle will be used as the criteria for determining the roll stability characteristics. A 1961 Chevrolet, 4-door sedan without suspension modifications was also included in this test series for comparison to a nontransaxle vehicle roll stability characteristics.

INSTRUMENTATION

Biaxial accelerometers to measure lateral and vertical accelerations were mounted at the front and rear bumper centers (see Figures 1 and 2). A triaxial accelerometer was mounted at the vehicle's center of gravity to measure lateral, longitudinal and vertical accelerations. The left rear control arm was equipped with a potentiometer which provided an electrical signal proportional to the vertical motion of the left rear wheel.

The signals from these instruments were recorded with an oscillograph and the resultant acceleration vectors were computed from the oscillograph data on the IBM 1620 Computer.

Vehicle preparations

As a safeguard for the driver, a set of roll bars were constructed within the body cavity. The center of gravity and moment of inertia of the test vehicle was determined by swinging the vehicle on the long and short swings located at the Proving Ground Engineering Test Department. The car as swung was equipped with roll bars, camera mount and two anthropomorphic dummies which occupied the left front and left rear seats. In addition the gasoline in the fuel tank was replaced with water. For the test runs, the water in the fuel-tank was maintained at the half-full mark. Fuel for the engine was supplied from a one-gallon safety fuel can bolted to the floor of the front luggage compartment. Before the start of all tests, except test number ten, the tire inflation was set to the recommended 15 psi front and 26 psi rear. After several trial runs, the tires would build up to 18 psi front and 30 psi rear. At no time while testing was any air bled off. In test number ten, the tires were inflated to 25 psi front and 40 psi rear.

Photographic coverage

Fixed to the left rear frame rail was a graduated sector of a circle as shown in Figure 3. A reference pointer was mounted on the axle. A 1000 frame per second "triad" camera mounted on the vehicle recorded the movement of the axle, with respect to the vehicle frame.

This series of tests were run on the level bituminous concrete Military Skid Pad. Positioned around the perimeter of the test area were a 400 frame per second "Milliken" and a 128 frame per second "Bell and Howell" cameras. Color photographs of these tests were filmed at a 24 frame per second rate by an "Arriflex" camera. These films are on file at the proving Ground under No's. A–186, A–191, and A–208.

Test procedure

The test runs were made by executing a sharp left turn, upon entering the Skid Pad, and abruptly reverse steering into a full lock right turn. This maneuver is known as a "modified J-turn". The first trial runs were started from a point just short of the Skid Pad on its access route. These first trial runs were from the level portion of the access route onto the level test pad area. The more stable suspension systems required high speeds and more violent maneuvers to produce vehicle roll-over tendency. Longer approach runs were made to allow the driver to make a gear change from first into second gear and attain speeds of 33–35 mph. The maximum speed in first gear on the short runs was approximately 28–29 mph. These speeds were as observed by the driver. As the runs were extended beyond the length of the instrument cables, it became necessary for the instrument van to "chase" the test vehicle along a short straight course parallel to the test vehicle's path.

Summary

Ten different sets of test conditions were evaluated. They consisted entirely of modifications to the suspension system. These modifications are listed in Table No. 1, in the order that they were tested. It is also noted in the Table if the vehicle rolled. Table 2 is a tabulation of the test vehicle's rear axle angular free travel in rebound for each test condition. Figures 4 through 13 are typical views of the 10 different test series. Each test series was performed by making runs at increased speed increments until the vehicle rolled or it was difficult to produce a more violent maneuver.

Test No. 1: The addition of .5 in. spacer blocks to the rear shock absorbers was the only change made to the production suspension. On the fifth trial run, the vehicle rolled 360°, (Figure 4).

Test No. 2: Test No. 2 was run with the same suspension components as Test No. 1, that is production suspension modified with .5 in. spacer blocks on the rear shocks. This test used web rebound limiting straps on the rear control arms. A. .625 in. diameter stabilizer bar was installed on the front suspension. On the seventh trial run, the vehicle rolled 180°, (Figure 5).

Test No. 3: Test No. 3 also used production components except for the rear shock absorbers which were described as "hydraulic rebound cut off type and 0.5 spacer blocks on the rear shocks". These spacer blocks were used for the first four runs and then removed. The .625 in. diameter front stabilizer bar was retained. This suspension exhibited a marked roll resistance and in six trial runs did not roll over, (Figure 6).

Test No. 4: Test No. 4 used "hydraulic rebound cut off" rear shocks with 0.5 in. rear shock spacer blocks. The remaining components were production as in Test No. 3, except for the .625 in. diameter front stabilizer bar, which was removed. Seven trial runs were made before the vehicle was rolled 90°. The vehicle was righted and two more runs were made with the spacer blocks removed from the rear shock absorbers. No more roll-overs were experienced, (Figure 7).

Test No. 5: Test No. 5 was made using production control arms and shock absorbers with the .5 in. spacers. The rear coil springs were of a reduced rate (300 lb/in.) and a transverse leaf spring was installed in the rear. The vehicle rolled 180° on the second trial run, (Figure 8).

Test No. 6: Test No. 6 used production control arms, reduced rate (300 lb/in.) rear coil springs and a transverse leaf spring. The production shock absorbers were replaced by the "hydraulic rebound cut off" type and the .5 in. shock absorber spacers were omitted. On the fifth trial run, the car made a 180° roll, (Figure 9).

Test No. 7: Test No. 7 used reduced rate (300 lb/in.) rear coil springs with "airlift" bags inside the coils. This dictated a change in shock absorber location and also in shock absorbers. The production Corvair valving was duplicated in longer shock absorbers which were mounted outside and to the rear of the coil springs. The control arms were production items and a transverse leaf spring was installed. On the sixth trial run the vehicle rolled 360°, (Figure 10).

Test No. 8: Test No. 8 followed the conditions of Test No. 7, used reduced rate (300 lb/in.) coil spring and "air lift" bags, longer shock absorbers with production valving and relocated mounting. The addition of 1.25 in. spacers to the lower ends of the shock absorbers more nearly approached rebound travel limits of the control arm in Test No. 1 and others were .5 in. spacers were used in connection with production shock absorbers. Production control arms were used on this test. On the sixth trial run the car rolled 270° and in the process the left rear axle broke at the wheel. This was attributed to a fatigue failure, (Figure 11).

Test No. 9: Test No. 9 used production components with the exception of the shock absorbers which were the "hydraulic rebound cut off" type. Again the .125 in. shock absorber spacers were used. The 4 wheels were offset outboard 1.0 in. each giving an overall tread increase of 2.0 inches. The .125 in. shock absorber spacers were removed after the sixth trial run. On the seventh run the car rolled 180°, (Figure 12).

Test No. 10: Test No. 10 was run with production suspension parts except for the shock absorbers which were the "hydraulic rebound cut off" type with .125 in. spacers. The wheels were Corvair production wheels with the rear tires inflated to 40 psi, 14 psi over normal, and the front tires with 25 psi, 10 psi above normal. After the second trial run the .125 in. spacers were removed from the shock absorbers. On the fifth run the car rolled very hard, going through 540°, (Figure 13)

Analogous to the Corvair Roll-Over Stability Evaluation Test Series, tests were performed on a production 1961 Chevrolet, 4-door sedan. Eight trial runs were made with instrumentation and two were made without

the maneuverability handicap of the instrument cables and instrument van, (Figure 14). No roll-overs were experienced in these 10 runs.

A roll-over occurred on nine of the ten Corvair suspension modifications. The resultant acceleration and direction at the center of gravity of six of these tests, prior to and at rollover are plotted in Figures 15, 16, 18, 20, 21, and 22. In each instance, a curve from the preceding run of the same suspension modification, in which no rollover occurred, appears for the sake of comparison. Similar plots of trial runs No. 62, Figure 17, and No. 73, Figure 19, which experienced no roll-over are included to show the roll stability characteristics of the more stable suspension modifications. This also is the case for trial run No. 112 of Test No. 11, Figure 23, of the 1961 production Chevrolet, 4-door sedan.

[EDITOR'S NOTE.—Figure 1 and test or work request sheet are available in subcommittee files.]

TABLE 1.—REPORT NO. PG-15699

Run Nos.—	Date	Corvair suspension modifications	Remarks
46, 47, 48, 49, and 50	May 14, 1962	Test No. 1: Production suspension components and shock absorbers. Half inch spacers installed between shock absorber lower end mountings and rear control arms to limit rebound travel.	Car rolled 360° on run No. 50.
51, 52, 53, 54, 55, 56, 57, and 58	May 15, 1962	Test No. 2: Production suspension components and shock absorbers with the half inch spacers. Web rebound limit straps on real control arms and a 0.625 in. diameter front stabilizer bar.	Car rolled 180° on run No. 58
59, 60, 61, 62, 63, and 64	May 17, 1962	Test No. 3: Production suspension with new shock absorbers described as "hydraulic rebound cutoff type". Half inch spacers were used to limit rebound travel but were removed after run No. 62. A 0.625 in. diameter front stabilizer bar was used.	Car did not roll over.
65, 66, 67, 68, 69, 70, 71, 72, and 73	May 18, 1962	Test No. 4: Production suspension with "hydraulic rebound cutoff" shock absorbers. The half inch spacers were used through test run No. 72, but were removed for test run No. 73. The front stabilizer bar was not used in this test.	Car rolled 90° on run No. 71; did not roll on run Nos. 72 and 73.
74 and 75	May 28, 1962	Test No. 5: Production control arms and shock absorbers with half inch spacers installed. Reduced rate rear coil springs (300 lb/in.) with camber compensator rear leaf spring.	Car rolled 180° on run No. 75.
76, 77, 78, 79, and 80	May 29, 1962	Test No. 6: Production control arms and the "hydraulic rebound cutoff" shock absorbers without the half inch spacers. Reduced rate rear springs and camber compensator leaf spring.	Car rolled 180° on run No. 80.
81, 82, 83, 84, 85, and 86	June 4, 1962	Test No. 7: Production control arms, reduced rate rear springs with "airlift" bags inside the coils. Camber compensator leaf spring and longer shock absorbers mounted outside and to the rear of the rear coil springs. "Airlift" bags inflated to 13 p.s.i. No rebound limits other than shock absorbers.	Car rolled 360° on run No. 86.
87, 88, 89, 90, 91, and 92	June 6, 1962	Test No. 8: Production control arms. Reduced rate rear spring with "airlift" bags inflated to 13 p.s.i. Camber compensator leaf springs and the long shock absorbers with 1.25 in. spacers to limit rebound travel.	Car rolled 270° on run No. 92.
93, 94, 95, 96, 97, 98, and 99	June 7, 1972	Test No. 9: Production suspension with "hydraulic rebound cutoff" shock absorbers and 0.125 in. spacers at lower mountings used. After run 97 the spacers were removed. Wheels with 1 in. of offset were used. Overall tread increase front and rear was 2 in.	Car rolled 180° on run No. 99.
100, 101, 102, 103, and 104	June 8, 1962	Test No. 10: Production suspension components and wheels were used. "hydraulic rebound cutoff' shock absorbers with 0.125 in. spacers. After run 101 spacers were removed. Rear tires inflated to 40 p.s.i., fronts to 25 p.s.i. Normally the tires are inflated to 26 p.s.i rear, and 15 p.s.i. front.	Car rolled 540° on run No. 104.

TABLE 2.—MAXIMUM CORVAIR REAR AXLE MOVEMENT IN REBOUND

Test No.	Condition	Free angle		Loaded angle (300 lb)		Run numbers
		Left	Right	Left	Right	
1	1963 production ½-in rebound restriction	10°18′	9°48′	10°21′	10°0′	46–49 no roll; 50 roll.
2	Nominal 5½-in. straps	5°23′	6°1′	6°17′	6°18′	51–57 no roll; 58 roll.
3	Hydraulic cutoff with .68-in external shims	5°35′	5°35′	6°20′	6°20′	59–62 no roll.
3 and 4	Hydraulic cutoff with .18-in. external shims	7°23′	7°22′	8°10′	8°0′	63–69 no roll; 72–73 no roll.
4	Hydraulic cutoff with no external shims	8°45′	8°20′	9°24′	8°55′	70 no roll; 71 roll.
5	Pro. shocks ½-in. rebound restriction 300 lb/in. coil springs camber compensator leaf	10°0′	9°50′			74 no roll; 75 roll.
6	Hydraulic cutoff with no spacers 300 lb/in. and leaf	8°50′	8°40′			76–79 no roll; 80 roll.
7	Air bag 13.5 lb psi 300 lb/in. coil. 88 shims reg. shocks	8°0′	8°0′			81–85 no roll; 86 roll.
8	Air bag 13.5 lb psi 300 lb/in. coil 1.24 lt .88 rt. shims	6°25′	8°0′			87–91 no roll; 92 roll.
9	Std suspension with hydraulic cutoff shocks—shimmed .125 in.—56.5 in. track	8°40′	8°50′			93–97 no roll.
9	Std suspension with hydraulic cutoff shocks—no shims; 56.5 in. track	9°15′	9°20′			98 no roll; 99 roll.
10	Std suspension with hydraulic cutoff shocks—.12 in. shims; 40 psi rear, 25 psi front	8°40′	8°50′			100–101 no roll.
10	Std suspension with hydraulic cutoff shocks—no shims; 40 psi rear, 25 psi front	9°15′	9°20′			102–103 no roll; 104 roll.

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FOREWORD

This series of tests was run to evaluate and determine the dynamic stability characteristics of the Chevrolet Corvair with various shock absorbers and suspension configurations. These tests were performed by driving a specially equipped Corvair through a series of high speed maneuvers on a flat, level, bituminous concrete surface in an attempt to overturn the car. Maneuvers and components used for each test were as directed by Mr. M. Sheean of the Chevrolet Motor Division. Personnel of the Experimental Engineering Department conducted the tests on November 13th, and 26th, 1962, and on March 18th, April 5th, 10th, 11th, and May 14th, and 17th, 1963. This work was done at the request of Mr. N. E. Farley of the Chevrolet Motor Division.

RESULTS AND CONCLUSIONS

A summary of the complete series of 33 runs is presented in Table 1.

These tests showed that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modifications to shock absorber design and configuration. A test phase which incorporated a pair of high speed movie cameras mounted on outriggers to the rear of the car, showed that this change in the weight distribution prevented the car from overturning during these test maneuvers.

A 1964 prototype suspension installed in the car made the dynamic stability characteristics acceptable for several different test conditions. The last run of the series was an abnormally severe maneuver from a super elevated surface to a level surface and caused the car to overturn.

DISCUSSION

These tests were run to assist Chevrolet Motor Division engineers in evaluating Corvair suspension modifications made to improve the car's dynamic stability. Evaluations of vehicle roll characteristics were made from observations of the tests and analysis of high speed movies of maneuvers of the test car at 25 to 40 mph on a level, bituminous concrete surface.

Vehicle preparation

Essentially all of the preparatory vehicle modifications were made to protect the driver during possible vehicle rollover conditions. These were made in regards to possible fire, vehicle deformation, driver impact against the internal surfaces of the car, and flying car components such as the seat and glass. The production gasoline tank was removed and a one gallon safety gasoline can installed for the engine fuel supply. This was installed in the front luggage compartment in a manner that would permit quick removal in case of an emergency.

A gravity "lock-in-position" switch was installed in the ignition circuit to open and hold open the ignition circuit in case of a vehicle rollover. This switch was installed for two purposes, the first being the obvious fire hazard in case of a rollover, and the second being in case of a rollover which ter-

minated with the car on its wheels and a possible dazed driver unable to quickly maneuver the car out of a hazardous condition.

A substantial rollover bar system was installed inside the car to prevent extreme vehicle deformations from injuring the driver. Also, all internal surfaces which could be impacted by the belt restrained driver were padded with ensolite material of sufficient thickness to reduce the injury potential to a satisfactory level. A rope netting was installed on the driver's door window opening to prevent the driver's left arm, and possibly his head from being thrown out through the open window and contracting the road surface or being injured between the rolling vehicle and the road surface.

All loose and unnecessary components were removed from the vehicle, this included the rear seat back and cushion, the floor mats, and other small fittings. The windshield and rear light were removed, the side windows rolled down and the front door ventipanes removed. For tests No. 115 through 126, the standard production front seat was used. For the remainder of the tests an Oldsmobile bucket type seat was installed. It was felt that this seat would give the driver an added measure of protection during rollovers. A 50th percentile dummy was securely fastened in the left rear passenger position to simulate an unfavorable load condition.

Test procedure

Prior to each test phase, suspension modifications were made to the vehicle and initial measurements and adjustments made as per Chevrolet Motor Division engineers. Tire pressures were adjusted to a hot pressure of 17 psi front, and 28 psi rear as previous runs showed these pressures to be stabilized values for these tests. A minimum amount of gasoline was maintained in the safety gasoline can and a pliable adhesive material was put over the vents of the battery caps to prevent acid spillage in case of a rollover. Immediately prior to each test, the car was positioned as shown in Figure 1. The car was driven onto the Military Skid Pad and through a predetermined maneuver while high speed movies were taken of the vehicle's actions. A rollover or significant engineering decision concerning the suspension terminated each phase of a test program.

Test site

The level bituminous concrete Skid Pad at the east end of the Military Straightaway was used for these tests. Sweeping of the Skid Pad was done as necessary to provide a clean test area; a dry road surface was a test requisite for all tests. Figure 1 shows the test area.

Photographic coverage

Documentary still photographs were taken before, during, and after each test as needed to accurately record vehicle conditions. High speed movies were taken of each test from perimeter locations. These locations were varied from one test phase to another. On tests No. 127 through 131 high speed cameras were installed on outriggers to the rear of the vehicle to photograph each rear wheel's action during the test maneuver. Typical camera positions are indicated in Figure 1. Most of the high speed movies were taken at 128 fps, however, some were made at 500 fps. Standard speed movies were also taken as requested. Copies of all movies have been given to the Chevrolet Motor Division for their analysis. The original movies have been filed at the Technical Data Department of the General Motors Proving Ground.

Driver protection

Driver safety took precedence over all other test conditions. A lap belt, two shoulder belts, and a chest belt were installed to restrain the driver. A safety helmet with plexiglas front shield was used, and the driver also wore a sport's type mouthpiece to protect his teeth. The previously mentioned padding throughout the interior of the car further prevented possible driver injury.

Test setup

Figure 2 shows the test car No. CH2702 which was used for the tests 115 through 120. The test driver is in position and the car is ready to be run on the first test. This car had been used in a previous set of tests, reported in Report No. PG–15699, which accounts for the deformed body condition. Figure 3 shows a 50th percentile dummy and its retention in the left rear seat passenger position. All dummy components were securely lashed into position to prevent them from flailing about and injuring the driver during any rollover maneuver. Following are brief descriptions and test results of each test:

Run No. 115, Date: 11–13–62, speed 28 mph

Prior to this test, Chevrolet Division personnel had installed shock absorbers on the rear suspension designated as second version 9° Delco shock absorbers. These shock absorbers restricted the rebound of the rear axles to 9° as measured relative to the body of the vehicle. These shock absorbers are also known as the hydraulic cutoff type. The front shock absorbers were standard 1963 production absorbers. All previously mentioned precautions and preparations were taken prior to the test. A simple "J Turn" to the right at approximately 28 mph caused the right rear wheel to come off the ground for approximately 50 feet of forward travel of the vehicle. A "J Turn" maneuver consists of driving the car straight ahead at a predetermined speed, turning the front wheels sharply in one direction, and giving the engine full throttle. Prior to the test the outside sidewall of the left rear tire had been painted white to indicate any scrubbing action. At the end of the test this paint showed that the tire had been scrubbed on the road surface all the way up to the rim. The car did not roll over as the result of this test.

Run No. 116, Date: 11–13–62, speed 28 mph

This test was very similar to the previous run, however, a slight maneuver was made before the simple "J" turn. This is referred to as a modified "J" turn. This modified "J" turn is executed by the driver turning to the right, then left, and again right into the "J" turn in a rather zig-zag fashion, and again as in the previous run, the right wheel was lifted for a considerable distance and the paint was scrubbed from the outside wall of the left rear tire.

Run No. 117, Date: 11–13–62, speed 28 mph

Approximately the same conditions were used for this test, except that the lateral excitation was increased by a more violent zigzag prior to the "J" turn. As a result of the maneuver, the car made two complete lateral rollovers. Figure 4 shows the car as it is about to start the first rollover. At the end of the two rollovers, the car again landed on its wheels. As shown in Figure 5, the left front wheel showed considerable misalignment. Later examination of the test vehicle showed the lower ball joint to be defective, that the tie bar on the left rear shock had been "pulled through" and that the right rear axle shaft was bent and had to be replaced. Closeups of the left rear wheel are shown in the photographs of Figure 6. Note how the paint has been scrubbed from the tire wall and the rim distorted from its contact with the road surface. The vehicle position after test is shown in Figure 7.

Run No. 118, Date: 11–26–62, speed 28 mph

The car was repaired as necessary and a set of shocks designated as third version Delco shock absorbers were installed on the rear suspension. This shock absorber limited the rebound of the rear axle to 7½°. A 28 mph simple J Turn showed the car to be quite unstable. The car did not roll over however. The high speed movies show that the right rear wheel lifted approximately 18 inches and the left rear tire had the paint scuffed from the sidewall to within 1½ inches of the rim.

Run No. 119, Date: 11–26–62, speed 28 mph

This test was an identical test to the previous run and again the car very nearly overturned. This completed the testing on this pair of shock absorbers.

Run No. 120, Date: 11–26–62, speed 28 mph

For this test, a pair of 1963 production shock absorbers were installed in the rear suspension. These shock absorbers limited the rear wheel rebound angle to 7½°. In this test, a 28 mph simple "J Turn" caused the car to roll over onto its roof. High speed movies show that the right rear wheel came off the pavement when the car had turned approximately 90°. The wheel came up about 18 inches and then the car rolled quickly over onto its roof. The left rear wheel rim dug into the pavement during the roll. This test terminated the testing activities with this car because Chevrolet Division engineers felt that the rollover tests had changed the body rigidity characteristics and that this car was no longer representative of a production vehicle.

For the following tests, No. 121 through 147, Car No. CH3905 was used. As with the previous car, roll bars were installed and all the associated safety equipment and vehicle modifications made. While the new car was being setup a test program was run on the Military Skid Pad, using the Proving Grounds coefficient of friction skid trailer to determine the coefficient of friction of the road surface being used for the rollover tests. These tests show that the coefficient of friction was between .77 and .86.

Before the test setup was made in the new car, two dummies were positioned in the vehicle and the height of the center of gravity determined. It was found to be 19.3 inches above the ground, 67.7 inches behind the centerline of the front wheels, and 2.54 inches to the left of the centerline of the car. After the roll bars and other modifications had been installed in the vehicle, the center of gravity location was found to have shifted as follows: 20.4 inches above ground, 69.9 inches behind the centerline of the front wheels, and 2.72 inches to the left of the centerline of the car. When the car was set up, the shock absorbers installed in the rear suspension were designated as the four-hole hydraulic cutoff shock absorbers. These limited the rear axle rebound to 7½°. These shock absorbers were used for tests No. 121 through 126.

Run No. 121, Date: 3-18-63, Speed 28 mph

The car as set up for test is shown in Figure 12. Figure 13 shows details of the roll bar and padding inside the vehicle. Figure 14 shows the car just prior to test No. 121. This test was a simple "J" turn at a speed of 28 mph. His speed movies of this run show that the right rear tire was picked up from the road surface and that the white paint was scrubbed from the tire on the left rear wheel approximately half way to the rim.

Run No. 122, Date: 3-18-63, Speed 28 mph

This was an identical rerun of the previous test. In this test the right rear wheel lifted a little higher from the road surface than in the previous run. However, all other conditions were practically identical.

Run No. 123, Date: 3-18-63, Speed 30 mph

In this test a simple "J" turn was made from 30 mph. This run was slightly more severe than the previous two runs. Results were the same as for the previous two runs.

Run No. 124, Date: 3-18-63, Speed 33 mph

This again was similar to the previous three runs. However, the simple "J" turn was preceded by an "S" maneuver and the test speed was increased to 33 mph. Again the movies show that the right rear wheel came up, in this test about 12 inches. The white paint was scrubbed from the wall of the left rear tire approximately half way up the side of the tire.

Run No. 125, Date: 3-18-63, Speed 40 mph

Again conditions were identical to the previous tests. However, the test speed was increased to approximately 40 mph, and again an "S" turn preceded the "J" turn. A photograph showing the car action is shown in Figure 15. This Figure also shows similar photographs for Runs No. 121 through 124. In this series of runs, it was quite obvious to the observers that the car was approaching an unstable condition.

Run No. 126, Date: 3-18-63, Speed 38 mph

Conditions were as for the five previous runs, and a speed of approximately 38 mph was used. In this test the right rear wheel came up, the left rear wheel "tucked under" its rim cut into the road surface and the car rolled one complete lateral rollover. The moment of impending roll is shown in Figure 16. Figure 17 shows the car after the rollover, and Figure 18 shows the skid marks for Runs No. 121 through 126. At the completion of this test, the vehicle was returned to the Chevrolet Motor Division garage to be repaired for future tests.

At this point in the test program, Chevrolet Motor Division asked that high speed cameras be mounted on the rear of the vehicle to photograph rear wheel tire and suspension action. Figure 19 shows the test car with the cameras installed. The camera installation changed the center of gravity location as follows: The center of gravity height became 19.6 inches and was located 72.3 inches behind the centerline of the front wheels and 2.72 inches to the left of the centerline of the vehicle. The seat was also changed at this time from the standard full bench type seat to an Oldsmobile bucket seat. The seat installation, plus the belt restraining system for the driver is shown in Figure 20.

Run No. 127, date: 4-5-63, speed 27 mph

The shock absorbers used in this test were Model XD220293 Delco shock absorbers and designated as a six-hole hydraulic cutoff shock absorber. These shock absorbers limited the left rear wheel rebound to 6° 45', and the right rear wheel rebound angle to 7° 15'. In this test, a 27 mphy "J" turn caused very little tire scuff and no noticeable lifting of the right rear wheel. Figure 21 shows the car in the most severe part of the skid.

Run No. 128, date: 4-5-63, speed 30 mph

This test was identical to the previous test. However, the test speed was increased to 30 mph. Again there was only a little scuffing on the left rear tire and the right rear wheel was not lifted appreciably.

Run No. 129, Date 4-3-63, speed 36 mph

Test conditions were identical to the previous two runs. However, the test speed was increased to 36 mph and a modified "J Turn" was executed. The car looked very stable.

Run No. 130, date: 4-5-63, speed 36 mph

Test condtions were identical to the previous run, and again the car looked very stable.

Run No. 131, Date: 4-5-63, Speed 36 mph

Conditions for this test run were identical to the previous tests. This was the last test of this phase because the car looked very stable under the various maneuver configurations. Peak lateral slides are shown for Runs 127 through 131 in Figure 21. The tire skid marks for these runs are shown in Figure 22.

Run No. 132, Date: 4-10-63, Speed 30 mph

The Model XD220293 Delco shock absorbers were retained on the rear suspension of the car for this test, however, the movie cameras were removed from the car. As a result of the 30 mph "J" turn, the car rotated to the right approximately 180° and the right rear wheel lifted approximately 2 feet. High speed movies taken on this test showed that the car was very nearly in a roll condition. The left photograph of Figure 23 shows the vehicle during the skid. Removing the cameras and accessories from the car had raised the center of gravity from 19.6 inches to 20.4 inches and had moved the center of gravity ahead from 72.3 to 67.6, also the center of gravity moved slightly to the left from 2.7 to 3.05 inches to the left of the center of the vehicle. Removing the cameras from the rear of the vehicle reduced the load on the rear axle from 1981 lbs to 1771 lbs.

Run No. 133, Date: 4-10-63, Speed 30 mph

For this test the XD220293 Delco rear shock absorbers were shimmed to limit the rebound on the left to 5°35' and on the right to 6°30'. In this test the 30 mph "J" turn caused the right wheel to lift up 2½ to 3 feet and scrub the paint from the left rear tire ½ of the way of the tire sidewall. In this test the car looked unstable.

Run No. 134, Date: 4-10-63, Speed 30 mph

Conditions for this test were identical to the previous test, however, during the "J" turn maneuver the car rolled laterally over onto its roof. Figure 24 shows the car just previous to rolling over and the car in the rollover position. The lower right hand photograph of this Figure shows a closeup of the left rear tire and wheel showing how the paint has been scrubbed from the tire and the rim has been deformed by the road surface. Following this test the car was rolled over on its wheels and taken to the Chevrolet garage for a check-over and shock absorber change.

Run No. 135, Date: 4-11-63, Speed 26 mph

For this test 1962 production shock absorbers were installed and shimmed to limit the left rear angle to 5°30' and the right rear rebound angle to 6°35'. The 26 mph "J" turn showed the car to exhibit unstable characteristics. The left photograph of Figure 25 shows the car in the lateral skid.

Run No. 136, Date: 4-11-63, Speed 26 mph

Conditions for this test were identical to the previous test. A 26 mph "J" turn again showed the vehicle to exhibit unstable characteristics. The lateral skid is shown in the right photograph of Figure 25. The decision was made by the Chevrolet Motor Division engineers to discontinue testing on this shock absorber and suspension configuration since it was quite obvious that the car could be rolled.

Run No. 137, Date: 5-14-63, Speed 28 mph

For this test a 1964 suspension configuration was installed on the car. This suspension incorporated a lateral leaf spring under the rear suspension, softer coil springs in the rear, and a 13/16" diameter roll bar on the front suspension. 1963 production shock absorbers were installed both front and rear. The rear shocks, however, were shimmed to limit the left rear wheel rebound angle to 7° 35' and the right rear wheel rebound angle to 7° 30'. The 28 mph conventional "J" turn showed the car to be very stable with very little lift of the right rear wheel.

Run No. 138, Date: 5-14-63, Speed 30 mph

This test was identical to the previous test, except that the speed was increased from 28 to 30 mph and an abbreviated "S" turn performed before the "J" turn. Again the car appeared to be very stable.

Run No. 139, Date: 5-14-63, Speed 38 mph

Conditions for this test were identical to the two previous tests, except that the speed was increased to 38 mph, a more severe "S" maneuver, and "J" maneuver were executed. Again there was very little roll or lift and the car appeared to be very stable.

Run No. 140, Date: 5-14-63, Speed 38 mph

This test was identical to the previous tests except that a more severe "S" turn, followed by the "J" turn was used and the vehicle path was such that it passed from the super-elevated section of the skid pad down into the lateral section. This caused the right rear wheel to raise approximately 12 inches. This was a severe test for this suspension configuration.

Run No. 141, date: 5-14-63, speed 38 mph

For this test the spacers were removed from the rear shock absorbers which increased the robound angle on the left rear wheel from 7°35' to 8°5'. The right rear suspension rebound angle was increased from 7°30' to 8°25'. The 38 mph combination "S" and "J" turn caused very little lift of the right rear wheel and the car looked very stable.

Run No. 142, date: 5-14-63, speed 38 mph

Conditions for this test were identical to the previous test, however, there was a slight modification in the path of the "S" and "J" turn. This caused some lift of the right rear wheel. However, the car still appeared to be quite stable.

Run No. 143, date: 5-14-63, speed 38 mph

This was an identical re-run of the previous test and the right rear wheel again lifted as in the previous test. These tests showed the car to be very stable and the Chevrolet Division engineers asked that the tests be terminated for that test condition.

Run No. 144, date: 5-17-63, speed 30 mph

The 1963 production shock absorbers were removed from the rear suspension and a pair of Delco shock absorbers No. XD-220292-1 were installed. These permitted the left rear rebound angle to be 8°15' and the right rear wheel rebound angle to be 8°40'. A 30 mph simple "J" turn caused a slight lifting of the right rear wheel, however, the car appeared stable.

Run No. 145, date: 5-17-63, speed 36 mph

The 36 mph combination "S" and "J" turn of the vehicle as equipped in the previous test caused some lifting of the right rear wheel, however, the car again looked very stable (Figure 28).

Run No. 146, Date: 5-17-63, Speed 38 mph

This was an identical re-run of the previous test except at 38 mph and the car again looked very stable (Figure 27).

Run No. 147, Date: 5-17-63, Speed 38 mph

The 38 mph combination "S" maneuver followed by a "J" turn caused the car to roll laterally 1¼ times. However, the vehicle's approach path was from the super-elevated section of the Skid Pad down into the flat section in a rather unusual maneuver, so that this test could not be considered a valid comparison with previous test runs. Figure 29 shows the car as it is about to roll up on its side during the first roll and Figure 30 shows the car at the completion of the 1¼ lateral roll. Figure 31 shows the car after it had been rolled back over on its wheels. Note that both rear tires have lost almost all of their air. Figure 32 shows that the front wheel has cut into the road surface as well as the left rear wheel. This is unusual because on previous rollovers, the left front wheel rim had not contacted the surface of the road in this manner. Figure 33 shows the 1964 suspension configuration. This test terminated the testing on this vehicle.

[EDITOR'S NOTE.—Figure 1, not printed here, is available in subcommittee files.]

TABLE 1.—TEST SUMMARY SHEET

Run No.	Date	Designation of shock absorber	Rear suspension rebound angle		Test conditions	Significant results
			Left	Right		
Corvair No. CH 2702 used for 1st series of runs:						
115	Nov. 13, 1962	2d version 9°	9°	9°	28 mi/h J-turn	
116	do	do	9°	9°	do	
117	do	do	9°	9°	do	Car rolled 2 full rollovers.
118	Nov. 26, 1962	3d version	7½°	7½°	do	Car nearly overturned.
119	do	do	7½°	7½°	do	Do.
120	do	1963 production	7½°	7½°	do	Car rolled ½ rollover.
Corvair No. CH 3905 set up and used for the following tests:						
121	Mar. 18, 1963	4-hole hydraulic cutoff	7½°	7½°	do	
122	do	do	7½°	7½°	do	
123	do	do	7½°	7½°	30 mi/h J-turn	
124	do	do	7½°	7½°	33 mi/h J-turn	
125	do	do	7½°	7½°	40 mi/h J-turn	
126	do	do	7½°	7½°	38 mi/h J-turn	Car rolled 1 full rollover.
127	Apr. 5, 1963	XD220293 6-hole hydraulic cutoff	6°45′	7°15′	27 mi/h J-turn—With cameras	
128	do	do	6°45′	7°15′	30 mi/h J-turn—With cameras	
129	do	do	6°45′	7°15′	36 mi/h moderate J-turn—With cameras	
130	do	do	6°45′	7°15′	do	
131	do	do	6°45′	7°15′	do	Car very stable.
132	Apr. 10, 1963	do	6°30′	7°	30 mi/h J-turn	
133	do	do	5°35′	6°30′	do	
134	do	do	5°35′	6°30′	do	Car rolled ½ rollover.
135	Apr. 11, 1963	1962 production	5°30′	6°35′	26 mi/h J-turn	Car looked unstable.
136	do	do	5°30′	6°35′	do	Do.
137	May 14, 1963	Production 1963 shocks—1964 suspension	7°35′	7°30′	28 mi/h moderate J-turn	
138	do	do	7°35′	7°30′	31 mi/h moderate J-turn	
139	do	do	7°35′	7°30′	38 mi/h moderate J-turn	
140	do	do	7°35′	7°30′	38 mi/h moderate J-turn and super	
141	do	do	8°5′	8°25′	38 mi/h moderate J-turn	
142	do	do	8°5′	8°25′	do	
143	do	do	8°5′	8°25′	do	Car very stable.
144	May 17, 1963	XD220292–1 1964 shocks	8°15′	8°40′	30 mi/h simple J-turn	
145	do	do	8°15′	8°40′	38 mi/h moderate J-turn	
146	do	do	8°15′	8°40′	do	
147	do	do	8°15′	8°40′	38 mi/h J-turn from super	Car rolled 1¼ rollovers.

EXHIBIT 7

[From the Washington Post, Sept. 27, 1970]

ENGINEER SAYS GM SUPPRESSED ADVERSE DATA ON CORVAIR

(By Morton Mintz)

A former General Motors engineer who played a key role in opposing lawsuits resulting from roll-over accidents involving 1960–63 Corvairs, says that GM suppressed its own adverse test reports to prevent them from surfacing in the courts.

GM, in a denial yesterday, said in Detroit that it "has identified or produced all documents which, in the opinion of its legal counsel, it was required to identify or produce."

The engineer, Carl F. Thelin, said that a superior once produced from "a back closet" a three-in stack of previously secret proving ground documents—but with a directive to Thelin not to copy them and to withhold them from GM's legal defense files and potential witnesses.

"Thus a witness could say he never heard of it," he told The Washington Post in a four-hour interview.

Thelin described the documents as "dynamite." He said that one of them, No. 17103, proved that with suspension systems such as those on later models the early Corvairs it would have been "almost impossible to roll over."

These and similar statements tended to support recent charges by Ralph Nader that GM executives possessed but concealed proving ground test data and films, unfavorable to the Corvair. Nader charged that these "conclusively proved" the early Corvairs to be "dangerously unstable."

Yet, Thelin feels that the early Corvairs, driven sensibly, are safe, especially in the hands of a public that, he believes, is by now familiar with criticisms of their handling characteristics.

In addition, he rejects—on engineering, practical and financial grounds—Nader's contention that the government should recall for correction the estimated 600,000 1960–63 Corvairs still on the roads.

Three weeks ago, GM President Edward N. Cole said that the test data and films cited by Nader were of "engineering development tests in which Corvairs, specially equipped with experimental parts, were intentionally overturned by experienced test drivers using violent maneuvers designed to overturn them."

That is correct, Thelin said. "The cars were intentionally overturned. That was the whole point, to make them less prone to roll over."

As a result, he said, GM modified the 1963 Corvairs to stop roll-overs and corrected subsequent models so that they would "neither rollover nor 'spin out.' The '65 was an all-new Corvair."

But none of this, Thelin said, means that Nader made "irresponsible and false charges," as Cole asserted on Sept. 7 in a letter to Secretary of Transportation John A. Volpe.

RECOLLECTION HAZY

Thelin said that four years have elapsed since the documents episode. Moreover, it occurred during a long, confused period of transition from one boss to another.

For these reasons, Thelin said, he is not now certain whether the superior who produced the "dynamite" documents and ordered them suppressed was R. A. Gallant or C. D. Simmons.

Gallant was staff engineer of the "Product Analysis Group" the cover name for the "Corvair defense group" in GM's Chevrolet Division, Thelin said. Simmons succeeded Gallant.

Gallant, reached in Detroit, said, "I don't remember anything about it." Simmons could not be reached.

Thelin was among the GM employees who were "entitled to have access" to the papers "as and when required in the performance of their duties," the company said yesterday.

The papers had been "in the custody of his superiors and presumably were made available to Mr. Thelin and other employes by his superiors on that basis," GM said.

Thelin, in the interview, described in detail various methods used by the Corvair defense group to frustrate plaintiff's lawyers' interrogatories—the written questionnaires which the courts require be answered.

"We felt that some of these guys were planning to screw GM just because it had billions of dollars," he said.

The defense group never used as witnesses the "old fogies who designed this car," Thelin said. "We were told that some of these guys had to be kept off the stand because they would look like fools."

That's why GM recruited the defense group, in which he was one of about a dozen engineers, Thelin said.

"Our witnesses were very knowledgeable, very expert; more than that, they had good rapport with jurors. They would avoid engineering words; talk to the jury, not past them. They were anxious to testify and had good speaking voices."

STAR WITNESS

The "most effective witness" was Frank J. Winchell. Thelin said. "He could wow that jury."

Winchell, then director of Chevrolet's research and development engineering center in Warren, Mich., and now a special assistant to GM president Cole, had recruited Thelin in September, 1965, for the Corvair defense group.

Winchell has "personal magnetism", Thelin said. "He is a good engineer and a hell of a man. He's a leader. Whatever the word 'leader' means, he's that kind."

Thelin emphasized his belief that serious design problems in the Corvair were neither inherent nor unavoidable. They resulted, rather, from engineering incompetence at middle-management levels, he said.

Young engineers, he said, could look at the car and instantly spot a needless design fault.

Thelin had first told his story to Gary B. Sellers, legal consultant to Ralph Nader. Then he told it to Frank W. Allen, a GM lawyer, and finally, to a reporter. In each case his cooperation was requested, not volunteered:

"I've got to tell the truth," he told the reporter at his home near Buffalo, N.Y.

He recalled that GM lawyers, discussing how to behave on the witness stand, had advised him, "Never attempt to lie. Just tell the truth—what you know. Then you don't have to keep track of what you've said."

"I'll always live by that," Thelin told me. "It's a good way to live. If I'm asked a question I'll go straight down the middle".

Thelin began his travels "down the middle" of the Corvair controversy when Sellers, acting for Nader, came to see him the night of Sept. 3.

This was on the eve of Nader's public charge—made in a letter to Secretary of Transportation Volpe—that GM had for about eight years suppressed adverse proving ground reports and films on the early Corvairs.

Nader had first come to prominent public attention as a Corvair critic. This was almost five years ago, when his book, "Unsafe at Any Speed," was published. Then, early in 1966, came the famed "snooping" episode. Finally, in May 1969, with sales way down, GM stopped making the car. With that, the controversy apparently faded away.

In recent months, however, secret sources have been supplying Nader and Sellers with new information and documents in which Thelin's name repeatedly cropped up, Sellers said.

Sellers undertook a search for corroborations. It was for this purpose that he went to see Thelin, who now heads the vehicle test and design section of the Cornell Aeronautical Laboratory, Inc., in Buffalo (of which GM is a client).

Five days later—after news media had carried stories on the Nader and Cole letters to Volpe—Sellers made a second visit to the Thelin home. This time, Thelin invited him to dinner.

The next day, Sept. 10, Frank Allen, the GM lawyer with whom Thelin had worked closely in the Corvair defense group, phoned. He began with a cheerful "Hi, Carl, old buddy," and then led up to the Nader and Cole letters.

In the conversation with Allen Thelin volunteered that "Nader's people" had contacted him.

Thelin said he told Allen, in "a brief resume," that he had confirmed the authenticity of materials which Sellers had brought to him. These included copies of the "dynamite" documents.

Allen said, "Oh, boy."

He proposed to see Thelin in Buffalo. Thelin agreed.

The next day at the same dining room table where Sellers had questioned Thelin, Allen interviewed the engineer for "a solid four hours without interruption."

"We remain friends," Thelin remarked.

Thelin, 40, is a graduate of the University of Wisconsin, a mechanical engineer, a "car buff," a Republican, an active Baptist layman and former head of the safety council of St. Clair Shores, Mich.

He came to GM in 1955 and became a front-wheel-drive, chassis and steering specialist on the engineering staff. His design innovations culminated in the experimental models of the Oldsmobile Toronado—"my claim to fame."

At the time, members of the American Trial Lawyers Association (ATLA) had filed the initial batch of what ultimately would become more than 300 lawsuits in behalf of persons injured or killed in Corvair roll-over accidents.

"We felt that ATLA was seeking to expand the product-liability business, and that they singled out the Corvair because of its uniqueness," Thelin said.

The Corvair was the first mass-produced American car with an engine in the rear—and an air-cooled engine at that. It entered the economy-car market in the fall of 1959.

And so Thelin went to work for Frank Winchell as if he were joining in a "French Foreign Legion" type of adventure, an enthusiast anxious to make "a sacrificial effort to defend the right of engineers to make design innovations."

In addition, Thelin felt he was aiding the cause of "fundamentalist" design engineers, who had been "low men on the totem pole," against the cause of the production engineers.

Thelin's assignment was engineering liaison with GM's legal staff, especially Frank Allen, but he had certain specific primary and secondary missions.

First of all he had to provide "engineering support for the defense of any Corvair case," such as accident investigation.

He traveled a lot to look at wrecked Corvairs and to try to figure out what had happened. Many times, at the GM proving ground in Milford, Mich., he tried to duplicate the accident site. "It was fun, man, an exciting job," Thelin said.

After a time, he also became responsible for producing 16-millimeter, widescreen sound movies to be shown to trial juries.

Thelin would make such movies after a plaintiff, in a pre-trial deposition, had described in his own words how an accident had occurred—say, on a curve on a country road.

With the plaintiff's description as a shooting script. Thelin and his colleagues would duplicate the accident—sometimes even at the original site and with competitive economy cars of the same model year as the particular Corvair.

"Everything was entirely on the up-and-up," Thelin said.

"We would show that the Corvair went through this like all the other cars," Thelin said. "Then we would show, as a clincher, how recklessly you had to drive in order to have an accident, although our skilled test drivers could prevent one.

"Our defense was principally, almost always, that you had to drive in a very reckless manner in order to take the Corvair beyond the 'limit of control,' and that limit was higher for the Corvair than for competitive models of the same year," Thelin continued.

"The camera was in the back seat, viewing over the driver's shoulder, with a wide-screen lens giving close to normal vision," he said. "The movies would knock your eye out, they were so good."

EDUCATING LAWYERS

Thelin also had a couple of continuing "background" missions.

One was "to conduct seminars on vehicle dynamics for the benefit of lawyers, who had to be given a survey course in the subject so they could question witnesses intelligently." The defense lawyers were not only those on GM's staff, but also those from law firms the company retains in every state.

A second "background" job was "to acquire, index and write critiques" of materials that might be construed to be critical of the Corvair.

Some of these materials were "internally originated," such as reports on proving ground tests and Corvair shop manuals and sets of specifications. Others were "public originated," such as the Nader book and articles in car buff magazines.

In any event, Thelin's job was to process all of these materials for the legal defense files, so that GM witnesses "could study and rebut" criticisms.

Some of the "internal" materials were "freely offered" to plaintiffs' lawyers, Thelin said.

But there was a feeling, which he shared, that "we owed them no favors, and we had to give them what the law required and no more."

In a Chicago case, the decision was to "pile on the answers, snow them, bury them under material," Thelin said. The defense group shipped out a wallful of boxes of technical materials that the plaintiff's attorney "couldn't understand" and that would leave him "glassy-eyed in two hours," he added.

GM, in its statement yesterday, said that as an engineer, Thelin "had no legal training or experience qualifying him to construe discovery questions, subpoenas and other court documents."

"DEVIL'S ADVOCATE"

As Thelin continued to search for critical material, playing the role of a selfscribed "devil's advocate," he said. "I eventually got to the point where I was looking for some material I couldn't find."

He came to believe, for example, that there must exist proving ground test reports that he hadn't seen. He persisted in making inquires about this.

"Somebody—Simmons or Gallant—finally said, 'Here they are,'" Thelin said. That was when the "dynamite" documents came out of the closet and when he was told that, above all, he must not show these papers to potential witnesses. After that, he himself was "kept out of cases where he might be called," he said.

Thelin said the documents, which, oddly, included some in the public domain, consisted of proving ground reports and films on Corvair "ski path" tests and other "runs" made as early as 1961.

These materials have "purposeful attention" to handling characteristics, particularly roll-over possibilities, with various types of equipment, he said.

Thelin said he put the documents in a binder or folder. "I'm not a counter-espionage guy," he remarked.

The binder or folder was "not identified in a provocative manner," he said. He kept it in an open bookcase in his office. A few others in GM, including his office assistant, knew of it, he said.

Thelin said that one document in particular was "damning." It was "never offered to any plaintiff's attorney," at least while he was at GM, he said. Yet, in his view, GM was obligated to produce it in response to certain interrogatories.

KEY DOCUMENT

This document was No. 17103, the one which, according to Thelin, established that the early Corvairs would have been "almost impossible to roll over" had they had different—and differently positioned—suspension equipment similar to that on 1963 and later models.

All internal GM references to the document "misidentified" it, Thelin said. Therefore, "I could say there was no 17103."

The "mis-identification" was caused by an extra zero, the origin of which is unknown to him, Thelin said.

The extra digit transformed "17103" into "170103." Ultimately, Thelin said, he discovered that it had been established at GM some time earlier—in writing—that "170103 is really 17103."

GM in its statement yesterday, said it had not produced 17103 "because in the opinion of our counsel, it has not been called for." However, GM said it has turned over this and related materials to the Department of Transportation and a Senate subcommittee.

"That's when my stomach started to churn," Thelin said. "That's when I knew I was getting into deep water. Ignorance is a wonderful thing."

He said that the gung-ho feelings he had brought to his mission at Chevrolet now were sounding "a little bit hollow."

It began to seem to him that there was a possible pattern emerging from such elements as the "dynamite" documents, the exclusion of Corvair designers as GM witnesses and the odd addition of a digit to the 17103 paper.

Another important point increasingly troubled Thelin. He believed, as his own work for GM had shown, that the Corvair was not more prone to accidents than comparable cars of the same model year. Indeed, he said, "a Corvair driver had a better chance of avoiding single-car accidents, because of better brakes and handling."

What struck him, however, was more and more evidence that when there is an accident of a kind that generates "lateral acceleration, or side force" tending to overturn the vehicle, the consequences in an early Corvair are "more severe."

He put it another way: In an emergency situation in which a driver, say, seeks to avoid an accident, there may come a point at which

certain maneuvers take a car out of control. Then it will no longer do what he wants it to do.

In such a situation, Thelin said, conventional cars tend to continue more or less straight ahead. The early Corvairs tended to "spin out to either side, but could also turn over," he said.

Thelin said that although he was "bothered" he continued to work.

In December 1966, GM settled a large number of Corvair cases brought by a Los Angeles law firm. This Thelin said, "took the pressure off, or relaxed it."

At about that time, he continued GM management "perceived an oncoming recession," with the result that it ordered a 10 per cent reduction in the work force.

THELIN QUITS

Thelin was transferred to a body drafting job at Chevrolet, "a kind of work I intensely disliked." In addition, he no longer had the use of a company car and similar prerequisites. After two months of "humiliation" he quit.

Thelin went to Uniroyal, the tire company, and stayed a year and a half. Then, in March, 1969, he grabbed a chance to move to Cornell Aeronautical, where he does automotive safety work.

Thelin was himself the owner of a Corvair, a 1962 model. He was then not yet aware of any controversy about its safety and considered it a "cute little car."

He read Nader's "Unsafe at Any Speed" early in 1966.

"My initial reaction was the straight party line," he said. "Here was a smartaleck out to make a lot of money criticizing our good little car. We thought he was paid by ATLA."

BOOST TO ENGINEERS

He feels differently today. "Ralph Nader, through his book and other activities, has enabled 'fundamentalist' engineers to have greater design responsibility for the finished car," he said.

And because Nader "helped to elevate, to free, the design engineer," Thelin said, the cars of recent vintage are much safer vehicles than those of only a few years ago.

When Nader released his letter to Volpe, a GM spokesman said, "We deny his charges and reiterate that the Corvairs are safe and effective cars to drive."

Later, GM president Cole, in his reply to the Secretary, said "I want to assure you that General Motors and its executives have been faithful to their public trust."

In March, 1966, after the "snooping" episode, the Senate Subcommittee on Executive Reorganization held a hearing. The Corvair and its safety was a central issue.

GM president (now chairman) James M. Roche, testifying under oath, put into the hearing record a highly favorable report on the Corvair which Chevrolet's Frank Winchell had previously given to a Michigan State Senate committee.

Now Nader, in his letter to Volpe, has attacked the Winchell report and has asked Sen. Abraham A. Ribicoff (D-Conn.), the subcommittee chairman, to reopen the hearing. An aide said Ribicoff has not reached a decision.

EXHIBIT 8

EXCERPT FROM TRANSCRIPT IN COLLINS v. GM, PAGES 3213–16

By Mr. HARNEY. Q. These tests that you have told the jury about were not in any way connected with the decision to put the Corvair on the American market, were they?

Mr. WHITNEY. Which tests are we referring to?

Your Honor, I object to it. He said these tests, Mr. Winchell has been on the stand for sometime and he has testified to many tests.

By Mr. HARNEY. Q. Each and every test you talked about in this case was never, ever done in connection with original decision to put the Corvair on the market, correct?

Mr. COSTANZO. I object to that upon the ground counsel has already referred to certain tests that were shown to the jury. When he follows that up with another question about this, obviously it leaves the impression he is talking about the tests that were shown to the jury. I object to the question, your Honor.

The COURT. Will you repeat your question?

Mr. HARNEY. Yes.

Q. With respect to each and every test that you as a witness have participated in in connection with showing to the jury, each and every such test was done in connection with litigation and not in connection with the decision to put the Corvair on the market?

A. The decision to put the Corvair on the market was made in 1957 or '58.

Q. Can you answer my question?

A. Are you talking about the 1960 or 1965 Corvair?

Q. I am talking about all the tests you have talked about in this trial in front of these twelve ladies and gentlemen plus the alternates.

A. Some of the tests that were ran were certainly related to the 1964 and 1965 Corvair. The 1960 Corvair, no.

Q. Like this set you brought in here, did you have that set?

A. Not that particular one but that is not a novel demonstration of lateral acceleration.

Q. Did you have such a thing to demonstrate the lateral acceleration of a 1960 Corvair?

A. No sir.

Q. No sir. How about this table here?

A. No sir.

Q. How about that chart behind you?

A. Well, this is a reproduction of a very ordinary chart that we use.

Q. In connection with the 1960 Corvair?

Mr. WHITNEY. May he finish the answer, Counsel?

The WITNESS. This is a chart, a reproduction of regular tire data. This chart was made specifically for the purpose that you see it here now.

By Mr. HARNEY. Q. Of the 1960 Corvair?

A. These tire characteristics were produced in this form to bring to this courtroom.

Q. Does it relate to a 1960 Corvair?

A. Yes, sir. There are tire characteristics for a typical 6:50–13 tire.

Q. When was that chart made up?

A. That was made in the past three or four months.

Q. There was no such chart made up for the 1960 Corvair?

A. There are many, many charts of that.

Q. Can you find one for me that was made before that car was put on the American market?

Mr. WHITNEY. There is no foundation for this question. Object to it, your Honor.

The COURT. The objection is sustained.

By Mr. HARNEY. Q. Do you have any with you that you could point out to me that were made before this car was put on the American market?

Mr. WHITNEY. Object as argumentative unless there is some foundation he has brought all the engineering data.

The COURT. The objection is overruled.

The WITNESS. I did not bring any such tire data with me.

By Mr. HARNEY. Q. What would you call such tire data?

A. Well, the tire companies and the General Motors Corporation as well as other automotive business——

Q. The only question is, what do you call it?

A. I am trying to tell you there are tire characteristics curves for all tires.

EXHIBIT 9

EXCERPT FROM TRANSCRIPT IN COLLINS v. GM, PAGES 3856–58

By Mr. HARNEY. Mr. Winchell, since you have been here in San Jose, have you seen any General Motors test on the lateral stability or the directional stability with instrumentation of the Corvair automobile?

A. Since I have been in San Jose? That would be tests conducted here in San Jose?

Q. No, the physical presence of any such report in San Jose since you have been here?

A. Yes, I think so.

Q. And you know where such test reports would be located?

A. I was shown a stack of material that I understood had been submitted to the plaintiff in this case and was asked was I familiar with these tests. I said I couldn't say. Some of them I had some familiarity with, some I did not.

Q. I am asking, Mr. Winchell, about lateral stability and directional stability tests on the Corvair with instrumentation. Do you understand my question?

A. Yes, sir.

Q. And you have seen such reports?

A. There were quite a few reports there. Some of this test, I seem to recall having seen several roadability tests.

Q. With instrumentation?

A. Yes, sir, all the roadability tests are with instrumentation.

Q. What type of instrumentation?

A. I don't know precisely what type, but I know the data they get. What particular instruments they used in getting it, I can't testify to that.

Q. Would it be correct that the only instrumentation in any test of what you are aware of was in the one mile an hour test?

A. If I understand your question correctly, absolutely not.

Q. Then you have seen other test reports pertaining to the laternal stability and the directional stability of the Corvair with instrumentation, true?

A. If I understand your question correctly, yes, sir.

Q. You have seen it here in San Jose?

A. I saw the reports that I spoke of. I saw the data that I read to you in evidence. I saw the photographs that were submitted in evidence. I saw the film that was submitted in evidence of this one and a half mile and hour test. That is all I can recall at the moment.

Q. Any moves you have seen of any lateral stability or directional stability test is the one mile an hour test correct?

A. I believe that's correct; yes, sir.

Mr. COSTANZO. Are you referring only to the Corvair automobile, Counsel?

Mr. HARNEY. Yes, sir.

EXHIBIT 10

CADET STUDIES—APRIL 16, 1957

CONCLUSIONS

From looking over our Cadet drawings again I get the general picture as follows:

Frameless car of about 2650—2800 lbs. curb wt.

Wheelbase longer than standard in relation to car length—approx. 119" w.b.

Vee 6 engine set longitudinally ahead of axle, with unit torque converter transmission back of drive gear and hollow pinion hypoid drive.

Rear swing axle with pivot at wheel center height.

Diagonal positioning of swing axle pivot centers to be kept as small as possible to avoid toe change in rear tires.

Considerable argument in favor of torsion rods.

Rear brakes in the wheels rather than central.

Swing axle of open A frame type.

Front suspension still in doubt. Wishbone (SLA) type with longitudinal torsion rods would be preferred except that unless arms are very short they interfere with trunk space. The steering linkage also interferes. The reversed Porsche has evident advantages, but we cannot claim to have produced a good design. Possibly use Porsche laminated torsion rods.

Spare wheel horizontal behind front

bumper, as on Renault Dauphine. Battery forward. Gas tank at rear beside engine.

Radiator beside engine. Air intake ahead of rear wheels. Air exit behind rear window.

Thinner seat backs needed.

Muffler transverse behind power unit.

Synchromesh box and gear shift mechanism was not studied.

In attached notes I have listed objections to rear engine but not its advantages. Perhaps these are:

(1) The least expensive construction possible.

(2) Improved accessibility.

(3) Better traction, especially in winter driving.

(4) Less roll for a given roll stiffness.

(5) Longer wheelbase giving improved handling (with front-rear weight ratio properly controlled.)

(6) A completely flat floor. Flatter than a front-drive which has to bring the exhaust back.

(7) Light steering.

(8) Better isolation of engine noise is possible.

(9) A more uniform riding quality when light and fully loaded, because more uniform ratio of front to rear deflection under all conditions.

(10) Beaming deflection reduced because torque reactions are carried directly in the power plant mass, which again is housed in the stiffest portion of the body-structure.

(11) Reduced power consumption at speed because no power lost in air turmoil under the hood.

(12) Greatly improved braking because of uniform load distribution in deceleration.

MAURICE OLLEY.

Some of the ideas are illustrated in the photostats of the Styrofoam models which have been handed to you.

As far as possible the drawings are listed in chronological order.

They cover, 7 engines, several transmission variations, front drive, rear engine, and front engine rear drive.

The engines are:

2 cycle 4 cylinder barrel.

2 cycle 4 cylinder X engine.

Flat 4 air cooled.

Flat 6 air cooled and water cooled.

Vee 6 water cooled.

Vee 8 water cooled.

Line 6 water cooled.

A variety of front suspensions is shown. Most interesting for a rear engine, frameless car is the "Reversed Porsche", since this offers an opportunity for clearing the front compartment floor to give maximum front baggage space. By using a longer lower arm, or by "splaying" the upper and lower arms, the pro-dive tendency of the pusher suspension can be avoided, and a good steering geometry can still be obtained.

A variety of rear suspensions is also shown, but, in view of our expl. work the swing axle with normal center height appears to be the only one of present interest.

Front drive

The front drive study started from the consideration of the design faults, of today's standard car, in which we go to immense expense and trouble to carry the drive from the heavy end of the car to the light end, where under moderately slippery conditions we cannot get traction.

It was shown that, given a highly unconventional engine design, it would be possible to build a front drive car with a short hood, short wheelbase, and short overall length. Mario Revell, and Styling generally, were quite in favor of a front drive car, which puts a large mass between the front wheels, and is good for controls & car heating. It offers big savings in simplified body construction.

We purchased the Hotchkiss-Gregoire car, and were then strongly reminded of the fundamental steering troubles from driving through the front wheels.

With a conventional engine the front drive car appeared to be of grotesque shape. Interest in this waned.

Rear engine

Fundamental objections were:

(1) Lack of a station wagon design.

(2) Lack of baggage space.

(3) Lack of *rear* baggage space, for emergency carrying of bulky objects.

(4) Excessive rear weight with our present engines.

(5) Increased wheelbase—considered unsightly by Styling, especially with the reduction in rear overhang which we proposed.

(6) Gas tank location.

(7) Collision risks.

(8) Lack of a considerable mass between the front wheels to control wheel fight.

(9) Heating of car.

(1) The first appears insuperable. The Fiat "Multipla" or Volkswagen delivery Van designs are not a solution because of lack of rear entrance, unsightly appearance, and collision risk.

(2) (3) Accepting this, it still appeared possible to provide at least *some* emergency baggage space at the rear of the car, plus a good baggage space in front. To do this the spare wheel could be laid down flat just behind the front bumper, the battery could be tucked into a corner of the front compartment, at a moderate increased cost in starter cable, to help the weight balance, and a deep, but short, trunk space at the rear could be contrived just back of the rear wheels (But only with considerable reduction in engine accessibility).

(7) The forward flat mounting of the spare wheel helps to reduce collision risk. The "reversed Porche" suspension also involves a transverse structure at the toe board portion of the dash which helps to strengthen the front end. But the menace of the concentrated engine mass at the rear still remains. And wherever the gas tank is placed, even high up behind the rear seat as in the Vauxhall, it is still in the path of the engine in collision. (An exception to this is the Renault Dauphine).

(4) To obtain a reasonable weight balance (which we set at 40/60) it appeared essential to mount the engine *forward* of the rear wheels. Schemes of side opening rear trunk lids, for access to engine, were sketched. (These are not in attached list of drawings).

Even when so mounted the engine will need to be of aluminum to achieve 40/60 weight distribution, with 4 passengers.

This does not impose any penalty on overall car length, provided that one accepts a greater ratio of wheelbase to overall length than we use now, and that the rear wheels will come some 10" to 12" further back than at present relative to the back of the rear seat.

For a rear engine, the dimensions in the plane of the wheel centers, appeared to work out approximately as:

	Inches
Front wheel to dash	10
Dash to rear seat back	84
Rear seat back to rear wheel	25
Wheelbase	119

This 84" body length appeared necessary to obtain comfort with a 55" roof height because of the necessarily reclined position of the passengers, but a great deal hinged on the ability to produce a thin seat back to the front & rear seats. Some notice was taken of Vauxhall & other European cars in this respect. It was also doubtful what thickness was required between passengers and engine for heat and noise insulation. Rear engine cars in Europe have a bad reputation for engine noise because of noise transmission through the large rear panel. All except the Tatra which puts a wide baggage compartment in between.

The 40/60 weight distribution was tried out by "faking" a '52 Chev., with one hundred and twenty-four inch wheelbase and 40/60 wt. distribution. This handled distinctly better than a standard car.

Power plant

The 24"–25" dimension from rear seat back to wheel center at wheel center height could not be obtained with the Vee 6 engine, because of the engine height and slope of the seat back, except by abandoning the simple swing axle and using a semi-swing independent or DeDion, with twin-jointed drive shafts. This led us into various more complex transverse arrangements all of which are best forgotten, since they were all costly and clumsy.

Giacosa has pointed out that the principal production advantage of the rear engine car is the use of a *single power plant block* connected to the rear wheels by two simple drive shafts protruding from the differential. The swing axle is therefore the only acceptable rear suspension, and the reduced load variation on the rear wheels makes the swing axle acceptable on a rear engine car without a leveling device. However, torsion rods are preferable to coil springs to allow shop adjustment of standing height to meet weight variations due to air conditioning, different body types, etc., as well as to avoid the commercial load variation of coil springs.

Some difficulty arose in the location of the radiator. In fact the preference for air cooling was not a matter of weight so much as a feeling that, if cooling air was going to be hard to get, it would be preferable to dissipate heat at a higher temperature differential than a pressure loaded radiator could give us.

Some French figures indicated that a sports car consumed a lot of power with radiator open due to the power dissipated by the impact air in passing through the radiator and hood. In contrast the Renault 4 c.v. consumed less power with the cooling system in action than blanked off. (See Menthlery push-tow tests.)

This appeared to indicate that considerable engine power might be required for pushing enough air through a rear radiator. (Our attempt at a rear baggage compartment increased our difficulties, and was later abandoned.)

Side cowls for air intake were suggested, but it was noted that Tatra now take in cooling air through a scoop at the rear of the *roof*, passing down through hollow quarter panels.

Fiat take in air from the dead air in the wake, which at least has the advantage of sucking from a spot having atmospheric pressure, but which must be extremely bad for dust. (Note the objection to rear engine school buses for this reason.) Volkswagen do the same. Perhaps the dust objection is diminishing with modern roads. The side intakes of the Renault Dauphine appealed to Styling, who made sketches on this line.

Much must depend on the body shape. For instance with a modern broken back-line, there is considerable depression back of the rear window, which makes this a desirable place to *discharge* air rather than take it in. (Incidentally an openable rear window would be impossible in this case because of fumes.)

For an engine of the size contemplated it appeared that side cowls ahead of the rear fenders, with discharge vertically upward back of the rear window, and twin radiators facing forward either side of the engine block, might be best.

Transmission

The best suggestion for a transmission and bevel drive, was a shortened torque converter back of the hypoid ring gear, with drive back from the engine through a hollow

pinion. We were helped in this by designs for a *front-drive* car, with engine back of front wheels, from Thorne's department. (We have these prints—L3–1110, dated April 16/54.)

These included the Kelley central brake which at one time we thought of using, but I now think that disc brakes in the wheels are preferable.

The trouble with the drive back through the hollow pinion is to get the two inner ends of the drive shafts close together, for maximum length of swing arm. The drawings show that, by using a form of spur differential, it is possible to get the centers of pot-and-block U–joints only 5" or 6" apart giving on a 58" track, a swing arm length of 26". 6" center distance was used in our own swing axles.

There was some question whether or not to use a common lubricant for transmission and hypoid gears. The bevel differential cannot be used without drastic shortening of swing arm length. (Several studies of this by Valukonis.)

There is a question in my own mind whether, with E.P. oil, the common DeDion pot-and-block joint (as used by Lancia & Fiat) is not as good as, and cheaper than the Chrysler type with pot and spherical roller.

There were no designs made for 3 speed synchromesh transmissions. In 1954 we seem to have assumed that by 1959 (?) the synchromesh would be dead.

The only other type of drive which is of possible interest is the U.S. Rubber toothed belt drive. Our one expl. set up where such a drive was mounted right below the front floor in a split torque-converter transmission, showed the extreme silence of this type of drive. It ran less than 400 miles, but we did not expect it to run this far. Rumor (through U.S. Rubber) is that Styling are making further developments along this line.

There is no question that, once the partial rear trunk is abandoned, the best engine accessibility is obtained with the engine back of the rear wheels. We concluded that a reasonable (40/60) weight balance was not to be had with this arrangement and our engine sizes (say a 180 c. in. Vee 6). Perhaps, we did not look at this hard enough with an aluminum engine, but I don't think so. Mounting the engine ahead of the wheels forces a 25" dimension from seat back to wheel center, and it is this dimension which provides the 40/60 weight distribution.

A side-opening hood on the rear was proposed for accessibility, but is unpractical for car-structure. A good trunk lid with a Vee 6 engine and side-radiators, will provide better accessibility than we have today.

Swing axles

We have drawings of nearly every type.

Single Joint.—Low center. The swinging rear axle casing evidently means a cost increase on a rear engine car. Besides this the single joint axle involves large joint angles, beyond the capacity of a pot-and-block joint. This was discarded.

Low Center—Two Joint.—Several drawings of this in various forms. Our tests on expl. cars shows no necessity for the low center, which has the fault of causing small misalignments of the axle shafts in the wheel bearings and therefore requiring a self-aligning bearing at the wheel. Also produces considerable slide in the U-joints (increased cost and shorter swing arm radius). Also some brake drum misalignment, and a disc brake is almost impossible.

Thus I think we can forget the low center swing axle.

Conical or parallel swing.—The open Vee arm type of swing axle such as we have built experimentally, with axle shafts running in the open, seems to be the best type for construction cost and general convenience. We have drawn parallel and conical swing types. We have built and run only the conical swing, having a "virtual radius arm" of about 45", which is too great for very much anti-lift in braking, but avoids excessive toe-change.

It is not proven that even this amount of toe change is desirable, but we think it is less than on the Volkswagen. The Mercedes has no toe change since the axle stays straight in plan view. The effect of the Volkswagen toe change on tire wear is not known.

In the original Mercedes swing axle the rear wheel forces were carried entirely by the drive casing. On the new Mercedes swing axles driving and braking forces are carried almost directly to the rocker sills. The same is true on the Volkswagen, but lateral forces are carried to the power plant, which must be stiffly mounted to receive them. Our own diagonal swing axles carried all rear wheel forces direct to the frame, and this seems true of the Fiat 600 also, so that the power plant may be mounted to carry only its external driving torque to the best advantage.

Of the various types the Fiat 600, which is almost the same as our own high center swing axle, appears the best.

I believe it would be very desirable to take another look at the swing axle with a view to using torsion rods. This may imply parallel swing, which is probably best for tire wear, although lacking brake drive compensation. Also, it carries almost all the normal road forces straight forward into the body structure, & allows height adjustment.

A compromise between parallel swing and our present design with the torsion rods slightly diagonal and anchored to the rocker sill, may be best.

Front suspension

There were several studies of "reversed Porsche" suspension.

The styrofoam model photos show one form. Probably the laminated torsion rods (packed in grease) would be appropriate. We made tests and drawing studies of these.

With this suspension it was almost essential to produce truly parallel wheel motion, which we thought desirable. We could clear the front floor almost completely.

An objection was that we could get no "frame" forward of the dash, but only a "tin box". And therefore, the holding of the front bumper worried us.

Probably we made a mistake in departing from the original Porsche design of arms, which are forged and stuck into plain bearings in the ends of round-section cross tubes, being held on to the laminated rods only by taper-pointed set screws. We tried designs which looked a little safer than these set screws.

Perhaps we should have done better with the normal trailing arm Porsche suspension, but using only one cross tube in the lower position, to clear the front trunk floor.

Also as you will see from the photos, we tried a short arm wishbone suspension with anti-dive, but got in trouble trying to keep the steering linkage clear of the floor. Perhaps such a suspension, with longitudinal torsion rods, could be combined with a low trunk floor.

As you will see from drawings and models a considerable amount of trouble was caused by our involvement with air-oil springing or Firestone (old type) bellows.

Tires

The need for tires with cornering power more nearly proportional to load seems a necessary part of rear engine development. The Europeans have been heading in this direction for years, with their long-cord tires. The American tire industry is also moving in this direction as one means to postpone the standing wave.

Although our 40/60 "faked Chevrolet" looked good, it may be desirable to urge U.S. Rubber in this direction, or to use sports car tires.

MAURICE OLLEY.

EXHIBIT 11

CORVAIR—JUNE 29, 1959

Weight balance

The typical American passenger car has an accepted place in the life of the typical American family. It has ample power, ample passenger and baggage space, a forward mounted V8 or line 6 engine, probably automatic transmission, and conventional rear axle.

It is likely to have such items as power steering, power brakes, air conditioning, and a dozen other refinements.

But, when it comes to designing the best possible *light* car, with a clean slate to start with, it seems desirable, rather than simply shrinking the dimensions of a standard car, to take a new approach.

You can say that this is simply for the sake of novelty. But it isn't. It is chiefly because of the disposition of the "payload", consisting of passengers and baggage.

Conventional cars locate the payload mostly towards the rear of the car, with a tendency therefore to establish an almost equal balance of weight on front and rear wheels, when loaded.

Consider for example a 4000-pound car with an added payload of 800 pounds, consisting of 4 passengers and 200 pounds of baggage, of which perhaps 600 pounds will fall on the rear wheels. The change in weight distribution between the light and loaded condition will not be serious on a car of this type, though the change in handling and ride is noticeable.

If the weight distribution of the empty car was 55 percent on the front wheels and 45 percent on the rear, the distribution when loaded will be equal front and rear. There is an impression that American cars are habitually running in a "nose-heavy" condition, and even that this is essential for handling stability. Actually some makes, with the heavier engines, are nose-heavy even with a normal passenger load, while others are loaded equally front and rear. The nose-heavy cars frequently call for higher inflation in the front tires than in the rear, to *avoid* excessive understeer.

The weight balance of the station wagon is radically different. In these the body is heavier on the rear wheels and carries more payload, so that the weight distribution when loaded will frequently be 40% on the front wheels and 60% on the rear.

Most drivers know that any handling difficulties in this condition can be avoided simply by increasing the inflation of the rear tires.

On a *compact* car with the conventional forward engine, weighing only say 2400 pounds empty, the addition of 800-pound load can change the weight distribution from one extreme to the other. The typical car of this type will have 55% on the *front* wheels when empty, and may have nearly 55% on the *rear* wheels loaded. When loaded the weight on the rear *springs* will increase by as much as 66 percent, so that if these springs are to have as much as 5" deflection under full load, they will have only 3" deflection when light.

With only 3" deflection one cannot expect anything but a poor ride, and, when the brakes are applied with the car lightly loaded, the rear springs are unloaded still further by the weight transfer due to braking, and may momentarily be almost completely unloaded Consequently the braking of such a car when lightly loaded may become fairly dangerous, especially on rough roads.

One has to consider how to make the lighter car comfortable to ride and steer, and safe to stop, *at all loads*, since it will certainly be used under all conditions from driver only, to all the load it will carry. We don't want it to ride with its tail high when light, or to sag down at the rear when loaded.

The evident solution is to distribute the weight of the empty car in the same pro-

portion as the average distribution of the payload. Then there will be no appreciable change in the balance of the car at any load.

A convenient average distribution of the payload is 40% front, and 60% rear, so it appears that the empty car should have the same distribution.

By building an aircooled engine of light construction just back of the rear wheels, with an integral aluminum transmission ahead of it, it is possible to concentrate all the driving mechanism in the rear of the car, and still (even with a light-weight integral body) come out with a 40/60 weight distribution, on the empty car.

Handling

The next question is—can a car with 40/60 weight distribution be designed to handle properly? Considering the existing balance of our station wagons when loaded, and of all commercial vehicles, there should be no doubts about this.

When the tires and the suspensions at each end of the vehicle are correctly adapted to their loads, the "forty sixty" will handle perfectly. And its great advantage is that it will handle in the same way at all loads.

To compare a car with an arrow is a complete fallacy. All that an arrow can do is fly straight in still air. The nearest comparison in an automobile is one in which the steering has been disconnected, so that only the rear wheels have any sense of direction.

A car must steer, and it does this by adjusting the direction of the front wheels, using the rear wheels as a point of reference or fulcrum.

There are two requirements for stable handling, and it's difficult to say which is the more important. One is that the rear tires must not be overloaded. If they are the car will wander whatever its other condition may be. The other is that the sense of direction of the rear wheels should be slightly better than the fronts. This gives the desired margin of "understeer."

A truck gets this result by fitting dual rear wheels. But a passenger car can get the same result without dual tires by simply using rear tires which have adequate cornering power for the load they carry. The contribution of the tire makers to this result is of first importance. Modern low profile, long cord tires, using Tyrex cord, and mounted on wide rims, have cornering power much more nearly proportional to load than anything which was available a few years ago. Thus there is now no need to use clumsy oversize tires on a rear engine car, or to use different tire sections front and rear.

All that is needed is to use normal inflation in rear tires of modern type and adequate size, and then to reduce the inflation of the fronts until, with the assistance of independent suspension in front and a swing axle at the rear, we have produced the desired margin of understeer.

Then we have got about the only design of light car which maintains its weight balance, and therefore, its riding, handling and braking characteristics at all loads.

We also have a number of other features—

1. We have a much improved body, excellently adapted for integral construction, since it is not weakened structurally by a central tunnel, or by being split in front to mount an engine. It can combine a low roof with ample head room, easy entrance and exit, adequate seat height, and a flat floor. The body has none of the road noise, engine noise, and shake in the front compartment so often associated with integral construction, in a light car.

(1) There are two reasons for this. One is the much better front structure due to the absence of the engine. The other is the use of large front tires with low inflation.

(2) Because of the lightly loaded front tires, the steering is light and precise, with effortless parking.

(3) A new type of power plant can be used, which would be too wide to fit between the front wheels, but which is ideal for rear mounting.

This is an extremely light air-cooled aluminum "flat-six", about half the weight of the existing Vee eights. It is in perfect balance, and forms one compact unit with the transmission and drive gears. High gear drive is "direct."

(4) Besides the saving in weight there are no water connections, water pump, radiator, no anti-freeze, and no boiling. Two minutes after starting the engine is up to temperature, the choke is off, and a great deal of the fuel normally used to heat up the cast iron of the engine, the cooling water, and the radiator is saved.

(5) Another saving is that the engine is cooled by fan only, not by the motion of the vehicle. Consequently the power usually consumed in the form of added head resistance needed to force air through the "cave of the winds" under the hood, is all saved. The fan intake is throttled by thermostat so that the power it consumes is only that needed for cooling.

(6) All parts of the power plant which require service attention are completely visible and accessible.

(7) The conventionally designed light car when carrying the driver only, is so close to unloading the rear end when braking on a dry road that little useful braking can be done with the rear wheels.

On the rear engine car front and rear brakes both do an equal amount of work, giving maximum life of the brakes and greatly improved stopping power.

The rear engine car remains almost level when braking, and there is no overloading of the front tires when brakes are applied hard.

(8) It is well known that traction in winter conditions or on soft roads is exceptionally good on a rear engine car. This is not simply because of the adequately loaded rear tires, but even more because the lightly loaded front tires pave the way for the rears. The practice of having the more lightly loaded wheels in front actually goes back to the days of horse-drawn carriages.

As compared with a 55/45 weight distribution the 40/60 actually gives an increase of 33% in the maximum acceleration without slipping the rear wheels on any paved road, wet or dry.

(9) The gas tank is protected behind the front suspension structure and housed within the structure of the vehicle. It is completely removed from the exhaust system, and immune from either front or rear collision damage.

Equally important, the entire fuel system is on the cool side of the engine. So that fuel loss by evaporation, which occurs on conventional cars in hot weather, is largely avoided, and vapor lock is unknown.

(10) Within the car a high degree of silence and coolness is secured by the absence of drive line and exhaust under the floor. For winter driving an air-flow heater is used, which gives instantaneous heat.

(11) There seems to be a belief that rear engine cars become unmanageable in a crosswind. In some of the known cases this is true. But it doesn't need to be. It comes about through going at the job the wrong way.

The cars in question appear to have started off wrong by overloading the rear tires. Then, when the vehicle has proved unstable, the designers have tried to restore "feel" to the steering wheel by using excessive caster angles, or even by putting centering springs on the steering.

Summary

Thanks to improved tires and improved supplies of aluminum, it is now possible to build a compact rear engine car with American standards of comfort and performance.

This is the only design of light car which maintains the weight balance, and therefore the required riding, handling and braking characteristics, at all loads. The weight distribution is 40% front and 60% rear.

Success of this weight distribution depends on adequate rear tires. The inflation of the front tires is then reduced till the handling of the car is correct. No excessive caster, centering springs, or other devices are used.

The results are—

An excellent body with lots of room, and a flat floor. The body is quiet and cool, without front end shake.

The fuel tank is protected, and the fuel line is cool.

The steering is light.

Braking is exceptionally good whether light or loaded.

The engine is accessible. It maintains its temperature at all times, and there is no warming-up period.

Traction in snow is immensely improved.

There's no question that the car is an outstanding success.

M. OLLEY.

(Copies of the attached sent to: H. F. Barr, E. J. Premo, R. Schilling, M. S. Rosenberger, J. L. Cutter (3), K. H. Hansen, W. R. Mackenzie, A. F. Baske.)

EXHIBIT 12

CORVAIR STEERING

(By Maurice Olley, written: April, 1961, publication date: December 1961—*GM restricted*—for Corporation use only)

PREFACE

Although the attached notes look a little technical, I have done my best to suppress all calculations and tables of figures.

The aim is to show:

(1) The fault with our swing axles today is that, because of their wide spring base and high roll center, we are carrying too much lateral weight transfer on the rear tires.

(2) When this weight transfer is made similar to that of a conventional car with a rigid rear axle, the swing axle performs just like a rigid axle (except that it should ride better).

It appears that further studies on the same lines are needed for Greenbrier, Corvair, Tempest, etc.

MAURICE OLLEY.

CORVAIR STEERING

Means have been found to predict steady-state skid pad curves with reasonable accuracy. These have been applied to independent front suspension, rear axles and swing axles. The results are based on an approximate mathematical representation of tire characteristics. They have now been applied to the Corvair.

Tire tests

To begin with, Fig. 1 and Fig. 2 represent flat-bed test curves for front and rear Corvair tires, supplied by GM Research. These indicate a friction coefficient for the tire rubber of 1.25.

We have reason to believe that this is too high for actual skid pad testing where the wheel and tire are less rigidly controlled.

Another doubtful point in the test is that the rise of cornering force at light loads with increased slip angle is shown as more rapid on the underinflated front tires than on the overinflated rears. Individual tire variations may account for this.

To obtain "synthetic" tire characteristic curves approximating to the tests, after trying various alternatives, I have adopted a friction coefficient of 1.0, and a linear decrease of cornering coefficient i.e. side force/vert. load as indicated on Figs. 1 and 2.

On the rear tires I get an accurate match with the test at 4 degrees slip angle. On the

fronts the match is not so good except at normal load of 600 lb.

It is thought that the calculated tire characteristics in Figs. 1 and 2, while they may not be strictly accurate, are a close enough representation of what actually occurs in skid pad testing to give a fair prediction of handling. My assumption of a parabolic rise of side force with slip angle probably is an understatement at light loads and small slip angles. But, since it is relatively easy to calculate and gives realistic skid pad curves, it is considered good enough for preliminary studies.

(EDITOR'S NOTE.—Figures 1 and 2, not printed here, are available in subcommittee files.)

CORVAIR (STANDARD 1961 SPRINGING)

The assumed conditions are:

W_f=1200 lb
W_r=1800 lb
W_t=3000 lb
Wheel track T_f=54 in. (4.5 ft)
T_r=55 in. (4.583 ft)
Length=108 in. (9 ft)
Ride rates K_f=88 lb/in.
K_r=122 lb/in. (PG test)
Effective deflection d_f=6.82 in. (.568 ft)
d_r=7.38 in. (0.615 ft) (Note: rear deflection 8½% greater than front)

Roll rate $R_f=\frac{88\times(54)^2}{1375}$=186.5 lb ft/deg (10690 lb ft/rad)

$R_r=\frac{122\times(55)^2}{1375}$=268.2 lb ft/deg (with tires) (15370 lb ft/rad)

R_f+R_r=26060 lb ft/rad
Height of C. G. (loaded)=21 in. (1.75 ft)
Rear roll center ht (h_r)=27.5/22.5×11.6=14.18 in.=1.18 ft
Rolling moment $Q=W_fH+W_r(H-h_r)$=1200×1.75+1800×0.57=3126 lb ft

Roll angle (P) when lateral acceleration (λ)=1,

$$P=\frac{Q}{R_f+R_r-Q}=\frac{3126}{26060-3126}=0.1363 \text{ rad } (7.8°)$$

(This is only about 68% of normal roll angle. The car is stiff in roll.)
Weight transfers (λ=1)

Front. $T_f=\frac{R_fP}{t_f}=\frac{10690\times0.1363}{4.5}$=324 lb

Rear. $T_r=\frac{R_rP+W_rh_r}{t_r}=\frac{15370\times0.1363+1800\times1.18}{4.583}$=922 lb

T_f+T_r=1246 lb

Roll couple distribution, 26% F. 74% R.

Note that, in spite of the over-soft rear springing, the rear weight transfer is still 2.85 times as great as the front.

Ackerman angle on skid pad=9/108=0.0833 rad=4.775°.

The steering characteristics are worked out by assuming the tire side forces of Figs. 1 and 2, and by first finding the slip angles and steering angles with a solid axle in the rear having the same spring base and roll center height as the swing axle.

From this preliminary calculation the side forces on the outer and inner rear tires can be figured. And, with these the lift of the rear end and the steering characteristics of the swing axle can be calculated.

The preliminary solution for a solid axle gives the following:

Lateral Acc. / g	λ=0.20	0.40	0.50	0.60	0.65
Fr. slip angle α_f	1.22°	2.70°	3.63°	4.765°	5.455°
R. slip angle α_r	1.255°	3.075°	4.56°	7.15°	9.35°
Stg. angle δ	4.74°	4.40°	3.845°	2.39°	0.88°

These are plotted in Fig. 3. The lack of curvature in the α_f line, and the upward curvature of the α_r line are an indication that the rear end is carrying too much roll couple, and that, *even with a solid axle*, there would be pronounced oversteer.

The next question is how much worse this is made by the swing axle.

To find this, we figure the side forces on outer and inner tires. These are in Fig. 4.

From this we can figure the vertical lift of the rear end of the car. This is shown in Fig. 4.

[EDITOR'S NOTE.—Figures 3, 4, and 5 are available in subcommittee files.]

SWING AXLE

R_r=roll rate
Roll center height=27.5/22.5×11.6=14.18 in. (=1.18 ft)

The axle is credited with the raised roll center O, but is thenceforth treated as a single joint swing axle.

Y_1 and Y_2 are outer and inner side forces.

These are "external," that is they don't include side force necessary to balance camber thrust.

Assuming that R_r contains the tire deflection, camber angles γ remain equal on either side of the car.

Then, since the spring base remains horizontal, the roll angle ϕ remains the same as in the case above of the solid axle. The thing that changes is the lift Δh, which occurs due to the side forces Y_1 and Y_2.

It appears reasonable to assume that the tires act like sections through the middle of a sphere, i.e. variations in track and wheel radius can be ignored.

Then.

$$\text{Lifting force}=(Y_1-Y_2)\left(\frac{h_r}{t/2}+\gamma\right)=(Y_1-Y_2)\frac{h_r+\Delta h}{t/2}$$

$$\text{Hence lift } \Delta h=\frac{(Y_1-Y_2)(h_r+\Delta h)}{\frac{W_r}{d_r}\times\frac{t}{2}} \text{ or } \Delta h=\frac{(Y_1-Y_2)h_r}{\frac{W_r}{d_r}\times\frac{t}{2}-(Y_1-Y_2)}$$

Using the side forces and calculated lifts of Fig. 4 and refiguring for the increased weight transfer due to the lift, and for the camber thrusts on the outer and inner wheels due to the camber change in the rear wheels, we get the increase in rear slip angle shown in the curve marked "Sw, Ax" in Fig. 3, and the corresponding curves for side thrust on outer and inner wheels shown in Fig. 4.

It can be seen that although, under this high roll couple, the swing axle acts somewhat worse than the solid axle, the change is not great, and Fig. 4 shows that the side forces are so much alike that there is no need to refigure the swing axle, using the revised values of Y_1 and Y_2.

(These predicted test results appear to be a bit worse than the latest actual test results. Meaning perhaps that the actual tire characteristics are better than my assumed characteristics on Figs. 1 and 2.)

It has been found in earlier studies that the departure between swing axle characteristics and those of the solid axle decreases rapidly as the roll couple carried on the rear end is decreased.

So, to simplify the figuring, it seems adequate to study how a solid axle would behave under reduced roll couple.

This is done in two stages and is shown in Fig. 5.

(1) Rear Roll Rate is decreased and Front increased until the lateral weight transfer is only 50% greater in the rear than the front i.e., F. 40%, R. 60%. At the same time the roll stiffness is slightly decreased to increase the roll angle from 3.9° to 4.3° at a lateral acceleration of 0.5g.

This results in a completely neutral steering, the front and rear slip angle curves being practically identical, as shown in Fig. 5.

(2) In this case the total roll stiffness is still further decreased to permit the vehicle to roll to a conventional roll angle of 5.73° (0.10 radian) at 0.5g lateral acceleration. This is suggested to slow down the roll frequency to match up more closely with the pitch and bounce frequencies for the sake of ride. It would be desirable at the same time to stiffen the rear ride rate so as to "flatten" the ride.

The roll rate at the rear is now decreased to an almost nominal figure of 73 lb ft/deg such as might be obtained from a substantial rubber pivot joint on a transverse leaf spring together with the rubber joints on the wheel arms.

The aim is to obtain *equal* lateral weight transfers front and rear, i.e. *50/50 F. & R.* And the result, as shown in Fig. 5, is a substantial understeer.

The comparative roll rates (with tires) are:

[In pounds feet/degrees

	Present Corvair	Case (1)	Case (2)
Front roll rate	186.5	264	254
Rear roll rate	268	155	73

The above two examples are worked out for solid rear axles. It is shown that in the present Corvair the swing axle, due to lift, handles rather worse than a solid axle, but other studies have shown that this effect of the swing axle decreases rapidly as the roll couple carried by the swing axle is decreased.

In fact a swing axle which carries the proportion of the roll couple normally carried by a rigid axle will perform almost exactly like a rigid axle, as regards steering, and will ride better because it does not tranp.

TRACTION

The angles plotted in Figs. 3 and 5 do not include traction effects. Studies in "Steering Notes" have shown the oversteering effects of rear traction, appearing chiefly at lateral accelerations above .5g. The traction effect could be expected to make the sudden oversteer of Fig. 3 considerably worse. But here, as in the case of swing axle lift, the deterioration due to traction is extremely sensitive to the roll couple carried by the rear end, so that, in case (2) of Fig. 5, it will virtually disappear.

TIRES

The other thing that appears from these studies is the extreme importance of the tire characteristics. The increased cornering power of the rear tires virtually "saves the life" of the Corvair.

NOTE: As an addition to Figs. 4 and 5, I have added the figured lift, side forces, and steering characteristics for case (2) above. These confirm that with the reduced weight transfer on the rear the lift is reduced, and the steering is almost the same for a swing axle as for a rigid axle.

EXHIBIT 13

RIDE RATE AND ROLL RATE TEST: CAR NO. 0104, CHEVROLET

General Motors Proving Ground, Milford, Michigan.
Date, March 17, 1959.
Report No. PG–10841.
Test Run For Chevrolet Motor Division, W. O. No. 806–3.
Confidential: Prepared for the use of the Chevrolet Motor Division only.
Requested By P. J. King.
Report Sent To P. J. King.
Report Prepared By P. Garthe, F. Oxford, Engineering Test Department.

DISCUSSION

This test was performed using the procedure outlined in Report No. PG–2672–10 with the following exceptions:

(1) The rear doors were removed to permit attachment of the loading equipment near the vehicle center of gravity.

(2) "Weaver" plates were placed under the rear wheels to accommodate the tread change during the test. Since the travel of these plates is limited to approximately three inches, portions of the ride rate curve on both sides of the design range have a different rate caused by the restricted tread as the "Weaver" plates reached the end of their travel. The spring rate published is that obtained through the free tread travel portion only. This free travel portion of the curve lies below the full design load but it is assumed that the spring rate would be essentially constant through the design range if free tread travel could be provided.

(EDITOR'S NOTE.—The graphs that were made a part of this exhibit are not reproduced here. However, they are available in subcommittee files.)

GENERAL MOTORS PROVING GROUND—RIDE RATE AND ROLL RATE—DESCRIPTION AND TABULATION OF RESULTS

[Report No. PG–10841—Car No. 0104]

Car, Chevrolet; year, 19—; body type, 4-door sedan; transmission, manual 3-speed; tires, Firestone; size, 6.50–13; pressure—front, 17; rear, 29; test weight (lb.) car, 2,376 plus load, 600 equals 2,976; wheelbase (in.), 106; passenger distribution, 2 front, 2 rear.
Suspension: Front—Type springs, roll stabilizer, diameter (in.), 0.5; track bar, tread (in.), 54.3. Rear, 54.3.

TEST RESULTS

	Car weight (lb)	Ride rate		Roll rate		
		Test weight (lb)	Ride rate (lb/in)	Test weight (lb)	Roll rate (lb-ft/deg)	
Left front	457	598	84	598	(1)	(2)
Right front	451	590	81	596		
Total front	908	1,188	165	1,194	239	172
Left rear	737	895	172	898		
Right rear	731	900	165	891		
Total rear	1,468	1,795	337	1,789	372	374
Total car	2,376	2,983	502	2,983	611	546
Percent front	38.2	39.8	32.9	40	39.1	31.5
Odometer	4,818	4,818	4,818		4,818	
Date	3/16/59	3/16/59	3/16/59		3/16/59	

[1] Front stabilization, conn.

[2] Front stabilization, disc.

REQUEST TO GENERAL MOTORS PROVING GROUND FOR PERFORMANCE OF TEST

Car No. 0104.
PG Job No. 20–616.
Report No. PG 10841.
Report completion date 3–17–59.
Report author Garthe & Oxford.
Date 3–13–59.
Request by Mr. P. J. King of Chevrolet Division.
Division: Test No. ——— T. R. No. ——— W.O. 806–3, Project No. ———.
Requested of Proving Ground: Engineering Test.
Send 9 copies of report to P. J. King.
Is preliminary copy of data essential? No. ———, Yes X, Send to W. L. McCollum (Ext. 341).
Desired test completion date 3–16–59.
Name of test Ride and Roll Rate.
Test objectives: Please measure Ride Rate and Roll Rate with and without the stabilizer bar.

CAR DATA (ESSENTIAL—FILL IN ALL PERTINENT BLANKS)

Car: Make ———, Model 19xx, Year ———, No. ———.
Body style 4 door, transmission ———.
Speedometer gear ratio ———, Axle ratio ———, N/V ———.
Engine ———.
Bore ———, Stroke ———, Displacement ———, Firing order ———.
Odometer at which carbon was last removed ———, nominal compression ratio ———.
Type of fuel ———, Engine oil ———.
Tires: Make ———, Size ———, Cold pressure: Front 14, Rear 26; Tread width: Front ———, Rear ———.
Test weight: Curb ———+Load ———= ——— Pounds.
(NOTE—Cars for time-distance tests to be delivered at least 550 lb. below specified test weight).
Other data required: Rim at curb plus necessary added weight for equipment.
CC: Engineering Test, P. J. King, C. L. Caswell, R. K. Hirchert, W. L. McCollum

Signed: N. E. Farley.
Position: Director.
Division: Chevrolet.

EXHIBIT 14

CHEVROLET,
March 20, 1959.

To: C. M. Rubly, Engineering Center,
From: W. L. McCullum, Proving Ground.
Subject: Stabilizer Bar H–25 Cars.
CC. M. M. Roensch, M. S. Rosenberger, K. Hansen, C. H. Fehlberg, R. C. Emig, N. E. Farley, P. J. King.

On car 0104 measurements of ride and roll rate were taken, and ride evaluations conducted with and without the stabilizer bar with the latest springs (570 lb./in. rear rate and 168 lb./in. front rate). This car with latest engine mounts is a very good handling car either with or without the stabilizer bar. Without the bar there was a slight loss in straight ahead stability and an improvement in cornering. There was no noticeable increase in roll when the bar was removed and the ride balance is improved.

The measured ride and roll rates are tabulated below:

	Wheel load	Ride rate (lb./in.)
Left front	598	84
Right front	590	81
Left rear	895	172
Right rear	900	165

	Roll rate	
	With bar	Without bar
Front	239	172
Rear	372	374
Total	611	546
Percent of front	39.1	31.5

W. L. MCCOLLUM,
Development Engineer.

EXHIBIT 15

(Rear Suspension Model Test Proposed full swing axle and others, May 13, 1958, 139–64)

ENGINEERING STAFF,
GENERAL MOTORS CORP.,
Detroit, Mich., May 13, 1958.

To: William C. McIntyre, Suspension Development.

The theoretic analysis of a proposed full swing independent rear suspension indicated that the car would roll in a severe turn instead of sliding. Therefore, Suspension Development built a ⅜ scale model of this rear suspension to determine if the theoretic reactions of the suspension geometry were correct.

The proposed full swing independent rear suspension was built as a ⅜ scale model. The swing axle pivots were at the same height as the centerline of wheels. A lateral force to simulate centrifugal force was applied at the center of gravity (C.G.) height through a spring scale. The wheels were then covered with a 40 grit emery cloth and set on a rubber slab which gave a coefficient of friction of approximately one. The force was applied at ten-pound increments and roll angle and lift of the body measured. Graphs were plotted of roll angle versus the "G" loading and lift versus "G" loading. Pictures of the model suspensions are also included in the report.

The test of the full swing independent with the inner pivots on the centerline of the wheels was followed by the testing of a four-link solid axle; a semi-swing independent with inner pivots two inches above the centerline of wheels; a full swing independent with the pivots four inches below the centerline of the wheels; a full swing independent with lateral leaf spring and roll bar and a full swing independent with interconnected flat spring.

CHARLES W. LATREILLE.

THE EFFECT OF LATERAL ACCELERATION ON ROLL ANGLE AND C. G. HEIGHT WITH FOUR EXPERIMENTAL REAR SUSPENSIONS

(By L. J. Kehoe)

REAR SUSPENSION BEHAVIOR

Summary

A series of tests were made to determine the effect of lateral acceleration on four types of rear suspensions.

Results

1. Conventional Four Link (Figure 1):

(*a*) Height of C. G. remains constant.

(*b*) Roll angle is directly proportional to lateral loading from .1 g to 1.05 g. At that point the car slides.

2. Semi-Swing Arm Independent with the Inner Pivots 2'' Above the Centerline of Wheels (Figure 2).

(*a*) Height of C. G. remains constant until about .5 g lateral loading. It then increases until car slides at .90–.95 g.

(*b*) Roll angle is negligible until about .4 g acceleration loading is reached. Roll then increases rapidly until at .90–.95 g the wheels slide.

3. Full Swing Independent with Inner Pivot 4'' Below Center-line of Wheels (Figure 3).

(*a*) Height of C. G. does not vary much, a slight fall being followed by a slight rise.

(*b*) The roll angle vs. lateral acceleration curve is practically a duplicate of that obtained with the four-link axle, essentially a straight line to 1.0 g acceleration, when the wheels slide.

4. Full Swing Independent with Inner Pivot on Center-line of Wheels (Figure 4):

(*a*) Height of the C. G. does not change until about .7 g. It then increases rapidly until at 1.0 g the car overturns.

(*b*) There is no body roll until about .6 g lateral acceleration. By 1.0 g, rolls has approached 6° and the car overturns.

Method of test

For some years past, the Structure and Suspension Development Group of General Motors Engineering Staff has been measuring the roll steer and ride steer geometry of proposed suspensions through the use of ⅜ scale models, (Figure 5). To avoid interaction, the opposite end of the model is supported on a knife edge. For preliminary studies, the scale model has almost replaced graphical analysis, due to the ease and accuracy obtained with the scale model method.

When it was decided to investigate the dynamic characteristics of certain rear suspensions under lateral acceleration, graphical analysis was rejected since observation had shown that, for example, the height of the cars C.G. is a variable, as is roll.

Figure No. 6 is a view of the equipment and methods used to obtain the data on which curves 1, 2, 3 and 4 are based. It will be noticed that the front wheels are not complete. This permits observation from the side, since the wheels do not rotate.

At the start of the program it was decided that:

1. Total weight on the wheels is to be 25 lbs.

2. Lateral load is applied at an arbitrary C.G. height, rather than the C.G. of the model.

3. Load is applied by pulling a spring scale, which is attached to a fine wire, which is, in turn attached to the chassis model. Figure No. 7 shows this attachment clearly. In order that vertical components due to angularity will be minimized, it is recommended that the wire will be at least 20 ft. long.

4. Measurements are to be taken while the tests progress and tests should be repeated several times until a consistent series of values are obtained. In this connection it is recommended that all tests be conducted by the same personnel to avoid variations in technique.

5. From previous work it has been established that wooden wheels to which coarse emery cloth has been stapled, bearing on a one inch thick pad of 70 durometer rubber will permit lateral loading of 1.0–1.05 g before sliding. This is comparable with new tires on a reasonably good concrete pavement.

6. For photographic purposes, a rod tipped with white paint is placed as a reference mark near the C.G. load application point.

The attached pictures were not made during the tests. They have been photographed with the charts as a visual aid to interpretation of the curves. In each one the arrow on the chart indicates the load applied.

(EDITOR'S NOTE.—The graphs that were made a part of this exhibit are not printed here but are available in subcommittee files.)

EXHIBIT 16

CHEVROLET,
June 21, 1963.

To: Mr. E. J. Premo, 1–328 Engineering Center.

From: Mr. F. J. Winchell, L–105 Engineering Center.

Subject: 1965 Corvair Rear Suspension.

In compliance with your request, we will assist Mr. King with his problems associated with the handling of the 1965 pretest Corvairs.

Since there appears to be some controversy at the present time over the relative merits of the 1964 and 1965 rear suspensions, I would like to reiterate the following points.

1. Assuming no extraordinary deflection steer or roll steer characteristics, the primary factor in cornering stability of this or any car of reasonable proportions is the relative rate of weight transfer from inside wheel to outside wheel in the front and rear suspensions. This is customarily referred to as roll couple distribution. The benefits of improved roll couple distribution should be independent of how it is achieved. I understand that both the 1964 and the 1965 suspensions give about 40% front and 60% rear which, in my opinion, is absolutely satisfactory for cornering stability.

2. Preliminary indications are that the improved roll couple applied to the swing axle as it has been in the 1964 suspension will prevent roll-over with the lateral force potentially available on a smooth, dry road surface. I consider this a very significant improvement over previous model Corvairs.

3. The fact remains that the swing axle geometry is capable of sufficient reduction in tread and lift of the center of gravity of the vehicle to cause roll-over under circumstances which would not result in roll-over with the 1965 suspension or with a conventional rigid rear axle; i.e., a dip in the road while cornering hard or skidding into a curb, rut or other obstruction.

4. The 1964 suspension may get some adverse publicity due to its apparent similarity to the Empi kit, while the 1965 suspension appears to be a prestige feature.

If, in management's judgement, this car must be as safe as the conventional Chevrolet, engineering must take the position that the swing axle is inadequate.

F. J. WINCHELL,
Research and Development.

EXHIBIT 17

CHEVROLET MOTOR DIVISION: PRODUCT PROGRAM—MAJOR REVISIONS

(List all revisions by UPC group.)

Model: 1965.

Series: 500, 600, 700, 900.

Last submission date: Dec. 10, 1962.

Revision date: January 18, 1963.

Revisions:

UPC 4—A new independent rear suspension design with wheel movement controlled by a 3-link articulating system at each wheel will be used for improved ride and handling. The design is similar to the type used in the 1963 Corvette except that coil springs will be used rather than the transverse leaf unit.

EXHIBIT 18

1965 CORVAIR PRESENTATION TO EPG

INTRODUCTION

The present Corvair was originally introduced in 1960 to meet the competitive threat of small foreign cars and the lower priced small domestic cars.

The Corvair is unique in many respects, not only because of its rear engine design, but also the fact that its styling cycle has proven to be of much longer duration than our other passenger car lines.

For this reason, before describing a new 1965 Corvair proposal, a brief history of the current model might be helpful, to your considerations.

Slide 1

This is a diagram of our original Corvair design as introduced for the 1960 model year.

You will note that in order to eliminate the Drive-line Tunnel Chevrolet designed a light weight, air-cooled, rear mounted engine, with a transaxle for rear wheel drive. This also gave nearly constant weight distribution under various loading conditions, good traction and braking characteristics and excellent steering and maneuverability. The body-frame integral structure gave low roof, ample headroom, adequate seat height and flat floor.

For various reasons including the inherent costs of the vehicle, it did not completely meet the requirements of its intended economy market, but instead actually created an image and a market of its own. This image was largely that of a sports car, economically priced in comparison with other sports cars, and having a certain "Foreign" flavor because of its rear engine, and low silhouette.

Slide 2

Capitalizing on this new image, we made various changes to meet this demand and at the same time pressed ahead with the Chevy II for coverage in the basic transportation area.

In January 1960, we added a club coupe and a few months later the popular Monza Coupe, the Luxury Version of this model. A high performance engine also helped enhance this image.

Other improvements followed in 1961 such as a direct air heater to replace the expensive gasoline heater; the spare tire was moved from the forward trunk compartment to the engine compartment, and a larger fuel tank was installed. A 4-speed transmission, a Monza Sedan and Air Conditioning were also added in 1961.

In 1962 we added a convertible model and introduced the Monza Spyder with Turbo-Charger.

In 1964 we will introduce the 164 cubic inch engine for better performance. Currently 75% of all Corvairs are in the Monza series, 20% in the Deluxe 700 series and only 5% in the low priced standard 500 series.

CORVAIR COMPETITIVE PRICES, 1960-63 DEALER NET

	Corvair		Falcon	
	Standard	Deluxe	Standard	With deluxe option
4-door models:[1]				
1960	1,522	$1,569	$1,477	$1,523
1961	1,475	1,522	1,477	1,532
1962	[2]	1,522	1,477	1,538
1963	[2]	1,522	1,477	1,504
2-door models:[1]				
1960	1,483	1,530	1,431	1,477
1961	1,435	1,483	1,431	1,486
1962	1,435	1,483	1,431	1,492
1963	1,435	1,483	1,431	1,458

[1] All model prices include heater.
[2] Not available.

Slide 3

The Corvair's price position with respect to the Falcon is shown here, at the dealer net level.

In 1962 Chevrolet dropped the 4-door sedan in the low price line so that our lowest priced 4-door sedan became our 700 series deluxe Corvair at $1522 with the lowest priced Falcon at $1477. While this created a disadvantage of about $45.00 with the lowest priced Falcon, the two vehicles were quite closely priced on a comparable base of deluxe equipment. In fact the Corvair at this level shows a $16 advantage when the $1522 price is compared to the Ford $1538. Ford eliminated some of their deluxe option features in 1963 in order to overcome this disadvantage.

The 2-door comparison reflects our lowest priced 2-door unit in 1963 to be $4.00 over the lowest priced Falcon and on a comparable base of deluxe equipment, these two vehicles are also quite closely priced—$1483 for the Corvair compared to $1458 for the Falcon.

In this comparison of 2-door units, however, it should be pointed out that the Corvair is actually a coupe style with limited rear compartment size while the Falcon more nearly meets the specifications of a 2-door sedan.

While we do not believe the Corvair and Falcon are necessarily reaching the same market, the prices shown here would indicate that where they do compete, they are on fairly equal terms pricewise.

PRODUCTION VOLUME (MODEL YEAR)

	Corvair	Chevy II	Falcon	Fairlane
1960	250,007		435,676	
1961	282,075		439,312	
1962	292,531	326,607	414,282	298,116
1963	[1] 260,000	[1] 355,000		
1964	[1] 200,000	[1] 600,000		
Total	1,284,613			
Average, 5 years	256,923			

[1] Index volume.

Slide 4

Volume sales of the Corvair seem to represent a continuing demand in the area of 250,000 per year.

During the 5 year period (1960 through 1964) in which the present Corvair will have been on the market, approximately 1,284,000 units will have been sold establishing the 250,000 annual sales on a firm experience basis. The Ford Falcon, during the 3 years compared on this chart has achieved a volume over 50% in excess of the Corvair, but participates largely in the basic transportation area.

Chevrolet feels that the Corvair represents an almost exclusive market segment and its sale has not reduced our sales in other lines to any appreciable extent.

With this background and with 5 years of unchanged body style, Chevrolet now proposes a new Corvair for 1965 with new fresh lines but keeping the same basic Corvair image that has found for itself a definite place in the automobile market.

Slide 5

This is the new look proposed for the 1965 Corvair. The model shown here is a Monza 4-door hardtop sedan. The sedan and coupe will be hardtop models featuring frameless curved side glass. The car will be 3.0 inches longer and about 2.0 inches wider but will retain the same 108" wheelbase and over-all height. Moreover, the design includes significant improvement in two critical areas. Improved entrance is provided and rear seat knee and leg room are increased. Chassis changes in the area of steering, braking and suspension systems will give the Corvair improved handling and maneuverability.

Slide 6

Dimensional differences in terms of 1965 advantage over the present Corvair are shown in this sketch. Door opening-to-ground is up 1.4 inches at the front and 1.2 inches at the rear. Door opening-to-seat is greater by 1.0 inch in front and 1.8 inches at the rear. By moving the rear seat rearward about one inch, we have a comparable gain in rear knee room and leg room. Other dimensions are equivalent to those of the present model.

Slide 7

A proposed new heating system which introduces a central duct, eliminates the rather complex dual rocker panel ductwork of the current car. A distributor under the front seat directs heated air to front and rear compartments. The center duct also feeds the defrosters at the base of the windshield.

The engine cooling air intake is relocated from the deck lid to the tulip panel just back of the rear window, giving a cleaner air supply and better water separation. This new design permits use of outside air, not previously available, for defogging in mild weather.

Other changes in body construction contribute to reduced cost and improved resistance to corrosion.

Slide 8

The unitized front suspension and crossmember assembly is of simplified construction. To facilitate assembly, a new cam eccentric is used to adjust camber. A link type stabilizer will be added as standard equipment.

Steering changes with reduced turning radius improve maneuverability.

Slide 9

The new 3-link coil spring independent rear suspension, similar to the 1963 Corvette, provides improved handling. The 3-link system works much like the familiar short and long arm design of the front suspension. Here the short arm is, the axle shaft which has "U" joints at each end. This enables the axle shaft to serve the dual function of driving member and upper suspension link. The strut rod is the lower link, and can pivot at both ends through relatively simple pin joints. The dual links of the 1965 design result in a more vertical wheel path, with consequent reduction in tire scrub.

Slide 10

The third link of the new design shown here in profile is a torque control arm running forward from the wheel to a pivot directly attached to the body and controls brake torque.

Wider rear brakes give a better wear balance with front units and increased braking capacity and durability.

Slide 11

The model line-up proposed for 1965 is basically unchanged from the present, as the spyder 600 line merely replaces our present spyder option. As mentioned earlier, hardtop styles replace the thin pillar 2-door coupes and 4-door sedans in the present line. One other change, in the bottom of the line, a 4-door hardtop is shown. This is in place of the 2-door club coupe which we have currently. The purpose is to provide a small sedan, if possible, at the base of our line to fill the vacancy left by the growth of the Chevy II to the larger "A" car size. Present estimates indicate that it may be feasible to have the 4-door sedan in this base line instead of the 2-door model but the decision will be reviewed later as costs to the two body styles become firmer.

Our basic concern is to have a low priced unit for competitive purposes in the 500 series, and while we would prefer a four door unit for this purpose, costs may require that we remain with the two door as our anchor in the low price field. We do not believe that the volume is sufficient to permit two body styles in this line.

1965 CORVAIR MODEL LINE

	Standard 500	Deluxe 700	Monza 900	Spyder 600
4-door hardtop sedan	×	×	×	
2-door hardtop coupe		×	×	×
2-door convertible			×	×

Slide 12

Present estimates indicate that our price cost of the new 4-door hardtop style for 1965 will approximate that of the thin pillar style in 1964. Actually a $2 net savings is currently indicated.

The net savings in the body are approximately offset by the net increase in chassis costs. The principal reason for the chassis increase is the major change to incorporate the Corvette type rear suspension. Were it not for this change, chassis costs would also be lower in total for 1965.

Both Fisher and Chevrolet are working on cost reduction programs and speaking for the chassis area, we feel we have excellent opportunities to develop further cost reductions as our designs and studies progress.

The program presented here contemplates the hardtop model as the 1965 version. Styling has also developed a thin pillar version and a pillar version with frameless door glass. The thin pillar version would further reduce the body cost shown here by $9, while the cost of the thin pillar with frameless door glass would approximate the hardtop.

Because of the greatly improved appearance of the hardtop version, we recommend that our program continue on this basis.

Slide 13

In the area of tool cost, a low volume line such as the Corvair presents particular problems. We have demonstrated that unlike our usual line of cars requiring frequent model changes and extensive face lifts, the Corvair can carry its market for an extended period of time without major changes or revisions.

The present Corvair will have run for five years by 1965 with virtually no styling change except for ornamentation. We feel the new Corvair should also be evaluated on a long term basis and would suggest a four year period for consideration of tool allocation.

This chart indicates the comparison of tool costs as experienced on the present Corvair versus the estimated costs of the 1965 Corvair if carried four years.

The present Corvair body total includes approximately nine million dollars for a station wagon model brought out in 1961 which is not contemplated in the 1965 line. Elimination of this item would reduce the body total of the present Corvair to — million in place of the — million as shown. Also a substantial foreign (approximately — million) of the chassis tooling in the present Corvair was represented by the engine which will be largely carryover in the 1965 program. Further, because of the completely new design of this vehicle in 1960, more subsequent modifications were necessary than we would anticipate with this 1965 design.

Unit tool absorption would of course depend upon the cycle used for consideration but the total tool bill, indicates a reduction of 25 million dollars in the two comparable 4 year periods. Using an annual volume of 200,000 units or 800,000 for the cycle, this would represent a savings of approximately — per unit in tool cost over the original Corvair program.

CONCLUSION

We feel that the Corvair program for 1965 has merit. It replaces a vehicle that will have

been in the market for five years and should now be restyled with fresher lines. Furthermore, with over one million Corvairs on the road receiving good public acceptance, it would be a very difficult decision to abandon this concept.

Economically, the project is at least as good as the present version if considered on a long-range basis. Variable profit, while not as good as our regular passenger car, compares favorably with the present Corvair position.

With the high proportion of Monza sales on which the profit position is better, and the option sales opportunity on this unit, the profit position on the complete project becomes much more attractive than when viewed from a base model alone.

The Corvair participates in a market that represents largely plus volume for Chevrolet because of its unusual character which makes it unique in the industry.

As a promotional activity our dealers are forming Corvair clubs much in the same manner as Corvette clubs have sprung up across the country. With the fresh new hardtop styling and improved front and rear suspensions, it is conceivable that we can actually increase our volume potential over present levels and thereby enhance our profit possibilities.

Chevrolet strongly recommends engineering policy approval to proceed with this important project.

EXHIBIT 19

[From the Los Angeles Times, May 28, 1971]

CORVAIR DEFECTS KNOWN FROM START, EX-GM TECHNICIAN SAYS

MAN WHO HELPED BUILD PROTOTYPE CLAIMS EXECUTIVES KNEW OF SAFETY QUESTIONS BEFORE CARS WENT ON SALE

(By Alexander Auerbach)

A man who helped build the first Corvair says that executives at General Motors knew before the car was put on sale that it had handling problems affecting its safety.

George Caramanna, a senior design and development technician in the Chevrolet research and development department from 1957 to 1970, also says that the first prototype built rolled over the first time it was driven.

Among those who knew of the problems, he says, are Edward Cole, now president of General Motors, and Frank Winchell, Cole's assistant who has testified in defense of the car. Winchell was put in charge of GM's engineering staff Thursday, and is in line to become a vice president of the company.

Caramanna also says that a front rod stabilizer bar, intended to make the car less likely to roll, was designed and installed on the prototype, but was removed—to save money, he was told—before the Corvair went into production in 1959.

GM STATEMENT

Asked to comment, a General Motors spokesman said "allegations of improper design of the 1960–1963 Corvair . . . have been refuted on a number of ocasions in the courtroom following the examination and cross-examination of qualified expert witnesses."

Nothing that the Department of Transportation is currently studying handling characteristics of the car, the spokesman added "We believe an in-depth analysis of the allegations by competent experts to be more reliable than the hit-run tactics of unqualified critics."

He would not comment as to whether Caramanna was an "unqualified critic."

The statement concluded that "General Motors has never denied that the 1960–63 model Corvair may be rolled over after it substantially exceeds its limit of control, which is equal to or better than the limit of control of competitive cars of the same era."

RESIGNED POST

Caramanna resigned from GM and left Detroit when his marriage broke up. He was brought to Los Angeles to help a Hollywood firm design racing cars, but the company folded soon after he arrived. Now Caramanna operates a service station in Spring Valley.

His story adds an insider's chapter to the Corvair controversy. The car became the focal point in a debate over auto safety with the publication of Ralph Nader's "Unsafe At Any Speed" in 1965.

The Corvair went out of production in 1969, but an estimated 600,000 still remain on the road.

Currently the National Highway Safety Bureau is conducting tests of the Corvair, both for handling and for suspected carbon monoxide leaks from the car's heater.

Sen. Warren B. Magnuson's Commerce Committee also is investigating the car, and according to a committee aide Caramanna is expected to be asked to testify.

Caramanna's story conflicts at some points with public statements by GM officials. In 1966 Frank Winchell told the Michigan senate that the introduction of a front stabilizer bar on the 1964 Corvair was simply "a step in the normal process of product improvement."

STABILIZER BAR

According to Caramanna, the stabilizer bar was designed for the 1960 Corvair but was not used. The early models, he adds, had a mounting spot for the bars embossed into the body three years before the "product improvement" took place.

Caramanna, 44, is not an engineer, but he gained a knowledge of suspension engineering while building and racing cars and working for four years in GM's structure and suspension division before joining Chevrolet R&D. He holds half a dozen patents on automotive devices.

While other GM employes involved with the Corvair have given information to Senate and private investigators, Caramanna is the first man who saw development of the car from its earliest stages to production and then through the company's internal reaction to the estimated 400 court cases involving the car, to speak out publicly against it.

His first job in Chevrolet R&D, says Caramanna, was preparing a pretest vehicle for the Corvair engine and rear suspension.

He and an engineer, Frank Burrell cut the engine and rear end out of a German Porsche and fitted it with Corvair components.

"It was Cole's baby," Caramanna recalls. Cole did much of the design work as chief engineer for Chevrolet, and about the time the car moved off the drawing boards Cole was named general manager of the Chevrolet division.

Cole drove the first Porsche with the Corvair engine, having been awakened long after midnight on standing orders to call him when the job was done. Caramanna says Cole was jubilant.

The first true Corvair was the prototype, made in R&D a few months later, and its initial ride was less fortunate.

The prototype had the same structure as the production Corvair, although some of the external sheet metal was different. The prototype was taken to the GM proving ground as soon as it was finished, and a driver named Gib Hofstadter, with Jack Winchell, a technician, took the car to the "skid pad," a large paved circle.

(Winchell's brother is Frank Winchell, the man who took the stand for General Motors in court battles and legislative hearings on the Corvair.)

"They went out to the skid pad and rolled the car." Caramanna says, "rolled it right into the roof." The rollover was purely accidental, not part of any test program, he says.

No one was injured.

That rollover was not the first indication trouble lay ahead for the reputation of Corvairs suspension, however.

Before moving to R&D, Caramanna worked on suspensions under a man named Von D. Polhemis. Polhemis Caramanna says, met with some of the men in charge of the Corvair project long before the car was in production, and told them he felt the suspension was unsafe. "They laughed at him and called him an idiot," Caramanna recalls.

TELLS OF MEETING

Shortly before the Corvair was to go into production in 1959, Caramanna says, he and Frank Burrell met with Kai Hansen, who was directly responsible to Cole for the project.

"Kai told us that the front roll stabilizer on the prototype would not be used on the production model, because it cost too much." A few days later he and Burrell told Hansen in Cole's presence that they felt the lack of the stabilizer bar would make the car unsafe, he says.

In a 1960 speech GM suspension engineer Charles Rubly said the roll stabilizer bar was left off because "we felt the slight amount of gain realized did not warrant the cost."

The problem with the Corvair, in Caramanna's opinion, is not that it was a rear-engine vehicle, as many laymen believe, but that it had problems with its rear suspension and swing axle.

There is a theoretical point in a car called the "roll center," he explains. When the car is in a sharp turn or when hit by a gust of wind, it tends to rotate around that point.

The Corvair's roll center was about 14 inches above the ground when fully loaded and higher with only the driver aboard. He thinks that was far too high. The theoretical point can be located near or even on the ground by using different suspension techniques, he says.

EASILY CHANGED

The standard Corvair could be readily altered to make it far more roll-resistant, Caramanna says.

Shortly after the car was put on the market, reports filtered back to GM that Corvairs were wearing out tires very quickly in races, scuffing the sidewalls.

R&D was charged with building a Corvair that would do well in racing, and Caramanna prepared three cars for the Daytona Beach races in Florida. The job was relatively easy, he says.

He put on the stabilizer bar that had been designed for the prototype Corvair, then cut the coil springs in the rear to lower the car. The shorter springs gave the car a wider rear track. The final touch was the installation of nylon straps to keep the rear wheels from "jacking" or tucking under the car.

"You just could not turn that car over the way we fixed it," Caramanna says.

PREPARING DEFENSE

As the court cases erupted early in 1960, one of R&D's main tasks became preparing the defense of the car.

As part of one defense, Caramanna had to drive a Corvair as fast as he could through a series of turns around pylons, reproducing the sharp turns that were said to cause the car to roll over.

"I had a movie camera in front and another in back, one to the side and another in a helicopter overhead," he says.

"I got the car through by keeping my foot steady on the accelerator pedal tapping the brake once with my left foot, and whipping the steering wheel from side to side.

That was vital in driving the Corvair under lateral acceleration, he says, since keeping the gas on kept the rear wheel from slipping.

Once the rear wheels began to slip, he said,

they would tend to "jack" or fold under the car, making a rollover possible.

"Now I could keep the accelerator steady, and most race drivers could, but the reaction of the ordinary driver on the street is to hit his brakes, or back off the gas," Caramanna says.

"That's the worst thing you can do, because the rear end lifts up and the rear wheels lose their grip on the road.

"If the car has any lateral acceleration when you do that, from a skid or a gust of wind or if you jerk the steering wheel, you're gonna roll that vehicle.

"It doesn't have to be at a high speed. It can happen at 30 m.p.h. or even less in a sharp turn."

[From the Detroit Free Press, June 14, 1971]

EX-GM AIDE TOLD FAMILY TO STEER CLEAR OF A CORVAIR

(By William Schmidt)

SAN DIEGO, CALIF.—In 1960, George Carmanna visited his sister Lillian Mullvihill in Southgate, and offered her some inside advice.

"Whatever you do, Lillian," said George, at the time a technician at the General Motors Tech Center in Warren, "don't buy a Corvair.

"If anyone in the family does, in fact, I'll give them a good kick in the butt."

George Caramanna was not, as he was to say later, "just speaking for my health."

At the time, Caramanna was among a handful of highly paid Chevrolet engineers and technicians who had just helped design, test and prepare the rear-engine Corvair for its late 1959 debut.

Caramanna, who now lives near San Diego, runs his own service station and no longer depends on GM for his future. became the first real insider to claim publicly what many critics have been arguing for years—that the Corvair was a poorly designed and dangerous car and General Motors knew it from the beginning.

And Caramanna has been subpenaed to appear in Washington, D.C., Wednesday and tell Sen. Abraham Ribicoff's subcommittee on executive reorganization all about the car.

The subcommittee is investigating charges that GM gave false testimony during a one-day hearing in March, 1966, at which a GM exectuive denied allegations the car was unsafe.

Caramanna received unexpected support from the Ford Motor Co., which turned over to the subcommittee private test data on the car. A Ford engineer, Harley F. Copp, had written the subcommittee on June 5 and told them that Ford test data showed the Corvair to be unsafe.

"I knew it was a lousy car and so did a lot of people I worked with," said Caramanna, 44, a short, lean auto mechanic and part-time race driver who quit GM in 1970 and headed for the West Coast.

"Even so, a lot of those same people turned right around and went out in the courtroom to defend the car.

"There are still too many Corvairs on the road today. I can't even keep a clear conscience about it anymore."

According to Caramanna, who worked on the Corvair for about seven years in Chevrolet's Research and Development (R & D) section, early models of the car produced between 1960 and 1963 suffered from a poorly designed rear suspension that caused handling problems affecting safety.

It is an old charge, first made by Ralph Nader in his 1963 book, "Unsafe At Any Speed," and repeated in lawsuits filed by former Corvair owners who blamed their accidents on the car's poor handling.

The problem with the 1960–63 Corvair is highly technical, said Caramanna, and involved a poor rear suspension which he said gives the vehicle a tendency to roll over or spin out in a sharp turn or when hit by strong gust of wind.

He said GM engineers knew about the problem early in the Corvair's development, because a prototype of the car built by Caramanna and engineer Frank Burrell rolled over the first time it was driven.

Though he had no formal engineering education, Caramanna said he later installed a stabilizer bar in the prototype to make it less dangerous.

Despite warnings from engineers and suspension experts involved in the project, however, Caramanna said GM removed the bar before the car went into production. He said he was told it was done to save money.

In 1964, after the first wave of allegations that the car was unsafe, Caramanna said the stabilizer was installed in the new models.

GM has denied Caramanna's charges, first described May 28 in a Los Angeles Times newspaper article. In a statement, GM said similar allegations already had been "refuted on a number of occasions in the court room following the examination and cross-examination of qualified expert witnesess."

But Caramanna said he already knew that.

He said he was the guy who drove the Corvair in some of the films General Motors made to use in court as evidence to prove the car handled safely.

In one of the films, Caramanna had to drive a Corvair as fast as he could through a series of turns and pylons while he was filmed by two cameras inside the car, two cameras outside and another in a helicopter overhead.

Despite the quick, sharp turns, the car didn't roll over.

"O course it didn't," said Caramanna. "I was driving the car like a racedriver—keeping a steady foot on the gas and just pedal-tapping the brake.

"Ordinary drivers wouldn't drive that way. In a sharp turn, they'd hit the brake or back off the gas, which can cause the rear end to lift up and wheels to lose grip on the road.

"The first thing you know you'll roll over or start spinning."

Caramanna knows what he is talking about when it comes to racing. He spent several years roaring around Detroit's old Motor City Speedway in a refurbished 1935 Hudson coupe, and later helped design and build the streamlined Chaparral, America's first Formula I racing car to win in Europe.

A native of New Jersey, Caramanna's family moved to Detroit when he was 13. He attended several schools, and finally dropped out in the 11th grade at Eastern High School in 1944.

He enlisted in the Navy, which trained him as a mechanic. When he left the service in 1947, he went to work in a gas station on Gratiot near E. Forest.

"I've always had a natural mechanical ability," says Caramanna. "When I'm driving along in a car, I can see in my head how the whole engine is working—pistons moving, the cam, everything."

In 1953, General Motors advertised for a suspension mechanic, and Caramanna—hoping to improve the handling of his Hudson stock car—hired on at $375 a month in GM's structure and suspension division.

In 1957, he became part of the Chevrolet R & D section launched five years earlier by Edward Cole, the Chevrolet chief engineer who is now president of GM.

The Corvair was Cole's pet project, and he used to pencil ideas for it when he managed the Cadillac Tank plant in Cleveland during the Korean War.

Caramanna said Cole was so enthused about the car that he ordered him and Burrell to call as soon as they had completed the pretest model so Cole could test drive it.

"We got him out of bed sometime after midnight for that first drive," said Caramanna. "Cole was so excited about the car that when he finished the drive he got out and actually jumped up in the air and clicked his heels."

Despite his lack of formal engineering education, Caramanna's natural ability carried him a long way. Working with the GM patent section, Caramanna patented a half-dozen different automative devices, including one he invented with Frank Winchell, the former director of Chevrolet R & D who is now a GM vice persident.

When he left GM in February 1970, Caramanna's salary had grown to $1,275 a month.

He left GM shortly after his marriage in Detroit broke up.

Caramanna traveled to North Hollywood, Cal., and hired on with actor Steve McQueen in an unsuccessful attempt at building racing cars.

Later in the year, Caramanna moved to Spring Valley, a suburb of San Diego, and opened a service station he says is already bringing him better money than he made at GM.

Caramanna said he decided to speak out about the Corvair when he heard about the Campaign GM project in Detroit last year.

Let by Nader, the project was aimed at making GM more responsive to consumer demands.

As a result, Caramanna became involved with Nader's people, and is now represented by attorney Gary Sellers, who is Nader's legal aide.

"My only regret is that I didn't speak out sooner," said Caramanna.

"In 1961 or '62, I almost wrote Sen. (Robert) Kennedy about the Corvair. But I had a wife and two kids and was a little worried about my job.

"But now it's different. I appreciate everything GM did for me, and I like the free enterprise system.

"But there is no way in the world a company should be allowed to build cars that are just going to hurt people."

EXHIBIT 20

JULY 16, 1959.

To. E. N. Cole, K. E. Staley, E. H. Kelley, H. F. Barr, D. D. Douglass, N. E. Farley, R. G. Ford, E. Gray, K. H. Hanson, E. L. Harrig, L. R. Mason, L. N. Mays, E. J. Premo, L. J. Rausch, M. S. Rosenberger, W. E. Schmidt, H. H. Schroeder, and E. S. Wellock.

From: A. W. Harris, J. E. Mackenzie, J. C. Purcell, T. O. Townsend.

Subject: Comparison of Corvairs and Chevrolets on simulated cross-country trips.

Through the cooperation of the Willow Run Plant, the Service Department was able to obtain its Corvairs for the Flat Rate and Wreck Programs two days ahead of schedule. This enabled us to make a 1000 mile, two-day run at the Proving Ground simulating a cross-country vacation trip. The two Corvairs were compared against two Impala hardtops by the above personnel.

Although we are more or less familiar with the Corvair design and performance on short test under specific conditions, none of us had an overall feel of the Corvair on long distance, vacation-type driving. We felt that a simulated test would be desirable not only to learn more about the product, but also to know what to look for when the Corvair arrives in the field, to better train our personnel, and to compare our opinions with Engineering Reports from the customers' point of view.

Consequently, on July 9 and 10, the four of us each drove a Corvair one day and a Chevrolet one day for a distance of 500 miles over an average daily running time of 9 hours, 12 minutes, and elapsed time of 11 hours, and 43 minutes. We did not change cars during a single day's run to simulate actual customer conditions. Half of the distance was driven on the ride and handling loop which consists of a series of different type asphalt and concrete pavement conditions with severe unbanked, curves and railroad tracks. Road surfaces ranged from

broken-up, poorly repaired concrete to satin-smooth asphalt with a considerable amount of corduroy, washboard, dips, pot holes, etc. The other half of the distance was driven on the truck loop which has a smooth asphalt surface but is quite hilly. Approximately five miles each day was driven on the inside shoulder of the truck loop which is extremely rough gravel permitting top speed of 25 m.p.h. to stimulate a horrible example of a detour.

The two Corvairs were both equipped with automatic transmissions. The Chevrolets they were compared against were both brand new Impala, 4-door hardtops equipped with power steering and power brakes. One had a 283, 2-barrel engine and Powerglide transmission while the other had a 348 engine with Turboglide transmission. (The objective here was to compare the top of the line luxury models with the bottom of the line economy cars.) Each of the four cars was first given a safety check only, to approximate a "hit-and-miss" type of field new car conditioning.

SUMMARY

In summary we are very favorably impressed about the capabilities of the Corvair. It is a roadable "automobile" with many features more desirable than the Impala under the conditions driven. While we are not in a position to judge its salability, it is interesting to note that when we compared our opinions, most of us were thinking of buying one for wives or teen-agers.

We did find some "bugs" during the test and know of many others. It is sincerely hoped that Management will attempt to eliminate these conditions on Corvairs stored at Milford so that we don't get into a series of "Turboglide type" campaigns in the field with resulting loss of confidence by wholesale and retail personnel.

The following are some general comments categorized into Fatigue and Comfort, Safety, etc. Attached are a narrative of road failures during the test, results of an inspection made on all four cars prior to the test, and a tabulation of speed, oil, and gasoline economy.

FATIGUE AND COMFORT

The group rate the Corvair slightly better than the Chevrolet under the conditions we drove. Individual opinions vary from a stand-off to superior. The major Corvair advantage here is in the front seat. We believe the Impala seating position is much more unnatural (low to floor). Also, the Impala seat is rated as slightly to considerably hotter than the Corvair seat due to type of trim material. Shoulder support on the Corvair front seat back rest is better. The attachment of the seat to the body seems to be much more positive with no noticeable fore and aft chucking.

The Impala requires much more effort to control on rough curves at fast speeds even though equipped with power steering and power brakes. The Corvair *really* is a "cat on a carpet."

Conversely, all of us feel the Corvair accelerator pedal effort is excessive and contributed to fatigue. We all noticed the cramped left foot position due to the wheel housing. We believe the toe-pan angle could be improved in this area for more comfort even with wheel housing limitations.

SAFETY

We are very much concerned about Corvair throttle linkage sticking in the wide-open position. This occurred twice on one car at 77 and 789 miles and once on the other car at 207 miles. Proving Ground personnel inspected both cars (one while stuck) and we believe they agree the sticking is somewhere in the tunnel and *not* in the usual places in the engine compartment. Tunnel covers on both cars were removed and no cause of sticking could be pinpointed.

Our concern is made acute because no one knows why the throttles stuck and the condition cannot be duplicated. Thus, there is at this point no fix and we know of no way to check for a potential failure. If the condition occurs in the field, it will inevitably lead to accidents and lawsuits. Engineering Center and Plant personnel have been advised.

When trying to check the stuck throttle linkage on one car, the accelerator pedal splines were stripped. It appears this pedal attachment is complex, expensive, and ineffective.

For conservative drivers, the Corvair power plant and gear ratios are quite adequate. The engine is, of course, inferior to the 283 two-barrel engine in passing ability and high speeds, and on grades.

Service brakes were rated adequate to excellent and loss of pedal during the 1000 miles was much less on both Corvairs than on both Chevrolets. The parking brake failed on one Corvair (reported as a loose fulcrum pin). This condition, of course, left the car with no method of holding the car when parked. None of us feel the pump-up type emergency brake is as safe as the present type. The release is "explosive" and rattles.

A left rear tire blew out on one Corvair at 50 m.p.h. on a railroad crossing (not due to fault of car or driver) and no difficulty whatsoever was noted controlling the car to a halt. Tire wear was much less on Corvairs than Impalas. Both right-front Impala tires were bald at the end of the test and must be replaced. (Toe-in on one car was ¼" in and the other had 1/16" toe-out, although wear was equal.)

The cornering ability of the Corvair is rated from very good to outstanding even though we drove alone with no luggage. It seems to impart a feeling of confidence that the driver can take sharp, unbanked curves much faster than in a Chevrolet. The flatter feel of the ride with lack of "float" is not as pleasant as the billowy type of Chevrolet ride except when going over railroad tracks and "roller coaster" type of bumps.

Glare and reflections in the windshield are not as severe on the Corvair but glare off the top of the lids over the instrument cluster and glove box as well as windshield wiper arms was noted. The turn signal housing and upper portion of the steering wheel reflected very visibly on the windshield.

NOISES

Our second major complaint on Corvairs concerns the cacophony of discordant buzzes, rattles, creaks, squeaks, moans, etc. Both the heaters had a singing tea kettle type of noise. Instrument panel rattles were particularly bad in the cluster area, the glove box, and ash tray. Door trim pads were noisy, one turn signal cancelling cam clicked on all turns. Rear spring type of noise was objectionable on one rear suspension and noticed on the other. Both cars had a light moaning or whooming noise at 60–65 m.p.h. Various panels buzzed when the horn was blown. The bodies appeared to have a drumming noise on rough roads at high speeds. One Corvair had a noisy speedometer cable.

None of these noises individually are perhaps serious but when heard as a whole are extremely objectionable. We recommend Engineering assign a squeak-and-rattle engineer to check twenty or thirty Corvairs on the ride-and-handling loop as they are unloaded from the haulaways. This should provide a pattern leading to the solution of most noises we heard.

One Impala (which bore a sticker saying "100% deliverable") was extremely noisy. Metal-to-metal squeaks were found in the radiator lower valance panel to left bumper support and at the left fender skirt to fender behind the wheel opening. The right front door creaked and the gearshift lever rattled excessively.

At high speeds, the Corvair engine noise is practically inaudible. At low speeds and at idle, it was rated from the driver's seat as acceptable to good. However, it is not as good as the 283 engine under these conditions.

GENERAL COMMENTS

We expected more Corvair gasoline economy than we got (18.2 average both cars) even under these hard driving conditions. However, these figures are complicated by the fact that we found early in the test both right-hand carburetor to manifold gaskets mispositioned which restricts the bore and causes an air leak (plant advised). Economy before gaskets were positioned was about 3 m.p.g. less than the rest of the test. On the other hand, the Corvair engine seems to "loosen up" much more in the first 500 miles than the V–8's.

We are afraid the public will be disillusioned if economy is given too much emphasis.

The upward opening of the front door handles and downward opening of rear door handles is confusing. We like the true Chevrolet type of door locking procedure much better than the "Ford" type on the Corvair.

Trunk space leaves much to be desired and emblem studs projected way into the trunk with possible damage to the contents. The spare tire air pressure cannot be checked easily according to present type mounting. The tire should be reversed.

A. W. HARRIS,
Manufacturing Department.
J. C. PURCELL,
Service Department.
J. E. MACKENZIE,
Service Department.
T. O. TOWNSEND,
Manufacturing Department.

Attachments.

NARRATIVE OF ROAD FAILURES

CORVAIR 00769W100017—ODOMETER AND REMARKS

28 Left rear tire blew out and wheel damaged by a loose plank at railroad crossing.

60 Engine oil suction pipe and screen assembly fell out (early design without bracket). The pipe measured 0.621" and the hole 0.623" (hot). Vacuum leak discovered at right-hand carburetor to manifold gasket. Found gasket had been turned end for end introducing a vacuum leak and restricting the passage of fuel vapor.

150 Powerglide began to run away occasionally for a few seconds during throttle upshift.

NOTE: This gradually got worse and after the test it was found that the control cable was approximately 0.100" too short at the checking dimension from the ball to the flange. This has been brought to the attention of the assembly plant. This in turn was found to be due to a poorly routed and twisted cable conduit. When straightened out, it was O.K.

207 Throttle stuck wide open.

540 Coil primary wire fell off coil.

700 Noticed a light moaning noise at 60–65 m.p.h. Sounds like an air induction noise.

995 Engine flooded out going down hill on both gravel detour loops (first type carburetors). On the second loop, it took four minutes to get the engine started.

CORVAIR 00769W100015—ODOMETER AND REMARKS

53 Parking brake became inoperative (reported as fulcrum pin came loose).

77 Throttle stuck wide open.

222 Glove box door pops open continually. Discovered vacuum leak in righthand carburetor to manifold gasket. This is an identical failure to the other Corvair.

400 Sun visor won't stay up and there is no means of tightening. What do I do now?

573 Parking brake release handle screws are loose. Had parking brake and glove box repaired.

632 A whirring hum that comes and goes at constant wide open throttle about 70

m.ph was noticed similar to a belt or fan hum.

671 Gasoline gauge drops from one-eighth full to below empty indicating an intermittent open circuit. Later it was O.K. Slight brake pinch out noted.

719. A noise similar to coil spring noise noted in rear suspension.

789 Throttle stuck wide open. Engine oil leak—LF corner When replacing accelerator pedal (splines stripped when checking stuck throttle), it was noted the Powerglide control cable was improperly routed at toe-pan, a clip was missing, and the Powerglide cable cover was cut by emergency brake cable

CHEVROLET F59F243611—ODOMETER AND REMARKS

167 Hood shake at left rear corner noted on bumpy roads.

369 Transmission groaned loudly in reverse at medium throttle.

450 Reflections and glare are objectionable.

478 Gearshift lever rattles. Knob has ½" free play and will drop of its own weight.

50 The aft end of the hood flutters noticeably above 60 m.p.h.

200 Rocker arm ball nut chirp noted.

300 Front wheel unbalance noted at approximately 80 m.p.h.

400 Left side of cowl started to creak. Later disappeared before 500 miles.

869 Made odometer check—found 2.28% fast.

PRELIMINARY INSPECTIONS—NO WATER TESTS WERE MADE

CORVAIR NO. 00769W100015

NOTE: Additional items were found, but they had been noted by Willow Run for repair. Repairs were not made at Service Department request to expedite delivery.

1. Rear window frames misaligned, low and forward. (Possibly center pillar is too far aft.)*

NOTE: An asterisk indicates the condition was noted on both cars. Items are not repeated on Corvair No. 17.

2. Trunk lid misaligned to right.

3. Roof side rail mouldings short at front lower end. (The junction of the door parts, fender, and cowl at lower corner of windshield has an objectionable appearance.)*

4. Very rough metal above and below headlights.

5. Left front corner of headlining soiled.

6. Rub-thru on forward edge of cowl louvre panel.

7. Flanges on trunk floor do not fit properly to wheel house panels.*

8. Thinner boils on both ends of instrument panel (both areas approximately 1" x 6").

9. Pinch welds under rocker panels are unsightly.*

10. No provision made to seal a large hole in engine compartment at license light, yet hood latch hole (approximately same size) is sealed.*

11. Ash tray plastic retainer loose in instrument panel.

12. Glove box bezel bellied between screws. Why have a seal on the instrument cluster bezel and not on glove box bezel? Owners will think one is missing.

13. Parking brake required 2½ strokes to lock brakes.

14. Nine points of air leakage were observed in engine compartment sealing. The smallest was ⅛" x ¼". Some are design deficiencies.*

15. (Critical) Engine air cleaner to carburetor hose clamps at all four carburetor ends were positioned partly off hose. When one hose on No. 0015 was checked for losseness, the air cleaner to hose bracket fell off. Only one of four tabs was welded and it was defective.

16. Neutral safety switch misadjusted. Engine starts between neutral and drive detents.

17. Oil leak at filler pipe connection to transmission.*

18. Both parking lights, dome light, and instrument panel lights were inoperative.

19. Heater controls were stiff.*

20. Gasoline leak at tee to heater hose.

21. Windshield washer jar cap hinge design is very flimsy.

CORVAIR NO. 007669W100017

1. Solder pits at tulip panel behind rear window.

2. Left rear door weatherstrip torn at upper front corner.

3. Both rear door trim pads were bellied out.

4. Dirt in paint at top of lock pillar interior trim panel.

5. Paint has dripped from above on deck lid and lift front fender.

6. Vacuum advance hose partially kinked at coil.

7. Transmission vacuum hose rubs on right rear lower control arm.

8. TV lever rubs edge of transmission oil pan lightly.

9. (Critical) Steering wheel to mainshaft nut had never been tightened, just started on shaft.

10. (Critical) All tie rods clamps were loose, both tie rods could be rotated easily by hand.

11. Windshield wiper blades parked too high.

12. Windshield wiper arm under dash rubs wiring.

13. Battery cable negative terminal not tight, easily removed by hand.

14. Heater air duct clamp at forward blower was missing. Why is a clamp needed here?

CHEVROLET F59F243611

1. File marks on right rear door below moulding.

2. Front seat back trim out of place on left end.

3. Dash pad material partially covers left defroster duct opening .

4. Right front door creaks.

5. Engine oil pant front gasket has a slight leak.

6. Air cleaner is loose.

7. Fuel hose is twisted and slightly kinked at fuel pump.

8. Fan belt is too loose.

9. Powerglide upper cooler pipe interferes with breather pipe bracket.

10. Gas tank vent pipe is misaligned.

11. Radiator lower valance panel interferes with bumper support bar and squeaks.

12. Spare tire and jack loose rattling.

13. Left front fender has a metal-to-metal contact with fender skirt and squeaks.

14. Speedometer seal sticks out 2½" on left end.

15. Left windshield washer stream aimed at bottom of windshield lower garnish moulding.

CHEVROLET F59F243664

1. Left rear door cocked in opening. There is an interference at the bottom rear corner.

2. Right rear door also cocked in opening being tight at the top front corner.

3. Right front door has rub-thru on lower rear edge.

4. Left rear door trim pad loose at lower front corner.

5. Right front door remote control lock rod grommet is loose.

6. Right rear door reveal moulding not in clips at rear.

7. Left rear tower window is extremely noisy when window is raised.

8. Glove box is misaligned.

9. Right rear quarter lower trim pad is missing.

10. Ash tray is misaligned.

11. Rough metal finish on right rear quarter at corner next to tail light.

12. Fan belt is loose.

13. Accelerator pedal is misaligned to operating rod.

14. Choke pipe is loose in manifold.

15. Gas tank vent pipe is misaligned.

16. Gas line hose clamp at left frame side rail interferes with toepan.

17. Horn ring is dead at 7:00.

18. Horn rattles against grille header panel.

SPEED AND ECONOMY RECORD

	Average miles per hour driving	Average miles per hour elapsed	Gasoline (miles per gallon)	Oil (miles per quart)
Corvair No. 00769W100017:				
Mackenzie	54.8	37.3	19.3	456
Townsend	54.7	43.9	18.2	375
Corvair No. 00769W100015:				
Harris	52.4	40.6	17.9	511
Purcell	54.0	40.0	17.5	500
Chevrolet "348":				
Townsend	61.2	49.7	11.7	500
Mackenzie	56.4	46.3	11.1	500
Chevrolet "283":				
Purcell	56.3	43.4	12.8	349
Harris	52.8	41.4	13.7	506

*Delayed by repairs and investigations.

JULY 20, 1959.

To: H. F. Barr, E. J. Premo, M. S. Rosenberger, H. H. Schroeder, M. M. Roensch, K. H. Jepson, N. H. McCuen, N. E. Farley, P. J. King, A. E. Kolbe, C. M. Rubly, J. W. Hakspacher, D. B. Elfes, R. D. Aldrich, E. E. Madion, J. W. Fodrea, W. W. Route.

Subject: Comments on Test Trip to Berea, Kentucky

The following comments are a result of our test trip to Berea, Kentucky involving the Corvair test cars on both the automatic and the 3-Speed transmission.

ENGINE

1. On both cars the engine oil filter tube was loose as we have previously experienced on production engines. A change must be made to correct this condition on our present design.

2. The change which was made in the exhaust ramp of the cam improve the valve noise level on Car 0500.

3. There was considerable oil fumes and seepage noticed at the oil dip stick. We should very seriously look at sealing off this with a positive fitting seal.

4. There was indications of detonation on the 3-Speed in high gear when operating at the low engine speeds. I do not consider this a very important item and plan no change in the spark advance curve to remedy this condition since in normal operation it would be shifted into second gear.

5. There was excessive air cleaner vibration noticeable in the car at about 65 mph. This is a tuning problem and should be looked into to see if we can remedy this condition.

6. Considerable driving was done on various carburetors to finalize the necessity for separate carburetors on the automatic and the 3-Speed. The conclusion which we came to after these series of changes, would be that we would accept a separate carburetor for these two transmissions and what was driven on the return trip on these two cars would be the lean limit of each carburetor. We will proceed immediately to finalize this calibration and release these carburetors for production, even though on the return trip we only gained about ½ of a mile per gallon on the 3-Speed over the automatic for highway economy.

7. There was a very definite period at the low engine speed which from our past observations, is related to muffler. This vibration is considerably worse with a cold engine. According to the Proving Ground, this condition can be remedied almost completely by the installation of flexible mounts at the rear end of the attachment of the muffler to the

engine. If this is the final fix for removing this vibration, we will move in this direction with our design.

8. From our tests, we indicate that our balance of the generator is critical for boom. We must look at a mount for the generator which is not as critical for vibration as the one that we have released for production.

9. It was felt that the engine mounts are tuned very close to the torque reaction period on the automatic transmission at engine idle. We must change our mount characteristics so that this condition will not exist in this range of engine speed.

10. There was some observation of throttle sticking at idle on the automatic transmission. Even though we had a heavy return spring on the throttle linkage, the carburetors should be checked to see if they return to the idle stops and we must be sure that this condition will not become apparent on cars when the torsional spring is removed from the carburetor cross shaft.

11. The ground strap which is connected to the throttle and does not stay in position. This is a design deficiency if this installation is up-to-date.

12 On test car 0550 there was an engine oil leak at the rear end of the engine in the vicinity of the oil cooler. This should be checked.

SUSPENSION

1. We were very much dissatisfied with the released rear shock absorbers. There was considerable pitching of the vehicle over wavy roads both on and off the main highway. This has been experienced on previous test cars on this type of operation, therefore, we took a set of experimental shock absorbers which have been worked out at the Proving Ground along on this trip. These were installed and driven over a considerable distance in the vicinity of Berea.

It was a general agreement among the various observers that this would be a definite improvement in the overall ride and handling of this car. As a result of this, we will immediately release this experimental shock absorber valving and get it into production as soon as possible. We will work with Production Engineering so as not to build shock absorbers with the present release valving. All engineering cars to be converted.

2. Mr. Cole felt that we should reduce our rebound travel of the rear suspension as much as possible both from the appearance and the general handling of the car. It was felt that the production car with the new shock absorber valving was very satisfactory for handling on these extreme roads. We will not reduce any rebound travel if it impairs our overall ride but we will eliminate all rebound travel which is not necessary for the behavior of the rear suspension.

Proving Ground will install rebound straps on the rear wish bones in conjunction with a scratch graph. This will give us an indication of how far we can go to eliminate rebound travel. Rebound travel has been reduced previously.

3. The observation of wheel fight on this test trip was quite favorable on the car which we have reduced the positive caster by 2°. We will immediately release a design for production which changes our upper front control arm to give us this new wheel alignment. We will go one step farther to minimize wheel fight, and that is to observe on several cars the new idler lever which we also had on one of the test cars. It was also felt that this new construction on the idler lever which is the same as our 1959 idler arm, is a gain. This construction should be evaluated on several cars at the Proving Ground to make sure that it is a help.

4. Spring interference was apparent and corrected on the rear suspension. This condition was remedied by bending the flange on the lower plate of the cross member. This is a production item and should be taken care of immediately with Willow Run and we should also see to it that we obtain as much clearance as possible on our production design.

5. Directional signal prongs shorts across the horn contact when the steering shaft is deflected on Car 0550. This condition observed shows a very close clearance between the canceling prongs and the horn contact. This is a design condition and should be remedied as soon as possible.

6. On both cars, very serious brake roughness was observed on practically all types of brake applications. This is a condition which has appeared on previous cars but not to the alarming degree which we observed on this test trip. A very aggressive program has been initiated to finalize and to remedy this condition on production vehicles. Mr. Rubly will work directly with the Development Group on this program to observe and also to relate any design changes which are necessary to eliminate this condition. We will investigate both the drum and the brake shoes and also the fit of the yoke in the axle to see if that is also related to this observed roughness.

7. It was observed that the 3-Speed throttle control introduced vibrations into the throttle pedal. This will be investigated to see if we have the right isolation characteristics.

GENERAL OBSERVATIONS

1. During our rides there were several criticisms of the seat cushion and back. The general conclusion which was arrived at was that we should have cushions with somewhat stiffer seats so that we did not get into an uncomfortable condition after riding over a considerable time. It was felt that the seat cushions as a whole, were too soft with insufficient dampening, and that the slope of the seat cushion should be raised at the front edge as it was installed in one of the test cars. This type of a cushion is being demonstrated in these same two cars at the Proving Ground.

2. The single speed windshield wiper was tested during the rainy weather and under very wet conditions we had 58 cycles/minute of the blade and when the windshield was slightly wet the oscillations dropped to 50 cycles/minute.

3. There was water in the luggage compartment after heavy rain on both cars.

4. The front rubber carpet on the floor was torn in several places. This could be poor material.

5. The heater controls were too tight for pleasant operation and also the knobs were not of the latest contour.

6. The defroster action kept the windshield clear during the rain.

7. A very objectionable reflection was observed from the dash in the windshield right at eye level. This will be a very serious customer complaint.

K. J. HANSEN,
Engineering Department.

EXHIBIT 21

INTER-ORGANIZATION LETTERS ONLY

CHEVROLET,
May 24, 1961.

To: Mr. Duntov.
From: Mr. G. Caramanna.
Subject: Trans Canadian Rally.

Upon arriving in Montreal, we found the Chevrolet dealership full. We then called up the G.M. training center, and were given room to work.

Mr. Trent Jarman complained about some front end oversteer; upon checking four cars, on front end machine, it was found that they were from ½" to 1" toed in.

The cars were set with full racing type suspension. The rear springs were cut off one full coil, to lower car and to get —3° camber. The front springs were left with their full length, the thought being that the added weight, of spare parts, gas, oil and other miscellaneous things would lower cars. All this was done without regard to spring rate. There were no rebound straps added to suspension to take rebound shock and relieve shocks.

The roads that the Rally traveled on, for the most part, were not the type, that were conducive to the above type of car suspension. There were many donkey backs and many rutted and very rough roads.

The time element involved in this Rally, was not of the nature to warrant very much speed, point in many instances all cars in rally, were from one half hour to two hours early at check points.

There were three production type Corvairs also in Rally. I completely checked over these cars, to compare their performance to ours.

Upon completion of Rally, it was found that the production cars had little or no damage to under side of cars, while the four we had were very bad. The controls were bent, and in one case the throttle linkage was stuck on one half throttle.

The tunnel covers were smashed beyond repair, and shift tubes had to be hammered straight for them to fully engage gear. Near completion of rally, the tires in our cars were throwing their threads. The cars also were losing standing height.

One car had frozen its transmission, and broke case. It was noticed that there were no transmission dope on the ground, it is felt, that the case was cracked when traveling a very rough road; the road was so, that drivers left the road and went on the fields rather than travel them.

One car had a bent push rod, it was noticed that push rod was installed up side down, with lube hole on the lifter side.

The production Corvairs lost a total of 4 fan belts and ours lost two. One production Corvair lost its rear axle bearing. One had a frozen front wheel bearing.

It is felt that any one of our Corvair could at any time, have been knocked out of Rally, due to the lowered height of cars. Car height is felt to be of more importance, than handling.

GEORGE CARAMANNA,
Research and Development.

EXHIBIT 22

DEARBORN, MICH., *June 3, 1971.*

Hon. WARREN G. MAGNUSON,
Chairman, Senate Commerce Committee, Old Senate Office Building, Washington, D.C.

DEAR SENATOR MAGNUSON: I am writing you this letter as an individual experienced in the design and development of motor cars and without the knowledge of my Management in the Ford Motor Company. In my attempt to affirm the source and truth of a General Motors statement that the 1960–63 Corvair was "equal to or better than the limit of control of competitive cars of the same era", I called Mr. Alexander Auerbach of the Los Angeles Times—Washington Post Service and he suggested that I provide additional copies of this letter to DOT. Because of Mr. Auerbach's interest and assistance I have also provided him a copy of this letter at his request.

The Detroit News stated on Friday, May 28, 1971, copy enclosed:

"General Motors has never denied that the 1960–63 model Corvair may be rolled over after it substantially exceeds its limit of control, which is equal to or better than the limit of control of competitive cars of the same era."

I refute the competitive implications of this statement; *"which is equal to or better than the limit of control of competitive cars of the same era"* concerning our competitor the 1960 Falcon engineered and manufactured by the Ford Motor Company.

I had the engineering responsibility on our competitive car, the 1960 Falcon. Upon joining the Ford Division as Assistant Chief

Engineer in August 1956 Mr. R. S. McNamara, Vice-President and General Manager of Ford Division, and Mr. Hans Matthias then Chief Engineer of the Ford Division assigned to be the responsibility for developing designs for an economy car. Prior to this assignment I was Chief Engineer of Lincoln and I am now Director of our Company Engineering Technical Service Office.

We began our pre-program studies on economy cars with an assessment of various vehicle configurations including reviews of a rear engine car in the 1700–2300 pound weight range. The results of these pre-program studies led to the front engine Falcon which was introduced in late 1959 as a 1960 model.

As you know, Ford Motor Company evaluates and tests competitive cars as a routine aspect of our business. Therefore, prior to introduction of the Falcon we exchanged five production Falcons for five production Corvairs with Chevrolet management. Of these five and some additional Corvairs bought through dealerships, three Corvairs rolled over during our early customer type evaluations.

None were rolled due to abusive driving, none were considered driver error and all came as surprise to the drivers and passengers. These roll-overs were a most unusual occurrence because of their frequency.

The roll-overs were:

1. Late summer 1959 on Dearborn Proving Grounds lowspeed track.

2. Late summer 1959 on Dearborn Proving Grounds while an engineer was taking a ride.

3. Late fall on a Kentucky road during a competitive product evaluation trip. Other competitive cars were on this trip.

The Corvair rear suspension was a swing axle type with a high rear roll center from 1960 until the 1965 model. Relating to this type of suspension, Mr. Maurice Olley who retired from General Motors in 1955 as Special Assistant to the Chevrolet Chief Engineer in charge of suspension development stated in his patent, No. 2,911,052, which was issued on November 3, 1959 and applied for on May 18, 1956, subject: Independent Rear Suspension for Vehicles:

"While this type of suspension has enjoyed a certain measure of success, particularly in the relatively small vehicles popular in Europe, it nevertheless possesses certain inherent disadvantages which have thus far prevented widespread acceptance. In particular, the ordinary swing axle, under severe lateral forces produced by cornering, tends to lift the rear end of the vehicle, so that both wheels assume severe positive camber positions to such an extent that the vehicle not only 'oversteers' but actually tends to roll over. In addition, the effect is nonlinear and increases suddenly in a severe turn, thus presenting potentially dangerous vehicle handling characteristics."

Apparently Mr. Olley retained some affiliation with Chevrolet after retirement because three months prior to introduction of the Corvair he was used by Chevrolet to provide "expert testimony" on the engineering characteristics of the rear engine car to 50 newsmen at the Detroit Athletic Club.

Technology existed to certify on an objective basis the superior handling characteristics and "limit of control" of the Falcon, e.g.:

1. General industry practice is to design the handling characteristics of our cars to the driving habits of our customers. Ford practice has always been to insure that the handling characteristics of the vehicle result in predictable response during an emergency maneuver. The 1960 Falcon exhibited these favorable characteristics while the Corvair did not.

2. Automotive proving grounds have as part of their facility a vehicle handling road. In this road system is a switch back wherein the vehicle makes either a left or right turn and immediately thereafter is expected to make the opposite turn. On repeated tests over our handling roads the 1960 Falcon was clearly superior in "limit of control" to the 1960 Corvair.

3. Rear engine cars, regardless of the rear suspension, exhibit borderline handling characteristics especially if the total weight of the vehicle exceeds 1,800 pounds. These borderline characteristics are particularly true on wet pavements and/or icy roads where, because the greater weight of the vehicle is behind the center of gravity, the rear end of the vehicle wants to rotate and skid in the direction of travel when cornering or braking; rear end first.

4. In the mid-1950's Ford built a front engine experimental swing axle car with a rear suspension similar to the 1960 Corvair rear suspension and this car rolled over on our proving grounds during a typical handling test.

5. Mercedes Benz had used swing axle rear suspension for a number of years with front engine configuration. In the 1950's they introduced a low pivot swing axle design which was developed to minimize the oversteer characteristics of the swing axle with its higher roll center. Among professionals it was, and is, accepted fact that conventional swing axle cars with their associated high roll center cause oversteer and tend to give a false sense of safety up to the "point of surprise"—either skid or roll over.

6. Inherent oversteer of swing axle cars can be ameliorated by use of higher rear tire pressure compared to front tire pressure. Corvair specified a 73% higher rear pressure than front with only an 11% difference in rear end curb weight over front. Falcon specified no difference in tire pressure with a minus 4% difference in rear end curb weight over front Quoting from Mr. Maurice Olley's 1953 SAE paper, No. 53–18:

"Finally, it appears impossible to make a car with heavily loaded rear tires handle safely in a wind even at moderate speeds, without fitting twin tires at the rear, which is impossible with a swing axle. The European cars of this type, even though they use up to 10 lbs. more inflation in the rear tires and up to 10 degrees caster angle, and even fit centering springs on the steering linkage, still wander badly in a high wind."

It was an established technical fact among suspension engineers in the early 1950's that the 1960 Corvair type high roll center swing axle rear suspension controverted historical industry practice of designing cars to the driving habits of our customers whereas the 1960 Falcon met these requirements and had predictable response during an emergency maneuver. As early as 1946–47, the General Motors experimental "Light Chevrolet" engineered by the late Mr. E. S. MacPherson, then of G.M. and later Vice President of Engineering at Ford, refused the use of the swing axle type in designing the rear independent suspension for the experimental "Light Chevrolet" which was built and tested at General Motors. He personally discussed and reviewed with me in 1951 the design and theory underlying his refutation of swing axle on that car.

In summary, the 1960 Falcon was superior in "limit of control" compared to the Corvair and General Motors implication that the Falcon, a competitor of the same era, was no better than the Corvair in "limit of control" is a flagrant violation of facts.

Sincerely

HARLEY F. COPP.

EXHIBIT 23

AMENDED NOVEMBER 30, 1972, CRITIQUE OF GENERAL MOTORS DISCUSSION ON DESIGN CHARACTERISTICS OF THE CORVAIR

PAGES 1559–63 IN PART IV—FEDERAL ROLE IN TRAFFIC SAFETY

(By H. F. Copp)

NOTE

Amendment: All references to speed and lateral G forces as indicated in Falcon vs. Corvair Handling Film submitted by Ford Motor Company have been removed from text.

BACKGROUND

During my discussions with Senator Ribicoff's staff on June 14, 1971 Mr. John Koskinen and Mr. Robert Wager asked me to prepare a critique of General Motors Discussion on Design Characteristics of the Corvair authored by Mr. Frank Winchell and contained in Part IV—Federal Role in Traffic Safety dated March 22, 1966, beginning 6th paragraph on Page 1559, concluding 4th paragraph on Page 1663. These statements are submitted in accordance with the "Canons of Ethics for Engineers" in the Ford Motor Company.

My first knowledge of the General Motors statement contained in Part IV was on June 13, 1971. I was unaware of the degree of controversy because I was on assignment as Director of Engineering for Ford of Britain/Ford of Europe from June 1963 to May 1968. Therefore, since learning of these statements on June 13, I have studied in detail technology available to the automotive engineer prior to and during the design of the Corvair. I have also calculated relative values of Corvair vs. Volkswagen using formulae available at that time.

I stated in my letter to Senator Magnuson dated June 3, 1971, that we considered and discarded the rear engine configuration prior to selecting the front engine arrangement as the basic design for our Falcon which was the primary Corvair competitor. I also said in my letter to Senator Magnuson, "Rear engine cars, regardless of the rear suspension, exhibit borderline handling characteristics especially if the total weight of the vehicle exceeds 1800 lbs."

DISCUSSION

G.M. begins and ends their statement with truthful representations of the manner in which we, as an industry, have developed the handling and control characteristics of our motor cars for at least 25 years. However, between their opening and closing statements I believe they sophistically misled the layman on four major issues:

1. Corvair is NO Different than Other Rear Engine Cars—Page 1560

2. Only Expert Drivers Can Handle More than .3 Lateral G—Page 1561

3. Corvair Tire Pressure Differential is of Minor Importance—Page 1561

4. Oversteer Might be Better than Understeer—Page 1562

SUMMARY OF REFUTATIONS

I. Corvair is No Different Than Other Rear Engine Cars—Page 1560

1. The Corvair was 40% heavier, larger and a greater load carrying car than the comparators. Because of the added weight and wheelbase, the Corvair's latent skidability was *twice* that of the Volkswagen. Again, because of weight and wheelbase it generated *1.8 times* the spin force once it began to skid.

2. The Corvair controverted established rear engine suspension effective roll couple distribution thereby grossly deteriorating its potential handling performance. The Volkswagen was basically an understeering vehicle whereas the Corvair was an under-oversteering vehicle. As an industry we design for understeer, avoid oversteer and consider under/oversteer a dangerous condition.

3. The films showing Falcon vs. Corvair handling submitted by Ford Motor Company clearly demonstrate the results of the above two deficiencies. Also, the Volkswagen and Renault Dauphine were run under similar circumstances in 1959 and were able to corner *higher speeds* with *less instability* than the Corvair.

4. Compared to Volkswagen, the Corvair had 38% greater power to weight ratio and acceleration performance. Therefore, for safety purposes controllability performance should have been improved by at least the same amount compared to Volkswagen. And yet,

their product showed quite the opposite results in controllability performance amounting to a gross deficit in the range of 70–90% compared to Volkswagen (38% plus a basic deficit of one-third to one-half lower controllability performance than Volkswagen).

II. Only Expert Drivers Can Handle More than .3 Lateral G—Page 1561

1. G.M. fails to mention that the conditions for which they speak are very under smooth, ideal conditions wherein G forces felt by the driver are very nearly the same G forces on the tires at the road surface. In fact, under real world conditions the G forces felt by the driver are much less than G forces at the tire/road on typical undulating blacktop/concrete public roads. Real world tire to road lateral G forces cause incipient skid or slip which the average driver does not concern. Indeed, we as an industry, attempt to disguise these forces so that the customer may experience the pleasure of a plush ride.

This was especially the case for the Corvair and was proclaimed as a virtue. The high instantaneous lateral G forces causing incipient skid were so well disguised that they stated as a result of their laboratory tests with "rear wheels in tramp motion at wheel hop frequency" (lateral forces as on rough road; 12–15 cycles per second):

"A 1957 Chevrolet (the last model Chevrolet produced with solid axle and leaf spring rear suspension) had 2.9 times more lateral axle motion, 1.4 times more lateral body/frame motion, and *six times more lateral front seat frame motion* compared to a Corvair with equal vertical wheel motions. Other presently produced vehicles with solid axles and leaf spring rear suspensions had similarly large lateral motions excited by this type of suspension." (Emphasis added.)

Therefore, a highly idealized lateral G force suspension system has no relevance if these values cannot be translated into competitive handling on public roads as stated in the last paragraph of G.M.'s discussion:

"A car having a high capability in lateral acceleration may be completely inadequate in the transitional phase of entering or leaving a curve, or in an S maneuver, or in passing, or in turning while braking or accelerating, or in low coefficient pavements."

2. Drivers encounter roads having friction coefficients as low as .10 and many times the coefficients will change from .30 to .10 or even .70 to .10 without warning. Examples are: wet leaves on wet/dry concrete; wet, oil filmed blacktop repair patches on wet/dry concrete; early morning frost patches.

3. A primary automotive engineering objective is to prevent loss of control resulting from inadequate suspension system warning and/or unpredictable suspension system response. Roll-over is only one possible result of loss of control. The use of idealized lateral G values has no relevants to the primary objective of developing real world suspension systems if the basic system is not in accord with G.M.'s opening and closing statements.

4. The films showing Falcon vs. Corvair handling and my anaylsis of these films clearly demonstrate that an expert driver was unable to control the Corvair in our comparative highway handling tests which were run on dry, slightly undulating blacktop. The films and the analysis are visual proof of the fallacy in playing "a numbers game" with lateral G. During the five highway handling sequences shown in the Ford film, the Falcon achieved a 100% rating whereas the Corvair achieved only a 10% rating and yet General Motors emphasizes that the Corvair was capable of higher lateral G than other front engine cars.

III. Corvair tire pressure differential is of minor importance—Page 1561

1. From my analysis of the Ford film comparing Falcon vs. Corvair handling, I quote:

"For non-standard tire pressure of 26–26 psi severe control problems began upon *entering* the second corner of the S curve in Phase II highway handling whereas similar control problems with standard tire pressure began on *leaving* the second corner of the S curve. This amounts to a reduction in 'on course' control of approximately 33% for 26–26 psi tire pressure."

The General Motors statement says:

"However, even reversing the tire pressure differential is unrecognizable at 30–40 mph in a Corvair."

2. G.M. publicly stated in March 1960 when discussing the development of the Corvair suspension system:

"The objective was to arrive at equal tire deflections, front and rear, under riding conditions and *equal slip angles, front and rear, during cornering*. At 5-passenger load the difference in tire deflection is less than .10 inch. (Emphasis added because slip angle induces understeer.)

"There are two things that could have been done to better this condition. One would be to lower front tire pressures to 13 psi or increase rear tire pressure to 28 psi."

Also, "Thus, in line with our original objective an engineering solution to lateral stability has been obtained by proper design of tires, rims and *specified inflation pressures*." (Emphasis added.)

3. G.M. also stated on July 1, 1959 in a pre-introduction press review:

"With the proper tire inflation and with the assistance of independent suspension in front and a swing axle at the rear, we have produced *the desired margin of understeer*." (Emphasis added.)

4. Technically, it has been calculated within ±10% at 35 mph that equalizing front and rear tire pressure causes a 60% deterioration in steady state response for an understeering rear engine car with drive only and an 80% deterioration at full passenger load. For the Volkswagen which was a much better handling vehicle than the Corvair, the affect of equalizing front and rear tire pressure caused a 60% deterioration in vehicle response at 35 mph with driver only.

IV. Oversteer might be better than understeer—page 1562

1. The General Motors statement suggests that oversteering cars might be safer because they would spin into the corner rather than into the oncoming lane. In fact, the Ford film analysis shows that when oversteer was increased on the Corvair by increasing front tire pressure the first swerve or deviation in loss of control threw the Corvair into the oncoming lane during all three test sequences and these tests were run with an expert driver.

2. The analysis of the Ford films showing Falcon vs. Corvair handling proves that in the important highway handling sequences the understeering Falcon achieved a 100% rating and the under/oversteering Corvair achieved a 10% rating.

3. The film analysis also shows that during all five sequences of the highway handling test runs the Corvair deviated into the oncoming lane during each test sequence and that complete loss of control was experienced in three of the five sequences.

4. The Ford film analysis indicates that increasing oversteer by equalizing the tire pressure on the Corvair caused an approximate 33% deterioration in controllability.

5. Historical industry practice is to design our motor cars for understeer because it is more uni-directional and provides the basis for warning and quicker response by the driver. Technical literature published by General Motors for years proves that they design for understeer to achieve favorable vehicle stability criteria. I quote from the GM press review of July 1959 on the Corvairs:

"There are two requirements for stable handling and it is difficult to say which is the more important. One is that the rear tires must not be overloaded. If they are, the car will wander whatever its other conditions might be. The other is that *the sense of direction of the rear wheels should be slightly better than the front. This gives the desired margin of understeer.*" (Emphasis added.)

6. The major reason for specifying the large tire pressure differential on the Corvair was to induce understeer as stated in their owners manual.

CONCLUSION

I conclude that apart from opening and closing statements by General Motors in their Discussion on Design Characteristics of the Corvair, their main arguments consist of incongruous artifices which mislead the layman by clever omission of published knowledge and facts known to them prior to and following introduction of the Corvair in October 1959. Application of these artifices to the design of our motor cars would result in disastrous controllability and by comparison in 1959–63 Corvair control problems would pale to insignificance. Furthermore, I believe that the four central issues contained within the G.M. statement as described above would not have been accepted, if submitted, for presentation or publication by the Society of Automotive Engineers or any other reputable automotive engineering fraternity.

Finally, I must say that in my 25 years of designing and developing motor cars I have never had submitted to me data or a technical report arguing in favor of even one of the four major issues which I have proscribed in the G.M. statement on Design Characteristics of the Corvair:

1. Larger, heavier and more powerful rear engine cars are no different than the smaller Volkswagens, Renault Dauphines.

2. Only expert drivers can handle more than .3 lateral G.

3. Tire pressure differential has little or no affect on rear engine car handling between 30 to 40 mph.

4. Oversteer might be better/safer than understeer.

EXHIBIT 24

AMENDED NOVEMBER 30, 1972, SUMMARY, ANALYSIS OF FORD FILM SHOWING FALCON VERSUS CORVAIR HANDLING

(By H. F. Copp)

NOTE

Amendment: All references to speed and lateral G forces as indicated in Falcon vs. Corvair Handling Film submitted by Ford Motor Company have been removed from text.

BACKGROUND

While preparing my letter to Senator Magnuson dated June 3, 1971, I discovered the only extant copy of a film made on the Ford Motor Company Dearborn Proving Grounds in August-September 1959 indicating the serious handling deficiencies of the 1960 Corvair. This film was made at the request of Mr. J. O. Wright then Vice President and General Manager of the Ford Division and was subsequently shown to the Ford Technical Evaluation Committee on September 23, 1959, and October 1, 1959 to the Executive Committee which was, at that time, the Corporate Operating Committee and included Mr. Henry Ford II, Mr. E. R. Breech, Group Vice Presidents, etc.

During my discussions with Senator Ribicoff's staff and specifically Mr. John Koskinen and Mr. Robert Wager, I was asked to analyze this film and quantify the relative handling characteristics of the Corvair as run in the tandem sequences with the Falcon. The attached analysis and this summary are submitted in accordance with the "Canons of Ethics for Engineers" in the Ford Motor Company.

DISCUSSION

Following my testimony to Mr. Koskinen and Mr. Wager in Washington on June 14, additional documents were discovered and submitted to the Ford Corporate Office of General Counsel from which important state-

ments relating to the film and Corvair handling evaluations as presented to the Executive Committee on October 1, 1959 are quoted below:

1. Before showing the film:

"It is necessary to emphasize at this point that these are completely objective tests and in no sense have they been contrived to show the Corvair in an unfavorable light. The drivers of both cars are equally skilled drivers from our test track area, and the Corvair driver was instructed to make every effort to keep his car under control."

2. After showing the film:

"The lack of extreme cornering ability is not a significant product disadvantage in itself. Of much greater significance in the preceding film has been the difficulty experienced by the Corvair driver in re-establishing control over his vehicle once it had been lost. This is indicative of a lack of stability which is more likely to be encountered by the average driver under average conditions and this condition is deemed to be a significant product disadvantage."

3. In the discussion on Ride and Handling:

"The Corvair with its rear heavy weight distribution shows marked instability under conditions of severe cornering and in passing. While the driver will not encounter difficulty under most normal driving conditions, there are frequently encountered emergency conditions such as slippery pavement or emergency conditions such as slippery pavement or emergency maneuvering in which the driver cannot maintain control of the vehicle. The Corvair falls considerably short of our handling standards."

Although during my investigations and subsequent searching we were unable to discover any additional film which showed the Volkswagen and Renault Dauphine running against the Falcon, it is important to note that during the Executive Committee presentation on October 1, 1959 we stated:

"For reference purposes, we have also shown the *Volkswagen* and the *Renault Dauphine* under similar circumstances at comparable speeds. These pictures show that *both of these vehicles have ability to corner at higher speeds with less instability than the Corvair.*" (Emphasis added.)

METHOD OF ANALYSIS

The film shows 10 sequences run at specified tire pressures: 5 sequences on a 150 ft. radius circle referred to as "Phase I—Comparative Breakaway"; 5 sequences (of much greater significance on an "S" curve of approximately 200 ft. radii with a 100 ft. inter-connection between the two curves referred to as "Phase II—Comparative Highway Handling". Nine additional sequences were run with the Corvair at equal tire pressure, front and rear, of 26 psi.

A numerical percentage summary has been calculated by assigning declining percentage ratings to control performance for the categories of: stable, minor, major, and lost. Each film sequence was analyzed and graded into these four categories and then translated into percentage ratings to develop an average for each of the two phases.

RESULTS AT SPECIFIED TIRE PRESSURES

1. The Corvair achieved a 35% control rating during the "Phase I—Comparative Breakaway" tests as compared to the Falcon which achieved 100%.

2. The Corvair achieved only a 10% control rating during the "Phase II—Comparative Highway Handling" tests as compared to the Falcon which achieved 100%.

3. The average of the Phase I and Phase II testing was 18% compared to the Falcon at 100%.

4. An absolute minimum acceptance standard of 60% should have been achieved for the average of the two types of tests but the Corvair achieved less than one-third of this minimum; 18% vs. 60%. Significantly, the standards of General Motors appear to be even higher as stated by Mr. Frank Winchell on Page 1560 of Part IV, Federal Role in Traffic Safety dated March 22, 1966. I quote:

"Much of our testing, therefore, is comparatively; acceptability is based on comparison with successful vehicles in use by the motorist on public road systems."

NOTE: I have also been asked to provide a critique of G.M.'s statement referenced in Point 4 above under Results. There is a direct relationship between my film analysis and my critique because, as noted above, G.M. fully understands that handling evaluation is comparative and I; therefore, reference my film analysis in the critique of G.M.'s statements.

AMENDED NOVEMBER 30, 1972, FALCON VERSUS CORVAIR HANDLING, FILM ANALYSIS QUANTIFICATION OF HANDLING COMPARISONS

NOTE

Amendment: All references to speed and lateral G forces as indicated in Falcon vs. Corvair Handling Film submitted by Ford Motor Company have been removed from text.

The film showing the Falcon vs. Corvair handling comparison submitted by the Ford Motor Company to the United States Senate has been analyzed at the request of Messrs. Koskinen and Wager. This film was made by the Ford Motor Company on the Dearborn Proving Grounds during August-September, 1959, prior to introduction of these two cars and at the request of Mr. J. O. Wright then Vice President and General Manager of the Ford Division, for the purpose of illustrating the serious Corvair handling problems which we had discovered during our early evaluations.

The film was shown to the Corporate Technical Evaluation Committee on September 23, 1959 and on October 1, 1959 to the Executive Committee of the Ford Motor Company. To my knowledge, this is the first and only time a comparative handling movie has been made to demonstrate to Corporate management a competitor's handling characteristics.

We said to the Ford Executive Committee when presenting this film:

"The Corvair has been shown attempting to maintain the same speed as the Falcon in the various maneuvers. It is necessary to emphasize at this point that these are completely objective tests and in no sense have they been contrived to show the Corvair in an unfavorable light. The drivers of both cars are equally skilled drivers from our test track area, and the Corvair driver was instructed to make every effort to keep his car under control.

For reference purposes, we have also shown the Volkswagen and the Renault Dauphine under similar circumstances at comparable speeds. These pictures show that both of these vehicles have ability to corner at higher speeds with less instability than the Corvair.

(Film)

Discussion of Handling Film

These pictures have shown only that the Corvair exhibited instability under extreme cornering conditions, under which the Falcon remained stable. The lack of extreme cornering ability is not a significant product disadvantage in itself. Of much greater significance in the preceding film has been the difficulty experienced by the Corvair driver in re-establishing control over his vehicle once it had been lost. This is indicative of a lack of stability which is more likely to be encountered by the average driver under average conditions and this condition is deemed to be a significant product disadvantage."

We also said in the same presentation:

"The handling and stability of the Falcon are excellent. The Corvair with its rear heavy weight distribution shows marked instability under conditions of severe cornering and in passing. While the driver will not encounter difficulty under most normal driving conditions, there are frequently encountered emergency conditions such as slippery pavement or emergency maneuvering in which the driver cannot maintain control of the vehicle. The Corvair falls considerably short of our handling standards."

There are innumerable methods of analyzing comparative handling characteristics shown in the film. In the final analysis, results must provide "go"- "no go" quantification of handling characteristics. In this instance, a typical method has been used to assess the control adequacy of the Corvair relative to the Falcon as shown in the Attachment; viz.

First, the severity of control deviation was defined in terms of four categories: stable, minor, major, lost (Attachment p. 1).

Second, control adequacy percentage within a range of ±10% was assigned to each of the above four severity ratings (Attachment p. 1).

Third, all test runs in the film were analyzed. Severity ratings were assigned and the sequence of control deviation was noted in terms of on-coming lane and/or adjacent shoulder (Attachment pp. 2–3).

Fourth, the percent control adequacy within a range of ±10% was assigned for each test run based on the above (Attachment pp. 2–3).

Fifth, an average performance of 60% control adequacy was established as the minimum acceptance standard.

In summary, a method has been evolved which provides quantification of control adequacy in terms of percentage relative to the Falcon but only for the conditions of dry, blacktop, slightly undulating surfaces. It should be emphasized that fully definitive comparisons would require similar tests under many more adverse conditions, such as wet blacktop, curves with changing road camber, surprise bumps on cornering which tend to throw the vehicle, ice, snow, etc.

The film analysis is summarized as follows and detailed on the Attachment, Pages 2 and 3.

CONTROL ADEQUACY COMPARISON

Film test description	Percent control adequacy ±10 percent	
	Corvair	Falcon
Standard tire pressure:		
Phase I—Comparative breakaway; 5 sequences	35	100
Phase II—Comparative highway handling; 5 sequences	10	100
Average percent, phase I and II	18	100
Percent range ±10 percent	8–28	90–100
Minimum percent acceptance standard	60	60
Nonstandard tire pressure Corvair 26–26 p.s.i.:		
Phase I—Comparative breakaway; 6 sequences	37	100
Phase II—Comparative highway handling; 3 sequences	8	100
Average percent, phase I and II	22	100
Percent range ±10 percent	12–32	90–100
Minimum acceptance standard	60	60

Based on a 60% *minimum* acceptance standard, the Corvair with standard tire pressure achieved 30% of the standard (18%/60%). Applying the maximum favorable variation of +10%, the Corvair achieved 48% of the minimum acceptance standard (28%/60%).

Additional conclusions which result from the Attachment are:

1. For non-standard tire pressure of 26–26 psi, severe control problems began upon *entering* the second corner of the S curve in Phase II highway handling whereas similar control problems with standard tire pressure began on *leaving* the second corner of the S curve. This amounts to a reduction in "on

course" control of approximately 33% for 26–26 psi tire pressure.

2. For non-standard tire pressure of 26–26 psi, in both Phase I and Phase II testing, the Corvair deviated into the oncoming lane *six* times during *nine* test runs and demonstrated complete loss of control *four* times during the *nine* test runs.

3. For standard tire pressure in both Phase I and Phase II testing, the Corvair deviated into the oncoming lane *eleven* times during the *ten comparative* tests when running with the standard tire pressure. Complete loss of control occurred *five* times during the *ten* test runs.

H. F. Copp,
(July 26, 1971, Amended November 30, 1972).

FILM ANALYSIS, FALCON VERSUS CORVAIR HANDLING—DATA SHEET

PHASE I—COMPARATIVE BREAKAWAY (15-FT RADIUS CIRCLE; DRY BLACKTOP SURFACE SLIGHTLY UNDULATING; LANE WIDTH OF 12 FT)

Test run	Corvair: Sequence of control deviations: On-coming lane	Corvair: Sequence of control deviations: Shoulder	Corvair: Severity of control development	Percent control ±10-percent adequacy: Corvair	Percent control ±10-percent adequacy: Falcon
Standard pressure 15–26 p.s.i.:					
1	1		Minor	50	100
2		1	Lost	0	100
3	1	2	do	0	100
4		1	Minor	75	100
5	2, 4	1, 3	do	50	100
Average 5 tests				35	100
Nonstandard pressure 26–26 p.s.i.:					
1	1		Minor	50	100
2		1	do	75	100
3	2	1	Major	25	100
4		1	Lost	0	100
5		1	Minor	75	100
6		1	Lost	0	100
Average 6 tests				37	100

PHASE II—COMPARATIVE HIGHWAY HANDLING

[S curve, 136° arc at 200 ft radius, 100 ft straightaway, 140° arc at 200 ft radius, 182 ft straightaway; dry blacktop surface slightly undulating; lane width of 12 ft]

Standard Pressure 15–26 p.s.i.:					
1	1st, 3d	2d, 4th	Lost	0	100
2	2d	1st	do	0	100
3	1st, 2d	-------	Major	25	100
4	1st	2d	Lost	0	100
5	2d	1st	Major	25	100
Average 5 tests				10	100
Nonstandard pressure 26–26 p.s.i.:					
1	1st	2d	Lost	0	NA
2	1st, 3d	2d	do	0	100
3	1st	2d	Major	25	100
Average 3 tests				8	100

Note: For 26–26 p.s.i., major control problems began at entering second corner compared to control problems at 15–26 p.s.i., which began on leaving the second corner.

FILM ANALYSIS—FALCON VERSUS CORVAIR HANDLING DEFINITION OF CONTROL DEVIATION SEVERITY

Severity rating	Percent control adequacy	Vehicle/driver control conditions
Stable	100	No deviations.
Minor	[1] 50–75	Minor swerve with full recovery using less than oncoming lane or adjacent shoulder.
Major	25	Major swerve which occupies oncoming lane and/or shoulder equal to car width.
Lost	0	Major swerve which occupies more than oncoming lane and/or shoulder greater than car width and results in loss of control including spinouts.

[1] Minor deviation which uses oncoming lane, 50 percent; Minor deviation which stays in lane or uses adjacent shoulder, 75 percent.

NOTES: Assigned percentage values should be assumed to be representative within a range of ±10 percent.

Minimum acceptance standard: Defined as 60 percent which allows minor deviations of 50–75 percent control adequacy but full recovery.

RELATIONSHIP BETWEEN COPP CORVAIR-FALCON FILM ANALYSIS RATING PERCENTAGES AND THE FORD "VEHICLE EVALUATION RATING SYSTEM"

(By H. F. Copp)

I have been asked whether there is any correlation of the percentage method which I used in assessing the Ford film comparing Falcon and Corvair Handling with the Ford procedure used in our "Vehicle Evaluation Rating System".

I must admit that my method was in no way related to our numerical 1 thru 10 procedure used in our "Vehicle Evaluation Rating System". My technique is shown in my Film Analysis of July 25, 1971 and amended November 30, 1972 as Attachment Page 1 and is attached hereto for ready reference.

Some 15 years ago we attempted to quantify subjective jury evaluations of control performance on all types of road surfaces by introducing a "Vehicle Evaluation Rating System". This system has been under constant refinement since its introduction but has continued with a 1 to 10 numerical scale which all evaluators apply to their assessments. As it applies to handling and controllability, the scale is:

Rating index	Acceptability	Grade	Expertise required
1	Unacceptable	Poor	All customers.
2	do	do	Average customer.
3	do	do	Do.
4	do	Customer complaint	Do.
5	Borderline	Borderline	Critical customer.
6	Acceptable	Barely acceptable	Do.
7	do	Fair	Do.
8	do	Good	Trained observer.
9	do	Very good	Do.
10	do	Excellent	Not perceptible.

Any system of handling and controllability tests and their ensuing conclusion must separate good from bad; unacceptable from borderline, and borderline from acceptable.

It would be most convenient if I could assign percentage values to each rating beginning with 1 at 10% and ending with 10 at 100%. Unfortunately, this is not the case because:

1. We rated the Falcon Handling Performance at about 7.5 whereas my Film Analysis method rated it at 90–100%.

2. A 1962 Corvair, not generally different from the 1960 Corvair, was rated at 3.4 whereas my Film Analysis rated it at a nominal 18% ±10% for a maximum of 28%.

A recently completed Ford Control Performance Project, ATMD 72–5, which has been reviewed with DOT shows correction factors of approximately ±12% for subjective ratings by 20 evaluators. As previously noted, I considered my method of rating to be representative within ±10%. I also assigned a 60% minimum acceptance standard for the Corvair because it was following the Falcon which had no relationship to the Ford Rating Index of 5 which is borderline and 6 which is barely acceptable.

If one attempts to correlate the Rating Indices with my percentage method he must first correct for the 1960 Falcon rating index of 7.5 ±12% and the 90–100% resulting from the Film Analysis.

In actual fact, we are constantly raising our standards of control performance and about the best we have recently measured as indicated in ATMD 72–5 is a corrected index of 8.30 on a 1971 Mercedes 220 4-door sedan during a rough road cornering test. It is obvious that our standards have been raised since 1959 and the 1960 Falcon index which we assessed at 7.5 in 1959 might now be assessed at only 6.5. It, therefore, follows that 1971–72 data and techniques cannot be correlated with one film showing only two types of tests on dry, blacktop roads.

As I stated on Page 2 of my Film Analysis: "There are innumerable methods of analyzing comparative handling characteristics shown in the film. In the final analysis, results must provide "go"—"no go" quantification of handling characteristics. In this instance, a typical method has been used to assess the control adequacy of the Corvair relative to the Falcon."

Also, "In summary, a method has been evolved which provides quantification of control adequacy in terms of percentage relative to the Falcon but only for the conditions of dry, blacktop, slightly undulating surfaces. It should be emphasized that fully definitive comparisons would require similar tests under many more adverse conditions, such as wet blacktop, curves with changing road camber, surprise bumps on cornering which tend to throw the vehicle, ice, snow, etc."

One might argue that I was unduly harsh in my method of assessing the Corvair and overly generous in assessing the Falcon. In defense of such argument, I submit:

1. Control performance is a relative comparison in terms of time and weight class. For example, the 1965–68 Ford was a better handling car than the 1954–57 Mercury although both cars were about the same weight, comparably equipped.

2. In 1966, a 1962 Corvair was rated unacceptable by an experienced group of development engineers. Their rating index of 3.4 was 1.6 or 32% below the index of 5, which is "borderline" minimum and 43% below the index of 6 which is graded as "barely acceptable".

3. My film analysis method defined a minor swerve with *full recovery* using less than the oncoming lane as 50% control adequacy. It is significant that had all the swerves been into the oncoming lane with *full recovery*, the Corvair would have met the minimum handling standard of 60% when applying the plus 10% tolerance. As a matter of comparison, it should be noted that a swerve with *full recovery* onto the *shoulder* rather than the oncoming lane was only penalized 25% from the 100% base, and, therefore, assigned a 75% value for control adequacy. If, for example, all the swerves had been onto the shoulder with *full recovery*, the Corvair would have exceeded the minimum handling standard by 25% without application of the plus 10% tolerance.

4. By selecting the most favorable tolerance, plus or minus, in an effort to determine the best relationship between Corvair-Falcon rating indices and my Corvair-Falcon Film Analysis, we arrive at:

[In percent]

	Corvair	Falcon	Ratio Falcon/Corvair
Rating index	3.4	7.5	-------
Selected tolerance	−12.0	+12.0	-------
Best relationship	[1] 3.0	[2] 8.4	2.8
Copp rating Ford film	18.0	100.0	-------
Selected tolerance	+10.0	−10.0	-------
Best relationship	[2] 28.0	[1] 90.0	3.2
Average of best relationship ratios			3.0

[1] Minimum. [2] Maximum.

From the above it can be seen that by selecting accepted or specified tolerances in an effort to show the closest correlation of Corvair-Falcon rating indices with my ratings of the Corvair-Falcon Handling Comparison Film, we indicate reasonable similarity in results. The average ratio of best relationships shown in the last line at a value of 3.0 is within ±7% of the individual best relationship ratios in rating indices and my Film Analysis percentages.

FILM ANALYSIS—FALCON VS. CORVAIR HANDLING, DEFINITION OF CONTROL DEVIATION SEVERITY

Vehicle/driver control conditions	Severity rating	Percent control adequacy
No deviations	Stable	100
Minor swerve with full recovery using less than oncoming lane or adjacent shoulder.	Minor	[1] 50–75
Major swerve which occupies oncoming lane and/or shoulder equal to car width.	Major	25
Major swerve which occupies more than oncoming lane and/or shoulder greater than car width and results in loss of control including spinouts.	Lost	0

[1] Minor deviation which uses oncoming lane—50 percent; minor deviation which stays in lane or uses adjacent shoulder—75 percent.

Note.—Assigned percentage values should be assumed to be representative within a range of ±10 percent. Minimum acceptance standard: Defined as 60 percent which allows minor deviations of 50–75 percent control adequacy but full recovery.

EXHIBIT 25

CRITIQUE OF DOT-NHTSA 1960–63 CORVAIR HANDLING AND STABILITY; DOT HS–820 198

(By H. F. Copp)

I. CRITICISM OF MY CALCULATED SPEEDS BY DOT IS JUSTIFIED

The DOT report much more accurately represents the speed and G forces indicated in the Ford film showing Falcon vs. Corvair Handling. My investigation of the cause for my errors resulted in learning that the projector used in my stop watch timing analysis was running at 18 frames per second whereas the film was taken at 24 frames per second (see Attachment I for detailed discussion).

II. CORVAIR RAPID TRANSITION FROM UNDERSTEER TO OVERSTEER EXCEEDS DRIVER'S REACTION TIME

From Page 6 of the *Panel Evaluation of the NHTSA Approach to the 1960–1963 Corvair Handling and Stability* (Report No. A3971):

"What is different about the 1960-through-1963 Corvair is the characteristic transition from understeer to oversteer which occurs at a lateral acceleration of 0.4 G to 0.5 G."

Also, "In the General Motors films it was observed that the lateral acceleration might go from 0.3 G to 0.6 G in a quarter to a half second depending on the attitude and speed of the vehicle."

The NHTSA report attempts to destroy the credibility of the Ford film by:

Stating that losses of control occurred in about the same location and in front of the camera.

Showing pictures of the driver's arms turning the wheel in a direction that would induce loss of control.

In examining the individual frame by frame sequences of the Ford film, I conclude that:

1. Assuming speeds to be the same in the first and second corners of the Phase II highway cornering tests, G forces in the second corner are 6% higher even though the curve radius to road centerline is the same for both corners at 200 feet. In the first corner the cars are running on the outside lane at 206 feet radius and on the second corner they are running on the inside lane at a 194 foot radius. In fact, the films show that the cars are still accelerating in the first corner.

2. The Corvair is experiencing latent control problems as it enters the second turn of the Phase II tests.

3. At standard tire pressure, the Corvair loss of control in Phase I and Phase II testing was not identical as indicated in my film analysis.

	Phase I comparative breakaway	Phase II comparative highway handling
Test sequences	5	5
Minor loss	3	0
Major loss	0	2
Complete loss	2	3

I believe that staged tests which make the Corvair look bad would have attempted to make the Corvair look bad in all sequences. This is not apparent in the Ford film.

4. At the point of loss of control the driver's corrections to the Corvair are exactly those instinctive reactions which would be made with an understeering car; i.e. turn more to the right in a right hand corner.

5. The best of measured driver reaction times are from 0.25 to 0.33 second and these times are more the result of instinctive reaction. At 24 frames per second, therefore, the very best instinctive reaction represents 6 frames in 0.25 second. The driver's arm movements to the right occur in less than 6 frames as indicated by individual frame analysis of the film.

6. As quoted earlier from the Panel Report, the Corvair:

Went from understeer to oversteer "at a lateral acceleration of 0.4 G to 0.5 G".

"Might go from 0.3 G to 0.6 G in a quarter to half second."

Interpolating these data clearly shows the Corvair problem and the driver's inability to cope with the rapid transition from understeer to oversteer.

Transition occurs at 0.4 G to 0.5 G which equals 0.1 G maximum span.

Transition from 0.3 G to 0.6 G occurs in one quarter to one-half second which amounts to a rate of 0.1 G in 0.08 to 0.17 second all of which are well below the best possible driver's instinctive reaction time of 0.25 to 0.33 second.

7. A driver's reaction time is much higher when he has to think and then react. A minimum of 0.5 second to 1.0 second is accepted criteria. On this basis, the Corvair rate of transition from understeer to oversteer exceeds human reaction time by a minimum of 0.33 second to 0.92 second. In the Ford film taken at 24 frames per second, this translates to 8 frames at the minimum and 22 frames at 0.92 second. In distance traveled at 38 mph it translates to a range of 18 to 51 feet in excess of the best known psychomotor [1] reaction time due to the change from understeer to oversteer.

8. At higher speeds the problem is made worse proportionally:

Distance traveled in feet in 1960–63 Corvair due to understeer/oversteer rate of change beyond best human psychomotor response time:

	Speed (m.p.h.)
22 to 61	45
27 to 74	55
31 to 87	65
36 to 102	75

9. Assuming a *good* driver is aware of the Corvair's transition from understeer to oversteer and that he is driving in an understeer mode but due to road conditions and/or the demand for an emergency maneuver he transverses into the oversteer mode, his best psychomotor reaction time will more nearly approach 1.0 second. Allowing for the lowest rate of change from understeer to oversteer in a 1960–63 Corvair as stated in the Panel Report and quoted earlier at 0.5 second from 0.3 G to 0.6 G, a *good* driver under the conditions mentioned above will exceed his psychomotor response capabilities in a 1960–63 Corvair by—

Distance traveled (feet):	Speed (m.p.h.)
55	45
67	55
79	65
93	75

The above is based on the optimistic assumption that upon occurrence of oversteer, a good driver corrects accordingly and the suspension system *remains* in the oversteer mode. In actual practice this is rarely the case. For example, undulations, bumps and/or changes in road camber have a marked affect on front and rear wheel movements with consequent additive transition in suspension system steer characteristics.

III. TEST METHOD USED BY NHTSA DO NOT CORRELATE WITH REAL WORLD CONDITIONS

At the top of Page 54 of the Report it says:

"The vehicle handling test procedures employed in this program were defined by NHTSA although they were closely related to methods previously developed and used at the HSRI" (Highway Safety Research Institute of the University of Michigan).

Also, on page 68:

"The road surface grade of test areas was level within 1%. The average skid number for the road surface was 79 to 30 mph and 80 to 60 mph."

It is well known that Ford uses subjective methods for rating the handling and controllability of our motor vehicles. Some 15 years ago we attempted to quantify these subjective jury evaluations on all types of road surfaces by introducing a "Vehicle Evaluation Rating System". This system has been under constant refinement since its introduction but has continued with a 1 to 10 numerical scale which all evaluators apply to their assessments. As it applies to handling and controllability, the scale is:

Rating index and acceptability	Grade	Expertise required
1 Unacceptable	Poor	All customers.
2 do	do	Average customer.
3 do	do	Do.
4 do	Customer complaint.	Do.
5 Borderline	Borderline	Critical customer
6 Acceptable	Barely acceptable	Do.
7 do	Fair	Do.
8 do	Good	Trained observer.
9 do	Very good	Do.
10 do	Excellent	Not perceptible.

Any system of handling and controllability tests such as the HSRI proposals must spring from and support the subjective real world tests which we use to separate good from bad; unacceptable from borderline, and borderline from acceptable. The HSRI tests fail completely in this regard; show excessive variability and non-correlation. Results of the Ford 14-month investigation of the HSRI procedure and our counter proposals have been reviewed with DOT as indicated in Ford Report ATMD 72–5 dated August 29, 1972.

2. Under the conditions of test, ultra level and high adhesion surfaces, it is possible to generate theoretical, non real world lateral G forces which have no relevance on the majority of our public roads which, as we all know, are not smooth. On these roads, the total vehicle lateral G forces are much lower than the transient and instantaneous lateral G loads which are constantly developed between the tires and the road. Therefore, the total vehicle G loads are often very low while instantaneous G forces between the tires and

[1] Muscular action ensuing from prior conscious mental activity.

road are near the critical point due to suspension system absorption of the undulations, bumps, and changes in road camber.

3. The test methods of "steady turn" are non real world simply because most vehicle maneuvers are a complicated system of transient dynamics or in other words a system of ever-changing conditions.

I conclude that the test methods employed by NHTSA are in no way representative of those methods used by the automotive industry for developing and measuring handling stability and controllability of our products.

IV. DOT HAS STATED THAT NO SYSTEM OF TESTS HAS YET BEEN DEVISED WHICH CAN BE USED TO RATE OR QUALIFY THE HANDLING REQUIREMENTS OF MOTOR CARS

It is public knowledge that Mr. Doug Toms, Director of DOT, has stated that unfortunately, despite great effort, DOT, HSRI, and the automotive industry have been unable to devise a series of procedures and tests which could be used to measure the control performance of motor cars. This statement should, perforce, invalidate the DOT report.

V. 1962 CORVAIR RATED UNACCEPTABLE IN 1966 FORD JURY OF DEVELOPMENT ENGINEERS

During the continuing Ford development on handling tests in an attempt to establish handling performance standards which would correlate with real world conditions and provide a more objective method of evaluation, a 1962 Corvair was rated at 3.4 by a jury of experienced development engineers. Six additional vehicles were rated including a 1966 station wagon which had been purposely modified to make it unacceptable. Ratings ranged from 7.5 for the 1966 Mustang to 3.0 for the modified station wagon.

The 1962 Corvair rating of 3.4 as applied to our Vehicle Evaluation Rating System means: Unacceptable; Poor—customer complaint; and Average—customer would discern handling problem during life of car.

The full report containing this rating is contained in an August 3, 1966 Ford Motor Company Intra Company communication addressed to Mr. R. E. Edwards, subject: Handling Tests for Safety Committee in Handling Performance Standards. This report has been submitted to the Federal Government.

VI. MY FILM ANALYSIS OF "1960 FALCON-CORVAIR HANDLING COMPARISON" GAVE DUE ALLOWANCE FOR FALCON'S ADVANTAGE AS LEAD CAR

From Page 41 of the July DOT report:

"The test was conducted so that the Falcon was always the lead car when the two cars were driven in the same scene. It was the conclusion of the analysts that this gave the Falcon a distinct advantage in the driving maneuvers on the test track."

The Falcon had to be the lead car to prevent an accident and because it was I admitted this advantage and established a minimum handling standard of 60%. Despite this 40% discount, the Corvair failed to meet even one-half the standards of 60% against the Falcon which achieved 100% at standard tire pressure.

VII. I DID NOT RATE THE CORVAIR HIGHER WITH 26/26 PSI TIRE PRESSURE THAN WITH STANDARD PRESSURE

From Page 46 of the July DOT report.

"A point to note is that Mr. Copp rated the Corvair higher with nonrecommended 26 psi front and rear tire pressures than with the manufacturer's recommended tire pressures used in test No. 1 which were inconsistent with his analysis."

The following table is summarized from my film analysis dated July 25, 1971:

Test	Percent control ±10 percent adequacy: Corvair	Falcon
Ia Comparative breakaway—standard pressure	35	100
Ib Comparative breakaway—26/26 lb/in²	37	100
IIa Comparative highway handling—standard pressure	10	100
IIb Comparative highway handling—26/25 lb/in²	8	100

I clearly indicated that any method of analysis could not be more accurate than ±10%.

From the above it can be seen that the nominal value in Test Ib is exactly 2% higher than the nominal value in Test Ia. Applying my specified tolerance of ±10% to Tests Ia and Ib the ranges are:

	Nominal percent	+10 percent	−1 percent
Standard pressure	35	45	25
26/26 lb/in²	37	47	27

Had the report acknowledged my specified tolerance, its authors would have omitted the above quote. It is most apparent that the range of accuracy in my rating system would have shown that a standard pressure rating of 45% was possible and that a nonstandard pressure at 26/26 psi of 27% was possible as indicated in the above table underlined values.

ATTACHMENT I: CRITICISM OF MY CALCULATED SPEEDS BY DOT IS JUSTIFIED

My stated speeds were based on repeated timing by a jury of three people using a standard silent film projector running at 18 frames per second. After the DOT Report was issued, I verified that the film had been taken at 24 frames per second thereby invalidating my speeds by the ratio of 24/18 which amounts to 33%. In my report I also stated the speeds to be accurate within ±10%. Because of the more sophisticated projector used by DOT, I would assume their speeds to be accurate within ±5%. Correcting for my projector error of 33% and using a tolerance of ±10% for my crude methods of timing and a ±5% for the DOT more sophisticated frame count method establishes reasonable correlation, viz.:

	Phase I comparative breakaway (mi/h)	Phase II highway cornering (mi/h)
DOT—Standard lb/in² tire pressure:		
Nominal	35	38
±5 percent tolerance	33–37	33–40
DOT—26/26 lb/in² tire pressure:		
Nominal	35	(1)
±5 percent tolerance	37–39	(1)
Copp—Standard and 26/26 lb/in² tire pressure:		
Nominal	30	31
±10 percent tolerance	27–33	28–34
Copp—Corrected:		
±10 percent tolerance	27–33	28–34
Add 33 percent (24/18)	9–11	9–11
Total	36–44	37–44

[1] Not indicated.

Note: DOT speeds at standards and 26/26 lb/in² tire pressure with tolerance of ±5 percent: 33 to 39 mi/h, phase I, 36 to 40 mi/h, phase II.

EXHIBIT 26

COMMENTS ON "REQUEST NO. 8," FORD EFFORTS IN 1966 TO ESTABLISH HANDLING PERFORMANCE STANDARDS

(By H. F. Copp)

I have prepared this statement on file "Request No. 8" forwarded to me by Mr. Robert Wager in his letter of July 19, 1972. Many of the pertinent questions in "Request No. 8" are answered in my Study "Relationship Between Copp Corvair-Falcon Film Analysis Rating Percentages and the Ford 'Vehicle Evaluation Rating System' ". Some other comments of interest concerning this 4 Document file are:

1. The tests were a concerted effort by Ford to develop a series of discplined objective tests from which we could establish Product Acceptance Handling Performance Standards. The effort was unsuccessful primarily because as stated in the last sentence of the August 3, 1966 communication to Mr. R. E. Edwards, "No efforts have been made to measure road disturbance inputs."

2. Our most recent work which does show a large measure of success has been reviewed with DOT and completely invalidates the HSRI methods used in the DOT 1960–63 Corvair Handling and Stability studies as they reported in their July DOT HS–820 198. Our report is ATMD 72–5 dated August 29, 1972.

3. The 1966 station wagon achieved a subjective rating of 6.5 on our 1–10 Rating Index as defined in Ford's "Vehicle Evaluation Rating System". By definition, the 6.5 rating is at the low end of the acceptable range and 1.5 above "borderline".

4. A similar wagon was modified to induce a high rate of change from understeer to oversteer and this modified wagon was rated at 3.0 which is unacceptable and its poor handling would be discerned by the average customer during the life of the vehicle. I should emphasize that this modified station wagon was a necessary tool for the evaluators so that they could establish a range of rating indices from 3.0 to 7.5 for test correlation purposes.

5. The 1962 Corvair used in these tests inadverently overturned during a dry run over the test course. I have personally discussed this accident with the driver and he confirms the conditions causing the roll over.

"Request No. 8" Reference Documents:

1. August 3, 1966 letter to Mr. R. E. Edwards, Subject: Handling Tests for Safety Committee on Handling Performance Standards (13 Pages) from Mr. D. H. Iacovoni

2. August 11, 1966 letter to Mr. H. C. MacDonald, Subject: Status Report-Minimum Handling Standards (9 Pages) from Mr. R. E. Edwards

3. August 17, 1966 letter to Mr. C. R. Sorensan, Subject: Handling Tests for Safety Committee on Handling Performance Standards (16 Pages) from Mr. C. Beauregard and Mr. D. J. Burkhardt

4. August 12, 1966 close-out date Vehicle Development Project Order, Subject: Development of Objective Safety signed by K. A. Wolf

EXHIBIT 27

ANALYSIS OF ROLLOVER ACCIDENT FACTORS AND INJURY CAUSATION

(By Donald F. Huelke, The University of Michigan Medical School; Joseph C. Marsh IV, The University of Michigan Highway Safety Research Institute; Harold W. Sherman, The University of Michigan Highway Safety Research Institute—Present at the 1972 Annual Conference of the American Association of Automotive Medicine.)

ABSTRACT

One of the most violent automobile accidents in terms of occupant injury exposure

is the rollover crash. In this environment the most consistently noted damaged area of the vehicle has been roof crush. Hence, it has been hypothesized that the prevention of significant roof crush will result in reduced injury severity. An analysis was made of the clinical accident investigation reports of 249 rollover crashes out of over 2,500 accident cases available. The results of the study disclosed that average occupant injuries in rollovers are at the lower end of the injury severity scale and are similar in severity to occupants in all other types of crashes. However, twice as many fatal injuries occur in rollovers than in all accidents and two-thirds of these fatalities are due to unrestrained occupant ejection. From these data it would appear that containment of occupants within the vehicle would provide a significant reduction of injury severity levels, and that reducing roof crash in rollover accidents will be of little significance in injury severity reduction.

Rollover [1] crashes can be the most violent in terms of occupant injury exposure. In these types of crashes a variety of force vectors are applied to car occupants with these vectors changing a number of times during very brief periods. On the other hand, rollovers can be as a "leaf tumbling down the roadway" and in these crashes there can be minimal force and force vector changes applied to the occupant.

Occupant containment within the vehicle is a major premise for survivability. However, in rollover collisions the potential is higher for door opening and occupant ejection than in many of the other crash configurations.

Probably one of the obvious damaged areas consistently noted about the vehicle in rollovers is roof crush. Thus, it has been suggested that preventing significant roof crush the occupant injury severity would be reduced. Likewise, with the relatively high incidence of door openings in rollovers, it has been suggested that ejection through open doors would be reduced if roof crush could be reduced to a minimum level.

In the amendment to the proposed Motor Vehicle Safety Standard 216 it states that, ". . . available data have shown that for non-ejected front seat occupants in rollover accidents, serious injuries are more frequent when the roof collapses. The roof crush standard will provide protection in rollover accidents by improving the integrity of the door, side window, and wildshield retention areas. Preserving the overall structures of the vehicle in a crash decreases the likelihood of occupant ejection, reduces the hazard of occupant interior impacts and enhances occupant agrees after the accident" (1).[2]

It is the intent of this paper to explore the distinctive factors that characterize rollover accidents, their frequency, dynamics, vehicle damage, and occupant injury severity.

METHODOLOGY AND DATA

The Highway Safety Research Institute (HSRI) at The University of Michigan has processed over 3,000 Collision Performance and Injury Reports (CPIR) (2) into computer storage and is currently providing on-line access to these data via remote computer terminals in the automobile industry. National Highway Traffic Safety Administration (NHTSA) of the Department of Transportation, and six of the NHTSA sponsored Multidisciplinary Accident Investigation (MDAI) teams. The field accident investigations and the computer processing of these cases was sponsored by the Motor Vehicle Manufacturers Association (formerly Automobile Manufacturers Association) and the Department of Transportation.

All vehicle measurements, injury descriptions, injury severities and mechanisms of injury were computerized from the field accident reports. Twenty four different clinical accident investigation teams (Table 1) submitted the *CPIR Revision 3 Long Form* reports used in this study. All data were edited by HSRI to conform to consistent definitions of rollover occurrence, damage, and injury severity.

The cases reported were selected according to various criteria established by the study teams. The population of cases in the data file are not a cross-section of the general accident population. Of over 2,500 cases available, this study was restricted to 2,336 solid top (metal) passenger cars (excluding trucks and convertibles). In this group there were 249 rollover cases of which 212 sustained roof crush (Table 2).

In what ways are rollovers different than non-rollover collisions? In order to identify the type of accident situations strongly associated with vehicle rollover, a number of two-way tables were prepared. These bivariant tables contrasted rollovers vs. non-rollovers for many accident variables, such as horizontal road alignment, driver's age, and time of day.

In order to statistically test for possibly significant factors (e.g., day and night), a one-way analysis-of-variance was performed on a number of interesting control variables (e.g., time of day) using rollover "yes/no" as a dichotomous dependent variable. The F-Ratio statistics provided a significant measure of the over-involvement of rollovers in a particular accident situation (e.g., rollovers are involved twice as often in night accidents than in day accidents). All the results presented here were significant to .01 (p less than .01).

Because the analysis-of-variance program drops cases from the individual tables in which a variable is coded "unknown," the total number of cases may vary from table to table.

In an effort to learn what induces a car to overturn and whether overturning was the first event, two hundred available hard copy cases were retrieved for tabulation. They were not selected on any other basis and should generally represent all the cases in computer storage.

The analysis of occupants and their injuries was restricted to those in the front seat, who represent approximately 84 percent of all occupants. This was done to parallel the statements in the MVSS 216 Docket 2–6 (1). Again, the one-way analysis-of-variance program was used to describe occupants in rollovers and to relate inches of roof crush to average injury severity.

ROLLOVER FREQUENCY

How many cars roll over each year? *Accident Facts* (3) of 1972 reports "Overturned in Road" as 0.6% (or 98,400 of 16,400,000 accidents). All other rollovers are not reported because overturns are only one class in the accident classifications (4). Thus, if the first event is "collision between motor vehicles" and one of the vehicles subsequently rolls over, only the first event is recorded and the rollover is not documented. In the CPIR file the question of rollover is coded separately and independently of accident configuration. Of 200 rollover cases hand sorted and reviewed in detail, only 3 per cent occurred on the roadway. Of the remaining 97 per cent, 60 per cent struck another object or vehicle before rolling over and 37 per cent ran off the road before overturning. Thus, if 97 per cent of vehicle rollovers are not indicated in police accident reporting, then the number of rollovers is much higher than the 0.6% reported in the mass accident data, perhaps on the order of 19 per cent are rollovers ($0.6 \times 97 \div 3$).

Garrett's (5) study of rural state police reported accidents indicates 13 percent as being principally rollover collisions. An earlier Automobile Crash Injury Research (ACIR) study (6) found rollovers in 25 per cent of rural injury producing accidents. The magnitude or extent of the rollover phenomena is not all clear and further resolution is required in order to evaluate the need for and impact of an rollover standards.

ROLLOVER ACCIDENT CHARACTERISTICS

Vehicle rollovers have been signaled out as unique events for the application of special countermeasures and standards, such as MVSS 216. In order to gain a fuller perspective of potentially fruitful countermeasures, those features that characterize rollovers need to be identified. By contrasting rollovers and non-rollovers, a number of CPIR variables were identified that distinctively set rollovers apart as a unique event.

Rollover accidents occur when a young impaired driver speeds around the curve of a dark rural road. Typically the small vehicle overturns, frequently ejects the occupants out a window, and sustains crush across the forward third of the roof. The following tables display these characteristics.

In Table 3, rollovers are overrepresented in rural accidents where they represent 17 percent of the crashes, while in urban accidents only 6 per cent are rollovers. The rollover type of crash is more frequent on curves than crashes on straight roads. They account for 23 percent of crashes on curved portions of the roadway, whereas only 8 percent of crashes on straight roads are rollovers (Table 4). It is also interesting to note that limited visibility is significantly related to rollover crashes. At dawn/dusk, 13 percent of crashes are rollovers and 14 percent are rollovers at night (Table 5).

As seen in Table 6, 30 percent of single vehicle crashes are rollovers whereas only 3 percent multiple car crashes are rollovers. The smaller the cars the more involved they are in rollovers (Table 7). Six percent of the standard size vehicles overturn while 16 percent of the subcompact or mini cars overturn. As indicated in Table 8, relatively few rollovers occur under 40 mph, but with higher speeds the frequency of cars overturning increases significantly.

In Table 9, we see that the young driver, 21 and under, is almost twice as involved in rollovers. Interestingly the impaired driver rolls over 17 percent of the time, while the unimpaired driver only rolls 7 percent of the time (Table 10). Driver impairment, as defined in the CPIR form, includes several categories of psychological (e.g., asleep, inattention), physiological (e.g., infirmities) and pharmacological (e.g., alcohol, drugs), which have been combined in Table 10.

Recall again that traveling speed is also highly associated with rollover involvement and many of the factors (e.g., driver age, impairment, speed, etc.) often associated with the general accident population are significantly overinvolved or overrepresented in the population of rollover accidents. This suggests that there may exist a select combination of accident prevention measures that would be uniquely effective in reducing the frequency of the rollover event.

Given that the driver becomes engaged in a rollover situation, how does his vehicle overturn? As a preventive measure, can the vehicle handling and vehicle dynamics be improved to reduce the likelihood of rollover? Vehicle rollover dynamics have been discussed adequately in the literature (7, 8). It is sufficient here to note that, while it is possible to design a vehicle suspension system that will induce rollover, cars manufactured in the USA today are designed to minimize the rise in the center of mass during severe maneuvers thereby removing the possibility of a self-induced rollover on a flat surface.

Many envision a rollover as a car merely turning on its side. However, rollovers can occur when the vehicle yaws and pitches at the same time. Combining minimal amounts of pitch and yaw with a change in coefficient

[1] Vehicle rollover or overturning is defined as at least a 90 degree vehicle rotation about any horizontal axis.

[2] Numbers in parentheses designate references at end of paper.

of friction and/or striking a low obstruction can also cause the vehicle to roll. In addition, vehicles can vault due to marked changes in horizontal surface alignment.

Of the 200 rollover cases that were hand sorted and reviewed in detail, one-hundred ninety six rolled over due to pitch and yaw and "toe stubbing" (e.g., tire hit curb, wheel dug into soft earth) or vaulting of the car over an embankment. Only in four cases was there an indication that rollover occurred without tripping or vaulting and these cases were in atypical situations, i.e., towing trailers, buffeted by passing tractor trailer units, or where the vehicle rode up a guardrail and ramped over.

The initial direction of vehicle roll is described in Table 11. Not too surprisingly, cars roll over sidewise most frequently and slightly more often towards the driver's side. Interestingly overturned cars most frequently come to rest upside down (Table 12), which can complicate extracation procedures. Further examination of the data file show that special extrication procedures (beyond simply opening the door) were used on 10.4% of the overturned cars and only 6.5% of non-rollover cars.

VEHICLE ROLLOVER DAMAGE

Rollover vehicle damage may involve any portion of the car, but our concern is with the roof and supporting structures. Table 13 displays the distribution of roof crush for the subset of solid top passenger cars that rolled over. These are measurements of direct roof crush down along a vertical axis through the point of maximum crush. This table indicates that 60 per cent of vehicles that rolled over had 6 inches or less of direct roof crush; therefore, these vehicles apparently already meet the intent of occupant protection as implied in the roof crush standard, MVSS 216.

In the Mackay and Tampen field study of 89 rollovers (9), all but ten cases had "some roof distortion and penetration of the passenger compartment. All of these ten cases were limited to 90 degree rolls. Figure 1 shows the frequency of the point of maximum collapse on the roof area. The most frequent point is immediately behind the (windshield) header region, centrally. . . ."

As expected, roof structural damage occurs most frequently in rollover crashes. Of crash cars having left side pillar damage, 79 per cent of rollover cars had damage to the left side pillars (Table 14). The statistics for the right side are similar.

Significantly it was found that a front door opened in 14 per cent of vehicle rollovers vs. only 9 per cent of non-rollover vehicles. Mackay and Tampen (9) found that in 57 per cent of their 89 rollover cases one or more doors opened. The frequency of door openings during rollovers presents the hazard of potential occupant ejections.

ROLLOVER EJECTIONS

Other studies have shown that ejection from the vehicle is one of the leading causes of serious injury and death (10, 11). This problem is particularly acute in rollover accidents. In rollovers, 21 percent of the cases had occupants who were ejected, whereas only 3 percent of non-rollover crashes had occupants ejected (Table 15). Table 16 indicates that of those ejected, 46 percent were in rollovers.

For those occupants that were ejected, the various possible portals of ejection are shown in Table 17. Of the large number of occupants not ejected in crashes, only 9 percent were in rollovers. However, rollovers involved a higher percentage of occupant ejections. Of these occupants ejected through door openings, 28 percent were in rollovers, while rollovers accounted for 50 percent of all windshield ejections and ejections through the side glass openings amounted to 61 percent in rollovers.

Of the 62 ejectees in rollover crashes, half went out of the vehicle through side window areas. Occupant ejection through the side glass has been reported previously (12). When the vehicle rolls, the unrestrained occupant moves to the down side of the car. If the window is open the occupant can be partially or completely ejected with the car then rolling over him. If the window is closed, the glass can be broken in the first quarter roll with occupant ejection through the door glass opening occurring in subsequent rollovers. Sometimes the dynamics of the crash are such that the unrestrained occupant catapults through the side glass and is partially or completely ejected. Improved roof structural integrity will not eliminate these types of ejections. Once there is significant roof crush to occlude the glass opening, occupant ejection cannot then occur through this area.

In the past, doors have opened frequently in rollovers due to either frame and body distortion, door button activation from ground contact on the outside, or by inadvertent occupant activation. Inadvertent door opening and ejection due to roof crush has not been noted in the literature or by the authors' field accident investigations. As shown in Table 18, door related ejections decrease with increase in roof crush, indicating occupant containment within the car. It appears that door ejections occur before any significant roof crush has been sustained. An open door of a crashed car with obvious roof collapse in the area of the door opening often misleads one to interpret roof crush as the causal agent. The high frequency of side window ejections related to rollovers and the lower frequency of door ejections related to overturn crashes can be explained by the improvements in the latch-striker mechanism, which maintains the integrity of the side of the car. The variety of door opening mechanisms has been presented elsewhere (13).

Finally a statistical analysis of 277 unbelted rollover occupants indicates no significant relationship between ejection and roof crush [F(4,272)—0.420].

ROLLOVER INJURY SEVERITY

The definition of injury severity in the CPIR data file is based on the American Medical Association's Abbreviated Injury Scale (AIS) as outlined in Table 19. While many may not accept the AIS as a linear scale, most researchers will agree that the AIS is an ordinal scale. The distribution of AIS for rollovers and all accidents is displayed in Table 20. This table shows that the distribution of injuries at the lower injury levels is approximately the same in rollovers as in all vehicle collisions. However, rollovers have 16 percent of occupants in the fatal category (AIS 6–9), twice that of all accidents.

In Table 21 it can be seen that for those ejected 49 per cent are in the fatal categories (AIS 6–9), whereas only 7 per cent of those not ejected in rollovers were fatally injured. The data indicate that 4 out of 6 rollover fatalities are due to ejection from the vehicle.

Figure 2 illustrates the relationship between the amount of roof crush and the average injury level of occupants not ejected. Note that up to 6 inches of roof crush the average injuries are minor to moderate in severity. From 7 to 24 inches of roof crush, the average occupant injury is in the moderate injury range. It is only when the roof is crushed downward more than two feet, thereby obliterating compartment space (in general found only in extremely severe crashes), does the average injury level approach the serious category. The T-bars in the figure show the standard deviation for injuries in each roof crush increment.

While a strong association between extent of roof crush and injury severity is displayed. *Figure 2 does not define a causal relationship.* It could be that extent of roof crush is simply an indicator of accident severity and that injury severity increases with accident severity. Figure 3 shows that increased frontal crush in rollovers is significantly associated with increased AIS. Does this mean that increased frontal crush "causes" increased injury? Or in other words, should cars have stiff noncrushable front ends? Clearly not. It should be noted that because two variables are statistically associated, this in itself does not mean a causal relationship. Because roof crush is related to injury, this does not mean that roof crush causes injury.

The comparison of roof crush and AIS for belted and unbelted occupants is fairly revealing (Fig. 4). Occupants restrained by a lap belt have a lower average overall injury level than unrestrained occupants in crashes involving roof crush. Lap belted restrained occupants have an average injury of moderate even with significant roof crush of 13–24 inches. The F–Ratio statistic (3,646) was 1.7, indicating no significant statistical relationship exists between AIS and roof crush for restrained occupants in rollovers.

The story for unrestrained occupants is not so happy. Injury is again strongly related to roof crush for the unbelted occupant. Thus, it is not clear that passive restraints would protect the rollover occupant as much as if he had worn his belt restraint system.

CONCLUSIONS

The accurate number of annual rollover crashes in the United States is not determined by police accident mass data reports. Rollovers probably occur in one out of five or eight crashes.

Rollover crashes are more often single vehicle crashes, on curves rather than on straight roads and in limited visibility (dawn/dusk or at night) and at higher traveling speeds. Smaller cars, the subcompact (minis), roll over more often than larger sized cars.

Many of the factors often associated with the general accident population, are significantly overinvolved or overrepresented in rollover crashes. The young, under 21 years, driver or those with impairments are overly involved in rollover crashes.

Most rollovers are caused by several simultaneous factors—pitch, yaw, and changes in coefficient of friction, or changes in surface alignment and seldom occur on a flat surface.

Six of ten rollover cars had zero to six inches of roof crush and these cars apparently meet the intent of occupant protection as implied in MVSS 216. Door openings during the crash sequence were significantly higher in rollovers than in all accidents.

MVSS 216 indicates that serious injuries are more frequent to the non-ejected front seat occupants in rollovers when the roof collapses. However, the results of this study indicate that minimizing roof crush by vehicle redesign would not significantly decrease occupant injury at lower amounts of roof crush. The data show that minor or moderate injuries are sustained with minimal roof crush of zero to six inches. For roof crush down as far as 24 inches, the average injury severity for non-ejected occupants is only in the moderate range. Only when roofs crush more than two feet does the average occupant injury severity approach the serious category. The data do show that there is a statistical relationship between increments of roof crush and increases in average injury levels; *however, this is not a causal relationship.* Roof crush probably is an indicator of accident severity.

In rollovers, average occupant injuries are at the lower end of the AIS and are similar in severity to occupants in all types of crashes. However, the data indicate that twice as many fatal injuries occur in rollovers than in all accidents and four out of six of these fatalities are due to occupant ejection. Ejection occurs more often through the glass areas, especially the side glass areas, and ejection takes place before significant

roof crush has been sustained. There is no significant statistical relationship between unbelted occupant ejection and the amount of roof crush and thus roof crush preventative measures would not be effective to eliminate this problem.

Lap belted occupants in rollovers have a lower average overall injury level than those who are unrestrained. No statistically significant relationship exists between lab belted injury levels and the amount of roof crush. However, the lap belt does prevent side glass, windshield and door ejections and prevents the occupants from being buffeted about inside the car. Therefore, the roof crush standard would not reduce the interior impact hazard for unbelted occupants.

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TABLE 1.—SOLID TOP CASE VEHICLE CARS BY TEAM

	Cases in file		Rollover case	
	Number	Percent	Number	Percent
Ann Arbor, HSRI–III	51	2.2	5	2.0
Baylor College of Medicine	64	2.7	4	1.6
Boston University	27	1.2	5	2.0
Cornell Aeronautical Lab–IIA	221	9.5	31	12.4
Cornell Aeronautical Lab–IIB	98	4.2	5	2.0
Georgia Institute of Technology	52	2.2	6	2.4
Highway Safety Research Institute	618	26.5	40	16.1
Indiana University	23	1.0	6	2.4
University of Miami	82	3.5	7	2.8
Maryland Medical/Legal Foundation	45	1.9	8	3.2
University of New Mexico	65	2.8	9	3.6
Oakland County, HSRI–III	207	8.9	16	6.4
Ohio State University	28	1.2	3	1.2
Research Triangle Institute	67	2.9	10	4.0
University of Rochester	41	1.8	1	.4
University of Southern California	34	1.5	1	.4
Stanford Research Institute (1)	7	.3	0	.0
Stanford University	33	1.4	1	.4
Southwest Research Institute	148	6.3	16	6.4
Trauma Research Group, UCLA	68	2.9	12	4.8
Tulane University	40	1.7	2	.8
University of California (Siegel)	41	1.8	5	2.0
University of Michigan (Huelke)	259	11.1	50	20.1
University of Utah	17	.7	6	2.4
Total	2,336	100.0	249	100.0

TABLE 2.—SOLID TOP ROOF CRUSH [1]

	Roof crush		Total number
	Percent	Number	
Non-roll-over	2	45	2,086
Rollover	85	212	249

[1] Excluding convertibles.

TABLE 3.—AREA OF ACCIDENT

	Rollovers		Total number
	Percent	Number	
Urban	6	83	1,384
Rural	17	166	955

TABLE 4.—ROAD HORIZONTAL PLANE

	Rollovers		Total number
	Percent	Number	
Straight	8	146	1,892
Curve	23	102	442

TABLE 5.—TIME OF DAY

	Rollovers		Total number
	Percent	Number	
Day	7	89	1,233
Dawn/dusk	13	19	147
Night	14	138	953

TABLE 6.—NUMBER OF VEHICLES INVOLVED

	Rollovers		Total number
	Percent	Number	
Multiple vehicle	3	53	1,681
Single vehicle	30	200	685

TABLE 7.—CASE VEHICLE MODELS

	Rollovers		Total number
	Percent	Number	
Luxury sedan	5	4	77
Standard	6	42	697
Intermediate	11	60	547
Compact	13	99	764
Mini	16	39	245

TABLE 8.—CASE VEHICLE SPEED PRIOR TO INITIAL IMPACT

Miles per hour	Rollovers		Total number
	Percent	Number	
1–10	1	4	178
11–20	1	2	157
21–30	3	9	341
31–40	9	37	405
41–50	15	55	361
51–60	21	41	195
61–70	21	33	157
71–80	24	9	38
81–90	40	10	25
91–100	60	6	10

TABLE 9.—DRIVER AGE IN ROLLOVERS

	Rollovers		Total number
	Percent	Number	
Over 21	8	110	1,372
Under 21	15	143	951

TAB L E 10.—DRIVER IMPAIRMENT

	Rollovers		Total number
	Percent	Number	
Unimpaired	7	102	1,456
Impaired	17	111	769

TABLE 11.—DIRECTION OF ROLLOVER

	Number	Percent
Over front end	3	1.2
Over right side	68	27.3
Over left side	76	30.5
Unknown	102	41.0

TABLE 12.—VEHICLE FINAL RESTING POSITION

	Number	Percent
On left side		3.2
On right side	26	10.4
Upright	79	31.7
Inverted	93	37.3
Unknown	43	17.4

TABLE 13.—ROOF CRUSH IN OVERTURNED CARS

	Number	Percen
0 inch	37	14.9
1 to 6 inches	112	45.0
7 to 12 inches	53	21.3
13 to 24 inches	31	12.4
25 or more inches	7	2.8
Unknown	9	3.6

TABLE 14.—ROLLOVER LEFT PILLAR DAMAGE

	Number	Percent
Undamaged	56	21
Damaged	196	79

TABLE 15.—EJECTEES IN ALL ACCIDENTS

	Rollovers		Nonrollovers	
	Percent	Numbers	Percent	Numbers
Not ejected	79	288	97	2,850
Ejected	21	76	3	90

TABLE 16.—EJECTEES IN ROLLOVERS

	Rollovers		Total number
	Percent	Numbers	
Not ejected	9	282	3,136
Ejected	46	75	166

TABLE 17.—AREA OF EJECTION

	Rollovers		Total number
	Percent	Numbers	
Not ejected	9	282	3,136
Door	28	21	76
Windshield	50	10	20
Side windows	61	31	51

TABLE 18.—ROLLOVER ROOF CRUSH VERSUS DOOR EJECTION

	Percent	Number
0	0	7
1 to 6 inches	64	32
7 to 12 inches	56	14
13 to 24 inches	32	8
25 or more inches		1

TABLE 19.—ABBREVIATED INJURY SCALE

No injury	0
Minor	1
Moderate	2
Severe (not life-threatening)	3
Serious (life-threatening, survival probable)	4
Critical (survival uncertain)	5
Fatal (within 24 hours)	6
Fatal plus serious or critical injuries	7
Fatal lesions in 2 body areas	8
3 or more fatal injuries or incineration	9

TABLE 20.—OVERALL OCCUPANT INJURY SEVERITY

[In percent]

AIS	Rollovers	All vehicles
0	15.3	23.9
1	44.6	46.6
2	12.8	11.9
3	7.8	6.0
4	1.4	2.0
5	2.5	1.7
6 to 9	15.6	7.9
Total	100.0	300.0

TABLE 21.—ROLLOVER INJURY SEVERITY

[In percent]

AIS	Ejected	Not ejected	Total
0	0.0	19.5	15.3
1	21.1	51.1	44.6
2	7.9	13.8	12.8
3	14.5	6.0	7.8
4	2.6	1.1	1.4
5	5.3	1.8	2.5
6 to 9	48.7	6.8	15.6
Total	100.0	100.0	100.0

(Editor's note.—Figures 1–4 are not printed here but they are available in subcommittee files.)

EXHIBIT 28

STATEMENT BY GENERAL MOTORS, DATED DECEMBER 21, 1972, REGARDING "1960 FALCON-CORVAIR HANDLING COMPARISON" FILM AND RELATED TESTS

General Motors' evaluation of the 1959 Ford film entitled "1960 Falcon-Corvair Handling Comparison" started with a careful analysis of the film itself. This was necessary because no actual measurements were available to us.

By counting the number of film frames taken while a vehicle is passing a stationary object, and knowing the length of the vehicle and the film speed in frames per second, it is possible to compute the speed of the vehicle with a reasonable degree of accuracy. The Corvair automobile is known to be designed to be exactly 15 ft. long with a wheelbase of exactly 9 ft., and a film speed of 24 frames per second (commercial photographic speed) was assumed.

The eight sequences of Phase I (circle test) were timed with the vehicles at various places on the circle. The vehicle speeds for all of the runs were computed to be 35 mph and quite constant around the circle.

The eight sequences of Phase II (S-curve test) were timed in like manner. The vehicle speeds were found to be 41 mph at entry of the first turn, and to be approximately 40 mph in front of the camera.

The lateral accelerations to which the vehicles were subjected while on course were then calculated, assuming a center of gravity path in the center of the lane. The resulting values of 0.52g for Phase I and 0.57g for Phase II were found to be within the known range of controllability of the Corvair. The film was then studied for driver-vehicle behavior, to determine the reason for the behavior of the Corvair.

In the Phase I tests, it was observed that, as the vehicles approached the camera, the Corvair began to describe a radius larger than the actual circle, bringing the outside rear tire close to, and often off of, the edge of the road. This was coupled with an abrupt left steer input in front of the camera (as observed in the front wheels), causing the vehicle to yaw left (counter clockwise). The driver's hands and arms could not be clearly seen during the steering maneuver because of the camera angle.

The Phase II test film more clearly showed driver manipulation. In six of the eight runs, the driver of the Corvair could clearly be seen to be imparting additional right steer to the Corvair as he neared the end of the right-hand (second) curve and was in front of the camera. Had he found it necessary to change his steering angle at all at that time, it should have been to *reduce* his right input for the approaching straight.

In one run (the seventh run of Phase II), the driver for some unknown reason steers to the left, approximately half-way through the right-hand curve, and naturally goes off the course to the left.

In the sixth run of Phase II (the solo run of the Corvair), the driver's actions cannot be seen. However, it can be observed that, as the Corvair enters the second turn, it is allowed to go over the centerline. The vehicle is then steered abruptly to the right, and then the front wheels are returned to the straight ahead position, so that the Corvair leaves the course straight ahead.

On May 12, 1972, Mr. Nader called a press conference and distributed copies of Mr. Copp's analysis of the Ford film, showing speeds of 30 mph (Phase I) and 31 mph (Phase II).

On May 13, 1972, the sections of the Ford handling course shown in the film were outlined with traffic cones on the Vehicle Dynamics Test Area of the General Motors Proving Grounds at Milford, Michigan. Instrumented cars were available in restored production condition. Movie cameras were placed in the cars to record measured values and driver actions. A ground camera was also used. Engineers experienced in vehicle handling evaluation were used as drivers. Runs on the Phase I course were made at 30 and 35 mph. Runs on the Phase II course were made at 31, 35, and 41 mph. No difficulty in control of either car in either phase was experienced. All runs were with the Corvair following the Falcon, and with manufacturers' recommended the pressures on both cars.

Two additional runs were made on the Phase II course at 30 mph where the driver of the Corvair deliberately drove the vehicle off the inside of the second curve. The ground camera recorded arm motions similar to those in the Ford film.

On July 20, 1972, the Ford course was again constructed on the Vehicle Dynamics Test Area at the General Motors Proving Grounds, this time with paint stripes. The same drivers and vehicles were used. The Phase I course was run at 30 and 35 mph, and the Phase II course was run at 31, 35, and 41 mph. In-car, ground and overhead cameras were used. Again, no difficulties were experienced with either vehicle. No intentional deviations from the Phase II course were run. All runs were with the Corvair following the Falcon, and with the manufacturers' recommended tire pressures on both cars.

On September 16, 1972, the sequences were re-run by General Motors drivers on the handling course at the Dearborn Proving Ground of Ford Motor Company. In-car, ground and overhead cameras were used. The same vehicles were used, but a different Corvair driver was used (also experienced). The handling course had recently been resurfaced, but was of the same dimensions except for edge stripes marking 11 ft. wide lanes. A 44 ft. speed trap was used to measure the speed of the lead vehicle.

The Phase I (circle) portion was run with the Corvair following the Falcon at 35 mph. and then with the Falcon going as fast as it could negotiate the course (36 mph). The vehicle positions were then reversed, and with the Falcon following the Corvair, the Corvair driver was instructed to negotiate the course as fast as possible. The resultant speed was 38 mph.

The Phase II (S-turn) portion was run with the Corvair following the Falcon at 41 mph, and then with the Falcon going as fast as it could negotiate the course (43 mph at entrance to second curve). The vehicle positions were then reversed, and with the Falcon following the Corvair, the Corvair went as fast is it could negotiate the course. That speed was 45 mph at the entrance to the second curve. The drivers had no difficulty in controlling either car in either phase.

A 30 mph skid stop with the Corvair was made on the Phase I portion of the course. A measured skid distance of 44 ft. 9 in. yielded a computed Skid Number of 67.3.

General Motors concluded, from an analysis of the 1959 Ford film and from its own running of the same tests, that the 1959 Ford film did not provide an objective demonstration of the Corvair's handling characteristics and that the maneuvers of the car were the result of the driver's action. In our opinion, the only conclusion that can be drawn about the relative handling characteristics of the two cars from these particular tests run by General Motors is that the steady state limit of control of the Corvair is slightly higher than that of the Falcon. The layout of the course in these tests was such that the transient limit of control of either vehicle could not be reached.

EXHIBIT 29

U.S. DEPARTMENT OF TRANSPORTATON,
Washington, D.C., January 10, 1973.

Mr. ROBERT J. WAGER,
Staff Director and General Counsel, Subcommittee on Executive Reorganization and Government Research, U.S. Senate, Washington, D.C.

DEAR MR. WAGER: In accordance with your request for NHTSA's comments on Mr. Copp's critique of the NHTSA Corvair handling report, the enclosed information is forwarded.

Sincerely,

ANDREW G. DETRICK,
Acting Director, Office of Defects Investigation, Motor Vehicles Programs.

JANUARY 10, 1973.

I. The NHTSA personnel have looked at the 1959 Ford film showing the Falcon vs.

Corvair Handling at 18 frames per second projection speed. It was determined that the speed of the Corvair would have been about 26 and 27 mph at this projection rate for Phase I Test 1 and 2 respectively.

The thing about watching the film at 18 frames per second that immediately struck the NHTSA personnel was that the film looks like slow motion. This is most evident when the Corvair is in a slide out or spin out mode. It is difficult to understand how anyone could spend very much time watching the film and not recognize the slow motion effect at 18 frames per second.

A plus or minus 10%, which Mr. Copp uses, applied to 26 mph speed gives a range of 23.4 to 28.6 mph and 24.3 to 29.7 for 27 mph.

Mr. Copp appears also to have used the center of the road for the radius in his calculations rather than the path of the vehicle. 30 mph at 150 ft. $(r) = .4g$; 30 mph at 156 ft. $(r) = .385g$.

There also appears to be an error in his appendix for Phase I Comparative Breakaway/mph, DOT—26/26 psi tire pressure: nominal, 35; ±5% tolerance, 37–39.

II. Mr. Copp quotes the "Panel" from page 6 of their report. This is in first section of their report and it contained their initial understandings. The addendum, which was written after they had been exposed to additional information concerning the transition, provides the Panel's final understanding about transition.

It is their final understanding about the transition that is most important, the same as Mr. Copp's final understanding about the vehicles' speed, etc., in the Ford film is most important.

In the Panel's June 6 addendum they state:

"The 1960–1963 Corvair, which is an initially understeering vehicle, changes from understeer to neutral steer at approximately .4g lateral acceleration. At greater lateral accelerations this condition changes to oversteer which increases with the lateral acceleration until the vehicle is no longer under control of the driver above .6g (limit of control). The time frame within which the transition occurs is a function of vehicle speed and trim, but the amount of steering wheel correction or steering change required to maintain a constant 108 foot radius is only about 50 degrees of steering wheel motion from .4g to .6g.

"By comparison, a 1967 Chevrolet sedan and 1967 Chevrolet station wagon, both of which are understeering vehicles, required approximately 175 degrees of steering wheel movement, respectively, to maintain the same steady state conditions.

"This means that the Corvair has greater control sensitivity than these vehicles as well as greater control sensitivity than contemporary vehicles." (emphasis added)

Mr. Copp quoted the Panel "What is *different* (emphasis added) about the 1960 through 1963 Corvair is the characteristic transition from understeer to oversteer which occurs at a lateral acceleration of 0.4g to 0.5g."

The *difference* does not mean that it is bad. As a matter of fact the Panel describes the difference in the end of the report as follows: "Although the 1960–1963 Corvair does oversteer from .4g to .6g *it is not unstable and the control sensitivity is superior to that of contemporary vehicles* (emphasis added) in the sense that less steering input is required for a desired maneuver."

II. (1) Mr. Copp conveniently assumes that the speed of the vehicles to be the same for both curves. There is a very good possibility that the speeds on the first curve could be higher than the second curve. The vehicles did have a longer distance to get up to speed at the first curve and they probably scuffed off some speed going around the curve. They may not have gotten up to the same speed by the second curve. There is a difference in the radius of curviture of the inside and outside of the turns, 6% as Mr. Copp states. A one mile per hour decrease in speed will make up the differences in the two radius from the first curve to the second curve—41 mph on the 206 foot radius is 0.544 gs 40 mph on the 194 ft. radius is 0.549 gs.

(2) Mr. Copp stated that "The Corvair is experiencing latent control problems as it enters the second turn of the Phase II tests."

Close examination of the Corvair as it enters the second turn clearly shows it is not experiencing any problems. It can clearly be seen that it negotiates the second turn with no problems. It is not until after the driver puts in the unexplainable steering at the end of the second curve that the car goes off the road in response to *his* input.

(3) Mr. Copp stated: "I believe that staged tests which make the Corvair look bad would have attempted to make the Corvair look bad in all sequences."—Not if they are clever!

(4) Mr. Copp states: "At the point of loss of control the driver's corrections to the Corvair are exactly those instinctive reactions which would be made with an understeering car; turn more to the right in a right hand turn."

Close examination of the driver of the Falcon in Ford film clearly shows that this is not true. The driver of the Falcon as he passed in front of the camera at the same point where the driver of the Corvair put in the unexplainable steering input the driver of the Falcon did not put in any more steering at all. He just kept the steering he had in at that point.

During constant speed—constant radius turns, once the vehicle is in the turn a driver just maintains the steering input he has established to maintain path direction. He does not put in any more steering than is needed. The driver only attempts to maintain path control. A driver only uses the steering input necessary to make the car go where he wants it to go—not any more.

If Mr. Copp's statement was true, which it isn't, it would be like saying that when a driver drives a Lincoln around a curve he puts in so many degrees of steering into the steering wheel. Then when he drives a Mustang through the same curve, which would have a more responsive steering, that the driver would put more steering in at the end of the curve with the Mustang just because he put in a higher amount when driving the Lincoln.

The driver of the Corvair had no reason to put in more steering at the end of the curve and there was no logical instinctive reason for it.

Items 5, 6, 7, 8. There does not seem to be any reason for discussing these since it is very apparent what the drivers of the Corvair and Falcon actually did in the films.

(9) If Mr. Copp had observed any driver steering motions of Corvairs during the transition from understeer through neutral steer to oversteer he would understand that little or no steering may be required during this period. Movies taken simultaneously of the suspension and a driver of a Corvair going over rises and bumps in the road on curves causing the vehicle to go through the transition ranges clearly demonstrate that these do not have any consequent additive transitions in the suspension system steer characteristics.

The Pael in their addendum state that "This means that the Corvair has greater control sensitivity than these vehicles [1967 Chevrolet sedan and 1967 Chevrolet station wagon referred to in the previous paragraph] as well as greater control sensitivity than contemporary vehicles."

III. (1) In Mr. Copp's discussion about Ford methods of evaluating vehicles he states "The results of the Ford 14 month investigation of the HSRI procedure and our counter proposals have been reviewed with DOT as indicated in Ford Report ATMD 72–5 dated August 29, 1972."

As of this time a check of the NHTSA personnel involved with the HSRI test procedures has not turned up anyone who has received the information indicated by Mr. Copp.

(2) The test conditions of a relatively smooth higher coefficient surface was selected to be able to produce the maximum lateral accelerations. The maximum transient accelerations experienced in the testing program were considerably higher than those attained during steady state conditions. The level test surface condition was selected to assure uniformity and comparability.

(3) The tests conducted by Ford in their Falcon-Corvair films were also steady turn tests. The 150 ft. radius circular track is certainly a steady turn and the two 200 ft. radius curves are also steady turns.

IV. Mr. Copp stated: "DOT has stated that no system of tests has yet been devised which can be used to rate or qualify the handling *requirements* (emphasis added) of motor cars."

The tests conducted by NHTSA were not for the purpose of determining the handling *requirements* but were for the purpose of *comparing* the characteristics of the vehicles under consideration.

The NHTSA tests did provide information and data about the inputs and responses of the vehicles and these were then compared. These were comparative tests not requirement tests.

V. Mr. W. A. McConnell, Director of Product Test Operations Office, Product Development Group, Ford Motor Company, in his April 26, 1972, letter to Senator Magnuson briefly discussed some films involving a used 1962 Corvair in poor condition. It appears from the information NHTSA has received from Ford that this is the same Corvair Mr. Copp refers to in Part V of his critique.

Mr. McConnell stated in his letter: "We have two other reels of film involving a Corvair. These films were made in 1968 and involved a used 1962 Corvair in poor condition. The tests shown in *these films were not designed to measure the handling characteristics of the Corvair* (emphasis added) and do not present a fair illustration of its handling characteristics."

Mr. McConnell and Mr. Copp apparently do not have the same opinions concerning the tests. Mr. Copp's title of Section V of his critique "1962 Corvair Rated Unacceptable in 1966 Ford Jury of Developmental Engineers" does not agree with Mr. McConnell's statements concerning the tests.

The rating of the 1962 Corvair did rate a little higher than the similar condition 1966 Ford station wagon.

VI. There is no logical reason why the Falcon *had* to be the lead car unless the results of the tests had been predetermined. Since the drivers of cars did not have any apparent protective equipment, they must have been confident nothing would occur to risk their safety.

If the driver of the Corvair was given the lead car position then he had to drive the vehicle to the best of his ability or possibly risk a crash. Also, if the Corvair had been in the lead it may have been able to go faster than the Falcon with proper driving without the unexplainable steering inputs.

VII. Mr. Copp rated the Corvair at 35 for the standard tire pressure and 37 for the 26/26 tire pressure. Plus or minus 10 percent to each one still make their ranges 25 to 45 versus 27 to 47.

Mr. Copp stated that "for the nonstandard tire pressure of 26–26 psi, *in both Phase I and Phase II testing,* (emphasis added) the Corvair deviated into the oncoming lane *six* times during *nine* runs and demonstrated complete loss of control *four* times during *nine* test runs.

26/26 psi

$\frac{6}{9}=66\%$ oncoming lane $\frac{4}{9}=44\%$ complete loss

"For standard tire pressure in both Phase I and Phase II testing, the Corvair deviated into the oncoming lane *eleven* times during the *ten* comparative tests when running the standard tire pressure. Complete loss of control occurred *five* times during *ten* test runs.

$\frac{11}{10}=110\%$ oncoming lane $\frac{5}{10}=50\%$ complete loss

Even if the tests had been valid, a 66 percent loss on control in the oncoming lane for the 26/26 psi tire pressure would be better than the 110 percent for the standard pressure. Also, a 44 percent complete loss of control for the 26/26 psi tire pressure would be better than a 50 percent loss of control for the standard pressure.

Mr. Copp, in his tabulation of his evaluation, shows that:

	Percent control adequacy
Standard tire pressure:	
Average, phase I and II	18
Range ± 10 percent	8–28
Nonstandard tire pressure, Corvair 26–26 psi:	
Average, phase I and II	22
Range ± 10 percent	12–32

EXHIBIT 30

AUTODYNAMICS INC.,
Marblehead, Mass., January 2, 1973.

ROBERT J. WAGER, Esq.,
Staff Director and General Counsel; Subcommittee on Executive Reorganization and Government Research, U.S. Senate, Washington, D.C.

DEAR BOB: Your letter of December 6, 1972. You forwarded to me the following material:

1. My letter to you dated August 16, 1972 (9 pages).

2. Comments on "Request No. 8" Ford Efforts in 1966 to Establish Handling Performance Standards, H. F. Copp, 11/30/72 (2 pages).

3. Amended November 30, 1972, Critique of General Motors Discussion on Design Characteristics of the Corvair, H. F. Copp, 11/30/72 (5 pages).

4. Critique of DOT–NHTSA 1960–63 Corvair Handling and Stability DOT HS–820 198, H. F. Copp, 11/30/72, (6 pages, 1 attachment).

5. Critique of General Motors Discussion on Design Characteristics of the Corvair, H. F. Copp, 10/22/71, (5 pages).

You asked me the following questions:

1. Has Copp changed his views? If so, how?

2. What changes or modifications would you make in your own previous statement, if any, as a result of Copp's own amended views?

3. What do you think of Copp's Critique of the DOT tests?

SUMMARY

I do not believe Mr. Copp has changed his views towards the Corvair; and Mr. Copp's Critique of DOT–NHTSA 1960–63 Corvair Handling and Stability DOT HS 820–198 has not changed my opinion of the Corvair.

Mr. Copp's Critique would have us invalidate the NHTSA report since the testing did not include driver reaction time, varying road surface, and subjective driver comment. Since no reliable tests were available to include the above, NHTSA chose a system of tests which would quantitatively evaluate the performance of the Corvair against contemporary vehicles. This was the only reasonable way of determining whether or not the Corvair should be charged with a safety defect.

Question 1. It appears that Mr. Copp has not changed his views in any way. He only seems to have slightly less substantiation for his views in that he has removed all references to speed and lateral G forces as indicated in the Falcon vs. Corvair handling film.

Question 2. I would make no changes or modifications in my previous statement as a result of Mr. Copp's amended views.

Question 3. In evaluating Mr. Copp's Critique of DOT–NHTSA 1960–63 Corvair Handling Stability DOT–HS–820 198, I will comment on each of Mr. Copp's numbered points as follows:

1. *Criticism of my calculated speeds by DOT is justified.*—Given that Mr. Copp now agrees with the DOT calculations of G loadings and speed for the Falcon vs. Corvair film. Given that Mr. Copp states that, "at the loss of control the driver's corrections to the Corvair are exactly those instinctive reactions which would be made with an understeering car." We then can predict the spin displayed by the Corvair when exiting the right hand turn since the Corvair has considerably higher control sensitivity than the Falcon. In short, if one takes the steering wheel movement required to change the direction of the Falcon at high G loadings and applies this same steering wheel movement to the oversteering Corvair one will induce a spin.

2. *Corvair rapid transition from understeer to oversteer exceeds driver's reaction time.*—Unfortunately Mr. Copp has decided to base an entire mathematical analysis on the single comment, "In the General Motors film it was observed that the lateral acceleration might go from .3 to .6 G's in a quarter to a half a second dependent on the attitude and speed of the vehicle." The observation referred to by Mr. Copp occurred during tests wherein a Falcon and a Corvair entered a 108 foot skid pad circle on a tangent at various speeds. The particular case being observed was, I believe, at the speed of 40 mph where neither car was able to make the turn onto the 108 foot circle. The Falcon plowed off the outside of the circle and the Corvair spun to the inside of the circle. This again displayed that there is a practical limit of control in both oversteering and understeering vehicles. Oversteering vehicles due to instability and understeering vehicles due to uncontrollability. It was in these tests where the Corvair was almost pitched at the 108 foot circle that the G loadings built-up in the very small time frame.

The panel only made this point in order to question the General Motors comment that the Corvair had a gentle transition from understeer to oversteer without referring to any time frame. Since in the case Copp selects, the vehicle had to be thrown into an uncontrollable mode in order to have the transition in a fraction of a second; it seems irrelevant that this particular induced activity causes a situation which exceeds driver reaction time.

If a driver is forced to execute a maneuver which temporarily throws a car out of control, then he must be instinctively ready to correct the situation. Further, the large amount of steering wheel angle required to quickly change the direction of a Falcon under emergency situations might also be impossible within driver reaction time.

3. *Test methods used by NHTSA do not correlate with real world conditions.*—In order to determine whether or not the 1960 through 1963 Corvair should be charged with a safety defect, the National Highway Traffic Safety Administration chose a series of tests which would quantitatively evaluate the Corvair relative to contemporary cars. This approach seems valid.

Everyone involved realized that surface adhesion conditions, non-level road surfaces, etc., could change the characteristics of the various automobiles tested. Also there was a realization that a series of tests should be initiated which would attempt to better evaluate the interface between the average driver and various handling characteristics of cars used on the American highways which brings us to point #4.

4. *DOT has stated that no system of tests has been devised that can be used to rate or qualify the handling requirements of motor cars.*—It is my opinion that Mr. Doug Toms, Director of DOT, when he stated that "despite great effort DOT–HSRI and the automotive industry have been unable to devise a series of procedures and tests to measure the control performance of motor cars," that he meant that there were not a series of tests that could take into consideration various conditions of road surfaces and grade that might be encountered by an automobile or take into consideration the interface between many different drivers which might attempt to drive a motor car on the United States highways. Consequently, the DOT took a standard series of tests and ran contemporary cars against the Corvair to prove quantitatively that it met or exceeded the values posted by contemporary cars. I consequently, therefore, do not believe that Doug Toms' statement per force invalidate the DOT report.

5. *1962 Corvair rated unacceptable in 1966 Ford Jury of Development Engineers.*—I believe we all gave Ford credit for attempting to relate subjective driver reactions to quantitative test results on the handling of automobiles. In fact, most of us recommended that additional work be done in this area. But it appeared at the time of the Corvair tests by the Ford engineers that the acceptability or unacceptability of the Corvair was based strictly on the subjective feelings of drivers. It appears to me that very close correlation would need to be established before this system could be used to decide whether or not particular cars have safety defects.

Part 6 and 7 seem self-explanatory in Mr. Copp's analysis.

Very truly yours,

RAY W. CALDWELL,
President.

EXHIBIT 31

AUTODYNAMICS INC.,
Marblehead, Mass., August 16, 1972.

ROBERT J. WAGER, Esq.,
General Counsel, Senate Subcommittee on Executive Reorganization and Government Research, Washington, D.C.

DEAR MR. WAGER: In your April 7, 1972 letter to me, you enclosed for my evaluation a copy of your 1966 hearings in which a statement by Frank Winchell appears on Pages 1959 through 63, H. F. Copp's critique of the Winchell statement and related movie analysis, and certain material supplied to you by the Ford Motor Company describing its efforts to establish a handling standard for its cars.

You stated that you had the following questions concerning those documents:

1. Is there anything inaccurate or misleading in Winchell's statement?

2. Is Copp's critique valid?

3. Based on your knowledge of the relative stability of the Corvair and Falcon, do you accept the results of Copp's movie analysis?

4. Are the results of the Ford tests consistent with Copp's analysis?

5. From the Ford tests, what conclusions can be drawn about the stability and handling of the various cars?

In addition to the above, I will also add my own evaluations of the 1960 through 1963 Corvair.

INTRODUCTION

Winchell, Copp, Manos, and Nader are only a few of the many people who have had opinions on the 1960 through 1963 Corvair. All seem to have some kind of axe to grind. Winchell works for General Motors, Copp works for the Ford Motor Company (and seems to be miffed because he thought someone was putting down the Falcon), Professor Manos (I don't know why) and Ralph Nader who

rose to prominence on the Corvair. The only way my comments can be of value in this controversy is if they can somehow separate fact from fiction. I have no relevant affiliation with any of the groups concerned, and have nothing to gain or lose by the outcome of the Corvair controversy.

SUMMARY

Question 1. Some of the comments in Winchell's statement need further evaluation. These comments are primarily the ones pointed out by Copp in his critique. But, taking into consideration the fact that the Corvair controversy had begun and Mr. Winchell was employed by General Motors Corporation, it appears that his comments were reasonable and prudent at the time and what one would expect from a man in his position. At least his comments are not an attack on anyone.

Question 2. Mr. H. F. Copp's critique of Mr. Winchell's statement concentrates on four points in Winchell's statement which do require clarification. To support his claims, Mr. Copp uses a very subjective analysis of an old Ford film which was recently made public by Ralph Nader. The veracity of this film is questionable in that it does not appear to agree with the tremendous amounts of information which have been collected and evaluated by the Department of Transportation. The four points upon which Mr. Copp chooses to differ with Mr. Winchell do merit discussion. But using the subjective analysis of the Ford film as the basis upon which to refute Mr. Winchell's claims actually weakens Mr. Copp's case. Also, unfortunately his critique is an attack.

Question 3. Since Mr. Copp presents a complete description of his means of subjectively evaluating the Ford film, his approach is acceptable. But, when the percentage conclusions he draws are lifted from the complete explanation and presented separately, they are very misleading. However, the problem does not lie as much in the analysis of the film as in the film itself. The film depicts the Corvair as being very substandard to the Falcon. Whereas information submitted by General Motors, Ford and exhaustive testing done by the Department of Transportation would indicate that the Corvair quantitatively meets or exceeds the standards set by contemporary cars in stability tests, cornering tests, and roll-over tests. (Ford material was that supplied to your Subcommittee). Further, members of the Department of Transportation counted film frames and timed the cars in the Ford film to get an indication of their speed and consequent G loadings. Calculations indicated that the cars were operating in the .5 to .55 lateral G area rather than in the .32 to .4 G area suggested by Copp in his analysis. In addition, visual analysis of the film shows radical steering inputs being administered to the Corvair. Considering the high G loadings and the severe driving technique, one can predict the characteristics displayed by the Corvair which has much higher control sensitivity. The film, however, in my opinion, gives little indication of the relative merit of the two cars.

Question 4. The main purpose of the Ford tests was to attempt to correlate subjective driver opinion with the characteristics exhibited by various cars. It did appear that the drivers involved preferred cars which tended towards understeer. But this is not directly relevant to the Corvair controversy which centers on whether or not the car is unsafe.

Question 5. No new information is shed on the Corvair controversy by the Ford tests, the jectively prefer oversteering or understeering other cars have been well defined. The important point to be noted is the validity of an attempt to detemine whether drivers subjectively prefer oversteering or understeering cars. If the preference trend away from the oversteering Corvair is an indication that the drivers are uncomfortable in the Corvair because they feel inadequate to cope with the oversteer, then we are back to the nub of the Corvair controversy which is: Can the average driver cope with the transition from understeer to oversteer during an emergency situation?

The Corvair appears to be a well engineered car that went through the Department of Transportation's tests in Texas with less mechanical problems than contemporary cars. The Corvair quantitatively meets or exceeds the standards set by contemporary cars. It seems, therefore, inconsistent to even consider citing the Corvair with a safety defect in the handling area. It does, however, have a transition from understeer to oversteer through the neutral steer condition which occurs at .4 lateral Gs. At .6 lateral G the Corvair is tending rapidly towards terminal oversteer. Through the entire rating from .4 to .6 lateral G the Corvair has better control sensitivity than contemporary cars in that it requires less steering wheel angle to accomplish any driving maneuver. One concludes, therefore, that the only significant feature of the Corvair which could account for the Corvair handling controversy is the transition from understeer to oversteer in the controllability range. Focus should now be drawn away from the Corvair itself and directed to the broader question of whether or not present vehicles should be built with a similar transition. This question is important since there are some current vehicles such as vans, loaded station wagons, etc. which display the same transition as the early Corvair.

Is there anything inaccurate or misleading in the Winchell statement?

Mr. Winchell's comments are reasonable given the atmosphere of that time. The Corvair controversy is coming into full bloom. He states in one place, "the design characteristics of the 1960–1963 Corvair which were claimed to be wrong," and in another place, "we were accused of ignoring elementary mechanisms alleged to eliminate the characteristics." I think it is reasonable to assume that Mr. Winchell was on the defensive during this hearing and that his remarks should be evaluated in that light.

The comments Mr. Winchell makes early in his statement relative to the characteristics of vehicles and how they effect vehicle control are quite succinct. He touches on one of the elements of the Corvair controversy which I have not seen appropriately spelled out to date. Control and stability are two different characteristics.

If one were to draw a graph with complete stability as one extreme and instability as the other extreme, how would one define those limits? I suggest that complete stability in a vehicle means that no steering input or road disturbance would have any effect on the direction the vehicle was traveling. Instability, on the other hand, must mean that any steering input or road disturbance would cause the vehicle to spin. Clearly, neither extreme is acceptable and, I'm sure you will agree, we must come away from total stability towards instability to some compromise point where the car is controllable. The reason is simply that a vehicle completely stable as to path is not controllable and as you tend across the graph towards instability the vehicle becomes more controllable.

Detractors of the Corvair are quick to point out that the Corvair at its limit of control becomes unstable and spins out. Those same detractors, however, do not point out that contemporary understeer vehicles are uncontrollable at the same lateral acceleration (continued turning of the steering wheel has no effect on the path of the vehicle). Thus, there is a practical limit of control in both oversteer and understeer vehicles, oversteer vehicles due to instability and understeer vehicles due to uncontrollability.

Winchell's comment, "Corvair differs from other cars only in the arrangement of its components," in the general sense is true. Corvair is still a car with engine, seats, transmission, four wheels, steering wheel, etc. However, the Corvair does have handling characteristics due to weight distribution and suspension characteristics which are different from most contemporary cars with the possible exception of some imports. The only important characteristic, to my way of thinking, is the transition from understeer to oversteer in the .4 to .5 lateral G area. Since I believe that quantitatively the Corvair was able to pull as many lateral Gs as contemporary cars and was controllable to the same limit, then the question becomes, how do these characteristics effect the normal American driver under conditions of stress?

The next significant point in Winchell's statement regards the number of lateral Gs drivers can cope with. Winchell's comment that General Motors' experience is that in an emergency situation few motorists have the capacity to control any cars on public roads in excess of .3G at 30 mph and .2G at 60 mph is certainly controversial. I suspect that most drivers do not enjoy high lateral acceleration and would certainly under normal conditions stay under the .3G and .2G limits. However, my opinion is that many drivers under emergency situations do, in fact, generate lateral forces considerably in excess of .3Gs and conceivably as high as .7. It is under these extreme emergency conditions that the Corvair's transition from understeer to oversteer between .4 and .5G and terminal oversteer characteristics at .6G may cause an unfamiliar driver difficulty.

Mr. Winchell's comments, "even at .75G lateral acceleration, the suspension has dropped only one degree below its position in a normal straight ahead course, does not indicate the most important factor which is the tires relationship to the road. If the car at that point has 3 to 5 degrees of roll then the roll plus one degree mentioned by Mr. Winchell would indicate that the tire may have 4 to 6 degrees of positive camber relative to the road. This figure is, therefore, 4 to 5 degrees higher than that for the normal straight axle rear suspension, and contributes to the Corvair's transition and terminal oversteer.

It is my experience that changing the tire pressures on a rear engine car (or any car for that matter) will have an effect on the handling characteristics of the car. In the case of the Corvair, the same tire pressure all around will increase oversteer and move the transition from understeer to oversteer to a lower G figure. Winchell states, "the pressure selected for the Corvair was the best choice for satisfaction and value to the customer in control, tread life, and ride." I'm sure this is the case, however, these pressures should be adhered to. One can only speculate on whether or not General Motors changes to the 1964 Corvair were indeed "a step in the normal process of development." The fact that the Corvair controversy does not surround the 1964 Corvair which still had a swing-axle is an indication that the swing-axle per se was not the problem, but rather the characteristics of the car. I also suspect the 1964 car did change in the 0 to .6G range in that the transition from understeer to oversteer was probably pushed up from the .4G range to the .6G range.

I wish someone would underline Winchell's comment, "It is desirable that a planned program for the extension of driver capability parallel the development in extended vehicle and highway capability."

Winchell's comments relative to oversteer being better than understeer may be accurate in the absolute sense. But the important factor is the reaction of the general public to the understeering and oversteering cars. This is the area where the Corvair is in question. Not whether or not it can do the things other cars can do, but more importantly,

how do drivers react to a car with these characteristics?

All the curves I have studied on steering wheel angle vs. lateral Gs on a constant radius circle do not support Winchell's contention that further turning the wheels into a turn reduce the cornering power of the front wheels causing the car to generate even a larger radius. The natural reaction of a driver in an understeering car is to steer farther towards the turn is valid, along with backing off on the gas. The tremendous angle on the front wheels would tend to slow the car down, and as the car slowed down it would tend to start turning towards the inside as originally intended. On the other hand, in an oversteering swing-axle car the driver senses his mistake, backs off the gas which transfers weight from the rear to the front wheels. This exaggerates the oversteer particularly in the case of the Corvair because as the rear of the car raises the rear tires tend to positive camber and hence the car turns sharper than originally intended.

Winchells' comments on Senate Bill No. 773 would appear reasonable.

Is Copp's Critique Valid?

In general terms, Harley Copp's critique on Frank Winchell's statement to your committee brings up some valid points. However, I think the basis for his refutations are weak.

Under background, he makes the statement that Ford evaluated rear engine cars and decided against them making the statement, "rear engine cars, regardless of the rear suspension, exhibit borderline handling characteristics especially if the total weight of the vehicle exceeds 1800 lbs." Clearly, 1880 lbs. is an arbitrary figure and rear engine cars by definition do not necessarily exhibit borderline characteristics. In fact, a Porsche 911 which is a 2500 lb. car with a very heavy rear engine exhibits quite reasonable handling characteristics.

Harley Copp's main objections are to four comments:

1. Corvair is no different than other rear engine cars.
2. Only expert drivers can handle more than .3 lateral Gs.
3. Corvair tire pressure differential is of minor importance.
4. Oversteer might be better than understeer.

Let's take one point at a time.

Copp takes, by way of refuting "the Corvair is no different than other rear engine cars", the position that since the Corvair is 40% heavier with longer wheelbase, that it has latent skid ability twice that of a Volkswagen and when it begins to skid it has 1.8 times the spin force. This has to do with the polar moment of inertia and Copp does not indicate that because of its longer wheelbase the Corvair also has a higher ability to counteract its latent skid ability and spin force. Without calculating both factors one cannot make any relevant comment.

It is possible that the Corvair controverted established rear engine suspension effective roll couple distribution, but I do not believe necessarily grossly deteriorated its potential handling performance. What it did do was put a transition from understeer to oversteer in the controllability range, and that must be evaluated in terms of how it effects average drivers.

Copp by way of supporting his position that the Corvair was different from other cars uses subjective percentages, i.e., the Corvair suffers "a controllability performance deficit amounting to 70 to 90% compared to a Volkswagen." None of the other test data available on the Corvair would indicate that the Ford film showing the Corvair following the Falcon reasonably indicates the actual performance of the two vehicles. In fact, Copp states that both the Volkswagen and Renault Dauphine were run under similar circumstances in 1959 and were able to corner at higher speeds with less instability than the Corvair. In the Department of Transportation tests the Corvair never made outrigger contact which would indicate a roll-over whereas both the Volkswagen and Renault Dauphine indicated roll-overs.

Relative to "only expert drivers can handle more than .3 lateral Gs." Copp, I believe, makes some reasonable points. The surface upon which a driver is operating his vehicle has a large amount to do with lateral Gs because the surface may be either undulating or exhibit a poor coefficient of friction. Therefore, one cannot simply state lateral Gs as an indication of handling for all circumstances.

Copp sights the film showing Corvair vs. Falcon handling as an indication that an expert driver cannot control a Corvair over the .3G figure mentioned by Winchell. However, DOT timed some of the skid pad tests on the Ford film and it appears that the cars were operating closer to the .5G range. Also, Copp gives the Corvair a 10% rating and the Falcon a 100% rating based on his subjective system. This system would tend to indicate the Falcon is ten times better than the Corvair and, as such, is misleading.

Relative to Point 3 on tire pressures, common sense would agree with Copp's challenge to the comment, "tire pressure differential is of minor importance." As tire pressures change, slip angles also change effecting oversteer/understeer performance and consequently Winchell's statement should be questioned. However, Copp's numbers game with percentages is misleading. He states that the Corvair went off the road six seconds sooner with 26/26 tire pressures than it did with standard pressures which amounts to 33% deterioration. He is comparing apples and oranges and battleships over an 18 second course. It is a 33% deterioration in time but in no way can be construed as a 33% deterioration in handling.

When Copp puts in parenthesis (emphasis added because slip angle induces understeer), it is misleading because high slip angles in rear tires induce oversteer, and high slip angles in front tires induce understeer. There is no question that the Corvair should be driven with the recommended tire pressures.

Much more information is required in order to analyze Copp's comment that "it has been calculated within plus or minus 10% at 35 mph that equalizing front and rear tire pressure causes a 60% deterioration in steady state response for an understeering rear engine car with driver only and an 80% deterioration at full passenger load.

Copp's entire refutation of Winchell's statement, "oversteer might be better than understeer," is based on the Ford film which appears to be unrepresentative.

In summary, I feel that Harley Copp does point out four reasonable areas for discussion relative to the Winchell report. (1) The Corvair is no different than other cars. (2) Only expert drivers can handle more than 3 lateral Gs. (3) Corvair tire pressure differential is of minor importance. (4) Oversteer might be better than understeer. But, I believe the Ford film used by Copp as supporting evidence is unreasonable, and does not prove his points.

Are the results of the Ford tests consistent with Copp's analysis?

In my opinion the Ford films are inconsistent with Copp's film analysis. Copp makes the comment, "The film showing Falcon vs. Corvair handling and my analysis of these films clearly demonstrates that an expert driver was unable to control the Corvair in the normal highway handling test of .32G."

The Ford Report dated November 8, 1968 and entitled "Vehicle Response Characteristics of Test Vehicle GAP No. 1" makes the following comment, "The vehicle is near neutral to about .4G lateral acceleration and then goes to an oversteer state." The evaluation of Figure 1 in the same report entitled, "Steady State Response Characteristics of GAP 1" indicates that the Corvair actually tends toward understeer at about .45Gs and would appear controllable to at least .55Gs. These figures are certainly inconsistent with Copp's .32G figure stated in the previous paragraph.

The Ford Report dated August 3, 1966 end entitled "Handling Tests for Safety Committee on Handling Performance Standards" includes Figure 3 which is a curve plotting steering wheel torque against lateral acceleration in Gs. This curve indicates a rather linear increase in steering wheel torque relative to G increase which would tend to indicate the car is neutral up to the .4G bracket. As the Gs continue to build up from .4 to .6 less steering wheel torque per unit G increase is required indicating that the car is tending towards oversteer. The important factor here is that they seem to have reasonably reliable data clear up to the .6G bracket which certainly indicates that the car is not out of control until that point. Again, it would seem that Ford's own data on the G limits of the Corvair is inconsistent with Copp's movie analysis wherein he indicates that the Corvair is out of control at .32Gs.

Earlier in my critique I indicated that timing of the movies both by counting frames and using a stop watch indicates that the G limits were considerably higher than those quoted by Mr. Copp. Since Ford's own test data on the Corvair indicates that the Corvair breaks away or becomes uncontrollable in the oversteering mode at much higher G levels than Mr. Copp indicates; it would appear that the Department of Transportation's thinking and my thinking relative to the G levels displayed in the movie are correct. Now. from all the evaluation of steering wheel angle vs. lateral G graphs we know that quick steering movements in the Corvair in the .5G range can quickly throw the Corvair into the oversteering condition shown in the Ford movie. Of particular interest is when the Corvair comes out of the right hand turn on the test rack in the Ford movie and after nearly completing the turn the test driver puts in a violent steering wheel correction to the right. We can anticipate under those conditions that the Corvair would display the behavior indicated by the movie. Similar drastic movement of the steering wheel toward the turn in the Falcon would not cause a similar reaction in that the Falcon at high G limits is tending towards its understeering limit of control and therefore is very insensitive to steering wheel movement. In short, it would appear that the Corvair vs. Falcon film although it indicates behavior that we would expect under certain types of steering wheel movement on the Corvair, does not indicate the relative merits of the Falcon vs. the Corvair.

I would like to digress briefly and say that even though the Ford tests actually have little bearing on the Corvair controversy or Copp's analysis, they are of critical importance. The reason they are of critical importance is because they do attempt to collate objective vehicle tests with subjective feelings of drivers. It is just this type of testing which would ultimately be needed if the Corvair controversy were going to be ultimately laid to rest. Because, as was stated before, we have plenty of information to evaluate the characteristics of the Corvair, but what we do not have is how the average driver reacts to this particular set of characteristics. The Ford tests are an attempt to prove how drivers 'feel' about certain vehicle characteristics.

Ford, in this series of test, states that they have little conclusive correlation between subjective driver feeling and objective vehicle tests. The Ford tests did indicate that the drivers used were both experienced and inexperienced and the drivers did appear to dislike the oversteering characteristics of the Corvair. What is critical is not whether or

not the drivers dislike the characteristics of the oversteering car, but rather was the driver able or not able to cope with the oversteering characteristics. There is no indication of this in the Ford reports.

It is my opinion that no testing should be done whether or not drivers can cope with the understeer/oversteer transition of the Corvair. What should be done, however, is to take modern vehicles, 1972 vehicles, and adjust them with different loads and different tire pressures to change the characteristics and then determine whether or not inexperienced drivers, or at least drivers unfamiliar with the tests, are able to negotiate a given course. The reason simply is that we have considerable information on the actual handling characteristics of cars but very little information on the interface between the driver and the cars with these various characteristics.

From the Ford tests, what conclusions can be drawn about stability and handling of the various cars?

With the amount of information actually available in the submitted Ford Reports, it appears that no significant evaluation can be made of each separate vehicle. Certainly tests in general indicate that the majority of the cars tested are cars that understeer. An evaluation of Ford's specially set-up station wagon which appears to have somewhat similar characteristics to the Corvair would be of interest in order to learn how much adjustment is required to change a vehicle from the basic understeering to an oversteering mode. We already know that on the '64 Corvair changing the spring rates and adding a front anti-sway bar made the car handle more like other contemporary vehicles.

In short, the Ford reports tend to indicate that Copp's G analysis is incorrect, contemporary cars do have a practical limit of control of about .6Gs, and the Corvair does oversteer more than contemporary vehicles.

AN ADDITIONAL COMMENT

As I was reading further in the book on hearings some comments by Professor Manos caught my eye. He indicates that he believes that a 1962 Chevrolet was in full control at .8Gs. We have no indication in all of the information gathered that contemporary cars were able to pull anywhere near that kind of cornering force. Further, Figure No. 1 entitled "Steady State Yawing Velocity Response" in the Ford Report dated August 3, 1966 subject "Handling Tests for Safety Committee on Handling Standards" indicated that a 1966 Ford wagon set-up in the normal fashion has a practical understeering limit of control of slightly under .6Gs.

Very truly yours,

RAY CALDWELL.

EXHIBIT 32

JUNE 1, 1964.

To Mr. E. V. GILLILAND, *G.M. Legal Staff*:

This is to confirm my views and requests regarding Pierini vs. Chevrolet.

(1) TIRE PRESSURE

Our tests of last January were conclusive in that at 30–35 miles an hour the tire pressures reported on the Pierini car were not significant in the normal driving of the car. That is, the car was not deficient in any recognizable way going straight or in cornering at these speeds. The car did not seem to drift or pull more one way than another. It is my opinion that the average individual could not tell whether the tires were properly inflated or inflated as claimed. I think that, in light of our statement in the Owners Guide regarding inflation pressures, it is going to be extremely difficult to convince a jury that my testimony is not prejudiced:

At these low speeds, the tire pressures are not significant. The Owners Guide must have, of course, considered that the car will be driven at high speed. Inflation pressures become critical as the speed increases. The centrifugal forces which are reacted by the tires varies as the square of the speed for any given displacement of the steering wheel. In other words, at a given displacement of the steering wheel, the side forces on the tires at 60 miles an hour are 4 times the forces at 30 miles an hour. At 90 miles an hour, the side forces are 9 times the forces at 30 miles an hour. At the same time, however, it must be realized that the same forces can be generated at 30 miles as can be generated at any other speed. The relationship between force and speed is as follows—

$$F = KV^2W^2 \text{ divided by } R$$

The limiting forces at any speed is equal the weight of the car times the coefficient of friction—

$$F_{max} = W\mu$$

In other words, at "any" speed, any force up to and equal to the limit of adhesion can be generated if the steering wheel is turned far enough to reduce the radius enough.

It is my opinion that, although these tire pressures could not have adversely affected Mrs. Pierini's ability to drive the car at these speeds, it would have affected to some slight degree her ability to recover control of the car once having lost it.

I feel confident that the reported tire pressures had no bearing at all on Mrs. Pierini's loss of control. To verbally convince the court of this is a difficult, if not impossible, task. It was, therefore, my recommendation that the court in some way experience the difference in the behavior of the car at these speeds and at both normal and the reported tire pressures. I am certain that the difference in tire pressures on the same car would not be recognizable at the 30–35 mile speed range *over any selected course*. I understand that it is not possible to subject the court to this experience. I would, therefore, recommend that an unbiased witness or witnesses be subjected to this variation in tire pressure. I am certain that this would be much more convincing than any verbal testimony by us or anyone else in General Motors.

(2) PATH OF MRS. PIERINI'S CAR

There seems to be some difference of opinion regarding the precise path generated by Mrs. Pierini in losing control of the car. In view of her testimony, I think it is extremely important to determine accurately the course of her car as stated in our discussions last January. I think this can be done accurately enough for us to understand the exact conditions the car was experiencing prior to its having turned over. This can be done by setting up an appropriate camera in the exact location by superimposing the original negative on the ground glass viewer and retracing the skid marks and measuring its curvature. Knowing this radius and the speed reported by Mrs. Pierini, we would be able to positively calculate the forces acting on the tires and would know if Mrs. Pierini was inside or outside controllable range of the Corvair. Furthermore, it would seem to me important to be able to state to the court that Mrs. Pierini veered across the road at 30 miles an hour generating a 2000 ft. radius or whatever it was.

In addition, it would seem important to know whether Mrs. Pierini was or was not on the pavement when she attempted to turn the vehicle right. This is pertinent in light of the testimony that spillage of air from the left rear tire contributed to the loss of control. From the present photographs, it appears that Mrs. Pierini dropped her right front wheel off the shoulder, turned the wheel to the left too far causing the car to veer in a left hand turn clear across the pavement and that she did not make a right hand correction until the left rear tire was on the soft shoulder. I believe that air was spilled from the tire when it struck the small embankment and that the car turned over at this time.

F. J. WINCHELL.

JUNE 3, 1964.

To: Mr. R. V. GILLILAND, *G.M. Legal Staff*

From Blewett's investigation of August 30th, 1961 (accident occurred on August 18th), I take the following—

[EDITOR'S NOTE.—The graph is available in subcommittee files.]

I concur with his analysis of what happened.

I also concur with Pierce Ausburn's analysis that the tire deflated when it struck the divider. Otherwise, there would have been score marks on the rim. Furthermore, we and Engineering Staff were not able to spill air from a '61 Corvair wheel and tire on an ordinary pavement, by broad sliding the car or dragging it sideways at the limit of adhesion regardless of tire pressures.

Mrs. Pierini appears to have been completely incompetent since the left radius she took across the road was approximately 210 ft. which, at the speed reported, would be almost within the normal cornering range of "any" driver in making, normal turn around a street corner. Further, the subsequent right hand correction took some 300 ft. which must have been much greater than a 200 ft. radius and at a slower speed. The fact that at no place was there evidence of her applying the brakes suggests that she may have become "unseated" by the "sudden" left turn when the steering angle finally overcame the straightening force of the edge of the pavement on the tire. I cannot think of any other reason why a competent person would not have applied the brakes.

Tire pressures were reported as—*LF* 25; *RF* 17; *LR* 21; *RR* 17.

A '61 Corvair was set up with these the pressures and driven by Simmons, Passon, Gilliland and Winchell on the test track at G. M. Tech Center.

There was no consistent drift right or left. Furthermore, at these speeds of 30–35, there was no deficiency evidence of oversteer, etc. at normal driving. I subsequently drove the car for several days, to and from work, (20 miles each way) up to 90 MPH and am convinced that at 30 or 35 MPH these pressures were in no way responsible for Mrs. Pierini's loss of control; that few people, if any, would recognize this discrepancy in pressures at 30–35 MPH, even at .3g's.

Furthermore, Simmons, Passon, Gilliland and Winchell made an evaluation of the response of this car at these pressures when dropping off a pavement edge of 4" with respect to a regular Chevrolet. The regular Chevrolet reacted more violently than this Corvair with these pressures.

The same tests were conducted with the tires—*LF* 25; *RF* 25; *LR* 17; *RR* 17.

Both Mr. Pierini and Mrs. Pierini state that on some occasions the car was normal and on others it was not. For instance, Mr. Pierini stated that he had some "sway" problem going to work but coming home it was O.K. This, of course, is unreasonable if the claim is "oversteer" due to improper inflation. Also, Mr. Pierini claims he experienced difficulty at 20 MPH.

Pierini's interrogatory; questions No. 41 and 42, answers that photos were taken at the scene immediately after the accident by Tom Halde (20 color slides), 1006 Santa Barbara Street, Santa Barbara, Calif.—we should have these pictures.

According to deposition of W. H. Harper, Horgan has all of Halde's photos.

Do we have the photos that T. Halde took of car and of tire and rim?

Only one tire mark observed by Harper. He recalls that the northbound lanes are lower than southbound. (15–18 to 22).

Harper states rollover damage was slight, car was probably going at slow speed (18–17 to 22), partially on pavement and dirt.

Page 23–17 to 22 infers dirt, debris and vegetation was in the tire.

Page 24–20 to 26 claim some slight pavement abrasions on rim.

Pages 27 and 28 are interesting in that he states that the outside bead was pulled off, either from impact or the side forces resulting from the centrifugal forces.

The fact that Mr. Harper states that car handled O.K. after the accident with the tire pressures apparently at —*LF* 25; *RF* 17, *LR* 21; *RR* 17, is certainly consistent with our observation. He also tested to 45 MPH.

F. J. WINCHELL.

To Mr. J. B. BIDWELL, *Research Laboratories*

DEAR JOE: I have read with considerable interest your report on tire pressures (Report No. 24–876).

I have been assisting the Legal Staff in the defense of lawsuits brought against the corporation related to handling characteristics and very recently to the effect of tire pressures.

In this latter instance, the plaintiff lost control of the car at *30 miles* an hour; due she claims to the fact that the dealership rotated her Corvair tires and did not change the pressures. Our tests on the Corvair have shown conclusively that *at these speeds* neither engineer or layman can differentiate betweeen normal and "reversed" tire pressures.

You report states accurately the criticalness of tire pressure. It is *assumed*, however, that the reader understands that there is a critical speed. The report could be damaging as evidence without such a qualification.

I think a separate and independent report on the relationship of speed to the critical behavior of the car would not only be helpful in future cases but would eliminate the possibility of misuse of this report.

F. J. WINCHELL.

EXHIBIT 33

THE ENEWSPAPER,

Warren, Vermont, December 13, 1971.

BOB WAGER,

Washington, D.C.

DEAR BOB: Pardon me for not getting this promised letter off sooner, but I have had some rather personal consumer problems—to or not to—so I had to get some paying assignments off first.

You asked on the phone if, during my association with GM and Corvair, did I see any evidence that would indicate that the GM people KNEW that the Corvair was less than safe. The answer is no.

I saw nor heard no evidence of GM knowing that the Corvair was "unsafe" (at whatever speed) nor was there any evidence of it actually being unsafe or even difficult as far as my personal experience was concerned. As for the GM higher-ups, I was not privy to their innermost thoughts or uppermost plots. Maybe they were sitting in their Knoll Associates offices rubbing their hands in anticipation of highway carnage caused by the Corvair. I do not know. What I do know was that the Corvair—as I drove it—was one of the sweetest handling most pleasant-to-drive production cars I had experienced.

Most of the car-buffs felt fondly toward the Corvair from the time it first appeared. Here was what we considered to be the first attempt from "Detroit" to make a car for a driver. (The Corvette in its early stages was scorned as a bit of con—a pseudo-sports car for the gullibles.) The Corvair was handsome by our standards, it was people-sized instead of one of those wheeled dirigibles, it had the engine over the drive wheels which seemed a sensible place, it was interesting from an engineering standpoint and it lent itself to all sorts of modifications. (Every piece of domestic machinery at that time required extensive modifications—stiffer suspension for a start—to make it even acceptable to a truly keen driver, but most of them were confirmed sow's ears to begin with and were ignored.)

The Corvair inspired all sorts of special equipment—John Fitch for one did clever stitchery around the basic Corvair to come up with a truly fine little car. The Corvair also inspired lots of print in the nuts-and-bolts media on how to improve the car, how to drive it etc. Ralph Nader, in his research for his first book, was obviously impressed by the existence of the proportionately large amount of type devoted to the Corvair and, I think, he not being a car-minded type, misinterpreted it. He was not aware that so much space was devoted to how to make the Corvair a better car not because the motoring journalists thought that it was a bad car but because they thought it was so much better than anything else offered to us by Detroit.

I personally was responsible for one such article—"How to Drive a Corvair", I think it was called, in a special on Corvair put out by "Car Life" magazine in California. I know that Mr. Nader saw the article because he quoted from it in "Unsafe at Any Speed" in a way which led me to suspect he didn't know much about cars. (I think a non-car person plunging into the middle of that special world of the automotive media is in for a degree of culture shock. Articles are written in a jargon and they are written for the converted. They assume a certain position on the part of the readers to begin with. (A politician making a speech to a banquet of party regulars speaks with different shadings than he does when campaigning in the bailiwick of the opposition.)

Anyway I have great admiration for Mr. Nader, but always felt that his anthropological foray into the world of car nuts was less than accurate.

I wrote in the article about the type of accident a Corvair was apt to have when pushed to the maximum and how to avoid it—the off-the-road backwards type. Now every car has its own particular accident to which it is prone, just as every junkie has his drug-of-choice. The Corvair happened to be an oversteering car in a world of extreme understeerers. Still, I would not say that it was beyond the normal ability of the average driver under average conditions to drive reasonably well. In short, it was not really the best car, but it was better than most being offered us on this side of the Atlantic at the time. And its potential was excellent.

Now, in retrospect, I think there is no question that for a little more money GM could have put an improved suspension system on the Corvair right from the start—stops on the swing axle etc.—rather than a few years later. A-little-more-money seems to be the critical matter in selling cars. That's how most Americans buy—by price. I swear if you offered them an option that for $500 more they would never have an accident they would turn it down. Whether ads, beginning with the famed "Somewhere west of Laramie" type, have trained them to buy image—at the lowest base price possible (they never seem to count in the extras), rather than cars. I don't know. Anyway, the manufacturers fiddle with pennies on each part so that they can compete, and the Corvair was already priced higher than the Falcon and the Valiant—its direct and more conventional rivals. But that is good old American free-enterprise "capitalist" thinking, isn't it? Whether it is venality is another matter. (And whether you can really separate the two is still another matter.) Did the GM decision-makers on their thick carpets within their wide paneling say: "So we kill or dismember a few people, so what? Put in the cheaper suspension."? I do not know. I am perhaps naive but I think that most of the evils of the world are by chance, not by design.

To me the greatest obvious mistake in the early Corvair was the steering ratio. I prefer quicker steering—a 16:1 ratio perhaps rather than the 19:1 I think the Corvair had. Maybe greater. Anyway, with faster steering it is easier to catch a back-end that is apparently intent on switching positions with the front. This of course assumes that the driver can tell when the car is breaking loose and what to do to catch it. A 16:1 steering ratio—which amounts maybe to 2½ turns lock to lock, I'm not sure—however makes a car hard to turn when it is being parked, for instance. Power steering was not indicated in so small a car and, thinking of the woman driver who wouldn't like straining at a wheel when she parked merely for some abstract (to her) margin of safety should one "overcook it" while pouring into a diminishing radius turn, GM opted for the easy-to-park ratio. (Whether they were thinking of the weak women of the world or were afraid that that weak soul was the strong one when it came to deciding which car to buy and would veto one that was hard to park, I couldn't say. But since they have stockholders I would guess the latter.)

I do not know what special things were done to the Corvairs I drove in the two Trans-Canada rallies, but one very obvious one—and necessary to my way of thinking for the kind of driving we would be doing—was to put three degrees of negative camber in the rear wheels. That meant that instead of standing straight up and down in relation to the ground the rear wheels were splayed out at the bottom in a knock-kneed fashion. This improved the handling under hard cornering and I loved the way it performed. The car seemed to lean hard against that tilted wheel—as if it were an outrigger—and scurry right around the bends. I entertained myself on the long Canadian runs by suckering following cars into trying to stick with me and I would accelerate around the turns watching in the mirror as they faltered, kicked up shoulder dust and fell back. Nothing in the rally could stick with the Corvair on the turns. I never drove a Corvair with camber or positive camber in the same way so I do not know how it would react. (There could well be the tendency under extreme forces for the positively cambered wheel to "camber" some more and roll under. VW's have, or had, that propensity. I've never liked them and have not driven one hard for a long time.)

The two years of the rally, almost a decade ago now, are sort of fused in my memory, but I am certain it was the second year that I had so much trouble—the sort of trouble that can plague competition no matter how well planned or well prepared the cars are. (In European rallies, such as the Liege-Sofia-Liege, some 100 cars usually start and rarely more than a dozen as much as finish.) First off 11 miles from the start the gas tank was punctured on a sharp rock masquerading as mud from a truck. That sort of thing. Then I was off the road in the fog one night while lost in Quebec and off again in some ice or snow. ("Civilian" drivers are often dismayed at the way competition driver speak so casually of, what to the ordinary driver, are disasters. But in European rallies I have known cars to have rolled several times, plunged off baby cliffs (me) and collided with timber trucks and horsecarts to carry on—and even win.)

One time on the Trans-Canada during a particularly slippery section (one driver commented that you could shoot a puck in Sault Ste. Marie and score in Port Williams) I was bombing along with a clutch of cars trailing behind like a comet's tail. It was night and the visibility was bad and since I have the sort of vision that somehow adapts well to such conditions I often develop a "following" and play pioneer. I was driving mostly without headlights—just flickering them on every now and then. (One can see better in snow or fog from the light of following cars coming under the car—low.) As I remember it was slushy in spots, the sort that tugs at wheels suddenly. And it was gusty. In short, it was a bad night for driving. Certainly for going

more than 30 miles an hour. I was probably doing 60–70. (The spur of competition moves one to do things one would not think of doing merely driving to Aunt Maud's for Thanksgiving.) Anyway, it was a touch and go matter at best keeping the car pointed straight—any car. And I lost it. I remember being somewhat sideways, near the point of no return, and my lights were off at the time so it was slightly disorienting. I did not really fight to catch it because there were many cars behind me—and headlights approaching in the distance. Not that it was a conscious decision, but anyway—whoosh—it was now uncatchable and I slithered off the road into the generous ditch on the opposite side of the road (in the classic Corvair manner, backwards, fortunately in this case.) Again fortunately the headlights I had seen turned out to be a giant tractor-trailer rig, the only thing that could maintain enough traction in the slush to pull me out. We cabled up and out I popped. Within 30 to 45 minutes I had caught and passed the other cars again (slowed considerably without my pioneering.) That's the way it is with rallying—except for the American ones that involve time-keeping and computers more than driving.

The only trouble I can remember that I had with the Corvair on those rallies that was not my own dumkopfery was the starter going out—and something with the ignition, too. I remember I had to drive for hours holding the ignition key in the start position to keep the engine running. That was tiring, and also tricky on the turns—my arm kept getting tangled with the steering wheel. I also broke a tie-rod end that trip, too. On a rock or rough British Columbia road or some such. But it did not affect the car particularly except on right hand turns and there was a noticeable shimmy around 90. After all, I was only steering one wheel.

One thing I remember about the GM big-wheels—they didn't seem to approve of the three degrees negative camber. Or at least that is my impression. At the time I assumed the reason to be because they were spending all that money on the rally team to get publicity for their standard Corvair and not some "freak" that looked as if it had a broken axle. Anyway, in all the advertising pictures—golly, I just remembered I was a full page ad for GM!—they had the wheels air-brushed to an upright position again. Now, maybe someone can make something ulterior out of that. I did not at the time.

Two other things that might be of interest to you. The first is strictly hearsay. When Australian driver and later world champion Jack Brahham was lent a new Corvair while at Sebring or some such race to use as a road car he reportedly—with four or five people with him—charged down a straight, cranked it hard into a turn and turned it over! The story goes he took it back and said "that bloody thing is dangerous!" End of legend. How you can even begin to check it out I wouldn't know.

The other story: Phil Hill, the American champion, was hired by GM after the series of Corvair trials had started to do some testing along with some other drivers. During some maneuvers Phil turned a Corvair over. He never got asked back to Warren, Mich. again!

I had involved Phil in the Corvair thing in the first place when I was asked to go to California (San Jose) for a trial involving one Paul O'Shea as an "expert" witness for the plaintiff. I suggested that they bring Phil up from LA also. We knew Paul well and Paul was making all sorts of imaginative statements about his grounds for expertise. The idea was that Phil and I would sit conspicuously in the courtroom and keep Paul "honest".

I had no particular faith at the time that GM, nor any other manufacturer, was a Seeker After Truth and a repository of the good and the beautiful. I did feel, however, that cars are all dangerous weapons and should be handled accordingly. They should be driven properly and well. I felt that the tendency in the country was to more and more restrict the use of judgment by drivers and thus allow that ability to atrophy, rendering it useless just when emergency demanded its exercise. And I felt that driving skill and the cultivation of advanced driving techniques which could give a driver a margin for safety on the highway rather than taxing his meager abilities with just everyday driving, was being neglected. I still feel that way.

But since those days I have been even more torn between my feeling that people should not be conned, gypped, bamboozled, flimflammed, defrauded or in any way "had" by the boys in the board room—nor by a street peddler with dancing skeletons for that matter. So part of me is cheering "Righton, Ralphie". But then again I feel that the delicate rights of the individual can so often be trampled in the rush to do something for-his-own-good. (Rather like shooting deer to keep them from starving.) I'm not thinking of Ed Cole's right to hoodwink, but of my right to buy a "72" Corvair if I wanted to. Something I cannot do because of Mr. Nader. My feelings are split.

Well, Bob, perhaps this is more than you bargained for. And to think I got through it all without saying "state-of-the-art" even once. Happy holidays to you and may you hit hard to the backcourt and get your first serve in throughout '72. Come to Sugarbush some time!

Best Wishes

DENISE MCCLUGGAGE.

P.S. As a consumer who spent four hours shoveling off my roof with a True Temper non-stick snow shovel please be advised that the damn thing clings to snow like a baby rhesus monkey to its mother. Fraud!

EXHIBIT 34

BILL STROPPE & ASSOCIATES,
Long Beach, Calif., January 19, 1972.

MR. ROBERT WAGER,
Hotel St. Regis
3071 W. Grand Boulevard
Detroit, Mich.

DEAR MR. WAGER: Please excuse the delay in getting this letter off to you.

The following is a brief summation of what I related to you on the telephone earlier this month. As I told you then, I am not certain of dates and times, but as my memory serves me, the Experience Run in the Falcon for Ford Motor Company was in 1960.

On this Experience Run, test drivers ran the Ford Falcons for a period of thirteen days, continuous running, at the Ford testing ground. At the completion of this Experience Run, the test drivers were given an opportunity to test a General Motors Corvair in order to compare it with the Falcon. In groups of four to six, the crews took the Corvair around the handling course for comparison with the Falcon. The third group to drive the vehicle slid on wet payment and the vehicle overturned after hitting the grassy area at the edge of the track.

A rear engine vehicle is a little more susceptible to a slide of this sort than the conventional front engine automobile. This same type of accident has happened with other rear engine vehicles, such as the Volkswagen. Drivers must be familiar with the vehicle and its characteristics to overcome difficulties which might arise when operating the automobile. Manufacturers are aware of the peculiarities of their automobiles, and make every effort to correct or minimize any problems which affect the safety and handling of the automobile.

All members of the testing crew felt the Corvair to be a very good automobile. The vehicle handled well and was stable on the track even in high wind testing. We were happy to have the opportunity to drive the Corvair immediately after testing the Falcon to compare the characteristics of the front engine versus the rear engine machine. Both vehicles had many good points and a few that were not so good, but then—this is true of all automobiles.

Again, let me say that I feel that a driver should become accustomed to the automobile to know the safety hazards relating to the handling of that particular vehicle. I have had the opportunity to test drive a wide variety of vehicles, every thing from a Ford Model T to high powered, four wheel drive race machines, and every one of the vehicles present a different handling peculiarity.

Please let me know if I can be of further assistance in this matter.

Sincerely,

BILL STROPPE.

EXHIBIT 35

Following is a statement by Senator Ribicoff on July 22, 1971, regarding the Justice Department investigation of Mr. Ralph Nader's charges of transcript alterations and other matters.

On May 20, 1971, Mr. Ralph Nader wrote me alleging that at the hearing of March 22, 1966, Mr. James Roche, Chairman of General Motors, misled the Subcommittee concerning previous investigations of individuals initiated by GM, and that subsequently the Corporation was responsible for secretly altering the hearing record of that date. The following day, I requested the Justice Department to reconsider its 1968 conclusion that there was insufficient evidence to warrant prosecution of GM officials for perjury or obstruction of justice, in the light of Mr. Nader's charges. Shortly thereafter, the Subcommittee furnished the Department with copies of the 1966 transcript and other documents relating to Mr. Nader's charges.

After reviewing all the evidence the Justice Department found no evidence of any misconduct and determined that "none of the matters brought to our attention merits further outside inquiry or suggests a conclusion different from that previously reached in our 1968 letter regarding perjury and obstruction of justice. We have also determined that none of the material brought to our attention presents a reasonable basis for prosecution under the false statement statute, 18 U.S.C. 1001."

The staff investigation of other charges by Mr. Nader relating to General Motors testimony concerning the Corvair is continuing.

The texts of my letters to the Justice Department and their reply are attached:

MAY 21, 1971.

HON. JOHN N. MITCHELL,
Attorney General, Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: On February 6, 1971, I asked Ramsey Clark, Acting Attorney General, to determine whether representatives of General Motors had committed criminal acts under the Federal Criminal statutes in connection with their appearance before the Subcommittee on March 22, 1966. It appeared from documents filed in a New York court action between Ralph Nader and General Motors that certain testimony given before the Subcommittee might have been false and certain documents submitted to the Subcommittee might have been altered. To assist the Attorney General in his investigations, I sent him a copy of the printed record, the documents submitted to me by Mr. Nader's attorneys, and other material which the Subcommittee had received during its inquiry into General Motors' investigation of Mr. Nader.

On August 16, 1968, Mr. Nathaniel E. Kossack, First Assistant, Criminal Division in the

Department of Justice, wrote me that the Department was "forced to conclude that the evidence is insufficient to support a prosecution under the criminal laws of either the District of Columbia or the United States relating to perjury and obstruction of justice." He assured me that "all documents filed in the civil suit of *Ralph Nader* v. *General Motors* have been reviewed by the Criminal Division and all relevant leads pursued."

Mr. Nader has now alleged in a letter to me of May 20, 1971, that "the FBI investigation was defective from the beginning because it was based on the secretly altered hearing record rather than on the untouched original transcript." He claims that the record falsifications prevented FBI detection of violations of 18 USC 1001 (relating to false statements) and "led the Department of Justice to look only for possible perjury rather than for perjury and false statements," in violation of 18 USC 1001.

Mr. Nader has made serious charges which the Department should consider. Accordingly, I request that the Department reconsider all material forwarded to it in 1967, together with the allegations in Mr. Nader's letter and the attachments to his letter, copies of which are enclosed, especially in the light of Section 1001 of Title 18, USC, if that was not done in 1967, as alleged by Mr. Nader.

Sincerely,

ABE RIBICOFF, *Chairman.*

JUNE 3, 1971.

Hon. JOHN N. MITCHELL,
Attorney General, Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I would appreciate it if you would have the members of your staff pursuing the questions raised in my letter to you of May 21, 1971, meet as soon as possible with Mr. John A. Koskinen, my Administrative Assistant and Mr. Robert J. Wagner, General Counsel of the Executive Reorganization Subcommittee. At that time, we will be happy to make available additional background information and documents to assist you in your investigation.

I understand there may be a question of the applicability of the statute of limitations to some aspects of your inquiry. I would appreciate it if your Department would thoroughly investigate the matters raised in my letter of May 21 and give us your conclusions without applying the statute as well as with it taken into consideration. This will assist us in assessing the need for further Congressional action.

Thank you for your cooperation.

Sincerely,

ABE RIBICOFF.

JULY 21, 1971.

Hon. ABRAHAM RIBICOFF,
U.S. Senate, Washington, D.C.

DEAR SENATOR: As requested by your letter of May 21, 1971, the Criminal Division has reconsidered the conclusions it reached some four years ago regarding the Senate Subcommittee on Executive Reorganization hearing of March 22, 1966, and subsequent matters relating thereto.

It appears the original voice tapes and original reporter's transcript of the Subcommittee hearing are presently available only from non-governmental sources. Their authenticity would no doubt be subject to challenge by persons involved and antagonistic to those supplying them.

In addition, as you are aware, more than five years has elapsed as to most of the matters discussed with your staff. On July 25, 1971, it will be five years since the official record was published. If there were any violations the statute of limitations would bar prosecution after five years. It was not practical therefore, to accomplish more than a limited evaluation during the available time. We would like to hereinafter indicate the results of this evaluation.

Our original review included the offense of perjury, 18 U.S.C. 1621, as well as other offenses, and of necessity encompassed the elements of willfulness on the part of those persons giving testimony and the element of materiality of questioned portions of the testimony. Both these elements are also critical to the false statement offense, 18 U.S.C. 1001, suggested by your staff.

Our review of the materials and matters furnished by your staff has included the list of some sixty-four differences between the volunteered voice tape and the volunteered copy of a reporter's transcript dealing with testimony in the Subcommittee hearing.

We have also made a comparison of the printed official transcript with the voice tape and volunteered transcript. It was indicated to us that suggested changes for inclusion in the printed transcript were reviewed by the staff prior to printing and at least one suggested change was rejected by the staff.

One item apparently included in the version submitted by the staff for printing did not appear in the final printing. The information furnished to us does not foreclose the occurrence of an inadvertent printing error nor does it suggest any misconduct relating to this change.

We have determined that none of the matters brought to our attention merits further outside inquiry or suggests a conclusion different from that previously reached in our 1968 letter regarding perjury and obstruction of justice. We have also determined that none of the material brought to our attention presents a reasonable basis for prosecution under the false statement statute, 18 U.S.C. 1001.

The materials recently furnished to us are being returned to your staff.

Sincerely,

WILL WILSON,
Assistant Attorney General.

ATTACHMENT II—NADER LETTER TO SENATOR RIBICOFF

MARCH 12, 1973.

Senator ABRAHAM RIBICOFF,
Chairman, Subcommittee on Executive Reorganization, Washington, D.C.

DEAR SENATOR RIBICOFF: Over the last two years, your staff, John Koskinen and Robert Wager, have been conducting a highly secret investigation of General Motors executives' statements before your Subcommittee in 1966. At the same time, GM has had highly preferential treatment in the conduct of this inquiry while the parties who brought the matter to your attention and those former GM employees who cooperated with your staff have been excluded.

As you recall, my position has always been that an open Subcommittee hearing would bring all parties in an open forum and produce the materials which all could review in evaluating any subsequent Subcommittee report. If such a course of action were taken, not only would a great amount of your staff's time have been saved, but a number of ill-advised staff procedures, which seriously flaw the effort, would have been avoided.

For example, General Motors officials have been given an opportunity to read the final draft report. Presumably, the basis for this offer was to assure the accuracy of the report and be fair to the reputation of General Motors. Why then was not the same courtesy accorded former GM employees and others deposed or interviewed by staff. They have much more to lose for their cooperation and statements to staff than the Goliath Corporation.

Further, employees of General Motors were deposed with GM counsel present in the room. It was obvious to any GM employee that his words were being closely monitored by his employer and that it would be risky indeed to make adverse statements which departed from the carefully orchestrated GM company line. Moreover, such depositions remain secret. If counsel were to be allowed, then why such secrecy? As a final indiscretion, transcripts were often typed at General Motors by company stenographers.

Third, statements taken from other witnesses not employed at GM were routinely given to GM for rebuttal but there was no opportunity afforded for such witnesses to comment on the General Motors' rebuttal or the statements of their employees affecting or allegedly contradicting the testimony of these witnesses. My own experience with the provision of numerous documents and sources of information to your staff without any opportunity to comment on the General Motors' response or allegations is but one such instance of non-parallelism. It was only recently discovered that staff had not even approached the company's 1966 detective until after they received an affidavit two weeks ago swearing to a most provocative assertion by the detective which relates to the essence of the Subcommittee's staff inquiry.

Finally, only General Motors has had access to the work product of your subcommittee's investigation. Only GM can review the materials and findings of your staff with access to their sources. Anyone else cannot make an adequate evaluation because all others have been denied all opportunity to review the depositions, GM responses, GM test reports and other data, the list of individuals interviewed and other information in the staff's possession. My disagreement with the conduct of the staff investigation has been registered before but apparently without effect. So insupportable, in my judgment, is the one-sideedness of the inquiry and its unjustifiable secrecy and denial of access to anyone outside of General Motors to the information gathered for critical analysis, that a strong presumption against objectivity emerges. It would be futile to read your staff's report under such proscribed conditions. Only a few days ago, Mr. Wager displayed a distinct disinterest in receiving our comment on the ridiculous and disgraceful reply by NHTSA Administrator Mr. Douglas Toms to Dr. Carl Nash's meticulous analysis of DOT's incompetent Corvair investigation and its admitted and crucial data suppression. Months ago, he had decided to accept the DOT report no matter what its inadequacies.

It is true that this matter has gone on for a disagreeably long time. Yet if the quest for justice in this case is not to be worn by time, the question should be conducted fairly and openly. Millions of drivers and passengers still ride in these hazardous vehicles. The Administration delayed and then whitewashed the Corvair matter (even to the extent of not publicly demanding that GM correct at its expense the carbon monoxide leakage problem in 1961–1969 Corvairs which has been conceded by the DOT and the company). Your Subcommittee remains one of the last official hopes that these motorists will receive the protection of the safety laws.

Whether you decide to publish the staff report or not, I respectfully request that this letter be printed in toto as part of the prefactory material to the report.

Thank you.

Sincerely,

RALPH NADER.

ATTACHMENT III—RIBICOFF LETTER TO NADER

WASHINGTON, D.C., *March 14, 1973.*

Mr. RALPH NADER,
Center for the Study of Responsive Law, Washington, D.C.

DEAR MR. NADER: Enclosed is the full text, including 36 exhibits, of a staff study concerning your letters to me regarding General Motors and the Corvair. I have reviewed this study and your letter of March 12, and feel the staff study was conducted in a fair and impartial manner and that there is no reason

for my Subcommittee to hold further hearings on this matter. Because of the widespread public discussion and previous *Congressional Record* inserts, I will place this study in the *Congressional Record* tomorrow.

At the same time I am urging Secretary of Transportation, Claude S. Brinegar, to convene an international conference on replacement tire safety. This is based on the discovery during the investigation that replacement tires can adversely affect vehicle handling to a substantial degree. In my view, this is one of the most significant findings of the report.

I appreciate your deep concern about automobile safety and the substantial contributions you have made in this field.

Sincerely,

ABE RIBICOFF.

MEMORANDUM

MARCH 12, 1973.

To: Senator Ribicoff.
From: Bob Wager, John Koskinen.
Subject: Response to Nader letter concerning staff report.

Ralph Nader's most recent letter is not directed to the subject of our inquiry—GM's statements and conduct concerning the stability and handling of the 1960–63 Corvair. Rather it concerns the procedures used in our investigation.

Basically, Nader claims that GM was given "highly preferential" treatment, while he and other critics of GM have been excluded from the investigation. As Nader well knows, we have spent many hours discussing the progress of our investigation with him and his staff. In fact, Nader's former associate, Mr. Gary Sellers, told us in 1971, that he had notes on more than 50 hours of conversations with us. Moreover, we spent over 25 hours interviewing the three primary public critics of GM's actions concerning the Corvair—Carl Thelin, George Caramanna and Harley Copp—and discussing GM's arguments with them.

Nader next contends that while GM was permitted to read the draft report, the persons interviewed were not allowed to do so. We asked GM, DOT and Nader to review the report to assure that technical and factual statements were accurate. No individual witness we interviewed was under personal investigation, nor are the character or integrity of any of them called into question by the report. All of the statements and conclusions in the report are based on sworn affidavits supporting the testimony given.

Our review procedures parallel those used in Nader's own Congress Project last summer. Like him, we conducted an independent investigation compiling the information relevant to a determination of the issues. Then, like him, we prepared a draft report and asked the affected parties to give us their comments on it. And, like him, we did not go back to each and every witness upon whom we relied for their approval of our conclusions. GM and DOT agreed to review the report. Nader refused.

Nader alleges that the statements of non-GM witnesses "were routinely given to GM for rebuttal, but there was no opportunity afforded for such witnesses to comment on GM's rebuttal. . ." This is simply not true. At no time was GM given access to the testimony of any person interviewed, nor was GM ever informed which non-GM witnesses we were interviewing or where and when the interviews took place. To this day, GM has never been told what information was made available to us by Nader or anyone else. The only way GM ever learned the source of any document we had was through Nader's own press releases.

In only one case was information we generated independently shared with GM. Harley Copp, at our request, prepared four lengthy technical analyses. He specifically gave us permission to show these papers to anyone we wished.

Nader asserts that only GM has had access to the work product of the investigation. This also is untrue. Throughout our inquiry we have been very careful not to disclose the contents of our files to anyone outside the Subcommittee. This was to assure that there would be no disclosure of irrelevant statements which might prejudice the reputation of an individual or adversely affect the pending Corvair litigation. During our investigation, GM supplied many documents and other information to us. To that extent, of course, GM knew what was in our files. But with respect to all other material, GM learned what evidence was in our possession only when Nader publicly announced that he was supplying certain items to us. Nothing else in our files has been revealed to GM.

Our attempts to maintain the security of our investigative files in no way will hinder the public's right to information relating to the safety of the Corvair. All relevant documents and information necessary to the determination of the issue before you or important to the safety of the Corvair are available in the public file at the Department of Transportation or are attached as exhibits to this report.

With respect to the timing of our interview with Vincent Gillen, as noted in the report, Gillen had already been interviewed twice by the FBI and deposed by Nader's lawyer in Nader's suit against Gillen before our investigation began. We reviewed these materials and determined that they were not relevant to the subject of the safety of the Corvair and contained no new information concerning the GM investigation of Nader. Accordingly, we did not initially seek to interview Gillen. As soon as Nader called us and suggested that Gillen might have new information, we immediately contacted him. On talking to him, however, we found, as stated in the report, that he had previously given all substantive information to the FBI.

Finally, Nader contents that Bob Wager showed no interest in receiving his comments on the DOT reply to Nader's critique of the DOT report. Expectedly the opposite is true. For many weeks we have earnestly sought to obtain Nader's views on the DOT report as well as his response to DOT's defense of its report. On October 25, 1972, Mr. Wager contacted Joan Claybrook concerning Nader's position on the DOT report. This was followed by a two-hour meeting with Carl Nash on November 21 to discuss Nader's arguments in detail. In the following weeks we urged Miss Claybrook and Mr. Nash to set a time to review our report so that these questions could be further pursued.

They consistently refused to do so. We have always stated that we wanted to consider Nader's views on the DOT report and every other issue. But we have made it plain that we would not discuss them piecemeal. We would cover all the issues in our report together at one time. GM and DOT agreed to this procedure, Nader would not.

In summary, Nader's letter contains no new information concerning the stability and handling of the 1960–63 Corvair. Accordingly, we adhere to the conclusions stated in our report. We do not believe these procedural matters should be allowed to obscure the merits of the issue originally raised by Nader.

ATTACHMENT IV—NADER LETTER TO SENATOR RIBICOFF

MARCH 26, 1973.

Hon. ABRAHAM RIBICOFF,
Chairman, Senate Subcommittee on Executive Reorganization, Washington, D.C.

DEAR SENATOR RIBICOFF: Thank you for the opportunity which you have provided to respond to the staff report so that, in your words, "the public now and in the future have access to other points of view at one place in the same edition of the Congressional Record." Attached is our report responding to the Wager-Koskinen compilation. I believe that this report, authored by physicist, Dr. Carl Nash, and legal specialists, Joan Claybrook and Mark Green, decisively repudiates the W-K findings and conclusions exonerating the behavior of General Motors before your Subcommittee in 1966 and gratuitously accepting the GM view of the Corvair. In spite of severe time constraints and the unjustified secrecy surrounding the W-K inquiry, the enclosed analysis shows that Wager and Koskinen did not use much evidence presumably available to them that would have resulted in a more critical evaluation of General Motors and a more heightened compassion for the safety interests of motorists.

The Nash et al response shows the staff report to be faulty in logic, unreferenced in many of its assertions, severely prejudgmental in its research methods and erroneous in its conclusions. One can legitimately wonder about the extent to which additional disclosures would reveal additional weaknesses in the staff report were the entire record of information available for public study. Since it is not, it is necessary to state that the absence of a response to any given assertion in the W-K report should not be interpreted as a recognition of its accuracy.

Before noting some pertinent points about the W–K report, it is well to keep in mind the unchallenged facts about Corvair hazards which presently expose millions of motorists to avoidable risks. First, there is a serious exposure of carbon monoxide to users of 1961–1969 Corvairs due to a defective heater exchange system. The Department of Transportation, after much evidence and prodding, has recognized this by requiring GM to send out two defect notification letters in 1971–1972. This defect alone should have led a responsible company to recall the Corvairs, but in the absence of a mandatory law it refused to do so.

Second, Wager and Koskinen revealed the finding of a still secret GM report that certain aftermarket tires could "adversely affect the handling of the car to a substantial degree." The quoted words are from the General Motors report and the "car" referred to is the early (1960–63) Corvair. Since all early Corvairs now have replacement tires, this is a conceded hazard known but unrevealed since at least 1971. Given the callousness of General Motors in not warning Corvair owners that the company considered the Corvair unsafe with certain of replacement tires (see Sec. II. Technical Issues in the attached report), what is the explanation for the low key treatment accorded this finding?

Would it have been unreasonable for Wager Koskinen to have sounded the alarm by issuing a warning to all Corvair owners in their conclusions and recommending to a neglectful NHTSA that it more formally advise these owners of such hazards? Would it have been an excess of zeal to criticize the corporate irresponsibility of General Motors in keeping such crucial safety information from its innocent customers? Instead of pressing on General Motors for withholding knowledge relevant to motorist safety, staff turned this information into a "discovery" of their own investigation. The fact that NHTSA had possession of this information from GM for almost two years and, in a gross abuse of public trust, has maintained this report and its contents in secrecy against all public requests for disclosure also escape the staff's evaluative grasp. What goes on here? Whose interests are the staff protecting?

This hazard is conceded by General Motors but the staff's only advice to you is to ask the Secretary of Transportation to convene an international tire conference. What about motorists driving every day cars with "certain aftermarket tires" adversely affecting the handling of the vehicles? Don't they merit the staff recognizing the need for NHTSA to

require a letter of advice and caution as provided for in the 1966 act you so vigorously supported? Perhaps as much as any single episode in the Corvair's history, this performance represents the contagion of indentured thinking—in this case from the company to the agency to the legislative committee staff. When asked why they are keeping this General Motors report secret, staff replied that it was proprietary. How could a tire safety report on replacement tires for a vehicle (Corvair) no longer in production be proprietary, particularly since the Subcommittee can make up its own mind on this matter? The staff is actively protecting General Motors from public criticism and legal accountability here while not helping to reduce the exposure of motorists.

There are a number of observations to make on a broader plane. As my letters over the past two and a half years have urged, an open public hearing would have been a much fairer, cheaper, quicker and a more accurate way to arrive at a sounder evaluation of General Motors' behavior than a secret staff investigation closed off from scrutiny to all interested parties except General Motors. Such a public hearing process would have permitted Subcommittee members and staff to cross-examine witnesses and cross-check materials. Obviously, this was not the course taken and the ensuing flaws and procedural inequites emerged as a result.

Starting backwards in time, your staff offered General Motors, the Department of Transportation and us an opportunity to review the draft of their report. We did not accept this invitation because (1) it was not made to other interested parties who either cooperated or whose reputations were harshly treated or both, and (2) we were not permitted to see the alleged documentation and other materials in the staff's possession. Yet General Motors not only did have access to these materials, it also extracted an agreement from the staff that they remain confidential. We believe that an investigatory draft report, where the staff acts as investigator and judge is a singularly inappropriate subject for preferential access. Open to all or open to none should have been the policy.

Why would a staff keep secret the materials from which it extracted its conclusions, refuse to disclose who it talked to, decline numerous opportunities to cross-check General Motors' partisan explanation, avoid any interviewing with key parties to court cases (such as the plaintiffs' lawyers) which they presumed to evaluate, deny even parties not connected with General Motors any copies of their own depositions, and keep from us copies of *public* transcripts in distant court cases? Because they had their minds made up that they were going to make a decision that was not subject to evaluation and scrutiny by the Corvair and General Motors critics. Fortunately this shielding did not entirely succeed.

The procedural inequity of refusing to show us and other interested cooperating parties, the materials and information submitted by General Motors for the purpose of receiving informed critiques revealed how little cooperation or assistance the staff really wanted from the critics. Clearly the staff did not have a monopoly on the ability to review the veracity and intricate orchestration of General Motors' defense. Yet they declined this source of illumination from those who stood ready to assist in their exploration for the truth.

All the forces of power, secrecy, attrition and lethargy pushed for the conclusions reached by the Wager-Koskinen Report. The Corvair victims have no organization, no teams of lawyers, no countervailing force against such an institutional bias. Even such institutional adversity, however, could have been overcome. But it was not. To have come out adverse to General Motors would have led to a series of obligations by the Subcommittee to press for a variety of law enforcement actions including the corrective recall of the early Corvair. The opposition to such moves by General Motors would have further burdened your staff.

As the attached report shows in detail, Wager and Koskinen made every effort to give General Motors the benefit of every doubt, every deception, every inhibition of witnesses, and every last response. They wrote the report as if they were held to splitting hairs of past litigation subpoenas and doing such without even questioning both sides of the particular litigation. Where was their concern with the way General Motors held back from providing the Subcommittee in 1966 with full information including the proving grounds reports on the Corvair instability? Why did it take third parties and long hours of staff questioning of General Motors to produce what the company should have volunteered to the Subcommittee if it truly cared at all about the Subcommittee's quest at that time.

It is dismaying to perceive the parallels between portions of the staff's report and the now hoary General Motors exonerations of its behavior or the uncritical acceptance of General Motors' interpretation, intent, or memory whenever they conflicted with the critics' version or even other statements by General Motors personnel on the record.

The enclosed report elaborates on, among others, these points: The pattern pursued by staff was to describe an assertion by a critic or former employee, then describe and accept the rebuttal by General Motors or its partisans as if by knee-jerk reaction. The evident bias beneath this approach is indicated by its easy avoidability through quick cross-checking with the critics or challengers. The systematic refusal of Mr. Wager to do this underscores what we have sensed since the beginning of the study to its conclusion—a prejudgment and predetermination so deeply set in his mind as to defy any explanation short of personality factors beyond our interest. Note, if you will, just one illustration of many in the Wager-Koskinen Report. It was stated that on the recommendation of Gary Sellers one Maurie Rose was interviewed. Mr. Sellers indicated that this former GM technician would be critical of the Corvair.

Wager and Koskinen scarcely conceal their delight that Mr. Rose turned out to be admiring of the Corvair when they interviewed him. An objective inquirer would have called Mr. Sellers for an explanation of this surprising reversal of expectation. I directly heard Mr. Rose expound about the hazards of the Corvair. Yet the staff was not interested in checking back. They were not interested in weighing the subtle pressure and intimidation which hovers around General Motors employees residing in the Detroit area or otherwise who are fearful of General Motors' pervasive influence. Both Title 18 and the crossexamination associated with a public congressional hearing would have helped avoid such nonobjective evaluations.

Regarding the staff's startling receptiveness to General Motors' explanations, there is the matter of General Motors' chronic history of antitrust violations, chicanery over pollution controls, dealer manipulations, automobile hazards, bumper parts and aftermarket frauds, auto finance machinations and other disreputable practices of a corporate recidivist. Such a history is deserving of stringent caution not swollen guillibility or favorable prejudgment. For example, over and over again, General Motors has stated that their cars were not defective, stalled the government and then conceded the defects and recalled millions of cars. In 1971, as an illustration, after several years of coverup, delay and denial, General Motors agreed to the recall of over 7 million Chevrolets with hazardous motormount defects.

Numerous casualties on the highways in these cars had to precede this concession. We have been involved closely with many such reliable and accurate efforts to obtain recalls including the massive Chevrolet motormount recall. Against such a background, we might have expected greater respect accorded our experience and judgment by Wager and Koskinen—especially given their self-acknowledged limitations for this inquiry. Instead they accorded a strong presumption of credibility to a company with a legendary record of deception, suppression, violations, greed and disinterest in its safety obligations. You have no further to look, Mr. Chairman, than your own disclosures of vehicle recall data in 1966 collected from very reluctant manufacturers who had kept them secret from the motorists whose lives and limbs could have been saved.

When it comes to Corvairs, too many executive careers and too many legal vulnerabilities are involved for General Motors to do anything but stand defiant. Given General Motors' own detailed proving ground tests documenting the early Corvair's instability in representative road maneuvers which drivers could expect to confront in certain highway situations, it is deplorable to observe how Wager and Koskinen disregarded these tests with a flip sentence or two.

It is also unfortunate that many persons whose work or testimony is quickly dismissed by the Wager-Koskinen Report—are not permitted any opportunity to defend their position. A congressional hearing would have provided the opportunity directly or in supplementary materials submitted for the printed record.

Senators have many priorities to consider. They rely on their staff far more than the public realizes. Often this staff system works to ameliorate a most difficult time and issue congestion. In this case, I believe your staff did you a disservice. Had their inquiry been conducted with equitable due process, balance, crossexamination and open access to all interested parties, we do not believe they could have delivered to you the findings and conclusions contained in their report. It is hoped that you will read the attached report and recognize that both fairness and auto safety requires opening the staff's files containing General Motors documents. It is understood that you have retained the ultimate judgment to release such materials. I cannot believe that once the details are brought to your attention directly, rather than by proxy, that you will continue to deny interested parties and the media the right to judge for themselves at least to the extent that an open hearing would have permitted. Inasmuch as the statute of limitations for prosecuting any violations in 1966 expired in 1971, (see introductory section of the attached March 23, 1973, staff memorandum to me) well before the leisurely release date of the Wager and Koskinen Report, the last pretense for continued withholding of such materials from public scrutiny has dissappeared.

The Corvair inquiry will continue. It is hoped that fuller disclosures and evaluations relating to the Wager and Koskinen report at a later time will be received by the Subcommittee with candid concern and consideration.

Sincerely,

RALPH NADER.

ATTACHMENT V—NADER STAFF MEMORANDUM AND EXHIBITS

MARCH 23, 1973.

MEMORANDUM TO MR. RALPH NADER

From: Carl Nash, Ph.D., Joan Claybrook, and Mark Green.

Subject: The Ribicoff Staff Report on the Corvair Stability Controversy.

The staff report to Senator Ribicoff, released March 14, 1973, responds to the documented assertions of Mr. Gary Sellers and

yourself that General Motors misled the Senate Subcommittee on Executive Reorganization about the safety of early model Corvairs. It is the report's conclusion that, despite some contrary evidence, the Subcommittee was not misled since "the performance of the 1960–63 Corvair compares favorably [in stability and handling] to similar contemporary cars."

Although staff investigators possessed an excellent opportunity to educate the public about the workings and impacts of General Motors, they have unfortunately failed in their mission—as their report is marred by faulty methodology, technical incompetence, and inaccurate assertions. But before detailing the insupportability of the report's arguments and conclusions, one should initially understand the operative context of its development. For by its approach and predisposition, it is not entirely surprising that the report reads like a GM brief.

First, little of the staff report's supporting materials have been made public, most of its investigation has been conducted in secret, and GM and DOT have reviewed a draft of the report, making suggestions and corrections, prior to its release. The staff report admits that you have operated at a disadvantage because much of the evidence they considered "was unavailable to Mr. Nader." Yet due to the decision of the Department of Transportation to illegally withhold GM documents not exempt under the Freedom of Information Act, and the refusal of the Ribicoff staff to release the 4,000 pages of depositions and other GM materials, this disadvantage continues.

Second, the staff report hardly deals with an essential component of your complaint—that private GM tests showing the defective handling of the Corvair were illegally, unethically and deceitfully withheld from Corvair court cases, as well as being denied the DOT and the Ribicoff Subcommittee prior to 1970.

Third, the report, like General Motors and the National Highway Traffic Safety Administration (NHTSA), considers irrelevant the key GM proving ground reports, PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and 17103 (Corvair Dynamic Stability Tests). The Corvairs GM tested in these reports are not significantly different from standard Corvairs and the maneuvers used are not unlike those performed in emergency situations on public roads. The results of these reports have particular weight because of their source (GM), their purpose (to find what changes in the Corvair suspension would improve its resistance to overturning), their contemporaneousness with the subjects being tested (1962–1963 Corvairs), and their occurrence prior to the first blossoming of the Corvair controversy.

Fourth, the report's authors, Robert Wager and John Koskinen, modestly note their technical inability to judge many issues, and say they "express no opinion on the technical questions relating to the ultimate safety of the car." But their (understandable) modesty surely takes them further than they intend, for their study obviously *does* attempt to assess "the technical questions" about the Corvair's safety; if they are inexpert for this demanding and crucial task, there is little reason to have confidence in their effort. They cannot have it both ways—doing what they are denying.

Fifth, and relatedly, this inconsistency neatly precludes any finding of fault against GM. Whether GM misled the Subcommittee ultimately turns on the stability and handling of the Corvair—which the authors assume not to be able to judge.

Sixth, they therefore depend to an extraordinary extent on the July 12, 1972 report of the National Highway Traffic Safety Administration (NHTSA). The staff endorsed the NHTSA's conclusions about the Corvair. And with good reason: uncritically accepting NHTSA's assertions because they "appear reasonable," the staff report in many key sections is little more than a reproduction of the NHTSA/DOT study. At crucial factual junctures, Wager said Koskinen merely mechanically cite that study. This recitation requires that they ignore the refutation of the unscientific and self-interested DOT tests, completed by Dr. Carl Nash on February 2, 1973 and supplied to the Ribicoff Subcommittee at that time.

Seventh, the DOT exonoration of the Corvair in 1972 is hardly germane to the claims of GM witnesses in 1966 that the safety of the Corvair was demonstrated by verdicts in two court cases.

Eighth and very important, during the course of their inquiry, the staff learned that General Motors considers the Corvair unsafe with certain brands of replacement tires. Both GM and NHTSA refuse to disclose the GM report on this finding and the staff has gone along with maintaining such unconscionable secrecy over a matter so related to human safety by keeping its copy of the GM report also secret. In addition, staff did not even recommend that a public and forceful warning be sent to Corvair owners by either GM or the NHTSA in the light of this imminent, continuing hazard to several hundred thousand Corvairs and their occupants on today's highways.

Finally, one cannot ignore the personal and institutional biases discouraging the staff from neutrally assessing whether GM had misled the Subcommittee. Personally, those close to this entire episode are aware of the obvious hostility between Mr. Wager and Mr. Sellers—it was, after all, the former who alleged without any basis in fact that the latter may have violated the law by obstructing a Senate investigation, and it was Mr. Sellers who charged that staff investigator Wager had known of GM's substantive alterations in the official Subcommittee transcript of the 1966 hearings—and this personal animosity may well have prejudiced Mr. Wager's judgment on the study. And institutionally, if the staff report had found that GM had misled the Subcommittee, as we believe it should have, Senator Ribicoff would have been burdened with considering: whether to hold public hearings to assess the significant of GM's misbehavior; whether to notify individuals, including plaintiffs in court cases, who suffered harm from GM's actions; whether to request a reopening of the NHTSA safety investigation; whether to recommend to the NHTSA that the owners of all Corvairs still on the road be notified of the Ribicoff findings; and whether the GM actions constitute criminal violations warranting referral to the Justice Department for possible prosecution.

(In fact, although your letter of October 23, 1970 alleged that GM had misled the Subcommittee about the Corvair's safety, it was not until May 21, 1971, that Senator Ribicoff asked the Justice Department to investigate. That request not only completely ignored the charges in your October 23 letter, but it effectively mooted the entire issue: for the five year statute of limitations ran out either on March 22, 1971, if it began running at the March 22, 1966 hearings, as seems likely, or on July 25, 1971, if it began running when the official record was published, which itself would have allowed the Justice Department only two months to investigate.) Given the personal subtleties and the additional work burden from a finding adverse to GM, there were substantial pressures to tilt the equities in favor of GM—which the staff report repeatedly did.

I. THE MECHANICS OF THE RIBICOFF INVESTIGATION

A. The need for a public hearing

The design of the inquiry into the issues raised in your letters of September 4 and October 23, 1970, and May 20 and July 8, 1971 was determined by the Ribicoff staff alone. The first letter sought a "re-opening of the 1966 inquiry in light of the grave matter of misleading under oath a congressional committee." As the pattern of secrecy in the investigation became more evident, the second, third and fourth letters repeat, with increasing intensity, this request for the convening of a public hearing. The letter of May 20, 1971, which requests that the evaluation process be opened up to public scrutiny, is reproduced in part below:

[Senator Ribicoff, 20 May 1971]

". . . General Motors' backstage maneuvers demonstrate that public hearings are now imperative. I write to you out of a concern that despite the unquestioned integrity and good faith of your staff members and those concerned with the subject at the Department of Transportation—GM has assumed such a pervasive degree of control over the terms and conditions of the present investigation that the subjects outlined in my letters of last September and October may not be adequately examined in public.

"Although Mr. Cole proclaimed to the world in September 1970 that the evidence on these charges would show that GM and its executives "have been faithful to their public trust", GM's response to these investigations reveals a continuing aversion to any public scrutiny of most of that same evidence. Unfortunately, thus far they have succeeded in keeping this important information out of public view. For example, GM has monotonously reiterated the groundless statement that much of the evidence concerning this no longer produced car must be kept secret to protect its "propietary interests". It unsupportably claims that the attorney-client privilege requires that a large amount of additional evidence be suppressed. Ross I. Malone, GM General Counsel, has apparently extracted agreements from members of the Senate staff and the Department of Transportation which have insulated critical evidence from public examination. This sequestered evidence could well answer the questions of the members of the engineering and legal professions who have been trying to sort out the needlessly secret information surrounding this matter for ten years. This pointless hide-and-seek has caused Senate employees to conduct inquiries in secret and has precluded public access even to the transcript. There is no justification to treat data on a vehicle which is no longer in production with this secrecy.

"Unhappily, Mr. Malone's efforts to control the terms and conditions of these investigations did not stop with agreements requiring secrecy. His improper attempts to ingratiate himself and his employees include the provision of limousines and on-the-spot expensive secretarial services in Detroit.

"By insisting that these preliminary inquiries into the charges be conducted in such a clubby atmosphere (and that GM be allowed to tell its story on the Q.T.), Mr. Malone has seriously weakened if not destroyed the credibility and moral force of any conclusions favorable to GM that might result from such a process. As Professor Lon Fuller has pointed out, belief in the disinterestedness of the judge and the opportunity for full hearing of both sides are important considerations which lend moral force to an official decision.

"And, naturally, a full hearing of both sides contemplates a vigorous, knowledgeable adversary-type development of the evidence. Little, if any, critical examination by parties outside the Committee staff has been made of the carefully selected secret GM evidence. This is especially significant in light of the implications of the information I have outlined. The many credible and relevant witnesses—outside and inside GM—do not have a chance to present their evidence and recollections under this type of inquiry.

"Cross-examination is, as Wigmore said, 'beyond any doubt the greatest legal engine ever invented for the development of the truth.' But your investigators may have been unduly handicapped by the absence of meaningful cross-examination owing to the condition of secrecy Mr. Malone apparently extracted from them. Without the opportunity to study the documents and testimony now being offered by GM, it is next to impossible for others to offer any concrete suggestions relating to the credibility of the company s presentation. The prime purpose and utility of the ability to cross-examine and present witnesses is to correct false impressions generated by self-selected expressions by the opposing party.

"Your Committee's past experience with GM's deceptions in volunteered statements and sworn testimony also proves the need for a public hearing. In 1966, your Committee was given a lesson in the unreliability of General Motors' selective version of evidence. As you will recall, at the time General Motors' use of detectives first came to public attention General Motors first issued a denial, and then a deceptive press release. That press release was at best misleading, because, as you said, Senator:

" 'It is apparent, as you thumb through and read this report, that practically none of the investigation has anything to do with what you (General Motors) contended your investigation was for in your news release of March 9.' (Hearings of March 22, 1966, p. 1396.)

"Thus, as Senator Robert F. Kennedy pointed out, 'had the chairman not called a hearing, really the public and the newspapers would have been misled.' " (Hearings p. 1389.)

"Now, very substantial evidence backed by knowledgeable witnesses formerly employed by General Motors, has surfaced. The importance of the Corvair to millions of Americans who must drive or ride in them and the necessity to make truth in Congressional hearings a deterrence to future corporate deception and prevarication on other issues call for a public hearing by your Committee."

This recommendation, as it turned out, was ignored. The report's authors opted instead for a private investigation.

B. Secret communications and preferential access

The Ribicoff staff have spent many many hours in the preparation of their report, which they proclaim is a balanced piece of work. The articulated rationale for conducting the investigation behind closed doors (doors often closed also to staff of other Subcommittee members) is that many individuals would not otherwise have been willing to speak with the staff investigators; and anyway, it was said that the staff investigation was a preliminary step to an open hearing. But having found (unilaterally) that the Subcommittee was not misled, the staff asserts there is no need for a hearing. (Catch 22.)

We disagree with this position. 18 USC 1505 provides criminal and civil penalties to protect witnesses before Congressional committees from harassment, intimidation, threats, or injury. No adequate explanation could be adduced from the staff why this statute was not sufficient to protect any witness who might be called to testify before a Congressional hearing. By conducting its interviews in secret, the staff emphasized that it was protecting witnesses who did not play a "relevant" role in the Corvair episode from being harassed by plaintiffs' counsel. But the procedures of the inquiry should not have been shaped by a gratuitous shielding of some of these people from wholly speculative interferences. Far worse is the potential of subtle GM intimidation of those interviewed. The alternative to a public hearing has been a secret staff investigation in which GM has been given highly preferential treatment because it agreed to cooperate with the Subcommittee staff on condition that all communications be held secret. You, on the other hand, refused to be bound by such restrictions and insisted on the public airing of all communications and issues raised. As a result, the flow of communications between the Subcommittee and GM was rapid and frequent, while the communications between the Subcommittee and the Corvair critics was limited.

Some examples of the preferential treatment afforded GM follow:

GM was given the opportunity to rebut statements and analyses made by various interested parties and former GM employees; but these latter individuals, who cooperated with the Ribicoff staff, were not able to comment on any GM rebuttals. Upon reading the report for the first time, for example, we discovered that GM was formally invited to respond to letters and numerous documents you sent Senator Ribicoff. Yet you were not invited to comment on GM's response and other allegations.

Despite its obvious inhibiting effect, GM was permitted to have its counsel attend and take notes at the depositions conducted by the Ribicoff staff of each GM employee. This is not unlike the much criticized actions of John Dean, III, the White House counsel, who sat in on the FBI interviews of White House staff connected with the Watergate activities.

GM was requested by the Subcommittee to provide—voluntarily and not under subpoena—a large number of documents for the investigation. The Ribicoff staff explained that the penalty for noncooperation would be an immediate public hearing, thus turning what should be a condition precedent (the public hearing) into a condition subsequent controlled sigificantly by General Motors with the Subcommittee staff's approval. In addition, the staff agreed to accept all GM documents under various conditions of nonrelease and with legal title attached. While Wager and Koskinen retained the right to release any "relevant" documents in their report or in future hearings, they promised not to release *any* materials directly to you or to any other interested parties. Thus, GM effectively kept other interested parties, including former knowledgeable GM employees, from scrutinizing the various materials on which the Subcommittee staff relied for its decisionmaking and from alerting the Subcommittee to the absence of potentially pertinent materials, inaccuracies, or contradictions.

GM and DOT officials were given the opportunity to read a final draft of the staff report, an opportunity you respectfully declined because of the one-sidedness of the inquiry, the unjustifiable secrecy, and the refusal to permit all interested parties to have equal access with GM to the staff report draft and supporting materials. Presumably, the offer to reveiw sought to assure the accuracy of the report and to be fair to the reputation of General Motors and DOT staff. But the same courtesy was not afforded former GM employees and others deposed or interviewed by the staff, participants in the process with more to lose individually than GM could lose corporately.

This lack of equal access has had an impeding impact. While we appreciate both the opportunity to have this response printed together with the staff report, and some staff responses to a number of our specific questions about the report, we must nevertheless note the following list of items requested for the purpose of preparing this memorandum and denied by the staff:

1. The transcripts in the Collins and Anderson cases for an overnight loan (they are public court documents) because they are the legal property of GM, even after we pledged not to copy any pages as a condition of the loan.

2. A list of individuals interviewed by the Ribicoff staff (listing those promised confidentiality only by affiliation).

3. A list of all materials supplied by GM to the Ribicoff staff, and of all other documents used by the staff in the preparation of the report.

4. Access to copies of various GM documents used in the preparation of the report (such as PG 11285 and the GM rebuttals) which are not publicly available and not known to us.

5. The depositions of GM and other persons deposed by the Ribicoff staff and on which the report is in part based.

C. GM's coordinated defense

The Corvair litigation represented probably the most serious judicial conflict which the company ever faced—both for its direct and precedential importance in mass volume products liability development. The challenge posed by injured plaintiffs or next of kin to General Motors in this regard elicited the most clever and loyal company advocates. Knowledge and decision-making about litigation strategy reached up into the highest levels of the company hierarchy, including the top executives. Against such a background, the portrait painted by Wager and Koskinen about the mutual isolation of different segments of Chevrolet and their disorganization over the Corvair litigation in the mid-sixties is a fantasy quietly cultivated by their company advisors. Had the plaintiffs' attorneys been asked, they might have detailed for the staff just how organized and orchestrated GM was for such litigation—with its computer printouts, "hot documents," special security handling index, Corvair schools for local defense attorneys and private detectives. (Exhibit A) The machine-like functioning of Chevrolet and GM as disciplined units over the years under various external and internal stresses belies the disarming Wager and Koskinen view that what everybody knows about GM is really not true.

The Ribicoff staff told us that their probings caused GM to unearth materials that the auto firm was surprised to find. Eureka-like, it was as if they and GM had embarked together on a journey of serendipity. Treated with exceptional deference at high corporate levels, these young lawyers became sufficiently impressionable to accept the suggestion that GM has surprised and confused enough perhaps to blunder but not to plunder the rights of injured litigants and Corvair occupants generally. Such a benignly uncritical predisposition ignores the reality of GM's tightly controlled and planned defenses.

For example, General Motors, at the height of the Corvair litigation in the mid-1960's, had its legal department draft the most candid case against the Corvair's handling defects so it could assess the worst it might expect should all the secret GM data and tests be disclosed at a later time. This detailed memorandum from GM attorney James F. Durkin to GM General Counsel Aloysius F. Power exposes the staff report's naive conjecture that GM was internally dispersed and ill-prepared to produce certain incriminating documents. Attached to the "Durkin memorandum," as it came to be known, was among the strongest evidence GM had of the Corvair's handling and stability defects. This group of Corvair proving ground reports and other documents become known within GM as the "hot documents," and indeed they were. They were too hot to be permitted to alleviate the righteous plight of the company's customers. They were withheld from public view in one of the greatest displays of internal corporate security ever. The Ribicoff staff has joined this security apparatus by not disclosing this memorandum and its complete attachments as well as many other GM materials which would fault the accuracy of their findings and conclusions.

The staff report made a point of distin-

guishing between Chevrolet Research and Development (Frank Winchell's group) and Chervolet Production Engineering to explain why the latter's tests were not known by the former when questioned by plaintiffs' attorneys and others. The absurdity of this self-serving GM tactic is noted subsequently. The point here is that the lawyers, who coordinated the testimony of all GM's technical witnesses, including Winchell, also possessed these reports. In the summer of 1965, Chevrolet's Chief Engineer, Ellis J. Premo, testified in the *Anderson* case (p. 4155 of the trial transcript) that GM's Legal Section had been provided with *all* extant and relevant Corvair materials from the Engineering department. Note the question—answer exchange:

Q. Did you sir, attempt to make available all of the reports concerning the Corvair or concerning its handling characteristics or stability?

A. Every report we had was made available.

Q. Whom did you make them available to personally?

A. To the General Motors Legal Section.

Q. OK, and as I understand it there are other reports concerning four ply tires vs. two ply tires other than the one you have in your hand.

Mr. NUNEZ. I want to object to this question on the grounds, your honor, that the Court's order of April 1, 1965, as follows, it says almost on the end "and it is hereby granted insofar as it pertains to test reports and motion pictures dealing with stability of preproduction models, prototype models and all other models through the year 1962 as being made available in the offices of the defendant corporation, General Motors building in Detroit, Michigan." I think for Mr. Lloyd to be permitted to ask Premo about other reports not related to the matters covered by the court's orders is improper.

COURT. Objection sustained.

Mr. LLOYD. Q. Am I correct then, sir, that you set out and selected all the reports having to do with the stability or handling of the Corvair and made those available?

A. Every report on the Corvair, every test report.

Q. Every test report?

A. That we have regardless of what it pertained to.

The Ribicoff staff report concludes, "We believe the foregoing sections of this report have presented the relevant evidence necessary for determination of the basic issues. . . ." But the staff report did not mention nor produce as an exhibit the "Durkin Memorandum," perhaps the one single document which best refutes many of GM's numerous misleading statements in court cases and before the Ribicoff Subcommittee. Of all the materials gathered during the Ribicoff investigation, it is the first one which should have been shared with the public.

D. Non-association of the subcommittee from the report

The Wager and Koskinen staff report on the Corvair matter is not a Subcommittee report or even a Subcommittee staff report. For, in a serious reflection of the report's stature, there were objections by the staffs of other Subcommittee members that because the investigation had been conducted in isolation they did not want to be associated with it. As a result, the report is being published in the *Congressional Record* as a staff report.

II. TECHNICAL ISSUES IN THE STAFF REPORT

Messrs. Robert Wager and John Koskinen say they "express no opinion on the technical questions relating to the ultimate safety of the car." Why? Because they "do not have the technical capability to make an independent engineering evaluation of the stability and handling of the Corvair," and because "[m]any of Nader's contentions [in the Nash critique of the NHTSA study] are technical and we do not have the capability to evaluate them fully."

These claims prove only half true, since the authors *do* go on to make technical judgments concerning the Corvair's safety and, in the process, *do* corroborate their self-assessment that they lack the technical competence to do so. And being technically insecure, they consequently and unquestioningly accept NHTSA's deficient Corvair defect investigation study and NHTSA's "response" to the Nash critique because, in their words, "Congress established the National Highway Traffic Safety Administration to make just such technical judgments." Based on our experience with Federal agencies in general, and the NHTSA in particular, we are far less sanguine about arrogating to executive agencies absolute wisdom.

For their technical consultant on this complex subject the Subcommittee staff chose Mr. Ray Caldwell. Mr. Caldwell's engineering training is confined to an undergraduate engineering program. Also, virtually all of his subsequent engineering experience has been limited to driving, and building, racing cars which operate in a completely different context than do passenger cars. The requirements for successful racing car designs would, in fact, be contrary to many of the requirements of safety in a passenger car. Caldwell's sympathies toward his subject are evident in his judgment, "Mr. Winchell's comments are reasonable given the atmosphere of the time." Thus does Caldwell seem far more the amateur sociologist than the professional engineer he is claimed to be.

Finally, and most troubling, is Caldwell's formal involvement with the NHTSA in its Corvair investigation (as a member of its evaluation panel). He was committed to a position on the safety of the Corvair before being contacted by Wager. The use of Caldwell, as well as the direct use of the NHTSA for technical advice, is yet another unfortunate example of the Congress's institutional dependency on the executive branch for information, advice and analysis. Certainly if the Subcommittee staff felt the need of a technical consultant, they could have found someone who had a reasonable knowledge of vehicle handling who was not connected with either GM or the NHTSA, and who had not prejudged the issue.

What follows is a point-by-point refutation of the technical misinterpretations and misstatements in the staff report which its authors were unable to discern. When a house of cards is seemingly built up brick-by-brick, it must be dismantled card-by-card.

A. NHTSA Corvair report

On December 13, 1972, Robert Carter, Associate Administrator for Motor Vehicle Programs in the NHTSA, admitted to NHTSA Administrator, Douglas Toms, that "some miscellaneous data" (dealing with light load tests) had been omitted from the index and file of the Corvair investigation because "it was not considered valid for the investigation." (exhibit B) Ignorance of this data led several high officials in the DOT, including Secretary Volpe, NHTSA Administrator Toms, and NHTSA Chief Counsel Lawrence Schneider to make inaccurate statements (exhibits B1, C, D) denying any testing of the Corvair with a light load at Texas Transportation Institute (TTI). (See the *Addendum* to Nash Critique, Exhibit 1 to Ribicoff staff report) Carter's memorandum characterizes the light load tests as "unofficial."

The NHTSA and the Ribicoff staff report now assume everyone has a rather short memory. Wager and Koskinen assert that the "DOT decided to conduct another series of tests on the Corvair in a lightly loaded condition." (emphasis added) The "unofficial" tests have now become official in this resurrection. NHTSA further states that "this test material was not withheld from the Panel," [the NHTSA's 3-man outside panel of so-called technical experts none of whom are specialists in vehicle handling] which is quite interesting because it was apparently withheld from Secretary Volpe, Administrator Toms, Chief Counsel Schneider, and Associate Administrator Carter.

The Nash critique of the NHTSA work goes virtually undiscussed in the staff report, while there are extensive quotations from the NHTSA's letter to Wager supposedly answering the Nash critique. Signed by Mr. Robert Carter, it is almost identical to Toms' response to a significantly different letter from Senator Warren Magnuson. (exhibit E) This boilerplate response does not respond in any detailed way to the Nash critique, which analyzes the deficiencies and deceptions in the NHTSA Corvair handling and stability investigation, and shows why the NHTSA reached its insupportable conclusion; nor does it adequately or fundamentally rebut any of his criticisms. It seems not to concern the staff authors that the agency which wrote the study they so heavily lean on simply ignores those who carefully explain its deficiencies. (exhibit F, G)

When discussing the effect of heavily loading the Corvair in the NHTSA tests, the Ribicoff staff report states:

"It is true that this weight (the 615 pounds of excess weight added to the Corvair in the NHTSA test) increased the initial resistance to spinout and rollover by about 20 percent. But after the brakes were applied in the drastic steer-drastic brake maneuver, this weight provided 20 percent *more* energy toward spinout and rollover. This is the result of the well-known flywheel effect. The added weight made it more difficult to reach the point where spinout or rollover would occur, but once that point was reached, the additional 615 pounds made it more likely that these responses would occur. (See explanation attached as exhibit 3) This is implicit in the GM recommendation that the Corvair be tested in a lightly loaded condition." [emphasis in original]

The staff report's exhibit 3 is a classic example of the kind of technical incompetence which pervades their effort. When Wagner and Koskinen were asked who authored this exhibit, they replied that it was a "staff document prepared on the basis of engineering information supplied by the DOT and GM." Here they give the "moment of inertia" of a solid uniform box (incorrectly, due to an apparent confusion between the concepts of weight and mass). They then calculate the moment of inertia for the Corvair as though it were a uniform solid rectangular box. To find the increase in the moment of inertia with an added 615 pounds, they again calculate the moment of inertia of the same uniform box as if it were now 615 pounds heavier. According to their figures, the increase in the moment of inertia (which they call the "energy of spin" in a complete confusion of the concepts of inertia and energy) is 20.4 percent. This figure is used in the above quotation to show that the heavily loaded Corvair is more unstable than a lightly loaded one. The computation completely ignores the *distribution* of mass in the vehicle.

More important, however, is the staff report's misunderstanding of the complexity of dynamical stability of vehicles. It is difficult, if not impossible, to predict on purely theoretical grounds (especially at the simplistic level of this exhibit 3) the detailed response of an automobile in a drastic handling maneuver. Thus, one must rely heavily on experimental evidence to determine the behavior of an automobile under these conditions. For the Corvair, there is evidence which strongly indicates that heavy loading—which was the way NHTSA tested their Corvairs—*increases* the car's stability. In particular, GM's PG 17103 (Corvair Dynamic Stability Tests) shows the early model Corvair less susceptible to instability and rollover when the rear end is very heavily loaded

with cameras and other equipment. Also, review of the NHTSA film of the drastic steering-drastic brake maneuver with both light and heavy loading shows the effect of loading quite clearly. The heavily loaded Corvair is more stable, never spinning out completely in any maneuver, while the lightly loaded Corvair would spin completely around in the more severe maneuvers. (This issue is discussed in detail in part III of the Nash critique of the NHTSA investigation.)

The NHTSA has constantly claimed that its decision to heavily load all test vehicles in the official portion of its Corvair testing was consistent with a suggestion made by Mr. Gary Sellers, a former consultant to you. Building on this misstatement, Wager and Koskinen go one step further to assert that NHTSA's Corvair tests "were conducted in accordance with Nader's suggestions." As a matter of fact, the primary recommendation of Sellers' letter was that "critical variables . . . [be] at the most severe levels—those most likely to reveal the defects alleged . . ." It is disingenuous for NHTSA, in a secret study where they could employ any method of their choosing, suddenly to take one of Sellers' recommendations out of context in order to justify an invalid testing standard. *The NHTSA has yet to show that it had made an independent judgment that testing the Corvair heavily loaded was justified or appropriate.* (See letter from Carl Nash to Senator Warren G. Magnuson dated March 15, 1973, exhibit H)

Wager and Koskinen also categorically accept the NHTSA position that "wheel rim contact with the pavement is not the precipitating cause of Corvair rollover, but occurs in the course of rollover." NHTSA in this case was merely repeating GM's contention at the 1966 Michigan legislative hearings, which is based on GM proving ground tests allegedly confirming that statement. In a typical overstatement of more limited results, however, the staff report would make the results universal and claim that wheel rim contact *cannot* precede a rollover. Unfortunately, the NHTSA's own suppressed tests of a lightly loaded Corvair show that this is simply not true. In two "noncomparative" tests (exhibit I) of the NHTSA's lightly loaded Corvair which did not rollover, the NHTSA engineers noted that there was right rear wheel rim contact with the pavement—in one case severe enough to damage the rim. The NHTSA's insistence that rim contact can only occur *after* the vehicle has begun to roll over (revealed to the public six months after release of their report) is thus contradicted in their own test experience.

The NHTSA's rejection of the term tuck-under is equally specious. The term "tuck-under" is not a precisely defined word, but rather indicates a condition in which one automobile wheel and tire are operating at a severe positive camber angle. Certainly if the rim were able to contact the roadway, such a condition must have existed which could be called "tuckerunder." Whether or not rim contact precedes or follows rollover is mostly a function of the tire's sidewall stiffness and inflation. In GM's tests, apparently the conditions were such that contact followed, while in the NHTSA tests, it preceded.

B. Corvair tests by GM, Ford and Consumers Union

To substantiate the results of the NHTSA investigation, the staff report cites "the GM, recent Ford, and Consumer Union [sic] tests."

1. *GM Tests.* In a self-serving ambiguity, it is not clear in the case of the "GM tests" whether the report refers to the vast body of GM proving ground tests, or to only the two late 1972 re-runs of the original 1959 Ford Falcon-Corvair circular track and s-turn comparison tests. Since the GM proving ground tests which were contemporaneous with the development and production of the Corvair (1959–1963) do not endorse the staff report's thesis and are summarily dismissed by the NHTSA report, it is a fair presumption that the reference to "GM tests" means later 1972 re-runs only.

The Ribicoff staff report merely parrots the NHTSA and GM dismissal of what is surely the major piece of evidence that the Corvair is inherently defective: viz. *GM's own proving ground tests showing the Corvair rolling over at speeds as low as 25 mph in simple j-turn (emergency obstacle avoidance) maneuvers.* NHTSA downgrades these adverse PG reports by summarily asserting that they are "not representative of the practical driving environment" and they did not involve Corvairs *identical* to production Corvairs.

This "not identical" rationale reiterates GM President Edward Cole's September 7, 1970 letter to DOT Secretary John Volpe. As viewed by Cole, small changes in the Corvairs tested on the proving grounds warranted distinguishing them as "specially equipped with experimental parts." This is clever but fatuous. If true, the NHTSA's test results at TTI could only apply to a 1963 Corvair with 1971 tires because the earlier Corvairs were, after all, different.

In fact, differences between the test cars and regular cars were insignificant—as we will try to explain in some detail since the PG reports are pivotal evidence of GM's bad faith in its court cases and before the Subcommittee. Two cars were involved in PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and PG 17103 (Corvair Dynamic Stability Tests), a 1962 and a 1963 model Corvair 4-door sedan. The 1962 car was the only car used in PG 15699, and it was also used for the first six runs of PG 17103. The modifications to the car bodies consisted of installing minimum devices necessary for the protection of the driver when the car overturned: a roll bar to prevent roof collapse, safety belts, a modified fuel system, nets over the windows to prevent ejection of the driver's arms or head, a gravity sensitivity ignition cut off switch to stop the engine in rollover, and interior padding. Loose items inside the vehicle were removed, and during the latter part of PG 17103, the Corvair bench seat was removed and replaced by a bucket seat from an Oldsmobile, for increased driver protection. The change in the position of the center of gravity due to these changes was no more than would have been the result of adding or subtracting passengers in the car. As a matter of fact, the change in the position of the center of gravity between a Corvair with a full tank of gasoline and an empty tank is 1.6 inches, compared with a change of less than 2.5 inches for the modifications for the Corvairs used in these PG reports.

The purpose of the tests was to determine the rollover stability of various suspension modifications to the Corvair. With one exception, the modifications to both cars were all minor changes in the shock absorbers, spring rates, rear rebound angle, and relative roll resistance of front and rear suspension (roll bars on the front, transverse leaf spring on the rear). The exception was the use of the 1964 design suspension on the last eleven runs of PG 17103. The primary changes in the shock absorbers concerned the way in which the shock absorber limited travel when they reached full compression and extension (jounce and rebound of the suspension). The device being tested was a hydraulic damper at the end of the shock absorber (hydraulic cutoff shock absorbers) which has no effect until the suspension becomes fully extended. Even when the suspension reached full rebound, the only effect of the hydraulic cutoff is to cushion the impact of the suspension reaching this limit.

The range of suspension rebound limit changes was from 5°23′ to 10°18′. Most of the tests were done with the suspension rebound within the limits of production models—6.8° to 11°. These tests found that the performance of the Corvairs was relatively insensitive to rebound angle. (It is interesting that the trend in rebound angles on the production Corvair was toward less rebound.) Yet GM claimed, and the staff report repeated, that reducing the rebound angle in the Corvair involved in run #120 of PG 17103 resulted in a 10 percent *reduction* in the rollover stability, although the change is not specifically blamed on the rebound limit. The comparison, after all, is between the test car with a driver and rear seat passenger (dummy) on the left side (outside of the turns which were being made to the right) and a comparison car with driver and passenger in the two front seats. This comparison offered by GM to the Ribicoff staff was uncritically accepted despite its misleading and unproven character. Even Wager and Koskinen agree that "the rebound angle has no real effect on the control characteristics of the car."

The addition of a roll bar on the front suspension is claimed by the staff report to have "contributed little to the car's handling." This is also borne out by the results of PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems). Also, the stability of the Corvair with a rear transverse leaf spring alone is not improved according to PG 15699. For the most part, the changes to the Corvairs in these tests were less extensive than the minor changes made on production Corvairs offered to the public from the 1960 model through the 1963 model. The production changes have been characterized by GM engineers as not significantly affecting the handling or stability of the Corvair, and the NHTSA implicitly agreed by testing a 1963 model as representative of all Corvairs. To say, then, that the proving ground Corvairs were sufficiently different from regular Corvairs to invalidate the adverse PG reports is engineering hair-splitting—with a self-interested purpose.

The proving ground tests have been characterized by Edward Cole as being "violent maneuvers designed to overturn" the cars and by the NHTSA as being severe development tests which "were not representative of the practical driving environment." There are two factors which must be considered in evaluating these assertions. First, can only tests which simulate "the practical driving environment" or which are not "violent maneuvers" be considered legitimate demonstrations of defects in vehicles? Second, are violent maneuvers part of the normal, albeit infrequent, experience on public roads? The answer to the first is obviously "no." A legitimate test must exceed the expected use of a product by a sufficient margin that guarantees adequate or safe performance of the product under the complete range of expected use, including emergency situations. The answer to the second is "yes"—accident avoidance maneuvers are often well simulated by the j-turn, which was used as the primary maneuver in PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and PG 17103 (Corvair Dynamic Stability Tests).

The j-turn test determines a car's response in an emergency reaction to a suddenly perceived obstacle in its path: e.g., you are driving along at 30 mph and a child suddenly emerges from a side street forcing you to swerve to avoid hitting the child. This maneuver is obviously one a typical driver may be forced to make—as studies like the NHTSA's Multidisciplinary Accident Investigations point out. It proved a maneuver which the Corvair failed: *while probably no other American cars could be overturned in such a test, a 1962 Corvair rolled over twice in a simple 28 mph j-turn in PG 17103.* Professor Leonard Segel, who heads the vehicle handling research section of the Michigan Highway Safety Research Institute, said

"I'm just flabbergasted that people [GM, NHTSA, and the Ribicoff staff] were able to say that these tests [the GM proving ground tests such as PG 15699 and PG 17103] don't prove anything."

Finally, there is the issue of the source of these reports. General Motors would have had no reason to have produced a test report which was invalidly critical of the Corvair or which showed the Corvair in such an aberrational situation, so unrelated to the actual use of the car. Regardless of the euphemism GM used to characterize their aim in running these tests or the modifications to the Corvairs tested, the tests were designed to explore ways of improving the car's rollover stability and hence its safety. Although Cole tried to characterize the Corvair tests for PG 15699 and PG 17103 as being "normal development tests," there is no evidence that GM or any other domestic auto maker carried out such tests on models other than the Corvair. These tests are central evidence revealing the defective nature of the 1960–1963 Corvair suspension design. The attempts by GM, NHTSA, Wager and Koskinen to diffuse, dissolve, and defeat the issue of the relevance of GM proving ground tests—particularly PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and PG 17103 (Corvair Dynamic Stability Tests)—simply does not stand up to rational analysis.

2. *Ford Tests.* The reference to the Ford tests is also ambiguous. Is the qualification "recent" intended to cover the 1966 and 1968 testing at Ford of early model Corvairs for the purpose of perfecting its vehicle handling test procedures?

In the 1966 and 1968 tests, Ford engineers apparently assumed from their previous experience with the Corvair that its handling characteristics fell below those considered acceptable at Ford. Ford engineers were probably using their Corvair to determine if their test procedures would adequately discriminate between cars with and without acceptably safe handling qualities, the latter being demonstrated by their Corvair. If the Corvair could pass one of the Ford tests, it was likely that Ford engineers considered the test too lenient.

Ford, in a letter to Senator Warren G. Magnuson, dated April 26, 1972, stated: (exhibit J)

"We have two other reels of film involving a Corvair. These films were made in 1968 and involved a used 1962 Corvair in poor condition. The tests shown in these films were not designed to measure the handling characteristics of the Corvair and do not present a fair illustration of its handling characteristics."

The tests being referred to are lane change maneuvers. Although none of the Ford products used in the tests (mostly 1968 models) had significant difficulty in the test, the Corvair would often go out of control with the rear of the car losing traction, causing it to spin. Regardless of Ford's primary purpose in the tests, the results show the instability of their used 1962 Corvair, which is typical of those which remain on the roads.

3. *Consumers Union Tests.* The reference to Consumers Union tests concerns 1960 Corvairs. The tests were part of CU's regular comparative product evaluations, published in their magazine, *Consumer Reports.* The testing for these CU reports was, in 1960, based on largely subjective driving impressions of their test cars. Because CU owns the cars they test, and sells them after the testing is completed, they try not to test the cars in ways which damage or seriously degrade them. Nonetheless, CU was unimpressed with the characteristics of the Corvair as compared to other compact cars it tested, such as the Falcon and Valiant, a fact not clearly evident in the Ribicoff staff report.

On September 27, 1972, in a letter to the NHTSA, CU's Auto Test Division Chief, Robert Knoll, said:

"Our own evaluation of the Corvair's handling originally was not too critical, but by today's stricter standards (our standards) we might rate it less satisfactory for emergency handling. You might think of it this way—if you lived twenty miles from town on a winding country road, would you like to drive this particular car to the hospital if one of your children was seriously injured? Some cars are more 'forgiving' than others." (exhibit 4)

Despite their reliance on the CU tests, Wager and Koskipen did not contact CU to inquire about the test methods or data from CU's Corvair tests. In response to our inquiry, CU made the following statement to describe both their tests of the Corvair and the misuse of their test report by the Ribicoff staff report:

"During the period before 1965 when the Corvair in question was being produced, Consumers Union had no formal, repeatable emergency vehicle handling tests. Although Consumers Union commented about the relative safety of oversteering and understeering cars, these comments were general in nature and not derived from specific, controlled tests of the Corvair. We note that the Subcommittee staff report omitted the final sentence of the quotation used from *Consumer Reports* which read: 'The easiest and safest car for a driver to handle is one with neutral handling characteristics, and the [1960] Falcon and Valiant come close to be just such.' Later in the same article it is noted 'the Valiant's handling . . . can be rated the best of the three cars by a definite margin.'

"In 1966, Consumers Union tested a 1966 model Corvair, generally accepted as representative of the Corvairs with the best handling qualities.

"By this time, CU had developed an emergency handling and stability test procedure by which to rate its test cars. Even the 1966 Corvair emergency handling was rated only fair because of oversteer and sensitivity to variations in tire pressures from those recommended. Consumers Union believes that the characterization by the Subcommittee staff of Consumers Union as a 'Corvair supporter' is both false and misleading.

CU's description of the Corvair in 1960 as being less "forgiving" than other cars, and their notation that the Corvair could "get the driver into trouble a little more easily—and into trouble requiring somewhat more skill to get out of—than a car that understeers to a similar extent," brings up another point concerning the Corvair. In September 1971, *Consumer Reports* noted that: (exhibit K)

In CU's opinion the *Corvair* heater is a defect as defined by the National Traffic and Motor Vehicle Safety Act. The construction of the heater is such that it will almost inevitably blow carbon monoxide into the *Corvair* passenger compartment should a small leak develop in the engine's gasketing or exhaust system.

A month later, on October 27, 1971, the NHTSA officially declared the 1965 Corvair heater defective, and GM sent defect notifications to owners of 1961–1969 Corvairs. GM refused, however, to recall the cars for correction, and because of the expense of the correction and its temporary nature, most of the Corvairs on the roads remain defective. The combination of the heater and handling stability defects is even more insidious than either one separately. A driver of a Corvair, drugged by the heater's carbon monoxide, must then drive a car whose handling is charitably described as being unforgiving.

It should also be pointed out that when Edward Cole, GM's president, was gratuitously given the first annual safety award by the National Motor Vehicle Safety Advisory Council (advising the NHTSA) in July 1972, Mr. Walker Sandbach, Executive Director of Consumers Union and a member of the advisory council, resigned from the council in protest. He particularly cited Cole's insensitivity to safety by noting that Cole was the "father of the Corvair."

C. The timing of production changes in the Corvair suspension

The decision to introduce the 1960 Corvair as originally designed, and to maintain virtually the same suspension system through four production years, should be viewed in light of the evidence available to GM at the time, and GM's potential for generating further evidence on which to base a production decision. It is not reasonable to argue, as do Wager and Koskinen, that GM's decision was proper because of the results of the NHTSA testing a decade later or any other recently generated information or tests.

GM President James Roche expressed one standard of care for vehicle stability at the 1965 Ribicoff Subcommittee hearings: "Today's automobile even at higher speeds [more than 50 miles per hour], is almost impossible to turn over [in a j-turn], unless the outside wheels strike an obstacle." Yet GM had evidence even before the introduction of the Corvair in 1959 that it could be overturned in a simple j-turn at half the speed cited by Roche [PG 11106 (Skid Pad Roll Test on Corvair Prototype)]. Other proving ground reports issued before and during the initial year of Corvair production also showed the Corvair's instability, even after various minor modifications were tried.

In particular, in late 1961, Chevrolet offered a factory-installed option, RPO 696, which consisted of higher rate springs, shock absorbers with greater damping, a front antiroll bar, and rear suspension rebound limiting straps. Also, RPO 696 was standard equipment on the "Spyder" model, a car designed to appeal to the sports car set—with a turbo-supercharged engine, four-speed transmission, tachometer and other gauges, and special trim. The implication of this option was that it improved the Corvair's handling to make it more like a sports car (i.e., more responsive and predictable).

The suspension option RPO 696 was tested in PG 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension), which showed that the Corvair with the heavy duty suspension was also unstable in the skid pad tests. In a Summer 1970 *Automotive Quality* article, "Remember the Corvair?", Karl Ludvigsen, a former GM public relations employee, and that RPO 696 "didn't allow the Corvair to corner appreciably faster but it made it easier to drive near its limit." Thus Ludvigsen seems to be saying that the optional suspension not only did not help the safety of the car, it gave the driver a false sense of control as he approached the Corvair's disastrous limits.

If RPO 696 did not actually improve the Corvair's safety, GM was defrauding the enthusiasts who ordered this option assuming it would improve the Corvair's handling. If it did improve the handling, GM was negligently selling defective vehicles to some of its customers when it had knowledge of how to eliminate the defects.

If the results of the PG reports showing Corvairs to be unstable and susceptible to rollover in low-speed simple j-turns were not sufficient to prove that the Corvair was dangerously unstable, they were certainly sufficient to warrant further investigation of the matter. Certainly, GM has not shown a similar experience with any other recent production model, nor have they shown, using the evidence of the time, that any of the other American compact cars of the time (the Falcon, Valiant, or Rambler) were nearly as unstable as the Corvair in this maneuver. Furthermore, GM's unique experience of receiving a large volume of criticism of the Corvair's handling, simultaneously with a large number of lawsuits alleging defective Corvair handling and stability, should have

given the auto firm reason to explore the Corvair's handling and stability far more extensively than appears to have been done. Of course, in addition, GM had a basic responsibility to correct the defects and warn owners, an obligation they have consistently avoided.

One must ask why, when GM knew the important effect of tire quality on the Corvair's handling and stability, it did not fully explore the effect of tire quality on the safety of the car. Maurice Olley's engineering paper, "Corvair Steering," dated April 1961, stated—

"The other thing that appears from these studies is the extreme importance of the tire characteristics. The increased cornering power of the rear tires virtually 'saves the life' of the Corvair.'

In spite of this knowledge, and for unknown reasons, GM gave no instructions to owners about the quality of tires to replace the original tires when they were worn out. GM might reasonably have been expected to explore the effect of various qualities of tires on the Corvair's safety. That they did not, or that they ignored the results of such tests, is indicated by the results of the belated 1971 GM tests of aftermarket tires on the Corvair, revealed for the first time in the Ribicoff staff report. (Discussed subsequently.)

GM's enormous callousness in not warning Corvair owners that the company considered the Corvair unsafe does not explain the indifference of those who subsequently learned of this finding: (a) Koskinen and Wager, who, instead of indicting GM for not acting on its own past knowledge, treated the information as a discovery of their own investigation and did no more than to urge the Senator to call for an international tire safety conference, (b) the NHTSA which had possession of the information from GM well before the close of their Corvair handling and stability defect investigation and yet did not investigate this effect further and did not disclose the hazards of some aftermarket tires on the Corvair even after the close of that investigation.

Wager and Koskinen's claim that GM's choice of the suspension for the 1960 model Corvair was based on factors other than cost or ride comfort is explicitly refuted by the paper of the Society of Automotive Engineers (SAE), authored by Charles Rubly. Rubly was in charge of the development of the Corvair chassis. In his paper, Rubly lists seven reasons for the choice of the Corvair rear suspension. (Exhibit L.)

The first four reasons given by Rubly are strictly cost items concerning the cost to manufacture and service, and its reliability. The remaining three concern the quality of ride and isolation of passengers from suspension harshness and noise. Another way of making this point is to note that the reason for *not* choosing a more satisfactory suspension for the Corvair was cost.

That changes in the 1964 Corvair were to improve safety is shown by the characterization of tests of that suspension. PG 17103's (Corvair Dynamic Stability Tests) description of the tests of a prototype 1964 type suspension on the Corvair and the implied comparison with the 1963 Corvair shows that the dynamic stability (here, obviously meaning resistance to rollover) was the primary issue in the change to the 1964 suspension:

"These tests showed that the dynamic quality of the current production 1963 Corvair was not substantially improved through practical modifications to shock absorber design and configuration. . . .

"A 1964 prototype suspension installed in the car made the dynamic stability characteristics acceptable for several different test conditions. . . ."

At the time these tests were being run, the decision to adopt the 1964 suspension was about six months old and the 1964 model was virtually in production (a revealing commentary on the actual lead time—eight months—required for such a substantial change). Apparently the tests were to confirm the improvement in safety created by this change in the suspension. It is interesting to note that even with the 1964 suspension, it was possible to overturn the Corvair in PG 17103 in an "abnormally severe maneuver."

Wager and Koskinen's characterization of Winchell's role in the improvements of the Corvair suspension ("Winchell was both constructive critic and defender of the Corvair") is neither documented nor is it even referenced. As in the numerous other cases where they introduced ad hoc evidence, the gratuitous mention of Winchell's Corvair ownership is simply not relevant to the issue. A conclusion that a car is safe because automotive engineers and their families drive them is similar to concluding that cigarettes are safe because many medical doctors smoke or that seat belts are unnecessary because some NHTSA employees do not wear them. It further ignores the fact that GM engineering and executive level employees are offered significant discounts on the corporation's products, or are virtually given them, in return for engineering and other evaluations. (Exhibit M.) At least two GM families, the Osborns and the Hancocks, may have regretted giving their children Corvairs to drive. (See staff report section entitled "David Lewis") and the staff report's characterization of GM engineers as unconcerned about the handling and stability safety of the Corvair is more a comment on the indifference of the industry toward safety and the love affair of some engineers with engineering difference, almost for its own sake, regardless of the total effect on safety.

D. *Tires and the Corvair*

The Ribicoff staff report gives considerable attention to the effect of tires on the handling properties of the Corvair. For example, it quotes a 1971 GM test of tires on the Corvair as stating that the Corvair handling could become "unacceptable under some driving conditions." Since access to this GM test report has been denied, us, and since the report is also without justification, considered confidential by the Department of Transportation, we can only speculate about the exact finding and content of this potentially pivotal report.

It is evident, at the least, that the Corvair's instability in some cases and apparent stability in others could be due to the choice of differing tires as well as to vehicle loading. Professor Leonard Segel has said that for a vehicle whose handling is "on the borderline," tires can be the single most important factor in determining the level of safety of the vehicle's handling properties. But, he added, there was something of a contradiction in tire requirements for such a marginal vehicle as the Corvair: "on the one hand, you want tires with maximum traction; but for such a car, this may lead to a rollover."

When asked whether there had been any studies of aftermarket tires on the Corvair by GM before 1971, the staff authors vaguely recalled something dealing with the Corvair defense group (Product Analysis), but could not identify it. They did not probe into this issue, however, despite their asserted interest in the tire issue. Nor did they ask whether, as original equipment tires were being tested for selection in 1959, aftermarket tires were also being tested either formally or informally.

We recently talked to Mr. Arnold Brown, a former Chevrolet vehicle development and senior project engineer who had done some of the tire testing for the first Corvairs. He said that Uniroyal (then U.S. Rubber Co.) had worked most closely with GM in the development of the original 6:50 x 13 tires and that tire testing at that time was a relatively ad hoc procedure, using "seat of the pants" evaluations of tires. Normally, tires are chosen as a compromise between ride and handling qualities, but Brown said that for the Corvair, because of its handling problems, the handling characteristics of tires were considered paramount.

"I wrote many reports on unsatisfactory tires" for the Corvair, said Brown, and cited the initial rejection of both the General and Goodrich tires for the production 1960 Corvair. Brown said that he didn't think that anyone at GM had tested aftermarket tires on the Corvair, or at least it was not their regular practice. He said that the wide variety of available tires would preclude such testing. GM's attitude might have been comprehensible had the factory recommended a particular aftermarket tire, but the Corvair owner was left with no guidance and a bewildering variety of tires for the Corvair.

We asked about GM's attitude on informing owners about possible problems with after market tires. Brown answered that GM's attitude was that they "should not scare anybody." He said that GM considered it had done its duty if the car got out of the factory with safe tires. Their attitude was illustrated by a defect in the original 1960 models. He said that with worn front tires, the Corvair could develop a severe front wheel caster wobble (rather like a shimmy). But GM's attitude was that worn tires were the responsibility of the owner, and a decision was made at GM not to recall the defective cars. (This attitude toward the Corvair, particularly, has not changed. In its so-called owner notification letter about carbon monoxide leakage through 1961–1969 Corvair heaters, GM said: "It is Chevrolet's position that there is no such risk if the Corvair has been regularly inspected and maintained and is in good working order.")

Brown claimed that significant improvements were made in the Corvair tires each year as they gained experience with the Corvair's tire needs. He said "a factory fresh 1963 (Corvair) was a much safer vehicle than an early production 1960 because of its tires.'

Brown also related an incident which occurred at GM during the early days of the Corvair. He said that GM liked to play the tire companies off against each other. On one particular day, a Firestone representative was challenging the superiority of the U.S. Royal tire for the Corvair. To prove his point, he asked if the could demonstrate it in a nearby U.S. Royal shod Corvair. When he drove the car it turned over on a flat dry paved surface, Although the Firestone man had taken a significant risk, GM did not switch to Firestone for the Corvair, since it perhaps did not make any difference.

Neither did Wager and Koskinen inquire if GM had researched the question of whether owners were aware of the need for proper tire pressures, or whether Corvairs in service typically had their tires at the proper inflation levels. (Evidence from NHTSA Corvair files indicate that a significant number of Corvairs probably have tire pressures that vary considerably from GM's recommendation.)

Wager and Koskinen's insidious use of the word "solely" in their sentences "vehicle stability is not *solely* a function of tire pressure," and "we do not believe GM relied *solely* upon tire pressure to achieve vehicle stability," attacks their own straw man. They might as well have said "we do not believe that GM put tires on the car *solely* to improve its stability and handling." Their report makes no distinction between necessary and sufficient conditions. The correct tire pressures are a necessary condition for a semblance of stability in the Corvair, but are certainly not sufficient for stability. Proper choice of tires is also a necessity, but not a sufficient condition for Corvair handling stability.

Finally, in one of their more palpable and serious contradictions, Wager and Koskinen

criticize GM for failing to give adequate warning in the owner's manual about tire pressures and its effect on handling. This statement stands in flat contrast to their facile agreement with GM and the NHTSA that tire pressures are unimportant to the safety of the Corvair. We were appalled at their failure to inquire into GM's knowledge of the effect of using various after-market tires and GM's failure to warn owners of this potential hazard.

E. Campbell data

Professor B. J. Campbell completed his highly original make-model study of accidents in North Carolina in 1970. He was very interested to note the high incidence of "off-road" crashes in the early Corvairs (1960–1963 models) and the downward trend toward average performance in the 1964, 1965, and 1966 models. "My best guess is that the Corvair data probably do reflect real physical changes in the cars [between the 1960–1963 models and the later models]," he said, "but as a scientist, I am not sure that the data are sufficiently strong to infer casuality."

It appears that the only difference in Corvairs between 1960 and 1966 which would account for the improvement in their "off road" accident statistics was the change from swing axles to modified swing axles in 1964 and finally to fully articulated independent rear suspension in 1965. The weight distribution and general performance of the Corvair remained virtually identical over these years, as did the other general characteristics. The sharp reduction in off road crashes in 1964 and 1965 models, as shown in Campbell's work, correlates with the redesign of the suspension systems.

Campbell is quoted in the staff report as doubting the wisdom of recalling the Corvair. We pointed out to him, however, that the federal government had no authority to order a recall, but rather could only send defect notification to owners. When asked whether there should be defect notification on the Corvair handling and stability, he discussed with us the effectiveness of such a notice and then answered, "I don't know."

Although the staff report suggests that Campbell asserts that the consistently high ratio of off road crashes involving Corvettes cannot be blamed on the driver alone (i.e., not on the car), while the Corvair crashes are blamed on the car, Campbell made an important qualification of that statement to us. He said:

"I point out that the Corvair also had a high percentage of off road accidents. I note that on the basis of data I presently have, it would be improper to blame the Corvair suspension and the Corvette driver."

But Campbell lacked all the data he would have desired. He stated that the missing information necessary to make a more conclusive determination of the Corvair's safety consists of the relative mileage data for all cars so that the overall crash rate as a function of mileage could be computed. He attempted to do this following his initial make-model accident study, but was not able to get what he considered sufficiently valid data. He described this as one of the biggest disappointments of his professional career.

Yet his data still have significance since they are the only publicly available data which give any indication of the overall experience with the Corvair in actual use, other than the number of serious crashes which have resulted in lawsuits being filed against GM. That Campbell's data are not absolutely complete is hardly an argument for the Corvair, although that is the implication given it in the Ribicoff staff report.

F. Olley studies

One can hardly expect a long-time and loyal employee like the late Maurice Olley to publicly and directly criticize General Motors, so it is therefore noteworthy when his personal views in technical papers conflict at all with the firm's official position. The staff report, however, for some reason strains to construe his overall view as favorable to the Corvair and refuses to recognize Olley's specific skepticism about the Corvair type rear suspension in his more technical writings.

In his May 18, 1956 patent application (granted November 3, 1959), Olley was not discussing an existing GM car or a pending vehicle proposal, and was not concerned with the possible GM production of a rear engine car with swing axles—for the Corvair did not yet exist, neither in fact nor on paper. Free of institutional pressure to bend thought to corporate needs, Olley could articulate his own views on rear engine cars with high roll center swing axles.

His 1956 patent application particularly criticized ordinary swing axle equipped vehicles because of the oversteer, the tendency toward rollover, and the lift of the vehicle's rear under severe lateral forces. Olley said that such a design presented "potentially dangerous vehicle handling characteristics." He proposed in the patent a low roll center swing axle, similar to the early Corvair design except for the crucial difference that the roll center was considerably lower; this would have the effect of reducing the roll stiffness of the rear suspension. (The effect would have been similar to the effect of the 1964 Corvair suspension.)

Lowering the roll center of the rear suspension is one way of reducing its roll couple (which can then be made up by using an anti-roll bar on the front suspension). The use of a front suspension anti-roll bar alone is not sufficient to ameliorate the defects in the Corvair rear suspension; the rear roll couple must be simultaneously reduced. The 1964 Corvair rear suspension design also reduces the rear roll couple.

But the primary problem with the swing axle suspension is noted in Olley's 1956 patent application; "the effect [oversteer and rollover susceptibility] non-linear and increases suddenly in a severe turn." The non-linear character of the swing axle makes any discussion of the emergency handling in terms of steady-state behavior specious. Thus, the discussions of the under- to oversteer transition being at .4 times the acceleration of gravity (g), or the limit of control being at .6 g, are simply not germane to the question of safety in the Corvair in emergency maneuvers which generally involve highly transient behavior. For instance, the NHTSA's evaluation panel noted, "In the General Motors films it was observed that the lateral acceleration might go from 0.3 g to 0.6 g in a quarter to a half second depending on the attitude and speed of the vehicle."

The disadvantages of the Olley suspension design were demonstrably not related to the handling qualities which such a suspension would give. Olley's criticisms of this suspension were minor. He said of it in his 1957 memorandum that it "has the fault of causing small misalignments of the axle shafts in the wheel bearings and therefore requiring a self-aligning bearing [which was also needed on the actual production Corvair] at the wheel. Also produces considerable slide in the U joints (increased cost & shorter swing arm radius). Also some brake drum misalignment, and a disc brake is almost impossible [this was also a characteristic of the production Corvair, and disc brakes were never used on any production Corvair of any year, front or rear]."

Olley's 1957 and 1959 memoranda, cited by Wager and Koskinen as indicating Olley's support for the Corvair, were written in response to higher echelon requests. But they did not, as had his 1956 memorandum, address the issue of swing axle rear suspension. The 1957 memo contains almost offhand remarks about a proposed design. Everyone at Chevrolet engineering knew that the Corvair was the special project of Ed Cole, then General Manager of the Chevrolet Division, and few were prepared to confront him directly.

The 1959 Olley memo, dated shortly before the Corvair's ballyhooed introduction, reads like a press release, not an engineering paper. Nowhere in the 1959 memorandum is any mention made of the swing axle rear suspension. The only issue discussed is the Corvair's weight distribution. But in a 1961 *engineering* paper, entitled "Corvair Steering," Olley analyzes the Corvair's performance based on its then two year history. He concludes it by noting that "in the present Corvair, the swing axle, due to lift, handles rather worse than a solid axle but other studies have shown that this effect of the swing axle decreases rapidly as the roll couple carried by the swing axle is decreased." Thus, a well respected GM engineer, in his two engineering memoranda on rear suspension design as used in the Corvair, found fault with it.

G. Distinctions between the various types of GM tests

In answer to depositions and orders concerning testing done by the corporation, GM uses a shifting parlance to characterize the tests of handling and stability. Often, in a deft verbal shell game, they deploy a variety of terms so as to disclose as little as possible in any particular situation.

GM would have us believe that terms such as "rollover test," and "lateral stability," "lateral acceleration" and "roadability" are well defined and have been since before the time of the Corvair. In fact, at GM there was much internal contradiction and controversy about the meaning of such words and they were used by GM witnesses in Corvair litigation to confuse and mislead plaintiffs, juries and judges. Not even the industry dominated Society of Automotive Engineers (SAE) attempted to offer a standard terminology until 1965, and that effort is notable for its basic inarticulateness.

At least by 1963, it was clear that industry jargon on vehicle handling required reform. General Motors organized a symposium for the industry to discuss the problem, and, as a result, a committee was set up in the SAE to develop the technology. The committee was headed by GM's Joseph Bidwell (exhibit N). The lack of agreement even at this stage was evident from the SAE's first glossary, SAE J670a, "Vehicle Dynamics Terminology." Wager and Koskinen cite this document as though it contained clear descriptions of all the terms germane to the Corvair stability and handling questions. Yet the definition of stability given in J670a is a very theoretical one, similar to that given in college physics texts and not very useful in the specific Corvair context. Part of J670a which comes closest to describing the stability of an automobile is just a note (Note 8) which says that stability is a characteristic of "environment" and "trim" and must be investigated for each different set of conditions. Nowhere does J670a have any mention of the terms of "roadability," "lateral stability," "path stability," "attitude stability," or any of the other terms GM glibly employed to obstruct discovery. Virtually all of the terminology defined in J670a refers to *steady state* phenomena rather than *transient* phenomena which are involved in the maneuvers in the PG reports at issue now and which show the clear instability characteristics of the early Corvair.

The distribution that should have been made is between: (a) a test of stability and handling characteristics and (b) a test to purposely overturn the vehicle by artificial means to determine its crashworthiness.

It is obvious that GM itself made the (a) and (b) distinction internally, at least in its technical departments. PG 17103, which is called "Corvair Dynamic Stability Tests for

Chevrolet Motor Division," was to "evaluate and determine dynamic stability characteristics" of the Corvair using various suspension components "in an attempt to overturn the car." That a rollover was the expected final result is stated under "Test Procedure": "A rollover or significant engineering decision concerning the suspension terminated each phase of a test program." (p. 3) PG 15699 is called "Rollover Stability Evaluation of Various Corvair Suspension Systems," indicating the connection of the words "rollover" and "stability" at General Motors.

The SAE recommended practice for (b), in its "Rollover Tests Without Collision—SAE J857," states that "Rollover tests are conducted to evaluate vehicle structure and occupant injury potential"—or what is now called crashworthiness. The staff report, following GM's lead, considerably broadens the category of rollover test to include *any* test in which a rollover occurs, thereby merging category (a) into category (b).

Sometimes, the deception on rollover tests is overt, as in the *Collins* case where Mr. Kai Hansen, who worked extensively on the Corvair suspension at Chevrolet Research and Development as well as in production engineering, incredibly denied that GM had any test for determining a vehicle's tendency to roll over. He characterized a rollover test in the same terms as does the SAE recommended practice. (In fact, GM did have a test for "rollover stability at least as far back as 1959, and so tested Corvairs in at least four proving ground reports, PG 11106, PG 12207, PG 15699, and PG 17103, before the end of the 1963 Corvair production.)

The staff report characterizes 11106 as a rollover test, but PG 11106 was *not* designed to determine crashworthiness. The test procedure for PG 11106 states "The purpose of this test was to determine a condition necessary to roll over a Holden [code for Corvair] vehicle on a level paved surface." Rollover did not even occur in most of the test runs of PG 11106. Since "the vehicle was prepared for the test by installing a rollbar, padding and seat belts," it is obvious that the prepartions for the test precluded evaluation of "vehicle structure and occupant injury potential" on an unmodified car. Thus PG 11106 is not a rollover test as the SAE defines the term, but a rollover stability and handling test and since it involved a preproduction car should have been supplied in the *Collins* case as well as others. (See the litigation section which follows.)

Although Wager and Koskinen spell out and defend the indefensible GM distinctions between the variety of possible tests, GM prefers obfuscation as a tactic to impede understanding. For example, in the 1966 hearings before the Michigan State Senate, Mr. Frank Winchell, at the time director of Chevrolet Research and Development engineering, explained the concept of stability as follows:

Control engineers generally speak of *Stability* in two ways:

Attitude Stability and Path Stability (emphasis in original).

This statement is at best highly misleading, assuming a "control engineer" is some special engineer who uses the term stability in this way. If the term "control engineer" is to mean an automotive engineer who is concerned with the general handling and stability characteristics (as well as control) of a vehicle as is implied by Winchell, his statement is simply not true.

We were at a considerable disadvantage in determining which tests GM should have provided in litigation. The staff study notes that PG Report 2673–16 establishes the procedure for a "steady state lateral stability test." Yet this document was unavailable to us because GM conditioned its submission with an agreement of secrecy by Subcommittee staff. The NHTSA also specifically refused a Freedom of Information request for the document as well as a number of others (see exhibit 0). Wager and Koskinen said that all of the GM submissions would be accorded confidential status at GM's request, except that on specific request we were allowed to see but not copy a limited number of already public court documents.

III. CORVAIR LITIGATION

A major issue raised by your letter to Senator Ribicoff was GM's practices in withholding key documents, particularly proving ground reports from plaintiffs during Corvair product liability litigation. Without knowing the proving ground (PG) report numbers nor even whether these tests existed, plaintiff's attorneys were never able to elicit the ones which revealed the Corvair's instability characteristics and rollover tendencies in their probings of GM technical witnesses and legal counsel—who would disingenuously say that they would turn over all relevant tests if opposing counsel would only identify exactly what they allege is missing (i.e., by number). Since GM cites its litigation record to the public and the Ribicoff Subcommittee as definitive of the safety of the Corvair, it is essential to explore how GM's acts and omissions shaped that litigation outcome.

This the Ribicoff staff report does not do. Like GM, it addresses itself only to the narrowest letter of the law on the contested issues, and incorrectly resolves the matter of legality. Thus, in assessing GM's behavior, it asks whether "GM was legally obligated to produce certain documents in the court cases and failed to do so," and whether "GM had perpetrated a fraud or deceit upon the courts." Yet to all but the most rigid profit-maximization theorists, "corporate responsibility"—which the staff report aims to evaluate also—surely includes moral responsibilities as well as legal obligations.

The staff report was apparently uninterested in asking whether GM had a moral responsibility to produce certain documents, because of, *inter alia,* (a) the deception which otherwise results, (b) its superior knowledge of the existence of these documents, (c) the catastrophic human cost caused by defective cars, and (d) its superior ability to prevent such harm by manufacturing safe cars and correcting defects.

Nor does the staff report, because of its unwise adoption of the NHTSA study, adequately probe the meaning and effect of GM's suppression of its internal proving ground reports showing the Corvair's undue susceptibility to instability and rollover in the kind of emergency driving conditions normal drivers confront. Finally, Wager and Koskinen barely mention the fact that Corvair plaintiff attorneys were unconscionably harassed, delayed and misled by GM. Techniques of obstruction range from intentionally supplying thousands of irrelevant documents and films, to exhausting plaintiffs' attorneys with frivolous motions and objections, to playing word games with confusing technical terms, to arguing for a limited court order which skillfully excludes key items GM knows to exist, to hiring private investigators to probe expert witnesses. While discussion of these techniques follows, of particular interest here is a previously undisclosed GM memorandum of January 5, 1965 entitled "Hypothetical Cross-Examination of a Member of the Corvair Product Analysis Group"—which is reproduced as our exhibit P. It carefully instructs GM witnesses how to give obscure, non-responsive if not false answers during cross-examination. It makes a mockery of GM's pretense of openness and fair-dealing in its court cases. It is a blueprint for stereotyped replies developed by GM's General Counsel, Aloysius Powers, to preclude any diversity of response which may be dicated by candor and honesty.

That GM, in our view, had a moral responsibility does not of course absolve it of the legal obligation in the early model Corvair litigation to produce the proving ground reports. To the contrary, after a thorough review of all the facts known to us and a careful analysis of GM's defense as presented by Wager and Koskinen, we have no doubt that GM was legally responsible for production of at least PG 11106 (Skid Pad Roll Test on Corvair Prototype) and 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension) in *Collins v. General Motors* (1960 Corvair) and, in addition, at least the complete films and other documents associated with PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension System) and 17103 (Corvair Dynamic Stability Tests) in *Anderson v. General Motors* (1962 Corvair). Since we lack access to other proving ground reports—General Motors successfully requested confidentiality for them from the NHTSA and the Ribicoff staff—we can only speculate how many other incriminating tests were similarly oppressed.

A. Frank Winchell

Perhaps the most appropriate starting point to discuss Corvair litigation is Frank Winchell, described by Wager and Koskinen as the "chief technical advisor to the product liability lawyers" and now GM's Vice President for Engineering. For as is obvious in both the Corvair litigation and the Ribicoff staff report, Winchell is a key figure. The root issue is Winchell's denial that certain written records existed for Corvair testing. As the chief technical adviser on the Corvair litigation, it should be apparent that Winchell was either seriously ill-informed about GM's formal Corvair testing or intentionally forgetful in depositions and court testimony.

The Ribicoff staff report, for some reason, contorts the facts every favorable way for Winchell: "It should be noted that Winchell's testimony did not deny the existence of PG 15699 and 17103. Those reports were the result of work done for the Chevrolet product engineering section by the GM proving ground. This was completely separate from the work performed by Winchell and his group." Thus do they deploy what can be called the "bifurcation technique," whereby responsibility is so divided in a bureaucracy that no one is seemingly responsible.

This benign view of Winchell's conveniently limited knowledge is ludicrous for a man who:

Was the "chief technical advisor to the product liability lawyers" during most of the Corvair instability litigation;

Was the chief GM witness in Corvair litigation around the country;

Had unlimited access to the test work order indexes and the GM archives; (see exhibit 16) *

Was a close advisor to Edward Cole, now the President of GM and who is often referred to as the father of the Corvair;

Tested a Corvair for handling and stability in Colorado in 1958;

Was promoted to be Director of Research and Development of Chevrolet Engineering beginning in 1960;

Remained in that position during the Corvair controversy and when work was initiated and completed for the 1964 and 1965 model corrections in the suspension systems;

Admitted in *Collins* his role in the design of the 1964 modifications to the Corvair suspension systems;

Answered affirmatively, in that case, the question, "did you actually participate in this work [the development of the 1964 and

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*Memoranda from Winchell to Aloysius Power, General Motors General Counsel, dated December 16, 1964, agreeing to supply a number of providing ground test reports (by number) for Mr. Adkins of the legal staff for a conference on litigation, and from Passom to Power dated December 18, 1964 transmitting the reports retrieved from the GM archives.

1965 Corvair suspensions] in each instance?"; and

And "[f]orcefully advocated suspension changes to improve" the "ultimate performance of the Corvair" (Ribicoff staff report).

GM tries to drape the "ignorance is bliss" insulation around its top executives; to permit association of its master sergeant-in-charge with such unawareness is the ultimate Wager-Koskinen absurdity. Thus, it is simply not possible to argue that Winchell did not know or had no reason to know about adverse proving ground tests, involving scores of GM employees, and reduced to bulky reports which demonstrated the Corvair's instability and propensity to roll over. Yet this is precisely what the staff report does strain to argue.

Had they asked the proper questions instead of accepting the well-worn Winchell bifurcation technique, their judgment might have rested on fact rather than fiction.

Another compelling refutation of Winchell's "it was in the other Division" routine is the testimony by his boss, Ellis J. Premo, Chief of all Chevrolet engineering, who told the Court in *Anderson* (tr. 4155) that he had turned over to the GM legal staff "every report on the Corvair." As GM's "chief technical advisor to the product liability lawyers," Winchell could not have been uninformed about the test reports Premo gave the lawyers. At least the excuse that he (Winchell) was in Chevrolet Research and Development and the reports were done by Chevrolet Production Engineering is completely discredited, for the GM legal staff bridges the two. Winchell and the legal staff spent many hundreds of hours together for the litigation defense alone. Their conclusion is a depressing commentary on the staff investigators' gullibility or predisposition, as later discussions of Winchell's role in the court cases will reveal.

B. Scope of court orders

The staff report, while ignoring PG reports 11106 and 12207, defends GM's non-submission of PG reports 15699 and 17103 (which tested 1962 and 1963 cars) by arguing that the court order in *Collins* applied only to *1960* and earlier models. Yet at no time in your October 23, 1970 letter did you state that PG 15699 and 17103 should have been produced in the *Collins* litigation. (At the same time, based on GM's own statement in the *Collins* trial that 1960–1963 Corvair models were virtually identical it can be reasonably argued that GM should have produced tests involving 1962 and 1963 models in a court case involving a (admittedly identical) 1960 model.)

The court order in *Anderson* required production of written reports, memoranda, studies and test data including numerous moving picture films in existence *prior* to April 19, 1963 which relate to testing of 1960, 1961, and 1962 Corvairs. While again ignoring such PG reports as 11106 and 12207, the staff report disposes of PG 15699 (issued on June 14, 1963) and PG 17103 (issued November 4, 1963), by arguing there was no requirement for GM to furnish this information. But this confuses the date the proving ground tests were issued with the date they were actually completed. In fact, since PG 15699 was run in 1962 and PG 17103 was run first in November 1962 and subsequently between March 18, 1963 and April 11, 1963, at least the films of these tests should have been produced in *Anderson*. Since GM produces films in court cases without copies of the test reports, it cannot argue here that it did not believe the films should be produced without the reports.

Also, the staff report does not mention GM's responsibility in *Anderson* to produce test work orders (i.e., the test instructions from the production engineer to the proving ground engineer) or the technical test reports which resulted in PG reports 15699 and 17103. The test work order for PG 15699 is dated April 11, 1962 and for PG 17103 is November 12, 1962, well before the *Anderson* court order cut-off date of April 19, 1963. (The Ribicoff staff report itself, in the section on Carl Thelin, claims that GM produced these items in the *Franklin* case—although the plaintiff's attorney in that case, Louis Davidson, denies ever receiving these documents; he was never interviewed by the Ribicoff staff.)

Further, even the judge in *Anderson* makes it clear that any absolute cut-off time for production of PG reports may be a bit arbitrary. In response to a question raised by GM counsel Nunez about the appropriateness in the case of referring to the 1964 Corvair, the judge answered (tr. 1188):

"I am not so sure. It is dependent upon what develops from the answers and that makes it a little difficult to rule upon the question but if it should turn out or develop that say in the 1964 or 1965 model certain substantial changes were made which made the car much more driveable, much more safe to drive and much more stable and it turned out those changes that were made they had known about in 1959 and 1960 as being available, I think the fact is that that latter part, then, would be admissible because if they did put them on in 1964 why couldn't they have put them on in 1959; if those changes they made could have been shown to be available in earlier years.

PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and PG 17103 (Corvair Dynamic Stability Tests) are examples of the kinds of tests to which the judge was referring. They were run for the purpose of testing various 1962 and 1963 Corvairs with various insignificant modification designed to improve their stability and handling characteristics, and specifically to improve their resistance to rollover.

C. Collins case

Your letter of October 23, 1970 sharply criticized those GM witnesses who were asked questions to which unbiased answers would have produced the key proving ground reports suppressed for so long by GM, such as PG 11106 (Skid Pad Roll Test on Corvair Prototype), 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension), and 11285 (Rollover and Crash Test of 1959 Chevrolet and Corvair). All these reports pertain to the 1960 Corvair at issue in *Collins* v. *General Motors*, tried in San Jose, California in 1965.

The Ribicoff staff report extracts from your letter six examples of such GM misrepresentations and item by item purports to refute the examples presented. Our commentary on each example follows:

Your letter quoted the trial transcript where plaintiff's counsel David Harney (again, unaware of the various and crucial proving ground reports) questioned Winchell about his presence at Corvair stability and handling tests in 1958. Winchell responded that he was present and apparently a passenger in the test car at some point during such tests at GM's proving ground at Manitou Springs, Colorado, but that no written reports were made of those tests. Your letter then suggested the committee consider whether the suppressed proving ground reports of the pre-production Corvair, which Winchell failed to mention, such as PG 11106 (Skid Pad Roll Test on Corvair Prototype) and PG 11245 (Tire Blowout Comparison at 60 mph), "could even possibly have been unknown to Mr. Winchell." By omission throughout the trial transcript, and this instance is but one example, Winchell implies no knowledge of such reports.

The staff report replies that the passage in question did not call for a response concerning these proving ground reports, apparently because they were not conducted at Manitou Springs. Never answered is the obvious and key question of whether Winchell in fact knew of the existence of the critical proving ground reports.

Another example of GM obfuscation is quoted in your letter from the *Collins* trial transcript (tr. 3213–15). Plaintiff's attorney Harney is there trying to establish from Winchell whether any of the GM tests presented during the trial were other than tests prepared specifically for the litigation defense.

Q. (by Harney). I am talking about all the tests you have talked about in this trial in front of these twelve ladies and gentlemen plus the alternates.

A. Some of the tests that were run were certainly related to the 1964 and 1965 Corvair. The 1960 Corvair, no.

Winchell answers that the test evidence produced by GM in *Collins* concerning the *1960* Corvair was not limited to tests produced only for the litigation, but that it also included engineering tests done either during the development of the 1960 Corvair or during some later product evaluation. As your letter pointed out, Winchell thus admitted that GM recognized its obligation to produce pre-production Corvair tests in the *Collins* case. But not having done so—for example, PG 11106 (Skid Pad Roll Test on Corvair Prototype), 11285 (Rollover and Crash Test of 1959 Chevrolet and Corvair) and 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension) were not submitted—GM by omission was effectively denying that they existed.

The Wager-Koskinen report seeks to rebut your contention by referring to the words "lateral acceleration," the terms used in your letter to describe the missing proving ground reports (which you also cited by number). Their point, presumably, is that the unproduced PG reports were *not* "lateral acceleration" tests. Thus, they conclude that the quoted testimony fails to support your point and "is rebutted by other evidence." (This "other evidence" is nowhere provided.) The term "lateral acceleration" is not an inappropriate descriptive phrase to apply to the missing reports. In particular, PG 11106 contains both steady speed runs in a circle (what Winchell refers to as a "roadability test" and what GM also appears to call a "lateral acceleration or stability test") and j-turn tests to "determine a condition necessary to roll over a Holden [Corvair prototype] vehicle on a level paved surface."

The staff report then continues to ignore the question of the missing proving ground reports and focuses instead on the narrowest construction of your point by asserting: "At no time did Winchell deny the existence of lateral acceleration tests. In fact, at page 3766 . . . he said he had run such a test on a 1960 Corvair and at page 3848–49, he acknowledged the existence of written reports on such tests."

At page 3766 Winchell is asked when he first ran a Corvair lateral acceleration test. He told the court it was run in 1960; but in response to the question whether it was recorded, he responded, "I don't think so." At pages 3848–49 we discover Winchell deliberately interpreting "lateral acceleration" and "directional stability" to describe only "roadability" tests. In the roadability test, as occasionally defined by various GM witnesses in the Corvair litigation, the car is driven at gradually increasing speeds around and around a circle with *no* change or maneuvers in the steering in order to test its reaction to lateral acceleration. This test does not measure the performance of the vehicle in typical highway situations as do the lateral stability and rollover stability tests. The intentional misleading of plaintiff's attorney by discussing only roadability tests in response to questions about lateral acceleration or directional stability is apparent:

Q. Do you have any movies or reports concerning dynamic tests done at more than one mile an hour on a Corvair to ascertain

lateral acceleration forces or directional stability?

A. Any movies or reports?

Q. Yes, sir.

A. There are reports, yes, sir.

Q. What are they called?

A. Roadability tests.

Q. Are they instrumental tests?

A. Yes, sir.

Q. When were they done?

A. That is the standard procedure—

Q. No. I am not asking about standard procedures.

A. I can't say when they were done.

Q. Have you seen them?

A. Yes, I have seen a number of roadability tests.

Q. With instrumentation.

A. Yes, sir.

Q. Wherein lateral forces were being maneuvered?

A. Yes, sir.

Q. And recorded?

A. Yes, sir.

Q. By whom?

A. By proving ground personnel. I don't know whom precisely.

Also at issue is Winchell's statement on page 3855 of the trial transcript that "I have never seen the Corvair rolled over on the [GM] skid pad." Your letter of October 23, 1970 stated: ". . . Mr. Winchell's assertions of ignorance about the rollovers on film in PG 17103 and PG 15699 are totally implausible in light of his position at GM at that time."

As we read the staff report, there are two points at issue in this statement, both involving GM's (previously noted) deployment of technical terminology to evade legal obligations. The first is whether "seen" means "seen personally" or "seen personally or in movies." Your letter clearly presumes that GM middle executives do not spend their days at the proving grounds; films of the tests, of course, were the issue. But the staff report narrowly interprets the word "seen" to mean "presence."

The second issue and second distinction is between the proving grounds and the skid pad. The report states in Winchell's defense: "The record and our investigation support Mr. Winchell's answer. He had previously testified that he personally rolled a Corvair at the proving grounds, but not on the skid pad . . ." This statement implies that Winchell's testimony cited by the staff report (pages 3360–1) distinguished for the court between proving grounds and skid pad. But actually, Winchell merely stated that his experience in the Corvair rollover had occurred at the proving grounds. To our mind any distinction after the fact between a reference in the course of a trial to the proving grounds and the skid pad (located *at* the proving grounds) is a clumsy attempt to hide the truth. But not to Wager and Koskinen. "There would be no reason for him to deny his presence at such a test. So far as we have been able to determine, this is a true statement," claims the staff report.

Unexpectedly, we have recently uncovered evidence that contradicts Winchell's claim at the 1965 trial that "I have never seen the Corvair rolled over on the skid pad." A former GM employee who was part of the technician team for PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems), Mr. Brian Heurtebise, gave a deposition on December 14, 1972, in the case of *Liebelt* v. *General Motors*. It states that Winchell did observe a Corvair immediately after it had rolled over on the *skid pad* during the tests for PG 15699—if he did not, in fact, see the rollover itself. These tests were conducted in May and June 1965. Heurtebise said that immediately after a rollover, he and his associate Mr. M. D. Sheehan would go over to a Corvair—he to look after the condition of the driver and Sheehan to direct the photography. According to Heurtebise, "I looked around and Mr. Sheehan had his hand on the top of the car and was bent down and Mr. Farley* was driving the car and Mr. Winchell was looking past Mr. Farley (toward the overturned Corvair) to see what Mr. Sheehan was saying." In the cross examination later in the deposition, Heutebise was asked, "And when you looked in that direction, was Mr. Winchell looking toward you?" He answered, "Yes." Heurtebise provided a sketch of the position of the various cars and people and reiterated his identification of Winchell.

You criticize Winchell for stating in the *Collins* trial (the earliest Corvair trial after the *Pierini* settlement) that the only GM movie of a Corvair lateral stability or directional stability test he has seen was the one shown at trial in which the Corvair rolled over at 1½ miles per hour. Plaintiff's attorney Harney was apparently attempting here to elicit from Winchell a statement specifying the scope of the evidence GM was going to produce at the San Jose trial. Just after the trial had begun, GM had handed Harney a roll of unidentified films showing a Corvair test he had never seen before; Harney, therefore, was seeking to avoid the repetition of surprises.

It is evident from the transcript that Harney's question to Winchell refers specifically to materials physically located in San Jose for the trial, and not to every test GM has ever conducted. However, since GM knew it might well have to produce the key PG reports mentioned so often in your letters, it is a fair presumption that these reports might have been physically located in San Jose. If they were, then Winchell as one of GM's chief witnesses must have purposefully been kept in the dark for his answer to Harney to have been an honest one. If the key unproduced proving ground reports and films were not in San Jose, then General Motors in premeditated fashion had no intention of submitting them on the case. (It is important to recall here that on the defective design issue there was no pretrial discovery.) The staff report ignores whatever obligations GM had to produce these reports. It looks only to the face of the question and defends Winchell saying that Harney's question concerned only the films Winchell had seen since his arrival in San Jose, and that Winchell did not deny the existence of rollover test film because he was not actually questioned about it.

To further distort reality, the Ribicoff staff report says that GM furnished motion pictures of PG 11106 (Skid Pad Roll Test on Corvair Prototype) at the trial voluntarily. Actually, there is no documentation supporting GM's claim that the film produced was in fact PG 11106, and there is no explanation why the proving ground report for 11106 was not also furnished. As to the voluntariness of its submission, the staff report apparently accepts this characteristics by GM of its actions without questioning whether it was required by the court order—a subject the staff report avoids throughout.

On receipt in the courtroom of a film in an unmarked canister, which is now alleged by GM to be PG 11106, Mr. David Harney, the plaintiff's attorney, stated: "I hate to be snide, but what General Motors has handed us will take only a couple of minutes." (tr. 1628) The next day Harney submitted the film as exhibit 48, since it lacked any identifying markings.

The first substantive question asked by Harney after the film was run in the courtroom was: "Are you familiar with the type of blow-out test [tire] which is being conducted here?" Since 11106 does not contain any tests of vehicles with blow-outs, and the film is not identified in the transcript, we think there are serious questions whether GM in fact submitted PG 11106 to Harney.

* Farley was the engineer who requested the test for PG 17103.

We asked Harney about the film and, to the best of his recollection, it was not a film of a stability rollover test.

". . . It is difficult to believe that the plaintiff was prejudiced by lack of these reports," continues the Ribicoff staff report, "since GM did furnish voluntarily, although not required by the court, the motion pictures of PG 11106, a rollover test, which were shown to the jury. Moreover, the court allowed numerous other rollover tests to be placed in evidence by Harney." Mr. Harney, on hearing this statement by telephone, pointed out that these "numerous other rollover films" were the ones *his* expert witness Paul O'Shea prepared, not GM films as might well be implied from the staff's prior discussion of only GM materials.

Harney added that he thought his plaintiff was "definitely prejudiced by not having access to the reports we now know to have existed then." He also disparaged GM's so-called generosity in providing a few minutes of film—which was hardly of value since (1) there was no accompanying report to explain the speed and other test characteristics and (2) absent any identifying marks, it is difficult at best to question GM witnesses about it. The staff report's endorsement of GM's alleged disclosure of PG 11106 was far too casual and unquestioning given the suspicious circumstances surrounding this "disclosure."

One of the questions commonly asked by plaintiffs' attorneys in product liability litigation is whether written records, including detailed testing and engineering documents, are in existence. In the case of the Corvair litigation this question was particularly pertinent since key documents consistently were not produced under court orders.

Your October 23, 1970 letter commented that higher level GM employees, in Corvair litigation depositions, had been inaccurate and misleading in suggesting that most written records of testing are routinely destroyed. If true, this might of course deter plaintiffs from demanding production of many basic documents.

As an example, you quote the questioning of Winchell by *Collins* plaintiff's attorney David Harney, who referred to the 1962 depositions (from the *Drummond* case) of Kai Hansen and Harry Barr, both management level GM engineers closely connected with the design, development and production of the Corvair.

Mr. Harney asked Winchell:

Q. As of 1962 it is correct that practically everything that had to do with testing of the Corvair had been destroyed by General Motors?

A. Not to my knowledge.

Q. Have you read the deposition of Harry Barr in which he said that was true?

A. No. I did not read that.

Q. Did you read the deposition of Kai Hansen in which he said that was true?

A. I did not.

The Ribicoff staff report states:

"We questioned Barr and Hansen closely concerning their depositions in the *Drummond* case. Both denied under oath making the statement attributed to them by the plaintiff's counsel. We also obtained copies of their depositions and reviewed them. We could find nothing in them to support the contention of Mr. Harney, plaintiff's counsel. In fact, Hansen testified that some of the engineering reports were still in existence (p. 86), and the record shows that a number of such documents were presented to the plaintiff at the deposition" (p. 87).

We looked first at pages 86 and 87 of the *Drummond* depositions to confirm the staff report description, and to our surprise found Hansen saying the following:

Q. Are those reports [professional and engineering reports] still in existence?

A. Some of them are, yes.

Q. Well, some of them are and some of them aren't?

A. Yes.

Q. What happens to those that aren't?

A. We have an incinerator. We burn them after they have served their purpose.

Q. Do you have a policy as to how long you keep a report?

A. After they are of no use to us any more. It is our personal housekeeping rules.

Q. But some might be kept. Is that right?

A. Could be, yes.

Q. Kept for posterity?

A. Like these reports you see out here on the table.

Q. These are test reports?

A. These are formal reports in our operation.

Q. Any of these your reports?

A. I read them.

Q. None of these are dictated by you?

A. No.

We also looked at the depositions, albeit it quickly and without the opportunity to question Barr and Hansen. Kai Hansen, questioned by attorney James Dumas, testified at page 98:

Q. Are any reports that you have ever written on the Corvair, from 1957, when you first heard of these small cars and the Corvair, to the present time in existence now?

A. I don't have any and I don't think so. I think that all has been done away with in the house cleaning of this operation.

Q. House cleaning of what operation?

A. We have certain facilities in this area that are only limited and we only have so many drawers in the office. When they are full, we get rid of the stuff, now that we have the history established. These are only observations that were peculiar to the very moment you would make this observation. The same observation may change tomorrow and there will be another piece of paper to supplement.

And Harry Barr, being questioned by attorney Harney, testified at page 134:

Q. To your knowledge does GM have a microfilm set up to make a permanent record of documents which are going to be destroyed, burned up, incinerated or in some other fashion disposed of?

A. Well, I think we protect our drawings and specifications in this manner somewhere in the Corporation.

Q. How about memoranda?

A. I believe not.

Q. Is memoranda periodically destroyed?

A. Yes.

Q. By memoranda I mean to include reports.

A. You mean like letters or things like that. Yes.

Q. I'm talking about reports also. Are they destroyed?

A. You have one in your hand there. That is evidence that all reports are not destroyed.

Q. Some are?

A. I believe many are.

Q. Periodically?

A. Well, the policy generally is to not keep things in your operation file more than a year.

Q. You mean after a year they are destroyed?

A. Generally.

Q. Who is in charge of that program? Is that each person's responsibility?

A. Yes, really.

Q. In other words, each executive secretary?

A. A secretary's responsible.

Q. And as far as documents and reports are concerned, when they are destroyed, to your knowledge, no microfilm is made at all or other copy preserved?

A. Not the ones around here. I can't speak for General Motors.

As seems evident, these GM witnesses clearly intended to leave the impression that many engineering and other reports and papers are disposed of once a car has been built. The staff report's flat assertion to the contrary is contradicted by this testimony. Apparently they did not read these other pages. In this case the materials were public to us, not secret as many other materials they excerpted from, and the shallowness of their research can be revealed explicitly.

As discussed, a favorite technical distinction made by GM's witnesses in Corvair litigation was between *lateral stability tests* and *rollover tests*. Where a plaintiff obtained an order for GM to produce lateral stability tests, the company, wrongly we believe, did not furnish rollover stability tests. (See Section on "Distinctions Between Various Types of GM Tests") Your October 23, 1970 letter at page 15 mentions the subpoena in the *Collins* case which required production of tests of "stability and handling characteristics of Corvair" but points out that PG 11285 (Rollover and Crash Test of 1959 Chevrolet and Corvair) was not produced by GM. The staff report explains that GM's judgment this rollover test was beyond the scope of the subpoena calling for stability and handling tests. Further, it misleadingly suggests that the court agreed to withholding the test and refused to grant a subpoena after its admissibility was fully argued to the court.

First, although GM counsel briefly referenced a *fixed steering rollover test* report on an undated film plaintiff's attorney obtained from another case, and said it was not being produced "on the theory that it is not pertinent to stability and handling characteristics," the transcript shows no explanation of this rationale—and it was far from obvious to anyone but GM. GM did not give dates, names or numbers for the few films produced in cases, thus hindering plaintiff's ability to accurately identify associated reports. In fact, after 30 pages of transcript debate over GMs failure to produce, plaintiff's attorney was still demanding handling and stability tests (having not yet received one by the opening date of the trial).

Second, the court does not refuse to grant a subpoena and exclude the test, as the Ribicoff report says. Rather, the court merely refuses to modify the subpoena (to its prior status) to include model year Corvairs other than the 1960 model like the one owned by plaintiff. At this point plaintiff's attorney indicates he will seek a new subpoena, apparently thinking GM's excuse for not producing test reports is that they perhaps do not pertain to the 1960 model. The judge's decision *not to amend* the subpoena was most likely the result of the sworn denials by a GM witness of the existence of stability and handling tests other than those already produced in the case. The decision in no way gave GM any discretion to withhold any test reports or materials other than the one test report in controversy—now known to be PG 11285 (Rollover and Crash Test of 1959 Chevrolet and Corvair). Such purposeful efforts to confuse and mislead do not offend the Ribicoff authors; they seem to consider it a necessary element of the adversary system.

Having decided that GM was not obligated to produce PG 11285 because it was a rollover test, the Ribicoff staff report indiscriminately concludes that "Based on this ruling, it seems likely that the other rollover tests cited in Nader's letter, such as 11106 and 12207, also would have been excluded by the judge." The withholding of these tests was an important part of your original complaint to Ribicoff and cannot be so easily dismissed. There is a significant distinction between PG 11285 (Rollover and Crash Test of 1959 Chevrolet and Corvair) and PG 11106 (Skid Pad Roll Test on Corvair Prototype) and 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension), although all three concern rollovers. The Ribicoff staff apparently does not realize that the rollover test in PG 11285 was one designed to evaluate *vehicle structure and occupant injury potential* (see SAE J857) while PG 11106 and 12207 were *dynamic stability rollover* tests. The difference is not insubstantial. The first is designed to test crashworthiness and the second to test a type of stability. Contrary to the hasty conclusion in the staff report, there is every reason to presume that the judge would have admitted the stability type rollover tests since the issue in the case was vehicle stability.

Most assuredly the distinction would not be lost on GM, as is evident from the transcript in the *Anderson* case. There, when asked about rollover tests, Kai Hansen, who directed the work on the Corvair chassis and then moved to Chevrolet engineering, gave the following testimony in response to questions about GM's rollover testing. (*Anderson* transcript, p. 1015):

A. Our main purpose in this test is to roll physically a car, to check on the physical strength of the body, the suspension, and every conceivable part of the vehicle.

Q. You are not directing your attention at what causes it to roll? You want to see what happens when it does roll?

A. That's right.

Q. Are there any tests you conduct for the purpose of determining what causes a vehicle to roll?

A. No. Our only rollover tests are those tests which are under standard procedure.

Hansen must have known better. Several of the Corvair tests were run specifically to determine what conditions are necessary for a Corvair to roll over, or what improvements would increase its rollover stability, such as PG 11106 (Skid Pad Roll Test on Corvair Prototype), 12207 (Skid Pad Rollover Test of Corvair with Heavy Duty Suspension), 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and 17103 (Corvair Dynamic Stability Tests). It is significant that Hansen had extensive experience in both R&D and in production engineering; thus, he could not then feign ignorance of the procedures, record keeping, or reporting in one or the other of these seemingly totally isolated parts of the corporation.

D. Anderson case

GM's behavior in hiding information from plaintiffs in *Anderson v. General Motors* differed in one significant way from *Collins*. There was virtually no pretrail discovery in *Collins* on the design defect issue, leaving plaintiffs little time to argue and probe for the missing test reports. In *Anderson* (and in *Franklin*), GM tried the opposite technique: it flooded the plaintiffs with hundreds of irrelevant documents made available only in Detroit (*Anderson* was tried in Clearwater, Florida). Although plaintiffs attorneys in both *Anderson* and *Franklin* searched diligently for days through the mass, they never discovered PG 11106, 12207, or any of the other key reports. Given their interest in finding just such critical Corvair studies, it is safe to observe that GM, in one way or another, did not make these reports available for discovery.

Your October 23, 1970 letter brought to Senator Ribicoff's attention one specific example from *Anderson* of GM's misrepresentations to plaintiffs; it referred to a passage from pages 4802–6 of that trial transcript where Winchell denied the existence of any written reports from testing and evaluation of 1960–1962 Corvairs. The staff report defends Winchell again under the bifurcation technique—i.e., since he directed Research and Development in Chevrolet Engineering, he therefore could not discuss test reports prepared by proving ground personnel for a parallel office, Chevrolet Production Engineering, even though they concerned his specialities: suspensions, handling, and stability. But to a person now knowledgeable of the existence of the long sup-

pressed proving ground reports, Winchell's evasions and attempts to mislead are apparent (see also previous section on Frank Winchell):

Voir Dire Examination

By Mr. Masterson:

Q. Mr. Winchell, were there Corvair automobiles involved in this testing?

A. Yes sir.

Q. How many?

A. Well, I tried to estimate that a moment ago. I think I—I couldn't say it very precisely, 12 to 24, in that area.

Q. Does it include 1960, '61 and 1962 models?

A. Yes sir.

Q. And were the results of your testing reduced to writing?

A. No. Our—our testing was a development, exploratory kind of work where we are seeking fundamental facts.

Q. And the results of these tests were not reduced to writing?

A. Not formal reports with—

Q. Well, was any of the data preserved?

A. Well, when you say "any of the data," I—I would be hard pressed to say. Our custom in this thing, I have to explain to you, Mr. Masterson, is—

Q. Well, my question was: Is any of the data preserved?

A. I can't—I can't say positively whether there was any or not. I presume there was some.

Q. Where would it be if it was preserved?

A. Probably in our Research and Development files.

Q. Of which you are the head?

A. Yes sir.

Q. Do you know whether it was preserved or not?

A. I can't really say, Mr. Masterson. It was——

The COURT. Are you telling us that you do a great deal of research and keep no records of what you find out?

A. Well, we don't—what I said is we don't issue any formal reports. When you are—when you are in the exploratory range of this thing you are not in a position to come to any conclusions.

The COURT. But do you keep any written records of what you find out each day or do you just try to keep that in your mind?

The WITNESS. No, we do note our results, and we meet and discuss them, and they are held for some period of time, but I couldn't tell you whether they are still in existence or not.

The COURT. All right, sir.

Further Direct Examination

By Mr. Nunez:

Q. Mr. Winchell, in that connection what is the—what is the usual procedure for—that is set in motion at Chevrolet—for doing something to or with an automobile that will result in a formal test report?

A. Well, the procedure is—originates with the—what we call the product engineer, the man who is responsible for releasing this component to production. He is called the Production Engineer. He writes a test order or a build order or a design order. If it is a test order, the test order goes to the laboratory head or the proving ground head. He assigns certain people to the conduct of the test, they meet and discuss what they are going to do. The test is conducted, and the produce (sic) engineer gets the—gets the facts from the test immediately, verbally, and then as a matter of record, if we think that that—that test has any use to us in future design work, or as a reference, a formal report is written by report writers under the direction of the test engineer.

The COURT. Do you keep any record of the tests that were made that you decided had no use to you so that you don't repeat the test the next month or next year?

The WITNESS. Well, our Research and Development Group, sir, is rather small, and we don't run that——

Mr. NUNEZ. Excuse me, Mr. Winchell, I think the Judge can hear you quite clearly, but I would——

The COURT. You face the Jury——

Mr. NUNEZ. Address your answers to me.

The COURT. So everyone can hear, then.

The WITNESS. We have—as I say, in this particular program I had about two engineers to start with, and I don't run the hazard of this thing being repeated by that personnel.

By Mr. Nunez:

Q. Well, you were telling me about a particular device that makes a record on a—on a running piece of graph paper, some kind of paper.

A. Well, Mr. Masterson asked me specifically—

Mr. MASTERSON. May I ask that the witness respond to the Judge's question? The Judge asked you if you preserved data so that you don't repeat the test which was not useful to you.

The WITNESS. Well, I can't give just a yes or no answer on that. Sometimes we do, and sometimes we don't. I say, if—if, in our opinion, we think it has some influence on our future conduct we keep it for some period of time. If we don't think so, we don't keep it.

The COURT. Proceed, Mr. Nunez.

The WITNESS. Could I say something by way of explanation here?

The COURT. Yes, sir.

The WITNESS. In writing a report that is going to be useful to engineers of, say, three or four or five years hence, it has to be a very comprehensive report. Just to—to supply him with a data sheet of some measurements you've taken doesn't necessarily do him any good. And what I'm trying to say is the composition of a very comprehensive report that an engineer some five or six years hence or farther can make use of, requires a good deal of effort by the reporting engineer. And so we don't bother with things that we don't think have that kind of value in research and development.

By Mr. NUNEZ:

Q. All right. Did any of the—the data that you gathered in your testing and evaluation of vehicle handling back in the 1960 through 1962 era, was any of it resulted into any sort of formal form or written form or a form which would preserve the information that you derived from those tests?

A. Not to my recollection.

This exchange should help disabuse anyone of the alleged courtroom candor of Mr. Winchell.

The staff report, other than its offhanded dismissal of PG 15699 and 17103, did not ask whether GM had an obligation to submit documents, such as proving ground reports and films, which were covered by the court order in *Anderson*. Nor did the staff investigators talk with Barney J. Masterson, the plaintiff's attorney. If they had spoken with all the principals involved, their forgiving attitude toward GM might have been less facile. Mr. Masterson told us of his deep frustration in attempting to get any reasonable response from General Motors and of his many useless trips to Detroit to review the avalanche of irrelevant materials provided during discovery.

Mr. Masterson specified that on one occasion, when the trip to Detroit was particularly fruitless and frustrating, he petitioned the Florida Sixth Circuit Court to fine GM the cost of the trip for having wasted his time, and the court agreed. Masterson said that the GM counsel then asked him, as a favor, not to collect the money because it would embarrass him with his employer. Since the amount was trivial and the counsel had promised to cooperate thereafter, Masterson agreed. To his shock, after the jury found in favor of GM, Masterson ironically reports that "They [GM] tried to tax me with $80,000 in costs, which was ridiculous."

Another example of GM's avoidance techniques emerges from the interrogatories in *Anderson* dated March 23, 1965. Plaintiff asked:

"Q. 33. Did General Motors Corporation ever conduct any tests trials of the Corvair Automobile [sic] and Corvair Monza Automobile whether for evaluating performance, durability, or handling qualities of said automobiles, during which they were either deliberately or accidentally overturned or rolled over?

"A. Yes.

"Q. 34. If the answer to interrogatory No. 33 is in the affirmative, please state with particularity the details of such occurrence and General Motors Corporation explanations for such occurrences.

"A. See answer to 15 above."

Question 15 concerned support tests for the tire recommendations in the section on tire care in the Corvair Owners Manual. The answer to it stated, with an obvious absence of "particularity [and] details."

"Written reports, memoranda, studies, and test data including numerous moving picture films have been produced by General Motors Corporation for plaintiff's inspection."

E. Franklin case

Of *Franklin v. General Motors*, Wager and Koskinen say, "we are unable to find fault with GM's conduct in this litigation." We wonder if they ever read the decisions of either the Illinois Supreme Court or the Cook County Circuit Court. Contrary to the staff report's characterization of the case—that the Illinois Supreme Court sustained GM's contention that the discovery subpeonas were invalid—the plaintiff, in fact, essentially prevailed on the discovery issue.

After extended and frustrating obstructions during discovery, the plaintiff filed a motion in the Spring of 1965 to show cause why GM should not be held in contempt for failure to comply with the discovery orders. GM did not relent—an action which indicated it was willing to risk default rather than produce the test reports called for in the discovery orders. The Circuit Court held GM in contempt for failure to comply with its discovery orders and struck GM's pleadings. GM filed a petition for writ of mandamus in the Illinois Supreme Court to expunge the discovery orders. This court reversed the Circuit Court, objecting primarily to the lower court's procedural actions in striking the pleadings (including contributory negligence and damages). The Supreme Court also objected to the absence of any showing of relevance by plaintiff in the discovery orders. But on the *crucial issue* of the *breadth* of the discovery orders, the Supreme Court found only one paragraph too broad. The Illinois Supreme Court opinion also harshly criticized GM:

"It is apparent from the voluminous record in the trial court that defendant [GM] did not exhibit an understanding of the spirit of the rules and *in many instances sought to obstruct the orderly process of discovery.*" (emphasis added)

Examples of GM's obstruction of discovery, taken from the plaintiff's brief to the Illinois Supreme Court, December 1965, follow:

"Plaintiffs specifically waived seeing any documents relating to the design and operation of the Corvair engine itself or on the creation or testing of interior appointments . . . and waived seeing all records from Fisher Body Division, Turnstedt Division or from Chevrolet's various assembly plants, including its Tonawanda plant, having pointed out they were irrelevant . . . General Motors rejected such a waiver and said it would produce all such records, unless plaintiffs withdrew from any further examination of records, claiming they were required by court order.

"General Motors refused to comply with the Court's order to make available an employee to testify about the source of the records and General Motors system of filing and record keeping.

"Plaintiffs waived seeing large numers of blueprints that it had found irrelevant; General Motors insisted on producing them anyway.

"Plaintiffs waived seeing particular motion picture films; General Motors insisted either on showing them over plaintiffs' objections . . . even to running the soundtrack so that it drowned out plaintiffs statements for the record to the reporter—or on converting a waiver of specific films into a general waiver of seeing any movie films at all.

General Motors refused to make copies of examined documents at plaintiffs' expense, in its own building, even though it regularly did such work commercially for others.

"General Motors agreed to allow copies to be made of documents as inspected. . . . Then once the plaintiffs made arrangements with a commercial copier, General Motors repudiated the agreement and refused to allow any copies to be made until after all production was concluded.

"Plaintiffs' counsel repeatedly requested production of the specific documents concerning suspension systems and weight distribution, all as enumerated in the numbered paragraphs of the May 13 order and proceedings. Thus at the outset plaintiffs' counsel stated to General Motors' house counsel . . .:

" 'Mr. Davidson: I will repeat, Mr. Adkins, that we don't wish to add General Motors burden in any way here; that we would simply like to get those records that it is essential that we see in connection with our litigation, and that involves matters that, as you know, pertain to the stability of the car, the rear end, the suspension system, the camber, items of that general nature. . . .'

"General Motors, however, instead insisted upon producing every Corvair record it could find, allegedly to comply with the . . . order. . . .

"General Motors thereupon produced large volumes of documents, involving copious tests of speedometer cables, horns, generators, windshield wipers, air inlet volume, air and gasoline heaters and defrosters, generator mounts, octane tests, oil pumps, hydraulic valve lifters, fuel pumps, crankcase ventilation, camshafts, oil pan and oil leakage, heater blower switches, oil switch durability, gas tank meter accuracy, turn signals, bucket seat installation, engine noise, heater noise, exhaust emission, fly wheels, power glide transmission, headlamps and voltage regulators, compression ratios, engine temperatures and engine compartment tests, as well as numerous other engine and accessory items. . . ."

When we talked recently with Mr. Louis Davidson, the plaintiff's attorney in *Franklin*, he noted that neither Wager nor Koskinen had contacted him or any of his associates. After hearing the staff report's evaluation of the case, Davidson told us "absolutely they should have contacted me, especially before characterizing GM's conduct as being without fault in the *Franklin* case. GM's tactics were clearly obstructionist and were so recognized by the courts."

Following action by the Illinois Supreme Court, plaintiff got new discovery orders from the Circuit Court which avoided the objections relied on by GM for invalidating the prior orders and clearly called for production of PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and 17103 (Corvair Dynamic Stability Tests). It was only at this point, when clearly boxed in by the court rulings, that GM began to make serious overtures to settle the case. The case was not settled, as the Ribicoff staff report implies, because of a reversal of plaintiff's motions, but because GM was not willing to submit to discovery.

According to Mr. Davidson, the case was settled for "a very substantial amount" (it was about $250,000 according to other sources available to us), but *after* a figure was arrived at, GM successfully imposed two further conditions on Davidson: (1) that he never disclose the amount of the settlement and (2) that Davidson amend his complaint to eliminate any allegation or claim that the handling and stability was dangerously unsafe.*

The staff report contains the following statement about the production of PG 15699 and 17103 in the *Franklin* case:

"Almost contemporaneous with the trials [*Collins* and *Anderson*], GM *produced test reports* 15699 and 17103 for discovery in the *Franklin* case." (See discussion below) (emphasis added)

The staff report presents no evidence that these two proving ground reports were produced. And an authoritative document which indicates non-availability of these two reports is not mentioned. In its mandamus reply brief in *The People ex rel. General Motors Corporation v. Nicholas J. Bua,* Illinois Supreme Court, 1967, GM appended an extensive listing of every exhibit identified in the discovery proceedings in Detroit in the *Franklin* case. PG 15699 and 17103 were not listed.

Later in the staff report, the following statement about PG 15699 and 17103 appears:

"These documents would, however, have been required to be produced in the *Franklin* case. . . . The record shows that GM had *produced the test work orders* (the test instructions from the production engineer to the proving ground engineer) and *technical test reports which resulted* in PG 15699 and 17103. We also determined that both test reports were available for discovery." (emphasis added)

The "record" referred to in this statement is not identified, making impossible any evaluation of its accuracy. Also unexplained is why the test work orders and technical test reports which resulted in the proving ground reports—but not the proving ground reports themselves—are claimed to have been produced. Finally, Louis Davidson told us that when GM inundated him with materials, he and his engineer assistant combed the documents but never found a single rollover test report. If any of these test reports or test work orders were available in Wager and Koskinen's imagination, they were not available to a searching team of plaintiff's lawyers.

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*Amendments to the complaint to remove allegations of design and manufacturing defects as a condition of settlement is apparently a common practice at GM. In 1972 Mr. Edward Wolf, plaintiff's attorney in *Petry v. GM,* a Corvair carbon monoxide case in Philadelphia, told the Senate Commerce Committee under oath that not only was he forced to amend his complaint, but he was forced as well to turn over to GM all of his papers, including technical materials and depositions. As a result of this testimony, during which Senator Vance Hartke raised the issue as to the propriety of General Motors keeping from public view certain key depositions of GM engineers (who made significant admission as to the design of the 1961–1969 engine and heater systems and the passage of carbon monoxide into the passenger compartment), GM produced the depositions for the committee who made them public. *Subsequently, the NHTSA, which was investigating this safety defect, found the 1965 Corvair to be defective. GM then sent a safety defect notification letter to owners of all 1961–1969 Corvairs warning of the presence of carbon monoxide.*

F. Drummond case

The staff report states that you and Gary Sellers "unsuccessfully attempted . . . to prove suppression of documents and to secure a reopening of certain Corvair cases." As an example of this activity, the report states you wrote to Judge Bernard Jefferson (*Drummond* case) alleging suppression of documents and perjury at the trial several years earlier, and that "Judge Jefferson rejected the charges and refused to reopen the case, pointing out that Nader had no standing to raise such issues." These are inaccurate characterizations of your letter of July 8, 1971 to Judge Jefferson and what followed.

The letter to Judge Jefferson pointed out that (1) General Motors had widely distributed his *Drummond* opinion (in the thousands) and used it in press releases to answer charges about Corvair handling instability, (2) discussed a number of recent revelations about GM documents which contradicted GM's claims in court about the Corvair's safety, and (3) respectfully suggested that the Judge exercise his power to initiate an "investigation to determine the extent to which the proceedings before you . . . was distorted by suppression and perjury."

Your letter did not, as the Ribicoff staff report suggests, attempts to secure a reopening of the case. A proposed investigation of fraud on the court is quite distinct from a motion to reopen a case. And, it is of course the duty of any citizen, particularly a lawyer as an officer of the court, to produce information germane to any serious deception by a party in court, especially in a non-jury case where the judge rendered the decision, as in *Drummond.*

Judge Jefferson did not reply to your letter. To our knowledge he made no study or decision on the merits of the materials and references you supplied to him. Apparently, as described in the Los Angeles *Times* newspaper interview which is the sole source relied on by the staff report, Judge Jefferson construed your letter to be a request for reopening the case and on that basis commented he had no authority to do so. In that context he said that legal procedure would require the filing of documents in an adversary proceeding with both sides participating, not simply a letter from someone not directly connected with the case.

Whatever the merits of the Judge's response, it is clear that he was making a *procedural* point about *standing* and not a substantive decision on the issues. The staff report misses this obvious distinction and proceeds to mischaracterize the Judge's statements.

G. Porterfield case

Although *Porterfield v. General Motors* is a recent case and not related to GM's statements at the March 22, 1966 Ribicoff hearing, Wager and Koskinen considered this litigation "a major test of GM's good faith compliance with court orders." They admit that "[t]he interrogatories in the case clearly called for PG 15699, and it was listed in 1967, and actually produced in 1969. The lawyers and engineers assigned to the case at the time believed PG 17103 was not within the scope of the court order and accordingly did not produce it."

Based on the numerous contradictions we had found during calls to other plaintiffs' attorneys, we contacted the *Porterfield* plaintiff's counsel, Mr. Harlow Sprouse in Amarillo, Texas. After we read him the two paragraphs on *Porterfield* in the Ribicoff staff report, Sprouse complained:

"Obviously they have gotten their information on the *Porterfield* case from GM. It seems strange that nobody got the other side of the story. What angers me is how anyone could purport to study this case without looking at both sides."

Sprouse told us he never got PG 15699 or 17103 from GM. "There is nothing in any of

the papers that shows I got copies of either or them." Nor was he ever shown the films for these reports. In 1969, he said, he was allowed to look at the written report for 15699 in the office of GM's counsel but was permitted to make only handwritten notes on it. No copying machine was allowed.

Sprouse also volunteered that he has a six inch thick file of interrogatories, motions for sanctions, amended interrogatories and other materials just on discovery.

"My background, credentials—[pause] I'm to the right of Attila the Hun compared to the people in your office, but GM lied to me and used all kinds of tactics to keep me from legitimate discovery.

"I caught them in lie after lie. It is all spelled out in the motions to the court. They would supply a document one at a time, and then deny that it existed or that it was covered in an interrogatory later. They were trapped in many lies in this series of maneuvers."

The Ribicoff staff report also describes how PG 17103 came to be produced in this case.

"Three years later [following production of 15699 in 1969], however, the case having remained pending, another GM attorney took a contrary view and argued within the legal staff that PG 17103 should have been produced. He also questioned the sincerity of of those who reached the earlier decision concerning the report. After a lengthy internal debate, the general counsel of GM, still believing the document was not called for, decided to produce it, "out of an abundance of caution." We closely examined all the individuals and documents involved in the case and concluded that GM's original judgment was honestly reached and justified on the merits."

The "internal debate" referred to in the staff report was more like an explosion. Given the seriousness of the matter, the staff report dismisses it lightly on the basis that the test report was eventually produced in the case. The GM attorney blandly described as having taken a "contrary view" made known his concern with GM's prior behavior in very forceful language, as the Ribicoff staff *files* indicate but the Ribicoff staff *report* does not. In his extraordinary letter of July 1970 appealing to GM Board Chairman James Roche, the GM attorney stated:

"Evidence has come to my attention that strongly suggests that since at least April 4, 1967, employees of General Motors Corporation have been guilty of a continuing suppression of evidence that may have criminal dimensions . . . .

"On Monday, July 20, I was told by Joseph Rozek of the General Counsel's staff that answers to interrogatories sworn to and filed in the name of General Motors in the captioned cases in April 1967 were incomplete in that they failed to list the most critically sensitive Corvair rollover proving ground test report, PG 17103, although its companion, PG 15699 (which reported earlier test runs in the same series), was included.

"In Mr. Rozek's company, I promptly arranged to see Nicholas J. Rosiello . . . . Mr. Rosiello agreed that if PG 17103 was called for under the terms of the Court order a lawyer's ethical obligation would require that upon such discovery of such an omission the lawyer take prompt steps to cure it . . . .

The key to GM's defense in this matter is in distinguishing between PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems), which was made available for reading but not for copying in this case in 1969, and 17103 (Corvair Dynamic Stability Tests), which was not. Since 17103 was a continuation of 15699, the burden certainly rests on those trying to show a difference. The staff report says that GM's original judgment was "justified on the merits" but the merits are not explained. In an effort to find a distinction, we asked Harlow Sprouse his view. He told us that GM had never offered an explanation, and merely listed 17103 (only after the aforementioned GM attorney's objection to Roche) on an amended answer to his earlier interrogatory in the fall of 1970. He told us: "There is simply no rationale for distinguishing them at all."

H. Use of court cases

Lastly, we cannot overlook the staff report's claim that you and GM "have misstated the decision in *Anderson* and *Collins*" in your case because you argued "that the cases could not legitimately be mentioned at all" at the 1966 hearing. When asked for a supporting citation, Mr. Wager referred to the following from page 5 of your October 23, 1970 letter to Senator Ribicoff:

"GM's testimony in February and March 1966 ncessarily was both an assertion by GM that they had testified accurately before the courts, and that they knew of no existing evidence which would rebut that testimony. To that extent, this testimony directly conflicted with GM's own internal documents, such as PG 17103, which were being withheld from Courts across the country, from the Michigan Senate Committee and from your U.S. Senate Subcommittee.

As should be apparent from this language, you did not argue that GM could not mention these two cases. To the extent the company did so, however, it had an obligation at the same time not to ignore documented information which it failed to present in those cases and which was obviously pertinent to the safety of the Corvair—such as PG 17103. Even assuming, *arguendo*, that GM had no obligation under law to produce the key proving ground reports in the *Anderson* and *Collins* cases, it certainly had that obligation before the Senate Subcommittee when it brandished those cases to illustrate the safety of the car. Therefore, the staff report mischaracterizes your language into something you did not say, and then proceeds to attack that mischaracterization.

All the reasons cited in "III. CORVAIR LITIGATION" demonstrate that the staff report is factually wrong in its conclusion that "GM did not engage in any fraud or deceit in its conduct of the *Anderson* and *Collins* or other cases we reviewed." GM's own techniques in successfully and unjustifiably suppressing the relevant Corvair proving ground reports clearly contradict the report's generous conclusion.

IV. . . . AND OTHER MYTHS

Scattered throughout the Wager-Koskinen report are various errors of fact or interpretation which have not yet been discussed but which should be corrected for the record. A discussion of some of them follows.

Dismissal of perjury against Roche

The Ribicoff staff report dismisses any possible perjury charge against former GM President and Board Chairman James Roche for his testimony at the March 22, 1966 hearings where he denied knowledge of GM investigations other than the one they ran on you.

Wager and Koskinen cite the 1966 Justice Department perjury investigation as concluding that none of the 26 prior Gillen GM investigations of individuals were of an intentionally harassing nature or of persons who criticized GM, and then cite the 1967–68 perjury investigation which considered the GM investigations of such groups as the Locality of Mayor's Committee of Harlem, N.Y. and John Volosin, a union official and former GM employee. The Department also dismissed the charge in 1968 concluding that the Nader investigation was "a complete background investigation of a General Motors critic," while none of the other GM investigations "were of an intentionally harassing nature or of persons who had criticized General Motors or one of its products."

In the *Ford v. GM case*, which arose out of the employment of Mrs. Patricia Pola to investigate the plaintiff's expert witness Paul O'Shea in the *Collins* case, the staff report argues that "Roche told us he did not know of the *Ford* case at the time he testified on March 22, 1966," that the statute of limitations has run on any possible offense, and that "it is evident from the Justice Department memorandum that, having found no grounds for prosecution in the Locality Mayors and Volosin incidents, it would find none here. Nor do we believe the subcommittee was misled in any substantial way by Roche's failure to inform us about the *Ford* case."

The first Justice Department inquiry in 1966 was exposed as a farce when it learned that none of the principal people involved were even interviewed by the Department (see exhibit Q). In its second try, the Department stated in 1968 that none of Gillen's investigations were of "persons who had criticized GM. . . ." This is in error. The Harlem community improvement group was investigated by GM because it was critical of alleged discriminatory employment policies of the company. The formal exchange of correspondence between GM and the antipoverty group clearly shows this complaint to be the sole stimulus in GM's hiring of Gillen to infiltrate the organization. Also, GM undercover investigations of UAW officials over the years, a practice well known in the industry, contradicts the Department's conclusion (see exhibit R).

In addition, it is difficult to accept the staff report's contention that Roche knew nothing about the *Ford* case. *Ford v. General Motors* was filed one month before Roche's March 22, 1966 testimony and was publicized in the press. Furthermore, at the March 22 hearing, Senator Ribicoff and Roche had the following exchange (which the staff report deleted with ellipses):

Senator RIBICOFF. Do you know that it is rare or unusual or does this take place without you even realizing it?

Mr. ROCHE. No, sir; I would know about it if it did take place, and we have been making very careful checks to ascertain what other investigations have been made, and other investigations have to do only with minor affairs. . . .

Thus, either Roche was oddly inept at his self-assigned task (knowing about any other complete background investigations such as the one on Nader), or he considers the employment of a prostitute to "keep her ears open" as a, so to speak, "minor affair," or, as seems most logically likely, he *did* know about *Ford* and its serious implications, but did not disclose it.

The staff assumption that every case is the same—if the Justice Department found no violation in case A it would automatically find no violation in Case B—leads to the unsupported conclusion there would be no violation in Roche's failure to mention the *Ford* case at the hearing because the Justice Department found no violation in his failure to mention the Locality of Mayor's and Volosin cases.

Other errors in the discussion of the *Ford* case include the staff report's accusation that both plaintiff's attorney Harney and GM's local counsel John Costanzo "confirmed that it was customary for them to use private investigators in cases against one another." In our conversation with Harney he said this statement "simply is not true." Harney explained, "I told them we have routinely hired detectives to investigate the accident in a case, but this does not pertain to undercover detectives to investigate the opposition."

Harney also took issue with the staff report's characterization that the *Ford* suit "(. . . was later dismissed in return for an extension of time for filing an appeal in another case, thus giving some indication of a lack of substance to the *Ford* case)." He

told us that he filed a motion to dismiss the suit because Ford did not suffer any permanent physical damage. "There was no bargaining with GM involved," he said.

New excuses for an old memo

The June 21, 1963 Winchell memorandum to Premo (see Wager and Koskinen exhibit 16) states, "If, in management's judgment, this car [the Corvair] must be as safe as the conventional Chevrolet, engineering must take the position that the swing axle is inadequate." This view has been excused by GM with the explanation that the conventional Chevrolet is, in turn, less safe than the Cadillac. Such an argument may appropriately apply to the issue of crashworthiness, where a less massive vehicle, such as a Volkswagen, will inherently be less safe, all other factors being equal.

It is engineering nonsense, however, to argue that small size or low weight is disadvantageous. The handling and stability of many smaller cars is considered acceptable and certainly as safe as the handling and stability of a contemporary Cadillac. The eventual and significant improvement in the handling and stability of the 1965 Corvair, using no technology that was not known by 1957 when the Corvair was being designed, exposes the illogic of GM's attempt to explain away this newly revealed memorandum.

Roll couple, roll center height, and roll resistance

The staff report's discussion of roll center height at the end of the section on George Caramanna (part IV, C) is (again) technically flawed. The roll couple of a vehicle suspension is determined by several factors, among them the height of the roll center. A high roll center increases the roll couple of a suspension. The roll resistance of a swing axle suspension such as the Corvair can be reduced by either lowering the roll center or by coupling the wheels; then, when one is raised, a downward force is exerted on the other, as was done on the 1964 Corvair suspension, Maurice Olley's 1961 paper, "Corvair Steering," showed the advantage of lowering the roll center of a swing axle both in reducing the roll couple and reducing the nonlinearity of the response of the swing axle (which he had criticized in his 1956 patent application). The staff report's claim that "the transition from understeer to oversteer of the 1960–63 Corvair was attributable to the roll couple distribution, and not the height of the roll center, ignores the influence of roll center height on roll center.

Standard precautions for auto testing

Wager and Koskinen (section VI, E) note that both Daniel Boone (GM's attorney in charge of general litigation) and Charles Simmons (GM engineer), were wearing crash helmets and seat belts in a Corvair demonstration run for lawyers and potential witnesses. This protection supposedly shows that the occupants expected that the Corvair might roll over (which it did). Judging from the elaborate precautions taken two years before Boone's rollover in the preparations of vehicles for PG 15699 (Rollover Stability Evaluation of Various Corvair Suspension Systems) and PG 17103 (Corvair Dynamic Stability Tests), seat belts and a crash helmet alone could hardly be considered evidence that a rollover was considered a distinct possibility. In fact, the wearing of seat belts and crash helmets is standard operating procedure any time a vehicle is driven for formal or informal testing or demonstration, and does not constitute any evidence that either Boone or Simmons "recognized the possibility that the car would overturn." In "The Investigation of Ralph Nader" (Arbor House, 1972), Thomas Whiteside chronicles Eileen Murphy's conversations and friendship with Daniel Boone; she indicates that Boone was disturbed by the Corvair, and thought GM should recall them, but apparently he did not expect them to so easily misbehave. Had he had an indication that it would roll over so easily, he presumably would have insisted on far more protection than can be given simply by a lap belt and crash helmet.

"Corvair supporters"—All auto racing buffs

All of the three individual, so-called "Corvair supporters" discussed in the staff report—Denise McCluggage, Bill Stroppe, and Mauri Rose—have been extensively involved in auto racing activities (as was Ray Caldwell, the Subcommittee engineering consultant). McCluggage puts the viewpoint of these people in perspective in describing the audience for whom she writes as a journalist:

"I think a non-car person plunging into the middle of that special world of the automotive media is in for a degree of culture shock. Articles are written in a jargon and they are written for the converted. They assume a certain position on the part of the readers to begin with."

McCluggage and Stroppe reveal their disdain of those who consider the automobile simply as transportation, or who are not interested in becoming "skilled drivers":

"The Corvair happened to be an oversteering car in a world of extreme understeerers. Still, I would not say that it was beyond the normal ability of the average driver under average conditions to drive reasonably well. (McCluggage)

"I prefer quicker steering . . . with faster steering it is easier to catch a back-end that is apparently intent on switching positions with the front. This, of course, assumes that the driver can tell when the car is breaking loose and what to do to catch it. (McCluggage)

"A rear engine vehicle is a little more susceptible to a slide of this sort [which caused the rollover of a Corvair being tested by Stroppe and his associates] than the conventional front engine automobile. . . . Drivers must be familiar with the vehicle and it's [sic] characteristics to overcome difficulties which might arise when operating the automobile." (Stroppe)

Wager and Koskinen fail to recognize the subtle distinction being made by these aficionados—that these buffs consider the Corvair acceptable only for drivers who have special skill or experience with its dangerous behavior. But the average driver is not a racing car expert. For this average driver, the Corvair is a very deceptive car. When driven gently, it understeers and generally drives like a smaller conventional Chevrolet. An innocent driver who is not warned by GM of the Corvair's Jekyll-and-Hyde handling characteristics may, to his or her horror, discover them too late to learn the skill alluded to by McCluggage and Stroppe.

The staff's quotation of McCluggage on the Corvair is completely out of context. Her tastes in automobiles were based on her racing experience and her special appreciation of particularly responsive cars. Her experience was also not on a standard Corvair, but a highly modified one. Although she is not specific about most of the modifications, she notes that the rear wheels had "three degrees of negative camber in the rear wheels," which she regarded as being both necessary for the kind of driving she was doing in the ralley, and an improvement in the handling under hard cornering. McCluggage noted that she had never driven a normal Corvair in the same way so that she did not know how it would react.

McCluggage also admitted that she thought that Chevrolet could have done better with the design of the Corvair, but did not simply because of cost, refuting another myth of the Ribicoff staff reoprt.

GM misconduct case before Michigan State bar

The staff report characterization that "after review, the board dismissed the complaint" by Mr. Gary Sellers is misleading. For there was no effective review of the complaint. Sellers charged two GM attorneys with misconduct: Adkins in the matter of *Veatch v. General Motors* and Rozek in the matter of *Stetter v. General Motors*. He alleged that the two attorneys filed false answers to interrogatories by failing to produce certain microfilm records (which became public in 1971 after discovery by some junk dealers) which GM previously claimed "did not exist." In this complaint he was joined by Professor Fairfax Leary now at the University of Pennsylvania Law School. Stating that they would be bound by the Board's decision, Sellers and Leary requested that the Grievance Board ask the GM attorneys a series of questions concerning the suppressed evidence. These questions, however, were never asked of Adkins and Rozek, and the decision to dismiss the case was based solely on the presentation of the facts in the cases by the GM attorneys. Thus, while there was a review of the facts which GM presented to the courts, there was no review of the complaint itself, i.e., the facts which GM supressed from the courts.

In *Veatch v. GM*, the court did deny the plaintiff's request to impose sanctions on GM for the failure to produce the microfilm—because the only consideration which the court found relevant was whether the documents would have changed the outcome of the case. Since the case was decided in favor of the plaintiff, the court held that the withheld microfilms would not have "caused a different result to ensue," a decision which again did not speak to the issue in the Sellers-Leary complaint before the Michigan State Bar.

David Lewis on corporate knowledge of Corvair defects

The staff report deals at length with the incident related by David Lewis, a former staff member in the General Motors public relations office and now a professor of Business History at the University of Michigan. Lewis brought to our attention the Corvair accident in December 1959, three months after the Corvair was first marketed, involving Cyrus W. Osborn, the son of Cyrus R. Osborn, executive vice president of GM in charge of engine divisions and overseas operations. According to Lewis, the senior Osborn ordered a thorough investigation of the role of the Corvair in the accident in which his son was permanently crippled.

Wager and Koskinen state that, although they questioned very relevant GM lawyer, engineer and executive about these events, they learned nothing. Then, they say, "At our request, GM conducted an internal investigation of Lewis' charges . . . All of this [10 GM employees being asked about the matter and the searching of 5 different files], we were informed, yielded nothing." Two other unrelated Corvair studies, one of an accident involving the son of a proving grounds employee and another involving tests for litigation, are then mentioned by the Ribicoff staff as reports which Lewis might have remembered and mixed up with the Osborn case.

The staff report's dismissal of the leads provided by Lewis' story is symptomatic of the staff investigation's defects. First, GM was asked to conduct an investigation of itself for the Ribicoff staff, and obviously took full advantage of the opportunity to produce red herrings. Second, there was no apparent independent attempt by the Ribicoff staff to look outside GM for any corroboration of Lewis' knowledge. Third, and most important, there apparently was no inquiry into whether high level GM officers, who might not have been persuaded before, became knowledgeable after the 1961 Osborn accident about the Corvair's deficiencies. Fourth, the staff never cross-checked the GM version with Professor Lewis, thereby again letting GM define and control the limits of their inquiry.

In response to our invitation to comment

on the Ribicoff staff report, Lewis related the following. Sometime in early 1961, William Hamilton, then GM Vice President of Public Relations, reported at a meeting of the Public Relations Planning Committee (of which Lewis was Secretary) that the engineers at the GM Technical Center had discovered instability deficiencies in the Corvair similar to those later pointed out in "Unsafe At Any Speed." As Lewis recalls, these findings resulted from testing done at the GM Tech Center because of the Osborn accident. Hamilton told the PR Planning Committee that it would take approximately eighteen months to repair the defects in the Corvair, but when asked what GM was going to do about presently defective Corvairs, Hamilton, in the presence of Lewis and others, repeated the statement made to him by the GM legal staff: "We aren't going to do anything. We are going to ride this out."

We asked Lewis if he knew anything about the elusive Corvair study done at the Tech Center following the Osborn accident. He said he was told that the defects in the Corvair had been confirmed in tests done at the Tech Center. At that time the Tech Center was under the direction of Charles A. Chayne, GM Vice President in charge of Corporate Engineering.

Lewis suggested that we contact Dan Cordtz of Fortune magazine because Cordtz had become interested in the Osborn accident in the Spring of 1966 and contacted Charles Chayne about it. Cordtz told us that when he asked to see the Osborn report, Chayne said that it was a private report for Mr. Osborn. Because he could get no further information on the matter, Cordtz did not include the incident in his August 1966 Fortune article on the impacts of the auto safety debate at GM.

We also contacted Charles Chayne, but he said he "would not talk to anyone from Nader's office." He was not even contacted by the Ribicoff staff, however.

Lewis told us he was not surprised GM's internal investigation for Wager and Koskinen had yielded nothing. He said that the individuals listed by the Ribicoff staff report has having been interviewed by GM included only engineers from the engineering division of Chevrolet which is a separate division from the GM engineering staff which Chayne headed. Thus, Lewis thought they probably would not know the details of the secret Chayne study. Aside from GM's obvious disinterest in finding the Osborn study, it seems that Hamilton, one of the few people who might confirm the 1961 PR staff meeting, died sometime after GM had interviewed him for the Ribicoff investigators. Also, the only other person at that meeting who GM indicates was interviewed was Thomas Groehn. He also died shortly after his interview by GM. Notes of this meeting were taken by Lewis, in his capacity as Secretary to the PR Planning Committee; but, in keeping with the committee's policy, they were "purposely skimpy—a skeletal outline for review at the next meeting." He doubts that these notes have been retained by GM.

Lewis also was not surprised the Osborn family denied knowledge of the investigation (Mr. Osborn Senior is now dead). "Even when flesh and blood are involved," says Lewis, "the GM employee's loyalty to the organization is such that he and his family would be reluctant to say anything against the organization."

At this point in time, two years after the Ribicoff staff has alerted GM to their interest in the Osborn case, and subsequent to the deaths of several knowledgeable people, it is difficult to prove that GM personnel conducted a study of the Osborn accident. What is clear, according to Lewis, is that Hamilton reported the GM findings of Corvair defects to the PR Planning Committee in early 1961, by which time a corporate decision had been made "to ride this out." "I don't need the notoriety," adds Professor Lewis, 'but if there's no other way, and if it's necessary, I will take a lie detector test."

V. IN CONCLUSION

Based on our analysis of the serious deficiencies of the staff report, and based on additional research which corroborates the charges in your letters to Senator Ribicoff, we must conclude that (1) the staff report is a presumptuous whitewash—one sided and excessively incomplete in its investigation, biased in its approach, and simply wrong in its conclusions and on many of the technical issues and (2) GM did in fact mislead the Subcommittee about the Corvair's safety.

(a) The staff report reflects heavy dependency in its secret GM contacts and shoddy NHTSA testing. Whenever it came to a critical determination, it used any explanation plausible, to exonerate the Corvair manufacturer and the people involved in covering up the car's defects. But dependency discourages balanced investigation, as this staff report confirms. For example, we found to our dismay that key figures in this controversy were never interviewed or contacted even though they were readily available to cooperate:

B. J. Masterson (plaintiff's attorney, Anderson).

Lou Davidson (plaintiff's attorney, Franklin).

Harley Sprouse (plaintiff's attorney, Porterfield).

Judge Jefferson (Drummond).

Judge Bua (Franklin).

Charles Rubly (Staff Engineer, Corvair and Chevy II Chassis).

Charles Chayne (Vice President in charge of Corporate Engineering, ret.).

Dan Cordtz (writer for *Fortune* magazine who investigated Osborn incident in 1965–66).

Walker Sandbach (Executive Director, CU).

Robert Knoll (Head, Auto Test Division, CU).

Edward Heitzman (technical expert concerned with Corvair handling).

Ralph Smith (technical expert concerned with Corvair handling).

Albert Fonda (technical expert concerned with Corvair handling).

Dimitry Sergay (technical expert concerned with Corvair handling).

Gordon E. Freitag (Ford test driver, 1959 Ford Falcon-Corvair test).

Maurice J. Kaiser (Ford test driver, 1959 Ford Falcon-Corvair test).

Also, the staff investigators were seriously handicapped by their lack of familiarty with the technical issues involved. Thus, the staff report can simply not be taken seriously as a piece of investigative scholarship or advocacy.

(b) GM effectively told the Subcommittee that the Corvair was a safe car because two jury verdicts said that the Corvair design was not the cause of particular crash injuries. Even Wager and Koskinen call this a stretching of reality. For at the time of its development and shortly thereafter, GM conducted valid tests which clearly showed the Corvair to be a dangerous and defective product. By a variety of obstructionism and chicanery, the GM legal staff not only hid these tests from court view, but it also exerted a variety of unseemly pressures on plaintiffs' attorneys to drop or settle Corvair cases. This is clear from our references to internal GM documents and to our discussions with those who GM intimidated and deceived. Thus, far from exercising "corporate responsibility," GM violated its public trust in the most fundamental way possible: it knowingly manufactured a dangerous product and cashiered the damaging evidence.

EXHIBIT A

DECEMBER 16, 1964.

To: Mr. A. F. Power, G.M. Legal Staff.
Attention: Messrs. D. Boone, E. Adkins.
Subject: Qualification of Expert Witnesses.

Per our discussion Mr. Passon will supply twelve copies of the following material to Mr. Adkins. Items one and two will be available December 16, 1964, and item three as soon as copies can be obtained from the Proving Ground.

1. On chart of physical data, including weights and weight distribution, physical dimensions, recommended tire pressure.

2. A chart showing roll center heights and roll couple distribution.

3. The following GM Proving Ground reports:

PG 9830—Roll Rate Test. 1958 Renault and Volkswagen.

PG 13468—Static Ride and Roll Rate. 1961 Corvair.

PG 17467—Static and Dynamic Ride Rate, Static Roll Rate, Static Ride and Roll Steer, Roll Center Heights, Center of Gravity and Moment of Inertia. 1964 Corvair.

PG 18201—Static and Dynamic Ride Rate, Static Roll Rate and Steer, Roll Center Heights, Center of Gravity and Moment of Inertia. 1965 Corvair.

PG 18759—Static and Dynamic Ride Rate, Roll Rate, Roll Steer, Roll Center Heights. 1965 Chevy II.

PG 17127—Skid Pad Roadability Tests. 1963 Porsche.

PG 14737—Skid Pad Roadability Tests. 1962 Corvair.

In addition, the following cars will be ready for evaluation at the Desert Proving Ground on January 5, 1965.

1965 Chevy II.
1965 Corvair.
1964 Corvair.
1961 Corvair.
1961 Volkswagen.
1961 Renault.
1962 Fiat.
1961 Porsche.
V8 Corvair.
R & D Chevelle.

Each vehicle will be equipped with an accelerometer. I have made arrangements for Mr. R. Beinke of Chevrolet Research and Development to be in Phoenix beginning December 28, 1964, to be certain that instruments and cars are in order. The V8 Corvair has been added to the list because it demonstrates conclusively that a 70% rear weight distribution is stable. The Chevelle has been added because, with this car, disconnected alternative front and rear stabilizer bars, we can convert a good neutral steering 50–50 weight distribution to both oversteer and understeer without a change in weight distribution.

It is our recommendation that we merely release these cars to the witnesses to do with as they see fit. I do not think that we should set up any specific problems for them or do I think that we should make any demonstrations. There is no inference that I know of in any of the allegations familiar to me involved loss of control while driving the car at *normal speeds on normal roadways*. I do not think that these witnesses will voluntarily subject themselves to high lateral accelerations and incipent loss of control, and certainly think we should not urge them in this direction. It should be recognized that there is no way to *eliminate* the possibility of an accident.

I think it would be to our advantage to subject them to a blindfold test of tire pressures and front ballast.

I understand that Mr. Milliken of Cornell Aeronautical Lab will be present, and I have made arrangements for Mr. Hall to be present. Mr. Hall will do no test driving. He and Mr. Milliken will merely constitute authorities in their fields. Mr. C. Simmons and myself will also be present.

I understand that the evaluations will have been completed by January 8, 1965.

F. J. WINCHELL,
Research and Development.

CHEVROLET MOTOR DIVISION,
Detroit, Mich., December 18, 1964.

Mr. A. F. POWER,
General Counsel,
General Motors Corp.,
Detroit, Mich.
(Attention Mr. E. Adkins)

Attached are twelve (12) copies each of the following G. M. Proving Ground reports:

PG–9830. Roll Rate Test. 1958 Renault and Volkswagen.

PG–13468. Static Ride and Roll Rate. 1961 Corvair.

PG–17467. Static and Dynamic Ride Rate, Static Roll Rate, Static Ride, and Roll Steer, Roll Center, Heights, Center of Gravity, and Moment of Inertia. 1964 Corvair.

PG–18201. Static and Dynamic Ride Rate, Static Roll Rate and Steer, Roll Center Heights, Center of Gravity and Moment of Inertia. 1965 Corvair.

PG–18759. Static and Dynamic Ride Rate, Roll Rate, Roll Steel, Roll Center Heights. 1965 Chevy II.

PG–17127. Skid Pad, Roadability Tests. 1963 Porsche.

PG–14737. Skid Pad, Roadability Tests. 1962 Corvair.

These are being supplied per your request in connection with the program at the Desert Proving Ground on January 4–5, 1965. You have received all other data as an attachment to Mr. F. J. Winchell's memo to Mr. A. F. Power, dated December 16, 1964.

P. J. PASSON,
Product Analysis and Evaluation.

EXHIBIT B

DECEMBER 13, 1972.

To: National Highway Traffic Safety Administrator.
From: Associate Administrator, Motor Vehicle Program.
Subject: Corvair Handling.

At the time of release of the Corvair Handling investigation report, accompanied by a decision of no defect and the subsequent placement of backup data in the public file, there was some miscellaneous data that had not been indexed since it was not considered valid for the investigation. Typical of this data were the results of the pilot program, instrumentation errors, incorrect procedures and noncomparative tests. A summarization of this data is attached hereto. As I discussed with you earlier, it is not believed that any of the information gives cause for modification of the "Corvair Handling" decision. In fact, the decision is enhanced by some of the data. However, this letter is to better acquaint you with this information."

The pilot test program was run for the purpose of validating the test procedures. Once established, the procedures were the same for all vehicles tested. The pilot program was conducted using the 1962 Falcon to avoid any inference that the procedures were tailored to favor the Corvair. The results of the tests subsequently used on all the vehicles has already been indexed. The data from the tests not used are included in this miscellaneous data.

All of the comparative Steady Turn Braking, Smooth Road tests were made in a right turn. The initial Corvair tests were run turning to the left. The left turn series on the Corvair was completed and then rerun turning to the right for the test report. Since they were not significantly different, the left turn results are included in this miscellaneous data.

As in any test program, some of the test data generated is obviously invalid, i.e., instrumentation failure, improper test conditions, etc. The strip charts for these invalid test runs were retained and placed with the miscellaneous data.

At the conclusion of the Corvair Drastic Steer-Drastic Brake comparative tests, it appeared that the results were not the same as the HSRI Corvair tests. Therefore, unofficial tests were run with the load condition similar to the HSRI tests. This resulted in the Corvair being 615 pounds lighter than the fully loaded comparative tests. At the start tires removed from earlier tests because of wear were used since no new tires were available. The manufacturer's recommended tire pressures were used. On two tests outrigger contact was made. However, in both cases outrigger contact could not be duplicated. Attempting to better understand the results, the tire pressures were changed to 28 psi front and rear which according to some authorities could make the condition worse. Following calibration tests new tires were obtained and installed and the original tests repeated, only now with new tires and 28 psi tire pressures. No outrigger contact was experienced.

Although not originally considered part of the Corvair handling tests, the results confirm two decisions made during our investigation. First, tests run with tires worn significantly by limit maneuvers as contrasted to normal driver-highway wear yield invalid results. This was recognized in our comparative testing and is completely substantiated by reports just received of testing conducted for the Research Institute. Second, our decision to accept Mr. Nader's suggestion to conduct the tests in the fully loaded condition to obtain valid comparative information was sound. When the Corvair was tested in the same way as during the comparison tests, except for weight, the results were the same.

Throughout the tests, photographs were taken to document the various vehicle configurations including the as received condition of the Nader recommended 1963 Corvair. These photographs were among the miscellaneous data.

With your concurrence, it is our intention to continue with our plan to complete indexing all of the above miscellaneous data and placing it in the public file along with a description of the material contained.

ROBERT L. CARTER.

EXHIBIT B1

AUGUST 9, 1972.

HON. JOHN VOLPE,
Secretary of Transportation,
Washington, D.C.

DEAR MR. SECRETARY: We have read the report of the National Highway Traffic Safety Administration (NHTSA), *Evaluation of the 1960–1963 Corvair Handling and Stability* and the *Panel Evaluation of the NHTSA Approach to the 1960–1963 Corvair Handling and Stability*. This purportedly complete and exhaustive investigation into the Corvair's handling and stability is both defective and deceptive.

The tone, wording, and approach of the report make it obvious that the investigation was not carried out with proper scientific integrity and completeness, but was rather done for its potential propaganda effect against critics of both the Corvair and the NHTSA. Thus the NHTSA expressed a preference for preserving its close relations with General Motors and its president, Edward Cole, over exercising its responsibility to the segment of the public which is endangered by the Corvair's defects.

The reports, released July 30, 1972, raise far more questions than they answer both about the subject Corvair and the NHTSA's belated and prolonged investigation into it. As you know, we have asked Senator Warren Magnuson, Chairman of the Senate Commerce Committee to conduct a thorough investigation into this matter. In the meantime, questions and comments are submitted which are suggested by the NHTSA's reports. I would appreciate a reply to these questions at the earliest convenience of your Department.

INPUT-RESPONSE TEST PROGRAM—TEXAS TRANSPORTATION INSTITUTE

1. The position of the NHTSA is apparently that the GM proving ground tests "do not represent conditions that would be experienced in the practical driving environment." a) Why did the NHTSA choose similarly non-representative conditions and maneuvers for the tests at Texas Transportation Institute? b) What was the NHTSA trying to determine with the TTI tests? c) Did the NHTSA have any objective criteria for these tests before they were begun which would have allowed the NHTSA to differentiate between defective and non-defective handling properties? d) Was the NHTSA looking primarily for rollovers as evidence of defective handling and stability?

2. The NHTSA further discounted the value of the GM proving ground tests "because the vehicles used in these tests were in various states of test modifications" (these modifications being minor changes to the shock absorbers, spring rates, rebound travel, and so on)*. a) Why was the NHTSA satisfied that the equally extensive changes between the 1960 and 1963 models were so insignificant that a 1963 Corvair could be taken as representative of all the 1960–63 Corvairs? b) Did the NHTSA determine that the differences between body styles (sedan, coupe, convertible, station wagon, and bus-van) would also not affect the handling and stability of these various vehicles?

3. The NHTSA stated that the tires used were "as close to the original O.E.M. specifications as possible." a) What does "as possible" mean? Sloth, indifference or negligence of NHTSA? b) What were the exact differences in cord materials, numbers of plies, rubber compound (such as the amount of polybutyldiene) between all types of O.E.M. tires used on the Corvair between 1959 and 1963, and the tires used in the TTI tests? c) To what extent did the NHTSA investigate the differences in the 1960, 1961, 1962, and the 1963 Corvair O.E.M. tires? d) Why was there no disclosure of this important point? What attempts were made to obtain 1959–1963 tires?

4. a) Why were the vehicles in the TTI tests tested only while fully loaded, a condition which probably gave the Corvair significantly better handling and stability? b) In the Corvair, what was the change in the position of the center of gravity with the added weight? c) Did this change in the center of gravity coinside with the change that would occur when the vehicle held six passengers and their luggage? d) Why were no tests done to determine if, in fact, the fully loaded configuration was the one most likely to show the worst handling and stability characteristics of the Corvair as seemed to be assumed by NHTSA?

5. In the report of the TTI work, it was noted that in the Drastic Brake maneuver, the following statements are made: "The sequence of inputs was that which HSRI concluded was most apt to place a vehicle in a rollover mode," and "By varying the magnitude and timing of inputs described above, an effort was made to induce rollover in each vehicle tested." The speeeds at which these tests were carried out were 40, 50, and 60 miles per hour.

It is further noted that in none of the TTI Corvair test runs was there a rollover (that is, there was no outrigger contact in any of the test maneuvers). a) In view of the fact that the Highway Safety Research Institute (HSRI) was able to easily, consistently, and violently roll their 1961 Corvair against its outriggers (a simulated rollover) with the same test equipment used by

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* Not incidently, the changes made in the Corvairs used in the GM Proving Ground tests were all designed to improve the handling and stability of the cars being tested.

TTI, wasn't this sufficient evidence that either the TTI Corvair was not typical or that the test conditions were not adequate to determine if the Corvair exhibits defective handling and stability? b) Did the NHTSA even consider this possibility before completing the TTI tests?

6. All testing and analysis referred to in the TTI report was carried out on high friction surfaces. Although such surfaces would be expected to maximize the probability of a vehicle rollover in a given maneuver, it would minimize loss of control due to directional instability caused by lateral skidding. Since loss of vehicle control without rollover is viewed as a major cause of Corvair crashes, was there any attempt to assess either the Corvair's performance on high friction surfaces and the more usual lower friction surfaces?

7. General Motors gives vehicle owners no warnings that Corvairs should be driven only with tires having more than 80 percent of their original tire tread. The NHTSA, in Motor Vehicle Safety Standard No. 109, indicates that a tire with as little as 1/16 inch of tread may be considered safe for normal use. (This is the depth of the required tread wear indicator.) Given these facts, why were the TTI tests restricted to the use of tires with more than 80% of their new tread depth?

8. How did the NHTSA determine that the shock absorbers "obtained through local dealers" were identical with the O.E.M. shock absorbers, and did not reflect either normal product improvement or differences between O.E.M. parts and replacements parts which are common in shock absorbers?

9. In the conclusions to the NHTSA Evaluation of the Corvair, it states, "For many of the tests the plotted data indicated that the Corvair performance fell between the Valiant and Falcon on one side and the Volkswagen and Renault on the other side." a) If the much more hazardous Volkswagen and Renault had not been included in the tests how much worse would the Corvair have been overall than the two remaining contemporary cars? b) Would the conclusion of the NHTSA have been different in this case? c) Why were the Volkswagen and Renault included in the tests in the first place?

PANEL EVALUATION

10. (a) What criteria were used in the selection of the Panel for the evaluation of the NHTSA Approach to the 1960–63 Corvair Handling and Stability? b) Why wasn't it considered a conflict of interest to have on the panel to evaluate the NHTSA's performance, a man who is currently under contract with the NHTSA (Dr. Wright)? c) Was consideration given to the likely biases concerning vehicle handling and driver skills of a man whose career and dedication has been to auto racing (Mr. Caldwell)?

11. (a) How many man-hours were spent by the three panel members in their evaluation of the NHTSA's approach to the Corvair handling and stability? b) What professional assistance was given the panel, and to what extent was the raw material used in the investigation summarized for the panel?

12. The charge given to the panel was to review the pertinent materials in this case, and to "Arrive at joint panel findings, conclusions and recommendations about past and future NHTSA programs for evaluation of the 1960–1963 Corvair handling and stability." a) Since the panel limited itself to recommending that no further testing be done on the Corvair, that the NHTSA develop minimum vehicle handling standards, and that better accident statistics be collected, is the NHTSA satisfied with the panel's performance? b) Further, since it was not in their official charge, by what authority did the panel findings regarding the Corvair itself? c) Why did the NHTSA require "joint panel findings" rather than allowing for possible dissenting opinions on the panel?

MAKE-MODEL VEHICLE CRASH DATA

13. In considering crash data, equal weight was given to the early rollover data of Cornell Aeronautical Laboratories (CAL) and the off-road, single vehicle crash data from the North Carolina Highway Safety Research Center (HSRC). a) Why wasn't Dr. Campbell of HSRC asked for his latest data which are considerably more up-to-date and statistically valid? b) Since rollover must be preceded by a vehicle's going out of control, why was rollover considered equally significant with single vehicle, off-road crashed which is probably a large class?

Dr. Campbell's most recent data on off road crashed for both the Corvair and the Volkswagen show clearly the higher than average incidence of such crashed in these vehicles when equipped with unmodified swing axle rear suspensions. The data contained in the Cornell Rollover study are considerably older than the HSRC data, comes from a considerably smaller data base, and does not differentiate between model years. Furthermore, the later CAL VW study (which contains data on the Corvair) contradicts the findings on the Corvair of the earlier study.

14. (a) Since the NHTSA relied, to some extent, on vehicle crash statistics from several years ago, is the NHTSA reasonably satisfied that the quantity and quality of such statistics allow them to be used to make determinations such as this one? b) If not, what is being done in the way of contracting for make-model crash studies which will allow the NHTSA to detect significantly substandard vehicles?

GENERAL

15. In the general discussions of the relations between handling and lateral "g" forces, it is apparent that these forces are the average forces felt by the driver, and not the instantaneous forces on the tires and suspension. While these forces are approximately equal when a vehicle is operated on a smooth road below the limit of adhesion, the instantaneous lateral forces may be far in excess of the average forces on a rough or undulating road. What consideration did the NHTSA give, beyond the single rough road test with an automatic pilot of the TTI sequence, to the effect of normal or typical, randomly rough or undulating roads* on the Corvair handling and stability?

16. It is noted in the addendum to the Panel Evaluation that "the Corvair has greater control sensitivity . . . than contemporary vehicles." This control sensitivity would be likely to induce a driver to operate a Corvair nearer to the "divergent instability boundry," or at least in the region of control in which the vehicle may quickly change from under- to oversteer. a) Did the NHTSA attempt to assess this factor in their investigation of the Corvair? b) Was there an attempt to assess the likelihood that a driver operating a Corvair within its limits of control could easily exceed these limits (by light application of the brakes, or by turning the steering wheel an extra quarter of a turn, for example) thus throwing the car out of control inadvertently?

17. (a) Is the NHTSA satisfied that it is possible to make a finding of no defect on the handling and stability of the Corvair when it appears that reasonable definitions of adequate handling and stability are lacking? b) Is the NHTSA satisfied with the contract performance of the Highway Safety Research Institute on vehicle handling standards when the HSRI has not been able to define such handling standards requirements?

18. In the evidence presented in the *Evaluation of the 1960–1963 Corvair Handling and Stability*, there is good evidence that the pre-1968 VW and the Renault Dauphine have considerable worse handling and stability than contemporary American cars. a) Will the NHTSA also begin investigations into the handling and stability of the Subaru 360 and the VW Microbus.

The NHTSA has done a grave disservice to the public in producing this report which allegedly absolves the Corvair of blame in thousands, of avoidable fatal and serious injury crashes. In doing so, the fundamentally subservient relationship of the NHTSA to the auto industry, and the effective abdication of a segment of the engineering profession have been once again exposed. The question raised by this debacle must not be left unanswered, and the perversion of the function of the NHTSA and the engineering profession must be corrected.

Sincerely,

RALPH NADER,
CARL NASH

AUGUST 18, 1972.

Mr. DOUGLAS TOMS,
Administrator, National Highway Traffic Safety Administration, Department of Transportation, Washington, D.C.

DEAR MR. TOMS: To save you the embarrassment of again using incorrect information about the comparison between the HSRI and TTI tests of the Corvair, I quote from page 20 of DOT publication HS–800–374, *Vehicle Handling Test Procedures*, Volume I:

The Corvair and Fords were used cars and thus required extensive overhauling before testing. New brake linings, shock absorbers, and, where necessary, ball joints and wheel bearings where provided.

The report notes that the outrigger assembly weighed 85 pounds and the controller weighed 260 pounds. It appears that the front seats were removed so that the increase in weight would be less than the 345 pounds. It is my opinion that the primary difference which accounts for HSRI's Corvair turning over the TTI's not is the loading. Otherwise, the only difference is that HSRI's was a 1961 and TTI"s was a 1963. Are you willing to admit that there was that much difference between the 1961 and 1963 models?

On the question of degradation, and the Corvair heater, let me quote from page 41 of the investigation report on IR 249:

Initial design and assembly practices seem sufficient to preclude sources of engine fumes at the time of production; however, degradation of engine components may provide sources for such fumes.

This quote contradicts what you said about the consideration of degradation in the definition of a defect. If degradation of the Corvair's suspension system causes the vehicle to have dangerous or defective handling characteristics, how is this different from degradation of the heater causing a defect? I would like to see an adequate dicussion of this point from the NHTSA.

Yours truly,

CARL NASH.

AUGUST 23, 1972.

Hon. JOHN VOLPE,
Secretary of Transportation
Washington, D.C.

DEAR MR. SECRETARY: After sending you an inquiry concerning the investigation by the National Highway Traffic Safety Administration (NHTSA) of the 1960–1963 Chevrolet Corvair handling and stability, further information came to our attention concerning the effect of suspension component degradation on the handling and stability of these vehicles. The NHTSA has set many precedents in the consideration of degradation as

*This phrase denoted roads which have irregularities that can be absorbed by typical automotive suspension systems. Such irregularities, found on most American roads, are due to faulty road construction and repair, normal or extraordinary wear and tear, or to extreme weather damage.

a factor in the determination of what constitutes a defect in motor vehicles and motor vehicle equipment. The policy which has evolved can be stated as follows: It is *not* sufficient evidence that a defect does *not* exist in a motor vehicle (or in motor vehicle equipment) to show that there is no hazard to traffic safety in the operation of the vehicle (or the use of the motor vehicle equipment) when it is new or when it conforms to all manufacturer's specifications.

The other major Corvair investigation provides a good example of this principle. In the report of the Corvair direct air heater defect investigation, it is stated:

Initial design and assembly practices seem sufficient to preclude sources of engine fumes at the time of production; however, degradation of engine components may provide sources for such fumes.[1]

The investigation proceeded to evaluate the extent to which degradation was taking place in older Corvairs by having owners bring their cars into testing stations where the carbon monoxide leakage into the passenger compartment under normal use conditions was measured. The finding that a significant number of 1965 Corvairs in use by private individuals produced carbon monoxide leakage so that the level in the passenger compartment exceeded 200 parts per million was held as sufficient evidence that a defect existed in the Corvair direct air heater system under section 113 of the National Traffic and Motor Vehicle Safety Act of 1966. Further evidence that the NHTSA found degradation to be a primary factor in this case is that they allowed General Motors to state in their defect notification to owners:

We believe that if a Corvair has been regularly inspected and properly maintained and is in good working order, it will operate without danger of exhaust fumes entering the passenger compartment through the direct air heater.[2]

The measures to be taken to repair the defect in the direct air heater, approved by the NHTSA, were an inspection to determine if the vehicle is in good condition, and to repair the vehicle to bring it back to good working order if necessary.

Degradation also plays a role in defects which may lead to catastrophic failures such as in the Ford lower control arms found to be defective by the NHTSA on police and emergency vehicles. Chevrolet engine mounts, and many others.

The NHTSA's recently completed investigation into the handling and stability of the 1960–1963 Corvair was solely a study of the vehicle when it meets the manufacturer's specifications. Although used vehicles were tested at the Texas Transportation Institute, they were given a comprehensive inspection and repaired to bring them up to an acceptable level of mechanical condition and safety. Each vehicle was brought up to the manufacturer's specifications in accordance with its individual service manuals.[3]

Similarly, the Corvairs tested in all GM proving ground tests, in the Falcon-Corvair comparison tests carried out by the Ford Motor Company, and in the Michigan Highway Safety Reseach Institute's tests were all in essentially new condition.

The apparent complete ignorance of the effects of degradation of the suspension system of the 1960–1968 Corvair on its handling and stability leave this a completely open question. The conclusions that are contained in the NHTSA's evaluation are far more broad than is warranted by the scope of their investigation.

We do not agree with the conclusions reached even for this limited investigation. Quite apart from the issue of original design defects in Corvair handling performance, we believe that the limited nature of the investigation by the NHTSA should be disclosed along with a warning about the additional hazards of degradation to the Corvair's handling and stability. If this were done, Corvair owners would not be totally misled about the lack of safety in their vehicles, especially if they do not provide unusual maintenance and upkeep for their cars.

At a minimum, the NHTSA should also carry out the following program:

1. That all information currently in the hands of the NHTSA concerning the effects of degradation of the 1960–1963 Corvair suspension system on its handling and stability, and of such degradation in other vehicles, be gathered.

2. That the NHTSA obtain from General Motors all such data in their possession, including information about the life expectance and degradation rate of Corvair shock absorbers, suspension bushings and bearings, and so on. Further, GM should be asked to produce any evidence that they instructed Corvair owners about necessary maintenance of the Corvair suspension components other than routine lubrication.

3. That the NHTSA obtain from Dr. B. J. Campbell his latest accident data from the state of North Carolina which would be relevant to the relative likelihood of Corvair loss of control (generally reflected in single vehicle accident rates), and an analysis of the Highway Safety Research Center of the relevance of this data to the question of the potential hazards of the Corvair handling and stability as Corvairs are used by the public. The NHTSA should further search for any other make/model accident data which would shed light on this question.

4. That when the warning letter is sent to owners of the 1960–1963 Corvairs, it include a warning about the possible effects of degradation on their vehicles' handling and stability (including the necessity of having tires in good condition as well as properly inflated), and that it include a questionnaire concerning their personal experiences with the Corvair (such as whether they had ever been in a crash or lost control of their Corvairs where they felt that the handling and stability of their vehicles was a factor).

5. That an analysis of the information gained from carrying out points one through four above be carried out to determine if, when degradation is taken into account, the 1960–63 Corvair handling and stability are "defective" as the NHTSA interprets that word.

Unless the NHTSA takes decisive steps to resolve the issue of the Corvair handling and stability, the credibility and competence of the NHTSA will increasingly be called into question.

Sincerely,

RALPH NADER,
CARL NASH.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C. September 15, 1972.

MR. RALPH NADER,
Washington, D.C.

DEAR MR. NADER: This is in reply to your letters of August 9 and 23, 1972, concerning the investigation of the 1960–1963 Corvair handling and stability. In addition, we have received a letter addressed to Mr. Douglas W. Toms from Dr. Carl Nash dated August 18 on the same subject. In the first portion of this letter the answers are the same number and sequence as your questions in the August 9 letter.

1. The General Motors' proving ground tests referred to are PG 15699 and PG 17103. These represent only two of the many proving ground reports and other documents and films evaluated by the National Highway Traffic Safety Administration (NHTSA).

NHTSA reviewed available test concepts including Input-Response (no driver feedback) and Task Performance (with human driver feedback control). Task Performance was ruled out because of subjective nature of human control and lack of objective measurement. Input-Response was selected because of objectivity and repeatability; these tests then evaluated vehicle response to an input independent of the driver. Input-Response using sophisticated instrumentation already developed by the University of Michigan study (NHTSA Contract FH–11–7297) was recommended by you in your letter of February 23, 1971. Further recommendations on test conditions were contained in Mr. Gary Sellers' letter of March 17, 1971, to Mr. Rodolfo A. Diaz.

The Input-Response tests were designed to provide a series of maneuvers from which quantitative data could be obtained under rigidly controlled conditions for comparing the performance of the various vehicles. These tests did not establish performance limits for safe or unsafe operation. Such limits are the subject of current vehicle handling research in both industry and Government. Rollover was the criteria in only one (Drastic Brake/Drastic Steer) of the five Input-Response tests; the other four tests resulted in responses indicating other vehicle performance parameters as well as rollover.

2. The NHTSA did not in fact discount the General Motors' tests. We considered them for what they were: controlled tests driven by a professional test driver at increasing speed increments using rapid steering movements, maximum throttle and torque inputs, and other driver actions all designed to test the various suspension modifications to the point of rollover or until it was difficult to produce a more violent maneuver. Examination of the report will also indicate other points relative to the vehicle's handling and stability performance obtained from these tests.

NHTSA evaluation of the actual model year changes from 1960–1963 showed no significant difference in the suspension components. In your letters and public statements you have consistently discussed the 1960–1963 model year Corvairs as a class that performed differently from model years 1964–1969. Obviously, in this test program, it was not possible to test all body styles. Both the Panel and NHTSA agreed no further testing was required.

3. NHTSA contacted the original equipment tire manufacturers (OEM) to obtain tires produced for use in the 1960–1963 period. The manufacturers then recommended tires (construction and size) that were currently available and closely matched the 1960–1963 OEM tires. These tires were used on all the vehicles tested with the exception of the Renault.

It is interesting to note that very few 1960–1963 Corvairs would still have their original tires. Therefore, the tires actually used in the tests were representative of tires most likely to be used on those Corvairs today.

4. All vehicles were tested in the fully loaded condition to assure uniformity and comparability in the program. While the weight of the test equipment was such as to only partially load a six-passenger vehicle, this same weight imposed a heavier, almost full, load on the smaller four-passenger cars.

The vehicles were loaded in a manner such that each wheel would have the same load

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[1] Investigation Report Intrusion of Engine Fumes Through Heater System of 1961–1969 Model Chevrolet Corvair Vehicles [IR 249], p. 41.

[2] Letter sent by the Chevrolet Division, General Motors Corporation to 1961–1969 Corvair owners dated December, 1971, p. 2.

[3] *Evaluation of the 1960–1963 Corvair Handling and Stability*, U.S. Department of Transportation, NHTSA, Washington, D.C., July, 1972, p. 57.

it would carry when the vehicle was loaded to its maximum passenger and luggage weight. Therefore, the change in the center of gravity location closely compared to that which would occur with the maximum passenger and luggage loading.

Your associate, Mr. Sellers, stated in this letter of March 17, 1971, that "the critical variables (such as high coefficient of friction, equal tire pressures, heavy loading, etc.) are the most severe levels—those most likely to reveal the defects alleged—or the differentials in the margin present. If under these conditions, the Corvair does *not* respond in a dangerous fashion . . . then the public can be content that the defects revealed in the GM proving ground reports are anomalous or mistaken."

It was not possible to test the vehicles included in the program under all the possible variables of loading, environment, maneuvers, etc.

5. The input-response tests conducted at TTI were comparative type tests. After the pilot program was completed and the testing procedures for the entire program set, it was necessary to conduct all the tests within the procedures selected to assure comparability. In the drastic steer-drastic brake maneuver, the magnitude of the brake line pressures (to achieve the four-wheel lock) had to be varied to suit each vehicle because the brake line pressures required for lock up were different for each vehicle. The timing of the point of brake application as it related to the peak yaw rate was determined for each vehicle and the brakes applied at the same point of the maximum yaw rate. This provided for uniformity in the point of the lock up.

The 1963 Corvair tested at TTI was rebuilt to the manufacturer's specifications and was therefore typical of the original equipment configuration, as were the other vehicles tested. When the Corvair was tested, two vehicles had already completed the program. One of these vehicles made outrigger contact during two of the test maneuvers. There is no reason to consider the test program inadequate.

6. All testing was conducted on high friction surfaces as one of the controlled conditions in the test procedures. There is an infinite variety of other environmental conditions that contribute to crashes, including types of pavement and pavement conditions (wet, dry, dusty, oily, etc.). Further, Mr. Sellers in his letter of March 17, 1971, to Mr. Diaz (item 4, page 3) recommended the use of a high coefficient dry surface to reveal the complete transitional response to the car most accurately.

7. The Input-Response tests were conducted under carefully controlled conditions so that comparisons of performance between vehicles could be made from quantitative data derived from testing all vehicles under the same conditions. One of the test variables is tread wear and to provide uniformity and repeatability of test results tread wear had to be controlled. It was determined that uniformity and repeatability could best be achieved when the tires were not worn more than 20 percent.

8. All the vehicles were tested with the vehicle manufacturer's shock absorbers that were available through their dealers for the particular model year tested at the time of the testing program. NHTSA did examine information regarding the specifications of the original equipment shock absorbers and the service replacement shock absorbers obtained for testing on the 1963 Corvair. There was no appreciable difference in the physical dimensions of the shocks. The extended length of the rear shocks, which determines the maximum rear wheel rebound travel, was 0.027 inch longer on the service replacement shock than for the original equipment shock. The performance specifications of the original equipment and the service replacement shock absorbers generally overlapped, within their tolerance ranges, with only a moderately higher load specification for the rebound stroke of the rear shock.

9. Our conclusion, remains the same, if the VW and Renault, the foreign vehicles, had not been included in the tests.

It is concluded that the handling and stability performance of the 1960–1963 Corvair does not result in an abnormal potential for loss of control or rollover and that its handling and stability performance is at least as good as the performance of some contemporary vehicles both foreign and *domestic* (emphasis added).

The domestic vehicles were the Valiant and the Falcon.

The purpose of the tests was to compare the handling and stability performance of contemporary vehicles with the 1960–1963 Corvair. The VW and Renault were contemporary vehicles.

10. At the time of selection, Dr. Paul H. Wright was the Project Director of the Georgia Institute of Technology multidisciplinary accident investigation team under contract to NHTSA. When selecting the Panel members, our criteria was to obtain recognized professionals with diversified backgrounds in various aspects of dynamics and vehicle performance and independent from the automotive industry.

Dr. Wright was selected for his expertise in accident investigation analysis. We do not believe a conflict of interest existed. Mr. Caldwell was selected for his expertise in design, performance, and driver handling of vehicles. We believe the Panel was competent, professional, and independent in their analysis.

11. The time charged to the Government was 15 man days per Panel member. In addition, each member contributed some uncompensated time to the Panel evaluation.

The Panel was oriented on and given access to all material reviewed, analyzed, or evaluated by NHTSA in the entire investigation. As new information was made known to NHTSA it was also brought to the attention of the Panel. Specific material examined by the Panel is documented in Section VII, References to the Panel Report.

12. We believe the Panel was competent, professional, and independent in their evaluation.

In order to determine whether any further testing by NHTSA was required, the Panel found it necessary to comment on those handling and stability characteristics that may have led, in their opinion, to additional testing. Their comments were the basis for their determination that no further testing was required. Obviously the Panel was not constrained from making any other pertinent comment they wished to offer, nor were the individual members constrained in any way from submitting dissenting opinions.

13. As stated in the report, Dr. B. J. Campbell of HSRC was contacted and the information he presented at the time was reviewed and considered. His data did not contain a category that included rollover; therefore, it could not be compared with Cornell Aeronautical Laboratories' (CAL) data.

Dr. Campbell's "ran-off-the-road" category of crashes included all vehicles that ran off the roadway, for whatever reason, such as blowouts, fell asleep at the wheel, excessive speed, etc., before striking the object. The data also had other vehicles that have the reputation of being good handling automobiles having percentage figures similar to the Corvair and Volkswagen for the "ran-off-the-road" category. A vehicle that had a higher "ran-off-the-road" category percentage had a lower multiple vehicle accident percentage. Thus, if a vehicle driver was able to maneuver his vehicle to avoid an on-the-road crash and ended up in an off-the-road crash, this affected the percentages.

Mr. Garrett of CAL was contacted regarding the model years of the vehicle in his report. He indicated that at least 80 percent of the vehicles were 1963 or earlier; therefore, the results did primarily reflect the model of concern to the analysis.

14. The data used by NHTSA was the information that was available. Data of this nature is limited and additional data is considered desirable. Therefore, the NHTSA is planning to have a data gathering program which would allow meaningful analysis, by vehicle classes, of the accident data now collected.

15. In reviewing all the material in this investigation, NHTSA evaluated many documents and films that showed the effects of transient responses when driving on randomly rough or undulating surfaces.

16. Control sensitivity is a characteristic of the vehicle; it does not induce a driver to make any steering corrections. However, if a driver has to make any steering corrections, a vehicle with greater control sensitivity requires less steering angle change to maintain a desired path than one with lesser control sensitivity. A vehicle with greater control sensitivity is considered a more maneuverable vehicle.

17. The conclusions of the NHTSA report are obvious evidence that a finding of no defect on the handling and stability of the Corvair is possible in the absence of vehicle handling and stability standards. Of course, the decision is much more difficult in this case and that is the reason for using the comparison method for testing contemporary vehicles.

The NHTSA has awarded a follow-on contract to the Highway Safety Research Institute (HSRI) University of Michigan (Contract DOT–HS–031–1–159) for further vehicle handling performance research. This contract would not have been awarded if the contract performance of HSRI was unsatisfactory. The purpose of this research is to provide the basis for handling standard requirements.

18. The tests conducted by NHTSA in Texas were comparative in nature. All the cars in the tests performed differently. The NHTSA input-response tests did not indicate that the degree of variance between the handling and stability characteristics of the Volkswagen and Renault with that of other vehicles tested was sufficient to warrant the initiation of separate investigations of the two named vehicles at this time. However, this does not preclude us from considering additional evidence or further evaluation of our test data if it becomes available with respect to these two, or any other vehicles.

Your letter of August 23, 1972, and Dr. Nash's dated August 18, 1972, center around two theses: first, the different test results of the Corvair exhibited in the HSRI and TTI tests; and, second, the effects of component degradation.

There are many differences in purposes of the HSRI and TTI tests. As in any scientifically based test, it is standard practice to examine the effect of the variation of a parameter by holding all other variables essentially constant and changing only the one parameter under study. This approach was utilized in the two tests in question. The HSRI tests were for the purposes of designing and conducting a pilot program to test procedures and equipment to measure the performance of vehicles without the effects of drivers. In doing this, it was not necessary to place the configuration of the vehicle at any specific level other than satisfactory nor to record precisely the vehicle's condition. It was necessary to insure that these factors remained constant while the effect of variations in the type and magnitude of vehicle inputs was studied. The same philosophy extends to all other conditions surrounding these tests. On the other hand, the purpose of the TTI tests was to compare the handling and stability characteristics of the

1960–1963 Corvair with the same characteristics of some selected contemporary vehicles. In doing this, only the vehicle model was allowed to vary. There was not variation between the vehicles' configurations since they were all restored to manufacturer's specifications, the environmental and other test conditions were held as closely as possible and each vehicle was subjected to the same input. Although these tests were conducted properly, it is not proper to attempt to draw a conclusion from the combination of the two tests relative to cause and effect when in fact several parameters are varying at the same time. To attempt to do so violates the experimental procedures described above and is careless, arbitrary, and capricious with the data.

Relative to the question of degradation it is a well known fact that degradation of components or systems, including those that are part of motor vehicles or motor vehicle equipment, cause some change in performance characteristics. In the case of motor vehicles, what is not known is the direction or degree of change due to degradation. For this reason, research is necessary to determine the change in performance levels. In the case of vehicle handling, certain basic research projects are underway to determine the base line performance of new vehicles under certain conditions. Studies have been and are currently being conducted to measure the effect of degraded components on vehicle handling. One such study "Effects of Steering and Suspension Component Degradation on Automobile Stability and Control" was completed by Cornell Aeronautical Laboratory, Incorporated, in January 1971 under NHTSA Contract No. FH–11–7384. Another study is in progress, "Component Degradation, Inspection Equipment: Steering and Suspension Performance," being conducted on current model vehicles by the Highway Safety Research Institute, University of Michigan, under NHTSA Contract No. DOT–HS–031–1–126. For the purposes of our test program, where we were comparing the stability and control performance of the Corvair to other contemporary vehicles, it was necessary to place the vehicles in a like condition or to the manufacturer's specifications in accordance with its individual service manuals. There is no known way of putting partially degraded vehicles in the same or like conditions. Therefore, we believe that conclusions drawn from undefinable "partly degraded" vehicles would require basing them upon speculation rather than facts.

On the other hand, the tests did provide a considerable element of degradation experience. During the tests the Corvair was subjected to approximately 250 test runs without replacement of components in question. Throughout these tests with the attendant vehicle degradation, there was no observable loss in handling and stability performance of the Corvair and certainly it was no worse than the other cars tested. These tests were very severe and the hard usage the cars were subjected to is evidenced by the fact that several of the other cars did degrade to the point of major failures during the testing.

As reference to our final investigation report will substantiate, this does not infer that degradation was not considered elsewhere. In addition to conducting the above tests, a vast amount of other tests and data were reviewed, some with the specific intent of testing degraded performance. Much of this information involved vehicles in various states of degradation. Although grossly degraded vehicles were not used in these tests, it might be noted that this agency would not, under normal circumstances, make a defect determination on the sole basis that a vehicle has been neglected or degraded by its owner. In any event, a vehicle that has survived 64 test runs and 11 rollovers can hardly be considered undegraded, no matter how many damaged parts were replaced for purposes of continuing the tests. The data on this and other similar vehicles were examined. Frame by frame analysis of the films and detailed studies of the data failed to expose any unusual performance characteristics caused by degradation.

Further, it is to be noted that two out of three of your "qualified engineers who are experts in vehicle handling" state "we believe that the degradation of the various suspension components would probably have little net effect on the rollover characteristics of the Corvair."

From the total investigation we do not find that the Corvair's loss in handling and stability performance due to degradation is any worse than that of contemporary vehicles, and it was the total investigation including all sources of information that formed the basis for our determination that the Corvair's handling and stability performance does not constitute a defect.

Sincerely,

JOHN VOLPE.

EXHIBIT C

Senator HARTKE. What year Corvair was used?

Mr. TOMS. '63.

Senator HARTKE. Why weren't earlier models, '60 and '61? After all, they were the ones that had a higher incidence of roll-over.

Mr. TOMS. No. As a matter of fact, Mr. Nader has authorized or designated a representative suggesting the '63.

Senator HARTKE. He will be here in a minute. ye will ask him.

Mr. TOMS. Please do. And as we debated this we felt that the '63 was the one that would be most characteristic for this type of testing.

Senator HARTKE. What type of tires were used on a Corvair test?

Mr. TOMS. They were the tires available in the market that were closest to the original specifications of the manufacturer.

Senator HARTKE. Did they differ substantially in the make, the tread style material from those which came with the original Corvair?

Mr. TOMS. There were differences, but my engineers had told me these differences were not significant.

Senator HARTKE. My understanding is that all——

Mr. BERNDT. With respect to the tires, Mr. Chairman, the tires were recommended by the manufacturers of each vehicle that was tested as the most nearly representative tires of those on the original models.

Senator HARTKE. I understand that all the vehicles that were tested represented the manufacturers' maximum recommended load. Is that true?

Mr. TOM. That is correct.

Senator HARTKE. Why?

Mr. TOMS. Because, number one, again, Mr. Nader's representative suggested that we test them in a fully loaded condition. Number two, the type of instrumentation on the controllers of these vehicles were heavy and in general it was close to the equivalent of a fully loaded vehicle.

Senator HARTKE. One of the people who you worked with is Mr. Sellers; is that correct?

Mr. TOMS. He was Mr. Nader's duly authorized representative at that point in time.

Senator HARTKE. Is he an engineer?

Mr. TOMS. He is not, to my knowledge.

Senator HARTKE. All right. Now, you apparently adopted——

Mr. TOMS. He did consult with and rely upon the advice given to him by engineers.

Senator HARTKE. All right.

Mr. TOMS. This is what we were led to believe.

Senator HARTKE. What I want to find out, really, from you, is did you follow the recommendations of Mr. Sellers just to appease Mr. Nader.

Mr. TOMS. No. We argued with him on a number of points and we were able to come to an agreement as to what the test program should be like.

Mr. BERNDT. Actually Mr. Sellers was very well advised of the opinion of our engineers and we understand that he had first-rate engineering advice and all of the test procedures that he suggested in his letter to us—it is in the appendix of the Corvair report—were thoroughly reviewed by our people and they concluded that it was indeed a very good recommendation.

[From the Washington Post, July 27, 1973]

GM IS GIVEN BREAK IN CORVAIR TESTS

(By Jack Anderson)

Faced with the recall of 235,000 to 400,000 old Corvairs which could cost lawsuits totaling tens of millions of dollars, General Motors has been let gently off the hook by the Transportation Department.

We have evidence, however, that the favorable report on the Corvair was not only rigged but that Doug Toms, the federal auto safety czar who issued it, never even read it before it was made public.

Instead, the report and its accompanying press release were handled in the 10th-floor offices of Transportation Secretary John Volpe. Words were even put in Toms' mouth that he never spoke.

What Toms said in private about the problem-plagued, 1960–63 Corvairs was altogether different than what the Transportation Department quoted him as saying.

"I've driven enough of these cars, and I don't like them either," Toms confided to the Corvair's nemesis, Ralph Nader. "I felt the right inside wheel jack up on the Corvair . . . I know Corvairs roll over and go out of control, and people have problems with them."

Both Toms and Nader confirmed this private conversation to my associate Les Whitten.

Yet the official press release quoted Toms as saying that "handling and stability performance of these cars is at least as good as the performance of several contemporary domestic and foreign vehicles. The Corvair performance does not result in an abnormal potential for loss of control or rollover."

This statement was manufactured for Toms, he acknowledged, and put out by Volpe's office. Toms saw it for the first time after it had been released.

TAMPERING WITH SAFETY

Not only was the publicity on the report prepared on high, but there's evidence the Transportation Department tampered with motorist safety in setting up the Corvair tests.

For instance, the 1963 Corvair was tested but not the 1960–61–62 models. Yet many of the 300 Corvair suits against GM involve fatalities in the older cars.

New tires were also used on the test cars instead of the worn tires that had figured in many fatal Corvair rollovers. And unlike GM, Ford and other tests in 1960s, which produced numerous Corvair rollovers, the new federal tests used "automatic pilots" instead of human test drivers.

These automatic pilots were designed by an institute, which was established by a $10 million grant from GM, among others, and is still funded, in part, with $1 million a year from the auto industry.

The Transportation brass were fully aware of this before they chose the Highway Safety Research Institute, University of Michigan, to participate in tests affecting its benefactor. An institute spokesman denied to us that it is in "anybody's pocket."

Finally, the test results were reviewed by three distinguished auto experts, hand-picked by the department, who had no research and testing credentials in car handling.

The tests were vital to GM, which would have been compelled to start an immensely

costly recall campaign if the Corvairs had been found unsafe. The recall also could have been used against GM in its multimillion-dollar litigation over the Corvairs.

Ralph Nader called Toms after the rigged Corvair report was issued. "There is a helluva lot of political overtones, some spoken, some unspoken, about this report. Aren't you supporting the Democrats? This is a political year, you know," Toms said to the nonpartisan Nader.

Both men agree this is what Toms said. But Toms insisted afterward that he had meant to refer only to the politics of the report's critics.

Footnote: The new report fails to mention even as a footnote that Corvairs of all years have a defective heating system design that may permit lethal carbon monoxide to leak into the passenger compartment. GM, in a letter, has admitted the fault.

EXHIBIT D

CONSUMERS UNION,
September 27, 1972.

Mr. DOUGLAS W. TOMS,
Administrator, National Highway Traffic Safety Administration, Department of Transportation, Washington, D.C.

DEAR MR. TOMS: This division performs tests and gathers data for the preparation of the Consumer Reports evaluations of automobiles. Not all of the test results and research data are used in the final published report since the editorial space is limited and the layman's appetite for all the details is probably satisfied with the highlights.

Nevertheless, when we prepare ourselves to discuss the workings of another organization, we engineers must be able to ascertain that every factor of the subject has been carefully examined before we can write an analysis critique. Consumers Union would like to do a piece on the DOT Evaluation of the 1960–63 Corvair Handling and Stability. We have had a copy of the report and the panelists' evaluation and suspect that the published report is an "executive summary" without being so defined, since there seems to be much information omitted. Perhaps you would care to share this additional information with us for the benefit of our readers.

TEST VEHICLE DATA

The report identifies the test vehicles rather sketchily. What were the body styles, engine and transmission options? What was the source of the test cars? What was the condition of the bodies (were they sound or rusted)? Exactly what components were replaced in order to put these cars into the condition that represented the original specifications? What was the brand and construction of the tires selected for each vehicle? Was it necessary to have some of the replacement parts made anew on a limited production basis by the original manufacturers? (We know from our own experience that after market and replacement parts are not always the precise duplicate of the original equipment, especially tires and shock absorbers).

MODEL CHOICE

Some criticism has already been raised concerning the DOT choice of the 1963 Corvair rather than an earlier model. Did the DOT task force have available data which substantiated their choice? Are there published data concerning the spring and shock absorber rates, the control arm travel limitation, and the suspension and steering geometry for each of the model years in question? Can the DOT share this with Consumers Union?

TEST CONDITIONS

The DOT report says that the tests were run with the cars loaded to the manufacturer's maximum recommended load. Ordinarily this would seem to be the worst-case test condition, but if the question is one of overturning stability, might not there have been some justification to running lighter loads in those cars equipped with swing axle rear suspensions? It could be argued that regardless of the effect on the height of the center of gravity, the lighter load would have allowed the car to stand higher with more positive camber in the rear suspension. This point is arguable, but we would like to know if there was some thought given to both considerations.

A similar point can be made about the requirement that the test tires be replaced when worn 20 percent. It is generally known that, on dry pavement, nearly bald tires will produce much higher side force and aligning torque than nearly new tires. If this is so, and if the potential for overturning is increased with greater tire forces then it would seen as if this stringency was wasted unless it was done only for the sake of consistency.

TEST METHOD

Because we are reporting to a non-technical readership, we tend to stress the subjective evaluation backed with objective measures. However, the choice of test techniques used in the Evaluation defy correlation to the real-world experiences of our readers. The DOT seems to have selected the HSRI Input-Response methology because it is impartial and repeatable. Has the DOT other material to provide to help us to describe what was done in the testing? There was very little description of the test courses, or the test equipment in the Evaluation—no diagrams or pictures. Someone familiar with the HSRI publications is not totally in the dark, but we would appreciate a description from the DOT.

The input-response tests are difficult to explain to a general audience because of the instrumentation and special analysis required to rank the results. It is also not easy to explain why a vehicle moving randomly on a large undefined paved surface can be evaluated better than one which is required to be driven thru some sort of pathway. The average person realizes that his car must respond to his commands to stay on the road. He can probably appreciate the significance of an experiment if the test path is defined on a large surface with two rows of traffic cones, rather than by curbing and a centerline. It is going to be hard to explain to our readers why Input-Response was chosen over Task Performance, especially, since so much of the criticism of the Corvair had to do with the alleged mis-match between the driver input and the vehicle response.

Mr. Toms, we feel obligated to report some critique of the DOT Evaluation to our readers since we feel that the Evaluation was written defensively and without concern for general understanding; and because of the apparent preoccupation with the overturning potential of the early model Corvair. We realize that these things may have been forced upon the DOT by the unrelenting pressure from the Nader group. However, our own evaluation of the Corvair's handling originally was not too critical, but by today's stricter standards (our standards) we might rate it less satisfactory for emergency handling. You might think of it this way—if you lived twenty miles from town on a winding country road, would you like to drive this particular car to the hospital with if one of your children were seriously injured? Some cars are more "forgiving" than others.

Sincerely,

ROBERT D. KNOLL,
Chief, Auto Test Division.

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, D.C., November 8, 1972.

ROBERT D. KNOLL,
Chief, Auto Test Division, Consumers Union, Orange, Conn.

DEAR MR. KNOLL: This is in response to your letter of September 27, 1972, requesting further information with respect to the "DOT Evaluation" of the 1960–1963 Corvair Handling and Stability. Many of the questions raised in your letter are answered in a November 1971 report from the Texas Transportation Institute, Texas A & M Research Foundation, entitled "Input Response Tests of Selected Small Passenger Cars" (hereinafter referred to as "the TTI Report"). This report, along with the report of the specially-convened Panel of experts assembled by the NHTSA to make recommendations with respect to its testing program, as well as a great deal of manufacturer information and test reports, served as the basis for the "DOT Evaluation," which is an analysis as well as a summary of these documents and information. A xeroxed copy of the TTI Report, which is currently out of print, is enclosed for your information. Additional factual information with respect to Corvair Handling can be found in the voluminous public file concerning the Corvair Handling investigation. This file, titled Handling and Stability 1960–63 Corvair, IR–279, is available for inspection in the NHTSA Technical Reference Division, Room 5108, DOT Headquarters Building, 400 7th Street, S.W., Washington, D.C., during business hours. Material contained in the public file may be copied in accordance with our normal procedures.

While the TTI Report does answer most of your questions, I also would like to address myself to them briefly. I shall treat each of the subject areas you have raised separately.

1. TEST VEHICLE DATA

The test vehicles and backup vehicles were purchased from dealers and private owners in the Houston-Dallas-Bryant, Texas, and Buffalo, New York areas. (The Buffalo vehicles were purchased when an organization in that area was under consideration for the award of the testing contract.) Each vehicle used in the tests was brought up to the manufacturer's specifications in accordance with the service manuals. Brake systems and tires were replaced on all test vehicles; suspension system elements and other components were replaced as needed. Replacement parts were obtained from the original manufacturer's (in most instances, the dealer's) supply, they were not necessarily identical with the original equipment but were recommended and stocked as replacements by the manufacturer or dealer. No original equipment replacement parts were specially manufactured for use in the testing program. Original equipment tire manufacturers recommended currently available tires which were comparable in their specifications (construction and size) to the original equipment. These recommended tires were used for all vehicles except the Renault. Because it was not possible to obtain original equipment-size tires for the Renault before the inception of the testing program, the optional, slightly larger tires recommended by the manufacturer were substituted.

It is interesting to note that very few 1960–1963 model year vehicles are still equipped with their original tires and shock absorbers. Therefore, the tires and shock absorbers actually used in the tests were representative of the equipment most likely to be in use on such vehicles today.

2. MODEL CHOICE

Prior to selecting a specific Corvair vehicle for testing, the DOT task force consulted the service manuals for all model year Corvairs, and concluded that there was no significant difference in the suspension systems of 1960–1963 model year Corvair vehicles. (This conclusion coincided with the position of Mr. Ralph Nader and his associates, who identified the 1960–1963 model year Corvairs as a class that performed differently from 1964–1969 model year Corvairs.) Published data are available concerning shock absorber rates, control arm travel limitations and suspension

and steering geometry for each of the model years in question. This information can be found in the Corvair Handling public file.

3. TEST CONDITIONS

It was not possible to test the vehicles included in the program under all conceivable variables of loading, environment, maneuvers, etc. While the weight of the test equipment was such as to only partially load a six-passenger vehicle, this same weight imposed a heavier, almost full, load on the smaller four passenger cars. Thus, all vehicles were tested in the fully loaded condition to assure uniformity and comparability in the program. It is interesting to note that these severe test conditions were urged upon the agency by Mr. Nader.

The severe test maneuvers generated severe sidewall wear on the tires of the test vehicles. Accordingly, in order to prevent the accumulation of biased test data from worn tires, the requirement that tires be replaced when worn 20 percent was imposed. Moreover, the replaced requirement of tire replacement at a uniform level of wear ensured uniformity of test conditions with respect to each of the test vehicles, so that comparisons of performance between vehicles could be made from quantitative data. Thus, uniformity of test conditions and repeatability of test results were very important considerations underlying the tire replacement specifications in the testing program.

4. TEST METHOD

The Input-Response tests were designed to provide a series of maneuvers from which quantitative data could be obtained under rigidly controlled conditions for comparing the performance of the various vehicles. Prior to conducting the testing program, the NHTSA reviewed available test concepts, including Input-Response (no driver feedback) and Task Performance (with human driver feedback control). Task performance was ruled out because of subjective nature of human control and lack of objective measurement. Input-Response was selected because of objectivity and repeatability; these tests then evaluated vehicle response to an input independent of the driver. Input-Response testing using sophisticated instrumentation already developed by the University of Michigan study (NHTSA Contract FH–11–7929) was recommended by Mr. Nader and his associates.

In addition to the quantitative data obtained through the input-response testing program, the NHTSA studied and evaluated films, proving ground test reports, and other documents submitted by General Motors which relate to task-performance testing on the Corvair. A number of these films and documents are included in the Corvair Handling public file. It should be noted that this task-performance data revealed no mismatch between driver input and driver response, as your letter suggests.

Thorough documentation of the input-response testing program, including text, photographs, diagrams, and charts, is contained in the TTI Report.

I hope that this letter has served to increase your understanding of the Corvair handling test program, and that it will be of assistance to you in communicating with your readers.

Please let me know if I can be of further assistance.

Sincerely,

LAWRENCE R. SCHNEIDER,
Chief Counsel.

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, D.C., February 23, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of February 1, 1973, concerning the handling and stability of the 1960–63 Corvair. Your questions are answered seriatim.

QUESTION NO. 1

As we previously stated in our letter of December 20, 1972, the Corvair investigation generated a great deal of investigative information from the industry, the public, and the National Highway Traffic Safety Administration (NHTSA) comparative testing program. Upon completion of the investigation, most of this information was placed in our public files. Other miscellaneous test material and data, including the pilot test program, test data rejected because of instrumentation errors and incorrect procedures, and certain noncomparative tests not relating directly to our comparative testing were not placed in the public file at that time because our technical staff did not consider this material and data to be valid for the comparisons nor was it used for this purpose. At no time was this material intentionally withheld from the public. Once compiled and indexed, this miscellaneous material, which in no way invalidated or compromised the conclusions of NHTSA's report, was added to the public file and voluntary forwarded to the Committee.

Also, this material was not withheld from the Panel. It was always available for their review as part of the large volume of documents and films accumulated during the extensive NHTSA investigation. The Panel had a sizable task in reviewing all the material studied and work performed by NHTSA and they did not examine in detail each and every piece of information. Subsequently the Panel was contacted to determine if specifically considering the noncomparative tests would result in modification of their conclusions or report. Each of the Panel members indicated that it would not.

There were some considerable and important differences between the Highway Safety Research Institute (HSRI) tests and the Texas Transportation Institute (TTI) tests. One significant difference was the condition of the test surfaces which in both cases were former aircraft runways. The surface in the original HSRI tests, which they recognized as being in poor condition, was concrete that was spalled and cracked with marked irregularities and uneven displacement at the divider strips. The test surface at TTI on the other hand was in much better condition, with more even and uniform surface and less distortion at the divider strips. HSRI personnel aided in the selection of the TTI test site and recommended the actual area on the runway that was subsequently used. Even this test surface at TTI was too irregular and rough for HSRI's follow-on research contract; this area was resurfaced to create a smooth, high-coefficient skid pad that eliminated these irregularities.

Another significant difference was the effect of using tires that had unique and abnormal sidewall, shoulder, and tread wear patterns resulting from previous severe limit maneuvers and using tires that had been broken-in and the wear monitored to assure uniformity and repeatability in the tests.

The tires in the 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative tests were tires that had the unique wear patterns from previous severe limit maneuvers similar to those believed to be on the Corvair during the HSRI drastic steer, drastic brake maneuver. The tires on the 28 p.s.i. (hot) front and rear TTI noncomparative tests were tires that had not been used in previous limit maneuvers. These tires were broken-in and the wear monitored in accordance with the procedures of the comparative test program. The wear referred to is that resulting from severe limit maneuvers, not normal highway wear.

No outrigger contact occurred during any of the TTI 28 p.s.i. (hot) front and rear tire noncomparative maneuvers. During one 50 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver, with the tires that had the unique sidewall, shoulder, and tread wear from previous severe limit maneuvers, outrigger contact occurred. The tires were switched so the tires with the smaller amount of wear from the limit maneuvers were placed on the outboard side of the vehicle in the turn and the tires with the greater amount of wear were on the inboard side of the turn. No outrigger contact occurred at either the same steering input or more severe steering inputs up to the limit of the equipment.

During the 60 m.p.h., 18 p.s.i. (hot) front and 30 p.s.i. (hot) rear TTI noncomparative maneuver again with tires worn from previous severe limit maneuvers, no outrigger contact occurred until the last run with the maximum (for the equipment) steering input. When the rear tires were switched left to right and right to left and the maneuver repeated at this maximum input, no outrigger contact occurred.

Another difference between the HSRI Corvair drastic steer, drastic brake maneuver and the TTI noncomparative maneuvers was that the large majority of TTI noncomparative maneuvers were conducted at more severe levels.

It is NHTSA's view that none of the miscellaneous test material and data modifies our previously announced decision that the handling and stability performance of the 1960–63 Corvair does not result in an abnormal potential for loss of control or rollover and that its handling and stability performance is at least as good as the performance of some contemporary vehicles both foreign and domestic. If anything it adds support to our decisions relative to importance of certain controls necessary for this type of testing. The variation in results on tests due to abnormal tire wear is also supported by more recent research.

QUESTION NO. 2

Mr. Nader now attempts to deny the advice of his own experts. On March 17, 1971, Mr. Gary Sellers, Mr. Nader's expert advisor at the time, wrote a letter to Mr. Rodolfo A. Diaz stating that in his opinion the maximum vehicle load represented the *most severe* test conditions for this parameter. Contrary to "speaking for himself," as Mr. Nader states, Mr. Sellers' opening paragraph states: "Mr. Nader has asked me to follow-up on this matter. . . ." No less than 10 times in this letter he refers to Mr. Nader and himself as "we" or "our." Further, these recommended test procedures were made known by copies of Mr. Sellers' letter to Mr. Nader and two of his other engineering experts, Mr. Edward Heitzman and Mr. Albert Fonda, who never indicated any disagreement. In documentation of these facts, we quote more fully from Mr. Sellers' March 17, 1971, letter:

"In general, we suggest that the testing on these vehicles begin under conditions where the critical variables (such as high coefficient of friction, equal tire pressures, heavy weight load, etc.) are at the most severe levels—those most likely to reveal the defects alleged—or the differentials in the margin of safety present. If under these conditions, the Corvair does *not* respond in a dangerous fashion, at variance with the public's expectation of response, then the public can be content that the defects revealed in the GM proving ground reports are anomalous or mistaken. . . ."

and:

"Our more specific suggestions are: . . . 5. That the vehicle also be tested with the maximum recommended load (such as weight of four to six passengers), as might often be experienced on a Sunday drive. (Mrs. Collins had six people in her vehicle and luggage on the roof when her Corvair went out of control.) . . ."

Due to the complexity of any vehicle handling and stability tests, it is impossible to test all vehicles in all configurations and load conditions. The nature of the NHTSA input-response tests required a heavy instrumentation load and as these tests were for comparison, the full load test condition was adopted as the test configuration most compatible for all the vehicles involved. This was, of course, in keeping with the recommendations of Mr. Nader's experts as to the most severe conditions. It would appear that the Corvair critics' objections are prompted more by the results than by an objective review of the procedures.

Considering the infinite combinations of vehicles we do believe that our tests and studies have sufficiently covered the subject, including variations of configurations, to establish that the Corvair handling is not a safety related defect.

NHTSA evaluated a considerable amount of documents and films from General Motors (GM) and other sources where human drivers were operating Corvairs under extremely severe conditions as well as normal conditions. The NHTSA rationale for not using human drivers in its test program is documented on pages 6–10 of the NHTSA report. Essentially, this part of the report explains the limitations in the state-of-the-art relative to vehicle handling, the lack of definitive standards, the problems of quantifying the effects of driver-vehicle-road interface, and the reasons for NHTSA selection of input-response tests for the Corvair test program. Further, it explains the specific criteria for the selection of the maneuvers and test conditions actually used in the NHTSA tests.

Finally, the NHTSA would like to call the Committee's attention to the fact that the record is full of opinions by individual drivers, some of considerable reputation. The injection of still another human driver into the tests, with the attendant questions of driver selection, driver skill, and definition of "normal conditions," would have yielded just another subjective opinion and resulted in prolonging the debate as long as one side or the other was not satisfied with the result.

The problem of determining the effects on vehicle control of drivers impaired by carbon monoxide, alcohol or drugs is the subject of major research by both industry and Government and is, of course, beyond the scope of the Corvair test program. With the current state of scientific knowledge on this subject it is easy to philosophize but virtually impossible to quantify this effect on the Corvair's handling and stability.

QUESTION NO. 3

NHTSA is confident that none of the officials assigned to the Corvair handling and stability study had a conflict of interest. Mr. Ernest P. Wittich, a former employee of GM, has been accused of having a conflict of interest by Mr. Nader. While employed by GM, Mr. Wittich participated in a savings plan that resulted in the simultaneous acquisition of GM's stocks *and* Government savings bonds. At present he still retains the nominal amount of stocks and Government bonds acquired through this savings program. The modest amount of his holdings is considered to be inconsequential to affect the integrity of an employee's services in any manner in which he may act in his governmental capacity. Contrary to Mr. Nader's inferences, Mr. Wittich did not have sole control of the study or test preparation. In addition to normal supervision by his engineer supervisors, he was joined by three other engineers during the tests. Further, the test program and procedures were formulated by a larger group of engineers and Mr. Wittich had minimal input into these requirements.

QUESTION NO. 4

The NHTSA did not accept the opinions or conclusions of either the proponents or opponents of the Corvair without question. We did solicit and accept films, data and information from various sources and read and listened to many opinions. The Administration then sifted and evaluated these inputs to arrive at our own independent conclusions. The fact that we may have arrived at the same conclusions as someone else does not mean they were adopted without question. Allegations to the contrary are simply not true.

More specifically, NHTSA's evaluation of the significance of these GM rollover tests is documented on pages 34 and 35 of the NHTSA report and the summary is quoted here for your information.

"In summary, because of the nature and severity of these development tests which were not representative of the practical driving environment, these tests should not reasonably be interpreted to conclude that the 1960–1963 Corvair is susceptible to rollover at low speeds on a flat surface in the normal driving environment."

The foregoing is NHTSA's evaluation—not GM's.

In addition to GM's data on driver-vehicle interaction, NHTSA also examined other reports of such interactions and related driver-vehicle-road interface problems that are documented on pages 97–102 of the NHTSA report.

"A Study of the Relation Between Forward Velocity and Lateral Acceleration in Curves During Normal Driving." ("Human Factors," June 1968)

Accident studies by Cornell Aeronautical Laboratories, Inc., and B. J. Campbell, University of North Carolina.

Technical articles and consumer groups analyses of Corvair performance.

Ford Motor Company data.

Mr. Nader also cited certain Ford Motor Company data in his accusations. As recently as May 12, 1972, in his press conference Mr. Nader used a 1959 Ford Motor Company film and an analysis of it by Mr. Harley Copp to support his contention concerning driver-vehicle-road interface actions. This material was not considered valid by NHTSA in its evaluation.

Since that time these tests on which Mr. Nader relied so heavily have been reproduced four times. Twice they were reproduced at the GM Proving Grounds by GM. The clearly documented results support the NHTSA analysis. The tests were also reproduced twice at the Ford Proving Grounds, once by GM and once by Ford Motor Company. The GM tests were well documented and they again confirm NHTSA's analysis and disprove Mr. Nader's accusations. The Ford Motor Company tests were not documented as precisely as the GM tests but the results, as expressed in the Ford Motor Company December 22, 1972, letter to your office, were essentially the same.

"In an attempt to resolve the question, we purchased a used 1961 Corvair and had one of our engineers, who is not a professional driver, drive it on the same segments, of our track on which the original test was conducted. He had *no* (emphasis added) difficulty in negotiating the turns at the speeds set forth in the Safety Administration report, which were apparently the speeds used in the 1959 film. We also permitted General Motors to conduct tests of the Corvair and Falcon on this track and we understand that *neither the Corvair nor the Falcon had any difficulty in negotiating the turns* (emphasis added)."

NHTSA's rationale for not using human drivers in the Government test program is explained in our answer to Question No. 2.

We are forwarding your letter with its enclosures to the Panel members for their information and evaluation. Should any member feel the need to comment further or modify their conclusions, we will arrange to forward this information to you at once.

In summary, Mr. Chairman, we believe we have completed all logical investigation of the Corvair's handling characteristics within the constraints of the resources the question warrants expending. A huge volume of data and information has been examined and an engineering test program conducted, both in an unbiased and professional manner. The Administration has spent over one-half million dollars in direct costs for less than one-half of 1 percent of the vehicles on the road and probably a considerably lower percentage of the mileage driven.

If we can be of any further assistance to the Committee or the members of your staff, please contact us.

Sincerely,

DOUGLAS W. TOMS,
Administrator.

EXHIBIT F

JANUARY 30, 1973.

Senator WARREN G. MAGNUSON,
Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON AND SENATOR HARTKE: On July 12, 1972, the National Highway Traffic Safety Administration (NHTSA) issued its final report on the safety defect investigation of the early Corvair's handling and stability. The report concluded that "the handling and stability of the 1960–1963 Corvair does not result in an abnormal potential for loss of control or rollover. . . ." A careful analysis of the technical test materials and supporting documents shows that the NHTSA had no justification for drawing this conclusion from its tests and the other evidence available to the agency.

The hard evidence of Corvair rollover presented by at least three General Motors proving ground test series contemporary with production of the early Corvair is dismissed by the NHTSA which merely adopted General Motors' unsubstantiated rationale that the tests were not fairly representative of production Corvairs in ordinary use. In fact, these internal General Motors tests first confirmed the instability problem for on the road Corvairs. Proving Ground report 11106, April 1959, produced these results:

"J turns to the right were tried on the military skid pad at 15, 20, and 25 mph. Right wheel lift was noticeable at 15 and 20 mph. At 25 mph, the vehicle rolled onto its top."

In subsequent tests General Motors attempted to find various inexpensive design modifications to correct the defect. Although some proved to be of little assistance, each modification tested by General Motors was intended to improve Corvair stability. This fact was not revealed in General Motors academic argument that any vehicle modification disqualified the proving ground tests from consideration. The NHTSA merely dittoed the General Motors company line.

The NHTSA's own Corvair test program,[1] on which the agency primarily based its no "abnormal potential" conclusion, is grossly deficient in at least three key respects:

1. The vehicles were tested *only* in their fully loaded configuration.

2. The vehicle tests were solely of the programed input-response type (using a driver simulator) under idealized conditions. No tests were carried out with human drivers under normal conditions (uneven road surfaces, reduced traction, wind, and so on).

3. The ability of a driver impaired by carbon monoxide from the Corvair heater (found defective by the NHTSA in October 1971) to safely operate a Corvair in unusual driving circumstances was completely ignored.

The placement of the maximum recommended load in the Corvair for the test

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[1] This test program was conducted at Texas Transportation Institute (TTI) in 1971.

program does not comport with scientific test procedures which presume that the test conditions bear a reasonable relationship to real life conditions. One cannot generalize the results of tests in this unusual configuration to cover vehicles lightly loaded with one or two passengers—the condition of the Corvair in most actual trips. The negligence in conducting tests only with the vehicles fully loaded is demonstrated by the fact that the agency engineers knew or should have known that internal General Motors proving ground tests of ten years ago showed that the addition of significant weight to the rear of the Corvair increased the stability in emergency maneuvers.

Tests conducted by General Motors in 1962 and 1963 demonstrated that two changes in the Corvair produced substantial improvement in the stability of the Corvair during J turns. One change was a redistribution of the roll couple toward the front suspension. Another change was the addition of two high speed movie cameras to the rear of the vehicle which lowered its center of gravity 0.8 inch and moved the center of gravity back 4.7 inches. The cameras increased the weight at the rear from 1,771 pounds to 1,981 pounds and increased the moment of inertia of the vehicle about all principle axes. The General Motors proving ground report (PG–17103)[2] concluded:

"These tests showed that the dynamic stability of the current production 1963 Corvair was not substantially improved through practical modifications to shock absorber design and configuration. A test phase which incorporated a pair of high speed movie cameras mounted on outriggers to the rear of the car, showed that this change in the weight distribution prevented the car from overturning during these test maneuvers."

By testing the Corvair for loss of control and rollover potential only while the vehicle was fully loaded, the NHTSA may have introduced an artificial stability into the Corvair in much the same way the General Motors engineers had inadvertently introduced such stability through the placement of camera outriggers on the vehicle in the 1963 tests. While such a test might be important for identifying a possible correction system for unstable Corvairs, it should been only one of at least several modes in which the Corvair was tested, especially since the vast majority of car trips carry only one or two passengers and little luggage.

There is additional evidence to suggest that the loading of the Corvair by those persons conducting the NHTSA test introduced an artificial stability. In 1970 the Michigan Highway Safety Research Institute (HSRI) conducted vehicle handling tests for the NHTSA with this newly developed driver simulator on a lightly loaded Corvair automobile. Although the same test procedures were used, the Michigan tests, conducted under Professor Leonard Segal produced drastically different results than the tests conducted by the NHTSA at TTI with a Corvair loaded to the manufacturer's maximum recommended weight for passengers and luggage. As Professor Segal explained in a letter to me:

"We rolled the Corvair a large number of times and produced sufficient wheel-rim/road-surface contacts that the rear suspension and axle assembly finally broke loose, dropping the transmission. We then had to repair the Corvair to complete our test program."

The NHTSA has offered no explanation as to why it ignored the test results of the Michigan Highway Safety Research Institute in the agency's own report. As Professor Segal observed: "It appears that rollovers occurring with a less than fully loaded Corvair didn't count as valid data points for the purposes of DOT's study."

The irony of ignoring the results of the Michigan and General Motors tests with the lightly loaded Corvair is all the greater when one realizes that the methods for testing the stability of the Corvair were borrowed by NHTSA personnel from the tests conducted by the Michigan Highway Safety Research Institute. Why would NHTSA borrow the test methods but choose to ignore the test results?

Contrary to what the agency should have produced, it conducted an inadequate and unprofessional test program which made no effort to search out the performance characteristics of the Corvair as it operates under varying conditions, including particularly its behavior when driven by humans on the highway, some of which are well surfaced, some of which are uneven or indeed bumpy, some of which are slippery or subjected to heavy winds. While the new HSRI driving simulator is an important innovation for test objectivity and repeatability, and adds flexibility to the range of handling tests which can be conducted, there is also the danger that a machine will not accurately simulate human drivers. For example, the HSRI machine has no feedback response, it does not drive the vehicle in reaction to road and other conditions, and it does not reflect a range of driving capability typical of human drivers. Once the HSRI machine is programmed, no other variables will influence the controls. Thus, the driver simulator should be treated as one important tool in a range of test experience rather than as the only alternative methodolgy.

Simultaneous with the opening of the handling and stability investigation, the NHTSA began a defect investigation into the heating system of the 1961–1969 Corvair which it found to be a source of carbon monoxide brought into the passenger compartment. The NHTSA chose to consider these as independent defects although they are intrinsically inseparable. A driver whose reactions and perceptions are impaired by carbon monoxide inhalation will pose a considerably greater hazard when driving a vehicle with unusual and unpredictable handling characteristics. Conversely, such a vehicle becomes considerably more dangerous when in the hands of an impaired driver. Although it is a unique circumstance for one safety defect to have such a direct and devastating impact on another defect in the same vehicle, it is no solution to ignore the relationship. On the contrary, even if there is only some doubt about the handling stability of a vehicle whose passengers are likely to be subjected to carbon monoxide poisoning, the agency should balance the equities in favor of the likely victims. The burden of proving the handling defect should be a lesser one in view of the confirmed existence of the carbon monoxide defect.

There is a final matter which I wish to bring to your attention concerning the handling and stability investigation of the Corvair. The NHTSA selected as its lead investigator a person who had for 16 years been employed by General Motors Corporation in the reliability and service area and who, according to a deposition taken in a recent lawsuit, continues to own stock in General Motors. The NHTSA should explain to the Committee and the public why such a person with no engineering degree or expertise in vehicle handling and stability, with a possible conflict of interest was placed in charge of the test program of this important and controversial defect investigation.

It is a national disgrace that the agency responsible for the protection of lives on the Nation's highways can spend almost one million dollars (or an amount equal to nearly half of the annual safety defect budget) investigating and reporting on a suspected defect without designing proper tests to confirm or deny the existence of such defect. In this particular case there was also a special burden on the agency because no generally recognized standard tests for auto handling and stability have been adopted either voluntarily by the industry or by the government. In view of the lack of standardization and the variation of test possibilities, the agency should have been especially alert to soliciting advice from all interested parties before spending the time and large sums involved in these tests. In fact, the agency refused my request to permit comment on their proposed test program by all interested parties and to permit observers at the test site in Texas. My concern in this matter goes beyond my own judgment that the stability and control characteristics of the Corvair are defective. At issue is not only the some 300,000 1960–1963 Corvairs still in use but also the continued vitality and credibility of the NHTSA which demonstrated shocking ineptitude in one of its central missions, namely, investigating motor vehicles for possible safety related defects.

The entire Corvair inquiry by the NHTSA has displayed the need for closer oversight by the Congress, and has reinforced the obvious need for a Consumer Protection Agency and a citizen right of intervention and action in administrative activities and litigation. In the handling and stability Corvair inquiry, a most deplorable political judgment (see enclosed article) and a desire to avoid the recall of early Corvairs which could have required similar treatment of early VWs and early Renaults, led to the engineering malpractice that is now being given a disgraceful official recognition. Hundreds of thousands of owners, passengers and other highway users continue to be jeopardized in these cars and the NHTSA's repudiation of their interests has further entrenched a system of regulator enforcement that will lead to similar evasion and casualties in the future regarding other vehicle types.

The broader and deleterious precedent set by this government Corvair test has already eroded the integrity of the agency. The auto industry will understand how even more flexible the agency can become in permitting similar outrages to suffer their innocent victims in defiance of the auto safety law which you did so much to have enacted.

Attached is a technical analysis by Dr. Carl Nash criticizing the NHTSA Corvair report which explains in more detail the issues raised in this letter.

Sincerely,

RALPH NADER.

FEBRUARY 1, 1973.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: I would like to submit additional information which further substantiates the judgment expressed in my letter of January 30 about the rigged scope of the National Highway Traffic Safety Administration Corvair handling tests.

It now emerges that the NHTSA engineers who conducted the Corvair testing at Texas Transportation Institute (TTI) did withhold or suppress data on tests of lightly loaded Corvairs from the agency's July 1972 final report (and supporting materials in the public docket).* These tests were withheld also from the 3-man panel of review. Not only did these tests include roll over and rim contact behavior but more pertinently they reveal in sharp etching the decisive de-

[2] This PG report was never produced in product liability cases by General Motors until it was inadvertently discovered by outsiders in late 1970. General Motors claims that the report was misplaced due to a clerical typographical error.

* Since July the engineers have been ordered by their superiors to remain incommunicado to any inquiries relating to their report and their role in it.

ficiencies of the reported tests and the knowledge of these invalidations by at least those NHTSA personnel who prepared and closely reviewed the report. Moreover, the outside reviewing panel was not privy to these undisclosed test descriptions in preparing their analysis of the agency's work.

In the General Motors proving ground Corvair tests of 1963 it was shown that the test equipment laden Corvairs were more stable than those without the equipment. The Corvairs which were lightly loaded, as they would be for most Corvair trips (one or two occupants), routinely rolled over on General Motors proving grounds and during the Michigan Highway Safety Research Institute (HSRI) tests. To achieve their objectives of exonerating General Motors and pleasing their administrative superiors, the NHTSA engineers tested heavily laden Corvairs—in effect rigged to be more stable. These tests were the basis of their final report acquitting the Corvair, while the lightly loaded Corvair tests were suspended and their embarrassing preliminary findings scrapped. The explanation the NHTSA repeatedly gave for relying on heavily laden vehicles was a willful distortion of Mr. Gary Sellers letter suggesting test procedures (see Dr. Nash's report).

The disclosure of a possible conflict of interest on the part of TTI test project engineer Mr. Ernest Wittich, and the undisclosed private visit at the beginning of the inquiry to the NHTSA defect investigating staff by General Motors' Frank Winchell—a veteran participant and strategist at Corvair litigations—are not reassuring.

The role of General Motors in the course of the nearly two year long period over which the NHTSA conducted its Corvair inquiry merits closer scrutiny. What were the communications—oral and written—between General Motors or their agents and any of the engineers and other parties associated with the NHTSA investigation? The above noted disclosures make this question a timely issue.

Furthermore, the latest development over the Harley Copp matter between Ford and General Motors are disturbing and directly pertinent to your Committee. You will remember how Harley Copp, Director of Engineering, Technical Services Office for the Ford Motor Company, publicly challenged General Motors' statement in 1971 that the Corvair was as stable as the Falcon. For this exercise of independent engineering judgment and free speech, Mr. Copp has received the corporate freeze-out treatment. Mr. Henry Ford apologized by telephone to General Motors Chairman James Roche and rebuked Copp who was relieved of many of his responsibilities. Other things began to happen. Mr. and Mrs. Copp found themselves under surveillance at their home before and after Mr. Copp testified before your Committee in July 1972 to amplify his criticism of the Corvair and the NHTSA's defective Corvair report. As you know, intimidation or harassment of witnesses before Congressional hearings is a federal crime. This may explain why the FBI is presently investigating the surveillance of Mr. Copp in Michigan.

The pressure which General Motors successfully applied to Ford to subdue the challenge by Mr. Copp and past Ford tests of the Corvair to General Motors' version of the Corvair's roadway behavior is extraordinary. Ford tested early Corvairs (1960–1963) quietly at its proving grounds in 1959, 1966, and 1968. It is apparent that Ford engineers regarded the Corvair as having unacceptable handling and stability. They used it to validate the discriminatory ability of the test procedures developed in 1966 and 1968 (a test which the Corvair would not *fail* would be regarded as not valid).

After Mr. Copp's outspoken declaration, General Motors' demands on Ford, and the NHTSA July 1972 Corvair report, the following dilemma and resolution occurred. Ford had three choices—stand on its prior Corvair tests, disavow its tests, or conduct new tests. The way out of this dilemma was to avoid the first two choices and take the third. Predictably, the Corvair in the new Ford track tests did not go out of control for the Ford driver or the General Motors drivers which Ford fraternally invited over to go through the same motions.

Against the revelations of previously undisclosed NHTSA Corvair tests, the glibness of Mr. Douglas Toms appears exceptionally egregious. Shortly after the NHTSA Corvair report was released, Mr. Toms declared:

"[The decision on the Corvair handling] included the engineers who actually conducted the testing, their supervisors at higher levels in the engineering and technical area, the legal staff which thoroughly reviewed the engineering finding and recommendation, and the policy makers of the NHTSA, including myself."

Somehow, such a presumably thorough review by Mr. Toms and his associates did not result in the disclosure of the discomforting test results and procedures noted above.

On July 25, 1972, before your Senate Commerce Committee, the following exchange took place, first between Senator Vance Hartke and Mr. Toms, and second, between Senator Hartke and the NHTSA General Counsel Lawrence R. Schneider and his Assistant General Counsel, Frank A. Berndt:

Page 237: Senator HARTKE. I understand that all the vehicles that were tested represented the manufacturers' maximum recommended load. Is that true?

Mr. TOMS. That is correct.

Senator HARTKE. Why?

Mr. TOMS. Because, number one, again, Mr. Nader's representative suggested that we test them in a fully loaded condition. Number two, the type of instrumentation on the controllers of these vehicles were heavy and in general it was close to the equivalent of a fully loaded vehicle.

Pages 242–3: Mr. SCHNEIDER. It's been our policy on any investigation that the investigation is something that is totally within our prerogative and control and if you will, secret, until such time as that investigation is completed and then everything becomes public.

We have set up a public file that totally discloses what was done during the course of the investigation. It's a long-standing practice. It's a long-standing practice of any agency at least that I am aware of that has investigatory authority.

Senator HARTKE. Are those included in your report, all those documents and films?

Mr. BERT [sic]. All of the films and all of the data——

Senator HARTKE. The studies?

Mr. BERT. Publicly available except certain information that is proprietary to the manufacturers.

It is now clear that the above responses by NHTSA officials were not the truth. Moreover, repeated again is the excuse that the vehicles were tested in heavily loaded conditions because of Mr. Gary Sellers' recommendations. This is a wilful distortion of what Mr. Sellers, speaking for himself, urged. He recommended that the vehicles to be tested have all critical variables at their most severe levels (on-the-road driving, not on a flat open surface by an automatic pilot), and for the heavily loaded mode not to be excluded by the agency in its test program.

Thank you for your continuing public interest in motor vehicle safety.

Sincerely,

RALPH NADER.

FEBRUARY 1, 1973.

Mr. DOUGLAS TOMS,
Administrator, National Highway Traffic Safety Administration, Department of Transportation, Washington, D.C.

DEAR MR. TOMS: In July 1972, the National Highway Traffic Safety Administration released its long-awaited evaluation of the handling and stability of the 1960–1963 Corvair. As you know, interest in the safety of the Corvair has been widespread and it was hoped that the National Highway Traffic Safety Administration's study would conclusively settle the ongoing-controversy.

I have recently received a technical evaluation and letter from Mr. Ralph Nader challenging several aspects of testing procedure and process utilized by the National Highway Traffic Safety Administration in its analysis of the Corvair suspension system. Mr. Nader raises four major concerns:

1. Alleged Suppression of data from tests: Why was the existence of data from Corvair tests utilizing lightly loaded vehicles conducted at the Texas Transportation Institute withheld from both the public and the Panel until six months after the release of the completed NHTSA handling report (December 1972)? Does the recently revealed data invalidate the test procedures and controls described in the July report? To what do you attribute the inconsistent results of the recently revealed test data and the results obtained by the Highway Safety Research Institute? Does the NHTSA believe that the difference between the recently revealed TTI test series and the HSRI test series are due to very subtle differences in the two vehicles tested, and if so, what is your conclusion with regard to the safety of Corvair actually operating on the highways? What is the basis for NHTSA's determination that the recently revealed data was not valid for the purpose of your investigation?

2. Technical Competence of the Tests: Why were the vehicles tested in only their fully loaded configuration? Why were no tests carried out with human drivers under normal conditions (such as uneven road surfaces, reduced traction, wind, etc.)? Why didn't the NHTSA pursue the effect of carbon monoxide from the defective heater on the driver's ability to control the vehicle?

3. Potential Conflicts of Interest: Has the Administration determined to its satisfaction that no NHTSA officials assigned to the Corvair handling and stability study were in conflict of interest by the holding of stock of the General Motors Corporation?

4. Unquestioned Adoption of General Motors Test Results: Did the NHTSA merely adopt General Motors' unsubstantiated rationale that numerous GM rollover tests conducted in 1959, 1962 and 1963 were not fairly representative of production Corvairs in ordinary use? Similarly, why did the NHTSA accept General Motor's discussion of driver-vehicle interaction without substantiation for the particular case of the Corvair?

I solicit your comments and the analysis of the engineering panel on Mr. Nader's letter and evaluation of the NHTSA study and I have enclosed copies of these documents for your information. I am looking forward to your response by February 15, 1973. My purpose in seeking your comments is not to prolong the Corvair controversy. Upon receipt of your response, I will evaluate your comments to determine whether the Senate Commerce Committee should take direct action to assure timely and technically competent defect investigations by the NHTSA.

Sincerely yours,

WARREN MAGNUSON,
Chairman.

EXHIBIT G

HIGHWAY SAFETY RESEARCH INSTITUTE,
Ann Arbor, Mich., August 17, 1972.

MR. RALPH NADER,
Public Interest Research Group,
Washington, D.C.

DEAR MR. NADER: Prior to making any comments with respect to the facts and opinions set forth in the two DOT reports dealing with the "handling and stability" of the 1960–1963 Corvair, I would like to emphasize that I have not seen the mass of material (films, GM reports, etc.) that was screened by DOT personnel and the panel in the course of making their respective evaluations. What I have seen is some of the testimony that was given in various litigations involving the Corvair (although it was quite a few years ago) and the draft copy of ITT's data report on the test program performed in Texas, and, of course, I am quite familiar with the test work that was done here under my direction. Therefore, I shall try to be very careful and comment on the basis of what I know and have seen, it being understood that there is much in the record with which I am not familiar.

It seems patently clear that DOT personnel, having produced negative findings in the Texas tests, reevaluated the data developed and furnished by other parties and drew conclusions which they felt to be consistent with their own test findings. On the basis of personal conversations that I had with DOT personnel associated with this program, it is my recollection that they fully expected the Corvair to roll over in the course of the test program. Since it did not (according to the official report), it appears that NHTSA staff have gone to some effort to discredit the conclusions drawn by others or to interpret the test findings of other parties in a manner so as to make their own findings look reasonable. Whether there has been any conscious effort to twist the facts would be difficult to say. For example, I can see how NHTSA personnel and the evaluation panel, in view of their fundamental limitations in separating the "wheat from the chaff," would arrive at the position expressed in these two documents in the face of the hard evidence produced in Texas.

I must begin by stating that, in my view, the Corvair handling and stability issue has been thoroughly beclouded as the arguments have waged back and forth in the courtrooms and elsewhere during these past years. At the risk of sounding like a snobbish academician, it appears that the technical people which were involved failed to clearly define and explain the phenomena at issue. The argument presumably has been: does the Corvair present control difficulties to the average driver and, further, is it prone to roll over when emergency-like maneuvers are carried out on a flat, level surface.

As I recall, in much of the Corvair litigation there was a great deal of discussion as to whether the Corvair becomes "oversteer" under certain operating conditions and during these conditions becomes difficult for the average driver to control. A goodly amount of this same debate is to be found in the two documents under discussion and I can only say that everybody is talking about oranges when they should be talking about apples.

Let me get to the point. Under the extreme operating conditions in which Corvairs are known to roll over, the steady-state measures of equilibrium-turning performance (namely, under/oversteer) have no real meaning. All of the discussions dealing with the change in the under/oversteer characteristics of the Corvair caused by increased levels of lateral acceleration and all of the references to the under/oversteer transition are, in my opinion, irrelevant. Whereas the under/oversteer properties of a motor vehicle (as defined at low levels of lateral acceleration) serve to indicate (1) the influence of speed on the path curvature produced by steering, (2) the nature of the transient response to steering, and (3) the stability of the straight-running vehicle in the presence of disturbances, these properties do not characterize the response to steering when the steering input is sudden, transitory, and large to produce the abrupt change in vehicle trajectory often demanded in an emergency.

Test data indicate that the Corvair does *not* have a handling deficiency when drivers encounter the normal steering demands imposed by (1) roadway and traffic variables and (2) transport objectives. Further, the Corvair responds to sudden steering inputs of moderate size in a manner that is comparable to a broad spectrum of passenger vehicles. The rear swing axle and the rearward weight bias seem to be adequately compensated for in the design such that no unusual behavior is exhibited (1) in driver-controlled steady turns (up to the so-called "limit of control," which GM states is 0.6 g) and (2) in response to sudden steering inputs up to the point where the peak lateral acceleration achieved in the turn is approximately 0.5 g's. For dynamic maneuvers of increased severity, the nonlinear characteristics of the Corvair become very important, in particular the nonlinear growth of the vertical lift force deriving from the geometry of the rear swing axle.

In the tests performed at HSRI, it was observed that the Corvair was unique among the four vehicles tested in that its turning response to step steering changed character in an abrupt manner between successive runs in which the steering-wheel displacement was incremented from 129 degrees to 151 degrees. Not only was there an abrupt change in the character of the response, there was also a marked increase in the peak value of lateral acceleration that was achieved. For example, the steer displacement of 129 degrees produced a peak lateral acceleration of 0.47 g, with a steer displacement of 151 degrees producing a peak lateral acceleration of 0.78 g. This abrupt change in the character of the Corvair's response to steering is attributed primarily to the kinematic properties of the swing axle resulting in the rear end of the vehicle lifting and the rear tires inclining with respect to the road, a phenomenon that you have described in "Unsafe At Any Speed." It should be emphasized that this jacking behavior of the rear axle occurs in a rather abrupt manner, causing the vehicle to spin and to increase its sideslipping velocity.

Whether the Corvair, as tested at HSRI, would have eventually rolled over in the J-turn maneuvers that were performed here at Michigan is not known. At that time we were doing the "step-steer" maneuvers (J-turns with closed throttle) without outriggers and the behavior of the Corvair became sufficiently threatening as to convince the test driver that the sequencing of runs at higher steer inputs should be discontinued. I have reexamined the Corvair J-turn data and it appears that we may not have reached the "limit turning" response, as was established for the three other test vehicles. Thus, we are left with the question as to whether the Corvair would have rolled over in the J-turn maneuver, if the test procedure had not inhibited the driver from pushing the vehicle harder.

However, it is my view and that of HSRI staff, that the J-turns maneuver, per se, is not the maneuver most likely to induce rollover on a Corvair. Instead, a maneuver involving combined steering and braking is a more demanding test (or measure) of a motor vehicle's resistance to rollover. Further, the operational scenario is realistic. (The director of this Institute has informed me that he has personally witnessed the rollover of a Corvair on the highway in an incident in which the driver steered to change his course, applied his brakes to bring the vehicle to a stop and then released his brakes on observing the sidewise sliding that was taking place.) In the case of a Corvair, a sequence of steering and braking may produce rollover or it may not. It all depends on the control actions of the driver. If the amplitude and timing of the steering and brake inputs fall within a certain band, the dynamics of the situation will contrive to roll over a Corvair, provided that certain other operating conditions are satisfied.

Given that traffic conflicts arise whose attempted resolution can lead to steering and braking inputs that on occasion will cause a Corvair to roll over on a dry pavement, the question can be posed whether this behavior constitutes a "defect in performance." I contend that the answer to this question requires a legalistic judgment. An engineer may offer a value judgment on this matter, but he is not in a position to argue the existence of a "defect" on technical grounds. When all the facts are in, it will be evident that whereas the Corvair may be induced to roll over more easily than many other vehicles, nevertheless, other vehicles can be made to roll over on a flat, level surface. Do we conclude that any vehicle that can be made to roll over is ergo unsafe and should be removed from the vehicle population? Or do we separate "easy rollers" from "less-easy rollers" and call the former unsafe? And where does one decide at which level a vehicle passes from the "safe" category to the "unsafe" category? It is all very well for Messers Fonda and Sergay to state that "the vehicle, to meet what we believe is a reasonable standard of safety, must slide instead of rolling over on a flat road surface, with *any* combination of driver actions," but their considered opinion does not provide a technical basis for differentiating between "safe" and "unsafe" vehicles. The federal government, on the other hand, may establish such a requirement for vehicles to be sold to the general public and, if upheld, such a ruling will settle, for once and all, the argument as to what is "safe" and not "safe."

For your information, it was precisely this kind of thinking that led HSRI to propose (in response to a NHTSA request for procurement) that a test procedure be developed that would determine (in a precise, repeatable, objective manner) whether a passenger vehicle can be rolled over on a flat level surface. The NHTSA did not stipulate any such test or measure. Rather, this Institute argued that objective motor vehicle performance measurement technology is practically nonexistent and that steps should be taken to close this technology gap. It should be obvious to you that this position is not likely to obtain a favorable reaction in Detroit and consequently we are justifiably offended and grieved by your statements which imply that we are other than a fully objective research organization. It is difficult enough trying to do highway safety research for a government agency who is more attuned to political pressures and interests than it is for gathering facts, without having "safety crusaders" impugn our integrity.

Having said my piece, let me now discuss the test findings produced by NHTSA in Texas. Although I don't have hard test evidence, it appears that the request made by Mr. Sellers (Appendix IV of the DOT report) that NHTSA test the Corvair and its contemporaries in a fully loaded condition very likely served to make the Corvair more resistant to rollover whereas he anticipated otherwise. Mr. Sellers failed to understand that load, per se, is not the critical variable but rather the distribution of load. The irony is that NHTSA personnel went to great lengths to comply with Mr. Sellers' instructions and requests (as is so painstakingly pointed out in the DOT report) and presumably in so doing produced test findings that are serving to destroy your case.

There are at least two lessons to be learned here: (1) attorneys should stick to their legal practice and not practice engineering, even when it appears that engineers are reluctant to practice good engineering; (2) NHTSA technical staff should exercise independent technical judgments, once NHTSA policy makers have decided on a course of action.

Finally, it seems rather odd that both the writers of the DOT report and the panel chose to ignore the findings produced at HSRI. We rolled the Corvair a large number of times and produced sufficient wheel-rim/road-surface contacts that the rear suspension and axle assembly finally broke loose, dropping the transmission on the test pad. We then had to repair the Corvair to complete our test program. It appears that rollovers occurring with a less than fully loaded Corvair didn't count as valid data points for the purposes of DOT's study.

I trust that you will treat these remarks as an effort on my part to shed light on a long-standing controversy. Thus, this letter has been written for your personal edification and not for the purpose of aiding you in your campaign to remove the Corvair from the vehicle population. As I tried to express on the phone, the issues that you pose are not black and white, but highly confused grey.

Sincerely,

Prof. L. SEGEL,
Head, Physical Factory Group.

EXHIBIT H

PUBLIC INTEREST RESEARCH GROUP,
Washington, D.C., March 15, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, U.S. Senate Committee on Commerce, Washington, D.C.

DEAR SENATOR MAGNUSON: Thank you for responding to my request for a copy of Mr. Toms' letter of February 23, 1973 regarding Mr. Nader's inquiry concerning the NHTSA's Corvair handling and stability defect investigation. I have reviewed Mr. Toms' comments and I am not satisfied by his explanation of the way in which this investigation was carried out. Furthermore, I have reason to doubt that the investigation's conclusions are justified by the NHTSA's own data or its published analysis of the data gathered from other sources.

In order to explore the Corvair investigation on its merits, I request the following questions be explicitly answered:

1. The Loading of the Vehicles for the NHTSA's Tests at TTI:

(a) Prior to conducting the TTI tests, were the NHTSA engineers aware of the conclusion in General Motors' Proving Ground report PG–17103 which noted the particular stability of the Corvair when it carried extra weight on the rear axle and did this conclusion have any influence on the decision on loading made in the Texas tests? If not, why not?

(b) Quite aside from the question of carrying extra test equipment, did the NHTSA determine that the Corvair or any other car in the test program would perform in its most dangerous or unstable manner when fully loaded?

(c) When and how was such a determination made, if it was made at all, and what was the evidence and reasoning used in the determination?

(d) If such a determination was not made, was there any technical basis for heavily loading the test vehicles other than to carry test equipment?

(e) Was any consideration given to the fact that possible anomalous results (such as increased stability for Corvairs and reduced stability for Falcons) might obtain in tests where the vehicles were heavily loaded (contrary to the usual weight loads used in handling and stability tests)? Please explain what considerations were or were not extended to this issue.

(f) If it was possible for the NHTSA to test the Corvair in a "lightly loaded" configuration in the so-called "noncomparative" tests, why was the Corvair, or any other car, tested either fully or over-loaded in the "comparative" tests?

2. The NHTSA Test Program:

Apparently the NHTSA approached and at least tried to contract with both the Highway Safety Research Institute (HSRI) of the University of Michigan and the Cornell Aeronautical Laboratory (CAL) to carry out handling and stability tests on the Corvair. In both of these cases, the institutions had personnel who were sufficiently expert in the field of vehicle handling that the NHTSA defect staff would not have had to have become involved in the actual design and conduct of the test program.

(a) Was the NHTSA satisfied that institutions other than CAL and HSRI, outside the automotive industry itself, had the expertise to carry out such testing?

(b) Why wasn't HSRI contracted to carry out or at least oversee the conduct of the test program at TTI since neither TTI nor the NHTSA defects office had personnel with experience in this type of test program or in the use of the HSRI developed test equipment?

(c) Why was the Cornell Laboratory contract terminated?

(d) In the test program, the NHTSA attempted to restore the vehicles to original condition through replacement of many suspension components and tires. In doing so, it appears that the aim was to determine if the Corvair was defective when new. However in justifying the choice of contemporary tires (recent vintage such as 1970 tires—not new 1960–1963 tires which may be qualitatively different) for the tests, it was stated that most Corvairs on the road today would be equipped with contemporary tires. There appears to be a paradox in these two statements. Was the NHTSA's aim to determine if the Corvair, as manufactured, was defective? Or was the purpose to determine if the Corvairs in use today are defective because of errors in the original design of the vehicles?

(e) Is the NHTSA position noted in (d) above consistent with the NHTSA's position on other defect investigations such as the Corvair heater investigation?

3. Noncomparative Tests of the Corvair (Lightly Loaded):

It is apparent from the materials which were sent to you on December 20, 1972, concerning data which was belatedly placed in the NHTSA public files for the Corvair investigation, that the tests of the lightly loaded Corvair were neither authorized nor disclosed until considerably after the completion of the investigation. Since both of these factors are highly irregular, if not contrary to law, what if any action is being taken with regard to the personnel involved and what changes are being made in NHTSA procedures to avoid such a situation in the future?

4. Public Information on the Corvair Investigation:

Confidence of the public in the findings of the NHTSA requires full disclosure of the information supporting its conclusions. The NHTSA belatedly revealed previously undisclosed materials in a letter of December 20, 1972, but apparently continues to withhold materials submitted "in confidence" by General Motors. Section 113 of the National Traffic and Motor Vehicle Safety Act of 1966 requires that the Secretary "shall not disclose any information which contains or related to a trade secret or other matters referred to in Section 1905 of title 18 of the United States Code unless he determines that it is necessary to carry out the purposes of this Act." The determination of what is a trade secret should rest with the Secretary and not with the manufacturer who is required to submit all materials requested by the NHTSA pursuant to a defect investigation—with no allowance for special conditions to be attached to the submission of that material.

Since the Corvair is no longer in production, nor is any design of vehicle suspension similar to the Corvair in production at GM, it is difficult to believe that any material submitted to the NHTSA by GM could be considered a trade secret. I would therefore like to have a list of all materials which have been so classified and withheld from the public. In addition what was the NHTSA's reason for accepting General Motors' contention that these materials be withheld from the public?

5. Impact of Corvair Investigation on Future Safety Matters:

Aside from the findings of the NHTSA concerning the Corvair directly, the public would benefit from a discussion of what was learned from the Corvair investigation which might alter future investigation procedures on technically sophisticated and controversial alleged vehicle defects? What is being done to improve the state of knowledge about vehicle handling testing?

(a) What changes would the NHTSA make in the Corvair investigation if it were done again?

(b) What is the state of rule making on vehicle handling standards?

(c) Does the NHTSA believe that handling standards are desirable or necessary for the improvement of traffic safety?

The issues that I have raised in this letter are important to resolve before any conclusion can be reached with respect to the safety of Corvair handling and stability. I hope that you will request the agency to respond to my questions.

Sincerely,

CARL E. NASH, Ph. D.

EXHIBIT I

(Work sheets for NHTSA Corvair testing drastic steer-drastic brake with a lightly loaded Corvair, carried out at the Texas Transportation Institute.)

PROJECT NO. 787—SPECIAL TEST

Vehicle C; drone operator, Zimmer; test site No. 1; date June 9, 1971.

Tire Pressure: Design —; Service —; Front, 28 (hot), Rear, 28 (hot).

1. Activate instrumentation for a 10 minute period.

2. Check instrumentation calibration and run a calibration strip record for each channel.

3. Obtain the following data before test:
Odometer, 61496.
Time, 2:45 p.m.
Ambient Temperature, 92°.
Test Surface Temperature, 120°.
Wind Velocity, 5–8.
Wind Direction (from) SE.
Barometric Pressure, unknown.
Precipitation (previous 24 hrs.) None.

4. Determine, by trial, the normalized steering wheel positions to obtain .1 g lateral acceleration increments at 40 mph vehicle speed in a left turn between .3 g through maximum steering input of 400 degrees. Record speed, steer input, maximum lateral acceleration and brake input time (yaw rate achieves 0.9 maximum value), after beginning of steer input, on the Pre-Test Steer Input Determination Data Sheet.

5. Program the Controller Function Generator for the selected control inputs to the steering system, brake, and accelerator pedals.

6. Stabilize the vehicle in a straight ahead direction at 40 mph for 5 to 10 seconds and start recording data.

7. Execute signal to Function Generator within 1 to 3 seconds after beginning data recordation (throttle is released simultaneously with the ½ sine wave steer input during interval of 0.95 to 1.05 seconds; brake input is applied with sufficient force to lock all 4 wheels for not more than 0.5 second when.

* * * * *

8. Record the test run number, speed, lateral acceleration, steer input, and time of brake input on the Drastic Steer, Drastic Brake Data Sheet.

9. Repeat items 5–8 with increased steer increments to obtain approximately 0.1 g larger steps of lateral acceleration until the vehicle attains a rollover mode.

10. Repeat items 4–9 for a vehicle speed of 30 mph if a roll-over mode is obtained for 40 mph.

11. Repeat items 4–9 for a vehicle speed of 50 mph if a roll-over mode is not obtained for 40 mph.

12. Repeat items 4–9 for a vehicle speed of 60 mph if a roll-over mode is not obtained for 50 mph.

Notes:

a. Install new test identification numbers after each test run.

b. Tires shall be frequently inspected for testing suitability and tread measurements taken periodically to ensure wear at any point has not exceeded 20% of the average tread depth after tire break-in.

c. Record identifying data (test procedure no., date, vehicle, test run no., steering wheel input, brake line pressure, and lateral acceleration) on the recorder tape after each test run.

d. Lateral acceleration (A_Y), yaw velocity (r), steering wheel rotation (δ), wheel revolutions, (roll rate (ϕ), vehicle velocity (V), brake line pressure, and brake and accelerator servo's positions shall be permanently recorded on strip charts during the test runs.

13. Record the following data after test completion:

Odometer, 61514.

Time, 5:20 pm.

Ambient Temperature, 96°.

Test Surface Temperature, 175°.

Wind Velocity, 5–10 gusts to 13.

Wind Direction (from) SE.

Barometric Pressure, Unknown.

Comments: None.

Vehicle C, Date, 6/9/71, Time 7:45 pm, Drone Operator, Zimmer.

Engineer, Wittnon-Newman; Vehicle direction, North.

4 wheel lock-up brake line pressure requirement.

PRETEST STEER INPUT DETERMINATIONS

[Tire pressure 28–28 (hot) tire set No. 8]

Vehicle speed (mi/h)	Steer input (degrees)	Lateral acceleration (gravity)	Brake input time (second)	Remarks
50	300	1.1	0.7	Spinout.
50	300	1.1	.7	Do.
50	350	1.1	.6	Do.
60	200	1.25	.7	Do.
60	300	1.25	.6	R/R rim, spin-out, R/R tire * * *.
60	350	1.13	.6	Spinout.

Vehicle C, Date June 9, 1971; Time 2:45 p.m., Drone Operator, Zimmer.

Engineer Wittnon-Newman, Vehicle Direction, North.

[Tire pressure 28–28 hot]

Run No.	Speed (miles per hour)	Lateral acceleration (gravity)	Steer input (degrees)	Brake input time (seconds)	Run OK/NG	Remarks
1	50	1.1	200	0.7	OK	Spinout, spare input 0.5 seconds overrun.
2	50	1.1	300	.7	OK	Spinout, input overrun 0.5 seconds.
3	50	1.25	350	.6	OK	Do.
4	50	1.1	400	.6	OK	Do.
5	60	1.05	200	.7	OK	Do.
6	60	1.25	300	.6	OK	Left R/R rim contact. Spinout, input overrun 0.5 seconds.
7	60	1.15	350	.6	OK	Spinout, input overrun 0.5 seconds.
8	60	1.15	400	.6	OK	Do.

Note: Tire sets used No. 9, new with 200-mile break-in. Tire on right rear swapped after run Nos 2, 4, 5 ,6, and 7.

EXHIBIT J

FORD MOTOR COMPANY,
Dearborn, Mich, April 26, 1972.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: I have been asked to respond to your letter of March 28 to Mr. Henry Ford II, in which you asked for information concerning "Corvair tests" made by the Company.

We assume the tests to which you refer were those involved in a 1959 film, a copy of which is enclosed, which shows a 1960 Corvair following a 1960 Falcon around a Ford test track. We believe these tests were performed objectively. In this connection, we discussed the film with the drivers of both vehicles who stated that the tests were performed to the best of their ability. Their statements are attached.

We have two other reels of film involving a Corvair. These films were made in 1968 and involved a used 1962 Corvair in poor condition. The tests shown in these films were not designed to measure the handling characteristics. We assume, therefore, that you do not want this film.

Very truly yours,

W. A. MCCONNELL.

STATEMENT

My name is Gordon E. Freitag. My address is 2951 Cornell, Dearborn, Michigan, 48124. I am a Supervisor at the Dearborn test track of Ford Motor Company and have held this position since 1957.

I have reviewed a film made of a 1960 Corvair following a 1960 Falcon around sections of the Dearborn test track. I was the driver of the Corvair. I was instructed to attempt to follow the Falcon without having the Corvair break away. Before the filming began, I had the opportunity to drive the Corvair following the Falcon on the same course used for the film. While the film was being shot, I tried to the best of my ability to maintain the same speed as the Falcon without having the Corvair I was driving break away. As the film shows, I was not able to do so.

Dated: April 13, 1972

GORDON E. FREITAG.

STATEMENT

My name is Maurice J. Kaiser. My address is 3637 Academy, Dearborn, Michigan, 48124. I am a Supervisor at the Dearborn test track of Ford Motor Company. In the fall of 1959, I was a test driver at the Dearborn test track.

I have reviewed a film made of a 1960 Corvair following a 1960 Falcon around sections of the Dearborn test track. I was the driver of the Falcon. I was instructed to drive the Falcon as fast as possible without causing it to break away. The driver of the Corvair was instructed to follow me and maintain the same speed.

The driver of the Corvair was Gordon Freitag. Both of us were given the opportunity to drive both cars in advance.

I drove the Falcon to the best of my ability in accordance with the instructions I was given.

Dated: April 13, 1972

MAURICE J. KAISER.

FORD MOTOR CO.,
Dearborn, Mich., December 22, 1972.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: I have been asked to respond to your letter of December 1 to Mr. Henry Ford II, which was received on December 11.

We have reviewed the report on the 1959 Corvair film by the National Highway Traffic Safety Administration. We have again also reviewed the film with the persons involved, including the drivers, Messrs. Freitag and Kaiser. The person who directed the test and the drivers continue to maintain that the cars were driven to the best of the drivers' ability and they deny that any improper steering in-put into the Corvair was involved. We have not, however, been able to make a positive identification of the person driving the Corvair during the S-curve (Mr. Freitag, while he recalls driving the Corvair around the circle, does not now recall driving the S-curve.)

In an attempt to resolve the question, we purchased a used 1961 Corvair and had one of our engineers, who is not a professional driver, drive it on the same segments of our track on which the original test was conducted. He had no difficulty in negotiating the turns at the speeds set forth in the Safety Administration report, which were apparently the speeds used in the 1959 film. We also permitted General Motors to conduct tests of the Corvair and Falcon on this track and we understand that neither the Corvair nor the Falcon had any difficulty in negotiating the turns.

Thus, there seems to be a discrepancy between the 1959 film and certain tests of the Corvair this year. This perhaps could be explained by the use of different cars, different track surfacing, different drivers and all the other circumstances that could vary over a 13-year period. Yet, since differing opinions on Corvair handling characteristics have been rendered by Ford personnel and others, including the Safety Administration, it would seem that there is some question as to whether the 1959 film presented a valid illustration of the Corvair's handling characteristics. This film, however, was not used publicly by Ford Motor Company, and since the Safety Administration has fully investigated this matter, it does not seem fruitful for us to pursue it any further.

In accordance with your request, enclosed are two films made in 1968 involving a Corvair. As I indicated in my earlier letter to you, however, these tests involved a used Corvair in poor condition and were not designed to measure the handling characteristics of a Corvair.

Very truly yours,

W. A. MCCONNELL,
Director, Product Test Operations.

EXHIBIT K

[From The Consumer Reports, September, 1971]

CARBON MONOXIDE IN THE CORVAIR

In February 1961, John P. Petry, a Pennsylvania washing-machine serviceman, bought a new 1961 *Chevrolet Corvair Greenbriar* van for his work. The van's engine was

the same air-cooled, rear-mounted design that General Motors had introduced the year before in its *Corvair* compact sedan. The original *Corvair* used a gasoline-burning heater, but starting with the 1961 models, GM switched to a direct-air heater as standard equipment in all *Corvairs*. That switch, Petry later contended, was disastrous for him.

The system was designed so that a portion of the air used to cool the engine passed directly into the passenger compartment after having been heated by the engine. GM engineers should have been aware that such a system could be hazardous. A leak in a head gasket or a failure of some component in the exhaust system might cause carbon monoxide and other noxious engine fumes to enter the passenger compartment through the heating system.

Petry later argued, in pretrial testimony found by CU in court records of a suit against General Motors, that fumes inside the van bothered him almost from the time he started driving it. Numerous attempts by Chevrolet mechanics to solve the problem came to naught. That spring, Petry was further annoyed because his *Corvair's* heater wouldn't shut off. According to Petry, a mechanic at his Chevrolet agency gave him two pieces of cardboard and advised him to block the heater's duct work with it. But Petry didn't do that; he didn't know how.

By summer, Petry testified, he began suffering from headaches, loss of appetite, dizziness and nausea, and sometimes, while driving home from work at the end of the day, he would lose his sense of direction. Unaccountably, his ability to judge distances deteriorated, he said. "For instance, making a right-hand turn around a corner, I would have a tendency to hop that corner and rub trees." In the winter of 1962, Petry said, his vision deteriorated. Neither he nor his physician associated his various physical complaints with carbon monoxide.

Meanwhile, Petry remained understandably disturbed by the apparent lemon he had bought. The fumes remained unpleasant and the heater uncomfortable in the summer. Petry retained Edward L. Wolf, a Philadelphia attorney, in an effort to force General Motors to fix his *Corvair*. After hearing his client's story, which included a recitation of his physical problems, the attorney recalled that the Federal Aviation Administration had attributed a number of aircraft accidents to pilot disorientation caused by carbon monoxide. The heaters in those small planes were sufficiently similar in design to the *Corvair's* system to raise some suspicion in the attorney's mind. Wolf had Petry undergo a blood test. It confirmed that he was suffering from carbon monoxide poisoning. Later tests showed that he had incurred permanent brain damage. Petry has been unable to work since 1962. He stumbles, suffers memory lapses, hears a constant ringing in his ears and cannot walk a city block without becoming fatigued. The Social Security Administration has classified him as totally disabled.

In the fall of 1962, Petry sued General Motors for $250,000, alleging, among other things, GM's "failure to warn . . . of the dangers of carbon monoxide which could reasonably occur by virtue of the inherent characteristics of the heater." Four years later, a few weeks before the case was to come to trial, GM settled the case out of court for $125,000. As part of the settlement, GM was allowed to purchase the *Corvair Greenbriar* van and Wolf's files in the case. By then, Ralph Nader had published, in "Unsafe At Any Speed," his charges of dangerous handling characteristics in early model *Corvairs*, and General Motors, by its unseemly behavior in assigning private detectives to pry into Nader's private life, had created the scandal that would eventually lead to direct Government intervention in auto safety. Perhaps GM hoped it could keep the story of *Corvair's* heater problems quiet. With the Petry case settled, no jury would decide whether the carbon monoxide had caused Petry's illness, nor would the public ever learn what damning evidence, if any, was impounded with Wolf's files. For, as part of the settlement, Wolf and Petry agreed not to discuss specifics of the case.

But last January, under pressure from Ralph Nader and Senator Vance Hartke, the National Highway Traffic Safety Administration reopened the subject. It issued a "special consumer protection bulletin" alerting consumers to "specific use-risk situations" involving all 1961 through 1969 *Chevrolet Corvairs*. The bulletin reported that an investigation of the *Corvair* heater "disclosed that a problem with engine fumes does exist in some of these vehicles." Not until page two of the two-page bulletin, however, was it reported that those fumes may contain carbon monoxide. According to the bulletin, a "limited sample" of *Corvairs* tested were found to admit "significant" quantities of carbon monoxide into the passenger compartment. The bulletin didn't say how much carbon monoxide was discovered in those cars, nor did it reveal the number of cars whose heaters were turning out carbon monoxide. But CU learned that one of the cars tested by the NHTSA was found to contain 60 parts per million (ppm) of carbon monoxide in the passenger compartment. According to the woman who owned that *Corvair*, the Government official who had done the test warned her that her one-year-old son, after riding in the car for eight hours, would become very ill and that her own senses would be dulled. The NHTSA's consumer alert conveyed none of those specific warnings, which may explain why the press paid it only passing attention. The alert advised *Corvair* owners who smelled exhaust fumes to seek repairs or drive with a window open at least one inch.

Good enough advice? Douglas Toms, acting director of the NHTSA, later acknowledged under prodding from Senator Hartke at hearings of the Senate Commerce Committee that the absence of an odor did not necessarily rule out the presence of carbon monoxide, which is itself odorless. Odor or no odor, Toms said, if he owned a *Corvair*, "The first thing I would do is to make sure I always operate it with my window open." Carbon monoxide could enter the *Corvair* even with the heater off, he said.

Tom's testimony expanded further on his agency's consumer-protection bulletin. The bulletin, for example, while advising troubled *Corvair* owners to seek repairs, did not suggest what repairs might be needed, nor did it estimate their cost. In his testimony before the Commerce Committee, however, Toms said the necessary repairs would cost about $170 and might have to be redone every year. He noted that there was no way for a mechanic to be certain the problem had been solved without access to a carbon-monoxide tester; yet he did not know of any Chevrolet dealer in the Washington, D.C., area with adequate test equipment.

PERILS OF CARBON MONOXIDE

Scientists disagree over how much carbon monoxide humans can tolerate, and for how long, without ill effects, and the disagreement carries over into industrial safety standards. At their most stringent, in the Soviet Union and Czechoslovakia, a factory worker's exposure is limited to 18 parts per million in the air he must breathe all day. In California the limit is 30 ppm for an eight-hour work day, an exposure which in turn is lower than the American Conference of Governmental Industrial Hygienists' recommended maximum of 50 ppm.

Limits for the intermittent kind of exposure that might be encountered in an automobile have been set by the U.S. Government's Aberdeen Proving Ground at 100 ppm for 30 to 60 minutes and at 50 ppm for more than an hour. Recent tests have shown that after exposure to a concentration of 50 ppm of carbon monoxide for three hours, many persons suffer significant impairment of nervous-system functions, including reduced coordination, judgment, vision and psychomotor performance. Those effects may come about even in the absence of any physical discomfort. Clearly, carbon monoxide should not leak into an automobile's passenger compartment. Levels too low to do permanent harm may still impair one's ability to drive.

The NHTSA put out its mild warning after it had tested 18 *Corvairs* brought to its attention by owners who noticed disagreeable odors when the heater was on. Fourteen of those *Corvairs* leaked carbon monoxide into the passenger compartment when the heater was on. Eight of the fourteen produced concentrations in excess of 50 ppm inside the passenger compartment; two of the eight, a 1963 and a 1966 model, registered 200 and 220 ppm respectively.

Those 18 *Corvairs* were not, of course, a representative sample, since the presence of objectionable fumes was what had indicated in the first place that something was wrong. There had been no testing of *Corvairs* that didn't have an odor. So the NHTSA contracted with the Automobile Association of Southern California for tests of a random sampling of 300 *Corvairs* to give the Government some idea of the percentage of all *Corvairs* that were leaking carbon monoxide into the passanger compartment. By mid-April 1971, with the California test results not yet released (and at this writing they have still not been released), CU decided to test a sampling of *Corvairs* owned by people living near our Mount Vernon, N.Y., headquarters. By letters addressed to registered owners and through newspaper and television publicity, we invited people to bring their *Corvairs* in for testing; 221 *Corvair* owners did so.

We drove each car over a three-mile course through suburban Mount Vernon, N.Y. Driving time ranged from 10 to 25 minutes, depending on traffic conditions. The test route followed local business and residential streets and a divided highway. Carbon monoxide levels were continuously monitored inside the car. At several points along the route the car was stopped, and carbon monoxide was measured in the outside air. Everyone walking or riding in those streets was breathing a certain amount of carbon monoxide most of the time (quite typically from 20 to 30 ppm), and our test was designed to discover the approximate difference between the amount outside the car and the amount inside. If we measured 50 ppm attributable to a defect in the car under test, that meant the occupants might well have been inhaling 70 to 80 ppm—considerably more carbon monoxide than is acceptable by even the more tolerant standards.

Twenty-five of the 221 *Corvairs* tested produced carbon monoxide concentrations in the passenger compartment in excess of 50 ppm above street-level concentrations when driven with the windows closed and the heater on full. Six of those 25 produced concentrations of between 100 and 200 ppm; seven others produced in excess of 220 ppm.

In 1965, General Motors redesigned the *Corvair's* head gaskets in an apparent effort to produce a tighter fit and make carbon-monoxide leaks less likely. But 16 of the 25 *Corvairs* that leaked more than 50 ppm of carbon monoxide in our tests were of 1965 vintage or later.

Is it normal for better than 10 per cent of such a sampling of automobiles to admit what we consider dangerous levels of carbon monoxide into the passenger compartment? To get some idea, CU chose 66 other cars from our employee parking lot and ran them through tests similar to those done on the *Corvairs*. Included in that sample were seven *Volkswagens*, which, like the *Corvair*

have rear-mounted air-cooled engines and forced-air heating systems. In none of those 66 cars did we measure higher concentrations of carbon monoxide inside the car than outside.

If CU's sampling of *Corvairs* is at all representative of the 900,000 *Corvairs* on the road today, then it's quite likely that some 90,000 *Corvair* owners now drive at great risk in cold or wet weather, when they're likely to shut the windows and turn on the heater. Nor do owners of *Corvairs* free of carbon monoxide leaks have any assurance that a leak won't develop tomorrow or the next day.

There are some indications that CU's test result is no fluke. The Automobile Club of Missouri recently tested 52 *Corvairs* and found 17 (nearly one-third) to have carbon-monoxide concentrations of more than 50 ppm in the passenger compartment. The club detected no excess carbon monoxide inside 100 cars other than *Corvairs* that it tested. Further, the NHTSA, although refusing to give us the results of its California study, did indicate that those results were not much different from ours.

WHAT'S TO BE DONE?

It seems evident that many thousands of people riding in *Corvairs* risk an unsafe level of carbon monoxide and that, to the extent their driving may be affected, *Corvair* owners risk injuring other motorists and pedestrians. Though no jury to CU's knowledge has yet held General Motors legally responsible for injuries or damages allegedly caused by the *Corvair* heater, owners of the cars can hardly afford to ignore the kinds of charges leveled at GM in a number of suits. GM has paid settlements not only to Petry but also to several other claimants, including a widow who contended that her husband died of a heart attack brought on by inhalation of carbon monoxide from his *Corvair*. In a case still pending, a *Corvair* owner who was paralyed by an accident injury claims to have lost control of his car because of carbon monoxide poisoning suffered while he sat in the car for 45 minutes at a drive-in restaurant with the heater on and the windows closed.

The best advice CU can give *Corvair* owners is none too satisfactory. Keeping a window open may not give protection enough in a car with high concentrations of carbon monoxide. One 1964 *Corvair* brought to us for testing was found to have concentrations of about 250 ppm with the windows closed and the heater going full blast. Later, tests were run with windows open in various combinations. Opening the side windows one inch did not lower the carbon monoxide level significantly. Opening one side window halfway and the opposite corner (vent) window 45 degrees reduced the level to 200 ppm. Opening the side window all the way dropped the concentration to 100 ppm. With both side windows rolled down, both corner windows open 45 degrees and the summer air vents also open fully, the carbon monoxide level was 60 ppm—still unsatisfactory. Only with the heater turned off did the problem disappear in that car.

There will be no practical way for most *Corvair* owners to have their cars checked for carbon monoxide levels unless GM supplies its *Chevrolet* dealers with proper test equipment. Nor has GM offered to pay the high price of replacing leaky head gaskets or exhaust system. (Head gaskets on *Corvairs* with unexpired five-year or 50,000-mile warranties are still covered by warranty, however.) Even if carbon monoxide tests were easily obtained and repairs were made free, the risk would remain of leaks developing between times. And even if you never turned the heater on, carbon monoxide might still get into the car.

As word spreads about the *Corvair* heater problem, some people will doubtless sell or trade in their cars, passing along the problem to others. If laws were written with public safety as the paramount interest, the Government would have authority to order General Motors to buy back every last *Corvair* for its original price. That principle is already established for less expensive products in the Child Protection and Toy Safety Act (CONSUMER REPORTS, March 1971).

As matters stand, the 1966 National Traffic and Motor Vehicle Safety Act requires car manufacturers to furnish notification of any defect that the manufacturer "determines, in good faith, relates to motor safety." A defect includes any defect in performance, construction, components or materials. The manufacturer is obliged to furnish notification of a defect to the original purchaser and any subsequent purchaser who is covered by the original warranty. The manufacturer, however, is not obliged to pay for the repair of such defects, nor is he required to notify all subsequent purchasers. Still, most defect-notification campaigns, generally referred to as recalls, have involved repair or replacement of the defective parts at the manufacturer's expense.

In CU's opinion the *Corvair* heater is a defect as defined by the National Traffic and Motor Vehicle Safety Act. The construction of the heater is such that it will almost inevitably blow carbon monoxide into the *Corvair* passenger compartment should a small leak develop in the engine's gasketing or exhaust system. There is evidence that suggests General Motors may have known that the direct-air heating system was dangerous when it was rushed into production for the 1961 *Corvair*. The 1961 shop manual states: "Because of the inherent characteristics of the heater, objectionable fumes in the engine compartment may be drawn into the passenger compartment and result in owner complaints." The manual went on to advise that "complaints of objectionable odors in the passenger compartment, whether the heater is on or off, should be traced immediately and promptly corrected." It then referred Chevrolet mechanics to the section of the manual dealing with "Procedures and possible locations to check for faulty engine gaskets or seals." The new head gaskets installed beginning with the 1965 *Corvair* also point to an awareness on the part of GM of the hazards of the heater. And certainly, if further notice were needed, it has been amply provided to GM in the form of complaints about odors and fumes, not to mention the court cases.

The NHTSA should use its power to require GM to issue a notice of the possible defect. With many *Corvairs* now in the hands of second and subsequent owners and with the warranty expired on most of the cars, it will be necessary to extend the defect notice far beyond what the law requires, perhaps through heavy advertising. The Government should try to persuade GM to do the advertising, to provide carbon monoxide test facilities at many locations and to make repairs at no cost to the owner. *Corvair* owners should be reminded periodically to take the car in for a recheck.

Above, all the NHTSA has an obligation to investigate the *Corvair* case from top to bottom and to give the facts to the public. It has the legal authority to obtain the records impounded by General Motors in the Petry case, particularly the testimony and the records of the GM engineers who designed and tested the heater. The question of how well or poorly this huge manufacturer exercised its corporate responsibility has fundamental bearing on the proper behavior of all corporations and on future legislation.

Each year the Chevrolet division of General Motors produces a history of the division. In 1970, the official Chevrolet history book dropped all mention of the *Corvair*. The 900,000 current owners of that ill-fated vehicle cannot forget the car so easily.

EXHIBIT L

SUSPENSIONS FROM THE GROUND UP

(By Charles M. Rubly)

INTRODUCTION

A certain amount of background information is necessary to establish a foundation on which to discuss in detail the engineering features, and situations that had to be overcome in designing suspensions for a rear engine car. A paper, "The Chevrolet Corvair," by Messers. Hansen, Benzinger, and Winchell, was presented at the National SAE Meeting in Detroit in January, 1960. That paper covered the concept and basic design of the Corvair.

Starting from the point where we will surmise that the general preliminary specifications has been laid down by Engineering Management and the decision has been made regarding length of wheelbase, the front and rear tread, that we would use a 6-cylinder opposed aluminum engine mounted in the rear in combination with a transaxle so that some type of independent rear suspension could be used.

With the engine, transmision and axle located in the rear and designed as one package, the driveline is eliminated and the tunnel disappears. Consequently there is more leg room for the center passengers, and the overall car height can be reduced for a more compact car. Seat thickness is constant across the width of the car, thereby obtaining a more comfortable seat which in itself adds to the pleasability of the ride.

The Chevrolet Engineering Management has recognized the advantages of an independent rear suspension for some time. Such a suspension is desirable because of the inherent softness when unsprung weight is reduced.

Fairly high ride rates can be used for handling benefits, yet harshness is reduced with the use of an independent rear suspension.

The independent rear suspension eliminates the shake that manifests itself through the tramping of a solid axle. It also eliminates that feeling of dragging a gun carriage under the vehicle, and we felt we could better control roll and the height of the roll center for better handling.

Engineering fully realized that with a weight distribution of 40% front and 60% rear there was an unusual situation with regards to handling in a conventional passenger car. Even though such a weight distribution is not unknown today and in fact is common in loaded station wagons.

It should be pointed out that when the handling deficiency no longer exists, the *advantages* that can be had with a 40% front and 60% rear weight distribution vehicles are many and worthwhile. Some of these are:

1. Little change in weight distribution from curb to fully loaded weight. (Fig. 1)

2. Weight transfer upon braking permits nearly equal braking effort distribution for maximum lining life and fade resistance. (Fig. 2)

3. Light steering effort with numerically lower overall steering ratio, thereby permitting fewer steering wheel turns, lock-to-lock, and no need for power steering.

4. Increased traction with same overall vehicle weight. Figure 3 shows the extra traction inherent to the Corvair as opposed to that of the same car if built with front engine. The chart is theoretical, but the figures are comparative and do indicate the traction advantage of a rear engined car over a front engined-rear drive vehicle of the same weight. Using a .2 coefficient of friction, the gain is over 40% in the case of one passenger load, and over 30% in the case of a five passenger load.

We realized at the outset, that tires and width of rims would play an important part in solving the handling situation, also that any tire then being produced *would not* be

satisfactory. The tires must be an engineered part of the suspension and not just another tire.

Based on the title, we will start from the ground and this policy will discuss:

The development of a new tire and compatible rim to help the suspensions overcome the handling deficiencies of a car that is heavier on the rear wheels than on the front, a situation that has plagued tail heavy cars in the past, plus the situation that exists with use of an independent rear suspension with regards to roll couple.

The design of the front suspension and its attachment to the integral body.

The design of the rear suspension and its attachment to the integral body.

The relative stiffness of the body to which the suspensions attach.

TIRES

In the early stages of development work, existing 13 inch tires of various makes including European tires were evaluated. One tire and rim combination investigated fully was a 6.40–13 inch tire on a 4.5 inch rim. All existing tires were found to be unsatisfactory.

Many different ideas were pulled from the suspension engineer's bag of tricks but the handling characteristics always fell short of our objective and engineering standards.

It was then decided that a tire of larger size, incorporating new internal construction, plus a wider rim and compatible suspension geometry were necessary to accomplish our handling objective, without compromising ride comfort, or adding undue harshness to the vehicle.

Design work was started in cooperation with tire companies to accomplish this. Tire construction and tire building "know-how" were explored. At the same time, evaluations were made of various rim widths and the effects of balancing out tire pressures front to rear. As a result, a tire and rim specification evolved which, when used with compatible suspension geometry, provided the desired handling characteristics.

The tire size was then established as 6.50–13 with 4-ply rating incorporating new proportions, a height to width ratio of .85 and a lower cord angle. A stiffer carcass stock and a softer tread stock were also specified to further improve stability and ride comfort. This new tire is used on a 5.5 inch rim with tire pressures of 15 psi front and 26 psi rear in order to obtain as close as possible equal slip angles under lateral acceleration.

The following graphs, of course, do not represent all the development work that was done, but do illustrate the significant factors and why we accepted the stated specification.

Figure 4 shows cornering force versus slip angle of three different tire and rim combinations:

1. The lower curve represents the old or original tire with a section height to width ratio of .92 on a 4.5" wide rim.

2. The middle curve represents the old or original tire with a section height to width ratio of .92 on a 5.5" wide rim.

The vertical difference betwen the two curves shows gain in cornering force for the same slip angles between a 4.5" rim and a 5.5" rim.

3. The upper curve represents the new tire section height to width ratio of .85, and reduced cord angle construction on a 5.5" wide rim.

The vertical difference between the upper curve and the middle curve shows gain made in cornering force for the same slip angles between a .85 and .92 height to width ratio of tire section.

The difference between the lower curve and the upper curve is the total gain experienced when using the new tire section on a 5.5" rim, for an approximate average gain of 19%.

Figure 5 shows the relation of radial tire deflection in inches in comparison with tire loading of a 6.50–13 tire, at 13, 15, 26, and 28 psi. The 15 psi represents the Corvair front tire pressure and 26 psi represents the Corvair rear tire pressures. Note that under these tire pressures and at one passenger load the front and rear tire deflections are practically the same. The objective was to arrive at equal tire deflections front and rear under riding conditions and equal slip angles front and rear during cornering. At five passenger load the difference in tire deflection is less than .1 inch.

There are two things that could have been done to better this condition, one would be to lower front tire pressures to 13 psi or increase rear tire pressure to 28 psi.

The 13 psi will support the load satisfactorily but it was found during tire roll off tests in gravel that it was possible to force gravel under the bead seat if the wheel was slid into a gravel bank. So a safety margin was set up as 15 psi cold resulting in approximately 18 psi when hot.

The 28 psi would reduce the rear tire deflection enough but we did not feel that we should compromise ride and add harshness because under hot conditions tire pressures will increase 3 to 4 psi.

The difference in deflection between the front and rear tires will be greater under hot conditions as indicated by the slope of the curves, but not substantially so, a little over .1 inch total.

Thus, in line with our original objective, an engineering solution to lateral stability has been obtained by proper design of tires, rims, and specified inflation pressures.

FRONT SUSPENSION

The front suspension (Fig. 6) was designed for simplicity, assembly ease and low cost. The suspension, in general, is much the same as used in the Chevrolet passenger car inasmuch as we still us a stamped upper and lower control arm, upper and lower ball joints except the lower ball joint is reversed, or in tension, to get inside the 13 inch rim and keep the scrub radius to a minimum. The brake attaches directly to the steering knuckle, and we maintain the antidive feature and an understeering toe change geometry.

The only signicant difference from the regular Chevrolet passenger car, is the use of the strut rod instead of the double bushed lower control arm, and the feature of unitizing the front suspension for ease of assembly at both the manufacturing and the final assembly plants.

The front suspension is assembled at the Gear and Axle Plant as a complete unitized assembly. Camber and caster are preset under a load representing the proper weight of the car on the suspension. Brake adjustment is also accomplished at this time.

Toe is partially set at the manufacturing plant with the final toe setting being made at the end of the final assembly line with the front and rear wheels on the rolls. From the manufacturing plant the complete unit is shipped to the assembly plant for installation into the vehicle.

To install the front suspension unit into the vehicle (Fig. 7), it is placed on a fixture that looks much like a single cylinder hydraulic hoist on wheels. These hoists are on a track along with a similar hoist for the rear suspension engine and transaxle unit.

The track is laid in a circular course and runs from suspension loading station to a point under the body which is carried on an overhead conveyor. The front and rear suspensions are then raised and attached to the integral body structure.

The attachment of the front suspension unit is very straightforward. It is attached by six bolts, three on each side, driven from below into nuts in the body structure as shown by the phantom lines in Figure 8.

Also note that the front suspension crossmember is attached directly to the body structure without any means of isolation.

We have found that no isolation is needed other than the bushings of the upper and lower control arms. In fact, we had a rubber grommet between the upper end of the spring and the crossmember spring seat which has since been eliminated because it was not required for isolation.

It is my opinion, that by the reduction of the front end weight and thereby being able to reduce the spring stiffness and tire pressures, plus the elimination of the engine mass on the front crossmember, we are able to have a front suspension that has low road noise transmissibility without resorting to some type of isolation between the suspension unit and the body structure.

Also note from the illustration that the strut rod is located to the rear.

We have found in laboratory and vehicle testing that the strut rod and suspension arm bushings amount to approximately 25% of the dynamic ride rate. This has also been found to be true on other makes of cars. We feel that this parasitic rate is too high a percentage of the whole. It is a rate that is normally hard to control because of hysteresis in the rubber and the tolerances of rubber compounding.

This area is one that can be greatly improved in the future. In the meantime, however, we do everything possible to control the deflection rates of the strut rod and suspension arm bushings. This is done to maintain the engineering performance and durability standards established on our test vehicles. Curves are added to our drawings showing the acceptability limits of these rubber parts.

Figure 9 illustrates representative performance required of our rubber bushings. Limits of acceptability of the strut rod bushing are shown, and note that there are two shaded areas. The top area is the requirement when new and is for quality control check.

The second or lower shaded area is the range of acceptability after the bushing has been mounted in a test fixture and stroked for 100,000 cycles per the physical requirement note on the drawing. This control plus rubber compounding specifications insures proper performance and durability.

REAR SUSPENSION

The swing axle independent rear suspension (Fig. 10) is one of the most interesting features of the Corvair chassis.

This illustration shows the general arrangement of the rear suspension, transaxle, and engine completely assembled as a unitized assembly.

Unlike the front suspension, the rear suspension is assembled at the car assembly plant and consists of a crossmember, control arm assembly, springs, shock absorbers, brakes and wheels. The transmission and axle, referred to as the transaxle is assembled to the engine. The transaxle-engine assembly is attached to the crossmember through rubber mounts and shimmed fore and aft at the mounting point to produce the correct toe setting.

The complete engine, transaxle, and rear suspension unit is then installed on a hoist fixture and lifted into place in the body at the same time as the front suspension. The rear suspension, engine, and transaxle unit is attached to the unitized body by five bolts, all cushioned in rubber.

This type of swing axle rear suspension is, we believe, unique in its application.

The control arms are mounted in a semi-

trailing attitude so that their projected pivot axes pass through their respective axle shaft universal joint centers. This arrangement limits slip at the U-joint splines and allows the use of single self-aligning bearing assemblies at each axle shaft.

However, note from the illustration that the bearing outer housing is fastened through the flange plate to the control arm. The bearing inner race is a press fit on the axle shaft which carries the brake drum.

Also note that if the transaxle and engine is properly shimmed fore and aft, and if the dimensions up and down are correct, the centerline through the control arm shaft intersects the U-joint on the inner end of the axle shaft. If such alignment existed at all times, the flange plate, brake shoes and drum would stay parallel to each other throughout the ride travel.

Due to tolerances, variations and deflections this is not very likely to happen so that a self-aligning bearing was used to accept the variations. This particular bearing was designed to accommodate a 3 degree variation between flange plate and drum.

It has been found through vehicle testing that the angular variation when driving on a relatively smooth road to be approximately ±½ degree; and on a rough road ±1 degree.

Because of this slight out of parallel condition between the brake shoes and drum, there was some apprehension whether or not we would experience poor brake performance, objectionable wear or objectionable noise.

Apparently all these things aren't what they seem on the surface, in fact, the wear rate is excellent, probably due to cooling. The wear rate is between .003 to .004 per 1000 miles of road testing, and the function of the brake is satisfactory. We feel that it is one of the best brakes that we have ever put on a vehicle.

The geometry of the suspension is such as to produce an anti-lift reaction under braking, and a toe and camber change during riding.

Due to the positioning of the control arm the rear wheels are always trailing and produce an overall toe-in condition throughout the ride travel.

Another interesting aspect of this particular swing axle was the roll couple distribution front to rear.

You will note in the schematic sketch of two chassis (Fig. 12), the top view representing the Corvair with its swing axle, and the bottom view an identical vehicle except for a solid rear axle and leaf springs.

To keep a direct comparison we have used the same wheelbase, tread, weight distribution, front and rear ride rates, and height of center of gravity.

The roll axis intersects the centerline of front wheels at the ground in both cases and assumes the correct height of roll center at the centerline of rear wheels, with the height of the roll center at the rear being higher for the swing axle than the leaf spring.

With the roll axis being higher on the swing axle than on the leaf spring and solid axle, and the height of CG same in both cases, the moment around the roll axis is less for the swing axle, reducing body roll over the leaf spring suspension as much as 40% under identical lateral accelerations.

However, due to the difference in how the load causing the roll, during lateral acceleration, is applied to the tires, a greater percentage of roll couple and overturning couple is carried on the leaf spring car than on the swing axle vehicle.

It is also true that on a swing axle suspension of this type more of the roll couple is taken on the rear than on the front, and if you had equal tire pressures, front and rear, the result would be greater slip angles on the rear than on the front.

Again the saving grace of the lighter front end, which allowed the Corvair to use a much lower tire pressure on the front than the rear. This in turn produced small differences between front and rear tire slip angles under cornering conditions.

One of the obvious questions is "If you wish more of the roll couple to be taken on the front wheels why did you leave the stabilizer off"?

First, we felt the slight amount of gain realized did not warrant the cost, secondly, we did not wish to pay the penalty of increased road noise and harshness that results from use of a stabilizer.

Another question that no doubt can be asked is why did we choose an independent rear suspension of this particular type? There are other swing axle rear suspensions, of course, that permit transferring more of the roll couple to the front end. Our selection of this particular type of a swing axle rear suspension is based on:

1. Lower cost.
2. Ease of assembly.
3. Ease of service.
4. Simplicity of design.
5. We also wished to take advantage of coil springs which in themselves have no static or breakaway friction in order to obtain a more pleasing ride, as proven on the Electronic Ride Simulator at General Motors Research.

In the illustration the upper two traces represent the front and rear road wheel deflections when negotiating a given length of pavement. The lower two traces illustrate the sprung mass vertical acceleration as influenced by friction in the suspension articulating members. The sharp increase in vertical acceleration of the sprung mass when friction is introduced in the suspension, indicates the ride comfort improvement to be made by reducing suspension friction.

6. Reduction of unsprung weight results in a softer feeling vehicle and a shake reduction.

To demonstrate the reduction in lateral shake, the chassis rolls were used with two lobe cams to excite the rear wheels in tramp motion at wheel hop frequency. Vibration pickups were installed to measure vertical wheel motion, lateral axle motion, lateral body frame motion, and lateral front seat frame motion.

A 1957 Chevrolet (the last model Chevrolet produced with a solid axle and leaf spring rear suspension) had 2.9 times more lateral axle motion, 1.4 times more lateral body frame motion, and six times more lateral front seat frame motion compared to a Corvair with equal vertical wheel motions. Other presently produced vehicles with solid axles and leaf spring rear suspensions had similarly large lateral motions excited by this type of suspension.

The 1957 Chevrolet had a resonant wheel tramp frequency of 12 cps, and a lateral resonant shake frequency of 15 cps. The Corvair has a resonant wheel tramp frequency of 14 cps, and a lateral resonant shake frequency of 25 cps. Because of the spread between the lateral resonant frequency of the vehicle and the tramp resonant frequency, the Corvairs' lateral frequency will not be excited by the wheel hop frequency.

7. The ability to isolate the body from distortion stresses. As the rear suspension cross-member, which is isolated from the body by eight large rubber cushions, supports all its suspension elements.

This last point is very important in reducing transmission of road noise and engine noise into the vehicle.

The large outer upper cushions locate the suspension to the body, help support the body weight and take most of the driving loads and part of the acceleration and braking loads.

The inner smaller cushions help support the body weight and help to stabilize the crossmember during acceleration and braking. All cushions, of course, isolate the suspension and power train from the body.

The power plant and transaxle unit in turn are supported from the crossmember by two rubber engine mounts. By this double isolation scheme much of the engine vibration and noise is prevented from transferring into the body.

A soft single rear engine mount is attached directly to the body rear crossmember.

The deflection rates of the rear suspension supporting cushions as specified on our drawings are the result of laboratory tuning and many miles of car testing.

These mounts were tuned, to prevent as much as possible, the transmitting of shake, noise and vibration especially those vibrations in the high frequency range.

We control the body mounting cushions the same as the rubber suspension bushings, by the use of deflection versus load curves as shown in the illustration.

BODY STRUCTURE

Among other factors, the body's effect on or contribution to ride was considered when the target structural values were formed. Over 60 different makes or models of cars were evaluated with respect to ride quality and structural stiffness. In that group of cars the unit torsion rate varied from a low of about 23,000 ft-lbs/deg/ft, to a high of about 100,000 ft-lbs/deg/ft.

Generally, the vehicles with numerically lower torsion rates were good with respect to ride softness, but also had notable shake characteristics.

The stiffer vehicles had greater freedom from shake but were prone to ride and road harshness.

Those findings suggest the limits of compromise, but there are other factors that must be considered. Body durability and functional quality require structural stiffness.* With a separate frame and body type construction, an adequately stiff body can be suitably mounted through rubber to a somewhat more limber chassis frame, thus permitting a torsional rate over the length of the wheelbase as desired for ride without sacrificing body quality.

With integrated frame and body construction the designers freedom is restricted. The stiffness required for body durability and performance cannot be sacrificed, so that a greater proportion of the flexibility or isolation from the road has to be designed into the suspension or its mounts. In that respect, unitized suspension systems have a clear advantage. The Corvair for example, with the chassis springs blocked out has a unit torsion rate of approximately 60,000 lbs-ft/deg/ft. But the body alone is stiffer.

The ability to isolate the rear suspension from the body through rubber cushions permitted the tailoring of torsional rigidity for ride quality without sacrificing body quality.

In other words, unitized suspension systems in combination with a frame integral body design, permit a counterpart of the flexible body mounts in a separate frame and body design, thus permitting greater latitude in the development of ride and road noise isolation.

In the case of the Corvair, which has unitized suspension systems front and rear, torsional flexibility could have been introduced at either end. However, the rear suspension always carries the greatest load, and is consequently, the greatest potential source of road noise. Also, because the rear suspension has the greatest roll couple, torsional flexibility added at that point has a more uniform effect over the entire range of vehicle suspension movements.

The Corvair rear suspension mounting permits another bonus, in that the engine and

transaxle forward mounts are suspended in rubber from the suspension cross-member. As mentioned previously, this means that the engine and transaxle are twice removed or doubly cushioned from the body in the area closest to the passenger compartment.

Further isolation of the engine from the passenger compartment (Fig. 18) is provided with a plastic-coated, one-inch-thick blanket of fiber glass. This blanket is mounted on the engne side of the body panel behind the rear seat. In all other areas, the body is conventionally treated with sound deadening and insulating materials.

CONCLUSION

In conclusion, if there were only one "best" way to design a vehicle, the value of this design could be easily measured. In fact, there would be no basis for discussion at all. In this paper we have attempted to take a closer look at some of the developments that made a fundamentally different approach a very practical one.

EXHIBIT M

CAR APPRAISAL REPORT, TEST DEPARTMENT, GENERAL MOTORS ENGINEERING STAFF

Car Make & Model ——— Car Number ———.

Driver ——— Date: From ——— To ———.

Odometer: Start ——— Finish ——— Miles Driven ———.

Type Transmission ——— Power Steering ——— Power Brakes ———.

Engine Displacement ———.

	Unsatisfactory [1] 1	Objectionable 2	Fair 3	Good 4	Excellent 5	Outstanding 6	Special note (data processing use only)
Safety							
Brakes							
Handling							
Engine							
Transmission							
Comfort							
Ride							
Noise							
Accessories							
Quality							

[1] Please review all unsatisfactory and objectionable ratings in the remarks section.

Remarks:

Type Code (Data Processing Use) ———.

Date ——— Signed ———.

EXHIBIT N

[From the SAE Journal, Feb. 1964.]

VEHICLE DIRECTIONAL CONTROL BEHAVIOR DESCRIBED IN MORE PRECISE TERMS

(By Joseph B. Bidwell, head, Engineering Mechanics Dept., GM Research Laboratories)

Leading vehicle and tire engineers are close to agreement on terminology for vehicle directional control and tire characteristics, as a result of a recent SAE-sponsored seminar. Motivated by the pressing need for definitions permitting quantitative measurements instead of subjective evaluations, they approached agreement rapidly by using a previously developed General Motors suggested terminology as a start for discussion.[1]

Elimination of inconsistencies and substitution of more precise and logical terms, the representative group envisioned, could bring such important advantages as:

Better communications between vehicle and tire engineers on their common problems.

More precise programs for computers used in vehicle dynamics studies.

Easier sharing of computer programs between companies.

Much progress toward agreement was made as top-ranking experts exchanged comments, criticism, and suggestions for improvement to the preliminary GM studies. In fact, some engineers, following the seminar, even recommended that the final proposal—already in sight—might well be the basis for an SAE Recommended Practice. It would parallel, they pointed out, the SAE RP on Ride, Vibration, and Suspension Terminology (SAE J670). (Subsequent discussions have resolved almost all of the points not settled at the seminar, such as the axis systems problem. The revised terminology, which includes all changes agreed upon up to this time, is given in the Appendix.)

In trying to make the definitions technically accurate, it was emphasized, one must not fall into the trap of tieing them down too closely to conventionally steered vehicles. Some of the past terminology is still perfectly satisfactory for them, but it is simply not general enough to take care of future possibilities. Thus, the proposed terms must be usable with such unconventional steering configurations as: rear steering, all-wheel steering, and systems with steering gear ratio as a function of velocity. Some of the subjects on which agreement was reached by the end of the day included such controversial points as definitions for the various kinds of stability and for oversteer, understeer, and neutral steer. There was also extensive discussion of the question of suitable axes. This problem has since been resolved, as mentioned earlier.

STABILITY

The original proposal contained general definitions of stability and instability, with the latter divided into two types—divergent and oscillatory, which were also defined.

F. D. Hales of MIRA pointed out that the originally proposed definition of instability, namely—

A vehicle system is said to be unstable at a prescribed trim provided that, for any small, temporary control or disturbance input, the vehicle will not return to the original steady-state conditions—

also covers neutral stability, which is certainly not a form of instability but, rather, is the boundary of a stable system.

At the meeting the GM engineers suggested a modified definition of stability, and added definitions of asymptotic stability and neutral stability. They also made slight modifications to their definitions of instability and its two types. To clarify their discussion, they used the sketches shown in Fig. 1.

These configurations apply to dynamic systems in general, but they all have practical significance for the vehicle designer, because every one of them applies to some vehicle with respect to its yaw or lateral response.

It was finally agreed that a general definition for stability was unnecessary, and that the definitions for asymptotic stability, neutral stability, divergent instability and oscillatory instability given in the Appendix should be used.

The word "trim," as used in these definitions, is defined to include both the disturbance and the response. This concept appears to be more useful and technically accurate than the normal definition, which refers simply to the condition of the vehicle. (See Appendix for complete definition of trim.)

The new definitions are of particular significance because they allow the various kinds of stability and instability to be measured with suitable tests. Thus, for example, in the study of a certain vehicle, you may find that any input to the steering wheel places the vehicle in a turn of ever-decreasing radius, unless the driver makes compensating motions of the wheel to maintain general equilibrium. This vehicle will never reach steady state; and, although it shows no oscillatory tendencies of its own, it does tend to diverge from a straight course and "spin out." This condition represents divergent instability.

THREE KINDS OF "STEER"

Neutral steer, path oversteer, and path understeer were originally defined in terms of the derivative of the steady-state turning radius with respect to vehicle velocity. If the derivative is zero for a vehicle, it is said to be in neutral steer; if it is negative, the vehicle is in path oversteer; if it is positive, the vehicle is in path understeer.

Hales of MIRA pointed out that the proposed definition of neutral steer means that all vehicles traveling in a straight line on a level road are in neutral steer. E. E. Larrabee of M.I.T. commented that the suggested definitions implied that a small speed change while cornering is essential for the detection of the understeering and oversteering phenomena. He believes that understeering and oversteering phenomena may be detected at *constant speed* and variable turn radius, including situations where the nonlinear effects of tire side force and driving tractive force must be taken into account.

These and similar comments led to the development of the definitions for reference steer angle and neutral steer, path understeer, path oversteer given in the Appendix.

From these definitions it is clear that, if the yaw velocity divided by the steer angle (that is, the yaw velocity gain) is equal to the forward velocity divided by the wheel base, the vehicle is in neutral steer. If the yaw velocity gain is greater, the velocity is in oversteer, if it is less, it is in understeer.

The real significance of the definitions is that, whether a vehicle is said to be in oversteer, understeer, or neutral steer depends strictly on the yaw gain of the vehicle, which is an easily measured quantity, since it involves the change in the rate of rotation in the earth's plane for a unit change in steering angle (see Fig. 2). Note that the curves aren't necessarily straight, and that yaw velocity gain really means the slope of the curve at any particular point (operating condition).

It must be pointed out, however, that the above definitions cover only the steady-state condition, which was the original conception of Maurice Olley 30 years ago.

Walter Bergman of Ford, and others, felt strongly that definitions to cover oversteer and understeer during the transient state should also be included in the terminology. It appeared that to define transient oversteer and understeer was not easy, and no agreement was reached at the meeting on suitable definitions.

[1] "Terminology for Vehicle Directional Control and Tire Characteristics," a proposal by R. T. Bundorf and D. L. Nordeen, Engineering Mechanics Department, GM Research Laboratories.

AXIS SYSTEMS

The proposal in regard to vehicle directional control axes simple gives some conventions in regard to direction, notation, and terminology. No restraints are placed on the number of axis systems to be used or where the origin of any of them should be. There is simply an *XYZ* axis *fixed in space* and an *xyz* axis, which is fixed at some point in the moving vehicle (*moving axis*). The idea is that the analysts should not be tied down in regard to number of axes or origin. Standardizing the directions, for example, simplifies the use of sign conventions for such items as roll steer coefficient (change in steer angle per unit change in roll), so that one can identify by sign a roll oversteer or roll understeer condition. It is impossible to tell this with the present lack of conventions in regard to general orientation of the axis systtm. (See the Appendix for the complete definition of the axis system.)

The logic of this system is explained as follows: Forward motion is chosen as positive, which orients the x-axis. This also gives positive roll motion as clockwise when viewed from the driver's position. The desirability of having positive steering wheel motions as clockwise and positive yaw velocities as clockwise rotations when viewed from the above results in a z-axis that points down. In addition, the positive lateral direction is to the driver's right and thus positive path deviation results from positive steer inputs.

TWO SMALL CHANGES

Instead of the term "camber angle," which was used in the original proposal, "inclination angle" is used for describing tire data or vehicle dynamics problems, where the sign convention is different from the SAE definition of "camber angle" (as given in the SAE RP on Ride, Vibration, and Suspension Terminology). In addition, instead of using the term "critical speed" for an understeer vehicle, where the situation is really not critical in any sense, the document now uses "characteristic speed," since this does characterize the understeer nature of this kind of vehicle.

TERMINOLOGY FOR VEHICLE DIRECTIONAL CONTROL AND TIRE CHARACTERISTICS

Section I: Vehicle directional control (handling) terminology

Vehicle Directional Control is a general term describing all aspects of the driver-vehicle control relationship that pertain to coursekeeping. It includes all types of vehicle systems, environments, and operating conditions, and may be studied both subjectively and objectively.

Vehicle directional control motions fall into certain categories, depending upon the area of study and the vehicle environment. In general, the vehicle may be regarded as a system upon which certain inputs, such as steering inputs, wind forces, or road irregularities, may be imposed. The vehicle motions resulting from these inputs are then called "responses." A method of categorizing such conditions of operation and the resulting vehicle motions is given by the following definitions, which describe the general area of vehicle response.

Vehicle Response is the vehicle motion resulting from some internal or external input to the vehicle. Response tests can be used to determine the stability and control effectiveness of a vehicle.

Vehicle Control Response is the vehicle motion resulting from an input to the control (steering) element.

Although the steering wheel is the primary directional control element, it should be recognized that traction forces at the wheels resulting from driver inputs to brakes or throttle can modify directional response.

Vehicle Disturbance Response is the vehicle motion resulting from unwanted force or displacement inputs applied to the vehicle. Examples of disturbances are wind forces or vertical road displacements.

Position Control is vehicle control with inputs or restraints upon the steering system in the form of displacements at some control point in the steering system (front wheels, Pitman arm, steering wheel), independent of the force required.

Fixed Control is vehicle control with the position of some point in the steering system (front wheels, Pitman arm, steering wheel) held fixed. This is a special case of position control.

Force Control is vehicle control with inputs or restraints upon the steering system in the form of forces, independent of the displacement required.

Free Control is vehicle control with no restraints placed upon the steering system. This is a special case of force control.

Driver Control is vehicle control using the combination of force and position inputs required to maintain the desired path. Force and position are related by the steering and vehicle system parameters and operating conditions.

Steady State exists when external forces relative to the vehicle (including ground and aerodynamic forces) are invariant in time and vehicle control inputs are constant. The motion responses in steady state are referred to as "steady-state responses." This definition does not require the vehicle to be operating in a straight line or on a level road surface. It can also be in a turn of constant radius or on a cambered road surface.

Transient State exists when the motion responses, the external forces relative to the vehicle, or the control positions are changing with time.

These responses are described by the terminology normally employed for other dynamic systems. (Some terminology is described in "Control Engineers' Handbook" edited by John G. Truxal and published by McGraw Hill.)

Trim is a steady-state condition of the vehicle defined by the steady-state vehicle responses and the control and disturbance inputs.

In handling analysis of nonlinear vehicles, trim is used as a reference point for analysis of vehicle stability. In such analysis (as in subjective analysis), it is found that vehicles vary in stability depending upon the trim.

Steady-State Response Gain is the ratio of change in the steady-state response of any motion variable with respect to change in input about a given condition of trim.

Vehicle directional control stability

Passenger vehicles are generally stable systems, but do adopt varying characteristics, depending upon environments and trim. *Environment* refers to the atmospheric and road conditions that affect *vehicle parameters*. For example, temperature may change shock absorber damping characteristics and a slippery road surface may change tire cornering properties. *Trim* has been previously defined as the vehicle *operating condition within a given environment*, and may be specified in part by steer angle, forward velocity, and lateral acceleration. Since all these factors change the vehicle behavior, the vehicle stability must be examined separately for each environment and trim.

Given a set of vehicle parameters based on a particular environment, the vehicle may be examined for each theoretically attainable trim. The conditions that most affect stability are the steady-state values of forward velocity and lateral accelerations. In practice, it is possible for a vehicle to be stable under one set of operating conditions and unstable in another.

Unfortunately, the proper definitions regarding stability do not, in themselves, define a quantitative measure of stability; they only decide whether a vehicle system is stable or unstable. This decision is based upon the ability of the vehicle to maintain a steady-state or near-steady-state condition while under the constant influence of small aerodynamic disturbances, road disturbances, and control inputs. This is, in a real sense, a decision based upon the controllability of the vehicle. Accordingly, the following definitions of stability are applicable to the motor vehicle.

Asymptotic Stability exists at a prescribed trim if, for any small, temporary change in control or disturbance input, the vehicle will approach the motion defined by the trim.

Neutral Stability exists at a prescribed trim if a temporary change in control or disturbance input can be found such that the resulting motion of the vehicle remains arbitrarily close to, but does not approach, the motion defined by the trim.

Divergent Instability exists if a small, temporary disturbance or control input causes an ever-increasing vehicle response without oscillation in the neighborhood of the trim A linear mathematical analog of a vehicle is divergently unstable when the characteristic equation has any positive real roots.

Oscillatory Instability exists if a small temporary disturbance or control input causes an oscillatory vehicle response of ever-increasing amplitude in the neighborhood of the trim. A linear mathametical analog of a vehicle is oscillatorily unstable when its characteristic equation has any complex roots with positive real parts.

Vehicle instability may be illustrated by two examples. The first is the condition of operation above critical speed in a path oversteer vehicle. Any input to the steering wheel will place the vehicle in a turn of ever decreasing radius, unless the driver makes compensating motions of the wheel to maintain general equilibrium. The vehicle with never stop trying to change its course and will never permit the driver to relax. In other words, it will never reach steady state; and although it shows no oscillatory tendencies of its own, it does tend to diverge from a straight course and "spin out." This condition represents divergent instability.

The second example concerns oscillatory instability and may be illustrated by the free control response following a pulse input of displacement or force to the steering wheel. Some vehicles will turn first in one direction, and then the other, and so on until the amplitude of the motion increases to the extent that the vehicle "spins out." In this event the vehicle does not attempt to change its general direction of motion but, on the other hand, does not achieve a steady-state condition and has an oscillatory motion.

It is, of course, conceivable that both types of instability can occur concurrently, causing a divergent motion with oscillation.

VEHICLE DIRECTIONAL CONTROL AXES

In the analysis of vehicle directional control a moving axis system is required for simple derivation of the equations. The directions are chosen for ease of interpretation and logic of the vehicle motions. This system corresponds to that used by the aircraft and marine industries. Through consideration of these points, the axis system here defined and shown in Fig. A has been developed for investigation of vehicle directional control.

Vehicle Directional Control Axis System: A handling axis system (x-y-z) is defined for the vehicle with origin 0 at some point fixed in the vehicle and such that, with the vehicle moving steadily and symmetrically in a straight line on a level road, the x-axis is horizontal and points forward and is in the longitudinal plane of symmetry. The y-axis points horizontally to the driver's right at right angles to x-axis. The z-axis points down to form with the x and y axes a right-hand set of axes. These axes remain fixed in the vehicle. Motions of the vehicle are described by motions of this set of axes relative to an axis system (X, Y, Z) fixed in inertial space.

The X and Y axes are in a horizontal plane and the Z axis is directed downward. Analysis may require the use of additional intermediate axis systems.

VEHICLE MOTION VARIABLES

The velocity of a point in a vehicle with respect to the space fixed axis system (X, Y, Z) is a vector quantity. The following motion variables are components of this vector resolved with respect to the moving axis system (x, y, z).

Longitudinal Velocity (Forward and Rearward Velocity) (u) of a point is the component of the vector velocity in the x-direction.

Lateral Velocity (Sideslip Velocity) (v) of a point is the component of the vector velocity in the y-direction.

Vertical Velocity (Bounce Velocity) (w) of a point is the component of the vector velocity in the z-direction.

The angular velocity of the vehicle with respect to the space fixed axis system (X, Y, Z) is a vector quantity. The following motion variables are components of this vector resolved with respect to the moving axis system (x, y, z). Since the axis system (x, y, z) is fixed in the vehicle these angular velocities are also the angular velocities of the axis system (x, y, z) relative to the space fixed axis system (X, Y, Z).

Roll Velocity (p) is the angular velocity about the x-axis.

Pitch Velocity (q) is the angular velocity about the y-axis.

Yaw Velocity (r) is the angular velocity about the z-axis.

There are three additional angles that are often used in vehicle handling analysis and should be defined (see Fig. B).

Heading Angle (Ψ) is the angle between the trace on the X-Y plane of the vehicle x-axis and the X-axis of the space axis system.

Sideslip Angle (Attitude Angle (β) is the angle between the traces on the X-Y plane of the vehicle x-axis and the vehicle velocity vector at some specified point in the vehicle. Sideslip angle is shown in Fig. B as a positive angle.

Course angle (γ) is the angle between the trace of the vehicle velocity vector on the X-Y plane and the X-axis of the space axis system. Positive course angle is shown in Fig. B. Course angle is the sum of heading angle and sideslip angle ($\gamma = \Psi + \beta$).

For a flat road, the radius of curvature of the vehicle path in the X-Y plane of the space axis system is the magnitude of the vehicle velocity divided by the time derivative of the course angle.

Reference Steer Angle (δ) is the steer angle of the steered wheels that would result from an input to an infinitely stiff steering system with no roll of the vehicle.

Neutral Steer, Path Understeer, Path Oversteer: A vehicle or mathematical analog of a vehicle is said to be neutral steer at a prescribed trim if the change in yaw velocity per unit change in reference steer angle is equal to the forward velocity divided by the wheelbase. If the change in yaw velocity per unit change in reference steer angle is less, the vehicle is path understeer. If the change in yaw velocity per unit change in reference steer angle is greater, the vehicle is path oversteer.

It is possible for a vehicle to be understeer for small inputs and oversteer for large inputs, (or the opposite) since it is a nonlinear system and does not have the same characteristics at all trims. Consequently, it is necessary to specify the range of inputs and velocities when making a determination of the vehicle's steer characteristics.

Roll Steer is the steering motion of the front and/or rear wheels with respect to the sprung mass that is due to the relative rolling motion of the sprung to the unsprung mass. It is called roll understeer if its influence is such as to induce path understeer, and it is called roll oversteer if its influence is such as to induce path oversteer. The roll steer coefficient is the change in steer angle per unit change in roll angle about a horizontal axis in the sprung mass plane of symmetry.

Deflection Steer (Compliance Steer) is the steering motion of the front or rear wheels with respect to the sprung mass resulting from compliance in and forces on the suspension and steering linkages. It is called "deflection understeer" if its influence is such as to induce path understeer and it is called "deflection oversteer" if its influence is such as to induce path oversteer. The deflection steer coefficient is the change in steer angle per unit change in force or moment applied to the tire at the road contact. Suspension and steering linkage deflections may be caused by forces and moments in any of the planes defined by the axis system.

STABILITY TERMINOLOGY

Critical Speed for a linear oversteer is that forward velocity which produces infinite yaw velocity gain. It is determined by the relation for the yaw velocity gain of a linear oversteer vehicle.

$$\frac{\text{steady-state yaw velocity}}{\text{reference steer angle}} = \frac{\text{vehicle forward velocity/wheelbase}}{1-\left(\frac{\text{vehicle forward velocity}}{\text{critical speed}}\right)^2}$$

Characteristic Speed for a linear understeer vehicle is that forward velocity which produces maximum yaw velocity gain (which is equal to one-half of the yaw velocity gain for a neutral steer vehicle of the same wheelbase). It is determined by the relation for the yaw velocity gain for a linear understeer vehicle.

$$\frac{\text{steady-state yaw velocity}}{\text{reference steer angle}} = \frac{\text{vehicle forward velocity/wheelbase}}{1+\left(\frac{\text{vehicle forward velocity}}{\text{characteristic speed}}\right)^2}$$

Neutral Steer Line is the set of points at which external lateral forces applied to the sprung mass produce no steady-state yaw velocity.

Static Margin is the horizontal distance forward from the neutral steer line to the center of gravity divided by the wheelbase.

SUBSIDIARY DEFINITIONS

Roll Camber is the camber motion of the wheels that is due to the relative rolling motion of the sprung to the unsprung mass. The roll camber coefficient is the change in wheel inclination angle per unit change in roll angle about a horizontal axis in the sprung mass plane of symmetry.

Deflection Camber (Compliance Camber) is the camber motion of the wheels resulting from compliance in the suspension linkage. The deflection camber coefficient is the change in wheel inclination angle per unit change in force or moment applied to the tire at the road contact. Suspension deflections may be caused by forces and moments in any of the planes defined by the axis system.

Roll Center is that point in the transverse vertical plane through any pair of wheel centers and equidistant from them, at which lateral forces may be applied to the sprung mass without producing an angular roll displacement of the sprung mass.

Roll Axis is the line joining the front and rear roll centers.

Roll Rate is the change in the restoring couple exerted by the suspension at either pair of wheels on sprung mass of the vehicle per unit change in roll angle of the sprung mass about a horizontal axis. Roll rate of the complete vehicle is the sum of the separate roll rates at front and rear.

Roll Rate Distribution is the percentage of total roll rate at the front and rear suspensions, respectively.

Lateral Tire Load Transfer is one-half the change in the difference from trim between the vertical loads on the two front (or rear) tires.

Total Longitudinal Tire Load Transfer is one-half the change in the difference from trim between the total vertical loads on the two front tires and the two rear tires.

Lateral Tire Load Transfer Distribution is the percentage of total lateral tire load transfer that is borne by the front and rear pairs of tires, respectively.

SECTION II: TIRE TERMINOLOGY AND AXIS SYSTEM

Wheel Plane is the central plane of the tire, normal to the spin axis of the wheel.

Wheel Center is the point at which the spin axis of the wheel intersects the wheel plane.

Center of Tire Contact is the intersection of the wheel plane and the projection of the spin axis of the wheel onto the road plane. This may not be the geometric center of the tire contact area.

Loaded Radius (R_l) is the distance from the center of tire contact to the wheel center.

Tire Axis System: The origin of the tire axis system is the center of tire contact. The X-axis is the intersection of the wheel plane and the road plane with a positive direction forward. The Z-axis is perpendicular to the road plane with a positive direction downward. The Y-axis is in the road plane, its direction being chosen to make the axis system orthogonal and right-hand.

Tractive Force (F_x) is the component of the force acting on the tire by the road in the X-direction.

Lateral Force (F_y) is the component of the force acting on the tire by the road in the Y-direction.

Normal Force (F_z) is the component of the force acting on the tire by the road in the Z-direction.

Overturning Moment (M_x) is the moment acting on the tire by the road with respect to the X-axis.

Rolling Resistance Moment (M_y) is the moment acting on the tire by the road with respect to the Y-axis.

Aligning Torque (M_z) is the moment acting on the tire by the road with respect to the Z-axis.

Vertical Load is the normal reaction of the tire on the road, which is equal to the negative of normal force.

Slip Angle (α) is the angle formed between the direction of travel of the center of tire contact and the X-axis.

Inclination Angle (γ) is the angle formed between the X-Z plane and the wheel plane. Its sign is dependent only upon the axis system and is independent of location on the vehicle.

Wheel Torque (T) is the external torque applied from the vehicle about the spin axis of the wheel. The wheel torque applied can be computed from the forces and moments acting on the tire by the road.

$$T = F_x R_l + M_y \cos\gamma + M_z \sin\gamma$$

Rolling Resistance Force (F_r) is the force that must be applied to the wheel at the wheel center with a line of action parallel to the X-axis so that its moment with respect to the Y-axis is equal to the rolling resistance moment. This force can also be computed from the forces and moments acting on the tire by the road.

$$F_r = \frac{M_y}{R_h \cos\gamma}$$

Wheel Velocity (ω) is the angular velocity of the wheel about its spin axis.

Effective Rolling Radius (R_e) is the ratio of the linear velocity of the wheel center in the X-direction to the angular velocity of the wheel.

Cornering Force is the lateral force when the inclination angle is zero.

Chamber Force (Camber Thrust) is the lateral force when the slip angle is zero.

Cornering Stiffness (Cornering Rate, Cornering Power) ($C\alpha$) is the derivative of the lateral force with respect to slip angle.

Camber Stiffness (Camber Rate, Camber Thrust Rate ($C\gamma$) is the derivative of the lateral force with respect to inclination angle.

Cornering Coefficient is the ratio of the cornering stiffness to the normal force.

EXHIBIT O

FEBRUARY 21, 1973.

DOUGLAS MR. TOMS,
Administrator, National Highway Traffic Safety Administration, Department of Transportation, Washington, D.C.

DEAR MR. TOMS: In the file of the defect investigation, IR–279, concerning the handling and stability of the 1960–1963 Corvair, there are certain materials which did not appear in the public files. These materials were considered to be confidential by General Motors and this confidentiality has been respected by the NHTSA to the detriment of the public interest.

On October 12, 1972, I made a freedom of information request for the complaints filed against GM which alleged harm from the handling and stability defects in the Corvair. The request was based on the fact that these complaints were public knowledge and could be obtained from the courts in which they had been filed and the fact that such information was not protected by the Freedom of Information Act. The NHTSA agreed to make the complaints public on November 7, 1972.

However, there still remains a considerable amount of material which is being withheld from the public file IR–279. Since we have no access to the material being withheld, we can only surmise that it is engineering and test data concerning the Corvair's handling and stability; materials prepared for the defense of the Corvair in lawsuits; and memoranda, letters, audits, and papers concerning the engineering, test, and other Corvair information. This material is not exempt from public disclosure under the Freedom of Information Act. A request for confidentiality by the party supplying the information standing by itself cannot exempt that information from public disclosure.

Beyond these reasons, the remainder of the Corvair file should be made public because of the fact that the Corvair has not been manufactured for more than 3½ years, and the Corvairs under investigation have not been produced for more than ten years. Presumably the most damning evidence against the Corvair has already been disclosed. In any event, the public has the right to the information to determine if the decision concerning the defect was correct and this outweights any reasons that can be presented by General Motors.

For these reasons, and pursuant to the Freedom of Information Act, 5 U.S.C. 552, and to the regulations of the Department of Transportation, 49 C.F.R. 7.31–185, I am requesting access to all information contained in the file, IR–279, which is not already in the public file.

In the event that you refuse this request, for purposes of further action on our part, I ask to be supplied with an index of all materials which are contained in IR–279 but which are withheld from the public file, such list to be annotated with a simple description of each item and the full reasons for each item's being considered protected from disclosure under the Freedom of Information Act. I would like to have a reply to this request within ten (10) working days.

Sincerely,

CARL E. NASH, Ph. D.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION,
Washington, D.C. March 7, 1973.

CARL E. NASH, Ph. D.,
Public Interest Research Group, Washington, D.C.

DEAR DR. NASH: This is in response to your letter of February 21, 1973, requesting access to all information contained in the investigatory file relating to the handling and stability of the 1960–1969 Corvair (I.R. 279) which is not already in the public file, or, in the alternative, requesting an annotated index to materials withheld from the public file together with individualized explanations, with respect to each document, of the particular reasons for its withholding.

I regret that it is not possible to grant either of your alternative requests. The bulk of materials withheld from the public Corvair handling investigatory file constitutes information submitted by General Motors in confidence under the Departmental regulations implementing the Freedom of Information Act, (49 CFR 7.59) and accepted on that basis. The Freedom of Information Act does not require disclosure of such confidential commercial materials. 5 U.S.C. 552(b)(4). Moreover, the National Traffic and Motor Vehicle Safety Act of 1966 restricts the disclosure of confidential materials such as these (*i.e.*, material that falls within any of the categories enumerated in 18 U.S.C. 1905) (5 U.S.C. 113(d)). Thus, the withheld materials are also exempted from disclosure under Exemption 3 of the Freedom of Information Act (5 U.S.C. 552(b)(3)). Other withheld materials constitute internal memoranda of opinions, advice, recommendations and conclusions which are exempt from disclosure under 5 U.S.C. 552(b)(5) and 49 CFR 7.61.

Nor do we believe it necessary to list all of the documents or materials together with individualized explanations for withholding of particular documents or materials, since the explanation in the previous paragraph adequately characterizes the class of documents or materials involved and enumerates the exemptions relied on for their withholding.

For the foregoing reasons, I have concluded that your request must be, and hereby is, denied. If you wish, you may request reconsideration of any aspect of this decision by writing to Dana L. Scott, Associate Administrator for Administration, NHTSA. Your request should identify all reasons and arguments upon which you rely.

Sincerely,

ROBERT L. CARTER,
Associate Administrator, Motor Vehicle Programs.

PUBLIC INTEREST RESEARCH GROUP,
Washington, D.C., March 26, 1973.

DOUGLAS W. TOMS,
Administrator, National Highway Traffic Safety Administration, Department of Transportation, Washington, D.C.

DEAR MR. TOMS: On February 21, 1973, I requested access, under the Freedom of Information Act, to certain information contained in the Corvair handling and stability investigatory file, IR 279. Both this request, and my request for a listing of the materials requested, were rejected in Mr. Carter's March 7 letter.

Because I disagree with your classification of the General Motors materials as being protected as confidential commercial materials, pursuant to the Freedom of Information Act, 5 U.S.C. 552, and the regulations of the Department of Transportation, 49 C.F.R. § 7.31–7.85, I am appealing your denial of my request, with a listing of the materials which are believed to have been submitted by General Motors Corporation for the Corvair handling and stability investigation, IR 279, of the National Highway Traffic Safety Administration. These materials are as follows:

General Motors Test Work Orders:

T.W.O. 25004–5, –6, –8, –20, –22, –24, –28, –39, –85.
T.W.O. 25508–17.
T.W.O. 25510–1.
T.W.O. 25513–15 –19.
T.W.O. 25564–53, –59 (Ref. PG 14888).
T.W.O. 25592–1.
T.W.O. 29016–1.
T.W.O. 29023–14.
T.W.O. 29111–10.

General Motors Proving Ground Reports:

PG 10841, PG 11285, PG 11304.
PG 11543 (with films).
PG 11935 (with films).
PG 12207 (with films).
PG 13685 (with films) (Ref. T.W.O. 25585).
PG 14888 (with films).
PG 16146, PG 17826, PG 19445, PG 19576, PG 19577.
PG 22895 (with films).
PG 24469, PG 27195, PG 2673–16.
PG Accident Report No. 62–28.

Letters from General Motors to the NHTSA (including all attachments not listed separately in this request) identified as follows:

Date, from, to, and attachments:
9–16–70, T. A. Murphy, R. A. Diaz, no.
9–21–70, F. J. Winchell, R. A. Diaz, yes.
9–24–70, F. J. Winchell, R. A. Diaz, yes.
10–1–70, F. J. Winchell, R. A. Diaz, no.
10–13–70, F. J. Winchell, R. A. Diaz, yes.
10–14–70, F. J. Winchell, R. A. Diaz, no.
10–20–70, R. L. Malone, R. A. Diaz, no.
11–13–70, F. J. Winchell, J. H. Clark, yes.
11–25–70, F. J. Winchell, R. A. Diaz, yes.
11–4–71, R. J. Eaton, E. Wittich, yes.
11–16–71, R. W. Allen, J. H. Clark, yes.
4–7–72, R. J. Eaton, E. Wittich, yes.
4–12–72, R. J. Eaton, A. G. Detrick, yes.
4–20–72, R. J. Eaton, A. G. Detrick, yes.
7–11–72, J. C. Bates, R. L. Carter, no.

Other documents, reports, lists, films, and so on described as follows:

Rollover Report Summary.
Test Report List (including 12 sheets of revisions and 23 pages revised and added to the book of test report lists).
Summary—Corvair Dimension and Characteristics.
Falcon Rollover Report & Films.
Rambler Rollover Films.
VW Rollover Film.
Steering Wheel Angle vs. Lateral Acceleration.
1971 Vega Characteristic Speed Test.
1971 Pontiac Characteristic Speed Test.
1960 Corvair Characteristic Speed Test.
Lateral Acceleration Chart.
Comments on the Nader Letter of December 15, 1970 & Engineering Statements Attached Thereto (2–12–71).
Engineering Staff Side Pull Test Results and Procedure.
Measurement of Tire Brake Force Characteristic As Related to Wheel Slip (Anti-Lock) Control System Design (11–20–68).
Black & White and Color Films of 1962 Rambler Rollover, 1960 Falcon Rollover, 1961 Falcon Rollover, Tech Center VW Rollover.
Laboratory and Road Tests on Eight Popular Brands of Aftermarket Tires, Size 6.50 x 13, on Two Models of the Corvair and the Chevy II (see Staff Investigation Report to Senator Ribicoff, "Corvair Stability Controversy," March 14, 1973).

The materials contained in this list are, in most cases, similar to materials which are already in the public file. Most of them concern a vehicle (the Corvair) long out of production, being tested in ways which are either well-known or obsolete.

Section 112(c) of the National Traffic and Motor Vehicle Safety Act of 1966 requires that manufacturers "provide such information as

the Secretary may reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this title . . ." The Secretary is authorized in section 113(d) to "disclose so much of the information contained in such notice or other information obtained under section 112(a) to the public as he deems will assist in carrying out the purposes of this Act, but he shall not disclose any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code *unless he determines that it is necessary to carry out the purposes of this Act.* (Emphasis added.)

Under this Act, General Motors could put no preconditions on the submission of the materials for the Corvair investigation, and the NHTSA has the obligation to consider whether each document submitted is covered under an exemption of the Freedom of Information Act, independent of the opinion of the submitting manufacturer. The NHTSA has the simultaneous obligation to determine if there is an overriding public interest in auto safety which would require its disclosure.

The NHTSA has not fulfilled its public trust with regard to the public's right to know, but has rather blindly accepted GM's self-serving requests for confidentiality. I ask that you reconsider your classification of the material referred to in this request and, if you still believe that any of it requires protection from public disclosure, that you supply your reasoning for non-disclosure of each item.

Yours Truly,

CARL E. NASH, Ph. D.

EXHIBIT P

GENERAL MOTORS CORP.,
Warren, Mich., January 5, 1965.

Mr. R. A. GALLANT
Chev.—Research & Development:

Subject: Corvair Litigation.

This relates to your letter of November 18, 1965, requesting some guide lines to assist the men in the Product Analysis Group in responding under oath to proper questions by opposing counsel about their current duties at Chevrolet. Questions during cross-examination relating to an engineer's present and prior work assignments during the period he has been employed by General Motors Corporation should normally be answered generally.

In this connection, the impression made by the General Motors engineer to the court and/or jury cannot be overlooked because it is reasonable for them to expect that an engineer appearing on behalf of General Motors Corporation in important litigation will have fairly good recollection about what his more recent work assignments have been. With the foregoing in mind and upon the understanding which Mr. F. W. Allen of my staff received from you that the Product Analysis Group is assigned to the Chevrolet Research and Development Department (although this does not appear from the functional chart of the Product Analysis Studies, dated December 1, 1965), we attach hypothetical questions and answers, which could arise either upon deposition or cross-examination in court, which may assist you in this regard.

If we can be of further assistance in this regard, we will be happy to do so.

ALOYSIUS F. POWER,
General Counsel.

HYPOTHETICAL CROSS-EXAMINATION OF A MEMBER OF THE CHEVROLET PRODUCT ANALYSIS GROUP

* * * * *

(6) (Q) Are you assigned to a particular area or section in the Chevrolet Engineering Department?

(A) Yes, I am.

(7) (Q) What section or group is that?

(A) Research and Development Department.

(8) (Q) Where is the Research and Development activity located?

(A) Chevrolet Engineering Center.

(9) (Q) Is that where your office is located?

(A) Yes.

[NOTE: If pressed as to the actual location of the office, the engineer might state that the facilities have been somewhat outgrown in recent years and he is physically located in rented space across the street from the General Motors Technical Center.]

(10) (Q) Who is the head of the Research and Development Department?

(A) Frank J. Winchell.

(11) (Q) Is Mr. Winchell your immediate superior?

(A) No.

(12) (Q) Please state the name and title of your immediate superior.

(A) R. A. Gallant, Product Analysis Studies Director.

(13) (Q) Is this Product Analysis Studies a subdivision within the Research and Development Department?

(A) Yes.

(14) (Q) Well, then, you really are a member of the Product Analysis Group?

(A) Yes.

(15) (Q) What are your duties or responsibilities in the Product Analysis Group?

(A) General evaluation of the manner in which Chevrolet vehicles operating on the highways are performing.

(16) (Q) Does this activity concern itself with litigation involving Corvair cars?

(A) Yes, as well as other Chevrolet cars and trucks.

(17) (Q) Please describe in general the work performed by the Product Analysis Group.

(A) There are a number of men in the group and I am not aware of all of the activities.

(18) (Q) To your knowledge, what are some of the activities conducted by the Product Analysis Group?

(A) We conduct tests and supervise tests and otherwise evaluate the operation of vehicle parts and components and entire vehicles under both general and specific operating conditions.

(19) (Q) Does this work involve testing of vehicles and their parts and components in test laboratories or at proving grounds?

(A) Yes, tests are conducted in test laboratories and at the various General Motors vehicle test facilities.

(20) (Q) Does the Product Analysis Group analyze accidents in which a Chevrolet vehicle was involved?*

(A) We do some of that, yes, sir.

(21) (Q) Aren't you involved only in analyzing Corvair accident situations?*

(A) Not at all.

(22) (Q) What else do you yourself do besides investigate and analyze accidents involving Corvair cars?*

(A) I receive my assignments from either Mr. Gallant or Mr. C. D. Simmons, and these assignments do not necessarily relate to any one particular product.

(23) (Q) Does the Product Analysis Group's responsibilities include the design or development of future model cars?

(A) No, our efforts are directed to the vehicles which have already been produced.

(24) (Q) How long has the Product Analysis Group been in existence?

(A) I don't really know how long before I joined the group in ——.

(25) (Q) Does either the Research and Development Department or the Product Analysis Group have an organization chart?

(A) The Product Analysis Group does.

(26) (Q) Does your name appear on that chart?

(A) Yes.

(27) (Q) In what connection or capacity does your name so appear?

(A) As one of the engineers who performs technical services.

(28) (Q) Do you have a copy of the Product Analysis Group organization chart with you today?

(A) No.

(29) (Q) Do you know whether or not a copy of the chart is here in ——?

(A) I really don't know; I didn't bring one with me from Detroit.

(30) (Q) Has your work in the Product Analysis Group been confined to specific Corvair accidents?*

(A) I have been asked to do work on this case and certain other Corvair cases, but I have also had several assignments involving other Chevrolet products.

(31) (Q) Isn't it true that the Product Analysis Group was expanded in 1965 because of the large number of lawsuits alleging negligent design of the Corvair car?*

(A) I really don't know.

In preparing the foregoing, we have ignored questions relating to the engineer's work assignments and classifications within General Motors Corporation prior to the time he was assigned to the Product Analysis Group. Questions of that type would routinely be asked, and we will be glad to help any member of your department who believes he may have difficulty in framing a short, terse answer to questions respecting any particular portion of his previous employment history.

EXHIBIT Q

On June 1, 1966, Fred M. Vinson, an assistant attorney general, wrote to Senator Ribicoff:

". . . we have concluded that criminal prosecution is not warranted in this matter and that additional investigation by the department would provide no useful function. The extensive investigation by the Federal Bureau of Investigation pursued every logical and relevant lead suggested by the reported facts and allegations."

In a February 18, 1967 article in *The New Republic*, authors James Ridgeway and David Sanford report that apart from Nader and Sonosky, they found

"no other principals in this case who ever talked to the FBI. Gillen says he never talked with the FBI; neither did Ribicoff, even though it was suggested that Gillen was gathering dirt on him; Sorensen says he didn't talk with the FBI. Larry Scalise, then the attorney general of Iowa, who was so sure Nader was being followed that he ordered his own statewide investigation, was never approached by the FBI. Neither was Frederick Hughes Condon, the crippled lawyer in Concord, New Hampshire, whom Gillen had interviewed using a fictitious name. Richard Danner, the man who hired Gillen and ran the investigation for GM, said he had talked to the FBI, and it was his impression that the Justice Department had not made an investigation. Nor did the agency interview 11 other people who had talked with the detectives investigating Nader. This looks embarrassing for the Justice Department and the FBI as well. The detectives who followed Nader are all former FBI men. It would be ironic should the FBI find it necessary to expose its alumni as unscrupulous.

"Had not Nader filed his private suit, he never would have seen what was in the detective reports or known about the seven-page memorandum. There never would have been any questions raised about the commit-

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* Questions of this type would be objected to by local counsel (see Pages 958 and 959 of the trial transcript in the *Doreen Collins* case while Mr. Charles D. Simmons was testifying), and it is expected that objections will be sustained. However, the objection may be overruled and the engineer would then be required to answer the question.

tee's dealings with GM. Very probably nobody would have asked whether Justice made a real investigation. The senators, the press, and the public would have been satisfied with Roche's forthright apology."

EXHIBIT R

[From the Washington Post, Oct. 27, 1968]

UNITED STATES WON'T PROSECUTE IN NADER CASE

(By Morton Mintz)

The Justice Department says there will be no criminal prosecution as a result of the harassment of Ralph Nader by a private detective hired by General Motors.

The Department has evaluated the results of an FBI investigation and says it has been "forced. . .to conclude that the evidence is insufficient to support a prosecution . . ."

These disclosures are in a letter from Nathaniel E. Kossack, First Assistant in the Criminal Division, to Sen. Abraham A. Ribicoff (D-Conn.).

LETTER DATED AUGUST 16

Ribicoff asked for the investigation after the detective, Vincent Gillen, made statements in court papers which raised the possibility of perjury and obstruction of justice at a dramatic hearing held 2½ years ago by the Senator's Subcommittee on Executive Reorganization.

Kossack said that Justice planned to close the files on the investigation. "All persons" with relevant information have been interviewed and "all relevant leads pursued," he said.

The existence of the letter was ascertained, through inquiries, only recently, although it was dated last Aug. 16. A Department summary is expected to be given to the Subcommittee this week. An aide to Ribicoff, who is campaigning in Connecticut, said he will review the matter after Nov. 5.

MISSING TAPE RECORDING

One element in the Department's conclusion, The Washington Post has learned, involves the disappearance of a tape recording—key evidence for a sensational charge by Gillen.

At the Subcommittee hearing on March 22, 1966, a common position on why the surveillance was initiated was taken by three top GM executives, Gillen and Richard G. Danner, a Washington lawyer through whom the detective was hired.

GM, they testified, wanted to know if Nader had any connection with lawsuits involving 1960 through 1963 Corvairs. That was the "sole purpose," president (now chairman) James M. Roch said.

But several months later, Gillen said he had taped a conversation which Danner told him that GM wanted "to get something, somewhere" on Nader, "to get him out of their hair and to shut him up."

This accusation was in typed "excerpts" from the recording that were filed as an exhibit in court cases in which Nader was suing Gillen. The tape itself was not made an exhibit. Gillen now claims, it was understood, that the tape was burned when a grandchild threw it into a fireplace.

LACK CORROBORATION

The tape-recording incident was seen by Justice as an illustration of the type of problem that would be raised by efforts to prove in court that GM was motivated mainly by a desire to discredit Nader.

In addition to contradictions between what Gillen said before the Subcommittee and in the court cases, some of his charges are disputed by other persons in the case. Additional charges were known to lack strong corroboration.

Attorney Danner's contact with GM was Eileen Murphy, a GM law librarian. Replying to questions at the hearings by the late Sen. Robert F. Kennedy (D-N.Y.), Danner conceded that it was Miss Murphy who had directed him to look into Nader's personal life. Following up, Gillen told his operatives to get intimate details about Nader—"What makes him tick."

But Miss Murphy was not called to testify before the Subcommittee. And Roche—who apologized to Nader—testified that the "snooping" was "initiated, conducted and completed without my knowledge or consent . . ."

ROCHE TESTIMONY

Ribicoff inquired if it was common practice for GM to investigate the "entire life" of persons "involved in controversies or who might make a derogatory remark" about the company.

Roche replied that so far as "the first one of its kind . . ." A careful check of GM records unearthed nothing but "very minor investigations"—such things as pre-employment checks and inquiries into improprieties in purchasing, he said.

Later, when a deposition was taken in connection with a now-closed libel suit brought by Nader, Gillen produced records of 26 investigations he had made for GM.

One, in 1960, concerned a Harlem civil rights group that was penetrated by a Gillen agent posing as a "research student." The group had protested the absence of Negroes in a GM office in New York City.

In the Justice Department, this and other Gillen investigations were not seen as contradicting Roche's basic testimony—that until Nader there had not been a harassment and investigation of the entire life of a critic of GM.

Murkiness envelops much of the question whether justice was obstructed by alteration of documents before their receipt by the Subcommittee.

An example involves a letter Gillen wrote to Danner 19 days before the hearing, but which did not surface there.

In the deposition, the reason indicated by Gillen was that it was potentially embarrassing to GM. But the possibility that it was Gillen who might be embarrassed was raised by an examination of the letter. It disclosed that he had secretly taped a phone conversation with David Sanford, an associate editor of the New Republic.

The libel suit for which the deposition was made was settled when Gillen apologized in writing to Nader. The other suit is Nader's pending $26 million invasion of privacy action against GM and Gillen.

The whole affair blew open when Gillen operatives tailed Nader even into the New Senate Office Building, and GM—troubled by Nader's controversial book, "Unsafe At Any Speed"—admitted it had hired Gillen.

ATTACHMENT VI—RIBICOFF LETTER TO NADER AND STAFF MEMORANDUM IN RESPONSE

March 27, 1973.

DEAR MR. NADER: Thank you for your letter and memorandum concerning the staff report on the Corvair investigation. I have reviewed your documents and find no basis for altering my previous judgment concerning the report. As I said in my letter to you on March 14, 1973, I believe the staff study was conducted in a fair and impartial manner. I have complete confidence in the competence and integrity of my staff and concur in the decision not to release the contents of the investigative files.

Because of your longstanding interest in the Corvair, however, I was pleased to delay placing the staff report in The Record until you had sufficient time to analyze it and respond. Today I am therefore placing both the study and your memorandum in the Record so that the public will have available a full discussion of this matter.

Sincerely,

ABE RIBICOFF.

MARCH 27, 1973.

To: Senator Ribicoff.

From: Robert Wager, John Koskinen.

Re: Ralph Nader's Response to Staff Report.

Mr. Nader's response to our report, prepared by Carl Nash, Joan Claybrook, and Mark Green, and his letter to you contain nothing which alters our previous conclusions and recommendation. The basic facts and assertions in his 120 page-memorandum have been raised with us before and were considered during our investigation and the preparation of our report. The reader of our report will find our reasoning and conclusions contained therein. A few additional comments about some of Mr. Nader's major contentions may help to place these lengthy documents in their proper perspective.

CORVAIR SAFETY

Mr. Nader's staff response discusses at length technical questions regarding the safety of the Corvair and the Department of Transportation study and report on that question. As we stated in our report, and as Nader acknowledges, we claim no technical expertise sufficient to judge whether or not the Corvair is a safe automobile. But that was not the point originally raised by Nader regarding GM's 1966 testimony.

The basic question has been whether GM knew, or had reason to know, that the 1960–63 Corvair was unsafe when its representatives testified before the Subcommittee on March 22, 1966. We found the answer to that question to be "no" and nothing in the material presented since then changes that answer.

As we said in the report, "we found no corroborated evidence that any engineer, lawyer, or executive within GM thought that the Corvair was unsafe at the time it was developed and produced." Nader does not offer any evidence or argument refuting that point. Instead, he appears to argue that the Corporation clearly should have known the Corvair was unsafe even if they did not think it was. Here too, the evidence is against Nader.

Nader places great reliance on GM Proving Ground Reports 15699 and 17103, calling them the "central evidence revealing the defective nature of the 1960–63 Corvair suspension design." His memorandum claims we considered these reports "irrelevant." On the contrary, we considered these reports highly relevant and spent many hours questioning GM lawyers, engineers, and executives about them as well as numerous people outside the Corporation.

We found that none of the engineers who conducted the tests or others familiar with them were surprised by the results. Previous reports and theoretical analyses had shown that, in severe test maneuvers at high levels of lateral acceleration, (about .9g), well beyond the limit of control of the Corvair and other contemporary cars, the Corvair would overturn. There was no one within GM at that time who believed this made the Corvair an unsafe vehicle. The public debate and disagreement over whether or not the Corvair was unsafe demonstates that these test reports would not have necessarily put anyone—then or now—on clear notice that the Corvair was an unsafe automobile. Thus, we continue to believe that the Subcommittee was not misled in 1966 by GM.

It is at this point in our analysis—and only this point that the year and a half independent tests on Corvair safety done by the Department of Transportation became significant in our report. We noted that the DOT had found that the Corvair was safe and that this made it even harder to hold that GM executives should somehow have known seven years ago the car was unsafe.

In order to present both sides concerning the DOT study especially since we have no independent technical expertise with which to judge it—we included and discussed

Nader's lengthy attack on the study in our report. In addition, we did take an interest in the DOT tests while they were being conducted, and urged that the Department employ an independent panel of experts to assure that the tests were competently performed and to assist in evaluating the test results. DOT accepted our suggestion and the independent panel of automobile experts reached the same conclusions as the DOT on the technical issues. The independent panel continues to support the DOT study after analysis of Nader's criticism.

SECRECY

Nader attempts to cast doubt on the conclusions in our report by pointing out that our investigation was "conducted in secret" and that we have not released to him the transcripts of our interviews and other documents collected during our investigation. Nader has demanded access to our investigative files throughout this investigation and it is appropriate to discuss here the position we have taken with Nader, General Motors and everyone else during this period.

We strongly believe that raw and unevaluated investigative files—whether they be congressional or in the executive branch—should not be made public. Such files often contain material of questionable validity or veracity based on rumor and hearsay. In addition, we feel it unwise and unfair to subject those who cooperated with us and turned out to be irrelevant to the determination of the issues under consideration to the possibility of public or private cross-examination or harassment by revealing their conversations with us.

This same issue arose in 1966 when numerous requests were received for copies of GM's investigative report on Nader. We refused to make that report available publicly or privately even though it played a central role in the 1966 hearings because of the unrelated, undocumented material contained therein. Here, we have published every significant document and discussed every major witness so that the public would have access to the necessary materials on the questions discussed. In addition, in the interest of fairness, we did make available for inspection in our office certain public but difficult to obtain materials requested by Nader.

CORVAIR LITIGATION

Nearly half of Nader's memorandum is devoted to a discussion of the *Anderson, Collins, Franklin, Drummond,* and *Porterfield* cases. These cases are discussed at length in our report and we still believe that "GM did not engage in any fraud or deceit in its conduct of the *Anderson, Collins* and other cases we reviewed." It should be noted that, while Nader has strong views about these cases, in the two and one half years since Nader made his charges concerning these cases, and disclosed PG reports 15699 and 17103, not one plaintiff's lawyer has moved to reopen any of the five cases on the ground of fraud or deceit.

REPLACEMENT TIRE SAFETY

A substantial part of Nader's letter deals with information revealed during our investigation that "certain aftermarket tires could adversely affect the handling of the car to a substantial degree." Nader objects to the fact that we had not ourselves "sounded the alarm by issuing a warning to all Corvair owners."

As Nader knows, this issue was highlighted in our report, in your speech on the Senate floor, in your press release and in your letter to the Secretary of the Department of Transportation. Each of these documents was made available to the press a day and a half prior to their publication. In addition, as our report makes clear, the GM tests were limited in scope and did not constitute a complete evaluation of the tires." Nonetheless, we did reveal the names of those tires which gave the worst performance. This may be "low key treatment accorded this finding" in Nader's view, but was everything we felt—and continue to feel—could responsibly be done at this time.

In summary, Nader's memorandum simply repeats most of the arguments he had previously made in his letters and discussions with us. It contains no significant new facts or documents. Accordingly, we adhere to the conclusions and recommendation stated in our report.

Addendum: This memorandum was made available this morning to Mr. Nader and his staff. They have asked that we note that they stand ready to respond to any inquiries or questions relating to any of the matters raised in this memorandum.

THE PRESIDENT'S VETO OF THE VOCATIONAL REHABILITATION ACT OF 1973

Mr. FULBRIGHT. Mr. President, it is with much regret that I have just learned of the President's veto of S. 7, the Vocational Rehabilitation Act of 1973. S. 7 is the major piece of Federal legislation affecting the handicapped and is vitally needed by the millions of our citizens who are in the unfortunate position of requiring its benefits. Quite wisely, Congress made this legislation a matter of the highest priority in the 93d Congress, following the President's veto of essentially the same bill, H.R. 8395, at the close of the last Congress.

In his veto message on S. 7 President Nixon gives fiscal irresponsibility as his principal objection to this legislation, alluding to the "big spenders who sweep aside budgetary restraints." Mr. President, as I must say again, if this administration is seriously concerned about controlling spending, it should focus on the billions of dollars which we devote annually to exotic weapons systems, foreign aid, and military bases abroad, not to mention the massive outlays in Southeast Asia typified by our bombing strikes which, I understand, are still in progress.

Recently the Arkansas General Assembly overwhelmingly approved a resolution commending the Congress for its foresight in creating and passing the Vocational Rehabilitation Act Amendments of 1972, which were vetoed by the President, and urging repassage by the 93d Congress. This is a very good example of the encouragement I have received from my State about the value of the rehabilitation activities and the need for their continuance, and I ask unanimous consent that the resolution be included in the RECORD at the conclusion of my remarks.

It would be difficult, Mr. President, for me to name a legislative program more vitally needed by our people than that envisioned in S. 7, and I very much hope that my colleagues will join me in voting to override the President's ill-advised action.

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

HOUSE CONCURRENT RESOLUTION 16 COMMENDING THE CONGRESS OF THE UNITED STATES FOR ITS FORESIGHT IN CREATING AND PASSING THE VOCATIONAL REHABILITATION ACT AMENDMENTS OF 1972 WHICH WERE VETOED BY THE PRESIDENT AND TO URGE THE REPASSAGE THEREOF BY THE CONGRESS

Whereas, the Congress of the United States of America exhibited great foresight in creating the magnificent Vocational Rehabilitation Act Amendments of 1972 (H.R. 17 and S. 7 which were identical to H.R. 8395) which were passed unanimously by both houses of the Congress in October, 1972; and

Whereas, this legislation was vetoed by the President of the United States; and

Whereas, the Vocational Rehabilitation program in Arkansas has provided services for years that have assisted thousands of citizens in this State in overcoming their physical, mental, and vocational handicaps, and has permitted them to lead productive lives; and

Whereas, the 1972 amendments to the Vocational Rehabilitation Act, as passed by the Congress, would have been new milestone legislation to continue the outstanding progress under the original Vocational Rehabilitation Act, and in addition, would have provided comprehensive services to many severely disabled who do not now receive appropriate services, including the spinal cord injured, chronic kidney diseased, and the low-achieving deaf, whose needs require specialized centers and comprehensive programs of care; and

Whereas, for the first time, the Vocational Rehabilitation Act Amendments of 1972 would have provided funds for basic research directed toward resolving problems in the field of spinal cord injured, and would have provided vitally and critically needed funds to enable the states to continue present vocational rehabilitation programs, and to initiate the new urgently needed programs for the neglected severely handicapped;

Now, therefore, be it resolved by the House of Representatives of the Sixty-Ninth General Assembly of the State of Arkansas, the Senate concurring therein: That the Arkansas General Assembly respectfully requests the Congress of the United States to reconsider and reenact the Vocational Rehabilitation Act Amendments of 1972, and the President of the United States is urged to approve said legislation, which will continue the existing programs of vocational rehabilitation benefiting thousands of citizens of this State and Nation, and providing new programs of service and hope for the neglected severely retarded.

Be it further resolved that upon adoption of this Resolution the Secretary of State of the State of Arkansas is requested to furnish copies of this Resolution to (1) President Richard M. Nixon, Mr. Caspar Weinberger, Secretary of Health, Education, and Welfare, each of whom are urged to reconsider their position with respect to the Vocational Rehabilitation Act Amendments of 1972; and (2) each member of the Arkansas Congressional Delegation, each of whom are urged to use their influence to bring about the reenactment and ultimate approval of the Vocational Rehabilitation Act Amendments of 1972.

SENATOR RANDOLPH URGES OVERRIDE OF THE SECOND VETO BY THE PRESIDENT OF THE REHABILITATION ACT

Mr. RANDOLPH. Mr. President, President Nixon has disapproved for the second time, the Rehabilitation Act. In doing so, he has dashed the hopes of millions of handicapped Americans who urgently need the services which would be provided by this measure.

Last October the 92d Congress unanimously approved the Rehabilitation Act, recognizing its importance in the transformation of handicapped individuals, many, many of whom are welfare recipients and drains on the tax dollar, into productive, self-sustaining, taxpaying citizens able to live in dignity, with hope and purpose in their lives. The President

did not agree. He pocket vetoed the measure terming it "fiscally irresponsible."

On January 4, 1973, 19 colleagues joined me in introducing the measure again. Congress once more adopted S. 7, the Rehabilitation Act. This year, taking cognizance of the President's assertion that the act was "fiscally irresponsible," Congress reduced the level of authorizations by $900 million over a 3-year period. We were genuinely trying to present to the Chief Executive a bill he would approve. I believed that S. 7 as enacted by Congress would be such a bill. The authorization level for the first year is actually less than that of the existing Vocational Rehabilitation Act, which is narrower in scope.

I am very, very saddened by the action by the President on this vital measure, which has received the enthusiastic support and endorsement of every national group and organization working with handicapped individuals.

The President, in my opinion, has taken an ill-advised action in vetoing the measure. The vocational rehabilitation program has proven to be perhaps the most cost-beneficial effort in the Federal Government. For every dollar invested on rehabilitating a handicapped individual, at least $3, and as much as $70, is returned to the economy in reduced welfare payments, increased income, and increased tax revenues for Federal, State, and local governments.

As chairman of the Senate Subcommittee on the Handicapped, and as a citizen who is concerned with how this Nation treats its handicapped citizens, I earnestly hope that both the Senate and the House of Representatives will override President Nixon's tragic veto of this most important and urgently needed legislation.

AMENDMENT OF EMERGENCY LOAN PROGRAM UNDER CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 89, H.R. 1975.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, in line 5, after "repealed," insert "except as to loans made or approved, whether disbursed or not, prior to the date of enactment of this act."

And on page 3, after line 8, strike out:

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

Mr. ROBERT C. BYRD. Mr. President, there will be no further action on this bill today. There will be no more rollcall votes today. The Senate will adjourn shortly.

ORDER OF ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock meridian tomorrow.

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

ORDERS FOR RECOGNITION OF SENATOR GRIFFIN AND SENATOR ROBERT C. BYRD TOMORROW, FOR A PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS, AND FOR CONSIDERATION OF UNFINISHED BUSINESS, H.R. 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks of the distinguished Senator from Alaska (Mr. STEVENS) on tomorrow, the distinguished Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes, to be immediately followed by the Senator from West Virginia (Mr. ROBERT C. BYRD), for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes, at the conclusion of which the Senate resume its consideration of the unfinished business, H.R. 1975.

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

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

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PROGRAM

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

The Senate will convene at 12 o'clock meridian. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated:

Mr. STEVENS, Mr. GRIFFIN, Mr. ROBERT C. BYRD.

There will then be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes each.

At the conclusion of the period for the transaction of morning business, the Senate will resume the consideration of the unfinished business, which is Calendar Order No. 89, H.R. 1975, to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes. Yea-and-nay votes are expected thereon.

Upon the disposition of that bill, the Senate will proceed to the consideration of Calendar Order No. 82, S. 929, to amend the Par Value Modification Act. Undoubtedly amendments will be offered and votes will occur thereon.

If the Senate does not complete action on S. 929 tomorrow, that bill would be carried over until the next day, Thursday, for the resumption of consideration thereof.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until tomorrow, Wednesday, March 28, at 12 o'clock meridian.

The motion was agreed to; and, at 5:39 p.m., the Senate adjourned until tomorrow, Wednesday, March 28, 1973, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 27, 1973:

DEPARTMENT OF LABOR

Paul J. Fasser, Jr., of Virginia, to be an Assistant Secretary of Labor, vice Willie J. Usery, Jr.

William Jeffrey Kilberg, of New York, to be Solicitor for the Department of Labor, vice Richard F. Schubert, resigned.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion in the Foreign Service to the classes indicated:

Foreign Service officers of class 1

Karl D. Ackerman, of Maryland.
Malcolm R. Barnebey, of Texas.
Stephen J. Campbell, of California.
Frederic L. Chapin, of New Jersey.
Dennis A. Collins, of Ohio.
John P. Condon, of Oklahoma.
Michael M. Conlin, of California.
William F. Courtney, of Michigan.
John Gunther Dean, of New York.
John R. Diggins, Jr , of Maine.
Victor H. Dikeos, of California.
William L. Eagleton, Jr., of Illinois.
Thomas O. Enders, of Connecticut.
Margaret A. Fagan, of Iowa.
Dale E. Good, of Ohio.
Herbert Gordon, of Florida.
William C. Harrop, of New Jersey.
Leamon R. Hunt, of Oklahoma.
Heyward Isham, of New York.
John L Loughran, of California.
Jack F. Matlock, Jr., of Florida.
Richard W. Murphy, of Virginia.
Ellwood M. Rabenold, Jr., of Pennsylvania.
John F. Rieger, of Florida.
William A. Stoltzfus, Jr., of New Jersey.
Donald R. Toussaint, of California.
Daniel L. Williamson, Jr., of Virginia.
Marshall Wright, of Arkansas.

Foreign Service officers of class 1 and consular officers of the United States of America

Herbert W. Baker, of Virginia.
Wendell B. Coote of Virginia.
Enoch S. Duncan, of Texas.
David H. Ernst, of Maryland.
John Warner Foley, Jr., of New Hampshire.

Alan G. James, of the District of Columbia.
Dallas L. Jones, Jr., of Maryland.
Raymond W. Laugel, of Ohio.
Fred H. Sanderson, of Virginia.

Foreign Service officers of class 2

Morton I. Abramowitz, of Massachusetts.
Anthony C. Albrecht, of Virginia.
J. Bruce Amstutz, of Massachusetts.
James H. Bahti, of Michigan.
Thomas J. Barnes, of Florida.
Earl W. Bellinger, of California.
Natale H. Bellocchi, of New York.
John T. Bennett, of California.
David A. Betts of Maine.
Charles W. Bray III, of Texas.
Marshall Brement, of the District of Columbia.
Carroll Brown, of Alabama.
Robert T. Burns, of Virginia.
Royal E. Carter, of California.
Eugene E. Champagne, Jr., of Pennsylvania.
Mary T. Chiavarini, of Connecticut.
Joseph F. Christiano, of New York.
Joan M. Clark, of New York.
Thomas F. Conlon, of Illinois.
Lois M. Day, of Ohio.
Thaddeus J. Figura, of Ohio.
Alan W. Ford, California.
Robert S. Gershenson, of Pennsylvania.
Maynard W. Glitman, of Illinois.
H. Kent Goodspeed, of California.
Henry A. Holmes, of Kansas.
Charles S. Kennedy, Jr., of Illinois.
Peter W. Lande, of New Jersey.
Lyle F. Lane, of Washington.
James N. Leaken, of California.
William H. Luers, of Illinois.
Hawthorne Q. Mills, of California.
Charles Willis Naas, of Maryland.
Roy C. Nelson, of Arizona.
James A. Parker, of Maryland.
George R. Phelan, Jr., of Florida.
Richard St. F. Post, of Connecticut.
George B. Roberts, Jr., of Maryland.
John D. Scanlan, of Hawaii.
Robert A. Senser, of Illinois.
Andrew L. Steigman, of New York.
Harry E. T. Thayer, of the District of Columbia.
Frank M. Tucker, Jr., of Pennsylvania.
Orme Wilson, Jr., of the District of Columbia.

Foreign Service officers of class 2 and consular officers of the United States of America

Paul M. Bergman, of New Jersey.
Seymour Chalfin, of New York.
Charles W. Falkner, of Oregon.
John L. Gawf, of Colorado.
Andrew I. Killgore, of Florida.
C. Thomas Mayfield, of Florida.
Thomas E. Walsh, of Rhode Island.

Foreign Service officers of class 3

Robert B. Allen, of Virginia.
G. Norman Anderson, of New York.
Paul L. Aylward, Jr., of Kansas.
Kyle D. Barnes, of Alabama.
Norman E. Barth, of Illinois.
Arthur C. Bauman, of Florida.
Craig Baxter, of Ohio.
Paul J. Bennett, of Iowa.
Alan D. Berlind, of Virginia.
Robert R. Blackburn, Jr., of California.
Stephen M. Block, of Connecticut.
A. Donald Bramante, of New York.
Thomas Stanley Brooks, of Wyoming.
Robert L. Bruce, of Virginia.
James M. Ealum, of California.
Bruce A. Flatin, of Minnesota.
Carroll L. Floyd, of California.
Samuel Edwin Fry, Jr., of New York.
Herbert Donald Gelber, of New Jersey.
Leopold Gotzlinger, of Ohio.
John B. Gwynn, of Ohio.
Herbert G. Hagerty, of New Jersey.
Robert W. Holliday, of Texas.
Richard H. Howarth, of Pennsylvania.
Alfred L. Jazynka, of Florida.
Alton L. Jenkens, of West Virginia.
C. Patricia Junk, of Ohio.
Curtis W. Kamman, of Arizona.
Bernice M. Kelly, of Texas.
Katherine Lee Kemp, of Maryland.
Moorhead C. Kennedy, Jr., of Maine.
George M. Lane, of Massachusetts.
Peter P. Lord, of the District of Columbia.
Stephen R. Lyne, of the District of Columbia.
William H. Marsh, of Pennsylvania.
Wade H. B. Matthews, of Florida.
Robert W. Maule, of Washington.
David W. McClintock, of California.
Ralph C. Meima, Jr., of Maryland.
Joseph Meresman, of New York.
Bert C. Moore, of Ohio.
Robert H. Munn, of California.
William G. Murphy, of New Hampshire.
John D. Negroponte, of New York.
Julian C. Nicholas, of the District of Columbia.
George W. Ogg, of New Jersey.
Edward L. Peck, of California.
James D. Phillips, of Kansas.
Nicholas Platt, of the District of Columbia.
Charles T. Prindeville, Jr., of Illinois.
S. Richard Rand, of Connecticut.
William E. Rau, of Missouri.
John Hall Rouse, Jr., of Maryland.
J. Stapleton Roy, of Pennsylvania.
William T. Shinn, Jr., of Maryland.
Richard J. Smith, of Connecticut.
Peter Solmssen, of Pennsylvania.
Peter Tarnoff, of New York.
Blaine C. Tueller, of Utah.
Thomas T. Turqman, of the District of Columbia.
John A. Warnock, of California.
Winifred S. Weislogel, of New Jersey.
Virginia A. Weyres, of Wisconsin.
Albert W. Whiting, of Texas.
Ronald E. Woods, of Michigan.
Donald R. Woodward, of California.
Warren Zimmermann, of the District of Columbia.

Foreign Service officer of class 3 and consular officers of the United States of America

G. Michael Bache, of New Jersey.
Hyman Bloom, of New Jersey.
Robert J. Bushnell, of Hawaii.
John R. Ferchak, of Virginia.
Robert W. Kent, Jr., of California.
Martha J. Moses, of Texas.
John G. Panos, of Illinois.
John M. Powell, of Illinois.
Muneo Sakaue, of California.
Lewis R. Townsend, of New Jersey.
Ray E. White, Jr., of Tennessee.

Foreign Service officers of class 4

Laurence Desaix Anderson, Jr., of Mississippi.
Thomas F. Barron, of California.
Don E. Bean, of Tennessee.
May A. Belair, of Massachusetts.
H. Clay Black, of Illinois.
Donald J. Bouchard, of Maine.
L. Paul Bremer III, of Connecticut.
Gordon S. Brown, of the District of Columbia.
Edith Louise Bruce, of Illinois.
James R. Bullington, of Tennessee.
Duane C. Butcher, of Oklahoma.
Martin L. Cheshes, of New York.
Daniel H. Clare III, of New York.
James L. Clunan, of Connecticut.
Michael B. Cook, of New York.
David W. Cox, of Florida.
Charles B. Cuenod, Jr., of California.
Carl C. Cundiff, of Nevada.
Michael A. Davila, of Texas.
Terrance M. Day, of Maryland.
James C. Dean, of Florida.
Richard N. Dertadian, of California.
Mark M. Easton, of Pennsylvania.
Samuel C. Fromowitz, of Virginia.
Sydney Goldsmith, of New Jersey.
Dennis C. Goodman, of Ohio.
Kathryn J. Groot, of Maryland.
Francis S. Hall, of New York.
Richard J. Harrington, of California.
Caroline M. Hasenkamp, of Florida.
James M. Hawley III, of West Virginia.
George W. Heatley, of California.
H. Kenneth Hill, of California.
Catherine M. Hurley, of Connecticut.
Richard H. Imus, of California.
Louis F. Janowski, of Illinois.
D. Lowell Jones, of Mississippi.
Ralph T. Jones, of Maryland.
Philip S. Kaplan, of California.
Peter R. Keller, of Connecticut.
Patricia P. Kemper, of Florida.
Don Roland Kienzle, of Virginia.
T. Patrick Killough, of Texas.
Richard F. King, of Louisiana.
Robert H. Knickmeyer, of Missouri.
Alphonse F. LaPorta, of New York.
James W. Lamont, of New Jersey.
Stephen L. Lande, of New York.
George H. Lane, of Illinois.
Vernard A. Lanphier, of Utah.
C. Rita Lema, of Louisiana.
Ira H. Levy, of Missouri.
Edward W. Lollis II, of Indiana.
Mark Lore, of Virginia.
George Q. Lumsden, Jr., of New Jersey.
John J. Maresca, of Connecticut.
Lois Jean Matteson, of Virginia.
Doyce R. McNaughton, of Texas.
Richard H. Milton, of West Virginia.
Franz H. Misch, of California.
Paul D. Molineaux, of the District of Columbia.
Joseph V. Montville, of New Jersey.
Glenn A. Munro, of California.
Walter M. Notheis, of California.
Joseph T. O'Brien, of Florida.
Richard M. Ogden, of Connecticut.
Walter John O'Grady, of New York.
Thomas F. O'Herron, of New York.
E. Parks Olmon, of Texas.
Marie F. O'Shea, of New York.
Irwin Pernick, of New York.
Douglas K. Ramsey, of Nevada.
James W. Reeves, of California.
Thomas R. Reynders, of Maryland.
Edward F. Richards, Jr., of Alabama.
Cecil S. Richardson, of New York.
Robert G. Richmond, of New Hampshire.
Kenneth J. Robinson, of Florida.
Bruce C. Rogers, of California.
William Frederick Rope, of New York.
Teresita S. Schaffer, of New York.
Richard C. Schenck, of New York.
William Seth Shepard, of New Hampshire.
David H. Shinn, of Washington.
Leonard G. Shurtleff, of Massachusetts.
Allan D. Silberman, of Maryland.
Manuel Silberstein, of California.
Henry Sears Sizer, of the District of Columbia.
Janina Slattery, of the District of Columbia.
Dane F. Smith, Jr., of New Mexico.
William E. Spruce, of Texas.
John W. Stahlman, of Ohio.
John P. Steinmetz, of California.
Byron R. Stephenson, of Kansas.
John Todd Stewart, of California.
Dan J. Thal, of California.
John B. Thompson, of Pennsylvania.
Victor L. Tomseth, of Oregon.
James A. Treichel, of the District of Columbia.
Theresa A. Tull, of New Jersey.
Frank Tumminia, of New York.
Caroline Marr Turtle, of New Jersey.
Thomas J. Wajda, of Ohio.
William J. Waller, of California.
John L. Washburn, of Maine.
Alexander F. Watson, of Massachusetts.
Douglas K. Watson, of California.
William A. Weingarten, of New York.
James C. Whitlock, Jr., of Virginia.
Leonard F. Willems, of Wyoming.
A. Joseph Williams, Jr., of Georgia.
Richard H. Williams, of Virginia.
Joseph A. B. Winder, of Indiana.
Edward C. Woltman, Jr., of Indiana.

Foreign Service Officers of class 4 and consular officers of the United States of America

Bernard J. Rotklein, of Minnesota.
Francis J. Tatu, of California.
Brooks Wrampelmeier, of Ohio.

Foreign Service officers of class 5

R. Maryetta Ackenbom, of the District of Columbia.
Wayne Thomas Adams, of Maine.
Joseph F. Aronhime, of Maryland.
Charles R. Baquet III, of Louisiana.
Ward Davis Barmon, of New York.
Gary S. Basek, of New York.
John A. Bastek, of Connecticut.
Bruce Anthony Beardsley, of Nevada.
Robert W. Beckham, of Florida.
Wendell L. Belew, of California.
Michele M. Bova, of Maryland.
Hugh D. Camitta, of New York.
John Eignus Clark, of Maryland.
Lewis I. Cohen, of New York.
James F. Collins, of Illinois.
Michael W. Cotter, of Wisconsin.
Jeffrey Davidow, of Minnesota.
Pasquale L. DiTanna, of New Jersey.
James F. Dobbins, Jr., of Pennsylvania.
Michael W. Donovan, of Indiana.
Herbert D. Dunhaver, of California.
Morton R. Dworken, Jr., of Ohio.
James W. Eighmie, Jr., of the District of Columbia.
Richard C. Faulk, of New Jersey.
Robert C. Felder, of New York.
Harrell Kennan Fuller, of New Mexico.
Robert A. Gehring, of Connecticut.
Robert S. Gelbard, of New York.
Thomas Humphrey Gerth, of New York.
Edward W. Gnehm, Jr., of Georgia.
Hilton L. Graham, of Oregon.
Ralph D. Griffin II, of New Hampshire.
G. Gene Griffiths, of Tennessee.
Manuel R. Guerra, of Texas.
J. Guy Gwynne, of Arkansas.
Richard G. Haegele, of Illinois.
David Crane Halsted, of Maryland.
Francis P. G. Hearne, of New Jersey.
Irvin Hicks, of Maryland.
James H. Holmes, of New York.
Richard W. Hoover, of Ohio.
Theresa A. Hunt, of New York.
David H. Hutchison, of Kansas.
Thomas C. James, of California.
Anne D. Jillson, of Connecticut.
Dolly Ann Johnson, of Missouri.
Allen L. Keiswetter, of Kansas.
Charmaine V. Keyes, of the District of Columbia.
Howard H. Lange, of Washington.
James A. S. Leach, of Iowa.
Harlan Y. M. Lee, of California.
E. Mark Linton, of California.
Duane T. Linville, of Indiana.
Roger A. Long, of Ohio.
Kenneth Longmyer, of California.
D. Thomas Longo, Jr., of the District of Columbia.
Jean E. Mackey, of Virginia.
Dorothy L. Magee, of Florida.
Bruce Malkin, of Pennsylvania.
John R. Malott, of Illinois.
Rafael L. Marin, of New York.
G. Eugene Martin, of Michigan.
Edward E. Martinez, of Texas.
Richard E. Masters, of Texas.
Carl W. McCollum, of Illinois.
Janet C. McCrory, of Missouri.
Alfred J. McGinness, Ohio.
Kevin J. McGuire, of New York.
James W. McGunnigle, of New York.
Alan R. McKee, of New Hampshire.
Gregory L. McLerran, of Texas.
Robert Bruce McMullen, of Illinois.
Mary Ann Meysenburg, of Nebraska.
Edward M. Milburn, of Illinois.
John H. Miller, of New York.
John Monioudis, of Virginia.
George E. Moose, of Colorado.
Murrow B. Morris, of Georgia.
John G. H. Muehlke, Jr., of New Hampshire.
Roberto R. Munzo, of Texas.
Francis J. Nelson, of New York.
Robert K. Nelson, of Washington.
Jeremy Nice, of the District of Columbia.
Ralph L. Nider, of Pennsylvania.
Michael P. Owens, of Texas.
David A. Pabst, of Washington.
Robert S. Pace, of Pennsylvania.
Robert E. Park, of California.
F. Coleman Parrott, of Alabama.
David R. Patterson, of Arkansas.
Alec M. Peltier, of Virginia.
Peter S. Perényi, of Connecticut.
Anthony Carson Perkins, of the District of Columbia.
Gwendolyn L. Quarterman, of Illinois.
James J. Reid, of Texas.
Robert C. Reis, Jr., of Missouri.
Craig Emerson Richardson, of Ohio.
Rudolph Lawrence Rivera, of California.
James W. Roodhouse, of Colorado.
Frederick I. Rossi, of New York.
Richard W. Ruble, Jr., of California.
Dennis A. Sandberg, of Minnesota.
Eugene L. Scassa, of Pennsylvania.
Barbara Jane Schrage, of Wisconsin.
Elaine Barbara Schunter, of Michigan.
Thomas J. Sinclair, of Maryland.
Norman A. Singer, of Illinois.
Charles H. Sisk, of Florida.
William G. Smallwood, of Washington.
Moffett R. Smith, of Texas.
E. Michael Southwick, of California.
Kenneth A. Stammerman, of Kentucky.
David H. Stebbing, of the District of Columbia.
Edward Richard Stumpf, of New York.
Randolph A. Swart, of Maryland.
Lawrence Palmer Taylor, of Ohio.
Albert A. Thibault, Jr., of Pennsylvania.
William S. Tilney, of California.
Tain Pendleton Tompkins, of the District of Columbia.
Robert A. Tsukayama, of Hawaii.
Stanislaus R. P. Valerga, of Texas.
David M. Walker, of California.
Matthew P. Ward, Jr., of Pennsylvania.
Daniel F. Waterman, of New York.
Keith L. Wauchope, of New York.
Richard L. Weeks, of New Hampshire.
Mary M. Welch, of Kentucky.
Daniel R. Welter, of Illinois.
Thomas Gary Weston, of Michigan.
Howard F. Williams, of Georgia.
Russell M. Winge, of Minnesota.
Paul R. Wisgerhof, of Colorado.
Howard S. Witmer II, of Michigan.
Bernard J. Woerz, of New Jersey.
Kenneth Yalowitz, of Virginia.
Raymond Alexander Yuhasz, of New Jersey.

Foreign Service officers of class 6

William W. Allen, of Oregon.
James P. Bell, Jr., of Maryland.
John E. Bennett, of Massachusetts.
J. Grant Burke, of Massachusetts.
Larry G. Butcher, of Oklahoma.
Suzanne S. Butcher, of Pennsylvania.
Philip Lawrence Christenson, of Virginia.
Haley D. Collums, of Tennessee.
David B. Dawson, of the District of Columbia.
George P. Fourier, of Oregon.
Ann E. Griffin, of California.
James M. Griffin, of Massachusetts.
Arthur J. Hardman, of California.
Alan Shaw Hegburg, of Florida.
Dale Roy Herspring, of California.
Hartford Jennings, of Ohio.
E. Stewart Johnston, of California.
A. Elizabeth Jones, of Maryland.
George A. Kachmar, of New Jersey.
Jerrell G. Keathley, of Texas.
Willis D. King, of Oklahoma.
George L. Knox, Jr., of Alabama.
William A. Krug, Jr., of California.
Drew Stephen May, of New Jersey.
Donald James McNally, of New Jersey.
Adriaen M. Morse, of Arkansas.
Michael A. Nayor, of New York.
Ronald Benjamin Rabens, of Illinois.
David A. Roberts, of Pennsylvania.
Thomas Lee Robinson, of Michigan.
Danny B. Root, of California.
Jack W. Ryan, of Ohio.
Jeffrey R. Siegel, of New Jersey.
James R. Smith, of West Virginia.
Richard J. Stemple, of Illinois.
Robert Taylor, of Texas.
S. Dickson Tenney, of the District of Columbia.
Marilyn Ann Train, of California.
Domonic Vallese, of Pennsylvania.
Theodore J. Villinski, of Iowa.
Xenia Vunovic, of New York.
Rhoda Weinstein, of New York.
Robert A. Windsor, of Florida.
John Stern Wolf, of Pennsylvania.

Foreign Service officers of class 7

JoAnne Arzt, of New York.
Holly Gosewisch, of Wisconsin.
Ruth Miles Henderson, of the District of Columbia.
Bruce McKenzie, of California.
Ronald J. Neitzke, of Minnesota.
John F. Tefft, of Wisconsin.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service Information Officers for promotion in the Foreign Service to the classes indicated:

Foreign Service information officers of class 1

Robert C. Amerson, of South Dakota.
Walter M. Bastian, Jr., of Maryland.
Robert H. Behrens, of New Jersey.
Lyle D. Copmann, of Nebraska.
Robert T. Curran, of Michigan.
David J. DuBois, of the District of Columbia.
John L. Hedges, of Maryland.
Arthur S. Hoffman, of Florida.
Maurice E. Lee, of Pennsylvania.
Wallace W. Littell, of Maryland.
James Moceri, of Washington.
G. Richard Monsen, of Utah.
Harold F. Schneidman, of Pennsylvania.
Francis B. Tenny, of Virginia.
Gordon Winkler, of the District of Columbia.

Foreign Service information officers of class 2

James F. Anderson, of the District of Columbia.
William H. Anthony, of California.
Richard T. Arndt, of New Jersey.
Philip W. Carroll, of Virginia.
Bernard Casper, of California.
Robert L. Chatten, of California.
Vytautas A. Dambrava, of the District of Columbia.
Gerard A. Donohue, of Illinois.
A. T. Falkiewicz, of Florida.
Donald G. Gould, of Maine.
Ivan Izenberg, of Maryland.
Walter A. Kohl, of Washington.
Boulos A. Malik, of the District of Columbia.
William C. Mateer, of Ohio.
Edward H. Mattos, of California.
Lynn H. Noah, of Vermont.
Perry L. Peterson, of Virginia.
Douglas Pike, of North Dakota.
James M. Rentschler, of Pennsylvania.
Joseph J. Sandel, of the District of Columbia.
Neely G. Turner, of Washington.
Robert C. Voth, of California.
Robert B. Warner, of Michigan.
Hugh McL. Woodward, of Kentucky.
Douglas A. Zischke, of Florida.

Foreign Service information officers of class 3

Donald G. Besom, Jr., of Nebraska.
John T. Burns, of Florida.
John H. Corr, of Virginia.
Mary Frances Cowan, of the District of Columbia.
William T. Crocker, of Massachusetts.
Charles R. Dickerman, of Michigan.
Frazier Draper, of Florida.

Kent A. Herath, of Ohio.
Millard L. Johnson, Jr., of California.
Gerald J. Kallas, of California.
Anton N. Kasanof, of Florida.
Sean Kennedy Kelly, of Nevada.
Robert E. Knopes, of Wisconsin.
John F. Kordek, of Illinois.
Leon Lederer II, of Virginia.
Frederic S. Mabbatt III, of California.
James J. Mandros, of Pennsylvania.
Bernie T. Marquis, Jr., of Washington.
John A. Mason, Jr., of Virginia.
Robert C. McLaughlin, of the District of Columbia.
J. Richard Overturf, of the District of Columbia.
Edward T. Penney, of Illinois.
Phelon D. Peters, of California.
Paul Polakoff, of California.
Peter J. Reuss, of Florida.
Sanders F. Rosenblum, of Michigan.
Sherman H. Ross, of California.
Robert R. Ruggiero, of Rhode Island.
Andrew J. Schwartz, of New York.
Frank W. Scotton, of Massachusetts.
Ronald W. Stewart, of Illinois.
William F. Thompson, of Minnesota.
Franklin J. Tonini, of Florida.
Robert J. Wozniak, of Michigan.
William M. Zavis, of Illinois.

Foreign Service information officers of class 4

Paul B. Altemus, of New Jersey.
Sheldon H. Avenius, Jr., of New York.
Robert Bemis, of Massachusetts.
Robin A. Berrington, of Ohio.
Peter P. Cecere, of the District of Columbia.
James F. Channing, of Virginia.
Anthony B. Chillura, of Florida.
Donald B. Cofman, of Colorado.
Frances D. Cook, of Florida.
Louise Kelleher Crane, of Massachusetts.
Alfred M. Crocker, of Texas.
Tabor E. Dunman, Jr., of Virginia.
Margaret A. Eubank, of Maryland.
Thomas E. Finnerty, of Michigan.
Richard B. Fitz, of California.
Cynthia J. Fraser, of Texas.
John A. Fredenburg, of New York.
Richard J. Gilbert, of New York.
Jacob P. Gillespie, of Connecticut.
Paul L. Good, of California.
David D. Grimland, of Texas.
Anne J. Gurvin, of California.
Kenton W. Keith, of Missouri.
Terrence H. Kneebone, of Utah.
Frederick E. V. LaSor, of California.
Ernest H. Latham, Jr., of Massachusetts.
Joseph L. Marek, Jr., of Texas.
H. James Menard, of California.
Robert N. Minutillo, of Massachusetts.
Thomas E. O'Connor, of Ohio.
Ross E. Petzing, of New Jersey.
Peter L. Quasius, of Virginia.
Arnold J. Silverman, of California.
A. Stephen Telkins, Jr., of Pennsylvania.
William J. Weinhold, of Wisconsin.
John G. Wilcox, of Michigan.
Michael M. Yaki, of California.

Foreign Service information officers of class 5

John L. G. Archibald, of New York.
William J. A. Barnes, of Massachusetts.
Razvigor Bazala, of New Jersey.
Peter T. Becskehazy, of Ohio.
Arthur S. Berger, of the District of Columbia.
Brian E. Carlson, of Virginia.
Paula J. Causey, of Virginia.
James A. Edris, of Pennsylvania.
C. Roy Fleming, Jr., of Tennessee.
William Henry Graves, of California.
Thomas A. Homan, of Illinois.
J. Michael Houlahan, of Iowa.
Edward S. Ifshin, of Florida.
George C. Kinzer, of California.
Kathryn L. Koob, of Iowa.
David H. Lambert, of California.
George D. Langham, of Arizona.
Robert E. McDowell, Jr., of New York.
Eugene A. Nojek, of Illinois.
Michael F. O'Brien, of California.
Donna Marie Oglesby, of Florida.
Joanne A. Rhinehart, of Pennsylvania.
Roger S. Russell, Jr., of Pennsylvania.
Jack A. Sears, of South Dakota.
Cornelia M. Sheahan, of New York.
John A. Swenson, of Wisconsin.
Thomas W. Switzer, of Colorado.
John C. Thomson, of California.
David P. Wagner, of Florida.
John Scott Williams, of Virginia.
Leonardo M. Williams, of Minnesota.
Katherine K. Young, of the District of Columbia.

Foreign Service information officers of class 6

Sheridan W. Bell III, of Delaware.
Margaret M. Converse, of Illinois.
Betsy A. Fitzgerald, of Connecticut.
Gerald E. Huchel, of Illinois.
Victoria B. Jacqueney, of New York.
Francis William Lowrey, of New Mexico.
Robert D. Miller, of Pennsylvania.
James C. Palmer, of Utah.
M. Kathleen Schloeder, of Virginia.
Lois M. Sherman, of Tennessee.
Kenneth A. Simms, of California.
Susan Davis Todd, of Virginia.
Michael D. Zimmerman, of North Carolina.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 3962:

To be general

Gen. Lewis Blaine Hershey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

IN THE NAVY

The following named Reserve Officers of the United States Navy for permanent promotion to the grade of rear admiral:

LINE

John H. Pedersen
Richard Freundlich
Edwin M. Wilson, Jr.
Graham Tahler
George V. Fliflet
Eddie H. Ball
Judson L. Smith
Anthony A. Braccia
John D. Gavan
Robert A. Hobbs
Burnett H. Crawford, Jr.
Hugh R. Smith, Jr.

MEDICAL CORPS

Ben Eiseman
David B. Carmichael, Jr.

SUPPLY CORPS

Jack F. Pearse
Robert H. Spiro, Jr.
Raymond Hemming

CHAPLAIN CORPS

Mark R. Thompson

DENTAL CORPS

George J. Coleman
Roman G. Ziolkowski

IN THE MARINE CORPS

The following-named women officers of the Marine Corps Reserve for permanent appointment to the grade of colonel:

Vivian B. Bulger
Ernestine Stowell

The following named women officers of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Nannette L. Beavers
Adele A. Graham

The following named officers of the Marine Corps Reserve for temporary appointment to the grade of lieutenant colonel:

Robert J. Alfonso
Glenn E. Allen
Richard P. Althouse
James R. Arnett
Joseph C. Baldwin
Rolan E. Banks
Richard G. Bean
Robert D. Becker
Robert D. Berguin
William H. Beyer
William M. Bishop
John D. Boswell
Joe D. Bowling
Robert J. Brazil
James A. Bricker
Robert G. Brooks
George J. V. Buckner
Gary F. Burchfield
Charles W. Bushar III
Joseph B. Byrnes
Chilton S. Cabot
Edward P. Carlin
Charles W. Clarchick
Alfred I. Clayes, Jr.
Richard T. Close
Joseph W. Constantine
James E. Cooper
John C. Cooper, Jr.
Myron R. Coryell, Jr.
William J. Cover III
James A. Craige
Martin J. Crowley
Peter W. Defty
Harry R. Delkeskamp
Marvin L. Dery
Glenn V. Dill
Rocci M. Discipio
Glenn H. Downing
Wildon B. Eaddy
Gordon A. Early
Thomas J. Ebner
James C. Eddins
Bernard T. Eilerts
Edwin J. Emmet, Jr.
Richard M. Evans
Joseph Fasano
M. P. Frank III
Frederic W. Frost III
Frank Gentile
Robert A. Giovanelli
William L. Goodwin
Peter C. Greer
John W. Greiner
William S. Hamel
Todd G. Hannah
Harald R. Hansenpruss
William J. Hatcher, Jr.
Robert T. Hartmann
Kenneth A. Heimes
James A. Herbert
Peter H. Hofinga
Edwin K. Hoiles
Jon D. Hollabaugh
Robert F. Horan, Jr.
Leroy M. Jones
Donald V. Joyce
Edward A. Kelly, Jr.
Michael J. Kelly
Edwin K. Kiefner
Wayne E. Koons
John M. Kretsinger
Phillip B. Layman
Charles A. Lazzaro, Jr.
Robert E. Lee, Jr.
Paul A. Leppert
George Lindeman
Robert E. Loughridge
David R. Martin
Lawrence McCarthy
Dudley E. McFadden, Jr.
Thomas C. McGregor
John J. McLaughlin, Jr.
Harry R. McPike
Henry F. Mehlert, Jr.
George F. Meyers, Jr.
Gene A. Miller
Donald J. Miloscia
John C. Moffett
William M. Monroe
George E. Moore
Michael W. Murray
Richard D. Muzzy
Arthur L. Nardiello
John M. Norton
Lawrence E. Nugent
John E. Oates
Alan S. Painter
Robert W. Painter
Delos S. Pappas
John R. Patten
James W. Pattison
David A. Perry, Jr.
Joseph J. Pestana, Jr.
Charles G. Peterson
Eric N. Piper
Gerald M. Prizant
Hugh C. Purser
William A. Rasmussen
Howard E. Rast, Jr.
Richard L. Rattray
Robert S. Reeves
John V. Reschar
Erland Reuter
Cecil E. Rice
Wallace W. Rich
William P. Ricketts
William H. Ridings
Richard G. Rodriguez
George T. Rorrer, Jr.
Gerald J. Ryan
Thomas R. Sarver, Jr.
Arthur J. Sattolo
Ellis A. Schmidt
Charles W. Schrader
John A. Shanahan
Lawrence D. Sheridan
Carmen P. Silirie
Richard W. Singer
Thomas B. Smith
Wallace S. Smith
Paul Soby
Dale W. Spence
George T. Stevens III
Jerald C. Stoeber
Dan G. Switzer
John H. Tewksbury
Richard M. Thoreson
Charles H. Townsend
Richard P. Trotter
Barclay M. Wagner
Newton L. Wakeman
Arthur E. Walls
Richard J. Walters
William E. Wean
James R. Weinlader
James H. Westmoreland
William B. Williams
Herman W. Winter
Louis C. Wirthlin
Glennon D. Woods
Donald L. Wright
Richard J. Yevak
William D. Young, Jr.

IN THE NAVY

The following-named (naval Reserve officers training corps candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law:

David O. Aldrich
Alan R. Austin
Timothy J. Barnes
Bruce C. Bauer
William J. Beres
John M. Berosky
Richard N. Bradshaw
Peter S. Chmelir
Thomas C. Compitello
Bruce A. Cordes
David M. Crocker
Mark E. Denari
John H. Dickie
Christopher J. Ebert
Robert K. Eby, Jr.
James J. Ehler
James C. Ellis
Daniel H. Else III
Kip M. Farmer
Dan "J" Garner
John H. Gonsalves III
David R. Goonen
Joel L. Greenblatt
Joseph C. Greyson, Jr.
Lewis G. Halloran
Alan M. Harms
John A. Hedin
Robert V. Humphreys
Jay R. Jacobowitz
Steven C. Jansen
Harold J. Kearsley
*John A. Keenan
John M. Killey
Alan G. Kyle

David A. Lang
James R. Lundeen
John M. McCahon
James W. Mehrmann
Roger H. Morrison
George L. Neslein
James H. Norman
John R. Patterson
Darrell B. Powell
*Victor L. Rollandi
Chester W. Schwartz
*Steven D. Stalnaker
James P. Steffensen
Joe R. Stilwell, Jr.
Lawrence J. Swenson
*William A. Syverson, Jr.
*Douglas D. Thaxton
*Geoffrey W. Turner
Robert A. Uhl
William C. Wagner
David D. Weaver
Mark D. Westin
Vernon F. Wilkerson
*Jay H. Williams

The following-named (naval enlisted scientific education program candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualifications therefor as provided by law.

David J. Acker
Henry G. Adams
Robert A. Adams
William E. Alcorn
Jack C. Allen
Harry R. Anderson III
James E. Anderson
Michael T. Anderson
John W. Arnest
Richard G. Bair
William R. Ball, Jr.
Clyde B. Balthrop
Charles W. Bassett III
Donald W. Bechtold II
Gregory J. Bennett
John A. Boito
Robert D. Bourg
Daniel A. Brady
Edward S. Branson
Jack V. Brendmoen
Russell T. Bridges
William J. Brinkley
Jimmy W. Broadus
Karl S. Brown, Jr.
*Larry W. Brown
Richard M. Brown
Larry W. Buck
Dennis W. Buller
Warren L. Bunn
Jack D. Bush
James D. Bush
Leon P. Calviero
Michael H. Carson
Leonard R. Casella
*Reuben Castaneda, Jr.
Lewis A. Causey
Myron E. Chaffee II
Robert A. Cheney
John H. Connor, Jr.
William T. Copeland
Michael R. Cooper
Philip P. M. Cooper
David W. Corel
Richard L. Cox
Marion L. Crouch
Philip H. Crowell III
Nicholas J. D'Acquisto
David E. Damin
Bruce W. Davis
Charles W. Davis
Lavern A. Davis
Victor M. Deleon
Willard J. Demo
Tim A. Dettmann
Joe D. Deweese
Henry A. Domis
James E. Downs
Michael Dubrouillet
Richard E. Duncan
William H. Dunn
Charles A. Edmunds
Kenneth M. Elliott, Jr
Lawrence E. Epley
Reginald J. Erman
George E. Escola, Jr.
Monty J. Evans
*James T. Fahey
Gary L. Farmer
Rodney G. Farrell
James H. Fenner
Robert J. Flenniken
Edward C. Flynn
Ronald D. Ford
James M. Forgy
Martin Fox
*Daniel J. Franken
Gerald S. French
Dennis P. Fusher
*William E. Gahnstrom
*Thomas G. Gailey
John R. Gersh
Ernest E. Gesell III
Quentin R. Grady
John M. Graham
Thomas A. Grassi
*Frederick E. Groenert, Jr.
Frank J. Guarino, Jr.
Raymond J. Gut
Ronald W. Haddock
Dennis G. Hale
Raymond T. Hall
Richard R. Hamm
John L. Harding
Thomas W. Harten
Robert W. Heidecker
Kenneth R. Henry
Michael D. Henry
Gregory P. Hicks
*Dennis A. Hobbs
Bart D. Hodgins
Gary D. Houge
Carl P. Howard
Edward H. Hudson
David J. Hughes
Anthony H. Iliff
Kenneth R. Ivary
Richard P. Jarrell
*Larry E. Jones
Allan J. Kamen
Charles L. Keil
James W. Kennedy
*Glenn W. Knapp
Charles E. Kohls III
Henry A. Korejwo
*Edward S. Kraft, Jr.
Daniel A. Kulig
Dennis A. Kurtz
Terry L. Lacoss
Marvin J. Langston
David J. Larocque
*Duane N. Larson
Lawrence K. Laswell
Charles W. Lefeaux
Victor J. Lepere, Jr.
John D. Liechty
Douglas C. Lindauer
Raymond A. Lion, Jr.
Rollin G. Lippert
Paul J. Loeser
James R. Louder III
*Keith E. McCallum
John P. Mabry
John E. Manning
John R. Marshall, Jr.
James P. Martin
Karl L. Masoner
*Stanley W. Mathis
Gary M. Matyas
Richard C. Medved
Albert S. Merrion
*Paul F. Miller
Leslie P. Morrow
Charles E. Morton, Jr.
Daniel G. Mulhall
Wayne E. Nash
Edward J. Nelson
James A. Nelson
John W. Orrison
*Paul A. Palmer
Edwin H. Parry, Jr.
*Michael W. Pease
*Percy W. Perkins, Jr.
John M. Perry, Jr.
Curtis R. Peterson
Michael L. Pitts
Robert W. Poirier
David R. Powell
Donald E. Powell
Greer R. Putnam
Craig S. Relan
Ronald E. Renner
Jerry K. Richardson
Charles W. Rickgauer
Bernard A. Riggs
Gregory L. Roberts
Joseph D. Roberts
Thomas R. Robinson
Wayne J. Rogalski
Lawrence A. Root
Stephen I. Ryan
William Saller
Dean O. Schaaf
Richard A. Schaeffer
Michael F. Schafer
Larry C. Shumaker
Martin S. Schwartz
Dennis R. Scott
David B. Shafer
Paul M. Shayda
Kevin P. Sheehan
Reuben H. Shirah
Robert C. Showalter
Ronald B. Simcoe
William J. Slighter
David J. Smith
David A. Sona
Michael J. Sorek
Ronald W. Spicer
John R. Stella
William J. Stevenson III
David L. Stone
Edward L. Stone
Donald J. Straka
Dennis R. Strout
David H. Sturgis
Leland H. Tanner
Roger F. Theurer
Robert J. Thomson
Terry A. Turner
James F. Valdes
Gleason H. Verduzco
Larry O. Walker
Thomas D. L. Walker
William E. West
Kent P. Whitaker
*William F. White
David G. Williams
Vernon T. Williams
Michael R. Willmore
Richard A. Wilson
Stephen J. Worcester
Peter Wynkoop
Louis E. Yoe

Lowell R. Kent (naval enlisted scientific education program candidate) to be a permanent lieutenant (junior grade) in the Line of the Navy, in lieu of ensign in the Navy, as previously nominated and confirmed to correct grade.

George P. Graf (civilian college graduate) to be a permanent captain in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Albert Weinshelbaum (civilian college graduate) to be a permanent commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Joshua M. Morse III (civilian college graduate) to be a temporary commander in the Judge Advocate General Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

James J. McHale, Jr., U.S. Navy officer, to be a permanent commander and a temporary captain in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

The following-named U.S. Navy officers to be temporary commanders in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Thad F. Connally, Jr.
Crayton A. Fargason
Joseph G. Gregonis
William G. Nevel
Robert N. Sawyer
Robert J. Swan
Ernest W. Wood

Patricia S. Jennings, U.S. Navy officer to be a temporary commander in the Nurse Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

The following-named Ex-USNR officers to be permanent captains in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

George A. Brennan
Harold E. Jervey, Jr.
Walter A. Tatge

Richard J. Magenheimer, Ex-USNR officer to be a permanent commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

James C. Meador, Jr., Ex-USNR officer to be a temporary commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Robert C. Maddox (civilian college graduate) to be a temporary commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Frank J. Mehrtens, U.S. Navy retired officer, to be reappointed from the temporary disability retired list as a permanent chief warrant officer W–2 and a temporary chief warrant officer W–3 and a temporary lieutenant in the Navy, subject to the qualification therefor as provided by law.

The following-named appointees to be permanent captains in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*James W. Lea, Jr.
*Glenn W. Lotz

*John N. Rizzi (civilian college graduate) to be a permanent commander and a temporary captain in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*David J. Letourneau (civilian college graduate) to be a permanent lieutenant commander and a temporary commander in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*Ronald D. Symonds (civilian college graduate) to be a permanent lieutenant commander in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named appointees to be permanent lieutenants and temporary lieutenant commanders in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*Mario E. Costaldi
*Alan C. Jones
*Robert B. Jones
*Lawrence H. Robinson

The following-named (Naval Reserve officers) to be permanent lieutenants in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*James O. Armacost
*Robert W. Doebler
*Robert F. Sarlin

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

*Charles B. Brett
*Michael E. Donald
*Francis C. Gamza
*Rolf P. Gobien
*James M. Hassett, Jr.
*David L. Haworth
*James A. Hinckley
*Stephen A. Kuykendall
*Donald B. Reece, II
*John C. Reedy
*Michael D. Walker

*Robert D. Gear (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Dental Corps of the Navy in lieu of permanent lieutenant as previously nominated and confirmed to correct grade.

The following-named appointee to be permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

*Christian S. Berdy
*Ralph E. Beyersdorf
*Edward J. Billy
*Van D. Henson
Rodrigo C. Melendez
*Albert S. Mowery, Jr.
*Patrick M. Pralle
*Daniel J. Scala, Jr.
*Peter G. Sorvas
Robert H. Wright

*Gary B. Grantham (civilian college graduate) to be a permanent lieutenant in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named appointees to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

*Joseph H. Anderson
*Timothy J. Bokmeyer
*John J. Boyd, Jr.
*James E. Brown III
*Earl V. Bump, Jr.
*Henry A. Crouch, Jr.

*Phillip R. Davis
*Edward A. Funk
*Jess M. Hamilton, Jr.
*Joseph G. Innes
*Raymond J. Kielt
*Walter M. Lange, Jr.
*Daniel A. McInnis
*Gayle A. Owens
*Michael I. Potter
*Lon N. Reed III
*Edward Russo, Jr.
*Steven H. Scott
*Stuart B. Siegel
*Thomas L. Silverthorn
*Jon A. Sorensen
*Robert M. Sweet
*Mark P. Tytell
*Warren P. Waters

*Jewel T. Smith, U.S. Navy retired officer, to be reappointed from the temporary disability retired list as a permanent lieutenant and a temporary lieutenant commander in the Medical Service Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named temporary chief warrant officers to be permanent chief warrant officers W–2 and temporary chief warrant officers W–3 in the Navy, subject to the qualification therefor as provided by law.

*Warren T. Armour
*William E. Bassett
*Prudencio Deniz
*Karl E. Hayes
*Joseph L. Kelleher
*Jack Kondziela
*Robert G. Lutze
*Billie J. Matthews
*Thomas H. McDonald, Jr.
*Johnny F. Meneses
*Newton R. Mitchell
*Donavon J. Pfeiffer
*Eugene N. Reynolds
*Lawrence B. Rhoden
*James P. Roe
*Leon E. Ryder
*Ray L. Snyder
*Jimmy D. Watson
*Robert H. Wilson

The following-named temporary chief warrant officers to be permanent chief warrant officers W–2 in the Navy, subject to the qualification therefor as provided by law:

*William C. Abbruzzese
*Robert T. Adelwerth
*Richard L. Alger
*Jeffrey L. Anderson
*Virgil R. Askren
*Edward T. Bartyzal
*Merle L. Beller
*Richard A. Bellinger
*Ronald P. Bence
*Louis M. Borno, Jr.
*Thomas H. Brennan
*Ralph C. Buzzell
*Vincent J. Cadora
*Russell R. Carpenter
*Howard L. Catlett
*Davey S. Chapman
*Stephen W. Cherry
*James H. Clark
*Thomas E. Clark, Jr.
*James L. Connell
*Noel T. Coward
*Frederick M. Cox
*Christopher V. Cunha
*Daniel A. Davis
*Franklin W. Devall
*Bruce R. Dickson
*James W. Dixon
*George W. Duryea
*Richard R. Eberle
*Wayne P. Erven
*George P. Evans
*Roy J. Evans
*Don J. Fenton
*Alan T. Ferdinandsen
*Richard A. Finniss
*George F. Floyd
*Lyn Frey
*William D. Gossett
*Monite R. Greene
*Roy G. Hale
*Charles R. Halman
*Delmar Hasselbacher
*Wiliam L. Hazard
*Harry N. Hicock
*Clyde K. Hightower
*William F. Hodge, Jr.
*Wiliam J. Horn
*Frank A. Huffman
*Thomas D. Hunter
*Harold B. Jackson, Jr.
*Thomas E. Jacobs
*Buck P. Jones
*Gordon W. Jones
*Phillip E. Kern
*Frederick L. Kruger
*Robert T. Lane, Jr.
*Frederick C. Langenohl
*Richard C. Lanzner
*Kenneth A. Lessard
*William T. Little, Jr.
*Howard L. Logan
*George R. Lovering
*Roger A. Lovitt
*James W. Lucey
*George R. Lucie
*Charles R. Marinacci
*Kenneth R. Martin
*Jimmy D. Mayo
*Robert A. McAllister
*Kenneth A. McGowan
*Thomas H. McKenzie
*Mason M. McLeod
*Sydney K. H. Miller
*Roger E. Mitchell
*Donald E. Mumford
*Wendel A. Murray
*John R. Neal
*George E. Nims, Jr.
*Richard C. Ohlemacher
*Bobby P. Owens
*Michael B. Page
*Robert L. Porter
*Keith E. Postel
*Robert E. Proctor
*Ronald F. Pugliese
*Richard D. Reitz
*Devereaux P. Riddlebarger
*Donald Romanek
*Carl J. Romo
*Samuel C. Rutledge III
*Mariano J. Sanchez
*Leroy Scott
*Thomas G. Shermer
*Lester C. Smith
*Johnny G. Stanford
*Alfred W. Stauffenberg, Jr.
*Robert G. Stauffer
*Robert L. Stockton
*Marshall E. Tanner, Jr.
*Stephen G. Thomas
*William T. Tucker
*Bobby H. Vinson
*William D. Warren
*John A. Wegiel
*Harold A. Wells
*Charles E. Wharton
*Allen E. White
*John N. Whitlow
*Ray B. Wood
*Randolph W. Wright
*Harold Yeatts
*David W. Young, Jr.
*Louis J. Zobb

*CWO Frederick P. Crickman, U.S. Navy, to be a temporary lieutenant (junior grade) limited duty (administration) in the Navy, subject to the qualification therefor as provided by law.

MM2 Thomas J. Harries, U.S. Navy, to be an ensign in the line (medical/osteopathic scholarship program) in the Navy, subject to the qualification therefor as provided by law.

The following-named (naval enlisted scientific education program candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law.

Roger L. Avant
Larry E. Beberdick
Robert R. Bliss, Jr.
Robert L. Brandhuber
Dexter T. Brengel
Robert E. Bret
Ronald R. Buckley
Gary E. Bunevitch
Richard J. Carroll, Jr.
Richard A. Chalfant
James D. Cook
Michael J. Dascenzo
Gerald W. Egeberg
James E. Essery
Frederick W. Evans
Joseph H. Fields III
Gary M. Finger
William J. Flanagan
John B. Frank, Jr.
Randall L. Goode
Stephen C. Hagge
John B. Harrell III
Ronald L. Hard
Robert S. Hart
Roger D. Helm
William C. Hess
Jeffrey M. Johnson
Glenn G. Kautt
William J. Kemp
Robert D. King
Kenneth M. Kraper
Michael R. Kupar
Michael J. Landers
Donald P. Lapan
Walter J. Mardula
Arthur F. Mehnert
Guy S. Miller
Bruce R. Moore
Dennis W. Moore
Philip A. Myers
Charles L. Nofziger
John P. O'Brien
Arthur J. Page
Arvel L. Palmer
Robert A. Parks
Paul N. Peterson
Robert K. Pierce
Edward J. Pine III
Roney L. Posvar
Gary G. Potter
John L. Rausch
Chester A. Rice
Larry D. Richardson
James C. Robbins
Thomas F. Rogers
David A. Sadler
William A. Scheetz
David W. Schreck
David G. Schwerstein
Terry W. Smith
Grafton A. Spinks
William E. Stone
Gary J. Stutt
John E. Suhr
Edmund L. Thralls
John M. Watling, Jr.
Richard O. White, Jr.
Terence L. Williams
James M. Williams
Samuel C. Worley
Lewis K. Worthing III
John K. Zollinger, Jr.

John E. Williams, Ex-USNR officer to be a temporary commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Carl J. Lutt (civilian college graduate) to be a permanent captain in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Charles R. Vavrin (civilian college graduate) to be a temporary commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Arvin T. Henderson, Ex-USNR officer to be a permanent captain in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

Burton O. Leeb (Naval Reserve officer) to be a permanent lieutenant commander and a temporary commander in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

Gilbert F. Romine (civilian college graduate) to be a permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

Jack N. Hamilton
Ronald C. House
Richard A. Rothermel

Marsden S. Blois, Ex-USNR officer, to be a permanent commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

IN THE ARMY

The following-named persons for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be Lieutenant Colonel, Regular Army and Colonel, Army of the United States

Simpson, John E., xxx-xx-xxxx.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be captain

Gentry, William O., xxx-xx-xxxx.
Gleeson, Roberta L., xxx-xx-xxxx.
Kastello, Michael D., xxx-xx-xxxx.
Marsh, Curtis N., III, xxx-xx-xxxx.

To be first lieutenant

Ankrom, Linda E., xxx-xx-xxxx.
Berryman, Carl, III, xxx-xx-xxxx.
Burch, Joy B., xxx-xx-xxxx.
Carter, Jack E., xxx-xx-xxxx.
Champlain, Robert A., xxx-xx-xxxx.
Coey, Pearl S., xxx-xx-xxxx.
Conrad, Linda S., xxx-xx-xxxx.
Horn, Carol D., xxx-xx-xxxx.
Jarmin, Joyce A., xxx-xx-xxxx.
Nesom, Judy K., xxx-xx-xxxx.
Shannon, Daniel J., xxx-xx-xxxx.

To be second lieutenant

Bradford, Barbara L., xxx-xx-xxxx.
Brown, Patricia A., xxx-xx-xxxx.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Perkins, Cory V., xxx-xx-xxxx.
Powell, William G., xxx-xx-xxxx.

The following-named cadets, graduating class of 1973, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283 through 4353:

Abizaid, John Phillip, xxx-xx-xxxx.
Adams, Benjamin Martin, xxx-xx-xxxx.
Adams, Jesse Baker, xxx-xx-xxxx.
Akscyn, Robert Murray, Jr., xxx-xx-xxxx.
Alden, Michael Augustine, xxx-xx-xxxx.
Aldrich, Robert Cornell, xxx-xx-xxxx.
Allen, Harry Patrick, xxx-xx-xxxx.
Allen, James Robert, xxx-xx-xxxx.
Allen, Ollie Wilbert, xxx-xx-xxxx.
Alm, Leslie Ray, xxx-xx-xxxx.
Altieri, Michael Sylvester, Jr., xxx-xx-xxxx.
Anderson, George Leander, xxx-xx-xxxx.
Anderson, John Alan, xxx-xx-xxxx.
Anderson, Mark William, xxx-xx-xxxx.
Anderson, Michael Thomas, xxx-xx-xxxx.
Andrew, Flynn Lambert, xxx-xx-xxxx.
Andrews, Albert Eugene, III, xxx-xx-xxxx.
Ankley, Steven Peter, xxx-xx-xxxx.
Arceri, Gregory Joseph, Jr., xxx-xx-xxxx.
Arison, Harold Lindsey, 3rd, xxx-xx-xxxx.
Arlund, Keith Otto, xxx-xx-xxxx.
Armstrong, William Jack, xxx-xx-xxxx.
Arras, Richard Kent, xxx-xx-xxxx.
Atha, Richard Lee, xxx-xx-xxxx.
Atkins, Charles Donald, xxx-xx-xxxx.
Babbitt, Richard Robert, xxx-xx-xxxx.
Bacon, Alan Jerome, xxx-xx-xxxx.

Bailey, Brett William, xxx-xx-xxxx.
Baker, Daniel Bradford, xxx-xx-xxxx.
Baker, Daniel Jackson, xxx-xx-xxxx.
Baker, Leon Burdett, xxx-xx-xxxx.
Bakken, Keith Wesley, xxx-xx-xxxx.
Balbi, Dieter, xxx-xx-xxxx.
Baldwin, Peter Michael, xxx-xx-xxxx.
Baldy, Paul Anthony, Jr., xxx-xx-xxxx.
Barber, David Duane, xxx-xx-xxxx.
Barker, Bradford Joseph, xxx-xx-xxxx.
Barker, William Elton, xxx-xx-xxxx.
Barry, Scott Alan, xxx-xx-xxxx.
Bartok, Louis James, xxx-xx-xxxx.
Basten, Michael Francis, xxx-xx-xxxx.
Bauer, Richard Paul, xxx-xx-xxxx.
Bauer, Thomas Alan, xxx-xx-xxxx.
Baugh, James Addison, xxx-xx-xxxx.
Bavaro, Lee Terrell Wagener, xxx-xx-xxxx.
Beatty, Timothy Jon, xxx-xx-xxxx.
Beaty, Paul Scott, xxx-xx-xxxx.
Beck, Martin Robert, Jr., xxx-xx-xxxx.
Beck, Rex Gregory, xxx-xx-xxxx.
Belford, Matthew Jack, xxx-xx-xxxx.
Bell, Richard, Jr., xxx-xx-xxxx.
Belnap, Douglas Paul, xxx-xx-xxxx.
Bemis, John Howard, xxx-xx-xxxx.
Bender, Douglas Charles, xxx-xx-xxxx.
Bendler, Walter King, Jr., xxx-xx-xxxx.
Benoit, Paul Frederick, xxx-xx-xxxx.
Beresky, Charles Eugene, xxx-xx-xxxx.
Bergeret, Gregory Fred, xxx-xx-xxxx.
Berlin, Charles Henry, III, xxx-xx-xxxx.
Berry, Michael Adair, xxx-xx-xxxx.
Bessler, James Edward, xxx-xx-xxxx.
Bice, William Stanley, Jr., xxx-xx-xxxx.
Bickford, Charles Dana, xxx-xx-xxxx.
Bivens, Courtland Clouis, III, xxx-xx-xxxx.
Blackerby, David Coleman, xxx-xx-xxxx.
Blane, Donald Joseph, xxx-xx-xxxx.
Blevins, Bruce Wayne, xxx-xx-xxxx.
Boerth, William Edwin, xxx-xx-xxxx.
Boevers, Bruce Eugene, xxx-xx-xxxx.
Bogosian, Stephen Paul, xxx-xx-xxxx.
Bohlender, Hugh Darrow, xxx-xx-xxxx.
Bollinger, Michael David Andrew, xxx-xx-xxxx.
Bond, Kevin William, xxx-xx-xxxx.
Bonner, Garland Charles, xxx-xx-xxxx.
Bossieux, Terry Allen, xxx-xx-xxxx.
Bothe, Steven Edward, xxx-xx-xxxx.
Bowen, Gary Wayne, xxx-xx-xxxx.
Boyd, Robert David, xxx-xx-xxxx.
Brady, William Kim, xxx-xx-xxxx.
Branham, James Milton, xxx-xx-xxxx.
Bratton, Joseph Key, Jr., xxx-xx-xxxx.
Braun, Daniel George, xxx-xx-xxxx.
Briggs, David Edward, xxx-xx-xxxx.
Brigham, Mark Durward, xxx-xx-xxxx.
Brinkley, Melvin Warren, xxx-xx-xxxx.
Bronstein, Lawrence Greg, xxx-xx-xxxx.
Brooks, Frederick Marshall, xxx-xx-xxxx.
Brooks, Godfrey Warren, xxx-xx-xxxx.
Brown, Arthur John, xxx-xx-xxxx.
Brown, Cedric Carson, xxx-xx-xxxx.
Brown, Donald Edward, xxx-xx-xxxx.
Brown, Michael Lawrence, xxx-xx-xxxx.
Brown, Robert Alan, xxx-xx-xxxx.
Brown, Robert Gordon, xxx-xx-xxxx.
Brown, Steven F., xxx-xx-xxxx.
Brown, Thomas Howard, xxx-xx-xxxx.
Brown, William Redfield, xxx-xx-xxxx.
Bruley, Roger Lee, xxx-xx-xxxx.
Bryan, James Lamar, xxx-xx-xxxx.
Bubb, David Lee, xxx-xx-xxxx.
Burd, James Miles, xxx-xx-xxxx.
Burke, James Richard, xxx-xx-xxxx.
Burke, James William, Jr., xxx-xx-xxxx.
Burton, Michael Andrew, xxx-xx-xxxx.
Bustamante, Elias Castro, Jr., xxx-xx-xxxx.
Butts, Kent Hughes, xxx-xx-xxxx.
Cabell, Ben Ransom, xxx-xx-xxxx.
Cadow, Robert Edward, xxx-xx-xxxx.
Campbell, Harry Franklin J., Jr., xxx-xx-xxxx.
Canciglia, Henry Richard, xxx-xx-xxxx.
Caras, Mark Everett, xxx-xx-xxxx.
Carlson, Steven Geoffrey, xxx-xx-xxxx.
Carr, Regis John, xxx-xx-xxxx.
Carriere, Glenn Dee, xxx-xx-xxxx.
Carter, Richard Murrell, xxx-xx-xxxx.
Cartwright, Jeffrey Paul, xxx-xx-xxxx.
Carville, Charles Lester, Jr., xxx-xx-xxxx.
Casey, Timothy Joseph, xxx-xx-xxxx.
Cassidy, Richard Burton, II, xxx-xx-xxxx.
Cathcart, Creston Mark, xxx-xx-xxxx.
Cerny, John Anthony, xxx-xx-xxxx.
Cerososimo, James Michael, Jr., xxx-xx-xxxx.
Ceurvels, Michael Joseph, xxx-xx-xxxx.
Chadick, William Gary, xxx-xx-xxxx.
Chancellor, William Edward, Jr., xxx-xx-xxxx.
Chandler, Bruce Denison, xxx-xx-xxxx.
Chobany, George Christopher, xxx-xx-xxxx.
Christian, James Leslie, Jr., xxx-xx-xxxx.
Christopher, Clyde John, xxx-xx-xxxx.
Church, Steven Douglas, xxx-xx-xxxx.
Chychota, Michael Thomas, xxx-xx-xxxx.
Ciccotti, William Joseph, xxx-xx-xxxx.
Clare, Ralph Barton, Jr., xxx-xx-xxxx.
Clark, Melvin Eugene, xxx-xx-xxxx.
Clark, Terry Dee, xxx-xx-xxxx.
Clouse, Mark Alan, xxx-xx-xxxx.
Coats, Charles Smith, Jr., xxx-xx-xxxx.
Coats, Stephen Dennis, xxx-xx-xxxx.
Colbert, Malcolm Nicodemus, II, xxx-xx-xxxx.
Colbert, Michael William, xxx-xx-xxxx.
Coleman, Frederick David, xxx-xx-xxxx.
Collier, Mark Charles, xxx-xx-xxxx.
Combs, Nicholas Thomas, xxx-xx-xxxx.
Condit, Howard Ross Frederick, xxx-xx-xxxx.
Conley, Adrian Craig, xxx-xx-xxxx.
Conover, Gregory Bruce, xxx-xx-xxxx.
Conway, Robert Lee, xxx-xx-xxxx.
Cook, Ambrose Francis, Jr., xxx-xx-xxxx.
Cook, John de Nooyer, xxx-xx-xxxx.
Cooke, James Christopher, xxx-xx-xxxx.
Cooke, James Robert, xxx-xx-xxxx.
Cooper, Earl Alonzo, III, xxx-xx-xxxx.
Coover, Donald Paul, xxx-xx-xxxx.
Correa, Peter Christopher, xxx-xx-xxxx.
Costantine, Alfred Guy, xxx-xx-xxxx.
Cotton, John Robert, xxx-xx-xxxx.
Cottrell, Scott Barber, xxx-xx-xxxx.
Coumbe, Arthur Thomas, xxx-xx-xxxx.
Cozza, Frank Doulgas, xxx-xx-xxxx.
Crabtree, Brent Allen, xxx-xx-xxxx.
Craig, Dean Emerson, xxx-xx-xxxx.
Craig, Kevin Cameron, xxx-xx-xxxx.
Craig, Sidney Keith, xxx-xx-xxxx.
Cram, Richard Lloyd, xxx-xx-xxxx.
Crandall, Raymund Victor, xxx-xx-xxxx.
Crenshaw, Charles Truett, III, xxx-xx-xxxx.
Crisp, William Ira, xxx-xx-xxxx.
Crockatt, George Wesley, III, xxx-xx-xxxx.
Crossett, Edward Donald, xxx-xx-xxxx.
Crowell, Jon Bower, xxx-xx-xxxx.
Crowley, Brendan Joseph, xxx-xx-xxxx.
Culclasure, Charles Frank, xxx-xx-xxxx.
Cullinan, Daniel Leo, xxx-xx-xxxx.
Curasi, Vincent Bennett, xxx-xx-xxxx.
Cusimano, Thomas Patrick, xxx-xx-xxxx.
Cyr, Joseph Paul, xxx-xx-xxxx.
Daigle, Steven Louis, xxx-xx-xxxx.
Dailey, Grover Hugar, Jr., xxx-xx-xxxx.
Dakin, Richard Earnest, xxx-xx-xxxx.
Dallaire, Richard Michael, xxx-xx-xxxx.
Daly, John Harold, Jr., xxx-xx-xxxx.
Damas, Nage Lee, xxx-xx-xxxx.
Danhof, Ronald Frank, xxx-xx-xxxx.
Daum, James Francis Xavier, xxx-xx-xxxx.
Davis, Daniel Jay, xxx-xx-xxxx.
Davis, Joe Benton, xxx-xx-xxxx.
Davis, Robert William, xxx-xx-xxxx.
Davis, Russell Alan, xxx-xx-xxxx.
Daxon, Eric George, xxx-xx-xxxx.
Days, Douglas Lee, xxx-xx-xxxx.
Daze, Thomas Joseph, xxx-xx-xxxx.
De Bow, Michael John, xxx-xx-xxxx.
De Broux, James Frederick, xxx-xx-xxxx.
Deatherage, William Newton, xxx-xx-xxxx.
Dembowski, Richard Kenneth, xxx-xx-xxxx.
Denton, Michael Edward, xxx-xx-xxxx.
Depkovich, Thomas Michael, xxx-xx-xxxx.
Diehl, Richard Cameron, xxx-xx-xxxx.
Dieterle, Mark Jeffrey, xxx-xx-xxxx.
Dietz, Garrett Lee, xxx-xx-xxxx.
Diver, Richard Boyer II, xxx-xx-xxxx.
Dixon, Leonard Monroe, Jr., xxx-xx-xxxx.
Docksey, John Ross, xxx-xx-xxxx.
Dokmo, Charles Lawrence, xxx-xx-xxxx.
Dominguez, Francisco Ong, Jr., xxx-xx-xxxx.
Donaldson, Michael Lynn, xxx-xx-xxxx.
Donnell, Charles Andrew, xxx-xx-xxxx.
Dougherty, Francis La Verne, xxx-xx-xxxx.
Dougherty, William Charles, xxx-xx-xxxx.
Douglass, Gregory, Charles, xxx-xx-xxxx.
Dowalgo, John Edward, xxx-xx-xxxx.
Doyle, Gerald Stephen, xxx-xx-xxxx.
Drechsel, William Philip, xxx-xx-xxxx.
Drouin, Bryan Scott, xxx-xx-xxxx.
Dulong, David Nelson, xxx-xx-xxxx.
Dunlap, John Randall, xxx-xx-xxxx.
Durham, Edward Joseph, Jr., xxx-xx-xxxx.
Dutro, Daniel Gallagher, xxx-xx-xxxx.
Dyke, Charles Edward, Jr., xxx-xx-xxxx.
Eastman, Terrence Joseph, xxx-xx-xxxx.
Eaton, Matthew Henry, xxx-xx-xxxx.
Eckelman, Scott Richard, xxx-xx-xxxx.
Eckert, Gregory Mark, xxx-xx-xxxx.
Edelstein, Daniel Louis, xxx-xx-xxxx.
Edwards, Lawrence Dennis, xxx-xx-xxxx.
Edwards, W. Clarke, xxx-xx-xxxx.
Ehlers, Harry Christian III, xxx-xx-xxxx.
Eichers, Michael Earl, xxx-xx-xxxx.
Eikenberry, Karl Winfrid, xxx-xx-xxxx.
Elliott, Howard Deane, Jr., xxx-xx-xxxx.
Elliott, John Richard, xxx-xx-xxxx.
Ellis, Gregory Mark, xxx-xx-xxxx.
Ellis, Michael William, xxx-xx-xxxx.
Elsey, James Vernon, xxx-xx-xxxx.
Epley, William Willis, xxx-xx-xxxx.
Erbes, Bradley James, xxx-xx-xxxx.
Erndt, Thomas Wililam, xxx-xx-xxxx.
Ervin, Gregory Lee, xxx-xx-xxxx.
Everett, George William, Jr., xxx-xx-xxxx.
Everett, John Patrick, xxx-xx-xxxx.
Fargason, John Hugh, Jr., xxx-xx-xxxx.
Farrell, Michael Edward, xxx-xx-xxxx.
Farris, John Henry, xxx-xx-xxxx.
Fasulo, Robert Joseph, xxx-xx-xxxx.
Federico, Sal John William, xxx-xx-xxxx.
Feeley, John Francis, Jr., xxx-xx-xxxx.
Feil, Scott Ross, xxx-xx-xxxx.
Feltes, William Roman, xxx-xx-xxxx.
Fennel, Jack Fowler, xxx-xx-xxxx.
Ferguson, Lynn Douglas, xxx-xx-xxxx.
Ferguson, Mercer Emory, xxx-xx-xxxx.
Feris, George Herman, xxx-xx-xxxx.
Figiel, Kerry Dean, xxx-xx-xxxx.
Filter, Wiliam Frederick, xxx-xx-xxxx.
Finn, Kevin Eugene, xxx-xx-xxxx.
Finnigan, Dennis Patrick, Jr., xxx-xx-xxxx.
Fiore, Uldric Lutgardt, Jr., xxx-xx-xxxx.
Fitzharris, Joseph Bernard, xxx-xx-xxxx.
Fitzsimmons, Thomas Joseph, xxx-xx-xxxx.
Flannery, Michael David, xxx-xx-xxxx.
Fleming, Samuel Ernest, III, xxx-xx-xxxx.
Flynn, Stephen Francis, xxx-xx-xxxx.
Ford, David Paul, xxx-xx-xxxx.
Foster, John Joseph, xxx-xx-xxxx.
Fotheringham, Peter William, xxx-xx-xxxx.
Fountain, Foster Fillmore, III, xxx-xx-xxxx.
Fox, William Peyton, xxx-xx-xxxx.
Francis, Edward Michael, xxx-xx-xxxx.
Franklin, Charles David, xxx-xx-xxxx.
Frederick, John Hall, xxx-xx-xxxx.
Fredericks, Brian Edward, xxx-xx-xxxx.
Freeman, Stephen Edward, xxx-xx-xxxx.
Frein, Thomas Frank, xxx-xx-xxxx.
Freise, Kent Merle, xxx-xx-xxxx.
Frolich, Stephen Harper, xxx-xx-xxxx.
Fuehrmeyer, James Leroy, Jr., xxx-xx-xxxx.
Fulton, George Arthur, xxx-xx-xxxx.
Furloni, Joe Flavio, xxx-xx-xxxx.
Gaines, Michael Bruce, xxx-xx-xxxx.
Galing, Bernard Walter, Jr., xxx-xx-xxxx.
Gandolfo, Thomas Joseph, xxx-xx-xxxx.
Gannon, Thomas Patrick, xxx-xx-xxxx.
Garabato, Franklin Miclat, xxx-xx-xxxx.
Garcia, Apolonio Bernardino, xxx-xx-xxxx.
Garrant, Robert Michael, xxx-xx-xxxx.
Garrison, Buckner Lee, xxx-xx-xxxx.
Gately, John Bishop, xxx-xx-xxxx.
Gay, John Charles, III, xxx-xx-xxxx.
Gaydos, Lawrence Andrew, xxx-xx-xxxx.
Gaziano, Joseph Francis, xxx-xx-xxxx.

Gearheart, Robert Evan, xxx-xx-xxxx.
Gendrolis, Paul Stephen, xxx-xx-xxxx.
Geoghan, Dennis Patrick, xxx-xx-xxxx.
Georgelas, Timothy John, xxx-xx-xxxx.
Gerbers, Ronald Wayne, xxx-xx-xxxx.
Gerhardt, Steven Ray, xxx-xx-xxxx.
Gerner, Mark Henry, xxx-xx-xxxx.
Get, Jer Donald, xxx-xx-xxxx.
Gibbs, Michael Ray, xxx-xx-xxxx.
Gibson, Merlyn Dean, xxx-xx-xxxx.
Gillcrist, James Michael, xxx-xx-xxxx.
Gillette, Robert, xxx-xx-xxxx.
Gilmore, William Read, xxx-xx-xxxx.
Godwin, Thomas Atherton, xxx-xx-xxxx.
Goett, Robert Michael, xxx-xx-xxxx.
Goit, Albert Carl Jr., xxx-xx-xxxx.
Goodrich, William Edson, xxx-xx-xxxx.
Goodwin, William Price, xxx-xx-xxxx.
Graef, Ronald Bret, xxx-xx-xxxx.
Green, Glenn Malcolm, III, xxx-xx-xxxx.
Greene, Jeffrey Alan, xxx-xx-xxxx.
Gregg, Robert Bruce, xxx-xx-xxxx.
Grenchus, Edward Joseph, Jr., xxx-xx-xxxx.
Grenier, James Thomas, xxx-xx-xxxx.
Griffith, Mark Camden, xxx-xx-xxxx.
Griffith, David John Jr., xxx-xx-xxxx.
Griffin, Mark Camden, xxx-xx-xxxx.
Griswold, Myron John, xxx-xx-xxxx.
Gross, William Barnwell, III, xxx-xx-xxxx.
Grosso, Ronald Alan, xxx-xx-xxxx.
Grunseth, Marc Roald, xxx-xx-xxxx.
Guardia, Robert Anthony, xxx-xx-xxxx.
Habib, Noel Dennis, xxx-xx-xxxx.
Hagen, Gregory Brent, xxx-xx-xxxx.
Hahn, Daniel Alan, xxx-xx-xxxx.
Hale, Harold Edward, xxx-xx-xxxx.
Hall, Charles Henry, xxx-xx-xxxx.
Hall, Gary Robert, xxx-xx-xxxx.
Halstead, John Forrest, xxx-xx-xxxx.
Hames, Lawrence Baxter, xxx-xx-xxxx.
Hamm, Paul Frederick, xxx-xx-xxxx.
Hand, Douglas Herbert, xxx-xx-xxxx.
Handley, William Joseph, xxx-xx-xxxx.
Hanifen, Thomas James, xxx-xx-xxxx.
Hanna, Mark Lloyd, xxx-xx-xxxx.
Hanson, Robert Bruce, Jr., xxx-xx-xxxx.
Hartline, Douglas Henry, xxx-xx-xxxx.
Harwanko, Julian Bohdan, xxx-xx-xxxx.
Haugh, William James, xxx-xx-xxxx.
Hawkins, Glen Robert, xxx-xx-xxxx.
Hayes, James Henry, Jr., xxx-xx-xxxx.
Hazel, John Albert, xxx-xx-xxxx.
Hediger, Lee Frederick, xxx-xx-xxxx.
Heilman, William Paul, xxx-xx-xxxx.
Hein, Dennis Allen, xxx-xx-xxxx.
Held, William Harley, xxx-xx-xxxx.
Hemenway, Mark William, xxx-xx-xxxx.
Hendrick, Charles Bernard, xxx-xx-xxxx.
Herberg, James Allison, xxx-xx-xxxx.
Hermanson, Patrick Mark, xxx-xx-xxxx.
Hetrick, Edward Paul, xxx-xx-xxxx.
Hicks, David Allen, xxx-xx-xxxx.
Hicks, Robert Jack, xxx-xx-xxxx.
Highland, Kenneth Norell, II, xxx-xx-xxxx.
Hinchion, Francis Scott, xxx-xx-xxxx.
Hines, Robert Thomas, xxx-xx-xxxx.
Hinson, Eric Vann, xxx-xx-xxxx.
Hladkyj, Yaropolk Roland, xxx-xx-xxxx.
Hobby, Clyde Redding, III, xxx-xx-xxxx.
Hockley, Michael Dillon, xxx-xx-xxxx.
Hodge, Barry Thomas, xxx-xx-xxxx.
Hodgini, Thomas Joseph, xxx-xx-xxxx.
Hoerer, Norman John, xxx-xx-xxxx.
Hoffman, Henry Paul, xxx-xx-xxxx.
Hoffman, Hugh French T., III, xxx-xx-xxxx.
Hoffman, Richard Jay, xxx-xx-xxxx.
Hoffmann, Robert Erhardt, xxx-xx-xxxx.
Holcomb, Robert Carrol, xxx-xx-xxxx.
Hollsten, Donald Arthur, Jr., xxx-xx-xxxx.
Holly, John William, xxx-xx-xxxx.
Horn, Harry Allan, xxx-xx-xxxx.
Housman, Jon Charles, xxx-xx-xxxx.
Howard, David Lynn, xxx-xx-xxxx.
Hubbard, George William, II, xxx-xx-xxxx.
Hughes, James Kevin, xxx-xx-xxxx.
Hughes, John Robert, xxx-xx-xxxx.
Hughes, William Thomas, xxx-xx-xxxx.
Humphries, William Ray, xxx-xx-xxxx.
Hunt, James Allison, xxx-xx-xxxx.
Hunter, Walter Christoph, xxx-xx-xxxx.
Huntoon, David Holmes, Jr., xxx-xx-xxxx.
Hutzler, Charles Thomas, Jr., xxx-xx-xxxx.
Innes, John O., xxx-xx-xxxx.
Innis, Bruce Lamont, xxx-xx-xxxx.
Irzyk, Albin Felix, Jr., xxx-xx-xxxx.
Ivandick, Mark Joseph, xxx-xx-xxxx.
Iwanyk, Eugene Joseph, xxx-xx-xxxx.
Jackson, David Roy, xxx-xx-xxxx.
Jacoby, Jon Littlefield, xxx-xx-xxxx.
Jaehne, Gordon Ray, xxx-xx-xxxx.
James, William Michael, xxx-xx-xxxx.
Jamroz, David Francis, xxx-xx-xxxx.
Janele, James Louis, xxx-xx-xxxx.
Jarrell, Robert Bryant, xxx-xx-xxxx.
Jelinsky, Michael Karl, xxx-xx-xxxx.
Jenkins, Gilbert Solomon, Jr., xxx-xx-xxxx.
Jenkins, Jeffrey Edward, xxx-xx-xxxx.
Jensen, Warren Stanley, xxx-xx-xxxx.
Jent, George Larry, xxx-xx-xxxx.
Jervis, Walter Thomas, III, xxx-xx-xxxx.
Jockheck, William Herbert, xxx-xx-xxxx.
Johnson, Dennis Laverne, xxx-xx-xxxx.
Johnson, Edward Christopher, Jr., xxx-xx-x...
Johnson, Greg Steven, xxx-xx-xxxx.
Johnson, Richard Morris, xxx-xx-xxxx.
Johnson, Robert Eugene, xxx-xx-xxxx.
Johnson, Robert Howard, xxx-xx-xxxx.
Johnston, James Erwin, xxx-xx-xxxx.
Jones, Gaylyn Floyd, xxx-xx-xxxx.
Jones, John Wilkins, xxx-xx-xxxx.
Jones, Paul Anthony, xxx-xx-xxxx.
Jones, Todd R., xxx-xx-xxxx.
Jordan, William Edward, Jr., xxx-xx-xxxx.
Jose, Michael Evan, xxx-xx-xxxx.
Jung, Lester Albert, xxx-xx-xxxx.
Jurek, Timothy Alan, xxx-xx-xxxx.
Kaardal, Ivar Martin, xxx-xx-xxxx.
Kai, Peter Jean, xxx-xx-xxxx.
Kaminsky, Albert Frank, Jr., xxx-xx-xxxx.
Kane, Robert Patrick, Jr., xxx-xx-xxxx.
Karnan, Kerry Michael, xxx-xx-xxxx.
Kasold, Bruce Edward, xxx-xx-xxxx.
Kaup, Danny Patrick, xxx-xx-xxxx.
Kaylor, Charles Robert, Jr., xxx-xx-xxxx.
Keating, Kevin, Edward, xxx-xx-xxxx.
Kee, Stephen Glenn, xxx-xx-xxxx.
Keebler, Henry Charles III, xxx-xx-xxxx.
Keene, Gregory Meeves, xxx-xx-xxxx.
Keeney, Dana Bland, Jr., xxx-xx-xxxx.
Kelling, James Keith, xxx-xx-xxxx.
Kelly, Damian Patrick, xxx-xx-xxxx.
Kelly, Kevin, xxx-xx-xxxx.
Kelly, Roy Lee, xxx-xx-xxxx.
Kenady, Frederick Raymond, xxx-xx-xxxx.
Kerbawy, Bernard Jerome, xxx-xx-xxxx.
Kersh, Todd Byron, xxx-xx-xxxx.
Kershaw, Charles Gideon, III, xxx-xx-xxxx.
Killgrove, Timothy Eugene, xxx-xx-xxxx.
Kimball, David Bruce, xxx-xx-xxxx.
King, Gordon MacDonald, xxx-xx-xxxx.
Kirin, Stephen John, xxx-xx-xxxx.
Klegka, John Stephen, xxx-xx-xxxx.
Knight, Robert Douglas, xxx-xx-xxxx.
Kopsky, Mark Steven, xxx-xx-xxxx.
Kranitzky, Charles William, xxx-xx-xxxx.
Krater, Cletus Anthony, Jr., xxx-xx-xxxx.
Krebill, Dan Preston, xxx-xx-xxxx.
Kreider, Sanford Douglass, xxx-xx-xxxx.
Kreitner, John James, xxx-xx-xxxx.
Kuffner, Stephen John, xxx-xx-xxxx.
Kuncel, Joseph Stanley, Jr., xxx-xx-xxxx.
Kurrus, Robert Vernon, xxx-xx-xxxx.
Kurtz, Dale Leroy, xxx-xx-xxxx.
Landrith, Craig Vincent, xxx-xx-xxxx.
Landry, Steven Paul, xxx-xx-xxxx.
Lane, William Norman, Jr., xxx-xx-xxxx.
Larew, Telford William, xxx-xx-xxxx.
Laura, Joseph Michael, xxx-xx-xxxx.
Leatherman, George T., III, xxx-xx-xxxx.
Leavelle, Clyde Morris, xxx-xx-xxxx.
Lee, Robert Jeffrey, xxx-xx-xxxx.
Leney, Thomas John, xxx-xx-xxxx.
Leonard, James William, Jr., xxx-xx-xxxx.
Leskowat, Jeffrey Michael, xxx-xx-xxxx.
Lewis, Brett Hammond, xxx-xx-xxxx.
Lewis, Gregory Dale, xxx-xx-xxxx.
Lewis, William Donsal, xxx-xx-xxxx.
Lindberg, Steven Robert, xxx-xx-xxxx.
Lindner, Philip Ray, xxx-xx-xxxx.
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Little, John Albert, xxx-xx-xxxx.
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Logan, Patrick Edward, xxx-xx-xxxx.
Loiselle, Richard Post, xxx-xx-xxxx.
Looney, Robert James, xxx-xx-xxxx.
Losey, Christopher Rogers, xxx-xx-xxxx.
Lucidi, Joseph Anthony, xxx-xx-xxxx.
Luckett, Byron Edward, Jr., xxx-xx-xxxx.
Lynch, Philip Hugh, xxx-xx-xxxx.
Lynn, Dan Arol, xxx-xx-xxxx.
Lyons, Richard Dennis, xxx-xx-xxxx.
MacMullin, Robert, xxx-xx-xxxx.
MacPhee, Lawrence Paul, xxx-xx-xxxx.
MacSwain, James Richard, xxx-xx-xxxx.
Mace, Robert Lee, xxx-xx-xxxx.
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Mackay, David Bruce, xxx-xx-xxxx.
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Madera, Ronnie Eugene, xxx-xx-xxxx.
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Mair, Robert Scott, xxx-xx-xxxx.
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Maressa, Frank Michael, xxx-xx-xxxx.
Marine, Dennis John, xxx-xx-xxxx.
Maringer, Richard Michael, xxx-xx-xxxx.
Marks, David Loren, xxx-xx-xxxx.
Marler, David Ramon, xxx-xx-xxxx.
Marrero, Pedro, xxx-xx-xxxx.
Marsala, Guy Michael, xxx-xx-xxxx.
Marshall, Jon Allen, xxx-xx-xxxx.
Martin, Edwin Leslie, xxx-xx-xxxx.
Martz, William Vincent, II, xxx-xx-xxxx.
Marvil, Joseph Collins, xxx-xx-xxxx.
Mason, Thomas Owen, xxx-xx-xxxx.
Masters, Jack Lee, xxx-xx-xxxx.
Masterson, Michael John, xxx-xx-xxxx.
Mastrucci, Joseph Peter, Jr., xxx-xx-xxxx.
Mather, Dana Charles, xxx-xx-xxxx.
Maxfield, Charles James, xxx-xx-xxxx.
Mayer, James Arthur, xxx-xx-xxxx.
Mayhew, Gordon Russell, Jr., xxx-xx-xxxx.
Mays, Thomas Lynn, xxx-xx-xxxx.
McArdle, James Patrick, Jr., xxx-xx-xxxx.
McArthur, William Surles, Jr., xxx-xx-xxxx.
McCall, Lyman Dale, xxx-xx-xxxx.
McCann, Raymond Charles, xxx-xx-xxxx.
McCaul, Edward Baldwin, Jr., xxx-xx-xxxx.
McConnell, Ronald Earl, xxx-xx-xxxx.
McConville, Lester Francis, xxx-xx-xxxx.
McCullough, Robert Bruce, xxx-xx-xxxx.
McDermott, David Francis, xxx-xx-xxxx.
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McIntyre, Randel Benson, xxx-xx-xxxx.
McIntyre, Robert Douglas, xxx-xx-xxxx.
McKeeman, Michael Wayne, xxx-xx-xxxx.
McKennon, Alton Carneau, Jr., xxx-xx-xxxx.
McKenzie, Thomas Peter, xxx-xx-xxxx.
McKernon, Thomas Owen, xxx-xx-xxxx.
McKinney, Steven Thomas, xxx-xx-xxxx.
McLean, Thomas Sopwith, Jr., xxx-xx-xxxx.
McMahon, Donald Thomas, xxx-xx-xxxx.
McManaway, William Fred, xxx-xx-xxxx.
Medaglia, Steven Paul, xxx-xx-xxxx.
Meehan, Terence Sean, xxx-xx-xxxx.
Meincke, Del Wayne, xxx-xx-xxxx.
Mercer, Raymond Teegardin, xxx-xx-xxxx.
Meunier, Paul Anthony, xxx-xx-xxxx.
Meyer, Robert H., xxx-xx-xxxx.
Michaels, Thomas Edward, xxx-xx-xxxx.
Milam, Ronald Hayden, xxx-xx-xxxx.
Miller, Jeremy King, xxx-xx-xxxx.
Miller, Joseph Warren, xxx-xx-xxxx.
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Miller, William Donald, xxx-xx-xxxx.
Mills, H. Roger, Jr., xxx-xx-xxxx.
Mills, John Douglas, xxx-xx-xxxx.
Milobowski, James Anthony, xxx-xx-xxxx.
Miner, Rowland Clinton, III, xxx-xx-xxxx.
Mitchell, Charles James, xxx-xx-xxxx.

Mitchell, James Allen, Jr., xxx-xx-xxxx.
Moakler, Martin William, Jr., xxx-xx-xxxx.
Mohrmann, Kelley Bean, xxx-xx-xxxx.
Monteiro, George Steven, xxx-xx-xxxx.
Montgomery, Robert Myers, xxx-xx-xxxx.
Moody, David Andrew, xxx-xx-xxxx.
Moore, Stanley Craig, xxx-xx-xxxx.
Moore, William Lewis, xxx-xx-xxxx.
Morgenstern, Dennis Michael, xxx-xx-xxxx.
Morris, Galen Eugene, xxx-xx-xxxx.
Morris, John Woodland, III, xxx-xx-xxxx.
Morris, Raymond Edward, Jr., xxx-xx-xxxx.
Morris, Robert Eugene, xxx-xx-xxxx.
Morris, William Joseph, xxx-xx-xxxx.
Mortensen, Chris James, xxx-xx-xxxx.
Mosier, Michael Lynn, xxx-xx-xxxx.
Moskala, Richard Leon, xxx-xx-xxxx.
Mossbarger, Jerome Frederick, xxx-xx-xxxx.
Mulyca, Thomas John, xxx-xx-xxxx.
Mundt, Michael Joseph, xxx-xx-xxxx.
Murdock, Gordon Graham, xxx-xx-xxxx.
Murphy, Joseph Anthony, Jr., xxx-xx-xxxx.
Murphy Kevin Lee, xxx-xx-xxxx.
Mutz, Michael Andrew, xxx-xx-xxxx.
Nance, Glenen Vars, xxx-xx-xxxx.
Neel, Donald Vaughn, xxx-xx-xxxx.
Neil, Philip Allen, xxx-xx-xxxx.
Nelson, Paul Arnold, xxx-xx-xxxx.
Newsom, Gary Don, xxx-xx-xxxx.
Nichley, Allen Lloyd, xxx-xx-xxxx.
Nicodemus, John Lockrey, xxx-xx-xxxx.
Nobles, George Charles, xxx-xx-xxxx.
Nolen, John Morton, xxx-xx-xxxx.
Noster, Randolph Edward, xxx-xx-xxxx.
Nunn, Thomas Calvin, Jr., xxx-xx-xxxx.
O'Brien, James Kenneth, Jr., xxx-xx-xxxx.
O'Connor, Thomas Francis, III, xxx-xx-xxxx.
O'Donnell, Donald James, xxx-xx-xxxx.
O'Donnell, Philip Paul Joseph, xxx-xx-xxxx.
O'Keefe, James Gerard, Jr., xxx-xx-xxxx.
O'Maley, John William, xxx-xx-xxxx.
O'Shaughnessy, Martin, xxx-xx-xxxx.
Oakes, Barney Joe, xxx-xx-xxxx.
Oakley, Jack Jay, xxx-xx-xxxx.
Olsen, John Richard, xxx-xx-xxxx.
Olsen, Reginald Dean, xxx-xx-xxxx.
Olsen, Stephen Barry, xxx-xx-xxxx.
Olson, Jeffrey Charles, xxx-xx-xxxx.
Olson, Walter William, xxx-xx-xxxx.
Orr, Melvin Alan, xxx-xx-xxxx.
Orton, William Rutledge, II, xxx-xx-xxxx.
Ostrand, Charles Joe, III, xxx-xx-xxxx.
Paggi, Raymond Edward, xxx-xx-xxxx.
Pakis, Val Anthony, xxx-xx-xxxx.
Palamar, Steven Peter, xxx-xx-xxxx.
Palatka, Joseph Dennis, xxx-xx-xxxx.
Pallone, Joseph Gerard, xxx-xx-xxxx.
Pasquarella, Michael Anthony, xxx-xx-xxxx.
Patterson. Donnie Kent, xxx-xx-xxxx.
Patterson, Norman Benjamin, xxx-xx-xxxx.
Pearce, William Henry, xxx-xx-xxxx.
Pearson, Michael Anthony, xxx-xx-xxxx.
Peixotto, Roland Eustace, Jr., xxx-xx-xxxx.
Pelosi, James Joseph, xxx-xx-xxxx.
Pentuk, Robert, xxx-xx-xxxx.
Pepin, Gregory Ralston, xxx-xx-xxxx.
Perkins, George Stuart, xxx-xx-xxxx.
Perry, William Henry, xxx-xx-xxxx.
Peterjohn, Daniel, xxx-xx-xxxx.
Petersen, Chris Bennett, xxx-xx-xxxx.
Peterson, Arthur John, Jr., xxx-xx-xxxx.
Peterson, Paul Dean, xxx-xx-xxxx.
Petricka, Ronald Stanley, xxx-xx-xxxx.
Pettigrew, Dee William, III, xxx-xx-xxxx.
Pfister, Timothy Jon, xxx-xx-xxxx.
Phillips, Roy Davis, Jr., xxx-xx-xxxx.
Phillips, William C. L., III, xxx-xx-xxxx.
Pickett, David Henry, xxx-xx-xxxx.
Piechowiak, Wayne Joseph, xxx-xx-xxxx.
Pieper, William John, xxx-xx-xxxx.
Pierce, Gregory Allen, xxx-xx-xxxx.
Pineau, Frederic John, xxx-xx-xxxx.
Piontek, Mark Steven, xxx-xx-xxxx.
Pixley, Stephen Conro, xxx-xx-xxxx.
Planchak, Joseph Edward, xxx-xx-xxxx.
Poccia, Frederick Benjamin, Jr., xxx-xx-x...
Pokorny, William John, xxx-xx-xxxx.
Pollock, Lee Richard, xxx-xx-xxxx.
Ponikvar, Donald Richard, xxx-xx-xxxx.
Poole, Grady Richard, Jr., xxx-xx-xxxx.
Poore, Michael Harold, xxx-xx-xxxx.
Popa, Thomas Albert, xxx-xx-xxxx.
Pope, Charles Webster, Jr., xxx-xx-xxxx.
Portante, Robert Alan, xxx-xx-xxxx.
Porter, Hugh David, xxx-xx-xxxx.
Porter, Joseph Emby, xxx-xx-xxxx.
Potter, Robert Alfred, Jr., xxx-xx-xxxx.
Prewitt, Michael Byrd, xxx-xx-xxxx.
Prospero, Nicholas George A., xxx-xx-xxxx.
Pryor, Dennis Philip, xxx-xx-xxxx.
Purcell, John Joseph, xxx-xx-xxxx.
Putignano, Patrick Allen, xxx-xx-xxxx.
Putman, Louis Frank, xxx-xx-xxxx.
Quartarone, John Anthony, xxx-xx-xxxx.
Quillin, George Ellsworth, xxx-xx-xxxx.
Quinn, William John, xxx-xx-xxxx.
Quinnan, Edward John, III, xxx-xx-xxxx.
Rajk, Christopher Paul, xxx-xx-xxxx.
Ramm, Henry David, xxx-xx-xxxx.
Rana, Paul Joseph, xxx-xx-xxxx.
Rankin, Robert William, xxx-xx-xxxx.
Rash, Charles, Richard, xxx-xx-xxxx.
Raymond, Matthew Ward, xxx-xx-xxxx.
Read, Richard Allen, xxx-xx-xxxx.
Reese, Richard Taliesin, xxx-xx-xxxx.
Reeser, Clifford Allen, xxx-xx-xxxx.
Ressner, Bruce Craig, xxx-xx-xxxx.
Reynolds, Gerald Harrison, Jr., xxx-xx-xxxx.
Reynolds, Thomas Lynn, xxx-xx-xxxx.
Reynolds, Wayne Douglas, xxx-xx-xxxx.
Reynoso, Alfredo Roberto, xxx-xx-xxxx.
Rhodes, Alexander Stuart, xxx-xx-xxxx.
Rice, Glenn Mead, xxx-xx-xxxx.
Rice, Kevin Michael, xxx-xx-xxxx.
Richardson, Davis Michael, xxx-xx-xxxx.
Richardson, Patrick Oliver, xxx-xx-xxxx.
Richburg, Michael Scott, xxx-xx-xxxx.
Riggers, Timothy Patrick, xxx-xx-xxxx.
Riley, Don Timothy, xxx-xx-xxxx.
Riordan, Kenneth Allen, Jr., xxx-xx-xxxx.
Ripple, James Andrew, Jr., xxx-xx-xxxx.
Rittenburg, Charles Eugene, xxx-xx-xxxx.
Ritter, John Murray, Jr., xxx-xx-xxxx.
Roberts, Wayne Dolor, xxx-xx-xxxx.
Robertson, John Tatum, xxx-xx-xxxx.
Robinson, Arthur William, III, xxx-xx-xxxx.
Robinson, Lenwood, Jr., xxx-xx-xxxx.
Rocco, John Michael, xxx-xx-xxxx.
Rockwell, Keith Warren, xxx-xx-xxxx.
Rodrigues, Richard Anthony, xxx-xx-xxxx.
Roe, Robert Richard, xxx-xx-xxxx.
Rogers, Casey, xxx-xx-xxxx.
Rokola, Richard Stanton, Jr., xxx-xx-xxxx.
Rolfs, Walter Arnold, Jr., xxx-xx-xxxx.
Rollins, George Arthur, xxx-xx-xxxx.
Rooney, William Patrick, xxx-xx-xxxx.
Rose, D. Webster, xxx-xx-xxxx.
Ross, Lee Bennett, xxx-xx-xxxx.
Ross, Ronald Scott, xxx-xx-xxxx.
Rothwell, Roger Leigh, xxx-xx-xxxx.
Roubian, Edward James, xxx-xx-xxxx.
Rowe, Dennis William, xxx-xx-xxxx.
Rowley, Ronald Mark, xxx-xx-xxxx.
Rubinstein, Sanford Robert, xxx-xx-xxxx.
Ruggiero, Michael Joseph, xxx-xx-xxxx.
Rutherford, John W., xxx-xx-xxxx.
Ruvio, Frank Joseph, xxx-xx-xxxx.
Rzeplinski, Michael John, xxx-xx-xxxx.
Sacrison, Charles Robert, Jr., xxx-xx-xxxx.
Saksa, Lawrence Allen, xxx-xx-xxxx.
Samuel, Alfred Lee, xxx-xx-xxxx.
Sanborn, Alan William, xxx-xx-xxxx.
Sanborn, William Raymond, xxx-xx-xxxx.
Sansone, Robert James, xxx-xx-xxxx.
Sargent, Charles Flaveous, IV, xxx-xx-xxxx.
Saul, George Kelsey, xxx-xx-xxxx.
Saunders, Richard Marvin, xxx-xx-xxxx.
Sayles, Andre Harding, xxx-xx-xxxx.
Scanlan, John Joseph, xxx-xx-xxxx.
Scharf, Edwin Charles, xxx-xx-xxxx.
Scharpenberg, Henry Stephen, xxx-xx-xxxx.
Schermann, Wesley Hughes, Jr., xxx-xx-xxxx.
Schleck, Roth Stephen, Jr., xxx-xx-xxxx.
Schmitz, David Wendell, xxx-xx-xxxx.
Schnabl, Robert Lawrence, xxx-xx-xxxx.
Schoultis, Peter Matthew, xxx-xx-xxxx.
Schramp, Michael Patrick, xxx-xx-xxxx.
Schroeder, James Thomas, xxx-xx-xxxx.
Schroeder, Kihm Michael, xxx-xx-xxxx.
Schulte, Michael Bernard, xxx-xx-xxxx.
Schultz, James Phillip, xxx-xx-xxxx.
Schultz, Jan Lester, xxx-xx-xxxx.
Schultz, John Henry, III, xxx-xx-xxxx.
Schwab, Rudolph Thompson, xxx-xx-xxxx.
Schweithelm, James, xxx-xx-xxxx.
Sciarretta, Albert Andrew, xxx-xx-xxxx.
Scott, Dennis Paul, xxx-xx-xxxx.
Scott, James Vincent, xxx-xx-xxxx.
Scott, William Benjamin, xxx-xx-xxxx.
Seaman, Charles Duane, xxx-xx-xxxx.
Self, Kenneth J., xxx-xx-xxxx.
Seppa, Stephen Arvo, xxx-xx-xxxx.
Shaffer, Deon Kirk, xxx-xx-xxxx.
Shaffer, Paul Kenneth, Jr., xxx-xx-xxxx.
Shanahan, Michael James, xxx-xx-xxxx.
Sherwin, Robert Hoole, Jr., xxx-xx-xxxx.
Shipley, Stanley Jay, xxx-xx-xxxx.
Shook, Tommy Eugene, xxx-xx-xxxx.
Shores, Thomas Earl, xxx-xx-xxxx.
Shull, Thomas Counter, xxx-xx-xxxx.
Sielski, Timothy Jerome, xxx-xx-xxxx.
Silva, James Michael, xxx-xx-xxxx.
Simonsen, Jerry Alan, xxx-xx-xxxx.
Simpson, Bruce Edward, xxx-xx-xxxx.
Simpson, Robert Roeder, xxx-xx-xxxx.
Skidmore, Max Allen, xxx-xx-xxxx.
Skiver, Robert Edward, xxx-xx-xxxx.
Slear, Thomas Duggan, xxx-xx-xxxx.
Small, Terry Wayne, xxx-xx-xxxx.
Smith, Carter Francis, xxx-xx-xxxx.
Smith, Merritt Maynard, xxx-xx-xxxx.
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Smith, Ralph Edward, xxx-xx-xxxx.
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Smith, Terry Edwin, xxx-xx-xxxx.
Snipes, Paul Carson, Jr., xxx-xx-xxxx.
Snow, Charles Franklin, III, xxx-xx-xxxx.
Snyder, John Anthony, xxx-xx-xxxx.
Sorenson, Jeffrey Alan, xxx-xx-xxxx.
Sosa, Manuel Jr., xxx-xx-xxxx.
Sosler, Louis Joseph, xxx-xx-xxxx.
Sousa, Mark Wilson, xxx-xx-xxxx.
Souza, Robert Edward, xxx-xx-xxxx.
Spears, Michael Joseph, xxx-xx-xxxx.
Spencer, Edward John, III, xxx-xx-xxxx.
Spencer, Gilbert Granger, Jr., xxx-xx-xxxx.
Spring, Peter Joseph, xxx-xx-xxxx.
Springer, Wayne Gilbert, Jr., xxx-xx-xxxx.
St. Mane, Charles Conan, xxx-xx-xxxx.
Stanford, Thomas Brooke Lyndon, xxx-xx-x... xxx-...
Stewart, Michael James, xxx-xx-xxxx.
Stewart, Scott Erwin, xxx-xx-xxxx.
Stibrik, Richard Andrew, xxx-xx-xxxx.
Stikeleather, Edwin Glenn, xxx-xx-xxxx.
Stipek, Paul Andrew, xxx-xx-xxxx.
Storm, John Lowell, xxx-xx-xxxx.
Strickler, Anthony Ross, xxx-xx-xxxx.
Stroble, James Christopher, xxx-xx-xxxx.
Stuhr, Michael Patrick, xxx-xx-xxxx.
Styron, James Clyde III, xxx-xx-xxxx.
Sullivan, Denis Albert, xxx-xx-xxxx.
Summers, Bobby Lee, Jr., xxx-xx-xxxx.
Sutton, Lloyd Lamar, xxx-xx-xxxx.
Sweetman, Robert John, xxx-xx-xxxx.
Takala, Bruce Edward, xxx-xx-xxxx.
Takami, Donald Keith, xxx-xx-xxxx.
Tallman, Joseph Phillips, xxx-xx-xxxx.
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Thomas, John Richard, xxx-xx-xxxx.
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Thomas, Timothy Lee, xxx-xx-xxxx.
Thompson, George Christopher, xxx-xx-xx... xxx-...
Thompson, Michael Roderick, xxx-xx-xxxx.
Thompson, Thomas Neale xxx-xx-xxxx.
Timmers, Mark Paul, xxx-xx-xxxx.
Timmons, David Joseph, xxx-xx-xxxx.
Tomasz, Matthew Augustine, xxx-xx-xxxx.

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Torgerson, Christopher Allan, xxx-xx-xxxx.
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Torpey, James Mark, xxx-xx-xxxx.
Torres, Nelson Eddy, xxx-xx-xxxx.
Tracy, Mark Morgan, xxx-xx-xxxx.
Travis, Kenneth Lynn, xxx-xx-xxxx.
Trettin, Thomas Kermit, xxx-xx-xxxx.
Trotti, Paul Wiles, xxx-xx-xxxx.
Tully, Robert Busill, Jr., xxx-xx-xxxx.
Tumblin, Philip, xxx-xx-xxxx.
Turnicky, Ronald Peyton, xxx-xx-xxxx.
Twitty, Theophilse Lee, xxx-xx-xxxx.
Twomey, John Joseph, Jr., xxx-xx-xxxx.
Tyner, David Walter, xxx-xx-xxxx.
Valant, John Robert, xxx-xx-xxxx.
Valcourt, David Paul, xxx-xx-xxxx.
Van Zetta, Michael Robert, xxx-xx-xxxx.
Vanek, Craig Alan, xxx-xx-xxxx.
Varner, James Hugh, Jr., xxx-xx-xxxx.
Vaughan, David Bruce, xxx-xx-xxxx.
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Venable, Charles Joseph, xxx-xx-xxxx.
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Venters, Harley Eugene, xxx-xx-xxxx.
Victor, James Gerard, xxx-xx-xxxx.
Vidlak, Michael Douglas, xxx-xx-xxxx.
Vincent, Mark Edward, xxx-xx-xxxx.
Vogler, Gary Louis, xxx-xx-xxxx.
Volz, Clifford Christian, xxx-xx-xxxx.
Vorselen, Craig Douglas, xxx-xx-xxxx.
Vuksich, John Masich, xxx-xx-xxxx.
Wachter, David Jeffrey, xxx-xx-xxxx.
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Walker, Grant Humiston, xxx-xx-xxxx.
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Walters, Henry Arnold, xxx-xx-xxxx.
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Waters, Steven Frederick, xxx-xx-xxxx.
Watson, Joseph Franklin, Jr., xxx-xx-xxxx.
Watt, Lawrence Andrew, xxx-xx-xxxx.
Weeks, Richard Thomas, xxx-xx-xxxx.
Weiderhold, Fred E., Jr., xxx-xx-xxxx.
Weightman, George William, xxx-xx-xxxx.
Weinberg, Harold Edward II, xxx-xx-xxxx.
Weinstock, Richard Mark, xxx-xx-xxxx.
Weiss, Francis Edward, xxx-xx-xxxx.
Welo, Robert Lars, xxx-xx-xxxx.
Whalen, John Francis, xxx-xx-xxxx.
White, Norman Joseph, xxx-xx-xxxx.
White, William Taylor, xxx-xx-xxxx.
Widlak, Andrew Julius, xxx-xx-xxxx.
Weise, Terry Eugene, xxx-xx-xxxx.
Wilcomb, Michael David, xxx-xx-xxxx.
Wildrick, Craig Douglas, xxx-xx-xxxx.
Wilkerson, Ricky Duane, xxx-xx-xxxx.
Williams, Murray Winn, Jr., xxx-xx-xxxx.
Williams, Thomas Emery, xxx-xx-xxxx.
Williamson, Robert Jason, xxx-xx-xxxx.
Williamson, Roger Lee, xxx-xx-xxxx.
Willis, Jay Christopher, xxx-xx-xxxx.
Wilson, Bennie Keith, Jr., xxx-xx-xxxx.
Wilson, Richard Charles, xxx-xx-xxxx.
Wilson, Robert David, xxx-xx-xxxx.
Wilson, Thomas John, Jr., xxx-xx-xxxx.
Wilson, William David Karl, xxx-xx-xxxx.
Wineland, James Delbert, xxx-xx-xxxx.
Winklbauer, David, xxx-xx-xxxx.
Wiswell, Thomas Edward, xxx-xx-xxxx.
Wood, Thomas Russell, xxx-xx-xxxx.
Woodrow, Charles Eugene, Jr., xxx-xx-xxxx.
Woodruff, Barry Wayne, xxx-xx-xxxx.
Workman, Keith William, xxx-xx-xxxx.
Worland, Alan Dana, xxx-xx-xxxx.
Wotell, Matthew Jon, xxx-xx-xxxx.
Wright, Daniel Vincent, xxx-xx-xxxx.
Wright, Kim Ray, xxx-xx-xxxx.
Wroblewski, Walther Rowland, xxx-xx-xx...
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Yamashita, Harold Eichi, Jr., xxx-xx-xxxx.
Young, James Elmer, xxx-xx-xxxx.
Young, Richard Stephen, xxx-xx-xxxx.
Yunker, Stephen Francis, xxx-xx-xxxx.
Zapka, Frederick Anthony, xxx-xx-xxxx.
Zegley, Raymond David, xxx-xx-xxxx.
Zieske, Thomas L., xxx-xx-xxxx.
Zukauskas, Bruce Edward, xxx-xx-xxxx.

EXTENSIONS OF REMARKS

"THE CRISIS WON'T WAIT FOR THEM," SENATOR JACKSON ASSERTS; ENERGY PROBLEMS GROW WORSE WITH WHITE HOUSE DELAYS AND INDECISIVENESS

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. RANDOLPH. Mr. President, our able colleague from the State of Washington, Senator HENRY M. JACKSON, chairman of the Committee on Interior and Insular Affairs, is a leader in our national fuels and energy policy study. He spoke with accuracy at the National Press Club on March 22, 1973 when he asserted that the administration is caught in a paralysis in coping with the energy crisis.

This Senator, who cosponsored the Senate resolution (S. Res. 45, 92d Congress) with Senator JACKSON to provide the basic authority for the fuels and energy policy study, is in full accord with the Interior Committee chairman. His declaration that "this Nation must move forward immediately to deal with a critical shortage in our strategic reserve and to avert gasoline shortages this summer," is a solid fact.

Mr. President, I believe, as does Senator JACKSON, that emergency action by the White House within the next 4 weeks on a wide range of measures will be necessary to avert critical shortages of gasoline and other fuels this summer and next winter."

Calling attention last Thursday to the fact that "The White House has time and again put off forwarding an energy message—to Congress," Senator JACKSON emphasized: "We cannot find a piece of paper from downtown to indicate where they stand," and he made the timely declaration: "The crisis will not wait for them."

As to the urgency of the energy crisis and the need for prompt actions to roll back its consequences, this Senator is in full agreement with the knowledgeable Senator from Washington. And I stand side-by-side with him in support of the actions he recommended—actions which must be taken if we are to avert a domestic disaster.

It is my belief that the Interior Committee chairman is thinking and acting with foresight in the preparation of legislation to establsh a National Emergency Energy Board which, he said,

> Would be granted extraordinary powers over Federal agency programs and the energy industries.

It is granted that such an action would be an extraordinary one and, under less critical conditions, should not be necessary. But, as Senator JACKSON said:

> If early action is not taken by the Administration to deal with the critical questions inherent in the energy crisis, the Congress will act.

He added that the powers he has in mind for the proposed National Emergency Energy Board would be built upon the precedent of the War Production Board of World War II and other major Federal interventions into the realm of private enterprise in times of emergency.

Indeed, Mr. Presdent, our colleague's speech was a significant development in the war that must be waged against the eroding effects of the energy crisis. I take it to mean that we now see hopeful signs that the battle against the energy crisis is about to be joined from the ramparts of Capitol Hill if it is not soon joined by the man with very real powers of leadership at the White House.

I am ready and willing to work aggressively and diligently with both the leadership of the executive branch and the leadership of the Congress to bring the energy crisis under control—and to an ending, at the earliest time possible. But, like Senator JACKSON, I have little patience remaining for the procrastination, indecisiveness, and delay in the executive branch with respect to the worsening energy situation. If the Congress must strike without any solid recommendations from the Executive, I stand ready to join with Senator JACKSON and his colleagues of the Interior Committee and those of us who are ex-officio members for the national fuels and energy study in taking positive and decisive actions of the nature so capably conceived and enunciated by the committee chairman last week.

Mr. President, I request unanimous consent to have printed in the RECORD excerpts from Senator JACKSON's address before the National Press Club on March 22, 1973—excerpts released by his office.

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

EXCERPTS FROM ADDRESS BY SENATOR HENRY M. JACKSON

If there are any lingering doubts about the kind of energy problems we face, consider these facts:

Between 1940 and 1965, the consumption of energy in the United States doubled. If present trends continue, consumption could double again by 1980. The rate of energy consumption increased twice as fast in 1972 as it did in 1971.

In 1965 we consumed nearly 12 million barrels of oil a day; in 1972 we consumed more than 16 million barrels a day. In 1965 we had three million barrels a day spare producing capacity; in 1972 we had none.

In 1972 we imported some 30 percent of our oil requirements. That figure will double by 1980.

At a time when energy demand is greater than ever, there is not one single new refinery under construction in the United States.

At a time when our need to develop domestic oil and gas is greater than ever, we have seen a sharp decline in all kinds of drilling. For example, the number of natural gas wells drilled declined from a high of 5,459 in 1961 to 3,225 in 1970.

The greatest potential for new oil and gas discoveries is on the Outer Continental Shelf. But less than two percent of the OCS to the

200 meter water depth has been leased for development.

Since 1968 we have been using twice as much natural gas as we can find. With current drilling trends, we could be short ten trillion cubic feet of gas in 1980. Potential gas users were denied service in 21 states in 1972. Curtailments of deliveries in every part of the U.S. are forecast for 1973 and thereafter.

The shortage of natural gas has shifted the burden and caused an extraordinary increase in demand for other fuels. The demand for heating oil in the current winter season has been up over 12 percent.

Today crude oil stocks are down almost 50 million barrels from the high of May, 1971. Gasoline stocks were down at the end of February almost 30 million barrels below this time a year ago as gasoline demand heads for new highs in 1973.

As the nature of the energy crisis becomes painfully apparent, the public has been bombarded with explanations about who caused it. In the midst of all these charges and countercharges, it's time to challenge the conventional wisdom with some plain talk about what this crisis is—and what it is not.

The energy crisis is *not*, as some would have you believe, a conspiracy by the oil lobby, the gas lobby and the coal lobby to milk the American consumer. The energy industries are not conspirators—but they are not blameless either. Many of them have failed to meet new and vital environment responsibilities. All too often, they have been short-sighted and self-serving in their attempts to influence national energy policy. Opposition to responsible surface mining legislation is a case in point.

The energy crisis is *not*, the creation of a small band of environmental extremists blocking nuclear power plants, OCS leasing, and the trans-Alaska pipeline. Environmental concerns *have* played a major role in slowing construction of vital energy facilities. But even if every one of these facilities had been built on schedule—schedules which, by the way, were overly optimistic—the energy crisis would still be upon us. The fault lies, I believe, not so much with the environmentalists as with those in industry and government who have either failed to respond to legitimate concerns or failed to develop effective institutions for resolving environmental controversies.

The energy crisis is *not*, the exclusive product of short-sighted government regulation, a crisis which will disappear as soon as free market forces have full play. Government policies in such areas as oil imports and natural gas pricing have, of course, contributed to our energy problems. But the sources of the energy crisis are too varied and complex to yield to the demon theory of analysis.

The fact is that our national energy system as a whole is no longer functioning effectively. We are facing real shortages and higher prices. We are entering a period of dangerous dependence on foreign sources of oil.

What has been the response of this Administration to these problems? To put it bluntly, the Administration's response to the growing energy crisis has been characterized by delay, indecision and confusion of purpose.

The Congress has had two years of "crisis talk" from Federal officials and industry representatives. But we have had no action. We have seen no recommendations for legislation. We are still awaiting the transmittal of a Presidential Energy Policy Message.

Meanwhile, schools have closed, factory gates have been shut, and transportation systems have been disrupted.

World oil prices continue to spiral upward and the stability of the Mid-East grows more and more insecure.

The proposed FY 1974 budget recommends only incremental and clearly inadequate changes in priorities and policies for energy research and development.

The prospects of serious regional shortages of gasoline this summer now appear virtually certain.

This list could be lengthened at will but that is not necessary. The point it proves is obvious: The energy crisis we face is a crisis in leadership.

Indecision has been the hallmark of the past four years.

After years of trial balloons on deregulating natural gas, on increased incentives to industry, on rolling back environmental standards, and on other controversial proposals we have yet to see a single concrete recommendation.

Instead we have had a series of timid, *ad hoc* adjustments in the oil import program, in oil leasing policy and in other areas.

The country deserves better.

I propose an end to indecision. It is time we had some real, concrete initiatives to deal with the critical problems we face.

In an effort to focus Congressional attention on key issues and stimulate Administration action, I have made a number of specific proposals and recommendations in recent months.

I have proposed new initiatives to unify the major oil consuming nations and lay the foundation for a North American continental energy policy.

I have urged action to preserve the independent sector of our oil industry which is threatened by current oil import policy and other recent developments in the national energy picture.

I have proposed an Energy Facility Siting Act to resolve the bitter conflicts surrounding the siting and construction of refineries, power plants, pipelines and other energy facilities.

I have urged a deepwater port policy that will pave the way for construction of ports to receive the supertankers required to import 60 percent of our oil needs by 1980.

I have proposed a new national conservation policy to end widespread waste and reduce demand in a country that uses one-third of the world's energy.

Specifically, I have proposed a tax on weight and horsepower to reduce the use of wasteful, gas-hungry, superpowered automobiles.

I have asked for a strong, statutory energy import policy which sets forth import policy for the next decade, designed to speed the development of domestic resources and hold reliance on insecure foreign sources to a bare minimum.

I have urged the adoption of specific measures for the creation of a national strategic petroleum reserve, using resources on public lands, including Naval Petroleum Reserves, to the fullest extent possible for this purpose.

I have proposed new approaches to regulating natural gas which will channel gas to the most efficient uses at reasonable prices and generate new supplies.

I have offered a massive 10 year $20 billion research and development program to unlock new energy sources and better utilize existing sources with the aim of achieving energy self-sufficiency in ten years.

The Administration's response to the growing energy crisis facing the nation has been characterized by paralysis, indecision, delay, uncertainty, and confusion of purpose.

If we are to avert critical shortages of gasoline and other fuels this summer and next winter emergency action must be taken by the White House within the next four weeks on a wide range of measures. Actions which must be taken if we are to avert a domestic disaster include:

1. development of contingency plans and a national standby rationing system for the allocation of gasoline and other fuels in short supply to public service agencies (hospitals, fire departments, schools), to residential consumers, and to essential industries;

2. establishment of a clear Federal policy to govern the conditions and circumstances under which sulfur dioxide and other air quality standards will, if necessary, be relaxed to deal with critical energy shortages;

3. promulgation of an oil import policy which will meet current demands, provide adequate crude oil stocks for idle refinery capacity, and insure the economic survival of the nation's independent oil producers, refiners, marketers and distributors;

4. establishment of a program to avert this summer's projected gasoline shortages by importing petroleum products, by guaranteeing upland and OCS royalty oil to refineries operating below capacity, and by exercising all existing authority to allocate available supplies of crude oil and petroleum products to areas of need;

5. requiring the oil industry, as a condition for receipt of oil import licenses, to immediately undertake the establishment of a 90 day petroleum storage supply;

6. implementation of a Federal energy conservation policy designed to maximize energy efficiency and reduce waste;

If early action is not taken by the Administration to deal with these critical questions the Congress must and will act.

I have directed my staff to prepare legislation to establish a National Emergency Energy Board which would be granted extraordinary powers over Federal energy programs and the energy industries. The Board's powers would be built upon the precedent of the War Production Board of World War II and other major Federal interventions into the realm of private enterprise in times of emergency.

The Emergency Energy Board would, at a minimum, be equipped with legal authority, personnel, and funding to:

1. allocate all fuels, regardless of how produced, to meet essential public requirements and to avert shortages;

2. implement emergency measures for energy conservation;

3. preempt State law if it is determined that State or local policy frustrates or prevents any action necessary to protect the larger public interest in adequate and secure energy supplies;

4. initiate oil and gas exploration and development by the appropriate Federal agencies on unexplored, but promising public lands, on the Naval Petroleum Reserves, and on the Outer Continental Shelf—including offshore areas of the Atlantic Ocean; and

5. untangle the procedural delays and cut the red tape which frustrates the siting of any electrical power plant, refinery or superport facility which is determined to be necessary and essential to meet regional or national energy requirements.

WHY ARE WE PAYING HIGHER PRICES FOR FOOD?

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mrs. BURKE of California. Mr. Speaker, I received today from the Federal Reserve Bank of San Francisco its "Business & Financial Letter" written by Dean Chen, which presents some important information on the causes for the steep rise in food prices.

I would like to share this article with my colleagues and hope that it contributes to our understanding of this complex, but vital, issue:

HOW MUCH FOR THE FARMER?

The average housewife won't believe this, but American farmers are liable to wind up with less net income this year than in 1972. A strong increase in cash receipts is all but certain, because of both an expansion in output and favorable prices for farm products, but much of this increase may be offset by a decline in government payments. Then, the expected gain in gross income from these sources may be wiped out completely by the continued inexorable rise in production expenses.

The resultant of all these factors could be a decline of almost 5 percent in net farm income, to about $18 billion for the year. But to put this in proper context, we should realize that last year's net of $19 billion was 19 percent above the 1971 figure and 12 percent higher than that of any earlier year, including the halcyon period of 1947.

ALL-TIME RECORDS

The nation's farmers set all-time records in practically every sector last year, because of the strong and accelerating demand for farm products at home and abroad. Gross returns thus rose substantially, helped along by a 12-percent rise in farm prices and a 27-percent jump in government payments to producers. The burgeoning demand for agricultural products reflected the strong expansion of the domestic economy, which supported a 10-percent increase in GNP—and it also reflected an upsurge in overseas demand, which is a story in itself.

The picture was distorted by the tight food-supply situation, which came about largely because of several weather-related production setbacks, including freeze damage to West Coast fruit and vegetable crops as well as harvest delays affecting Midwest feed grain and soybean crops. These difficulties led to an explosive late-year rise in prices, and the price problem was accentuated—and government payments sharply increased—because of 1972's restrictive feed-grain program and the substantial set-aside of wheat acreage. Thus, wholesale prices of farm products jumped 25 percent within the past twelve months alone, with such hefty increases as 24 percent for fibers, 27 percent for livestock, and 38 percent for grains.

SPECTACULAR EXPORTS

Farm exports, after reaching the $7-billion level two years ago, then went on to approach $9½ billion in 1972, with the final six months accounting for the bulk of the increase. This sharp gain reflected increased livestock production in Western Europe and Japan, declining grain shipments by major competitors, and the improved competitive position resulting from the Smithsonian monetary agreements. Shipments of grain and products rose about 40 percent to $3½ billion, in the process accounting for nearly two-thirds of the overall increase in exports, and shipments of soybeans and products passed $2 billion, a record for a single commodity.

Exports in 1973 could exceed $11 billion—a goal which the Administration originally had not expected to reach until the end of the decade. Prospects in this sector became exceptionally favorable last summer, when foreign countries turned to the U.S. market for more grains because of their reduced crop prospects and tight exportable supplies. Not only did regular customers increase their buying, but the U.S.S.R. signed up for its historic $1.1-billion grain purchase and China added a small but psychologically important order for 19 million bushels of wheat.

Foreign demand is likely to remain at a high level, reflecting the relatively short supply situation in many foreign countries and the impact of recent dollar devaluation on the export market for U.S. commodities. This stimulus may weaken later on, however, if major producing countries abroad respond as anticipated to the current high level of prices. The Soviet Union, a country which has shown the ability in the past to recover rapidly from crop failures, has targeted a 12½-percent increase in farm production this year. (Indeed, that country has been a net exporter of food for most of the past decade.) But the U.S.S.R. may remain a major customer over the long run, because of its desire to rebuild its grain inventories and to upgrade family diets to include more red meat. Also, according to latest reports, the Soviet crop year is starting poorly because of dry weather in European Russia and shortages of seed-grain reserves.

EARNING HIGHER PRICES

Given the prospects for higher farm prices and increased marketings, cash receipts of U.S. farmers could rise from the 1972 record of $58½ billion to a new peak of $62 billion. In other words, the strong expansion of demand that has provided the underpinning for the nation's industrial boom should continue to provide support for the farm economy as well.

Supplies of major commodities should rise sharply this year, in response both to the high level of prices and to the relaxation of the government's cropland-control program. Altogether, perhaps 30 to 40 million acres of idled land will be brought back into production. Livestock supplies also should increase, as beef, poultry and (after midyear) pork supplies begin to reach the market in increasing quantities. Price pressures thus should begin to ease; although rising perhaps 10 percent for the year, prices received by farmers should increase at a somewhat slower pace than in 1972, and they may actually decline in late 1973 and 1974.

The wheat crop (1.7 billion bushels) is now estimated at 12 percent above the 1972 record, while the corn crop (5.8 billion bushels) is 4 percent above last year, and the soybean crop (1.5 billion bushels) is about 17 percent above the 1972 record. The projected expansion in supplies of feed grains and soybeans fits in with the Administration's plans for increased production of cattle, hogs, broilers, milk and eggs. Government payments could drop from $4 billion last year to $3 billion this year—the same level as in 1971. Payments jumped last year for the wheat program and (especially) the feed-grain program, reflecting both larger acreage set-asides and higher rates per acre. These factors will be largely missing this year, however, because of the drive to get more acreage back into production.

PAYING HIGHER PRICES

Production costs should continue to rise from the 1972 level of $47 billion to perhaps close to $51 billion, reflecting the use of more production inputs at higher prices. Some cost pressures were already evident in 1972, despite controls on prices of many farm inputs. Over the past twelve months, farm-equipment prices rose 2½ precent at wholesale, while agricultural chemicals rose more than 3 percent and petroleum products jumped 12½ percent. These price pressures should intensify this year, in view of the rapidly growing need for machinery and materials, not to mention land and labor.

The 1973 farm picture is clouded by the fact that policymakers must deal with two conflicting goals—curbing the food-price inflation on the one hand, and maintaining farm prosperity on the other, in the Administration's eyes, the upsurge in farm prices is due not so much to cost-push factors as it is to the rapid expansion of demand relative to supply. In view of that analysis, certain policy moves are inevitable: the relaxation of production restraints on 1973 crops, the sales of grain from government stocks, and the lifting of import quotas on meat and dairy products.

In this connection, it should be noted that price determination for agricultural products differs somewhat from that for non-farm products. At any given level of demand, sudden changes in marketable supplies tend to cause wide fluctuations in farm prices. Thus, policy actions to increase supply (or reduce demand) can be an effective means of farm price control. But the output of most farm commodities cannot be increased over a very short time-span, so that the price impact of recent policy moves will not be felt at the present time, but rather in late 1973 or 1974.

CONCURRENT RESOLUTION PASSED BY THE SOUTH CAROLINA GENERAL ASSEMBLY REGARDING TERMINATION DATE OF DAYLIGHT SAVINGS TIME

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. THURMOND. Mr. President, on behalf of the junior Senator from South Carolina (Mr. HOLLINGS) and myself, I bring to the attention of the Senate a concurrent resolution passed by the South Carolina General Assembly.

On March 20, 1973, the South Carolina General Assembly passed a concurrent resolution memorializing the Congress to enact legislation that will terminate daylight saving time on the fourth Monday of September of 1973, and each year thereafter. Senator HOLLINGS and I jointly endorse this concurrent resolution.

Mr. President, current law provides that daylight savings time ends on the fourth Monday in October. This scheduling of daylight savings time results in a severe hardship for many persons who begin work or must travel long distances to school in almost total darkness in the morning hours of early fall.

Mr. President, on behalf of Senator HOLLINGS and myself, I ask unanimous consent that the concurrent resolution be printed in the Extensions of Remarks.

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

A CONCURRENT RESOLUTION

To Memorialize the Congress of the United States to Take Necessary Legislative Action to Terminate Daylight Saving Time on the Fourth Monday in September of 1973 and Each Year Thereafter

Whereas, the control of standard and daylight saving time schedules has been preempted by the Congress of the United States and daylight saving time now begins on the last Sunday in April and ends on the fourth Monday in October; and

Whereas, this scheduling of daylight saving time results in a severe hardship for many persons who begin work or must travel long distances to school in almost total darkness in the morning hours of early fall; and

Whereas, this situation creates a very serious safety problem for young children who, by bus or on foot, must go to school in darkness; and

Whereas, this problem is particularly acute in the early fall and could be solved at least

partially by ending daylight saving time in late September. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the Congress of the United States be and hereby is memorialized to take necessary legislative action to change the termination time of daylight saving time to the last Monday in September.

Be it further resolved that copies of this resolution be forwarded to the President of the United States Senate and the Speaker of the United States House of Representatives and to each member of the South Carolina Congressional Delegation.

A SERIOUS SECURITY THREAT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. ASHBROOK. Mr. Speaker, in March 1970, the late Director of the FBI, J. Edgar Hoover, testifying before a House Appropriations Subcommittee, referred to the serious security threat posed by Chinese ship jumpers, many of whom belong to the Communist-dominated Hong Kong Seamen's Union:

The approximately 40,000 Hong Kong based seamen, many of whom actually reside and have families on the mainland, continue to be an investigative problem. The majority of these seamen belong to the Chinese Communist-dominated Hong Kong Seamen's Union. Thousands of these seamen enter the United States each year when their ships dock here. A high number of them desert while here and constitute a serious security threat.

On April 25, 1972, along with extensive remarks on Red China's illicit drug trade, I inserted a Washington Post article by Jean Heller and Mark Brown which reported that approximately 4,200 aliens from Communist China sneak into the United States each year, some of whom are on espionage missions while others are involved in narcotics traffic.

Recently, the New York Daily News carried two articles by Frank Faso and Paul Meskil which also dealt with Chinese ship jumpers, the Hong Kong Seamen's Union, and illicit drugs in the form of heroin. Just how serious is the security threat referred to by Mr. Hoover can be ascertained from the two articles appearing in the New York Daily News on March 20 and 22 by Frank Faso and Paul Meskil which follow:

COLOR NEW DRUG EPIDEMIC HONG KONG HUE

(By Frank Faso and Paul Meskil)

At 2:43 a.m. last July 8, a prosperous Chinese businessman named Hong Moy entered the Rickshaw Garage, across the street from the Elizabeth St. police station, in Chinatown.

President of the 2,000-member Moy Family Association, Moy was one of Chinatown's most influential business and civic leaders. He had about $2,000 cash on him, the receipts of the supermarket, book store and two coffee houses he owned in the Chinese community.

He intended to drive home to Port Washington, L.I., where he lived with his wife and four children. As the night attendant went to move a car that was parked in front of Moy's 1972 Cadillac, three young Chinese men slipped into the garage and seized Moy from behind. Pressing a gun muzzle to his head, they made him kneel on the floor and handcuffed his arms behind him.

They went through his pockets and took his wallet and bankroll. When the attendant returned, they pointed pistols at him and told him to stand still. Then one of the men pulled a hunting knife and calmly stabbed Moy in the back. As the three departed, the stabber wiped the knife handle clear of fingerprints and dropped the weapon near the garage door.

ROBBERY WASN'T THE MOTIVE

Moy died an hour later in Beekman Downtown Hospital. A detective called the killing "a routine robbery murder," but it was far from routine. The unarmed victim offered no resistance, made no outcry. There was no need to kill him to get his money. And if the stabber was some sort of homicidal maniac, why didn't he also kill the only witness?

"Robbery was not the motive," a high-ranking police official said recently. "This was a carefully planned execution."

Pressed for details, he said: "I can't say anything more. It's a federal case now."

The FBI, which normally has no jurisdiction in a city homicide investigation, has been quietly checking Moy's background. So has the federal Bureau of Narcotics and Dangerous Drugs.

SEEN WITH SUSPECTED DRUG DEALERS

Federal agents told reporters that Moy had been seen with several suspected drug dealers who came from China and were in this country illegally.

Since President Nixon went to Peking, the official Washington line is that China is not involved in the global dope trade. Still, the rumors and charges persist.

The latest accusation against China was made by two veteran New York crime fighters—Frank Rogers, citywide prosecutor of narcotics cases, and Brooklyn District Attorney Eugene Gold.

At a January press conference announcing the bustup of a smuggling ring that brought hundreds of pounds of heroin into the U.S. last year, Rogers showed reporters a plastic bag on which the words "People's Republic of China" were printed in English and Chinese.

BAG CONTAINED HEROIN

He said the bag had contained "brown rock heroin" from mainland China. Rogers added that he had additional evidence of a Chinese connection, including tape recordings of phone conversations between dope smugglers and dealers.

"This is the first clear and substantive evidence we have that mainland China and Hong Kong (a British colony) are being used as a means of getting heroin into the United States," Gold said.

The boss of the smuggling ring, The News learned, is an important Chinese national who makes frequent trips between the U.S., Canada and Peking, where he confers with top government officials. He has not been arrested.

Of the 36 persons arrested during the five-month investigation of the smuggling ring, 24 were ship-jumping members of the Hong Kong Seamen's Union. A secret report prepared by the Strategic Intelligence Office of the Bureau of Narcotics and Dangerous Drugs confirms that Hong Kong seamen are deeply involved in the international dope traffic.

The report states, "The smuggling activities of Chinese seamen imply a loose but rather extensive arrangement between the seamen and their United States contacts to carry out the movement of narcotics from Southeast Asia on a continuing basis. . . .

"Sensitive sources also reveal frequent communications between Chinese heroin traffickers in New York, Seattle, San Francisco, Portland (Ore.), and Vancouver (Canada), suggesting that an extensive wholesale mechanism exists."

Other recent Narcotics Bureau and CIA reports on the Asian dope trade mention "ethnic Chinese" and "Chinese seamen." These reports say the opium poppies are grown in Burma, Laos and Thailand, and that opium, morphine base and heroin are transported from Bangkok, Thailand to Hong Kong, the main transfer point for shipments to the U.S.

A secret CIA report on narcotics operations in Southeast Asia states that tons of opium and morphine base, from which heroin is made, are carried from Bangkok to Hong Kong in fishing boats. The report says: "One trawler a day moves to the vicinity of the Chinese Communist-controlled Lema Islands—15 miles from Hong Kong—where the goods are loaded into Hong Kong junks.

Chinese army and navy units guard the Lema Islands and no boats pass there without inspection. The opium fleet could not possibly operate off these islands without Peking's knowledge and consent.

MAJOR DRUG CENTER

So much Asian heroin is flowing into New York that Chinatown has become a major drug center. Over the years, detectives and federal narcs have made sporadic raids on Chinatown dope dens, but the addicts and sellers there were members of the Chinese community and the traffic, mostly in opium, did not amount to much.

In 1971 there was only one big case here involving Asian heroin. But last year there was a virtual deluge. Of the 273 pounds of heroin seized by the Federal Narcotics Bureau here in 1972, nearly a third originated in Asia. Additional seizures of Chinese heroin were made by police and customs agents. Among the major heroin hauls of 1972:

Jan. 28—Customs agents raided an apartment in Sunnyside, Queens, and caught two Chinese seamen with 18 pounds of pure heroin, worth about $4 million on the addict market.

April 11—Narcotics Bureau agents arrested seven Chinese men and one woman in an apartment at 60 East Broadway and confiscated 11 pounds of heroin, part of a 100-pound shipment.

April 26—Eighteen pounds of heroin, hidden in a teakwood trunk, were seized in Port Washington, L.I. Two Chinese were arrested.

June 27—Four more Chinese seamen and three pounds of heroin were seized at the Sunnyside building raided earlier.

July 21—Six pounds of "pure brown rock heroin" from China were confiscated by federal agents; three Chinese were arrested.

Aug. 23—Four Chinese, including the self-style unofficial mayor of Chinatown, were grabbed by federal agents while completing a deal to sell 20 pounds of heroin for $200,000 cash.

Oct. 6—A Westchester dope dealer was arrested after selling "brown China" to an undercover agent. The evidence was described as "brown, granular, rocklike crystals of heroin from Communist China."

Dec. 29—Bureau agents recovered 18½ pounds of heroin and arrested two suspects—a Danish seaman who allegedly brought the dope from Hong Kong and a Chinese restaurant owner.

Of the 23 Chinese involved in these cases, all but two were present or former members of the Hong Kong Seamen's Union. Daniel P. Casey, regional director of the bureau, said Chinese seamen are "attempting to become the key suppliers of heroin in the United States."

Jerry Jenson, deputy regional director, said the amount of heroin smuggled into this country from Asia does not yet equal the dope imports from Europe and Latin America, "but if the growth continues as it has in the past year, it will catch up."

KWA LIN: THE DOPE TRADE'S DEALER IN DEATH

(By Frank Faso and Paul Meskil)

This is the story of Kwa Lin, a Hong Kong hatchetman who littered New York's Chinatown with corpses.

Kwa Lin is probably not his real name, but it's the one that investigators know best. He has used a score of aliases and has worked at many jobs—on freighters as a seaman and oiler, in restaurants as a cook and dishwasher, in offices and shops where he was self-employed.

His principal occupation, according to investigators, is enforcer and executioner for a Peking-based Hong Kong-based network of seagoing spies and smugglers.

He is only 5-2 and 140 pounds, but his tiny frame ripples with muscles, and his hands are deadly weapons. He has been trained in Oriental hand-to-hand combat. Moreover, he is equally adept with gun, knife or hatchet.

A member of the Hong Kong Seamen's Union, he sailed to Canada in 1970, jumped ship in Vancouver and slipped into the U.S. illegally. He rented a small apartment on Delancey St. in Newark, obtained a social security card in the name of John Lee and started a small business dealing in Chinese herbs and spices.

His first New York target, investigators said, was a fellow Hong Kong seaman, Sing Hop, 27.

TWO MORE TARGETS

At sunset on Aug. 5, 1970, Sing Hop was walking along Park St., a short, narrow street that runs downhill from Mott St. to Mulberry St. in Chinatown, when a small neatly dressed man approached and fired three rounds from a snub-nosed revolver into his head. Sing Hop fell dead near the rectory of the Church of the Transfiguration. His killer hurried down Park St. into a crowd.

Sing Hop lived in a furnished room at 28 Chatham Square. A search of his meager possessions turned up a forged passport and documents including what investigators described as classified material.

These investigators believe he was killed because he disobeyed orders to return to Hong Kong or China for a new assignment.

A month after Sing Hop was murdered, a man named Kuee Tang was shot to death outside a Chinese social club on Canal St. A police intelligence report describes the club as "a known gambling establishment frequented by illegal aliens, including seamen involved in smuggling operations."

The same report describes Kuee Tang as a ship-jumping member of the Hong Kong Seamen's Union, an illegal alien and "a Communist courier involved in smuggling operations."

Jerry Ginn and Larry Wong also were Hong Kong seamen who entered the U.S. illegally and entered the dope trade. They sold samples of pure Asian heroin to Cuban and Puerto Rican drug dealers here and offered similar wares to Mafia narcotics racketeers. But instead of sending the profits to their bosses in Hong Kong and Peking, they kept some of the money and dope. Ordered to return to Hong Kong, they refused.

September 1970, Ginn and Wong decided to cool off at an air-conditioned movie house. A federal agent tailed them to the Sun Sing Chinese Theater, 75 East Broadway, under the Manhattan Bridge.

They left the theater at 6:30 p.m. and started walking west on East Broadway toward Chatham Square. The glare of the setting sun was in their eyes and they did not notice the little man until he was directly in front of them, an automatic pistol in his hand.

ESCAPES WITH HELP OF FRIENDS

Shot three times in the head, Ginn fell dead near the intersection of East Broadway and Market St. Wong was hit once in the jaw and survived. At least 30 persons witnessed the shooting, including the federal agent. He was unable to intervene, lest he blow his cover.

The agent and several other witnesses followed the killer, believed to have been Kwa Lin, down Market St. one block to the headquarters of I Wor Kuen, a militant Maoist organization, on the southeast corner of Market and Henry Sts.

The gunman opened the door to the I Wor Kuen club and shouted to those inside. Several young men rushed out. Some of the youths held back the witnesses to the shooting. Others walked away with the killer.

Later that night, Kwa Lin boarded a bus. FBI agents kept him under surveillance all the way to Montreal, where the Royal Canadian Mounted Police took over.

On Oct. 18, 1970, Kwa Lin returned to the U.S. in a car driven by another man. They carried Candian identification papers and crossed into Washington State without incident. The following day, a 23-year-old Hong Kong seaman named Choy Lung was shot to death in Seattle's Chinatown.

According to an intelligence report on the Seattle murder, Choy Lung was a Peking courier who was supposed to have delivered $18,000 to a Maoist youth group in Seattle. When he kept the money for himself, an enforcer believed to have been Kwa Lin, was ordered to kill him.

Kwa Lin's last New York mission was accompanied at 9:32 p.m. June 1, 1971, when Hong Kong seaman Lee Wing Sun, a suspected dope dealer, was shot dead at Chrystie and Division Sts. Two weeks later, Kwa Lin flew to Vancouver, where he visited a travel agency known to intelligence agents as a center for Chinese ship-jumpers, spies, smugglers and couriers.

As Kwa Lin left the travel agency, Mountie agents arrested him. The New York City Police Department was notified. The department asked Canada to hold Ywa Lin for New York authorities. However, he reportedly was turned over to the Central Intelligence Agency.

What happened to him is a closely guarded CIA secret. But members of other agencies say Kwa Lin has turned informer and provided the first major intelligence breakthrough concerning Peking's undercover operations in North America.

Interrogation of Kwa Lin led to the arrests of at least 20 other members of his narcotics ring, a federal source says. All were ship-jumping seamen. U.S. agents also seized forged documents, Communist propaganda, narcotics and classified information, the source says.

The Nixon administration insists that Peking is not sending drugs or spies to the U.S. But agents of the FBI, CIA, Immigration and Naturalization Service, Bureau of Narcotics and Dangerous Drugs and other federal agencies are still trying to find out what all those ship-jumping seamen are up to.

The official Washington explanation for Chinese operations here is that the Hong Kong seamen caught selling heroin and committing other crimes are professional criminals, not Peking agents. Yet investigators have tailed several of these ship-jumping felons to secret meetings with members of China's United Nations mission here and the Chinese Embassy in Ottawa. There is no official explanation for the conferences between Peking's diplomats and Hong Kong's extraordinary seamen.

INEQUALITIES AMONG SCHOOL DISTRICTS FOR PROPERTY TAX PURPOSES

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. HARRY F. BYRD, JR. Mr. President, on March 21, the U.S. Supreme Court, ruling in a Texas case, rejected the theory that inequalities among school districts resulting from financing through property taxes violate the Constitution.

Strict constructionists of the Constitution will applaud the words of Justice Lewis F. Powell, Jr., who in the majority opinion said:

It is not the province of this court to create substantive constitutional rights in the name of guaranteed equal protection under the law.

On March 23, two Virginia newspapers published excellent editorials analysing and endorsing the majority opinion of the Court. In each editorial, there is the caution against predicting that the decision in the Texas school case indicates a change of thinking on the part of the majority of the Supreme Court which will be reflected in future decisions. Both editorials express the hope—in which I join—that the Constitution will be more strictly interpreted in the future.

I ask unanimous consent that the text of the editorials, "The Effect May be Far Reaching," from the Northern Virginia Daily, and "A Great Decision," from the Richmond Times-Dispatch, be included in the Extensions of Remarks.

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

THE EFFECT MAY BE FAR REACHING

The U.S. Supreme Court's ruling on Wednesday that there is no constitutional right to education, and thus no constitutional remedy for disparities between rich and poor school districts, concerned itself primarily with methods employed by states in financing schools and the proper use in providing for "equal education."

Wednesday's ruling apparently says that a state law does not violate constitutional guarantees of equal protection because it conditions education on the wealth of local school districts through property taxes rather than on the wealth of the state as a whole.

Justice Powell, speaking for the majority said:

"It is not the province of this court to create substantive constitutional rights in the name of guaranteed equal protection under the law."

"Education is not among the rights afforded explicit protection under our Constitution. Nor do we find any basis for saying it is implicitly so protected."

This ruling is likely to have far-reaching effects and will doubtless come as a shock to those who, since the 1954 decision on school desegregation, have labored under the impression that "education" has stood on a separate pedestal as being virtually unassailable, protected by an impregnable constitutional shield.

It is too early, and too legally complicated,

to say that the decision may open up a Pandora's Box of new concepts, or a rethinking of old concepts, regarding the separateness of state and federal powers.

It will be interesting to watch as the new breed of Supreme Court jurists asserts itself in heading off the trend of legislating by judicial decree.

A GREAT DECISION

The local property tax is no prize, but the 5–4 U.S. Supreme Court decision upholding the tax's constitutionality as a tool of state school finance is pure gold.

The majority decision, delivered by Justice Lewis F. Powell Jr., goes far toward restoring perspective to the grossly-politicized slogan, "Equality of Educational Opportunity." It may prove to be one of the landmarks on the Nixon Court's return to judicial restraint in reviewing the laws of a majoritarian democracy.

In Rodriguez v. Antonio Independent School Board, a three-judge federal court had decreed that heavy reliance on the proceeds of local property taxes in Texas made per-pupil spending dependent on local wealth—with "rich" districts able to spend more than "poor" districts—and that the system thus violated the Equal Protection Clause of the 14th Amendment. Similar verdicts had been rendered in California, Minnesota, and New Jersey courts, and if the Supreme Court had agreed, all states except Hawaii—which has full state funding—would have had to change their finance systems drastically to equalize statewide spending.

But the Powell majority keenly analyzed the Rodriguez doctrine and perceived serious legal and logical flaws. There were basically two questions to resolve regarding intrastate disparities in school expenditures:

(1) Did there exist a definable class of "poor" persons whose right to equal protection was demonstrably being denied by the variations in school spending?

(2) Is education a fundamental "right" accorded to an individual under the federal Constitution?

The answer on both counts was "no."

On the first query, the majority cogently observed that the poorest families are not necessarily clustered in the poorest property districts. A Connecticut study, in fact, documented that the largest numbers of poor persons were living in commercial and industrial centers—the very areas that have the most lucrative property bases with which to finance schools. In this metropolitan area, we might add, Richmond has the largest tax base and spends more per pupil than the suburban counties, but it also has the largest concentration of families below the poverty line and the lowest scores on standardized tests of pupil achievement. It does not follow, therefore, that educational "quality" would be "equalized" by leveling spending throughout this region or state.

The court did not directly speak to this next point, but it needs to be noted that many of the nation's leading social scientists have discovered since the publication of the epic 1966 Coleman Report, "Equality of Educational Opportunity," that student learning is not a function of per-pupil spending—or, for that matter, of integrated classrooms. Prof. James Coleman (Johns Hopkins) found that family background accounted for much more of the variation in achievement than differences between schools. Prof. Arthur Jensen (Berkeley) found that heredity explained more of the differences in individual IQs than did environment. Prof. Daniel Moynihan (Harvard) concluded that "it is simply not clear that school expenditure is the heart of the matter." And most recently, Prof. Christopher Jencks (Harvard) found that, "The character of a school's output depends largely on a single input, namely the characteristics of the entering children. Everything else—the school budget, its policies, the characteristics of the teachers—is either secondary or completely irrelevant."

If conclusions such as the above have shaken the liberal's faith in the power of the almighty education dollar to remake society, the Supreme Court's answer to the second question above will shake the faithful even more. Education not a constitutional right? To some egalitarians, that's like saying God didn't make little green apples and FDR didn't make a New Deal in Depression-time.

But it is true that, under our Constitution, providing for public education is a power not granted to the central government but reserved to the states and the people. And it is good—it is so wonderfully good—that a Supreme Court majority at last is honoring the principle of local control of education, which has served Americans well.

It is possible (although no predictions are risked here) that the high court will use the Rodriguez reasoning to uphold the Fourth U.S. Circuit Court of Appeals' opinion that the state of Virginia is not required to consolidate the Richmond area's school districts for equal protection purposes. There are differences between the cases, but the Fourth Circuit's opinion that a federal judge may not compel a state to restructure its internal government for the purpose of attaining racial balance—in the absence of evidence that school lines had been drawn for illegal segregation—doesn't seem too far from the Supreme Court's finding that a state may not be compelled to restructure its school financing in the name of "equalizing" opportunity.

THE TRAGIC PERSECUTION OF SOVIET JEWS

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. PATTEN. Mr. Speaker, the American people are frequently made aware of the injustices that are endured by the Soviet Jews. Personal stories of individuals attempting to get exit visas so that they may leave Russia for Israel have been related to us many times. Yet we do not tire of hearing them, but instead, continue to build opposition to the infamous and outrageous exit fees demanded of these people. This is why so many of us in Congress joined in cosponsoring the most-favored-nation amendment.

Rabbi Harvey J. Fields, of the Anshe Emeth Memorial Temple, New Brunswick, N.J., and Mr. Samuel Landis, president of the Jewish Federation of Raritan Valley, have sent me a letter written and signed by 34 Leningrad Jews. In their letter, addressed to the U.S. Congress, they speak of the life of the Soviet Jew, filled with material and spiritual difficulties. However, they do not pursue this line because they—the difficulties—will never be fully understood in the West.

Once a year, the Soviet Jew can reapply for an exit visa, never knowing when the application will be accepted, but life goes on, children go on growing. In order to live such a life and not lose heart or dispair—sic—an unlimited belief in success is necessary.

One thing that does convince them to continue this strong belief is American and world public opinion. This public opinion "helps us to exist, to endure, and surmount our lives." These courageous people are grateful for the American people's thoughts and activities to aid them. "It must be said—that without your support we would never have been able to stand ground."

Mr. Speaker, let us continue to give the Soviet Jews the support they deserve and need. Let us not forget the injustices they suffer. I urge that my colleagues read the following letter that should be an inspiration to us all, and let us all do what we can to help Soviet Jews. The letter follows:

A GROUP OF LENINGRAD JEWS ADDRESSES THE CONGRESS OF THE UNITED STATES OF AMERICA

We are not able to fulfill our wish—to leave the Soviet Union and to settle forever in the State of Israel. We are conscious of the fact that this, our wish, is an elementary right of contemporary civilized men—nevertheless, we are deprived of it. The Soviet authorities do not allow us to arrange our own fate and the lives of our children.

We do not lead an easy life, but one that is full of assorted material and spiritual difficulties. We are not writing about them because they will never be fully understood in the West—no matter how much is written or said about them. We live a life which kills the spirit, moreover, we bear our present time only so that it might pass quickly; but after all the present life is that only life we have. We want the future to arrive as quickly as possible, our indefinite future.

We are striving for fairness from the Soviet authorities. In our argument what can we say to them?

The only stand we can take to show our lack of fear of their monstrous power; to show our agreement to make sacrifices; and by our being prepared to go to prison. This latter is a preparedness which the authorities unfortunately use all too often. It is turned out that after the camps and crematories of the War—there still remains Jews for whom it is necessary to go to prison in order to reaffirm their right to leave the Soviet Union forever and live a national life in their homeland in the State of Israel.

The official laws which regulate the issuance of exit permits for the State of Israel are unknown to us. Jews to whom exit visas are refused do not know when they will be able to receive a visa; they do not know on what the reasons for refusal are based; they do not know in particular which organizations or officials are blocking the issuance of the visa; they do not know in which instances it is necessary to appeal the refusal; and above all, they do not know if they will ever receive permission to depart. The only thing that they know is that a year after the refusal they once again may submit all of the documents together with their request for an exit visa. And it is possible once again to receive a refusal. And again in another year to submit documents . . . and this can go on without end.

But life goes on, children go on growing. Specialists are disqualified. In order to live such a life and not lose heart or despair an unlimited belief in success is necessary.

We complain about the absence of laws but when they appear the situation by no means gets any better. The notorious education tax has only the appearance of legality;

indeed it emphasizes still more the lack of rights of those who wish to leave. The unprecedented sums of the tax which were called for in the beginning have so affected public opinion that, when they were slightly reduced (albeit remaining excessively large), it was possible to point out that the situation had improved. But no, it had not improved. The education tax continues to remain a monstrous absurdity and a mockery of common sense. The evil of the education tax lies not only in itself but also in the fact that it diverts public opinion in the West from more important issues to do battle against it. Progressive people in the West may think that if the tax is either surmounted, lowered or completely rescinded, then the main obstacle on the path for Jews going to Israel will have been eliminated. No, no, no! This just isn't so! The main obstacle on the path for Jews going to Israel is not the education tax but the absence of free exit for all who wish it.

The Jews and non-Jews of the Western world have rendered us invaluable aid. The support of public opinion and of various organizations in the West helps us to exist, to endure and surmount our lives. It may be said straight-forwardly that without your support we would never have been able to stand ground.

Therefore we are turning to you: remember us!

We are living people just as you are; we know the same joys and the same pain that you do. We do so love our children and fear for them as you do for yours; and we too want to make them happy.

Help us in this! Remember about this during the negotiations with the Soviet government over political and economic questions.

Do not agree to compromises and half measures.

Do not trade the bodies and souls of Soviet Jews for tons of grain or fertilizer.

Don't delude yourselves about the apparent legality of the tax on education and similar measures.

We beg you to strive for one thing alone:

Free exit from the Soviet Union for all Jews who wish it.

No concessions or compromises! Only free exit for all who wish this—this is the position we are expecting from you; and it is for this that we have hope.

LIST OF SIGNERS

Israel Warnewitzkij, Ave. M. Tareza #102, Court 2, Apt. 1, Leningrad.

R. Zisman, Krenotschublowskaja #117, Apt. 54, Leningrad.

Vladimir Geisberg, Svetlanouskij, #101, Apt. 176, Leningrad.

Ludmila Warnewitzkij, Ave. M. Tareza #102, Court 2, Apt. 1, Leningrad.

Nikolai Iovar, Svetlanovskij, #101, Apt. 47, Leningrad.

Michael Gurwitch, Mairova #33, Apt. 16, Leningrad.

Sergeij Luri, Novorossijskaja #22, Court 1, Apt. 4, Leningrad.

David Kripkin, Nekrasova 1/38, Apt. 55, Leningrad.

Isaac Ptchiskin, Leningrad.

Alla Iaver, Svetlanovskaja #101, Apt. 47, Leningrad.

Violetta Betaki, Nevskij #170, Leningrad.

Boris Golubev, Grazhdanskaja #20/22, Apt. 1, Leningrad.

M. Peourovskaja, Zhukovskago #27, Apt. 13, Leningrad.

Pojakov, Nevskij #76, Apt. 40, Leningrad.

Boris Rubinstein, Galziskaja #11, Apt. 1, Leningrad.

Henry Mirkin, Kosmonotov #48, 1–186, Leningrad.

Sima Tschermak, Povarskaja #10, Apt. 14, Leningrad.

Leonid Taranok, Nevskij #98, Apt. 6, Leningrad.

Haifitz, Leningrad.

Boris Starobinetz, Ryleeva #1, Apt 40, Leningrad.

Julia Dymshitz, Tsmaissovskij #81, Apt. 64, Leningrad.

Elena Oliker, Basseijnaja #105, Court 1, Apt. 158, Leningrad.

Ludmila Mirkin, Kosmonotov #48, Court 1, Apt. 186, Leningrad.

Mark Karnovskij, Tschaikovskogo #55, Apt. 4, Leningrad.

Stanislav Perlov, Nevskij #141, Apt. 27, Leningrad.

Galina Inelman, Nauki #41, Apt. 24, Leningrad.

Iosfin Girsh, Basseijnaja #103/4, Apt. 205, Leningrad.

Solomon Rosin, Sovetskaja #36, Apt. 17, Leningrad.

Boris Singerevitsh, Dalnevostotshnij #44, Apt. 19, Leningrad.

Vladimir Tsyvkin, Hersonskaja #7, Apt. 6, Leningrad.

Paul Braz, Losanowaja #7, Leningrad.

Lazar Liberman, Gallinskaja #6, Apt. 30, Leningrad.

M. Liberman, Gallinskaja #6, Apt. 30, Leningrad.

Lev Reis, Toreza #40, Court 6, Apt. 28, Leningrad.

EXPLANATION OF POSITION AGAINST H.R. 3298

HON. PETE V. DOMENICI

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. DOMENICI. Mr. President, on Thursday, March 22, I voted against H.R. 3298 which would have required the Secretary of Agriculture to spend the full amount appropriated for rural water and sewer systems. I cast that vote with a great deal of reluctance because I am acutely aware that the smaller towns and cities of this Nation, particularly those of under 10,000 population, are in dire need of improved and enlarged water and waste disposal systems. To me, then, this bill had great merit, but I am also acutely aware of a need which is greater than the individual needs addressed by this and similar legislation.

That greater need, Mr. President, is the exercise of overall fiscal responsibility which by virtue of the Constitution rests on Congress. This must take priority over individual pieces of legislation, regardless of their individual merits.

I am pleased to make it part of the RECORD that the legislature of my own State of New Mexico, foreseeing the definite possibility of a curtailment of Federal funding for rural water and sewage programs, passed legislation during the last several weeks to enable the State to carry out these programs at a much lower level of Federal assistance. To my mind this is the correct attitude and is a vast improvement over some proceedings in this Chamber which are simply confined to finding fault with funding changes proposed by the President without regard to the impact of individual appropriations on the overall fiscal situation.

I will continue to urge that we approach our fiscal duties in a responsive and responsible manner. Passing costly, though meritorious legislation, without regard to the overall budget is neither responsive nor responsible.

SOUTH VIETNAM'S POLITICAL PRISONERS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. EDWARDS of California. Mr. Speaker, while we in the United States are rejoicing at the return of our prisoners of war from North Vietnam, we should remember the 200,000 political prisoners still held by the Thieu government in South Vietnam. Subject to unspeakable tortures and brutalities, these patriotic Vietnamese—students, priests, monks, lawyers—bear the brunt of the Saigon regime's attacks on "traitors and enemies of the Republic." The following articles by Mary McCrory and Nicholas Van Hoffman appearing respectively in the March 20 Washington Star and the March 21 Washington Post, draw attention to these atrocities, witnessed firsthand by two Frenchmen who themselves were victims of Thieu's repression. On their present visit to Washington, Andre Menras and Jean-Pierre Debris are calling the American people to use their influence to see that these unrepresented people are not forgotten and left to rot and die in tiger cages. I urge my colleagues to read these articles and think seriously of the burden of responsibility we in the United States bear for these prisoners:

[From the Washington Star, Mar. 20, 1973]

SILENCE GREETS POW'S TALE

(By Mary McGrory)

A pair of recently released prisoners of war have come to Washington. Little is being made of them. For one thing, they are French. For another, they have a tale of ongoing horrors in U.S.-supported South Vietnamese jails that nobody wants to hear.

Andre Menras is 27. Jean-Pierre Debris is 27. They are both schoolteachers who chose to go to Vietnam as an alternative to military service. They spent 2½ years in Chi Hoa prison in Saigon after staging a two-man peace demonstration in Saigon on July 27, 1970.

"To create a shock" against the corruption and tyranny of the regime, they climbed up on a statue waving a Viet Cong flag and scattering leaflets urging immediate peace. They were beaten unconscious. The scene was filmed by CBS and American MPs. They were sentenced to three years for "lessening the morale" of the South Vietnamese army.

They were unexpectedly released on Dec. 29 of last year, to prevent, they think, their witness of horrors to come—the systematic extermination of political prisoners hostile to President Nguyen Van Thieu. They put the number at 200,000.

Under the auspices of Amnesty International, they are making a world tour, hoping to arouse public opinion about the plight of the "brothers" they left behind, and who will, they say, surely die unless pressure is brought on the Thieu regime.

Menras says ruefully that it is hard to awaken Americans. "I find you are only concerned about the return of your 600 prisoners."

The pair, who are too earnest to be doubted, saw a few dove legislators, among

them Sen. Goerge McGovern, who learned from them that the people who attended a peace meeting he addressed in Saigon in August 1972 are now behind bars.

Menras and Debris were invited to speak here to a luncheon of congressional aides.

Under the terms of the Paris accords, "civilian detainees" are supposed to be released by both sides. But Thieu, they charge, is shuffling them off to other "rehabilitation centers" so their relatives lose track of them and converting their status to "criminal" so the accords won't apply.

They are also being beaten and tortured to death by means detailed in a grisly document the two teachers distributed to the audience.

Women, children and babies are in the crowded cells. They were told of peasant women from the Quang Tri province, rounded up after the April offensive, who bore babies in jail. The babies died and the mothers carried corpses around with them to protest.

American officials know all about and acquiesce in the treatment accorded prisoners. In Chi Hoa jail, an American colonel was a supervisor, occupying a special adviser's office. A representative of the U.S. consulate made weekly visits to the 10 American soldiers jailed there on criminal charges.

One American, they reported, burned his cell in protest of the daily beatings of the Vietnamese political prisoners. He was himself beaten up, with American officials present, in the "torture room," which was easily transformed during official inspections into a movie hall by the lowering of a screen.

Survivors of Con Son, site of the notorious tiger cages, told them that new and worse—that is, smaller—tiger cages were being built on the island with American funds. AID officials say no American funds have been used to build prisons since 1970 when two congressmen exposed the tiger cages.

"It has to be said," said Menras, "without American dollars there would be no prisons."

After the one-man election of 1971, a new wave of arrests brought a new class of prisoners—Buddhist monks, Catholic priests, students, lawyers.

"The bourgeoisie," said Debris, "who because they are obviously non-Communists and have standing, would be believed by the people in the political struggles that are to come. Thieu regards them as more dangerous than the Communists."

Representatives of the International Red Cross visited Debris and Menras in July 1971 and filed a report of "good conditions"—well-ventilated cells and adequate diet. It was just after they had been on a 27-day hunger strike and had been beaten daily. Recently, they took up the report with the IRC directors in Geneva and were told that a critical report might have denied them all prison access.

The only thing that helped was a flood of letters addressed to them in prison by indignant Frenchmen. The beatings ceased and the exercise period was extended. Debris and Menras hope to stimulate a worldwide letter-writing campaign to those they left behind. They have names. Similarly after press reports, prominent political prisoners were better treated for a brief while. When the stories ceased, abuse was resumed.

In the silence that fell after their harrowing recital, one pretty congressional aide asked, "What should Congress do?"

"They should ask Thieu when he comes about the political prisoners," Menras replied. "He will say he has none, but we have lists of names, and he should be asked about each one."

The chances of President Nixon's putting such embarrassing questions to the guest who comes next month are practically nonexistent. For him, Thieu comprises the "honor" in "peace with honor."

Nor is the prospect likely that an outraged Congress will put conditions on the almost $3 billion in military and economic aid the administration proposes to send to Thieu this year.

One aide explained, "My guy just wants out all the way. He says the Vietnamese should settle this among themselves. Besides, he doesn't think he should talk about South Vietnamese torture without talking about North Vietnamese torture too."

[From the Washington Post, Mar. 21, 1973]

BETWEEN THE HALVES AND THE HAVE-NOTS

(By Nicholas von Hoffman)

When one of the POWs walked onto the red carpet the other day and did the patriotic obeisances that have been repeated until they have become near litany, he did say one thing we hadn't heard before. He thanked the pro-war portion of the American populace for their support, citing in particular the minutes of silence at the football games and the bumper stickers.

Maybe those moments of civic religion between halves did help. For all outward appearances, the POWs held in North Vietnam were treated about as well as felons in our penitentiaries back home. (The treatment accorded their captives by the Viet Cong in the South needs more learning about.) But confirmation that public opinion—if it's the right public in the right nation—may help comes from two young Frenchmen.

In the summer of 1970, Jean-Pierre Debris and Andre Menras committed an act of imbecilic courage by unfurling a Viet Cong flag in front of General Thieu's National Assembly building in Saigon. They were slammed into the Chi Hoa prison/concentration camp where they languished until three months ago.

Menras says, "If we are still alive, it is thanks to thousands of people who sent us letters, who were concerned about us. From the moment thousands of French people decided to pressure the Saigon fascists, from that moment on, we saw a difference in the attitude of our jailers. They stopped beating us," and ultimately freed the two young men who'd come to Vietnam in the French equivalent of one of our Peace Corps operations.

That takes care of the occidentals. They go first class. In captivity or out, Americans and Frenchmen get treated better than the natives even when their jailers are natives. Most reports indicate both the North and the South Vietnamese treated each other's prisoners with a harshness which bordered on and sometimes reached barbarism.

Maybe we can dismiss it by saying that's what happens in a civil war, but there is still another class of prisoners in South Vietnam, the thousands and thousands who are referred to as "politicals." They're a mixture of Communists, Catholics, Buddhists and war-hating, home-loving neutralists, not to mention a miscellany of miserables such as old, anti-French colonial patriots, students and shoe shine boys who didn't have the requisite 50-cents to bribe the cops.

As it became clear that the combatants were moving toward some sort of cease-fire agreement, Menras reports, the Saigon authorities took steps to hide the political prisoners: "They divided each cell into tiny groups, separating people who had known each other for years. During this separation and change of cells a lot of prisoners disappeared completely. They even mixed Catholic students with members of the NLF so they could be classified as Communists; and all the political prisoners were mixed with the ordinary ones. They took away the files of these prisoners so that no one will be able to prove that there were political prisoners, and not ordinary criminals."

According to both Frenchmen, the treatment dished out to these politicals meets the highest standards set by the Gestapo. While they themselves suffered beatings and semi-starvation, they spoke to prisoners who saw and endured all manner of torture, some straightforwardly brutal and some done with calculated preparation as when "needles were inserted under the fingernails (and) a sheet of tissue paper was attached to each needle after which the ventilator just opposite was turned on. The breeze from the ventilator set the tissue paper in motion and this, in turn, made the needles move under the nails." Women captives were routinely raped and otherwise sexually abused.

At the same time that we're learning about these horrors, Michael D. Benge, an American civilian official captured in 1968, has been released from prison with stories about North Vietnamese cruelty toward himself and other captives. This will allow people to say if they do it, why shouldn't we? But that's the kind of question that answers itself merely by being asked.

Beyond that, our people, no matter how badly treated and tortured, are getting out. The people whom Debris and Menras met in prison aren't. They have no one to bargain for them unless it is the NLF who presumably will concentrate on getting their own people freed, and not the other thousands who're imprisoned although they were never members of the Viet Cong. Furthermore, of all the warring parties in this mess, the NLF have the weakest power position and the least leverage on the Thieu government.

So these wretches will have to cling to life as best they can. Lost in the concentration camps and tiger cages, their names are on no lists of repatriation, nor will they be memoralized on any bumper stickers. For them there will be no moments of half time silence, no candles lit, no prayer.

GEORGIA SENATE HONORS PILOTS FOR THEIR SKILL AND BRAVERY

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. TALMADGE. Mr. President, on February 26, 1973, an aircraft flying over a heavily populated section of the Atlanta area collided with a flock of birds which caused both engines to fail.

Pilots Ernest Selfors and David Phillips struggled with the aircraft and successfully avoided crashing into apartment complexes below. Both pilots and their five passengers died, but no one on the ground was killed. The Georgia Senate adopted a resolution honoring them for their skill and bravery, and I ask unanimous consent that the resolution be printed in the RECORD.

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

A RESOLUTION

Whereas Mr. Ernest Selfors and David Phillips were distinguished pilots and a credit to their profession.

Whereas on the morning of February 26, 1973, on a routine flight over a heavily populated area of Metro Atlanta their aircraft encountered a total malfunction in both engines due to a freakish encounter with a flock of birds.

Whereas Mr. Selfors and Mr. Phillips spent the last seventy (70) seconds of their life wrestling their aircraft in a successful attempt to avoid crashing into any of a number of apartment complexes below them.

Whereas they gave their life for their fellowman and crashed their aircraft in a

pit thus avoiding any injury to others due to their tragic misfortune.

Therefore be it resolved that the Georgia Senate expresses its sincere regrets at their passing and expresses its most sincere admiration and affection for their heroism and service to mankind above and beyond the call of duty.

WELFARE SCANDAL III

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the evidence of failure in our Nation's welfare system continues to mount.

Yesterday our distinguished colleague from Michigan, Mrs. GRIFFITHS, released a study from the General Accounting Office showing the vast duplication and inequity in application of our present welfare system.

Today I am submitting the third installment of a series of articles in the Milwaukee Sentinel resulting from a 3-month investigation of the Milwaukee County welfare department. The authors allege that $28 million was wasted last year alone through fraud and mismanagement.

This installment deals with the lax supervision and maladministration which runs up the cost of distributing welfare benefits. There are, no doubt, many dedicated caseworkers in Milwaukee and other cities across the country. But the abuses chronicled in the Milwaukee Sentinel series raise serious questions about the "nonsystem" of caseworker supervision of welfare clients.

The welfare scandal cannot be eliminated by ignoring it. The Congress must act soon to reform its welfare assistance program, eliminate duplications which allow some families to receive more than they could earn in the job market and more than other wage-earning and taxpaying people.

The articles follow:

HOW CASEWORKERS CHEAT

(By Gene Cunningham and Stuart Wilk)

Some workers for the Milwaukee County Welfare Department pick up extra money by cheating on mileage and overtime, and extra time off by cutting short their workdays.

A department administrator who was concerned about the situation was told not to do anything about it because he would be "opening Pandora's box."

Supervisors supposedly watchdog mileage claims and overtime and know whether their workers are on the job or on the town.

The administrator said that he had complained about the mileage claims that were being submitted in one division. He said he told a supervisor that he intended to investigate.

"I was told not to—that I'd be opening Pandora's box," the administrator said.

Incidents of employes taking off for workouts at the North Central branch of the YMCA, afternoons at the movies and loafing at home are slipping through the system that discourages "opening Pandora's box."

"Everything you have heard about the department is true regarding inefficiency, loafing and cheating," another administrator said.

Some of the supervisors and administrative staff, as well as workers, take two and three hour lunch periods, he said. Arriving late and leaving early are commonplace, he added.

Once, he said, he complained to a superior about one person who was habitually arriving late for work, leaving early and doing little work while he was there. Nothing was done about it, he said.

Loafing on the job is apparently as big a problem as disappearing from the job.

One worker told a reporter that a friend of his in the department had boasted that from the end of May until early October she had read 10 novels during working hours.

Some workers in his section, he said, have as few as 6 cases and others have as many as 25.

The person with only six cases doesn't have enough to do, so he may read a novel rather than just sit at his desk idle, the caseworker said.

Others, he said, loaf even if they do have work to do.

Meanwhile, the department is doling out untold thousands of dollars for time that isn't being worked and mileage that isn't being driven.

Employes in one division who make home calls "commonly file 38 or 39 miles a day because you can file up to 40 miles without explaining where you drove to," a former division worker said.

"If you file 40 miles or more, you have to detail where you went that day," she said.

A check of monthly mileage claims filed by employes in the division turned up quantities of 39 mile days.

A number of employes consistently listed 39 miles as the distance they drove each day, occasionally mixing in a few days of 38 or a few less miles.

But the requirement of an explanation for 40 miles or more a day failed to discourage some workers. They reported trips of 90 to 100 miles on which they did not leave the city.

One reported driving 94 miles one day and carefully listed by address exactly where she had gone. The 94 miles added up to $11.28 for mileage.

A Milwaukee Sentinel reporter clocked the trip exactly as the worker had listed it.

The distance—including extra blocks caused by some wrong turns—was 50.2 miles, which would have cost the department only $6 in mileage.

Another trip listed by the worker as 47 miles was also checked by a reporter. It was 20.5 miles—less than half the distance the worker had claimed, which means she collected more than twice the mileage she should have from the county.

Although caseworkers and case aides said mileage in excess of 40 miles or more a day must be explained on monthly mileage claims, Arthur Silverman, director of the department, said the requirement varies depending on the work the person does and the driving involved.

He made the statement after quoting from a mileage claim form that "any mileage in excess of the usual average should be explained below."

Of the hundreds of mileage claim forms checked by Sentinel reporters, each had used the 40 miles a day figure as the point at which an explanation had to be given.

If the mileage is over the usual average, employes "must specify their destination" on their mileage claim form, Silverman said.

While some employes pinpointed their destinations, other gave such explanations as "househunting" for a recipient and "stamps, shopping for all my people."

The responsibility for mileage claims rests with the workers' supervisors, Silverman said.

"If on observation there appears to be something wrong, they (the supervisors) can call in the person and ask that he explain," he said.

The department work day is eight hours long—from 8 a.m. to 4:30 p.m.—with half an hour for lunch, Silverman said. It adds up to a 40 hour workweek.

Some employes, however, seem to be either scheduled for overtime or are free to work specified overtime on a regular basis.

Many of them actually do work, but others simply file overtime for loafing and visiting in the department on Saturdays or they claim that they were "visiting clients" on weekends, caseworkers said.

One caseworker told Sentinel reporters that when he was in a unit that made emergency calls, workers there padded their overtime.

Workers in the unit get an automatic four hours of overtime for night calls regardless of how long the calls take, he said.

"Some of the visits take no more than an hour," but they would pad the four hours to five or six anyway, he said.

On an individual basis, the overtime situation in the department is probably better than it was in 1971 when a halt in overtime was ordered by County Executive Doyne.

Then, "one caseworker was going around bragging that he was earning as much money as the director of the department," several employes said.

A check of the overtime claimed that year by the caseworker revealed that he had filed 56 hours of overtime most pay periods.

"We had to crack down on overtime. The control should have been in the department, but it wasn't," said Anthony P. Romano, Civil Service chief examiner.

A number of department reports over the last few months indicated that overtime had been totaling more than 2,000 hours each two week pay period, with the majority of it filed by workers in financial assistance and by those doing case reviews.

Worker accountability and supervisor responsibility—or the lack of it—apparently allow caseworkers and aides to loaf or take off during working hours.

A number of workers and others in the department complained of the lack of accountability in the homemaking section by aides assigned to go into the homes of the disabled, assist them and do cleaning and housework.

"Sometimes the aides show up and sometimes they don't," a former employe in homemaking said.

One aide told a client, "If I like you, I'll clean your house. If I don't, I'll sit and watch TV," another department employe said.

A Sentinel reporter arrived one morning at the home of one welfare recipient while the assigned aide was there. The aide was sitting at the kitchen table drinking coffee.

"If you don't need anything, I'll leave," the aide said, and she left. The apartment was littered and needed cleaning.

Another welfare recipient said that for two years the department had furnished her a homemaking aide to come in one day a week and do her housecleaning, laundry and grocery shopping.

In the two years the aide came to her home she never put in much more than three hours of work a day, the recipient said.

The aide always "rushed through, hit the high spots and then said she was going home and go back to bed because she had a night job she had to get to," the woman said.

Some of the homemaking aides are good, some are bad and some of them just don't show up if they don't want to, a worker said.

Asked who knows where caseworkers and aides are when they are not at the department, Silverman said, "At a given time of the day it is usually not known where they are." But they can tell their supervisor, write their destination on their time card or tell the

person who takes their telephone calls, he said.

Later, they write a report that shows who they called on, he said.

At least that's the way the system is supposed to work.

AIDE'S DAY OFTEN MEANS LEISURE

One caseworker goes to Chicago for baseball games while he is supposed to be visiting his clients.

Another goes to the beach during the summer and to a health club during the winter while the Milwaukee County Welfare Department pays him to make home visits.

Groups of caseworkers have card games—some lasting 90 minutes—during their "30 minute" lunch breaks.

To many caseworkers, the Welfare Center at 1220 W. Vliet St. is a place to read the paper, socialize, cheat on mileage and overtime and do as little work as possible.

One caseworker charged that "there is more fraud by the workers than there is by the clients."

Interviews with caseworkers and observation by Sentinel reporters revealed that:

The half hour lunch period is regularly abused by workers, some of whom stretch it into two or three hours.

Many employes leave the department several hours before quitting time for recreation and personal business.

Employes commonly put in for more mileage than they actually drive on departmental business. The department pays them 12 cents a mile.

Some workers get by doing one or two hours of work in an eight hour day.

One caseworker told The Sentinel that he does "less than an hour of work a day."

"I try to read a lot," he said. "I've tried to read books but it's hard to concentrate. Usually I read magazines."

He is supposed to make home visits to 50 of his clients each month.

"The last time I made a home visit was two months ago," the worker said. "I just put down names on the reports. I have 180 cases to pick names from. I talk to some of them on the phone."

The same caseworker files mileage claims of about $30 a month.

"I don't drive on business," he admitted. "I just go to work and back home."

When he arrives at 8 a.m., he reads a newspaper for about an hour and then spends most of the day reading magazines and socializing.

LUNCH BREAKS

He generally takes about 90 minutes for lunch, but said he would take longer lunch periods if he didn't have "a strict supervisor."

"Most could leave at 10 a.m. and come back at 2 p.m. and the supervisors wouldn't notice," he said.

He regularly leaves work about two hours early, but he said, "I know people who leave at noon and don't come back at all."

When he leaves, he goes to health club, plays tennis, goes to the beach, runs errands or goes home.

"The golden rule is not to answer your phone (at home) until just after 4:30 or 5," he said.

MEMBERS OF "Y"

Some of his fellow workers have taken out memberships at the North Central branch of the YMCA at 2200 N. 12th St., a few blocks from the Welfare Center, he said.

They commonly go there to work out during the afternoon, according to the caseworker.

Another caseworker told a reporter that caseworkers in the department's medical division once held "contests" to see who could put in for the most mileage each month.

There are other "contests" at the department, he said.

"Every morning about a half dozen guys read the paper in the men's room. I had the record of one hour and five minutes to read the paper," he said.

"But another guy broke it with one hour and 11 minutes."

DEPARTURE TIME

This caseworker also commonly cheats on mileage and overtime and leaves work two hours early each day.

"I get more than I should be getting," he said of his mileage. "There's a significant majority of people who are doing it. It's easy money."

The caseworker said that, if he gets an emergency call at night, he will sometimes pad his overtime.

"When called at an ungodly hour, they (caseworkers) add an hour or two," he said.

Describing himself as an "average" caseworker, he noted that he did about three hours work a day.

During his lunch period, he plays cards, generally starting at 11:45 a.m. and quitting about 1 p.m.

GAMES WATCHED

Sentinel reporters watched workers playing cards in conference rooms during the noon hour on several occasions. One game lasted 45 minutes, another 50 minutes and another game lasted more than an hour.

Some caseworkers play cards in full view of their supervisors—and their clients—while others play in conference rooms with frosted glass, to keep from being discovered.

"My friends all cheat on mileage," said another caseworker. "Once I put down mileage for a day I didn't even work. They sent it back with a card that said 'correct and return.'"

There were no other repercussions from the department, she said.

When she was transferred to a different division in the department several months ago, she said she "spent a week without doing anything."

READ MANUAL

She said for five days she did nothing except read a manual.

"Now I just fill out forms," the caseworker said.

"I usually don't take more than an hour for lunch," she said. "I've left at noon a couple of times and just left for the day."

On several occasions she and other workers have gone to movies during the afternoon, she said.

"I would do work if there was work to do," she said. "I'd like to be busy, but the way department is set up I just can't."

The caseworker said she leaves an hour early each day, adding that "everyone else does the same thing."

She described the department as "one continuous social hour."

THE REASONS

Why do the caseworkers cheat the department?

"It's kind of a crummy job," said one caseworker. "And this is one way to get even."

He said that most caseworkers are willing to work and are enthusiastic during their first weeks, but that the enthusiasm gets knocked out of them. They get bogged down in paperwork, several caseworkers said.

Diligent caseworkers "are more likely to step on toes and get into trouble," said one of the caseworkers.

Or, as another caseworker put it, "I'm going to get my $200 a week either way. So why should I work? I'd rather read a magazine."

"THE IRISH FORTNIGHT" OF THE IRISH AMERICAN CULTURAL INSTITUTE

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 27, 1973

Mr. HUMPHREY. Mr. President, the Irish American Cultural Institute, whose international headquarters are located in St. Paul, Minn., is again bringing to American audiences its unique concentration on Irish culture and civilization termed, "The Irish Fortnight." This 2-week program, which brings scholars, writers, musicians, and performers directly from Ireland to the United States, started 2 years ago in St. Paul. In 1973, the program will be held in five U.S. cities: St. Paul, Cleveland, Washington, New York, and Newark. Recently, Dublin's Irish Independent newspaper stated that the Fortnight is by far the "most important" cultural link between Ireland and America.

As a Senator from Minnesota and a long-time friend of the institute's honorary chairman, Mr. I. A. O'Shaughnessy, I am genuinely proud of the invaluable contribution to international cultural understanding made by the IACI. Not only those of Irish descent but all citizens of Minnesota are benefited by the initiative and vision of the institute, its international chairman, HSH Princess Grace of Monaco and its president, Dr. Eoin McKiernan, the IACI's distinguished leader from our State.

This year, in a program which concludes this weekend, the Washington division of the IACI was able to add several new elements to the Fortnight, notably the first U.S. performance of Sean O'Riada's Irish People's Mass as sung by the Congregational Church choir of Fairfax, Va., and a special program at Constitution Hall by the Air Force Band, Sesame Street's Bob McGrath, and Academy Award winner, Mercedes McCambridge.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial on the Washington Irish Fortnight from the Irish Echo and several biographies of Fortnight participants.

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

[From the New York Irish Echo, Mar. 17, 1973]

IRISH FORTNIGHT

The Irish American Cultural Institute has done it again. As a matter of fact, the St. Paul-based Institute may have surpassed its most admirable ventures with its spectacular Irish Fortnight which will be featured at five locations beginning on March 18.

The Fortnight, a two-week schedule of programs devoted to aspects of Irish culture and heritage, will be presented at five sites in the United States. Outstanding lecturers and performers from Ireland will be featured in the programs. Programs will be given on college campuses in St. Paul, Cleveland, Washington, South Orange, N.J., and New York.

Here in the east if you are in the vicinity

of Manhattan College in the Bronx, Seton Hall University in South Orange, N.J., or Georgetown University in Washington you have an opportunity to attend one or all of these programs which will discuss the art, literature, music, history, politics and architecture of Ireland.

We strongly recommend these programs to anyone who seeks the real Ireland and its culture. Once again Dr. Eoin McKiernan and his colleagues have put Ireland's best foot forward. They, Manhattan, Seton Hall, Georgetown and all involved are to be congratulated.

[Irish Fortnight, March 18 to 31, 1973]

BIOGRAPHIES OF MAIN PARTICIPANTS

DESMOND RUSHEE

Since 1960 has been theatre critic for Irish Independent newspaper. As columnist he has reviewed Broadway plays of Irish interest, was the Irish reporter for Sen. Robert Kennedy's funeral and the Apollo 12 moon flight. In Dublin, he has been a regular lecturer at the Communications Centre on aspects of journalism, and at summer schools for foreign students on aspects of theatre. Has been Irish correspondent for the New York Times in its Arts Abroad series and has written a number of special articles for the Times including a lengthy article on writer Christy Brown.

MICHAEL HARTNETT

Major Irish poet. First collection, "Anatomy of a Cliche," published by Dolmen Press in 1968, although he had contributed poetry since 1962 to Poetry Ireland and in 1963 was editor of the now extinct but then thriving Arena. In 1969 published "The Hag of Beare," a translation of the old Irish poem and in 1970 his Selected Poems were acclaimed. In 1971, his poem "Tao," a long religious poem based on 5th century B.C. Chinese classic of same name, was published. He has translated extensively from Irish and has read in centres in Ireland and England. At present is working on a very long poem which he calls "a psychological history of Ireland."

CHRISTOPHER WARREN

A harpist in the ancient tradition. Has built a replica of the ancient Irish harp. Has created tremendous interest in the rediscovery of this ancient tradition of playing the harp as the old harpers did play it. He is Church of Ireland rector at Miltown, Co. Kerry, rector of Kilcoman. Has lectured on ancient harp tradition in Irish universities and is the one man responsible for interest in this revived art.

ÉAMON DE HÓIR

Chief Placenames Office, Ordnance Survey, Dublin. Secretary of the Placenames Society and editor of its journal Dinnsseschas since its inception in 1964. Member of Interrational Committee of Onomastic Sciences and Council for Name Studies in Ireland and Great Britain. Author of "Seán o Donnabháin agus Eoghan o Comhrai" (1962) and numerous articles on placename research. Wrote the placenames section of "Encyclopaedia of Ireland," 1968.

RUAIDHRÍ DE VALERA

Distinguished Irish archaeologist, Chairman, National Monuments Advisory Council and corresponding member of the German Archaeological Institute. Principal research and publication work deals with Ireland in Netholithic times and especially with megalithic tombs. Responsible for the establishment of the Megalithic Survey of Ireland at the Ordnance Survey in 1949. Three volumes, covering about one-third of the whole of Ireland are in print under the joint authorship of Ruaidhrí de Valera and Sean O Nullain. Son of the president of Ireland, Eamon de Valera.

JAMES WHITE

Director, National Gallery of Ireland; council members of Irish Arts Council, Dublin Regional Tourism, Foras Forbartha, Friends of National Collections of Ireland, many others. Formerly was art critic, Standard (1940–50); Irish Press (1950–59); Irish Times (1959–62). External lecturer University College, Dublin and Trinity College Dublin since 1955. Curator, Municipal Gallery of Modern Art, (1961–65). Has published books on Irish Stained Glass (with M. Wynne) and The National Gallery of Ireland. Has lectured and made television appearances in Ireland, England, the Continent and the United States.

SÉAMUS Ó'NÉILL

Irish historian, dramatist, and novelist (in both Irish and English). Professor of History, member of Consultative Committee of Irish Historical Society. Summer school faculty at Harvard University. His novel "Ionn Tulle" was highly praised by Seán O'Casey. An Utlatch proclaimed his "Maire Nic Artain" the "best novel in Ulster Irish." His Oireachtas prize-winning play, "Inion Ri Dhun Sobhairce" was performed in Maynooth, Galway, Dublin and on Radio Eireann. He has had two short story anthologies published. Has contributed to many English and U.S. publications. Much of his fiction is on the syllabi of Irish universities.

RICHARD KAIN

Interest in Irish literature and culture is of long standing. In 1944 he gave one of the first university courses on the work of James Joyce. He has written numerous books and articles in the Irish area, the best known being "Fabulous Voyager: James Joyce's "Ulysses" (1947), now in paperback, and "Dublin in the Age of W. B. Yeats and James Joyce" (1962). He has lectured at many American universities and at the Yeats Summer School in Ireland. In 1972 he was a visiting lecturer at University College, Dublin.

His most recent books are contributions to the Bucknell University Irish Writers Series. "Susan L. Mitchell" was published in 1972, and A.E.: "George William Russell" (with James O'Brien) is now in press.

BASIL PAYNE

Poet, playwright, radio-tv personality. For 10 years has done extensive radio-TV work on Radio-Telefis Eireann as guest editor, presenter, scriptwriter. Has scripted and presented critical studies of American and Irish writers; is editor and presenter of series of 10 talks by professors of English literature, poets and writers; has 60-minute one-man TV-radio production, "In Dublin's Quare City," featuring his own Dublin impressions, poetry and fiction. Original dramas and films include, "Don't Call me Honey;" "The Onlooker," a dramatic poem for 4 voices; "A Trip Down the River," a new television play; and "Missing, Believed Dead," 30-minute film featured twice on RTE with enthusiastic response. Has lectured in USA, Canada, throughout the Continent, and Ireland. His poetry has been featured on RTE, B.B.C. 4, Radio Holland and Radio Helsinki. Poetry publications include two collections of poems, "Love in the Afternoon" and "Sunlight on a Square." Literary awards include Guinness Poetry Prize Cheltenham Festival, 1964 and 1966.

STEPHEN M'GONAGLE

President, All-Ireland Congress of Trade Unions. During 30 years as a trade union and labor activist was engaged as Northwest District Secretary of the Irish Transport and General Workers' Union. Member of the Northern Ireland Economic Council and Northern Ireland Training Council and was Vice Chairman, Derry Development Commission until August, 1971, when he withdrew due to internment policy. Formerly Director of Irish (Republic) Sugar Company. Was Chairman of Peace Conference, Northern Ireland in August, 1969. Last visit to USA in 1962 as guest of U.S. State Department.

SEOSAMH Ó HÉANAI

One of the best known singers in the authentic traditional manner, Seosamh Ó hÉanai was born fifty-two years ago in the Irish-speaking Parish of Carna County, Galway. Bert Lloyd once described the area as "An isolated district of bog and stones that at first sight evokes a landscape of the moon." Since his first entrance in open competition in singing, in 1939, he has placed first or second in the major competitions while in Ireland.

His songs span the centures from the classic "Rocks of Bawn," which can be dated back to the Cromwellian terror of 1652, through one of the most moving versions of the "Patriot Game," or the more modern songs from the Catholic communities of Northern Ireland. Interspersed are love songs in the moving and compelling native tongue of Ireland, as well as stories and music hall songs. Ó hÉanai's recordings are popular with folk music collectors on both sides of the Atlantic.

RISTEÁRD Ó GLAISNE

Writer, radio and TV personality, teacher, spokesman for contemporary Protestant thought in Ireland, Risteárd Ó Glaisne is one of the better-known figures on the Irish scene. Graduate of Trinity College, Dublin, Ó Glaisne edited Focus, a monthly review of current affairs, until its demise in 1966. A frequent traveler to the Continent, he has first-hand experience with virtually every European country.

Two of his recent books are "Ian Paisley agus Tuaisceart Eirean" (an examination of the socio-political situation in Northern Ireland) and "Raon Mo Shiuil" (a study of issues in contemporary Europe). Work in progress includes a critique of Irish language literature from the earliest times. Mr. Ó Glaisne also edited a do-it-yourself text for modern Irish, "Bun-Ghaeilge."

BENENICE REED

Born in Memphis, Tennessee, of Irish descent, Miss Reed coordinates art programs for the National Park Service, and serves as project liaison officer between the National Park Service and the National Endowment for the Arts. She represents the National Park Service on the executive committee of the "Parks, Arts and Leisure" project, which is co-sponsored by the National Park Service, the National Endowment for the Arts and the National Recreation and Parks Association.

After receiving her Baccalaureate in Fine Arts from St. Mary-of-the-Woods College, Indiana, she pursued her art studies in Florence, Italy for two years at the Instituto Pio XII, Villa Schifanoia, where she was awarded a Master of Fine Arts degree. The thesis for this degree was concerned with Italian synopie and frescoes and was directed by Renzo Chairelli, librarian of the Uffizi Gallery. She is a member of the Washington D.C. chapter of the Artists Equity Association, a member of the Arts Advisory Board of the National Recreation and Parks Association, and the Museum Educators Roundtable. In 1971, she was a delegate to the Associated Councils of the Arts conference "Washington and the Arts", and was listed in "Outstanding Young Women of America" 1966.

Before joining the National Park Service, Miss Reed directed art festivals and taught art privately and in high schools, college and art institutes. She has held eighteen one-man shows of her paintings in the United States and Europe, has juried and

judged art exhibitions and competitions, lectured before educational and professional, community, and social groups, and presented television programs besides participating in discussions and interviews on art and art programs. She appeared on the NBC–TV program "The Irish Imagination" presented this January. Her figurative expressionist drawings and paintings have been shown in over twenty five juried competitions, receiving awards that include the "Medal of the Mayor of Rome" (Viareggio, 1964) and the "Bronze Medal for Drawing" (Florence, 1964). Her works have been exhibited in over fifty group shows including "Nine Women Artists" at the Brooks Memorial Art Gallery, Memphis, Tennessee, and may be found in public and private collections in eleven foreign countries and twenty-seven states of the United States. In private life she is married to the architect Ronald Dickson.

SALUTE TO BOB WILSON

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. MICHEL. Mr. Speaker, as you know, our good friend and colleague, Congressman BOB WILSON, will be stepping down as chairman of our Republican Congressional Campaign Committee within a few days, after serving nearly a dozen years in that grueling job.

Although BOB has received—and will continue to receive—the warm tributes and praise of his colleagues for a job well done, I think the Congressional Committee's newsletter sums up as well as anything I have read the high regard in which we all hold BOB WILSON.

Mr. Speaker, I insert in the Appendix of the RECORD the newsletter's "Salute to BOB WILSON," published in its March 26 edition:

SALUTE TO BOB WILSON

Kahlil Gibran: "You give but little when you give of your possessions. It is when you give of yourself that you truly give."

Since he became Chairman of the Republican Congressional Committee in 1961, California's Bob Wilson has given much of himself to the job. And the committee and the Republican Party are the better for it.

Under Wilson's chairmanship, which spanned nearly a dozen years for the longest such tenure in the committee's 107-year-history, fresh programs and projects were undertaken and far-reaching advances made. He was the first to change the old order if the new was better.

In professionalizing the committee, Wilson also firmed up its financial footings. He stabilized staffing to a year-round basis. He set up fund-raising programs which were pacesetters for the party and which erased the committee's "feast-or-famine" status. He established the GOP Congressional Boosters Club which provided the financial underpinnings for hundreds of challengers' campaigns.

Under Wilson's direction, the committee beefed up its communications to help get its message to the public and its Congressmen's words to the voters. Its biennial candidates' conferences, also a Wilson innovation, were expanded into broad and effective training programs for fledgling challengers. Campaigning candidates were linked by teletype to committee headquarters in Washington to keep them abreast of daily developments and provide them with ammunition.

In giving of himself, Bob Wilson traveled hundreds of thousands of miles to appear at party gatherings and to help Congressional candidates raise funds and conduct their campaigns. He spent hundreds of hours on "red-eye specials," the late night airplane flights, to enable him to get back to the capital from these rallies and from his district a continent away to tend to his constituents' business. He kept an aggressive legislative schedule, serving as third-ranking member of the House Armed Services Committee and "fathering" such vital legislation as the Nation's oceanography program.

Altogether, 211 Republicans have been elected to the U.S. House since Bob Wilson became RCC Chairman. We think just about all would share in the application of Gibran's views quoted above to the indefatigable Californian who gave so much of himself. We think they would also join in President Nixon's salute. "As you lay down the heavy burden of leadership which you have borne so ably," Mr. Nixon wrote to Wilson, "you can be proud of the service which you have rendered to your party, to your State and to the Nation."

THE INTERNAL SECURITY CUTS THREATEN AMERICAN PEOPLE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RARICK. Mr. Speaker, the announcement that the Nixon administration has abolished the Internal Security Division of the Department of Justice should be greeted with great exultation by the enemies of our constitutional Republic here at home as well as in Moscow, Peking, and Hanoi.

Apparently, the President's advisers have either told him that there is no longer a subversive that to overthrow our Government, or that the Supreme Court will not allow society to stop subversion, or that our country has already been infiltrated to the point that internal security is ineffective, or that our country has already been taken over.

Had Kennedy or Johnson pulled such a coup, they would have been tarred and feathered and exited from the country as dangerous collaborators.

It is truly remarkable what an anti-Communist image can do in advancing the goals of international communism.

While the administration presently entrusted with the security of the American people acts to abandon confrontation with the enemies of free man, the Military Order of World Wars meeting in Washington on January 31, received a report from its Internal Security Committee outlining the serious threat from subversives in our country and adopted the following resolution:

RESOLUTION

Whereas, the internal security program of this nation has been found by the Congress to be inadequate and ineffective; and

Whereas, the first duty of any government is to protect itself and maintain itself as a secure and stable institution under its constitutional authority; and

Whereas, the people of this nation are constitutionally entitled to government which is dedicated in its entirety and without exception to the interests of this nation above all others;

Be it hereby resolved, by the General Staff of The Military Order of the World Wars, in midwinter conference assembled, that the United States of America is ill-served by government officials and government employees who fail in any degree to do their utmost to maintain a high degree of internal security in our government against all enemies, both foreign and domestic, as required by oath of office and lawful official responsibility.

Be it further resolved, that the President of the United States and all members of the Congress be hereby most strongly advised that a comprehensive new and thoroughly effective program of internal security, backed by federal statutes containing high standards and severe penalties, is essential to the national security and general welfare of our nation and should be put into effect at the earliest possible time.

I include a news clipping and report of the Internal Security Committee of the Military Order of World Wars in the RECORD:

[From the Washington Post, Mar. 27, 1973]

INTERNAL SECURITY DIES QUIETLY AT JUSTICE

(By Sanford J. Ungar)

The Kennedy administration tried it, the Johnson administration came close to doing it, but it finally took the Nixon Administration to abolish one of the most controversial divisions of the Justice Department.

A cause celebre at both ends of the political spectrum, the Internal Security Division went out of eixstence yesterday morning.

There was no partying, protesting or philosophizing to accompany the apparently momentous occasion, which would have sparked both angry opposition and delighted applause just a few years ago.

But then there hadn't been much time to plan as reaction—the event was only announced last Thursday.

Death came not because of any act of Congress, a cutoff of funds or a federal court decision, but rather by a stroke of Attorney General Richard G. Kleindienst's pen.

According to the official Justice Department press release on the matter, the abolition of Internal Security and the transfer of its duties to the department's Criminal Division—where they originally were until 1954—was merely "in keeping with the administration's program of streamlining the Executive Branch."

Justice Department sources said that is a euphemism for the fact that the administration needed to shake loose a sub-Cabinet slot to house its new overall narcotics-enforcement agency.

Formal establishment of that agency is expected to be announced within the next few weeks, and its director will hold the "assistant attorney general" title dropped yesterday morning by A. William Olson, the Southern California lawyer who had been head of Internal Security for the past year.

Administration strategists hope that internal security watchdogs on Capitol Hill won't notice, but there is also a substantive reason for doing away with the division: it was running out of business.

With American participation in the Vietnam war virtually over and with draft calls down to zero, there will be no need in the foreseeable future for vigorous enforcement of the Selective Service Act.

Speaking somewhat with the wistful tone of men who have outlined their usefuliness, Internal Security veterans also note that domestic terrorism—considered a major problem in the heyday of the Weatherman militants—has greatly subsided.

Some suggest that the division is a casualty of the same winds of change which have reduced the Subversive Activities Control Board to a shadow of its former self and which make the House Internal Security

Committee (formerly the House Un-American Activities Committee, or HUAC) fight for its life and funds every two years.

It is perhaps a sign of the times that federal officials no longer seem vitally concerned about the threat of subversion and the need to fight it.

Even the Federal Bureau of Investigation and the Central Intelligence Agency are said to be making cutbacks in the area of domestic intelligence and counter-intelligence.

It was not always thus, especially in 1954 when President Eisenhower's Attorney General, Herbert Brownell, elevated the internal security section of the Justice Department's Criminal Division to the status of a separate division. By 1956, it had 94 of its own attorneys.

By the early days of the Kennedy Administration, the division was being called into question and its chief, J. Walter Yeagley, was forced by congressional committees to justify its appropriations.

The Washington Post reported on April 1, 1961:

"The internal security division of the Department of Justice . . . has almost come to the end of its line. For several years, its work load and its personnel have been decreasing. Now, Attorney General Robert F. Kennedy is farming out some of the remaining personnel to other divisions in the department because there is little for them to do."

But Kennedy and other Democrats who followed him as Attorney General, including Ramsey Clark, never managed to do away with the division.

In 1970, Yeagley, who had only 42 lawyers left under his command, was relieved of his vigil and appointed by President Nixon to be a judge of the newly strengthened District of Columbia Court of Appeals.

Then Attorney General John N. Mitchell used the occasion to beef up the Internal Security Division under a new leader, Robert C. Mardian, who had worked in Sen. Barry M. Goldwater's 1964 Republican campaign and Mr. Nixon's 1968 effort.

Mardian took his mandate seriously, building his staff (there were 65 attorneys and 75 other employees in the division yesterday) and launching grand jury investigations of radical activities across the country.

Under him, the Internal Security Division was assigned jurisdiction over a number of controversial cases that would ordinarily have gone elsewhere, including the Harrisburg, Pa., conspiracy trial of the Rev. Philip Berrigan and other Catholic militants and all litigation growing out of disclosure of the top-secret Pentagon papers.

Justice Department officials insist that the division's work "will not be downgraded" because of the transfer, but sources said that many of its personnel will be promptly shifted to other, non-security related tasks.

It was not immediately clear what would become of some of the division's most disputed responsibilities, including its secret "security index" of so-called potential subversives.

While those at Internal Security sought yesterday to minimize the importance of the change, one official of the Criminal Division summed up the inheritance there as "a big headache."

REPORT OF INTERNAL SECURITY COMMITTEE

Mr. Commander-in-Chief and companions of our Order, I submit to you this report on the present state of internal security in our nation.

Despite political propaganda to the contrary, the state of internal security in the United States continues to worsen rather than improve. The recent murders of police officers and innocent people in New Orleans by suicidal communist revolutionaries is a ready example of what we face today and will face with even greater frequency in the future. After one of the New Orleans snipers was killed by gunfire from a helicopter, his companion is reported to have shouted repeatedly the Communist slogan "Power to the people." A black chambermaid in the New Orleans hotel was told by one of the gunmen that she was "safe," that they only intended to "kill white people." This pattern demonstrates a very successful Communist tactic of combining the communist goals with racial hatred and so-called "Black Nationalism." The organizations presently most representative of this pattern are "The Black Panther Party" and the "Nation of Islam" or Black Muslims.

There are other communist revolutionary groups offering violence and terrorism to our nation, including the "Weatherman," which uses explosives and narcotics as weapons and states that it will use "the classic guerrilla tactics of the Viet Cong." Weatherman members are equally fanatical and suicidal with the Black Panthers and certain elements of the Black Muslims. I recommend to all companions the special report in "U.S. News and World Report" for Nov. 13, 1972, entitled "Behind the Rise in Crime and Terror" for an excellent analysis of this subject matter.

It is an ominous fact that the Black Panthers are expanding their successes. They have now ready access to certain federal funds through the "Berkeley Community Development Council," the program which distributes the federal poverty funds in the Berkeley, California, area. In June, 1972, the Black Panthers gained effective control of the Board of Directors of the BCDC by electing four of their members to seats on the board. All BPP members are pledged to obey without question the instructions of the central party authorities.

The purpose of communist terrorism is, as always, the progressive demoralization of our society and the causing of a loss of faith by the public in our basic free institutions.

Unfortunately, there are other aspects of the internal security situation even more dangerous to our nation than communist terrorism. An increasing segment of our population is becoming alienated from the ideals of freedom upon which our nation was founded. In the recent election, the candidates of "The Socialist Workers Party," a trotskyite-communist organization, received 65,290 votes for president of the United States. Gus Hall, of the CPUSA, received 25,-222 and to these figures should be added the vote of 78,801 for the "Peoples Party" and 53,614 for the "Socialist Labor Party." All these votes must be considered votes of people desiring to change the basic form of government of the United States. Such alienation indicates a substantial failure of the political and educational leadership of our nation to "sell" the honest values of freedom under our present constitutional and economic system.

Another extremely critical problem of internal security is the almost total cessation of any effective loyalty program in the civil service of our government. A shocking expose of this incredible situation is contained in a very recent report of the "Committee on Internal Security" of the U.S. House of Representatives released this month and entitled "The Federal Civilian Employee Loyalty Program." The report is extremely well documented and researched and states in part as follows:

"In this historic period the principal threat to the security and free-functioning of our national institutions in general, and to the integrity of the Federal civil service in particular, stems from the Communist movement and its ramifications. This threat is both external and internal.

"Communist tacticians have long regarded the penetration of the civil service of non-Communist governments as a prime objective, for it is obvious that in the civil service itself they may most directly and effectively influence and effect the execution of policy on a national scale and hence generally accelerate the process leading to the undermining and ultimate destruction of the society whose institutions they seek to transform. Their opportunities for subversion are by this tactic incalculably multiplied.

"A loyal civil service is thus basic to the overall efficiency of the Government.

"The Subcommittee finds that the departments and agencies (of the U.S. Government) have virtually abandoned the practice of post-appointment dismissals on loyalty grounds.

". . . it is apparent that whatever remains of the loyalty program is principally confined to preappointment exclusions, and hence to applicants for sensitive positions only . . ."

The report continues in its conclusions to recommend to Congress that the entire personnel security program presently in effect be completely scrapped and replaced with a new comprehensive and hopefully much more effective program.

It is almost inconceivable that the leadership of our nation, particularly the executive leadership, has allowed this state of affairs to exist. It is a fact, not a conjecture or a claim, but a fact, that there are a considerable number of high and middle level employees of our Department of State whose personal backgrounds are such as to raise very serious and reasonable doubts as to their personal fitness or their ultimate loyalty to the interests of the United States! This is despite an unequivocal campaign pledge four years ago to "clean out" this very situation. Our Order has already protested this matter by resolution of our national convention to no avail and to no satisfactory response from the government. No more serious problem of internal security exists in our nation at this time.

As a likely result of the above stated problem, the Senate Internal Security Subcommittee has recently shown by the testimony of the Director of the Passport Office of the Department of State that some 50,000 valid U.S. passports reported as lost or stolen have evidently found their way into illicit channels. The director, Miss Frances G. Knight, courageously continues to fight for more funds and personnel to substantially tighten the passport security of our nation, but she has been persistently thwarted in this goal by her superiors in the Department of State. Consider the potential danger to our internal security of the ready access into our country of 50,000 illegal foreign nationals.

A final serious problem of internal security is the terrible impact upon our society of the illegal drug traffic. A September, 1972, report of the Senate Internal Security Subcommittee entitled "World Drug Traffic and Its Impact on U.S. Security" analyzes this situation in depth. The report is in several parts and clearly demonstrates that Communists, primarily Chinese, are directly responsible for much of the drug traffic in the free world and in the United States. This is substantially denied by the executive branch of our government, but the evidence is convincing that it is a fact.

In only one area of internal security can I report favorable news. There have been certain minor successes in the fight against organized crime by the Department of Justice. However, the annual report of the FBI for the year 1972 does not report one single conviction for the crimes of "sedition" or "treason."

I suggest that our Order can and should demand by resolution that a full and complete disclosure of the actual state of internal security affairs in this nation be made by the executive branch of our government

to the people through the Congress so that the people might correctly assess the blame for the present sad situation and demand its improvement. The facts of the situation are well known but are utterly worthless in locked files. It is by no means impossible that full disclosure and adequate remedy could come too late and it is clear that the longer the day of reckoning is postponed the more traumatic will be the necessary remedies.

This committee has made certain recommendations to the Committee on Resolutions.

JACK N. ROGERS,
Chairman, Internal Security Committee.

LEGISLATION TO SUSPEND THE PRESENT DUTY ON ZINC

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. ULLMAN. Mr. Speaker, during the past several years seven out of 14 U.S. zinc smelters have shut down. Zinc smelting capacity has been reduced from about 1,300,000 tons in 1969 to about 700,000 tons by the beginning of 1974. As smelters have shut down, our imports of zinc ores and concentrates have decreased while our imports of higher priced zinc metal have increased, to the detriment of our balance of payments.

Today, joined by colleagues in the House, I am introducing a bill to suspend for a period of 2 years the present duty on zinc contained in ores and concentrates.

This duty is 0.67 of a cent per pound on contained zinc. The duty works a direct hardship on the zinc smelting industry and indirectly on our declining zinc mining industry, whose production is insufficient to meet the full requirements of the domestic smelting industry.

The zinc smelting industry must compete with smelters in Europe and Japan in purchasing ores and concentrates from Canada, Australia, and Latin America. Since Japan and European countries do not impose duties on imports of zinc ores and concentrates, their smelters have a competitive advantage over American smelters in purchasing ores and concentrates.

The American zinc mining industry depends overwhelmingly on domestic smelters as market outlets and as processors of the mines' ores and concentrates. The strength of the domestic zinc smelting industry is directly related to the strength of the domestic mining industry. If the domestic zinc smelting industry is regenerated, then the domestic zinc mining industry will be a partner in the smelting industry's growth.

The bill I am introducing today should encourage investment in American zinc production facilities. Zinc production in this country creates jobs and adds to our technological base. And, as we know, increased zinc production in the United States will help our balance of payments.

Mr. Speaker, I hope that many Members of the House will support this measure.

SUPPORT FOR PUBLIC SCHOOLS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. BURGENER. Mr. Speaker, many Members of this body represent districts which contain some or many school districts which derive a substantial portion of their operating budgets from Public Law 874 moneys—Federal impact aid. The rationale for this Federal support comes from a condition in which large numbers of military personnel or civilian personnel in direct support of the military, congregate in a given school district. As a result, either a large portion of the land is not on local tax rolls, or the concentration of military connected families place an unusual burden on the local school district, or both.

Now we come to the administration policy of eliminating category B under Public Law 874, that is school support for those military connected families whose breadwinners work on, but live off the military reservation.

I differ with the administration on the elimination of category B support, and even though I wholeheartedly support the President's budget control efforts, it is my opinion that category B support can be continued within the overall budget ceiling of $269 billion for fiscal 1974.

If, however, the administration holds firm on the elimination of category B funds, as appears to be the case, I am strongly urging the administration to give careful consideration to:

First. Preparing and proposing a several year phaseout for category B funds. This would permit a local school district to adjust to the loss of funds over a gradual period of time. Reduction of program, change in priorities, or alternative sources of funding could be considered during this time period.

Second. Preparing and proposing an alternative method of permanent Federal impact support for those areas which leave an immense portion of their land under Federal ownership. One method of doing this would be in the form of an "in lieu" tax to the local school district, paid by the Federal Government. Other Members of Congress have examples of this kind of need in their district, but in the district I am privileged to represent, the Oceanside and Fallbrook areas in San Diego County are classic examples of such need.

Mr. Speaker, I have, over the years tried my best to be a strong supporter of the public schools. As a new Member of Congress I intend to do my utmost to continue that support. We all seek equity and fairness in support of our schools. I believe my Public Law 874 suggestions may contain some elements of such equity.

A RECOVERY IN KANSAS CITY

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. BOLLING. Mr. Speaker, Paul Hume has written a heartening story about the Kansas City Philharmonic, which appeared in the Washington Post of Sunday, March 25. The article follows:

A RECOVERY IN KANSAS CITY

(By Paul Hume)

Life has not been easy for the Kansas City Philharmonic lately, but the orchestra is staging a remarkable recovery from what many diagnosed as a fatal illness only two years ago.

The Kansas City orchestras got an asterisk and a gloomy footnote when the Ford Foundation recently announced the results of its historic grants to the nation's orchestras. In the entire United States it was the Kansas City Philharmonic alone (apart from a pair of New York City-based, non-community-supported orchestras) that was dropped from the Foundation's program for failure to raise the designated funds.

First of all, this sad situation was no fault of the players. It was rather the end result of one of those situations that have existed in too many cities in this country. A board of directors drawn from wealthy but not musically alert citizens rather enjoyed playing the role of benevolent patrons until the tab began to grow larger than they cared to keep on covering. When their musicians, like reasonable people anywhere else, decided that they needed year-round employment, things began to deteriorate.

This was coupled with a conductor who all but asked "Children's concerts! What for?" and who then suggested an entire season of all-Beethoven concerts, and nothing but Beethoven for the season. So it is not hard to see how, two years ago, the Kansas City Philharmonic, having also mismanaged what funds it had on hand, simply went out of business.

But few cities with the artistic intentions of a Kansas City are likely to go without an orchestra for very long. There is, after all, a notable museum of art in the city and several universities are there. One of them, the University of Missouri in Kansas City, is also the home of the Kansas City Conservatory, for many years one of the progressive music schools in the country.

Thus it was not surprising that last year, some determined supporters of the defunct Philharmonic gave practically all their time for a year to restoring both money and solid planning to a reborn orchestra. They made the right moves in several directions.

For artistic advisor and principal conductor they engaged Jorge Mester who is not only the conductor of the Louisville Orchestra, but also in charge of the music program at the Aspen (Colo.) Music Center in the summer. He is both a consummate conductor and a notable teacher of conducting.

Moreover, Mester has a feeling for repertoire that has led him to outstanding programming in both cities whose orchestras he now heads. In Kansas City this new season of the revived orchestra, for example, he has conducted Mozart's Symphony No. 26, a work rarely played anywhere; a Purcell Chaconne, the exquisite "Bourgeois Gentilhomme" music of Richard Strauss, which would be a distinct pleasure any time someone played it in Washington, and such large works as the Scriabin "Poem of Ecstasy" and Mahler's

Fifth Symphony. To these, he added, in the solo vocal area "Les nuits d'ete," by Berlioz, which would be another welcome visitor on Kennedy Center programs.

That he can program these with an orchestra in which one of the Kansas City music critics often laments the lack of a larger body of strings, is due both to Mester's awareness that a huge orchestra is not always the necessity some people think it to be and that he has a string body that produces a fine, eloquent sound.

In recent hearings the Kansas City orchestra showed how much it has gained in being able to engage as its concertmaster Marc Gottlieb, for many years the leader and first violinist of the Claremont Quartet, a musician of the finest instincts and abilities. Its first stand of cellos are also excellent, while the violas are headed by a young man of special gifts.

Its winds are equally smooth and able, including a horn player who moved to Kansas City directly from the Cleveland Orchestra where he had played under George Szell. A family situation requiring his moving atturned to Kansas City's benefit.

Already the budget which the orchestra's new manager, Howard Jarratt, has proposed to the new board, is close to the million-dollar mark. Jarrett was another fortunate move for the Missouri city, coming to them after years of experience and outstanding management of the Dallas Orchestra, which has, for the moment, landed in troubled waters (of the between-conductors kind).

In an interview some years ago, a former mayor of Kansas City gave me what may be the clue to that city's determination to revive and give renewed health to its orchestras. Then Mayor Davis noted that, as an industrial center of considerable variety and vitality, Kansas City was continually on the lookout for ways of attracting new businesses.

Nothing, he stressed, was more important to companies looking for a new location than the leisure-time, cultural activities offered by a prospective city. Transportation, open space, housing and other physical matters are often relatively equal in a number of possible sites, he said. But in his opinion, the conclusive factor was the presence of cultural opportunities in one community that were superior to those in another.

That is only one more reason, among several good ones, that the Kansas City Philharmonic, having survived a difficult illness, is now mended and back in business again, probably becoming stronger than ever.

PUBLIC INVOLVEMENT IN THE WAR AGAINST DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RANGEL. Mr. Speaker, we, in Congress, certainly know that the fight against drug addiction and trafficking will not be won here in Washington, D.C. More important than creating agencies, spending money for various programs, or making speeches is the hoped-for involvement of citizens in aiding law enforcers in the narcotics fight. Such involvement is taking place in my home city of New York. The Daily News, a major city newspaper, has instituted a "bust-a-pusher" program. The program encourages the public to report the existence of suspected drug-trafficking in their neighborhoods. In a recent 5-day period, the New York police have apprehended 22 narcotics suspects "fingered" by concerned citizens contacting the News.

This is a promising and important step in the involvement of citizens helping to promote safety, and communities without fear. I sincerely hope that many other newspapers across the country will establish antinarcotics programs along the lines of New York's "bust-a-pusher" program.

U.S.S. "FALL RIVER" TO BE DISMANTLED

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, 28 years ago this summer the U.S. Navy commissioned a heavy cruiser name the U.S.S. *Fall River*. That ship, having served with distinction, is now about to be dismantled.

It was a pleasure for me to intercede last year on behalf of the Fall River Maritime Museum, to obtain the ship's bell and other memorabilia from the Navy Department. I met with the museum's officials last week, in the city for which the ship was named, and I am delighted that this proud ship will not be forgotten—that its memory will be honored by the people of Massachusetts.

The city of Fall River has a distinguished maritime tradition; indeed, Fall River is the permanent home of the retired battleship *Massachusetts*, and next month we will officially dedicate the retired submarine *Lionfish* as a memorial to the men of the 52 U.S. submarines that were lost in World War II. In addition, the city's history as a port, and its potential for future maritime activity are well known.

I submit for the RECORD, and for the further edification of my colleagues, the lead editorial in the Fall River Herald News of Wednesday, March 21, 1973—a tribute to the U.S.S. *Fall River*.

[From the Fall River (Mass.) Herald News, March 21, 1973]

U.S.S. "FALL RIVER" SERVED NATION WELL

The USS Fall River, a heavy cruiser named for this city, is about to be dismantled. The 675-foot cruiser is waiting demolition in Portland, Oregon, and with it will go many memories for Fall Riverites who followed its career from the time it was commissioned in the summer of 1945, just before the close of World War II.

A year later it served as the flagship for Rear Admiral F. G. Fabrion during nuclear weapons tests in the Pacific. In 1947 it was the flagship of Cruiser Division I in Pacific maneuvers. During the crucial years just after World War II the Fall River served as an effective symbol of the U.S. presence in the Pacific area at a time when this country symbolized the only remaining strength in the entire Free World.

News of its dismantling recalls to thousands of persons in Greater Fall River the pride this community felt at learning the heavy cruiser bearing its name was about to be commissioned. At the time it seemed probable that the Fall River would see action in the projected invasion of Japan. Certainly at the time of its commissioning it bore many gifts from the city and civic groups here. There was attached to it the natural sense of identification any locality or person feels for a namesake.

As the Fall River passes into the history books, it will take with it the affectionate recollections of this city, together with the knowledge that it served its country well in all the commissions it received.

TRANSFER SUBMERGED LANDS TO TERRITORIES

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. DE LUGO. Mr. Speaker, I have today introduced legislation to transfer from Federal to local jurisdiction certain submerged lands in the Virgin Islands, Guam, and American Samoa.

My bill would grant these islands the same privilege of ownership of offshore land areas now possessed by all coastal States and the Commonwealth of Puerto Rico. This includes "all lands permanently or periodically covered by tidal waters up to, but not above the line of mean high tide and seaward to a line 3 geographical miles distant from the coastlines." The legislation would enable the residents free use of submerged lands adjacent to their coastlines inhibited only by applicable Federal and local environmental restrictions.

At present this is not the case. In order for residents to make any use of these lands, such as the construction of a small dock, a time-consuming maze of redtape must be waded through. Local governments must give building permits and sanction use, after environmental considerations are weighed. Additionally, the resident must petition the Department of the Interior for approval. Interior cannot act, however, until it has the approval of the Environmental Protection Agency.

I can conceive of no reason why this unwieldy process cannot be simplified to a procedure that would less impede orderly use of the submerged land. It can take the better part of a year for a simple request to be acted upon.

In essence, my bill would eliminate the unnecessary steps in the process. Use of land would still be subject to environmental scrutiny and building permits, of course, would have to be secured. However, the nonproductive function of Interior's middleman paper shuffling would not have to occur.

The legislation I have introduced has provisions that exempt from the transfer those submerged lands that are important for the United States to retain. Among these exceptions are:

First, all deposits of oil, gas, and other minerals—this does not refer to coral, sand, or gravel;

Second, submerged land adjacent to propertly owned by the United States;

Third, all lands acquired by persons other than United States;

Fourth, all lands designated by the President within 120 days of the enactment of this legislation; and

Fifth, lands previously determined by the President or Congress to be of scientific, scenic, or historic character and warrant preservation and administration under the National Park Service Act.

Mr. Speaker, my proposal is quite reasonable and uncontroversial. Simply put it gives the Virgin Islands, Guam, and American Samoa the same right to use their adjacent submerged lands that other American jurisdictions have excepting only those lands which for some overriding reason should be retained by the Federal Government.

I ask that my colleagues favorably consider this measure and give residents of these islands possession of these submerged lands.

V. J. SARTE NATIONAL HYDROCEPHALUS RESEARCH FOUNDATION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. PATTEN. Mr. Speaker, when V. J. Sarte, of 23 Sulliman Road, Edison, N.J., was born about 2 years ago with hydrocephalus—commonly called "water on the brain"—his mother, Mrs. John "Athena" Sarte, suffered deep anguish.

She knew that an estimated 50,000 families in America experience the same suffering each year because of this devastating birth defect. But Athena Sarte did more than just suffer—she went to work and with her organizing ability, strong leadership, and dynamic personality, established the V. J. Sarte National Hydrocephalus Research Foundation, in Edison, N.J.

Hydrocephalus is a congenital disease, with 50 percent of those afflicted dying before their first birthday, and of those who survive, 75 percent suffer severe mental and motor retardation. Mrs. Sarte's son, V. J., is blind and has little motor ability.

When I first read of this tragedy, I wrote to Dr. John F. Sherman, then Acting Director, Public Health Service, National Institutes of Health—NIH—asking for expansion of the Federal programs that attack and hopefully, will eventually cure and prevent hydrocephalus. NIH is active in this fight, but more research is needed, and this inevitably means that more funds are required.

Mrs. Sarte is both founder and national president of the V. J. Sarte National Hydrocephalus Research Foundation. What kind of person is she? This is what Winifred I. Cook, staff writer of the Home News, of New Brunswick, N.J., wrote about Mrs. Sarte and her son's tragedy, which some day may end in triumph:

As a newspaper woman for some 25 years, I have covered many different kinds of stories—some very touching. However, I don't think any story affected me as deeply as this one has. I did not know Mrs. Sarte before I went to her home in Edison to talk with her. Now I have only the highest admiration for her and for what she is attempting.

Mr. Speaker, with the hope that my colleagues in Congress and those who read the CONGRESSIONAL RECORD, will have a greater understanding of the problems and goals of this foundation, I hereby insert in the RECORD the most recent newsletter written by Mrs. Sarte:

Cerebro-spinal-fluid, fluid accumulating abnormally in and expanding the yet unwelded cranial bones of a frail, helpless child. Yes, this is hydrocephalus (water on the brain). Hydrocephalus has been known for centuries, as revealed in Biblical writings.

This ancient affliction is relatively unknown to the lay person except to those touched by this tragedy and heartbreak. It is one of the top birth defects in our country, yet because of insufficient funds for concentrated research, remains an unknown shadow in our society.

Why???

. . . do afflictions of this kind forever hang over our society?

. . . do these "Angels Unaware of God" crying for help in their mentally deteriorating, physically imperfect bodies, plead to a forest of darkness?

. . . because of lack of funds for research.

National awareness, education and funds to find the answers to this tragedy of life must be materialized. . . . with your help.

The "V.J." Sarte National Hydrocephalus Research Foundation is dedicated to this cause. We have no payrolls to meet or offices to maintain. Everything we do is on a voluntary donation basis.

Our national goal is ½ million membership at $3.00 per year, tax deductible. The reward for helping is knowing that you are instrumental in shaping and directing the destiny of approximately 50,000 lives.

Who knows if the child you help to be born normal will be your own or that of a loved one? Reach for the tiny hands of these fragile infants. Don't turn away. Donate now! Funds will be used for expanded research. Experience a lifetime of satisfaction in giving thousands of newborns the chance to come into the world as normal functioning humans in our society.

A. M. SIMON, DEAN OF LAWYERS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. GAYDOS. Mr. Speaker, the city of McKeesport, Pa., last month lost one of its foremost citizens, Mr. A. M. Simon, dean of the city's lawyers, a cofounder of the McKeesport Chamber of Commerce and the recipient of untold numbers of awards, honors, and accolades.

This fine gentleman, blessed with a keen legal mind, served most of the community's major financial and business institutions, was the legal adviser for many prominent citizens and served in the same capacity, but without pay for numerous community and civic organizations. Despite his richly deserved reputation as an attorney, Mr. Simon continually referred to himself as "simply a smalltown lawyer."

Mr. Simon died at the age of 93, ending a legal career which spanned 67 years. His death has left a void in the profession as well as in the community which will never be filled.

MANY TOWNSEND PLAN FEATURES NOW IN SOCIAL SECURITY LAW

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. McFALL. Mr. Speaker, for several years I have been a sponsor of proposed legislation known as the Pay-As-You-Go Social Security and Prosperity Act, designed as an alternative to our present program of social insurance.

It would apply the basic principles of the original Townsend plan, but with modifications to meet the problem of inadequate social security benefits, welfare, and hopeless poverty that unfortunately surrounds a large segment of our population.

Recently I introduced H.R. 4018, containing certain changes from the legislative proposal which was before the 92d Congress, in order to reflect today's circumstances.

Although proposals of the original Townsend plan and its revised version were considered too advanced by many only a few short years ago, it is interesting to note that a number of these suggestions now have been incorporated into our present social security system, significantly changing its structure and objectives. We have made considerable progress during this period, but much remains to be done.

At this time I would like to include in these remarks an assessment of where we are and the goals still remaining to be achieved from the standpoint of a man who has spearheaded this effort over the years, Mr. John Doyle Elliott. Mr. Elliott is the Washington representative of the Townsend organization. His views are his own, of course, but I believe the Members would appreciate the following analysis he has prepared:

PROSPEROUS RETIREMENT FOR ALL

(By John Doyle Elliott)

Just as certain labor unions have prosperous retirement for long-term workers by contract, H.R. 4081 will establish a universal "contract" covering all businesses and occupations, all the people, all the time and providing just such prosperous retirement for all.

If there is a flaw, or wrong, in this "contract" then existing contracts are just as wrong, as well as being discriminatory by abolishing the problem only for some.

In the retrospect of history, I find the well informed recognizing that the Townsend Plan contributed mightily to focusing public conscience on these critical needs. This plan for prosperous instead of impoverishing retirement as the inherent right of all Americans has been a tremendous influence on the shape of present legislation and its constructive improvements.

HISTORY REPEATING

I sense history repeating itself. In the Townsend Plan—where we have found the guiding ideas for improving Social Security—I believe we will find the guidelines for its

perfection, in the future. The Social Security and welfare measures adopted by the 92nd Congress confirm that conviction even more firmly than the many previous instances.

1. Widows' and dependent widowers' Social Security benefits are to be 100 percent of the workers' primary benefits. A cardinal principle of the Townsend Plan, equality for women, adamantly, constantly opposed from the very beginning, now receives full acceptance.

2. Social Security's "retirement test" is now dot for dot and cross for cross as the Townsend Plan bills proposed it. Now, the $1 benefit-loss for each $2 earned will operate until the entire benefit is exhausted, thus ending the punishing $1 loss for each $1 earned over an arbitrary limit. Of course, the present system's benefits still impose a seriously regressive impact, because it will wipe out the smaller benefits more quickly than the larger, leaving the poorer people completely dependent on meager earnings. However, the move is under way to advance benefits towards more realistic levels, which will progressively lessen this regressive impact, ultimately cancelling it.

3. Benefits are automatically to be adjusted in step with Consumer Price Index advances of at least 3 percent. After over 35 years of rejection, this Townsend Plan principle is honored. However, advancing standards of living also must be matched. Only half the need is presently met by enacted law.

PAST VIEWS REVERSED

4. A $170-a-month, special minimum primary-benefit for those with 30 years coverage under Social Security ($200 was approved by the Senate) is adopted. This completely reverses past views of minimum benefits. This is a presumed entitlement to a much higher benefit not related to past earnings! It is positive turning towards the basic Townsend Plan concept. Both in dollars and principle, it is a revolutionary reversal of view.

Note that Townsend Plan testimony starting in 1954 hearings on Social Security Amendments, advocated a presumed wage in "covered employment" to be inherently vested in every individual, sufficient to provide a minimum benefit which would bar poverty (hence, eligibility for welfare) even for individuals caught with no other resource. That advocacy is mirrored in this presumed entitlement of at least $170 a month ($200 by the Senate), to advance with living costs. The Townsend Plan principle is in the process of enactment.

5. The same concept is reflected in the new welfare reform for Federally financed and administered guarantee of a minimum income of $130 a month for the aged, blind and disabled. This is a uniform national standard replacing State-determined standards of aid and eligibility. It is a repudiation of past principles, even by their own, former advocates. Along with this new concept of such aid, welfare will allow, without deductions, other income resources such as certain Social Security benefits and earnings—amplifying the reversal of views and changes now emerging. Social Security is changing into a provider of prosperous instead of impoverishing retirement for the American people. The new views and attitudes inherent in these changes, right along Townsend bill guidelines, are unmistakable.

SHAPED 1972 LAW

The great, national pension is an image which shaped the 1972 law and debate. Its realization is on the way.

Since fulfillment is the real, final test of prophecy, the Townsend Plan may well prove the most accurate and prophetic vision and principle of our century.

6. Another profound manifestation of Townsend Plan principle is embedded in what Congress has done. We have not, for some time, been hearing about vast Social Security Trust Fund reserves—frequently estimated by "experts" at ¼ trillion dollars shortly after the turn of the century for OASI alone. Those "actuarial" visions have faded.

Instead, we now receive assurances that OASI is adequately funded with reserves representing benefits for a year to a year and a half. It's now a program and is exactly what the Townsend Plan originally proposed and constantly urged.

7. The very people and authorities who instituted, championed and defended the payroll and self-employment tax on the gross earnings of middle to lower income workers to support Social Security, are now branding it regressive, unjust, oppressive to the poor—in whose rescue and benefit our whole Social Security and misnamed welfare system found birth and justification! This is what the Townsend Plan said from the vey start.

Has there ever been so tremendous a reversal of view and action? I suggest that, in the future, we should most seriously bear in mind that this whole movement of reversal of views on Social Security and welfare is, virtually count by count, towards some feature, or principle of the Townsend Plan bill, H.R. 4018.

PAYROLL TAXES CONDEMNED

8. Ways and Means. While payroll taxes on the gross earnings of workers are being condemned as unfair and involving intolerably high tax rates (now crowding 12 percent), they are financing but a mean part of what the 1972 debate clearly admits ought to be provided. It is another echo of 38 years of Townsend Plan testimony. Now, what is proposed? Simply that "general revenue" be tapped to augment the present Social Security payroll taxes, to help finance improvements. This does not remedy criticisms of the present system! It leaves the present evils intact, only adding "progressive income taxes," based on ability to pay like our established income-tax system.

The above is coupled with a program to raise the payroll tax-base progressively into the future.

The Townsend Plan bill always has and does propose a very different mechanism, known as the Gross Income Tax (based on gross receipt of all persons and companies). The payroll tax is on the gross income, total earnings, of workers from the first dollar up to the prescribed (constantly rising) ceiling—$19,800 for 1973.

H.R. 4018 would exempt personal gross incomes up to $400 a month. All gross receipts of companies (all legal persons other than individual people) will pay. It is the broadest possible tax base and involves, for any given revenue yield, the smallest possible tax rate. The present tax requires the largest possible tax rate.

Putting no direct tax on individuals with less than $400 a month, H.R. 4018 overcomes the regressive, soak-the-poor character of present Social Security taxes.

Many have—and doubtlessly will—claim the proposed tax on businesses will pass on to consumers and hit the poor. They miss this reality: This pass-along will bear proportionately more heavily on those better off. It will not cancel the advantage of the exemption on persons up to $400 a month at all.

Next, clearly, Townsend Bill benefits favor the poor and are sufficient to bar poverty even for those caught with no other resource. (The new Social Security special minimums and the new welfare income guarantee favor the poor, moving towards the Townsend Bill standard.) Thus, in proportion to contributions, these benefits will be of the greatest possible value to the poorer, while of relatively less value to the more fortunate and insignificant to the rich. The higher their income level, the less the relative value of the benefit to them. The rich will get less for their money than the poor, specifically abridging the criticism and faults of the present system.

FOR PEOPLE-SPENDING

Further, let it be remembered that Social Security (whether under the Townsend Plan, or the present program) calls for taxes to support benefits, not burdens. It's for people-spending, not for government-spending. The same tax can't be right for financing both benefits and burdens! The proportionate tax of the Townsend Bill is the just tax for benefits for remedying these flaws in our prosperity and freedom, for improving human living. It is the "general revenue" mechanism that is needed justly to finance all Social Security improvements until it becomes the system we ought to have. It is defined in sections 214 and 229 of H.R. 4018.

In view of the series of facts enumerated above in which by witness of time's distillation of truth, the Townsend Bill has been right from the start. I believe good sense dictates that Congress entertain the serious suspicion that it is very likely to be right on this critical issue of financing, between now and the time we achieve the just Social Security program America ought to have.

In fact, I believe it all properly raises this question. How can the prosperity with freedom, justice and happiness successfully pursued—which ought to be this country's crowning achievement—ever be a reality without the provisions and benefits of this bill?

MINIMAL APPROPRIATIONS FOR LEGISLATIVE BRANCH

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. DAN DANIEL. Mr. Speaker, in these days when there is so much discussion of budgetary matters, much of the press coverage has given little emphasis to the tremendous job which confronts Congress in dealing with this problem.

The fact is that 535 Members of Congress and their committees and personnel staffs are charged with digesting a mammoth budget prepared by thousands of members of the executive branch in a time frame which is most restrictive. In many instances, the executive departments have spent months in preparing their estimates and back up information and the whole operation consumes far more time than is ever available to the congressional committees.

Appropriations for the legislative branch are minimal when compared with the tremendous operating costs of the budgetary division of the major executive departments and the Bureau of Management and Budget. This point is well stated in an editorial which appeared in the March 21 edition of The Register of Danville, Va. which is published in my Congressional District. The newspaper takes account of the fact of the disproportionate costs in the executive and legislative branches and it commends us for the job we try to do.

Modesty does not permit us to "toot our own horn" unduly but we can take satisfaction in knowing that there are those in the press who recognize the problems with which we are confronted and look with favor upon the relative low cost of our operations.

It is often said that the staff of a Member of Congress is really an extension of his own right arm and those who work for us are in a large respect simply allowing our efforts to be multiplied. Considering the job we are called upon to do, the cost is far less than many other activities of Government today.

I commend the editorial to the reading of the Members of the House.

The editorial follows:

SENATORS AT $390,000 EACH

Compared to the cost of the executive departments and regulatory agencies, the government's expense for maintaining the Congress is peanuts. It sounds big when applied to individual members but not when it is totalled as the cost of making the nation's laws.

To keep each of the 100 Senators in Washington, the payroll for all his office staff, the necessary allowances for the business of representing his state, and the expenses of other duties of his office the total is about $390,000. For each of the 438 Representatives and delegates, the cost is $188,000 each.

A member of Congress who devotes his talents to his job is worth all the help he can get. This maintenance cost goes largely for making his job more useful to his constituent and to the nation. Besides the basic cost of $62 million for salaries of House members' office staffs and $20.4 million for salaries and travel allowances of members, the appropriation for senators' office staffs was $34.2 million and $4.7 million for senators' salaries and mileage. Fringe benefits include franked or free mail for official correspondence, and stationery, telephone and telegraph allowances.

It all goes to relieve the member of routine duties so that he can devote the bulk of his time, thought and effort to legislation. All that the taxpayers ask is that he does just that, and the cost will be accepted without question. Perhaps it is subsidizing Congress. If the product is good for the country, it will be well spent. If not, any sum is too much.

BILDERBURGERS MEET IN AMSTERDAM

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RARICK. Mr. Speaker, the new détente between the created powers recently resulted in a gathering of big shot European and American financiers, industrialists, and politicians in Amsterdam at what was billed as the "Europe-America Conference," and reportedly financed by the International European Movement.

But, behind all the new slogans and movements, the names and faces are the same, that is, the Bilderburgers.

I insert the following news clipping at this point:

[From the Washington Post, March 27, 1973]

EUROPE, U.S. NOTABLES WARN OF THREAT TO UNITY

(By Bernard D. Nossiter)

AMSTERDAM, March 26.—An all-star gathering of American and European officials from the past two decades warned today that Atlantic unity is threatened on both economic and military fronts.

They expressed their fears over the "euphoria of detente" in East-West relations; talk of American troop withdrawals from Europe; floating currencies; rising trade protectionism; and the growing economic strength of Middle East oil producing nations.

Although the degree of alarm varied from notable to notable, virtually all saw dangers, and only a rare figure took any delight in the way the world is moving.

The three-day "Europe-America Conference" here, attended by some 50 eminent persons, is sponsored by the International European Movement, which is thought to get most of its funds from large corporations.

The European delegates included NATO Secretary General Joseph Luns, two former presidents of the Common Market executive commission, Germany's Walter Hallstein and Belgium's Jean Rey, and two former chancellors of the British Exchequer, Roy Jenkins and Reginald Maulding.

The high-powered American group included John McCloy, former Under Secretary of State Eugene Rostow and two former deputy defense secretaries, Cyrus Vance and David Packard.

Many had played central roles in creating or operating postwar landmarks like NATO and the European Economic Community.

Prince Bernard of the Netherlands, a serious royal consort, set the keynote by viewing "with great concern . . . a deterioration of the relationship" between the United States and Western Europe.

He observed that Europe is increasingly anxious over the "reliability" of the American nuclear commitment, but European nations "refuse to consider what a real sharing of the burden means."

It was the address by New York Gov. Nelson Rockefeller, who was accompanied by three advisers, that embraced virtually all the worries dominating the talks here.

He deplored the Democratic Party's proposal to reduce the 300,000 American troops in Europe and traced it to "the combination of prosperity, detente and the resulting trend toward isolationism."

He was fearful that "a proliferation of East-West negotiations and the conduct of independent foreign policies with the U.S.S.R.—in areas of mutual involvement—can only increase the vulnerability of the West and, in the final analysis, destroy the Atlantic community."

The present balance of nuclear strategic force, he indicated, meant that the United States could no longer be counted upon to respond to an attack on Europe. He suggested that the French and British combine forces to develop a deterrent of their own, a propect that is already a gleam in the eye of Prime Minister Edward Heath.

On the economic front, Rockefeller saw the "monetary framework" collapsing and the "doctrine of free trade being eroded . . . on both sides of the Atlantic." He was concerned about the "ingeniously aggressive expansionist trade policies" of Japan and the growing Western dependence on imported oil. He urged common policies to deal with both.

For the most part, other leading figures who spoke today quarreled little with Rockefeller's gloomy balance sheet. Packard, now once again boss of an electronics firm with big defense contracts, insisted that an Anglo-French nuclear deterrent would pose "unthinkable" problems. The United States commitment could not be shaken, he indicated, as long as Europe kept up its spending on conventional weapons.

Almost alone, Jens Otto Krag, former prime minister of Denmark, welcomed the growing thaw in East-West dealings. He saw the preparatory talks for a European security conference as "the dawn of the day (for) a realistic East-West dialogue."

Krag said he expected "fairly modest" results from the conference which is expected to open later this year. But he viewed it as part of "a lengthy process of gradually bringing East and West in Europe closer to each other."

The pessimists were most notable on the economic side of the equation.

Henry H. Fowler, former American secretary of the treasury, called floating currencies "the easy way out".

If the world did not return to a system of fixed exchange rates, Fowler said, it would "encourage protectionism and trade wars between blocks, refashion more tightly controls on capital . . . and weaken or drastically alter the alliances that have served the cause of peace and prosperity since World War II."

Fowler is now a partner in Lehman Brothers, the investment banking house.

SEX DISCRIMINATION IN CREDIT OPPORTUNITY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Ms. ABZUG. Mr. Speaker, a particularly paralyzing form of discrimination against women in this country is that of denial of credit solely on the basis of their sex.

During last year's hearing on this subject before the National Commission on Consumer Finance, a parade of witnesses offered documentation of numerous instances wherein the sex of the applicant was the sole basis for denial of a loan. A study on banking practices conducted by the Department of Human Rights in St. Paul, Minn., for example, concluded as follows:

Approximately 39% of the banks interviewed revealed discrepancies in the loan policies stated to males and females: Two banks allowed the male interviewed to obtain a loan when under the same set of circumstances they would not make any statement or commitment to the female interviewed. Three banks that had a policy of requiring both signatures on a loan would make an exception for the male interviewer but not the female interviewer. Two banks would allow the male interviewer to receive a loan without his wife's signature, but would not allow the female to receive the same loan without her husband's signature. Two banks would grant a loan to a married man but the same loan is an exception to policy for married women.

My three bills on this subject—H.R. 246, 247, and 248—would outlaw such discrimination in both personal or consumer and business loans. I understand that the Subcommittee on Consumer Affairs of the Banking and Currency Committee plans to hold hearings on this subject in the near future, and I look

forward to a full presentation of the great magnitude of this problem at that time.

Last Sunday's New York Times carried an excellent article on sex discrimination in the credit field, and I include it at this point in the RECORD:

WOMEN EQUALITY GROUPS FIGHTING CREDIT BARRIERS

(By Marylin Bender)

A revolt against what many women and civil rights lawyers perceive to be sex discrimination in the extension of credit is gathering momentum.

Under the slogan "Give credit to a woman where credit is due," the assault takes two forms: a search for legal redress and well-publicized pressure tactics against the business community.

Some barriers are buckling more quickly than expected with support from politicians seizing "a nice clean issue, not abortion" (as one feminist put it), and from retailers and bankers aware that the female 53 per cent of the population dominates the consumer economy. There have been these developments:

Sex discrimination in the granting of credit is under attack in bills pending in both houses of Congress and at least half a dozen state legislatures, including New York's. The first state law specifically banning sex discrimination in credit and insurance transactions has just been passed in Washington.

The community property law was amended last year in the State of Washington to make wives equal managers of the property. A lawsuit soon to be filed in United States District Court in Louisiana will challenge "the arbitrary designation of the husband as sole manager of the community property." Such changes would give creditors additional protection and have profound implications for women's credit opportunities in the eight community property states.

The National Commission on Consumer Finance, which held hearings on the subject last May in Washington, D.C., recommended in a recently released report that states review and amend laws that inhibit the granting of credit to women.

Hearings by state commissions have since been held in Pennsylvania, California, Idaho and New Hampshire and by the Federal Deposit Insurance Corporation. Government investigations have been started in Wisconsin, Virginia, Missouri and Michigan.

The Center for Women Policy Studies in Washington, D.C., has received a grant from the Ford Foundation to study the problem.

The National Organization for Women has produced a manual for groups wanting to set up a credit project. Two to three dozen NOW chapters already have.

Such projects by women's groups in Dallas, Minneapolis and St. Paul and Baltimore against department stores and other retail grantors of credit have made it easier for women to open charge accounts in their own name. The Baltimore Credit Bureau Inc. agreed to set up independent credit records for women.

"Discrimination in credit deprives women of participating in the major American way of life and denies them equal access to the same opportunity men enjoy," asserts Barbara Shack, director of the women's rights project of the New York Civil Liberties Union. Like many other experts in this new area of civil rights, she acknowledges that reluctant merchants and lenders do not act necessarily out of male chauvinism.

Many are intimidated by the confusion surrounding the legal property rights and liabilities of women in the United States.

Still, three areas of inequitable treatment have clearly been identified in the hearings, investigations and surveys: retail credit, mortgages and bank loans. Women have "second class status" in stores and banks, according to the most thorough survey on the subject of women and credit, which was published last month by the Oregon Student Public Interest Research Group, an offshoot of Ralph Nader's consumer movement.

CLASS DOES NOT MATTER

That status cuts across age, race and economic class, although those of child-bearing age, the separated and divorced and those who most need credit to survive, show the greatest bruises.

Mrs. Eddlene Bloom of Oak Park, Mich., who was divorced last November, has sole title to a new Volvo, to a home valued at $38,000, more than $30,000 income in alimony and child support, and a savings account of $3,000 in the same bank where she and her former husband had a joint checking account for 10 years. She also works part-time.

Yet last January when she applied to the J. L. Hudson Company for a charge account, she was asked for the names of her former husband and her lawyer. "Just to be safe, so we can verify your ability to pay," she was told. She received the charge plate, marked Ms., in two weeks. Last month, though, her application for a Master Charge account through her bank was turned down.

What disturbs Mrs. Bloom and other divorced women is to be "automatically" classified as a credit risk. "For years, I handled all the bills for the household," she said. "I am the one who insured our excellent credit rating, except that it turned out to be 'his' not 'our.'"

Indeed, while the married woman "is a nonperson when it comes to credit," as Representative Bella Abzug, Democrat of Manhattan, has said, the divorced or separated woman runs into what the Oregon study terms "the catch 22." The store will not extend credit "because the credit check will frequently find that she has no credit rating at all. The entire credit history belongs to the husband." The report recommended that wives be given separate files in credit bureau records.

ALIMONY OFTEN DISREGARDED

Many credit managers and lenders refuse to consider alimony or child support as income, moreover, because they do not regard it as a steady and certain source.

On the other hand, they are also reluctant to count the salary of the young working wife.

Take the case of Paul Wintjen, 27, of Milford, Del., and his wife, Marjorie, 25. Last year they were told their combined income of $14,000 a year was too low to qualify for a Veterans Housing Administration mortgage with which they wanted to finance a $19,900 house with a 10 per cent down payment.

Mr. Wintjen was earning $9,500 a year as manager of a fast food restaurant. The bank refused to count the $4,500 salary of Mrs. Wintjen, a hospital technician. However, the bank lending officer suggested that one half of her income would be computed if she would submit a medical certificate of sterilization. If her husband were to have a vasectomy, though, her income would not be counted "because you can still get pregnant."

Mrs. Wintjen bitterly reflects that "my income is counted 100 per cent by the state of Delaware and the United States Government for income taxes."

Proof of inability to bear children has customarily been demanded of young wives by bankers, who seem to regard the age of 38 as the frontier of safety. They are also biased in favor of nurses and teachers (as opposed to secretaries and assemblyline workers) on the theory that they are likely to go promptly from childbirth back to the job because their services are so much in demand.

A survey by the United States Savings and Loan League showed that 72 per cent of 421 banks queried said they would ignore part or all of a working wife's income. Only 28 per cent said they would count all of it.

Since 1965, the Federal Housing Administration's official policy has been to disallow a young wife's income only if she has no definite record of employment. In 1971, the Federal National Mortgage Association (Fannie Mae) repealed its guidelines of counting 50 per cent of a wife's gross earnings.

But the present determination of whether the joint income is likely to continue has been criticized by women's rights group as being too subjective. And even when guidelines are loosened, they say, word does not necessarily filter down to the loan officers in the field.

Particularly vexing to women's rights groups is what they view as the inconsistency of credit policies as well as the "wide gap between policy and practice" (as the Women's Equity Action League found in its Dallas project).

In February, 1972, the St. Paul Department of Human Rights tested 23 banks by sending a man and a woman with identical credentials to apply for a $600, 18-month auto loan. Both were 24 years old, married, earning $12,000 a year as research analysts and the sole support of their student spouses. Both had good credit histories. Thirty-nine per cent of the banks revealed discrepancies in their loan policies (such as requiring a co-signature only in the case of the female), and nine banks were found to discriminate.

Most of the practices used in extending credit "are based on outmoded assumptions about the status and role of women in society," said Senator Harrison A. Williams Jr., Democrat of New Jersey in introducing his credit discrimination bill.

He pointed out that nearly 43 per cent of the female population worked and more than 44 per cent of married women living with their husbands were employed. Three out of 10 married women with children under 6 are in the labor force.

Feminists argue that there is no valid evidence to support the assumption that women are bad credit risks. A 1941 study by David Durand for the National Bureau of Economic Research offered statistical proof that women were better credit risks than men. A few more recent studies, as summarized in the Oregon report, either confirm this or conclude that marital status is not a reliable determinant of credit worthiness.

Title VII of the Civil Rights Act of 1964, which introduced the sex discrimination ban into Federal law, is addressed to employment. There is no Federal law or constitutional court interpretation to protect women in credit transactions. Some feminists argue that the Equal Rights Amendment, if ratified, would be a powerful tool against credit discrimination.

In Congress, three bills introduced by Mrs. Abzug would bar discrimination by sex or marital status in federally-related mortgage transactions, by federally insured banks or by creditors through an amendment of the Truth in Lending Act. A bill by Representative Margaret Heckler, Republican of Massachusetts, is also drawn to cover consumer lending.

Senator Williams's bill is broadly written to extend the Consumer Credit Protection Act. It also contains a provision for individual suits in a civil action, with damages equal to the amount of credit refused.

STATE LAWS DEFINITIVE

It is in state law, however, that property rights are defined and that creditors try to cover their risk. The Married Women's Property Acts, prevailing in 42 states, give women the right to contract in their own names. However, state laws also make husbands responsible for their wives' support. The am-

biguous word "necessities" is often stated in connection with support and it gives some creditors pause.

In 11 states, there are some limitations on the liability of a wife for the contracts she signs and creditors fear she might disclaim her obligation.

So it is that creditors ask for information about a husband's income or demand his cosignature because they want double protection in collecting the debt. "They have no right to it," says Mrs. Shack, of the New York Civil Liberties Union. She advises women who refuse to give it that they are within their rights, in New York at least. Furthermore, Mrs. Shack says, creditors should realize that the wife's earnings are free from her husband's claims so "she is really a better credit risk than he."

In the eight community property states, the wife is supposed to own half the property acquired after marriage. But until amendments like the one passed last year in Washington, the husband is sole manager of the community property.

Recent attempts to write a ban on sex discrimination into state or municipal law have usually proceeded on oblique courses. Washington has just passed the first law that flatly gives the right to engage in credit transactions without discrimination by sex or marital status.

CONSCIOUSNESS STRESSED

Most other efforts have been directed toward amending a public accommodation law to include a sex discrimination ban and then have a court or agency construe a bank or a retail store as a public accommodation. Such a bill just passed the New York State Assembly. Mrs. Shack has also filed a complaint under a sex discrimination ban in the state human rights law relating to loans for housing, land or commercial space. A bill signed and passed by the New York City Council is similarly related to housing.

Ira M. Millstein, a New York lawyer who served as chairman of the National Commission on Consumer Finance, is one of those who believe that legislative change is not the most important tactic.

"A lot of women are still not aware they should be entitled to credit," he said. "Until they are conscious that a woman with income is a person entitled to credit, period, that marital status shouldn't interfere, that she should be judged as any wage earner for better or worse, what good will it do to put another law on the books?

"As soon as women start stamping their feet and raising hell and getting to the right person in the credit granting office, it will get done," he declared.

"FORT WORTH FIVE"

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. EILBERG. Mr. Speaker, on March 13 Subcommittee No. 1 of the Judiciary Committee held a public hearing on the status of the "Fort Worth Five."

As chairman of the subcommittee, I asked the Department of Justice to explain why these five Irish Americans had been imprisoned in Texas, 1,500 miles from their families and homes in New York City for 8 months with no prospects of release in the near future.

The most we could learn was that these men had been imprisoned for refusing to answer questions about unnamed persons who allegedly were connected with a vague plot to buy arms in Mexico for shipment to Northern Ireland. The spokesmen for the Justice Department also admitted that no witnesses from Texas had been called and that probably no one from that area would be asked to testify in the foreseeable future.

I recently received a letter from Thomas Laffey, one of the "Fort Worth Five." In it he comments on the hearings and on the Justice Department's testimony.

Additionally, I received a letter from John M. Elliott, cochairman of the Greater Philadelphia Southern New Jersey Region of the National Conference of Christians and Jews who has some very pertinent and interesting comments about this case.

At this time I enter the two letters into the RECORD:

SEAGOVILLE, TEX.,
March 18.

Congressman JOSHUA EILBERG,

DEAR SIR: I had a letter from my wife Eileen on Friday, she said she met you on March 13th during the Congressional hearing on our case. She told me you were a real gentleman in every way. I want to express to you my sincere thanks for the courtesy shown my wife and the others. It is rare for her to go to such a historical meeting, it has left a very good impression.

From reading *Newsday*, March 14, 73 (Long Island, N.Y.) it states the following:

"The Justice Dept. did finally offer an answer yesterday, stating that it possessed information indicating that certain New Yorkers had been in Fort Worth to buy guns from persons in Mexico to ship illegally to Ireland, and that it believed the five New Yorkers knew something about that."

This really burns me up, we stated time and time again that we never knew anybody here (in Texas) or never had contact with anybody here we will now add to that we never knew anyone who contacted anyone else here.

We have received mail from all across the country, ordinary people who read about it in the paper. They can hardly believe we can legally be held.

What I have told you above we are willing to swear before God, judge and jury.

Thank you sincerely for your kind and humanitarian interest.

Very sincerely,

THOMAS LAFFEY.

DILWORTH, PAXSON, KALISH, LEVY & COLEMAN,
Philadelphia, Pa. March 12, 1973.

Re Irish-American, "Fort Worth 5" Prisoners, H. Res. 220

Congressman JOSHUA EILBERG,
Chairman Subcommittee No. 1, House Judiciary Committee, Longworth House Office Building, Washington, D.C.

"We live in a free and open society; that is where our strength and greatness lies. We do not hide our faults behind a wall; we do not try to bury our mistakes. . ." Senator Robert F. Kennedy.

DEAR CONGRESSMAN EILBERG: As Co-Chairman of the Greater Philadelphia Southern New Jersey Region of the National Conference of Christians and Jews, I appreciate the opportunity of outlining some legal, moral and social concerns relative to the Fort Worth, Texas* grand jury investigation of 12 American Irish-Catholics, residents of the New York area, allegedly involved in gunrunning to Northern Ireland. By investigating this Fort Worth incident, Congress vindicates the best traditions of an open and free society.

A glaring threshold issue is the chilling effect of having American citizens subpoenaed thousands of miles from their homes, their families, their communities, and their resources (financial and spiritual.)

Political forum-shopping was condemned by Thomas Jefferson two centuries ago.[1] It assumes even more sinister dimensions today when citizens of a minority group are taken into an area of Texas[2] with a rural and conservative disposition.

This procedure is as suspect as taking black urban residents from the North before a grand jury in Alabama or Mississippi, or taking Jewish urban residents into areas where the KKK or the Bund flourish. The trials of the Scottsboro Boys, the Molly Maguires,[3] and Sacco and Vanzetti already clot American jurisprudence with questionable political trials. Yet instead of learning from past inequities, five men now languish in Texas jails without trial and without even being charged. This raises serious questions of fundamental fairness and due process.

The impressions of justice go far to cause citizens to believe in a fair judicial system. However, an examination of the facts of this secret Fort Worth grand jury, *which has to date not accused anyone of a crime,* reveals an unhappy and discriminatory pattern of misuse of the grand jury process. Briefly, the background facts are: On June 12–15, 1972 blank subpoenas were issued commanding 12 Irish-Catholic American citizens residing in the New York area to appear before a Fort Worth, Texas grand jury on June 19. Prior to the hearing, 4 subpoenas were cancelled by the government. The nature of the investigation was not revealed until June 19, at which time the grand jury was advised of alleged violations of the Gun Control Act of 1968; of the Organized Crime Control Act of 1970; of the Foreign Agents Registration Act, and that "other federal crimes might be involved too." One of these eight citizens was a disabled, decorated Korean War veteran with a known heart condition. After traveling to Fort Worth, he was advised that he did not have to testify. However, the strain caused a stroke, and he was hospitalized in critical condition. Two (2) others were questioned but not called as grand jury witnesses.

Finally five (5) witnesses, *all working men with families and without any prior criminal records,* were brought before the grand jury. A growing body of legal literature analyzes the legal aspects of (1) due process relative to the grand jury, which many legal scholars have criticized as degenerating into a rubber stamp for ambitious prosecutors; (2) the broader "use" immunity v. a narrower "transactional" immunity; (3) the use of wiretaps[4] (which has been admitted by the government); and (4) the lack of representation by counsel before the grand jury. I will not dwell on these issues. Instead, I focus upon the common sense questions concerning the civil rights of these men.

Albert Camus reminded us that justice fills a land where a people are motivated by a sense of injustice—a concern for the rights of others. We must all stop to ponder the dark and sinister fate of a person subpoenaed to appear before a grand jury anywhere in the nation where the government feels it will have an advantage.

The Justice Department has loosely applied Article III, § 2, Clause 3 of the Constitution[5] to get these men out of New York and into Texas. All five of the accused men have filed affidavits with Congress denying that they have ever been in Texas, ever spoken to anyone in Texas, or ever conducted any business in Texas.

What redress can be offered to witnesses dragged from their homes and employment* under adverse clouds of suspicion and forced to travel thousands of miles to in fact not be asked any questions? What about their right of association and expression?

The federal Justice Department's ability to convene a grand jury anywhere, with broad

investigatory powers, can be too easily abused to intimidate and harass anyone who incurs a government's disapproval. Such fishing expeditions, with their inevitable headlines, have a "chilling effect" on a citizen's questioning policies contrary to government orthodoxy.

These five men alleging wiretap and potential foreign prosecution [7] violations of their civil rights took the 5th Amendment, after they were denied assurances that they would not be extradited [8] to any foreign country (e.g. England or Northern Ireland) for trial. They were cited for civil contempt, and they have spent over five months in Texas jails with no criminal charges pending against them. They are not even allowed telephone rights with their attorneys.

All the legalisms of this unhappy incident have been cut through by the common sense of Father John J. Keaveney in his recent letter to President Nixon concerning his incarcerated parishioner Matthew Reilly:

"He may be found guilty of breaking laws. For which he should be punished. But when a man of his reputation is in jail without trial or prospect of trial and bail is denied, I and others wonder if the 'radicals' are really radicals to all—maybe injustices are being committed. Maybe everything in this country is not as fair as we thought".

To remove any apprehension of religious and economic prejudice, which is damaging to our national fabric, the government should heed Father Keaveney's wisdom, and promptly bring these men to trial in the Southern District of New York. If they have violated a law, let them be judged quickly by a jury. Their present Texas incarceration of indefinite tenure is an open sore which will inflame rather than heal this extension of the current trouble in Northern Ireland. Margaret Truman's recent book on President Harry S. Truman reveals that British authorities attempted to pressure President Truman to act to stop Jewish patriots support of Israel's fight for freedom. President Truman wisely withstood this pressure. Foreign relations cannot be effectively conducted through Star Chamber proceedings. Justice delayed is surely denied, and the Justice Department should act with candor and dispatch to honorably terminate this Fort Worth fiasco.

Sincerely,

JOHN M. ELLIOTT.

FOOTNOTES

[1] Claude Bowers, *Jefferson in Power* (Houghton-Mifflin, 1936, p. 89).

[2] This distance, not the situs in Texas *per se*, is a primary objection. Texans are as capable of fairness as Georgians, Pennsylvanians, or Alaskans. It is, however, suspect that the Justice Department having chosen a Northwestern venue (Leslie Bacon) and a rural venue (the Berrigans) has now opted for a Southwestern venue.

[3] 20 Irish-Catholic miners were hanged in 1877–78 upon the perjured evidence of a Pinkerton detective in America's largest mass execution, Wayne Broehl, *The Molly Maguires* (Harvard Press: 1965). Catholics were systematically excluded from these juries.

[4] *Tierney* v. *U.S.*, 41 U.S. Law Week 3408, cert. den., dissenting opinion of Mr. Justice Douglas.

[5] All criminal trials "shall be held in the state where the said crimes have been committed.

[6] Some of the five were in fact fired from their jobs.

[7] The United States Supreme Court in *Zicarelli* v. *New Jersey State Commission of Investigation* 406 U.S. 472, 481 raised the possibility of testimony for which a witness has been granted immunity under § 18 U.S.C. § 6002–6003 later being used against the witness in a foreign prosecution. When visiting relatives and friends in Ireland, these American citizens might conceivably be detained for prosecution.

[8] The Justice Department admitted this investigation was in response to official British requests to act against alleged IRA activity. See *New York Times*, July 17, 1972; *Dallas Morning News*, June 23, 1972.

LEGAL SERVICES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. LEHMAN. Mr. Speaker, in the past week, I have received two resolutions from persons in my district regarding the continuation of some form of legal services for low-income people.

These resolutions were sent to me by the Dade County Bar Association and the Board of County Commissioners of Metropolitan Dade County. The contributions which legal services has made to our communities by providing low-income people with access to the courts is both recognized and commended by both organizations.

Rich or poor, each person deserves the right to have his day in court. The establishment of legal services within the Office of Economic Opportunity recognized that need, and clearly the need still exists.

I commend the attention of my colleagues to both resolutions:

RESOLUTION URGING THE CONGRESS OF THE UNITED STATES TO CONTINUE TO PROVIDE FUNDS FOR LEGAL SERVICES OF GREATER MIAMI, INC.

Whereas, the County has learned that the Office of Economic Opportunity is refusing to fund Legal Services Programs presently eligible for 1973 fiscal grants throughout our country, despite the fact that the Congress of the United States appropriated moneys to continue Legal Services Programs nationwide; and

Whereas, the Legal Services Program of Greater Miami, Inc., provides valuable legal assistance and service to 10,000 impoverished citizens of Dade County annually, which legal assistance and service cannot or will not be provided by any other source, public or private; and

Whereas, the County Commission of Dade County firmly believes that Legal Services of Greater Miami, Inc., has provided and is providing an important and valued service to low-income people in this county by increasing their respect for law through its endeavor to truly bring equal justice to all.

Now, therefore, be it resolved by the Board of County Commissioners of Dade County, Florida, that it recommends to the Congress of the United States that the Congress immediately take such appropriate steps as are necessary to insure the continuation and viability of Legal Services of Greater Miami, Inc., and the Deputy Clerk of this Board is hereby directed to send a certified copy of this Resolution to the Congress of the United States of America.

RESOLUTION

Whereas, the President of the United States has indicated that the Office of Economic Opportunity will be abolished, and,

Whereas, the continuance of the Legal Services Program as a National Legal Services Corporation will be a recommendation of the President, and,

Whereas, members of Congress are equally concerned with the continuation of Legal Services as a National Legal Services Corporation, and,

Whereas, lawyers nationwide are concerned about the degree of political independence and maintenance of professional standards for the future of Legal Services, and,

Therefore be it resolved: That the Dade County Bar Association respectfully petitions President Nixon and the Congress of the United States to pass legislation that will provide for a National Legal Services Corporation in accordance with all professional standards and free of political interference;

It is further resolved, That in the event a Legal Services Corporation is created by the joint efforts of the President and the Congress that this Body urges that this enactment shall not discriminate upon the right of an individual to have his day in Court against any defendant, so long as he or she is eligible for the services provided.

TRADE EXPANSION ACT HELPS GLASS INDUSTRY IN KINGSPORT, TENN.

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. WAMPLER. Mr. Speaker, ASG Industries, Inc., of Kingsport, Tenn., has completed a new float glass facility at Greenland, just outside of Kingsport, which will provide some 400 additional jobs. This plant was constructed, in part, by funds made available under the trade adjustment assistance provision of the Trade Expansion Act of 1962. This act provides financial assistance to firms which have been injured as a direct result of imports.

The following news release, under date of March 9, 1973, from ASG Industries, Inc., clearly demonstrates the value of such a program: It helps American industry survive and it also helps to create more jobs.

The newsletter follows:

ASG INDUSTRIES, INC., FIRES NEW MULTI-MILLION DOLLAR FLOAT GLASS INSTALLATION AT GREENLAND, TENN.

KINGSPORT, TENN., March 9.—At 3:00 pm on Friday, March 9, 1973, Mr. J. C. Knochel, President and Chief Executive Officer of ASG Industries, Inc., and James H. Quillen, Congressman from Tennessee's First Congressional District, "lit the torch" on ASG's new 450 ton per day capacity float glass melting tank at its Greenland, Tennessee, glass-making complex. The new float unit will come to full capacity around April 1, 1973, and will employ some additional 400 people.

This ceremony took place less than one year after the official ground-breaking ceremony. This latest addition makes ASG's Greenland plant one of the most versatile glass manufacturing centers in the world.

The glass produced in the new float unit is destined to serve ASG's own processing centers as well as trade requirements in the automotive, mirror, industrial, and residential and architectural construction markets. The new line was built under license from Pilkington Brothers, Ltd., creator and world licensor of the float process. This involves the floating of molten glass on molten tin to achieve flatness; thus eliminating grinding and polishing operations required in the production of plate glass.

DAY CARE: IT'S FINE FOR MOTHER, BUT WHAT ABOUT THE CHILD?

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. QUIE. Mr. Speaker, I submit for the RECORD an article by Andrea Chambers appearing in the March 24, 1973 issue of the New York Times. It summarizes the views of four mothers who are competent researchers. Basically, each agrees that a child is better off with its mother until age 3. I commend the article to my colleagues:

DAY CARE: IT'S FINE FOR MOTHER, BUT WHAT ABOUT THE CHILD?

(By Andrea Chambers)

Andrew and his pint-sized architectural cronies build a tree house in a Bronx day care center. Ellen molds clay animals at home with her mother. Who is better off?

The question of putting a child in a center with others at an early age will be under debate again as the 1973 day care bill, included in the Comprehensive Child Development Act, weaves its way through Congress.

Last year's far-reaching version was vetoed by President Nixon, who expressed concern that excessive emphasis on day care center could "diminish both parental authority and parental involvement with children—particularly in those decisive early years when social attitudes and a conscience are formed, and religious and moral principles are first inculcated."

Four mothers with some special qualifications to discuss day care from both sides—as parents and as psychiatrists who have devoted a large part of their career to the psychological development of children—recently discussed the issue in separate interviews.

They were in general agreement on one point—a child under 3 years of age is better off at home with its mother. But beyond that the views became disparate.

By the age of 3 a child needs some opportunity to be with friends, said Dr. Eleanor Galenson, whose own children are now in their 20's and who is an associate professor in the department of child psychiatry at Albert Einstein College of Medicine and director of the department's nursery division.

"It's a healthy thing at this age," she said. "Much can be learned in a day care center about children of other races and economic backgrounds. And such exposure at this age will have a lasting effect."

Dr. Muriel Laskin, who has two young daughters, took a more cautious view.

"A child at an early age needs to establish a permanent relationship with its mother," said Dr. Laskin, who is a faculty member in the department of psychiatry at Downstate Medical Center, Brooklyn, and a visiting instructor of psychiatry at Einstein College.

Dr. Helen Meyers, an associate professor of psychiatry at Columbia University (she is also director of the Riverdale Mental Health Center), and mother of a 9-year-old boy, said that one reason she favors day care centers is that "it's very bad for a child to be with a mother who is always angry, bored or depressed and resents staying at home."

On the other hand, the overload experienced by a working mother, and its effects on her child in a day care center, give Dr. Judith Kestenberg pronounced reservations about such centers.

Dr. Kestenberg, who has two children, is a director of the Social Center for Parents and Children in Port Washington, L.I., and associate professor of psychiatry at Downstate Medical Center.

"A child can sense the tension in a working mother and it breeds anxiety," she said. "A mother usually drops off her child at a day care center on the way to work, often in a rush. That evening, very tired, she picks up the child and has to dash home for grocery shopping, dinner and housework. What benefit can this pressure have for a child?"

It's the early years—the pre-3 years—that worry the doctors. They agree that for an infant, day care has more cons than pros, with perhaps the greatest peril being the possibility of long-term psychological damage.

"It's best for a child's development that he or she learn to trust one person and identify with one person in the early years," Dr. Laskin emphasized. "Otherwise, as a teenager, the child may trust no one. Teen-age character problems are influenced by the fact that a child did not learn strong values and feelings for others as an infant."

Dr. Galenson said giving a child the security of living-room "landmarks" is vital.

"I've seen infants who were cared for away from their homes begin having trouble eating and sleeping," she said. She added that she suspects that many physical illnesses common in children in group situations are rooted in fear and anxiety.

The Einstein child development specialist said she also believes that an infant placed with numerous others in a center may react badly to the sheer numbers of the group and that in later life this may carry over into an inability to adapt to group situations.

Few psychiatrists are as strongly opposed to day care centers as Dr. Kestenberg, who said she is bothered by forcing an infant to adapt to two different worlds, the familiarity of home and the day care center.

"Day care can result in permanent damage to an infant's emotional development," she insisted. She said she feels the damage is less permanent in a child above 3 years of age, but still warns that day care may be dangerous for older children.

Dr. Meyers, on the other hand, said she feels most children can adapt easily enough to the shift from a home to a center environment. The important thing, she and the other doctors insist, is that definite standards should be sought.

The most important considerations, the doctors hold, are the quality of personnel ("warm, affectionate teachers . . . not likely to be just out for a job"); the size and time span of the center ("Small groups are best . . . a half-day program . . . permits the child more time to get to know his mother"); the number of rest periods ("Certainly there should be toys, music and games, but . . . a child needs time to rest and indulge his reveries"), and age grouping (by age most of the day, but intermingling at times to allow younger children "some chance to learn from their elders").

For some mothers, finding a day care center that meets their standards may be impossible, or they may have hesitations about enrolling their child in a center. Then what?

Dr. Kestenberg suggests an Israeli kibbutz-type center where a mother works nearby and comes in periodically during the day to visit and care for her child. Another approach, she said, would be for the Federal Government to subsidize a mother for child care duties in cases where she cannot otherwise afford to stay home.

Dr. Galenson suggests the alternative of a family member who can attend to a child in its own home or, for infants, family day care. (Under the family day care system, one trained child-care specialist takes several children into her home for half- or full-day periods.)

And both Dr. Meyer and Dr. Laskin stress the value of the "extended family." They said they feel an aunt, grandmother or other relative can best care for a child and, in fact, strengthen a family unit.

But day care for the visible present at least appears to be the only choice for most working mothers. And while the centers may pose many problems to family life, Dr. Galenson holds that "we should have day care centers for mothers who need them." And, to make them better, she added, an injection of Federal funds should be considered a priority item while a search goes on for a more adequate, satisfactory substitute.

GOLDEN YEARS FOR THE ELDERLY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. EILBERG. Mr. Speaker, during the past few years, the country took major steps toward meeting the needs of our elderly citizens. Programs had been established and funds made available to provide much needed services for persons on limited incomes. These retired couples and individuals finally had some hope for more than a meager existence during what are supposed to be the "golden years."

During the campaign, the President promised to increase these benefits and to do even more for the elderly. He even took credit for increasing social security benefits when, in fact, he had fought these increases until the last minute.

Unfortunately, he has reneged on all of these promises, and in fact is drastically cutting back on services to the elderly.

At this time, I enter into the RECORD an article in the Philadelphia Bulletin which details this situation:

BULLETIN NEWS ANALYSIS: NIXON RENEGES ON VOW TO EASE LOT OF ELDERLY

(By Linda J. Heffner)

WASHINGTON.—Last year, about seven months before the election, President Nixon said of the nation's elderly:

The best way to help people in need is not by having government provide them with a vast array of bureaucratic services but by giving them money so they can secure needed services for themselves."

Now, four months after the election, Mr. Nixon is whistling a different tune and trying his best to cut deeply into the meager budgets of older Americans.

Recently by a vote of 329 to 69, the House passed a bill authorizing $1.4 billion over the next three years to continue numerous programs to relieve the poverty and boredom of the elderly and to work for an increased use of their skills.

The President is now expected to veto the bill just as he did a similar bill last year.

PREVIOUS VETO

Last year's vetoed bill was for $2 billion. It included a $150 million job training program for the elderly which the Administration opposed. Although that has been eliminated from this year's bill, a $250 million senior citizens corps for community work, also opposed by Mr. Nixon, is still included.

"There's very little chance that the President is gong to have a change of heart this year, especially since the election is over," said one Capitol Hill spokesman instrumental in moving the bill through the Senate last month.

The story of another Nixon broken promise

is not a new one, but it affects, the elderly in a unique way.

As one Senate spokesman puts it, they are "virtually helpless," since they are so widely dispersed, with little means of communication among themselves, and having neither the money nor the organization to mount a protest in Washington.

Nelson H. Cruikshank, president of the National Council of Senior Citizens, the largest and most effective lobbying group for the elderly, said people are slowly awakening to the problems Mr. Nixon has posed for them.

The biggest stopgap, he explained in an interview, is the lack of communication.

Although his council distributes a newsletter to its 3,000 clubs, he says "not nearly enough" senior citizens know what they face.

Mail protesting the Nixon proposals on increased Medicare costs is plentiful, but Cruikshank admits it is primarily feedback from the newsletter and does not indicate a widespread dissatisfaction with plans contained in the presidential budget.

COSTS TO RISE

The 70-year-old council president said most of the elderly simply are not aware of the proposals.

Before the election, Mr. Nixon said he would ask Congress to abolish the $5.80 monthly premium charge for Medicare Part B (doctor) insurance.

Now he proposes to keep the charge—due to rise to $6.30 July 1—while cutting deeply into Medicare benefits.

The Administration also proposes to:

Make Medicare patients pay actual room and board charges for the first day of hospital care, plus ten percent of all subsequent charges. Medicare patients now pay only $72 for the first 60 days of hospital care.

Raise initial out-of-pocket payment under the doctor insurance part of Medicare from $60 to $85 and increase the patients' additional out-of-pocket charge from 20 percent to 25 percent of the remaining doctor expenses.

The Administration argues that such moves would encourage people to use less expensive hospitals and, in fact, to use hospitals less often.

The elderly, however, seldom can shop around for hospitals. They usually go where their doctors send them.

In addition, the argument is a deterrent to the whole concept of preventive medicine since it tells the aged basically to hang on and only go to the hospital as a last resort.

"Just think" said Cruikshank, "smart guys like Caspar Weinberger (secretary of health, education and welfare) actually say things like that with a straight face."

While calling the Nixon proposals a "shameful repudiation" of his promises, Cruikshank admitted that "from the beginning there was something phony about dropping Part B costs."

During the campaign, however, Cruikshank said the Nixon forces put out "lots of propaganda," including a reelection committee pamphlet which gave the impression the Part B charge actually had been abolished.

MISLEADING NOTE

Cruikshank maintains that a major influence on the majority of older Americans voting for Mr. Nixon was a note attached to 28 million Social Security checks last July pointing out that the 20 percent rise in their payments was due to a bill signed by the President.

In actuality, the President opposed the increase and only approved the legislation because it was attached to a debt ceiling bill he wanted to sign.

"It was a telling piece of propaganda," said Cruikshank, the retired director of the AFL-CIO Social Security department.

Although sympathetic Democrats on Capitol Hill had warned Cruikshank and others that Mr. Nixon would use the rise for his own benefit, the council president said there was no excusable way to stop the extra $6 billion in benefits for the aged just because the President would take credit.

"We had to ask ourselves," he said, "are we representing older people or are we playing politics?"

ADMINISTRATION BACKS "911"

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. YOUNG of Florida. Mr. Speaker, on January 3, along with 17 cosponsors, I introduced H.R. 1308, a bill that would establish a nationwide emergency telephone number—911. With this easily remembered number, a person could call for police, fire, rescue or other emergency assistance, without confusion and regardless of where he is.

The Nixon administration, I am pleased to note, now has added its support to this vitally needed emergency communications system, and established a Federal Information Center on 911 within the Office of Telecommunications in the Department of Commerce. This office will assist State and local communities in establishing a 911 service.

The Bell System and the Independent Telephone Association have given strong support to the 911 concept and implemented it in 250 communities which have requested the emergency number. The advantages of 911 are now available to about 20 million Americans, and daily this quick and convenient number is proving its worth.

However, 911 should be available to all Americans no matter where they are. In a tourist area such as my home State of Florida, for example, millions of visitors would know how to secure emergency assistance without having to fumble through a telephone book.

Congress should act promptly to adopt H.R. 1308 and implement 911 nationwide.

For the consideration of the Congress, I am making available the bulletin of Clay T. Whitehead, Director of the Office of Telecommunications Policy, Executive Office of the President, on Emergency Number 911. The bulletin follows:

OFFICE OF
TELECOMMUNICATIONS POLICY,
Washington, D.C., March 21, 1973.

Subject: National Policy for Emergency Telephone Number "911"

1. Purpose. This Bulletin sets forth the policies that will be followed by executive departments and agencies with respect to the development and improving of emergency communications using the emergency telephone number 911. It provides information and guidance to assist state, local and municipal governments in implementing this emergency communications program expeditiously.

2. Background. A clear need that all citizens be able rapidly to summon help in an emergency situation has long been recognized. A communications system which is immediately available and easy to use can help to meet this need. A person should be able to call for police, fire, rescue, and other emergency aid promptly and without confusion, and without regard to his familiarity with a particular community. A system which is uniform nationwide will enable a citizen to do this.

For several years, numerous governmental commissions, legislative bodies, private organizations, and citizen groups have recommended the establishment of a single, nationwide emergency telephone number to meet this need for improved emergency communications. The 911 concept provides a single number which is easy to remember and to use. Moreover, the 911 system encourages those providing communications services and those providing emergency assistance to coordinate their efforts and facilities, and work together. The United States Independent Telephone Association and the Bell System have supported this concept, and have taken steps to implement it. Since 1968, over 200 communities with a combined population of 20 million have adopted and demonstrated the value of the 911 emergency telephone number concept.

The lack of a clear focal point in the Federal Government, and the absence of an overall national policy in this area, however, has slowed implementation of the 911 concept in many other communities. This Bulletin is issued to clarify the Executive Branch's position supporting the 911 concept as the means to achieve a single nationwide emergency telephone number.

3. Policies and Planning. These are important points which should be borne in mind by all cognizant agencies with respect to the implementation of 911 service nationwide:

(a) It is the policy of the Federal Government to encourage local authorities to adopt and establish 911 emergency telephone service in all metropolitan areas, and throughout the United States. Whenever practicable, efforts should be initiated in both urban and rural areas at the same time.

The primary purpose of 911 emergency telephone service should be to enable citizens to obtain law enforcement, medical, fire, rescue, and other emergency services as quickly and efficiently as possible by calling the same telephone number anywhere in the Nation. A secondary objective should be to enable public safety agencies to satisfy their operational and communications needs more efficiently.

(b) Responsibility for the establishment of 911 service should reside with local government. This is the level of government closest and most responsive to the beneficiaries of this service, and at which the need for most emergency services arises. At the local level the coordination of the responsibilities and functions of public safety agencies can best be accomplished, and consideration of special local needs undertaken most effectively. Since the areas served by telephone company central offices generally are not coincident with local political and jurisdictional boundaries, planning and implementation of 911 service should proceed through the cooperative efforts of all affected local agencies and jurisdictions.

The character of 911 service is essentially local and intrastate; Federal regulation or legislation in this area, accordingly, is not appropriate. States are encouraged to assist localities in their planning and implementing of 911 service.

(c) The cost for basic 911 telephone service arrangements should not be a deterrent to its establishment. The direct cost to local governments generally includes only the charge for local lines and terminal equipment needed to answer and refer 911 calls.

Planning and implementation of basic 911 service should not be deferred pending evaluation of proposed additions to basic 911 service. A number of 911 service enhancements (automatic call routing to particular jurisdictions and agencies, automatic number identification, etc.) have been proposed. These service enhancements should be con-

sidered with regard to their cost-effectiveness. Local authorities should, however, proceed to implement basic 911 service, to which enhancements can subsequently be made if desirable.

4. *Federal Information Responsibility.* A Federal Information Center on the emergency telephone number 911 will be established within the Office of Telecommunications in the Department of Commerce, Washington, D.C. 20230. The information to be available will include material on the techniques and methods of service and a comprehensive handbook on 911. Advice and assistance will be available through this center to local governments wishing to initiate 911 service in their communities. The center will also act as a clearinghouse for information concerning Federal assistance programs that may be available for the establishment of basic 911 service.

The availability of this Information Center on 911 service should be considered by Federal departments and agencies which have responsibilities in this or affected fields.

CLAY T. WHITEHEAD,
Director.

A FARMER'S VIEWPOINT ON THE RISING COST OF FOOD

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, Congress is now deliberating over ways to alleviate the soaring costs for agricultural products. We are hearing the voice of the housewife who is faced with the responsibility of feeding a family on a limited budget. As we contemplate the plight of the American housewife, I submit, for consideration, the suggestions to housewives from a farmer, Mr. Joyce E. Bartelsmeyer of Mount Vernon, Mo. I found Mr. Bartelsmeyer's suggests to be very thought-provoking and worthy of congressional attention. His remarks follow:

THE ANSWER TO THE HOUSEWIVE'S FOOD PROBLEM

(By Joyce E. Bartelsmeyer)

I want to make a suggestion to you housewives about the food prices in America. There has been a shortage of all resources in the United States. We are going to send 1,000 calves a month to France. If you think our food prices are high here in America go to some of the other countries and price meat there; for example, $3 a pound in France, $4 a pound in Italy, and $5 a pound in Japan. My suggestion to the people of America would be to cut down on their cigarettes and alcoholic beverages and buy more nutritional foods for their bodies. This just might cause them to live a little longer and have a few less doctor bills.

I have been a farmer for 25 years and lost money for a number of years on the farm and it is not too good yet. Our milk is high enough, but our feed prices are rising considerably to where it is cutting our profit down; therefore, we are not making the profit the city people think we are. I suggest that you look into the matter more before you speak. Visit some of these farmers, talk to them, see how many debts they have, how many hours they labor a day, and how much interest they pay a year. I would like for you to have a bargain in food, but I cannot see any way. We have given you a bargain for the last 30 years. That time has ended. Before you make these statements, I would like for you to investigate the farm situation and visit the farmers.

FREE FLOW OF INFORMATION ACT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. DRINAN. Mr. Speaker, I have filed today a bill to guarantee the free flow of information to the public.

Subcommittee 3 of the Judiciary Committee, of which I am a member, began consideration of this matter when hearings on the newsman's privilege or shield laws were opened on September 21, 1972.

After many weeks of testimony both in the last Congress and in the 93d Congress, I find that I have come to the conclusion which journalists and many others have; namely, that there should be an unqualified an all-inclusive law which would give to individuals who are professional disseminators of information that complete freedom of the press which is guaranteed in the first amendment.

I reproduce here for the benefit of my colleagues the bill which I have filed today:

H.R. —

A bill to guarantee the free flow of information to the public

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Free Flow of Information Act."

SECTION 2. [*Definitions.*]

As used in this Act:

(1) "During the course of his professional activities" does not include any situation in which the claimant conceals the fact that he is a professional disseminator of information. The term does not include any situation in which the claimant participates in any unlawful activities unless the claimant's participation consists solely of observing the conduct of others or receiving documentary or other information.

(2) "Give evidence" means testify, provide tangible evidence, submit to a deposition, or answer interrogatories.

(3) "Information" includes but is not limited to documents, expressions of opinion, films, photographs, sound recordings, and statistical data.

(4) "Professional disseminator of information" means a person who either,

(i) at the time he obtained the evidence that is sought was earning his principal livelihood by, or in each of the preceding three weeks or four of the preceding eight weeks had spent at least twenty hours engaged in the practice of, obtaining or preparing information for dissemination with the aid of facilities for the mass reproduction of words, sounds, or images in a form available to the general public, or

(ii) obtained the evidence that is sought while serving in the capacity of an agent, assistant, or employee of a person who qualifies as a professional disseminator of information under subparagraph (i).

(5) "Source" means a person from whom a professional disseminator of information obtained evidence by means of written or spoken communication, personal observation, the transfer of physical objects, or otherwise. The term does not include a person from whom another person who is not a professional disseminator of information obtained evidence, even if the evidence was ultimately obtained by a professional disseminator of information.

SEC. 2. [*Privilege to Withhold Information.*]

A professional disseminator of information is privileged to decline to give evidence concerning the source or contents of information that he obtained during the course of his professional activities if he states under oath either

(1) that the information in question could originally be obtained only by reaching an understanding with the source that the contents of the information or the identity of the source would not be disseminated to the public and would not be given in evidence in any official proceeding except under compulsion of law, or

(2) that serious harm to a particular ongoing disseminator-source relationship is likely to result if the contents or source of the information is required to be disclosed.

SEC. 3. [*Appeals.*]

A claim of privilege under this Act shall not be denied on appeal unless the appellate court independently determines on the basis of the trial record that the claimant is not entitled under the provisions of this Act to decline to give evidence.

SEC. 4. [*Burden of Proof.*]

In all disputes concerning a claim of privilege under this Act, the claimant of the privilege has the burden of proving by a preponderance of the evidence that he qualifies as a professional disseminator of infromation to the public and that he obtained the evidence that is sought during the course of his professional activities.

SEC. 5. [*Waiver.*]

The privilege provided by this Act may be waived by the professional disseminator of information whose evidence is sought or by the source of the evidence. The source waives the privilege only by appearing in person during the course of the proceeding for which the evidence is sought and describing the facts concerning which the professional disseminator may be required to give evidence. When either the professional disseminator of information or the source waives the privilege with respect to particular facts, the professional disseminator of information may be cross-examined on the evidence he gives concerning those facts. A professional disseminator of information or a source does not waive or forfeit the privilege by disclosing all or any part of the information protected by the privilege to the body that is conducting the proceeding for which the evidence is sought, to any other tribunal, to the public, or to any other person.

ANNIVERSARY OF THE GREEK REVOLUTION

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mrs. GRASSO. Mr. Speaker, on Monday we marked the 152d anniversary of the Greek Revolution which led to independence for the Greeks from the oppression of Ottoman rule.

From then until the present military regime seized power 145 years later, the Greek people flourished in a nation which derived its strength from the principles of freedom and democracy that we Americans too often take for granted. Our own Nation was founded on those same great principles that are the timeless gift of ancient Greek heritage. Americans long ago rejoiced with the Greeks when victory enabled their people to practice at long last the teachings of ancient Greek philosophy.

A patriot flag raised in the village of Kalavryta on March 25, 1821, began the 8-year struggle for liberty. Great

courage matched by an intense desire to be free led the Greeks to final victory, culminating in the Treaty of Adrianople and the London Protocol of 1830. The people of a young nation in the New World, the United States, and the people of an ancient land new to freedom, Greece, shared a deep friendship built on a common goal: to insure the strength and growth of democracy.

For three-quarters of a million Americans of Greek descent, March 25 is a special day of pride and honor. All Americans join with them in looking forward to the day when freedom and democracy will again prevail in that troubled nation.

OBSCENE RADIO BROADCASTING—VIII

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. JAMES V. STANTON. Mr. Speaker, over the last several weeks I have inserted into the RECORD several items relating to controversial broadcasting by Station WERE in Cleveland, Ohio, and on how this appears to be part of a national trend in programing by radio.

Members of this body who have a similar problem in their own congressional districts might wish to check the RECORDS of February 5, 6, 7, 8, 21, 26 and 28 for material leading up to the insertion I am making today.

The latter is an exchange of correspondence between me and the Department of Justice, which is self-explanatory. For purposes of clarity, I am inserting these letters in the RECORD in chronological order, starting with my original communication to the Attorney General of the United States and concluding, finally, with the most recent letter I have received from his office, dated March 23, and my reply to that, which is dated today. The letters follow:

DEPARTMENT OF JUSTICE,
Washington, D.C., March 2, 1973.

Hon. JAMES V. STANTON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: Your letter to the Attorney General of February 7, 1973, concerning offensive radio transmissions has been referred to this office for reply.

We are presently compiling statistical information concerning the number of prosecutions arising under 18 U.S.C. 1464. Upon receipt of this information, we will correspond with you in detail concerning the subject matter of your letter.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

DEPARTMENT OF JUSTICE,
Washington, D.C., March 23, 1973.

Hon. JAMES V. STANTON,
House of Representatives
Washington, D.C.

DEAR CONGRESSMAN: This is in further response to your letter of February 7, 1973, to the Attorney General concerning certain programing on Radio Station WERE, Cleveland, Ohio.

The statistical information referred to in my letter to you dated March 2, 1973, concerning this subject, has now been compiled. United States Attorneys are required to furnish the Department with caseload reports on a regular basis. According to the information we have received, there have been a total of 15 defendants involved in cases arising under 18 U.S.C. 1464 from and including Fiscal Year 1969 through January, 1973. Cases involving six defendants were disposed of on pleas of guilty or *nolo contendere*; seven defendants were convicted. Three convictions were affirmed on appeal and one was reversed; and cases against two defendants were dismissed.

The paucity of cases arising under this statute illustrates the difficulties involved in enforcing the Federal obscenity laws. As these laws have been interpreted by the Supreme Court, material, to be obscene, must (1) have as its dominant theme an appeal to a prurient interest in sex, (2) offend contemporary community standards in the representation of sexual matters, and (3) be utterly without redeeming social value. Consequently, speech which has as its dominant theme a discussion of an issue or presentation of an idea, however controversial or offensive that idea may be, is protected by the First Amendment against a charge of obscenity. Needless to say, most radio broadcasting falls into this category.

We have reviewed certain investigative reports prepared by the Federal Bureau of Investigation concerning the activities of Radio Station WERE. While certain of that station's programs focus upon discussion of sexually oriented topics, we do not believe the programs could be considered violative of 18 U.S.C. 1464 for the reasons set forth above. Nevertheless, because these programs are certainly controversial and undoubtedly offensive to some individuals, we are requesting the Federal Bureau of Investigation to furnish the Federal Communications Commission with the results of its investigation of this station so that agency may determine whether or not this programing is in the public interest.

I trust this satisfies your inquiry. If I can be of further assistance, please contact me.

Sincerely,

HENRY E. PETERSON,
Assistant Attorney General.

AID FOR NORTH VIETNAM

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. TREEN. Mr. Speaker, I have received many letters from concerned constituents on the question of postwar aid to North Vietnam. And I must say I can understand their concern.

As President Nixon pointed out in a recent press conference, it takes two to heal wounds; it also takes two to make peace. I have yet to see signs from North Vietnam indicating that the leadership of that country expects the present settlement to lead to an enduring peace.

A recent editorial in the New Orleans Times-Picayune directs itself to the question of aid to North Vietnam and I believe it raises some pertinent points.

I am inserting, therefore, the editorial in the RECORD at this time so that these thoughtful comments can be shared with my colleagues:

[From the New Orleans Times-Picayune, Feb. 3, 1973]

AID FOR NORTH VIETNAM

With Presidential adviser Henry A. Kissinger off to Hanoi later this month to discuss postwar financial aid to North Vietnam, anticipatory resistance-rumbles in Congress, and President Nixon's press conference argument for reconstruction aid, it is clear that any kind of "Marshall Plan" for North Vietnam is soon going to be a hotly debated issue.

It is not a new idea. Indochinawide economic development aid was the rejected carrot once offered by President Johnson instead of the stick of more war. And American aid to former enemies has been so generous that no end of *mots* have been coined on the desirability of losing a war with us.

American aid to Germany and Japan after World War II is not the precedent for the present case, however. We gave it not to the wartime governments but to Allies-approved governments that took their place after their utter defeat. There was no aid to North Korea after that conflict, but it is still technically at the cease-fire stage with no expectation, as in Vietnam, of a formal settlement.

The President seems to be basing his intentions not on precedent but on projection. He seems to see it as something of a whole carrot patch the North Vietnamese would be so busy tending they would have no time to study war.

Thus aid will offer "incentives to peace," arranging for Hanoi to "have a tendency to turn inward to the works of peace rather than turning outward to the works of war." Aid will be, for us, "a potential investment in peace."

We cannot hazard a guess on whether this will actually work out that way. The men in Hanoi, so long determined in poverty, may be no less in relative affluence. And if they continue their attempts to conquer South Vietnam, by fair means or covert foul, could we continue aid? And if they do take over the south with the post-American-withdrawal speed some foresee, what then?

As the financial "peace dividend" to be provided by the end of war spending dwindles and attention is centered on domestic programs war critics have long charged were short-changed because of the war, it is going to be hard to argue that aid should go to North Vietnam, whether as guilt money, humanitarianism or "peace investment."

TRIBUTE TO PAUL WINCHELL

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. REES. Mr. Speaker, we are all aware of the contribution Paul Winchell has made to the world of entertainment. Jerry Mahoney is known to every American child through the magic of television, and Winchell's acting talents are displayed on the screen, over the radio, and on television. Just his voice is familiar to many, as Tigger, for example, in the delightful Walt Disney Winnie the Pooh full-length cartoon features.

But little is known of Paul Winchell's magnificent contribution to medical science, and it is on this phase of his illustrious career as a humanitarian that I wish to direct my remarks.

Paul Winchell's inventions have do-

nated much to one of California's chief industries, entertainment, for he created innovative techniques for making dummies move and for animating films. But he has also entered the more universal realm of medicine by designing and patenting a mechanical heart. On July 16, 1963, he was awarded U.S. Patent No. 3,097,366 for this invention. When the American Medical Association and the American Heart Association turned down the opportunity of developing his invention, because he did not have a working model, he filed his patent away and forgot about it. He simply did not have the funds to pursue the matter further.

Then, almost 10 years later, Winchell was contacted by Dr. Willem J. Kolff. Dr. Kolff is not very well-known outside the medical community, yet he is the man who invented the first practical artificial kidney, the first artificial lung used in human surgery, and the first heart assistance pump. As head of the Artificial Organs Division at the University of Utah College of Medicine, Dr. Kolff had been working on an artificial heart since 1957. Coming across Winchell's patent, Dr. Kolff realized that all of his research was dovetailing with Winchell's original design.

The outcome of their meeting was the following letter sent late last year to all those involved:

This letter is to inform anyone concerned that the University of Utah and Mr. Paul Winchell have entered into an agreement dated January 26, 1972, for a joint effort in artificial heart research. It has been agreed that Mr. Winchell and Dr. W. J. Kolff of the University of Utah have independently developed artificial hearts based on the same principles as described in a patent applied for by Winchell in 1961.

By the agreement mentioned, Winchell has assigned his patent to the University and the University will make available to him access to University laboratories and hospital facilities for joint efforts in further research. Also by this agreement, it is our belief that Mr. Winchell can make positive contributions to the artificial heart as demonstrated by his prior research and patent.

Although Winchell is not a medical doctor, he has been allowed to scrub in and assist in the operations due to the fact that the experimenting is done on calves, and not on humans.

In the first week of March 1973, the medical team made a breakthrough, one that now assures eventual success for implanting the artificial heart in a human. It is for this reason, and the fact that Paul Winchell officially donated his patent to the artificial organs division of the University of Utah College of Medicine on Thursday, March 22, 1973, that I feel it is a fitting time for this legislative body of the country he has served so well to pay him official tribute.

TRIBUTE TO COL. ROBERT CRANSTON

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. REES. Mr. Speaker, I rise to pay tribute to Col. Robert Cranston, commander of the American Forces Radio and Television Service in Hollywood, on his retirement from the Army after 30 years of active duty.

When servicemen and women overseas hear their favorite recording, or view a popular television program on an AFRTS radio/TV outlet, it is largely due to behind the scenes efforts by Colonel Cranston. Through discussions with leading executives of the entertainment industry, he has made major breakthroughs in securing the release of first-rate, current broadcast fare for airing by 166 radio and 55 television stations on land and ship around the world.

Now serving has second tour as chief of the AFRTS nerve center, Colonel Cranston is viewed with esteem by his colleagues in the Pentagon. But perhaps more impressive is the high regard in which he is held by key figures in the Hollywood professional community.

He is a rare man—compassionate and concerned, and yet tough enough to cut through redtape in order to get quality programing shipped overseas. I congratulate Colonel Cranston for all that he has done. But I am confident that his civilian career will prove fruitful as well. Thank you, Colonel Cranston, and the best of luck.

THE PRAEGER REPORT ON THE WEST FRONT OF THE CAPITOL

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. ROUSH. Mr. Speaker, in view of the fact that the House of Representatives will probably soon be asked to decide the fate of the west front of our Capitol Building, I believe that the following letter which introduced the report to the then Acting Architect of the Capitol from the firm of Praeger-Kavanagh-Waterbury on that subject would be instructive.

The Praeger firm of New York City was asked to perform a feasibility study to determine whether in fact the west front central wall of the Capitol could be restored, and to estimate the cost of such restoration. I am unable to include the complete report on this matter because of its length, but I refer those who would like to read the report in its entirety to the entry of Senator PROXMIRE in the CONGRESSIONAL RECORD, volume 118, part 7, page 9039.

The letter follows:

PRAEGER KAVANAGH WATERBURY,
ENGINEERS—ARCHITECTS,
New York, N.Y., December 21, 1970.

Re: Restoration of the West Central Front U.S. Capitol, Washington, D.C.

Hon. MARIO E. CAMPIOLI,
Acting Architect of the Capitol, U.S. Capitol, Washington, D.C.

DEAR MR. CAMPIOLI: Submitted herewith is our report on the feasibility of restoring the west central front of the United States Capitol. Included are descriptions of our investigations, analyses, cost estimates and conclusions.

Prior to undertaking the investigation of the existing condition of the wall, we held discussions with you and your associates concerning various details of your experience related to construction and maintenance of the Capitol. We examined photographs, drawings and sample materials of the wall; made a detailed inspection of the interior and exterior of the structure, and carefully read and studied the reports of Thompson & Lichtner and Moran, Proctor, Mueser & Rutledge.

We also studied histories of the construction of the Capitol and the major changes made over the years, the printed deliberations of the Commission for the Extension of the U.S. Capitol, the reports in the Congressional Record concerning the project, and numerous other historical documents.

As part of our study, a detailed structural analysis was made of the walls and floor systems. Stresses in the walls and other component parts of the building, as well as in the foundation soils, were determined.

In addition, plans and specifications were prepared, proposals were invited and a contract was awarded to perform on-site tests of various techniques to strengthen and repair the walls. This research work included drilling holes into the exterior wall; injecting materials into these holes to fill voids, using neat cement, sand cement, epoxy and monomer grouts; and drilling test cores of the grouted walls. The work also included removing exterior paint from typical wall areas and applying stone preservatives. Test borings were made and samples of soil adjacent to the wall were recovered for laboratory testing.

The contract for this exploratory work was awarded to Layne-New York Company, Inc., and work progressed over a period of 10 weeks. During this period our office supervised the work with a full-time resident engineer and assistant. Senior personnel from our New York office made frequent visits to the site to observe and direct the work. One of our staff architects visited England to research restoration projects there.

The firm of Woodward-Moorhouse & Associates, Inc., was retained to conduct laboratory tests of soil samples, and the National Bureau of Standards prepared laboratory tests of grouts, stonework and preservatives. Mr. A. J. Eickhoff and Mr. Jay S. Wyner were consulted on painting and paint removal techniques. Mr. Norman Porter, Geodesist, was retained to prepare a detailed survey of control points which had previously been set in the west wall, and Mr. Thomas W. Fluhr, Engineering Geologist, surveyed the Aquia Creek Quarry and reported on both the quality of stone and the feasibility of developing the quarry as a source of stone for restoration work.

Our studies indicate that while the Capitol is over one hundred and fifty years old and has been exposed to many adverse conditions, it survives in relatively good condition, attesting to the excellence of its builders and to the concern of those responsible for maintaining this, the national monument to our Republic.

Based upon a detailed investigation of the west front walls, we conclude that under conditions indicated in the report, restoration of the west central front of the Capitol is feasible. Further, the restoration can be accomplished within the general guidelines set forth by Congress as a directive to the Commission for Extension of the Capitol.

EXECUTIVE ARROGANCE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. HARRINGTON. Mr. Speaker, I have refrained from saying much about

the Watergate caper because it seemed that the news stories carrying almost daily revelations reflecting on the corruption of our political process were enough to impress upon the public the seriousness of the threat to our Government. Yet the public, and the Congress despite its protestations, have remained strangely quiescent. Today, I am inserting two articles, by Mr. Joseph Kraft and Mr. Marquis Childs, printed in the Washington Post, which make important points about the implications of the Watergate case. These points must be kept in mind as the Congress considers legislation basically affecting its role in Government.

First, the Watergate case graphically demonstrates the contempt with which the President views the other branches of Government—both the Congress and the courts. His advisers have been directed not to say anything about the conduct of the public's affairs, under the guise of a novel doctrine called by some "Executive privilege" but in reality a new idea about the inviolability of the confidences of those in the executive branch who conduct the public's business. Even when perchance, some of those advisers are obliged to appear, they have been directed to lie. We have seen the spectacle of the administration's nominee for Director of the FBI stating that, in effect, he regarded lying as sufficiently within the normal course of business that he continued to pass the most sensitive information to that Presidential adviser, whom he knew had lied to him. It almost appears that the Congress and the courts were some foreign powers, not coequal branches in the cooperative business of governing this country.

The implications for the structure of Government are alarming. The treatment of issues basically affecting the role of Congress will soon be considered by us, and it will then be important to remember that the executive branch is not composed of persons who have any sense of the traditional values of the constitutional scheme of government. "Executive privilege" is one example. As asserted by the Executive, the privilege is not what it has been believed, but a novel theory under which it has spread like an oil slick to blanket all those in any way connected with the administration. Those who are thought to come within it—who feel their personal knowledge is more important than the public's business—should be treated as personal consultants: they should be cut from the public payroll. The Congress could do that, if it would.

The second point is one that I raised recently before the House Judiciary Committee on newsmen's privilege bills. The administration is preoccupied with control over information. Of course, one can expect them to be chary of revealing information about such embarrassing matters as the Watergate case, regardless of the public's right to know. The attitude of hostility toward public knowledge, however, has been carried to extreme lengths in this case. It reinforces concern over the administration's evident fear of criticism from any quarter, and its insistence on political control, direct or inferential, over the flow of news to the public. That attitude bears on shield legislation for news reporters who otherwise would have to depend on the good graces of the Executive, and on broadcast license renewal legislation. It also bears on amendments to the Freedom of Information Act and on protection of information sources for the Congress in the aftermath of the Court's decision in Gravel against United States.

When we have to make important decisions on these legislative matters, the evidence of serious and continuing danger to the effectiveness of Congress as a significant factor in the Government cannot be ignored. The steady slide into impotence will continue otherwise; we must care about that. The following articles inserted at this point set forth some of the reasons why time is so significant now:

THE WATERGATE AND THE WHITE HOUSE . .

(By Joseph Kraft)

A flurry of developments has suddenly transformed the Watergate affair from a sideshow to a political bomb that could blow the Nixon administration apart. For the first time suspicion is beginning to gather around the one person almost everybody hoped was not involved—Richard Nixon.

At the outset, to be sure, Watergate seemed pure nuttiness—half-a-dozen dubious characters caught in the act of breaking into Democratic Party headquarters for the apparent purpose of tapping telephones. The freakish character was not much changed when it became known that two of those involved had connections with President Nixon's re-election campaign—James McCord, a former CIA employee who was security chief for the campaign committee; and E. Howard Hunt, another former CIA official who had a White House office.

The case took on a deeper character when The Washington Post disclosed that there was a general Republican fund to penetrate and sabotage the Democratic campaign effort. According to The Post, the White House chief of staff, H. R. Haldeman, and former Attorney General John Mitchell both had access to the fund. One beneficiary was said to be Donald Segretti, a California lawyer hired to undertake the sabotage mission by Mr. Haldeman's chief assistant and President Nixon's appointments secretary, Dwight Chapin.

Even so, sabotage could be laughed off as a kind of prank. The Post's charges were disparaged by Nixon Republicans as the work of liberal Democrats. But there is nothing partisan or prankish about the latest developments.

Consider first the letter sent by Mr. McCord, the security director of the Nixon campaign, as he faced sentencing by Federal Judge John Sirica for his part in the original Watergate break-in. In that letter, McCord stated flatly that "perjury occurred during the trial in matters highly material to the structure, orientation and impact of the government's case."

He said that "political pressure" had been "applied to the defendants to . . . remain silent." He said: "I cannot feel confident in talking with an FBI agent, in testifying before a Grand Jury whose U.S. attorneys work for the Department of Justice or in talking with other government representatives."

Then there is the role of John Dean III, the young lawyer who is the President's counsel. Mr. Dean was assigned by the President to investigate Watergate last summer and emerged with a report that there was no involvement by any White House staff members.

But there is now evidence that Mr. Dean himself lied to the FBI about Watergate. Acting FBI Director L. Patrick Gray testified to the Senate Committee considering his confirmation as director, that Dean told the FBI he did not know that Howard Hunt, one of those involved in the original Watergate break-in had a White House office.

In fact, Dean had earlier taken into his own possession materials in Hunt's White House office which he acquired by having the safe forced open. Moreover, according to the Los Angeles Times. McCord told Senate investigators that Dean had prior knowledge of the Watergate break-in.

Finally, there is the stand taken by President Nixon himself on testimony by White House officials before a bipartisan Senate committee set up to investigate Watergate. The committee has been eager to question Mr. Dean, and Dwight Chapin, the appointments secretary who resigned after being named in The Post stories.

But their appearance is being blocked by the doctrine of executive privilege. Normally that doctrine is used only to protect confidential advice given the President by his advisers against congressional prying. On March 12, however, the White House threw the "executive privilege" blanket over Mr. Chapin with a statement which extended the doctrine to "former" presidential aides. At his press conference of March 15, Mr. Nixon said of Mr. Dean: "I am not going to have the Counsel to the President of the United States testify in a formal session for the Congress."

What all this means is that the issue is no longer political sabotage by low-level operators. The issue is obstruction of justice by a systematic cover-up at the highest levels. A cloud has been cast over the Justice Department and the FBI. A time honored doctrine—the doctrine of executive privilege—has been perverted.

Moreover, the finger of guilt is no longer pointing merely at persons high up in the administration. It is not merely a matter of Mr. Haldeman, or former Attorney General Mitchell. The man in the middle is now President Nixon.

TIME TO MAKE A PUBLIC ACCOUNTING

Two months ago Richard Nixon was inaugurated for the second time as the 37th President of the United States. After a near-record landslide this was the crown of perhaps the most remarkable comeback in American political history. Everything looked rosy with the President himself predicting for 1973 one of the best years of our lives.

The transformation occurring in these two months is the difference between day and night. With the second devaluation of the dollar and the swift drop in the stock market the economic picture looks far from bright. Inflation is pushing prices to levels not only for food but for almost every item in the household budget so high that consumers are in open revolt.

Most deadly of all is the Watergate scandal. The latest revelation by James W. McCord Jr., one of the convicted defendants in the bugging case, indicates that far more individuals were involved and that every effort was made from close to the top to put the lid on this odorous mess.

Everything The Washington Post reported, as coming from anonymous sources, seems about to be proved out. Repeated denials by the White House and denunciation of the newspaper have been shown to the futile in the attempt to hush up the whole matter. The trial of the seven, as forthright Judge John J. Sirica said at the close, was a farce.

The scandals of the Harding administration were crude money scandals. Warren Harding himself was a bumbling incompe-

tent who had insisted before his nomination that he was unsuited for the presidency. Proved tragically correct he died before the men he had chosen for his cabinet were unmasked as bribe-takers and betrayers of his trust.

In the Truman administration the gift of several deep freezers to one of the President's aides was blown up into a national issue. Under President Eisenhower, poor Sherman Adams was driven out of office because he was found to have accepted a vicuna coat and a rug from an acquaintance with a petition for help from the government.

These, even the Harding scandals, were minor compared to what is coming to light today. They were examples of simple greed. The Watergate scandal and the reported scheme to sabotage Democratic candidates in their primaries was aimed at subverting the political process itself.

Directly related are the shenanigans in gathering in the $47 million for the campaign to re-elect the President. Merely on newspaper reports the law appears to have been repeatedly violated. If prosecutions do not follow, the Department of Justice may be considered part of the conspiracy of silence.

Of the Republican Presidents of this century no two could be more unlike than Warren Harding and Richard Nixon. Harding's private weaknesses—women, whiskey and poker—contributed to his public downfall as in his amiable way he surrounded himself with dubious friends whose standards were lower than his own.

Mr. Nixon is the soul of probity. In his own private life and that of the members of his family he has sought to set an example to the country of propriety; a counter to the lowering of standards in so many areas of society. This surely contributed to the landslide.

But for all his personal righteousness the time has long passed when it is enough merely to deny that the White House is in any way involved in the Watergate scandal. Stretching the cloak of executive privilege to cover not only present but past members of the President's staff serves merely to feed the suspicion that something really rotten is at the heart of the whole wretched business. Nothing short of a complete and documented disclosure with the President's imprimatur will suffice.

It was all so needless. As the President said in his interview with the Washington Star-News the election was decided the day the Democrats nominated Sen. George McGovern. Why then the amassing of such vast sums of money by sly and highly questionable means? Why the folly of the Watergate and the vicious effort to undermine the Democratic primaries?

DR. WILLIAM J. VYNALEK

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. COLLIER. Mr. Speaker, half a century of service to humanity as physician, teacher, and soldier ended last Sunday when one of my most distinguished constituents, William J. Vynalek, died in Berwyn, Ill. Dr. Vynalek, a resident of Riverside, also in Illinois, was a man to whom one could truly say, "Well done, thou good and faithful servant."

A graduate of the University of Chicago and Rush Medical College, he devoted the remainder of a long life to the practice of surgery. His service to the people of Chicago's western suburbs was interrupted only by the call to a higher duty, service as a colonel in the Army during World War II.

Doctor Vynalek was chief of surgery at what was reputed to be the largest Army medical facility in the world, the 108th Army general hospital in Clinchy, France. This establishment was sponsored by Loyola University.

Doctor Vynalek's great ability was recognized on both sides of the Atlantic. Not only was he a member of Phi Beta Kappa and Alpha Omega Alpha medical honorary, he was also the first American to become a member of the French Academy of Urology in Paris. Other affiliations included membership on the American Board of Surgery, the American and Chicago Urological Societies, the American College of Surgeons, the American Medical Association, and the Chicago Surgical Society.

Vynalek was one of the founders of MacNeal Memorial Hospital in Berwyn, where he served for a time as chief of surgery and chief of the medical staff. He was also a professor at the Stritch School of Medicine of Loyola University.

As a lifelong resident of the area where this dedicated physician labored, I am familiar with the great efforts that he made on behalf of his patients. Truly the world is a better place because of the untiring service of such men as William J. Vynalek. May his life inspire others to take up the burden that only the passing years compelled him to relinquish.

It is good to know that his family has established the Dr. William J. Vynalek Memorial Lecture Fund at MacNeal Memorial Hospital, thus helping to perpetuate the memory of this great and good man.

ADMINISTRATION SELECTIVE ON WHAT LAWS TO BE OBEYED

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. THOMPSON of New Jersey. Mr. Speaker, we have all, I think, heard it said that the current administration is one which highly prizes law and order. I yield to no one the desire to see that all laws are obeyed and all statutes enforced. However, as the enclosed commentary by Mr. Ralph Nader indicates, it would appear that the administration is selective in what laws should be obeyed and what statutes enforced. I commend to our colleagues Mr. Nader's commentary on the manner in which the administration is treating legal aid agencies throughout the country.

The commentary follows:

RALPH NADER . . . IN THE PUBLIC INTEREST—LEGAL AID AGENCY RIPPED WITHOUT RESPECT FOR LAW

WASHINGTON.—What can Congress do when a government official purposefully and systematically breaks the law, as the acting director of the Office of Economic Opportunity (OEO), Howard J. Phillips, is doing with White House approval?

Ideologically fueled by hatred for government programs to Americans who are poor and helpless, Phillips is pursuing the dismantling or subversion of OEO's legal services program and other OEO activities undeterred by a chorus of objections and charges of illegality from prominent law firms, OEO employes, and both Democratic and Republican members of Congress.

Under the smokescreen of taking politics out of the legal services program and returning control to locally-elected officials, Phillips and his crony-consultants are using every bureaucratic means to restrict and harass the legal services lawyers. This is being done pursuant to turning over the programs to local reactionary lawyers and politicians.

The law and proper procedures are pushed aside with fierce determination. Phillips had hardly gotten into his job on January 31, 1973, when he violated his agency's own regulatory procedures designed to protect legal services grant recipients around the country.

These rules included: (1) 30 days public notice before any changes in grant procedures; (2) notice to grantees of when they will receive funds held up by processing delays; and (3) notice of intent to terminate with reasons and continued funding until opportunity for hearings on termination.

When House Education and Labor Committee members raised these questions before Phillips on February 27, he had no answer and lamely passed the questions to his counsel who embarrassingly tried to gloss over these oversights.

SETS RESTRICTIONS

Now Phillips has retrenched by pursuing the same purpose of undermining legal services through political action and restrictions from his Washington office. Rather than uniformly cutting off funds or not renewing grants, he is placing restrictions which suppress thorough legal representation of the poor and turn the local boards of directors to his ideological allies.

This is precisely what has occurred with the effective Indianapolis Legal Services program. Ignoring the recommendations of local officials, including the mayor's office, as well as reports by local and federal evaluators, Phillips cut a fifth of the program's funding, imposed seven "special conditions" on the program, and turned control of the program over to its local enemies.

The Indianapolis situation shows that Phillips is not concerned with giving local officials more of a say.

OUTSPOKEN ENEMIES

He is concerned with turning legal services over to its outspoken enemies by edict and continuing controls from Washington—at least until the entire national legal services program can be permanently scuttled. The young oligarchs now running OEO also want to destroy the national "back-up centers."

These centers, which are affiliated with universities, conduct research into poverty law relating to consumer, housing, health and other areas and respond to information requests by legal services attorneys.

In turn, these attorneys have served millions of Americans and pioneered in the courts. They have won law-suits against local and state lawlessness and commercial exploitation of the rights of consumers, tenants and workers. It is the stopping of this modest strengthening of the poor against the powerful that Phillips has directed his policies of illegality, deliberate bureaucratic snares, hostility and arbitrary dismissals of OEO employees who would uphold the law.

As acting director of OEO, Phillips' name has not been sent by the President to the Senate for confirmation, as required by law. He will now have to defend against the

charge in court by a group of Senators seeking to remove him that he is holding his very office illegally.

SAIGON'S PRISONERS

HON. ROBERT F. DRINAN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. DRINAN. Mr. Speaker, on Friday evening, March 23, a thousand people at historic Faneuil Hall in Boston heard about the intensification of the reign of terror which has come about recently for the political prisoners and the opponents of the government of President Thieu.

Two young citizens of France, M. Andre Menras and M. Jean Pierre Debris, both of whom spent 2½ years in a South Vietnamese prison, told of the 200,000 or more South Vietnamese citizens who are being detained by the Government of South Vietnam simply because they are deemed to be hostile to the present authoritarian regime.

The signatures of 40,000 citizens of Massachusetts protesting continued help to this situation by the U.S. Government were presented to me and my colleague, Congressman JOHN JOSEPH MOAKLEY.

Mr. Speaker, it was precisely the plight of South Vietnamese political prisoners that brought me to South Vietnam 3½ years ago as a member of an American team to investigate this situation. The number of political prisoners at that time totaled about 30,000. That number has escalated sharply.

There is little likelihood that President Thieu will be anxious to release these prisoners. Inevitably they would form political opposition for General Thieu. On the other hand, the North Vietnamese are not pressing for the release of the 200,000 South Vietnamese political prisoners because their presence in the general population of South Vietnam would complicate the political ambitions of the North Vietnamese.

The thousand American citizens present on March 23 at Faneuil Hall in Boston protested the continued funding in huge sums by the U.S. Government of the police state of President Thieu in South Vietnam.

The citizens af Faneuil Hall also expressed the gravest misgivings about the implications of the visit to the United States by President Thieu planned for April 2–5. It was the overwhelming conviction of these Americans that the United States should extricate itself from all intervention in Indochina and that any continued support of the Thieu regime could only result in more disaster for all parties concerned.

A document of 109 pages entitled "Hostages of War: Saigon's Political Prisoners" by Holmes Brown and Don Luce has recently been published by the Indochina Mobile Education Project at 1322 18th Street NW., Washington, D.C. 20036. This devastating document expands on the information which the two French teachers told to the audience at Faneuil Hall on March 23.

Mr. Speaker, I attach herewith for the benefit of the Members of Congress a summary of the situation with respect to political prisoners in South Vietnam. This summary is taken from a document entitled "Saigon's Prisoners" issued by the Indochina Peace Campaign, 67 A Winthrop Street, Cambridge, Mass. 20138. The thrust of this article is that the U.S. Government has organized, financed, equipped and trained the personnel to run Thieu's programs for getting rid of his political opposition. The article follows:

SAIGON'S PRISONERS

The fate of the political prisoners in the jails of the Saigon government has is a major issue of contention in the implementation of the Ceasefire Agreement. The Agreement states:

The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties . . . within ninety days after the cease-fire comes into effect. (Article 6).

One of the things that makes this a major problem is the large number of political prisoners held by Thieu. Estimates are as high as 200–300,000. These estimates are based, in part, on the rate of arrest in South Vietnam, which was 14,000 civilians per month since April, 1972 and rising (*Time* magazine, July 10, 1972). The *Far Eastern Economic Review* reported that 50,000 people had been arrested throughout South Vietnam during the first two months of the Spring offensive (July 18, 1972). Over four years ago, in July, 1968, the *Saigon Daily News* reported that there were over 100,000 political prisoners in Saigon's jails.

Who are these prisoners? Why were they jailed? Will they be released?

WHO ARE THE PRISONERS?

General Thieu has ordered the arrest of anyone who is critical of his regime: According to two French schoolteachers who had been arrested by the Thieu government in 1970 and held in various prisons until December, 1972, the jails hold all kinds of people who in any way opposed Thieu, worked for peace, or spoke out against corruption:

"Chi Hoa (Prison) is like South Vietnamese society in miniature. There is everything from former presidential candidates, Buddhist monks, women and children who have never committed any offense, to the most hardened criminals and drug addicts. There are countless children in South Vietnam's prisons. Often a mother is arrested too quickly to find anyone to care for her children, so the children are arrested and imprisoned, too." (Press Conference, January 2, 1973.)

Thieu has always sought to jail his political opponents. Right after the presidential election of 1967, Thieu jailed the runner-up in the election, Truong Dinh Dzu for inciting "neutralism." Dzu is still in prison. Since then, most of those who have been in any way outspoken in their criticism of his government have been arrested. On November 11, 1972, Thieu's nephew Hoang Duc Nha, claimed that the Saigon government arrested 50,000 political opponents and killed 5000 (CBS Evening News). The Saigon Ministry of Information reported that the police made 7200 raids against political critics between November 8 and 15, 1972.

THIEU'S LAWS

Under laws decreed by Thieu over the past several years, citizens can be arrested for a wide variety of reasons and held without trial for long periods of time: Most of the decrees are aimed at what Thieu calls "pro-communist neutralism" whereby neutralism is equated with pro-communism.

The *Washington Post* reported on January 18, 1973 that "President Thieu has given his province chiefs a wide latitude to make political arrests after the coming cease fire and has also empowered them to 'shoot troublemakers' on the spot." To handle the new arrests Thieu has begun a crash program to increase his police force from its present level of 122,000 to 300,000 (*Le Monde*, September 8, 1972). U.S. government officials confirmed, in an interview before the Ceasefire Agreement was signed, that "Thieu has ordered the arrest and 'neutralization' of thousands of people in the event that cease-fire negotiations with Hanoi are successful . . . The term 'neutralization' can mean anything from covert execution to a brief period in detention." (*Los Angeles Times*, January 1, 1973).

Thieu has not only arrested his non-communist political opposition, but he does not intend to release them. Andre Menras, the French schoolteacher recently released from Thieu's prisons, explained why in his press conference:

"If the Thieu regime is going to have a chance to survive after a cease-fire, they've got to get rid of everyone who has lived in his prisons and who could tell what they've experienced, what they've seen in the camps, especially the Catholic students, the Buddhist monks, who refused military service. Obviously they can't be called 'Communists.' they're from well-known Saigon families, well-known to the upper classes there. It could snowball if they begin to tell what they've lived through, what they've seen, the tortures they've undergone. Because of their religion and their social standing, people will believe them. Thus it is a matter of survival for the Thieu regime to get rid of these people. Also there are some prisoners they haven't been able to break. Even if they've broken their bodies, they've not always broken their spirit." (January 2, 1973)

TREATMENT OF PRISONERS

The Saigon government has ordered systematic use of torture as a policy: The two French schoolteachers are not the only people to have witnessed or spoken out about the treatment given to political prisoners in Thieu's jails. A Saigon judge, Tran Thuc Linh denounced it publicly:

"I have seen with my own eyes persons fastened to benches, into whose mouth and nose interrogators poured sewage water, soapy water and even latrine water until their stomachs swelled to the bursting point . . . I have been eyewitness to the scene of prisoners with bleeding wounds half-carrying other prisoners more battered and bloody than themselves as they emerge from interrogation rooms on their way to their cells or to court." (Publication of the Catholic Movement for the Edification of Peace, Saigon, November, 1972)

THIEU'S PLANS

Despite the provisions in the Ceasefire Agreement, Thieu has no intention of releasing very many political prisoners: He has recently ordered that in the new wave of arrests, "Those arrested are to be charged with common crimes instead of political ones," so that the prisoners will not fall into the category of political prisoners whose release is provided for in the Ceasefire Agreement. (*Washington Post*, January 18, 1973). Many political prisoners were arrested under Decree No. 004/66 by which Thieu empowered himself to imprison anyone "for a maximum period of two years, which is renewable." No specific offense concerning political activity and no trial are necessary. There have also been reports that Thieu is beginning to reclassify some prisoners who were arrested long ago for political activity as common criminals (*Washington Post*, January 23, 1973.)

Already the North Vietnamese and the Provisional Revolutionary Government have lodged very strongly worded protests to the International Control Commission claiming that the lives of these prisoners are in great

danger. Their claims appear to be at least partially borne out in increasing number of reports that the Saigon government may be transporting prisoners out to sea and executing them. "Fishermen in the south have noted many bodies floating in the sea near the island of Hon Rai . . . off the western part of South Vietnam." (*Boston Globe*, March 4, 1973.

U.S. GOVERNMENT RESPONSIBILITY

The U.S. government has organized, financed, equipped, and trained the personnel to run Thieu's programs for getting rid of his political opposition: The major program by which Thieu's opponents are killed, arrested and sometimes tortured was called "Project Phoenix" and is now called "F–6." The Phoenix or F–6 program is largely staffed by the U.S. Central Intelligence Agency (CIA) and is directed by 637 U.S. civilian personnel (Hearings on U.S. Assistance, House Foreign Operations Subcommittee, July–August, 1971, p. 242). According to Ambassador Colby, in his testimony before the House Foreign Operations Subcommittee (July–August, p. 183) 20,587 South Vietnamese civilians were killed and 46,695 persons had been imprisoned under Phoenix between January, 1968 and May, 1971. Funds for the program came from American tax dollars—$732 million for this period according to the U.S. Agency for International Development (AID), Office of Public Safety, through which much of the money is channeled (USAID publication, 1969).

The U.S. government also funds and supervises Thieu's prisons and U.S. corporations have constructed many of his prisons. American tax dollars provide materials and services to the prison system and pay the salaries of six U.S. Public Safety Advisors on loan from the U.S. Federal Bureau of Prisons to maintain security and supervise construction and training programs (Hearings, pp. 225–6). When two U.S. Congressmen were shown the "tiger cages" on Con Son Island where dozens of prisoners were confined in cells that could barely accommodate a few, were periodically doused with lime and fed only small amounts of rice with no salt or water, U.S. prison advisors first protested their ignorance of such facilities but later awarded $400,000 to the RMK/BRJ (Raymond, Morrison, Knutson/Brown, Root, Jones) American construction combine to build additional "tiger cages" at Con Son Island (Hearings, p. 46).

THE FUTURE

For the future, it appears that the U.S. will continue to finance Thieu's police force and F–6 program despite the Ceasefire Agreement and that this will severely jeopardize the peace: U.S. AID has asked Congress for $18 million and the Defense Department has asked for roughly twice that much just to train 20,000 of Thieu's police annually, to supply arms and ammunition to Thieu's police, and to pay the salaries of 200 U.S. Public Safety Officers, assigned as advisors to Thieu's police command. Since these men are not in the armed forces, the U.S. government has no plans to remove them. They are part of the 10,000 civilian advisors that the U.S. has kept in or sent to South Vietnam since the Ceasefire (*Washington Post*, February 2, 1973).

Only American aid, in the form of men and money, enables Thieu to continue jailing, holding, torturing and killing political prisoners. Only an end to American aid will see the beginning of the end to these practices. If the aid continues, if Thieu, with our support, continues these policies, then the Ceasefire will surely break down. Already the North Vietnamese and the Provisional Revolutionary government are protesting strongly Thieu's treatment of the prisoners. The Agreement is very weak in that all South Vietnamese are to have full democratic rights; political prisoners are to be released; there is to be freedom of the press and free elections. How can any of this happen if Thieu continues his policies of jailings?

THE NEW SOCIAL SERVICE REGULATIONS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RANGEL. Mr. Speaker, the newly proposed HEW Social and Rehabilitation Service regulations have awakened the social consciences of concerned individuals and organizations all across this country. Day care groups, working mothers, research centers, and political groups have joined millions of other Americans in protest of the new regulations.

I now submit a letter from the noted educator Kenneth B. Clark, president of Metropolitan Applied Research Center in New York, to Philip J. Rutledge, the Acting Administrator of Social and Rehabilitation Services in HEW. Dr. Clark's eloquent statement represents the anguish and concern of Americans everywhere:

METROPOLITAN APPLIED RESEARCH CENTER, INC.,
New York, N.Y., March 7, 1973.

Mr. PHILIP J. RUTLEDGE,
Acting Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. RUTLEDGE: In accordance with the official procedure, comments on the new HEW Social Service Regulations listed in the February 16th *Federal Register* are mandatory at this time. As president of the Metropolitan Applied Research Center, an organization dedicated to the protection of the interest of those groups in our society whose interests are usually ignored or subordinated, the following statements are made.

The new HEW Regulations undermine any possibility of providing quality developmental centers for those children who are the victims of poverty in the United States. It is our understanding that these regulations will act to:

Reduce funding drastically by limiting the States' ability to raise funds, concurrent with a Federal suspension of open-ended matching of state funds;

Minimize breadth of services provided;

Minimize provision for adequate standards for child care;

Restrict provision for local and consumer involvement in program policy and development; and

Restrict eligibility to only the very poor who have registered for work or job training.

Our concern, of course, is with the implications of these regulations. We see them as an international aborting of any attempt to achieve nation-wide comprehensive child care. In limiting day care to the very poor and making registration for work or job training a prerequisite for day care services, the Regulations have the effect of creating forced labor at less than minimum wages and promoting the warehousing of children. They force mothers of small children to choose between giving up their children or giving up their means of support. This is a choice no mother should be asked to make.

Furthermore, they neglect the working poor for they are not eligible for child care, thereby creating a dependency on welfare and an anti-work incentive. Certainly this on its face is inconsistent with President Nixon's espousal of the value of a "work-ethic" over a "welfare-ethic."

They also undermine the possibility of providing quality child care for anyone, thus denying children of a basic right to quality care and development, and they negate any attempt to achieve integrated education from the beginning level of early childhood education.

Regulations which have such devastating effects must be amended. It is incredible even to think of the possibility that in the 1970's our government will resort to using the children of our nation as a means of controlling the poor.

Sincerely,

KENNETH B. CLARK.

A SEED WAS PLANTED IN PEORIA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. MICHEL. Mr. Speaker, an editorial entitled "A Seed Was Planted in Peoria" appeared in the March 13, 1973, edition of the Peoria Journal Star addressing itself to the problem of proper and tasteful broadcasting policies via the television networks and the efforts of local stations to determine for themselves what should or should not be shown.

I ask that the editorial be placed in the RECORD and commend its text to my colleagues who may be hearing from station managers back home relative to similar problems.

The article follows:

A SEED WAS PLANTED IN PEORIA

Did you happen to notice the Associated Press story that reported a CBS show has been "postponed" after a number of stations refused to carry it "at this time"?

Do you wonder if there is some small connection between this unusual incident and the fuss some weeks ago about a couple of segments of the situation comedy "Maude" being denied air time here in Peoria?

At that time Peoria was the butt of some condescending reaction as the only backward community in the whole United States. Some felt that we were not "with it" enough to swallow what the geniuses in New York sent us.

Now, especially after a balanced report nationwide in TV Guide about that "Maude" affair, it begins to look as if Peoria was just breaking the ice—leading the way to a major revolt of CBS affiliates against a show called "Sticks and Bones."

When CBS scheduled that off-Broadway super-soap opera as a TV drama, the same step taken in Peoria by WMBD-TV on "Maude" was taken by scores of CBS stations all over the country. They refused to air "Sticks and Bones."

In the end, CBS itself cancelled the whole transmission.

CBS described the rejected show as "serious, concerned and powerful tragedy". Indeed, it won some awards and raves in New York. But regardless of the skill of the performers or technical accomplishments, this CBS description is an odd one to apply to a misbegotten mess of crude and cruel propaganda in its substance. It vividly portrays, in fact, a blinded Vietnam veteran returning to his home only to be deliberately harassed into suicide by his own mother and father—and ends with his bloody suicide, itself.

However brilliantly produced, what kind

of twisted mind or morbid imagination conceived a theme like that? Or considered presenting it in the midst of the reality of the returning P.O.W.s, where the real drama so contrasts with that fictional one?

When scores of local station managers took a look and said, "There must be something better than this to use in prime time," the author and producer let loose the usual howls: "Censorship!"

Just as Norman Lear did in the "Maude" case.

This about hits the high point for silliness with people engaged in TV's mammoth program selection process.

Everytime anyone in the business selects a subject, a type of treatment, a cast, a theme, or an idea, he is excluding others. The whole business is one of trying to make the best use of limited time.

There is no possible way to use a mass media without some such selection process. If that constitutes "censorship"—everyone in the business is a censor—especially those producers.

They may prefer to think that when they make the decisions of what goes in and what goes out, it is the exercise of artistic freedom—but when somebody does the same thing to them, they call it "censorship."

If you think everybody has a right to be on a network TV as a kind of constitutional right—just try to exercise it. Selection of material and of people is necessary for a school play and not everybody can get into the act any time he so wishes. National television? It is a physical impossibility.

If the resulting systemization is "censorship", those who profit most from its centralization are in a very poor position to condemn it when they don't happen to get their way just once!

Meanwhile, the whole sequence of events strongly suggests that what happens in Peoria can have a very broad effect. A seed was planted in Peoria.

Some old-fashioned guts in one manager of one station here in Peoria appears to have helped prepare other managers all over the country to step up and exercise their responsibility—to do their job.

Who knows? Maybe this will even lead to some more responsible judgments through a little self-analysis at CBS, itself—instead of the knee-jerk reaction of the "group-think" within their own "set."

COMPUTER IN COURT

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. HUNGATE. Mr. Speaker, of all the reasons advanced on behalf of no-fault insurance, one discussion in the March 22, 1973, Christian Science Monitor, is most intriguing to me. The quotation from the Christian Science Monitor states:

Several major insurance companies that previously had backed federal action swung around and decided to seek uniform action by the states. If the states do not act, however, these companies could swing around again. For one thing, the companies that do business in many states have a particular problem: Their data processing equipment cannot cope with very many variations of no-fault, perhaps as few as four. More versions would mean more expensive equipment and more training for employees processing more policies and claims.

It appears that A.P. Herbert's prediction of February 13, 1963, has come to pass. No longer is our litany, "non sub hominem sed sub deo et legem." This should now be revised to read, "non sub hominem sed sub 'deus ex machina'."

The article follows:

COMPUTER IN COURT

(By A. P. Herbert)

Before Mr. Justice Squirrel in the High Court to-day Sir Cyril Tart, QC, opened for the plaintiff in this fascinating action, which is regarded as a test-case on some novel points of law.

Sir CYRIL said: My lord, this is an action for defamation, and the principal defendant is, perhaps, a computer——

The COURT. Perhaps, Sir Cyril? But haven't you made up your mind?

Sir CYRIL. No, my lord. With great respect, we hope that the Court will do that: for here is a new field of life and litigation, and I am unable to find any precedents with which to assist the Court, as I generally do.

The COURT. You are always very helpful, Sir Cyril. Could we now have some approximate outline of the facts?

Sir CYRIL. If your Lordship pleases—as, may I add, your Lordship habitually does. My lord, for many years my client, the plaintiff, has been a client of Generous Bank Limited. In recent years the Bank has been employing a computer.

The COURT. I never quite understand what they do.

Sir CYRIL. My lord, I am instructed, if they are accurately fed with the requisite information they will answer almost any question that is put to them. Moreover, they will answer instantly a question which might occupy twenty expert men for many days. The defendant Computer is also capable of certain mechanical actions, the addressing, sealing and stamping of envelopes, for example.

The COURT. Bless me! Can it predict the weather?

Sir CYRIL. Given the relevant facts and records, I believe it could. But the machine has, in exceptional circumstances, one possible weakness.

The COURT. I am glad to hear that they are human after all.

Sir CYRIL. Yes, my lord. They are run by electricity, and if for any reason the voltage falls below a certain level some error may creep into the answers. My lord, in January last my client was proposing to take a lease of a London flat, modest in quality but not in rent. Asked for references which would show that he was a good and proper tenant, able to meet his obligations, the plaintiff referred the property-owners to his Bank. The Bank, as their custom now is, put certain questions to the Computer, which issued, immediately, a type-written slip, being a carbon copy of its answer, as follows:

"Mr. Haddock's account is overdrawn in the sum of £51,000 7s. 3d."

There followed a second slip:

"The market value of the securities he holds at current prices is £2 0s. 8½d."

A third slip said:

"What is more he owes the Inland Revenue £159,000 6s. 2d."

The COURT. Were these assertions correct?

Sir CYRIL. No, my lord. Later, by painful man-conducted researches with which few of the bank staff are now familiar, it was established that at that moment my client had a credit balance of £1 9s. 4d., and his indebtedness to the Inland Revenue had been cruelly exaggerated.

The COURT. What went wrong, then?

Sir CYRIL. My lord, it was shortly before the mid-day meal. A number of citizens in the neighbourhood had incautiously decided to use their electrical cooking appliances: and the astonished Electricity Board was compelled to reduce the voltage to a level not far above the Computer's dangerline. For a few minutes, it is believed, perhaps less, it must have crossed the line, unobserved by the attendants who had had no warning, and in that brief space of time the questions concerning the plaintiff chanced to be presented.

The COURT. Yes, but the Bank, surely, did not pass the erroneous information on?

Sir CYRIL. No, my lord: but the Computer did. The "top copies" of the answers were placed by it in a sealed, addressed envelope and despatched by chute to the ground floor, where the express messengers waited. The property-owning-company received the message about 3.0 p.m. and at once declined to let their flat to the plaintiff. Moreover, one of the directors of the Company was on the committee of the Royal Yacht Squadron, which has an old-fashioned prejudice against bankruptcy, and at that evening's election my client was blackballed.

The COURT. Dear, dear. But, Sir Cyril, the case seems clear enough. The Bank, by its servant, the Computer, has published a libel, and is responsible.

Sir CYRIL. So, at first, it seemed to the plaintiff—and, I believe, to the Bank. But, having unbounded faith in the powers of the machine, they fed the necessary facts into it and put the question: "What's the answer?" The Computer replied, my lord:

"I am not—repeat not—your servant—for you cannot control me."

The COURT. I see the point. A good point.

Sir CYRIL. It is the point, I am sorry to say, on which the Bank relies. This is a machine, they say, having superhuman powers, and it would be presumptuous and unreal for any association of ordinary men, even a joint stock bank, to pretend to such a domination as is implicit in the relation of master and servant.

The COURT. Yes, but it is *their* machine.

Sir CYRIL. No, my lord, it is not. It is on hire from Magical Electronic Contrivances Limited.

The COURT. What do they say?

Sir CYRIL. They say that they have leased a perfect, infallible machine to the Bank, and they are not responsible for the blunders or negligence of the Bank or the Central Electricity Board.

The COURT. Oh, yes. What about the Board?

Sir CYRIL. They are protected, they say, my lord, by a section in the original Electricity Act.

The COURT. Do they? They would.

Sir CYRIL. At this point in the preliminary argument, my lord, the Bank put a further question to the Computer: "You see the dilemma, don't you? What do you advise?" The Computer replied:

"Try 'the act of God.' "

The COURT. The Act of God? "Something that no reasonable man could have been expected to foresee." Lord Mildew, wasn't it? Something in that, perhaps. But, Sir Cyril, as these superhuman instruments increase in number and power the outlook is grave, is it not, if every mischief they cause is to be dismissed as an Act of God for which no man is responsible?

Sir CYRIL. Yes, my lord. This is, as I intimated, in tLe nature of a test-case.

The COURT. So you may be reduced, you fear, to a single defendant, the Computer? What is the attitude adopted there?

Sir CYRIL. Satisfactory, my lord. On receipt of the writ, the Computer replied:

"Gladly accept service, my solicitors are Bull Stableford and Brown but I shall require legal aid." And, in fact, legal aid has been granted.

The COURT. Interesting, is it not, Sir Cyril, that the only one of these parties to behave with human decency is the machine? But where will this get you? It is a machine of straw.

Sir CYRIL. My lord, the Bank having refused

consent, by order of Master Richards an interrogatory on that point was administered to the Computer. It replied:

"Am earning heavy money. Why not attach my earnings?"

The COURT. But would not that be unjust to Magical Contrivances Limited?

Sir CYRIL. Possibly, my lord. But they did construct and distribute the monster. For the injustice suffered by my client he is not remotely responsible.

The COURT. True. Perhaps, before these instruments go into operation, they should put in a capital sum, like a gentleman seeking to do business at Lloyd's, to ensure that they can meet any unforeseen indebtedness?

Sir CYRIL. That is a question, my lord, which might well be put to the Computer.

The COURT. Perhaps it would care to come up here and try the case?

Sir CYRIL. No, my lord. It is not, I think, a British subject.

The COURT. Do you know, Sir Cyril, I think I shall go into a home for a fortnight and think about this case. One of those fruit-juice places.

Sir CYRIL. If your Lordship pleases.

The hearing was adjourned.

MEAT DILEMMA

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. HUNT. Mr. Speaker, in the Thursday, March 22, edition of the Washington Post, on page F–1, there is an interesting article entitled "Frankfurters: The Anatomy of a Red-Hot Debate." I call special attention to this article for a variety of reasons, but primarily because it emphasizes once again just how little the consumer is getting for the outrageous price he has to pay.

As high as the prices quoted in the article may seem, there is reason to believe that at some meat counters they may be even higher. Members of my staff have reported to me that in a period of 5 days, hot dogs have risen in price by 40 cents per pound and Italian brand sausage as much as 30 to 40 cents per pound. To add to this, the lowest price available for a pound of franks was $1.15. Hamburger too has jumped some 20 cents per pound, depending on type. The cheapest ground in many stores is well over a dollar. But to further complicate buying stores wrap it in packages heavier than a pound—so if you need just a pound or less, forget it.

At this time I think it is more important than ever to see that the consumer is getting precisely what he is paying for. If the consumer is going to be forced to pay top dollar, then stores have an obligation to give him the very best at that price. The consumer has every right to not only expect it, but to demand it.

Mr. Speaker, I offer the following Washington Post article for insertion in the RECORD:

FRANKFURTERS: THE ANATOMY OF A RED-HOT DEBATE

(By William Rice)

The continuing tug-of-war between consumer advocates and the meat industry has torn apart the hot dog they both have been pulling at. The debate over what it should and should not contain may intensify since the U.S. Department of Agriculture proposed last week to continue the use of byproducts in frankfurters.

Byproducts, or variety meats (the term preferred by the meat industry), include kidneys, sweetbreads and other items often considered delicacies. They also include the snouts, windpipe and skin cited above and many other unappetizing parts.

Byproducts touch personal sensitivities. Whether to use them or not has brought out what the American Meat Institute called "the emotional reactions of members of a vocal minority who have personal esthetic misgivings about variety meats."

To lessen some of the emotion: Byproducts are used in a minority of hot dogs, perhaps 30 percent. Heavy regional sales in the Southeast make the percentage on the Washington market far less than that. Also, under the USDA proposal of last week, future package labels will clearly indicate that byproducts or variety meats are part of the frankfurter. Whether the label also will detail the specific byproducts is unclear.

So, in retail stores at least, the consumer is not going to be forced into playing blind man's buff. What will be served in restaurants or at the ball park, where a good portion of the 16 billion frankfurters we eat each year are purchased, will be harder to determine.

It is easy to determine, however, the remarkable jump in prices for frankfurters. A sampling on the shelves of a local supermarket last week ranged from the house (chain) brand at 89 cents a pound to Oscar Mayer All-Meat Wieners at $1.35 a pound. (Hebrew National Kosher All-Beef brand was $1.03 for a half-pound.) Statistics provided by the American Meat Institute give a 93.3 cents average price per pound for franks in January of this year. That represents a gain of almost 10 cents per pound over a year ago and 22.8 cents (nearly 25 percent) over 1968, five years ago.

When the Agriculture Department announced, in December of last year, a tentative proposal to ban all byproducts from hot dogs, it wasn't difficult for the AMI to find allies in protesting the move.

Herrell DeGraff, president of the AMI, wrote to the USDA hearing examiner that "the United States is not so affluent that it can afford the economic waste inherent in discarding wholesome food products with an estimated value of more than $40 million annually" and enclosed tables illustrating the nutritional value of the byproducts in question.

He proposed the regulation allow for products containing skeletal meat *and* for products containing "variety meats, extenders and binders" under separate labels.

This, in essence, is what has been done. But a USDA official hastened to point out last week that the meat industry's recommendation had been echoed by "lots of educational institutions and research outfits."

"It kind of leads you to wonder," he said.

But the USDA's sweeping initial proposal had led a lot of people outside to wonder what the department, historically sympathetic to industry, was up to. It stimulated a record 2,000 comments on both sides of the issue and, in the minds of some, created a smokescreen that made it difficult to deal with more substantive questions about the contents of frankfurters and sausages.

"Somebody over there was very clever," said the head of one consumer organization. "They never intended it to stick, but the economic issue was one that split consumer interests. It didn't make sense even to us."

"I hate to say this," DeGraff commented, "but the first proposal was seriously ill-considered. It wasn't doing a service to anyone."

According to USDA, the proposal was merely their attempt to go along with a decision by the U.S. Court of Appeals last August that the label "All Meat" on frankfurters must be abandoned. Legally, frankfurters need be only 85 per cent meat. That didn't equal "all-meat," the court ruled.

Like tomatoes and chicken, to name only two foods, frankfurters aren't what they used to be. At the time President Nixon spoke out on hot dogs (in 1969), the frankfurter's profile had changed from 19.8 per cent protein and 18.6 per cent fat (in 1937) to a flabby 11.8 per cent protein and 31.2 per cent fat.

Controversy at that time centered on fat content. Consumer groups and AM's DeGraff now say that was the wrong approach and both claim they urged that the emphasis be placed on protein content.

To summarize the consumer viewpoint there are three areas of concern about the use of byproducts.

Nutrition. While industry cites the nutritional value and gourmet appeal of byproducts, those that rate highest in both categories (liver, kidneys, etc.) bring high prices when sold separately and therefore are never used in frankfurter production.

Those that are used (hog lips, beef udder, etc.) do contain an impressive percentage of protein. They also contain a lot of collagen (connective tissue) that ranks as protein but doesn't contribute to human tissue growth or repair as does muscle protein. It's not only the amount of protein, but the value of the protein that counts, consumer groups argue.

They would have a requirement that the hot dog contain a minimum of 12 per cent protein and meet a standard protein efficiency ratio, which can be determined by laboratory tests.

Health. Normally the bacteria counts of byproducts, many of which come from the abdominal area, are higher when processing starts than those for skeletal meats. Therefore, they must be handled more carefully.

Furthermore, although frankfurter meats are cooked in processing, temperatures aren't sufficient to make the emulsion sterile. There is more inherent danger in using byproducts, the antagonists charge, and frankfurters with byproducts may prove to have a shorter shelf life than those made without them.

Labeling. The argument is made that under present proposals the consumer will have to be more, not less, sophisticated to know what he is getting. He or she must read small type to find a detailed breakdown and even then the average consumer lacks the knowledge to compare health values of various byproducts.

Products considered "binders" are a concern here as well. The frankfurter may contain 3.5 per cent binders and extenders. If the binders are non-fat dry milk or soy, they give a big protein boost. If they are dextrose, the boost is mainly in calories. A suggested solution is complete ingredient labeling and complete nutrition labeling with percentages. That approach has been rejected recently by the Food and Drug Administration in revised labeling regulations for products it regulates.

Another concern, of course, is how the consumer eating away from home is to know what is in the frankfurter he is served. "It seems reasonable to assume," a consumer spokesman said, "that as binders and byproducts don't change the taste, the merchant's temptation will be to sell the product that costs him less."

The AMI's DeGraff responded with the following during a telephone interview last week:

Nutrition. "We have no serious objection to a 12 per cent protein requirement. When fat limitation was being argued, we countered with a minimum protein proposal. If

it were 12 per cent, that would be self-limiting—you couldn't reach that with more than 30 per cent fat—and more meaningful.

"The current level, 11.5 to 11.7 per cent protein in all-meat franks, isn't that far out."

He acknowledged the "distinctly lower" protein value of byproducts used in frankfurters, but countered by pointing out that the lacking or limited amino acids could be supplied elsewhere in the diet; that the enriched flour in a bun plus the meat in a frankfurter made a "highly effective" combination.

Health. "Under normal conditions," DeGraff said, "with good inspection in the plants, there should not be any danger from bacteria. But if variety meats are badly handled, there could be." Shelf life of frankfurters with byproducts "should not be different," he added.

Labeling. DeGraff said merely that cartons in which frankfurters are shipped to the institutional trade are labeled "meticulously."

On the subject of costs, DeGraff held out no hope of a downturn. Even when less costly byproducts are used, he explained, other costs of production and distribution don't change. Competition, he thinks, will hold down the amount of byproducts manufacturers will put into the meat emulsion.

As to an enlarged supply of beef, he doubts that will provide more meat for frankfurters. Feed lot beef is not used for this purpose. Domestic cow beef, cows taken from the nation's dairy herds, is used and in recent years imports have provided nearly 40 per cent of the beef used for frankfurters.

DeGraff said the cow herd will increase, but not significantly when compared to demand. He called the price increase of imported beef "fantastic" and said even when that supply grows, the United States is only part of world demand.

In sum, it's going to be expensive to produce frankfurters and it's going to continue to be expensive to buy them no matter whether they contain byproducts or not. The "wholesome, cheap, all-beef, all-American hot dog" is extinct.

HAWAII COUNTIES PROTEST BUDGET CUTS

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. MATSUNAGA. Mr. Speaker, since the President announced his proposed budget for fiscal year 1974, thousands of citizens of this Nation, including myself, have protested the tremendous reductions and elimination of programs, particularly in the area of social services.

I have received numerous letters from Hawaii vigorously objecting to the proposals, including resolutions from the councils the counties of Kauai and Maui which sum up how the President's budget, as proposed, will affect the disadvantaged citizens of those counties.

In the belief that these resolutions will be of interest to my colleagues as additional testimony to the fact that social service programs cannot be arbitrarily reduced and deleted, I insert them in the RECORD:

REQUESTING THE PRESIDENT OF THE UNITED STATES AND CONGRESS TO RESTORE FUNDS FOR CERTAIN SOCIAL SERVICE PROGRAMS

Whereas, the President of the United States has ordered reductions and deletions of federally funded programs designed to improve the general welfare of the socially and economically deprived citizens; and

Whereas, it is a proven fact that the federal funding provided has done much toward the development and improvement of the socially and economically deprived citizens; and

Whereas, such reductions and deletions include, but are not limited to, the following:

(a) The deletion of federal programs 235 and 236 will result in the denial of housing for the low income citizens. Due to the funding of Section 235 and 236 programs, the County of Maui has provided 194 fee simple homes and 112 rental units for the economically deprived citizens;

(b) The reduction of funding to Maui Economic Opportunity, Inc. will affect 2,400 low income citizens. These economically deprived citizens have been receiving services by way of general community programs and consumer education programs. Noontime meals have been provided for approximately seventy elderly citizens over the age of 60, and transportation for approximately 1500 low income citizens. Due to the lack of federal funds the Haiku Neighborhood Service Center, the Hana Neighborhood Center, the Makawao Neighborhood Service Center and the Puunene Neighborhood Service Center will be closed down. Such denial of federal funds would drastically affect the living standards and social orientation of families who have relied on such aid over the past years;

(c) The drastic reduction of funds to the social services programs of the State of Hawaii will in turn affect the welfare programs in the County of Maui. It is a known fact that the State of Hawaii has ordered a cut in the amount of welfare subsidies to the low income families. This, in effect, would deny the economically deprived citizens on Maui needed income for survival;

(d) The elimination of federal funding to libraries, vocational educational training of personnel, new careers in education, training institutes and summer fellowships. P.L. 815 school construction, programs for strengthening state departments of education, drug abuse education, environmental education, and vocational rehabilitation services; and

Whereas, federal cutbacks will have drastic psychological, social and economical effects on the deprived citizens of the County of Maui; now, therefore,

Be it resolved by the Council of the County of Maui that it does hereby respectfully request the President of the United States and Congress to re-evaluate the funding for social programs and restore monies proposed to be deleted; and

Be it further resolved that certified copies of this resolution be transmitted to the President of the United States, President of the Senate, Speaker of the House, Hawaii's Congressional delegation, Governor of the State of Hawaii, and Mayors and Councils of the counties of the State of Hawaii.

RESOLUTION

The reduction of vital programs for senior citizens including the elimination of dental care for the aging under Medicaid, the stoppage of all research and training under the Administration on Aging, the deletion of expected expansion of the Retired Senior Volunteer Program, the foster grandparent program, the Senior Corps of Retired Executives, and research on aging under the National Institute of Child Health and Human Development;

The shifting to the uncertainty of special revenue sharing of many educational programs, including education for deprived children, supplementary services, bilingual education, programs for the handicapped, vocational and adult education opportunities;

The freezing of water, sewer, and open space projects and public facilities loans as well as grants to small communities for building water and sewer systems;

The elimination, reduction or shifting to the uncertainty of special revenue sharing of numerous manpower programs designed to reduce unemployment, including Concentrated Employment Program (CEP) training programs and Manpower Development Training Programs, public service careers and on-the-job training programs, CEP work support, Neighborhood Youth Corps, Operation Mainstream, and the Emergency Employment Act; and

Whereas, the above federal cutbacks, along with many others, will have a serious social and economic effect on the State of Hawaii and the County of Kauai; now, therefore,

Be it resolved by the Council of the County of Kauai, State of Hawaii, that it does hereby call upon the President of the United States and Congress to re-evaluate funding for social programs and restore monies proposed to be deleted.

Be it further resolved that certified copies of this resolution be transmitted to the President of the United States, Hawaii's Congressional delegation, the Governor of Hawaii, the Mayors and Councils of each other county in the State of Hawaii.

RESOLUTION CALLING UPON THE PRESIDENT OF THE UNITED STATES AND CONGRESS TO RESTORE FUNDS FOR CERTAIN SOCIAL SERVICE PROGRAMS

Whereas, the preamble of the Constitution of the United States proclaims that one of our nation's basic objectives is to "Promote the general Welfare"; and

Whereas, the *Council of the County of Kauai* recognizes our duty on a national and individual level to provide and assist the needy and less fortunate members of our society; and

Whereas, recent federal budget announcements by the President of the United States indicate severe deductions and deletions in many programs designed to promote the general welfare of the people of each state, including Hawaii and the County of Kauai; and

Whereas, such deductions and deletions include, but are not limited to, the following:

The complete dismantling of the Office of Economic Opportunity and agencies related to it, including the Kauai Economic Opportunity program, whose 41 employees presently provide services for over 1700 low-income citizens in the County of Kauai, which services include General Community Programs, Consumer Education and a lunch program for the elderly, Transportation for low-income including transportation for the elderly for shopping, and medical and dental services;

The stoppage of housing programs designed to bring relief to the numerous people in our County who live in overcrowded and dilapidated units at prices they cannot afford, including Section 235 and 236 programs which, along with others, are designed to stimulate construction of moderate income housing; and including U.S. Department of Agriculture loans for low-income rural families and credit for farm labor housing and rural rental and cooperative housing;

The cutting of the distribution of social service funds to the states by 40% leading to the probable loss for Hawaii, and proportionately to the County of Kauai, of $9.5 million to $17.5 in federal funds for welfare programs through both public and private agencies, including up to $7.5 million in social services and $2 million to $10 million in food, clothing, and medical care payments;

The elimination of federal funding to libraries, vocational educational training of personnel, new careers in education, training institutes and summer fellowships, P.L. 815 school construction, programs for

strengthening state departments of education, drug abuse education, environmental education, and vocational rehabilitation services;

WORKING FOR THE GOVERNMENT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. CRANE. Mr. Speaker, Americans are increasingly paying a higher percentage of their income to the Government in taxes.

Before 1930, Federal, State, and local governments were taking 15 cents out of every dollar earned. By 1950, they were consuming twice as much. Today, in 1973, Government's share of every dollar earned is 43 cents.

If this trend continues, in the near future more than half of the income of the average American will be consumed in taxes. Today, each of us works several months a year for the Government. Unless present trends are revised, the number of months devoted to working for the Government will increase.

Let, although we work part of our time for the Government, we are not given the "advantages" of Government employment.

This point was recently made in an editorial in Industry Week by Editor Walter J. Campbell.

Mr. Campbell recalled a morning when the city in which he lives had a heavier than normal snowfall. He noted that—

> Morning radio and television programs blared out information on the weather, outlined traffic conditions, listed schools that would be closed. Repeatedly, federal employees were advised they could report to work an hour later than usual.

At the same time that Federal employees were given an additional hour to get to work, workers in private industry were given precisely the opposite instructions.

Wrote Mr. Campbell:

> Workers in private enterprise were advised to start work earlier to arrive at the usual starting time.

Mr. Campbell was disturbed by this double standard. He calculated that, as a result of our current tax laws, his salary for the first 5 months of the year went to the Government. He noted that—

> For the first five months, we were working to support the federal government. That makes us federal employees. Right? So we reported for our work an hour late—just like any other government employee.

The double standard discussed in Mr. Campbell's editorial may provide us with some indication as to why the mail never arrives on time, why there are more employees of the Department of Agriculture each year, despite the fact that the number of farmers decreases each year, and why the average American must pay more taxes for less services every April 15.

I wish to share Walter Campbell's editorial from the February 26, 1973, issue in Industry Week with my colleagues, and insert it into the RECORD at this time:

WORKIN' FOR GOVERNMENT

(By Walter J. Campbell)

We're in trouble with our superiors at the the office again.

It all came about last week when we had a somewhat heavier than normal snowfall. It was the sort of storm that slows but does not halt traffic.

Morning radio and television programs blared out information on the weather, outlined traffic conditions, listed schools that would be closed. Repeatedly, federal employees were advised they could report to work an hour later than usual.

Workers in private enterprise were advised to start to work earlier to arrive at the usual starting time.

That double standard bothered us.

We had been doing some tax calculations the night before.

We figured that our salary from January through May would go to pay our federal taxes: income, and excise levies on air transportation, automobiles, telephone calls, tobacco, alcohol, gasoline, tires and other things.

We also figured we would work during June and July to pay state and local taxes: state income, city income, real property, intangible, gasoline, state sales, county sales, tobacco, and alcohol, and sundry licenses and fees that none of us can really keep in mind.

But for the first five months, we were working to support the federal government. That makes us federal employees. Right?

So we reported for our work an hour late—just like any other government employee. We were greeted with lifted eyebrows. Very carefully, we explained that by working the first five months for the federal government, we had to consider ourselves employed by the federal government and therefore entitled to arrive an hour late. We also suggested that as a worker for the federal government, we intended henceforth to observe all those myriad holidays to which federal workers are entitled.

Our superior's eyes glazed in perplexity. As he retreated down the corridor shaking his head, he was reported to be muttering, "That damned Campbell."

We hold that our stand for equality for those who work to support the federal government with those directly on the federal payroll is entirely logical. It is a campaign we are going to enjoy promoting.

And who knows? When we die, maybe they'll declare a national holiday. And all of you will get another day off.

WHAT IS RIGHT ABOUT BROADCASTING

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. GERALD R. FORD. Mr. Speaker, it is a pleasure for me to insert in the RECORD for the benefit of my colleagues a thoughtful address delivered yesterday at the National Association of Broadcasters convention here by an old friend of mine from Michigan, Ward L. Quaal, president of WGN Continental Broadcasting Co. in Chicago. His theme was "What's Right About Broadcasting!" and he speaks from a somewhat different perspective than we have been accustomed to hearing, one which I believe is deserving of our serious attention at this time.

The address follows:

WHAT'S RIGHT ABOUT BROADCASTING!

(By Ward L. Quaal)

President Wasilewski, distinguished guests, colleagues and friends. This, for me, is a sentimental journey—the highlight of a "love affair" that has been going on for four decades.

Seated before me is my first love, my fine family: my coworkers and my dearest friends.

I am in love with my country—the greatest and freest nation ever evolved in the history of mankind. Unashamed, I admit a heart tug and perhaps a tear when the colors were presented—a tug and a tear that sprang from the inspiration of our founding fathers, but which is not always present these days in our schools, houses of worship and homes.

And I am in love with our profession—the arts and the many fine people who constitute American broadcasting—free enterprise broadcasting that was born, nurtured and matured in these United States.

I regret that some of those of the newer generation, both within and outside our profession, either never learned or have forgotten the basic tenets of free enterprise in our free society. They have lost touch with the spirit, dedication, zeal and wisdom of the architects of what was then known as broadcasting by the American plan, and which since has been adapted in every free nation on earth in toto or in some modified fashion—adapted throughout the world because it is the most solid.

Let us all underscore what is right in broadcasting! There is much that is right about broadcasting. The present and the future offer that grand opportunity to all of us to plan the dynamic decades that lie ahead, decades that will see radio and television achievements that will dwarf even the magnificence of the greatest feats performed since radio's first reporting of a political convention in the early 1920's to the glamour and the drama of the coverage of the moon shots and, more recently, one of the fine "hours" of television in the reporting from the summer games of the Olympiad in Munich and countless other radio and television achievements, locally and nationally.

As the head of a successful organization and happy "shops" wherever we operate, I believe I know the elements that make for success in ours—unique among all services rendered to our many publics. And I think I know the essentiality of teamwork!

Whether it be in government, industry or sports, no executive head is stronger than his "team." Trite as it must sound, this tribute paid me this morning really does belong to the WGN Continental organization, which sprang from the wisdom and foresight of our precursors, the pioneering executives in The Tribune Company organization. So with the gratitude and affection they deserve, I salute them!

If I had been given the option of a choice of locale for today's event it would have been between two "loves": Chicago, where NAB conventions traditionally are held, is my home. It is a vibrant and wonderful, friendly, thriving metropolis—the heartbeat of the heartland of America!

But Washington—the hub of the world, the eyes and the ears and the conscience of our great nation—is my mentor, my school of higher learning in the art of government. It was in Washington that I was inculcated with the philosophy of free enterprise and of tripartite government. For nearly four years, I had been headquartered in the nation's capital as the director of the Clear Channel Broadcasting Service. Hardly a month has elapsed since 1949 that has not seen my presence in Washington—either as an executive of Crosley, which became AVCO Broadcasting, or in the past 17 years for WGN Continental, and, on numerous occasions, for consultations with government agencies or committees of Congress.

Inexorably, we must look ahead as technology advances, styles change, and fundamental philosophies of government and business undergo transitions. Today's extraordinary advances, giving to this country the unquestioned world leadership in telecommunications, can be traced in direct lines to the wisdom of those men who envisioned the dangers of government versus private enterprise—of a free "Radio Press" versus government censorship! Ladies and gentlemen, our only "censor" should be that peerless combination of quality enriched with good taste!

If I were to select one man in the history of communications law who did the most to safeguard those inherent first amendment freedoms, he would be the late Louis G. Caldwell, attorney of Washington and Chicago, and the first General Counsel (in 1927) of the Federal Radio Commission, forerunner of the FCC. A colorful, white-maned, brilliant man whose honesty and integrity were legend, he wrote most of those provisions of the early radio law that were so sound in principle that they remain the keystone of the Communications Act, which otherwise has been so twisted and distorted by Congressional patchwork, and ridiculous FCC interpretations, and outlandish court actions as to make it punitive, as well as contradictory!!!

Louis Caldwell, whose firm still represents our companies, was my mentor and my benefactor! As a young man, a second generation American of Scandinavian descent, from Michigan, who had begun on the announcing and general talent side, I learned from him logic I shall never forget! Mr. Caldwell was aware of our awesome responsibilities as licensees, and he never allowed his clients to forget them. But he never backed away from an encounter where fundamental free enterprise concepts were involved. Louis Caldwell was perhaps the most unforgettable person it has been my good fortune to know. There are others, long departed, who were men of courage and integrity and who had great influence, not only on my life, which is unimportant, but on the development of the broadcast media in the best interests of our nation and our people, and in the American tradition of being entitled to the rewards of their labors and of risking their capital in pioneering radio, and latterly television in which the losses were astronomical during the first dozen years!

I shall mention only a few of these sincere, dedicated men: General David Sarnoff, Edwin W. Craig of WSM, Nashville; Harold V. Hough of WBAP, Fort Worth; James D. Shouse, of CBS and Crosley-AVCO; Earle C. Anthony of KPI, Los Angeles.

We owe an enormous debt to others of that first generation who are still here—stalwart defenders of our system and who are as young in zeal and dedication as they were when it was "fun" to be a broadcaster with the rewards "slim." Among these are such innovators and fine gentlemen as Niles Trammell, Rosel H. Hyde, Frank Stanton, J. Leonard Reinsch, Clair McCollough, John Fetzer—to name only a few.

* * * * *

I will not resort to flaming rhetoric to exhort all of you to defend the freedom and sanctity of American broadcasting! That is why you are here! It is the reason for being of the National Association of Broadcasters!!! It is your obligation to defend that which you and your predecessors fashioned by popular demand—the expressed wishes of a nation of 220 million Americans—including the three percent of self-annointed intellectuals who preach what they seldom practice!

In the words of that fine man of note, Johnny Mercer, let us strive to eliminate the "negative" and accentuate the "positive"—let us all acclaim what is right about broadcasting!

AMNESTY?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. EDWARDS of California. Mr. Speaker, the following article is a thoughtful, well-reasoned proposal by the World Without War Issues Center of Berkeley, Calif., regarding the question of amnesty. In the controversy surrounding this issue, I feel that the ideas presented here can add affirmatively to the dialog on the subject, and I recommend that the article be carefully and considerately read by all those concerned about the question.

The article follows:

AMNESTY?* A POLICY PROPOSAL FROM THE WORLD WITHOUT WAR ISSUES CENTER

THE PROBLEM

During the Vietnam years, many young men have left the country, deserted the armed forces, or gone underground to avoid military service. Others have openly refused induction and accepted the penalty of the law. When the war finally ends, the nation must decide, as we have in past wars, whether to bring these men back into the life of our society. National policy toward these men could be an important element in reuniting our society—or it could further divide us.

Competing perspectives on the wisdom of a policy of amnesty rest their case on different values: equal justice under the law, respect for conscience, the requisites of political community, of reconcilation and reunification.

THE ISSUE

Should the policy of the United States be to grant amnesty to men who illegally refused to serve in the military during the Vietnam war? Should alternate service be a requirement for amnesty?

AT STAKE

(1) An opportunity to support conscientious opposition to participation in war, balanced by (2) a concern for the maintenance of political community and a system of law as an alternative to violence in the resolution and prosecution of conflict. Both are key elements in a framework of understandings capable of leading us away from war.

MAJOR CURRENT APPROACHES TO AMNESTY

(1) One approach opposes amnesty on the grounds that those who evaded military service or deserted chose to break with this political community. "They may join another if they choose. Our community owes them nothing." To reward these men with amnesty would be an extreme injustice to those who accepted their responsibilities, many of whom died. (2) Another approach argues that those who refused to serve responded to demands of conscience to resist an unjust and illegal war. Amnesty is their due. They recognized the terrible path this country was pursuing and refused to go along with it. Any attempt to make amnesty conditional would make these young men admit they were wrong when, in fact, the government was wrong. (3) A third position focuses on the need for national reconciliation. It favors amnesty as a step in that direction, but insists on alternate service requirement to be equitable to those who served. (4) The policy WWWIC proposes approaches amnesty in the context of values and goals essential for an end to war.

PRIMARY VALUES AND GOALS OF THE WWWIC AMNESTY PROPOSAL

A concept of political community and responsibility

The United States of America is a political community we wish to sustain. A major goal for those who would end war is the establishment of a transnational political community with effective legal institutions capable of enforcing agreements and providing alternate channels for the resolution and prosecution of conflict. Thus, respect for law and political obligation are essential concerns for those who wish to sustain this political community while working for one capable of ending war.

Respect for conscience

The conscientious withdrawal of consent from unjust laws or policies, if carried out in a manner which does not undermine the authority of the political process, can be a tremendous spur to needed change. It can awaken the latent moral forces in our society which dictate and sustain attempts to end war. Therefore, support for individual conscience is a primary value for those who seek to build the institutions of peace.

Equity

Men caught in the moral vise of this war responded in a wide variety of ways. To be fair to all of those faced agonizing decisions about military service, we must not be vindictive toward those who went outside the law in their refusal to serve, nor should we treat inequitably those who accepted their responbilities under the law by releasing from responsibility those who did not accept theirs.

Concern for reconciliation and reunification

National reconciliation demands attempts to heal the deep divisions in our society which have resulted from the Vietnam war. Amnesty could be one essential element in achieving a unified political community and in reconciling the many points of view involved. Such a renewed sense of community could facilitate a positive American role in the attempt to create alternatives to war.

A perspective on war

The values we have just stated conflict. All are important. We attempt to balance them within our perspective on what is required to end war. That perspective, stated in the World Without War Council publication, To End War, values law and conscience, amnesty for those who conscientiously refused to serve and equitable treatment for those who did; concern for the specific choice to be made and a determination to make that choice a part of a long range policy that can help end war in the world.

A WORLD WITHOUT WAR AMNESTY PROPOSAL

Many young men now stand outside the law because of their response to military service during the Vietnam war. WWWIC urges the adoption of a policy of conditional amnesty which embodies the following principles and procedures.

A. An Amnesty Review Board: should be created and empowered to consider applications for amnesty, to classify the applicant's refusal to serve according to the categories in Section B, and to set appropriate and equitable conditions for amnesty which maximize the chances for national reconciliation and the maintenance of a sense of political community and political obligation. This policy should take effect when a durable cease-fire is achieved or when Americans are no longer being drafted for military activity in Indochina.

B. Who should be granted amnesty? On what conditions?

(1) Those who openly and nonviolently refused to serve and willingly accepted the

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* "A general determination that whole classes of offenses and offenders will not be prosecuted." *Encyclopedia of the Social Sciences.*

penalty of civil or military law for their refusal.

The men in this group have fulfilled the minimum commitment of a citizen in a democratic society; the commitment to obey the law or willingly accept the law's penalty for open and nonviolent civil disobedience. They should be distinguished from those who left the country, deserted, or went underground. Any amnesty policy should make generous pardon provisions for men who went to jail for their beliefs and did not break with this political community.

(2) Those who left the country to avoid the draft and those who went underground and attempted (successfully or unsuccessfully) to avoid the penalty of the law for their refusal to serve.

The men in this group acted for a wide variety of reasons. Some were denied conscientious objector status by their draft boards. Others did not apply because they objected only to this war and therefore did not qualify for CO status. Still others simply denied an obligation to the political community for reasons which may or may not have grown out of conscientious opposition to war. We believe that although these differences in motivation are crucial to the health of a democratic society, they do not lend themselves to bureaucratic determination.

Therefore, the Amnesty Review Board should grant amnesty to all the men in this group (or recommend pardon for those imprisoned) subject to an acknowledgment of the concept of political obligation evidenced by acceptance of an appropriate civilian alternate service assignment.

(3) Those who deserted from the military

We believe that a man may become conscientiously opposed to participation in war after he enlists or accepts induction. Therefore, the Board may grant amnesty to the men in this category subject to a willingness to accept assignment to appropriate civilian or military service.

C. Limitations on the Board's powers:

(1) The Board may grant amnesty only for a failure to fulfill responsibilities under the Selective Service Act or the Universal Code of Military Justice, not for violations of any other civil laws.

(2) The Board may only grant amnesty for nonviolent acts.

(3) The Board may only grant amnesty to those who acknowledge the concept of political obligation by evincing a willingness to perform an alternate service assignment if required by the Board.

D. Alternate Service.

Alternate service should be broadly interpreted to include a wide range of constructive work opportunities.

WHY DOES WWWIC SUPPORT AMNESTY?

Amnesty can heal some of the wounds of war. It can help re-knit an American political community torn asunder by this war. National reconciliation is a prerequisite for a positive American role in establishing the institutions and understandings that can end war in the world.

WWWIC supports those who are conscientiously opposed to participation in war and wish to fulfill their obligation to this political community outside the military. It believes that such individuals can provide a moral impetus to the whole society to pursue the creation of alternatives to war. Amnesty could return many of these young men to this country and offer them opportunities for service consistent with principled objection to war.

WHY SHOULD AMNESTY BE CONDITIONAL?

It is false to assume that men who left the country or deserted are traitors or cowards. It is just as false to assume that they are all moral heroes whose just reward is unconditional amnesty. These men acted in a wide variety of ways for a wide variety of reasons. Equity for those who served and for those who resisted openly and accepted the legal penalty for their acts dictates that those who chose to leave the country or the military perform an alternate service assignment as a condition of amnesty.

Membership in a political community involves obligations as well as rights. One of those obligations is to obey the law or submit to its authority if conscientious refusal to obey is indicated. Unconditional amnesty would tend to undermine respect for law in a country and world that need law if we are to move away from war and violence.

Finally, an alternate service program sensitively and wisely administered is an opportunity: an opportunity to dramatize concepts of conscience and war and of work to end war, and an opportunity to utilize the talents, energies, and moral concern of men who can help lead the way to a world without war.

THE ENERGY DEVELOPMENT AND SUPPLY ACT OF 1973

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. VANIK. Mr. Speaker, yesterday, on the floor of the House I outlined the incredible pattern of mismanagement, confusion, and blatant abuse which characterizes the Federal Government's "nonpolicy" in energy. It is clear that a matter so critical to the national well-being demands an imaginative response by experts completely dedicated to improving the welfare of all our citizens. We can no longer rely on the private sector to solve a vital public problem.

A central feature of any solution to our future energy needs is research and development. We must begin immediately a comprehensive program of research into alternative energy sources which pose little or no threat to our precious environment.

To conduct the desperately needed program of new energy sources research, I propose the establishment of a NASA-type agency. This agency, the Energy Development and Supply Commission will coordinate the Nation's energy policies and develop new sources of clean, cheap energy.

Mr. Speaker, there has been a great deal of rhetoric about the energy crisis and solutions have been offered. But no one has offered solution to the problems of funding the magnitude of research and demonstration projects which are required. No one is saying where the money should come from to finance this national effort. This is the most important aspect of the legislation which I am introducing: It does provide funding. It is responsible legislation which identifies a problem and then provides the funds to pay for the solutions. Through the creation of an energy development and supply trust fund, this legislation provides a regular source of revenue—collected from energy consumers—to finance the development of the energy of the future.

The trust fund will be formed from the revenues gained by the imposition of an energy use tax and will provide approximately $3.5 billion per year for the Commission to solve our Nation's energy problems.

CREATION OF THE FUND

The fund will be developed from a variety of sources. First, there will be a tax on natural gas and electricity use. Each of these taxes will have an exemption level which will free residential and small commercial users from the tax. The tax will generally fall on the largest users of these energy sources who are generally the most inefficient and wasteful users.

Inexpensive fuel has been a boon to American industry, but only now are we realizing the adverse consequences of this policy. With the cost of fuel insignificant relative to other factors of production, there has been little economic incentive for industry to use energy efficiently. Grossly inefficient industrial processes have resulted. In certain phases of the manufacturing of glass, for example, the wastage of natural gas is as high as 50 percent. There is a similar problem in the use of electricity because the larger consumers are given lower rates. The tax I propose on fuel and use would stimulate more efficient consumption of natural gas and electricity by the largest consumer of these resources. This tax will raise $2 billion for the fund.

Second, there is imposed a nominal tax of 0.5 cent a gallon on kerosene, gas, oil, and fuel oil with exemption from the tax on the first 2,500 gallons. This will free the homeowner and small businessman from this tax, but such a tax would stimulate conservation of petroleum in the larger heating and industrial processes, while adding $500 million to the trust fund.

The conservation taxes are supplemented by a new system of imports of foreign petroleum. The ill-conceived import quota system, which has led to severe crude oil shortages among midwestern refineries, will be abolished. In its place will be a flexible tariff structure to control the influx of foreign crude oils. The tariff will be equal to 90 percent of the difference between the domestic price of crude oil and the foreign price plus its shipping costs to the port of entry. The tariff level under this formula will be adjusted periodically.

The revenue raised by this provision will vary as the price of domestic and foreign oil varies, but it is estimated that this will add about $1 billion to the trust fund. Ideally, funds for research would be generated internally from industry. But the large oil companies have found it more profitable to gear their capital expenditures to sales and promotion rather than research and development The Washington Post revealed that the oil industry has spent over $3 million informing the public of the crisis in our energy sources. At the same time, Senator METCALF has compiled statistics which reveal that the electric utilities expend 3.3 times as much capital on promotion as they do on research and development.

One major oil company has just spent millions telling the American people how

they changed two "s" 's to "x" 's. The stripes of the energy industry have not changed: They are more interested in profits and sales today than in meeting the problems of the future. The American people cannot rely on the energy industry for the hard research required. A trust fund is needed; a trust fund is the only way to provide for the high level of steady effort that is required.

ADMINISTRATION OF THE TRUST FUND

Moneys from the trust fund will provide funding for a wide range of activities designed to promote a more coherent approach to energy policy planning. A five-member Energy Development and Supply Commission will direct the Nation's energy effort.

These five Commissioners shall be selected from academic research, and public service backgrounds. Mr. Speaker, I just want to say at this point that we are going to be asking the American people to take on some tremendous new responsibilities in order to meet the problems of the energy crisis. This is an hour in which we have got to see that the most highly qualified people—from every aspect—are in the positions of responsibility. We must have people of unquestioned loyalty to the public interest.

The activities of the Commission can be categorized under four headings:

Data collection;

National security;

Research and development; and

Publication and reports of recommendations.

DATA COLLECTION

The first prerequisite for intelligent policy is adequate information. For too long the agencies of the Federal Government have been mere sound boxes, resonating the industry line. To circumvent the persistent problem of information caps, this bill empowers the Energy Development and Supply Commission to conduct annually an extensive data and survey collection to gage the Nation's energy resources. This comprehensive mineral deposit inventory shall be provided to all other agencies of Government involved in energy matters in order to coordinate planning among these agencies.

NATIONAL SECURITY

The second major function of the Commission relates to the much abused problem of national security. For too long, the oil industry has played on our fears to goad us into policies which are not in the national interest. Each year, industry spokesmen, costumed in red-white-and-blue bunting, come before congressional committees to present their well-orchestrated case for special gifts from the public treasury. Emotionalism of this sort has little place in public debate; it undermines rational approaches to reasonable solutions. The issue of national security should not be used to hammerlock the American people.

In March of 1959, I pointed to manipulation of the national security issue by the oil companies. At that time I presented essentially the same solution I offer today—the establishment of a petroleum reserve for national security. I addressed the House with these words:

If we desire to protect the national security, it would seem more prudent to discover our own reserves and keep them stored in the ground for future emergencies . . . In the meantime it would seem wise for us to consume foreign supplies while they remain easily accessible.

Under the bill I am introducing today, this vital issue will finally be removed from the arena of self-serving, partisan debate. The Commission will be authorized to establish and maintain national defense petroleum reserves. These reserves shall be of sufficient size to protect our country against a 1-year interruption of imported petroleum from foreign countries which the Commission determines to be an insecure source of petroleum.

ENERGY RESEARCH

The third and most important function of the Commission is to supervise and coordinate the conduct of research into all aspects of energy supply, transmission, and utilization. The primary thrust of this research—funded by the trust fund—will be to seek the quality of our environment. Through a truly imaginative energy policy, it may be possible even to halt the present frightening deterioration of the world's environment. Research will be directed in five key areas:

First, the development of all aspects of solar energy.

Second, the development of processes of energy conservation.

Third, the decrease of the environmental impact of energy, generation, transmission, and distribution especially in the area of nuclear fission.

Fourth, the increase of efficiency of energy generation, transmission, and distribution.

Fifth, the exploration of other areas of energy development such as the gasification of coal, oil shale, heat, and energy from solid waste projects.

This research can be carried on either through contract or through in-house research, similar to the type of research conducted at NASA laboratories. It would be my expectation that much of this research would be carried on at existing facilities. For example, the NASA Jet Propulsion Labs at the Lewis Research Center in Cleveland, Ohio, are vastly underutilized. While Lewis continues to carry on a substantial volume of NASA research, it is capable of expanding its research into a wide range of energy development, transmission, and utilization efficiency questions.

ENERGY REPORTS

In conjunction with its activities of data collection, national security, and research and development, the Commission will publish reports and recommendations on the entire range of its findings. These reports will enable not only Congress but people outside of Government to take informed action on energy issues.

The Government is now being held ransom by the energy industry. We who are directly involved with questions of policy are consistently told that the entire issue is too complex for the layman's mind. In matters of tax, we are urged to walk softly; a mistake here, we are told, could precipitate the economic collapse of the industry and the country as well. Confronted with this impressive barrage, most of us have been willing to defer decision to "the experts"—the oil company executive, the natural gas pipeline owner, the petroleum engineer.

This is not—nor can it be—just and responsible Government. We must combat this tyranny of expertise with informed action. The Members of Congress are the trustees of the public welfare, and we must act. We can no longer afford to defer decisions of public interest—decisions which can cost the American consumer billions of dollars and irreversibly injure our environment—to those who would subvert those interests.

The funds provided by this legislation for energy research will help but will not entirely solve the energy problem—a problem which has become so complicated that many things must be done in addition to research. Thus this bill seeks to provide for a comprehensive determination made by public experts of the exact extent of oil and gas reserves in America, which I estimate are understated by at least 50 percent—the suppression of reserves reduces local and State tax assessments and multiplies the value of oil and gas which secretly remains underground. This bill seeks to repeal the oil quota law so as to permit all oil seeking entry into the United States to enter in unlimited quantity under a tariff system. The legislation authorizes the Government to acquire oil reserves of imported oil and—utilizing former producing oil wells—store the reserves in underground facilities for future civilian and military use. Such storage will provide a hedge against even higher prices and provide a reserve defense supply. This legislation seeks to eliminate wasteful usage of oil and gas—and this will require the cooperation of every level of government and all of the people. Local building codes must be established to conserve energy, not waste it. More people must live closer to their place of employment. Automobiles must be more efficient, perhaps smaller with more miles per gallon.

Of course, other, new policies are required.

First, tax policies must be adopted which provide the maximum incentive for the producer and developer of resources and must be designed to eliminate the incentive to hold supplies off the market once they are discovered.

Second, new customers of gas and oil must bear the greater burden of increased needs; established users are entitled to some benefits from early commitment and long-term contracts.

Third, the oil consuming nations must organize into a compact to negotiate with the Organization of Petroleum Exporting Countries—OPEC—for fair and reasonable prices. Under the coffee agreements, this type of agreement has helped stabilize commodity supplies and prices. The same policy could be helpful in energy supplies.

ELI LILLY & CO. OF INDIANAPOLIS: MEETING RESPONSIBILITIES TO SOCIETY

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. BRAY. Mr. Speaker, some persons find it fashionable to constantly attack major corporations for their supposed shortcomings in meeting responsibilities to society. Unfortunately, it leaves the impression with many that this is the general rule for American business and industry.

This simply is not true. American industry has been and is fully aware of what these responsibilities should be. For a close look at what one major firm has done and is doing, I am pleased to include the following, from Eli Lilly & Co.'s 1972 report to the shareholders:

LOOKING BEYOND FINANCIAL RESULTS—PRODUCTIVITY, PRICING, AND RESPONSIBILITIES TO SOCIETY

Any major corporation has responsibilities to society that reach far beyond the financial figures contained in annual reports to shareholders. How well these responsibilities are discharged is often unseen and, therefore, unappreciated, partly because such benefits are elusive and difficult to capture in concrete form and partly because business often has not devoted enough attention to communicating this important aspect of economic life. However, these responsibilities and how well they are met need to be recognized because society expects more from business than profitable operations.

In simple terms, industry utilizes society's human and material resources to produce what people want to satisfy their needs. The benefits provided to society in the conversion process are measured by the usefulness of industry's products and by the efficiency—or productivity—of the conversion process.

We believe the discovery and development of new Lilly products represent significant progress in the vital life sciences. These products play a part—a significant part, we think—in improving the quality of living. They do it by preventing or combating illness, reducing the time (and thus the cost) of hospital care, and helping increase the world supply of food and fiber. As our company becomes more productive, its products help many, including the physician and the farmer, also to become more productive.

The company invested more than $360 million in capital additions in the past ten years. Although capital investment is important in improving productivity, such expenditures must be accompanied by an even larger and more significant investment in people. Lilly employees, skilled in many special fields and organized into effective working groups, are considered the company's greatest asset, although they are not included in the listing of total assets that appears in our financial statements.

FIRST PHASE OF PRODUCTIVITY

The company invested $465 million in research and development in the past ten years; however, the productivity of research organizations does not depend on how much money is spent but on how wisely it is administered. The value of output from research depends upon scientists' ability to innovate. Therefore, there is a need to seek out, to employe, and to stimulate men and women with particular skills, to provide them with the proper surroundings and equipment in an atmosphere where established concepts can be questioned, where a broad variety of views can be exchanged and examined, and where the mind is free to explore.

The successful coordination of creative efforts in many disciplines is a particular necessity at Eli Lilly and Company because of the diversity and scope of its research and development activities. Approximately 2,300 employees are assigned to scientific pursuits. While the major research endeavor is carried out in Indianapolis, groups also are at work throughout the world.

Research in the field of human medicine has led to many beneficial products in the past dozen years. These products have included:

Velban® and Oncovin®—two anticancer agents developed in our laboratories and derived from a variety of the periwinkle plant that grows in India and Madagascar.

Keflin® and Loridine®—injectable antibiotics of the cephalosporin family, used widely in life-threatening infections.

Kafocin® and Keflex—orally effective antibiotics, also of the cephalosporin family, for use against respiratory and uninary infections.

Among introductions improving world agricultural production have been:

Tylan®—an antibiotic that protects the health of poultry and livestock and that increases meat production through higher weight gain and feed efficiency.

Treflan and Balan®—herbicides that, by controlling weeds, increase yields in soybean, cotton, tobacco, lettuce, peanut, and other important crops.

Coban®—an agent that protects broiler chickens from coccidiosis, a serious disease of poultry.

In addition, Lilly scientists contribute an average of 320 scientific papers annually that add to the world reservoir of scientific knowledge.

MARKETING COMPLETES THE CYCLE

Products that result from greater research productivity, and that are manufactured with improved production processes, must be marketed effectively for the economic cycle to be completed. Our customers vary in many respects save one—they expect and need to be provided a high standard of technical information and services. Providing these services is the job of Lilly marketing groups around the world.

A surgeon in Houston, a cotton grower in Mississippi, a veterinarian in Japan, a cosmetic buyer in New York, a pork producer in Indiana, a pharmacist in Los Angeles, a poultryman in Brazil, a pediatrician in London—they and thousands like them listen with interest and respect to sales personnel from Lilly, Elanco, and Elizabeth Arden. They learn what a product will do, and—equally important—what a product will not do.

Effective marketing requires sales personnel with special education and skills. It takes intelligence, integrity, and hard work. But when the customer's need is fulfilled, the company and society benefit because our productivity helped someone else become more productive. This means shorter illnesses, less expensive meats, more bountiful crops. Effective marketing also means earnings, which, when reinvested, enable the company to become even more productive.

Further marketing productivity is expected to result from the recent formation of Dista Products Company in the United States, a new organization that will broaden and make more effective our communications with the medical community. The creation of this division reaffirms our belief in the value of personal contact in the sale of our products. By shifting a group of valuable Lilly therapeutic agents to the new Dista organization and staffing the division with our usual professional caliber of personnel, we believe that the needs of medical and allied professions and the public will be better served.

IMPROVING PRODUCTIVITY

Two of the major problems facing the United States today are inflation at home and increasing competition in world markets. One way to deal with both inflation and competition is to step up this nation's productivity. The U.S. citizen cannot prosper in an unproductive and noncompetitive economy. Business must assume an aggressive role in a national effort to stimulate and foster a climate in which the two resources of human effort and technology are best developed.

Improved productivity is not determined by a company's size, how hard employees work, how fast machinery runs, or any other single element. It is achieved by the interaction of many complex factors, including the combination of people and technology; the blending of employees into successful teams; the use of the most effective management techniques; and the generation of new solutions and innovative procedures applicable to research, production, and marketing.

Measuring the productivity that results from all the things Lilly employees do is not an easy task. No firm guidelines have been developed. We cannot really identify the extent to which product discoveries, process innovations, greater effort by employees, better production equipment, high quality of products, or management skills result in improved productivity. It is, in fact, a combination of all these factors that brings about such improvement.

Statisticians and economists experience similar problems in assessing productivity growth of the United States economy. Still, the U.S. Bureau of Labor Statistics uses certain measures that are recognized as standard guidelines. With 1967 as a base year (equal to an index of 100), the index of productivity in the private sector of the U.S. economy for 1972 is expected to be near 113. In comparison, the 1972 productivity index for Eli Lilly and Company is 157. In the past ten years, productivity of the private sector of the U.S. economy increased nearly 3 percent a year, while Lilly productivity increased more than 8 percent a year.

INCREASED PRODUCTIVITY ALLOWS STABLE PRICES

Thus, Lilly productivity increased more rapidly than the industrial average for the United States. This productivity enabled the company to sell its products at declining or stable prices despite steadily increasing costs of raw materials and labor. The chart at right compares the trends of Lilly product prices with the U.S. Consumer Price Index for the past five years.

We feel that one of our important corporate responsibilities is to take the resources entrusted to us and to use them to provide products needed by the public, tax revenues to support government, a reasonable return to our shareholders, and increased compensation for employees.

When we look beyond financial results, one of the company's major objectives was summarized by Mr. Eli Lilly, honorary chairman of the Board of Directors when he said: 'Mere bigness in business is not enough. After all, it is not how big a business is but how good . . . no matter how well anything is being done it can always be done better."

HOUSE PASSES CLEMENTE MEDAL LEGISLATION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I want to congratulate my col-

leagues for their action in passing today H.R. 3841, a bill to strike a gold medal in honor of Roberto Clemente, the great rightfielder of the Pittsburgh Pirates who was killed while on a mercy mission to Nicaragua.

Hopefully the other body soon will act and the President can sign into law this bill honoring a man who not only was an outstanding athlete but also a humane and selfless individual.

Clemente's death has left an indelible imprint on hundreds of thousands who remember his 15 years of exemplary play in the National League.

In 1971, when he lead the Pirates to a seventh game victory over the Baltimore Orioles, baseball buffs across the country readily conceded that Clemente was the best modern day player ever to wear a uniform and certainly one of the alltime greats in baseball history.

He could do everything and well. His play became the standard for others to emulate.

Just last week, the baseball writers of America, waived the normal 5-year waiting period and almost unanimously voted Roberto Clemente into Baseball's Hall of Fame.

H.R. 3841, which I authored, along with seven of our colleagues, Representatives MORGAN, CLARK, DENT, BADILLO, MIZELL, HEINZ, and BENITEZ, calls for the striking of a gold medal and up to 200,000 copies.

The gold medal will be presented to Mrs. Clemente and the copies will be sold by the Chamber of Commerce of Greater Pittsburgh with all proceeds going to the Roberto Clemente Memorial Fund, which is administered by the Pittsburgh Pirates Baseball Club.

All costs connected with striking the medal will be assumed by the chamber. Therefore this legislation does not cost the taxpayers one penny.

The Clemente Fund, established shortly after Roberto's death, hopes to build a sports city complex in Puerto Rico for the children of that country. This was a dream of Clemente's and a project he had begun while still an active player in the major leagues. The fund also will carry out some work with the residents of Nicaragua who were victims of the same earthquake and storms which caused the plane, in which Clemente was carrying relief supplies, to crash.

I think the House took a very long stride today in assuring that an appropriate memorial to the memory of Roberto Clemente will exist.

I would like now to include in the RECORD various articles and editorials on Roberto Clemente, his life and tragic death.

ROBERTO CLEMENTE

Statement by the President Following the Death of the Pittsburgh Pirates Rightfielder on a Mercy Flight to Nicaragua, January 2, 1973.

Every sports fan admired and respected Roberto Clemente as one of the greatest baseball players of our time. In the tragedy of his untimely death, we are reminded that he deserved even greater respect and admiration for his splendid qualities as a generous and kind human being.

He sacrificed his life on a mission of mercy. The best memorial we can build to his memory is to contribute generously for the relief of those he was trying to help—the earthquake victims in Nicaragua.

NOTE: Robert Clemente, 38, died in the crash of a cargo plane off the coast of San Juan, P.R., on December 31, 1972. As head of Puerto Rican efforts to aid victims of the Nicaraguan earthquake, Mr. Clemente was escorting relief supplies to Managua at the time of the crash.

On Wednesday, January 3, the President met with Pittsburgh Pirates president Dan Galbreath and pitchers Dave Giusti and Steve Blass to discuss a proposed Committee for a Roberto Clemente Memorial Fund for Nicaraguan Earthquake Victims.

[From the Washington Star, January 5, 1973]

A MEMORIAL FOR CLEMENTE

Even in the land of heroes that big-league baseball represents, Roberto Clemente was special.

He was like DiMaggio. He could do it all and make it seem effortless—run, field, hit consistently, hit with power, and throw so powerfully that perhaps no other outfielder ever matched the Clemente arm. And he was like Atlanta's Hank Aaron, in that, playing for Pittsburgh, a town where the media is not concentrated, the acclaim he deserved came late in his playing career.

Finally, after he dominated the 1971 World Series, public recognition caught up. Here was a superstar. He hit over .300 in 13 of his 18 years as a Pirate, and won the batting championship four times. Last year he got his 3,000th hit, something only 10 players ever accomplished.

Now he is dead, and the circumstances of his death also were special. In his native Puerto Rico, Clemente was both a national hero and a tireless worker for good causes. And so it was not unnatural that he be named head of a committee to rush relief supplies from Puerto Rico to the victims of the earthquake which practically wiped out Nicaragua's capital of Managua. He didn't just lend his name to the effort. On New Year's Eve, Clemente took off for Managua to make sure the supplies were delivered properly. He and four others were killed when the plane crashed.

It doesn't help very much, of course, to say he died on a mission of mercy. His death in any case is sad and brutally abrupt.

And yet, as President Nixon noted, the mission he was on could well serve as a suitable memorial for him. The baseball writters will quickly take care of getting the Clemente name into the Hall of Fame. The people of Puerto Rico will honor his name in other ways. For anyone else who cares, an appropriate tribute would be a contribution to the homeless and otherwise needy people of Nicaragua.

CLEMENTE ELECTED TO BASEBALL'S HALL OF FAME

(By Ira Miller)

ST. PETERSBURG, FLORIDA.—Roberto Clemente always wanted to be remembered simply as a "player who gave his best."

The epitaph was gentle enough, but hardly befitting a star of Clemente's greatness.

Today, baseball officially gave Clemente what is considered a more deserving remembrance—election to the Hall of Fame less than three months after he died on a New Year's Eve mercy flight.

Clemente's widow, Vera, Baseball Commissioner Bowie Kuhn and officials of the Pittsburgh Pirates, for whom Clemente started 18 seasons, were on hand today for the announcement at a news conference.

Officially, the purpose was to announce the results of the special yes-or-no Hall of Fame vote on Clemente's candidacy, but the fact of his election was not one of baseball's best-kept secrets.

Only the size of the vote had been in question.

A total of 424 members of the Baseball Writers Association of America returned ballots. A total of 393 voted for Clemente's immediate election, 29 against it and two abstained.

Most of those who filed negative votes noted that they didn't vote against Clemente's election but against the relaxed voting system (waiving the five-year wait rule).

He becomes only the second player admitted to the baseball shrine without the customary five-year waiting period. A dying Lou Gehrig was elected by acclamation in 1939.

Clemente died with four other men in the crash of an old, propeller-driven DC-7 airplane in which they were ferrying supplies from Puerto Rico to earthquake victims in Managua, Nicaragua.

The plane, delayed several times before takeoff, crashed into the ocean near the San Juan Airport. Clemente's body never has been recovered.

Clemente, who was 38 at his death, won four National League batting titles—in 1961, 1964, 1965 and 1967. He averaged .317 for his career, won the Gold Glove for fielding excellence a dozen times, was the league's Most Valuable Player in 1966 and the outstanding player in the 1971 World Series.

His final regular-season hit in 1972 was his 3,000th. Only 10 other layers ever got that many.

In the three years before 1972, he batted in succession .345, .352 and 341. He hit .312 in 1972 when he was bothered by injuries.

But Clemente's finest moment by far was the '71 World Series. He batted .414, hit safely in every game, homered to start Pittsburgh's seventh-game victory and was brilliant defensively.

The performance earned Clemente the national recognition he claimed long had been denied him because he was Puerto Rican. When it was over, he said, "I finally have peace of mind."

"Now, everyone knows the way Roberto Clemente plays," he said at the time. "I believe I'm the best player in baseball today . . . and I'm glad I was able to show it against Baltimore in the series."

The formal induction ceremonies for Clemente and five others named to the Hall of Fame earlier this year—Warren Spahn, Monte Irvin, and old timers Mickey Welch, George "Highpockets" Kelly and Umpire Billy Evans—will be held Aug. 6 at Cooperstown, N.Y.

Clemente did not live to see one of his fondest dreams realized—creation of a "sports city" for Puerto Rican youth. But hundreds of thousands of dollars in donations since his death assure the facility will be constructed.

A diamond-studded, gold 1971 World Series championship ring bearing the name of Clemente was presented last night in Bradenton to the Baseball Hall of Fame.

The presentation was made to Ken Smith, director of the Hall of Fame, as part of the 10th annual Manatee County Chamber of Commerce Hall of Fame banquet.

A WORTHY MEMORIAL

Roberto Clemente was a hero to young and old in Puerto Rico. He was particularly revered by the poor, who knew him not only as a baseball star but a man who devoted time and money to programs for poverty-stricken youngsters on his native island.

Clemente died before his ambitious dream of a "sports city" for Puerto Rican children could come true. In death, he may yet contribute what he had planned—a sports and recreation facility which could brighten the lives of thousands of island youngsters. Mrs. Vera Clemente, widow of the Pirate star who died in a plane crash December 31, recently made a heartening announcement. She said a 600-acre site had been selected for the

Roberto Clemente Sports City near San Juan International Airport.

Roberto had envisioned a broad program encompassing numerous sports. He explained: "Lots of kids don't participate in sports because they don't like one sport especially. But if you can have all sports where he can participate, I bet you that he will like at least one of them and keep going."

The project outlined by Mrs. Clemente promises to fulfill Roberto's expectations. She said the sports city, costing about $14 million, would require 2½ years to construct. About 230 acres would be devoted to sports facilities, 50 acres for water sports and 300 acres for passive recreation. Included in the plans are facilities for baseball, soccer, volleyball, handball, tennis, track and field, target shooting, archery, cycling, roller skating, golf, horseback riding and swimming.

The Pirates and a San Juan newspaper and bank already have collected about $500,000 for the project.

The Roberto Clemente Sports City promises to become a fitting memorial to a man who befriended the needy with more than kind words.

OEO CRACKDOWN

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. LANDGREBE. Mr. Speaker, I include the following editorial from the Indianapolis News of Wednesday, March 7, 1973, in the RECORD. I believe this editorial tells the story of OEO very well.

It follows:

OEO CRACKDOWN

Efforts by the Nixon administration to phase out the controversial Office of Economic Opportunity have met with predictable cries of outrage and alarm.

To hear the critics tell it, Nixon and Acting OEO Director Howard Phillips are abolishing everything that is good and holy in government, showing their insensitivity to poor people and the "needs" of the disadvantaged. A glance at the background of OEO, however, and at the Phillips pruning exercise, suggests a different picture: For it is clear on the record that OEO has done very little to abolish poverty, but a great deal to build empires for bureaucrats and interest blocs.

Phillips states the matter well, we think, when he asserts that "some of the projects funded by this agency have kept a lot of people comfortable in their poverty—but this agency has not done enough to lift people out of poverty. Many of the things it did had a negative impact. Some grants tended to foster the welfare ethic, rather than the work ethic. Some programs were premised on a belief that the problems of poverty are political rather than economic . . . Too much of the anti-poverty money has gone into setting up an administrative bureaucracy, rather than into the hands of the poor."

As noted on this page by The News Washington correspondent Lou Hiner Jr., the poverty bureaucrats have responded to Phillips' effort to dismantle some of the more wasteful programs by filing suit to prevent the abolition of their jobs. This is an all-too-typical example of the high-handed attitude of tax-consumers toward the people who have to pay the taxes; these bureaucrats feel they have a vested right to a place on the public payroll and to absorb the energies and resources of working Americans.

Hiner quotes estimates that since 1964 more than $2.8 billion has been poured out for OEO projects and that in some instances up to 85 per cent of money for local programs has gone to pay bureaucratic salaries. The results of this expenditure in terms of generating local effort have been poor indeed, particularly when compared to private self-help programs conducted here in Indianapolis by Flanner House and other agencies. Any way you look at it, OEO has been a wasteful proposition and richly deserves the cutback which Phillips is attempting.

The present danger is that the orchestrated outcry from the welfare coalition, the bureaucrats and the leftward ideologues will weaken the resolve of the administration to back Phillips' hand and to get on with the job of unraveling this bureaucratic mares' nest. Citizens who are tired of seeing their money used for big-spending projects and radical agitation should let their congressmen know how they feel and urge full-scale support for Phillips.

CUBAN EXILES PETITION THE PRESIDENT TO FULFILL HIS PROMISES

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RARICK. Mr. Speaker, last week I pointed out the possible threat to the American right of political asylum posed by the Pact of Bilateral Agreement on Air Piracy signed February 15 by the United States and Cuba—CONGRESSIONAL RECORD, March 21, 1973.

It is my fear, and the fear of many Cuban refugees in exile in this country, that this agreement will sign the death notices of many thousands of Cubans unable to escape from the Communist-held island. Although I have been assured by the State Department that our traditional policy regarding political asylum has not changed, I was also advised that just because a Cuban desires not to live under communism does not constitute grounds for his being granted political asylum. This most certainly is a change.

Oppressed people the world over, especially those in Cuba, have long looked to the United States as a refuge from tyranny. And now this hope is being taken from them in the name of preventing air piracy. This is piracy of freedom in in its most blatant form.

The antihijacking agreement has been referred to as a "treaty", but it certainly is not. It has never been ratified by the Senate, and is nothing more than de facto law promulgated by Presidential fiat.

The Washington Post, March 27, carried a large paid advertisement placed by many well-known Cuban exiles, petitioning the President to fulfill the promises made to the Cuban people. While they are not opposed to an antihijacking agreement between the United States and Cuba, they do question "the grave consequences that the application of the Agreement might bring in the future."

These people know better than anyone the tyranny that grips the oppressed people of Cuba, and they have a right to be heard in their appeal for help.

I here insert the text to the petition of the Cuban-American Sertoma Club of Coral Gables:

TO THE HONORABLE RICHARD M. NIXON, PRESIDENT OF THE UNITED STATES OF AMERICA

TO THE WORLD-WIDE PUBLIC OPINION:

The undersigners, Cuban exiles, because of the consternation created among one million Cuban Refugees and facing the anguish and sorrow created for the eight million Cubans on the Island of Cuba, due to the reach and significance of the articles contained in the Pact of Bilateral Agreement on Air Piracy, signed last February 15 between the United States Government and the Communist tyranny of Cuba, with the highest respect and also with natural patriotic firmness, wish to make the following public statement:

I. That they respect the United States right to make such Treaties as it may deem convenient for the welfare and security of its People; in such sense, they are not opposed to the Air Piracy Treaty, but only to to those parts which they consider fundamental within its contents, and specially Point II, which unusually and practically forbids all kind of actions against the actual Cuban regime, no matter where it takes effect.

The United States Government, through its spokesmen, has stated that such Agreement does not change the status of its relations with the Cuban regime. However, there is a flagrant contradiction between the above referred statement and the contents of Point II of said Agreement, which leaves the impression of having been worded in Havana and later unexplainably accepted by the Government of the United States, without foreseeing the grave consequences that the application of that section of the Agreement might bring in the future to the ever good relations between the free and democratic People of Cuba and the free and democratic People of the United States.

II. That with the noble intention of avoiding events which may result in differences of opinion between Cuban Exiles and Americans, we have decided to give publicity to this document, hoping to achieve a rapid and healthy rectification on the part of the United States Government, of the serious mistake made, and a decided explanation from President Nixon, who has always had the backing and respect of the Cuban People, "his Cuban friends" as frequently and with human warmth, he has stated.

III. That we are under the protection of the laws of this great Nation, traditional cradle of all world exiles, and that we respect them; but allow us to say that, first of all, we are Cubans who came here and to other shores of America seeking Freedom and aid for our Fatherland, and to procure means and ways for a dignified and patriotic struggle against the tyranny, and for the Freedom, Independence and Sovereignty of Cuba within a democratic frame and of truly Social Justice, where opportunely the People may plainly exercise the right to choose its own destiny through a majority consent of its citizenry cleanly expressed in the ballots.

IV. That the struggle of the Cuban ePople of Cuba for its liberation and afterwards to enjoy living in Democracy, Justice and Freedom, as the American People and Other People on Earth do, is an inalienable right of every Cuban and a patriotic duty imposed upon each son of Cuba, in spite of all adversities, obstacles, conspiracies, and Agreements.

The People Of Cuba cannot consent to anything or anybody to conspire so that Communist slavery reigns forever in our country and to make permanent exiles out of us, or classic immigrants, nor has it granted plenipotentiary powers to foreign person or government, be it large or small, to negotiate its future.

IV. That the struggle of the Cuban People towards its liberation is safeguarded by the Right to Self-Determination of the People and by multiple Interamerican Treaties

and Agreements and also by the United States of America, such as: Monroe Doctrine (1823); American Congress Joint Resolution and Paris Treaty (1898); Cuba-United States Treaty, Suppressing the Platt Amendment and Extending the Guantanamo Naval Base Concession (1934); Declaration of Lima (1938); Rio de Janeiro Treaty of Reciprocal Assistance (1947); Organization of American States-OEA-Chart (1948); Declaration of Caracas (1954); Punta del Este, Uruguay Resolutions (1962); American Congress Joint Resolution, Made Public Act by Sanction of the Executive Power and Therefore, Mandatory (Resolution No. 230, October 3, 1962); IX Meeting of Consultation of Foreign Ministers of America in Washington (July, 1964); Declaration to the Cuban People from the Foreign Ministers of America in Washington (July, 1964).

We must specifically insist that the hereinabove mentioned Point II of the Air Piracy Treaty, of February 15, 1973 arbitrarily violates and consequently is in open conflict with Joint Resolution #230, October 3, 1962, of the United States of America Congress, which was declared a Public Act when it was sanctioned by the President and which, logically, modified the Neutrality Act of that country in regards to Cuba.

Said Joint Resolution establishes that the United States of America shall offer full cooperation to free Cubans in their just struggle against the actual Cuban regime. Now we find that as per the controversial Point II of the Treaty or Agreement on Air Piracy, the United States will punish in accordance with its laws and will not permit any Cuban to prepare, promote or take part in expeditions or other important activities, from its territory or any place in America against the totalitarian regime imposed in Cuba by deceit, force and terror.

We have pointed out the substance of both texts, so that the present contradictions and confusion may be evidenced and to show, from another point of view, how the United States Government has gone so far in concessions and attributions in this Agreement that not only penetrates into the subject of Cuba's sovereignty but also of the rest of the nations of the world, to the point where many might consider it outrageous and humiliating.

VI. That in the same manner that the People of Cuba in exile and in the island of Cuba censored and exposed the Kennedy-Khrushchev Pact, born as a consequence of the October, 1962 Missile Crisis, which in the long run has served only to protect and perpetuate Castro and his regime in power, now equally, free and democratic Cubans censor and expose any coexistence intent tending to maintain the Cuban tyranny in power and unjustly condemning our People to live under a prison-regime which has destroyed the Cuban Nation, established permanent rationing and poverty and violated every principle of the Interamerican System, reiteratedly and ostensibly interfering besides, in the internal affairs of numerous Latin American countries and the United States of America. Frankly speaking, nothing has changed in the Homeland of the great Cuban Patriot Jose Marti that justifies the modifications of OAS sanctions against the tyranny and nothing has changed in Cuba to overlook the crimes, the thousands of political prisoners, hunger, terror and the violation of all Human Rights which characterize the totalitarian regime of the Cuban Judas, Fidel Castro.

VII. That for those free and democratic Cubans who have a clear concept of Dignity and Honor, to walk paths of contemptible coexistence with Castro and his communist tyranny now, is nothing else than treason to the cause of Cuban Freedom, and we consider it is also treason to the forefathers and liberators of the Americas and to the fundamental principles on which destiny and democratic security of the Western Hemisphere and the Free World rest; and also, of course, to the rights, beliefs, and hopes of a better a more just future that all Peoples on Earth deserve.

VIII. That all free and democratic Cubans are eternally gratefully to the People of the United States of America and to the different Administrations of the United States Government since our long and hard exile began, and also to all other Peoples and Governments of America, for the generous aid and job opportunities offered to support our homes with dignity; but with nobility and respect we remind everyone that gratitude does not mean submission; that eternal gratitude does not mean the acceptance of indignities which carry on pain and crucifixion for the Cuban People.

As a distinguished diplomat and intellectual of our Americas stated in a very right sentence: "The solution of the Cuban problem is not to supply the Cubans a diluted and false substitute of Fatherland, but to provide them with an honorable return to their ever-homeland."

Let it be known to the whole world that we left Cuba to return with dignity and to a redeemed Fatherland and that, in such sense we consider that the Organization of American States—OAS—and its Nation Members, deplorably have not lived up to their duty to aid the People of Cuba, and to the Agreements and Treaties which demand from them a firmer and more decorous attitude because, after all, the Battle for Cuba is also the Battle of America.

IX. That the Forefathers and Liberators of the Cuban Homeland, whose struggles and examples are inspiration for our battle of today taught us "that the problems of Cuba concern the Cubans fundamentally"; "that we have nothing while we do not have our Fatherland"; "that the historic truth stands above all"; "that no matters what might happen, Cuba should not and cannot wait for extraneous solutions"; "that Cuba cannot live deprived of the rights enjoyed by other countries, not to consent that it be said it only knows how to suffer"; and "that struggles for Freedom are very costly, but one becomes fond of them, the more time passes and difficulties multiply".

X. That in this occasion we make ours, and take this opportunity to remind them all, the visionary phrases of the great American Patriot, Patrick Henry, when he said:

"Is life so dear or peace so sweet as to be purchased at the price of chains and slavery? Forbid, it, Almighty God! I know not what course others may take, but as for me, give me liberty or give me death!"

President Nixon: You have demonstrated that you are a sensitive and highly intelligent man, a qualified ruler, a person who works for History. Fulfill your promises to the noble People of Cuba, who has deposited their faith in you; but if you cannot fulfill those promises, do not deny our right, nor allow Russia or anybody else to do it!

Regardless and beyond all impediments the Cuban people will not renounce the right to be free!

Given in Miami, Florida, on the 23rd day of March, 1973.

Signed by: In alphabetical order.

Dr. Jose Alverez Diaz, Former Secretary of Treasury Department.

Manuel Artime, Former Civil Chief in the Bay of Pigs Invasion.

Ruben Batista lic. on behalf of his father the former President of Cuba Fulgen cio Batista Zaldivar.

Dr. Jose Borell, President of the Y.M.C.A. International "Jose Marti".

Juanita Castro, Chairman of "Marta Abreu Foundation".

Nicolas Catellanos, Former Mayor of the City of Havana.

Tomaz Cruz, Member of the Executive Staff of Executive Committee for Liberation and Member of the 2506 Brigade.

Angel Cofino, Former General Secretary of the Power Plants Workers.

Dr. Manuel A. de Varon, Former Prime Minister of the Republic of Cuba.

Jorge Esteva, President of the Cuban Lions Club in Exile.

Prescillano Falcon, Former Secretary General of Cuban Sugar Workers.

Dr. Rafael Guas Inclan, Former Vice-President of the Republic of Cuba.

Dr. Cristobal Gonzalez Mayo, Chairman of Cuban Professional Confederation in Exile.

Dr. Enrique Huertas, President of the Cuban Medical Association in Exile.

Dr. Arturo Hernandez Tellaeche, Former Secretary of Labor Department.

Fausto La Villa, Chairman of the Cuban Press Association in Exile.

Pedro A. Lopez, Jr., President of the Cuban-American Sertoma Club.

Jorge Mas Canosa, President of R.E.C.E.

Dr. Carlow Marquez Sterling, Former Chairman of 1940 Assembly to Write Cuban Constitution.

Dr. Humberto Modrane, Sub-director of PRENSA LIBRE newspaper and member of the International Commission for Cuban Political Prisoners Affairs.

Dr. Jose Miro Cardon, Former Prime Minister of the Cuban Revolutionary Government and Former President of the Cuban Revolutionary Council.

Dr. Jose M. Morales Gomez, Former Congressman.

C. P. Luis V. Manrara, Founder and Past President of the Truth About Cuba Committee.

Eusebio Mujal Barniol, General Secretary of Cuban Confederation Workers in Exile.

Andres Nazorle Sergen, General Secretary of the ALPHA 66.

Dr. Raul Menocal, Former Mayor of the City of Havana.

C. P. Rafael Perez Doreste, President of the Truth About Cuba Committee.

Virgilio Perez Lopez, Former Congressman and Former Secretary of Agriculture.

Juan J. Pesuyero, President of the Bay of Pigs Veteran Association, 2506 Brigade.

Dr. Carlos Prio Secarras, Former President of the Republic of Cuba.

Frank Rivero, President of Optimist Club.

Mercedes Rojas, President of the Martyr's Family Association.

Dr. Lincoln Rodon, Former Speaker of the House of Representatives.

Conrado Rodriguez Sanchez, General Secretary of the Independent Labor Action.

Dr. Andres Rivero Aguero, President Elected of the Republic of Cuba.

Vicente Rubiera, General Secretary of the Telephone Workers in Exile.

Lus Sabines, Chairman of the Latin Chamber of Commerce.

Jose San Roman, Military Commander of 2506 Brigade.

Dr. Eduardo Suarez Rivas, Former Speaker of the Cuban Senate.

Dr. Manuel Urutia Lieo, Former President of the Cuban Revolutionary Government.

Luis Varena, Secretary of Cuban National Veterans Association.

Reinaldo Vergara, Former President of the Cuban American Sertoma Club.

Dr. Jose M. Vidafia, Chairman of the Cuban Rotary Club in Exile.

Herberto Valdes Mollinado, President of the Central Executive Committee of the Cuban Municipalities in Exile.

THE LESSON OF WATERGATE

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. RONCALIO of Wyoming. Mr. Speaker, with the continuing revelations about the Watergate break-in, the circle of involvement on the part of administration officials widens, but awareness of what is really at stake has yet to be fully realized.

When corruption was exposed in previous administrations, of both parties, the public outcry was immediately felt and the Congress reflected this outraged response. Prosecution always followed.

The inclination of far too many to dismiss the evidence of wrongdoing as a common occurrence among public officials leads me to question whether we Americans have lost our capacity for outrage.

Has the estimation of public servants fallen so low that the events of the past months can be seen as an ordinary part of politics? I would hope not.

What has been happening reflects on every public servant, you and me included, aggravating the cynicism which is eroding democracy today. Unless Congress resolves to investigate these matters fully, Watergate will have afforded no lessons. Confirmation will be delayed, the office of the Director of Management and Budget will not be subjected to confirmation, the effectiveness of campaign reform will be voided and the accountability of the executive branch will be an illusion.

I am pleased to know that a call to conscience has been issued from the heartland of America, from the small community of Douglas, Wyo. Mrs. Betty Rider Bass, in an editorial in the Douglas Budget on March 22, asks questions which Congress cannot ignore.

She rightly appraises the Watergate and related episodes as an opportunity for Congress to compensate for past laxity and indifference and to address a demoralizing trend where wrongdoing is not fully called into account.

I urge my colleagues to read her editorial, "The Good Old Days—When a Scandal Was a Scandal," not because it tells us what is wrong with some administration actions but because it warns us that many Americans wonder what is wrong with government as a whole.

This is not a partisan statement. The citizens of Converse County supported the reelection of the President. For them, these questions are no matter of sour grapes.

Americans of both political parties ought to be alarmed at what has happened and we, in Congress, ought to act positively to reassure them that a scandal is still a scandal and housecleaning is still the rule in matters such as these.

THE GOOD OLD DAYS—WHEN A SCANDAL WAS A SCANDAL!

(By Betty Rider Bass)

Oh, for the good old days when a scandal was a scandal and everyone knew it as such!

Who will forget the vicuna coats or Bobby Baker? In those days, a person close to the President and involved in a shady dealing of any kind, was banished in disgrace.

And everyone knew it—and condemned the weak one—and his "boss".

But now—the magnitude of scandals under investigation by Senate committees is unbelievable . . . the far-reaching effects of the dishonest and totally underhanded Watergate bugging "caper"; the unexplained hundreds of thousands of dollars given to the re-election of the president committee . . . then tens of thousands of that money dispersed for apparently ulterior purposes—the acceptance by the Re-Election Committee of large sums of monies from corporations, a strictly illegal transaction. Even the sale of wheat to Russia was judged a sneaky way of allowing certain wheat dealers large profits from the sale.

Have people's ideas of right and wrong changed so much they are indifferent to such obvious wrongdoing on the part of the Administration? Was the President aware of what was going on in the above instances? If he wan't, he should re-evaluate his aides and advisors to see who actually is governing this land of ours.

Congress is attempting to make up for a number of years of laxity, compromise, possible indifference to its total responsibility to the American people. A little comfort is felt at seeing Republicans as well as Democrats become alarmed at the trend of government of our great country.

Not only lawmakers must be alarmed and vocal. It is everyone's duty to protest dishonesty and corruption in all levels of government—even though it's easier to turn one's head and hope someone else will do the protesting.

ABUSE OF CORPORATE POWER

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. KASTENMEIER. Mr. Speaker, the disclosure of the attempt by the International Telegraph and Telephone Corp. to influence U.S. policy toward Chile should come as no surprise. After all, American corporations, for decades, have manipulated and subverted our foreign policy, when it suited them, in order to enhance their own economic interests. The ITT incident is but another chapter in this long history of the abuse of corporate power. In this respect, I would like to call to the attention of my colleagues the editorial which appeared in the March 22, 1973, New York Times:

I.T.T.'s BRAZEN BEHAVIOR

Sordid, even against the dreary backdrop of earlier revelations, are the latest disclosures about the effort of the International Telephone & Telegraph Corporation to block the democratic election of a President of Chile and to enlist United States Government help for that abortive project. On I.T.T.'s own testimony, if offered the White House and the Central Intelligence Agency a million-dollar contribution to underwrite a plan for preventing the election of Dr. Salvador Allende in 1970.

And who carried that offer to Henry A. Kissinger in the White House and to Richard Helms, then director of the C.I.A.? None other than Mr. Helms' distinguished predecessor as head of the intelligence organization, John A. McCone, still a consultant to the C.I.A. as well as a director of I.T.T. According to Mr. McCone, Mr. Helms had earlier promised "some minimal effort" by the C.I.A. to try to bring about Dr. Allende's defeat.

Mr. McCone says, and there is no reason to doubt him, that I.T.T. did not originate the plan for which the contribution was offered. But a year afer the offer, after Chile had expropriated the I.T.T.-controlled Chilean Telephone Company, the American conglomerate did submit to the White House an eighteen-point plan designed to insure "that Allende does not get through the crucial next six months."

William R. Merriman, an I.T.T. vice president, explained to a Senate subcommittee that Dr. Allende "had stolen our property without compensation," and that the company was simply trying to get help from the Government to force Chile "to pay us off. That's all we wanted." How can that statement be reconciled with the revelation that Mr. McCone's million-dollar offer was made even before Dr. Allende had been elected and a year before his Government moved against I.T.T.?

Here is exactly the kind of brazen behavior on the international scene that has given a bad name to giant American business firms and that prompted Senator Frank Church of Idaho to launch his investigation into their conduct. No Marxist critics, whether at home, in Chile or elsewhere, could inflict half as much damage on the standing of American international corporations or half as much discredit on the free enterprise system as has I.T.T.'s own behavior. Ironically, its antics have helped Dr. Allende enormously rather than hurting him.

While the record is still far from complete, there is no evidence yet that the Nixon Administration ever seriously considered the more extreme shenanigans which the corporation advocated to bring down Dr. Allende. Unfortunately, however, as a working paper of the Securities and Exchange Commission has disclosed, the Administration did come in force to the aid of I.T.T. in its successful effort to retain the Hartford Fire Insurance Company in a controversial 1971 antitrust settlement.

Thus if I.T.T. has furnished ample material for a book on how a giant corporation should not behave in the last half of the twentieth century, the Administration has supplied the stuff for a chapter on the pitfalls of a close relationship between such a firm and the Government.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet, despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife

wonders: "Is my husband alive or dead?" How long?

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

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

SEX DISCRIMINATION IN CREDIT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Ms. ABZUG. Mr. Speaker, this afternoon, I had the opportunity to appear before a conference on "Women as Economic Equals" here in Washington to present my views on discrimination in the granting of credit on the basis of sex or marital status.

As you may be aware, my bills, H.R. 246, 247 and, 248—which I also introduced in the 92d Congress—would prohibit discrimination on the basis of sex in the granting of consumer credit, mortgage loans and all loans granted by banks or credit unions whose deposits are federally insured.

I look forward to early hearings on this legislation in the Banking and Currency Committee and fully expect that the 93d Congress will respond to the desires of 53 percent of the population by granting women equal credit opportunity.

I insert in the RECORD at this point the text of my statement before the conference:

STATEMENT OF CONGRESSWOMAN BELLA S. ABZUG

If ever a woman is made to feel like a nonperson, it is when she applies for credit. However, capable and reliable she may be, she is treated—solely because of her sex—as though she were totally dependent and unreliable when she applies for a loan, consumer credit or a mortgage. If she is married, she receives credit *only* through her husband. He may be unemployed, unemployable, gone—or even dead; still she is often forced to get credit in his name.

Last May, hearings were held before the National Commission on Consumer Finance. As a result, a great many investigations were started by groups including N.O.W. and the Women's Legal Defense Fund. For example, inquiries were made of BankAmericard, asking that they state the qualifications by which they measure loan requests, such as minimum term of employment and residence, minimum income, co-signers needed and other factors. Three Northern Virginia banks referred these requests to the United Virginia BankAmericard Center, which sets the policy for all. The Center assured the writers that there were "no curent minimum requirements." Nonetheless, complaints from women about these same banks kept coming in. Let me give you a few illustrations:

October 1972: Equitable Trust refused to issue a card to a married women who would not have her husband co-sign. She was told that it couldn't be processed without his signature.

November '72: A married women requesting BankAmericard from a Maryland bank, received a card made out in her husband's name—though he had not asked for it. He was unemployed and the wife's income supported the family (as it true in a rising percentage of families). When the woman protested, she was told that "in Maryland, a woman's income doesn't count for anything"—and that it was a mistake to have issued a card to her at all.

August '72: A woman earning over $8,000 annually, and receiving $15,000 annually in child support from her former husband, was refused a credit card from Suburban Trust because she was "a newly separated person." When she inquired whether her former husband's credit card would be revoked for the same reason, she was told it would not but of course there was no sex discrimination involved; if he were to apply now, he might be refused also. (If so, it would certainly make history.)

March '73: A single woman who applied to United Virginia Bank and was refused, assumed it was because of a relatively short period of employment. A year later she reapplied and was told that she herself had to write her creditors to send references, though she makes $11,000 a year.

March '73: The Equitable Trust bank lends a note of charm by sending a letter of "congratulations on your marriage" to single card holders; but spoils it by adding that "we must now delete your account number, please return your card, enclosed is an application for your husband."

The pattern is clear: there is an actual abuse and misuse of law involved, since banks are regulated by a Federal agency to be operated in accordance with "sound banking policy." To issue credit cards to unemployed men but not women, to make women non-persons unless attached to males, is not sound banking policy nor sound business policy. In the instance we have discussed, National BankAmericard, Inc., should be urged to insist that its franchisee banks adopt non-discrimination policies in the issuance of credit cards to women.

It is hopeful to note that among the sponsors of this conference are the same banks mentioned in the complaints I reported. We can take this as an indication of their willingness to discuss the problem, to open their minds, and to change their policies.

But only legislation can effect real and permanent change. A few states have recently passed legislation prohibiting sex discrimination in mortgage loans. They are: Colorado, Idaho, Illinois, Indiana, Kansas, Massachusetts, Maryland, New Hampshire, New Jersey, New York, Pennsylvania, South Dakota. Washington State has passed legislation covering all forms of credit and financing; other states that have introduced such measures include Connecticut, Georgia, New York and Texas. New York has State and local (New York City) statutes prohibiting discrimination in the financing of housing.

Credit discrimination on the basis of sex is not only irrelevant and unfair but a peculiarly paralyzing form of denial of opportunity: without credit, a woman cannot get loans and therefore cannot go into business.

I have introduced in this session of Congress three bills, H.R. 246, 247, and 248, which go to the heart of the problem, which I'm sure many of you are familiar with.

The first bill, H.R. 248, covers all federally insured banks, savings and loan associations and credit unions. It would prohibit any of these institutions from discriminating against anyone because of sex or marital status.

A study on banking practices done by the St. Paul, Minnesota, Department of Human Rights revealed widespread abuses by banks in that city toward women. The conclusions of the report were that:

Approximately 39% of the banks interviewed revealed discrepancies in the loan policies stated to males and females: Two banks allowed the male interviewed to obtain a loan when under the same set of circumstances they would not make any statement or commitment to the female interviewed. Three banks that had a policy of requiring both signatures on a loan would make an exception for the male interviewer but not the female interviewer. Two banks would allow the male interviewer to receive a loan without his wife's signature, but would not allow the female to receive the same loan without her husband's signature. Two banks would grant a loan to a married man but the same loan is an exception to policy for married women.

This bill would eliminate these abuses by making it illegal for institutions covered by the bill to engage in any of the practices just described.

The second bill, H.R. 246, relates to mortgage transactions. Loans which are federally-related mortgage loans will be subject to the same prohibition against discrimination because of sex or marital status. The coverage is broad. The term, federally-related loans, includes any loan which is secured by residential real property and is made in whole or in part by *any* bank or other financial institution, the deposits or accounts of which are insured by any agency of the Federal government. Other lenders are covered also, but the point I want to make is that this is a critical and necessary area that has long been ignored. The men that control the mortgage market have effectively prohibited women heads of households from exercising their right to use money for shelter, one of our basic rights.

The unique feature of these two bills is their disclosure requirements: the leader must disclose to the appropriate Federal Agency why credit applications were turned down, and keep records that will be available to the public so that banking practices can be documented and possibly used in suits against offending institutions. In order to protect borrowers' rights of privacy, individual borrowers may elect to keep records of their applications secret.

The third bill, H.R. 247, amends the Truth-in-Lending Act to cover discrimination on the basis of sex or marital status in the granting of consumer credit.

George Williams, director of Parents Without Partners, says that his organization represents "85,000 case histories" of women who have suffered from the tendency of financial officers to moralize. The only solution, he says, is the legislative process, which can free women from the effect of male bias.

It is time that women exercise their right to take part in *all* aspects of American economic life. There is no rational reason to have any sort of obstacle to women who want to exercise their economic rights. I hope that all of you will urge the Congress to support this legislation and end the discriminatory practices which have for too long prevailed in the area of finance and credit.

EXTENDING WEST FRONT OF CAPITOL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. ROYBAL. Mr. Speaker, I believe that my colleagues would find the thoughts of the American Institute of

Architects helpful in their considerations on the upcoming vote to extend the west front of the Capitol.

The material follows:

RESOLUTIONS PASSED AT THE SEPTEMBER 1971 MEETING OF THE BOARD OF DIRECTORS OF THE AMERICAN INSTITUTE OF ARCHITECTS

The final report of the Task Force on the West Front of the Capitol was presented by Milton L. Grigg, FAIA, Chairman and is in the appendix of these minutes.

Resolved, That the AIA accepts the Task Force Report on the West Front of the Capitol, endorses and supports its findings and recommendations, and directs that this report be promulgated as reaffirmation of existing AIA policy; and, be it further

Resolved, That the AIA Board express appreciation to the members of the Task Force and the Architect of the Capitol for their cooperation.

REPORT OF THE 1971 AMERICAN INSTITUTE OF ARCHITECTS TASK FORCE ON THE WEST FRONT OF THE U.S. CAPITOL, SEPTEMBER 1, 1971

In response to a request from George M. White, FAIA, Architect of the Capitol . . . "to have The American Institute of Architects review the information and circumstances involved in the proposed extension of the West Front of the United States Capitol," the President of The American Institute of Architects, Robert F. Hastings, FAIA, appointed a review Task Force.

The AIA members appointed by President Hastings to this Task Force were: Milton L. Grigg, FAIA, Chairman; William W. Caudill, FAIA; Leon Chatelain, Jr., FAIA; Francis D. Lethbridge, FAIA; Harry M. Weese, FAIA; and Maurice Payne, AIA, Staff.

They were directed by President Hastings, "to examine AIA's position on the West Front of the Capitol now that the engineering report (the Praeger Report) has been submitted."

The full Task Force met at AIA Headquarters in Washington, D.C. on May 26 & 27, 1971, to review background material previously distributed including the Praeger-Kavanaugh-Waterbury report on "Feasibility and Cost Study for Restoration of the West Central Front of the United States Capitol." Architect White, Assistant Architect of the Capitol Mario E. Campioli, AIA, and Philip L. Roof, Executive Assistant to the Capitol Architect, met for a period of time with the Task Force and were the gracious hosts for a general tour of the Capitol building by the Task Force on the afternoon of May 26th.

Subsequent detailed inspections of the Capitol and informal meetings with the Capitol Architect were held.

RESTORE THE WEST CENTRAL FRONT OF THE U.S. CAPITOL

Having studied and analyzed the report by Praeger-Kavanaugh-Waterbury on "Feasibility and Cost Study—Restoration of the West Central Front—United States Capitol—January 1971", the AIA Task Force is unanimous in endorsement of the method of analysis, the general findings and the conclusions of the report. It offers conclusive evidence to sustain the Institute's resolution for, and belief in the practicality of restoration of the West Front in situ.

It is our opinion that the proposed restoration as recommended by the Praeger Report fulfills the five conditions for restoration as set down by Congress in Public Law 91-145:

1. That the restoration can, without undue hazard, be made safe, sound, durable and beautiful for the foreseeable future.

2. That restoration can be accomplished with no more vacation of the west central space than would be required by any extension plan.

3. The Praeger Report provides proper methods of restoration. The Task Force recognizes that the work could be done on a competitive, lump sum, fixed price construction bid or bids but we feel that competitive bidding or a fixed profit and overhead with the work being done on a cost basis should be strongly considered in the same way the White House resoration was accomplished.

4. It would be impossible for anyone at this stage of study to guarantee a total restoration cost. However, the Task Force felt that the Praeger Report methods and budget allowed adequate contingency.

5. The Task Force is certain that the restoration work would not exceed the projected time estimated for accomplishing the extension plan.

This Task Force recommends that the present perimeter facades of the Capitol building be declared inviolable and the surrounding grounds, bounded by First Streets, East and West, and Independence and Constitution Avenues, be declared open space, devoid of significant structures protruding above present grade levels. Extant mature tree groupings in these surrounding grounds also should be declared inviolable and subsurface development be encouraged but confined to areas now either in grass, paving or shrubbery.

PREPARE A COMPREHENSIVE PLAN FOR LONG RANGE DEVELOPMENT OF THE PROPERTIES UNDER THE JURISDICTION OF THE ARCHITECT OF THE CAPITOL AND THE SURROUNDING AREAS

The Task Force observed, that the present space usage in the Capitol is crowded, misused, or underused; that many functions now located in the Capitol have questionable need of being there; and some functions are duplicated. The Task Force was made aware of the need for additional space by Members of the House of Representatives, especially space adjacent to the House Chamber.

Present preliminary findings of the Architect of the Capitol, following a space need study of the House of Representatives, would seem to indicate that any proposed future extension of the Capitol will not begin to meet present, least of all projected space needs.

The Task Force reaffirms the AIA's historic position that Master Planning of the Capitol must be undertaken if impetuous action by the Congress is to be avoided. This planning should include 1) an inventory space utilization of present buildings; 2) an analysis of floor area ration within the confines of the present Capitol area; 3) a study of possible new land acquisition; 4) a study with particular reference to below surface development capability, categories of use, and environmental factors.

Consideration must be given to the displacing of routine services or lower priority functions now occupying space in the Capitol to new locations.

With the realization of the Metro system, the Visitor's Center at Union Station and the emergence of new people-mover systems, all parking should be removed and the Capitol's surrounding grounds cleared of all but official business cars. New systems of shuttles, horizontal elevators and even a Metro branch should be considered. They could provide fast, automatic, safe and frequent service between all of the buildings in the Capitol complex and would make ready proximity a question of time rather than distance.

It is the recommendation of the Task Force that the Architect of the Capitol could and should request the counsel and guidance of leading architects and other design professionals. Since the future of our Capitol is of deep concern to all Americans, their gratuitous participation in the development of a comprehensive plan can be expected.

TASK FORCE OBSERVATIONS ON THE PRAEGER REPORT

Settlement

(1) Soil pressures are such that there is a 2-to-1 factor of safety.

(2) Further settlement can be expected over the next 150 years, but in order of the ½ inch of the past, which occurred at the outset.

(3) There has been no evidence of differential settlement.

Cracking

(1) Thermal movement and frost action over the years, as between the interior rubble wall and the sandstone face, has caused local failure of cut stone creating a natural pattern of vertical cracks from top to bottom approximately 30 feet apart.

This is a natural phenomenon which designed control joints obviate. The report recommends making control joints of the existing pattern of cracks. There is no reporting of settlement cracking nor out-of-plumb walls.

Erosion and spalling

(1) Sandstone weathers well when laid on bed faces for natural drainage of trapped moisture from within the wall. Improper stone cutting in some cases, but more important, the use of oil paint over the years, has trapped moisture and contributed to surface spalling. The effect is superficial and akin to accelerated weathering. Modern paints which allow the wall to breathe obviate this. The aesthetic effect is that of time making its mark. No attempt should be made to deny these minor inroads of time.

(2) Significant deterioration was noted on marble surfaces on the Olmsted terraces—a condition that should "flash a warning" whenever future consideration is given to wearability of various stone surfaces.

Loose or cracked stones

(1) Certain stones, voussoris, flat arches, quois, and cornice members are in need of affixing to the backup masonry. They are visible and can be treated with modern rock bolting techniques and post tensioning.

Wall Strength

(1) The facing stone is bonded to the rubble wall with alternate courses, making a physical bond uniting the wall in a series of vertical shafts separated by the aforementioned natural control joints. These walls are over 4 feet thick at the foundations. They are not overstressed, taking 236 p.s.i. maximum loading with the stone itself capable of 6000 in the case of sandstone and 14,000 for rubble fieldstone. The lime mortar is the limiting factor, but there is no reporting of vertical displacement or cracking of interior walls. It is proposed that a grout injection to fill voids in the mortar matrix and bond the exterior wall to the interior would add strength.

After paint removal and patching and further measurements, it may prove that grout injection could be limited to the lowest story or localized or could be eliminated altogether. It is not clear that so-called solidification of the wall is called for, but this task force defers to the judgement of the Praeger report.

(2) On page 10, near the conclusion of the portion of the report on the experimental wall grouting, amplification and clarification would seem desirable. The type of epoxy as a final bonding material is questioned and should be clarified to the extent that description is not found with respect to the viscosity of the material proposed. Elsewhere, it is reported that various formulations seem to be identified. Futhermore, experience elsewhere indicates that ferrous metals and certain epoxy compounds are not mutually compatible and that deterioration may occur in both materials through chemical action; hence, use of iron reinforcing rods should be evaluated.

(3) There is discussion of the thermal effect of solidification of the wall resulting from the infilling of the present cavity. This phenomenon is not discussed in great detail other than to conclude that there is to be predicted a 10% net increase in heat gain or heat loss in the solidified wall. The effect of

this change in the internal structure of walls of such comparatively great mass bears closer investigation.

It is probable that it will require an interval of time, perhaps 18 months to 2 years, for the long stabilized thermal and hydro balance within the walls to become re-established, responsive to modifications resulting from the filling of the voids and the possible modification in the reverse permeability or breathing property of the wall.

Moisture

(1) It is difficult to accept the categorical statement that "condensation in the wall will not occur during the summer". The computations on Figure 22 do not appear to indicate a recognition of the lag in change of the ambient humidity and temperature of the internal wall volume and it is possibly questionable whether the conclusions shown thereon are valid without further experimental documentation.

(2) The Praeger Report does not contain a bibliography, therefore the following paper may have been available to the authors. Reference is made to *Consolidation des Monuments D'Architecture par injection dans les Maconneries,* Moscau N. Zvorikine. From this, it is seen that the Russian experiences indicate that the epoxy infilling should not be impermeable to moisture; therefore, the formulation of the material ultimately used should be investigated in light of these reported results it was found that the dilution of the epoxy with a solvent helped to provide better penetration and greater adhesion and, at the asme time, did not produce a mass incapable of "breathing". In the same connection, we were informed by Dr. R. M. Organ, Chief, Conservation—Analytical Laboratory, Smithsonian Institution, that Savestone is an excellent material, particularly if the manufacturers are at this time employing the Lewin Sayre patents. Acrylic plastic compounds have elsewhere been found to be very deleterious in these uses and should be avoided. The Report suggests quite discouraging results from the several experimental methods of removing the old paint from the stone. From other sources, it has been found that the Methylene Chloride paint remover which was used, while not formulated for removal from stone surfaces, actually can be made very effective when combined with a neutral jelly to create an emulsion, keeping the mixture moist for a longer period. (Actually, in the results cited, the coated stone surfaces were covered with aluminum foil to prevent accelerated evaporation.) The latter expedient might increase the effectiveness of the gel remover reported. In this connection, it is somewhat surprising to find that the report does not cover the matter of vapor transmission more positively. It would seem desirable to investigate the advantages of providing a vapor barrier back of the plaster on exterior wall surfaces. It is possible that this will alleviate the tendency for plaster fatigue through thermal and moisture changes as well as more effectively stabilizing the moisture content of the interior of the interior of the wall volume. This vapor barrier, if found to be necessary, could be of the framed-in-place variety, thus avoiding extensive replastering.

(3) Apparently, the authors of the Report have not found conditions to indicate the desirability of horizontal moisture barriers in the base of the walls to offset the capillary action often found in walls of this mass and porous character.

Performance design

(1) The Praeger Report analyzes the structure and loadings of the West Front portion of the Capitol building and proves they are within the parameters of sound practice. The effects of static and dynamic loadings and soil pressures due to dead load, live load, wind and seismic forces, and sonic booms have been given complete attention and analysis.

Painting

(1) The continued use of oil paint in many applications 15 to 105 mils thick has caused accelerated but not severe weathering. Modern breathing paints will obviate this difficulty. The Capitol is made of three materials: yellowish sandstone (original wings), Walter's marble House and Senate extended wings, marble East Front extension and the cast iron dome. White paint on the sandstone and dome is used to unify the ensemble. This has been the style for more than 100 years. The White House is painted stone. London abounds in painted stone. The tradition of painting should continue.

INDEPENDENT LEGAL SERVICES CORPORATION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Ms. ABZUG. Mr. Speaker, the Nixon administration has in the works yet another device by which to deny millions a fundamental right guaranteed them by our Constitution.

The millions are the poor, the elderly, the infirm—those who need help most.

The right is representation in the legal process by competent counsel.

It is important at this particular time, when drastic cuts are being made in so many social programs, that the legal services program remain intact and above the political fray.

The Nixon administration is preparing legislation to set up State corporations, destroying the concept of a national independent legal services corporation. Each State corporation, funded through revenue sharing would be under a separate board of directors. One suggestion is that the directors be chosen by the State legislature, another that they be designated by the State bar association. This would clearly be far more likely to subject the program to political control, making it difficult, if not impossible for the poor to pursue the rights and remedies guaranteed to them under the law.

I would like to submit a letter from the directors of MFY Legal Services in New York City. Since the program began, MFY has been providing legal assistance to thousands of people in low income areas of Manhattan. Without these offices, and those around the country like them, literally millions of people would have nowhere to go to seek redress of their legal grievances.

We must create a strong and Independent Legal Services Corporation to guarantee that all citizens will have equal access to all available remedies under the law.

The letter and a relevant article follow:

[From the New York Times, Mar. 12, 1973]

WHITE HOUSE PLANS CHANGES IN LEGAL AID TO POOR THAT CRITICS SAY WILL WEAKEN PROGRAM

(By Warren Weaver, Jr.)

WASHINGTON.—The White House is drafting fundamental changes in Federal legal services for the poor aimed at decentralizing them and, in the eyes of its critics, seriously undermining the program.

According to private lawyers who have been consulted, the Nixon Administration is preparing legislation to replace the Office of Legal Services with a national legal services corporation that would serve as a transitional agency while separate corporations were being set up in each of the 50 states.

Each state corporation, funded through revenue sharing, would be under a board of directors. One suggestion is that the directors be chosen by the state legislature; another, that they be designated by the state bar association. Earlier drafts would have given the Governor direct control over the board.

Supporters of the legal services program fear that, one way or another, this would subject the effort to political control, making it difficult, if not impossible, for poor people to bring class action suits against the governmental and economic establishment. Such suits were one of the original purposes of the program.

"These boards are likely to be full of retired lawyers, party contributors or men with political connections, who have damn little sympathy for the idea of welfare recipients going into court to challenge the state government," predicted one lawyer.

Some sort of legislation is essential to keep the legal services program in operation because its parent agency, the Office of Economic Opportunity, is being dismantled by the Nixon Administration and will cease to exist within three to four months.

Leading Congressional Democrats have introduced legislation for a legal services corporation that would continue to operate the program on a national basis. The White House has endorsed the idea of a corporation but has not yet made public any details of its version of the organization or its aims.

Unless bipartisan agreement can be reached, supporters of the activity fear that President Nixon would veto a Democratic plan, ending the program altogether.

Under one draft of the Administration bill, any state that declined to set up its own legal services program would still be subject to a program operated by the national corporation. Such a system, however, could permit a state with little enthusiasm for the program to set up its own version but then keep it as inactive as possible.

White House proposals call for the board of the national corporation to be appointed by the President. Critics would like to make its members subject to Senate confirmation.

One source of concern to backers of legal services is the fact that, under the Administration plan, Congress would play no part in drafting guidelines for the state programs and, thus, in attempting to insure that some sort of effective activity continued.

MFY LEGAL SERVICES, INC.,
New York, N.Y., March 15, 1973.

Congresswoman BELLA ABZUG,
New York, N.Y.

DEAR CONGRESSWOMAN ABZUG: The issue of the future shape of legal services to the nation's poor will soon be before Congress in an immediate way. We understood that the Administration's legal services bill will be introduced within the next several weeks. It, together with the three bills now pending, will supply the framework within which Congress will consider legal services.

Evidently, as reported by Warren Weaver, Jr. in the New York Times of Monday, March 12, 1973 (a copy of the Times article is enclosed) the Administration is seriously considering a revenue sharing scheme involving the establishment of separate legal services corporations in each state. Presumably, under this approach, each state would establish its own policies and administer its own

legal services program, financed by revenue sharing funds.

We (and we believe, most persons knowledgeable about and concerned with an independent and nonpolitical legal services program) are strongly opposed to the revenue sharing and state control plan attributed to the Administration. We believe that this approach would maximize the possibility of political interference with our programs and would make far more difficult our goal of operating a mature, responsible and stable law practice to the benefit of indigent citizens.

The eight year history of OEO funded legal services is replete with examples of attempts on the part of state and local governments to politicize legal services programs. In states as diverse as California, Connecticut, Missouri and Mississippi, governors have attempted to control or subvert the legitimate, traditional and professionally mandated representation of poverty clients by their attorneys. It is easy to predict that, under the revenue sharing and local control approach, many states would, by the choice of their governors, have no, or only the most hollow of, legal services for the poor. Even in those states which will establish programs (New York would probably be one) we can anticipate that such programs would be far more susceptible of political pressure than would a national program. For example, we fully believe that a powerful and well-financed commercial real estate lobby concerned about the vigor of legal services representation of poor tenants may well find readier listeners to its complaints in Albany than in Washington.

Moreover, we share with the American Bar Association and others the conviction that our programs must be operated in accord with the highest of professional standards. We believe that this will be much more difficult to achieve with 50 individual programs, each of which will relate most directly to different state bar associations with differing standards and likely with differing ideas about the ethical responsibilities of poverty lawyers. We submit that a national standard is preferable.

The President has in the past, repeatedly voiced his support for the concept of a national legal services corporation. So, too, have the Association of the Bar of the City of New York, The New York County Lawyers Association, The New York State Bar, the National Legal Aid and Defender Association and legal services people throughout the country. It is difficult to understand why, in the face of this unanimity of opinion by concerned and knowledgeable persons and organizations, the revenue sharing and local control approach seems to have surfaced. One can only speculate that its advocates do not wish to see a vigorous, independent, responsible national program which can truly deliver on the American promise of equal access by the poor, as well as by the rich, to our system of social justice.

It is our sense that the revenue sharing and local control struggle will be much more difficult if this approach is, in fact, embodied in the Administration bill soon to be introduced in Congress. Since we gather that the Administration bill is not yet fully formulated, we ask that you use your good offices within the White House to urge the President to proceed, as he has suggested in the past that he would, with a national legal services corporation.

We earnestly submit that one national legal services corporation and not 50 state corporations will best serve the interest of our indigent clients. If you agree, we and our client communities will be most grateful for your efforts to that end.

If you feel you need further information or details, we would be happy to meet with you or a member of your staff at your convenience.

Yours very truly,

GEORGE C. STEWART.
NANCY E. LEBLANC.

CONGRESS AS THE CRISIS

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. QUIE. Mr. Speaker, this year, a great deal of ink has been used discussing the "constitutional crisis" over impoundment of funds. Earlier I expressed the view that Congress was as responsible as the President for the current situation. Secretary Weinberger has written the New York Times expanding on this theme and I submit it for printing in the RECORD. While I may differ on a few points with the Secretary, the basic thesis stands up under scrutiny.

The article follows:

CONGRESS AS THE CRISIS

(By Caspar W. Weinberger)

WASHINGTON.—The avalanche of newspaper articles on the so-called "constitutional crisis" would be more useful to the public if the issues they describe were not so patently false.

The public deserves to understand precisely what is involved in this media-made "crisis"—which basically is nothing more and nothing less than a full-scale battle over whether or not Federal taxes will be raised.

President Nixon, in line with his re-election campaign pledge, has submitted a budget that eliminates now, and for at least three more years, any need to raise taxes—while permitting responsible spending increases for programs that work. Congress wants to boost spending far beyond the $19 billion increase for fiscal year 1974 proposed by President Nixon.

That is the crux of the "crisis," and no amount of high-flown rhetoric, including in The New York Times, about "constitutional questions" or "the precarious relationship between the Executive and Congress" should be allowed to obscure it from the people most involved in its outcome—the taxpayers who foot the bill.

Only Presidential intervention prevented an additional $11-billion increase in this fiscal year's budget. Left to its own devices, Congress had created a spending momentum that would have pushed the budget $19-billion above President Nixon's 1974 request, and $24 billion above the President's proposals for 1975.

The results of such a spending binge were and are predictable: Either taxes would have to be raised, or we would fuel still another round of runaway inflation, or both. President Nixon acted responsibly to forestall these threats to our nation's economy. And he did it in the face of predictions from virtually every outside economist and columnist that a tax increase in 1973 was inevitable.

The President accompanied this by setting a spending ceiling and, when it was clear that ceiling would be exceeded, impounded sums appropriated by Congress. Incidentally, both houses of Congress agreed, separately, that a $250-billion spending ceiling was proper. Yet less than a week later they adjourned, having exceeded that ceiling by $11 billion in spending they believed was required.

Historians have been quoted to the effect that these Presidential impoundments are unprecedented in scope. That is inaccurate. A check of previous budgetary actions by Presidents Kennedy and Johnson shows that both consistently impounded a higher percentage of funds than President Nixon.

Here are the facts: As of Jan. 29 of this year, 3.5 per cent of the total unified budget was being impounded. That compares with 7.8 per cent on June 30, 1961, under President Kennedy, 6.1 per cent in 1962, 4 per cent in 1963; 3.5 per cent in 1964 under President Johnson's first budget, 4.7 per cent in 1965, 6.5 per cent in 1966, 6.7 per cent in 1967, and 5.5 per cent in 1968. So much for the "unprecedented impoundments" myth.

President Nixon's second step was to order the most exhaustive evaluation of Federal programs ever undertaken. Those in the Office of Management and Budget who conducted the evaluation used only one criterion: Does the program work?

Of the more than 1,000 Federal grants programs reviewed, 115 were found to be riddled with waste and inefficiency. There is no money for such programs in President Nixon's 1974 budget.

Included were programs that build ponds and decorative fences for gentlemen farmers; build hospitals where an excess of hospital beds exists; subsidize urban renewal to the principal benefit of land speculators; subsidize public school education in some of the wealthiest communities in the nation at the expense of some of the poorest; and subsidize teacher training when 70,000 teachers already are without jobs.

Every dollar wasted on such programs means a dollar withheld from those who truly need and deserve our help.

Presidential critics have also been quoted as saying that Congress was being denied access to the Administration staff. In fact, President Kennedy invoked "executive privilege"—and thereby kept key staff from appearing before Congress—six times in three years. President Nixon has exercised the same privilege only four times in more than four years.

If the media want to focus on a legitimate governmental crisis, they would do well to summon public attention to the antiquated and illogical manner in which the Congress attempts to enact the budget. Nowhere among its 300-odd committees and subcommittees, each responsible for a small portion of the budget, is there one focal point where a goal or spending ceiling can be set and monitored to assure spending sanity.

Until the Congress gets its budget-making house in order, it is clear that strong Presidential leadership is the only weapon the people have to prevent higher taxes and ruinous inflation. If that is a constitutional crisis, it is clear that it was long overdue.

TESTIMONY OF ROSS PEROT

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. CHAMBERLAIN. Mr. Speaker, last week, on Wednesday, March 21, Mr. Ross Perot, chairman of the board of Electronic Data System, Inc., appeared at the tax reform hearings now being held by the House Ways and Means Committee and presented his views relating to the tax treatment of capital gains. Without taking a position on the content of his statement, I feel that he

made a most provocative suggestion that is deserving of much closer examination.

Because of the broad interest of the members of the committee in his novel suggestion for stimulating investment, I felt that many of my colleagues might wish to review his prepared testimony and I therefore insert his prepared statement at this point in the CONGRESSIONAL RECORD.

TESTIMONY OF ROSS PEROT

Mr. Chairman, members of the Committee, my name is Ross Perot, Chairman of the ad hoc Committee on Capital Gains. I am the Chairman of the Board of Electronic Data Systems, Inc., and also the major investor in du Pont Glore Forgan, an investment banking and brokerage firm.

Thank you for allowing me to appear before you today. Although I never had the opportunity to acquire formal training in business, tax law or economics, I have had the unique experience in living and working in almost every strata of our economic system. During most of my life I lived and worked under very modest circumstances, at times not having enough to make ends meet, at other times making just enough, and more recently having been extremely fortunate in building a successful business.

In the past two years I have become a careful student of our capital raising system as a result of our investments in Wall Street. As a result of these various experiences, I have acquired a practical working knowledge of most phases of our economy, our capital system, and the impact of our tax system upon it.

The most valuable resource in the American economic system is the working American. It is the working American who makes our country the world's largest market for goods and service.

It is the working American who is the backbone of our tax system.

It is the working American who, as buyer, creates business growth, business profits and business taxes.

It is the working American who, as investor, helps to create his own job and jobs for others by his investments in common stocks; mutual funds; participation in investment groups; or, more indirectly, by investment in common stocks through his retirement or profit sharing funds.

Collectively, he is the world's largest financial institution. Only he can provide sufficient money to allow our capital needs to be met.

In short, the working American is an economic miracle, supporting his family and bearing the burdens of his city, his state and his nation.

It is of and for this working American that I wish to speak today.

I believe that the working American needs a tax break. America's working families need a government policy which encourages and permits them to accumulate a stake—to accumulate capital—so that they can enjoy, as others enjoy, a meaningful share in the growth and gain of this economy.

Under our system, success assumes one fundamental point—that each willing American worker has a job available to him. Jobs can never be taken for granted.

During our lifetimes, we have seen men looking for jobs that did not exist. We have seen the defeat and despair on good men's faces who could not provide for their families. None of us want to see that again. It is only as a working American that the average American can continue to be our most important resource. Our national planning objective should be to see that the working American continues to have a job—a better job. The better his job, the larger customer he becomes and the United States continues to grow as the collective customer. We must also create many new jobs as our population expands—we must see that his children have jobs.

If these fundamental goals are to be met, we must be mindful of the intricacies of our economic system. Its workings and interrelations are much like those of a complex watch. Adjust one part improperly and you damage the entire mechanism.

All of us are concerned about the deterioration of America's competitive position. We have seen our country lose its leadership role in one industry after another. We are determined to regain that role. We must make the words, "Made in USA" the symbols of excellence, and competitive cost. There is no question that we can do it. There is no question that we must do it. The question is how do we do it.

We can take a number of intermediate steps to protect our economic system by taking full advantage of the fact that we are the world's largest customer. The millions of working Americans are the buyers in this market. At a time when other nations are able to sell goods and services at a lower cost than the United States, the fact that we are the principal country to sell to, and the average American is the principal buyer, may provide the key to our future economic stability. The sooner we do this, the better.

During this period while we operate under this temporary umbrella, we must take the long-term steps necessary to regain our true competitive position. First, if that is to be accomplished, it is imperative that we spend hundreds of billions of dollars to modernize and expand our industrial capacity in order to allow the working American, with his high standards of living, to compete effectively with his counterparts around the world. This is going to take money—lots of money—more money than we have ever raised before in our country. It is that money—that massive new investment—which will protect the jobs we have and create the jobs we must have in the future.

Second, during this same period, we are going to have to launch and complete a very expensive search for new energy sources. We must complete a huge expansion of our public utility systems. Dramatic improvements must be made to our cities. The list of requirements is endless.

What mechanism will we use to raise this money? The United States capital market is without question the finest in the world. Ask any businessman from any other country. There is only one Wall Street. It is a great resource for accomplishing our national goals. Simply stated, it is an alternative to oppressive taxes. What I am saying, though, is that we must strengthen this capital market, because it is going to have unique and urgent demands made on it during the next few years.

For purposes of my discussion, I would like to have us think of the New York Stock Exchange and the other major stock exchanges in our country simply as scoreboards reflecting corporate performance. Under normal conditions, as a company is growing in size and profits, the stock will rise. It is a winning company. It pays more taxes and creates new jobs, with each new worker being a new taxpayer. If every company were a winning company, we wouldn't have to be preoccupied with raising more taxes, trade deficits, and the like. The taxes from these companies and their employees would be more than adequate to meet our growing needs.

There is one unique characteristic about these scoreboards though—the scores can go down as well as up. There are those in this country who assume that no matter what conditions prevail, the scoreboards will always reflect corporate performance. The facts are—this scoreboard also reflects the willingness of people to invest in America's businesses.

In plain talk, I am saying that these scoreboards could conceivably flicker or even go out if the capital markets are badly enough abused. I have seen the scoreboard flicker. I invested sixty-five million dollars to keep the scoreboard lights burning at a time of crisis. The fact that I took a risk of this size is the strongest evidence I can give you of my conviction that we must keep the financial springs flowing in this country without interruption.

Now, if I may, I would like to focus on capital. Perhaps we could think of the flow of capital in the United States as being comparable to the Mississippi River. Looking at this great river, it is inconceivable that the water in it could ever dry up. True, it will have periods of high water and low water, but there is always sufficient water to move the ships and barges down the river.

The flow of capital in the United States, because of its massive size, is comparable to the Mississippi River. However, the Mississippi River has its springs, creeks, small rivers, and other tributaries. Simply by clogging the springs and damming the tributaries, it would be possible to turn the Mississippi River into a ditch. In the same fashion, if we should clog the springs and other tributaries of our capital market, it too, could turn into a dry and empty ditch at a time when it should be at full flow.

Once again, I come back to the average working American. He is the key. The millions of individual investors in our country, the American workers, are like the springs that are the source of the many tributaries that form the Mississippi River. We must make investing in our companies an attractive option to him. Only he has enough money to finance the work that must be done. Collectively, the individual investors make up the world's largest financial institution.

Money moves around the world. Like the ocean tides, money ebbs and flows, forming huge pools in various places at varying times. Right now, too much is flowing away from our country, and even the dollar is threatened, because the world's largest customer, the working American, can best satisfy some of his wants by purchasing goods made in other countries. Our challenge in this decade, in order to protect our jobs and our tax base, is simply to get the money flowing back our way.

At a time when our principal economic competitors, the Germans and the Japanese, are subsidizing business and charging no capital gains taxes—at a time when these governments have shown a total understanding of the importance of industry creating jobs—it is a paradox that some people in our country are proposing programs under the guise of fairness that would dramatically weaken our international competitive position.

What we are discussing here today can impact millions of working people in a positive or very negative way.

As you know, the greatest wisdom in our country comes from the everyday people. Recently, a construction worker came up to me in an airport and handed me an envelope. He said, "I am from the mountains of West Virginia. We have a saying out there that you will like." Scrawled in pencil were these words, "There ain't many hunters, but everybody wants the meat." That says it all. The hunters make this country great. The hunters are the workers—the taxpayers. Our challenge is to develop as many hunters as possible. We have a delicate balance in our Nation between the taxpayer who produces more than he uses, and the tax user who cannot produce as much as he needs. In every possible way, we must move the balance to favor those who can and will build the tax base.

At this time, our financial springs should be flowing at the maximum rate to provide the money to create the plants, the jobs, and the new streets, roads, and the other improvements to our cities. Some are proposing

that we raise capital gains taxes. This will have the effect of clogging the springs. Why?

Simply because the average American has an option about where to invest his money. If there is not an economic advantage to investing in our capital system, with the possibility of gain as well as loss, he will invest his money in other areas. The financial tributaries will begin to dry up, and our capital rivers will begin to drop—just at the time when we need to have these rivers full to the banks.

The proposal I want to make will cause the financial springs to flow to fill the capital river. The markets will become liquid. Our economy will become strong, as we build the new plants and make our industries more competitive. Most importantly, I know through my own experience that the hardest part of the American economic system is getting started. This proposal will allow people who work and strive and save to get started—and get ahead.

My capital gains tax proposal is simple. The millions of ordinary citizens who work, pay taxes, save money, and dream that their children will have a better opportunity, are the financial backbone of this country. Only they have enough money to save and invest for the huge capital expansion necessary to make and keep the United States competitive.

Therefore, I propose—That every American be given the opportunity to accumulate $100,000 in capital gains—tax free, in other words, up to a lifetime total of that amount. This is meant only for the average working American who is trying to accumulate a stake in life which all American families want and need.

Another economic miracle will take place if this materializes. We will be building a whole new base of substantial taxpayers. Once these taxpayers cross the $100,000 threshold, I propose that they be taxed in the same way all other capital gains taxes are handled. In addition to building a new tax base of substantial individuals in this country, we will reap additional benefits from improved corporate earnings and from the many new jobs created by these capital investments.

What does all this mean to the typical middle-aged worker? It means a great deal. Maybe he doesn't want to invest. However, in all probability his retirement income is tied to stock values. Profit sharing funds are also invested in securities. Damage the capital market in this country and prices will drop. The price of a blue-chip stock such as IBM is only worth what someone will pay for it. Keeping industry strong and the market liquid protects the middle-aged worker's job, protects the value of his retirement funds, keeps down the costs of such basic services as electricity, water, and gas. Damage the securities markets and you impose a huge additional tax burden on this middle-aged worker.

I know I speak for this average American also when I say that he considers it very important for his children to have an opportunity to achieve goals and dreams beyond his own grasp.

I am sure you are wondering what sort of capital gains tax I would propose for persons in my category. I will leave that to your judgment. It would be self-serving for me to discuss this, although I will say that I certainly expect to pay my fair share.

It is fundamentally important to give the man who is trying to get started a chance to get ahead. We can best do this by allowing him to invest in our country's future—the businesses that provide the jobs. As these jobs grow, he will grow. As he grows, the tax base grows. As that happens, the United States becomes stronger.

A current catch phrase is, "Money made by money should be taxed like money made by men". While catchy, this statement is invalid. It equates two totally different types of money—income money and investment money—as being the same and operating in the same environment.

Both fish and cattle are sources of meat. It would be illogical to take the position that since both fish and cattle represent meat, that both could be grown in the same environment. Fish require water. Cattle require pasture. Investment money cannot be grown in the same environment as ordinary income for the simple reason that the investor has options about where to invest his money—or whether he will invest it at all.

In addition, this catch phrase incorrectly assumes that a job will exist to allow "Money to be made by men". It incorrectly assumes that the capital money rivers will always flow. These money rivers, like water, will seek alternate sources if the channels are clogged. Seriously, this catch phrase misses a fundamental point, in that it assumes that the market—the scoreboard—will stay constant no matter what happens to the financial springs. The scoreboard will, in fact, drop as the financial springs dry up. Maybe the best answer I can give is that if I were running our Internal Revenue Service, I would rather collect a 35% tax on a $100 stock than a 70% tax on a $40 stock. You logically say, "But will the stocks really go down?" The answer is an unequivocal "Yes".

Fewer people will invest. Stock prices will drop.

Industry will have difficulty raising new money to modernize its plants.

Profits will drop.

Stock prices will drop further.

Men will be laid off.

The tax base will wither.

If we are to raise the capital requirements for our future, the working American must be given opportunity through our tax laws to become a participating capitalist.

I propose that he be given a proper incentive to share in capital gains—and that faith in him will be returned to us manyfold by his faith in his own land, his own system.

Again the words, "Made in USA" will become the hallmark of excellence and economy.

DESALTERS AND WATER RECLAMATION—A CALL FOR NATIONAL PARTICIPATION

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. HANNA. Mr. Speaker, suppliers of drinking water nationwide have been invited to participate in the National Water Supply Improvement Association, which is dedicating itself to promoting desalination, water reclamation and other water sciences in the interest of raising the quality of substandard water supplies.

As we consider legislation for new drinking water standards it is well to keep in mind that today many hundreds of thousands of Americans in three-quarters of the States do not have available drinking water that meets the old recommended Public Health Service standards.

In several areas of the United States during recent years, desalters of various types researched by the Office of Saline Water of the U.S. Department of the Interior have been incorporated into public water supply systems. American manufacturers have researched the processes and designed the hardware to build the installations. Efficiencies have increased.

A fledgling industry has been brought into being. The formation of NWSIA at this time in 1973 is particularly fortuitous. The Federal Government is reappraising its water resources programs. NWSIA will be ready to assist in assigning proper weights to the new programs and the use of the water sciences.

I am proud that the Orange County Water District in my home county in California has pioneered with water factory 21, a combination of desalination, wastewater reclamation, and conjunctive use of surface and groundwater to protect and improve the quality of community water supplies for most of the people of the county. Langdon W. Owen, secretary manager of the OCWD, conceived water factory 21, and with the help of the Office of Saline Water and the Orange County Sanitation District is bringing it to completion. Mr. Owen also took a leading role with Royal B. Newman, executive director of the Virgin Islands Water and Power Authority, and William E. Warne, of Sacramento, who formerly headed the California Department of Water Resources, in organizing NWSIA. Mr. Newman, the president of NWSIA, is calling on all of those agencies, institutions and individuals who are interested in improving the quality of drinking water supplies to join the new organization.

Mr. Owen describes in his letter to me what their purposes are, and he has attached a summary statement and explanation of the organization meeting, which was held February 1 and 2, in Washington, D.C. Mr. Speaker, through inclusion of Mr. Owen's letter and summary statement at the conclusion of my remarks, may I request members who are interested in this subject to advise their constituents concerning the National Water Supply Improvement Association, and to inform them how they may participate in its work.

ORANGE COUNTY WATER DISTRICT,
Santa Ana, Calif., February 27, 1973.

Hon. RICHARD T. HANNA,
House of Representatives,
Washington, D.C.

DEAR DICK: William E. Warne told me on his return from Washington, of your cooperation and interest in our new National Water Supply Improvement Association. I am attaching a summary statement concerning the organization meeting, the Association, its purposes, officers, and plans.

We have about 350 names of individuals in almost every State of the Union, most of them representing government agencies of all levels, colleges and universities manufacturing companies, and suppliers or consulting groups who have participated in great or small ways in the successful effort to organize NWSIA. Our basic purpose is to exchange technical information, and provide the use of desalination and other water sciences in improving the quality of substandard drinking water supplies. Sadly, there are presently many areas which have poor water in which the health and welfare of millions of Americans are being degraded.

Mr. Royal B. Newman, the first President of NWSIA, is inviting the broadest participation of interested groups and individuals in the work of the Association. I am Chairman of the Membership Committee, and would be most interested in receiving the inquiries of all parties who are prepared to

participate in active programs to improve our community water supplies.

The attached statement describes the organization of NWSIA, and its present status. We appreciated the interest you took in our meeting, and that of your colleague, Representative Harold T. (Bizz) Johnson, and many others. Thank you very much.

Sincerely,

LANGDON W. OWEN,
Secretary Manager.

NATIONAL WATER SUPPLY IMPROVEMENT ASSOCIATION ORGANIZED

The organizational meeting of the National Water Supply Improvement Association was held February 1 and 2, at the Dupont Plaza Hotel in Washington, D.C. Temporary Chairman William E. Warne presided over the meeting, which elected Mr. Royal B. Newman, Executive Director of the Virgin Islands Water and Power Authority, St. Thomas, Virgin Islands, as president, to serve until the First Annual Meeting is completed in June, 1973. Thirty-eight persons attended the organizational conference, including Representative Harold T. (Bizz) Johnson, senior member from California of the House Interior and Insular Affairs Committee.

Warne, of Sacramento, California, a former Director of the California Department of Water Resources, reviewed the objectives proposed for NWSIA, and during the meeting the charter members developed and approved a constitution, elected officers, assigned committee members, and declared their intent to conduct the First Annual Meeting in Florida in June, for the purpose of pursuing the goals adopted. The objectives as established by the Constitution of the new national organization of water suppliers interested in improving the quality of public drinking water through use of desalination and other advanced water sciences are:

A. To promote the use of desalination, waste water reclamation, and other water sciences, and to exchange and spread information concerning the state of the art of desalination, waste water reclamation, and other water sciences to enhance the quality of the environment and of city life by: (1) promoting the conjunctive and efficient use of waters; (2) promoting integration of waters from various sources to supply urban needs; (3) promoting the enhancement of the urban environment and the protection of the public health through raising the quality of substandard community water supplies; (4) advocating operations, methods and procedures conductive to aesthetic, recreational and multiple-uses of community water supplies; (5) minimizing waste and increasing the efficiency of use of urban water supplies; and (6) encouraging regional solutions to water supply, disposal and management problems.

B. To uphold the public interest in adequate, wholesome, clean and sweet community water supplies, and to identify the real costs of poor quality water.

The proposed Constitution had been distributed to most members of the organizational committee previous to the Washington Conference. The Constitution was discussed by the members present, and appropriate additions and corrections made. Having fully analyzed the Constitution and objectives of the organization, the Constitution was adopted on February 2, 1973. The membership for the organization was divided into three categories:

A. *Division One:* Organizations and agencies of Federal, State, or local levels of government and utilities, whether publicly or privately owned, that are engaged in supplying water from whatever sources for community water systems or to users of community water services. (Each member of Division One shall designate in writing its individual representative, who shall serve NWSIA until the member designates his successor.)

B. *Division Two:* Companies and organizations engaging in supplying equipment, material or services used by suppliers of community water services in their projects or operations. (Each member of Division Two shall designate in writing its individual representative, who shall serve NWSIA until the member designates his successor.)

C. *Division Three:* Individuals or organizations interested in the objectives and programs of the Association, whether or not they are engaged in research into or application of water sciences; operation or management of water services; or education or training of practitioners of any phase of the water sciences. (Each organization of Division Three shall designate in writing its individual representative, who shall serve NWSIA until the member designates his successor.)

Officers and a Board of Directors were elected at the final session of the organizational meeting. In addition to President Newman, the Officers are:

First Vice President—Mr. Don Doud, DuPont Company, Wilmington, Delaware.

Secretary—Mr. Langdon W. Owen, Secretary Manager, Orange County Water District, Santa Ana, California.

Treasurer—Mr. Robert E. Bailie, DSS Engineers, Inc., Fort Lauderdale, Florida.

Several standing and special committees were established, and after short meetings, preliminary reports were given. The standing committees are:

FINANCE COMMITTEE

The Finance Committee to be Chaired by Mr. Ivey, adopted the following schedule of annual dues:

Division I—Utilities

Annual Billings in excess of $5,000,000—$150.

Annual Billings from $500,000 to $5,000,000—$100.

Annual Billings less than $500,000—$50.

Public Agencies—$150.

Division II—Suppliers

Each—$500.

Consultants

100 plus employees—$300.

10–99 employees—$150.

1–10 employees—$75.

Division III—Individuals

Each—$10.

The Finance Committee will follow up the actions of the Membership Committee. The Finance Committee will also prepare and suggest for adoption by the Board of Directors plans for financing the activities of the Association and an annual budget to govern the operations of the Association. Modification of dues rates, alterations of financing plans, and budget amendments shall be reviewed by the Finance Committee and recommendations by the Committee made thereon prior to their adoption by the Board of Directors. The Finance Committee will explore sources of financing to further the Association's activities.

BYLAWS AND CONSTITUTION COMMITTEE

The Bylaws and Constitution Committee Chaired by David L. Firor, National Association of Conservation Districts, Athens, Georgia, will review the Constitution and Bylaws prepared by the Board, and present a report at the First Annual Meeting. The Committee will operate on a continuing basis to effect provisions of the Constitution for membership intiative in amending the documents governing the Association.

LEGISLATIVE COMMITTEE

The Legislative Committee, Chaired by Mr. Warne, reported its intent to make the nature and purposes of the organization apparent. The Legislative Committee shall recommend to the Board of Directors and on approval, institute programs (a) to disseminate information concerning legislation proposed for consideration in the Congress, in the State Legislature, or by other governments affecting the interests of the Association; (b) prepare position papers for consideration by the Board and for presentation when appropriate to legislative committees on matters related to the interests and objectives of the Association; and (c) present a legislative summary to the Annual Meeting.

MEMBERSHIP COMMITTEE

The Membership Committee, Chaired by Mr. Owen, will canvass the United States for membership in NWSIA. The Membership Committee shall seek and review applications for membership in the three Divisions of the Association, and the committee shall make recommendations to the Board of Directors. The purpose of the Membership Committee shall be to obtain the widest possible participation in the Association among qualified applicants. Charter member rolls are open until the conclusion of the First Annual Meeting. A geographic spread of membership will be sought.

PROGRAM COMMITTEE

The Program Committee, Chaired by Robert Bailie, DSS Engineers, Inc., Fort Lauderdale, Florida, outlined a proposed three-day First Annual Meeting to be held in Fort Lauderdale, Florida. The program will include some technical papers, some papers dealing with the organization and the goals of the organization, and some comments by leaders in the field. Time will be set aside for Executive Committee sessions. Visits will be planned to sites in the Florida and Caribbean areas. The tentative date for the First Annual Conference of the National Water Supply Improvement Association was set as June 18, 1973.

TECHNICAL AND PUBLICATIONS COMMITTEE

The Technical and Publications Committee, Chaired by Nabil El-Ramly, Professor, University of Hawaii, will recommend programs to be instituted by the Board of Directors to assess, evaluate and disseminate information concerning the state of the art and advances made in desalination and other water sciences. The Technical and Publications Committee will be primarily responsible to fill the needs of the Active Members of the Association, but public education will be a worthy secondary purpose of its program.

The Board of Directors is made up of eleven members. Six directors from Division One are Messrs. Royal Newman, Virgin Islands, Don Owen, California, W. L. Ivey, Austin, Texas, John Hatch, South Dakota Department of Health, Pierre, South, Dakota; W. E. Steps, Kansas Water Resources Board, Topeka, Kansas; and Dr. Robert O. Vernon, Division of Internal Resources, Tallahassee, Florida. Two directors from Division Two are Messrs. Robert Bailie and Don Doud. Three directors from Division Three are Messrs. William Warne, David Firor, and Professor Nabil El-Ramly.

The luncheon speaker at the NWSIA organization meeting on February 2 was Congressman Harold T. (Bizz) Johnson of California. Congressman Johnson is one of the senior members of the House Interior and Insular Affairs Committee, and Chairs the subcommittee which hears matters related to the Bureau of Reclamation and the Office of Saline Water.

Congressman Johnson noted, "the organization you have created sounds very good to me. We have needed this type of organization for years. We need the help of everyone who is thinking about the programs for water resources development and the practical application of the water sciences. We are going to give very serious consideration in all of the committees to these subjects in the months ahead. It takes expertise to perfect a record, and we hope that the organization that you have put together can give that expertise and testimony before the

hearings that are going to be held in both the Senate and the House.

It is time the drinking water suppliers became involved in the intricacies of the employment of desalters, waste water reclamation, and other methods of extending the usefulness of water suppliers."

MINORITY STAFFING: BIPARTISAN HISTORY OF A KEY CONGRESSIONAL REFORM

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. CLEVELAND. Mr. Speaker, on tomorrow, Wednesday, March 28, I will have the pleasure of joining with my colleagues Mr. ANDERSON from Illinois, Mr. FRASER from Minnesota, and Mr. GIBBONS, from Florida, in introducing legislation to guarantee one third of committee staffing resources to the minority party.

Equitable provision of minority staffing on congressional committees has long been a nonpartisan objective of reform advocates as a means of improving the legislative process through better scrutiny of legislative proposals, more informed debate on their merits, and consideration of alternatives.

I think it useful, however, to review the evolution of this proposal for the benefit of new Members and others whose recollections may have been influenced by the partisan rhetoric on the issues emanating from the leadership on the other side of the aisle during this session.

None other than our colleague RICHARD BOLLING of Missouri, a ranking member of the Committee on Rules, said in his book, "House Out of Order" back in 1965:

Without the staff to frame alternative proposals, the minority cannot make its position clear on bills sponsored by the majority. Surely the discussion of alternative is an important part of the democratic process, because it informs the public, compels a more careful and penetrating consideration of bills, and in my experience nearly always results in sounder legislation.

Sharing these sentiments, I wrote the following as chairman of the House Republican task force on congressional reform and minority staffing in our 1966 report, "We Propose: A Modern Congress:

The serious threat to an effective Congress, and therefore to representative government itself, which is posed by the lack of adequate staff for the minority has not been fully understood, even by some members of the minority. Interest and concern is growing, however, and the time is not far off when, I believe, the majority of both parties in Congress will realize what adequate minority staffing would really mean for them in terms of increasing *their* effectiveness—and that of representative government.

A statement by a group of political scientists, reprinted in the book, supported these views and added:

The country cannot afford gamesmanship or petty, cheap politics at the Congressional level. Yet, we are witnessing an outstanding example of partisan pettiness in the denial to the minority in Congress that right to exercise its legislative function by refusing to grant it necessary staff support.

On the minority side of the aisle, I want to acknowledge the initiative of our former colleague Fred Schwengel of Iowa and his work as head of the old House Republican Conference Subcommittee on Increased Minority Staffing, and that of JOHN ANDERSON, chairman of the House Republican Conference and now ranking Republican on the Committee on Rules.

Leading Democratic spokesmen for this reform have included Representative FRANK THOMPSON of New Jersey and, of course, Mr. BOLLING.

On July 16, 1970, the House adopted by teller vote of 105–63 an amendment to the then-pending Legislative Reorganization Act what was to become known as the Thompson-Schwengel amendment, governing staffs of standing committees. It stated:

The minority party on any such standing committee is entitled, if they so request, to not less than one-third of the funds provided for the appointment of committee staff personnel pursuant to each primary or additional expense resolution.

This language had the support of Mr. GIBBONS, who again joins us now, and Mr. FRASER, who said:

One of the reasons why I support this amendment is I found in all the years that I served in (the Minnesota) legislature I was a member of the minority group in the State senate. I fought hard to get minority rights. I find it impossible now that I am in the majority suddenly to decide that I was wrong all those 8 years.

And yet, 6 months later, just prior to House adoption of the rules of the 92d Congress, the Democratic caucus adopted a motion offered by Representative CHET HOLIFIELD, Democrat of California, deleting the one-third minority staffing provision from the proposed rules and, in its place, substituting the following:

The minority party on any such standing committee is entitled to and shall receive fair consideration in the appointment of committee staff personnel pursuant to each such primary or additional expense resolution.

When the revised rules were brought to the House floor by Rules Committee Chairman William Colmer as House Resolution 5 on January 22, 1971, he made the following observation about the minority staffing change:

Let me say to you in just so many words, let me say to my friends over here on the Republican side, that you cannot win—I know that is pretty blunt on the thing that you are interested in. The caucus, the Democratic caucus, bound the Members, wisely or unwisely, on one issue and one issue alone and that was the Holifield amendment on the money question." CONGRESSIONAL RECORD, volume 117, part 1, page 142.

Mr. HOLIFIELD gave his rationale in these terms:

Mr. Speaker and my Democratic colleagues, you are down to the place where the gut cutting occurs. You are going to be practical and take what you can get, or you are going to open up a Pandora's box—and you do not know what you are going to get . . .

Let us vote for the Democratic Party and the control of the Democratic Party and its staff to inaugurate and to enact the legislation we pledged ourselves to in our platform—the Democratic Party platform of the majority party. The people placed on us the responsibilities of leadership. Do not take away the tools.

Vote "yea" on the previous question or you will be like the dog in Aesop's Fables who looked down into the water and saw his own reflection of a big bone in his own mouth. He opened up his jaws to grab for it and he lost the bone in his mouth." CONGRESSIONAL RECORD, volume 117, part 1, page 142.

Commented THOMPSON:

With respect to the one-third rule, I must confess my dismay and disappointment. I must reassert my conviction of the principle in support of the principle of a reasonable share of the staff to the minority and I pledge myself at any future opportunity, I will support it." CONGRESSIONAL RECORD, volume 117, part 1, page 138.

An attempt to defeat the previous question on the rules and thereby open the rules to an amendment to restore the minority staffing provision of the 1970 act was beaten back by a 213–174 vote. The rules were then adopted on a 226–156 party-line vote with Mr. Thompson voting "present."

At the beginning of the 93d Congress, on January 29, 1973, Mr. ANDERSON and I introduced House Resolution 167 to provide the minority party on each committee, upon request, with "up to one-third" of a committee's investigative staff funds.

On February 5, 1973, John Gardner of Common Cause and Ralph Nader joined us along with Minority Leader GERALD R. FORD and Minority Whip LESLIE C. ARENDS in a press conference to build support for minority staffing reform.

For full texts of following statements, see CONGRESSIONAL RECORD of February 6, pages 3229–3232.

Said Gardner:

Common Cause strongly supports House Republicans in their effort to reinstate a provision of the 1970 Legislative Reform Act that allowed minority members of committees to select their own professional staff members . . . *It is an essential part of any congressional reform program.* (Emphasis added.)

Added Nader:

Committee staff is essential to carry out Congressional responsibilities in preparing just legislation and overseeing the Executive branch of government. As long as the Congress is going to be organized along two-party lines, committee staff should be adequate for both the majority and minority parties.

There is inadequate staff for the Democrats and even less adequate staff for the Republicans. Today, the focus is on the latter problem.

At the same joint press conference, I released figures compiled by the House Administration Committee staff demonstrating that the minority party is given only 13 percent of committee employees and 14 percent of staffing funds.

On February 27, 1973, the House Rules Committee defeated the Anderson-Cleveland proposal, and by an 8–4 party-line vote acted to bring resolutions authorizing travel and investigation activities of nine committees to the House floor un-

der a closed rule, thereby to prevent the offering of the Anderson-Cleveland amendment—See press release, House Republican Research Committee, February 27.

Commented Representative MARVIN ESCH, Republican of Michigan, another GOP reform advocate:

In voting against an open rule on this measure, the eight Rules Committee Democrats placed themselves directly counter to the position taken last Thursday by the House Democratic caucus in favor of open rules.

On February 28, an attempt was made to obtain floor consideration of a rephrased Anderson-Cleveland amendment reading as follows:

Up to one-third of the funds authorized pursuant to this resolution shall be made available to the minority of the committee upon the request of a majority of such minority. ("Dear Colleague" letter from me February 27, CONGRESSIONAL RECORD, February 28, p. 5929.)

We sought to defeat the previous question on a committee investigations resolution so as to gain consideration of the amendment. Mr. BOLLING, floor manager of the resolution, opposed our move to defeat the previous question, arguing that it was unnecessary in that a closed rule was technically not in effect:

In other words, I could yield for an amendment, so that the description of the parliamentary situation has not been accurate up to this point.

Mr. BOLLING. I am merely pointing out that there is another way, if I choose to yield.

Mr. CLEVELAND. Will the gentleman yield?

Mr. BOLLING. No, I would not. CONGRESSIONAL RECORD, February 28, page 5929.

Continued Mr. BOLLING:

I am for the minority having up to one-third of the committee staff. I helped construct the provision of the Reorganization Act which provided that the minority would get one-third of the professional staff.

It had some key language in it which is the crux of the situation. When it gives to the minority an absolute right to select one-third, it reserves to the majority of the committee the right not to retain in its employ people who are of a certain kind. Now, it is understood that people of this particular kind would never be employed by those in the minority, but since the majority is responsible for the orderly management of committees, when it organizes committees it has to retain the responsibility across the board.

There may be some of us who are not aware that in this institution there have been deliberately employed staff who were expected to wreck the operation of a committee, and the majority could not do a thing about it until a sufficient number of the minority became so outraged that they joined in correcting the situation.

Now, I am for—I repeat, I am for the majority [sic] having up to one-third of the staff, but the Reorganization Act said:

"The committee shall appoint any person so selected whose character and qualifications are acceptable to a majority of the committee."

The vote came on a move to defeat the previous question, and was 204–191, blocking action on the minority staffing issue. Fourteen Democrats joined the Republicans on this vote. One voted "present" (see CONGRESSIONAL RECORD, page 5931.)

On March 7, 1973, the House took up House Resolution 259 which would amend rule XI of the House rules to provide for more open committee meetings. Although the bill came to the floor under an open rule which would make it open to amendment, Mr. ANDERSON was informed in advance by the parliamentarian that a minority staffing amendment might not be in order on grounds of germaneness. Thus another procedural move to defeat the previous question on the rule would be necessary if such an amendment were to be in order for a direct vote. Mr. ANDERSON and I meanwhile had redrafted our amendment to meet the objections raised by Mr. BOLLING, using the language identical to that which now applies to professional minority staff.

Our joint "Dear Colleague" letter announcing our intentions stated:

Mr. Bolling has read this language in draft and has assured us that it meets the objections he previously raised.

In the same statement, however, he made it clear that at the time of that conversation he was not in a position to support the amendment we would offer. CONGRESSIONAL RECORD, March 7, 1973, page 6703.

The amendment:

32(c) The minority party on any such standing committee is entitled, upon request of a majority of such minority, to up to one-third of the funds provided for the appointment of committee staff pursuant to each primary or additional expense resolution. The committee shall appoint any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the staff until such appointment is made. Each staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable." CONGRESSIONAL RECORD, March 7, 1973, page 6703.

I took the occasion to comment:

So we have walked across the aisle. We have embraced the language of the man who led the fight against the resolution, the Minority Staffing Resolution.

In the name of fairness and congressional reform, what more could we do? What more can you ask? H1431.

can you ask? CONGRESSIONAL RECORD, March 7, 1973, page 6703.

Neither Mr. BOLLING nor Mr. THOMPSON responded. Nor did they take part in the floor debate. House Majority Leader THOMAS P. O'NEILL did:

Mr. O'NEILL. What does the gentleman (Anderson) want? Does he want to think he runs this Congress?

The Democrats were elected as the majority party. The Republicans do not use the staff they have at the present time. They use it with their eyes on the next election. That is not the way it should be. We are the majority.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. The gentleman does not yield. We are the majority party over here, and my earnest opinion is that we give the Republican Party far too much as it is at the present time.

Mr. ANDERSON of Illinois. Mr. Speaker, I believe I still have some time remaining.

I am surprised; I am deeply shocked and surprised that my friend and former colleague on the Committee on Rules, the distinguished majority leader of this body, would take that kind of partisan view of the situation: "We are in the majority; we have the right to lord it over you with respect to staff; if you were in the majority, you would do the same to us."

I can assure the gentleman that if I were in the majority party of this House, I would be in the well fighting for his rights to have fully one-of staff on every committee. CONGRESSIONAL RECORD, March 7, 1973, page 6704.

The previous question was then adopted 197 to 196 with 17 Democrats voting "nay." Proponents of minority staffing lost the chance for a direct vote on their amendment by only one vote. As he did the previous week, Representative JOHN CULVER, Democrat of Iowa, voted "present."

Analysis of the composition of the votes February 28 and March 7 is worth while, indicating that 23 Democratic Members have been willing to associate themselves with the minority staffing cause under the parlimentary opportunities offered to date this session.

On February 28, the vote was 204 to 191, with 14 Democrats voting with the minority. On March 7, it was 197 to 196 with 17 Democrats voting with the minority. As I indicated earlier, one voted "present" both times.

Significantly, eight Democrats voted with the minority on both occasions, six did on the first vote but went against the minority on the second, while eight who voted against the first time voted for on the second.

Shifts toward the minority position on the second vote could be accounted for by the fact that an open rule was in effect, while shifts against might be interpreted as pressure from the leadership as privately reported to me in one case.

Moreover, one Democrat recorded absent on February 28 was present March 7 and voted with the minority. On the latter occasion, three other Democrats voted with the minority but later changed their votes.

ST. PAUL'S OPEN SCHOOL

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. QUIE. Mr. Speaker, it is always a pleasure when I can draw attention to an innovative educational project in Minnesota. Parents and educators looking for new methods of motivating students should be interested in the experience in St. Paul with an open school. Emphasis is placed on self-direction, freedom, and individualized instruction. I submit an article from the October 1972 issue of American Education on the St. Paul Open School for the information of my colleagues:

BUMPY ROAD TO THE OPEN SCHOOL

(By Nancy Pirsig)

How many public schools can you name where teachers have had to devote a large part of two staff meetings to the question of how to get the students to leave the building at night? Where your child calls his teachers by their first name—and so do you? And when did you last hear a 13-year-old boy ask,

"Why do we have to have a Christmas vacation?"

All of the above apply to Minnesota's St. Paul Open School, begun in September 1971 as an alternative form of education within the St. Paul public school system. The months since then have been filled with a mixture of triumph and despair, in about equal parts. Looking back, those involved say also that anyone interested in setting out on a similar venture had better expect a variety of bumps and detours along the way. In this sense, at least, the St. Paul Open School has some lessons to teach, though the ingredients of its day-to-day operations may very well be unique. These include:

Its size—500 students.

Student age range—five through 18, or kindergarten through 12th grade.

A voluntary, citywide enrollment that accurately reflects the city's population mix of whites, Indians, chicanos, and blacks, and all its socioeconomic classes.

A program that not only offers a wide, wild array of classes, minicourses, and individual projects, but allows every child to make his own choices about what he studies.

And last but hardly least, the fact that parents and teachers were responsible for the school's being created at all—one of the rare instances, as a staff member points out, in which educational change came from the bottom up.

The organization responsible for the school's creation, Alternatives, Inc., was organized in October 1970 by a group of parents concerned about what they regarded as the stultifying effects of their children's traditional schooling. Out of their discussions came a basic goal: the establishment, by the fall of 1971, of an ungraded, kindergarten-through-12th grade, public, Open School. That concept quickly attracted other parents of like feeling, plus students, teachers, and just plain interested citizens. In short order the movement became 2,000-strong and, as it turned out, unstoppable. Nevertheless, even some of the most ardent supporters suspected that to get the enterprise under way in less than a year was impossible—and even though the school did in fact open on schedule, it did so with what most members of the staff feel was far too little in the way of money, planning time, equipment, staff training, organization, and materials.

Financing was only partly met with funds provided by the local school district, these being supplemented by two major grants, both for $100,000 and both renewed at a level of $90,000 for the 1972–73 school year. The first came from the U.S. Office of Education through Title III of the Elementary and Secondary Education Act. The second was from St. Paul's Hill Family Foundation and paved the way for smaller grants from other local foundations and firms. Much of the original equipment and supplies was donated. Despite the interest and generosity lying behind this support, the total fell far short of what almost any experienced educator would have regarded as the absolute minimum necessary to launch such an undertaking.

Says Principal Wayne Jennings, "We had a school that should not have started with so little and, having done so, should have fallen on its face—which it nearly did."

That it did not is attributable in great measure to the extraordinary dedication and energy of its 20 full-time staff members, who were picked specifically for the school; to untold contributions of time by aides and volunteers, and to enormous patience and understanding on the part of parents, even in the face of more difficulties than anyone had anticipated. One parent probably spoke for most when she commented, "I hope increased order will come, but we have to be very tolerant about the first year. The fact that the teachers have even survived—and with some degree of grace—why, you can't ask for more."

The teachers, however, spend little time congratulating themselves for mere survival. They dwell rather on the need for further training and professional growth and for identifying techniques fitted to the particular objectives and character of this daring educational enterprise. They are, in short, finding that the "open school" concept is more easily proposed than achieved.

One of the earliest dilemmas they encountered was how to handle classes in which the ages of the pupils may range from six to 16, a situation that came about at the instigation of the Alternatives, Inc., parents. Among other things, they argued, a diverse age mix promised a more natural setting—more like that of a family, where younger children learn from older students and where the latter begin to take on "adult" responsibilities.

Not all classes, of course, run the gamut of ages. The course in "Junior High School Math" necessarily encompasses a relatively narrow age range, and certain other courses may similarly be restricted either because of the level of work involved or simply because the teacher wants it that way. But by and large, children of various ages group themselves more or less as they see fit.

Within such classrooms the teachers have found it advisable to encourage the students to sort themselves out according to their interests and abilities, with each group then pursuing the subject matter at hand in terms of those factors. In practice, the mixing of ages seems on the whole to work out rather well and to bring about certain benefits. For many of the older students the experience of helping to teach a young classmate gives new zest to school, and many of the younger children are reading books and tackling math problems at levels far above their supposed capacities. On the other side of the coin, many of the older students have just about run out of patience with the exasperating inquisitiveness of the younger boys and girls, and some of the latter sometimes seem to feel overwhelmed by the presence of crowds of teenagers.

Such varied evaluations are par for St. Paul. There seems to be no physical, philosophical, or practical aspect of the operation to which those involved will give unanimous agreement. But the one statement that probably comes closest to getting it is this: The students truly enjoy the school. In many cases they attend more willingly—and more frequently—than they attended previous schools. Overwhelmingly, their parents report, they prefer this school to any other they have attended.

"Our 14-year-old has always gone to school more or less willingly," says one parent, "but now she really loves to go. It's delightful to see her so happy."

Says another parent: "My eight-year-old was miserable in her former school, even though her teachers thought she was doing just fine. This year she goes happily and has enjoyed a really broad range of activities—poetry, improvisational acting, dabbling in French and science, and surprisingly, more phonics than she ever had before."

And still another: "My 16-year-old insists that if he couldn't go to this kind of school, he would simply drop out. After this year, I really can't imagine any other kind of learning environment that would be adequate for our three boys."

The four floors of the school that evokes this fiery endorsement (a converted industrial building along a busy thoroughfare) are divided into 16 "learning centers" or resource areas—an Early Learning Center, for example, and places designated for such subjects or activities as math-science, shop, home economics, or art. Each area contains materials needed for the activities centered there. Also, around the edges of each floor of the building are small rooms variously used as quiet reading areas, as staff offices, as places for holding a class or a conference without interruption, and as small "museums" containing collections of Afro-American and Native American art objects.

When the children arrive at the school in the morning they generally go first to their advisor's area, since they are required to check in there at some point during the day for atttendance purposes. Each student is also supposed to drop off a daily, weekly, or monthly schedule of activities he intends to follow, so that the advisor can have an idea of what the students he is responsible for are doing, and where. However, the advisor makes no attempt to enforce the schedule; the student alone is responsible for following it.

A master agenda of all current and planned activities available to the students in the various resource areas is updated and reissued monthly. It includes specific classes offered at set times and days, together with general or "possible" activities. Many of the entries are specifically aimed at whetting the youngsters' appetites. Thus students noting that a course is being offered in "Math-Creative Logic" presumably find the prospect of taking it less formidable when they learn that it involves such games as Smarty Bingo, Action Fractions, Go, and Five-in-a-Row Tic Tac Toe. But there are also such conventional sounding courses as "The Civil War" and "Beginning Sewing." Even with these however, what might be staid or routine in another setting has a way of turning out differently in the St. Paul Open School. A visitor to the Beginning Sewing class, for instance, is as likely to see boys there as girls, and perhaps a 17-year-old helping a seven-year-old thread her (or his) sewing machine. Or take Joe Nathan's Civil War class. Five students, aged 11 to 17, took the class for the full year. Besides reading books and magazines about the subject, they pored over old newspapers at the Minnesota Historical Society. They built a model of the Gettysburg battlefield, an exercise that incidentally called upon them to display basic skills in math, shop, and art. And as a wind-up, they took a two-week trip to Gettysburg, earning expense money by holding bake sales and giving talks along the way.

Last fall a group of 28 students went camping in the South Dakota Badlands as part of their work in a class in prehistoric life and one in Native American Studies. The youngsters in the group ranged in age from seven to 17 and included five black students, six Ojibway, and 17 whites. Fourteen students in a class in Spanish spent a month at a Mexican school, living in Mexican homes, and then subsequently hosted nine exchange students from Mexico.

A cross-disciplinary project whose central motif was the nose rather than cultural heritages was carried out by an ecology class led by teacher Joe Nathan. It was touched off when some of the students got to talking about the smells that pervaded the school's neighborhood. Then came a walk during which three "odor polluters" were pinpointed. When officials of these firms declined to meet with members of the class to discuss the problem, the students successively 1) got advice from a consumer-action group about what to do next, 2) did research into anti-pollution laws, 3) consulted with a lawyer, 4) filed complaints with the St. Paul Pollution Control Agency, 5) circulated petitions, and 6) took their case to the news media. The end result, after considerable additional agitation, was that the three firms were found in violation of St. Paul's anti-pollution laws and ordered to submit implementation plans for controlling the odors caused by their operations. Nathan figures that in the course of their various activities, which included testifying at State hearings on air-pollution

guidelines, members of the class immersed themselves in such traditional subject-matter disciplines as political science and government, speech, sociology, science, law, and math (the comparative measurement of smell)—and learned these subjects in a way none of them is likely to forget.

Members of the staff see such projects as illustrating important and basic advantages of the Open School arrangement—its flexibility to launch undertakings the students find genuinely exciting and rewarding, its ability to accommodate youngsters of varying ages, and its capacity to overcome the arbitrary and unrealistic compartmentalization of subject fields. Which is not to say that eveything is peaches and cream. Far from it. The project is still as much experimental as resolved, and problems remain plentiful.

During the first year some youngsters—relatively few, but enough to cause concern—steadfastly decline to display even minimal interest in any of the various subject areas. Some abandoned any pretense at filling out a schedule of activities. A few went for weeks at a time without seeing their advisors, spending inordinate amounts of time "horsing around in the lobby," as one parent mentioned, or "rapping" with friends or playing ball or leaving school or "wandering," never settling down. Some, especially the high-school-aged, claimed they were bored—that "nothing's happening."

Such indifference and apathy have been a source of widespread agony among the staff and continue to be so now that the new term is under way. And the teachers fret also about whether most students can really handle the wideopen freedom of choice offered to them, about the effectiveness of the advisor-student relationship, even about whether authentic, certifiable learning truly occurs in this open, noncoercive situation.

"We've been surprised by some things that happened to us," says teacher Dave Evertz, "such as the difficulty of getting students involved. We expected it to be easier."

Adds another teacher, Joan Sorenson: "We have to get away from the 'rising curtain' syndrome, where the students come in and sit down, watch the curtain rise, watch the actors-teachers perform and, if they don't like it, act bored or leave. We have to get the kids away from wanting us to put on a show but not wanting to participate themselves. And it's hard. *We* feel guilty if we don't 'perform' well enough. We ask ourselves, 'Where did I fail today?' "

The problem seems to boil down to trying to figure out how to motivate students who don't *have* to show up.

"The school's greatest need in my view is in the area of teacher development," says Nathan. "Most teachers, here and everywhere else, have been trained primarily to transmit knowledge, to package and deliver a body of information. But at this school we are putting increased emphasis on helping kids to explore, and we tend to continue trying to accomplish that objective by imposing our own viewpoints and values on them."

As the Open School teachers search for ways of breaking out of the mold of functioning primarily as "transmitters of knowledge," they see themselves as carrying out three broad responsibilities, each requiring different skills: First, to develop resource areas that are demonstrably effective and stimulating. Second, to act as "learning facilitators." And third, to serve as genuinely useful and maybe even inspiring advisors or counselors.

"As counselors," says Nathan, "we inevitably find ourselves called upon to try to help students with their emotional problems. And that's important, because a kid's hang-ups obviously have a significant effect on his progress in school. But we haven't had much training in this field, and we really don't know as much as we should about how to deal with these situations."

Evertz agrees that the advisor-student relationships needs straightening out. "We're all struggling with it, trying to figure out how you create relationships that really amount to something. Some of the staff are more successful than others, but even the successful ones aren't sure why. I see a technique that seems to be working for someone else, so I try it and it fizzles. I guess that the 'magic' element is honesty. Some of my relationships with students are honest and some are not, and the latter tend to become directive and manipulative. Of course, with some of the students your need to be directive, especially the younger ones, but it should be honest, deliberate directiveness, aimed at helping the youngster and not just stringing him along."

The concern so obviously felt by Evertz and Nathan and the other members of the staff stems not simply from their personal sense of success or failure but from the fact that the advisor-student relationship is at the crux of the St. Paul Open School's operational theory. This theory holds that as a student exercises his freedom to choose among various activities, he will be guided by interests and needs he has identified as a consequence of a close relationship with his advisor; and, furthermore, that together they will agree upon the student's educational goals.

Those propositions sound so reasonable that no one anticipated any difficulty with them, but in practice they have generated much puzzlement and even opposition. A high-schooler refused to discuss "goals" because "I don't know what I want to be yet." An eight-year-old had difficulty in developing a practical and feasible way of accomplishing the goal of "improve spelling" and had to be coaxed into picking a workable number of specific words to master each week.

"At first," says Miss Sorensen, "the students tended to write down what they thought they should do, or what we wanted them to do. They didn't really examine their own personal, private desires and interests or what direction they wanted to head in or how their interests fitted into the reality of their lives rather than into something called 'school' And, of course, no one had ever asked them to think about these things before. They had quite literally been taught to be passive. Just do what teacher tells you."

Prior to the end of the school term last spring the staff had come up with a six-page guide to student program planning, illustrating a variety of goals and how one might achieve them, together with a formal Progress-Evaluation Work-sheet for keeping track of work or projects completed. "And this year," says Miss Sorenson, "we are trying to get parents in on the goal-setting so that they understand what their children are trying to accomplish and can help them stay on the track."

With the new term now under way, members of the staff feel they have made considerable progress with the pesky business of trying to strengthen the advisor-student arrangement and with the other puzzles that beset the school during its first year of operation. They do not suppose that their lives will suddenly become placid, but they do feel that they have a good handle on the situation and that the school's performance so far augurs well for the future. And a comfortingly large proportion of the parents agree.

"Our 11-year-old girl had been completely turned off by school," says the mother with five children in the Open School. "Now she's our great success story. She's completely switched around She's doing good things, and she's beginning to be pleased with herself. Not having to compete has been just marvelous for her."

Says a father of three boys: "The main positive thing we've observed is the social climate—the freedom of the youngsters to move about and encounter other youngsters they might not meet otherwise, and the encouragement to reach out and to develop the ability to find one's own way. Our boys have a much greater awareness of the world around them."

"My 12-year-old son," says another parent, "is much more outgoing and self-reliant, thanks in part to the fine relationship he has developed with his advisor. He is rid of the feeling that 'I have to be perfect' and he doesn't fear failure any more. He is more free, one might say, to be confident."

To which Evertz adds: "One thing I particularly notice is the beautiful way many of the younger kids became independent. At the start of the year they would hang on you, not let you alone; now they can just say 'Hi, Dave' and go off about their busineess. It's been great to see that happen."

The staff sees such reactions as these as not just being nice compliments but as evidence that they seem to be making progress toward achieving a full measure of what they think school is all about—that is, of helping a youngster develop as a whole being. They do not play down the importance of cognitive knowledge, but neither do they consider it more important than affective knowledge. Rather the two are seen as inseparable: *What* you learn about the Civil War is inextricably bound up with *how* you learn about it. Thus the ability to memorize an accumulation of facts—the kind of thing measured by most standard tests—is considered interesting but not crucial. There are no "grades" or report cards. Basic values, less easy to articulate and evaluate, are what the staff hopes the youngsters will absorb.

"Some parents have complained that their kid isn't 'doing something,' " says Nathan. "We are trying to make it clear, both to ourselves and to the parents, that we need a new definition of what 'doing something' means. We place value on an older student's helping a younger one, a shy youngster's development of the ability to hold his own in an argument." Nathan's notion of an "A" student is exemplified by a boy who had dropped out of a conventional school and then found his way to the Open School but spent most of his time away from the building. It later turned out that he was busy organizing a center aimed at helping dropouts find jobs or encouraging them to return to school.

"At first," says Nathan, "his mother was extremely upset, both with her son—they used to have lots of fights—and with us. She thought we were a bad influence. But she wound up feeling it had been a terrific experience. I guess she came to see the value of giving her son a chance to be purposefully free—to come to a school that let him express his own viewpoints and feelings and gave moral support to his projects and encouraged him to do things *he* felt were important. He not only could talk about philosophical ways to improve society, he had a very direct community experience in doing something concrete. And he was able to explore ideas and interests which, because they weren't standard of 'normal,' had in effect been closed to him. He is now headed for college, he knows exactly what he wants to take, he is highly motivated—and his mother realizes how good it's been."

Adds Jennings: "What we want is for kids to learn those skills and subjects they will need for competence in life—to be humane, effective people and responsible, competent citizens of the world."

Summing up the "school that should have fallen on its face," Jennings says, "I know of no other school that's testing so many of the traditional assumptions about what schools are and should be, and testing them all at once. Not some little experiment in modular scheduling, but the whole concept of student-designed education. Not whether

it's worthwhile to teach 15 minutes more of math a day, but how you motivate kids to take math without ever forcing them to. And doing all these things with all-aged kids at once."

To which Miss Sorenson adds: "Perhaps the most important think that's happened is that we've established an atmosphere in which kids feel accepted—every kind and variety of kid, with all their difierent personalities and problems and peculiarities, but all accepted on a human basis, as people in their own right. Maybe that's why the students feel good about the school, and maybe that's a big accomplishment."

SENATE—*Wednesday, March 28, 1973*

The Senate met at 12 o'clock meridian and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

O Thou Divine Creator of all that is beautiful and good and true, we thank Thee for the beauty of this season. For buds and blossoms, for lush lawns and soothing sun, for calm winds and bounding waters, for scampering wildlife and the lyric notes of the birds we give thanks to Thee. As we thank Thee for the new life in nature we thank Thee for the promise of new life in man. May the beauty of sight and sound without be matched by the beauty of life within each of us. Help us to walk with Thee in the holiness of beauty and to worship Thee in the beauty of holiness. We pray Thee so to assist us and all men that at last all nations may come under Thy rulership and men dwell in the peace of Thy kingdom.

We pray through Him whose life was above all life. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

FEDERAL DRUG LAW ENFORCEMENT—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which, with an accompanying paper, was referred to the Committee on Government Operations. The message is as follows:

To the Congress of the United States:

Drug abuse is one of the most vicious and corrosive forces attacking the foundations of American society today. It is a major cause of crime and a merciless destroyer of human lives. We must fight it with all of the resources at our command.

This Administration has declared all-out, global war on the drug menace. As I reported to the Congress earlier this month in my State of the Union message, there is evidence of significant progress on a number of fronts in that war.

Both the rate of new addiction to heroin and the number of narcotic-related deaths showed an encouraging downturn last year. More drug addicts and abusers are in treatment and rehabilitation programs than ever before.

Progress in pinching off the supply of illicit drugs was evident in last year's stepped-up volume of drug seizures worldwide—which more than doubled in 1972 over the 1971 level.

Arrests of traffickers have risen by more than one-third since 1971. Prompt congressional action on my proposal for mandatory minimum sentences for pushers of hard drugs will help ensure that convictions stemming from such arrests lead to actual imprisonment of the guilty.

Notwithstanding these gains, much more must be done. The resilience of the international drug trade remains grimly impressive—current estimates suggest that we still intercept only a small fraction of all the heroin and cocaine entering this country. Local police still find that more than one of every three suspects arrested for street crimes is a narcotic abuser or addict. And the total number of Americans addicted to narcotics, suffering terribly themselves and inflicting their suffering on countless others, still stands in the hundreds of thousands.

A UNIFIED COMMAND FOR DRUG ENFORCEMENT

Seeking ways to intensify our counter-offensive against this menace, I am asking the Congress today to join with this Administration in strengthening and streamlining the Federal drug law enforcement effort.

Funding for this effort has increased sevenfold during the past five years, from $36 million in fiscal year 1969 to $257 million in fiscal year 1974—more money is not the most pressing enforcement need at present. Nor is there a primary need for more manpower working on the problem—over 2,100 new agents having already been added to the Federal drug enforcement agencies under this Administration, an increase of more than 250 percent over the 1969 level.

The enforcement work could benefit significantly, however, from consolidation of our anti-drug forces under a single unified command. Right now the Federal Government is fighting the war on drug abuse under a distinct handicap, for its efforts are those of a loosely confederated alliance facing a resourceful, elusive, worldwide enemy. Admiral Mahan, the master naval strategist, described this handicap precisely when he wrote that "Granting the same aggregate of force, it is never as great in two hands as in one, because it is not perfectly concentrated."

More specifically, the drug law enforcement activities of the United States now are not merely in two hands but in half a dozen. Within the Department of Justice, with no overall direction below the level of the Attorney General, these fragmented forces include the Bureau of Narcotics and Dangerous Drugs, the Office for Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, and certain activities of the Law Enforcement Assistance Administration. The Treasury Department is also heavily engaged in enforcement work through the Bureau of Customs.

This aggregation of Federal activities has grown up rapidly over the past few years in response to the urgent need for stronger anti-drug measures. It has enabled us to make a very encouraging beginning in the accelerated drug enforcement drive of this Administration.

But it also has serious operational and organizational shortcomings. Certainly the cold-blooded underworld networks that funnel narcotics from suppliers all over the world into the veins of American drug victims are no respecters of the bureaucratic dividing lines that now complicate our anti-drug efforts. On the contrary, these modern-day slave traders can derive only advantage from the limitations of the existing organizational patchwork. Experience has now given us a good basis for correcting those limitations, and it is time to do so.

I therefore propose creation of a single, comprehensive Federal agency within the Department of Justice to lead the war against illicit drug traffic.

Reorganization Plan No. 2 of 1973, which I am transmitting to the Congress with this message, would establish such an agency, to be called the Drug Enforcement Administration. It would be headed by an Administrator reporting directly to the Attorney General.

The Drug Enforcement Administration would carry out the following anti-drug functions, and would absorb the associated manpower and budgets:

—All functions of the Bureau of Narcotics and Dangerous Drugs (which would be abolished as a separate entity by the reorganization plan);

—Those functions of the Bureau of Customs pertaining to drug investigations and intelligence (to be transferred from the Treasury Department to the Attorney General by the reorganization plan);

—All functions of the Office for Drug Abuse Law Enforcement; and

—All functions of the Office of National Narcotics Intelligence.

Merger of the latter two organizations into the new agency would be effected by an executive order dissolving them and transferring their functions, to take effect upon approval of Reorganization Plan No. 2 by the Congress. Drug law enforcement research currently funded by the Law Enforcement Assistance Administration and other agencies would also be transferred to the new agency by executive action.

The major responsibilities of the Drug Enforcement Administration would thus include:

—development of overall Federal drug law enforcement strategy, programs, planning, and evaluation;
—full investigation and preparation for prosecution of suspects for violations under all Federal drug trafficking laws;
—full investigation and preparation for prosecution of suspects connected with illicit drugs seized at U.S. ports-of-entry and international borders;
—conduct of all relations with drug law enforcement officials of foreign governments, under the policy guidance of the Cabinet Committee on International Narcotics Control;
—full coordination and cooperation with State and local law enforcement officials on joint drug enforcement efforts; and
—regulation of the legal manufacture of drugs and other controlled substances under Federal regulations.

The Attorney General, working closely with the Administrator of this new agency, would have authority to make needed program adjustments. He would take steps within the Department of Justice to ensure that high priority emphasis is placed on the prosecution and sentencing of drug traffickers following their apprehension by the enforcement organization. He would also have the authority and responsibility for securing the fullest possible cooperation—particularly with respect to collection of drug intelligence—from all Federal departments and agencies which can contribute to the anti-drug work, including the Internal Revenue Service and the Federal Bureau of Investigation.

My proposals would make possible a more effective anti-drug role for the FBI, especially in dealing with the relationship between drug trafficking and organized crime. I intend to see that the resources of the FBI are fully committed to assist in supporting the new Drug Enforcement Administration.

The consolidation effected under Reorganization Plan No. 2 would reinforce the basic law enforcement and criminal justice mission of the Department of Justice. With worldwide drug law enforcement responsibilities no longer divided among several organizations in two different Cabinet departments, more complete and cumulative drug law enforcement intelligence could be compiled. Patterns of international and domestic illicit drug production, distribution and sale could be more directly compared and interpreted. Case-by-case drug law enforcement activities could be more comprehensively linked, cross-referenced, and coordinated into a single, organic enforcement operation. In short, drug law enforcement officers would be able to spend more time going after the traffickers and less time coordinating with one another.

Such progress could be especially helpful on the international front. Narcotics control action plans, developed under the leadership of the Cabinet Committee on International Narcotics Control, are now being carried out by U.S. officials in cooperation with host governments in 59 countries around the world. This wide-ranging effort to cut off drug supplies before they ever reach U.S. borders or streets is just now beginning to bear fruit. We can enhance its effectiveness, with little disruption of ongoing enforcement activities, by merging both the highly effective narcotics force of overseas Customs agents and the rapidly developing international activities of the Bureau of Narcotics and Dangerous Drugs into the Drug Enforcement Administration. The new agency would work closely with the Cabinet Committee under the active leadership of the U.S. Ambassador in each country where anti-drug programs are underway.

Two years ago, when I established the Special Action Office for Drug Abuse Prevention within the Executive Office of the President, we gained an organization with the necessary resources, breadth, and leadership capacity to begin dealing decisively with the "demand" side of the drug abuse problem—treatment and rehabilitation for those who have been drug victims, and preventive programs for potential drug abusers. This year, by permitting my reorganization proposals to take effect, the Congress can help provide a similar capability on the "supply" side. The proposed Drug Enforcement Administration, working as a team with the Special Action Office, would arm Americans with a potent one-two punch to help us fight back against the deadly menace of drug abuse. I ask full congressional cooperation in its establishment.

IMPROVING PORT-OF-ENTRY INSPECTIONS

No heroin or cocaine is produced within the United States; domestic availability of these substances results solely from their illegal importation. The careful and complete inspection of all persons and goods coming into the United States is therefore an integral part of effective Federal drug law enforcement.

At the present time, however, Federal responsibility for conducting port-of-entry inspections is awkwardly divided among several Cabinet departments. The principal agencies involved are the Treasury Department's Bureau of Customs, which inspects goods, and the Justice Department's Immigration and Naturalization Service, which inspects persons and their papers. The two utilize separate inspection procedures, hold differing views of inspection priorities, and employ dissimilar personnel management practices.

To reduce the possibility that illicit drugs will escape detection at ports-of-entry because of divided responsibility, and to enhance the effectiveness of the Drug Enforcement Administration, the reorganization plan which I am proposing today would transfer to the Secretary of the Treasury all functions currently vested in Justice Department officials to inspect persons, or the documents of persons.

When the plan takes effect, it is my intention to direct the Secretary of the Treasury to use the resources so transferred—including some 1,000 employees of the Immigration and Naturalization Service—to augment the staff and budget of the Bureau of Customs. The Bureau's primary responsibilities would then include:

—inspection of all persons and goods entering the United States;
—valuation of goods being imported, and assessment of appropriate tariff duties;
—interception of contraband being smuggled into the United States;
—enforcement of U.S. laws governing the international movement of goods, except the investigation of contraband drugs and narcotics; and
—turning over the investigation responsibility for all drug law enforcement cases to the Department of Justice.

The reorganization would thus group most port-of-entry inspection functions in a single Cabinet department. It would reduce the need for much day-to-day interdepartmental coordination, allow more efficient staffing at some field locations, and remove the basis for damaging inter-agency rivalries. It would also give the Secretary of the Treasury the authority and flexibility to meet changing requirements in inspecting the international flow of people and goods. An important by-product of the change would be more convenient service for travelers entering and leaving the country.

For these reasons, I am convinced that inspection activities at U.S. ports-of-entry can more effectively support our drug law enforcement efforts if concentrated in a single agency. The processing of persons at ports-of-entry is too closely interrelated with the inspection of goods to remain organizationally separated from it any longer. Both types of inspections have numerous objectives besides drug law enforcement, so it is logical to vest them in the Treasury Department, which has long had the principal responsibility for port-of-entry inspection of goods, including goods being transported in connection with persons. As long as the inspections are conducted with full awareness of related drug concerns it is neither necessary nor desirable that they be made a responsibility of the primary drug enforcement organization.

DECLARATIONS

After investigation, I have found that each action included in Reorganization Plan No. 2 of 1973 is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. In particular, the plan is responsive to the intention of the Congress as expressed in Section 901(a)(1): "to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;" Section 901(a)(3): "to increase the efficiency of the operations of the Government to the fullest extent practicable;" Section 901(a)(5): "to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions as may not be necessary for the efficient conduct of the Government;" and Section 901(a)(6): "to eliminate overlapping and duplication of effort."

As required by law, the plan has one logically consistent subject matter: consolidation of Federal drug law enforcement activities in a manner designed to increase their effectiveness.

The plan would establish in the Department of Justice a new Administration designated as the Drug Enforcement Administration. The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in Section 5 of the plan. The rates of compensation fixed for these officers would be comparable to those fixed for officers in the executive branch who have similar responsibilities.

While it is not practicable to specify all of the expenditure reductions and other economies which may result from the actions proposed, some savings may be anticipated in administrative costs now associated with the functions being transferred and consolidated.

The proposed reorganization is a necessary step in upgrading the effectiveness of our Nation's drug law enforcement effort. Both of the proposed changes would build on the strengths of established agencies, yielding maximum gains in the battle against drug abuse with minimum loss of time and momentum in the transition.

I am confident that this reorganization plan would significantly increase the overall efficiency and effectiveness of the Federal Government. I urge the Congress to allow it to become effective.

RICHARD NIXON.

THE WHITE HOUSE, *March 28, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (H.R. 3841) to provide for the striking of medals in commemoration of Roberto Walker Clemente, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

H.R. 5445. An act to extend the Clean Air Act, as amended, for 1 year;

H.R. 5446. An act to extend the Solid Waste Disposal Act, as amended, for 1 year; and

H.J. Res. 5. A joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quincentennial of his birth.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 3841) to provide for the striking of medals in commemoration of Roberto Walker Clemente was read twice by its title and referred to the Committee on Banking, Housing and Urban Affairs.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, March 27, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

BILLS ON THE CALENDAR

Mr. SCOTT of Pennsylvania. Mr. President, I merely wish to say, for the benefit of all Senators, that under the Reorganization Act bills on the calendar stay there 3 days unless the majority or minority leader, as authorized by statute, waive the 3-day provision.

I note that all the bills on the calendar at the present time, except Calendar Nos. 92 and 93, have been on the calendar for more than 3 days. The Daily Digest, which appears in each CONGRESSIONAL RECORD, will serve to bring up to date any developments which occur after the printing of the last edition of the calendar. So that by yesterday we were up to Calendar No. 91, and we disposed of Calendar No. 91. There have been added Calendar Nos. 92 and 93.

I would urge all Senators to designate someone in their office—perhaps their legislative assistant—to look at the calendar daily and to look at the Digest, and if they wish to be especially notified with regard to any bill, that they let us know, or if for any reason they wish to suggest a time of consideration, that they let us know. We will be very glad to cooperate.

We have been observing at least the 1-day notice. We are committed to observing the full 3 days notice, although there will be times when the majority and minority leaders—for reasons of emergency or for reasons where it is important to accommodate a situation—will feel constrained to ask for a waiver of the notice. However, we will do our best to protect all Senators. I merely wanted the RECORD to show it.

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

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. I am in full accord with the remarks just made by the distinguished Republican leader.

The PRESIDING OFFICER (Mr. HASKELL). Under the previous order, the Senator from Alaska (Mr. STEVENS) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. With the permission of the majority leader and the acting majority leader, I ask unanimous consent that the order be reversed and that the Senator from Alaska may be recognized second.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

LAST AMERICANS LEAVE VIETNAM

Mr. GRIFFIN. Mr. President, during the next 24 hours the last of our remaining American combat troops will leave Vietnam. And during that period, the last of the known American prisoners of war held by North Vietnam and the Vietcong will be released to head for home.

Remaining in Vietnam will be only the Marine guard at the U.S. Embassy, some military attachés, and the soon-to-be terminated U.S. military delegation to the Joint Commission to Oversee the Repatriation.

This is a moment and a day, I suggest, that should not pass unnoticed, now that the long, difficult process of American disengagement from Vietnam has finally been accomplished.

As the last American combat soldier leaves Vietnam, it is noteworthy that South Vietnam is a free nation; its people have not been taken over by force; the country has not been conquered. To be sure, the nation is still beleagured; there are still serious problems. But the South Vietnamese are able now to defend themselves as a result of help given by the United States.

All in all, during the period from January 1, 1965, to December 31, 1972, about 2,594,000 Americans served in Vietnam. The number stationed in Vietnam at one time reached a peak of 543,000 shortly before newly inaugurated President Nixon announced his Vietnamization program and set a timetable for the first of a series of orderly withdrawals of American forces.

As the months went by, President Nixon continued to announce withdrawal goals. Each and every announced withdrawal occurred on or before the date set by President Nixon.

Now it can be said that his plan for ending U.S. participation in the Vietnam war has worked.

Now, as we await word expected within a matter of hours that the last and final U.S. combat soldier has left Vietnam, it is most appropriate that we take a moment to salute the leadership that made this day possible, and to say, "Thank you, Mr. President, for a job well done."

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I have some time remaining, and I am glad to yield 2 minutes to the Senator from Connecticut.

Mr. RIBICOFF. I thank the distinguished assistant minority leader.

THE PRESIDENT'S REORGANIZATION PLAN FOR DRUG LAW ENFORCEMENT

Mr. RIBICOFF. Mr. President, I congratulate the President on his reorganization plan, submitted today, to place primary responsibility for Federal drug law enforcement in a single, new agency in the Justice Department.

The plan also gives the Federal Bureau of Investigation its first significant antidrug role by requiring that the new agency draw on the FBI's expertise in such related areas as combating organized crime's major participation in drug trafficking.

Both of these provisions are consistent with the legislation I introduced more than a month ago with eight cosponsors. At that time I urged that all Federal law enforcement efforts in the drug field be unified in a single agency in the Justice Department and that the FBI's expertise and resources be made available for the first time for this Nation's battle against drug trafficking. While my proposal would have accomplished the goal of unifying our drug enforcement efforts in the Justice Department by designating the FBI as the primary drug enforcement agency, I am satisfied that the President's plan for an all-new drug agency in the Justice Department assures a major drug enforcement role for the FBI. No longer will the FBI—the Nation's No. 1 law enforcement agency—be excluded from dealing with the Nation's No. 1 crime problem—drug trafficking.

As the President said this morning in his message to Congress:

> My proposals would make possible a more effective anti-drug role for the FBI especially in dealing with the relationship between drug trafficking and organized crime. I intend to see that the resources of the FBI are fully committed to assist in supporting the new drug enforcement administration.

The President's reorganization plan represents a sorely needed response to the overlapping jurisdictions, competing interests, and breakdown in communications which have plagued our drug law enforcement efforts and have allowed many major traffickers to prove themselves better organized than the Federal agencies pursuing them. Despite a sevenfold increase in funding of Federal drug law enforcement efforts over the past 5 years, the situation today remains one of major heroin traffickers being identified by the hundreds, but being apprehended only by the dozens, of heroin being smuggled into our Nation each year by the tons but being seized only by the pounds.

For the past 3 months, the Government Operations Subcommittee on Reorganization, which I chair, has been investigating the present crazy-quilt of overlapping and disorganized drug enforcement efforts throughout the Federal bureaucracy. No less than nine Federal agencies are budgeted at more than a quarter billion dollars to perform drug law enforcement functions. Many more agencies have related functions. There is no overall coordination.

Our best efforts to stem the flow of heroin and other deadly and dangerous drugs have been most seriously undermined by intense rivalry and bitter feuding between the two primary drug enforcement agencies—the Bureau of Narcotics and Dangerous Drugs—BNDD—in the Justice Department and the narcotics unit of the Customs Bureau in the Treasury Department.

The findings of my subcommittee have been supported in studies by the Government Accounting Office, by a task force of the American Bar Association and the Drug Abuse Council, and by the National Commission on Marihuana and Drug Abuse.

The administration's own National Drug Abuse Strategy Report, released today by the White House with the reorganization plan, also acknowledged the problem:

> This (drug law enforcement) effort is at the present time handicapped by fragmented responsibility. There is too much jurisdictional overlap and organizational redundancy, and there is too little sharing of information and expertise. . . . Under these circumstances efficient coordination has become increasingly difficult. Even more serious is the overlapping jurisdiction between departments.

The time is long overdue for Federal narcotics agents to stop fighting each other and to unite in the fight against today's merchants of enslavement and death—the drug traffickers. The President deserves credit for recognizing this problem and proposing a solution to it.

The President's plan would transfer the Customs Bureau's drug enforcement unit from Treasury to the Justice Department and combine it there with BNDD, along with two other Justice Department agencies, the Office of Drug Abuse Law Enforcement—DALE, and the Office of National Narcotics Intelligence—ONNI. The plan would draw all these efforts together into a new Drug Law Enforcement Administration.

The President's reorganization plan will be referred to my Subcommittee on Reorganization. My subcommittee will promptly hold hearings on the President's plan. The hearings will explore how the new agency will coordinate intelligence and other functions related to drug enforcement throughout the Federal bureaucracy, including those carried out by the Internal Revenue Service and the Secret Service in the Treasury Department, the Central Intelligence Agency, the military intelligence agencies in the Defense Department, the Agency for International Development (AID), and diplomatic efforts in the State Department, the Food and Drug administration in the Department of Health, Education, and Welfare, and the Coast Guard and the Federal Aviation Administration in the Transportation Department. Also to be considered will be the relationship between the new agency and the Cabinet Committee on International Narcotics Control, the Special Action Office for Drug Abuse Prevention (SAODAP), and the new Office of Federal Drug Abuse Management within the Office of Management and Budget (OMB). The hearings will include testimony regarding the need for better coordination between investigations by narcotics agents and prosecutions by U.S. attorneys.

The President's reorganization plan represents a major step forward by seeking, first, to end the petty bureaucratic infighting that has undermined the primary drug enforcement agencies; second to bring the FBI into drug law enforcement for the first time; and third, to promote cooperation among departments and agencies with related functions.

The vast dimensions of today's drug-abuse crisis deserves a far better law enforcement response than the present scrambling bureaucracy provides. If we are to succeed, there must be a bipartisan approach to finding the solution. The President's reorganization plan is an important step in that direction.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the time allotted to me.

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRIFFIN. Mr. President, I yield to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator from Michigan for his graciousness.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE DURING CONSIDERATION OF THE REVALUATION BILL

Mr. PROXMIRE. Mr. President, I ask unanimous consent that when the revaluation bill comes before the Senate and after the manager of the bill and the ranking minority Member are recognized, I be recognized to call up an amendment.

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

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. GRIFFIN. I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the time allotted to me.

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

CANADIAN ROUTE IS NOT A REASONABLE ALTERNATIVE TO THE TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, those who suggest the oil from the North Slope should be shipped through Canada in a trans-Canada pipeline overlook several important facts.

The Canadian native land claims have not yet been settled. The Canadian natives—Eskimos and Indians—have not yet agreed to terms settling their aboriginal claims. Any proposed scheme to withdraw Canadian oil from Canada's North Slope or to ship Alaskan oil across Canada and through Canadian native lands will certainly be met with a law suit prosecuted by Canadian natives. Until these claims are settled, and settlement can only be years away, any trans-Canada route will only result in litigation.

Canadian environmentalists have also indicated they will seek to halt any pipeline through Canada. The same arguments are being made by them as are made by those who oppose the trans-Alaska route. Moreover, because longer stretches of Canadian territory will be traversed, the environmental impact investigation in Canada will have to be even more extensive and will result in greater problems than the relatively short trans-Alaska route. The trans-Canada route will cover approximately 3,200 miles while the trans-Alaska route is 789 miles long.

The Canadians have indicated they want to own the pipeline totally, not just control it by owning 51 percent of the stock. Walter Gordon, former Canadian Finance Minister, for example, has indicated Canada must have total control of any pipeline from the Mackenzie Valley. Referreing to a proposal that Canadians have a majority control of the pipeline company, Gordon insisted on "not just 51 percent, but complete control." The Canadians are concerned about their own impending energy crisis. They want the pipeline to carry Canadian products to Canada not south to the United States. Moreover, they want assurances concerning the ultimate destination of Alaskan oil. I request unanimous consent that an article concerning the recent remarks of Mr. Gordon be inserted in the RECORD at the close of my speech.

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

(See exhibit 1.)

Mr. STEVENS. Mr. President, the U.S. petroleum industry does not seek authority to build a Canadian pipeline for the shipment of Alaskan oil. There is no application for the building of such a route because the American petroleum industry is convinced that the quickest and easiest method for the shipment of Alaskan oil, as well as the most secure route, is found through Alaska to Valdez and then by ship to the west coast.

In summary, the United States cannot afford to wait until a trans-Canada pipeline can be built. We cannot afford to allow Canadian policy decisions to determine the shipment of American oil. Alyeska Pipeline Service Co. is ready to begin work on a trans-Alaska pipeline within 90 days of permission being granted. Moreover, the construction of the trans-Alaska pipeline will take 3 years. Constructions and engineering for a Canadian line would take 3 to 5 years longer.

The cost of the Canadian oil line will be much higher than a trans-Alaska route. This is due to the fact that the length is greater and the terrain is similar to the most costly segment of the Alaskan route—permafrost. It has been estimated by Mr. William P. Wilder, chairman of Canadian Arctic Gas Study, Ltd., that the price of a gas pipeline from the North Slope and Mackenzie Valley to the United States will be $5 billion. An oil pipeline will, of course, be much more. The State of Alaska has estimated the cost of a trans-Canada oil line at roughly $7.5 billion to $8 billion. In comparison, Alyeska Pipeline Service Co. estimates the cost of a trans-Alaska route at $3.5 billion.

It is vital that oil from Alaska's North Slope be transported to the lower 48 as soon as possible.

In 1967 this country imported 195,400 barrels—8.1 percent of our imports—from the Middle East. We imported 963,300 barrels—39.7 percent of our imports—from Venezuela.

The United States now imports 1.7 billion barrels, about 29 percent of its oil requirements, at a cost of about $4 billion. This was a level we did not expect to reach until 1980. In only 1 year—from 1971–72—our Middle East imports of crude oil and petroleum products grew from 344,200 barrels to 473,800 barrels daily, an increase of 38 percent. Adding in north African crude oil and petroleum products imports, which grew from 90,200 barrels daily in 1971 to 289,000 barrels daily in 1972, the increase in imports was 99 percent. At the same time imports from all Western Hemisphere nations excluding Canada, Mexico, and the Caribbean were 529,700 barrels in 1971 and 629,700 barrels in 1972. This was an increase of only 19 percent.

While Middle East imports rose 49 percent from 1967–72, Venezuelan imports decreased.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. STEVENS. I yield.

Mr. TOWER. The Senator is aware, of course, that the OPEC countries already have served notice they are going to start charging more for their crude. Therefore, we cannot except that it will come in at the current price.

Mr. STEVENS. I am confident that is a correct statement. But the real problem is that we are playing with a feather pillow every time we want to figure what the price will be. These prices are constantly rising. I do not think there is any way they can estimate the cost of American oil in 1980 or 1985.

Mr. TOWER. I suppose the Senator is aware that much of the current surplus in Europe is Middle East oil money.

Mr. STEVENS. I was going to touch on that. It is money representing windfall profits to the Arab nations, in particular. That disrupted our money abroad and led to the tremendous surplus in dollars in Germany in August 1971 and at the time of the recent devaluation. The Senator is absolutely correct.

Our demand for oil is steadily increasing. I am informed experts estimate that America's dependency on foreign oil could soar to 6 billion barrels, about 60 percent of domestic consumption, by 1985. With increases in costs, our foreign payments, mostly to Middle East nations, will probably total $17 to $20 billion per year. Our trade deficit is presently $6½ billion. Were we to import 65 percent of our petroleum requirements, our deficit for oil alone would probably be $20 to $30 billion per year.

As the Senator from Texas said, these are current prices. We do not know what those prices will be.

Walter Levy indicated yesterday that by 1980 the Atlantic nations and Japan will import 41 million barrels per day. These countries presently import 23 million barrels daily. Most of this oil—35 to 40 million barrels—will come from the Middle East.

On our recent trip to the Iron Curtain countries and to Eastern European countries, we found that it is estimated that they will have an increased daily demand. They also are looking to the Middle East and to Africa to satisfy their demands. I think the whole world will be looking to that oil, and it is important that we start estimating our reserves.

Time magazine this week in its cover story revealed some interesting facts. While the world consumption of petroleum is increasing by 8 percent per year, the United States, which consumes nearly 40 percent of the total consumption, is rising by 8.7 percent. The Middle East states, many of which are highly unstable politically, control 60 percent of the world's known reserve.

The income of these Middle East states was $4.4 billion just 5 years ago. Today it is more than $10 billion. It has more than doubled in 5 years. By 1980 it will quadruple again, and their income will be at least $40 billion. This is compared with an income, just 5 years ago, of $5 billion. If this is the case, the income of the Arab nations would be greater than the combined earnings of the 500 largest U.S. industrial multinational corporations; 500 of them do not have the income that would be received by these small Arab nations.

The wealthiest oil state, Saudi Arabia, with a population smaller than New Jersey, will have greater monetary reserves than the United States and Japan together if this occurs.

With only half the income expected, the Arab States by 1985 will have nearly

$120 billion in official reserves. Saudi Arabia alone will probably have foreign currency holdings of $30 billion by 1980. Comparatively, the United States today has only $13 billion in monetary reserves.

Leverage by the Middle East countries, members of the Organization of Petroleum Exporting Countries—OPEC—is increasing daily. Because of this Nation's firm commitment to a free and independent State of Israel, and because of a natural desire to increase their wealth, these Arab nations are pursuing economic policies inimical to the United States. Since 1970, the 11 major petroleum producing countries who make up OPEC have increased oil prices 72 percent. They have taken other steps as well, as the Senator from, Texas mentioned, to counter the dollar devaluation. For example, they recently indicated they will raise the price of oil 10 percent this year.

Should oil consumers decide to unite, OPEC has indicated that it may impose a boycott on any nations which unite as importing countries. Nonetheless, I believe an organization of oil importing states is necessary and that this country should take the leadership in its formation.

However, the necessity for such drastic action would be alleviated were we to increase our domestic production with a secure trans-Alaska route.

No further exploration in Alaska will occur until industry is certain that transportation of new reserves in the immediate future is possible. There are 13 to 15 possible basins for exploration in Alaska that have not been explored. Because of the impending expiration dates on many leases on the North Slope, which, again, the Senator from Texas is familiar with, private investors and oil-producing countries are just not willing to expend the large amounts of capital necessary when the transportation of oil to the lower 48 is in such doubt.

All of these reasons, the balance-of-payments problems, the international security problem, the possibility of impending law suits in Canada, the risks of Canadian control of a trans-Canada pipeline, urge that the most feasible, most direct means of obtaining the Alaskan oil should be pursued. This is the trans-Alaska pipeline.

In testimony before the Senate Interior Committee only yesterday, Thornton F. Bardshaw, president of the Atlantic Richfield Co. stated:

> Each day's delay in bringing Alaskan oil to U.S. markets results in balance of payment loss to the United States of about $5 million. By the early 1980's, the balance of payments loss will be about $10 million per day.

The North Slope's 9.6 billion barrels equal about 25 percent of this country's proved reserves. When the trans-Alaska pipeline is carrying its full capacity of 2 million barrels daily, Alaska will displace about $2.5 billion worth of foreign oil per year. Mr. Bradshaw testified that the effect of the trans-Alaska pipeline on this Nation's balance of trade between 1977 and 1987 would be $20 to $30 billion for oil alone. Natural gas would, of course, increase this and offset our balance-of-payments problems. He concluded:

> The projected loss in 1980 trade deficits for each 24-hour delay comes to nearly $10 million. This means that the American taxpayer and consumer of 1980 will suffer an added balance of trade deficit of more than $450 million since the Appeals Court decision of last February 9.

Clearly the trans-Alaska pipeline must be built now. We can afford to wait no longer for the initiation of this project.

EXHIBIT 1

[From the Toronto Daily Star, Feb. 26, 1973]

CANADA MUST HAVE TOTAL CONTROL OF ARCTIC PIPELINE, GORDON SAYS

Walter Gordon, former Canadian finance minister, said last night Canada must have total control of the Mackenzie Valley pipeline if it is built to carry natural gas from the Arctic.

Referring to an international consortium's assurances that Canadians would have majority control of the pipeline company, Gordon, honorary chairman of the Committee for an Independent Canada, insisted on "not just 51 per cent, but complete control."

He told a panel on a CFRB radio show:

"I think we should help the United States. It would be selfish and improper to say to the Americans: 'You can't transfer your own gas from Alaska to the U.S. border.' But we should not agree that if the pipeline is built, it will be on the understanding that Canadian gas or oil must also be transported across the border."

He said the same reason underlies his recent call for a crown corporation to control Canadian oil production: "If we need it for ourselves, then I certainly don't think we should let anyone else have it."

Gordon said he didn't think the United States would retaliate if Canada said it also was worried about a future energy crisis.

"I think we should explain the facts to the Americans," he said.

"If one of those facts is that we really don't believe we have any surplus to take care of our own needs over 50 years, or whatever period you want to say, then I'd be surprised if they would think this was unreasonable."

Gordon said the government body he proposed would buy, not confiscate, U.S. holdings in Canadian oil lands to avoid domestic shortages predicted within 20 to 30 years.

He said the government might start off by investing $500 million a year in this program, then $1 billion annually for 10 years.

"Then if there is a real crisis . . . you can be sure we will be spending a great deal more than that," he said.

"People don't like to think about spending very large amounts of money in advance of a crisis, but I think this time we had better think about it seriously."

He said such a move should not lower living standards.

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

Mr. STEVENS. I am happy to yield.

Mr. TOWER. Could the Senator quote us some figures of the cost of delaying the construction of the Alaska pipeline? It is a phenomenal cost.

Mr. STEVENS. The delay today is costing $5 million daily.

Mr. TOWER. And ultimately this cost will have to be passed along to the consumer?

Mr. STEVENS. It will be. It will have to be passed along to the consumer. The delay we are involved in now is a delay caused by extreme conservationists, who refuse to face the fact that we have spent $12 million in environmental studies and that we have made changes in the pipeline that have increased the cost from $900 million to $3.5 billion to meet their objections. Still they insist on opposing the early construction of the pipeline, which I think ultimately will change this country's policies toward Israel. We will not be able to withstand the leverage of the Arab countries in the period between 1975 and 1979 or 1980 unless we have Alaskan oil available.

Mr. TOWER. May I say I concur with the Senator from Alaska's statement. I think he has made a very comprehensive, instructive, constructive, and, I believe, a dispassionate and realistic statement.

Mr. STEVENS. I thank my colleague from Texas and thank the Senator from Michigan for yielding to me.

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

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the time for the quorum call be charged against the time allotted to the Senator from West Virginia (Mr. ROBERT C. BYRD).

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

REMOVAL OF INJUNCTION OF SECRECY ON EXECUTIVE F, 93D CONGRESS, 1ST SESSION

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Convention concerning the Protection of the World Cultural and Natural Heritage, done at Paris on November 23, 1972—Executive F, 93d Congress, 1st session—transmitted to the Senate today by the President of the United States, and that the convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

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

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention concerning the Protection of the World Cultural and Natural Heritage, done at Paris on November 23, 1972. I transmit also, for the information of the Senate, the report from the Department of State with respect to the Convention.

This Convention creates international machinery for the identification and protection of natural and cultural areas of outstanding universal value which constitute the common heritage of mankind. For this purpose, the Convention es-

tablishes a World Heritage Committee to develop and maintain lists of areas of outstanding importance and a World Heritage Fund to provide international assistance for the protection and conservation of these areas.

While the Convention places basic reliance on the resources and efforts of the States within whose territory these natural and cultural sites are located, it would also provide a means of assisting States which have insufficient resources or expertise in the protection of areas for the benefit of all mankind.

I therefore recommend that the Senate give early and favorable consideration to the Convention submitted herewith and give its advice and consent subject to a declaration for which provision is made under Article 16(2), as explained in the report from the Department of State.

RICHARD NIXON.

THE WHITE HOUSE, *March 28, 1973.*

ORDER FOR RECOGNITION OF SENATORS JACKSON AND MATHIAS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders for their designees under the standing order, the distinguished Senator from Washington (Mr. JACKSON) be recognized for 15 minutes, to be followed by the distinguished Senator from Maryland (Mr. MATHIAS) for not to exceed 15 minutes.

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

PRIVILEGE OF THE FLOOR

Mr. ROBERT C. BYRD. Mr. President, I ask that during the debate on the dollar revaluation bill today, Mr. Richard Fay, a member of the staff of the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare, be granted the privilege of the floor. I make this request on behalf of the able Senator from Wisconsin (Mr. NELSON).

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

RESCISSION OF REMAINDER OF TIME UNDER SPECIAL ORDER RECOGNIZING SENATOR ROBERT C. BYRD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to vacate the remainder of my time under the order.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 30 minutes with statements limited therein to 3 minutes each.

DAMAGE TO THE ENTIRE INDIAN MOVEMENT CAUSED BY EVENTS AT WOUNDED KNEE

Mr. BARTLETT. Mr. President, I have been watching with increasing concern the sequence of events at Wounded Knee, S. Dak.

I am concerned not only because of the potential physical hazards involved in the siege but also because of the harm this action can do to the entire Indian movement.

During my term as Governor of Oklahoma, I felt we made great strides in helping the Indian and in helping the Indian help himself. This was all accomplished through peaceful means. Tribal government, business, and local leaders all worked together to restore to the Indian his proper share of the action and the responsibility which goes with that share.

Incidents such as Wounded Knee can serve only as a setback to that progress.

Regrettably, much of the publicity surrounding this siege at Wounded Knee has tended to glamorize its participants including the recent gesture of Marlon Brando. The Washington Post sympathetically called it a "cry of anguish" in behalf of the Indian. More correctly, it should be termed an insurrection by a very small minority of anarchists. What has not been mentioned is that these anarchists are contesting the democratically elected representative of the Oglala Sioux Tribe—elected representatives who by their constitution are subject to recall by the members of the tribe. Their only claim to renown are criminal records ranging from assault to armed robbery. And I am referring to some of the leaders of the AIM movement.

Naturally, tribes throughout Oklahoma and the country are indignant at this blatant attempt to seize power.

No concession or compromise should be shown these criminals. To do so would not only invite future incidents, but also be a slap in the face to those Indians who have displayed such a high regard for the law and who have worked so hard to bring real progress to the Indian movement.

LEAVE OF ABSENCE

Mr. ROBERT C. BYRD. Mr. President, at the request of the distinguished senior Senator from North Carolina (Mr. ERVIN), I ask unanimous consent, in conformity with paragraph 1 of rule V of the Senate, that the Senator from North Carolina (Mr. ERVIN) be granted leave of absence from the Senate for the remainder of this week due to the death of a brother.

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

INTERCHANGE OF JURISDICTION OF CERTAIN CIVIL WORKS

A letter from the Secretary of the Army and the Secretary of Agriculture giving notice of the intention of the Departments of the Army and Agriculture to interchange jurisdiction of civil works and National Forest lands at Wynoochee Lake project in the State of Washington (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

REPORT ON AIR FORCE MILITARY CONSTRUCTION CONTRACTS

A letter from the Secretary of the Air Force transmitting, pursuant to law, a report on the Air Force military construction contracts awarded by the Department of the Air Force without formal advertisement for the period July 1, 1972, through December 31, 1972 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting a draft of proposed legislation to provide for more effective utilization of officers of the uniformed services (with accompanying papers). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes (with accompanying papers). Referred to the Committee on Armed Services.

STATUS OF THE ALL-VOLUNTEER FORCE AND THE END OF THE DRAFT

A letter from the Acting Assistant Secretary of Defense transmitting a special report concerning the status of the all-volunteer force and the end of the draft (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation entitled "The Flood Disaster Protection Act of 1973" (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to transfer from the Agricultural Credit Insurance Fund to the Rural Housing Insurance Fund the assets, rights, and liabilities of the Government with respect to those few farm labor housing loans and rural rental housing loans that were insured through the Agricultural Credit Insurance Fund prior to the establishment of the Rural Housing Insurance Fund in 1965 (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

PRESERVATION OF ESSENTIAL RAIL TRANSPORTATION SERVICES

A letter from the Secretary of Transportation transmitting, pursuant to law, a full and comprehensive plan for the preservation of essential rail transportation services in the Northeast section of the Nation (with an accompanying report). Referred to the Committee on Commerce.

PROPOSED LEGISLATION BY THE DEPARTMENT OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to amend certain laws affecting the Coast Guard (with accompanying papers). Referred to the Committee on Commerce.

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Commerce.

REPORT BY THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, a report entitled "Activities Relating to Title II of the Ports and Waterways Safety Act of 1972" (with an accompanying report). Referred to the Committee on Commerce.

PROPOSED LEGISLATION BY THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

REPORTS OF THE AMERICAN ACADEMY OF ARTS AND LETTERS AND THE NATIONAL INSTITUTE OF ARTS AND LETTERS

A letter from the Executive Director of the National Institute of Arts and Letters transmitting pursuant to law, reports of the American Academy of Arts and Letters and the National Institute of Arts and Letters (with accompanying reports). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Acting Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to provide for the extension of the Developmental Disabilities Services and Facilities Construction Act, and for other purposes (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

ORDER BY THE POSTAL RATE COMMISSION

A letter from the Secretary of the Postal Rate Commission transmitting, pursuant to law, an order by the Postal Rate Commission promulgating rules governing evidentiary and filing requirements in rate and classification cases (with accompanying papers). Referred to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION BY THE VETERANS' ADMINISTRATION

A letter from the Administrator of Veterans' Affairs transmitting a draft of proposed legislation to provide for the conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance, and for other purposes (with accompanying papers). Referred to the Committee on Veterans' Affairs.

PRINTING OF REPORT ON SERVICES AS A SENATE REPORT (S. REPT. NO. 93–94)

Mr. KENNEDY. Mr. President, the Subcommittee on Federal, State, and Community Services of the Special Committee on Aging recently issued a report, "The Rise and Threatened Fall of Service Programs for the Elderly."

The report has attracted considerable interest; it deals with social services available under several titles of the Security Act; and it comments on regulations now under consideration by the Department of Health, Education, and Welfare.

To meet the demands for copies, and to assure that libraries and Government agencies have a supply, I ask unanimous consent that it be published as a Senate report.

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

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY:

S. 1403. A bill to amend the Communications Act of 1934 to provide grants to States and units of local government for the establishment, equipping, and operation of emergency communications centers to make the national emergency telephone number 911 available throughout the United States. Referred to the Committee on Commerce.

S. 1404. A bill to amend title 39, United States Code, with respect to the financing of the cost of mailing certain matter free of postage or at reduced rates of postage, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. BIBLE:

S. 1405. A bill for the relief of Angel C. Alonso and Daisy Santa Maria Alonso. Referred to the Committee on the Judiciary.

By Mr. BAKER:

S. 1406. A bill to amend the Highway Safety Act of 1966, title 23, United States Code, section 401 et seq., and for other purposes. Referred to the Committee on Commerce.

By Mr. BURDICK:

S. 1407. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent. Referred to the Committee on Commerce.

By Mr. HARTKE:

S. 1408. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 1409. A bill to amend and extend the Economic Stabilization Act of 1970. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE (for himself, Mr. SPARKMAN, and Mr. TOWER) (by request):

S. 1410. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McGOVERN (for himself and Mr. ABOUREZK):

S. 1411. A bill to authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. McGOVERN (for himself and Mr. ABOUREZK):

S. 1412. A bill to declare that certain federally owned lands are held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

S. 1413. A bill to increase the authorization for fiscal year 1974 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped. Referred to the Committee on Labor and Public Welfare.

By Mr. MANSFIELD (for himself and Mr. SCOTT of Pennsylvania):

S.J. Res. 85. Joint resolution to abolish the commission authorized to consider a site and plans for building a national memorial stadium in the District of Columbia. Referred to the Committee on the District of Columbia.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY:

S. 1403. A bill to amend the Communications Act of 1934 to provide grants to States and units of local government for the establishment, equipping, and operation of emergency communications centers to make the national emergency telephone number 911 available throughout the United States. Referred to the Committee on Commerce.

EMERGENCY TELEPHONE ASSISTANCE

Mr. HUMPHREY. Mr. President, today I am introducing legislation to provide for a single, nationwide emergency telephone number. This bill would assist States and local governments in financing the costs incidental to establishing this emergency service.

Mr. President, the Congress has recently been concerned with helping the victims of crime. We have considered legislation to compensate those that have received physical abuse at the hands of criminals. I have proposed a bill providing for group life insurance and death benefits for policemen, firemen, and prison guards. All of these proposals demonstrate a national concern for the victims of crime and are long overdue.

Yet we in Congress often overlook simple, practical proposals that might prevent our citizens from becoming victims of crime. A nationwide three-digit telephone number is an idea that can be implemented immediately. It could save the vital seconds that are so crucial during an emergency.

Mr. President, this idea is not new. Today about 22 million Americans are enjoying the luxury of a single emergency number. The "911" service has been in operation in some areas since 1968. The commanding officer of the Communications Division of the New York City Police Department has reported that "911" gives the citizen access to the police with unprecedented speed. He is quoted as saying:

It has proven to be one of the great successes in law enforcement.

London, England, has had an emergency number since 1937. This service is

at least partially responsible for the higher rate of criminal apprehensions in Great Britain as compared to the United States. Similarly, Great Britain has a better method of turning in fire alarms which has resulted in a death rate from fires four times lower than our own.

Something must be done. The St. Louis directory lists 161 emergency numbers on one page. Our own area, the District of Columbia, has at least 45 emergency numbers. Los Angeles County has 50 numbers for police alone. It is impossible for most Americans to memorize the emergency numbers in their area. Even if they did, the 25 million Americans who move every year would have to go through the process again.

Dialing "O" for operator may be the most simple way to get assistance, but it is not the fastest. One often has to wait a long time for the operator to answer and then must wait again while the operator relays the call or information desired. Emergency calls constitute only a minor fraction of about 1 percent of the operator's daily work. Consequently, they cannot be expected to respond as fast as someone trained especially for emergencies.

Mr. President, since 1967 my colleague in the Congress, Representative J. EDWARD ROUSH, has taken the lead in advocating a uniform, emergency nationwide telephone number. As a result of his efforts his hometown of Huntington, Ind., became the first in the Bell System to adopt "911" service. Five years later, only 10 percent of our population is enjoying the benefits of quick and expert assistance in cases of crime, accident, poisoning, fire, and other emergencies.

In 1970, the Franklin Institute Research Laboratories with the National Science Foundation undertook a study to determine if a need existed for a single emergency telephone number and if the implementation of such a system were feasible. In their report they noted a lengthy questionnaire that had been sent to a select group of metropolitan fire and police chiefs, sheriffs, poison control centers, and smalltown police and fire chiefs. The results were as follows:

A study of responses to questionnaires and discussions with persons in all phases of emergency work have led FIRL to conclude that a single emergency telephone number is feasible and should be implemented nationally.

The legislation I am proposing today would make it possible for all areas of the country to receive the benefits, in terms of life and well-being, of a national emergency telephone number.

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

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

S. 1403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Communications Act of 1934 is amended by adding at the end thereof the following new part:

"PART V—GRANTS FOR EMERGENCY COMMUNICATIONS CENTERS ESTABLISHED TO MAKE AVAILABLE THE NATIONAL EMERGENCY TELEPHONE NUMBER 911

"FINDINGS AND PURPOSE

SEC. 399A. (a) Congress finds that (1) there is a need to establish a single emergency telephone number of the United States so that its citizens during times of emergency may easily obtain rapid assistance; (2) efforts are underway to establish 911 as that number; (3) State and local governments need Federal assistance to enable them to cooperate in establishing such number.

"(b) It is the purpose of this part to assist State and local governments in establishing 911 as the emergency telephone number by providing grants for the establishment, equipping, and operation of emergency communications facilities to be used to make such number available in the areas served by such centers.

"AUTHORIZATION OF GRANTS

"SEC. 399B. (a) The Commission is authorized to make grants under this part to assist State governments and units of general local government in meeting the costs of establishing, equipping, and operating emergency communication centers to make the national emergency telephone number 911 available in the areas served by such emergency facilities. Grants under this part shall be allocated by the Commission among the States on such basis as the Commission determines will most effectively carry out the purposes of this part.

"ADMINISTRATIVE PROVISIONS

"SEC. 399C. (a)(1) The amount of any grant made under this part to establish, equip, and operate an emergency communications facility shall not exceed one-half the cost (as determined in accordance with regulations prescribed by the Commission) of establishing, equipping, and operating such center.

"(2) Not more than one-third of any grant made under this part may be expended for the compensation of personnel. The amount of any such grant expended for the compensation of personnel shall not at any time exceed the amount of State or local funds actually expended for the compensation of personnel employed in such center.

"(3) No part of any grant made under this part may be used for the acquisition of land on which a communications center is to be established.

"(4) Grants under this part may be paid in advance or by way of reimbursement, and at such intervals, as the Commission may determine, and adjustments shall be made for overpayments and underpayments.

"(b)(1) Each recipient of assistance under this part shall keep such records as the Commission shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Commission and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this part.

"(c) The Commission may arrange with and reimburse the heads of other Federal departments or agencies for the performance of any of its functions under this part.

"(d) The administration may prescribe such regulations as it determines are necessary to carry out the purposes of this part.

"DEFINITIONS

"SEC. 399D. As used in this part—

"(1) The term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 399E. For the purpose of making grants under this part, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974; and $7,500,000 for the fiscal year ending June 30, 1975."

By Mr. HUMPHREY:

S. 1404. A bill to amend title 39, United States Code, with respect to the financing of the cost of mailing certain matter free of postage or at reduced rates of postage, and for other purposes. Referred to the Committee on Post Office and Civil Service.

EDUCATIONAL AND CULTURAL POSTAL AMENDMENTS

Mr. HUMPHREY. Mr. President, I am today introducing the Educational and Cultural Postal Amendments of 1972. This is a bill to amend the Postal Reorganization Act of 1970 to deal with the current crisis affecting access by the American public to magazines, books, small newspapers, and other educational and cultural materials, especially through public, school, and college libraries. The Post Office and Civil Service Committee has scheduled hearings on bills relating to this subject on April 2 and 3.

I do not use the word "crisis" lightly. As a result of the first proceeding before the Postal Rate Commission under the Postal Reorganization Act, a new schedule of postal rates was established to take effect over a period of years beginning July 6, 1972. This schedule provides for rate increases of a kind never before experienced in the entire history of the postal service in this country.

Let me give a few examples:

Rates on magazines and newspapers published by educational and other nonprofit orgnizations would be increased over a 10-year period by 255 percent.

Rates on materials sent in interlibrary loans among libraries and other educational institutions would be increased over a 10-year period by 130 percent.

Rates on regular magazines and newspapers in second class would be increased over a 5-year period by 126 percent.

Rates on books, educational films, and other educational cultural materials would be increased over a 5-year period by 70 percent.

These increases are of a magnitude which is bound to have a catastrophic effect on the creation of these informational, educational, and cultural materials, and the access to these materials directly and through our libraries and educational institutions.

The impact on libraries is multiplied several fold by the simultaneous proposal of the administration to completely eliminate for fiscal 1974 the several library and educational materials programs of the Federal Government, programs which in the fiscal year 1972 received some $200 million.

Many Members of the Senate were concerned in 1970 about what would happen to the distribution of informational, educational, and cultural materials

through the mails under the Postal Reorganization Act. However, there was no indication 3 years ago that the rate increases under the new system would be of such incredible magnitudes. For example, in the Senate Committee report on the reorganization bill the following passage occurs as an illustration of rate increases which the committee thought might be expected under the new legislation.

Notwithstanding its rejection of a proposal to impose its views on the new Postal Service by law, the committee agreed that this report should specifically express committee concern over the rates to be established for certain classes of mail. Accordingly the committee alerts the Rate Commission established by this bill to the public service which certain preferred rates have historically performed.

Reduced rates for within-county newspapers, for libraries, for books, and for associations of rural electrification co-ops were enacted for very good reason—that the public generally benefits from such rates. Additionally, the Rate Commission should take into account the preferential rates for the mailings of authorized non-profit organizations . . .; and the rates of classroom publications, . . .

The committee does not believe that small incremental increases in rates spread out over 5 and 10 year periods will be detrimental to mail matter allowed preferential rates because they contribute to the public welfare. But the Rate Commission should be aware of this special problem as it assembles its schedules of rates and fees.

Despite this assurance, there was enough uneasiness in the Senate on the potential impact of the legislation on the distribution of these materials that the Senate by unanimous vote agreed to a floor amendment by the majority and minority leaders, Mr. MANSFIELD, and Mr. SCOTT. This amendment, now in the law, requires that the rates on books, educational films, and other materials in the so-called special fourth-class rate and the library rate be uniform for the entire country. As the sponsors of the amendment stated, the amendment at least guaranteed equal access by the American public to these materials regardless of how far they might live from publishing centers, largely in the East.

We now have had enough experience with postal operations under the reorganization act to realize that the Congress must face once more, in the light of present facts, its responsibilities relating to the impact of increased postal rates on the educational, scientific, cultural, and political life of this country. As a result of oversight hearings in the Post Office and Civil Service Committee of the House of Representatives in 1972 on the operation of the Postal Reorganization Act, two principal bills have been introduced in the House, both by members of the House committee. The Udall bill (H.R. 4128) seeks to ameliorate the present crisis in five ways:

First, by providing special lower rates—to help small-volume periodicals and newspapers—for the first 250,000 pieces in each publication issue of regular second-class publications.

Second, by spreading the full regular second-class rate increases over a period of 10 years rather than 5, the same 10-year adjustment period now provided for nonprofit second-class periodicals and newspapers, for nonprofit third-class materials, and for the interlibrary loan rate in fourth class.

Third, by providing that costs for any rate increases for nonprofit periodicals and newspapers after July 1, 1974, be borne 50 percent by increased rates and 50 percent by appropriations.

Fourth, by providing that regular rate second-class periodicals and newspapers also benefit by this 50–50 sharing of increased costs, but only with respect to any further rate increases which may result from future actions of the Postal Rate Commission and the Board of Governors.

Fifth, by providing that the intent of the Congress that rate increases under the Postal Reorganization Act are spread out over a period of years be guaranteed, through a provision which protects this transitional period from the vagaries of recommendations in the budget.

The second bill in the House of Representatives by Congressman WILLIAM D. FORD and several cosponsors (H.R. 528) is identical with the Udall bill on all five of these points. However, it goes further, and extends the relief given for the distribution of periodicals and newspapers to books, educational films, and other educational and cultural materials in the special fourth-class category. It also provides that there be written into the Postal Reorganization Act a specific provision that the Postal Rate Commission must take into account in recommending rates the "educational, cultural, scientific, and informational value to the recipient of mailed materials." This provision is included because, despite a clear legislative history and a finding by the hearing examiner that the Congress wished the Postal Rate Commission to give special attention to the impact of increased rates on these materials, the Postal Rate Commission and the Board of Governors gave only lipservice to this congressional intent. My bill is identical to the Ford bill, except for technical drafting changes.

In the Senate there is also a bill pending by the Senator from Massachusetts (Mr. KENNEDY) and several cosponsors (S. 842). This bill is similar to the Udall bill in the House except that it does not contain the provision relating to the 50-percent ceilings on future rate increases for nonprofit and regular rate periodicals and books. The Kennedy bill also differs from the Ford bill in the House in that it contains no other provisions relating to books and other educational and cultural materials in special fourth class.

I welcome cosponsorship of my bill by other Members of the Senate. I think all Senators are beginning to hear from their States concerning the crisis faced by our libraries of all kinds. If the President's budget recommendations for fiscal 1974 are carried out—either by an actual reduction in appropriated funds or by subsequent withholding of appropriated funds by the administration—the impact on libraries and educational systems will, to repeat, be catastrophic. For example, I am told that the American Library Association now estimates that if the President's budget recommendations on library programs are adopted at least 2,000 public librarians will lose their jobs on July 1, 1973. The prospect for my State is a loss of 150 public librarians, great cuts in mail and bookmobile services, and tens of thousands of volumes of current books not acquired.

I hope that the Congress will reinstate these library and educational materials funds and also enact legislation limiting the blanket power claimed by the administration to impound appropriated funds. However, that issue may come out, we must also consider the impact of the present schedule of postal rate increases on the functioning of our school, public, and college libraries and our entire educational system. Testimony by the American Library Association in the first postal rate proceeding indicates that some 50 percent of the receipts of books by libraries and college stores came through the mail, and the special fourth class postage charges are paid by the recipient. In the case of small libraries the volume of materials received through the mails is closer to 90 percent. The library association testimony also clearly shows that each dollar increase in postal charges will result in similar decreases in the amount of funds available for acquiring up-to-date materials for library collections.

I intend to present in the hearings before the Post Office and Civil Service Committee estimates of the cost of the several provisions in my bill, after having an opportunity to consult with the Postal Service. I can say now, however, that the cost of the key provision relating to the stretching out of the transition period for rate increases on other special fourth class educational and cultural materials is relatively modest.

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

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

S. 1404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Educational and Cultural Postal Amendments of 1973".

SEC. 2. (a) Section 3626 of title 39, United States Code, is amended—

(1) by inserting "(a)" immediately before "If the rates of postage for any class of mail or kind of mailer";

(2) by striking out "with annual increases as nearly equal as practicable, so that—" and inserting in lieu thereof "with annual increases as nearly equal as practicable for mail under former sections 4421, 4422, and 4452 and with biennial increases (after 1972) as nearly equal as practicable for mail under former sections 4358, 4359, and 4454 so that—";

(3) by inserting "(and the ninth year in the case of mail under former section 4358)" immediately after "tenth year" in paragraph (1);

(4) by deleting "4359" and "4554(a)" in paragraph (2);

(5) by deleting the word "and" at the end of paragraph (1), deleting the period at the end of paragraph (2) and inserting in lieu of the period a semicolon and the word "and", and adding immediately below paragraph (2) the following new paragraph (3):

"(3) the rates for mail under sections 4359 and 4554(a) shall be equal, on and after the

first day of the ninth year following the effective date of the first rate decision applicable to that class or kind concerned, to the rates that would have been in effect for such mail, if this subsection had not been enacted.";

(6) by adding immediately after "unless he files annually with the Postal Service a written request for permission to mail matter at such rates." the following new sentence: "Notwithstanding any other provision of this section, rates established by the Postal Service for the first 250,000 pieces of each issue of a publication of any class or kind authorized to be mailed under former sections 4358 and 4359 of this title shall not exceed 66⅔ per centum of the otherwise applicable temporary or permanent rate then in effect."; and

(7) by adding at the end of such section the following new subsections:

"(b) Notwithstanding any other provision of this title, the revenues received from any increase in rates for mail under former section 4358 required by the provisions of this chapter after July 6, 1972, if this subsection (b) had not been enacted, shall not exceed 50 per centum of the amount that would otherwise be received from any increase in rates for such class.

"(c) Notwithstanding any other provision of this title, the revenues received from any increase in rates for mail under former section 4359 and 4554(a) established in any proceeding under the provisions of this chapter instituted after July 6, 1972, if this subsection (c) had not been enacted, shall not exceed 50 per centum of the amount that would otherwise be received from any increase in rates for such classes.".

(b) The changes in exising law made by this section shall become effective on such date (not later than the ninetieth day after the date of enactment of this Act), published in the Federal Register by the United States Postal Service, as the Postal Service shall determine.

SEC. 3. Section 2401 of title 39, United States Code, is amended—

(1) by deleting in subsection (b)(1) "there are authorized to be appropriated to the Postal Service the following amounts:" and inserting in lieu thereof "the Secretary of the Treasury, at the beginning of each fiscal year, shall credit to the Postal Service Fund, out of any moneys in the Treasury not otherwise appropriated, the following amounts:";

(2) by deleting in subsection (b)(1)(A) "1972" and inserting in lieu thereof "1974"; and

(3) by amending subsection (c) to read as follows:

"(c) At the beginning of each fiscal year, the Secretary of the Treasury shall credit to the Postal Service Fund, out of any moneys in the Treasury not otherwise appropriated, such sums as may be determined by the Postal Service annually to be equal to the difference between the revenues the Postal Service would have received if sections 3217, 3403–3405, and 3626 of this title and the Federal Voting Assistance Act of 1955 had not been enacted and the estimated revenues to be received on mail carried under such sections and Act. Determinations by the Postal Service under this subsection (c) shall be subject to verification by the Comptroller General of the United States.".

SEC. 4. Section 3622 of title 39, United States Code, is amended—

(1) by striking out the word "and" immediately following the semicolon at the close of paragraph (7);

(2) by renumbering paragraph (8) as paragraph (9); and

(3) by inserting immediately below paragraph (7) and above the renumbered paragraph (9) the following new paragraph (8):

"(8) the educational, cultural, scientific, and informational value to the recipient of mailed materials; and".

By Mr. BAKER:

S. 1406. A bill to amend the Highway Safety Act of 1966, title 23, United States Code, section 401 et seq., and for other purposes. Referred to the Committee on Commerce.

Mr. BAKER. Mr. President, I sent to the desk for appropriate referral the administration's proposed "Highway Safety Act of 1973."

The introduction of this bill is most timely because the full Committee on Public Works is scheduled to begin mark-up tomorrow on a bill that will expand the highway safety provisions now in law.

The administration's proposal would carry forward the implementation of the 18 highway safety standards that have been issued, including the proposal of some amendments in sections 402 and 403 of title 23. The bill also earmarks funds for highway safety purposes on Indian reservations.

Mr. President, to give my colleagues a better understanding of this important initiative, I ask unanimous consent that the following items be printed at this point in the CONGRESSIONAL RECORD:

A copy of the proposed administration bill, a section-by-section analysis of that bill, a justification statement prepared by the administration, and a copy of a letter of explanation from Secretary of Transportation Brinegar to the President of the Senate.

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

S. 1406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Highway Safety Act of 1973".

SEC. Subsection (b)(1) of section 402 of title 23, United States Code, is amended by deleting subparagraph (E) and substituting in lieu thereof the following:

"(E) provide for planning, administration, and evaluation of the State program, including (i) identification of the State's highway safety problems, the solutions thereto, and the capability of the State for effecting the solutions: (ii) formulation of objectives for achieving program goals; (iii) development of plans for allocation of resources and specification of steps to achieve objectives; (iv) evaluation of achievements; and (v) revision of the program as necessary to ensure the accomplishment of the purposes of this section."

SEC. 3. (a) Subsection (c) of section 402 of title 23, United States Code, is amended by deleting all that precedes "75 per centum in the ratio which the population" and inserting in lieu thereof the following:

"(c) Funds authorized to be appropriated to carry out this section shall be used to aid the States, and Indian tribes that have recognized governing bodies that perform governmental functions, to conduct the highway safety programs approved in accordance with subsection (a), including the training of personnel required to implement the highway safety programs, and the conducting of demonstration programs that the Secretary determines will contribute directly to the reduction of accidents, and deaths and injuries resulting therefrom. Such funds shall be subject to a deduction not to exceed 5 per centum for the necessary costs of administering the provisions of this section, and the remainder shall be apportioned among the several States, and such Indian tribes. One-half of 1 per centum of the funds authorized to be appropriated to carry out this section shall be apportioned to the Secretary of Interior for allocation to such Indian tribes. The Secretary of Transportation shall prescribe regulations for the division of the funds among such Indian tribes, The funds available for apportionment to the States shall be apportioned".

(b) Subsection (c) of section 402 of title 23,, United States Code, is amended by inserting immediately after the third sentence the following:

"Public road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified by the Governor of the State and subject to approval by the Secretary."

(c) Subsection (c) of section 402 of title 23, United States Code, is amended by deleting the fifth and sixth sentences and substituting in lieu thereof the following:

"The Secretary shall not apportion any funds under this subsection to any State which is not implementing a highway safety program approved by the Secretary in accordance with this section. Whenever he determines it to be in the public interest, the Secretary may suspend, for such periods as he deems necessary, the application of the preceding sentence to a State. If the Secretary so suspends, he shall apportion the funds that would otherwise be available to a State under this section only to the extent, as determined by the Secretary, that such State is implementing a highway safety program approved by him in accordance with this section. The Secretary shall apportion to the State the funds withheld from apportionment if he determines that such State has begun implementing an approved program during the fiscal year for which the funds were withheld. If the State does not begin implementation in such time, the Secretary shall reapportion the withheld funds to the other States as part of the ensuing apportionment for the next fiscal year in accordance with applicable provisions of law. Federal-aid highway funds apportioned to any State which is not implementing a highway safety program approved by the Secretary in accordance with this section shall be reduced by amounts equal to 10 per centum of the amounts which would otherwise be apportioned to such State under section 104 of this title, until such time as such State is implementing an approved highway safety program."

SEC. 4. (a) Subsection (d) of section 402 of title 23, United States Code, is amended by deleting the period at the end of the first sentence and inserting in lieu thereof the following: "and except that, in the case of a local highway safety program carried out by an Indian tribe, if the Secretary of Transportation is satisfied that the Indian tribe does not have sufficient funds available to meet the non-Federal share of the cost of such program, he may increase the Federal share of the costs thereof payable under this chapter to the extent necessary."

(b) Section 402 of title 23, United States Code, is amended by adding at the end thereof a new subsection (i), as follows:

"(i) For the purpose of the application of this chapter to Indian tribes that have recognized governing bodies that perform governmental functions, such tribes shall together be considered to be a 'State' and the Secretary of the Interior shall be considered to be the 'Governor' of that State: *Provided,* That, notwithstanding the provisions of subparagraph (C) of (b)(1) hereof, 95 per centum of the funds apportioned to the Secretary of the Interior shall be expended by such tribes to carry out highway safety pro-

grams within their jurisdictions: *And provided further*, That the standards promulgated under this section shall be applicable to individual Indian tribes only to the extent determined appropriate by the Secretary of Transportation."

SEC. 5. Section 403 of title 23, United States Code, is amended to read as follows:

The Secretary is authorized to use funds appropriated to carry out this section to carry out safety research which he is authorized to conduct by subsection (a) of section 307 of this title. In addition, the Secretary may use the funds appropriated to carry out this section, either independently or in cooperation with other Federal departments or agencies, for making grants to or contracts with State or local agencies, institutions, and individuals for (1) training or education of highway safety personnel, (2) research fellowships in highway safety, (3) development of improved accident investigation procedures, (4) emergency service plans, (5) demonstration projects, and (6) related activities which are deemed by the Secretary to be necessary to carry out the purposes of this section. The Secretary may, where he deems it to be in furtherance of the purposes of this chapter, vest in State or local agencies, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects with funds authorized to be appropriated to carry out this section.

SEC. 6. Subsection (a) (1) of section 404 of title 23, United States Code, is amended by inserting immediately after "Federal Highway Administrator," the following: "the National Highway Traffic Safety Administrator,".

SEC. 7. Section 106 of the Highway Safety Act of 1966 (80 Stat. 735) is amended by deleting the first sentence and substituting in lieu thereof the following:

"No portion of any statement or information relating to a highway crash that has been furnished by an individual to the Secretary pursuant to research conducted under section 403 of title 23, United States Code, and no portion of any research report of the Secretary relating to such crash or the investigation thereof pursuant to research conducted under section 403 shall be admissible in any subsequent criminal, civil, or administrative proceeding, except administrative proceedings conducted by the National Transportation Safety Board under section 5(b)(1) of the Department of Transportation Act or by the Department of Transportation under section 103 of the National Traffic and Motor Vehicle Safety Act."

SEC. 8. The first sentence of subsection (a) of section 202 of the Highway Safety Act of 1966 (80 Stat. 736) is amended by deleting "March 1" and substituting in lieu thereof the following: "July 1".

SEC. 9. The following sums are hereby authorized to be appropriated:

(a) $150,000,000 for the fiscal year ending June 30, 1975, out of the Highway Trust Fund, for carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration.

(b) $30,000,000 for the fiscal year ending June 30, 1975, out of the Highway Trust Fund, for carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration.

(c) Such funds as are necessary, out of the Highway Trust Fund, for carrying out section 403 of title 23, United States Code (relating to highway safety research and development), by the National Highway Traffic Safety Administration.

(d) Such funds as are necessary, out of the Highway Trust Fund, for carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration.

SECTION-BY-SECTION ANALYSIS OF DRAFT BILL TO AMEND THE HIGHWAY SAFETY ACT OF 1966

Section 2. This section amends subsection (b)(1) of section 402, United States Code, to delete the express requirement for inclusion in each State's comprehensive program of a driver education program and to add the requirement for the inclusion in the comprehensive program of provisions for planning, administration, and evaluation. This amendment clarifies the Secretary's authority to require the planning, administration, and evaluation activities as a precondition to Secretarial approval of the program and limits subsection (a) of section 402 to substantive program requirements and subsection (b) of that section to administrative requirements. The amendment leaves unchanged the requirement in subsection (a) for the promulgation of a driver education standard.

Section 3. Paragraph (a) of this section amends subsection (c) of section 402 of title 23, United States Code, to authorize expressly the expenditure of section 402 Federal funds for the training of personnel required to implement the highway safety programs, and the conducting of demonstration programs that the Secretary determines will contribute directly to the reduction of accidents, and deaths and injuries resulting

* * * * *

Paragraph (c) of this section amends subsection (c) of section 402 of title 23, United States Code, to authorize the Secretary to suspend, when he deems it to be in the public interest, and for such periods as he deems necessary, the prohibition in that subsection against his apportioning any section 402 Federal funds to a State that is not implementing a section 402 program approved by him.

If the Secretary suspends the prohibition with regard to a particular State, he is authorized by this amendment to apportion the funds that would otherwise have been available to the State under section 402 only to the extent, as determined by the Secretary, that such State is implementing a highway safety program approved by him in accordance with section 402. The Secretary is required to apportion to the State the funds withheld from apportionment if he determines that the State has begun implementation of a fully approved program during the fiscal year for which the funds were withheld. If the State does not begin such implementation during that fiscal year, the Secretary is required to reapportion the withheld funds to the other States as part of the ensuing apportionment for the next fiscal year in accordance with applicable provisions of law.

Section 4. Paragraph (a) of this section amends subsection (d) of section 402 of title 23, United States Code, to authorize the Secretary to increase, to the extent necessary, the Federal share of the costs to an Indian tribe of implementing a section 402 program if he is satisfied that the tribe cannot meet its share of such costs.

Paragraph (b) of this section amends section 402 by adding a new subsection "(l)" providing that, for the purpose of chapter 4 of title 23, Indian tribes having recognized governing bodies that perform substantive governmental functions shall together be considered to be a "State" and the Secretary of the Interior shall be considered to be the "Governor" of that State. To ensure that the tribes derive the maximum benefit from the funds apportioned to the Secretary of the Interior, this amendment requires that 95 per centum of the funds shall be expended by the tribes for section 402 programs within their jurisdictions. This amendment also provides that the program standards shall apply to particular Indian tribes only to the extent deemed appropriate by the Secretary.

Section 5. This section makes two amendments to section 403 of title 23, United States Code. First, it amends section 403 to authorize the Secretary to perform any of the research and development activities authorized by the section through the giving of grants. The use of grants under the section appears presently to be limited to the conduct of training projects for highway safety personnel. The expanded grant authority supplements the Secretary's current authority to contract for the performance of any of the section 403 activities.

Second, this section amends section 403 to authorize the Secretary, where he deems it to be in furtherance of the purposes of chapter 4 of title 23, to vest in State or local governments, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects by such government with funds authorized to be appropriated to carry out section 403. The equipment is to be transferred subject to the condition that it be used for carrying out the purposes of chapter 4.

Section 6. This section amends subsection (a)(1) of section 404 of title 23, United States Code, to provide expressly that the Administrator of the National Highway Traffic Safety Administration is a member of the National Highway Safety Advisory Committee.

Section 7. This section amends section 106 of the Highway Safety Act of 1966 (80 Stat. 735) to prohibit the admission into evidence of any portion of any statement or information relating to a highway crash that has been furnished by any individual to the Secretary pursuant to section 403 of title 23 or of any portion of any report of the Secretary relating such crash or investigation thereof pursuant to section 403, in any subsequent criminal, civil or administrative proceeding, except administrative proceedings held by the National Transportation Safety Board under section 5(b)(1) of the Department Act and administrative proceedings held by the Department of Transportation under section 103 of the National Traffic and Motor Vehicle Safety Act. With respect to proceedings other than the expressly exempted proceedings of the Board and this Department, this amendment eliminates the requirement in section 106 for the admissibility of facts contained in departmental crash reports and the provision that employees or agents of the Department involved in the investigation of an accident may be required to testify as to the facts developed in such investigation. This amendment does not prevent a party or witness to a crash from adducing in any proceeding any statements or information which he may have also previously furnished the Secretary concerning such crash. It simply prevents him or any other person from attempting to use the knowledge of departmental employees or agents concerning those statements or information for evidentiary purposes.

Section 8. This section amends subsection (a) of section 202 of the Highway Safety Act of 1966 (80 Stat. 736) to change the date for the submission to the Congress of the annual report on the administration of the Act from March 1 to July 1.

Section 9. Paragraph (a) of this section authorizes the appropriation, for carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, of $150,000,000 for the fiscal year ending June 30, 1975.

Paragraph (b) of this section authorizes the appropriation, for carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration, out of the Highway Trust Fund, of $30,000,000 for the fiscal year ending June 30, 1975.

Paragraph (c) of this section authorizes the appropriation, for carrying out section 403 of title 23, United States Code (relating to highway safety research and develop-

ment), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, of such funds as are necessary.

Paragraph (d) of this section authorizes the appropriation for carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, of such funds as are necessary.

STATEMENT OF JUSTIFICATION

Section 2. The Department believes that one of the best uses of section 402 Federal funds would be to improve the effectiveness of all funds, State, local and Federal, spent for highway safety purposes. Since the ratio of Federal dollars to State and local dollars spent for such purposes is only 3:100, the use of Federal funds in this way would produce a multiplier effect and make a contribution to highway safety to an extent far beyond the amount of those funds.

To this end, section 2 of the bill would clarify the Secretary's authority to require that, as a precondition to Secretarial approval of a State program, the program provide for extensive planning, comprehensive administration and evaluation.

This amendment would help ensure that each State could properly synthesize its measures for implementing the standards into a single, cohesive highway safety program. By requiring improved planning, this amendment would also facilitate the coordination of the diverse elements and agencies involved in each State's program.

Section 2 would also amend section 402 so that section 402(a) would contain only substantive program requirements and section 402(b) would contain only administrative requirements. This rearrangement of requirements would be accomplished by deleting subparagraph (E), relating to driver education, from section 402(b) (1). The requirements in that subparagraph were incorporated into a standard on driver education in 1967. Under the proposed revision of the standards, one of the standards, No. 4, would relate solely to traffic safety education. The revised standard would contain upgraded and strengthened requirements for public and private driver education.

Section 3(a). This subsection would amend section 402(c) to authorize expressly the expenditure by the States of section 402 Federal funds for the conduct of manpower training programs necessary for the training of personnel required to implement a highway safety program standard within the States and of demonstration programs that the Secretary determined would contribute directly to the reduction of crashes, and the deaths and injuries resulting therefrom. Section 402(c) expressly authorizes the expenditure of section 402 Federal funds for the implementation of the State highway safety programs under section 402. However, even though section 402 requires or permits the inclusion in the State programs of demonstration projects (402(a)) and certain manpower training programs (e.g., 4042(b)(1)(E)), section 402(g) appears to prohibit the use of section 402 Federal funds for these activities. Section 402(g) provides that such funds may not be used for the research and development activities authorized by section 403. To make it clear that these jointly-authorized activities, which can be characterized as action programs or as research and development programs, may be funded under section 402, this amendment would expand the expressly authorized uses of section 402 funds to include these activities. This would be appropriate since these activities are frequently most effectively directed by the State and local levels of government.

This subsection would also amend section 402(c) to authorize the apportionment of one-half of one per centum of section 402 Federal funds to Indian tribes. A separate apportionment has been proposed since, although American Indians are disproportionately involved in fatal crashes and alcohol-related crashes, their highway safety needs are not being met under section 402. In some cases, this situation results from the position of State governments that they have no jurisdiction over Indian reservations. In others, State governments have concluded that Indian tribes are ineligible for Federal assistance under section 402. In almost all cases, there are a wide variety of factors that complicate relationships between State governments and Indian tribes.

This amendment, in conjunction with section 4 of this bill, would eliminate these obstacles to meeting Indian highway safety needs by providing Federal section 402 funds directly to the tribes through the medium of the Secretary of Interior. Use of the Secretary as the intermediary would substantially reduce administrative costs of providing the assistance by utilizing his Department's existing manpower, expertise and long-established liaisons with the tribes.

Sections 3(b). This subsection would amend section 402(c) to require that public road mileage to be used as a basis for the apportionment under that subsection to be determined as of the end of the calendar year preceding the year in which funds are to be apportioned and be certified by the Governor of the State and subject to the approval of the Secretary. While section 402(c) provides a definition of "public roads" for the purpose of that subsection, it does not ensure uniformity among the States in either the application of the definition or the timing of the determination. The procedures that would be established by this amendment would secure for each State its fair share of apportioned funds.

Section 3(c). To insure that the States implement the standards, section 402(c) prohibits the Secretary from apportioning any section 402 Federal funds to a State that is not implementing a program approved by him. The funds which would otherwise have been apportioned to the nonimplementing States are required to be reapportioned to the implementing States. The Department believes that the withholding in all cases of all funds from a State whose program may be deficient in only one or two standard areas could be counterproductive. This subsection of the bill would improve the effectiveness of the penalty by giving the Secretary more flexibility in assessing it and by enabling the States to recoup withheld funds. The amendment would authorize the Secretary to withhold all or a portion of a State's section 402 Federal funds for the State's failure to implement a fully approved program. Thus, the Secretary could still withhold all of a State's section 402 Federal funds for its nonimplementation of even a single standard. If the State remedied its failure within a specified period of time, it would receive the full amount of funds due it. Otherwise, the withheld funds would be redistributed to the implementing States.

As amended, the penalty authority could be utilized in appropriate cases to obtain implementation more quickly and with minimal dislocation of the financial arrangements of the States' highway safety efforts. The opportunity of the States to obtain immediate benefits from adopting and implementing a fully approved program would substantially increase the incentive to conform with the requirements of section 402.

Section 4. This section complements section 3(a) by providing that for the purposes of chapter 4 of title 23, Indian tribes having recognized governing bodies that perform substantive governmental functions shall together be considered as a "State" and the Secretary of the Interior shall be considered to be the "Governor" of that State. So that the absence of a substantial income would not prevent some tribes from participating in the benefits of this amendment, the Secretary would be authorized to increase the Federal share payable where he determined that tribe could not meet its share of the costs. To ensure that the Indians receive the maximum benefit from the Federal assistance, this amendment would also require that 95 per centum of the funds apportioned to the Secretary of the Interior be expended by the tribes within their jurisdictions. Since some of the highway safety needs of the Indians may be already being satisfied, this amendment provides that the standards shall apply to particular tribes only to the extent deemed appropriate by the Secretary.

Section 5. This section of the bill would expressly authorize the Secretary to perform any of the research and development activities authorized by section 403 through the giving of grants. The use of grants under section 403 appears to be limited to the conduct of training projects for highway safety personnel. The expanded grant authority would supplement the Secretary's current authority to contract for the performance of section 403 activities. In addition to expanding the Secretary's flexibility in implementing section 403, this amendment would also increase the number of persons and firms who would be eligible to perform the research and development activities.

This section of the bill would also authorize the Secretary to transfer, where he deemed it to be in furtherance of the purposes of chapter 4 of title 23, equipment purchased for section 403 demonstration projects to participating State and local governments. This authority would be especially important where the equipment had become an integral part of a project that a State desires to continue as part of its section 402 program. An example of such equipment would be communications equipment acquired for emergency medical services demonstration projects that would otherwise have to be replaced, probably with section 402 Federal funds, if the State were to continue such services. This amendment would ensure that the participating government would retain possession of the equipment and thereby prevent dislocation of the highway safety activities dependent upon the equipment.

Section 6. This section would expressly add the National Highway Traffic Safety Administrator to the National Highway Safety Advisory Committee. Such addition would be appropriate since the National Highway Traffic Safety Administration shares with the Federal Highway Administration the responsibility for administering the Highway Safety Act.

Section 7. Pursuant to the Highway Safety and National Traffic and Motor Vehicle Safety Acts, multidisciplinary accident investigation teams have been established to conduct in-depth studies of motor vehicle crashes. The data collected by the teams are being used to develop a reliable and extensive data base concerning the causes and effects of such crashes. The data have already contributed to the identification of several of the most common vehicle defects due to either normal use or lack of maintenance. They have also contributed to the promulgation of Federal motor vehicle safety standards.

The full value of the teams, unfortunately, cannot be realized under the provisions of section 106 of the Highway Safety Act. Despite assurances by the teams that their only purpose is safety research, they have been hampered in their work by the reluctance of parties to crashes to divulge crash information. The instances in which this has occurred are numerous. In a single year, one team was unable to obtain the full or, in many cases, even the partial cooperation of parties to more than 500 crashes. This refusal generally stems from the fear of an individual or of his legal counsel or insurer that his statements to the research team might be used against him in a subsequent proceeding.

The Department believes that it would be in the interest of highway safety to protect

people who voluntarily contribute to safety research so that their very act of public spiritedness does not place them in jeopardy.

To remove the impediments to research and to protect such persons, this section would amend section 106 of the Act to provide that no information furnished the Secretary by an individual concerning a crash and no portion of any report of the Secretary relating to a crash or the investigation thereof would be admissible in any subsequent proceeding, except certain proceedings conducted by the National Transportation Safety Board and the Department of Transportation. Similar restrictions on the use of reports by the Board on any accident or the investigation thereof appear at 49 U.S.C. 1441(e).

The Department believes that enabling the teams to assure parties to accidents and their representatives that their statements will not be used against them will allay their fears. The narrow exception concerning the Board's proceedings would permit this Department to continue to aid the Board in its safety work. The exception for this Department would ensure that the teams could continue to aid the Department in its establishment of Federal motor vehicle safety standards.

Section 8. Section 202(a) of the Act requires that the annual report on the administration of the Act be submitted by March 1 of the following year. However, some of the data necessary for the report are typically not available for analysis until after the date. This information includes many types of data from State agencies, such as detailed information on crashes, and deaths and injuries resulting therefrom. In order to provide adequate time for the preparation of a complete, comprehensive report, section 8 of the bill would change the submission date to July 1.

Section 9. This section would authorize the appropriation from the Highway Trust Fund of $150,000,000 in contract authority for fiscal year 1975 for the implementation of section 402 by the National Highway Traffic Safety Administration. These funds would be available for obligation in 1974. The new authorization is necessary to continue the program for the reduction of this Nation's tragic highway crash toll.

The proposed level of contract authority was determined primarily by the evaluation of the effectiveness of the section 402 program. We have not yet developed and validated ways of cost effectively impacting the target groups in the general population that contribute disproportionately to highway deaths and injuries. Accordingly, we will continue our current level of effort through 1974. In the coming fiscal years, we will be intensifying our continuing evaluative effort to identify cost-effective measures so that we may guide the States and communities in concentrating their efforts. By late spring of this year, we will complete our analysis of the first year of Selective Traffic Enforcement Project data and the second year of Alcohol Safety Action Project data. The analysis of this data will represent the first comprehensive evaluation of these demonstration projects. By fiscal year 1975, we anticipate having gained sufficient knowledge from these and other evaluative efforts to recommend inclusion of certain measures in the State and local programs. Current indications are that these measures will be in the following areas: (1) alcohol countermeasures; (2) selective and intensified traffic enforcement and related adjudication; (3) comprehensive traffic safety education; and (4) improved program planning, administration, and evaluation.

For carrying out section 402 by the Federal Highway Administration, this section would authorize the appropriation of $30,000,000 for fiscal year 1975 out of the Trust Fund. This contract authority would also be available for obligation in fiscal year 1974 and is commensurate with the current knowledge about cost-effective safety measures.

This section would also authorize open-ended funding out of the Trust Fund for the implementation of section 403 by the National Highway Traffic Safety Administration and of sections 307(a) and 403 by the Federal Highway Administration.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 27, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate
Washington, D.C.

DEAR MR. PRESIDENT: The Department of Transportation is submitting for your consideration and appropriate reference a draft bill "To amend the Highway Safety Act of 1966, title 23, United States Code, section 401 *et seq.* and for other purposes."

Since the enactment of the Highway Safety Act of 1966, the Department has issued 18 highway safety program standards to guide the efforts of the States in solving the problems of highway safety. Recently, the Department proposed to revise and consolidate these standards to increase the effectiveness of these efforts and to improve the program management capability of the States. To assist in the implementation of the programs, the Department has conducted manpower training programs, and developed and demonstrated new techniques for improving highway safety. This combined Federal-State effort is beginning to show benefits. Despite substantial annual increases in the number of drivers, vehicles and total vehicle miles, the rate of highway deaths per one hundred million miles driven has steadily declined to a record low.

The purpose of this legislation is to amend the Act to improve the Department's and the States' effectiveness in promoting highway safety.

To emphasize the need for maximizing the effectiveness of the State highway safety programs, this legislation would expressly require, as a precondition to Secretarial approval of a State program, that the program provide for extensive planning, administration and evaluation measures. This requirement would help to ensure that each State would properly synthesize its measures for implementing all of the standards into a single, cohesive program.

This legislation would amend section 402 so that section 402(a) would contain only substantive program requirements and section 402(b) would contain only administrative requirements. This clear separation of requirements by type would be accomplished by deleting subparagraph (E), relating to driver education, from section 402(b)(1). This amendment would not affect the driver education program since the requirements of subparagraph (E) have already been incorporated into a standard on that subject. A proposal to upgrade the requirements in that standard was published last year.

The Act provides that section 402 Federal funds may not be used for purposes authorized under section 403. This provision has created confusion about the intent of the statute with regard to the expenditure of section 402 funds for purposes which are authorized by both sections. To clarify the statutory intent, this legislation would expressly authorize the use of such funds for manpower training programs, and for demonstration programs that the Secretary determined would contribute directly to the reduction of accidents, and deaths and injuries resulting therefrom.

To clarify and standardize the procedures and criteria for determining the public road mileage to be used as a basis for apportioning Federal assistance under section 402, this legislation would add a requirement that such mileage be determined as of the end of the calendar year preceding the year in which the funds were to be apportioned and be certified by the Governor of the State and subject to the approval of the Secretary.

The Act requires the Secretary not to apportion any funds to a State which is not implementing a program approved by him. The unapportioned funds are to be redistributed to the implementing States. This legislation would improve the effectiveness of the penalty by giving the Secretary more flexibility in assessing it. The Secretary would be authorized to withhold all or a portion of a State's highway safety funds for the non-implementation of an approved program. The State would have the incentive of being able to receive the full amount of funds due it if it remedied its failure within a specified period of time. Otherwise, the withheld funds would be redistributed to the other States.

The problems of highway safety, like many other problems in this country, affect the American Indian disproportionately. The highway fatality rate and the percent of fatal crashes involving alcohol are above the national average. To ensure that the American Indian participates fully in the highway safety program, this legislation would make it clear that under the Act, "State" includes the Indian tribes collectively under the Secretary of the Interior as the "Governor" of that "State". As a "State", the tribes would be eligible to receive Federal funds under section 402.

This legislation would increase the Secretary's flexibility in implementing section 403 by expressly authorizing him to perform any of the research and development activities authorized by that section through the giving of grants. Presently, the giving of grants under section 403 appears to be limited to training projects for highway safety personnel.

This legislation would authorize the Secretary to transfer, where he deemed it to be in furtherance of the Act, equipment purchased for section 403 demonstration projects to participating State and local governments. This authority would be especially useful where the equipment had become an integral part of a project that a State seeks to continue as part of its section 402 program. An example of such equipment would be communications equipment purchased for demonstration projects in emergency medical services that would otherwise have to be replaced, possibly with section 402 Federal funds, if the State were to continue such services.

The Act expressly provides that the Secretary and the Federal Highway Administrator shall be members of the National Highway Safety Advisory Committee. To reflect the joint administration of the Act by the National Highway Traffic Safety Administration and the Federal Highway Administration, this legislation would expressly add the Administrator of the former Administration to the Committee membership.

Multi-disciplinary accident investigation teams, acting under present authority have had difficulty in persuading witnesses and especially parties to accidents to provide information necessary for highway safety research. This legislation would protect persons who are willing to aid the research effort by prohibiting the use of team accident reports as evidence and would thereby facilitate the obtaining of vital crash information.

The Act requires that the annual report on the administration of the Act be submitted by March 1 of the year following the year to which the report relates. However, some of the data necessary for the reports are typically unavailable for analysis until after that date. In order to provide adequate time for the preparation of a complete, compre-

hensive report, this legislation would change the submission date to July 1.

Full financing of the Highway Safety Act out of the Highway Trust Fund would be appropriate since the cost of insuring the safe operation of highway transportation is properly considered an integral part of the cost of highway transportation. Consequently, this legislation would authorize $150,000,000 in contract authority for fiscal year 1975 from the Trust Fund for the carrying out of section 402 of the Act by the National Highway Traffic Safety Administration. For carrying out this section by the Federal Highway Administration, contract authority would be authorized from the Trust Fund in the amount of $30,000,000 for fiscal year 1975. These funds would be available for obligation in fiscal year 1974.

This legislation would also authorize the appropriation of such funds as are necessary out of the Trust Fund for carrying out section 403 by the National Highway Traffic Safety Administration and for carrying out sections 307(a) and 403 by the Federal Highway Administration.

After a careful examination of this proposed legislation, the Department has concluded that no significant environmental impact would result from its implementation.

We urge the prompt introduction and early enactment of this legislation.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be consistent with the program of the President.

Sincerely,

CLAUDE S. BRINEGAR.

By Mr. HARTKE:

S. 1408. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, today I introduce legislation to give Federal employees the option of choosing social security coverage.

Mr. President, Federal employees represent the single largest group of workers in the United States who have been denied the privilege of obtaining the benefits of the social security system. As the largest single employer in the United States, the Federal Government can ill afford to continue to refuse to permit its employees the same protection as afforded almost all citizens.

Mr. President, I ask that a table listing the number of Federal employees in each State be printed in the RECORD at this point.

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

Federal civilian employment by state—1970

Alabama	54,308
Alaska	14,481
Arizona	27,502
Arkansas	16,561
California	303,536
Colorado	42,314
Connecticut	20,440
Delaware	4,719
District of Columbia	192,918
Florida	69,343
Georgia	73,764
Hawaii	26,338
Idaho	8,155
Illinois	110,726
Indiana	44,447
Iowa	18,067
Kansas	22,329
Kentucky	34,685
Louisiana	27,586
Maine	15,077
Maryland	121,814
Massachusetts	63,481
Michigan	53,436
Minnesota	29,286
Mississippi	20,278
Missouri	65,028
Montana	10,292
Nebraska	15,090
Nevada	8,051
New Hampshire	5,467
New Jersey	65,870
New Mexico	25,051
New York	177,834
North Carolina	37,331
North Dakota	8,051
Ohio	96,922
Oklahoma	52,836
Oregon	24,109
Pennsylvania	137,693
Rhode Island	14,619
South Carolina	29,301
South Dakota	9,251
Tennessee	44,803
Texas	144,666
Utah	38,250
Vermont	3,653
Virginia	138,764
Washington	52,563
West Virginia	13,279
Wisconsin	25,512
Wyoming	5,186
Total, United States	2,665,093

Mr. HARTKE. Mr. President, a Federal employee should be allowed to make the choice as to whether he will come under the social security system in addition to his civil service coverage. In effect, this puts the Federal employee on the same level as a private employee since most private employees get social security coverage in addition to whatever private pension they may have.

New Federal employees would have 2 years from the date of their employment within which to file a certificate indicating their desire for such coverage. Existing employees likewise have 2 years to make such election. This election generally can be retroactive for a 1-year period if the employee so chooses and if he pays the tax due.

In addition in order that employees might have a further opportunity because of changed family or financial conditions or for other good reason to elect coverage, at the end of a 5-year period each employee should have one further chance to elect coverage—there would be 6 months to elect coverage at that point.

The employee should continue to pay the employee tax but there would be no employer's share to be paid. This follows the precedent established in 1965 when coverage was extended to 1½ million individuals who receive earnings in the form of tips and gratuities. At that time, the Chief Actuary of the Social Security Administration testified that extension of social security coverage of these 1½ million individuals was an actuarially sound solution to that coverage problem. This would be equally true of extension of coverage to Federal employees because they are, as a group, generally conceded to be superior risks in terms of insurance actuarial considerations.

This Hartke proposal is supported by the National Association of Letter Carriers, the National Association of Internal Revenue Employees, the National Federation of Federal Employees, and the American Federation of Government Employees. Its cost has been estimated at 0.025 percent of payroll or about $155 million for 1974.

This proposal is actuarially sound. It is in the interest of the employees because it permits them to make the election in their own interest and it is in the interest of the Federal Government, not only from a budgetary point of view, but also because it closes the final large gap of coverage which remains under the social security system.

By Mr. JAVITS:

S. 1413. A bill to increase the authorization for fiscal year 1974 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped. Referred to the Committee on Labor and Public Welfare.

AMENDMENT TO JAVITS-WAGNER-O'DAY ACT

Mr. JAVITS. Mr. President, I introduce for appropriate reference a bill to amend Public Law 92–28 to increase the authorized appropriation for fiscal year 1974 from $200,000 to $240,000 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped. This legislation was proposed by the administration to the Congress and is consistent with the President's 1974 budget request.

The original cost estimates for operating the committee, when enacted in June of 1971, was based on little actual funding experience. Since the estimates were developed it has been found that an increase of $40,000 is needed in view of recent pay increases, unexpected space rental costs, and higher than expected postage costs. The proposed changes would permit the agency to carry out the duties and functions charged by the Congress so the blind and other severely handicapped will have enhanced opportunities to become self supporting.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 352

At the request of Mr. MCGEE, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 352, the voter registration bill.

S. 368

At the request of Mr. STAFFORD, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 368, the Uniform Services Special Pay Act of 1973.

S. 609

At the request of Mr. MCGEE, the Senator from West Virginia (Mr. ROBERT C. BYRD) was added as a cosponsor of S. 609, a bill to amend the Internal Revenue Code of 1954 with respect to .22 caliber ammunition recordkeeping requirements.

S. 648

At the request of Mr. MCGEE, the Senator from Delaware (Mr. BIDEN) and the Senator from Missouri (Mr. EAGLETON) were added as cosponsors of S. 648, to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes.

S. 650

At the request of Mr. PACKWOOD, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 650, to equalize Federal tax treatment of unmarried individuals.

S. 707

At the request of Mr. RIBICOFF, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 707, to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

S. 1033

At the request of Mr. PACKWOOD, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1033, the Timber Export Administration Act of 1973.

S. 1199

At the request of Mr. HOLLINGS, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1199, amending the Internal Revenue Code to permit a married couple to deduct certain household and dependent care expenses when one spouse is a full-time student to the same extent that a deduction would be allowable were both spouses employed.

S. 1255

At the request of Mr. MUSKIE, the Senator from Rhode Island (Mr. PASTORE), the Senator from Massachusetts (Mr. BROOKE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 1255, the Property Tax Relief and Reform Act.

S. 1296

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Arizona (Mr. GOLDWATER), I ask unanimous consent that, at the next printing, the names of the Senator from Minnesota (Mr. MONDALE), the Senator from Alabama (Mr. SPARKMAN), and the Senator from New Jersey (Mr. WILLIAMS) be added as cosponsors of S. 1296, the Grand Canyon National Park Enlargement Act.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

SENATE JOINT RESOLUTION 21

At the request of Mr. MCGEE, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of Senate Joint Resolution 21, a joint resolution to create an Atlantic Union delegation.

REMOVAL OF COSPONSOR OF A BILL

S. 1134

Mr. HATFIELD. Mr. President, I am presently listed as a cosponsor of S. 1134, the Deep Seabed Hard Mineral Resources Act. This is an error, and I ask unanimous consent that the official record be corrected. I am not a cosponsor of this legislation.

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

ORDER FOR A STAR PRINT OF A BILL

Mr. GRIFFIN. Mr. President, due to a clerical error, section 3 of S. 1296 as introduced, entitled Grand Canyon National Park Enlargement Act, contains an error on page 2, lines 15 and 16.

The park area is described as "one million one hundred and sixty-three thousand seven hundred and sixty-five" acres, when in fact it should have read "one million one hundred and ninety-six thousand nine hundred and twenty-five" acres.

On behalf of the principal sponsor of the measure, the Senator from Arizona (Mr. GOLDWATER), I ask unanimous consent that a star print of S. 1296 be made which corrects the error by making the appropriate change.

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

SENATE CONCURRENT RESOLUTION 19—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE ESTABLISHMENT OF AN APPROPRIATIONS CEILING

Mr. BARTLETT. Mr. President, I have at the desk a concurrent resolution to establish an appropriations ceiling. I make the unanimous-consent request that it be referred to the Committee on Government Operations and at such time as it is reported by that committee, if it is reported, that it then be referred to the Standing Committee on Rules and Administration, where it would be otherwise referred.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I think I understood what the distinguished Senator's request was. I shall not object provided the distinguished Senator from Nevada (Mr. CANNON) may so object on his return to the Senate on tomorrow, or Friday, or Monday. He is chairman of the Committee on Rules and Administration, and I do not think he would have objection. This concurrent resolution would ordinarily be referred to that committee.

In view of the fact that he is not on the floor at this time, I will not object if we could have the understanding that the distinguished Senator from Nevada (Mr. CANNON), who is chairman of the committee, could void the unanimous consent if he so chose to do so. I do not think he would object, but I cannot speak for him.

Mr. BARTLETT. Would the Senator agree to this: If I could contact him by phone or otherwise and he were agreeable to this request, we could proceed with referral tomorrow or Friday?

Mr. ROBERT C. BYRD. Surely. That is perfectly all right. I would then make it clear for the record that there was no objection.

The PRESIDING OFFICER. Does the Senator from West Virginia wish to hold up the printing of that measure?

Mr. ROBERT C. BYRD. No; let the printing go ahead.

Mr. BARTLETT. My interest, of course, is to have the measure printed and be in the hands of the Government Operations Committee on Monday, where I am going to testify on behalf of it.

Mr. ROBERT C. BYRD. Yes. Again I say I do not think the Senator from Nevada would object. He is chairman of the committee and, as a courtesy to him, I would like not to object to the request on condition that the chairman of that committee, which has jurisdiction over this measure, would not object, and I do not think he would because, as I understood the Senator, after the Committee on Government Operations has an opportunity to consider the measure, and if it reports the measure, it would then be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. That was a part of the unanimous-consent request.

Mr. ROBERT C. BYRD. With that understanding, I do not object.

Mr. BARTLETT. Mr. President, I make the request with that understanding.

The concurrent resolution is as follows:

S. CON. RES. 19

Resolved by the Senate (the House of Representatives concurring), That the Standing Rules of the Senate are amended by adding at the end thereof the following new rule:

"RULE XLV

"APPROPRIATIONS CEILINGS

"1. For the purposes of this rule—

"(1) 'budget' means the budget of the United States Government transmitted to the Congress by the President pursuant to the Budget and Accounting Act, 1921; and

"(2) 'obligational authority includes loan authority.

"2. (a) The Committee on Finance and the Committee on Appropriations shall meet jointly, at the beginning of each regular session of Congress, and after study and consultation, giving due consideration to the budget transmitted by the President with respect to the next fiscal year, report as soon as practicable to the Senate a bill or joint resolution specifying the total amount of new obligational authority to be made available for the United States Government in general appropriations measures for such year.

"(b) If the amount specified in such a bill or joint resolution with respect to a fiscal year agreed to by the Senate and House of Representatives is not the same, conferees on the part of the Senate shall be appointed not later than two days after the House of Congress passing the bill or joint resolution last passes such bill or joint resolution, unless within those 2 days both Houses of Congress agree upon the same total amount of new obligational authority with respect to such fiscal year without the convening of a committee of conference. Upon appointment of conferees, the Senate conferees shall meet immediately with the conferees on the part of the House of Representatives, in such committee of conference, to resolve differences between the two Houses.

"(c) It shall not be in order in the Senate to consider any measure providing new obligational authority with respect to any fiscal year until there has been enacted into law with respect to such fiscal year a bill or joint resolution of the kind referred to in subparagraph (a) of this paragraph. The provisions of this subparagraph shall not preclude the holding of hearings or other consideration of the budget submitted by the President by any committee of the Senate, or any subcommittee thereof, or by the Senate Members of any joint committee of the two Houses, or any subcommittee thereof.

"(d) After such a bill or joint resolution has been enacted into law with respect to such fiscal year, the amount so established shall be effective for purposes of this rule unless there subsequently has been enacted into law a bill or joint resolution with respect to such fiscal year establishing a different amount. If such a bill or joint resolution has been enacted, the amount established in such subsequent bill or joint

resolution shall be effective for purposes of this rule for such fiscal year. The provisions of subparagraph (b) of this paragraph shall apply with respect to any such subsequent bill or joint resolution.

"3. (a) Except as otherwise provided in subparagraph (c) of this paragraph, all general appropriations measures, including any such measure which has passed both Houses of Congress without any differences, with respect to a fiscal year shall be committed to the same committee of conference of the two Houses. The conferees on the part of the Senate to such committee shall not meet until all such measures with respect to such fiscal year have been committed to that same committee of conference. Such conferees shall thereafter consider all such measures together at the same committee of conference, and all conference reports with respect to such measures shall be filed in the Senate at the same time. The total amount of new obligational authority to be made available for that fiscal year under all conference reports with respect to such measures shall not exceed the total amount of new obligational authority established and in effect for the United States Government at the time such conference reports are reported to the Senate. However, conference reports, providing new obligational authority in excess of the total amount of new obligational authority then in effect, may be filed if the committee of conference at the same time recommends an increase in the total amount of new obligational authority then in effect which amount, when so increased, will not be less than the total amount of new obligational authority contained in such conference reports. Such conference reports may not be considered until such total amount has been so increased by bill or joint resolution.

"(b) It shall not be in order to consider any conference report on any such measure in the Senate if such report has not been considered by the committee of conference in accordance with this paragraph. No point of order may be made in the Senate with respect to any portion of a conference report containing an item providing new obligational authority which is less than the amount passed by either House.

"(c) The provisions of this paragraph shall not apply to any general appropriations measure making deficiency, emergency, or supplemental appropriations.

"4. It shall not be in order in the Senate to consider any conference report on a general appropriations measure making deficiency, emergency, or supplemental appropriations with respect to a fiscal year if the total amount of new obligational authority provided under such measure, when added to such authority for such year already enacted into law or contained in conference reports filed but not enacted into law, exceeds the total amount of new obligational authority established and in effect for the United States Government at the time such deficiency, emergency, or supplemental appropriations measure is to be considered."

SEC. 2. The Rules of the House of Representatives are amended by adding at the end thereof the following new rule:

"RULE XLV

"APPROPRIATIONS CEILINGS

"1. For the purposes of this rule—

"(1) 'budget' means the budget of the United States Government transmitted to the Congress by the President pursuant to the Budget and Accounting Act, 1921; and

"(2) 'obligational authority' includes loan authority.

"2. (a) The Committee on Ways and Means and the Committee on Appropriations shall meet jointly, at the beginning of each regular session of Congress, and after study and consultation, giving due consideration to the budget transmitted by the President with respect to the next fiscal year, report as soon as practicable to the House a bill or joint resolution specifying the total amount of new obligational authority to be made available for the United States Government in general appropriations measures for such year.

"(b) If the amount specified in such a bill or joint resolution with respect to a fiscal year agreed to by the Senate and House of Representatives is not the same, conferees on the part of the House shall be appointed not later than two days after the House of Congress passing the bill or joint resolution last passes such bill or joint resolution, unless within those 2 days both Houses of Congress agree upon the same total amount of new obligational authority with respect to such fiscal year without the convening of a committee of conference. Upon appointment of conferees, the House conferees shall meet immediately with the conferees on the part of the Senate, in such committee of conference, to resolve differences between the two Houses.

"(c) It shall not be in order in the House to consider any measure providing new obligational authority with respect to any fiscal year until there has been enacted into law with respect to such fiscal year a bill or joint resolution of the kind referred to in paragraph (a) of this clause. The provisions of this paragraph shall not preclude the holding of hearings or other consideration of the budget submitted by the President by any committee of the Senate, or any subcommittee thereof, or by the House Members of any joint committee of the two Houses, or any subcommittee thereof.

"(d) After such a bill or joint resolution has been enacted into law with respect to such fiscal year, the amount so established shall be effective for purposes of this rule unless there subsequently has been enacted into law a bill or joint resolution with respect to such fiscal year establishing a different amount. If such a bill or joint resolution has been enacted, the amount established in such subsequent bill or joint resolution shall be effective for purposes of this rule for such fiscal year. The provisions of subparagraph (b) of this clause shall apply with respect to any such subsequent bill or joint resolution.

"3. (a) (1) Except as otherwise provided in subparagraph (3) of this paragraph, all general appropriations measures, including any such measure which has passed both Houses of Congress without any differences, with respect to a fiscal year shall be committed to the same committee of conference of the two Houses. The conferees on the part of the House to such committee shall not meet until all such measures with respect to such fiscal year have been committed to that same committee of conference. Such conferees shall thereafter consider all such measures together at the same committee of conference, and all conference reports with respect to such measures shall be filed in the House at the same time. The total amount of new obligational authority to be made available for that fiscal year under all conference reports with respect to such measures shall not exceed the total amount of new obligational authority established and in effect for the United States Government at the time such conference reports are reported to the House. However, conference reports, providing new obligational authority in excess of the total amount of new obligational authority then in effect, may be filed if the committee of conference at the same time recommends an increase in the total amount of new obligational authority then in effect which amount, when so increased, will not be less than the total amount of new obligational authority contained in such conference reports. Such conference reports may not be considered until such total amount has been so increased by bill or joint resolution.

"(2) It shall not be in order to consider any conference report on any such measure in the House if such report has not been considered by the committee of conference in accordance with this paragraph. No point of order may be made in the House with respect to any portion of a conference report containing an item providing new obligational authority which is less than the amount passed by either House.

"(3) The provisions of this paragraph shall not apply to any general appropriations measure making deficiency, emergency, or supplemental appropriations.

"(b) It shall not be in order in the House to consider any conference report on a general appropriations measure making deficiency, emergency, or supplemental appropriations with respect to a fiscal year if the total amount of new obligational authority provided under such measure, when added to such authority for such year already enacted into law or contained in conference reports filed but not enacted into law, exceeds the total amount of new obligational authority established and in effect for the United States Government at the time such deficiency, emergency, or supplemental appropriations measure is to be considered."

SEC. 3. The provisions of this concurrent resolution are agreed to by the Congress—

(1) as an exercise of the rulemaking powers of that House of Congress to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(8) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

LAND USE POLICY AND PLANNING ASSISTANCE ACT OF 1973—AMENDMENT

AMENDMENT NO. 61

(Ordered to be printed, and referred to the Committee on Interior and Insular Affairs.)

Mr. NELSON (for himself, Mr. JACKSON, and Mr. HATFIELD) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 268) to establish a national land use policy, to authorize the Secretary of the Interior to make grants to assist the States to develop and implement State land use programs, to coordinate Federal programs and policies which have a land-use impact, to coordinate planning and management of Federal lands and planning and management of adjacent non-Federal lands, and to establish an Office of Land Use Policy Administration in the Department of the Interior, and for other purposes.

PAR VALUE MODIFICATION ACT—AMENDMENTS

AMENDMENT NO. 62

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

Mr. CHILES submitted an amendment, intended to be proposed by him, to the bill (S. 929) to amend the Par Value Modification Act.

AMENDMENT NO. 63

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

Mr. HATFIELD. Mr. President, I send to the desk an amendment to S. 929, the Par Value Modification Act, which directs the Secretary of the Treasury to

coin no more than 60 million $25 gold pieces commemorating the American Revolution Bicentennial. This represents a potential total sale value of $1.5 billion. However, as the coin would contain two parts gold to one part of such other metal or alloy as the Secretary of the Treasury deems appropriate, this would probably represent only about $1 billion in gold sales or only about 4 percent of the current market value of gold held by the U.S. Treasury.

Such an "American Revolution Commemorative" coin would represent a fitting tribute to 200 years of the continuing American Revolution—a revolution that has worked. It would dramatize the strength and wealth of the richest and most prosperous country in the world—a country that has gone from a paper currency that was once "not worth a Continental" to one where at least one coin is "as good as gold."

The "American Revolution Commemorative" coin is set at $25, so that it is within the financial reach of virtually all American families, and the number of coins to be issued is roughly equal to the number of households in the United States. The Secretary of the Treasury is authorized to limit the number of gold pieces which any one person may purchase, thus insuring that all American families may have the chance to share in this commemorative issue.

The American Revolution was a shining symbol to the world of 1776. With great pride we should settle for no less a symbol of its 200th anniversary than a gold coin. This coin, of modest denomination and available to all American families, would be a widely popular and worthy symbol that the American Revolution and its memory are still as "good as gold," and it will increase in worth and value to its holders, as has the Revolution that it commemorates.

AMENDMENT NO. 64

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

Mr. HATFIELD. Mr. President, I send to the desk an amendment to S. 929, the Par Value Modification Act, which legalizes the holding, buying, and selling of gold by any American citizen and which directs the Secretary of the Treasury to sell not less than 10 million ounces of gold per year by auction to American citizens.

My position, and those of my cosponsors, on legalizing gold ownership by American citizens is well known. I originally proposed legislation to this effect in the 92d Congress. This bill is even more needed today when it appears that there has emerged a broad consensus among American, European, and International Monetary Fund officials that gold should be deemphasized as part of the world's monetary system. Our own Joint Economic Committee's Subcommittee on International Economics has made the same recommendation. The time is now for the "sense of the Senate" to be heard on this issue when the Group of 20 of the IMF are meeting in Washington this week to consider reforming the international monetary system. As I noted earlier in a lengthier discussion of this issue, more than 70 countries allow their citizens to hold gold. Surely American citizens should be granted no less a privilege. Indeed, when the roughly $50 billion in gold held by the world's monetary authorities is allowed to be sold gradually over the years, there will be more than enough gold available for purchases by American citizens.

However, legalization of gold holdings by Americans is only half the picture of demand and supply. Increased demand alone would simply drive up the speculative price of gold to even higher, destabilizing levels—and would benefit only speculators, and Russian and South African gold sales in European markets. The other half of this equation—the supply side—also requires analysis and action. This amendment would direct the Treasury to sell no less than 10 million ounces of gold by auction annually. This represents only about 3 percent of our existing gold holdings—enough gold to sell at this rate past the year 2000. The adoption of this amendment by the Senate would indicate a "sense of the Senate," in that it believes gold should be gradually "demonetized" and play a gradually diminishing role as a part of the international monetary system. This "sense of the Senate" would reinforce the Treasury in its negotiations with other countries in the reform of the international monetary system now taking place. That is why this amendment is so crucially needed now, while the Committee of 20 are meeting in Washington.

The Senate should send a signal of its views on the future role of gold.

This amendment would have other strong effects:

First. It would tend to stabilize gold markets, in that future gold supplies—about 50 million ounces produced annually—flowing to markets would be increased by 20 percent—thus probably more than offsetting any increased demand for gold by legalization of American gold holdings. The abnormally high gold prices in current weeks only tends to shake the world's confidence in the dollar and the current arrangement of par values. The great divergence between free market gold prices—now over $90 per ounce—and the new official price of $42.22 per ounce only tends to weaken the present monetary system and the strength of the dollar. The United States alone is sitting on about $12 billion of gold—at official prices—but which is more than $25 billion at free market prices. Surely the "sense of the Senate" that the United States—as well as the IMF and other monetary authorities—should begin a gradual sell-off of the "surplus stockpile" would be a major signal that it is the dollar and not gold that is the more reliable repository as a storehouse of value.

Second. It would fight inflation and help achieve the price stabilization objectives of the administration. Prices of industrial gold use—be it for class rings, wedding bands, jewelry, dental, electronics—have more than doubled in the past 2 years. Limited gold sales would reduce these prices.

Third. It would provide jobs to the gold industry whose 1,700 firms and 65,000 employees are affected by inflated gold values and the restricted volume of production.

Fourth. It would aid the U.S. balance of payments. U.S. gold users now import between 6 and 8 million ounces—or roughly half a billion dollars. Treasury sales of 10 million ounces would probably eliminate such imports and might even provide some export earnings. At free market auction price of $50 per ounce, this is a $500 million balance-of-payments savings; at $70 per ounce, this saves—or earns—$700 million.

Fifth. Finally, for budgetary reasons, the U.S. Treasury reduces its expenditures—such "stockpile" sales would be regarded as a "negative expenditure," thus helping to keep us below a $268 billion ceiling. Depending upon the market value of gold, given the offsetting increased demand from American purchases and Treasury sales, the revenue effect should be between $0.5 and $1 billion over the next 30 years that the gold stock would persist at this gradual rate of reduction.

Above all, the holding, buying, and selling of gold, both by American citizens and the American Government, will signal to the world that gold is being "demonetized," that the dollar and other paper currencies are the better monetary standards for the world, that Americans can now be as free as others to hold and trade in gold. The Senate should ratify this commonsense view that gold should be useful to mankind above ground, and not simply a metal to dig up in one country and bury in another.

AMENDMENT NO. 65

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

Mr. NELSON submitted an amendment, intended to be proposed by him, to Senate bill 929, supra.

AMENDMENT NO. 66

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

Mr. PROXMIRE submitted an amendment, intended to be proposed by him, to Senate bill 929, supra.

AMENDMENT NO. 67

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

CONTROL OF FEDERAL EXPENDITURES

Mr. BAYH. Mr. President, I send to the desk an amendment to S. 929, the devaluation bill. This amendment would set a spending ceiling for fiscal 1974 of $268.7 billion, precisely as suggested by President Nixon. It would also grant the President the authority to reserve from expenditures such amounts as are necessary to meet that spending ceiling during fiscal year 1974, provided that he withholds funds proportionately and within specified limits in all programs and activities except nine in which withholding would not be appropriate or legal, such as interest on the debt and judicial salaries. This assures that congressional priorities are respected even if it develops that withholding is necessary.

President Nixon stated in his budget message that—

> The surest way to avoid inflation or higher taxes or both is for the Congress to join me in a concerted effort to control federal spending.

He specifically suggested that before Congress acts on the budget:

It establish a rigid ceiling on spending, limiting total 1974 outlays to the $268.7 billion recommended in this budget.

The amendment I introduce today accomplishes that goal.

Like many others across the country, Mr. President, I am deeply disturbed about the priorities suggested in President Nixon's proposed budget. As a member of the Appropriations Committee, I hope to play a role in ordering our priorities in a way which meets more human needs than the budget the administration proposed. But while I disagree with the President's priorities, I do agree with the President that the limit on our expenditures in fiscal 1974 should be the revenues which would be produced by a full-employment economy—$268.7 billion under current tax laws. I believe there is a sufficient amount within the proposed limit, if we choose priorities carefully and demand that the funds be spent effectively and efficiently in all areas, to continue and, where appropriate, to expand important programs.

I favor the $268.7 billion limit for two basic reasons, one economic and one social. First, it represents a full-employment balanced budget. If we spend significantly more than this, we will risk sparking more inflation—especially in view of the unsatisfactory weak phase III guidelines. If we spend significantly less, we will risk an increase in the already too high level of unemployment. The stimulative effect of a full-employment balanced budget is needed to combat the over 5-percent unemployment we now suffer.

Second, at this point in time it appears the full $268.7 billion may be needed to meet the legitimate domestic and foreign policy demands on the Federal Government. We can decide on that finally only after the appropriations hearing process is completed, of course, but I see no good reason to tie our hands now to another figure. I will join the fight to cut unnecessary or wasteful spending anywhere in the budget—in poverty programs or defense, in foreign aid or health—but it does not now appear likely we will be able to cut enough out of the budget to finance needed and valuable programs and still spend less than $268.7 billion. And, as I said, it would be inflationary to spend more under current tax laws. If Congress approves tax reform measures which raise revenues without affecting individual taxpayers—if, for example, we repeal the accelerated depreciation for business boondoggle as I have proposed—then those funds could be spent to meet real needs without inflationary impact. But we cannot responsibly act now in the hope that meaningful tax reform will be passed in time to affect the 1974 budget.

In detail, my amendment does the following:

Sets a spending ceiling of $268.7 billion for fiscal year 1974;

Directs the President to report to Congress by June 1, 1973, on revised estimates of full-employment revenues for fiscal 1974, so that Congress can reassess the spending ceiling, if appropriate;

Directs the President to withhold funds proportionately in all programs and activities—with the following exceptions: interest; veterans benefits, and services; payments from social insurance trust funds; public assistance maintenance grants; medicaid; social services grants under title IV of the Social Security Act; food stamps; military retirement pay; and judicial salaries—if clearly necessary to meet the $268.7 billion limit; limits to 10 percent the amount by which any one program, activity or item within any spending authority may be reduced; and provides that if the President wishes to exceed the 10-percent limitation he shall submit his proposal to Congress and it will be effective unless disapproved by either House within 60 days under an expedited procedure.

I should add a word about the grant of authority to the President to withhold funds. In my view, unilateral Executive impoundments of funds imposed, because the President no longer believes a program worth while or because of broad economic policy considerations are unconstitutional and in violation of the doctrine of separation of powers. For that reason I am a sponsor of S. 373, the impoundment procedures bill introduced by the distinguished senior Senator from North Carolina (Mr. ERVIN). But in the present situation—with inflation a serious problem, and with Congress about to reform its budgetary procedures, hopefully in time for the fiscal 1975 budget—I believe a temporary and limited grant of power to the President to withhold funds to keep spending to $268.7 billion is proper. This part of my amendment is very similar to a provision, introduced by our former colleague, Len B. Jordan, which the Senate passed last year as part of the debt-ceiling extension. It is also similar to amendment No. 51 to S. 929 introduced by the distinguished Senator from Texas (Mr. BENTSEN). But my version differs from Senator BENTSEN's in one crucial respect: while under his amendment it takes a resolution passed by both Houses to disapprove a proposed withholding in one program in excess of 10 percent under mine it takes only the disapproval of one House. To require both Houses to act affirmatively within 60 days to disapprove a large reduction in a program is to grant the President too much power to reorder priorities without congressional imput, especially in view of the fact that our early action this year will provide sufficient time for the President to suggest and Congress to make necessary adjustments as the year goes along.

Finally, Mr. President, I wish to make an obvious point. The proposal I put forward today is not a final answer to our budgetary problems. It is but a temporary measure to deal with immediate problems. Within the next year, I hope, Congress will reform its procedures so as to control spending as well as obligational authority; to get an overview of the entire budget, including contract authority and other so-called backdoor spending; and to consider fully the economic consequences of Government spending.

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

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

AMENDMENT No. 67

At the appropriate place, insert the following new section:

"SEC.—.(a) Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government, shall not exceed $268,700,000,000.

"(b)(1) Notwithstanding the provisions of any other law, the President shall in accordance with this section, reserve from expenditure and net lending, from appropriations or other obligational authority heretofore or hereafter made available, such amounts as may be necessary to effectuate the provisions of this section. In no event, however, shall such reservations be made until there is sufficient information available to indicate clearly that the figure referred to in subsection (a) of this section is going to be exceeded, and the President has submitted to Congress the reasons he has decided to impose reservations under this section.

"(2) In carrying out the provisions of paragraph (1) of this subsection, the President shall reserve amounts proportionately from appropriations or other obligational authority available for all programs and activities except for expenditures and net lending for

"(A) interest;

"(B) veterans' benefits and services;

"(C) payments from social insurance trust funds;

"(D) public assistance maintenance grants;

"(E) medicaid;

"(F) social services grants under title IV of the Social Security Act;

"(G) food stamps;

"(H) military retirement pay; and

"(I) judicial salaries.

"(3) In carrying out the provisions of paragraphs (1) and (2) of this subsection, no amount specified in any appropriations or other obligational authority for fiscal 1974 for any activity, program, or item within such appropration or other authority may be reduced by more than 10 per centum.

"(c) In the administration of any program as to which—

"(1) the amount of expenditures is limited pursuant to subsection (a) of this section; and

"(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution; the amount available for obligation (as determined by the President) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

"(d) In carrying out the provisions of subsections (a) and (b), should the President find it necessary or desirable to exceed the 10 percentum limitation provided in paragraph (3) of subsection (b), he shall notify Congress of those programs and activities for which he believes it desirable to reduce funds in excess of such 10 per centum, the amounts of such excess reductions; and the reasons for and anticipated impact of such reductions. Any such excess reduction shall be effective within the first period of sixty calendar days of continuous session of Congress after the date on which such notice is transmitted to it, unless between the date of such transmittal and the end of the sixty-day period, either the Senate or the House of Representatives agrees to a resolution stating that it does not favor that excess reduction. For the purpose of this subsection, (1) continuity of session is broken only by an adjournment of Congress sine die, and (2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

"(e) If the committee to which a resolution with respect to a proposed excess reduction has been referred has not reported it at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of any other resolution with respect to the proposed excess reduction which has been referred to the committee.

"(1) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed excess reduction), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same proposed excess reduction.

"(f) When the committee has reported, or has been discharged from further consideration of a resolution with respect to a proposed excess reduction, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(1) Debate on the resolution shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(g) Motions to postpone, made with respect to the discharge from committee or the consideration of, a resolution with respect to a proposed excess reduction, and motions to proceed to the consideraiton of other business, shall be decided without debate.

"(1) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, or the procedure relating to a resolution with respect to a proposed excess reduction shall be decided without debate.

"(h) The President shall submit to Congress on or before June 1, 1973 revised estimates, if any, of full-employment revenues for the fiscal year ending June 30, 1974."

AMENDMENT NO. 68

(Ordered to be printed.)

Mr. EAGLETON proposed an amendment to Senate bill 929.

NOTICE OF HEARINGS RELATING TO POSTAL RATES FOR SECOND-CLASS MAGAZINE PUBLICATIONS

Mr. McGEE. Mr. President, I wish to announce that hearings have been scheduled for April 2 and 3, 1973, on S. 411, S. 630, S. 842, and H.R. 4128, legislation relating to postal rates for second-class magazine publications.

The hearings will be held Monday, April 2, and Tuesday, April 3, at 10 a.m., in room 6002, Dirksen Senate Office Building. Those wishing to testify may arrange to do so by contacting Mrs. Donna Yee of the committee staff at 225–5451.

NOTICE OF HEARING ON OCEANS AND INTERNATIONAL ENVIRONMENT

Mr. PELL. Mr. President, I wish to announce that on April 17, the Subcommittee on Oceans and International Environment of the Committee on Foreign Relations will begin 2 days of public hearings on the Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage and the amendments to the 1954 Prevention of Pollution of the Sea by Oil Convention (Ex. K, 92–2) and the Oil Pollution Compensation Act (S. 841). The hearings will be held in room 4221 of the Dirksen Senate Office Building, beginning at 10 a.m.

At that time the committee expects to hear executive branch witnesses and other interested individuals. Persons wishing to testify should communicate with the chief clerk of the committee.

NOTICE OF HEARINGS ON S. 1155

Mr. PELL. Mr. President, I wish to announce that on April 16 the Subcommittee on Oceans and International Environment of the Committee on Foreign Relations will conduct public hearings on S. 1155, the United Nations Environment Program Participation Act of 1973. The hearings will be held in room 4221 of the Dirksen Senate Office Building, beginning at 10 a.m.

At that time the committee expects to hear executive branch witnesses and other interested individuals. Persons wishing to testify should communicate with the chief clerk of the committee.

NOTICE OF HEARINGS ON FOOD PRICES

Mr. JOHNSTON. Mr. President, the Subcommittee on Production and Stabilization of the Committee on Banking, Housing and Urban Affairs will commence hearings on food prices at 2 p.m. April 4, 5, 6, and 9, in room 5302, New Senate Office Building.

All persons wishing to testify should contact Gerald Allen, room 5300, New Senate Office Building; telephone 225–7391.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

James F. Companion, of West Virginia, to be U.S. attorney for the northern district of West Virginia for the term of 4 years, vice Paul C. Camilletti, resigning.

James N. Gabriel, of Massachusetts, to be U.S. attorney for the district of Massachusetts for the term of 4 years, vice Joseph L. Tauro.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, April 4, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON NOMINATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 4, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Vincent P. Biunno, of New Jersey, to be U.S. district judge for the district of New Jersey, vice Robert Shaw, deceased.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND) chairman; the Senator from Arkansas (Mr. McCLELLAN) and the Senator from Nebraska (Mr. HRUSKA).

NOTICE OF HEARING ON NOMINATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 4, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Daniel J. Snyder, Jr., of Pennsylvania, to be U.S. district judge for the western district of Pennsylvania, vice Joseph F. Weis, Jr.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND) chairman; the Senator from Arkansas (Mr. McCLELLAN) and the Senator from Nebraska (Mr. HRUSKA).

ADDITIONAL STATEMENTS

OPENING STATEMENT OF SENATOR McCLELLAN FOR SUBCOMMITTEE ON DEFENSE APPROPRIATIONS BUDGET HEARINGS

Mr. COTTON. Mr. President, on Monday, we began our hearings in the Defense Appropriations Subcommittee on the fiscal 1974 budget for the Department of Defense. The chairman of the Committee on Appropriations, the distinguished senior Senator from Arkansas, set the tone for our deliberations this year with a well documented opening statement that is valuable reading for every Senator and every citizen.

In comparing defense spending to other areas the chairman noted that:

20 years ago, defense spending was nearly double that of all other federal agencies and departments combined. Today, the other federal agencies spend a total of more than twice as much as defense.

20 years ago, defense spending was nearly double that of all state and local governments combined. Today, state and local government spending is more than double that for defense.

20 years ago, total defense manpower was nearly equal to all other public employment—federal, state and local—combined. Today, such public employment exceeds defense manpower by nearly 4 to 1.

20 years ago, about 49 cents out of every tax dollar—federal, state and local—went for defense. Today, this figure comes to around 20 cents—a reduction of 60%.

Today, the defense share of the U.S. gross national product, of the labor force, and of the federal budget is lower than at any time since 1950.

Today, defense spending has gone below prewar levels in terms of what the dollar will buy for the first time in American history—either after or during a war.

Mr. President, these are powerful facts that disprove indeed the two misconceptions that defense spending is the cause of our runaway budget and that the humanitarian concerns are being shortchanged. As it has been noted before, the priorities in the budget between human resources and defense have been almost exactly reversed since 1969—with human resources outlays rising to 47 percent of the 1974 budget while defense drops to 30 percent. In order that the entire Senate as well as the public might have the opportunity to read this excellent analysis of what the chairman has rightfully described as "the premium for America's survival insurance" I ask unanimous consent that the full statement be printed in the RECORD.

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

STATEMENT OF CHAIRMAN JOHN L. MCCLELLAN

(NOTE.—In constant fiscal 1973 prices, present defense outlays are $34.3 billion (about one-third) below the fiscal 1968 wartime peak. They have fallen sharply in each of the past 5 years, and fiscal 1973 outlays represent the lowest level since fiscal 1951.)

Today, the Senate Defense Appropriations Subcommittee begins hearings on the Fiscal 1974 budget for the Department of Defense.

The Administration has requested Congressional approval of new defense budget authority totaling $85.2 billion, with outlays during the coming fiscal year expected to reach $79 billion.

Such expenditures by any measure are an immense sum.

There can be little question that the premiums for America's survival insurance are high.

However, there are other significant facts which relate to our national defense commitment.

These facts and their supporting statistics are seldom given headlines.

They are frequently omitted in discussions of federal spending.

They are rarely cited by the critics.

They are not popular indicators of our defense posture, but nonetheless, they are true; and they especially warrant full consideration as these hearings progress:

20 years ago, defense spending was nearly double that of all other federal agencies and departments combined. Today, the other federal agencies spend a total of more than twice as much as defense. (In 1953 defense spending $50.4 billion—all other agencies and departments $26.8 billion. In 1973 defense spending $74.8 billion—other agencies and departments $174.9 billion.)

20 years ago, defense spending was nearly double that of all state and local governments combined. Today, state and local government spending is more than double that for defense. (In 1953 defense spending $50.4 billion—all state and local governments $27 billion. In 1973 defense spending $74.8 billion—all state and local governments $182.5 billion.)

20 years ago, total defense manpower was nearly equal to all other public employment—federal, state and local—combined. Today, such public employment exceeds defense manpower by nearly 4 to 1. (In 1953 defense manpower 4.8 million—all other 5.4 million. In 1973 defense manpower 3.3 million—all other 12.8 million.)

20 years ago, about 49 cents out of every tax dollar—federal, state and local—went for defense. Today, this figure comes to around 20 cents—a reduction of 60%.

Today, the defense share of the U. S. gross national product, of the labor force, and of the federal budget is lower than at any time since 1950. (6.2% of the gross national product—5.8% of the labor force, and—29% of Federal outlays.)

Today, defense spending has gone below prewar levels in terms of what the dollar will buy for the first time in American history—either after or during a war. (For example, defense outlays $82.6 billion in 1964—at 1973 price levels. In 1973 $74.8 billion in defense outlays.)

These facts refute many of the erroneous contentions and impressions about the defense budget—such as: that it continues to grow; that it dominates public spending; that it is the root of all of our economic ills; and that it is an unnecessary and exorbitant drain on our nation's resources.

These facts also disprove two other popular misconceptions—(1) that defense spending is the prime cause of the rapidly increasing high cost of the Federal Government, and (2) that civic, human resource programs have been shortchanged at the expense of defense priorities.

Since 1964 the cost of government has gone up $150 billion—from $118.6 billion to $268.7 billion in fiscal 1974. Of that total increase, only 19% or $28.6 billion is attributable to military spending. The remaining 81% or $121.4 billion is attributable to nonmilitary functions and services, such as human resources and general government.

While total federal outlays have gone up about 127% during this period, defense spending has been rising far less rapidly than any other major item in the budget—increasing by only 58% from $49.5 billion to $78.2 billion. On the other hand, social programs such as federal aid to education jumped 466% (from $1.1 billion to $6.3 billion); public assistance went up 245% (from $3.1 billion to $10.7 billion); social security 235% ($16.2 billion to $54.2 billion); and, health care and services (including Medicare and Medicaid) increased dramatically by 4,571% (from $393 million to $18.4 billion).

There is much talk about reordering national priorities. Unquestionably, some new directions and emphasis may be practical and required if we are to meet our nation's present needs and our commitment to its future. But it clearly appears from the statistics which I have just cited that the reordering of priorities has been in progress—been underway—for quite some time now.

They also indicate that we have not been maintaining a strong national defense wholly at the expense and to the detriment of urgently needed social, civic, and human resource programs. They clearly demonstrate that we have not forsaken or grossly neglected the domestic obligations of the Federal Government.

They further indicate that America has been streamlining its defense establishment—making it more efficient and effective and at less cost—so that more money can be spent on nonmilitary services and projects.

This is not to suggest that more reductions cannot or should not be made in defense spending. The long sought ceasefire in Vietnam has finally been attained. The days of pouring billions of dollars into this part of the world to support military actions—some $112 billion over the past ten years—are finally ending. The Congress can now, and I know it will, endeavor to hold the line on military spending and help move this nation in the direction of a balanced budget.

It should be noted, however, that the cessation of hostilities in Southeast Asia will not result in any extra large financial "peace dividend" in Fiscal 1974. Such dividends—reductions—have been taking place since 1968. Since then, the Department of Defense payroll has been cut by 30%—by a total of some 1,440,000 military and civilian personnel. Troop strengths will soon be at a 24 year low. Personnel and procurement have been cut by $24 billion over the past 5 years. Unfortunately, however, we have realized a net saving of only $1.5 billion from these cuts because of inflation and pay increases.

The impact of inflation on the defense budget has been enormous. Without adding or promoting a man and without buying an additional item from industry, the same programs that cost $50.8 billion in fiscal 1964 would cost $87.7 billion in 1974—an increase of $36.9 billion. Programs that cost $22.5 billion in 1954 would now cost $55.5 billion more 20 years later. Meanwhile, in terms of constant dollars, our expenditures for research and development have dropped $1.5 billion since 1964 ($10.2 billion to $8.7 billion).

For fiscal 1974, the President has requested Defense appropriations totaling $83.5 billion, exclusive of the military assistance program. This is 29 percent of his total budget of $288 billion and 48 percent of the $172 billion that will be considered by the Congress for appropriation.

This $83.5 billion also represents an increase of approximately $5.7 billion over the budget authority granted for the current fiscal year. Of this $5.7 billion increase, approximately $3.633 billion is for increases in the pay of civilian, military, and retired service personnel ($2.633 billion), and increases in the cost of goods and services ($1.0 billion). The Department of Defense and the Congress can exercise little or no control over these recently enacted statutory increases.

Congress can make reductions in other items (totaling $2.750 billion) where feasible, or advisable. They include:

(1) Legislation for a "reform" of the military retirement system, $390 million.

(2) Legislation for additional all-volunteer force programs, $150 million.

(3) Increases in various procurement programs, $1 billion.

(4) Increases in various research and development programs, $595 million.

(5) Increases in various construction programs, $432 million.

(6) Increases in various housing programs, $183 million; for a total of $2.750 billion.

In considering the 1973 Defense budget last year, we were able to recommend and to secure reductions of more than $5 billion below the President's request. We may not be able to surpass or even equal this in Fiscal 1974, but I anticipate that some realistic spending cuts can be made in the budget we are now considering without diminishing or weakening our national defense posture.

This is our purpose; and this is what we shall undertake to accomplish, as we make a careful study of the budget request submitted to us and in the further processing of this bill.

A MULTINATIONAL PROBLEM

Mr. SYMINGTON. Mr. President, as the problems incident to the value of the dollar continue to grow, one can only note with interest a recent editorial in the St. Louis Post Dispatch, entitled "A Multinational Problem."

This editorial points out that:

Multinational corporations, most of which are U.S.-owned, hold a pool of liquid assets valued at 268 billion dollars, which is more than three times the total reserves held by industrial nations in defending currency values. Thus, individual nations, including the United States, are presently in an indefinable monetary position.

I ask unanimous consent that the editorial in question be inserted at this point in the RECORD.

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

[From the St. Louis Post Dispatch, Mar. 17, 1973]

A MULTINATIONAL PROBLEM

Things are rarely what they seem. Back in the 1960s, multinational corporations were the object of home country pride and foreign courting. They were a status symbol, exemplified by the Middle East sheik who invested more money in a Coca Cola franchise than in hospitals.

Today, these global operations are increasingly viewed as ogres, feeding both on rich and poor countries. They are a symbol of avarice and the target of political leaders.

The truth, as always, is somewhere in between. Like the national corporations before them, the rise of multinationals should be viewed as a mixed blessing which would produce optimum benefits only after an international government mechanism is established to monitor them. When big business emerged in America virtually unrestricted about a century ago, people began to worry about the future of competition because of the power of the new firms and the tactics they used. The political result was enactment of antitrust laws. A similar response on an international scale is now in order.

Multinational corporations have contributed to the spread of technology and the introduction of products at mass market prices. Their success shows that humankind can overcome both natural and man-made barriers to trade. Their benefits arise in the hope that with closer integration of various countries the likelihood of violent conflict diminishes. From a selfish viewpoint, nearly 25 per cent of U.S. corporate profit now comes from foreign affiliates. The value of U.S. exports to these affiliates is rising at a faster rate than the value of other U.S. exports.

But such favorable factors are counterbalanced by a single, awesome statistic which shows the extent of power held by multinational corporations. These firms, most of which are U.S.-owned, hold a pool of liquid assets valued at 268 billion dollars, which is more than three times the total reserves held by industrial nations in defending currency values. Thus, individual nations, including the United States, are presently in an indefensible monetary position.

While governments pursue independent and often conflicting development policies, the global entrepreneurs carry on a closely integrated operation. They can move, for example, massive amounts of money from country to country in response to speculative profit easier than a single government can respond to them.

As yet there is no international strategy to develop a response. The emphasis remains on national solutions to international problems. The goals should be to protect competition from a worldwide perspective through antitrust agreements, to assure the equitable division of taxes, labor and profits, and, not the least important, to establish a system of compensation to owners of expropriated property. New rules of international conduct are needed so that the full benefits of multinational corporations will be realized. Under proper supervision, the growth of these enterprises would tend to discourage trade wars and encourage the emergence of a new global economic system.

VICE PRESIDENT AGNEW DISCUSSES THE NEED FOR FLEXIBILITY IN URBAN TRANSPORTATION PLANNING

Mr. BAKER. Mr. President, earlier this month, Vice President AGNEW addressed a luncheon meeting of the International Rapid Transit Seminar in Los Angeles.

His remarks were most timely, as he evaluated the need for greater community flexibility in meeting urban transportation needs, whether those needs involve highway construction, the acquisition of buses, the construction of a rail mass transit system, or a combination of such alternatives.

Shortly before the Vice President's speech, the Senate adopted the so-called Muskie-Baker amendment as a part of S. 502. That amendment would grant such flexibility in the use of the $850 million-a-year urban system highway program.

Mr. President, because of the significance of the Vice President's speech, I ask unanimous consent that it be included at this point in the RECORD.

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

ADDRESS BY THE VICE PRESIDENT OF THE UNITED STATES

I am particularly pleased to be with you today as you meet to express your concern over what is one of the more serious problems facing Los Angeles—and cities across the Nation—that of providing for the movement of people and goods without destroying our environment or our quality of life.

The people who settled this State were strong men and women who saw an opportunity to prosper by their own initiative and seized that opportunity. Californians are still seizing the opportunity to shape their own communities. That is the choice they made in San Francisco when they decided to build the Bay Area Rapid Transit. That is why you are assembled today—to commit yourself to the concept of rational progress through community deliberation. In a sense, the laboratory research to improve the quality of our lives is shifting from the Federal to the local level. It is shifting from Washington to communities such as Los Angeles. We in the Nixon Administration commend you for accepting that challenge—for realizing that there can be no future without a present; that there can be no ending without a beginning.

I assure you that President Nixon applauds such efforts. In his inaugural address, and again in his State of the Union message, the President called upon the American people to accept the challenge to control their own destiny and shape their own future. And that is the fundamental purpose of your meeting today. For his part, the President has pledged that substantial decision-making authority over Federal programs will be returned to the States, the local communities through their elected officials. As a former Governor and county chief executive, I endorse this policy fully. Local officials have a detailed, on-the-job understanding of their local problems. What they need now are the tools to solve these problems.

This Administration intends to assist you in every way possible. There is no place in the Nixon Administration for an omnipotent and omnipresent Federal bureaucracy which seeks to impose from Washington those decisions which can better be made on the local level. There is no place in the Nixon Administration for Federal agencies which set the goals and priorities for each community in this Nation. Indeed, there is no place in the Nixon Administration for Federal officials who lecture local officials instead of listening to them.

Rather, the role of the Federal Government is to create the flexibility, financial and otherwise, that will help urban areas to make their own decisions as to when and where and *how* they want to spend their Federal dollars. There is a delicate balance that must be achieved—a balance between the Federal responsibility to insure that the life lines of our urban areas remain open and the equal responsibility to see that Federal funding policies do not tie the hands of local officials who seek the best answer to their local problems.

We in Washington can establish general policy, based on the needs of the Nations as a whole and the resources we have to meet those needs. We can also share with you our findings garnered from the successes and failures of communities such as your own. What we cannot and will not do is strip you of the right to make decisions—indeed, the responsibility to make decisions—on matters which affect the way you live in your own community. This is a responsibility that the Federal Government must share with you. We must make certain that Federal financing and policies do not preclude good solutions you wish to implement at the local level.

This is not to say that there is no Federal policy towards transportation. Quite the contrary. This country began its surge towards economic pre-eminence when the Federal Government adopted a clear policy of encouraging an extensive railroad system. Further, there is no question that this country prospered through Federal-aid roads which brought farm products to our cities and then through our system of interconnected Federal and State highways which made the bounty and beauty of this great land available to all our citizens.

The focus of the Federal concern in transportation, however, has now shifted to our urban areas. This is where squeeze has turned to crunch; where the question is no longer how to get from A to B, but rather how to protect our communities and ourselves in getting from A to B. We must find ways to prevent the erosion of tax base caused by inner-city highways and ways to avoid smothering under a blanket of pollution, or aging perceptibly during a traffic jam. And I am not just talking about Los Angeles or the other major cities of this country; I am talking about the 264 urban areas in this Nation which contain 75 percent of our population. The transportation problem which faces urban areas today is the same in Houston, Texas as it is in Los Angeles. The problem you are meeting today to consider—how to achieve a truly balanced transportation system, a system that provides needed mobility to all our citizens, regardless of their income, age, or handicap—needs to be resolved in almost all our urban areas.

We as a Nation have come to recognize that our urban areas are complex and interrelated and that the decisions we make about one element of our urban society have ramifications throughout the entire society. For this reason, the President has proposed the establishment of a Department of Commu-

nity Development which can integrate the related factors of urban problems. He has also restructured the current Cabinet to stimulate the most sophisticated and sensitive response to our problems. Our cities and the citizens will no longer accept inefficient spending directed from Washington.

In transportation, the Federal Government and urban areas such as Los Angeles are recognizing that the automobile alone, as we know it today, is not the answer to urban transportation problems. While it is perfectly adapted to taking a family on an outing, it is clearly not the most efficient way of getting from home to work and then home again in a busy city.

The automobile is not a monster, but it will become one if we allow ourselves to become totally dependent on it for our urban transportation. We can develop more rational and efficient ways to move around in our cities, and mass transit—whether it be bus, rail, or an innovative new system—can free us from our automobile servitude.

We must provide alternatives to the automobile wherever possible. There are many people who either do not want or do not need to use their automobiles for a particular trip—who would prefer a convenient alternative. The private commuter bus cooperatives springing up in Los Angeles and elsewhere are but one indication of this growing trend.

To provide such an alternative, local decision makers must have the flexibility to use their transportation dollars to create a balanced system for their community. To this end, the President has proposed highway/mass transit legislation which would open the Highway Trust Fund to bus and rail expenditures through the establishment of a $1.1 billion urban fund; would send some Federal highway and transit funds directly to urban areas; would encourage the creation and strengthening of metropolitan area-wide institutions to plan and implement highway and transit facilities; and would permit the transfer of funds designated for controversial Interstate highway segments to other highway or transit projects which State and urban officials feel will better meet the needs the Interstate highway was to serve.

This latter point makes a great deal of sense. Highways are not an end in themselves. Their purpose is to solve the needs of a transportation corridor. If there is a more efficient and effective way, or a combination of ways, to meet these transportation needs, is it not wiser to give localities real flexibility? In our view, it clearly is.

The Senate last week acted favorably on President Nixon's highway and mass transit proposals. Only the concurrence of the House is necessary now to provide our States and localities with the flexibility they will need to achieve a truly balanced transportation system.

If there is one keystone to this Administration's philosophy of government, it is efficient and effective delivery of services to the American people. As I travel around the country, I have noticed a syndrome among local officials that you might call the "use-it-or-lose-it syndrome." It goes like this. If you have a right to a Federal dollar, you'd better use it before you lose it—whether or not you need whatever project that Federal dollar will buy. That is as logical as a bean farmer buying 2,000 pounds of beans at a supermarket because they're on sale that day. This Administration, therefore, is attempting in a number of ways to lessen the categorical dollars that must be used or lost by local governments. Our major effort in this regard is Revenue Sharing, which returns to the States and localities dollars which can be used for almost any purpose. A related effort is found in the Administration's Highway/Mass Transit Legislation which I have just described.

Along with this flexibility, however, I believe we all have to become mass transit conscious. A modern bus can take the place of 30 automobiles with less pollution. The efficiency and environmental soundness of a rail system is even more impressive. Indeed, subways are the one underground movement we can all agree to support.

But there is more to the problem than just building new facilities. We should give the same advantages to people who use mass transit as we give to people who drive, be they employees or customers. I doubt that many of you provide the same fringe benefits for your employees who commute by mass transit as you do for employees who drive their automobiles into the city. For example, one of the fringe benefits that has been given employees and customers for years is free or reduced rate parking. We have even required new office developments to include a certain amount of off-street parking at considerable added expense to developers and occupants. In the District of Columbia alone, the Federal Government subsidizes employee parking to the tune of $800,000 a month. Even now in Los Angeles, the crunch is on because new office buildings are economically unable to accommodate all the parking that is necessary. One solution might be to provide similar fringe benefits to public transit users as is now being done, for instance, for employees at the Colorado National Bank in Denver. The bank buys tokens from the Denver bus system and sells them to their employees at half price, in this case 17½ cents each. Further, the bank provides no parking facilities for its employees. The results have been impressive. Forty-three percent of the bank's employees, some 324 people, now participate in this program, an increase of 62 percent from those who rode the bus before the plan was initiated. Indeed, the bank now estimates that over 100 cars have been eliminated from the downtown area.

If advantages accrue only to those who drive their automobile, people are encouraged to continue to drive.

The reason people now drive their automobiles into town is not necessarily because they want to do so, but because there are all too often no alternatives. The great success of the shopping malls around this Nation has shown that people don't mind walking from store to store. What they do want, however, is an environment which is designed for them to walk in. They want to go where they feel they can safely take their children and perhaps even let them loose while they do some shopping. This environment exists in auto free zones and pedestrian malls—it can come about if we plan our cities with an urban sense and an urban sensibility.

What I am supporting today is not new. Indeed, in the early part of this century, Pacific Electric operated an extensive system of pollution-free trolley cars in Los Angeles. The tracks got in the way of the automobiles, however, and the system was discontinued. Paradoxically, you are now considering ways of recreating the efficiency and environmental integrity of that system at a cost of several billions of dollars. Perhaps that is an unfair oversimplification, but we have come nearly 180 degrees since those tracks were removed to facilitate automobile traffic.

We needed also the commitment of the Federal, State and local governments to fund transit as they have been funding the automobile. I was pleased to note that California has acted to free ¼ of 1 percent of its sales tax for mass transit purposes. For our part, the Federal Government will make available a billion dollars for this year alone to fund mass transit.

As community leaders, I know you will work to provide local funding also. Atlanta, you already know, is a community which realized what was needed and was willing to tax itself to meet that need. Those metropolitan Atlanta counties participating in the plan raised their sales tax by a penny per dollar with the proceeds dedicated exclusively to mass transit. The revenues accruing from that decision are approaching $4 million a month. Further, the plan has been in effect since last April, and the amount going for transit has risen as transit improvements have reinvigorated the downtown area. This is a spendid example of what I like to call a victorious circle.

In short, ladies and gentlemen, the Federal Government with the cooperation of State and local governments everywhere, is now entering the era of multi-modalism. But no program or policy can go anywhere without strong public support at the local level. This is where the hard-headed expertise of those of you who have sharpened your intellect in the world of finance can make a real contribution to the city you call your headquarters. I have cited some examples of new transportation strategies in the short time I have had today. Several, such as making transit discounts a fringe benefit for employees and shoppers, can be initiated almost immediately. Others, such as rapid rail transit and auto free zones, require further planning. Yet each of these recommendations can contribute to the solution. What is required is that you agree not only that transit is needed but that it is needed now and that you are willing to support it now.

There is no doubt in my mind that Los Angeles and its 9 million people need a mass transit system—and need it soon. What kind of system is up to you. But a decision must be made. People are ready for change. We see evidence of this in the hearings the Environmental Protection Agency has been holding over these past several weeks. We see it in the lines of traffic jamming the Los Angeles freeway. Indeed, we see evidence of it in the mothers who are organizing because their children can't play outside during smog alerts.

There is only one conclusion that can be reached. We are living in a time of change, and if we are not the architects of that change, we will inevitably be its victims. As influential leaders of Los Angeles interested in transit problems, you can mobilize community support for these proposals. As enlightened citizens, I am sure you will.

REHABILITATION ACT VETO

Mr. RIBICOFF. Mr. President, I am shocked that the President has again vetoed the Rehabilitation Act of 1972. This legislation passed the House and Senate overwhelmingly in 1972 and again in 1973.

The act would provide funding to extend and improve the Federal commitment to the rehabilitation of the physically and mentally handicapped. In Connecticut alone, vocational rehabilitation services estimated at $6.7 million in fiscal 1974 would be authorized. Another $978,000 would be available to our State for the establishment and implementation of services for the severely handicapped who are not generally included in existing programs.

Rehabilitation centers throughout the country, and especially those in Connecticut, have been instrumental in helping the handicapped to become full participants in society. Blind and crippled human beings have been helped immeasurably by the Federal rehabilitation effort.

In Connecticut in fiscal 1972, for example, some 6,458 individuals were re-

ferred to the State rehabilitation center, and 2,350 of them were completely rehabilitated. As a result, the earnings of these people rose from $1,057,500 to $9,400,000 a year after rehabilitation. In addition the self-sufficiency achieved by these people meant that disability and welfare benefits to these people and their dependents could be reduced by $838,000 in a 1-year period. Similar results can be found throughout the State of Connecticut and the Nation. All of us in Congress support economy in Government. But economies should not be made at the expense of successful health programs.

This is no time for us to turn our backs on those in America who, through no fault of their own, are handicapped. I will vote to override the President's veto of this legislation and I urge all Senators to join me.

THE EXEMPLARY PUBLIC SERVICE OF ELLIS ARMSTRONG

Mr. BENNETT. Mr. President, Mr. Ellis Armstrong, a distinguished Utahan who for the past 4 years has served as U.S. Commissioner of Reclamation, is leaving the Government on April 1 to assume the position of vice president of URS Systems Corp.

Mr. Armstrong has brought great honor to his State and a high degree of professional competence to his years of service to our Nation. He is the only man ever to have served as both Commissioner of Reclamation and Commissioner of Public Roads, a position which he held in the Eisenhower administration. Additionally, he has served in various capacities with the Bureau of Reclamation for over 23 years, and as a consulting engineer in private business for 12 years. He is also a former director of highways for the State of Utah.

Seeing Mr. Armstrong leave the Government after contributing so much leaves me with a feeling of regret. His leadership in the Federal development of water resources will be missed. But I am pleased to note that in his new position in the private sector he will continue to lend his considerable talents to the areas of water resources, pollution abatement, and energy-related services.

I wish Ellis Armstrong all the best in this new assignment, and express our gratitude to him for his exemplary public service.

ENVIRONMENTAL CHANGE CAN BE GUIDED

Mr. CRANSTON. Mr. President, efforts to halt environmental deterioration have been plagued by an unfortunate polarization.

On the one hand, many environmentalists have too often espoused a thoughtless obstructionism to any plan for growth. On the other hand, some members of the construction industry and related growth fields have attacked the environmentalists' valid concerns as woolly head meanderings of some lunatic fringe.

Neither extreme approach helps our Nation resolve its environmental dilemma.

Therefore, it was quite refreshing to read an essay in the Los Angeles Times of March 25, 1973, by Walter Shorenstein, a highly respected business executive dealing primarily in real estate and a community leader in the San Francisco Bay area. Mr. Shorenstein's approach combines a sensitivity to environmental needs with an understanding of the problems created by our unavoidable growth.

I think my colleagues will benefit greatly from Mr. Shorenstein's discussion. I ask unanimous consent that the article be printed at this point in the RECORD.

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

THE ENVIRONMENT: CHANGE CAN BE GUIDED—OUR BEST BET FOR PROTECTING THE ENVIRONMENT IS TO DIRECT GROWTH IN WISELY CONTROLLED COURSES WHICH WILL ENHANCE ALL ASPECTS OF OUR DAILY LIVING

(By Walter H. Shorenstein)

Scarcely a day goes by that we in California do not read of an effort somewhere in our state to stop new construction in the name of preserving the environment.

It may be an initiative to limit the height of all buildings in San Francisco. It may be a drive to halt a freeway connection in Los Angeles.

It may be an effort to halt resort development in a mountain area. Whatever the merits of the various causes, there is in all of them the general assumption that man-made structures are automatically inimical to the environment.

Obviously this is a dangerous oversimplification created out of the rising concern over the quality of the environment coupled with a lack of knowledge of some facts of demography.

We cannot—any more than King Canute—halt the tides of growth and change by refusing to acknowledge their existence. We can best enjoy their benefits and best remove or limit unpleasant side effects by directing growth and change in wisely controlled courses.

The demographic facts should demonstrate why absolute no-growth policies are bound to fail in urban areas. Our rising national population alone points to the need for more housing, more office space, more schools and factories. Americans are not only becoming more numerous, they are moving west in large numbers. And, they are moving to cities.

At the beginning of the 19th century, only 55% of our national population lived in urban areas; today it is more than 75%. By the year 2000, most demographers agree, nine out of 10 Americans will be citydwellers. An inexorable tide of urban population growth is coming our way. We must be prepared for it.

At home or at work; these people must have shelter. They can be accommodated horizontally in endless chains of suburbs, with consequent sacrifice of open space and the necessity to commute great distances, or they can be accommodated vertically in high-rise towers. From an environmental point of view, the choice would seem obvious.

The modern high-rise building is one of the great engineering miracles of our age, ranking in its time with the pyramids of ancient Egypt and the Gothic cathedrals of the Middle Ages. It is an extraordinarily efficient means of comfortably housing a maximum number of human beings on a minimum of precious ground. High-rise buildings conserve rather than consume open space.

It must be remembered too that the urban real estate developer has strong interest in improving the quality of the urban environment. His edifice represents a large and long-term personal investment.

Urban blight brings him rising costs and declining income. So for economic as well as civic-minded motives, the developer has a vested interest in the future preservation and growth of his city.

For perhaps different reasons, the average citizen also has a strong motive for encouraging planned improvement and growth of his urban environment.

If he works in the city, he will prefer a modern, centrally located high-rise office building because it is convenient, comfortable and close to transportation. And, of the monthly rent his company pays to occupy this building more than 20% of it is returned to the community in the form of taxes which pay for schools and hospitals and fire departments.

MAJOR INVESTMENT

Another 30% of the rent is returned to the community in wages and fees for building services. The building itself represents a major investment in local economy. About 35% of the construction cost of a modern office building, for example, goes into wages and fees. High-rise buildings provide the best means, from both the economic and the environmental standpoints, of sheltering the increases in the working population.

Let us have the courage to accept as given facts that our cities will grow and change. Let us also be resolved to allocate sufficient resources to keep our cities compatible with the environment.

High-rise buildings in themselves are not enough to do this. We must look to solutions for our urban problems that go beyond simply improving designs for roads and buildings within the old pattern of local planning.

We must have better planning, planning not on a patchwork block-by-block basis, but on a wide regional level, predicated less on institutionalizing the errors of yesterday, but instead on anticipating the much more challenging problems of tomorrow.

GREATER TRUST NEEDED

Secondly, we must have closer coordination and greater mutual understanding and trust between the private sector and government, so that the efforts of both can be directed toward the common goal of improving the urban environment, rather than dissipating energy in struggles for power leading to decisions dictated by political expediency.

We must, seriously and at once, address ourselves to the urgent problems created by the automobile in our cities. Today, more than half of the typical downtown area—in Los Angeles it's almost two-thirds—is dedicated to the automobile in the form of streets, parking lots and garages. The automotive by-products of pollution and traffic congestion long ago reached unacceptable levels.

Some cities have attempted to deal with the problem of banning automobiles from certain areas, only to find increased congestion in surrounding sections. Others, like Minneapolis and Houston, have experimented with utilizing air-rights over existing streets to provide car-free pedestrian spaces. Still others, with San Francisco as a current example, have invested heavily in mass transit.

Whatever the best solution, or combination of solutions, proves to be, it is evident that finding a means of breaking the stranglehold of the automobile on our cities is a project of utmost priority.

Finally, there is the problem created by our increasing need for electrical energy and fuel for energy production, both in absolute terms and on a per capita basis. As the population continues to concentrate in urban centers, the need for new power facilities near the centers of population becomes an ever greater economic and planning problem.

Although both face serious problems, Los Angeles and San Francisco are cities with

bright futures, perhaps the brightest of any two cities in the United States.

Complementary rather than competitive, each offering different advantages, opportunities, and life-styles, they stand in supremely strategic market positions as America again faces west, toward Asia and the entire Pacific Basin with their rapidly growing new markets for U.S. goods and services. If we in California are to realize the promise of growth without unpleasant and even dangerous side effects, we must face our problems realistically.

It will take effort to fully recognize our problems and place them in a logical scheme of priorities. It will take imagination to find the best solutions. It will take great energy and resources to implement these solutions.

But these solutions will never be imagined, the resources never assembled, the solutions never implemented, if we sit by the sea and order the tide to come no closer.

NEWSPAPER EDITORS URGE THIS COUNTRY NEEDS ALASKAN OIL

Mr. STEVENS. Mr. President, over the past 2 months a number of newspaper editors in major cities across the country have cited the immediate need for Alaskan oil. They have asked Congress to act quickly to amend the Mineral Leasing Act of 1920 and to permit the courts to decide on the major National Environmental Policy Act issue. Some have gone further and have urged, as I have, that Congress should mandate the building of the trans-Alaska pipeline now.

All are agreed that the energy crisis facing this Nation is critical.

Because these newspapers are representative of a majority of our citizens, I request unanimous consent to have these editorials printed in the RECORD.

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

[From the Birmingham (Ala.) Post-Herald, Feb. 14, 1973]

THE ALASKAN OIL FOLLIES

Were it set to music, the five-year battle over the proposed Alaskan oil line would be the worst flop since the boys at the firehouse tried to put on a Ziegfield follies without women.

After years of dickering, the pipeline project finally seemed ready to go last summer when a federal judge said he was satisfied the government had considered all possible routes.

But now a federal appeals court has overturned the judge's ruling—not because the pipeline would damage the wilderness, as some nature lovers contend, but because the right-of-way would be wider than permitted under a mineral leasing law passed by Congress 53 years ago.

"Whether this restriction made sense then, or now, is not the business of the courts," commented Judge J. Skelly Wright.

As to the basic question of whether the pipeline proposal is environmentally sound: "Not ripe for adjudication," the judge said.

So now the oil companies either can take their case to the Supreme Court or ask Congress to widen the pipeline limits in the 1920 law. To be safe, they'll probably have to do both.

How long this will take nobody knows. But if events up to now are any guide, we'll be lucky to see Alaskan oil by the end of the century, never mind the end of the decade.

Meanwhile, the energy squeeze grows tighter; there is talk of gasoline rationing this Spring, and the increasing reliance on foreign oil aggravates the nation's foreign trade deficit.

Ah, well, that's show business. Or as the boys at the firehouse might say: Things are bound to get better unless they get worse.

[From the Brooklyn (N.Y.) Bulletin, Feb. 27, 1973]

PIPELINE DELAY REEMPHASIZES PLIGHT

No matter how it looks from an ecological standpoint, one good thing must be said for the proposed Alaska pipeline. By and large it follows the shortest distance between two points to get oil to the people who need it.

Nothing so logical or direct, however, is evident in the process of deciding whether or not the 750-mile pipeline shall be built. The governmental deliberation and court litigation in this case seems to be routed through Timbucktu.

The U.S. Court of Appeals in Washington has now sent the pipeline controversy back to Congress on the strength of a law written in 1920 which says no pipeline crossing federal land can claim right-of-way more than 50 feet wide. It is doubtful that Congress in 1920 contemplated we would one day face the challenge of erecting a heated pipeline to carry oil across the desolate frozen tundra of Alaska. Engineers say there is no way this project could be carried out without exceeding that limitation.

For that matter, Congress in 1920 could not have contemplated that the tin-lizzies then on the streets and the canvas-winged airplanes then overhead would develop into a transportation system with fuel demands sending Americans to the Arctic Circle in search of petroleum. Surely it did not envision that national security, international trade balances, and the need to light and heat homes would combine to make it a national necessity to develop domestic oil resources that its 50-foot law would leave untapped.

The law is the law, however, and the Court of Appeals decision has thrust the pipeline controversy back into the political arena to be buffeted once again by the environmental lobby. What is worse, the court withheld judgment on another issue that promises even more delay. Ecologists are also demanding in court that the government consider rerouting the pipeline through Canada.

Congress can do more than make the necessary amendment in the 1920 law. It can declare that it is in the national interest to develop the North Slope oil resources in Alaska and to transport the oil across U.S. territory. It can do so with insistence that the pipeline be built with strict adherence to provisions for minimum ecological disturbance—provisions already laid down by the Interior Department on the basis of a nine-volume, 3,000-page study of the environmental impact of the project.

More than four years have passed since these Alaskan oil discoveries promised some relief for our dependence on foreign fuel sources. As one weary pipeline official commented on this latest detour in getting the new fields developed, "this country will have to make up its mind whether it wants to keep running or not." That is exactly how the issue is being drawn. The United States of America must establish energy and environmental policies based on a realistic appraisal of what it is going to take to keep our country going.

[From the Chicago (Ill.) Daily News, Mar. 10, 1973]

UNITED STATES NEEDS ALASKAN OIL

It is time for Congress to step in and speed the building of the trans-Alaska pipeline. After 3½ years of delay, the need for new supplies of oil and natural gas grows more critical each month that the deposits in the Arctic go untapped.

Frustrated by a round of court decisions blocking the issuance of right-of-way permits, the Nixon administration and several lawmakers acting on their own have introduced more than half a dozen bills in Congress to get the pipeline moving.

The latest court setback came when a federal appeals judge ruled that the 200-foot right-of-way planned for the line violated the 1920 Mineral Leasing Act. That law would limit the Alaskan right-of-way to 54 feet, which engineers say is not room enough for the construction and maintenance equipment to be used in Alaska.

The pipeline corridor's width, however, is only one matter that would be solved under pending legislation.

A major dispute has been over the pipeline's potential damage to the Alaskan wilderness. The choice is between risking some environmental harm and reaping a guaranteed payoff in added energy resources. Protection of the wilderness is no small consideration, but it should be understood that extensive technical safeguards, have been taken against the most feared occurrences—damage to the tundra's ecology and oil spills on land and at sea. In fact, the valid safety precautions mandated by the government have contributed to a near tripling of the expected cost of building the line.

A second dispute is over whether the pipeline should traverse a 3,200-mile route through Canada and end in Chicago instead of crossing Alaska The Canada route would parallel a natural-gas pipeline planned for the late 1970s or early '80s. The pipeline companies themselves, however, favor the trans-Alaska route for oil. They point out that natural gas, critically needed in the Midwest, cannot flow until after oil production begins in Alaska. To build the trans-Canada oil line first would only delay the gas flow by several years.

The economic payoffs from the Alaskan oil would be large. If the oil starts to flow about three years from now, it will come as U.S. dependence on oil imports is soaring. The President's Council of Economic Advisers estimates that over the expected 20-year life of the Alaskan field the United States would save $15 billion to $17 billion in foreign oil spending—at current prices.

Hearings on the pipeline-permit bills are under way in Washington. And on the basis of the vast store of evidence accumulated, the responsible action of Congress would be to clear the Alaska pipeline quickly with a bill specifically eliminating the legal problems that now block construction.

[From the Dallas (Tex.) Morning News, Feb. 12, 1973]

PIPELINE DELAYS

To a nation running dangerously short of oil and natural gas, the news that a trans-Alaska pipeline will not be completed before the end of 1976 at the very earliest is disappointing. The project has been fraught with delays that are no longer excusable.

Early in 1968, the largest oil field ever found on the North American continent was discovered at Prudhoe Bay, on the north slope of Alaska. Today, five years after that discovery, the oil is still locked in the frozen north.

A consortium of oil companies with north slope petroleum interests proposed building the pipeline across Alaska to bring the oil to market. Once the oil became marketable, another pipeline would be built across Canada to bring natural gas from the field to the U.S. Midwest. But those efforts were halted by environmentalists who filed lawsuits charging that the north slope environment would be destroyed.

The environmentalists' arguments were valid. The oil companies had intended to rush in and build a pipeline much as they had always been built, without taking into spe-

cial consideration the fragile Arctic tundra which the pipeline must cross.

But following the court injunction which halted pipeline construction, the oil companies spent thousands of man-hours and millions of dollars developing and testing safe technology for transporting hot oil across frozen ground. Their methods have been studied in detail and approved by the Department of Interior, and a federal district judge has ruled that the oil can be transported without damage to the tundra.

Through appeals, however, the environmentalists have persisted in blocking the pipeline. The latest snag was a ruling by an appeals court that the proposed pipeline corridor is too wide under federal law.

The Prudhoe Bay oil and gas would help to ease the nation's energy gap. But what could be more important, beginning of pipeline construction would revive the search for more petroleum deposits in that part of the world.

This nation is heavily dependent on petroleum energy and will remain so for many years. Therefore, additional domestic petroleum reserves must be found to avoid an overdependence on foreign oil. The north slope of Alaska is one of the promising areas for finding oil and gas. Further delays in building the trans-Alaska pipeline mean more delays in searching for those needed reserves.

[From the Denver (Colo.) Post, Feb. 22, 1973]

ALASKA PIPELINE SHOULD BE BUILT

The Nixon administration has met with key senators to discuss ending the legal blockade of the trans-Alaska oil pipeline. Chances appear good that a bill will be introduced soon to lift that blockage.

Such action is necessary. Of all the steps that can be taken quickly to add to the nation's oil supply in time of growing shortage the Alaska pipeline is one of the most logical.

The Alaska North Slope is a sure source of oil. Its reserve—at least 10 billion barrels—is not great in the overall U.S. picture. But it is a substantial resource and one that should be tapped. And considering the 1972 balance of payments deficit, imports of foreign crude—while essential—are not the easy alternative they once were.

We were, therefore, disappointed with the U.S. Appeals Court ruling earlier this month. The court barred the pipeline because it said the line could not be built under rules spelled out in the 1920 Mineral Leasing Act.

But since the court has ruled as it has—saying the 1920 law restricts public land right-of-way for pipelines to 25 feet width—there is a sure recourse in Congress.

The 789-mile line running south to Alaska's ice-free ports would be 48 inches in diameter, far larger than anything contemplated in 1920. The project obviously needs much more access than the 25-foot limit allows.

So the law should be changed.

The Department of Interior study of this project, released a year ago, makes the basic case for the pipeline in strong fashion. It concedes that there will be environmental damages. But it also outlines safeguards that can be insisted on as part of the pipeline authorization.

As to the alternative pipeline routes proposed through Canada, it must be recognized that Canada is by no means ready for a firm decision on a cooperative venture.

In any case, the environmental argument is diffuse. A decision against the Alaska pipeline might only increase the pressure to tackle northwest Colorado for oil shale. Or it might mean increased dependence on coal alternatives to petroleum.

Meanwhile, the noose of shortages is being tightened.

With construction time reckoned in years for projects to supplement our energy sources, it is clear that we can't delay. Giving early approval to the Alaska pipeline is required. We think Congress should act.

[From the Detroit (Mich.) News, Feb. 23, 1973]

UNITED STATES NEEDS ALASKAN PIPELINE

Should this country let a law passed in 1920, when fuel supplies seemed inexhaustible, block a major oil transportation project designed to help solve the energy crisis of modern America?

The answer is no, of course. The 1920 Mineral Leasing law should be amended, and construction should start at once on the long-delayed trans-Alaska oil pipeline.

For years the proposed pipeline has been the subject of legal challenges, hearings and studies. Last March, when the Interior Department added volume 13 to a series of exhaustive studies on the impact of the pipeline, it appeared that the quibbling might cease and the work might begin. Unfortunately, that did not prove to be the case.

Environmentalists, who have fought the project every step of the way, raised still another legal challenge. Subsequently, the U.S. Court of Appeals ruled that the pipeline cannot be built unless the 1920 law is changed. Under the existing law, the court said, the rights-of-way of the proposed project would be too wide.

To answer that objection, Sen. Ted Stevens, R-Alaska, intends to introduce the proper amendment to the 1920 law. He has already introduced a bill to authorize the construction of the pipeline and prevent further legal delay. His efforts deserve the support of every citizen and lawmaker who grasps the proportions of the energy problem.

Most of this nation's energy comes from petroleum and natural gas, but the United States does not have sufficient domestic supplies to fulfill its foreseeable economic demands and requirements of national security.

The public should be grateful for the early efforts of the environmentalists to obtain basic protective measures for the Alaska project. Now that they have assured that the greatest precautions will be taken, their obstructionism has served its purpose. To carry it further would be to place conservation efforts above critical human needs which the oil line would answer.

This country must have that oil. Let's take the final steps necessary to get it.

[From the Fort Worth (Tex.) Star-Telegram, Feb. 25, 1973]

SOLUTIONS NEEDED, NOT MORE BARRIERS

Finding an adequate solution to the mounting energy crisis is a little like disposing of an iceberg. It takes a lot of chipping away in a lot of places. Fortunately, there are some perceptive and able people working on the problem in a variety of directions.

One of them is Alaska's Sen. Ted Stevens, who has introduced a bill in the Senate to sweep away fresh barriers thrown up against completion of the 800-mile trans-Alaska oil pipeline. His action may, if it is pursued without delay in the congressional process, prevent another full year's delay in getting the $3 billion pipeline laid from the vast North Slope oil deposits to Valdez on the Gulf of Alaska.

Another year's delay not only would raise the total cost of building the line by about $250 million, but it would be another year in which the fuel shortage crisis would get tighter around the nation's throat. And it would add another year to the long wait before the nation could finally begin to use the North Slope oil—which now is estimated to comprise 20 per cent of the nation's known reserve.

Senator Stevens' action became necessary when the U.S. Court of Appeals recently held that a 1920 leasing law prevents construction of the pipeline because of right-of-way limitations. The new bill, co-sponsored by Alaska Sen. Mike Gravel, would amend the 1920 law and give a badly needed green light to a project that will contribute to easing the energy crunch.

Other things need to be done in Washington, however, and the urgency is of the same magnitude as that attending the Alaska pipeline go-ahead. One of them concerns making use of the oil reserves that lie under the Outer Continental Shelf, and another one of them concerns adjusting the government's pricing and taxing policies to provide the oil industry with incentives to continue the search for new U.S. petroleum reserves.

Chairman of the Board N. H. Wheless, Jr. of the Mid-Continent Oil and Gas Association spoke bluntly on those propositions at a recent meeting in Tulsa.

"Any further delay in adopting a program and schedule for leasing and developing the Outer Continental Shelf lands would be adding to the several years of lead time required to establish significant production capacity," he said, and added: "Three to five years will be required to develop production. Lost time in getting started cannot be made up. Any delay today in beginning would result in an equal delay in reaching full production in the late 1970s and the 1980s—when availability of domestic sources of petroleum will be of even more vital importance to the nation than it is today."

On the question of encouraging rather than discouraging the search for new petroleum reserves, Mr. Wheless told his audience, and the entire country, that the adoption of governmental policies conducive to the investment and risk-taking necessary to finding new fuel supplies is vital. And there is no question but that past governmental policy has had the effect of stifling the risk-taking incentive, not encouraging it.

"The producing segment of the oil and gas industry wants to continue to fill its essential role as the nation's principal supplier of clean and secure energy, but we must be allowed to respond effectively to the challenges facing us," Mr. Wheless said—and we hope administrative policymakers in Washington get his message, in the interest of reaching for solutions instead of compounding the problem.

[From the Indianapolis (Ind.) News, Feb. 23, 1973]

TIME TO START

It is now fairly clear that the trans-Alaskan oil pipeline will be built eventually, despite efforts by environmentalists to block it. The only real question is when.

As the result of various delaying tactics waged by lovers of the Arctic environment (some of whom we suspect have never been there), the latest estimate is that the pipeline will not be operational until 1977 at the earliest. This is most regrettable, for the nation, currently in the midst of a far-reaching energy crisis, needs Alaskan oil and natural gas well before then. The North Slope's vast reserves, the full extent of which are still unknown, are sufficient to ease the current crisis and free the United States from price blackmail being practiced by various Mideast countries. Developing them is also considered less expensive than relying more heavily on foreign imports.

A four to five year delay is also unnecessary, because environmentalists have already won most of their points. They originally pointed out that the proposed pipeline did not guard adequately against oil spills and that it would be subject to disruption by earthquakes. Since then the oil companies have spent millions perfecting the design. It is now about as foolproof as it can be made, a fact established by extensive tests conducted by the Department of Interior.

It was somewhat ludicrous in the first place to suppose that in the vastness of the Arctic a pipeline only a few feet wide would

make much of a dent on the environment. That effect is now reduced to practically zero as a result of the new design.

Continued opposition by environmentalists will not produce much by way of new safeguards. Nor will it permanently block the project. The pipeline is an economic necessity, and the time to start it is now.

[From the Kansas City (Mo.) Star, Mar. 1, 1973]

NEW DELAY ON ALASKAN PIPELINE DENIES UNITED STATES NEEDED OIL

The long-delayed Alaskan oil pipeline has run into another frustrating legal snag, and this time on a technicality unrelated to the merits of the project. The U.S. Circuit Court of Appeals in Washington, overruling a lower court, has blocked construction of the project on environmentalist groups' objections that the 146-foot right of way for the line exceeds the 50-foot allowance prescribed more than half a century ago in the Mineral Leasing Act of 1920.

The court held in effect that this restriction must be resolved by amending the law before even the environmental questions about the project can be considered, let alone a construction permit issued. President Nixon, in response, has directed his subordinates to do whatever is necessary "to get on with" the pipeline.

Sen. Ted Stevens (R-Alaska) has introduced a bill specifically to authorize the project as planned. The measure also would attempt to declare that the pipeline meets all environmental requirements, thereby forestalling further court action.

Walter Hickel, then secretary of the interior, was all set to issue the necessary permit in April of 1970 when the environmentalists obtained a federal court injunction in Washington. For the next 28 months the project sat on the shelf while the Interior Department prepared an exhaustive 6-volume environmental impact statement as required by a 1969 law.

The 800-mile pipeline was redesigned in some respects to meet assorted ecological fears that the hot oil could melt the permafrost and cause the 48-inch line to buckle, that an earthquake could cause oil spills and that the line could prove a barricade to migrating wildlife.

With the impact statement finally finished and reviewed at public hearings, the federal district judge dissolved the injunction to expedite the case on up to the Supreme Court for final adjudication. But now the right of way question poses further delay.

Already, with the design changes and inflation, the project's costs have soared from $900 million to around $3 billion. The nation's growing energy crisis, meanwhile, heightens the urgency to tap the rich Alaskan domestic oil source on the North Slope.

The administration, which has found itself compelled to ease oil import quotas during this winter's fuel shortages, does not intend to rely for the long course on oil from the Middle East nations, with their volatile politics and price-gouging tactics.

The present secretary of interior, Rogers C. B. Morton, has declared his intention to issue a permit for the line, which would carry the oil south to the ice-free port of Valdez and thence by tanker to the West Coast, as soon as the environmentalists have had their day in court.

But with this latest complication, that day grows longer—and so does the nation's waiting to enjoy the sorely needed benefits of the Alaskan oil reserves.

[From the Memphis (Tenn.) Press-Scimitar, Mar. 5, 1973]

PERILS OF PIPELINE

The Nixon administration deserves high marks for its persistent efforts to pipe oil out of Northern Alaska to an ice-free tanker port at Valdez.

U.S. Interior Secretary Rogers C. B. Morton says he'll ask Congress and the U.S. Supreme Court to remove all roadblocks this year to the 789-mile pipeline.

Congress will be asked to amend a 1920 law that severely restricts pipeline rights-of-way on public lands.

The Supreme Court will be asked to decide, once and for all, whether the pipeline plan meets environmental standards.

This may sound like a fairly simple process. But the pipeline project has taken so much flak from courts, conservationists and congressmen in the past four years that nothing is simple any more.

The most perilous thing about the pipeline is getting it approved. The dangers (real or imagined) of operating it seem inconsequential compared to that.

To argue, as some wildlife lovers do, that the line should go through Canada is not very convincing. Even more fish and caribou would be disturbed by the Canadian route than by the much shorter Alaskan route.

The primary consideration is that the nation needs Alaskan oil. Every barrel piped from Prudhoe Bay will be one less barrel we have to import from the unstable Middle East.

That alone should be enough to prod Congress and the Supreme Court into the prompt action that Secretary Morton suggests.

[From the New Orleans (La.) Times-Picayune, Feb. 15, 1973]

ARCHAIC FEDERAL ACT CAUSES TROUBLE

Again a court barrier has been thrown in front of the proposed trans-Alaskan oil pipeline and the reason proves what we have said before: The 53-year-old federal Minerals Leasing Act needs modernizing.

That Alaskan oil would help plenty. It doesn't seem reasonable that homes go unheated, industry closes down, electric companies are squeezed and transportation suffers for want of oil and its products just because the act of 1920 limits pipeline rights-of-way over public lands to 25-foot strips on each side of the pipeline.

The oil transmission line from the rich reserves on Alaska's North Slope to the ice-free port of Valdez, a tanker terminal, embraced a 146-foot right-of-way and it had approval of the Interior Department.

The United States Court of Appeals pointed to the right-of-way limit prescribed in the law and sent the case back to district court, ordering it to enjoin the secretary of interior from issuing a special right-of-way permit for laying the pipeline.

Any resemblance of a 1920 pipeline to a present high-capacity pipeline is remote. Yet the law is rigid in its antiquity.

Louisiana and other coastal states have been saying for years that the Minerals Leasing Act needs overhaul for another reason: Its terms are unfair and out of step. This is the law which provides a 37.5 per cent share of revenues from federal inshore lands for states in which those revenues are produced.

But see what has happened since 1920. There are now heavy revenues from federal offshore lands and the activity is bound to spread. Adjacent states receive no share of this money although they pick up the tab for public education, roads, health services—the whole list of governmental services—for families of workers whose employment is with the federal offshore industry.

When a home is cold or a breadwinner is out of work because his plant is down for lack of oil, an excuse that an archaic federal law stands in the way of more oil is unacceptable.

When a state is pinched to provide adequate school funds, passable roads and other services, it is galling that the same old law discriminates between states in sharing of revenues.

Question: When is the Minerals Leasing Act of 1920 to be modernized?

[From Oil and Gas Journal, Feb. 19, 1973]

A 92-FOOT RIGHT-OF-WAY BLOCKS ALASKAN OIL

The decision of the U.S. Court of Appeals on the Alyeska pipeline case is a most unfortunate verdict. It illustrates forcefully the rough road facing those striving to do something about the nation's energy shortage.

The decision, of course, is unfortunate for the Alaskan economy and for the oil companies who have millions of their stockholders' dollars tied up in dormant projects. But of far greater importance is the decision's impact on consumers of energy and on the administration's efforts to increase this country's domestic petroleum supply.

Denial of Alaskan oil indefinitely means imports of more foreign oil will be necessary at a time when the President is striving to balance the U.S. trade deficit. Price of foreign crude is bound to rise in wake of devaluation of the dollar, meaning American consumers must soon pay more for foreign oil and thus aggravate balance-of-payments woes.

The court certainly can be faulted for its narrow decision which not only sidestepped the important environmental issue but also complicated and prolonged the avenue of further appeal to the Supreme Court.

The court limited itself to the width of extra right-of-way for the actual line requested by Alyeska—92 ft in addition to the 54 ft explicitly allowed by the Mineral Leasing Act of 1920. The opinion held that the 92 ft extra could not be granted, although the Government in the past has granted temporary use permits of this nature. Alyeska was told it would have to seek relief by asking Congress to change the leasing act.

Since the ruling on the right-of-way stymies the project, the court said in the interest of speedy action—it already had taken 6 months on the decision—the majority declined to rule on whether the environmental impact statement submitted for the project by the Interior department was sufficient. This means that even if the extra right-of-way is granted on appeal to the Supreme Court, there's a good chance the case must go back for a ruling by lower courts on the environmental issue.

The dissenting opinion of Judge MacKinnon termed avoidance of the environmental issue "a monstrous refusal to perform a judicial obligation."

True—but there's no advantage now for the petroleum industry to rant against the decision or against environmentalists' legal tactics. Options are few—all tough. Either appeal, ask Congress to amend the law, or both. For the sake of forcing an ultimate decision on the issues, both options should be pursued at once.

In the final analysis, fault for the confusion and delay must rest with Congress for writing environmental laws which invite a host of capricious class-action suits and impose narrow restrictions on administrative judgment. As a result, American consumers will be denied indefinitely the use of vitally needed Alaskan petroleum.

[From the New York Daily News, Mar. 10, 1973]

GASOLINE RATIONING

Authority has been proposed for President Nixon by the Senate Banking Committee. Oil shortages have already appeared in the U.S. and we are becoming more and more dependent on foreign sources.

If we're having oil shortages why doesn't Congress do something about it, like getting the Alaskan pipeline built? Alaska could supply enough oil to stop the rise in imports until at least 1985.

But the U.S. Court of Appeals in Washington has ruled, in an environmental suit, that a 1920 law forbids rights-of-way across Federal land of more than 54 feet—and the pipe-

line needs more. So the Interior Department is asking Congress to change the law and make the right-of-way wider.

That should be done right now, so the courts could then tackle the environmental question still not settled.

The energy crisis is here. Everything possible should be done to solve it.

[From the Portland (Oreg.) Journal, Feb. 16, 1973]

OIL NATION'S LIFEBLOOD

Environmental groups which have been successful in blocking construction of the Alaska pipeline see the issue in terms of oil company profits versus protection of the Alaskan landscape.

To the Department of Interior, the state of Alaska and those industries which bear responsibility for fueling the U.S. economy, providing an employment base and heating homes, schools and all manner of public institutions, the issue is a lot more complicated than that.

The U.S. Appeals Court for the District of Columbia has stopped the Department of Interior from issuing construction permits for the huge project, based on a 1920 provision of the Mineral Leasing Act which limits the width of right-of-way for construction across public lands to 54 feet. This limitation could not possibly be met in the pipeline project. The court did not even address the issue of the adequacy of the Interior Department's massive impact statement.

The decision comes at a time when the nation is headed into both a short-term and long-term energy crisis which cannot be solved by any single approach. It was severe enough this winter that some public institutions had to be closed temporarily in the Midwest.

The nation is being warned that in the next 10 years we will be increasingly dependent on oil from the Middle East, which poses dangers from the standpoint of that region's instability, rising costs imposed by nations which know they "have us over a barrel" and our critical imbalance of payments problems.

The tapping of Alaskan oil is seen as one step to alleviate though by no means to solve this dilemma.

The nation has to do what it can to institute energy-saving programs and to continue to look for additional sources. It is acknowledged that we have ample potential energy on our own soil in enormous deposits of coal and oil shale but that at this stage they cannot be adequately tapped without unacceptable costs and environmental damage.

Scientific possibilities are on the horizon which may ultimately solve all of the nation's energy problems. They are not just around the corner.

This week Don Hodel, Bonneville Power administrator, warned that the electric power situation in this region will become worse before it improves and that the next five years will be critical. Yet we are one of the least threatened regions from the standpoint of electric power and energy sources as a whole.

The transport of oil by pipeline overland and by tanker across the seas does impose environmental damages. We repeatedly hear about the alarming degree to which the oceans have been polluted.

Yet we are terribly dependent on oil in so many of our activities that we take for granted.

It is fully accepted that the tapping and transportation of oil must be accompanied by the highest possible standards of environmental protection. Yet we haven't found a way to get along without oil, and we are not likely to within the foreseeable future.

[From the St. Louis (Mo.) Globe-Democrat, Mar. 2, 1973]

PUSH AHEAD ON ALASKAN PIPELINE

As the energy crisis grows, it becomes apparent how stupid it is for the United States to allow the stalemate on the trans-Alaska pipeline to drag on and on.

The 800-mile oil pipeline should have been built years ago. But now it is blocked once more after a U.S. Court of Appeals has ruled that the width of the right of way breaks a 1920 law that limits the right of way width across public lands to 25 feet on either side of the pipeline.

So the tapping of an estimated 40 to 100 billion barrels of oil on the Alaskan north slope still is many years away.

How ludicrous this is can be seen by the fact that this country is increasing its imports of oil by huge amounts every year—and still is critically short of fuel.

Sen. Henry M. Jackson has pointed out that last year the United States had to import 27 per cent of its oil and this year the figure will jump to 35 per cent. The nation should have a 90-day reserve of oil but has a reserve of only six days.

Only six days! No wonder there is talk of rationing gasoline this summer.

It borders on national madness to dilly-daily on the Alaskan pipeline in the face of this alarming shortage. Congress should act as quickly as possible to amend the 1920 law so the pipeline can be built.

The Department of the Interior should then grant the consortium of companies planning to build the pipeline the permit to go ahead. The alternative is to become increasingly dependent on the Middle East oil countries that continually raise their prices and continually juggle quotas to impose their demands. They literally have the United States over the barrel.

Americans who want to avoid rationing of fuel should demand that Congress and the President take action to get the Alaskan pipeline going.

[From the San Diego (Calif.) Evening Tribune, Feb. 17, 1973]

THE NEED FOR ALASKAN OIL

President Nixon's emphasis this week of a fuel shortage that threatens to become critical points out the urgent need of legislation to hurdle the latest roadblock to construction of the controversial Alaskan pipeline.

The appeals court decision, holding that present law does not permit the 200-foot right-of-way required for the 800-mile transmission of oil from Alaska's North Slope to the ice-free port of Valdez, was cheered by the conservation groups who contend that the pipeline would be harmful to wildlife and a blight to the Alaska landscape.

But the ruling also wipes out the alternative urged by the environmentalists—a pipeline across Canada to United States terminals.

Alaska's two senators, although of opposing political faiths, are agreed that benefits of the trans-Alaska pipeline to their state outweigh the disadvantages.

Republican Ted Stevens and Democrat Mike Gravel are preparing bills to get around the limitations of a 1920 federal law.

Congress, after repeated warnings of the imminent crisis in meeting this country's demands for energy, should waste no time in approving the legislation.

The United States needs the raw treasure locked beneath the frozen slopes of the Alaskan mountain ranges.

The lawmakers, divided in their views on the best method of bringing it to the refineries and the market, must insure that all options are kept open.

[From the San Diego (Calif.) Union, Feb. 18, 1973]

PIPLINE DELAY REEMPHASIZES PLIGHT

No matter how it looks from an ecological standpoint, one good thing must be said for the proposed *Alaska pipeline*. By and large it follows the shortest distance between two points to get oil to the people who need it.

Nothing so logical or direct, however, is evident in the process of deciding whether or not the 750-mile pipeline shall be built. The governmental deliberation and court litigation in this case seems to be routed through Timbuctoo.

The U.S. Court of Appeals in Washington has now sent the pipeline controversy back to Congress on the strength of a law written in 1920 which says no pipeline crossing federal land can claim right-of-way more than 50 feet wide. It is doubtful that Congress in 1920 contemplated we would one day face the challenge of erecting a heated pipeline to carry oil across the desolate frozen tundra of Alaska. Engineers say there is no way this project could be carried out without exceeding that limitation.

For that matter, Congress in 1920 could not have contemplated that the tin-lizzies then on the streets and the canvas-winged airplanes then overhead would develop into a transportation system with fuel demands sending Americans to the Arctic Circle in search of petroleum. Surely it did not envision that national security, international trade balances, and the need to light and heat our homes would combine to make it a national necessity to develop domestic oil resources that its 50-foot law would leave untapped.

The law is the law, however, and the Court of Appeals decision has thrust the pipeline controversy back into the political arena to be buffeted once again by the environmental lobby. What is worse, the court withheld judgment on another issue that promises even more delay. Ecologists are also demanding in court that the government consider rerouting the pipeline through Canada.

Congress can do more than make the necessary amendment in the 1920 law. It can declare that it is in the national interest to develop the North Slope oil resources in Alaska and to transport the oil across U.S. territory. It can do so with insistence that the pipeline be built with strict adherence to provisions for minimum ecological disturbance—provisions already laid down by the Interor Department on the basis of a nine-volume, 3,000-page study of the environmental impact of the project.

More than four years have passed since these Alaskan oil discoveries promised some relief for our dependence on foreign fuel sources. As one weary pipeline official commented on this latest detour in getting the new fields developed, "this country will have to make up its mind whether it wants to keep running or not." That is exactly how the issue is being drawn. The United States of America must establish energy and environmental policies based on a realistic appraisal of what it is going to take to keep our country going.

[From the Seattle (Wash.) Daily Times, Feb. 13, 1973]

TIME TO RENEW ALASKA-OIL EFFORTS

The physical difficulties of extracting oil from Alaska's North Slope under Arctic weather conditions are matched, it appears, by the magnitude of the legal problems that beset the giant North Slope undertaking.

Nonetheless, the needs of a nation facing an energy crisis and of the State of Alaska, facing bankruptcy, require the most vigorous efforts possible to surmount the legal barriers.

The United States Court of Appeals in Washington, D.C., last week sidestepped environmental questions involved in the proposed North Slope-to-Valdez pipeline and ruled that the federal government could not issue a permit for the project because of a 1920 law limiting right-of-way width.

Alaska Senators Stevens and Gravel rightly are prepared to introduce legislation to modernize that out-of-date law.

But, as all interested parties agree, the larger question of whether the government

has properly met the requirements of environmental law must run its course through the courts, including the United States Supreme Court. This process, which already has cost years of delay, should be expedited.

And in anticipation of an eventual favorable federal decision, the State of Alaska and the oil industry would be well advised to compromise their revenue differences in their own and the national interest.

It has sometimes been suggested by those uninformed as to the nature of Uncle Sam's energy crisis that the nation might be better off simply leaving the North Slope oil in the ground—as a national reserve, so to speak.

Such reasoning overlooks the fact that this country's energy problems lie primarily in the medium-term future. Over the next 10 to 15 years, the nation faces a dangerous and costly dependency on foreign oil supplies.

Beyond that period, approaching the turn of the century, advances in technology—including shale-oil, coal liquefication, the fast-breeder reactor, nuclear fusion and solar heat—are expected to open up new energy sources.

Alaska cannot wait indefinitely to cash in on its oil riches. And neither can Uncle Sam.

[From the Tulsa (Okla.) Tribune, Feb. 12, 1973]

WE'LL HAVE TO HAVE THE OIL

The U.S. Circuit Court of Appeals has blocked the Alaska pipeline from the Prudhoe oil field on the grounds that the 1920 Mineral Leasing Act stated that the allowable right-of-way for pipelines through public lands must be limited to 25 feet on either side of the pipe. The Alaska pipeline required a total right-of-way of 146 feet.

The court acknowledged that the 48-inch line couldn't be built within a 50-foot limitation and said that it was therefore forced to prevent the building of the line until and unless Congress changes the law.

The matter will be quickly appealed to the Supreme Court, but additional months of delay are guaranteed and the ecologists who don't want the pipeline built at all are delighted.

So the oil companies are in the position of having paid for more than $900 million worth of leases which they are forbidden to exploit. And America, which is running seriously short of domestic oil and is in a poor balance-of-payments position to purchase additional foreign oil must be denied access to at least 10 billion barrels of American oil for a period, at the shortest, of another three years.

The 1920 act is, of course, ridiculous by modern standards. It was passed when pipelines rarely exceeded a foot in diameter and when most of the digging was done by pick-and-shovel. No one envisioned the great energy-carriers of the present. The Soviet Union, incidentally, is completing a 56-inch line from its own Arctic.

Oddly, the narrower the working space the more potential damage to the arctic ecology. The Canadians, for example, decree that tractors and bulldozers must make a new track each time they pass over the delicate permafrost to avoid serious gullying. The narrower the allowed working space, the greater the damage.

America is approaching a moment of truth. Our appetite for gasolines and fuel oils continues to mount as does the opposition to pipelines, offshore drilling and new refineries. Next summer, gas rationing in some parts of America is a real possibility.

If we think we can keep our oil locked up and buy the difference from abroad we're going to have to work harder to sell more abroad. The American dollar is already in distress and we can't get rich printing Pancho Villa pesos. These simple facts of life haven't yet made any impression on the Sierra Club, the Wilderness Society, Environmental Defense Fund, Inc. and Friends of the Earth.

Their members may have more time to think about it when they start riding the bus out to the forests to look for firewood.

[From the Tulsa (Okla.) World, Feb. 12, 1973]

ALASKAN OIL DELAY

For the past three years the mammoth Alaskan oil pipeline project has been delayed time and again, by the opposition of environmental groups. Nonetheless, it moved slowly ahead, through a bureaucratic and judicial maze, toward a beginning of construction. But last week the endeavor ran into an obstruction, in the U.S. Circuit Court of Appeals here, that only Congress can remove in a reasonable period of time.

And, in view of the darkening fuel-supply prospect in this country, we think that Congress should get itself in a mood to do just that. This could, ideally, be a rather simple matter. What the appeals court said was that the land-use permit for the pipeline, issued by the Interior Department, doesn't conform to a 1920 federal law. Under that old statute, the limit of use by a pipeline company is 25 feet on either side of a line that crosses federal land, and Interior has gone considerably beyond that in this case.

But in this case the 25-foot limitation is patently ridiculous. The trans-Alaska pipeline would extend 789 miles, carrying heated crude oil from the Arctic North Slope southward to an ice-free port on the Pacific. It has been described as the largest private-industry undertaking in history. Certainly it would be related to national security. The construction and maintenance of such a project—its scope far beyond the visions of 1920—cannot be carried on in the width of an ordinary village street.

So, as the court made clear, all Congress has to do is grant the needed extra right-of-way. That could be done in a short space of time if Congress is troubled enough by the developing fuel crisis. But undoubtedly there will be some resistance to any such move, and not only from environmentalists. Some lawmakers strongly favor an alternative—piping the oil across Canada instead of Alaska directly to the upper Midwest. The trouble is that several more years would be required to obtain the oil that way, and time is running out. Congress should hasten a start on the trans-Alaska line, which is ready for construction, and then consider a cross-Canada artery, for which plans aren't very well developed. Both will be needed in the year ahead.

A sufficient omen for Congress should be the near-crippling fuel oil shortages that have hit some areas this winter—and a mild winter it has been in most of the major urban sectors. There's even talk of a gasoline shortage this summer. And by some estimates, this country will be importing half the oil it uses by 1985, to the severe detriment of its economy and possibly its security.

That could be offset in no small degree by the 2 million barrels a day which would flow down the Alaska pipeline. Though the environmental safeguards set up by Interior for this project aren't perfect, they are strong and can be improved upon as necessity dictates. Alaska will not be despoiled by the line, but the national interest will take a beating if construction is delayed much longer.

[From the Washington Evening Star and Daily News, Feb. 19, 1973]

ALASKAN OIL DELAY

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FISCAL AND BUDGETARY REFORM ACT

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues an editorial appearing in the Pittsburgh Post-Gazette. The editorial points out that the President is not without fault in regard to the huge national debt.

Yet it is the responsibility of Congress to see that the country is put back on the road of fiscal responsibility. Despite this responsibility, the Congress lacks an effective mechanism for viewing the Federal budget in its entirety. The editorial supports the efforts those Members of Congress who are attempting to establish a mechanism for budget analysis and program evaluation.

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

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

TO CONTROL FEDERAL SPENDING

Had Congress heeded the warning Thomas Jefferson issued more than 157 years ago—"to preserve our independence we must not let our leaders load us with perpetual debt; we must make our election between economy and liberty, or profusion and servitude"—it would now be in a stronger position to fight its battle of the budget with President Nixon.

The warning has been ignored. Endless deficit spending, without regard for consequence, has pushed the federal debt to more than $450 billion (debt service alone in fiscal 1974 will be $26.1 billion), and the end is not in sight. This reckless performance has prompted Rep. Wilbur Mills, chairman of the House Ways and Means Committee, to observe that deficit financing is the sole basic cause of inflation.

President Nixon is not without fault in this fiscal irresponsibility. He has submitted a series of budgets calling for deficits aggregating nearly $100 billion. In an attempt to get control of the budget as a damper on inflation, however, he has tried to impose a $250-billion ceiling on spending and has been impounding federal funds and refusing to spend them, to the outrage of a spendthrift Congress.

Against that backdrop, it is encouraging to see recognition within Congress of its basic fiscal failure. It has been appropriating piecemeal without sufficient concern for aggregate spending and an impact upon the budget.

In an effort to remedy that situation, Pittsburgh's Rep. William S. Moorhead and Sen. Hubert Humphrey are jointly sponsoring the Fiscal and Budgetary Reform Act of 1973. This act would establish under the Joint Economic Committee a Congressional Office of Budget Analysis and Program Evaluation. Its major purpose, as Mr. Moorhead has testified, is to set up the structure and procedures within the Congress whereby the authorization processes would be more closely related to the activities of the appropriations committees. In short, the various committees of Congress would know what each was doing with its chunk of the budget (now more than $250 billion annually) in the hope that an overall spending ceiling could be set and observed.

Although the share of the national income that passes through the hands of the Federal Government is approaching 30 percent, Congress lacks any mechanism for considering the federal budgetary program in its entirety. That is what Messrs. Moorhead and Humphrey commendably wish to remedy.

We earnestly hope that they will succeed. If the budget is to be brought under control and inflation curbed, someone in government must exercise fiscal responsibility. If Congress won't do it, the President must.

Control of the purse strings rests constitutionally with the Congress. It should meet that responsibility. As Mr. Moorhead has said, Congress must become a fiscal participant rather than a fiscal observer.

NORTHLANDS REGIONAL MEDICAL PROGRAM

Mr. MONDALE. Mr. President, one of the victims of the administration's proposed budget for fiscal year 1974 is the excellent northlands regional medical program in my own State, Minnesota.

Largely due to the work of the northlands program—funded under the Federal regional medical program, which the budget proposes to end—the number of Minnesota hospitals with expert intensive coronary care units has increased from 18 in 1967 to more than 120 today.

Loss of the northlands regional medical program would be a tragedy for health care in Minnesota.

And the President's announced intention of ending the national regional medical program without congressional approval is yet another example of the administration's lawless disregard for the constitutional responsibilities of the Congress.

Mr. President, I ask unanimous consent that a fine article on the northlands regional medical program by Gordon Slovut of the Minneapolis Star may appear at this point in the RECORD.

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

NIXON CUTBACK DOOMS AREA HEALTH-CARE PROGRAM

(By Gordon Slovut)

The Northlands Regional Medical Program, an experiment which poured $6.5 million in federal funds into Minnesota health care projects since 1967, has been marked for elimination by the Nixon administration.

Northlands is one of 56 regional medical programs in the nation—originally conceived by the late President Lyndon Johnson as a vehicle for attacking heart disease, cancer and stroke—which the administration is scuttling.

Dr. Winston R. Miller, Northlands director, said he has been told to prepare "phase-out" plans for all Northlands projects under way.

He said he is to prepare alternate phase-out plans—one based on a complete shutdown on June 30, the other with some projects allowed to last until Feb. 15, 1974.

The best-known of scores of Northlands projects involved greatly expanding intensive coronary care units—for heart attack victims—in Minnesota hospitals and the training of nurses and doctors to run them.

In 1967, there were 18 Minnesota hospitals with special heart units. There now are more than 120. The death rate in Minnesota hospitals of persons who arrived with heart attacks fell about 10 percentage points over the period, according to one study.

Dr. George B. Martin, Thief River Falls, president of the Minnesota State Medical Association, said he strongly suspects the coronary unit program had much to do with the improved survival of heart attack victims in Minnesota.

Miller said the coronary nurse training program, started as part of the Northlands project, will be continued by the Minnesota Heart Association.

He isn't sure that many other Northlands-backed projects, such as a motorized clinic which visits doctor-less communities in northwestern Minnesota, or a research project aimed at finding out why some women in the state still die of cancer of the cervix, will be continued.

Decisions about where Northland's funds—considered "seed money" to find ways to improve health, correct the shortage of health manpower and find better ways of delivering care—were made by a 42-member board with representation from organized medicine, dentistry and other health professions, disease-oriented groups such as the heart association, business, labor and consumer representatives.

Martin said doctors were never unanimous about the worth of the program. Some liked it, some considered it a federal intrusion and some ignored it, he said.

Martin said that, on balance, the regional program was beneficial.

"In my opinion it helped better understanding between all aspects of the medical and health-care community, Martin said.

"It got the University and Mayo together, and got those two dealing with the practicing physicians. It got doctors and nurses talking to each other and it got doctors in neighboring towns talking to each other, working cooperatively."

Martin said he believes the administration's decision to eliminate the program will stick and he regrets that the program will be folded so rapidly.

The rapidity, he said, makes it difficult to find ways to carry on the Northlands-instigated projects.

According to a publication of the American Medical Association, the administration says it will drop regional medical programs because "the regionalized systems of health care, as originally envisioned in the legislation have not, in fact, been realized during the seven years of this program's existence . . . nearly all of the RMP projects overlap other grant programs."

ADM. ELMO R. ZUMWALT, U.S. NAVY CHIEF OF NAVAL OPERATIONS, INVITED TO ADDRESS A JOINT SESSION OF THE GENERAL ASSEMBLY OF SOUTH CAROLINA

Mr. HOLLINGS. Mr. President, on behalf of Senator THURMOND and myself, I bring to the attention of the Senate a concurrent resolution passed by the General Assembly of South Carolina on March 21, 1973, inviting Adm. Elmo R. Zumwalt to address a joint session of the general assembly on Wednesday, March 28, 1973.

Although the admiral will be unable to attend, the purpose of this invitation is to recognize the authority for the establishment of a National Naval Museum at the Patriot's Point area in Charleston, S.C. This museum is one of its kind and will be a tribute to the people who have played a significant role in our naval history.

I ask unanimous consent that this concurrent resolution be printed in the RECORD.

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

CONCURRENT RESOLUTION

Inviting Adm. Elmo R. Zumwalt, U.S. Navy, Chief of Naval Operations, to address a joint session of the General Assembly at 12 o'clock noon, on Wednesday, March 28, 1973

Whereas, legislation to create the Patriot's Point Development Authority will be signed by Governor John C. West in fitting ceremonies on March 28, 1973; and

Whereas, among other things this authority is charged with the responsibility of establishing a National Naval Museum at the Patriot's Point area of Charleston County; and

Whereas, it seems only fitting that Elmo R. Zumwalt, United States Navy, Chief of Naval Operations, be extended an invitation to address the General Assembly on this memorable occasion.

Now, therefore, be it resolved by the House of Representatives, the Senate concurring: That Admiral Elmo R. Zumwalt, United States Navy, Chief of Naval Operations, is hereby invited and requested to address a Joint Session of the General Assembly of South Carolina in the Hall of the House of Representatives at 12 o'clock Noon on Wednesday, March 28, 1973.

EDWARD STEICHEN

Mr. RIBICOFF. Mr. President, Edward Steichen, who died Sunday, March 25, 1973, in West Redding, Conn., was quite

possibly the best photographer who ever lived.

Alden Whitman of the New York Times described Mr. Steichen and his photography this way:

A humanist, he disclosed and interpreted man to man through probing portraiture; and, as a person of extraordinary sensitivity, he gave his century a new vision of flowers, trees, insects and cityscapes as well as of commercial artifacts.

Mr. Steichen's camera lens was like a painter's brush. His pictures possessed mood and emotion and, they were composed with a keen sense of design.

I can think of no more fitting way to characterize the work of Edward Steichen. He was truly a great American artist whose influence on photography was enormous. Through his pictures, he brought beauty and pleasure and new perception to people all over the world.

I had the privilege of knowing Edward Steichen. Conversing with him was enlightening and enjoyable, for his manner was genuine and totally without pretense and direct. Typical of him was this comment he made on the occasion of his 90th birthday in 1969. he said:

When I first became interested in photography I thought it was the whole cheese. My idea was to have it recognized as one of the fine arts. Today I don't give a hoot in hell about that. The mission of photography is to explain man to man and each man to himself. And that is no mean function. Man is the most complicated thing on earth and also as naive as a tender plant.

Whether he actually gave a hoot or not, Mr. Steichen's pictures did, in fact, elevate photography to a fine art. He combined the best of modern technological accomplishment with the ancient desire of the artist to entertain and instruct. He was a man very much in touch with his times and the people who lived them. We are all better because of him.

Alden Whitman's obituary of Edward Steichen appeared in the March 26, 1973, issue of the New York Times. I ask unanimous consent that it be printed in the RECORD.

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

EDWARD STEICHEN IS DEAD AT 93; MADE PHOTOGRAPHY AN ART FORM

(By Alden Whitman)

Edward Steichen, the photographer, died yesterday at his home in West Redding, Conn., after an illness of several months. He would have been 94 years old tomorrow.

The first photographs Mr. Steichen took were so disappointing they were almost his last. He was 16 years old in 1895 and had bought a Kodak with his mother's money. He made 50 exposures, chiefly of subjects about the house.

"When the film came back, I had a real shock," he recalled. "Only one picture in the lot had been considered clear enough to print.

"My father thought one picture out of 50 was a hopeless proposition, but my mother said the picture (of his sister at the piano) was so beautiful and so wonderful that it was worth 49 failures."

Brightened by his mother's cheerful attitude, the youth went on to teach himself photography, experimenting as he learned. Ultimately he became not only the country's most celebrated and highest-priced photographer but also a craftsman of genius and world renown who transformed his medium into an art. His stature was so lofty that his admirers spoke of him as "De Lawd."

A humanist, he disclosed and interpreted man to man through probing portraiture; and, as a person of extraordinary sensitivity, he gave his century a new vision of flowers, trees, insects and cityscapes as well as of commercial artifacts.

Mr. Steichen's camera lens was like a painter's brush. His pictures possessed mood and emotion, and they were composed with a keen sense of design, a heritage of his years as a fashionable painter in the manner of Whistler and Sargent.

LIKE IMPRESSIONIST WORKS

Some of his photographs resembled French impressionist paintings in their blurred softness; some, in their use of light and shadow, seemed like Rembrandt; others were utterly stark, as if they had been executed by De Chirico. Few of his pictures were dull or jaded.

"I know that to him the universe is as fresh and as strange now as it was back then," Carl Sandburg said a few years ago of Mr. Steichen, his brother-in-law and longtime friend.

Explaining his conception of his art, Mr. Steichen put it this way:

"I don't think any medium is an art in itself. It is the person who creates a work of art. It's perfectly clear that photography is different from any other medium—but that's only procedurally.

"Every other artist begins from scratch, a blank canvas, a piece of paper, and gradually builds up the conception he has. The photographer begins with the finished product. When that shutter clicks, anything else that can be done afterward is not worth consideration.

'At that point the differences between photography and any other medium stop because the photographer has brought to that instant anything any artist has to bring into action for the creative act."

In line with this view, Mr. Steichen concentrated on preparation. He once took more than 1,000 shots of a single cup and saucer as he experimented with the effects of various lighting arrangements. It was this infinite pain—and the knowledge that it produced—that gave his pictures their special quality.

His picture of Auguste Rodin, the sculptor, was a case in point. Before taking the photograph, Mr. Steichen spent every Saturday for a year studying Rodin as he walked among his works at his Paris studio; and only when he had decided on the composition he wanted did he bring his camera.

SCRUTINIZED 10,000 PRINTS

Mr. Steichen was almost as famous as a picture editor as he was as a picture taker. In 1942, in World War II, he set up the exhibition "Road to Victory" at the Museum of Modern Art in New York. He scrutinized 10,000 prints before selecting 150 that he believed reflected the quality and spirit of the American people, their land and their resources.

Ten years later, as director of the museum's department of photography, he traveled to 11 countries in search of material for the "Family of Man" exhibition. He selected 503 pictures as, he said, a "mirror of the essential oneness of mankind throughout the world." The exhibition opened in 1955 and was ultimately viewed by more than 9 million people in 69 lands. In book form, "The Family of Man" sold 3 million copies.

Outside of photography, Mr. Steichen achieved a more limited renown for his cross-breeding of plants, especially delphiniums, in which he had been interested since 1910. His delphiniums sprouted flowers so profusely that they resembled bushes rather than the usual spires. He also developed a new type of oriental poppy, more delicate and smaller than the usual flower.

Six feet tall and with wide-set blue eyes, Mr. Steichen was not a jocose person. "On looks Steichen might be taken for a priest." Mr. Sandburg wrote in 1929. "He is solemn, with grave spiritual quality; reverence is a commanding element in his make-up."

Starting in 1957, the photographer altered his visage by growing a magnificent white beard that was flecked with gray and black. It gave him the appearance of a biblical patriarch, especially when he neglected to trim it regularly.

Even as an old man he had the questing, eager mind that set him apart as a youth.

Edouard (it became Edward early in his career) Jean Steichen was born March 27, 1879, in Luxembourg, the only son of Jean Pierre and Marie Kemp Steichen. Three years later the family migrated to Hancock, Mich., where the elder Steichen worked in the copper mines and his wife had a millinery shop. Their daughter, Lilian Paula, who became Mrs. Sandburg, was born in Hancock. She survives her brother.

Edward's mother was the dominant influence in his childhood, shaping an outlook on the world that remained with him through his life. Recalling an instance of this in his autobiography, "A Life in Photography," he wrote:

"Once, when I was 10 years old, I came home from school, and as I was entering the door of her millinery shop I turned back and shouted into the street, 'You dirty little kike!'

"My mother called me over to the counter where she was serving customers and asked me what it was that I had called out. With innocent frankness, I repeated the insulting remark. She requested the customers to excuse her, locked the door of the shop and took me upstairs to our apartment.

IMPORTANT MOMENT

"There, she talked to me quietly and earnestly for a long, long time, explaining that all people were alike regardless of race, creed, or color. She talked about the evils of bigotry and intolerance.

"This was possibly the most important single moment in my growth toward manhood, and it was certainly on that day the seed was sown that, 66 years later, grew into an exhibition called 'The Family of Man.'"

After the family moved to Milwaukee, Edward left school at the age of 15 and became an apprentice in lithography at the American Fine Art Company, working up from nothing a week the first year to $4 the fourth. He added to his pay by becoming the unofficial photographer of picnics and outings. He also painted and sketched in his spare hours.

As a lithographer, the youth made his mark by creating a large Ruben's like woman reclining in the enlarged capital "C" of the slogan "Cascarets—They Work While You Sleep." The figure of the languorous lady was almost as famous as the Gibson Girl.

At the same time he was experimenting with his camera, trying to capture on film the blurred softness of a painting. To achieve a misty effect, he would spit on his lens or give the tripod a kick as he tripped the shutter. One of these out-of-focus pictures, "The Lady in the Doorway," brought him recognition as a photographer in the Second Philadelphia Salon in 1899.

A year later he was on his way to Paris, intending to study painting and to continue with photography, the latter in line with a promise to Alfred Stieglitz, a photographic pioneer, whom Mr. Steichen had met in passing through New York.

NOTED FOR PORTRAITS

Painting and photographing by turns, he built a reputation for portraiture of notables—his Rodin won a prize, and his picture of Maurice Maeterlinck, the poet and playwright, was highly regarded. Returning to New York in 1902, he became friendly with Mr. Stieglitz, opened a studio at 291 Fifth

Avenue and began doing portraits commercially.

His "most concentrated and exciting experience" was in snapping J. P. Morgan and Eleonora Duse, the actress, in less than an hour. The Morgan picture came about accidentally when a painter, finding the financier too restive for a sitting, got Mr. Steichen to take a picture from which to paint.

Using a janitor as a stand-in, Mr. Steinchen composed the picture before the banker arrived and quickly made a two-second exposure. Then he made another exposure for himself, with a different position of the hands and head that brought out Morgan's dynamic self-assertion.

Morgan liked the picture taken for the portrait, for which he paid $500, but tore up a print of the second exposure. Later, though, when he was told how wonderful it was, he offered $5,000 for it.

In 1905, Mr. Steichen, with Mr. Stieglitz, established the Photo-Secession Galleries, where art works of all mediums were shown. Through it, Mr. Steichen introduced Cézanne, Picasso, Rodin, and Matisse to the United States. But, restless and feeling stultified as a professional portrait photographer, Mr. Steichen returned to Paris in 1906 and devoted himself to painting, photography and botany at his home in Voulangis.

When the United States entered World War I in 1917, the photographer volunteered for service as an aerial cameraman with the Signal Corps. He took part in major operations in France and won both a Distinguished Service Citation and membership in the Legion of Honor. With the Armistice he returned to Voulangis and his palette.

"One morning, when I went to my studio, I found a very free copy of a flower painting I had been working on," he recounted. "It had been done by the gardener, a Brittany peasant, and it had the curious charm and direct simplicity of much primitive painting. As such, it was better than what I had been trying to do.

"I called the gardener, and we pulled all the paintings out of my studio into an open area and made a bonfire. I was through with painting.

"The wartime problem of making sharp, clear pictures from a vibrating, speeding plane 10,000 to 20,000 feet in the air had brought me a new kind of technical interest in photography . . . Now I wanted to know all that could be expected from photography."

Mr. Steichen spent three years in experimentation. His pictures became precise, filled with detail and with light and shadow. And in 1923 he signed to do portrait and fashion photography for Vanity Fair and Vogue magazines for $35,000 a year. Among those who posed for him over the years were Greta Garbo, Charlie Chaplin, Beatrice Lillie, Mary Pickford, Martha Graham, the Barrymores, Katherine Cornell, Paul Robeson and Lilliam Gish.

WORKED FOR AD AGENCY

Branching out from the Condé Nast Publications, Mr. Steichen took commissions from the J. Walter Thompson agency for advertising work. He promoted such things as mattresses, creams, silks, pills and vacuum cleaners. He was often reproached for going commercial, but he steadfastly denied any meretriciousness.

"If my technique, imagination and vision are any good I ought to be able to put the best values of my noncommercial and experimental photographs into a pair of shoes, a tube of toothpaste, a jar of face cream, a mattress or any object I want to light up and make humanly interesting in an advertising photograph," he once said. He added:

"A thing is beautiful if it fulfills its purpose, if it functions. To my mind, a modern icebox is a thing of beauty."

In 1938, however, he closed his New York studio, announcing that his work had become routine and repetitious. He did not retire, but spent more time with delphiniums ("my vital preoccupation") at his Umpawaug Breeding Farm in West Redding.

When World War II broke out, he organized a unit of photograph naval aviation operations. By the end of the war he was in charge of all Navy combat photography. He was discharged in 1946 with the rank of captain. His war experiences are recorded in "The Blue Ghost: A Photographic Log and Personal Narrative of the Aircraft Carrier U.S.S. Lexington in Combat Operations." He also supervised the film "The Fighting Lady."

For 15 years, from 1947 to 1962, he was with the Museum of Modern Art, supervising exhibitions of photography. To achieve objectivity, he virtually gave up his own work in those years. The museum honored him in 1961 with a one-man show of 300 pictures taken from more than 30,000 negatives. It later established the Edward Steichen Photography Center.

After he retired from the museum, he produced a documentary show on the plight of the farmer during the Depression. It opened in 1962 as "The Bitter Years: 1935–41—Rural America as Seen by the Photographers of the Farm Security Administration."

Mr. Steichen, even in his advanced years, never gave up photography completely. On his farm in recent years he experimented with a movie camera, filming a flowering shadblow tree. The result was a startlingly beautiful chronology of its moods and seasons.

At his 90th birthday party at the Plaza Hotel in 1969, Mr. Steichen took the floor to say:

"When I first became interested in photography, I thought it was the whole cheese. My idea was to have it recognized as one of the fine arts. Today I don't give a hoot in hell about that. The mission of photography is to explain man to man and each man to himself. And that is no mean function. Man is the most complicated thing on earth and also as naive as a tender plant."

RECEIVED MANY HONORS

He received many awards and decorations, including the Presidential Medal of Freedom, the Distinguished Service Medal and decorations from France and Luxembourg. At the end of this month he was to be honored at the Birmingham (Ala.) Art Festival.

Mr. Steichen married three times. His first wife was the former Clara E. Smith. They were married in 1903 and had two daughters, Dr. Mary Steichen Calerone, a physician and co-founder of the Sex Information and Education Council of the United States, and Kate Rodina Steichen, a writer. After a divorce in 1921, he married Dana Desboro Glover, an actress, who died in 1957. In 1960, he married Joanna Taub, a woman in her twenties.

They lived in West Redding in a Steichen-designed house on property strewn with rocks. Under one, a large perpendicular boulder, he said, he hoped to be buried.

A memorial service will be held at the Museum of Modern Art in New York at a date to be announced.

AMERICAN TECHNOLOGY OVERSEAS IS A SCARE STORY

Mr. HARTKE. Mr. President, in recent testimony before the Subcommittee on International Trade of Senate Committee on Finance, Mr. Andrew Biemiller, legislative director of the AFL–CIO unveiled the information that one of this Nation's most reliable rocket launch system, the Thor-Delta, was now in the process of being sold to the Japanese by McDonnell Douglas, a multinational firm.

From some reaction to this statement, you would have thought Mr. Biemiller had brought a skunk to the lawn party rather than supplying the committee with some useful and appropriate information as part of its inquiry into multinational concerns and their effects on the American economy. Mr. Biemiller has been accused, among other things, of muddying the Japanese-American trade waters at a time when American concerns are striving to complete successful negotiations with a most difficult trading partner; anything that disrupts American trade, in the eyes of these critics, imperils the Nation. The selloff of technology is not trade—it is an economic fire sale with no return to the Nation—only to the companies involved

Mr. Biemiller is accused of telling a "technology scare story." The fact is, Mr Biemiller has done this Nation a great service in revealing what is happening to an entire high technology, high employment industry that has been one of the mainstays of our economy. The real "scare story" is that we are sitting complacently by and excusing this action and apologizing for it while the U.S. economy is being undermined by the selloff of our production of sophisticated launch facilities, military aircraft, commercial aircraft, and private aircraft. It is not a scare story. It is a bare fact. We are selling off our aerospace technology and there is not one single denial of this fact by the State Department, the Defense Department or the companies involved. Their only response has been that this entire selloff of technology is "good for us."

There is no intent to dwell on the potential military aspects of the Thor-Delta rocket. It can be provided with a guidance system quickly and easily. That is no impediment at all. The rocket can be modified and made militarily operable. Even the Pentagon concedes that point.

But more broadly, I think that these critics of Mr. Biemiller miss the main point. That is, in our zeal to export, we should be careful about what we are exporting. And we should be particularly careful when we seek to export technologies which are a basic part of our industrial resources—and our ability to produce and expand jobs.

It is one thing to export the fruits of our technology. It is quite another to export the technology itself.

For if we export our technology, what have we to sell? If others can purchase our technology, they then cease to have any need for the goods we formerly fashioned from that technology.

That is just what has been happening, Mr. Biemiller reminds us—as I read his testimony—in our aerospace industry. Here is an industry where, we have long been told, America is absolutely supreme. We have the most advanced technology. We have the most skilled labor force in the world to operate that technology. As a result of the combination of the high technology and the high skills associated with it, we are supposedly strong in exports of the fruits of this industry.

But what is the actual case? The technology of this "vital" industry is being shipped abroad in wholesale lots. It is not just the Thor-Delta, it is an entire complex of the technology involved in the

production of military and commercial air hardware.

Developing this technology cost hundreds of millions of dollars in taxpayer funds, the education of highly trained Americans, and expensive trial and error testing. It is now being sold at a fraction of its worth.

With the selling of the technology, the highly skilled manpower which was trained and used to develop it is no longer of any need. Can anyone then wonder why aerospace workers are concerned—and rightly so—when they can see the technology which is the basis for their jobs is rapidly being sold out from under them?

When are we going to wake up to the fact that if we continue to erode our technology, we erode our ability to compete, we erode our industrial base, and we erode the jobs which depend on that base?

The implications of the accelerating selloff of technology is also of concern to specialists in the field such as Dr. Harvey Taufen, of the Hercules Corp., who recently reported that Japan has paid about $90 million a year, or about $1 per capita, "to get all the results of all the successful, proven technology in the world." As a result, "Japan's shopping has brought it the most incredible bargains in the world."

Supporting Mr. Taufen, Nathaniel Brenner, marketing director for Coates and Welter Instrument Corp., said in an article in Chemical and Engineering News last year that:

> Technology is not an aesthetic pursuit like music or poetry, but rather a commodity of commercial value, with an investment cost which can be measured, a dollar value that can be computed and a clear market advantage for those who have it versus those who don't . . . the product of this investment, like the product of the oil well or the factory, cannot be given away to foreign countries by multinational corporations or by any other channel without a clear, measured quid pro quo or the United States will suffer exactly what a corporation suffers that sells below cost for an extended period—bankruptcy.
>
> Anyone who is naive enough to believe that the Japanese or British governments permit foreigners to license their processes as freely as the U.S. does ours has simply never tried to negotiate these transactions.

Mr. President, this is why we urge a new look at our present trade practices for the clear and present danger that they are.

CHILD ABUSE

Mr. MONDALE. Mr. President, on Monday and Tuesday of this week the Subcommittee on Children and Youth, of which I am chairman, held hearings on S. 1191, the Child Abuse Prevention Act.

I was both touched and angered by the testimony presented to the subcommittee. I was touched by the personal story of a reformed child abuser who has now devoted her life to working with other parents who have the same terrible problem of being unable to control their anger against their children. And I was angered and disappointed by testimony demonstrating the disorganized, callous way that the Federal Government has dealt—or more accurately, not dealt—with this problem in the past.

It is gratifying to see that the hearings—coming at a time when more and more horrifying cases of child abuse are being reported in the media every day—are stimulating public discussion of possible solutions to this problem.

I ask unanimous consent to insert in the RECORD at this time Colman McCarthy's thoughtful analysis, "Suffer the Little Children," which appeared in the Washington Post on Monday; articles from the Post and the Washington Star-News describing the testimony presented at the subcommittee's hearings.

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

SUFFER THE LITTLE CHILDREN

Adults have been beating, torturing and killing their children ever since we supposedly became a little higher than the animals. Only lately, though, is anyone asking why we do it and why can't we prevent it. Social scientists, lawyers, psychiatrists and a few parent groups have been seriously studying the derangement for the past 10 years. As an important part of this discussion, hearings on child abuse were opened yesterday by the Senate Subcommittee on Children and Youth. We have had attention on the subject before, but we still stumble along to solutions, never surefooted about whose responsibility it is to think about the unthinkable.

As with the crime of rape, exact figures on child abuse are unavailable. Dr. C. Henry Kempe, a Denver pediatrician who directs the National Center for the Prevention and Treatment of Child Abuse and Neglect estimates some 60,000 cases were reported last year. The unreporteds are unknown. Occasional child abuse cases reach the courts—it is odd how seldom we think of children as having legal rights—and the trials are reported by the press. A common impression from these accounts is that the murdering or battering adults are fringe cases, exceptions to the happy rule that most parents are naturally loving. Actually taken to an extreme, certain seemingly normal styles of child-raising can easily lead to violence. Two Denver psychiatrists working with Kempe, write: "There seems to be an unbroken spectrum of parental action toward children, ranging from the breaking of bones and fracturing of skulls through severe bruising to severe spanking and on to mild 'reminder pats' on the bottom. To be aware of this, one has only to look at the families of one's friends and neighbors, to look and listen to the parent-child interactions at the playground and the supermarket, or even to recall how one raised one's own children or was raised onself.

"The amount of yelling, scolding, slapping, punching, hitting and yanking acted out by parents on very small children is almost shocking. Hence we have felt that in dealing with the abused child we are not observing an isolated, unique phenomenon, but only the extreme form of what we would call a pattern or style of child rearing quite prevalent in our culture."

* * * * *

Writes James Delsordo, a Philadelphia social worker: "They obviously cannot help themselves. The abuse of their children seems to be rooted in an overflow of their own frustration, irresponsibility and lack of belief in themselves and anything else. In such cases, the possibility of the family remaining intact is remote. The parents are generally vacuous, pleasure-seeking and devoid of guilt, except for periods of extreme remorse and self-pity. They make promises easily and plead with the case-worker for 'one more chance.' Most parents respond poorly to formal psychotherapy."

Is child abuse preventable? Specialists like Kempe—regarded as a pioneer in the field—believe so. In "Helping the Battered Child and His Family." (Lippincott) Kempe writes that only 10 per cent of America's battering parents are too mentally ill to be helped while a child is in the home. The other 90 per cent may be helped. He sees changes in the traditional social agencies as essential. For one thing, welfare departments often make a parent feel uncared for, exactly the feeling that is passed onto the child through a brutal beating. Kempe and his associates say that a violent parent suffers from a "deprivation of basic mothering—a lack of the deep sense from being cared for and cared about from the beginning of one's life." At Kempe's center in Denver, a child protection team includes pediatricians, psychiatrists, social and welfare workers and a nurse.

It is not true that the busing parents are found only among the uneducated and poor, though—as in other crimes—these are often the first to be hauled into court. Violent parents are in all parts of society. Dr. Sidney Wasserman of the Smith College School of Social Work says: "How easy it is to deny that within all of us lies a potential for violence and that any of us could be unreachable. What is more repugnant to our rational 'mature' minds than the thought of committing impulsive, violent acts against a helpless child? We tell ourselves that the primitive, untempered instincts responsible for such acts could not erupt in us. But stripped of our defenses against such instincts and placed in a social and psychological climate conducive to violent behavior, any of us could do the "unthinkable.' This thought should humble us; perhaps we are not battering parents only because conditions do not lead us to commit 'unnatural' acts."

In addition, treatment includes Families Anonymous, a program similar to Parents Anonymous. The latter has chapters in some dozen states and was founded in California by a former child abuser (a woman known as Jolly K.). Parents Anonymous chapters are not only for those who have beaten their children but for those who have not but are bewildered—as so many parents are—by the puzzles of child rearing. (Information about PA is available from Jolly K., National Parent Chapter, 2009 Farrell Avenue, Redondo Beach, California 90278.)

Although everyone knows that children's atrocities are occurring, even getting them reported is a challenge. A 1967 survey showed that a fifth of some 200 physicians said they seldom or never considered child abuse when examining an injured child; even if they had a suspicion and were legally protected to report it, a fourth said they would not. In "A Silent Tragedy," a book to be published in May by the Alfred Publishing Company, Peter and Judith DeCourcy argue that "the first requirement for helping abused children is an adequate reporting law. Such a law should protect the often frightened person making the complaint; therefore, anonymous complaints should be accepted. Investigations of all complaints should be made immediately . . . Reporting should be mandatory for any person who knows of child abuse or neglect . . ."

In the end, many child abuse cases involve parent abuse also; the optic nerve of reform easily sees the battered body of the child, but the disturbed personality of the parent should be sighted also. To protect children before they are abused is the ideal, rather than only after. But until aid is offered to potentially dangerous parents—as Dr. Kempe, Jolly K., and others offer aid—helping abused children will mostly be catch-up work. Families, meaning mothers, fathers and children, deserve better.

TOUGHENED CHILD ABUSE BILL PLANNED

(By Martha M. Hamilton)

Reacting to photographs of scalded, charred, beaten and abused children treated at Children's Hospital here, Sen. Walter F. Mondale (D-Minn.) promised yesterday to strengthen his own bill for dealing with the problem of child abuse.

Mondale watched, distressed, as members of the Children's Hospital child abuse team recounted the histories of the Washington area children, whose photographs were vivid testimony on child abuse.

The abuses were "the most nauseating, disgusting" he has encountered in nine years in the Senate, Mondale, chairman of the Senate Subcommittee on Children and Youth, told the Children's Hospital team.

The Children's Hospital group catalogued what they called weaknesses in the District of Columbia's procedures for dealing with child abuse as well as documenting the problem with slides and case histories.

They showed Mondale photographs and told the stories of:

A 4-month-old boy, admitted to Children's with brain damage caused by blood clots, who died about four months after being admitted. The photograph of the baby showed his body stretched out and rigid, his fists clenched and legs extended. He was breathing but not much else, Dr. Annette Heiser, director of the child abuse team, said.

His brother subsequently was admitted to Children's. The brother, who later recovered and was placed in a foster home, was unconscious and covered with both old and new bruises. "He had old sores on the back and several on the abdomen, which appeared to be healed cigarette burns," Dr. Heiser said.

Under the District's existing law, there is no legal procedure to assure that the brothers and sisters of a child who is identified as "abused" are safe, she said.

A child who the police had determined was not abused and who was scheduled to go home on a Friday but developed a fever and had to be detained. The next day the child's brother was brought to the hospital dead on arrival as a result of a beating. "Because of the system the first child was going to go back to the home," Dr. Heiser said.

"There should be a means for handling a conflict between a medical diagnosis and a police judgment," she said, "Either a third party . . . should become involved or the law should provide some means of holding a child solely on a medical judgment until a multi-disciplinary evaluation can be made of the family."

Reporting of child abuse cases is improving, the Children's group said, but needs improvement. Of about 150 cases reported last year, about 100 of those were reported from Children's where special procedures have been developed, Nan Huhn, a lawyer for the city said.

Members of the child abuse team were sharply critical of a proposal by the department of human resources to break up a centralized, highly specialized unit of social workers who deal with neglected and abused children in the District.

The Mondale proposal, which would cost about $90 million over five years, would expand the federal role in dealing with child abuse and focus more directly on the problem, creating a National Center and a National Commission on Child Abuse and Neglect.

[From the Evening Star & Daily News, Mar. 28, 1973]

CHILD ABUSE: PROBLEMS AND PREVENTIVES

MONDALE EYES TOUGH BILL

(By Martha Angle)

With a short but shattering slide show, a team of specialists from Children's Hospital yesterday brought home the problem of child abuse to a Senate subcommittee.

As many in the darkened hearing room diverted their eyes, images of brutally tortured children flashed across the screen while Dr. Annette Heiser recited the case histories of their abuse.

Cigarette burns, fork puncture wounds, scalded skin, broken limbs, whipping scars, "charred lower extremities"—were among injuries suffered by infants or pre-teen children at the hands of their parents and guardians.

"I have seen some pretty rough things in my nine years in the Senate, but this is the most nauseating thing I have ever seen," said Sen. Walter F. Mondale, D-Min., as the slide presentation ended.

"To think that we don't have any comprehensive system for saving these children from this kind of inhumane brutality and torture seems utterly beyond belief," Mondale added.

"We're going to do something here," he promised the Children's Hospital team. "We're going to pass a strong bill, and after this presentation it's going to be a lot stronger than I originally planned.

Mondale is sponsor of legislation to provide $90 million in federal grants over a five-year period for prevention and treatment of child abuse, to require states to draw up comprehensive plans for such programs, and to create a National Center of Child Abuse and Neglect to serve as a research and information clearinghouse on the subject.

Stephen Kurzman, assistant secretary of Health, Education and Welfare, yesterday told Mondale's Senate Labor and Public Welfare subcommittee the Nixon administration is opposed to his bill, believing the problem of child abuse should be handled at the state and local level.

Kurzman said HEW is already planning to institute some of the programs outlined in the Mondale bill, and will have spent about $231 million over a four-year period ending next year on child abuse research, prevention and treatment.

Mondale challenged Kurzman's spending figure, and Dr. Robert H. Parrott, director of Children's Hospital here, said that "if indeed $231 million has been made available, very very little of it is getting through to the District of Columbia."

Last year, he said, Children's Hospital handled about 100 of the 150 child abuse cases reported in the District "and we estimate there are three times that many occurring each year but going undetected." Other hospitals have been slow to recognize the problem and identify cases of child abuse, he said.

Other members of the Children's Hospital team said they have noticed a sharp increase in District child abuse cases this year, largely because doctors and others are becoming more conscious of the problem and better at recognizing abusive symptoms.

At their own initiative—and with no funding support—pediatricians, nurses, social workers and psychiatrists at Children's Hospital have formed a special team to handle cases involving abused children, testimony showed.

But team members said their efforts are severely hampered by a lack of personnel and funding, legal limits on the degree to which outsiders may intervene in a family situation, the absence of a central registry of child abuse reports, excessive caseloads of social workers who attempt to follow up on children who have been returned to the home and a host of other problems.

SPORTS EXPO FOR YOUTH

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues in the Senate a significant proposal for a constructive recreational program in the Washington, D.C. metropolitan area on behalf of disadvantaged youth.

Known as Sports Expo, this program will use ongoing clinics in the development of athletic skills to enable young men and women to have a sense of achievement where otherwise they might have known only disappointment and failure—developing those characteristics of self-confidence and the desire to achieve competence in their chosen vocations, that are so important in their later lives.

Sports Expo is a nonprofit endeavor of BilJac Associates, a small black-owned business consultant firm located in Alexandria, Va. I am advised that already a distinguished advisory panel has been formed to aid the organization of this important demonstration project—including Mathew Guidry, of the President's Council on Physical Fitness and Sports; Samuel Jones, at Federal City College; Calvin Rolark, president of the United Black Fund; Robert V. Donahoe, executive director of the UGF in the District of Columbia; Charles Taylor, at American University; Dr. Herman Tyrance, at Howard University; George I. Rose, assistant secretary for employment and social services, State of Maryland; the Honorable SHIRLEY CHISHOLM; James Ward, a vice president in the Marriott Corp.; William Jaimeson, Interracial Council for Business Opportunities; the Reverend David Eaton; and Miss Lucy O'Neil, presently associated with Sports, Inc.

Mr. President, I ask unanimous consent that a prospectus on Sports Expo, submitted to my office by Mr. William S. Hardy, president of BilJac Associates, Inc., be included at this point in the RECORD.

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

SPORTS EXPO

Recreation for Personal Development has been sponsored as a non-profit endeavor of BilJac Associates., Inc., a small black-owned business concern. The initial project is Sports Expo. Sports Expo will operate on the premise that negative social trends can be reversed if Americans accept responsibility for each other.

PROJECT OBJECTIVES

To develop in youth through sports interaction with professional and academic athletes a sense of social awareness within the socio/economic systems and to equip them to deal successfully within the system rather than without.

The clinics will create a positive environment for youth in which a good self-image and the will to succeed can be developed. Replacing a damaged self-image is a slow and painful task. It is possible on an individual level, however, to provide building blocks of small successes and accomplishments which will eventually make up a positive self-concept. We are striving for each youth to believe "I am somebody".

To encourage positive social behavior through providing a channel of constructive personal development.

MOTIVATION

One way in which young people have traditionally learned leadership and self worth is through participation in sports. Sports have also provided an escape beyond the nar-

row confines of a limiting and debilitating environment.

The development of this interest in sports can offer an avenue for acquiring personal discipline and confidence often atrophied by unrewarding school experiences and the discouragement of poverty and racism. Therefore, for the more than 100,000 disadvantaged school-aged youth living in Washington's inner city area, professionally conducted sports clinics are not only a natural response to youth's interest in both organized sports and leisure time activities, but also a viable vehicle for personal development.

Sports Expo believes that young people living in Washington's inner city areas—and elsewhere across the country—do not need pity. They need help in developing their valuable potential. They are often open to counsel from adult athletes, particularly those who share similar backgrounds.

METHOD

The machinery of Sports Expo is really very simple: successful adults will use sports as a means to develop the potential of youth who need encouragement to learn to live useful lives. Clinics in football, baseball, basketball and track—and later in tennis, golf, bowling and gymnastics—are planned in response to local interest.

However, no program of the magnitude envisioned for Sports Expo can go into operation untested. It is only good business to employ first a pilot project as part of the continuing long range planning. A series of model clinics will be held beginning in March and running through mid-June to refine the teaching approach and techniques used by the athletes and to insure a logistically smooth operation when Sports Expo goes into full swing this summer.

Some 20 professional athletes and 20 college and high school athletes and instructors will participate in the model project. Over 1,000 boys and girls will benefit. A series of three day football, basketball, track and baseball clinics will be held using donated facilities at Howard University and other available facilities. The professional and academic athletes will be assisted by volunteers from area colleges and high schools, community centers and recreation departments as well as from the YMCA and the Police Boys Clubs.

Clinics will meet from 2 to 4 hours each evening. While intended primarily for teenagers, other family members may attend. Each clinic will concentrate on a specific sport and will be limited to approximately the first 75 youth who register. Clinics will require a minimum of 50 trainees.

Daily programs will follow a tight, discipline-promoting schedule. Each session will begin with a film and illustrated lecture on some aspects of the sport under study. A structured play or application period will follow. Participants' efforts to apply what they have learned will in turn be recorded on video tape for "instant replay" and further instruction in small groups.

Emphasis on accomplishing assignments repeatedly will help build the participant's confidence in his own abilities. During each session agility drills will be taught to help trainees continue their physical conditioning after the clinic has ended and to allow for further successes.

A cleanup period followed by a nutritious training meal will end the session. The meal will allow more time for personal interaction between trainees and staff. It will also insure against the likelihood that many of the youth would not have a proper meal awaiting them at home.

An obvious purpose of the "living laboratory" situation will be to provide evidence that this project can effectively fulfill its objectives. Also, awareness of *Sports Expo* needs to be generated in inner city neighborhoods, while businessmen and corporations in the Washington Metropolitan Area must be alerted to the program and its aims. The model project is primarily intended as a time of evaluation and planning which will result in a definite proposal of the nature to solicit suffcient funding for a long term program.

FINANCE/ADMINISTRATION

How will *Sports Expo* be financed? Through the tax deductible contributions of civic minded organizations and individuals. The immediate need, of course, is for seed money to finance the model project. A minimum of $60,000 and a maximum of $91,000 are needed to cover expenses of the model project.

While initial salary costs are provided by BilJac Associates, it is intended that eventual donations will relieve the firm of this burden. In no way will BilJac Associates, Inc., derive financial benefit from *Sports Expo*.

Although many expenses will be nominal due to donated equipment, facilities and meals, a cost of approximately $57–$87 per participant is projected for the demonstration period, depending upon the length of particular clinics. Expenses will be accrued in the areas of fees paid to professional and academic sports personnel to insure their participation and by such items as transportation, insurance, publicity, etc.

However, the model project is only the beginning of *Sports Expo*. During the primary project an advisory board will be formed of both individuals and organizations. A membership of approximately 35 is projected, the members to represent a cross section of business, social and political concerns. Responsibilities of the Board of Advisors will be financial as well as advisory.

JAYCEES DRIVE FOR SCHOOL LUNCH PROGRAM

Mr. McGOVERN. Mr. President, I recently became aware of a remarkable new development in the fight to end hunger and malnutrition in America. Two young men, Mr. Robert Benedict, national Jaycees director for improved child nutrition, and Mr. David Jones, associate director, visited with me in my office to describe their nationwide drive to bring school lunches to millions of needy children.

Mr. Benedict and Mr. Jones explained that they were focusing on the problem of some 18,000 schools around the country that do not have the facilities to provide lunches to children. As they explained their program to me, they plan to encourage Jaycee chapters throughout the Nation to survey the needs of these schools, to develop community support for school lunch programs in these schools, and then to bring these needs, supported by hard evidence, to the Department of Agriculture to provide the funds to buy the equipment.

Mr. President, I want to make sure that when the community-level efforts of the Jaycees bear fruit, that the Federal Government will be in a position to respond to the requests of these local communities. For that reason, the staff of the Select Committee on Nutrition has analyzed the administration's budget request for school equipment funds. This analysis shows that $16.1 million has been requested for fiscal year 1974 for equipment—the same amount as was requested for the last fiscal year. The Congress has authorized $40 million. This $16.1 million will help modernize 5,000 schools, but will only provide new facilities for 1,300 of the 18,000 schools that need facilities.

I believe that the Congress needs to carefully examine the administration's budget request in this light, and hopefully provide increased funds to fulfill the efforts that the Jaycees are going to make.

Again, I want to commend Mr. Benedict and Mr. Jones for their great leadership in this area, as well as the national Jaycees.

AN END TO THE USE OF DES

Mr. RIBICOFF. Mr. President, on March 20, I released a memorandum prepared by the FDA's Director of Veterinary Medicine Review, which revealed that there are at least 18 potentially cancer-causing substances being used in food animals. For practically all of these, inadequate testing methods exist for the detection of residues of these substances in human food.

Of all the substances discussed in this memorandum, the one which is most clearly linked to cancer is diethylstilbesterol—DES—an estrogenic growth hormone used by meat producers in food animals to stimulate their growth. In August 1972, the FDA announced that use of DES in the feed of animals intended for human consumption would be prohibited after January 1, 1973. The FDA took this action after it had been shown that DES caused cancer in test animals and that residues of DES were present in the tissue of animals slaughtered for meat. Action was taken only after several Members of Congress, as well as environmental and health groups, had repeatedly urged the FDA to ban DES; a lawsuit had been filed by the National Resource Defense Council to have DES taken off the market; and a bill had been introduced in the Senate to accomplish by further legislation what the administrative process had failed to do by enforcement of existing law. That bill, S. 2818, passed the Senate on September 20.

The FDA's action, though long overdue, was inadequate to protect the interests of consumers. It failed to do so in two respects: the FDA permitted the continued use of DES, a known carcinogen, in animal feed for several months, a procedure which the GAO has determined to be illegal, and it failed to prohibit—even on an interim basis—the injection of DES into food animals. At this time, DES may still legally be used in food animals by implanting the hormone in the animals' ears, despite the fact that recent research reveals that this method, too, results in residues of this carcinogenic drug. DES implants had been used extensively prior to the ban on DES in animal feed and it is reasonable to expect that implants will be used much more widely now that the ban on DES in animal feed is in effect.

At the time DES was banned from animal feeds, FDA announced that the implants would be permitted to continue, because there was no evidence of DES residues from implants in slaughtered carcasses. The reason why no residues had been found is by no means reassur-

ing: in spite of the known problems concerning DES, neither the FDA nor the Agriculture Department had tested the carcasses of animals implanted with DES for residues. The FDA did not suspend implants on an interim basis while testing of animals implanted with DES proceeded. Instead, it left the public potentially at risk pending the results of future tests.

Now, months later, results of tests on implants have begun to appear. An FDA progress report dated December 18, 1972, shows that "FDA scientists have concluded that there is no question" that DES residues were present in the liver and kidneys of steers slaughtered 30 and 60 days after implantation. The report indicates that additional studies are in progress on steers to be slaughtered 120 days after implantation. It was announced in December that results of these studies would be available in mid-March. Now we are told that they will not be available until the end of April.

The FDA statement of December 18 indicates that "if any residue of DES is found in liver or kidney 120 days after implant, all approval of DES for this use will immediately be withdrawn." While I am pleased that the FDA appears ready to act once it has been conclusively proven that the public is being exposed to carcinogenic residues, I find it regrettable that it is taking so long to accumulate the data for decision, and that consumers must continue to bear the risk of exposure in the interim. By the time FDA and the Department of Agriculture decide whether to ban implants, at least 8 months will have passed since DES was banned in animal feed.

There are at least four reasons why DES or any other carcinogenic substance—actual or potential—should not be permitted to be introduced into food animals:

First, the danger of low-level residues;

Second, the inadequacy of the Department of Agriculture tests;

Third, the impossibility of enforcing regulations requiring a long withdrawal period; and

Fourth, potential harmful effects even if no residues are present.

1. DANGER OF LOW-LEVEL RESIDUES

Both FDA and the Department of Agriculture agree that DES is a carcinogen and that no residue of DES should be permitted in meat.

There is no way of determining what is a "safe" amount of a carcinogen. There does seem to be some relationship between carcinogenicity in animals and carcinogenicity in human beings. But the precise relationship varies with different substances and different species and is usually indeterminate. Because a given amount of a carcinogen may produce radically different effects in different species and different organisms, it is possible that carcinogens which at a given level produce tumors in animals could produce tumors in human beings at drastically lower levels. There is no assurance that a carcinogen—even in minmal amounts—will not cause ill effects in human beings.

In addition, it is difficult to determine a definite relationship between a given substance and human cancer. Because cancer may take from 10 to 20 years to appear and because we do not know enough about the precise mechanism of the disease, it is extremely difficult to establish conclusively a causal relationship between a particular substance and its cancer-causing effect.

Therefore, where a substance poses a potential threat of carcinogenicity, it is only prudent to avoid the presence of residues in the food supply in any amount. It is impossible, however, to determine that absolutely no residue of a substance remains. The determination that no residue exists is only as accurate as the sensitivity of the test used. If the required test is sensitive enough to measure residues—for example, at 25 parts per billion—and no residues are found, there is no assurance that residues below that level are not present. No matter how sensitive a test is used, it will always be possible that some residues will be present below the detection level. Thus, a zero tolerance level is a fiction. A de facto tolerance level is effectively set at the sensitivity of the test used. Thus, DES residues may be present at levels that the tests used cannot detect, and there can be no assurance that the presence of such residues is not a danger to the public health. The only proper course of action is to prohibit the introduction of DES in food animals in any form.

2. INADEQUACY OF DEPARTMENT OF AGRICULTURE TESTING DATA

As I have mentioned previously, the Department of Agriculture is currently performing tests to determine whether DES residues remain present in cattle 120 days after implantation. If no residues are found, the FDA is apparently ready to promulgate regulations permitting DES implants, provided that steers are not slaughtered until 120 days after implantation. Even if the Agriculture Department tests show no residues, however, I am not convinced that these tests would constitute sufficient proof that DES residues would not be present in an appreciable number of animals slaughtered after a 120-day withdrawal period.

Only eight steers implanted with DES are being tested under the 120-day withdrawal period. Given the wide variation in metabolic response in different animals, a showing of no residues in only eight animal carcasses would be far from persuasive evidence that residues would not appear in an appreciable percentage of cases.

3. IMPOSSIBILITY OF ENFORCING REGULATIONS REQUIRING A LONG WITHDRAWAL PERIOD

Even if a fully adequate test showed that no residues remain in animals after a 120-day withdrawal period, however, it would be impossible to enforce a regulation requiring such a lengthy waiting period before slaughter.

DES implants are administered at thousands of different locations. Even if a Department of Agriculture inspector were present at each of these locations to observe the implantation, a method of identifying the cattle implanted on a given date would have to be devised to assure that none could be slaughtered until 120 days had elapsed. The establishment of such an inspection program is beyond the capability of the Department of Agriculture.

Under the Delaney clause (21 U.S.C. 348(c)(3)(A)) no animal drug which causes cancer in man or animals may be used in food animals unless the Secretary of Health, Education, and Welfare prescribes regulations which will result in the absence of residues under testing procedures he shall establish and if it is reasonably certain that such regulations will be followed in practice.

The FDA and the Department of Agriculture have maintained that random testing of meat samples can be an adequate substitute for direct supervision of the implants. I do not believe that such testing could become an adequate regulatory tool. There are three reasons for this belief.

First, the tests performed by the Department of Agriculture to determine whether DES residues are present are extremely sophisticated and difficult to perform accurately. While Department of Agriculture specialists operating under ideal laboratory conditions may be able to use this test to produce accurate results, it is highly doubtful that it could be adapted for use in the field by less qualified technicians. This test is not likely to become a practicable regulatory tool.

Second, this test involves implantation of animals with radioactive material to make possible identification of residues. There is a substantial question whether the public would be well served if it had to tolerate meat that had undergone radioactive treatment in order to assure that no cancer-causing residues are present. The test itself, if used on food animals, seems to pose unacceptable risks to public health.

Third, and most important, the monitoring of meat samples involves inspection of a relatively small number of carcasses. The vast majority remains uninspected. Inspected carcasses represent only a fraction of 1 percent of the total animals slaughtered for food. A meat producer who violates a regulation requiring a long withdrawal period, therefore, runs only a minimal risk of having DES residues in his product detected.

I believe that a regulation establishing a 120-day withdrawal period would be unenforceable and not "reasonably certain to be followed in practice," as the law requires. If this is so, the Secretary is under a legal obligation to withdraw new animal drug approval for DES implants. I call on him to do so, regardless of the results of the current tests.

4. HARMFUL BIOLOGICAL EFFECTS EVEN WHERE NO RESIDUES REMAIN

Even if it could be shown that no DES residues are present after a 120-day withdrawal period, that a practicable regulatory test to detect all residues existed, and that regulations establishing a 120-day withdrawal period were reasonably certain to be followed in practice, there would still be strong reasons for banning DES.

A carcinogenic substance may induce harmful biological changes in an organism even if no residues of the substance remain. The results of a study by French

scientists have shown that, even where no DES residues remain after slaughter, animals which had eaten the meat of cattle implants of DES had become infertile. The study indicated that consumption of the meat of such cattle "may have an unfavorable effect on the reproductive functions of consumers." The effect of DES on human fertility has been confirmed by the FDA's recent decision to allow use of the drug as a "morning-after" contraceptive. I am not satisfied that the safety of DES would be conclusively shown even if it could be established that no actual residues were present in slaughtered carcasses.

The Canadian Government recently took action to ban DES both in animal feeds and through implants. It should be emphasized that the Canadian food and drug authority did not base its action on the presence of residues in meat. It concluded that DES could present a significant potential health hazard through biological changes induced in muscle tissue even where no detectable residues were found.

Canada is a meat-exporting country, and the meat industry is an important element of the Canadian economy. The Canadian Government would not have taken this action if it did not believe that DES presented substantial public health problems. The Government's action had the full support of the Consumers' Association of Canada.

It is time for FDA and the Department of Agriculture to cut the bureaucratic redtape and take decisive action to protect American consumers from the needless exposure to the risk of cancer.

Twenty-two governments have already taken action to ban totally the use of DES in livestock. American consumers are entitled to expect that their Government will act as effectively to protect them from potential hazards to their health.

MINNEAPOLIS TRIBUNE OPPOSES NIXON PLAN FOR MEDICARE, MEDICAID CUTBACKS

Mr. HUMPHREY. Mr. President, an excellent editorial in the March 27 Minneapolis Tribune makes a strong case against the cutbacks in medicare and medicaid that President Nixon has proposed.

The editorial points out that the administration is trying to justify the cuts by arguing that they can be made up out of the higher social security benefits Congress voted for older Americans last year. However, as the editorial goes on to say:

Social security was not increased in order that medicare and medicaid could be reduced. It was increased to meet the increased cost of living.

President Nixon failed last year in his attempt to limit the social security increase to 10 percent instead of the 20 percent approved by Congress. Now he is trying to get that money back from older Americans through the back door.

Fortunately, however, he has been effectively thwarted by the Senate. I have joined with 51 other Senators, led by my distinguished colleague from Minnesota (Mr. MONDALE), in introducing a concurrent resolution putting the Senate formally on record in opposition to the proposed cuts in medicare and medicaid. This resolution (S. Con. Res. 18), supported by a majority of the Senate, makes it clear that the cuts have no chance of passing and that this threat to the financial security and the health of older Americans has been lifted.

I ask unanimous consent that the Minneapolis Tribune editorial be printed at this point in the RECORD.

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

FIGHTING MEDICARE CUTBACKS

Although President Nixon failed in his attempt last year to trim down the new Social Security increase, his Medicare and Medicaid proposals this year could veto all or much of the increase for many elderly Americans. Under the proposed cutbacks, the administration would have the patient pay the full bill for the first day of hospitalization (instead of just $72 of the bill now), then 10 percent of the cost between the first and 61st days (this portion is now free). Those patients with doctor-bill coverage would pay the first $85 of the bill (instead of the present $60) and 25 percent of any amount over that (up from 20 percent). Dental care and other "low priority" services under Medicaid would be dropped.

These cutbacks would wipe out the Social Security increase (which averaged about $29 a month) for any Medicare recipient in a lengthy stay in the hospital, and would take a big chunk out of the increase even for a minimum stay. For example, the average daily hospital cost in Minneapolis is about $115. Using a much lower national average figure of $70. Sen. Walter Mondale, who is fighting the cutbacks, said that under the Nixon proposal a three-week stay would cost at least $200 and a 60-day stay a minimum of $500. Mondale figures the administration proposal would result in Medicare recipients paying out an additional $1 billion a year from their own pockets.

Defending the administration proposal, Caspar Weinberger, secretary of health, education and welfare, said the average stay in the hospital, about 12 days, would cost the Medicare recipient about $105. Even this, we feel, is too much for a recipient whose income from Social Security (the national average for a single person is less than $2,000 a year) is already below the poverty level.

To defend Medicare cutbacks on the grounds that patients can pay more because of the Social Security increase, as the administration did last month, seems to us to be a subversion of the intent of Congress. Social Security was not increased in order that Medicare and Medicaid could be reduced. It was increased to meet the increased cost of living. The elderly sick should not have this increase taken away from them. We hope Mondale and the other congressmen fighting the cutbacks meet with success.

GENOCIDE CONVENTION WOULD NOT ENDANGER U.S. COMBAT SOLDIERS

Mr. PROXMIRE. Mr. President, opponents of ratification of the Genocide Convention often cite as a danger of the convention the alleged possibility that U.S. combat soldiers could be tried and punished by the courts of an enemy country. For example, my esteemed colleague from North Carolina, Mr. ERVIN, contends that the convention would "make soldiers punishable for serving their country in combat" as the fifth of his objections to the convention presented in a recent speech. I am continuing my rebuttal of those objections.

There is an unspoken assumption in this objection, and recognition of this assumption vitiates the force of the objection. The assumption is that the Genocide Convention would subject servicemen to criminal proceedings that would not be possible at the present time. In fact, this is not the case. The example from very recent history, the war in Vietnam, is most persuasive on this point. If, for example, the North Vietnamese wished to try American servicemen, they had all the possibilities of doing so under a convention already in force and ratified by this country, the Geneva Convention of 1949. One provision of that convention is the requirement that countries punish for war crimes and extradite for such crimes to one another. If, therefore, the North Vietnamese wished to try American servicemen for war crimes, they could do so without the Genocide Convention, which adds nothing to that power. The charges most likely to be brought against servicemen would be under the Geneva Convention and not under the Genocide Convention.

In addition, no objective observer could reasonably construe the proper actions of a combat soldier as being done with the intent to exterminate a people as a whole, and the presence of such an intent is a requirement for a true finding of genocide under the convention.

It may be argued, of course, that a foreign enemy would disregard all of these provisions. In this case it would be abusing the convention and hence breaking it; this is not an objection that any law or treaty can countenance.

Another protection built into the convention is the safeguard against improper extradition. If genocide were alleged against American servicemen who had already returned to America, an American court would have to find that the evidence was sufficient to justify bringing a charge of genocide before allowing the extradition. In addition, the United States would be obligated to extradite only in accordance with extradition treaties in force.

I believe the United States should ratify the Genocide Convention immediately to reaffirm our standing among nations dedicated to world peace and order.

THE FACTS ABOUT THE F–15 FIGHTER PLANE

Mr. GOLDWATER. Mr. President, on March 18, the Washington Star-News published on its front page an article designed to sabotage and undermine the F–15 fighter plane development program through a series of dramatic and sensational but unsupported allegations.

The article in question was written by Mr. Orr Kelly of the Star-News who has systematically attempted to cast suspicion upon Defense Department programs vitally needed for the security of the United States.

Mr. President, I want to point out that the F–15 fighter is sorely needed. It is

the only Air Force fighter plane now in the development stage. Its development is being closely watched by the Senate Armed Services Committee and other committees of the Congress who are charged with responsibility for military matters.

The story by Mr. Kelly creates the impression that the Defense Department is busily attempting to cover up a 21-percent increase in the cost of the F–15 and is hiding the fact that the F–100 engine being developed for the F–15 has had 52 undisclosed major breakdowns in its hardware.

At the conclusion of my remarks, I shall include in the record a fact sheet answering in detail Mr. Kelly's allegation. But for immediate purposes, let me say that no phase of the F–15 development has been hidden from me or my colleagues nor have there been 52 major breakdowns in the hardware of the F–100 engine. In the Pratt and Whitney development of the F–100, several design deficiencies have cropped up, just as they do in the development of any engine for a new aircraft. Each of these deficiencies has been effectively and systematically corrected and no one or group of these deficiencies could accurately be called "a major breakdown."

My concern, Mr. President, is with the overall impression created by this news story. To the casual reader, it seems to say that the Defense Department is squandering the taxpayers' money on a useless aircraft and attempting to hide the true situation from the Congress. This is certainly not the case and the fact sheet I shall present will bear me out. And I would just like to say, Mr. President, that I will continue to counter these unfounded stories aimed at the Department of Defense and the development of new and needed items of hardware for the military every time they crop up, whether the author happens to be Mr. Kelly or someone else.

I ask unanimous consent to have this fact sheet printed in the RECORD.

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

[Fact sheet on Washington Star & News article]

F–15 COST IS HIDDEN

(By Orr Kelly)

CHARGE

A secret Defense Department Study shows a 21% cost increase on the F–15. This has been kept from Congress.

FACT

A parametric study by the Cost Analysis Improvement Group (CAIG) of the Office of the Secretary of Defense was accomplished in 1972, using a broad data base from past aircraft development programs. The results of this analytical effort were approximately 21% higher than the present Selected Acquisition Report (SAR) figures.

COMMENT

The SAR program estimate bases are negotiated contracts at target, negotiated options with not-to-exceed ceilings, cost tradeoff studies at program go-ahead, unique management controls and a sophisticated performance measurement system that permits validation of the program estimate. The SAR estimate is now over three years old with 85% of the development program funded and still on budget target. Additionally, the SAR values are substantiated within 2–3% by an Air Force Independent Cost Analysis (AF/ICA), validated by the Aeronautical Systems Division of the Air Force Command. This Air Force ICA has been examined and indorsed by the Air Force Auditor. Since the SAR is the DOD best estimate of costs, internal estimates considered in the process of arriving at the SAR estimates are not normally distributed.

CHARGE

The F–100 engine being developed for the F–15 has had 52 hitherto undisclosed major breakdowns in its hardware.

FACT

The developmental testing of the Pratt & Whitney F–100 engines has identified several design deficiencies, each of which has been systematically and effectively corrected. These have neither been major in scope nor have they been secreted by the contractor or the Air Force.

COMMENT

The identification of design deficiencies and performance inadequacies is a fundamental element in the development of all hardware, but it is particularly key in the area of aircraft engine development. To expect the test and qualification of an engine not to identify such deficiencies would be both impractical and unrealistic. The assertion that those technical problems identified to date in the F–100 engine program are "major breakdowns" is not documented in fact. Additionally, the Air Force has been open with both the press and the Congressional staff in discussions of all significant test results of the F–100 engine program.

CHARGE

The CAIG estimate has set off a bitter dispute within the Pentagon.

FACT

The existence of both the CAIG and the Air Force ICA has been thoroughly discussed between OSD and the Air Force without conflict.

COMMENT

The only dispute that is evident as a result of the CAIG and ICA difference is one of academic merit. The proponents of each method indorse the analytical basis and fundamental assumptions of their model. The differences in the conclusions of the two approaches have led to the recent and ongoing efforts to combine the merits of each, and thereby, hopefully to develop an improved model from which to work.

CHARGE

Some of the early production models of the F–15 will be equipped with engines that have not passed military qualification.

FACT

Engine qualification is currently scheduled to be completed by May 1973, and the first production aircraft is not due for delivery until November 1974.

COMMENT

The very conservative F–15 program approach of "fly-before-buy" has provided sufficient program flexibility to insure that such unwarranted risk need not be taken. Even with the delay experienced to date in completing engine qualification, the F–100 engine will be fully qualified at least a year before installation in a production aircraft.

CHARGE

Recent decision to proceed with production of the F–15 was a significant departure from the "fly-before-buy" concept.

FACT

The F–15 program has always maintained adherence to Mr. Packard's interpretation of the "fly-before-you-buy" concept. Explaining this approach to a Congressional Committee, Mr. Packard said: "In my mind, fly-before-you-buy means having an acceptable level of confidence that we know what we are doing before we move ahead . . .".

COMMENT

Both the experience gained in the F–15 flight test program and the overall engine test program have generated the necessary level of confidence to proceed with the FY 1973 production of 30 F–15s. Production configured engines are currently flying in some RDT&E aircraft. The F–15 has bettered all of the current DCP thresholds except two.

CHARGE

There are F–15 associated costs hidden as other efforts to minimize the total F–15 costs.

FACT

There are on-going development efforts such as the GAU–7A 25 mm gun and the Tactical Electronic Warning Systems which, if successful, will have application to the F–15 aircraft.

COMMENT

The management decision to develop such high risk subsystem as the GAU–7A and TEWS outside of the F–15 program was, in no way, an effort to hide funds expended. Costs associated with these efforts have been reported to Congress and have in every case been clearly identified as having potential application to the F–15, as well as other aircraft.

CHARGE

When the engine cost went up $552 million, $522.8 million was deleted in needed spares, in an effort to offset the cost increase.

FACT

The engine cost increase of $552 million was a net increase cost projected from the repriced engine contract after deletion of the Navy F–14B engines. Subsequently, in May 1972, DOD directed a change in reporting cost on the SAR report. This change was applicable to all SAR reports and in no way related to the F–15 engine costs. Previous SAR documents included a last page titled, "Additional System Costs" which included a wide variety of cost categories such as (1) Modifications, (2) Component Improvements, (3) Modification Spares, (4) Replenishment Spares, (5) Common AGE, (6) Common AGE Spares and (7) War Consumables. The revised reporting eliminated all costs categories except (1) Modifications and (2) Component Improvement. The effect of this direction was to reduce the total dollar value of "Additional System Costs" reported by approximately $520 million.

COMMENT

The increase in engine cost was appropriately reflected within the total system acquisition cost of the F–15, and was properly reported in the main body of the SAR. The reduction in reported "Additional Systems Costs" prompted by the DoD Directive does not impact the reported system acquisition cost.

CHARGE

F–15 program includes a $15.5 million spin inhibitor system designed to solve a serious problem.

FACT

The F–15 does not have a spin problem and there is no spin inhibitor system either existing or envisioned.

COMMENT

The F–15 design has displayed such a resistance to spin that difficulties have been encountered in attempting to spin the 3/8 scale F–15 spin model. The assertion of a spin problem in the F–15 aircraft is unfounded.

SOCIAL SERVICES—THE HUMAN DIMENSION

Mr. MONDALE. Mr. President, in recent weeks a large number of my colleagues and I have joined in vigorously

protesting new regulations proposed by the Department of Health, Education and Welfare regarding Social Services.

We have tried to emphasize the severe and tragic impact these regulations would have on individuals currently benefiting from day care programs, alcohol and drug abuse programs, day activity centers for the retarded and other programs currently made possible through Social Services.

It is one thing to talk in Washington about the statistics involved, but it is quite another to see first-hand the individuals who needs these programs so desperately. I had the opportunity last week to visit a day care center in Minneapolis and talk with working mothers who depend on that center to keep themselves and their children off the welfare rolls. It is a sobering experience to visit one of these centers while HEW's sword of Damocles is threatening the self-reliance of those who use it; I strongly recommend such a visit to anyone who doubts the value of the Social Services program.

It is the human dimension of Social Services that makes this entire matter so urgent and so important, and yet it is that same human dimension that has been lost in the new HEW regulations. This week there appeared in the Minneapolis Tribune an article by Sam Newlund which dramatizes as effectively as any article could precisely what effect these regulations will have on a 4-year-old girl in Minneapolis. I highly commend the article to my colleagues and I especially commend it to Secretary Weinberger, who has it within his authority to reverse the proposed regulations.

Mr. President, I ask unanimous consent that the Minneapolis Tribune article be printed at this point in the RECORD.

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

PROPOSED U.S. RULES KEEP CITY GIRL, 4, FROM DAY-CARE CENTER URGED BY DOCTOR

(By Sam Newlund)

A proposed set of controversial federal rules has spurred a national uprising among human service advocates.

The proposed regulations also mean quite a bit to Tracy Ybarra, a frisky Minneapolis 4-year-old who lives at 3647 N. 6th St.

The rules aren't in effect yet. They are supposed to begin April 1. That date may be extended, and the regulations may be softened.

But for Tracy, the uncertainty means that she can't attend a day care center which a child psychiatrist said she needs.

Tracy, the dark-eyed, gregarious daughter of Mrs. Shirley Ybarra, was referred to the Northeast Child Development Center, 1929 2nd St. NE., by Dr. Joel Finklestein, a child psychiatrist at the Minneapolis Clinic of Psychiatry and Neurology.

Mingling with other children at the day care center, Finklestein said, could help solve Tracy's behavior problems. He said the problems include temper tantrums and "screaming as in fear with night terrors."

Tracy was struck by a car while crossing a city street last year. The shock, the psychiatrist said, may have worsened her emotional troubles.

The child is barred from the day care center because of a highly controversial set of regulations issued Feb. 16 by the Department of Health, Education and Welfare (HEW). They have the effect of severely limiting eligibility and federal support for a wide range of social services under current federal aid matching programs.

Besides day care, the regulations affect such services as alcohol- and drug-abuse programs, day activity centers for the retarded and homemaker services for the elderly.

For the most part, the rules limit services to welfare recipients. Tracy and her divorced mother are welfare recipients (Aid to Families With Dependent Children). But because Mrs. Ybarra is not working or undergoing job training, their status as welfare clients does not make them eligible.

Under the old rules, Tracy would be eligible as a "special needs" child. This means that an allowable reason for day care is not just to allow a parent to work or train, but to give the child a prescribed educational experience because of physical or emotional problems.

But the new rules, among other things, remove the "special needs" category of eligibility. Tracy, therefore, fits none of the eligibility pigeon-holes of the new rules.

At the center where Tracy would have gone, 32 of the 55 children now enrolled would be denied service by the regulations, according to Morris Manning, day care center director.

On a state level, the Department of Public Welfare estimates that the regulations would remove half of the 4,000 Minnesota youngsters now in federally aided day care centers.

"There is no question," Dr. Finklestein said, "that day care centers are marvelous adjuncts for people who need this kind of care." To have Tracy "out of the home and to bring her in contact with more children," he said, could have been "a corrective emotional experience."

Manning said the center is full now, but that Tracy would have been high on the list except for the new regulations.

The regulations were issued, according to HEW Secretary Caspar W. Weinberger, in an attempt "to bring some order out of what was promising to become a chaotic situation."

It was apparent, he said, that without "strong effort at the federal level, the expenditures by states for social services would soar out of control."

But there still is confusion. The April 1 effective date of the regulations may be extended, according to the best guess of knowledgeable Congressional sources.

Weinberger also has hinted that HEW may back off on at least one rule which does not allow private contributions to be counted as part of the matching money used to attract federal aid for social service programs such as day care.

Meanwhile, in a direct challenge to the Nixon administration's rules, Democratic lawmakers have introduced legislation which would nullify many of the changes.

Mrs. Eddie Hertzberg, coordinator of the Greater Minneapolis Day Care Association, listed 34 city day care centers which receive federal aid. All but 10 of them, she said, have federal aid for all of their enrolled children.

Private day care in the Minneapolis area, Mrs. Hertzberg said, costs from $25 to $38 a week.

PUBLIC HEALTH PROGRAMS

Mr. DOMENICI. Mr. President, all too often, in our eagerness to address the major issues encompassed in a legislative proposal, we overlook some important side issues which may have serious unintended consequences. I am pleased that the distinguished Senator from Idaho (Mr. CHURCH) was able to foresee the possibility of such a situation in regard to S. 1136, a bill passed by this body yesterday.

This bill, which would extend the authorities of various health programs from June 30, 1973, until June 30, 1974, is far-reaching legislation, affecting as it does most health-care institutions and personnel across this entire Nation. As such, the detrimental effect of unintended consequences would be very great indeed.

In view of recent judicial rulings, it is conceivable that the allocation of Federal assistance to health-related activities involved in S. 1136 would be conditioned on the recipient institution requiring doctors and other health-care personnel to participate in abortions and sterilization procedures. Senator CHURCH's amendment simply provides that Federal assistance contained in S. 1136 could not be conditioned on any requirement and that personnel will not be penalized for refusing to participate in abortions and sterilization procedures.

WOMEN EQUALITY GROUPS FIGHTING CREDIT BARRIERS

Mr. PACKWOOD. Mr. President, earlier this month, I joined with Senator WILLIAMS in cosponsoring S. 867, a bill to eliminate discrimination in the extension of credit to women.

I am certain that this issue will engender considerable debate, some heated and some enlightened. However, I am equally certain that, when all of the evidence is in and the arguments have been presented, there will be but one conclusion that can be reached: Women and men similarly situated should have equal access to consumer credit channels.

From time to time, we have all been advised of examples of "improvements" adopted by credit-extending institutions in their treatment of women. We are presumably expected to digest these trends and become complacently satisfied with the progress that has been made. In short, I suppose we are expected to recite that over-used cliche—"You've come a long way, baby!"—and be done with it. I cannot accept that attitude.

It is simply for this reason that I have joined with my colleague from New Jersey in urging the Congress to approve S. 867. We have, indeed, gone a considerable distance in overcoming discriminatory barriers to women in their efforts to secure equal status with men in credit transactions. We have not yet gone the full distance however. We must not relax our vigilant efforts one iota until we have succeeded in eliminating any and all considerations of the sex of the applicant in the process of securing consumer credit.

In yesterday's edition of the New York Times, Ms. Marilyn Bender published an excellent review of the problems women face in their efforts to secure credit. Also contained in this article is a summary of the efforts that have been taking place, the actions that have been taken, and the proposals that are being considered—all directed at eliminating sex discrimination in the extension of consumer credit.

I highly recommend this article for the consideration of my colleagues and ask that it be printed in its entirety in the RECORD.

There being no objection, the article

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

WOMEN EQUALITY GROUPS FIGHTING CREDIT BARRIERS

(By Marylin Bender)

A revolt against what many women and civil rights lawyers perceive to be sex discrimination in the extension of credit is gathering momentum.

Under the slogan "Give credit to a woman where credit is due," the assault takes two forms: a search for legal redress and well-publicized pressure tactics against the business community.

Some barriers are buckling more quickly than expected with support from politicians seizing "a nice clean issue, not abortion" (as one feminist put it), and from retailers and bankers aware that the female 53 per cent of the population dominates the consumer economy. There have been these developments:

Sex discrimination in the granting of credit is under attack in bills pending in both houses of Congress and at least half a dozen state legislatures including New York's. The first state law specifically banning sex discrimination in credit and insurance transactions was just passed in Washington.

The community property law was amended last year in the State of Washington to makes wives equal managers of the property. A lawsuit soon to be filed in United States District Court in Louisiana will challenge "the arbitrary designation of the husband as sole manager of the community property." Such changes would give creditors additional protection and have profound implications for women's credit opportunities in the eight community property states.

The National Commission on Consumer Finance, which held hearings on the subject last May in Washington, D.C., recommended in a recently released report that states review and amend laws that inhibit the granting of credit to women.

Hearings by state commissions have since been held in Pennsylvania, California, Idaho and New Hampshire and by the Federal Deposit Insurance Corporation. Government investigations have been started in Wisconsin, Virginia, Missouri and Michigan.

The Center for Women Policy Studies in Washington, D.C., has received a grant from the Ford Foundation to study the problem.

The National Organization for Women has produced a manual for groups wanting to set up a credit project. Two to three dozen NOW chapters already have.

Such projects by women's groups in Dallas, Minneapolis and St. Paul and Baltimore against department stores and other retail grantors of credit have made it easier for women to open charge accounts in their own name. The Baltimore Credit Bureau Inc. agreed to set up independent credit records for women.

"Discrimination in credit deprives women of participating in the major American way of life and denies them equal access to the same opportunity men enjoy," asserts Barbara Shack, director of the women's rights project of the New York Civil Liberties Union. Like many other experts in this new area of civil rights, she acknowledges that reluctant merchants and lenders do not act necessarily out of male chauvinism.

Many are intimidated by the confusion surrounding the legal property rights and liabilities of women in the United States.

Still, three areas of inequitable treatment have clearly been identified in the hearings, investigations and surveys: retail credit, mortgages and bank loans. Women have "second class status" in stores and banks, according to the most thorough survey on the subject of women and credit, which was published last month by the Oregon Student Public Interest Research Group, an offshoot of Ralph Nader's consumer movement.

CLASS DOES NOT MATTER

That status cuts across age, race and economic class, although those of child-bearing age, the separated and divorced and those who most need credit to survive, show the greatest bruises.

Mrs. Eddlene Bloom of Oak Park, Mich., who was divorced last November, has sole title to a new Volvo, to a home valued at $38,000 more than $30,000 income in alimony and child support, and a savings account of $3,000 in the same bank where she and her former husband had a joint checking account for 10 years. She also works part-time.

Yet last January when she applied to the J. L. Hudson Company for a charge account, she was asked for the names of her former husband and her lawyer. "Just to be safe, so we can verify your ability to pay," she was told. She received the charge plate, marked Ms., in two weeks. Last month, though, her application for a Master Charge account through her bank was turned down.

What disturbs Mrs. Bloom and other divorced women is to be "automatically" classified as a credit risk. "For years, I handled all the bills for the household," she said. "I am the one who insured our excellent credit rating, except that it turned out to be 'his' not 'our.'"

Indeed, while the married woman "is a nonperson when it comes to credit." as Representative Bella Abzug, Democrat of Manhattan, has said, the divorced or separated woman runs into what the Oregon study terms "the catch 22." The store will not extend credit "because the credit check will frequently find that she has no credit rating at all. The entire credit history belongs to the husband." The report recommended that wives be given separate files in credit bureau records.

ALIMONY OFTEN DISREGARDED

Many credit managers and lenders refuse to consider alimony or child support as income, moreover, because they do not regard it as a steady and certain source.

On the other hand, they are also reluctant to count the salary of the young working wife.

Take the case of Paul Wintjen, 27, of Milford, Del. and his wife, Marjorie, 25. Last year they were told their combined income of $14,000 a year was too low to qualify for a Veterans Housing Administration mortgage with which they wanted to finance a $19,-900 house with a 10 per cent down payment.

Mr. Wintjen was earning $9,500 a year as manager of a fast food restaurant. The bank refused to count the $4,500 salary of Mrs. Wintjen, a hospital technician. However, the bank lending officer suggested that one half of her income would be computed if she would submit a medical certificate of sterilization. If her husband were to have a vasectomy, though, her income would not be counted "because you can still get pregnant."

Mrs. Wintjen bitterly reflects that "my income is counted 100 per cent by the state of Delaware and the United States Government for income taxes."

Proof of inability to bear children has customarily been demanded of young wives by bankers, who seem to regard the age of 38 as the frontier of safety. They are also biased in favor of nurses and teachers (as opposed to secretaries and assemblyline workers) on the theory that they are likely to go promptly from childbirth back to the job because their services are so much in demand.

A survey by the United States Savings and Loan League showed that 72 per cent of 421 banks queried said they would ignore part or all of a working wife's income. Only 28 per cent said they would count all of it.

Since 1965, the Federal Housing Administration's official policy has been to disallow a young wife's income only if she has no definite record of employment. In 1971, the Federal National Mortgage Association (Fannie Mae) repealed its guidelines of counting 50 per cent of a wife's gross earnings.

But the present determination of whether the joint income is likely to continue has been criticized by women's rights groups as being too subjective. And even when guidelines are loosened, they say, word does not necessarily filter down to the loan officers in the field.

Particularly vexing to women's rights groups is what they view as the inconsistency of credit policies as well as the "wide gap between policy and practice" (as the Women's Equity Action League found in its Dallas project).

In February, 1972, the St. Paul Department of Human Rights tested 23 banks by sending a man and a woman with identical credentials to apply for a $600, 18-month auto loan. Both were 24 years old, married, earning $12,000 a year as research analysts and the sole support of their student spouses. Both had good credit histories. Thirty-nine per cent of the banks revealed discrepancies in their loan policies (such as requiring a cosignature only in the case of the female), and nine banks were found to discriminate.

Most of the practices used in extending credit "are based on outmoded assumptions about the status and role of women in society," said Senator Harrison A. Williams Jr., Democrat of New Jersey in introducing his credit discrimination bill.

He pointed out that nearly 43 per cent of the female population worked and more than 44 per cent of married women living with their husbands were employed. Three out of 10 married women with children under 6 are in the labor force.

Feminists argue that there is no valid evidence to support the assumption that women are bad credit risks. A 1941 study by David Durand for the National Bureau of Economic Research offered statistical proof that women were better credit risks than men. A few more recent studies, as summarized in the Oregon report, either confirm this or conclude that marital status is not a reliable determinant of credit worthiness.

Title VII of the Civil Rights Act of 1964, which introduced the sex discrimination ban into Federal law, is addressed to employment. There is no Federal law or constitutional court interpretation to protect women in credit transactions. Some feminists argue that the Equal Rights Amendment, if ratified, would be a powerful tool against credit discrimination.

In Congress, three bills introduced by Mrs. Abzug would bar discrimination by sex or marital status in federally-related mortgage transactions, by federally insured banks or by creditors through an amendment of the Truth in Lending Act. A bill by Representative Margaret Heckler, Republican of Massachusetts, is also drawn to cover consumer lending.

Senator Williams's bill is broadly written to extend the Consumer Credit Protection Act. It also contains a provision for individual suits in a civil action, with damages equal to the amount of credit refused.

STATE LAWS DEFINITIVE

It is in state law, however, that property rights are defined and that creditors try to cover their risk. The Married Women's Property Acts, prevailing in 42 states, give women the right to contract in their own names. However, state laws also make husbands responsible for their wives' support. The ambiguous word "necessities" is often stated in connection with support and it gives some creditors pause.

In 11 states, there are some limitations on the liability of a wife for the contracts she signs and creditors fear she might disclaim her obligation.

So it is that creditors ask for information about a husband's income or demand his cosignature because they want double protection in collecting the debt. "They have no

right to it," says Mrs. Shack, of the New York Civil Liberties Union. She advises women who refuse to give it that they are within the rights, in New York at least. Furthermore, Mrs. Shack says, creditors should realize that the wife's earnings are free from her husband's claims so "she is really a better credit risk than he."

In the eight community property states, the wife is supposed to own half the property acquired after marriage. But until amendments like the one passed last year in Washington, the husband is sole manager of the community property.

Recent attempts to write a ban on sex discrimination into state or municipal law have usually proceeded on oblique courses. Washington has just passed the first law that flatly gives the right to engage in credit transactions without discrimination by sex or marital status.

CONSCIOUSNESS STRESSED

Most other efforts have been directed toward amending a public accommodation law to include a sex discrimination ban and then have a court or agency construe a bank or a retail store as a public accommodation. Such a bill just passed the New York State Assembly. Mrs. Shack has also filed a complaint under a sex discrimination ban in the state human rights law relating to loans for housing, land or commercial space. A bill signed and passed by the New York City Council is similarly related to housing.

Ira M. Millstein, a New York lawyer who served as chairman of the National Commission on Consumer Finance, is one of those who believe that legislative change is not the most important tactic.

"A lot of women are still not aware they should be entitled to credit," he said. "Until they are conscious that a woman with income is a person entitled to credit, period, that marital status shouldn't interfere, that she should be judged as any wage earner for better or worse, what good will it do to put another law on the books?

"As soon as women start stamping their feet and raising hell and getting to the right person in the credit granting office, it will get done," he declared.

BEWARE PHASE III

Mr. MUSKIE. Mr. President, I commend to my colleagues an article written by Gardiner Means, former economic analyst and fiscal adviser to the Truman administration. Writing in the Washington Post "Outlook" section on February 18, Mr. Means point out that because of faulty diagnosis of the causes of inflation, the administration's planned stagnation of 1969–70 turned into a recession. According to Mr. Means, the inflation we were experiencing then—and still labor under—arises from price and wage pressures in concentrated industries. He terms this phenomenon "administrative inflation," in contrast to standard "demand inflation" or "reflation" which is part of economic recovery. He warns that phase III "may turn out to be so weak that it will allow substantial administrative inflation."

I ask unanimous consent that Mr. Means' article be inserted in the RECORD.

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

BEWARE PHASE III

(By Gardiner C. Means)

(NOTE.—Charts referred to in text not printed in RECORD.)

While Congress complains that the White House has been usurping its powers, the peril in the economic field is that Congress might give President Nixon a blank check for Phase III of his anti-inflation program—a plan that may well put more people out of work without curbing rising prices and further weaken confidence in the dollar.

The dangers in Phase III arise from a faulty diagnosis of the forces creating today's inflation. The Nixon administration, which appears ready to repeat its earlier mistake of relying heavily on monetary and fiscal policy, is still treating inflation as if it were the result or aftermath of too much money chasing too few goods, a textbook inflation stemming from excess demand. But in the past four years there has been no excess demand. Indeed, in the past 20 years, when prices rose 50 per cent, there was only a year and a half, during 1967 and 1968, when there was excess demand.

Rather, most of our price increases have come from two quite different types of inflation, both of which are operating today.

INFLATION IN RECESSION

The first, which is our major problem, arises from the exercise of market power. It can be initiated by business managers in an effort to widen profit margins. It can be caused by labor leaders seeking excessive pay increases. In either case, it is an "administrative" inflation that does not rely on classic supply-demand forces.

Such inflation can occur whether employment is full or less than full, and whether we are in a recession, as we were in 1969–70, in stagnation, as in 1971, or in a recovery. In any of these periods administrative inflation can show up in price rises for autos, steel, machinery and other products of the concentrated, less competitive industries.

The first clear case of an administrative inflation occurred in the 1950s. From 1953 to 1958, the wholesale price index climbed 8 per cent (see Chart 1 on Page B4) at the same time that manufacturers idled an increasing portion of their production capacity and joblessness became excessive. What we had, in short, was simultaneous inflation and recession, something impossible, according to the textbooks.

It is clear that the major cause of the wholesale price was a 36 per cent boost in steel prices and substantial price increases in steel-using industries; together, these accounted for more than half of the wholesale advance. Subsequent information has also made it clear that the steel price boosts involved a considerable widening of profit margins.

REFLATION: A GOOD THING

The second inflationary force we are experiencing today is the "reflation" of prices that occurs in periods of recovery, which explains part of the recent rise in food prices.

In a recession, flexible prices such as those for food, cotton and hides tend to fall sharply. But administered prices, especially in the less competitive industries, tend to fall little. In a recovery, the reverse tends to happen: Prices for food and other flexible items tends to bounce back the most, while prices in the steel, auto and other concentrated industries tend to rise the least.

This is precisely what happened in the Depression and post-Depression period (see Chart 2), and price data collected from buyers by the National Bureau of Economic Research show that it also happened in the recession-recovery cycles of 1957–58 and 1960–61. It is similarly involved in the current recovery from the 1969–70 recession.

Reflation is a necessary part of the recovery process and should be considered a good thing that helps restore balance in both prices and employment. During the Depression, for example, joblessness hit almost entirely in the concentrated industries whose prices had fallen the least; the later job recovery also came mostly in these industries. What happened was that rising demand during the recovery lifted the more sensitive market prices while it increased employment in the concentrated industries whose prices were least sensitive, thus restoring the pre-Depression price balance and full employment.

The current reflation thus should not be interfered with. The big problem today is to prevent or minimize administrative inflation. And it is the failure to recognize that we are faced with administrative inflation, and the failure to apply the lessons of the past, that constitute the current danger.

DISMAL FAILURES

On two past occasions, the effort to treat administrative inflation by measures designed to control demand inflation resulted in dismal failures.

In 1957, the Federal Reserve Board sought to control the administrative inflation of the 1950s through a tight money policy that more than halted the growth of the nominal stock of money and produced a 10 per cent drop in the real stock of money. This precipitated the recession of 1958.

The failure of this effort arose from the fact that, while a tight money policy can control demand inflation, it cannot control an administrative inflation. This was acknowledged in 1959 by the chief economic adviser to the Federal Reserve Board, Woodlief Thomas, who noted that "Recent discussion of the influence of administered prices, stimulated by . . . the Kefauver Committee, has made a significant contribution to a better understanding of the problems of inflation and fluctuations in economic activity and employment. This contribution is in pointing out that there are unstabilizing forces in pricing actions of the private economy—on the part of both labor and management—that cannot be effectively controlled or corrected by government actions in the area of fiscal and monetary policies."

The Nixon administration's first attempt to control inflation, beginning in 1969, was also a complete failure due to faulty diagnosis.

On taking office, President Nixon announced that prices and wage rates would be left to the free market and inflation would be controlled by fiscal and monetary means. A large budget surplus, based on the Johnson surtax, was maintained throughout 1969, and so tight a money policy was adopted that expansion in the money stock was halted. There was no excess in demand. Yet in 1969 the wholesale price index rose 4.8 per cent, more than twice the rate of the years from mid-1965 to the end of 1968.

In his 1970 Economic Report, the President tried to explain this price rise by saying, "The inflation unleashed after mid-1965 had gathered powerful momentum by the time this administration took office a year ago." He called the growth of total spending "the driving force of the inflation" and outlined a program to "slow down the rapid expansion of demand."

The program was to take the heat out of the inflation by creating 2½ years of stagnation. Economic growth was to be halted to mid-1970, followed by two years in which the gross national product was, by plan, to be kept some 30 billion below the economy's estimated potential. This called for putting an additional 2 million people out of work so as to increase the unemployment rate to about 6 per cent.

ADMISSION OF FAILURE

This brutal plan was successful in creating stagnation (see Chart 3). The continued budget surplus became a restraining force and the money stock, measured in constant purchasing power, was reduced. Real demand declined, industrial production started down in the summer of 1969, and unemployment increased as planned. By the end of 1970, the objective of 6 per cent unemployment had been achieved.

But stagnation did not prevent inflation.

The reason is simple. The driving force of the inflation in 1969 was not "the growth of total spending." Rather, the President had unleashed the forces of administrative inflation by rejecting the price-wage guideline principle. The inflation in the 1969–70 recession was entirely administrative inflation, the kind of inflation that Woodlief Thomas had said could not be controlled by fiscal and monetary measures.

The administrative character of this inflation-in-recession is easily shown by examining the main sources of the rise in the wholesale price index (see Chart 4). The great bulk of the price increase during the recession was contributed by the concentrated industries. In the more competitive industries, prices went up little or went down. The only exception was the fuel and power index, which rose 11 per cent, largely because of the scarcity of pollution-free fuels.

The dismal failure of this program was acknowledged by the August, 1971, price-wage freeze after it had already cost the country nearly $50 billion in lost GNP and promised more loss until reflation could restore full employment. No apology was given to the millions who suffered unnecessary unemployment or to the stockholders whose profits were reduced.

KENNEDY'S GUIDEPOSTS

Now, with the new emphasis on monetary and fiscal policy and with the weakening of price and wage controls in Phase III, it looks as if the Nixon administration is about to repeat these same errors. This is all the more disturbing because we have had importantly successful experiences in the control of administrative inflation, the Kennedy guideposts and the Nixon Phase I and II, which point the way toward an effective program.

The Kennedy guideposts directly faced the problem of administrative inflation. When the program was being drafted in 1961, unemployment was above 6 per cent and the problem was recognized as one of preventing administrative inflation while expanding demand through fiscal and monetary measures to achieve full employment.

The Kennedy program was both an outstanding success and a partial failure. Its success was in holding down administrative inflation while achieving full employment. By the fall of 1965, unemployment was down close to 4 per cent. Labor had adhered to the wage guideposts so closely that the labor cost per unit of manufacturing output was down 3 per cent. Management had not adhered as closely and industrial prices rose a little. This in itself was not serious and might have been corrected. Nearly full employment had been achieved with an annual rise in the wholesale price index of only 0.6 per cent.

But this goal had been achieved at the expense of a serious distortion in the relation between prices and wage rates because the guidepost program took no account of the *reflation* rise in the more competitive prices, which was appropriate to recovery. The increase in demand which reduced the unemployment rate from over 6 per cent to 4 per cent could be expected to raise the average of farm prices and other flexible market prices substantially and produce only a small increase in the most administered prices, thus bringing a moderate increase in prices and living costs. Yet the wage guidepost took no account of this appropriate rise in living costs.

NO DEMAND INFLATION

Because of the failure to include a cost-of-living factor in the wage guidepost, the program suffered a partial breakdown. By 1965, the rise in living costs had absorbed more than a third of labor's legitimate productivity gains and had significantly widened profit margins.

When this unfairness became obvious, labor refused to play ball and forced wage increases larger than the increases in productivity. Management, striving to maintain the widened profit margins, passed along the increases in labor costs. This struggle lifted the wholesale index by another 3.5 per cent from mid-1965 to mid-1967 and brought wages and profits more nearly into line with each other.

Even with the partial breakdown of the wage guidepost, full employment was maintained throughout 1966 and 1967, and the rise in the wholesale price index from mid-1961 to mid-1967 was only 6 percent—just a little more than the reflation that could have been expected in moving from more than 6 percent unemployed to the 3.8 percent reached in 1967.

In no part of this period is there evidence of demand inflation. Farm and other sensitive market prices rose rapidly until relatively full employment was reached, but they were little higher in mid-1967 than in mid-1965. Most of the rise in those two years was administrative as labor sought to recover from the unfairness of the wage guidepost.

It seems likely that, with an appropriate living-cost provision in the wage guidepost, the full reflation could have been accomplished by 1965 with negligible administrative inflation, and full employment could have been maintained without further inflation.

THE NIXON PROGRAM

The Nixon guidelines program, initiated in August, 1971, after the failure of the stagnation policy, also directly faced both the need to control administered prices and the necessity of reflation.

The guidelines introduced in Phase II were a distinct improvement over the Kennedy guideposts in three respects. The wage guideline included a factor for the cost-of-living rise that could be expected from reflation, and the price guideline focused on containing profit margins, which allowed businesses to increase profits by producing more but not by increasing prices relative to costs. Finally, Phase II was backed by authority to exercise controls.

Phases I and II were quite successful in preventing administrative inflation. In the first 15 months to November, 1972, the weighted index for the six most concentrated industrial groups of Chart IV went up only 2.2 percent, while that for the three mixed groups went up 3 percent, mostly because of the scarcity of pollution-free fuels. Both of those increases could be expected as a part of the reflation accompanying the partial recovery. The cost-of-living factor meant that the non-farm labor cost per unit of output increased, but by less than 1.5 percent.

On competitive prices, special developments led to price increases exceeding those to be expected from reflation alone. A severe drought in Texas and the destructive corn blight in 1970 broke the cattle cycles so that less meat and fewer hides were available in 1972. Then drought in other parts of the world forced up grain and feed prices and, in turn, produced abnormally high prices for hogs, poultry and eggs, and also caused a further increase in beef prices.

Next summer, as the effects of these abnormal developments pass, food prices could be expected to fall if there is no further recovery. With a complete recovery to full employment, the reflation can be expected to be completed without much further rise in food prices, particularly if farm production is allowed to expand.

A FAIR DEAL

Phases I and II have also been substantially fair to both labor and capital. In the last half of 1972, the division between capital and labor of the income generated by non-financial corporations has been almost exactly the same as that in 1969 and as that in the eight years of the Eisenhower administration. While profits per unit of output have gone up faster than the compensation to labor, interest costs per unit of output have gone up less, so that the total compensation to capital and to labor have risen together.

The success of Phases I and II in preventing administrative inflation suggests the need for retaining this type of program until reflation is complete and full employment is achieved.

But instead of perfecting the controls over administrative inflation, the Nixon administration persists in returning to the myth of a momentum from demand inflation and emphasizing fiscal and monetary restraints. Thus, the President's 1973 Economic Report, after recognizing the existence of nonclassical inflation, attributes it to momentum from the preceding demand inflation, saying: "Inflationary expectations and behavior left over from the country's experience since 1966, even though reduced in 1972 from previous heights, have not been completely eliminated."

The demand inflation arising from the Vietnam war was indeed real, but it did not start until mid-1967. In calendar 1966, the federal budget was in essential balance, and in the first half of 1967 there was practically no increase in the wholesale price index. But with the economy already at full employment, rapidly increasing military needs could be expected to produce an excess in demand and a demand inflation unless other demand was restricted.

THE JOHNSON SURTAX

This danger of demand inflation was well recognized by the administration, and in January, 1967, President Johnson recommended a 6 per cent surtax to be effective by mid-1967. The Congress failed to act. The President repeated his request in the summer of 1967, raising the requested rate to 10 per cent. Again, in January, 1968, the President repeated his request.

It was not until mid-1968 that the surtax finally passed, a year and a half too late. By that time, demand inflation had carried the wholesale price index up at an annual rate of 2.2 per cent from its mid-1967 level, with the increase approximately equal for competitive and administered prices.

The surtax brought the federal budget into essential balance by the last quarter of 1968 and insured a substantial surplus in 1969. It seems probable that, if the surtax had been passed in early 1967 and the guidepost policy stressed, full employment could have been maintained without either demand inflation or serious administrative inflation. As it was, the prime source of the 1967–68 demand inflation had been removed by the end of 1968.

Actually, there was no excess demand when President Nixon took office and little momentum from the preceding year and a half of mild demand inflation. And today one cannot take seriously the claim that a year and a half of demand inflation in 1967–68 at the rate of 2.2 per cent a year could engender such a momentum that, with no excess in demand in 1969, wholesale prices would rise 4.8 per cent and that four years later, with a recession in between, momentum from the earlier inflation is still the problem.

THE DANGERS AHEAD

Because of this faulty diagnosis and the President's willingness to use unemployed workers as an instrument of policy, there are serious dangers in the Phase III program he announced last month.

The first danger is that fiscal and monetary policy will again be used in an effort to prevent an administrative inflation that it cannot control. This would create more unemployment without reducing the pressures producing administrative inflation. The appropriate level of demand in the economy will not have been reached until full employment is attained and maintained. A restrictive fiscal and monetary program can prevent demand inflation, but

it cannot prevent the arbitrary lifting of prices and wage rates in the less competitive industries or achieve price reductions where costs have gone down.

The Phase III guidance program may turn out to be so weak that it will allow substantial administrative inflation, regardless of Mr. Nixon's "big stick" in the closet. The profit margin provisions have already been weakened to the point that there would be room for considerable administrative inflation even if the guidelines were consistently adhered to. And the administrative inflation is likely to be greater still because the pressures for adherence have been greatly relaxed.

The last danger is that the employment goal will be too niggardly. Even apart from human considerations, each extra 500,000 persons employed can produce an extra $6 billion or $7 billion of production, while the resulting wages, profits and taxes can provide a corresponding market.

In the light of all this, it is vital that Congress refuse to simply renew the Economic Stabilization Act expiring April 30. A mere renewal, leaving it entirely up to Mr. Nixon to use this crucial authority as he wishes, would be an abdication by the Congress of its responsibility for basic policy and another transferral of vast power to the White House.

A NECESSARY NUISANCE

Rather, Congress should make mandatory the price guidelines of Phase II for all corporations controlling assets, or having yearly sales, of more than $500 million. To enforce this policy, Congress should create an interim wage-price guidance board equivalent to the President's Cost of Living Council, thus making that unit accountable to the Congress as well as to the White House. Businesses with assets or sales below the $500 million cutoff should operate under voluntary guidelines unless the wage-price board finds that mandatory controls are necessary.

The wage guidelines should parallel those for prices: mandatory for workers in corporations with assets or yearly sales of more than $500 million, voluntary for others unless the wage-price board decides otherwise.

Nor should Congress stop there. The legislation should make Congress' intent specific and clear on several other fronts:

It should adopt 4 per cent unemployment as the interim goal for the end of 1973 and 3.8 per cent for the end of 1974.

It should recognize that some reflation is to be expected in moving from the present level of employment to the interim goals.

It should approve the principle of a full employment budget—a budget that would balance at the interim employment goal but operate with a deficit when unemployment is more than the interim goal and a surplus when unemployment is less than the interim goal.

It should direct the Federal Reserve Board to adopt a "full employment monetary policy" under which it would expand the monetary stock to that level estimated as necessary to support the interim job goal but not to an extent that would result in excess demand and demand inflation.

In passing such legislation, Congress must be aware that while controls are a nuisance to both management and labor, that nuisance would be small compared to the "nuisance" the President was willing to impose on individuals by putting 2 million people out of work in his earlier attempt to control inflation.

The Congress should also recognize that some distortions can be expected in the economy as a result of prolonged price-wage guidance (though the President's 1973 Economic Report was not able to report any significant distortions to date or any other significant costs of the guideline program). But such distortions as may develop in the next two years are likely to be insignificant compared to the distortions that would arise with administrative inflation. And the costs are likely to be insignificant compared with the advantages of a quick return to full employment.

Such an interim program should allay the fear in foreign quarters of run-away inflation in the United States and give ample time to develop a more permanent program to maintain full employment without administrative inflation.

NASA AND THE DREAMS OF OUR YOUTH

Mr. MOSS. Mr. President, the Committee on Aeronautical and Space Sciences has been conducting hearings for some weeks now on the NASA authorization bill S. 880.

Those of us in the Congress who are concerned about fiscal responsibility sometimes become so engrossed in our needs to cut this and trim that to reach a mechanical balancing of the budget that we sometimes fail to see the necessity of providing hope for our youth.

If the United States is to maintain its leadership in education, scientific programs and technology, new drections must be sought to coalesce the drive and dreams of the young. Such a program takes vision and courage.

This point has been brought home to me recently by a letter which I have received from a student in the masters program in physics at the Louisiana Tech University.

I ask unanimous consent that this thought-provoking letter be printed in the RECORD.

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

LOUISIANA TECH,
Ruston, La., January 31, 1973.

Hon. FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR SIR: This letter is from a concerned citizen speaking out for NASA. Since you serve on the space committee, I have a plea to make to you. Thus, I now call for your attention.

NASA has been taking a beating from the President and the Congress for the past few years. I feel that the time has come for it to stop. Before I relate my own experience, let me tell you about my background.

I was born in Houston, Texas on October 5, 1949. I have attended school since the age of five. This May I will graduate from Louisiana Tech University with a Master of Science degree in Physics. I have worked every summer since high school and am presently a graduate assistant. This has been done to pay my way through college. I have worked hard to get to this point, and I am ready for the job market upon graduation. But, that is the problem—what market?

This past summer I applied to NASA's summer program at MSC in Houston. However, this program was dropped due to a lack of funds. But summer jobs are always hard to come by.

This past October NASA came to this campus interviewing for permanent jobs. Only sixty jobs would be given, but there was a chance that I might secure one of them. Well, I waited; but I never did hear from them. Last week I called Houston. I was then told that I was to be offered a job; but the President had cut the NASA budget by some $200 million. I am angry; hence this letter is being written. What good is a committee; if one man can control all of its planning and work?

I am tired of scientists and engineers existing for and when the government needs them. We are professionals, not light switches to be turned off and on when needed. The power crisis is now upon us. The government, after delaying the needed research, now wishes to bring about a solution. The solution being to hire the scientists and engineers needed to bring about the desired result. Then, as in the past, they will be fired; for that is part of the cycle, too.

I cannot accept this fate. Give us a little respect. Do not take the cut in funds for NASA. If the people do not understand NASA, inform them of its activity and usefulness. Its science is for peace, not war. Remind them that a President committed us to the moon by 1970, which caused the sharp rise in monies needed to get there, not NASA. NASA was the means to the goal. How many advances have come from space research? How many more will come. I want to help; but I am limited by what? Money? How can a country grow without an imagination in its future? Only you can give the country what it needs; and thus, you must decide on my future and that of many others.

Let me now take the time to thank you for listening. I must be heard; for the disappointment in my heart is deep. America seems not to be the future of tomorrow, but the great of the past. You can only hurt the country by not keeping NASA strong. Please, help!

A concerned citizen,
RANDALL J. MILLER.

CABLE TELEVISION

Mr. KENNEDY. Mr. President, last week I had the pleasure of addressing a group of participants at a legislative conference of the National Cable Television Association. It was the first public opportunity I have had to discuss my thoughts on some of the issues surrounding this most complex and challenging field, and I would like to share some of those thoughts with my colleagues. I thus ask unanimous consent that the speech I delivered on March 21 be printed in the RECORD.

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

ADDRESS BY SENATOR EDWARD M. KENNEDY

When we look into the future we see dramatic and revolutionary changes in the reception of information and all forms of communications. Data transmission, personal communication, educational training, public participation in the political processes, entertainment—all of these should be easier, faster, and more convenient in the years ahead.

Our newspapers will be delivered not to our doorsteps but by facsimile reproduction. Mail will be speeded by electronics. Our wives will do the shopping by remote control and pay our bills by pushing buttons. Advanced professional training, as well as elementary education, will be available at bedside. Even the opinion pollsters will reach into our households electronically to sample our views.

And when we turn the television knob from channel to channel, there will be new images: a city council session, a Spanish language program, chamber music, a garden society lecture, silent movies, even high school sports. By activating the little black box on top of the set we will be able to see, for a nominal price, first run movies, Broadway shows, and sports spectaculars.

How much of this is fantasy? How much is fact? The reality of these glimpses into the future lies with successful expansion of cable television. We do not know for certain that a cabled household will participate in

more than a token sampling of this electronic magic. But we do know for certain that without broadband, two-way communications made possible by the coaxial cable, households of tomorrow will receive substantially less.

For each family, CATV can magnify and intensify the impact of television. And this impact already is tremendous. The average television set runs about seven hours a day. Pre-school children, according to studies, spend from 22 to 25 hours a week watching television—perhaps more time than they spend with their fathers. For these reasons, cable TV should have a constructive and enlightening influence on these impressionable viewers, as well as upon their communities. But if the "blue sky" promises remain unfulfilled, cable will just be expanding the vast wasteland that gives boob tubes and idiot boxes their nicknames.

Despite the many obstacles which have stood in the way of development, cable systems continue to expand. More and more cities are being wired each month. In Massachusetts, where the federal freeze on full cable expansion was followed by a year's moratorium imposed by the State CATV Commission, over one-third of all homes are in communities covered by cable systems or which have granted franchises for their development. Nationally, in the past five years the number of wired households has more than doubled, reaching an estimated six million. In the past year alone, since the Federal Communications Commission lifted the lid on cable development, over 2,200 applications for certificates of compliance have been received from cable developers. 800 of these already have been issued. Some projections of future growth suggest that, under favorable conditions, 26 million homes will be wired by cable in the next five years.

Can a better climate be developed for cable TV? This industry has become one of the most controversial topics in recent years. Cable operators are finding it necessary to contend with a formidable array of forces.

The industry had already committed close to a billion dollars in capital investments—twice that of the broadcasting industry. Requirements for the next ten years may reach $15 billion. A large number of shareholders and investors must be convinced of cable TV's potential before the industry's external financing needs can be met.

Local governments, of course, have always had the basic responsibility for regulating cable systems. Each mayor and city council has special concerns and requirements which must be allayed or satisfied before a franchise is issued. State governments are getting involved, and systems must contend with these too. Yesterday, for example, the Massachusetts CATV Commission published detailed procedural regulations governing issuance of franchises.

Here in Washington—where you have assembled this week to evaluate these trends, and to try to hasten CATV development—you face three separate battle fronts. There is the Office of Telecommunications Policy in the White House, whose Director vacillates between praising CATV as "the biggest potential source of diversity" and condemning it as "basically a parasite of the broadcasting industry." OTP should be issuing its report on cable television any day now. We are all anxious to see what it has to say.

Next, there is the Federal Communications Commission, sometimes off again, sometimes on again, with seven Commissioners seeming to espouse at least twice as many viewpoints, who concurred long enough to tentatively agree on a slightly open door policy for cable TV.

Third, there is the Congress, which is perhaps as perplexed by—as it is concerned about—cable development, and which must follow its past pattern of inaction on CATV with an effort to resolve some of the substantial remaining issues facing your industry today.

Telephone companies have their own interests to protect, and haven't stopped trying to flog new cable developers with their telephone poles to insure that protection. Community and minority groups want a piece of the action too, and their desires should not be taken lightly.

Finally, there are the broadcasters and the program producers, two special-interest groups having the most to lose and the most to gain from cable expansion.

The FCC stated as its basic objective, in its February 12, 1972, Report and Order: "to get cable moving so that the public may receive its benefits, and to do so without jeopardizing the basic structure of over-the-air television."

There seems to be a strong feeling that the full potential of cable television will not be reached unless it gets a "television-signal oriented" start. But television signals don't emerge from trees; they are produced by the broadcasting industry. And they reach the viewer without direct charge to him.

I am sure that some of you may take a "broadcasting be damned" attitude towards your rival industry; no doubt that feeling is sometimes mutual. But I believe, however, that there remains a substantial public interest in maintaining the viability of broadcasting. It provides free programming of almost universal reach—something cable cannot do in the foreseeable future. It is not my belief that the public will accept lightly the prospect of having to pay in the future for what it is now getting free. It may be that control of distant signals and restrictions on siphoning will have to be adjusted—even on a market by market basis—in order to protect broadcasters against economic disaster. One of the FCC's rules clearly provides for this. But in making these adjustments, we should bear in mind the FCC's own observation, and in the the language of the FCC, be "guided by the standard of what will best serve the public interest and not by a desire to protect any industry from the impact of new technology."

To producers of television programming, the name of the game is copyright protection. The ink on the pages of the Second Circuit's opinion in *CBS* vs. *Teleprompter* is hardly dry, and already the distant-signal opening given cable by the FCC last year has been slammed shut, and worse! The court has fired a salvo into the halls of Congress as indicated in the concluding language of the opinion. It reads:

"We hope that the Congress will in due course legislate a fuller and more flexible accommodation of competing copyright, antitrust, and communications policy considerations, consistent with the challenges of modern CATV technology."

Copyright revision legislation will soon be introduced which will deal with the rights and liabilities of cable television systems. Surely one of your objectives when you meet tomorrow with your elected representatives is to make something happen in this area without undue delay. As a member of the Judiciary Committee, I will have the opportunity to participate directly in the development of this legislation. Those of us charged with decision-making will be guided above all else by the extent to which you can demonstrate the value of the services you will be rendering the public. Thus your industry in large part can by its own actions play a major role in the shaping of its future.

Let me expand further on this thought. I know, for example, that you will want to take a hard line before Congress and the FCC on copyright liability and anti-siphoning rules. Inflexibility on these points, however, can only prolong and accent two criticisms of your industry: that you want something for nothing, and that you want to sell to the public something that is now getting free. Your opponents are saying, these things, and saying them persuasively. Let me quote from the Comments before the FCC of Maximum Service Telecasters:

"Logically it would seem that CATV systems would have much greater economic motivation to develop and provide both attractive, original programming of their own and the new non-program communications services they promise if their success were dependent on their ability to do these things rather than on artificial and unfair exploitation of outside signals."

Cable proponents seem on occasion to be selling government decisionmakers a philosophy of "let us expand now, and we will provide service later." I believe, however, that you will find that your willingness to provide more services to the public *now* will result in governmental responses that will make cable a good investment and allow it to expand even faster.

It seems to me that the time is now to turn some of cable's billion dollar investments from stringing more wire to the development of enriched programming and broader consumer services. To say that there is no money in this approach may prove to be a shortsighted attitude and eventually a major contribution to the industry's own undoing. For, between the chicken of growth and the egg of service, Congress and the public want to see evidence that the American people will in fact be best served by public policy decisions fostering cable's growth.

Cable system origination in New York City and the ATC agreement with minorities in California serve as outstanding models of cable's immediate potential. Elsewhere there is more promise than progress. Both government and cable interests must work together to insure that "blue sky" promises not give way to barren desert performance, where cable offers the best, makes the most, and then provides the least. Innovation and diversity imply something new and different; if all that cable brings into our homes are additional channels of movies and sports, then the public will find itself the victim of a bait and switch scheme of incomparable proportion, and government will respond accordingly. We are all aware that the rules of this game will constantly change in response to the performance of the players, the impact on opposing teams, and the reaction of the fans.

With confidence in the ability and willingness of cable television to realize its potential and without any lessening of support for free and independent broadcasting, we can commit ourselves to a national policy supporting as rapid and universal development of CATV as possible. We can move towards coordinating federal programs to support demonstration uses of cable for government purposes, including education, health, environmental protection, and the like. We can even consider government supported research for translating technological potential into actual public benefits, and government underwriting of financing of systems in marketplaces where private development would be impractical and uneconomical.

The door to cable development has indeed been set ajar, and I am sure that your industry will cross the threshold responsibly. Congress and the public will then respond to open that door more fully, so that we all might ultimately realize the potential of one of technology's most powerful weapons against ignorance and isolation.

SENATOR CHURCH'S AMENDMENT ON ABORTION

Mr. EAGLETON. Mr. President, because my presence was required in committee sessions yesterday, I was unable to participate in the floor debate on the Church amendment to S. 1136, the Pub-

lic Health Service Act extension. I did vote in favor of the Church amendment and want to take this opportunity to express my views on it and on the subject of legalized abortion.

As an individual and as a member of the U.S. Senate, I have consistently opposed legalization of abortion. During consideration of the Family Planning and Population Research Act of 1970 (Public Law 91–572), I was instrumental in barring the use of Federal funds for abortion as a method of family planning.

I was very much surprised by the recent decision of the Supreme Court outlawing State restrictions on the performance of abortions during the first 3 months of pregnancy. I think this was an improvident decision but, in any case, it is clear that the Constitution precludes any Federal legislation, other than a Constitutional amendment, intended to override the Court's decision.

What is clearly permissible, in my view, is legislation of the kind that I joined with Senator CHURCH in sponsoring and which was adopted by the Senate yesterday. This measure would prohibit the imposition of any requirement, as a condition or consequence of Federal aid to health care institutions, forcing individuals or institutions to participate in abortion or sterilization procedures contrary to their religious or moral beliefs.

The Supreme Court grounded its decision on a "right of privacy" that is nowhere expressly stated in the Constitution. However, the first amendment to the Constitution clearly states a right of every individual to freely exercise his or her religious beliefs. We know that participation in abortion or sterilization procedures is contrary to the religious and moral beliefs of a great many Americans. I believe it is fitting and proper that their freedom of conscience—their right to adhere to the tenets of their religion—be protected by Congress.

As was pointed out in yesterday's debate, there have been court decisions in Montana requiring the performance of sterilizations in Catholic hospitals based on the finding that these hospitals have received public assistance, including Federal construction funds under the Hill-Burton Act. It is my earnest hope that the legislation adopted yesterday by the Senate will be enacted into law and operate to remove the legal basis for any such court orders in the future. In the event that S. 1136 goes to a conference committee, I would hope to be named a conferee, as a member of the Senate Health Subcommittee. In that case, Mr. President, it will be my intention to exert my best efforts on behalf of the retention in the final bill of this freedom of conscience provision regarding abortion.

U.S.-LATIN AMERICAN RELATIONS

Mr. MUSKIE. Mr. President, I have been increasingly concerned in recent years by a deterioration in U.S.-Latin American relations. U.S. policy—or non-policy—has verged on indifference. I believe it is time to reassert the best traditions of a good-neighbor policy toward Latin America. The opportunities for strengthening the political and economic ties between our two hemispheres are great. In cooperation with the nations of Latin America, we must come forward with a set of initiatives which will put U.S.-Latin American relations back on a healthy, cooperative path.

Sol Linowitz, former U.S. Ambassador to the Organization of American States, has recently written an article setting out several constructive steps that the United States might take to improve our relations with Latin America. I believe Ambassador Linowitz' article deserves careful study, and I ask unanimous consent that it be printed in the RECORD.

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

LOOK, MR. PRESIDENT, LATIN AMERICA IS ON THE MAP, TOO

(By Sol M. Linowitz)

Not long ago the *Jornal do Brasil* (a not unfriendly Brazilian newspaper) ran a cartoon that shows President Nixon standing before a globe of the earth contemplating Europe, the United States, and Asia. In the next panel, Nixon, crouching down, peers in astonishment at South America and exclaims: "Look, there's a map on the underside, too!"

The cartoon's implications are painfully clear: To Latin Americans, President Nixon is the first U.S. President in this century who has prided himself on his mastery of world affairs, yet has had literally no policy for Latin America. Other Presidents during the past seventy years, whether their goals were regarded as constructive or jingoistic, at least seemed to have some clear idea of what they wanted to accomplish "south of the border." Theodore Roosevelt had his Big Stick and Gunboat policies, replete with territorial-imperative chest pounding. FDR launched the well-meaning, paternalistic Good Neighbor policy. And John F. Kennedy created the Alliance for Progress, which was later furthered by Lyndon B. Johnson. But the Nixon administration has seemed rudderless in this area, and Latin Americans speak bluntly of the Nixon "non-policy" toward Latin America.

Ironically, the relationship between the United States and Latin America inherited by the Nixon administration was basically a healthy, cooperative one.

There were, of course, problems and quarrels. But under the Alliance for Progress, Latin America had managed to achieve an annual average of 2.4 percent real per capita growth. This was exactly one decimal point below target, but far better than might have been expected during the 1960s, when the area's terms of trade and income from export commodities suffered badly. During that decade the United States contributed over $8 billion in bilateral aid and was responsible for much of the $6.5 billion in loans from international institutions such as the World Bank and the Inter-American Development Bank. The Latin Americans themselves, moreover, put up at least 90 percent of the capital required to fuel development and built up a sizable infrastructure of public-works projects and social programs.

One of the Alliance's crowning achievements was in export expansion and diversification—which is the critical bone of contention between the United States and Latin America today. Under the Alliance, Latin America moved away from the wasteful import-substitution policy that had been its mainstay during the 1950s, and concentrated instead on diversifying its exports. However, toward the end of the decade, Latin American leaders realized that further success in this program would require the United States and other countries of the developed world to tear down the trade barriers to Latin American-manufactured exports. It was at this stage that President Nixon stepped onto the scene.

Then came two striking developments in U.S.-Latin American relations: the Rockefeller mission to Latin America and the Latin American meeting that produced the document called the consensus of Viña del Mar.

In late January 1969, Nixon announced that he was sending Gov. Nelson Rockefeller—a former Co-ordinator of Inter-American Affairs, long known for his deep interest in the area—on a fact-finding mission to a dozen Latin American capitals. Rockefeller surrounded himself with highly respected experts from a wide range of disciplines and embarked on a whirlwind tour of Latin America. Some skeptics asked whether still another study was in fact necessary, but when it came out, the Rockefeller report did demonstrate the importance of Latin America for the United States objectives, and recommended significant action. The President accepted the report, and Latin Americans waited to see whether he would act on it.

Meanwhile—at precisely the same time as the Rockefeller mission—there was a meeting of CECLA—the Special Coordinating Committee on Latin America, which consists of all OAS members except the United States. The purpose of the meeting was to coordinate the Latin American position within the Alliance, and the conferees agreed on a statement issued as the consensus of Viña del Mar.

The consensus covered a good deal of ground, ranging from international financing to the transfer of technology and the role of foreign direct investment; and from tariffs and quotas to the prices of commodities on the world markets.

Specifically, it asked that the United States eliminate tariff and non-tariff barriers on goods from the developing world and that it champion Latin exports by helping secure similar treatment for them in other developed markets. The CECLA group also sought greater financial cooperation that would allow recipients of aid to set their own priorities with no strings attached to the foreign aid they received.

Few national leaders in their first year in office have had such clear guides as the consensus and the Rockefeller report by which to formulate a foreign policy for a region. Yet for some inexplicable reason, the major Latin American policy statement, on October 31, 1969, the President indicated his awareness of the key problems, and then to the great disappointment of Latin Americans did very little about them.

The Nixon proposal for Latin America, as outlined in the October speech, was known as Action for Progress in the Americas; its ideas were meant to be the backbone of the Nixon policy for Latin America. On the face of it, the program seemed to offer highly positive concessions to Latin America in four key areas.

First, with respect to trade preferences, the statement said that the United States would urge other industrialized countries to agree on a uniform, nondiscriminatory system toward developing countries. The system would be very generous, with no ceiling on preferential products that Latin America felt it could sell to the United States; and the United States would be prepared to go ahead with preferences for Latin America on a number of products if Europe and Japan could not be persuaded to go along on a more general trade preference for all developing countries.

A second point was the untying of U.S. AID (Agency for International Development) loans. It was emphasized in the policy statement as a significant step forward. What was not underscored was the fact that while AID recipients would no longer be tied to U.S. sources alone, they would be free to purchase manufactured imports with AID funds only from sources within Latin America.

A third and slightly related point was the promise to move toward increased multilateralization of U.S. aid for Latin America.

The program's last key point concerned the need to "deal realistically with governments in the inter-American system as they are." The President conceded that each nation had a right to decide whether or not it wanted foreign private investment. Without threatening countries that might choose the path of expropriation, the President quietly warned that such action might seriously affect investor confidence.

Latin Americans accepted these key policy positions with a sense of hope, which has over the months turned to cynicism and disillusionment.

One major setback to Latin American confidence in the new program came on August 15, 1971, when the Nixon new economic game was announced. The plan placed a 10 percent surcharge on imports to protect the U.S. balance of payments, and Latin America found itself lumped in with the other exporting areas. Many commodities that make up the bulk of Latin American exports were excluded, and White House spokesmen pointed out that only 22 percent of Latin American exports would be affected by the surcharge. However, they missed two important points that did not escape Latin Americans: First, the exports affected were fast-growing manufactured products, which Latin producers had worked long years to be able to manufacture for successful marketing in the United States. Second, Latin America's dollar-trade deficit with the United States had exceeded a billion dollars the previous year; and Latin Americans understandably felt that they should not be penalized in the same category as the European, Japanese, and other exporters who had contributed to the balance of payments predicament of the United States.

Quite clearly, the President had missed an extraordinary opportunity. He could have said he recognized that Latin America was not a factor in U.S. economic problems and could have absolved the area from the added burden of the surtax. Having failed to do so, however, he could no longer blame a protectionist Congress (as his administration had been doing) for the failure to live up to his commitment on trade preferences for Latin America.

The predictable result was to unite Latin America firmly against the United States. Even such strange bedfellows as Brazil and Chile were able to get together with other Latin American countries in an emergency CECLA meeting in Buenos Aires that condemned the U.S. action and explored possible sanctions against the United States. A belated decision (made after the CECLA affair) to roll back the 10 percent AID cut failed to overcome the resentment and hostility that had been aroused.

The promised multilateralization of aid also proved to be a disappointment to the Latin Americans. At the beginning of last year, President Nixon issued a statement that appeared to increase politicization of multilateral aid channeled through the Inter-American Development Bank and the World Bank. He warned that all U.S. aid—including that funneled through multilateral institutions—would, in the absence of special circumstances, be cut off from countries that expropriated U.S. investments without prompt and adequate compensation.

Other statements exacerbated the situation. While still secretary of the treasury, John Connally stated in an interview: "The United States can afford to be tough with Latin Americans because we have no friends left there anymore." Later, as good-will ambassador to Latin America, Connally warned Venezuelans that "the United States has the power to export prosperity or poverty to any country in the world to which it chooses to do so."

Against this background it is quite clear that the Nixon non-policy toward Latin America has had one effect: It has united Latin America in opposition toward the United States and its surrogates—the hundreds of subsidiaries of U.S. corporations spread throughout the region. On other issues it has helped set Latin American leaders against each other in their efforts to vie for leadership of the region precisely at the time when the nations of Latin America should be working solidly together for development of the continent.

Neither the United States nor U.S. private investment in the area has benefited from this non-policy toward Latin America. Therefore, what we now need—and need badly—is a cohesive policy for Latin America that will take into account the hemisphere's special requirements and desires. And this challenge presents the new Nixon administration with an extraordinary opportunity at a pivotal moment.

What should be the ingredients of such a policy? Here are a few suggestions:

1. *Define U.S. goals in the hemisphere, and spell out just as clearly what the United States expects of others. Then stick to these commitments.*

There is no need of studies and analyses that make clear what our approach should be and how we should go about it. What we need—and desperately—is to recognize that clarity, like charity, must begin at home. To talk about "partnership" at a time when there is not even a constructive dialogue is neither realistic nor constructive. To be effective, a partnership must begin at the top—with the President. There must also be a genuine commitment on the part of the President, which in turn is reflected throughout the administration.

2. *Move the Alliance for Progress toward a second stage, in which it would really be directed on a multilateral basis, with goals mutually defined.*

We have long since passed the time when the United States can attempt to direct the destiny of Latin America. It is now necessary for all sides to participate in setting up goals and guideposts. The consensus of Vina del Mar and the recommendations of the Rockefeller commission can be important guides in establishing common objectives. The United States should indicate its readiness to join in developing such common goals.

3. *Use existing inter-American institutions to conduct as much of our governmental business with Latin America as possible.*

The OAS and the Inter-American Development Bank are two established organizations in which the United States can place its trust in dealing with the area. Both are staffed with dedicated international civil servants who are seeking to develop the region and who can speak both the language of the United States and that of Latin America. We should make clear our confidence in, and respect for, such inter-American institutions.

4. *Once the United States has agreed to the principle of multilateralism, we should assure that decisions with respect to multilateral aid are truly multilateral.*

As is true with any corporate board of directors, the role of the board of a multinational institution is to set overall standards and leave everyday management to the professional managerial staff. The same should apply in the case of international lending institutions. It would be helpful in this regard if Japan, European countries, and others were to join such institutions as the Inter-American Development Bank in order to assure that they are truly multilateral and not dominated by the political influence, express or implied, of the United States.

5. *Open up the U.S. market to Latin American products to the greatest extent possible and in a way that will truly benefit interhemispheric trade.*

One idea worth exploration would be for the United States to allow Latin American products to come in free of all duties and quotas to the extent of the almost $2 billion trade surplus it has with the region. There is no reason why a nation as powerful as the United States must make its mark at the expense of its developing neighbors. To make the formula more acceptable to Congress, the United States could insist that Latin nations reduce their barriers against U.S. exports to the degree they benefit from increased exports to the United States.

6. *Help rekindle the fire of economic integration.*

During the first eight or nine years, regional integration worked well, but it has since been stymied in its growth. Both LAFTA (Latin American Free Trade Association), which includes all of South America plus Mexico, and the Central American Common Market have run into difficult times. At the presidents' summit meeting in April 1967, a Latin American common market was the leading item on the agenda. The United States could help revive interest in it by offering to become a nonreciprocal member—which would open up its markets—but not insist on the same from Latin Americans. A major market outside the area could be the stimulus that regional integration needs to set its export goals high and to develop the way to reach them.

7. *Make clear the nature of the relationship between the U.S. government and Latin American subsidiaries of U.S. parent companies.*

If the U.S. government has a responsibility for helping American companies in conflict with foreign governments, then it must also be prepared to be responsible for companies that conduct themselves badly in a particular country. The United States could insist that American companies follow a specific code of conduct of responsible international companies that would state what rights companies should be able to expect when dealing internationally, and what duties to the host country they have in return. If a U.S. company is wronged under such a code, then the U.S. government could, in good conscience, step in to make this known to an international tribunal, while avoiding any unilateral action.

8. *Accept the idea that Latin American countries—like other countries of the world—have the freedom to determine their own political, social, and economic systems on behalf of Latin Americans and in a Latin American way.*

The United States must learn to understand and accept the fact that differences exist among people and their ways of looking at things. And it must learn to adapt to these systems when they pose no intrinsic danger to the United States, and to avoid hostile knee-jerk reaction when disagreement occurs.

There is, of course, no guarantee that such policies will entirely abate hostility and tension. But they could begin to change the climate and move us back to a spirit of cooperation, rather than conflict. The need has never been greater, both in our own interest and in the interest of hemispheric progress and world peace.

RESOLUTIONS OF THE MAINE STATE LEGISLATURE

Mr. MUSKIE. Mr. President, I have recently received two resolutions passed by the 106th Legislature of the State of Maine. These are: First. Joint Resolution Memorializing Congress for the Purpose of Amending the United States Constitution Relative to Abortion; and second. Joint Resolution Memorializing the President and Congress of the United States To Obtain a Full Accounting of POW's and MIA's.

On behalf of my colleague, Senator HATHAWAY, and myself, I ask unanimous

consent that these resolutions be printed in the RECORD at this point.

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

JOINT RESOLUTION AMENDING THE U.S. CONSTITUTION RELATIVE TO ABORTION

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Sixth Legislative Session assembled, most respectfully present and petition your Honorable Body as follows:

Whereas, medically and scientifically a human embryo or fetus exists as a living and growing human individual from the moment of conception; and

Whereas, the moment of birth represents merely an identifiable point along the course of human development and not the beginning of human life; and

Whereas, respect for human life has been a hallmark of civilized society for millennia; and

Whereas, the Maine Legislature has supported and shown concern for the life of the unborn child by rejecting all attempts to liberalize, modify or change the State's abortion law; and

Whereas, the United States Supreme Court by decision has ruled against the unborn; and

Whereas, the Maine Legislature wishes to establish and define the rights of the unborn; now, therefore, be it

Resolved: By your Memoralists, that the United States Congress propose an amendment to the Constitution of the United States to read:

1. As used in the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States, dealing with the deprivation of life, the word "person" shall apply to every human being regardless of the stage of his biological development.

2. Nothing herein shall prohibit any state from adopting such laws as are necessary to preserve the life of the expectant mother.

3. Congress and the several states shall have the power to enforce this amendment by appropriate legislation; and be it further

Resolved: That certified copies of this resolution be immediately transmitted by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, to each Member of the Maine Congressional Delegation and to the Legislatures of each of the several states attesting the adoption of this resolution by the One Hundred and Sixth Legislature of the State of Maine.

JOINT RESOLUTION TO OBTAIN A FULL ACCOUNTING OF POW'S AND MIA'S

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Sixth Legislative Session assembled, most respectfully present and petition the President and Congress of the United States, as follows:

Whereas, the North Vietnamese and their allies have not as agreed, satisfactorily accounted for all prisoners of war or persons missing in action; and

Whereas, the recent list of 555 prisoners of war released by North Viet Nam in response to agreement, does not include names of 56 known prisoners of war and is considered no more accurate than their earlier lists; and

Whereas, the United States Government has received the names of only 7 of 317 servicemen known to be missing in Laos; and

Whereas, the tragedy of leaving American prisoners behind previously experienced in Korea must not be repeated; and

Whereas approximately 1,400 families must not be abandoned to live in torturous anxiety as to the whereabouts of their loved ones; now therefore, be it

Resolved: That we, your Memorialists, respectfully recommend and urge the President and Congress of the United States to consider the feeling of this State expressed in the foregoing preamble as well as those of the Nation and to do everything within their power to obtain a satisfactory and complete accounting of all prisoners of war and persons missing in action; and be it further

Resolved: That the Secretary of State be directed to transmit forthwith suitable copies of this Memorial to the President of the United States, to the Speaker of the House of Representatives and the President of the Senate of the United States Congress and to the Members of said Senate and House of Representatives from the State of Maine.

THIRD ANNIVERSARY OF SOUTH VIETNAM'S LAND-TO-THE-TILLER PROGRAM

Mr. PACKWOOD. Mr. President, it was 3 years ago yesterday that President Nguyen Van Thieu promulgated the land-to-the-tiller law in South Vietnam, and announced that this basic reform was to be carried out over a 3-year period. By the end of those 3 years, the goal was to distribute some 2.5-million acres—half the cultivated land in South Vietnam—to 800,000 tenant farmer families.

The underlying goal, of course, was to deal with the basic land-based grievances of this impoverished, majority portion of the rural population—grievances which had led to substantial support for the Communist Vietcong just as similar grievances had produced crucial peasant support for revolutions in Russia, China, and Cuba and for other 20th century upheavals.

Yesterday was the third anniversary of the land-to-the-tiller law, the day for which the original goals were set. It therefore seems highly appropriate to examine what the actual achievements have been. Today, 1,850,000 acres of landlord-owned lands, and 450,000 acres of government-owned lands have been distributed, altogether 2.3-million acres, out of the original goal of 2.5 million. They have been distributed to a total of approximately 750,000 families out of the original goal of 800,000 families. Over 150,000 more families are in the process of receiving title to additional lands. Landlords are receiving fair compensation.

Thus, rare for a reform program of such scope and magnitude—assuredly even in this country, let alone in South Vietnam, in the midst of a war—the original land distribution goal has been more than 90-percent fulfilled. If one counts the further land now in the final distribution process, the goal has indeed been 110-percent fulfilled.

This has, in fact, constituted one of the most sweeping and effective programs of social and economic reform in postwar Asia rivaling fully the land reforms of Japan, Taiwan, and South Korea. For the first time, it has given the South Vietnamese peasant, over 5 million people in the 750,000 households that have now received their land, a real stake in their society.

While the land reform has been going on, rice production has increased by one-third. While it has been going on, Vietcong recruitment has dropped from the range of 5,000 to 7,000 men, recruited each month from the South Vietnamese countryside, to fewer than 1,000 men recruited each month. A recently-published report by Control Data Corp., carried out for the Agency for International Development, which was based on more than 900 random-sample interviews with Mekong Delta peasants, has shown an accompanying, dramatic shift in peasant attitudes and allegiances toward the government in Saigon.

The British used land reform against the Malaysian insurgency. The Venezuelans used it against Castroite guerrillas in the early 1960's, and the Bolivians found it was virtually 100-percent successful as a means of heading off the appeal of Che Guevara. Such land reforms did not cost a single life. They did not kill a single man, woman or child. But, again and again, they have resolved the basic, deep-seated grievances which had led, or were leading, an impoverished peasant population toward massive violence. And one may add to this list the land reforms of Japan, Taiwan, and South Korea, and those also of Iran and Mexico, each and every one of which has given great impetus to agricultural production and to overall economic development. Several of these, too, may have headed off massive political violence.

Unlike the countries which I have described, the old governments of Tsarist Russia, pre-1949 China, and Batista's Cuba did not learn the lesson in time: They were unseated by revolutions which relied predominantly on the support of a landless peasantry.

In South Vietnam, it is tragic that the lesson was not learned earlier. But it was, at least, and in fact, learned. When the Thieu government does something bad, let us say so, loudly, and clearly. But when it does something good—when it helps 5 million of its most impoverished, most aggrieved citizens toward a better life and toward personal dignity—let us also say so, again loudly and clearly.

And let us not lose this precious lesson for the future, or fall into the trap of thinking that the only possible attitudes toward the peasant populations who together constitute 70 percent of the population of the third world are attitudes of total neglect or massive violence—total neglect of their awesome poverty, massive violence as a response, if that poverty makes them prey to those who organize for revolution. For the third world, there is a third alternative: the alternative of humane, consistent support for programs that will ameliorate the poverty of the hundreds of millions who till land that they do not own themselves, desperate and hungry; the alternative of programs that, through providing them with a real stake in their society, will give an assured motivation to increase food production, and a solid reason to eschew massive bloodletting.

Such programs will not only help mightily to prevent future Vietnams, in which millions would surely die, just as 7 million or more have died already in the great peasant-based revolutions of the 20th century, but they will also provide the only base which has really worked for consistently increased agricultural production, sparked by the

knowledge that increased production redounds to the farmer's benefit, not to the landlord's.

President Thieu has carried out a massive land reform program. That was wise and well done. This body supported President Thieu, with appropriate financial and technical assistance through the foreign aid program, in carrying out that land reform. The direct and indirect support cost has been equal to far less than a single week's cost of the war.

Let us hope that the lessons learned from Vietnam—as to the passion and power of peasant grievances and the urgent need for programs that will address such grievances in time—will not be lost upon us, or upon our friends around the world. It would only compound the tragedy of Vietnam, if a lesson that were bought so dear, were lost almost before it was grasped.

So, I may say honestly to President Thieu, that while very far indeed from agreeing with all the policies of his government, I recognize that one very humane and very positive, and very successful policy is that of land to the tiller, and for this broad and dramatic success, I believe the South Vietnamese are to be congratulated.

SOCIAL SERVICES—THE PEOPLE SPEAK

Mr. McINTYRE. Mr. President, I am deeply concerned over the proposed regulation changes affecting the State social services programs, conducted under title IV–A and other titles of the Social Security Act. The impact of these changes would be a drastic curtailment of Federal support for these vitally needed social services. And without this Federal support many of the services simply could no longer be provided.

Many of us have talked about the new regulations in terms of their symbolic value, as indicating a policy direction the administration is setting out to implement. And much is said about this trend toward self-help and local initiative and away from reliance on the Federal Government as the prime mover in solving social problems. The debate over this trend is an important one and one that I hope the Congress will give its full attention to in the months ahead.

Today, however, I want to talk about these proposed regulation changes in more particular terms. I want to turn our attention away for a moment from the overriding significance these changes represent, and look directly at the individuals caught up in this controversy.

A public meeting was held recently in my State of New Hampshire to gather together as many of these people as possible. They represented every facet of the social services program—from the mothers whose children receive day-care services to those receiving help in mental health centers to those who run these programs and administer the social services funds.

I feel that hearing their stories is crucial to any real understanding of the issue. Take, for example, the situation faced by Camp Mayhew in Bristol, N.H. This is a year-round program for disadvantaged boys to try to provide for them those normal boyhood experiences they have missed. The camp has been able to expand its program from an enrollment of 10 boys in 1969 to 66 this past year. If the new regulations go into effect, they would only be able to provide services for 18 to 24 boys in 1973, based upon their private income.

Or take the situation the North Conway, N.H., day-care center is facing. This center cares for 44 children and gives many mothers the opportunity to work instead of just living off welfare. With the new regulations they face a deficit of $8,300 and will be forced to close in early 1974. And another program in Berlin, N.H., which provides professional counseling and therapy for adults, will also be forced to close its doors.

Mr. President, I know that our resources are not unlimited, that we must set priorities in Federal spending. The Congress realized last fall that spending for the social services program was too open ended and was creating a crisis in the Federal budget. This is why we adopted the $2.5-billion ceiling for the program—to prevent abuses and to require States to more carefully order their priorities.

This action was necessary. But the new regulations, I feel, go too far in restricting the program. The material that I would like to share with my colleagues today illustrates this in the way which I feel is the most persuasive—this is the human side of the story. These people know the real impact of these changes, and we should listen carefully to what they have to say.

Therefore, Mr. President, I ask unanimous consent that the statements of many of those who met in Concord, N.H., on March 10, to protest the proposed changes in the social services program, be printed in the RECORD at this point.

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

BERLIN, N.H.,
March 9, 1973.

To: State Congressional Delegation.
Subject: Proposed changes in Social Service Rules.

I am Dale True, a resident of Berlin N.H., Pastor of the United Church of Christ and the United Methodist Church in Berlin, and a member of the Board of Governors of Holiday Center, a non-profit social agency serving adults of the Berlin area. The Center provides professional services for persons needing counselling, therapy, referral service in the field of mental rehabilitation; provides opportunity for social contact for the lonely, forgotten, and people with problems or handicaps; provides encouragement for self-development through experiences of learning, art, crafts, and other cultural experiences; and helps fulfill the need to be of service to others as well as helping develop a feeling of being wanted and giving a sense of worthwhileness to individuals. About one-half the members are over 60 years old.

During the period July 1, 1971 to July 1, 1972, approximately 3600 people used the Center a total of 11,950 times. During February, 1973, 191 members and 384 guests used the Center a total of 1423 times.

There is no question in the minds of the staff members, members of the Board of Governors, many professionals in the area, as well as the people using the Center that the services rendered by Holiday Center are fulfilling a vital need for many people in the Berlin area. If the operation of the Center was terminated, it would be a severe loss to the community. A major part of our funding is from funds provided through Title IVA and most of the matching funds provided locally are donated private funds through United Fund.

We protest the action of the Department of Health, Education and Welfare in proposing new regulations which would drastically effect our social service agency, in all probability requiring that the Center be closed.

The citizens of the Berlin area who need these services deserve a better break than having a door closed in their faces.

We respectfully appeal to our New Hampshire Congressional Delegation to do all in its power to prevent the implementation of the proposed new HEW regulations.

DALE TRUE,
Board of Governors, Holiday Center, Berlin.

STATEMENT OF BEN ADLER

Mr. Chairman, Members of the Committee: My name is Ben Adler, and I am Director of Services for the Aging in Manchester.

We are currently providing service in the areas of recreation, nutrition, health, transportation and employment. Manchester, being a mill city, its older inhabitants being former employees of mills, number 11,000 plus.

Seventy five percent of those over 60 live within a ¾ mile radius of downtown, in solitary rooms, with primitive or no cooking facilities. Because of their former employment, they are forced to live off minimum, yes minimum social security and have not been able to save any money to draw on during these aging years.

Our department is committed to two areas; one, the identification of these aging through outreach, and the referral of the problem through cooperation with every agency in the city providing service to the aged. Either the service is brought to the person or the person is brought to the service.

Within the department there are employment opportunities for the aging; this has also led to other job opportunities in the community. The coordination of services, the avoiding of duplication of service, the provision for an outlet for sale of their handmade articles, creation of recreation areas to prevent social atrophy and depression, the alleviation of housing problems, the geriatric diagnostic clinic, homemaker services, and basic feeding program are not luxuries—they are necessities and must be continued.

Keeping our aging as independent and at home as long as possible, is much cheaper than institutionalization and much healthier for all society. Thank you.

CAMP MAYHEW: A CAMP FOR DISADVANTAGED BOYS OF NEW HAMPSHIRE, NEWFOUND LAKE, BRISTOL, N.H.

Camp Mayhew is a full year around program for culturally and/or economically disadvantaged boys from New Hampshire, ages 10–12. The program has three components:

(1) A four week residential camp session on Mayhew Island, Newfound Lake, New Hampshire, consisting of:

(a) Red Cross swimming program.

(b) Day hiking and overnight camping.

(c) An athletic program including volleyball, softball, basketball, baseball, canoeing, sailing and ropes course.

(d) An introductory environmental studies program designed around the natural setting and resources of Mayhew Island and Newfound Lake. Weekly sound and color nature films are used to supplement this program.

(e) The usual camp program of barn fires, singing, story telling and arts and crafts.

(f) A Work Hour Program in which boys are given "real work" to be performed (trail clearing, wood chopping, light carpentry, painting, etc.) thus, gaining introductory instruction in tool use. Such work earns "Mayhew Money" which is all that can be used in the camp store. (Through this mechanism we hope to teach the rudiments of saving and monetary planning, as well as to instill a "Work Ethic.")

(2) A year around follow up by the director with each boy which usually consists of three visits, one at his school, one with his family and one for a small group outing.

(3) The placement of our qualified graduates in private summer camp programs under full scholarships.

Camp Mayhews' intensive athletic-camp skills program of instruction is used as a vehicle for developing within 72 socially and/or economically disadvantaged boys from New Hampshire those normal boyhood experiences of which they have been deprived. Mayhew also offers these boys the chance to be a winner, to enjoy strong male influences and affection and the unhindered opportunity to develop their sense of self worth.

With these goals in mind the college-aged staff at Mayhew are selected for their genuine desire to help boys, their competency in athletic/camp skills and their commitment to the Mayhew Philosophy. This, coupled with the directors experience as a teacher, coach and guidance counselor, enables Camp Mayhew to perform in an area of social welfare where little has previously been done. Boys within low income or welfare families generally do not have the opportunity to germinate and experience success in a natural environment far removed from the distractions of modern day life. Mayhew provides this opportunity.

Mayhew can and does alter *minor* behavioral and emotional problems which some of its boys have, but is not equipped to work with boys who have records of deep-seated emotional and behavioral problems.

What kind of boy should Mayhew serve? A boy who needs and is able to respond to: strong male affection, competent instruction in athletic skills, the enjoyment of competition, the satisfaction of using his abilities to their maximum potential and most importantly, a boy who still has the capacity to make positive changes in his outlook and approach toward becoming a better citizen.

The Camp Mayhew program has an annual budget of approximately $40,000 which provides for full tuition scholarships of $550 each for 72 boys. Our funding is from four sources:

(1) Federal Grants which are routed through the New Hampshire Division of Welfare for Title IVa funding. In 1972–73 this consisted of $4000 from the Manchester Model Cities Agency which was matched for $16,000.

(2) Private grants which again are routed through the New Hampshire Division of Welfare for Title IVa funding. In 1972–73 this consisted of a $1,250 grant from the Pearson Trust which was matched for $5,000.

(3) A Community Sponsorship Program in which service groups (Lions, Rotarians, etc.) and business concerns make tuition gifts for boys from their community. Last year Mayhew had 8 sponsors who contributed half tuition for 8 boys for a total of $2,000.

(4) Private solicitation in and out of the state of New Hampshire. Last year approximately $9,700 was contributed.

How will the title IVa regulations affect Mayhew?

(1) There now exists confusion over whether any grant from the Model Cities Agency would be match granted. This would cause a decrease of our program in Manchester of 40 boys to 4 boys.

(2) The cut-off of donated funds as the States share in claiming Federal matching funds would cost us the loss of two or three initiating grants. At present, we have negotiated for such funds with the New Hampshire Charitable Trusts, the Groton School Camp Association, the Manchester Housing Authority and several United Funds. The loss of tuition is estimated to be at least $8,000. This would cause a decrease in the number of boys from other parts of New Hampshire of 20 to 5.

Thus Camp Mayhew, which has built its enrollment from 10 boys in 1969 to 66 boys in 1972 would only be able to provide services for 18–24 boys in 1973, based upon our private income and pledges.

Since its inception in 1969, Camp Mayhew has provided its services to the State of New Hampshire at no cost to the State and small cost to Federal agencies.

STATEMENT OF JACKIE HOWE

Ladies and Gentlemen: My name is Jackie Howe. I represent the North Conway Day Care Center of which I am the director. I am here to express my concern over the new regulations for the Title Four A funds. We care for a total of forty four children of which seventeen are from one parents homes; mothers working rather than being on welfare. Our fees are based on federal guide lines as established for the free lunch programs. This year we raised $5,391 for Title Four A matching funds, a receiving $16,173.

Our community has deep concern for these programs as evidenced by a new $152,000 multi-purpose building built by private funds under the leadership of a church. We also are now developing a sheltered workshop building program. The total programs care for 120 children each day seventy five percent of them are low income.

My own program has already received for next years budget private gifts of seven hundred dollars, organizations gifts of $1,000 dollars and revenue sharing funds of five thousand dollars. We have pledges of fifteen hundred dollars more from a local church and plan fund drives as well. This from a community of about twenty five hundred to three thousand people. I feel our people have responded well and reached a saturation point.

Cutting our budget from forty one thousand to thirty one thousand for 1973–1974, with all our efforts we face a deficit of eight thousand three hundred dollars and will be forced to close in early 1974 as all our funds under the new regulations cannot be matched. The closing will not only have deep personal tradgedy but will place several mothers on welfare and leave rooms and equipment useless.

HOMEMAKER SERVICE PROVIDES A CHOICE

(Statement of Henrietta Charest, Director-Supervisor, Sullivan County Homemaker Service)

Homemaker/Home Health Aides are employees trained in the skills of homemaking, who provide care in the home, to families and individuals during periods of stress or crisis. They are neither maids nor nurses. It might be said that they are women giving the kind of care a relative might give if the need arose.

The Homemaker/Home Health Aid Agency makes individual considerations concerning the placement of a Homemaker, fees charged, length and hours of service. All Homemakers have on the job supervision. Specifically many of these women now have gainfully rewarding, classified occupations in the labor market that they never had before, thereby enabling them to supplement family incomes, reduce or eliminate welfare needs, obtain future Social Security coverage for their later years, and obtain promotional advancement within this field.

What will happen in Sullivan County and around the state, if this kind of service is not available? Choices will simply *not* exist. It is the Right in most cases, of every human being, to decide whether or not to enter an institution, either permanently or temporarily. But if the option is non-existent then the whole discussion of Rights becomes academic.

The following two cases are fictitious and intended only to indicate the kinds of clients served by any Homemaker agency. For example—Mr. Z is old, alone, a victim of Parkinson's disease. He is a recipient of State Assistance and operates a small business out of his home. He is confined now to a wheel chair—but he wants to stay home, provide his small service, be among his own belongings, within reach of his old and familiar friends. He needs someone to clean his house, do his shopping and make his meals. A homemaker does it in three hours a day. Compare this cost to the cost of 24 hours a day care in a nursing home—where professional nurses are being paid. Mr. Z *needs* a homemaker not a nurse. He needs his home and the comfort of his friends—not an institution. He has a choice if a Homemaker/Home Health Aide Service is available. If it's not available he certainly still has a Right—but he has no choice.

Mrs. X is 26 years old, foreign born, the mother of two small children. Her husband, a military man, is in Europe. Mrs. X is severely depressed and under the out-patient care of a county clinic. She *needs* someone to come each day—give her supportive care—help her to cope with her children. In short Mrs. X *and* her children need some mothering. She cannot manage her life without help. Her homemaker is a 50 year old woman and the mother of nine. What are Mrs. X's choices? She can have a homemaker and the facilities of other supportive services *or* she can be admitted to the state hospital and place her children in foster homes. Cost comparisons here are clearly apparent. It costs less in terms of dollars for Mrs. X to stay home and avoid institutionalization for herself and foster care for her children. In human terms the *cost* of splitting this family cannot be measured.

New Hampshire Home Care Services Association, a central agency, has been established after many months of dedicated effort. It offers assistance to initiate new agencies and provide fiscal assistance along with standardized training.

If funds are cut will new agencies start out without a central agency to help and/or will a central agency be available to help? Will agencies survive the rigors and difficulties of operation without a strong central arm? Funding cuts resulting from the proposed regulation changes strike at the very heart of New Hampshire's effort to care for its families in their own homes whenever possible. These funding cuts for service make it impossible for communities to provide Homemaker/Home Health Aide in the State of New Hampshire. Who can measure the irreparable damage done to our communities, individually, or to our state as a whole. Multiply Mr. Z and Mrs. X hundreds of times over around the state. We in Homemaker Services see that to *cut these* funds is to make it *impossible* for all people in the State of New Hampshire to exercise their *Rights* because their choices have been eliminated.

SOCIAL SERVICES A PART OF PUBLIC HOUSING

(Statement of Mary Mongan, Director of Tenant Services, Manchester Housing Authority)

At one time the prime responsibility of housing was to give shelter, however, in recent years the nation as a whole, through the media of television, has become aware that you cannot concentrate into such dense living conditions families already burdened with financial and social problems and ignore the outcome, as we have seen happen in St. Louis, and as I have seen just recently in

nearby Lynn, Mass. They will destroy that which shelters them.

In 1970 Congress recognized that shelter alone did not make a home and therefore, declared that low-income families should have their social and individual needs met in addition to purely housing and financial needs, and listed 8 broad areas of needs as primary goals:

Physical health.
Mental health.
Economic security.
Personal fulfillment.
Participation in community life.
Freedom of choice in personal living.
Possession of a system of ethical values.
Perpetuation of social institutions.

ALL OF THEIR GOALS ARE HOUSING GOALS

All of us are aware of the increasing cost of living, but it is more so for low income families, for every day they must make decisions as to what are the priorities for their family—and often a crisis occurs that requires that they again alter that choice. That crisis can be anything from a pair of shoes to a tooth extraction: for with a family of seven or more, a child has but one pair of shoes and never sees a dentist until it is too late.

In 1970 HUD provided funds for modernization programs and committed housing authorities to programs for upgrading physical and social conditions in low rent housing. At this time local housing authorities began working with their tenants to determine needs and to initiate programs to meet those needs. HUD could not provide funds for programs: therefore in June 1971 an agreement was entered into by Housing and Urban Development and the Department of Health, Education and Welfare, whereby HEW would provide funds specifically for housing authorities under title 4–A and B.

Programs were initiated and implemented and improvements are now visible—: our crime rate has dropped, maintenance cost is showing signs of decreasing, parents are looking for employment because of our day care centers, youth have found summer employment through Neighborhood Youth Corps programs, educational institutions are responding to our needs, and the elderly are less lonely and receiving health needs such as nutritional programs and home care.

No longer do our youth have to carry the tag of "Project Kid" because they are now able to participate in community programs at boys clubs, girl clubs, scouting programs, summer camperships (which also gave us the opportunity of seeing they had physicals) baseball and football teams, where they all had a chance to play.

When a housing authority has 1000 children out of school, every day, all summer, activities well supervised must be planned to keep them busy, or housing authorities will see their cost of maintenance increase and more frequent visits from the police and fire departments.

If a large family of low income were to give their family every possible health need, whether it be preventive or crisis oriented, that family if they were not on the welfare rolls would *have* to be, for many a mother in our housing areas must neglect that ear ache or sore throat because of the cost, hoping that it will quietly go away without further incidence. I have seen mothers want to consult a doctor, if for nothing more than her own peace of mind, but knowing the cost, and not having a way to pay it, can not make that call. Dental care is sadly neglected and there are many at the age of 13 who must end up with total extraction—and no dentures to replace them.

The new rules, as proposed, will limit our scope of services and will completely tie our hands to implement programs. Service agencies within our community, which have only private funds to work with for matching purposes, will not be able to assist us, for no public funds are readily available for social services.

Low income persons are no different than any other human beings, if they are content and cared for, they respond to demands made upon them with a positive attitude and will assert themselves to help themselves; but, put them all together as public housing does, with every possible social ill facing them, day after day, and seeing no possible way out available to them will give out negative responses and retaliate. It is a very human instinct to do so.

We can begin to cure the many social problems of housing, but only by providing services that are programmed to meet housing needs—all we ask is to be able to provide more than shelter for persons who must reside in public housing.

STATEMENT OF CHARLES LEAHEY, PRESIDENT, OPPORTUNITY HOUSE, CONCORD, N.H.

Styles change—in clothes and in government. When the style of government is changed, those who make the decision must do more than talk theory to a mirror. They have to remember the old rules. They have to take account of the fact that the old rules created the facts of today and the legitimate hopes which many have for tomorrow.

In 1965, the New Hampshire Legislature and the Governor of New Hampshire invited and challenged private citizens to become partners in an imaginative attack on the problem of mental illness. The objective was to bring treatment to people where the people were—at home. The method was to stimulate groups of local citizens to organize centers for the treatment of the mentally ill. The inducement was a commitment of money, two dollars of State money for every dollar of money raised locally, and a commitment of professional advice and guidance to be used when necessary or desired.

Local groups have created and now sustain fifteen community mental health agencies throughout the State. The agencies are nonprofit, private agencies, directed by dedicated laymen and staffed by professionals in the field of mental health care. The Division of Mental Health, through the Office of Community Mental Health, provides administrative direction and support—but the care that citizens of New Hampshire require and are entitled to is provided by the agencies themselves.

The many partnerships which the State of New Hampshire has invested in are improving and expanding the necessary services they provide each year. While the State has never fully met its financial commitment to its "junior" partners, it is clear that without the funds and overall direction the State provides, no amount of individual commitment and effort at the local level could have created the agencies that exist today.

The old rules have created fifteen successful partnerships between the State and groups of private citizens. These fifteen partnerships, in the aggregate, are receiving $1,402,484 in grants, which are applied toward total budgets of $2,900,000, to provide mental health care to 12,000 citizens of New Hampshire. These agencies are classic examples of the creative partnership between an "investor" who seeks long-range objectives for his investment and the executives who provide a local base, know-how, energy and leadership. And although the original objectives of the community mental health program are far from being achieved, a new task is being planned for these groups. The key to any plan to reduce the New Hampshire Hospital to a manageable size while upgrading the care it provides, requires that the partners provide greatly expanded aftercare services at the local level.

Now government has adopted a new style. We are told that father knows best, and what is best is to live without federal dollars.

We are told to forget the fact that federal money is, after all, our money. We are told that this is the lesson of self-reliance. What we are not told is how the new system of self-reliance works, nor are we told just who is supposed to become self-reliant We are left to discover the facts for ourselves as best we can.

The facts that we can discover suggest that self-reliant people had best avoid mental illness Because what we find is that if we must face that problem, father isn't going to do one damn thing about it.

The new rules were not created by Congress. They were imposed by the Secretary of Health, Education and Welfare even though Congress appropriated funds to provide mental health services. If HEW's guidelines in this area stand, federal funds to assist and encourage either the State or local groups to provide aftercare services locally will be gone.

In the present fiscal year, $511,532, more than one-third of the total grant of $1,402,484 made by New Hampshire to its fifteen local partners, came through the Division of Welfare. The $511,532 consisted of $138,000 transferred from the Division of Mental Health and the balance of approximately $373,000 from federal funds available for social services, specifically mental health care for potential or former welfare recipients. Most of the total grant was used to fund aftercare programs for former hospital patients, in particular residential half-way houses and out-patient care at local clinics.

If federal matching funds are withdrawn, the $350,000 total increase for 1974 that the Governor has recommended in community mental health funds will not even make up for that loss. Because of tremendous needs in existing programs at the local level, the result will be to destroy the effort to provide aftercare services in local clinics. Without such services, any talk of a permanent and meaningful reduction in the population of the New Hampshire Hospital or a genuine and significant improvement in the services it provides—without substantial expenditures of additional State funds at the Hospital—is talk, empty and ignorant talk.

There is one other fact. For many of the State's partners, additional local effort is not possible. If they are pressed any harder, many of them will simply collapse. Public funds are essential. If HEW's decision stands, the State will have to provide three or four times $350,000 in increased State aid if current programs are to be maintained and a meaningful aftercare program is to develop.

The local agencies cannot set the new style in government. And they cannot afford it. The lesson of self-reliance is lost on us and will have even less meaning for those who need care which is not available. Those are the facts. The rest is suitable material for debaters.

TITLE IV A FUNDING

When we speak of the mentally retarded most people envision the inevitably charming child pictured with one or another movie star or sports hero on television or in a national magazine. The whole idea behind this approach is that the viewing audience is supposed to feel sorry for the retarded person, give him a handout and be done with him, forget him. Like any minority group the retarded today are not interested in the free ride. They do not want to sponge off their more fortunate friends the taxpayers. They want the opportunity to make it on their own, to have a job or at least a chance at training for work. They want to be considered useful to their society and acquire the dignity everyone is entitled to: the dignity of living free and self-sufficiently.

At the present time there are thousands of mentally retarded people sitting at home:

staring at television, locked in rooms, truly imprisoned by their disability. There are many more placed in state institutions where most of them receive little better than baby-sitting service. Last year we saw the horror of the Willowbrook School, a state institution in New York, that reminded us of Dachau, Buchenwald or Auschwitz. Luckily our own state institution in Laconia is a more respectable habitat for our retarded population but even still the services provided there are inadequate despite the good intentions of those in charge.

The trend in the field of mental retardation that we now believe is the best one, is the trend which supports the establishment of community based programs for the retarded rather than blanket institutional programs. These community programs should include a three component system, the three components being special employment, special recreation, and special housing facilities as homelike as possible. This system is designed to give the mentally retarded individual the opportunity to develop a life-style as natural and free as possible. Basically this system gives the mentally retarded the chance to help themselves.

During the past few years we have all become aware of the massive ecology movement, intent upon preserving and making better use of our environment's natural resources. Thousands of people have rallied to recycle paper and glass so that future generations will have a less spoiled environment to live in. The economics of this movement are obvious. To sum them up in an old saying: "Waste not, want not". It is my belief that our mentally retarded population, like our trees and minerals, is a tremendous resource that we have wasted, exploited and ignored without just cause for hundreds of years. The time has come for PEOPLE-ECOLOGY . . . to use our resource of mentally retarded people to its best advantage, gaining for them the dignity and freedom of a respected role in society. It is our belief that the community based system offers the best chance for the retarded to learn to help themselves. In more practical language, the language of money, the community based program should cost a mere fraction of a typical institution program. At the present time it costs nearly five times as much money to maintain a child in Laconia as it does to maintain him in the community.

The key component to the success of the community based program is the special employment work center. In the sheltered workshop or the work activities center the retarded people can provide services to local business, doing work efficiently and proudly to support a great part of the life functions. At New Horizons we are doing jobs for industry in the Keene area, not because we needed a handout, but because we can do the job *better* than the company itself. These jobs involve sorting, packaging and assembling items that are usually a headache to the company, jobs that would normally require a skilled worker to leave his work station, wasting his and company time. The workers who work for us at New Horizons are mostly graduates from the New Hope Center Inc., a community based development center we are a part of.

Our mentally retarded workers attack these jobs with a fervor and energy unequaled by the average normal worker. Each piece is a new challenge and a new accomplishment and the payment they receive is treasured like pure gold.

One of the greatest thrills of my experience in this work came last fall. One of our workers, a severely retarded boy who had failed at almost everything in his seventeen years, finally found success in one of our jobs. Suddenly this boy was on the top of the heap, making more money than anyone else. Then one day his father brought him to work and informed us that his son had purchased with his own hard earned money a new winter coat. Never have I seen one of our workers so pleased with himself and never have I seen a parent, who long ago gave up hope for his son, as proud as this man was. There is more work available in our community and we hope to grow and expand our work force as time goes on. Our feeling is that we are becoming an important service in the community. While our community based program will never be totally self-sufficient, our mentally retarded people are working very hard to take the bite off the taxpayers and carry their own weight.

It would be wonderful if some of the mentally retarded people that I know could be here this morning to tell you themselves what great satisfaction they receive from earning a living like their parents and brothers and sisters. Unfortunately most of them would not be able to speak under these circumstances and so I am here as their stand-in. I cannot duplicate or substitute their overwhelming compassion for others, their innocent desire to give and take love. Nor can I duplicate their mysterious standoffishness or their unreasoning hatred. I cannot duplicate their anger and childish sorrow, but neither can I duplicate their explosive joy. I can't be crippled or have a speech problem and I cannot duplicate their uncanny ability and determination to carry out a fiercely dull job with care and satisfaction. To be retarded is something we can only slightly relate to if we can remember what it was to be three or four years old.

It would be wonderful if sometime in the future there was a movement, similar to the Civil Rights struggle of blacks and Indians, carried on by the retarded. If there was such a movement there will be no Martin Luther Kings, no Cesar Chavezs. There will be no Selmas, no Birminghams, no Wounded Knees. No one will take over or bomb any buildings. If there is such a movement those of us who are involved now will be in the forefront of it. The time has come to stop begging the government for assistance. The time has come to demand the equal opportunity retarded people are entitled to as stated in the Constitution. The time has come to realize that the plight of the retarded effects every one of us whether in our hearts or in our wallets.

In his Inaugural Address last January, President Nixon said that the time has come for people to help themselves. We agree. But the people in power must realize that the mentally retarded need more than a tough jaw to make it in this world. The retarded have all the incentive you could ask for but they need financial support to get them on their way to self-sufficiency. It does not matter what name the people in Washington give to the dollars we need to help the mentally retarded so long as they give us enough dollars. Today we are all concerned about the dollars we call IV A. The new guidelines from Washington will eliminate the chances for hundreds of people throughout the state to develop. They will have little chance to grow because they are too young or because they are already not on welfare. This is criminal, and this is unintelligent. The children and young adults who will not participate in these programs because they are not on welfare will assuredly be on welfare very soon. We will pay much more expensively for their care later if we fail to care for them now. It is ridiculous to condemn these mentally retarded people to an unhappy and expensive institutional life. I call on every man and woman of good conscience to join with us in this battle. Let us help the mentally retarded now so that they may help themselves later. We will win.

STATEMENT OF NANCY CALLAHAN

Project Second Start is a daytime adult education program which attacks the multi-faceted problems of the "undereducated" through integrated programs and services. Located at the First Congregational Church in Concord it has served citizens in the greater Concord area for the past two years. Begun by a few concerned citizens, it was made possible by the financial support of many local individuals and groups from Saint Andrew's Church in Hopkinton to the Junior Service League in Concord.

A private non-profit corporation with a local board of directors, Second Start is currently funded by the following private sources:

Catholic Diocese of Manchester, Episcopal Diocese of New Hampshire, Greater Concord United Fund, Local groups and individuals.

For the past two years, the private contributions have been matched by the federal government on a three-to-one basis under Title IV A of the Social Security Act. The private sources have generated enough money to adequately fund Second Start. The newly proposed Health, Education, and Welfare regulations state that private money will no longer be matchable. If the regulations become effective, they will eliminate two-thirds ($18,000) of the total operating budget ($27,000) of Second Start.

During the past two years, Second Start has served over two-hundred adults from Concord and the surrounding towns. In an atmosphere of informality, acceptance, and concern, it has seen thirty-six of its enrollees successfully complete the high school equivalency examination and receive their high school equivalency certificates. The reading level of the students has increased on the average of two-grade levels after four to five months in the program. Half of the typing and clerical class will be employable by May of this year. Other less tangible forms of progress and growth are occurring in the consumer education talk-ins, the human relations discussion group, the art class, the student advisory committee, the counseling. And Second Start is only just beginning to meet the needs of the more than 37% of the adults in Concord and 39% of the adults in Merrimack County with less than a high school education. It is just beginning to make a difference in the community and to the students. As one student remarked,

"Finding so many people who care so much all at once is a rare experience."

STATEMENT OF VISITING NURSE ASSOCIATION OF CONCORD

Many federal tax dollars are going into various programs. As a representative of an agency that renders health services to consumers of varied financial backgrounds on the local level, I am concerned. I am concerned about financing for health needs. To maintain physical equilibrium should be a freedom for all.

To render good services, money needs to be available for care of the chronically ill; the custodial aged; the young child; and families. Title IV A funds have given a financial base for a health agency to work from—particularly when matching funds could come from any source. These same funds would be the hardest local tax dollar to acquire.

To enforce the eligibility requirements will take many dollars—for staff, space and supplies. Would it not be better to fund services at the local level with the local provider enforcing the financial regulations? The philosophy of the agency I represent has long been that fees would be collected whenever possible, with documentation on sliding scale fees.

Most people seek health services when they have an acute problem, but very few are able to cope with extended illnesses. Nor are they able to afford preventative services.

Rules being proposed on H.R. 1 should concern everyone of us because of the severe cutback to the health consumer on the local level.

STATEMENT OF MAYOR SYLVIO DUPAIS, MANCHESTER, N.H.

GENTLEMEN: We Need Your Help!

We need your help because the City of Manchester will be adversely affected by the proposed changes in the Title IV–A regulations.

The changes in the regulations will set back the development of services in our City to the elderly, to children, and to teenagers at least three years, back to a point where a comprehensive elderly program did not exist, where health and social services were not available in our summer programs, and where day care was limited to less than 100 children.

The Department of Housing and Urban Development has told our Model Cities Program to develop alternative sources of funding. Through this mission, they have woven comprehensiveness into several of their programs and with the help and assistance of the Division of Welfare, have strengthened and expanded several programs to serve areas far greater than their limited resources would allow.

Last year, through the cooperation of the Division of Welfare and the Model City Agency, approximately 1 million dollars was made available to the City. While I am concerned over the loss of these funds, I am more concerned over the loss of services to people—services such as:

Day care;
Summer campership;
Workreation;
Health services;
Elderly crafts;
Hot lunches for the elderly;
Vocation education;
School guidance counseling;
Homemaker services; and
Elderly transportation.

Should these regulations take effect, all of these programs will be severely jeopardized and many may have to be eliminated simply because funds do not exist to completely assume these programs at the present time.

A prime concern of the Model City Agency is the continuation of a dialogue between the Agency and United Community Services of Greater Manchester. The intent of this was again to seek out and develop alternative sources of funding so that many of the programs of the Agency could continue to satisfy needs of the City. However, under the proposed regulations, private funds are not acceptable as a match, and this dialogue could become meaningless.

Gentlemen, surely in our national priorities there is a place for children, there is a place for youth, there is a place for elderly, and there is a place where the emotionally disturbed child can be helped.

We cannot question the fact that reform of welfare is needed or that some social programs do not accomplish their purpose, but neither should we substitute a meat axe for a scalpel, or change for change's sake in place of common sense.

Careful consideration must be given to these proposed changes, their impact must be measured not in terms of dollars spent, but rather in the human terms of services rendered.

Gentlemen, we need your help!

STATEMENT OF MALCOLM MCLANE, MAYOR, CONCORD, N.H.

I join other speakers here today to protest the revolutionary change proposed by the federal government in the method of financing needed social services throughout the United States. I speak not only as Mayor of the City of Concord, representing all of our citizens, but also as an active volunteer in charitable service to those in need. I have just ended a three-year term as President of the United Way, formerly the United Fund of Greater Concord.

Ever since President Nixon took office over four years ago he has repeatedly urged that all citizens become actively involved as volunteers in service whether in government effort or in private charitable endeavor. There are, of course, millions of persons in this country who contribute either cash or time to worthy causes. The need for voluntarism has never been more fully recognized. The President has only recently named Governor Romney to head up this effort nationally.

For some years now the efforts of local public and private agencies offering social services have benefited from 3-for-1 matching funds received from the federal government under Title IV, A of the Social Security Act, as amended. This has meant greatly expanded services to those in need. At least six of our United Way agencies have offered services under this program, including Visiting Nurses, the Mental Health Center, Child and Family Services, Day Care Center, Project Second Start and Opportunity House. Old services have been expanded and new services created as needed with this source of financial support. It is this program which is now to be drastically slashed under new regulations proposed by the Secretary of the Department of Health, Education and Welfare.

The first and most objectionable of these new regulations is one that prohibits the use of donated funds, namely from private charitable sources, to be used by the State in securing the federal matching funds. This technique has been most important in New Hampshire because the State itself has often failed to put up its 25% matching share to take advantage of available federal funds. The latter then pass by default to other states. By use of such donated funds, the Welfare Department and contracting private agencies have continued to offer desirable social services to those in need. All this is now threatened by the new regulations. It is hard to see how the President can, on the one hand, encourage voluntarism and hope for a positive outpouring of volunteer effort for public causes, and, on the other hand, undercut the volunteer effort by prohibiting it from sharing in the available federal funding of worthy social services. Volunteer effort has stretched itself to the limit to fund and operate many worthwhile services in a cooperative program with state and federal assistance. This is no time to undercut that effort.

Additional changes in the regulations which I deplore would drastically limit those eligible for social services under Title IV, A programs to persons currently on relief or within a very few months of going on or coming off direct welfare payments. This overlooks the fact that there are vast numbers of persons and families who live just above the welfare limits who need help if they are to stay off welfare. The need for day care centers in this situation is obvious, as well as health and mental health services. With such services many more may be able to stay off welfare rolls, the objective of the administration. Why push them back onto welfare by cutting off needed social services so soon after one reaches a limited level of self-support.

Lastly there are certain needed services which would be cut off under the new regulations, including particularly mental health treatment services offered in Concord by the Mental Health Center and Opportunity House.

In summary, I say that the President makes a great mistake in so drastically curtailing federal support of needed social services in a way that strikes so hard and so directly at the cooperative efforts of voluntarism. If the President's concern is to limit spending in these areas, let the limits be set and the funds allocated to the States without restrictions which destroy the concept of cooperation between public and private agencies and the concept much praised by the President of voluntarism.

SOCIAL SERVICES REGULATIONS

Mr. MUSKIE. Mr. President, many of us have expressed concern recently about the direction of the regulations proposed February 16 by the Department of Health, Education, and Welfare regarding the implementation of social services programs under title IVA of the Social Security Act.

The guidelines proposed by the administration would have severely curtained social services programs in the States. In my own State of Maine, many ongoing and worthy programs would have to terminate if the guidelines proposed on February 16 were finally promulgated. Those guidelines would mean a cutback in services to more than 74,000 people in Maine at a cost of $3.8 million in fiscal 1974.

At a recent hearing of my Subcommittee on Intergovernmental Relations, Secretary Weinberger promised to revise the guidelines to allow the States to use donated private funds as the States share in claiming Federal matching money under title IVA programs.

I am hopeful that the guidelines will be further revised to prevent disastrous cutbacks of social services programs across the country.

Recently, Gov. Kenneth M. Curtis of Maine outlined in great detail the impact of the proposed regulations on social services programs in my State. In a letter to Secretary Weinberger, the Governor strongly protested many of the provisions of the proposed regulations. I think it would be helpful for members of the Senate to focus on the issues raised by Governor Curtis.

I ask unanimous consent that the letter Governor Curtis wrote to Secretary Weinberger be included in the RECORD at this point.

There being no obejction, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, Maine, March 2, 1973.

Hon. CASPAR WEINBERGER
Secretary, Department of Health, Education and Welfare, Washington, D.C.

DEAR SECRETARY WEINBERGER: This letter is in response to the regulations drafted by the Department of Health, Education and Welfare to implement the Social Services Amendment to the State and Local Fiscal Assistance Act of 1972 (P.L. 912–512).

The Maine Department of Health and Welfare has completed a comprehensive review of the impact of the proposed regulations in Maine. On the basis of this study, I strongly protest certain provisions of the proposed regulations. I am most concerned about the provisions that would:

1. Restrict target populations eligible to receive social services through a re-definition of eligibility,

2. Restrict the types of services for which Federal funding is available,

3. Prohibit the expansion or initiation of services using public money without additional tax dollars above the 1972 level, and

4. Prohibit the use of donated private funds or in-kind contributions as the State's share in claiming Federal matching money.

For specific reference to sections in the Federal Register which should be changed, please refer to Attachment I.

As presently drafted, the regulations will have a very serious and detrimental impact on social service programs. In Maine there will be a cutback in services to more than 74,000 people at a cost of $3.8 million in FY 1974.

Because the regulations will restrict eligibility almost exclusively to welfare recipients, additional incentives will be created to get on welfare or stay on welfare in order to receive essential services. The regulations will also destroy many worthwhile programs by prohibiting the use of private "seed" money and restricting the types of services which can be funded. In addition, the HEW proposals will very likely increase administrative costs by requiring repeated and complicated eligibility determinations. Finally, the states ability to expand needed services will be severely limited by the requirement that expansion or initiation of new services using public dollars must be accomplished with "new" money above 1972 levels.

Enclosed is a State-wide summary of the impact the proposed HEW regulations will have in Maine with additional detailing by major restrictions in the proposed policy. (See Attachment II)

I am asking you to take action to prevent the restrictive provisions of this proposed policy from being implemented. I also request that immediate action be taken to extend the review period to at least 90 days so that all states may have an opportunity to assess the impact of these proposed restrictions on their social service programs.

Sincerely,

KENNETH M. CURTIS,
Governor.

ATTACHMENT I

Following is a reference to the Sections in the Federal Register (Proposed Rule Making) dated February 16, 1973 which must be changed:

REFERENCE

221.6(C)(2), 221.6(C)(3)(i), 221.6(C)(3)(iii), 221.6(C)(3)(IV)(a), 221.6(C)(3)(IV)(b), 221.6(C)(3)(IV)(c), and 221.6(C)(4). 221.7(b), 221.9, 221.30(a)(6), and 221.30(b). 221.53(i), 221.54(b)(3), and 221.62.

ACTION

We strongly urge that the current regulations pertaining to these referenced areas remain in effect. The current regulations are listed in: Federal Register Volume 35, No. 230, published November 26, 1970; Federal Register Volume 34, No. 18, published Jan. 28, 1969.

SUMMARY—STATEWIDE IMPACT IN MAINE OF THE PROPOSED HEALTH, EDUCATION, AND WELFARE SOCIAL SERVICE POLICY RESTRICTIONS

1. Service category	2. Services under present regs. March 30, 1973		3. Deprived of service April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—categorical assistance	6,053	1,270,388				
Foster care	2,092	2,083,709				
Family planning	108	38,392				
Alcoholism, drug abuse	110	11,836				
Mental retardation	742	109,373	12	5,088	32	66,422
Child care	1,571	911,068	237	25,230	1,053	213,790
Services now provided not fundable:						
Noncommitted foster care	250	147,008	42	49,003	167	196,011
Adoption	81	104,025	27	34,675	108	138,700
Mental health	4,734	795,277	3,049	734,824	8,735	1,070,370
Juvenile delinquency						
Education and training	1,303	162,073	998	144,493	1,137	215,898
Housing	18	8,595	24	2,865	24	11,460
Employment (non-WIN)	55	8,668	18	2,890	74	11,558
Home management (Homemakers)	11,788	776,325	4,218	393,408	15,584	960,942
Marital conflict	452	30,369	148	10,123	591	40,492
Child community A.D.J. (rec.)	5,272	110,340	1,722	50,617	7,029	147,106
Adult community A.D.J. (neigh)	3,876	145,266	2,421	100,705	5,165	193,688
Planning guidance	189	130,033	63	43,344	257	173,377
Sheltered placement	31	21,954	11	7,318	42	29,272
Sheltered workshops	280	65,480	280	65,480	280	65,480
Senior citizens programs	5,934	71,410	7,100	54,434	13,852	95,214
Meals	480	33,180				
Admin.—Indirect service	20,453	199,085	21,644	63,880	21,644	63,880
Legal services	13,000	180,000	3,000	45,000	12,000	180,000
Total	77,872	7,413,854	45,014	1,833,377	87,774	8,873,660

SUMMARIZED EFFECT IN MAINE OF THE PROPOSED HEW POLICY

Col. 1 (Service category) is a listing of the social service areas which will be affected by the proposed regulations.

Col. 2 (Services Under Present Regulations March 30, 1973) is a listing of the people currently receiving services and the cost of these services by each service area. Important—Current services reflect the cuts which have already been made in social services in Maine resulting from the Social Services Amendment to the Revenue Sharing Act. These cuts made effective Jan. 1, 1973 amounted to over $1,000,000 affecting approximately 30,000 for the last half of fiscal year 1973.

Col. 3 (Deprived of service April–June 1973) is a listing by service area of the number of people and dollars which would be cut back as a result of the proposed HEW policy restrictions for the last quarter of fiscal year 1973.

Col. 4 (Deprived of service in 1974) is a listing by service area of the number of people and dollars which would be cut back in fiscal year 1974 as a result of the proposed HEW policy.

Note: The dollar figures are essentially accurate in each column. Approximately 15 percent of the people receive more than 1 service. Therefore, the totals listing the number of people should be reduced 15 percent to reflect the actual numbers of individual people affected. The impact in Maine of the proposed HEW policy will be: A cutback in services to over 38,000 people at a cost of over $1,800,000 for the last quarter of fiscal year 1973. A cutback in services to over 74,000 people at a cost of over $3,800,000 for fiscal year 1974.

EFFECT OF ELIGIBILITY RESTRICTIONS WHICH LIMIT THE PROVISION OF SOCIAL SERVICES PRIMARILY TO WELFARE RECIPIENTS

[Relating to Services Provided Directly by the Department of Health and Welfare]

1. Service category	2. Services under present regs., Mar. 30, 1973		3. Deprived of service April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—categorical assistance	6,053	1,270,388				
Foster care	2,092	2,083,709				
Family planning	108	38,392				
Alcoholism drug abuse	110	11,836				
Mental retardation	106	13,584				
Child care	57	9,086				
Services now provided not fundable:						
Noncommitted foster care	125	147,008	42	49,003	167	196,011
Adoption	81	104,025	27	34,675	108	138,700
Mental health	1,271	83,950	424	27,983	1,695	111,934
Juvenile delinquency						
Education and training	24	11,559	8	3,853	32	15,412
Housing	18	8,595	24	2,865	24	11,460
Employment (non-WIN)	55	8,668	18	2,890	74	11,555
Home management (Homemakers)	979	71,574	326	23,858	1,306	95,432
Marital conflict	452	30,369	148	10,123	591	40,492
Child community A.D.J.	106	8,469	35	2,823	142	11,292
Adult community A.D.J.	64	7,455	21	2,485	85	9,940
Planning guidance	189	130,033	63	43,344	257	173,377
Sheltered placement	31	21,954	11	7,318	42	29,272
Sheltered workshops						
Senior citizens programs						
Meals						
Admin.—Indirect service						
Total	11,921	4,060,654	1,147	211,220	4,523	844,880
5. Above number of people by the following related categories:						
Old age assistance	2,848	489,693	270	20,760	1,060	83,048
Families (IV–A, IV–B)	6,084	3,068,345	594	168,249	2,362	673,001
Blind and disabled	2,989	507,616	282	22,211	1,101	88,831

PROHIBITION OF THE USE OF PRIVATE FUNDS AS THE STATES SHARE IN CLAIMING FEDERAL MATCHING MONEY

1. Service category	2. Services under present regs., Mar. 30, 1973		3. Deprived of service, April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—Categorical assistance:						
Foster care						
Family planning						
Alcoholism, drug abuse						
Mental retardation	24	4,916	12	5,088	32	66,422
Child care	864	185,844	237	25,230	1,053	213,790
Services now provided not fundable:						
Noncommitted foster care						
Adoption						
Mental health	499	25,163	165	12,500	665	33,551
Juvenile delinquency						
Education and training						
Housing						
Employment (non-WIN)						
Home management (Homemakers)	9,405	416,351	892	124,336	10,634	555,136
Marital conflict						
Child community A.D.J. (rec.)	4,528	78,836	1,137	28,594	6,037	105,114
Adult community A.D.J. (neigh.)	2,287	43,941	1,400	10,009	3,050	58,588
Planning guidance						
Sheltered placement						
Sheltered workshops	280	65,480	280	65,480	280	65,480
Senior citizens programs	5,745	65,155	7,000	52,934	13,600	86,874
Meals						
Admin.—Indirect service	16,233	47,910	21,644	63,880	21,644	63,880
Total	39,865	933,596	32,767	388,042	56,995	1,248,835
5. Above number of people by the following related categories:						
Old age assistance	15,600	250,265	15,266	124,838	26,104	333,689
Families (IV–A, IV–B)	14,104	427,820	8,940	120,728	18,069	536,425
Blind and disabled	10,161	255,511	8,561	142,476	12,822	378,773

[1] These figures represent contracts as they were after initial regulations (Rev. Sharing and H.R. 1) were put into effect.

RESTRICTION OF TYPES OF SERVICES FOR WHICH FEDERAL FUNDING IS AVAILABLE RELATING TO USE OF PUBLIC FUNDS AS THE NON-FEDERAL SHARE

1. Service category	2. Services under present regs. March, 30, 1973 [1]		3. Deprived of service April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—Categorical assistance:						
Foster care						
Family planning						
Alcoholism drug abuse						
Mental retardation	612	90,873				
Child care	650	716,138				
Services now provided not fundable:						
Noncommitted foster care						
Adoption						
Mental health (X)	2,964	686,164	2,460	694,341	6,375	924,885
Juvenile delinquency						
Education and training (X)	1,279	150,514	990	140,640	1,105	200,486
Housing						
Employment (non-WIN)						
Home management (homemakers) (X)	154	104,490				
Marital conflict						
Child community A.D.J. (X)	638	23,035	550	19,200	850	30,700
Adult community A.D.J. (X)	1,525	93,870	1,000	88,220	2,030	125,160
Planning guidance						
Sheltered placement						
Sheltered workshops						
Senior citizens programs (X)	189	6,255	100	1,500	252	8,340
Meals	480	33,180				
Admin.—Indirect service	5,220	151,175				
Total	13,709	2,055,694	5,100	943,901	10,612	1,289,571
5. Above number of people by the following related categories:						
Old age assistance	4,635	405,329	1,750	226,937	3,537	446,043
Families (IV–A IV–B)	4,493	1,103,236	1,700	200,527	3,538	405,823
Blind and disabled	4,581	547,129	1,650	516,437	3,537	437,705

[1] These programs are funded with a variety of public funds (model cities, municipal funds, OEO, and State appropriations) as "seed." The (X) programs will be wiped out because they are not allowable services.

PROVISION NO. 3—USE OF PRIVATE AND PUBLIC FUNDS IN COMBINATION AS THE NON-FEDERAL SHARE

1. Service category	2. Services under present regs., Mar. 30, 1973		3. Deprived of service, April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—Categorical assistance:						
Foster care						
Family planning						
Alcoholism drug abuse						
Mental retardation						
Child care						
Services now provided not fundable:						
Noncommitted foster care						
Adoption						
Mental health						
Juvenile delinquency						
Education and training						
Housing						
Employment (non-WIN)						
Home management (Homemaker)	1,250	183,910	3,000	245,214	3,644	310,374
Marital conflict						
Child community A.D.J						
Adult community A.D.J						
Planning guidance						
Sheltered placement						
Sheltered workshops						
Senior citizens programs						
Meals						
Administration—Indirect service						
Total	1,250	183,910	3,000	245,214	3,644	310,374
5. Above number of people by the following related categories:						
Old age assistance	416	61,303	1,000	81,738	1,214	103,458
Families (IV–A, IV–B)	418	61,304	1,000	81,738	1,216	103,458
Blind and disabled	416	61,303	1,000	81,733	1,714	103,458

RESTRICTION OF TYPES OF SERVICES PROVIDED RELATING DIRECTLY TO SERVICES PROVIDED DIRECTLY BY THE DEPARTMENT OF HEALTH AND WELFARE

1. Service category	2. Services under present regs. Mar. 30, 1973		3. Deprived of service April–June 1973		4. Deprived of service in 1974	
	Number of people	Dollars	Number of people	Dollars	Number of people	Dollars
Families and individuals eligible for service—Categorical assistance:						
Foster care						
Family planning						
Alcoholism drug abuse						
Mental retardation						
Child care						
Services now provided not fundable:						
Noncommitted foster care						
Adoption						
Mental health						
Juvenile delinquency						
Education and training						
Housing						
Employment (non-WIN)						
Home management (homemakers)						
Marital conflict						
Child community A.D.J.						
Adult community A.D.J.						
Planning guidance						
Sheltered placement						
Sheltered workshops						
Senior citizens programs						
Meals						
Admin.—Indirect service						
Legal services	12,000	180,000	3,000	45,000	12,000	180,000
Total	12,000	180,000	3,000	45,000	12,000	180,000
5. Above numbers of people by the following related categories:						
Old age assistance						
Families (IV–A, IV–B)	12,000	180,000	3,000	45,000	12,000	180,000
Blind and disabled						

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Is there further morning business? If not, morning business is closed.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT OF EMERGENCY LOAN PROGRAM UNDER CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, which the clerk will state by title.

The legislative clerk read as follows:

H.R. 1975, to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. BELLMON. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during the consideration of H.R. 1975:

Harker T. Stanton, Michael R. McLeod, Henry J. Casso, Forest W. Reece, James W. Giltmier, James E. Thornton, John A. Baker, William A. Taggart, Cotys M. Mouser, James M. Kendall.

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll

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

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

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from New York (Mr. JAVITS) I ask unanimous consent that Kelley Costley of the staff of the Committee on Labor and Public Welfare be allowed the privilege of the floor during debate on this measure.

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

Mr. BELLMON. Mr. President, H.R. 1975 is designed to restore to operation the original Farmers Home Administration emergency loan program, which has been superseded by the Disaster Relief Act of 1970 and the Agnes-Rapid City Relief Act of 1972.

The Farmers Home Administration emergency loan program was conceived to provide Government loans to farmers and ranchers who, as the result of a drought, flood, or other natural disaster, did not have sufficient assets to obtain credit from conventional private lending sources.

The 1970 act provided for Government forgiveness of $2,500 of the principal amount of FHA loans in disaster areas declared by the President. Following Hurricane Agnes and the Rapid City flood last year, the President requested legislation making victims of those two disasters eligible for loans with a $5,000 forgiveness and 1 percent interest. The bill was amended by Congress to extend these benefits to residents of areas designated for disaster assistance between June 30, 1971, and July 1, 1973.

Loans under the 1970 and 1972 act were terminated by the administration on December 27, 1972, when it was estimated that the forgiveness feature and interest subsidies could result in a cost to the Government of $800 million.

As I indicated a moment ago, Mr. President, the bill now before the Senate would repeal the 1970 and the 1972 acts. This means that upon passage of this act farmers, ranchers, and oyster planters who are struck by a natural disaster will be able to obtain insured loans from the Farmers Home Administration at 5-percent interest if they are unable to obtain credit from private sources. The repayment period may be extended up to 12 years in the case of production loans and up to 40 years in the case of real estate loans. Disaster areas may be designated either by the President or the Secretary of Agriculture.

As a reference point, Mr. President, in fiscal 1970 FHA made $90 million in emergency loans of which about $2 million was forgiven; in fiscal 1971, $16.6 million was forgiven out of total loans of $127.6 million; and in fiscal 1972, $7 million was forgiven out of total loans of $108.9 million.

In contrast, as of March 15, 1973, Farmers Home had committed loans of $383.5 million with forgiveness of $250 million. The forgiveness alone thus far in 1973 is nearly twice as great as total loans committed in any previous year.

Mr. President, it will be noted in the report on H.R. 1975 that the Committee on Agriculture and Forestry gave extensive consideration to the various classes of applicants affected by the repeal of the 1972 act. The first consideration was in early February when the committee considered my bill, S. 418. Several members of the committee expressed concern for those individuals who attempted to apply for a loan prior to the termination date but were told by FHA personnel to return later when there would be more time to process their application. As a result of the termination, these individuals, numbering about 60,000 by USDA estimates, will not get the $5,000 forgiveness as will the

84,485 farmers whose applications were completed prior to the cutoff date.

I share the concern of my colleagues who represent these 60,000 farmers—and, by the way, many of them are in my own State. In addition, there are approximately 80,000 farmers in counties where disaster designations have been requested but not made by the Secretary of Agriculture because of the $5,000 forgiveness and 1-percent interest rate.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of requests by State for disaster designation.

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

SUMMARY OF REQUESTS FOR NATURAL DISASTER DESIGNATION BY SECRETARY OF AGRICULTURE PENDING IN THE NATIONAL OFFICE NOT APPROVED AS OF CUTOFF ON DEC. 27, 1972, AND THOSE RECEIVED SINCE THEN

	Number requests for new designation	Number requests for subsequent designation	Total requests on hand	Total unduplicated designations in State before cutoff
Alabama				
Alaska				
Arizona		1	1	13
Arkansas	52		52	
California				20
Colorado	5		5	3
Connecticut				8
Delaware				3
Florida	2		2	15
Georgia	71	2	73	16
Hawaii				
Idaho				
Illinois	16	1	17	4
Indiana	4		4	
Iowa	7	10	17	30
Kansas				
Kentucky				20
Louisiana	6		6	
Maine	16		16	
Maryland				[1] 23
Massachusetts				14
Michigan		1	1	18
Minnesota	3		3	30
Mississippi	47		47	
Missouri	11		11	
Montana				
Nebraska				1
Nevada				
New Hampshire				10
New Jersey				21
New Mexico				31
New York	19		19	35
North Carolina	6	1	7	7
North Dakota		1	1	7
Ohio	61	9	70	13
Oklahoma		5	5	34
Oregon				2
Pennsylvania				67
Puerto Rico	6		6	11
Rhode Island				5
South Carolina	15		15	
South Dakota	11		11	21
Tennessee	26	10	36	10
Texas	2	14	16	243
Utah	2	1	3	18
Vermont				14
Virginia	2	1	3	[2] 82
Virgin Islands	5		5	
Washington	1		1	3
West Virginia		2	2	19
Wisconsin	23	2	25	7
Wyoming				1
Total, counties	419	61	480	[3] 879
Total, States	[4] 23	14	[4] 28	[5] 36

[1] And 1 city.
[2] And 30 cities.
[3] And 31 cities.
[4] Puerto Rico and Virgin Islands.
[5] And Commonwealth of Puerto Rico.

Mr. BELLMON. Mr. President, as the Senate will recall, H.R. 1975, as adopted by the other body, contained a provision requiring the Department of Agriculture to accept applications for a period of 18 days after enactment from farmers in those counties which presently are under disaster designations.

Mr. President, after extensive discussion at several committee sessions over a period of 2 months, a majority of the Committee on Agriculture and Forestry concluded that making emergency loans available in a timely manner was the important issue that demanded attention now. It is spring planting time in many areas. The farmers there need credit now—not the vague hope that Congress or the Supreme Court will force the administration to reinstate the more liberal provisions of the present law. That law is already on the books. It is not and will not be used by the administration. What is needed now is an emergency loan program to assist producers during the current growing season. Legislative or court action to define Presidential controls over Federal spending will take months. Food producers need loans so they can get on with their work.

This bill amends the House act by removing the 18-day provision. The committee amendments make it clear that any loans approved at the time of enactment of this bill will be made under provisions of the 1972 act.

Despite the concern we may have about changing the rules in midstream, the administration has said they will make no more loans under the provisions of the present law. Therefore, Mr. President, the choice the Senate has is plain: Either Congress passes a new law which the President will sign and utilize, or food producers will be denied essential loans. At a time when a limited supply of food is forcing prices up, it seems folly for Congress to delay enactment of this vital legislation.

The Government will undoubtedly appeal a Federal district court ruling which requires Farmers Home Administration to accept and process applications under the 1972 act in one State. If the Supreme Court upholds the lower court ruling it will probably require FHA to accept and process applications in all designated counties. In the meantime, there are still farmers who need credit now and in the view of the Committee on Agriculture and Forestry, they will benefit most if we pass the committee bill today, go to conference with the House as soon as possible, and attempt to have a bill on the President's desk in short order—a bill that he will sign and utilize.

Mr. President, I ask unanimous consent that the committee amendments to H.R. 1975 be adopted en bloc, and that the bill as so amended be considered as original text for the purposes of amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, I object to the amendments being adopted en bloc.

The PRESIDING OFFICER. Objection is heard.

The clerk will report the first committee amendment.

The legislative clerk read as follows:

On page 1, in line 5, after "repealed," insert "except as to loans made or approved, whether disbursed or not, prior to the date of enactment of this act."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HUMPHREY. Mr. President, do we have a time allocation under any unanimous-consent agreement?

The PRESIDING OFFICER. Time is not under control.

Mr. HUMPHREY. I ask the distinguished Senator from Oklahoma whether it would be agreeable with him, since this amendment relates to section 8 of the bill, that we vote on these two amendments en bloc?

Mr. BELLMON. Which ones?

Mr. HUMPHREY. The first amendment, on lines 5, 6, and 7.

Mr. BELLMON. It is agreeable to me to vote on those two amendments en bloc.

Mr. HUMPHREY. The situation would be that the amendment that was just read by the clerk, plus the second amendment, which strikes section 8, would be voted on en bloc.

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

Mr. HUMPHREY. I will address myself, then, to the amendments.

Has the Senator from Oklahoma completed his statement?

Mr. BELLMON. I have completed my statement, Mr. President, but should we not call up the other committee amendment at this time?

The PRESIDING OFFICER. The question is on agreeing to the two amendments en bloc.

Mr. HUMPHREY. We have agreed to vote on the amendments en bloc. I will address myself now, Mr. President, to the consideration of these amendments.

I rise in opposition to the committee amendments to H.R. 1975.

This bill, as it passed the House of Representatives, contained an amendment offered by Representative BERGLAND of Minnesota. The amendment would require the Secretary of Agriculture to reopen the existing farmers home emergency loan program for a period of 18 days to allow disaster victims in secretarially designated counties the same opportunity to submit applications that was granted earlier this year to victims in Presidentially designated counties.

The amendment of the Representative from Minnesota's Seventh District, Mr. BERGLAND, which was stricken from the bill as reported by the Committee on Agriculture, which reads as follows:

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

The language I have just read is language that was stricken from the House bill. It is the language that I seek to restore. The amendment that I read, the Bergland amendment, was overwhelmingly approved by the other body and was added to the bill as a matter of simple justice and fair play.

When Secretary Butz administratively and abruptly terminated the FHA disaster loan program on December 27, 1972, he, in fact, denied disaster victims in more than 500 secretarially designated counties of any further opportunity to apply for disaster assistance. However, the same was not true for disaster victims in the 354 Presidentially designated counties in 21 States. They were given an additional 18 days within which to submit their applications.

It is very hard for the general public to understand the difference between Presidentially designated counties and secretarially designated counties. For our purposes, there are no differences. The fact is that there are areas that were afflicted with disaster, areas which ought to be treated identically, and they were treated identically in the original legislation for disaster emergency relief.

What happened was the action taken by the administration in late December permitted some 18 additional days for the residents in Presidentially designated counties who were eligible for disaster relief to submit their applications.

All we are asking now, by the restoration of the language in the House bill, is that the secretarially designated areas be treated the same as those Presidentially designated. I am sorry that we have to deal here with some bureaucratic jargon that confuses everybody; but when you are rained or flooded out, it does not make any difference whether you are designated by the Secretary or by the President if you are a victim of a flood. When you are drowned, you are drowned. All I am saying is that the language of the law should treat those areas identically, because they have all suffered from the same identical disaster. There is no justice or equity at all in treating one group as if the were secretarially designated and another as if they were Presidentially designated. This action by the administration is a gross inequity.

Ironically, many of the farmers in my State were specifically told by their local FHA offices to withhold the filing of their applications until after the first of the year so that all the applications could be properly documented.

Also, the FHA offices discouraged the early filing of applications to avoid being inundated with applications all at one time. They wanted to establish an orderly flow of applications in order to handle applications in a systematic manner.

In other words, the local FHA officials said to our farm people, in effect: "Wait a minute. This is Christmas time. We have a lot of office work to do. Come in sometimes after the first of the year, say early in February or March. You may need to have someone to help you—an accountant, a lawyer, or a banker. Some in and make your application later. We will take care of it then." After all, the original law, to which we are directing our attention, ran until June 30, 1973. So our farm people said, "That sounds reasonable." After all, they wanted to enjoy Christmas and the New Year. But while they were not looking, on December 27, a belated Christmas present was given to them, not from Santa Claus, but from Scrooge.

Mr. President, our people were cut off. We do not think that is the way the Government should operate. It is not only the people of Minnesota who were cut off but also the people from 25 other States.

I yield to the senior Senator from Minnesota.

Mr. MONDALE. Mr. President, I join my colleague from Minnesota in the argument he is making. In the nearly 9 years I have been in the Senate I do not recall a single time when I felt that the citizens of the United States had been more unfairly treated than they have in this instance.

In this case the law was passed after Hurricane Agnes to give faster loans to the victims of the national disaster and of administratively declared disasters. We had a dispute here in the Committee on Agriculture and Forestry and in the Committee on Banking, Housing and Urban Affairs, of which I was a member, and we made it very clear at the time that this bill was to extend the disaster provisions as a matter of law to the victims of administratively declared disasters.

I think the record clearly showed that that included farmers of western Minnesota and, I think, 26 States similarly situated. That law was passed; the President signed it, and he had a big television presentation on how help was on the way. Federal regulations were issued saying that this would be in effect until July 1973. There were issued to the public, to lawyers, and to the bankers of this country so they were assured of it. FHA office managers were told that the law meant what it said, and they began to administer the law in the local offices. Many of these farmers went to the offices and said, "I would like to take out my disaster loan". They were told, "Why don't you wait until spring when you can assess the situation better. The law is in effect until next July."

Most of them did that, and then, without notice, the ax fell. Many of those who insisted on being cared for immediately got their loans, while those who accepted the advice of the officials of this Government were without any help.

I cannot believe that this society ever intends to deal with its citizens in that way. Many of these farmers are in danger of losing their farms. We talk about farm prices but many of these farmers did not have anything to sell. Many of them put crops in twice last year. They put in crops, they were flooded out, and then they planted again. These are farmers trying to provide for their families; they work hard. Then, here is a law that is passed, under which they are fully entitled. Then suddenly the Government says, lawlessly, unconscionably, and, in my opinion, cruelly, "We are not only going to cut it off but we are not going to give you notice."

That is what the court in Minnesota addressed itself to in harsh language. I do not think this Government can deal with its citizens in this way. I do not think I have ever seen anything more outrageous than the way in which these farmers and small businessmen have been dealt with.

Mr. HUMPHREY. I thank my colleague. He will recall with me our visit to Alexandria, Minn., where we had several hundred farmers in to talk with us in public hearings about how our Government was terminating programs. Much of that discussion was directed to disaster relief.

We had situations where farmers on this side of the road applied prior to December 27 and the FHA official said to them, "Look, you need not be in a hurry. We have so much paperwork here, maybe you can bring in a better documented case later. Why don't you come in late January or February. You have between now and June 30." Those who followed this advice, later found their applications being refused.

Mr. President, these good people, in the spirit of wanting to cooperate with their Government found themselves being denied assistance. So you have the cruel situation of neighbors, who were victims of the same flood, people who suffered the same damages, where one got his application in before December 27 getting assistance, and another, filing after December 27, having his application denied because the law was violated by the Government itself.

There is a point here that needs to be emphasized. If a citizen violates the law he is subject to prosecution, but apparently for Government officials that is the standard of the day. As the senior Senator from Minnesota said, the law as described in rules and regulations was printed in the Federal Register. Everyone knew what the law was. Everyone interested in this program knew what to expect, but they did not expect that the Government of the United States would deny the loans and violate the law. But that is what the Federal court in Minnesota has ruled. It has ruled that the Secretary of Agriculture has acted in an arbitrary and capricious manner, ignoring the intent and purpose of the law.

As a result of this highly discriminatory action, a legal suit was filed in Minnesota by some farm families against Secretary Butz. The decision was handed down by District Judge Miles Lord, charging that Secretary Butz had violated Federal statutes, violated his own Department's regulations, and denied these victims due process of law. The judge has ordered the Department to restore the emergency loan program in the 15 secretarially designated counties in Minnesota. While this decision offers the people of my State some hope of equitable treatment under the law, it is still subject to appeal and further court action would be required to bring similar relief to disaster victims in other States who are eligible for such relief.

Mr. President, I have a copy of Judge Lord's decision and I would like to request unanimous consent that it be printed at this point in the RECORD.

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

[U.S. District Court, District of Minnesota; No. 4–73 Civ. 41]

MEMORANDUM AND ORDER

(Martin Berends, Burnard Podratz, Wendell Maus, Orrin Haugen, on behalf of themselves and all others similarly situated, Plaintiffs, *v.* Earl L. Butz, Secretary of Agriculture of the United States; James V. Smith, National Administrator of Farmers Home Administration; Darrel A. Dunn, Assistant National Administrator of Farmers Home Administration; Willard Ballard, Chief of Emergency Loan Division of Farmers Home Administration; and Gordon F. Klenk, State Administrator of Farmers Home Administration for the State of Minnesota; Defendants)

On January 19, 1973, plaintiffs commenced this action against the Secretary of Agriculture of the United States and certain subordinate officials of the United States Department of Agriculture, Farmers Home Administration (FHA), seeking temporary and permanent injunctive relief, declaratory relief and further relief in the nature of mandamus. The thrust of plaintiffs' action is that the Secretary of Agriculture acted unlawfully and beyond the scope of his authority in terminating the FHA emergency loan program on December 27, 1972. Plaintiffs seek reinstatement of that program.

On February 15, 1973, pursuant to Plaintiff's Motion for a Preliminary Injunction, a hearing was held before this Court in Duluth, Minnesota. At that time, oral argument was heard and briefs and affidavits were submitted by plaintiffs and defendants in support of their respective positions. At the conclusion of plaintiffs' argument, plaintiffs moved that the Court order the advancement of the trial on the merits and its consolidation with the application for the preliminary injunction, pursuant to Rule 65 (a) (2), Federal Rules of Civil Procedure. Because the relief prayed for by plaintiffs and others similarly situated, if granted, will be fully meaningful only if granted prior to the 1973 planting season and in no event later than June 30, 1973, the Court granted the motion, ordered the consolidation, and advanced the trial on the merits to March 5, 1973. At that time, defendants moved to dismiss the amended complaint on the ground that the actions complained of were totally within defendants' discretion. Alternatively, defendants moved for summary judgment. Both motions were denied and full trial on the merits was held.

PARTIES

Plaintiffs are four farmers residing in the 15 county area designated as an "emergency loan" area, who were precluded from applying for emergency loans because of the directive of the Secretary of Agriculture halting the program in Minnesota. The action is brought as a class action. The Court finds that the class is so numerous that joinder of all members is impracticable; that there are common questions of law and fact common to the class; that the claims or defenses of the representative parties are typical of the claims or defenses of the class; and that the representative parties will fairly and adequately protect the interests of the class. Furthermore, the defendants have acted and refused to act on grounds generally applicable to the class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole. The action is maintainable as a class action with the class being defined as those farmers in need of agricultural credit as the result of "natural disasters" who operate farms in one or more of the fifteen Minnesota counties involved herein, and were precluded from applying for emergency loans by the directive of the Secretary of Agriculture and the actions taken thereunder terminating the emergency loan program in Minnesota.

Defendants include the Secretary of Agriculture, the National Administrator and Assistant Administrator of the Farmers Home Administration, the Chief of the Emergency Loan Division of the Farmers Home Administration; and the State Administrator of the Farmers Home Administration for the State of Minnesota.

FACTUAL BACKGROUND

In the fall of 1971 and spring of 1972, a large part of western and central Minnesota suffered excessive and prolonged rainfall to such extent as to seriously and injuriously interfere with and delay the planting of crops in the spring of 1972. With many years of experience, area farmers were unable to recall such extreme and prolonged conditions of rain and wetness. Because of these conditions, many farmers in the affected areas were unable to get into their fields to plant some of their 1972 crops at all. To the extent planting was possible, in many cases it was only possible critically late in the season—for example, late June or July, 1972. Even after planting, replanting was often required because the seed would rot in the wet soil. Because of the weather, harvests of many farmers were very small; many of the crops were almost totally destroyed.

As a result of these weather conditions, on June 26, 1972, defendant Earl Butz, United States Secretary of Agriculture, declared that fourteen counties in western and central Minnesota had experienced "natural disasters" and designated those fourteen counties "emergency loan areas." This designation was published in the Federal Register, Volume 37, No. 126, page 12854, and provides as follows: [1]

DESIGNATIONS OF AREAS FOR EMERGENCY LOANS

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961) and section 232 of the Disaster Relief Act of 1970 (Public Law 91–606), it has been determined that in the following counties in the State of Minnesota natural disasters have caused a general need for agricultural credit:

Counties

Big Stone	Pope
Chippewa	Renville
Douglas	Stevens
Grant	Swift
Kandiyohi	Traverse
Lac qui Parle	Wilkin
Meeker	Yellow Medicine

Emergency loans will not be made in the above-named counties under this designation pursuant to application received after June 30, 1973, except subsequent loans to qualified borrowers who received initial loans under this designation. The urgency of the need for emergency loans in the designated areas make it impracticable and contrary to the public interests to give advance notice of proposed rule making and invite public participation.

Done at Washington, D.C., this 26th day of June, 1972.

EARL L. BUTZ,
Secretary.

On June 26, 1972, pursuant to this designation of "emergency loan areas," the National Office of the FHA, by defendant Willard H. Ballard, Director of the Emergency Loan Division of the FHA, sent the following "notification" telegram to the Minnesota State Director of the FHA indicating that these fourteen Minnesota counties had been designated "emergency loan areas." This notification provides as follows:

Effective immediately Big Stone, Chippewa, Douglas, Grant, Kandiyohi, Lac qui Parle, Meeker, Pope, Renville, Stevens, Swift, Traverse, Wilkin, and Yellow Medicine Counties are designated for emergency loans. Initial emergency loan applications will not be received or approved after June 30, 1973, *except applications pending on that date will be completed.* (Emphasis added)

On June 28, 1972, defendant Gordon F. Klenk, State Director of the FHA for the State of Minnesota, sent a bulletin to County FHA offices in each of the fourteen designated Minnesota counties. This bulletin provides in pertinent part as follows:

Effective immediately the following counties have been designated eligible for Emergency loans by the Secretary of Agriculture:

[Enumeration of the fourteen Minnesota counties omitted.]

Initial Emergency loans may be approved in these counties as authorized in FHA Instruction 441.2 to eligible applicants who have suffered production losses caused by excessive moisture conditions and not compensated for by insurance or otherwise. Initial loans for Emergency applicants *will not be received* or approved after June 30, 1973, except applications pending on that date will be completed.

It is not anticipated that a large volume of applications will be received until after the harvest season; however, where an immediate need for credit exists, the loan should be processed, approved and routed to the State Office for review. We plan to hold an Emergency program meeting with county office personnel in the near future.

County Supervisors in the affected counties should notify the County U.S.D.A. Defense Chairman and see that the public is adequately informed of the emergency designation. The attached news release may be used in the affected counties. (Emphasis added)

This bulletin (as well as the attached "News Release") indicates that emergency loan applications would be accepted and processed through June 30, 1973. It is clear, from the language of this bulletin, that the State Director anticipated that most applications would not be submitted until after the harvest season which was late November or early December, 1972.

Subsequent to the fourteen-county emergency loan designations of June 26, 1972, and the Stearns County designation of September 20, 1972, informational meetings were held throughout the designated areas by State, District and County FHA officials. Relying upon the designations of the National Office of the FHA, these FHA officials informed interested farmers that: (1) applications would be accepted and processed through June 30, 1973; (2) that farmers should not file until after their harvest to make sure that all eligible losses were included in their applications; and (3) that plenty of money was available in the program. Relying upon these representations, many farmers, including plaintiffs and others similarly situated, waited until after the 1972 harvest to file emergency loan applications.

As anticipated by State FHA officials, a substantial portion of emergency loan applications were not submitted until after the harvest season—late November and December, 1972. Between that time and December 27, 1972, many farmers in the fifteen-county emergency loan area contacted local FHA officials for appointments to submit emergency loan applications. Because of the large number of applicants that sought to apply after harvest, County FHA officials were forced to make appointments with many such applicants to review their applications—before formal acceptance—in January, February and even March, 1973.

However, on December 27, 1972, without

[1] Subsequently, on September 20, 1972, defendant Butz declared that Stearns County, Minnesota, had suffered a "natural disaster" and also designated it an "emergency loan area." This designation is published in the Federal Register, Volume 37, No. 187, page 20122. There are, therefore, fifteen affected Minnesota counties involved in this action.

warning or notice of any kind, the Secretary of Agriculture, by teletyped message to the Minnesota State FHA office, directed the cessation of acceptance of emergency loan applications in these Secretarially designated counties. This teletyped message provides as follows:

Revised government policy requires that emergency and rural housing disaster loans will be handled as follows: *Cease receiving applications, processing, or approving E. M.* [emergency] and R. H. D. *loans in all secretarial designation areas sixty days after designation.* Hurricane Agnes and Rapid City, South Dakota, areas, Presidential only, will terminate January 15. All other Presidential designations terminate June 30, 1973. No added Secretarial designations are expected for the balance of 1973. Loan dockets approved and postmarked or in St. Louis by close of business December 27 will be honored. Notify county offices by telephone. Bulletin follows. (Emphasis added)

The message was addressed to all State Directors of the FHA and was received in the Minnesota office at 4:20 p.m. on December 27, 1972 just prior to the close of the business day. Whereas the directive terminated the emergency loan program as far as the plaintiffs were concerned, it continued the program in those areas designated by the President.

None of the County Supervisors in Secretarially designated areas who administered the FHA emergency loan programs at the local level received notice of the termination of the program in their counties on December 27; nor did any County FHA Supervisors receive this notice on the next day, December 28, 1972. All Federal offices were officially closed on December 26, 1972, because of President Truman's funeral. Consequently, it was not until December 29, 1972, that the State FHA office notified the County Supervisors of the termination. Typically, John Schulz, County Supervisor, FHA, for Chippewa and Yellow Medicine Counties, received notice of the termination at approximately 11 a.m. on December 29.

Testimony indicated that never before has a Secretary of Agriculture ordered the permanent halt of an emergency loan program in Secretarially designated emergency loan areas without notice and prior to the date specified in the original designation.

Subsequent to December 27, 1972, and prior to February 15, 1973, when this Court issued a Temporary Restraining, Order directing FHA to resume accepting (but not processing) applications from farmers in the fifteen Minnesota Secretarially designated counties, all Minnesota FHA offices have refused to accept, process or consider emergency loan applications from plaintiffs and others similarly situated.

JURISDICTION

As the action is in the nature of mandamus, to compel defendants to perform ministerial duties owed plaintiffs, this Court has jurisdiction of the controversy under 28 U.S.C. § 1361. The scope of the Court's review is set out in Section 10 of the Administrative Procedure Act, 5 U.S.C. § 701, et seq.

The scope of review under the Administrative Procedure Act is stated at 5 U.S.C. § 706. That provision provides in pertinent part:

To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. The reviewing court shall—

(1) compel agency action unlawfully withheld or unreasonably delayed; and

(2) hold unlawful and set aside agency action, findings, and conclusions found to be—

(B) contrary to constitutional right, power, privilege, or immunity;

(C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right;

(D) without observance of procedure required by law;

The doctrine of sovereign immunity, raised by defendants, is inapplicable since plaintiffs contend that the defendants' actions were beyond the scope of their authority or they were acting unconstitutionally. *Dugan vs. Rank*, 372 U.S. 609, 621 (1962).

CONCLUSIONS OF LAW

It is the position of the plaintiffs that the unilateral termination of the emergency loan program without public notice was in violation of the mandatory language of the applicable statutes and administrative regulations, as well as violative of the due process clause of the Fifth Amendment. The Government, on the other hand, maintains that the administration of emergency loans is committed by law to the discretion of the Secretary, and hence is not subject to judicial review by this Court, pursuant to 5 U.S.C. § 701.[2] However, plaintiffs correctly point out that they are challenging only ministerial acts of the administrators. The language in the statutes and regulations relied on by plaintiffs is not of a permissive nature, but affirmatively directs defendants to perform. Whereas the Secretary may have a great deal of discretion in the administration of emergency loans, he has no license to act in violation of mandatory language of statutory laws or agency regulations.

The statutory basis for the emergency loan program is provided in 7 U.S.C. § 1971 which reads:

(a) The Secretary may designate any area in the United States . . . as an emergency area if he finds

(1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible souces, at reasonable rates and terms for loans for similar purposes and periods of time, and

(2) that the need for such credit in such area is the result of a natural disaster.

As to this part of the statute, it is clear that the decision whether or not to desigate an area an "emergency loan area" is committed to the discretion of the Secretary. However, the Secretary has exercised his discretion in this regard; he has designated this fifteen county area as an "emergency loan area." 7 US.C. § 1961(b) "authorizes" the Secretary to make loans in such a designated area. The chief benefit flowing from a Secretarial designation is the availability of emergency loans. It is clear from the legislative history that Congress intended that emergency loans would be available to those areas designated as emergency loan areas. In the Senate Report accompanying the Agriculture Act of 1961 it is stated:

Sec. 321(a) *Designation of areas*—The bill proposes that emergency loans *would be available* whenever the Secretary finds that there exists a need for credit not available from private, cooperative, or other responsible sources due to the occurrence of a natural disaster. . . .

(b) *Eligibility*—Under the bill emergency loans *would be made available* to any farmer or rancher in the designated area. . . . (Emphasis added) S. Rep. No. 566, 87 Cong., First Session (1961); 2 U.S Cong. & Adm. News 1961 p. 2313.

Furthermore, Section 5 of P.L. 92-385, adopted in August of 1972 as an amendment to 7 U.SC. § 1961–1967 provides:

(e) The benefits provided under this section shall be applicable to all loans qualifying hereunder, whether approved before or after the date of enactment of this section.

"Shall" is mandatory language. The only sensible reading of these statutes requires the Secretary to apply emergency loan benefits to all loans qualifying under these provisions. In order to apply the benefit provisions, the Secretary must first determine which loan applicants qualify. To follow the dictate of Congress, the Secretary must accept loan applications and consider them.

In *Dubrow v. Small Business Administration*, 345 F. Supp. 4 (D. Cal. 1972), the right to apply for small business administration disaster loans was at issue. The government contended that under the Disaster Relief Act of 1972, 42 U.S.C. § 4451, the agency had absolute discretion to determine whether or not to make a loan under the Act. Of this, the Court stated:

The Disaster Relief Act clearly states that the SBA shall administer disaster relief loans in accordance with its administration of the Disaster Loan Program. Under 15 U.S.C. § 636(b) the agency is empowered to make such loans as "the Administrator may determine to be necessary or appropriate." This language calls for a determination which implies that some consideration of each application must be undertaken. While it may be true that an individual has no right to receive a loan under the disaster loan program, he does have the right to file an application and to have his application reviewed. In *Simpkins vs. Davidson*, 302 F. Supp. 456 (S.D.N.Y. 1969), the plaintiff brought a mandamus action seeking to enjoin the SBA from refusing to grant him a loan. The Court held that Section 634(b) removed any jurisdiction the Court might have to compel the agency to grant plaintiff a loan, but that it had a statutory duty to process the plaintiff's loan application. What *Simpkins* makes clear is that discretionary acts of the SBA may not be reviewed, but, acts which are tantamount to a refusal to exercise discretion are subject to judicial review. Whatever the limits on this Court's authority to review denial of an application, they do not preclude judicial review when the SBA has refused to follow its statutory duty to determine whether the loan to a given applicant is necessary or appropriate. 345 F. Supp. 8, 9.

The situation in the instant case is virtually identical. It is clear from the reading of the statute that Congress has directed the Secretary to accept and consider loan applications from those counties which have been designated as "emergency loan areas." The Secretary's refusal to comply with the statutory language, and the subsequent termination of the emergency loan program was accomplished in excess of the Secretary's authority and is unlawful.

Not only was the administrative action taken in excess of statutory authority, but it also was in violation of the duly promulgated regulations set up by the Department of Agriculture. Validly issued regulations of an administrative agency have the force and effect of statutes. *See, Sheridan-Wyoming Coal Co. v. Krug*, 172 F.2d. 282 (8th Cir. 1949). The failure of an administrative agency to follow its own established procedures constitutes a violation of procedural due process. *Vitarelli v. Seaton*, 359 U.S. 535 (1959); *Service v. Dulles*, 354 U.S. 363 (1959); *Accardi v. Shaughnessy*, 347 U.S. 260 (1954). As stated in *United States v. Heffner*, 420 F.2d. 802, 812 (4th Cir. 1970):

An agency of the government must scrupulously observe the rules, regulations or procedures which it has established. When it fails to do so, its actions cannot stand and the courts will strike it down. This doctrine

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[2] 5 U.S.C. § 701(a) provides:

This chapter applies, according to the provisions thereof, except to the extent that—

(1) statutes preclude judicial review; or

(2) agency action is committed to agency discretion by law.

was announced in United States ex rel. *Accardi vs. Shaughnessy*, 347 U.S. 260, 74 S.Ct. 499, 98 L.Ed. 681 (1954). There, the Supreme Court vacated the deportation order of the Board of Immigration because the procedure leading to the order did not conform to the relevant regulations. The failure of the Board and of the Department of Justice to follow their own established procedures was held a violation of due process. The *Accardi* doctrine was subsequently applied by the Supreme Court in *Service vs. Dulles*, 354 U.S. 363, 77 S.Ct. 1153, 1 L.Ed.2d. 1403 (1959), and *Vitarelli vs. Seaton*, 359 U.S. 535, 79 S.Ct. 968, 3 L.Ed.2d. 1012 (1950) . . .

It is of no significance that the procedures or instructions which the . . . [agency] . . . has established are more generous than the Constitution requires. In *Service vs. Dulles*, supra, the Supreme Court vitiated the discharge of a foreign service officer because of the State Department's failure to follow its own procedures. The Court concluded that it made no difference that the State Department had no statutory or constitutional obligation to establish the procedure in question:

While it is, of course, true that . . . the Secretary was not obligated to impose upon himself these more rigorous substantive and procedural standards . . . having done so he could not, so long as the regulations remained unchanged, proceed without regard to them. 354 U.S. 288, 77 S.Ct. 1165.

The regulations involved give the Secretary the discretion to determine whether or not an area should be designated as an "emergency loan" area.[3] However, as pointed out previously the Secretary has exercised his discretion in this regard, and his original designation of the fifteen Minnesota counties as "emergency loan" areas has not been revoked or repealed. The directive of December 27, 1972 sent to State FHA Directors, does not purport to remove the designation but merely halts the processing of loans under the statute.

However, under the applicable regulations the Secretary has no absolute authority to halt the emergency loan program in those areas designated as emergency loan areas. The language of the regulation is clear that emergency loans *will* be made available in the counties so designated.[4] The language in the regulations is mandatory and the Secretary is directed to consider applications for emergency loans in designated areas. The refusal to consider applications for emergency loans in designated areas is a violation of the Department's regulations.

Inasmuch as emergency loans were made available up until December 27, 1972, it could be argued that the Secretary fulfilled his obligation under the statutes and the regulations. However, in this respect the method of termination of emergency loan benefits must be considered. The rights of individuals in so important a matter as procuring emergency relief to help restore damage caused by a natural disaster should not be at the mercy of the whims of an administrator. The unilateral termination of the program without notice to the Minnesota farmers offends all traditional notions of fair play. The people have a right to expect better treatment from their government. In *Gonzales* v. *Freeman*, 334 F. 2d. 570 (D.C. Cir. 1964), the Secretary of Agriculture debarred a contractor from doing any further business with the Department. The matter was handled in summary fashion. In defending a subsequent suit brought by the contractor, the government argued that since a citizen has no "right" to do business with the government, there is no standing for this lawsuit. Judge Burger, now Chief Justice, disposed of this argument:

Thus, to say that there is no right to government contracts does not resolve the question of justiciability. Of course there is no such right but that cannot mean that the government can act arbitrarily, either substantively or procedurally, against a person, or that such person is not entitled to challenge the processes and the evidence before he is officially declared ineligible for government contracts. An allegation of facts which reveal an absence to legal authority of basic fairness in the method of imposing debarment presents a justiciable controversy in our view. 334 F.2d. 574, 575.[5]

In looking to the Secretary's actions it should be pointed out that although it is provided that the Secretary may specify the period within which initial loans may be made, nowhere is the Secretary given the authority to accelerate, or disregard the initial termination date. Looking to the Department's regulations, it is provided:

When an area is designated by the Secretary, the National Office will notify the State Director and Finance Office regarding such area designation. The notification will specify the period within which initial loans may be made to new applicants as a result of the disaster for which the area was designated. State Director will notify immediately the county offices involved. . . . The State Director also . . . will make such public announcements as appear appropriate.

On June 26, 1972 and September 20, 1972, in compliance with these regulations, the National Office of the FHA did inform the State Director of the designation and did specify that the loans be available until June 30, 1973. Public notice was given as to this deadline. The regulation contemplates that the public will be informed as to the designation and the specified period for applying for the loans so as to provide opportunity to take advantage of the loan program. Nonetheless the Secretary, without prior notice, terminated the program depriving thousands of disaster victims from applying for emergency loans.

The unilateral termination of the program without notice was also a violation of a rule promulgated by former Secretary of Agriculture Clifford Hardin which states:

Notice is hereby given of the policy of the Department of Agriculture to give notice of proposed rule making and to invite the public to participate in rule making where not required by law.

5 U.S.C. § 553 provides generally that before rules are issued by Government agencies, notice of proposed rule making must be published in the Federal Register, and interested persons must be given an opportunity to participate in the rule making through submission of data, views, or arguments.

The law exempts from this requirement rules relating to public property, loans, grants, benefits, or contracts.

The Administrative Conference of the United States has recommended that Government agencies provide for public participation when formulating the rules relating to public property, loans, grants, benefits, or contracts as a matter of policy.

The advantages of implementing the Conference's recommendation that the public be afforded an opportunity for greater participation in the formulation of rules relating to public property, loans, grants, benefits, or contracts will outweigh any disadvantages such as increased costs or delays.

The public participation requirements prescribed by 5 U.S.C. § 553 (b) and (c) will be followed by all agencies of the Department in rule making relating to public property, loans, grants, benefits, or contracts. The exemptions permitted from such requirements where an agency finds for good cause that compliance would be impracticable, unnecessary or contrary to the public interest will be used sparingly, that is, only when there is a substantial basis therefor. Where such a finding is made, the finding and a statement of the reasons therefore will be published with the rule.[6]

Effective date: Upon publication in the Federal Register (7–24–71) 36 F.R. 143, p. 13804.

In essence the Department has adopted the rule making provisions of the Administrative Procedure Act, 5 U.S.C. § 553,[7] and made them applicable to the administration of loans. Basically, the statute requires that when a substantive rule is involved and none of the numerous exemptions applies, then administrative agencies shall:

(1) Give advance notice by publication in the Federal Register of the proposed rule making. This notice shall include a statement of the time, place and nature of the public rule making proceedings, reference to the legal authority under which the rule is proposed and the terms of the proposed new rule.

(2) After that notice is given, the agency shall give interested persons an opportunity to participate in the rule making.

(3) The agency shall incorporate in the rule adopted a statement of its basis and purpose.

(4) After the substantive rule is adopted, it shall be published in the Federal Register, not less than thirty days before its effective date.

In adopting the directive of December 27, 1972, defendants did not comply with even one of these mandatory requirements, despite the fact that the directive would have a substantial impact on those regulated, and hence is a "rule" as contemplated in the

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[3] "The Secretary of Agriculture may designate an area as an E. M. loan area when there exists a general need for agricultural credit resulting from a natural disaster." Section 1832.3(b). 37 Federal Register 72 p. 7294.

[4] "E. M. loans will be made available in counties named by OEP as eligible for Federal assistance under a major disaster declaration by the President, in counties designated by the Secretary. . . ." Section 1832.3. 37 F.R. 72, page 7294.

"Eligible applicants who are operators of not larger than family farms . . . whose credit needs are for annual recurring operating expenses which can be repaid from the year's income, . . . will receive E. M. loans instead of operating loans." 37 F.R. 72, page 7298.

[5] In the instant case, the farmers' position is even stronger inasmuch as there is a right to have disaster loan applications submitted and considered. *Dubrow v. Small Business Administration, supra,* and *Simpkins v. Davidson, supra.*

[6] No such finding has been published.

[7] That statute provides:

(a) This section applies, according to the provisions thereof, except to the extent that there is involved—

(1) a military or foreign affairs function of the United States; or

(2) a matter relating to agency management or personal or to public property, loans, grants, benefits, or contracts.

(b) General notice of proposed rule making *shall* be published in the Federal Register, unless persons subject thereto are named and either personally served or otherwise have actual notice thereof in accordance with law. The notice shall include—

(1) a statement of the time, place, and nature of public rule making proceedings;

(2) reference to the legal authority under which the rule is proposed; and

(3) either the terms or substance of the proposed rule or a description of the subjects and issues involved.

Except when notice or hearing is required by statute, this subsection does not apply—

(A) to interpretative rules, general statements of policy or rules of agency organization, procedure, or practice; or

(B) when the agency for good cause finds (and incorporates the finding and a brief

statute. *See, Pharmaceutical Manufacturers Association v. Finch,* 307 F. Supp. 858 (D. Del. 1970); *Texaco Inc. v. FPC,* 412 F.2d. 740 (3rd Cir. 1969); *National Motor Traffic Association v. United States,* 268 F. Supp. 90 (D. D.C. 1967). *See also, A. E. Staley Manufacturing Co. v. United States,* 310 F. Supp, 485 (D. Minn. 1970); *Housing Authority of the City of Omaha, Nebraska v. United States Housing Authority,* 54 F.R.D. 402 (D. Neb. 1972).

The failure to give notice prior to the termination of the loan program is also in violation of the Administrative Procedure Act, 5 U.S.C. § 551, et seq. As stated by Judge, now Chief Justice Burger in *Gonzalez v. Breeman, supra*:

The command of the Administrative Procedure Act is not a mere formality. Those who are called upon by the Government for a countless variety of goods and services are entitled to have notice of the standards and procedures which regulate these relationships. 334 F 2d at 972.

Section 3 of the Administrative Procedure Act (5 U.S.C. § 552) provides, in mandatory language, as follows:

(a) Each agency shall make available to the public information as follows:

(1) Each agency shall separately state and currently publish in the Federal Register for the guidance of the public—

(A) descriptions of its central and field organization and the established places at which, the employees (and in the case of a uniformed service, the members) from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions;

(B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available;

(C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

(D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and

(E) each amendment, revision, or repeal of the foregoing.

Inherent in these provisions is the concept that the public is entitled to be informed as to the procedures and practices of a governmental agency, so as to be able to govern their actions accordingly. The termination of the emergency loan program was without any notice, and was in violation of the provisions of the statute. The last paragraph of 5 U.S.C. § 552(a)(1) provides:

Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published . . .

Notice after the termination of the loan program as was here given can in no way be considered timely. Furthermore, the deprivation of the right to file claims for the loans certainly adversely affected the plaintiffs.

As justification for terminating the loan program in Minnesota, the government argues that there was a shortage of available funds. The emergency loan program is funded by a "revolving fund" referred to as the Agriculture Credit Insurance Fund. Moneys received in connection with loans procured under the fund are credited to the fund and are used for making additional loans. In order to obtain additional money for the fund the Secretary of Agriculture is authorized to make and issue notes to the Secretary of Treasury. 7 U.S.C. § 1928. To draw upon the fund, the Secretary of Agriculture must procure an apportionment from the Office of Management and Budget pursuant to the Anti-Deficiency Act, 31 U.S.C. § 665. The original apportionment for Emergency Loans was $135 million. The government argues that agency estimates indicated that the total commitment of emergency loans would be approximately $800 million.

It is the opinion of the Court that the government's contentions are not justified. It is true that the Secretary is prohibited from spending funds in excess of the apportionment. However, there is nothing magic in an apportionment; that is, an original apportionment by the Office of Management and Budget is subject to change. In fact, the Office of Management and Budget is required by law to review each apportionment at least four times each year in order to make "effective use of the appropriation concerned." 31 U.S.C. § 665(4).[8]

In appropriating fund for the emergency loan program, Congress set no monetary limit on the funds that may be apportioned for emergency loans. The appropriation reads as follows:

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1973, and for other purposes namely: . . .

AGRICULTURAL CREDIT INSURANCE FUND

. . . For loans to be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928–1929, as follows: real estate loans, $370,000,000, including not less than $350,000,000 for farm ownership loans; water and waste disposal loans, $300,000,000; and emergency loans in amounts necessary to meet the needs resulting from natural disaster. 92 U.S. Cong. And Ad. News 338, 3397.

In January and again in February of 1973, the Secretary did request and receive additional apportionments of funds for emergency loans bringing the total apportionment of funds to $500 million. The government offers no explanation as to why the Secretary could not request an apportionment that would be sufficient to cover the claims of the plaintiffs in this case. The Secretary has made the determination that there were needs for agricultural credit in the fifteen Minnesota counties involved, yet the Secretary is apparently unwilling to take the necessary procedural steps to insure that the financial needs of the farmers involved are fulfilled in the manner contemplated by Congress. Congress has appropriated sufficient funds to carry out the emergency loan program. It is the Secretary's duty to request an apportionment from the Office of Management and Budget, that would carry out the directives of Congress.

It may be that the Secretary questions the efficacy of the emergency loan program. It is not the role of the Courts to pass upon the necessity or soundness of a duly-promulgated law; likewise, an administrator should not engage in such a practice. It is the duty of the Courts to interpret the law and it is the function of the Administrator to enforce and effectuate the laws passed by Congress.

Furthermore, although the emergency loan program was terminated in Minnesota without notice on December 27, 1972, the program was continued in the areas declared as disaster areas by the President. Since December 27, 1972, $270 million has been obligated for emergency loans and the Department anticipates that another $150 million in emergency loans will be approved. If the government were correct in its claim that there was a shortage of funds for the program, it is not at all clear as to why this shortage of funds is evident only in areas designated by the Secretary. The government offers no rational explanation to this grossly inequitable result. There is absolutely no basis in the law to give preference in the administration of emergency loans to Presidentially declared disaster areas.

The bill that eventually became P.L. 92–385 was originally proposed by the Administration, solely to benefit victims of Hurricane Agnes in areas designated by the President. However, while the bill was being considered in Senate Committee, word was received of the disastrous weather conditions in West Central Minnesota. The report states:

The Committeee notes that there have been thirty-seven Presidentially designated disasters and eighty-four administratively declared disasters since January 1, 1971, including the disasters associated with Agnes and the Rapid City flood. *The Committee agrees that victims of all these disasters should be treated in the same manner insofar as disaster relief is concerned, and that it would be wrong and unfair to accord victims of particular disasters special treatment.*

Moreover, the Committee notes that in the future other disasters may occur. For example, while this legislation is being discussed in the Committee, *a serious new flood occurred in Central Minnesota devastating as many as ten counties and the same number of large towns. The Committee agreed that victims of future disasters, like this one in Minnesota, should receive the same measure of relief under disaster relief legislation which is accorded to victims of disasters which have already been declared. In no case should people sustaining comparable injury be afforded lesser relief because of their location in different disaster areas.* Senate Report No. 91–1008, 72 U.S. Cong. & Ad. News 3472, 3473. (Emphasis added)

The Secretary's actions in giving a preference to Presidentially designated areas is not in keeping with the Congressional intent in promulgating the emergency loan program.

It is the opinion of the Court that the defendants have a ministerial duty to implement the emergency loan program as directed by Congress, that the unilateral termination of the program without notice to the

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(c) After notice required by this section, the agency *shall* give interested persons an opportunity to participate in the rule making through submission of written data, views, or arguments with or without opportunity for oral presentation. After consideration of the relevant matter presented, the agency *shall* incorporate in the rules adopted a concise general statement of their basis and purpose. When rules are required by statute to be made on the record after opportunity for an agency hearing, sections 556 and 557 of this title apply instead of this subsection.

(d) the required publication or service of a substantive rule *shall* be made not less than 30 days before its effective date, except—

(1) a substantive rule which grants or recognizes an exemption or relieves a restriction;

(2) interpretative rules and statements of policy; or

(3) as otherwise provided by the agency for good cause found and published with the rule.

(e) Each agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule. P.L. 89–554, Sept. 6, 1966, 80 Stat. 383. (Emphasis added)

statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.

[8] 31 U.S.C. § 665(4) provides:

Apportionments shall be reviewed at least four times each year by the officers designated in subsection (d) of this section to make apportionments and reapportionments, and such reapportionments made or such reserves established, modified, or released as may be necessary to further the effective use of the appropriation concerned, ...

plaintiffs in this case was in violation of the statutes, the agency's own regulations, and due process of law. Furthermore to the extent that the administrators may have some discretion under the applicable statutes, in terminating the emergency loan program in Minnesota without prior notice, the administrator acted in an arbitrary and capricious manner.

ORDER FOR JUDGMENT

Based on the reasons as set forth in the attached Memorandum, It is hereby ordered that:

1. Defendants' action of December 27, 1972, which terminated, without notice, the FHA Emergency Loan Program in Minnesota, is unlawful and all subsequent actions taken in implementation or furtherance of that action are unlawful.

2. Defendants' Motion to Dismiss Plaintiffs' Amended Complaint for failure to state a claim upon which relief may be granted, is denied.

3. Defendants' alternative Motion for Summary Judgment is denied.

4. Persons situated similar to plaintiffs, within the class represented by Plaintiffs, include established farmers (a) who suffered loss as the result of natural disasters; (b) who operate farms in one or more of the fifteen Minnesota counties designated emergency loan areas by the Secretary of Agriculture on June 26, 1972, and September 20, 1972; and (3) who did not file applications for FHA initial emergency loans prior to December 26, 1972.

5. Defendants, their successors and agents shall reinstate the Farmers Home Administration (FHA) Emergency Loan Program for natural disaster victims in the fifteen Minnesota counties designated Emergency Loan Areas by the Secretary of Agriculture on June 26, 1972 and September 20, 1972, which program was unlawfully terminated by the Secretary of Agriculture on December 27, 1972. To accomplish this, it is ordered that the defendants, their successors and agents shall:

(a) Accept and file FHA emergency loan applications of plaintiffs and others similarly situated, if submitted to County FHA offices on or before June 30, 1973; and

(b) Process said applications as expeditiously as possible, and without delay grant emergency loans thereon to applicants found to be qualified pursuant to the same lawful eligibility and loan purpose requirements on the same basis as they were applied by the Farmers Home Administration between August 16, 1972, and December 27, 1972; and

(c) Pay and deliver the proceeds of approved loans to qualifying applicants without delay.

It is further ordered that this Order shall take effect immediately, except that Subparagraph (c) of this Order, which directs the payment and delivery of loan proceeds, is stayed for a period of ten days from the date hereof.

It is further ordered that in the event an appeal is taken, because of the urgency of this matter, the parties are directed to take all possible steps to procure an expedited appeal.

Mr. HUMPHREY. Mr. President, I also would like to request unanimous consent to have printed at this point in the RECORD, the list of all secretarially designated counties throughout the country that Congressman BERGLAND's amendment is designed to bring equitable relief under the law.

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

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

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

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

Colorado: Delta, Mesa, Montrose.

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

Delaware: Kent, New Castle, Sussex.

Florida: Gulf.

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

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

Maryland: Allegany, Garrett.

Massachusetts: Barnstable, Berkshire, Bristol, Dukes, Essex, Franklin, Hampden, Hampshire, Middlesex, Nantucket, Norfolk, Plymouth, Suffolk, Worcester.

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

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

Nebraska: Lincoln.

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

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

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

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

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

Ohio: Defiance, Henry, Paulding.

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

Oregon: Lake, Jackson.

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

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

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

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

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

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

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

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

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

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

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

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

Wisconsin: Buffalo, Grant, Pepin.

Wyoming: Park.

Mr. HUMPHREY. Mr. President, if the people of this Nation are to continue to have any confidence or trust in their Government, the Senate must, in my judgment, oppose the Senate Committee's amendments to H.R. 1975 and restore the language of the Bergland amendment. I cannot go back to the people of my State and justify or even explain this body's endorsement of an action taken unilaterally by the administration to treat victims of natural disasters unequally. I should also like to remind my colleagues that the benefits provided under the existing emergency loan program (P.L. 92–385) were specifically requested by none other than the President himself.

Mr. President, as the senior Senator from Minnesota indicated a while ago, the President saw fit to do all this on national television. He got all the political advantages out of the Emergency Disaster Relief Act before the election, showing great compassion, and showing how the needs would be met. This national disaster started first with Hurricane Agnes and then later with the floods

in Rapid City, and heavy rains that wiped out investments in crops in many other parts of the Nation. All of this was analyzed by the Government.

And, let us remember it was the administration that made the recommendations relating to the provisions of last year's Disaster Relief Act. The committees of Congress saw fit to review that recommendation, and the law was passed. The Department of Agriculture issued rules and regulations under the law. Applications were accepted under the law up to the date of December 27.

What in the world happened between Christmas and New Year's that should have changed the whole attitude of the Government is beyond me. What happened in the 5 days between Christmas and New Year's to compel the Government of the United States, the Office of Management and Budget, the President, and the Secretary of Agriculture to suddenly discover that this program was no good and that it ought to be terminated? If it was no good, then they ought to ask for refunds. That would be one way of making such cruelty equitable to all—everybody would be mistreated then. The way it is now, just some of the people are being mistreated, and there is no way anybody can justify such an action. That is why we have a Federal district court saying the Secretary has acted in an arbitrary and capricious manner, in violation of the law.

Mr. President, how are you going to ask people for law and order when you have high officials of Government ignoring the law and violating it? The Federal court has held the Secretary in violation of the law. Of course, the Government will have a roomful of attorneys trying to overrule the decision in favor of a handful of family farmers. I think there is no judge worthy of the title who will not believe that the spirit and letter of the law was violated and that there was arbitrary and capricious action on the part of the Secretary.

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

Mr. HUMPHREY. I yield.

Mr. MONDALE. The Senator will recall that during the campaign the administration was bragging about this bill, and that their representatives went through the Midwest and would point to this law as another example to show how they were the friends of rural America. Just to make sure they understood the bias of this administration, the Secretary of Agriculture said, "I am going to spend like a drunken sailor," I believe were the words. So when the election was held on November 7—in which, incidentally, Mr. Nixon barely carried Minnesota—the people of rural Minnesota and the other 27 States believed, I am sure, the President intended to fulfill the law and that this disaster loan program, plus a whole range of other rural programs, such as rural telephone, rural electric, rural environment—the whole works—would have sympathetic support in legislation on which he was campaigning.

Well, right after the election, strangely, all these bills were terminated. The rural electric bill and the rest of them were terminated. I think the cruelest of all, in a personal manner, was this particular program, because these farmers were struck by disaster. There is no other way of putting it. They were hurt just as badly as the people who were hurt in the Rapid City disaster, just as hurt as the people who were hurt in the serious flooding on the east coast. Yet, for some reason, it was determined that the administration could just totally ignore the legal rights of these people and their claims for justice.

The arguments that are heard are absolutely unbelievable. For example, they say the program is too liberal. Well, who set the terms of this program? Who asked for it? Who defined what kind of benefits ought to flow when they are struck by disaster? It was the President of the United States, on television, by official message. He set the terms; we did not. All we said was, "If we are going to have a program like this, it ought to be available to all citizens in the Union struck by disaster, declared to be a natural disaster by the President, or administratively declared to be a disaster by the Secretary of Agriculture."

That is all we did. That is the law. I have never seen citizens of this country as deceitfully and shabbily treated as they have been in this instance.

Mr. HUMPHREY. The Senator is just telling us that some of us did have, even at the time, some reservations about the recommendations that were made about the level of benefits requested by the President. We raised those doubts in committee, but we ultimately accepted the recommendations, the judgment and the assessment of the needs as given to us by the administration, and we gave the President what he asked for.

Now, as I have said, after the election, after the Presidential campaign, the President is changing the rules of the game.

Mr. EAGLETON. Mr. President, I ask unanimous consent that Jack Lewis, my assistant, be permitted on the floor during the remainder of the consideration of the Disaster Relief Act, as well as the par value modification bill.

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

Mr. HUMPHREY. Mr. President, the administration wants to break not only its own commitment to these disaster victims, but wants Congress to become its accomplice. And, it is interesting to note that the administration at this same time is stressing the importance of Congress joining them in commitments made by Mr. Kissinger and the President in supplying several billions of dollars to rebuild North Vietnam as part of our Nation's peace agreements with that nation. It wants us to keep commitments to various defense contractors, even when those contractors overrun their initial cost estimates by hundreds of millions—and even billions of dollars. Yet, when it comes to keeping our Government's commitments to thousands of individual citizens who, through no fault of their own, suffer devastating and sometimes complete losses as a result of natural disasters, the administration wants to break its commitments.

I know the CONGRESSIONAL RECORD does not show photographs. One day we may make the RECORD sufficiently modern so that it may display such material, but I have in my hand pictures of some of the flood conditions in Alabama. These homes are inundated with water. Roads are destroyed—as happened in my own State. So it does not make any difference whether your crop is selling for 28 cents or $28. If you are rubbed out, you are rubbed out.

The people hurt by these natural disasters were not only in Wilkes-Barre and up and down the east coast, which in itself was a tragedy, but also in many other parts of the country.

Now the people in my part of the country are being told, "You are out of luck," by a government which says it wants law enforcement, by a government which recommends capital punishment, by a government that tells a person who did not live up to his duty to serve under Selective Service, he will be punished, and who tells everyone else who has broken a law that he will be punished. Yet, Mr. President, the law has been openly, flagrantly, and arbitrarily violated by the administration when the benefits of this law were cut off in midstream, after the Government had told the people of this country what they were supposed to do in order to qualify for these benefits. I say there is only one way to describe it—an illegal, unlawful, arbitrary, capricious act.

I believe the Senator from Oklahoma wanted me to yield to him.

Mr. BELLMON. I was going to ask the Senator a question, if he would yield for that purpose.

Mr. HUMPHREY. Please.

Mr. BELLMON. I feel the Senator has described with great eloquence the situation that has developed, and I certainly make no effort to defend what has happened. I feel generally it is indefensible.

The problem is that we now have an impasse. The emergency loan program is stopped, whether properly or improperly. The fact is that we are not at present able to provide emergency loans for people who need them. The Senator from Minnesota points out that this matter is in the hands of the courts. There has been a decision, and the decision has been appealed. The problem is going to take many months to go through the courts. What we need now is a program on the books which the administration will accept to provide emergency loans so farmers and other citizens can go ahead with normal production activities.

My question to the Senator is, If we go ahead and restore the House language, how long will we have funds available from which to meet the needs?

Mr. HUMPHREY. I am saying that the Congress of the United States ought not to become an accomplice—at least I am not going to become an accomplice—to what I believe is an illegal act. I think that we have an obligation here. If the executive branch of the Government at any time wants to just stop the wheels of Government and say, "We will not do anything until you fellows in Congress change your mind," we will never have

any way in which we can predict what will happen in this country.

There are many areas of the Nation today that depend upon certain commitments from the Government such as our schools, for example, and many of our hospitals that today are also being treated capriciously.

It is interesting to note that the Government always wants people who have contracts with it to complete or keep its contracts. I know people in Minnesota that have been subjected to penalties because they have been unable to fulfill their contracts with the Government through no fault of their own, because of lack of material or labor or financial assistance. They have been subjected to penalties. Many of them have had their economic backs broken by the Government's demand that they fulfill their contracts.

Now we have a situation where the Government is breaking the back of many of the people because the Government will not keep its own contract or commitments.

Mr. President, if we restore the Bergland amendment—which I hope and pray we will—the President may veto it. I recognize that. However, we have the right to override the veto.

The time comes when we have the right to find out whether the President of the United States is going to obey the law. He is not the law. This is a government of law and not of men.

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

Mr. HUMPHREY. I yield.

Mr. MONDALE. Mr. President, the Senate is being asked to go ahead and confirm the nomination of Mr. Gray and pursue its remedies in the court. And now, we are being asked once again to forfeit our duty as Members of the Congress to define the law as it should be defined, and we are being asked to pursue our remedies in the court.

Mr. BELLMON. Mr. President, if the Senator will yield, I respectfully submit that this is not what the committee had in mind at all. We are trying to get a program enacted now when there is a tremendous, immediate need.

I feel that this is a matter that needs to be settled finally so that we might know where the powers of the Executive are.

In the meantime we have thousands of producers who are unable to get their spring planting done. We need to know now. That is what is intended by this legislation.

Mr. MONDALE. This legislation is a very modest proposal. It only opens up the existing law for 18 days. We are not asking for a long term, revolutionary change in disaster aid programs in the country. We are only asking that the farmers be given a fair chance to come in and apply, with only an 18 days limitation.

We are more or less repealing the existing law for only 18 days. This is a very modest, short-term reopening of the existing law which only becomes necessary because of the utter lawlessness and unfairness of the present administration.

They suggest that we should pursue our remedies in the court. And the reason I make the point is that I keep hearing it over and over again. At the same time we assert our rights, we ought to keep in mind that if the Supreme Court took jurisdiction of the matter, it might be three years from now before we had a decision out of the Supreme Court of the United States. The reason that we have a Congress is to define these matters and to define them swiftly without requiring the citizens of the country to spend their time and their money and the necessary uncertainties involved in getting their rights determined in that slow and beleaguered fashion through the courts.

Mr. HUMPHREY. Mr. President, the issue involved here the integrity of our Government. Does it mean anything, or does it not?

I do not intend to stand by as one Senator and see the matter dismissed out of hand because a few officials are concerned suddenly about saving a few dollars. If they are going to apply those concerns to citizens who have been materially hurt by natural disasters, they should apply those concerns, equally, in other areas.

If I thought for one moment that this exercise was an exercise in politics, I would say that we might as well forget it. However, I believe that the President can change his mind. I believe that if we stand our ground, the Administration will respond, at least within the limited terms of the House bill, including the 18-day extension. I say that it is important.

I would also like to point out to my colleagues that our Government, after terminating these disaster loans last December in the name of economy, went ahead on February 13, 1973 and designated four California counties to receive assistance under the existing FHA emergency loan program, which includes the $5,000 forgiveness feature and interest loans at one percent.

While this announcement was made out of Washington by Secretary Butz, it was made on that date in California by nobody less than the President himself. So, there is no misunderstanding about the benefits accompanying the announcement. Mr. President, I ask unanimous consent that the news release of Secretary Butz which covered these points in California be printed in the RECORD.

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

FHA ACCEPTS APPLICATIONS FROM CALIFORNIA DISASTER VICTIMS

WASHINGTON, February 13.—Secretary of Agriculture Earl L. Butz announced today that the Farmers Home Administration (FHA) is authorized to assist California farmers, ranchers and homeowners with emergency loans in four counties and the outlying areas of the City of South San Francisco, due to recent storms and flooding.

On Feb. 9, 1973, President Nixon declared a "major disaster" in California due to floods in areas which include Marin, Santa Barbara, San Luis Obispo and Solano Counties, and the City of South San Francisco.

FHA is the rural credit agency in the U. S. Department of Agriculture that assists rural disaster victims to finance crop and livestock production, and helps them to restore normal farming operations.

Borrowers agree to repay their loans as soon as possible consistent with their ability. Loans are secured as required to protect the government's interest.

Rural housing disaster loans are made to repair or replace housing and essential farm service buildings damaged or destroyed by the disaster.

The interest rate on the loans is one percent.

Up to $5,000 on the farm or housing loan may be canceled when losses are not compensated by insurance or otherwise.

Applications may be accepted until further notice at local FHA offices serving the disaster areas.

Mr. HUMPHREY. Mr. President, apparently it depends upon where the President is visiting. When he is in California, suddenly counties in that State that have suffered from a natural disaster, whether it be from rain or what have you, become very important. I think that when he saw the problem there, he said that something had to be done.

I have felt for a long time that the President is getting some pretty lousy advice. I feel that the things he is being called upon to do are the result of the advice received from some of his advisers who do not know what is going on in the country.

If they are going to cut off the programs dealing with disaster loans in December of 1972, why are they opening them up to four counties in California?

Mr. BELLMON. Mr. President, if the Senator will yield, I have in my hand a letter signed by Frank B. Elliott, Acting Administrator of the Federal Home Administration. This letter bears on the California situation. I ask unanimous consent that the letter be printed in the RECORD.

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

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D.C.

HON. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your telephone inquiry of March 21, 1973.

As you are aware, the establishment of a limited period for accepting Emergency loan applications did not preclude Presidential declaration of additional disaster areas as warranted, and the President determined that the recent flood damage in California constituted a disaster situation. The Department news release regarding this was a standard Farmers Home Administration response to a Presidential disaster declaration. This disaster, however, did little or no damage to farms or crops and, therefore, we have not authorized the acceptance of Emergency loan applications from flood victims and do not intend to do so.

We trust this explains the situation to your satisfaction.

Sincerely,

FRANK B. ELLIOTT,
Acting Administrator.

Mr. BELLMON. Mr. President, I read one part of the letter in which it says:

This disaster, however, did little or no damage to farms or crops and, therefore, we have not authorized the acceptance of emergency loan applications from flood victims and do not intend to do so.

Mr. HUMPHREY. Mr. President, that makes it all the worse. That is double duplicity. On my word, the day I heard about the California announcement, I protested, not to ask that California be denied, but to ask that the rest of the country be included and treated equitably.

They made the announcement. There can be no doubt about that. The news release went whirling out from the Department of Agriculture. The President himself made the announcement in California.

What happens? After some of us say that is not fair, they back off. And they have misinformed the country and, yes, they have lied to the people twice.

The law said that they were to get relief. Then there was a cancellation. Then they came back a second time and said to the four counties in California that they are included. Now they say that they are not going to accept any applications. That is a little like saying, "Santa Claus, I want you to come," and having him say, "All right; I will be there, but with no presents."

Mr. BELLMON. Mr. President, there are other provisions of the law that are available. However, the applications are not being accepted. I grant the Senator that is begging the law and the forgiveness features. However, the other features are available.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the committee amendment.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, despite efforts by the administration and the Department of Agriculture to rationalize or dismiss these particular designations as an error, the official release I have just placed in the RECORD speaks for itself. I call particular attention to where it states:

> The interest rate on the loans is one percent.
>
> Up to $5,000 on the farm or housing loan may be cancelled when losses are not compensated by insurance or otherwise.
>
> Applications may be accepted until further notice at local FHA offices serving the disaster areas.

Mr. President, there it is. It is in print. It was announced, it was stated, the orders were given, and then they backed off because somebody indicated that we want fair treatment.

Now, pray tell me, how do you explain this type of arbitrary, highly discriminatory, application of the law. Are we to tell disaster victims in the other secretarially designated counties throughout the Nation who had their benefits summarily terminated without notice that the laws of this country will be enforced only in those States where the President maintains a residence? I think not.

And finally, Mr. President, I should like to call into question the estimates of the Department of Agriculture contained in the Senate committee report on H.R. 1975 as it relates to the number of applications and costs that might be expected if H.R. 1975 is enacted into law as it originally passed the House. I believe the Department estimates in this regard to be very much on the high side. And should you be wondering why I should question these estimates, I would like to point out that the Department had earlier estimated that between 4,000 and 5,000 applications would be filed by eligible applicants in our 15 Minnesota designated counties if the program were reopened. Well, due to the action of the Federal district court in Minnesota, FHA was ordered to reopen the program in those counties for the purpose of accepting applications pending the outcome of the trial. And, only 2,300 applications were submitted, or about one-half those estimated by USDA.

I hope and pray that the USDA is better on its crop estimates than it is on these, or we are going to be in one fix. I think the Presiding Officer of this body today (Mr. HUDDLESTON) knows what I mean, because the crop estimates are what we base our future agricultural programs on. Could it be that a numbers game is being played here to serve certain parties benefit? I will not try to answer that question, but leave it up to each of you to decide for yourself.

Also, Mr. President, I should like to point out that under the provisions of H.R. 1975—the Bergland amendment notwithstanding—the benefits to be provided under the FHA emergency loan program will be far less—both less than those now provided under the existing program (Public Law 92–385) and less than those provided earlier under Public Law 91–606. In addition, benefits to be provided under H.R. 1975 to farmers and other FHA eligible applicants will be much less than will continue to be the case for Small Business Administration applicants for emergency loans, who will continue to be eligible for benefits at existing levels provided under Public Law 92–385.

I mention this only to point out that our farm and rural people in the future will be getting less in benefits under this program than will the businessmen in their own areas from the same flood. Yet the Department of Agriculture is supposed to be the "friend of the farmer." Listen: the Department is a bigger disaster than the flood.

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

Mr. HUMPHREY. I yield.

Mr. BROCK. Would the Senator support an amendment which would change the law relating to the SBA so that the two are treated exactly the same?

Mr. HUMPHREY. Yes. I am perfectly content with making the two programs compatible.

Mr. BROCK. Even if the Senator's 18-day extension were accepted, after that time the existing law would be changed, would it not?

Mr. HUMPHREY. Yes, it does change the existing law, but it at least provides for an 18-day period for the secretarially designated areas that was earlier provided for presidentially designated counties. I am not going to let the Senator lead me down a rabbit trail, but it would provide for such a similar filing time so farmers could file their applications. That is all we want. It is exactly what was provided earlier for the presidentially designated counties. I am still not happy with the bill, but I think it is the best we can get.

Mr. BROCK. Perhaps the Senator can advise me what I can tell my Tennessee farmers who have sought a designation but not received it yet, as to why they are not going to be allowed to participate.

Mr. HUMPHREY. I can give the Senator an answer to that.

Mr. BROCK. I wish the Senator would.

Mr. HUMPHREY. Because the Secretary of Agriculture has been derelict in fulfilling his responsibilities. He should have been down there getting those counties designated, if they fell within the criteria. They have not done the job they are supposed to under the law. The law was passed and the regulations were issued.

Mr. BROCK. Perhaps the Senator does not understand me. Tennessee farmers have never come and said, "We want $5,000 forgiveness." They have said, "We have got to have a loan so that we can plant our crops."

Mr. HUMPHREY. Let me say that my farmers did not come to me and ask for it, either, but the administration came in here and said, "We want this program." I remind the Senator from Tennessee that he voted for it. This body voted for this program. The President had asked for the program. Some of us had doubts about it, but there it is.

Mr. BROCK. Perhaps some of us should admit that we made a mistake.

Mr. HUMPHREY. May I suggest that the people who terminated this program administratively did so at the expense of people who were assured earlier that they would receive such assistance by their Government.

Mr. BROCK. I am not suggesting that. All I am saying is that the people ought to be given assistance so that they can plant their crops.

The effect of the Senator's amendment is to preclude a number of my west Tennessee counties from having any opportunity for relief and an opportunity to be productive this year. That is the size of it. I do not argue the high moral purpose, but occasionally we have to get practical and say these people need to get their crops in the ground. They need some help, and if they are not going to get a designation under the Senator's formula or under the amendment, then I cannot accept that. I cannot back off and try to say, "Well, I am sorry, folks, you have just got to suffer this year."

They have already suffered. What we are asking for is an opportunity to get our money to put that seed in the ground. That is not an awful lot to ask.

Mr. HUMPHREY. May I suggest to the Senator that this bill will do just that. With the Bergland amendment it will do that. The only problem is, you have got to go through the Secretary of Agriculture.

Mr. BROCK. No, that is not the problem. We simply cannot, as a nation, continue the program as it was designed. We miswrote the program, and I think most of the Senate is willing to admit that this $5,000 forgiveness has done the opposite of what we hoped it would do.

Mr. HUMPHREY. I do not think there

is any such evidence at all. First of all, there have been none of them who have demanded forgiveness. That is a proposition that has to be weighed out in terms of whether or not you have insurance, or whether or not you can get other forms of credit. There is a whole formula for that. I do not think Congress can judge at this point that this program has been a failure. What has happened is that the program has been terminated.

Mr. BROCK. I did not say the program has been a failure. I said the program has been abused.

Mr. HUMPHREY. And there has been no such evidence. The Department has brought in no evidence of abuse. They said in the State of Minnesota they would have 5,000 more applications if we opened it up. The Federal court opened up the program, and we had only 2,300 applications.

They are all judged by the Farmers Home Administration. There is no evidence of such abuse, and just to make the charge does not make it a fact.

There is a problem around here. We have government by pronouncement. I think we ought to have government by fulfillment. What we need here is just to fulfill the objectives of this law; that is all. We are merely asking for equal treatment of secretarially designated disaster areas and Presidentially designated disaster areas. That stays within the original intent of the law.

Mr. BROCK. If the Senator will yield further——

Mr. HUMPHREY. Yes, I yield.

Mr. BROCK. The Senator did not respond to my first question. Apparently he feels that some modification of the law is in order after the 18-day period. If he does not, I have not heard him say so. But if he does, then I would ask the Senator again whether or not he would find, in all sense of equity, that we should apply the same standards to the SBA designation.

Mr. HUMPHREY. No, I do not.

Mr. BROCK. Why? The Senator just got through saying we were discriminating against the farmer.

Mr. HUMPHREY. Just a minute. I am simply saying that if we deny the provisions of the law that I am asking to be restored, we discriminate. I am saying that the law was passed with equal treatment for small business and for the farmers in emergency disaster relief action, but when you start to change it to a 5-percent rate instead of a 3-percent rate, you do make for discriminatory treatment.

The Small Business Administration loan provides for 3-percent disaster loans. This bill provides for 5-percent disaster loans. That is discrimination.

Mr. BROCK. It is 1 percent for SBA.

Mr. HUMPHREY. That is under the Emergency Disaster Relief Act. All provided for 1-percent loans under the law passed last year but the original law was 3 percent with a $2,500 forgiveness. If the committee bill is adopted, we go to, as far as the farmers are concerned, 5-percent loans. That is discrimination. We will not tolerate that. It is not fair. There is a simple way for both Congress and the executive branch to act sensibly. We are simply saying that we want an 18-day extension, which is less than June 30. We are asking the administration to cooperate with an 18-day extension. That is fair. That is reasonable. We are not being stubborn above it. The law says up to June 30. We are saying, "Look, we think we can accomplish much although we seek it in 18 days and we are willing to compromise it out with you, Mr. President."

In the meantime, the President has not sent down here any new legislation for disaster relief. We have not received any recommendations from him. We have not received any new proposals, which he is required to submit by law. Public Law 92-385 requires him to do that. We have had no such legislative proposals.

So I urge my colleagues to oppose the adoption of the committee amendment. I realize that the committee amendment was designed as a way, hopefully, to get the farmers something—5 percent money. But Mr. President, I notice the other day that the Government already has said, under FHA operating loan programs, that they would provide loan money at 5⅞ percent. This is no big deal. The Farmers Home Loan operating loan funds will provide funds for victims of disaster but that is not what a disaster loan is all about. It must be at a lower rate of interest under such special conditions. That is exactly what we legislated in this body.

Mr. MONDALE. As I understand the existing law, the administration is required, I believe it was by January 1, to submit a report to Congress describing how the law was working and recommending such modifications as they thought would be necessary, based on experience under the new law. I am also under the understanding that they have ignored that responsibility, too, because no such report has been forthcoming.

So here we are with a siuation where the administration disregards, illegally and unconstitutionally, the law of the land, a law which this President himself signed into law. And then, on the basis of that illegality, they argue that we should deny the citizens of this country the benefits which the law provides.

Also we are told that the law is being abused. If it is, who is abusing it? It is this administration. Why do they not tighten up their procedures if there is such abuse?

I agree with my colleague that there has been little if any abuse of this law. I have not heard of any abuse in Minnesota. These are farmers who are in desperate circumstances. They are not lazy people. They are not people asking for welfare. They are asking for a disaster loan because their crops were wiped out, sometimes twice, and they need some working capital in order to get back on their feet and plant their crops and produce what this country needs.

The Senator from Tennessee says, "How am I going to help my farmers?" Very simple. The law is on the books now. All he has to do is call up the President and the Secretary of Agriculture and say to them, "Why don't you obey the oath of office that you took?" If they do that, then the farmers would have had help a long time ago.

Mr. BROCK. I would have a little difficulty in telling the President, because there are two laws here which are competing. We do not pass just one law here but a number at a time. We have a law relating to the debt ceiling, too, and the President is prohibited by law from spending more money than the debt ceiling would allow. If he were to spend every dime that Congress has appropriated, we would be over that limit now.

Let us be honest about this. There are limits to the taxpayers' ability to pay in this country. When we create conditions where, with all due regard to their humanitarian purposes and laudable objectives, we say we want 1 percent money and a $5,000 forgiveness, when, in fact, such a law would result in a situation where some small counties cannot be designated because we do not have the capacity to respond to every county in the United States with that kind of largess, then such legislation itself is obviously self-defeating. The very people these programs are designed to help are not getting that help.

The people of my State and other States have never come in here and said, "We cannot survive without a $5,000 forgiveness." They have never said that. They have said, "We do need equity and capital."

Mr. HUMPHREY. Mr. President——

Mr. BROCK. Mr. President, if I may just continue my thought for a second. What my farmers and other people in this circumstance have asked for is the opportunity to rebuild, the opportunity to reinvest, to be able to plant their crops, to restart their businesses with a loan which they fully intend and have the capacity by the use of their own productivity to repay. They are not asking for all the goodies in the Federal cookie jar. They are saying, "We can make it," and they can make it and do it responsibly and within the context of keeping this country solvent. That is all we are saying.

Mr. MONDALE. I would like to see the kind of mail the Senator sends to his constituents when he explains to them that they are not getting the help they want under the present law, which the President agreed to upold when he took his oath of office. The law says that the farmers who have suffered in areas which have been declared disaster areas are entitled to apply for disaster loans, and that those loans will be at a rate of interest and with a forgiveness which the President himself asked be written into law. The law is there. There is no question about their entitlement to its benefits. The only question is whether the President and the Secretary of Agriculture think they are bigger than the law. That is the only issue here.

Mr. BROCK. The question is which law we are wanting to break.

Mr. MONDALE. Every Member of this body has to take the same position with regard to law or we would be better off just saying to the President, "Here is $250 billion. Please spend it wisely," and then we will spend our time here doing other things. Then I would say that the

Senator from Tennessee is right. But I happen to believe that this is a country of laws. When we pass a law it should mean something. When the President of the United States signs it into law, it is something more than just an opinion. The benefits of the law in this case should go to the farmers of Tennessee as well as to the farmers of Minnesota and the farmers of Kentucky. That is what laws are all about. But we have a law now that acts only at the whim of the President. If we accept that principle, then Congress is unable to act. That is why the farmers are not getting the help they should have. If the law had been obeyed, the farmers would have gotten help a long time ago.

Mr. HUMPHREY. Mr. President, let me repeat that under Public Law 92–385, there was a requirement for the President to submit suggestions and legislative recommendations on further disaster relief by January 31, 1973. That was not a suggestion. That was a requirement, just as all our citizens are required to pay their income taxes by April 15 and if they do not do so, and then they suffer a penalty. Now we have been waiting for that requirement to be fulfilled. The law required that the President submit to us recommendations for permanent emergency loans programs that are necessary to assist the victims of any future natural disasters that might occur. Those recommendations and report have not as yet been submitted to Congress.

Mr. BELLMON. Mr. President, if the Senator from Minnesota will allow me to interject here, I believe that if he will check, he will find that the chairman of the committee, the distinguished Senator from Georgia (Mr. TALMADGE), with the Secretary of Agriculture, have been in agreement that the recommendations to which the Senator refers will be submitted by March 31. This has been mutually agreed to.

Mr. HUMPHREY. I understand that. I think that is kind of them to come in on March 31. But, I suggest to the citizenry of this country that if they do not pay their income taxes by April 15, just take a couple more months and see what happens to them. They will be penalized. The Government will want them to pay some interest. They will want them to do some explaining. But it is just fine for the President to take a look at the law and say, "I am busy. I do not have enough time."

No, no, Mr. President. As the senior Senator from Minnesota has said, you cannot have a country in which some people are going to look at a law and say, "Well, I just do not like it and I am not going to do anything about it."

We need those recommendations, and because we do not have them, we have to do what we are doing today. Congress is being asked to revise these programs without the benefit of the recommendations, which I hope would call for a uniform set of benefits applying to all victims of such disasters, whether they be small businessmen, farmers, or others.

In the meantime, we have a basic compromise piece of legislation that will fulfill immediate needs, at least on equitable terms for all the persons who qualify, for at least a period of 18 days. That is what the House bill does. The Senate committee struck that out. The Senate committee recommendation struck out the 18-day extension. The 18-day extension applies to all those counties that are secretarially designated.

Mr. President, I hear that some States may not want it, but I think it should be noted that in the list of counties designated, which I placed in the RECORD, are States such as Tennessee, which has some recommendations made by its own Governor to the Secretary of Agriculture. Tennessee has Benton, Carroll, Chester, Crockett, Dyer, Gibson, Haywood, Henderson, Madison, and McNairy Counties.

The Governor of that State asked the Secretary of Agriculture to designate certain areas as disaster areas; and on investigation by the Department, they were so designated by the Department of Agriculture, under the terms of the emergency disaster relief law passed by Congress last summer.

Counties in my State and other States are being cut out. All the secretarially designated counties have been cut out. The presidentially designated counties were given 18 days extra time to get their applications in.

All we are saying is that 18 days should be given to the secretarially designated counties. That is fair.

I might add, in terms of the cost of this program, that I notice that the F–14 has a $1.7 billion cost overrun.

I noted the other day, when I was here on another bill, that Litton Industries received $182 million advance payment, interest free, from the Government of the United States—$182 million, interest free! Come and get it!

We can afford that, but we cannot afford $182 million in disaster relief for people if they are rubbed out, if their crops are destroyed, if their buildings are destroyed, if their homes are destroyed, if their businesses are destroyed. But we can advance money, to a defense contractor.

The President of the United States comes down here and says, "We have to help Lockheed." I voted to help them with guaranteed loans. That is fine. We have to help Penn Central. That is fine. But not when it comes to some good, hard-working people who provide the food and fiber for this Nation, who provide the sons for our armies, who are law-abiding citizens, who are not rioting or who are not out here burning down things.

They are merely saying "Here is the law. Can I qualify? Can I file an application?"

The Government says, "Yes, John, you can file an application. See me after Christmas. You know, mother wants me to be home for Christmas. The office is busy. We have to take care of the children. Come in after January and February, when you can document your case a little better. We know you, John. Come in, and we'll take your application and process it."

The FHA officers are well known among farm people. They are respected. I do not want to be critical of those officers. They were following instructions.

Then comes December 27, and there is a cheap, hand-me-down mimeographed press release. They could at least have put it on bond stationery. It announces that the whole program is terminated. And we are supposed to like it. I am supposed to go back, with my colleague from Minnesota, to see those people in Minnesota and say, "Well, folks, you know, they just fooled you."

They are going to look at us and say, "What were you doing? What's going on down there?"

I resent anybody implying, directly or indirectly, that those farm families we are talking about in those counties in Minnesota are trying to take this country to the cleaners. They pay their taxes, produce the food, and are good citizens. They have helped build this country, and all they are asking for is that the law which Congress passed, and which the President signed, be applied. How can anyone be against that?

All at once, we are told that we have to change, because somebody over in the executive branch does not like it. So what? We do not like a lot of things in this country that we have to do. Hundreds of thousands of young men put on a uniform and did not like it. They did it. Many people pay their taxes and do not like it, because they do not like what their money is being spent for. Believe me, many of them do not like what their money is being spent for. But they pay. That is a contract, a social contract, between the Government and its people. The minute you break the social contract between the Government and its people, capriciously and arbitrarily, you destroy the confidence that makes possible democratic government.

That is what is going on here, in one case after another. As has been said, in the case of disaster relief program, there is not a scintilla of evidence for the Government to stand on to support what they have done.

Why should a farmer have to go to court to get the Government to follow the law? Yet, the farm families in Minnesota had to raise $2,500 or more in a public meeting, from their own pockets, to prosecute this lawsuit in order to be able to have a hearing.

So, Mr. President, I am asking that the committee amendment be stricken and that the language of the House bill, section 8, be maintained and sustained in H.R. 1975.

Mr. BELLMON. Mr. President, the Senator from Minnesota has very eloquently described the confused situation which has arisen. As I said earlier, I make no effort to defend this set of circumstances. I feel that I am embarrassed by it, and I am sure many other Members also are embarrassed by it.

I invite attention to one section of the law now on the books that I think may help put this matter in a little better perspective. I have before me a copy of Public Law 92–385, and I am going to read a portion of section 328 which relates to the loan program. It reads:

Notwithstanding any other provision of law, in the administration of this subtitle and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the

case of property loss or damage or injury resulting from a major disaster as determined by the President or a natural disaster as determined by the Secretary of Agriculture which occurred after June 30, 1971, and prior to July 1, 1973, the Secretary—

I skip to paragraph 2:

May grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required loan is otherwise available from private sources:

The important language is "may grant." Nothing in here requires the President or the Secretary to make these grants or loans in any way.

I think the charges about malfeasance connected with this whole business are probably not well laid, because this is permissive legislation.

But that is not the main point. To me, the issue is one I tried to express earlier, and it is that we do have in the United States today a real need and an urgent need for emergency-type loans. At the present time, we do have the Farmers Home Administration making operating loans, but those loans are circumscribed, in that they are only made to borrowers who qualify, and they are made in amounts not to exceed $50,000. In modern-day agriculture, $50,000 is not enough for some of our operators to go ahead with spring planting.

The fact is that at the present time there is an operational emergency loan program available to people who desperately need credit. All the committee is trying to do in this act is to make such loans available immediately while this entire matter of the division of responsibilities between the executive branch and the legislative branch is worked out.

The fact is that the amendment of the Senator from Minnesota would accomplish nothing, because all it would do is would be to put the present law back on the books for 18 days. If the President were going to use this authority he could use the present law, so all we would be doing, if we accept the recommendation of the Senator from Minnesota, would be to, in effect, kill the emergency loan program.

The committee is trying to get the program back in action again and the legislation we have brought here will do it effectively and accomplish the job at the present time.

I would like to see the controversy between the executive branch and the legislative branch settled. I do not know how far the authority of the President should go, but I would like to see the matter settled. These kinds of controversies have been raging for years. There is no reason for us to deny our food and fiber producers in this spring planting season while we try to settle this constitutional question.

If we pass the legislation suggested by the Senator from Minnesota we are going to prolong the impasse and work a tremendous hardship on the people of our country who can least withstand it.

I believe sincerely that the objective of the Senator from Minnesota is a worthy one, that there are injustices and that there are inequities. But I do not think that Congress, by restoring the Bergland amendment, would settle the matter; it would just prolong the difficulties that our producers of food and fiber find themselves in today.

Therefore, I urge that the language in the act as it came from the Committee on Agriculture and Forestry be approved without the change suggested by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I am prepared to vote in a moment, if that is the wish of the Senator from Oklahoma. I just want to mention this so that my remarks will not be misinterpreted. I respect the distinguished Senator from Oklahoma for his sincerity and his integrity. I know that he is a determined and dedicated friend of agriculture.

The House overwhelmingly passed this bill with the Bergland amendment. We will have to go to conference. That will not be an easy conference, knowing them as I know them from the past. They can be very determined, as can the Senate conferees, also.

If we want to get action we should pass it as it came from the House. It is said that the President may not act under those terms. We have been doing this on other bills such as the rural environmental assistance program and the rural electrification program.

The question is whether or not Congress is going to assert its will and ask for obedience of the law. It is our judgment, I hope, that those laws were designed for the public good. No one is saying we should not receive recommendations from the executive branch as to permanent, long-term disaster relief legislation. That is required in the law. But we are talking about a specific proposal in this bill, specifically relating to natural disasters that have been declared as such by the President and the Secretary of Agriculture. If we want this opportunity, vote down the committee amendment and sustain the language as it came to us in the House bill. That means the bill would go directly to the President. If he vetoes it, which he could do if he is adamantly opposed to it, we can come back and try to override his veto. But I think we should not act now on the basis that the executive branch may not like it.

Insofar as loans are concerned at 5 percent, while that is better than 5⅞ percent, the Farmers Home Administration normally provides loans at 5⅞ percent. The language of the bill from the committee provided for 5-percent loans. It is not much of a gain. Personally I think we should stick with what the law originally required, but it now appears that is not attainable, that is if we want to provide some type of assistance to these disaster victims now.

I think we ought to stick with what the law originally required.

Mr. BROCK. Mr. President, I often, in the course of debates like this, wish that I had the eloquence of the Senator from Minnesota in espousing my cause. I doubt that I ever shall. But I do think he is accurate in the sense that we have an honest disagreement. I think perhaps we come close to sharing the same objective in the case of this debate.

I shall support the committee amendment and the effort in this legislation for one simple reason. I have in my State more than 10 counties that are in trouble. The Senator from Minnesota said that we have counties designated. He is absolutely correct. But there are 36 other Tennessee counties in distress which have not been so designated. It is for them I express this deep concern.

Mr. BELLMON. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. I yield.

Mr. BELLMON I should like to place in the RECORD, a list of all the counties in the United States that have requested secretarial designation, and these requests are all waived if this legislation is passed.

I ask unanimous consent that the list be printed in the RECORD.

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

SUMMARY OF REQUESTS FOR NATURAL DISASTER DESIGNATION BY SECRETARY OF AGRICULTURE PENDING IN THE NATIONAL OFFICE NOT APPROVED AS OF "CUTOFF" ON DEC. 27, 1972, AND THOSE RECEIVED SINCE THEN

	Number requests for new designation	Number requests for subsequent designation	Total requests on hand	Total unduplicated designations in State before cutoff
Alabama				
Alaska				
Arizona		1	1	13
Arkansas	52		52	
California				20
Colorado	5		5	3
Connecticut				8
Delaware				3
Florida	2		2	15
Georgia	71	2	73	16
Hawaii				
Idaho				
Illinois	16	1	17	4
Indiana	4		4	
Iowa	7	10	17	30
Kansas				
Kentucky				20
Louisiana	6		6	
Maine	16		16	
Maryland				[1] 23
Massachusetts				14
Michigan		1	1	18
Minnesota	3		3	30
Mississippi	47		47	
Missouri	11		11	
Montana				
Nebraska				1
Nevada				
New Hampshire				10
New Jersey				21
New Mexico				31
New York	19		19	35
North Carolina	6	1	7	7
North Dakota		1	1	7
Ohio	61	9	70	13
Oklahoma		5	5	34
Oregon				2
Pennsylvania				67
Puerto Rico	6		6	11
Rhode Island				5
South Carolina	15		15	
South Dakota	11		11	21
Tennessee	26	10	36	10
Texas	2	14	16	243
Utah	2	1	3	18
Vermont				14
Virginia	2	1	3	[2]
Virgin Islands	5		5	
Washington	1		1	3
West Virginia		2	2	19
Wisconsin	23	2	25	7
Wyoming				1
Total counties	419	61	480	[3]
Total States, Puerto Rico and Virgin Islands	23	14	28	36

[1] And 1 city.
[2] 82 and 30 cities.
[3] 31 cities and 879 counties.

Mr. BROCK. I thank the Senator from Oklahoma very much, because I think it goes to the central point of the debate. We can get all the headlines we want, to talk about the big issues of the day—about congressional versus executive privilege; about abiding by the law; the cost of living; the spending or money bills; but they are something else. The fact remains that what we are trying to do is to give the people who have been productive all of their lives, but who were caught in a tragic situation which effectively limited their opportunity to be productive, a chance to get back into business, to plant their crops, so that we can have some foodstuffs on the market this fall.

I vigorously disagree with the administration's policy concerning disaster relief. I have said so many times in this body and in other places around the country yet the fact remains that something must be done to provide relief now.

As I have said often, I think it is penny wise and pound foolish to withhold rebuilding money in the sense of economy, because what it will amount to is that if we do not get the crops planted, we will have less food on the market, next fall food prices will be even higher. It will cost a whole lot more to do the job then than it will if we can get help to our people to get back in business now.

But let us take this specific language. What does it mean. The Senator from Minnesota is seeking an 18-day extension. That is all he is asking for—an 18-day extension of the mandate in the law. Then, so far as I can tell, it means that we have to wait another 18 days before we get any disaster relief, because it will be 18 days before my 36 counties are designated. Then the counties will be allowed to come under the new law.

Whether I agree with the President is not the point. The point is that we are in planting time right now. Our crops ought to be going into the ground. Every day we delay, and every day the farmer does not have the capacity to put that crop in the ground, places the crop in jeopardy. It lessens his opportunity to get a yield or a harvest in the fall. The crop is in jeopardy. That is what the debate is all about. It is not what kind of relief, but whether or not they will get any relief in time to solve the problem.

My people have not come in and said, "We need $5,000 and a 1-percent loan." They just want the availability of capital. They want to become productive again. That is what we are debating now. We disagree on how to achieve the objective.

It is my honest conviction that if the committee amendment is not adopted, if it does not become effective in terms of law, the effect on my constituents and those in several other counties in the United States is going to be no relief at all during the course of the time covered by the amendment; and that could place the crops and the farmers in very serious jeopardy. That is why I take the position I take. I support the committee amendment.

Mr. MONDALE. Mr. President, I rise to urge that the Senate reject the committee amendment to H.R. 1975 and approve the bill in the form in which it passed the House of Representatives.

Both the House and Senate committee versions of H.R. 1975 are designed to restore to operation the Farmers Home Administration emergency loan program for disaster-stricken individuals. Both would replace existing loan authority with a program of loans at an interest rate of not more than 5 percent. In each case, the forgiveness feature of the current law would be eliminated.

But before final passage of H.R. 1975, the House adopted by a wide bipartisan majority an amendment offered by Representative BOB BERGLAND. The Bergland amendment provides for an 18-day sign-up during which eligible individuals in counties designated by the Secretary last year could apply for assistance under the terms of existing law.

The Senate Agriculture Committee's report on H.R. 1975 deletes the Bergland amendment. I feel strongly that the Bergland amendment should be retained for a number of important reasons.

The Secretary of Agriculture, through an administrative order issued December 27, 1972, denied eligible individuals in over 500 secretarially designated counties in 25 States any further opportunity to apply for emergency aid. But people in 354 presidentially designated counties in 21 States were given an additional 18-day period until January 15, 1973, during which they could continue to submit applications.

The Agriculture Department's action created a serious inequity among farmers suffering hardship as a result of natural disasters. Farmers in Minnesota, for example, had been given appointments by officials of the Agriculture Department to discuss their applications dated months after the December 27 cutoff.

Four Minnesota farmers who were precluded from applying for emergency loans as a result of the December 27 directive from the Department of Agriculture filed a class action suit for reinstatement of the program. They were backed by the Minnesota Farmers Union.

In a recent decision on this case, U.S. District Judge Miles Lord found that Secretary Butz' action violated Federal statutes, the Department's own regulations and due process of law.

Judge Lord stated:

> The rights of individuals in so important a matter as procuring emergency relief to help restore damage caused by a natural disaster should not be at the mercy of the whims of an administrator. The unilateral termination of the program without notice to the Minnesota farmers offends all traditional notions of fair play. The people have a right to expect better treatment from their government.

I wholeheartedly concur in this judgment. For the benefit of my colleagues, I should like to insert in the RECORD at the conclusion of my remarks a review of the circumstances involved in the cases of secretarially designated counties in Minnesota.

Judge Lord ordered Secretary Butz and other officials of the Department to reinstate the Farmers Home Administration emergency loan program for disaster victims in the 15 Minnesota counties designated by the Agriculture Secretary. He ordered that the FHA accept and file applications, process them as expeditiously as possible and beginning March 30 without delay grant emergency loans to qualified individuals on the same basis as such loans were provided prior to December 27.

While this decision offers hope to people in Minnesota, it is still subject to appeal; and additional court action would be required before individuals in other States could be assisted.

I believe that the Bergland amendment should be approved as a matter of simple justice. Such action would reinforce help provided to Minnesota farmers as a result of Judge Lord's decision and would extend assistance to disaster victims in other States affected by the Department's December 27 order.

The States directly affected are: Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Iowa, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Wisconsin, and Wyoming.

The Senate committee's rejection and the administration's opposition to the Bergland amendment are apparently grounded not on the fundamental issue of equity, but on the basis of cost. The Department has estimated that the forgiveness provision of the Bergland amendment would cost $180 million, with the total value of assistance including repayable loans costing approximately $300 million.

I think we should take a close look at these figures. First, the 18 day grace period provided to individuals in Presidentially designated counties did not cost the Treasury anywhere near this amount. In fact, according to the Department of Agriculture, between December 27 and January 16 only 9,000 applications were received from Presidentially designated disaster areas nationwide. The entire value of these loans was only $45 million with the cancellation totaling roughly $31 million.

The total value of all forgiveness plus repayable loans under the FHA emergency loan program in both Presidentially and Secretarially designated counties from passage of the 1972 act last August through March 16, 1973, is $350 million. I find it very difficult to imagine that it would cost nearly as much—$300 million—for the 18 day grace period in just Secretarially designated under the Bergland amendment.

Second, the Department contends that 60,000 applications might be submitted if the 18 day sign up were provided for Secretarially designated counties. Thus far, a total of 84,000 applications for emergency loans from both Presidentially and Secretarially designated counties have been received by the Department of Agriculture since the inception of the Disaster Relief Act of 1972. The Department is thus telling us that more than 40 percent of all eligible individuals un-

der the emergency loan program in 1972 were precluded from submitting their applications by the December 27 cut-off.

In Minnesota this past January, the Farmers Home Administration identified 4,000 to 5,000 potential loan applicants in Secretarially designated counties. On February 15 Judge Lord ordered the FHA to accept applications from these individuals. However, through last Friday, the FHA had received only 2,300 applications for emergency loans. With nearly 6 weeks to apply, rather than 18 days as provided by the Bergland amendment, fewer than half the FHA's potential applicants had signed on for loans. The experience suggests that the Department's figures of $180 million for forgiveness and $300 million for total loan value based upon 60,000 potential applicants may be inflated by a factor of more than double the actual amount.

Estimates aside, I do not know what the true cost would be. But I do know that I asked the Department of Agriculture for a State by State breakdown of their $300 million price tag for the Bergland amendment. I was told that they had no such figures. I asked how many potential applicants by State would be affected by the Bergland amendment. The Department told me they did not know.

Finally, it is argued that the Bergland amendment ought to be deleted because it would lead to a Presidential veto of the bill. I find this argument unconvincing. The President in February designated four California counties for Farmers Home Administration emergency loans at a 1-percent interest rate with the first $5,000 forgiven. It seems inconceivable that he would veto a bill providing equal benefits to farmers who had been promised such assistance long before the California counties were added to the program. How could the President veto a bill because of a provision so firmly grounded in the concept of equal protection for our citizens under law?

I believe for all of these reasons that the House passed bill should also be adopted by the Senate.

I urge the full support of my colleagues in voting against the Senate committee amendments and for approval of H.R. 1975 with the Bergland amendment.

Mr. President, I ask unanimous consent that a statement which I have prepared on the Minnesota emergency loan program and the recent Federal court decision be printed at this point in the RECORD.

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

MINNESOTA EMERGENCY LOAN PROGRAM

I. BACKGROUND

During the fall of 1971 and the spring of 1972 much of western and central Minnesota suffered heavy flood conditions. Farmers in this region had never seen such excessive rain and wetness. Because of the floods, many farmers were unable to plant their 1972 crops. Where planting was possible, in many cases it could be done only very late in the season. Seed often had to be replanted because it had rotted in the wet soil. Because of the terrible weather, harvest of many farmers were very small; and many crops were almost completely destroyed.

As a result of these conditions, on June 26th Secretary Butz declared fourteen counties in Minnesota as emergency loan areas. Another Minnesota county was so designated on September 20, 1972.

Notice was sent to local F.H.A. offices and relayed to disaster-stricken individuals that emergency loan applications could be received and approved until June 30, 1973. Farmers were advised not to file for aid until after their harvest was completed so that all eligible losses would be included in these applications.

A major share of the Minnesota emergency loan applications were not submitted until after the harvest season in late November and December 1972. At that time because of the large influx of applications, county F.H.A. officials set up appointments with people to discuss their applications prior to final acceptance, extending through January, February and March 1973.

Then on December 27, 1972 without warning the Secretary of Agriculture notified the Minnesota State F.H.A. office that applications would no longer be accepted in Secretarially designated counties.

Never before has a Secretary of Agriculture ordered the permanent halt of an emergency loan program in Secretarially designated disaster areas without prior notice.

II. COURT ACTION

In reaching a decision in this case, the Federal District Court in Minnesota examined the Secretary of Agriculture's actions in light of the provisions of the Disaster Relief Act and the legislative history surrounding this law. Judge Lord found, "It is clear from the reading of the statute that Congress has directed the Secretary to accept and consider loan applications from those counties which have been designated as 'emergency loan areas.' The Secretary's refusal to comply with the statutory language and the subsequent termination of the emergency loan program was accomplished in excess of the Secretary's authority and is unlawful."

Departmental regulations governing administration of the emergency loan program provide for notification to the State F.H.A. office of the period within which initial loans may be made to applicants with modification immediately to county offices involved and to the public.

In accordance with these regulations, notice was provided on June 26th and September 20th, 1972 of the designation, specifying that loans be available until June 30, 1973. However, no advance notice whatsoever was provided prior to the December 27 closeout of loan applications in counties designated by the Secretary. In fact, local F.H.A. offices in Minnesota did not learn of this action until December 29th.

In addition, regulations issued on July 24, 1971 by former Agriculture Secretary Clifford Hardin also made the rule making provisions of the Administrative Procedure Act applicable to the administration of F. H. A. loans. This statute requires that when a substantive rule is involved, then administrative agencies shall: give advance notice by publication in the Federal Register of the proposed rule making; after notice is given, the agency shall give individuals an opportunity to participate in the rule making; the agency shall include in the role adopted a statement of its basis and purpose; and after the substantive rule is adopted, it shall be published in the Federal Register not less than 30 days before its effective date.

The U.S. District Court noted, "In adopting the December 27th directive, the Department did not comply with even one of these mandatory requirements, despite the fact that the directive would have a substantial impact on those regulated, and hence is a rule as contemplated in the Statute. The failure to give notice prior to the termination of the loan program is in violation of the Administrative Procedure Act."

Judge Lord ordered Secretary Butz and other officials of the Department to reinstate the Farmers Home Administration Loan program for disaster victims in the fifteen Minnesota counties designated by the Agriculture Secretary. He ordered that the F.H.A. accept and file applications, process them as expeditiously as possible and beginning March 30th without delay grant emergency loans to qualified individuals on the same basis as such loans were provided prior to December 27th.

Mr. BELLMON. Mr. President, to see if I understand correctly the parliamentary situation, is it accurate that a "yea" vote will support the committee action?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendments en bloc. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that the Senator from North Carolina (Mr. ERVIN) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from California (Mr. TUNNEY) would each vote "nay."

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The result was announced—yeas 39, nays, 50, as follows:

[No. 68 Leg.]

YEAS—39

Aiken	Eastland	Pearson
Allen	Fannin	Percy
Bartlett	Fong	Proxmire
Bellmon	Griffin	Roth
Bennett	Gurney	Saxbe
Brock	Hatfield	Scott, Va.
Buckley	Helms	Stafford
Byrd, Harry F., Jr.	Hruska	Stevens
Cannon	Javits	Talmadge
Cotton	Johnston	Thurmond
Curtis	Long	Tower
Dole	McClellan	Young
Domenici	McClure	
	Packwood	

NAYS—50

Baker	Hartke	Montoya
Bayh	Haskell	Moss
Beall	Hathaway	Muskie
Bentsen	Hollings	Nelson
Bible	Huddleston	Nunn
Biden	Humphrey	Pastore
Burdick	Inouye	Pell
Byrd, Robert C.	Jackson	Randolph
Case	Kennedy	Ribicoff
Chiles	Magnuson	Schweiker
Church	Mansfield	Scott, Pa.
Clark	Mathias	Sparkman
Cook	McGee	Stevenson
Cranston	McGovern	Symington
Eagleton	McIntyre	Weicker
Gravel	Metcalf	Williams
Hart	Mondale	

NOT VOTING—11

Abourezk	Fulbright	Stennis
Brooke	Goldwater	Taft
Dominick	Hansen	Tunney
Ervin	Hughes	

So the committee amendments were rejected en bloc.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendments were rejected.

Mr. MONDALE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hakney, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance program; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. FOLEY, Mr. SISK, Mr. JONES of Tennessee, Mr. TEAGUE of California, Mr. WAMPLER, and Mr. GOODLING were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS of Arkansas, Mr. ULLMAN, Mr. BURKE of Massachusetts, Mrs. GRIFFITHS, Mr. SCHNEEBELI, Mr. COLLIER, and Mr. BROYHILL of Virginia were appointed managers on the part of the House at the conference.

AMENDMENT OF EMERGENCY LOAN PROGRAM UNDER CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

The Senate continued with the consideration of the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. SCHWEIKER. Mr. President, this legislation would repeal the loan cancellation or grant provisions of the law allowing for forgiveness of up to $5,000 for residents of rural areas hit by disasters. It would also increase the maximum interest rate on emergency loans to 5 percent, from the present 1 percent under the Disaster Relief Act.

I strongly oppose this legislation.

In June 1972, this Nation suffered the worst natural disaster in the history of the country. Hurricane Agnes caused over $3 billion in property damage, flooded 5,000 square miles of land area, and caused 118 deaths; $2.6 billion of the damage was suffered by private individuals and about $400 million was caused to publicly owned facilities.

In addition, there was severe flooding in other parts of the country, including the particularly disastrous flood in South Dakota only shortly before the Agnes storm.

Of the States involved in the Agnes disaster, Pennsylvania was hardest hit. About 70 percent of the total damage occurred in Pennsylvania. Of that, 70 percent occurred in the area of Wilkes-Barre. Many other communities including the capital city, Harrisburg, were very hard hit.

The Office of Emergency Preparedness has said that hundreds of cities, towns, and rural communities along 4,500 miles of major rivers and 9,000 miles of streams and tributaries were flooded. Over 500,000 people suffered losses, 116,000 dwellings and mobile homes, and 2,400 farm buildings were damaged or destroyed and 5,800 businesses were destroyed.

Unfortunately, on January 15, 1973, the Department of Agriculture cut off applications for disaster loans. I protested this action by the Department of Agriculture, particularly since the Farmers Home Administration last fall encouraged many rural residents not to submit applications for disaster loans and grants until this spring when they would know more accurately the extent of their losses and their needs for the upcoming growing season. Unfortunately, these protests were to no avail.

In the House-passed version of this bill, provisions were included to permit applicants a period of time, 18 days, to submit their applications to the Farmers Home Administration under existing law. The Senate Agriculture Committee, however, deleted these provisions from the Senate version of H.R. 1975. I, therefore, strongly supported the efforts of Senators MONDALE and HUMPHREY to add these provisions back into the Senate bill. However, these provisions only give 18 days to applicants in areas designated as disaster areas by the Secretary of Agriculture. Pennsylvania was designated by the President, and, therefore, is not eligible for the grace period.

In my view, it is bad enough to cut out the forgiveness features of disaster loans and to increase the interest rates on these loans. It is even less justifiable, however, to repeal the provisions of existing law without giving disaster victims a chance to qualify, particularly in view of the fact that, as I said before, the Farmers Home Administration itself urged potential applicants to delay submitting their requests.

Therefore, while I support efforts to "do equity" by giving applicants in disaster areas designated by the Secretary of Agriculture the same 18-day grace period permitted to applicants in Presidentially designated areas like Pennsylvania, I intend to vote against this bill. I hope it will be defeated so the disaster assistance program can be reinstated.

Mr. AIKEN. Mr. President, the vote just taken is a strong indication that this bill should be defeated. If not, it certainly ought to be vetoed. It is the strongest argument we have had so far for sustaining the President's vetoes of unwise legislation.

Moreover, if the President is right about this bill, he is probably right about many of the others, which he intimates he will veto and I am beginning to change my mind about some of Congress actions, because legislation of this type is simply a raid. It is a political raid, and does not speak well for the Congress.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. HUMPHREY. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. TOWER. Mr. President, the bill has not been read the third time, to my understanding.

The PRESIDING OFFICER. No, it has not.

Mr. TOWER. I call up an amendment which I have at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Add at the end of the bill the following new section:

"SEC. 9. Notwithstanding the provisions of any other law, any loan approved by the Small Business Administration on or after the date of enactment of this Act under sections 7(b)(1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b)(1), (2), or (4)) shall bear interest at the rate determined under section 324 of the Consolidated Farm and Rural Development Act, as amended by section 4 of this Act. No portion of any such loan shall be subject to cancellation under the provisions of any other law."

Mr. TOWER. Mr. President, H.R. 1975 is an important and well warranted measure. In its present form, however, it would create an inequity between disaster loans approved by the Farmers Home Administration and those approved by the Small Business Administration. As presently drafted, the bill would amend the disaster loan authority of the Farmers Home Administration by deleting the loan cancellation provision and by increasing the interest rate from the present rate of 1 percent per annum to a rate not to exceed 5 percent per annum.

The amendment I offer today, Mr. President, would correct this inequity by applying the same provisions to disaster loans approved by the Small Business Administration. My amendment would add to H.R. 1975 a new section providing that any disaster loan approved by SBA on or after the date of enactment would bear interest at the same rate that the bill would make applicable to disaster loans made by the Farmers Home Administration. Further, no portion of any such SBA loan approved on or after the date of enactment would be subject to cancellation.

Mr. President, this amendment would make H.R. 1975 a much stronger and a much more equitable measure, and I urge that the Senate accept it.

What I am saying, Mr. President, is that we are simply trying to make the loan procedures and policies relative to SBA disaster loans consistent with those in this bill.

SBA computer records indicate SBA has approved 185,753 disaster loans from July 1, 1972 through February 28, 1973 for $1.298 billion. This indicates an average size of $6,988 per loan.

So far, SBA has processed the "forgiveness" for 80,574 loans aggregating $234,687,000—or an average of $2,912 "forgiveness" per loan; almost $3,000 per loan.

This amounts to 40 percent of the "average" loan.

SBA is expecting the program to reach $1.6 billion this fiscal year. Based on 40 percent "forgiveness," some $640 million will be written off.

In addition, first year interest costs, alone, will amount to approximately $70.4 million since interest at 1 percent on the remaining $960 million, after forgiveness, will amount to $9.6 million, whereas the interest at 5 percent on $1.6 billion would amount to $80 million.

These statistics include the Rapid City disaster and the massive destruction wrought by Agnes. In smaller disasters, especially where the damage to an individual is less than $5,000, the entire loan will be forgiven. Consequently, when an area is hit primarily by flooded basements, this program becomes merely a grant program with a high probability of the major portion of all outlays being forgiven.

Obviously, this is a disincentive for a person to avail himself of the HUD Flood Insurance Program now available in many areas at a subsidized premium rate.

Not only is there a disincentive as far as flood insurance is concerned, but, without the amendment, it encourages every area, no matter how slight the damage, to press for a disaster declaration from SBA. Furthermore, it will result in a gross inequity between the farmer, or rural dweller, and the city dweller and small businessman.

Therefore, to bring the SBA policy and the SBA authorization into conformity with that in H.R. 1975 applying to the Farmers Home Administration, I urge the adoption of this amendment.

Mr. SCHWEIKER. Mr. President, I rise in opposition to this amendment. This is just a part of a wipe out on Hurricane Agnes that we are doing here on the Senate floor today, and I daresay that some of my colleagues from other States, when they face the same kind of disaster we had in our State, will rue the day we did what we are doing here today. They are taking completely away the grant program for people who well might need it in their States as a result of future disasters. They are raising the interest rates from 1 percent to 5 percent.

The amendment of the distinguished Senator from Texas is telling householders as well as small businesses that they will no longer qualify for grants under any future disaster, that they will have to get 5-percent interest money.

So let us not kid ourselves; today we are wiping out any future relief for disasters in any substantial amount, except the 5-percent loans.

We have experienced in Pennsylvania a sad situation where a 5-percent loan does not help people in the upper age brackets who will not sign their names and their children's names on the line when they do not have many more years left to live, on a long-term indebtedness that they cannot pay back at a 5-percent interest rate. At least the 1-percent provision was something that perhaps they could carry for some reasonable length of time, even though they could not expect to pay it all back.

We are totally gutting today, here on the Senate floor, our disaster relief program. I think we ought to label it for what it is, and all of us should be aware of it.

Sure as the dickens, when the next disaster hits this country, there will be Senators from other States doing what I am doing here today, and wondering why they were asleep when this legislative action was taken on the Senate floor. We are just reversing everything we did as a result of our experiences at the time of Hurricane Agnes.

We are rolling over and starting from scratch, telling the people that they have to go out and get 5 percent money. That is completing the job of wiping out householders and small businesses.

I not only oppose the amendment, Mr. President, but I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BROCK. Mr. President, I wonder whether the Senator from Pennsylvania noticed some of the ads that were run in the Los Angeles newspapers after the earthquake out there, where the contractors ran ads saying in effect, "Come on in. Uncle Sam has opened up his cookie jar. You get $5,000 free to remodel. All you have to do is come in and apply and we will fill out the papers for you. If you have a crack in your chimney, just claim the earthquake did it. If you have a slightly disabled automobile, claim that the earthquake did it, if you have a dent in your hood, just come on in and we will fix it. There is $5,000 for you. Just let Uncle Sam pay the bill."

The fact is, and it has been demonstrated and proved, there was much fraud in these areas. I am sympathetic to what the Senator from Pennsylvania is saying. We have had a sizable disaster in my State. I could not agree more that we have a responsibility to try to provide some relief and opportunity for reconstruction, rebuilding, and to allow people to have a chance to get back on their feet. But I also think that the American people as a whole deserve a little bit of relief, too. This program as written has no criteria and no limitations on it. The fact is, as the Senator from Texas mentioned, that in a great percentage of cases it is not a loan at all. As it is today, it is a flat grant, because the damage often, as a matter of fact, in the majority of cases, is less than $5,000, so that in this instance, the Federal Government pays the whole bill. There is no repayment at all.

So I simply cannot understand, in the face of the documented record that we have on this matter, how Congress can refuse to accept a sense of responsibility to correct the problem.

We have an obligation to the people of this country to afford them the opportunity for rebuilding but we also have an equal obligation to protect the sanctity of the pocketbooks of the American people as a whole and protect their rights in terms of not spending them into oblivion by a government that simply finds it more expedient to promise than to perform.

Mr. SCHWEIKER. I appreciate the remarks of the Senator from Tennessee and I would respond in two ways. First of all, I think the RECORD will show that what has happened in the Wilkes-Barre area, in terms of some of the cases the Senator recited that occurred in California, is somewhat different. We have learned a lot from the mistakes of the first disaster program attempted in California and we have not repeated the overwhelming majority of the mistakes either in South Dakota or in Pennsylvania. I think the Senator will find that the kind of abuses existing there on the scale that he describes have not occurred in Pennsylvania or in South Dakota. I think that this in itself shows that we have zeroed in on some of the administrative procedures.

But secondly, what about abuses in the foreign aid program where money has been wasted, cut off, or misused? I see no one here wanting to eliminate the foreign aid program because we had abuses in it or because it was not administered properly. The foreign aid program seems to be the hardest thing to stop. I do not understand this double standard, that because we have some abuses in a good program but it is a domestic program, that we should cut it off; but that a foreign aid program should continue, regardless, that we should appropriate $5 billion for rehabilitation of Vietnam. I think it is a matter of priorities as to where we put our money. Where is the money coming from that is paying for all these things, if not from the people? Domestic disaster relief should have a higher priority than foreign aid.

Mr. BROCK. If the Senator will permit me to observe, in the 11 years I have served in Congress, I have not supported foreign aid—just for that simple reason. I have tried to exercise a sense of responsibility. But that does not preclude my exercise of a sense of responsibility here as well.

The fact is, in both instances, the American taxpayer has been abused, far too often and in far too many ways. Too many times the President has been criticized, but I have as yet to see Congress establish a legislative budget. I have yet to see Congress establish a mechanism by which it can determine the priorities of this Nation, I have yet to see a sense of fiscal responsibility exercised by Congress. When we consider every single bill, we do so totally out of context—without relating each to the needs of the Nation

as a whole, without relating them to the limited resources of the taxpayer.

Our resources are not created in Washington. They emanate from the people of this country. Those resources are limited by the ability of the American people to pay their taxes. We are placing a pretty heavy load on our citizens today. I believe that we have an obligation to try to structure our programs so as to do the job we seek to do, but to do it within the context of political responsibility and fiscal sanity. That is the effect of the amendment of the Senator from Texas and I support it.

Granted, the whole program needs review, and I would be delighted to support such review. But as of today, if the amendment of the Senator from Texas does not prevail, what the Senator from Pennsylvania has just said will mean that we are not going to have any more disaster relief because we simply cannot afford it. That is where we are at this point. That is the reason this farmers bill is on the floor today. We have reached the point where we are running out of money and we are not going to have any more programs for disaster relief unless we modify the basic law. So, it may be great policy and it may be good politics, it may also be with a true sense of moral purpose that we propose this $5,000 forgiveness and this 1 percent money. But the fact is, the effect of that position will be, that the people simply will not get help. That is what I cannot understand and cannot support.

Mr. STEVENS. Mr. President, my State of Alaska is one-fifth the size of the United States and has suffered at least one-fifth of the national disasters in this country. At the time of the great Alaska earthquake, there was no forgiveness. The $5,000 forgiveness has been built into this system since then. It was built in last year. I warned at that time that people supporting it would destroy the disaster relief system.

At the time of the great earthquake in Alaska, loans were at 3 percent and there was a deadline setting a time for making an application to get a disaster loan. We recovered from that disaster and we were grateful to the Federal Government for its assistance, as well as to those in the Senate who served at that time who assisted my State to a great extent by making available loans at the rate of 3 percent.

My home was severely damaged in the 1964 earthquake and there was no forgiveness on the loan that I obtained at that time. First came an $1,800 forgiveness, and at the time of Hurricane Agnes, it went up to $5,000. Now we are killing the disaster relief system entirely, a system which is vital to my State. The disaster relief system is being killed by making it so large that it drains the Treasury and is losing support.

I would rather go back to no forgiveness and 3 percent interest to be paid within a reasonable period of time than have this 1 to 5 percent and have the $5,000 forgiveness and not know whether we will get any help or not.

Mr. TOWER. Has the Senator repaid his loan?

Mr. STEVENS. I have not repaid my loan yet. I still pay it at the rate of $70 a month, at 3 percent. It is a 15-year loan. There was no forgiveness on it. It was about $15,000, in order to rebuild the portion of my home that came down during the earthquake. I was not a Member of the Senate then, but I am very happy to have it right now, as a matter of fact.

But I still do not understand the concept whereby we have to continue to extend more and more this forgiveness giveaway—in order to remake a program that had a good solid foundation and which brought my State back more rapidly after the greatest natural disaster—there may have been greater ones in the country as a whole—but we had the greatest natural disaster, I think, that hit the North American Continent in terms of earthquakes. It was a good system. Why do we destroy it by giving away more? I am worried about this, because I know we are going to have more earthquakes. We are going to have more floods.

I argued on the floor one time about trying to explain to the people of Anchorage, who suffered the greatest earthquake on the North American Continent, why the people of Fairbanks got $1,800 forgiveness when they suffered a flood. I went to Fairbanks, and they said "We only got $1,800, and the people in Pennsylvania got $5,000."

You are going to hurt my State unless you stop this.

Mr. BROCK. The Senator from Alaska has just made an excellent point in support of the amendment; and to bring it to bear today, in terms of the disaster that faces my State of Tennessee, just to illustrate the point, we have 10 counties that have been designated, but we have 36 waiting designation. They cannot be designated because we do not have the money to give them relief under the $5,000 forgiveness and the 1 percent interest. But if we can go back to the basic program that supported Alaska and allowed Alaska to rebuild, Tennessee can do the same thing, and my farmers can plant their crops.

Mr. STEVENS. I wish someone would explain to me why we got away from the 3-percent loan.

Mr. HUMPHREY. Just call up 1600 Pennsylvania Avenue, 456–1414, and ask for President Nixon.

Mr. STEVENS. I seem to remember that the Senator from Minnesota tried to get a lease on that address once. [Laughter.]

Mr. HUMPHREY. All I am telling the Senator is that the glorious suggestion that all this fuss is about came right out of the high councils of the administration. I did not vote for him.

Mr. STEVENS. I thank the Senator from Minnesota for his contribution.

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

Mr. HUMPHREY. I yield.

Mr. McINTYRE. Mr. President, last year, I was the floor manager of the bill on disaster relief, and we are the ones who are involved in the question of adjustments of $5,000, $3,000, and low interest rates.

We were faced with an epic year in the case of disasters. But the Small Business Committee said on the floor that day, when we had the bill before the Senate, that we were not particularly proud of this type of legislation, that we were moving into an emergency. We had had Hurricane Agnes and the South Dakota disasters on our hands, and we included Minnesota. I do not know whether California was included.

The point I want to make is what the Senator from Minnesota has just said: We should not be arguing about this matter now. In that legislation we mandated the President of the United States to set up a commission to study this disaster problem. It is a difficult problem, a very difficult one, and we should be having legislation flowing in here from the administration, so that we could have full debate and full hearings on the matter.

Mr. HUMPHREY. The law requires that the President have that down here by January 31, 1973. That is what is in the Senator's bill. The President was ordered to send down the recommendations.

Mr. McINTYRE. And we have nothing, as so often happens in this administration. They will form a commission and take a report and then shelve it; but we do not seem to be able to come up with the legislation we need badly, and we need it in this area, as I am sure the Senators from Pennsylvania and the Senators from New York know, because they suffered so badly during Hurricane Agnes.

Mr. BELLMON. Mr. President, I compliment the Senator from Texas for bringing up this amendment. This corrects one of the great injustices in the existing situation which the distinguished Senator from Minnesota pointed out during earlier debate on the committee amendment.

The fact is that we now have a double standard. The bill we are about to approve here, I feel, will make emergency loans available to agriculture at 5 percent, with no forgiveness. At the present time, the administration is making emergency loans under the Small Business Administration to urban dwellers and businesses, with a $5,000 forgiveness and 1 percent interest. To me, there is no equity here. We should be treating rural and urban residents the same. The purpose and effect of the amendment of the Senator from Texas will be to accomplish that objective. I strongly support the amendment.

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

Mr. BELLMON. I yield.

Mr. BUCKLEY. I should like to ask a question of the Senator from Texas, to make sure that I understand what his amendment proposes.

It would affect only future loans from the SBA. Is that correct?

Mr. TOWER. That is correct.

Mr. BUCKLEY. I wanted to clarify that, because it would be an act of unfairness to change the ground rules with respect to those who already have accepted loans.

Mr. TOWER. It would operate only on future loans.

Mr. BUCKLEY. I think the amendment has the virtue of symmetry. It would assure comparable treatment for the victims of natural disasters, although when we do approach disaster legislation on a more comprehensive basis, I believe we may well need to distinguish between damage to homes and damage to income-producing properties.

I do feel that this debate has underscored the urgent need for Congress to come up with more comprehensive legislation to handle natural disasters. We now have extensive practical experience on which to build a truly effective, equitable approach to this hand of relief. I hope that Congress will not feel bound to wait for the administration to recommend such legislation before it moves on its own initiative to hold the appropriate hearings, and so on, so that we can come up, at a reasonably early date, with the kind of legislation that will anticipate all kinds of disasters and will provide a mechanism for disaster insurance.

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

Mr. BUCKLEY. I yield.

Mr. TOWER. I concur with the Senator that we have a patchwork of disaster relief legislation that, like Topsy, grew. I think it is high time we passed some sort of legislation, preferably under a single agency. I certainly support the concept offered by the Senator from New York.

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

Mr. BUCKLEY. I yield.

Mr. BROCK. I should like to add my concurrence with respect to the suggestion of the Senator from New York. The current situation is absolutely tragic, with the hodgepodge of programs, the inordinate lack of coordination, the inordinate lack of a coherent Federal policy established by Congress. The whole matter needs to be brought to focus after full investigation, with a better method designed to achieve the relief we seek.

But I support this amendment for two or three basic reasons. First, in the sense of equity, as the Senator from Oklahoma has pointed out, I cannot justify treating urban areas with a different kind of program than rural people have.

But, more directly than that, I hope no Senator finds himself in the position the Senator from Tennessee has been in during the last few months, because I have had two disasters in my State—last fall and again this spring. If any other Senator is in this position, he will find very quickly that unless this amendment is adopted, he will face a situation of almost desperation, as he seeks to afford some relief, some opportunity for rebuilding, to the people of his State.

That is the situation the Senator from Tennessee has been in during the past several weeks. It is an intolerable circumstance, and it is something that I cannot allow to continue. We must conform these laws; we must place them, as the Senator from New York has said, in symmetry. But, more than that, we must do it in the coherence of the whole of our national budget, the needs of the taxpayers, and the needs of the communities of America.

We simply cannot continue a program which is so ill-designed that it effectively keeps the Pesident and the Secretary from designating an area that desperately needs help because it would cost too much money. That flies in the face of the purpose of the program.

We must resolve this question and amend this law so that relief can be afforded to the people who deserve help and would repay it. They are productive individuals, and they deserve the support of Congress, rather than political games playing that would say, "We're going to pass a law that will allocate all kinds of promised money for you, but you're not going to get it because there isn't enough in the till." That approach is neither responsible nor fair.

That is why we need a revision of the law, and I support the amendment of the Senator from Texas.

Mr. CURTIS. Mr. President, I rise in support of the amendment of the Senator from Texas. This bill was considered by the Committee on Agriculture and Forestry. I believe the sentiment there was such that had we had jurisdiction we would have adopted the amendment in committee.

In my opinion, Congress made a mistake last year in writing a disaster relief bill that was unsound. There are certain limits to what the Government can do to relieve people in time of disaster. Our emotions sometimes say to us that we ought to give them something, and at times that runs into a lot of trouble. It was compounded last year by the fact that we not only gave grants and loans to people but we did not require that they had to show that they could not get the money anyplace else. Then we further compounded the situation by providing for a forgiveness of the first $5,000 which, of course, is the grant. In other words, one of the wealthiest persons in the country could lose property, get a long-term loan, with the interest subsidized by the taxpayers, and then have $5,000 of that money forgiven.

The bill reported by the committee is going to change that. The interest is going to be more realistic. They are going to be able to get long-term loans so that someone can be billed, if they have a national disaster, but also these loans will not be given to someone who cannot show whether he could get a loan anyplace else. After a short period of clearing up some pending applications the forgiveness will be done away with.

Frankly, I go farther. I supported the committee position. It did not prevail. This is going to be considerable reformation in a law that should be reformed now.

The question before us is, Should the Committee on Agriculture and Forestry respond and reform the law as it applies to rural areas and not have it applied to the other side of the city limits? It is my understanding that that is what will be accomplished by the Tower amendment. I support the Tower amendment and I hope it is agreed to unanimously.

Mr. DOMENICI. Mr. President, I rise in support of the amendment of the Senator from Texas and also in support of the argument made by the Senator from Alaska regarding his catastrophe.

I am privileged to serve on the Subcommittee on Financial Disasters of the Committee on Public Works. Last week we went to Biloxi to talk with those who could tell us about Camille and that great disaster and how the law worked there. We did not have a $5,000 forgiveness provision for the victims of Camille. There was enthusiasm and genuine agreement among the people that our laws had worked well. As a matter of fact, one of the SBA people testifying before the committee said, "We did not have the $5,000 forgiveness; we had $1,800." I said, "How much did the $1,800 cost at the time of Camille?" He said, "$18,000." He said, "Our estimate is we would have spent 10 times as much."

We proceeded to inquire into the costs. He indicated that, indeed, possibly many people who did not need the money applied and that the $1,800 forgiveness had no relevancy in terms of ratio and that everyone would apply, regardless of need.

Mr. President, it is only proper that we make the entire law fair and that the farmers and the city dwellers have the full benefit of the law, that we not have a different law for those who live on farms and those who live in the city. If we are going to have the $5,000 forgiveness, then it should apply in all situations and not in just some situations.

As I toured parts of Mississippi and saw the damage it occured to me that many who need the $5,000 forgiveness would not be taken care of; the owner of the premises would get it and the occupant probably would not get the benefit of the $5,000 forgiveness.

My State of New Mexico had a catastrophe. The facts given to me indicate that many people would qualify for the $5,000 forgiveness. Our people say they do not think that is fair because among those would be very few poor who need it and many people who do not need it might say, "Let us take advantage of the Federal Government's gift."

Mr. President, let us take a look at the entire law. A national insurance policy should be considered. Let us decide if we are going to bring a package to the Senate. One of the most important ingredients that we must consider is a national policy on disaster insurance. Are we going to insist that companies write it and are we going to subsidize it?

Those considerations are almost more important than the $5,000 forgiveness. The $750 million we spent under the $5,000 forgiveness may very well have subsidized a national disaster insurance policy for many years and provided relief to the citizens on a direct ratio of insurance companies' handling of the claims, on a basis which is fair to all, rather than the haphazard approach, with the Government trying to do all things for everybody.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

Mr. HUMPHREY. Mr. President, I wish to ask the Senator from Texas a question on his amendment. The Senator from Texas said he wanted his amendment to comply with the provisions of

the bill as now before us that relate to agriculture. Is that correct?

Mr. TOWER. The Senator is correct.

Mr. HUMPHREY. Is it not a fact that the amendment of the Senator from Texas would cut off all funds, all loans at 1 percent and the $5,000 forgiveness at once, on passage of the act?

Mr. TOWER. The Senator is correct. The Senator has underscored an inequity that would exist if my amendment is adopted.

I am willing to accept a modification of my amendment to make it totally consistent.

Mr. HUMPHREY. Consistent with the language from the House?

Mr. TOWER. Yes.

Mr. HUMPHREY. And that could be done by eliminating in the House language that reference to section 5.

Mr. TOWER. That is correct.

Mr. HUMPHREY. If the Senator would do that we would have a change across the board for the SBA provisions of the law as well as the FHA provisions.

Mr. TOWER. The Senator is correct.

Mr. HUMPHREY. I hope the Senator might make that kind of modification. It would seem to me the amendment would fit in the bill quite well.

Mr. TOWER. The Senator's point is well taken.

Mr. President, I so modify my amendment.

I ask unanimous consent, the yeas and nays having been ordered, that I may modify the amendment.

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

Will the Senator from Texas send the modification to the desk.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The clerk will state the amendment, as modified, of the Senator from Texas.

The legislative clerk read as follows:

Add at the end of the bill the following new section:

SEC. 9. Notwithstanding the provisions of any other law, any loan approved by the Small Business Administration on or after the date of enactment of this Act under sections 7(b)(1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b)(1), (2), or (4)) shall bear interest at the rate determined under section 324 of the Consolidated Farm and Rural Development Act, as amended by section 4 of this Act. No portion of any such loan shall be subject to cancellation under the provisions of any other law.

Strike on page 3, line 12, "section 5 of".

Insert on page 3, line 11, after "Agriculture" "and/or the Administrator of the Small Business Administration".

Insert on page 3, line 15, after "Agriculture" "and/or the Administrator of the Small Business Administration".

Mr. TOWER. Mr. President, we seem to have reached an agreement that, I think, makes the amendment more acceptable to the Senator from Minnesota (Mr. HUMPHREY). Under those circumstances, I should think that we could go ahead and act on the amendment by voice vote. I, therefore, ask unanimous consent that the order for the yeas and nays be vacated.

Mr. SCHWEIKER. Mr. President, reserving the right to object, I ask the Senator from Texas if it is his understanding that the amendment would give to presidentially designated areas of Pennsylvania that suffered floor damage the same 18-day period on the SBA features of the program.

Mr. TOWER. The Senator is correct.

Mr. SCHWEIKER. Mr. President, in view of the fact that I only got my left toe cut off, instead of my left leg, I will be glad to vacate the request for the yeas and nays. I do intend to vote against the request for the yeas and against the bill. However, I appreciate the 18-day reprieve here, which is a help.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment as modified of the Senator from Texas (Mr. TOWER).

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. STEVENSON. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, immediately following Section 7, insert the following:

"Section 8, the Disaster Relief Act of 1970 is amended by inserting in § 101(a)(1) between the words "high waters," and "wind-driven waves," the following: "erosion," and inserting in section 102(1) between the words "high waters," and "wind-driven waves," the following: "erosion,".

Mr. STEVENSON. Mr. President, my amendment would eliminate one of the inequities and inconsistencies in the bill concerning our disaster relief programs.

In the past few weeks we have again witnessed the destructive force of shoreline erosion. In Indiana, three homes and a section of roadway fell into Lake Michigan—the result of an accelerated erosion that has been occurring there for many years. In North Carolina, five motel units and two beach cottages near the Cape Hatteras Lighthouse were destroyed by heavy seas which brought severe erosion and flooding to the shore. These are only two examples of an inexorable process continuing daily, in many States, including my own. We are losing our shorelines and the damage and danger to property is enormous.

This amendment would change section 102 of the Disaster Relief Act of 1970 to include "erosion" in the definition of "major disaster." This would allow the Office of Emergency Preparedness, at the request of the Governor of an affected State, to declare a disaster where severe and unforeseen erosion seriously endangers life or property. Such a declaration would trigger the assistance provisions of the Disaster Relief Act and would therefore make low-interest loans available from the Small Business Administration to those indiivduals who are fighting to save shoreline facilities before they are washed away.

At the present time the Office of Emergency Preparedness has expressed a willingness to consider designating eroding shorelines as disaster areas. This amendment would make clear its authority to do so.

There can be little question that the disaster of severe erosion can be as serious as other natural disasters like flooding and hurricanes. And there can be no doubt about the urgency of the situation along our shorelines.

I, therefore, hope, Mr. President, that the committee might be favorably disposed to accepting this amendment without the necessity of a rollcall vote.

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

Mr. STEVENSON. I yield.

Mr. RANDOLPH. Mr. President, I believe that there is actually an inequity that is apparent from the remarks of the distinguished Senator from Illinois.

It is appropriate and necessary at this time to explain that in this consideration of water resource measures in the Public Works Committee we have attempted to do something about streambank erosion in the river valleys of the country. We made provision for a demonstration project to go forward under the jurisdiction of the Army Corps of Engineers, recognizing the seriousness of the problem which has existed in many areas of the country. The Ohio River Valley is, of course, one with which I am most familiar from a personal standpoint.

Mr. President, I have journeyed into the Ohio Valley region and have accompanied the Chief of the Corps of Engineers and its representatives from the Pittsburgh office to inspect riverbank erosion conditions in the Ohio River Valley.

Mr. President, shoreline erosion is a very serious problem, even without the disaster provisions which would further indicate our awareness of the problem.

We have in recent years built and rebuilt many river locks and dams which make it possible to move the barges and other types of water-borne traffic. We have a bend in the river, the water moves to the other side and valuable property is eroded. Houses are endangered. This is a very considerable problem all over the United States.

I am not certain that this particular provision has a place in the bill. Within our Public Works Committee we have been working on this problem and have been moving very energetically and, I hope, constructively to solve it, through our water resources legislation. Certainly I recognize the problem, and I do not want to oppose the amendment, for it calls further attention to the seriousness of the situation.

I only point out there is a constant

erosion of the shoreline on the Ohio River, on both the West Virginia and Ohio sides.

There have been several experimental programs, and in the Flood Control Act, which has passed the Senate, we have authorized an intensive study by the Corps of Engineers to determine both the causes of riverbank erosion and feasible methods of bringing it under control.

In addition, the Public Works Committee is now conducting hearings on disaster relief and certainly will consider the riverbank erosion problem when it reviews possible changes in the basic disaster relief law which we developed and saw enacted in 1970. Additional hearings on water resources will begin in late April, giving us still another opportunity to address this problem.

I commend my colleague from Illinois for bringing this matter to our attention. Perhaps there is a reason why it should be considered here, accepted by those who are in charge of the bill and taken to conference. This can happen with the understanding that the Committee on Public Works, through its Subcommittees on Water Resources and Disaster Relief, will give intensive consideration to this problem in connection with legislation to be reported this year.

Mr. STEVENSON. I thank the distinguished Senator. He, as much as any Member of this body, has been concerned about the preservation of our natural resources over the years, and has done a great deal to preserve them. He makes a very good point. When we think of shoreline erosion, I think many tend to think of the shorelines along the ocean and the lakefronts.

Mr. RANDOLPH. That is right.

Mr. STEVENSON. My own State, like the Senator's, borders the Ohio River. It also borders the Mississippi River. We have severe erosion along our rivers as well as along our lakes and our ocean shorelines. But for reasons that are not altogether clear in the laws now, flooding is considered to be a natural disaster, but the same results, when they flow from erosion, are not considered a natural disaster. The purpose of the amendment is to eliminate that inconsistency.

Mr. RANDOLPH. Mr. President, if the Senator will yield for one request, I think I would like, if the Senator feels it appropriate to permit me, to join him in this amendment as a cosponsor.

Mr. STEVENSON. I would be very pleased.

Mr. RANDOLPH. I have a feeling, on reflection, that what we have done is in another category, and that what we are doing here is attempting to deal with shoreline erosion, which is certainly not confined to the ocean areas, but to the inland waterways of this country as well.

Mr. STEVENSON. I thank the Senator. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia be added as a cosponsor of the amendment.

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

Mr. JAVITS. Mr. President, will the Senator put me on the amendment as well? We have a great problem of that kind in New York. We have been trying very hard to get it corrected. It affects the Great Lakes shoreline as well as other shorelines. I think this is a very constructive amendment, and I would like very much to join the Senator from Illinois and the Senator from West Virginia.

Mr. STEVENSON. I thank the Senator. Mr. President, I ask unanimous consent that the names of the Senator from New York (Mr. JAVITS) and the Senator from Connecticut (Mr. RIBICOFF) be added as cosponsors of the amendment.

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

Mr. BELLMON. Mr. President, the Senator from Illinois has described a serious problem that exists in many States, including my own. I believe this amendment is meritorious and would strengthen the bill. I am willing to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

Mr. BUCKLEY. Mr. President, I also would like to support this amendment, and ask that my name be added as a cosponsor.

In a sense, this is an amendment that ought not to be necessary if we were applying the rule of constructive and enlightened commonsense in interpreting existing legislation. We have occurring now in the Great Lakes basins what is really a naturally caused disaster in slow motion. We have had, over the period of months, unusually large rainstorms and precipitations throughout those basins, which have caused the level of those lakes to rise to historic heights. The natural drainage systems simply are not adequate to remove that excess water.

I believe the Stevenson amendment explicitly copes with a situation that is inherent in the purpose of existing legislation. It will cope with the kind of natural developments causing extensive damage with which a person could not normally anticipate. I believe that it in no way strikes the purpose of existing legislation to consider what is taking place in the Great Lakes as being the result of a normally induced disaster.

I, therefore, urge my colleagues to support the amendment.

Mr. NELSON. Mr. President, I support Senator STEVENSON's amendment to add erosion to the list of natural occurrences which make an area eligible for disaster relief assistance.

The rising levels of the Great Lakes have caused severe hardship to both municipalities and private property owners who are suffering great loss, because of the high water levels of the Great Lakes. This amendment will be one step toward providing relief to the entire area.

It is important, however, that we also develop a rational long-range policy designed to minimize the effects of changing lake levels which will take into account the potential environmental impact of artificially tampering with the processes of nature. So while meeting the present need of some form of financial assistance to those who have endured significant property loss, we must also meet our responsibility to the future by guaranteeing that any steps taken do not have any detrimental environmental effect.

EROSION DISASTER IN INDIANA

Mr. BAYH. Mr. President, I support the amendment offered by the distinguished Senator from Illinois (Mr. STEVENSON). I cosponsored this amendment when first introduced, and I continue to believe it is necessary. This proposal would amend the Disaster Relief Act to make it clear that shoreline erosion areas suffering from severe and unforeseen erosion where life or property is seriously endangered qualify for disaster assistance, including low interest loans.

The erosion which has been eating away at the Indiana shoreline of Lake Michigan is a disaster. There can be no other name for it. Let us recognize this problem for what it is and enable the residents and communities of northwestern Indiana to receive the much needed assistance which Federal disaster relief can afford.

Only 10 years ago a savage storm lashed the Indiana shore of Lake Michigan. Natural barriers, such as a wide beachline and offshore sandbars, would have retarded the full force of the storm. However, erosion had taken those natural barriers long before the storm occurred. Erosion had also taken many homes, weakened the Lake Front Road, and robbed the Indiana Dunes National Lakeshore of scenic beauty which was hundreds of years in the making.

Stout seawalls, private homes, national parkland, public roads, and natural beauty have fallen into Lake Michigan, because of this disastrous erosion.

This amendment to include erosion in the definitions of disaster in the Disaster Relief Act of 1970 will be of help not only on Lake Michigan, but along the Ohio River and the Wabash and any other place in Indiana where this destroyer takes property and income.

The need for this amendment is apparent and immediate.

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 1975) was read the third time.

Mr. PELL. Mr. President, I rise today on behalf of a small, but vital, segment of Rhode Island's working populations, our farmers.

There are fewer than 3,500 persons working in agricultural pursuits in my State. They are a hardy breed who toil against the opposing forces of weather and land to earn a living and to provide our citizens with food.

Rhode Island's farmers ask little—and receive little—from the Government. Few of the major farm programs have

much direct impact on our State. But I do not believe that, because their numbers are few, that they should be excluded from assistance in times of hardship.

That is the situation we had in Rhode Island last year, Mr. President. Because of an extremely rainy growing season, many farmers in my State suffered heavy crop losses. This type of situation might have been neglible to a big corporate farmer. But to the small independent farmer of Rhode Island, the situation was disastrous.

The seriousness of the situation was recognized last October by the Secretary of Agriculture when he declared all five counties in Rhode Island a disaster area. This action made Rhode Island farmers who had suffered most heavily eligible for the emergency loan program of the Farmers Home Administration.

Mr. President, USDA officials in my State estimated that 350 farmers were eligible for loans. And many of them applied for loans immediately. Others, however, acting on the information from the USDA representatives that they could apply any time prior to June 30 of this year, held off.

Then, with no prior warning, the Secretary of Agriculture terminated the loan applications as of December 27. This meant that approximately 235 Rhode Island farmers, who had suffered losses and were eligible for loans, were excluded from applying for them.

Now, Mr. President, we have legislation before us that would completely change the rules of the game. I believe these changes are wise, but they should not be allowed to apply retroactively.

The issue here is simply one of fairplay. The Congress had authorized and appropriated funds for these loans. Rhode Island farmers were eligible. The rules of the game were clear.

Then, suddenly and without any congressional action, the hope that had been held out to these farmers was withdrawn, leaving them with their financial losses and without recourse. I believe this is wrong.

For that reason, I support the provision included in the House bill to allow an 18-day grace period during which farmers in my State and in other States, who were eligible for the loans prior to December 27, can apply under the terms of the loans program as it existed before that date.

If the farmers do not apply during the 18-day period, then they will have clearly chosen not to seek help under the program. But in the interests of fair play, I believe this is an option which we in the Congress must give them.

Mr. President, I ask unanimous consent that a newspaper account of the plight of several Rhode Island farmers be inserted in the RECORD at this point. It appeared in the Providence Sunday Journal of January 21, 1973.

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

RHODE ISLAND FARMERS SQUEEZED BY FEDERAL AID CURB

(By Joel H. Sekeres)

The federal government's decision to abruptly discontinue two assistance programs last December has put many Rhode Island farmers in a financial squeeze that could leave them and consumers gasping.

An overly wet growing season last year, which yielded smaller and more sodden crops than usual, was devastating to some Rhode Island dairy, potato and market produce farmers.

Their crop losses meant little or no profit for them, created shortages of some market items and led to generally higher retail costs for consumers.

And when the federal government stopped its disaster loan and soil conservation assistance programs without warning—and before scores of farmers had a chance to apply for the aid—many farmers started talking about selling their land for housing developments.

Louis E. Perreault of Richmond, who has potato farms with a total of 437 acres in Richmond and Charlestown and whose 10 per cent crop losses would not have entitled him to a disaster loan, lambasted the government for stopping the soil conservation program.

"If these fellows down in Washington want to keep on eating, they ought to give some encouragement to the people who work the soil," he said. "Some of the actions they take make you wonder whether they care or not or realize the importance of conserving agricultural soil."

The disaster loan program of the Farmers Home Administration became available here after the state was declared a disaster area on Oct. 26 because of heavy seasonal rains and Tropical Storm Agnes. Farmers who could show losses in 1972 of at least 20 per cent of the averages of their crops in 1970 and 1971 were eligible. They could apply for outright grants of up to $5,000 and loans at one per cent interest for amounts higher than that.

Because the federal government set a deadline of June 30 this year for farmers to apply, many of them did not submit their applications for this aid right away. They were shocked when on Dec. 28 it was announced in Washington that the program was being discontinued.

The Farmers Home Administration office in Greenville, a Department of Agriculture agency that has jurisdiction in the entire state, had accepted 11 applications for an estimated $1,375,000 in aid before the program was discontinued. An official in that office said he had expected to rceive 350 applications by the original June 30, 1973, deadline.

The other discontinued program, the Rural Environmental Assistance Program to which Mr. Perreault referred, offered farmers matching money for engaging in any one of 25 separate conservation projects. They included the planting of cover crops, which prevent erosion of soil during fallow periods.

Joseph M. Bouchard, who owns potato farms with a total of 273 acres in Richmond and South Kingstown, qualified for a government disaster aid loan because he suffered 21 per cent crop losses last year over the average for 1970 and 1971. But there was one catch. He, like so many others, had not filed his aid application by Dec. 28, when the program was suddenly discontinued.

Mr. Bouchard had intended to apply for the $5,000 grant and for a $30,000 loan to help pay some of his costs for seed, fertilizer spraying and equipment repair to help him plant this year's crop. (Under the program, the government did not give farmers cash. The farmers presented their bills, and the government directly paid them off.)

The government action has left Mr. Bouchard bitter. "If we don't get the loan, we will cut down our acreage about 40 per cent, because that's all we can afford to plant this year," he declared. "That will mean a shortage of potatoes another year. People are hollering about paying higher prices. If this continues, they will have to pay a lot more for potatoes and potato products."

He is equally embittered by the decision to discontinue the soil conservation program. "If they (the government) don't keep pushing this soil conservation money in, a lot of farmers will be forced to sell their land. If the government doesn't resume this program, the topsoil on unplanted land will be blown right into the woods and into the ponds and rivers. After your topsoil is gone, your crops have less yield per acre, and this means higher prices to consumers. If we can't farm our land and make a reasonable profit that way, we'll be forced to sell it for housing developments."

Mr. Bouchard said farmers are "disgusted with the way the government handled this. They should have given us a few days to get our applications in, instead of leaving us out in the cold."

One farmer who did get his application in on time is John S. Kesson, a prominent Middletown dairy farmer with a milking herd of 60 cows and 30 other calves. The wet season last year cost Mr. Kesson about one-third of his hay and corn crops, which he uses to feed his livestock.

He said last night that he is purchasing—from a supplier north of Syracuse, N.Y.—75 tons of hay, at $75 to $80-a-ton, to feed his cows. In addition, Mr. Kesson said that the corn he did harvest had so much water content and was of such poor quality that he has had to purchase 14 tons of grain supplements—at $60-a-ton—to give his livestock proper nutrients.

Mr. Kesson applied for the $5,000 grant and a loan of $2,500 at one per cent interest.

Even if the aid is approved, he said, "there absolutely won't be any profits this year." His cows produce about 14,700 gallons of milk each year—all of it purchased by H. P. Hood & Sons. Because of the competition, he said he didn't get any more money for the milk, but still had to absorb financial losses that the rainy season inflicted on him.

Mr. Kesson said he believes the disaster loan program "should be opened up again for a short time so that those who were led to believe it would continue until next June 30 can have a chance to file their applications."

One of the state's largest poultry farmers, Joseph Russo of Hopkinton, said he wasn't affected at all by the wet growing season last year. But, he added, "I was affected by the Russian grain sale, which created a shortage of grain here and forced up the price from $75-a-ton three months ago to about $150-a-ton now."

Mr. Russo, whose farm has 50,000 egg-laying chickens, which produce about 30,000 eggs each day, about 100,000 "growing stock"—chickens raised to be eaten—and 6,000 turkeys, said he purchases 60 tons of grain each week throughout the year.

The rising cost of grain, he said, already is reflected in egg prices, which have climbed five to eight cents a dozen during the last three weeks.

DISASTER RELIEF

Mr. BAYH. Mr. President, it is with a great sense of irony that I approach the vote on final passage of this bill to restore Farmers Home Administration emergency loans. I will vote for final passage to insure that at least individuals are eligible for disaster loans of some kind, rather than left out in the cold as farmers have been since the administration terminated this program on December 27, 1972. However, from my perspective as a Senator who has been involved in the problems of disaster relief for almost a decade, and who authored the Disaster Relief Acts of 1966, 1969, and 1970, it seems pretty clear that this bill does not represent a carefully considered solution to an old problem of disaster assist-

ance as much as it represents an extreme reaction to last year's rather precipitous action to help victims of Hurricane Agnes.

Let me make my point more clearly by sketching the history of the disaster relief debate. As a result of the Disaster Relief Act of 1970 which was developed by the Disaster Relief Committee which I chaired, interest rates were set at 2 percent less than the cost to the Federal Government. Today, interest rates would be set at about 4 percent under that provision. Forgiveness of these loans was permitted on amounts up to $2,500, excluding the first $500. I emphasize the exclusion of the first $500 since that provision, designed to prevent unnecessary expenditures, has since been dropped.

Last summer, after the Hurricane Agnes disaster and the publicity surrounding the tragedy, the administration hurriedly asked Congress to pass a new bill providing a $5,000 forgiveness feature without any exclusion for small loans combined with 1-percent interest rate on the loans. At the time of debate, I was no longer chairman of the Disaster Subcommittee of Public Works, so I was forced to rely on the administration's economic analysis of the impact of its proposal on the budget. Therefore, since I support sufficiently generous benefits to the hapless victims of disasters, I supported the proposal. In my view, the important goal was to provide a permanent program which would help all victims equitably and consistently.

But, suddenly in December 1972, the administration, without warning, suspended the funding for the very program which it had asked Congress to expand 5 months earlier. The administration did not cut the program back to its former status, but eliminated the benefits completely, and then called for new legislation repealing the forgiveness features completely, and bouncing the interest rate from 1 percent up to 5 percent. Rather than providing the country with a consistent disaster program, we have presented three very different payment provisions in less than 9 months.

Congress is now faced with the choice of approving legislation to do what the administration wants done—gut the program—or call for higher expenditures which the President has already said he will impound.

The final irony, Mr. President, is that Congress is faced here with a do-or-die decision presented by an administration which has already twice delayed its report to the Congress on the effectiveness of the 1970 Disaster Relief Act. The Disaster Relief Subcommittee, chaired by Senator BURDICK, has begun comprehensive hearings in an effort to improve the 1970 act, but is still waiting for the administration's report which was supposed to be sent up by January 1 of this year.

As a final observation, if Congress decides, as a result of these hearings, to change the formula for disaster benefits again, we will have had four different proposals in less than a year—a far cry from the permanent program envisioned. And if there are any disasters in the next interim months, those hit will truly be victims—victims of both a natural disaster and a logistical fiasco.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that a statement in the form of a letter with reference to this bill by Representative GILMAN of my State be printed in the RECORD at this point.

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

CONGRESS OF THE UNITED STATES,
Washington, D.C., March 26, 1973.

Senator JACOB K. JAVITS,
Russell Building,
Washington, D.C.

DEAR JACK: In light of the problems experienced by the farmers in Orange County (southeastern New York State) and Wayne County (western New York State bordering on Lake Ontario) with respect to obtaining emergency loan assistance, your help in making legislative history on H.R. 1975, amending the Emergency Loan Program, would be greatly appreciated while this measure is still under active consideration in the Senate.

I have developed a few points and observations which I suggest you may wish to include in the Record at an appropriate time in the course of debate when the bill comes before the Senate for deliberation.

1. It is evident that the affected farmers do qualify under the provisions of the Agnes-Rapid City Act (P.L. 92–385) and will receive emergency loans at 1% interest with $5,000 forgiveness. However, the one-year period of time for repayment of operating loans is clearly unrealistic and the stringent security requirements by the Farmers Home Administration virtually ignore the extent of the devastation wrought by Hurricane Agnes.

2. The irony of the situation is highlighted by the fact that while operating loans have been approved for 1973 crops, there is a void in refinancing the outstanding indebtedness as a result of the 1972 crop losses. Creditors and farmers alike ask how this indebtedness will ever be satisfied.

3. The House Agriculture Committee, in its report (No. 93–15) on H.R. 1975, recognized the need to liberalize credit terms under the Emergency Loan Program and I call your attention to the following statement found on page 4 of the report:

"The Committee observes that in many instances in the past, emergency loans were made under terms which eventually became too burdensome to the borrower. There were many occasions where a farmer was given a one-year loan only to discover that there was no possible way he could recover within a one-year period. The Committee intends that loans shall be made for a longer duration to give the farmer every opportunity to recover from his losses. Consideration shall be given by the Farmers Home Administration to this particular point because it is foolish in the long run to make a loan under terms too confining to allow the farmer to continue his operation."

Certainly, with the restoration of the Emergency Loan Program as provided in H.R. 1975, the Secretary of Agriculture should make operating and refinancing loans "at reasonable rates and terms for loans for similar purposes and periods of time" as stated in Section 321(a) of the Consolidated Farm and Rural Development Act. The Secretary must also be encouraged to observe with more empathy the Committee's intent to liberalize credit terms.

4. Under the provisions of H.R. 1975 as approved by the House and by the Senate Committee on Agriculture and Forestry, it is clear that the applicants who qualified for emergency loans pursuant to the Agnes-Rapid City Act (P.L. 92–385) and the Disaster Relief Act (P.L. 91–606) would continue to be eligible for emergency loans to meet their farm operating needs, regardless of the size of the farm, and should be allowed to apply for long-term refinancing assistance.

In this regard, the Secretary is encouraged to reexamine the Department's administratively-determined emergency loan, real estate indebtedness standard for the purpose of setting a more realistic level. In our State, as you know, there are a number of medium-sized family operators who, because of the extremely high capital requirements of "muckland" farming have indebtedness exceeding the existing non-statutory $300,000 limit.

5. I would also call your attention to a gray area which exists with respect to so-called "agribusiness", a coined word of recent vintage used to identify certain agriculture-related businesses such as commodity processing, packaging and shipping. Small Business Administration regulations have extended assistance to agribusiness enterprises under the regular loan program, but the regular loan agribusiness criteria were belatedly held not to apply to disaster loans.

As you know, Orange County farmers held written commitments on approved SBA emergency loans totaling more than $4.5 million which were cancelled just as the 1973 planting season was getting under way.

In a recent letter addressed to me, the Deputy Administrator of the Small Business Administration summarized this particular problem as follows: "In view of FHA's substantial emergency loan authority, and the parallel development of that authority along with SBA's in the recent disaster enactments . . ., the need for extension of SBA's disaster loan assistance into the agricultural area has not been evident, at least until now. SBA will obviously have to re-examine its agribusiness policy in its disaster assistance programs".

This re-examination and reassessment of administratively-determined definitions, regulations, and guidelines should, in conjunction with the Farmers Home Administration, be concluded at an early date to avoid the specter of bureaucratic red tape which leaves the disaster victim floundering between two agencies, both of which claim the responsibility to be that of the other.

Inasmuch as the liberalization of credit terms is clearly within the intent and authority contemplated by the Congress under the bill, it would appear that further amendment of H.R. 1975 is not necessary in this respect. It is sufficient to say that our exposure to the practices of the Farmers Home Administration and its interpretation of the law authorizing emergency loans adequately supports the statement that disaster relief to the medium-sized family-operated farms has been neither timely, adequate, nor with an appreciation of the extent of the Agnes disaster which fully justify the more liberal credit terms that the House Agriculture Committee envisions.

An identical letter has been addressed to Senator James L. Buckley, and Senator Herman E. Talmadge (Chairman, Senate Committee on Agriculture and Forestry) and the Honorable Frank Horton are being apprised of its contents by copy.

Thank you for your cooperation in this effort which relates directly to the past several weeks of difficult negotiations between the SBA and the FHA concerning the administration of the Emergency Loan Program.

With kindest personal regards,

Sincerely,

BENJAMIN A. GILMAN,
Member of Congress.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I would like to state that when this bill is disposed of, the Senate will turn to the consideration of S. 929, a bill to amend the Par Value Modification Act, this afternoon.

The PRESIDING OFFICER (Mr. HELMS). The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. MCGEE), the Senator from California (Mr. TUNNEY), the Senator from Nevada (Mr. CANNON), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that the Senator from North Carolina (Mr. ERVIN) is absent because of death in the family.

I further announce that, if present and voting, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Iowa (Mr. HUGHES), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Colorado (Mr. DOMINICK), the Senator from Wyoming (Mr. HANSEN), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The result was announced—yeas 79, nays 10, as follows:

[No. 69 Leg.]

YEAS—79

Allen	Eastland	McIntyre
Baker	Fong	Metcalf
Bartlett	Fulbright	Mondale
Bayh	Gravel	Montoya
Beall	Griffin	Moss
Bellmon	Gurney	Muskie
Bennett	Hart	Nelson
Bentsen	Hartke	Nunn
Bible	Haskell	Pastore
Biden	Hatfield	Pearson
Brock	Hathaway	Pell
Buckley	Hollings	Proxmire
Burdick	Hruska	Randolph
Byrd, Harry F., Jr.	Huddleston	Ribicoff
	Humphrey	Roth
Byrd, Robert C.	Inouye	Scott, Va.
Case	Jackson	Sparkman
Chiles	Javits	Stafford
Church	Johnston	Stevenson
Clark	Kennedy	Symington
Cook	Long	Talmadge
Cotton	Magnuson	Thurmond
Cranston	Mansfield	Tower
Curtis	Mathias	Weicker
Dole	McClellan	Williams
Domenici	McClure	Young
Eagleton	McGovern	

NAYS—10

Aiken	Packwood	Scott, Pa.
Fannin	Percy	Stevens
Goldwater	Saxbe	
Helms	Schweiker	

NOT VOTING—11

Abourezk	Ervin	Stennis
Brooke	Hansen	Taft
Cannon	Hughes	Tunney
Dominick	McGee	

So the bill (H.R. 1975) was passed.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BELLMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BELLMON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make the necessary technical corrections in H.R. 1975.

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

RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 2107.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance program, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TALMADGE. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TALMADGE, Mr. ALLEN, Mr. HUDDLESTON, Mr. AIKEN, and Mr. YOUNG conferees on the part of the Senate.

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 82, S. 929, that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 929) to amend the Par Value Modification Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

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

Mr. BELLMON. Mr. President, I ask unanimous consent that Mr. Charles Waters and Mr. Rod Solomon, members of my staff and the staff of the Senator from Ohio (Mr. TAFT), be granted full privileges of the floor during consideration of S. 929, the Par Value Modification Act.

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

PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is my understanding that there may be rollcall votes on amendments this afternoon.

When the pending business is disposed of, it is the intention to proceed to the consideration of the various crime bills on the Calendar, beginning with S. 800, the so-called Omnibus Crime Control and Safe Streets Act of 1968, to be followed—not necessarily in this order, but very likely so—by S. 13, S. 15, S. 33, and S. 300.

Following the disposition of those measures, it is anticipated that we might consider the bill in which the distinguished assistant minority leader is interested—I am not confident on this—S. 1021. That will be followed, I believe, by S. 1235, reported by the Committee on Foreign Relations, but we will try to observe the 3-day rule, so that would not be before Monday.

On Tuesday, it is anticipated that we will take up S. 352, the so-called Postcard Voter Registration Act.

Mr. SCOTT of Pennsylvania. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT of Pennsylvania. I would hope that arrangements could be made to vote on the veto message fairly early in the day. I have some requests expressing the hope that we could vote perhaps between 12 and 2, if possible.

Mr. MANSFIELD. Would 2 p.m. be satisfactory?

Mr. SCOTT of Pennsylvania. Yes, 2 p.m. would be satisfactory.

Mr. MANSFIELD. I assure the distinguished Republican leader that I will do my very best to see that the vote occurs at 2 o'clock, but I have to consult with a few Members.

Mr. SCOTT of Pennsylvania. I understand. I thank the distinguished Senator.

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

The Senate continued with the consideration of the bill (S. 929) to amend the Par Value Modification Act.

Mr. SPARKMAN. Mr. President, this bill, S. 929, would effect a 10-percent devaluation of the dollar by amending section 2 of the Par Value Modification Act to authorize and direct the Secretary of the Treasury to take the steps necessary to establish a new par value of the dollar of one dollar to equal 0.828948 Special Drawing Right or, in terms of gold, of one dollar to equal 0.23684 of a fine troy ounce of gold.

The enactment of this bill is required because the pressures on the dollar in the world money markets made it necessary for the President to declare a second devaluation of the dollar. This bill would give congressional sanction to this devaluation.

Congressional consent to this 10-percent reduction in the par value of the dollar is important for the effective implementation of the needed realinement of international currency values. This is the case even though financial transactions are presently being carried on on the basis of the new exchange rate pat-

tern. The United States agreed to make this realinement only after obtaining agreements from other nations regarding the exchange rate of their own currencies; for example the floating of the Japanese yen upward to a rate consistent with the Japanese balance of payment equilibrium, a continued float by the United Kingdom and Canada, and the initiation of a float by Italy.

The administration informed the committee that this decision to devalue the dollar will be the first of three important steps which the administration will take which will have as their purpose the achievement of balance in our trade and payments position. The other two steps described by the administration involve the phasing out of U.S. capital controls by the end of 1974 and the submission to Congress of comprehensive trade legislation to enable the United States to negotiate a reduction in trade barriers. This trade legislation has not been sent to the Congress but is expected shortly.

Some realinement of exchange rates are undoubtedly necessary to reflect the enhanced competitive position of our major trading partners. Devaluation of the dollar is no panacea but the committee believes it will be of some help in reducing our chronic balance-of-payments deficits and in achieving a trade surplus.

The committee believes that the President and the Congress should pursue responsible economic policies for strengthening the long-term competitive position of the United States in the world economy so as to preclude the need for further devaluation. This second devaluation of the dollar in 14 months should be regarded not as a victory but as a signal that more fundamental changes in our domestic and international economic policies are in order. This latest devaluation will only buy us more time. We must use that time wisely by focusing on the improvements needed to strengthen our ability to compete in world markets.

It is understood that an appropriation for a maximum of $2.3 billion will be needed to fulfill U.S. maintenance-of-value obligations in international financial institutions resulting from the change in par value authorized by this bill. Since legislative jurisdiction over the international financial institutions affected fall within the purview of the Senate Committee on Foreign Relations this bill was referred to that committee for consideration. The bill was favorably reported to the Senate by the Foreign Relations Committee on March 21, 1973.

Mr. President, I urge passage of this bill by the Senate.

Mr. President, in connection with the Committee on Banking, Housing and Urban Affairs' consideration of this bill, we heard testimony from Senator PETER DOMINICK on his bill, S. 395, which would permit private American citizens to own gold. We did not include the provisions of S. 395 in this bill. I told Senator DOMINICK in our hearings that I was sympathetic with his proposal and that I felt that additional hearings should be held on this matter. Senator STUART SYMINGTON raised the question of private ownership of gold in the consideration of this bill by the Foreign Relations Committee. I would like to announce at this time that 2 days of hearings will be held on this question on May 1, and 2, 1973, by the Subcommittee on Production and Stabilization of the Committee on Banking, Housing and Urban Affairs.

Mr. President, the Senator from Colorado (Mr. DOMINICK) told me that in view of these hearings he would not offer his amendment to the bill.

Mr. President, I ask unanimous consent that the following staff members be admitted to the Chamber during consideration of the bill: Dudley O'Neal, Mike Burns, Ken McLean, T. J. Oden, Tony Cliff, and Steve Paradise.

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

Mr. TOWER. Mr. President, the events which have brought us to consideration of this measure today are by now well known to most Americans. The United States has undergone a change in its economic position with respect to the rest of the world over the past two decades, which has been partly due to the desirable factor of tremendous improvement in the economic base of other countries and partly due to the undesirable factor of the maintenance of outdated trade and monetary policies by other nations. We welcome and have encouraged the economic growth of other countries, and will continue to do so in the future. But we must also ask that the "surplus" psychology that has characterized many other nations in their trade and monetary policies be altered to reflect new economic realities on the international scene. I believe that we are seeing considerable progress in this area, perhaps due more to the exigencies of dollar sales in money markets than to conscious planning, but at least we are seeing the initiation of steps to cure persistent imbalances in the world's payments system.

The present devaluation bill is in fact only an official recognition of a parity change between currencies that developed as a result of structural problems in the international trade and monetary system. The principal structural problems that caused this devaluation have been trade barriers abroad and the maintenance of artificially low currency values in some other countries under the fixed rate system. With this second devaluation, we have achieved a realinement among currencies that brings them into what we might term "proper" relation to each other, for the time being. But we will need to correct the trade imbalance problem over the next few years in order to make any fixed-rate set of parities remain relatively stable, including the present one.

The economic health of all countries depends on proper resolution of the chronic-surplus/chronic-deficit situation. For the most part now, this is a question of removing trade barriers that were developed to suit the international economic situation in the post-war period, and which are no longer justified on the basis of today's situation. These are both direct barriers such as quotas and tariffs, and many types of indirect barriers such as import licensing, "quality" standards, exchange controls, and the like. The White House has undertaken a tremendous effort to work out the removal of these unjustified barriers, and I support this effort totally.

One other factor that contributed to our trade slippage in the last decade was the problem of rapid inflation in the United States. We have taken strong steps to knock out cost-push inflation in this country and have largely succeeded. We are facing, it is true, commodity shortages of various types which are driving up our wholesale prices, but other areas of the world face these same shortages and we are probably not, on balance, losing ground internationally in our price structure due to these types of price increases.

In summary, then, Mr. President, the devaluation bill before us is simply a recognition of monetary changes that have occurred naturally in the exchange markets, based on certain trade problems that have not been resolved yet. The Senate should pass this bill today to fulfill our international commitments, and should help the administration work in the future toward restructuring the trade rules of the international community to bring about general equilibrium in trade and payments accounts, so that further monetary disruptions do not become necessary.

Mr. President, I am well aware that a number of amendments will be offered to the measure. I would hope that we can adopt this measure of the Senate as a clean bill without any amendments because it is addressed to our international monetary situation. It is a simple bill to reevaluate the dollar by raising the price of gold 10 percent. I hope we can keep this bill clean. This is a necessary ratification of a presidential act that was undertaken to meet an international monetary crisis.

I know that some of the amendments that are going to be proposed to this measure will be very meritorious. Some of them I agree with in substance and I laud the merits of them, but I feel constrained in this particular instance to oppose such amendments. There are several reasons. First, I think this should be a clean bill, dealing with the matter it deals with; second, I believe these other matters should be considered as an independent legislation; and third, I fear delay if we adopt some of the amendments proposed to this measure because it would result in the fact that conceivably a point of order might lie against the measure in the House. For example, a provision to provide a spending ceiling almost certainly would incur the raising of a point of order in the House which would mean we would not be able to sustain that kind of an amendment in conference. I hope we can act with great dispatch and I hope Senators who have

amendments will agree to a time controlled situation.

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized.

Mr. PROXMIRE. Mr. President, I intend to call up an amendment, but before I do I would like to briefly discuss the bill and then I shall yield briefly to the Senator from Virginia who also would like to discuss the bill. Then I shall call up my amendment.

I think we should first note that devaluation of the dollar, the second devaluation of the dollar, was not the victory that some are making it sound like, or an economic master stroke; it was a serious mistake, a blunder. When I say "mistake," it was an attempt to rectify a series of economic policy mistakes by the administration. It reflects the failure of the administration in our domestic and international monetary policy. Instead of applauding the administration, we should recognize what a burden this imposes. As I am going to point out, furthermore, it reflects a very serious mistake in judgment on the part of the administration.

On January 31, 1973, the economic report of the President was made available to the press and to the public. I wish to read one sentence from that report. Subsequent events in 7 or 8 days repudiate the judgment of the President's economic report as few economic policy expressions have been repudiated in recent history.

> One of the most striking changes has been in the attitude of the international economic community toward the American inflation; before August 1971 it was the major concern of foreign observers and investors. By the end of 1972, the American anti-inflation policy had become the marvel of the rest of the world. Largely because of this change the rest of the world is willing to hold increasing amounts of dollars.

Nine days after this statement was issued, foreign investors had dumped more than $7 billion in the German and Japanese foreign exchange markets. So I say it is rare that a statement such as this should be so swiftly contradicted. In fact, not since the "prosperity is just around the corner" statement of Herbert Hoover have we had such a dramatic and conspicuous repudiation.

There are many reasons for this. One was the incredible timing of moving to phase III, a move made at a time of increasing inflationary pressures, when wholesale prices were going through the roof and when we had increasing inflationary pressures in our economy. That was a blunder that will be admitted by every competent investor and investor's adviser in the United States.

In the second place, we had the President proposing to establish an increase in Federal spending, an increase of over $19 billion, a 7.5-percent increase, one of the biggest increases we have had in many years, certainly by far the biggest increase this country had after a war. In fact, after wars we usually reduce spending, especially military spending.

In the third place, this was the result of a failure to control, or at least to get information on, the speculative activity of American multinational corporations. I am going to be able to document in some detail, on the basis of a superb study by the Tariff Commission, the kind of immense power multinational corporations have and how they really dominate the foreign market in U.S. dollars and foreign currencies, and I am going to suggest amendments, both in terms of holding down excessive domestic spending, in the first place, and indicating, in the second place, what multinational corporations have been able to achieve in upsetting the dollar.

In addition to all the foregoing policy errors, the administration contributed the latest attack on the dollar by placing too much reliance upon the last devaluation as a permanent solution for our rising trade deficit. Instead of examining the more fundamental causes for the decline of our trade surplus, the administration has placed excessive reliance upon depreciating our currency. And yet, despite the optimistic predictions made at the time of the Smithsonian agreement, our trade surplus has not improved. In fact, it has worsened.

For example, during the third quarter of 1971 our merchandise trade deficit was approximately $500 million. In the fourth quarter of 1971 it jumped to $1.5 billion. In 1972 the deficit remained nearly constant in each quarter and reached $6.8 billion for the year.

In other words, we devalued the dollar in 1971 and what happened? Our trade deficit did not diminish and disappear. It got worse. It did not help. It hurt.

It is true that there is lots more involved here. For us to fail to recognize that this is not a solution and not act in more fundamental ways of holding down spending and controlling domestic financial policies in more effective ways would be a mistake.

I think we have to recognize that there are victims of this inflation policy. The number one victim is the U.S. consumer. He is hurt because he spends billions of dollars on things he buys that come from abroad, and the cost of virtually everything he pays for is going to go up.

Arthur Burns, Chairman of the Federal Reserve Board, has said that the consumers will have to pay at least $3 billion. He has repeated this as a conservative estimate of the burden placed on the American consumer. This is like a $3 billion sales tax.

In addition to the added cost of imports, the consumer will be hit because competition will be reduced. Competition of foreign imports is very important in the steel industry. It is very important in the automobile industry. It is very important in many other industries. Absent that competition, there will be a strong tendency for the price of domestic products to increase.

Also, to the extent that U.S. imports are diminished by devaluation, there will be fewer goods available for domestic consumption.

The New York Times had a newsstory today entitled "Signs of Shortages Discerned in U.S. Economy. Bottlenecks Hit Material and Personnel." This is the clearest kind of indication of inflationary pressures as a result of fewer goods from abroad competing.

I ask unanimous consent that this New York Times article be printed in the RECORD at this point.

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

[From the New York Times, Mar. 28, 1973]

SIGNS OF SHORTAGES DISCERNED IN U.S. ECONOMY—BOTTLENECKS HIT MATERIAL AND PERSONNEL

(By Leonard Sloane)

The signs of shortages of material and personnel are everywhere in the economy and the voices of those affected are becoming louder.

"To say that there is a shortage of lumber is the understatement of the year. Inventories of softwood lumber are 16 per cent below a year ago and at their lowest levels since World War II."—Dr. John Muench, forest economist of the National Forest Products Association.

"Prices of worsteds are unbelievable. If apparel manufacturers buy worsteds now, they're lucky to get delivery in the third quarter."—Paul Honig, president of the Anglo Fabrics Company.

"The delivery time on large-size capacitors has gone from six weeks to six months and we're scrounging. Wherever you can find them, you pay whatever price is asked."—Max Kupferberg, treasurer of Kepco, Inc.

"There's a problem in filling any skilled machinist job. We expect it to hit a high point at the end of this year."—Edward F. Lannigan, vice president for industrial relations of Reliance Electric Company.

The bottlenecks go beyond those that typically arise when the economy moves to a higher level of output. For today's barriers to full-throttle economic activity in the United States are part of a worldwide shortage of fuels, foodstuffs and other commodities that significantly exceeds the usual problems in an expansionary period.

Among the leading materials in short supply are gasoline, nonferrous metals, textiles, lumber and plastics. And despite the high overall national unemployment rate, vital categories of jobs in the executive, clerical and factory classifications have become more difficult to fill as productive rates increase and plant capacity levels are raised. Finally, there is the prospect of more upward pressure on prices.

"Either you've got to find ways of increasing supplies on some reasonable and economic basis or people begin to bid for the available supply," said Alan K. MacAdams, professor of management economics at Cornell University. "This is the real meaning of inflation."

STATISTICS TELL STORY

Some of the latest statistics that tell the story of the shortages and the efforts to alleviate their impact include:

The Association of American Railroads believes that the carriers are 100,000 cars short of the number needed to transport the nation's goods. There now are some 1.4-million freight cars in use, about 300,000 fewer than 15 years ago, although the average tonnage capacity per car has increased by approximately one-quarter.

American industry operated at 83.5 per cent of capacity last month, up ½ point from a month earlier and 5 points above February, 1972. According to Douglas Greenwald, chief economist of McGraw-Hill, when the utilization rate reaches 85 per cent, there is likely to be an increase in capital spending plans.

The average work week in manufacturing seasonally adjusted, rose to 41 hours in February—almost one hour more than in January. Average weekly overtime increased to 3.9 hours—the highest level since October, 1966.

New orders for machine tools which have been rising steadily for about two years, outpaced shipments last month by a 2-to-1 ratio. Even sales of used machine tools have been high. February sales of second-hand machine tools were the highest for the month since 1958.

HAND-TO-MOUTH BUYING

As the most recent business survey of the National Association pointed out, not only are numerous commodities in short supply, but also "many suppliers are requiring greater lead time and the shortage situation is making hand-to-mouth buying risky in more instances.

For example, United States stocks of gasoline fell to 215-million barrels in the week ended March 16, compared with 240-million barrels a year ago. Inventories of residual oil, used in commercial and industrial establishments, were down too—45.7 million barrels, compared with 49.8 million barrels.

Of the nonferrous metals in tight supply, zinc stands out. The St. Joe Minerals Corporation, in noting the continuing decline in domestic smelting capacity, said until price levels become profitable—the present United States price is 20.25 cents a pound—it could not justify expenditures for new facilities.

Textile shortages are selective, with woolen, denim and corduroy fabrics and worsteds most in demand. Robert L. Leeds Jr., chairman of Manhattan Industries, Inc., said: "Until last year, it was possible to buy piece goods in Japan at prices lower than in the United States, but since the devaluation of the dollar, this is no longer the case. Now it is the other way around. Japanese are buying in the American market."

Both the housing and the furniture industries are suffering from severe shortages of lumber, thereby causing long delays in the delivery of finished products. Even though production and imports of softwood and hardwood lumber are up and prices are advancing, the supply has been inadequate to meet booming demand.

The paper industry similarly is facing strong demand for virtually all its products, with supplies expected to get even tighter. Thus, although all paper machines at the International Paper Company's 18 primary mills in the United States are operating at full production, orders are backed up and many customers are on allotments.

Mr. PROXMIRE. Mr. President, also the New York Times contained an article this morning entitled "U.S. Trade Gap Widens." So it is not getting better. The most recent statistics, today, indicate that the balance of trade has gotten worse. Our imports with respect to our exports have given us a worse picture than we had before. I think we must recognize, as I say, that we simply should not be satisfied with this kind of depreciation of our currency as any kind of fundamental answer.

I do think the most important single step the Congress can take and the Government can take is to restrain excessive Federal spending.

Last year the Federal Government increased the supply of money, the availability of credit, by over 8 percent—a $19 billion increase in the supply of money, the largest increase, by far, in the history of our country in any year, and one of the biggest percentage increases.

I ask unanimous consent that the article entitled "U.S. Trade Gap Widens; Tougher Policy Urged," be printed at this point in the RECORD.

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

U.S. TRADE GAP WIDENS; TOUGHER POLICY URGED

EXPORTS IN FEBRUARY SURPASSED $5 BILLION FOR FIRST TIME

WASHINGTON, March 27.—The United States trade deficit worsened in February after a sharp improvement in January, even though exports in February topped the $5-billion mark in a single month for the first time, the Commerce Department reported today.

The export-import deficit in February was $476.2-million. This was larger than the January deficit of $383.8-million but well under the worst months of 1972, such as November's deficit of $663.6-million.

Exports in February were $5,064,600,000. Imports, at $5,540,800,000, were above the $5-billion mark for the fourth consecutive month with all figures seasonally adjusted.

The figures indicated a continued growth in both United States and world trade despite the recurrent international monetary turmoil.

Paul A. Volcker, Under Secretary of the Treasury for Monetary Affairs, said "there has been a little improvement" in the trend of the trade figures in recent months, but he repeated his view that "it is going to take time to get healthy again," he commented at a news conference.

In Tokyo, Henry Kearns, president of the Export-Import Bank, was quoted by The Associated Press as having predicted that the American trade balance would start showing an export surplus as early as July or August of this year and would continue in surplus indefinitely.

Mr. Kearns, conceding he was alone in the degree of his optimism within the United States Government, said he based his forecast on his bank's statistics for such items as foreign orders placed with United States suppliers.

He also said, the A.P. reported, that purchasing agents he spoke to during his recent trip in the Pacific area had unanimously told him that United States goods, following the two devaluations of the dollar, were now priced competitively.

Mr. Volcker, when asked today about the Kearns statement, said, "Those are Mr. Kearns's figures."

* * * * *

WASHINGTON, March 27.—The Commerce Department said today that foreign affiliates of American companies expect to increase their investment in plant and equipment by 7 per cent this year, with petroleum companies accounting for much of the increase.

The capital outlays abroad should total $16.3-billion in 1973, compared with $15.4-billion in 1972, the department reported. It said petroleum companies expect to increase such investment by $5.8-billion, up 11 per cent from last year in response to "rapidly increasing needs."

Manufacturing affiliates plan to increase spending abroad by about 2 per cent to a total of $7.3-billion in 1973, the department said.

Mining and smelting companies cut spending abroad by $1.3-billion in 1972, and no increase is expected this year.

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CONNALLY BACKS WHITE HOUSE

(By Brendan Jones)

John B. Connally, former Secretary of the Treasury, asserted last night that the United States needed a new hardnosed trade policy "to get an even break in the world marketplace."

Mr. Connally, who proved a tough bargainer in the negotiations that brought the major currency realignments of December, 1971, voiced support for a proposed new system of flexible tariffs and import safeguards.

The proposals, which are expected to be included in the Administration's new trade bill, have been made by both the White House and Chairman Wilbur D. Mills of the House Ways and Means Committee.

Presidential Power

In a speech prepared for delivery at a dinner of the Wharton Graduate Business School Club of New York at the Waldorf-Astoria, Mr. Connally said:

"The President needs freedom to swap cuts in United States tariffs for matching concessions from other nations, and he needs freedom when necessary to raise tariffs and impose quotas.

"There are people in some ivory towers around this country whose feelings are hurt because the old days [of liberal trade policy] are over. But a negotiating process which always negotiated the United States down and other countries up should be buried deep and permanently."

The dinner was held to honor Donald M. Kendall, chairman of PepsiCo, Inc., who received the club's Joseph P. Wharton business-statesman award. The award is named for the pioneer Philadelphia financier and steel man who endowed the Wharton School at the University of Pennsylvania.

Mr. Connally foresaw difficult bargaining ahead on economic and commercial issues with other nations. But he said he was optimistic that "good-faith negotiations" would succeed "provided that there remains a clear understanding that the United States now considers its own needs to be of equal importance with the needs of others."

He recalled that as Treasury Secretary, "I was sometimes accused of chauvinism, of being too tough in negotiations," and added:

"But if I reflected impatience in my talks with nations, it was the expression of an irresistible urge to speed the process of altering a monetary system that has crumbled and a trading system that is essentially inequitable."

Multinational Question

The award to Mr. Kendall was a recognition of his long efforts in developing this country's East-West trade, especially with the Soviet Union. In accepting, he noted that efforts were being made to weaken American multinational corporations at a time when the United States needed to strengthen its world market position.

In a reference to the Burke-Hartke bill which would restrict American corporate investments abroad, Mr. Kendall said that the charge that multinational companies were "exporting American jobs" was ill-founded. He cited a recent Department of Commerce study that showed that such overseas investors had created more American jobs than they had displaced.

Mr. Kendall also denied that multinational corporations had participated in the currency speculations that precipitated two devaluations of the dollar. He said it was "absurd" to believe "that even the largest of the multinationals has massive uncommitted reserves to whisk from country to country at the drop of an exchange rate."

Mr. PROXMIRE. Monetary experts think that this has a great inflationary effect and that the inflationary impact is one that is going down the pike.

Finally, we need to improve our competive posture through structural reforms. We must move far more vigorously and efficiently in enforcing our antitrust laws. We are not acting to eliminate many other elements in our economy which are under the control of the Federal Government.

The procurement policy, for example,

has had an inflationary effect, and we need to establish the kind of efficient and vigorous competition that is necessary if we are going to sell as much abroad as we buy from abroad.

I hope, for all these reasons, the Senate is not going to pass this bill and be a rubberstamp for something merely because the administration has asked for it.

We should not come to the conclusion that just because the administration has devalued the dollar we should follow through and do anything they ask about it. This field is specifically the responsibility of Congress, under article I, section 8, paragraph 5 of the Constitution, where Congress is specifically given the power to coin money and regulate the value thereof—I repeat, regulate the value thereof—determine its value. This is a congressional responsibility.

When President Nixon decided to devalue the dollar, there was no consultation with Congress. There was no recognition of the constitutional right of Congress to determine this. He just went ahead and did it. Under the circumstances, having made mistakes, our Government probably had to act. I am not saying it should not have, and I will support the bill on final passage, but I think we should recognize that we should not just take whatever the President sends down to Congress, and not amend it, and not provide protections which are more far-reaching as fundamental reforms.

When the President previously did the same thing and we adopted it, we were burned. This time we should act to make it effective.

Mr. President, before I call up my amendment, I would like to yield to the Senator from Virginia, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield for a unanimous-consent request?

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

Mr. JAVITS. Mr. President, I ask unanimous consent that George Krumshaar and Ken Guenther may be present on the floor to assist me during the consideration of this bill.

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

Mr. HARRY F. BYRD, JR. Mr. President, I thank the Senator from Wisconsin for yielding to me.

Mr. President, this legislation will solve very little. This legislation does not address itself to the many grave economic problems, financial problems, facing the American people. This legislation merely formalizes what already has occurred.

Namely, there has been a loss in the value of a dollar in the markets of the world. The dollar on its own initiative has become less valuable.

What this legislation does is to formally recognize that fact. It does not get to the heart of the problem in any way, shape, or form.

It is the second devaluation of the dollar in a period of 14 months. Despite the importance of the subject which the Senate is debating today, I find very little interest in Congress in this matter.

Here is what the Under Secretary of the Treasury for Monetary Affairs, Mr. Volcker, said about this bill in testimony before the Senate Finance Committee on March 7, 1973, when I put this question to him:

Mr. BYRD. Now, you said in your dialogue with Senator Hansen, Mr. Volcker, that you found it necessary to take radical action. Would you indicate the radical action to which you referred?

Mr. VOLCKER. Well, we devalued the dollar twice and had a major exchange rate realignment in the last 14 months, twice. I consider that radical action.

On page 26 of the committee hearings, I put this question to him again:

Mr. BYRD. It is in your judgment radical action to devalue the dollar twice in 14 months.

Mr. VOLCKER. It is indeed. And this is nothing I look forward to repeating at all. It is radical action.

Those are not the words of the senior Senator from Virginia. Those are the words of the Under Secretary of the Treasury for Military Affairs.

So, according to the Treasury Department, the Senate today is considering a bill calling for radical action in regard to the American currency. I do not oppose this legislation. I shall vote for it when the roll is called. However, I want to emphasize, and I want the record to show, that in the judgment of the senior Senator from Virginia it does not in any way, shape, or form get to the heart of the financial, monetary problems facing our Nation. It is a costly bill. It is costly to the consumers of the United States.

The Chairman of the Federal Reserve Board, Dr. Arthur Burns, has testified that, as a conservative estimate, the devaluation of the dollar will cost the American consumer $3 billion. That is one cost.

The other cost is noted in the report of the Committee on Foreign Relations. It is noted also in the report of the Committee on Banking, Housing and Urban Affairs. On page 3 of the report of the Committee on Banking, Housing and Urban Affairs, we find this statement:

It is understood that an appropriation for maximum of $2.3 billion will be needed.

The report of the Committee on Foreign Relations is substantially the same.

Mr. President, this is an expensive bill. It will be costly to taxpayers and the consumers of America. It is a bill that has to be passed because the executive branch of the Government has already taken steps formally to devalue the dollar. I know of no logical way the Congress could not go along with that action. But we must do it with our eyes open.

When devaluation was announced by the administration some weeks ago, it was heralded as a great achievement. There is no great achievement in this action. It is a costly endeavor. It is costly to the consumers, and it is costly to the taxpayers. It is brought about by runaway spending by the Federal Government, which has resulted in a lack of confidence in the American dollar. Until we restore that confidence, we will find ourselves called upon for additional devaluation. That, in turn, will mean a greater cost to the consumers and the taxpayers.

So there are all sorts of ways that this legislation and the action of devaluing the dollar will affect the American people and the American servicemen overseas.

I say again, in concluding my remarks, that the bill solves none of the Nation's problems. Devaluation is not a solution. Devaluing the dollar will cost the consumers, according to the estimation of the Federal Reserve Board, at least $3 billion. It will cost the taxpayers, according to the committee reports, at least $2 billion.

We must get to the heart of the problem. We must put a ceiling on Government spending and get away from the smashing Federal deficits.

These inflation creating deficits are eating into the pay checks of every workingman and the grocery money of every housewife.

Mr. PROXMIRE. Mr. President, before I proceed with my amendment, the Senator from New York (Mr. JAVITS), who is always generous to me, has asked me to yield to him for 5 minutes. If I may do so, I, of course, yield to him for 5 minutes.

Mr. JAVITS. Mr. President, I requested the courtesy of the Senator from Wisconsin yielding because my observations go to the bill.

First, Mr. President, I asked the Treasury Department, in connection with this measure, which was also considered by the Committee on Foreign Relations, of which I am a member, whether the United States has undertaken any international commitment to maintain the existing exchange rate structure. Their answer was "No." I ask unanimous consent that an appropriate excerpt from the letter of Paul Volcker to me, dated March 20, 1973, be printed in the RECORD at this point.

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

THE UNDER SECRETARY OF THE TREASURY FOR MONETARY AFFAIRS,
Washington, D.C., March 20, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: The United States has undertaken no international commitment to maintain the existing exchange rate structure. Conversely, we have taken no commitment, either conditioned or unconditioned, to devalue the dollar further. The President said in a news conference on March 2, 1973 that "there will not be another devaluation." This is the position of the United States and we have no commitments in conflict with this position.

What I have just stated is in no way inconsistent with the discussions we have had in Europe over the past two weeks on cooperative methods of assuring orderly conditions in foreign exchange markets. These discussions were undertaken in the context of our strong conviction that the exchange rate adjustments agreed to in December 1971 and in February 1973 are realistic and broadly reasonable. To the end of contributing to order and stability in markets, we agreed with our major trading partners that in principle official intervention in exchange markets may be useful at appropriate times to facilitate the maintenance of orderly condi-

tions. Each country stated it will be prepared to intervene, at its own initiative in its own market, when necessary and desirable and in a flexible manner.

I hope this answers your questions and that you can give your full support to S. 929.

Sincerely yours,

PAUL A. VOLCKER.

Mr. JAVITS. Mr. President, I do not include the entire letter because the first paragraph relates to an executive session of the Committee on Foreign Relations.

Mr. President, the Senator from Virginia is correct. This is no solution, and it is expensive. However, it is essential, because of our expenditure level exceeding what the world is willing to accept by way of an outpouring of dollars, which many of the countries feel they are required to take because of the status of the dollar as a reserve currency. Therefore they would feel the devastating effect of material depreciations of the dollar unless there be some agreed rate of devaluation. That is the nubbin of the matter.

There is some $800 billion of float in the dollar, or overhang, which needs to be funded in order for the United States not to have more current liabilities than current assets. We are solvent, Mr. President, but we have to depend upon the enormous assets of this country as they are amassed on a more capital basis than the liquid liability of outstanding dollars.

What has not been noted in the very fine statement of Senator BYRD is that what hurts us also is that for years we did not stand up to the cost of the Vietnam war. We spent and spent and spent, and we did not tax and tax and tax. That was a deliberate political decision, because we did not want our people to take the brunt of the Vietnam war or to realize what it was costing. We are surely paying dearly for that action but we are paying for that reason.

Another reason, and one of critical importance to the country, which is even superior to the reason I have just mentioned is the fact that our economy is not as vigorous, not as intelligent, not as productive, and not as inventive as it formerly was. Perhaps it was not possible to maintain absolute supremacy, but it certainly is not impossible to maintain more of it than we have. We are still a very rich Nation, and we still represent 30 percent of the world's gross product with only 6 percent of its people. That is a ratio of 5 to 1. Those are the current figures. That is our position now, but we are not doing as well as we did only two decades ago, when we had half the world's gross product.

Maybe that is a good thing. You cannot be quite so rich on such a poor street; and many of the people of the world are very, very poor. So I do not say, necessarily, that that is a bad thing for our Nation, but it is a bad trend, Mr. President. The erosion is a bad trend, just as the Senator from Wisconsin (Mr. PROXMIRE) points out. Surely, we have been bested in competition in many items in which we were heretofore paramount, but we are supposed to be smart enough, quick enough, and able enough to find lots of other items in which we cannot be bested, like jet passenger planes, where we are still top dog, and other sophisticated forms of hardware, as they are called.

So this imbalance in our international trade also represents a measure of our inadequacy, the fact that we have not kept up, that the American worker is not as productive as he used to be, that the American inventor is not as ingenious, and that the American engineer is not as smart, or that they are not putting out enough. This is a tremendous challenge, Mr. President, for our country, and there is no use in begging the question as to what has caused the erosion of our position.

One last point: The devaluation of money can only hold us level. We will not get ahead on that basis. You cannot get ahead on monkeying around with money. You can only get ahead by actually showing your ability in goods and services.

We have great opportunities for investment in the world. These multi-national corporations, which need to be regulated, can be a blessing in a disaster, because they are producing the foreign exchange in earnings and interest which compensate for our trade deficits. But in order to do what we have to do, we have to get level. We cannot lose any advantage which results from the exchanges of money, from somebody else's money being undervalued and ours overvalued. These are strictly corrections, and nothing else. If the American people will understand that, Mr. President, then we will have a clearer sight at our problem, and we will realize that fundamentally and basically it is the productivity and the ingenuity of the American economy that need to be bucked up, and especially the morale of the American worker and the American technician.

I thank the Senator for yielding.

Mr. BUCKLEY. Mr. President, the entire international monetary system today is undergoing its most significant change since the present set of international monetary arrangements were established at the Bretton Woods, N.H., Conference of 1944.

The system which Bretton Woods established, known as the gold-exchange standard, is what I would describe as a "fair weather" monetary agreement. It was based on the belief that a stable international monetary framework for the postwar growth of international trade could be fashioned out of a government supported price for gold to maintain a worldwide system of fixed exchange rates. This agreement would prosper so long as there was economic "fair weather." The storms which resulted from a 25-year accumulation of pressures built up through the emergence of Europe and Japan as major economic powers were more than the Bretton Woods system would support. This body ratified the first devaluation of August 1971, and is now called upon to ratify the second devaluation in 14 months.

The need for a devaluation of the dollar has merely ratified what was already and accomplished fact in the market place. It recognizes the fact that equilibrium in our international balance of payments could not be maintained at the existing exchange rate. I am highly pessimistic, however, as to the likelihood that any exchange rate for the dollar established by governmental fiat can be sustained in the marketplace because of the inevitable changes in the economic circumstances between us and our major trading partners. As a consequence, I would strongly urge that the dollar be allowed to float permanently so that the political and economic trauma that the free world has had to endure each time the international value of the dollar has had to be altered can be avoided in the future.

Whatever the nature of a reform of the international monetary system, a return to anything resembling the Bretton Woods gold exchange system is most unlikely because of its spectacular failure in recent years. As a consequence, the Congress now has an opportunity to eliminate from the statute books, an anomaly of 40 years' duration, the prohibition against the private ownership of gold.

The statutory prohibition against the private ownership of gold no longer retains a shred of justification as gold is no longer a vehicle for international monetary settlements; gold having been replaced by other financial instruments in the past few years. Even if the world's major trading nations agree to return to a fixed exchange rate international monetary system, instruments other than gold, such Special Drawing Rights or some equivalent, will be employed. Therefore, whether we operate on a fixed or flexible exchange rate system or some intermediate alternative, the U.S. monetary gold stock is no longer in need of the protection afforded by the prohibition of the private ownership of gold by U.S. citizens.

The time is appropriate to reform as much of the international monetary mechanism as can prudently be done. The devaluation of the dollar to a level more likely to be sustainable, at least for the near future, is unquestionably necessary in order to match the law with reality, it should not, however, be confused with basic reform. It is equally appropriate that we cleanse from the statute books such laws as the statutory prohibition against the private ownership of gold which no longer serves a useful function.

We have, in short, no alternative but to enact this bill—but we need to do much more if we are to achieve true monetary reform.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

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

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

The Senate continued with the consideration of the bill (S. 929) to amend the Par Value Modification Act.

AMENDMENT NO. 20

Mr. PROXMIRE. Mr. President, on behalf of myself, the Senator from

South Carolina (Mr. HOLLINGS), the Senator from Illinois (Mr. STEVENSON), the Senator from Virginia (Mr. HARRY F. BYRD, JR.) the Senator from North Carolina (Mr. ERVIN), the Senator from Alabama (Mr. ALLEN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mr. CHILES), the Senator from Nevada (Mr. CANNON), the Senator from Iowa (Mr. HUGHES), and the Senator from Colorado (Mr. HASKELL), I call up my amendment No. 20, which would establish a ceiling on fiscal year 1974 spending at $265 billion, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place insert the following new section:

SEC.—. Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government shall not exceed $265,000,000,000.

Mr. PROXMIRE. Mr. President, this is an amount which is almost $4 billion below the level which President Nixon has established for outlays for spending in his new budget.

WHY OFFERED ON THIS BILL

The devaluation bill, which is the bill before us, is an appropriate vehicle for a ceiling amendment. In fact, it is an excellent vehicle for the amendment.

First of all, we need a spending ceiling. We need it this year. We need it as soon as we can get it. I shall discuss the merits of my $265 billion ceiling, but first of all, we need a ceiling. We need it now, for fiscal year 1974, and not for 1975.

Second, if a ceiling amendment is to have any significance or meaning as a guide to action, it must be debated and passed early in the calendar year. It should be on the books long before June 30th, the start of the new fiscal year. The devaluation bill is before us and action on the amendment now makes it possible to establish a ceiling before the new year starts.

In the past, opponents of ceiling amendments have tried to have it both ways. If we offer an amendment early, they cry out that it is too early. We should wait until the new fiscal year, they say.

But if we wait until the new fiscal year, they say it is too late. They say that it will take the executive agencies several weeks to get their cuts lined up and several more weeks to put them into effect. Therefore, they argue, the executive really has to put a 12 month reduction into effect over a 9 or 10 month period. And they may be right about that.

For that reason, I think we should act on it and act on it now if it is going to give the executive branch time to limit their spending to the spending ceiling.

Third, the Joint Committee on the Budget has made some tentative and preliminary proposals concerning a congressional ceiling and the need for congressional institutions and procedures to support it. So have a number of individual members of the House and Senate.

But all of these programs look to next year. They would merely set up the machinery by which a congressional ceiling could be established. But it would not be until fiscal year 1975—or a year from now—before a specific proposal to set a specific ceiling on a specific budget would be before us.

The crisis, however, is now. I think we should act now. Further, in his economic message, the President urged us to establish a ceiling on the budget this year.

On page 75 of the Economic Report, the Council of Economic Advisers said the following, on behalf of the President:

That is why the President has urged the Congress to establish a rigid ceiling on fiscal year 1974 expenditures before it passes any other spending legislation this year.

Now, obviously, if we are going to act before we pass on spending legislation, we had better act now because most of the appropriation bills in the House are already up for action. We have been holding hearings on appropriation bills in the Senate, and some are nearing action. For the guidance of all of us when we mark them up, we should know what kind of ceiling we have. So the time has come, and we should act, and act now.

Finally, the devaluation bill specifically is an appropriate bill or instrument for a ceiling amendment.

Devaluation, as the distinguished Senator from Virginia (Mr. HARRY F. BYRD, Jr.) and I have pointed out, is the result of inflation at home. And that inflation is related to the Federal budget.

Devaluation makes sense only in the context of a tough anti-inflationary policy here at home. Therefore this bill is a proper instrument on which to vote a domestic spending ceiling. There are other bills, of course, but they may well come before us far too late.

WHY WE NEED A SPENDING CEILING

We need a spending ceiling, first and foremost, because President Nixon's budget is a very, very high budget.

Many people do not realize this.

In fact, I would say the generality of the public and perhaps even some Members of Congress, do not appreciate how high the budget is. This is a $268.7 billion budget. That is a 7½ percent, $19 billion increase in 1 year and $22 billion more or 9 percent more than the $246.3 billion President Nixon originally proposed for fiscal year 1973.

This is the first time in my knowledge, ever, in history, that both military spending and overall spending has gone up in the year following the end of a war.

In my view, both should be held down.

A lot of nonsense has been talked about this new budget and how tight it is. The opposite is true. The military budget is $4 billion higher than last year. The budget for HUD, believe it or not, is $1.4 billion more than last year, and that is an increase of about 30 percent.

The HEW budget is $4 billion higher than last year.

There is a big increase in social security. Spending for natural resources and environment is up. Interest costs are higher. What is termed "international affairs and finance" or that amount of foreign aid which is listed under foreign aid in the budget, is up by about a half billion.

So that this is no tight budget. This is a bigger budget increase over last year. It is $85 billion more than President Johnson's highest budget. And they called President Johnson the "big spender."

For all these reasons, the budget total, the overall budget, is too high. We need a ceiling of $265 billion, because the $268.7 billion spending in the new budget is too high.

The $265 billion ceiling is what I am proposing here, which still means a 6-percent increase over last year. In my view, that is enough. That is the reason I chose $265 billion as the ceiling amendment.

TWO ELEMENTS TO AMENDMENT

My amendment contains, or will shortly contain, two elements. The first and foremost point is that it establishes a ceiling on "outlays" or "spending" for fiscal year 1974 at $265 billion.

The second element is that it will provide an anti-impounding provision that limits the President in his ability to impound funds provided we stay below his budget levels. Shortly I will accept the amendment of the Senator from Texas (Mr. BENTSEN) as a modification of my amendment in order to provide an anti-impounding procedure.

Mr. BENTSEN. Mr. President, will the distinguished Senator from Wisconsin yield at that point temporarily?

Mr. PROXMIRE. I am happy to yield to the Senator from Texas.

Mr. BENTSEN. Mr. President, I am a cosponsor of the amendment by the distinguished Senator from Wisconsin and I think it shows congressional responsibility in this situation and the desire on the part of Congress duly to exercise some control over spending and to do something about inflation. In the words of the President, to get together.

Mr. President, I believe the Congress is well aware of the need to reduce spending and deflate the size of the Federal budget deficit. Ever since the Senate considered an expenditure ceiling during October of last year, thousands of words have been expended on the need to control Federal spending in a regulated, coordinated way—but we continue spending in a piecemeal fashion with scant regard for what the total will be. The Congress has cut the President's budget requests every year, but has added programs of its own and spending is still outrunning income. There is blame enough to go around for both the President and Congress for past excessive spending.

But now facing us, Mr. President, are indications that inflation is gaining a new momentum, driving prices even higher and the value of our American incomes lower.

Inflation is really the cruelest tax of all because it most affects those of fixed and low incomes. The distinguished Senator from Wisconsin and I are members of the Joint Economic Committee which has recently completed hearings on the state of the economy. The testimony we heard was not encouraging, to say the least.

In the last 7 months the Consumer Price Index has risen at an annual rate of over 4 percent.

We are advised by the administration that some of these are short-run increases. However, the best measure of future inflationary pressures, the wholesale industrial price index, has increased at a rate of 4.1 percent in the last 12 months and at an annual rate of 5.9 percent in the last 3 months. If you annualize last month's increase in wholesale industrial prices, it is 12 percent.

This Nation is in for some serious inflation problems by year's end unless we act now.

There is a growing concern that phase III will not do the job, in the absence of a more effective control program, there are two things we can do to reduce inflation. We can reduce the supply of money with tighter monetary policies or we can reduce Federal spending. In 1969 and 1970 the administration tried to use tight money as its chief inflation fighting tool. It did not work. It produced high interest rates on homes which many of our people will be paying for 30 years. It caused our economy to stagnate and produced 6 percent unemployment. But it did not bring a reduction in the inflation rate. Our only course must be to reduce Federal spending.

For this reason I am lending my full support to this amendment setting a ceiling $4 billion lower than proposed by the President.

I think it is high time the Congress moves toward carrying out some reductions in Federal spending that will be necessary to stave off the inflation that seems to be reemerging as the major problem facing our economy. Some hard decisions are going to have to be made by Members of the Congress to reduce spending and it will mean deferring some important projects and programs. But it seems to me that the alternatives to these cutbacks, painful though they may be, seem far more harmful to our Nation's future.

What I am concerned about in this particular piece of legislation as now drafted, is that it might be misinterpreted by the President, that he might decide this gives him a blank check or would be an unlimited assumption of authority to impound funds under the antideficiency act which is now before the courts, and additional legislation which is being drafted in great detail by the distinguished Senator from North Carolina (Mr. ERVIN).

For this reason, Mr. President, I now call up my Amendment No. 51, which is a technical amendment and which I have discussed with the distinguished Senator from Wisconsin (Mr. PROXMIRE) and which I intend as a modification to his amendment and ask that it be stated.

Mr. PROXMIRE. Mr. President, I am happy to yield to the Senator for that purpose. I understand that his amendment is a modification of my amendment.

The PRESIDING OFFICER (Mr. HELMS). The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 1, line 1, immediately before "Expenditures," insert the subsection designation "(a)".

On page 1, after line 3, add the following:

"(b)(1) Notwithstanding the provisions of any other law, the President shall reserve from expenditure and net lending, from appropriations or other obligational authority heretofore or hereafter made available, such amounts as may be necessary to effectuate the provisions of this section. In no event, however, shall such reservations be made until there is sufficient information available to indicate clearly that the figure referred to in subsection (a) of this section is going to be exceeded.

"(2) In carrying out the provisions of paragraph (1) of this subsection, the President shall reserve amounts proportionately from appropriations or other obligational authority available for all programs and activities except for expenditures and net lending for—

"(A) interest;

"(B) veterans' benefits and services;

"(C) payments from social insurance trust funds;

"(D) public assistance maintenance grants;

"(E) medicaid;

"(F) social services grants under title IV of the Social Security Act;

"(G) food stamps;

"(H) military retirement pay; and

"(I) judicial salaries.

"(3) In carrying out the provisions of paragraphs (1) and (2) of this subsection, no amount specified by the Congress in any appropriations or other obligational authority for fiscal 1971 and no amount of unobligated balances in any appropriations or other obligational authority specified for obligation in fiscal year 1974 in the President's budget for fiscal year 1974, may be reduced by more than 10 per centum.

"(c) In the administration of any program as to which—

"(1) the amount of expenditures is limited pursuant to subsection (a) of this section; and

"(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution; the amount available for obligation (as determined by the President) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

"(d) In carrying out the provisions of subsections (a) and (b), should the President find it necessary or desirable to exceed the 10 per centum limitation provided in paragraph (3) of subsection (b), he shall notify Congress of those programs and activities for which he believes it desirable to reduce funds in excess of such 10 per centum, and the amounts of such excess reductions. Any such excess reduction shall be effective upon the day the President so notifies the Congress, except that if during the first period of sixty calendar days of continuous session of Congress after the date on which such notice is transmitted to it, Congress agrees to a Concurrent Resolution stating that it does not favor that excess reduction, such excess reduction shall thereafter no longer be effective.

For the purpose of this subsection, (1) continuity of session is broken only by an adjournment of Congress sine die, and (2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

"(e) If the committee to which a resolution with respect to a proposed excess reduction has been referred has not reported it at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of any other resolution with respect to the proposed excess reduction which has been referred to the committee.

"(1) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed excess reduction), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same proposed excess reduction.

"(f) When the committee has reported, or has been discharged from further consideration of a resolution with respect to a proposed excess reduction, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(1) Debate on the resolution shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(g) Motions to postpone, made with respect to the discharge from committee, of the consideration of, a resolution with respect to a proposed excess reduction, and motions to proceed to the consideration of other business, shall be decided without debate.

"(1) Appeals from the decisions of the Chair relating to the application of the rules of the Senate of the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a proposed excess reduction shall be decided without debate."

Mr. BENTSEN. Mr. President, I have sent to the desk certain changes in amendment No. 51 of a technical nature.

The first of which clarifies that we are applying the 10-percent limitation to congressionally approved figures of obligational authority for fiscal year 1974.

The second includes within the 10-percent limitation any amount of unobligated balances from prior years which is specified for obligation in fiscal year 1974 by the President's budget. This will insure that if the Appropriations Committee relies on these past obligational authorities in making appropriations for fiscal year 1974 that authority will be included in the 10-percent limitation.

The third change is to make reserva-

tions in excess of 10 percent effective on the day the President gives notice to the Congress.

If during the next 60 days the Congress acts to disapprove the reduction then the reservation will cease, and the President must propose another one. This is a practical change to insure that the President does not propose a cut with which we agree only to find the agency as already spent the funds some time during the 60 days. I am concerned about preserving congressional priorities but I also want to see us stay within this ceiling.

Mr. PROXMIRE. Mr. President, I am happy to modify my amendment in accordance with that of the Senator from Texas.

The PRESIDING OFFICER. The amendment is so modified.

Mr. EAGLETON. Mr. President, will the Senator from Wisconsin yield to me for the purpose of asking a question?

Mr. PROXMIRE. I am happy to yield.

Mr. EAGLETON. Will the Senator yield to me later, so that I can offer a substitute to the Proxmire amendment as modified by the Bentsen amendment?

Mr. PROXMIRE. Yes indeed. As soon as I finish my presentation, the Senator will get the floor to offer his amendent.

Mr. EAGLETON. Fine. I thank the Senator.

Mr. BENTSEN. In the absence of some language as to how this ceiling is to be implemented, I believe the President will claim he is being given a blank check.

Mr. President, my amendment is similar to the amendment offered last year by the distinguished Senator from Idaho (Mr. JORDAN). That amendment passed the Senate by a vote of 46 to 28.

This amendment, like the Jordan amendment, would require that any reductions necessary to implement the ceiling be made proportionately and across the board. For example, if it was felt that putting a 7-percent limitation on expenditures was necessary to achieve the $265 billion limitation, that would be applied to each and every program, and each and every program that had a dollar sign by it and an item in the budget under contractual authority.

It exempts the same list of uncontrollable items. And like the version which passed the Senate last year, it provides that spending authority could not be reduced by more than 10 percent in any activity, program or item that has a dollar amount in an appropriation bill.

Some concern was expressed last year that given the list of exemptions and congressional authority already granted, 10 percent reductions would not be enough, that we would not achieve the $265 billion by that route. So we provided for that by saying that the President would have authority to go beyond 10 percent if it was necessary to get to the $265 billion but if he did that, Congress would have the right by concurrent resolution to deny that excess reduction within 60 days. It should be a high priority item and a resolution that the committee could be discharged from its responsibility if it had not given early consideration to that matter. I am concerned about giving that additional amount of flexibility to the President. But it will be necessary in order to assure that we achieve the $265 billion limitation.

The question has been asked: What would happen if Congress continued to turn down during that 60-day period the reductions in excess of 10 percent? I do not believe that is a realistic situation because Congress would be responsible in that regard. He would have to come back with additional reductions if those specific numbers were turned down, but we would finally achieve a compromise that would be equitable and accomplish the job.

I hope that, if we enact this $265 billion expenditure ceiling early in the year, the 1974 spending authority would not cause outlays to exceed that figure. However, in order to provide some flexibility I have included a provision that should the President find it is necessary or desirable to reduce any program by more than 10 percent in implementing this ceiling, he must notify Congress of such a reduction and Congress could veto that action within 60 days. Provision is also made to expedite both committee and floor action on such a measure.

Mr. President, I wish I did not feel it necessary to give the President even this much flexibility, but the Congress has not yet provided itself with the facilities to coordinate its spending actions so that we can exercise the control necessary to hit a target figure even for obligation authority, much less for the actual outlays. There is no committee or organization within the Congress that can translate spending authority into actual outlays for any given year. We must depend upon the agencies in the executive branch and the computers at the Office of Management and Budget to tell us what outlays result from the authority we grant.

And, Mr. President, we wonder why we have lost control over Federal spending. If we are to regain that control, we must give ourselves the personnel, the organization, and the machinery to make informed decisions on both authority and outlays. But that is not going to happen in time for fiscal 1974.

Mr. President, this amendment does not solve all of the Congress budget problems. Nor does it attempt to deal with the propriety or lack of propriety of Presidential impoundments under the Anti-Deficiency Act. The Joint Study Committee on the Budget and the Government Operations Committee are seeking to deal with those questions in other legislation and they are the proper ones to accomplish that. We should wait to have that before going ahead on the impoundment provision. And whatever action we take here, the impoundment issue will ultimately be settled in the courts.

But this amendment is necessary to prevent the expenditure ceiling from being used as a means of voiding congressional spending priorities; without this amendment, it surely would be voiding it. It will put the President on notice that the Congress is through writing blank checks—that we are tired of filling up the well for him to pour.

Thus, I urge acceptance of this modification to the amendment of the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I want to thank the Senator from Texas very much. In my view, his modification to my amendment will contribute greatly to the merits of my amendment. It is clear that any amendment, as has been pointed out, would mean that we have not crossed the very vital bridge of other priorities. Once we have set the ceiling, once we have established the fact that Congress is going to be fiscally responsible, then it seems to me the priorities established by Congress in our appropriation measures should be followed.

CEILING REMOVES IMPOUNDING ARGUMENTS

In my view, if Congress establishes a ceiling and sticks by it, that removes any genuine argument the President has for impounding funds.

If Congress establishes a fiscally responsible ceiling, then Congress, in my view, has the right to determine spending priorities, and the President then has both the duty and the responsibility to carry them out faithfully.

Members of the Senate may differ over what our priorities should be. We can work that out over the term of this session. But if we establish a ceiling and stick with it, then whatever priorities we work out, through the cut and thrust of our debate, the bills we pass, and the programs we push forward or cancel, should prevail. That is why my $265 billion ceiling also will have an anti-impounding provision, to make certain that once we establish a ceiling at or below the President's proposed spending, our priorities will prevail.

PRESIDENT LOSES IMPOUNDING ARGUMENT

In the absence of a spending ceiling, the President's right to impound funds on grounds of fiscal responsibility—that there is a raging inflation at home and the devaluation of the dollar abroad—is in my view undeniable. If he acts to save the economy and to save the dollar, any Congress which tries to spend more than we should is going to lose the argument. The President is bound to win, and he should win.

But if we establish a ceiling, then the President is no longer justified in freezing funds which Congress has authorized, merely on the ground that he does not like the programs.

This is not to say that many programs cannot be improved. Of course they can. They should be improved, and that goes for programs we like as well as programs we do not like. One can find waste not only in the military budget but also in education and health and housing and in the space budget and, in fact, everywhere anyone really takes the time and effort to look.

None of us objects to improving programs. Most of us object to killing them off or impounding the funds provided we act responsibly on an overall basis.

If we establish a spending ceiling, then I believe the President has no leg to stand on with respect to impounding funds for fiscal reasons. If he does not like a program, provided we are below this budget, it would be incumbent for him to come to Congress and to ask for

a change in the law or a rescission of the funds, before he cut those programs or impounded the funds.

All of us know that there are any number of specific programs in which constructive changes could be made both to save money and to make them more efficient and effective. But legislative proposals should be made and authority sought before they are killed by administrative action.

We should insist on that. We must assert the traditional rights of Congress to legislate and to control the purse strings.

BELIEVE PRESIDENT WOULD BE RESPONSIBLE

If we establish a ceiling at or below the President's budget level, I believe that the President will be politically responsible and end the arbitrary impounding of funds. But until a ceiling is established and the budget is under control, the President has Congress over a barrel, and we in Congress ought to be intelligent enough to recognize it.

If Congress is going to go to the mat with the President over priorities and the impounding of funds, we must first set our own house in order and limit spending.

Then our views and our priorities make sense. Without a ceiling, the President is bound to win the budget struggle.

DIFFERENCE BETWEEN OUTLAYS AND APPROPRIATIONS

One of the things that has caused so much disagreement over the issue of a spending ceiling is the difference between an "outlay" or "spending," on the one hand, and an "appropriation" or "new obligational authority," on the other.

The President's spending proposals and our proposal for a ceiling both have to do with "outlays" or "spending" in fiscal year 1974.

The $268.7 billion in spending in the President's budget comes from a variety of sources. Only about half of it is appropriated this year by Congress. A big chunk of it comes from past appropriations. We already have a backlog of $299 billion in past appropriations and spending authority. Some $42.4 billion of the $299 billion is included in the "outlays" the President proposes in fiscal year 1974.

Additional funds come from the social security and highway trust funds.

So what is spent in fiscal year 1974 and what is appropriated in fiscal year 1974 are two entirely different things.

In fact, they are so badly related that it takes a $3 cut in appropriations to effect a $1 cut in "outlays" or "spending" this year. That is the rule of thumb.

The $268.7 billion "outlay" budget of the President is made up of funds appropriated in the past, from trust funds over which Congress has little immediate control, for interest on the debt which varies with economic conditions, and for required payments under contracts such as the Commodity Credit Corporation, where the bills are paid first and the agency submits the amount to Congress as an accomplished fact.

That is the problem we face, and that is why the only way Congress can gain control of the purse strings this year is to vote a spending ceiling on the President's right to spend.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield to the Senator from New York.

Mr. JAVITS. I would like the Senator to know that these questions are friendly, not unfriendly. They are intended to elucidate the situation. The reason for my asking them is that I serve on the Government Operations Committee and, and other members of that committee, as the Senator knows, Senator ERVIN including myself, have been trying to fashion some generic bill to deal with the constitutional issue of impoundment, upon which we and others on the committee feel very strongly. So I just give the Senator the framework within which I am asking these questions.

Mr. PROXMIRE. I ask the Senator from Texas (Mr. BENTSEN) if he would take part in this colloquy, to the extent that he would like to, because the Senator from New York is going to address some questions on the impounding provisions which have just been incorporated into the amendment.

Mr. JAVITS. I note that the amendment of the Senator from Wisconsin cuts the spending figure to $265 billion. I note, also, that his press release, which I have read very carefully, says that he actually considered the administration's $268.7 billion figure and that he and his colleagues felt that it should nonetheless be cut to $265 billion. He gives no reasons except that it is just a cut.

The question I ask the Senator is this: Would we not be better advised to leave the level at $268.7 billion, in view of the fact that we, ourselves, have not yet set up the necessary machinery to determine what should be a proper ceiling, and that the President's appraisal is the best we have at this time. If we tried to use $265 billion, we would be guessing and would be reaching for a figure simply to cut his, without necessarily being able to make a case for it. However, knowing Senator PROXMIRE as well as I do and respecting him as much as I do, is there a case prepared for the cut? Why is it necessary to reduce the President's ceiling by $3.7 billion?

I should like to point out to the Senator that, where the shoe pinches, in housing, in health, in manpower training, in poverty, and so forth, the individual amounts involved are not very great, not when you lay that beside $79 billion for defense or other big items in the budget.

So the $3.7 billion reduction is really an important item when it comes to the things which many of us feel have been neglected in terms of priorities. The $3.7 billion, while only 1.5 percent of the total ceiling is important because that will figure in the question of allocating priorities.

Mr. PROXMIRE. I say, first, to the Senator from New York that the Senator from Missouri, it is my understanding, will offer an amendment to raise the level to the $268 billion. I do not know if it is $268.7.

Of course, the crux of the discussion on the Eagleton amendment will be whether or not we should stick close to what the President has proposed or whether we should go as far down as I have.

I have a whole series of reasons for taking the $265 billion figure. The Senator should know that some 6 weeks ago I developed, with the help of the staff of the Joint Economic Committee and my own staff, a counter budget; that we went through every major item and determined the level of spending we thought could be justified.

On the basis of that counterjudgment we determined that $265 billion would provide what I think is a generous budget and would be effected—here are many ways to do it—by keeping military spending at the current level rather than raising it by $4 billion, by $1 billion below what the President requested in foreign aid, and by one or two other relatively modest reductions, and then restoring all of the reductions the President made in the welfare programs. That is one scenario. You would not have to accept those to adopt my position.

I understand the President arrived at his $268.7 billion by calculating what a full employment balanced budget was and by starting with that. He did not start with what we need in the various programs.

I think because inflation is so serious we can argue that a full employment balance is not adequate to restrain an economy in which the No. 1 problem is inflation. No. 2, during the last 6 months of calendar year 1973, if we go ahead with the President's budget of $268.7 billion, the full employment deficit will be $3.7 billion. In other words what I am proposing would bring it into balance in this period, and a surplus next year.

I think from an economic standpoint and from the standpoint of recognizing spending priorities and needs, that this is a responsible and logical approach.

Mr. JAVITS. I thank the Senator. I will await with interest the statement of the Senator from Missouri (Mr. EAGLETON).

Mr. PROXMIRE. Later on in my speech I will point out that whereas the administration argued that they made the most meticulous examination of spending, we have secured their justification and they are anything but meticulous. It is based on generalization and not on detailed analysis. I can document that, and I intend to do so.

Mr. JAVITS. I thank the Senator.

Will the Senator yield so that I may address a question to the Senator from Texas?

Mr. PROXMIRE. I yield.

Mr. JAVITS. On the impoundment issue, I am moved only by the fact that there are serious constitutional questions about impoundment as it terminates a program, such as the dismantling of OEO, or for practical purposes, by denying it any funds, as in the case of the Neighborhood Youth Corps.

We have this matter under consideration. We do not wish to concede the constitutional point until we are ready to argue the statute dealing with the relationship between Congress and the Presi-

dent on that score. Therefore, I wish to ask this question.

Does the Senator think that under those circumstances it is desirable to make any provision respecting impoundment in this ceiling bill? In other words, are we not conceding the right of the President to impound? That is part A. If we adopt the Senator's amendment, are we not conceding the right of the President to impound, and that is something we do not want to do yet. We may or may not do it in the future depending on the definitive legislation from the Committee on Government Operations.

Second, even if we went the Senator's route, does he not think we should have a saving clause saying this is for 1 year only, which it is, and tack it onto this amendment, which is for 1 year?

We do not want to give away the ball game. I do not think we should act now but at least we should have a provision, which I shall be glad to offer, to say that nothing in this amendment, which is only applicable for the temporary period of 1 year to implement the ceiling, shall prejudice the right of Congress to legislate in this field, passing on that constitutional power?

Mr. BENTSEN. I share the concern of the Senator from New York. I went to some lengths to avoid the question the Senator has raised. We have this matter in committee and also the distinguished Senator from North Carolina is working on this matter. I understand the bill is almost at the markup stage. In addition, we know we have this matter before the courts where it will ultimately be decided. We tried to avoid the question to the extent we could, and still be practical. We thought the President had to have the authority to get back to the $265 billion limitation. It is a matter of being pragmatic.

On the second point, we are talking about only 1 year. That is what the Senator from Wisconsin was saying.

At this time we do not have the mechanics relating to income and outgo, which will be the ultimate accomplishment of a sophisticated piece of legislation that we are considering now, what is before the committee. I would have no objection to the 1-year limitation, myself. I defer to the Senator from Wisconsin.

Mr. PROXMIRE. That is an excellent suggestion. That is the intention. I am a member of the committee of the House and the Senate of this whole problem. The reason we are doing it this way is that it will not be ready until next year, and I think the Senator's suggestion is excellent.

Mr. JAVITS. I will draft something and may offer it.

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

Mr. PROXMIRE. I yield.

Mr. MONDALE. Mr. President, I listened to the statement of the Senator on the introduction of his amendment. I share his view that we must have a spending ceiling and reassert congressional priorities within that ceiling, and we must do so as quickly as possible, for a host of reasons.

I am sympathetic with the thrust of the Senator's proposal. However, I have one question of fact I would like to ask the Senator. I think the answer is in his remarks. His amendment, which is now part of the Proxmire amendment, is designed to deal with how the President reduces spending for the purpose of coming under the spending ceiling. It does not deal with the other issue, which is called impoundment. The President claims he has unlimited power to reduce the program or eliminate it. The President claims the authority to spend or not to spend as he sees fit.

Mr. BENTSEN. Mr. President, the Senator from Minnesota is correct. I have tried to avoid the impoundment question because it was before the appropriate committee in the Senate and the court. I felt this was a grave constitutional question, and one that should not be resolved by amendment on the floor of the Senate, without full consideration by the committee. I was waiting for that piece of legislation. I understand it will be forthcoming soon.

Mr. MONDALE. I thank the Senator for his clarification. The reason I ask, and I would appreciate the Senator's response, is that I am afraid if we give the President a spending ceiling that I think we all want, without some very specific control over this generalized impoundment, he will use the spending ceiling to excuse a whole host of things. He will not only continue to impound, as he has in the past, but say that he has been directed by Congress to do so.

Mr. BENTSEN. We have carefully provided in this amendment that he cannot pick and choose the program he will cut; it has to be the same in each program; a line item, anything that has a dollar figure, which the House and the Senate decide merits a dollar figure would be controlled by this 10-percent maximum curtailment. If it were 7 percent on one item it would have to be 7 percent on all of them.

Mr. MONDALE. What is being proposed essentially is the Jordan amendment adopted in the last Congress.

Mr. BENTSEN. That is right, which passed here by a vote of 46 to 28.

Mr. MONDALE. And which I supported.

There is some concern—and I would like the Senator to give me his views on this—that if we give the President the spending ceiling, we will have great difficulty getting control, later on, on the broad issue of impoundment. If we give him the spending ceiling, he will use the spending ceiling to blame the Congress for the cuts in human programs. Parenthetically, I might add that the $265 billion ceiling would result in cutting out billions of dollars in human programs. Then when we try to control impoundments, we will find that he is in a far better strategic position to oppose our seeking to have control over impoundments. Does the Senator from Texas share that concern?

Mr. BENTSEN. No, the Senator from Texas does not.

Mr. PROXMIRE. Mr. President, if the Senator will yield unless I misunderstood the Senator, he said the $265 billion ceiling will result in billions of dollars being cut from human programs. He is wrong. I have a list of all the human programs that have been passed by Congress. If we put them all into effect, the total is less than $2.7 billion. Certainly, if we cannot cut more than that amount out of the military budget and out of the foreign aid budget and, as a matter of fact, out of the space budget, I will be astounded. Certainly, out of the military and foreign aid budget alone we should provide for that $2.7 billion, and there is $3 billion to restore control.

I think there is confusion over outlays and obligational authorities. In outlays what we need is very little, and that is what the Senator is talking about.

Mr. MONDALE. The Senator has yielded to me for a question, so I will be very glad to defer to the Senator to complete his statement, but I have two concerns over the proposed amendment, even though I agree that we should set a ceiling as quickly as possible and set priorities, and they are: No. 1, the cut proposed by this amendment is too deep. I would oppose a $267 billion ceiling, because I think it takes another $1 billion out of compelling human programs that we cannot afford. No. 2, the amendment does not deal with the general question of impoundment at all.

I think, unless we do that, the President is going to use this ceiling to justify further selective cuts, even though it might not be within the meaning of the Bentsen amendment. I can hear the answer being made to the doctors, the teachers, the poverty workers, the environmentalists, the housing specialists: "Congress told me to cut these programs." So we will be held to answer for these cuts.

Further, if we give him the spending ceiling without providing for control over impoundments such as envisioned in the Ervin amendment, he will be in a strategic position to oppose our effort to get congressional control.

I am told that is the reason Mr. MAHON, chairman of the House Appropriations Committee, fights so hard on the question of control over impoundments, because he is fearful that if the President gets this spending ceiling without control over impoundment on the part of Congress, the President will get what he wants.

Mr. BENTSEN. Mr. President, I will say to the Senator from Minnesota that what he says would be ideally true if we could accomplish it now, but I do not think we can do it. What we have here, in effect, is a stopgap measure. It is a 1-year limitation on the effectiveness of this law. But when we take these people and what they represent, we are saying, under the Bentsen amendment their cuts will be the same, be it for child welfare, national defense, farmers' programs. If the President cuts 3 percent on one, he cuts 3 percent on each. Congress would set the priorities. We have let the President cut back to the ceiling. We have set this procedure for the forthcoming fiscal year. It is the best we can come up with after a great deal of thought and study.

Mr. PROXMIRE. Let me read the list of what has been restored:

All of OEO, $425 million.

In agriculture, all of REAP, REA, housing—domestic farm labor, disaster loans, special milk.

For HEW, health services planning and development, preventive health services, library services, civil rights education, NIH, student loans, health and manpower.

For HUD—incidentally, it is substantially higher in 1974 than in 1973—it includes low-rent public housing, housing for elderly and handicapped, counseling services, grants for basic water and sewer facilities, rehabilitation loan fund.

Also, under Labor, all of manpower revenue sharing and all of emergency employment assistance.

Under EPA, all of resource recovery, and new technology for air pollution.

Under Veterans' Administration, all of compensation and pensions.

All of Arms Control and Disarmament Agency.

All this for less than $2.7 billion.

We ought to take a look at what these outlays have been before we argue that we are going to cut human programs. This is something that can be done with the kind of reduction in the military and foreign aid budgets which, on the basis of our experience last year and the year before, Congress is going to put into effect.

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

Mr. PROXMIRE. I yield.

Mr. TOWER. The Senator from Wisconsin expects most of these cuts to come out of the defense budget, and not the foreign aid budget. Is that what the Senator from Texas anticipated?

Mr. PROXMIRE. I am just answering the Senator from Minnesota by pointing out that this is something that can be accomplished without cutting human programs. It may be that the majority of Congress may want to reduce those so-called human or welfare programs. Maybe it does. I am saying that this is a modest diminution of what the President is proposing. Last year the Congress cut the defense budget by $5 billion. It cut the foreign aid budget more than I am suggesting here. In other words, if we do what we did last year, we would possibly have lower than a $268 billion budget—in fact, a $265 billion budget we are proposing.

Mr. TOWER. I may point out that 60 percent of the defense budget is for personnel. That means it would not come out of personnel, but procurement and military construction, and perhaps result in base closings.

Mr. BENTSEN. Approximately 56 percent of the defense budget is in personnel costs, so a cut across the board would come out of controllable items.

Mr. TOWER. Would come out of what?

Mr. BENTSEN. Would come out of controllable items.

Mr. TOWER. That would mean procurement and construction.

Mr. BENTSEN. It would come out of controllable items in the defense budget.

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

Mr. PROXMIRE. I yield to the Senator from Arizona.

Mr. GOLDWATER. When the Senator talks about decreasing the defense budget, approximately 50 percent of it is to be used for pay increases that have already been made.

Mr. PROXMIRE. I understand that fully. I understand there are going to have to be increases for pay and inflation. But the Vietnam war is over. By 1973 we will have spent close to $6 billion on Vietnam. I am saying we can fund $4 billion because of pay and inflation, and have some left over. Then there would be a modest reduction in defense that would give us $2 billion to hold it down to the level of last year. I am saying that the proposal I make is not very drastic.

Mr. GOLDWATER. We are talking about a very major portion of the defense budget—now close to 60 percent—that is wrapped up in pay. We are trying to force down this amount so that it will be less by virtue of the fact that the number of men and women involved will be fewer. We are not ready to argue whether we are ready to delete this specific item or that.

Mr. PROXMIRE. That is correct. It may very well be that Congress will decide the military budget will be cut more or less. I am trying to establish a $265 billion budget. I think it is not a drastic reduction. This reduction in spending will permit the restoration of some of these so-called human programs.

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

Mr. PROXMIRE. I yield.

Mr. BENTSEN. We are talking about controlled items. The joint economic report shows that we have about $75 billion in controllable items, out of the $265 billion budget we are proposing. So if we go to a 10-percent cut, we are talking only about a $7.5 billion cut. And that is across the board on all the controllable items, and the priorities will have been set by the Congress itself. That is what we are trying to preserve.

Mr. PROXMIRE. The Senator is correct.

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

Mr. PROXMIRE. I yield.

Mr. MONDALE. Mr. President, it seems to me that the amendment in its present form includes two principles that are essential for a reassertion of the congressional authority in the control of the overall outlays. However, it is missing a third. I think we all agree that some ceiling is needed. I would like to have a higher ceiling than the Senator would. However, I think we all agree, or most of us, on what the proposal of the Senator from Texas (Mr. BENTSEN) seeks to achieve. At least, the last time we voted on essentially that proposal, approximately 65 Senators voted for it.

What is missing and what is bothering me—and I would like to have the Senator give me his views on this matter—is that there is still, according to the President, even with the amendment as modified, unlimited authority in the President to cut and eliminate anything he wants to, any time he wants to. We need the Ervin amendment which seeks to meet the question of the President's unprecedented theories about his powers to impound anything he wants to.

Mr. PROXMIRE. Mr. President, that is the whole point of the Bentsen amendment. That is why I wanted it.

Mr. BENTSEN. Mr. President, there is no unlimited authority in the President. He asks to do it across the board in each and every program on the same percentage. However, I think this means to cut it back to the $265 billion. So, there is a very strict limitation on what he can do.

Mr. MONDALE. Under this, that is correct. However, he can still say, "Not under the Proxmire amendment or the Bentsen amendment, but under my general power to cut all funds, I will cut out all programs that I do not want." That is what he can say.

He can say, "The Bentsen amendment gives me the authority to reduce the items pro rata to get down to the spending ceiling. However, I am cutting out this program as President because I am the Commander in Chief and have control over the economy and the other things I claim to have authority over. I will cut out the program."

Mr. PROXMIRE. Mr. President, my answer to the Senator from Minnesota is that he makes a good point. But of course, we cannot do everything on this bill. If we try to do that, we will not get anywhere.

We have to decide what we can do now. Other things may come along. After we agree to the amendment, the House may act on Representative MAHON's proposal that has great merit, I think. I would like to see that matter considered. However, we do what we can do. And my amendment would let us have far greater powers to prevent impoundments than before.

The President is still free, as the Senator from Minnesota has pointed out. However, we have to be careful about proceeding further on this point. The urgency is to establish a ceiling and impoundment provisions.

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

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. Mr. President, I would like to pose a question to the Senator from Wisconsin, the Senator from Texas, and perhaps the Senator from Minnesota.

It puzzles me as to why this amendment would be offered at this time. I believe that the Senator from Texas stated a little while ago that the Senator from North Carolina was going to bring out a bill dealing with this matter within the next 2 or 3 days. Did I not understand that to be true?

Mr. BENTSEN. On the question of impoundment, that is correct. However, that does not deal with the ceiling or expenditures or the impoundments of funds.

Mr. PROXMIRE. The reason I offered the amendment on the devaluation bill is that the President asked Congress to establish a ceiling before any action on any spending bills. And I think that was a reasonable and proper suggestion.

As a member of the Appropriations

Committee and as chairman of the appropriations subcommittee that has the third highest budget to consider, I would like to see a ceiling established, and established as soon as possible. I cannot think of a bill more appropriate than the devaluation bill, because we are in this difficulty because of our inflation problem. And a major reason for that problem is because we have had a very big Federal spending and a very huge Federal deficit. One way to cope with that problem is to establish a ceiling.

Mr. SPARKMAN. Mr. President, I am thoroughly in sympathy with our establishing a ceiling. I have felt that we ought to accept the President's ceiling rather than try to set one and go lower. However, have we not set up a joint committee for the purpose of studying this very question?

Mr. PROXMIRE. The Senator is correct. I am on that joint committee, and that joint committee has, as the Senator knows, already issued an interim report unanimously and has come to the conclusion that they will not have recommendations for fiscal year 1974 appropriations. The first fiscal year for which we will have it is for 1975 and subsequent fiscal years.

For this budget, we cannot deal with the many problems we have. We have to schedule hearings over a number of months and then debate and discuss the matters and come out with recommendations. However, that will be after next year.

Mr. SPARKMAN. I am glad to have that explanation. I was under the impression that an effort would be made to establish a ceiling this year and not proceed to work out both priorities and a ceiling for the coming fiscal year. However, I can understand the situation that the Senator has just explained.

This thought occurs to me. If I may go further, let us assume that this is added to this bill and let us be realistic about it. What is going to happen when it gets to the House of Representatives? I think we all know that Representative WILBUR MILLS is not going to let this amendment stay in the bill. And I imagine that, when the chairman of the Finance Committee is present on the floor, he will raise some questions about it, also.

Mr. PROXMIRE. That may well be the situation in the House. They may have a ceiling that will be higher or lower.

Mr. SPARKMAN. Mr. President, I was not thinking about that. The jurisdiction of this, as I interpret it, lies with the two revenue committees—the Ways and Means Committee in the House and the Finance Committee in the Senate.

Mr. PROXMIRE. May I say to the Senator from Alabama that my understanding is that the Appropriations Committee probably asserts the most convincing case.

Mr. SPARKMAN. The Senator may be right.

Mr. PROXMIRE. Mr. President, in the past they have been attached to tax bills. There is no reason why it cannot be attached to the pending bill because it is germane. We all recognize the very serious importance of having a ceiling that will stick.

Mr. SPARKMAN. Germaneness is not a matter concerned here. However, when it reaches the floor of the House, it will be a different matter. I think we ought to consider the two sides of this thing.

I believe in a ceiling. However, I have not felt that we were ready to set the amount here. Of course, I was hoping that the joint committee was coming up with something.

Mr. PROXMIRE. It seems to me that we are pretty much forced to act if we are to have a ceiling that will be effective. If we wait much longer, it will be before the House and it will move along there. Then we will have a different proposition. Besides appropriating in any area, we are pretty much tied to it.

Mr. SPARKMAN. I recognize that problem. And I have thought about it in connection with some bills we have already passed.

While I was for them, I was wondering whether we were acting wisely in establishing the amounts we did for those bills.

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

Mr. PROXMIRE. I yield.

Mr. MONDALE. Mr. President, the point that I am getting to is somewhat related to the Senator's point. It seems to me that we are missing someone important—the Senator from North Carolina (Mr. ERVIN), the congressional scholar on Federal impoundments and on the question of the constitutional rights of Congress.

His bill affecting impoundment, which he is working on now and which is close to completion, as I understand it, is, I think, the missing element in what we are doing. I think, if a spending ceiling leaves the Senate without something dealing with fund impoundment, we will have done far less than we have expected. As a matter of fact, it may be an invention which will turn to plague the inventor, because I would not be a bit surprised if the President used this amendment to cut the heart out of many programs, and then blame Congress for doing so.

So I would like to see us wait until Senator ERVIN comes back. I think then we could put together a bill that we could live with, and could act much more swiftly than we can today.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SPARKMAN. Mr. President, let me say just this: I am in essential agreement with what the Senator from Minnesota has said. I think perhaps we are taking a big bite without considering the little bites that go to make it up, and I think the matter of impoundment is one of them.

Several Senators addressed the Chair.

Mr. PROXMIRE. Mr. President, before I yield to the Senator from Texas, may I point out that the Government Operations Committee, under the leadership of Senator ERVIN, is working on this principle, but once again, it is generally applicable machinery that they are trying to develop, and probably not machinery that could be adapted and applied to the problem commencing this year. If we are to act this year, we have to act soon.

I yield to the Senator from Texas.

Mr. TOWER. Mr. President, it is my understanding that the Senator from North Carolina is going to report soon. It occurs to me that his bill would be a more appropriate vehicle for what we are trying to do here, because there we will be considering more comprehensively, I think, the matter of impoundment. It would seem to me to be logical to pull down the amendment on this bill and await Senator ERVIN's bill, and get the matter in more proper context.

Mr. PROXMIRE. Let me say to the Senator from Texas that this is exactly the kind of bill that we have to adapt the amendment for if it is going to work. The problems with an impoundment bill are several. For one thing, it could involve extensive hearings and debate in the House of Representatives, and is very easily subject to a veto. This bill, let us face it, is one the administration has to have. If we are going to have a ceiling and the appropriate kind of action on this problem, it seems to me this is the time to do it.

Mr. TOWER. Legislative blackmail.

Mr. PROXMIRE. What is that?

Mr. TOWER. Legislative blackmail is what it is.

Mr. PROXMIRE. Oh, no, not at all. I do not think we intend that. I think many people who support the President will think it is time for a ceiling, and he asked for a ceiling.

Mr. TOWER. May I say he did not ask for it on this bill.

Mr. PROXMIRE. He asked Congress to enact a ceiling itself. Not on any particular bill.

Mr. BENTSEN. Mr. President, if the Senator will yield for a comment, I would like to say to the Senator from Minnesota that I share his concern. This is a really grave constitutional question, but that does not get into the mechanics of setting a limit on expenditures. That is what we are talking about here, a limit on expenditures, trying to see some way to fit it into fiscal 1974, getting it done while we are considering authorizations. But the two are separate issues, and do not have to be considered as a whole.

Mr. MONDALE. Mr. President, last time, when we voted on the Jordan amendment, we voted essentially on how to allocate funds within a ceiling.

Mr. BENTSEN. Trying to retain the priorities of Congress.

Mr. MONDALE. Yes. My argument is that I think circumstances have changed. Since we voted on the Jordan amendment, the President has resorted to a massive new practice of impoundment and spelled out a new theory of almost one-man rule. It seems to me that we have to make certain that he complies with the Bentsen amendment, because I am afraid if we do not have something covering the general issue of impoundment, he will blame all of his cuts on this amendment, and do exactly as he pleases.

In addition to that, I come back to the point that I think we could dispose of this issue more responsibly if we had the presence of the Senator from North Carolina. I am just saying that for myself;

I am not authorized to speak for him in any way. I have not talked to him.

I, for one, and I think my colleagues agree, highly value the advice and counsel of the Senator from North Carolina (Mr. ERVIN) on this issue.

Mr. BENTSEN. I share the high esteem of the distinguished Senator from Minnesota, but I think we would make a serious mistake if we used the mechanics of trying to cut expenditure down to the ceiling approved by Congress, that the President said he thought he ought to have. We would have to have some mechanics to accomplish that.

I would suggest to the Senator that we put on a 1-year limitation. By the time we came up with a procedure to adopt a budget, we would not be able to accomplish that by the year 1975. So this proposal is what accomplishes that for us. It accomplishes it for 1974, so that the President can use the fund as a further excuse for maintenance, although I think he would rather have to stretch his imagination.

Mr. MONDALE. I agree that he would try to stretch it.

Mr. BENTSEN. We will not circumvent the issue. We will not have to subtract one iota from his power by the Bentsen amendment to the Proxmire amendment.

Mr. MONDALE. I thank the Senator from Texas. He has stated my case very well.

Mr. NUNN. Mr. President, I am in sympathy with the Bentsen amendment. I have legislation very similar to that of the Senator from Texas. But I am sure that the Senator is aware that there was to be a meeting of the Committee on Government Operations tomorrow morning, that was scheduled for tomorrow morning, but which will be held next week. I am also aware that the Government Operations Subcommittee on the Budget has 20 or 30 proposals that are similar to the Proxmire amendment and also the Bentsen amendment, and also that detailed hearings will be started on April 1 in the committee of which the Senator from Montana (Mr. METCALF) is the chairman.

I personally have read his proposal, and I think he has an excellent point, very similar to what the Senator from Texas (Mr. BENTSEN) is proposing. But I think if we give ourselves a little more time, we will come up with a much more meaningful, much more well-thought-out proposal.

I agree with the Senator from Texas, the Senator from Wisconsin, and the Senator from Minnesota, in particular on many of these items. I think, personally, the question of impoundment and the question of a spending ceiling are tied together. I think the Bentsen amendment is a way to actually give the President authority to impound funds under the priority system set up by Congress. So I think the two are interrelated. I would like to see the Senate deal with this subject without going through the same degree of hearings which are going to be taking place.

I also think that for us to set a ceiling of a real figure, which we have not had considered by the Appropriations Committee, on which we have had no testimony—not yet, at least—I am not aware of it—just trying to take a figure from the air, certainly is not rational judgment.

Whether I agree with it in the final analysis is another question. For Congress to set a figure without a hearing or without any rational discussion appears to be an irresponsible budgeting process.

Mr. PROXMIRE. This is a very unfortunate world. It is an imperfect Congress and an imperfect Senate. We should take all the time we need on these questions. We should take all the time we need to debate the question. The President's own ceiling, as I pointed out, justifies our providing a ceiling on the basis of arriving at a judgment of an economic balance, on the basis of a full employment budget. Our ceiling is aimed at recognizing that the President's budget will be inflationary during the rest of calendar 1973, the first half of fiscal 1974—a deficit of $7 billion, so that it would be more fiscally responsible to the President in that sense and, furthermore, with an analysis of where the money will go and where the money will come from, we can reduce the military budget by holding it down to the present level. We can reduce the foreign aid budget and hold it down to its present level as last year it was cut over $1 billion. That takes time and I say to the Senator from Georgia that we do not have the time to do it. If we wait for the bill in the Government Operations Committee, it will be 2 or 3 weeks before it will be on the floor. It has to be debated and go to the House and there have to be hearings in the House. There is no pressure to pass that bill or for the President to sign it. The devaluation bill he has to have. The House has to act on it rather promptly. There just is no other vehicle on which we can act now. It is true that the permanent machinery can be more maturely developed more adequately than what we have here, but this is the best we have.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished Senators from Texas and Georgia would allow me just to interject a question here, may I ask what the prospects might be for getting a time limitation on the bill and/or amendments thereto?

I have discussed this possibility with several Senators who have amendments and I find that a great many of them are amenable to such suggestion, so that we might know whether there is that possibility.

I ask that question at this time.

Mr. PROXMIRE. Mr. President, on the amendment I have pending, if we could have 1 hour, half an hour on each side, that would be satisfactory, beginning tomorrow.

I have one other amendment on requiring multinational corporations to report their foreign currency activities. That is a big amendment. I have a great deal of material on it. If I could have 1 hour, with a half an hour to a side on that amendment——

Mr. LONG. Mr. President, reserving the right to object, this amendment is the type of thing that the House always regards as a revenue amendment. This amendment would make a revenue bill out of a bill that is not a revenue bill. Most Senators do know, and all Senators should know, that the Constitution requires that revenue bills originate in the House of Representatives.

The Senate has tried to contend in years gone by that appropriation bills are not revenue bills, but that does not make any difference so far as the House is concerned; they will not consider them.

If you put such an amendment on this bill, I predict that the bill will come back to us with that little blue sheet on it which they print over there, which says in effect that the Constitution requires that legislative bills originate in the House, so here is your bill back.

That is what happens if they are lucky. What happens if you are not lucky is that you never see the bill again. That is the end of it.

I am surprised that a senior member of the Committee on Banking, Housing and Urban Affairs, who is for this bill, would want to kill the bill in this fashion. I would think that he would want, if he is for the bill, to see it passed. We just got through passing a revenue bill and I am glad to see that he did not bring it up on that one. It would not be subject to a constitutional objection if we had put it on the bill we passed last night; but this is not a revenue bill. I predict with confidence that if we are lucky, the best that can happen is that we will see the bill come back to us with that little blue sheet affixed to it, the sheet that the Parliamentarian over there slaps on it. So that is all you will achieve. You will buy a two-way ticket to the House and back for this bill.

I do not know why Senators insist on doing that. If you want to try to act on it, you would think you would put it on an appropriation bill which the House considers a revenue bill, even though we do not think it is; but that has been the historic truth. It would not be subject, in any event, to the constitutional objection that revenue bills originate in the House.

Mr. PROXMIRE. May I say to the Senator from Louisiana that the House will construe an appropriation amendment as a revenue amendment. If they do, we cannot do much about it, but I would hope they would not do that in this case. The Senate before has originated ceiling amendments——

Mr. LONG. On revenue bills——

Mr. PROXMIRE. Nevertheless, the ceiling amendment originated here and not in the House and was accepted and made effective.

Mr. LONG. My point is, yes, we have had a spending ceiling on bills offered, and I should know, because they have been offering bills that I was managing because they were revenue bills, but I do not know why Senators will insist on going through the motions of killing bills just to be the first to vote for a spending limitation.

We have a joint committee working on one. They will propose legislation. They will hold hearings. They will propose, and I am confident where a bill originates in the House, they will propose it to a House-passed revenue bill. But I do not

know why the Senate would want, in the face of what the Constitution says—at least from the point of view of the House—and perhaps you can argue that a spending limitation is not a revenue bill. You can argue that, but you are wasting your time to argue that before the House—I assure you.

Mr. PROXMIRE. We have to recognize that the committee is not going to act in time to affect the 1974 budget. They have indicated as much. Hearings are scheduled for weeks into the future. There will be no markups or coming to a conclusion before the end of the fiscal year, so we cannot wait for them, or there will not be a ceiling.

Mr. LONG. I guarantee there will not be one if you put it on this bill. That is the one thing I can say. They will say this is an effort by the Senate to do this, or that. Actually, we already have enough of an argument going on between us and the executive about impoundment, usurpation, and so forth, without going back and bringing that other argument up all over again.

So far as this Senator is concerned, it was not the Finance Committee that initiated the bill but if the Senate sees fit to consign an otherwise good bill to the boneyard by putting this amendment in the bill, the Senator can do so, but I think it is a very unwise thing to do.

Mr. TOWER. Mr. President, reserving the right to object——

Mr. PROXMIRE. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. JOHNSTON). The Senator from Wisconsin has the floor.

Mr. MONDALE. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. Mr. President, I had not proposed any request yet. Could we hear from the Senator from Minnesota now?

Mr. EAGLETON. Mr. President, I have a substitute for the Proxmire-Bentsen amendment which I would like to offer before sundown or sunup tomorrow; 30 minutes would be all I would need to take.

Mr. MONDALE. Mr. President, I hate to be in the position of objecting to any motions made by the leadership, because that is the only way we can get anything done around here. But for several reasons I think I would have to object. I would also have to serve notice on the Senate that I would need a considerable amount of time to discuss any amendment if it did not include the provision dealing with general impoundment. That will be difficult for us because the distinguished Senator from North Carolina (Mr. ERVIN) is not here today and he has done all this work on it, and the distinguished Senator from Maine (Mr. MUSKIE) and others on the Government Operations Committee are very close to marking it the Ervin bill. In addition, it is very likely that the Proxmire amendment, or any spending ceiling, would be considered as a revenue measure, and maybe we are tacking it onto the wrong measure. If I am not misinformed, very shortly the debt ceiling will be coming out of the Finance Committee of the Senate. This is a revenue measure originated in the House which would be a more appropriate vehicle, in my opinion. And we can take time to consider the Ervin impoundment provisions, because the debt ceiling is even better than the gold devaluation—the President has to sign that one——

Mr. LONG. That is the bill on which the provision was put last time and no one argued about it. That bill is not subject to a constitutional objection if it goes on the debt limit bill, but it is if you put it on this one.

Mr. MONDALE. For that reason I am hoping the leadership will not make the motion.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me 30 seconds?

Mr. PROXMIRE. I yield.

Mr. ROBERT C. BYRD. I think my question has been answered. I will not, of course, pursue the matter any further today. I would simply want to say that there will be no more yea-and-nay votes today.

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

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. I think that under the circumstances, since we cannot get a time limitation, what the Senator from Louisiana says is absolutely correct: They will push our bill aside and bring up their own bill, which will be a clean bill, and we will never get it out of conference.

So this is really an exercise in debate, and probably is great for the edification of the American people, but it is not going to result in this getting passed on this bill, because the House is not going to lie down for it. I think the chairman knows that. Obviously, the Senator from Louisiana knows it.

If we cannot get an agreement on a time limitation, what I probably will do is move to table the amendment and get a test on it that way.

Mr. ROBERT C. BYRD. I assume the Senator will not make that motion today.

Mr. TOWER. I am withholding it for the moment.

Mr. ROBERT C. BYRD. Then, I would be safe in saying that there will be no more yea-and-nay votes today.

Mr. TOWER. Unless the yea-and-nay votes were asked on a tabling motion.

Mr. ROBERT C. BYRD. Even in that event, I think the leadership would want to move to adjourn and have that vote tomorrow, so that all Senators would be on notice. It would be a pretty important vote, and they would not want to miss it.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. JACKSON, Mr. MATHIAS, Mr. HATFIELD, Mr. BEALL, Mr. ALLEN, Mr. CHILES, Mr. NUNN, Mr. GRIFFIN, Mr. HRUSKA, Mr. COOK, Mr. LONG, and Mr. ROBERT C. BYRD.

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

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

The Senate continued with the consideration of the bill (S. 929) to amend the Par Value Modification Act.

Mr. PROXMIRE. Mr. President, I can complete my remarks in 3 minutes.

1974 SPENDING CUTS TOTAL ABOUT $3 BILLION

I have calculated that for $3 billion or less, we could put back into the spending budget virtually every major program the President has cut this year—the funds for OEO, REA, REAP, NIH, housing, manpower training programs, the Veteran's compensation and pension cut, and many other cuts.

Mr. President, I ask unanimous consent that a table which sets forth the various programs that could be restored and the amounts be printed at this point in the RECORD.

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

MAJOR OUTLAY CUTS IN THE FISCAL YEAR 1974 BUDGET

	Amount
Program:	
OEO	$425, 593, 000
Agriculture:	
REAP	172, 500, 000
REA	216, 166, 000
Housing—Domestic farm labor	3, 425, 000
Disaster loans	20, 000, 000
Special milk	56, 025, 000
	468, 116, 000
HEW:	
Health services planning and development	99, 900, 000
Preventive health services	10, 730, 000
Library services	33, 987, 000
Civil rights education	11, 827, 000
NIH	28, 268, 000
Student loans	150, 000, 000
Health manpower	100, 000, 000
	434, 712, 000
HUD:	
Low rent public housing	10, 000, 000
Housing for elderly and handicapped	10, 043, 000
Counseling services	3, 250, 000
Grants for basic water and sewer facilities	7, 295, 000
Rehabilitation loan fund (Brooke amendment)	38, 965, 000
Others	[1] 55, 000, 000
	69, 553, 000
Labor:	
Manpower revenue Sharing (includes Neighborhood Youth Corps)	474, 000, 000
Emergency employment Assistance	520, 000, 000
	994, 000, 000
EPA:	
Resource recovery	75, 000, 000
New technology for air pollution	53, 000, 000
	128, 000, 000
Veterans' Administration: Restore compensation and pension cut	2, 200, 000
Arms Control and Disarmament Agency	2, 682, 174, 000

[1] The Brooke amendment was not funded. So this amount does not represent a cut from fiscal year 1973 but an estimate of what should be in the budget but is not in the budget.

Mr. PROXMIRE. Mr. President, in addition, I ask unanimous consent that a

table showing the difference between outlays and budget authority for fiscal years 1973 and 1974 for certain housing and urban development programs be printed in the RECORD at this point.

[In millions]

Program	Fiscal year— 1973	1974	Change
Counseling services:			
Outlays	$1.0	$1.0	----------
Budget authority	0	0	----------
Model cities:			
Outlays	583.0	600.0	$17.0
Budget authority	500.0	0	−500.0
Neighborhood facility grants:			
Outlays	26.0	35.0	9.0
Budget authority	40.0	0	−40.0
Open space land programs:			
Outlays	57.0	70.0	13.0
Budget authority	100.0	0	−100.0
Water sewer grants:			
Outlays	130.0	122.7	−7.3
Budget authority	0	0	0
Urban renewal:			
Outlays	950.0	1,050.0	100.0
Budget authority	1,450.0	137.5	−1,321.5
Rent supplement:			
Outlays	117.0	157.0	40.0
Budget authority	48.0	0	−48.0
Sec. 235:			
Outlays	320.0	387.0	67.0
Budget authority	170.0	----------	−170.0
Sec. 236:			
Outlays	105.0	188.0	83.0
Budget authority	175.0	0	−175.0
Low-rent public housing:			
Outlays	1,110.0	1,250.0	140.0
Contract authority [1]	473.4	350.0	−123.4
College housing:			
Outlays	11.0	18.0	7.0
Budget authority	5.0	0	−5.0

[1] Contract authority for public housing included $245,000,000 for operating subsidies in fiscal year 1973. In 1974, all the authority is for operating subsidies. In other words, no new starts.

	Fiscal year— 1973	1974	Change (billions)
HUD:			
Outlays	$3,364,451	$4,767,996	(1)
Budget authority	5,048,000	3,712,864	(2)

[1] Up $1,400,000,000.
[2] Down $1,335,000,000.

Mr. PROXMIRE. That is the arithmetic.

We have heard outcries about the President freezing funds for water construction grants—the $6.9 billion frozen funds. But do Senators know that the outlays or spending for that program go up about $1 billion in 1974, from $727,000,000 to $1.6 billion? The freeze or the cuts affect future contracts and do not affect spending in the 1974 fiscal year budget at all.

New urban renewal funds are virtually frozen in fiscal year 1974. But urban renewal spending goes up from $1 billion in fiscal year 1973 to $1,050 million in fiscal year 1974. Mass transit in the HUD budget goes up by $100 million.

An example of just the opposite effect may also help make this problem clear. Last year and this year—fiscal year 1973 and 1974—we will appropriate, if the administration gets its way, almost $1 billion for the new aircraft carrier CVN–70. But actual spending for CVN–70 in these 2 fiscal years, so far as we can determine, will be about $34 million.

Mr. HATHAWAY. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield.

Mr. HATHAWAY. During the colloquy between the Senator from Wisconsin and the Senator from Minnesota, the Senator from Wisconsin mentioned that the amendment that has been accepted by the Senator from Wisconsin, which was offered by the Senator from Texas (Mr. BENTSEN), was all we could hope to get, even though it was imperfect. I wonder whether the Senator would clarify that statement, because the Senator from Minnesota is going to offer an amendment—and perhaps there will be one by the Senator from Oklahoma, joined by the Senator from Ohio (Mr. TAFT)—that would cut across this impoundment question and cover all appropriations and have a mechanism whereby the cuts would be made by the President on a proportional basis; and if he wanted to go over the proportional basis, he would have to submit it to Congress for ratification.

My question is this: Why can we not have amendments such as that, rather than the one the Senator from Wisconsin has accepted?

Mr. PROXMIRE. I want to take a careful look at the amendment offered by the Senator from Minnesota, and I have not had a chance to do that. I have not had a chance to examine the amendment by the Senator from Missouri. I may have a different view of those amendments tomorrow.

I did have a chance to examine the amendment offered by the Senator from Texas, and it seems to me that it does accomplish a great deal we would like. It does not leave the impoundment situation as wide open as it was. If the President makes reductions, he must make them across the board. It confines him to a 10-percent cut in any program, and I think it is a constructive advance.

I am concerned about taking this complex issue and going further than that without hearings, without much more debate than we have had here. I think the important thing to do in the next day or so is to establish a ceiling on spending, so that it is clear to the country and to the administration that the Democratic Congress means business with respect to holding down spending; also, for the guidance of the appropriations subcommittees and others, so that we will be in a better position to act, recognizing what kind of constraints we will be under.

Mr. HATHAWAY. I agree wholeheartedly with the Senator from Wisconsin that we should have a ceiling, although I think the ceiling should be higher than the one that has been recommended. But I also think we ought to have imposed upon the President the obligation to make cuts across the board, on a proportional basis; and if he wanted to go further than that, he would have to get congressional consent. By leaving it open to him to take one of the two avenues—either making proportional cuts or simply making impoundments—does not seem to me to be an exercise of good judgment on our part.

Mr. PROXMIRE. I share the view of the Senator. In fact, I will be happy to support the Mahon principle, as I understand it, which would give Congress the right, by majority vote, to override any Presidential impoundment. I think that is good. That is what I think the Senator has in mind.

Mr. HATHAWAY. That might be a good approach. But I think the approach of the Senator from Minnesota is even better, because it takes care of that in one fell swoop. If the President wanted to make such an impoundment or a cut, other than a proportional cut, he would have to come to us for permission.

Mr. PROXMIRE. It is possible that overnight we can work this out with the Senator from Texas (Mr. BENTSEN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Missouri (Mr. EAGLETON), who also has an excellent proposal which I think we have not had a chance to consider at all.

Mr. HATHAWAY. I thank the Senator from Wisconsin.

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

Mr. PROXMIRE. I yield.

Mr. MONDALE. What I am worried about is that the whole issue about the President's alleged powers of unlimited impoundment—powers which he does not have, but which he claims to have, and which he is operating on—remains untouched by these amendments, Several things follow from that.

First, I think we will find that the President unfairly will blame Congress for the cuts he makes under his general impoundment. We have seen how they do that. When the health professionals and the educators and the poverty workers and the environmentalists and the housing people write and say, "How come there are no resources left?" the letter that will come back will very subtly suggest that it is Congress that holds the dagger.

Second, I believe that if we give the President the spending ceiling, we have given him all he wants. Then, when we try to get the impoundment powers later on—and I am sure we are going to make an attempt—he will be in an excellent strategic position to veto and not let us have those impoundment powers. Thus, we will have to pass it with a two-thirds vote over his veto, and I am not sure we can get it.

So I think the issue of the spending ceiling and general impoundment should be handled together.

The final point is that I think it should be pointed out that the chairman of the Appropriations Committee of the House, Mr. MAHON, if I understand correctly, opposes exactly what we are doing today, for the reasons I have given. He thinks we should establish the impoundment issue first and then go back and deal with spending, because if we do it the way we are proposing, we will be in a tactical position that is impossible.

The final point I want to make is that I do not like the House proposal for congressional veto of Presidential impoundments because I do not think we can win a single one. It puts the burden on the Congress rather than on the President, and anybody who has inertia on his side usually wins and inertia would be on the side of the President. Mr. President, you would have 60 days to overcome a Presidential veto. After the second

or third time, because of necessity, we would have to relent to wholesale impoundments.

The Ervin proposal solves this problem. The distinguished Senator from North Carolina (Mr. ERVIN) is not with us today because of a family tragedy. He proposes that the burden be with the President to affirmatively procure congressional approval. That is the only way that makes sense.

Mr. PROXMIRE. Mr. President, what the Senator says makes sense to me, and I would be happy to support it. I have the same problem with that other Senators have. It might go a little too far. We have not had sufficient hearings to refine the impoundment idea that much. But let me consider it overnight, and I may be happy to support that. I think the Senator from Missouri has a presentation, and perhaps we can arrive at something that we can all support.

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

Mr. PROXMIRE. I had promised to yield to the Senator from Missouri.

Mr. EAGLETON. Mr. President, will the Senator yield so that I may offer my substitute for his amendment?

Mr. PROXMIRE. I would like to complete my statement first.

Mr. JAVITS. Mr. President, will the Senator yield briefly?

Mr. PROXMIRE. I yield.

Mr. JAVITS. I did not hear all of the remarks of the Senator from Minnesota (Mr. MONDALE), but he discussed his remarks with me in advance. I want to express my interest in the remarks the Senator made, and I thank the Senator from Wisconsin for yielding.

Mr. PROXMIRE. Mr. President, I will not yield further until I have finished, which will not be more than 5 or 6 minutes.

SPENDING AND APPROPRIATIONS ARE TWO DIFFERENT THINGS

Mr. President, like the flowers that bloom in the spring what we appropriate has almost nothing to do with spending. The spending for this year, unless we limit it by a ceiling, is decided almost entirely by the President.

We can limit it and effect it in only one major way. And that way is to establish a ceiling on it. And to my colleagues who argue that we must not establish a ceiling for fear that good programs will suffer, I say to them that if they are willing to cut the military budget back to last year's level and to take a $1 billion from the $10 billion foreign aid program, and to take a billion or two elsewhere—all of which Congress has done every year, year in and year out over the last 25 years to every President's budget—we could fund all the programs the President has cut for the next fiscal year and still save $3 to $4 billion and establish a ceiling at $265 billion or a level which is below the President's budget.

If a majority of Congress wants that to happen, my amendment is one way to make it possible while remaining fiscally responsible.

For all these reasons, Mr. President, I believe we need the $265 billion ceiling now.

Now is the time. This is the bill. Let us act before it is too late.

The claim is made that the Congress should not interfere with the President's budget decisions and ceiling because the executive has studied these matters thoroughly. The argument is made that the Office of Management and Budget and the agencies have thoroughly reviewed Government programs to determine which ones do not work or are in some sense wasteful.

The administration, of course, does all that it can to advance this idea. In yesterday's New York Times, Mr. Casper Weinberger, in the process of castigating the Congress as solely to blame for the spending problem, praised the President for his careful analysis of Government programs. He states:

> President Nixon's second step was to order the most exhaustive evaluation of Federal programs ever undertaken. Those in the Office of Management and Budget who conducted the evaluation used only one criterion: Does the program work?
>
> Of the more than 1,000 Federal grants programs reviewed, 115 were found to be riddled with waste and inefficiency. There is no money for such programs in President Nixon's 1974 budget.

In an effort to determine just how careful an evaluation the administration had made of Government programs, I wrote to Mr. Roy Ash on February 6 and asked him to present more information on the fiscal 1974 program reductions when he appeared before the Joint Economic Committee to testify on the President's budget. I asked him to explain the rationale behind each program cut. He did not have this information when he appeared, but subsequently did respond to a request from myself and Senator HUMPHREY to provide the evaluation studies to support the President's decisions.

It is difficult to describe the material Mr. Ash has sent to support the President's budget cuts. They are not studies or evaluations of programs at all. They are primarily undocumented assertions, descriptions of the programs, explanations of the actions taken, nonsequiturs, and phony cuts. But they do not indicate that the Executive has carefully studied these matters. The Congress has no reason to have more confidence in the President's budget decisions than their own.

Let me give you a few examples of the nonsense the President has sent to Congress as justifications for the budget cuts.

The President cut $75 million in what he calls low priority medical services to adults, and OMB tells us the justification is: "Lack of dental care is seldom life-threatening and is less critical for adults than for children." No further analysis or explanation is given.

The President has terminated the Emergency Employment Assistance program and, as justification, OMB asserts that unemployment is no longer serious enough to merit this program, that remaining unemployed would not be served by this program and that State and local governments do not need this program. Similar assertions are made for housing, health, OEO, and so on. In no case is there an analysis to support the assertion.

In one incredible case we have an assertion based on an assertion. The urban renewal program is condemned with quotes from speeches given by former HUD Secretary Romney. According to Romney the program is ineffective because:

> These categorical programs are no longer adequately responsive to the crisis of our central cities. We have poured billions into these programs with little result. To continue would mean throwing more billions of the taxpayers' money away. Larger infusions of money have not served to solve the problems. Something else is needed.

Maybe something else is needed, but let us base the decisions on some careful studies.

In three of the four health programs that are cut, part of the justification is that funds can be obtained from special project grants. Nowhere does this document tell you that special project grants have been cut 36 percent since fiscal year 1972.

But the most incredible area is defense. In this area the budget is not cut but increased—the savings are fabricated. For example, a fiscal 1974 saving of $1.2 billion is claimed with two sentences of "analysis," one of which says:

> Reduced proposed inactivity rates for real property maintenance, material depot maintenance, operating force support, and supply operations.

The key word of course is proposed, which means a saving is claimed because the Secretary of Defense cut the military's wish list.

There are many other examples of the shoddy evaluations done by OMB. The Joint Economic Committee is making a more detailed evaluation for the Congress. But it is already clear that the administration has not made a careful evaluation of Government programs in establishing its ceiling.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter that I wrote to Roy Ash on February 6, 1973.

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

FEBRUARY 6, 1973.

Hon. ROY ASH,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. ASH: To assist the Committee in understanding the spending choices the Administration has made for fiscal 1973 and 1974, additional information on the cuts listed on pages 49–57 of the Budget would be valuable. In conjunction with your testimony before the Committee on February 8th, I would therefore ask you to bring a written explanation of these items that is more detailed than that available in the budget. In particular, we need brief statements of: (a) why each cut was made, and (b) the specific nature of each cut.

If you have any questions about this request, Mr. Jerry Jasinowski of the Committee staff will be happy to assist you.

Sincerely,

WILLIAM PROXMIRE.

ECONOMIC IMPACT OF FISCAL YEAR 1974 BUDGET

Mr. PROXMIRE. Mr. President, I wish to point out that the 1974 budget will impact the economy during the last half of 1973 as well as the first half of 1974.

The impact of Federal spending during calendar year 1973 will be quite inflationary.

On a national income accounts basis, Federal expenditures during calendar year 1973 will increase by 9.3 percent over 1972.

The deficit, on a national income accounts basis, will increase from $18.5 billion in 1972 to $22.5 billion in 1973, an increase of 14.5 percent.

On a full employment budget basis, Federal expenditures increase by 10.1 percent in calendar year 1973.

On a full employment budget basis, the Federal deficit increases from $6 billion to $7.1 billion, an increase of 18.3 percent.

During the last 6 months of calendar year 1973—first 6 months of fiscal year 1974—the full employment budget deficit will be $3.7 billion.

The effect of the Proxmire amendment is to cut $3.7 billion from the fiscal year 1974 budget and thus make it possible to bring Federal expenditures into balance during the last half of 1973, as measured by the full employment budget.

AMENDMENT NO. 68

Mr. EAGLETON. Mr. President, I have an amendment to S. 929 and I offer it as a substitute for the Proxmire-Bentsen amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

In lieu of the language proposed to be inserted by the amendment of Mr. PROXMIRE and others (No. 20 as modified) insert the following:

SEC. . (a) Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government shall not exceed $268,700,000,000.

(b) Whenever the President determines that appropriations or other obligational authority hereafter made available would require or permit expenditures and net lending during fiscal year 1974 to exceed the limit prescribed by subsection (a), he shall propose, by special message transmitted to the Congress, reservations from expenditure and net lending, from appropriations or other obligational authority heretofore or hereafter made available, of such amounts as are necessary to keep expenditures and net lending during fiscal year 1974 within such limit. A proposal under this subsection shall be transmitted to both Houses on the same day and shall be delivered to each House while it is in session.

(c) The President is authorized, after the close of the thirty-day consideration period (as defined in subsection (e)) applicable to a proposal transmitted under subsection (b), to reserve from expenditure and net lending the amounts set forth in such proposal, unless, before the close of such thirty-day period, the Congress has passed legislation rescinding appropriations or other obligational authority available for expenditure or net lending during the fiscal year 1974 in an aggregate amount not less than the aggregate amount of reservations set forth in such proposal. If, before the close of such thirty-day period, the Congress has passed such legislation, but it does not become law, then the figure set forth in subsection (a) is hereby increased by an amount equal to the aggregate amount of reservations set forth in such proposal.

(d) During the thirty-day consideration period applicable to any proposal transmitted by the President under subsection (b), any proposed legislation to rescind appropriations or other obligational authority shall be highly privileged in both Houses of the Congress and rules similar to the provisions of sections 911, 912, and 913 of title 5, United States Code, shall apply to such proposed legislation, except that amendments to such proposed legislation shall be in order. This subsection is enacted as an exercise of the rulemaking power of the Senate and House of Representatives, respectively.

(e) The thirty-day consideration period applicable to any proposal submitted under subsection (b) is the first period of thirty calendar days of continuous session of the Congress after the date on which the proposal is transmitted to the Congress. For purposes of the preceding sentence, (1) continuity of session is broken only by an adjournment of the Congress sine die, and (2) the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the thirty-day period.

(f) In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to subsection (c), and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for expenditure (as determined by the President) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Is the amendment of the Senator from Missouri in order?

The PRESIDING OFFICER. It is a substitute for the Proxmire amendment.

Mr. TOWER. Mr. President, a further parliamentary inquiry. The Proxmire amendment has been modified to accept the Bentsen amendment. Did he accept it as a modification?

The PRESIDING OFFICER. The Senator from Wisconsin modified it in his own right.

Mr. TOWER. I thank the Chair.

Mr. EAGLETON. Mr. President, may I address a question to the acting majority leader?

Mr. ROBERT C. BYRD. Yes.

Mr. EAGLETON. I wonder if this would perhaps be a satisfactory time to cease deliberations on S. 929 so that between now and tomorrow the Senators from Wisconsin, Minnesota, Texas, myself, and others who are interested in the question can put our heads together and see if there is a common ground to meet the objections raised by the Senator from Alabama, the Senator from Louisiana, and other Senators?

Mr. ROBERT C. BYRD. Yes; I would answer in the affirmative the question of the Senator from Missouri. I think it would be a good idea to cease here for the day.

Mr. TOWER. Mr. President, I ask unanimous consent that when the Senate resumes consideration of S. 929 I be recognized.

The PRESIDING OFFICER. Tomorrow?

Mr. TOWER. Yes.

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

Mr. PROXMIRE. Mr. President, I did not hear the unanimous-consent request.

The PRESIDING OFFICER. That when the Senate proceeds to the consideration of the bill tomorrow, the Senator from Texas be recognized.

Mr. PROXMIRE. Mr. President, will the Senator from Texas yield for a question on that?

Mr. TOWER. Yes.

Mr. PROXMIRE. Does the Senator from Texas intend to move to table the Eagleton amendment or the Proxmire-Eagleton amendment?

Mr. TOWER. In due course, but not immediately, because obviously some more debate should take place.

Mr. PROXMIRE. Mr. President, I have no objection.

(The remarks Senator BARTLETT made at this point on the submission of Senate Concurrent Resolution 19, relating to the establishment of an appropriation ceiling, are printed earlier in the RECORD under Submission of a Concurrent Resolution.)

SUBCOMMITTEE TO INVESTIGATE JUVENILE DELINQUENCY MEETING DURING SENATE SESSION TOMORROW

Mr. BAYH. Mr. President, I request unanimous consent that the Subcommittee To Investigate Juvenile Delinquency of the Committee on the Judiciary may be authorized to meet to conduct hearings on the nature and extent of methaqualone abuse and diversion in the United States during the session of the Senate tomorrow.

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW AND FOR THE RESUMPTION OF CONSIDERATION OF S. 929

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators on tomorrow, there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes each, at the conclusion of which the Senate resume its consideration of the unfinished business.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if the orders for the recognition of Senators have not expired by the close of the morning hour, the unfinished business not be laid before the Senate until such time as the orders for the recognition of Senators have been consummated and there has been a period for the transaction of routine morning business in conformity with the previous order.

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

PROGRAM

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

The Senate will convene at 10 a.m. After the two leaders have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. JACKSON, Mr. MATHIAS, Mr. HATFIELD, Mr. BEALL, Mr. ALLEN, Mr. CHILES, Mr. NUNN, Mr. GRIFFIN, Mr. HRUSKA, Mr. COOK, Mr. LONG, and Mr. ROBERT C. BYRD, after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of routine morning business, the Senate will resume its consideration of the unfinished business, S. 929, the dollar revaluation bill. There will be yea-and-nay votes thereon.

The distinguished ranking Republican member of the committee (Mr. TOWER) has requested and received consent to be recognized at the time the unfinished business is laid before the Senate tomorrow, and he has already indicated to the Senate that he will, at some point during the day, move to table the amendment by Mr. PROXMIRE.

So there will be yea-and-nay votes tomorrow. Hopefully, the Senate will complete action on the bill tomorrow. We cannot be assured of that in view of the fact that there is no time agreement on the bill or on amendments thereto.

If action is completed on the bill at a reasonably early hour on tomorrow, the Senate will then take up the various crime bills. If the Senate does not complete its action on the unfinished business tomorrow, the various crime bills and other measures on the calendar would go over until Friday.

ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock a.m. tomorrow.

The motion was agreed to; and at 6:39 p.m. the Senate adjourned until tomorrow, Thursday, March 29, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 28, 1973:

DEPARTMENT OF JUSTICE

Allen L. Donielson, of Iowa, to be U.S. attorney for the Southern District of Iowa for the term of 4 years; reappointment.

V. DeVoe Heaton, of Nevada, to be U.S. attorney for the District of Nevada for the term of 4 years; vice Bart M. Schouweiler, resigned.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Carlos M. Talbott, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

Col. John P. Flynn, [redacted] FR, (colonel, Regular Air Force) U.S. Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force to be retroactive to the effective date of May 1, 1971.

Col. David W. Winn, [redacted] FR, (colonel, Regular Air Force) U.S. Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force.

IN THE NAVY

The following named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Lando W. Zech, Jr.	John B. Berude
Reuben G. Rogerson	Thomas B. Russell, Jr.
Cyril T. Faulders, Jr.	Elmer T. Westfall
Robert P. McKenzie	Paul C. Boyd
Henry P. Glindeman Jr.	Charles S. Williams, Jr.
James R. Sanderson	Edward P. Travers
Gordon R. Nagler	William H. Ellis
Robert F. Schoultz	Ralph H. Carnahan
Robert H. Blount	James B. Stockdale
Harold G. Rich	William J. Crowe, Jr.
George P. March	Robert S. Smith
Jeremiah A. Denton, Jr.	Richard A. Paddock
	Roy F. Hoffmann
Donald P. Harvey	William H. Harris
John D. Johnson, Jr.	Robert H. Gormley
Robert K. Geiger	James H. Foxgrover
Kenneth G. Haynes	Ernest E. Tissot, Jr.
Kenneth M. Carr	Gerald E. Synhorst
Paul A. Peck	Carl T. Hanson
Ralph M. Ghormley	William J. Cowhill
John T. Coughlin	Albert L. Kelln
Carlisle A. Trost	

HOUSE OF REPRESENTATIVES—*Wednesday, March 28, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Acquaint now thyself with God and be at peace; thereby good shall come to thee.—Job 22: 21.

Our Heavenly Father, in this quiet moment of meditation and prayer help us to find in Thee our true peace. Let us not be led astray by the foolish customs of the world, nor kept from doing our duty at the call of selfish spirits, nor drawn into wrong ways by the example of unworthy men.

In every experience of daily life may we know that Thou art with us, in every temptation may we find strength in Thee, in every trouble feel the support of Thy spirit, and in every anxiety to lay hold of Thy peace. May Thy grace enlighten us in darkness, strengthen us in weakness, and renew in us the spirit which makes life worth living.

Bless our country, our leaders, and our people. Whatever light may shine, whatever darkness may fall, keep us in the fellowship of those who trust and obey Thee.

In the spirit of Him who walked in Thy way we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 5445. An act to extend the Clean Air Act, as amended, for 1 year;

H.R. 5546. An act to extend the Solid Waste Disposal Act, as amended, for 1 year; and

H.J. Res. 5. Joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3577. An act to provide an extension of the interest equalization tax, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3577) entitled "An act to provide an extension of the interest equalization tax, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. HARTKE, Mr. BENNETT, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Vice President, pursuant to Public Law 86–42, appointed Mr. HUMPHREY to the Canada-United States Interparliamentary Meeting to be held in Washington, D.C., April 4 to 8, 1973.

The message also announced that the Vice President, pursuant to Public Law 83–420, appointed Mr. CLARK as a member on the part of the Senate, of the board of directors of Gallaudet College.

AMERICAN POW'S AND FIGHTING MEN

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

Mr. MONTGOMERY. Mr. Speaker, today is a great and historical date for our country in that the last of the officially listed American prisoners of war will be

released in Hanoi and the last American fighting men will be withdrawn from South Vietnam effective tonight Washington time.

This country has certainly done its part to insure peace in that faraway land and give the South Vietnamese people the right of self-determination. It should be pointed out that we are not claiming 1 inch of land in Southeast Asia, and yet we have paid dearly to insure freely elected governments. I only hope other free nations of the world realize the sacrifices made by the United States to help these small countries.

Mr. Speaker, I am preparing a House resolution to honor those who served in Vietnam by having a recess meeting.

The House would, in the near future, recognize the different groups who served and sacrificed in the Vietnam war.

I hope my colleagues will join me in this type of resolution.

SPEAKER'S RESPONSE TO PRESIDENT'S VETO OF THE VOCATIONAL REHABILITATION ACT OF 1973

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

Mr. WRIGHT. Mr. Speaker, on yesterday the President vetoed the vocational rehabilitation bill, which had been passed by this House by a vote of 318 to 57 and which had been passed in the other body by a vote of 86 to 2.

This bill reduces the total authorizations some $900 million for the 3-year period below those contained in the bill vetoed by the President last year.

Most of us obviously felt that it was a humane response to the needs of the handicapped people of this country.

Mr. Speaker, I offer for insertion at this point in the RECORD the well-reasoned statement of Speaker CARL ALBERT on the subject of this veto:

SPEAKER'S RESPONSE TO PRESIDENT'S VETO OF THE VOCATIONAL REHABILITATION ACT OF 1973

The President's veto of the Vocational Rehabilitation Act of 1973, though expected, was very disappointing. It is hard for me to understand why the President of the United States would twice veto a program that passed both Houses of Congress with overwhelming bipartisan support and has so successfully brought opportunity and hope to thousands of physically handicapped Americans.

The President's reasons for turning his back on these citizens are no better than the ones he gave last year when he vetoed a similar bill. The merits of this program cannot be disguised within a smokescreen of fiscal responsibility. Congress cut the bill the President vetoed last year by nearly a billion dollars, reducing it to an amount that is less than what was appropriated for the program in either Fiscal Year 1971 or 1972.

The President argues that the bill duplicates services already available under Medicare or Medicaid. This is not true. Medical services vary from state to state and usually do not include the specific help which the disabled person needs. In addition, Medicaid does not offer a full range of rehabilitation services, such as counseling and training, which are vital to moving people back into the work force.

The President also attacked new programs added to the Vocational Rehabilitation Act on grounds that they would divert the program from its original emphasis. This is not so. New programs added to the bill amount to less than 5% of the total authorization. These programs which aid patients suffering from kidney disease, spinal cord injuries and other severe handicaps, offer vocational services not offered by any other government program.

The President says he is defending the public interest by vetoing this bill. How is denying the physically handicapped a chance to help themselves defending the public interest? Handicapped Americans should not have to suffer the affects of such callous and neglectful treatment.

Congress feels a strong responsibility for helping the handicapped improve their quality of life. Every effort will be made to override the President's veto of this legislation.

PRESIDENT'S VETO OF VOCATIONAL REHABILITATION BILL

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

Mr. BRADEMAS, Mr. Speaker, following the observations of my distinguished colleague from Texas, Mr. WRIGHT, I want to express my own viewpoints. Mr. Speaker, President Nixon's veto yesterday of a vocational rehabilitation bill slams the door in the face of disabled Americans.

Although rehabilitation of the handicapped has never been a partisan matter in Congress, the President has now twice vetoed this bill.

The second veto comes after both Democrats and Republicans in the House and Senate gave the program overwhelming support. To meet administration objections after the first veto, Congress this year cut spending for the program by over $900 million—a 25-percent reduction from the bill Mr. Nixon disapproved last year.

I would here add that the bill vetoed last year at a higher level of authorization was passed unanimously in both the House and the Senate.

Mr. Speaker, I want to reiterate that this is not a partisan matter. This bill was passed in the Committee on Education and Labor with the help of both Democrats and Republicans and reported by a vote of 33 to 1, and it met with the overwhelming support of Members on both sides of the aisle in this body.

This bill, which I sponsored in the House, continues a 50-year effort to help handicapped persons become employed or self-sufficient. And this year we gave new priority to the severely disabled, including the elderly, deaf-blind, persons with spinal cord injuries, and those with kidney diseases.

President Nixon may assign a low priority to helping our handicapped fellow citizens, but we in Congress do not, and I predict Democrats and Republicans will join to override the veto.

PROTECT HIGH SCHOOL AND COLLEGE FOOTBALL

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

Mr. DORN. Mr. Speaker, high school and college athletics must not be destroyed by the broadcasting of professional sports. We have again introduced our bill to prohibit the broadcast of pro football on Friday nights and Saturday when it conflicts with America's greatest fall pastime, high school and college football.

These Friday night broadcasts would destroy the vitality of both amateur and pro football, because the professionals are dependent on amateur football as a source of all their talent. Attendance at high school and college games very definitely falls off when pro football is broadcast simultaneously, and this is causing a great deal of concern among amateur athletes, students, school administrators, and the general public.

High school athletes do not compete for pay. Their reward is the enthusiastic support of classmates, parents, and friends in the football stadium. High school football is supported and financed by the small admission fee. Should part of this support be enticed away for the television viewing of professional sports, it could destroy the game. The enthusiastic approval of football fans in attendance is necessary to maintain the competitive spirit, the desire to play, and the physical fitness of the high school and college athlete.

Mr. Speaker, the bill we have introduced with several other colleagues would impose a pro football broadcast blackout on Friday nights and Saturdays within 75 miles of any high school or college game. Further, I believe the Congress ought to investigate the effect of the broadcasts of other pro sports on high school and college programs. Professional sports is a financially sound business. We must not allow greed to destroy high school and college athletics.

MAJORITY LEADER THOMAS P. O'NEILL, JR., DENOUNCES THE VETO OF THE VOCATIONAL REHABILITATION ACT

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

Mr. O'NEILL. Mr. Speaker, every Member with compassion for those less fortunate than himself must deplore the cash-register mentality that lead to the veto of the Vocational Rehabilitation Act yesterday.

The President has labeled the bill "fiscally irresponsible" merely because it does not happen to fit in with his own ideas of budget priorities. This veto is typical of the philosophy of this administration: pick on the poor and weak in favor of the rich and powerful.

This bill is no more fiscally irresponsible than an administration budget that proposes an increase in defense spending at the conclusion of a war. It is no more irresponsible than a tax structure that bears down upon the common man to the benefit of the corporate interests and the rich.

It is a disgrace that this Nation cannot fund programs designed to help the

disabled and severely handicapped to help themselves. I submit that the money is in the budget within the President's suggested spending ceiling. It remains only for the Congress to shift those funds from dubious administration priorities to the more compassionate and constructive purposes of vocational training.

Mr. Speaker, our vote to override Mr. Nixon's veto is more than a repudiation of this single instance of callousness toward the handicapped. It will be a reaffirmation of the principle that this Nation shall continue to have a government that is concerned for its people.

THE RECORD ON VOCATIONAL REHABILITATION UNDER THE NIXON ADMINISTRATION

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

Mr. GERALD R. FORD. Mr. Speaker, it is perfectly obvious that the distinguished majority leader has not looked at the facts and figures, and is not familiar with the sound and progressive program of vocational rehabilitation under the Nixon administration. The budget for the vocational rehabilitation program under this administration from fiscal year 1969 to fiscal year 1974 shows a tremendous increase of 75 percent and a tremendous increase in the number of people who will be taken off the rolls as tax eaters, and who will become tax producers.

Under the Nixon program on vocational rehabilitation which the President has recommended for the coming fiscal year it is my recollection that 1,225,000 Americans will be taken care of under the various vocational rehabilitation programs, as compared with 781,000 persons in 1969. It is estimated that some 350,000 persons will be rehabilitated as compared with 241,000 at the start of the Nixon administration.

The gentleman from Massachusetts, before making such irresponsible charges as he has made on the floor of the House, should look into the facts. If the gentleman would do so, I believe he would take a different view.

APPOINTMENT OF CONFEREES ON H.R. 3577, EXTENSION OF INTEREST EQUALIZATION TAX

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. MILLS of Arkansas, ULLMAN, BURKE of Massachusetts, Mrs. GRIFFITHS, Messrs. SCHNEEBELI, COLLIER, and BROYHILL of Virginia.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3577, EXTENSION OF INTEREST EQUALIZATION TAX

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes.

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

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93–95)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 2 through 14; and agree to the same.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
Mrs. GRIFFITHS,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
JOEL T. BROYHILL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN TALMADGE,
VANCE HARTKE,
WALLACE F. BENNETT,
CARL CURTIS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment numbered 1: The bill as passed by the House extends the application of the interest equalization tax for a period of fifteen months, through June 30, 1974. The Senate amendment provides instead for a two-year extension, through March 31, 1975. The Senate recedes.

Amendment numbered 2: The bill as passed by the House provides an exemption from the United States estate tax imposed on non-resident alien individuals for debt obligations issued by a domestic corporation or partnership under an election to treat the debt obligation as foreign for purposes of the interest equalization tax. The exemption applies generally with respect to estates of decedents dying on or after January 1, 1973. The Senate amendment postpones the effective date of this provision so that it applies with respect to estates of decedents dying on or after January 1, 1974 in the case of assumptions of debt obligations of foreign financing subsidiaries during calendar year 1973. The House recedes.

Amendments numbered 3 and 4: The bill as passed by the House provides that the interest equalization tax exclusion for stock or debt obligations issued by a less developed country corporation shall not apply to stock or debt obligations issued by a less developed country shipping corporation after January 29, 1973. The House bill also provides, however, for the continuation of the interest equalization tax exclusion generally where transactions involving ships were in an advanced stage of completion prior to January 30, 1973. Senate amendment numbered 3 is technical. Senate amendment numbered 4 provides for the continuation of the exclusion in certain other types of transactions which were also in an advanced stage of completion prior to January 30, 1973, but which were not covered by the House bill. The House recedes.

Amendment numbered 5: This is a clerical amendment. The House recedes.

Amendments numbered 6 and 7: The bill as passed by the House provides for an exclusion from the interest equalization tax for original or new issues of stock or debt obligations to finance direct investment in the United States subject to the foreign issuer or obligor agreeing to meet certain conditions with respect to that investment for a period of ten years.

The Senate amendment numbered 6 provides that the exclusion shall also apply to (1) stock acquired by conversion of a debt obligation if no additional consideration is paid and if the debt obligation itself qualified for the exclusion, and (2) a debt obligation issued to refund or refinance an original or new issue which qualified for the exclusion.

Senate amendment numbered 7 provides that a foreign issuer or obligor will not be considered to have failed to meet the conditions applicable to this exclusion, in the case of such stock or debt obligations, if he continues to comply with such conditions (with respect to the debt obligation converted, refunded, or refinanced) for the ten-year period beginning on the date of his original or new issue of that debt obligation.

The House recedes with the understanding that the exclusion for original or new issues (under new section 4922(a) of the Internal Revenue Code of 1954) is not to apply to new direct investment for the acquisition and exploitation of natural resources in the United States.

Amendment numbered 8: The first sentence of Senate amendment numbered 8 provides that in the case of a domestic corporation or partnership formed or availed for the principal purpose of acquiring foreign securities, the interest equalization tax is to be imposed at the corporate level, rather than at the shareholder level, where all the foreign investments of the domestic corporation were taxable or were exempt from taxation by reason of the exclusions relating to less developed countries, the Canadian exemption, the exemption for prior American ownership and compliance, or as foreign stock treated as domestic.

The second sentence of this amendment provides that an acquisition which satisfies the requirements of being an export credit transaction is not to be taken into consideration in determining whether a domestic corporation or partnership is formed or availed of for the principal purpose of obtaining funds for a foreign issuer or obligor.

The House recedes.

Amendment numbered 9: Senate amendment numbered 9 provides that the exemption from the interest equalization tax applicable to certain acquisitions of debt obligations arising from the sale or lease of property made in the United States or the performance of services by a United States person shall also apply to acquisitions by any United States person of a foreign debt obligation acquired in connection with the sale or lease of such property or the performance of such services where the acquisition is reasonably necessary to accomplish the sale or lease. The House recedes.

Amendment numbered 10: Senate amendment numbered 10 provides that a qualified lending or financing corporation, or a United States corporation which is engaged in a lending or financing business through offices located outside the United States, may use domestic source funds to lend for qualified export credit transactions or to buy goods made in the United States for leasing or sale outside of the United States. The House recedes.

Amendment numbered 11: Senate amendment numbered 11 clarifies existing law by providing that a participating firm (as defined in section 4918(c) of the Internal Revenue Code of 1954) may issue a valid broker-dealer confirmation indicating that the securities it is selling are exempt from the interest equalization tax if it sells the securities for its own account and pays the tax by the date it would have had to deposit the funds in a separate account if it had been acting for a customer instead of for itself. The amendment applies to acquisitions of foreign securities made after July 14, 1967, the effective date of amendments relating to such firms made by the Interest Equalization Tax Extension Act of 1967. The House recedes.

Amendment numbered 12: Senate amendment numbered 12 provides that interest shall be paid on overpayments of interest equalization tax arising out of sales by underwriters and dealers to foreign persons (under section 4919(a) of the Internal Revenue Code of 1954) where such overpayment is not refunded within 45 days after filing of a claim for refund for an overpayment in a prior quarter. The House recedes.

Amendment numbered 13: Senate amendment numbered 13 provides that a United States corporation which would otherwise be treated as primarily engaged in the foreign lending or finance business is to be allowed to make equity contributions from foreign source funds to foreign lending or finance corporations which are members of the same affiliated group without being considered not "primarily" engaged in a lending or finance business. This amendment also provides that a corporation considered as primarily engaged in a lending or finance business may make loans for periods of up to 60 months.

This amendment also provides that stock of certain foreign corporations treated as domestic issuers for purposes of the interest equalization tax, acquired by United States employees on the exercise of their stock option, is exempt from the tax if certain conditions are met. This amendment also provides that stock acquired by an employee on the exercise of an employee stock option issued to the employee by his employer corporation, or its parent or subsidiary, after November 10, 1964, and prior to January 30, 1973, is exempt from the tax if the tax was paid on any prior acquisition of the stock in those cases where the stock was issued pursuant to the exercise of an employee stock option.

This amendment also provides that a foreign corporation which is treated as a domestic issuer may issue stock as consideration for the acquisition of stock or assets of a foreign corporation if certain conditions are met.

This amendment also provides that (1) a commercial bank which is an affiliated corporation of a qualified lending or financing corporation may make a loan to that qualified lending or financing corporation without having to comply with certain prior notice and tracing requirements, and (2) a qualified lending or financing corporation which is an affiliated corporation of a second qualified lending or financing corporation may make a loan to that second qualified lending or financing corporation from funds obtained from related or unrelated corporations.

This amendment also provides that a qualified lending or financing corporation may make loans to foreign persons out of the proceeds of the payment for its stock or contributions to its capital if these proceeds were derived from the sale to unrelated foreign persons of securities by an at least 10 percent related corporation.

This amendment also provides that the proceeds from the sale of debt obligations by a domestic corporation which has made an election to treat these obligations as foreign for purposes of the interest equalization tax may be loaned to foreign persons by a qualified lending or financing corporation if the proceeds are directly transferred by unrelated foreign lenders to that corporation.

This amendment also provides that a qualified lending or financing corporation may (1) make a 10 percent or more equity investment in another such corporation or in a partnership which would generally satisfy the requirements of being a qualified lending or financing corporation; (2) acquire stock by foreclosure if the stock is disposed of within a certain period; or (3) acquire stock of a foreign corporation in connection with, and incidental to, a financing transaction, subject to certain conditions.

This amendment also provides that a qualifying domestic mutual fund is allowed to distribute stock dividends to its shareholders without the imposition of the interest equalization tax.

The House recedes from its disagreement to the Senate amendment numbered 13.

Amendment numbered 14: Senate amendment numbered 14 requires the Secretary of the Treasury to study the effect on international monetary stability of the Canadian exemption from the interest equalization tax and report back to the Congress not later than September 30, 1973. The House recedes.

Amendment numbered 15: Senate amendment numbered 15 requires the Secretary of the Treasury to submit to the Congress proposals for comprehensive reform of the Internal Revenue Code of 1954 within 120 days after the date of enactment of this Act. The Senate recedes with the understanding that this amendment is unnecessary because the Secretary of the Treasury has accepted an invitation to testify before the Ways and Means Committee beginning on April 30, 1973, with respect to tax reform at which time he is expected to present the administration's comprehensive tax reform proposals.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
Mrs. GRIFFITHS,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
JOEL T. BROYHILL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN TALMADGE,
VANCE HARTKE,
WALLACE F. BENNETT,
CARL CURTIS,
Managers on the Part of the Senate.

CALL OF THE HOUSE

Mr. HAYS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 59]

Andrews, N.C.	Flowers	Mailliard
Annunzio	Foley	Mann
Armstrong	Ford,	Mathias, Calif.
Aspin	William D.	Morgan
Badillo	Frelinghuysen	Price, Tex.
Barrett	Giaimo	Reid
Biaggi	Goldwater	Rooney, N.Y.
Blatnik	Gray	Roybal
Boland	Harvey	Ruppe
Burke, Calif.	Hébert	Sandman
Carney, Ohio	Henderson	Stark
Chappell	Holifield	Udall
Clark	Holtzman	Wilson,
Conyers	Karth	Charles, Tex.
Coughlin	King	Zwach
Diggs	Koch	
Dingell	Kuykendall	

The SPEAKER. On this rollcall 386 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AID FOR HANOI

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

Mr. PIKE. Mr. Speaker, a lot of us, among them even the President's stanchest supporters, have been thrown into a quandary by his resolute pledge of U.S. aid in reconstructing the war-torn country of our late adversary, North Vietnam. There are even those who would normally be disposed to do this on moral, ethical, and religious grounds but who have sadly concluded that there are domestc programs that have greater need of the money and that "charity should begin at home." The editor of the Port Jefferson Record in my home district out on Long Island has come up with a suggestion that can get us all off the hook and I commend it to your attention as a model of brevity, clarity, and cogency:

AID FOR HANOI

We agree with President Nixon that the U.S. should give financial assistance in the rebuilding of North Vietnam; we disagree over the source of payment. Nixon would dig into the overexpended U.S. treasury for the money. We offer an alternate suggestion: assign Hanoi the still-unpaid World War II debt of the Soviet Union. The gesture will cost us nothing, since the Russians give no sign they will ever honor their obligation. Should the Soviets one day decide to become a government of their word, Hanoi would be better blessed than it had thought possible.

DRUG ENFORCEMENT ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–69)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

Drug abuse is one of the most vicious and corrosive forces attacking the foundations of American society today. It is a major cause of crime and a merciless destroyer of human lives. We must fight

it with all of the resources at our command.

This Administration has declared all-out, global war on the drug menace. As I reported to the Congress earlier this month in my State of the Union message, there is evidence of significant progress on a number of fronts in that war.

Both the rate of new addiction to heroin and the number of narcotic-related deaths showed an encouraging downturn last year. More drug addicts and abusers are in treatment and rehabilitation programs than ever before.

Progress in pinching off the supply of illicit drugs was evident in last year's stepped-up volume of drug seizures worldwide—which more than doubled in 1972 over the 1971 level.

Arrests of traffickers have risen by more than one-third since 1971. Prompt Congressional action on my proposal for mandatory minimum sentences for pushers of hard drugs will help ensure that convictions stemming from such arrests lead to actual imprisonment of the guilty.

Notwithstanding these gains, much more must be done. The resilience of the international drug trade remains grimly impressive—current estimates suggest that we still intercept only a small fraction of all the heroin and cocaine entering this country. Local police still find that more than one of every three suspects arrested for street crimes is a narcotic abuser or addict. And the total number of Americans addicted to narcotics, suffering terribly themselves and inflicting their suffering on countless others, still stands in the hundreds of thousands.

A UNIFIED COMMAND FOR DRUG ENFORCEMENT

Seeking ways to intensify our counter-offensive against this menace, I am asking the Congress today to join with this Administration in strengthening and streamlining the Federal drug law enforcement effort.

Funding for this effort has increased sevenfold during the past five years, from $36 million in fiscal year 1969 to $257 million in fiscal year 1974—more money is not the most pressing enforcement need at present. Nor is there a primary need for more manpower working on the problem, over 2100 new agents having already been added to the Federal drug enforcement agencies under this Administration, an increase of more than 250 percent over the 1969 level.

The enforcement work could benefit significantly, however, from consolidation of our anti-drug forces under a single unified command. Right now the Federal Government is fighting the war on drug abuse under a distinct handicap, for its efforts are those of a loosely confederated alliance facing a resourceful, elusive, worldwide enemy. Admiral Mahan, the master naval strategist, described this handicap precisely when he wrote that "Granting the same aggregate of force, it is never as great in two hands as in one, because it is not perfectly concentrated."

More specifically, the drug law enforcement activities of the United States now are not merely in two hands but in half a dozen. Within the Department of Justice, with no overall direction below the level of the Attorney General, these fragmented forces include the Bureau of Narcotics and Dangerous Drugs, the Office for Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, and certain activities of the Law Enforcement Assistance Administration. The Treasury Department is also heavily engaged in enforcement work through the Bureau of Customs.

This aggregation of Federal activities has grown up rapidly over the past few years in response to the urgent need for stronger anti-drug measures. It has enabled us to make a very encouraging beginning in the accelerated drug enforcement drive of this Administration.

But it also has serious operational and organizational shortcomings. Certainly the cold-blooded underworld networks that funnel narcotics from suppliers all over the world into the veins of American drug victims are no respecters of the bureaucratic dividing lines that now complicate our anti-drug efforts. On the contrary, these modern-day slave traders can derive only advantage from the limitations of the existing organizational patchwork. Experience has now given us a good basis for correcting those limitations, and it is time to do so.

I therefore propose creation of a single, comprehensive Federal agency within the Department of Justice to lead the war against illicit drug traffic.

Reorganization Plan No. 2 of 1973, which I am transmitting to the Congress with this message, would establish such an agency, to be called the Drug Enforcement Administration. It would be headed by an Administrator reporting directly to the Attorney General.

The Drug Enforcement Administration would carry out the following anti-drug functions, and would absorb the associated manpower and budgets:

—All functions of the Bureau of Narcotics and Dangerous Drugs (which would be abolished as a separate entity by the reorganization plan);

—Those functions of the Bureau of Customs pertaining to drug investigations and intelligence (to be transferred from the Treasury Department to the Attorney General by the reorganization plan);

—All functions of the Office for Drug Abuse Law Enforcement; and

—All functions of the Office of National Narcotics Intelligence.

Merger of the latter two organizations into the new agency would be effected by an executive order dissolving them and transferring their functions, to take effect upon approval of Reorganization Plan No. 2 by the Congress. Drug law enforcement research currently funded by the Law Enforcement Assistance Administration and other agencies would also be transferred to the new agency by executive action.

The major responsibilities of the Drug Enforcement Administration would thus include:

—development of overall Federal drug law enforcement strategy, programs, planning, and evaluation;

—full investigation and preparation for prosecution of suspects for violations under all Federal drug trafficking laws;

—full investigation and preparation for prosecution of suspects connected with illicit drugs seized at U.S. ports-of-entry and international borders;

—conduct of all relations with drug law enforcement officials of foreign governments, under the policy guidance of the Cabinet Committee on International Narcotics Control;

—full coordination and cooperation with State and local law enforcement officials on joint drug enforcement efforts; and

—regulation of the legal manufacture of drugs and other controlled substances under Federal regulations.

The Attorney General, working closely with the Administrator of this new agency, would have authority to make needed program adjustments. He would take steps within the Department of Justice to ensure that high priority emphasis is placed on the prosecution and sentencing of drug traffickers following their apprehension by the enforcement organization. He would also have the authority and responsibility for securing the fullest possible cooperation—particularly with respect to collection of drug intelligence—from all Federal departments and agencies which can contribute to the anti-drug work, including the Internal Revenue Service and the Federal Bureau of Investigation.

My proposals would make possible a more effective anti-drug role for the FBI, especially in dealing with the relationship between drug trafficking and organized crime. I intend to see that the resources of the FBI are fully committed to assist in supporting the new Drug Enforcement Administration.

The consolidation effected under Reorganization Plan No. 2 would reinforce the basic law enforcement and criminal justice mission of the Department of Justice. With worldwide drug law enforcement responsibilities no longer divided among several organizations in two different Cabinet departments, more complete and cumulative drug law enforcement intelligence could be compiled. Patterns of international and domestic illicit drug production, distribution, and sale could be more directly compared and interpreted. Case-by-case drug law enforcement activities could be more comprehensively linked, cross-referenced, and coordinated into a single, organic enforcement operation. In short, drug law enforcement officers would be able to spend more time going after the traffickers and less time coordinating with one another.

Such progress could be especially helpful on the international front. Narcotics control action plans, developed under the leadership of the Cabinet Committee on International Narcotics Control, are now being carried out by U.S. officials in cooperation with host governments in 59 countries around the world. This wide-ranging effort to cut off drug supplies before they ever reach U.S. borders or streets is just now beginning to bear fruit. We can enhance its effectiveness, with little disruption of ongoing enforcement activities, by merging both the

highly effective narcotics force of overseas Customs agents and the rapidly developing international activities of the Bureau of Narcotics and Dangerous Drugs into the Drug Enforcement Administration. The new agency would work closely with the Cabinet Committee under the active leadership of the U.S. Ambassador in each country where anti-drug programs are underway.

Two years ago, when I established the Special Action Office for Drug Abuse Prevention within the Executive Office of the President, we gained an organization with the necessary resources, breadth, and leadership capacity to begin dealing decisively with the "demand" side of the drug abuse problem—treatment and rehabilitation for those who have been drug victims, and preventive programs for potential drug abusers. This year, by permitting my reorganization proposals to take effect, the Congress can help provide a similar capability on the "supply" side. The proposed Drug Enforcement Administration, working as a team with the Special Action Office, would arm Americans with a potent one-two punch to help us fight back against the deadly menace of drug abuse. I ask full Congressional cooperation in its establishment.

IMPROVING PORT-OF-ENTRY INSPECTIONS

No heroin or cocaine is produced within the United States; domestic availability of these substances results solely from their illegal importation. The careful and complete inspection of all persons and goods coming into the United States is therefore an integral part of effective Federal drug law enforcement.

At the present time, however, Federal responsibility for conducting port-of-entry inspections is awkwardly divided among several Cabinet departments. The principal agencies involved are the Treasury Department's Bureau of Customs, which inspects goods, and the Justice Department's Immigration and Naturalization Service, which inspects persons and their papers. The two utilize separate inspection procedures, hold differing views of inspection priorities, and employ dissimilar personnel management practices.

To reduce the possibility that illicit drugs will escape detection at ports-of-entry because of divided responsibility, and to enhance the effectiveness of the Drug Enforcement Administration, the reorganization plan which I am proposing today would transfer to the Secretary of the Treasury all functions currently vested in Justice Department officials to inspect persons, or the documents of persons.

When the plan takes effect, it is my intention to direct the Secretary of the Treasury to use the resources so transferred—including some 1,000 employees of the Immigration and Naturalization Service—to augment the staff and budget of the Bureau of Customs. The Bureau's primary responsibilities would then include:

—inspection of all persons and goods entering the United States;
—valuation of goods being imported, and assessment of appropriate tariff duties;
—interception of contraband being smuggled into the United States;
—enforcement of U.S. laws governing the international movement of goods, except the investigation of contraband drugs and narcotics; and
—turning over the investigation responsibility for all drug law enforcement cases to the Department of Justice.

The reorganization would thus group most port-of-entry inspection functions in a single Cabinet department. It would reduce the need for much day-to-day interdepartmental coordination, allow more efficient staffing at some field locations, and remove the basis for damaging inter-agency rivalries. It would also give the Secretary of the Treasury the authority and flexibility to meet changing requirements in inspecting the international flow of people and goods. An important by-product of the change would be more convenient service for travellers entering and leaving the country.

For these reasons, I am convinced that inspection activities at U.S. ports-of-entry can more effectively support our drug law enforcement efforts if concentrated in a single agency. The processing of persons at ports-of-entry is too closely interrelated with the inspection of goods to remain organizationally separated from it any longer. Both types of inspections have numerous objectives besides drug law enforcement, so it is logical to vest them in the Treasury Department, which has long had the principal responsibility for port-of-entry inspection of goods, including goods being transported in connection with persons. As long as the inspections are conducted with full awareness of related drug concerns it is neither necessary nor desirable that they be made a responsibility of the primary drug enforcement organization.

DECLARATIONS

After investigation, I have found that each action included in Reorganization Plan No. 2 of 1973 is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. In particular, the plan is responsive to the intention of the Congress as expressed in Section 901(a)(1): "to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;" Section 901(a)(3): "to increase the efficiency of the operations of the Government to the fullest extent practicable;" Section 901(a)(5): "to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions as may not be necessary for the efficient conduct of the Government;" and Section 901(a)(6): "to eliminate overlapping and duplication of effort."

As required by law, the plan has one logically consistent subject matter: consolidation of Federal drug law enforcement activities in a manner designed to increase their effectiveness.

The plan would establish in the Department of Justice a new Administration designated as the Drug Enforcement Administration. The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in Section 5 of the plan. The rates of compensation fixed for these officers would be comparable to those fixed for officers in the executive branch who have similar responsibilities.

While it is not practicable to specify all of the expenditure reductions and other economies which may result from the actions proposed, some savings may be anticipated in administrative costs now associated with the functions being transferred and consolidated.

The proposed reorganization is a necessary step in upgrading the effectiveness of our Nation's drug law enforcement effort. Both of the proposed changes would build on the strengths of established agencies, yielding maximum gains in the battle against drug abuse with minimum loss of time and momentum in the transition.

I am confident that this reorganization plan would significantly increase the overall efficiency and effectiveness of the Federal Government. I urge the Congress to allow it to become effective.

RICHARD NIXON.

THE WHITE HOUSE, *March 28, 1973.*

THE PRESIDENT'S REORGANIZATION PLAN FOR DRUG ABUSE CONTROL

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GERALD R. FORD. Mr. Speaker, the President's proposal to place the responsibility for the war against illicit drug trafficking entirely within one agency seems to me to make a great deal of sense.

In fact, it appears obvious that creating a single, comprehensive Federal agency to coordinate the drive against dope should result in a vastly improved attack on the drug abuse problem.

We should no longer continue to employ a fragmented approach in dealing with the drug abuse menace. I therefore urge that the Congress allow the President's proposal, Reorganization Plan No. 2 of 1973, to become effective.

APPOINTMENT OF CONFEREES ON H.R. 2107, RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

Mr. POAGE. Mr. Speaker, pursuant to clause 1, rule XX, by direction of the Committee on Agriculture, I move to take from the Speaker's table the bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance program, with the Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. POAGE moves to take from the Speaker's table the bill H.R. 2107, with the Senate amendment thereto, disagree to the Senate

amendment, and request a conference with the Senate.

The SPEAKER. The gentleman from Texas is recognized.

Mr. POAGE. Mr. Speaker, this is the REAP bill, which we passed some weeks ago. The Senate has placed an amendment on it. This is merely asking to send the bill to conference to consider this Senate amendment.

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

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

Mr. TEAGUE of California. Mr. Speaker, I have no doubt that this motion by the chairman will carry, but I did want to take advantage at this time to read a few short excerpts from an excellent article which appeared in today's Wall Street Journal on the subject of REAP, and I ask unanimous consent that the entire article be included with my remarks.

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

There was no objection.

Mr. TEAGUE of California. This article is written by Burt Schorr in today's Wall Street Journal. He has this to say:

[From the Wall Street Journal, Mar. 28, 1973]

NIXON'S ATTEMPT TO KILL RURAL AID PROGRAM BRINGS SOME CHALLENGES FROM THE CONGRESS

(By Burt Schorr)

WARRENTON, VA.—Thirty-seven years ago Sen. Arthur Capper of Kansas lamented that floods had washed away "millions of acres of fertile soil" and that dust storms were ravaging half a dozen states. He warned against permitting fertile areas to become "uninhabitable deserts." Then Congress passed the Soil Conservation Act.

Today the white-fenced, bluegrass pastures in this corner of the Virginia hunt country seem a long way from the devastation depicted by Sen. Capper; they have been showered with various conservation aids provided by the 1936 law. And some of the present-day beneficiaries of the Rural Environmental Assistance Program based on that law seem far removed from the low-income dirt farmers it was designed to help.

For here in Fauquier County resides Katherine Graham, publisher of The Washington Post; last year she got $340 in rural assistance funds to fertilize pasture land at her farm-retreat. Here also are retired Brig. Gen. R. Townsend Heard, recipient of $858 for pasture improvements, and Mrs. Joseph W. Barr, wife of the former Treasury Secretary, who got $397 for grass seed and fertilizer.

Fauquier, located on the edge of Washington's exurbia, isn't the typical rural county. Nevertheless, payments to the nonneedy are very much a part of the more than $7 billion given agricultural landowners since 1936 to carry out soil-conservation practices. In fact, the nonneedy may well make up a rising share of the program's outlays in recent years.

ACCOMPLISHED ITS AIM

This situation reflects the changed circumstances that recently impelled President Nixon to order an end to the REAP program. Among other things, the program's critics say Washington has continued to pay landowners to undertake conservation projects that they now should and could finance by themselves.

Basically, the President contends this long-time federal help has accomplished its aim. Rural Environmental Assistance and lesser farm-conservation programs "have done their job well: The United States now leads the world in agricultural productivity, and conservation measures have become standard farm-operation procedures," Mr. Nixon says in his new budget.

But the program's defenders in Congress and elsewhere loudly disagree. Without the government to share the cost, the program's defenders question whether farmers will be able to do what is necessary for soil conservation. They also warn that erosion may spread again and that America's farm productivity may suffer.

So irate are farm-state lawmakers that, with urban-suburban support, they have made REAP's future a constitutional issue. The House and Senate have challenged the presidential cutoff order and dared a Nixon veto by passing bills to force continuation of the program. The program's survival is the "direct test of whether the legislative or executive branch will determine spending priorities," asserts Texas Democrat W. R. Poage, chairman of the House Agriculture Committee.

SOME COMPLAINTS

In Congress's zeal to rebuff the President, it is largely ignoring various complaints leveled against REAP. Critics maintain that the program has wandered somewhat from its original conservation objective and has tended to foster farm production directly by paying for, say, land drainage and irrigation ditches. Administrators seeking to eliminate such practices have been hampered by congressional orders leaving decisions to farmer committees in each county.

The critics complain that payments have gone to well-heeled landowners and that REAP's entrenched supporters have refused to brook proposed restrictions that would bar payments to the wealthy.

Beneath it all is the basic question: Is the incentive of federal cash to induce good conservation practices as widely needed in the 1970s as it was in the Depression days of the 1930s? The REAP payment records on file in the local office of the Agricultural Stabilization and Conservation Service here suggest that it isn't. So do conversations with some recipients.

Take Mrs. Graham, Gen. Heard and Mrs. Barr; all say they would undoubtedly keep their Fauquier County fields properly limed, fertilized and seeded even if the federal aid became unavailable.

It would appear that other beneficiaries hereabouts, some of whom live in sumptuous hilltop homes on land worth $1,000 and more an acre, could well afford to do the same. For the convenience of one owner of 533 acres, a director of several corporations who received $374 in REAP payments last year, a notation on his form in the Warrenton Agricultural Stabilization and Conservation Service office directs: "Mail check to Hobe Sound, Fla." Hobe Sound is a winter haven for the wealthy.

IMPORTANT IMPROVEMENTS

There isn't any doubt, however, that federal conservation aid has wrought important long-term improvements throughout rural America. Washington has helped build some two million water storage ponds, reshaped over 32 million acres with antierosion terraces and induced planting of trees and grass and use of stripcropping to buffer 114 million acres from wind and water. In 1970, the program was expanded to include control of animal wastes and other antipollution practices.

The government's REAP outlays totaled about $180 million in fiscal 1972. The individual payments, which ordinarily can't exceed $2,500 per landowner, averaged only $292. But they stimulated a larger spending effort by the recipients, who usually foot 50% to 70% of each project's costs.

Robert L. Herbst, Minnesota natural resources commissioner, sees a "blow to wildlife and erosion control" if the program were to die. He says that the payments have encouraged Minnesota farmers to plant 3.5 million acres of land diverted from crop production with alfalfa, clover and perennials that provide cover and food for pheasants.

And along the gullied watershed of the North Sulphur River of Northeast Texas, government help in constructing hundreds of small dams on tributary streams is seen as the only way to check galloping erosion of the region's black soil. The trouble traces back to the 1920s when the Army Corps of Engineers straightened and deepened the main channel of the North Sulphur to protect rich bottomlands from flooding. Unexpectedly, the river continued the job, increasing water velocity so that erosion began eating its way up the tributaries of the river.

THE YOUNG AND OLD VIEWS

The old wooden bridge on the dirt road linking the small Lamar County community of Bankston with U.S. Highway 82 snows the consequences of this. Originally only 12 feet in length, the bridge had to be stretched to five times that size over a 15-year period as the banks of the stream it crossed fell away. Last summer, the county halted the continual reconstruction by joining with three adjacent landowners, who got REAP aid, to construct a $5,800 earthen dam. The structure greatly slows water flow in the stream and also carries the Bankston road along its crown.

"Young farmers say they don't have that kind of money to spend on their own, and old farmers say they don't want to spend it because they won't live to see its value," says Jim West, Lamar County commissioner and developer of the joint project.

For Robert Kochs, president of the National Limestone Institute, whose producer members depend heavily on sales financed with REAP funds, the big danger is clear. "Is this country going to let its land go the way of India and China?" he asks. A onetime Agriculture Department conservation official, Mr. Kochs has called on grass-roots supporters of REAP, including thousands of federal employes as well as landowners, to flood Congress with a million protest letters. Last week he fired off a warning to institute members that they weren't doing enough for the cause and might meet defeat.

SUPPORT IS LACKING

Mr. Kochs and his allies have helped to push through both houses legislation that would require the Agriculture Secretary to release money appropriated for the program. (He now has an option.) But leaders of the REAP resuscitation effort fear that the House margin is too thin to override a threatened Nixon veto.

One thing lacking in the struggle to save the assistance program is any strong support from environmentalists. One organization, the Natural Resources Defense Council, in fact, is sharply critical of REAP spending to drain wetlands and buy pesticides for killing vegetation. "Maybe we need a moratorium so the program can be resurrected on more constructive lines," says Thomas J. Barlow, a council staff member.

Environmentalists also complain that the county committees that pass on payment applications last year allowed 20% of the program dollars to go for drainage, irrigation and other practices deemed more valuable to crop production than conservation.

Prior to the Nixon cutoff, the Agricultural Stabilization and Conservation Service had been whittling away at such payments. But its officials say they were hampered by language in House-Senate conference reports authored by Democratic Rep. Jamie Whitten of Mississippi, a REAP proponent who chairs the House Agricultural Appropriations subcommittee. The reports, in effect, directed the department not to interfere if a county committee chose to approve any of a score of practices not recommended by the agricultural service.

According to a General Accounting Office study of REAP operations released last year, however, the service itself is partly to blame for certain shortcomings. In one state, the congressional watchdog agency found that REAP aid regularly paid for "normal maintenance measures which should have been done by farmers without cost-sharing." Four out of six counties visited by GAO investigators in another state paid for "converting woodland to pastureland for grazing cattle."

WHY NOT?

When the Soil Conservation Service (whose field men advise landowners on REAP projects) was asked for an example of the program's good effects, it cited two Ross County, Ohio, farms that cooperated to battle erosion along a meandering brook. The service's records show it was necessary to bulldoze a 5,700-foot waterway through the old brook bed and plant it with long fescue grass, construct a rock barrier at the end of the new waterway to slow water flow, and build an additional 900 feet of ditch to carry the water to a receiving stream—at a total cost to the government of $5,300.

However, William D. Knowles, part-owner of the benefiting farms, doesn't characterize the project as antierosion but as "mostly for drainage" to expand production. By drying out swampland, he says, "I judge we've got 12 to 15 acres more tillable ground than before. We'll grow corn, wheat or soybeans there, whatever looks to bring the best price."

The General Accounting Office recommended last year that Congress end the supplementtal REAP bonus to landowners who receive a basic payment of less than $200. Such bonuses, from 40 cents to $14 each, were intended as an extra incentive for small farmers. In recent years, though, they have often gone to "operators of large farms, absentee landowners and persons for whom such increases were not intended," the office's report said.

One Fauquier County recipient of the bonus is R. Martin Kremer, a Warrenton accountant. To help pay for fertilizer on 11 acres around his home that he uses for pasture, Mr. Kremer received a regular REAP disbursal of $81.32 last year, plus an extra $14. (Three horses, "basically for fox hunting," kept on the pasture land qualified him as an agricultural landowner eligible for assistance.)

"My philosophy is that if the government spends money for everything else, why not spend money for this," Mr. Kremer says.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. POAGE).

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs POAGE, FOLEY, SISK, JONES of Tennessee, TEAGUE of California, WAMPLER, and GOODLING.

AMENDING FOREIGN SERVICE BUILDINGS ACT, 1926

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 327 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 327

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 327 provides for an open rule with 1 hour of general debate on H.R. 5610, which is a bill to authorize funds to carry forward the Foreign Service buildings programs during fiscal years 1974 and 1975. The appropriations under the current act expire on June 30, 1973.

H.R. 5610 authorizes $59,611,000 for the purpose of continuing this program, with a maximum of $26,211,000 allowable for fiscal year 1974. The Department of State plans to request an appropriation of the balance for fiscal year 1975.

The authorization breakdown for this bill is as follows: $13,811,000 for the purchase, construction, major alteration and long-term leasing of overseas buildings; and $45,800,000 over the next 2 years for the operational activities of the building program such as maintenance, repair, utilities, and furnishings; $21,700,000 of the operational account is available for fiscal year 1974 and the remaining $24,100,000 for fiscal year 1975. The operating account provides the funds needed to meet the Department of State's share of the daily operating expenses of the buildings.

The Department of State currently maintains 270 posts abroad. The passage of H.R. 5610 will permit the Department to provide representative consolidated office space abroad for the Foreign Service and other permanent agencies of the U.S. Government operating in cooperation with the Foreign Service. It will also allow the Department to provide Government-owned furnished residences for all Ambassadors and Ministers, and to assure the proper maintenance and operation of properties which it already owns or leases.

Mr. Speaker, I urge adoption of House Resolution 327 in order that we may discuss and debate H.R. 5610.

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

Mr. Speaker, House Resolution 327 provides for an open rule with 1 hour of general debate, for the consideration of H.R. 5610, Foreign Service Buildings Act amendments.

The primary purpose of H.R. 5610 is to authorize funds to support the Foreign Service buildings programs during fiscal years 1974 and 1975.

The Committee on Foreign Affairs recommends that $59,611,000 be authorized, of which not more than $26,211,000 may be made available for fiscal year 1974. The Department of State plans to request an appropriation of the balance for fiscal year 1975.

Of the total amount authorized in this bill $13,811,000 is authorized for the purchase, construction, major alteration, and long-term leasing of buildings.

The remaining $45,800,000 is authorized over the next 2 years for the operational activities of the building programs, such as maintenance, repair, utilities, and furnishings.

The Department of State currently maintains 270 abroad. Under the Foreign Service buildings program, the United States has long-term lease agreements or owns the following improved properties: 241 office buildings, 172 residences for Ambassadors, and other principal officers and attachés, 297 other single or duplex residential buildings, 272 apartment buildings, and 167 other buildings such as warehouses and garages.

Mr. Speaker, I know of no objection to the rule and urge its adoption.

Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. GROSS).

(Mr. GROSS asked and was given permission to proceed out of order.)

GENERAL ACCOUNTING OFFICE HITS METRIC STUDY

Mr. GROSS. Mr. Speaker, at my request the General Accounting Office has been conducting a study of the report to Congress last year by the Department of Commerce which recommended a crash program to convert this country to the metric system.

It occurred to me when this report was issued that the Department and the Bureau of Standards, which wrote it, might have a biased view of this subject and so I asked the GAO to evaluate it.

Because the House Science and Astronautics Committee is now considering legislation that would put into effect a terrificially expensive, 10-year conversion program, I asked the GAO for an interim report.

I have now received that report and it confirms fully my suspicions that the Commerce Department recommendation was misleading in that it did not present all the facts. It actually ignored some of them.

For example, the Department glowingly stated that conversion to the metric system would drastically increase this country's exports.

It failed to mention that conversion to the metric system will also dramatically increase imports.

Moreover, it did not even mention the fact that the tremendous costs of conversion will increase manufacturers' costs, and thus the prices of their products, placing them, as the GAO points out, "at even more of a competitive disadvantage vis-a-vis the products of foreign firms that are already metric."

The General Accounting Office also points out a serious flaw in the conversion cost analyses used by the Commerce Department.

Mr. Speaker, the GAO reveals that the

staggering multibillion-dollar costs of a 10-year metric conversion program will be far greater than if conversion is allowed to take place gradually and voluntarily. The Commerce Department, with the usual bureaucratic disregard for costs and spending, would have Congress and the public believe just the opposite.

The implications of this interim report by the General Accounting Office are great, because it appears that Congress has been deceived by an instrumentality of the executive branch; that bureaucrats, perhaps with a vested interest, have produced a misleading and highly inaccurate report.

I do not have an estimate from the General Accounting Office as to when its final report will be ready, but I believe it would be only prudent if the hearings on this proposed conversion program were to be held in abeyance pending receipt of that report.

I do not believe that the members of the Science and Astronautics Committee, to say nothing of the other Members of the House of Representatives, should be required to cast a vote on such a far-reaching proposal as this without having the benefit of the GAO's careful study of the subject.

I am including for insertion in the RECORD at the end of my remarks the letter to me from Comptroller General Staats on the GAO's work thus far. It will be noted that no cost figure is mentioned for this program.

I have received evidence, however, which proves that those who prepared the Commerce Department report realized that if the American people were told what the cost of this conversion program really was they would reject it outright. For that reason the cost was hidden.

This evidence is most damning and I hope to be able to present it to the House at an early date.

The letter follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., March 27, 1973.

Hon. H. R. GROSS,
House of Representatives.

DEAR MR. GROSS: On October 17, 1972, you requested the General Accounting Office to evaluate the Department of Commerce U.S. Metric Study (Study) report to Congress. Our evaluation is not completed but, as agreed with your office, we are reporting on matters noted to date which may be of use in the current congressional consideration of proposed legislation to adopt the metric system for use in the United States.

Public Law 90-472 authorized the Secretary of Commerce to conduct a program of investigation, research, and survey to determine the impact on the United States of increasing worldwide use of the metric measurement system. The ensuing Study covered such areas as international trade, manufacturing industry, international standards, defense, and a history of the metric controversy in the United States. The results were published in July 1971.

The Study includes the Secretary's finding that increased metric usage is in the best interests of the United States and his recommendation that the Nation change to the metric system through a 10-year coordinated national program at the end of which the Nation will be predominantly metric.

EFFECTS ON INTERNATIONAL TRADE AND DOMESTIC ECONOMY

The Study states that had the United States been metric by 1970, in 1975 its exports of measurement standard sensitive products would have been increased by $600 million and that there would have been no difference in imports of such products. This statement was based on surveys of importers and exporters. Our examination of the survey of importers, however, showed that imports of measurement standard sensitive products would have been increased by $100 million. We believe that this substantial offset to the favorable export benefit should have been recognized in the Study.

We also noted that the Study did not discuss the possibility that costs of converting the U.S. manufacturing industry to the metric system would tend to increase costs and prices of its products and thus place these products at even more of a competitive disadvantage vis-a-vis the products of foreign firms that are already metric.

NATIONAL CONVERSION PROGRAM MORE COSTLY

The Study concluded that the Nation was already on the way to becoming metric and that the question was whether the change should be made under a planned national program or without a plan.

The Study included a comparative analysis of the costs to change to metric by the manufacturing industry sector. The analysis considered two alternatives; a 10-year planned national changeover and a 50-year no-plan national changeover, and made a comparison at three assumed base cost levels—$10, $25, and $40 billion. The analysis showed that, regardless of the cost assumptions, the 10-year planned changeover was the preferred alternative because it would be less costly and the benefits of metric usage would be realized sooner than under the 50-year no-plan changeover.

Although we have not evaluated all the data use in the calculations, we do take issue with the omission of a factor (interest) representing the time value of money.

We applied the present-value method to the Study's manufacturing industry analysis. This is the method most often used to evaluate alternatives that differ in the timing of cash flows.

A major problem in the use of the present-value method has been the selection of the appropriate interest rate. Arguments have been presented for rates ranging from as low as the interest rate for borrowing by the Treasury to as high as certain rates of return that can be earned in the private sector of the economy. In our computation we used the 10-percent interest rate prescribed by the Office of Management and Budget, in OMB Circular No. A-94, Revised, dated March 27, 1972.

Our computation showed that if the time value of money had been set at 10 percent, the analysis would have shown that:

1. At the $10 billion level the 10-year planned changeover alternative would be less costly than the 50-year no-plan changeover—as shown by the Study

2. At the $25 and $40 billion levels, the 10-year planned changeover would be more costly than the 50-year no-plan changeover—contrary to what was shown by the Study.

It should be noted that the costs used in the Study's analysis were assumed for the purpose of comparing the 10-year planned changeover and the 50-year no-plan changeover. Elsewhere in the Study it is stated that an initial estimate of the manufacturing industry's changeover costs was $25 billion which after various modifications was changed to a final estimate ranging from $6.2 to $14.3 billion.

IMPACT OF METRICATION ON SMALL BUSINESS

Public Law 90-472 directed that the Study give full consideration to the advantages, disadvantages, and problems associated with the Nation's changeover to the metric system, and recommend specific means of aiding those areas of the economy where metrication would entail significant costs. One such area was small business.

In a March 1972 report, the House Subcommittee on Minority Small Business Enterprise of the Select Committee on Small Business stated that the Study did not fulfull the intent of the Congress with respect to small business. The Subcommittee report noted that the Study did not inquire directly into the impact of metrication on the small business sector and that the Study's small business recommendations were based on (1) a statement of one small business association, (2) opinions of three officials of the Small Business Administration, and (3) surveys of manufacturing and non-manufacturing firms most of which were not small business.

Sincerely yours,

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

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

Mr. GROSS. I am glad to yield to my friend, the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just want to say that:

I have some aversion
To metric conversion
Though it's sound from the scientist view.
But describing a dame
Won't be the same
If she's 96—61—92.

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

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, may I just say this—that as one of the sponsors of the 3-year study program, and as one who has studied the report, it seems to me that it is very important for us to develop a metric conversion program, and one that is largely a voluntary program.

The United States remains now as the only large industrial country in the world that has not converted to or is not now in the course of converting to the metric system.

I think that many of the bugaboos and many of the perils about which the gentleman now in the well is warning us—and which appear to be in the GAO report, have been demonstrated to be virtually groundless and it is my view that the expenses of such a conversion will be far less than may be anticipated. Also there are many advantages to our Nation that can result from a conversion to the metric system.

Mr. GROSS. Mr. Speaker, may I say to the gentleman from Illinois that I am learning something. I did not know the gentleman was so easily convinced by misleading information.

Mr. McCLORY. Mr. Speaker, will the gentleman yield further? I would like to say that I am hopeful that we will have a full and fair hearing before the Committee on Science and Astronautics, and that we can come out with a mean-

ingful bill and one that will enable us to convert in an orderly manner with Federal direction, but largely through the voluntary support of industry, and all of the other segments of our society.

Mr. GROSS. Mr. Speaker, I would say to the gentleman from Illinois that with around $485 billion of debt, and with another huge deficits staring us in the face, I think it would be well to stop this subject here and now, and not throw more billions, taken sight-unseen from the public into conversion to the metric system.

Mr. McCLORY. If the gentleman will yield further, may I say that there are opportunities for making a lot of money as a result of a conversion to the metric system. The National Association of Manufacturers and the U.S. Chamber of Commerce are in support of a conversion to the metric system, and they would not be in favor of it if they thought it would harm our national economy—or if it would be detrimental to American business or industry.

Mr. GROSS. Mr. Speaker, I would say to the gentleman from Illinois that I do not have tool and die making plants in the district I represent.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time.

Mr. SISK. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5610, to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5610, with Mr. FULTON in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. HAYS) will be recognized for 30 minutes, and the gentleman from Wisconsin (Mr. THOMSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the 16 years that I have been the chairman of the Subcommittee on State Department Organization and Foreign Operations I have tried to bring the Foreign Service buildings operations under closer congressional control. Congress used to vote large sums of money for this program based upon Executive requests that had little relation to the real needs of the country.

This year the Department of State again asked for a lump sum appropriation for the acquisition of buildings overseas. The committee promptly denied that request and wrote into the bill specific sums for each of the geographic areas. We recognize that there may be circumstances during the life of the authorization when funds should be shifted from one area to another to meet unusual situations. Hence, we have provided for a maximum transfer between geographic areas of not more than 10 percent. Those in charge of the buildings program understand that when such transfers are made, the committee is notified, and an explanation is made.

H.R. 5610 covers two accounts of the building program. The first is the capital account which is used to acquire buildings by purchase, construction, or lease. Congress has not authorized funds for this account since 1966. Such limited construction as has taken place since that date has been under the authorization then voted, through the use of excess local currencies, and the proceeds of sales of property no longer needed by the Government. This bill contains an authorization of $13,811,000 for the next 2 fiscal years. About $3.8 million of that amount will be used by the Department of State to buy local currencies held by the Treasury Department. This is a bookkeeping transaction. The balance of slightly less than $10 million will not be spent abroad. Sophisticated materials, such as elevators and electrical equipment, will be purchased in the United States for incorporation into the buildings under construction.

The second account is the operating account for which the committee has authorized an appropriation of $45,800,000 for the next 2 years. This account covers the costs of maintaining and operating the properties that the Department owns abroad. The modest increase over previous authorizations reflects rising costs of materials and services abroad, as well as the inclusion of about $5 million for the acquisition of Public Law 480 funds which previously were not included in the authorization.

It is important to know that while these authorizations are for the Foreign Service buildings program, which is under the jurisdiction of the Department of State, that program provides the office requirements and some of the housing needs of many other civilian Government agencies. I say this so that Members will not think that only the Department of State benefits from this bill.

The United States has an investment at cost value of more than $300 million in buildings overseas. These include residences for our Ambassadors and officers and attachés; staff houses and apartments; office buildings, warehouses, and garages. Estimates made by those who operate the program indicate that the present value of these properties is at least double that figure.

I should think, based upon my observations—and I have looked at some of these buildings—it might be a billion dollars.

When I began to look into this program some years ago, I was dismayed to find that it was regarded as another assignment for Foreign Service officers. Whatever qualifications these individuals may have had, real estate operation was not one of them. The Department has recognized, through a little prodding from Congress, that the handling of properties is a highly specialized activity, and has entrusted this to individuals who are not only qualified, but who stay in that assignment. I think anyone who sat through our hearings when we examined 97 projects, on a project-by-project basis, will recognize that the program is in competent hands.

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

Mr. HAYS. I thank the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

I notice in all there is authorized $59 million plus by H.R. 5610. I called the Department of State this morning and found out that there are about $277 million around the world in so-called counterpart funds.

My question is: Can the counterpart funds be used for the purposes outlined in this bill, or will they be used?

Mr. HAYS. As I have said in my statement, there will be $3.8 million by the Department of State which they will buy in counterpart funds from the Treasury, and that is a bookkeeping transaction.

There is another provision for $5 million, which also is in my statement, for Public Law 480 funds, which, although they are of a different category, to all intents and purposes are a counterpart.

I will say to the gentleman from Ohio that the Foreign Service Buildings Office is under instructions from the committee to use local currency that we own whenever and wherever it can.

But the trouble is, we have to build some buildings and acquire some buildings in countries where we do not own local currency, but they will use such currency wherever it is available. As I said in my statement, a great deal of this money will be spent in this country, because whenever we build a building we put in elevators and air conditioners and electrical equipment, and that is of American manufacture which is bought here and shipped over for the building.

Mr. WYLIE. I thank the gentleman for his answer. I appreciate the thoroughness of it, and I was hoping that would be the answer. We get the question in a sort of declarative way as to why, if we have these counterpart funds available, we have to send more money overseas to carry out the purposes of a program like this? For instance, in Bolivia, we have on deposit $6 million in counterpart funds, and we are here authorizing $150,000 to acquire a site for a new building in Bolivia.

Mr. HAYS. Of course, the problem is we use the funds wherever we are building and for whatever we are acquiring in that country where it is possible to do so. But, for instance, we have a tremendous amount of money in Indian rupees, and it is not convertible currency, and we can use it only in India, and nowhere else.

Mr. WYLIE. I appreciate that. I thank

the gentleman for his answer. I hope he will use his good offices to insure that we use counterpart funds wherever possible.

Mr. HAYS. We will use them wherever we can, and however much we can.

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

Mr. HAYS. I yield to the gentleman from New York.

Mr. WYDLER. Can the gentleman assure me that the amounts being considered here today are in the budget?

Mr. HAYS. I have taken the policy in anything I have anything to do with that we will stay within the budget. We gave these people exactly what was asked for, but they also asked for an open-end authorization to take care of things beyond their control such as devaluation. We did not give them that. I told them that I am going to stay within the President's budget, and I am not going to give them an open-end authorization that nobody can predict the amount it will mean.

I deplore the fact that they have not been building and buying more bulidings. That goes back beyond this administration into other administrations. But that policy was penny-wise and pound-foolish, because rents have doubled, and in some cases tripled. I can cite one building in a South American country where we paid on a 5-year lease for two-thirds of the cost of the building.

I raised a big fuss downtown about it at the time, and I was overruled, because they already had the money, but our committee has ordered them to proceed forthwith to build a building with the proceeds of sales in another country. We are building properties all around the world, and we would save a great deal of the taxpayers' money if we owned some we are renting. I am delighted that we are finally able to convince this administration and the Bureau of the Budget to start on this program of building and acquisition. Many of the buildings we have built under a lease plan by which we can purchase them within a number of years, for instance, 3 or 5 or 7 years, and apply a big percentage, usually 75 or 80 percent, of the rent we paid toward the purchase price. If we do not do that, although the annual appropriation may be less, on a 10- or 20-year basis it will cost the United States many times the cost.

Mr. WYDLER. I thank the gentleman from Ohio.

Mr. SNYDER. Mr. Chairman, will the gentleman yield

Mr. HAYS. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I looked at the report this morning, and I noticed there was a million or so in it for South Vietnam. I wonder what that was for? Am I in error?

Mr. HAYS. There is no money in this bill for South Vietnam. I make that statement categorically. I cannot remember anything for South Vietnam in this bill, and I know I would recall it. We have gone over it with the staff. There is nothing here for South Vietnam.

Mr. SNYDER. Maybe it is not what I thought it was.

Mr. HAYS. I have to think the gentleman is talking about the Ramseyer provision, which shows existing law. There is no money in this authorization for South Vietnam. What we are doing is amending the old law. The gentleman knows the procedure, that we are required under the Ramseyer rule to print existing law as amended by the bill. The money the gentleman is talking about is money we used to build our Embassy building some years ago, in the Johnson administration.

If the gentleman recalls, we had an attack on that building. First we had an attack on the leased building in which several people were killed and some were blinded. We put a crash program in, which I handled, in which I urged the President to increase the amount he was asking for so that we could have all our people in this one building and build a big concrete fence and screen around it.

When the Vietcong attacked the building, they threw a lot of bombs. No one lost his life except for one marine guard who was shot, and all the people doing the bombing were killed.

If we had not had that, we would have lost a lot of lives. That was built around 1966 or 1967.

There is no money in this bill for Vietnam. Nothing.

Mr. SNYDER. That language which is printed in the report is existing law?

Mr. HAYS. That is correct.

Mr. SNYDER. Has that money been appropriated?

Mr. HAYS. The money has been appropriated, spent, and the building is there.

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

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Chairman, I rise today in support of H.R. 5610, which authorizes appropriations for the Foreign Service buildings program for fiscal year 1974 and 1975. It was considered by the Foreign Affairs Committee on March 20 and ordered reported by a unanimous vote.

The chairman of the subcommittee, the gentleman from Ohio, has already provided the essential details of this legislation. The committee recommendation of $59,611,000, of which not more than $26,211,000 may be made available for fiscal year 1974, is reasonable and well justified.

The authorization contains funds for both the capital account of the buildings program—for which no sums have been authorized since 1966—and the program's operational activities such as maintenance, repair, utilities, and furnishings.

I would like to emphasize that not all of the funds described in the bill require dollar outlays. In certain excess foreign currency countries, acquisition and operating costs, where possible, are funded with local currencies.

This legislation is necessary if we are to properly maintain and operate the valuable property of the United States abroad.

I urge passage of H.R. 5610.

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

Mr. THOMSON of Wisconsin. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Foreign Service Building Act, 1926 (22 U.S.C. 295), is amended—

(1) by redesignating subsection (g) as subsection (h) and by inserting immediately after subsection (f) the following new subsection:

"(g) In addition to amounts authorized before the date of enactment of this subsection, there is hereby authorized to be appropriated to the Secretary of State—

"(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums—

"(A) for use in Africa, not to exceed $2,190,000, of which not to exceed $590,000 may be appropriated for the fiscal 1974;

"(B) for use in the American Republics, not to exceed $375,000, of which not to exceed $240,000 may be appropriated for the fiscal year 1974;

"(C) for use in Europe, not to exceed $4,780,000 of which not to exceed $160,000 may be appropriated for the fiscal year 1974;

"(D) for use in East Asia, not to exceed $2,585,000, of which not to exceed $985,000 may be appropriated for the fiscal year 1974;

"(E) for use in the Near East and South Asia, not to exceed $3,518,000, of which not to exceed $2,218,000 may be appropriated for the fiscal year 1974;

"(F) for facilities for the United States Information Agency, not to exceed $45,000 for use beginning in the fiscal year 1975;

"(G) for facilities for agricultural and defense attaché housing, not to exceed $318,000 for use beginning in the fiscal year 1974; and

"(2) for use to carry out other purposes of this Act for fiscal years 1974 and 1975, $45,800,000, of which not to exceed $21,700,000 may be appropriated for fiscal year 1974."; and

(2) by striking out paragraph (2) of subsection (h), as so redesignated by paragraph (1) of this Act, and inserting in lieu thereof the following new paragraphs:

"(2) Not to exceed 10 per centum of the funds authorized by any subparagraph under paragraph (1) of subsections (d), (f), and (g) of this section may be used for any of the purposes for which funds are authorized under any other subparagraph of any of such paragraphs (1).

"(3) There are hereby authorized to be appropriated to the Secretary of State such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law."

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

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

There was no objection.

The CHAIRMAN. If there are no amendments to be proposed, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FULTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, pursuant to House Resolution

327, he reported the bill back to the House.

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

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

CITIZEN EFFORT ENDS WASTE IN FEDERAL PURCHASE OF SALT

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

Mr. MELCHER. Mr. Speaker, citizen participation in our Government at the grossroots level should be the basis of making democracy work. Taxpayer concern for Federal dollars starts at the very point where the waste is first observed.

A constituent of mine, Donald Felton, of Havre, Mont., provides the Nation with a classic example of how one citizen's observation can straighten out a vast bureaucracy and cut a Federal expenditure by over 80 percent. Even though the amount in this case is small and even though the saving for the Treasury will not do much in cutting our Federal deficit, the principle involved is an example for the Nation.

Following is a letter that Mr. Felton wrote to me on February 19 of this year. It explains itself:

HAVRE, MONT.,
February 19, 1973.

To Representative JOHN MELCHER.

DEAR SIR: This letter is to bring to your attention some of the wasteful spending that is going on within some of the agencies such as GSA, that control money that is allocated for the maintenance of some of the Federal buildings here in this part of the country.

On Feb. 13th I delivered to the US Border Patrol building from the Burlington Northern freight house, eight hundred pounds of sodium chloride (salt). This salt is used in the operation of the water softener located in the building. This salt was shipped to Havre from Albuquerque, New Mexico via truck freight, and the freight charges were $52.96. Now that same salt could have been purchased here in Havre for $2.20 cwt and if in amounts of say 800 or 1000 pounds they would even deliver it to the Patrol building at that price. That would be a savings of $4.42 cwt and not to mention the original cost of the salt.

I think you will have to agree with me that it is outrageous to purchase things such as salt and sweeping compounds and ship them so far when they can be purchased here in Havre at so little cost to the taxpayers. This isn't the first time that GSA has done this. It seems to be the policy of agencies such as them to have total disregard for the taxpayers' money. I think that spending such as this should be looked into, especially after Mr. Nixon's talking so much on cutting cost and spending, and especially after what he has done to the farm programs and other programs that to my way of thinking were essential.

Hopeful that something can be done about this kind of waste.

Very truly yours,

DONALD FELTON.

I inquired of the General Services Administration on February 28 to see if they would check out the facts. Here is their reply dated March 19:

Hon. JOHN MELCHER,
House of Representatives,
Washington, D.C.

DEAR MR. MELCHER: Thank you for your letter of February 28, 1973, on behalf of Mr. Donald Felton of Havre, Montana, concerning the procurement of salt for the Havre Border Station.

Mr. Felton's statement that the salt for the Border Station in Havre is shipped from our Albuquerque, New Mexico, Supply Depot is correct. As a result of your letter we investigated the relative costs of salt, considering the cost of shipment from the depot to the point of use, and found that salt can be purchased cheaper locally in Havre.

The Havre facility is under the jurisdiction of our Denver Regional Office, and we are issuing instructions to that office to procure future salt requirements locally rather than from our depot.

We appreciate your calling this matter to our attention and if we can be of further assistance, please let us know.

Sincerely,

ALLAN G. KAUPINEN,
Assistant Administrator.

Taxpayer observation such as Donald Felton's, which ended an incident of gross waste in our Government, should be encouraged and praised. All of us are indebted to him for this small saving; we are even more deeply indebted to him for the example of reporting it so it could be corrected by the General Services Administration. I trust that they will now review other possible areas for similar waste.

As one taxpayer to another, I say with all sincerity, "Thank you, Donald Felton."

INTRODUCTION OF BILL TO ESTABLISH A CONSUMER COUNSEL INDEPENDENT OF EXECUTIVE DEPARTMENTS

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

Mr. THORNTON. Mr. Speaker, today I am introducing a bill to establish an Office of Consumer Protection, which, under the direction of a consumer counsel, will be independent of the executive departments of Government.

The growing need for consumer protection and representation in the decisionmaking processes of our administrative bureaucracies is widely recognized.

At the State level, I was privileged to develop legislation for, and then administer, a consumer program which fairly and effectively provided such representation.

The office was charged with responsibility for gathering and disseminating information, resolution and referral of complaints, and recommendations for further legislation.

To accomplish these objectives, the office was delegated certain functions of independent oversight, and the authority to obtain judicial review.

It seems to me that Congress should now establish an Office of Consumer Protection which, subject to judicial review, is delegated similar functions.

By structurally patterning the office after the General Accounting Office, it is emphasized that the protection of consumers' interests is a part of the oversight responsibility of the legislative branch of Government.

By providing avenues for judicial review, the bill reflects the proper balance between the three departments of Government, and has the potential of becoming a useful means of exercising congressional oversight over our national bureaucracy.

It will be obvious to all who study this bill that it is also based upon many hours of hearings by committees which have been considering this subject and upon thoughtful suggestions made my many others.

I believe the Office of Consumer Counsel, as proposed by this bill, will truly be responsible and responsive to the will of the people as reflected by the Members of the two Houses of Congress, the only directly elected officers of our Federal Government.

THE CONSTITUTIONAL OATH SUPPORT ACT

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

Mr. ICHORD. Mr. Speaker, I have today, jointly with the gentleman from North Carolina (Mr. PREYER), the gentleman from Ohio (Mr. ASHBROOK), the gentleman from Florida (Mr. BURKE), the gentleman from South Carolina (Mr. DAVIS), the gentleman from Indiana (Mr. ZION), and the gentleman from Ohio (Mr. GUYER) introduced a bill titled "The Constitutional Oath Support Act."

This bill is the outgrowth of an extensive oversight inquiry undertaken by the Committee on Internal Security into the administration of laws and procedures underlying the Federal civilian employee loyalty-security program and the administration of a related program under the Subversive Activities Control Act of 1950. The committee inquiry revealed a number of failures in the administration both of the program and of the act. It is a purpose of the bill to initiate necessary remedial legislation toward remedying certain deficiencies revealed by the investigation.

This investigation, recorded in four published parts, or volumes, was commenced in the 2d session of the 91st Congress and was continued through the 92d Congress by a subcommittee chaired by the gentleman from North Carolina (Mr. PREYER), and consisting of myself, Mr. PEPPER, Mr. ASHBROOK, and Mr. ZION. The subcommittee report, prepared by Mr. PREYER, titled "The Federal Civilian Employee Loyalty Program," was reported to the House on January 3, 1973—House Report No. 92–1637. It is a significant contribution to the subject and makes a number of recommendations both for executive and legislative action. The bill is directed toward giving legislative support to a number of them.

The bill's provisions, which I shall more fully detail in the course of my remarks, is directed particularly to a resolution of

several important issues with which the committee had been confronted in its inquiry and in hearings on several related bills held in the preceding Congress. These included the question of the repeal or retention of the Subversive Activities Control Act of 1950; failures to maintain an updated and current Attorney General's list in the administration of Executive Order 10450, upon which the present Federal civilian employee security program is based; failures of the departments and agencies to implement the loyalty-security program maintained pursuant to Executive order and civil service regulations; and the question of the need for remedial legislation in light of a 1969 unappealed lower Federal district court decision in *Stewart* v. *Washington* (301 F. Supp. 601), which invalidated an act of Congress requiring the execution of a "loyalty" oath as a condition of Federal employment.

The manner in which the bill addresses itself to and resolves the aforementioned issues can be fully understood and appraised only in relation to an analysis of the complex factors and the circumstances prompting its introduction. They are, of course, fully detailed in the hearing record and the subcommittee report to which I have referred. It may be helpful briefly to touch upon them on this occasion in the elucidation of the terms of the bill.

Let me say at the outset that the bill repeals those provisions of the Subversive Activities Control Act of 1950 under which the Subversive Activities Control Board was established and its work performed. I shall not dwell upon this subject, in light of the recent action of the Congress in limiting the Board's appropriation, and the President's action this February in deleting any request for its continued funding in his budget for the ensuing fiscal year. For all practical purposes, this action nullified the act, while leaving it upon the books. In repealing the operative provisions of the act sustaining the Board, the bill would finally terminate its existence both in word as in fact.

When enacted over two decades ago, the Subversive Activities Control Act was conceived as a means, among others, of countering the threat which the world Communist movement and its ramifications within the United States posed to our national security and to the free functioning of our domestic institutions. To that end it was designed to provide a source of public identification of Communist organizations operating within the United States. The Subversive Activities Control Board, which the act established, was given the quasi-judicial function of making determinations on motion of the Attorney General of the character of organizations defined as "Communist action" and "front."

Adopted at a time when the Communist movement was largely unified under the control of the Soviet Union, the act's provisions were formulated so as to embrace the exposure only of the identity and mode of operation of Moscow-controlled organizations operating within the United States. As we all know, within the past decade the organization of the movement has changed, and we have witnessed a proliferation of revolutionary organizations of varying types not embraced within the terms of the act. Apart from the serious failures attending the administration of the act, with the result that the workload of the Board had become negligible, the act had ceased to be effective toward accomplishing those purposes it was intended to serve.

In any event, the Attorney General's duties under the act, so far as it embraced the limited category of Moscow-controlled organizations, overlapped with his duties in the designation of the broader categories of subversive organizations in the administration of the Federal civilian employee loyalty-security program maintained pursuant to executive orders. I refer to the Attorney General's "list." In this work the Board did not participate. It was previously brought into application by President Truman on March 21, 1947, on the promulgation of Executive Order 9835. It was continued under a similar, but revised and superseding order, Executive Order 10450, promulgated by President Eisenhower on April 27, 1953, and now in force.

The list is a compilation or specification of subversive organizations which, after investigation and determination, are designated by the Attorney General. It is but a limited aspect of the broader requirement of the Executive order requiring the conduct of investigations to determine an individual's suitability for Federal employment on loyalty and security grounds. Among other factors, the Executive order requires inquiry into an individual's organizational activities specified in the order as follows:

(5) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement, group, or combination of persons which is totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.

The Attorney General's list, in aid of the execution of this provision of the order, identified those organizations thus generally described as totalitarian, Fascist, Communist, or subversive.

The committee, in the course of its inquiry, thoroughly examined the question of the maintenance and use of the Attorney General's list. We sought the views of all of the cabinet departments of the Government, including the U.S. Postal Service, and not less than 12 independent agencies. Virtually all of the departments and agencies supported the concept of the Attorney General's list as a necessary and valuable guide in the administration of their responsibilities under the executive order. Designations of the character of organizations are of great importance in the administration of denial or dismissal procedures on loyalty and security grounds. It not only forms a basis for inquiries with respect to organizational affiliations of applicants for Federal employment, but in those cases where the character of the organization is a material fact in issue in eligibility proceedings, the prior determination of the fact renders unnecessary a repetition of the extensive proof and hearings required to establish it, and thus expedites the proceedings. Moreover, several agencies have made clear that they have neither the expertise nor the facilities for making these determinations. They have urged that the determination of such questions be centralized.

However, the departments and agencies have deplored the fact that there has been a failure in maintaining current designations. The list of organizations previously designated under the Truman order—1947–53—192 in number, were redesignated and consolidated with other organizations designated under Executive Order 10450 following its promulgation in 1953. The last designation of any organization was made on October 20, 1955. As of that date, about 283 organizations had been included on the Attorney General's list, all of which, with the exception of 13, are now defunct, and none has been designated since. Yet, it seems clear that on the basis of such evidence as we possess, the list might otherwise have been doubled by organizations within the scope of the order that have subsequently come into existence.

The question of the failures in the maintenance of this list was, therefore, a point of concern in the committee's investigation of the overall employment program.

Under the Truman order, the responsibility which it had imposed upon the Attorney General to furnish the list, and to maintain it currently, was conceived solely for the internal management of the Government and in aid of the exercise of the President's constitutional appointing power. The Attorney General made his designations on the basis of information furnished to him by the Federal Bureau of Investigation and such other investigation as he deemed necessary. No hearings were accorded to organizations thus incidentally affected. This, of course, afforded an expeditious and unimpeded development of the list, but it laid the basis for subsequent complications.

The program was virtually brought to a halt following the decision in *Joint Anti-Fascist Refugee Committee* v. *McGrath*, 341 U.S. 123 (1951), by which the practice of designating organizations without hearing on their designation was brought into question. In this case, the Supreme Court reversed and remanded petitions for injunctive relief brought by three organizations complaining of their designation without notice or hearing. The reversal went on technical procedural grounds, but the diverse opinions of the Justices made clear that thereafter a designation of an organization without notice and hearing would raise grave constitutional issues.

On the change of administration, and as a consequence of this decision, regulations were first adopted by Attorney General Brownell, published in the Federal Register of May 6, 1953, by which he instituted a procedure in which organizations were afforded an opportunity to question his designations. Un-

der this procedure, however, the Attorney General not only maintained his function of proposing designations, but also retained authority for adjudicating the ultimate fact of the propriety of the designation. Nor did he possess the subpena authority which only the Congress could authorize, but which might be necessary to make these hearings a reality. As a consequence, the adequacy of the new regulations were immediately challenged in an early effort to apply them. But the constitutional issues raised have never been resolved. The Attorney General back-tracked and ultimately, in 1955, abandoned the program.

See *National Lawyers Guild* v. *Brownell*, 225 F. 2d 552 (1955). The proceeding against this organization was subsequently withdrawn.

The deficiency of lodging both prosecutive and adjudicatory functions in the Attorney General can thus be identified as the cause of the demise of the program.

A tardy, but unsuccessful, effort to repair this deficiency was made by the President in his promulgation, on July 2, 1971, of Executive Order 11605, amending Executive Order 10450, together with the Attorney General's request for the enactment of a draft bill (H.R. 9669) which was introduced on July 8, 1971, by Congressman ASHBROOK. This order would explicitly require the Attorney General to resume the designations of the described organizations, whose definitions were further enlarged by the amending order. The order, however, delegated the adjudicating function to the Subversive Activities Control Board, then a subject of much controversy. It was a purpose of the draft bill to accord procedural support to the Board in the exercise of this new function.

As the result of an action instituted by several organizations claiming to be affected by the amending order, its enforcement was voluntarily stayed by the Attorney General pending disposition of the litigation, which is now on appeal and as yet unresolved. While the lower court had dismissed the action as premature, in doing so it had volunteered the view that the organizational definitions contained in the order raised constitutional issues by reason of their vagueness and overbreadth. Later the House of Representatives passed H.R. 9669 which subsequently died in the Senate. The final death blow was dealt Executive Order 11605 when the Senate succeeded in obtaining the enactment of a prohibition against the use of appropriated funds for the purpose of administering Executive Order 11605.

The failures in this limited aspect of the employment program have had serious repercussions in the impairment of the investigative program as a whole. A word or two in explanation may be desirable. While the President is authorized by the Congress to prescribe regulations for the admission of individuals into the civil service, to ascertain the fitness of applicants as to character and other qualifications, and to appoint and prescribe the duties of individuals to make inquiries for that purpose, the Congress has not otherwise, with respect to the generality of the departments and agencies, given him any guidance. Nor has the Congress prescribed the manner or extent of investigations it may have contemplated. Certainly an applicant's association with subversive organizations, their extent and nature, are relevant to a determination of the individual's character and fitness for Federal employment. How are these facts to be ascertained?

Of course, a full field investigation of each individual would normally disclose all relevant information. However, under present practices, full field investigations are only required of applicants for employment in "critical sensitive positions," which embrace about 5 percent of the total Federal employment. They are confined to employees who will have access to top secret defense information and top policymaking positions. Only a national agency check, with written inquiries to former employers, colleges or universities attended, and local law enforcement agencies, is required for the vast number of other positions in the Federal establishment constituting about 95 percent of the total Federal employment. While such checks will reveal such information as enforcement agencies generally possess, it will obviously not be complete, or necessarily current.

Are we then to require full field investigations for all applicants for Federal employment? There are serious policy questions in the resolution of this issue. I think we are all in agreement that the adoption of any such course would not be desirable both from the standpoint of the expense it would entail in the funding of the huge investigative apparatus necessary to accomplish it, and in light of its probable impact upon individual liberties generally. But unless we are to require full field investigations of all applicants for Federal employment, it is obvious that some technique or device must be adopted to give assurance on this important area of inquiry in determining an individual's suitability for employment.

Indeed, the Attorney General's list has been applied as such a device, but the practice has been abandoned within recent years because the list was not currently maintained.

At the present time applicant questionnaires make no inquiry of the individual concerned regarding his activities in specified organizations other than the "Communist Party of the United States of America." The host of other Communist party organizations, several operating under assumed names, and their subsidiary organizations, as well as a number of non-Communist organizations equally at war with our constitutional system, are not the subject of inquiry. While applicant questionnaires contain a generalized inquiry as to whether the applicant is, to his present knowledge, a member of an organization which advocates the overthrow of the constitutional form of government by unlawful means, this is inadequate. Its impact may be easily avoided. It is utterly impossible to provide any effective sanction for the false responses to such generalized inquiry under the perjury or false statement statutes.

An adequate specification of designated organizations, after determination by appropriate procedures, will form a basis for properly constructed questionnaires and thus also serves to remedy the hiatus created by the decision in Stewart against Washington, to which I have referred. This decision invalidated those provisions of an act of Congress—5 U.S.C., sections 3333 and 7311—requiring that an individual be denied office or employment in the Government of the United States or of the District of Columbia unless he executed an affidavit that: First, he does not advocate the overthrow of our constitutional form of government; and, second, is not a member of an organization that he knows advocates the overthrow of our constitutional form of government. Prior to this decision, the Civil Service Commission required all applicants to execute standard form 61, titled "Appointment Affidavits," which contained an affidavit as to subversive activities and affiliations in the following language:

> I am not a Communist or Fascist. I do not advocate nor am I knowingly a member of any organization that advocates the overthrow of the constitutional form of the Government of the United States, or which seeks by force or violence to deny other persons their rights under the Constitution of the United States. I do further swear (or affirm) that I will not so advocate, nor will I knowingly become a member of such organization during the period that I am an employee of the Federal Government or any agency thereof.

As a consequence of the decision in Stewart, this affidavit is no longer required.

This bill contains provisions which are directed toward remedying this deficiency in applicant questionnaires and in furtherance of the investigative program by establishing a centralized agency, the Federal Employee Security and Appeals Commission, which will have the function, on petition of the Attorney General, of making determinations of organizations within five clearly specified categories. To be established as a quasi-judicial agency, the Commission will accord due process hearings to organizations affected, as well as to individuals who may intervene as a party to the Commission's proceedings.

Nevertheless, in serving this limited purpose, the determinations of the Commission are not intended to serve as a substitute for the periodic reports furnished to security and personnel officers by the Federal Bureau of Investigation or for communications within the intelligence community. It is recognized that it will not be practicable, or perhaps even desirable, to maintain a current list of all subversive organizations, regardless of size or influence, under the full scale hearing procedures contemplated for their determinations and designations in proceedings before the Commission. It is, however, important that determinations be made of the principal organizations specified in the bill under procedures which accord them notice and hearing, however tedious and time-consuming the process may be. They will provide that reasonable basis for specification and inquiry in relation to the vast

number of positions for which full field investigations are not required.

I believe it in point to observe, that in this approach we do not adopt the negative disclaimer technique, or impose any absolute disqualification for Federal employment upon a refusal or inability to make the disclaimer, in the manner and form required under the statute invalidated in Stewart. The bill does not establish or mandate the execution of any oath conclusive on the question of the applicant's eligibility for employment.

We do not believe that reliance upon such disqualifying oaths, without opportunity on the part of the applicant to respond, or without a system of inquiry or hearing, is the most satisfactory method for securing the investigative objectives of the employment program. Instead, the bill establishes a system of inquiry and will require the execution of questionnaires on the subject. These, however, are but one step in the investigative process toward making determination on all of the evidence of an individual's suitability in relation to the ultimate constitutional standard of his willingness to support the Constitution in good faith. Responses to these inquiries are nevertheless subject to penalties for false statements under the provisions of existing law, 5 U.S.C. 1001.

I have thus far discussed only the bill's impact with respect to issues on the periphery, perhaps, of the employment program. The bill, however, addresses itself to other more fundamental problems regarding the present deterioration of the overall program. It is apparent that the 24-year-old effort of the Government of the United States to keep those who are hostile to its system, laws, and institutions from penetrating the Federal civil service is in serious trouble.

The committee's investigation discloses that the bulk of the departments and agencies in the executive branch have virtually abandoned what is known as the Federal civilian employee loyalty security program. Others barely pay it lipservice. Those agencies which do attempt some screening indicate that they are confused by a wide variety of rules and regulations, and depend upon information and guidance which is not provided to them and which they are not trained to appraise. The evidence indicates that an estimated 95 percent of the Federal civilian work force may be escaping an effective application of the loyalty security program. This includes the 10 percent in the sensitive category described as "noncritical," who nevertheless have access to information classified as "secret."

Doubtless much of the irregularity in the administration of the program is traceable, in point of time at least, to the 1956 decision in *Cole* v. *Young* (351 U.S. 536). In this case the court had its first opportunity to construe the application of Executive Order 10450 in a dismissal proceeding, and held that the dismissal procedures under Executive Order 10450 were applicable only to positions which had been determined to be "sensitive." It appears that as a consequence of this decision, the departments and agencies no longer apply the order to the bulk of positions now described as nonsensitive.

This holding can be understood only in reference to the history of the order. This is fully developed in the Preyer report and I shall not relate it in any detail. Under the preceding order, Executive Order 9835, promulgated by President Truman, which Executive Order 10450 supplanted, the standard for the refusal or removal from employment on grounds relating to loyalty was that "on all the evidence there is a reasonable doubt as to the loyalty of the person involved to the Government of the United States." This standard was applicable to all positions in the executive branch. It imposed a personal responsibility upon the head of each department and agency to establish an effective program to assure that disloyal persons were not retained in employment in his department or agency. Individuals whose removals were sought on loyalty grounds were accorded hearings before a loyalty board appointed by the head of each department and agency, and there was a right of appeal to the Civil Service Commission's Loyalty Review Board. The application of the order was upheld in *Bailey* v. *Richardson*, 182 F. 2d 46 (1950), and affirmed in 341 U.S. 918.

The program was continued by President Eisenhower in 1953. It was, however, expanded to embrace not only the explicit loyalty factors contained in the Truman order, but also what have been described as "security" factors unrelated to loyalty, such as criminal conduct, habitual ues of intoxicants, drug addiction, mental illness, and sexual perversion. On its adoption it was conceived as embracing all positions in the executive branch. However, to accommodate the expanded factors, a new employment standard was substituted for the Truman "loyalty" standard. The new order provided that an individual's eligibility for employment was to rest upon a determination whether his employment was "clearly consistent with the interests of the national security." Moreover, it was required that proceedings for dismissals under it should be in accordance with the act of August 26, 1950—now 5 U.S.C. 7531–7533. This proved to be a point of failure.

This act, initially made applicable to certain designated agencies, was, as authorized by its provisions, extended by Executive Order 10450 to cover all departments and agencies in the executive branch. The act authorizes the head of an agency to suspend summarily and, after hearing, to dismiss any employee in his agency when he considers that action necessary "in the interests of national security." The term "national security," as used in the order and as used in the act, was neither defined by the President nor the Congress. Describing the order as both "awkward in form" and "ambiguous," the Court in Cole against Young took the view that the term "national security," as used in the act, was intended to comprehend only those activities of the Government which were directly concerned with the protection of the Nation from internal subversion or foreign aggression, and was hence applicable only to a limited category of positions described as "sensitive." In the 17 years following that decision, there has been no reformation or correction of the order by the Department of Justice.

Nor does a similar, but more limited, program appear to be effectively applied by the Civil Service Commission. Under present procedures the Civil Service Commission has responsibility for adjudicating an individual's suitability for employment in the competitive service pursuant to a standard established by its regulations of "reasonable doubt as to the loyalty of the person involved to the Government of the United States." This authority is exercised on a post-appointment basis and is limited to the initial probationary period of 1 year after the effective date of the applicant's appointment. Moreover, it embraces only persons appointed to the competitive service and nonsensitive positions therein. This authority it shares concurrently with the departments and agencies.

With respect to sensitive positions in the competitive service, and all positions in the excepted service, the departments and agencies are confided sole responsibility for denials on loyalty and security grounds. However, the Civil Service Commission has indicated that it is not basing denials upon loyalty grounds, but upon the basis of other "suitability" factors. When such other factors do not appear, we must assume that disloyal persons may be employed. The bulk of the departments and agencies maintain no implementing regulations whatsoever for the dismissal of appointees on loyalty grounds from nonsensitive positions. Hence, those loyalty cases bypassed by the Civil Service Commission are not addressed by the employing departments and agencies.

While on such evidence as we now possess, it appears that the departments and agencies are not applying the loyalty program to the vast number of positions, over 85 percent in the civil service now classified as nonsensitive, we are unable to provide specific information as to the degree and extent of the failure. It is an extraordinary fact that neither the Civil Service Commission nor the several departments and agencies of the Government maintain separate indices of persons presently employed as to whom investigation has revealed present or past affiliations with subversive organizations. Moreover, it does not appear that the departments and agencies are in possession of any designation of such organizations as a basis for compiling any such indices other than the largely defunct Attorney General's list from which the Department of Justice is now assiduously striking defunct organizations rather than updating its designations.

Nevertheless, testimony of personnel and security officers of the agencies of whom inquiry has been made points to the conclusion that the program is not being generally applied. The fact is that during the past 5 years—a cutoff period only—the bulk of the departments and agencies have not dismissed any employee on loyalty grounds from either nonsensitive or sensitive postions. Nor has the act of August 26, 1950—authorizing suspensions and dismissals in the interest of "national security"—been applied since 1965.

Testimony of representatives of U.S. Postal Service must be regarded as symptomatic, if not conclusive, of failures in this aspect of the program. They have admitted that they are now employing known and active members of Communist and other subversive organizations. In correspondence with the committee, the U.S. Postal Service has advised us, for example, that it has employed three persons identified as Communist Party members, two of whom are present members, and one of whom was a past member; four members of the Socialist Workers Party—Trotskyite Communist—three of whom are current and one a former member; one present member of the Progressive Labor Party—Communist—three present members of the Young Socialist Alliance, a youth group of the Socialist Workers Party; and eight members of the Black Panther Party, seven of whom are current members and one of whom was a past member. In response to the question whether the Postal Agency acquired information regarding such membership at a time prior or subsequent to the individual's employment with the agency, we were advised that in all cases this information was acquired by the agency at a time subsequent to their employment, and that this information was derived, in fact, from the post appointment national agency check.

This brings us to a vital important point. No preappointment investigation is conducted for persons employed in nonsensitive positions. This failure has obviously had serious and unfortunate results. When such persons are brought on board, so to speak, the agencies have been either unwilling or unable to get rid of obviously disloyal persons. Certainly the agencies have not adopted regulations or procedures to implement their dismissal. We are at a loss to understand this continued failure. Over 27 years ago, President Truman's Temporary Commission on Employee Loyalty, which had examined into the then existing loyalty program, reported that the departments and agencies were in general agreement that preemployment investigations and checks be conudcted. A similar recommendation has recently been made by the Preyer subcommittee. It reported:

> In our view a minimum degree of preemployment investigation should be mandatory for access to all positions, including those generally, although not always accurately, described as nonsensitive. We regard such preappointment investigations as essential to the effectiveness of the loyalty program. It is, moreover, a procedure generally of decided benefit both to the Government and to the applicant. The appointing power has more discretion in making preappointment determinations. It is not bound to the same technical requirements and limitations as it is—and very properly so—with respect to post-appointment determinations. The practice is also less wasteful, for there will be a reduction in turnover of employees. It is likewise of benefit to the applicant. Having usually uprooted himself and his family to accept Federal employment, he and members of his family must suffer obvious hardship as a consequence of rejection after employment. Thus, by this requirement he obtains greater assurance of his ultimate retention in employment following appointment.

By the terms of the bill introduced today, we give support to this and other recommendations. We would require the President to establish and maintain an effective program to insure that no person shall be employed in the executive branch "as to whom there is a reasonable doubt that such person will in good faith support the Constitution of the United States." This basic standard is, in effect, an implementation of a minimal standard required by the Constitution itself in the provisions of article VI, clause 3. To that purpose the bill requires the conduct of appropriate investigations and a minimum preappointment check with favorable results of the files of the Federal Bureau of Investigation and of the Civil Service Commission, together with the completion of questionnaires relating to membership in organizations prescribed by the bill and as determined by the Federal Employee Security and Appeals Commission. Individuals suspended or dismissed by the heads of the departments or agencies in the application of the standard are accorded the right of appeal to the Commission, and are thus assured a final hearing by an impartial tribunal.

I might also add that since the Government now maintains an adequate investigative apparatus for the conduct of investigations mandated under Executive Order 10450, the investigative requirements of the bill will not result in any enlargement of the present system, or any increase in costs.

In the matter following I briefly set forth the principal provisions of the bill and the underlying authority for their inclusion:

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill provides that this act may be cited as the "Constitutional Oath Support Act."

Section 2 of the bill, headed "Statement of Purpose," explains that a principal purpose of the act is to establish procedures in the executive branch to insure that the oath or affirmation to support the Constitution, required of Federal employees by law and in pursuance of article VI, clause 3, of the Constitution of the United States, is taken in good faith. While this is a principal purpose of the bill, it is further explained that the procedures established by it are intended to provide a means for assuring that only such persons are employed by the Government as are disposed to protect and defend the Constitution to the best of their ability against all enemies, foreign and domestic, who will preserve, uphold, and adhere to the system and processes established by the Constitution, and who are committed to the faithful execution of their duties thereunder. Thus, likewise, more specific content is given in elucidation of the employment standard set forth in section 3 of the bill.

Section 3 of the bill, headed "Employment Standard," requires the President to maintain in the executive branch an effective program to insure that no person shall be employed "as to whom there is a reasonable doubt that such person will in good faith support the Constitution of the United States." Foreign nationals are of course excepted from the requirements of the act.

While we believe this standard is sufficiently clear in its terms, it has been further clarified, as we have noted, by section 2. The standard is derived from express provisions of the Constitution itself and the provisions of the present statutory oath of office (5 U.S.C. 3331) implementing the constitutional requirement.

Article VI, clause 3, of the Constitution requires all Senators and Representatives, all members of the several State legislatures, and all executive and judicial officers, both Federal and State, to be "bound by oath or affirmation, to support this Constitution." Article II, section 2, of the Constitution spells out the terms of this oath as required of the President in the following language:

> I do solemnly swear (or affirm) that I will faithfully execute the Office of President of the United States, and will to the best of my ability, preserve, protect and defend the Constitution of the United States.

The statutory oath, to which I have referred, requires each individual, except the President, elected or appointed, to an office of honor or profit to the civil service or uniform services, to take the following oath:

> I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

I should further observe that in hearings upon a similar bill (H.R. 11120), which Mr. PREYER and I introduced in the preceding Congress, the claim was made from some sources that the standard of good faith support of the Constitution was vague and, therefore, unconstitutional. We cannot accept this charge. If we were to concede that this standard is unconstitutionally vague, or suffers from any other claimed defect, then it must follow that the provisions of article 6, clause 3, and article 2, section 1, of the Constitution, to which I have already referred, are themselves unconstitutional. Unless we are to treat the constitutional language as meaningless we cannot escape the implication that what such opponents are saying, in effect, is that a provision of the Constitution is itself unconstitutional. To borrow the words of Mr. Justice Frankfurter, are we "to suffuse a part of the Constitution with an atmosphere of unconstitutionality"?—*Korematsu* v. *United States*, 323 U.S. 214, 224f.

This charge, nevertheless, as absurd as it may appear, was, indeed, made and disposed of in *Cole* v. *Richardson*, 405 U.S. 676 (1972), as well as in *Ohlson* v. *Phillips*, 304 F. Supp. 1152 (1969), Affirmed without opinion or dissent, 397 U.S. 317. In the former case, the Court upheld a Massachusetts oath conditioning public employment on the taking of an oath in the following language:

It do solemnly swear (or affirm) that I will uphold and defend the Constitution of the United States of America and the constitution of the Commonwealth of Massachusetts and that I will oppose the overthrow of the government of the United States of America or of this Commonwealth by force, violence, or by any illegal or unconstitutional method.

In the latter, the Court upheld a Colorado statute requiring all teachers to take the following oath as a condition of employment:

I solemnly (swear) (affirm) that I will uphold the Constitution of the United States and the constitution of the State of Colorado, and I will faithfully perform the duties of the position upon which I am about to enter.

In response to the claim of vagueness, advanced in Cole with respect to the second clause of the oath, the Chief Justice, quoting Mr. Justice Harlan, observed that—

Almost any word or phrase may be rendered vague and ambiguous by dissection with a semantic scalpel.

Said Chief Justice Burger—

The Court rejected such rigidly literal notions and recognized that the purpose leading legislators to enact such oaths, just as the purpose leading the framers of our Constitution to include the two explicit constitutional oaths, was not to create specific responsibilities, but to assure that those in positions of public trust were willing to commit themselves to live by the constitutional processes of our system. . . .

Moreover, while the constitutional standard as applied in the more restrictive oath forms, which establish a conclusive presumption of ineligibility on refusal or failure to execute them, has been upheld, the bill makes a less rigid application of this standard in relation to an investigative program to ascertain the good faith with which an applicant for employment may comply with it. If there was any question of such an application, as made by the terms of the bill, this has since been dispelled by a recent decision of the Supreme Court expressly upholding it. That was the February 23, 1971 decision of the Supreme Court in *Law Students* v. *Wadmond*, 401 U.S. 154. This, and other relevant supporting cases, have been fully analyzed in the subcommittee's report, pages 144–162. See also *Lerner* v. *Casey*, 357 U.S. 468 (1958); *Garner* v. *Los Angeles Board*, 341 U.S. 716 (1951); and *Application of Walter Marvin, Jr.*, 53 N.J. 147 (1969), cert. denied by the U.S. Supreme Court. October 13, 1969.

Section 4 of the bill, headed "Authority to Prescribe Regulations," as the heading suggests authorizes the President to institute such measures as may be necessary to maintain the program required by section 3. This section of the bill likewise makes clear that the procedures are not to be exclusive of the maintenance of any loyalty or security program which may be now required by law, particularly with respect to certain sensitive agencies, or in derogation of the authority of the President under the Constitution or laws of the United States to maintain such additional measures as he deems necessary to assure the appointment and retention of persons suitable as to character and fitness.

Section 5, headed "Conduct of Investigations," requires that all appointments shall be made subject to investigation to determine an individual's suitability for employment in accordance with the requirements of section 3 of the act and as may otherwise be required by law or regulation. The section, moreover, requires a minimum preappointment check of the files of the Federal Bureau of Investigation and of the Civil Service Commission, as well as the completion of questionnaires required by section 6 of the act. It aslo requires that personnel employed in carrying out the act shall be specially trained for their duties.

Section 6 of the bill, headed "Organizational Inquiry," establishes guidelines for the conduct of investigations into membership or association with defined groups in making determination of the individual's suitability for employment in relation to the employment standard. Five categories or types of organizations, all clearly within constitutional limits, are specified and defined. More fully described in the bill, they include:

First. Organizations of whatsoever description which have as a purpose or objective the overthrow of the Government of the United States or of any State by unlawful means.

Second. Organizations which advocate, teach, or urge, as a principle to be translated into action, the propriety or necessity of the unlawful use of force or violence to oppose the execution of Federal or State laws or of assisting or engaging in any rebellion or insurrection against the authority of the United States or of any State.

Third. Organizations or groups which advocate, teach, or urge, as a principle to be translated into action, the necessity or propriety of unlawful killing or wounding any officer or employee of the United States or of any State, or of unlawfully destroying or damagaing any property or instrumentality of the United States or of any State.

Fourth. Organizations or groups which advocate, teach, or urge, as a principle to be translated into action, the necessity or propriety of the commission of unlawful acts or force or violence to deny other persons any right or privilege secured by the Constitution or laws of the United States.

Fifth. Organizations or groups controlled by the foregoing and operating in support of their purposes.

The section also requires all applicants for employment to complete questionnaires relating to membership in organizations advocating or teaching that the Government of the United States or of any State should be overturned by force and organizations of the five types above noted which have been specifically determined to be of such types in proceedings before the Federal Employee Security and Appeals Commission. The questionnaires required are of such form and character as fully comply with applicable decisions of the Supreme Court itself, particularly Law Students against Wadmond, supra, and other cases briefed in the subcommittee report to which reference has been made.

Security and Appeals Commission," Security and Appeals Commission," establishes the Commission as a quasi-judicial body whose functions are set forth in the following section. The Board would be composed of five Commissioners, all of whom shall be trained in the profession of law and have been admitted to Federal or State bars. Additionally, they are required to be knowledgeable by reason of training or experience in concepts of ideological subversion and the history and origin of subversive organizations. Members shall be appointed by the President by and with the advice and consent of the Senate. No more than three Commissioners shall be members of the same political party.

Section 8, headed "Function of the Commission," details its duty and authority. Briefly, the Commission has two principal functions. Its first is to make determinations, on application of the Attorney General or such other person as the President may appoint, whether organizations are of the five types set forth in section 6. These determinations are in aid of the execution of the program laid down by sections 3 and 6 of the bill.

Application for such determinations may also be made by the heads of departments and agencies in cases where, in the execution of other programs pursuant to law or Executive order, such as the industrial security program, the character of any of the specified organizations is a controverted fact in issue not previously adjudicated by the Commission. Full due process hearings are accorded to all organizations, and any organization so determined may thereafter likewise make application for determination that it is no longer of the types set forth in section 6.

Second, the Commission will serve as an impartial appeals body upon application of individuals dismissed or suspended from employment pursuant to section 3 of the act. Individuals holding employment in the Federal Bureau of Investigation, Central Intelligence Agency, and National Security Agency are alone excepted. There are special enactments governing their retention in employment, and these are not disturbed by this provision of the bill.

All other persons claiming to be adversely affected by the application of any of the provisions of the act may intervene as a party to the Commission's proceedings. Full due process hearings are accorded in all instances. Each party shall have the right to the assistance of counsel and, in all evidentiary hearings conducted by the Commission, shall have the right to offer oral and documentary evidence, and to cross-examine witnesses. All hearings are required to be public, with the single exception of hearings on the appeal of individuals who are dismissed or suspended from employment pursuant to section 3. However, if the individual involved demands a public hearing, it is required that his hearing shall be public.

Section 9, headed "Compulsory Proc-

ess," accords to all interested parties the power of subpena to compel the attendance of witnesses and the production of evidence in proceedings before the Commission. Federal district courts are granted jurisdiction to enforce this process on application.

Section 10, headed "Misbehavior at Hearings," likewise gives ancillary authority to the Commission to maintain order in the hearing room similar to that possessed by Federal district courts.

Section 11, headed "Judicial Review," accords all parties the right of obtaining a review of orders of the Commission on appeal to the U.S. Court of Appeals for the District of Columbia and on certiorari to the Supreme Court of the United States. The right of judicial review is fully accorded to all persons adversely affected by the operation of the provisions of the bill, but dilatory actions beyond the scope of orderly judicial review are properly limited.

Section 12, headed "Laws Repealed and Amended," repeals all of the operative provisions of the Subversive Activities Control Act of 1950 relating to the maintenance and work of the Subversive Activities Control Board. However, certain independent sections are retained, particularly section 4 of the act—relating to espionage and other prohibited acts—and sections 18 through 32 which include amendments made by the Subversive Activities Control Act to other sections of law unrelated to the work of the Board. The section also includes conforming amendments rendered necessary by reason of the disestablishment of the Board and the creation of the Commission.

Section 13, headed "Separability of Provisions," expresses the intent of the Congress that if any provision of the act shall be held invalid, other provisions shall not be affected.

In conclusion, I would advise the House, and the members of the public generally, that it is my purpose to call for early hearings on this bill. I urge all Members and other persons who are interested to present their views upon the measure.

THE BUREAUCRATIC ACCOUNTABILITY ACT

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

Mr. DELLUMS. Mr. Speaker, students in schools all over the United States are learning how their Government operates: the Congress passes the laws of the land, and the Executive carries them out.

I hate to disillusion them, but that is not how it works. What we say or do in Congress often has very little to do with the actions of the Executive. In fact, the Federal Government is the greatest lawbreaker in the country today.

Last summer the Congressional Black Caucus held a series of hearings on the general topic of "governmental lawlessness," the widespread bureaucratic practice of distorting, ignoring, and subverting the congressional mandates contained in legislation. These hearings uncovered a pattern of abuse so extensive as to constitute the gravest threat to meaningful self-government.

In response to what we learned during those hearings and other congressional investigations of governmental lawlessness, Senator KENNEDY and I, along with 26 of my colleagues in the House, are introducing today the Bureaucratic Accountability Act of 1973. This legislation proposes concrete steps toward strengthening responsible and reliable government through amendments of the Administrative Procedures Act.

I strongly feel that among the basic causes of "governmental anarchy" is a lack of mechanisms which would allow citizens some means of protection against officials in their concrete, day-to-day contact with them. These mechanisms cannot guarantee that Congress will pass wise and democratic substantive legislation, but they allow us to hope when such legislation is indeed passed, citizens may rely on seeing it actually carried out. And this hope is the basis of active democratic reform and confidence in the capabilities of government.

The aim of the "Bureaucratic Accountability Act" is to confine the bureaucracy to its legal purposes. We intend to do this by the democratic method of increasing its responsibility, its answerability, both to citizens and to the intent of Congress. Specifically, the bill strengthens the ability of citizens to enforce their rights as established by Congress—against either action or inaction by the bureaucracy. Notice-and-comment rulemaking requirements are extended, costs of participation are reduced, bars to judicial review are removed, and procedures set up to enforce State and local compliance to Federal standards in administering grant-in-aid programs.

All of these reforms are based on long-felt needs and careful suggestions from the many groups involved in working in administrative law. I think the over-all result will be more effective government, greater cooperation between citizens and officials, and greater congressional effectiveness.

I would like to emphasize this last point. These administrative reforms are a natural corollary of recent proposals to Congress and the executive branch. In both these ways, we would strengthen the status of the objection legislation, arrived at by democratic means, as against the subjective political and bureaucratic desires of an uncontrolled administration.

The basic aim of the bill is to insure that a citizen may receive an accurate idea of his rights and of the procedures of the bureaucracy by reading the statute books and published material of the bureaucracy. I think this will mean an important extension of responsible participation in the work of government.

ANALYSIS OF THE BUREAUCRATIC ACCOUNTABILITY BILL

Sections 101 and 102(a).—Extension of rulemaking requirements: The Administrative Procedures Act sets forth some minimal due process requirements to be followed whenever the bureaucracy issues "rule" that affects the citizenry. These include adequate prior public notice of the intended rule, opportunity for written comments by interested persons, and opportunity to petition for changes or exceptions. Opportunity for oral argument is discretionary, and final administrative decisions are not confined to any record established by these proceedings.

Although these requirements are minimal, there exist very large exceptions. In fact, at present the requirements apply mainly to the regulatory agencies. The time has come to extend these APA procedures to social programs and other aspects of "positive government." Allowing the citizen to present his case, and requiring the bureaucracy to hear all relevant views, are increasingly indispensable tools of effective government.

Therefore, this bill eliminates the existing exemptions of "matters relating to public property, contracts, loans, grants, benefits" from the rulemaking requirements of notice and comment.

Section 102(b).—New criteria for rulemaking requirement exemptions: This section regulates those cases in which there is a legitimate public interest served by exemptions from the public notice and opportunity to comment requirements. First, the present exemption of interpretive rules and general statements of policy is eliminated. These agency decisions are often just as important as rules proper. The division between "rules" and "interpretive statements" is inefficient for deciding what should or should not be exempted.

The bill substitutes a more function classification, based on language already in the APA: "impracticable, unnecessary, or contrary to the public interest." Grant-in-aid decisions cannot be exempted, in accordance with the procedures set up in section 401.

Section 201—Payment of expenses incurred before agencies: Our system of government relies on the spontaneous cooperation of the citizenry. This includes active participation in the administrative process, either by defending rights that Congress has sought to protect—the "private attorney general" concept already recognized by the courts—or by providing information and perspectives that the bureaucracy would not have the resources to discover. When this private participation aids in vindicating public policy, the citizen should not be penalized by excessive financial burdens. Costs of participation should be kept at a minimum, and the agency should have the option of subsidizing those who otherwise would not be able to make a contribution. The Comptroller General has already expressed his opinion that agencies may spend appropriated funds in this way; this section of the bill makes it incontrovertible.

Section 301—Sovereign immunity: "Sovereign Immunity" is a common law doctrine that prohibits suits against the sovereign without his consent. It is used by the Government arbitrarily and unpredictably, and frustrates the orderly legal planning of the citizen. The removal of this doctrine in the days of ac-

tive positive Government is a long overdue reform endorsed by most of those concerned with administrative law.

Section 401—Enforcement of standards for grants: The aim of this section is to insure the maintenance of Federal standards of performance and policy aims in those State and local programs that depend on Federal funds.

The bill defines grant-in-aid programs as "programs pursuant to which the Federal Government transfers funds to State and local governments and public and private nonprofit organizations to provide general public services or finance programs for special groups."

Second, all grant decisions are made subject to the public notice-and-comment procedures of rulemaking. This was done in section 102 above. This will allow objections to be heard before a State or local program is approved and funded. Relevant materials are required to be made available to interested persons.

Third, procedures for hearing complaints concerning grant plan applications and the administration of existing grant programs are set up, both on the level of the Federal administering agency and the State or local grantee.

The agency will hear complaints when they are made in the name of a substantial number of those persons affected by a grant-in-aid program, or when the agency decides an important policy question is involved. The agency is also given less disruptive ways of enforcing Federal standards than the complete termination of the program.

Grantees are required to hear complaints from any person adversely affected by their administration of the program. Minimum standards for grantee complaint procedures are set up.

FOOD PRICES AND THE FARMER

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 60 minutes.

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss the current situation regarding food costs and farm prices. We must keep this issue in proper perspective if we are going to find answers to the high food cost problem.

The current attack on farm prices and the farmer-stockman in particular is an injustice. A quick review of the record reveals the farmer has lead the fight against inflation for the past 20 years:

Farm prices for food are up only 6 percent from 20 years ago;

Wholesale food prices are up 20 percent from 20 years ago;

Retail food prices are up 43 percent from 20 years ago;

The average wage rates per hour for the nonfarmworker in 1950 was $1.33. In 1972, it was $3.65 an hour and in January of this year, it was up to $3.78.

The farmer only recently began to get for his crops what he received 20 years ago. And, the cost of items that go into his production have doubled and in some cases, tripled; and

There has been much discussion regarding high meat prices. In 1950, choice steers at Omaha were bringing $28.88 per hundred weight. If choice steers had gone up as much since 1950 as a first-class postage stamp, they would now be worth $77.02 per hundred weight. Compared to the rise in cost of medical care, they would be bringing $72.34 per hundred weight. Compared to the rise in average hourly wage rates, steers would be $80.69 per hundred weght, and compared to the rise in per capita disposable income, $80.89 per hundred weight. The current Omaha quotations range in the neighborhood of $45 per hundred weight. Indications are that cattle presently on feed to be marketed during the first half of 1973 will have to average between $38 and $42 per hundredweight to break even as a result of increasing costs and substantial death losses due to adverse winter weather.

I do not question the concern or the integrity of unhappy consumers across the Nation. I do question and take strong exception regarding the understanding needed to keep food prices in proper perspective.

Cheap food is not a birthright of American citizenship. To satisfy the growing demand for meat and food products, the farmer must receive equity at the marketplace.

We do have cheap food in the United States, but this is no reason for a family to overextend its budget with luxury items bought on time and consumer credit accounts which leave only a fixed minimum amount for food purchases. The fact is that the percentage of disposable income spent for food has declined steadily over the past 20 years.

Agriculture has given America the lowest cost food bill in the history of mankind—approximately 16 percent of disposable income for the best quality of food in history. Compare this figure with 23 percent in 1950. America's food bill was approximately $51 billion less than it would be if Americans still paid 23 percent of their income for food.

Americans spent that $51.7 billion for second cars, trail bikes, boats, stereophonic sound systems, fancy furniture, summer cottages, dishwashers, color television, and a host of other consumer goods. This means jobs and higher incomes for nonfarm employees.

By comparison, consumers in Great Britain spend 29 percent of their income for food, Italians spend 45 percent, and Russians spend approximately 50 percent.

I think it is revealing to study the composition of the consumer's food dollar. A little more than 66 cents, or two-thirds of every dollar spent by U.S. consumers for farm-originated foods in 1972, went to pay the marketing bill, according to preliminary estimates of the U.S. Department of Agriculture.

The marketing bill includes the cost of transportation, processing and distribution, and accounted for a whopping $77 billion out of the total expenditures of $116 billion. Labor was the most costly element in the marketing bill, amounting to nearly one-half or more than $37 billion. That is a little more than 32 cents out of the total farm food dollar and nearly equals the farm value of 34 cents.

Yet, in the March 5 edition of Newsweek, a labor leader was quoted as saying:

> When the price of a new car goes up $50, the working man pays little attention, but when the price of steak goes up pennies, he gets madder than hell.

In other words, the consumer literally bites the hand that feeds him.

This same Newsweek article went on to further spell out the breakdown of the price of bread which I would like to share with my colleagues. The farmer sells enough wheat for a 1-pound loaf of bread to a miller for 3.8 cents. The miller grinds that into flour that he sells to a baker for 4.9 cents. The baker adds ingredients that cost another 2.3 cents and bakes a loaf of bread that he sells to a retailer for 20.3 cents. The retailer then sells it for 25 cents.

I think these ilustrations serve to place food costs and farm prices in proper perspective.

Consumers also need to understand the farms pricing mechanism. Our free enterprise society has become accustomed to a form of price fixing whereby prices seem to move up uniformly within an industry. Then that increase is fixed until the next increase is announced. However, the pricing of farm commodities reflects pure supply and demand. Rising food prices are always front-page headlines. How many headlines announced a 41-cent—20-percent—decline in wheat prices in February? Farm prices, unlike most of our economy's prices follow a roller coaster pattern. What other industry would tolerate a price rollback of 20 percent especially when they are already at a level far below par with the rest of the economy.

Another factor consumers should consider is the weather—a most important but little discussed factor that has directly affected the farm and food price structure in the last year. The effects of Hurricane Agnes, adverse weather in Russia, drought conditions in India, a swift Pacific current off Peru, and a bitter winter in the Great Plains have escalated meat and protein prices far beyond expectations.

In the Great Plains, extreme winter weather has resulted in death losses two or three times normal levels. Weight gains for the cattle that have survived have been substantially reduced and, as a result, the cost of gains to producers has skyrocketed.

Of course, every American and especially the American farmer, is interested in providing the best quality food possible at a reasonable price. The American farmer has done this for the past 20 years with little or no credit and at a price well well below what has been received by the nonfarm sector.

I am hopeful that this discussion will be of help to consumers and allow us to approach this problem with the proper perspective. In closing I would like to call the attention of my colleagues to an article from the January issue of the Reader's Digest, "Why Food Prices Keep Rising." The article provides much factual

information to those interested in food prices as well as a probing look into the food industry:

WHY FOOD PRICES KEEP RISING

(By James E. Roper) *

Labor unions involved in food distribution have made a fine art of featherbedding, make-work and greed. Until they agree to provide a day's work for a day's pay, housewives will continue to find "hidden costs" at the checkout counter.

In Los Angeles, a truck driver delivers bread to a supermarket warehouse and earns, in addition to his $10,000 annual salary, a union-mandated ten-percent commission as a salesman.

In St. Louis, a supermarket butcher cuts up chickens with a knife instead of using a much faster saw. Why? Union rules.

In Baltimore, a shipment of frozen orange juice arrives on pallets at a warehouse, but the warehouse uses a different-sized pallet. So the juice has to be transferred by hand from one pallet to another before forklift trucks move the cargo farther.

These are some of the hidden costs that today find their way into your food bill at the supermarket checkout counter. For supermarkets have just about exhausted their ability to absorb any more expenses themselves. Their profits, as a percentage of sales, have fallen from 1.41 in 1965 to .86 in 1971—to an estimated .55 for 1972. This means that a store selling $10 worth of groceries gets to keep only 5½ cents in profit.

For this razor-thin margin, food chains buy merchandise, warehouse it, sort it, truck it to individual stores, price it, display it and, finally, check it out at the cashier counter. The physical job is massive: an annual 10 billion cases of merchandise weighing 140 million tons. So much labor is needed to keep this tonnage moving—and the profit is now so tiny—that retail prices must eventually reflect the minutest change in the costs of that labor. And those costs—in base pay, fringe benefits and inefficiency—are soaring.

Supermarkets have yielded to teamsters, retail clerks and meatcutters more increases in wage and fringe benefits in the last three years than during the previous nine. Nationally, wages in all food retailing jumped nearly 20 percent in those three years—compared with a 12-percent rise in retail food prices. The Pay Board says that supermarkets, for the good of the country, should resist all such increases that go above national guidelines for curbing inflation. However, the industry is in a weak bargaining position. A strike of just a few days can ruin tens of thousands of dollars' worth of perishables; a long strike means lost customers who never come back.

When Nixon Administration Cabinet members twice summoned supermarket operators to Washington during 1972 to explain why food prices were going up, the executives, speaking behind closed doors, twice placed most of the blame on labor costs—but they dared not mention the subject to waiting news reporters. "We were afraid to," concedes one of the conferees, the head of a major chain. "We have to live with the unions."

Wages Up, Output Down. Increases in wages and benefits in the food industry could be offset, of course, if employe productivity kept pace. It hasn't. The physical volume of merchandise sold by store personnel for each hour of work edged up an average of only 1.5 percent during the last decade. The management-consulting firm of Daniel J. Bartz and Associates, studying 64 representative warehouses across the country, found that wages there went up 37 percent in five years, while the number of cases handled per man-hour of work remained about the same and the tonnage went down 36 percent. In the last ten years, says the head of a regional retail chain, the cost of his meatcutters went up 65 percent, while their productivity went up only 35 percent.

Most union contracts, in fact, discourage increased productivity. A U.S. Department of Commerce staff study estimates that work restrictions written into contracts cost consumers up to $400 million a year through higher food prices. Here's how the unions take these millions of dollars out of your pocket:

The Teamsters. Locals of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers have scores of contracts that require most truck drivers to work during approximately the same hours—causing costly traffic jams at unloading docks during peak periods, and leaving expensive transportation equipment idle during off-hours. Some drivers, paid by the hour, stall to stretch their day into overtime. In Pittsburgh, drivers caught attending movies during working hours could not be fired: the union insisted that they were ill and had to go into theaters to cool off. A number of contracts, particularly in New York City, provide that a driver must be accompanied by a "helper," even though the helper may have nothing to do on that truck's run.

Many drivers who deliver huge trailerloads of bread or milk receive, in addition to their salaries, "sales" commissions of 7 to 11 percent even though they do no selling. In Los Angeles recently, a bread deliveryman collected commissions of $104,000 in 16 months. Even the union agreed that this was unreasonable, but instead of eliminating the commission the union simply divided the money among more drivers. All of which helps explain one finding of the National Commission on Food Marketing: that it costs about as much to deliver a loaf of bread from the bakery to the consumer as it does to grow the wheat, mill the flour and bake the bread.

When a union truck arrives at a warehouse, only the driver or his crew is allowed to place the cargo onto the unloading platform. This restriction has resulted in some bizarre impasses: in parts of California, for instance, a portable conveyor belt may not be placed inside the truck because the belt is operated not by truckers but by warehousemen, members of a different local of the same union. (Lines are sometimes painted on the floor to delineate jurisdictions.) The warehousemen in turn set a "pace" which becomes the work norm for moving unloaded cargo. Says an official of one Pittsburgh chain, "Our crews, working by hand, used to load four trucks a day. When we installed equipment so they could load 15 trucks a day, the union said that eight or nine were enough—and so that's now the 'pace.'"

The Clerks. The Retail Clerks International Association, which represents all employes except the meat workers in unionized stores, has ensnarled its members in restrictive work practices that rival the worst achievements of the Teamsters. Some examples:

Food manufacturers generally want their products placed on grocers' shelves by their own men—at no cost to the stores. But the union insists, with few exceptions, that this work be done by clerks; if a manufacturer's representative does the chore, a clerk must stand idly by.

Although supermarkets do nearly as much business on Fridays as on Mondays, Tuesdays and Wednesdays combined, the union bars split workweeks. The result is that a store manager, without authority to schedule his employes efficiently, finds himself with idle workers early in the week, and too few workers on Friday.

Other frequent union provisions require clerks to price-mark all merchandise in the store, even if the manufacturer already has affixed prices, and bar store managers from doing "clerk's work," even in emergencies.

The Meatcutters. Locals of the Amalgamated Meat Cutters and Butcher Workmen of North America generally insist that retail portions of meat be cut, wrapped and priced inside the store rather than at a central facility where it could be done more cheaply—which is the practice in Europe. Contracts often stipulate that well-paid journeymen butchers do relatively simple tasks such as filling display cases, washing knives and sweeping back rooms. Indeed, a detailed study of four Ohio supermarkets showed that meatcutters spent less than one half their time doing skilled work.

Almost everywhere, butchers report for work at about the same time, resulting in surplus manpower during slack morning hours and a shortage during busy afternoons. Contracts also usually provide that a butcher must be on duty whenever meat is on sale, even though it is already cut, wrapped and priced. With some stores open all night and on Sundays, this sometimes enables meatcutters to receive double pay, or better, just to preside over well-stocked cases. With butchers earning up to $14,000 a year, plus high-paid overtime, most supermarkets today lose money on their beef sales—and compensate by raising prices on other items.

Future Challenge. What can be done about rising food prices? "Although the primary cause of higher prices is the cost of labor," says Secretary of Agriculture Earl Butz, "it is also clear that the whole food-distribution system needs to be improved." Here are the basic steps that need to be taken:

1. Labor must curb its demands for wage increases far in excess of productivity increases. It must give up pointless work restrictions, perhaps in return for moderately higher wages (as justified by the increased productivity that would result) and guarantees against present employes losing their jobs.

2. Supermarket owners must accelerate their capital spending to provide the tools for both labor and management to be more productive. For a decade, they have delayed in adopting the much-heralded automatic checkout counter, which would assure customers faster, more accurate checkout service and save the industry $100 to $250 million a year if widely used. Says one food-chain executive: "The technology for a more efficient checkout operation is available—it's already a big hit in Switzerland—but nobody wants to be the first here to make the investment, about $125,000 a store."

3. Various segments of the industry must cooperate to improve the distribution system. Many suppliers still load their goods directly onto the floors of railway cars rather than onto wooden pallets, which can be unloaded with forklift trucks perhaps six times as fast. Then, too, pallets come in two sizes so that a shipment on one size of pallet sometimes arrives at warehouse that uses only the other size, forcing workmen to transfer the cargo from pallet to pallet by hand. Shipments also arrive in a bewildering variety of cartons that make efficient handling impossible. Robert Bohall, of the U.S. Department of Agriculture, estimates, for instance, that failure to standardize containers for apples adds one cent a pound to the retail price.

4. Consumers must decide whether they are willing, for the sake of economy, to accept certain changes in supermarket operations. Would American housewives, after checking out, be willing to put their groceries in bags themselves, as many European women do? Supermarkets could save immense amounts of labor by eliminating their

*James E. Roper, a free-lance writer, was editor of the 11-volume 1966 report of the National Commission on Food Marketing. The commission was established by the federal government to make a two-year study of the distribution of food from farmer to consumer.

bagging operation, but they are afraid to try. Do shoppers really want to pay for the choice of 8000 to 11,000 items that a large supermarket offers? A recent study found that some 91 percent of the items in a store sold less than 24 units a week, and are costly to stock. Says one official: "A women is entitled to choose yellow facial tissue, but does she need the choice of four brands of yellow facial tissue?"

5. The National Commission on Productivity—composed of representatives of labor, management, the public and government—already is investigating some of these problems. Its responsibility is clear: to develop forceful programs to revive the retail food industry, now clearly in a productivity crisis.

In the words of Gordon Bloom, of the Massachusetts Institute of Technology, one of the most respected authorities on the food industry: "What we have done in the past simply will not be good enough to meet the challenge of the future."

Mr. THOMSON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. Yes, I yield to the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Speaker, I appreciate the chance afforded by this special order to clear up some of the misunderstandings that have generated such apparent widespread resentment at the cost of food.

One should not have to be a representative of a farm district as I am to appreciate the simple fact that American farmers are not only the best, but the most efficient in the world. Our farmers provide the most food, the best quality food, and provide that food at bargain basement prices compared with any other country in the world.

Attacks on our farmers will right no social injustices. Simple economic sense and social justice demand that the farmer be allowed even greater returns on his gigantic investment. While other segments of the economy have been sharing in the general economic expansion, the farm community is financing it. Efficiency and productivity are advancing far faster in the agricultural sector than in industry. Farm exports are salvaging our Nation's balance of trade and of payments which otherwise would be beyond the crisis stage in total chaos.

Since 1950, hourly wage earners have seen their paychecks increase by 174 percent and the percentage of their disposable income used to feed their families shrink from 23 percent to only 16 percent at present. During this same period farm income increased only slightly resulting in a 25-percent decline in real income for farmers—adjusted for inflation—from 1950 to 1970. What worker earning $50 a week 20 years ago would be satisfied with $60 a week today? Well, farmers are not satisfied. And they should not be satisfied.

Farmers are consumers, too Not only are they paying more for food, they have absorbed fantastic increases in other operational costs. During the last 10 years alone total farm operating costs have jumped 50 percent, capital investment has increased 79 percent, fertilizer costs are up 64 percent.

Farmers are not the ones in this country driving Cadillacs. Rural communities, in fact, the ones which depend so completely on the future vitality of our agricultural economy, are already among the poorest in the Nation. Rural poverty is an immense problem. While only 29 percent of our people live in rural areas, fully 43 percent of this Nation's poor people make their homes in these small communities or on the farm. By destroying the farmers, we are sealing the doom of smalltown America, forcing additional millions to join the unfortunate migration to our already-overcrowded and polluted metropolitan centers.

Advocates of the meat boycott have told me that it is not their aim to hurt the farmers whose claim to economic justice, they concede, has substantial merit. But, I ask, who would be hurt by the meat boycott, the farmers or the processors and marketing middlemen? While the farmer's share of the consumer food dollar has been shrinking from 50 percent in 1947–49 to about 38 percent today, the middleman's share has been increasing quickly. During 1971, for example, average food costs rose $21. Of that $21, $20 went to the middlemen and only $1 to the farmer.

Yet, what is the impact if food prices fall. Will the butcher renegotiate his wages to a lower wage per hour? Will packagers, handlers, and supermarkets accept lower wages or profits? I think the possibility is remote. As in the past, a decline in food prices is certain to reflect a decline in farm prices, although increasing food prices are shared by everyone in the food marketing chain.

Consider for a moment what the cost of food today would be if farmers had fully shared in the retail cost rise. Pork prices would be 39 cents a pound higher; beef prices higher by an average of 63 cents a pound; bread would cost 7 cents a loaf more; eggs would more than double in cost; milk would cost 46 cents more a gallon; cheese 28 cents more a pound, and even potatoes would cost 14 cents more for a 10-pound sack. A housewife should consider what those prices would do to her food budget if she thinks today's prices are too high.

If consumers think they can drive down meat prices with a "meatless week" they should also consider the possibility of beef producers conducting a market boycott and forcing a "meatless summer." Such a producer counterboycott would not only significantly increase the price of beef, but would produce shock waves and resentment among the Nation's consumers. Perhaps such an action would awaken public awareness that the farmer is getting just as sick of being taken for granted and of being forced to accept the short end of the stick in the marketplace as the consumer is of paying higher food prices.

I am including at this point in the RECORD a chart showing the consumer cost of various food items if farmers had been allowed to share equally in the food price increases paid by consumers.

	Consumer price [1]	Percent to farmer of consumer price [2]	Farm price [3]	Farm prices if had been equal to wage increases [4]	Consumer prices if farm prices had been equal to wage increase [5]
Pork—hogs (pork per pound; hogs per hundredweight)	$0.88	59	$27.93	$49.32	$1.27
Beef—cattle (beef per pound; cattle per hundredweight)	1.13	62	33.80	63.84	1.76
Bread—wheat (bread per 1 pound loaf; wheat, per bushel)	.25	17	2.08	5.48	.32
Eggs (dozen, large)	.58	62	.37	.99	1.18
Milk (milk per half gallon; milk per hundredweight (Class I))	$0.60	51	$6.82	$11.95	$0.83
Cheese — milk (cheese American, per 8 ounces; milk, manufactured, per hundredweight)	.55	44	5.38	8.44	.69
Potatoes (potatoes 10 pounds and 100 pounds)	.98	25	2.37	3.75	1.12

[1] USDA data as reported by U.S. News and World Report, Mar. 19, 1973. All data average from October to December 1972.
[2] Calculated from U.S. News figures.
[3] Economic Research Service, USDA.
[4] Since 1950 hourly wages in all of private sector have risen 174 percent as reported by the Bureau of Labor Statistics, U.S. Department of Labor. Farm prices in 1950 from Agriculture Statistics 1972, USDA.
[5] Calculated from prior 4 sets of data.

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

Mr. SEBELIUS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I am glad the gentleman from Kansas has taken this time to relate to the House of Representatives at least a part of what is taking place with respect to food production and prices. I am sure the gentleman from Kansas is aware that on yesterday, on some markets, hog prices dropped $5 a hundred. This morning I am informed that in some markets hog prices went down as much as $4 a hundred. This represents a $9 drop per 100 pounds in 2 days for some of the swine that were sold. This has brought chaos to the hog markets in the Midwest and no one seems to know how far down the market will go. I am sure the gentleman will agree that if this continues very much longer—and I suspect that it has been enough in the past 2 days to convince a good many farmers that they ought to get out of the hog business.

If they do get out of the hog busi-

ness, what we have seen by way of high prices for food products in the stores will be as of nothing. Rather than lower meat prices a year or so from now prices may be skyrocketing beyond what they are now.

I am glad the gentleman has taken this time today. Some day the farmers may do what organized labor does, and that is withhold their products and their services from the marketplaces. When they do, this country will know, and quickly the meaning of what the farmers produce and what the agricultural industry means to the welfare of this Nation.

Again I thank the gentleman for yielding.

Mr. SEBELIUS. Mr. Speaker, I thank the gentleman from Iowa for his comments, and in pointing out that the prices have shifted, especially in the hog producing field, because I had a packing company in my district close yesterday because of that very reason, that the hogs were not there, and so they had to close down. It is a question of supply and demand. One thing is sure, and that is that you cannot provide more hogs quickly than you can decrease the gestation period of a sow.

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

Mr. SEBELIUS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I have listened very intently to the remarks of my colleague, the gentleman from Kansas (Mr. SEBELIUS) and the remarks of the gentleman from Iowa (Mr. GROSS). I want to commend both of them for the statements they made. I want to associate myself with both of them.

Mr. SEBELIUS. I thank the gentleman for his comment.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I want to thank the gentleman for yielding.

I want to align myself wtih the gentleman's remarks. It is unfortunate that every time we have a special order on something of this nature that we all stand around and talk to each other and seem to be in agreement, and it is unfortunate that we cannot have other Members of the body and other members of the public present to understand what we are trying to communicate, because it is a vitally important subject.

During the last 20 years farm prices have remained essentially unchanged. The Committee on Agriculture has been receiving testimony about this. It has been startling to people who were not aware that farm prices are essentially the same today as they were 20 years ago.

No one else wants to go back to the wages they received 20 years ago. No one else wants to go back to the total income they received 20 years ago. But when testimony comes in that farmers are receiving today the same as they received 20 years ago, people do not believe it. Testimony which was heard before the Committee on Agriculture today was challenged today. It is available if the public will just take a look at it.

I find it ironic that the people who have received increased incomes over the last 20 years, who pay more for their clothing, who pay more for their cars, for their housing, for every other item, resent having to pay more for food, in the days when they are driving people off of the farms. The age of the farmer is gradually and steadily growing older. Young people cannot afford to invest in farms. The average farm costs, according to testimony that has been presented, for a half section or more $100,000 to $120,000. The machinery a man has to invest in will run $50,000 to $75,000. Young people simply are not able to go back to work on the farms, and they are being driven off of the farms.

We are holding hearings in the Committee on Agriculture, as the gentleman knows, dealing with the total farm program. If we cannot approach it in a calm atmosphere, one that is not filled with resentment for increased prices, one that is not filled with resentment for this one particular segment of the economy, we may very well wind up 20 years from now with an economy, an agricultural economy, where people will be deprived of food because it will be unavailable, because people will not be producing food. Today nobody in America goes hungry because of the unavailability of food. That situation may not prevail unless things change.

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

Mr. SEBELIUS. I yield to the gentleman from New Jersey.

Mr. HUNT. I am happy to know and listen to the gentleman's observations.

I come from a rural area. In fact, I was raised on a farm. I understand the economics of farming. I know the many perils the farmer faces in producing a crop. Raising a crop of anything today is like shooting craps because of having to depend upon the weather. If there is too much rain, we do not have a crop. Too much snow does not bother it, but a drought does.

By the same token, it always resorts to whose ox is being gored, and the strangest part of life is that everybody thinks that his ox is the one that should win the blue ribbon.

I understand a little bit about food prices. I called my sister-in-law in Des Moines, Iowa, last Tuesday evening, a week ago. Lettuce in Des Moines was selling for 19 cents a head. There we are in cold country. It was cold that day. In supermarkets right here in Washington lettuce was selling for 45 cents a head. Frankfurters out there were selling for 72 cents a pound, and here they were on the market for $1.35 a pound. In my estimation this proves one thing. The farmer is not the man who is the derivative factor in increased prices. Somebody in the middle here is inflating this to their own satisfaction for swollen profits.

It is my hope that somewhere along the line in the Committee on Agriculture—of which I am not a member, but which I have followed very closely—they will begin to ask where this money is going in between.

We have a large hog-raising industry in my district.

Mr. SEBELIUS. If I might interrupt the gentleman for just a minute, we are having hearings in our subcommittee at the present time and we will have one tomorrow afternoon at 2 o'clock on that same subject because we want to make progress on this same question.

Mr. HUNT. I am glad to hear that. I hope the gentleman does get to the bottom of it. It is imperative that we know where that money is going and imperative that we take the stigma for it off the farmer.

This is the gentleman's first term and I would advise him that there is always a vehicle by which the gentleman can get an audience in this Chamber, and if he has the courage he can always make a point of no quorum.

Mr. JOHNSON of Colorado. If I may say to the gentleman, I think this would be an inappropriate time to do that.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, I thank the gentleman for yielding. I also thank the gentleman for taking this opportunity to acquaint our people with the problem involved in food prices today.

We have heard a great deal about the housewives revolt. Today a metropolitan newspaper in this city, the morning paper, ran a full-page ad by a supermarket chain in the city of Washington which said they were going to shut down their supermarkets for the day of Saturday in protest against what they called unreasonably high food prices. In that ad they went through a column of things they indicated were too high.

They said the price of wheat was up 61 percent and still rising. I think there has to be honesty in advertising. This particular market chain is guilty of pandering to the emotions of the moment to misinform the public. The price of wheat is not 61 percent higher and still rising. The price of wheat has dropped 40 cents a bushel in the last 2 months. If the supermarket chain wanted to be honest, which obviously it did not, it would not have put that type of advertising together. The fact of the matter is that in 1947, 25 years ago, the price of wheat in Minneapolis, which is the major milling center of this country, was $2.70 a bushel and the price of a 1-pound loaf of bread was 12½ cents. This monday, 25 years later, in Minneapolis, the same town, the price of wheat was $1.99 a bushel. Today we have the wheat certificate which is an additional 75 cents. So if we add the 75 cents to the $1.99 price, the miller paid $2.74 a bushel for his wheat in Minneapolis. That is essentially the same price as 25 years ago. But what is the price of a loaf of bread. It is 25 cents a loaf today and the bakers have said they have to have 3 cents more to break even, and they are blaming it on the farmer. It is time for some honesty.

I do not blame the housewife for being upset, but let us point the finger of blame at the right place.

Another supermarket ran an ad in the same paper some time ago featuring Mrs. Esther Peterson, consumer adviser, to the President—not the President of the

United States any more but to the President of Giant Food—who said:

Do not buy beef because the farmers have run the price up. We must bring it down by refusing to buy.

She also said that everything else was under price controls and asked why should beef not be. The fact is, on the day they put that ad in the Washington Post the price of beef on the hook in Omaha, Nebr., which is the way the supermarkets buy their beef, was actually lower than it was on the date the President imposed price controls.

This is downright false advertising. The American consumers ought to know they pay half as much for their beef and for their wheat as the consumers in Europe do. In other areas it is the same story. Corn is the basic food grain in Latin America where it sells for $112 per ton. Today in Chicago, in mid-America, corn sells for $57.60 per ton—half as much.

Mr. SEBELIUS. Just to follow up on the gentleman's remarks, Giant Food, 3 weeks after the ad was run about the beef prices, took an ad which said the prices had come down and said:

Aren't you glad we did?

But the fact is that the wholesale price of meat had been going down for 2 months before that time. Finally, it got to the point where Giant Food Co. had to admit the price had been going down, but the wholesale price for 2 whole months before that time had been at a lower price.

I am sorry to have interrupted the gentleman at that point.

Mr. ANDREWS of North Dakota. Giant Food's cost was lower on the day of the ad than it was when wage and price controls were put into effect. They ran the price of meat up expecting that they could get by with it and with facts being ignored.

These are some of the facts which have to be brought to the forefront, because this Nation remains the best-fed Nation in the world. Our farmers continue to give us an adequate supply of food at a reasonable cost. What if we had to pay for food what people are paying in other countries?

In France, they have to work nearly twice as long to earn the price of a loaf of bread. In Japan, over four times as long.

The American farmer makes a great contribution to the quality of life in America and this fact must be brought out.

I commend my colleague from Kansas (Mr. SEBELIUS) for taking this special order on this subject.

Mr. SEBELIUS. I thank my colleague, especially for the last comparison, because hamburger in Japan is $3 per pound.

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

Mr. SEBELIUS. I yield to the distinguished gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Speaker, I, too, would like to commend my colleague from Kansas for taking this special order and bringing this to the attention of the public.

Like my colleague from Colorado, I cannot help but feel what a shame it is that we are not reaching out for more people when we hold this discussion on the matter of food prices.

I suppose, being a farmer myself, that I feel a little more aware of the criticisms of food prices than most of the Members of the House of Representatives. I have been in the farming business for over 20 years, and I also realize that today less than 5 percent of our population is engaged in agriculture.

We talk about discrimination; perhaps it is very easy to start discriminating in this case when 95 percent of the people are consumers and less than 5 percent are doing the raising of the food products. I think certainly, when these criticisms arise, those who are making them should stop and realize that the farmers' prices are only one small part of the formula of food costs.

As I said, I believe earlier, 34 cents of the dollar goes for the cost of food. I recall last February that someone made the remark, "My heavens, these meat prices are at a 20-year high."

What a shame that is. For the first time in 20 years we have reached a high point. This is what happened in the beef industry, the thing we are criticizing so much today, high-priced beef.

All I can say to the American public is, Stop and think about this and think about what part of the overall food income is going into food costs. It clearly reflects that less than 17 percent of the take-home pay today goes for the food bill. As high as it may seem, it is still a good price for food anywhere in this country or anywhere in the entire world.

I think we should remember that people cannot expect continually to have been prepared food when everything else is going up and up and up.

I do know that farm costs have more than doubled. Whether it is operating costs or costs of machinery, taxes, whatever it might be, it is the only reason the farmers are in business today, because of their great productivity. If all the industries in this country got equal productivity to that in agriculture, what a great situation we would be in today. We would not be faced with the tremendous deficit in our exports throughout the world which we find ourselves in.

If farming itself is such a profitable business, I am sure that today we would find a lot more than 5 percent engaged in it.

I would like to point out that today, over 20 years having passed, people like their food already prepared and made attractive. They like their potatoes chopped and ready to go into the frying pan; cakes mixed and buns ready for the oven. That costs money.

If we take out all the ingredients from a loaf of bread, we are still paying 21 cents for the wrapping. If we go to a restaurant in Washington, it is a little bit higher than it is in South Dakota. I put in the RECORD that in Sioux Falls, S. Dak., in the best eating place, the best steak costs $4.25. I guarantee that the best place in Washington will charge $7 or $8. If they just give you a plate, it would cost you $6 for the empty plate.

These are the things I think the people of this country ought to be made aware of.

When the farmer today is only getting 34 cents out of the farm dollar, although he used to get over 40 cents out of that dollar, it is easy to see that the farmers certainly are not overpaid for their work, their time, and their investment. Quite to the contrary, if everyone were earning a livelihood on the basis of receiving the same return on investment and time of work, this country would be in bad shape.

Instead of criticizing farming, agriculture, and food prices today, we should be commending those who are engaged in that business, because they are doing a great job, a great job not only for this country but also for the world.

I want to say that I am proud of the record agriculture has. I thank the gentleman.

Mr. SEBELIUS. I thank the gentleman from South Dakota.

Mr. Speaker, I am disappointed that so many of my colleagues I invited to come over here, who have been getting their names in the papers, fighting for their people or demagoging the subject to their people, are not here.

I should like to try to answer a little question which has been raised, about what would happen if the prices of farm products, and particularly of beef, were frozen.

A brief look at history may give us some insight regarding what took place in the Truman administration freeze. Panic buying set in and prices skyrocketed. That was at the time of the Korean war, so controls were imposed. A series of five Government orders cut meat prices 10 percent. Henceforth there was nothing but trouble. In a few weeks there was a cattleman's revolt which closed down many meatpacking plants. As I say, one closed in my district yesterday. This was because of a lack of supplies. Feed lots emptied and black markets developed in Omaha and Chicago, where the large plants were.

As President Nixon recently stated—

Price controls on farm products—at the farm level—would be counterproductive in that they would discourage production.

Our need is to get more production.

Chickens are a good case in point. Right at the moment, broilers are much higher than they have been for some time. This is the result of some very unprofitable months in the latter part of 1972, when our chicken farmers liquidated their breeding hens. As a consequence, we are somewhat short of poultry. It will take a little while to build that back up again.

As I said earlier, no Congress in the world can pass a law to speed up the gestation period of a cow.

For a while we will have to look at this thing, and to work with it. Just like anybody else, the farmers and cattlemen produce in response to price, and they do not leave the land if they are getting an adequate price for their products.

In final approach to that point, all of

the other additives are involved, such as labor, transportation, lack of an efficient delivery system.

The article from the Reader's Digest tells about what takes place in the supermarkets, who puts things down that are brought in, and that somebody else cannot touch it, but another employee has to do it. Even the butchershop has to have a butcher when all of it is precut and packaged.

I say to the others, who run these ads, "Why do you not stiffen up, put some starch in your backs, when they come in with their next union contract?"

I do not like to be caught in this cycle. I want the workingman to get an adequate supply of beef and good pork. I have a large group of cattlemen out in my district, and it does not look like prosperity there. One can go down and see many empty streets and empty buildings. If this were all a "gravy train" they would be all bustling, because activity comes with prosperity.

I should like to quote from what Secretary Butz said the other morning on CBS, because it is a good followup to the thinking we need here. Secretary Butz said:

> You know—I'd like to go back to 49-cent pork chops and 79-cent roasts. But we're not going to go back to them until we go back to the 60-cent minimum wage, until we go back to the thousand dollars for a new Chevrolet car, until we go back to getting your bathroom repaired for $19.50 instead of the $80 they charge you for it. This is all part of the same package. And I think it's wrong to single out one single thing when our farmers have done a pretty good job in feeding America better than ever before.

The farmer has done a very good job in this situation. I would only say, as I stand here, that I commend the farmers of my district for their gallant effort to try to supply this country with good food and fiber at a reasonable price.

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

Mr. SEBELIUS. I yield to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Speaker, I want to commend the gentleman for once again expressing his concern for the American farmer. I also want to join with him in the tenor of his remarks, which I understand to be that farmers in the past have not really enjoyed the same degree of prosperity that other segments of our economy have enjoyed.

It seems to me that if the American people panic, they are forgetting that—in relation to other countries—they are getting food much cheaper. We spend less, percentagewise, of our dollars for food than any of the other developed countries.

Mr. Speaker, I join the gentleman in his remarks, as I certainly agree with him.

Mr. SEBELIUS. I thank the gentleman for his statement.

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

Mr. SEBELIUS. Yes, I yield to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman yielding to me.

I would like to have some further discussion about the union contracts which prevent, as I understand the gentleman's observation, the most economical distribution of meats in our markets.

Does the gentleman have any estimate as to how much these featherbedding tactics add on to the price of the delivery of meats?

Mr. SEBELIUS. Mr. Speaker, I do not have it specifically. We are conducting hearings in the departmental operations subcommittee, in the Committee on Agriculture, on what the deal is on food prices and where it goes.

I do know this, however: that I have a packing plant in my district that kills over 10,000 head of beef a week—and this is beef of one size; it is automated basically—and it can supply to the Washington area of the New York area beef at a lot less price. But I think we have all just read in the paper about the high beef prices and the investigation in New York, because it seems that certain union officials are making rosy deals so they could bring in boxed beef with cuts at less cost than where a side of beef is cut up by a butcher in the shop. It would get to the consumer for less money, because they are not shipping the fat, and they are not shipping the bones. It is all precut, ready to go, and they can do it for a lot less money.

Another thing in the same field is the fact that these supermarkets now have begun to stay open 7 days a week and all day around the clock, and a butcher has to be present even though they are not cutting meat at all.

I do not mind that really, but at the same time I do not like featherbedding. I do want the meatcutters to make a good living, because they buy groceries, they buy meat, but when they want to featherbed and make the American consumer pay for it, and then the American consumer blames the farmers, I rebel at that.

Mr. BLACKBURN. Then, the gentleman says that in his district the meatpacking plant is one plant that accommodates itself to these packing techniques. Does the gentleman have any idea what the difference is in price delivered in boxes, as opposed to, say, a half a side that has to be shipped to the butcher here locally?

Mr. SEBELIUS. In answer to the gentleman's question, I know the freight costs about 4 cents from western Kansas, that is, 4 cents more. In other words, they would be getting rid of about 4 cents a pound for all the bone and all the fat which they are going to cut out, but it would be thrown away or utilized out there.

When you take that and multiply it by all the various cuts, the prices of the various cuts, the price is getting pretty high.

These cattle have so much brisket, so much hamburger, and so much bone, and there is just so much steak, and if the American people want that steak, the law of supply and demand is going to increase the cost of it. Everybody wants steak.

But in answer to the gentleman's question, I do not have the exact figure, no.

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman's efforts in calling this to the attention of the Congress and of the public, because I think with all the attention that is being given to consumers, as to the prices we are paying for our foodstuffs, it is only fair that if there are methods of reducing the cost of delivery of these goods to the public, then we ought to take advantage of it.

Mr. SEBELIUS. Mr. Speaker, I thank the gentleman for his remarks.

I would like to reflect on another point which I think needs to be brought up as a matter of education to the consumer.

As the United States and other countries upgrade their diets—and they are doing it—to more protein-oriented products, the cost of food will naturally increase.

A pronounced multiplier effect comes into operation when consumption patterns shift from grain-based diets to diets of meat and poultry. Each unit of beef production requires at least eight units of feed. In the case of each unit of beef it takes about eight units of feed to raise or produce one unit of beef.

It takes 4 pounds of feed to produce 1 pound of pork; that is the ratio. In poultry it takes 2½ pounds to 1; that is the ratio.

Internationally this produces figures that have dramatic proportions. For example, the consumption of only 1 more pound of chicken a year for every Chinese person requires slightly more than 900,000 tons of feed grains to produce. If you give that some thought, you will see it takes 900,000 tons—and not bushels—to produce 1 pound of chicken for every Chinese. That is something that I think you should reflect on when you are shifting from grain-oriented to meat-oriented diets. That is what it will take to deliver that item.

If the whole world suddenly wants beef, chicken, and pork, then we have to be geared up for it. We are gearing up for it, and production is up.

I say, for the third time I guess, that you cannot shorten the gestation period of a cow. It takes 9 months, and it also takes 18 months to feed that calf until it reaches market weight to the grade of Choice in Omaha, Chicago, or Kansas City.

Mr. YOUNG of South Carolina. Will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from South Carolina.

Mr. YOUNG of South Carolina. I would like to ask the gentleman if he is aware of the number of people or the percentage of people presently engaging in agriculture in this country.

Mr. SEBELIUS. It is down again this year, as it has been every year, to the point where only 5 percent of the people today are engaged in agriculture, when back 30 years ago over half were engaged in it.

Mr. YOUNG of South Carolina. Then, what are these additional 45 percent, according to your figures, Mr. SEBELIUS, released to do in this country?

Mr. SEBELIUS. They contributed to a lot of the urban blight. When they lost their farms or quit working on a farm, many of them migrated to the city seek-

ing opportunities there. Not being skilled for anything except farmwork, many of them went on welfare and caused greater problems in our cities and in our country. We need to face that problem in trying to give them economically an opportunity to function in other areas.

Mr. YOUNG of South Carolina. By the same token, have some of these people been employed in making television sets and automobiles and building homes?

Mr. SEBELIUS. Very definitely.

Mr. YOUNG of South Carolina. And in being Members of Congress and other things?

Mr. SEBELIUS. Very definitely.

Mr. YOUNG of South Carolina. If they do not milk cows any longer, they can be beneficial to our society by doing other things, then.

Mr. SEBELIUS. Definitely. That is where we try to point out the fact that where a total of 23 percent 20 years ago of the consumers take-home dollar went for food, it is now down to 16.5 percent. Those $51 billion have gone into the buying of cars and TV sets and stereos.

Mr. YOUNG of South Carolina. By the same token, do you not feel that this had helped this Nation to become the great Nation it has because the farmers have allowed other people to be employed in other functions in our society?

Mr. SEBELIUS. Very definitely. This Nation's being able to produce its foods and fibers at the lowest cost per unit price in the world has really contributed to the prosperity of every citizen. I hope that some of the misguided or uninformed people could get the message and understand it. Nobody wants to gouge anyone. We all want reasonable earnings. Two years ago in my district the farmer was either getting about 4 percent on his investment and nothing for his labor or about $4,500 for labor and not a dime on his investment, which has gone up to the point where almost every farmer has to have over $100,000 invested just for the machinery to operate.

Mr. JOHNSON of Colorado. Will the gentleman yield at that point?

Mr. SEBELIUS. I yield to the gentleman.

Mr. JOHNSON of Colorado. Was the gentleman present at the hearings of the Committee on Agriculture this morning when the gentleman from North Dakota was testifying and he said taking the average county and the average farmer, in the past several years he received a total return of 3.8 percent on his investment, which gave him nothing for his labor and for that of his wife and children and all of the rest of those working on the farm?

Mr. SEBELIUS. He was right on the target.

On that point I want to say before I came here, I filled out the tax returns of about 100 farmers a year. Frankly, I did not know why any of them would stay on the farm except for their love of the job and the soil. They were making nothing like what they were making in other fields.

Mr. JOHNSON of Colorado. Will the gentleman yield further on that point?

Mr. SEBELIUS. Yes. I yield to the gentleman.

Mr. JOHNSON of Colorado. There are many farmers back in my area who say it is much wiser for them to sell their farms and put the money in the bank and live on the interest. They would do better than if they continued to farm. Does the gentleman find that to be true?

Mr. SEBELIUS. That is true, and many of those who are hitting 65 are doing just that.

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

Mr. SEBELIUS. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I believe there is another point I would say to the gentleman from Kansas (Mr. SEBELIUS) that we might mention, that could be raised as a factor in increasing the price of beef, and that is in Idaho we have a statement that we make jokingly, although we are serious, and that is that 120,000 coyotes cannot be wrong, so eat more lamb.

I think this is a factor that is increasing the cost of meat production, both of sheep and of cattle.

In the western grazing lands at the same time we have another agency of the Government, the Environmental Protection Agency, that is making arbitrary decisions about whether or not we can use predator controls.

Also at the same time we have the Department of the Interior, and the U.S. Forest Service raising the cost of grazing lands arbitrarily, and thus increasing the cost of meat production, and literally legislating through executive order these people out of business, by raising the cost of using the grazing lands so that it is not feasible for these people to graze upon the public land in many areas.

Another thing that was said this morning in the agricultural hearing that maybe this is one of the places we should consider insofar as raising the cost of meat products, and that is that the EPA could do the farmers more good by leaving them alone so that they could get on with the business of raising meat, and not letting all the coyotes graze on our sheep and our cattle.

Mr. SEBELIUS. The gentleman from Idaho has raised a very excellent point. I think if we are going to have anything from the Department of the Interior in regard to predator control, and if we are going to have to do away with such things as diethylstilbesterol, which is going to raise the cost of beef because the beef will not gain as fast, and if we are going to have all the other environmental things which are being proposed, sewers, and so forth, for our dairy cattle—which is a fine thing, of course—then the consumer must realize that he is going to have to pay for these things.

Mr. SYMMS. Mr. Speaker, if the gentleman will yield further, I agree that that is correct. I would like to just make one further comment with regard to the proposals by some people on freezing the prices of farm products, and that is that the best way to insure a good meat supply and lower meat prices is not to tamper with the marketing functions, and that the farmers will do very well to take care of the situation themselves if we give the opportunity to them. This will result in assuring sufficient red meat, and it is the best way to do it, and that is to allow the prices to seek their own levels, otherwise, as the gentleman has pointed out, this will lead to the possibility of black marketeering in meat, and then the flow of capital would not go into meat production, and this would actually work conversely to what we are really trying to achieve.

Again I want to commend the gentleman from Kansas for his efforts here today on behalf of the American farmers.

Mr. SEBELIUS. I thank the gentleman from Idaho.

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

Mr. SEBELIUS. I yield to the gentleman from Georgia.

Mr. BRINKLEY. Mr. Speaker, I thank the gentleman for yielding to me, and I simply wish to commend the gentleman for putting this matter into what I feel to be the proper perspective.

I too come from a rural district, so-called, but yet there are a number of my people, in fact, the major percentage of them, who are not farmers at all, yet we are classified as a rural district, and we do have a familiarity with the problems with which the farmers are confronted.

I think it is just unfair with the farm legislation being considered that it is being considered in an atmosphere of animosity to the farmers. I say this because we know the farmers are doing an excellent job, and traditionally have been the very backbone of our country. The farmers have made a magnificent contribution to the quality of life in this country. I think that if we can just turn the farmers loose, so to speak, not only can they feed this country, but they can certainly do their part toward feeding the hungry in the nations of the world.

So I just want to commend the gentleman from Kansas for what I think has been a good job in putting this matter into its proper perspective.

Mr. SEBELIUS. Mr. Speaker, I thank the gentleman from Georgia.

Mr. Speaker, in conclusion I would like to reflect that we might take a little time to consider that a good point was made last week with National Bake and Take Day. And in that we are shifting our thoughts to what we can do as far as the quality of our life is concerned. The concept of National Bake and Take Day was an idea that was started by the Wheathearts of Kansas Wheat Growers Association. It was that you would bake something and then take the baked product around to your neighbors, or shut-ins, or the elderly, I think that if we start something like that I think we can do a lot of good. Through baking things and then taking it to the shut-ins thereby giving them a wholesome product especially if it is made, of course, from Kansas wheat.

Mr. YOUNG of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from South Carolina.

Mr. YOUNG of South Carolina. I should like to thank the gentleman for yielding.

I should just like to ask the gentleman's opinion what would have happened had not this country sold some wheat to the Rusian people for bread?

Mr. SEBELIUS. As far as what would have happened if we had not sold them the wheat, they would have been able to get the wheat somewhere throughout the world. As far as the prices here in the Russian wheat sale, it does not mean too great a thing because there has been an increase in our domestic price. But, as pointed out earlier, what the amount to the consumer was was probably 1 penny from the Russian wheat sale. If we can take that amount of foreign exchange and use it to our benefit—because we have got about a $7 billion balance of trade deficit—the farming community is the one that is serving this country. The dollar would be in much worse shape if it were not for the fact that this year we will probably export somewhere around $10 billion in foreign products, and that will be mostly for cash. That will help our balance of trade as the wheat sale likewise did. The Russians used very little credit; they paid for it in dollars.

Mr. SYMMS. Mr. Speaker, will the gentleman further yield?

Mr. SEBELIUS. I yield to the gentleman from Idaho.

Mr. SYMMS. I should just like to take this opportunity to commend the New England apple industry for having their apples here today to help promote their product. As the saying goes, "An apple a day keeps the doctor away."

I am also engaged in the apple business in the West, but I was happy to see one of my eastern competitors here today encouraging the use of this fine product.

I think it is interesting to note that in the grocery stores of America, apples, lettuce, and potatoes are the big money-makers at the produce counter, and the items that have been better promoted, like bananas, actually lose money for the grocery stores and retail merchants who sell them. Every time a housewife buys bananas on a lead item, it is actually costing the retail merchant money, because he has to have them on an ad in order to draw the housewives in.

Mr. SEBELIUS. What does the average farmer in Idaho get for a pound of potatoes? Of course, most potatoes sell by the hundredweight.

Mr. SYMMS. About $1.50.

Mr. SEBELIUS. In my home county I looked at the paper yesterday. Old hens and cocks were selling for 3 cents a pound, and eggs were 18 cents, so I would recommend that everyone come out to our bountiful country and shop out there on the farm and leave all of the rest of them out of the chain of what makes the price go up and the product too expensive. It is not the farmer who is at fault.

My only purpose in appearing here today is to explain his position that in fact he still gets less than anybody else in the overall prosperity of this Nation.

Mr. SYMMS. Mr. Speaker, will the gentleman yield further?

Mr. SEBELIUS. I yield to the gentleman from Idaho.

Mr. SYMMS. In the year 1970 we developed a market to sell Idaho potatoes in Japan. The Japanese, being very shrewd traders, recognized that it was in direct competition with their rice, so they put a 60-percent import duty on our potatoes in Japan, putting our potatoes out of the market.

I have noticed, however, of late that they still export rice here to compete with our potato growers.

With the presence of the fair-trade policy that we have heard the chairman of our Committee on Ways and Means and our President talk about this past week, I am curious about the fair-trade policy as well as free-trade policy with regard to our farm products.

I am concerned about the importation of dairy products that do not meet the same standards that we produce here, and also when we import subsidized dairy products from the European Community to compete with dairy producers here in America, they are certainly put in an unfair position, and they certainly deserve the consideration of this body.

Mr. SEBELIUS. I thank the gentleman for his comments.

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

Mr. SEBELIUS. I yield to the gentleman from South Dakota.

Mr. ABDNOR. The gentleman touched on a couple of matters I would like to talk further about. We know this import-export imbalance we have is one of the great problems facing this country, and the monetary problems of the world. I would submit to the gentleman that agriculture offers one of the best means of working our way out of this situation. Last year alone I believe farm supports had a total of over $9 billion, up several billion dollars from the year before. Apparently food is something that this country has that the rest of the world wants.

I would go so far as to say that I think the farmers of America deserve some credit for their bringing peace in Southeast Asia. The fact that President Nixon was able to break down the barrier between Russia and China so we could start talking, and talking about trade, and the fact that Russia more than anything else needed food for its people, and apparently so did China.

I think they had to consider this very carefully when they were looking toward the country they were supporting in Vietnam. I believe the farmers of this Nation deserve a real pat on the back for helping to bring peace to the world.

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

Mr. SEBELIUS. I yield to the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Speaker, I wish to thank my friend and colleague from the adjoining First District of Kansas for this opportunity to join urban and rural interests in a frank discussion of a critical national problem—rising food costs.

Representing a congressional district which, according to the 1970 census, is 80 percent urban but which lies in the middle of the greatest farming area in the country, I can reflect the mixed views of my constituents on this problem. No one likes to pay higher prices for daily needs, least of all our farmers. At the same time, many of my urban constituents have family ties to the farm and can remember the years of inadequate income from farming.

Who do we blame for higher food costs? We can blame the weather, the Russians, the railroads, the food processors, farmers and ranchers, the grocers, the Government, and even the anchovies swimming off the coast of Peru. It seems that because the Humboldt Current off the west coast of South America shifted this year, the anchovy harvest was poor. American soybean meal makes an excellent substitute for fish meal in the diets of European chickens. The price of soybean meal has gone from $85 per ton in January 1972 to $195 per ton in January of this year. This is directly reflected in the livestock market and at the meat counter.

Aside from the anchovies, the wettest winter in many years prevented the harvest of a bumper feed grain crop in the Midwest. Ranchers and feed lot operators in the Great Plains area face livestock losses two to three times normal because of the severe wet weather. The rendering plants cannot handle all the carcasses. Most of these losses are young stock, so the situation will continue for some time to come.

Foreign demand for American farm products has reached unprecedented levels. Russian crop failures and lower Argentine livestock production contrasted with increased demand in Russia and elsewhere for better diets, including beef. The "peace dividend" for the American farmer came in the form of large foreign sales of his products. The double devaluation of the dollar made our farm exports more attractive while foreign agricultural imports became more expensive.

All of these are factors in the rise of food prices, but they do not entirely explain the situation. American farmers and the food processing industry will outproduce other elements in the economy in terms of productivity. We are not facing a food shortage in this country, in spite of the situations I have just described.

What we are witnessing is a worldwide jump in demand for more meat. And this demand is born of rising affluence, both here and abroad.

The United States, with 6 percent of the world's population, consumes 30 percent of the world's meat production. A more affluent America demands more meat, especially beef, and prices go up when the steadily increasing supply cannot keep up with this rapidly increasing demand. As the demand of the housewife registers in the marketplace, processors must compete with one another for supplies, thus bidding up the prices to get what they can from strained supplies.

Farmers do not set the price of beef; consumers do that by bidding for the supply. These food costs are not being pushed up by farmers; they are being pulled up by consumption.

Figures published by the Departments of Commerce and Labor show that, while

retail food prices are up a third since 1965 when inflation really began to take hold, per capita income is up 62 percent. The money supply in the United States has risen by 47 percent over the same period. We have witnessed a huge growth in the number of dollars American families have to spend on food and everything else.

With better income, Americans are eating better; and eating better means more meat. On a per capita basis, each American is eating more than a third more beef now than 10 years ago, and that is measured in pounds of beef, not in prices.

I realize that the use of per capita statistics, while meaningful, does not allow for the actual situation in all families. For some, their incomes have not kept pace with the per capita average. These people will require special attention, and we have many programs at the Federal and local levels through which to offer this attention. There is no logical reason in America today for any person to go hungry, and I do not believe that this is the case.

What we must remember, and what the representatives of urban districts must understand, is that the only successful way to bring food prices down is to increase the supply of what consumers want to buy.

Farmers cannot be forced to produce, not in this country nor anywhere else where it has been tried. The only way to encourage increased production is to provide a fair return on the farmer's and rancher's human and financial investment. Imposed price ceilings on their return would certainly be detrimental and, in the long run, counterproductive to the efforts to bring food costs to an acceptable level.

As the Secretary of Agriculture has noted, farm prices go up, but they also go down, unlike the prices for most other items in our economy. A free supply and demand or more accurately, demand and supply—economy will force prices for various food items back in line with the prices Americans are willing to pay.

Finally, I would emphasize that the American farmer has performed exceedingly well in providing more than adequate food supplies to not only feed our own population, but many of the hungry throughout the world. I, therefore, salute the American farmer and the American agriculture industry for a job well done in providing so well for the people of the world.

Mr. SEBELIUS. I thank the gentleman from Kansas for those kind remarks.

Mr. Speaker, in closing I would only hope that maybe we can open avenues of communication and conversation which will help in trying to understand the problem and work toward more food at reasonable prices, available to all. We can do this if the public will just work with us and let us present to them a true picture of what the position is so we can all share in this Nation's prosperity.

Mr. ZWACH. Mr. Speaker, while housewives are concerned about food prices going through the roof, American farmers are deeply concerned about crop and livestock prices going through the floor.

Consumers ask, "How can this be?" knowing that in 1972 farmers had the best year in 20 years, with net farm income up $3.1 billion over 1971's $16.1 billion.

It is extremely important that we put increased farm income in its proper perspective in regard to increased farm production costs and increases in the cost of living in general.

While farm prices have increased 11 percent over the past 20 years, retail food prices have increased 46 percent. Farm costs have gone up 109 percent, industrial salaries have increased 129 percent, and taxes have sky-rocketed 297 percent over the same 20 years. In addition, health and recreation costs posted a 75-percent bulge; housing, 63 percent; and transportation, 54 percent. Machinery costs are up 100 percent.

And now for some even bigger increases—semiprivate hospital rooms are up 370 percent; physician's fees, up 122 percent; dentist charges, up 94 percent; and the good old 5-cent cigar is up 300 percent—plus taxes.

Even with the recent increases in farm prices, the farmer still gets only one-third of each dollar American families spend on food. In 1972 the farmer received 33.4 cents of the food dollar, while the retailer received 33.1 cents, the processor 22.1 cents, the wholesaler 6.1 cents, and transportation firms 5.3 cents.

The current farm prosperity is tempered by a number of factors. It is not evenly spread among all farmers. The small farm operator does not have the volume sales needed to offset production costs, which rose even faster than the price of food in the supermarket. They soared 7 percent in 1972, and are expected to increase even more in 1973.

The farmer who has to buy soybean meal to feed his livestock is hurt, rather than helped, by this crop's sky-high price. Beef calves that must be bought for feed lots are bringing staggering prices.

A recent study by an extension economist at the University of Minnesota, John Waelti, points out "that food costs more but you work less for it." The following is the text of his study:

HOUR'S WORK STILL BUYS MORE FOOD THAN BEFORE

An hour of work buys more food than ever before—housewives protests over recent hikes in food prices notwithstanding.

Despite 25 years of inflation, farmers' efficiency has kept food costs far below what they might otherwise have been, says University of Minnesota economists. They cite these figures showing what an hour of labor would buy for various foods in 1970, compared to 1970 and 1960:

An hour of labor paid for only 2.2 dozen eggs in 1950, 3.6 dozen in 1960 and 5.2 dozen in 1970.

An hour of labor paid for only 2.2 pounds of turkey in 1950 and 5 pounds in 1960, opposed to 7.9 pounds in 1970.

The same trend is true for other foods such as potatoes, bread and milk. Even in the case of beef, an hour of labor bought 75 per cent more round steak in 1970 than in 1950.

Equally impressive is the time required to earn money for a loaf of bread or a pound of sirloin steak in the United States compared to other nations. The average U.S. wage earner works six minutes to earn a loaf of bread, but it takes 11 minutes in France, 12 minutes in Russia, 27 minutes in Japan and 46 minutes in Brazil.

Likewise, it takes 24 minutes to earn a pound of sirloin steak in the United States, 110 minutes of labor in France, 132 minutes in Russia, 118 in Brazil and 269 minutes in Japan.

The declining amount of labor required to buy food is especially important to low and moderate-income families. This means that efficient farmers are crucial to the average working man and his family, says John Waelti, an extension economist at the University.

When Oscar Bredthauer, president of the National Livestock Feeders Association, addressed the opening of the 28th annual convention on February 7, he did an excellent job of putting the price of beef in its proper perspective. I would like to share part of his speech with my colleagues:

Perhaps, also, our consumers can appreciate a few comparisons of just how much various prices have risen in relation to other prices. Late last year, the average price of a pound of Choice beef at retail was $1.12. The highest price ever reached was in August, 1972, when the average pound of Choice beef reached $1.17 per pound.

In 1950, Choice beef at retail was worth 75.4 cents per pound. Had a pound of Choice beef at retail gone up as much as a first class postage stamp since 1950, it would be selling at $2.01 per pound. Had a pound of beef gone up as much as the cost of medical care, it would be selling at $1.88 per pound. Had a pound of beef gone up as much as average hourly wage rates or per capita disposable income since 1950, it would be selling at $2.11 per pound. Or compare to the cost of having a baby since 1950, a pound of Choice beef would be worth $3.11.

In 1950, Choice steers at Omaha were bringing $28.88 per hundred weight. If Choice steers had gone up as much since 1950 as a first class postage stamp, they would now be worth $77.02 per hundred weight. Compared to the rise in total medical care, they would be bringing $72.34 per hundred; or compared to the rise in average hourly wage rates, $80.69 per hundred, and to the rise in per capita disposable income, $80.89 per hundred.

If Choice steers since 1950 had gone up as much as the cost of having a baby, they would now be commanding $119.13 per hundred, and a rise equal to the daily cost of hospital service would put Choice steers up to $176.69 per hundred.

As everyone knows, Choice steers were selling in the range of $42.00 per hundred weight. Our consumer friends might also like to know that according to latest information, live cattle prices in the Common Market countries of Europe at the beginning of 1973 averaged $56.00 per hundred weight for older cattle and cows culled from dairy herds. They ranged from about $46.50 in Holland to $62.00 in Italy.

I think we also need to be honest about the future cost of food and red meat. They are not going to decline appreciably as long as wages and salaries continue their upward trend, or as long as distribution and transportation costs continue to increase, or as long as the cost of machinery and equipment continues to rise and taxes keep on going up. There may be some savings possible through improved efficiency here and there, such as central cutting and fabrication of meat.

We can also assure consumers there will be further increases in the domestic production of red meats provided there are neither wide spread consumer reactions nor policy decisions on the part of our government that

become discouraging to the livestock feeders and ranchers. Present price levels will encourage that increased production.

Over a period of about twenty years the beef producers in the United States actually doubled per capita production for the consumers of this nation. It rose from 55 pounds per capita to 110 pounds per capita despite the fact that prices did often fluctuate down and up and we experienced some periods of almost economic disaster. During these twenty years, production was out-running demand.

In about the last six years, however, production of beef has not increased so much, with the result that demand for it by consumers has generally caught up with the supply. Due to changes in the availability of cattle for feeding purposes nearly all of the increased production of beef will have to come from more calves. This takes time, but further production will be showing up before long.

I hope this discussion proves valuable to all of you. I am sure you have heard some of it before, but perhaps it has not been put in quite the same perspective. We have a story to tell and a position to defend. In so doing, we need make no apologies to anyone.

Agriculture is by far the largest single industry in the United States. It still generates jobs for nearly 40 percent of the employed workers of our Nation.

One farmer in America can today ably feed 44 people. In Russia, one farm worker can support no more than two persons off the farm.

Twenty years ago, consumers spent 23 percent of their disposable income on food. In 1972, it went below 16 percent. In Russia it takes between 40 and 50 percent; in Western Europe, 22 to 30 percent; in Canada and Australia, about 20 percent; and as much as 75 to 80 percent in the Far East.

The recent farm price improvements is only a partial recovery. A farmer's disposable income in 1972 was still only 78 percent of that enjoyed by nonfarmers.

Food is still a bargain—even at today's prices. Five percent of the population is feeding 100 percent of our people better and more cheaply than ever.

Thank God for the farmer.

Mr. FINDLEY. Mr. Speaker, organized labor argues that wage increases should be tied directly to food price increases. Unfortunately, this argument looks at only one side of the coin. Will organized labor argue for lower wages when food prices come down, as they have in the past and undoubtedly will do in the future?

The following editorial, which appeared in the March 26 issue of Farm Bureau News, helps put organized labor's argument into perspective:

KEEPING OUR PERSPECTIVE IN TALKING ABOUT FOOD PRICES

The key word is "perspective;" that's the word to keep in mind during any food price discussion.

It's hard to keep your perspective when the money runs out. As one wit put it—we used to have money left at the end of the month . . . now we have *month* left at the end of the *money*.

Keeping things in proper perspective demands that we consider the fact that there is no shortage of food. If there was a food shortage we would really have problems. But, farmers and ranchers are doing their job and doing it well. In fact there is every evidence that American farmers are doing their job better than farmers in any other country of the world.

Perspective demands that we realize how food prices are not the cause of inflation, rather—that inflation is the cause of food prices. Inflation is caused in turn by deficit government spending and by otherwise increasing the supply of money and credit which chases after a limited supply of goods and services.

Keeping things in perspective means that organized labor can't have it both ways . . . for example, higher wages . . . which drive up costs of everything—including what the farmer must buy for production needs and still cheap prices at the meat counter.

It has been interesting to note the unhappiness of butchers about food prices . . . yet in the past twenty years when most farm prices had gone up only modestly (and some not at all) wages paid butchers *tripled* during the same span of time.

A balanced perspective calls for realizing that farm prices go up—*and go down*. That the prices of many, if not most goods and services *just go up* . . . that under union wage contracts, wages and fringe benefits keep going up and up . . . *and they stay up*.

For example, the United Auto Workers have a new, three-cents-per-hour wage increase under such provisions. This increase goes to 150 thousand workers producing agricultural equipment, as well as 700 thousand auto workers and 50 thousand workers in parts factories.

At the same time, current estimates indicate that farmers will get less net income this year, than they got last year.

So, keeping things in proper perspective suggests that if organized labor is sincere in demanding that wage increases be tied to farm prices—surely then labor is willing to allow wages to go up—and down, just as farm prices do.

One thing that has become increasingly more evident as arguments and counterarguments such as the preceding continue to grow out of the current food price situation is this—high food prices do not cause inflation. But the converse is true—inflation causes high food prices.

Prof. Larry Simerl, the respected and insightful agricultural economist at the University of Illinois, makes this important point and dispels several other so-called facts about food prices in his Outlook Newsletter of March 7 which follows:

FACTS AND FIBS ABOUT FOOD COSTS

Food prices seem to be replacing the war as a leading subject of controversy. Consumers are complaining because the prices of meats and many other foods have been up. Some groups are demanding controls on food prices. Cartoonists and comedians joke about what they call "the high price of steak." Various speakers and writers try to explain the situation, but most just add to the confusion. Many people are perplexed and alarmed, in part because they have been misled concerning family food bills.

THE 16-PERCENT FABRICATION

We often read and hear statements like this one: "American families spend less than 16 percent of their take-home pay for food." Such statements are highly misleading. About 16 percent of the national personal disposable income (what's left after paying income taxes) is spent for food; however, a large majority of families—especially those in the lower and middle income brackets—lay out considerably more than that to get food on their tables. The "average" is brought down to 16 percent by the fact that families in the high-income brackets need to spend only a very small proportion of their incomes for food.

The USDA has estimated that 1972 food expenditures totaled about $125 billion. Our population was about 208 million. Thus, the typical outlay for food was around $600 per person, or $3,000 for a representative family of five. Even so, food in the United States still represents the "best buy" in the world.

Why have food prices gone up? In general, for the same reasons that the prices of other products and services have increased. *Inflation*. Rising wages and salaries boost production costs, and also provide more buying power. Wage and salary rates increased about 7 percent during 1972, and food prices went up about 6 percent. There are, however, some special reasons for the advances in food prices during the last year or so.

THE MEAT AND EGG SITUATION

Pork. Two years ago, farmers produced a record amount of pork—73 pounds per person, the greatest amount since World War Two. Pork and hog * * * profitable levels in 1972, and farmers took steps to increase production. But the additional hogs will not be ready for market until next fall.

Beef. Cattle men provided 116 pounds of beef per person in 1972—3 pounds more than in 1971, and a new record high. Yet, consumer spending for beef increased even more, forcing prices upward. Cattle men are responding by building up their breeding herds to produce more beef this year and next, but it may be 1975 before there will be a really large increase in the supply of beef.

Eggs. The prices were at unprofitable levels during most of 1971 and 1972. Some producers quit the business, and many laying flocks were wiped out by disease. Egg prices got back to profitable levels in December. Now, feed costs are very high. This will delay the next increase in laying flocks for several months.

Mr. MARTIN of Nebraska. Mr. Speaker, in recent months there has been particular concern across the Nation about the high cost of food in the American supermarket. No one will deny that food prices have been going up rapidly in this time. However, as our food prices in the supermarket have been increasing, there has been a tendency on the part of consumers to "blame" these rising food costs on the American farmer.

As a representative of an agricultural district, I am not going to attack the American consumer for this criticism of food prices. But, I will take issue with the finger of blame for these costs being pointed at the farmer. We have heard the claims and figures and statistics of consumer interests and of the farmers on this subject, and my purpose now is not to add to all that has been said about the reason, or blame, for our food cost increases.

We are all consumers, whether we live on the farm, in the small Midwest community, or in the cities of the eastern seaboard. And as such, we all feel the effect of the high cost of living, whether it is in the increasing grocery bill of the city supermarket, or in the rural farm supply store where tires, equipment, fertilizers, seed, and other costs have skyrocketed. For all that has been said about the reasons behind the recent high food increases, it remains that the average American consumer of the eastern or western city continues to blame the farmer.

This is a regrettable situation, and one which exists I think, because of the lack of knowledge, information, and understanding of the city dweller, for and of

the area of farming. While food prices have gone up greatly in recent weeks, it remains that food is the best bargain the American consumer has for his and her dollar. We spend less for our food than is spent in any other nation.

I think we can look forward to our farmers continuing to supply the American dinner tables with an abundance of food at a reasonably low cost. This morning, March 28, 1973, I attended the seventh annual congressional breakfast of the National Association of Wheatgrowers. The president of this organization is a resident and wheat farmer in my Third District of Nebraska. Mr. Ray Davis gave what in my opinion was an excellent talk on the issue of food costs as they relate to the costs of production of our food and other living standards here in the United States and in countries abroad. In the interest of helping city consumers to understand the plight of the farmer, and of the value of the American supply of food we enjoy, I list below a talk recently given by Mr. Ray Davis, national president of the Wheat Growers Association. I have the honor to represent Ray Davis in the House, since he is a resident of my district from Potter, Nebr.

His remarks follow:

REMARKS OF RAY DAVIS

Distinguished Members of Congress and Friends: Will Rogers used to say that anything can be funny as long as it's happening to somebody else.

I'm afraid there are people in our country today who think it would be kind of funny—at least, not a bad idea—if farmers, after all these years, had their agricultural programs abolished. And, along with this, maybe we ought to have a few old-fashioned surpluses hanging around to lower farm prices and make raw materials and food prices a little cheaper.

But those of us who make a living by farming don't think this would be very funny. Or wise. Or right.

We don't think it's right, through low farm prices, to have farmers subsidize the rest of the nation, as too often they have done. We do think it's right, and necessary, to continue to have the supply management and income safeguards of farm programs because, no matter what is said about the nobility of agricultural independence, in a world dominated by big enterprise the individual farmer, alone, doesn't have much voice.

We have come far since the first efforts to set up a national farm program. That was 44 years ago—1929—during the Presidency of Herbert Hoover, when the Congress established the Federal Farm Board. Its main purpose still has a familiar ring: "To place agriculture on a basis of economic equality with other industries."

Unfortunately, the old Farm Board didn't get very far but it was a beginning. Other more successful programs followed, administered under the New Deal, the Fair Deal, the New Frontier and the present Administration.

Now we are beginning to deliberate over renewal of the Agricultural Act of 1970 and related legislation. Should the program be renewed? Or, after 44 years, are we in a fortunate new era where we can forget about farm programs?

My reply is that agriculture has made a lot of progress in its struggle for equality and we are encouraged by it. But if anyone tells us the battle is won, we say they are wrong—for the facts show otherwise.

Farm Income. Latest figures from the Department of Agriculture show that income for farm people, per capita, is 20 percent lower than for people not on farms.

Farm Costs. The cost-price squeeze on farmers continues. Farm prices today, at least for crops, are not much different from 20 years ago. But the cost of farm machinery has doubled and taxes and farm wages have gone up considerably more than that.

Farm Prices. The parity index, which is about the only measuring stick of equality that we have, shows that many farm prices are still a long way from equality with other enterprises. Take wheat, for example. The middle of last month the average cash market price for wheat was $1.97, down somewhat from earlier but considered strong. Yet, this was only 62 percent of parity. If the wheat grower's price was on equal level with inflated costs of things he has to buy, instead of $1.97 he should have got $3.16.

One of the Great Myths of today is that farmers, practically everywhere, are doing just fine—and, furthermore, that this alleged prosperity is at the expense of the American consumer.

If farming was such a money-making enterprise, why does the drop-out rate continue so high? As recently as 1960, farm people made up close to 9 percent of our country's total population. In 1972, they made less than 5 percent. That means that in the last 12 years families totalling more than 6 million men, women and children moved out of agriculture.

Perhaps the modern environmentalist, in his proper concern for survival of the bald eagle, the osprey and the sandhill crane will want to add the American farmer to his list of endangered species.

Let's consider the myth that farmers are to blame for the current unhappiness of housewives over rising food costs.

We know that at today's unusually high prices for steak and other livestock products, it doesn't go over very well to suggest to the lady of the house that food is a bargain—because some foods aren't. But I think people across the country, by and large, have lost sight of one important fact—that while food prices have been rising, personal incomes have been going up even more. American people, on the average, are better able to buy food at today's prices than they were a dozen years ago at 1960 prices. In 1960 the average American family was spending 20 percent of its income on food. Last year, despite higher prices, the average family was spending 15.5 percent of its income on food. During these 12 years, according to the Department of Agriculture figures, the cost of food went up 76 points but average family income went up 127 points.

We sometimes forget that food costs have not gone up as much as the cost of most other things. One of our Congressional friends recently observed that if beef had gone up as much as the cost of having a baby, it would be selling for over $3 a pound.

It is not my purpose to try to minimize consumer complaints. We are all consumers and we all feel the pinch. But some perspective on the matter is justified. If it is any comfort, it is worth noting that consumer prices during 1972 went up more in Canada, Japan, France, Germany, Italy, Netherlands and Britain than they did in the United States where they increased 3.9 percent. In parts of Europe they went up twice that much.

I am afraid that for many years this nation of ours has taken it for granted that it's a natural and desirable condition for farm prices to be low and food prices to be cheap. We don't expect this of other things—automobiles, TV sets, lumber, hospital costs, books and magazines and miniskirts. But from that basic necessity, food, we expect the economic miracle of cheapness—or, at least, cheapness relative to other things we buy.

One West Coast farm journalist said recently that the farm production story is one of the least known and least appreciated of our time. More than 95 percent of our nation's population is dependent on less than 5 percent for its food supply—yet little do urban people realize that "the unparalleled efficiency of the American farm is one of the basic reasons for the high and still rising American standard of living." He goes on to say that "the moment America goes on a binge of anti-farm legislation . . . the nation will be sowing the seeds of wretchedness for the cities as well as the farms."

The basic purpose of the National Association of Wheat Growers is to provide a means and a voice for American wheat growers to work for a fair and equitable position in our nation's economy. We ask no more than other segments of the economy are getting—but we want no less.

The National Association of Wheat Growers has been functioning since April 1950. We directly represent wheat growers in 11 commercial wheat states and we believe that our voice is that of virtually all wheat growers across the nation for the problems of wheat are common problems.

We suggest to the Congress and the Administration that there are at this time three subjects of especial consequence that require your favorable consideration. One is the new farm legislation. Another is the role of agriculture in international trade negotiations. A third is the critical area of farm-to-market transportation.

New Legislation. We recommend continuation of the Agricultural Act of 1970 for a period of 5 years, with certain changes. One needed change is to set the wheat loan at a minimum of 50 percent of parity.

We request continuation of certificate payments. If such payments are to be phased out, this must be accompanied by legislation that phases in price support loans—or a phase-out of certificate will surely mean a further phase-out of farmers.

We strongly endorse continuation of Public Law 480. This has been the most innovative and effective tool in history for moving farm products into export, feeding hungry people and building large commercial cash markets overseas.

Trade position. With more than half of our wheat production going into export, we have an obvious and strong interest in access to foreign markets. The more that we can sell abroad, at prices that are fair to both grower and consumer, the greater our financial independence will be and the less the farm program costs to the government.

It is essential to the farmer and to the entire nation that agriculture be fully and strongly represented in all international trade reviews, conferences and negotiations in which the United States participates. Others may be more optimistic than some of us are over current prospects for larger and larger exports, giving us a new and higher economic base. One swallow does not make a summer and one especially remarkable export year does not mean that our trade problems have been solved. But we do need to press for wider access to markets and for greater recognition that American agriculture continues to be the world's most efficient producer and that we have a unique ability to supply large amounts of the world's need for grains.

Transportation needs. The need for an efficient, well-managed transportation system is increasingly vital. New market opportunities provide little hope to wheat producers if our transportation system is unable to meet the challenge of increasing demand.

Right now, with a new harvest ahead, we still have at least half of last year's Soviet grain sale to move. Our pipeline is glutted with this grain and movement of Government inventories. Problems caused by delays

and car shortages are being aggravated by tightening fuel supplies.

Policies and programs must be developed to strengthen our transportation system so it can cope with current and future requirements. Failure of our system to keep pace with demand will severely minimize any benefits which we hope to achieve from increased trade.

Thank you ladies and gentlemen, for this opportunity to express our views.

We stand in readiness to work with the Congress and the Administration in whatever ways we can toward these objectives.

Mr. OBEY. Mr. Speaker, I want to congratulate my colleague from Kansas (Mr. SEBELIUS) on coordinating this special order today.

I was happy to participate in "Farm Forum Days" which we in the House have had on previous occasions, because I think it is vital that those who represent urban districts be made aware of the problems facing those of us representing and our constituents living in largely rural areas.

We from rural areas are not unaware of the pending meat boycott or sharply increasing food prices. My wife goes shopping for our family, too, and I am fully aware of those increasing grocery bills.

But, I have said on many occasions, and want to emphasize again here, that there is a difference between farm prices and food prices. In fact there is a difference, too, between our food bills and our grocery bills.

Our total grocery bill reflects not only the food we buy—which takes about 42 cents of each consumer dollar—but the toothpaste which is supposed to make our teeth sparkle, the Ajax which is supposed to make our sinks sparkle, and the polish which is supposed to make our cars sparkle and our children's shoes scuffproof.

In this country we also have a highly complex distributional system for food. Each step of the way, from the farmer to the supermarket, someone is adding a few cents to the price of our food, and in the end the consumer pays a great deal more for food than the farmer has received for producing it. When you add to this the housewives' desire for prepackaged, precooked, premeasured, and precut products, I think you should be able to see in part why our grocery bills seem so high.

Mr. Speaker, while Mr. Butz has proudly told us how farm income is going up, some farmers are not making out so well at all. In fact, I think a strong case can be made that some of the policies of this administration—and not just farm policies—have not been particularly helpful to either the farmers or the consumers.

I know that milk prices and cheese prices have gone up in some areas. But let us look closer at the dairy industry, which is a highly important one in my district.

I just want to quote from Dairy Situation, a publication of the USDA, of March 1973:

This year's prospective strong markets indicate another rise in farmers' gross cash receipts from dairying, likely to around $7½ billion from $7.2 billion in 1972. *However, sharply rising production costs may reduce dairly farmers' net incomes from 1972 levels.*

What that means is that farmers' prices for feed have skyrocketed, especially for soybean meal. There are strong indications that those sharply increased grain prices did not go to the soybean farmer, but to speculators in the commodities market. But the dairy farmer must pay those increased prices for feed, nonetheless, and he is actually going to lose money, this year compared to last, by producing a hundred pounds of milk.

High feed prices have caused some farmers in my area to quit dairying. Some others realize they can sell their herds and make more money in the beef market. So, if high feed prices and high beef prices cause dairymen to leave their farms, the shortage of milk which could result is certainly not going to lower the price of milk in the grocery stores.

The administration could have done something to thwart this possibility by increasing the price support for milk several weeks ago, but they did not.

The price of feed was not helped either, by the "grain deal" with Russia. That agreement certainly will help right our balance of payments. But it was not a spectacular success for our farmers or our consumers.

We sold about one-quarter of our grain crop last year to Russia. That has increased the price of wheat for bread. It has increased the cost of feeding a cow, and of buying a quart of milk or a pound of beef. But who got the money from the "grain deal"? It was not the farmers, many of whom sold their wheat before they knew a huge sale to Russia was in the works. It was the big grain merchants, whose loyalties are not always with the farmer.

To complicate the issue further, let us look at the energy crisis.

It should be obvious to all that if we are going to meet consumers' demands and the demand from foreign nations for feed grains, we will need to plant more grain in this country. But unless the administration drops all oil import quotas, or in some other way increases our fuel supplies to small refiners, there may not be enough fuel oil this spring for farmers in the Midwest to get their tractors into the fields to plant the seed and cultivate the land which will give us more grain—and more meat.

Mr. Speaker, what I have been trying to point out is that high food prices are not a simple issue, and certainly not one which should be laid solely at the feet of our farmers and rural communities. It is an issue which affects both urban and rural areas, and one which can only be dealt with adequately if Congressmen from all sectors of the country work together to understand all points of view and seek solutions which do not help some of our people at the expense of others.

GENERAL LEAVE

Mr. SEBELIUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ROBISON INTRODUCES NARCOTICS CRIME BILL

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

Mr. ROBISON of New York. Mr. Speaker, drug addiction continues to be a pervasive and perplexing national problem, despite more than a billion dollars a year in Federal funding for drug enforcement, drug intercept, drug rehabilitation and education. In a notable instance of Executive-legislative cooperation, the President and the Congress have joined in a concerted effort to meet every aspect of drug addiction. Congress has established Federal programs to get at both the symptoms and causes of narcotics addiction. The President has provided the most talented administrators for these programs and worked to provide them with generous funding. The 92d Congress passed, with my support, authorizing legislation to create a strong special action office for drug abuse prevention, to serve directly under the President. With the support of Congress, the President has negotiated agreements with opium producing countries to reduce the supply of raw opium, and he has created special drug task forces which are finding increasing success in intercepting large quantities of illicit drugs and apprehending high echelon drug traffickers. All of these efforts are necessary to counteract the many faceted problem of drug abuse—and I will continue to support aggressive Federal action on every front and to propose, as I do today, even stronger action when it is apparent that more must be done.

I am introducing a new narcotic crime bill today because I am convinced that another, stiffer deterrent is needed. The President's drug task forces have been most energetic, and often heroic, in tracking down the high echelon pusher both overseas and in the United States, but the huge profits offered by drug trafficking create two new entrepreneurs of misery for each one that is put out of business. Both the President and Governor Rockefeller have proposed new laws requiring mandatory punishment for narcotics pushers, and I would hope that through the bill I am now introducing I can add my own contribution to this legislative dialog. It is worth mentioning that my own study has taken several months, and that a good deal of my effort went toward finding legislative language which would match my intentions for this bill.

My purpose in this legislation is to distinguish between two levels of drug trafficking which ought to be defined and kept apart when a strong prison deterrent is proposed. There is, first, the street level pusher, who engages in the sale of narcotics to support his own per-

sonal habit, or for relatively small personal profit. This is the individual who is most frequently apprehended, whose case clogs the court docket, and whose confinement further cramps space in prison facilities. He is also one of those, I would maintain, who might be rehabilitated through existing Federal programs and taken out of the drug orbit. If not—or perhaps in conjunction with such rehabilitation programs—he will be subject to the 0 to 15 year prison sentence provided by the Controlled Substances Act.

The second level consists of those I have termed "high echelon drug pushers," who handle large quantities of narcotics and peddle them solely for profit. These are the major, hard drug suppliers, the big time narcotic businessmen often affiliated with organized crime, who realize such exorbitant profits that they are willing to buck prevailing penalties.

Once described, there would seem to be little difficulty in recognizing a so-called "high echelon drug pusher," yet finding the correct terms for a bill which seeks to focus on this individual has proven one of the more challenging legislative tasks I have ever taken on. I emphasize the difficulty of this undertaking to impress upon my colleagues that we must be most careful and correct in any final draft of such legislation, so that the law does precisely what we intend—and no more.

If one chooses to distinguish between "big fish" and the "small fry" among drug dealers—as have the President and Senator JAVITS—there are basically two ways to proceed. The narcotic trafficker can be identified by the amount of hard narcotics found in his possession, or he can be defined according to the function he plays in the drug distribution network. The President and my fellow New Yorker, Senator JAVITS, have chosen the quantitative route, such that the President's Heroin Trafficking Act would apply its most severe penalties to those who are found to have more than 4 ounces of hard narcotics in their possession, and Senator JAVITS proposes his most severe penalty, 7 years to life imprisonment and a $200,000 fine, for those twice apprehended carrying more than 10 ounces.

When considering this approach, I contacted the Bureau of Narcotics and Dangerous Drugs to determine what volume of drugs might be handled by a high level pusher. During these conversations, I found that the going price in New York City for 1 ounce of 25 percent pure heroin was $16,000—which, on the basis of my own budget at least, seems to be a high level price. It was further explained that by the time this ounce of heroin gets to the streets, it has been adulterated to between 2 and 6 percent pure, with the price ranging from $250 to $1,800 per ounce.

These are the kind of details which must be contended with when a definition of the high-echelon pusher is attempted. To my own mind, they provide several obstacles to succinct legislative language, as well as grounds for speculation about the possibilities for evasion of any statute which gages its penalties to a quantitative measure. Whatever number of ounces are used as a cutoff, it would be most convenient and vitally important to the narcotics dealer to carry only a fraction less than the statutory limit, to avoid the possibility of a long prison sentence without parole.

The purity of that quantity of heroin provides an additional complexity. For instance, should the man who carries 4 ounces of heroin which is 25 percent pure, and worth $64,000 in New York City, receive the same mandatory sentence as the man caught with 4 ounces of 2 percent heroin worth $1,000? My own inclination is to say "No," arguing that a stiffer deterrent does not serve its purpose unless it is in some way measured more precisely to the gravity of the offense, and to the kind of individual who is likely to commit that offense.

So, how to describe this man? I would propose the latter of the two alternatives I raised: That the culpable individual be described according to the role he plays in providing hard narcotics. My bill, therefore, defines the high-echelon drug pusher as "any person engaged in a conspiracy to import, smuggle or purchase for further distribution a controlled substance in schedule I or II [of the Controlled Substances Act] which is a narcotic drug."

After emphasizing the difficulties in constructing such a definition, I can hardly deny the imperfections of this legislative description; however, I do suggest that the phrase "for further distribution" might be one key to isolating the big time trafficker. He is not usually seen on the street selling individual bags of drugs; he is the dealer in large quantities, the businessman who has calculated the risks and the profits and, also, his own ability to evade imminent prosecution or a lengthy prison sentence by snarling legal technicalities to the greatest degree possible.

Let me repeat, factoring in that key phrase—"for further distribution"—may enable us to catch these "big fish" we want. And, it is a fact that this sort of criminal has not been running much of a risk during the past few years. For a variety of reasons, these members of the narcotics distribution system have been getting light sentences or probation in many court jurisdictions. This is particularly true in my own State of New York, and certainly one reason for Governor Rockefeller's proposal that drug pushers receive mandatory life sentences, or the death penalty in the most serious cases.

Prof. James Q. Wilson has described in a recent New York Times Magazine article a study which maintains that certainty of punishment has a significant deterrent effect on crime rates, while severity of punishment has a deterrent effect only on murder. Although this contention is presented in the form of a hypothesis, I think many of us have a gut feeling that if penalties are to make a difference in deterring dope trafficking, there must be unyielding penalties which are clearly understood by potential violators.

They must also be severe enough to express society's contempt for the gravity of that crime, and severe enough to assure society that there will be no opportunity for the convicted felon to repeat such a malicious offense.

The bill I am asking my colleagues to consider brings these ideas to bear on the high echelon drug pusher. I propose stiffer penalties than now exist in Federal law for those who reap unconscionable profits by ruining countless lives and destroying others. My bill calls for a mandatory 20-year prison sentence, without parole, for the big time drug peddler who is engaged in a conspiracy to import, smuggle, or purchase a controlled substance for profit.

As I have suggested, the certainty and severity of punishment must go hand in hand if any legislative proposal is to have the desired effect on drug trafficking. There can be no certainty of punishment if plea-bargaining is used to clear court dockets, or if individual judges inject a philosophical relativity which results in short or reduced sentences to narcotics dealers. The vast profits to be made will lure these offenders right back to their narcotics dealership.

So that both the public and drug pushers are fully aware of prison sentences given to convicted drug traffickers, I am also proposing in my bill that a "judicial spotlighting" procedure be established. These provisions would require the Department of Justice to release the following information on a monthly basis: Name of the judge; name of the offender; nature of the conviction, and length of sentence.

Such a practice would be similar to methods now used by the Department of Transportation to inform the public of the auto industry's recall statistics. In this manner, my bill will demonstrate a certainty of punishment to present and potential narcotics traffickers, as well as "spotlight" judges who continually hand down short or suspended sentences to the big time peddlers of hard drugs. I ask that my colleagues give their full attention to this proposal, which I insert for their study.

H.R. 6272

A bill to amend the Controlled Substances Act to increase the penalty under that Act for the illegal distribution of certain drugs by high echelon pushers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)) is amended—

(1) by inserting after "person" each time it occurs the following: ", unless such person is a high echelon pusher,".

(2) by inserting immediately before the last sentence thereof the following: "A high echelon pusher who violates this paragraph shall be imprisoned not less than twenty years, or for life, and, notwithstanding any other provision of law, the court shall not suspend the sentence of such pusher under this paragraph, or give such pusher a probationary sentence, nor shall such pusher be eligible for parole during the term of such imprisonment."

SEC. 2. Section 102 of such Act (21 U.S.C. 802) is amended by adding at the end thereof the following:

"(26) The term 'high echelon pusher' means any person engaged in a conspiracy to

import, smuggle, or purchase for further distribution a controlled substance in schedule I or II which is a narcotic drug."

SEC. 3. The Attorney General shall release to the public each month a statement which shall identify each high echelon pusher convicted of an offense under section 401 (b) (1) (A) of the Controlled Substances Act during the preceding month, together with the sentence imposed with respect to such conviction, the name of the judge imposing such sentence, and the factual allegations of the indictment relating to such offense.

RESOLUTION INTRODUCED TO MAKE ABORTION ILLEGAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 20 minutes.

Mr. HOGAN. Mr. Speaker, on January 30 in response to the Supreme Court decisions legalizing abortion earlier that month, I introduced a constitutional amendment, House Joint Resolution 261, which would reverse that decision.

I said at that time that I had to protest the gross disregard for human life which is now the official law of the United States. I cannot accept that it can be right—that it can be legal—to end one human life for the personal convenience of another human being.

Since that time I have received over 4,200 letters from all over the Nation in support of my amendment in addition to petitions listing thousands of additional supporters. Daily I receive phone calls from individuals and groups all over America who want to support this effort and want to know how they can help.

Mr. Speaker,today I am reintroducing my amendment, this time with seven cosponsors. They are: Mr. BEVILLE, Mr. CAMP, Mr. KEATING, Mr. HUBER, Mr. LUJAN Mr. MAZZOLI, and Mr. WON PAT. Some of our other colleagues have introduced similar measures with a view toward reversing the Supreme Court's abortion decision.

I am happy to have these distinguished Members join me in an effort to overturn the grievous decision of the Court.

In addition to the overwhelming support only two referendums on the abortion question clearly demonstrate that the overwhelmingly majority of Americans do not share the Supreme Court's callous disregard for the lives of the unborn. Last November in Michigan and North Dakota voters turned back efforts to liberalize abortion laws. The results are as follows: Michigan—yes, 1,270,416; no, 1,958,265. North Dakota—yes, 62,604; no, 204,852.

I think it is clear to most Americans that the only way we will overturn the Court decision is to amend the Constitution. It is the only effective recourse left open to us.

The abortion decisions of the Supreme Court (Roe against Wade and Doe against Bolton, January 22, 1973), held that the child in the womb is not a "person" within the meaning of the 14th amendment which provides:

> No State shall . . . deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

The Court's decisions are a practical license for elective abortion at any stage, right up to the last minute before normal delivery.

My amendment would protect the right to live from life's beginning. It would not, however, prevent the State from making reasonable classifications to govern the rights of the child in the womb to inherit, to sue for personal injuries and in other matters where reasonable and legitimate distinctions can be made between the child in the womb and an older human being. Such distinctions in varying degrees now exist in the laws of all States and my amendment would not disturb them.

A constitutional amendment is absolutely necessary to protect not only the child in the womb, but the retarded, the aged and other innocent persons who are now in peril of being defined as nonpersons.

When members of a society have the audacity and the arrogance to assume the power to attach a value or lack of it on another human being, it is a short step from abortion to killing the retarded, the crippled, the senile, the other "unwanted" members of our human family.

It is well to remember that judicial decisions are not necessarily sound moral decisions. The view that the question of abortion is one should be decided between a pregnant woman and her doctor would be a sound one if a fetus were a tonsil or an appendix, but it is not. The fetus is not an organ; it is not part of its mother and should not be subject to disposal at her wish alone.

The fetus—literally, "the young one"—is one of us—he is a member of the human family. Because he cannot defend himself, society must defend him, there is no pressing social problem or no degree of personal inconvenience which can justify his destruction. If history has taught us anything, it is that no society should permit some of its members to decide which of the others shall live. In Nazi Germany they started with abortion and "progressed" to medical experimentation and elimination of mental deficients to extermination of 6 million Jews. They made a value judgment about these lives and decided they were not worthy of staying alive. The horror of the same antilife movement in America chills and terrifies me.

Each of us lives briefly and but once, and we should treat each precious human life with the respect that its uniqueness demands. To do so is to dignify the human family; to treat human life as expendable if it is inconvenient is to demean all of us.

WHEAT PRODUCERS SPEAK OUT ON FARM PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. ABDNOR) is recognized for 25 minutes.

Mr. ABDNOR. Mr. Speaker, this morning I attended the seventh annual congressional breakfast of the wheat producers leadership of this Nation. The breakfast, sponsored by the National Association of Wheat Growers, Great Plains Wheat, Inc., and Western Wheat Associates, reflected the legitimate concern of the Nation's wheat producers over consumer criticism of food prices, the need for new and meaningful farm program legislation and future farm prices.

In talking to individual producers and their families I found the same concern as shown by many urban consumers over rising prices.

Their concern, however, was not for food alone, but for the many, many production items required to produce the Nation's food supply. They questioned the singling out of farm products as the villain when all costs are rising. To them, farm products must demand a higher return, not just for the sake of greater and greater income, but to keep pace with rising costs of production and personal family needs.

They expressed a fear that concern over consumer reaction to rising food prices may father policies which could perhaps be in the short-term interest of the consumer but against the long-term interests of the consumer and the producer. They called for consideration of both producer and consumer interests in developing national policies.

Mr. Speaker, we will make many decisions important to both consumers and producer interests. I am hopeful that this balance of interests can be found. I feel it would be helpful to Congress if we reviewed the statements of the wheat industry leaders made this morning and I would like to make them a part of the RECORD.

The first statement is by Ray Davis, president of the National Association of Wheat Growers, who is a wheat farmer from the neighboring State to South Dakota, Nebraska. Mr. Davis' statement covers the legislative needs of producers in the important areas of farm programs Public Law 480, trade and transportation.

The second statement was presented by another nationally known wheat spokesman on behalf of the two foreign market development organizations, Great Plains Wheat, Inc., and Western Wheat Associates, Inc., Dean Parsons, president of Great Plains Wheat. Mr. Parsons is from Wall, S. Dak. He has been active for many years in wheat affairs at both the State and National level and brings an unusually clear perspective to essential U.S. policy in foreign trade.

In closing, Mr. Speaker, let me state that I appreciated the opportunity to break bread this morning with my colleagues and the wheat producers from South Dakota and the other major wheat-producing States. I only wish that every consumer had the opportunity to personally visit with these farmer-businessmen and their families. They are dedicated to producing abundant supplies of food for the world, at a reasonable price, and expect no more than a reasonable return on their investment and labors.

The statements follow:

REMARKS OF RAY DAVIS, PRESIDENT, NATIONAL ASSOCIATION OF WHEAT GROWERS AT THE SEVENTH ANNUAL CONGRESSIONAL BREAKFAST, MARCH 28, 1973

Distinguished Members of Congress and Friends, Will Rogers used to say that anything can be funny as long as it's happening to somebody else.

I'm afraid there are people in our country today who think it would be kind of funny—at least, not a bad idea—if farmers, after all these years, had their agricultural programs abolished. And, along with this, maybe we ought to have a few old-fashioned surpluses hanging around to lower farm prices and make raw materials and food prices a little cheaper.

But those of us who make a living by farming don't think this would be very funny. Or wise. Or right.

We don't think it's right, through low farm prices, to have farmers subsidize the rest of the nation, as too often they have done. We do think it's right, and necessary, to continue to have the supply management and income safeguards of farm programs because, no matter what is said about the nobility of agricultural independence, in a world dominated by big enterprise the individual farmer, alone, doesn't have much voice.

We have come far since the first efforts to set up a national farm program. That was 44 years ago—1929—during the Presidency of Herbert Hoover, when the Congress established the Federal Farm Board. Its main purpose still has a familiar ring: "To place agriculture on a basis of economic equality with other industries."

Unfortunately, the old Farm Board didn't get very far but it was a beginning. Other more successful programs followed, administered under the New Deal, the Fair Deal, the New Frontier and the present Administration.

Now we are beginning to deliberate over renewal of the Agricultural Act of 1970 and related legislation. Should the program be renewed? Or, after 44 years, are we in a fortunate new era where we can forget about farm programs?

My reply is that agriculture has made a lot of progress in its struggle for equality and we are encouraged by it. But if anyone tells us the battle is won, we say they are wrong—for the facts show otherwise.

Farm Income. Latest figures from the Department of Agriculture show that income for farm people, per capita, is 20 percent lower than for people not on farms.

Farm Costs. The cost-price squeeze on farmers continues. Farm prices today, at least for crops, are not much different from 20 years ago. But the cost of farm machinery has doubled and taxes and farm wages have gone up considerably more than that.

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One of the Great Myths of today is that farmers, practically everywhere, are doing just fine—and, furthermore, that this alleged prosperity is at the expense of the American consumer.

If farming was such a money-making enterprise, why does the drop-out rate continue so high? As recently as 1960, farm people made up close to 9 percent of our country's total population. In 1972, they made less than 5 percent. That means that in the last 12 years families totalling more than 6 million men, women and children moved out of agriculture.

Perhaps the modern environmentalist, in his proper concern for survival of the bald eagle, the osprey and the sandhill crane will want to add the American farmer to his list of endangered species.

Let's consider the myth that farmers are to blame for the current unhappiness of housewives over rising food costs.

We know that at today's unusually high prices for steak and other livestock products, it doesn't go over very well to suggest to the lady of the house that food is a bargain—because some foods aren't. But I think people across the country, by and large, have lost sight of one important fact—that while food prices have been rising, personal incomes have been going up even more. American people, on the average, are better able to buy food at today's prices than they were a dozen years ago at 1960 prices. In 1960 the average American family was spending 20 percent of its income on food. Last year, despite higher prices, the average family was spending 15.5 percent of its income on food. During these 12 years, according to the Department of Agriculture figure, the cost of food went up 76 points but average family income went up 127 points.

We sometimes forget that food costs have not gone up as much as the cost of most other things. One of our Congressional friends recently observed that if beef had gone up as much as the cost of having a baby, it would be selling for over $3 a pound.

It is not my purpose to try to minimize consumer complaints. We are all consumers and we all feel the pinch. But some perspective on the matter is justified. If it is any comfort, it is worth noting that consumer prices during 1972 went up more in Canada, Japan, France, Germany, Italy, Netherlands and Britain than they did in the United States where they increased 3.9 percent. In parts of Europe they went up twice that much.

I am afraid that for many years this nation of ours has taken it for granted that it's a natural and desirable condition for farm prices to be low and food prices to be cheap. We don't expect this of other things—automobiles, TV sets, lumber, hospital costs, books and magazines and miniskirts. But from that basic necessity, food, we expect the economic miracle of cheapness—or, at least, cheapness relative to other things we buy.

One West Coast farm journalist said recently that the farm production story is one of the least known and least appreciated of our time. More than 95 percent of our nation's population is dependent on less than 5 percent for its food supply—yet little do urban people realize that "the unparalleled efficiency of the American farm is one of the basic reasons for the high and still rising American standard of living." He goes on to say that "the moment America goes on a binge of anti-farm legislation . . . the nation will be sowing the seeds of wretchedness for the cities as well as the farms."

The basic purpose of the National Association of Wheat Growers is to provide a means and a voice for American wheat growers to work for a fair and equitable position in our nation's economy. We ask no more than other segments of the economy are getting—but we want no less.

The National Association of Wheat Growers has been functioning since April 1950. We directly represent wheat growers in 11 commercial wheat states and we believe that our voice is that of virtually all wheat growers across the nation for the problems of wheat are common problems.

We suggest to the Congress and the Administration that there are at this time three subjects of especial consequences that require your favorable consideration. One is the new farm legislation. Another is the role of agriculture in international trade negotiations. A third is the critical area of farm-to-market transportation.

New Legislation. We recommend continuation of the Agricultural Act of 1970 for a period of 5 years, with certain changes. One needed change is to set the wheat loan at a minimum of 50 percent of parity.

We request continuation of certificate payments. If such payments are to be phased out, this must be accompanied by legislation that phases in price support loans—or a phase-out of certificate will surely mean a further phase-out of farmers.

We strongly endorse continuation of Public Law 480. This has been the most innovative and effective tool in history for moving farm products into export, feeding hungry people and building larger commercial cash markets overseas.

Trade position. With more than half of our wheat production going into export, we have an obvious and strong interest in access to foreign markets. The more that we can sell abroad, at prices that are fair to both grower and consumer, the greater our financial independence will be and the less the farm program costs to the government.

It is essential to the farmer and to the entire nation that agriculture be fully and strongly represented in all international trade reviews, conferences and negotiations in which the United States participates. Others may be more optimistic than some of us are over current prospects for larger and larger exports, giving us a new and higher economic base. One swallow does not make a summer and one especially remarkable export year does not mean that our trade problems have been solved. But we do need to press for wider access to markets and for greater recognition that American agriculture continues to be the world's most efficient producer and that we have a unique ability to supply large amounts of the world's need for grains.

Transportation needs. The need for an efficient, well-managed transportation system is increasingly vital. New market opportunities provide little hope to wheat producers if our transportation system is unable to meet the challenge of increasing demand.

Right now, with a new harvest ahead, we still have at least half of last year's Soviet grain sale to move. Our pipeline is glutted with this grain and movement of Government inventories. Problems caused by delays and car shortages are being aggravated by tightening fuel supplies.

Policies and programs must be developed to strength our transportation system so it can cope with current and future requirements. Failure of our system to keep pace with demand will severely minimize any benefits which we hope to achieve from increased trade.

Thank you ladies and gentlemen, for this opportunity to express our views.

We stand in readiness to work with the Congress and the Administration in whatever ways we can toward these objectives.

REMARKS OF DEAN PARSONS, PRESIDENT, GREAT PLAINS WHEAT, INC., AT THE SEVENTH ANNUAL CONGRESSIONAL BREAKFAST, MARCH 28, 1973

Members of Congress, honored guests and fellow wheat producers. I am very pleased to have been asked this morning to address you on behalf of Great Plains Wheat and Western Wheat, the two wheat producer marketing organizations.

For those of you who may not yet be familiar with our organizations and the functions they perform, permit me to explain briefly that both Great Plains Wheat and Western Wheat Associates are organizations supported by the wheat farmers in their member states through the State Wheat Commissions. We work with the Department of Agriculture under project agreements with the Foreign Agricultural Service as part of their cooperator program, to protect farmer income by expanding sales of U.S. wheat into the overseas markets. We are pleased that many of the key officials of the USDA are here also with us this morning.

We maintain offices in the United States and work also through nine foreign offices throughout the world. We also cooperate

closely with the National Association of Wheat Growers and the state wheat grower groups, which it represents, although our functions are actually separate and distinct.

This marketing year has been a year of exciting activity, the significance of which will probably be felt in wheat marketing for at least the next several years if not actually permanently.

It has, of course, been a very good year. It was the year of the historic grain sale to the Soviet Union, which has proved to be beneficial to practically every sector of the U.S. economy. There were some producers who failed to benefit from the higher prices which were paid for wheat after July 1972, but these producers can still benefit from the sale by cashing in on the stronger markets and wheat prices which are still good despite some decline from December and January levels. The prospect of what we feel will continue to be good markets during at least this next marketing year is heartening.

We are, nevertheless, becoming increasingly concerned. These may be good times, but they are also frightening times, for a time of change is always a time of apprehension. When we examine the strength in the wheat markets, the exceptional sales and the sharply reduced carryover we realize that a great deal of it has come to us from abroad. We harvested good crops in 1972, which would have greatly increased our carryover if we had not had an exceptional export year.

When we talk of a market-oriented agriculture we are certainly talking also of foreign markets, for they now must account for over one-half of total U.S. wheat disappearance. The 1973 wheat crop is being estimated at approximately 1.75 billion bushels. This means we must export at least one billion bushels this next marketing year if we are not to add to our carryover. Favorable export programs and an aggressive export posture are, therefore, of extreme importance to the wheat economy.

As producers there are times when we are not happy with one or another of the positions taken by the Department of Agriculture on domestic issues and these differences have led to some disagreement. On one point, however, we have always been completely in accord, and that is an attempt to maximize exports to the greatest extent possible. To Mr. Butz and the other USDA Officials present here this morning we say "We salute your efforts to expand grain exports and take particular note of your success in helping open up new markets for U.S. grains. We have enjoyed working with you for this expansion and look forward to continuing this important effort." Unfortunately, the interest in exports does not appear to be completely universal in the United States. We see some indications of what may be the development of an attitude against grain exports. We fear that concern over consumer reaction to rising food prices may father policies which could perhaps be in the short-term interests of the consumers but which might prejudice agriculture as we now know it and, therefore, be against the long-term interests of the consumer and the producer. Such outside pressure is undoubtedly going to be felt in the deliberation on new legislation, on which our colleagues in the National Association of Wheat Growers will be working. We do not envy them their work on what we feel will be a difficult assignment, although we as farmers share their concern over the outcome, for we know the pressures to which the USDA is being subjected. We feel that those of us working on exports also have our work cut out for us.

Although exports for at least the next marketing year should continue to be good, we are wondering where we shall go from there. We fear that export policies may be established which are compatible with the current seller's market but may not be compatible with the more competitive years which are sure to come. At the present time we are exporting without benefit of some Government-sponsored programs such as the export equalization payment program. So long as it is not necessary obviously such a program should not be used, but we have urged the Department of Agriculture to maintain stand-by authority for an aggressive program when it should again become necessary. There are also other issues which will strongly influence grain exports.

The United States has been able to continue to expand its Government sponsored credit programs, resulting in increased export possibilities. We urge strong support of this type of program, necessary to continue to keep the United States competitive in world markets. Although the current situation is still best described as a seller's market, we note that competitive exporters continue to use Government sponsored credit. It will be imperative that the United States continue to be in a position to offer similar terms.

The PL 480 program has been an excellent market development tool during the past several years. We were disappointed to note some cut-back in planned Title II programs, which involve relief and government to government shipments, but relieved to note that there is not cut-back—indeed a slight increase—in proposed expenditures for Title I programs. Title I is, of course, the program which involves payment for commodities, usually in dollars, over a prescribed period of time. It is this type of program which we feel is the most beneficial in helping build foreign markets.

Gentlemen, I am a farmer, as are my colleagues here from Great Plains Wheat, Western Wheat and the National Association of Wheat Growers. I am proud of what farmers have done, what they are doing and what they can do in the future. I cannot remember when the farm situation has been as good, and, as I have already mentioned, this is in very large part due to the foreign markets. I am convinced that the world market is our market—that the amount of land we use increases or decreases in accordance with the rise and fall of foreign demand, and we want to take care of this foreign demand and will continue to work for the foreign markets. Not only will we support foreign market development activities by expending large amounts of time, effort and our own funds, but we will also support broad-base trade negotiations which should help us to take the greatest possible advantage of what the foreign markets may offer.

We know that in the EEC enlargement negotiations now going on it is very important an effective agreement be worked out. These negotiations should provide the United States with an opportunity to obtain greater access for U.S. grains to areas such as the European Community. We hope the United States may be able to enter such negotiations with as strong a position as possible.

We know our foreign customers have to have the right to sell to us if we want to sell to them. We will support giving them the same kind of tariff treatment other countries get from us.

We know we have to work to help clear up any disturbances in our export system, whether or not it be rail car shortages or rail and dock tie-ups which stop our grain from moving to our customers.

The farmer has come a long way in helping himself, but he has not come that way alone—we all feel you have come that way with us, and we assure you of the sincerity of our gratitude for your assistance. Thank you.

IMPORTS CAPTURE CONSTRUCTION SITE IN CONGRESS' BACKYARD

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

Mr. MILLER. Mr. Speaker, the cast of characters in the continuing saga of foreign-made cranes on Capitol Hill enlarged today as the third French-made tower crane is being assembled on the construction site of the Madison Library across the street.

Although these very same tower cranes as well as hydraulic excavators and hoisting equipment are made here in this country, the domestic construction industry insists on buying abroad, thus contributing to our balance-of-payments deficit and exportation of jobs. One firm in my home State of Ohio producing these units is evaluating whether it can possibly stay in business when the market is largely cornered by France and other European countries.

It is tragically ironic that while we daily decry the loss of jobs from import penetrations and the steady outflow of dollars, the American taxpayer subsidizes the purchase and use of imported construction equipment to build our public buildings.

Equally absurd is the case of a major steel company which preferred to buy a foreign-made crane made of steel from one of its competitors over an American unit made with the company's very own steel.

I suggest that the Congress know what is going on in its own backyard before getting too far out on a limb in talking about what needs to be done to curb imports.

DR. NELSON POLSBY ON ROLE OF CONGRESS

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

Mr. MCFALL. Mr. Speaker, Los Angeles was one of the sites for Time, Inc.'s "Role of Congress" regional meetings in December. Dr. Nelson Polsby, a distinguished scholar in congressional affairs, addressed the meeting on "congressional knowledge" what it knows/does not know and how it may improve its data gathering and analysis. The moderator of the discussion was Louis Banks, editorial director, Time, Inc. I insert the text of the address in the RECORD at this point:

Mr. BANKS. Forgive my interrupting your dining, but we are going to put you to work.

My name is Louis Banks, I am the Editorial Director of Time Inc. publications. Here, too, are Henry Luce III, a vice president of Time Inc., and Henry A. Grunwald, the Managing Editor of Time, the Weekly Newsmagazine. We are your hosts today, along with some of our colleagues.

Our assignment, in which we have invited your participation, is to try to bring back to public view the vital importance of the Congress in the functioning of our national Government. And if you will agree with me that the present and future hope of free men everywhere hangs on the successful operation of that Government, then we can enter upon our assignment convinced that it's worth all the effort that we can muster.

In the opinion of some of my Washington colleagues, the erosion of congressional power and influence comes close to providing a constitutional crisis. But you will hear from others that things are somewhat better than this; in fact, that the fault, dear friends, lies

not solely in our Congress, but partially in the journalism that covers it. In any case, we find this study of the Role of Congress an entirely congenial one since the cover of the very first issue of Time, March 3, 1923, was that of the former Speaker of the House of Representatives, Uncle Joe Cannon, and from that day to this, Time has written some 150 cover stories on congressional figures.

Our format for these meetings is to bring together for a panel discussion a distinguished scholar in the area of congressional affairs, two members of the Congress, and our own Senior Congressional Correspondent. Our scholar today is Dr. Nelson W. Polsby, Professor of Political Science at the University of California, Berkeley. You will note his exemplary credentials in your program. But what makes him very special is that he's spent a great deal of time pounding the corridors of the U.S. Capitol in pursuing his research. He will summarize for us his paper which many of you have read in advance of this meeting. It is titled *Does Congress Know Enough to Legislate for the Nation?* We welcome Dr. Polsby here today.

Dr. POLSBY. Thank you, Mr. Banks.

Ladies and gentlemen: Of course we all remember what the old vaudeville term was for the opening number on the bill. This afternoon, I guess I get to be the dog act. It's not so bad to be the dog act at a birthday party, however.

Recently one of my daughters got a birthday card and on the front cover was Charlie Brown who said: "Happy birthday. May you enjoy an abundance of ice-cream and cake." And inside, Snoopy said: "Everything that falls on the floor is mine."

One of the things that will undoubtedly fall to the floor before long is the paper that was prepared for this session, and that is unquestionably mine. It was written—as my papers sometimes are—without excessive recourse to the English language, so if you will bear with me, I think I'll just summarize it briefly.

It begins by saying: "No, Congress doesn't know enough to legislate for the nation." But then, nobody else does either. Because Congress holds a constitutional mandate to try, it does seem incumbent upon all of us to give some thought to how Congress can improve its capacity to gather, analyze and use facts. But we should begin with the realization that none of us know or are likely ever to know enough to solve the major problems of our society.

In some respects, I suggest Congress does do quite well as an information collecting agency. These special areas of competence come about because of the sort of organization Congress is.

The Constitution provides for frequent congressional elections. Because Congressmen must run for office, Congress as an institution receives and processes enormous amounts of information about who wants what, and how badly in the way of public policy and federal activity.

The Constitution further provides for checks and balances among separate institutions sharing powers. Because the lives of their constituents and their careers as legislators are tied in various ways to the performance of the bureaucracies of the Executive Branch, Congress receives and processes a great deal of information about the delivery of public services and the execution of the laws. Right about here I have a short section on the committee system, which is the means by which this information is gathered, and I am not going to read it but just simply say that as I see it, the committee system and seniority system, which is the means by which the population of the committees are stabilized, is the foundation not merely of congressional power but also congressional competence. Consequently, to improve congressional competence, we have to improve, not cripple, congressional committees.

Now, in the next section of the paper, I attempt to deal with two common complaints about congressional information. The first is that Congress is usually outgunned by the experts from the Executive agencies, and consequently lets its prerogatives in shaping legislation lapse.

This is certainly true some of the time. Some of the time, however, it is not. The fact is that when committee chairmen are able and intelligent, as they frequently are, and want to pursue an independent congressional course of action, they can get all the information they need, and deploy it skillfully.

This may work to the advantage of Congress as a collective entity, but it does not necessarily meet the needs of individual Congressmen. As individuals, Congressmen by the dozens may rightly feel at the mercy of their ignorance. The tax-writing staff of the Joint Committee on Internal Revenue Taxation, for example, does not work directly for them after all, but rather for the small fraction of members directly charged with writing tax policy. Yet they all must vote on tax measures. Most of them will have at one time or another to pretend to knowledge of what they are doing in this area. And in their private knowledge-gathering enterprise, over the vast range of policies, individual Congressmen and Senators are mostly on their own.

This creates a tension between two clear organizational imperatives: Congressmen and Senators must specialize, or else Congress loses the capacity to shape policy that expert knowledge alone grants. On the other hand, Congressmen and Senators must be generalists because they believe—and for good reason—that this is what their constituents demand of them.

The resolution of this dilemma that I have in general favored comes down hard on the side of specialization. We must educate constituents to more reasonable expectations of their representatives. We must help them to see that the demand for the illusion of omnicompetent Congressmen is a demand for the reality of an incompetent Congress.

Members of Congress are entitled to smile at this prescription; indeed they are entitled to ask how someone who claims to have taught in a university these last few years, comes to place such confidence in the efficacy of education. There is no real answer to this objection except this: alternative solutions entail much higher costs and risks, most significantly the risk of rendering the Legislative Branch utterly impotent.

The second complaint about congressional knowledge is this:

In many subject matter areas, Congress is immobile and ignorant because the Congressmen in charge of those sectors are immobile and ignorant and wish to remain so. This may come about for four reasons:

Senility or ineptitude of committee chairmen; the opposition of chairmen to legislation in the field; the corruption of chairmen by outside interests; or collusion between chairmen and Executive agencies.

This complaint is also true some of the time. Many people have given thought to the underlying problem of the selection of committee chairmen to which it points. The best suggestion I have heard that deals with this problem was made a few years ago by Congressman Udall. To decrease the influence of outside factors on committee chairmen, and to increase the influence of inside factors, Udall suggested subjecting all committee chairmen to an automatic, nondiscretionary election by secret ballot in the party caucus that precedes the opening of each Congress. Chairmen would be automatically slated against the two next ranking committee members, so an element of choice would be present, but seniority—which is a major incentive for Congressman to build up subject matter expertise—would also be given its due. It was anticipated, of course, that most chairmen most of the time would pass this hurdle without difficulty. Only those chairmen hopelessly out of step with the majority of their party in Congress, or definitely incapable of doing the job, would be likely to be replaced in this process. But the mere existence of such a mechanism might reasonably be expected to encourage chairman to build their alliances within Congress more broadly and, hence, more responsively. Some of these elements, of course, have begun to be enacted, mostly by House Republicans. It is, I take it, an attempt by Democrats to change what is presently an open ballot of chairmen into a secret ballot. Of course, it's certainly the case that a secret ballot would be much more likely to get a fair test of the sentiments of the Congressmen, but so-called public interest lobbying groups have opposed a secret ballot because it makes it harder for them to keep score on their friends and foes.

Congress has moved slowly, but on the whole, more effectively in related areas. A gratuitous Supreme Court decision in *Powell v. McCormack* places the establishment of an automatic congressional retirement system beyond the reach of any enactment short of a constitutional amendment. It is within the power of Congress, however, to restrict the holding of chairmanships to persons below a certain age. Quite understandably, more progress has been made on the carrot than on the stick side of this problem; congressional pensions are now sufficiently generous—as they should be—to help senior members contemplate voluntary retirement with equanimity, and even pleasure.

Once we increase the number of committee chairmen who want to improve data gathering and analysis, what advice have we got to help them go about it? One thing they can do is get some help in monitoring the professional capability of their committee staffs by constituting advisory panels of outside experts to meet occasionally to consult with the chairmen and the committee on the general quality of the staff's output. Another suggestion would be to take a leaf from the book of the Executive Branch.

It seems to me that congressional knowledge falls behind that of the Executive Branch in those areas where the Executive has been most energetic in adopting professional standards of data collection and analysis. Adopting professional standards means submitting to the rules and practices and craft norms and constraints of the professional community. It is such a community which decrees, for example, what respectable economics is—regardless of the politics in whose service the economics is harnessed. In consequence of this commitment to professionalization by the Executive Branch, Democratic Administrations must find Democratic economists, and Republicans, Republican economists to do their economics for them. The age of debate about economic policy is surely not over, but the age of patent medicine economics in national politics—at least in the Executive Branch—is over.

Many bright, young economists now have the opportunity early in their careers to serve a tour of duty with the Council of Economic Advisers. There is no reason why Congress cannot tap the same pool of talent for its committee staffs, and in much the same way if it chooses to do so. The same is true of operations researchers or defense analysts. Instead of hearing from experts occasionally at hearings, the relevant committees and subcommittees could hire them for two-year periods, let us say, and gain a much greater familiarity with the thought waves that underlie expertise. This can also give Congress continuous access to technically advanced

criticism of Executive proposals, more sophisticated insight into alternatives, and more sensitive awareness of emerging problems in the world.

That, more or less, is what there is in my paper. I'm sorry to have taken quite so long, but now that Ed Sullivan's off the air, we dog acts have to seize every chance we can get.

Mr. BANKS. Thank you, Dr. Polsby.

Our two congressional speakers are from notable Western Political families. First of all, we have Senator Bob Packwood of Oregon. His great-grandfather was member of the 1857 Oregon constitutional congress, and his father was adviser to the Oregon State legislature on tax and labor affairs. In that atmosphere, Bob Packwood got the political bug. He was taught by Mark Hatfield, now his senior colleague in the Senate, and he was a Root-Tilden Scholar at the law school of New York University. He defeated the veteran Wayne Morse to become Oregon's junior senator in 1968, and arrived in the Senate to become at that time its youngest member.

In any case, Senator Packwood is a leader in liberal Republican ranks and an inspiration to those who would like to change things, to add a new spirit of life to the Senate of the U.S. It is my great pleasure to present Senator Bob Packwood.

Sen. PACKWOOD. Mr. Banks, I find that "young" is relative even to those who are not succeeding me as younger Senators. To some of you I may look young, but a couple of weeks ago I made a speech to a high school audience and I thought I made a pretty good presentation. Afterwards one of the girls called me at my office and asked if she could come and interview me about Republican politics. I said yes. She wanted to know if she could bring some of her journalism classmates with her. I said: "Yes. Anything you want to know in particular?" "No," she said, "just Republican politics." I said: "O.K. If you want to know anything specific, I would try to be better prepared." She said: "Well, we would like to know your personal recollection of politics in the '30s."

I'm not going to comment on Dr. Polsby's paper; it's good. I agree with 90% of it; the seniority system ought to go, and really there are half dozen varieties of ways, any of which would be better. My legislative assistant, who has done research on it, has come across the seniority system in the ancient common council. The oldest man is the leader and by common consent of the rest of the council, if they decided he was too old to serve they slaughtered him. I suppose that could work in the U.S. Congress in some fashion to take care of the problem.

We can make all of the reforms that Dr. Polsby talked about, but all of the reforms aren't going to make any difference unless there's the will in Congress to want to govern. And if the will is there, I frankly think we can do it whether or not we make any reforms. The old practices are not an impediment, they are an inconvenience. You get rid of the seniority system, but you still would have the same committees and one chairman, merely the selection of another.

So while we argue it out for reform and changes in the structure of the Congress, let's not think that because we make changes it's going to make a difference necessarily. This whole argument, of course, has come up basically since the Gulf of Tonkin Resolution in 1964. Up through that time, we abandoned, or gave away, power to the President. I say we in Congress gave it away; the President didn't steal it. Congressional power is very much like chastity: it's seldom lost by force but you can give it up voluntarily, and we have given and given and given away. And we gave it away in the Gulf of Tonkin Resolution. Then we had the war in Viet Nam and, because the war didn't go well, we didn't win soon enough or it was unpopular, Congress soon began to feel pains of self guilt, began to flagellate the President, blame him. And all the time, in the back of our minds, we knew we had given power and responsibility away. When we repealed the Gulf of Tonkin Resolution, we puffed out our chest and we said: "What a great job we have done re-establishing power."

And at the very same time that we have finally voted to repeal the Gulf of Tonkin Resolution, we left on the books the Formosa Resolution passed in 1955, the Middle East Resolution passed in 1957, each of which delegated to the President roughly the same powers militarily to do the same in those areas that the Gulf of Tonkin measure gave him in Indochina. We allowed the President to enter into a legal contract, or whatever you want to call it, with Bahrein, to establish a new naval base though we never had any military agreement with that country, which didn't even exist 15 years ago. Without so much as a whimper from Congress, we allowed for the extension of contracts for military bases with Spain, the Azores and Portugal, without so much as a by-your-leave or whimper from Congress.

This is all in the area of foreign relations, where the President does have some historical prerogative. It's been just as bad domestically. We have given away the Post Office. Congress used to run it politically, and badly. We gave it to the President and now it's just run badly. Don't write me if it doesn't work any more and complain about your postal rates. I don't have anything to do with it. It is not my responsibility any more. It is the President's responsibility. If I had power to do something about it, you see, I think it would be better, but I don't have the power because we have given it away.

Wage and price controls are the single most formidable domestic economic power you can give away in this country. The first time we gave it away, we gave to the President the power to set wage and price controls as of May 25, 1970 in any manner he saw fit in the national interest, except that he could not permit gross inequities. That's the standard, gross inequities. We said, "Fix the wage and price structure any way you want to."

The only thing we did right, and then for the wrong reason, was not to give the President the power to set wage and price controls as of May 25, 1970, in any manner he saw fit in the national interest, except that he could not permit gross inequities. That's the standard, gross inequities. We said: "Fix the wage and price structure any way you want to."

* * * Republicans voted to give this power to this President because they trusted him on where he would make the cuts.

I went up to a couple of them and said: "What would you do if you passed this and if by chance McGovern is elected?"

"Well, we'd have to repeal the law," they said. That was the sum total of the logic and inconsistencies of that vote.

I am convinced that Congress can govern, man can do anything he believes he can do if he wants to do it badly enough. Congress can make the laws of this country, we can set the policy, we can take back the powers if we want. We have said: "Can't, can't, can't" so long; we've said we can't fathom the federal budget, we can't set a date to get out of Viet Nam, we can't really control departmental policies. As we gave these powers to the President, and I think it's become an excuse for "won't," or "don't want to." We don't want the powers because if we give them away, we don't have to make the tough decisions. We can delegate them to the President, and sit back and carp or applaud, depending on whether what he does is popular or unpopular. If it's unpopular, we can say: "What a terrible thing, we wouldn't have done that."

If it's popular, we applaud what a great thing we all did together, and hopefully we'll all be re-elected together. But in no event has Congress helped the President make the prospective decision on which way to go when faced with a difficult decision, and I frankly don't think Congress wants to. I don't see the heart in Congress to really want to take that power. If that's pessimism, that is what it is. If we keep going down the road that we have gone down in the past, Congress is going to become merely a vetoing agency. The president will establish the taxes, set the budget, determine the appropriations, except as Congress chooses to veto. And when we have started down that road, we have bordered very close to a fundamental change in the system of government that our forefathers gave to us. We will come very close to an Executive monarchy, and that may be fine when the monarch is one we like, but not when he is one we don't. If we start down that road, there is going to be no turning back. I hope some place along the way that Congress gets the will and desire to be the policy-making body that they were intended to be by the Constitution.

AN INTERNATIONAL AGREEMENT TO BAN MILITARY WEATHER MODIFICATION

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

Mr. FRASER. Mr. Speaker, I am introducing today House Resolution 329 asking the U.S. Government to take the lead in seeking an international agreement to ban weather modification activities for military objectives. Only 23 years ago the first successful cloud-seeding experiments took place. Today it is no longer science fiction to predict that in the future, the climate of a particular area might be changed at will. Before a potential for enormous good becomes another instrument of destruction, we must act to restrict all weather modification activity to peaceful purposes and place it under effective international control.

During the controversy last year, over reports of U.S. rainmaking in Indochina, the question was asked: "What's worse, dropping bombs or rain?" Granted, it does not matter to noncombatants whether they are starved or drowned by floods or blown up. The point is that it does matter in terms of morality and international respect, and perhaps even in terms of survival of life on this planet, that war should be limited as much as possible to combatants. To attempt to modify water flow, or change the course of storms, or perhaps eventually alter physical properties of large land masses, gives war a new, and if possible, an even more terrible dimension.

The Federation of American Scientists early this month asked President Nixon to reveal details of possible United States use of weather modification during the Vietnamese conflict. This group of 4,500 scientists expressed concern over the precedent our actions could set and over the possibility of more harmful weather modification activities in the future if we do not seek international agreement on peaceful use of weather modification.

The 21st Principle of the Declaration of the 1972 United Nations Conference on the Human Environment states that nations have "the responsibility to insure that activities within their jurisdiction or control do not cause damage to the environment of other states or of areas beyond the limits of national jurisdic-

tion." Air cannot be kept within national boundaries. What one nation does to modify its weather can have a direct impact on the weather and lives of its neighbors.

There is a clear need and widespread wish for international cooperation in weather modification programs. The argument has been made that we do not have techniques for international controls. It is urgent that while we are working out such techniques—through organizations like the World Meteorological Organization and the International Council of Scientific Unions, and through programs like the global atmospheric research program and "Earthwatch," that we take steps to ensure that military rainmaking ceases and that it does not led to experimentation in more harmful varieties of weather warfare. As a first step in achieving international cooperation in this area, we should seek the cooperation of other nations in dedicating all weather modification activities and research to peaceful use.

Several national and international bodies have recently endorsed this principle. At the initiative of the distinguished Senator from Rhode Island (Mr. PELL) the North Atlantic Assembly at its 18th meeting in November 1972 recommended a treaty to ban environmental or geophysical modification except for peaceful purposes. In a 1971 report, the National Academy of Sciences' Committee on Atmospheric Sciences urged the U.S. Government "to present for adoption by the United Nations General Assembly a resolution dedicating all weather-modification efforts to peaceful purposes." The President's National Advisory Committee on Oceans and Atmosphere in its first annual report in 1972 strongly recommended that we seek international arrangements to renounce hostile uses of weather modification. The Sierra Club joined the Federation of American Scientists last July in urging that—

> The United States should henceforth dedicate all geophysical and environmental research to peaceful purposes and should actively seek the cooperation of other nations in programs of joint research on geophysical phenomena, their control, and their peaceful use.

In the past we have recognized that certain actions in war are self-defeating. We have placed restraints on ourselves, and have agreed with other nations on mutual restraints—on use of nuclear bombs, biological warfare, and poison gas. We have declared certain areas such as outer space and the seabeds out of bounds for certain military operations. We have at hand another possible kind of warfare—weather warfare—manipulation of the weather to achieve military objectives.

Now that the cease fire is taking effect, we should take this logical step toward lessening the scourge of war and actively seek international agreement to confine future weather modification to peaceful purposes only. I urge support of House Resolution 329 calling on our Government to seek agreement with other nations to outlaw all weather modification activities as weapons of war.

The resolution follows:

HOUSE RESOLUTION 329

Whereas, the Declaration of the 1972 United Nations Conference on the Human Environment declared that nations have the responsibility to ensure that their own activities do not damage the environment of other nations; and

Whereas, the World Meteorological Organization has machinery to facilitate international cooperation in meteorology; and

Whereas, environmental cooperation can help build a foundation for world peace; and

Whereas, there is great danger to the world environment if weather modification activities are used for warfare: Now, therefore, be it

Resolved, that it is the sense of the House of Representatives that the United States Government should seek agreement with other members of the United Nations on the prohibition of research, experimentation, or use of weather modification activity as a weapon of war.

INTRODUCTION OF LEGISLATION FOR HEALTH INSURANCE COVERAGE FOR MENTAL ILLNESS

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

Mr. HARRINGTON. Mr. Speaker, in his 1963 message on mental illness and mental retardation, President John F. Kennedy stated that—

> Mental health services should be financed in the same way as other medical and hospital costs. At one time this was not feasible in the case of mental illness where prognosis almost invariably called for long and often permanent courses of treatment. But tranquilizers and new therapeutic methods now permit mental illness to be treated successfully . . . within relatively short periods of time—weeks or months rather than years. . . .

Yesterday, Senator PHILIP A. HART and I introduced legislation which will turn President Kennedy's dream into a reality, the Mental Health Act of 1973. As you may remember, I introduced similar legislation providing comprehensive national health insurance for mental illness last year. This bill is substantially the same. The revisions will be detailed later in this statement.

We have a history of ignoring the medical needs of the estimated 3.6 million Americans annually afflicted with some form of mental illness. Our health care and insurance programs have discriminated against mental health treatment, and most Americans have attached a cruel stigma to those tormented by mental disorders. The double standard which has characterized American medical care must be ended. The time has come to guarantee that every American, regardless of economic status, will be able to obtain adequate mental health care.

Yet, it is becoming all too apparent that the Nixon administration intends to continue the unwritten policy of "malignant neglect" toward our mentally ill.

As outlined in the budget for fiscal year 1974, the President has proposed the termination of Federal aid for community mental health centers as soon as current grant support expires. After that, the centers will have to depend upon payments by private individuals, State and local governments, and third-party reimbursement systems for the funds necessary to continue operations. This phasing-out process would be carried out over an 8-year period and would result in the Federal Government saving approximately $75 million by 1975. To say the least, fiscal "responsibility" of this nature will have a severe impact upon the segment of our society which cannot afford adequate treatment on its own.

In addition, the administration has apparently deleted any mention of mental health coverage from its own National Health Insurance Partnership Act—NHIPA—proposal. As originally designed, this coverage was intended to replace Federal grant support for mental health centers. The deletion of all coverage is insensitive and regressive.

Mr. Speaker, since its inception during the Kennedy administration, the community mental health program has stimulated the growth of 515 mental health centers dedicated to the goal of providing a comprehensive method for the delivery of mental health services to all Americans. During the past 9 years, Congress has on seven occasions broadened the authority of the Community Mental Health Act of 1963. In each instance, the Federal financial commitment has been increased. Thus, the administration's budgetary action is totally at odds with congressional intent.

Within America, the groups largely served and most directly affected by the elimination of funding for the centers will be the so-called have nots of our society—the poor, young, and aged. It is precisely these groups who have the highest frequency of mental disorders. As Ramsey Clark pointed out in Crime in America:

> Mental and emotional illness afflicts substantial proportions of the population in some parts of town, while in others it is comparatively rare and carefully treated. Mental illness among children on welfare has been estimated at twice the rate of other children of poor families living in the inner city—afflicting nearly one in four.

In addition, the administration's contention that the States will be capable of taking over the funding of the community mental health centers is not well founded. For example, Massachusetts—one of the more affluent States of the Union—has indicated that once Federal support is withdrawn, it is very unlikely that the State will be able to continue to supply funds to the existing centers. In addition, the State feels that it will be unable to provide money for future mental health centers, such as the one proposed for the Union Hospital in Lynn. Given this fact, it is inconceivable that other States, less richly endowed, will be able to maintain their centers or plan for future one.

Moreover, when this is combined with the fact that third-party reimbursement payments are virtually nonexistent in any consistent manner, it becomes perfectly clear that without Federal assistance, the community mental health program will be destroyed.

It is, therefore, essential for progressive and good mental health that these centers remain open. They have contributed immeasurably to keeping pa-

tients out of the hospitals and to providing adequate outpatient care. If we permit the centers to close, America will have lost one of the best, most economical, and most farsighted health organizations in existence.

At this time, the House Interstate and Foreign Commerce Subcommittee on Public Health and Environment is considering the Public Health Extension Act of 1973 (H.R. 5608) which would continue Federal support for the Community Mental Health Centers Act and several other health related programs until June 30, 1974. As demonstrated by my cosponsorship of this bill, I fully concur with its objective. However, Congress is in the position to do more than merely postpone for another year the crisis currently confronting the centers. Through the enactment of the Mental Health Act of 1973, this crisis situation could be permanently ended.

Under the terms of the model mental health insurance program which I am introducing, the cost of treating every patient entering the centers will be covered. Consequently, the financial burden placed upon these facilities as the result of the discontinuance of Federal grant assistance will be greatly relieved.

Mr. Speaker, I fully realize that because of the precedent-setting and potentially controversial nature of my legislation, the likelihood of its prompt passage is indeed slim. In lieu of this, I urge Congress to assure the survival of the community mental health centers program by immediately enacting H.R. 5608.

Many people have criticized me for introducing a bill which they deem too expensive. The best available estimates of the cost of such legislation are put in the range of between $2.5 and $3.5 billion per year, a substantial amount of money.

My point in introducing the legislation, however, is to require Congress to discuss national health insurance coverage in terms both of who will and who will not be covered. It seems to me that there is a general popular conception that everyone is going to be covered. We know that is not true for the mentally ill and the chronically ill. If we cannot afford to cover everyone, then let us at least be honest with ourselves and the rest of the people in the country and let us set our spending priorities in an open and honest way.

This bill is a model bill. It is not offered as the total answer to the mental health problem in America. It is offered, however, as a means of starting a dialog within the Congress.

REVISIONS IN BILL

Before I briefly describe the major provisions of the Mental Health Act of 1973, I would like to take a moment to outline the revisions made in its since the measure was originally introduced during the 92d Congress.

To begin with, I have added a provision—section 102(B)—that would require recipients of halfway-house care to contribute 100 percent of cost, not in excess of 25 percent of his or her income, for such care.

Since, in many cases, the users of halfway houses have full-time jobs, it only seems reasonable that those with an income should pay the normal rental costs.

In connection with halfway-house care, I have also inserted a clause—section 103(g)(3)—which would provide the use of halfway houses as an alternative to hospitalization.

Halfway-house care is increasingly being utilized as an effective and positive substitute for hospitalization. The combination of a day care facility and halfway house care at night is, in many cases, the initial treatment received by a severely disturbed person. For others just leaving the hospital, halfway houses provide the transitional living situation needed for readjustment to community life. Halfway houses are a 20th-century solution to hospitalization and their use and numbers should be increased.

Another modification in the legislation can be found in section 103(J)(2) where I have more precisely defined the term "psychotherapist."

Specifically, this term has been broadened to mean any psychiatrist, psychologist, social worker, nurse, or paraprofessional who meets such training and experience qualifications as the Secretary of the Department of Health, Education, and Welfare prescribes.

As you know, the number of psychotherapists in America is exceedingly low. By enlarging the definition to include social workers, nurses, and paraprofessionals, a greater number of qualified professionals will be available to administer the services covered by this act.

With the addition of section 104(9)(b), I have enlarged the scope and responsibility of the utilization review board by requiring it to meet at least once every 30 days to review the care provided to each patient in the facility and to determine if further care is warranted. In this manner, the interests of every patient will be better safeguarded.

Notably absent from this year's bill are the provisions dealing with the Federal mental health trust fund and title II governing mental health taxes. The bill simply calls for funding from general Treasury revenues. I have deleted the tax provisions for the time being because I am not an expert on the finer points of tax structures. I believe that those better qualified than myself should decide on the proper funding mechanism, although I support the Kennedy-Griffiths type of mechanism.

It was my experience last year that attention was focused on the tax portion of the legislation, often to the detriment of the mental health provisions. Since my objective in introducing the bill is to bring greater awareness to the Congress of the core concept of the problems of mental health care, I feel that debate on the legislation is of the highest priority.

ANALYSIS OF BILL

Title I includes full payment of—

First, psychiatric hospital care which will include all care to an individual in a qualified psychiatric hospital. This care will be limited to a 90-day period except when the individual's physician requests an additional 30 days subject to the approval of the utilization review board. Further extensions may be granted by the utilization review board but not less often than every 30 days.

Second, psychotherapeutic care which will include visits made by an individual to a psychotherapist for mental health treatment which is of an active preventive, diagnostic, therapeutic, or rehabilitative nature during any benefit period. Payment for these visits shall not exceed $20 unless the physician to whom the visits are being made is participating in a group health program approved by the Secretary.

Third, prescription drugs which will include drugs and biologicals for which a physician's prescription is necessary.

Fourth, psychotherapeutic home care which will include all home visits made to an individual by a qualified institution therapist or by qualified staff members of a mental health clinic or comprehensive mental health center approved by the Secretary of Health, Education, and Welfare.

Fifth, day mental hospital care which will include all care and services provided to an individual in a qualified institution which is primarily engaged in furnishing psychotherapeutic treatment during the daytime hours but does not provide the patients with 24-hour accommodations. This is subject to the same 90-day restriction as in psychiatric hospital care.

Sixth, night mental hospital care which will include all care and services provided to an individual in a qualified institution which is primarily engaged in furnishing psychotherapeutic treatment, sleeping accommodations, and related care and services during the nighttime hours to individuals who work during the day. This is subject to the same 90-day restriction as in psychiatric hospital care.

Seventh, the recipient of halfway house care shall contribute 100 percent of cost, not in excess of 25 percent of his income for the care which includes that provided by those institutions which furnish a transitional residence to those patients who have been released from psychiatric hospital care at the recommendation of their physicians and at the approval of the utilization review board. Also included is care for those patients who will need long-term living arrangements, who require permanent substitution for hospitalization, and who can be maintained in the community with continuing supportive help. Lastly, halfway house care can be utilized as a viable alternative to hospitalization.

Eighth, community mental health care center services which include all care in a facility meeting the requirements of the Community Mental Health Act and is making available to a substantial proportion of the residents a comprehensive program of mental health care.

The term "psychotherapist" includes a psychiatrist, psychologist, social workers, nurses or paraprofessionals who meet such training and experience qualifications as the Secretary shall prescribe.

These services will be available to all Americans regardless of their ability to pay and without copayment or deductibles or coinsurance. All mental health care will be made available to all Americans without direct cost.

To maintain the quality of care, the bill sets strict qualification standards for the providers. These include maintenance of adequate clinical records, accreditation by the Joint Commission in Accreditation of Hospitals, bylaws that will prevent discrimination on any grounds unrelated to professional qualifications, every patient under a physician's care and the ratio of physician to patient not to exceed 40 to 1, 24-hour nursing service with a registered nurse on duty at all times and the ratio of nurses during the daytime hours never exceeding 10 to 1 and 25 to 1 during the nighttime hours, and the ratio of LPN's to RN's never exceeding 5 to 1, and most importantly a utilization review board consisting of not more than eight persons.

The composition of the board shall include three members of the general public, one physician, one psychotherapist, at least one paraprofessional, and two additional members appointed from among other persons in these categories with not more than two members of the board being members of the hospital staff, and will meet at least once every 30 days to review the care provided to each patient in the facility and to determine if further care is warranted.

The program would be administered by the Secretary of Health, Education, and Welfare, with the advice of a Committee on Mental Health which shall be appointed by the Secretary. The Committee will consist of five psychiatrists, five hospital administrators, five former mental patients, five members of the general public, and the Secretary, who will act as Chairman. Terms of office of the Committee members and any conditions of service will be determined by the Secretary.

Also included in the bill will be a full and complete study over the next 5 years of the costs of providing mental health insurance in order to determine the feasibility of expanding the program. This study would be conducted by the Secretary of Health, Education, and Welfare.

The Congress is authorized to appropriate such sums as may be necessary to carry out this act, including any sums necessary to establish and maintain a reasonable reserve for the payment of benefits under this act.

The effective date of the program will be the first day of the first calendar month which begins 6 months after the date of the enactment of this act.

CONCLUSION

Mr. Speaker, there is a serious health crisis confronting America not only in the area of mental health but in every facet of medical care. As the late President Truman said in his message to Congress on September 6, 1945:

> We should resolve now that the health of this Nation is a national concern; that the financial barriers in the way of attaining health shall be removed; that the health of all its citizens deserves the help of all the Nation.

He continued that—

> The ability of our people to pay for adequate medical care will be increased if, while they are well, they pay regularly into a common health fund, instead of paying sporadically and unevenly when they are sick.

Still, nearly 18 years later, America has yet to establish a comprehensive health insurance program. Americans can no longer afford to pay out of their pockets for proper health care. The Mental Health Act of 1973 will provide complete mental health insurance coverage for everyone.

President Truman summed it up best in his 1945 speech by saying:

> We are a rich Nation and can afford many things. But ill health which can be prevented or cured is one thing we cannot afford.

HON. WILLIAM BACON CAMP RETIRES

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

Mr. CASEY of Texas. Mr. Speaker, Friday, March 23, marked the last day of distinguished service as U.S. Controller of the Currency for my longtime friend, William Bacon Camp.

Bill Camp was born in Greenville, Tex., but we became friends while we both attended San Jacinto High School in Houston.

After attending Baylor University, Bill entered Government service with the Office of the Controller in 1937, as a junior examiner. This marked the beginning of a dedicated career in which his abilities were recognized by continued promotion until he was made First Deputy Controller.

When James J. Saxon resigned as U.S. Controller in 1967, President Johnson, seeking the best man to fill the job, called on Bill Camp with his long tenure in the office and knowledge of its duties to become our U.S. Controller of the Currency.

Mr. Speaker, you and my colleagues are well aware that Bill Camp filled this very responsible post of supervising approximately 5,000 national or federally chartered banks, controlling about half of our Nation's banking resources, in a very able and impartial manner.

The excellent manner in which he performed his duties as U.S. Controller of the Currency, under the appointment of President Johnson, were so well recognized that President Nixon, in February 1972, reappointed Bill Camp for another 5-year term as U.S. Controller of the Currency. To my knowledge this is the first time that reappointment under such circumstances has taken place in the history of our country. This is a real tribute to a distinguished friend.

Bill Camp has now, on his own, chosen to retire, and Mr. Speaker, I know you and my colleagues will agree with me that our Government and the Nation will miss this excellent administrator and dedicated public servant. By the same token, we all can readily see that after more than 35 years of hard work from one of the lowest positions in the Office of the Controller of the Currency, to its highest position of responsibility, Bill Camp is indeed entitled to consider taking a little rest.

Mr. Speaker, I feel that I share the views of this body in extending to Bill Camp our sincere thanks for all that he has given to this great land of ours and wish him and his charming wife, Eileen, many days of happiness in the future as they now are able to do some of the many things which they have so long postponed, because of the responsibilities of his duties.

CONSUMERS AND PRICE CONTROLS: SAME OLD LOOPHOLES

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

Mr. BURKE of Massachusetts. Mr. Speaker, in the last couple of days attention has been focused on a consumer movement whose aim is to roll back the price of beef in the supermarkets, a degree of consumer resistance not encountered heretofore in the American economy. I remember the days following World War II when there used to be advertisements on the subways and billboards urging consumers to fight inflation by refusing to pay higher prices for staple items. Since then I have not heard too much about this idea, but to judge from the tremendous coverage in the newspapers and TV news programs this definitely seems to be an idea which is catching on. Knowing full well all the tremendous energy put into this campaign by my good friend and colleague from Connecticut, BILL COTTER, I am pleased to see the movement getting off the ground and beginning to make an impact. The American consumer is serving notice on the middleman and the processors and the cattle barons themselves that they are tired of being taken and that these people can no longer count on a perpetually quiescent American consumer who is just going to accept, however reluctantly, every price increase that comes along.

You can imagine my surprise on yesterday morning when I listened to several live interviews on the early morning news indicating that the consumer movement might well boomerang because the cattle people have a loophole; namely, exports overseas. It is that old nemesis "no export controls" coming back to haunt us again. Having been one of the leaders last year in the fight to impose controls on the export of cattle hides only to have the administration's decision to impose such controls overturned by congressional action, I now find out that once again the fact that foreigners are willing to pay more for a product in short supply which is diverting supplies away from domestic markets and driving up prices further here at home. In other words our Government's hands-off attitude on exports is wreaking havoc on our domestic economic policies, particularly as far as our fight against inflation is concerned. Just as phase II could not work effectively and control the prices on footwear with such an obvious loophole as the export of cattle hides creating shortages of leather in our domestic market similarly a weak, watered-down phase III will never work with American beef being diverted to foreign markets and further restricting

domestic supplies. I just hate to see the well-intentioned efforts of the American consumer to keep beef prices down foiled by the cattle barons' free access to other markets. In other words even if the American consumer bucks at the high prices, the price will not be adjusted—the barons will simply find foreigners willing to pay the price.

Mr. Speaker, once again we have a compelling case for a complete restructuring of this Nation's trade policies. The American consumer, just like the American worker is the one who is paying the price over the years of neglect, euphemistically referred to as the free trade era. It is time the Government faced up to the fact that the economy must be viewed as a whole piece of cloth, domestic and foreign transactions together, since foreign trade has a direct impact on our domestic economy, it follows that domestic economic policies do not operate in a vacuum and they are either aided or frustrated by foreign trade policies in force at the moment. If this Nation is serious about an all-out fight against inflation then it cannot ignore the influence of foreign trade on prices in our domestic markets. One only has to look at what is happening to the price of lumber to see the same point illustrated for all to see. The cost of housing construction is increasing because the price of lumber is sky rocketing. While all this is going on our timber people are maintaining, or indeed stepping up, exports overseas, notably to Japan, further aggravating an already serious domestic lumber shortage. Once again instead of clamping on export controls the Government is prepared to permit more timber to be taken from our national forests.

Mr. Speaker, we are not confronted here with a case of cutting down exports of American manufactures, made by American workers. God knows we need all the jobs we can get in our factory towns around the country. What causes concern around this country are exports of staple items in short supply—exports which have the effect of limiting even further scarce domestic supplies of these commodities. The one who is caught in the middle ultimately is the American consumer, especially the low- or middle-income families for whom a large portion of the family budget goes for food, home, and basic clothing and footwear.

Mr. Speaker, it is time the Government price control machinery attacked the problem of such sky-rocketing items as beef, leather, and timber by imposing export controls at once. Only then will the American consumer resistance movement have a chance of being effective.

TIMBER MANAGEMENT

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

Mr. WYATT. Mr. Speaker, some 500 million acres in the United States are classified as commercial forest land. This means the land is capable of producing industrial wood crops and not otherwise withdrawn from timber management.

In 1970 the Forest Service, U.S. Department of Agriculture, compiled its latest forest survey which revealed that about 107 million acres or 21 percent of all commercial forest land is federally owned. The national forests alone contain more than half the Nation's standing sawtimber inventory.

It might be logical to conclude that these forests also produce half the Nation's timber. But this is not true. The Federal forests produce 31 percent of the Nation's softwood sawtimber while private industrial lands, with only 16 percent of the softwood sawtimber inventory, produce 34 percent. Most of the remaining production comes from small, widely scattered private woodlots, mostly in the East and South.

The United States contains some of the finest commercial forests in the world. Others with great potential for timber yield are not being managed. In the case of the federal forests, funding is inadequate to maximize production. In the case of small private woodlot owners, insufficient incentive and technical advice are available.

We have an obligation to the citizens of this country to see to it that lands best suited to growing commercial forests are placed in production and that these forests are replanted immediately after harvesting.

STATEMENT OF CHAIRMAN RAY J. MADDEN OF THE RULES COMMITTEE MEETING OPENING HEARINGS ON THE PRESIDENTIAL IMPOUNDMENT LEGISLATION

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

Mr. MADDEN. Mr. Speaker, this morning the House Rules Committee opened hearings on the pending Presidential impoundment legislation which will be considered on the floor of the House in a short time. A great number of Members have filed or sponsored bills pertaining to present impoundment of funds on a number of domestic programs which the Congress has enacted in the last several sessions.

On tomorrow, March 29 at 10:30 a.m., the Rules Committee will continue hearings in room 2170, the Foreign Affairs Committee Room, in the Rayburn Building. A number of Members have asked to testify on this legislation and the hearings will probably extend over the next 2 weeks.

Mr. Speaker, I include with my remarks the statement I made today at the opening of the hearings on Presidential impoundment of legislation:

CHAIRMAN MADDEN'S STATEMENT

Today we start hearings on one of the most serious constitutional challenges ever to confront Congress.

The legislative impoundment crisis brought on by the Nixon Administration demands firm and prompt exposure by the Congress.

Members of Congress and the Senate have been deluged with mail, telephone calls, and protests from their constituents against President Nixon's impounding of numerous domestic programs passed by the Congress in recent years for the benefit of millions of American citizens. These impoundments include elders, unemployed, handicapped, veterans, and those needing government assistance, etc.

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

In the past four years, we have poured billions upon billions of dollars into the Vietnam war. Now we have concluded that war, and we ought to start putting the money into domestic priorities where it belongs.

President Nixon has set out deliberately to achieve an unwarranted concentration of powers. He has sought to tighten his rule at the expense of other branches of government.

For several years now, President Nixon has waged his undeclared war on Congress.

In 1971, the Nixon Administration said it would withhold more than $12 billion in highway and urban programs money. The funds were not impounded to effect savings or to fight inflation. The withholding was designed solely to shift the balance of budget priorities to those projects which the Administration preferred.

The same biased treatment showed in the Administration's handling of public works for fiscal 1972. Mr. Nixon pressed ahead with all the projects he wanted. But, without exception, he deferred all the additional projects which the Congress had voted and which he had signed into law.

And then just this year, 1973, the Administration announced yet another massive impoundment—$8.7 billion in funds voted by Congress and $6.6 billion in contract authority.

Mr. Nixon has justified much of his impoundment action as necessary to fight inflation. I think we ought to place the blame for this inflation—and its skyrocketing food prices—where it belongs—at Mr. Nixon's door.

The Congress voted Mr. Nixon the absolute authority to control wages, prices, interest, rents, food costs, etc., in August 1970, and he let it sit on his desk for one year before he acted upon it. In August 1971, in a nationwide television broadcast, he announced his 90-day freeze—which was a failure. He then followed with Phase II and now Phase III.

After the 1972 election, he abolished controls prematurely and he started us on another round of inflation.

I would note that Mr. Nixon's own budgeting recommendations have helped spur inflation. This year he has submitted to the Congress his fifth consecutive big-deficit budget. Those deficits total more than $100 billion, and they have accounted for the accumulation of one-fourth of all the national debt in the space of four short years.

Mr. Nixon has blamed the Congress for the economic crisis he precipitated. And then he has used the economic emergency as justification for his impoundment actions.

He has elevated his distaste for consultation with Congress into the doctrine of executive privilege. And he has expanded that spurious privilege to prevent members of his staff from testifying before Congress on the Watergate scandal. When the truth is known about that matter, it will eclipse all the scandals of the Harding Administration, including Teapot Dome, and all the Grant Administration scandals, put together.

I think we ought to forget the shadow boxing on this impoundment business and have it decided once and for all on the question of one-man rule. These Rules Committee hearings should greatly aid the American public on learning the true facts concerning the high cost of living.

The legislation before us today will set a new pattern of working relations between the executive and the Congress during President Nixon's second term. We are going to give him every cooperation. But we will not be bullied by an overly aggressive executive. We will not permit one man to substitute his own preferences for the carefully deliberated judgment of 435 Members of the House of Representatives and 100 Senators. It is up to Mr. Nixon now—at this time—to show Congress and the nation whether he wants a government of cooperative but balanced powers, or whether he will leave the Congress no choice but to apply further checks to the overrriding ambition of the executive.

We have with us this morning Congressman George Mahon, Chairman of the Appropriations Committee. Mr. Mahon will testify in behalf of H.R. 5193, his bill to preserve the distribution of powers within the national government. Mr. Mahon.

REVERSING DECLINING MANPOWER IN NATIONAL GUARD AND RESERVES

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

Mr. DULSKI. Mr. Speaker, I would like to take this opportunity to commend our colleague, Congressman MONTGOMERY, for the leading role he has taken to reverse the declining manpower levels in the National Guard and Reserves. Only this morning, the Insurance Subcommittee of the Veterans Affairs Committee, on which I am privileged to serve, reported out favorably to the full committee a piece of legislation to provide full-time coverage under the Servicemen's Group Life Insurance program for members of the Reserve components of the Armed Forces.

Mr. MONTGOMERY, who is chairman of the subcommittee and author of the legislation, is to be congratulated for pushing for this incentive for the reserve components. I might add that he is also author of legislation to provide retirement at age 55 following 20 years of creditable service and reduced annuities for survivors of guardsmen and reservists who die before reaching retirement age.

Mr. Speaker, I am very pleased to have been able to lend my support to the bill to give full SGLI coverage to members of the reserve components and again commend Congressman MONTGOMERY for his deep and abiding interest in providing the necessary incentives to recruit and retain personnel in the National Guard and Reserves.

WELFARE REFORM IS NEEDED

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, I would like to make a few remarks following upon Mrs. GRIFFITHS release yesterday of a staff report of the Subcommittee on Fiscal Policy of the Joint Economic Committee.

First of all I would like to congratulate Mrs. GRIFFITHS for initiating and carrying through this significant study and I would also like to commend the committee staff as well as the GAO for the assistance they provided.

The report, "How Public Welfare Benefits are Distributed in Low-income Areas," is an historic project sampling 1,758 unidentified households drawn from 6 sites designated by the Census Bureau as low income areas. The staff report examines how the benefits of 100 different Federal, State, and local welfare programs are distributed in these areas, and this includes unemployment insurance, social security benefits, public housing, cash public assistance, aid to dependent children, school lunches, and so forth.

While Mrs. GRIFFITHS and the Joint Economic Committee do not claim that this report is more than a selective survey of data, it is clear that as a sample of income maintenance programs for low income families, the report is distinctive, original and highly significant. I believe this report may well point us toward effective welfare reform.

In an unusual approach, the report takes into account all kinds of income assistance—cash, goods, services—to determine precisely the dollar value of benefits received. How the cash, goods, services are distributed, to whom they are allocated, how equitably dispersed, who benefits—these are questions answered by this study.

Certain revealing conclusions become apparent. First of all 11 percent of all sample households evidently participated in five or more programs during the year. This would lead you to think that many welfare recipients are being overpaid, but it does not work out that way. Commenting on this data Congresswoman GRIFFITHS pointed out that the point of welfare is to provide a reasonable amount of aid to those who need it.

That is not what is happening. For example, a family receiving higher cash benefits than another family, may actually be less well off, if the second family, as a result of the lower income factor, is also eligible for additional assistance in the form of food stamps, housing, and health care. If there are a number of adults in a family, and they are receiving varying kinds of benefits, this particular family may be far ahead financially of a family headed by a woman with a number of children. So some of the poorest families are receiving inadequate aid and others are getting more public assistance than can be justified under Mrs. GRIFFITH's criterion stated above, with which I wholeheartedly agree, welfare should provide aid to those who need it.

Another example of how this principle is being violated is the situation in which families live next door to one another. Family A has several kinds of welfare assistance; Family B has an able-bodied wage earner. The take-home pay of the wage earner may actually be less—after taxes—than the benefits of Family A from several public assistance programs.

Thus there is no incentive for Family B to struggle to remain off of welfare when, given certain conditions, they might even improve their income thereby. And since many programs reduce benefits with each dollar earned, there is less incentive for welfare recipients to begin to work.

The report also indicates conflicts among these programs. For example, last year Congress voted a 20-percent increase in social security benefits to help senior citizens hurting from inflation. But, those who were receiving old-age assistance find that this increase decreases other benefits and may completely cut them off from medicaid, food stamps, et cetera. This was not the intent of Congress. That is giving with one hand and taking with the other.

And this points up the administrative nightmare involved in checking on income, family circumstances, keeping records, mailing checks, making adjustments on 100 programs, programs administered at different levels of the government. It is, as Mrs. GRIFFITHS described it, a "nonsystem," and an "impossibly complex maze of programs which produces unintended results." Of course the duplication of efforts is another drain on the taxpayer who must support these unnecessary administrative costs.

Mr. Speaker, almost 2 years ago now the Members of the House of Representatives were debating H.R. 1 and the program that legislation offered to change the welfare system. That part of the proposal was lost. But I do not think that we can afford to let the need for welfare reform go unattended. The problems are worse, not better; the inequities abound; costs increase; discontent mounts on both sides. It is my hope that this Congress, with this valuable report by the Subcommittee on Fiscal Policy in hand will proceed toward welfare reform.

NEW KIDNEY DISEASE TREATMENT UNCOVERED

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, not many weeks ago, newspaper accounts flourished which described the provisions of H.R. 1, approved by the 92d Congress, which in part provides for Federal payments to persons who suffer from kidney disease to cover the costs of dialysis. Those accounts expressed the view that within 10 years, this provision alone could cost the Government $1 billion annually.

Many of my colleagues and I felt that these estimates were greatly inflated and that technological advances and ongoing medical research would provide newer and better ways to treat kidney patients—at far less expense than might be the present case with dialysis.

Yesterday's Baltimore Sun ran a story of particular importance to this debate. It reported that medical researchers at the Johns Hopkins University have identified a new chemical method for treating kidney patients—a program whose cost could prove to be one-fifth that of traditional dialysis treatment. The new method, which must still be subjected to further testing, involves the use of certain keto-acids, which are derivatives of amino acids, along with a strictly controlled diet. This treatment method would seem to hold great promise for kidney patients, and I would like at this time to place in the RECORD the text of the Sun story for the information of the Congress:

CHEMICAL SUBSTITUTE FOR DIALYSIS SOUGHT

(By Frederick P. McGehan)

Medical researchers at the Johns Hopkins University reported yesterday that they have developed a chemical means of treating severe kidney disease that may reduce—or even eliminate—the need for costly kidney machines.

The method, which combines a low-protein diet with daily administration of keto-acids, still requires considerable additional research and evaluation before it can ever hope to have widespread application.

But initial studies at the Hopkins School of Medicine have been promising enough for the Hopkins to begin negotiating with pharmaceutical firms to develop plentiful supplies of keto-acids.

Persons with severe kidney disease lose the ability to remove waste products derived from protein in the diet. These wastes accumulate in the blood and, unless removed mechanically, can produce death. Current choices of treatment are to place patients on dialysis machines permanently or until a kidney transplant can be performed.

ABOUT 3,000 ON DIALYSIS

In either case treatment is costly, from $5,000 to $25,000-a-year for dialysis treatment two or three times a week, or a transplant operation at $8,000. The operation is successful about 50 per cent of the time. Some 58,000 Americans die of kidney disease annually.

Under Social Security amendments passed last year, the government now pays for longterm dialysis treatment. Currently there are 3,000 patients on dialysis nationwide and 7,500 who become candidates each year. The eventual cost of this has been placed at $1 billion annually.

The method reported yesterday by Dr. Mackenzie Walser and colleagues at the Hopkins basically regulates the food intake of kidney-disease patients so that waste products are not created.

Keto-acids are key to the method. They are chemicals—five in all—derived from amino acids (components of proteins) that do not produce waste materials. These chemicals, however, can supply most of the protein requirements.

STRICT DIET CONTROL

Also essential to the method is strict diet control. Some patients in the Hopkins study were not allowed to eat any meat.

Keto-acids were given to volunteer patients with meals, sprinkled as a powder on applesauce or dissolved with soup or lemonade. The chemical compound "tastes terrible," Dr. Walser reported.

The professor of pharmacology and experimental therapeutics estimated that, if keto-acids were commercially mass produced, the cost of this treatment on a weekly basis would be about one-fifth the cost of dialysis.

DETERIORATION UNSTOPPABLE

"It is clear that, for patients with certain levels of severity, it (keto-acid therapy) can replace dialysis," he stated in a telephone interview. The best candidates would be those who have between 2 and 10 percent of normal kidney function, he added.

The 48-year-old Hopkins researcher reported his findings in the current issue of the Journal of Clinical Investigation, a publication of the American Society for Clinical Investigation.

He said 6 of 10 patient volunteers were able to go without renal dialysis for up to nine months. He indicated that his experiments, carried out over three years, were hampered by the shortage of keto-acids, which are produced in only a very few laboratories.

One of the six patients, he noted, died during a period when Dr. Walser had to go to England to replenish his supply of the chemical compound.

The remaining five patients are alive and are all on dialysis treatment currently, he said.

Keto-acid treatment, he explained, cannot prevent deterioration of kidney function and is not useful when the kidneys have ceased to function.

But, Dr. Walser noted, it is not possible to predict the rate of deterioration. For some patients it can be months and, for others years.

His method, he added, would be potentially useful for persons who are not normally considered candidates for dialysis machines, such as diabetics. It may also be used in conjunction with machine therapy to reduce the requirement of washing out the blood to, perhaps, once every two or three weeks.

Since the initial series of patients reported in the journal, Dr. Walser said his group has treated an additional seven, four of whom are now receiving daily administration of keto-acids. One patient died of total kidney failure and the other two are on dialysis.

The longest patient in the current series has been on keto-acid therapy for 2½ months, Dr. Walser said. The compound is being administered to this patient on an out-patient basis.

"If it continues to show the promise it has in early cases," Dr. Walser said, keto-acid therapy "may be a suitable alternative" to dialysis.

He urged a "crash program" on the part of the federal Food and Drug Administration and the pharmaceutical industry to review the method and begin producing keto-acid compounds.

Should the drug industry wish to obtain Food and Drug Administration approval for keto-acids as a food supplement, Dr. Walser said it could take only a year or two for clearance.

If, however, it is submitted as a new drug the process will take longer. And, if the federal drug agency decides to evaluate each of the five constituents as a separate drug, it would take even longer, he noted.

Dr. Walser collaborated in the project with A. Will Coulter, an organic chemist; Shrikent Dighe, a research chemist, and Frank R. Crantz, a medical student. He was also assisted by biochemists at Oxford University in England.

He is working under a $50,000-a-year grant from the National Institute of Arthritis, Metabolic and Digestive Diseases. He also receives about $50,000-a-year from the Hopkin's clinical research center.

I would hope that this new treatment will prove as effective as it at first appears to be. I am contacting the Food and Drug Administration and urging their immediate investigation of the keto-acid treatment method so that no time will be lost in attempting to come to grips with this serious and costly disease.

WEATHER MODIFICATION AS A TOOL OF WAR

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, during the 92d Congress, one of my major priorities, as chairman of the World Environment and International Cooperation Committee of Members of Congress for Peace Through Law, was to investigate the use of weather modification as a tool of war by the United States in Indochina. Although the Department of Defense closely guarded this secret, overwhelming circumstantial evidence convinced me that this Nation had, indeed, entered the field of environmental warfare.

Today, my colleague DONALD M. FRASER and I are introducing legislation to put the House of Representatives on record as favoring an international agreement to prohibit research, experimentation, or use of weather modification activity as a weapon of war. Such an agreement has been endorsed by the President's National Advisory Committee on Oceans and Atmospherics, the North Atlantic Assembly—the parliamentary adjunct to NATO; the Federation of American Scientists; Maurice Strong, U.N. Environmental Secretary; the National Academy of Sciences Comittee on Atmospheric Sciences; and the Sierra Club.

At this point, I would like to insert in the RECORD a copy of my testimony on this issue before the Senate Foreign Relations Subcommittee on Oceans and International Environment on July 27, 1972, and a copy of the aforementioned resolution which Congressman FRASER and I hope to see passed during the 93d Congress:

STATEMENT OF HON. GILBERT GUDE, A REPRESENTATIVE IN CONGRESS FROM THE EIGHTH CONGRESSIONAL DISTRICT OF THE STATE OF MARYLAND

Mr. Chairman, it is a distinct privilege to appear before this subcommittee. You, Mr. Chairman, have a remarkable record of sponsoring arms control measures, particularly the Seabed Treaty, for which we owe you so much. It is encouraging, therefore, that this committee is considering the challenge to good sense and arms control raised by the specter of geophysical warfare.

I have served for almost 2 years as Chairman of the World Environment and International Cooperation Committee of Members of Congress for Peace through Law—MCPL. MCPL is a bipartisan, bicameral association of 32 Senators and 101 Congressmen. Together with Senator Alan Cranston, our committee's Vice Chairman, we have been investigating the military use of weather modification since March of 1971.

I have noted that you will hear from a number of eminent scientists today, and that yesterday you were briefed by administration spokesmen, such as it was. I will leave the technical details of this new form of warfare to these experts. I do want to explore, however, three major areas of my concern over the development and use of environmental warfare techniques: The arms control implications, the effects on the U.S. scientific community, and the environmental consequences.

ARMS CONTROL IMPLICATIONS OF ENVIRONMENTAL WARFARE TECHNIQUES

Concerning arms control implications, it appears that this country has precipitously blundered into a most unwise use of technology. The arms control implications are staggering. As Senator Cranston and I pointed out to the Secretary of Defense on June 15, 1971:

"Using weather modification as a military tool opens the door to a vast unknown category of warfare. Although techniques are primitive today, experience with other military systems suggests that refinements inevitably will come."

We are taking a step that demands gifted foresight and prophecy beyond our powers. For this reason alone, caution—even abstention—should be our guide.

COMMAND AND CONTROL PROBLEMS

Why should we be so alarmed about a technique that is not nearly as lethal as other forms of warfare? There are several reasons: First, there are distinct command

and control problems associated with geophysical warfare and weather modification in particular. We simply do not have effective short- or long-term control over the climates of the world. We can create certain disturbances, but as civilian experiments have shown, control is not very precise. In a military environment, control over the results of weather experimentation is even more uncertain.

The command problem is no less acute. Since the technology to date does not involve great expense or sophisticated equipment, it is not difficult to imagine the use of weather modification by many different military subunits. In fact, there have been reports that we have trained the South Vietnamese to use weather modification. There are no double-key safing mechanisms here, no exclusive possession as with nuclear weapons.

POTENTIAL INDISCRIMINATENESS

We must also consider that the use of weather modification is potentially indiscriminate. Unlike other weapons, the winds and seas are not so directable that we can discriminate between one target and another. By their nature, they are areawide weapons. We cannot flood only military targets or cause drought in areas producing only military rations. The technology will be used against people regardless of their uniform or occupation. Weather modification will inevitably strike civilians harder than nearby military objectives. Will rain along the Ho Chi Minh Trail succeed where years of bombing has not? And what price will it exact from the agrarian societies along its path, both friend and foe?

DIFFICULTY OF DETECTION

The issues of command, control, and discrimination highlight another disturbing characteristic of weather modification, the difficulty of detection. Unlike other weapons, it may be possible to initiate military weather modification projects without being detected. In other words, the military results may not be visibly tied to the initiating party. This raises the possibility of the clandestine use of geophysical warfare where a country does not know if it had been attacked. The uncertainty of this situation, the fear of not knowing how another country may be altering your climate, is highly destabilizing.

POSSIBILITY OF FALSE CHARGES

I can also envision another possibility. Suppose, for example, that a U.S. plane flies a routine, nonmilitary mission near Chile, Egypt, or Tanzania and by some quirk of fate a major earthquake, flood, or forest fire occurs in one of these countries. Because we have been tinkering with geophysical warfare, we could be charged with creating that environmental calamity due to the mere proximity of the U.S. aircraft. Propaganda would echo around the world. There is ample precedent for believing that this could happen. We need only remember the incident during the Korean war when the North Koreans unjustly claimed that we were using poison gas.

ADMINISTRATION LEADERSHIP IN ARMS CONTROL FIELD

The administration has shown great leadership in the arms control field. SALT and the ban on biological weapons are two excellent examples. It is to this record that we should look for a model to follow.

There are certain parallels between weather modification and the early use of chemical warfare in Vietnam. Then, as now, we did not know the long-term consequences of our actions. We are only now beginning to understand how profound was our effect on the Vietnamese ecology. We cannot afford to repeat this experience. Therefore, I propose that the President's initiative in the biological field could be used as a relevant model for restrictions on geophysical warfare.

CONSEQUENCES OF MILITARY ENVIRONMENTAL WARFARE ON SCIENTIFIC COMMUNITY

Mr. Chairman, my second area of concern deals with the consequences of U.S. military environmental warfare on the U.S. scientific community. Geophysical warfare can poison the atmosphere surrounding legitimate international programs such as the global atmospheric research program, the international hydrological decade and meteorology in general. We have already seen that it caused the U.S. delegation at the Stockholm Conference to water down a recommendation on climatic changes. The potential for embarrassment is great and for that reason Senator Cranston and I conducted our correspondence with the Defense Department in private for over a year until the issue broke in the press.

Our scientific community could come under suspicion or attack at these international meetings. The trust built over the years by our excellent atmospheric scientists could be dispelled in one stroke of Pentagon experimentation. For this reason, it is of paramount importance that the Secretary of Defense publicly divorce all U.S. military weather modification or geophysical research activities from civilian organizations.

The U.S. Forest Service already has been drawn into the Vietnam conflict and in a most disturbing manner. Who would have thought that the same agency that teaches "Help Smoky stamp out forest fires!" would be contracted by the Pentagon to help create firestorms in Vietnam. It is a sign of the pervasive influence of this mistaken war.

ENVIRONMENTAL CONSEQUENCES OF WEATHER MODIFICATION

In recent years we have come to realize that many of our activities in society have undesirable environmental consequences. Too often we learn of these after much of the damage has been done. The area of weather modification has potential for causing considerable environmental harm and I regret the fact that the public has been kept ignorant or what developments are taking place.

The Department of Defense has testified that it is conducting a study of climate modification known as Project Nile Blue. Under this study a sophisticated computer called the Illiac IV will further advance our technological knowledge of how to change weather patterns. Obviously, such knowledge can be used for offensive military purposes.

Today there exists the strong likelihood that we have artificially increased rainfall in Indochina. Obviously, this activity can be significantly destructive. Floods and intense downpours can do more than hinder troop movements; they kill people and they destroy property.

Such operations are still at a primitive stage; however, beyond making rain, we just look to the possibility of prolonging droughts, redirecting storms and hurricanes and setting off earthquakes with small nuclear devices. Even the possibility of permanently changing the world's climate by tampering with the polar ice cap is no longer in the realm of science fiction.

We learned at the dawn of the atomic age that no military potential will long remain in the sole control of one power. It may be possible, for example, that as the Soviets develop their computer technology their weather control technology will progress correspondingly. But we should not be forced into this field due to some possible Soviet interest and neither should we encourage the U.S.S.R. to increase its capability because of our experimentations. It is in the best interest of both countries to avoid a technology race that could culminate in environmental disasters.

Many authorities have testified that weather modification is a Pandora's box. This is true in more ways than one. We not only do not know how far our technology will take us, but we also have no idea of what may be the permanent consequences of the experiments we have conducted so far. The top secret acidic rain, produced by the so-called hydroscopic seeding, is a prime example. Has it changed the acid content of the soil? Does it destroy plant life or alter the ecosystem of the area on which it falls?

ABSENCE OF NATIONAL POLICY ON WEATHER MODIFICATION

In the exchange of correspondence with the Department of Defense, Senator Cranston and I repeatedly inquired about U.S. national policy regarding weather modification. In one reply we were told that weather modification has been discussed in DOD for some 20 years. It probably goes back even further, for during World War II we solved a fog problem at Iwo Jima airport by blasting the top off a nearby hill. Regardless of the time span, the most startling point is that only recently has an Under Secretary's committee been convened to formulate a definitive national policy. Twenty years or more we have been moving toward a new form of warfare with no overall policy guidance. Deputy Director of Research and Engineering, John S. Foster, has said that "Presumably this policy when completed will be announced to the Nation in some appropriate fashion."

I think we have all waited too long. I must also note that the Pentagon has been most uncooperative in our search for answers. They have decided to keep this aspect of our Vietnam policy secret from the public and from Congress except for one or two committee chairmen.

RECOMMENDATIONS

In the light of the potential embarassment and environmental hazards involved in geophysical warfare, I have three firm recommendations:

First, I recommend that all geophysical research and development be conducted under open, civilian auspices except designated defensive military applications designed to save lives. Picking up downed pilots and fog control at airports would be examples of permitted activities. There is no justification for DOD to remain in the business of harnessing the environment for military use.

Second, I recommend that the United States reject all forms of geophysical warfare as of a date certain and request other nations to join in an international treaty to that effect. The model of the biological agreements could well be followed, including a no first-use provision.

Third, I recommend the creation of a civilian oversight board composed of representatives of the National Academy of Sciences—NAS, Environmental Protection Agency—EPA, Department of Defense—DOD, Arms Control and Disarmament Agency—ACDA, Department of Agriculture, Department of the Interior, Department of Commerce—NOAA, NASA, Department of State and a nonvoting representative from the United States Intelligence Board—USIB, to be chaired by NAS, to insure that all environmental research and operations do not have covert military applications and to insure the divorce of military and civilian scientists studying geophysical engineering.

H. Res. 329

Whereas, the Declaration of the 1972 United Nations Conference on the Human Environment declared that nations have the responsibility to ensure that their own activities do not damage the environment of other nations; and

Whereas, the World Meteorological Organization has machinery to facilitate international cooperation in meteorology; and

Whereas, environmental cooperation can

help build a foundation for world peace; and

Whereas, there is great danger to the world environment if weather modification activities are used for warfare: Now, therefore, be it

Resolved, that it is the sense of the House of Representatives that the United States Government should seek agreement with other members of the United Nations on the prohibition of research, experimentation, or use of weather modification activity as a weapon of war.

LEGISLATION TO PROTECT U.S. PUBLISHERS OF SOVIET WORKS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, any new commitment by the Soviet Union to adhere to international agreements and treaties is generally a promising development—one Western nations should encourage and applaud. The Soviets for too long have tended to go their own way in international affairs, thereby often stirring international tensions and disagreements more than avoiding them.

There is apparent reason, however, to suspect the Soviets' motives for acceding to the Universal Copyright Convention effective May 27, 1973. The Soviet announcement of their accession was followed by an ominous change in Soviet domestic law which would, among other things, allow the Soviet Government to claim proprietary rights over United States and other foreign copyrights on the works of Soviet authors.

While information on this change in Soviet law is still limited to press reports and Western experts have not yet had an opportunity to study it in detail, the implications seem clear. With this kind of domestic legal authority, and with the machinery of the Universal Copyright Convention at its disposal, the Soviet Government could be in a position to prevent further foreign publication of works by what it considers dissident Soviet authors. It could do so by asserting proprietary rights over their works and bringing suits in the United States and other countries against publishers who print those works.

Mr. Speaker, whatever gains nations and publishers outside the Soviet Union might stand to reap from Soviet participation in the Universal Copyright Convention would surely be far outweighed by the damage that could be done to fundamental human rights and freedom of expression should the Soviets choose to use their accession as a muzzle on foreign publishers and Soviet authors. I believe firm action must be taken now to make it clear to the Soviets that we do not intend to stand for such a cynical, unjust, and self-serving abuse of the Universal Copyright Convention.

With that in mind, I am today introducing legislation in the House which is intended to block the Soviets or any other nation from stifling dissident authors and isolating them from the outside world by bringing suit against American publishers who print their works. This legislation is supported by the Authors League of America, and is similar to legislation introduced March 26 in the Senate by Senator JOHN MCCLELLAN, chairman of the Senate Subcommittee on Patents, Trademarks, and Copyrights. The bill simply amends section 9 of the U.S. Copyright Act to provide that U.S. copyrights shall vest only in the author of a work, his executors or administrators, or his voluntary assignees and that in no instance may any foreign government or state divest the author of a U.S. copyright or bring action against a U.S. publisher on that basis.

Mr. Speaker, I do not regard the legislation I am proposing today necessarily as the final, and certainly not the only, device for dealing with this most significant problem. I feel that every effort should be made also by our State Department and diplomats of other nations to determine precisely the intent of the Soviets and, through discussion and negotiation, to attempt to dissuade them from any action that would further stifle their own authors or deprive citizens of other nations of access to the writings of any Soviet author.

We must be perfectly clear and firm in any such negotiations that we will not tolerate suppression of Soviet authors or any interference with the right we accord our own citizens to read and to publish. As a Member of the House Committee on Foreign Affairs, I intend to do everything possible to see that the State Department adopts a strategy that could lead to a satisfactory diplomatic resolution of this problem.

With regard to enactment of remedial U.S. legislation, I am hopeful that Subcommittee No. 3 of the House Judiciary Committee, which has jurisdiction over copyright law and which is chaired by my distinguished colleague from Wisconsin, Mr. KASTENMEIER, will take the legislation I have proposed under immediate consideration, and will assess it carefully. Whatever changes and improvements in the bill the committee may wish to make, I trust it and this Congress will share my strong support for the bill's basic purpose and intent—to preserve the rights of American citizens and American publishers to have access to the works of foreign authors regardless of the views of their governments, and to defend the rights of authors in every country to publish and be read at least in this country without government interference.

We do not seek in this bill to impose upon the Soviet Union our system of freedom to publish, committed and devoted as we are to that freedom. We seek only in this bill to prevent the Soviet Union from imposing on us—on our citizens and publishers—the repressive system they maintain in their country.

Hopefully, Mr. Speaker, we can resolve this problem through diplomatic action, or through domestic legislation such as I have introduced today, or both, without causing the Soviets to withdraw from the Universal Copyright Convention. Certainly that should be our goal. But if we cannot have continued freedom to read and publish in this country the works of dissident Soviet authors with Soviet accession and participation in the Universal Copyright Convention, then certainly we must opt to retain that freedom without Soviet accession to the Convention.

Mr. Speaker, several recent articles from the Washington Post, Publishers Weekly, and the New York Times concerning developments on this matter follow:

[From the Washington Post, Mar. 28, 1973]

SOVIET ABUSE OF COPYRIGHT IS FEARED

Moscow, March 27.—Physicist Andrei Sakharov and five other liberal scientists and writers warned today that the Soviet Union's agreement to join the International Copyright Convention could suppress rather than protect the rights of Soviet authors.

In an open letter to the United Nations Educational, Scientific and Cultural Organization, they warned that the "harsh and arbitrary" powers of Soviet censorship could now possibly operate on an international scale, supported by the Geneva Copyright Convention.

The Soviet decision to join the convention was announced last month, to be effective May 27.

Sakharov, who helped develop the Soviet hydrogen bomb, and the other signatories said they basically approved the Soviet decision, but wished to set forth "some misgivings."

"In the special circumstances of our country the law about the state's monopoly of foreign trade could be converted into a power which limits and even completely suppresses the copyrights of Soviet citizens," they said.

"Ideological and aesthetic censorship has always been extremely rigorous in our country, and in recent years has become ever more harsh and arbitrary."

[From the Publishers Week, Mar. 26, 1973]

AUTHORS, PUBLISHERS DEPLORE SOVIET MOVES TO CURB DISSIDENT WRITERS BY COPYRIGHT LAWS

The Authors League of America has asked the State Department to lodge a "strong protest" and demand that new provisions of the Soviet copyright law be rescinded if they provide a broad exemption for educational materials or prevent foreign publication of works by dissident Russian authors.

In a follow-up action, the Authors League asked Congress to amend the American copyright law to prevent the U.S.S.R. or any foreign government from appropriating U.S. copyrights granted to their authors and using them to bar publication of the authors' work in this country. On March 20, the League sent identical letters to Senator John L. McClellan and Representative Robert W. Kastenmeier, Chairman of the Senate and House Judiciary Subcommittees dealing with copyright matters. The letters cited an Associated Press Moscow dispatch reporting adoption by the Supreme Soviet of a decree 133 which they said "apparently is designed to permit the U.S.S.R. to prevent publication of these works abroad by bringing suits for infringement of United States or other copyrights against publishers in foreign countries who issue these works." The U.S.S.R. would presumably claim proprietary rights in the U.S. or other foreign copyrights in the works of dissident authors—copyrights which will be secured by its forthcoming adherence to the Universal Copyright Convention.

Others throughout the American publishing industry also voiced concern at reports from Moscow that the Soviets had taken steps to amend their domestic copyright law in ways that would nullify any benefits arising from adherence to the UCC. Details of the new provisions were not known as this issue of *PW* went to press.

An emergency meeting was called by the Association of American Publishers Board of Directors for March 21 to discuss ramifica-

tions of reports that the Soviets had amended their domestic copyright law on February 2 to exempt books used for "nonprofit scientific and educational purposes" from royalty payments and to allow the Soviet Government to acquire control of foreign copyrights of Soviet authors and thus prevent publication of dissident authors abroad.

"Authors League respectfully urges the State Department to immediately obtain for it and other interested organizations translation and analysis of new provisions." Authors League President Jerome Weidman said in a March 19 telegram to Secretary of State William P. Rogers. "If these have effects reported . . . it is essential U.S. immediately make strong protest to U.S.S.R. and demand provisions be rescinded."

State Department officials said they were surprised at the actions of the Soviet Government and had requested the Moscow Embassy to furnish a summary and translation of the amendments to the domestic Soviet copyright law of 1961.

If they provide a broad exemption for educational materials, the Authors League pointed out, a vast proportion of all U.S. books published in the Soviet Union after the May 27 effective date for accession to UCC would receive no copyright protection.

Robert L. Bernstein, Chairman of the AAP, said that American publishers had made it clear to the delegation of Soviet publishing authorities on their recent visit to the United States "that the promising atmosphere engendered by the Soviet's extension of law and equity to proprietors of intellectual products would be jeopardized by attempts to exploit the international copyright regulations as a weapon to silence Soviet writers.

"It is very regrettable that the Soviet Government has apparently chosen to ignore the sensitivity of U.S. authors, publishers and all those interested in freedom and harmonious international relations," said Bernstein, president of Random House.

Boris I. Stukalin, Chairman of the State Committee for Publishing, Printing and Book Distribution of the U.S.S.R. Council of Ministers, and four high-ranking colleagues departed from New York the first week of March after completing a historic two-week visit as guests of the AAP. They met with U.S. officials and dozens of American publishers in New York, Boston and Chicago. "As hosts of the first such delegation of ranking officials in the publishing industry in the U.S.S.R., AAP representatives and publisher members had not wished to anticipate publicly during Chairman Stukalin's stay in this country the fears that many had voiced privately to their guests about the possibility that some would wish to use UCC to repress Soviet authors," Mr. Bernstein said.

The Authors League had earlier sought assurances from the State Department that U.S. authors would receive adequate protection in the U.S.S.R. under any copyright agreement resulting from generally improved U.S.-Soviet relations and the trade negotiations between the two countries.

In a letter to Deputy Assistant Secretary of State Bruce C. Ladd, Jr., the League on December 10 said: "We know that the United States does not favor or condone Soviet suppression of writers and artists; we only suggest that caution be taken . . . to avoid giving them [the Soviets] the opportunity to distill such a claim out of the copyright discussions" (*PW*, February 12).

It could be said that this, in effect, is what has happened. While the Soviet publishing delegation was in this country, the news that the U.S.S.R. had acceded to UCC was cheered by American publishers. Only after the delegation returned home did word emerge that stiff new provisions in the copyright law would enable authorities to clamp down on Soviet authors who attempt to publish abroad without going through government procedures.

In the opinion of Roger W. Straus, Jr., president of Farrar, Straus & Giroux, which publishes Alexander I. Solzhenitsyn and other Russian authors, there is "absolutely no doubt that the Soviet Government can now control publication at home and abroad." Adherence to UCC gives the Soviet Government a handle on foreign publishers it did not have before the Soviets joined the international copyright system, he told *PW*.

If press reports from Moscow are accurate, the Soviet Government will now be able to prosecute authors who fail to comply with domestic publishing procedures. It will also be able to go to court in the United States to enjoin U.S. publishers from publishing any given Soviet work, Mr. Straus said.

"It is a deplorable situation," he added. "It puts Solzhenitsyn in a far more complicated and strangulated position."

It has now become obvious that one motive the Soviets had in joining the international copyright family was to suppress their own underground writers. But that was not the only motive, according to Soviet experts in Washington. They were also interested in earning royalty payments from the West and in getting into world trade generally as part of an improvement in East-West relations.

"At that point, the Russians began to think," one authority on Soviet affairs told *PW*, "and they saw that if they joined the copyright system they might be able to control their own authors whose works have been published abroad without approval of the government."

[From the New York Times, Mar. 25, 1973]

U.S. AUTHORS ASK A BAR TO SOVIET—SEEK TO BLOCK COPYRIGHT ACTIONS IN U.S. COURTS

(By Wolfgang Saxon)

The Authors League of America has urged Congressional action to prevent the Soviet Government from using the American courts to enforce its claim to copyright control over the works of Soviet authors.

The request for a change in the United States Copyright Act reflected concern that Moscow might use the courts in a new worldwide campaign to stifle the voices of dissident Soviet authors.

Thomas C. Brennan, counsel of a Senate Judiciary subcommittee on copyright and patent legislation, commented in Washington that Senator John L. McClellan, chairman of the panel, shared the league's concern and that the Arkansas Democrat would introduce the amendment it proposed early this week.

The Soviet Union notified UNESCO, the United Nations Educational, Scientific and Cultural Organization, last month that it wished to become a party to the Universal Copyright Convention, assuring foreign authors that their works would no longer be pirated at will and that they would be paid regular royalties by the Soviet Union's state-run publishing houses.

LEGALITIES ARE FOUND

But after the initial elation over the announcement in Western countries, reports from Moscow indicated that the fine print in the revised Soviet copyright statute contained legal machinery for halting the foreign publication of Soviet authors deemed unpublishable in their own country for ideological reasons, such as the Nobel-Prize novelist Aleksandr Solzhenitsyn.

Under a loosely defined provision, the Soviet Government appeared to claim copyright control over the works of Soviet citizens. The law and Soviet accession to the international convention would therefore permit the Government to take legal action against either the author of an "underground" manuscript or his foreign publisher.

If the author contends that his writing found its way into print abroad without his consent, the Soviet Government could sue publishers to halt publication in more than 60 countries now honoring the convention. If the author admits a part in smuggling his "unpublishable" manuscript abroad, he could himself be prosecuted in the Soviet courts for defaming the Soviet Union.

To blunt this double-edged threat, the American authors' group, headed by Jerome Weidman, proposed that the United States copyright law be changed to disallow claims to copyright control by any foreign government.

In letters to Senator McClellan and his counterpart in the House of Representatives, Robert W. Kastenmeier, Democrat of Wisconsin, Mr. Weidman set forth an amendment that would uphold a foreign author's right to his own work against infringement by his own government.

TWENTY-FIVE YEARS AFTER FULTON

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, 25 years after Sir Winston Churchill made his historic "Iron Curtain" speech at Westminster College in Fulton, Mo., when he was introduced by President Harry S Truman, the grandson of Sir Winston, the Honorable Winston S. Churchill, Member of Parliament, also delivered an able and significant address at the same place. The occasion was the receipt of honorary degrees by Mr. Churchill and the Honorable W. Averell Harriman. Mr. Churchill was introduced by a former distinguished Ambassador to the Court of St. James's, the Honorable Lewis W. Douglas.

The title of Mr. Churchill's address on May 21, 1972, was "25 Years After Fulton: A New Balance." Mr. Churchill made eloquent reference to the address of his grandfather 25 years before and to its momentous significance to the time in which it was made and to history. With penetrating understanding Mr. Churchill reviewed the events of the intervening years and finally surveyed the situation in the world at the time of his own address. As Sir Winston's address at Fulton in 1946 in power and prescience was equal to or even surpassed some of his great prewar speeches, so does the speech of his grandson, rising to his own eminence in British and world recognition, reveal that he too is man of broad knowledge and understanding of world affairs and perhaps also has a prescience which will later receive high commendation.

Therefore, for its reminder of and references to the great "Iron Curtain" speech of Sir Winston Churchill and for its own important contribution to an understanding of world events in the last 25 years as well as in 1972, I commend the Honorable Winston S. Churchill's address at Fulton to my colleagues and to my fellow countrymen, who will ever revere the Churchill name, and include it in the RECORD following these remarks:

COMMENCEMENT DAY ADDRESS

(By the Honorable Winston S. Churchill, M.P.)

MR. CHURCHILL'S ADDRESS

Ambassador Douglas, President Davidson, Governor Harriman, members of the board of

trustees, faculty and graduates of Westminster College, families and friends, it is a very great privilege and honor for me to have been invited here as your guest today, and I particularly appreciate this chance of at last visiting this magnificent memorial to my grandfather. It is a very great pleasure for me to have been done the honor of being introduced by Ambassador Douglas, who is known on both sides of the Atlantic as not only a distinguished diplomat, but a very gallant gentleman, and certainly a very close and long standing friend of my family. It is also a fact of which I am proud that Governor Harriman and his new bride, with whom I have some passing acquaintance, should be on the platform with me today.

You have given me a very tall order ladies and gentlemen, to ask me here to follow where my father and my grandfather before me have addressed you. It is perhaps inevitable that anyone who comes to speak at Fulton, and stands at this podium, which I believe my grandfather used the day he made his famous speech here; that we stand under Winston Churchill's shadow of his "Iron Curtain" speech. The fact that I have the privilege of bearing his name makes this task no easier, I can assure you of that; indeed the reverse is the case; but though it is an awesome task, as I am all too well aware, it is also a very special privilege for me to have been invited here as your guest today.

I would like to say how much I have been impressed by all I have seen of the college and in particular of the memorial here in this very pleasant weekend that I have had the chance of spending among you. I believe my grandfather, when he came to Fulton, said, "I have been told that Mid-America is the heart of isolationism. I don't know about that," he added with a twinkle, "but when it came to the late war, Mid-America proved to be the backbone of the nation." And I think ladies and gentlemen that the ROTC ceremony that I had the privilege of witnessing this morning shows in no small measure that this is still the case today. And I think the role to which they aspire of belonging to a citizen army is a noble one and a very vital one, and all congratulations to them and indeed to all of you who today are graduating, and to your parents too who I know are with you here now.

This magnificent memorial to Churchill—this blitzed Wren church translated from the smouldering ruins of wartime London to the heartland of America—is more than a memorial to one man.

It is a memorial to the common heritage and blood, common suffering and sacrifice of the British and American peoples. It is also a memorial to the highest aspirations of the human spirit to achieve beauty, perfection and peace.

These walls, transported stone by stone from England, may bear witness to the folly and wickedness of Man but, by their reconstruction here in the heart of America, they stand as avowal of the enduring determination of our two peoples that never again shall a World War darken the face of the Earth and afflict its miseries on mankind.

Churchill's speech at Fulton was the first of four speeches that in their power and in their prescience, equal or even surpass the pre-war speeches in which he had given warning of the threat to the world and to world peace posed by the growing power of Nazi Germany.

In 1946 the world stood at a crossroads. The mists of war still obscured the shape of the world which was emerging from the battlefield. A new balance of world power was evolving.

The United States stood at the pinnacle of power. Her industry accounted for 50 per cent of the world's total production and she possessed, on top of that, a monopoly of nuclear power.

The British people, who had borne the brunt in both conflicts and made the greatest sacrifice of resources and blood, stood exhausted. We were about to embark on the task of converting the British Empire into a Commonwealth of independent countries. That task has today been accomplished. This peaceful change from Empire into Commonwealth will be regarded by historians as an outstanding achievement of statesmanship. The Commonwealth, which today comprises one quarter of the people of the world, provides a bridge between the races and continents—a bridge more vital today than ever before.

By contrast the might of the Soviet Union was to increase dramatically in Eastern and Central Europe, harnessing the labour and skills of some two hundred million of the most able and technologically advanced people in the world who—against their wishes—found themselves incorporated into a new Soviet empire.

Since the last years of the war Churchill had recognized the Stalinist threat to the countries of Eastern and Central Europe and had tried to alert the United States Government to the dangers. But the United States leaders and American public opinion took a more optimistic view of the situation. His advice went unheeded and by 1946 almost all U.S. forces had been withdrawn from Europe. He realised the true meaning of the word "liberation" by the Soviet Red Army of the nations of Eastern Europe—great nations such as Poland, Hungary and Czechoslovakia, so many of whose citizens were to find refuge and a new home in your country. By 1946 it had become clear to Churchill that all Britain had gone to war for, all the Western democracies had fought so long to achieve—the end of tyranny in Europe and a peaceful world—was being threatened. Czechoslovakia was in danger, Vienna and much of Austria was under Soviet domination and the countries of Western Europe lay devastated and defenceless. The Iron Curtain, as he put it, was descending across Europe. No one could tell where or whether it would stop. He saw that only the United States, possessing supreme nuclear power in the world, could save the situation. Thus he came to Fulton to put his case to the American people.

"The Iron Curtain" speech, as it has come to be known, caused a great stir at the time. It was disavowed by the State Department and roundly attacked by statesmen on both sides of the Atlantic and large sections of the press. Churchill found himself greeted in New York City by hostile crowds of pickets. It was a speech that shattered many illusions and ran counter to the universal hope, with the death of Hitler and the destruction of Nazi Germany, that tyranny had been destroyed and the threat of war had been banished from the face of the earth.

The message of the Fulton speech—initially ignored—was to be translated into action by the United States, though sadly not in time to save Czechoslovakia and the remaining vestiges of freedom that might have survived in other Eastern European countries. But through the Marshall Plan, the Atlantic Alliance and, above all with the backing of the American nuclear shield, the countries of Western Europe were saved.

Only a few months after Fulton, Churchill spoke in Zurich. Surveying the devastation of our continent where countless men and women were homeless, industry was paralysed and hunger and poverty lurked through many lands, he called on the peoples of Europe to join together and build a United States of Europe. This grand conception which fired the imagination of millions is only now, a quarter of a century later, on its way to becoming a reality. By January next year ten nations, including Britain, comprising between them some 300 million people, will be joined together in building a second bastion of Western Civilisation to stand alongside the United States. This unity—and Britain's part in it—will enable Europe to share with the United States the burdens of defence and make a greater contribution towards the solution of the problems that beset the developing nations of the world.

In the years between 1946 and 1949 the safety of the Western World depended upon the American monopoly of nuclear power. But by 1949 this position was being challenged by the Soviet Union. The communists had taken over China and would soon threaten Korea and South East Asia. In 1949 at Llandudno, Wales, Churchill called on the Western powers to bring matters with the Soviets to a head and hammer out a settlement while the Western Powers could still negotiate from a position of strength. He spoke in vain.

In May 1953 shortly after Stalin's death, Churchill spoke in the House of Commons. The supremacy of the West was already in question. We could no longer talk from strength. Nevertheless, the Russian regime was under great stress. He accordingly called for a summit meeting of the Western Powers and the Soviet Union to try to reach a settlement with the new rulers of Russia. It is ironic to think that many of the same statesmen who had denounced the Fulton speech as "war-mongering" were quick to criticize the speech of May 1953 as "appeasement." One may conclude that it is a thankless task to be a prophet and to warn the world of a reality it does not wish to face. But it is only those who—forsaking the idol of instant popular acclaim—declare fiercely and fearlessly the truth who when history comes to be written, rank as statesmen.

There have been many summit meetings since. A vital one is today in progress. But if we draw a balance sheet comparing the situation today with that of 1953, we must in all honesty confess that our defeats far outweigh our successes.

1953 marked the beginning of the tension between the United States on the one hand and Britain and France on the other, in the Middle East, which was to characterise much of the decade. Our differences in that vital area only served the interests of our foes. Who would have thought in 1953 that the dominant influence in the Middle East today would be Soviet? That there would be more Red Army personnel in Egypt than there were British troops in India at the height of British rule one-hundred years ago? That the Soviet fleet would be a force to reckon with in the Mediterranean and the Indian Ocean? That Soviet diplomacy would rival that of the United States and Britain in the Indian-subcontinent? That Soviet influence would have penetrated deep into Africa? That the Soviet Union would have reached a position of military parity with the United States? All this has come about in the space of the last 15 years. It has come on us like a thief in the night. And though each successive setback has created a temporary shock, it is soon forgotten as have been the Soviet repressions in Hungary and Czechoslovakia.

But the picture is not all dark. There may be grounds for hope where it has been least expected.

Today, a quarter of a century after Fulton, we stand once again at a crossroads. For the first time since those early post-war years a new balance is evolving in the world with the rise of new centres of power in Europe, China and Japan. Then the crossroads were in Europe; today they are in Asia.

Just as the changed balance of power at the end of the war led to a new era which soon came to be characterised as the Cold War, the prospect before us threatens to be a struggle for Asia. The old mould—the structure of a two-power world—is broken. We are moving into a new and fluid situation that will be ruled by many unknown factors. Cer-

tainly the monopoly of power that has been wielded by the peoples of Europe and of European origin, which of course includes the United States and the Soviet Union, is at an end. The balance has shifted eastwards. Five or ten years from now who will rule the score or so independent countries of Asia? Will it be the Chinese, will it be the Russians, the Japanese, or will they still stand as free and independent countries controlling their own destinies? These are questions which will vitally affect all of us in the coming years.

Japan with her economic dynamism has risen to third place in the league of the world's industrial powers and her influence in Asia is becoming increasingly a factor to be reckoned with. Should she ever decide to match her military power to her economic and industrial resources, she would be a most formidable power.

China, with a quarter of the world's population, though in no way approaching Japan in industrial power and economic might, by her very size and above all by her growing military power has stepped on to the stage of world affairs to take up her rightful place.

A month ago I was in Peking where I had the opportunity of discussing the new situation with Premier Chou-En-lai and other Chinese leaders. A number of events have combined together to propel China on to the stage of world affairs. The two most significant were the Soviet invasion of Czechoslovakia in 1968 and the new policy of the United States in Asia.

The first brought home to Chinese leaders the vulnerability of their position should their ideological differences, overseas rivalries and common border disputes, ever lead to a conflict. It is above all, fear of the Soviet Union and Soviet ambitions that rules Chinese foreign policy considerations today. They find themselves faced with an army of more than one million Soviet troops armed with nuclear weapons ranged along the length of their 7,000 mile border. This military force—which stands at some 44 divisions of Soviet troops compared to the more than 31 divisions with which the Soviets favour us in Europe—represents a trebling of Soviet military manpower on their Eastern border in the space of the last three years. It is not without significance that the Russians have achieved this without decreasing by so much as one division their forces facing us in Western Europe.

To the rulers of the Church in medieval times ignorance and disbelief was just tolerable: the cardinal sin was heresy. So to the Chinese the Soviet leaders' "revisionism" or backsliding on the true doctrines of Marxism-Leninism, is anathema. "After all we both started at the same point," the Chinese complain with bitterness.

There's no doubt that today there exists a deep gulf of hatred between the leaders of China and the Soviet Union. Nothing dramatised this more starkly than the spectacle of the two communist giants vilifying each other in the Security Council in December last year over the Third Indo-Pakistani War. It is a hatred that is on both sides tinged with fear. The Chinese fear is of the vast nuclear superiority of the Soviet Union and the possibility of a pre-emptive nuclear strike and certainly it is impossible for a visitor to China today not to notice the vast programme of shelter construction that is under way. All over the country a new 15 mile underground railway system has been built in Peking but, although completed a year ago, it is not open to the general public. Those who have seen it believe that it has been constructed as a nuclear blast shelter. The efficacy of such precautions must be open to doubt but, as the Chinese themselves point out: what better way of psychologically readjusting their people towards a new direction of threat than to have them digging bomb-shelters in the cities and villages throughout China.

The Russians, for their part, have a more long-term fear of what they are not above referring to as the "yellow peril," particularly as Chinese nuclear capacity becomes more substantial.

In the wake of the United States' military withdrawal from Indo-China—which in terms of combat troops is already completed—a new struggle for Asia has already got under way. My talks with China's leaders left me in no doubt that even in the context of South East Asia, the United States is seen as yesterday's enemy. With Soviet influence in Hanoi paramount as a result of the Soviet Union's far greater material backing of the North Vietnamese offensive, the Chinese are deeply concerned at what they see as Soviet 'expansionism' not only in South East Asia but in the India sub-continent, the Indian Ocean, Persian Gulf, Mediterranean and Middle East.

At a time when the United States is bent on reducing the burdens of alliance and protection, the Soviet Union shows itself eager to take them up by establishing colonial-type treaties with Egypt, India and Iraq. This is in marked contrast to the "stand on your own feet" doctrines of President Nixon and Chairman Mao-tse-tung and inevitably presents a grave threat to the independence of the developing nations of the world.

Obsessed with the power of the United States, the Chinese leaders long failed to observe the rise of Soviet influence throughout Asia. No one can say what are the precise calculations of the rulers in Peking. But certainly their private and many of their public declarations show growing awareness that the main threat to them does not come from the Western Powers. If this be so, it must be the aim of Western statesmanship to ensure that we live together if not in friendship at least in mutual forbearance. How far that relationship can prosper will largely depend on their respect for us and that respect will depend in its turn on the determination which we show to defend our interests against forces which may seem as hostile to them as they do to us.

The other and surer source of comfort is the revival of Western Europe. A revival which owes so much to American support and defence in the difficult and dangerous post-war years.

Our economic revival is already far advanced and with the extension of the European Community will gain in impetus. This should enable us to shoulder with you more of the burden of defence which you have carried for so long alone and a more generous programme of assistance to the developing nations. In the revival of Europe and the close conjunction of a united Europe with the United States, lies the best, perhaps the only hope of retrieving the mistakes of the past and meeting the dangers of the future.

Those of us who never knew the Second World War—and we are after all in the majority in the world today—must ensure that we do not repeat the mistakes of the generations that have preceded us. At all costs another, and potentially final, world war must be avoided—but so too must the spread of tyranny. The "two gaunt marauders"—tyranny and war—to which Churchill referred in his Fulton speech still stalk the globe today.

There are others—poverty, disease and famine—as he rightly recognised. After all what is freedom of spirit to a man who does not possess the most basic freedoms of all—freedom from poverty, hunger and disease? If even half of all that has been spent on armaments in the past quarter century had been devoted to the welfare of the human race, can anyone doubt that the world would today be a better place? It has been a tragic fact that over the two years the United States and the Soviet Union have been engaged in the Strategic Arms Limitations Talks, the armaments race has been continuing at a faster rate than ever before.

It must be the hope of all that the statesmen now meeting in Moscow will successfully resolve this problem so that the world can turn from the catastrophic course of piling up weapons of mass destruction towards a new era—an era of prosperity and advance unhampered by intolerable levels of military expenditure, of freedom not threatened by tyranny and of peace built not on fear but on friendship.

There was a time, not so very long ago, when the people of America were in love with the world. Today you seem to eye her with less enchantment, even with some diffidence. One senses that you are tempted to find more congenial the rarefied atmosphere of the planets—where the problems are not human, only technological and more easily overcome. But, as History has shown and indeed this splendid memorial bears witness, there can be no shorter cut to disaster for us all than if America turns her back on the world.

Only with the firm commitment and resolve of the people of the United States—looked to today, as ever before, as the inspiration of free men everywhere and indeed of those who yearn to be free—is there hope that those "gaunt marauders" that so afflict humanity—war, tyranny, poverty, disease and famine—can be overcome. It was in search of that commitment that Churchill came to Fulton just over a quarter of a century ago.

What I have seen here at Fulton—the evidence of your commitment to your country and to its high ideals—encourages me to hope that America's commitment to the forward progress of mankind everywhere will remain. It is certainly every bit as vital today as ever it was then.

The challenge facing our generation is to resolve these problems—to ensure that the smaller nations of the world become truly independent, that they do not fall victim to a new imperialism and that the widening gulf between the rich nations and the poor is bridged so that the human race may move forward to those "broad, sunlit uplands" of prosperity, freedom and peace of which my grandfather so often spoke. That is the challenge we must meet.

THE FOREST CONSERVATION AND IMPROVEMENT ACT OF 1973

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, wood fiber is a resource which can be either finite or renewable. Unlike petroleum, iron ore, bauxite, or other resources, trees can be replaced—provided they are managed properly. Today we are not managing our forests in the best possible way. In fact, we are treating our forest resources with something akin to contempt.

Harsh words, yes, but sadly true. To my way of thinking it is wrong to have 5 million acres of our commercial national forest lands cut over but not reforested, and to have another 13 million acres in dire need of stand improvement. It is wrong, in my view, to export ever increasing amounts of raw wood fiber to Japan and import ever increasing amounts of lumber from Canada. This is not "free trade." It is economic colonialism. It is wrong, in my view, to be told by the U.S. Forest Service that all land ownerships on the Pacific Coast are being overcut. It is wrong, in my view, that we have no balanced approach to the

overall problems of log exporting, land management, and reforestation.

Today I am introducing the Forest Conservation and Improvement Act of 1973. With this legislation we can restore some common sense to the total problem of timber supply.

Concern for our forest resources has been forced upon us by soaring lumber and plywood prices. "Punitive" might be a better word than soaring. In March of 1972 you could buy 2x4 green Douglas Fir lumber in Portland for $119 a thousand board feet. A year later you could buy it for $192. Three-eighths inch sanded plywood? A year ago it was priced at $100, and today you could buy it for $168.

To blame lumber price increases on any one single factor is incorrect. The major problem is that we have a limited resource base which can crank out only so much finished product. When demand is high, and when the resource is being shipped to Japan, prices naturally soar. Also to be cited are boxcar shortages in the Pacific Northwest, and cutbacks in the Forest Service budget. Studies carried out pursuant to the Wilderness Act have also reduced the annual public timber cut by 300 million board feet.

A few years ago the House refused to take up a bill called the National Timber Supply Act. This bill had merits, but it also had defects that aroused the ire of conservation groups. With the Forest Conservation and Improvement Act I believe we have removed these defects and have a balanced aproach to land management and timber supply.

Let me say a word now about our land and its resources. For the past several years I have noticed a "covered wagon psychology" on the part of the environmental groups and the timber industry. They distrust each other and are constantly warning themselves that the other side is planning new onslaughts. "They are coming at us again, boys. Draw up the wagons." The industry fears loss of timberlands and interference with their business, while the conservation people see disasters and threats everywhere.

Last June there commenced a series of legal actions over the timber sale program of the U.S. Forest Service vis-a-vis the ongoing wilderness studies. I hope this case knocked some sense into both sides. The plain fact of the matter is that neither the timber industry nor the environmentalists know which side is going to win, what is going to happen next, how the votes will be cast.

So I say it is just about time we stopped shouting at each other and started recognizing that the need for wood fiber and sensible land management are legitimate goals. And because trees are uniquely renewable resources, they can furnish a host of uses—if we manage them properly.

The Nation needs wood fiber. In its "Outlook For Timber in the United States" study, the Forest Service predicted that demand could exceed supply by as much as 20 billion board feet by the year 2000. It also predicted that log exports to Japan would hit 5.2 billion board feet by 1980. Timber harvests on private lands on the Pacific coast are expected to decline from 10.5 billion board feet in 1970 to 4.4 billion board feet by 200. And the Government's response to all of this? Last fall the administration's trade team went to Tokyo and persuaded the Japanese to purchase an additional 700 million board feet by the end of this month. Then they cut the Forest Service budget by $105 million. That is what they have done. Never mind that the cost of preparing a timber sale has jumped from $1.54 per thousand board feet to $3.06 per thousand in 5 years. Never mind that Forest Service roadbuilding will drop in 1 year from 719 miles to 173 miles. Never mind that potential American home buyers are paying the price for this folly, and never mind that rents are skyrocketing. Budgets and short-term private profits are apparently more important than people. Export the trees, cut the funds, pocket the dollar and the yen.

If Members of Congress want a precise explanation of the dollars involved, I offer the examples of the capital gains tax on timber and the Domestic International Sales Corp. There is enormous money made when one applies the capital gains difference between the price of the timber and the cost in raising it. The new DISC law allows companies to exempt up to 50 percent of their export profits from the Federal corporate tax. The Nation's largest private exporter confides to us in its 1972 annual report that—

> Undistributed earnings of the Company's domestic international sales corporation (DISC) are invested indefinitely; therefore no provision for income taxes is made in respect of such earnings.

You cannot fault the exporters for trying to make money. Were I a business executive I would make the same decision, since my responsibility would be to the stockholders. But as a Member of Congress I have stockholders in my district who are dependent on an abundant supply of wood fiber, regardless of whether they work on the docks or in the mills. We are depleting the resource. This cannot go on without serious economic damage.

The Nation also needs sensible land management. Hearings before congressional committees have documented shocking cases of logging damage, of streams choked with sediment, of forests that were cut but not able to regrow. We should not forget that wilderness is a multiple use. The public land should serve all the public wants.

To the timber industry and to the conservation groups, I say this: We simply cannot continue to set aside large areas for wilderness and national parks unless we spend more money to improve those lands classified as commercial forest lands. Conservationists must realize that not reforesting those 5 million acres is putting pressure on the de facto wilderness areas. Nor can we continue to export unlimited amounts of raw wood fiber to Japan while deploring wilderness and park bills. We can have our wilderness, and we can have our wood fiber. Yet we cannot continue our present course, our mounting antagonism over the land.

The Forest Conservation and Improvement Act of 1973 offers a reasonable approach to this very complicated issue. The bill is essentially a forest management measure.

The legislation requires the Secretary of Agriculture to develop comprehensive management plans for all the naitonal forests, and stipulates that the Secretary of the Interior will do the same for the commercial forest lands under his jurisdiction. A proposed plan is to be published in the Federal Register not less than 60 days prior to at least one public hearing in the State where the land is located. Following oral and written comments, the respective Secretary will promulgate a management plan and publish it in the Register. The plan will take effect 120 days later unless disapproved by a majority of the House and Senate Agriculture Committees, or, in the case of Interior Department lands, the House and Senate Interior and Insular Affairs Committees.

Each plan will be developed in accordance with the public laws of the United States. The only major priority in the plans is obtaining regeneration after harvesting and reforesting non-stocked or poorly stocked areas of the commercial forest lands.

The plans will also give priority to wilderness uses, wise forest management practices, outdoor recreation, environmentally sound methods of access, and improved fish and wildlife habitat. The bill should not be construed as changing in any way the authority of State officials to manage game and fish.

The measure also provides assurance that small, independent mills can obtain a fair proportion of Federal timber sales. This is being done today under a Forest Service-Small Business Administration "set aside" program, and writing the practice into law will aid the smaller firms who are almost entirely dependent on the national forests for wood fiber.

The bill sets up a Forest Conservation and Improvement Fund capitalized by the receipts from the sale of Federal timber. The moneys in this fund are in addition to those appropriated annually and are to be used to administer the comprehensive management plans.

Here we find an important difference between this legislation and the old Timber Supply Act. The old bill set the funds aside for timber harvesting and management only. In the fund established by the Forest Conservation and Improvement Act, all multiple uses are to be served. I think this is significant, for many persons have complained, often with justification, that the timber sale program now comes first and gets the lion's share of the Forest Service appropriations. In fact, the Mount Banker National Forest in my district has responded to the impending budget cutbacks by announcing that road and trail money will be used exclusively for timber harvest activities.

Unlike the old Timber Supply Act, this new legislation does not direct the Government to immediately launch a high-yield forest management program. On the contrary, what the Government will do will be determined by manage-

ment plans formulated through public hearings.

Some have voiced fears that because the Forest Service is to be funded by timber receipts, there will be a temptation to cut more to get more. This fear is understandable, but I've noticed that the Government has been somewhat more sensitive to environmental concerns. Recently they have taken steps toward environmentally sound harvesting practices.

Mr. Speaker, the Public Land Law Review Commission's report recommended that we simplify timber sale procedures and that environmental considerations be written into harvest rules and regulations. This is the thrust of the Forest Conservation and Improvement Act's section 207. It requires the Secretary of Agriculture and the Secretary of the Interior to develop uniform rules for the appraisal, sale, and removal of timber. Like the comprehensive management plans, these rules must be formulated through public hearings. Included are scaling methods, competitive pricing, and logging practices. Let me make two observations. One objective of this section is to avoid situations such as have been reported in the Rocky Mountain region in which areas were cut over but not able to regrow. Another objective is to establish rules that will get the slash and debris off the ground as soon as possible and get new seedlings planted. As the Forest Service points out, wood fiber is biodegradeable. Slash could be ground up and used, in effect, as organic fertilizer.

The Forest Service has also stated that with improved investment in the land, we can increase annual yields by as much as 50 percent. I view this as essential in light of the declining cuts on the private lands in the west and in light of our demand for wood fiber. "The Outlook For Timber" concludes that—

> Intensified forest mangement offers a major potential for increasing timber supplies in the long run, while maintaining an acceptable forest environment.

When you say "increase the timber sales," it can mean two entirely different things. If the forest is not being replanted, thinned, or otherwise managed to encourage stand growth, then increased sales can deplete the resource in the manner of overdrawing a bank account. But if the money is being invested in growing stock, then the sales can be increased with no danger. This is a critical distinction. It is not a matter of how many trees you do or do not plant when other trees are removed. Rather, it is a matter of how much is grown and how much is removed.

Trees have other values as well. Trees produce oxygen and absorb heat and moisture. Wood fiber as a building material has lower energy requirements and lower pollution impacts. The Forest Service has observed that—

> Use of steel for framing exterior walls of houses, for example, involves more than three times as much energy as required for processing timber products, and use of concrete blocks or aluminum requires eight times as much energy.

And trees are renewable reources.

The Forest Conservation and Improvement Act also requires the Secretary of Agriculture to conduct a complete inventory of all non-Federal timber lands and all private lands, and it stipulates that he shall submit a report recommending a plan for the conservation, development, and enhancement of these lands. We put this section into the bill for one major reason. What happens to the public commercial—and noncommercial—forest lands will be affected by the management of the private lands. The industry is foolish if it thinks it can use up its own timber and then demand to cut much more heavily on the public forests. That lawsuit last summer showed that a lot of people take the public lands very seriously, and with good reason. Furthermore, the ongoing wilderness studies will result in additions to the national wilderness preservation system. So I think we have to take a good look at all our timber resources so that we can plan for the future.

The second part of the legislation deals with log exporting. The bill requires that after January 1, 1974, no timber can be exported from the Federal lands, subject to the expiration of existing contracts entered into prior to March 1 of this year. There is widespread agreement in the industry that this must be done. It is not a significant change, since the Morse amendment limits Federal log exports to 350 million board feet annually. The real impact will come from the fact that the export pressure will be reduced on all timber sale bidding.

In regard to non-Federal and private log exporting, my bill is different from that introduced by the distinguished Senator from Oregon, BOB PACKWOOD. His measure would gradually phase out all log exporting unless surplus to domestic needs.

The Forest Conservation and Improvement Act states that log exports after January 1, 1975, cannot exceed 1.5 billion board feet. Exports from these lands last year amounted to about 2.4 billion board feet, and the total export unless checked is projected to hit 5.2 billion board feet by 1980.

The measure spells out a somewhat complicated licensing system. Any exporter would be guaranteed an export volume at least equal to 40 percent of the average of his exports in calendar years 1970, 1971, and 1972. His initial base could be as much as 50 percent of this same average. He could, by acquiring other licenses, export up to 70 percent of this same average. Provision is made for the entry of new exporters.

Contained in the licensing section is a unique requirement. To export $25 million worth of raw timber, for example, an exporter would also have to export $25 million in finished wood products. We include here products such as lumber, plywood, pulp, linerboard, paper, veneer, and commodities manufactured from these finished products. For instance, exporters could sell prefabricated houses.

The finished product requirement is intended to stimulate more capital investment in the Pacific Northwest. Because of transportation, labor, and tax factors, new capital in the forest products industry is being invested mainly in the south and in Canada. This pattern holds for nearly all the major companies. Industry officials have warned repeatedly that mills in the West are becoming old and marginal.

What we are doing with the finished product requirement is to create a market in Japan. Today, for example, it costs Georgia-Pacific a lot more to ship its plywood to Philadelphia from Coos Bay, Oreg., than from Crossett, Ark. Conversely, a Japanese trading company would prefer to buy from Oregon rather than Arkansas.

I think that this bill can stimulate new mill construction. Japan is in a very tight situation on wood fiber. Several things have occurred in recent months which lead me to believe that they would buy our finished products. First, the Japanese Ambassador spoke in Portland recently and indicated that additional lumber purchases were forthcoming. Second. Japan has greatly increased its housing goals while at the same time it has reduced its own timber harvest. Third, Southeast Asian nations now supplying Japan with enormous lots of wood fiber are beginning to view the practice with an eye toward a primary processing requirement. Fourth, both Canada and Alaska restrict log exports, and both supply large quantities of lumber, pulp and paper to Japan.

The benefits of additional mill capacity in the Pacific Northwest are manifest. We would have additional capacity to furnish our own markets as well. We would generate more business for ports and longshoremen. We would be able to provide more jobs and to ease the habitual layoffs that occur when domestic demand declines. And, with a market overseas for finished products, companies with mills to supply that market would have to conserve their timber resources if they are to get their money back from new capital investment. This is especially true in the pulp and paper side of the business, for a new plant today costs anywhere from $50 to $150 million, sometimes more. Heavy front-end capitalization is the name of the game. Pulp and paper mills can be good environmental citizens, and their value helps schools and other services.

Mr. Speaker, the Forest Conservation and Improvement Act represents a sensible approach to our overall problems of timber supply and land management. It is a middle-ground position which I hope will draw wide support. To me it is obvious that we cannot satisfy everyone totally, we cannot write a bill that is perfect for each and every interest. But that's the point. We are going to have to stop complaining and start sharing. If we do not, then the great forests of the Nation will suffer. We have heard the expression, "You can't see the forests for the trees." Well, today the forest is the overall good of the people. It belongs to us to use, conserve, and manage wisely.

FLAT TOPS WILDERNESS AREA

(Mr. JOHNSON of Colorado asked and was given permission to extend his

remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of Colorado. Mr. Speaker, today I have introduced a bill to establish the Flat Tops Wilderness Area in the Routt and White River National Forests in northwestern Colorado.

This bill was introduced in the other body by Senators DOMINICK and HASKELL, of Colorado, on February 1, 1973, and I had the opportunity, of course, of introducing the measure here in the House at that time. I chose, instead, to delay an introduction of the legislation until I could determine the attitudes and positions of the people of the Fourth Congressional District of Colorado, in which this proposed wilderness area is located. As a new Member of Congress, I was aware only that the original proposal of the Forest Service was for an area of some 142,000 acres and that subsequent reviews had resulted in substantial increases in the proposal. I needed to know the reasoning behind these alternate proposals and whether there were any overriding reasons why I should depart from the proposal offered by Colorado's two Senators—a proposal, I might add, that is also endorsed by Gov. John Love and is thus the official position of the State of Colorado.

My contacts with various groups and individuals have resulted in a pattern of responses that I am sure are similar to those associated with most other wilderness proposals. There is nearly unanimous agreement that a wilderness area of some size should be statutorially established. In addition, there are differences of opinion as to just what the boundaries should be. There are those who feel that certain areas should be excluded on the basis of not meeting the wilderness criteria as enunciated in the 1964 Wilderness Act, or as being potentially more useful to mankind under multiple use management than under the single use that would be imposed by wilderness legislation.

There are others who feel strongly that an even larger area should be given protection under this legislation in order to prevent the intrusion of developmental uses.

Without passing judgement on the positions of the advocates on either side of this proposal, I would simply state that I did not find that overriding reason that I was looking for on which to base a substantially expanded or reduced Flat Tops wilderness bill.

I am, therefore, introducing a bill calling for a wilderness area of 212,716 acres and I do so wtih the confidence that all interested parties will be given the opportunity to present their strongest case for adding to or subtracting from that figure before the committees which shall have jurisdiction over this legislation and that said committees, having considered all the evidence, will report a bill that is considerate of all views and is in keeping with the provisions of the Wilderness Act of 1964.

A NATIONAL HOLIDAY FOR FEDERAL ELECTION DAYS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, there are currently a number of plans before the Senate that would change the day of Federal elections from the first Tuesday in November to either the first Saturday or Sunday. The motivation behind these plans are good—they are presented in the hope that they will increase the number of voters exercising their franchise in Federal elections. However, they are not the best way of accomplishing this laudable goal.

To change the date of the Federal election to a Saturday would effectively disenfranchise millions of Jews, Seventh Day Adventists, and Seventh Day Baptists who observe their Sabbath on Saturday. Two rights as important as voting and religious freedom should not be put in conflict in this manner. A Sunday election day would raise similar problems. In addition, it is questionable whether changing the date of the Federal election to a weekend would have more than a marginal effect on voter turnout.

Many people do not vote at present because they cannot take the time off from work. By making the first Tuesday in November a national holiday on which all businesses and government offices are closed, voters who do not exercise their franchise will have only themselves to blame for not voting.

INCOME TAX EXEMPTIONS FOR BLIND OR ELDERLY DEPENDENTS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, I am today introducing legislation designed to ease the income tax burden of those taxpayers who support blind or elderly dependents. At the present time, the law provides exemptions for a blind taxpayer or his blind spouse, and exemptions for a taxpayer or spouse aged 65 or over. These provisions, however, afford no relief to those who support an elderly parent, grandparent, or other relative, or those whose children, parents, or other dependents are blind. In view of the added cost involved in supporting aged or sightless dependents, and to encourage their support by relatives, rather than by the State, my bill would amend the Internal Revenue Code to permit an exemption for each dependent who is blind and an additional exemption for each dependent who has attained the age of 80.

I hope, Mr. Speaker, that the Committee on Ways and Means, which is presently conducting hearings on the subject of tax reform, will give careful consideration to this bill, and that the Congress will provide relief this year for taxpayers who incur these additional expenses because of their generosity and sense of familial duty.

THE SPEECH OR DEBATE CLAUSE OF THE CONSTITUTION

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, this morning I presented testimony to the Joint Committee on Congressional Operations which is conducting hearings on the Speech or Debate Clause of the Constitution, article I, section 6, on which is premised the doctrine of legislative immunity.

The doctrine provides that—

For any Speech or Debate in either House they (members) shall not be questioned in any other place.

That is a keystone of our democratic government. It is the legislative device through which representatives of the people discover, discuss, disseminate and make known to the Nation the merits and demerits of Government policy and actions.

It is the basic tool for informing the electorate so that they may respond intelligently to the highly complicated affairs of jet-age government. And that principle is under attack, most recently in the courts. The Supreme Court's recent interpretations limited the scope of that traditional and constitutional immunity. As a result Members and their aides may be subject to inquiry and prosecution for gathering and making known information to an interested constituency through traditional channels.

The bullies are at it again. The executive and the judicial would pounce on a Congress that has served them well, and would render it ineffective at a time when its resources are in the greatest demand. At a time when the certain need of the electorate is more information to explain increasingly complex government, there are those who would take away our power to inform.

Mr. Speaker, I would like to review now the remarks I presented this morning to the Joint Committee on Congressional Operations:

LEGISLATIVE PRIVILEGE

Members of Congress are charged by the Constitution with legislating. To fulfill this function we must obtain information, and make that information known. Disseminate it to our colleagues and to the public. To this end, Article I, section 6 provides that Members of Congress shall not be questioned regarding their communications made in either House.

The Constitution provides that the three branches of the government shall be equal, with none subservient to either of the others. This is the basis for the claim of executive privilege. It is the reason why federal judges have life tenure, and why their compensation may not be diminished during their continuance in office. It is also the reason why Members of Congress must be immune to questioning regarding the fulfillment of their legislative function.

Members must also be free to communicate with their constituents. In order to represent our constituencies, we must ascertain the views of the public. Woodrow Wilson said:

"It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress has and uses every means of acquainting itself with the act and the disposition of the administrative agents of the government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the country must remain in embarrassing, crippling ignorance

of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only really self-governing people is that people which discusses and interrogates its administration. The talk on the part of Congress which we sometimes justly condemn is the profitless squabble of words over frivolous bills or selfish party issues. It would be hard to conceive of there being too much talk about the practical concerns and processes of government. Such talk it is which, when earnestly and purposefully conducted, clears the public mind and shapes and demands of public opinion."

A determination that Members of Congress may be called to account in the courts regarding matters which were the subject of their Constitutional duties is a determination that Congress is inferior to the other two co-equal branches of government. That is a subversion of the Constitution. At a time when the Congress' Constitutional mandate is being challenged by the executive in the form of impoundments, and challenged by the judiciary, in the form of the Proposed Uniform Rules of Evidence, it is essential that Congress not let its Constitutional authority be further weakened, particularly on a matter so explicitly enumerated in the Constitution as the legislative privilege.

If Members are not free to investigate, if we are not free to speak, and if we are not free to act in fulfillment of our Constitutional duties, the Congress of the United States will be unable to function. Legislation would be not only useless, but dangerous, if it were not based on a determination of the needs and wishes of the public.

James Madison wrote: "No man can be a competent legislator who does not add to an upright intention and a sound judgment a certain degree of knowledge of the subjects on which he is to legislate. . . . It is a sound and important principle that the representative ought to be acquainted with the interests and circumstances of his constituents."

If Members can't research the issues and make known their findings, they will serve no purpose. Without a strong, functioning Congress, instead of a democracy we will have government by executive fiat and court decree.

There is an inherent friction between the three branches of our government. It is the function of the President, in his capacity as chief executive, to administer the laws and treaties of the United States. It is also his function to formulate the policies of the government. It is the function of the judiciary to decide cases and controversies, and to interpret the Constitution. It is the responsibility of the Congress to make laws, and, in the case of the Senate, to pass on appointments and treaties.

These different functions necessarily conflict. The courts may decide that a law exceeds the permissible limits of the Constitution. The legislature may feel that the courts were in error, and pass corrective legislation. The Congress may disagree with the President's policy determination, and refuse to consent to an appointment or treaty. The President may feel that Congress was in error in passing certain legislation, and veto it accordingly. These are the natural functions of the different branches of the government. It is the formula established by the Constitution. But what was not intended by the Framers was that one branch of the government might be called to account by one of the other two.

The Constitution explicitly grants immunity to Members of Congress in the performance of their duties. However, executive privilege, which has been claimed with increasing frequency, is nowhere enumerated. In fact, in the trial of Aaron Burr, Chief Justice Marshall ruled: "That the president of the United States may be subpoenaed, and examined as a witness, and required to produce any paper in his possession is not controverted."

Congress has allowed its Constitutional obligation to investigate and inform to be eroded by recognizing executive privilege. Perhaps such a privilege is advisable, under extraordinary circumstances. But if this is to be recognized, certainly legislative privilege which is Constitutionally mandated, must also be respected.

Members of Congress have taken an oath to "support and defend the Constitution of the United States." Legislative immunity is a part of the Constitution. We cannot support one without the other.

CONTROL RISING FOOD PRICES—NOW

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the report just released by the Bureau of Labor Statistics indicates that the prices of our food have risen 2.5 percent in February. The combined price increase for the first two months of 1973 was 5.2 percent. In the entire past year, from February 1972 to January 1973, total food price increases amounted to 8.4 percent.

It is becoming impossibly expensive to eat even the cheapest cuts of meat. President Nixon's inflation-control program, which he touted so highly, have been an unmitigated disaster when it comes to controlling food prices. For the entire length of the phase I and phase II programs, no attempt was made to control farm prices for food, and we are now paying for the White House's shortsightedness.

When the President took office, sirloin steak was selling for an average price of $1.25 a pound. Today a housewife is fortunate if she can buy sirloin for less than $1.70 a pound. That is a rise of 27 percent in the period encompassing phases I and II. In the same 4 years, hamburger has gone from 58 cents a pound to an average of 84 cents a pound.

Fish, which the President has suggested we eat as a cheap substitute for meat, has soared from 69 cents a pound in 1969 to $1.20 today, nearly a 100 percent increase. If housewives are protesting at having to pay nearly $1 a pound for ground beef, how are they expected to acquiesce to paying $1.20 a pound for fish? What is the housewife, who must feed a family on $35 weekly, supposed to do?

A rise of 5.2 percent for the first 2 months of this year means that, unless other events intervene, the rate of increase in our food prices will exceed 30 percent for 1973. The President's advisers have told us that it is unwise to extrapolate in this manner. They have also told us to expect a total price of no more than 6.5 percent for the entire year.

The administration is unrealistic on two counts. First, the past gives us no evidence that price rises will be limited to the estimated 6.5 percent. Last year alone increases in food prices were over 8 percent. Second, the administration acts as though a 6.5-percent increase—at the very least—can be absorbed by the consumers with little or no trouble. We know that simply is not true. What about the elderly trying to live on fixed incomes, or the children on welfare who depend on a limited amount of food stamps? Can they really be expected to continue to absorb increases in food costs? I think not, and I think the administration must come to grips with the problem of food prices immediately.

So far the President has taken a few, halting steps in the right direction, but there is no prospect in sight for the kind of unified program needed to deal with a problem of this magnitude. Simply to release surpluses and lower meat import quotas will not be enough. The problem of high food costs extends far beyond stockpiling and tariffs. It is a problem of the structure of the entire food industry in the United States.

What we have seen in the supermarkets in the last few months reflects a total lack of planning on all levels from the Department of Agriculture to the farmer to the middleman to the retailer. Ultimately it is the consumer who pays for the haphazard food growing and distribution system. And it is the consumer who can least afford to pay.

The first step in controlling food price increases is to put an immediate freeze on all food prices, and roll them back to the levels of last November. The current plans to freeze food prices at March 16 levels miss the point entirely. Food prices were already far too high on March 16. People had already stopped buying meat on March 16. Last November, people could still afford to eat some cuts of meat on a regular basis. Prepared foods were still selling at acceptable levels. Eggs were still less than 65 cents a dozen. Prices must be rolled back to that level.

And the rollback should not extend only to supermarkets. The supermarkets in this country, it is alleged, are operating on less than a 1-percent profit margin. They have absorbed as much of the increases in food costs as possible without putting themselves in financial jeopardy. They are on to the consumer only what costs they have been forced to over the past few months. It is not the fault of the supermarkets that most food prices have gone right through the roof.

The rollback should extend from the supermarket to the middleman all the way back to the farmers. Reliable figures indicate that for every dollar spent on food, middlemen get 16 percent and farmers get 82 percent.

The burden of food price increases lies with the farmers of this country and with the Department of Agriculture. Farmers are paid for letting their fields lie fallow. Can you imagine that—to be paid for not growing food while the Nation is in a food crisis?

Consumer boycotts, while they are perhaps the best method of expressing indignation at the callous disregard for the consumer's interests, will not really have the kind of long range effect necessary to effectively control food prices. For that, only complete revamping of the Department of Agriculture's farm subsidy program will do.

The President has already indicated that he will support an end to the current farm subsidy program. However,

this, just as many of the other inflation-control policies he has put forth, is shortsighted. If farmers' subsidies are taken away from them completely, then they could resort to producing less on their own to artificially jack up prices. The current farm subsidy program already does this under the aegis of the law. We see at every grocery store that the current farm subsidy program operates directly against the interests of the consumer. What is needed, then, is not a total abandonment of the farm subsidy program, but a whole new approach in the way that the program is to be used to benefit both farmers and consumers.

Rather than pay farmers for not producing, why not pay them for producing as much as possible? The current price support program sets a parity price, which the Government has arbitrarily established as the level below which prices for certain commodities may not fall. The difference between the market price and the parity price is paid to the farmer as a subsidy. If the farmer cannot sell his produce at the current market price, or does not sell all of it, the Government will purchase it at the subsidy price. In addition, the farmer is also paid for letting his fields lie fallow, and he is given instructions by the Department of Agriculture on how much acreage to allow for certain kinds of crops.

Rather than have this kind of system, why not design a subsidy system that would keep the parity price and the subsidy payments, but that would encourage farmers to use as much of their acreage as possible, and a plan that does not dictate the kinds and amounts of crops to grow?

Once the crops are grown, the Department of Agriculture has a continuing responsibility to the consuming public to see to it that farm products are distributed in this country first. How much was the price of bread, of beef cattle, of milk, raised last year because of the massive grain sales to the Soviet Union, China, and India? I by no means wish to begrudge our largesse to other nations. However, I question the motives of our own Government when this largesse means that the American consumer will have to pay more for his commodities. The Government's first obligation is here at home.

There is no easy answer to the problem of rising food prices. No matter what is done, someone will be unhappy. However, something must be done, and done soon. What you are doing, boycotting meat, shopping carefully and counting every penny. That is good for the moment, but that alone will not change the situation for more than a few weeks or months. What is needed is a radical new approach.

We must start with a complete wage, price and profits freeze for a minimum of 6 months. That would allow time to redesign agricultural programs to insure enough food is produced to feed all the people in this country at prices which they can afford, and at prices which will give farmers, middlemen, and market owners a fair return on investments.

Part of the problem we see today is that nobody really understands how the decisions are made that affect our food supply and the prices we pay for it. We need the breathing space that a 6-month freeze would provide in order to figure out just what happens between the time the seed is put into the ground and the loaf of bread reaches our dinner table. We do not possess that information now, and must have it in order to adequately provide for the needs of the American people. We need time to see whether the Department of Agriculture is working on behalf of both the farmer and the consumer. We need time to see if middlemen are unnecessarily jacking up their prices and passing on too much of their own costs. We need the time to see whether people who work in the food industries are as productive as they could be, and if they are not, how to make them more so. All of these things would result, if not in lowered costs, at least in costs that do not rise at the near light-speeds which we have witnessed lately.

Anything short of a full price, wage, and profits freeze will simply not be enough. We have already been victims of over 2 years of President Nixon's caution, and it has been far too costly. We must put a halt to this—absolutely and unequivocally—before food and shelter become luxuries for only the wealthy.

EXEMPTION OF PUBLIC SERVICE RETIREMENT INCOME FROM FEDERAL INCOME TAX

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, the burden of the heavy inflation of the past few years bears most heavily on our retired workers whose sole source of income is a small pension or annuity. Yet under our Federal income tax system, we continue to take away a substantial portion of the meager income of retired Government workers.

This inequity should be redressed. Currently, we exempt social security retirement income from tax, and I believe we should do as much for civil service workers at the Federal, State, and municipal levels. I do not see why employees who have devoted their careers to public service should have to pay taxes on their retirement income while those who worked for the private sector do not.

One of my constituents recently pointed out to me that with a State civil service pension of $4,400 per year he had to pay $571 in Federal taxes. Obviously the remaining $3,829 is not sufficient to provide an adequate living, especially in a high cost area such as Hawaii. The ability to retain the full amount of pension income would mean a great deal to a retired Government employee.

The average Federal civil service retirement annuity as of last June was only $338 a month, for the 758,496 retirees. This is inadequate, and even more so if the Federal tax bite takes away a sizable portion. A similar situation exists with respect to State and local employee pensions.

To correct this situation I have introduced legislation today to exempt from Federal income tax any pension or annuity received under a public retirement system. My legislation provides for a complete exemption regardless of the amount of the annuity, or whether it is received from a State, Federal, or local civil service or similar pension system.

It seems to me that we should reward the years of public service devoted by our governmental employees, instead of taxing their small pensions. Certainly most have faced hardship as a result of the rapidly escalating cost increases over the past several years. Many can no longer afford adequate diets, housing, or other necessities. Often their income falls below the official poverty level. Because of advanced age they cannot work to supplement these pensions. By ending this unfair taxation, we can enable former governmental employees to live more rewarding lives during their retirement years.

Presently, all they receive is a partial tax credit for their public service retirement income. Equity demands that they receive total exemption from taxation instead. I hope that this legislation receives the prompt attention of my colleagues.

A section-by-section analysis follows:

SECTION-BY-SECTION ANALYSIS

Section 1. Part (a) adds a new Section 124 to the Internal Revenue Code setting forth a general rule that gross income does not include amounts received by an individual as a pension, annuity, or similar retirement benefit under a public retirement system. A public retirement system is presently defined under section 37(f) as a pension, annuity, retirement, or similar fund or system established by the U.S., a State, a Territory, a possession of the United States, any political subdivision of the foregoing, or the District of Columbia.

Part (b) is a conforming amendment to the code adding the new Section 124 to the table of sections.

Section 2. Parts (a) and (b) terminate the existing partial credit for public service retirement income under Section 37 of the code effective January 1, 1973, so that Section 37 will be compatible with the new Section 124 which completely excludes all such income from taxation effective on that date.

Parts (c) and (d) are conforming changes to cross-reference the new Section 124.

DETAILED STUDY SHOWS NIXON SETS NEW ONE-TERM "EXECUTIVE PRIVILEGE" RECORD

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am sorry to report that the Nixon administration has set a new one-term record in Government-by-secrecy, using the claim of an executive privilege to hide the facts of Government from the Congress in 19 instances during these first 4 years.

This record is detailed in a study by the Government and General Research Division of the Library of Congress. For the first time since the use of executive privilege supposedly was limited to a claim of Presidential power in 1962, we have a complete record of how executive privilege actually has been used against the Congress. Not only has President Richard M. Nixon wielded this claim of power as a personal weapon at a rate far in excess of his predecessors, but he has

permitted administrative officials far down the line from the President to withhold information from the Congress. The Library of Congress study shows:

President Nixon personally used the claim of executive privilege to hide information from the Congress in four instances during the first 4 years of his administration, not three instances as the President and his congressional apologists have claimed.

Nixon administration officials in agencies directly responsible to the Congress have refused testimony or documents to congressional committees in 15 additional instances since President Nixon promised to limit the claim of power to withhold information from Congress to a personal, Presidential use.

These Nixon administration officials who have wrapped themselves in the cloak of executive privilege 15 times were either appointed with the advice and consent of the Senate to run agencies created by the Congress or they held jobs in agencies created by Congress, serving under officials appointed with the Senate's consent.

Not even included in this sorry record of secrecy are at least eight instances in which White House aides appointed by the President have refused testimony or documents to the Congress. Certainly a problem arises when the President's personal White House aides withhold information from the Congress, but an even more pressing problem is posed by officials throughout the executive branch claiming that they have a privilege to refuse information to the Congress.

The 15 instances of executive branch secrecy reported in the Library of Congress study are not minor cases where an individual Member of Congress has been refused information. They are major cases where a committee of Congress has officially requested testimony or documents and has been turned down.

And they are in addition to the four instances—not three as the President and his supporters claim—in which President Richard M. Nixon has personally hidden information from the Congress. To come up with its phony figure of "three," the White House cleverly lumped two cases together by refusing both of the requests on a single day.

On March 15, 1972, a memorandum from President Nixon directed the State Department to withhold studies of the fiscal year 1973 AID program which had been requested by the House Foreign Operations and Government Information Subcommittee. The same memorandum directed the U.S. Information Agency to withhold all USIA country program memoranda which had been requested by the Senate Foreign Relations Committee. Thus, two clear and separate congressional requests for information were covered by one Presidential memorandum, just as two other clear and separate requests for information had earlier been refused by President Nixon—a total of four Presidential assertions of Executive privilege, not three.

The two earlier instances were on November 21, 1970, when President Nixon directed the Department of Justice to withhold evaluations of potential appointees which had been requested by the House Intergovernmental Subcommittee and on August 30, 1971, when President Nixon directed the Department of Defense to withhold foreign military assistance plans which had been requested by the Senate Foreign Relations Committee.

But these four Presidential assertions of Executive privilege are merely the tip of the secrecy iceberg in the Nixon administration, when you look at the 15 other refusals of information to congressional committees outlined in the Library of Congress report.

I do not mean to imply that the Nixon administration is the only administration which has wrapped itself in the broad cloak of executive privilege, claimed as a power to withhold information from the Congress. The Eisenhower administration holds the unenviable record—so far with 34 instances of the use of "executive privilege" in two terms. And even the Kennedy and Johnson administrations, in which both Presidents promised to limit the use of the claim to a personal, Presidential power, did not actually limit the claim. The Library of Congress study above shows that President John F. Kennedy personally claimed Executive privilege against the Congress in one instance, but information was refused to the Congress by executive branch officials in the Kennedy administration three additional times after he promised to limit executive privilege to a Presidential power. Although President Lyndon B. Johnson did not personally use the claim of executive privilege against the Congress, in two instances executive branch officials in the Johnson administration refused information to the Congress after he said executive privilege would be used only as a Presidential power.

Presidents in earlier administrations have, of course, claimed a power rooted in the Constitution to withhold information from the Congress, but this has most often been a personal exercise of a Presidential power, not a broad cloak of executive privilege wrapping all of the executive branch in secrecy. And often the historic claims of executive privilege cited by modern administrations as precedents for secrecy have not, in fact, been exercises of the claim.

As the Library of Congress study points out, the first instance of executive privilege in President Washington's first administration did not result in withholding information from Congress. Although President Washington claimed a power to withhold information about General St. Clair's military disaster from the Congress he did not, in fact, use that power but turned over all of the information to the Congress.

There will be additional studies of the conflict between the executive branch and the legislative branch over access to Government information, and they will cover additional areas—for instance, the refusal of White House aides to testify before Congress, or the withholding of documents from the General Accounting Office serving as the auditing arm of Congress—but the current study by the Library of Congress highlights the seriousness of the problem, pointing out the extent to which Nixon administration officials throughout the executive branch claim an immunity from congressional scrutiny. Following is the complete study:

THE PRESENT LIMITS OF "EXECUTIVE PRIVILEGE"

(A study prepared under the guidance of the House Foreign Operations and Government Information Subcommittee)

May 17, 1954, was an important day on Capitol Hill. On that day, two separate political battles shifted emphasis, and the new emphasis of each controversy still is causing political problems.

In the Supreme Court Building Chief Justice Earl Warren issued the court's unanimous decision in *Brown* v. *Board of Education* holding that separate education is not equal education. In the Senate Office Building John Adams, the Army's general counsel, delivered a copy of a letter from President Dwight D. Eisenhower to Secretary of Defense Charles Wilson directing the Secretary to tell all his subordinates not to testify about advisory communications during the hearings of a special subcommittee of the Senate Government Operations Committee.[1]

Both important developments of May 17, 1954, had roots deep in the history of the United States. In the future both would effect the political development of the nation. The results of the Supreme Court's school desegregation decision are widely discussed in popular literature and scholarly studies and have become a part of current history. But there is comparatively little current knowledge about the developments that flowed from President Eisenhower's May 17, 1954, letter. Possibly, that letter and the political conflict of which it is part are more important to the study of the American form of democratic government with three branches than is the widely studied school desegregation issue.

President Eisenhower's May 17, 1954, letter brought a new dimension to the interactions between the Legislative and Executive Branches of the Federal government which are part of our separate-but-coordinate system. His letter, and its accompanying memorandum purporting to list historic examples of Presidential assertion of the right of "executive privilege," became the basis for an extension of the claim of "executive privilege" far down the administrative line from the President.[2] Eight years later there was an attempt to bring "executive privilege" back into proper perspective, but the effort has not been a complete success even though it involved three Presidents.

There are many privileges exercised by the executive head of the United States Government, ranging from the free use of the mountain retreat at Camp David (or Shang-ri-la as President Franklin D. Roosevelt christened it) to a funeral with full military honors. But *the* "executive privilege" has come to mean a claim of authority to control government information.[3] This "executive privilege" to control the dissemination of information has been asserted against the public[4] and against the courts,[5] but the claim of an "executive privilege" which was the basis of the President's May 17, 1954, letter is the claim of authority to withhold information from the Legislative Branch of the Federal government. And the authority claimed in President Eisenhower's May 17, 1954, letter was extended throughout the Executive Branch to include agencies administered by persons appointed by the President with the advice and consent of the U.S. Senate. This claim of control over government information is in addition to the power exercised by Presidents to protect their immediate White House staff—their personal advisers, in effect, over whose appointment the Congress has no confirming power.

Footnotes at end of article.

The Separation of Powers and the Control of Information.

The conflict between the Legislative and Executive Branches of the Federal government over access to information begins with the first clause of the first section of the first article of the Constitution of the United States. Article I, Section I states that "all legislative Powers herein granted shall be vested in a Congress of the United States. . . ." The power to legislate carries with it the power to investigate [6] and the clash between the executive and the legislature over access to information almost always has occurred in connection with a Congressional investigation.

In fact, the earliest attempt by the Congress to investigate brought on a conflict over the authority of the executive to withhold information. The House of Representatives in 1792 appointed a committee to investigate General St. Clair's military disaster in the Northwest and empowered the committee to "call for such persons, papers, and records, as may be necessary to assist their inquiries." [7] This demand for information by the first Congress and the reaction to it by the first President was brought up 162 years later in connection with President Eisenhower's letter of May 17, 1954. A memorandum from the Attorney General which accompanied the letter listed the call for information in the St. Clair caper as the first example of Presidential assertion of "executive privilege." [8] The memorandum states that President Washington called a Cabinet meeting and the group decided that "neither the committee nor House had a right to call upon the head of a Department who and whose papers were under the President alone." [9]

Not only did this first Congressional investigation result in a confrontation over legislative access to Executive Branch information but it also provided a vehicle for the first major factual error in the memorandum accompanying the May 17, 1954, letter, discussing what has come to be called "executive privilege." Far from being an example of Presidential assertion of "executive privilege", the St. Clair episode was an example of Congress effectively asserting its right of access to information. A Cabinet meeting was held and the question of Presidential power over records was discussed, as reported in the memorandum, but the full text of Thomas Jefferson's notes of that meeting shows that it was decided "there was not a paper which might not be properly produced." [10] In fact, an historian-newsman who analyzed the precedents listed in the memorandum for withholding information from the Congress concluded that, in most of the examples, "the Congress prevailed, and got precisely what it sought to get." [11]

The assertion of an "executive privilege" to withhold information from the legislature is rooted in the opening words of Article II of the Constitution: "The executive power shall be vested in a President of the United States of America" and in the last clause in Section 3 of Article II: "He shall take care that the laws be faithfully executed." [12]

This Constitutional grant of power is both vague and complicated, the language raising more questions of how the power shall be exercised than it answers.[13] In the past 18 years, however, there have been some major changes in Congressional-Executive relationships which clarify the practice—if not the principle—of "executive privilege".

THE RECENT GROWTH OF "EXECUTIVE PRIVILEGE"

After May 17, 1954, the Executive Branch answer to nearly every question about the authority to withhold information from the Congress was "yes", they had the authority. And the authority most often cited was the May 17, 1954, letter from President Eisenhower to Secretary of Defense Wilson.[14] Not only was the letter cited, but usually the claim of authority included the accompanying memorandum from Attorney General Herbert Brownell, supposedly prepared in the Department of Justice.

The letter and the memorandum were involved in a controversy between Senator Joseph McCarthy (R., Wis.) and the United States Army over the propriety of the Senator's pressure tactics as chairman of the Permanent Subcommittee on Investigations of the Senate Committee on Government Operations. During two days of testimony at special hearings called to give McCarthy and the Army a forum for their fight, Army Counsel John Adams mentioned a meeting in the Attorney General's office attended by top White House staff members.[15]

When Subcommittee members tried to get more information from Adams about what went on at the high-level meeting, Joseph N. Welch of Boston, the Army's special counsel for the Army-McCarthy hearings, said Adams had been instructed not to testify any further about the meeting.[16] That was on Friday, May 14, 1954. When Subcommittee members insisted that Adams testify, Welch asked for and was granted a recess until the following Monday.

On Monday, Adams gave the Subcommittee the letter of instructions from the President to the Secretary of Defense, accompanied by a memorandum supposedly prepared officially in the Department of Justice over the weekend. In fact, the memorandum consisted only of excerpts and paraphrases from a 1949 article printed in the *Federal Bar Journal* and written by Herman Wolkinson, a Justice Department research lawyer.[17] Two years later the Justice Department presented to another Congressional subcommittee what appeared to be an expanded memorandum supporting their position on "executive privilege",[18] but it was merely the text of the Wolkinson article.[19]

There was a favorable public response to President Eisenhower's firm stand against disclosing conversations in his official family. Newspapers which were later to inveigh against the excesses of "executive privilege" praised the President's letter of May 17, 1954. The *New York Times*, for instance, editorialized against Senator McCarthy's use of legislative powers to encroach upon the Executive Branch "in complete disregard of the historic and Constitutional division of powers that is basic to the American system of Government." [20] And the *Washington Post* called the memorandum which was made public in connection with the President's letter "an extremely useful document," concluding that the President's authority under the Constitution to withhold information from Congress "is altogether beyond question." [21]

But the May 17, 1954, letter from the President, with its accompanying memorandum, soon became the major vehicle for spreading a claim of Presidential authority throughout the Executive Branch. The letter referred only to a specific series of conversations between Presidential appointees, restricting access to information about those conversations only to one specific Subcommittee of the Congress. Four months later, however, the May 17, 1954, letter was extended to cover more than the President's personal appointees and more than the specific Subcommittee's hearings.

In August, 1954, the U.S. Senate established a select committee to determine whether Senator McCarthy was guilty of conduct "unbecoming a member of the United States Senate" and asked two Army generals to testify about their conversations in connection with McCarthy's activities. Major General Kirke B. Lawton refused to testify on the advice of counsel that the May 17, 1954, "directive" applies to "this or any other" committee.[22] Senator Arthur V. Watkins (R., Utah), the chairman of the select committee, asked Secretary of Defense Charles Wilson for clarification and received a letter stating:

"As a matter of legal application, the Attorney General advises me that the principles of the Presidential order of May 17, 1954 are as completely applicable to any committee as they were to the Committee on Government Operations.[23]

Telford Taylor, in his study of Congressional investigatory powers at the time of the Army-McCarthy controversy, commented:

"If President Eisenhower's [May 17, 1954] directive were applied generally in line with its literal and sweeping language, congressional committees would frequently be shut off from access to documents to which they are clearly entitled. . . . It is unlikely, therefore, that this ruling will endure beyond the particular controversy that precipitated it." [24]

He proved a poor prophet, in this case. President Eisenhower's May 17, 1954, letter became the major authority cited for the exercise of "executive privilege" to refuse information to the Congress for the next seven years of his administration [25] and it established a pattern which the three Presidents after Eisenhower have followed.

"EXECUTIVE PRIVILEGE" LIMITED

President John F. Kennedy bent, although he did not break, the pattern of "executive privilege" claims by officials far down the administrative line from the President. He had been in office for one year when a special Senate subcommittee held hearings on the Defense Department's system for editing speeches of military leaders. When the Subcommittee asked the identity of the military editors who had handled specific speeches, President Kennedy wrote a letter to Secretary of Defense Robert S. McNamara directing him and all personnel under his jurisdiction "not to give any testimony or produce any documents which would disclose such information." [26] The similarity of President Kennedy's letter of February 8, 1962, and President Eisenhower's letter of May 17, 1954, stopped there, for Kennedy added:

"The principle which is at stake here cannot be automatically applied to every request for information. Each case must be judged on its own merits." [27]

There was no legal memorandum attached to President Kennedy's letter, although one was available. A 169-page study of "executive privilege" cases through 1960 had been prepared by two lawyers in the Department of Justice and printed in two issues of the *George Washington Law Review*.[28] The study, reminiscent of Herman Wolkinson's article in the *Federal Bar Journal* which was used as the back-up memorandum for President Eisenhower's May 17, 1954, letter, discussed executive responses to legislative inquiries from 1953 through 1960 and described some of the cases in which "executive privilege" was claimed. The new study called the exercise of "executive privilege" awkward and embarrassing—but not improper—and concluded:

"This power, like most other Presidential powers, therefore, must be delegated to other officials. The question is how far down the administrative line can this delegation proceed.[29]

President Kennedy's answer was: it cannot. His position was clarified in an exchange of correspondence with Congressman John E. Moss (D., Calif.) who, as chairman of the Foreign Operations and Government Information Subcommittee and its predecessor special subcommittee, had been leading the fight against government secrecy for nearly six years. Moss wrote that President Kennedy's letter of February 8, 1962, "clearly stated that the principle involved could not be applied automatically to restrict information", but he urged clarification "to prevent the rash of restrictions on government information which followed the May 17, 1954, letter from President Eisenhower." [30] President Kennedy, whose staff had gone over

Footnotes at end of article.

a draft of the Moss letter before it was sent formally, replied on March 7, 1962:

"Executive privilege can be invoked only by the President and will not be used without specific Presidential approval." [31]

Soon after Lyndon B. Johnson was elected President, Congressman Moss asked him to limit the use of "executive privilege" as had President Kennedy. In a letter of March 31, 1965, Moss discussed the spread of the use of "executive privilege" following President Eisenhower's letter and contended that, as a result of President Kennedy's limitation of the use of the authority, "there was no longer a rash of 'executive privilege' claims to withhold information from the Congress and the public." Moss expressed to President Johnson the hope that "you will reaffirm the principle that 'executive privilege' can be invoked by you alone and will not be used without your specific approval." [32] President Johnson, in a letter of April 2, 1965, to Congressman Moss, reaffirmed the principle, stating flatly that "the claim of 'executive privilege' will continue to be made only by the President." [33]

Congressman Moss repeated the procedure soon after President Richard M. Nixon took office, asking him to "favorably consider a reaffirmation of the policy which provides, in essence, that the claim of 'executive privilege' will be invoked only by the President." [34] Two months after receiving the letter from Congressman Moss, President Nixon issued a memorandum to the heads of all executive departments and agencies stating that "executive privilege will not be used without specific Presidential approval." He buttressed his memorandum with a letter to Congressman Moss stating:

"I believe, as I have stated earlier, that the scope of executive privilege must be very narrowly construed. Under this Administration, executive privilege will not be asserted without specific Presidential approval.[35]

President Nixon's memorandum of March 24, 1969, spelled out procedural steps to govern the invocation of "executive privilege". First, he stated, anyone who wanted to invoke "executive privilege" in answer to a request for information from a "Congressional agency" had to consult the Attorney General. If the Attorney General and the department head agreed that "executive privilege" should not be invoked, the information requested should be released to the Congress. If, however, either or both of them wanted the issue submitted to the President, "the matter shall be transmitted to the Counsel to the President, who will advise the department head of the President's decision." If the President decided to invoke "executive privilege", the memorandum concluded, "the department head should advise the Congressional agency that the claim of Executive privilege is being made with the specific approval of the President." [36]

This was the first time that a step-by-step procedure was set up for invoking "executive privilege" against Congressional inquiries. It was not, of course, the first time that a President had promised to make the final decisions on the use of "executive privilege", but neither was President Kennedy's decision that only he should refuse information to the Congress, a Presidential first. On April 14, 1909, President William H. Taft issued Executive Order 1062 stating:

"In all cases where, by resolution of the Senate or House of Representatives, a head of a Department is called upon to furnish information, he is hereby directed to comply with such resolution, except when, in his judgment, it would be incompatible with the public interest, in which case he should refer the matter to the President for his direction."

No information is available on the results of President Taft's Executive Order 1062, but there is information from public sources on the results of the Kennedy-Johnson-Nixon limitation of the use of "executive privilege."

THE LIMITS OF LIMITATION

Has the Executive Branch claim of power to refuse information to Congress been severely limited since President Kennedy exercised "executive privilege" but said it would be used only by the President, judging each case on its merits? To answer the question, public sources were researched from 1962 through 1972 to determine the instances in which the Executive Branch refused documents or testimony to Congressional committees. The instances of invocation of "executive privilege" covered might or might not involve the issuance of a subpoena or a formal resolution requesting information. What has been focused upon is a publicly-recorded request for information by a Congressional committee and a publicly-reported refusal by an Executive Branch official to grant that request. That which was sought might be a document, a witness, or both. The refusal may or may not have been accompanied by a reason for the denial. The invocation of "executive privilege" has been interpreted for the purposes of this study to refer to a refusal of information to a Congressional committee or subcommittee by an Executive Branch agency or official. It does *not* include instances in which Presidential aides, serving in the White House Office, have refused to appear before Congressional committees.

Sources used in this study were the *New York Times*, the *Washington Post*, the *Washington Evening Star*, the *Congressional Record*, the *Congressional Quarterly* reports and almanacs, and printed hearings of Congressional committees. Following is the result:

Kennedy administration

Exercise of "executive privilege" by the President:

1. State and Defense Department witnesses directed not to give testimony or produce documents at hearings of the Senate Special Preparedness Subcommittee on Military Cold War Education which would identify individuals who reviewed specific speeches. (Committee on Armed Services, United States Senate, *Military Cold War Education and Speech Review Policies*, 87th Congress, Second Session, pp. 338, 369–370, 508–509, 725, 730–731 and 826).

Refusal by Executive Departments and Agencies To Provide Documents or Testimony

1. The Food and Drug Administration refuses to comply with a request from the House Interstate and Foreign Commerce Committe for files on MER–29 drug (*New York Times*, 6/21/62).

2. The State Department refuses to provide a copy of a working paper on the "mellowing" of the Soviet Union to the Senate Foreign Relations Committee (*New York Times*, 6/27/62).

3. General Maxwell D. Taylor appears before the House Subcommittee on Defense Appropriations and refuses to discuss the Bay of Pigs invasion as "it would result in another highly controversial, divisive public discussion among branches of our Government which would be damaging to all parties concerned." (*Congressional Record* 4/4/63, p. 5817).

Johnson administration

Refusals by Executive Departments and Agencies to provide documents or testimony

1. The Department of Defense refuses (April 4, 1968) to supply a copy of the Command Control Study of the Gulf of Tonkin incident to the Senate Foreign Relations Committee (Committee on the Judiciary, United States Senate, *Executive Privilige: The Withholding of Information by the Executive*, 92nd Congress, First Session, p. 39). This source hereafter cited as Senate Judiciary Committee hearings, *Executive Privilege*.

2. Treasury Under Secretary Joesph W. Barr refuses to testify before Senate Judiciary Committee on the nomination of Abe Fortas to be Chief Justice (CONGRESSIONAL RECORD, vol. 114, pt. 21, p. 27518, and *Washington Post*, 9/17/68).

Nixon administration

Exercise of "executive privilege" by the President:

1. The Attorney General refuses (November 21, 1970) to give Congressman L. H. Fountain, chairman of the Intergovernmental Relations Subcommittee of the House Government Operations Committee, reports furnished by the Federal Bureau of Investigation to evaluate scientists nominated to serve on advisory boards of the Department of Health, Education and Welfare (Committee on Government Operations, U.S. House of Representatives, *U.S. Government Information Policies and Practices—The Pentagon Papers*, Part 2, 92nd Congress, First Session, pp. 362–363).

2. The Department of Defense refuses (August 30, 1971) to supply foreign military assistance plans to the Senate Foreign Relations Committee (Senate Judiciary Committee hearings, *Executive Privilege*, pp. 45–46).

3. The State Department refuses (March 15, 1972) to give the House Foreign Operations and Government Information Subcommittee the Agency for International Development country field submissions for Cambodian foreign assistance for the fiscal year 1973 (*New York Times*, 3/17/72; CONGRESSIONAL RECORD, vol. 118, pt. 7, pp. 8694–8695).

4. The United States Information Agency refuses (March 15, 1972) to give the Senate Foreign Relations Committee all USIA Country Program Memoranda (CONGRESSIONAL RECORD, vol. 118, pt. 7, pp. 8694–8695).

Refusals by Executive Departments and Agencies To Provide Documents or Testimony

1. The Department of Defense refuses (June 26, 1969) to supply the five-year plan for military assistance programs to the Senate Foreign Relations Committee (Senate Judiciary Committee hearings, *Executive Privilege*, p. 40).

2. The Defense Department refuses to provide a copy of "Commitment Plan 1964" between U. S. and Thailand to the Senate Foreign Relations Committee (*New York Times*, 8/9/69).

3. The Department of Defense refuses (December 20, 1969) to supply the "Pentagon Papers" to the Senate Foreign Relations Committee (Senate Judiciary Committee hearings, *Executive Privilege*, pp. 37–38).

4. Secretary of Defense Melvin Laird declines invitation to appear before Senate (Foreign Relations) Disarmament Subcommittee (*New York Times*, 3/19/70).

5. Department of Defense General Counsel J. Fred Buzhardt refuses in hearings (March 2, 1971) to release an Army investigation report on the 113th Intelligence Group requested by Senate Constitutional Rights Subcommittee (Senate Judiciary Committee hearings, Executive Privilege, pp. 402–405).

6. The Department of Defense refuses (April 10, 1971) to supply continuous monthly reports on military operations in Southeast Asia to the Senate Foreign Relations Committee (Senate Judiciary Committee hearings, Executive Privilege, p. 47).

7. The Department of Defense refuses (April 19, 1971) to allow three designated generals to appear before the Senate Constitutional Rights Subcommittee (Senate Judiciary Committee hearings, *Executive Privilege*, p. 402).

8. The Department of Defense refuses (June 9, 1971) to release computerized surveillance records and refuses to agree to a

Footnotes at end of article.

Senate Constitutional Rights Subcommittee report on such records (Senate Judiciary Committee hearings, *Executive Privilege*, pp. 398–399).

9. The State Department refuses (March 20, 1972) to supply Senate Foreign Relations Committee with a copy of "Negotiations, 1964–1968: The Half-Hearted Search for Peace in Vietnam" (*Washington Post*, 3/20/72).

10. Treasury Secretary John Connally refuses to testify before Joint Economic Committee on matter of the Emergency Loan Guarantee Board refusing to supply requested records on the Lockheed loan to the Government Accounting Office (*Washington Evening Star*, 4/27/72).

11. Benjamin Forman, Department of Defense Assistant General Counsel, appears before the Senate Foreign Relations Committee but refuses to discuss weather modification efforts in Southeast Asia (Washington Post, 7/27/72).

12. Henry Ramirez, chairman of Cabinet Committee on Opportunities for the Spanish Speaking, refuses to testify before House Judiciary Subcommittee on Civil Rights (*Congressional Quarterly*, 8/12/72, p. 2017).

13. SEC Chairman William J. Casey refuses to turn over Commission investigative files on ITT to the House Interstate and Foreign Commerce investigative subcommittee (*Washington Evening Star/Daily News*, 11/1/72).

14. HUD Secretary George Romney declines invitation to appear before the Joint Economic Committee to testify on Federal housing subsidies (*Washington Post*, 12/6/72).

15. Department of Defense refuses to turn over documents requested by the House Armed Services Committee on unauthorized bombing raids of interest to the committee as part of hearings on the firing of Gen. John D. Lavelle (*Washington Post*, 12/19/72).

CONCLUSIONS

President Kennedy exercised the Presidential claim of "executive privilege" one time when he directed witnesses not to identify speech reviewers in testimony before the Senate subcommittee investigating military cold war education policies. Six separate refusals to provide information to the subcommittee were involved in the President's single action.

After the Kennedy directive, however, Executive Branch officials in his administration refused to provide information to Congressional committees three times, apparently without Presidential authority.

In the Johnson Administration "executive privilege" was not claimed by President Johnson, but there were two refusals by appointees in his administration to provide information to Congressional committees after President Johnson's letter of April 2, 1965, stating that "the claim of 'executive privilege' will continue to be made only by the President."

President Nixon personally and formally invoked the claim of "executive privilege" against Congressional committees four times after his memorandum of March 24, 1969, stating that "executive privilege" will not be used without specific Presidential approval. After the memorandum was issued there were, however, 15 other instances in the Nixon Administration in which documents or testimony were refused to Congressional committees without Presidential approval.

This public record of the controversies over Congressional access to Executive information after three Presidents limited the use of "executive privilege", raises a number of questions. Were the Executive Branch officials who apparently refused information to Congressional committees 20 times in violation of the orders of three Presidents, actually acting under orders? Is it possible that three Presidents ordered information withheld 20 times from Congressional committees and left no evidence of their orders?

Contrariwise, is it possible that, in 20 instances, Executive Branch officials were ignoring the clear orders of three Presidents? Or possibly, is there some of both: Executive Branch officials refusing information to Congressional committees with the tacit understanding—at least by the White House staff if not the President, himself—of what was going on?

There are many other problems which can be raised in addition to these three alternatives, such as the question of what formal action the Congress or one of its constituent units must take to assert the Legislative Branch's right of access to information by the Constitution, and the question of whether the Legislative vs. Executive conflict over access to government information may be regarded as a partisan political fight having little to do with the evolution of a system of government based on three coordinate branches.

The fact that there is much more conflict over Congressional access to Executive Branch information when the two branches are controlled by different political parties gives substance to the view that "executive privilege" is a partisan problem. There were, for example, 19 cases of refusal of information to Congressional committees under the first four years of the Republican Nixon Administration working with a Democratic Congress, but there were only six refusals of information in seven years of the Kennedy and Johnson Administrations when both branches were controlled by the same political party. An additional indication of the partisan nature of the conflict is that there were some 34 instances of information refused in response to Congressional requests during the last five years of the Eisenhower Administration, after he issued his letter of May 17, 1954.[37] In that period, the Executive and Legislative Branches were under control of different political parties.

Partisan the problem is, but not purely partisan. It can come up when both branches are under control of the same political party—witness the six cases in the Kennedy and Johnson Administrations—and the partisan makeup of the two branches may merely sharpen the conflict and not make it less of a problem to be solved as the governmental system evolves.

President Nixon, in fact, did more to regularize the flow of information to Congress on controversial subjects than did his predecessors. He issued the first orders setting up a step-by-step procedure to be followed in his administration before "executive privilege" could be invoked. And his memorandum of March 24, 1969, moved toward an answer to the question of what type of formal action the Congress must take to demand information before "executive privilege" would be asserted.

His memorandum referred throughout to a "Congressional agency"[38] requesting Executive Branch information. By this language, apparently he was recognizing that a Congressional committee or subcommittee—or, possibly, the chairman of either—could make a formal request for information that might result in the claim of "executive privilege". He did not require a resolution of the House or Senate, as did President Taft, nor did he leave the problem completely in limbo, as did Presidents Kennedy and Johnson.

There is some additional information to indicate which of three alternatives—violation of a Presidential order, secret Presidential approval or both—explain the fact that the limitation on the use of "executive privilege" apparently has been ignored. It is possible that the five cases in the Kennedy and Johnson Administrations in which information was refused, apparently without Presidential approval, in fact had Presidential approval but this fact has been kept from public knowledge.

This is not the case in the Nixon Administration. President Nixon's memorandum requires a potential "executive privilege" case to go through the Office of Legal Counsel in the Department of Justice. The "executive privilege" expert in that office is Herman Marcuse, one of the authors of the *George Washington Law Review* study of "executive privileges" from 1953 to 1960 (see footnote 28). Marcuse has stated that only the cases of "executive privilege" listed above were handled in the office and approved by President Nixon since his memorandum.[39]

There is a possibility that, in all three administrations, the cases of refusal of information to Congress, apparently in violation of Presidential orders, did not result from formal confrontations between the two branches of government. Assistant Attorney General William H. Rehnquist, who was in charge of the Office of Legal Counsel, testified after two years' experience under President Nixon's "executive privilege" memorandum that "agencies which seek to withhold information are complying with the procedures set forth in the memorandum."[40] By the time of his testimony, there already had been one formal Presidential use of the claim of "executive privilege" and eight other cases in which, public records show, testimony or documents had been refused to Congressional committees.

Rehnquist downgraded refusals of information to Congress which had not had the stamp of Presidential approval, arguing that no real confrontation over access to information occurs in many cases because they are mere discussions at the staff level between Executive agencies and Congressional committees. And in other cases, he testified, a witness would mention the possibility that a request for particular information might raise the spectre of "executive privilege." Rehnquist added:

"But such a statement, of course, is by no means tantamount to the President's authorizing the claim of privilege. It is simply a statement by a department head or his representative that he is prepared to recommend a claim of privilege to the President should the demand for information not be settled in a mutually satisfactory manner to both the agency and the chairman of the committee or subcommittee involved."[41]

None of the 15 Nixon Administration cases of refusal of information to a Congressional committee without the formal, Presidential citation of "executive privilege" seems to fit the Rehnquist criteria. While the committees or subcommittees involved may not have taken a formal vote to demand the testimony or documents in each case the request for information did come up in hearings or as part of a formal request from the chairman.

If the 15 Nixon Administration cases involved formal, direct requests for information and if there are no secret Presidential orders directing the invocation of "executive privilege", it seems that Executive Branch officials violated the Presidential directive 15 times. When interpreting orders in government administration, however, one bureaucrat's violation may be another bureaucrat's compliance. Those who want to withhold information from the Congress will do everything possible to make it difficult for Congress to get what it needs. That is apparent from the 34 instances occurring in five years when the Executive Branch wrapped itself in President Eisenhower's letter of May 17, 1954, as a cloak of "executive privilege". That cloak no longer exists, but the bureaucracy that used it is little changed. And the top-level policy makers apparently are happy to use the bureaucracy's tactics of delay and obfuscation to prevent Congress from getting at information which might embarrass their agency or their administration.

While the Kennedy-Johnson-Nixon statements limiting the invocation of "executive privilege" may state clearly to Congressional readers that information will not be refused

without specific Presidential approval, they may also state to Executive Branch readers that they should be careful when claiming "executive privilege" but they can use other techniques to block Congressional access to information.

Thus, the use of the claim of "executive privilege" has been severely limited but the limitation has not opened new file drawers to Congress. In fact, the Presidential statements have been limitations in name only.

FOOTNOTES

[1] U.S. Congress. Senate, Committee on Government Operations. Special Subcommittee on Investigations. *Special Senate Investigation on Charges and Countercharges Involving: Secretary of the Army Robert T. Stevens, John G. Adams, H. Struve Hensel and Senator Joe McCarthy, Roy M. Cohn, and Francis P. Carr.* Hearings, 83rd Congress, 2d session. Washington: U.S. Govt. Print. Off., 1954, pp. 1169–1172.

[2] H. Rept. 84–2947, p. 90.

[3] H. Rept. 86–2084, p. 37.

[4] *Ibid.*, p. 36.

[5] *Marbury v. Madison* (1 Cranch 137) and the conspiracy trial of Aaron Burr are the classic historical cases. *Kilbourn v. Thompson* (103 U.S. 168), *McGrain v. Daugherty* (273 U.S. 135), *ex rel. Touhy v. Ragan* (340 U.S. 462) and *U.S. v. Reynolds* (345 U.S. 1) are modern cases which have considered court access to Executive Branch information. When President John F. Kennedy limited the use of "executive privilege" to the President alone (see below), he was asked by the Attorney General whether the limitation applied only to congressional requests for information. Theodore C. Sorenson, Special Counsel to the President, replied in a letter of March 30, 1962, to the Attorney General that the policy "relates solely to inquiries directed by the Congress or its committees to the Executive Branch" and does not have any application to "demands, made in the course of a judicial or other adjudicatory proceeding, for the production of papers or other information in the possession of the Government."

[6] Library of Congress. Legislative Reference Service. *The Constitution of the United States of America—Analysis and Interpretation.* Washington: U.S. Govt. Print. Off., 1964, p. 105.

[7] *Ibid.*

[8] U.S. Congress. House. Committee on Government Operations. Special Subcommittee on Government Information. *Availability of Information from Federal Departments and Agencies.* Hearings, 85th Congress, 2d session. Washington: U.S. Govt. Print. Off., 1958, p. 3911.

[9] *Ibid.*

[10] J. Russell Wiggins, "Government Operations and the Public's Right to Know," *Federal Bar Journal,* XIX (January, 1959), p. 76.

[11] *Ibid.*, p. 82.

[12] Senator Sam Ervin (D.-N.C.), the United States Senate's acknowledged constitutional expert, explains:

"Although the Constitution is silent with regard to the existence of executive privilege, its exercise is asserted to be an inherent power of the President. Its constitutional basis allegedly derives from the duty imposed upon the President under article II section 3 to see that the laws are faithfully executed. The President claims the power on the grounds that it is necessary in order to provide the executive branch with the autonomy needed to discharge its duties properly. Inasmuch as the "President alone and unaided could not execute the laws * * *" but requires "the assistance of subordinates" (*Myers* v. *U.S.*, 272 U.S. 117 (1926)), the alleged authority to exercise executive privilege has thereby been extended in practice to the entire executive branch." *

* U.S. Congress. Senate. Committee on the Judiciary. Subcommittee on Separation of Powers. *Executive Privilege: The Withholding of Information by the Executive.* Hearings, 92d Congress, 1st session. Washington: U.S. Govt. Print. Off., 1971, p. 2.

[13] Edward S. Corwin. *The President: Office and Powers.* New York: New York University Press, 1968, pp. 4 and 5.

[14] H. Rept. 86–2084, p. 117.

[15] U.S. Congress. Senate. Committee on Government Operations. Special Subcommittee on Investigations. *op. cit.*, p. 1059.

[16] *Ibid,* pp. 1169–1172.

[17] H. Rept. 86–234, p. 64, note 1.

[18] U.S. Congress. House. Committee on Government Operations. Special Subcommittee on Government Information. *op. cit.*, p. 2894; another, modified version and the original also found in U.S. Congress. Senate. Committee on the Judiciary. Subcommittee on Constitutional Rights. *Freedom of Information and Secrecy in Government.* Hearings, 85th Congress, 2d session. Washington: U.S. Govt. Print. Off., pp. 63–270.

[19] Herman Wolkinson, "Demands of Congressional Committees for Executive Papers," *Federal Bar Journal,* X (April, July, October, 1949), pp. 103–150.

[20] New York *Times,* May 18, 1954, p. 28.

[21] Washington *Post,* May 18, 1954, p. 14.

[22] U.S. Congress. Senate. Select Committee to Study Censure Charges Against Senator Joe McCarthy. *Hearings, Select Committee to Study Censure Charges Against Senator Joe McCarthy, August 31 through September 17, 1954.* 83rd Congress, 2d session. Washington: U.S. Govt. Print. Off., 1954, p. 167.

[23] *Ibid.*, p. 434.

[24] Telford Taylor. *Grand Inquest.* New York: Simon & Schuster, 1955, p. 133.

[25] H. Rept. 86–2084, p. 177.

[26] U.S. Congress. Senate. Committee on Armed Services. Special Preparedness Subcommittee. *Military Cold War Education and Speech Review Policies.* Hearings, 87th Congress, 2d session. Washington: U.S. Govt. Print. Off., 1962, pp. 508 and 509.

[27] *Ibid.*

[28] Robert Kramer and Herman Marcuse, "Executive Privilege—A Study of the Period 1953–1960," *George Washington Law Review,* XXIX (April, June, 1961), pp. 623–718, 827–916.

[29] *Ibid.*, p. 911.

[30] U.S. Congress. Senate. Committee on the Judiciary. Subcommittee on Separation of Powers. *op. cit.*, p. 34.

[31] *Ibid.*

[32] *Ibid.*, p. 35.

[33] *Ibid.*

[34] *Ibid.*, p. 36.

[35] *Ibid.*

[36] *Ibid.*, p. 37.

[37] H. Rept. 86–2084, pp. 5–35.

[38] U.S. Congress. Senate. Committee on the Judiciary. Subcommittee on Separation of Powers. *op. cit.*, p. 36.

[39] Telephone interview, August 22, 1972.

[40] U.S. Congress. House. Committee on Government Operations. Foreign Operations and Government Information Subcommittee. *U.S. Government Information Policies and Practices—The Pentagon Papers.* Hearings, 92d Congress, 1st session. Washington: U.S. Govt. Printing Office, 1971, p. 365.

[41] *Ibid.*, p. 366.

WHAT TO DO TOGETHER

(Mr. SYMINGTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SYMINGTON. Mr. Speaker, as SALT II proceeds and the peace dividend for our tortured economy is absorbed by the requirements of World War III, we should be moved to new reflections. For a number of years it has seemed to me that peace would be better served if the superpowers agreed not merely what not to do, separately, but what to do, together.

In 1962, as Deputy Director of Food For Peace, I prepared for the Director GEORGE MCGOVERN, a memorandum for President Kennedy on the eve of his historic meeting in Vienna with Premier Khrushchev. At that time Laos appeared to be the bone of great power contention, Vietnam being buried a little deeper. The memorandum, detailing the joint efforts of the American Relief Commission and Soviet authorities to alleviate hunger in Russia in the early twenties, suggested a similar coordinated program of developmental assistance to the Laotian people. Recalling the success of negotiations leading to the end of the four-power occupation of Austria, we suggested that the Vienna talks would provide an ideal opportunity to consider a two, three, or four power economic development effort in Indochina. It was an initiative that might have been called at another time an investment in peace. But the tense confrontation with Khrushchev was unrelieved by speculation of this kind. And the Laotian accords of 1962 contained no such provision. Instead, they embodied pledges of mutual noninvolvement in Laotian affairs which were mutually breached in short order. Our view was dismissed as perhaps impractical, if not wholly naive. As the "practical" approach has cost 55,000 American lives, many times that figure in wounded, $150 billion, a dislocated economy, inflation, neglect of domestic priorities, a balance of payments deficit, dollar devaluation, citizen distrust, and the sorrow and contempt of a good many friends abroad, it is sobering to consider what impracticality might have brought upon us.

In any event, finding myself a decade later as chairman of the recently established House Subcommittee on International Cooperation in Science and Space, I decided to nail down as firmly and quickly as possible bureaucratic, congressional, and public support for the truly nonnuclear agreements concluded last May. Accordingly, with Congressman LOUIS FREY of Florida, the ranking Republican member of the subcommittee, and with the approval of Chairman George Miller of the parent Committee on Science and Astronautics, I scheduled a series of hearings on these accords, 2 weeks following the President's return from Moscow. The hearings are concluded and the report printed.

What do the agreements say? Briefly, in addition to broadened exchanges of scientists, they provide for joint studies and projects in basic and applied sciences, cancer and heart research, public health methods, air and water pollution control, including preservation of the marine environment, earthquake prediction, arctic and subarctic ecological systems, space biology and medicine, exploration of near earth space, and a space docking mission between Soviet and U.S. manned spacecraft in 1975. To spur implementation of the agreements, joint commissions are established for each area of endeavor excluding space where such a working committee already exists. These commissions will meet annually and alternately in Moscow and Washington for review and planning purposes.

What did the hearings reveal? We learned without surprise that scientific and technological cooperation between the United States and the Soviet Union was virtually nonexistent following World War II; that as Dr. James Fisk, president of Bell Telephone Laboratories, Inc., put it, "Despite the formal exchanges between the countries, contacts in science and technology have been largely scientific and technical tourism with little follow up"; that the Soviet Union withdrew from the World Health Organization in 1950, and returned in 1957. Why: In January 1956 a severe outbreak of poliomyelitis in the U.S.S.R. prompted the Soviet Government to request permission to send specialists to the United States to study American progress in the control of that disease. As a result of that visit over 12 million children in the Soviet Union received the Salk vaccine between 1957 and 1960. Then, between 1958 and 1963 more than 91 million persons were inoculated with the Sabin live vaccine, thereby successfully eliminating polio as a major disease threat in the Soviet Union. Apparently, the program of assistance was well concealed from the public of both nations. We expressed the hope that future cooperative efforts of this kind would receive the attention they merit. We learned from the President's Science Adviser, Director Edward David, that our common interests now "went beyond basic sciences, and that a problem-solving approach might be possible." This viewpoint was echoed by Mr. D. M. Gvishiani, Deputy Chief of the State Council for Science and Technology of the Soviet Union. In a June article in Izvestia, Mr. Gvishiani wrote that:

> While cooperation . . . so far . . . in atomic energy, space research, public health, and so forth, has made a positive contribution to the . . . relations between the U.S.S.R. and the U.S. . . . one cannot fail to note that the volume and nature of scientific and technical links between our countries far from match the real possibilities and requirements.

I remember with pleasure the opportunity I had to escort Mr. Gvishiani's wife and her father Premier Kosygin following his talks with President Johnson at Glassboro in 1967. Her interest and concern for child care, health, and nutrition, deserved a wider audience than the State Department staff aboard Air Force One.

We learned from Dr. George M. Low, Deputy Administrator of NASA, that the Soyuz spacecraft's standard atmosphere of oxygen and nitrogen at about 14.7 pounds per square inch, is a preferable environment to the Apollo atmosphere of one-third pure oxygen—the cause of the fatal Apollo fire—which was adopted early in our space program because of weight limitations imposed by smaller booster capability; further, that the docking module required to complete the mission is essentially an airlock permitting the otherwise impossible exchange of visits, and that the future U.S. manned program will incorporate the Soviet approach in this regard.

From Dr. Gordon J. F. MacDonald, a member of the Council on Environmental quality, we learned that while air pollution is a less serious problem in the U.S.S.R., inversions in some heavily industrialized areas, as in Los Angeles, can cause severe local air pollution; also, that controlling urban sprawl, and improving public urban transportation are high on the list of Soviet priorities. The threat to Lake Baikal, the world's deepest body of fresh water, stemming from the lumber mills and cellulose plants along its shores, has been discussed in the press, but not the Soviet anxiety over the effluents being discharged into the waterways of the Volga and Ural basins, as well as the report from the Leningrad City Party Committee calling factory directors to task for dumping pollutants into the Neva River and canals.

Dr. MacDonald described how important water was as a resource to the Soviets, particularly fresh water. He said:

> The Soviets depend upon fresh water fisheries to a far greater extent than we do as a source of protein. It is, therefore, in the Soviet interest to attempt to maintain a high level of water quality, and because of this . . . they have a very significant interest in the technologies we have developed here.

This prompted us to inquire about trade opportunities for the United States that Soviet environmental needs might generate. Specifically, I asked Dr. MacDonald if he envisaged Soviet interest in our hardware and hardware systems. His reply:

> Yes, for example, some of our electrostatic precipitators designed to control the emission of particular matter are potential candidates. Certainly some of our advanced water treatment facilities, actual hardware—another candidate. Some of the developments in desulfurization are still another.

On a subsequent trip to General Electric headquarters in Philadelphia with the Space Applications Subcommittee, I saw the GE proposal for the study of Connecticut's environmental needs worked out in concert with Daniel Lufkin, the most active and imaginative State environmental director in the country. Unless otherwise occupied following this study, the GE experts may find themselves munching caviar on the banks of the Neva, or Lake Baikal. Surely, in this balance-of-payments doldrum period, we should work to stay ahead and sell ahead along the advancing frontiers of technology.

As a member also of the Public Health and Environment Subcommittee of the Commerce Committee, I was much interested in the testimony of Dr. Roger O. Egeberg, Special Assistant for Health Policy in HEW and consultant to the President for health affairs. Dr. Egeberg has for some time enjoyed a friendly and close working relationship with Dr. Boris Petrovsky, the Soviet Minister of Health. In addition to reviewing the groundwork laid for cooperation in cancer, heart, and environmental science, Dr. Egeberg gave a quite interesting profile of the Soviet public health structure and methods. Those working on Federal legislation to insure ambulance and emergency care service of a high quality throughout the country, will benefit from examining the Soviet central systems. These systems provide direct telephone access for any citizen to a central clearing office. In Moscow, for example, there are echelons of "triage," a sorting process by which the afflicted citizen is treated on the scene or picked up and delivered to the hospital for appropriate treatment. Dr. Theodore Cooper, head of the National Heart and Lung Institute, testified that the Moscow emergency teams can reach any afflicted person within 10 to 15 minutes of the report. Their ambulance attendants are paramedics with a generally high level of competence for administering emergency treatment. Concerning the Soviet ambulance, Dr. Cooper continued:

> It can immediately adapt a stretcher to a hydraulic system on the bottom which can be activated to become on operating table at proper height so that attending physicians and nurses can work around the operating table. There is a light that is useful as an operating room light; respiratory equipment, anesthetist, defibrillation, and surgical technology are available. The unit can function as a coronary care unit, respiratory assistance unit for respiratory failure, or any situation requiring the control of hemorrhage or the administration of oxygen to provide respiratory support.

The versatility of this "pop-top" ambulance service would seem to merit emulation in a country which loses 50,000 persons a year to traffic accidents and over one million to coronary attacks.

The Soviet paramedic is known as a "feldscher," an old Austrian word meaning "man in the field." According to Dr. Egeberg, "the feldscher's training varies from 2 to 10 months. In distant places such as Siberia, he may be the main source of medical aid." Egeberg also testified that the Soviet Union not only has twice the number of physicians as we do, but that about 70 percent of them are women. He said:

> The men's lib is out doing something about it, and they are now admitting at least 50% men in the medical schools. They are trying to get it down to about 50–50.

Asked if the "feldscher" program has any relevance for the United States, particularly in medically short urban or rural areas, Egeberg observed:

> We could make great strides in our cities if we realize only one such person should have the responsibility for two or three hundred people and that he would belong in that area. He wouldn't have any fear of entering the area. The people wouldn't have to leave the area to make their first contact with the health professions. It has great possibility.

We learned further from Dr. Rauscher of the exchange of drugs effective in cancer therapy. He discussed also the growing evidence that suggest most human being are not destined to contract cancer, but said that:

> Something in the environment causes cancer . . . The Japanese male has the highest risk to stomach cancer of any male in the world. When he moves to this country, by the end of the third generation, his risk falls to yours and mine.

The witnesses confirmed the need for any bilateral joint efforts at cancer research to take into consideration the experiences of all other countries. They discussed drug problems, alcoholism, internship programs, and the place of rest

and recreation in Soviet life. We learned to our discomfort that the mechanics of visitor exchange have not always produced the right result, as when a Soviet scientist in the United States took sick, and there being no interim insurance, had to leave the country under the shadow of failure to pay his bill. Problems of language and communication also plague an exchange program especially where close concentration is involved. Russian language training for participating U.S. medical and scientific personnel was acknowledged to be needed.

The planned Apollo-Soyuz docking mission represents an enormous stride in space cooperation. Although it may not necessarily entail exchange visits to launching or recovery sites, it will require the closest possible kind of painstaking coordination to insure success. Significantly, no specific mention is made in the space agreement of earth resources and communications satellite development. Both technologies raise serious problems of international law and comity. The agreement does provide by article 4 that "the Parties will encourage international efforts to resolve problems of international law in the exploration and use of outer space for peaceful purposes with the aim of strengthening the legal order in space." More recently the Soviet Government has voiced concern at the grave possibility of uninvited broadcasts from communications satellites, and all nations are justifiably apprehensive over the use, or abuse, of resource information gleaned from orbiting their territory by scanners. Diplomats at the United Nations were unanimous in their hope expressed to me last spring that the State Department would agree soon to discuss this aspect or what they term "sovereign privacy."

Some fair way must be found to share in the search for earth secrets as well as in the rewards of discovery. With respect to communications satellites, I would hope again that we could do more than merely agree not to misuse them. I look to the day when once a month or more a conversation, great or small, between persons of different lands and cultures, from cabbies to philosophers, could be aired, with simultaneous translation, in homes across the world. Such an experiment should have a claim on our attention equal at least to the average talk show. To bring the Soviet Union and the United States to a point where the fulfillment of these agreements is looked upon as a welcome adventure might require even bolder initiatives. For example, a sister-city program of student exchange and home hospitality involving hundreds of high school youngsters could thaw at the corners of our glacial distrust.

The hearings themselves were not without mild incident. Questioning Dr. Low on the space accord, my friend, Congressman BOB PRICE of Texas, expressed grave reservations about Soviet cooperation. He said:

> I want to warn you that they will use our technology to their advantage . . . it is my conclusion that they will not ever live up to any agreement they have ever made in history. And I think as long as they can they will use us to develop their equipment in every way they can, and then will abandon us when that time comes.

Soviet guests, including the Science and Cultural attachés of the Soviet Embassy whom I had invited to attend the hearings, smiled at this. Mr. PRICE had entered the hearing room following my introduction of the visitors. When he concluded his line of questions I observed:

> I think this is a rare opportunity for our Soviet guests who are here today to see the manner in which we deliberate all sides of questions of this kind. Whether or not Dr. Keldyesh, President of the Soviet Academy of Sciences, has to appear before the Presidium and present his program in the same manner, I am not sure. But we do have to explore all points of view as we proceed to develop our policies.

Congressman PRICE's honest reservations are shared by many. As Dr. Kissinger observed in a briefing to congressional leaders following the President's return from Moscow:

> The factors which perpetuated that rivalry remain real and deep. We are ideological adversaries, and we will in all likelihood remain so for the foreseeable future.

Ford Foundation President, McGeorge Bundy, in his stimulating keynote statement to our subcommittee, recalling his own experience as a Presidental adviser cautioned:

> Active cooperation is much harder than exchanges, and we must therefore be prepared to expect that there be delays and difficulties in one or more of these undertakings.

But Mr. Bundy agreed with President Nixon's statement that:

> By forming habits of cooperation and strengthening institutional ties in areas of peaceful enterprise, these four agreements will create on both sides a steadily growing vested interest in the maintenance of good relations between our two countries.

Mr. Bundy also noted the likely financial commitment that would attend meaningful implementation of the agreements, saying:

> Perhaps one consequence of these agreements is that primary fiscal responsibility will shift in this field, from private institutions like the one I represent, toward public bodies like this subcommittee.

I concur. A nation which has come to accept an annual $80 billion tax burden to sustain its war capability, ought not to be averse to spending, let us say, 1 percent of that figure on initiatives that might some day lead to a saving of a good part of the other 99 percent. President Wilson said to the Senate:

> There must be not a balance of power, but a community of power; not organized rivalries, but an organized common peace.

Four wars, many thousands of American lives, and billions of dollars later, we stand on the threshold of the opportunity to test the validity of President Wilson's observation. We certainly have given organized rivalries a fair try.

Two years ago a Foreign Affairs Journal article speculated on the number of casualties that U.S. strategists would deem acceptable, in formulating a nuclear exchange capability. Twenty million was the figure I recall. I asked a large audience of high school youth for a showing of hands of those who considered themselves acceptable casualties. No hands went up. I concluded that most people consider themselves unacceptable casualties, at least unless rather special conditions obtain. I told them they were in a sense a league of unacceptable casualties the acronym of which is LUC. It will take plenty of luck for the nuclear powers to find a way to the social, economic, and political, not to mention the moral, equivalents of war. But joint ventures in peace would not be a bad place to begin.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ASHBROOK (at the request of Mr. ARENDS), for March 29 and April 2, on account of official business.

Mr. CHARLES H. WILSON of California (at the request of Mr. MCFALL), for March 29 and April 2, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CRONIN) to revise and extend their remarks and include extraneous matter:)

Mr. ROBISON of New York, for 10 minutes, today.

Mr. HOGAN, for 20 minutes, today.

Mr. ABDNOR, for 25 minutes, today.

Mr. MILLER, for 5 minutes, today.

Mr. WYATT, for 5 minutes, today.

(The following Members (at the request of Mr. BRECKINRIDGE) to revise and extend their remarks and include extraneous matter:)

Mr. MCFALL, for 5 minutes, today.

Mr. FRASER, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. CASEY of Texas, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 15 minutes, today.

Mr. DRINAN, for 60 minutes, on April 2.

(The following Members (at the request of Mr. BRINKLEY) and to revise and extend their remarks and include extraneous matter:)

Mr. MADDEN, for 5 minutes, today.

Mr. DULSKI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MOORHEAD of Pennsylvania and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $765.

(The following Members (at the request of Mr. CRONIN) and to include extraneous matter:)

Mr. WYDLER.
Mr. YOUNG of Alaska.
Mr. WYATT.
Mr. KUYKENDALL.
Mr. GUDE in five instances.
Mr. HOGAN in two instances.
Mr. BELL.
Mr. RONCALLO of New York.
Mr. THOMSON of Wisconsin.
Mr. RAILSBACK.
Mr. SHOUP.
Mr. ANDERSON of Illinois in three instances.
Mrs. HOLT in three instances.
Mr. HUDNUT.
Mr. WYMAN in two instances.
Mr. CLEVELAND.
Mr. ESCH.
Mr. FRENZEL.
Mr. DERWINSKI.
Mr. HUNT.
Mr. BOB WILSON in four instances.
Mr. MARTIN of Nebraska.
Mr. KEATING.

(The following Members (at the request of Mr. BRECKINRIDGE) and to include extraneous matter:)

Mr. MAZZOLI.
Mr. BADILLO.
Mr. CASEY of Texas.
Mr. FASCELL in three instances.
Mr. DRINAN in three instances.
Mrs. GRIFFITHS.
Mr. JAMES V. STANTON in two instances.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. MCKAY.
Mr. ROUSH.
Mr. YATRON.
Mr. VANIK in two instances.
Mr. NIX in two instances.
Mr. LEHMAN in five instances.
Mrs. GRASSO in five instances.
Mr. WALDIE in two instances.
Mr. CLAY in five instances.
Mr. ADDABBO in two instances.
Mr. BRASCO in three instances.
Mr. WON PAT.
Mr. DOMINICK V. DANIELS in two instances.
Mr. ANDERSON of California in four instances.

(The following Members (at the request of Mr. BRINKLEY) and to include extraneous matter:)

Mr. MURPHY of Illinois in five instances.
Mr. BINGHAM in two instances.
Mr. CARNEY of Ohio in two instances.
Mr. THORNTON.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5445. An act to extend the Clean Air Act, as amended for 1 year;

H.R. 5446. An act to extend the Solid Waste Disposal Act, as amended, for 1 year; and

H.J. Res. 5. Joint Resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quincentennial of his birth.

ADJOURNMENT

Mr. BRINKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly, at 2 o'clock and 8 minutes p.m.), the House adjourned until tomorrow, Thursday, March 29, 1973, at 12 o'clock noon.

OATH OF OFFICE

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 12, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

> "I, A B do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Members of the 93d Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U.S.C., title 2, sec. 25), approved February 18, 1948: CORINNE C. BOGGS, Second District, Louisiana and DON YOUNG, At Large District, Alaska.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

665. A communication from the President of the United States transmitting proposed supplemental appropriations for the fiscal year 1973, for the legislative, judicial, and executive branches of the Government (H. Doc. No. 93–70); to the Committee on Appropriations and ordered to be printed.

666. A letter from the Deputy Secretary of Defense, transmitting three reports of violations of section 3679, Revised Statutes, pursuant to section 3679(1)(2), Revised Statutes; to the Committee on Appropriations.

667. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the proceedings of the 73d national convention of the Veterans of Foreign Wars, pursuant to Public Law 88–224 (H. Doc. No. 93–72); to the Committee on Armed Services and ordered to be printed with illustrations.

668. A letter from the Assistant Secretary of Agriculture, transmitting the second annual report of the National Advisory Council on Child Nutrition, pursuant to the National School Lunch Act, as amended; to the Committee on Education and Labor.

669. A letter from the Acting Secretary of the Interior, transmitting the 1972 Annual Report of the Bonneville Power Administration, containing a consolidated financial statement for all of the electrical power generating projects and the transmission system comprising the Federal Columbia River Power System, pursuant to Public Law 89–448; to the Committee on Interior and Insular Affairs.

670. A letter from the Secretary of Health, Education, and Welfare, transmitting the Second Annual Report of the Department of Health, Education, and Welfare on the studies of deaths, injuries, and economic losses resulting from accidental burning of products, fabrics, or related materials, covering fiscal year 1972, pursuant to section 14(a) of the Flammable Fabric Act Amendments of 1967; to the Committee on Interstate and Foreign Commerce.

671. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting the 1972 Annual Report of the Service; to the Committee on the Judiciary.

672. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes; to the Committee on the Judiciary.

673. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Highway Safety Act of 1966, title 23, United States Code, section 401 *et seq.*, and for other purposes; to the Committee on Public Works.

674. A letter from the Chairman, U.S. Tariff Commission, transmitting the 56th Annual Report of the Commission; to the Committee on Ways and Means.

675. A letter from the Chairman, the Renegotiation Board, transmitting a draft of proposed legislation to extend the Renegotiation Act of 1951; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

676. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Tennessee Valley Authority for fiscal year 1972 (H. Doc. No. 93–71); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STRATTON: Committee on Armed Services. H.R. 4954. A bill to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status; (Rept. No. 93–94). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS of Arkansas: Committee of conference. A conference report to accompany H.R. 3577; (Rept. No. 93–95). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY (for himself, Mr. SMITH of New York, Mr. BROYHILL of Virginia, Mr. BRECKINRIDGE, and Mr. KETCHUM):

H.R. 6205. A bill to amend the act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement; to the Committee on the District of Columbia.

By Ms. ABZUG:

H.R. 6206. A bill to prohibit the impounding of funds, establish a procedure for the reduction of funds available to the executive branch, and to authorize suits by Members of Congress to prevent the impounding of funds, and for other purposes; to the Committee on Government Operations.

By Mr. ADDABBO:

H.R. 6207. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

H.R. 6208. A bill to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.R. 6209. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BADILLO (for himself, Mr. GREEN of Pennsylvania, Mr. MITCHELL of Maryland, Mr. ROSENTHAL, Mrs. CHISHOLM, Mr. PRICE of Illinois, Mr. ROYBAL, Mr. WON PAT, Mr. HARRINGTON, Mr. ADDABBO, Mr. DRINAN, Mr. LEGGETT, Mr. PODELL, Mr. MOAKLEY, Mr. BINGHAM, Mr. HELSTOSKI, Mr. DIGGS, Mr. BROWN of California, Mr. RANGEL, and Mr. STUDDS):

H.R. 6210. A bill to establish the Office of Economic Opportunity as an independent agency, and for other purposes; to the Committee on Education and Labor.

By Mr. BELL (for himself, Mr. HAWKINS, Mr. O'NEILL, Mr. ANDERSON of Illinois, Mr. LEGGETT, Mr. BROWN of California, Mr. ROSENTHAL, Mr. PODELL, Mr. BURTON, Mr. ASPIN, Mr. WILLIAM D. FORD, Mr. MOAKLEY, Mr. HANNA, Mr. CHARLES H. WILSON of California, Mr. DIGGS, Mr. TIERNAN, Mr. REES, Mr. HARRINGTON, Ms. SCHROEDER, and Mr. GREEN of Pennsylvania):

H.R. 6211. A bill to guarantee the continued operation of the legal services program; to the Committee on Education and Labor.

By Mr. BELL (for himself, Mr. ROYBAL, Mr. HELSTOSKI, Mr. EDWARDS of California, Mr. ULLMAN, Mr. NIX, Mr. BADILLO, Mr. RODINO, Mr. SARBANES, Mr. PRICE of Illinois, Mr. SISK, Mr. MOSS, Mr. STARK, Mrs. CHISHOLM, Mr. DENT, Mr. DE LUGO, Mr. LEHMAN, Mr. WOLFF, Mr. ADAMS, and Mr. ECKHARDT):

H.R. 6212. A bill to guarantee the continued operation of the legal services program; to the Committee on Education and Labor.

By Mr. BINGHAM:

H.R. 6213. A bill to amend and extend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

H.R. 6214. A bill to protect copyrights of foreign authors in the United States; to the Committee on the Judiciary.

By Mr. BREAUX:

H.R. 6215. A bill to repeal section 411 of the Social Security Amendments of 1972, thereby restoring the right of aged, blind, and disabled individuals who receive assistance under title XVI of the Social Security Act after 1973 to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. BROWN of Ohio:

H.R. 6216. A bill to amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial service expenses in the case of members of the Armed Forces whose remains are not recovered; to the Committee on Armed Services.

By Mr. CARNEY of Ohio:

H.R. 6217. A bill to amend title 38, United States Code, to extend to 10 years the delimiting period in which veterans must complete their educational programs; to the Committee on Veterans' Affairs.

By Mr. CARNEY of Ohio (for himself, Mr. CONYERS, and Mr. STOKES):

H.R. 6218. A bill to amend the Economic Stabilization Act of 1970, to establish a Food Price Control Commission in order to control the wholesale and retail level of food prices; to the Committee on Banking and Currency.

By Mr. CONTE:

H.R. 6219. A bill to provide that respect for an individual's right not to participate in abortions contrary to that individual's conscience be a requirement for hospital eligibility for Federal financial assistance; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 6220. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

By Mr. DAVIS of Georgia (for himself, Mr. MOSHER, and Mr. WINN):

H.R. 6221. A bill to amend the National Bureau of Standards Act of 1901 in order to broaden activities in the field of fire research and training and for other purposes; to the Committee on Science and Astronautics.

By Mr. DELLUMS (for himself, Mr. BENITEZ, Mr. RANGEL, Miss HOLTZMAN, Mr. STOKES, Mr. DIGGS, Mr. YOUNG of Georgia, Mr. MEEDS, Mr. MOAKLEY, Mr. FRASER, Mr. KASTENMEIER, Mr. REID, Mr. LEHMAN, Mrs. BURKE of California, Mr. HARRINGTON, Mr. EDWARDS of California, and Mr. BELL):

H.R. 6222. A bill to promote public health and welfare by expanding and improving the family planning services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DELLUMS (for himself, Mr. BADILLO, Mr. BURTON, Mr. CONYERS, Mr. DRINAN, Mr. EDWARDS of California, Mrs. HANSEN of Washington, Miss JORDAN, Mr. MITCHELL of Maryland, Mr. OWENS, Mr. RANGEL, Mr. RODINO, Mr. ROSENTHAL, and Mr. STOKES):

H.R. 6223. A bill to amend the administrative procedure provisions of title 5 of the United States Code to make the rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts; to provide for payment of expenses incurred in connection with proceedings before agencies; to provide for waiver of sovereign immunity; to provide for the enforcement of standards in grant programs and for other purposes; to the Committee on the Judiciary.

By Mr. DELLUMS (for himself, Mr. HAWKINS, Mr. DIGGS, Mrs. SCHROEDER, Mr. METCALFE, Mr. YOUNG of Georgia, Ms. CHISHOLM, Mr. LEGGETT, Mrs. BURKE of California, Ms. ABZUG, Mr. HARRINGTON, Mr. RIEGLE, Mr. STARK, and Mr. FAUNTROY):

H.R. 6224. A bill to amend the administrative procedure provisions of title 5 of the United States Code to make the rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts; to provide for payment of expenses incurred in connection with proceedings before agencies; to provide for waiver of sovereign immunity; to provide for the enforcement of standards in grant programs, and for other purposes; to the Committee on the Judiciary

By Mr. DORN:

H.R. 6225. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

By Mr. DRINAN:

H.R. 6226. A bill to extend certain laws relating to the payment of interest on time and savings deposits and to make clear that Federal banking statutes do not prohibit depository institutions from offering negotiable order of withdrawal services in connection with certain interest-bearing deposit; to the Committee on Banking and Currency.

By Mr. ERLENBORN:

H.R. 6227. A bill to amend title 13, United States Code, to provide for a mid-decade census of population in the year 1975 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

By Mr. ERLENBORN (for himself, Mr. ESCH, Mr. HENDERSON, Mr. HUDNUT, Mr. LUJAN, Mr. MALLARY, Mr. MILLER, Mr. MOSHER, Mr. RIEGLE, Mr. RINALDO, Mr. ROBISON of New York, Mr. STEIGER of Wisconsin, Mr. VANDER JAGT, and Mr. WYDLER):

H.R. 6228. A bill to amend the Freedom of Information Act to require that all information be made available to Congress except where Executive privilege is invoked; to the Committee on Government Operations.

By Mr. ESCH:

H.R. 6229. A bill to require the termination of all weapons range activities conducted on or near the Culebra complex of the Atlantic Fleet Weapons Range; to the Committee on Armed Services.

H.R. 6230. A bill to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data; to the Committee on Interior and Insular Affairs.

H.R. 6231. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may disapprove the President's action and require him to cease such impounding; to the Committee on Rules.

By Mr. ESCH (for himself and Mrs. BURKE of California):

H.R. 6232. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FORSYTHE:

H.R. 6233. A bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share of allowable project costs under such act; to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6234. A bill to amend title 38 of the United States Code in order to prohibit changes to the schedule for rating disabilities used by the Veterans' Administration unless Congress first approves such changes; to the Committee on Veterans' Affairs.

By Mr. FULTON:

H.R. 6235. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income for the interest on certain governmental obligations the proceeds of which are used to provide hospital facilities; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 6236. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and su-

pervision; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.R. 6237. A bill to establish an urban ground mass transportation trust fund, to impose new Federal excise taxes to provide revenues for such fund, and for other purposes; to the Committee on Ways and Means.

By Mr. HENDERSON (for himself, Ms. ABZUG, Mr. BENNETT, Mr. BEVILL, Mr. BLACKBURN, Mr. CARNEY of Ohio, Mr. CLEVELAND, Mr. CORMAN, Mr. COUGHLIN, Mr. DAVIS of Georgia, Mr. DAVIS of South Carolina, Mr. DULSKI, Mr. EILBERG, Mr. FISH, Mr. FISHER, Mr. FORSYTHE, Mrs. GREEN of Oregon, Mr. HELSTOSKI, Mr. HOGAN, Ms. HOLTZMAN, Mr. JONES of North Carolina, Mr. LEHMAN, Mr. MELCHER, Mr. MOLLOHAN, and Mr. MOSS):

H.R. 6238. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. MURPHY of Illinois, Mr. NIX, Mr. PODELL, Mr. PREYER, Mr. PRICE of Illinois, Mr. ROE, Mr. ROUSH, Mr. SARBANES, Mr. STEPHENS, Mr. WILLIAMS, Mr. BROWN of California, Mr. MOAKLEY, and Mr. WON PAT):

H.R. 6239. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HORTON:

H.R. 6240. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. ICHORD (for himself, Mr. PREYER, Mr. ASHBROOK, Mr. BURKE of Florida, Mr. DAVIS of South Carolina, Mr. ZION, and Mr. GUYER):

H.R. 6241. A bill to amend the Subversive Activities Control Act of 1950 (title I of the Internal Security Act of 1950), to establish procedures assuring that the constitutional oath of office shall be taken in good faith, and for other purposes; to the Committee on Internal Security.

By Mr. JOHNSON of Colorado:

H.R. 6242. A bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

By Mr. KYROS:

H.R. 6243. A bill to establish the Olson Home, Cushing, Maine, as a national historic site; to the Committee on Interior and Insular Affairs.

H.R. 6244. A bill to reestablish November 11 as Veterans Day; to the Committee on the Judiciary.

By Mr. LEHMAN:

H.R. 6245. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. BOWEN, Mr. FISHER, Mr. HUNGATE, Mr. MCSPADDEN, Mr. MEZVINSKY, Mr. STUCKEY, and Mr. WILLIAMS):

H.R. 6246. A bill to amend the Internal Revenue Code of 1954 to prohibit inspection of income tax records by the Department of Agriculture and to allow certain limited information from such records to be furnished to the Department; to the Committee on Ways and Means.

By Mr. MARAZITI:

H.R. 6247. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1964 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. MATHIS of Georgia:

H.R. 6248. A bill to repeal the Gun Control Act of 1968, to reenact the Federal Firearms Act, to make the use of a firearm to commit certain felonies a Federal crime where that use violates State law, and for other purposes; to the Committee on the Judiciary.

H.R. 6249. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of compensation paid to law enforcement officers shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 6250 A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 6251. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 6252. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 6253. A bill to amend the Internal Revenue Code of 1954 to provide that the personal exemption allowed a taxpayer for a dependent shall be available without regard to the dependent's income in the case of a dependent who is over 65 (the same as in the case of a dependent who is a child under 19); to the Committee on Ways and Means.

H.R. 6254. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Mr. McKAY:

H.R. 6255. A bill to amend the Colorado River Storage Project Act in order to remove the prohibition against constructing dams or reservoirs authorized in such act within national parks or monuments; to the Committee on Interior and Insular Affairs.

By Mr. MEADS:

H.R. 6256. A bill to amend the Multiple Use and Sustained Yield Act of 1960 with respect to the maintenance of an adequate supply of timber for the United States, and for other purposes; to the Committee on Agriculture.

By Mr. MELCHER:

H.R. 6257. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of certain increases in monthly social security or railroad retirement benefits; to the Committee on Veterans' Affairs.

By Mr. MINISH:

H.R. 6258. A bill to amend the Economic Stabilization Act of 1970, to stabilize rents at levels prevailing on January 10, 1973, and for other purposes; to the Committee on Banking and Currency.

By Mrs. MINK:

H.R. 6259. A bill to amend the Internal Revenue Code of 1954 to exempt from income tax any pension or annuity received under a public retirement system; to the Committee on Ways and Means.

By Mrs. MINK (for herself, Ms. ABZUG, Mr. BURTON, Mr. CONYERS, Mr. EDWARDS of California, Mr. HAWKINS, Mr. METCALFE, Mr. MOAKLEY, Mr. PICKLE, Mr. RIEGLE, Mr. ROSENTHAL, and Mr. STOKES):

H.R. 6260. A bill to amend the Economic Opportunity Act of 1964 to provide that when Federal assistance to a community action program is discontinued, Federal property used for the program shall be transferred to the organization continuing the program; to the Committee on Education and Labor.

By Mrs. MINK (for herself, Mr. ADAMS, Mr. BINGHAM, Mr. BRADEMAS, Mr. BROWN of California, Mrs. CHISHOLM, Mr. DELLUMS, Mr. GREEN of Pennsylvania, Mr. HAWKINS, Ms. HOLTZMAN, Mr. MAZZOLI, Mr. SEIBERLING, Mr. STOKES, and Mr. VAN DEERLIN):

H.R. 6261. A bill to amend section 552 of title 5, United States Code, known as the "Freedom of Information Act"; to the Committee on Government Operations.

By Mr. MOSHER:

H.R. 6262. A bill to strengthen the penalties for violation of the Great Lakes Pilotage Act of 1960, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PEPPER:

H.R. 6263. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. PERKINS:

H.R. 6264. A bill to include the holders of star route and certain other contracts for the carrying of mail under the provisions of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. PERKINS (for himself and Mr. HAWKINS):

H.R. 6265. A bill to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 6266. A bill designating the first Tuesday of November in even-numbered years as National Election Day; to the Committee on the Judiciary.

H.R. 6267. A bill to amend the Internal Revenue Code of 1954 to allow individuals an additional income tax exemption for each dependent who is blind or has attained the age of 80; to the Committee on Ways and Means.

By Mr. REID:

H.R. 6268. A bill to reduce and stabilize food prices at levels not exceeding those of January 1, 1972; to the Committee on Banking and Currency.

By Mr. REUSS:

H.R. 6269. A bill to amend title XVIII of the Social Security Act to provide that payment for services furnished a beneficiary under the supplementary medical insurance program shall be made, at the beneficiary's option (and without regard to whether such payment covers the full charge for the services), directly to the provider or other person who furnished such services; to the Committee on Ways and Means.

H.R. 6270. A bill to amend the provisions of the Tariff Act of 1930 relating to the marketing of imported articles in order to clarify the meaning of "ultimate purchaser" in the case of certain articles imported for processing; to the Committee on Ways and Means.

By Mr. RHODES:

H.R. 6271. A bill to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data; to the Committee on Interior and Insular Affairs.

By Mr. ROBISON of New York:

H.R. 6272. A bill to amend the Controlled Substances Act to increase the penalty under that act for the illegal distribution of certain drugs by high eschelon pushers; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBISON of New York (for himself and Mr. DONOHUE):

H.R. 6273. A bill to reestablish and extend the program whereby payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Interior and Insular Affairs.

By Mr. RODINO:

H.R. 6274. A bill to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance fund, and for other purposes; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 6275. A bill to limit the authority of the Secretary of Health, Education, and Welfare to impose, by regulations, certain additional restrictions upon the availability and use of Federal funds authorized for social services under the public assistance programs established by the Social Security Act; to the Committee on Ways and Means.

By Mr. ROY:

H.R. 6276. A bill to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHOUP:

H.R. 6277. A bill to provide a sound program for the development and application of physical theory and operational systems for predicting damaging earthquakes in the United States; to the Committee on Science and Astronautics.

By Mr. THOMPSON of New Jersey:

H.R. 6278. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mr. THOMSON of Wisconsin:

H.R. 6279. A bill to provide that, after January 1, 1973, Memorial Day be observed on May 30 of each year and Veterans Day be observed on the 11th of November of each year; to the Committee on the Judiciary.

By Mr. THORNTON (for himself and Mr. ALEXANDER):

H.R. 6280. A bill to establish an Office of Consumer Protection which shall be independent of the executive departments, headed by the Consumer Counsel of the United States, in order to secure within the Federal Government effective protection and representation of the interests of consumers, obtaining and disseminating information useful to consumers, cooperation and assistance to other agencies and State and local governments, and for other purposes; to the Committee on Government Operations.

By Mr. TIERNAN:

H.R. 6281. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the U.S. requirements for low-cost energy be met, and to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK:

H.R. 6282. A bill to provide that tax exempt interest is to be added into average base period income for purposes of income averaging; to the Committee on Ways and Means.

H.R. 6283. A bill relating to the dutiable status of fresh, chilled, or frozen cattle meat and fresh, chilled, or frozen meat of goats and sheep (except lambs); to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 6284. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may approve the President's action or require the President to cease such action; to the Committee on Rules.

H.R. 6285. A bill to permit payment of extended unemployment compensation benefits to additional workers, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 6286. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF:

H.R. 6287. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT (for himself and Mr. DON H. CLAUSEN):

H.R. 6288. A bill to authorize appropriations for construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

By Mr. WYDLER:

H.R. 6289. A bill to amend title 28 of the United States Code to permit the holding of Federal District Court for the Eastern District of New York at a suitable site in Nassau County in lieu of Mineola; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 6290. A bill to amend title 38, United States Code, to stabilize and "freeze" as of January 1, 1973, the Veterans' Administration Schedule for Rating Disabilities, 1945 edition, and the extensions thereto; to the Committee on Veterans' Affairs.

H.R. 6291. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. WHITEHURST (for himself, Mr. ARCHER, Mr. BEVILL, Mr. BROYHILL of Virginia, Mr. BUTLER, Mr. DERWINSKI, Mr. GERALD R. FORD, Mr. HASTINGS, Mr. HUBER, Mr. HUNT, Mr. KETCHUM, Mr. MAZZOLI, Mr. PARRIS, Mr. SIKES, Mr. STEIGER of Arizona, Mr. WON PAT, and Mr. ZION):

H.J. Res. 468. Joint resolution, proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FRASER (for himself and Mr. GUDE):

H. Res. 329. Resolution expressing the sense of the House that the U.S. Government should seek agreement with other members of the United Nations on prohibition of weather modification activity as a weapon of war; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Mr. ZABLOCKI, Mr. FASCELL, Mr. DIGGS, Mr. NIX, Mr. ROSENTHAL, Mr. CULVER, Mr. HAMILTON, Mr. BINGHAM, Mr. YATRON, Mr. REID, Mr. HARRINGTON, Mr. RYAN, Mr. RIEGLE, Mr. MAILLIARD, Mr. FINDLEY, Mr. BUCHANAN, Mr. WHALEN, Mr. MATHIAS of California, Mr. WINN, Mr. GILMAN, and Mr. GUYER):

H. Res. 330. Resolution on U.S. oceans policy at the Law of the Sea Conference; to the Committee on Foreign Affairs.

By Mr. ANDERSON of Illinois (for himself, Mr. GIBBONS, Mr. CLEVELAND, Mr. FRASER, Mr. HOSMER, Mr. PEYSER, Mr. MICHEL, Mr. THOMSON of Wisconsin, Mr. BADILLO, Mr. CRANE, Mr. HINSHAW, Mr. MAYNE, Mr. COHEN, Mr. WHITEHURST, Mr. QUIE, Mr. TREEN, Mr. DON H. CLAUSEN, Mr. ERLENBORN, Mr. HUNT, Mr. MITCHELL of Maryland, Mr. YOUNG of Florida, Mr. SARASIN, Mr. FISH, Mr. GUBSER, and Mr. ROBISON of New York):

H. Res. 331. Resolution to amend clause 32(c) of rule XI of the House of Representatives to provide the minority party, upon request, with up to one-third of a committee's investigative staff funds; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. GIBBONS, Mr. CLEVELAND, Mr. FRASER, Mr. GOLDWATER, Mr. VANDER JAGT, Mr. LEHMAN, Mr. BROYHILL of North Carolina, Mr. KEMP, Mr. CONLAN, Mr. COCHRAN, Mr. WYDLER, Mr. HARRINGTON, Mr. FROEHLICH, Mr. BURGENER, Mr. WALSH, Mr. NELSEN, Mr. MYERS, Mr. VEYSEY, Mr. PRITCHARD, Mr. WYMAN, Mr. DELLENBACK, Mr. BROTZMAN, and Mr. WARE):

H. Res. 332. Resolution to amend clause 32(c) of rule XI of the House of Representatives to provide the minority party, upon request, with up to one-third of a committee's investigative staff funds; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. GIBBONS, Mr. CLEVELAND, Mr. FRASER, Mr. MALLARY, Mr. MOSHER, Mr. HUBER, Mr. STEELMAN, and Mr. HUDNUT):

H. Res. 333. Resolution to amend clause 32(c) of rule XI of the House of Representatives to provide the minority party, upon request, with up to one-third of a committee's investigative staff funds; to the Committee on Rules.

By Mr. SMITH of Iowa:

H. Res. 334. Resolution to provide funds for the expenses of the investigations and studies authorized by H. Res. 279; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

115. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

116. Also, Memorial of the Legislature of the Commonwealth of Massachusetts, relative to the establishment of a national cemetery in Massachusetts; to the Committee on Veterans' Affairs.

117. Also, Memorial of the Legislature of the Commonwealth of Massachusetts, relative to a national health care insurance plan; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H.R. 6292. A bill for the relief of Jesus Tiscareno-Avina; to the Committee on the Judiciary.

H.R. 6293. A bill for the relief of Cruz Sandoval-Acosta; to the Committee on the Judiciary.

H.R. 6294. A bill for the relief of Jesus Rojas-Vasquez; to the Committee on the Judiciary.

H.R. 6295. A bill for the relief of Simon Relles-Hernandez; to the Committee on the Judiciary.

H.R. 6296. A bill for the relief of Jesus Avina-Almanza; to the Committee on the Judiciary.

By Mr. REUSS:

H.R. 6297. A bill to authorize R. Edward Bellamy, doctor of philosophy, a retired officer of the Commissioned Corps of the U.S. Public Health Service, to accept employment by the Canadian Department of Agriculture; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 6298. A bill for the relief of Augusto dos Santos Nunes de Matos; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

88. By the SPEAKER: Petition of William F. Southers and others, Tampa, Fla., relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

89. Also, Petition of Capt. W. M. Clements and others, Macon, Ga., relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

90. Also, Petition of Paul E. White, Jr., and others, Snow Hill, Md., relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

91. Also, Petition of Andrew Chando and 76 other correction officers at the Annandale Youth Correctional Facility, Annandale, N.J., relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

92. Also, Petition of William J. Solomon and others, Lorain, Ohio, relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

93. Also, Petition of Richard Osborne and others, Tallmadge, Ohio, relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

94. Also, Petition of Earl L. Mease and others, Steelton, Pa., relative to protection for law enforcement officers against "nuisance suits"; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

WHAT PATRIOTISM MEANS

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. HUDNUT. Mr. Speaker, last Monday, March 26, I had the privilege of presenting a flag flown over the Capitol to the Mary Evelyn Castle Elementary School in Lawrence Township, in Indianapolis. There were some 700 children there, each one bedecked in a red, white, and blue piece of finery of his or her own making—a bow tie, a hat, a straight tie, a necklace and so forth. We sang the "Star-Spangled Banner" and some other songs. Some of the children read poems about the meaning of the flag. The school principal, Mr. Thomas D. McClain, and other dignitaries spoke. The parent-faculty organization presented the school a standard for the new flag to hang from. And after I made the presentation, one of the students, Diana Mutz, responded.

This was indeed a thrilling occasion, the highlight of which was this young fifth grader's response. I am pleased to insert her remarks in the RECORD for the benefit of my colleagues, because they reflect an idealism, a commitment, a faith, and a hope, that all Americans should possess; and they represent, in my opinion, an extraordinary insight, for one so young, into the meaning of patriotism.

Her remarks are as follows:

WHAT PATRIOTISM MEANS

John Adams, the second President of the United States once told his wife, "There are only two kinds of people in this world who really matter—those who are committed and those who require the commitment of others."

As those of you know who have seen the musical "1776," John Adams was reminded of his statement when he had all but given up hope of achieving American independence from the British. It was the commitment of his wife that gave him the courage to continue his fight and to win it later on that same month.

Because we all become discouraged and sometimes forget, it is important to be reminded of our commitment to freedom and to the principles of the United States. A flag presentation is a physical symbol of the commitment of thousands and thousands of Americans who have committed themselves to our country.

In recent weeks we have watched the triumphant return of our P.O.W.'s on television, We will never know what type of commitment was required of them but today we are reminded of our thankfulness for what they have done.

Every American worthy of the name loves his country and respects the flag. But patriotism is more than a feeling. It is a willingness to serve America, to put the nation's welfare above his own.

Now some of us may not be called on to serve in Viet Nam or to serve as politicians or leaders. But we can do our part by making the very best of our talents and abilities. Our country and our family and each of us individually is best served when we do our best at whatever we do. No matter what it is, to do it to the best of our ability is part of our responsibility to our country.

So let today's presentation remind us of our responsibility as American citizens to keep America great and strong—that should be our commitment.

THE DYER MEMORIAL AWARD TO LAWTON M. CALHOUN AS "SUGAR MAN OF THE YEAR"

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, March 28, 1973

Mr. TALMADGE. Mr. President, one of the State of Georgia's most distinguished citizens, Lawton M. Calhoun, retired president and chairman of the Board of Savannah, Ga., Foods and Industries, Inc., has been awarded the Dyer Memorial Award as "Sugar Man of the Year" for 1972.

This is indeed a high honor for Mr. Calhoun, and well-deserved recognition of his outstanding leadership in our Nation's sugar industry over a period of some four decades. I congratulate Mr. Calhoun on this award, and also commend him for service he has rendered for the State of Georgia and our Nation.

It is of interest to the Senate that Mr. Calhoun is a member of the board of trustees of the Richard B. Russell Foundation, Inc., which was organized following our beloved colleague's death to preserve the late Senator Russell's historical papers at a memorial library at the University of Georgia in Athens. Mr. Calhoun was finance director in our fundraising efforts, and did an outstanding job.

I ask unanimous consent that there be printed in the RECORD as an extension of my remarks, an article from the Savannah Morning News, as well as the citation on Mr. Calhoun's award.

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

CALHOUN NAMED TOP SUGAR MAN

Lawton M. Calhoun, retired executive of Savannah Foods and Industries Inc., has received the Dyer Memorial Award of "Sugar Man of the Year" for 1972.

Considered the most prestigious honor in the U.S. sugar industry, the award is given for "significant and meritorious service" to the industry.

Calhoun, who retired last year as chairman of the board, president and chief executive officer of Savannah Foods and Industries, received a giant silver bowl, a symbol of the award, at a luncheon in New York City Monday.

The presentation was made by John B. Bunker, president of Holly Sugar Corporation of Colorado Springs, Colo. who was chairman of the three-man judges' panel.

Other judges were James H. Marshall, president of the California and Hawaiian Sugar Co. of San Francisco, Calif., and Robert M. Armstrong, president of Imperial Sugar Co. of Sugarland, Tex.

The citation for the 15th annual presentation of the award noted that Calhoun during his nearly 40 years in the industry served for a period as chairman of the Sugar Association Inc. and was instrumental in organizing the International Sugar Research Foundation, a worldwide body dedicated to initiating and conducting investigations on sugar and disseminating the results.

The "Sugar Man of the Year" award was established in 1958 as a memorial to the late B. W. Dyer, founder of B. W. Dyer and Co., sugar economists and brokers of New York City.

Calhoun joined the Savannah office of Lamborn and Co., general brokers for the Savannah Sugar Refining Corporation, in 1934. In 1940 he accepted a job as assistant sales manager for the sugar refinery.

DYER MEMORIAL AWARD "SUGAR MAN OF THE YEAR 1972" TO LAWTON M. CALHOUN, CITATION FOR SIGNIFICANT AND MERITORIOUS SERVICE TO THE SUGAR INDUSTRY

For his significant and meritorious service to the sugar community during his nearly

40 years in the industry, Lawton M. Calhoun is hereby commended.

As Chairman of The Sugar Association, Inc., he early recognized that sugar must be actively promoted as a wholesome, nutritious source of food energy.

As Chairman of The Association's Ad Hoc Committee, he was instrumental in organizing the International Sugar Research Foundation, a world-wide body dedicated to initiating and conducting investigations on sugar and disseminating the results.

Active in directing the affairs of the United States Cane Sugar Refiners' Association, his knowledge of the industry and his integrity made him as welcome in the hallowed halls of Congress as he was among his peers in the commercial and civic worlds.

More than his accomplishments was the man, possessing the highest integrity with a great appreciation of human relationships and understanding of other individual's problems.

His wise counsel and farsightedness are appreciated by a grateful industry which long will remember his outstanding contributions in its behalf.

CONGRESSIONAL APPROVAL FOR EXECUTIVE IMPOUNDMENT OF APPROPRIATED FUNDS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WALDIE. Mr. Speaker, I am today introducing a bill to force the executive branch to gain legislative approval for the impoundment of funds appropriated by Congress. I have become increasingly concerned with the contemptuous disregard the executive branch has continued to show for legislative and budgetary policy duly formulated by Congress. As the most direct representative link with citizens of this Nation, the Congress was designated as the only constitutional source of authority for raising and spending public funds. From time to time, Congress itself has granted the executive authority to amend its appropriations to prevent a depletion of the Public Treasury, to effect savings in procurement, and to permit the rechanneling of funds into priority areas during periods of national emergency.

However, the present administration has taken upon itself powers never before exercised by the Executive nor envisioned by the Congress or the Founding Fathers. In effect, the Nixon administration, through the withholding of appropriated funds in a broad range of social programs, has sought to "pad the pockets" of those special interests to which it feels indebted and to deny services to the great majority of Americans.

In so doing, the administration has totally subverted the intent of policies for which funds were appropriated by Congress. This can only be interpreted as a blatant contempt for the will of the people as expressed through bills enacted by their representatives in Congress. Further, the effect of impoundment upon the mere mechanics of congressional authorization is catastrophic—in essence the executive branch may effectively veto individual item of an act of Congress.

Mr. Speaker, my concern stems not only from the constitutional implications of Executive impoundment, but also from the great harm dealt our cities and States due to the failure to expend funds for much needed programs. As a Representative from the State of California, which would greatly benefit from these programs, I understand in very real terms the hardships this policy has inflicted.

In 1970, Congress approved $394 million for the Federal Government's public housing program, and at the close of fiscal year 1971, only $201 million had been expended. During the same year, Congress appropriated $1.2 billion for urban renewal programs, and at the end of fiscal year 1971 $200 million remained unobligated. In 1971 and 1972, Congress appropriated $700 million for water and sewer construction, and at the end of the most recent fiscal year more than $490 million remained unobligated. Again in fiscal year 1972, the President refused to spending over $300 million in mass transit appropriations.

Mr. Speaker, this legacy of Executive subversion of congressional mandates is very disturbing to all those genuinely concerned with our constitutional system of checks and balances. It is time that the Congress reassert its power and tell the Executive that he cannot legislate through the budget.

The bill I am introducing would maintain the integrity of congressionally established programs and policies, by requiring the President to submit to Congress notification of any impoundment he institutes, and by requiring Congress to either approve or disapprove the impoundment within 60 days after official notification. I belive the provisions of this bill leave fully intact the Executive's authority to effect savings and direct the economy toward levels of greater efficiency. Therefore, I submit this bill for the careful and thoughtful consideration of the Members.

NATIONAL CONFERENCE OF SUPERINTENDENTS OF TRAINING SCHOOLS AND REFORMATORIES—GOLDEN ANNIVERSARY—1923–73

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mrs. HOLT. Mr. Speaker, the National Conference of Superintendents of Training Schools and Reformatories has been meeting annually since 1923. This group represents superintendents of juvenile and young adult institutions and the communities which these institutions service.

Their annual meeting serves as a workshop for superintendents. It consists of seminar discussions covering institutional and community problems relative to delinquency, as well as advancements and recent innovations in rehabilitative programs. The myriad of activities, functions, and involvements of institutions as a means of crime control are readily communicated among the participants. The emerging role of the institution as an integral part of the community and the State organization is enhanced by the interactions of those leaders who are so closely identified with the problems of delinquency.

I take pride in saluting this outstanding conference and with it every success in the future.

MINORITY STAFFING REFORM

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing on behalf of myself, the gentleman from Florida (Mr. GIBBONS), the gentleman from New Hampshire (Mr. CLEVELAND), the gentleman from Minnesota (Mr. FRASER), and a bipartisan group of over 50 cosponsors a resolution to provide the minority party on each committee, upon request, up to one-third of the committee's investigative staff funds.

I am greatly encouraged by the fact that we are today rekindling the bipartisan reform spirit of 1970 which was responsible for the adoption of a number of important amendments to the Legislative Reorganization Act of that year.

Unfortunately, an amendment quite similar to this which was part of the 1970 act was later deleted in 1971 with the adoption of the House rules of the 92d Congress, and replaced by a rule granting the minority only "fair consideration" in the appointment of staff.

What we are attempting to do today is to demonstrate that the bipartisan reform fires are still burning, and that providing adequate committee staffing for both the majority and minority members is central to strengthening the role of Congress vis-a-vis the executive branch. While Republicans currently comprise 44 percent of the House membership, we have been allotted only 10 percent of the committee investigative staff and 9 percent of the staff funds. If, as minority members, we are to function effectively and independently, we must have adequate staffing at the committee level which is the very heart of the legislative process. This is, therefore, not a partisan issue, but a congressional reform issue, and if we are serious about reasserting ourselves, we must be willing to reform ourselves from top to bottom. This House has already made a commendable beginning this year with the adoption of such important changes as seniority and open committee reforms. I hope we can continue to build on this momentum, and minority staffing reform is the next logical step. I, therefore, again call upon the House Rules Committee to schedule hearings on this important reform legislation at the earliest practicable date.

At this point in the RECORD, Mr. Speaker, I include a list of cosponsors along with the text of our resolution:

COSPONSORS OF H. RES. 331

Mr. Anderson of Illinois (for himself and Mr. Gibbons, Mr. Cleveland, Mr. Fraser, Mr. Hosmer, Mr. Peyser, Mr. Michel, Mr. Thomson of Wisconsin, Mr. Badillo, Mr. Crane, Mr. Hinshaw, Mr. Mayne, Mr. Cohen, Mr. Whitehurst, Mr. Quie, Mr. Treen, Mr. Don Clausen, Mr. Erlenborn, Mr. Hunt, Mr. Mitchell of Maryland, Mr. Bill Young, Mr. Sarasin, Mr. Fish, Mr. Gubser, Mr. Robison, Mr. Goldwater, Mr. Vander Jagt, Mr. Lehman, Mr. James T. Broyhill, Mr. Kemp, Mr. Conlan, Mr. Cochran, Mr. Wydler, Mr. Harrington, Mr. Froehlich, Mr. Burgener, Mr. Walsh, Mr. Nelsen, Mr. Myers, Mr. Veysey, Mr. Pritchard, Mr. Wyman, Mr. Dellenback, Mr. Brotzman, Mr. Ware, Mr. Mallary, Mr. Mosher, Mr. Huber, Mr. Steelman, Mr. Hudnut).

H. RES. 331

Resolved, That clause 32(c) of rule XI of the Rules of the House of Representatives is amended to read as follows:

"(c) The minority party on any such standing committee is entitled, upon request of a majority of such minority, to up to one-third of the funds provided for the appointment of committee staff pursuant to each primary or additional expense resolution. The committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the staff until such appointment is made. Each staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

FOOD PRICE INCREASES

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mrs. HOLT. Mr. Speaker, the current food price situation is rapidly approaching crisis proportions. My constituents, as well as consumers all across our country, are up in arms at the increasing portion of their paychecks devoted to food purchases. There is much talk of action such as boycotts and selective shopping by consumers. This may produce desirable results in the short run, but it does not solve the problem.

I am convinced that Government has a responsibility to work toward the development of a permanent and equitable solution to this dilemma. Food prices are a complex area; there is no simplistic remedy which will produce satisfactory results. Price controls make good rhetoric, but I do not think we know enough about the situation to judge the effectiveness or desirability of such controls. We must find the source of the onerous rise, whether it stems from labor or production.

I support this investigation because it represents a balanced and reasonable approach. We should make an in-depth study of all the variables which affect food prices. We must assure an abundant food supply at reasonable prices with a reasonable return to farmers.

I hope my colleagues will join with me in attempting to get at the bottom of the food price increases so that appropriate action may be taken to stem this tide.

CURTAILING SOCIAL PROGRAMS

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. NIX. Mr. Speaker, the administration disclosed in its budget proposals and many public statements that on the one hand that drastic cuts in spending on social services are required, and on the other hand, a complete shift in resources and responsibility must be made from the Federal to local governments.

Mr. Nixon characterizes his budget in terms of an effort to chart a new course for America. A year ago the President proposed to spend $246.3 billion in fiscal 1973 which ends this coming June 30. Meanwhile, Congress voted to spend $261 billion, and the President in turn countered with a request to cut that back to a ceiling of $250 billion, with him making the itemized cuts. The Congress said "No." The President became adamant and refused to spend more than the $250 billion of the money which Congress had appropriated.

Viewed from this background, the President's new proposed budget of $268.7 billion for fiscal 1974, while presented as a conservative and noninflationary Federal spending program, is actually 7 or 8 percent higher than last year's proposal. The battle between the branches of government is in the area of priorities. The President's program calls for scrapping 70 Federal aid projects, including some in aid to education, law enforcement, job training, and urban development. As a consequence, the allocated $6.9 billion yearly to four special revenue sharing programs with cities and States is not sufficient to carry on many of the Federal programs being eliminated.

The President's budget appears to be an attack on what remains of former President Johnson's Great Society programs: gone are model cities slum restoration; local action antipoverty programs; local mental health programs; among others. Some of the President's own pet ideas were missing in his message: no mention of welfare reform; no provision for his touted family assistance program, and no real commitment to national health insurance. Most people must seriously question the $1 billion cutback on manpower training programs, the reductions in research on high speed rail travel, the slashes in subsidies for Amtrak passenger rail services, and dilution of water pollution control.

The excuse given by the President for the forced reductions in current programs is focused on not proposing any new tax increases. However, it is very favorable to those who are in the upper brackets. If the people in this country have a choice of paying higher taxes in lieu of cancellation and/or termination of various social programs, it is quite likely the poor people would prefer employment and this can be provided through job training programs.

The rich and affluent society is resisting a tax increase. Before there are fewer libraries, hospitals, low-income housing and sewerage control systems, more taxes should be paid by coddled corporations.

An analysis of Mr. Nixon's 1974 budget for which he claims savings of $16.9 billion are not real savings. About $5 billion of the alleged $16.9 billion reductions refer to savings from a previous proposed commitment. An example of this is a claimed $400 million saving in the 1974 defense budget set down as follows: "Limit new spending for all-volunteer force." The administration considers this a cut from a total commitment that had never been made.

The real cuts are substantial, and are made at a time when many public needs are unmet.

This is where the cuts in the 1974 budget were made:

	Billion
Welfare	$1.5
Medicare and housing	1.5
Manpower programs	1.5
Health, education and poverty programs	1.0
Pension and retirement	1.0
Environment	1.0
Agriculture	1.5
Water and natural resources	.5
Defense and foreign	2.0
Space	.3
All others	1.0

That all adds up to $12.3 billion. If $2.3 billion saved on defense, foreign, and space commitments is subtracted, there is an even $10 billion that has been eliminated out of funds basically programed in fiscal year 1974 for the poor and underprivileged.

The inner cities may lose more from the cutbacks in welfare and antipoverty programs than they will get back in revenue sharing.

Inflation falls most heavily on the poor, who spend their income largely on rent, food, and clothing than on the rich who can accumulate capital.

This new procedure against the poor in our Nation is a retreat from the American dream of equal opportunity for all We must rectify these proposals before they bring chaos to all of us.

JUNIOR RAILROAD EXPERTS REPORT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. PICKLE. Mr. Speaker, it was a child who had the courage and honesty to say to the crowd that the Emperor was not wearing any clothes, and so sometimes it is best to look at things through the eyes of children to get a frank evaluation of them.

As the new rail passenger service, Amtrak, begins its third year of operation, much has been written about its quality,

efficiency, and service. These reports have been prepared by experts in the fields of transportation, business administration, and rail travel. But they have been so filled with technical data, appraisals of complex machines, and raw statistics on numbers of cars, towels, and stemware that they have been of little value to the average person who is interested in trains and would like to know what Amtrak has done for them.

In the interest of simplicity, honesty, and frankness, I present here several letters written by the fourth-grade class at Liberty Hill, Tex., after the children took their first ride on the Amtrak train from Austin to San Marcos. They are printed below just as they were sent to the Austin Amtrak office, with the same errors of spelling and punctuation as were in the originals.

It is obvious from the letters that the children enjoyed their train ride, but something more important comes through in their notes. These children saw much more on the train than twice as many adults would ever have seen. From the armrests to the hot and cold water pedals in the restrooms, they took infinite delight in small things that we take for granted and ignore.

That is the essence of childhood and optimism, and reading these letters may bring back a little of both.

The letters follow:

DEAR AMTRAK: It was fun riding the train to San Markos. I hope that I can ride another train. I like the seats. I also like the restroom. And I liked the armrest. I like the clubcar best.

Your friend,

EDWARD.

DEAR AMTRAK FRIENDS: My name is Denise Stultz. Im from the fourth grade. I liked the train ride very much. Sometimes when I walked down the lane it made me dizzy. The only part that scared me was when I went across the part where it conected on to another car.

Your friend,

DENISE.

DEAR AMTRAK: I wanted to tell you how much I liked the trip on your train. I like the nice clean cars. The seat are very pretty, too, and it's nice, quiet, and peaceful. I just wanted to tell you how much I like the trip. By-by.

Truly Yours,

MITCHELL S.

DEAR AMTRAK: I didn't like it went we went over the water. But I love it otherwise. It was a fair to me but to my mom it was wonderful. I hope we meet again. I hope that more classes come and ride on your train and the conductors as very nice.

When I got on the train I didn't like it at all. But you made me love it. Your and Mrs. Lett are the most wonderful I have ever seen.

Yours Truely,

LORIE.

DEAR AMTRAK: I saw the ticket that said Amtrak. We didn't get to sit on the new car.

But we injoyed the ride. Edwardo and I didn't come on TV. The boy and girl came on TV. I think the new car was the diner.

Your friend.

AURELIO.

DEAR AMTRAK: I like the train ride. The ride was very nice. The ride felt just like Home to me. I like the train ride very much. The other ones liked it too.

Your friend,

WANDA.

DEAR AMTRAK: I like your train. It has all the comforts you would ever want. The bathrooms are very well fashioned. Your club car is very nice. Your water fountains are neat.

Your rider,

CURTIS RILEY.

DEAR AMTRAK FRIENDS: I'm glad you could spare the room for Liberty Hills fourth grade class. I like the train for its neatness and its food. I wish it could have gone faster. but I know you can't help it because trains can only go so fast. I also like the hot and cold pedals in the rest room a lot.

Your friend,

STEVEN MOORE.

DEAR AMTRAK: I am from the 4th grade, and I want to tell you that I was glad to be on your train. It wasn't the first one I have been on. But it was the best. I like the lounge and how smooth the train went. At first I didn't no how to make the seats go back, then I looked in front of me and did what he was doing.

Your 4th grade passenger,

DIANA HAIGHT.

DEAR AMTRAK: I like the train ride. I like the restroom, too. I also like the dining cart.

I wish I could eat something but I couldn't. I like the windows too. I also like the seats.

The train is pretty all over. I like the engine to. I like the colors of the engine to.

Your friend,

CYNTHIA.

CUTTING FEDERAL FUNDS

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ROUSH. Mr. Speaker, the following short editorial very clearly points out another inconsistency in the administration's approach to the solution of problems. In the Fourth District of Indiana we are trying to "do it ourselves." The editorial indicates how the administration is forcing a community to turn to tax funds to replace private funds if a very good program is to continue. I understand that objections such as this one have caused the Secretary of Health, Eucation, and Welfare to reconsider this regulation. I hope the proposed regulation will be abrogated and the reasons it should be are well stated in this editorial.

The editorial follows:

CUTTING FEDERAL FUNDS

(By Carl W. Vandagrift, vice president and general manager, WOWO Radio, Fort Wayne, Ind.)

WOWO normally avoids national issues in its editorials but a recent proposal by the Department of Health, Education and Welfare would have such a drastic impact on Fort Wayne that we feel compelled to comment.

HEW is proposing that present regulations under Social Security Title IV–A be changed so that no private funds can be used to match these federal funds, which in Fort Wayne are being used to provide day care services to low income families. Unless local tax monies can be secured, which is unlikely, a day care program at the Regional Vocational Center would be ended. This means 35 high school students who are enrolled in the vocational program would have to switch courses. Twenty five young children being cared for in the program will not have day care services. In addition, many mothers who depend on Child Care of Allen County to care for their children while they work, may have to quit their jobs and apply for welfare or ask for increased welfare benefits.

WOWO thinks this proposal runs counter to all the recent speeches by President Nixon. The President says local communities should assume responsibility for services and not run to the government to solve their problems. The proposal to require local tax dollars to match federal tax dollars is ridiculous because the present matching funds come from private sources such as United Way of Allen County. If you agree, write to Congressman Roush and Senators Hartke and Bayh. They can help us save a valuable program.

MASONIC AWARDS IN NEW JERSEY

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. HUNT. Mr. Speaker, I am particularly pleased today to insert for the RECORD a compilation of the fine work being done by the Grand Lodge of the Most Ancient and Honorable Society of Free and Accepted Masons for the State of New Jersey. The record achieved by this fine organization is a tribute to the men who belong, and their grand master, Brother Otto Gehrig.

The Masonic lodges of New Jersey have long been known for their outstanding work to humanity. And, as you will note, Mr. Speaker, their good deeds are not confined to the borders of New Jersey. No matter where the need, the Masonic lodges of New Jersey have been there, reaching out to aid and console.

The following have received one of four of the grand master's "Community Action Awards," certificates that Most Worshipful Brother Gehrig has presented.

The first such award went to Alpha Lodge No. 116, for the 20 years of service they have contributed to the East Orange Veterans' Hospital.

The second award was made to Harmony Lodge No. 18, in Toms River. This lodge made a pledge to the local hospital 3 years ago to contribute $6,000. and fulfilled this pledge in fall of last year. In order to maintain a fund to be used for community and charitable projects, Harmony Lodge has adopted a lodge bylaw which assesses each member $1 per year for this purpose.

The third presentation was made to North Arlington Lodge No. 271 in the community of the same name. This lodge received the award because they orga-

nized a project and sent 7½ tons of clothing and household goods, in two separate shipments, to Wilkes-Barre, Pa., to assist flood victims in that community.

In addition, the grand master has a "Masonic Community Charity Fund of New Jersey," which provides funds to the local lodges where compelling and unusual events happen. This fund in no way is meant to replace the programs the lodges have now, but rather, is meant to supplement their activity. If used, the lodge gets the credit.

There has already been one instance in the Tuckahoe area where a tragic fire completely burned out a family killing one child and severely burning another. Donations by the local lodge, district masters and wardens, and the fund, were "pooled" and the total reached $1,000. This amount was presented to the family within 36 hours after the tragedy. It is the aim of the grand master to get there first when help, aid, and assistance is really needed, and not to wait until some project is started by the local community. The grand master feels that if the local lodges take part in this type of activity it will prove to the profane that masonry in New Jersey is truly a charitable and benevolent society whose aims are to practice outside the lodges those principles that are taught within them.

Again Mr. Speaker, I commend the lodges of New Jersey, and can only say that I am extremely proud to be a member among them.

SUPREME COURT TIMID IN RULING ON OBSCENTIY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. DERWINSKI. Mr. Speaker, it is not unusual for Members of this body, representing their constituents across the country, to comment on a number of questionable Supreme Court decisions.

Rather than prepare my own comments on the subject, I insert into the RECORD at this point an editorial by Harry Sklenar, editor of the Desplaines Valley News, an independent publication which serves a number of suburbs in southwest Cook County, Ill., which is, I believe, a very fascinating and correct observation on the recent Supreme Court decision relating to obscenity.

The article follows:

OBSERVATIONS

This week, the U.S. Supreme Court, by a 6 to 3 unsigned decision ruled that a "lewd and obscene" word (blank) published in an underground university newspaper by a girl editor was not sufficient reason for her being expelled from the university.

Chief Justice Burger held that the decision was "bizarre" in that the majority of the judges declined to spell out the foul language in question. In each instance, the word in question was deleted by (blank).

Now what nasty word could a girl publish which none of the six majority judges dared to repeat? Aren't you a bit curious? Or the amount of time attorneys for and against the case spent in bringing the issue to the Supreme Court, or of the time the Supreme Court spent on the issue of obscenity in relation to free speech?

Perhaps in time public taste will be so shocked by obscene words that they will upgrade their cultural standards and cease reading obscene novels, viewing obscene nudity as "art," and those (blank), (blank) (write your own obscene words in the blanks) words will cease to exist.

IN MEMORY OF HENRY T. McKNIGHT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. FRENZEL. Mr. Speaker, the late Henry T. McKnight of Jonathan, Minn., was a man who worked effectively both for environmental preservation and realistic community development. Minnesota and the field of community development lost a great champion when he died in December. His record in this field and as a Minnesota State senator deserve recognition by the Nation and its Congress. Consequently, I introduce into the RECORD a fitting editorial tribute from the Minneapolis Star, January 3, 1973. I remember Senator McKnight with great personal fondness and admiration. He and his work will be sorely missed:

The editorial follows:

HENRY T. McKNIGHT

Henry T. McKnight was aware that his twin careers as an environmentalist and real estate developer were seemingly at odds. And, in truth, his attempts to combine the two sometimes drew challenges to his motives.

But his record on behalf of conservation causes—in private life, as a member of the National Agricultural Advisory Commission under President Eisenhower and as a Minnesota state senator—offered ample evidence of his commitment. He was chief author of Minnesota's 1963 natural resources act and the 1969 bill for parks, open space and floodplain management.

His most spectacular achievements, though—the ones for which he may be best remembered and which may best represent his resolution of the developer-environmentist "conflict"—were the successful launchings of the new towns of Jonathan and Cedar-Riverside. He saw new towns as protectors of the environment because they enable growth to be channeled where it will fit, minimizing land waste while still providing the quality of life that people want.

In many ways McKnight was a visionary. But he also was a man who, until his death last week at age 59, had the personal resources and business and political acumen to convert his dreams into realities that others might share.

AVERAGING OF TAX EXEMPT INCOME PROVIDES BENEFITS TO THOSE WHO CAN AFFORD IT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. VANIK. Mr. Speaker, it is shocking that the tax code provides a "double whamee tax gain" to those who use the benefits from income averaging when they cash in on tax free investments.

The wealthy recipient of tax exempt income receives double tax benefits when he calculates his gain so that it is realized in certain years, averaging his income into lower tax brackets.

The original intent of income averaging was to provide tax relief for those who for reasons beyond their control, have income fluctuations from year to year. I support this equitable concept. The most common examples are those whose jobs are dependent on weather conditions or who depend on sporadic short-term employment. The averaging provision applies a mathematical procedure which generally spreads excessive income over the previous 4 years and taxes it at a lower rate.

The following is an example of an individual who receives his tax exempt bond interest over a 4-year period and decides to cash in on the fifth year, switching to a taxable yield. On the fifth year he files a joint return with his wife and averages his income. A description follows:

Year	1	2	3	4	5
Tax-exempt interest [1]	$100,000	$100,000	$100,000	$100,000	0
Taxable interest [1]	0	0	0	0	$150,000
Other income	20,001	20,001	20,001	20,001	20,001
Other deductions and personal exemptions	20,000	20,000	20,000	20,000	20,000
Taxable income	1	1	1	1	150,001

[1] $2,000,000 at a 5-percent tax-exempt yield equals $100,000. $2,000,000 at a 7.5-percent taxable yield equals $150,000.

Note: See following table:

	Year 5	Joint return tax with averaging
Averageable	$150,000	$39,402
Base amount	1	
Total	150,001	
Less taxes	39,402	39,402
Total	110,599	

After tax income is about $10,600 more than when invested in tax-exempt bonds.

It is disturbingly unfair that such manipulations and double windfall benefits are only available to those who are already wealthy. The taxpayer used in my example gained $10,600 by using this double tax benefit.

To correct this inequity in the law I am today introducing legislation which requires that tax exempt income be added back into the average base period for purposes of computing the current year's averageable income.

I will attempt to see this bill adopted into the tax reform act that is presently pending before the Ways and Means Committee.

FREEDOM OF SPEECH VITAL TO ALL CITIZENS

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WON PAT. Mr. Speaker, the Joint Committee on Congressional Operations today winds up its hearings on an issue of vital importance to all citizens: Freedom of speech. Although this precious freedom is under attack in certain segments of our society, as it always has been throughout history, the joint committee has been concentrating their attention on the right of Members of Congress to speak out freely as part of our responsibilities to our constituents.

I, therefore, heartily endorse the underlying purpose of the hearings before the Joint Committee on Congressional Operations, which is to clarify and solidify the immunity from questioning and prosecution of Members of Congress for their utterances in debate and performance of their other vital legislative activities.

The Constitution of the United States, article I, section 6, clause 1, provides that:

> . . . for any Speech or Debate in either House, the Senators and Representatives . . . shall not be questioned in any other place.

The preconstitutional history of this clause clearly demonstrates that the framers of the Constitution intended to protect the Members of Congress from harassment and prosecution by the executive branch in response to unfavorable comments made by Members in congressional debate.

The framers relied upon lessons learned from English Parliamentary history. Efforts by the King to stifle Parliamentary debate by jailing and prosecuting Members of Parliament resulted in revolution, and renewed assertion of the Parliamentary privilege that—

> . . . The Freedom of Speech, and Debates or Proceedings, ought not to be impeached or questioned in any Court or Place out of Parliament.

These lessons were especially bitter to James II, who lost his throne, and to Charles I, who lost his head, after tampering with the rights of members of the House of Commons and House of Lords to speak their minds freely on the floor of Parliament.

Such was the determination of the framers of the Constitution to avoid violence and bloodshed over the congressional right of free debate that the speech or debate clause was adopted without discussion or dissenting vote. And to their credit, no such blemish on the history of the United States has ever erupted. Yet, even though acts of violence between branches of the government are completely foreign to the United States, the protection of congressional free speech should be no less scrupulously preserved.

For this reason, I favor legislation which would redefine the speech or debate immunity, in light of recent Supreme Court decisions which seemingly allow the President to impede by indirect methods the ability of Members of Congress to perform vital legislative activties.

While a Congressman is still free to say what he pleases in floor debate and in committee, the Government can harass the sources of his information and those who attempt to privately republish a Congressman's utterances for wider circulation. While a Congressman's legislative activities are still immune from question, his promises to perform such activities are not.

I would also like to urge that the proposed legislation make it clear that a Delegate to Congress and a Resident Commissioner enjoy the same speech or debate immunity as a Representative in Congress. Although the Constitution does not clarify this point, it should be noted that except for the right to vote on the floor of Congress, a Delegate and Resident Commissioner possesses practically every other privilege, and bears every other burden and responsibility, that a voting Member does.

With great commendation to the purpose of these hearings, let me express the hope that from this forum will emerge meaningful disclosures, resulting in well-wrought and purposeful legislation on a subject vital to every Representative, Resident Commissioners and Delegate to the Congress of the United States.

SPEEDY TRIALS

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. KEATING. Mr. Speaker, David Brinkley of NBC News recently talked about some of the problems associated with delays in bringing criminal defendants to trial. His comments were incorporated into the regular broadcast of the NBC Nightly News program, thereby focusing public attention on the need to implement the constitutional guarantee of speedy trials.

As Mr. Brinkley points out, implementation of this guarantee would certainly be an effective deterrent to crime. It would deter crime through the prompt incarceration of guilty defendants. It would deter crime through assuring a clear connection between the commission of a crime and the imposition of an appropriate sentence. And it would deter crime by guaranteeing the conduct of trials while witnesses are still available, memories are still fresh, and the defendants themselves are under closer supervision by law enforcement authorities.

Speedy trials would unquestionably benefit the public interest, the victims of crime, and the defendants themselves. When the time between arrest and trial is delayed for long periods of time, as it often is, defendants remain free to commit additional crimes, witnesses are subjected to lengthy periods of uncertainty and inconvenience, and the innocent languish in jail only to await either an acquittal or a dropping of the charge.

Mr. Speaker, on February 27 of this year, 12 of my colleagues and I introduced in the House a bill to guarantee the implementation of speedy trials. This bill, H.R. 4807, would accomplish the following objectives if enacted into law:

It would require the trial of all criminal defendants within 60 days of arrest or a filing of information, whichever occurs first;

It would restrict the number of continuances to be made in the disposition of criminal cases, and require other new procedures to speed up the overall administration of justice;

It would authorize the Administrative Office of the U.S. Courts to make payments to those federal districts which require immediate funds to implement the provisions of the bill;

The bill would authorize the Judicial Conference of the United States to consider and report on possible changes in the Federal Rules of Criminal Procedure and the United States Code which would further improve the judicial system;

The bill would also authorize the Judicial Conference of the United States to analyze the impact of this legislation on the detention facilities in the country and to make appropriate recommendations;

Finally, the bill would call for the establishment of pretrial service agencies on a full-time operational basis, thereby increasing the supervision of persons who are not incarcerated prior to trial.

Mr. Speaker, I believe the recent remarks of Mr. Brinkley were most timely and appropriate, and should be printed in the RECORD:

NBC NIGHTLY NEWS, MARCH 14, 1973

The President wants return of the death penalty in certain Federal crimes, leaving the States to decide if they want it. One State (Florida), already has. Others may. The Gallup Poll shows rising public support for it.

So, Congress may pass Mr. Nixon's bill, because the public support seems to be there. It is there because people in and around the big cities (which is most people), are victimized by murderers, rapists and robbers.

And despite some tinkering with the figures, violent crime has increased without interruption.

But will restoring the death penalty be of any help? No one knows. It is not proved either way.

Executions are sensational whether or not effective. There is another way, not sensational, that certainly would help: quick trials.

Here yesterday, there was a robbery and one killed and six people shot. Two of those arrested were out on bond awaiting trial for another murder.

One of those charged with robbing and shooting Senator Stennis was out on bond awaiting trial for two previous robberies.

To stop that . . . and also to avoid keeping accused people in jail weeks, months and years awaiting trial . . . the answer is to deliver what the Constitution already promises: speedy trials.

The British do it much faster than we do and their crime figures are better than ours.

Ideally, one arrested for a crime tonight should be tried tomorrow morning. If he's innocent, he's out by noon. If guilty, he's locked up in time for a jailhouse lunch.

It would cost a little money, but less than a new aircraft carrier . . . and certainly more useful.

And it would require lawyers, judges and the courts to change their work habits, attitudes and procedures . . . and require an overhauling and simplifying of a criminal court system that is slow, cumbersome, complex and expensive . . . and not a moment too soon.

John——

WELFARE SCANDAL—IV

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, welfare fraud continues to blight our humanitarian efforts to provide assistance to the needy. Not only is the system an inefficient method of delivering aid, overpaying some and shortchanging others who deserve assistance, but the system is easily abused by those seeking undeserved aid.

Today I am inserting a fourth segment of an investigative series of articles on the fraud, waste, and mismanagement of the Milwaukee County Welfare Department which appeared recently in the Milwaukee Sentinel. The authors, Miss Gene Cunningham and Stuart Wilkallege allege that about $1 in $5 appropriated for public assistance is wasted through fraud or maladministration.

Examples of fraud by recipients in this segment of the series show how simple it is for those with deceptive intent to defraud welfare administrators. One man applied and received aid under 21 different names. Other abuses testify for the need for reform.

If we are to devise a welfare system that is fair both to the truly needy and to the taxpayers, some drastic overhaul and procedure tightening is required—and soon.

The article follows:

[From The Milwuakee Sentinel, Feb. 28, 1973]

AID SYSTEM INVITATION TO DECEIVE

(By Gene Cunningham and Stuart Wilk)

The Milwuakee County Welfare Department has locked itself into a system that invites—and gets—fraud.

In 1972, the Sheriff's Department Fraud Squad uncovered 207 welfare fraud cases—totaling $354,731.

"This is only a small percentage of it," said Sgt. Daniel Richardson, a veteran member of the squad, set up to investigate welfare fraud.

As of late last year, the squad's files were clogged with a backlog of 1,275 suspected welfare fraud cases. It's too much for the five man squad to keep up with.

Occasionally, a spectacular case will find its way into the courts and will stir the ire of the public.

Take the case of Mrs. Loretta Mae Nichols, the Cudahy woman who reported that her furniture was stolen from a moving truck en route to her new home.

The department promptly obliged Mrs. Nichols by issuing a check for new furniture—$1,201 worth.

The fraud squad later discovered the furniture was never stolen, Mrs. Nichols, it turned out, had put it into storage.

SHE HAD JOB

Then it was learned that she was employed and was not reporting the income to the department.

The amount of the fraud came to $2,062. Mrs. Nichols was ordered to make restitution and was put on two years' probation.

Sgt. Richardson can spend hours reciting similar cases.

Supervisor William Nagel, head of the County Board's Welfare and Human Resources Committee, goes into angry tirades about welfare fraud.

Caseworkers and aides complain that the prevailing departmental attitude is to "give a client what she wants, but keep her out of my office," as one administrator said.

CALLS PROBLEM MINOR

Meanwhile, Welfare Director Arthur Silverman—whose 1% estimate of total fraud is significantly below the findings of the most recent study on the subject—strenuously insists that fraud is a minor problem.

But the fraud squad, county supervisors and many caseworkers, aides and welfare administrators tell a different story. They claim that fraud is indeed a major problem.

The losers: the honest welfare client, the frustrated caseworker, the county's taxpayers.

Nagel's committee has probed the county's welfare fraud situation over a period of years.

It was his committee's 1969 study that estimated 20% of the budget was being dwindled away in fraud and "administrative error" in Aid to Families with Dependent Children (AFDC), the department's largest category of aid.

Nagel held that there is reason to believe that the figures apply to every category of aid in the department.

ESTIMATE OF LOSS

That would mean that last year alone about $28 million was wasted on false claims and bureaucratic inefficiency. It would mean that this year the figure will climb to about $30 million.

Where does it go?

Some examples:

It went to a man who had applied for assistance under 21 different names—and received aid under each of them until he was found out.

It went to a man who was receiving aid under general assistance, and who then returned to the department dressed as a woman and received aid under AFDC.

It went to a woman who was working as an "exotic dancer" at a tavern owned by her husband—while the department sent her welfare checks because she was "unemployed" and "deserted," a welfare worker reported.

It went to a woman who collected $1,552 from the department while she earned $953 in unreported income from the convalescent home where she worked—until the fraud squad got on the case.

It went to a woman who moved from Milwaukee County to Michigan—but continued to receive welfare checks for a year and a half after she moved. Her sister merely went over to the woman's former residence, picked up the checks and mailed them to her.

It almost went to a family who moved into a house but "couldn't afford" to buy furniture. The family asked the welfare department for money for furniture. The landlord told the department that "something fishy" was going on. All the household goods, the landlord said, were stashed in the garage.

It might have gone to the family that held a "rummage sale" of household possessions one Saturday afternoon. "Then they'll be in and apply for new stuff," said the disgruntled case aide who witnessed the sale. And, he said, the department would probably go ahead and issue a grant for the family's "special needs."

Meanwhile, the clients who are in legitimate need—and must live within the confines of the department's normal allotments—are the ones who suffer.

Theories—and platitudes—on how to cure the department's woes are plentiful. But few agree on how to solve the fraud problem.

MANY DISPARITIES

The lack of agreement extends to those who set and carry out policy. Between the workers, administrators, state and federal officials and the local district attorney's office—there are hopeless disparities in defining the fraud problem, agreeing on what is being done about it and determining how to cure it.

For instance, John Casey, supervisor of Staff Resources for the welfare department, told a reporter that in fraud cases "many have a restitution agreement (with the district attorney's office) . . . They will pay back in lieu of prosecution."

But Asst. Dist. Atty. Allan Love, who has handled welfare fraud cases since last June, said that he has stopped working out repayment agreements.

Welfare recipients once were allowed to pay back the money they had pilfered, "if the amount was not big," Love said.

Now, he said, the philosophy is that if a crime is committed, it should be prosecuted.

INTERVIEW CONDUCTED

Casey said, however, that the recipient and the caseworker appear before the district attorney for an interview and "determine whether to prosecute or to give (the recipient) the opportunity to make repayment."

There are also contradictions in statements concerning whether the federal government shares in the loss on fraud.

Silverman told The Sentinel that since the grants, which turned out to be fraudulent, were made in "good faith" by the department, the federal government will share in the loss if the county can't recover the funds.

But George Rowland, director of the Bureau of Audits and Accounts, Division of Family Services, State Department of Health and Social Services, said:

"There's no sharing on fraud claims, or detected cases of fraud."

George Trewartha, director of the Bureau of Program Planning and Development, Division of Family Services, State Department of Health and Social Service, shared Rowland's view. He agreed that there is no sharing on fraud.

A spokesman for the Department of Health, Education and Welfare (HEW) also said there is no federal sharing in fraud cases.

"The federal government does not pay for these kinds of errors," said Lee Feldman, assistant regional director for public affairs in HEW's Chicago office.

Thus the county apparently ends up paying 100% of the costs.

But the welfare department has yet to acknowledge it, control it and—ultimately—make a forceful stab at eliminating it.

POW'S REVIVE SPIRIT OF AMERICA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BOB WILSON. Mr. Speaker, as the first prisoner of war stepped off the

plane at Clark Air Force Base and proclaimed "God Bless America," millions of Americans watching this event on television reaffirmed their own belief in the strength and goodness of our great Nation. Efforts have been made by some antiwar activists and certain members of the media to demean the sincerity of this pronouncement, but subsequent statements by the returned POW's have upheld their original proclamation. We have all received a great renewal of patriotism from the POW's and I ask unanimous consent to include in my remarks the following editorial from the San Diego Union.

[From the San Diego Union, Mar. 8, 1973]

A SIMPLE LESSON IN PATRIOTISM: POW'S REVIVE SPIRIT OF AMERICA

When the first returning American prisoners of war set foot on Clark Air Force Base in the Philippines, they said, to a man, in one way or another, God bless America. For the most part citizens of the United States of America responded in kind.

Ours, however, is a pluralistic nation and there were those who had reservations about the genuineness of the POW emotions. Numbered among them are the Jane Fondas and the Ramsey Clarks—professional anti-Vietnam agitators who expected the former POWs to criticize their country and its President. The POWs have done neither.

In still another league are the reporters in some of the nation's largest news media who found the unabashed patriotism of the former POWs contrary to their preconceived notions of how the men would act. This thinking is represented in the opinions of one correspondent who wrote from Clark Air Force Base that there could be three reasons why "the American prisoners freed by the Communists have come home to the theme God bless America" . . . which has set the stage for "unchallenged patriotism."

He suggests that the return of the POWs is one of America's "undisputed achievements" in the war, the only symbol of "victory." Additionally, he believes that the men were blessing America fervently because they "were predominantly career officers and fighter-bomber pilots—probably the most enthusiastic of America's warriors." Finally, the correspondent suggests that the men may have been programmed as to what to say—brainwashed and kept at arm's length from the inquiring press.

A lot of water has gone under the bridge since Feb. 19. The original delegation of 163 prisoners has had many opportunities to talk to the press. Some have returned to their home towns. All have had a great deal of public exposure; an opportunity to speak freely. All still are saying God bless America as passionately as they did nearly a month ago.

What is more, an additional 140 prisoners shared the homecoming experience this week. Many of them are not career officers or bomber pilots, but all are saying God bless America, let us appreciate the great nation that we have. None is shy about his patriotism.

The simple, sincere responses of the returning men have warmed the hearts of all Americans and given us many new perspectives.

Not the least of these is that the people who have for so long questioned the sincerity of the American purpose in Vietnam or the intelligence and honesty of our prisoners of war may have suffered a little brainwashing of their own.

URBAN MASS TRANSPORTATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. CRANE. Mr. Speaker, as a member of the Mass Transportation Subcommittee of the Banking and Currency Committee, I intend to take a special interest in sensible transit development in the United States and elsewhere.

My position on Federal urban mass transportation legislation is quite simple. I do not believe the Federal Government ought to be involved in funding an area which belongs so clearly to local or State jurisdictions.

However, the Federal Government is involved. As long as the taxpayer's money is being spent, and at this time it is being spent to the tune of $1 billion per year on urban transportation projects, then it shall be my aim to see to it that this money is spent as wisely as possible.

I expect to look into a number of pending projects as to their economic and technical feasibility. I believe President Nixon is serious when he says that he wants to end wasteful and uneconomical programs in Government. I hope to be of some assistance to this general effort in the area of urban transit where I think some legislative oversight is in order. I am sorry to say that few in Congress have paid much attention to this program, especially since it was enlarged with the passage of the Urban Mass Transportation Act of 1970. I intend to make it my business to see to it that, at the very least, boondoggle-type projects are avoided.

Speaking of sensible transit development, I should like to call to the attention of my colleagues an article in the October 1972 edition of Modern Tramway, a British publication. It details progress on the Dayton, Ohio, light rail project which strikes me as making a good deal of sense. I include this article in the RECORD at this point:

NEWS FROM DAYTON

(By P. J. Walker)

On Wednesday June 8, 1972 the Montgomery-Greene County Transportation Coordinating Committee—an embryonic regional transport authority—authorized the appointment of two consultants to study the feasibility of a light rapid transit system for Datyon, Ohio, at a cost of $35,000. This event is due almost entirely to the work of a voluntary body of citizens who last year fought to oppose the recommendations of an earlier study in favour of segregated busways. Such a success for the pressure of informed public opinion deserves full mention in *Modern Tramway,* and we are particularly happy to relate this success story.

Dayton is a prosperous manufacturing town of 264,000 inhabitants, surrounded by a rich agricultural area. It is of interest as the first large municipality to employ a city manager to administer its development, and also as the last medium-sized trolleybus stronghold in the United States. Despite its lack of railborne rapid transit, the bus and trolleybus undertaking is a progressive one and, even today, public transport plays a much greater part in the life of the community than in most American cities.

As part of a regional transport plan, a study was made in 1962 of the future role of public transport, which recommended improvement of public facilities. The study rejected a heavy rapid-transit system for Dayton, but it was suggested that a partially-segregated light rapid-transit rail route could have a positive influence on the growth of the region. There is no indication that this suggestion was taken very seriously; by 1969 it had been virtually abandoned in favour of improving bus and trolleybus services at a fraction of the cost.

On July 1, 1972, the consultants, Vogt Sage and Pflum, produced their feasibility study for segregated busways, partly to replace trolleybuses and partly (in theory at least) to give public transport a better chance to compete with the private car. The consultants nevertheless expressed doubts about the capacity of the busway to attract new patronage from the private motoring sector, and their most optimistic ridership estimate was 10,000 to 15,000 passenger trips *per day.* Since the modest cost of creating these busways could hardly be justified by this low traffic volume, Vogt Sage and Pflum studied the benefits to be gained from allowing motor cars carrying three or more persons to use the busway at peak hours, concluding that about 1,000 cars would thereby be able to reach the city centre without hindrance to or from other traffic. If two-occupant cars were allowed on the busway, the predicted flow would reach about 4,500 vehicles each rush hour. In this way, the consultants inferred that a busway could be justified only if it were not a busway at peak periods. In effect they were recommending not a busway but another fast highway with private cars in the large majority. While such a conclusion was perhaps logical in a motor-oriented community, it made nonsense of the official policy of improving public transport in order to reduce the problems caused by too many cars in the city centre, and the authorities could hardly have been happy with the result of the study.

Certainly some members of the public were appalled by the proposal, and so they set about to produce their own counter report as quickly as possible. Within days an alternative plan was established for adopting under-used railway lines and building new tracks to form an extensive light rapid transit system for the area, similar to the earlier suggestion of 1962.

THE DART REPORT

By October 1, 1971, a 219-page report was prepared, undoubtedly the most impressive document on rapid transit ever produced by a voluntary body, covering in detail every aspect of its proposals and, incidentally, proving that its authors were better versed in the problems of transport than the consultants previously hired to advise the public authorities.

Entitled "DART (Dayton Area Rapid Transit)—the Coming Way To Go," and appropriately prefaced by Lewis Mumford's relevant adage that *"cities exist not for the constant passage of motor cars but for the care and culture of man",* the report begins by outlining the objectives of a public transport system. Its first function is to enhance the importance of the central business district (and thereby its rate revenue) and to create conditions in which the whole urban community can grow properly. A high-capacity rapid-transit system can ensure that new shopping and office development in the city centre is a commercial proposition, whereas the further decline of public transport in Dayton would cause new investment to be dispersed in the surrounding area, to the detriment both of the city itself and of its environs.

Particular attention is given to a proposed covered shopping mall which would form the focal point of the city, and several illustrations are reproduced of a similar scheme to revitalise the city of Buffalo, New York by such a shopping precinct. The proposed DART rail route would run through the

shopping mall, either in a shallow subway or on the surface. Close by would be a convention centre, while new office development would be concentrated in the immediate vicinity. The trolleybus system would remain, but as a complement to the rail system, its role being enhanced by the new building development. Highways would not be neglected, but their function would be redefined, while park-and-ride facilities on the DART lines would reduce the volume of traffic causing congestion on the highways.

The second section of the report describes in detail the proposed DART plan, after discussing how light rapid transit offers a better solution than the busway proposals put forward by Vogt Sage and Pflum. Quoting many eminent authorities in the United States and Canada, the importance of achieving a healthy balance between public and private transport is stressed, and convincing evidence is given of how rail transit investment has paid for itself many times over in terms of property value and rate revenue. Next the light rapid transit concept is described, followed by a discussion on vehicle types. Examples of many modern vehicles are illustrated and special attention is given to development work by the MBTA of Boston on the suitability of the Hannover *U-Bahn* car design for renewing PCC tramcars on existing American tramways. In addition to many more eminent authorities, the present writer is honoured by some quotations in this section.

Possible alternative modes of transport are reviewed, with the sensible conclusion that the only possible contender is the segregated busway. Here, convincing evidence has been obtained to show that busway operating costs are high. M. E. L. Tennyson, Deputy Commissioner of Philadelphia is quoted as saying that operation in Cleveland of a 80-seat rapid-transit car costs $0.92 per mile compared with $0.97 per mile for a 53-seat bus, while the railcar could seat 100 passengers if the spacing were as uncomfortable as in the bus. The report also quotes the disappointing results when the centre reservation of the former Ardmore tram route was converted in 1966 into a busway. Within one year, peak-hour ridership had declined by 11 per cent in the mornings and 14 per cent in the evenings, while journey times had increased by 17 per cent. Revenue increased from $6,832,280 to $6,980,415 from 1966 to 1967, but costs rose from $7,320,363 to $8,144,543. After losing 15 per cent of the traffic immediately following the change, five buses were still required to do the work that four railcars did better!

On the relative attraction of rail and bus modes, Mr. Tennyson is again quoted. *"On a national basis, the record shows that rapid-transit served cities attract 50 per cent more riders per capita than bus-only cities. In fact, there are more bus riders in rapid-transit cities. The same record shows a 50 per cent decline in ridership in bus-only cities as compared to rapid-transit cities."*

Several incorrect or misleading statements in the Vogt Sage and Pflum report are next dealt with. The fact that light rapid transit was overlooked as a possible alternative mode to the busway is rightly criticised, and the firm's assertion that new trolleybuses were not available is disproved on the simple evidence that a new Canadian-built vehicle was already running in Dayton, while the same manufacturer is negotiating an order for 210 new trolleybuses for San Francisco. Claims that electric vehicles cause more pollution than the diesel bus were challenged by evidence from Dayton and Philadelphia to the contrary, to which we refer elsewhere in this journal.

The proposed route pattern is next described, followed by a section on service speeds and frequency. A novel feature of the presentation here is a prototype publicity folder with a map and timetable of the projected first stage. To demonstrate how rapid transit can attract new passengers, the report quotes evidence of experience on the Skokie Swift line near Chicago, where over 50 per cent of the riders formerly drove their cars on journeys now made by rail.

The first section of route proposed extends from the city centre to Centerville, about seven miles to the south. Construction costs are discussed in relation to costs quoted for the busway scheme by Vogt Sage and Pflum, and it is mentioned that capital costs for similar proposals in Rochester and Buffalo were found to be about 12 per cent dearer than an alternative busway. The report makes no attempt to predict actual capital costs or ridership, or the revenue that could be gained. Instead it keeps to firm ground by explaining that DART would attract more passengers and would cost far less to operate than a busway, and stressing that a detailed technical and financial study would be necessary to produce realistic estimates.

Apart from its immediate benefit to city-centre properties, the DART line would, the report shows, increase the value of factory sites along its line, and encourage new industrial development; labour would be more easily available and rail facilities would be retained and improved for freight traffic along the DART route.

The report concludes by recommending that consultants be appointed to evaluate the DART scheme, and that the firm responsible for the Buffalo shopping mall be commissioned to prepare similar proposals for Dayton. Other action recommended includes a study tour of modern European light rapid transit, consultation with officials in other American cities engaged on similar projects, and the loan of the proposed Düwag demonstration car, if it is ever imported, for static display. In addition, a committee should be formed to study the feasibility of the proposals for industrial development along the line and to investigate the need to modify new legislation now being framed to broaden the powers of regional transport authorities to allow for such industrial development.

A bulky appendix includes full copies of the many relevant documents quoted in the report, as well as a useful list of persons contacted in its preparation.

THE SEQUEL

Whether the Montgomery-Greene County Transportation Coordinating Committee was taken completely by surprise when it received this massive report we do not know, but we can be sure that it was pleased to get so much valuable material free of charge. The Committee must have been in a dilemma, having paid only four months earlier for a costly busway study which had been endorsed by its own technical advisors.

Very commendably, the Committee applied on December 28, 1971 for Federal approval for a new study into the feasibility of the light rapid transit proposal, and this approval was given by the Secretary of Transportation, John Volpe, on April 21 last, together with an instruction that purchase of part of the Penn Central Railroad right-of-way (intended for a busway demonstration) be deferred until the transport mode had been decided.

It remained for the Committee to authorise the appointment of consultants, which took place on June 7. Responsible for technical aspects of this study will be the firm of Louis T. Klauder and Partners, a company we have often mentioned before because it has been concerned with the design of new railway vehicles and equipment on many American systems. Economics and financial aspects of the study will be carried out by Peet Marwick Mitchell and Company, which, we assume, is connected with the British firm of accounts Peat Marwick Mitchell and Company, which is closely concerned, incidentally, with the finances of British Rail.

The authors of the DART report, Stephen S. King, Thomas S. Norwalk and James B. Rhinehart, are to be congratulated not only upon the outcome of their efforts but also upon the quality, quantity and the timing of their prodigious work. By presenting their report so quickly, they were able to stop the ill-conceived busway proposal before it was too late, and to prove that public common sense can alter the misguided course of official policies in a democratic community.

It is expected that the consultants' study of the light rapid transit proposals will be completed in September. We look forward to being able to publish their findings.

AUTHORITY OVER FEDERAL BUDGET

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ESCH. Mr. Speaker, surely one of the most important issues facing this Congress is the question of authority over the Federal budget. Today in considering the matter of impoundment we are dealing with one very important aspect of this issue.

It seems clear to me and to most constitutional scholars who have testified on this subject that the power of the purse was to be vested in the legislative rather than the executive branch. Those who have spoken before me have adequately stated the case and it needs no further repetition.

However, those who have spoken before me are, as I have said, addressing themselves to only one aspect of this issue. I wholeheartedly agree that Congress should have authority over the Federal budget. Yet inherent in that authority is not only congressional control but congressional responsibility. Those who have voiced a concern over the usurpation of congressional authority have shown far too little concern over the lack of responsibility in their own House. I believe we have witnessed an increasing use of impoundment by every administration since Roosevelt, not solely because those administrations have hungered after more than their share of power in the constitutional scheme of things, but because the legislative branch has failed to live up to its own responsibilities. The Congress has on the whole refused to make the hard decisions of setting national priorities, staying within some kind of reasonable spending limitation and providing sufficient tax income to meet Government expenditures. We speak in lofty terms about reordering national priorities, yet year after year rather than reordering priorities, we simply add on new ones. The result has been a public debt which has increased by 60 percent in the last 10 years. It has been yearly deficits which increasingly contribute to inflation at home and critical scrutiny by governments abroad.

In an effort to bring congressional responsibility as well as congressional control to the Federal budgetmaking process, I am introducing what I believe to be a very necessary amendment to the bill before us today. The amendment calls for the Congress to fix by concurrent resolution a budget ceiling with respect to the next fiscal year. The Mahon machinery would then only go into effect during a fiscal year for which a budget ceiling has been adopted and observed by

Congress and when the President impounds any funds authorized within that congressionally approved limit.

I agree with many of my colleagues that the power of impoundment is at best constitutionally questionable and has certainly been unwisely used by both this and previous administrations. In the last session of Congress, I introduced a comprehensive bill, the Federal Fiscal Responsibility Act of 1972 which included a title very similar to the bill before us today. Yet I would argue today, as I argued upon the introduction of my own bill, that the question of congressional authority over the budget cannot simply be limited to the question of impoundment. Just as the Executive has the responsibility to faithfully execute laws, so the Congress has the responsibility to allocate a limited number of dollars to many competing priorities. The decisions are necessarily difficult ones, yet they are the same that we expect of any family, any business or any university who have to live within a budget.

The establishment of a ceiling is a responsible request. It will give us better control over how Federal money is spent. Within an overall ceiling, we can determine which programs will be expanded and which reduced. When we add to one budget request, we know that we will have a corresponding duty to reduce another by comparable amount.

Mr. Speaker, I strongly support the efforts that the Congress is now undertaking to reassert its constitutional prerogatives. However, I am also strongly of the opinion that until the Congress starts to accept its responsibilities as well as its power, that power will be misplaced.

CONSIDERATION OF THE FEDERAL BUDGET BY CONGRESS

Since 1956, the budget has increased by over 300 percent. This tremendous growth of the Federal budget is best illustrated by the following charts. Chart 1 compares budget estimates and appropriations since fiscal year 1946. Chart 2 compares budget data since 1954 on a Federal funds and unified budget basis:

CHART 1.—COMPARISON OF BUDGET ESTIMATES AND APPROPRIATIONS BY SESSIONS OF CONGRESS

Congress and session	Budget estimates	Appropriations	Increase (+) or decrease (−), appropriations compared with estimates
79th Cong., 1st sess., fiscal year 1946 and prior fiscal years	$68,941,364,648	$67,545,660,880	−$1,395,703,768
79th Cong., 2d sess., fiscal year 1947 and prior fiscal years	35,153,239,093	33,571,494,011	−1,581,745,082
80th Cong., 1st sess., fiscal year 1948 and prior fiscal years	36,725,853,652	34,159,097,708	−2,566,655,944
80th Cong., 2d sess., fiscal year 1949 and prior fiscal years	41,053,346,713	38,282,717,957	−2,770,628,756
81st Cong., 1st sess., fiscal year 1950 and prior fiscal years	45,524,384,067	43,708,265,798	−1,816,118,269
81st Cong., 2d sess., fiscal year 1951 and prior fiscal years	80,172,585,565	72,200,190,841	−1,972,394,724
82d Cong., 1st sess., fiscal year 1952 and prior fiscal years	102,449,917,037	97,729,806,397	−4,720,110,640
82d Cong., 2d sess., fiscal year 1953 and prior fiscal years	91,205,894,252	82,596,777,411	−8,609,116,841
83d Cong., 1st sess., fiscal year 1954 and prior fiscal years	73,976,821,699	61,942,992,897	−12,033,828,802
83d Cong., 2d sess., fiscal year 1955 and prior fiscal years	57,422,327,386	54,812,457,263	−2,609,870,123
84th Cong., 1st sess., fiscal year 1956 and prior fiscal years	62,030,092,195	59,954,284,321	−2,075,807,874
84th Cong., 2d sess., fiscal year 1957 and prior fiscal years	68,587,724,820	68,330,229,608	−257,495,212
85th Cong., 1st sess., fiscal year 1958 and prior fiscal years	73,113,555,340	68,070,096,556	−5,043,458,784
85th Cong., 2d sess., fiscal year 1959 and prior fiscal years	81,737,060,999	81,119,818,276	−617,242,723
86th Cong., 1st sess., fiscal year 1960 and prior fiscal years	83,452,687,259	81,572,357,732	−1,880,329,527
86th Cong., 2d sess., fiscal year 1961 and prior fiscal years	$84,010,398,836	$83,799,241,957	−$211,156,879
87th Cong., 1st sess., fiscal year 1962 and prior fiscal years	101,185,574,673	96,194,946,610	−4,990,628,063
87th Cong., 2d sess., fiscal year 1963 and prior fiscal years	107,203,876,735	102,661,536,812	−4,542,339,923
88th Cong., 1st sess., fiscal year 1964 and prior fiscal years	110,270,774,856	103,798,631,671	−6,472,140,185
88th Cong., 2d sess., fiscal year 1965 and prior fiscal years	[1] 110,204,088,176	[2] 106,070,110,056	−4,133,978,120
89th Cong., 1st sess., fiscal year 1966 and prior fiscal years	[3] 121,719,754,896	[4] 119,310,113,527	−2,409,644,369
89th Cong., 2d sess., fiscal year 1967 and prior fiscal years	[5] 144,812,809,086	[6] 143,883,626,282	−929,182,804
90th Cong., 1st sess., fiscal year 1968 and prior fiscal years	[7] 162,988,905,929	[8] 156,917,115,912	[9] −6,071,790,017
90th Cong., 2d sess., fiscal year 1969 and prior fiscal years	[10] 209,439,260,996	[11] 196,537,244,324	−12,902,016,672
Consisting of:			
Trust funds	(54,012,887,000)	(54,012,887,000)	
All other (Federal funds)	(155,426,373,996)	(142,524,357,324)	(−12,902,016,672)
91st Cong., 1st sess., fiscal year 1970 and prior fiscal years	[12] 210,843,237,215	[13] 207,248,470,494	−3,594,755,721
Consisting of:			
Trust funds	(60,619,823,000)	(60,619,823,000)	
All other (Federal funds)	(150,223,414,215)	(146,628,658,494)	(−3,594,755,721)
91st Cong., 2d sess., fiscal year 1971 and prior fiscal years	[14] 217,605,978,434	[15] 232,139,894,882	+14,533,916,448
Consisting of:			
Trust funds	(65,381,174,000)	(65,381,174,000)	
All other (Federal funds)	(152,224,804,434)	(166,758,720,882)	(+14,533,916,448)

[1] Includes $225,000,000 requested in 1965 for fiscal year 1966.
[2] Includes $75,000,000 appropriated in 1965 for fiscal year 1966.
[3] Includes $937,500,000 requested in 1966 for fiscal year 1967.
[4] Includes $926,000,000 appropriated in 1966 for fiscal year 1967.
[5] Includes $900,000,000 requested in 1967 for fiscal year 1968.
[6] Includes $875,000,000 appropriated in 1967 for fiscal year 1968.
[7] Includes $1,055,000,000 requested in 1968 for 1969.
[8] Includes $995,000,000 appropriated in 1968 for fiscal year 1969.
[9] Does not reflect additional reductions in controllable obligations effected pursuant to Public Law 90-218 (H.J. Res. 888) estimated at $3,400,617,000 on June 30, 1968. Reserves established $6,075,520,000; reserves subsequently released, $2,674,903,000; reserves remaining $3,400,617,000. (See pp. 278-282 for detail.)
[10] As in tables IV and IVa, VIIIa, and VIIIb, these totals are adjusted to exclude $12,800,000,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Budget estimates include $2,895,000,000 requested in 1969 for 1970.
[11] As in tables IV and IVa, VIIIa and VIIIb, these totals are adjusted to exclude $12,800,000,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Appropriations include $1,965,814,300 appropriated in 1969 for 1970.
[12] Totals adjusted to exclude $13,915,525,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Budget estimates include $1,651,000 requested in 1970 for 1971.
[13] Totals adjusted to exclude $13,915,525,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Appropriations include $214,000,000 appropriated in 1970 for 1971.
[14] Totals adjusted to exclude $18,232,767,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Budget estimates include $188,011,000 requested in 1971 for 1972.
[15] Totals adjusted to exclude $18,232,767,000 of interfund and intergovernmental transactions—see par. 4, "Compilers' Notes", p. 3. Appropriations include $150,000,000 appropriated in 1971 for 1972.

Note: Concept of "budget estimates" and "appropriations" as used in the above tabulations, beginning with the 90th Cong., 2d sess., differs to some limited general extent from previous tabulations, and significantly differs in respect to inclusion of trust fund appropriation-amounts not included in this tabulation prior to the 90th Cong., 2d sess. See explanation, par. 4 "Compilers' Notes", p. 3. Also, beginning with the 85th Cong., 2d sess. (fiscal year 1959), figures exclude amounts relating to refunding Internal Revenue collections and sinking fund and other debt retirement funds.

Source: S. Doc. 91-122.

CHART 2.—COMPARISON OF U.S. GOVERNMENT ANNUAL BUDGET DATA ON THE UNIFIED BUDGET CONCEPT AND THE FEDERAL FUNDS BASIS AND PUBLIC DEBT OUTSTANDING AT FISCAL YEAR END, 1954-73

[In millions of dollars]

Fiscal year	Unified budget concept [1]			Federal funds budget basis [1]			U.S. Government public debt [2]
	Receipts	Outlays	Surplus or deficit(−)	Receipts	Outlays	Surplus or deficit(−)	
1954	67,719	70,890	−1,170	62,790	65,924	−3,134	270,790
1955	65,479	68,509	−3,041	58,112	62,279	−4,167	273,915
1956	74,547	70,460	4,087	65,376	63,761	1,606	272,361
1957	79,990	76,741	3,249	68,768	67,142	1,626	270,188
1958	79,636	82,575	−2,939	66,580	69,731	−3,151	276,013
1959	79,249	92,104	−12,855	65,827	77,071	−11,244	284,39
1960	92,492	92,223	269	75,650	74,865	785	286,065
1961	94,389	97,795	−3,406	75,179	79,336	−4,157	288,862
1962	99,676	106,813	−7,137	79,703	86,594	−6,891	298,212
1963	106,560	111,311	−4,751	83,550	90,414	−6,591	306,099
1964	112,662	118,584	−5,922	87,205	95,761	−8,556	312,164
1965	116,833	118,430	−1,596	90,943	94,807	−3,764	317,581

Fiscal year	Unified budget concept [1] Receipts	Outlays	Surplus or deficit(—)	Federal funds budget basis [1] Receipts	Outlays	Surplus or deficit(—)	U.S. Government public debt [2]
1966	130,856	134,652	—3,796	101,427	106,512	—5,085	320,102
1967	149,552	158,254	—8,702	111,835	126,779	—14,944	326,571
1968	153,671	178,833	—25,161	114,726	143,105	—28,379	350,743
1969	187,784	184,548	3,236	153,236	148,811	—5,490	356,932
1970	193,743	196,588	—2,845	143,158	156,301	—13,143	373,425
1971	188,392	211,425	—23,033	133,785	163,651	—29,866	399,475
1972 (estimate)	197,827	236,610	—38,783	137,788	182,519	—44,731	446,022
1973 (estimate)	220,785	246,257	—25,472	150,617	186,784	—36,167	481,878
Cumulative deficit (1954–73)			—159,768			—225,543	

[1] The unified budget concept includes both Federal funds and trust funds for receipts and outlays. Federal funds correspond roughly to the old administrative concept used by the Federal Government prior to fiscal year 1969. Federal funds are those which the Government administers as owner as distinguished from those administered in a trustee or fiduciary capacity (the trust funds). Historical functions of Government, such as National Defense, Veterans' Benefits, Commerce, Labor, Agriculture, interest on the public debt, and others are paid from Federal funds (tax revenue and borrowed funds). Income taxes (individuals and corporations), most excise taxes, estate and gift taxes, customs duties, and miscellaneous receipts are paid into the Federal funds accounts from which all Federal funds expenditures are paid. All trust funds receipts are paid into the specific trust fund accounts for which the revenue is earmarked. All trust fund payments are made from the specific trust funds accounts. Trust funds surplus receipts are invested in Federal securities (public debt or Federal agencies obligations). At the end of fiscal year 1971 the trust funds owned $96,000,000,000 of public debt securities. Major Federal trust funds are: old-age and survivors insurance, disability insurance, health insurance, unemployment, Federal employees retirement, railroad employees retirement, and the highway trust fund.

[2] Since the Second Liberty Bond Act of Sept. 24, 1917, the U.S. Government gross public debt has been subject to a statutory ceiling or maximum limit. Public Law 92–5, Mar. 17, 1971, established a debt limit of $400,000,000,000 and temporarily increased the limit to $430,000,000,000 through June 30, 1972. Since 1954 there have been 21 legislative measures increasing or extending the public debt limit. During this period the debt limit has been raised from $275,000,000,000 to $430,000,000,000. New legislation as expected in the immediate future to raise the public debt limit above the current level of $430,000,000,000 so as to permit financing of the current budget deficit.

Sources: U.S. Office of Management and the Budget (selected budget documents). U.S. Treasury Department (selected Treasury reports).

With the tremendous growth in the Federal budget, Congress has lost more and more of the control it should rightfully exercise over the budget. A review of the total budget is an activity in which Congress no longer participates. If Congress required itself to establish an overall limitation on expenditures, this situation would change. Setting such a limitation would require Congress to consider the economic state of the country at the beginning of each budgetary cycle. It would encourage Congress to establish a comprehensive plan for Federal budget priorities.

We have heard a great deal of rhetoric lately about changing the Nation's priorities, but Congress cannot have a hand in this process until it starts to consider the budget as a plan for action which makes basic choices between competing categories. Aaron Wildavsky, author of "The Politics of Budgetary Process," describes several different uses for the budget. He states that it is a financial document, a plan of "intended behavior," a statement of goals, a choice mechanism, and a contract. In recent years Congress has worked from the President's budget exclusively so that its adjustments have been made without reference to an overall congressionally established spending plan. The roles in the budget which include planning and evaluation are lacking in congressional deliberation. This seems incongruous in light of the many thousands of hours of thought and work which goes into individual pieces of legislation which creates the programs the budget later funds.

In the last 5 years Congress has found it necessary to pass 29 supplemental appropriations bills. These represent several midyear corrections in Federal spending policy. However, they also represent a serious deficiency in congressional budgetary planning. In the last 9 fiscal years we have appropriated almost $10 billion a year through supplementals. Chart 5 presents a record of supplemental appropriations since 1964. Chart 5A presents the cost of these supplemental measures for each fiscal year since 1964:

CHART 5.—A RECORD OF SUPPLEMENTAL RESOLUTIONS, FISCAL YEARS 1964–72 (SUPPLEMENTAL APPROPRIATIONS)

Number of bill	Reported	Passed House	Reported in Senate	Passed Senate	Reported to conference	Date approved	Law No.
Fiscal year 1964: 1. H.J. Res. 875 (HEW)	Dec. 14 (63) Rept. 1401	Dec. 19, 1963	Dec. 20, 1963	Dec. 21, 1963	(1)	Feb. 10, 1963	88–268, 1963.
Fiscal year 1965:							
1. H.R. 12633	Sept. 17 (64), Rept. 1891	Sept. 22, 1964	Sept. 29, 1964	Oct. 1, 1964	Oct. 1, 1964	Oct. 7, 1964	88-635.
2. H.J. Res. 234 (Agriculture)	Jan. 26 (65), Rept. 2	Jan. 26, 1965	Feb. 1, 1965	Feb. 3, 1965	Feb. 8, 1965	Feb. 11, 1965	89–2.
3. H.R. 7091 (2nd)	Apr. 2 (65), Rept. 224	Apr. 6, 1965	Apr. 23, 1965	Apr. 27, 1965	Apr. 28, 1965	Apr. 30, 1965	89–16.
4. H.J. Res. 447 (Defense)	May 5 (65), Rept. 286	May 5, 1965	May 5, 1965	May 6, 1965	N/A, 1965	May 7, 1965	89–18.
Fiscal year 1966:							
1. H.R. 10586 (Labor, HEW)	Aug. 19(65), Rept. 818	Aug. 24, 1965	Sept. 2, 1965	Sept. 7, 1965	Sept. 7, 1965	Sept. 23, 1965	89–199.
2. H.R. 11588	Oct. 13(65), Rept. 1162	Oct. 14, 1965	Oct. 19, 1965	Oct. 20, 1965	Oct. 20, 1965	Oct. 31, 1965	89–309.
3. H.R. 13546 (Defense)	Mar. 11(66), Rept. 1316	Mar. 15, 1966	Mar. 17, 1966	Mar. 22, 1966	(2)	Mar. 25, 1966	89–374.
4. H.R. 14012 (2d)	Mar. 25(66), Rept. 1349	Mar. 29, 1966	Apr. 25, 1966	Apr. 27, 1966	May 3, 1966	May 13, 1966	89–426.
Fiscal year 1967:							
1. H.R. 18381	Oct. 14(66), Rept. 2284	Oct. 18, 1966	Oct. 19, 1966	Oct. 20, 1966	Oct. 20, 1966	Oct. 27, 1966	89–697.
2. H.R. 7123 (Defense)	Mar. 13(67), Rept. 119	Mar. 16, 1967	Mar. 17, 1967	Mar. 20, 1967	(3)	Apr. 4, 1967	90–8.
3. H.R. 9481 (2d)	Apr. 28(67), Rept. 217	May 3, 1967	May 17, 1967	May 19, 1967	May 23, 1967	May 29, 1967	90–21.
Fiscal year 1968:							
1. H.R. 14397	Dec. 12(67), Rept. 1037	Dec. 12, 1967	Dec. 13, 1967	Dec. 14, 1967	Dec. 14, 1967	Jan. 2, 1968	90–239.
2. H.J. Res. 1268 (highways and claims)	May 9(68), Rept. 1373	May 9, 1968	June 12, 1968	June 13, 1968	N/A	June 19, 1968	90–352.
3. H.R. 17734 (2d)	June 7(68), Rept. 1531	June 11, 1968	June 19, 1968	June 26, 1968	June 27, 1968	July 9, 1968	90–392.
Fiscal year 1969:							
1. H.R. 20300	Oct. 7 (68), Rept. 1953	Oct. 9, 1968	Oct. 9, 1968	Oct. 10, 1968	Oct. 10, 1968	Oct. 21, 1968	90-608.
2. H.J. Res. 414 (unemployment compensation)	Not available	Feb. 6, 1969	N/A	Feb. 7, 1969	N/A	Feb. 9, 1969	91–2.
3. H.J. Res. 584	Mar. 24 (69), Rept. 91–112	Mar. 25, 1969	Mar. 26, 1969	Mar. 27, 1969	N/A	Apr. 1, 1969	91–7.
4. H.R. 11400 (Second)	May 15 (69), Rept. 91–252	May 21, 1969	June 11, 1969	June 19, 1969	June 24, 1969	July 22, 1969	91–47.
Fiscal year 1970:							
1. H.R. 15209	Dec. 11 (69), Rept. 91–747	Dec. 11, 1969	Dec. 17, 1969	Dec. 18, 1969	Dec. 19, 1969	Dec. 26, 1969	91–166.
2. H.R. 17399 (Second)	Apr. 30 (70), Rept. 91–1033	May 7, 1970	June 8, 1970	June 22, 1970	June 23, 1970	July 6, 1970	91–305.
Fiscal year 1971:							
1. H.R. 19928	Dec. 9 (70), Rept. 91–1688	Dec. 10, 1970	Dec. 11, 1970	Dec. 14, 1970	Dec. 15, 1970	Jan. 8, 1971	91–665.
2. H.J. Res. 465 (Labor)	Mar. 15 (71), Rept. 92–40	Mar. 16, 1971	Mar. 16, 1971	Mar. 16, 1971	N/A	Mar. 17, 1971	92–4.
3. H.J. Res. 567 (Urgent)	Apr. 22 (71), Rept. 92–144	Apr. 22, 1971	Apr. 23, 1971	Apr. 23, 1971	N/A	Apr. 30, 1971	92–11.
4. H.R. 8190 (Second)	May 6 (71), Rept. 92–187	May 12, 1971	May 13, 1971	May 19, 1971	May 20, 1971	May 25, 1971	92–18.
Fiscal year 1972:							
1. H.J. Res. 915 (Labor)	Oct. 6 (71), Rept. 92–550	Oct. 6 , 1971	Oct. 7, 1971	Oct. 8, 1971	N/A	Oct. 15, 1971	92–141.
2. H.R. 11955	Nov. 30 (71), Rept. 92–689	Dec. 2, 1971	Dec. 2, 1971	Dec. 3, 1971	Dec. 6, 1971	Dec. 5, 1971	92–184.
3. H.J. Res. 1097 (Second)	Mar. 9 (72), Rept. 92–909	Mar. 14, 1972	Mar. 14, 1972	Mar. 15, 1972	N/A	Mar. 21, 1972	92–256.
4. H.R. 14582 (Second)	Apr. 24 (72), Rept. 92–1015	Apr. 26, 1972	Apr. 27, 1972	May 1, 1972	May 3, 1972		

[1] Senate agreed to House amendment to Senate amendment Jan. 29, 1964.
[2] House agrees to Senate amendments Mar. 23, 1966.
[3] House agrees to Senate amendments Mar. 21, 1967.

Note: N/A—Not available.

Source: The Final Calendar for each Congress, 88th–91st, and the Calendar of May 3, 1972 of the 2d sess., 92d Cong. Supplemental resolutions and their legislative history are included in a table for each session titled "Status of Major Bills" at the back of the Calendars.

SUPPLEMENTAL APPROPRIATION BILLS, 1964–72

Fiscal year–									
1964	1965	1966	1967	1968	1969	1970	1971	1972	Total
1	4	4	3	3	4	2	4	4	29

CHART 5A.—TOTAL DOLLAR AMOUNT FOR SUPPLEMENTALS FISCAL YEARS 1964–72 [1]

Fiscal year and Public Law:	
1964: 88–264 (total)	$289,688,000
1965:	
88–635	1,117,196,068
89–2	1,600,000,000
89–16	2,227,563,977
89–18	700,000,000
Total	5,644,760,045
1966:	
89–199	1,223,181,500
89–309	4,741,644,602
89–374	13,135,719,000
89–426	2,788,143,303
Total	21,888,688,405
1967:	
89–697	5,025,264,579
90–8	12,196,520,000
90–21	2,197,931,417
Total	19,419,715,996
1968:	
90–239	1,842,923,790
90–352	50,980,863
90–392	6,295,831,498
Total	8,189,736,151
1969: 90–608	446,688,727
1969:	
90–608	
91–2	36,000,000
91–7	1,000,000,000
91–47	4,352,357,644
Total	5,835,046,371
1970:	
91–166	278,281,318
91–305	6,021,535,005
Total	6,299,816,323
1971:	
91–665	1,853,372,792
92–4	50,675,000
92–11	1,037,872,000
92–18	7,028,195,973
Total	9,970,115,765
1972:	
92–141	270,500,000
92–184	3,406,385,371
92–256	957,476,059
(In conference)	4,347,698,270
Total	8,982,059,700

[1] These figures represent new budget—obligational—authority, not budget expenditures—budget outlays—which in addition to expenditures from new budget authority include billions of dollars of expenditures from carryover balances of appropriations made in previous years, and also expenditures from certain so-called permanent appropriations, such as interest on the public debt and a number of trust funds which Congress is not required to act upon at each session. Neither were release of reserves counted.

Source: Congressional Record—end-of-year tables titled "New Budget (Obligational) Authority in the Appropriation Bills, fiscal year ——" and general discussion on the supplemental bills themselves.

We are dealing then with a complex problem and one that Congress must address itself to immediately. The Mahon bill begins that process by addressing itself to the important question of impoundment. But we must realize that more than the question of impoundment is involved. We speak in terms of returning authority, of returning the powers of the purse to the Congress. Yet simply reasserting its control over the budget by tightening up on the practice of Presidential impoundment is not the whole answer. Not until Congress truly deals with the Federal budget in a responsible manner will we be truly facing up to the entire question of authority over that budget.

READING HIGH BASKETBALL: A TRIBUTE TO THE RED KNIGHTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. YATRON. Mr. Speaker, I would like to share with my colleagues in the House of Representatives the remarkable performance of the Reading High School basketball team—the Red Knights.

The Red Knights completed their season with a 28–2 record last Saturday night as General Braddock High School spoiled my alma mater's second attempt at a Pennsylvania Interscholastic Athletic Association championship with a 63–62 win in Harrisburg.

Reading's Red Knights won more basketball games this year than any other team in the history of the school. The Reading five included among their championships the Central Penn League title, the district 3, PIAA championship, and the Eastern Pennsylvania PIAA class A championship.

Therefore, despite their loss Saturday, the Red Knights have more than proven themselves in Pennsylvania. I would like to express my pride in the team's accomplishments and to congratulate these outstanding athletes, their coach, Mr. James Gano, and Reading High School for earning the respect and admiration of Pennsylvanians everywhere.

This fantastic season was the result of outstanding coaching, excellent teamwork, and use of the full potential of Reading High senior, Stu Jackson. Stu finished the season with 1,563 career points—13 short of Reading's all-time scoring record—by setting a new PIAA class A championship scoring record Saturday night with 38 points.

While Stu Jackson's abilities contributed to the team's excellent performance, the fine athletic abilities of Mike Garman, Perry Wentzel, Cliff Durham, and Stan Cooper must not be forgotten. Also, substitutes Bob Van Buskirk, Bob Sakin, Jeff Giddens, Don Brown, Pete Pasko, John Covington, and Elwood Davis will be back next season, along with Cooper, to continue the legacy of Reading's basketball team.

Coach Gano and his assistants, Mark Braun and Mike Eckenroth, deserve much credit for the success of the 1972–73 Red Knights, as does Trainer Hoby Geesaman for keeping the team in tiptop condition.

Mr. Speaker, I would like to extend my sincere congratulations and best wishes to the Red Knights, Reading High School, and the five graduating seniors—Jackson, Wentzel, Hahn, Garman, Durham, and their combined career points totalling 3,422.

The memory of this extraordinary team will linger in Pennsylvania for many years to come and I wish every success to all who combined their talent, sportsmanship, and moral character to bring hours of great basketball to Reading.

FLYING PRIEST HONORED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ADDABBO. Mr. Speaker, the Reverend Joseph H. J. Fox, chaplain of Our Lady of the Skies Chapel at Kennedy Airport in New York, was recently honored at a luncheon sponsored by the Air Industry. The recognition of Reverend Fox was well deserved and he has made many friends during his service as Catholic chaplain since the founding of the Tri-Faith Chapel at Kennedy Airport in 1966.

The following article which appeared in the March 11, 1973, edition of the New York Daily News contains some interesting facts about Reverend Fox's distinguished career and I commend it to my colleagues in the House:

FLYING PRIEST AT JFK WINS WRIGHT PRIZE

(By Arthur Mulligan)

The Rev. Joseph H. J. Fox, chaplain of Our Lady of the Skies Chapel at Kennedy Airport, was honored Tuesday at an Air Industry's Awards luncheon for "humanitarian goodwill." Those that know him among the thousands of employees at Kennedy would certainly agree that the choice was an excellent one.

The Rev. Fox has been Catholic chaplain at Kennedy ever since the new Tri-Faith Chapel was inaugurated in 1966. He is an honorary chaplain of the New York City Fire Department and chaplain of the Fire Department's Emerald Society. He has dedicated his life to aiding firemen who risk their lives in performing their own "humanitarian goodwill."

Airport chaplains are often referred to as sky pilots and, in the case of the Rev. Fox, the title is most apropos. Soon after his advent at Kennedy, he learned to pilot a plane and obtained a private pilot's license. Since then he has received a commercial pilot's license.

WEEKLY FISHING FLIGHT

He borrows a friend's plane about once a week and hops out to Montauk or up to Nantucket to go fishing. He said he can't afford a plane of his own.

As to his Fire Department affiliations, he has received numerous awards for his bravery at multiple-alarm fires. He shrugs these off with the remark, "If you come out all right, apparently it wasn't so dangerous." He says he has never done anything that any other fire chaplain wouldn't do.

Back in December 1960 he was at the scene of dual disasters, the plane collision over Brooklyn and the aircraft carrier Constellation fire, also in Brooklyn. He boarded the Constellation and administered last rites to a dozen men below decks who were burned or suffocated.

CRAWLED TO TRAPPED PAIR

On another occasion he crawled into the cellar of a burning factory building in Brooklyn after the collapse of upper floors trapped two firemen. He stayed with them until rescue squads dug them out.

At the luncheon, held at the International Hotel, the Rev. Fox was one of four recipients of the second annual Bishop Milton Wright Awards, named in honor of the Methodist bishop who was father of the Wright Broth-

ers. The other recipients were astronaut Frank Borman, retired Port Authority executive director Austin J. Tobin, and Igor Sikorsky, the last a posthumous award.

The nonsectarian awards were established a year ago by the Chapel Council of the Protestant Chapel at the airport.

PROJECTED U.S. ENERGY REQUIREMENTS AND THEIR RELATED PROBLEMS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, during this session of Congress, the House Committee on Public Works created a new Subcommittee on Energy. The new chairman is Representative JAMES J. HOWARD, of New Jersey, with whom I have had the pleasure of serving with for the past 8 years.

Congressman HOWARD chaired ad hoc hearings into the energy crisis last year and has been a leader in the House trying to resolve this problem which is, unquestionably, one of the most serious problems facing our Nation today.

Recently Mr. HOWARD addressed a national energy forum here in Washington. I have had an opportunity to read his speech and because of its importance to this Nation, I urge all Members and all persons who read the RECORD to take a few minutes to ponder on the question raised by the able chairman of the Subcommittee on Energy:

PROJECTED U.S. ENERGY REQUIREMENTS AND THEIR RELATED PROBLEMS

(Remarks of Representative JAMES J. HOWARD, before the National Energy Forum, Washington, D.C., March 19, 1973)

Energy is the life-blood of our society. Just as nothing lives without the sun, nothing operates without energy. Strictly speaking, anything with the inherent ability to perform work may be considered energy.

Today our primary energy sources are coal, oil and natural gas, with electricity as a secondary source. Human labor, once the mainstay of production, now provides energy for less than 1% of the work performed in factories, refineries and mills.

Because energy is absolutely essential to the welfare of the United States, the continuing availability of an abundant supply of energy is a matter of vital importance.

Properly, all consumers—business and private, large and small—should be concerned. It is the obligation of the administration, the legislature, and related industries to accord the highest priority to the matter of energy supply.

The core problem, then, is how to provide an abundant supply of energy to all. Our growing wisdom dictates resolution of this problem with minimal environmental deterioration. Further complicating the problem is recognition that energy is as necessary for the poor as it is for the rich. Therefore, energy must be available at a cost which is reasonable.

Resolution of the problem must begin with a knowledge of the facts. The facts are these:

Of the total amount of energy consumed in the United States, both in primary form and as electricity, approximately two-thirds is used for business-related purposes, and one-third for all private, non-business needs. The total amount of electricity currently generated is consumed in approximately the same proportions.

Expanding population is one of the factors contributing to increased demand. One Census Bureau projection estimates that our population will increase by 37 million between 1970 and 1985.

This population increase is further compounded by an increase in the concentration of people between the ages of 20 and 35, for it is in this age group that the greatest amount of buying is done.

Rapid economic activity will be required to satisfy their needs, and much energy will be necessary to "fire" that economic activity.

The importance of increased population becomes even more evident when we consider that the per capita use of energy has doubled within the last thirty years. It is expected to continue at an even faster rate in the future.

Improving environmental quality and furthering the social and economic welfare of the underprivileged will also be important elements in this increased per capita use.

It has been estimated that by 1985, per capita energy consumption may be nearly two-thirds greater than in 1970.

There are five major markets for primary energy sources. An analysis of these markets will give an indication of where projected demand increases are expected.

The first major market is transportation. The automobile is perhaps the greatest instrument of mobility in our society, and that mobility has brought with it a great many benefits. But also a great many automobiles! Multiplying like mechanical rabbits, it is estimated that four-fifths of the nation's households now own at least 1 car, and nearly one-third own two or more. To accommodate the nation's expanding needs for transportation, the total number of trucks and buses is likely to rise by 40%.

Jet travel will also be on the up-swing. The Federal Aviation Administration estimates that jet fuel demands will double between 1972 and 1982.

Therefore, the growth in the transportation market is going to be great; its energy requirements demanding. To be prepared for this growth, there will be a great need for planning, mass transportation, and more efficient engines.

To a major degree, the high standard of living achieved in the United States reflects the nation's productivity. Industry's enormous output of goods and services could not possibly be accomplished without the use of vast amounts of energy.

At present, the industrial market uses approximately 32% of the toal energy market. By 1985, this is expected to decrease to 26%. This decrease could be somewhat misleading, however, as the shift will be mainly from dependence on the primary fuels of coal, oil and natural gas, to increase use of electricity. This shift is partially the result of natural gas shortages and partially for convenience.

Thus, industrial demand is expected to be 25% greater in 1985 than in 1970. Much of this increased demand will be filled by increased dependency upon electricity. The problems that this poses will be taken up later in this discussion.

Another sector making increased energy demands is the commercial market. It is the smallest market constituting approximately 5% of the total energy demand.

For the most part, the primary energy source utilized in the commercial market is for space heating. Other commercial requirements are satisfied almost exclusively by electricity. By 1985, the commercial market's use of primary energy will be nearly 75% greater than in 1970.

As was true in the commercial market, the residential market also uses the primary fuels, especially oil and gas, principally for space heating. However, more than one-third of residential energy requirements are satisfied by electricity.

As recently as 1940, wood still satisfied over 25% of residential needs, but coal had already taken over more than half of the market. After World War II, the low cost of natural gas made it increasingly attractive. Now, natural gas represents 52% of the primary energy used for residential purposes.

It is estimated that the cumulative use of energy in the residental sector will be 47% greater in 1985 than in 1970.

The final major market, the second largest and the fastest growing, is that of the electric utilities. By 1985, it is expected to be the largest of the five major markets.

Per capita consumption of electricity more than doubled between 1955 and 1970, and it is expected that the rise will be even greater in the next fifteen years.

Large quantities of electricity will be required for environmental purposes such as recycling, waste treatment, and enriching uranium fuels for power plants.

In 1970, approximately 49% of the primary fuel for utilities was coal; 24% natural gas; 15% hydroelectric; 11% oil; and 1% nuclear. In 1985, coal's role is expected to decrease to 8%; gas' role to decrease to 11%; hydroelectric to decrease to 8%; while oil's role is expected to increase to 17% and nuclear to rise to 35%. Thus, by 1985, nuclear power is expected to emerge as the primary fuel for power plants.

Oil was the largest source of primary energy in 1970, and it is expected to continue to be the largest source because its versatility allows it to be used in all five major markets. Of the over-all growth of the nation's energy needs between 1970 and 1985, oil alone is expected to accommodate half of the increased demand.

The five major markets (transportation, industry, commercial, residential, and utilities) vary substantially in size; however no single one can be considered more important than the others. All are essential. None can be denied an adequate supply of energy without impairing the nation's economy and its standard of living.

The obvious conclusion then, is that demand is going to rapidly increase, but the degree of increase cannot be adequately determined until supply projections and their problems are considered.

We must consider how to supply this increasing demand; or, in the alternative, how to effectively equalize this demand with available supplies, without seriously damaging the environment or disrupting the economy.

One of the most fundamental problems of determining the extent of our resources is the reliability of supply projections, especially since great reliance is placed on them in determining future policies.

In the past, supply projections have been misleading, and the significance of temporary shortages misunderstood. The East Coast black-out of 1965 was really no indication of supply problems, since its cause was a mechanical failure—not a fuel shortage.

In 1966, a White House study optimistically concluded that "the nation's total energy resources seemed adequate to satisfy expected requirements through the remainder of the century, at costs near present levels."

As recently as three years ago, a Presidential Task Force predicted that the United States would have to import no more than 27% of its oil by 1980; but we have *already* reached that level.

Projections such as these should make us wonder if the present supply-demand projections are perhaps as overly pessimistic as the past projections were optimistic.

Consequently, projections which don't inspire absolute faith are part of the problem. Perhaps an independent organization should be commissioned by Congress to reassess our supply needs on the basis of the most recent technology.

Further, revealing studies, at times, seem to be lost in the shuffle, or so it appeared with a more recent Presidential Task Force

Report recommending that the oil import program be abandoned.

Surely, it would have been in the public interest to have published the report so that its merits could have been discussed and evaluated openly before action or non-action was taken by either Congress or the Administration.

It is quite possible that Congress, in order to acquire universal acceptance of the extent of our problem, will consider allocating funds or specifically directing the Department of Interior to compile a completely independent study of our existing, probable and possible energy resources.

At present, the American people are not convinced that the energy industries are commensurately concerned with satisfying their responsibility to the public interest as they are to their stockholders.

The energy industry must be on notice that its responsibilities to the public interest are going to increase. It is hoped that it will not be necessary to legislatively educate companies in the duties of public utilities and public utility suppliers to the public interest.

If companies fail to make their requests for higher prices, etc., within the bounds that the public can absorb without a change in lifestyle, then the recent action of the Cost of Living Council in denying their price increases may become more common. But this would not be necessary if, for example, companies, in seeking price increases, would be as responsive to the public interest as they are to their stockholders.

For years, it was almost universally believed (with the possible exception of the oil interests!) that if something was good for the oil companies, it was bad for the country. Whether this "intuition" was true or not, and I am by no means implying that it was, the important fact is that a credibility gap exists between the oil companies and the public. This constitutes a serious underlying problem in working out the differences among industrial, governmental, and environmental interests.

As an example, although there is a growing recognition of the energy challenge, there seems to be a concurrent increase in the number of people who wonder whether or not the shortage is real, and, if a shortage does exist, whether or not it was caused, fostered, or permitted by the petroleum interests.

The veracity of this attitude is not relevant to this discussion. What is relevant is that in order to overcome the energy challenge, we must work together for the common cause of an abundant supply of low-cost energy available to all with minimal environmental deterioration. Yet our work would be for naught of the intended beneficiary of that work, the public, does not believe we are working in its best interest. Moreover, any type of distrust could seriously undermine the cooperation necessary among industry, government, and consumer.

I want to point out that "low cost" is relative. Low cost flows from paying a reasonable price that affords a reasonable profit—not a windfall to the seller. When the public is fully aware of the cost to the producer of what it is buying, it is willing to pay a price that includes a reasonable profit. It is part of our way of life that the laborer is worthy of his hire. I suggest, therefore, that if the producers were more open with the public, letting the public see in black and white, simply and clearly, what their true costs are, the public will pay. If what has to be paid cannot be afforded by some, it will then be up to the government to assist them.

So this distrust of producers and the problems it creates will be best quelled by complete sincerity on the part of energy related industries. They must make available the foundation of their reserve estimates. They must encourage the American people to conservation of energy rather than increased consumption. They must encourage manufacturers of energy related products from megawatt generators to toasters to produce reliable and efficient products. They must work with environmentalists at the onset of projects with openness and sincerity so that any necessary compromises with regard to, say, power plant siting, emission standards, coal mining, or oil pollution, can be arrived at without resulting in serious delay.

However, I am not implying, nor do I intend to imply, that the responsibility for solving the problems of the energy challenge lies solely with the energy industry.

Government, too, must play a crucial role. A comprehensive Federal energy program is necessary. This is somewhat impossible while Federal responsibility is dispersed throughout some 64 different Federal agencies. Federal coordination of responsibility and interagency cooperation will be absolutely essential to meeting the energy challenge.

Last August, I had the privilege of chairing hearings inquiring into the problems causing the energy challenge for the House Committee on Public Works. We were repeatedly told that although the delays in power plant construction were frequently caused by environmental difficulties, the most frequent problem seemed to be the bureaucratic red tape associated with obtaining construction and operating permits.

This problem has been most evident with respect to nuclear power plants. When we consider that they are being depended upon to fill the supply gap caused by diminishing reserves of oil and natural gas, this is especially disquieting. A way must be found to bring power plants to the production line quickly, while adequately considering and solving environmental problems.

Whether it be one-stop siting, an environmental arbitration board, or something else, progressive action must also be taken to relieve utilities of the burden of needing the approval of some 60 Federal, State and local agencies before a power plant can begin to operate.

I might also mention that during our hearings, the problem of changing emission standards was repeatedly mentioned. The testifying electric companies expressed a sincere willingness, though it involves great expense, to meet emission standards. However, they pointed out that in the last few years, emission standards have been changed so frequently that a generator, for example, selected for use in 1970, would not meet standards in 1973.

Serious and reasonable problems such as these must be given prompt consideration by both Congress and the Administration.

Another problem is the serious inadequacy of energy research and development funding. Setting aside the possibility of increased incentive for oil and gas exploration and development, greater funds must be appropriated for energy research ranging from the fast-breeder reactor to geothermal energy.

Prominent on the list of research possibilities are coal gasification and coal desulfurization. This country is very rich in coal deposits; coal desulfurization and gasification could reduce the supply problem while filling the gap left by diminishing reserves of domestic oil and natural gas.

The President's recent budget message called for a 20% increase in Federal spending for energy research and development and it is questionable whether this increase will be sufficient to implement the wide range of research necessary.

In the past, the greatest percentage of research and development funds has been devoted to the nuclear field, especially for fast-breeder development. Although this is an important area for research, the federal program should be far broader in scope in order to carry us through the problems associated with near and short term demands.

Not so long ago, a great man was considered by some a bit light-headed for suggesting that we could put a man on the moon in ten years. Yet, with concentrated effort and great financial investment, it was accomplished.

A similar policy can and must be pursued with respect to energy resources. Not only do we possess the physical resources necessary, but we also possess the scientific brainpower to accomplish such a program. I often think of what the brother of that great man said: "Some men see things as they are and say, 'Why?' I dream of things that never were and say, 'Why not?' " I believe in that. I hope you do, too.

One of the more serious problems of the on-coming supply deficit involves our foreign policy. Our shortages come at a time when we may have to compete with Europe and Japan for Middle Eastern oil. This could lead to international cooperation as well as international strife. There is serious doubt as to the soundness of creating a massive balance of trade deficit. Furthermore, the Middle East is not a politically sound area upon which we can always depend.

There are also many problems associated with the transportation of oil from the Middle East. The question of superports and supertankers and the possibility of "super" oil spills; the increased cost of imported oil; the vast expense of superports.

Taken together, serious consideration must be given to whether it is really wise to invest such vast sums externally, or whether the majority of governmental and private investments should be made internally, bearing in mind the fact that beyond the year 2000, the world supply of oil may be relatively exhausted.

Those of us concerned with preserving the environment will also be presented with serious decisions in the future. Coming from the shore area of New Jersey, I know the beauties of this country. As a member of the House Public Works Committee, I have seen the destruction that can be wrought by large oil spills such as Torrey Canyon and Ocean Eagle.

In the years ahead, there may be a need for some environmental compromises. But we must remain steadfast in our determination to develop an abundant supply of energy that is compatible with safeguarding the environment.

The time is now for near-, short-, and long-range programs to meet the energy challenge at each stage of its development. The challenge is not only to our physical and mental resources, but also to our ability to unite all interest groups to a common goal.

Only through the development of sound programs can we continue to enjoy an adequate energy supply. Only with such a cooperative approach can we meet our energy needs without sacrificing our environmental aspirations. Only then can we insure that prices will be held to a reasonable level.

This is the goal of the Congress. It must also be the goal of the Administration, of the related industries, and of the environmentalists and consumers as well.

Working together, balancing the interests of all as equitably as possible, with serious and coordinated energy, economic and environmental planning, this country must again be united. It must be united as our pioneer families were united—each member of the family sacrificing a little for the well-being and happiness of all.

ENVIRONMENTALISTS, AEROSPACE INDUSTRIES JOIN IN EFFORT TO BREACH HIGHWAY TRUST FUND

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. EVINS of Tennessee. Mr. Speaker, we can all recall, I am sure, the bit-

ter clash between environmentalists who were opposed to construction of a supersonic transport plane, and the aerospace industry which strongly supported the supersonic project.

In a current issue of the authoritative Congressional Quarterly, it is reported that now the environmentalists and the aerospace industry are now working hand in hand in an effort to breach the highway trust fund and siphon off some proceeds from the fund into municipal transit projects.

Because of the interest of my colleagues and the American people in this most important subject, I place in the RECORD herewith excerpts from the article in the Congressional Quarterly:

BUSTING THE HIGHWAY TRUST: AN UNLIKELY ALLIANCE

In a bitter lobbying contest only two years ago, environmentalists clashed with the aerospace industry over construction of a supersonic transport plane. The environmentalists won, and the SST never got off the ground.

Now the environmental lobby is working equally hard to open the highway trust fund for mass transit projects. If they win, one big reason will be the help they are getting from their old enemies—the aerospace people.

That sounds like a strange alliance, but consider what has been happening to the aircraft industry in recent years. The decline in the U.S. space program and the expiration of plane production contracts has left the aircraft companies in poor condition, forcing many of them to lay off employees and bringing recession to the communities that depended on them for economic survival.

Their pleas for help have been met by the argument that they could again prosper by converting their aerospace technology to the production of surface transportation equipment.

Five years ago, that was conjecture. Now it is much more. Rohr Industries, a California firm whose business was more than 90 per cent aerospace in 1967, has won two multimillion-dollar contracts to build subway cars for new transit systems in Washington, D.C., and San Francisco. Boeing has submitted the low bid for $230-million worth of surface cars in San Francisco and Boston.

"The need is greater than the entire industry could fill if it were to drop everything else tomorrow," a spokesman for one aerospace company told Congressional Quarterly. But he acknowledged that the demand doesn't equal the need; cities don't have the money to rebuild their aging transportation systems.

That is why several aerospace companies are working actively in behalf of efforts to open up the highway trust fund. As of now, the $6-billion fund can be used only to finance roads and bus lanes. Transit supporters in the House and the Senate want to let state and local officials spend their share of the money on streetcars and subways if they would prefer that to more highways.

On March 14, the Senate passed a comprehensive highway bill with an amendment allowing $850-million of trust fund money to be spent on rail mass transit. Similar legislation is now being considered in the House, and although the highway forces are stronger there, mass transit people feel they have a chance to win.

To help things along, several of the companies now moving from aerospace into mass transit have formed a loose-knit organization to coordinate their efforts. Rohr, Boeing and LTV are involved, as are General Electric and Westinghouse.

They have not mounted a public lobbying campaign. "We're operating on some very sound advice," said a spokesman for one of the companies. "Sit tight for now, and maintain a very low profile." The source of the advice appears to be the Nixon administration's Transportation Department, which supports opening the trust fund.

One reason for the industry's reluctance to speak publicly is the beating it took in trying to save the SST. "Aircraft companies leave a bad taste in peoples' mouths," an industry official stated. "The anti-SST people did a hell of a job on us. We're working with them today, but I have to congratulate them. They did a beautiful job."

For the aircraft industry, cooperating with the environmentalists now means working with groups such as the Sierra Club, Friends of the Earth, and the League of Conservation Voters. "In this business," the industry spokesman said, "you can be fighting someone tooth and nail and the next day you're working together. . . . We add something that they can't provide—solid business support."

The current focus of the battle in the House is the Roads Subcommittee of the Public Works Committee. Last year the subcommittee voted 10–3 against an amendment by Glenn M. Anderson (D-Calif.) to open up the trust fund. There is one difference this year: Chairman John C. Kluczynski (D-Ill.) has changed his mind and now favors it.

"The problem on Public Works," said one mass-transit lobbyist, "is that those people are all rural. They're all country boys, without any major industrial centers in their districts. We aren't too optimistic about them."

If they are unsuccessful on Public Works, which seems likely, the mass-transit advocates will attempt to get the amendment approved on the House floor. But to do so they may need a favorable decision from the Rules Committee, which must clear the highway bill for floor consideration.

In 1972, the Rules Committee, by an 8–7 vote, sent the highway bill to the floor under a complicated parliamentary procedure which prevented a House vote on the Anderson amendment. The pro-transit forces hope to avoid an entanglement this year.

SOVIET JEWISH EMIGRATION TO ISRAEL

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. NIX. Mr. Speaker, recent information would indicate that Soviet authorities had lifted all major restrictions on emigration to Israel. However, the U.S. Embassy in Moscow has said that it had yet to receive any official confirmation from the Soviet Government that the education taxes for emigrants had been suspended indefinitely.

It has been estimated that at least 1,000 Jews who have sought permission to emigrate to Israel were refused visas, regardless of the status of the education tax.

The Soviets contend that 90 percent of Jewish applicants for emigration had been granted visas and that only a small percentage of intellectuals were being barred for state considerations.

The exit tax depends on the immigrant's degree of education—as much as $40,000. The few who manage to raise such sums did this either by means of loans from their families or through donations from relatives in Western countries.

Mr. Speaker, it is obvious that the Soviet authorities are anxious to overcome U.S. congressional resistance to a bill which would accord the Soviet Union most-favored-nation status in trading. There is every indication that the Soviets do not intend to repeal the exit tax regulation but merely to suspend it.

Until and unless this exit tax is completely abolished, I am against any and all concessions to the Soviet Union for trade preferences. For those Jews who wish to remain in the Soviet Union, we must insist that they be permitted the right to live, if they so desire, according to Jewish religious and cultural tradition.

THE PRAEGER REPORT ON THE WEST FRONT OF THE CAPITOL

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ROUSH. Mr. Speaker, in view of the fact that the House of Representatives will probably soon be asked to decide the fate of the west front of our Capitol Building, I believe that the following letter which introduced the report to the then Acting Architect of the Capitol from the firm of Praeger-Kavanagh-Waterbury on that subject would be instructive.

The Praeger firm of New York City was asked to perform a feasibility study to determine whether in fact the west front central wall of the Capitol could be restored, and to estimate the cost of such restoration. I am unable to include the complete report on this matter because of its length, but I refer those who would like to read the report in its entirety to the entry of Senator PROXMIRE in the CONGRESSIONAL RECORD, vol. 118, part 7, page 9039. The aforementioned letter follows:

PRAEGER-KAVANAGH-WATERBURY,
NEW YORK, N.Y., *December 21, 1970.*

Re restoration of the west central front, U.S. Capitol, Washington, D.C.

Hon. MARIO E. CAMPIOLI,
Acting Architect of the Capitol, U.S. Capitol, Washington, D.C.

DEAR MR. CAMPIOLI: Submitted herewith is our report on the feasibility of restoring the west central front of the United States Capitol. Included are descriptions of our investigations, analyses, cost estimates and conclusions.

Prior to undertaking the investigation of the existing condition of the wall, we held discussions with you and your associates concerning various details of your experience related to construction and maintenance of the Capitol. We examined photographs, drawings and sample materials of the wall; made a detailed inspection of the interior and exterior of the structure, and carefully read and studied the reports of Thompson & Lichtner and Moran, Proctor, Mueser & Rutledge.

We also studied histories of the construction of the Capitol and the major changes made over the years, the printed deliberations of the Commission for the Extension of the U.S. Capitol, the reports in the Con-

gressional Record concerning the project, and numerous other historical documents.

As part of our study, a detailed structural analysis was made of the walls and floor systems. Stresses in the walls and other component parts of the building, as well as in the foundation soils, were determined.

In addition, plans and specifications were prepared, proposals were invited and a contract was awarded to perform on-site tests of various techniques to strengthen and repair the walls. This research work included drilling holes into the exterior wall; injecting materials into these holes to fill voids, using neat cement, sand cement, epoxy and monomer grouts; and drilling test cores of the grouted walls. The work also included removing exterior paint from typical wall areas and applying stone preservatives. Test borings were made and samples of soil adjacent to the wall were recovered for laboratory testing.

The contract for this exploratory work was awarded to Layne-New York Company, Inc., and work progressed over a period of 10 weeks. During this period our office supervised the work with a full-time resident engineer and assistant. Senior personnel from our New York office made frequent visits to the site to observe and direct the work. One of our staff architects visited England to research restoration projects there.

The firm of Woodward-Moorhouse & Associates, Inc., was retained to conduct laboratory tests of soil samples, and the National Bureau of Standards prepared laboratory tests of grouts, stonework and preservatives. Mr. A. J. Eickhoff and Mr. Jay S. Wyner were consulted on painting and paint removal techniques. Mr. Norman Porter, Geodesist, was retained to prepare a detailed survey of control points which had previously been set in the west wall, and Mr. Thomas W. Fluhr, Engineering Geologist, surveyed the Aquia Creek Quarry and reported on both the quality of stone and the feasibility of developing the quarry as a source of stone for restoration work.

Our studies indicate that while the Capitol is over one hundred and fifty years old and has been exposed to many adverse conditions, it survives in relatively good condition, attesting to the excellence of its builders and to the concern of those responsible for maintaining this, the national monument to our Republic.

Based upon a detailed investigation of the west front walls, we conclude that under conditions indicated in the report, restoration of the west central front of the Capitol is feasible. Further, the restoration can be accomplished within the general guidelines set forth by Congress as a directive to the Commission for Extension of the Capitol.

I would like to thank you and your staff for your assistance and cooperation in this endeavor. Your congenial interest has been an appreciated contribution to the completion of this report, and your genuine concern for the safety of this important structure, which has been entrusted to your care, has made a profound impression on me.

Respectfully submitted,

E. H. PRAEGER.

BYELORUSSIAN INDEPENDENCE COMMEMORATED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ADDABBO. Mr. Speaker, this week Congress observes the 55th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. On March 25 the Byelorussian-American Association, Inc. sponsored a commemorative program in New York City. The association is headquartered in Flushing, N.Y., with a branch office in Jamaica. I would like to insert in the RECORD at this point, the text of my remarks prepared for delivery at the commemorative program:

REMARKS OF HON. JOSEPH P. ADDABBO

I am pleased to share with you the commemoration ceremonies observing the 55th Anniversary of the proclamation of independence of the Byelorussian Democratic Republic. It was on March 25, 1918, that Byelorussia announced its independence. Just 10 months later the Byelorussian people found themselves under the rule of the Bolshevic expansionists living in a puppet state controlled from the outside by powers in Moscow.

Each year Americans of Byelorussian descent commemorate the proclamation of independence as a reminder of those precious months of freedom in 1918. Each year during those ceremonies, Members of Congress and other government leaders join in expressing their hope for the day when Byelorussians will once again taste the fruits of freedom.

This year the 55th Anniversary of the proclamation of independence makes the occasion more important as landmark anniversaries often are considered more not worthy. The historical background of this day has been told and retold many times but as times change the lesson of Byelorussian independence does not really change. That lesson is that freedom once attained must be preserved and maintained. Oppression is bitter and must be guarded against with all the energy at our command.

Americans pride themselves on living in the land of the free and they are sympathetic to the hopes for liberty held by those who are less fortunate. No case is more deserving than the Byelorussian people who have lived under oppression and outside domination since that 1919 Soviet takeover. During these past 54 years the people of Byelorussia have been the victims of a deliberate plan of cultural genocide. The Soviet regime has tried to destroy any hope for freedom based on the traditions, culture, or background of the Byelorussian people. But that hope will not die.

Hope can be a powerful weapon and the Byelorussian people have not given up. They cling to their hope and one day, if we are patient and continue to support their desire for liberty, they will achieve the freedom they so briefly tasted in 1918. That is why we participate in these ceremonies marking the 55th Anniversary of the proclamation of Independence in Byelorussia. That is why government and Congressional leaders join in these ceremonies and why the world spotlight focuses today on the oppressed people of Byelorussia.

HOUSING AND COMMUNITY DEVELOPMENT ISSUES

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. HANNA. Mr. Speaker, almost every Member of this body has received complaints about the moratorium on housing programs and inquiries as to the extent of the moratorium, as well as on what the near future holds for housing.

As every Member who is familiar with our housing programs knows, there is no simple answer to these questions. We are all in search of a definitive statement on where we are today, of something that will translate the bureaucratic edicts and regulations into a readable form.

This need has been most ably filled, I believe, by the National Association of Housing and Redevelopment Officials' Journal of Housing. I am inserting into the RECORD in three installments their February article, "Housing and Community Issues Looming for 1973—White House/Congressional Debate." I am sure every Member of the House will find the article of great value:

HOUSING AND COMMUNITY DEVELOPMENT ISSUES LOOMING FOR 1973 WHITE HOUSE/CONGRESSIONAL DEBATE

(By Miss Mary K. Nenno, director, NAHRO Policy and Research Division, and John Maguire, staff director, NAHRO Information Center for Community Development)

The Nixon Administration, in the early weeks of 1973, initiated a series of fiscal and budgetary actions and offered a set of proposals designed to curb federal spending and to accomplish the President's program of "New Federalism," i.e., a restructuring of the federal system, a reorganization of the national government, and a redirection of public decisionmaking away from the federal government to state and local government. In the housing and community development field, these actions included:

An 18-month moratorium on new commitments for subsidized housing programs, effective in January;

A termination of all community development programs, effective June 30, 1973, to be replaced in part by a Community Development Special Revenue Sharing Program, whose effective date would be a year later, July 1, 1974; and

The impoundment of nearly 1.25 billion dollars of fiscal year 1973 appropriations and Congressionally-approved contract authority for housing, urban development, and rural development programs (see Table 1).

The blueprint for the Administration's new domestic strategy is set forth in a series of Presidential statements issued since the first of the year: the second inaugural address, the State of the Union message, the budget proposal for fiscal year 1974, the 1973 Economic Report, and the January 8 announcement of an 18-month housing moratorium. These policy directions are summarized in a terse opening paragraph of the budget message sent to Congress on January 29: "The 1974 budget proposes a leaner federal bureaucracy, increased reliance on state and local governments to carry out what are primarily state and local responsibilities, and greater freedom for the American people to make for themselves fundamental choices about what is best for them."

The keystone of the fiscal year 1974 budget is a 268.7 billion dollar spending ceiling and the maintenance of a 250 billion dollar ceiling for the current fiscal year. The President's firm intention to maintain these ceilings is based on a belief that this decision will result in improving the nation's economic picture. As further detailed in the 1973 economic report, the "268.7" figure is designed to preclude the necessity for new taxes, to reduce inflation to an annual rate of 2.5 percent, to lower unemployment to a 4.5 percent rate, to accelerate national economic growth to a 6.75 percent figure, and to cut the federal deficit in half, to a 12.7 billion dollar level.

While the 268.7 billion dollar spending ceiling does represent an 18.7 billion dollar rise over estimated fiscal year 1973 spending, increases in "uncontrollable" items (e.g. interest on the national debt and increased

social security payments) mean that other programs must be terminated or curtailed to achieve this spending maximum. The budget, therefore, proposes a termination of over 70 programs and severe spending reductions for dozens more. Likewise, the budget also reveals the extent of fiscal year 1973 impoundments necessitated to maintain this year's 250 billion dollar level and proposes to stretch other fiscal year 1973 appropriations through the end of fiscal year 1974.

In addition to the housing and community development areas cited above, the budget also would terminate such programs as: the public service employment program: Hill-Burton hospital construction; federal library construction grants; regional medical research and treatment centers; and training programs for medical and scientific research personnel. The budget also proposes to phase out federal support for local mental health programs; to curtail or to eliminate various education and manpower programs, including a drastic reduction in "impacted" aid to local school districts; and to reduce federal spending in the environmental field. Ironically, the budget does call for increases in certain areas, such as a 5.7 billion dollar increase in defense and smaller increases for law enforcement, housing and community development research, and mass transit.

The President also proposes that federal special revenue sharing be substituted for many of the programs in the fields of manpower, education, and community development. His budget proposes four such categories of special revenue sharing—community development, education, law enforcement, and manpower. These programs, similar to those proposed two years ago by the President, but not enacted by Congress, would allocate federal money to state and local governments to be used within these broadly defined areas. However, in some cases the special revenue sharing would result in less federal money than is currently being spent and in others (community development) would not be activated until 12 months after the existing programs were terminated. Proposals for two other special revenue sharing programs—transportation and rural development—are dropped from this year's legislative package.

The President's justification for terminating programs and proposing special revenue sharing is summed up in his State of the Union message: "The time has come when we must make clear choices—choices between old programs that set worthy goals but failed to reach them and new programs that provide a better way to realize those goals; and choices, too, between competing programs—all of which may be desirable in themselves, but only some of which we can afford."

Implicit in these messages, moreover, is the President's determination to bring about a restructuring of the federal bureaucracy. It is expected that his executive reorganization proposals to create four new supercabinet posts will again be sent to Congress. Pending Congressional action, the President has moved to accomplish much of this reorganization through administrative action. For example, Housing and Urban Development Secretary Lynn has already been named community development counselor to the President and, as such, is to coordinate all federal programs in the fields of housing, transportation, and community development, not just those administered by his department. In a related move, the budget proposes to dismantle the Office of Economic Opportunity and transfer its functions to various other departments. (The community action programs would be terminated but could continue at the local level by using general or special revenue sharing funds.) Finally, the elimination of programs or their substitution by special revenue sharing would mean a reduction in the federal bureaucracy, another goal of "New Federalism." In short, the President summarized his philosophy in a radio address of January 28, telling Americans that the purpose of his new program was "to get big government off your back and out of your pocket."

The President's Philosophy: An analysis of "New Federalism" as contained in the Presidential messages and documents reveals five undercurrents in the philosophy that underlies it.

First, the President's domestic priorities are clearly economic, not social. Curbing inflation is given a higher priority than rebuilding cities. In fact, controlling the economy becomes the chief federal domestic function, with the solution of social problems relegated to state and local government for action.

Second, the Administration firmly believes that many existing categorical grant programs are not working and, therefore, should be eliminated, reevaluated, or replaced. Housing and community development programs fall within this category, as noted below.

Third, the "economy first" argument is being used to kill or cripple a number of programs that have always been unpopular with conservatives. The dismantling of OEO is one prime example of this undercurrent.

Fourth, there is a belief that the shifting of responsibility to state and local government in certain areas will improve efforts to cure social problems. This "grass roots" philosophy is evidenced in the special revenue sharing proposals. A corollary to this feeling is that state and local government will be strengthened by the shifting of responsibility to them and that the citizen will be better served by local decisionmakers.

Fifth, there is a distrust of the present federal bureaucracy composed, to a large degree, of men and women believed to be more sympathetic to the philosophy of the Democratic party than to Republican goals. Because of civil service protection, many middle management staff and professionals remain within the bureaucracy, having entered into federal service during the Kennedy and Johnson years. The President may feel thwarted by these bureaucrats and, hence, see a major governmental reorganization and restructuring as the only means of accomplishing his objectives.

HUD 1974 APPROPRIATIONS REDUCED BY 37 PERCENT

Appropriations requests to Congress for the Department of Housing and Urban Development for fiscal year 1974 total 2.7 billion dollars: a net reduction of 1.6 billion dollars, or 37 percent, from the 4.3 billion dollars appropriated for fiscal year 1973. Actual HUD outlays in 1974, however, will increase from 3.4 million dollars to 4.8 billion dollars, reflecting the momentum of past commitments.

The principal area for reductions is community development, where the appropriations request is over 2 billion dollars less than approved in fiscal year 1973, a drop of over 90 percent. This reduction reflects the termination of all new community development activity for seven categorical grant programs by June 30, 1973 (urban renewal, model cities, water and sewer, open space, neighborhood facilities, rehabilitation loans, and public facility loans). To replace them the budget anticipates Congressional passage of urban community development special revenue sharing legislation, to be effective on July 1, 1974. The budget document projects an annual level of 2.3 billion dollars for fiscal year 1975 for community development under new legislation.

In terms of the urban renewal program, the budget document indicates that the full fiscal year 1973 appropriation will be committed during the fiscal year (950 million dollars for regular Title I programs and 510 million dollars for disaster assistance). For fiscal year 1974, 137.5 million dollars is proposed but this amount will not support new activity. The funds for 1973 must cover existing activity in urban renewal projects, including NDPs, until the effective date of special revenue sharing. The appropriations request for 1974 covers 127 million dollars for conventional projects and 10 million dollars for NDPs and is intended only to accelerate the close-out of existing projects, as well as to "preserve the capability" of local agencies (e.g. provide administrative costs) over the year so that they will be in a position to participate in any special revenue sharing for community development effective on July 1, 1974.

During a January 28 radio address, the President cited urban renewal as one of the programs that needs replacement. He stated: "[Urban renewal programs] have cost us billions of dollars, with very disappointing results. And little wonder. How can a committee of federal bureaucrats hundreds or thousands of miles away, decide intelligently where building should take place? This is a job for people you elect at the local level, people whom you know, people you can talk to."

An additional 20 million dollars is made available under the 312 rehabilitation program, bringing the amount available for fiscal year 1973 to 70 million dollars; this additional funding will be used for loans to facilitate the closing out of urban renewal projects. A total of 72 million dollars still remains impounded and the 117 code enforcement program is not reactivated.

Model cities funding will be used to supplement programs in effect as of June 30, 1973. It is estimated that the funds will be sufficient to provide localities, on the average (except for planned variations cities), new funds at a rate of 55 percent of the current grant level, from February 1, 1973 to July 1, 1974, with no additional funds thereafter. Not all cities will be funded at the average rate but funds will be withdrawn from poor performers and reallocated to better performers. According to the Administration, model cities "does not have a significant enough impact on social and economic problems nationally to justify continued funding as a separate program."

The fiscal year 1974 budget also anticipates the termination by June 30 of the community development training and fellowship programs funded at a 1973 level of 3.5 million dollars and the new community supplementary assistance program funded in 1973 at 7.5 million dollars.

The largest increase in the HUD appropriations, other than for housing payments, is for research and technology, with a new level of 71.5 million dollars, up 18.5 million dollars over last year. This is largely a result of the addition of 13 million dollars for research and demonstration efforts formerly performed by the Office of Economic Opportunity. The balance of the increase (5 million dollars) will be used to maintain the level of HUD research activity attained in 1973. A major emphasis of HUD research and technology will be in *housing management* (11 million dollars); *housing allowances* (11.6 million dollars); *other research* to support national housing programs (9.4 million dollars). In addition, a range of research activities (17.8 million dollars) will focus on *environment* and *utility service technology; patterns and trends of national growth;* and *delivery, equity, and quality of local government services*. For the first time since 1969, no funds will be allocated to Operation Breakthrough.

TABLE 1.—*Amount of fiscal year 1973 appropriated funds and congressionally-approved contract authority currently impounded*

Appropriated funds for community development and other HUD programs impounded:	
Water and sewer grants	$400,175,000
Section 312 rehabilitation loan fund*	72,320,000
Nonprofit sponsor loans and grants	6,686,000
Open space grants	50,050,000
Public facility loans*	20,000,000
Interstate land sales protection program	2,341,000
Subtotal	551,572,000
Congressionally approved contract authority withheld:	
Section 235 homeownership	221,000,000
Section 236 rental assistance	171,500,000
Rent supplements	38,600,000
College housing	10,200,000
Subtotal	441,300,000
Farmers Home Administration funds impounded:	
Rural water and waste disposal grants	120,000,000
Housing for domestic farm labor	2,947,000
Mutual and self-help housing	832,000
Rural housing insurance funds	133,000,000
Subtotal	256,779,000
Total	1,249,651,000

* Includes balance available from loan repayments.

A significant shift in direction, although related only to an increase of 10 million dollars in appropriations, is in the "701" comprehensive planning program. In the past, the majority of this funding was made directly to cities for comprehensive planning. Beginning in 1974, grants will be made only to states, with governors expected to make sub-allocations to local governments and other eligible recipients in accordance with state priorities. The Administration intends to propose legislation to broaden this program into "a more flexible instrument of community development planning and management assistance, which will support all aspects of government management including the application of development resources."

Appropriations for the Federal Insurance Administration's national flood insurance program will be doubled, from 10 million dollars to 20 million dollars. This money will be used for administrative expenses and for studies and surveys necessary for conduct of the program.

Significant appropriations decreases occur within HUD management. Total appropriations for departmental management decline by some 6 million dollars, reflecting the projected cut-backs in total HUD personnel by some 12 percent. The number of permanent full-time employees is expected to be cut to 13,868 by June 30, 1974, a drop of 1968 from the expected June 30, 1973 level. Virtually all of this decrease will result from reductions in the staffing of housing production and community development (382) programs as a result of the projected reduced workload. The full impact of these staff reductions is shown in "functional" areas. Salaries and expenses for housing production and mortgage credit are reduced from 15.7 million dollars in 1973 to 5.3 million dollars in 1974, the result of the cut of over 1500 employees in this area.

Appropriations requests for all other HUD activities remain at basically the same levels as in 1973. For further detail, see Table 3. second installment.

TABLE 2.—APPROPRIATIONS REQUESTED FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT: FISCAL YEAR 1974

[In thousands of dollars]

	Estimated appropriations: 1972–73	Appropriations request: 1973–74
Housing Production and Mortgage Credit: Nonprofit sponsor fund	1,000	
Total	1,000	
Housing Production and Mortgage Credit—GNMA:		
Restoration of capital—special assistance funds		95,647
Participation sales insufficiencies	26,054	24,931
Total	26,054	120,578
Housing Management:		
Housing payments:		
Public housing	1,214,500	1,305,000
College housing	11,500	19,000
Rent supplements	122,000	164,000
Sec. 235 (homeownership)	340,000	412,000
Sec. 236 (rental)	112,000	200,000
Total	1,800,000	2,100,000
Community Planning and Management:		
Comprehensive planning grants (701)	100,000	[1] 101,000
Community development training	3,500	
New community assistance grants	7,500	
Total	111,000	110,000
Community Development:		
Urban renewal programs	[2] 1,450,000	[3] 137,500
Rehabilitation loans (312)	70,000	
Model Cities	500,000	
Neighborhood facilities grants	40,000	
Open space land programs	100,000	
Total	2,160,000	137,500
Federal Insurance Administration:		
National flood insurance	10,000	20,000
Interstate Land Sales Registration	885	1,100
Research and Technology	53,000	[4] 71,450
Fair Housing and Equal Opportunity	9,489	9,850
Department management:		
General management, administration, staff services	25,048	[5] 29,325
Regional management and services	22,991	20,200
Salaries and expenses, functional programs	72,041	[5] 64,300
Total	120,080	113,825
Total HUD appropriations	4,291,508	2,684,303

[1] Additional authorizing legislation will be proposed by the administration to focus 701 grants more particularly on improving State and local government management.

[2] Includes $510,000,000 for disaster assistance.

[3] The administration anticipates community development revenue-sharing legislation to be enacted by July 1, 1974, and funded at $2,300,000,000 for fiscal year 1975.

[4] Includes $13,000,000 in research activity transferred from the Office of Economic Opportunity.

[5] The increase in general management and administration includes creation of the new Office of Inspector General. Under salaries and expenses for functional programs, there is a decline in housing production and mortgage credit from $15,700,000 to $5,300,000 reflecting the reduction of over 1,500 employees

SGT. RENEE L. BROWN OF YOUNGSTOWN, OHIO, RECEIVES FREEDOMS FOUNDATION AWARD

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. CARNEY of Ohio. Mr. Speaker, the Freedoms Foundation recently awarded the George Washington Medal of Honor to Sgt. Renee L. Brown, the son of Armand and Geneva Brown of 7487 Salinas Trail, Youngstown, Ohio. Sergeant Brown is currently serving with the 511th MI Battalion of the U.S. Army in Europe.

The award was presented to Sergeant Brown for his essay entitled: "The Fiscal Aspects of American Freedom." Unfortunately, neither of his parents was able to attend the award ceremonies due to a serious illness in the family.

Mr. Speaker, I would like to take this opportunity to congratulate Sergeant Brown for his outstanding achievement. I insert his essay in the RECORD at this time:

THE FISCAL ASPECTS OF AMERICAN FREEDOM

(By Renee L. Brown)

I am the Chairman of the Board of Directors of that venerable institution American Freedom, Inc., the manufacturer and sole distributor of the most highly revered brand of freedom in the world: the American brand. The purpose of this letter is to clarify a few points which have been raised in the recent controversy about the price of our product. As you know, there are some Americans who think that they are paying too much for what they are getting in return. Perhaps they are unaware of the unequalled high quality of our product.

At the risk of sounding boastful, I would like to make known, once and for all, that American Freedom, Inc., takes a back seat to no one. Our freedom is the best in the world, bar none. But do we rest on our laurels, on our past accomplishments? Do we become complacent? Never! The quality control people at American Freedom, Inc. factories work 365 days a year in an effort to make the best freedom known to man even better. Granted, our product has flaws and imperfections, but fewer by far than anyone else's freedom. And as I said before, our quality control is constantly working on getting rid of them. But, alas, this takes time, money, and a great deal of effort and patience on the part of everyone concerned, and is reflected of necessity in the price of our freedom. There's just no other way. Unless, of course, you would be satisfied with a second- or third-rate product, which we assure you, a discriminating American, would not. So we are obliged to ask for your tax dollars in order to keep in full operation our main factory in Washington, D.C., and our branch factories in the various state capitals and county seats.

We have to ask for your personal help in the military forces in order to keep competing concerns from gaining a monopoly on the market, which would cause us to go bankrupt. We have to ask for your observance of our laws and regulations in order to keep our factories and offices operating at maximum efficiency. We have to ask you to accept without too much grumbling a slightly less-than-perfect product until we get all the bugs worked out. And we ask you for all these things for one reason only: To enable us to eventually bring you a vastly improved product, the closest thing to absolute freedom that the civilized world has ever seen.

Now, bearing all this in mind, how could anyone think that the price of American freedom is too high? The record indicates just the opposite: American Freedom is by far the best value on the world market today.

NEW COPERNICUS SOCIETY HAS MAJOR ANNIVERSARY ROLE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. DULSKI. Mr. Speaker, the Congress has approved a joint resolution requesting the President to designate the week of April 23 as "Nicolaus Copernicus Week."

It is only proper that the Congress take the lead in calling attention to the 500th anniversary of the birth of Copernicus, the Polish scientist whose theory is credited with marking the beginning of modern science.

House Joint Resolution 5 was introduced by me on the opening day of the 93d Congress. It passed the House on March 22, the Senate on March 27 and has been sent to the White House for signature.

Many organizations, here and abroad, are participating in a continuing series of events marking the anniversary. National recognition is focused on the week of April 23 when the Smithsonian Institution and the National Academy of Sciences have developed a broad cultural and scientific program.

An integral factor in the non-Government leadership of the plans for the observance has been the Copernicus Society of America, organized by a distinguished Polish-American, Edward J. Piszek of Philadelphia, Pa.

The work of Mr. Piszek's organization deserves full recognition and appreciation. To give a picture of its activities, I include a press release from the society as part of my remarks:

COPERNICUS SOCIETY OF AMERICA

The Copernicus Society of America was established in 1973 by Edward J. Piszek, President of Mrs. Paul's Kitchens, Inc., as a cultural and educational foundation to advance the arts and sciences.

The Copernicus Society is dedicated to emphasize to the world the accomplishments and contributions of the Polish Astronomer Nicholas Copernicus on the occasion of the 500th Anniversay of his birth.

The efforts to celebrate the Copernican Year began over a year ago. The formulation of plans, discussions, arrangements invclving four countries, museums, planetariums, etc., were all necessary before anything could be executed.

In December 1972, four students selected by the Smithsonian Institution in Washington in cooperation with the Copernicus Society of America, made a pilgrimage to Poland to retrace the life steps of Copernicus.

These students included Miss Katharine S. Park, a graduate student at the Warburg Institute, London, Gregory Perczak, a senior at the University of Notre Dame, South Bend, Bruce M. Dolego, a junior at St. John's College, Annapolis, and Clifford Martin, a graduate student at Pennsylvania State University.

The arrangements in Poland and underwriting of expenses was the first project of the Copernicus Society. The report of this pilgrimage was published in the *Smithsonian* Magazine in March and will be continued in the April issue.

The highlight of this year's events, arranged by the Copernicus Society, is the exhibition of the original instruments used by Nicholas Copernicus during his years of research and discovery at the Jagiellonian University in Cracow.

These spectacular brass instruments are in a perfect state of preservation; they include armillaries, astrolabes and celestial globes. The exhibition will arrive in the United States during the first week of April. A press preview and cocktail is scheduled for Friday, April 6th. At this event Polish vodka will be the beverage.

The public opening for the instrument exhibit is scheduled for Sunday, April 8th. The original Copernicus Instruments will also be exhibited in the following cities: New York, Philadelphia, Detroit, Milwaukee, Chicago, Ottawa, Canada and London, England.

During the week of April 22 many other significant events are scheduled in cooperation with the Copernicus Society and the Smithsonian Institution. On Sunday, April 22, the opening ceremonies of the Copernicus Week are scheduled. At 8:00 P.M. a musicale of chamber ensemble dimensions will be conducted by the National Academy of Sciences, music by Leo Smit, with narration by Sir Fred Hoyle. This presentation was underwritten by the Copernicus Society of America in cooperation with the National Academy of Sciences.

On Monday, April 23, at 12:30 P.M. the Postmaster General of the United States will issue the commemorative Copernicus Stamp. The Invocation for this commemoration will be given by Father Walter Ziemba, President of St. Mary's College, Michigan.

On Tuesday, at 8:00 P.M. at the Regency Room of the Shoreham Hotel a banquet will feature the meal fare of Copernican times. Two medals will be presented at this banquet by the Copernicus Society of America to the outstanding scientific scholars of the year, Mr. Jerzy Neyman and Mr. Edward Rosen.

On Wednesday, April 25th the Copernicus Society, in cooperation with the Smithsonian Institution, is sponsoring a concert by Leon Kirchner conducting players of the Boston Symphony Orchestra.

During the month of April an exhibit of the Persistent Crafts of Poland will also be featured at the Smithsonian Institution. This is a collection of art and artifacts reflecting Polish Culture from the rennaisance to the present day. This exhibit was assembled by Richard Ahlborn in Poland and is underwritten by the Copernicus Society of America. This exhibit will travel throughout the United States following its presentation at the Smithsonian Institution.

During late summer, the Copernicus Society will release a feature movie, *Copernicus*, for television. This movie was filmed in Poland and is approximately one and a half hours in length. At the present time, it is undergoing editing and dubbing into English.

In addition, the Copernicus Society has caused a book, *Copernicus and His Epoch*, to be published and is providing Copernicus Lapel Buttons to commemorate the year of Copernicus.

The Copernicus Society headquarters is Box 111, Eaglesville, Pa. 19408.

SUPPORT FOR THE LEGAL SERVICES PROGRAMS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, I wish to have inserted in the RECORD the text of a resolution adopted by the municipal council of the city of Jersey City on March 6, 1973, in support of continuing the legal services program after June 30, 1973.

As you know, the President is planning to dismantle all programs formerly under the jurisdiction of the Office of Economic Opportunity, including this most valuable legal assistance to the poor. There are many individuals in this country who will no longer be eligible for full due process of the law only because they cannot afford it.

I do not want that to happen—and neither do the officials of one of the larger cities in the country. They know that the indigent residents of their city, and of the entire country, will be the loser—and so will we all.

The text of the resolution is as follows:

RESOLUTION URGING THE CONTINUATION OF LEGAL SERVICES TO INDIGENT PERSONS

Councilmen as a whole offered, and moved adoption of, the following resolution:

Whereas, there is a continuing need for legal services for the poor, not only in Jersey City, Hudson County and the State of New Jersey but also throughout the nation; and

Whereas, there are, at present, federally funded Legal Services Programs to meet this need in Hudson County, the State of New Jersey and each of the states of the United States; and

Whereas, the Hudson County Legal Services program provides legal services to three thousand indigent Jersey City residents each year which represents 57% of the total number of cases it handles each year; and

Whereas, these federally funded Legal Services programs provide counsel for the everyday legal problems facing the poor including family, consumer, housing, employment, social security and veterans matters; and

Whereas, these legal services will not be available to the indigent residents of Jersey City, Hudson County, the State of New Jersey and each of the states of the United States if the Legal Services program is terminated; and

Whereas, the continuation of these Legal Services program has been seriously threatened by the federal government; now, therefore,

Be it resolved by the Municipal Council of the City of Jersey City that it continues to support the need for adequate legal services to the poor of Hudson County, the State of New Jersey and each of the other states of the United States.

Be it further resolved, that the President of the United States be and he is hereby urged to continue the Legal Services program after June 30, 1973.

Be it further resolved, that copies of this resolution be sent to Richard M. Nixon, President of the United States; Mr. Howard Phillips, the Acting Director of O.E.O; William T. Cahill, Governor of the State of New Jersey; Senator Harrison A. Williams and Senator William P. Case, the United States

Senators from New Jersey; Congressman Dominick V. Daniels and Congressman Henry Helstocki, the two U.S. Congressmen whose districts encompass Hudson County; Mr. Martin L. Haines, President of the New Jersey Bar Association and Mr. Martin J. Brenner, President of the Hudson County Bar Association.

BYELORUSSIAN INDEPENDENCE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BRASCO. Mr. Speaker, we live in a period when men pointedly seek out and reaffirm their ethnic heritage. This is not merely a throwback to tribalism in an age of rootlessness. In many respects it is a dramatic illustration of the viability of individual cultures, language, and ways of life.

In many places across the globe, giant nation states have arisen, dominating ancient peoples and demanding that they bend the knee to science, modern culture, and what is decreed by a central government.

Some nation states, such as our own, while composed of a variety of nationalities, have never sought to repress their unique expression of ethnic identity.

Unfortunately, this has not been the case in a number of other countries, particularly the Soviet Union.

Russia's leaders have sought the homogenization of its many peoples into a bland blend of conformity, whose one dominant theme was adherence to Marxist and Leninist thinking and endeavor.

Many such groups have silently refused to bend their collective and individual knees to this kind of pressure. The Jews of the Soviet Union are remarkable for their resistance. The same is true of the Ukrainians and Lithuanians, among others.

Still another such group are the Byelorussians, who constitute a very unique group in the Soviet Union. This ancient people has long maintained its traditions, culture, education, and art, even in the face of persistent and harsh attempts to end their uniqueness on the part of the regime.

After the Romanoff dynasty found its doom in the throes of World War I, old Russia split up into a series of quasi-independent states, each one seeking to reaffirm the ethnic and cultural identity of its dominant group.

The Soviet regime ruthlessly stamped out such efforts at independence. One such state was proclaimed on March 25, 1918, known as Byelorussia. Crushed militarily, it has been a component of the Soviet Union since. However, like so many fiercely independent peoples, physical dismemberment of a state is not the end of the story. Byelorussian individuality has remained alive and well in that area and abroad, in the emigree communities.

On this day, we remember their efforts and their desire to maintain their heritage. That time inevitably will come.

FOREST SERVICE REORGANIZATION

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. McKAY. Mr. Speaker, for over a year I have questioned the Forest Service about possible plans for realining forest regions. These plans would split the intermountain forest region, and jeopardize proper management of the forests. Regrettably, I feel that the Forest Service has every intention of pursuing such a course.

The Forest Service remains one of the few Federal agencies which does not conform to the 10 standard Federal regions, even though it is a clearly stated administration goal to bring all Federal agencies into this conformity. The regionalization plan is supported because administrative costs and duplication which the Forest Service claims could be eliminated. But this move would fragment the intermountain region, with Utah offices moving to Denver, Idaho forest supervision to Portland, and Nevada offices to San Francisco.

Mr. Speaker, the position of the Forest Service seemed clear to me at a recent meeting I had with the Deputy Chief Forester. Although no firm decision has been made, nor any date for regional conformity set, the Forest Service has completed a study which indicates that such a move is feasible. No absolute figures are available, but the move would likely eliminate more than 200 positions in northern Utah. I have requested a copy of this study, but thus far the Forest Service has refused to provide it, claiming it is only a working document at this stage.

I am not at all pleased with the prospect of job or service reductions in Utah, Mr. Speaker. I know the Forest Service is working under budgetary pressure, with a shrinking budget and demands for increased services. I would have expected the administration to be responsive to this dilemma, but the President has sharply reduced Forest Service budget requests. Funds for forest roads and trails were reduced to half of what was budgeted last year. Reforestation was cut by $8 million, and the operating budget was trimmed by $58 million. Clearly, the Forest Service is under pressure.

But I am convinced regionalization is not the answer. The intermountain region was laid out to conform to geographic and natural boundaries, not to satisfy bureaucratic convenience. It is entirely possible that the quality of forest management would suffer in such a drive for economy.

Any more would itself require tremendous expense, and money for such a move has not been programed into this year's budget. Should the Forest Service move this year, using regular operating money to do so, I would be very much opposed to a supplemental appropriations from Congress to replace these funds. As a member of the subcommittee which handles funding for the Forest Service, I have made my position clear to Forest Service officials.

MY RESPONSIBILITY TO FREEDOM

HON. RAY THORNTON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. THORNTON. Mr. Speaker, the following is a speech written by Miss Margaret Louise Kendall, Monticello, Ark. Miss Kendall is Arkansas' winner in the Veterans of Foreign Wars Voice of Democracy Contest for 1973:

MY RESPONSIBILITY TO FREEDOM

The American Democracy is made up of the people, for the people, and by the people. There has been few types of governments where it has been possible for the people to rule, to make laws and to enforce the laws, or to elect their own officials.

Individual importance, equality of all men, compromise, majority rule and minority rights, and individual freedom, these five things are all essential in making our American Democracy what it is today.

In order for a Young American to know what responsibilities he has in maintaining freedom, he must first know what freedom is. As a young American, I believe freedom, to me, is the right to express my ideals on a moral point of view without being penalized by society. For almost two hundred years Democracy has been our American way of life. We as Americans, young and old, have not gained our freedom by sitting down and waiting for it. Our "Founding Fathers" fought a bloody revolution which lasted seven years to gain freedom for themselves, and us, their future children. Even then the true meaning of freedom was not realized, that Today "we", as Americans are beginning to realize the meaning of freedom as it is guaranteed in the Constitution. For example, Young Americans between the ages of eighteen and twenty are guaranteed by the Constitution and the Twenty-sixth Amendment have the right to vote in all local, state, and federal elections. I believe this is the right step taken to the road of individual freedom for the Young People of America.

As a Young American a responsibility I believe I have in maintaining FREEDOM is to be informed on federal, state, and local community issues, to be educated so that OUR Democratic form of government can survive. I have the responsibility of becoming involved in activities such as civic organization, politics, and school programs. The greatest responsibility, I believe I have as a Young American in maintaining my FREEDOM is to support the Constitution.

As a Young American the actions I would like to take in fulfilling my personal responsibility to the preservation of FREEDOM are in learning to face reality, not only to accept the subjective, but also the objective issues facing my country today. Another action I would like to take in fulfilling my personal responsibility to the preservation of FREEDOM is in respect for its local, state and

federal laws. I believe if the people of America do not respect the laws established to run the Country, there would be no Democracy, there would be Anarchy instead. Also an action I would like to take as a Young American in fulfilling my personal responsibility to the preservation of FREEDOM is to practice Patriotism. All of which I can state in the last stanza of the "American's Creed" by William Tyler Page, I quote:

"Therefore, I believe it is my duty to my country,
To love it, to support its Constitution,
To obey its laws, to respect its flag,
And to defend it against all enemies."

As a Young American the actions I would like to take to prepare myself to be a more effective citizen are, to respect the rights of others, to be tolerant, and to accept criticisms, to develop values and accept change, to vote in all elections, and to support my local, state, and federal government.

Therefore, I as a Young American believe that the future of American Democracy lies in my hands and I will do my best to retain it.

Thank you.

RT. REV. MSGR. GORDON G. GUTMAN, PASTOR OF ST. CHRISTINE PARISH IN YOUNGSTOWN, OHIO, IS HONORED

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on March 11, 1973, I had the pleasure of attending the celebration marking the 40th ordination anniversary of Rt. Rev. Msgr. Gordon G. Gutman, and the 20th anniversary of St. Christine Parish, which was established by Monsignor Gutman.

Monsignor Gutman was honored by the people of St. Christine parish and the city of Youngstown for his dedicated, unselfish service to the holy priesthood of the Roman Catholic Church.

During the ceremony, Monsignor Gutman received the praise and acclaim of Youngstown City Prosecutor Vincent Gilmartin, who spoke in behalf of the parishioners. The Honorable Jack Hunter, mayor of Youngstown, and City Council President William Wade presented a resolution declaring March 11, 1973, as "Monsignor Gutman Day" in the city of Youngstown.

The members of the "40–20 Committee for Monsignor Gutman," whose hard work made the occasion a great success, were:

Jack Hanlon, cochairman; Charles O'Nesti, cochairman; Pat Alessi, Robert Terpak, Howard Satsinger, Virginia Collins, and Al Tauss.

Mr. Speaker, I insert a biography of Rt. Rev. Msgr. Gutman and a history of St. Christine parish in the RECORD at this time:

RT. REV. MSGR. GORDAN G. GUTMAN

EDUCATION

St. Mary Seminary, Cleveland, Ohio.

Ordained by Bishop Joseph Schrembs on March 11, 1933, Cleveland, Ohio.

APPOINTMENTS

Assistant, St. John Parish, Canton, Ohio, March 17, 1933.

Pastor, St. Joseph Parish, Maximo, Ohio, July 13, 1944.

Pastor, St. Christine Parish, Youngstown, Ohio, March 27, 1953.

Domestic Prelate, April 28, 1961.

SPECIAL ASSIGNMENTS

August 4, 1947–July 11, 1949, Chaplain Knights of Columbus Alliance Council No. 558.

1960—Member, Diocesan Board of Education.

June 19, 1959–present, Pro-Synodal Judge.

April 24, 1969–present, Diocesan Consultor.

THE BIRTH OF A PARISH

In Passion Week 1953, the Rev. Gordon G. Gutman, pastor of St. Joseph's Church, Maximo, Ohio, was given an assignment to establish a new Parish on Youngstown's southwest side.

After one announcement in the Vindicator, 305 people found their way to Pioneer Pavilion in Mill Creek Park on a brisk Easter Sunday to take part in the celebration of the Birthday Mass of this new Parish.

After three Sundays, the Parish had outgrown the Paviolion and moved to Idora Park Ballroom for summer Masses and then Princeton Jr. High School for the fall and winter. By Christmas, 350 families had registered as parishioners.

Enthusiasm and friendliness ranked high among the members of the newly formed Altar-Rosary Society and Holy Name Society. They set into motion many activities. Other eager groups held home card parties, children's shows, lawn parties, bake sales, monthly raffles, spaghetti dinners, and minstrel shows with proceeds going to our building fund. Our first pledge campaign amounted to $100,000.

The ground breaking was held on Sunday, March 28, 1954, on seven acres of land on South Schenley Avenue donated by John and Fred Shutrump. This new Parish was named after their mother's patron saint, St. Christina. Symbols commemorating the life of St. Christine are used on the outside face design of the original building which was to be a church and school.

Even before the building was started, plans had to be cut down to fit the budget. The rectory was built by many parishioners volunteering their services. The first Mass said in the new church was Midnight Mass, Christmas, 1954.

The original school had ten classrooms. In 1957, fourteen more rooms were added and in 1960, due to a still growing enrollment, eight more rooms were completed. Again many faithful parishioners donated their time and talents to help with the painting and laying tile in the church and school.

The convent was built in 1955 and expanded to its present size in 1957. The school is staffed by the Daughters of Charity of St. Vincent de Paul and many dedicated lay teachers.

With the help of our many organizations and continued support financially by the parishioners, the goal of a new and permanent church was met. In August, 1964, the transfer was made to the spacious and beautiful new church building. Dedication was held on November 1, 1964, Bishop Emmet M. Walsh officiating.

These last ten years have seen the parish grow to 2,000 families. Our present school enrolls 1,000 children. Many parish organizations have helped in the parish growth over these past twenty years. Thanks and appreciation go out to all:

Infant of Prague Guild, St. Vincent de Paul, Holy Name Society, Altar-Rosary Society, Cub and Boy Scouts, Bus Club, Bingo Workers, Booster Club, Choir, Pizza Mothers.

C.Y.O., Senior Citizens, Our Lady of Fatima Garden Club, Home and School Association, Quilting Mothers, Ushers Club, Festival Workers, Monthly Raffle Committee, Parish Councils, CCD Teachers, Legion of Mary.

Our sincere thanks to all the people of Saint Christine Parish who helped over the years make this day "a day to remember."

DEMOCRATS AND NATIONAL DEFENSE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BOB WILSON. Mr. Speaker, with the current talk of dismantling our defense establishment and devoting all this unnecessary spending to social programs, it is time to take stock of why we need to maintain our defense posture and its importance to our national well-being. The following commentary by Joseph Alsop provides considerable food for thought and I hope my colleagues will carefully consider his conclusions.

The article follows:

DEMOCRATS AND NATIONAL DEFENSE

(By Joseph Alsop)

Nowadays, in the dark hours before dawn, you sometimes wonder whether a lot of virtuous Americans do not actually want to see their country defeated. Consider, to begin with, the powerful drive now taking shape among the liberal Democrats in Congress to dismantle the national defense.

Then consider a few other things of some significance, like the dreadful surprise that followed hard on the heels of the first round of SALT talks. The surprise took the form of a Soviet test, demurely delayed until the first SALT round was over, of a submarine-launched ballistic missile with a range of about 4,500 miles.

The surprise was dreadful for several reasons. To begin with, the range of this new submarine-launched missile exceeds by around 1,000 miles the maximum that had been considered possible by the American scientific analysts. The first SALT agreement was squarely based on the U.S. analysts' predictions, which have now turned out to be poppycock.

Then, too, the Soviet test proved that in the first round of SALT talks, the Soviet negotiators had been grossly misleading, if not directly untruthful. They had pleaded that their submarine launched ballistic missiles had a much shorter range than the comparable American weapons. They had stressed the complex operational factors that make an increase of range almost exactly equivalent to an increase of number, in the case of strategic missiles launched from submarines.

Hence the Soviets had claimed they had a right to a lot more submarine-launched missiles than the United States. This claim, made in the sacred name of "parity," was in fact recognized. Under SALT I, the Soviets are allowed to build up to a total of 950 submarine launched nuclear missiles, whereas the United States is held to a level of about 600 such missiles.

Now, however, the Soviets have a submarine launched missile of much longer range

than any in the U.S. arsenal, either in existence or in prospect. Its present accuracy has been questioned, but accuracy can always be improved. With missiles of such range, moreover, Soviet nuclear submarines can lurk in the Bering Sea or the Sea of Okhotsk, far beyond the reach of U.S. sea surveillance, and thence loft their missiles to almost all the most vital American targets!

In sum, this single Soviet missile test betokens a coming change in the strategic balance that ought to give the creeps to any liberal Democrat who gives a pin about his country's future. Instead, one of the prime aims of the liberal Democratic attack, now being organized in the Senate, is the destruction of the U.S. Trident program. This is the program, of course, intended to give this country greater and less vulnerable seaborne nuclear striking power.

One of the main objections to Trident, naturally, is that the new missiles will be MIRVed—in other words, will have multiple warheads capable of being independently targeted. The doctrine of the virtuous is that if the United States goes on MIRVing its missiles, the Soviets will then be driven to MIRV their missiles. This, once again, is purest goose talk.

Soviet nuclear missiles are not MIRVed today, simply because Soviet missile development took a wrong turn a good many years ago. To MIRV a missile successfully, you have to put a complex miniaturized computer on board the missile. For detailed guidance, the Soviets instead relied for a long time on computer-systems at the launch point, rather than using on-board computers.

Throughout much of the first round of SALT talks, however, it was already perfectly clear that the Soviets were working, all out, to correct this past error—and thus to MIRV. Another recent Soviet missile test has shown, furthermore, that the Soviets have already achieved considerable success in this intensive effort.

The new missile tested is called the SS–17. It has an on-board computer and a range of 6,000 miles. It can even be regarded as a new "counterforce weapon." But the main point is that the new missile is a long step in the direction of much more widespread Soviet MIRVing, which the goose-talkers say we must not "stimulate." In such matters, the Soviets need no stimulation.

The goose-talkers still quack about "parity." In reality, another question already faces us. How will the Soviets behave, if and when they are allowed to acquire a heavy predominance of nuclear striking power? Any sensible man ought to be able to figure out the answer to that question. And the question indicates where the Soviets are heading.

JOB SITE VIOLENCE

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mrs. HOLT. Mr. Speaker, I rise today to speak out on the problem of job site violence which is having serious consequences on our construction industry. Violent attacks on nonunion construction sites are no longer isolated instances perpetrated by a handful of individuals. During the past 12-month period more than 100 separate incidents of violence, vandalism, and destruction of property as well as personal assaults were reported.

In the past, these violent occurrences have been too often passed off as simple labor disputes between management and the unions. These are not, and should not be, considered as labor disputes in the American tradition of collective bargaining. What we are witnessing is deliberate and wanton sabotage by irresponsible elements of our society. The issue at stake is an individual's right to conduct his business free of violence and terror.

I maintain that we all have an obligation to condemn the tactics of violence and terror when used for any purpose, including their use as a tool in labor-management negotiations.

MEMPHIS, TENN., VA HOSPITAL

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. KUYKENDALL. Mr. Speaker, I am very pleased to submit for the RECORD today, articles which appeared in the Commercial Appeal on March 9, 1973, and the Memphis Press Scimitar on March 8, 1973.

Both of these items concern our fine Veterans' Administration Hospital at Memphis, Tenn.

In view of the fact that many unfavorable stories have recently been printed concerning the operation of our VA hospitals, I felt that it would be of interest for my colleagues in the House to read these stories concerning the VA Hospital at Memphis, Tenn.:

[From the Memphis (Tenn.) Press-Scimitar, Mar. 8, 1973]

MEMPHIS VA HOSPITAL SAYS NO FUND CUTBACKS HERE YET

The director of the Memphis VA Hospital said today the 923-bed facility has suffered no staffing shortages or patient overloads because of any funding cutbacks.

"We are adequately funded to the point we can give a reasonably high level of patient care," said John B. Byrd, the hospital director. "We have not been cut back in any areas of funding and don't anticipate any funding problems in the future."

Byrd was responding to a report that Congressional investigators studying the massive VA system had found that funding cuts had caused a pattern of neglect that endangers the wellbeing of thousands of patients.

The confidential report was prepared for the House Appropriations Committee by staff investigators who reported they talked to VA officials in Washington and in 14 of the 168 hospitals across the country. Byrd was not interviewed.

Byrd said the daily patient bed census, instead of declining, is above average—801 patients on an average day, and all of the hospital has remained open.

He said the staffing ratio remains the same and has not dropped in recent years. The employe-to-patient ratio, he said, is 1.5 employes to each patient.

The report alleged that an ailing veteran must wait weeks or months for admission to one of the 168 Veterans Administration hospitals. Once there, he is likely to suffer from cramped quarters and may seldom see a nurse, according to the report. Conditions at some hospitals were reported so bad that a patient may leave in worse shape than when he was admitted.

A copy of the report was obtained Wednesday by The Associated Press.

Ultimately, the report said, the blame falls on the White House Office of Management and Budget for refusing to allow VA hospitals to hire enough employes to meet patient needs and for blocking expansion of hospital facilities.

The OMB, in the interest of saving money may even force 29 VA hospitals to close by 1975 and may intend to force the VA out of the hospital business entirely, the report suggested.

Describing staff shortages, the report said "nursing personnel are working at abnormally high pace because of understaffing" and "many essential nursing procedures either are not performed or not done properly."

The report noted that the VA claimed to have 98,297 operating beds as of last Dec. 31, but the investigators said the figure may be padded by as many as 2,000.

[From the Memphis (Tenn.) Commercial Appeal, Mar. 9, 1973]

SLASH IN VA HOSPITAL FUNDS IS UNLIKELY TO HIT MEMPHIS

A possible cutback in funds to Veterans Administration Hospitals will not affect the Memphis facility, John Byrd, VA hospital administrator here, said yesterday.

Mr. Byrd's comment came after a report for a House appropriations subcommittee said the Nixon administration's proposed 1974 VA budget will cause conditions to deteriorate and may even close some VA hospitals.

"Based on informal information we've received, we anticipate our 1974 budget will be at the same level as the 1973 budget," Mr. Byrd said.

"No, we don't anticipate any cutbacks. In fact, we anticipate an expansion to take care of the increased demands for service here," he said.

Mr. Byrd, however, said the hospital has not received its 1974 "target allowance"—the amount it can spend next year.

"We expect to receive the target allowance by the end of the month."

The report, critical of the VA hospital system, said thousands of veterans suffer from a dangerous lack of care in some VA hospitals.

The report further alleged the VA has attempted to conceal hospital conditions by distorting records and by falsifying the true number of beds available for patients.

It said that as of last Dec. 31, the VA was listing 98,297 beds in its 168 hospitals. But the report said the operating beds are not all in active service.

Mr. Byrd said such was not the case here.

"We have 923 operational beds and an average daily census of 801 patients for fiscal year 1973."

A LITTLE RAY OF SUNSHINE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ALEXANDER. Mr. Speaker, we gravely meet and seriously contemplate the future of our constitutional democracy, we discuss the problems that seem to confront the very survival of some elements of our Nation. Our minds are filled only with the weighty matters of State. But every so often a piece of our daily mail can contain a little ray of sunshine that brightens our day and reminds us there is a lighter side to life. Howard Thielemier wrote me just such a letter

recently and I wish to share it with my colleagues today:

DEAR BILL ALEXANDER: I am writing this letter to say that you have my full support on one of the Tax Credit Bills. Tax Credit Bill H.R. 49.

By the way, I included a small joke. I thought that it might get pretty boring reading all of these letters.

The rain makes everything beautiful.
It makes everything blue.
If the rain makes everything beautiful.
Why doesn't it rain on you."

HOWARD.

AMENDMENT TO PERMIT VOLUNTARY PRAYER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. MIZELL. Mr. Speaker, I am today introducing a joint resolution for a constitutional amendment to permit voluntary prayer in America's public schools and other public places.

I have offered this same amendment in both the 91st and 92d Congresses, Mr. Speaker, and we have come closer to passage each time we have reintroduced the measure.

I recall particularly the keen disappointment I felt when this resolution was defeated narrowly in the House during the last Congress, and I recall as well the disappointment felt by my constituents in North Carolina's Fifth Congressional District and by millions of Americans throughout the Nation on that occasion.

I believe the membership of the House in this 93d Congress will provide the margin needed for victory in this cause which I, and many of my distinguished colleagues, have fought for so long.

As I have said on several occasions in the past, Mr. Speaker, I am personally convinced that the authors of the Constitution had no intention of forbidding public prayer, or of abridging any religious freedom. This is the true meaning and purpose of the first amendment, as I read it.

But the courts have disagreed with this opinion in a series of decisions beginning 10 years ago. In 1971, for example, the local school board in Leyden, Mass., passed a resolution providing for a 5-minute period of voluntary prayer before school classes began. The State supreme court struck down that resolution as unconstitutional, and the U.S. Supreme Court on October 12, 1971, refused to disturb the lower court's decision.

The courts have said the authors of the Constitution did not approve of public prayer, despite the fact that at the Constitutional Convention of 1787, every session was begun with a public prayer, as suggested by Benjamin Franklin.

The courts have said that the invocation of God's blessing through public prayer is not consistent with our heritage of religious freedom, despite the fact that not one of the 37 Presidents of the United States has assumed the "splendid misery" of that Office without first calling on the Almighty—in the presence of their countrymen—to guide and sustain them.

And now efforts are being made to remove the right of prayer and public worship from the White House itself and from the space flights of Americans. These efforts must not succeed.

From antiquity to our modern age, the hand of God has been the most significant influence on the works of man.

The Bible, in the 33d Psalm, reminds us that "blessed is the nation where God is the Lord."

As a nation whose motto is "In God We Trust," we have, in less than two centuries, grown to be the mightiest and freest and greatest Nation in the history of the world. These two facts cannot, in my estimation, be reconciled as merely coincidental.

If we are to do God's work and serve His purpose in this Nation, Mr. Speaker, we must preserve the right to call upon God publicly and seek His guidance openly and confidently, not covertly and not in fear of legal reprisal.

For any other situation to prevail to this country is a travesty of the first amendment to the Constitution, rather than a fulfillment of it.

That amendment guarantees the right to free exercise of religion. But the series of court decisions I mentioned has called that right into question, and the amendment I am proposing is intended to reassert the right to call upon God however, whenever, and wherever one chooses.

I urge the expeditious consideration of this resolution, and I look forward with millions of Americans to its passage and ratification.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

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

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

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

WAR IN PERSPECTIVE: A CLERGYMAN'S VIEW

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. CLEVELAND. Mr. Speaker, at a time when the pulpits of many of our churches have become forums for criticism of U.S. involvement in South Vietnam, and war critics have sought to stake exclusive claim to the moral side of the question, I have been encouraged to find more reflective and reasoned views expressed by a prominent clergyman in my congressional district.

The Rev. Chandler H. McCarty, rector of St. James Episcopal Church, Keene, N.H., in a sermon on the cease-fire January 28, sought to render no final judgment on our conduct in Southeast Asia. As to justification, he said:

No one can say for certain and that must be left for future historians to decide.

But his historical perspective reminds us that the great evil of war has nonetheless served on occasion in times past to preserve from extinction the inheritance of cultural and ethical values we cherish today. These values underlie our reverence for life and abhorrence for war. They also inspire our dedication to freedom in which these values flourish and our willingness to defend them for ourselves and others.

I commend to my colleagues the text of the Rev. Mr. McCarty's sermon which follows:

CEASE-FIRE IN VIETNAM

The hearts and minds of all Americans this day are filled with gladness and gratitude over the signing of the Vietnam cease-fire agreement. It has been a long and frustrating conflict which has taken a heavy, heavy toll. It has been a devisive, polarizing experience for our nation, for as the frustration of Americans mounted, we found ourselves in our impatience inclined to think in terms of extremes. The desire to conclude hostilities and bring American soldiers home led many to believe that there were only two possible ways of accomplishing this.

One was to pull-out without further regard to whatever commitments had been made by our nation, and without further concern for the people of South Vietnam or Southeast Asia. The other was by a massive exercise of force which would bring the enemy to his knees in surrender.

The intensity with which individuals and group held to these conflicting convictions has left scars and divisions which will be long in healing. However, the policy our government committed itself to follow was to secure a peace without victory and without surrender. This middle course has now resulted in a cease-fire agreement and it is our hope and prayer that we may not know a time of lasting peace when perhaps the dream of Isaiah will finally be fulfilled.

At such a time as this it is the inclination of many to believe that war never accomplished anything. War is the great evil in the world, but there have been times when it was a necessary evil. Some wars have been decisive for all that has followed after.

One such war took place in the fifth century B.C., when a small army of Greeks, most of them from Athens and Sparts, turned back the hordes of invading Persians who had swept across Asia and into Europe intent on absorbing Greece into the oriental Persian Empire. Many men fought and died at Marathon and Thermopylae and Salamis and they prevailed. If they had not, there would have been no Plato or Aristole or Socrates. The whole tradition of Greek culture with its insistence on freedom of mind and spirit would have been extinguished by an oppressive despotism.

Another such event took place in the third and second centuries B.C., when Romans were engaged in the Punic Wars in Carthage. Carthage in North Africa, was a colony of the Phoenicians and it was in these wars that Hannibal, the great Carthagenian general, crossed the Alps with his elephants in one of the most remarkable military feats of all time. He invaded and occupied Rome for a number of years, but finally the Romans were victorious.

If Rome had not prevailed, the world of the Western Mediterranean would have been oriental in culture and institution. The Roman Republic of Caesar, Cicero and Pompey would not have existed. There would have been no Roman law to serve as the foundation of our legal institutions and the Greco-Roman culture on which western civilization has been built would have been suppressed and extinguished.

A third such event took place in the eighth century A.D., when an army of gallant Frenchmen under the leadership of Charles Martel opposed invading hordes of Mohammedans who had already swept across North Africa from Egypt to the Atlantic, had engulfed Spain and were now intent on the conquest of the remainder of western Europe. If Charles Martel and his French soldiers had not stopped the Mohammedan invasion, Western Europe would probably not be Christian today, for everywhere they conquered they put Christianity to the sword, and in most of the areas where they conquered, it has never revived.

In our own time, who of us can forget the sacrifice of those who stopped the advance of Hitler as he launched a madman's attempt to plunge the whole world into a new dark age of brutality and barbarism? We can't conceive what life today would be like if Hitler had won.

So although war is the great evil in the world, we cannot claim that no war has ever accomplished anything, for again and again throughout history only armed might has preserved the institutions of freedom and justice.

Perhaps only the historian of the future will be able to say with certainty whether our involvement in Vietnam was a tragic mistake from start to finish in which we endeavored to impose our will and prevent the majority of those people in that divided country from determining their own destiny, or whether as others claim, we have prevented a totalitarian, anti-Christian Communist conspiracy from conquering all of Southeast Asia in a step toward world domination. Who can say, but if the latter should prove to be right, then perhaps our involvement in Vietnam will have been as important as the Greeks combating the Persians or the Romans the Carthagenians.

No one can say for certain and that must be left for future historians to decide. Our task now is to heal our differences within our own nation and deal with our former enemies in a Christian spirit of forgiveness and reconciliation. We must work and pray that the time has come when the vision of the prophet Isaiah will finally be fulfilled. "The day would come," Isaiah said, "when men would beat their swords into plowshares and their spears into pruning hooks, when nation would no longer rise up against nation, and there would be no more war." May we as a nation do all within our power to make this dream come true in our time.

ARKANSAS ARTIST USES TALENTS TO RECORD HISTORICAL STEAMBOATS ON CANVAS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. ALEXANDER. Mr. Speaker, we in the delta country of Arkansas have long been aware and proud of our history and of the contributions the people of the Mississippi River region have made to the development of our Nation. I am afraid, however, that all too often there are certain things that we take for granted and which may be forgotten with the passing of time. That is why as the tricentennial celebration of the Mississippi River approaches, I would bring to your attention a woman with an unusual talent.

Mrs. Marion S. Bradford of Harrisburg, Ark., paints steamboats—those colorful and infamous boats which toted cargo, gamblers, and riverboat queens and which meant so much to the growth and success of many of the towns up and down the river as well as to the economy of the entire country. Mrs. Bradford recognizes the importance of art in preserving the local history, culture, and customs of a region and her paintings are not just for the esthetic value. Working with a researcher, she records on canvas accurate and detailed descriptions of the steamboats of the 1900's and 1920's. These paintings are presently being recorded on microfilm and will be available to libraries all over the country.

Recently, Mrs. Bradford spoke at a meeting of the Osceola Progressive Club where she spoke of the role of the arts and of her experiences in painting river steamboats. I share that discussion with my colleagues at this point:

MRS. BRADFORD BRINGS RIVER BOAT PAINTINGS

(By Emma Nell Prance)

Mrs. Marion Bradford, painter of river steam boats, of Harrisburg, Ark. gave the program at the March meeting of the Osceola Progressive Club last week. Mrs. Bradford a member of the Harrisburg Federated Women's club, has twenty paintings of river steamboats on display this month at Mississippi County Library.

Mrs. H. L. Veasman, Art Chairman of the Osceola Club, introduced Mrs. Bradford who talked on "The Arts-GFWC 1973–1974". Following is the text of the talk:

"GOALS-Develop respect for our rich, culturally divergent heritage—nurture reverence for all forms of art—share the responsibility of passing on to future generations the ability to create family and ethnic arts and crafts, thus assuring the endurance of customs—involving the youth and the elderly, challenging their creative abilities—encourage creativity, appreciation, and participation in the arts to enhance the quality of life.

It is the responsibility of the Arts Department to involve in some phase of the arts every federated club and every member of that club. Involve yourself and include the arts as an integral part of your living experience.

As a clubwoman, seek out programs that will develop a better understanding of America's rich cultural heritage.

Promote and support professional talent whenever possible, placing special emphasis on encouraging the talents of youth. Attend their concerts and recitals, they need an appreciative audience. Show civic pride to that which is unique or interesting about your town. Study your town, your state, your country. Take pleasure in becoming an expert on local history, customs and people. Be aware of our country and state contributions to all forms of art.

It has become my opportunity during the past few years to study and paint a part of our history that could only occur here in America. There are many rivers in the earth that resemble the Mississippi family, but none of them was being intensively developed at the same time as the American invention of steam power. No other nation had the overwhelming urge to settle so vast an area in such a short time. So, the steamboat and the destiny of Ameriman, now a steamboat history are firmly locked in history and each depended on the other for its eventual success.

"A Steamboat" by George Fitch is an engine on a raft, with $11,000 worth of jigsaw work around it. Steamboats are built of wood, tin, shingles, canvas and twine, and looks like a bride of Babylon. A steamboat must be so built that when the river is low and the sandbars come out for air, the first mate can tap a keg of beer and run the boat four miles on the suds. Steamboats were once the beasts of burden for the great Middle West. The city which could not be reached at low water by a steamboat with two large, hot stacks, twenty-five negro roustabouts on the bow and a gambler in the cabin, withered away in infancy. The most decorative part of a great river is a tall, white steamboat with a chime whistle and a flashing wheel in the far foreground.

Perhaps you would like to know how this interest in painting steamboats came about. The one that most people enjoy is that one of the first steamboats up the Arkansas River was the Robert Thompson. My grandfather's name was Robert Thompson and perhaps a reincarnation of a steamboat. The more logical reason is a love of boating on the rivers in northeast Arkansas, where my Dad and I spent many happy hours boating and fishing. When I started painting, a towboat builder asked me to do commissions for his company. A retired riverman, now a steamboat historian, heard of my work and suggested that I try painting steamboats and help get this important part of history on canvas. There are few artist who can or want to spend the necessary time to draw the intricate details of steamboats, and my friend was worried that the coming generations would not have a record of many of the steamboats. There are many steamboat photographs, but many of them even as late as 1900's and 1920 were not photographed. Since working with my friend we have recorded many of the boats from his description following research. These are being recorded on microfilm and will be available in libraries over the country. The present project is of special interest to this area as it is the history of the Lee Line out of Memphis.

In February, 1972 the steamer, Delta Queen made history for the State of Arkansas that was noted all over the world. She made her first trip up the new Arkansas River navigation system to Little Rock to race the excursion boat Border Star. It was my privilege to make this excursion. The

Cincinnati office of the Delta Queen had given me special permission to exhibit on board during this excursion and told me take the paintings on board with me in Memphis. My husband and I were carrying the paintings on and were suddenly assisted by a very tall, distinguished looking gentleman who introduced himself as Mr. Quinby. As we were spreading the work out in the lounge as requested the tall broadshouldered Capt. Ernest Wagner came lumbering down from the Texas Lounge and over to where we were.

He was closely followed by the Head Steward, Mr. Miles and the First Mate, Capt. Don Sanders. Immediately thereafter five more gentlemen joined us and we were introduced to none other than two former owners of the boat, two pilots who first brought the boat from New Orleans to Cincinnati on its first trip up the Mississippi and "Mr. River" Capt. Fredway, Jr., who was responsible for the Delta Queen getting from Sacramento around through the Panama Canal and up to New Orleans. He is also a noted author of many books on steamboating. Well I was like a kid in a candy store, but I suddenly realized the importance of this creditque and felt that if they liked my work and it "passed" then I would continue painting steamboats. Reaction gave me reason to do so, as there was only two changes suggested.

I am sure many of you have traveled and had much more sophisticated experience than those we had on this trip, but having talked since then with other passengers who were on the same historic excursion, we have felt that there could not have been a more enthusiastic steamboat passenger list at any time. We have since learned of nearly all the passenger's interest in steamboating, and we feel it would make a good story.

There were movies being made by a California movies making company, the President of the Overseas Airways and his Swedish wife joined us to add to the celebrity list but there were small amusing incidences that add to the enjoyment of anyone's travels. Such as the first night at dinner.

We found after about a forty minute conversation that our table had been bugged and we had been included in the filming. We immediately tried to recall what had been said, and was amused to remember the conversation was how the city of Oil Trough got its name. The bear oil was sent down the river in a tree trough. The next night we had forgotten this incident. I joined three other ladies at the table and conversation started with how nice it was not to have to wear a girdle with some of the long dresses. We later again found out that our table was bugged, so we began to think about what we were going to say before going to dinner.

The Border Star and the Delta Queen raced again last month and we had great fun participating in it. My son rode the winner—Delta Queen and my husband and I rode the Border Star. We are looking forward to the race again next year when the Border Star is going to beat the Delta Queen. How about this having "steamboat races" in this atomic age. Among steamboat circles the races at Louisville each year is not the Kentucky Derby but the one between the Belle of Louisville and the Delta Queen.

Mrs. Bradford closed her talk by expressing thanks to the club for inviting her and said she hoped that something from the talk would make the exhibits of her steamboats in the library more meaningful to those who came to view them.

Mrs. E. M. Beatty gave the invocation at the luncheon. Miss Nellie Gant, an employee at the Mississippi County Library played violin music accompanied at the piano by Mrs. H. L. Veasman during the time the ladies were having lunch.

Mrs. Benny Nichol was chairman of hostesses who used arrangements of spring flowers to decorate the tables carrying out a St. Patrick Day theme. Serving with Mrs. Nichol were H. F. Ohlendorf, Mrs. R. B. Holthouse, Mrs. Leo Schrieck, Jr., Mrs. Joe Rhodes, Sr., Miss Ruth Richmond and Mrs. J. B. Seitz.

Other guests in addition to the speaker and Miss Gant were Mrs. Dick Cromer, Miss Julie Mae Morrison, Mrs. Lorene Gibbons, Mrs. Charles Wildy, and Mr. Elton McCann, Junior High Counselor in the Osceola school system.

CIVILIAN USE OF SURPLUS HELICOPTERS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. REUSS. Mr. Speaker, on February 15, I wrote to Secretary of Defense Elliot L. Richardson urging that surplus military helicopters be made available for use in civilian medical rescue programs and requesting a summary of the number and types of vehicles now in storage.

During the Vietnam conflict, thousands of lives were saved by using airborne evacuation to provide prompt medical treatment. Helicopters could serve the same purpose in domestic traffic accidents and natural disasters, and would be of additional value in law enforcement, traffic control, and fire prevention and control.

On March 13, I received a response from Joseph P. Cribbins, Director of Aviation Logistics for the Department of the Army, listing 1,459 military helicopters currently in storage, most of them at the Military Aircraft Storage and Disposal Center at Davis-Monthan Air Force Base in Tucson, Ariz. Mr. Cribbins conceded that the Pentagon has received "many requests from Federal, State, and local agencies for loan, transfer, or sale of helicopters to be used for medical evacuation and other purposes," and he acknowledged that the Pentagon has been testing a medical evacuation program—military assistance to safety and traffic—MAST—at several military bases since 1970. However, Mr. Cribbins said that the Pentagon has decided not to expand the program at the present time.

Most of these 1,459 vehicles are surplus to the requirements of the military service, and the Pentagon has the authority, under laws such as the Federal Property and Administrative Services Act of 1949, to make them available for civilian use. But the Pentagon keeps them in mothballs, when they could meet urgent civilian needs.

Many of the people injured in highway crashes die needlessly or are permanently disabled because they do not receive prompt and proper care. A recent report by the Center for the Study of Trauma at the University of Maryland says that "for every 30 minutes that lapse from the time of injury to the time of definitive care, the mortality rate increase threefold."

Since 1969, Maryland has had a civilian program of emergency medical evacuation, operated jointly by the Maryland State Police and the University of Maryland. But the high cost of purchasing new helicopters is a serious obstacle in widespread application of that program.

If the Pentagon's surplus vehicles were freed for civilian use, our highways would be safer and thousands of lives would be saved. An added benefit is that thousands of returning Vietnam veterans could be employed across the country, operating and servicing the helicopters.

On March 23, an editorial in the Sarasota Herald-Tribune of Sarasota, Fla., expressed support for civilian use of these surplus helicopters. The text of that editorial follows:

PUT USEFUL "CHOPPERS" TO WORK

Rep. Henry S. Reuss (D-Wis.) put forward a fine idea last week, when he suggested that the military should release for civilian use more than 1,400 surplus helicopters being stored on American bases. "Since the Vietnam ceasefire, most of these helicopters have been declared in excess of the requirements of the United States air services," Reuss said in his statement. "The Pentagon has authority to make them available for civilian use. But still they remain in storage, deteriorating and unused, when they could meet civilian needs."

The usefulness and effectiveness of helicopters for transporting the critically ill and injured, and for assisting in police work, has been demonstrated in many parts of the country.

Manatee County's Sheriff Weitzenfeld, has put in a request for a helicopter, but so far the funds have not been available. Probably Sheriff Hardcastle of Sarasota, and other police and public safety agencies, would like to have these aircraft, if they didn't have to pay the relatively high initial cost of purchasing them.

Another advantage of having these helicopters released is that they could provide good jobs for the hundreds and hundreds of Vietnam veterans who were trained to top proficiency as helicopter pilots, but cannot find jobs in civil life because of the relatively low number of helicopters in use.

In the aftermath of World War II, millions of dollars' worth of bulldozers, electric generating plants, and every conceivable type of equipment was destroyed, frequently by dumping from barges into the Pacific.

The theory was that if this equipment were returned to the United States it would cut down on the manufacture of new equipment and reduce the number of jobs.

We just do not buy this theory, but instead feel that if the surplus helicopters were put into the market, their use would stimulate the production of spare parts, the creation of overhaul centers, and ultimately encourage more communities and businesses to purchase newer, more modern versions.

Probably manufacturers have some hesitancy about the helicopters being released bearing their brand names, since there has been an unusual rash of suits against aircraft manufacturers, with juries tending to hold the manufacturers responsible, even though it was never proved whether the accident bringing on the suit was caused by a pilot or mechanical failure.

However, as these helicopters are in United States government hands, there must be some way to interpose the government's sovereignty between the manufacturers and the users. To date, the FAA, apparently cooperating with manufacturers, has declined to issue civil airworthiness certificates for the helicopters.

Unquestionably some of the surplus helicopters are not readily suitable for civilian use, but since they range from small, two-place, scout machines to medium transport

helicopters, many of them would surely be of great help to the public in a variety of roles.

Rep. Reuss has a good idea, and we hope that a way can be found to get around the red tape. What better use could there be for surplus military equipment than providing jobs for veterans, and for saving civilian lives?

ON CHISELING THE VETS

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. VAN DEERLIN. Mr. Speaker, articulate voices have been raised in the San Diego area—a part of which I represent—to protect the shabby treatment returning Vietnam veterans are receiving at the hands of a government that seemingly no longer cares.

These expressions, I think, are an indication of the nationwide concern over the plight of these veterans. I am sure that all our colleagues have been seeing and hearing plenty on this score from their own districts.

I will include at the end of these brief remarks an editorial and a letter, both published originally in newspapers serving the San Diego suburbs.

The editorial, which appeared last week in the Chula Vista Star-News, is a litany of the injustices perpetrated on these former service men and women. The letter was carried a few days earlier in the El Cajon Daily Californian; it documents the desperate circumstances in which many veterans who are attempting to attend school under the GI bill now find themselves.

Both documents follow:

CHISELING VIET VETS

Whatever one's views on the United States' intervention in Vietnam, it was not the fault of those who served there. The rank-and-file members of our armed forces did not make the decisions that dragged us into the war; that was the doing of the Presidents and the Pentagon generals and the admirals who fight wars from safe positions, like from 10,000 miles away.

Our servicemen, rather, were the war's victims, like the people of Vietnam and those Americans whose consciences compelled them to leave their homeland rather than be forced to fight in an enterprise they considered odious.

All of our servicemen in Vietnam lost something—if only some of the best years of their lives. More than 50,000 lost life itself. And a quarter of a million have lost part of themselves—a hand . . . a foot . . . an eye . . . or the ability of a part of their body to properly function.

Yet the Nixon administration, which is long on rhetoric about the "great debt" we owe our Vietnam veterans, wants to chisel down their benefits.

Incredibly, at the same time the last American troops are being withdrawn from Vietnam and a relieved nation is welcoming home its POWs, Mr. Nixon has presented to Congress a budget that slashes over a quarter of a billion dollars from the Veterans Administration for benefits to veterans.

Much of the cut in the VA's proposed budget would be in aid for disabled Vietnam veterans. Thus, a serviceman who lost five fingers in Vietnam would have his benefits cut in half—from $212 a month under the existing benefit schedule to $106.

A Vietnam veteran who had his leg amputated at his hip would suffer an even greater benefit cut from a grateful Nixon administration—from $275 a month to $106. And if he were lucky enough to have had his leg amputated only at mid-thigh, his benefits would be reduced to $77 a month, from the $179 he receives under present schedules.

This benefit reduction, recommended by the President's VA chief, would save Mr. Nixon $160 million of the $277 million cut he has proposed for the Veterans Administration.

Other cuts would be in veterans' education benefits, employment programs and work-study programs (which could provide 300 jobs for veterans at our own Southwestern College, alone).

The cuts for the disabled were justified by Mr. Nixon's VA bossman, Donald Johnson, on grounds that, thanks to new prosthetics and fewer jobs requiring manual labor, being disabled isn't such a handicap any more. Mr. Johnson, of course, is not disabled.

The cuts, he said, "just reflect our ability to spend prudently and wisely."

We do not think it is either prudent or wise to cut the benefits of Vietnam veterans; if anything, in the face of inflation and the agonizing readjustment problems all veterans face in returning home from an unpopular war, the benefits should be increased.

But that's the human way of looking at it. Mr. Nixon, however, looks at things differently. He believes in the philosophy of "self-help" (even if you're lacking an arm or a leg.)

That's why he's slashing the antipoverty program and cutting back on aid to the disadvantaged, the hungry, the ill-educated and the poor. No longer, under the Nixon Doctrine, should the unfortunate feed at the government trough.

The fortunate, however, will continue to munch there happily. For there is nothing in Mr. Nixon's budget that cuts fat subsidies to defense contractors or subsidies in the form of tax loopholes to oil companies and millionaires who get away with paying little or nothing in taxes—while Mr. Nixon cries budgetary poormouth and takes it out on the hides of the disadvantaged, veteran and nonveteran alike.

Mr. Nixon's proposed VA budget makes the Vietnam serviceman a second-class veteran—with far fewer benefits than for veterans of America's prior wars. (Indeed, the benefits for the disabled from earlier wars would remain the same).

Perhaps Mr. Nixon felt he could get away with this politically because Americans regarded Vietnam as a second-class war. Johnny did not come marching home to brass bands and cheering throngs, and only a minority of Americans viewed the war as an heroic enterprise.

But that is all beside the point. For America owes a debt to its Vietnam veterans not because of the merits or demerits of the war, not because of what the war accomplished or did not accomplish, but simply because it's right and it's fair.

Our servicemen in Vietnam paid a high price for a governmental decision; rightly or wrongly, the American people supported that decision, or at least passively accepted it. Therefore the government and the American people should compensate our Vietnam veterans.

We hope that Mr. Nixon's callous cuts in Vietnam veterans' benefits are fully restored by Congress.

COLLEGE VETS ARE DROPPING OUT

An open letter to Veterans' Administration, Regional Office, Federal Building, 11000 Wilshire Boulevard, Los Angeles, Calif. 90024.

Gentlemen:

During the month of February, 1973, the first month of our current semester, eighty-eight veterans withdrew from Grossmont College. Many of them, and I am unable to give you the exact number, were forced to drop out because of the lack of funds.

The same complaint continues to arise—payments from the V.A. have not arrived. I am fully aware that the veteran himself often contributes to this problem, but nevertheless many veterans are unable to buy books and supplies, are unable to pay fees, to pay rent, to buy food, and in many cases, to support families while checks are being held by the V.A.

I now have in my office a young Vietnam era veteran who is married, has children, and who has not received a penny from the V.A. since he filed his papers last November. He is withdrawing from school today in order to look for work. Now, he will not receive benefits, he has no job, and he has to repay borrowed funds, as well as pay rent and care for his family.

Can anyone really believe that he and his family are not becoming embittered?

And now, may I ask four important and pertinent questions?

1. In view of all of the rhetoric from the Veterans' Administration, the President and numerous politicians, when is the V.A. going to streamline its procedures so that veterans can receive the services and benefits to which they are legally entitled?

2. When is the V.A. going to publish guidelines and implement that portion of Public Law 92-540 relative to "work study" allowances for veterans?

3. When is the V.A. going to publish guidelines to implement advance payments to veterans who have returned to college, as the public law now provides?

4. When are educational funds for veterans, approved and signed into law under the so-called "Cranston Amendment," to be released and made available?

And now, I would like to make two suggestions:

1. San Diego is urgently in need of a regional office of the Veterans' Administration, if only on a temporary basis, in order to speed up services to thousands of veterans in the area. Money has seldom been an obstacle to the pursuit of war. Why should it now prove to be an obstacle when serving its veterans?

2. At a time when most public and private schools and colleges are being forced to reduce their budgets, they are also being asked by the V.A. to take on a greater and greater clerical task in the processing of veterans' benefits. Grossmont College is a prime example of such a squeeze.

In April, 1972, we received a check from the V.A. in the amount of $5,464 to compensate for services to 1,888 veterans who, according to V.A. records, were attending this institution as of Oct. 31, 1971. This amount scarcely pays the salary of a full-time clerk, and does not compensate for services rendered to:

a. Several hundred veterans whose papers were processed earlier, but (who) withdrew from school before Oct. 31.

b. Hundreds of additional veterans who enrolled, and were fully processed by our staff, during the spring semester.

c. Hundreds of veterans who attended summer session and who had to be processed by our staff.

d. Hundreds of inquiries, problems and complaints that come to our desk during the year.

At the same time, our staff, with a payment from the V.A. of $5,464 for the entire year, is being asked to form a veterans' club; help find jobs for veterans; make loans; provide special counselling; attack the drug abuse problem; provide special classes; improvise tutorial services; and many other things while experiencing severe budget problems of our own.

If these services are to be rendered, and if we are to recruit and keep veterans in school, then we need more funds for those

services. If they aren't forth-coming, then there is not much we can do for those "freedom loving," "patriotic," veterans of whom President Nixon said on Oct. 24, 1971, "It is to our veterans that we owe the final debt for America's greatness, and we intend to pay that debt."

BRING THEM HOME

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. GAYDOS. Mr. Speaker, with the return of our prisoners from Indochina, the time certainly is here for a major effort of Congress, backed up by a strong public opinion, to bring home, too, those thousands of other captives of our past illusions.

I speak of the 300,000 Americans wasting good years in Western Europe, the 50,000 in Japan, and the approximately 50,000 still manning the watch towers along the historic truce line in Korea—all supposedly safeguarding the freedom of peoples over there.

We know by now how unfair, if not totally absurd, have been the policies which placed them there. They are compelled to make the sacrifices of standy soldiers in foreign lands when those lands have ample men and means to protect themselves. And against whom are they standing guard? The old cold war enemies long ago lost their fearsomeness, at least to our protected allies, and today are claimed to be our friends.

Our role abroad has been an injustice to those personally caught up in it and a damaging factor to the U.S. economy. The cost of maintaining the overseas troops is estimated at $17 billion a year with the figure expected to go up another billion next year. And yet we insist on paying this enormous bill despite the widening trade balance against us, two recent devaluations of the dollar, the unmanageable Federal deficits and the cruel neglect, because we lack the money to meet them, of urgent needs at home.

We are persisting in this insanity for only one reason. With all good intentions, we allowed ourselves to get trapped in it while failing to foresee its inevitable consequences—that, once in and established, we would find it extremely hard to get our troops out. So we let them stay.

Our forces have meant a steady multibillion flow of U.S. dollars for their maintenance into the countries where they are posted. These dollars have had heavy impact on the West German prosperity and the good times generally in Europe and in Japan. Now, joined by those hoarded from our giveaway programs and newly gained in trade profits against us, they have so clogged up in the world's money channels that their value is lessened sharply. Still, we continue as the "Great Defender," paying with our buffeted dollars what otherwise would be the normal defense costs of "partners" abroad and letting them enjoy the benefits!

Every try to bring our men home has stirred up the "globalists" in the State Department and fretted the White House which obviously does not quite know how to handle an ally protesting a treat to the gravy train. News from Frankfurt, Germany, however, may show a turning. Crowds there demonstrated the other day against the U.S. military presence in their city and demanded its withdrawal. Perhaps, with our dollars no longer in high esteem, we shall hear again that "Yankee, Go Home!" cry which echoed so widely a generation ago.

It was disturbing to me to read recently that the White House is using our troops in Europe and Japan as bargaining chips to get trade concessions. This surely is an abrupt departure from the original purpose of sending them there. The President was overheard by newsmen as he told NATO Commander Gen. Andrew J. Goodpaster:

> The problem of trade will be interesting and sometimes difficult with our European allies and Japan. We can't overlook the fact that all this is tied into security arrangements we have with Europe and Japan.

Thus the President, in words certainly meant to be overheard, warned the Europeans and Japanese that, unless they stop clobbering us with unfair trade practices, we will cut the strength of our security forces in their countries. An end to the dollar drain of these forces, I might add, would make the need of such concessions less urgent.

If we bring home our men, then what shall we do with them? This question always is raised in some justification for keeping them away. But I say that, if they cannot be returned and readily absorbed in private employment, they still can be kept in uniform here and doing tasks more meaningful to their own country than they are doing now. And their support money and their own spending would be retained in the domestic economy, providing, indeed, a $17 billion shot in the arm which the economy well could use.

So, I say, let us bring them home from Europe, Japan, and other places too and, with them home, give full attention to protecting our own Nation from its real enemies of inflation, urban decay, pollution, disease, crime, drugs, traffic pileups, and so forth. It is ridiculous, in my mind, to raise the fears that, if we did this, the Russians and the Chinese suddenly would turn aggressive and that our allies, rather than using their own swollen treasuries and their own forces to protect themselves, would quickly lie down and accept the chains of unspeakable tyranny. This is so overdrawn as to seem silly to us now. And, still, it was this very kind of scare thinking which first led Uncle Sam into trying to protect, with our men and resources, the whole free world.

BYELORUSSIAN INDEPENDENCE

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mrs. GRIFFITHS. Mr. Speaker, on March 25, Americans of Byelorussian descent and all those who cherish freedom from bondage and tyranny observed the 55th anniversary of the founding of the Byelorussian Democratic Republic. I am happy to join with my colleagues in the House in paying tribute to the brave Byelorussians.

The Byelorussians were forced to live under czarist rule for several centuries until they seized the opportunity afforded by the Russian Revolution of 1917, and proclaimed their independence on March 25, 1918. They formed their own democratic government in their capital city Minsk, and began to rebuild their wartorn country. Unfortunately, the Byelorussian independence of 1918 was to be short lived. In December 1918, the Red Army seized Minsk and established a government of military revolutionary committees. Today, there is no real free and independent Byelorussia. They are under a Communist regime imposed on them by the Soviet Union. However, the desire of the Byelorussian people for their national freedom has not perished. The fight for Byelorussian independence is the fight of all the captive nations. Let us continue to hope for the day when these courageous people can truly say they are a free nation just as they were for those few moments in 1918.

A BILL TO EXTEND UNEMPLOYMENT BENEFITS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WALDIE. Mr. Speaker, major reductions in the employee levels of Federal agencies, layoffs in private industry, inadequate public services, and rising prices make it very clear that Congress must now respond vigorously in order to deal with the existing problems of unemployment.

I am introducing today a bill to extend unemployment insurance benefits for an additional 13 weeks beyond the current 26-week period in States which have an insured unemployment rate of more than 4 percent. Essentially, the provisions of this bill eliminate the "on" and "off" trigger mechanism in the 1970 Federal State Extended Compensation Benefits law. This would thereby extend unemployment benefits to workers, now jobless, in over 20 States.

In my State of California, unadjusted unemployment figures for January of this year show that 5.9 percent of the work force is unemployed—over 500,000 people. Over the last 4 years California's unemployment rate has risen from 4.5 to 7 percent in 1971, and preliminary figures for 1972 indicate an annual unemployment rate of 6 percent.

Mr. Speaker, I do not feel that Congress should allow the administration to on the one hand force massive reductions in employee levels in Government agencies in the name of "cost-saving" and in the other hand continue to allow corporations to escape paying their fair share of taxes.

Government must be responsive to the needs of all citizens—especially those

who suffer as a result of Government inaction. If the President is so insensitive as to continue avoiding the implementation of policies to create jobs and stabilize prices, the Congress must assume leadership for the interests of all Americans who want to and need to work, but who cannot due to the failure of the administration's economic policy.

The costs of implementing this bill cannot be considered fiscally unsound or inflationary, because the costs would not, in fact, be an item of expense to the Federal Government. Actually, the plan would be entirely financed out of taxes levied on employers which are paid into trust funds administered by the Federal Government.

Mr. Speaker, responsible leaders of Government cannot turn a deaf ear to the needs of those they represent. To those now exhausting their regular 26 weeks of unemployment benefits, as many as 4,000 per week in some States, we cannot turn back. I urge the Members to give this bill their careful and thoughtful consideration.

BYELORUSSIAN INDEPENDENCE DAY

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WYDLER. Mr. Speaker, at a time when world attention is drawn to the difficulties of those in the Soviet Union who wish to emigrate but are faced with either harassment or prohibitive fees, I rise to call attention to an entire nation that exists bound and confined within the Soviet Union. March 25 marked the 55th anniversary of Byelorussian Independence Day, and I am proud to add my voice to those of my distinguished colleagues who help commemorate what should be a joyful time for over 9 million Byelorussians.

The contrary is true, however. It is a sad commentary on the condition of personal freedom and national liberty in the Soviet Union that we in the United States must never forget that the Soviet leadership persists in perpetuating a myth when it maintains that the Byelorussian Soviet Socialist Republic is a free and willing member in a federal union of autonomous national groups. Nothing could be further from the truth.

Byelorussia suffered greatly under two centuries of Tsarist Russian rule—two centuries that had been preceded by centuries more of Polish domination. This nation of proud and industrious people, which at one time in the middle ages formed one of the most progressive and vital states in East Europe, found itself literally fighting to withstand countless attempts at cultural assassination and oppression from both Poles and Russians.

Finally, events surrounding the disintegration of the czarist empire during World War I permitted creation of a new Byelorussian state founded on rapidly developing Byelorussian nationalism. The Byelorussian National Republic, vibrant with new found pride and liberty could not overcome the handicap of wartime devastation coupled with political infiltration by Russian Bolsheviks backed by the Red army. Ultimately the Byelorussian national government was forced into exile and the remaining state, after a new period of Polish control, underwent the ignominy of a Russian-Polish settlement that partitioned Byelorussian's territory. A new struggle just to restore its geographic dimensions had to be coped with by the Byelorussian Bolshevik Government.

During the Soviet new economic policy—NEP—period from 1921 to 1929, the Byelorussians were among the most ardent defenders of their cultural identity and independence. In fact, the veritable groundswell of literary and nationalistic activity that developed helped the Byelorussians to jointly resist collectivization and socialization efforts. Indeed, under the NEP guidelines they quickly established a reputation as hard-working, industrious people in a free enterprise sector that continued to exist in deference to their fierce independence. Unfortunately, the Byelorussian S.S.R., already stripped of any real political autonomy, subsequently lost the educational and cultural freedom that existed in the 1920's.

Once Stalin was firmly in control of the Soviet Union's central authority, Byelorussian independence of mind and spirit came under a concerted attack. The result was a level of suffering exceeded only by that in the neighboring Ukraine. This campaign waged by the Kremlin to liquidate Byelorussian nationalism could not succeed, but it did severe damage. Nearly 15 percent of the peasants were deported, as much as 5 percent of the population died of starvation, the church was looted and razed, political and cultural leaders were arrested and removed by execution or deportation.

The determined Byelorussians, once again victims as before in their history, have weathered this and subsequent onslaughts and continue to demand recognition of their right to liberty and free expression. We can only feel saddened at the fate history has assigned these forthright people, yet we marvel at their resolute championship of their right to stand unbound alongside the community of free nations on this earth. We must applaud every gain made in their struggle toward real freedom, and it is with this in mind that I urge everyone to not ignore this nation's plight.

KENTUCKY STATE BASKETBALL TOURNAMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. MAZZOLI. Mr. Speaker, each year for the last 56 years Kentucky has held a statewide basketball tournament. In this year's final game Shawnee High School of Louisville defeated Male High School of Louisville to become State champions for the first time. It is my privilege to represent each of these fine schools in this Congress.

Kentucky is a basketball State. The quality of play and the enthusiasm of the fans is not surpassed anywhere in the country. It is a true achievement to make it through the tough regional competition to become one of the 16 teams in the final playoffs. The champion which emerges from this "sweet 16" is the best of the best.

Both teams in the final game were outstanding examples of the quality basketball played in Kentucky. Male, coached by Jim Huter, and Shawnee, coached by James Gordon, amassed impressive victory records during the regular season and their play throughout the tournament reflected championship style.

It was a long road for the players and coach of Shawnee from the first game of the season to the last seconds of the championship game in Louisville's Freedom Hall.

Each step of the way was paved with hard work, dedication, and personal sacrifice. I am honored to take note of the rewards of their efforts here in the Congress of the United States.

AMENDING THE FISHERMEN'S PROTECTIVE ACT OF 1967

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. TREEN. Mr. Speaker, I have cosponsored legislation with several of my distinguished colleagues to insure the safety of U.S. commercial fishing vessels, crews, and equipment against illegal harassment and seizure.

I am disturbed by recent incidents in which the Governments of Ecuador and Peru have seized American ships in what the United States regards as international fishing waters. The problem is that several nations are seeking to extend their boundaries to include all waters up to 200 miles from their shores. These new limits would exclude other nations' fishing vessels from some of the most productive international fishing waters in the world.

It is obviously not equitable for American fishermen to be confined to the traditional 12-mile limit off our own shores, while having to respect 200-mile limits for other nations.

I understand that the State Department is attempting to negotiate treaties with several of the nations involved; but until some equitable agreement is reached, we should all respect the existing rules and traditions of international law. Our resolution would convey to foreign powers the message that the United States is prepared to protect its fishermen. The resolution authorizes the President to use Navy and Coast Guard vessels, as well as air and sea surveillance of the contested waters, to protect American ships from illegal harassment and seizure.

The resolution follows:

HOUSE JOINT RESOLUTION 370

Joint resolution amending the Fishermen's Protective Act of 1967 to insure the safety of United States commercial fishing vessels, crews, and equipment against illegal harassment and seizure.

Whereas the Governments of Ecuador and Peru recently harassed and seized United States commercial fishing vessels while such vessels were carrying out fishing operations in international waters and subsequently levied fines against such vessels;

Whereas such illegal acts against United States vessels by the Governments of Ecuador and Peru as well as by other foreign nations have become more and more frequent; and

Whereas, although Federal law presently provides financial relief to the victims of such illegal acts, it is imperative that measures be taken to prevent the perpetration of such acts in the first instance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Fishermen's Protective Act of 1967 (22 U.S.C. 1971–1977) is amended by adding at the end thereof the following new section:

"SEC. 10. The President is authorized and directed to use vessels and aircraft of the Coast Guard or of the United States Navy, or of both, in such manner as he deems appropriate to insure the safety of any United States commercial fishing vessel and its crew and equipment while such vessel is carrying out fishing activities in waters recognized by the United States as international waters. In order to carry out the purposes of this section, the President is further authorized and directed to provide for the implementation of appropriate air and surface surveillance of those waters recognized by the United States as international waters in which United States commercial fishing vessels have been, or are likely to be, subjected to harassment or seizure by foreign nations."

MISTAKEN PERMISSIVISM

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WYMAN. Mr. Speaker, the mistaken and misguided view of the Constitution's first amendment as conferring absolute license to say anything one wishes, anywhere at any time, given sanction in judicial decision, has done great damage to our country. A reasonable measure of restraint in matters such as obscenities or libel and slander is a public necessity.

Recently a State university sought to discipline a student for willfully distributing on campus obscenities in printed form. "Unconstitutional" held a bitterly divided Supreme Court.

Applauding the decision as "free speech" is the Washington Post. Its editorial states the rationale of extreme permissivism in a nutshell. Those who believe our Nation needs reasonable restraint and not more license deplore this mistaken expression of approval of defiance of the attempt of a university to control obscenity on campus. It is difficult to understand how a major newspaper can get so far off base—if any base can remain in the wake of such judicial pronouncement.

The Post article follows:

WHO'S AFRAID OF A BIG BAD WORD?

Even the majority of the Supreme Court could not bring itself to spell out m____f____, as it ruled that its use in a university newspaper should not be suppressed and there is a certain logic in this simultaneous bow to good taste as well as to good law. Taking our cue from the court, we will identify The Word no further ourselves, other than to note that it is a word with which children from Harlem, Watts and Hough have been punctuating their sentences for years. It is also one which some black units used as a password in World War II because neither the Germans nor white Americans could pronounce it properly. And, lately, it has been taken up by the radical white left to scandalize whomever it is they are always trying to scandalize and to express their disdain for almost anything. And that is how The Word finally got to the Court.

It seems that Miss Barbara Susan Papish, a graduate student in journalism of little visible academic accomplishment, but of high political visibility, was selling a paper on the University of Missouri campus one day and the paper contained The Word. The administration of the University decided that in selling the paper containing the expletive in question, Miss Papish had violated the General Standards of Student Conduct, requiring students "to observe generally accepted standards of conduct." After due process had been observed, Miss Papish was expelled from the university for the infraction. She promptly went into the federal courts seeking an injunction on the ground that her First Amendment freedoms were infringed by the university's action. She lost in the trial court and in the Court of Appeals and then appealed to the Supreme Court.

She won there six to three, with Justice Powell joining the pre-Nixon justices and with Mr. Nixon's other nominees dissenting vigorously. The majority rested its decision on the principles that a university campus is not an enclave "immune from the sweep of the First Amendment" and that "the mere dissemination of ideas—no matter how offensive to good taste—on a state university campus may not be shut off in the name alone of 'conventions of decency.'"

The Chief Justice thought otherwise and said so forcefully. He suggested that a university is a place where, among other things, "individuals learn to express themselves in acceptable civil terms." He also chided his colleagues because he thought their resort in the opinion to capital letters and dashes was inconsistent with their conclusion. Mr. Justice Rehnquist thought, among other things, that limitations on the authority of university administrators, such as that imposed by the Court might lead to widespread "disenchantment" with the system of tax-supported colleges and universities.

We think the majority was quite right. The central purpose of a university is the encouragement and perpetuation of the freest possible flow of ideas and information. Although we do not suggest that this particular expression is a necessary, or even particularly useful, addition to the language, the idea that First Amendment notions of freedom of expression can be subordinated on university campuses to other interests such as "the conventions of decency" strikes us as profoundly pernicious and threatening to the essence of a university as well as to free speech everywhere.

WAR ON POVERTY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BADILLO. Mr. Speaker, President Nixon has apparently decided to give a new twist to the war on poverty—he demolished the Office of Economic Opportunity and declared war on the poor. As a result, our cities, already suffering from our lopsided national priorities that countenance an increase of the defense budget, but cannot sustain efforts to assist the elderly poor, are further deprived of the tools to help themselves. Community Action Agencies, which have acted as catalysts in mobilizing the strengths and resources of their communities shall, by executive fiat, now no longer be funded. Programs which were designed to allow the have-nots to become part of the action, which were intended to advocate the cause of those who thus far have not been heard, are now expected to become part of the establishment through that panacea for all our ills—revenue sharing. Localities, already slicing the meager pie of revenue available to them into more and more pieces are expected to pick up the tab for the poverty programs.

Mr. Speaker, all of us know that this cannot be done and, I believe, all of us suspect that this was not intended to be done. Having used to the utmost the spinoff authority of the Director of the Office of Economic Opportunity to delegate programs and having turned that office from an office of advocacy into an office of research and development, the President determined to use the power of the budget to terminate programs which by congressional mandate have been reserved for the Office of Economic Opportunity alone.

Only concerted congressional action has any chance of saving these programs—of salvaging at least a viable remnant of the structure which we must have if we intend to assist the poor to regain control over their own destinies. We must continue to have an OEO. For this reason, I have supported all the efforts that have been made to employ various and sundry means to thwart the President's intention to end the war on poverty. I sincerely hope that our efforts will prevail.

I do believe, however, that the present setup of the Office of Economic Opportunity, its very location in the Executive offices, makes it too vulnerable to undue reorganizations and removes it too conveniently from direct congressional control. For this reason I have introduced on February 20, H.R. 4343, a bill making OEO an independent agency and terminating its director's spinoff authority. I am today reintroducing that measure with 19 cosponsors and hope that it will receive the support of those interested in the continued efficient operation of the Office of Economic Opportunity.

For the information of my colleagues, I am inserting here the list of cosponsors:

LIST OF COSPONSORS

Hon. William J. Green.
Hon. Parren J. Mitchell.
Hon. Benjamin S. Rosenthal.
Hon. Shirley Chisholm.
Hon. Melvin Price.
Hon. Edward R. Roybal.
Hon. Antonio Borja Won Pat.
Hon. Michael Harrington.
Hon. Joseph Addabbo.
Hon. Robert F. Drinan.
Hon. Robert L. Leggett.
Hon. Bertram L. Podell.
Hon. John Moakley.
Hon. Jonathan Bingham.
Hon. Henry Helstoski.
Hon. Charles J. Diggs.
Hon. George E. Brown, Jr.
Hon. Charles Rangel.
Hon. Gerry E. Studds.

MARCEL FRANCISCI AS "MR. HEROIN"

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. MURPHY of Illinois. Mr. Speaker, in the March 15 RECORD, I noted that Marcel Francisci issued a defamation action against Congressman ROBERT STEELE and myself for mentioning in our May 1971 World Heroin Report Francisci's role in the French Connection, the heroin pipeline to the United States.

Francisci figured prominently in a Newsday series, The Heroin Trail, which labeled him "Mr. Heroin." Newsday senior editor Robert W. Greene and fellow reporters exhaustively researched the multimillion-dollar heroin business during a 3-month stay in France last fall. The entire investigation involved 9 months of persistent digging.

The title of the February 15 Newsday article, "Marcel Francisci's Good Life: Heroin and Champagne Do Mix," aptly describes the man in question. References to Francisci's financial and political connections as well as family difficulties are worth quoting at length:

A retired federal narcotics agent who served in France told us: "Everytime we mentioned the name Francisci to the French police, they froze. You could tell they didn't want to hear anything about him, much less work on him. He was a no-no. In this country we would have gotten him on a conspiracy a long time ago."

People who know Francisci say that he is a tireless campaigner for the UDR in Corsica. Even the police records reflect it. For example, in 1958 Francisci was called in front of the public prosecutor of Ajaccio to explain why he and his brother Jean had offered money to the head of a family with 15 voters to vote for Francisci's old mob friend Jean Colonna. Francisci said it was all a joke. The case was dismissed. And when he first ran for his own seat as the Gaullist counsel general from Zicavo, Corsica, in 1967, his opponent won. Francisci overturned the election, charging vote fraud.

Francisci still maintains a villa in Zicavo, and he is very good to the people of the area. According to a report in confidential police files, "his largesse toward the unfortunate of this mountain locality is priceless. He has contributed his own money for the supplies of the commune, restoring squares and streets and contributing to the refurbishing of the parish church."

In 1952, Francisci was involved in the attempted swindle of a gambling house in Aix-en-Provence, in southern France. Because of this the minister of the interior issued a decree Feb. 28, 1952, barring him from all gambling houses in France for life. In 1966, Francisci bought the Club Haussmann gambling casino in Paris. He told a respected French journalist that he had been able to buy the casino because of the intercession of his old and good friend, a high-school classmate, Jean Buzzi, at that time deputy to the interior minister.

In June, 1964, Francisci's brother, Antoine, returned to his home in Corsica one evening to discover that his wife, Simone, had a lover on hand. Antoine shot the lover through the throat, rendering him speechless for life. Francisci then took away the couple's only son, Jean-Francois, while Antoine spent a few months in jail. The mother went to the courts, who ordered the police to find the boy. They didn't.

But the child was discovered by police in October, 1964, when they raided the villa that housed the heroin lab of Joseph Cesari in Aubagne, near Marseilles. The people running the lab with Cesari were baby-sitting for the child because Francisci was busy in Paris. The police, despite the outstanding court order, gave the child back to Francisci and his brother. This fact was casually mentioned by the distinguished French reporter Jacques Derogy in a story on drugs in L'Express on Oct. 14, 1968.

"Two nights later," Derogy recalls, "I got a phone call at home at about midnight from a Corsican journalist who is a friend of mine. He said that Francisci wanted me to meet him in Fouquet's immediately. My friend said that he thought that it might be dangerous for me if I didn't go. I got dressed and went to the restaurant. Francisci was at a special table with some friends eating oysters and sipping champagne. He asked me to sit down.

"Then," Derogy said, "Francisci started complaining. It was a very Corsican thing. He said that he could take other things that I might write about him, but that I had gone too far when I wrote about his brother's wife trouble—family affairs. He said that I was not to write about such things again. The way he looked at me, I knew that he really meant it. Then, about the kid being in the laboratory, he said it was a big mistake, not his fault. He said that he had left someone watching the boy, who had turned the boy over to someone else. That's how he got to the lab."

In 1954, as part of his cover for frequent trips to Beirut, Francisci took control of the Casino de France, which has the games concession at the Casino du Liban. The Casino du Liban, which owns the building, was owned at the time by a huge Beirut-based banking conglomerate known as Intrabank. The banking concern, headed by Youssef Beidas, was heavily backed by the governments of Lebanon, Kuwait and Qatar.

The chairman of the executive committee of the bank until 1967 was H. E. Sheikh Suleiman Bey Al-Hamad Al Suleiman, former finance minister of Saudi Arabia. And Sheikh Suleiman was the Arab world representative buying guns from the French surplus arms company owned by industrialist Gilbert Beaujolin and his partner Col. Roger Barberot. These two men have long operated parallel intelligence agencies for the Gaullist government of France. And it was Barberot who introduced heroin courier Roger Deloutete into the French secret service and wrote to French Defense Minister Michel Debre in his behalf.

In 1961, Intrabank applied to open a branch in Paris. The French Banking Control Commission recommended against it. But then Finance Minister Valery Giscard d'Estaing reversed the decision of the board and granted permission. Lobbying d'Estaing for the bank were Interior Minister Roger Frey (head of the French national police) and French Deputy Jacques Baumel, who at that time was secretary-general of the UDR.

Shortly afterward, Intrabank gained indirect control of a materials company called CEMA, which in turn, under Intrabank direction, took over France's second largest shipbuilding firm, Chantiers Navals de la Ciotat. And, according to a confidential French Interior Ministry report obtained by Newsday, Francisci suddenly emerged as a major stockholder in both CEMA and the shipbuilding firm.

In 1966, Intrabank got into financial trouble. And the U.S. government became one of its creditors, as did Lebanon, Qatar and Kuwait. Each country, including the U.S., has a representative in Beirut overseeing the casino operations to protect the outstanding loans. As a result, Francisci, who has been named as a top heroin operator by two U.S. congressional committees, has the gambling concession in a casino that is under partial U.S. guardianship.

Jack Cusack, former European chief of the U.S. Bureau of Narcotics and Dangerous Drugs, did not make many friends within the French Government during his years there. Cusack refused to be optimistic about French cooperation with U.S. efforts to curtail drug traffic. He indicated on more than one occasion that huge bank balances protected France's top heroin traffickers and guaranteed special favors from financiers and politicans alike.

Cusack was unceremoniously replaced as a result of French Government pressure. Reports of French cooperation now pour in daily. Cusack incidentally was mentioned by Francisci in his defamation action against Congressman STEELE and myself.

Cusack's comments on special favors have been directed toward Marcel Francisci. Leaders of France's ruling Gaullist political party often intercede on behalf of Francisci. There is a logical explanation for such "strange bedfellows." In the late 1950's, President de Gaulle enlisted underworld figures to assist the Gaullists in their conflict with the Secret Army Organization—OAS—in Algeria. The racketeers kept their end of the bargain and government indifference to their criminal activities today amounts to compensation for past deeds.

Dominic Venturi, a close associate of Francisci, is a leading supporter of Gaston Deferre, the mayor of Marseilles and a leading Socialist. Venturi is, according to the Newsday series, "operating director of the Francisci heroin syndicate." Dominic's brother, Jean, married a Canadian citizen and is largely responsible for establishing heroin smuggling routes into the States via Canada.

The defamation action filed by Francisci against us Congressmen includes those newspapers which reproduced por-

tions of our report—Le Monde, Journal du Dimanche, France-Soir, L'Humanite, Parisien Libre, Valeurs Actuelles. The deposition further names radio stations which broadcasted news of our report.

An article published in L'Express during September 1971, gave a seeemingly balanced view of Mr. Francisci. The article quoted liberally Francisci himself who alleged that he "came out white as white" as a result of a 1957 inquiry of his activities prior to assuming ownership of the exclusive Haussmann Club. He noted further:

I don't have any enemies.

The same article stated that the mention of Francisci as an illicit heroin trafficker surprises Corsicans. The article continued:

The 300 inhabitants of his village of Ciamannacce, in the Taravo Valley, praise his generosity, and also his pity. M. Marcel has paid out of his own pocket for the re-surfacing of the cemetery road. On holiday, when he leaves the family yacht in Ajaccio Harbor and the hubbub on the terrace of the "Nord-Sud," he climbs up on a Sunday to the village with his wife and daughter. To attend Mass.

Mr. Francisci has succeeded in duping his fellow Corsicans. It is my intention to see that the deception stops there.

LEGISLATIVE PIPELINE PROJECT

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BROOMFIELD. Mr. Speaker, I would like to take this opportunity to commend the Jaycees of Rochester, Mich. for their continued interest in and support for various public and community service programs.

The most recent example of this commitment was the legislative pipeline project initiated by the Jaycees in order to survey the opinions of citizens on a wide range of important national issues.

Approximately 200 surveys were distributed at random at two local shopping centers. The results were forwarded to me and along with the many spontaneous comments volunteered by the respondents they represent a valuable measure of the concerns and attitudes of my constituents. Many people, who for one reason or another, might have been reluctant to write their Congressman were given an opportunity to express their views.

The results indicated a very strong opposition to forced busing, a growing concern over the escalation of prices and particularly food prices and a desire for stiffer penalties for many criminal offenses. In this latter category, a surprisingly large number of people volunteered their concern that drug pushers should receive longer jail sentences.

Mr. Speaker, it would be difficult to overestimate the value of this legislative pipeline project. The Rochester Jaycees should be commended for initiating this program which benefits not only the people but their elected representatives as they strive to represent the best interests of their constituents.

I include a copy of the Rochester Jaycees' questionnaire so that my colleagues can see for themselves how comprehensively this survey covered the major topics of current national concern:

LEGISLATIVE PIPELINE

1. Should there be legislation or a constitutional amendment against forced busing?
(a) Yes ---------- 150
(b) No ---------- 44

2. Should the death penalty be mandatory for certain crimes?
(a) Yes ---------- 140
(b) No ---------- 57

3. If your answer in 2. is yes, for what crimes (circle as many as apply).
(a) Killing of a policeman or fireman on duty ---------- 119
(b) Aggravated rape ---------- 52
(c) Murder ---------- 116
(d) Skyjacking ---------- 80
(e) Assassination of a public official ---------- 108
(f) Other ---------- 12

4. The following deal with federal spending and taxes (circle as many as you feel apply).
(a) American money should be used to rebuild North and South Vietnam ---------- 40
(b) American money should not be used in North Vietnam ---------- 102
(c) Program like OEO (Office of Economic Opportunity) should not be cut ---------- 85
(d) Taxes must not be raised even if some federal programs must be cut out ---------- 80
(e) Persons over 65 should have some substantial property tax relief from congress ---------- 158
(f) The President should not cut funds for pensions to disabled veterans ---------- 135
(g) Other ---------- 3

5. Wage and price controls.
(a) Wages are controlled, but prices are not ---------- 99
(b) The 5.5% maximum wage increase is too low ---------- 99
(c) Wage and price controls should be strictly applied ---------- 105
(d) Neither wages nor prices should be controlled ---------- 15
(e) Special legislation should be passed to control rising food costs ---------- 115

6. Does the Supreme Court have the authority to make the decision they made in the abortion case?
(a) Yes ---------- 96
(b) No ---------- 98

7. Should a federal law be passed to restrict the availability of handguns?
(a) Yes ---------- 147
(b) No ---------- 47

8. What should be done to draft evaders who wish to return to the U.S.?
(a) They should be required to serve a jail term ---------- 54
(b) They should be given amnesty, with no restrictions ---------- 26
(c) They should be given amnesty, provided they perform 3 years' national service ---------- 103
(d) Other ---------- 14

9. Should there be a reduction of troop strength in Europe?
(a) Yes, unconditionally ---------- 66
(b) Yes, if the Soviets carry out a similar reduction ---------- 101
(c) No, under no circumstances ---------- 27

10. Should the U.S. aid Laos and Cambodia?
(a) Yes, with funds, supplies, and bombing strikes ---------- 15
(b) Yes, with funds and supplies, but no bombing ---------- 57
(c) No aid should be provided ---------- 77

11. Should Congress make safety equipment for automobiles mandatory?
(a) Yes ---------- 112
(b) No ---------- 77

12. Should the U.S. have either socialized medicine or national health insurance for all citizens?
(a) Should have socialized medicine ---------- 57
(b) We should have national health insurance for all ---------- 96
(c) Neither ---------- 54

DREAMING OF ISRAEL

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BELL. Mr. Speaker, the tragic situation which confronts Russian Jews wishing to emigrate to Israel is exemplified by the transcript of a telephone conversation between a 34-year-old Jew from Leningrad possessing those desires and one of my constituents, Stuart Lotwin.

The transcript of the January 14, 1973, conversation was forwarded to me by Mr. Lotwin, who spoke with Daniel Teitelbaum, married, father of two, and a candidate of technical sciences. In it, Mr. Teitelbaum relates the numerous procedural difficulties which have been encountered by his family and friends in their efforts to obtain exit visas from the Soviet Union in order to reach freedom in Israel.

Mr. Speaker, I should like to insert this conversation in the RECORD in the hope that we may see the end to such needless persecution of Russian Jews and the realization of their dreams to have a safe arrival in Israel:

PLIGHT OF DANIEL TEITELBAUM

Telephone conversation between Stuart Lotwin, Los Angeles, California and Daniel Teitelbaum, Leningrad, USSR on January 14, 1973:

S.L. Shalom, Friend Teitelbaum.

D.T. Yes, Yes.

S.L. Is that you? This is your friend Stuart Lotwin calling from America.

D.T. I understand, I understand.

S.L. You understand; well listen to me and we'll converse. My name is Eliezer and I am speaking to you because Mr. Lotwin does not speak Yiddish.

D.T. I understand.

S.L. He is a friend of Lev Lerner who is now in Tel Aviv. Do you understand?

D.T. I understand.

S.L. I want to ask whether you have any news to convey to us. And I'll allow you to talk as long as you please.

D.T. Good! Good! Well we have no concrete (hard) news. With us it is very hard. Things are very tough in Leningrad.

S.L. Hard?

D.T. In the last days we have had bad answers.

S.L. Bad answers?

D.T. Refusals!

S.L. Refusals! I understand.

D.T. They refuse us, the reasons are ridiculous, silly.

S.L. I understand.

D.T. With one the refusal is on account of "secret work."

S.L. What is the name of the one that was refused on account of "secret work?"

D.T. Chernoch. He has tried 4½ years and still he is refused. And another Bert, a woman whose daughter works on secret work, but daughter *does not* want to leave,

only the woman who is 60 years old and she cannot leave.

S.L. Tell us about yourself.

D.T. We have been waiting for two years.

S.L. And you're refused?

D.T. I submitted my documents last time in October. Already 3 months and some days, and yet not received answer. We rode to Moscow and there we were told that we would be getting answers. First they said November and then December. They promised us. And now in January. You understand?

S.L. I understand each word. Continue to talk.

D.T. Good, good. They had lied to us. Now there is a commission in Leningrad. The Minister was here.

S.L. What is his name, the Minister?

D.T. Sholahov.

S.L. Speak, speak.

D.T. We have written to every place possible. To Chief of police, the government, the Kremlin and all the time we get one answer. We have to get our documents at the Leningrad OVIR.

S.L. Please wait a minute! I must ask you several questions. We well understand your situation, but we must have certain information in order to be able to help you. What is your wife's name?

D.T. Margaret is her name.

S.L. How old is she?

D.T. 33 years.

S.L. Is she working?

D.T. No.

S.L. What was her work?

D.T. At a factory.

S.L. Factory?

D.T. Where they make ships—a shipyard. She does not have a higher education. She is a typist—a copier.

S.L. I understand—she operates a typewriter. Do you have children?

D.T. Two children.

S.L. Boys or girls? What are their names?

D.T. A boy, 6 years, Ilia; a girl, 4 years, Sonia.

S.L. Good. Are you now working?

D.T. I was working before I submitted my papers.

S.L. What were you working as?

D.T. How do you call it—yes—Senior Scientific.

S.L. What was your work? I don't understand it completely.

D.T. A Scientist—an electrical engineer.

S.L. Were you employed where secret work was done?

D.T. No, nothing secret.

S.L. Well, I want to tell you this. We are with you 100%. We want to help you. We will help you. Nothing will deter us until you get permission to leave. Do you understand?

D.T. Yes, I understand.

S.L. And above all, I want to tell you that we will not forget you. I speak not only for myself but for a whole group of people. And now I'll tell you some news from here. Two days ago I heard from my Senator. He knows your name already. He has spoken about you to our Department of State, Secondly, the largest newspaper in the Western United States, here in California, knows of you. Perhaps in several weeks your name will appear in that paper.

D.T. I understand.

S.L. Now I want to ask you. Are there any English speakers in your family?

D.T. I know several who speak English but not very good. I can give you their telephone numbers.

S.L. Don't bother. I want to talk with you. Do you want letters in English or Yiddish? It is all the same to us.

D.T. It is immaterial to me. I know a little English. I don't speak but I read and translate.

S.L. Now I want you to answer three questions. First, do you have enough food?

D.T. Again.

S.L. Do you have enough food?

D.T. Again.

S.L. Food?

D.T. Food, No! We still have food.

S.L. How about clothing?

D.T. But I want to tell you this. It is very hard for us. Most of us are unemployed. We have families where neither husband nor wife work.

S.L. Clothing? Warm clothing?

D.T. Yes, we have although you could help us with that.

S.L. Tell me—have you ever heard of certificates to Vneshposyltorg stores?

D.T. I received them once.

S.L. Do they help—the certificates?

D.T. They help. I want to tell you that our greatest hopes depend on you, only on you.

S.L. We assume the burden. We promise you that.

D.T. We're putting great hopes in your Congress.

S.L. We, too, are putting our hopes in our Congress. Give our love to your wife and son and daughter. Be well—we will talk to you again.

D.T. Good, good.

S.L. Shalom.

D.T. Shalom.

S.L. L'Hitraot.

D.T. L'Hitraot.

S.L. Shalom.

SEEK CONSTITUENTS' OPINIONS

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. WYATT. Mr. Speaker, each year since I first entered Congress in 1964, I have sent a congressional questionnaire to my constituents requesting their opinions on the serious issues confronting our Nation.

I am presently in the process of mailing my 1973 questionnaire, and would like to share the text of this document with my colleagues. I consider the results of this opinion poll to be extremely informative, and I am anxiously awaiting the response of the people of the First District of Oregon.

The questionnaire follows:

I. Do you feel the President should be able to impound federal monies which the U.S. Congress has already approved for spending?

Yes.

If Congress approved.

No.

No opinion.

Other alternative.

II. Should the Social Security Tax be absorbed into the Federal Income Tax structure?

Yes.

No.

Change in some other way.

No opinion.

Other alternative.

III. Should members of the press (newspapers, magazines, radio and TV) be protected by law from having to disclose their sources of information even if a court, legislatures, or executive branches of government feel that they should disclose their information sources.

a. Yes (Newsmen's sources should be protected).

b. No (Newsmen should be forced to disclose).

c. No opinion.

d. Other alternative.

IV. Now that there is a cease fire in Vietnam and the U.S. prisoners are being returned should those persons who have deserted from the armed forces or evaded the draft during the Vietnam War be granted some form of amnesty?

a. Now.

b. Sometime in future.

c Never.

d. Equivalent service.

e. No opinion.

f. Another alternative.

V. Even if it might result in higher taxes to you, would you favor substantial federal incentives in the form of federal grants, tax incentives and strong federal controls on industry and state and local governments to reduce air, water, land and other pollution?

a. Yes.

b. No.

c. No opinion.

d. Other alternatives.

VI. Should access to and use of marijuana be treated in the law much the same as alcohol now is?

a. Yes.

b. No.

c. No opinion.

d. Other alternatives.

VII. Do you think the federal government should provide a medical insurance program to everyone, even if it meant higher taxes to you?

1. If you answered yes above, how would you finance it? (Select One)

a. Social Security taxes.

b. Income taxes.

c. National Sales Tax.

d. Other alternatives (Please describe).

2. No.

3. No opinion.

4. Other alternatives.

VIII. In order to slow inflation should the Federal Government

a. Continue the present program of wage and price controls pretty much as the Administration is now doing.

b. Increase Taxes.

c. Reduce Federal Expenditures.

d. Place stronger controls on:

1. Wages.

2. Prices.

3. Profits.

e. None of the above.

f. Other alternatives.

IX. Do you feel that there should be some legal constitutional constraint by Congress on the President's power to commit U.S. troops outside the U.S. to hostile actions?

a. President should be limited to committing troops to hostile action for only sixty days unless specifically approved by Congress.

b. No change should be made in the present powers of the President to commit troops to hostile action outside the U.S.

c. Other alternatives.

X. What legislative programs or policies should Congress pass or change?

THE FUTURE OF OUR EARTH LIES BEYOND "Z"EBRA

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. TEAGUE of Texas. Mr. Speaker, I feel privileged to insert in the RECORD the speech delivered by one of our distinguished astronauts, Mr. John L. Swigert, before the Colorado Bankers Association in Colorado on February 19, 1973:

SPEECH BY JOHN L. SWIGERT, NASA ASTRONAUT

It's good to be home again, and I'm very pleased that you asked me to come here and address the members of the Colorado Bankers Association.

In my search for remarks that might interest you today, I rejected the idea of talking about Apollo 13 because it is almost three years into the history books. In fact, our last Lunar flight, Apollo 17, is also history now. But the data collected by our Apollo flights is not history. This treasure of new data will keep scientists busy for years and will provide new insight into the world in which we live. But it is a remembered inspiration, also, to the whole world, recorded forever in history that in 1969 Americans first landed on the moon. As Americans, you can indeed be proud, for Apollo was your program.

I would like to begin these remarks with some words from a book by a doctor with whom some of you may be familiar—Dr. Seuss. Although these words come from a children's book, there is meaning in them for us all:

"Said Conrad Cornelius O'Donald O'Dell, my very young friend who is learning to spell, the "A" is for Ape and the "B" is for Bear. The "C" is for Camel, the "H" is for Hare. Through to "Z"—"Z" is for Zebra, I know them all well, sayeth Conrad Cornelius O'Donald O'Dell. From beginning to end, from start to the close, because "Z" is as far as the alphabet goes. Then he almost fell flat on his face on the floor when I picked up the chalk and drew one letter more. In the places I go, there are things that I see, that I never could spell if I stopped with the "Z"."

As the command module pilot on Apollo 13, I have been privileged to be one of 24 astronauts who have had a long, far away look at this earth on which we live. When you see our whole world, all at once, on a scale where you can cover it with your hand, the beauty and awe of this new perspective cannot help but influence your thinking. Every astronaut who has returned from the moon has said it has changed his outlook at life. Imagine yourself far away from earth, looking back on a colorful sphere silhouetted against the black vastness of space. You see no boundaries between nations . . . no races . . . no different religions . . . no opposing political philosophies. Just one small planet inhabited by some 3½-billion varied individuals . . . all seeking about the same thing from life. You see the world not from the concern for an individual or a group or a city or a nation, but from a concern for all mankind.

If this earth is a closed system, representing, in Doctor Seuss' fashion, from "A" to "Z", then an Apollo mission is truly a trip "beyond zebra." You understand, when you view the world as a small sphere, that if this closed system where all resources have a limit is not managed with new imagination, then there may also be a limit to the time of man on earth. All of us—and particularly those in positions of leadership in government and industry—must plan new solutions for problems that must be solved within the next 30 years. Today, I want to stir your thoughts beyond the usual. . . . I want you to join me on a trip "Beyond Zebra."

Turn your thoughts ahead to the year 2000 when the population of this planet will have doubled and there will be 7-billion people. This means that we have less than 30 years to double or triple this planet's food production which has taken centuries to develop. Agriculture will find the space program an indispensable tool in meeting this challenge.

Sensitive sensor systems onboard a spacecraft can tell more than a farmer now knows about his own plot of land—the moisture content of the soil. . . . Whether he has vigorous or ailing crops and even the degree of crop disease or insect infestation. . . . . Where there is useable land that lies untilled and actually even what kinds of crops will grow there. . . . The location of uncut timber or underground water that is waiting to be tapped, and the existence of geological faults suggesting mineral deposits or oil fields. Let me show you pictorially in a few of these slides.

A single spacecraft can sense every corner of the world every 18 days, and do it for months or years. Imagine what could be accomplished by a system of spacecraft, each feeding its data into a central computer complex. At a single instant of time the exact status of the whole world's agricultural output would be known. Tillable land all over the world that is unused could be planted with the needed kinds of crops. From determining snow depths, spring runoffs and floods could be predicted. We would know whether to expect short falls or bumper crops of grain in both the northern and southern hemispheres; whether potato blight is about to break out in Maine or coconut wilt in Kerala. We would be able to adjust planting schedules to plant more corn in the southern hemisphere if drought had taken its toll six months earlier in the northern countries.

The pressures of population growth and world hunger are real. Because we believe in the dignity of man, it is innate within us that people should never be allowed to starve. But sometimes the impact of starvation gets lost when it happens to people on the other side of the world . . . or to people in the year 2000. In a world where everyone does not have adequate food today, it is well established that hungry people make ideal targets for political systems that ferment unrest in their efforts to dominate the world. What are the chances for a lasting peace if there are no provisions to provide food for the increased population? Will your children or their's be called on to fight more wars that might be prevented if we expand our planning beyond the "A" to "Z" of today?

Two recent isolated news events have focused our attention on problems which are interrelated in their solutions. During the recent cold spell, schools and factories in many states could not open for lack of fuel to provide heat. The oil rationing in some eastern states is another indication that the energy crisis is upon us. This entire nation of 200-million people burns more energy than all the people in Japan, Great Britain, Germany, and the Soviet Union combined.

Just last year our 109-million cars used 90-billion gallons of gasoline; our 2,000 jetliners more than 1-billion gallons of jet fuel; and our 3,400 power plants 1-billion barrels of oil, 4-billion cubic feet of gas, and 300-million tons of coal. Coal mines and oil and gas fields don't reproduce—every time one is drilled or mined there is one less to go! Even today we consume more energy in this country than we produce. The cost of imported petroleum amounted to 4-billion dollars last year. By 1985 economists predict that more than half our oil and gas will come from imports, increasing the balance of payments deficit in petroleum to 30-billion dollars. Because the supply of natural gas will be insufficient to fulfill this nation's future needs, oil will be in even greater demand. And the great bulk of the supply of both rubber and organic chemicals is derived also from petroleum.

In 1985, this Nation's oil and gas supply—and our standard of living—may well depend on how we are getting along with countries such as Libya, Algeria, Nigeria, Saudi Arabia, and the Soviet Union. Many of these foreign producing areas have long been the scene of strife and turmoil. As the dependence upon foreign sources of supply increases, this Nation will be placed in a highly vulnerable position. The supply of oil could be halted by a governmental action, by sabotage, or by military conflict between nations. Even a brief interruption of the supply can have a severely damaging impact on this Nation's economy.

The energy crisis threatens the American way of life—at least the life that means to you color television, frostless freezers, electric blenders, knives, grills, and the myriad of other ways we enjoy life. To depend upon uncertain foreign sources for such a high proportion of this Nation's oil supply would make no more sense than to expect foreign countries to provide for this Nation's defense.

The second event to make national news recently was a proposal by William Ruckelshaus, head of the Environmental Protection Agency, to ration gasoline in the Los Angeles area in an effort to decrease air pollution there. We are taking the first tentative steps toward a new national goal—the remaking of our environment. Pollution will be a continuing problem because it is a product of congestion—both population and industrial. There will be efforts to escape it by leaving it behind. . . . To minimize it by dispersal or by overly restrictive controls or the relocation of economic activity. The cost of our environmental efforts will be enormous. The projection by William Ruckelshaus is a phenomenal $105-billion over a five-year period. For a comparison, the Apollo Lunar Landing Program, from the moment President Kennedy announced the goal until Neil Armstrong stepped on the moon, cost $24-billion.

The cost incurred in applying current technology and developing new technology to clean up our environment will eventually be passed on to the consumer in the form of higher prices for everything from food to toys. For the money spent on pollution abatement controls and facilities doesn't contribute to productivity. . . . And productivity is the essential ingredient of growth . . . and growth means jobs. Harold Scott, Assistant Secretary of Commerce, put it even more bluntly: "You begin to cost our environmental solutions and you find that many of our industries are going to be priced out of the world market."

An editorial of the Indianapolis Star pointed out the effect of foreign competition already: "Bendix Corporation recently announced that it is closing a manufacturing automotive plant and moving it to Mexico—too much competition. Westinghouse has decided to get out of the small appliance business—foreign competition. Remington Rand and Royal Typewriters are discontinuing U.S. production. Motorola has said that it is getting out of the portable radio and television business. B. F. Goodrich is closing up its footwear business—the competition from abroad is too much."

This all seems contradictory. Does the future mean that in order to maintain a competitive international economic position, we must reduce our efforts to obtain clean air and clean water? How does this nation go about achieving the economic growth that will not just halt the loss of jobs but will provide the necessary 20-million new jobs for our future population in the next 20 years? And, how does this Nation sustain the high standard of living for its people without the energy for its enormous productive capacity? And, how do we obtain this energy without depending on foreign supplies or burning high polluting materials such as high sulphur coal?

This complex problem has a single solution in an imaginative and entirely feasible application of space technology. Instead of trying to control pollution by curing the symptoms, why not cure the disease by developing a new source of pollution-free energy? The enormous consumption of this

planet's energy sources and the chemical and nuclear wastes associated with power generation could be alleviated by placing power generating stations in space. Large orbiting solar collectors would convert sunlight into electricity which would then be changed into microwave energy and beamed to earth, where it would be collected by an antenna and converted back to electricity. There is a solution both to the energy crisis facing our Nation and to the pollution of our environment if we start thinking "beyond zebra."

To apply space technology to these and future problems of mankind in any practical sense, the cost of placing payloads into orbit must be reduced. It doesn't make much sense to discard expensive spacecraft after just one use. The Space Shuttle—NASA's next major space program—is a combination aircraft and rocket that will achieve its economic savings by reuse again and again. Space Shuttle is a multipurpose vehicle that will be our workhorse in space in the decades ahead. It can perform scientific missions of its own or it can be used to launch or retrieve malfunctioning satellites and bring them back to earth for repair and relaunch. In its 15-×60-foot cargo bay could be carried the equipment to assemble power generating stations in space or to launch unmanned probes to other planets to increase man's knowledge of the universe. It could also be used to perform a military mission if that should ever be required.

There are many eloquent spokesmen—writers, academicians, and some prominent political figures—who maintain that we must reorder priorities . . . that we should spend less on space and other technological programs and more on the social problems that exist in our country. They would divert the 1⅓ cents of each Federal tax dollar now spent on space to the 45 cents we are spending on our social programs. I do not deny that there are pressing social needs, but even if that 1⅓ cents should accomplish the impossible and solve *all* of our social problems, what is the risk of this "A" to "Z" philosophy to our Nation and the world—in the future.

There must be a continuing stimulus to our economy that will provide employment for the continually increasing work force and also keep this Nation competitive in international trade. The space program is that stimulus—because it has set the pace for science and technology in this country, forcing an advance that had only previously occurred in wartime. The space program accomplished the same end in peacetime and, in that sense, could be termed a "moral substitute for war." It is science and technology that holds the key to the solution of major problems facing this country and will also provide the needed employment and the economic expansion to finance future social programs. Many Americans today seem much more interested in how to divide up the available wealth than in how to create new wealth. It is not a matter of choice between social programs and something else; it is a choice between social programs and the ability to support social programs. Obviously, the economy cannot be made self supporting if the economy is not a generator of goods, for without generators of wealth there can be no social programs.

I, for one, strongly believe that the two—space and social programs—are not mutually exclusive. . . . And must exist together, each with its own importance. For in our haste to solve our present difficulties, we cannot neglect our youth and generations unborn. Arthur Clarke, a noted writer, has said: "A Nation which concentrates on the present will have no future. In statesmanship as in everyday life wisdom lies in the right division of resources between today's demands and tomorrow's needs."

The histories of English speaking democracies are almost universally characterized by a management of crisis rather than management of society. Look at some of the examples that have occurred during your lifetime. We reacted to the crisis of the depression. . . . to Pearl Harbor. . . . and to the crisis of Sputnik.

It is rare, however, to find historical examples of long-range plans designed to avoid probable or even certain crisis. . . . or long-range plans designed to provide for the well-being of a future generation. Our approach to national problems today is characteristic of our indifference to approaching crisis. If you listen carefully, most of the argument about current national problems centers about how much tax money should be spent on the "A" to "Z" to make the symptoms of problems less noticeable. There is little discussion about putting some of this money to work "beyond zebra" or curing the diseases that produce these symptoms.

As the problems of the world become more complex, the time to solve them becomes greater. To protect our freedom, it took only four years after Pearl Harbor to turn this Nation into the greatest military power in history. But it required almost a decade to achieve a dominance in space after the crisis of Sputnik. You cannot suddenly materialize trained scientists and engineers overnight. A world-wide system to conserve and manage this planet's limited resources cannot suddenly be put into operation when starving billions and warring nations signal its need. Nor can power generating stations be quickly placed in space to provide ecological solutions to our dying lakes and rivers or the needed energy to maintain our standard of living. These require long-range decisions, planning and organization of government and industry, and a commitment of human and economic resources.

The future must be given more consideration if there's going to be any kind of life for your children or the succeeding generations. We must think beyond the finite. . . . We must see "beyond zebra". . . . For only then can we open this closed system we call earth.

DEAR POW: WELCOME BACK

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. BOB WILSON. Mr. Speaker, as we welcome back our returning prisoners of war and rejoice in their health—both mental and physical—we cannot help but marvel at the strength which saw them through their captivity. I would like to share with my House colleagues the following "Dear POW" letter by Max Lerner, published in the Daily Californian, El Cajon, Calif.:

DEAR POW: WELCOME BACK

CHICAGO, Ill.—Dear POW: Welcome home to what remains the only fabulous country. With few exceptions, Americans are proud of you and of how you behaved in your long ordeal of imprisonment. Don't let anyone tell you differently. Here in Chicago and in Florida, Pennsylvania, Indiana, where I have been traveling, I have felt this outflowing of pride and warmth toward you.

You have expressed surprise at it because you heard in your camps about the antiwar demonstrations. Yet it shouldn't surprise you. This has been a war without heroes probably the least popular war in American history.

Nonetheless, the hero-hunger is there—for a chance to welcome heroes home. You and your fellows fulfill that hunger. While the war was going full force, and even during the phased withdrawal, the returning soldiers understandably came back in silence. This is the first war I can recall where the prisoners, not the main bulk of the army, get the welcome. I wish we had reserved some for the nonprisoner wounded.

To be proud of their returning prisoners, a people must at least have come to terms in their own minds with the war they fought in. The way the war is ending makes that possible now. If the United States had ended the war unilaterally, as some proposed—if there were no political settlement, only an exchange of prisoners—the whole national climate would have been different. You would have returned amid bitterness from every direction. What makes me happiest is the current climate of your return. You make us feel better about how the war ended, and how the war ended makes us feel better about you.

We like the coolness and self-discipline you showed in the camps. For years to come, I suspect, you will look back at your prison-camp days, not with pleasure but with something better than pleasure—with self-respect tinged with awe at what you and your fellows endured, how your morale survived, how you organized for study, exercise and debate, the kind of fellowship you achieved. That cracked cup or plate you brought back with you, that bent spoon—they will bring back memories that the rest of your life may never match.

Yes, there must have been quarrels, recriminations, divisions among you. How could there fail to be, since you grew to manhood in an individualistic society? There must have been some who broke discipline by making antiwar statements for their captors, not under duress, against the orders of their own commanding senior officers. Whatever their act—and it was shabby—there isn't much point in dragging it up now. They may have felt they were speaking out of conscience: Leave them now to their own consciences and their own memories.

That doesn't mean a total close-mouth policy about the camp experiences. The Pentagon has kept a watch over you since your return. Until all the remaining prisoners are back, it makes sense not to rake up the embers of resentment. After that we must take the lid off. We need to know more, in depth, about the behavior in the camps—whether the old Rules Manual needs revising, how deep the quarrels were, what kind of personality took it best or worst, what belief and what value structure kept a man's spirit sustained. We can know it only if we use a research approach, not a public relations one.

Waiting it out must have been an eternity for you, especially since you were unsure about what was happening in your society. You missed those you loved—parents, women, children. For most of you there was some inner assurance about them, for others a gnawing doubt. You had a lot of time to think about things. Not all the thoughts could have been comforting.

One thing you bring back to the United States that was badly needed—a willingness to speak out about what was thought to be square in the whole past decade—love of country. If you didn't bring this back with you, how could you endure the memory of your ordeal? We at home had almost begun to despair about something so elementary and elemental. As with love between people, it should be deserved, but it must also outlast imperfections and inadequacies on one side or the other. You have kept it alive and have shown that it need not be linked with hatred of other countries and systems.

You will come to know more about this society you have come back to—about the convulsions through which it passed, the scars it suffered, some old values weakened and others renewed.

You have lost some good years of your

life—was it four, five, seven?—but were they really lost? You have had something many of us lack—time to think things out. Your talent need not have rusted: It may only have deepened. If you can escape getting rigid in your reaction to what you have found on your return, the years ahead may prove the flowering of the years you have endured.

AIM FIGHTS PRESS BIAS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. CRANE. Mr. Speaker, too often, the press publishes material which is not only misleading but, in many instances, untrue. This situation is even more pronounced with regard to the electronic media, such as television, and the result has been a public which has found it difficult to differentiate between truth and falsehood, between reality and the one-sided analysis of those in positions of influence.

Fortunately, the public interest is being protected by a watchdog organization which has been formed for the specific purpose of correcting errors in the media. This group, Accuracy In Media, is a nonprofit, nonpartisan organization which investigates charges of serious factual errors and omissions in news reporting. As a result of its acivities, to cite one example, the American Broadcasting Co. issued a statement correcting five errors in its news documentary, "Arms and Security . . . How Much Is Enough?"

In many instances, however, the media refuses to correct its errors, and even to permit those who challenge the accuracy of their presentations to be heard. Accuracy In Media has faced such a "news blackout" and has responded by publishing paid advertisements in various newspapers and magazines.

The Washington Post of March 7, 1973, contains an advertisement which includes excerpts from letters to the editor, written by Accuracy In Media to the Post, which the Post refused to print.

One letter discusses the report in the Post of a luncheon given at the State Department in honor of John Stewart Service and other old China hands of the 1940s. The Post described the recipients of this honor as the men who were persecuted and dismissed for sending news their country did not want to hear.

Accuracy In Media, in its letter, stated that—

> An analysis of the reports from China submitted by John Stewart Service in 1944 suggests that Mr. Service was fundamentally wrong in his judgments about the philosophy and intentions of the Chinese Communists. For example, a report of his dated September 28, 1944, said: "The Communist political program is simple democracy. This is much more American than Soviet in form and spirit." In the same report, Mr. Service assured Washington that it was wrong to think that Mao wanted to bring socialism to China. He said: "The next stage in China's advance must be capitalism."

The letter concluded that—

> The American Foreign Service Association does no credit to its own reputation when it honors Service and his colleagues without ascertaining the facts. The Washington Post practices poor journalism when it parrots this distorted version of history without checking the record.

The advertisement published by Accuracy In Media includes five letters the Washington Post refused to print. I wish to share this material with my colleagues, and insert it into the RECORD at this time:

LETTERS THE EDITOR OF THE WASHINGTON POST REFUSED TO PRINT

The following letters have been submitted to the Post by Accuracy in Media for the purpose of correcting inaccuracies or misleading information published in the Post and other papers. The editor has declined to publish these letters. Since AIM believes that the readers of the Washington Post really do have a right to know, we are publishing them at our own expense:

JOHN STEWART SERVICE

SIR: In reporting on a luncheon given at the State Department to honor John Stewart Service and other "old China hands" of the 1940's, the Post described the recipients of this honor as "the men who were persecuted and dismissed for sending news their country did not want to hear." This statement was apparently based on an uncritical acceptance of an assertion made by Mr. William C. Harrop, Chairman of the Board of Directors of the American Foreign Service Association, the sponsor of the luncheon.

In a letter announcing the luncheon, Mr. Harrop said: "The facts they reported were unwelcome at home. Many of these officers suffered harsh domestic criticism and were unable to continue their careers."

Mr. Harrop has admitted in private conversations that he had never made any systematic study of the reporting of the foreign service officers whose reporting his association was honoring. Nor was he able to cite any study that would confirm that Service and his colleagues suffered because they reported factually and objectively information that was "unwelcome at home."

An analysis of the reports from China submitted by John Stewart Service in 1944 suggests that Mr. Service was fundamentally wrong in his judgments about the philosophy and intentions of the Chinese Communists. For example, a report of his dated September 28, 1944, said: "The Communist political program is simple democracy. This is much more American than Soviet in form and spirit." In the same report, Mr. Service assured Washington that it was wrong to think that Mao wanted to bring socialism to China. He said: "The next stage in China's advance must be capitalism."

Mr. Service's analysis of the Chinese communists was dead wrong, but it is incorrect to say that it was unwelcome in Washington. On the contrary, this kind of analysis was very popular in the United States in 1944. Mr. Service was simply one voice in a loud chorus that was telling America that the true democrats in China were the communists and that we should support them, not Chiang. That chorus was largely successful in getting American policy changed, and the policies recommended by Service and his colleagues were to a large extent adopted.

Those historians who are now rewriting history would have us believe that Washington ignored Service and Davies and gave unstinting support to Chiang Kai-shek. That is not true. The policies followed in the critical postwar years were essentially those that these experts recommended. We actually withheld vitally needed arms from Chiang for a whole year while we tried to force him into forming a coalition government with the communists.

When America later discovered that these policies had helped bring about Mao's absolute control of the mainland and when they found that the communists were Stalinist totalitarians, not the democratic reformers described by Service, there was strong criticism of Service's reports and policy recommendations.

However, John Stewart Service would probably never have been fired on the basis of his misleading reporting alone. What got him into hot water was the fact that it was found that in 1945 he wrongfully gave copies of some 18 classified State Department documents to Philip Jaffe, the editor of *Amerasia*, a pro-communist publication. He has admitted this serious violation of security, and there is no doubt that it weighed heavily in the judgment of the Loyalty Review Board.

The American Foreign Service Association does no credit to its own reputation when it honors Service and his colleagues without first ascertaining the facts. The Washington Post practices poor journalism when it parrots this distorted version of history without checking the record.

AMNESTY

FEBRUARY 9, 1973.

SIR: Haynes Johnson's recent article on the issue of amnesty (2/4/73) suggests that there is a need to clear up the serious misunderstanding that has arisen about the actions and attitude of Abraham Lincoln toward deserters and draft evaders. Johnson and others have discussed Lincoln's policies without drawing a clear distinction between his offer of amnesty to those who had rebelled against the Government of the United States and fought for the Confederacy and his policy toward those who deserted from the Union forces or evaded the draft. The distinction is an important one.

Lincoln issued an amnesty proclamation on December 8, 1863, while the war was still in progress. It provided that members of the Confederate forces below the rank of colonel and others who were supporting the Confederate cause, with certain exceptions, would be exempted from any punishment if they took a loyalty oath. The purpose of the proclamation was to encourage desertion from the Confederate forces. It did not apply to those who were already prisoners of war, and Lincoln made it clear that it was "not for those who may be constrained to take (the oath) in order to escape actual imprisonment or punishment."

It is most misleading to confuse this tactical move by Lincoln to encourage enemy desertions with Lincoln's policy toward deserters from his own forces. The standard punishment for desertion during the Civil War was death, and although Lincoln commuted many death sentences, many such sentences were carried out. As the war neared its end, on March 11, 1865, Lincoln issued a proclamation offering a conditional pardon to deserters. The condition was that they return to their units and serve out their enlistment, adding time for the period of their desertion. The proclamation stated that those who failed to turn themselves in or who fled to avoid the draft would be deemed "to have voluntarily relinquished and forfeited their rights of citizenship" forever. Lincoln clearly took a very firm stand toward deserters and draft evaders, a fact that has been badly obscured in much of the current discussion.

Post readers might also be misled by Haynes Johnson's discussion of Truman's pardoning of some selective service violators after World War II. Johnson says that Truman granted amnesty to 1523 violators, but he fails to say that 90 per cent of the selective service violators whose cases were considered by Truman's amnesty board were not pardoned. Nor does he say that the pardons were not extended to deserters. None of those pardoned by Truman were excused because they sympathized with the Nazi cause and had moral scruples about fighting them.

Mr. Johnson advocates that an amnesty board be established "to determine those

cases that merit pardon on grounds of moral objections to the war." These would not be persons who could qualify for conscientious objector status because of opposition to all war, but persons who objected to this particular war. There is no precedent in American history (or probably the history of any country for forgiving deserters and draft evaders for such a reason.

TV BIAS

FEBRUARY 14, 1973.

SIR: By coincidence, George Will's article arguing that TV bias does not matter appeared in the Post at the same time as an article in *TV Guide* demonstrated that TV bias matters very much.

Will contends that the networks are indeed biased but lacking in power to influence public opinion. Therefore, we need not worry about the distorted view of the world that comes over the tube.

TV Guide's article, "The Black Eye That Won't Go Away," shows that the city of Newburgh, N.Y. is still suffering today from the unfair negative image that it was given by an NBC documentary aired over ten years ago. The mayor of Newburgh is quoted as blaming the difficulty experienced in attracting industry to his city on the unfavorable impression that was created by the NBC program.

Was the NBC portrayal of Newburgh accurate and fair? The people of Newburgh don't think so. The local newspaper described the program as "a hatchet job on the city." It asked for an apology from NBC, but no apology was ever made. The *TV Guide* points out that because of the NBC documentary the local media are extremely distrustful of the national press, both print and broadcast.

The Newburgh case is only one of many that could be cited to show that TV has a stronger influence on public opinion, for good and ill, than Mr. Will seems to believe.

MORE TV BIAS

FEBRUARY 15, 1973.

SIR: In a recent speech the president of NBC, Julian Goodman, charged that "some Federal Government officials are waging a continuing campaign aimed at intimidating and discrediting the news media." Singling out an official who recently charged that there was bias in TV network news, Mr. Goodman said: "He did not say how we are biased."

Accuracy in Media, Inc. has spelled out in detail many specific cases of TV network bias. Many of these involve NBC, and Mr. Goodman knows of them. He misleads the public when he implies that charges of bias are lacking in documentation.

In the AIM Report for February 1973, we cite the following cases of bias in NBC News programs in recent months.

1. An attack on private pension plans in America in a documentary called "Pensions: The Broken Promise." The program was very one-sided.

2. An attack on private health care systems in a documentary called "What Price Health?" Another one-sided presentation.

3. A documentary on San Francisco's famed Chinatown based entirely on the carping criticisms of two radical youths whose sympathies for Mao Tse-tung came through loud and clear.

4. A documentary about the drug traffic in Southeast Asia transmitting the views of those who wanted to portray America and its Southeast Asian allies in a bad light. At the same time, NBC did not report the testimony on the other side that was given by Marine General Lewis W. Walt before the Senate Internal Security Subcommittee.

It is not the government that is discrediting the networks. The networks are discrediting themselves by their one-sided presentations of controversial issues of public importance.

ELECTION CAMPAIGN LAW VIOLATIONS

FEBRUARY 19, 1973.

Sir: On February 13, the Associated Press sent out a story which began this way: "The General Accounting Office reported today that the campaign organizations of President Nixon and Senator George McGovern failed to report within 48 hours a series of large contributions received in the last 12 days of the 1972 Presidential campaign." The story proceeded to say that no legal action was being recommended because "neither the new law nor the regulations were sufficiently explicit on these matters," according to the Comptroller General.

This report was a very accurate account of the GAO press release on this subject.

The Washington Post carried a story about the GAO release under the headline: "GAO Says Nixon Funds Unit Violated Spirit, Intent of Law." The headline was a summary of the Post's lead paragraph. It was not until the reader penetrated to the sixth paragraph of the Post story that he learned that the GAO had "also reported apparent violations by the campaign organization" of Senator McGovern. The Post story then reverted to the Nixon campaign funds, describing how large contributions had been divided among numerous committees so that each amount would be under the $5000 floor for contributions that had to be reported within 48 hours. Nothing was said about the fact that the McGovern campaign organization was reported by the GAO to have followed the same practice.

The GAO criticized the Nixon committee for its handling of funds totaling over $1 million. It criticized the McGovern committee for its handling of funds totaling over $150,000. Is it the difference in the amounts that justifies the difference in the way the Post reported the criticism of the two committees? Does that wipe out the fact that the GAO criticism was directed evenhandedly at both committees?

CONGRESSMAN DRINAN SUPPORTS "NOW" ACCOUNTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. DRINAN. Mr. Speaker, I have introduced today a bill which attempts to protect a newly developing practice within the banking community. The bill which I have introduced today has been previously introduced in the other body by Senator THOMAS J. MCINTYRE of New Hampshire and is numbered S. 1008.

In recent months, mutual savings banks in Massachusetts and New Hampshire have established a new type of savings account which permits depositors to receive interest on accounts from which they may draw by using negotiable instruments of withdrawal. This practice has been sustained by the Supreme Judicial Court of Massachusetts.

Negotiable order of withdrawal accounts—NOW accounts—while similar to checking accounts, are distinct from conventional checking accounts. A negotiable order of withdrawal is drawn on a demand deposit as is a check, but it is drawn on an interest-bearing account and in effect is a replacement for the need of presenting a passbook in order to withdraw funds. This method of withdrawal removes the inconvenience to a depositor of having to personally present a passbook in order to withdraw his savings. Further, NOW accounts are available only to individuals and are not offered for commercial purposes.

One issue that has been raised is whether all financial institutions should be granted the same right to offer this service to their customers. The bill which I have introduced seeks to make clear that Federal banking statutes do not prohibit federally regulated financial institutions from offering depositors negotiable order of withdrawal services in connection with interest-bearing deposits.

The text of the bill follows:

H.R. 6226

A bill to extend certain laws relating to the payment of interest on time and savings deposits and to make clear that Federal banking statutes do not prohibit depository institutions from offering negotiable order of withdrawal services in connection with certain interest-bearing deposits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of September 21, 1966 (Public Law 89–597), is amended by striking out "1973" and inserting in lieu thereof "1974".

SEC. 2. Section 19(i) of the Federal Reserve Act (12 U.S.C. 371a) is amended by adding at the end thereof the following new sentence: "Nothing in this paragraph shall be construed as prohibiting payment of interest on a deposit with respect to which the bank may require the depositor to give notice of an intended withdrawal not less than thirty days before the withdrawal is made, even though in practice such notice is not required and the depositor is allowed to make withdrawals by negotiable instrument for the purpose of making payments to third persons or otherwise."

SEC. 3. Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by adding at the end thereof the following new sentence: "Nothing in this subsection shall be construed as prohibiting payment of interest on a deposit with respect to which the bank may require the depositor to give notice of an intended withdrawal not less than thirty days before the withdrawal is made, even though in practice such notice is not required and the depositor is allowed to make withdrawals by negotiable instrument for the purpose of making payments to third persons or otherwise."

SEC. 4. Paragraph (13) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is amended to read as follows:

"(13) in accordance with rules and regulations prescribed by the Administrator, (A) to sell to members negotiable checks (including travelers checks) and money orders, and to cash checks and money orders for members, for a fee which does not exceed the direct and indirect costs incident to providing such service and (B) to allow its members to make withdrawals from their share accounts by negotiable instrument for the purpose of making payments to third persons or otherwise; and".

SEC. 5. The last sentence of section 5(b)(1) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464) is amended to read as follows: "An association may allow holders of savings accounts to make withdrawals from such accounts by negotiable instrument for the purpose of making payments to third persons or otherwise as long as the association retains the right to require the advance notice referred to in the third sentence of this paragraph."

OBSCENE RADIO BROADCASTING—VIII

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. JAMES V. STANTON. Mr. Speaker, over the last several weeks I have inserted into the RECORD several items relating to controversial broadcasting by station WERE in Cleveland, Ohio, and on how this appears to be part of a national trend in programing by radio.

Members of this body who have a similar problem in their own congressional districts might wish to check the RECORDS of February 5, 6, 7, 8, 21, 26, and 28 for material leading up to the insertion I am making today.

The latter is an exchange of correspondence between me and the Department of Justice, which is self-explanatory. For purposes of clarity, I am inserting these letters in the RECORD in chronological order, starting with my original communication to the Attorney General of the United States and concluding, finally, with the most recent letter I have received from his office, dated March 23, and my reply to that, which is dated today. The letters follow:

WASHINGTON, D.C., *February 7, 1973.*

Hon. RICHARD G. KLEINDIENST,
Attorney General of the United States,
Washington, D.C.

DEAR MR. KLEINDIENST: Because of an acute problem relating to offensive radio programming in Cleveland, Ohio, I have written letters to the United States Attorney for the Northern District of Ohio, to the Federal Communications Commission and to the Legislative Counsel of the House of Representatives. I enclose copies of those communications for your perusal, since they deal with an issue over which the Justice Department has jurisdiction.

I have made inquiries pertaining to your enforcement of Title 18, United States Code, Section 1464, which states: "Whoever utters any obscene, indecent, or profane language by means of radio communication shall be fined not more than $10,000 or imprisoned not more than two years or both."

From the Congressional Research Service, I received this report about your activities:

"There are apparently a number of unreported decisions involving indictments under sec. 1464 but the precedent value of these proceedings seems to be limited. The General Counsel's Office of the FCC indicated that when a case is referred to the Justice Department for criminal prosecution under sec. 1464 the Department may not prosecute where it appears that the language in question would be protected under the First Amendment. The FCC General Counsel's office explained, however, that local U.S. District Attorneys, under community pressure, may obtain indictments and that the defendants often plead guilty to these indictments. The Justice Department, according to the FCC, does not rely upon these proceedings as precedents."

In conversations with officials of the Federal Communications Commission and your own Justice Department, I was able to confirm that what the Congressional Research Service reported to me is indeed true. I learned also from these conversations that your Department does not keep track of guilty pleas and that may have been entered in various Federal trial courts around the country—i.e., that such cases, when they occur, are not necessarily reported to your office in Washington.

In view of this fact, I want to say respectfully that I fail to see how it is possible for the United States Attorney General to achieve a uniform enforcement policy around the country with respect to Section 1464 if certain facts that might prove useful to you are not reported to you.

If indeed there are guilty pleas being made to violations of Section 1464, wouldn't you want to know what accounts for your success in each case? Wouldn't such knowledge suggest to you strategy for action with respect to new complaints as you receive them? In other words, wouldn't the circumstances under which you might be achieving success in one area prove instructive to you with respect to other parts of the country?

Again respectfully, I would like to suggest that you circularize your United States Attorneys across the Nation, asking them to report to you all prosecutions and dispositions in recent years under Section 1464.

It could be that such information would be of particular value to Mr. Coleman in Cleveland, who is considering whether to institute proceedings against Station WERE there.

As your superior, President Nixon, asserted on October 24, 1970:

"So long as I am in the White House, there will be no relaxation of the national effort to control and eliminate smut from our national life . . . Pornography can corrupt a society and a civilization. The people's elected representatives have the right and obligation to prevent that corruption . . . The Supreme Court has long held, and recently reaffirmed, that obscenity is not within the area of protected speech or press. Those who attempt to break down the barriers against obscenity and pornography deal a severe blow to the very freedom of expression they profess to espouse."

I am certain that you want to have in effect the kind of enforcement policy that implements the President's feelings on this matter. Therefore, I would appreciate your comments not only on this letter but also on the three others which I enclose.

Kindest personal regards.

Sincerely,

JAMES V. STANTON,
Member of Congress.

DEPARTMENT OF JUSTICE,
Washington, D.C., March 2, 1973.

Hon. JAMES B. STANTON,
House of Representatives,
Washintgon, D.C.

DEAR CONGRESSMAN: Your letter to the Attorney General of February 7, 1973, concerning offensive radio transmissions has been referred to this office for reply.

We are presently compiling statistical information concerning the number of prosecutions arising under 18 U.S.C. 1464. Upon receipt of this information, we will correspond with you in detail concerning the subject matter of your letter.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

DEPARTMENT OF JUSTICE,
Washington, D.C., March 23, 1973.

Hon. JAMES V. STANTON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: This is in further response to your letter of February 7, 1973, to the Attorney General concerning certain programing on Radio Station WERE, Cleveland, Ohio.

The statistical information referred to in my letter to you dated March 2, 1973, concerning this subject, has now been compiled. United States Attorneys are required to furnish the Department with caseload reports on a regular basis. According to the information we have received, there have been a total of 15 defendants involved in cases arising under 18 U.S.C. 1464 from and including Fiscal Year 1969 through January, 1973. Cases involving six defendants were disposed of on pleas of guilty or *nolo contendere;* seven defendants were convicted. Three convictions were affirmed on appeal and one was reversed; and cases against two defendants were dismissed.

The paucity of cases arising under this statute illustrates the difficulties involved in enforcing the Federal obscenity laws. As these laws have been interpreted by the Supreme Court, material, to be obscene, must (1) have as its dominant theme an appeal to a prurient interest in sex, (2) offend contemporary community standards in the representation of sexual matters, and (3) be utterly without redeeming social value. Consequently, speech which has as its dominant theme a discussion of an issue or presentation of an idea, however controversial or offensive that idea may be, is protected by the First Amendment against a charge of obscenity. Needless to say, most radio broadcasting falls into this category.

We have reviewed certain investigative reports prepared by the Federal Bureau of Investigation concerning the activities of Radio Station WERE. While certain of that station's programs focus upon discussion of sexually oriented topics, we do not believe the programs could be considered violative of 18 U.S.C. 1464 for the reasons set forth above. Nevertheless, because these programs are certainly controversial and undoubtedly offensive to some individuals, we are requesting the Federal Bureau of Investigation to furnish the Federal Communications Commission with the results of its investigation of this station so that agency may determine whether or not this programing is in the public interest.

I trust this satisfies your inquiry. If I can be of further assistance, please contact me.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

WASHINGTON, D.C., *March 27, 1973.*

Hon. RICHARD G. KLEINDIENST,
Attorney General of the United States,
Washington, D.C.

DEAR MR. KLEINDIENST: On March 23, 1973, Mr. Henry E. Petersen, the Assistant Attorney General in charge of your criminal division, replied to my February 7, 1973 letter to you pertaining to obscene radio broadcasting and the policy of the Department of Justice as to enforcement of Title 18, United States Code, section 1464.

As you know, that letter was critical of your policy, and, in it, I asked questions and made suggestions. In his reply to me, Mr. Petersen was hardly responsive to the substantive points raised in my letter. Therefore, I am enclosing herewith a copy of my original letter, and I ask that you personally review it and respond to it, since your assistant—despite his high rank and responsibilities—evidently chooses to evade the issues involved.

A perusal of my letter will indicate, I am sure, that I did not ask for a statistical report, which, as it turns out, is all I received from Mr. Petersen. However, I am happy to learn, from the second paragraph of Mr. Petersen's letter, that Section 1464 is not exactly unenforceable. This is a fact that I find encouraging, at a time when I am urging both the Department of Justice and the Federal Communications Commission to adopt a more aggressive policy.

Again, I would appreciate hearing directly from you on the points raised in my original letter.

Sincerely,

JAMES V. STANTON,
Member of Congress.

THE EARTHQUAKE RESEARCH ACT OF 1973

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. SHOUP. Mr. Speaker, scientific knowledge about the physical conditions within the earth is at a stage of development in the United States where our ability to predict the occurrence of destructive earthquakes appear imminent. The strong theoretical and applied research expertise developed in Government-sponsored programs supporting seismology and related sciences is at the threshold of having sufficient understanding of earth processes to accomplish this end. The national need for this capability has been clearly shown in recent years in Montana, California, Alaska, and Missouri where the destruction of property and tragic loss of life have been severe.

In this year of centennial for one major Montana earthquake, which wreaked considerable destruction in the west-central part of the State, it is very appropriate to consider the possibility that such unannounced disasters be either controlled, or at the very least, predicted. As Congressman from Montana, it is also impossible for me to overlook the fact that over $4,000,000 in damage occurred in 1935 in the State capitol and surrounding region—in 1935 valued dollars—and that the Hebgen Lake Earthquake of 1959 in the southwestern part of Montana took one of the highest tolls of life, some 29 persons, of any earthquake occurring in the United States up to that time. The entire western region of Montana lies within the highest or nearly the highest seismic risk regions of any part of the country, and the active earth processes in this region, which are announced by a continuous flow of reports of small earthquakes being felt by the Montana citizens, clearly indicates the potential for further destruction.

Japanese seismologists have recently reported changes in tilting and elevation of the ground in the vicinity of large earthquakes prior to the energy release in the main large shock. Russian scientists have also noted a distinct change in the velocity ratio of two common seismic waves within the earth near the earthquake focus prior to the earthquake itself. Chinese scientists are reported to have undertaken a major program in earthquake prediction. This followed the almost total destruction of a moderately large village. Utilizing the observations made there as well as others, such as the long term monitoring of ground water levels which may respond to changes in the earth of premonitory character, the Chinese are making important advances.

Seismologists in California have also reported similar changes in ground water conditions in the vicinity of the famed San Andreas Fault, but it is not yet clear as to the direct relationship to earthquakes happening along the fault or in its vicinity.

The recent visit to Russia by President Nixon produced among other newsworthy items with profound importance to our country, the intended exchange of scientific information related to earthquake prediction as a specific area of international interest. Such attention amid the weighty items of arms control and missilery appears as a clear indicator of the necessity to enter into such a worthy effort.

Mr. Speaker, the time to act against earthquakes is now. Between the United States and the other countries of this world, we now have the basic knowledge to act in a very positive way. There is no reason for not providing our citizens such basic protection as advance warnings from natural disasters such as earthquakes. This protection could be provided with the right equipment and tools. Legislation which provides this protection would be important to all the people in areas of high seismic risk.

Mr. Speaker, I ask that the text of my bill, in its entirety, be printed at this point in the RECORD. Thank you.

H.R. 6277

A bill to provide a sound program for the development and application of physical theory and operational systems for predicting damaging earthquakes in the United States

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

(a) this Act be cited as the "Earthquake Research Act of 1973".

(b) The Congress hereby finds and declares that certain regions within the United States have been identified as subject to high risk in terms of destructive earthquake potential; that a significant part of the population of the United States lives within serious danger of loss of life and property from the unpredicted occurrence of destructive earthquakes in those regions; that scientists in other countries have issued earthquake warnings; that Russian and Chinese scientists have begun systematic studies of premonitory earthquake phenomena; that the need for international transfer of pertinent scientific information is clearly indicated; and that seismic research capability in the United States is sufficiently advanced that an earthquake prediction competence may be achieved with an earthquake research program. To minimize loss of life and property damage, the Congress hereby declares that it is its purpose to establish a specific program of research and development in the United States to provide for the collection, analysis, and interpretation of seismic and related data, and to provide supporting field, laboratory, and theoretical studies leading to the goal of predicting destructive earthquakes within the United States.

(c) For the purposes of this Act, those regions identified as "high seismic risk" include places where destructive or fatal earthquakes have occurred and in which seismic activity continues, such as areas within the States of Alaska, Washington, Montana, Wyoming, Colorado, Utah, Nevada, and California; in Missouri, Illinois, West Virginia, Tennessee, Louisiana, Arkansas, and South Carolina; and in the States of New York, Maine, Massachussetts, and Connecticut.

SEC. 2. (a) There shall be established an Earthquake Research Board, which shall consist of no less than five and no more than seven members, and with at least five permanent, full-time members for the term of the research effort. The function of the Board is to set guidelines for the distribution of research effort and funding, insure that the spirit of the guidelines is being followed, and to make certain that the research results are reported to the President, the Congress, and the Public in a timely manner. The Board shall have the authority to review and evaluate major program efforts, establish specific research goals, and accept or reject the suitability of proposed research, engineering, and development efforts.

Membership of the Board, which may include temporary members with expertise in areas of particular need during the progress of the program, shall also include at all times at least one seismologist, one solid-earth geophysicist, one geologist, one seismological engineer, and one instrumentation engineer. Compensation and administrative support for the members shall be at a level appropriate to equivalent responsibilities in the private sector.

Recommendations for membership on the Board shall be accepted from the Congress, National Science Foundation, National Academy of Sciences, Department of Interior, National Oceanographic and Atmospheric Agency, Department of Defense, and professional societies with capability and interest in earthquake prediction. All members of the Board shall be appointed by the President.

The Earthquake Research Board shall select appropriate public entities and organizations, foundations, and private entities and organizations for the conduct of a program to predict earthquakes which shall include—

(1) heavy instrumentation within areas of high seismic risk to obtain detailed records of data useful in developing an earthquake predicting capability;

(2) establishment of facilities for the collecting and computerized reduction, analysis and interpretation of the data flow from such instruments;

(3) supporting procedures for field, laboratory and related theoretical studies directed toward description of predictive earthquake phenomenon;

(4) development and field testing of additional instruments which are useful in connection with the foregoing provisions of this section; and

(5) design and utilization of facilities and methods for the timely distribution of research and development results to the scientific and other concerned communities, including the exchange of useful information with the international earthquake research community.

The Board shall also insure that no more than one-half of the funding provided by this Act is distributed to a single agency, entity, or organization, and that approximately one-quarter of the funding be distributed to university research through appropriate distribution, grant, and contracting agencies. The specific intent of this requirement is to aid in bringing all possible national capabilities to bear upon the problems of successfully predicting destructive earthquakes in the United States.

SEC. 3. (a) The Earthquake Research Board is authorized to establish and carry out a program to review and assess the current state of knowledge on earthquake prediction and earthquake warning systems, and to define plans which are needed to reduce primary and secondary losses from earthquakes. Such a review and assessment shall include:

(1) a forecast of the problems expected to be associated with the issuance of earthquake warnings to the population residing in high seismic risk areas;

(2) an analysis, prepared prior to the occurrence of an earthquake, of the behavioral and psychological effects of an earthquake;

(3) an analysis, prepared prior to the issuance of earthquake warnings, of steps

which should be taken to make such warnings effective, and how to make a decision to issue such warnings.

(b) The Board will be responsible for dissemination of the results of the research efforts for preparation of high seismic risk areas for the occurrence of earthquakes, particularly for the purposes of defining emergency community planning, insurance needs, architectural and engineering goals, and other such studied applications which would serve to protect life and property.

(c) The Board is authorized to enter into contracts, agreements, or other appropriate arrangements with the National Academy of Sciences, public entities and organizations, and private entities or organizations to provide the necessary scientific advisory services as may be required to carry out the purposes of this section.

SEC. 4. The Earthquake Research Board shall make information developed pursuant to the Act available to the President, the Congress, Governors of States in high seismic risk, and other government and private organizations which are concerned with preparations for or reactions to earthquakes or earthquake warnings.

SEC. 5. (a) For purposes of section 2 of this Act, there is authorized to be appropriated for the fiscal year ending June 30, 1975, the sum of $15,000,000 and for each of the next following six fiscal years the sum of $12,000,000.

(b) For purposes of sections 3 and 4 of this Act, there is authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the next following six fiscal years, the sum of $400,000.

HOUSE OF REPRESENTATIVES—*Thursday, March 29, 1973*

The House met at 12 o'clock noon.

Rt. Rev. Zoltan Beky, bishop emeritus of the American Hungarian Reformed Church, offered the following prayer:

Almighty God, Father of all nations, we stand before Thee in humble reverence as leaders, chosen representatives, and lawmakers of this great Nation.

We invoke Thy gracious blessing upon this great assembly. We confess that we are unable to carry the heavy responsibilities of our enormous tasks without Thy help. Give us Thy guidance and wisdom. Our entire world is in turmoil, divided as it is, needs Thy deliverance.

Make us all instruments in Thy hand to bring about a better and more peaceful world.

We pray for our beloved country, the "Land of the free, and the home of the brave."

We give Thee thanks for our great heritage that is ours in this Nation.

We thank Thee that by Thy spirit Thou hast kindled the longing for freedom in the hearts of men.

On this day we remember the noble people of Hungary who so gloriously attempted to achieve a free and independent nation 125 years ago.

Lord, Thou knowest that their dreams and aspirations have not been fulfilled yet.

We beseech Thee to hear their prayers and mercifully grant freedom to all enslaved nations on earth.

We pray for our President and all Members of the Congress. Give them Thy wisdom and Thy strength to serve Thee and our country in Thy name. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1975. An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2107) entitled "An act to require the Secretary of Agriculture to carry out a rural environmental assistance program," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TALMADGE, Mr. ALLEN, Mr. HUDDLESTON, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1136. An act to extend the expiring authorities in the Public Service Act and the Community Mental Health Centers Act.

THE RIGHT REVEREND ZOLTAN BEKY

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

Mr. PATTEN. Mr. Speaker, the Right Reverend Zoltan Beky, who has just said the prayer, for many years has been and is head of the American Hungarian Federation. They have their own buildings out on New Mexico Avenue and have over 1 million members.

This is a great group. I want the Members here to know that the administration of the American Government does not have any more loyal supporters in any phase of American life than this group, whose country is overrun and controlled by a foreign army, whose people cry out for freedom.

These Hungarians who are now Americans support the foreign policies of our Government to preserve freedom all over the world. They are great Americans. I think it is wonderful that we have Bishop Beky here today to bless us with the opening prayer. I thank him ever so much.

THE 184TH ANNIVERSARY OF THE FIRST MEETING OF THE HOUSE OF REPRESENTATIVES

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

Mr. PODELL. Mr. Speaker, I should like to call to the attention of my colleagues that the House of Representatives was organized in New York City on April 1, 1789. This coming April 1, 1973, marks the 184th anniversary of the first meeting of this august body.

April 1, Mr. Speaker, has traditionally been known as April Fool's Day.

BASKETBALL CRISIS

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

Mr. BELL. Mr. Speaker, I rise this afternoon to alert my colleagues to a terrible crisis facing our Nation which we in Congress must confront squarely.

I am referring to the dreaded basketball crisis, which has gradually taken hold in the United States.

This crisis culminated in the conquest by the team of the University of California at Los Angeles of the NCAA National Basketball Championship for the seventh time in a row.

UCLA also vanquished its 75th straight opponent last Monday night.

Some political commentators have warned that this situation constitutes "five-man rule."

Whatever it may be, we in West Los Angeles realize it is certainly demoralizing to all those basketball players and fans in America who have chosen a team other than UCLA as their own.

Since I represent the UCLA five in this Congress, I have been given advance word that the administration is planning to send to the Hill very shortly a special basketball revenue-sharing bill. The Better Dribbling Act of 1973, which would allocate funds to each State's universities to provide for expanded basketball facilities and training.

The sharing formula will exclude California entirely as a fund recipient.

This is certainly one plausible approach.

Whatever course of action this Congress in its wisdom elects to follow, Mr. Speaker, I am sure that the record of the UCLA team, led by Coach John Wooden, Bill Walton, Tommy Curtis, Larry Farmer, Larry Hollyfield, Greg Lee, and Keith Wilkes will stand unchallenged for a long time to come.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SUPPORTS CONSUMERS SUPERMARKET PROTEST ON FOOD PRICES

(Mr. O'NEILL asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, Consumers Supermarkets in the Washington area have announced that they will close Saturday—their biggest business day—to protest the fantastic increase in food prices.

This will be a considerable financial sacrifice for Consumers, and it should serve to drive home the point Consumers is trying to make: that wholesale and retail food prices have shot up alarmingly in the past year and are still climbing.

That is not news to our wives, of course. Their beef boycott already has had some success in forcing down meat prices.

Consumers has rightly caught the mood of public outrage. The store documented the staggering increases of the past 12 months in commodities which grocers must purchase to supply their customers. Wheat has gone up 61 percent; hogs up 66 percent; steers up 24 percent; broilers up 54 percent; eggs up 39 percent; coffee up 41 percent.

These kinds of price rises are intolerable. What we are experiencing is the result of the Nixon administration's politically motivated farm policies of 1972. Agriculture Secretary Butz set out deliberately to see how high he could drive food prices. Look how well he has done.

Mr. Speaker, Consumers is asking its customers to sign petitions to President Nixon, telling him that the Nation wants something done about these unbelievable increases in food prices. Consumers' effort and its financial sacrifice deserve the appreciation and support of the public.

THE AMERICAN FARMER UNDER THE NIXON ADMINISTRATION

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

Mr. GERALD R. FORD. Mr. Speaker, I am deeply grateful to the distinguished Democratic majority leader, the gentleman from Massachusetts (Mr. O'NEILL) because he has given me some very fine quotes which I intend to use in some political speeches in the farm areas of America.

I am delighted that he is condemning the good fortune of the American farmer under the Nixon administration. I do not think the farmers of America will respond very well to the condemnation of American agriculture by my friend, the gentleman from Massachusetts.

Mr. Speaker, the farmers of America are good people. They deserve for their labor and investment fair share of the benefits of our economy, and I regret exceedingly that the gentleman from Massachusetts (Mr. O'NEILL), the Democratic majority leader, is condemning their efforts to produce the food and fibers for the American people.

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

Mr. GERALD R. FORD. I shall be glad to yield to the gentleman from Massachusetts (Mr. O'NEILL), the majority leader.

Mr. O'NEILL. Mr. Speaker, I admire the courage of the gentleman from Michigan (Mr. GERALD R. FORD), the Republican minority leader, in that he would have the courage to go before the American farmers to explain the wheat deal with Russia which took place last year. If the gentleman does that, I know it will be extremely interesting.

Mr. GERALD R. FORD. Mr. Speaker, the American farmer, by the gentleman's own quotation, has done extremely well as a result of that transaction. We have had the surpluses under Democratic administrations, and the taxpayers now have been the beneficiary of the foreign sales of our argicultural production.

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

Mr. GERALD R. FORD. I yield to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Speaker, I think what we really need is a little less "bull" on the floor of the House and more bulls in the marketplace, and I think that is exactly what is going to take place in the near future.

PERMISSION FOR COMMITTEE ON THE DISTRICT OF COLUMBIA TO FILE REPORTS ON H.R. 342 AND H.R. 4586

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file reports on two bills, H.R. 342 and H.R. 4586.

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

There was no objection.

GRAIN EMBARGO

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

Mr. WOLFF. Mr. Speaker, for the last several weeks, I have sponsored hearings in New York along with a number of colleagues from the metropolitan area in which we have considered the questions relating to the tremendous price rises in the cost of food over the last few weeks. One clear fact that has emerged has been the direct relationship between the Russian wheat deal and the impending China grain deals, other grain exports, and the rise in prices of bread, meat, poultry, and dairy products. The administration's food policies are quickly leading to a national disaster of major proportions.

The President has called for increased production of grain on our farms. But by the time we see any results from the President's policy, millions of families may be driven to the poorhouse. The people of America need relief immediately, so that the laws of supply and demand can operate freely in this country. It is wrong to be shipping our grain abroad when our supplies for domestic consumption are so inadequate.

Therefore, I am today introducing a bill to halt all grain exports from the United States until such time as it can be shown that our domestic needs are being adequately met. While this action may appear drastic, so is the condition of the American food market today. I would hope that we could act in concert to protect the interests of all our constituents.

NATIONAL CLEAN WATER WEEK

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution (H.J. Res. 437) to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week," and ask for immediate consideration of the joint resolution.

The Clerk read the title of the joint resolution.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, this resolution does not place any financial obligation on the Federal Treasury, does it?

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes.

Mr. EDWARDS of California. The answer is "No." It places no financial obligation on the Federal Government.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 437

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, to emphasize the importance of intelligently planned use and distribution of the Nation's water resources, and in recognition of the highly developed professional and industrial techniques which provide the American people with a constant supply of clean water for use in home, office, school, factory, hospital, and wherever else such clean water is needed, the President is hereby authorized and requested to issue a proclamation designating the period beginning April 15, 1973, and ending April 2, 1973, as "National Clean Water Week", calling upon interested groups and organizations to observe such week with appropriate ceremonies and activities.

Mr. CASEY of Texas. Mr. Speaker, I am here to urge my colleagues to join me in approving House Joint Resolution 437 which will authorize the President to designate April 15 through 22 as "National Clean Water Week."

The problems of keeping water clean and usable have become more familiar to Americans as the ecological movement has increased in recent years. Few people ever wonder how they get that water into the kitchen sink, however. We owe

this convenience to the largest and oldest trade association in the construction industry—the National Association of Plumbing, Heating, and Cooling Contractors.

Civilization has always depended on the efforts of these trades. Today our skyscrapers and cities depend on the talents of this industry. Without the convenience and service afforded by this industry our life-styles would be vastly different. Certainly the plumbing, heating, and cooling industry has greatly affected the level of health in the United States by providing high quality water and effective waste removal systems. We owe these trades more than we realize.

Nearly 2 million men and women will join the national association in celebrating this event. Our economy and society receive important benefits from these individuals' service. I am sure my colleagues will agree with me and join in support of this resolution to authorize "National Clean Water Week."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CHECK YOUR VEHICLE EMISSIONS MONTH

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution (H.J. Res. 337) authorizing and requesting the President to proclaim April 1973 as "National Check Your Vehicle Emissions Month" and ask for the immediate consideration of the joint resolution.

The Clerk read the title of the joint resolution.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I would ask the distinguished gentleman from California the same question as I did on the prior joint resolution.

Mr. EDWARDS of California. I assure the gentleman from Iowa there is no cost to the Federal Government for any of these purposes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 337

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of April 1973 as "National Check Your Vehicle Emissions Month", and call upon the motorists and the automotive industry of the United States to take appropriate steps during the month of April to reduce substantially air pollution from the motor vehicles operating on the streets and highways.

Mr. ECKHARDT. Mr. Speaker, passage of House Joint Resolution 337, which authorizes and requests the President to proclaim April 1973 as "National Check Your Vehicle Emissions Month" will insure that a voluntary program to help clean up the air will be well on the road to success. Members. of the oil and automotive industry organized into an ad hoc Vehicle Emission Check Committee have sparked an enthusiastic program to encourage automobile owners to participate in a program to substantially reduce air pollution by testing the emissions from their automobiles.

The resolution calls upon motorists and the automotive industry of the United States to take appropriate steps during the month of April to reduce substantially air pollution from motor vehicles operating on streets and highways. Congress passed a similar resolution last year, and the members of the industry engaged in a widespread educational program to encourage drivers to check the content of the emissions of their automobiles and to make repairs when needed. The ad hoc committee developed a standardized engine emissions check and developed program tie-in materials for repair service outlets. The industry's business press and trade associations actively publicized the program.

These activities are an important part of the total effort to clean up the air. While new automobiles must comply with Government standards for emissions, older automobiles on the roads continue as the worst offenders of the environment. Tests have indicated that simple adjustments and minor tune-ups can result in a minimum of 15- to 25-percent reduction of automobile air pollution. For example, engine misfire caused by a malfunction of the ignition system is a major cause of hydrocarbon emissions. Carbon monoxide emissions can be controlled by the adjustment of the idle air/fuel ratio and idle rpm. When such adjustments are made, motorists can expect an additional direct benefit in money saved because engine life is increased, performance improved, and operating costs reduced.

The automotive and oil industry must assume a major responsibility for cleaning the air. Yet, we cannot expect them to shoulder complete responsibility. The educational effort which was conducted in accordance with the resolution passed last year, and will be conducted again this year, brings to motorists' attention the fact that they too can actively contribute to improving the quality of the air we breathe. Furthermore, it may serve to discourage motorists from asking mechanics to adjust their new automobiles to provide better performance but dirtier emissions.

Members of the ad hoc committee which has organized industry and civic group efforts are: James Bates, Ignition Manufacturers Institute; William D. Cushman, American Driver and Traffic Safety Education Association; Richard F. Curry, American Automobile Association; Richard D. Kudner, Champion Spark Plug Company.; Arthur H. Nelle, Jr., Car Care Council; A. J. Russo, Shell Oil Co.; Lynn Stitt, American Association of University Women; and Charles E. Sundin, the U.S. Jaycees.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the two joint resolutions just passed.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5293, PEACE CORPS ACT AMENDMENTS OF 1973

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 328 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 328

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5293) authorizing continuing appropriations for the Peace Corps. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 328 provides for an open rule with 1 hour of general debate on H.R. 5293, which is a bill to authorize appropriations to finance the operation of the Peace Corps during fiscal year 1974 and fiscal year 1975.

H.R. 5293, as amended by the Committee on Foreign Affairs, authorizes an appropriation of $77,001,000 for fiscal year 1974 and limits the appropriation for 1975 to an amount "not to exceed $80,000,000." For fiscal year 1973, the Committee on Foreign Affairs recommended, and the House of Representatives passed, an authorization of $88,027,000. The total amount appropriated

is expected to amount to approximately $81,000,000 by June 30, 1973.

The Peace Corps has attempted to provide skills and knowledge in the person of U.S. volunteers in underdeveloped countries. It has tried to improve the image of the United States abroad and it has tried to bring back to the United States an understanding of the countries which are hosts to our volunteers.

The Peace Corps carried out its services in Africa, Latin America, Southeast Asia, and the South Pacific. Its activities have important foreign policy implications.

Today our Peace Corps volunteers have a higher degree of skill than ever before, and a greater percentage have a higher degree of education in the specific areas which they serve.

Mr. Speaker, I urge adoption of House Resolution 328 in order that we may discuss and debate H.R. 5293.

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

Mr. Speaker, House Resolution 328 provides for the consideration of H.R. 5293, Peace Corps Act Amendments of 1973, under an open rule with 1 hour of general debate.

The primary purpose of H.R. 5293 is to authorize appropriations for the Peace Corps for fiscal years 1974 and 1975.

This bill authorizes $77,001,000 for fiscal year 1974 and $80,000,000 for fiscal year 1975.

As introduced, the bill authorized $77,001,000 for fiscal year 1974 and "such sums as may be necessary" for fiscal year 1975. The Committee on Foreign Affairs amended the bill to limit the 1975 authorization to an amount "not to exceed $80,000,000." In addition, the Committee amended the title of the bill with a technical change to make it clear that the bill authorizes "additional" appropriations for the Peace Corps and does not provide for "continuing appropriations."

In order to put into perspective the amounts authorized for fiscal years 1974 and 1975, it is useful to note that for fiscal year 1973, $88,027,000 was authorized.

Mr. Speaker, I urge the adoption of this rule.

Mr. PEPPER. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 60]

Armstrong	Gettys	Riegle
Ashbrook	Giaimo	Roberts
Aspin	Griffiths	Rooney, N.Y.
Badillo	Grover	Rosenthal
Biaggi	Guyer	Rousselot
Blatnik	Hanna	Roybal
Bolling	Harsha	Ruppe
Brown, Calif.	Harvey	Schneebeli
Burton	Hawkins	Sisk
Carey, N.Y.	Hébert	Smith, Iowa
Carney, Ohio	Ichord	St Germain
Chappell	Jones, N.C.	Steele
Chisholm	King	Teague, Tex.
Clark	Kuykendall	Thompson, N.J.
Clay	Lujan	Udall
Davis, S.C.	Mann	Wilson, Charles H., Calif.
Dent	McClory	Wilson, Charles, Tex.
Erlenborn	McKinney	Wright
Flowers	McSpadden	Young, Ill.
Foley	Mills, Ark.	
Fraser	Passman	
Frelinghuysen	Price, Tex.	
Gaydos	Reuss	

The SPEAKER. On this rollcall 368 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PEACE CORPS ACT AMENDMENTS OF 1973

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5293) authorizing continuing appropriations for the Peace Corps.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5293, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes, and the gentleman from California (Mr. MAILLIARD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill H.R. 5293 is short and simple. It authorizes an appropriation of slightly over $77 million for the Peace Corps for the fiscal year 1974—and $80 million for the fiscal year 1975.

The proposed authorization for the coming year is $11 million—or 12.5 percent—lower than what the Congress authorized for fiscal year 1973.

The fiscal 1975 authorization is $8 million less than the current authorization.

The actual cutbacks in authorizations are even more severe than the figures I just quoted would indicate.

This is because of the 25 percent devaluation of the dollar during the past 17 months.

Nevertheless, the committee felt that the sums recommended will be sufficient to carry out legitimate Peace Corps activities during the coming 2 years.

COMMITTEE ACTION

The committee was of one mind on this issue.

The bill was reported from the committee with strong bipartisan support, by a vote of 19 to 0.

Moreover, the committee made only one change in the executive branch request:

In place of an open-ended authorization for the fiscal year 1975, the committee recommended a fixed authorization of not to exceed $80 million.

Over the years, the Committee on Foreign Affairs has done its best not to bring any open-ended authorizations to the floor of the House.

Our action on the Peace Corps request is consistent with that policy, and our desire to see close congressional supervision over all overseas undertakings.

LOWER PROFILE

Another thing which the committee favors, Mr. Chairman, is a lower profile for the Peace Corps.

This lower profile has been becoming a reality during the past several years.

In 1968, for example, the Peace Corps consisted of nearly 14,000 volunteers and trainees.

This year, it is down to about 7,000.

Looking at it from the financial standpoint, the Peace Corps budget request for 1968 amounted to nearly $125 million.

The authorization proposed for fiscal year 1974 is almost $50 million lower; it amounts to $77 million.

EMPHASIS ON PROFESSIONAL SKILLS

The size of the Peace Corps, and its budget, are not the only things that are changing.

Under the "new directions" program introduced not too long ago, the Peace Corps is emphasizing professional skills in the recruitment and placement of its volunteers.

The Peace Corps is seeking men and women who can do jobs in agriculture, forestry, animal husbandry, building trades, and other fields—not only generalists and college graduates.

And the Peace Corps is beginning to attract some people with such professional skills.

By the end of 1972, over 300 Americans, age 50 or over, were serving with the Peace Corps overseas.

Also, more than 300 families—married couples with one or more children—were carrying out Peace Corps programs.

All of these people had more maturity, more experience, and more skill than the average Peace Corps volunteer of the 1960's.

This, in my opinion, is a good, healthy trend.

Our committee has encouraged the Peace Corps to continue: to forget about high numbers of volunteers and to concentrate instead on getting people with the right skills to do the jobs that need to be done.

There is much room for improvement in that area of Peace Corps activity. The committee investigations have pointed out some weaknesses in Peace Corps recruitment procedures. The officials of the agency are now aware of them, and hopefully, will try to correct them.

PEACE CORPS OVERVIEW

The lower profile and the new emphasis in professional skills have not changed the mission of the Peace Corps—or reduced its usefulness.

The Peace Corps remains a very important, and very American, instrument for sharing our know-how and helping others solve their own problems.

It personifies one of the finest, and most humane, undertakings in our national history.

At the present time, there are about 7,000 Peace Corps volunteers and trainees working on 955 projects in 58 countries.

Some of them are working in agriculture and rural development.

Others are in education and health.

Still others are working on urban problems, and helping their host countries learn about business procedures and public management.

All of them are living on the same level as their host-country counterparts, getting only $75 a month for their support.

They do not live in fancy apartments—sporting expensive clothes and cars—or putting money in the bank.

They are out there in the field—or in a school—or in a village—because they honestly want to help somebody.

They are a credit to America's voluntary tradition.

Moreover, most of them—when they come home—apply what they have learned in their Peace Corps assignments to the solution of the problems of their own communities.

BUDGET BREAKDOWN

Mr. Chairman, I would now like to say a few words about the budget proposed in the bill before us.

About 40 percent of the Peace Corps budget—$32 million in fiscal 1974—will be spent for program support.

A smaller part—about 38 percent or $30 million—will go for the support of the volunteers in the field.

The remainder—about $15 million—will be spent for training.

Within these broad categories, a couple of significant changes are taking place:

First, staff costs—in Washington and abroad—are going down by about $1 million: from $16 million in the current year to $15 million in fiscal year 1974; and

Second, Peace Corps' share of ACTION administrative support costs will also decrease by about $400,000: from $13 million to $12.6 million.

These changes represent some tightening of the program on the administrative side.

When you add them to the lower authorization levels, and the effects of the 25-percent devaluation of the dollar, they become significant.

CONCLUSION

Mr. Chairman, in conclusion—I believe that the bill before the House is sound and reasonable, and that it ought to be approved.

Admittedly, the Peace Corps has experienced some difficulties in placing more emphasis on volunteers with professional skills. But the agency is aware of its shortcomings and is trying to correct them. This warrants some patience on our side.

Moreover, the proposed authorization is within the President's budget request and represents a substantial decrease in comparison with authorization levels of recent years.

For these reasons, and because I believe in the program, I urge the approval of H.R. 5293.

Mr. MAILLIARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support H.R. 5293, which would provide a 2-year authorization for the Peace Corps. This legislation authorizes an appropriation of $77,001,000 for fiscal year 1974 and $80 million for use in fiscal year 1975.

The distinguished chairman of the committee, the gentleman from Pennsylvania, has already reviewed in some detail the committee's action in bringing this legislation before the House.

However, I think it is appropriate to emphasize here today the extent to which the Peace Corps has become more responsible and mature in the way in which it conducts its operations.

The emphasis in today's Peace Corps is on quality—not quantity. In fiscal year 1974 the Peace Corps expects to have 7,265 volunteers and trainees—less than half the peak of 15,556 volunteers and trainees in fiscal year 1966.

Despite a steady increase in volunteer applications since a low period in 1969, the Peace Corps has limited its numbers. It has placed its emphasis on the selection of volunteers with the attitudes and skills needed to meet the requests of host countries.

As part of an effort to provide the most practical and effective training possible, more of the volunteers are being trained in the countries in which they will serve.

Host country requests have been increasing with particular emphasis on skills needed in agriculture, education, and health. A meaningful job awaits every volunteer in his host country.

Today's volunteer is more mature, more practical, and more job oriented. The average age is now 27, with 5 percent of the volunteers over 50 years of age. There are 300 families with dependent children.

The new directions of the Peace Corps have brought results. Countries are requesting more skilled volunteers than we can supply. The number of applications by prospective volunteers with maturity and skills is increasing.

I urge your support of H.R. 5293.

I feel that the program as a whole has been steadily improving in the last 5 or 6 years, and I think the House has every reason to support this program.

Mr. Chairman, I urge the support of this bill.

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

Mr. MAILLIARD. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I rise in support of H.R. 5293. It is my strong feeling that the Peace Corps has come of age. I have been a close observer of this agency's progress since its inception 12 years ago and I am now convinced that it has become an integral part of the U.S. program to aid underdeveloped countries. Its purpose and quality have reached a new maturity while still maintaining its pride of service to peoples overseas.

The Peace Corps has shown remarkable flexibility and willingness to accommodate the countries it serves by updating its screening process and training program to better fulfill the needs and requirements of host countries. It now appears that volunteers are more carefully screened, have skills in areas which have been specifically requested by the host country, and are showing a marked maturity and responsiveness in working with the host country government and its peoples.

Job assignments are now geared to the priority needs of developing nations and the Peace Corps waits for the host country to request a program. Recruitment of volunteers focuses more on people with skills and they are largely being trained in the country in which they will serve. Operating in 58 countries, volunteers no longer go out to "do their own thing"—their job is defined even before recruitment begins.

Reflecting the greater maturity of the Corps, the average age of the volunteers now is 27 rather than the past average of 23; and one-fourth of the volunteers are married.

The "new direction" of the Peace Corps is now emphasizing quality rather than quantity and I should like to urge my colleagues to support the Peace Corps program.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. Chairman, many Americans are not aware of the great service the Peace Corps is rendering our own country. One, of course, may ask how can the Peace Corps render a service to the United States when all of its programs are based in foreign lands.

Peace, Mr. Chairman, is and should be one of the highest priorities in our time. As its name implies, this is one of the missions of the Peace Corps. To promote peace through better understanding is the great service the Peace Corps is rendering America. Through its work in the underdeveloped world, Peace Corps is generating goodwill for the United States. Everyday Peace Corps volunteers create hundreds of friends for the United States all over the world,

by presenting to the people they serve a view of America they have never seen: a view of America as a brother helping those less fortunate, a view of America as a land in which our youth are willing to live a part of their lives in a strange, rigorous environment so that the lives of others may be bettered. In the past we have encouraged the people of these countries to come to America to seek a better life. Now we are going to those people to help them attain a better life in their own countries, their own surroundings, their own cultures.

It has been said that one of the goals of the Peace Corps is to eventually work itself out of a job, and I hope to see the day when there is no need for us to be here debating a Peace Corps authorization bill. That will mean that the underdeveloped world has achieved a reasonable degree of self-sufficiency in these skills now being provided by Peace Corps volunteers. But until that day, Mr. Chairman, I pledge my strong support to this meritorious program. Because, as long as we receive a request for an authorization for the Peace Corps it means that there is hunger, disease, and illiteracy in our world. And, while it is not within our ability to cure all the evils of the world, I submit that it is within our province, it is our obligation, to try to lessen them.

Mr. Chairman, as proof of the goodwill it is generating, permit me to quote briefly from some letters received by the Peace Corps from high ranking functionaries of the countries they serve:

From the chairman of the Coordination Committee Operation Help in Afghanistan:

> The Prime Minister has asked me to extend the deepest appreciation of the Royal Government to the Peace Corps . . . we wish to share this feeling with those members of the Corps who so selflessly participated in our program. They reflected great credit on the nation which they serve and on themselves.

From the village chief of Barguie, Ivory Coast:

> The whole population is assembled to express their thanks and gratitude . . . to the whole American Peace Corps and to put our gratitude into tangible form, a monument will be erected to commemorate the Peace Corps of the U.S.A.

From the governor of Haiapai, Tonga:

> The Peace Corps Volunteers are so different from other *Palangis* (foreigners). They give up their good life back home and come here to live in fales, and teach in our poor schools.

Mr. Chairman, this is only a small sampling of the thousands of unsolicited testimonials given the Peace Corps during the last year. I believe they are proof of the goodwill generated by this organization.

Mr. Chairman, I urge approval of this legislation.

Mr. HAMILTON. Mr. Chairman, the Peace Corps is alive and well; and its good health is especially apparent in the Near East and South Asia area. Programs in Iran, India, Afghanistan and Nepal are being carried out by over 600 volunteers in a variety of technical areas, and some of these programs are among the most successful in the Peace Corps.

In Iran, Peace Corps programs have, over the last decade, emphasized agriculture, secondary education, public works and urban planning projects; in India, Peace Corps programs are oriented toward rural community development, small business development and education.

Afghanistan and Nepal, two small states with giant neighbors, are determined to protect their independence. They are among the least developed countries in the world with less than one of every 10 citizens literate and a per capita annual income less than $100. One hundred and sixty Peace Corps volunteers in Nepal concentrate on agricultural, rural development, forestry and educational projects; over 200 volunteers in Afghanistan stress a variety of educational, health and urban development projects along with activities similar to those in Nepal.

SOME PAST SUCCESSES

The Peace Corps is appreciated by the governments and the people of each of these countries. The demonstrated accomplishments of the volunteers include these examples:

First, in Iran nearly 500 English teacher volunteers have taught, since 1963, close to 200,000 Iranian students and almost 250 Iranian teachers who participated in in-service English language courses.

Since 1965, over 75 volunteers have labored on urban planning projects. The exemplary results include: 48 5-year city growth guide plans; 45 city parks; 34 urban design projects; 52 architectural projects; and 25 research projects. The American civil engineers, architects, planners, economists and sociologists involved in these projects represent the new breed of volunteer with technical expertise.

In Afghanistan, the Peace Corps program has not produced as much evidence of detailed plans and large-scale efforts but it can point with pride to several programs in the countryside and the cities where Peace Corps volunteers have helped in a variety of self-help vocational training and education programs and in health care efforts, all designed to help eradicate disease and famine and increase the supply of skilled manpower.

Operation Help, a dramatic international program, gave nearly 240,000 Afghans a renewed hope for survival in 1972. Droughts in 1970 and 1971 had spread famine and disease throughout many rural areas of the country and in 1972, the world community united to get donated food, clothing and health supplies to remote and isolated regions. The Agency for International Development played an impressive role in this operation and several Peace Corps volunteers remained on the scene in remote towns and villages to help make this program a success.

SOME FUTURE PROSPECTS

Past and present accomplishments in the Middle East and South Asia area are an important reason for supporting the Peace Corps program. But it is equally significant that the Peace Corps will be expanding in 1973 into a new area—the Arabian Peninsula.

In 1972, the United States signed Peace Corps program agreements with the Yemen Arab Republic and Oman and it is possible that other states will follow. By the end of 1973, small programs involved in health, education, central economic planning and water supply will have begun with just under 50 volunteers. We should encourage this modest addition to the Peace Corps for it is bringing self-help programs to some of the most isolated and poorest people in the world in a region which may become vital to the United States.

Mr. Chairman, it is a long distance from Washington to Afghanistan. Nepal and the Yeman but it may be an even longer ride from the capitals of these countries to the towns and villages where Peace Corps volunteers usually work. These Americans are bringing to ordinary people the important message that America does care about helping others help themselves.

We are not sending volunteers where local talent can do the job. We are sending them where they are wanted and where the host countries are willing to help pay for American expertise and assistance. Because they are willing to pay to benefit their own people, we should be willing to help them.

I urge your support of the Peace Corps.

Mr. MONTGOMERY. Mr. Chairman, I am greatly concerned over the matter-of-fact manner in which we are considering this piece of legislation today to extend the Peace Corps for another 2 years. It appears there will be little or no debate on a bill which provides for an expenditure of $77 million in fiscal year 1974 and $80 million in fiscal year 1975. Even though $157 million over a 2-year period may not seem like much money in view of the extremely large authorization bills to which we have become accustomed, I can assure you that it is indeed a large sum of money in view of the tight restrictions on the Federal budget.

In view of the pressing needs in our own Nation, I believe we need to question very seriously an expenditure of this size that will be spent overseas. Not only will this money be lost for domestic needs, but I fear that it will further contribute to the staggering deficit in our balance of payments.

Mr. Chairman, at the time the concept for the Peace Corps was envisioned it had the very noble purpose of trying to assist the so-called developing nations with their most basic problems in the field of education, health, agriculture, and public works. But this was 11 years ago and it appears that we are still there, so to speak, trying to do all the work ourselves.

I believe it is time we realize that we cannot continue to provide all the manpower needed for activities being conducted under the Peace Corps. It is time we changed our mode of operation and trained people in each country to do the work we are still attempting to do our-

selves. I certainly feel that in the long run this would prove to be much less expensive for the U.S. taxpayers.

The present concept of operation for the Peace Corps needs to be revamped and we need to begin looking to the day we can phase the program out and turn the full responsibility over to the individual nations. We need to teach people of other countries self-reliance and not total dependence on the United States. It escapes me completely how in a period of 11 years, we have been unable to impart our expertise to a core group of people in each nation who in turn could perform the same functions we are sending our own people to do year after year after year.

Mr. Chairman, if we are truly serious about holding the line on Federal spending then we should defeat this bill and give the Committee on Foreign Affairs an opportunity to draft another bill which would be more in line with our spending priorities. We have to make the resolve to start somewhere in establishing new and better priorities for the Federal budget. I can think of no better place to start than with the rejection of the excessive spending limits contained in the Peace Corps Act Amendments of 1973.

Mr. MORGAN. Mr. Chairman, I rise to pay tribute to the Chairman of the Committee of the Whole House, the distinguished gentleman from Kentucky (Mr. NATCHER).

Once again, he has presided over the deliberations of this body with fairness and consideration for the rights of all Members.

I do not know how many Members of the House are aware of this, but our esteemed colleague from Kentucky, Mr. NATCHER, has chaired the Committee of the Whole House on every occasion that the Peace Corps authorizations had been before the House, except one.

Because of this, he has been associated very closely with the legislative history of the Peace Corps.

I would like to add that that association has always reflected most favorably upon the gentleman from Kentucky. He is a scholar of the legislative procedure. He has been judicious and eminently fair in his rulings. And I personally appreciate the many courtesies that he has extended to our committee—on both sides of the aisle—when we have brought these bills before the House.

Mr. Chairman, I have no further request for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first phrase of section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)), ending with a colon, is amended to read as follows: "There are authorized to be appropriated to the President for the fiscal year 1974 not to exceed $77,001,000 and for the fiscal year 1975 such sums as may be necessary to carry out the purposes of this Act."

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On the first page, beginning in line 7, strike out "such sums as may be necessary" and insert in lieu thereof "not to exceed $80,000,000."

SUBSTITUTE AMENDMENT FOR THE COMMITTEE AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer a substitute amendment for the committee amendment.

The Clerk read as follows:

Substitute amendment for the committee amendment offered by Mr. GROSS: On page 1, strike all of lines 7, 8 and 9 and insert the following: "$60,000,000 to carry out the purposes of this Act."

Mr. GROSS. Mr. Chairman, my amendment would do two things: It would cut the $77,001,000 down to $60 million and hopefully launch Congress on the way to phasing out this international WPA, and it would limit the authorization to 1 year, rather than 2 years.

I cannot understand how Members of the House, in view of the financial crisis that confronts this country, can go on financing this boondoggle, at $77,001,000 a year. And is it not interesting that it is 77 million, 1,000 dollars? And when I asked the Peace Corps representatives who come before the committee, why the $1,000, they said, in effect, "Well, it just came out that way."

No, Mr. Chairman, I cannot understand how the House, in this time of financial trouble and with the cutbacks and cutoffs in spending on programs in this country can go on with this outfit at a cost of $77 million next year and $80 million in fiscal year 1975.

There is not a Member of this House who has any idea about what the financial situation of this country will be a year from now, or what it will be like by the end of this summer—whether there will be another devaluation of the dollar by the end of this summer. Moreover, this is one of several programs that ought not to be projected over a period of 2 years. What business have we committing the American people here and now to spending $80 million on the Peace Corps for the 1975 fiscal year in view of what is going on financially in this country?

So, I have offered this amendment in good faith in an attempt to do something for the taxpayers of this country by cutting $17 million out of next year's funding and all the $80 million for 1975. I hope, as I have said before, that that will be the beginning of the end of this boondoggle.

The gentleman from Ohio (Mr. WHALEN), a few minutes ago, read some plaudits of the Peace Corps from some foreign government pooh-bahs. I have no doubt that they appreciate having the Peace Corps, because we are spending money in those countries. But it is my understanding the Peace Corps has been kicked out of 17 countries. I notice he did not say anything about that. I do not know whether they were kicked out of any foreign countries last year, but it is evident that not all is gold that glitters with this outfit.

I offer this amendment in the hope that this can be the beginning of some financial sanity on the part of the Members of the House. I cannot think of anything that could be better dispensed with, in view of what is going on, than this entire program.

Mr. Chairman, more than $1 billion has been spent on this international WPA since its inception and for what? Our problems around the world have increased, not diminished. Now it is proposed to borrow and spend another $157 million in 2 years. To what end?

I urge the adoption of my amendment.

Mr. HUBER. Mr. Chairman, my distinguished colleague from Iowa has pointed out one potential avenue of cost cutting in his amendment to slice $17 million from our total budget. This morning I have just attended a meeting in the Veterans' Affairs Committee at which time the Disabled American Veterans presented their testimony concerning the very sad and very serious situation all disabled veterans face. The pittance that is referred to as pension funds fails miserably to maintain minimum standards for those who have sacrificed a normal and healthy, and full life for our country. Nowhere do I see this plight of our honored disabled veterans being given the priority of treatment that is so justly deserved. The high priority goes overseas to, as my distinguished colleague so aptly phrased it, an international WPA. I think we would be doing a far greater justice to our taxpayers as well as our disabled American veterans if we would slash this $17 million from our Peace Corps and place it in the hands of our disabled veterans. For that reason, I totally endorse the gentleman from Iowa's economy move.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment. Before I deal with the substance of the gentleman's amendment, I wish to assure him that the Peace Corps was not asked to leave any country in the last fiscal year. The Peace Corps withdrew from Uganda because of a border clash between Tanganyika and Uganda. A Peace Corps volunteer was killed there, so we immediately withdrew the Peace Corps from Uganda. But no country asked the Peace Corps to leave during the last fiscal year.

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

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. How many countries have the Peace Corps been kicked out of?

Mr. MORGAN. They have been removed from about 15 countries. Some countries invited them back. Several countries removed the Peace Corps and then invited them back.

The gentleman from Iowa is a member—and a very valuable member—of the Foreign Affairs Committee. He has an outstanding reputation as a great economizer. He has been opposed to proposals to spend dollars overseas for a good many years. I realized that this amendment would come from him.

I would like to point out, however, that the 2-year authorization request was

made by the administration. The Committee on Foreign Affairs did not manufacture it; it came from downtown.

As a distinguished member of the Committee on Rules pointed out here when the rule was being debated, our committee knocked out the open-end authorization requested by the administration for the second year. This was done through an amendment offered by the distinguished Member of Congress from the great State of Alabama (Mr. BUCHANAN). His amendment closed the open end and provided for a 2-year authorization with an $80 million ceiling in fiscal 1975.

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

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. I thank my chairman for yielding. The amendment to provide $80 million for fiscal year 1975, which is an increase over fiscal year 1974, was adopted by the committee in a matter of 5 minutes; was it not? And the Peace Corps never testified in behalf of the $80 million.

Mr. MORGAN. The Acting Director of the Peace Corps testified in support of the open-ended authorization for fiscal 1975. That could have gone as high as $100 million. The committee would not buy it. In its wisdom, the committee decided, however, that they would give the Peace Corps some flexibility and give them $77 million in fiscal 1974 and $80 million the following year.

Mr. GROSS. But, of course, the committee knew that the House would not adopt an open-end authorization. So the committee threw in $80 million which is not a decrease, but an increase. How in all conscience can this be approved?

Mr. MORGAN. As the gentleman knows, I have always opposed open-end authorizations, and I opposed this one in the committee during the markup.

At the same time, our committee has watched the Peace Corps since 1961. The Peace Corps reached a peak in 1968 when they had 14,000 trainees and volunteers, and the program was costing about $124 million. In more recent years, the Committee on Foreign Affairs has worked with the Peace Corps to move it in a new direction, to reduce the number of volunteers and to improve the quality of its performance. They have done a good job moving in those directions. There are only 7,000 volunteers this year. The budget has come down from $124 million to where we are now asked to approve $77 million. And the quality has gone up considerably.

The main reason the Peace Corps is asking for a 2-year authorization is because we, among others, have criticized them for their shortcomings in recruitment and training. To get the right kind of volunteers and to get them ready within 1 year's authorization, is difficult. We realize this. And for this reason, we propose to give them a 2-year authorization so that they will have the opportunity to select better qualified volunteers, and to improve the performance of the Peace Corps.

So I hope that the amendment offered by the gentleman from Iowa will not be adopted. The Peace Corps has been a good program. It has been received very well overseas in most of the countries. To give the Peace Corps a chance to move in the new direction and to enable it to attract volunteers with the right kind of skills, we should give it a 2-year authorization and the funding provided for in the committee bill.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa (Mr. GROSS) for the committee amendment.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 24, noes 28.

Mr. GROSS. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5293) authorizing continuing appropriations for the Peace Corps, pursuant to House Resolution 328, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

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

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

MOTION TO RECOMMIT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. Unalterably and unequivocally, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the Bill H.R. 5293 to the Committee on Foreign Affairs with instructions to report the bill back to the House forthwith, with the following amendment: On page 1, strike all of lines 7, 8 and 9 and insert the following: "$60,000,000 to carry out the purposes of this Act."

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 132, nays 238, not voting 63, as follows:

[Roll No. 61]

YEAS—132

Abdnor	Gross	O'Brien
Andrews, N.C.	Gunter	Pettis
Arends	Haley	Poage
Baker	Hammer-schmidt	Powell, Ohio
Beard	Hanrahan	Quillen
Bennett	Harsha	Randall
Bevill	Henderson	Rarick
Blackburn	Hogan	Robinson, Va.
Bray	Huber	Roncalio, Wyo.
Brinkley	Hudnut	Rose
Burleson, Tex.	Hungate	Rousselot
Burlison, Mo.	Hunt	Ruth
Butler	Hutchinson	Satterfield
Byron	Jarman	Saylor
Camp	Johnson, Colo.	Scherle
Carter	Jones, Okla.	Sebelius
Casey, Tex.	Jones, Tenn.	Shipley
Cederberg	Kazen	Shuster
Clancy	Kemp	Sikes
Clawson, Del	Kuykendall	Skubitz
Cleveland	Landgrebe	Slack
Cochran	Landrum	Snyder
Collier	Latta	Spence
Collins	Long, Md.	Steed
Conlan	Lott	Steelman
Crane	McCollister	Steiger, Ariz.
Daniel, Dan	McEwen	Stubblefield
Daniel, Robert W., Jr.	Mahon	Stuckey
de la Garza	Maraziti	Symms
Dennis	Martin, Nebr.	Talcott
Devine	Martin, N.C.	Taylor, Mo.
Dickinson	Mathis, Ga.	Thone
Dorn	Mayne	Towell, Nev.
Downing	Michel	Treen
Duncan	Milford	Veysey
Evins, Tenn.	Miller	Waggonner
Fisher	Mills, Md.	Wampler
Flynt	Minshall, Ohio	White
Fountain	Mizell	Whitten
Froehlich	Montgomery	Wiggins
Fuqua	Moorhead, Calif.	Williams
Gettys	Myers	Wylie
Ginn	Nichols	Wyman
Goodling		Young, S.C.
		Zion

NAYS—238

Abzug	Corman	Hansen, Idaho
Adams	Cotter	Hansen, Wash.
Addabbo	Coughlin	Harrington
Alexander	Cronin	Hastings
Anderson, Calif.	Culver	Hays
Anderson, Ill.	Daniels, Dominick V.	Hébert
Andrews, N. Dak.	Danielson	Hechler, W. Va.
Annunzio	Davis, Ga.	Heckler, Mass.
Archer	Davis, Wis.	Heinz
Ashley	Delaney	Helstoski
Barrett	Dellenback	Hicks
Bell	Dellums	Hillis
Bergland	Denholm	Hinshaw
Biester	Derwinski	Holifield
Bingham	Diggs	Holt
Boggs	Donohue	Holtzman
Boland	Drinan	Horton
Bolling	Dulski	Hosmer
Bowen	du Pont	Howard
Brademas	Edwards, Ala.	Johnson, Calif.
Brasco	Edwards, Calif.	Johnson, Pa.
Breaux	Eilberg	Jones, Ala.
Breckinridge	Eshleman	Jordan
Brooks	Evans, Colo.	Karth
Broomfield	Fascell	Kastenmeier
Brotzman	Fish	Keating
Brown, Mich.	Flood	Ketchum
Brown, Ohio	Foley	Koch
Broyhill, N.C.	Ford, Gerald R.	Kyros
Broyhill, Va.	Forsythe	Leggett
Buchanan	Frenzel	Lehman
Burgener	Frey	Lent
Burke, Calif.	Fulton	Long, La.
Burke, Fla.	Gibbons	McCloskey
Burke, Mass.	Gilman	McCormack
Carey, N.Y.	Goldwater	McDade
Chamberlain	Gonzalez	McFall
Chisholm	Grasso	McKay
Clark	Gray	Macdonald
Clausen, Don H.	Green, Oreg.	Madden
Cohen	Green, Pa.	Madigan
Conable	Gubser	Mailliard
Conte	Gude	Mallary
Conyers	Hamilton	Mathias, Calif.
	Hanley	Matsunaga
	Hanna	Mazzoli
		Meeds

Melcher	Quie	Stratton
Metcalfe	Railsback	Studds
Mezvinsky	Rangel	Sullivan
Minish	Rees	Symington
Mink	Regula	Taylor, N.C.
Mitchell, Md.	Reid	Teague, Calif.
Mitchell, N.Y.	Rhodes	Thomson, Wis.
Moakley	Rinaldo	Thornton
Mollohan	Robison, N.Y.	Tiernan
Moorhead, Pa.	Rodino	Van Deerlin
Morgan	Roe	Vander Jagt
Mosher	Roncallo, N.Y.	Vanik
Moss	Rooney, Pa.	Vigorito
Murphy, Ill.	Rostenkowski	Waldie
Murphy, N.Y.	Roush	Walsh
Natcher	Roy	Ware
Nedzi	Runnels	Whalen
Nelsen	Ruppe	Whitehurst
Nix	Ryan	Widnall
Obey	St Germain	Wilson, Bob
O'Hara	Sandman	Winn
O'Neill	Sarasin	Wolff
Owens	Sarbanes	Wyatt
Parris	Schroeder	Wydler
Patman	Seiberling	Yates
Patten	Shriver	Yatron
Pepper	Staggers	Young, Alaska
Perkins	Stanton,	Young, Fla.
Peyser	J. William	Young, Ga.
Pickle	Stanton,	Young, Ill.
Pike	James V.	Young, Tex.
Podell	Stark	Zablocki
Preyer	Steiger, Wis.	Zwach
Price, Ill.	Stephens	
Pritchard	Stokes	

NOT VOTING—63

Armstrong	Frelinghuysen	Roberts
Ashbrook	Gaydos	Rogers
Aspin	Giaimo	Rooney, N.Y.
Badillo	Griffiths	Rosenthal
Bafalis	Grover	Roybal
Biaggi	Guyer	Schneebeli
Blatnik	Harvey	Shoup
Brown, Calif.	Hawkins	Sisk
Burton	Ichord	Smith, Iowa
Carney, Ohio	Jones, N.C.	Smith, N.Y.
Chappell	King	Steele
Clay	Kluczynski	Teague, Tex.
Davis, S.C.	Litton	Thompson, N.J.
Dent	Lujan	Udall
Dingell	McClory	Ullman
Eckhardt	McKinney	Wilson,
Erlenborn	McSpadden	Charles H.,
Esch	Mann	Calif.
Findley	Mills, Ark.	Wilson,
Flowers	Passman	Charles, Tex.
Ford,	Price, Tex.	Wright
William D.	Reuss	
Fraser	Riegle	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Davis of South Carolina for, with Mr. Thompson of New Jersey against.

Mr. Chappell for, with Mr. Burton against.

Until further notice:

Mr. Rooney of New York with Mr. Grover.
Mr. Blatnik with Mr. Ashbrook.
Mr. Biaggi with Mr. Frelinghuysen.
Mr. Hawkins with Mr. Rosenthal.
Mrs. Griffiths with Mr. Findley.
Mr. Giaimo with Mr. McClory.
Mr. Gettys with Mr. McKinney.
Mr. Roberts with Mr. Bafalis.
Mr. Roybal with Mr. Schneebeli.
Mr. Sisk with Mr. Smith of New York.
Mr. Teague of Texas with Mr. Price of Texas.
Mr. Charles H. Wilson of California with Mr. Steele.
Mr. Wright with Mr. King.
Mr. Dingell with Mr. Erlenborn.
Mr. Flowers with Mr. Shoup.
Mr. William D. Ford with Mr. Harvey.
Mr. Ichord with Mr. Guyer.
Mr. Kluczynski with Mr. Esch.
Mr. Jones of North Carolina with Mr. Smith of Iowa.
Mr. Litton with Mr. Charles Wilson of Texas.
Mr. McSpadden with Mr. Badillo.
Mr. Reuss with Mr. Clay.
Mr. Rogers with Mr. Lujan.
Mr. Udall with Mr. Dent.
Mr. Ullman with Mr. Brown of California.
Mr. Eckhardt with Mr. Fraser.
Mr. Mann with Mr. Mills of Arkansas.
Mr. Passman with Mr. Riegle.
Mr. Aspin with Mr. Carney of Ohio.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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

Mr. MAILLIARD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 299, nays 72, not voting 62, as follows:

[Roll No. 62]

YEAS—299

Abdnor	Diggs	Kazen
Abzug	Dingell	Keating
Adams	Donohue	Kemp
Addabbo	Drinan	Ketchum
Alexander	Dulski	Koch
Anderson,	du Pont	Kuykendall
Calif.	Edwards, Ala.	Kyros
Anderson, Ill.	Edwards, Calif.	Lehman
Andrews, N.C.	Eilberg	Lent
Andrews,	Eshleman	Litton
N. Dak.	Evans, Colo.	Long, La.
Annunzio	Evins, Tenn.	Long, Md.
Archer	Fascell	McCloskey
Arends	Findley	McCormack
Ashley	Fish	McDade
Bafalis	Flood	McFall
Baker	Foley	McKay
Barrett	Ford, Gerald R.	Macdonald
Bell	Ford,	Madden
Bennett	William D.	Madigan
Bergland	Forsythe	Mahon
Biester	Fountain	Mailliard
Bingham	Frenzel	Mallary
Boggs	Frey	Martin, N.C.
Boland	Froehlich	Mathias, Calif.
Bolling	Fulton	Matsunaga
Bowen	Fuqua	Mayne
Brademas	Gibbons	Mazzoli
Brasco	Gilman	Meeds
Bray	Goldwater	Melcher
Breaux	Gonzalez	Metcalfe
Breckinridge	Grasso	Mezvinsky
Brinkley	Gray	Miller
Brooks	Green, Oreg.	Mills, Md.
Broomfield	Green, Pa.	Minish
Brotzman	Gubser	Mink
Brown, Calif.	Gude	Mitchell, Md.
Brown, Mich.	Gunter	Mitchell, N.Y.
Brown, Ohio	Hamilton	Mizell
Broyhill, N.C.	Hammer-	Moakley
Broyhill, Va.	schmidt	Mollohan
Buchanan	Hanley	Moorhead,
Burgener	Hanna	Calif.
Burke, Calif.	Hansen, Idaho	Moorhead, Pa.
Burke, Mass.	Hansen, Wash.	Morgan
Burlison, Mo.	Harrington	Mosher
Butler	Harsha	Moss
Carey, N.Y.	Hastings	Murphy, Ill.
Cederberg	Hays	Murphy, N.Y.
Chisholm	Hébert	Natcher
Clancy	Hechler, W. Va.	Nedzi
Clark	Heckler, Mass.	Nelsen
Clausen,	Heinz	Nix
Don H.	Helstoski	Obey
Clawson, Del	Henderson	O'Brien
Cleveland	Hicks	O'Hara
Cohen	Hillis	O'Neill
Collier	Hinshaw	Owens
Conable	Hogan	Parris
Conte	Holifield	Patman
Conyers	Holt	Patten
Corman	Holtzman	Pepper
Cotter	Horton	Perkins
Coughlin	Hosmer	Peyser
Cronin	Howard	Pickle
Culver	Hudnut	Pike
Daniels,	Hungate	Podell
Dominick V.	Hunt	Preyer
Danielson	Jarman	Price, Ill.
Davis, Ga.	Johnson, Calif.	Pritchard
Davis, Wis.	Johnson, Pa.	Quie
Delaney	Jones, Ala.	Railsback
Dellenback	Jones, Okla.	Randall
Dellums	Jordan	Rangel
Denholm	Karth	Rees
Derwinski	Kastenmeier	Regula
Reid	Staggers	Waldie
Rhodes	Stanton,	Walsh
Rinaldo	J. William	Wampler
Robison, N.Y.	Stanton,	Ware
Rodino	James V.	Whalen
Roe	Stark	White
Roncallo, Wyo.	Steelman	Whitehurst
Roncallo, N.Y.	Steiger, Wis.	Widnall
Rooney, Pa.	Stephens	Williams
Rostenkowski	Stokes	Wilson, Bob
Roush	Stratton	Winn
Roy	Studds	Wolff
Runnels	Sullivan	Wyatt
Ruppe	Talcott	Wydler
Ryan	Taylor, N.C.	Wylie
St Germain	Teague, Calif.	Wyman
Sandman	Thomson, Wis.	Yates
Sarasin	Thone	Yatron
Sarbanes	Thornton	Young, Alaska
Schroeder	Tiernan	Young, Fla.
Sebelius	Towell, Nev.	Young, Ga.
Seiberling	Treen	Young, Ill.
Shipley	Van Deerlin	Young, Tex.
Shriver	Vander Jagt	Zablocki
Sikes	Vanik	Zion
Slack	Veysey	Zwach
Smith, N.Y.	Vigorito	

NAYS—72

Beard	Ginn	Quillen
Bevill	Goodling	Rarick
Blackburn	Gross	Robinson, Va.
Burke, Fla.	Haley	Rose
Burleson, Tex.	Hanrahan	Rousselot
Byron	Huber	Ruth
Camp	Hutchinson	Satterfield
Carter	Johnson, Colo.	Saylor
Casey, Tex.	Jones, Tenn.	Scherle
Cochran	Landgrebe	Shuster
Collins	Latta	Skubitz
Conlan	Lott	Snyder
Crane	McCollister	Spence
Daniel, Dan	McEwen	Steed
Daniel, Robert	Maraziti	Steiger, Ariz.
W., Jr.	Martin, Nebr.	Stubblefield
de la Garza	Mathis, Ga.	Stuckey
Devine	Michel	Symms
Dickinson	Milford	Taylor, Mo.
Dorn	Minshall, Ohio	Waggonner
Downing	Montgomery	Whitten
Duncan	Myers	Wiggins
Fisher	Pettis	Young, S.C.
Flynt	Poage	
Gettys	Powell, Ohio	

NOT VOTING—62

Armstrong	Griffiths	Roberts
Ashbrook	Grover	Rogers
Aspin	Guyer	Rooney, N.Y.
Badillo	Harvey	Rosenthal
Biaggi	Hawkins	Roybal
Blatnik	Ichord	Schneebeli
Burton	Jones, N.C.	Shoup
Carney, Ohio	King	Sisk
Chamberlain	Kluczynski	Smith, Iowa
Chappell	Landrum	Steele
Clay	Leggett	Symington
Davis, S.C.	Lujan	Teague, Tex.
Dennis	McClory	Thompson, N.J.
Dent	McKinney	Udall
Eckhardt	McSpadden	Ullman
Erlenborn	Mann	Wilson,
Esch	Mills, Ark.	Charles H.,
Flowers	Nichols	Calif.
Fraser	Passman	Wilson,
Frelinghuysen	Price, Tex.	Charles, Tex.
Gaydos	Reuss	Wright
Giaimo	Riegle	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Frelinghuysen.
Mr. Rooney of New York with Mr. Ashbrook.
Mr. Biaggi with Mr. Grover.
Mr. Giaimo with Mr. McKinney.
Mr. Blatnik with Mr. Erlenborn.
Mr. Burton with Mr. Riegle.
Mr. Roybal with Mr. Smith of Iowa.
Mr. Rosenthal with Mr. Hawkins.
Mr. Chappell with Mr. Chamberlain.
Mr. Davis of South Carolina with Mr. Lujan.
Mr. Dent with Mr. Schneebeli.
Mrs. Griffiths with Mr. Guyer.
Mr. Ichord with Mr. Dennis.
Mr. Kluczynski with Mr. McClory.
Mr. Landrum with Mr. Charles Wilson of Texas.

Mr. Roberts with Mr. Esch.
Mr. Sisk with Mr. Shoup.
Mr. Teague of Texas with Mr. King.
Mr. Charles H. Wilson of California with Mr. Steele.
Mr. Wright with Mr. Price of Texas.
Mr. Mann with Mr. Jones of North Carolina.
Mr. Nichols with Mr. Harvey.
Mr. Flowers with Mr. Leggett.
Mr. Fraser with Mr. McSpadden.
Mr. Aspin with Mr. Mills of Arkansas.
Mr. Badillo with Mr. Clay.
Mr. Carney of Ohio with Mr. Passman.
Mr. Gaydos with Mr. Reuss.
Mr. Rogers with Mr. Ullman.
Mr. Symington with Mr. Udall.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill authorizing additional appropriations for the Peace Corps."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed (H.R. 5293).

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

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the remainder of this week, if any, and the schedule for next week.

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

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

Mr. O'NEILL. Mr. Speaker, I am happy to respond to the distinguished minority leader.

The program for the House of Representatives for the week of April 2d is as follows:

On Monday, Consent Calendar, no business.

Suspensions. H.R. 3153, technical and conforming changes in Social Security Act; House Resolution 330, Law of the Sea Conference.

On Tuesday, Private Calendar, there is no business. There will be no suspensions for Tuesday.

On Tuesday, before the hour of 2:30, we anticipate that the vocational rehabilitation veto will have arrived on the floor subject, of course, to the action of the other body.

On Wednesday and the balance of the week, there is H.R. 5683, insured loan program for REA, subject to a rule being granted. There is H.R. 3180, franking privilege for Members of Congress, subject to a rule being granted; House Joint Resolution 205, Atlantic Union delegation, subject to a rule being granted.

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

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman yield for an amplification of his comment on the Tuesday program?

Mr. O'NEILL. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Am I correct that the other body is going to vote at 2 o'clock on Tuesday on the veto on S. 7, and, that as soon as that is considered over there, and on the assumption that it will not sustain, it will be sent over here and we will vote right after that?

Mr. O'NEILL. The gentleman from Michigan is correct.

Mr. GERALD R. FORD. I thank the gentleman.

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

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

Mr. GROSS. What will be the situation on Tuesday if this one vote is not scheduled? Will there be any business at all on Tuesday?

Mr. O'NEILL. I would have to say that there is no business scheduled other than the vote on the vetoed bill.

Mr. GERALD R. FORD. Would the gentleman clarify this? If we have to wait for the other body to send the veto message over, will we recess in the interim?

Mr. O'NEILL. Well, we could make a motion to recess, or we could take the special orders that would normally be asked for to use the time.

We have been notified by the other body that they anticipate that the vote will be at 2 o'clock and that the other body would send it forthwith.

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

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

Mr. GROSS. If there were four special orders on Tuesday, in order to occupy the time, would we be able to hear the gentleman from Massachusetts discourse further on the high cost of food?

Mr. O'NEILL. I would be happy to associate with the gentleman from Iowa. I am sure he appreciates the problem of the farmers out there and how they are sweating it out.

Mr. GROSS. I sure do.

Mr. O'NEILL. And the Russian wheat deal. I know the gentleman from Iowa is in sympathetic feeling with the farmer because of the high price of grain and things like that. I appreciate his sympathetic attitude.

ADJOURNMENT OVER TO MONDAY, APRIL 2, 1973

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

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent to dispense with business in order under the Calendar Wednesday Rule on Wednesday next.

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

There was no objection.

PREDATOR CONTROL

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

Mr. RONCALIO of Wyoming. Mr. Speaker, on March 19 the National Audubon Society presented testimony before a subcommittee of the House Merchant Marine and Fisheries Committee on predator control bills. With their testimony they filed for the hearing record a supplementary statement on payments made under the National Wool Act and on alleged "low" grazing fees paid by livestock producers.

Their statement, in my opinion, was misleading. Since one of my colleagues published their statement in the CONGRESSIONAL RECORD, I felt it proper to publish the rebuttal statement submitted for the hearing record by the National Wool Growers Association which follows:

STATEMENT OF THE NATIONAL WOOL GROWERS ASSOCIATION

This statement is submitted in rebuttal to a statement filed for the hearing record by a witness for the National Audubon Society. While not related to the subject of the hearings, predator control, the witness named several sheep producers in Wyoming and Colorado and listed payments she claimed they receive in 1971 under the provisions of the National Wool Act.

For example, the witness alleged that Vern Vivion, immediate past president of the National Wool Growers Association "received a fat government check in 1971." Vern Vivion did not receive a fat government check in 1971. The facts are that Vern Vivion and his family are one of three families that are a part of the Leo Sheep Company of Rawlings, Wyoming. The corporation and not Vern Vivion individually did receive a larger-than-usual payment in 1972 and no payment was received in 1971. This is what actually happened:

In 1970 and 1971 wool prices in this country were extremely depressed, as they were all over the world. When wool prices reached these very low levels in 1970, the Leo Sheep Company, like many other sheep ranches held their 1970 wool clip over into 1971 in the hope for a higher market price which would mean a lower Government payment. When 1971 did not bring higher prices, but instead the lowest prices in 33 years, the Leo Sheep Company, like many other sheep ranches, was forced to sell two years' production of wool at the depressed prices.

What the witness failed to state is that the check she is referring to covered payments on two years' wood production. This is also true for some others she names. She also failed to state that due to the much better wool market this year, there is an extremely good possibility that there will be no Government payments on the 1973 wool clip.

Furthermore, the Leo Sheep Company is a highly respected pioneer sheep ranching operation in an area near Rawlins, Wyoming. It has been a family operation for several generations and, in fact, provides a livelihood for three separate families; namely, Charles Vivion, his two sons and their families. Since it is in a semi-arid region where crop production is not possible, it is necessary that

it be a large operation to form an economic unit. Bigness does not denote badness.

While the witness emphasized low market prices for wool in 1971 and consequent higher payments under the National Wool Act, she neglected to state that in all of the other years since the inception of the Wool Act, market prices were higher and payments were lower. In some years market prices were much higher and consequently payments were much lower. If the witness wants to be fair she should list the payments of these same growers for all other years in which they participated in the Government program and not just the year of highest payments when there was a worldwide depression in wool prices. Why did she fail to list the low payments for 1957, 1962, 1963, 1964, 1965 and 1966, for example?

The witness is really attacking the legislative wisdom of Congress when it enacted the wool program to provide for situations of this type and to assure that we have a viable domestic wool industry in this country.

The lack of knowledge of the witness on how the National Wool Act operates is shown by her statement concerning "the peculiar way in which wool incentive payments are calculated." She infers that the large growers receive more per pound than the small growers. This is not true. Instead of calculating the cents per pound difference between the incentive price level under the Wool Act and the market price, the difference is calculated on a percentage basis. This one percentage rate (the percentage required to bring the national average price for wool sold in the free market up to the incentive level) is applied to the net sales proceeds received by each grower to determine the amount of his incentive payment. By making payments on a percentage basis, growers are encouraged to improve the quality and marketing of their wool to obtain the best price possible, because the higher the price the individual grower gets in the free market, the greater his payment.

The quality of a man's wool clip rather than the size of his operation determines the incentive price per pound he receives under the Wool Act. If a small grower prepares a better clip of wool, and receives a better price for it on the open market, the return will be more per pound than that of a large grower who prepares a clip of lesser quality. To associate the payment per pound with the size of the grower's operations which the National Audubon Society witness has done, is misleading and utterly ridiculous.

As for "low grazing fees" just what does the witness mean by such a statement? Grazing fees in many instances are probably high for the type of desert and semi-arid grazing land that is involved. Much of it requires 100 acres to graze one cow or five sheep. Much of this land would be useless and would lie idle if it were not for sheep and cattle to convert the sparse grass into meat and wool to feed and clothe the people of this country. The witness fails to give any credit to the livestock industry for developing the economy of these semi-arid and desert regions, providing taxes for roads, schools and other necessities to many Western communities and making it possible for these communities to exist.

The economic theory of the witness with regard to "savings" to graziers on public lands is apparently based on a comparison of grazing fees on private leased lands with those on Federal lands. The witness fails to state that in many cases private lands are superior pasture lands capable of grazing more animals on a smaller acreage and, consequently, command a higher lease fee.

Furthermore, on private lands the grazier has tenure and the owner of the private land gives the grazier the right to manage the land he is leasing. A great deal of the acreage of Federal lands is land that was not valuable enough to be taken up by homesteaders. Much of it is land on which the Federal Government would realize no return whatsoever if it were not for livestock to graze it for a part of the year.

The witness says that one-third of the grazing fee is used for range improvements "which benefit the grazier such as fence building." She does not state that over one-half of the fencing on Federal lands was paid for by the graziers themselves and she fails to mention that range improvement fees also go for re-seeding, erosion control and other good husbandry practices which have made much of the grazing land better and more productive than when it was first grazed. A good portion of range improvement fees are used for the development of water sources and other improvements beneficial to wildlife as well as domestic livestock.

Her statements on grazing fees demonstrate a misunderstanding of the theory and application of the 1966 Western Range Livestock Survey. For example, she makes the statement:

"The livestock interests did not succeed in having the interest cost considered as an operating cost when the fee was set, but other costs including moving animals, lost animals, herding, salting and feeding were deducted before the fee was set."

The costs referred to were not used for the purpose of deductions at any time. Fees and other cost items are common to operating on both private and public lands and when computed and compared, conclusively demonstrated that the cost of grazing on public lands was higher than the cost of grazing on private lands.

The witness also latched on to these hearings as one more opportunity to recite the death in Wyoming of some eagles in 1971. She is apparently going on the theory of "guilt by association." Because several ranchers were accused of violating the law she is apparently intimating that the other 175,000 respected citizens of this country who happen to be sheep farmers and ranchers are also guilty of wrong-doing. The National Wool Growers Association does not condone any violations of the law; neither do we believe that law-abiding citizens should have any stigma of guilt attached to them because they happen to be sheep farmers and ranchers.

I would like to get this clarification on the hearing record and to state further that the type of testimony offered by the Audubon Society, in my opinion, does nothing to assist the Subcommittee in its earnest deliberations to solve the predator problem—a problem which affects not only the sheep producers which the National Audubon Society is attacking, but cattlemen, turkey producers, other farmers and also meat processors who are trying to supply American consumers with an abundant quantity of meat at the lowest possible prices. Really the fundamental issue here does not involve the National Wool Act or grazing fees, but rather the right of farmers and ranchers producing calves, lambs, turkeys and other defenseless living things to protect their property through adequate measures to *control* depredating animals.

FARM SUBSIDIES

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

Mr. CONTE. Mr. Speaker, I expect momentarily the annual honor roll of the Department of Agriculture: The list of those farms that received subsidy payments of $20,000 or more under the Federal Government's cotton, feed grains, and wheat programs for 1972.

A record number of 12,309 farms received subsidy payments of $20,000 or more last year for withholding production of these crops. This select group received a total of $411.8 million, which is more than 10 percent of all Federal farm subsidies paid in 1972.

Total farm subsidies last year were $4 billion, spread among 2.4 million farmers.

Contrary to my previous practice, I will not insert this list in the RECORD. It would fill about 90 pages, and the cost to the Public Printer would exceed $15,000.

As much as I would like to make this list a permanent part of the RECORD, my conscience restrains me from spending such an exorbitant sum of the taxpayers' money.

However, I shall make this list available in my office.

In this time of high food prices, meat boycotts, and feed grain shortages, the magnitude of the Federal Government's generosity to the big, rich farmers is clearly outrageous. It is time to phase out these welfare-for-the-rich programs, starting right now.

I fully support the administration's plan to terminate these giveaway programs and unleash the farmers' full productive capacity. I have been advocating this for years.

The American taxpayer is tired of forking over an added $4 billion to Uncle Sam every year. The consumer has been knifed too long by artificially high food prices. And the farmer is ready to be weaned from Federal spoon feeding.

Mr. Speaker, I respectfully request permission to revise and extend my remarks.

The number of farms that have received subsidy payments exceeding $20,000 has tripled since 1967. The following table demonstrates this remarkable growth:

TABLE 1.—PRODUCERS RECEIVING GOVERNMENT PAYMENTS OF $20,000 OR MORE AND DOLLAR AMOUNTS RECEIVED, 1967–72

	1967	1968	1969	1970	1971	1972
Number of producers:						
Cotton	3,494	5,249	6,194	7,753	8,810	9,066
Feed grain	80	877	1,482	1,395	245	1,855
Wheat	542	741	1,123	1,223	1,088	1,388
Total producers	4,116	6,867	8,799	10,371	10,143	12,309
Total payments received (million dollars)	(1)	$266.6	$344.9	$408.9	$350.1	$411.8

[1] Not available.

Source: ASCS–USDA.

Three programs account for almost 90 percent of all farm payments made by the Department of Agriculture in 1972. These programs are the feed grain set-aside program, $1,845,383,693; the wheat set-aside program, $855,844,734; and the cotton set-aside program, $808,039,560.

The Department of Agriculture has provided figures showing a State-by-State breakdown of these programs:

TABLE 2.—PAYMENTS TO PRODUCERS BY STATES AND PROGRAMS DURING 1972

[Amounts in dollars]

State	Cotton set-aside program	Feed grain set-aside program	Wheat set-aside program
Alabama	45,663,377	14,401,968	382,935
Alaska			
Arizona	37,266,251	4,342,750	833,049
Arkansas	73,539,705	2,252,133	1,127,862
California	76,748,787	11,801,900	4,862,028
Colorado		23,644,209	29,895,587
Connecticut		113,599	542
Delaware		1,394,688	316,198
Florida	1,048,618	6,626,951	117,543
Georgia	35,228,488	34,483,359	1,299,148
Hawaii			
Idaho		4,798,475	30,757,034
Illinois	112,086	211,250,592	23,964,491
Indiana		109,108,214	17,255,469
Iowa		304,947,571	1,173,259
Kansas	249	98,479,508	137,240,367
Kentucky	384,197	26,213,436	2,212,834
Louisiana	35,832,280	2,138,211	262,234
Maine		68,256	2,651
Maryland		6,524,139	1,748,636
Massachusetts		26,665	91
Michigan		34,496,082	16,009,705
Minnesota		147,890,208	17,762,451
Mississippi	108,985,481	9,207,249	593,491
Missouri	20,800,087	98,121,343	20,238,963
Montana		16,539,714	73,215,780
Nebraska		166,119,365	54,003,504
Nevada	245,137	70,759	424,097
New Hampshire		26,289	
New Jersey		2,233,478	634,663
New Mexico	11,608,951	13,037,539	7,921,749
New York		8,997,813	4,911,110
North Carolina	14,636,933	30,520,335	4,801,980
North Dakota		53,587,067	141,243,764
Ohio		58,597,268	19,731,214
Oklahoma	20,936,518	19,259,312	70,637,073
Oregon		3,398,707	13,880,405
Pennsylvania		11,690,650	4,720,855
Rhode Island		1,517	
South Carolina	29,641,579	12,534,656	2,125,605
South Dakota		57,713,566	40,719,532
Tennessee	31,246,287	18,365,954	1,541,565
Texas	263,805,941	153,621,378	54,157,238
Utah		1,197,602	3,964,560
Vermont		101,054	738
Virginia	308,608	9,894,587	3,176,372
Washington		5,823,497	41,542,398
West Virginia		662,104	169,353
Wisconsin		47,703,703	575,325
Wyoming		1,354,273	3,689,286
Total	808,039,560	1,845,383,693	855,844,734

Other subsidy programs and payments made in 1972 were:

Extra long staple cotton	$4,601,882
Sugar Act	85,133,583
National Wool Act	113,139,476
Milk indemnity	34,127
Beekeepers indemnity	6,125,490
Cropland conversion	107,702
Conservation reserve	4,966
Appalachian region conservation	1,084,137
Cropland adjustment	51,509,259
Rural environmental assistance	$181,931,135
Emergency conservation	4,539,985
Office of emergency preparedness	125,200
Hay transportation assistance	2,958
Wild hemp elimination	2,916
Water bank	272,104

The grand total for all Federal agricultural payments in 1972 is $3,957,882,907.

SELECTIVE SERVICE SYSTEM

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

Mr. WHALEN. Mr. Speaker, in 1967 four of my House colleagues and I published the results of our detailed examination of the Nation's Selective Service System. In our book, "How To End the Draft: The Case for an All Volunteer Army," Congressmen FRANK J. HORTON, RICHARD S. SCHWEIKER—now U.S. Senator—GARNER E. SHRIVER, ROBERT T. STAFFORD—now U.S. Senator—and I observed that—

The draft, however necessary, is inherently incompatible with the basic principles of democracy.

My cosponsors and I concluded that the draft should be replaced by an all-volunteer Armed Forces which could be realized "within 2 to 5 years, if preliminary steps are taken now—1967—in pursuit of that objective." Our research indicated further that such an all-volunteer force "would not necessarily be over-representative of the socially or economically deprived segments of the U.S. population, but neither is it inappropriate for the services to offer an opportunity to the deprived to better their economic conditions."

It was with considerable pleasure, therefore, that I read Defense Secretary Elliot Richardson's March 21 statement indicating that—

It will not be necessary to extend the draft induction authority beyond its expiration date of July 1.

Thus, the all-volunteer military concept, for which my four fellow Representatives and I pleaded 6 years ago, has become a reality. True, the conditions contributing to the present zero draft call are dissimilar to those assumptions upon which my colleagues and I postulated our conclusions. Today, termination of hostilities in Vietnam has permitted a reduction in active duty troop strength from 3,367,000—as of January 1, 1967—to 2,309,967. In 1967, however, Messrs. HORTON, SCHWEIKER, SHRIVER, STAFFORD, and I reasoned that a higher force level—over 3,000,000—could be maintained on a volunteer basis even "in times of limited war"—such as then existed.

The administration is to be congratulated upon the attainment of President Nixon's goal of an all-volunteer Armed Force to which so many of us in Congress have subscribed. It is clear that the Nation derives at least three major benefits from the accomplishment of this objective.

First, by ending military conscription our Government reaffirms the premise of individual liberty—freedom of choice—the cornerstone upon which our democratic society rests.

Second, terminating Presidential induction authority should remove the temptation to become involved in potentially expansive "brush-fire" wars or so-called peace-keeping operations. It can be argued that Presidents Kennedy and Johnson might not have accelerated our Vietnam commitment had they been required to go to the Congress for reinstitution of draft induction authority.

Third, allowing section 17(c) to lapse should help resolve the "war-powers" question. If, in the future, a President perceives a threat to our national security which requires a rapid troop build-up, the draft machinery would become operative only through an act of Congress. This would represent a shared responsibility between the legislative and executive branches for any subsequent military developments.

It is the hope of every American citizen that, having embarked upon a generation of peace, this eventuality never will materialize.

TAILLIGHT REGULATIONS

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

Mr. MYERS. Mr. Speaker, I am today introducing legislation requiring new automobile taillighting regulations designed to prevent rear-end related collisions which in 1971 resulted in at least 2,500 deaths and about 8 million accidents.

The legislation to amend the National Traffic and Motor Vehicle Safety Act is cosponsored by Mr. BROWN of California, Mr. DEVINE, Mr. GIBBONS, Mrs. HANSEN of Washington, Mr. WON PAT, and Mr. YATRON.

It would require a separate green taillight to signal when the automobile is accelerating; an amber light to indicate when the car is coasting, and a red light to warn that the vehicle is being braked. The early warning system would be mandatory on all vehicles built after August 15, 1973.

Since passage of the National Highway Safety Act, a number of significant steps have been taken to reduce the traffic toll which includes an estimated 56,300 deaths and 16.4 million accidents in 1972. The National Highway Traffic Safety Administration has inspired many of the improvements in automobile construction and traffic regulations. However, the problem of rear-end collision related accidents is an area that deserves immediate attention.

The National Highway Traffic Safety Administration has stated that nearly 50 percent of all accidents and 10 percent of all traffic fatalities are rear-end collision related.

The cost of rear-end collisions is estimated by the Library of Congress as in excess of $2 billion property damages, over a quarter of a million disabled injuries, and 26 million man-hours of production labor, annually.

However safety authorities are generally agreed that our means of signalling between drivers on increasingly crowded streets and highways, are seriously inadequate. Traffic conditions have made it virtually impossible for drivers to perform safely and successfully.

By way of illustration, Dr. John Crosley, University of Indiana, proved 10 years ago that, considering such factors

as travel rate and traffic density, it is mathematically impossible to avoid rear-end collisions in emergency conditions at peak traffic volume, given conventional automotive safety equipment—ordinary brake lights. Crosley's research indicated even then that conditions were steadily worsening. If today's rear-end fatality rate continues, the rear-end fatality toll will increase to approximately 7,500 annually by the end of this decade, given present rates of travel, traffic density, and our limited human response capabilities. Crosley said the solution to the problem is to put green, amber and red early warning signal lights on the rear of all motor vehicles.

The technology is available and economical. In the past 50 years hundreds of patents dealing with taillighting improvements have been issued, including many of the type that Crosley recommended. Nearly all are gathering dust in the patent files—because the auto industry has not responded to the challenge—and the DOT has not paid sufficient attention to the immediate needs of the motoring public.

The plea is heard that the resources of both industry and the DOT are insufficient to handle both accident severity reduction projects and accident prevention projects simultaneously.

I will go on record with the observation that a considerable contribution to accident prevention can be made immediately with no strain on any sector. And that is by installation of color-coded early warning signals on the rear of newly manufactured vehicles—and by encouraging such installations in service.

DOT is well aware of the demonstrated advantages of color-coded accelerator pedal early warning lights but has shown singular neglect in putting its knowledge into effect despite the growing rear-end collision problem.

We have seen postponement after postponement at DOT of moves to put early warning standards into effect.

Present indications are that DOT may issue a notice of proposed rulemaking for a permissive standard on early warning sometime soon. Meantime, the daily toll continues.

I am satisfied that the merits of color coding of taillights have been sufficiently established at this point in time.

I am satisfied that a green, amber and red taillight system showing accelerator pedal position as well as brake pedal position will improve driver communication and reduce frequency of traffic accidents and that this has been sufficiently demonstrated. I, therefore, propose that the NHTSA be directed by act of this Congress to stipulate specifications for such a system leading to mandatory adoption of all U.S. motor vehicles without further delay.

I have prepared a bill which would enable the above by its adoption. This bill specifies that color-coded pedal position indicator benefits be made mandatory in the motor vehicle field no later than August of 1973. It will positively assure that we move ahead in this area with as much energy and determination as we have, for example, in the more publicized areas of air pollution and passenger restraint. The time has come to quit talking about the problem. Therefore, the following legislation is proposed to assure that the appropriate action is taken decisively and immediately:

H.R. 6349

A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the establishment of standards related to rear mounted lighting systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) is amended by adding at the end thereof the following: "(i) the Secretary shall, as soon as practicable after the date of enactment of this section, prescribe such standards under this section as may be necessary to insure that motor vehicles be equipped with rear mounted lighting systems as follows: (1) with a constant green light when the motor vehicle is moving forward under power from its engine, (2) with a constant amber light when the motor vehicle is moving forward or standing and idling, but not under power from its engine, (3) with a conventional red brake light when the motor vehicle is being braked through the use of its braking system, and such other information with respect to such motor vehicles as the Secretary deems necessary."

(b) The amendment made by this subsection shall take effect no later than August 15, 1973.

I urge this Congress to take this important vehicle safety aspect under immediate consideration and support its passage without delay. Let us give our motor vehicle safety program the green light and get on with the job of saving more lives.

EXECUTIVE IMPOUNDMENT OF APPROPRIATIONS

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

Mr. PICKLE. Mr. Speaker, today I testified before the Rules Committee on a bill that I introduced early this session on the question of executive impoundment of appropriations.

Before the committee, I offered a compromise version of my original legislation and I am introducing this revised proposal today.

I insert my remarks before the Rules Committee which detail my original proposal and the proposal that I now offer in the RECORD at this point:

TESTIMONY OF U.S. REPRESENTATIVE J. J. PICKLE

Mr. Chairman, and my distinguished colleagues, I am pleased to have this opportunity to discuss with you today the courses available to us in dealing with the problem of Executive impoundment of lawfully appropriated funds.

The first point I want to make is that Presidential power to impound, or not spend, lawfully appropriated funds is neither clear-cut nor inherent.

It exists in the final analysis only at the will and wish of this United States Congress. It is in our power today, as always, to define the limits of lawful impoundments—or even to state when or whether they are legal at all.

The President and his officers at the Office of Management and Budget have claimed that the Presidential authority to impound funds is derived basically from Article II, Section I of the Constitution, that it is inherent, and that it is complete.

But they also hasten to add a host of other justifications for their impoundments—an action which in itself indicates they themselves are still searching for a bedrock authority to do what they want. Impoundment has been recently justified on the grounds that appropriations are not mandatory, that there was a need to manage expenditures so as not to exceed the debt ceiling, that spending of money which might result in increased prices or taxes would violate the Employment Act of 1946 which makes it federal policy "to promote maximum employment, protection, and purchasing power."

Claims such as these flounder because of the possibility of satisfying them through other means or of the distinct Presidential possibility of putting the bug on the Congress to resolve these difficulties itself.

Just because the Executive has found impoundment useful—and sometimes even essential—as a tool to achieve its objectives does not mean that impoundment is a legal tool as it is used today.

Moreover, the "inherency" of any power that requires more than 170 years to become apparent is to me dubious. The assertion that the President may not spend lawfully appropriated funds involves the tenuous propositions that the President can break the laws that he is to faithfully execute—for appropriations are laws.

The best case the Executive has for impoundment is simply precedent. Since the Constitution is a living document, this is not a negligible or unimportant basis to stand on.

But the precedents for impoundment are being misread and misconstrued today because what those precedents are is not clearly understood.

Even Associate Justice William H. Rehnquist, who, I would assume, well understands these precedents, wrote of impoundment as an assistant Attorney General in 1969:

"With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that the existence of such a broad power is supported by neither reason nor precedent."

I think it would be extremely helpful to this Committee to review a bit of the history of impoundment over the past two centuries in this country.

I would like to ask unanimous consent to insert into the hearing records the testimony of Professor Joseph Cooper, Department of Political Science of Rice University, Houston, Texas, before the Senate Subcommittee on Separation of Powers, March, 1971, as it gives an excellent and detailed history of impoundment.

And I would also like here briefly to summarize that history myself.

The first period we can look at would be the time prior to 1921 and the creation of the Bureau of the Budget. In this time only one impoundment case stands out—and it stands out because it is being so frequently quoted as a precedent for the Administration's current actions. That case is the deferring of funds by President Jefferson in 1803 to build 15 gunboats for service on the Mississippi River. I use the word deferment—not impoundment—very purposefully, for that is precisely what Jefferson did.

In a message to Congress, Jefferson reported that he had not spent the money for the gunboats because the Louisiana Purchase had ended any immediate need for them.

But as pointed out in a recent letter to the *Washington Post,* he did not tuck the money away forever. He did not "claim a right to impose his own policy judgments on the execution of law, to kill or trim programs in accord with his own policy desires."

Instead, since the immediate need was re-

moved, he waited to spend the money until he was sure the new gunboats would be the best possible. And he did spend the money within a relatively short period, according to the best historical analysis available.

In 1905 and 1906, in an effort to foster more efficiency in government spending, Congress passed the Anti-Deficiency Acts. These Acts sought to prevent, and I quote, "undue expenditures in one portion of the year that may require deficiency or additional appropriations to complete the service of the fiscal year." These acts further provided that apportionments could be waived or modified in the event of "some extraordinary emergency or unusual circumstances which could not be anticipated at the time of making such apportionment."

It said nothing about waiving appropriations for policy reasons or because of differences of opinion between the Legislative and Executive branches at the time of appropriation.

In 1921 the creation of the Bureau of the Budget brought a new step in the impoundment history. The first Director, Charles Dawes, firmly believed that the new agency's purpose was to bring efficient business management to bear on federal spending.

Accordingly, he formulated the now oft-cited formula that appropriations are not mandatory. But Dawes did not use this formula as it is used today. Dawes meant that an agency did not have to spend the full amount of an appropriation—if it could accomplish the same program objectives while spending less.

I think a quote from Mr. Dawes' book, *The First Year of the Budget of the United States,* makes clear what Mr. Dawes really had in mind:

"I want to say here again that the Budget bureau keeps humble, and if it ever becomes obsessed with the idea that it has any work except to save money and improve efficiency in routine business it will cease to be useful in the hands of the President. Again I say, we have nothing to do with policy. Much as we love the President, if Congress, in its omnipotence over appropriations and in accordance with its authority over policy, passed a law that garbage should be put on the White House steps, it would be our regrettable duty, as a bureau, in an impartial, nonpolitical, and non-partisan way, to advise the Executive and Congress as to how the largest amount of garbage could be spread in the most expeditious and economical manner."

Some wags even today seem to think that this bickering between the Executive and the Congress is a lot of political garbage, but believe you me it isn't.

In the 1930's, this notion that appropriations are not mandatory or that money might be withheld to effect "savings" was broadened by President Hoover under the pressures of the Depression to withhold funds to effect savings by controlling the tempo or rate of program implementation.

And soon after, in the early 1940's, the Budget Bureau began to move to effect savings not simply by controlling the rate or tempo of program implementation, but by controlling the rate or tempo of program implementation, but by controlling the achievement or execution of particular programs per se.

Thus, in 1941, President Roosevelt announced that because of the war emergency he was not going to allocate any funds for any water resource project that did not have an important national defense value. He took that next step from shrinking entire programs to removing portions of programs at his own discretion.

And Congresssional outcry, for the first time, was massive and bitter.

As a result, by 1950, following the recommendation of the 1949 Hoover Commission Task Force Report on Budgeting that "additional legislation is neded to sustain the Bureau's powers with regard to both apportionments and reserves," Section 1211 of the General Appropriation Act of 1951 amended the Anti-Deficiency Act as follows:

"In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available."

The following statement from the Congressional Research Service of the Library of Congress sums up the present statutory authority under the Anti-Defficiency Act to impound funds:

"Even as amended it is hard to see how the language of this section can be interpreted to give the Bureau of the Budget unlimited discretion to apportion reserves. The establishment of reserves is authorized 'to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available.' This seems to preclude the establishment of reserves simply because of a disagreement of policy between the Executive and Legislative Departments on the basis of the facts existing at the time the appropriation was made."

The language was clearly not intended to authorize the Budget Bureau to frustrate the legislative purpose of the Congress. Read narrowly, it authoriezs no more than what Charles Dawes had expounded thirty years before.

But the language was broad and was easily stretched to reach as an authorization of control of the tempo or rate of program implementation in the interests of economy. And controlling the tempo or rate of program implementation and controlling the achievement of the program at all are merely matters of degree. They blend into one another.

But the Hoover Commission which recommended the legislation clearly recommended that the President be granted auauthority "to reduce expenditures under appropriations, if the purposes intended by the Congress are carried out."

The impoundments we see today not only transcend in number and scope those of previous years, they have an important qualitative difference.

The Administration is treating these statutory provisions as though they represent a blank check to implement whatever policy he sees fit.

In no law has the Congress given the President authority to have final say over the policy of this land.

Some may question if this authority was given when we changed the Budget Bureau to the Office of Management and Budget in 1970. But I ask permission to include here in the hearing record the text of the Executive Order which created the OMB. I want to include it because when one reads it it is tacitly clear that in no way has the OMB been given authority to set policy. In no way has the OMB been given authority to thwart the priorities of the Congress or the programs set up by the Congress.

In 1949 the Hoover Commission noted that the Executive needed more legislative authority for impoundment. I think that is basically the question we face today—whether we will expand that authority or put it back into historical and Constitutional perspective.

Mr. Chairman, with the history and legal background in mind, I wish to state briefly why I am so concerned over impoundment.

Last year, I stated that the Congress would wake up and find that everything we legislated could be meaningless. I warned that we could complain when money for our District was withheld, but that someday everybody's District could suffer. I warned that many philosophies—liberal, conservative, rural, urban, and so on—would be affected. I warned that someday constituents would request our help and we could do nothing.

Well, Mr. Chairman, someday is today, considering the recent massive impoundments.

What does this mean? It means that the Federal officials most responsible to the people, the Federal officials most accessible to the people, are no longer able to help the people.

When a constituent calls you, as a Member of Congress, for help in getting Federal aid from a program impounded by the Executive, I do not advise you to tell him to come to Washington to see his friendly OMB man—your constituent would not understand because he thought that you, the Congressman, were elected to serve. So, unless we take steps *this* year to restore Congress as an equal branch of the government, we may disappear from the halls of *actual* government.

Unless we take steps towards restoration, we will not be able to maintain the *faith* that those who elected us entrusted to us. Unless we do something our words and our actions in the Congress will become as "sounding brass and tinkling cymbal"—and maybe little else.

Another disturbing point about impoundment is that a bunch of back-room boys down at the OMB are making the specific impoundment decisions.

Quite frankly, Mr. Chairman, the Office of Management and Budget has become the "invisible government" of the United States.

This title used to be reserved for the CIA; but, there is a committee of Congress to oversee the CIA.

To those who think that the President himself reviews each OMB decision, I have only to cite the recent proposal to cut disability payments to Viet Nam veterans. Although much blame was placed on the Veterans Administration for the proposal, the real culprit was the OMB.

When the President got full wind of what the OMB was doing, we all know that he quickly withdrew it, for further study.

The President may not need enemies with his political friends down at OMB wanting to cut disability payments to Viet Nam veterans.

Furthermore, even if the Chief Executive himself went over each impoundment with a fine tooth comb, I would be upset.

Unbridled impoundment of funds is placing too much power in one man.

Now, many say that all the talk about the Executive running over Congress, of the Executive gathering power in one man, is a bunch of hot-air rhetoric.

All of us being politicians, there is probably a great deal of truth in the rhethoric criticism.

But there are also some very serious questions involved.

Some say Congress is archaic. Some say Congress does not represent all the people—that only one Federal official, who is not even elected directly by the people does. Some say that only the Executive Branch, mostly populated by bureaucrats, can control the budget, and thus make policy decisions.

I say that if these people are correct, then let us re-write the Constitution to weaken the role of the Legislative Branch.

As a believer in representative government, I would fight such a change with all my heart; but I would respect an attempt at changing the Constitution much more than the backhanded implementation of government by one man and his Star Chamber through the OMB.

Such advocates of one-man rule and Star Chamber rule exist in the highest levels of our government today.

I refer the Committee to an interview Dan Rather had with John Ehrlichman of the White House.

Mr. Ehrlichman asserted the right of the President to manage the budget, with his White House advisors, not answerable to Congress.

Dan Rather questioned Mr. Ehrlichman if this was not a drift into "one-man rule."

Ehrlichman answered, "That's what the President of the United States is, Mr. Rather."

Mr. Rather, in surprise, replied, "One-man rule?"

Ehrlichman responded, "Yes, sir. He's the only elected officer elected by all the people of the United States, unlike the Senators or Congressmen."

I respectfully disagree with Mr. Ehrlichman, Mr. Chairman, and I think the American people would, also. This country does not need an elected monarchy.

Before addressing myself to my own anti-impoundment bill, I would want to discuss anti-impoundment bills and fiscal responsibility in general.

The anti-impoundment measures we are considering are not an endorsement that the Congress intends to spend excessively for every proposal made. Clearly, anti-impoundment and high Federal spending is not a cause-and-effect situation.

The authorization and appropriations process of the Congress and the will of the Congress determines the levels of spending. Once that will has been worked, it represents the will of the people.

In the same manner that we are responsible for constitutional government on impoundment matters, we are responsible for a sane fiscal policy.

Perhaps the most important question facing the Congress is how it will control spending. I must say that this question is equally as important as the impoundment question. Congress must be able to control its spending. Hopefully and prayerfully, this session will see us do something about this question. In the meantime, if we are to preserve this Republic, we must preserve our right to spend.

To wed anti-impoundment to irresponsible spending is a shot-gun marriage.

Mr. Chairman, I now turn to the specific proposal that I have made to restore equal power to the Congress.

There has been general confusion as to the differences between the various anti-impoundment bills that have been proposed.

The bill that I introduced, in close cooperation with Congressmen William Ford (Michigan), Paul Sarbanes (Maryland), and Michael Harrington (Massachusetts), has a long history.

The bill was originally introduced by our former colleague William Anderson (Tennessee) in the 92nd Congress. I joined nearly one-hundred and fifty Members of the House who co-sponsored the Anderson bill.

This bill was nearly identical to the one introduced by Senator Sam Ervin. The bill on the Senate side had 50 Senatorial co-sponsors.

Senator Ervin's bill was originally drafted after four years of study of the impoundment question by the Senate Subcommittee on the Separation of Powers.

This study included public hearings in 1971.

On July 22, 1972, I offered an abbreviated version of the bill as a floor amendment to the appropriations bill for the Treasury, the Postal Service, and General Government purposes. My amendment was ruled non-germane.

Four days later, I reserved a Special Order for one hour of general debate on the growing powers of the Office of Management and Budget. During my remarks that day I discussed fully what the Anderson, Pickle, et al, anti-impoundment bill was about.

The Pickle-Ford-Sarbanes-Harrington bill differs from the Mahon anti-impoundment measure in two major respects.

First, under our bill, the impoundment message is placed immediately on the House and Senate calendars, without being referred to any Congressional Committee. Under the Mahon bill the impoundment matter is referred to the Appropriations Committee of both Houses of Congress.

The second difference is under our bill the Congress must approve the impoundment for it to take effect for longer than 60 days. Under the Mahon bill, the Congress must disapprove the impoundment for it not to take effect for longer than 60 days.

These are the two major differences, Mr. Chairman, and before going into what I think about these differences, I want to repeat a statement that I have made time and time again.

I have listened to all ideas. If this Committee believes other approaches will better suit the job than mine, I will listen. Let me state firmly that I place working to get something that will pass both Houses of Congress above being bullheaded for my bill only.

I still stand by this statement.

In this spirit, I offer a compromise to the Committee between my bill and the Mahon measure.

I cannot say that all my colleagues who co-signed my bill will join with me in this compromise proposal. I do believe the majority will, because we have discussed this matter thoroughly. I am hopeful that this Committee and the Congress will approve my proposal.

My proposal is this:

(1) Allow the impoundment message to be referred to the Appropriations Committee; and require the Committee to report a resolution on the message within 30 calendar days after receiving the President's message.

(2) State that the impoundment is to cease within 90 days if the Congress does not approve the impoundment, or the impoundment as recommended by the Appropriations Committee.

In brief, I am willing to give the Appropriations Committee the jurisdiction on the impoundment messages. The House Appropriations Committee represents the 55 most knowledgeable Members on appropriations in the House. Furthermore, this Committee is led by a most distinguished Chairman, the Honorable George Mahon of Texas.

This Committee could sniff out the real thrust of the Executive Branch's action. In doing so, it could go into each nook and cranny of appropriations pipelines, and share its findings with the other Members.

I concede that the original bill that I proposed did not do this.

On the second point, I must stand by my original belief that the Congress must approve an impoundment before it is effective over a great length of time.

Let us look closely at what is involved legislatively with this anti-impoundment procedure.

The Congress appropriates monies. The President signs the appropriations into law—he makes it the law of the land.

Then the Executive Branch impounds the money. In short, the Executive nullifies a law, or part of a law.

To say that the Congress, by doing nothing, allows a law to be nullified by Executive fiat is a gross abdication of Congressional authority.

On the other hand, to have the Congress approve an impoundment is requiring the Congress to do no more than pass a modified appropriations bill.

Another point, Mr. Chairman, is that the impoundment matter, going to the heart of Constitutional balance between the Executive and Legislative branches, should not be left entirely in the hands of one Committee.

Also, the majority party, or a majority clique on a Committee by holding an impoundment message up could dictate the course on this all-important matter of balance between Congress and the Executive.

I feel that in the final analysis the whole Congress should pass judgment on the impoundment.

Before concluding, Mr. Chairman, may I point out that 113 Members of Congress are co-sponsors of the Pickle-Ford-Sarbanes-Harrington bill, including five members of this Rules Committee.

The approach I offer today, I feel, combines the best of the Mahon bill with the best of the Pickle-Ford-Sarbanes-Harrington bill.

I submit to the Committee a suggested draft of such an approach.

In conclusion, Mr. Chairman, let the Congress say to our countrymen, "The 93d Congress again made the United States a country of government by the people, a government of three equal branches."

A greater gift we could not give to this country as we approach our 200th anniversary.

We all know the old story about the lady who cornered Ben Franklin as he emerged from the Constitutional Convention at Philadelphia.

"What do we have, Sir, a monarchy or a Republic," she asked.

"A Republic," replied Dr. Franklin, "if you can keep it."

Let us keep the Republic.

SUCCESS OF DUBUQUE FLOODWALL

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 30 minutes.

Mr. CULVER. Mr. Speaker, last week the Mississippi River in Iowa reached one of the highest flood crests since records have been kept. I do not rise today, however, to seek Federal help in mitigating the effects of a natural disaster, but rather to call attention to and to thank the House for its role in preventing a disaster. The new floodwalls in Dubuque and Guttenberg, built in part with Federal funds, performed their tasks perfectly and kept those cities dry.

It is rare that we have such a clear opportunity to see immediate results from a project, and I think it is instructive to reflect on our successes as well as our failures. Therefore, I would like to call your attention to some facts about these floodwalls and the flood that did not happen.

The initial planning grant for the Dubuque floodwall was made in fiscal year 1964 by the Army Corps of Engineers. Additional grants were made for planning and construction in each succeeding year until 1973, when a total of nearly $11 million in Federal funds had been invested in the project. This amount was augmented by well over a million dollars of local funds.

The total Federal contribution only tells part of the story, however, since the timely completion of the floodwall last year is what prevented substantial flood damage this year. On two occasions, testimony by Dubuque city officials resulted in an increase in the funds allotted to the project. In fiscal year 1967, according to a Corps of Engineers official in Rock Island, the $145,000 proposed by the Bureau of the Budget was increased

to $250,000 following their testimony. And in fiscal year 1970 their testimony resulted in an increase in construction funds for that year from $1.6 million to $2.1 million, even though the President had declared a 75-percent reduction in contract awards. Without these funding increases to accelerate the project at these crucial stages, the floodwall would not yet be completed and Dubuque today would be shoveling mud out of its homes and businesses.

Mr. Speaker, I believe that the Dubuque floodwall is an excellent example of a sound investment of the taxpayers' dollars. Constructed at a total cost of $12 million, the floodwall prevented a flood in its first year that would have caused an estimated $19 million damage. I would like to quote from an article in the Dubuque Telegraph-Herald, written 2 days before the flood's crest last Friday:

It is startling to think what Dubuque would be like this spring without its dike as floodwaters inch toward an expected 22-foot crest on Friday. As food for thought, City Engineer John White has some interesting statistics.

According to White, the Mississippi River today, if it were not for the floodwall, would have a west bank along South Main Street, the East Fourth Street-Central Avenue intersection along Elm Street all the way north to 22nd and Kniest streets.

Celotex, Caradco and the Dubuque Packing Co. would be shut down, not to mention all industries and businesses east of them. Homes of "Flats" residents and some Washington Street neighborhood dwellers would have water and muck lapping at the foundations. Sewers would be backing up all over the city.

In Guttenberg, the situation is similar. The floodwall there cost about $2½ million, and the Corps of Engineers estimates that this year alone it prevented a million dollars in property damage and cleanup costs.

Mr. Speaker, the people of Dubuque and Guttenberg are profoundly grateful for the assistance which has helped to build their floodwall, and I want to particularly thank the members of the Appropriations Committee and the Public Works Committee for their support. The gratitude of the people in Dubuque and Guttenberg, and the evidence of the sound investment the U.S. Government made in helping to fund these projects, indicate to me the importance of rapid completion of a similar project in the city of Clinton.

The Mississippi crested at 20 feet in Clinton last Saturday—4 feet above flood stage—for the seventh worst flood in Clinton's history. Emergency flood protection constructed in 1969 prevented an estimated $7 million in damage this year, but the project is not complete and the city is incurring major flood prevention costs; $300,000 is in the Corps of Engineers fiscal 1974 budget for construction, and completion of the project for Clinton is scheduled in 1977. The success of the Dubuque and Guttenberg floodwalls in preventing any damage during this year's high water should be a sufficient stimulus to us to insure adequate funding and prompt completion of the Clinton project.

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

Mr. CULVER. I am happy to yield to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I am pleased to hear of the success of the Dubuque and Guttenberg floodwalls, in preventing major floods this spring, but the gentleman from Iowa has neglected to mention his own important role in securing adequate, and timely Federal funding for these projects. In fiscal year 1967 and again in 1970, when economy measures and competing priorities resulted in reduced allocations, it was the gentleman from Iowa who testified and arranged for city officials to testify in administrative hearings on the Corps of Engineers budget. It was also the gentleman from Iowa who worked for these projects from the day he came to Congress in 1965, the year of the worst flood in the history of the upper Mississippi, until they were completed last year. In 1967, at his invitation, I toured some of the areas which had been flooded and I saw the need for those projects. This firsthand experience enabled me to urge favorable action on these projects in the Appropriations Committee.

Credit is obviously due to the cities of Dubuque and Guttenberg and to the Corps of Engineers, but the record would be incomplete if it did not include reference to the tireless efforts of the gentleman in the well. He has been remarkably persuasive and effective in convincing us of the need to accelerate the timetable for these flood control projects. His dedicated work has saved not only millions of dollars but insured the safety of countless lives, and he is to be commended for a job well done.

Mr. CULVER. I wish to thank the gentleman very much for his kind remarks and once again say to him how extremely grateful we all are for his invaluable help on the Committee on Appropriations.

Mr. BOLAND. I thank the gentleman.

APPROPRIATIONS AND MANPOWER

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

Mr. WYATT. Mr. Speaker, our Federal forests which collectively contain 58 percent of the Nation's standing sawtimber inventory, are not being intensively managed for lack of funds and manpower. Average current receipts for timber sold under Federal contracts are more than four times greater than timber management costs. Yet these proceeds are not returned in full to the agencies which manage the timber, notably the Forest Service and Bureau of Land Management.

Instead, timber sale proceeds are funneled into the general fund and reappropriated annually by the Congress. Funding requests of the managing agencies are further subject to the whims and domination of the Office of Management and Budget.

If we are to increase the output of our Federal forests on a sustained basis, we simply must find a way to inject stability into the financing of our Federal timber management agencies. And the most dependable solution is through new legislation.

We must provide the Forest Service and Bureau of Land Management with sufficient dollars on an assured basis to bring their reforestation programs into line with their timber sale programs. It is a national disgrace that nearly 5 million acres of our Federal forests, a priceless national heritage, are lying fallow for lack of enough money and manpower to establish new forests.

Large industrial landholders cannot and will not permit similar conditions to prevail and are the leaders in the field of intensive forest management. It is time that the Federal Government adopts a similar philosophy and that we come to regard management of Federal forests as an investment in the future.

LEGISLATION FOR LOWER COST HOUSING

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

Mr. BLACKBURN. Mr. Speaker, on behalf of myself and the gentleman from California (Mr. BOB WILSON) I am introducing legislation today which will eliminate building code and union work rule restrictions on the use of industrialized building products in federally assisted and subsidized housing programs.

The prospective home buyer is faced with construction costs spiraling at a rate greater than 10 percent per year. The recent curtailment of housing subsidy programs will increase his outlay even more. Now more than ever, we must find the means to drastically cut construction costs. Many experts say a prime method is through wider use of prefabricated and preassembled construction products. However, testimony last year before the Senate Subcommittee on Housing and Urban Affairs confirms that restrictive union work rules and outmoded building code provisions, the later often union instigated, continue to hamstring efforts to employ such industrialized building techniques.

By inclusion of provisions in collective bargaining agreements, the building trades unions have assured themselves that they will not have to handle or install specific products or materials or if they do, that they will be paid reparations. Although Congress intended to outlaw such conduct in the Taft-Hartley and Landrum-Griffin Acts, the National Labor Relations Board and the courts have limited the effectiveness of the congressional intent.

Building codes also restrict the use of modern construction technology. As pointed out in the 1967 Battelle Memorial Institute Research Report for the Building and Construction Trades Department, AFL–CIO, patchwork building codes discourage volume production that could be obtained from serving a wide geographic area.

As a member of the Subcommittee on Housing, I proposed a measure similar to the bill I introduce today during subcommittee consideration of H.R. 16704, the Housing and Urban Development Act of 1972. It is the outgrowth of legislation proposed by the gentleman from California (Mr. BOB WILSON) in the 91st and 92d Congresses. I want to commend my colleague for his continuing efforts in behalf of low-cost housing for all our citizens and for his assistance in the preparation of this bill.

The basic elements of my bill are:

First, through a civil court action in a Federal or State court, any person, including a builder, a contractor, or a manufacturer may prevent the enforcement of any local code, law, ordinance or work rule that restricts his use of new techniques or materials in a federally assisted housing program. No action by a governmental agency is required.

Second, the remedy does not apply if the restrictive code or work practice is required to protect the health or safety of working or living conditions. However, the person invoking this exception must show by a preponderance of the evidence: first, that the restraint is necessary to assure safe and healthful working conditions, and second, that the prefabricated product fails to provide this assurance. In placing the burden of proof on the person invoking the health and safety exception, I have modified the proposal I presented to the subcommittee last year. In doing so, I have eliminated a provision involving HUD-designated testing and standard setting agencies. Now my bill will require no administrative duties of HUD. There is no way that my bill could lead to the adoption of national building standards.

Third, the court may order equitable or preventive relief and damages, although damages may not be assessed against a local governmental body.

Fourth, the safety and health issue and all other questions under the bill will be decided by a State or Federal court in the locality.

There are few more significant consumer issues today than providing lower cost housing to all Americans, but particularly those in the middle and lower income groups. The Department of Commerce Technical Advisory Board's Panel on Housing Technology reported that in 1970 over 10 million families were housed in unacceptable conditions and that to meet this need a production rate of 2.5 million units per year is needed in the decade of the 1970's. This is an increase of 65 percent over the annual production rate of the previous 10 years.

Meeting the needs of the housing consumer at a price he can pay, without at the same time overburdening the taxpayer with increasing Federal housing subsidies, is an almost unsolvable problem. My bill will allow the free use of the most modern building techniques and products, and, thus, offers a partial solution.

The text of the bill follows:

H.R. 6303

A bill to promote the utilization of improved technology in federally assisted housing projects and to increase productivity in order to meet our national housing goals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any provision or requirement in any building code or other local law or ordinance, or in any contract or agreement, or any practice or other restrain which interferes with or restricts the use of new or improved techniques, methods, or materials or the use of preassembled products in connection with any development, construction, rehabilitation, or maintenance activity assisted under any program administered by the Secretary of Housing and Urban Development shall be unlawful with respect to such activity: *Provided,* That nothing contained in this paragraph (a) shall be construed to make unlawful any such provision, requirement, practice or restraint if it is shown by a preponderance of the evidence (1) that such provision, requirement, practice or restraint is necessary to assure safe and healthful working or living conditions and (2) that such technique, method, material or product fails to assure such safe and healthful working or living conditions.

(b) Any person who is aggrieved because of any provision or requirement in any building code or other local law or ordinance, or because of any contract, agreement, practice, or other restraint unlawful under subsection (a) of this Act may bring a civil action in any appropriate United States district court notwithstanding any other provision of law and without regard to the amount in controversy, or in any appropriate State or local court of general jurisdiction to obtain equitable or preventive relief for violations of this section, or for appropriate damages, and may request such relief, or enter a claim for such damages, in any court whenever relevant in connection with a defense to, or counterclaim in, any suit or action brought against such person in that court, except that damages shall not be awarded where the person bringing the action under this section is aggrieved by reason of any provision or requirement in any building code or other local law or ordinance.

PRIVATE PENSIONS

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

Mr. HEINZ. Mr. Speaker, on Friday, March 23, I had the privilege of being present at Field Hearings in Pittsburgh, Pa., of the House Education and Labor Committee's Pension Task Force. Serving both as a witness and, by leave of the chairman, as a guest member of the committee panel, I believe the work of this committee is particularly important, as evidenced by the valuable testimony taken from a number of witnesses. I especially want to commend the chairman of the Task Force, Mr. DENT, for his efforts and would add that the hearings demonstrated to me even more forcefully the need for strong remedial action in the field of private pensions.

Over the past several years, we have witnessed a growing, and intensive concern by the public and the Congress over the problems of living in retirement in America. Stories in the media and congressional hearings have dramatized the difficulties of living on a fixed income when the costs of necessities skyrocket daily.

This is just part of the picture which details the difficulty of life for the aged. As a former member of the Special Studies Subcommittee of the Government Operations Committee, I came to view firsthand many of the shortcomings and inconsistencies of the programs, and forms of aid, which Government has created to help our elderly. I am firmly convinced that many of these efforts are inadequate, and for this reason, I have offered legislation to create a select committee on the problems of the aging so that the House can focus more effectively and intelligently on the problems of aging and their legislative solutions. I recognize, however, that the landscape is not totally bleak.

In the last 3 years Congress has focused attention on social security legislation, and granted a substantial boost, totalling 45 percent to 20 million recipients. Today we are in the midst of a growing controversy over private pensions, which cover 30 million of the more than 80 million Americans now in the work force. Private pension trust funds today aggregate $153 billion and pay out annually an average of $1,600 to about 5¼ million recipients. The question then is why is there a growing controversy over pensions, both private and federal? The reason is that neither social security nor private pensions provide most Americans the income security they have every right to expect after long years of work. Since last year Congress passed social security legislation, there is little chance for more legislation this year, particularly when new changes would result in increased taxes. The thrust, quite properly, will be in the area of private pensions, where the problems are not being solved in the marketplace of American commerce and industry. The testimony presented by witnesses in Pittsburgh and around the country indicates a serious problem overdue for remedy, but a look at the future gives an even clearer picture and justification for action at the soonest possible moment.

The fact is that we are becoming an older America where every day 4,500 Americans celebrate their 65th birthday. For the first time the average age of our population is increasing, not decreasing, and it is doing so with surprising rapidity considering the vast numbers involved. In part this is due to the drop in the birth rate, in part due to advances in medicine that enable us to live longer and enjoy it more.

But even this trend does not fully reveal the tremendous rate at which Americans are retiring from the workforce. This is no longer a question of reaching the magic age of, say, 65. The retirement age is moving down to 62, and even 55 in some pension plans. Civil servants, the military, not to mention congressmen, can claim a substantial retirement stipend after 25 or 20 years of service.

Less job satisfaction and added frus-

trations at work are sadly becoming an accepted fact of life. There are pressures to ease people out of jobs to create positions for younger people pushing up, and obstacles to continuing work even to able-bodied and experienced men and women. There is a youth culture and prejudice against a fullness of years. Just living in the 1970's, hustling to beat the traffic, struggling to make ends meet and somehow make the next mortgage payment or son's tuition payment make life more demanding and, let us face it, more tiring, too.

The result of these trends and forces is to accelerate people at ever increasing numbers into retirement.

In addition to all this, the costs of being retired are rising steadily. Inflation is rampant today and those now on fixed incomes know just what a toll it exacts. As the standard of living of our Nation improves yearly by the rate that wages and productivity gain on inflation, so also increase the needs of retired people and the amount of income they need to maintain a decent standard of living.

But perhaps most critical of all to the retired person is the cost of good health and combating the illnesses that afflict us all as we grow older. In recent years, no cost has escalated more rapidly than that for health care. Even with the establishment of medicare, the elderly person today still spends the same proportion of his income on medical care as in 1965 before medicare was enacted. As we develop new and more expensive means to secure good health while living longer, we can, once again, expect compounded demands on the incomes of retired persons.

The job of Congress is then to develop and pass legislation making private pensions sounder, fairer, and more responsive and broader in their coverage to meet these evolving challenges that I have just mentioned. But equally important, your job is to remedy the inequities and vagaries of a system whose shortcomings are becoming clearer in the growing body of evidence that builds almost daily.

Some companies fail, leaving hundreds or thousands of employees with little or no coverage to show for the years they worked. This has certainly been the case with Studebaker employees and those laid off by the Penn Central Railroad.

In other cases, funds are mismanaged by scandalous and unethical practices of speculating in the stock market, or using the pension funds for the administration of union functions.

Some employees are fired before their pension funds are vested as a way of saving the company money.

Employees change jobs voluntarily, or because of involuntary conditions such as a bad job, a poor supervisor, or dangerous working conditions.

While there are many problems to be addressed, I would like to focus on a list of five key problems that I believe must be solved above all.

(1) VESTING

Vesting is probably the single most troublesome item for the retired American worker today. It is the promise of security for the worker who has labored for a company for years and who has participated in its pension plans and who has the right and the expectation that he will draw a pension when he retires. Today's odds are against his receiving pension benefits. Under present practices, only one-third to one-half of the 30 million people who currently participate in private plans can expect to receive the benefits the contributions were supposed to assure for them. This is despite the fact that three-quarters of these people are enrolled in plans which permit vesting.

What is the reason for this? The provisions of vesting vary from plan to plan. Only 1 percent of the private pension plans in force today permit vesting before 5 years of service; about 35 percent permit vesting from 5 to 10 years; another 30 percent require from 11 to 15 years, which means that as many as one-third of the plans require 16 years or more for vesting.

The picture varies from industry to industry, from union to union. In this highly mobile society, some industries operate on a boom to bust schedule so that layoffs and early terminations may destroy the chance to vest pension income. For example, of the 50,957 employees who left the A & P before retirement, fully 37,461 forfeited all rights to any pension benefits. And what is more many people find themselves short-changed when their industry fails or when there are large scale layoffs as is the case in defense-oriented and aerospace industries.

The present vesting provisions reward the long-term and higher paid employees with the payments of those who went on to other jobs. It seems to me that early vesting is highly desirable and should be achieved within a reasonable number of years of initial employment, or a combination of age and employment years.

(2) DISCLOSURE

It is clear to me that companies will have to tell employees and Government more about the way their pensions work and are administered. We can no longer abide the confusion and despair that results from misunderstandings about pension shortcomings, nor can we tolerate the unethical or even highly questionable activities of pension administrators. Their investment activities need to be watched closely by plan participants as well as by corporate shareholders and the Government.

The present Welfare and Pension Plans Disclosure Act is sufficiently general as to be useless in pinpointing misconduct. What proves the point is the number of classic cases of union and corporate misuse of the trust they hold in employees' pension funds, and the slow response in tracking down these abuses. Unquestionably, some funds, and their uses, need watching.

(3) FUND MANAGEMENT

The impact of $153 billion in pension funds on the securities market cannot be ignored by Government. There should be concern not only for the protection of investors, but primarily for men and women who will have to rely on the soundness of pension funds that will be their lifeline in retirement.

(4) REINSURANCE

Vested pensions should be guaranteed through reinsurance against any plan termination which leaves funds bankrupt and their pensioners stranded on a mound of financial hardship.

(5) PORTABILITY

The question of portability goes to the heart of employment practices in the United States. The time honored principle of holding down one job for a lifetime seems to be going the way of living in one house for a lifetime. Americans in the 1970's look for better opportunities and are necessarily employment mobile to achieve them. Although few young people in their 20's or 30's concern themselves with pension rights, it's the man in his 40's who may receive his most challenging and attractive job offer, who has to consider what happens to his pension if he changes jobs. As a result, he may choose not to take this opportunity. Or it is the man in his fifties whose job prospects are probably less bright who is forced to change jobs—but does not have the right or the chance to take with him his pension credits.

Clearly we have to develop a way to insure that a man who vests in his pension does not lose his equity if he changes jobs. We need portability as a means of guaranteeing the future of retired people. Although by no means the only alternative, an early and fair vesting requirement is one of the surest ways to achieve this objective.

In considering portability, I think we have to be frank in recognizing there is a strong body of feeling in a number of labor unions and corporations which holds that transfer of funds to other pension plans will make it difficult to continue the high and protective pensions which they presently offer retired employees and prospective retirees, but I am confident we can find a satisfactory solution to these objections.

If we can achieve these five main goals, I think we will have taken a giant step in assuring the future security of the American people, and we will be helping to restore their confidence that Government can and does fill a vital job as watchdog of the public interest.

In closing, I would add a note of caution. Too often concepts are oversold and in trying to treat problems they later lead to a new low in disillusionment. Today employees pay directly only $1.5 billion of the $14 billion contributed to pension funds in their name. Reform will be costly, and either the present level of benefits will be spread thinner across more retirees, or today's employees will be bargaining less for an increase in direct wages and more for a contribution to their pension fund as a substantial part of their wage package. Nonetheless, we should not be deterred in finding or enacting a just and necessary solution. We must pass a strong, workable, and responsible pension reform bill.

FORMER SPEAKER JOHN McCORMACK AT MEDFORD HIGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, it is always a pleasure to hear that our former Speaker John McCormack is enjoying an active and healthy retirement, and I was especially pleased to read a recent account of the Speaker's appearance at Medford High School in Massachusetts.

From a news story by Peter Theroux, we learn that the Speaker is as tireless as ever. Mr. Theroux reports in the Medford Daily Mercury that John McCormack stressed the continuing need for a strong legislative branch of Government. "Therein" he told the students, "lies the true power of the people and the democratic spirit of the country." How true and timely this reminder from our friend and former Speaker.

I know John McCormack's friends will be interested in the account of his appearance in Medford, and I include the article at this point in the RECORD:

[From the Medford (Mass.) Daily Mercury]

"MR. SPEAKER" BIG HIT AT MEDFORD HIGH

(By Peter Theroux)

MEDFORD.—On Tuesday Medford High School students had the chance to hear and ask questions of John W. McCormack, former Speaker of the House.

He spoke at Sounding Board, the program at MHS whereby several times a week teacher Thomas Convery presents various well-known or interesting individuals or groups. In the past, the program has featured such things as Hare Krishna groups, opera singers, gospel singers and musicians from the New England Conservatory of Music, office holders and also sports figures.

Mr. McCormack appeared for two class periods, and spoke with and to the students, answered questions and, after the school hours, talked with more students, faculty members and local politicians who were there to hear him speak.

McCormack has had a long and fruitful political career. He has held elected officers for 51 years of his life. He has served under eight presidents of the United States (Harding, Coolidge, Hoover, Roosevelt, Truman, Eisenhower, Kennedy, Nixon).

He believes, he told the students, in an exceedingly strong legislative branch of the government, for therein lies the true power of the people and the democratic spirit of the country. He insists that the executive (or judicial) branches of our government ought to never impound or threaten, or in any way limit, the clout of the legislative branch.

"The Congress," he said, "is for the country."

Former Speaker McCormack also answered many questions from the students and faculty concerning current affairs in the government.

One student asked the retired Congressman's opinion of amnesty for those who have fled the USA rather than fight. McCormack replied that before we turn our attention to those who have fled, we first have the prisoners of War to deal with. He said he believes that first we must wait until all our fightingmen are back safe here, before we decide the fate of those who are concerned by amnesty. However, he reminded the students, the issue of amnesty is not a simple one at all, for there are several federal laws concerning amnesty, as well as certain army regulations that face the ex-armymen in Sweden and Canada.

Perhaps the issues which McCormack felt most strongly about was a questioning of the significance of student government, and also the feasibility of Congress wielding real power against an extremely powerful central executive figure.

McCormack said "absolutely that government of all sorts, in every walk of life, is vitally important, and that government at high schools, and this includes Student Councils as well as "reps", are the very roots of a democratic society.

"The great democratic government must have factions such as students getting to know their school laws, for this is the springs, he said. McCormack also said he believes implicity in the democratic system, and feels "absolutely" that the government can both uphold the law and be fair. He stressed that faith, from legislators as well as citizens and students, is "wholly necessary."

At the end of the period, when it was time for the students to return to their classes, the elder statesman was greeted with a thunderous round of applause from all.

He stayed a bit longer than planned, after school hours, speaking with faculty and Medford officeholders for some time, before ending the day with his return home.

CONSUMER REVOLT

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

Mr. COTTER. Mr. Speaker, when I first called for a nationwide consumer revolt on March 1, I did so for two reasons. First, I believed that it was possible—if enough people observed the April 1 through 7 meat boycott—to impact the marketplace, to halt the absurd upward spiral of food costs. Second, I believed that such a demonstration of consumer clout would generate enough heat in Washington to force the administration into action.

Today's Wall Street Journal contains three stories which demonstrate not only the market clout of the irate consumer but also the growing political muscle of this ad hoc consumer movement.

I include these articles for the benefit of my colleagues:

LIVE HOG PRICES DROP RECORD $5 PER 100 POUNDS AT INDIANAPOLIS; CATTLE QUOTES DECREASE $1 TO $2

Live hog prices tumbled a record $5 per 100 pounds at Indianapolis and $2 to $4 at other leading marketing terminals.

Live cattle prices dropped $1 to $2 per 100 pounds.

Brokers said the wholesale beef trade showed the first sign of genuine weakness in some time yesterday, with the price for choice beef falling three cents a pound to 68 cents. Two weeks ago, retailers paid a record 71½ cents for supplies. The meat handlers said that even at the lower prices, demand remained slow.

The wholesale price weakness and further sharp declines in futures markets for live animals and meat products continued to reflect expanded reports of consumer boycotts and curtailed packer operations; packers don't want to have large meat stocks on hand if next week's scheduled widespread boycotts are effective.

A New York wholesaler who usually handles three boxcars of beef weekly said he ordered only one this week and these supplies were moving slowly. He feared a big price loss if he operated with larger supplies and the consumer resistance prevailed. Large restaurants in New York City and other areas started to push fish and other nonred-meat dishes, meat handlers said.

PROCESSING DECLINES

Federally inspected packing plants processed 208,000 head of cattle on Monday and Tuesday, 21,000 less than a week earlier. The 632,000 hogs slaughtered was down from 641,000 in last week's first two days.

Farmers shipped 32,100 hogs to the 11 major Midwestern marketing terminals yesterday, down from 37,600 a week earlier and 48,300 a year before. Liverstock men said that even the reduced supplies could only be sold at sharply lower prices. They noted that hog prices at interior markets also were sharply reduced.

Price weakness in the wholesale pork trade during the previous four or five sessions attracted some buyers. Hams needed to fill the Easter trade sold at 62 cents a pound, up 1½ cents from Tuesday. With chain stores featuring pork loins, some buyers wanted to replenish stocks and they paid 64 cents a pound for the cut, two cents more than Tuesday. The price, however, was still 16 cents below the record a month ago.

Live hog prices yesterday were down as much as $10 per 100 pounds from the record two weeks ago.

Chicago cattle, hogs, pork bellies, soybean meal and soybeans dropped their respective price limits when trading started yesterday. As the day progressed, these commodities recorded extremely nervous price movements. For cattle, live hogs, pork bellies and soybean meal it was the third day of limit declines. For soybeans it was the second day of maximum losses.

However, the day ended with prices for pork belly futures off ⅜ cent to up ⅛ cent a pound hogs closed up ⅜ cent to off ¾ cent a pound, and cattle ended one cent a pound lower.

Chicago soybeans closed down the 15-cent limit. Soybean meal closed off $5 a ton, and the wheat market ended 1 cents a bushel lower to 3¾ cent higher.

Chicago shell egg futures closed off two cents a dozen, the daily limit.

Soybean selling was induced again by this week's Agriculture Department action that will allow farmers to use more set-aside land to plant soybeans, feed grains and other crops.

The first ship entered the St. Lawrence Seaway in the 1973 shipping season yesterday, marking the earliest opening in the history of the 14-year-old inland waterway. Almost 55 million tons of cargo were moved over the water route to the Great Lakes last year.

TIGHTER PHASE 3 CONTROLS URGED ON NIXON BY HOUSE REPUBLICANS LEST CONGRESS ACT

WASHINGTON.—House Republicans have privately told the Nixon administration what the Democrats have been saying publicly for weeks: that unless it tightens up on Phase 3 economic controls, Congress will order tougher standards.

Cost of Living Council Director John Dunlop went to Capitol Hill yesterday to brief Republican members of the House Banking Committee on the administration's request for a simple one-year extension of the President's wage-price authority, to April 30, 1974. But according to participants, the private session centered around congressional complaints that Phase 3 is inadequate.

"We told him they better move pretty quickly on food prices and rents or they're dead up here," said one of these Republicans. Mr. Dunlop reportedly remained noncommittal on possible moves to tighten the controls. But, recalled one participant, at the close of the meeting Mr. Dunlop said: "We've got your message."

MEMO CIRCULATED

Mr. Dunlop apparently held the unannounced session in hopes of staving off a House drive for tougher controls. At the meeting, he circulated a memo attacking the major proposals for stiffening price controls.

The administration remains "totally and

completely opposed" to a Senate-adopted amendment that would impose rent controls in areas where vacancy rates are low, the memo said. Earlier this month, the Senate approved a one-year extension of the wage-price authority but attached this rent-control provision.

The administration memo also was sharply critical of a proposal by House Banking Committee Democrats that would impose a 60-day freeze on all prices and interest rates. "In addition to being contrary to the President's goal of decontrolling the economy, a freeze is not warranted or justifiable on economic grounds," the memo stated.

In response, however, most of the Republicans warned Mr. Dunlop that the only way to avoid these measures is through dramatic and tough action to curb spiraling prices. "We really gave him an earful," said one Republican Congressman.

MEANY ASSAILS PHASE 3

At the full committee's public hearing on the controls legislation yesterday, AFL–CIO President George Meany sharply assailed Phase 3 and urged the panel to impose strict controls on food prices, rents and interest rates. Speaking more harshly against the Nixon administration than has been his custom lately, the labor chieftain warned that if Congress fails to act, "workers and consumers will be stampeded by food prices, gouged by landlords, fleeced by money-lenders, and squeezed.

Mr. Meany listed several specific actions he said Congress should take in the wage-price legislation. These included a reimposition of rent controls and a rollback of recent interest-rate boosts, to be followed by ceilings on these rates and provisions to allocate available credit. He also insisted on "temporary direct controls on prices of raw agriculture products," which are currently exempt from controls.

Spiraling food prices could hurt the outcome of this year's wage settlements, Mr. Meany warned. If these prices "aren't brought down, there is no way union members are going to let their unions settle for a wage increase that won't even pay for their increased food bill," he declared.

He further contended that Congress should impose an excess-profits tax on corporations, though he conceded this doesn't fall within the Banking Committee's jurisdiction. He called for continuing congressional review of Phase 3 and also urged the House to adopt a Senate-approved amendment exempting all workers who make less than $3.50 an hour from wage controls.

While insisting these changes are necessary to make Phase 3 equitable, Mr. Meany said, in response to questions, "I'd really like to get back to where we were before Phase 1." He strongly attacked the administration and Federal Reserve Board Chairman Arthur Burns for allegedly relying heavily on higher interest rates to curb inflation.

Mr. Meany also said he is "confused" over the actual Phase 3 wage control policies. Labor leaders have privately been told by administration officials that there isn't any "single wage standard" in Phase 3, but other officials have insisted that a 5.5% guideline remains in effect.

STORES, PACKERS, FARMS BEGIN TO FEEL IMPACT OF HOUSEWIVES' OUTRAGE—DEMAND IS FALLING MARKEDLY; SLAUGHTERING IS CURTAILED; HOG PRICES IN RECORD DROP—BUT HOW LONG WILL TUNA DO?

(By Mary Bralove)

"Let 'em eat tuna casserole."

The phrase may lack that old revolutionary ring, but it seems to be catching on nonetheless. It's the cry of the American housewife as she battles soaring meat prices.

Scattered groups around the country have launched a widely publicized effort—backed by various politicians, economists and consumer groups—to get people to sacrifice meat next week in an "April Fool's" boycott in the hope of driving meat prices down.

But housewives have begun to demonstrate their power even before the boycott begins, and there's increasing evidence that their muscle is being felt where it hurts—in the pocketbooks of supermarkets, meat packers and livestock growers. Supermarket chains report consumers are buying less meat and cheaper cuts. A number of Midwest meat packers have curtailed their operations as a result of the decreased demand, wholesale beef prices have slipped a bit, and hog farmers are already panicky at plunging wholesale pork prices.

"The consumer resistance to present high prices of meat is real, and it's making itself felt in the marketplace," says Emerson E. Brightman, executive vice president of Grand Union Co., a supermarket chain. "Shoppers are buying thinner steaks, smaller roasts and stretching their meat over more meals a week."

"SITUATION WILL GET WORSE"

As housewives mix soybean fillers into their hamburger meat to stretch it further, supermarket chains report a sharp drop in meat sales. A survey of 16 major supermarkets conducted two weeks ago by The National Association of Food Chains showed, for instance, a 2% to 15% plunge in the weekly amount of beef sold. As a result, packers are being forced to cut back their operations. Iowa Beef Processors Inc., the Nation's largest beef packer, currently operates an eight-hour shift at most of its plants down from the 10-hour days worked recently at some of its slaughtering plants. Needham Packing Co. last week closed two of its four beef slaughtering houses, and Spencer Foods Inc. says it has cut back to "minimum" work hours at two slaughter plants.

"I think the situation will get worse before it gets better," says Gerald L. Pearson, president of Spencer. He reports a 25% to 30% drop in meat demand.

In reaction to the drop in demand from packers, hog farmers have hastily begun to liquidate stocks.

"A panic has set in among hog producers," comments Paul McNutt, an Iowa City farmer who says he sold some 210 pound hogs for $35 each three days ago rather than waiting to sell them when they're heavier.

RUNNING FOR COVER

On Tuesday alone, live hog prices in the Midwest tumbled a record $3.75 per 100 pounds, winding up $6 to $6.50 per 100 pounds below the historical highs of two weeks earlier. And they fell even lower yesterday, to as much as $10 below recent highs in some markets. (For further details see Commodities column on page 26.)

The sudden plunge had old livestock hands shaking their heads with disbelief. "The drop in prices has been psychological—everybody's running for cover," says one hog producer who adds that he plans to wait out the panic.

More experienced packers, or more cynical marketers, think consumers will soon have their fill of peanut butter-and-jelly sandwiches and will return to buying meat no matter what the cost. Says one packer who views the current resistance to high meat prices as temporary: "Once people have had their fun and games, they'll go right out, restock their freezers and create higher demand."

In fact, no matter which way shoppers turn for a better buy, their demand creates a spiraling price. For instance, in the New York area, the Great Atlantic & Pacific Tea Co. last week featured 2½-to-3½ pound chickens for 39 cents a pound; A&P had paid a wholesale price of about 38 cents a pound. The chain sold a lot of chicken; but had to discontinue the special when its wholesale price for chicken jumped to 44 cents a pound.

THREE HOURS FOR FISH

In the Washington, D.C. area, Giant Food Inc. advertised a special on fish. The supermarket chain was inundated with shoppers anxious to stretch their grocery money—so anxious that many waited as long as three hours in line.

But switching to tuna shortcakes or cheese souffles doesn't completely ease the pinch on the consumer's pocketbook. Wholesale prices of American cheese, for example, have jumped to 68 cents a pound from 63 cents a pound a year ago and extra large eggs have risen to 53 cents a dozen from 39 cents a year earlier.

"The real problem the housewife is facing is that there are no attractively priced meat alternatives," says Tim McEnroe of the National Association of Food Chains. "Meal money has got to go someplace, and everything is in short supply."

Because the housewife has nowhere else to turn and is receiving little satisfaction from her government representatives, she seems to be enthusiastically embracing the meat boycott movement. Although in a practical sense avoiding meat will lead to higher prices for fish and nonmeat products, the boycott seems at least to be providing an emotional outlet for pent-up shoppers' frustrations.

And the anger of the consumers is very real. Last Saturday, for example, Mr. McEnroe, after promising his children a rib roast for dinner, traipsed off to a local grocery store. With rib roast in hand, he lined up at the checkout counter. Spotting the roast, his fellow shoppers began muttering ominously and for a while there, Mr. McEnroe says, he wasn't sure whether he would get out safely.

In preparing for next week's official boycott, supermarket chains are keeping a tight rein on orders for meat products. They're cutting back particularly hard in areas such as Washington, D.C., and Los Angeles, where the boycott is expected to be particularly effective. Supermarket executives expect consumers on both coasts will be more receptive to the idea of boycotting meat than their traditionally less militant counterparts in Midwest and Southern areas.

No one, however, can predict how effective or widespread the April Fool's boycott will be. The first week in any month is when many people get their paychecks and are in a buying mood, and it's harder to pass up steak when there's cash in your pocket.

If the meat boycott is more successful and lasts longer than retailers counted on, supermarket chains will be stuck with a lot of fresh beef that will spoil fairly rapidly. Traditionally, meat sales account for some 25% of all grocery-store sales, and the industry—already in a profit squeeze—can ill afford another setback. One supermarket executive predicts: "If the supermarket chains are hurt by the boycott, they'll start marking up groceries. They'll mark up cheeses, fish and everything else. The money has to come from another source to keep the stores operating."

CAMBODIAN BOMBING CONTINUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, now that the long agony of Vietnam appears to be ending, it is tempting to sigh with relief and turn to the pressing problems of our own Nation.

Unfortunately, appearances are decep-

tive: the war is not over, and the United States is still deeply involved in the conflict in Southeast Asia. Every day our bombers devastate the lovely land of Cambodia, just as they devastated Vietnam for so long.

Defense Secretary Richardson calls Cambodia "kind of a lingering corner of the war," which we will continue bombing as long as the Lon Nol government "requests" our help. William Sullivan, a State Department official reportedly said that the justification for the bombing is "the reelection of President Nixon." People who voted for Mr. Nixon must be surprised to know that.

The President supposedly has two lawyers frantically trying to come up with a constitutional justification for the bombing. He would not find one. Like the rest of the Asian war, this intervention has never been authorized by Congress. With the last of our troops and POW's coming home from Vietnam, that excuse can no longer be made.

The real purpose, obviously, is to demonstrate American support for the military regime which controls Cambodia. In other words, we are now doing in Cambodia precisely what we did for so long in Vietnam—bombing and killing daily in order to prop up an unwanted government in an Asian country. How long can this go on?

The New York Times today editorializes on the same question. I include their editorial at this point:

OUT, BUT NOT OUT

The expected return today of the last American combat troops and prisoners from Vietnam should be an occasion for universal relief and rejoicing, marking the end of the long and anguished United States intervention in Indochina. To most Americans it is inconceivable that this country would again become militarily involved in a regime so remote from any vital national strategic interest.

And yet intervention persists. United States military aircraft based in Thailand continue to devastate the countryside of Cambodia in support of a shaky military regime. The White House says this bombing will continue until Communist forces in Cambodia stop their military operations and agree to a cease-fire, which at the moment appears to be an extremely remote possibility.

Any further American military action in Cambodia after the completion of disengagement from Vietnam would raise the most serious constitutional questions. Following repeal of the Tonkin Gulf Resolution, President Nixon's sole justification for operations in Indochina has been his alleged powers as President and Commander in Chief "to protect American forces when they are engaged in military actions." Even this dubious claim evaporates with the departure of the last United States combat soldier from Vietnam.

So far neither the Defense nor the State Department has been able to come up with a substitute justification for what is going on in Cambodia although a State Department official reportedly told Congressional aides that his department had two lawyers working on the problem. White House Press Secretary Ronald Ziegler has lamely explained that the heavy daily bombings are being conducted because "the Cambodian Government has asked for our air support."

That is a doctrine for Presidential intervention in foreign conflicts that must not be allowed to stand unchallenged. It would mean, in effect, an assumption of Presidential authority to invoke the devastating power of American air forces wherever and whenever a government which enjoyed White House sympathy was in trouble.

Failure of Congress to assert its own constitutional prerogatives promptly and forcefully could result in continuing unauthorized bombing in Cambodia and would establish a perilous precedent for future Presidential intervention in trouble spots around the world, not excluding an already threatened resumption of American hostilities in Vietnam.

DOWNWARD AVERAGING—TAX EQUITY FOR THOSE WITH DIMINISHING INCOMES

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

Mr. ROSTENKOWSKI. Mr. Speaker, I have taken this special order today to discuss legislation that I have introduced along with my colleague, the Honorable JAMES V. STANTON, which would amend the Internal Revenue Code to allow taxpayers who have had sharp declines in income to benefit from the same averaging provisions that are now available only for those individuals who have had significant increases in their income over previous years.

This legislation is embodied in two bills, H.R. 2416, and H.R. 3168, which we introduced in the opening weeks of this session. They would permit a taxpayer who suffers a reduction of income to, in effect, average his income for that year with his income from a 4-year base period. Such a taxpayer may be said to have overpaid his taxes during the 4-year base period. Under the bill, he would recover this "overpayment" through reduced taxes in the current year, and in some instances he might even be entitled to a refund. It is estimated that, if this bill had been in effect for calendar year 1971, Federal individual income tax liabilities would have been decreased by about $335 million, assuming everyone eligible for downside averaging under the bill would have elected to use this procedure.

What we are trying to do here is restore reasonableness to the tax laws, which supposedly are based on the principle of progressive taxation—the more you earn, the more you pay. The obvious corollary is that, the less you earn, the less you should be obligated to pay.

It does not make sense to me that all the breaks in this area go to people who really should pay higher tax in a year when they can best afford it—while at the same time, others who can least afford it, because of bad breaks, get no consideration at all from the law.

Under our proposal, the tax is computed by (1) determining the average income for the base period; (2) computing the tax on 80 percent of that amount; (3) subtracting the current year's income from 80 percent of the average base period income to determine the amount of the reduction in income; (4) computing the marginal tax on one-fifth of the reduction in income and multiplying that tax by 5; (5) and by subtracting the final figure in step (4) from the tax computed in step (2).

To be eligible to use these averaging provisions, the taxpayer would have to suffer a reduction in income of at least $3,000, as compared to 80 percent of the 4-year base period average. Also, he would have to include in income unemployment benefits not otherwise taxable.

For example, if a worker with an average base period income of $18,000 were laid off for part of the year, and his taxable income plus unemployment compensation amounted to $10,000, his savings under the bill would be $60. If he had no income—and no unemployment compensation—his tax savings under the bill would rise to $668.

The following table illustrates the effect of the bill:

ASSUME TAXPAYER, FILING JOINT RETURN, WITH $18,00 AVERAGE BASE PERIOD INCOME

Current year taxable income plus unemployment compensation	Tax under the bill	Regular tax	Tax saving from the bill
$10,000	$1,760	$1,820	$60
$8,000	1,260	1,380	120
$6,000	760	1,000	240
$4,000	260	620	360
$2,000 (credit)	228	290	518
0 (credit)	668	0	668

Persons who have a reduction in income due to retirement would not be eligible to use these provisions. Retired persons already receive a number of substantial tax breaks under the revenue laws such as the exclusion of social security benefits and the retirement income credit. Also, retired persons generally have diminished family responsibilities and an opportunity to plan for retirement.

The primary purpose of this bill is to help persons who have no opportunity to plan—for example; those persons out of work because of a plant shutdown; workers who are laid off; and families where a wife quits work in a given year to give birth to a child.

Persons who elect to take advantage of downside averaging would have to forgo certain other tax benefits, for example, the alternative capital gains tax and the exclusion of tax-exempt interest on bonds. In most cases these provisions will not affect persons whose primary source of income is wages from employment.

On the whole, the result of this bill would be to allow individuals who suffer a reduction in income to receive credit for taxes paid in years in which income was higher, thus lowering their taxes in the current year.

As a member of the Ways and Means Committee which is presently considering potential changes in the Internal Revenue Code, I am sponsoring this legislation because I feel that it will bring about greater equity in our tax system for those who has suffered sharp declines in income. I ask that my colleagues on the committee and in the Congress consider the possibilities of this legislation, both now and when my colleague JIM STANTON comes before the Ways and Mean Committee on April 17, 1973, to testify on its behalf.

IN SUPPORT OF DOWNWARD AVERAGING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 5 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Illinois (Mr. ROSTENKOWSKI) on the need for downward averaging to promote greater equity in the tax laws.

Although I will appear before the Ways and Means Committee next month to explain our proposal in greater detail, I would at this point, like to outline what I believe are some of the chief arguments in support of our proposal.

Our legislation would impart a reverse twist to income averaging. This tax-saving device, long ensconced in the Internal Revenue Code, currently has a thrust only in one direction. It is available exclusively to those fortunate enough to suddenly enjoy a very good year—for example, movie stars and athletes who make it big, and ordinary persons whose income soars in a given year because of a promotion or transfer to a much higher paying job.

Under our plan, the benefits of averaging would be extended to other classes of persons—for example, those thrown out of work because of a plant shutdown; workers who are laid off; persons in their first year of retirement; and families where a wife quits work in a given year, say, to give birth to a child.

The IRS instructional booklet distributed with the 1971 income tax forms advises the reader that he or she can qualify for averaging "if after subtracting $3,000 from your 1971 taxable income, the balance is more than 30 percent of the sum of your 4 prior years' taxable income". By averaging the high income from the current year with the lesser incomes from prior years, the well-heeled taxpayer thus is able to show for tax purposes, a lower figure in the current year than he actually earned. His tax is reduced accordingly.

Similarly, the less fortunate person could show through the averaging method that he had overpaid his taxes in the 4 prior years, since the low income from the current year would bring down his average for the prior years. Consequently, this taxpayer would pay less than otherwise would be required of him in the current year, so he could make up for the overpayment of the prior years. If the gap were wide enough, he could qualify for a refund of taxes withheld from his pay in the current year.

This proposal, as Congressman ROSTENKOWSKI pointed out, is an attempt to fully utilize the concept of progressive taxation. Those who are able to average their income to avoid going into a higher bracket should not be placed in a better position than those whose income has been on the decline, but are unable to recoup for higher taxes paid during their previous good years. In fact, it is my opinion that the principle of upward averaging should not be allowed to remain in the Internal Revenue Code unless downward averaging is inserted in order to eliminate the discrimination which is inherent in any one-way averaging.

Our legislation, which, of course, would only apply to individual taxpayers as are defined under section 1303(a) of the Code, would cost far less than does the existing averaging provision. In addition, it would provide relief to a far more deserving segment of taxpayers, that is, those whose income is on the decline, rather than those who resort to averaging merely as a means of softening the impact of higher taxes which are the result of a far more productive year.

EXPERIENCE OF IRVINGTON, N.J., ON CODE ENFORCEMENT AND REHABILITATION PROGRAM

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

Mr. MINISH. Mr. Speaker, I rise to call the attention of the House to the experience of Irvington, N.J. with a very successful code enforcement and rehabilitation loan program.

In the housing field, as in a number of domestic program areas, the administration has chosen to employ a meat-ax approach which falls indiscriminately upon both the good and the bad.

Last week, Mr. James Zangari, executive-director of the Irvington South Ward Improvement Project, presented testimony to the Housing Subcommittee on efforts, with Federal assistance, to halt the spread of urban blight in Irvington.

I commend Mr. Zangari for his constructive presentation and I recommend the testimony to all Members of the House as an outstanding example of how Federal housing programs, competently administered, can and do work to improve a community and the lives of its residents:

SOUTH WARD IMPROVEMENT PROJECT
Irvington, N.J.

Chairman Barrett, and Members of the Housing Sub-Committee:

I herewith submit, on behalf of the good people of Irvington, New Jersey a plea for the continuance of the HUD programs relating to rehabilitation with Federal Financial Assistance.

I would like to submit some information about Irvington, giving some pertinent facts and statistics. Geographically, we are set in a most desirable position, having the Garden State Parkway and the soon to be completed Route #78, which enables one to travel in all four directions with a minimum of time and effort. Although, we are but three (3) square miles, there are 60,000 inhabitants having thirty-four (34) persons residing on every acre of land; making Irvington the most densely populated Town in the Country. We have become a haven for senior citizens, numbering 20,000 and 15,000 are of ages to 18 years old. In effect, this represents 58% of our total population. Considering that the 1970 census lists Irvington as a lower middle income Community, you can appreciate the burden which lies on the productive part of our Community. Struggling to maintain our dignity, and yet, survive, we have tightened our belts to a point where it just cannot be asked for more, without further agony and despair to our residents.

We have been penalized in the distribution of Revenue Sharing Funds because our Community is called "Town of Irvington." We need your continued help in receiving funds, to stabilize our Community and to relieve the tax burden that has become a noose so tight that we cannot breathe.

At this point, I am giving documented evidence that justifiably, Irvington can boast with pride on matters where Federal Funding are concerned. We boast of one of the best administered Housing Authority's in the Country, and I am sure the records will verify my statement. I boast of our unique program known as the South Ward Improvement Project, N.J. E–11, with these documented figures as of March 9, 1973:

	Structures	Residential	Non-residential	Mixed	Dwelling units
Total in area and inspected to date	2,069	1,857	131	81	4,362
Total closed	1,730	1,554	118	58	3,546
Balance to be re-inspected or awaiting assistance	339	303	13	23	816

I would also like to insert, for the record, that I have a program that is run effectively, and to substantiate my statement, here is a breakdown of cost:

DIRECT FEDERAL REHABILITATION FUNDS FROM JULY 1, 1969 THROUGH MARCH 9, 1972

$638,109.00 disbursed, $.5392 cost per dollar to administer.

DIRECT FEDERAL REHABILITATION FUNDS FROM AUGUST 1, 1972 THROUGH MARCH 9, 1973

$222,812.00 disbursed, $.2900 cost per dollar to administer.

DIRECT FEDERAL REHABILITATION FUNDS FROM JULY 1, 1969 THROUGH MARCH 9, 1973

$861,121 disbursed, $.4763 cost per dollar to administer.

As you can see by the above figures, the administration cost in relation to Federal Financial Assistance to property owners in our program has been steadily reduced as we moved along with our project. This has been accomplished due to the fact that my staff has gained the needed expertise to handle and expedite all cases with experience gained in passage of time. We are gratified that our documented figures show, very clearly, that, the residents of the Project Area are getting dollars worth of service for every dollar's worth of Federal money (tax money) being spent in our project. We have had a remarkable public improvement program in the project area. Today, anyone can walk proudly through and see the physical change that has been transplanted in the area. This could only have happened through the good graces of the assistance that was provided by the Federal Government. I feel it would be disastrous to our Community, and to our Country, to curb the momentum we have generated in the past few years in the area of rehabilitation. It is imperative that Section 312 of the National Housing Act be continued beyond the current expiration date of June 30, 1973.

If you can appreciate the feeling of our urban community struggling to maintain its dignity, then we respectfully urge your continuing support for Irvington and the Nation.

Respectfully submitted.

JAMES ZANGARI,
Executive Director.

THE RHODESIAN CLOSING OF THE ZAMBIAN BORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, the situation on the Zambia/Southern Rhodesia border has recently been a subject of great concern to those interested in bringing freedom and democracy to the minority-ruled states of Southern Africa. In January the illegal regime in Southern Rhodesia arbitrarily closed the border to all Zambian traffic, in an attempt to sabotage the economy of this land-locked country. This proved in fact to have been a rash move. Zambia is finding alternative means of transportation for its vital copper exports, and has refused to accept this attempt at blackmail by the illegal regime.

It has gone further, in making arrangements for the permanent redirection of all its external trade away from Rhodesia. This can be achieved only at great cost and national effort, and it is vitally important that the Government should be ready to assist Zambia by all practical means to tighten the sanctions net around the rebel regime, just as we assisted Zambia in the early days of sanctions by participating in the British airlift. When the special UN mission to Zambia has reported on the needs, the United States should be ready to contribute toward the assistance given without delay.

We should not forget, however, that in allowing American business interests to import Southern Rhodesian commodities, especially ferrochrome—which is helping to depress domestic ferrochrome production—chrome and nickel, the United States is rendering worthless all the sacrifices made by Zambia and other poor countries in Africa in their observance of mandatory United Nations sanctions against the illegal regime in Southern Rhodesia.

It is vitally important that the U.S. Congress should repeal the notorious Byrd amendment, section 503 of the Military Procurement Act, and that the administration should throw its full weight behind this move. With the Byrd amendment on the books, the United States is seen in the international arena as a saboteur of a major collective security operation, at a point where the effects are becoming increasingly evident in Southern Rhodesia and exerting great pressure on the regime. The crisis situation on the Zambesi is in large part a panic response by the illegal regime to the economic pressures, combined with the resurgence of the liberation struggle inside the territory.

To clarify the gravity of this situation, we should take special note of the statements made at the meeting of the United Nations Security Council on the Rhodesian confrontation, January 29 through February 1, especially the following excerpts from the statements of the Zambian representative, Mr. Paul Lusaka, and the U.S. Representative, Mr. Christopher Phillips.

Mr. Speaker, I wish to insert the following excerpts from Mr. Lusaka's statement for the thoughtful attention of my colleagues:

STATEMENT OF PERMANENT REPRESENTATIVE OF ZAMBIA BEFORE THE SECURITY COUNCIL, JANUARY 29, 1973

This august body is meeting to consider an extremely dangerous situation which now threatens the whole of southern Africa. On 9 January this year the illegal régime of Southern Rhodesia closed its border with Zambia, demanding that my country abandon its support for the struggle of the oppressed majority to which Zimbabwe rightly belongs. That was an act of aggression carried out by a rebel régime which has no legal status or power, whose racist policies have been repeatedly condemned by the community of nations and against which the United Nations has imposed mandatory economic sanctions.

I am sure that the members of this Council will appreciate the seriousness of the aggressive acts which have been committed against Zambia. The illegal régime of Southern Rhodesia has declared an economic war against Zambia and supports this war with incidents of the nature of military aggression. It is using economic pressure to hold Zambia to ransom.

By closing the border the Smith régime hoped to inflict serious damage to our economy. The move was an act of desparation to undermine the Zambian economy in order to induce the Zambian people to surrender their rights and freedom and to submit to the authority of a rebel régime. My Government regards the action of the rebels as a siege designed to gain political concessions, that is to say, to stop Zambia from supporting the liberation movement and reduce it to the status of a puppet government.

The Smith régime has for some years faced internal trouble from the 5 million people of Zimbabwe. In 1967, 1968 and 1969 the struggle for independence in Zimbabwe was intensified. The lull in 1970 and 1971 was mistaken by the Smith régime as a defeat of the liberation forces, but the Pearce Commission rekindled nationalism and the people of Zimbabwe have shown their preparedness to make more sacrifices after shedding blood for their liberty during the Pearce Commission's visit.

There is a further and more ominous dimension to this crisis. The collusion of the Salisbury and Pretoria racist and fascist régimes is well known to the members of this Council. Since UDI in 1965, Zambia has warned that the southern African crisis is a threat to international peace and security. Indeed, in 1967 South Africa troops moved into Southern Rhodesia and have since remained there as an occupation force. Tension has been rising. Vorster has issued threats against Zambia; Smith has issued threats against Zambia; and both of them, that is Pretoria and Salisbury, have from time to time committed acts of aggression against Zambia, including violations of our territory by land, air and water. They have laid land mines on our side of the border and have engaged in acts of sabotage and subversion. Since 1964 some 45 agents of minority régimes have been arrested, tried and convicted by Zambia for espionage. Twenty-three of these were in 1972 alone. That is the picture that has emerged from the presence of South Africa forces in Southern Rhodesia.

Vorster himself has not denied the presence of South African forces in Southern Rhodesia. The Council will recall that Vorster has consistently declared and only recently reiterated that when a neighbour's house is on fire, one does not need an agreement to help that neighbour. I might add that the Smith régime has also confirmed this fact by admitting the death of at least two so-called South African policemen and a number of others injured during a confrontation with freedom-fighters inside Southern Rhodesia.

* * * * *

To date, and during this month alone, we have four Zambians killed by land mine explosions and several seriously injured. The numbers are likely to rise since there are land mines still undetected.

Those incidents are the most recent acts of aggression against my country. They are deliberately designed to augment the present siege, thereby creating a new and very dangerous situation.

* * * * *

This danger is in the logic of the situation. The real reason for the moves taken by South Africa and the Smith régime is to stem nationalist feeling which is sweeping through all the oppressed countries of southern Africa. Indeed in Southern Rhodesia it is now stronger than ever before, as the resounding "no" to the Pearce Commission clearly demonstrated in 1972. Freedom fighters have recently achieved important victories in Rhodesia, and the Smith régime has admitted that the freedom fighters are receiving unqualified support from the oppressed masses in their country. This is why it has arbitrarily introduced new and unprecedented inhuman and savage measures against individuals or communities suspected of sympathising with those who are struggling for the liberation of their motherland. What the Smith regime fears is that the liberation struggle will move from one success story to another and that it will become impossible to maintain white minority rule...

* * * * *

Only a few days ago, my Foreign Minister, the Hon. E.H.K. Mudenda, echoed this warning of my President when he referred to the fact that a situation very much like the one in Viet-Nam was developing in southern Africa because Southern Rhodesia and South Africa are evidently bent upon using force to maintain the *statuts quo*. This can bring nothing but tragedy. It would be a tragedy which could involve the whole world.

Judging by the present trends there is no reason to doubt that Southern Rhodesia would contemplate the bombing of targets in Zambia. At this point I want to make it abundantly clear that in the event of the rebels and/or their allies committing such a mad act other countries would be involved since Zambia reserves its right to call upon the assistance of friendly nations. I say this because we have a right to exist as a nation and to defend our independence and sovereignty.

* * * * *

Is it not obvious that as the liberation struggle gathers force these regimes will become more and more desperate? And is it not obvious that their perverted logic will drive them to even more extreme acts of violence? Southern Rhodesia and South Africa must be stopped now. The world cannot afford to allow this violence to continue.

* * * * *

Zambia supports the cause of majority rule in Zimbabwe. This Council and the General Assembly have passed numerous resolutions on Southern Rhodesia which explicitly support that cause. Indeed, the sanctions imposed by this Council against Southern Rhodesia—which I shall dwell upon later—were intended to bring the illegal regime to heel. Zambia's support for the liberation struggle in Zimbabwe is, needless to say, in conformity with the commitment of the United Nations. Southern Rhodesia has mounted a siege against my country because Zambia has sought to uphold the principles of the Charter. The present crisis is therefore one which directly involves the United Nations. It is therefore incumbent upon the United Nations to take effective action in order to achieve the objectives of the Charter and in conformity with the nu-

merous Security Council and General Assembly resolutions, and in particular the Declaration on the Granting of Independence to Colonial Countries and Peoples, resolution 1514 (XV) of 14 December 1960.

In the past the British Government has expressed concern about the adverse effects which comprehensive mandatory sanctions against the rebel regime in South Rhodesia would have on Zambia. Consequent upon the present siege, my Government decided once and for all to establish permanent alternative routes for its imports and exports and to abandon the southern route altogether as this route could no longer be relied upon. Thus Zambia can no longer be used as an excuse for the non-application of comprehensive mandatory sanctions. There is therefore now a golden opportunity for the international community to tighten the sanctions further in order to bring the Smith regime to heel.

STATEMENT OF U.S. REPRESENTATIVE MR. CHRISTOPHER PHILLIPS

Turning to the complaint raised by Zambia, it is clear that, in view of the economic relationships that existed between Zambia and Southern Rhodesia prior to the illegal declaration of independence, it would have imposed a heavy economic burden for Zambia to sever all of its links with Southern Rhodesia. Despite this, Zambia has since 1965 done its best to comply with the sanctions instituted against Southern Rhodesia. If Zambia was to reduce its dependence on Southern Rhodesia it was clear at the outset that Zambia would require outside assistance. This assistance was almost immediately forthcoming. Many Member States, including the United States, responded to Zambia's request for help during the early days of sanctions. The United States, for example, was quick to respond to Zambia's appeal. During the period January through April 1966 it provided, at a cost of $4.5 million, a comprehensive airlift for the transport of petroleum products. During that period United States planes made some 500 round trips, transporting 4 million gallons of such products from other points in Africa to Zambia—a unique, costly, but very necessary, airlift.

In addition, the United States provided some $38 million towards the construction of the great north road, which has enabled Zambia to transport by truck its copper to Tanzania for export to other parts of the world and to transport its imports.

Additional assistance was also provided by my Government as well as by other countries. This assistance has strengthened Zambia's ability to weather the adverse effects on its economy of the application of sanctions against Southern Rhodesia.

The United States has followed Zambia's plight with close attention, and we have been in close touch with the Zambia Government since the border was closed. We are very much aware of the problems for Zambia resulting from this act. It is unfortunate that the closing of the Zambia-Southern Rhodesia border has forced Zambia to take drastic measures and to seek alternate routes for its goods. The present difficult circumstances in which Zambia finds itself obviously underscore the need to examine carefully appropriate ways in which Zambia might be assisted.

REHABILITATION ACT OF 1973

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

Mr. BRADEMAS. Mr. Speaker, on March 27, President Nixon dismayed many of us by vetoing, yet again, a measure that would have meant much to the 20 million handicapped adults in our land.

I refer, of course, to the Rehabilitation Act of 1973 which Congress sent back to the President, this month, after he had vetoed a similar, but more expensive, bill last October.

And my distress with reference to the President's actions, Mr. Speaker, is increased as I recall eloquent testimony, before my subcommittee just a few days ago, on another measure, dealing in the education of handicapped children.

That testimony came from Dr. Frances Connor, chairman of the Department of Special Education, Teachers' College, Columbia University.

Said Dr. Connor:

I know I am not here to talk about rehabilitation. But handicapped adults in this country, Mr. Congressman, are sitting rotting their lives away.

The doorkeeper at the Lexington School for the Deaf, happens to be a 70-year old man who is working these last years of his life because he has to care for his 37-year old son, at home, who is totally unable to talk, and barely able to walk.

But that father, Mr. Chairman, who should be at home enjoying what are, I am told, the enormous benefits of the Social Security Act, is now dying of cancer. And all of a sudden he has recognized that he had better do something to enable his crippled son to take care of himself when he is on his own.

I sent him to vocational rehabilitation and they are saying there is a long waiting list and they won't be able to do anything for the 37-year old "boy" for several months. The old man, Mr. Chairman, will not live beyond a few more weeks.

Yet, Mr. Speaker, the President has, once again, rejected a measure passed twice with overwhelming bipartisan support in both the House and the Senate, which might have been helpful in this tragic situation.

For the Rehabilitation Act of 1973, Mr. Speaker, could have helped the 37-year-old son attain some degree of self-reliance, and, thereby, eased the pain and worry of his father's last days.

It is not my intention here, Mr. Speaker, to take issue with the astonishing message that accompanied President Nixon's veto of the Rehabilitation Act.

But I want to remind my colleagues of the appalling human problems to which this legislation addresses itself, and of the enormous significance of this bill to the millions of crippled, and otherwise disabled, Americans in this great land.

Consider that this bill:

Extends and strengthens the 52-year-old vocational rehabilitation program for disabled adults;

Provides new emphasis for the severely disabled who have not been adequately served in the past; and

Strengthens and highlights our concern for existing programs for the elderly deaf-blind, and persons suffering from spinal cord injury or serious kidney disease.

Mr. Speaker, I insert in the RECORD at this point statements by several of my distinguished colleagues who express their shock and dismay at the President's unfortunate action.

These documents include statements by the distinguished chairman of the Committee on Education and Labor, Mr. PERKINS of Kentucky; the distinguished Senate sponsor of this measure, Senator ALAN CRANSTON of California; the distinguished Senator from West Virginia who is such an effective champion of the handicapped, Senator JENNINGS RANDOLPH; and the distinguished chairman of the Senate Foreign Relations Committee, Senator J. WILLIAM FULBRIGHT, who includes in his statement a resolution overwhelmingly approved by the Arkansas General Assembly applauding congressional passage of the Rehabilitation Act.

The statements follow:

STATEMENT BY HON. CARL D. PERKINS, OF KENTUCKY, CHAIRMAN, COMMITTEE ON EDUCATION AND LABOR, ON THE VETO OF THE REHABILITATION ACT OF 1973

I am dismayed and deeply disappointed over the President's unjustified action in vetoing the rehabilitation Act for physically and mentally disabled Americans. In disapproving the bill, the President has done serious damage to one of the great success stories in this Nation's effort to serve its people.

The vocational rehabilitation movement has developed the best blend of public and voluntary organization service and the most effective working relationships of any program in the field of human service. This humanitarian effort which was struck down today has been the literal salvation for millions of disabled Americans.

Instead of the expanded and improved program overwhelmingly approved by the Congress, the President's action will force thousands and thousands of those now disabled to live continued lives of dependency, unproductivity and uncertainty. Today's action will be felt the hardest by those who are the most severely disabled, for the vetoed bill would have concentrated resources on those with multiple disabilities—the blind-deaf, the severely physically handicapped, the spinal cord injured, and those afflicted with end-stage renal diseases.

It is alleged that the bill is fiscally irresponsible. First, this is an authorization bill—not a spending bill. Secondly, the revised bill is $900,000,000 less in authorizations than last year's vetoed bill—a reduction of over 25%. Finally, the FY 1973 authorization in the vetoed measure is less than the authorizations for FY 1971 and FY 1972. Measured by any standard, this is a fiscally responsible bill. The only irresponsible action taken with respect to this measure was taken earlier today.

Great hopes have been turned into bitter disappointment and grave uncertainty—but only temporarily. I trust the Congress will act to correct this serious misjudgment on the part of the Administration.

STATEMENT BY SENATOR ALAN CRANSTON, PRINCIPAL AUTHOR AND SENATE FLOOR MANAGER OF THE REHABILITATION ACT OF 1972 ON THE PRESIDENTIAL VETO

I share President Nixon's desire for fiscal responsibility, a ceiling on spending, no new taxes and no broader deficits. But none of

these commendable concerns have any relevance to this bill.

The President clearly hasn't read this bill and doesn't know what's in it. I suggest that he fire whoever has again advised him to veto it.

President Nixon for the second time has vetoed a bill designed to give millions of severely handicapped Americans a decent chance for a job and for a dignified, more independent way of life than dependence on government handouts.

If the President meant to include people who are crippled, paralyzed or blind when he admonished the American people to ask not what the government can do for them but rather what they can do for themselves, then the President was not only heartless, but has shown himself to be budgetarily blind.

The programs under this bill have proven to be among the most cost-effective of any in the federal government. For every one dollar spent through these programs, $3-to-$5 is returned to the Treasury through taxes paid by rehabilitated workers and through savings in reduced public assistance, unemployment compensation, social security and Medicaid payments.

The Congress has met the President more than half way. We cut the amount authorized to be appropriated over the next three years by $881 million from the previously vetoed bill. The authorization we requested for fiscal 1973 is actually $97 million less than last year's figure. But our effort at reasonable compromise did not satisfy an Administration that is more obsessed with confrontation with the Congress than it is concerned about handicapped people.

Unhappily for fiscal common sense and for the conscience of America, prospects of a Congressional override are mixed. The Senate passed its measure (S. 7) Feb. 28 by an 86-to-2 vote, and it accepted the House compromise version Mar. 15 by voice vote. So the outlook for an override in the Senate is hopeful. The situation in the House is less encouraging. Though Members passed what was the final version of the bill (H.R. 17) by a vote of 318-to-57, they had previously defeated the Administration substitute (the Landgrebe Amendment) by a vote of only 213-to-166.

Nonetheless I have faith in the right thinking of the American people and their representatives and it is my profound hope that the Congress, in the name of common sense and of common decency, will vote to reject this cruel but—for this Administration—not unusual act.

[From the CONGRESSIONAL RECORD, Mar. 27, 1973]

SENATOR RANDOLPH URGES OVERRIDE OF THE SECOND VETO BY THE PRESIDENT OF THE REHABILITATION ACT

Mr. RANDOLPH. Mr. President, President Nixon has disapproved for the second time, the Rehabilitation Act. In doing so, he has dashed the hopes of millions of handicapped Americans who urgently need the services which would be provided by this measure.

Last October the 92d Congress unanimously approved the Rehabilitation Act, recognizing its importance in the transformation of handicapped individuals, many, many of whom are welfare recipients and drains on the tax dollar, into productive, self-sustaining, taxpaying citizens able to live in dignity, with hope and purpose in their lives. The President did not agree. He pocket vetoed the measure terming it "fiscally irresponsible."

On January 4, 1973, 19 colleagues joined me in introducing the measure again. Congress once more adopted S. 7, the Rehabilitation Act. This year, taking cognizance of the President's assertion that the act was "fiscally irresponsible," Congress reduced the level of authorizations by $900 million over a 3-year period. We were genuinely trying to present to the Chief Executive a bill he would approve. I believe that S. 7 as enacted by Congress would be such a bill. The authorization level for the first year is actually less than that of the existing Vocational Rehabilitation Act, which is narrower in scope.

I am very, very saddened by the action by the President on this vital measure, which has received the enthusiastic support and endorsement of every national group and organization working with handicapped individuals.

The President, in my opinion, has taken an ill-advised action in vetoing the measure. The vocational rehabilitation program has proven to be perhaps the most cost-beneficial effort in the Federal Government. For every dollar invested on rehabilitating a handicapped individual, at least $3, and as much as $70, is returned to the economy in reduced welfare payments, increased income, and increased tax revenues for Federal, State, and local governments.

As chairman of the Senate Subcommittee on the Handicapped, and as a citizen who is concerned with how this Nation treats its handicapped citizens, I earnestly hope that both the Senate and the House of Representatives will override President Nixon's tragic veto of this most important and urgently needed legislation.

[From the CONGRESSIONAL RECORD, Mar. 27, 1973]

THE PRESIDENT'S VETO OF THE VOCATIONAL REHABILITATION ACT OF 1973

Mr. FULBRIGHT. Mr. President, it is with much regret that I have just learned of the President's veto of S. 7, the Vocational Rehabilitation Act of 1973. S. 7 is the major piece of Federal legislation affecting the handicapped and is vitally needed by the millions of our citizens who are in the unfortunate position of requiring its benfits. Quite wisely, Congress made this legislation a matter of the highest priority in the 93d Congress, following the President's veto of essentially the same bill, H.R. 8395, at the close of the last Congress.

In his veto message on S. 7 President Nixon gives fiscal irresponsibility as his principal objection to this legislation, alluding to the "big spenders who sweep aside budgetary restraints." Mr. President, as I must say again, if this administration is seriously concerned about controlling spending, it should focus on the billions of dollars which we devote annually to exotic weapons systems, foreign aid, and military bases abroad, not to mention the massive outlays in Southeast Asia typified by our bombing strikes which, I understand, are still in progress.

Recently the Arkansas General Assembly overwhelmingly approved a resolution commending the Congress for its foresight in creating and passing the Vocational Rehabilitation Act Amendments of 1972, which were vetoed by the President, and urging repassage by the 93d Congress. This is a very good example of the encouragement I have received from my State about the value of the rehabilitation activities and the need for their continuance, and I ask unanimous consent that the resolution be included in the RECORD at the conclusion of my remarks.

It would be difficult, Mr. President, for me to name a legislative program more vitally needed by our people than that envisioned in S. 7, and I very much hope that my colleagues will join me in voting to override the President's ill-advised action.

HOUSE CONCURRENT RESOLUTION 16 COMMENDING THE CONGRESS OF THE UNITED STATES FOR ITS FORESIGHT IN CREATING AND PASSING THE VOCATIONAL REHABILITATION ACT AMENDMENTS OF 1972 WHICH WERE VETOED BY THE PRESIDENT AND TO URGE THE REPASSAGE THEREOF BY THE CONGRESS

Whereas, the Congress of the United States of America exhibited great foresight in creating the magnificent Vocational Rehabilitation Act Amendments of 1972 (H.R. 17 and S. 7 which were identical to H.R. 8395) which were passed unanimously by both houses of the Congress in October, 1972; and

Whereas, this legislation was vetoed by the President of the United States; and

Whereas, the Vocational Rehabilitation program in Arkansas has provided services for years that have assisted thousands of citizens in this State in overcoming their physical, mental, and vocational handicaps, and has permitted them to lead productive lives; and

Whereas, the 1972 amendments to the Vocational Rehabilitation Act, as passed by the Congress, would have been new milestone legislation to continue the outstanding progress under the original Vocational Rehabilitation Act, and in addition, would have provided comprehensive services to many severely disabled who do not now receive appropriate services, including the spinal cord injured, chronic kidney diseased, and the low-achieving deaf, whose needs require specialized centers and comprehensive programs of care; and

Whereas, for the first time, the Vocational Rehabilitation Act Amendments of 1972 would have provided funds for basic research directed toward resolving problems in the field of spinal cord injured, and would have provided vitally and critically needed funds to enable the states to continue present vocational rehabilitation programs, and to initiate the new urgently needed programs for the neglected severely handicapped;

Now, therefore, be it resolved by the House of Representatives of the Sixty-Ninth General Assembly of the State of Arkansas, the Senate concurring therein: That the Arkansas General Assembly respectfully requests the Congress of the United States to reconsider and reenact the Vocational Rehabilitation Act Amendments of 1972, and the President of the United States is urged to approve said legislation, which will continue the existing programs of vocational rehabilitation benefitting thousands of citizens of this State and Nation, and providing new programs of service and hope for the neglected severely retarded.

Be it further resolved that upon adoption of this Resolution the Secretary of State of the State of Arkansas is requested to furnish copies of this Resolution to (1) President Richard M. Nixon, Mr. Caspar Weinberger, Secretary of Health, Education, and Welfare, each of whom are urged to reconsider their position with respect to the Vocational Rehabilitation Act Amendments of 1972; and (2) each member of the Arkansas Congressional Delegation, each of whom are urged to use their influence to bring about the reenactment and ultimate approval of the Vocational Rehabilitation Act Amendments of 1972.

And I also include, Mr. Speaker, materials developed by the House Select Subcommittee on Education, and the distinguished majority whip, Mr. MCFALL of California, which describe the provisions contained in the Rehabilitation Act of 1973, as well as the history of this measure.

[Select Subcommittee on Education, Mar. 28, 1973]

REASONS CONGRESS SHOULD OVERRIDE THE PRESIDENT'S VETO OF THE REHABILITATION ACT OF 1973

What the Bill Does: Extends and strengthens the existing Vocational Rehabilitation program and adds a new program for severely disabled persons, including the elderly deaf-blind, persons with spinal cord injury, and persons with serious kidney disease.

Support for the Bill: For over 50 years the Vocational Rehabilitation program has had broad bipartisan support. In 1972 both the

House and Senate passed the Rehabilitation Bill *unanimously*.

In 1973 the Senate (by a vote of 86–2) and the House (by a vote of 318–57) passed the Rehabilitation Bill with an authorization of over $900 million *below* the amount in the 1972 vetoed bill. (The House Education and Labor Committee had reported the 1973 bill by a 33–1 vote).

Benefits of Vocational Rehabilitation: Benefits of the national rehabilitation program relative to costs are conceded by all to be extremely high. Over three million handicapped Americans have been returned to productive and meaningful lives because of assistance from the program. In fiscal year 1972 alone, the estimated annual earnings of the 326,138 individuals rehabilitated total $1 billion, a net increase of $750 million in earnings from the time the individuals entered the rehabilitation system.

The Rehabilitation Services Administration estimates that, in addition to this contribution to the GNP, these individuals, at a minimum, will be contributing approximately 5% of their income, or $58 million, in taxes to Federal, state and local governments. And these figures do not reflect the approximately $33 million in savings to Federal and State governments in 1972 caused by removal of many rehabilitated persons from the public assistance rolls.

Need for Rehabilitation Bill: There are an estimated seven to twelve million handicapped individuals in the nation who have not realized their vocational potential. With the level of funding authorized in the Rehabilitation Bill just vetoed, rehabilitation services could be provided to a total of approximately two million handicapped individuals over the next two fiscal years using today's per case cost. This would leave at least *five million* handicapped persons who, at today's spending level, *would not be served*.

The simple fact is that we have a long way to go to meet the needs of our disabled fellow citizens.

ADMINISTRATION OBJECTIONS AND ANSWERS

Objection: The few opponents of the Rehabilitation Bill argue it is "fiscally irresponsible."

Answer: In order to meet Administration objections, the authorization was reduced more than $900 million—from $3.477 billion to $2.6 billion—a cut of more than 25%. Furthermore, the authorization for fiscal year 1973 ($913 million), is *lower* than the authorizations for FY '71 and '72 ($1,010 and $1.010 billion respectively).

Objection: The few opponents of the bill argue that it duplicates services already available under Medicare or Medicaid.

Answer: The types of medical services available to the handicapped vary from state to state and usually do not include the specific help which the disabled person needs. In addition, the Medicaid program does not offer a disabled client the range of rehabilitation services, such as counseling and training, which handicapped people need to move back into the work forces. Still further, Medicare payments are made only to persons covered under the Social Security law. Many handicapped persons are not covered by social security.

Objection: The few opponents of the bill argue that it diverts rehabilitation from its basically vocational objective.

Answer: By the addition of a new title (Title II), this bill merely makes explicit a commitment to persons with severe handicaps which the Administration itself expressed during committee hearings. (*Note: This new Title is authorized separately and amounts to less than five percent of the total Vocational Rehabilitation program*).

Many severely handicapped people covered by the new program are today refused assistance under the present program because they are difficult to rehabilitate for employment. The vocational goal for these people has *not* been eliminated by this modest new program for the severely handicapped. If a vocational goal is found possible, these individuals will be transferred and provided services under the regular state program. For the few who are incapable of employment, this new program will hopefully assist them in becoming more self-sufficient, often enabling other members of the family to reenter the work force.

Objection: The few opponents of the bill argue that it would create a proliferation of new categorical grant programs and bureaucratic structures.

Answer: The truth is that Title II programs for severely handicapped are special project programs aimed at stimulating state and local effort with the idea that they will be absorbed into the basic program at a later date.

The bill does create several national commissions, such as The National Commission on Transportation and Housing for Handicapped Individuals, as well as a voluntary system of state advisory councils on problems of the handicapped. None of these commissions are to have any Federal budgetary or administrative authority. Nearly every witness before congressional committees has stressed the need for such commissions to insure that minimum standards, such as adequate bathroom facilities for the handicapped in public buildings, are adequately met.

OFFICE OF JOHN J. MCFALL, MAJORITY WHIP—HISTORY OF THE REHABILITATION ACT OF 1973 (S. 7)

ACTION BY 92D CONGRESS

Passed House March 20, 1972, unanimously (327–0).

Passed Senate September 26, 1972, unanimously (70–0).

Pocket Vetoed by President October 27, 1972, after Congress adjourned.

ACTION BY 92D CONGRESS

Reported by Senate Labor and Public Welfare Committee February 26 by a 16 to 0 vote.

Reported by House Committee on Education and Labor February 27 by 33 to 1 vote.

Passed Senate February 28 by 86 to 2 vote.

Passed House March 8 by 318 to 57 vote.

Conference Report adopted by voice vote in both Houses March 16.

Sent to White House March 22.

Vetoed by President March 27.

BILL SUMMARY

The Rehabilitation Act of 1973 revises, extends and improves programs for the handicapped previously authorized under the Vocational Rehabilitation Act. Established by Congress in 1920 and extended six times since, the vocational rehabilitation program provides a variety of services as needed to physically and mentally handicapped persons to prepare them for employment. These continuing services include, among others: hospital diagnosis and care for the handicapped; placement services to assist handicapped individuals to secure and maintain employment; maintenance and transportation as appropriate during rehabilitation.

Title II of The Rehabilitation Act of 1973 creates a new formula grant program to assist States in establishing programs for blind persons and those suffering from spinal cord injury and kidney disease who may be unemployable. Title II amounts to approximately 5% of the total authorization under the Act.

Benefits of the Act relative to costs are conceded to be high. It is estimated that the total annual earnings of the 326,138 individuals rehabilitated in fiscal year 1972 are at about $1 billion, a net increase of $750,000,000 of earnings from the time the individuals entered the rehabilitation system.

AUTHORIZATION LEVEL

The revised 1973 version of the bill authorizes programs of $2.6 billion over the next three years, which is $930 million less than the vetoed bill of $3.5 billion, but approximately $200 million more than the President's fiscal '74 budget request.

APPROPRIATION LEVEL

The legislation is an authorization bill only. The actual level of spending will be determined later after thorough review by the Congress in the appropriations bills. In the current year the authorization level was $913.2 million and the appropriations totaled $676.5 million (under a continuing resolution).

Mr. Speaker, I also insert a statement by Mr. E. B. Whitten, executive director of the National Rehabilitation Association, with reference to the President's veto of S. 7, along with a listing of the national organizations that are urging Congress to override the President's veto of this critical legislation. And I include with Mr. Whitten's material, also, Mr. Speaker, his association's analysis of the Rehabilitation Act of 1973 and its importance to the handicapped people of America.

The material follows:

STATEMENT OF E. B. WHITTEN, EXECUTIVE DIRECTOR OF THE NATIONAL REHABILITATION ASSOCIATION, MARCH 27, 1973

The organizations of and for the handicapped listed at the end of this release join in urging Congress to override the Presidential veto of S. 7, the Rehabilitation Act Amendments of 1972.

Programs financed under this Act are the principal dependence of physically and mentally handicapped youth and adults who want to become employable. This legislation contains authority for the state-federal vocational rehabilitation program, rehabilitation facilities, research and training.

All of the organizations listed have appealed to the President to sign the legislation but without avail. In fact, it is not clear that the messages even got to the President.

The legislation was enacted by Congress in 1972 following lengthy hearings. The bipartisan nature of the legislation was demonstrated by the fact that it passed without a dissenting vote in either branch. The executive branch, now, seems to be attempting to make a partisan issue of legislation which has always been strictly bipartisan. The issues raised by the executive have little basis in fact. An attachment to this release will clarify these issues.

All of the organizations joining in this effort deplore the use of legislation for handicapped individuals for a confrontation with Congress, especially, since the issues have very little validity.

NATIONAL ORGANIZATIONS URGING OVERRIDE OF PRESIDENTIAL VETO OF S. 7

American Association on Mental Deficiency.

American Council of the Blind.

American Foundation for the Blind.

American Congress of Rehabilitation Medicine.

American Association of Workers for the Blind.

American Personnel & Guidance Assoc./ American Rehabilitation Counseling Association.

American Speech and Hearing Association.

American Occupational Therapy Association.

American Physical Therapy Association.

Council of Rehabilitation Counselor Educators.

Council of State Administrators of Vocational Rehabilitation.
Council of Organizations Serving the Deaf.
Council for Exceptional Children.
Goodwill Industries of America.
International Association of Rehabilitation Facilities.
National Rehabilitation Association.
National Easter Seal Society for Crippled Children and Adults.
National Federation of the Blind.
National Association of Hearing and Speech Agencies.
National Association for Retarded Children.
National Association of State Mental Health Program Directors.
National Association of Physically Handicapped.
National Association of the Deaf.
National Rehabilitation Counseling Association.
National Association of Coordinators of State Programs for Mental Retardation.
National Recreation and Park Association.
National Association for Mental Health.
Professional Rehabilitation Workers With Adult Deaf.
United Cerebral Palsy Associations, Inc.

S. 7, NEW REHABILITATION ACT AMENDMENTS FEATURES NOT FOUND IN PRESENT LEGISLATION OR IN THE ADMINISTRATION PROPOSAL

This is not an analysis of S 7 or the Administration bill. It is designed to point out specifically features of the new legislation important to the vocational rehabilitation programs which are not in existing law or in the Administration proposed legislation.

1. There has been no appropriation authority for any program financed under the Vocational Rehabilitation Act since June 30, 1972. If S 7 is not passed, there will be a long period of existence under continuing resolutions which hold expenditures to the 1972 level, which is even lower than the amount the President has recommended. The need for appropriation authority is a paramount issue.

2. $50 million appropriated for vocational rehabilitation in 1973 in the supplemental appropriation bill passed by Congress is being held up until the new legislation is passed. The supplemental appropriation bill referred to the Rehabilitation Act of 1972, which was vetoed. It will be noted that S 7 is called the Rehabilitation Act of 1972, and this is the reason. This $50 million will be lost to the program, if the legislation is not passed. Since states have been spending at the higher rate provided for in the appropriation that was passed, a chaotic condition will exist, if the new legislation is not passed clearing up this matter.

3. The Administration bill has authorizations that are *less* than the amount that the President has recommended for the program in 1973 and 1974. The authority in S 7 is reasonable, but permits growth.

4. The new bill provides for advanced funding which is badly needed by the states as well as the voluntary agencies. The failure to have appropriations passed until months after the beginning of the year for which funds are to be used is resulting in great hardship and makes intelligent planning almost impossible.

5. The bill provides for an innovation and expansion program, with half of the sums appropriated to be controlled by state priorities, the remainder by the priorities of the Commissioner of the Rehabilitation Services Administration. In present legislation, there is an innovation program, but no appropriations are being made for it. The new legislation strengthens the concept, makes clear the objectives, and will be a very useful program.

6. The new bill includes an earmarked program for providing rehabilitation services to individuals for whom a vocational goal may not be feasible in the beginning. This will be extremely valuable to the state agencies in allowing them to accept more severely disabled persons. It will in no way dilute the emphasis on vocational rehabilitation, since the goal is that as many of these very severely disabled persons as possible will move into the regular vocational rehabilitation program. Since money for this program is earmarked, it can do no damage to the regular vocational rehabilitation program.

7. An improved definition of scope of vocational rehabilitation services and an improved and expanded definition of the handicapped individual is found in the new legislation. Although the change in these definitions is not a matter of great emergency yet, it will be very helpful.

8. The legislation provides for a Rehabilitation Services Administration in the Department of Health, Education, and Welfare with a Commissioner in charge and gives the Commissioner the responsibility for the administration of Titles I, II, and III, except for Section 309, the renal disease program, where administration could be optional. This is a very important provision. It will prevent the diffusion of rehabilitation programs throughout the Department and the serious division of authority that has existed between SRS and RSA in the administration of the program.

The above items refer specifically to the state-federal vocational rehabilitation program. It must be remembered, however, that the state-federal program cannot do its job well without improved community rehabilitation programs and facilities. For this reason, the following supplementary programs provided for in S 7 are very important to the state-federal vocational rehabilitation program.

1. One section authorizes special project appropriations for rehabilitation of renal disease victims. The pressures on rehabilitation and other agencies to serve this needy group is terrific. Although rehabilitation does not assume that it has or should have full responsibility for a renal disease program, it can make a much more important contribution to the desired results.

2. One section authorizes special project programs for spinal cord injured individuals. We simply do not have at this time the facilities and personnel or money to serve this very severely disabled group of individuals. In fact, it is estimated that state agencies are not serving over one out of ten individuals that suffer spinal cord injury each year. While the rehab agencies would not get the money for such programs directly, try their success in dealing with spinal cord injured persons depends upon the adequacy of programs and facilities serving this group.

3. One section authorizes the development of special programs for the low achieving deaf. We have a liberal arts college for the deaf and a technical school for the deaf but we have no centers especially prepared to serve the run-of-the-mill deaf individuals. Secondary schools for the deaf are totally inadequate to provide the total services needed by the deaf. The state-federal vocational rehabilitation program will be improved immensely, if we can get a network of demonstration-type special centers for the low achieving deaf.

4. Two sections of the legislation authorize programs of mortgage insurance and interest subsidies to facilitate the construction of rehabilitation facilities. We have legislation for rehabilitation facilites now, but we cannot get any money for them. This legislation will facilitate communities getting loans with which they can build badly needed facilities. The state vocational rehabilitation agencies depend to a very great extent upon rehabilitation facilities to serve many of their clients.

REHABILITATION ACT AMENDMENTS (S. 7)
FACT SHEET

WHAT S. 7 IS

1. S. 7 is the Rehabilitation Act Amendments of 1972, passed unanimously by Congress in 1972, vetoed by the President, and repassed this year by a vote of 318–57 after substantial reduction in appropriation authority.

2. This bill extends appropriation authority for programs under the Vocational Rehabilitation Act for 1973, 1974, and for some programs for 1975. All appropriation authority expired July 1, 1972. $50 million in appropriations for the current year are being held up awaiting passage.

3. The major change in the concept of rehabilitation services under this act is added emphasis on vocational rehabilitation services to the very severely disabled.

4. The bill includes special project programs to serve the older blind, spinal cord injured, renal disease victims and the deaf. It also contains authority for a national commission on architectural barriers and an architectural compliance board, which will attempt to see that housing and transportation are accessible to handicapped and older people.

WHAT S. 7 IS NOT

1. S. 7 is not a "new society program of the sixties". The first Vocational Rehabilitation Act was passed in 1920 and has been in continual operation since that time. It is the act under which over 300,000 handicapped individuals were rehabilitated into employment in 1972. Vocational rehabilitation is a successful, respected program of services to disabled people of the nation, a model of state-federal cooperation.

2. S. 7 is not a "budget busting bill". This legislation carries no appropriations at all, only appropriation authority. The budgetary and appropriation process will determine the amount actually made available. Appropriation authority is quite reasonable in relation to actual appropriations as the following table will show.

[In millions]

President's recommendation:	
1973	615
1974	660
S. 7:	
1973	700
1974	800

It will be seen that the President's recommendation for 1973 is 87% of the appropriation authority under S. 7, and for 1974 the President's recommendation is 80% of the authority under S. 7. There are relatively few pieces of legislation under which actual availability of funds is more closely related to appropriation authority. How the idea of a "budget busting bill" got started is difficult to understand. Authorizations for existing special project programs are about the same level as in the preceding legislation, and appropriation authority for the new special project programs is quite modest.

3. The bill does not launch "new categorical programs duplicating other existing programs". The sections having to do with the older blind, spinal cord injured, renal disease victim and the deaf are special project programs aimed at stimulating state and local effort with the idea that they will be absorbed into the basic program at a later date. This is an accepted approach of Congress in getting special emphasis upon difficult problems. Who could possibly resent these special emphases on programs for the blind, the spinal cord injured, renal disease victims, and the deaf.

4. The bill does not "dilute the vocational rehabilitation emphases by making it just another social service agency". Both the legislation and the report emphasizes the need for extending vocational rehabilitation services to the very severely disabled. The

small new program which permits acceptance of severely disabled individuals who may not have vocational objectives in the beginning carry separate appropriation authority, so it cannot be a substitute for a vocational rehabilitation program. Even in the new program, every possible effort is to be made to help individuals get to the point that a vocational objective is feasible.

5. This legislation is not "impossible to administer". Administrative provisions of the act make clear the intent of Congress that authority for administering programs for handicapped individuals be focused in the Rehabilitation Services Administration and that funds appropriated for vocational rehabilitation programs be expended for the specific purposes Congress has in mind. Other administrative features emphasize coordination of all programs for handicapped people within the Department of Health, Education, and Welfare. To say that such legislation cannot be administered is absurd.

6. This bill is not partisan legislation and efforts to make it such are a disservice to handicapped people. Rehabilitation legislation is now and always has been totally bipartisan.

THE PRESIDENT OF THE UNITED STATES AND THE REHABILITATION ACT AMENDMENTS OF 1972 (S. 7), MARCH 17, 1973

This legislation extends for three years appropriation authority for all titles of the Vocational Rehabilitation Act and initiates certain new supplementary programs. Its provisions include the statutory basis for the state-federal vocational rehabilitation program and the special project programs that support its efforts and make them more effective. This memorandum is in the nature of a request to the President of the United States that he sign the legislation promptly, thus enabling the programs depending upon the legislation to begin functioning again in a normal manner.

IDENTIFICATION OF SPONSOR

The National Rehabilitation Association is an organization of 35,000 individuals and organizations, all of whom are concerned for the rehabilitation of handicapped people. Approximately one-third of its members are professionals working in various areas of rehabilitation, two-thirds are laymen with a public interest concern for the rehabilitation of handicapped individuals. The National Rehabilitation Association is the forum in which the professional, the lay citizen, and handicapped people themselves meet to identify issues and problems in connection with the rehabilitation of handicapped individuals and to plan and promote programs leading toward this end.

The National Rehabilitation Association was a sponsor of HR 8395, which was passed by Congress in October 1972, and vetoed by the President. S. 7, which is now awaiting the President's signature, is very similar to the bill vetoed last year, except that appropriation authority has been substantially reduced, this being done at the request of the Administration. The legislation finally passed by Congress is different in numerous ways from HR 8395, as it was originally introduced. In fact, some of the features most objectionable to the Administration were not in their original bill. Working on the basis that all legislation is the result of compromise, we have done our best to keep the legislation consistent with our own principles and Association policy, but we have been willing to go along with some features that others consider more important than we do. We think that all of the new parts of the legislation are potentially helpful to handicapped people, and we have supported the passage of the bill in its present form. Although the National Rehabilitation Association accepts full responsibility for its contents, the statement reflects the viewpoint of numerous organizations of and for the handicapped who participated in the legislative process that resulted in the passage of the legislation.

GENERAL CONSIDERATIONS

Our considered judgment is that the departures in the legislation from Administration policies are relatively minor in their impact upon the very popular and useful program of vocational rehabilitation in the United States. Ordinarily, one would assume the signing of the bill by the President, since to do so would be consistent with his support of vocational rehabilitation programs throughout his career as a member of the House of Representatives, the Senate, the Vice Presidency, and the Presidency. In light of the President's veto of similar legislation in October 1972 and the fact that there has not been any statement issuing from the White House indicating the intent of the President with respect to the legislation just passed by Congress, these comments express our viewpoint that the legislation should be signed promptly by the President.

It appears to us that it would be a disservice to the President for anyone to recommend to him that he veto this legislation. It has the bipartisan support of Congress. It reflects the labors of many individuals inside government and outside of government. It is supported unanimously by organizations of the handicapped, for the handicapped, and many other organizations devoted to the public interest. A veto would certainly be interpreted by the media, the public generally, and by all of those who are devoted to the rehabilitation of handicapped people as an ill-humored, misguided action based upon relatively petty issues. There can be absolutely no political advantage to a veto, and it can be very hurtful to the image of the President. In the following paragraphs, we shall speak directly to some of the issues raised by the Administration in testimony before the Congress on this legislation and reasons why the legislation is in the public interest.

GOAL ORIENTED PROGRAM

The vocational rehabilitation program is widely acclaimed as one of the great successes in state-federal partnership. In fact, it is often pointed out as the most successful demonstration of an effective state-federal relationship. This fact has been confirmed by representatives of all recent Administrations, including the present one. Rehabilitation has clear-cut objectives; it has achieved these objectives in a substantial way; and it has developed a system of accountability which leaves little room for doubt about what it is trying to do, how it is trying to do it, and what it is accomplishing. This evaluation is confirmed by studies done both within the government and outside of the government.

REHABILITATION CONSISTENT WITH ADMINISTRATION OBJECTIVES

The philosophy of the rehabilitation program is consistent with the philosophy of this Administration that a prime concern of government should be to help people help themselves. The new legislation does not depart from this concept. Handicapped individuals apply for assistance in becoming employable. They are provided such assistance. Their names are removed from agency rolls when maximum self-support is attained, or when it is determined that such self-support is not feasible. No one is on a rehabilitation roll indefinitely, so no habits of dependency can be developed. Rehabilitating over 300,000 persons per annum, this program is the nation's greatest bulwark against dependency resulting from physical and mental disability.

BIPARTISAN SUPPORT

This program has always had bipartisan support. The most substantial program gains of recent times have come as a result of the 1954 Amendments, passed by a Republican Congress and signed by a Republican President. These 1954 Amendments initiated programs of research and training and improved financial base for the state-federal vocational rehabilitation program. Substantial amendments to the Act were made in 1965 and in 1968, again with bipartisan support. The present legislation has received the same kind of enthusiastic support from members of both parties. A Presidential veto would leave the impression on many people that rehabilitation has become a partisan program.

The aspects of the legislation which are not consistent with current Administration policies are not of sufficient importance to justify serious consideration of a veto which would almost certainly be overridden. The objections expressed by Administration spokesmen are discussed in the following paragraphs.

FISCAL IRRESPONSIBILITY

Much has been said by Administration representatives with respect to "fiscal irresponsibility" reflected by the legislation. This argument is hard to understand and does not take into account the facts of the situation. The total appropriation for 1973, 1974, and 1975 has been reduced by about $850,000,000 from the amount authorized by HR 8395, which was vetoed. The authorization for 1973 for the state-federal program is identical with authorization in existing legislation for 1972. The increase in authorizations for 1974 and 1975 is a reasonable amount, if the program is to continue to increase and expand its efforts to reduce dependency among the nation's handicapped citizens, which is the Number One national priority for this program.

Appropriation authority for the newly established categorical programs is extremely modest. The amounts authorized for special projects shows little increase over previous appropriation authority. The new Research and Training title does include new appropriation authority for Research and Training Centers, biomedical engineering and spinal cord injury.

Not only is the appropriation authority not excessive in light of the history of the various programs and mission given to the agencies that administer it, the Administration has not recommended nor has the Congress historically appropriated all the money authorized.

THE TRADITIONAL GOAL OF VOCATIONAL REHABILITATION

Some Administration spokesmen have insisted that new programs provided for in the legislation will divert the state-federal vocational rehabilitation program from its traditional goal of preparing disabled people for employment. This seems to refer to the comprehensive rehabilitation services provided for in Title II. Congress has emphasized in its report that it is not establishing a "new program", simply a second financing mechanism. Although a vocational goal will not have to be established as a condition to beginning services, a vocational goal will remain the ultimate goal in every case. This provision with separate financing will encourage the state vocational rehabilitation agencies to accept many more severely handicapped individuals for whom vocational goals cannot be clear at the beginning. Undoubtedly, a high proportion of these will ultimately achieve vocational rehabilitation. The accounting system will identify those whose achievements are less than vocational competence. Congress as well as the Administration is determined that the new pro-

gram will not be used to dilute the effectiveness of the vocational rehabilitation program. The authorizations for this program are separate from authorizations for the basic vocational rehabilitation program, so the new program cannot eat up the regular program. There is no difference in legislative and executive objectives, or our own.

CATEGORICAL PROGRAMS

Another objection expressed is that the legislation establishes a new series of categorical programs. This is true. This is not a new area of conflict between the legislative and executive branches. The executive branch of the government, almost traditionally, has opposed the categorical approach to the solution of problems, while the Congress has preferred categorical programs. In this legislation, the major categorical programs are those in the areas of spinal cord injury, end-stage renal disease, and the older blind. All of these are *special project programs*. Certainly, it can be argued that some of the services which will be provided under these special programs could be provided on a non-categorical basis. The truth is that services for these groups of handicapped individuals are very difficult and expensive. Services for such individuals cannot compete with services to the general disabled population without special emphasis. The renal disease program is, in the main, a stop-gap program to serve until such time as a national health insurance program can pick up the tab for comprehensive services to all victims of this malady. The situation in the area of comprehensive rehabilitation services to spinal cord injured individuals is appalling. Although we have a few good programs, enough to serve as demonstrations, less than 20% of the spinal cord injured individuals are receiving the kind of services we know how to provide. A special push is going to be required to make a significant breakthrough. The situation of the older blind is a pitiful one. Money is available for pensions but not for the kind of rehabilitative programs which are appropriate for them. Social service funds may be available theoretically, but not actually. Eventually, we hope that these programs can be absorbed into the regular rehabilitation program without the special project approach.

Incidentally, it must mean something that the American Kidney Foundation thinks that rehabilitation is the best vehicle to provide services to end-stage renal disease victims, and the Congress of Rehabilitation Medicine thinks that rehabilitation is the best vehicle for providing special project services to spinal cord injured individuals. Rehabilitation is truly a viable, flexible program human service oriented and goal oriented, operating with a minimum of red tape. Incidentally, the funds authorized for these special project programs are relatively small.

NEW BOARDS AND COMMISSIONS

Another objection to the legislation is that it establishes new boards and commissions, including an Office of the Handicapped in the Secretary's Office. With respect to the latter, the legislation and report make clear that this newly established office will have no budgetary or administrative authority, simply be a mechanism to be used by the Secretary of HEW to keep him informed of all programs in the Department having to do with handicapped individuals and to make recommendations to him with respect to steps to be taken in improving and coordinating these programs. The argument can be made, of course, that this office is unnecessary, and it may be. We have mixed feelings about such bodies ourselves. Potentially, it may be useful, and the restriction on its activities should prevent it becoming a nuisance.

The new boards and commissions have to do with the employment of handicapped individuals in government and in meeting housing and transportation needs of handicapped individuals. These items are addressed to extremely important problems, which we do not appear to be able to solve in the context of our present operation. It is felt that we need the prestige of distinguished people inside and outside the government to take the leadership in developing public policy which can result in their solution. A good illustration of present futility is seen in the fact that ten years of work with the authorities of the District of Columbia have not yet assured us that the District of Columbia subway system will serve individuals having to use wheelchairs. Certainly, the inclusion in the bill of these boards and commissions with limited terms and very limited financing cannot be an important factor in whether the legislation shall become law.

RESTRICTIONS ON THE SECRETARY IN ADMINISTERING THE PROGRAMS

Another objection expressed is that the legislation restricts the Secretary in the administration of the programs covered under the Act. Administrators cannot be expected to like provisions of this kind, but such language in legislation is not unusual, and is not often a great obstacle to the effective administration of a program. In fact, sometimes such restrictions prove to be quite a good thing.

The language in the Rehabilitation Act Amendments pertaining to the administration of the program was not proposed by the National Rehabilitation Association. We can understand, nevertheless, the conditions that led Congress to insert it. It is by no means just an effort on the part of Congress to spite the Administration. Under the administration of SRS, responsibility for administration of vocational rehabilitation programs has been divided between SRS and RSA at both national and regional levels. There has never been a clear expression of policy on the point as to whether SRS is to be an agency to coordinate the programs of the various bureaus, or whether it is to be an agency to actually operate these programs. While talk, generally, has indicated that SRS is a coordinator and service agency to the bureaus, actually, personnel has been drained off the bureaus to SRS, and more and more administrative and policy decisions that previously have been made by the bureaus are now made by SRS. This, in itself, would not have been so objectionable, but funds appropriated for research and training under the Vocational Rehabilitation Act have been thrown into an SRS pool and expended, often, on programs having only peripheral, if any, values to the rehabilitation programs. Officials of SRS have stated numerous times that research and training funds when appropriated become SRS funds, not rehabilitation funds, aging funds, social service funds, etc. This situation has annoyed state vocational rehabilitation agencies, members of Congress, and others who have been concerned for these programs. The confusion that has prevailed at both national and regional levels has been detrimental to programs for handicapped individuals. Since the Administration did not act to clarify this situation, Congress, upon the suggestion of those that administer the programs, did so. Congress may have gone farther than necessary in its efforts to correct this situation. Since an RSA Administrator will be selected by the Secretary of HEW and be responsible to him, we cannot imagine that these provisions are going to cause any great difficulty to the Secretary in the administration of the programs. We do not want RSA to be anywhere else except in the Department of Health, Education, and Welfare. We do not want it administered in isolation to other HEW programs. We do want, however, monies appropriated for rehabilitation purposes to be spent on rehabilitation, and we want clear lines of authority with respect to the administration of the programs.

ADMINISTRATION DELAYS

Finally, we must say that the Administration must bear a considerable part of the repsonsibility for the fact that the vocational rehabilitation legislation is inconsistent with Administration policies in several respects. Rehabilitation is a popular program with Congress, the states, and the general public. It was well known that appropriation authority for all titles of the Vocational Rehabilitation Act expired June 30, 1972. The House Committee on Education and Labor notified the Administration many months ahead of its projected hearing dates. It repeated the invitation to the Administration to appear well ahead of the hearing date set. It delayed its hearings in the hope that the Administration would make its proposals. Actually, an Administration proposal was not presented until the day before the date set to report the bill to the House floor. Then, Administration proposals did not indicate that a great deal of thought had been given to their development. Had the Administration been more alert, more prompt in its response to Congress' invitations, undoubtedly, its impact upon the legislation would have been greater. We have never sensed any effort on the part of the Committees of Congress to spite the Administration. Actually, majority and minority members of the Congress have worked in true harmony, and both House and Senate delayed their hearings this year to accommodate the Administration. Minority members will be the most disappointed, if the President does not sign the legislation.

CONCLUSION

In conclusion, we want to say that we recognize that this is not perfect legislation. It certainly does not conform to all policies of the National Rehabilitation Association. It is the result of many compromises. On the other hand, more members of Congress have participated in this legislation than any other previous version of the Vocational Rehabilitation Act in many years. Certainly, it provides a legal base for a sound and constructive advance in providing rehabilitation services for handicapped individuals. Differences of opinion on relatively minor parts of the legislation cannot be allowed to retard the progress of these constructive programs.

CONGRESSIONAL REFORM

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

Mr. McFALL. Mr. Speaker, one of the most illustrious spokesman for congressional reform, Representative MORRIS UDALL, recently addressed the issue in a discussion in Los Angeles at the Time Inc.-sponsored symposium on "The Role of Congress." The moderator of the discussion was Louis Banks, editorial director, Time Inc. I am pleased to insert the text in the RECORD.

DISCUSSION

Mr. BANKS. Congressman Morris Udall and I have a friend in common, a brilliant writer named Larry King, who has written for *Harpers*, LIFE and other publications, and in an article in *Harpers* in mid-1971, Larry King described, in loving detail, Mo Udall's attempt to get reform in the House of Representatives by running against John McCormack for Speaker. Well, that didn't work. In fact, he was defeated rather brutally. But Udall represents the symbol of younger members in the House, who have hopes of changing its slow and cumbersome

processes which King characterizes as: "The seniority system, loose deceptive campaign laws, unsupervised lobbyists, general congressional anemia and harmful fuddy-duddyism."

King also notes that: "Despite Morris Udall's deceptive outward smoothness, you have to get inside his head to discover that coyotes howl in his soul."

Representative Udall of Arizona.

Representative UDALL. Thank you, Louis. Coyote lovers, fugitives from Arizona, candidates for mayor, fellow taxpayers:

Greetings from Washington, where our party is about to engage in its annual rites of purification and bloodletting. We in Arizona once had a presidential candidate—you may have remembered this trauma, some of you Republicans. I was thinking on election night when the thing was all over, what someone once said of that campaign: "Barry Goldwater's staff fought each other; he was constantly clarifying his position; everything went wrong; Barry wanted to run for President in the worst possible way. And he did." Perhaps that is what my party did this year. But don't give up on us.

You might remember the great old story in the 1930s about this Wall Street tycoon who hated Roosevelt. He would buy a paper from the boy each evening, look at the front page, curse and throw it in the trash can. After a week, the boy said: "Why do you do this, spend your money, look at it, mention the name of our Lord and Saviour in vain, and throw it in the can?"

The tycoon said: "Son, it's none of your business, but to be perfectly honest, I am looking for an obituary."

The boy said, "The obituaries are found in the back of the newspaper, not on the front page."

"Son, believe me, the obituary I am looking for will be on the front page."

Don't write the obituary of the Democratic Party, and don't write the obituary of the Congress because we are alive, and I hope that through discussions of this kind, and the attention of the American people, we can do some of the things that Bob Packwood has talked about.

If there was one thing that haunted the founding fathers 200 years ago, it was fear of concentrated power. They came from nations where executive tyrants, kings, dukes, barons of different kinds, could knock on the door, draft your sons, take your money, remove you from the land. Out of this, came a central thing in our Constitution; it is this strange, unique division of powers, a check and balance. This is the unique American division of government, and it worked pretty well for 150 or 160 years. Yes, it was inefficient. Yes, it was awkward to have different power centers contending with each other. It is more simple to have one man or one institution make decisions for the country. I think the founding fathers believed in a democracy. There are higher values than simple, cold efficiencies, and some of those values are a reconciliation and a spirit of unity and purpose among a people, which you lose when you have a very powerful leader, however noble his purposes may be. So, I say this worked rather well.

How did we get sidetracked from this system of checks and balances? If you went to Washington in the 1920's when Henry Luce started TIME, and you stopped the well-informed citizen on the sidewalk and said: "Give me the names of the 10 most powerful people in Washington," he obviously would list the President, although maybe not even first. I remember a clipping that said that there being no public business for a couple of months, President Coolidge went off to Vermont for the summer. But surely on the list of powerful people would have been the Speaker of the House of Representatives, the leader of the Senate, including powerful committee chairmen and certainly some of the Cabinet members.

Today in most Administrations at most times, you cannot make that statement. Now, what happened? I think what happened is the convergence of two shattering convulsive events in the life of this nation—neither anticipated, both probably nonrecurring over the long lifetime of a nation's existence.

In 1929 or the early '30s, we awakened to find that the great free enterprise system was in trouble, a third of the labor force out of work, half the plant capacity idle, serious questions as to whether this incentive system would work at all, serious doubt about all of this. Leading Americans thought of turning to socialism, to other economic systems that didn't have the injustices that apparently this one had. Along came Franklin Roosevelt. We said: "Give him power, he is going to do something."

There is a story that in the House of Representatives of 1933 or 1934, during the crisis of the Depression, someone held up a blank piece of paper and said the President wants a bill, so all in favor say "aye." And they sent the piece of paper to the White House where the legislation was filled in by Roosevelt.

Now, this was awkward and unwise. We were just coming out of that kind of extreme delegation of power to a President, which arose from the shattering economic experience, and Congress was beginning to reassert itself in the late 1930s, and early 1941 when, on top of this event, came World War II, probably in man's history the greatest global conflict we ever had, if we can avoid the nuclear danger that hangs over us. Here was a madman, Hitler, with strong allies trying to impose his will around the world. So we said to the President: "Whatever you want, if you want ships, you want bombers, you want power over prices, wage controls . . ." anything the President wanted, we gave him.

Necessary, yes, in that crisis situation, but out of this arose a whole generation of politicians, leaders in the Congress whose whole idea of foreign policy is to support the President.

In Lincoln's time, and again before World War I, and in the 1920s, there was nothing unpatriotic in differing with the President on foreign policy. A member of the House or Senate could have strong views, as Lincoln did in the Mexican War, against a President's foreign policy and express them without being considered unpatriotic or unwise.

But we never quite recovered from these two events—the depression and World War II—and I think a lot of the trouble the country has today is that we stumbled kind of secretly into a major Asian land war under Johnson, for reasons he thought were valid. He never came to the Congress and said: "Let's have a debate. Should we have a major Asian land war?"

Thirty billion dollars, half a million troops. We kind of slipped in, and the Congress acquiesced in this. And today I expect to be among the last to be consulted by Henry Kissinger and President Nixon, although I represent a half a million people, on the terms upon which we should get out of an Asian land war. While I am for the end of this war, and applaud what the President and Mr. Kissinger are doing in broad scope, would we have been better off if these decisions were made after debates in the Congress as the founding fathers obviously intended?

I agree with Bob Packwood. There is much to be done to revitalize Congress. The sun never goes down on Capitol Hill that a half a dozen speeches have not been made about the erosion of congressional power and cries of alarm about the extension of presidential power. And yet, as Bob said, to a large degree we have permitted this to happen.

One of the things we need in the House and Senate is strong leaders in order for there to be a check and balance. We need men with programs who will give us a focus upon which we can have power centers to oppose the President. We have had it a time or two. We had it in the 1950s, we had it when Lyndon Johnson was on the make, wanted to be President, and when Dwight Eisenhower had a landslide victory while we had a Democratic Congress. He gave a State of the Union speech and the next night Lyndon Johnson said: "Thank you, Mr. President, here's our program, here is the congressional program."

The current generation of congressional leaders would be horrified, I suppose, if someone would suggest that we have a congressional budget, that we have a congressional program, that we in the opposition party ought to come forward with the kind of documents and kind of broad scale attack that would reflect our conception of the country's needs. And that would provide an alternative to the President's report on the State of the Union and his budget message.

I leave you with these thoughts and with anticipation of exploring them further. I leave one other thought. It is my hope that the editors and publishers and people from all over the country will not ignore the role of the House. The Senate has been novelized, romanticized and glamorized. A lot of us around this country are in the House of Representatives. This was intended to be the primary legislative body. Henry Clay, 140 years ago, left the Senate to go to the House. Can anyone imagine John Tunney or Alan Cranston or Barry Goldwater giving up a Senate seat? Yet the House has the power to be, and it should be, a more important institution in the scheme of things.

Thank you very much.

Mr. BANKS. It falls to my good friend and colleague, Neil MacNeil, to provide a journalist's wrap-up of this situation. Neil has won his own weight in the ranks of scholars, for his thoughtful books and monographs, talks and TV panel shows; and if you don't have "Washington Week in Review" on Public Broadcasting, you are being shortchanged. It will be Neil's role to speak briefly, and then lead us into the panel session.

Neil MacNeil.

Mr. MACNEIL. Thank you.

I half expected Senator Packwood to say what he said. It's a familiar theme with him, and I agree with him totally. The relationship between what Dr. Polsby said in his paper and what Senator Packwood said, I suppose is a direct kind of relation.

In his paper, Dr. Polsby has properly laid emphasis on the present inadequacy of information that Congress receives in order to act with precision and decisiveness. He has made some imaginative suggestions on how this might be at least partially cured, notably by finding ways to utilize the intelligence of experts outside of Congress. I agree with Dr. Polsby that Congress doesn't know enough to legislate for the nation. This goes beyond the hesitation of Congress to spend the funds for computers, the absence of which leaves them substantial illiterates in the new language of computers.

As I see it, Congress instinctively is caught in two separate adversary relationships:

One, the President and the Executive Branch; and the other with the President and voters. It leaves Congress with a sense of helplessness and timidity. It is no secret that the President and his branch of the Government do not want intrusion on their running of the Government. Since time immemorial, Presidents have found dealing with Congress painful, perhaps best illustrated by what President Woodrow Wilson said of Senators. He said: "Senators have no use for their brains, except as knots to keep their bodies from unraveling." He didn't

like them, and he was offended by their hectoring. A similar dislike flows throughout just about every Administration, department and agency, and it results in a deliberate attempt to withhold information from Congress. The less Congress knows, the less Congressmen intrude.

In Washington, there is an old maxim on how to advise a downtown agency man about to testify before a congressional committee. It is: "Be polite, don't tell any lies, but for God's sake, don't go blabbing the truth."

With that administrative attitude, which seems pervasive in almost every administration, one wonders why Congress depends solely on information received from the Executive Branch as a basis for legislation.

This is especially true in appropriations. Until just this Congress, the appropriations committees of the Senate and the House heard no witnesses other than those from the incumbent Administration. But it is the adversary position Congress has with the President that seems to me to be largely responsible for Congress timidity in doing anything to correct its information gap.

Just the other night in Washington, I was speaking to a group of senior congressional staff aides, and one of them braced me on the nastiness of the press in pouncing on Congress for even adding a single aide to a Congressman's staff. What hope was there to get adequate staff with that kind of press attitude?

The problem, as I told him, is that when Congress wants to add a staff aide, the members try to sneak the necessary legislation through the chamber, concealing it from the press, and the gallery reporters catch them. Naturally enough, they write stories making Congress look guilty. Congress acts guilty. Congress should have the courage to make its claim for adequate staff both forthrightly and publicly.

My view is that such an open approach would be supported by the press and the voters. If nothing else, Congress can argue that Congress has a staff of only 32,000 people trying to ride herd on a huge civilian administration payroll of $2.7 million. Congress has looked at the possibility of using computers in a meaningful way in order to match its own information capacity with that of the Executive Branch. It did so in debate on the congressional reorganization bill two years ago. Part of the failure to act at that time came from internal controversy within Congress. But a major part was the cost, a few million dollars; forgetting in the agonies of anticipated criticism as spendthrifts, that Congress is handling each year a national budget that is now over $250 billion, and not handling it well. Congress is using a few computers, but not in such a way as to excite public confidence, using them for their own payroll, and for sending letters to constituents. This makes something less than a persuasive argument that members of Congress really are alive to the institutional needs of the Legislative Branch.

It is this attitude in Congress of helplessness and timidity that Senator Packwood was talking about. As I see it, that has in large part led to the imbalance between Congress and the Executive Branch. This is what has made President after President bolder and bolder in taking over the full operation of the Government at home and abroad. It is what has led to the total loss by Congress of the war power, and its reduced powers over the nation's business. Until the members of Congress themselves muster the will and the courage to insist on the institutional integrity of Congress, and to act to provide themselves with the proper means to do so, no set of imaginative proposals will do much to redress the balance between Congress and the President as coequals in the decisionmaking processes of the Government.

Mr. BANKS. I think I will allow you one question of each other. Then we will turn to the audience.

Mr. MACNEIL. I'd like to put a question to Congressman Udall who is an advocate of reform of the seniority system. It seems to me that even the most ideal system for determining congressional committee leadership will not solve the critical problem which we are talking about today, the nature and thrust of Congress as a viable political institution. It seems to me that the seniority issue that is now being brought forward, is something of a shadow. To me it is only a symptom of the disease, not the disease itself. A decade ago the problem was the House Rules Committee and the Senate filibuster. We were told; cure them and Congress can move along. The Rules Committee has been tamed and the filibuster has been broken. Isn't there more to the problem of Congress than the seniority system?

Representative UDALL. Those of us who advocate seniority as the key to all the difficulty ought to be a little more explicit because of the filibuster in the Senate has been broken and because we set out after the House Rules Committee, it has been changed too.

I think now we are talking about something of a different order because the evil of seniority is central to the problems of Congress, and these other difficulties you have mentioned were simply procedural.

We are concerned with the question of whether or not you can get a vote on a question. There are obstacles to voting, and as Neil says, these obstacles have been substantially removed and reduced over the last number of years. Democratic government works only because if I have power over your life, if I can draft your son, or run a freeway through your living room or raise your taxes sooner or later you are going to have a vote on whether I am to continue to have that power. But with the senority system, we in Congress invest a limited number of public officials with the power to make national policy, a power in which they are not responsible to anybody.

Wilbur Mills, a very great American, is one of the able men in Congress. But the senority system says to Wilbur Mills that as long as a narrow group of Americans, the 500,000 Americans of his congressional district, elect him to Congress, he is the man to make tax policy for the entire nation. In this role he is not Chairman for Little Rock. He is Chairman of Los Angeles and Long Beach and Prescott, Arizona, and for all of us. Seniority violates that fundamental system. If you had any kind of a system that said to the chairman of the Ways and Means Committee, the chairman of the Agriculture Committee and the other committees: "You owe your election to George Brown and Lionel Van Deerlin, to all of the 435 members of the House of Representatives," you probably would have the same men as chairmen, but they would become politicians. The committee chairmen would be coming to the House floor to ask: "Do you think we ought to have tax-reform hearings . . . do you think we should have new hearings before the Agriculture Committee?" or whatever.

Instead, you give national power to people who are responsible to a limited constituency, and it's as though you elected a mayor of Los Angeles on the basis of picking the city councilman who happened to be the oldest and saying: "You are mayor." That fellow would go immediately to his ward and say: "Friends, put me in power. I will get the goodies. There will be street lights and pavements here, whatever happens elsewhere."

I have seen this happen. We saw it in Arizona where we re-elected Carl Hayden until he was 90 years of age—to bring home the goodies.

When I go home and talk seniority, and I find myself doing it now, what I am really saying is: "Friends, you know if they allocated air bases and federal contracts and buildings on a national, fair and square basis, you wouldn't get some things. But you elected me so you are going to get these things that you are not otherwise entitled to."

This goes to the very heart of what is wrong with Congress.

OKEFENOKEE SWAMP

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

Mr. STUCKEY. Mr. Speaker, today Congressman GINN and I are introducing a joint bill to designate certain portions of the Okefenokee Swamp as wilderness. The legislation would guarantee that the 373,860-acre wildlife refuge be given Federal protection against any development or other use that would damage the area.

This bill permits the vitalization of vehicles propelled by motors of 10 horsepower or less, the traditional means of transportation within the swamp. Those who have visited this vast wetland wilderness know that boats comprise a very important part of the swamp. Boats are the only means by which the swamp is accessible to visitors. Access will continue to be by way of three main entrances where boat tours, guide services, boat rentals, and fishing supplies are available.

This bill defines approximately 86 miles of existing and proposed boat trails, and it provides for the maintenance of these runs for proper management and public enjoyment. Unless these boat trails are maintained on a continuing basis, water plant growth, fallen trees, and the like would soon render these trails impassable.

This bill also recognizes the educational, scientific, and recreational values of this unique wilderness. Recreational uses include boat trips, various forms of nature study, sightseeing, and fishing. Fishing is possibly the greatest pastime in the Southeast. The Okefenokee Swamp provides an angler challenge that can be offered nowhere else in hundreds of miles.

Finally, Mr. Speaker, this bill will protect the swamp's present and future value as an economic asset to local communities as an outstanding tourist attraction. As one of the oldest and most primitive swamps in the Nation, "The Land of the Trembling Earth," is of great economic value to the surrounding area. Okefenokee's thousands of yearly visitors acclaim its primitive beauty.

The swamp is lined with moss-draped cypress, and it encompasses vast stretches of water "prairies" and hidden swamp areas. Its varied wildlife habitat includes more than 200 species of birds, bears, white-tailed deer, and otters, among others. It contains one of the largest concentrations of alligators remaining in the country.

The swamp has been threatened through the years by attempts to drain the area for logging operations and plans to run a huge barge canal through its length. The wilderness designation would

guarantee that no such actions can take place.

Mr. Speaker, I have been working with the Department of Interior for the past 4 years in order to draft a bill that would protect and preserve this unique wilderness while allowing for its continued use as a superb recreational area. I am convinced that this bill balances both of these objectives in such a way both can be reasonably achieved.

BURKE DECRIES ADMINISTRATION'S PROPOSED SURGERY ON MEDICARE

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

Mr. BURKE of Massachusetts. Mr. Speaker, last January, President Nixon revealed in his budget message numerous proposals that I believe to be both farcical and tragic. Today, I am addressing myself to his plans for increasing the already heavy burden our senior citizens bear who are patients under medicare.

For the RECORD, I believe, I should summarize these cruel proposals. For those with plan A coverage, starting next January 1, the patient would pay the actual hospital room and board charges for the first day. After that the patient would pay 10 percent of the actual hospital charges every day. For those with plan B coverage, a patient would pay the first $85 of his doctor bills and 25 percent of the remainder. These are a departure from the current regulations which provide that, under plan A, a patient pays $72 the first day he stays in the hospital, $72 being the national average, and nothing for the next 60 days. Beginning on the 61st day, he pays $18 a day and from the 91st day, $36 a day. For medicare plan B, a patient pays the first $60 of his doctor bills and 20 percent of the remainder.

At first glance, Mr. Speaker, these changes seem rather minor. But in reality they represent a tremendous increase in the medical and hospital bills for our 23 million elderly and disabled, close to $700 million a year.

These changes are necessary, the administration claims, because of the way medicare costs have risen out of control. They contend that patients are abusing the program and spending unneeded days in hospitals and running up unnecessary doctor bills. Apparently the administration is not reading the same figures I am, because it is public fact that since 1969 hospitalization rates have declined and the average length of stay for medicare patients has dropped.

The Department of Health, Education, and Welfare said that the changes are also aimed at establishing "a cost awareness on the part of the medical care consumer which, beside its effect on overutilization, should inhibit hospital price increases."

Mr. Speaker, this is one of the most ludicrous statements I have heard in my 14 years in the Congress. The implication of the statement is that our elderly and disabled are not cost-conscious at all; rather, in fact, that they are spendthrifts who just look for the opportunity to place themselves in a hospital and run up a doctor's bill! It is beyond my understanding how someone, in these days when the facts of life are increasing food prices, rising rents, rising cost of living and a regressive tax structure, can intelligently call an elderly person, living on a fixed income of inadequate social security benefits, a spendthrift.

As for inhibiting hospital price increases, reduced utilization could raise per-patients costs in some hospitals, bringing about rate increases reflected in even higher expenses for the patient.

President Nixon takes great pride in claiming that his proposals would reduce the financial burden for those elderly struck with long-term illnesses which require hospitalization for more than 60 days. What the President neglected to say was that only 1 percent of our elderly are hospitalized longer than 60 days. The vast majority of all medicare patients would incur higher costs, since the average hospital stay for medicare beneficiaries is only about 12 days. Even Secretary Weinberger concluded, reluctantly so, that the patient's payment for the average stay would rise to $189 from $84, an increase of over 100 percent.

Mr. Speaker, this unconscionable placing of unnecessary hardship on our senior citizens is essentially a political decision. The administration feels it can, under its "unitary budget system," use money contained in trust funds, such as those for social security and medicare, to reduce the amount of the deficit shown in the budget, even though these funds cannot be spent for any other purpose than social security and medicare. This means that the budget deficit can be made to appear smaller than it actually is. I have been a protector and advocate of the elderly for many years and have seen them used as scapegoats a number of times. I had hoped that this type of activity had ceased with the legislation the Congress enacted in the 1960's. But this administration has set new records for exploiting the powerless and pampering the powerful. When the budget gets out of line and cuts have to be made, it is responsible and intelligent to eliminate waste. One of the problems with this administration, and there are many, is their distorted definition of waste. It is not waste when large enterprises and special-interest groups receive lavish subsidies from the Federal Government, and categorically mismanage the funds and receive "cost-overrun" payments. Nor is it waste when multinational corporations benefit from enormous tax loopholes and preferences, and rob the United States of productivity and its working force of jobs.

It is waste, however, when the ill and dying utilize Federal programs to cure their ailments. It is waste when the working poor file for day-care so they can keep working and retain some of their self-respect and human dignity. It is waste when our sick elderly hospitalize themselves and do not feel guilty for every day they remain there.

To the administration that is waste. But to me, Mr. Speaker, that is the prudent expenditure of Federal revenue. To me that is the way our priorities should be oriented; toward social welfare, human prosperity and self-dignity and away from special interests and tax inequities.

It is easy to chastize the elderly for misuse of medicare benefits. The contributions they made to America have been forgotten by most. They do not make a lot of noise like so many lobby groups and special interest organizations do. All our elderly wish to do is live out their lives in peace, dignity, and comfort. But it appears the administration wants these wishes to be dependent upon the appropriations process and subject to budget-balancing pressures. The administration cites that medicare payments have gotten out of hand. But in reality medicare payments have risen, because all health costs have been on the rise, 40 percent in the last 10 years. The percentage of health costs covered by medicare has actually fallen from a peak of close to 50 percent in 1969 to 42 percent at the present time. If President Nixon's proposals are adopted it is estimated that this percentage would be reduced to a paltry 35 percent.

These proposals are clearly a step backward. When medicare was adopted in 1965, the intent was to increase the aged's access to proper medical care. Adding $700 million a year to the elderly's health bills will only drive them away from, not to, medical care. Before we can discuss increased medicare costs to patients, we should have a long, hard look at the entire social security and health delivery and care systems. The result would be the realization that our elderly are not the spendthrifts and vagrants the administration feels they are. Older persons face significant out-of-pocket costs for their medicare benefits which must be paid from an income which is apt to be fixed or diminished. As it is, premiums on plan B alone have increased almost 200 percent since 1966. The inadequate and fixed level of social security benefits makes meeting even minimum premium payments a hardship to most of our senior citizens. Significant social security reform is long overdue. The mode of payment should be changed and the benefit level increased. My bill, H.R. 48, is a step in this direction and should be considered when any issue involving our elderly is discussed.

Mr. Speaker, it is time for an intelligent, compassionate, and responsible look at the health care needs of all Americans, young and middle-aged in addition to the elderly. The emotionalism surrounding the issue must be overcome and rational thought and consideration should prevail and not just be longed for. Health care delivery and service is highly inadequate in America today, for those of all ages. The need for a national health security plan of some sort is evident and we in the Congress should realize this and begin examining the appropriate steps necessary for attaining this goal. The administration's medicare proposals are not appropriate. They are shortsighted, backward, and oppressive. I urge all of my colleagues to stand in opposition to these proposals when they reach the Congress for debate

and consideration. Budget-balancing and fiscal responsibility are a basic need in the United States today, but I do not believe they should be achieved at the expense of the health and well-being of America's citizenry.

RULES OF PROCEDURE

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

Mr. EILBERG. Mr. Speaker, I am pleased to advise the Members of the House that the Committee on the Judiciary has readopted the rules of procedure governing consideration of private immigration bills. They are identical to the rules of the 92d Congress and read as follows:

RULES OF PROCEDURE

1. The regular meeting day of the Subcommittee will be Thursday or upon the call of the Chairman. The regular meeting days of the Subcommittee on private bills will be the first and third Thursday of each month or upon the call of the Chairman.

2. A quorum of the Subcommittee shall consist of two members for the purpose of holding hearings on private bills and five members for the purpose of making recommendations to the Committee.

3. The introduction of a private bill does not automatically act as a stay of deportation until the Committee requests a departmental report. Requests for reports on private bills from the Departments shall be made only upon a written request addressed to the Chairman of the Subcommittee or the Chairman of the Committee on the Judiciary by the author of such bill. That request shall contain the following information which shall be submitted to the Committee in triplicate.

(a) In the case of aliens who are physically in the United States:

The date and place of the alien's last entry into the United States; his immigration status at that time (visitor, student, exchange student, crewman, stowaway, illegal border crosser, etc.); his age; place of birth; address in the United States; and the location of the United States Consulate at which he obtained his visa, if any.

(b) In the case of aliens who are residing outside of the United States:

The alien's age; place of birth; address; and the location of the United States Consulate before which his application for a visa is pending; and the address of and relationship to the person primarily interested in the alien's admission to the United States.

(c) In the case of aliens who are seeking expeditious naturalization:

The date the alien was admitted to the United States for permanent residence; his age; place of birth; and address in the United States.

4. The Subcommittee shall not address to the Attorney General communications designed to defer deportation of beneficiaries of private bills who have entered the United States as nonimmigrants, stowaways, in transit, deserting crewmen, or by surreptitiously entering without inspection through the land or sea borders of the United States.

Exemption from this rule may be granted by the Subcommittee in cases where the bill is designed to prevent unusual hardship. However, no such exemption may be granted unless the author of the bill has secured and filed with the Subcommittee full and complete documentary evidence in support of his request to waive this rule.

5. No private bill shall be considered if an administrative remedy exists, or where court proceedings are pending for the purpose of adjusting or changing the immigration status of the beneficiary.

6. No favorable consideration shall be given to any private bill until the proper Department has submitted a report.

7. Upon the receipt of reports from the Departments, private bills shall be scheduled for Subcommittee consideration in the chronological order of their introduction, except that priority shall be given to bills introduced earliest in any of the previous Congresses.

8. Consideration of private bills designed to adjust the status of aliens who are in the United States shall not be deferred due to nonappearance at Subcommittee hearings of the author of the bill or person authorized to represent him.

9. Bills previously tabled shall not be reconsidered unless new evidence is introduced showing a material change of the facts known to the Committee.

I would like to take this opportunity to call the attention of the Members of the House to rules 3 and 4 in particular. As many of you know, the introduction of private legislation does not have the effect of delaying an alien's departure from the United States. Under the agreement between the Commissioner of the Immigration and Naturalization Service and the Committee on the Judiciary, the Service withholds deportation if the committee requests a departmental report on a private immigration bill.

Consequently, if a Member believes a case has merit and introduces a bill, and if rule 4 is applicable, he should file with the committee documentation to support his request for a waiver of that rule. The committee will then consider such request expeditiously, but it is necessary to stress that it is incumbent upon the author of the bill to initiate such action on a private immigration bill which has been submitted to the House. If a request for a waiver of rule 4 is granted, reports on the bill will be requested from the Department of State and the Department of Justice, and the author will be so notified. If a request for a waiver of rule 4 is rejected, the bill will be sent to the full committee for tabling, but the author will also be notified in advance of such contemplated action.

After departmental reports are obtained, copies will be forwarded to the authors. Bills will then be considered by Subcommittee No. 1 on their merits in accordance with the provisions of rule 7. If the subcommittee decides to report adversely on the bill, the author will be notified in advance and given an opportunity to submit additional supporting documents or to request an opportunity to appear before the subcommittee in support of his bill.

When the subcommittee agrees to take favorable action, the author of the bill will be asked to submit a statement in support of his bill for inclusion in the committee report to the House.

Needless to say, members of the staff of Subcommittee No. 1, which has jurisdiction over immigration and nationality matters, will be happy to answer any questions the Members or staff members may have.

The subcommittee office is located in room 2139, Rayburn House Office Building—extension 55727.

IMPOUNDMENT

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the President has ordered the Office of Management and Budget to impound, without explanation, billions of dollars which Congress appropriated last year for various social and environmental programs. America's most disadvantaged groups—the young, the poor, the elderly, the sick, the mentally ill, the unemployed—will be hardest hit by the administration's new spending policies. But impoundment affects all Americans, because it involves not only our domestic priorities, but also the separation of powers inherent in the Constitution of the United States.

The first sentence of the Constitution, following the Preamble, reads as follows:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives." [Emphasis added.]

Only the Congress may enact laws, and it is the President's duty, under article II, to "take care that the laws be faithfully executed." When the Congress appropriates money, the President may veto the bill; but he is not empowered to sign the bill and then substitute an amount of his own choosing for that specified in the law. Yet this is precisely what President Nixon has done; he has, quite simply, ordered the executive departments not to spend nearly $15 billion which the Congress duly appropriated last year for programs as varied as mass transit, water pollution control, mental health facilities, higher education, job training, sewage treatment, and federally subsidized housing for low- and moderate-income families. These capricious "budgetary reserves" cannot be justified on grounds of sound fiscal management; rather, they represent a highly partisan attempt to flagrantly disregard the policies and priorities mandated by the elected representatives of the people.

In the past few years, the President has centered the Executive power in a small group of White House advisors, accountable to no one, who have taken over many of the duties of Congress, including legislative initiative, lobbying, appropriations, and oversight. In particular, Mr. Nixon has reorganized OMB into an elite cabal to run roughshod over other executive agencies. But the impoundment of funds by OMB has become an immediate and heated issue because it is a sudden and novel thrust at the "power of the purse," a prerogative which the Congress has jealously guarded even as it has allowed many of its other duties to slip into the Executive domain. James Madison, in urging ratification of the Constitution in 1788, pointed out with pride that the Congress was given sole authority over Federal spending. In the Federalist, No. 58, he said:

This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can

arm the immediate representatives of the people for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

Ten years ago, as part of his applications for admission to the New York bar, another future President, Richard M. Nixon, wrote an essay on his conception of the principles underlying the American form of government. He said, in part:

Above all else, the framers of the Constitution were fearful of the concentration of power in either individuals or government. The genius of their solution in this respect is that they were able to maintain a very definite but delicate balance . . . between the executive, legislative and judicial branches of the Federal Government. . . .

Mr. Nixon went on to say:

Throughout American history there have been times when one or the other branches of government would seem to have gained a dominant position, but the pendulum has always swung back and the balance over the long haul maintained.

Because of my desire to restore this balance, I am today introducing legislation which would invalidate any impoundments except those specifically ratified by the Congress. The House should also give swift approval of the Senate-passed bill requiring confirmation by the Senate of the OMB director, whose power over the American economy is now second only to that of the President. Such legislation will serve as a warning that Congress will no longer tolerate executive usurpation of purely legislative functions. It will also start the pendulum moving back toward the balance of powers which is unique to our form of government and which has fostered its endurance for nearly two centuries.

CHANGING THE DATE OF THANKSGIVING

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, I am introducing today a bill which would change the date of Thanksgiving in those years when it would normally fall on November 22. As we all know, November 22 is the date on which President John F. Kennedy was assassinated almost 10 years ago. We are still sufficiently close to that painful day that November 22 is considered a date of sorrow and mourning.

This year, for the first time since the assassination, November 22 coincides with Thanksgiving Day, which by law is celebrated on the fourth Thursday in November. My bill would provide that when the fourth Thursday falls on November 22, Thanksgiving shall be celebrated on the fifth Thursday.

The effects of this change would be felt only three times in this century after this year: in 1979, 1984, and 1990.

Thanksgiving is the most joyful holiday of the year, when families come together to feast and to give thanks for their blessings. To celebrate Thanksgiving on the anniversary of John F. Kennedy's assassination would cast a pall over the holiday which, for many Americans, would greatly diminish their enjoyment of Thanksgiving. I hope my colleagues will give prompt approval to this bill.

RENT CONTROLS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD notwithstanding the cost of $510 and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, phase II of the control program in respect to rents never was really effective. In my area rents were enormously increased in many instances, sometimes 30 to 40 percent. There were many tragic instances of people who were turned out of their apartments because of rent increases they could not pay. Then came the complete lifting of rent controls July 11 by the President's directive. Rents again took a surge upward in countless places, often imposed upon the very poor, so that there is a tragic need today for effective rent controls to protect the people of this country who rent against excessive charges by money-hungry landlords. At least we should go back to, and freeze, the rents in effect January 11 until a system of controls can be reestablished that will give a fair measure of protection to the people who have to rent living facilities in this country.

I want to commend the Honorable WRIGHT PATMAN, chairman, and the members of the House Banking and Currency Committee for the hearings they began Monday of this week on the general subject of the extension of the authority to the President to impose controls upon the critical elements of the economy and especially for the consideration given by the committee for the necessity of giving some relief to the people who rent. From Miami two very able spokesmen for the renting population of our area appeared before the committee, one of whom was Shep Davis, president of the Tenants Association of Florida, Inc., embodying a membership of more than 10,000 people. Mr. Davis has been a gallant and militant warrior for the protection of people who rent against excessive charges by landlords in the Greater Miami area and in Florida. Mr. Davis, in his statement, pointed out some of the grievous injustices in the excessive rents imposed upon our people.

Mr. Speaker, I ask that the statement of Shepard Davis, together with the exhibits he presented with the statement, appear in the RECORD immediately following my remarks. Other Members will, I am sure, find conditions similar to those Mr. Davis describes in their districts and will, I hope, join in the fight to give relief from excessive rents to the people in this country who have to rent.

PRESENTATION MADE BY SHEPARD W. DAVIS, PRESIDENT OF THE TENANTS ASSOCIATION OF FLORIDA, INC., ON MONDAY, MARCH 26, 1973

Mr. Chairman Patman and Honorable Representatives of the Committee:

Fifteen months ago the Tenants Association of Florida, Inc., was formed to provide a voice in dealing with the landlord-tenant abuses in our area of the country. It soon became apparent that the greatest concern of apartment renters—and the greatest cause of confusion—was runaway rent increases.

Our Association has grown to over 10,000 members due to the frustration that exists and our membership is steadily increasing at a very rapid rate.

These tenants and many thousands more throughout the State were heartened by some stabilization, as weak as it was, by the Phase II Guidelines. The arm of the law was there and if necessary, complaints of injustices and unfair practices could be filed with the Internal Revenue Service.

The guidelines permitted the landlord to raise his rent 2½ percent over a base rent, up to 8 percent a year on a one year lease. Increased taxes were added to that. Capital improvements were added to that. Too many landlords decreased services thus adding additional income to themselves.

Statistics will show that under Phase II increases range from 12½ percent to over 50 percent plus the extras.

In many cases tenants were not permitted to question these increases for fear of eviction. The Internal Revenue Service will certify that about 50 percent of the tenants seeking advice refused to give their names. Many of those that filed complaints pleaded that their names not be used. They feared retaliatory action.

The prayers of many tenants were answered on September 29, 1972, when the Cost of Living Council prepared a brochure, "Rent Watch For Social Security Beneficiaries." It stated that President Nixon ordered that everything possible be accomplished to prevent excessive and unjustified rent increases. It further stated that rents are a large part of a citizen's living costs and they will protect renters against illegal rent practices.

So during Phase II, there was Uncle Sam keeping his faith with the elderly social security recipient.

Then along came the decontrolling of rents which was as bad as the breaking of a dam where the water ran down the hill without regard as to the injury and damage sustained.

In some parts of the country rent stabilization is of little importance where there are apartments and homes available they have freedom of choice. In Dade and Broward County with less than 1% vacancy rate. there is no freedom of choice. May I say gentleman, you would not allow your dog to occupy some rooms that rent for $125 or $150 per month in Dade County. Rooms that smell, haven't been painted for 5 to 8 years, broken and cracked windows, bare floors, plumbing that needs attention, etc. These filthy places now will be increased in rent because of the serious shortage and no stabilization. It would take hours to present individual cases of inequities both low income, medium income and a little higher income group, and it would make you sick.

I read recently, that a landlords association has petitioned the President to reimpose rent stabilization as they, the landlords, are aware of the abuses of decontrol by some of their own members. Although Mr. Nixon may have had hopes of self regulation by the landlords, I say, "Forget it, Mr. President," you have just put a fox in a chicken coop.

Gentlemen, please, fight with the courage you possess to roll rents back to Phase II (to January 11th) and with vigorous enforcement.

I hope you can see your way clear to impose a ceiling as of January 11th. This will prevent a "Gold Rush" which occurred on January 12th, a day after the catastrophe.

RETURN RENTS, COUNCIL TELLS 12

(By Robert D. Clark)

A dozen Greater Miami firms or individuals have been ordered by the Cost of Living Council in Washington to refund the

money to tenants who complained they had been victims of Phase 2 rent control violations.

The council said the violations involved raising rents by a greater percentage then allowed, or failure to notify tenants properly of the boosts. The raises in question came before President Nixon modified rent controls Jan. 31.

Maren Apartments, 1543 Michigan Ave., Miami Beach, was ordered to refund $112 in a case involving seven tenants.

Other landlords, the number of tenants involved, and the amount ordered refunded in that order are: Irvin Apartments, 715 Michigan Ave., Miami Beach, 12, $694; Shady Grove Motel Apartments, 1570 NE 117th St., 10, $955; Derreck W. Povey, Miami, seven, $1,595; Sam O. Jalvo, Miami, four, $103; Stanley Apartments, Miami, one, $459; Terrace Towne Apartments, Miami 10, $962; Miller Hotel, 229 NE First Ave., Miami, three, $15; Garnet Hall Apartments, seven, $176; North Shore Apartment Association, North Miami Beach, 27, $154; Max Pulver Miami, one, $105; and Albert A. Hernandez, Miami, one, $459.

Few of the landlords named by the Cost of Living Council in this area could be reached.

The only two men listed as Max Pulver and Albert A. Hernandez in Greater Miami telephone and street directories said they rent apartments to tenants, and Pulver expressed mystification over the CLC's action.

Pulver, of 1741 SW 82nd Pl., said he hasn't raised rents. He said maybe they had been raised by former owners of his rental property.

Hernandez said he had raised some rents $5 or $10 "but we always checked with the Internal Revenue Service" (which acted as administrator of the Phase 2 rent controls) in doing so.

He said the owner of an apartment complex he used to manage at 3114 SW 14th St. already had returned the $459 to tenant Thomas Kittinger.

"Kittinger was a man living there 10 years and when his long lease expired the owner raised it and then the Internal Revenue (Service) people came and told him he had to return the money and he did," said Hernandez.

"Kittinger made a heck of a stink about the raise and he finally got away from it; he is still paying the $95 a week instead of the $150 as everybody else in that building," said Hernandez.

Several Broward landlords also were ordered to refund money to tenants, said the CLC. It listed them as Country Golf Course Club, Fort Lauderdale, 14, $105; Isaac Lifchez, Hollywood, three, $900; Harrison Arcade, Hollywood, one, $86; Ramgoh Marina, Fort Lauderale, seven, $123; and Mike Chaley, $90 (no tenant number available).

In Key West the El Patio Hotel was ordered to refund $35 in a case involving one tenant, the CLC said.

Altogether, 82 Florida landlords were ordered to refund a total of more than $57,000 on Phase Two violations.

Tenants Need Rent Controls

To The Editor:

Under a dateline of Dec. 29, Herbert Stein, chairman of the President's Council of Economic Advisors, was credited with the statement that "prolonged rent controls have a 'negative effect' on tenants as well as landlords. We ought to be out of the rent control business."

As an interested tenant actively interested in the Tenants Association of Florida, Inc., with access to the viewpoints of senior citizens affected by the ups and downs of rent I challenge Stein's statement in the strongest terms.

A major objective of the Tenants Association is strong rent control in the state to counter many arbitrary landlord actions contrary to all reasonable applications of the Rent Stabilization Act.

Stein's statement could be and probably will be misconstrued in the usual lobbying tactics against a state rent control law and in all fairness should be clarified.

From our vantage point it would appropriately be more proper to yell from the roof tops that rent controls are profitable to landlords and in many cases disadvantageous to tenants. Examples are loopholes in the act that apparently permitted cancellation of ongoing leases; subtle threats of dire consequences after controls are off that inhibits senior citizens and widows from protesting actions by landlords; a building moratorium because of the lack of sewage disposal facilities.

It would be of interest to tenants to know why it would not be in their best interests to treat rentals under conditions of a construction moratorium in the same manner as utility monopolies are now treated.

Charles Neidelman,
Miami Beach.

Landlord Quick To Raise Rent

A few days after President Nixon lifted his price controls, I received an eviction notice stating that I must vacate my apartment by Jan. 31. Inquiring as to why the notice was sent, I was told that I would be allowed to remain if I accepted a $20 increase (approximately 11 per cent) in rent.

What good has the wage and price freeze done in the area of rent controls if a landlord can raise rents to a level that would more than make up for any loss he may have incurred during the freeze? This seems to be a good indication that the voluntary price controls will not work due to the unpatriotic and un-American attitudes of the owners.

As the rich get richer, I get poorer. Maybe that's the new definition of the "American Way."

Frank W. Rose.

Public Housing Critical, Dade Legislators Told

(By Ronald L. Sachs)

Dade County's public housing problems are critical and need a quick state solution, Dade legislators were told at a public hearing.

Florida's recently-resigned Secretary of Community Affairs, Athalie Range, pleaded with the legislators to beef up the state's public housing funds in the meeting Friday at the Dade County Courthouse.

The meeting was attended by State Reps. Barry Kutun, Bill Lockward, Tony Fontana, Alan Becker and Marshall Harris and Sens. Kenneth Myers, George Firestone and Jack Gordon.

"One of the reasons given for federal cuts in housing funds was the supposed failure of public housing in this country," said Sidney Aronovitz, former chairman of the Little HUD Advisory Board, who resigned last December because of fund slashing by the Nixon administration.

"That's not the case here in Dade County, where our program has been highly successful and has served a very useful purpose," he told the legislators. "You don't condemn an entire program because of problems in some areas."

Aronovitz urged the delegation to entice private contractors and bankers to get involved in public housing construction by offering lower interest rates on loans to those participating in such programs.

George Reed, Aronovitz' successor, said that although some 7,300 public housing units are currently occupied in Dade and another 1,550 are either under construction or being planned, "that's not nearly sufficient to the need we have here."

"We definitely need a state program of some sort . . . We've got 64,818 people on a waiting list for housing, some who've been waiting for as long as four years," he said.

Reed said that of a $1 million county fund for public housing land acquisition, "only $600,000 is left."

He said it is important that land to be used for public housing be purchased now, even if construction and funds are delayed, "because land prices are rising every day."

Harris, who said any campaign in Tallahassee for housing funds must be limited in scope in order to have any chance of success, pinpointed three main areas the Legislature might act upon. They are:

Landlord-tenant relationships—Sen. Myers has a prefiled bill coming up which would enumerate rights of both parties and responsibilities of each as well.

State-enabling legislation for rent control, perhaps setting ceiling limits on rates.

Funding for housing, with emphasis on securing monies for renovating existing housing units rather than trying to totally rebuild entire communities.

"This (Dade) delegation ought to sit down before the session and decide on 10 to 15 things we want and when we get to Tallahassee, we won't come home until we get them," said Harris.

Some 1,500 Jam Meeting as Tenants Beg IRS To Enforce Rent Curbs

(By S. Nathan Enfield)

More than 1,500 people turned out last night to hear the Tenants Association of Florida beg the Internal Revenue Service to "enforce federal rent controls so that gouging landlords can't continue to treat us like animals."

Sheep Davis, president of the group, which claims 6,000 members, blasted the IRS for haphazard handling of tenant complaints.

Joining him in the attack were U.S. Reps. Claude Pepper, Dante Fascell and William Lehman.

A year ago, President Nixon ordered the IRS to enforce controls on rent increases as an anti-inflationary measure.

Pepper told the angry audience, "Nixon's track record in this area has been grossly inadequate from the very beginning when Congress gave him sweeping powers to fight inflation.

"Just because elderly tenants got a few extra Social Security dollars, the landlords went crazy and raised the rents sky high."

Like Pepper, who said he too recently suffered a rent increase, in Washington, most of the audience was composed of middle and upper-income tenants who had walked to the Miami Beach Playboy Plaza meeting from nearby Collins Avenue high-rises.

TAF attorney and newly elected State Rep. Alan Becker said, "I've never been so frustrated in my life as I have with the IRS red tape."

"By the time any tenant goes through the Miami-Jacksonville-Atlanta-Washington IRS treadmill, he's already been evicted."

Becker singled out for special criticism:

IRS failure to act on everyday tenant complaints "unless they're backed up by threats of a militant, active building organization, a letter to Congress or a phone call to the press."

IRS sluggishness in seldom referring cases to the Justice Department "when criminal violations are open and shut."

IRS tendency to disbelieve landlord retaliation against tenants outspoken enough to complain of rent control violations.

IRS practice of shrouding valuable case information behind a "disclosure rule" which prohibits discussion on pending cases.

IRS failure to include tenants in hearings on their complaints or to notify them when a case has been closed.

"You just can't continue to let the land-

lords gouge us like we're animals," Davis exclaimed amid loud applause.

"How much longer will the landlords be allowed to force us to sign new leases seven months in advance? We live in fear of landlord reprisals if we exercise our rights and speak out," he added.

IRS Assistant District Director Ira Loeb responded to the charges, not by apologizing, but by saying his department "does a pretty fine job" but is hampered by lack of sufficient personnel.

He told the audience of the IRS record in Florida: $250,000 in tenant refunds, $750,000 in refused rent hikes, 338 denials of rent control exceptions saving tenants $2.3 million, and response to 100,000 inquiries in recent months.

Loeb was interrupted by a handful of tenants who disagreed with some of his statements.

He blamed tenants' anger on "large-scale misunderstanding of federal laws," and said, "You're got to realize rents are not frozen today. Landlords are allowed to up the rents in certain situations."

Unassuaged, Becker urged the IRS "not to try and pass anything off on the public. Your words sound good, sir, until we go home and see this month's rent bill."

Becker said he and fellow Rep. Gwen Cherry plan to introduce state legislation next year to aid tenants in dealing with landlords who violate federal rent controls.

"We have spent about $40,000 to upgrade those apartments. We have refurbished the air conditioning and replaced old and worn appliances with new ones," he said.

"We never did raise rents during the freeze because we had to calculate the capital improvements to get the increase. We were in the process of doing that when the freeze was relaxed."

Ellis acknowledges that the different rent scales for old and new tenants probably would not have been approved under the guidelines in operation before Jan. 11.

"Why shouldn't we be allowed to give a better deal to an established renter?" Kory asked.

Some landlords in the county said they believe voluntary restraint in rent increases will halt demand for new controls.

The Miami Beach Apartment Association, an organization of small apartment owners, is trying to take that tack.

At a recent executive board meeting, the association decided to urge industry leaders not to increase rents.

Eugene Weis, president of the group said "We feel it is better business to maintain a harmonious relationship with our tenants. Increased rents at this point will simply invite government controls of some kind.

"The worst thing that could happen to this industry is to have government controls."

Weiss admitted that many of the association members are inactive and that they are not bound by the executive board's recommendation.

Other leaders in the apartment rental industry have expressed an equal distaste for taking advantage of relaxed controls.

Bonded Rental Agency, managers of about 8,000 low income apartment units in Dade County's ghetto areas, has informed its clients extraordinary rent increases will not be tolerated.

Art Greene, the agency's spokesman, said: "Our general rule is that in no event will rents be increased more than $2 a week and then only if rents were unusually low during the time the freeze went into effect.

"We just got rid of a client who told his tenants they would be getting an increase to $25 a week on apartments renting for $16 before the controls were lifted," he said.

Carey's Rental Agency, one of Bonded's competitors, is less demanding of its clients.

"We follow the instructions of our clients," Oswald Smith, manager of Carey's said.

"Our increases are averaging about 10 per cent. That will eventually effect 200 to 300 units. The only time we'll recommend going over 10 per cent is if the rents were below the prevailing rate when the freeze hit," Smith said.

Dixie Rental Agency, another low income property management firm, has no firm policy on increases.

"Less than half of our clients have asked for rent increases," said manager Sam Lenoir. "Most of them are asking for between $2.50 and $3 increases."

The same dollar increases are being asked of tenants who rent on a weekly basis as those who rent on a monthly basis, Lenoir said.

Thus, tenants renting on a weekly basis, the majority are paying increases amounting to roughly 20 per cent of their freeze level rent.

Countywide the full impact of relaxed controls won't be apparent for several months, Wolff and Euringer said.

But the impact in many cases already has been stunning.

Mrs. Dorothy Postel, a Miami Springs duplex dweller, lived in the same modest apartment for 10 years and paid a modest rent of $90 a month. A new landlord bought her apartment during the freeze. Then it was lifted.

"He sent us a letter giving us an option to start paying $185 a month or to get out," Mrs. Postel recalled.

"With owners of this caliber, we need some kind of inflationary controls, I think.

"None of my friends has received a $100-a-month raise in salary and that's where the rent money comes from."

MANY DADE RENTERS GETTING SOCKED—LIFTING OF FEDERAL CONTROLS BRINGS INCREASES

(By Doug Clifton)

For six years Max Grossman, a 76-year-old retired motel manager, rested in quiet tranquility in his $135-a-month Coconut Grove apartment. Then, a week ago, a letter came.

Move in 15 days or sign a lease and start paying $195 a month, the note from his landlord announced.

"I got a $30 increase in my retirement," Grossman complained. "I can't give it all to the landlord. What does he think 'Im gonna do, go out and sell bananas?"

Philip Mendick was reasonably content paying $136 a month for his one bedroom efficiency apartment at the Parkleigh Sutton Apartments at 530 Biscayne Blvd.

Today, Mendick is heading a tenants' organization at the Parkleigh because he and dozens like him have been hit with rent increases ranging from 48 percent to 68 percent.

"In my case the increase is only 48 percent," Mendick said. "But several of our members who are now paying $119 a month for their apartments will have to start paying $200 a month in February."

In southwest Miami, Jose Ronderon, of 47 S.W. 78th Pl, pays $200 a month for his duplex apartment. On Jan. 13 Ronderson got a letter from his landlord informing him that his rent would go up to $400 a month starting Jan. 15.

"I cannot pay it." Ronderon said dejectedly. "I have no lease, no contract, no nothing. I know the government said the landlord could raise the rent—but like this?

"I must leave."

Grossman, Mendick and Ronderon are only three of many Dade apartment dwellers notified of increased rents in the two weeks since President Nixon announced the relaxation of guidelines in effect under Phase 2 of his anti-inflation economic plan.

Precisely how many of Dade's 190,000 renters are getting socked with increases is difficult to assess. But spot checks countywide by The Herald turned up dozens of cases, with increases of from 10 to 100 percent.

In the Miami offices of the Internal Revenue Service's wage-price division, until Jan. 11 the agency charged with enforcement of wage-price guidelines, there is a constant flow of complaints about increased rents.

"While there is no machinery now established to investigate complaints of rent increases," said Holger Euringer of the IRS regional office in Jacksonville, "we still welcome tenants to file complaints with us."

"After we accumulate enough of them to tell whether there are significant increases in the Dade and Broward area," he said, "we can send them off to the Cost of Living Council in Washington where they might decide to reinstitute some forms of control."

Although many Dade landlords are raising rents, many others are not.

"We probably will not do anything to raise rents until May when there may be a new set of guidelines issued," said Louis Veal, president of the Keyes Management Co., managers of about 4,500 rental units in Dade County.

"It is our feeling that if there is a new set of guidelines, they will be retroactive to the date the President made his speech. Imposing increases now that would later have to be adjusted would present too much of a problem," he said.

Veal, whose company manages rental properties nationwide, is not surprised that many Dade County landlords have asked for increases.

Here in Dade County the vacancy factor is very low and owners of smaller properties are probably taking advantage of the fact," he said.

It is the low vacancy factor which makes Dade County's rent scale the second highest in the nation. Its rents are surpassed only by those in neighboring Broward County. Broward's median rent is $131 a month. Dade's is $122, or one-third more than the national median.

A median, statisticians explain, is the "middlemost" value in any group of figures. That means half of Dade County's renters pay more than $122 a month rent and half pay less.

Averages, though deceiving in their own right, reflect a more accurate picture of rent levels in Dade County.

According to a recent survey conducted by Dr. Reinhold Wolff's economic research firm, rents for one-bedroom apartments average $215 a month and two-bedroom apartments average $252.

"Hidden behind the average are the considerably higher rents in the beach areas where one-bedroom apartments average at between $231 and $355 a month and two-bedroom apartments average at between $316 and $448," Wolff said.

The low vacancy factor is also what is making Benda McMurray, like Max Grossman, a tenant in the Banyan apartments in Coconut Grove, stay in her two bedroom apartment despite a 24 per cent increase in rent.

Miss McMurray, a young career woman who lives in the unfurnished apartment with her sister, was paying $190 a month for her second floor apartment.

She was among the several dozen tenants who received eviction notices shortly after President Nixon lifted the freeze. Starting Feb. 1 Miss McMurray and her sister will begin paying $240 a month for the apartment they have occupied for three years.

"Because we have our own furniture, the landlord agreed to make the increase $50 instead of $60," she explained. "We'll stay. What else can you do?

"I looked around and found some real rat traps at $200 a month—besides, moving is such a hassle," she said.

She confirms what apartment manager James Ellis says is the reason for the increases.

"Our rents are competitive with others in the area," said Ellis.

His company, Jamestown in the Grove, managers of 11 rental apartment complexes, is seeking to get all renters on leases.

"The increases were fair in every case and we were perfectly within the law to send eviction notices to month-to-month renters. But why not look at the other side of the coin," he argued.

"Electricity went up 13.4 per cent during the freeze too, you know."

According to Euringer of the IRS, any rent increase in excess of the 2½ per cent suggested by the Cost of Living Council continues to be inflationary.

"Landlords were entitled to 2½ per cent plus 'pass throughs' for the cost of capital improvements," he said.

At the Banyan no major capital improvements have been made but tenants who agree to stay on at the increased rates will get their apartments painted and rugs installed if they are needed, Ellis said.

At the Parkleigh Sutton where increases were as high as 68 per cent, the landlord was unavailable for comment. But the tenants said that the apartment owner had made capital improvements and was contemplating a "pass through" of those improvements during the freeze.

President Nixon's removal of controls exempted the increase from scrutiny by the IRS.

Some Dade apartment owners are increasing rents in two steps. Established tenants get small increases but new tenants pay more for the same kind of apartment.

That practice is equally inflationary, Euringer said.

"The level of rent at an apartment house was based upon the rents charged on the property, not those charged to individuals. If identical apartments were renting at $190 a month during the freeze, rents for new tenants would have to be set in terms of rents charged to old tenants," he explained.

Using that logic, Euringer said, landlords who are giving $10 increases to established tenants and $20 increases to new tenants, are violating the spirit of Phase 2.

At the Red Road Town House apartments, one of eight rental properties managed by Greater Miami Realty, old tenants are getting $10 increases and new ones must pay $20 above the freeze level rents.

Established rent of one-bedroom apartments in the Red Road property went from $165 a month to $175 a month after the removal of controls. New tenants pay $185 for the same apartment.

Old tenants got 6 per cent increases while new ones, in effect, are paying 12 per cent more for the same apartment.

Don Kory, manager of Greater Miami Realty, says the increases are fully justified.

BARTLE BULL ON RONAN'S TOMB

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to call to the attention of our colleagues a situation in New York which involves the expenditure of a large amount of Federal funds. I am a supporter of mass transit and am urging vastly greater expenditures for that vital service. However, in my judgment, Federal funds will be wrongly spent if the MTA is able to build a facility rivaling Grand Central Station when an expanded Grand Central Station itself could be used to accomplish the purpose.

A brilliant article authored by Bartle Bull appeared in the Village Voice of March 22, 1973, which sets forth the facts and shows an extraordinary insight into city planning on the part of the author. I recommend it to our colleagues:

[From the Village Voice, Mar. 22, 1973]

RONAN'S TOMB

(By Bartle Bull)

With Rocky, Ronan, and Moses, New Yorkers are accustomed to the extravagant appetites of our three cement pharaohs. Already they've lavished over a billion on the Albany Mall in a town of only 116,000 and $700 million on the World Trade Center when office space is vacant across New York, not to mention millions lost on the World's Fair and hundreds more proposed for the dreaded Oyster Bay Bridge. But even taxpayers jaded by these figures may be impressed by the latest Frankenstein, a beast monstrous enough to satisfy even Nelson Rockefeller; the plan to tear up Third Avenue and spend $342 million (just for starters) on a new railroad terminal to be crammed under Third Avenue three blocks from the largely unused tracks of Grand Central Station.

If you're surprised by this news, it's because the planning and the application for federal funds have slipped by with the maximum stealth permissible under the law. An invisible public hearing, of the type perfected years ago by master planner Donald Elliott, was held last November 20 at Hunter College. To attend, you had to be either a legal notice freak or on the increasingly exclusive guest list of Dr. William Ronan, boss of the Metropolitan Transportation Authority.

Not even Edward Koch was invited to the hearing. (He is not only the area's congressman, but also a member of the congressional subcommittee on Mass Transit.) The Turtle Bay Association, which has represented the area's residents for 15 years and has it headquarters 100 feet from the proposed terminal, was not invited. But one Turtle Bay member spotted a discreet legal notice for the hearing, and James Amster, Turtle Bay's Chairman, appeared and testified. The MTA reports (inaccurately) that his was the only testimony opposing the plan. The "public hearing" was apparently designed to accommodate the diversity of views you would expect at a meeting of Stalin's cabinet. Could it be that hostile testimony was not welcome since all testimony given at the hearing was required by law to accompany Dr. Ronan's application for federal funds?

MTA sought federal funds for the project in October 1970 in an application to the Urban Mass Transportation Administration of the Department of Transportation. The amended application asks UMTA for $228 million, two-thirds of the estimated cost. The other $114 million will be paid by New York State. The source of the inevitable cost overrun money has not been designated. The $342 million cost estimate is already a year old, and we can expect that the figure will go the way of the 10-cent subway fare. With the public hearing out of the way, UMTA is now considering the MTA's application, and if the project is approved, the next juicy step is the solicitation of bids (if that process is not already under way) and then the newest construction bonanza will start chewing up the city.

The proposal for the terminal is set forth, at least superficially, in UMTA's Draft Environment Statement for the project. This Statement, however, itself says that it is largely "based on data provided by the applicant," i.e. by the MTA itself. The basis for the project is the argument that a new mid-Manhattan terminal is needed for Long Island Rail Road trains to "increase the capacity of commuter rail lines into Manhattan," to relieve alleged overcrowding at Penn Station, and to improve "coordination between the Long Island Rail Road and the subway routes."

The new terminal would service Long Island Rail Road trains entering Manhattan from a tunnel now being built under the East River. The tunnel, which will also be used by the New York City Transit Authority and which is not included in the project's budget, will enter Manhattan under East 63rd Street. The underground terminal concourse will run from 47th Street to 50th Street. From 63rd Street to 55th Street the route will, theoretically, be constructed by tunneling. From 55th Street to 42nd Street, one of the most congested areas in the world, the route will be constructed by what the wrecking crews refer to euphemistically as "cut and cover methods."

Not surprisingly, the few disinterested New Yorkers who are aware of this scheme are horrified. A massive 14-block pit along Third Avenue, with years of drilling, dust, construction machinery, and obstructions to pedestrian and other traffic, will give the neighborhood a sustained pounding that the residential and commercial communities do not welcome. Like many other residential areas of the city from Canarsie to Corona, the East Side has been under siege by the eviction nightmares of "Urban Relocation, Inc.", by high-powered institutional expansion, and by massive government projects. The old-fashioned stew of construction interests, real estate manipulators, willing politicians, and visionary master planners is already at work on this one. Has anyone wondered why that valuable block-long lot next to Manny Wolf's on Third Avenue and 49th has been vacant all this time?

The Turtle Bay Association (of which this writer intends to be an implacable member) and other community groups are organizing to fight the project, now known in the area as "Ronan's Tomb." Turtle Bay's James Amster reports that the community is determined to stop the terminal and argues that its construction will threaten residential living on the East Side. Opposition to the project is spreading rapidly over the East Side as people learn what Ronan has in store for them. As Romaine Weil, Chairman of East Side Residential Associations and the General Giap of East Side community organization, puts it, "We must kill this wasteful project before it kills us."

The essential argument of the project's opponents is that no serious consideration has been given to adapting Grand Central Station as a Long Island Rail Road terminal. The station now operates way below full capacity, with lots of OTB and not many trains. In 1929 there were 709 trains a day at Grand Central, now there are about 400. So why, ask the critics, can't the Long Island Rail Road come down Park instead of Third, and nestle into the lower level of the Grand Central?

The answer of the MTA is that the proposed terminal "is located more nearly in the centroid of mass transportation facilities in the area" and that the Grand Central subway system would become too congested, as it already operates at peak capacity during rush hours. Since the two stations would only be three blocks apart, the "centroid" argument is a hard one to follow, and the crowding at Grand Central should be reduced by the new Second Avenue subway line, which as the Environmental Statement notes, "will relieve congestion on the Lexington Avenue line." Presumably the Second Avenue subway could be linked to Grand Central. The MTA cites other problems with Grand Central, such as underpinning necessitated by further tunneling under Park Avenue, but the Environmental Statement concedes that "there are several possible locations within Grand Central that could be set aside for Long Island use," and that "there is some surplus station capacity in Grand Central and it would be physically possible to construct a route for the Long Island into Grand Central."

Opponents of the project face not only the

problem that they are making a late start and are taking on Rocky, Ronan, UMTA, and the construction interests, but also the public relations difficulty of attacking something that is presented as a mass transit project, a project to discourage commuters from driving into the city. Fortunately, the public is not as dumb as it looks to the planners. New York's voters were able to penetrate the misleading propaganda behind the Transportation Bond issue, which claimed to have a large mass transit component, and send that project back where it belonged.

With the present boondoggle, the point is that it does not help our desperate mass transit problems to squander limited resources on redundant facilities. The entire fiscal 1973 budget of the Urban Mass Transportation Administration is $980 million for every mass transit project in the United States. Is it worth spending 25 per cent of the total federal mass transit budget to reduce over-crowding at one subway station? And yet no estimate was made of what it would cost to adapt Grand Central instead of building a new facility.

As attorney and mass transit advocate Myron Cohen puts it, "This scheme is a damned outrage. Money for mass transit is in such short supply. Behind it all is the very close relationship between Rockefeller and the construction trades." If the argument over the terminal is going to hinge on subway crowding, Cohen, recently Chairman of New York City's Subway Watchdog Committee, is a good man to talk to, but he wasn't asked to the November 20 hearing either. Cohen may have hit a nerve with the construction trades point, because Secretary of Labor Peter Brennan (the former boss of New York's construction unions) recently intervened to help Dr. Ronan with the Long Island Rail Road's labor problems, and it doesn't take much imagination to guess whether or not Brennan thinks this project is worth at least 25 per cent of UMTA's budget.

Congressman Koch argues that the terminal will destroy the residential character of the community east of Third Avenue. Koch and Councilman Carter Burden intend to fight the proposal vigorously. Koch plans to demand that the Department of Transportation prepare a new environmental impact statement that does not rely on self-serving material fed in by the MTA. He says that "the function of these experts is to state reasons for the goal that someone else wants to reach," and that an independent study is essential.

Hopefully, as the debate over the terminal develops, the sponsors will not pretend that their opponents, like Myron Cohen, Community Planning Board 6, and the threatened communities, are against mass transit. The issues are proper consultation, the validity of a Grand Central alternative, and the misallocation of limited public resources. The consultation point is critical, because the MTA has a special exemption from the requirement to get City Planning Commission approval for all terminals. As John Zuccotti, the new CPC Chairman, puts it, "It's unfortunate that authorities like the MTA or the Urban Development Corporation can avoid certain public hearings before the CPC or local community boards and so weaken their accountability."

Mass transit money is precious. Not only would the state and federal grants on this proposal starve needed projects in this city and elsewhere, but the federal grant alone ($228 million) represents slightly more than the entire estimated operating loss of Amtrak for fiscal 1973 and 1974, in its first year, Amtrak, which serves 350 cities with more than 24,000 miles of track, suffered an operating loss of $153 million. This year the loss is estimated at $128 million, and next year at under $100 million. These relatively modest losses are being used by the Nixon administrtion to justify increasing cutbacks in national rail service, thereby diverting private and commercial traffic from the railroads to the highways and so further reducing the viability of the railroads in an unending spiral.

Civilized nations from Japan to Switzerland recognize that public money must support railroads and other forms of mass transit. West Germany and Italy last year subsidized railroad deficits of $800 million each, and this year the Japanese National Railways expect a deficit of $1.2 billion. Despite such losses, Japan is planning more super-express trains. Italy is spending $7 billion on railroad improvements. France is spending $420 million on new equipment this year alone, and Germany will spend $10 billion to develop 180-mile-an-hour trains. But in this far richer country, the Department of Transportation is cutting back mass transit research, and the new Secretary of Transportation, Claude S. Brinegar, is preparing massive rail service reductions on the grounds of economy.

Even in this context, however, it seems that the Third Avenue terminal will only be reviewed intelligently if New Yorkers mobilize to fight the proposal at every level. Only Peter Pan could dream that the Department of Transportation would make an independent judgment, let alone that Nelson Rockefeller and Dr. Ronan might hesitate from a brief sense of public accountability.

AMERICA'S ENGAGEMENT IN ASIA AND THE WORLD

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, Under Secretary of State for Political Affairs William Porter was the principal speaker at a State Department regional foreign policy conference March 21 in my hometown of Grand Rapids, Mich., the principal city in the Fifth Congressional District of Michigan. The conference, which drew about 600 persons, was most successful.

During the conference, Porter reviewed the situation in Indochina. As part of that review, Porter revealed how the task of accounting for the 1,300 Americans listed as missing in action in Vietnam and Laos is being carried out. He said this job has been assigned top priority and spelled out the procedure being followed.

With the unanimous consent of the House, Porter's speech will appear at this point in the RECORD. The speech follows:

AMERICA'S ENGAGEMENT IN ASIA AND THE WORLD

(An Address by Under Secretary Porter)

The problem of giving a light luncheon speech on a weighty subject like foreign affairs is like an episode in "Tom Sawyer": Perhaps you remember that there was a sermon that droned along so monotonously and was so prosy that many a head began to nod—and even though it dealt in limitless fire and brimstone, so few remained awake among that predestined elect that they were hardly worth saving.

I can't talk to you about predestination because I have been told this distinguished audience is already a predestined elect. And I can't promise you salvation although I assume most of you have made your own arrangements. But I *can* make a short speech, and that I promise to do. And it will relate to some of that international fire and brimstone that is a diplomat's stock in trade.

President Nixon opened his first inaugural address with these words: "Each moment in history is a fleeting time, precious and unique. But some stand out as moments of beginning, in which courses are set that shape decades or centuries."

The past few years have been such a moment. We are leaving the postwar world. Responding to our openings to the People's Republic of China and the Soviet Union, the major Communist nations are abandoning their policy of constant confrontation. New patterns of international relations are emerging.

The emergence of China, the growing strength of Japan and the collective voice of western Europe are transforming the political and economic scene. We encourage this process. We continue to support the European Community, its enlargement and strengthening. We welcome Japan's climb to the opportunities and responsibilities of a major country. We want good relations with the USSR. And the President has launched a relationship with China which both accepts and encourages its growing participation in the affairs of the international community.

NECESSITY OF ENGAGEMENT

The complexity and challenge of this more fluid environment have led some to counsel basic changes in our security and economic policies. Two developments have strengthened this view.

First, we have learned some hard lessons in international economics. Over the past two years, our imports grew by forty per cent while our exports increased only fifteen per cent—for the first time in this century the United States has a trade deficit.

And second, as Secretary Rogers recently stated, "After a long and frequently frustrating military conflict there may be some longing among Americans to withdraw from the burdens and responsibilities of an active role in world affairs. Twice before in this century our initial reaction was to pull back and concentrate on domestic issues."

After World War I, we isolated ourselves from international responsibilities, but we could not isolate ourselves from world depression and world war. After World War II, a man born in Grand Rapids exactly 89 years ago tomorrow, Senator Arthur Vandenburg, saved us from making the same mistake. He was in many ways the legislative father of those basic policies that have served us so well for the past quarter century—in 1945 the founding of the United Nations, in 1947 aid to Greece and Turkey, in 1948 the Marshall Plan, and in 1949 the establishment of NATO.

Once again our involvement in war is coming to an end. And once again a native son of this city is playing a major role in assuring that America remains realistically engaged in the world. Congressman Gerald Ford is a vigorous advocate of the view that—while we must avoid the overextension of the past—our own self-interest dictates an active American involvement in world affairs. In fact he is such a vigorous advocate, making some 200 speeches a year, that he puts cautious diplomats like me to shame.

I am undoubtedly preaching to the converted when I encourage this audience to support our continuing engagement in the world. Your very presence in a foreign policy conference indicates your opposition to an isolationist course. And while some have claimed the Middle West is a bastion of isolationists, I find quite the opposition to be the case. In the 1960's Michigan tripled its exports, which now exceed even the exports of New York. I understand from Mr. Brush that some 35 companies right here in Grand Rapids are exporting an increasing portion of their production. Naturally some 31% of all our crops and 14% of our manufactured

goods are exported. We now depend upon imports for 30% of our petroleum needs, and this dependence is growing.

TRADE LEGISLATION

Our welfare is inextricably linked with the economic health of the rest of the world. It is for that reason President Nixon has set a dual objective in economic policy this year—both to improve America's competitive position in world markets and to reform the international monetary and trade system.

Within the next few weeks the President will be submitting a request to Congress for the authority to negotiate an improvement in our trading position. For the past quarter century international trade has increased at a more rapid rate than world production—providing an essential stimulus to the most rapid global economic growth in man's history. America has shared in this growth. Our real per capita income has doubled in this period, and we are by far the most productive nation in the world today.

The recent devaluation of the dollar will greatly strengthen our competitive position. So will the lowering of European and Japanese barriers to our trade for which we are pressing. The United States is already competitive in many fields, from computers to agriculture to pharmaceuticals. Those Americans who doubt our ability to export should talk with the Japanese and Europeans, who are concerned that American goods may flood their markets. Freer trade—when reciprocated by other nations and with proper safeguards for adversely affected industries—is clearly in this nation's best interest. I hope you will all support the President's trade legislation.

DEFENSE BUDGET

Just as we must resist pressures to retreat from our outward-looking economic policies, so must we resist efforts to radically alter our national defense policies. It is the security provided by a strong national defense that has given us the confidence and ability to negotiate so successfully.

We all know the costs of maintaining a sufficient defense capability. What some people seem to forget are the greater long-term costs to ourselves and to our allies if we were to become a second-rate power militarily. Since 1969 we have reduced our armed forces by a third—from 3.5 million to 2.3 million men. The defense budget now consumes just seven per cent of our GNP, the lowest share since 1950.

The new Secretary of Defense, Elliot Richardson, has pledged to keep defense expenditures as low as is consistent with our essential needs. To go below this level of sufficiency would have seriously destabilizing effects in many parts of the world. It would prevent us from maintaining the momentum toward a more peaceful and open world so noticeable in recent years.

VIET-NAM

For my part I should like to devote the remainder of my remarks today to this problem which has occupied much of my time during the past eight years.

If all goes well, there will soon be no American combat troops in Viet-Nam for the first time since 1965. All of our known prisoners of war will have been released. By prisoners of war I mean those in Laos as well as in Viet-Nam, and we expect complete fulfillment of the promises that have been made about their release. These things will mark a day we have long awaited. We shall have reached it not by abandoning our friends but by opening the way to self-determination for all the people of South Viet-Nam.

There have been problems in Viet-Nam during these first sixty days of the peace agreement. We consider most of these problems to be a natural, almost inevitable, residue of decades of bitter conflict.

In general, the situation is stable; military activity has declined and the relative strengths of the two sides are unchanged. But it is easier to stop shooting than start talking, so solving South Viet-Nam's political problems may take place more slowly than was envisaged in the agreement. Nonetheless, the focus for both sides appears to be shifting to the political from the military.

This is the kind of evolution, if it continues, that we hoped would be a result of the cease-fire agreement and the new framework it provides for testing strengths at the polling place, rather than on the battlefield.

This can, of course, happen only if North Viet-Nam observes its undertaking to "strictly and scrupulously" fulfill the peace agreement. President Nixon has made clear our concern at North Vietnamese infiltration of large amounts of equipment into South Viet-Nam. If it continued, this infiltration could lead to serious consequences. The North Vietnamese should not lightly disregard our expressions of concern. But we hope it will not continue. Mutual restraint in the supply of arms by all outside parties, including the Soviet Union and the People's Republic of China, is of course an essential aspect of this situation.

A mechanism to monitor and supervise the cease-fire, the International Commission of Control and Supervision, consisting of Canada, Indonesia, Poland and Hungary, is in business. Spurred on by an energetic Canadian delegation, the Control Commission has got itself organized, deployed to the field, and has undertaken some investigations. Since Communist governments make legal arguments with politics, the Control Commission is still experiencing some difficulties. However, we believe that its performance to date has been creditable and holds the promise of greater impact as experience is gained.

We note also that high level political consultations have begun in France between the two South Vietnamese parties—this is the forum where complicated internal disagreements will be tackled and, we hope, resolved.

In South Viet-Nam morale has remained strong. President Thieu realizes the importance of the political struggle and is directing more of his Government's efforts to this area than ever before. There has been very little of the political and social unravelling that some have expected or hoped for. The Viet Cong, too, are concentrating on the political struggle which is in line with our aim of changing the nature of the struggle in that unfortunate land.

The United States will continue to support the efforts of the South Vietnamese people to achieve self-determination, as envisaged in the Peace Agreement and in the Act of the International Conference on Viet-Nam.

LAOS AND CAMBODIA

In Laos the cease-fire accords call for the withdrawal of all foreign forces and respect for the sovereignty and neutrality of the Kingdom. They were worked out and signed solely by the Lao parties. The United States respects the accords, and we very much hope that this time North Viet-Nam, and other nations, also will respect them. To achieve peace all outside parties must leave the Lao to settle their own problems. There are still cease-fire violations in Laos, although far fewer than in South Viet-Nam, but the parties are slowly working toward the formation of a provisional government to be named by March 23.

Cambodia was the last of the Indochinese states to be drawn into the Indochina conflict. It remains the only one without a cease-fire. At the time of the Viet-Nam cease-fire, President Lon Nol proclaimed a unilateral cessation of hostilities clearly designed to elicit an enemy response. After a few days of relative quiet, the answer was given in an upsurge of enemy attacks which has reached the highest level in over a year, and which shows no sign of abating. Further efforts to open a dialogue with the insurgent leadership have received no reply except for threats of continued war. The situation in Cambodia must, therefore, be described as unsatisfactory at present.

POSTWAR AID

Throughout Indochina we must hasten the transition from the bitterness of war to the healing task of reconciliation and reconstruction. America's long tradition of humanitarian concern by itself calls for our active participation in a program of assistance. We are convinced that such a program will provide all parties a strong incentive to observe the peace. As compared to the heavy expenditure of the war, surely it is worth a small proportion of that amount to ensure that it is preserved. Preserving the peace will require a relatively modest outlay.

MIA'S

We have one other very important item on our agenda. With the return of our prisoners of war, we are giving the highest priority to the task of accounting for the 1,300 Americans listed as missing in action in Vietnam and Laos. This is a most serious responsibility. It is an obligation to those men and to their families who have waited for them through the long years, and we shall fulfill that obligation.

We are making a three-pronged approach to this subject:

—First, as each returning POW comes home, he is being debriefed to learn whatever information he may have on any Americans—and foreign nationals as well.

—Second, we are proceeding in the four-party Joint Military Commission composed of United States, South Vietnamese, North Vietnamese and Viet Cong representatives to secure an accounting for all our dead and missing. Article 8B of the peace agreement contains the most far-reaching language ever obligating the two sides in armed conflict to help each other to get information about the missing in action and the dead. Secretary Rogers and I raised this subject directly with North Vietnamese leaders in Paris during the international conference on Vietnam.

—And third, we have established in Thailand a Joint Casualty Resolution Center manned by American personnel solely responsible for searching for our missing in action personnel in Indochina. We will move as quickly as possible to secure the most thorough examination and reconciliation of each missing in action case.

I can bring you the assurance of this Administration that this subject of accounting for our missing in action will have the highest possible priority.

LESSONS OF NEGOTIATIONS

Let me complete this rather lengthly discussion of the situation in Indochina by sharing with you some of my thoughts about what working toward peace means. I think it is important to review the record of how we achieved a negotiated settlement in Vietnam and to consider some of the lessons learned along the way.

The negotiations lasted more than four years. During most of that time—through one sterile meeting after another—there was no appreciable progress toward a settlement. Early in the talks Hanoi demanded that we first withdraw all our forces unconditionally and throw out the South Vietnamese government as pre-conditions for serious negotiations. These demands were clearly unacceptable: had we withdrawn our troops, we would have had no leverage with which to pry out an agreement to release our prisoners; had we overthrown the Saigon government, we would have also sacrificed the principle of genuine self-determination by the South Vietnamese people.

Hanoi refused to alter its position, and the talks dragged on from one year to the next.

I can tell you it was not much fun. It was easy to get discouraged and, indeed, many at home did. Some critics of our policy urged our government to concede everything. Others advocated our breaking off the talks altogether.

However, the President remained dedicated to the belief that the only satisfactory way to resolve the conflict was by a settlement at the conference table and that, eventually, Hanoi would agree to undertake the serious negotiations necessary to bring this about. At the same time, the President fully understood North Vietnam's strategy of pursuing its goals by coordinated military and political actions—by fighting while talking.

He, therefore, developed and pursued a policy that would both encourage a negotiated settlement and maintain our commitment to assist the South Vietnamese people in their self-defense. By carefully keeping open the door to negotiations and by making a series of progressively forthcoming peace proposals of our own, we demonstrated our readiness to achieve a just compromise. At the same time, the President pursued the program of Vietnamization: This provided us with an alternative to the stalemated peace talks and simultaneously served as an inducement for the other side to negotiate seriously.

As you will recall, the Vietnamese communists agreed to forsake the battlefield in favor of the conference table only after their all-out invasion of the South in the spring of last year failed. In retrospect, the President's decision to resist that invasion by mining and bombing in the North was a critically important factor—indeed, perhaps the turning point—in bringing them to the negotiating table in a serious posture. The President again made clear his resolve when he resumed the bombing in December in response to Hanoi's decision to stall on reaching a final agreement. I am convinced that this action was both necessary and effective in bringing the war to an end.

I think there is an obvious, but very important point to be drawn from this experience—seemingly insurmountable obstacles to a just peace can, in fact, be overcome by the patient pursuit of policies which combine reasonableness and resolve, flexibility of approach, and firmness of purpose. These were the guidelines that enabled us to reach our goal in Viet-Nam. They should not be forgotten as we continue to move away from confrontation into an era of reconciliation both in Indochina and throughout the world.

ASIAN POLICY

In concluding, let me turn briefly to the larger problems of Asia. Why are we there and what are our objectives in the years ahead?

Some Americans still view Asia as an area of less vital concern than Europe. These are, however, certain realities which no one can question.

Half the world's people live in Asia.

Our trade with Asia now equals 85 per cent of our trade with Western Europe and is growing more rapidly.

Three times in a single generation we have been drawn into war in Asia.

Four of the world's major powers—the United States, Japan, China, and the Soviet Union—come together only in the Pacific.

We must and we will retain an active American presence in Asia. Our power there is an encouragement to our friends and is not provocative to our adversaries.

We will be guided in our approach to Asia's still uncertain future by two major policy objectives.

First, to enable our allies to assume the primary responsibility for their own security; and

Second, to persuade all Asian nations that by not interfering in their neighbor's affairs, a new era of peace and prosperity is possible.

In 1972, we made extraordinary progress on both these fronts. The Nixon Doctrine of shared responsibilities and shared burdens is clearly succeeding. From South Vietnam to South Korea, our allies' growing military strength enables them to assume the major responsibility for their own defense. America's supporting role is rapidly becoming less onerous. Since 1969 we have reduced the number of our Armed Forces in Asia by seventy percent. In addition to the complete withdrawal of our forces from Vietnam, we have reduced our military presence by 70,000 men in Korea, Japan, the Philippines, and elsewhere.

However, as we review this record of progress, we must not lose sight of the substantial problems ahead. Asia is still far from achieving the delicate transition from turmoil to stability.

The goal that we have set for ourselves is the establishment of the kind of peaceful world that the Secretary of State has described as one in which:

"Dialogue and negotiation have replaced confrontation and conflict.

"People can move freely and easily across national borders.

"The sovereignty and independence of all countries is the first principle of international relations.

"Less reliance on force as an instrument of national policy."

The Secretary of State also noted that now "for the first time since the war such a world has become a practical possibility."

Senator Vandenburg once told the Senate that Theodore Roosevelt was right to say that the United States had no choice but to play a great part in the world and that the choice was whether to play it well or badly. He went on to say that no matter how much we might crave the easier path of lesser responsibility, we were denied that privilege. We had to play our part in the world in sheer defense of our own interests.

My thesis today has been that in bringing about a still-imperfect peace in Southeast Asia, in working toward the sort of world we want, we have played our part well. With your help, ladies and gentlemen, we shall keep on striving to do so.

VETO OF THE VOCATIONAL REHABILITATION ACT OF 1973

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, as a former sponsor of the Vocational Rehabilitation Act I rise to announce to all Members of this House that on Tuesday next I intend to be here on the House floor to cast my vote to override President Nixon's veto of S. 7, the Vocational Rehabilitation Act of 1973. I know I speak for all the Members of the New Jersey delegation on this side of the aisle and I hope some on the other side as well when I say that economy in Government is a good thing, but economy at the expense of handicapped Americans is false economy. And in this case there is no economy at all because this program—which has been in existence since 1920—takes people off the relief and welfare rolls and makes them taxpayers. Surely, Mr. Speaker, this is what Government is all about. Can Government at any level perform a nobler and more necessary service than restoring sick and crippled people to health?

Mr. Speaker, we have a long way to go in this area as we have between 7 and 12 million handicapped persons in this Nation who are not yet realizing their full potential.

I intend to vote to override President Nixon's veto and I urge all Members of this House to stand with the New Jersey Democrats who are united behind the principle that economy shall not be achieved by taking away the crutches of crippled people.

OEO AGENCY—CCC—BEGAN AIM

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, once again it has come to light that OEO has become involved in activities which have little effect on the poor, are purely political in nature, and result in violence and civil disturbance.

Among its other activities, the American Indian Movement—AIM—has taken over Alcatraz Island in San Francisco causing $30,000 in damages; the Bureau of Indian Affairs in Washington causing $3 million in damages; the Crazy Horse Museum in Pine Ridge, S. Dak., causing $50,000 in damage; and is currently holding the town of Wounded Knee, S. Dak., in a reign of fear and terror.

The current leaders of AIM are Dennis Banks and Clyde Bellecount who are both Chippewas, both urban Indians, and both ex-convicts.

AIM began to develop in 1967 when Banks and Bellecount became employees of the Citizen's Community Centers—CCC—in Minneapolis, an OEO-funded agency. In January of 1968, Matthew Eubanks, leader of the Minnesota Black Panthers, and Douglas Hall, an activist lawyer, packed a CCC board meeting with gun-carrying Black Panthers and when the meeting ended early the next morning, the director had been replaced by Matthew Eubanks. The CCC program immediately shifted from helping the poor to creating turmoil within the black community and developing hatred toward the police. At this time, Banks and Bellecount were appointed to head up a new militant Indian group within the CCC framework.

The intentions of AIM now, as then, are consistent with the radical Black Panther-dominated CCC out of which it grew.

After Banks and Bellecount took control of AIM, they took great delight in telling everyone how AIM was going to be the Indians' Black Panthers. In June of 1972, they received OEO funding totaling $113,000, much of which was spent on Indian survival schools. These schools taught the young many of the Black Panther doctrines and developed a hatred toward all non-Indians, both black and white.

When the AIM leaders decided to come to Washington last fall to take over the Bureau of Indian Affairs—BIA—they had become more sophisticated in their tactics. They veiled their plans by stating that they were coming to Washington to hold religious and cultural ob-

servances of various national monuments and convinced the Interior Department to allow them to use the auditorium of the BIA.

The National Council of Churches and various local religious groups offered housing and food which the Indians refused, since they knew where they would spend the following nights. While they were using the BIA auditorium, someone gained entry into the main building. When this occurred, the well thought out plans of Banks and Bellecount went into action, and the Indians immediately took control of the building and did $3 million worth of damage.

The same group is now at Wounded Knee. To repeat what I have stated before, this militant, political, extreme and violently orientated group received its initial funding and has received subsequent funding from OEO.

It was not until Howard Phillips took over at OEO that such irresponsible funding has come to a stop. I am afraid that the case with AIM is not an isolated situation, but rather an example of how Federal funds, earmarked for the poor, have been directed to extreme revolutionary groups.

I ask that the following article from the Washington Post be printed in the RECORD.

[From the Washington Post, March 19, 1973]

HALF AIM INDIANS SAID TO RECEIVE U.S. FUNDS

DETROIT, MICH., March 18.—The Detroit News reported today more than half the members of the American Indian Movement are employees of social welfare agencies financed primarily by federal grants.

The News story by John Peterson said the organization whose leaders were instrumental in the takeover of Wounded Knee, S.D., has received more than $400,000 in federal funds since its founding in 1968 as an offshoot of a Minneapolis antipoverty program.

The News said AIM has 258 members.

The paper quoted an unnamed federal official as saying: "When AIM took over Wounded Knee three weeks ago, the Justice Department was all set to move in and make arrests.

"But then AIM leaders threatened to call a press conference and disclose exactly how much financing they've had from the federal government in recent months. That's when the Justice Department backed off."

Peterson's story said a two-week investigation disclosed that last June 21, AIM received a $113,000 grant from the Office of Economic Opportunity. Of that amount, Peterson said, $60,000 was for "survival" schools in Minneapolis, St. Paul and Milwaukee to "instill American Indian culture" in grade school-age children.

WHO IS TO BLAME?

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, I was cleaning out some old files last night and ran across an editorial which originally appeared in the Milwaukee Sentinel of August 24, 1971.

Since we hear many moans and groans from the Democrats in the House about how terrible everything is, perhaps they will enjoy reading who is really responsible for what they cry about.

FRIENDS OF POOR?

Echoing the moguls of organized labor, the Democratic National Committee charges that President Nixon's new economic program favors big business at the expense of the common people.

This is the old political line that has worked so well for the Democrats for the last four decades in keeping, with few exceptions, the Republicans in the minority and out of power.

It is quite possible that this old political canard will fool the common people again, although some signs are cropping up in the opinion polls to indicate that the public is beginning to wise up to the fact that organized labor is interested only in feathering its own nest.

Working hand in glove with the Democratic Party, the national unions have acquired monopolistic powers which, with a public be damned attitude, they have exploited to their own advantage.

George Meanywhile (to coin a phrase), labor and the Democrats have been posing as the friends of the poor. Some friends! Most of the time since the 1933, Democrats and labor have controlled both Congress and the White House and yet, by their own admission, the poor are more than ever with us.

Going by the record, about the only periods of prosperity under Democratic rule in the last 40 years came under wartime conditions—which, speaking of economic game plans, is one the nation surely can do without for the next several generations.

What have the Democrats been doing for the poor between the times of blood stained prosperity? Among others, things like passing laws to increase the minimum wage, which destroys jobs, especially for the young, particularly for blacks.

Although Mr. Nixon appears bent on outdoing them in deficit spending, it was the Democrats, by and large, who got the nation hooked on the habit of year after year spending more than we earn. This is the root cause of inflation, which is a progressive tax, i.e., the poorer you are the harder it hits you.

It is possible, as the Democrats do, to interpret features of the Nixon economic program as favoring business. It should be recalled, however, that it is the private enterprise system that supports us all. The public enterprise system, the government, doesn't have anything that it doesn't take away from the people in the first place. A hefty chunk of what the government gets, not so incidentally, comes from taking up to about half of business' profits.

In seeking to encourage private enterprise through such things as the investment tax credit, therefore, the Nixon economic program is in reality seeking to benefit all of the people, and particularly the poor, the young and the disadvantaged minorities. They are the ones who stand to profit the most from any economic recovery.

FLOOD DISASTER PROTECTION ACT OF 1973

(Mr. WIDNALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WIDNALL. Mr. Speaker, I have introduced H.R. 6091, the administration's proposed amendments to the National Flood Insurance Act of 1968. This Flood Disaster Protection Act of 1973 is the first and most urgent of the administration's disaster assistance proposals and is compatible with forthcoming disaster program recommendations.

The President has said that he intends to make 1973 a turning point in the quality of governmental response to natural disasters. Late in the 92d Congress, I introduced H.R. 16831, which is almost identical to this bill. Because of the press of time, the bill was not acted upon prior to adjournment.

The proposed amendments to the flood insurance program were written from the lessons learned in tropical storm Agnes. We discovered that, of $3 billion in damage from Agnes, only $5 million was covered under the current federally subsidized flood insurance program.

We have the opportunity this year to lessen the crushing economic blows that storms such as Agnes have dealt in the past.

This bill will, for example, increase single-family residential coverage limits from $17,500 to $35,000 on buildings and from $5,000 to $10,000 on contents. Nonresidential building coverage would go from $30,000 to $100,000.

The bill would also accelerate identification of flood-risk zones. Upon identification, a community must either solve its flood problem or participate in the flood insurance program for it to be eligible in the flood-prone area for mortgage financing, which is extended by federally insured lenders. Likewise, an individual may be required to purchase flood insurance to be eligible for similar financing in a flood-prone neighborhood.

A section-by-section summary of the bill follows:

FLOOD DISASTER PROTECTION ACT OF 1973

SECTION BY SECTION SUMMARY

Sec. 1. Enacting clause.

Sec. 2. Findings and declaration of purpose.

Sec. 3. Definitions.

Sec. 101. Increased limits of coverage. Amends section 1306(b) of the Act to provide increased limits of coverage as follows:

	Subsidized coverage		Total coverage	
	Old limit	New limitt	Old limit	New limit
	(1)	(2)	(3)	(4)
Single family residential	$17,500	$35,000	$35,000	$70,000
Other residential	30,000	100,000	60,000	200,000
Nonresidential	30,000	100,000	60,000	200,000
Contents, residential	5,000	10,000	10,000	20,000
Contents, nonresidential	5,000	100,000	10,000	200,000

Sec. 102. Requirement to purchase flood insurance. (a) Prohibits Federal financial assistance for acquisition or construction purposes for projects within special hazard areas previously identified by HUD and made eligible for flood insurance, unless the project will be covered by such insurance for its full development cost (less land cost) or the new limit of coverage (Col. 2 or 4 above), whichever is less. (b) Federal instrumentalities responsible for the supervision of lending institutions must direct such institutions to require flood insurance in connection with their real estate or mobile home and personal property loans in such identified areas, up to the same maximum limit or the balance of the loan, whichever is less. Both subsections would take effect July 1, 1973.

Sec. 103. Financing. Restores authority contained in 1956 Flood Insurance Act which permits Treasury borrowing authority to exceed $250 million with the approval of the President.

Sec. 104. Increased limitation on coverage outstanding. Amends sections 1319 of the Act to raise limit on total amount of coverage outstanding from $4 billion to $10 billion.

Sec. 105. Flood insurance premium equalization payments. Would repeal the detailed formula for the sharing of losses between Government and industry and permit the necessary flexibility in loss-sharing to take into account longer-term loss experience trends and to compensate for the lack of precision in actuarial computations.

Sec. 201. Notification to flood-prone areas. (a) Requires HUD to public information on known flood-prone communities and to notify them within six months of their tentative identification as such. (List initially used would probably be Corps of Engineers list, based on 1960 Census data.) (b) Upon notification; community must either (1) promptly apply for participation in flood insurance program or (2) satisfy the Secretary within six months that it is no longer flood prone. A hearing may be granted to resolve disputed cases, but Secretary's decision is final unless arbitrary and capricious. (c) Additional flood-prone communities subsequently notified of their status must then meet the requirements of subsection (b) but are allowed at least one year in which to qualify for the flood insurance program before section 202 applies.

Sec. 202. Effect of non-participation in flood program. (a) Prohibits Federal financial assistance for acquisition or construction purposes within the identified flood-prone areas of communities that are not participating in the flood insurance program by July 1, 1975 (in most cases, about 18 months after the identification is made). (b) Directs Federal instrumentalities responsible for the supervision of lending institutions to prohibit such institutions from making real estate or mobile home loans after July 1, 1975, in areas identified as having special flood hazards unless the community in which the area is situated is participating in the flood insurance program.

Sec. 203. Repeals provision of existing Flood Insurance Act that would deny disaster assistance after December 31, 1973, to persons who for a period of a year or more could have purchased flood insurance but did not do so.

Sec. 204. Accelerated identification of flood risk zones. (a) Adds a new subsection (b) to section 1360 of the Act directing HUD to accelerate hazard area identification and rate studies. Specifically authorizes the Secretary to make grants, provide technical assistance, eliminate competitive bidding requirements, and make progress payments, if necessary to accomplish that objective. (b) Directs the agencies doing the technical work for HUD to give highest practicable priority to these studies, in order to assist the Secretary to meet existing August 1, 1973, statutory area identification deadline.

Sec. 205. Authority to issue regulations. Authorizes (a) the Secretary and (b) Federal agencies administering financial assistance programs and those supervising lending institutions, to issue any regulations necessary to carry out the Act.

ANNOUNCEMENT OF HEARING ON PROBLEMS OF THE INTERNATIONAL COMMUNITY

(Mr. MAZZOLI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, I would like to announce a subcommittee meeting, to be held next Thursday, which I think will be of special interest to a great many of my colleagues.

As chairman of the District of Columbia Committee's newly formed Subcommittee on Labor, Social Services, and the International Community, I have scheduled an initial hearing to explore the rather unique problems which face members of the international community who come to this country to live and work in our Nation's Capital.

To the best of my knowledge, there has not previously been an attempt made to address the needs of these foreign visitors in a comprehensive or systematic way. I am hopeful that my subcommittee will be able to make a positive contribution in this important area.

The specific concerns to be explored at next week's hearing and subsequent meetings have been well summarized in previous testimony developed by our distinguished committee chairman, Congressman CHARLES C. DIGGS, JR.:

The District of Columbia with approximately 131 Foreign Missions, is host to the largest foreign diplomatic community of any national capital. (Heretofore) no legislative committee in the Congress (has been) responsible for the investigation, study and resolution of the myriad of non-diplomatic problems which beset members of this community.

The usual difficulties which arise in moving to a new city are complicated in this instance by language problems and cultural differences.

They involve such things as their children's education; municipal services to which they are entitled and where to go if such services are not forthcoming; dealing with local merchants; leasing and housing problems; immigration laws and customs regulations, and understanding of local criminal and civic laws and traffic regulations.

These problems are especially pressing to newly established Missions from developing countries who have not had the years of experience and background to guide them through our bureaucratic maze of agencies, departments and bureaus.

The District of Columbia is also the transitory home for a large number of members of our own Department of State Foreign Service and other Americans, as well as international organizations such as the World Bank, who share many of the same problems faced by the diplomatic community.

In closing, Mr. Speaker, I would like to invite any interested Members to attend our initial hearing on the problems of the international community. It will be held at 9 a.m., on Thursday, April 5, in room 1310 of the Longworth House Office Building.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. BURTON (at the request of Mr. MCFALL), for today, on account of official business.

Mr. GUYER (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. MCSPADDEN (at the request of Mr. MCFALL), for today, on account of official business.

Mr. THOMPSON of New Jersey (at the request of Mr. MCFALL), for today and April 2, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CULVER, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. CRONIN) to revise and extend their remarks and include extraneout matter:)

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. WYATT, for 5 minutes, today.

Mr. BLACKBURN, for 5 minutes, today.

Mr. HEINZ, for 10 minutes, today.

(The following Members (at the request of Mr. STARK) and to revise and extend their remarks and include extraneous matter:)

Mr. O'NEILL, for 5 minutes, today.

Mr. COTTER, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. JAMES V. STANTON, for 5 minutes, today.

Mr. MINISH, for 5 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. CASEY of Texas, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. MCFALL, for 5 minutes, today.

Mr. STUCKEY, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 15 minutes, today.

Mr. EILBERG, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HUBER, to extend his remarks following those of Mr. GROSS on the bill H.R. 5293.

(The following Members (at the request of Mr. CRONIN) and to include extraneous matter:)

Mr. HANSEN of Idaho.

Mrs. HOLT.

Mr. ZION.

Mr. DERWINSKI in three instances.

Mr. PRICE of Texas.

Mr. CLANCY.

Mr. KETCHUM.

Mr. ESCH in two instances.

Mr. THOMSON of Wisconsin.

Mr. WHALEN.

Mr. RONCALLO of New York.

Mr. WYMAN in two instances.

Mr. CLEVELAND.

Mr. ARCHER in two instances.

Mr. HEINZ.

Mr. ZWACH.

Mr. BLACKBURN.

Mr. CRONIN.

Mr. TAYLOR of Missouri.

Mr. GOLDWATER.

Mr. YOUNG of South Carolina.

Mr. SHRIVER.

Mr. BOB WILSON in two instances.

Mr. THONE in two instances.

Mr. ABDNOR.

Mrs. HECKLER of Massachusetts.

(The following Members (at the request of Mr. STARK) and to include extraneous matter:)

Mr. NATCHER in two instances.

Mr. MINISH.
Mr. MOSS.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. HAMILTON.
Mr. DRINAN in four instances.
Mr. GAYDOS in 10 instances.
Mr. DAN DANIEL.
Mr. ASPIN in 10 instances.
Mr. JAMES V. STANTON.
Mr. NIX.
Mr. LEGGETT in six instances.
Mr. DOMINICK V. DANIELS.
Mr. DENHOLM.
Mr. WALDIE in five instances.
Mr. BRASCO.
Mr. HARRINGTON in two instances.
Mr. STUDDS.
Mr. EVINS of Tennessee in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1136. An act to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act; to the Committee on Interstate and Foreign Commerce.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on March 28, 1973, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 5445. An act to extend the Clean Air Act, as amended, for 1 year.

H.R. 5446. An act to extend the Solid Waste Disposal Act, as amended, for 1 year; and

H.J. Res. 5. A joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of this birth.

ADJOURNMENT

Mr. STARK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Monday, April 2, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

677. A letter from the President and the National Executive Director of the Girl Scouts of the United States of America, transmitting the 23d Annual Report of the Girl Scout organization for the period ending September 30, 1973, pursuant to section 7 of the act of March 16, 1950, as amended by Public Law 272, 83d Congress (H. Doc. No. 93–74); to the Committee on the District of Columbia and ordered to printed with illustrations.

678. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes; to the Committee on Foreign Affairs.

679. A letter from the Assistant Secretary of the Interior, transmitting the 16th Annual Report on the status of the Colorado River storage project and participating projects, pursuant to 70 Stat. 105; to the Committee on Interior and Insular Affairs.

680. A letter from the Deputy Assistant Secretary for Territorial Affairs, Department of the Interior, transmitting the annual report of the Government Comptroller for Guam of the fiscal condition of the Government of Guam for the year ended June 30, 1972, pursuant to the Organic Act of Guam (as amended); to the Committee on Interior and Insular Affairs.

681. A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 101 and 902 of the Federal Aviation Act of 1958 and chapter 2, title 18, United States Code, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

682. A letter from the Secretary of Health, Education and Welfare, transmitting a draft of proposed legislation to extend for 3 years the programs for comprehensive State and areawide health planning, and for comprehensive public health service and health services development, and to repeal a requirement that at least 15 percent of a State's formula allotment for public health services be available only for mental health services; to the Committee on Interstate and Foreign Commerce.

683. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make permanent the program of research and demonstrations relating to health facilities and services; to the Committee on Interstate and Foreign Commerce.

684. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make permanent the authority to conduct national health surveys and studies; to the Committee on Interstate and Foreign Commerce.

685. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Drug Abuse Office and Treatment Act of 1972 to modify the authorization of appropriations for the program of special project grants and contracts, and for other purposes; to the Committee on Interstate and Foreign Commerce.

686. A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 215, title 18, United States Code (receipt of commissions or gifts for procuring loans), to expand the institutions covered; to encompass indirect payments to bank officials; to make violation of the section a felony; and to specifically include offerors and givers of the proscribed payments; and for other related purposes; to the Committee on the Judiciary.

687. A letter from the Attorney General, transmitting a draft of proposed legislation to prohibit the unauthorized possession within any Federal penal or correctional institution, of any substance or thing designed to damage the institution or to injure any persons within or part of the institution, and for other purposes; to the Committee on the Judiciary.

688. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "Public Safety Officers' Benefits Act of 1973"; to the Committee on the Judiciary.

689. A letter from the Secretary of Transportation, transmitting a report on the utilization of authority to designate and rent inadequate quarters, lease family housing and hire quarters for Coast Guard personnel during the year 1972, pursuant to 14 U.S.C. 475(f); to the Committee on Merchant Marine and Fisheries.

690. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to provide for payments by the Postal Service to the Civil Service Retirement and Disability Fund for increases in the unfunded liability of the fund due to increases in benefits for Postal Service employees, and for other purposes; to the Committee on Post Office and Civil Service.

691. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the EURATOM Cooperation Act of 1958, as amended; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRASER: Committee on Foreign Affairs. House Resolution 330. Resolution on U.S. oceans policy at the Law of the Sea Conference (Rept. No. 93–96). Referred to the House Calendar.

Mr. WALDIE: Committee on Post Office and Civil Service. H.R. 3798. A bill to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes; with amendment (Rept. No. 93–97). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALDIE: Committee on Post Office and Civil Service. H.R. 6077. A bill to permit immediate retirement of certain Federal employees (Rept. No. 93–98). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 342. A bill to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel (Rept. No. 93–99). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DIGGS: Committee on the District of Columbia. H.R. 4586. A bill to incorporate in the District of Columbia the National Inconvenienced Sportsmen's Association (Rept. No. 93–100). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BADILLO (for himself, Ms. ABZUG, Mr. BINGHAM, Mr. BROWN of California, Mr. DRINAN, Mr. FISH, Mr. HARRINGTON, Mr. HELSTOSKI, Miss HOLTZMAN, Mr. MOAKLEY, Mr. NIX, Mr. PODELL, Mr. PRICE of Illinois, Mr. REES, Mr. ROSENTHAL, and Mrs. SCHROEDER):

H.R. 6299. A bill for the relief of certain distressed aliens; to the Committee on the Judiciary.

By Mr. BAKER (for himself and Mr. KUYKENDALL):

H.R. 6300. A bill to establish rational criteria for the mandatory imposition of the

sentence of death, and for other purposes; to the Committee on the Judiciary.

By Mr. BENNETT (for himself, Mr. BAKER, Mr. BEVILL, Mr. BLACKBURN, Mr. CLARK, Mr. DUNCAN, Mr. FISHER, Mr. GIBBONS, Mr. HALEY, Mr. MATSUNAGA, Mr. NELSEN, Mr. NICHOLS, Mr. NIX, Mr. PEPPER, Mr. QUIE, Mr. RARICK, Mr. SCHERLE, Mr. SIKES, Mr. WHITEHURST, and Mr. WILLIAMS):

H.R. 6301. A bill to provide Federal grants to assist elementary and secondary schools to carry on programs to teach moral and ethical principles; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself and Mr. LENT):

H.R. 6302. A bill to provide for a Federal loan guarantee and grant program to enable educational institutions and individuals to purchase electronic reading aids for the blind; to the Committee on Education and Labor.

By Mr. BLACKBURN (for himself, Mr. LANDGREBE, Mr. STEIGER of Arizona, and Mr. ANDERSON of Illinois):

H.R. 6303. A bill to promote the utilization of improved technology in federally assisted housing projects and to increase productivity in order to meet our national housing goals, and for other purposes; to the Committee on Banking and Currency.

By Mr. BROYHILL of Virginia:

H.R. 6304. A bill to amend section 311 (d)(2)(A) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia (for himself and Mr. WHITEHURST):

H.R. 6305. A bill to amend title 5, United States Code, to include as creditable service for purposes of the civil service retirement system certain periods of service of civilian employees of nonappropriated fund instrumentalities under the Armed Forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CARTER:

H.R. 6306. A bill to amend the Public Health Service Act to establish a national program of health research fellowships and traineeships to assure the continued excellence of biomedical research in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DON H. CLAUSEN (for himself and Mrs. BURKE of California):

H.R. 6307. A bill to minimize redtape in the highway program, create a special urban high density traffic program, control highway noise, evaluate public mass transportation needs and for other purposes; to the Committee on Public Works.

By Mr. CLEVELAND:

H.R. 6308. A bill to repeal the bread tax on 1973 wheat crop; to the Committee on Agriculture.

H.R. 6309. A bill to require States to pass along to public assistance recipients who are entitled to social security benefits the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

H.R. 6310. A bill to amend the Internal Revenue Code of 1954 to provide that employees receiving lump sums from tax-free pension or annuity plans on account of separation from employment shall not be taxed at the time of distribution to the extent that an equivalent amount is reinvested in another such plan; to the Committee on Ways and Means.

H.R. 6311. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 6312. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. CRONIN:

H.R. 6313. A bill to establish a Joint Committee on Energy, and for other purposes; to the Committee on Rules.

H.R. 6314. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of compensation paid to law enforcement officers shall not be subject to the income tax; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 6315. A bill to amend the Communications Act of 1934 to prohibit making unsolicited commercial telephone calls to persons who have indicated they do not wish to receive such calls; to the Committee on Interstate and Foreign Commerce.

By Mr. DANIELSON, (for himself, Mr. BROWN of California, Ms. BURKE of California, Mr. BURTON, Mr. DAVIS of South Carolina, Mr. DELLUMS, Mr. DULSKI, Mr. EDWARDS of California, Mr. EVINS of Tennessee, Mr. FULTON, Mr. GUBSER, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HINSHAW, Mr. MATHIS of Georgia, Mr. GIBBONS, Mr. GONZALEZ, Mr. SIKES, and Mr. HOLIFIELD):

H.R. 6316. A bill to create a Federal Disaster Insurance Corporation to insure the people of the United States against losses due to major natural disaster, and for other purposes; to the Committee on Banking and Currency.

By Mr. DANIELSON (for himself, Mr. LEGGETT, Mr. LEHMAN, Mr. MCSPADDEN, Mr. MARAZITI, Mr. MOSS, Mr. NIX, Mr. PRICE of Illinois, Mr. REES, Mr. RONCALIO of Wyoming, Mr. RYAN, Mr. SYMINGTON, Mr. VEYSEY, Mr. WALDIE, Mr. CHARLES H. WILSON of California, Mrs. GRASSO, Mrs. MINK, Mr. MORGAN, Mr. BERGLAND, and Mr. WOLFF):

H.R. 6317. A bill to create a Federal Disaster Insurance Corporation to insure the people of the United States against losses due to major natural disaster, and for other purposes; to the Committee on Banking and Currency.

By Mr. DENNIS (for himself, Mr. HILLIS, Mr. ROBISON of New York, Mr. ARCHER, Mr. ROUSSELOT, Mr. KETCHUM, and Mr. CLEVELAND):

H.R. 6318. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress of the United States or of a military attack upon the United States; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H.R. 6319. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 6320. A bill to amend the Communications Act of 1934 with regard to renewal of broadcast licenses and services rendered by broadcast licensees; to the Commission on Interstate and Foreign Commerce.

By Mr. DORN:

H.R. 6321. A bill to amend the Uniform Time Act; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG (for himself, Mr. CLARK, Mr. GAYDOS, Mrs. GRASSO, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. NIX, Mr. PODELL, Mr. RODINO, Mr. TIERNAN, and Mr. WON PAT):

H.R. 6322. A bill to amend the Economic Stabilization Act of 1970, to freeze food prices at levels prevailing on January 2, 1973, and for other purposes; to the Committee on Banking and Currency.

By Mr. ESCH (for himself and Mr. ERLENBORN):

H.R. 6323. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; to the Committee on Education and Labor.

By Mr. FASCELL:

H.R. 6324. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. FAUNTROY (for himself, Mr. BUCHANAN, Mr. BURTON, Mr. DE LUGO, Mr. EILBERG, Mr. HAWKINS, Mr. MOAKLEY, Mr. RANGEL, Mr. ROSENTHAL, Mr. ROYBAL, and Mr. WOLFF):

H.R. 6325. A bill to regulate the maximum rents to be charged by landlords in the District of Columbia; to the Committee on the District of Columbia.

By Mr. GILMAN (for himself, Mr. RONCALLO of New York, and Mr. MARAZITI):

H.R. 6326. A bill to exempt child care services from the ceiling on expenditures for social services; to the Committee on Ways and Means.

By Mr. GINN:

H.R. 6327. A bill to designate certain lands in the Wolf Island National Wildlife Refuge, McIntosh County, Ga., a wilderness; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ:

H.R. 6328. A bill to amend the Truth in Lending Act with respect to the disclosure of closing costs and administrative enforcement, and for other purposes; to the Committee on Banking and Currency.

By Mr. GRAY:

H.R. 6329. A bill to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries; to the Committee on Public Works.

By Mr. GRAY (for himself, Mr. KLUCZYNSKI, Mr. HOWARD, Mr. BROYHILL of Virginia, Mr. SISK, and Mr. FAUNTROY):

H.R. 6330. A bill to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia; to the Committee on Public Works.

Mr. HANSEN of Idaho (for himself, Ms. ABZUG, Mr. FAUNTROY, Mr. GUDE, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. PODELL, Mr. ROONEY of Pennsylvania, Mr. STARK, Mr. STEIGER of Wisconsin, Mr. THOMPSON of New Jersey, Mr. WHITEHURST, Mr. WOLFF, and Mr. WON PAT):

H.R. 6331. A bill to improve the quality of child development programs by attracting and training personnel for those programs; to the Committee on Education and Labor.

By Mr. HASTINGS (for himself, Mr. KEATING, Mr. BADILLO, Mr. STARK, Mr. BREAUX, Mr. RIEGLE, Miss HOLTZMAN, Mr. FREY, Mrs. MINK, Mr. WHITEHURST, Mr. FAUNTROY, Mr. HAMMERSCHMIDT, Mr. MITCHELL of New York, Mr. FORSYTHE, Mr. NICHOLS, Mr. LEHMAN, Mr. CHARLES H. WILSON of California, Mr. MITCHELL of Maryland, Mr. MORGAN, Mr. YATES, Miss JORDAN, Mr. SISK, Mr. STOKES, Mr. REES, and Mr. EILBERG):

H.R. 6332. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 6333. A bill to amend the Federal Aviation Act of 1958 to authorize free or reduced rate transportation for widows, widowers, and minor children of employees who have died while employed by an air carrier or foreign air carrier after 10 or more years of such employment; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 6334. A bill to provide for the uniform application of the position classification and General Schedule pay rate provisions of title 5, United States Code, to certain employees of the Selective Service System; to the Committee on Post Office and Civil Service.

H.R. 6335. A bill to amend title 5, United States Code, to provide for grade retention benefits for certain employees whose positions are reduced in grade, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 6336. A bill to amend title 5, United States Code, to provide that employees subject to certain pay limitations shall be credited, for civil service retirement and life insurance purposes, with the pay which would be received if such pay limitations were not applicable; to the Committee on Post Office and Civil Service.

By Mr. HORTON:

H.R. 6337. A bill to prohibit the importation into the United States of commercially produced domestic dog and cat animal products; and to prohibit dog and cat animal products moving in interstate commerce; to the Committee on Ways and Means.

By Mr. JOHNSON of California (for himself, Mr. SAYLOR, Mr. KAZEN, Mr. HOSMER, Mr. RUNNELS, Mr. CAMP, and Mr. JONES of Oklahoma):

H.R. 6338. A bill to amend the Water Resources Planning Act to provide for continuing authorization for appropriations; to the Committee on Interior and Insular Affairs.

By Mr. KARTH:

H.R. 6339. A bill to amend section 101(1)(2) of the Tax Reform Act of 1969; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. BRASCO, Mr. GUDE, Mrs. HECKLER of Massachusetts, Mr. ROSENTHAL, Mr. SARBANES, and Mr. CHARLES H. WILSON of California):

H.R. 6340. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 6341. A bill to establish a congressional internship program for secondary school teachers of government of social studies in honor of President Lyndon Baines Johnson; to the Committee on House Administration.

By Mr. MATHIAS of California:

H.R. 6342. A bill to designate certain lands in the Yosemite National Park, Calif., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 6343. A bill to designate certain lands in the Sequoia and King's Canyon National Parks, Calif., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. MICHEL:

H.R. 6344. A bill to amend the National Labor Relations Act with respect to refusals to bargain; to the Committee on Education and Labor.

By Mr. MICHEL (for himself and Mr. RHODES):

H.R. 6345. A bill to provide that the fiscal year of the United States shall coincide with the calendar year; to the Committee on Government Operations.

By Mr. MICHEL (for himself and Mr. LITTON):

H.R. 6346. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

By Mr. MILLER:

H.R. 6347. A bill to prohibit the exportation of logs from the United States; to the Committee on Banking and Currency.

H.R. 6348. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. MYERS (for himself, Mr. BROWN of California, Mr. DEVINE, Mr. GIBBONS, Mrs. HANSEN of Washington, Mr. WON PAT, and Mr. YATRON):

H.R. 6349. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the establishment of standards related to rear mounted lighting systems; to the Committee on Interstate and Foreign Commerce.

By Mr. NICHOLS:

H.R. 6350. A bill to permit injured Federal employees to receive the benefits of the Federal employees compensation program not withstanding they are in receipt of military retired pay, and for other purposes; to the Committee on Education and Labor.

By Mr. NIX:

H.R. 6351. A bill to amend title II of the Social Security Act to extend the time within which certain Federal-State agreements may be modified to give noncovered State and local employees under the divided retirement system procedure an additional opportunity to elect coverage; to the Committee on Ways and Means.

By Mr. PATTEN:

H.R. 6352. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER (for himself, Mr. WOLFF, Mr. CHARLES H. WILSON of California, Mr. PODELL, Mr. WON PAT, Mr. BRASCO, Mr. BROWN of California, Mrs. HECKLER of Massachusetts, Mr. MOAKLEY, Mr. ST GERMAIN, Ms. ABZUG, Mr. HELSTOSKI, and Mr. TIERNAN):

H.R. 6353. A bill to amend the Internal Revenue Code of 1954 to allow a deduction in computing gross income for theft losses sustained by individuals, for certain amounts paid to protect against theft, for medical expenses caused by criminal conduct, and for funeral expenses of victims of crime; to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 6354. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may disapprove the President's action and require him to cease such impounding; to the Committee on Rules.

By Mr. PODELL:

H.R. 6355. A bill to amend title 5, United States Code, to provide that Thanksgiving Day shall be observed on the fifth Thursday in November of any year in which the fourth Thursday of such month falls on November 22; to the Committee on the Judiciary.

H.R. 6356. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may approve the President's action or require the President to cease such action; to the Committee on Rules.

By Mr. PRICE of Texas:

H.R. 6357. A bill to prohibit economic assistance to North Vietnam; to the Committee on Foreign Affairs.

By Mr. QUIE:

H.R. 6358. A bill to amend section 10 of the Child Nutrition Act of 1966, as amended; to the Committee on Education and Labor.

By Mr. RARICK (for himself, Mr. TOWELL of Nevada, Mr. CLANCY, Mr. WINN, and Mr. COUGHLIN):

H.R. 6359. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. RINALDO (for himself Mr. WON PAT, Mrs. HECKLER of Massachusetts, Mr. DERWINSKI, Mr. BOLAND, Mr. CHARLES H. WILSON of California, Mr. CLEVELAND, Ms. ABZUG, Mr. ROSENTHAL, Mr. BUCHANAN, Mr. FAUNTROY, Mr. ROONEY of Pennsylvania, and Mr. RONCALLO of New York):

H.R. 6360. A bill to amend the Internal Revenue Code of 1954 to provide for the licensing of, and for certain other regulations with respect to, persons in the business of preparing tax returns; to the Committee on Ways and Means.

By Mr. ROBINSON of Virginia:

H.R. 6361. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. ROGERS:

H.R 6362. A bill to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. RONCALLO of New York (for self, Mr. GUNTER, Mr. FISH, Mr. ROE, Mr. SCHERLE, Mr. WHITEHURST, Mr. KETCHEM, Mr. DAVIS of South Carolina, Mr. PODELL, Mr. WALSH, Mr. YATRON, Mr. BURTON, Mr. BURGENER, Mr. ROBISON of New York, Mr. TIERNAN, Mr. CRONIN, Mr. FINDLEY, Mr. BOWEN, and Mr. MARAZITI):

H.R. 6363. A bill to provide that members of the Armed Forces and Federal employees who were prisoners of war or missing in action for any period during the Vietnam conflict may receive double credit for such period for retirement purposes; to the Committee on Armed Services.

By Mr. RONCALLO of New York (for himself, Mr. GUNTER, Mr. FISH, Mr. ROE, Mr. SCHERLE, Mr. WHITEHURST, Mr. KETCHUM, Mr. DAVIS of South Carolina, Mr. PODELL, Mr. WALSH, Mr. YATRON, Mr. BURTON, Mr. BURGENER, Mr. ROBISON of New York, Mr. TIERNAN, Mr. CRONIN, Mr. FINDLEY, Mr. BOWEN, and Mr. MARAZITI):

H.R. 6364. A bill to provide that members of the Armed Forces and Central Intelligence Agency employees who were prisoners of war or missing in action for any period during the Vietnam conflict may receive double credit for such period for retirement purposes; to the Committee on Armed Services.

By Mr. RONCALLO of New York (for himself, Mr. GUNTER, Mr. FISH, Mr. ROE, Mr. SCHERLE, Mr. WHITEHURST, Mr. KETCHUM, Mr. DAVIS of South Carolina, Mr. PODELL, Mr. WALSH, Mr. YATRON, Mr. BURTON, Mr. BURGENER, Mr. ROBISON of New York, Mr. TIERNAN, Mr. CRONIN, Mr. FINDLEY, Mr. BOWEN, and Mr. MARAZITI):

H.R. 6365. A bill to provide that employees of the Foreign Service who were prisoners of war or missing in action for any period during the Vietnam conflict may receive double credit for such period for retirement pur-

poses; to the Committee on Foreign Affairs.

H.R. 6366. A bill to provide that Civil Service employees who were prisoners of war or missing in action for any period during the Vietnam conflict may receive double credit for such period for retirement purposes; to the Committee on Post Office and Civil Service.

By Mr. RUPPE:

H.R. 6367. A bill to amend section 53(a) of the Airport and Airway Development Act of 1970 so as to include snowmobiles within the $25 ceiling imposed on overtime charges for certain services in connection with the arrival in or departure from the United States of any private aircraft or private vessel; to the Committee on Interstate and Foreign Commerce.

H.R. 6368. A bill to amend section 426 of title 33, United States Code, for the purpose of authorizing the Army Corps of Engineers to undertake emergency erosion control projects; to the Committee on Public Works.

H.R. 6369. A bill to amend the Disaster Relief Act of 1970 for the purpose of making clear that disaster assistance is available to those communities affected by extraordinary shoreline erosion damage; to the Committee on Public Works.

By Mr. ST GERMAIN:

H.R. 6370. A bill to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes; to the Committee on Banking and Currency.

By Mr. SAYLOR (for himself, Mr. CAMP, and Mr. ZWACH):

H.R. 6371. A bill to provide for financing and economic development of Indians and Indian organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6372. A bill to provide for the assumption of the control and operation by Indian tribes and communities of certain programs and services provided for them by the Federal Government, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. HOSMER, Mr. RUPPE, Mr. CAMP, and Mr. ZWACH):

H.R. 6373. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. RUPPE, Mr. CAMP, and Mr. ZWACH):

H.R. 6374. A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. CAMP, and Mr. ZWACH):

H.R. 6375. A bill to amend certain laws relating to Indians; to the Committee on Interior and Insular Affairs.

H.R. 6376. A bill to amend acts entitled "an Act authorizing the Secretary of the Interior to arrange with States or Territories for the education, medical attention, relief of distress, and social welfare of Indians, and for other purposes" and "To transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes" and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself and Mr. HOSMER):

H.R. 6377. A bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6378. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mrs. SCHROEDER (for herself, Ms. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BERGLAND, Mr. BRADEMAS, Mr. BROWN of California, Mrs. BURKE of California, Mr. BURTON, Mr. CONYERS, Mr. DANIELSON, Mr. DELLUMS, Mr. DE LUGO, Mr. DRINAN, Mr. EDWARDS of California, Mr. FRASER, Mr. GRAY, Mr. HAMILTON, Mr. MAZZOLI, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. Moss, Mr. OWENS, Mr. PEPPER, and Mr. PODELL):

H.R. 6379. A bill to provide for the establishment within the Department of Health, Education, and Welfare of a National Center on Child Development and Abuse Prevention, to provide financial assistance for a demonstration program, and for other purposes; to the Committee on Education and Labor.

By Mrs. SCHROEDER (for herself, Mrs. CHISHOLM, Mrs. MINK, Mr. RANGEL, Mr. REID, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, Mr. WALDIE, Mr. WOLFF, Mr. WON PAT, and Mr. YOUNG of Georgia):

H.R. 6380. A bill to provide for the establishment within the Department of Health, Education, and Welfare of a National Center for Child Development and Abuse Prevention, to provide financial assistance for a demonstration program, and for other purposes; to the Committee on Education and Labor.

By Mr. SEBELIUS (for himself and Mr. JOHNSON of Colorado):

H.R. 6381. A bill to authorize release of 1965–70 stored excess wheat; to the Committee on Agriculture.

By Mr. SEIBERLING:

H.R. 6382. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. SHOUP (for himself, Mr. VEYSEY, Mr. WON PAT, Mr. KETCHUM, Mr. BLACKBURN, Mr. HOSMER, Mr. CAMP, Mr. BUTLER, Mr. STUCKEY, and Mr. MOLLOHAN):

H.R. 6383. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to eliminate certain record-keeping provisions with respect to ammunition; to the Committee on the Judiciary.

By Mr. SHOUP (for himself, Mr. BRAY, Mr. VEYSEY, Mr. WON PAT, Mr. KETCHUM, Mr. BLACKBURN, Mr. HUBER, Mr. HOSMER, Mr. CLEVELAND, Mr. MARTIN of North Carolina, Mr. BUCHANAN, Mr. BUTLER, Mr. STUCKEY, Mr. MOLLOHAN, Mr. OWENS, and Mr. GUNTER):

H.R. 6384. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.R. 6385. A bill to amend the Community Mental Health Centers Act to extend for 1 fiscal year the programs of assistance under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. SIKES (for himself and Mr. JONES of Tennessee):

H.R. 6386. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes; to the Committee on Agriculture.

By Mr. STAGGERS (for himself and Mr. DEVINE):

H.R. 6387. A bill to consolidate and extend the authorizations for appropriations for assistance to medical libraries, to repeal provisions for assistance for construction of facilities and for grants for training in medical library sciences, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself, Mr. JARMAN, Mr. DINGELL, Mr. ADAMS, Mr. PODELL, Mr. METCALFE, Mr. HARVEY, Mr. KUYKENDALL, Mr. SKUBITZ, and Mr. SHOUP):

H.R. 6388. A bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share of allowable project costs under such act; to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air commerce; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELE:

H.R. 6389. A bill to amend the Export Administration Act of 1969 (50 App. U.S.C. 2401–2413) as amended, to control the export of timber from the United States; to the Committee on Banking and Currency.

H.R. 6390. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Wisconsin (for himself, Mr. CONTE, Mr. HASTINGS, Mr. PODELL, Mr. MCCLORY, Mr. THOMSON of Wisconsin, Mr. SISK, Mr. MCEWEN, Mr. MILFORD, Mr. SHRIVER, Mr. KEMP, Mr. CLEVELAND, Mr. ROBINSON of Virginia, Mr. BELL, Mr. HORTON, Mr. HENDERSON, Mr. THONE, Mr. BURGENER, Mr. KEATING, Mr. OWENS, Mr. SMITH of Iowa, Mrs. HECKLER of Massachusetts, Mr. TOWELL of Nevada, Mr. PREYER, and Mr. BUTLER):

H.R. 6391. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin (for himself, Mr. SIKES, Mr. QUIE, Mr. HUNGATE, Mr. RHODES, Mr. ULLMAN, Mr. SCHNEEBELI, Mr. MICHEL, Mr. FINDLEY, Mr. LENT, Mr. WON PAT, Mr. ESHLEMAN, Mr. MAYNE, Mr. FORSYTHE, Mr. YOUNG of Illinois, Mr. MELCHER, Mr. WARE, Mr. LEGGETT, Mr. SHOUP, Mr. BUCHANAN, Mr. RUPPE, Mr. MAZZOLI, Mr. FISHER, Mr. HANSEN of Idaho, and Mr. VEYSEY):

H.R. 6392. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin:

H.R. 6393. A bill to require Federal contractors to observe practices which will preserve and enhance the environment and fisheries and wildlife resources; to the Committee on Merchant Marine and Fisheries.

By Mr. STEPHENS:

H.R. 6394. A bill to suspend the duty on caprolactam monomer in water solution until the close of December 31, 1973; to the Committee on Ways and Means.

By Mr. STUCKEY (for himself and Mr. GINN):

H.R. 6395. A bill to designate certain lands in the Okefenokee National Wildlife Refuge, Ga., as wilderness; to the Committee on Interior and Insular Affairs.

By Mrs. SULLIVAN (for herself, Mr. DINGELL, Mr. MAILLIARD, and Mr. PRITCHARD):

H.R. 6396. A bill to amend the Anadromous Fish Conservation Act in order to clarify the duties of the Secretary of the Interior thereunder and to extend the authorization for appropriations to carry out such act; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself, Mr. DINGELL, Mr. MAILLIARD, Mr. GOODLING, Mr. DU PONT, Mr. PRITCHARD, and Mr. HANNA).

H.R. 6397. A bill to authorize the Secretary of the Interior to establish programs and regulations for the protection of the fishery resources of the United States, including the fresh water and marine fish cultural industries, against the dissemination of serious diseases of fish and shellfish; to the Committee on Merchant Marine and Fisheries.

By Mr. THONE:

H.R. 6398. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcast station shall be issued for a term of 5 years, and to establish orderly procedure for the consideration of applications for the renewal of such licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 6399. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts of retirement benefits from public retirement systems; to the Committee on Ways and Means.

By Mr. BOB WILSON (for himself, Mr. BLACKBURN, Mr. MAYNE, Mr. CRANE, Mr. BAKER, Mr. SCHERLE, Mr. KETCHUM, Mr. WHITEHURST, Mr. FISHER, Mr. VEYSEY, Mr. VANDER JAGT, Mr. KEMP, Mr. MICHEL, Mr. RHODES, Mr. GOLDWATER, Mr. ESHLEMAN, Mr. HOSMER, Mr. HASTINGS, Mr. COLLINS, Mr. NELSEN, Mr. WARE, Mr. TREEN, Mr. BURGENER, Mr. HINSHAW, and Mr. DAVIS of Georgia):

H.R. 6400. A bill to promote the utilization of improved technology in federally assisted housing projects and to increase productivity in order to meet our national housing goals, and for other purposes; to the Committee on Banking and Currency.

By Mr. WINN:

H.R. 6401. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

By Mr. WOLFF:

H.R. 6402. A bill to prohibit the exportation of grain from the United States whenever the supply of grain is not sufficient to meet domestic needs; to the Committee on Banking and Currency.

By Mr. WOLFF (for himself and Mr. RANGEL):

H.R. 6403. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

By Mr. WYMAN:

H.R. 6404. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 6405. A bill to provide that, after January 1, 1973, Memorial Day be observed on May 30 of each day and Veterans Day be observed on the 11th of November each year; to the Committee on the Judiciary.

By Mr. WYMAN (for himself and Mr. VEYSEY):

H.R. 6406. A bill to amend the Federal Trade Commisison Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Georgia:

H.R. 6407. A bill to amend the Urban Mass Transportation Act of 1964 to require community representation and participation (including proportionate representation of minorities and low-income groups), through the appointment of State and local advisory councils, in policy and decisionmaking by State and local transit agenices seeking assistance under that act; to the Committee on Banking and Currency.

H.R. 6408. A bill to amend the Urban Mass Transportation Act of 1964 to require proportionate representation of minority and low-income groups on State and local transit agencies seeking assistance under that act; to the Committee on Banking and Currency.

By Mr. YOUNG of South Carolina:

H.R. 6409. A bill to extend for 5 more years the expiring provisions of the Agricultural Act of 1970; to the Committee on Agriculture.

By Mr. ZWACH:

H.R. 6410. A bill to amend the Fish and Wildlife Act of 1956, to protect game and wildlife resources by prohibiting the use of lead shot for hunting in marshes and other aquatic areas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI (for himself, Mr. ROSENTHAL, Mrs. HECKLER of Massachusetts, Mr. BRASCO, Mr. BINGHAM, and Mr. HARRINGTON):

H.J. Res. 469. Joint resolution authorizing the Secretary of Health, Education, and Welfare to encourage and assist in the distribution of the "Patient's Bill of Rights" to patients in hospitals and other health care facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. MAZZOLI:

H.J. Res. 470. Joint resolution proposing an amendment to the Constitution relating to the term of office of Members of the House of Representatives and the eligibility of such Members to be elected to the Senate; to the Committee on the Judiciary.

By Mr. WHITEHURST (for himself, Mrs. HOLT, and Mr. TREEN):

H.J. Res. 471. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H. Con. Res. 168. Concurrent resolution expressing the sense of Congress that our NATO allies should contribute more to the cost of their own defense; to the Committee on Foreign Affairs.

By Mr. CONABLE:

H. Con. Res. 169. Concurrent resolution providing recognition for Columbus; to the Committee on House Administration.

By Mr. LOTT:

H. Con. Res. 170. Concurrent resolution relating to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. RUPPE:

H. Con. Res. 171. Concurrent resolution expressing the sense of the Congress that summer youth programs under the Economic Opportunity Act of 1964 should be continued; to the Committee on Education and Labor.

By Mr. RARICK (for himself and Mr. DOWNING):

H. Res. 335. Resolution maintaining U.S. sovereignty, Panama Canal Zone; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

118. The SPEAKER presented a memorial of the Legislature of the State of New Hampshire, relative to setting a starting date of the Vietnam conflict for administrative purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Ms. HOLTZMAN:

H.R. 6411. A bill for the relief of Murray Swartz; to the Committee on the Judiciary.

By Mr. McKAY:

H.R. 6412. A bill for the relief of Monique Olive; to the Committee on the Judiciary.

By Mr. RONCALIO of Wyoming:

H.R. 6413. A bill for the relief of Harry H. Hashimoto; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 6414. A bill granting authority to the Secretary of the Army to renew the license of the Ira D. MacLachlan Post No. 3, The American Legion, Sault Sainte Marie, Mich., to use a certain parcel of land in Saint Marys Falls Canal project; to the Committee on Armed Services.

SENATE—*Thursday, March 29, 1973*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

Dr. Leonard H. Cochran, Methodist minister, retired, Perry, Ga., offered the following prayer:

Almighty God, may those who work here as servants of the Nation humbly acknowledge their dependence upon Thee so that we may safely depend upon them.

As a great rock arrests the drifting sand of the desert, allowing vegetation to take root and grow at its sheltered base, so may these Senators put their backs against the drifting life of this day until noble virtues and lasting qualities of life can take root and flourish in the land.

Aid them in doing that which will assure the continuance of the Nation in a glorious future.

May some one of them be able to say what other men will take note of, and long remember. May each of them have that perception and wisdom to see and to choose the best above the good, the highest above the ordinary, and the worthy above the popular. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of

Wednesday, March 28, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

ORDER OF BUSINESS

Mr. SCOTT of Pennsylvania. Mr. President, I yield back my time under the standing order.

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Washington (Mr. JACKSON) is now recognized for not to exceed 15 minutes.

THE JACKSON AMENDMENT ON FREEDOM OF EMIGRATION

Mr. JACKSON. Mr. President, last week there were hints from Moscow that Soviet citizens wishing to emigrate would be granted permission to do so. The suggestion that Soviet citizens would at last be given their freedom was whispered to Western journalists by unnamed Soviet "sources." A handful of visas were distributed. The news was managed with unusual sophistication: The Soviets went so far as to invite a television crew to the Moscow offices where cutrate visas were being issued to educated Jews who had been waiting months and even years for permission to emigrate. And Victor Louis, the Moscow "journalist" who surfaces like an oil slick whenever the Kremlin needs a PR man, suggested in an Israeli newspaper that the Kremlin has decided to stop collecting the "education" tax on emigrating Jews, but the law will remain on the statute books.

That was last week.

This week, Mr. President, one courageous family, scattered on three continents, is risking starvation to obtain freedom and to make it clear to us what they already know: That there has been no genuine movement toward a policy of free emigration in the Soviet Union, that families are still being cruelly divided, and that, tax or no tax, there are innocent men and women in the Soviet Union who cannot buy a visa at any price.

Mr. President, I want to speak for a moment about Mark Yampolsky and his family. And I want my colleagues to know that as I speak, Mark Yampolsky is standing in front of the Soviet Embassy on 16th Street on the third day of a hunger strike; his wife, Eleanora, is in front of the Soviet Embassy in London, also on a hunger strike; and Eleanora's parents and sister are ill, perhaps gravely, after a 6-day hunger strike in Novosibirsk, Siberia. The inhuman suffering that these brave people have endured is sadly familiar.

Several months ago, and then only after a year-long campaign during which Mark, now 25, was twice arrested and imprisoned, he and his young wife were permitted to buy their freedom from the Soviet Government. They paid more than 10,000 rubles for two exit visas and, along with Eleanora's grandfather, they left Kiev to go to Israel. Unhappily, Eleanora's parents, and her sister—the Poltinnikov family from Novosibirsk, Siberia—were not so fortunate. They have seen each of seven requests for an exit visa turned down cold by the Russian authorities.

Dr. Isaac Poltinnikov, Mark's father-in-law, is an outstanding ophthalmologist who retired 2 years ago. Since applying to emigrate from the Soviet Union last summer he has had his only income, his retirement pension, terminated. He and his family have suffered ceaseless ordeals and abuses including the imprisonment of his wife and daughter—Eleanora's sister—on charges of having petitioned the Soviet authorities for an exit visa.

Last week the Poltinnikovs were again denied permission to emigrate and, in desperation, they began a hunger strike at the central telephone office in Novosibirsk. Eleanora and Mark also resorted to a hunger strike—she in London, he in Washington—when Eleanora was told by the Russian authorities this week that:

> Your parents will never be allowed to emigrate.

Yesterday the Poltinnikov family was refused medical attention at the central telephone office in Novosibirsk. After 6 days of starvation Eleanora's mother, who is a diabetic, suffered a medical crisis that required her to terminate her protest. The family, as far as ever from having the right to emigrate, is recuperating in the apartment of friends in Novosibirsk.

The Government of the Soviet Union has simply and clearly terrorized the Poltinnikov family. What sense is there in the cruel torture of these innocent human beings? What legitimate policy of the Soviet Government is served by keeping them, against their will, from emigrating to freedom?

Mr. President, it seems clear that the Soviet Government is terrorizing the Poltinnikov family in order to discourage others who wish to emigrate from applying for exit permits. Soviet citizens who apply for permission to emigrate are routinely fired from their jobs or relieved of their pensions—like Dr. Isaac Poltinnikov they are left destitute. Soviet authorities hope to deter through fear and intimidation, through harassment, through imprisonment in corrective labor camps, in jails, and in institutions for the mentally ill.

Last week's managed news of a significant shift in Soviet emigration policy was a fraud—and a transparent one at that. There is more truth in Mark Yampolsky and his hunger strike on 16th Street than in all the articles, all the broadcasts, all the Tass releases and diplomatic assurances that last week sought to extenuate, explain, and obscure. The Soviet Government has penned in the Poltinnikov family in Novosibirsk and it is doing the same thing to thousands of other men, women, and children all over the Soviet Union.

Before last November's Presidential elections, as many Senators will recall, the Soviets permitted a number of families to emigrate without payment of the education ransom. Immediately after the election the ransom was reimposed. This followed the pattern that had been set before last year's Moscow summit when, again, a "tactical liberalization" of Soviet emigration policy was followed by a relapse into the old pattern of harassment and denial. I must say that I am amazed that the Soviet authorities thought, as apparently they did, that last week's selective release of a few families in Moscow at bargain basement prices would fool the American people. The fact is that for every Soviet citizen who was unable financially to pay the notorious education ransom, there were—and are—hundreds who cannot buy a visa at any price. The fact that some visas are being sold at discount prices is little comfort to the thousands who are not being permitted to buy. Only a policy of granting every legitimate applicant a visa within a fixed and reasonable period of time can alter that.

Mr. President, when one compares last week's hints from Moscow with this week's reality it becomes clear that there can be no effective substitute for the passage of my amendment—cosponsored by 76 Senators—to deny most-favored-nation treatment, credits, credit guarantees, and investment guarantees to States that deny their citizens the right or opportunity to emigrate. This amendment gives the Soviets an incentive to permit free emigration—and it provides a sanction if they do not, either now or at any time in the future. By requiring a semiannual report of compliance, we in Congress can be assured that any positive change in Soviet emigration policy could not be reversed without the loss of MFN and the other trade and credit benefits.

Mr. President, I wish to be clear: I will not put a dollar sign on freedom. I intend to keep faith, as I am certain my colleagues do, with young Mark Yampolsky and with the thousands of brave men and women whose watch he is keeping.

Mr. President, I ask unanimous consent that my remarks made at the National Press Club on Thursday, March 22, 1973, be printed in the RECORD.

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

REMARKS BY SENATOR HENRY M. JACKSON ON EAST-WEST TRADE AND FREEDOM OF EMIGRATION, NATIONAL PRESS CLUB

Ever since the end of World War II the peace and stability of the world have been threatened by the walls that have divided East from West. Churchill recognized the danger to peace and the barrier to freedom drawn across Europe in his famous "Iron Curtain" speech in Fulton, Missouri. And along with an awareness of the danger that lies in division came a determination to do something about it, a resolve repeated by each successive American President to promote the free movement of men and ideas.

When the United Nations Declaration of Human Rights was unanimously approved in 1948, no one would have dreamed that 25 years later it would take a Congressional amendment to a trade bill to remind the

Russians that the Declaration includes the right to emigrate.

There is welcome evidence that the White House and the Kremlin now take seriously the determination of the Congress to withhold trade concessions from countries that deny their citizens the opportunity to emigrate. They cannot help but be impressed by the overwhelming support for my amendment to the forthcoming trade bill—fully three-quarters of the Senate and 275 members of the House are joined as cosponsors.

The amendment is a simple one. Under its provisions, the granting of most-favored-nation treatment and the extension of credits or credit guarantees or investment guarantees to nonmarket countries cannot take place until the President reports to the Congress that the country in question does not deny its citizens the right or opportunity to emigrate, either by imposing more than nominal taxes on emigration or by any other means.

This week we have seen some encouraging signs that the Soviets are being more generous in implementing emigration regulations that they have always claimed are consistent with free emigration. I am sure you have seen the reports that some tens of individuals have had the ransom tax waived and that still others will be permitted to emigrate without the payment of the so-called "education tax." It is my great hope that by the time our amendment is enacted into law—and we intend to see that it is—the practice in the Soviet Union will be such as to permit the President without hesitation to make the statutory report of compliance.

We wrote the reporting requirement into the amendment after observing how capricious Soviet emigration policy has been. We all remember that before the Moscow summit there was a relaxation that was followed, after the summit, by a relapse into the old patterns of harassment and taxation to discourage and deny emigration. So to make certain that, once started, the flow of free emigration will not be shut off, the amendment requires the President to make a report of compliance every six months for so long as MFN and the other trade benefits are made available. It is this provision that gives Congress the essential assurance we require of continuing compliance with the free emigration requirement.

Terminating the collection of the Soviet ransom tax would be a great first step in the direction of removing barriers to free emigration. An end to the Russian practice of firing visa applicants from their jobs would be another. Now, I have heard it said that the Soviets are going to keep the ransom tax on the statute books but they won't apply it in practice. I say that we are going to put the Jackson amendment on the statute books but in the hope that it won't apply to the Soviet Union because they will be in compliance with the free emigration provision.

I'm not against trade with the Soviet Union. Long before the President went to Moscow I was one of a handful of Senators who sponsored the East-West Trade Relations Act to promote trade with the Soviet Union. But I believe that we ought to use our vast economic power to help bring freedom and dignity to thousands of individuals who have been willing to stand up and fight for their right to leave Russia. I am proud that America is fighting to help them obtain their freedom.

Once we watched helplessly as barbed wire fences and walls with watchtowers were built—not to keep people out, but to keep them in. We've seen people machine gunned at the Berlin Wall or shipped off to prison camps. Their crime was the desire to be free.

The thousands of Soviet citizens who wish to emigrate aren't criminals—they're just plain human beings who want to make a better life for themselves in another country where they are welcome. That's a very familiar story to Americans. I wouldn't be here myself if Norway—the country of my parents—had had a repressive emigration policy like the Soviet Union has now.

While we're bargaining with the Russians over dollars and rubles let's do some bargaining on behalf of helpless human beings. When we talk about free trade let's talk about free people, too.

Mr. JACKSON. Mr. President, at this point I wish to announce that the senior Senator from Hawaii (Mr. FONG) and the junior Senator from New Mexico (Mr. DOMENICI) have joined in cosponsorship since I placed the East-West trade and freedom of emigration amendment in the RECORD on March 15, bringing the total number of cosponsors of the amendment to 76, more than three-fourths of the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against my time under the order.

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

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to reserve the remainder of my time.

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

Mr. ROBERT C. BYRD. Mr. President, how much time does the Senator from Washington have remaining?

The PRESIDING OFFICER. The Senator from Washington has 5 minutes remaining.

Mr. ROBERT C. BYRD. I ask unanimous consent that that time may be reserved to me.

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

Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for not to exceed 15 minutes.

TRUTH IN GOVERNMENT

Mr. MATHIAS. Mr. President, no danger that faces the United States today is more serious than the possibility that a significant number of our people are losing faith in the validity and purpose of our Government. The polls tell us of the growing distrust of the public in the honesty of public officials. That, in turn, leaches confidence in our institutions. I regard a temper of doubt or distrust as a great danger.

When a democratic government is imperilled by loss of confidence, it follows that the people must feel some lack of confidence in themselves. Corrosion attacks throughout the whole system. The challenge to leadership is then the restoration of trust in government and the renewal of faith in the Nation.

It is, therefore, useful to think a minute about the nature of loyalty and of simple patriotism. Each of us in Congress, and every other public official from the President to the most junior civil servant, has expressed his loyalty in its most elemental form when he took his oath to defend the Constitution. I believe that every one of us understood that the obligation of this oath was paramount to any other claim on us. No longer are we free to prefer the interest of a person or a party over the mandate of the Constitution. Loyalty in America is loyalty to the law of the land. The great inheritance from our Revolution is the freedom to choose this loyalty above all others.

Yet, it seems to me that at this moment the issue of conflicting loyalties is presented to us in three distinct cases that are pending in the Senate and demanding determination. The common question that must be answered in all three is whether the persons involved gave a greater loyalty to some lesser interest than to the Constitution. It is in this light that we have to make our separate judgment in the instances of the resurfacing of ITT as an influence on foreign policy, the nomination of L. Patrick Gray III to be Director of the Federal Bureau of Investigation, and in the investigation of Watergate election abuses.

The very fact that we are required to make judgments in these cases imposes upon us the identical choices that lay before the parties who are involved in each. We, ourselves, have to decide what is loyalty to the law, what is defense of the Constitution; and what is simply the strong pull of friendship, partisanship, or some veiled interest.

Such a choice seems simple when it is presented as an academic proposition; but each specific case bristles with practical problems and subordinate questions. Not the least of the cautions we must observe is the fact that loyalty to the law imposes adherence to the principle that every man is innocent until he is proven otherwise. Unjust accusations can no more be tolerated in the Senate than unjust actions can be condoned.

Our responsibilities are great, our difficulties are great, but whether our work will be great depends on whether we, ourselves, are inspired by the impartial spirit of the Constitution and whether we can accurately communicate it to our fellow countrymen.

In this task our only tool is truth. And it is truth that usually suffers first when loyalties are divided. No person who is involved or engaged in the life of his generation can avoid the competing demands of his family, his friends, his business or his State. If he gives equal priority to each, or revolving priority to the most pressing, his life will undoubtedly be chaotic. But if he, in his personal life, as we in our national life, establishes some order, he can expect to live in peace and security. It is when we are tempted to ignore the priorities of our obligations that we get into trouble. We trifle with the truth.

Some years ago, the official spokesman

for the Department of Defense, Assistant Secretary Arthur Sylvester, attempted to legitimize the practice, in which the Department had presumably been engaged, of lying to the people of the United States in the name of their Government. The result was as disastrous as it was predictable. Popular understanding and support for the war in Vietnam was not increased; on the contrary, it was seriously undermined. Even after several changes in administration in the Pentagon, its credibility has not been fully restored.

Consider, on the other hand, the example of Winston Churchill in the Battle of Britain. As Walter Lippmann has pointed out, Churchill demonstrated his faith in democracy by sharing the truth with his people.

No matter how bad the news, no matter how serious the situation, no matter how desperate the danger, Churchill not only faced the truth but he told it. The result was not despair in Britain but rather renewed confidence in the Prime Minister, in his government, and in the ultimate values of the British Constitution, which made winning worthwhile.

And so I say again that the pursuit of truth is the only direction in which we can go in search of the way to preserve our loyalty to the Constitution and the laws. A visible, unshakeable demonstration of that loyalty is the only way I know to restore the confidence, hope, and aspiration that many of us find missing in our national life today.

We are more likely to reach this goal if we candidly admit the obstacles in our way. It is very human to want to do a favor for a friend or an errand for an organization, or perhaps to keep our powder dry for another occasion which may or may not happen. But these are temptations that we share with all humanity and so we need not be ashamed of being tempted, but only of succumbing and betraying our prime loyalty.

It will be asked, I am sure, why I have taken the time to philosophize in this way without adding any new or dramatic element to the continuing debate. I did so because I think the pervasive problem of confusion of loyalties has poisoned public ethical behavior and hit at the heart of scepticism about Government and politics. I am tried of hearing about how "they all do it in Washington" and I want to hear more of "it may have been that way once, but it is not that way anymore."

The only way to restore confidence and trust throughout our society is for everyone who shares the privilege of leadership to obey the law, and to meet the small questions and the great issues with equal courage.

We shall need the encouragement of concerned citizens. We shall need the cooperation and the candor of those who share power with us at every level of government. We shall need to discipline ourselves to a kind of objectivity that rejects partisanship whether we are cast in the role of prosecutor or defender in any given case. We shall need to reaffirm the strength of our own moral fiber and the influence of conscience on the course of our lives.

But I have faith in the healing strength of truth. I have confidence that we can prove again that for men and women everywhere America is still the last best hope on Earth.

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

Mr. MATHIAS. I am happy to yield to the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, I have listened to the distinguished Senator from Maryland (Mr. MATHIAS), to his profound and moving statement on the national condition, in effect, his declaration of conscience.

I find that what he has said is profound, because the theme of his observation is of fundamental importance to the Nation. He deals with the erosion of the confidence of citizens, and especially of young citizens, in Government. He attributes this erosion, correctly, in my judgment to the increasing disregard of the constitutional base of our institutions by those with primary responsibility for upholding the Constitution, including ourselves. It is a disregard illuminated by the tragedy of a Vietnam, an Indochina, and by the cynicism of a Watergate—an ITT.

The Senator's statement is deeply moving, because he has the integrity to face the fact that, few, if any of us in Government have been entirely free of fault in the process. There is no self-serving superiority in his comments; there is no moralistic prattling. There is only honesty and trust in the healing power of truth. I commend the Senator for his candor no less than for his contribution to the Senate's understanding.

Mr. MATHIAS. Mr. President, I am grateful for the generous remarks of the distinguished majority leader. I do feel that we all share some responsibility in this situation in which we find ourselves today. I think, however, that perhaps it is appropriate that as we contemplate with great satisfaction and pleasure the fact that the last American in Vietnam left today, we should also look back on the mistakes that we made on the road that led us into Vietnam, and that we can try to find a better way to translate what we are trying to do in Government to something which is understandable and believable as an article of faith in the American people.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon (Mr. HATFIELD) is recognized for not to exceed 15 minutes.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATFIELD. How much time does the Senator from Maryland have remaining?

The PRESIDING OFFICER. The Senator from Maryland has no time remaining.

Mr. HATFIELD. Mr. President, I understand I have 15 minutes.

The PRESIDING OFFICER. The Senator has 15 minutes.

CONSTITUTIONAL RESPONSIBILITY AND THE WAR IN INDOCHINA

Mr. HATFIELD. Mr. President, before I go into the speech for which I asked that this time be allotted, I wish to commend the Senator from Maryland (Mr. MATHIAS) for his perceptive and excellent statement. He has emphasized truths that are absolutely essential to preserving the vitality and integrity of constitutional government.

The Senator from Maryland stated that the tragedy of Vietnam "has raised the large question once more, whether there is any reasonable way to prevent the United States from sliding into war again. A logical result of the search into the causes of the war in Vietnam," the Senator stated, "has been to force the Congress to reexamine the constitutional foundations of our Government."

Mr. President, those words have an especially timely relevance to the situation we are facing in Indochina this very day.

It has been my firm conviction that since the repeal of the Gulf of Tonkin resolution in 1970, that the administration has had no constitutional authority for pursuing any military action in Indochina other than the withdrawal of our troops and their protection. But as we know, our policy in these past years has been not only the withdrawal of our troops, but also the political objective of support for the regimes in South Vietnam, Laos, and Cambodia. It has been consistently maintained by many of my colleagues in this body, as well as by myself, that there has been no constitutional authority for military actions designed to achieve these political purposes, for Congress has never passed any resolution specifically authorizing such commitments.

When asked to comment on the constitutionality of our military actions in Indochina in the past few years, the administration has constantly cited the power of the Commander in Chief to protect his troops. July 1, 1970, Howard K. Smith asked the President, in a series of questions, what the legal basis was for our policy once the Gulf of Tonkin resolution was repealed. The President replied:

> The President of the United States has the Constitutional right—not only the right but the responsibility—to use his powers to protect American forces when they are engaged in military actions; and under these circumstances, starting at the time I became President, I have that power and I am exercising that power.

Later, Mr. Smith pressed his question even further stating:

> Do you have a legal justification to follow that policy (meaning the President's overall policy in Indochina) once the Tonkin Gulf resolution is dead?

The President replied:

> Yes, sir, Mr. Smith, the legal justification is the one I have given, and that is the right of the President of the United States under the Constitution to protect the lives of American men. That is the legal justification.

I recall these matters for one crucial reason. Today, the last American soldiers stationed in South Vietnam will

come home. I rejoice in this. All Americans do. And I commend the President for achieving this goal.

Yet, one disturbing fact remains. Our B–52s are continuing, daily, to drop the bombs on Cambodia. We are told that this bombing is essential to support the Lon Nol regime there.

Since the beginning of this week the administration has been asked what the constitutional justification for such bombing is. Two administration spokesmen, Ambassador William Sullivan of the State Department, and the Secretary of Defense, have gone so far to suggest that the constitutional authoriy is linked, in some way, to the reelection of President Nixon. Yesterday, it was suggested that the authority rests with the SEATO Treaty, or with the claim that the North Vietnamese are violating article 20 of the peace agreement.

However, the government of Lon Nol in Cambodia has explicitly removed its country from the application of the SEATO Treaty. Further, our bombs are falling not simply on North Vietnamese troops remaining in Cambodia, but on the indigenous Cambodian insurgents fighting against Lon Nol. Thus, neither of those two speculated rationales can in any way provide the constitutional justification for such bombing.

Mr. President, the Senator from Maryland has pointed out eloquently that officials of this Government, as well as the Members of Congress, take the oath of office to "defend the Constitution."

But consider what has happened this week. Faced with the uncomfortable fact that the past constitutional justifications for our policy in Indochina will be lost with the last soldier that leaves today, the administration has merely suggested that lawyers are working on this problem. In the meantime, we hear Ambassador Sullivan suggest that the reelection of a President carries with it some kind of constitutional mandate to make war.

Never has it even been suggested, or speculated, that the defense of the Constitution may take priority over the defense of the Lon Nol regime.

It has been painful for anyone who is committed to the Constitution of the United States to see officials of this administration so obviously committed to pursuing the policy they have predetermined, and annoyed at the fact that they will have to go through some legal gymnastics and create some sort of constitutional rationalization for that policy.

This is not "defending the Constitution." This is treating our Constitution with disdain.

Mr. President, I am most deeply grateful for the return of the last American soldier from Vietnam today.

But I am also most distressed. For if our bombing now continues in Cambodia, we will be on our way to make the Constitution of the United States the last casualty of this war.

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

Mr. HATFIELD. I yield.

Mr. MATHIAS. I think he would agree that in the wake of war and destruction in Vietnam, which, happily for Americans, is ending today, even if it is not ending for others today, we begin the process of introspection to try to ascertain what went wrong and why it went wrong. I think we have to say candidly that we in the Congress share a part of the responsibility for unwise decisions and for procedural failures on our part which would have led to making contributions to better decisions and more effective action.

I believe, if we continue this process in the constructive spirit in which the Senator from Oregon has expressed it today, we can find ways to avoid a repetition of those errors and again sliding into some of the folly and tragedy of the past.

Mr. HATFIELD. I thank the Senator.

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

Mr. HATFIELD. I yield.

Mr. JAVITS. I have read the speeches of both the Senator from Maryland and the Senator from Oregon with the deepest interest and concern, and I literally dashed over from an urgent committee hearing to express on the floor of the Senate my own feeling of solidarity and deep involvement in exactly what they have said.

The American crisis is a moral crisis. And it is a constitutional crisis. What are the powers of Congress? What are the powers of the President? It is a question of the confidence of Americans in our society and its moral integrity.

I deeply believe that, notwithstanding all modernisms and their tremendous attractions, the eternal verities remain, especially in the hearts of the young, who are the most modern.

I feel strongly that, as we strive to implement these concepts, in company with all our colleagues and my colleagues who have just spoken, Senator MATHIAS and Senator HATFIELD, speaking as they have to the young men and women of the new generation as well as to those in responsible positions of an older generation, they are striking a note of frankness and integrity which needs to be struck, without self-consciousness and with deep conviction. There is nothing sanctimonious about it or evangelistic. It is what our country needs if it is to be roused to greatness in terms of human achievements, and not merely in terms of bricks and mortar, and machinery, and all the paraphernalia of economic activity.

I am grateful to them for the eloquent words which they have spoken on the floor today.

Mr. HATFIELD. I thank the Senator from New York. I deeply appreciate his contribution to the colloquy this morning.

ORDER OF BUSINESS—INTRODUCTION OF BILLS

Mr. HATFIELD. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Oregon has 5 minutes remaining.

(The remarks Senator HATFIELD made on the introduction of S. 1418 to commemorate the 100th birthday anniversary of former President Herbert Hoover, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. Under the previous order, the Senator from Maryland (Mr. BEALL) is recognized for not to exceed 15 minutes.

(The remarks Senator BEALL made when he introduced Senate Joint Resolution 86, providing for a 2-year suspension of Federal support of projects involving psychosurgery, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

THE CONTINUING WAR ON CRIME

Mr. ALLEN. Mr. President, there has been a lot of talk about the war on crime—that is good.

There has been some action and there has been some progress and that is good.

But let us face it—the problem is not under control and it will never be under control until it can be said that every citizen of this Nation is protected in the enjoyment of his God given right to feel secure in his home and community.

The law abiding, hard working, tax paying citizens of our Nation demand no less and are entitled to no less than adequate protection of life and property from the ravages of a marauding criminal element in our society. They demand no less and will accept no less than full enjoyment of the constitutionally protected right to live in peace and tranquility—and free to walk the streets of this Nation without fear or hindrance. The time is ripe now for less talk and more action.

In this connection my hat is off to the dedicated and long suffering law enforcement personnel who, at the risk of life and limb do their dead level best to protect us from the criminal element who stalk their prey from the shadows with savage and criminal intent.

But law enforcement personnel do not do the job alone. They need our help. We have saddled on them a near unbearable burden of responsibilities. They, along with the vast majority of our citizens, are fed up with toothless paper tiger penal statutes which do not deter. They are disgusted with brainwashed sociological judges who read the Constitution as though it were written to protect convicted criminals and not the rights of law-abiding citizens. They are sickened by jellyfish judges who seem content to sentence convicted criminals with a slap on the wrist, a tut-tut, and a bored wave of the hands.

Mr. President, it is time to get tough with the criminal element in our society. Permissiveness has failed. It is time to throw the book at degenerate psychopaths whose crimes of violence against persons are uninhibited by conscience or fear of punishment. Coldblooded murderers, demented assaulters with deadly weapons, the savage rapists, the heartless kidnapers, skyjackers, terrorists, and dopepushers all must be made to receive mandatory sentences commensurate with the crime to remove them from the society which they reject.

Mr. President, that is the least we can do. But there is more that we can do and must do in the area of Federal criminal law enforcement. Too, there is more that we can do and must do to help in the area of local law enforcement

without succumbing to the temptation to create a Federal police force.

Mr. President, the fact that some progress in the war on crime has been made is encouraging evidence that we can achieve even more if we determine to do so.

In this connection, I wish to join my colleagues in noting the great significance of the statistics on crime released yesterday by the Justice Department. As a Senator from the State of Alabama, with a number of relatively large urban centers, I would like to cite particularly the data which indicates the progress which has been made in reducing crime in our major cities.

The preliminary year-end statistics pointed out that 94 major cities reported actual decreases in serious crimes, compared with 53 cities in 1971, 22 cities in 1970, and 17 cities in 1969. I am pleased to know that three of Alabama's largest cities are among the 94 cities showing decreases in crime in 1972. Huntsville had a 19.9 percent decrease; Mobile, 15.2 percent; and Montgomery, 3.2 percent. Each of these decreases is above the national average. Senators will be particularly interested to note that the Nation's Capital registered fewer crimes in almost every category. This national trend is no small feat, especially in view of the fact that the last measurable decrease in serious crime—and that is 2 percent—was recorded in 1955.

There is no doubt that this milestone in the fight to reduce crime is directly attributable to the frequently unrecognized and often maligned efforts of law enforcement officers throughout the Nation to turn back the unprecedented wave of crime which swept over us in the 1960s.

In comparing these figures to those of the 1960s, we find that the crime spiral peaked in 1968 when serious crime rose 17 percent above the previous year. In 1969 and 1970, crime decreased 11 percent, while in 1971 the increase had been cut back to 6 percent.

There can be no doubt that much of this progress is directly attributable to the sense of outrage which developed among law abiding Americans who, if they escaped the direct effects of crime themselves, nevertheless witnessed the riots, the mass violence. the wanton disregard of law and decency which in the 1960s were becoming so prominent a feature of American society.

Mr. President, many social theorists seem to believe that the American people are simply sheep—that the American people do not understand what is happening in society and what Government should do to improve it. On this issue of crime and violence, Mr. President, the American—the ordinary man in the street—has shown that he knows much more about what is really happening and what needs to be done than those social theorists sitting in their "think tanks" and their cloistered college communities.

I have agreed with most of the goals of this administration, and I have given my full support to its war on crime. If even there has been Government action which is truly responsive to the needs and desires of the people, the war on crime is it. But the war is far from over. These figures show, if anything, that the fight must go on. We know we are winning, and it is no time for retreat. I commend President Nixon and his administration for their dedication to full support of law enforcement. Let us act promptly and favorably on the President's most recent proposals in the continuing war against crime.

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

QUORUM CALL

Mr. MANSFIELD. Mr. President, I want to suggest the absence of a quorum and ask unanimous consent that the time be charged to the time remaining of the distinguished Senator from Washington (Mr. JACKSON) and up to 5 minutes of the time of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD).

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Florida is recognized for not to exceed 15 minutes.

(The remarks Senator CHILES made on the introduction of S. 1414, the Congressional Budget Control Act of 1973, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia (Mr. NUNN) is recognized for not to exceed 15 minutes.

PROPOSED ANTICRIME LEGISLATION

Mr. NUNN. Mr. President, I rise today to applaud the package of anticrime legislation proposed by the President of the United States, and by Senators MCCLELLAN, HRUSKA, ERVIN, and others in our distinguished body.

I am indeed encouraged by the crime statistics released by Attorney General Kleindienst yesterday. Being from Georgia, I am particularly encouraged since three Georgia cities—Columbus, Macon, and Savannah—were among those reporting decreases in major crimes. I only wish that the statistics for all our cities in Georgia, and throughout the Nation, were as impressive.

Unfortunately, however, according to information I have just received from local Atlanta sources, Atlanta is experiencing an upsurge in major crimes as shown by a comparison between the first 2 months of 1972 and the first 2 months of 1973.

I would like to mention here that I am very hopeful that those statistics do not indicate a trend for the entire year 1973, but here they are:

Homicides, which experienced an 11-percent increase in 1972, are up 43 percent for the first 2 months of 1973. Robberies increased 39 percent in 1972 over 1971, and increased a staggering 102 percent for the first 2 months of 1973.

Rapes, which decreased 4 percent in 1972, have increased 16 percent for the same 2-month period.

Assaults are up 17 percent, burglaries are up 7 percent, and grand larcenies are up 20 percent in the city of Atlanta.

At its inception our legal system recognized the doctrine that a man's home was his castle. Throughout our history the doctrine has been considered more a philosophical concept than a literal reality. Unfortunately, the proliferation of crime has caused us to turn this historical concept into practical necessity. The citizens of this Nation have been compelled to turn their apartments and homes into castles—surrounded by moats of electric burglar alarms, walls of steel bars, and by bolt-locked doors. No longer do we feel free to take an evening's walk through streets and parks our dollars have purchased.

Statistics also indicate that a substantial portion of the crime is being committed by drug addicts who commit these acts to raise money to feed their insatiable appetite for more drugs. In a recent study of six major cities conducted by the Bureau of Narcotics and Dangerous Drugs, almost 70 percent of those persons arrested for burglary showed evidence of being addicted to drugs. Well over 50 percent of those arrested for robbery were addicted to drugs. In the major crime category, including burglary and robbery, over 40 percent of those persons arrested were addicted to drugs.

In Atlanta, Ga., 25 to 35 percent of the major crimes are committed by such addicts.

I think this should give us cause for reflection.

DRUG ADDICTS AND PUSHERS

The President has recommended increased funding for the apprehension, rehabilitation, and treatment of drug addicts. He is also advocating increased mandatory sentences for drug pushers.

I am in agreement with these proposals.

Until we can bring the problem of drug addiction under control, our citizens will never regain the use of their streets and parks. While progress appears to have been made in the apprehension of drug traffickers and in the seizure of illegal drugs, we are not operating at maximum capacity in getting people off drugs. Not only must we interdict the drug supply routes but we must also provide solutions to decrease the demand for drugs.

In the drug field, we have massive problems of supply and demand, and we must attack both. Drug addiction is a multiple-faceted problem, not exclusively within the realm of the criminal process. It is also a medical problem. In addition to the President's proposals, we need to seriously consider the adoption of a sys-

tem of involuntary medical treatment for narcotic addicts before they are forced to resort to the commission of crime—prior to their apprehension while engaged in criminal activity. This system would be in addition to the Narcotic Addict Rehabilitation Act which has, for various reasons, not been fully implemented. We have an estimated 500,000 addicts in this country. We must interdict the addicts' path from addiction to criminal acts. I can think of no parent who would rather have his son or daughter languish in prison than receive medical assistance for his or her affliction. The President says we have the funds and resources available for such purposes. I say, let us use them.

CAPITAL PUNISHMENT

The President has also recommended the reintroduction of capital punishment for certain classes of crimes. He feels that the possible imposition of the death penalty acts as a deterrent to crime. I am in complete agreement with this philosophy. While many people both within and without Congress conscientiously believe that the death penalty does not deter crime, common sense dictates otherwise. Some have said that rehabilitation requires, not the severity of the punishment but its certainty. Although I agree with this philosophy, I would add an additional factor—not only must punishment be certain but it must also be commensurate with the background of the criminal and the seriousness of the crime. No armed bank robber will ever be deterred by the knowledge that if apprehended he will certainly receive an immediate sentence of only 6 months imprisonment. We must make punishment certain; we must let it fit the crime and the criminal; and we must insure its swift application.

Since the Supreme Court's decision outlawing the death penalty the homicide rate in Atlanta has jumped 45 percent. In the recent Prince Georges County vending machine robbery the perpetrators bragged that they could kill their hostages since they no longer faced the possibility of capital punishment. While these illustrations are by no means conclusive evidence, they are illustrative of the callous disregard for human life exhibited by today's criminal. The problem in trying to statistically analyze the deterrent effect of the death penalty is that we do not know whom to poll. We cannot determine which people or how many people did not commit murder because they feared the possibility of receiving capital punishment.

THE PROPOSED CRIMINAL CODE REVISION

I am also pleased that legislation has been introduced to comprehensively revise and simplify the Federal Criminal Code for the first time since its inception almost 200 years ago. Senator McCLELLAN, the sponsor of S. 1, and Senators HRUSKA and McCLELLAN, the sponsors of S. 1400 are both due our appreciation; and our strongest attention needs to be devoted to this, one of the most crucial matters facing the 93d Congress. We have seen too many criminals set free, their convictions set aside on legal loopholes and technicalities which have nothing to do with their guilt or innocence. S. 1400 contains a codification of a valid insanity defense based on the long-recognized McNaughton rule—the right-wrong test. Heretofore the defense of insanity has varied on a case-by-case basis, with different Federal jurisdictions adopting differing rules for criminal responsibility. To say that a person suffering from some mental impairment could be guilty of a Federal crime in one Federal circuit, and not guilty in another circuit, only breeds contempt for such a legal system. Such situations demand correction if the system is to be viable and survive.

CONCLUSION

In conclusion, I must reiterate that we owe our fellow citizens and constituents the best legal system the mind of man can promulgate. They deserve and expect no less. We must insure that their rights to life, liberty and the pursuit of happiness, free from the fear of criminal attack are not merely catchwords and meaningless slogans without substance. Our congressional leadership and the President are to be commended for their actions in the war against crime. We must return the streets, parks and homes to those who toil and sweat have built them. We must sweep crime from our streets and neighborhoods, from our cities, suburbs and rural areas. We in the Congress must marshal our support and assistance to assure the passage of meaningful legislation in the area of criminal law. I submit that we have no higher priority.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. McINTYRE). Under the previous order the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against the time allotted to me.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. GRIFFIN. Mr. President, I yield such time as he may require of the time remaining to me to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

DECREASE IN SERIOUS CRIME IN THE UNITED STATES

Mr. HRUSKA. Mr. President, it was announced yesterday that, for the first time since 1955, serious crime in the United States had decreased. The nationwide statistics gathered by the FBI show that the crime rate declined by 3 percent in 1972. For each of the 16 years prior to 1972, however, serious crime had shown an increase. Therefore, the new statistics are heartening and show a welcomed improvement in our law enforcement efforts.

Seven serious crime classifications are used to establish an index to measure the trend and distribution of crime in the United States. These crimes are murder, forcible rape, robbery, aggravated assault, burglary, larceny of $50 and over in value, and auto theft. From 1960 to 1968, serious crime had increased 122 percent.

It will be recalled that one major public opinion poll in 1968 considered lawlessness to be the top domestic problem facing the Nation. Another poll showed that four out of five Americans believed that "law and order has broken down in this country." There was a very real fear by thoughtful citizens everywhere that crime and violence were becoming a threat to the stability of our society. Some persons believed that it was a direct threat to our continued existence as a law-abiding Nation possessed of domestic tranquillity.

It was obvious that a growing sense of permissiveness in America as well intentioned as it was poorly reasoned, existed in great degree over a prolonged period of time. It did not just happen that within a few years time America experienced that crime wave that threatened to become uncontrollable. However, many people were reluctant to take the steps necessary to control crime.

This increase in crime accelerated each year after 1960 until it reached the high annual rate of increase of 17 percent in 1968.

Then came 2 declining years—1969 and 1970—in each of which there was a lesser increase of only 11 percent. In 1971, the rate of increase dropped to 6 percent.

During 1972, when the 3-percent actual decrease was registered, 94 major cities reported actual decreases in serious crimes. This compared with 53 such cities in 1971, 22 cities in 1970, and 17 cities in 1969.

Now there are some who question the credibility of the FBI statistics gathered under the uniform crime reporting program. However, these same individuals were quick to embrace the gloomier side of statistics in years past. Hopefully, they will recognize the tremendous significance of these most recent trends.

The UCR program has statistical validity and the most recent data available signals the reversal of the crime growth pattern.

Mr. President, there is still too much crime in our Nation—to a point of unacceptability. The present efforts and resolution in the field of law enforcement, however, must not only continue, but must be increased, improved upon, and intensified.

The fact is, however, that the tone and the pitch of a countrywide drive against lawlessness has been geared up to a point of tremendous progress, with even greater promise ahead.

The wave of lawlessness and permissiveness which waxed and peaked in the cities did not just fade and start to go away by itself.

Active, deliberate, and massive forces were set in motion to counteract and to blunt it, and to finally turn it back.

Engaged in this massive effort are three principal forces: The law enforcement authorities in States and localities

which bear the chief responsibility for law enforcement and which are "on the firing line"; second, public understanding and support of the problem, of the entire situation, and of active concentration on their part; and third, the fact that the tone was set at the top in our Nation's councils and in our Presidential leadership.

Mr. President, law enforcement in America is the chief responsibility of State and local governments.

It follows that the progress made in these more recent years is chiefly due to the dedicated, vigorous, and tenacious followup of State and local law enforcement authorities.

To them the report of a 3-percent decrease nationwide will mean much by way of encouragement, by way of realization that their work is not in vain, that in striving as they have, new and even higher effectiveness is not impossible.

The force of public understanding and support is a tremendous one. The realization of the danger point which had been reached only 5 short years ago, did much to impart a tremendous momentum from this source. It is hoped that it will continue, now that such tangible results are reported.

In the third place, our Nation's Capital has experienced a firm grip and strong view of what was needed on its part.

A program of legislation and funding has been attained that is working. While much remains to be done, a great deal has already been accomplished. Imaginative legislation such as the Controlled Substances Act, the Organized Crime Control Act, the Omnibus Crime Control Act creating the Law Enforcement Assistance Administration and amendments thereto, and the District of Columbia Criminal Act has assisted significantly to this effect.

Also central to the national effort has been the leadership of President Nixon, who has evidenced a direct, driving, and meaningful personal interest and knowledgeability in the area of crime control. He has acted strongly. He has acted with vision and with sureness.

Because of all these factors, the wave of serious crime is being brought under control. Its trend has been reversed. We have turned the corner.

We are on the right road. The pattern has been set; the broad policies, and the specifics are working.

It is becoming widely established that the best way to attack crime is the same way crime attacks our people—without pity. National efforts are now based on this philosophy, and it is working.

Additional measures are in the making and pending in Congress, including:

Revision of the Federal Criminal Code;

Restoration of the death penalty;

The Heroin and Morphine Trafficking Act;

A Special Revenue Sharing Act in the area of law enforcement; and

A proposal to reorganize all narcotics and dangerous drugs enforcement agencies.

Every law-abiding American welcomes this achievement in crime reduction as announced yesterday.

But we must not rest at this point. We must continue to develop anticrime programs and support the dedicated men and women who carry them out.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the Department of Justice news release on this subject, dated March 28, 1973, including a table of statistics showing cities having a decrease in their crime index during the calendar year 1972, as compared with 1971.

There being no objection, the release and attached table were ordered to be printed in the RECORD, as follows:

FEDERAL BUREAU OF INVESTIGATION,
Washington, D.C., March 28, 1973.

NEWS RELEASE

Serious crime in the United States declined 3 percent in 1972, the first actual decrease in crime in 17 years, Attorney General Richard G. Kleindienst announced today.

The downturn in the volume of crime was disclosed in preliminary year-end statistics tabulated by the FBI and released today.

"This is a day that we have been looking forward to for many years," the Attorney General said. "It is an important milestone in the fight to reduce crime and is directly attributable to the strong efforts of law enforcement officers throughout the nation to turn back the wave of crime that rolled upward in the 1960's."

During 1972, 94 major cities reported actual decreases in serious crime, Mr. Kleindienst said, compared with 53 cities in 1971, 22 cities in 1970, and 17 cities in 1969.

Nationally, serious crime declined 8 percent in the final quarter of the year, after registering a 1 percent increase through the first nine months of 1972.

The last measurable decrease in serious crime—2 percent—was recorded in 1955, according to FBI crime records.

The crime spiral peaked in 1968 when serious crime rose 17 percent above the previous year. In 1969 and 1970, serious crime increased 11 percent, while in 1971, the increase was 6 percent.

"We enter this new period with an acute awareness that crime is still unacceptably high," Mr. Kleindienst said. "We pledge to renew our determination and efforts to make our communities safer places in which to live."

The preliminary figures are contained in the FBI's Uniform Crime Reports, a collection of nationwide police statistics supplied voluntarily by local, county, and state law enforcement agencies. The figures were released today by FBI Acting Director L. Patrick Gray, III.

Violent crime increased by 1 percent in 1972, compared with a 9 percent increase the year before. Robberies, however, which make up the largest number of crimes in the violent category, showed a 4 percent decrease in 1972. Murder was up 4 percent in 1972, aggravated assault increased 6 percent, and forcible rape increased 11 percent over the previous year.

Property crime decreased 3 percent, compared with a 6 percent increase in 1971. Auto theft declined 7 percent, larceny $50 and over dropped 3 percent, and burglary was down 2 percent.

Cities over 100,000 population reported an average decrease of 7 percent in the volume of Crime Index Offenses. Crime in suburban areas increased 2 percent, compared to an 11 percent increase in 1971, while crime in rural areas went up 4 percent compared to a 6 percent rise in the previous reporting period.

Serious crime in Washington, D.C., continued to decline. The 1972 decrease was 26.9 percent, compared with the 1971 decrease of 13 percent.

The nation's capital registered fewer crimes in every category, except for a 16 percent increase in rape. Auto theft decreased 33 percent, burglary decreased 32 percent, robbery decreased 31 percent, larceny $50 and over decreased 18 percent, murder decreased 11 percent, and aggravated assault decreased 2 percent.

A copy of the preliminary crime figures for 1972 is attached. Final crime figures and crime rates per unit of population will be available in the detailed Uniform Crime Reports scheduled for release this summer.

Also attached is a list of the 94 major cities reporting crime decreases.

CITIES WITH DECREASE IN CRIME INDEX, JANUARY-DECEMBER, 1972 VS. 1971

Agency:	*Index percent decrease*
Akron, Ohio	9.5
Albany, N.Y.	23.8
Alexandria, Va.	2.1
Allentown, Pa.	15.4
Arlington, Va.	15.4
Austin, Tex.	3.7
Baltimore, Md.	6.5
Beaumont, Tex.	1.6
Berkeley, Calif.	2.7
Boston, Mass.	8.8
Bridgeport, Conn.	14.6
Buffalo, N.Y.	6.7
Cambridge, Mass.	7.7
Cedar Rapids, Iowa	3.8
Charlotte, N.C.	11.8
Chicago, Ill.	4.1
Cincinnati, Ohio	5.0
Cleveland, Ohio	11.3
Columbia, S.C.	16.6
Columbus, Ga.	3.0
Columbus, Ohio	9.5
Corpus Christi, Tex.	.8
Dallas, Tex.	2.6
Dearborn, Mich.	8.8
Des Moines, Iowa	9.1
Detroit, Mich.	15.8
Duluth, Minn.	6.8
Elizabeth, N.J.	4.2
El Paso, Tex.	16.5
Erie, Pa.	.1
Evansville, Ind.	13.4
Fall River, Mass.	14.2
Fort Lauderdale, Fla.	4.2
Fort Worth, Tex.	5.6
Gary, Ind.	3.7
Glendale, Calif.	5.8
Hammond, Ind.	2.3
Hampton, Va.	6.9
Hartford, Conn.	19.8
Hialeah, Fla.	8.2
Hollywood, Fla.	7.5
Honolulu, Hawaii	15.3
Huntsville, Ala.	19.9
Indianapolis, Ind.	16.0
Jacksonville, Fla.	4.9
Jersey City, N.J.	8.3
Kansas City, Mo.	13.2
Lansing, Mich.	6.3
Lexington, Ky.	6.5
Los Angeles, Calif.	3.8
Louisville, Ky.	11.3
Lubbock, Tex.	11.0
Macon, Ga.	3.1
Miami, Fla.	9.9
Milwaukee, Wis.	3.9
Mobile, Ala.	15.2
Montgomery, Ala.	3.2
Nashville, Tenn.	18.0
Newark, N.J.	10.2
New Bedford, Mass.	20.3
New Haven, Conn.	9.7
New Orleans, La.	15.2
New York, N.Y.	18.0
Norfolk, Va.	18.1
Oakland, Calif.	3.4
Orlando, Fla.	10.7
Parma, Ohio	9.7
Pasadena, Calif.	1.6
Philadelphia, Pa.	4.5
Pittsburgh, Pa.	11.0
Portsmouth, Va.	2.0
Providence, R.I.	13.5
Raleigh, N.C.	5.0
Richmond, Va.	11.8

Rochester, N.Y.	8.6
St. Louis, Mo.	4.1
Salt Lake City, Utah	10.0
San Francisco, Calif.	19.0
Savannah, Ga.	13.8
Scranton, Pa.	27.0
Seattle, Wash.	3.8
Shreveport, La.	8.4
Spokane, Wash.	2.3
Stamford, Conn.	27.6
Syracuse, N.Y.	11.1
Topeka, Kans.	15.2
Torrance, Calif.	5.2
Trenton, N.J.	7.7
Warren, Mich.	2.8
Washington, D.C.	26.9
Waterbury, Conn.	7.7
Wichita, Kans.	.7
Yonkers, N.Y.	11.7
Youngstown, Ohio	11.9

Mr. GRIFFIN. I thank the distinguished Senator from Nebraska. I commend him for a very important and thoughtful statement. It is one which will be welcomed, I know, by people all over the country as they realize that the war against crime is meeting with some success.

Time and time again in the past we have seen in the newspapers that there had been a drop in the rate of increase in crimes. While this was always encouraging, it was also disturbing that the number of crimes was still on the increase.

Now, as I understand it, we are talking about an actual decline in crime in these major cities. I certainly share the views so eloquently expressed by the Senator from Nebraska that first among those who deserve the credit are the law enforcement and other public officials at the local level because, as he said, they are on the firing lines. They are the ones who have to deal with the problem on a day-to-day basis.

I had to leave the Chamber briefly during the presentation made by the distinguished Senator from Nebraska, and I wonder if he made reference in his statement to particular cities. I know there are very encouraging statistics about some of the larger cities. While I imagine he will put the whole list in the record, I think it would be well to focus on some of the larger cities and what they have been able to achieve.

Mr. HRUSKA. If the Senator will yield, Mr. President, 94 cities experienced a substantial actual decrease in the crime rate in 1972. The entire tabulation has been placed in the RECORD, and it is a very gratifying one indeed.

I might say that in the Senator's State of Michigan there were at least four metropolitan areas in which a decrease occurred. Detroit was one of them, Dearborn was another, Lansing was the third, and Warren the fourth.

In the city of Washington, D.C., Mr. President, the rate of decrease was 26 percent in 1 year.

Mr. GRIFFIN. I think that is particularly encouraging, since we know that Washington, D.C., for too long has been referred to by many people as the crime capital of the Nation because the crime here was so extensive. A 26-percent decline in the rate of actual crime in the Nation's Capital is indeed a notable achievement.

Mr. President, I was remarking about the record made by some of the cities around the country, and the distinguished Senator from Nebraska did not have the statistics immediately available. Now he does, and I wonder whether the Senator from Nebraska would indicate some of the percentages in major cities around the country. I would also be interested specifically in those for some of the cities in Michigan.

Mr. HRUSKA. Mr. President, the fact is that in Michigan there are four cities in which there has been an actual and absolute decrease in the rate of crime in 1972: Dearborn, experienced an 8.8 percent decrease; Detroit, 15.8 percent; Lansing, 6.3 percent; and Warren, 2.8 percent—these were all net decreases in the rate.

I might say that in the Greater Metropolitan Washington area, for example, we have not only Washington, D.C., with 26.9 percent, but also Alexandria with 2.1 percent; Arlington with 15.4 percent; Baltimore, with 6.5 percent. Additionally, Hampton, Va.—a little further south, 6.9 percent; and Norfolk, Va., 18 percent. All those are net decreases. A total of 94 cities nationwide have participated in this very fine record of increasing the proficiency of their law enforcement agencies.

Mr. GRIFFIN. I thank the distinguished Senator from Nebraska for those references and his observations.

As he pointed out earlier, this record for 1972 marks the first time in 17 years that there has been an actual decrease in the crime rate in the United States. In every other year in the last 17 years there has been an increase. In fact, in 1968 serious crime in the United States increased 17 percent above the previous year.

The statistics show that across the Nation as a whole there was a decrease by 3 percent—with the significant decreases, percentagewise, in some of the major cities. This indicates that we must be doing something right and that we ought to stay on course.

It suggests, of course, that bills which will be considered later in the day on the Senate floor will be important in terms of fighting crime. Furthermore, President Nixon just recently proposed additional legislation dealing with drug trafficking and other serious crimes. I think his proposals should have the early consideration of the Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, without prejudice to the distinguished Senator from Kentucky (Mr. COOK), I ask unanimous consent that I may be recognized at this time to use a portion of the time allotted to me under the order.

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

SENATOR SAM ERVIN: A FIGHTER FOR FIRST AMENDMENT PRINCIPLES

Mr. ROBERT C. BYRD. Mr. President, those of us who serve in the Senate with Senator SAM ERVIN, of North Carolina, know very well of his determined commitment to the principles of the first amendment. Time and time again, my distinguished friend from North Carolina has reminded us that these great principles—freedom of speech, freedom of the press, freedom of religion, freedom to petition the government for redress of grievances—must be zealously guarded.

In recent years, Senator ERVIN has spoken out with particular concern about the state of freedom of the press in America. He has pointed to the historical fact that a vigorous, free press is an essential ingredient of any free society. As chairman of the Senate Subcommittee on Constitutional Rights, he has conducted two series of hearings over the past 2 years which have instructed us all as to current problems facing the press in America. He is now sponsoring legislation to protect newsmen from unwarranted government subpenas.

I am delighted that Senator ERVIN is now receiving recognition outside the corridors of the Congress for his outstanding leadership with respect to this subject. At this time, I want to call to the Senate's attention several awards and honors which have been presented to Senator ERVIN in this connection.

The National Newspaper Association presented Senator ERVIN its Award of Merit for 1972 "in recognition of his efforts to articulate the true meaning and significance of the U.S. Constitution, especially first amendment rights, for the American people."

On June 28, 1972, Senator ERVIN was awarded a Special Citation of the National Press Photographers Association "in recognition of his concern that the right of a free press in this Nation shall not be eroded away, and in appreciation of his role in seeking to assure that the rights and privileges of newsgathering shall be accorded to the photojournalist."

Our colleague from North Carolina was presented on December 1, 1972, with The Paul W. White Award of The Radio Television News Directors Association "for the outstanding contribution to broadcast journalism."

As "the public official who has made an outstanding contribution for the defense

and preservation of the freedom of the news media," Senator ERVIN was awarded the Thomas Jefferson Award on February 16, 1973, by Texas Tech University, the Texas Daily Newspaper Association and the Texas Association of Broadcasters.

Finally, Mr. President, just this week, the National Association of Broadcasters recognized Senator ERVIN "for his tenacious devotion to the objectives of our American Society established by the Constitution of the United States" in a special citation.

I congratulate Senator ERVIN on these impressive and well-deserved awards. Even more, however, I commend him for his unyielding insistence that freedom of the press be preserved in our great country. He has reminded us that no people can be truly free without the freedom to know about the world in which they live and about those things which affect their lives. His leadership should be an inspiration to all Americans who love freedom and cherish liberty.

THE NEED FOR UTILIZATION OF OUR COAL RESOURCES

Mr. ROBERT C. BYRD. Mr. President, at one time, the fuel providing the most energy in the United States was coal. In recent years petroleum and natural gas have displaced coal in many of its uses. Now, it appears, coal is in position to make a comeback. Production from our domestic resources of petroleum and natural gas has not kept up with demand, and fuel shortages have hit many parts of the Nation. Our recoverable coal reserves are enormous, however, and could suffice for many decades to come.

There are two problems with this. One is that the environmental degradation caused by certain methods of coal extraction has been excessive. The solution to this problem is more careful attention to environmental factors when mining coal and the inclusion in the cost of coal of the expense of preserving mined areas.

The other problem is the conversion of coal into the liquid and gaseous hydrocarbon forms that our transportation system and appliances are designed for, and extracting the sulfur and other harmful constituents of the coal simultaneously. You cannot put coal into a gas stove or an automobile, but you can make synthetic natural gas or gasoline from it.

The gasification of coal is not science fiction. Indeed, coal gas was used for a century in cities all over the country before large deposits of natural gas were available. At least seven different methods of converting coal into pipeline-quality gas have been tested in the laboratory. Gas from commercial application of the most efficient of these processes could be available for as little as 70 cents per thousand cubic feet, including the costs of capital, operating expenses, and a 9-percent annual rate of return to the manufacturer. This price is in the range of prices for pipeline gas from natural gas wells in some areas.

It is far less than the price of imported natural gas, which comes in liquid form from overseas at prices no lower than $1 per thousand cubic feet, and poses problems of national economic security and balance-of-payment deficits.

It is also less than the price of substitute gas manufactured from petroleum liquids, which must be imported from refineries abroad, with similar balance of payments and national security considerations.

At present, pilot plants are being built to test the commercial potential of several coal gasification processes. Several firms are planning to implement the Lurgi gasification process in plants now under construction. This technology was developed years ago in Europe and is the only one commercially available now. The gas produced, however, has only half the heating value of natural gas and will cost about as much per thousand cubic feet. The more efficient means of conversion are those which still need research and development.

The Office of Coal Research of the Department of the Interior has jointly initiated projects exploring several of these processes. The most promising currently may be the CO_2 acceptor gasification process being attempted in South Dakota by Consolidation Coal Co. with support from the Office of Coal Research. Another is the HYGAS process being implemented in a pilot plant near Chicago by the Institute of Gas Technology. The American Gas Association and the Office of Coal Research have begun a program of sharing the costs of this research, two-thirds funded by the Government.

A more novel concept currently being investigated is the "in situ" gasification of coal: the formation of coal gas underground in the coal seam itself. This is a long way from commercial practicability but could eventually lead to less expensive gasified coal without the ill effects of mining.

Liquid fuels also can conceivably be manufactured from coal. The Office of Coal Research sponsored a pilot plant to produce gasoline from coal in Cresap, W. Va., constructed by the Consolidation Coal Co. This plant did not meet original design objectives, but is being reconverted to fuel oil output. Nonetheless, gasoline can be manufactured from a coal feedstock and the technology for commercial operation of such a process should be pursued. Char oil, useful for refining feedstock and as fuel in its own right, can be extracted from coal, and an Office of Coal Research project to do so is going on. Another project will use a solvent to dissolve the coal into a low-ash, low-sulfur boiler fuel.

Thus there are many potential applications of our most abundant fuel to our most vital uses, provided we have the technology to perform the conversions. Private industry has shown a ready willingness to do its part in development of these new processes. The importance of such research necessitates a Government involvement, however.

I am concerned that our efforts have not been strenuous enough. This should not be merely another lukewarm, long-range program—we must develop the capability to use our coal resources as fast as is feasible. I am hopeful that the President's upcoming energy message will dwell at length on his plans for accelerating our efforts to achieve this capability. I urge my colleagues to join with me in supporting these very important activities.

Coal is not the only resource which might be amenable to speedier development. It is well known that billions of barrels of badly needed oil are locked in shale deposits in the West. The technology for producing this oil at prices competitive with other sources is not available. A concerted Government program would, however, help greatly in achieving this new technology, aiding present industrial efforts. If we are to solve our energy problem, these options must be pursued.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of the time allotted to me without prejudice to the Senator from Kentucky.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. HUDDLESTON) laid before the Senate a message from the President of the United States submitting the nomination of Marshall Wright, of Arkansas, a Foreign Service Officer of Class two, to be an Assistant Secretary of State, which was referred to the Committee on Foreign Relations.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky (Mr. COOK) is recognized for not to exceed 15 minutes.

THE 1972 CRIME STATISTICS

Mr. COOK. Mr. President, I am very happy to note that the most recent crime statistics which were released last night by the Department of Justice report the first actual decrease in serious crime in 17 years. The preliminary year-end statistics pointed out that 94 major cities reported actual decreases in serious crimes compared with 53 cities in 1971, 22 cities in 1970, and 17 cities in 1969. Two of these 94 major cities that reported a crime decrease for 1972 are in my own State. Lexington, Ky., had a 6.5 percent decrease in serious crime while Louisville, Ky., had an 11.3 percent decrease. In addition, Members of Congress will be particularly interested to note that the Nation's Capital registered fewer crimes in almost every category. This national trend is no small feat, especially in view of the fact that the last measurable de-

crease in serious crime—2 percent—was recorded in 1955.

Mr. President, the three percent reduction in crime last year is solid proof of the success of this administration's war on crime. I want to take this opportunity, on behalf of myself and the people of my State, to thank not only the President, for his leadership in this campaign, but also the tens of thousands of hard-working and often abused law enforcement officers throughout the Nation whose diligence and dedication have made this reversal possible. We all owe them a great debt of gratitude.

In comparing these figures with those of the 1960's we find that the crime spiral peaked in 1968 when serious crime rose 17 percent above the previous year. In 1969 and 1970, serious crime increased 11 percent, while in 1971 the increase had been cut back to 6 percent.

Although there is no question that crime remains unacceptably high, we all must cooperate with law enforcement efforts and renew our national determination to make America's communities safer places in which to live. It is now our task to see that this new trend continues. We at the Federal level must continue to provide the support which local officials need to deal with crime.

I commend the distinguished Senator from Michigan for reminding us that we have three measures on the calendar this afternoon which have been reported by the Committee on the Judiciary, of which the distinguished Senator from Nebraska is the ranking minority member; that we will take up these measures and hopefully will conclude action on them this afternoon, with a substantial majority of votes.

Once again, the President has taken the lead by proposing increased aid to the States and localities, reinstitution of the death penalty for the most heinous crimes, and adoption of strong new measures to curtail the illegal traffic and use of drugs which has promoted so many crimes and destroyed so many lives in recent years.

We in Congress should join the President in the war on crime in order that future years will likewise show reductions in crime and a return to the peace, order, and tranquility which the American people deserve—not only deserve, but which they absolutely must have, to the best of our ability.

Mr. HARRY F. BYRD, JR. Mr. President, what most Americans do not realize is that even if they have never felt a gun in their back, the explosion of crime in this country is costing them money. Crime is inflationary. It is an integral part of high prices.

Fed by fatheaded permissiveness, crime has swelled to the point where it:

Increases insurance rates, which increase the cost of doing business, which increases prices.

Empties out downtown areas after dark, forcing businesses to close down or spend the money to move to the suburbs where crime again catches up with them and begins the insurance cycle all over.

Boosts taxes to pay for increased police forces, court personnel, judges, prisons.

Drives up the price of real estate in the suburbs because of the demand by homeseekers fleeing the cities.

Requires Government to spend enormous sums trying to restore the abandoned downtowns of major cities.

President Nixon is trying to fight inflation and spending by fighting crime. It is beginning to look like he is having some success.

The latest FBI statistics show that for the first time since 1955, serious crime in this country decreased by 3 percent last year.

The President's declaration of war on crime deserves much credit. His newest proposals on capital punishment, drug crackdowns, and reform of the court system deserve much consideration.

We must win the war against crime and against inflation.

REDUCTION IN CRIME IN THE UNITED STATES

Mr. EASTLAND. Mr. President, I have just had the opportunity to review the latest statistics on crime which were released yesterday by the Department of Justice and the Federal Bureau of Investigation.

This report contains the welcome and heartening figures that indicate a decrease in crime during 1972. In a nation where ever-increasing crime has become commonplace, this is indeed good news. In fact, this is the first time in 17 years—since 1955—that there has been an actual decrease in serious crime.

It is a sad fact that, in recent years, we have almost become resigned to spiraling statistics. Criminals stalked the streets in ever-increasing numbers, and our citizens were literally at the mercy of this ruthless element. We were faced with danger not only in the streets—but in our own homes. There was no haven of safety.

While our citizens fell prey to criminals, the courts were turning free those who had been apprehended by the police. It was a time that saw many charged with serious crimes back on the street to rob and kill again and again.

Over a period of two decades, the number of major crimes skyrocked year after year. We were literally living in an era of lawlessness.

Then, in 1968, the crime spiral peaked. It rose an unprecedented 17 percent above the previous year. But this was to be the highwater mark. In 1969 and 1970, the pace of the criminal was slowed—with serious crime increasing 11 percent—and in 1971, the increase was cut to 6 percent.

Now, comes 1972, and, for the first time, we see an actual decrease in major crime in the United States.

Mr. President, this is proof that the Federal Government can do something about crime.

It took a President who would state emphatically to the Nation that he intended to do something about "law and order." President Nixon set the wheels in motion that would lead to a reduction in crime.

These figures which have been presented here indicate that his efforts are paying off. But there are others that are due credit. From the man in the White House to the policeman walking the beat, each has contributed significantly to reducing crime.

I know that the Attorney General of the United States, the Nation's chief law enforcement officer, is a man dedicated to eradicating crime. I am convinced that he has done his part and will now reintensify his efforts.

The Federal Bureau of Investigation has taken the leadership in meeting the challenge of the criminal element. Not only have the dedicated special agents of the FBI dealt with crime on a first-hand basis, but the numerous services offered by the FBI to local law enforcement—in the form of crime information, training, and expert laboratory work—have contributed most significantly toward the reduction of crime.

Credit, however, is due to many, many more dedicated law enforcement officers—State police, sheriffs, and local policemen—who have formed the first line of defense between the criminal and the citizen. These men and women, in a dedicated day-to-day effort, have performed ably and with a sense of dedication to their country and its citizens. It is a sad fact that in the last 3 years alone more than 350 law enforcement officers have given their lives in the battle against crime.

Last, but perhaps most important, the citizens of this country played a significant role in the reduction of crime. It was an aroused citizenry—a Nation fed up with crime—that demanded an end to lawlessness. And it was the citizen who was not afraid to become involved that provided the key to putting the criminal behind bars.

All in all, Mr. President, this has been a national effort—an effort that has met with success. To me, it is proof that we can meet the challenge of crime and overcome it.

It is my hope that this shall constitute a rededication of our Nation and its people to the principle of law and order. We now shall go forward with a renewed sense of pride in the United States and the great country it is.

Mr. President, I am convinced that only when this Nation is free of crime will we, as a Nation, be truly free.

CRIME AND THE SMALL BUSINESSMAN

Mr. JAVITS. Mr. President, all of us are undoubtedly aware of the unique dangers of criminal violence which daily confront the Nation's small businessmen.

The FBI has reported that 63 percent of all armed robberies are committed with firearms. As I have stated so often in the past, the arguments in favor of strong, Federal gun-control legislation requiring a national system of licensing and registration are overwhelming.

A brief, thoughtful statement on the need for remedial gun control legislation has been published by the National Small Business Association. I ask unanimous consent that its text be printed in the RECORD.

There being no objection, the article

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

IT'S YOUR BUSINESS

(By John Lewis)

Been shot at lately? Ever looked down the barrel of a .45? Experienced the thrill of a pistol whipping? Surrendered your cash receipts to thieves lately? If your answers to the above questions are "No," consider yourself fortunate. But for how long?

According to the most recent FBI Uniform Crime Reports, 385,910 mechants, manufacturers, professional offices, etc., were stuck up in 1971. To quote this Crime Report, "—63% of all armed robbery is committed with a firearm—". How many small businessmen, or their employees, or their customers were shot at, wounded, or killed? Most times for no reason other than the fact they happened to be there when the thieves arrived!

National Small Business Association, with its headquarters in Washington, has heard all the arguments and read all the literature for and against gun control. Furthermore, each plea based on the Second Amendment to the Constitution of the United States has been laid before us.

The Second Amendment of the "Bill of Rights" provides that "A well regulated militia, being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed." When this was adopted in 1791, our forefathers had a justifiable fear that foreign nations might cast covetous eyes on American geography. They had just passed through a period when the government had been unable to provide sufficient muskets for all those fighting for freedom. Further, the frontier was just opening, and a "fowling piece" was a necessary piece of equipment to ward off hostiles of any type. Until the mid-1800's there were few gun shops, fewer manufacturers, and no time to wait around for "arms" shipments from abroad.

The legitimate hunter, sportsman, honest gun collector, or target shooter, should have no beef against gun control. Our concern is with the illegitimate bounty "hunter" and the ease with which he obtains a gun to strengthen his "bargaining" position when he demands the cash, valuables, possessions, and merchandise of you and the small businessman. The small businessman as a rule is uninsured, unprotected, and bears almost always 100% of the loss—in property, injury and sometimes his own life.

Since you and small business are the most frequent victims of the "bearer of arms" misusing and unlawfully exercising his constitutional rights, something must be done.

You and small business have a selfish interest in remedial legislation. American small business and all who depend upon it are one half of the total population of the United States! Small business employs almost 50% of the private work force. That plus the employers and the families adds to over 100 million people dependent upon the wages, salaries, profits, and benefits of small business.

Should a group of cruel and ruthless individuals be allowed to march into a business establishment, brandish an easily obtained gun, and march out with the sweat-earned receipts of the proprietor and his employees?

Fiction? Listen to your radio or TV news either on any Sunday night or Monday morning. Add up, if you will, the weekend's total of armed robberies, assaults, shootings, and holdups of small businesses across the nation and in your own community. Add up also, the total number of bodies which were left dead, maimed, or punctured because a trigger-happy thief had a gun. What are the odds for or against you as you walk down a street at night?

Give your views to your Senators and your Congressman. They represent you. They want your opinion and they are responsive. As a constituent, it's your business to become involved.

ORDER OF BUSINESS

Mr. COOK. Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, would the Senator allow his time to be reserved?

Mr. COOK. Yes. I reserve the remainder of my time, and I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. And have the quorum charged against that time.

Mr. MANSFIELD. Mr. President, will the Senator withhold his request, and will he yield?

Mr. COOK. Yes. I yield.

ORDER FOR VOTE ON THE PRESIDENTIAL VETO MESSAGE TO OCCUR AT 2 P.M. TUESDAY, APRIL 3, 1973

Mr. MANSFIELD. Mr. President, this has been cleared all around.

I ask unanimous consent that the vote on the Presidential veto of the vocational rehabilitation bill occur at 2 p.m. on Tuesday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that, beginning at 12 o'clock noon on Tuesday next, the time be equally divided between the distinguished Senator from California (Mr. CRANSTON) and the distinguished Republican leader, the Senator from Pennsylvania (Mr. SCOTT), or whomever he may designate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the unanimous consent agreement is as follows:

Ordered, That, effective on Tuesday, April 3, 1973, the Senate proceed to vote on the veto of S. 7, the Vocational Rehabilitation Act, at 2 p.m.

Ordered further, That the debate between 12 o'clock and 2 p.m. o'clock be equally divided and controlled by the Senator from California (Mr. CRANSTON) and the minority leader or his designee.

Mr. MANSFIELD. So the Senate is on notice that there will be a vote at 2 o'clock definitely on Tuesday next and there will be 2 hours of debate, the time to be equally divided.

QUORUM CALL

Mr. COOK. Mr. President, now, I suggest the absence of a quorum, the time to be taken out of the remainder of the time allotted to me.

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

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Kentucky yield to the distinguished Senator from North Carolina some of his time?

Mr. COOK. Mr. President, I yield whatever time the Senator may require within the limitations of time allotted to me.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senator is recognized.

A REVERSAL IN THE RISE IN SERIOUS CRIME

Mr. HELMS. Mr. President, the statistics released yesterday by Attorney General Kleindienst reveal that last year, for the first time in almost two decades, there has been a reversal in the rise in serious crime. The FBI figures show an actual decrease in violent crime by some 3 percent—a decrease for which many Americans had almost ceased to hope during the violent years of the 1960's. These statistics are eloquent testimony to the policies espoused by the Nixon administration and by many Members of this Senate on both sides of the aisle. I join my colleagues in rejoicing at this announcement and in urging adoption of the most recent proposals which the administration has made to step up the war on crime and the criminals who perpetrate it.

But I would like to take this occasion to pause, Mr. President, and to reflect upon some recent American history, for the greatest guides for future action are the lessons we learn from the past. Specifically, I would like to take this occasion to reflect upon the permissive—indeed, the pernicious—policies which the Federal Government pursued during the 1960's. It was those policies which contributed so much to the shocking rise in crime and violence which we experienced in the latter half of the decade.

With these latest remarks by Attorney General Kleindienst in hand, I would reflect upon what we were hearing in the mid-1960's from his predecessor, Attorney General Ramsey Clark. I do not recall Attorney General Clark announcing that crime had been reduced. I do not recall his announcing that even the rate of increase in crime had been reduced.

But I do recall Attorney General Ramsey Clark lecturing Members of Congress and the American people on what he called the "rights" of violent, militant demonstrators at a time when our cities were being looted and burned. I do recall lecturing us on what he called the "rights" of accused criminals to be immediately set free on the streets and the rights of the convicted criminals to various kinds of dubious "rehabilitation" at a time when "rehabilitated" criminals paroled after short terms and accused criminals released on low bond were again indulging themselves in rapes, robberies, and murders. And I would like to take this occasion to remind Senators of the naivete, and the gross irresponsibility of those policies which Attorney

General Clark espoused and which, to such an unfortunate degree, were forced upon the American people.

Mr. President, it was not necessary for many of us to await Mr. Clark's trips to Hanoi, with associates like Miss Jane Fonda and Mr. David Dellinger, and his other curious excursions into the field of foreign affairs, to recognize innate intellectual ineptness. Mr. President, we recognized these qualities in him years ago when he had no solid accomplishments to report on behalf of his administration at the Department of Justice, but rather uttering the simplistic cliches in his advocacy of fairytale concepts of law and justice which churned such havoc upon the Nation.

Such reflection upon recent history, Mr. President, inspires in me an even greater appreciation for the tough-minded policies of the Nixon administration as the proper response to criminality.

Such reflection enables me to support with even greater assurance an uncompromising support of the war on crime.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, the Senator from Louisiana is recognized for not to exceed 15 minutes.

CATASTROPHIC HEALTH INSURANCE

Mr. LONG. Mr. President, I ask unanimous consent that Mr. Michael Stern, of the staff of the Committee on Finance, have the privilege of the floor while this statement is being made.

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

(The remarks of Senator LONG on the introduction of S. 1416, to provide catastrophic health insurance coverage, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

EXTENSION OF INTEREST EQUALIZATION TAX—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 3577, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment to the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report signed by all of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

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

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of March 28, 1973, at pp. 10029–10030.)

Mr. LONG. Mr. President, the Senate made some 15 amendments to the interest equalization tax when it was before us. All but two of these the House has agreed to.

One of the amendments to which the House did not agree was our amendment extending this tax until April 1, 1975. The House version of the bill extended the tax until July 1, 1974. The House conferees indicated that they desired to reconsider this tax in depth before the end of this Congress. Your conferees believe that it did in fact make very little difference whether this reconsideration occurred before the end of June 1974 or before the end of March 1975. We plan to reconsider the tax, and it makes little difference to us as to which time this occurs. Because of the House conferees' insistence on this point, we accepted their June 30, 1974, date for the extension of this tax.

The other Senate amendment which I was unable to keep on the bill was the amendment offered here on the floor which would have required by the Secretary of the Treasury not later than 120 days after the date of enactment of this act to submit to Congress proposals for a comprehensive reform of the tax laws.

Chairman MILLS of the House Committee on Ways and Means informed the Senate conferees that the Secretary of the Treasury was already specifically committed to appear before the Ways and Means Committee on April 30, 1973, and possibly also on May 1, 1973, to present the administration proposals on tax reform. Since this opportunity for appearance had been offered by him to the Treasury and since the Treasury had already officially accepted and agreed to appear on that date, the House conferees thought that this amendment requiring the submission of tax reform proposals was no longer necessary and in fact was inappropriate.

It seems to me that we have accomplished everything that the Senate sought to do by this amendment. We have obtained specific assurance that the administration proposals on tax reform will be presented to the Congress well within the 120-day period provided by the Senate floor amendment. In addition, the House conferees resisted this amendment because, under the rules of the House, it would be nongermane to this particular bill.

In view of these considerations, the Senate conferees really could not further insist on retaining this amendment.

It is important that we act promptly on this conference report because the tax expires this Saturday night at midnight. In view of that, I urge the Senate to promptly agree to this conference report.

Mr. TOWER. Mr. President, would the Senator withhold that motion? The Senator from Utah (Mr. BENNETT) wanted to address himself to this matter. I would appreciate it if the Senator would defer his motion.

Mr. LONG. I am pleased to do so.

Mr. JAVITS. Mr. President, if the Senator would yield, I happened to be in the Chamber and heard the Senator's explanation of the reasons why the Senate conferees were willing to drop the 120-day amendment. I understand that and I do not think that we need to get into a row about that particular point.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ROBERT C. BYRD. Mr. President, I believe that I have 11 minutes remaining.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I yield my time to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for an additional 11 minutes.

Mr. JAVITS. Mr. President, the Senator may recall that I had a similar amendment and that the administration assured us that a report would be out. For one reason or another it was not The Senator may recall that we were also due to get a similar report at the end of the year. There was a big crisis involved then, and they did not submit it at that time.

The purpose of the Senate being so clear and the Senator from Louisiana being sympathetic to that purpose, would it be proper for the Senator to spread his interpretation of this matter on the record to the effect that this be done by April 30 and that if it is not done in the House Ways and Means Committee, it will be done in the Senate Finance Committee? The Senate is entitled to get its presentation of this tax package within this time.

Mr. LONG. Mr. President, that is what will happen. The chairman of the House Ways and Means Committee told us that the Secretary of the Treasury had agreed to come before his committee and explain the administration's position on tax reform, which I am sure will be to recommend certain measures and not recommend others. The chairman of the House Ways and Means Committee will give consideration to the administration's position on tax reform during this committee's hearings on tax reform. Under those circumstances, I asked the chairman of the House Ways and Means Committee if he believed they would do exactly that. The chairman of the House committee has not the slightest doubt about it. His view is, of course, that that is what the Secretary will do, tell us what the administration's recommendations are.

I am sure that like any other administration recommendation, it will make some people happy and other people unhappy. It will be between those two extremes.

My guess is that it will be a recommendation which the advocates of raising taxes for a group whom they believe to be favored will be disappointed. Others will be highly pleased. It depends upon which view one holds. In my judgment, tax reform means something different

for perhaps each Senator. Each Senator has his own idea on tax reform. However, we will have the administration's position stated on April 30, and perhaps it will be continued over to May 1. The administration will state it and explain it. And the House Ways and Means Committee from that point forward will determine how far they want to go with that matter. They have their own ideas on that. They will send us the bill when they complete their action, and it will then be our turn to vote upon the matter.

Mr. JAVITS. Mr. President, I understand that perfectly. My point is that, as on two previous occasions our hopes have been dashed in that regard, would the Senator from Louisiana assure the Senate that he, too, has a very important committee, and that while he cannot in his committee initiate tax reform, he certainly has the right to ask the administration to keep its promise?

If this hope fails over there, I would like to know whether the Senator thinks that it should fail here in view of the declared intention of the Senate.

Mr. LONG. No, I do not think it should. I do not think that is part of the problem. I think that is part of the reason why the House would not accept that, in view of the fact that he told them that he would be there then. It is a promise that the administration will be there by that date. The Secretary of the Treasury has already agreed to be up here much quicker than would otherwise be the case.

Mr. JAVITS. Mr. President, I only ask the Senator if he will join with the rest of us in seeing that this gets done.

Mr. LONG. Yes; I do not want it understood that my ideas on tax reform will be the same as those of the Senator from New York. He represents a great State that has enormous interests in the revenues of the Government because it pays a great deal of those revenues. I represent an average size State. The Senator's State is located in one part of the country and mine is located in another. Our States have different interests, as is the case with all States. But they will be worked out. Invariably I will have an idea on tax reform that varies from the ideas of the Senator from New York, and vice versa.

Mr. JAVITS. Mr. President, I know the Senator understands that I have no desire to load the deck in favor of my State. It is merely the fact that we want the administration at a given time to state its position.

Mr. LONG. The Senator is correct. I am sure that will be the case. And I have been assured by the House that that will be the case.

Mr. BENNETT. Mr. President, if the Senator will yield, as a member of the conference committee, I support the chairman in his interpretation of the situation. And I would like to say to the Senator from New York that a bill will come from the House. And when it does, he and other Senators will have the right to appear before the Senate Committee on Finance and indicate whether it satisfies their interpretation of what the bill should be.

I agree with the distinguished Senator from Louisiana that when the Secretary of the Treasury had already given the chairman of the committee assurance that he would be there to discuss the administration's position, we should at least give him that chance. If he fails, there will be other opportunities to attach a similar amendment to another bill.

I hope that the conference report will be agreed to.

The PRESIDING OFFICER (Mr. HUDDLESTON). The question is on agreeing to the conference report.

The conference report was agreed to.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, will the Senator yield me 3 minutes?

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 3 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I yield 3 minutes to the Senator from New York.

THE PRESIDENT'S QUESTIONED CONSTITUTIONAL AUTHORITY TO BOMB CAMBODIA

Mr. JAVITS. Mr. President, I wish to raise today a serious question respecting the authority of the President under the Constitution in the continuing air bombing in Cambodia.

The question is most serious for two reasons: First, it bears on the Senate's prospective action in again considering the War Powers Act which is designed expressly to deal with the twilight zone in the Constitution respecting the war-making powers; and second, it raises a major issue of policy concerning military operations in the Indochina area and the effect upon those operations of laws heretofore enacted dealing with Cambodia.

I wish to make it clear that the issue is not whether it is in the American interest that this bombing in aid of the central government's forces in Cambodia is substantively desirable but rather who is to determine that fact for the United States. It is my judgment that it must be determined by the Congress and the President acting together and not by the President alone, as is apparently being done now. Thus, I believe the President should submit to the Congress the reasons for these actions in Cambodia and seek concurrence of the Congress in them.

I say this also because I believe that these military actions under the circumstances are directly affected by specific provisions of law—one of which I authored—and are, in addition, clearly actions putting forces of the United States into hostilities without prior authorization of the Congress.

I wish to point out that there are no treaty questions involved, as the present government of President Lon Nol has removed Cambodia from the purview of the Southeast Asia Treaty Organization Treaty. In this respect, then Acting Secretary of State Richardson wrote the Senate Foreign Relations Committee on May 30, 1970, "the SEATO Treaty has no application to the current situation in Cambodia."

Nor can air bombing in Cambodia be any longer justified on the same ground that President Nixon justified the move of U.S. forces into Cambodia. On April 30, 1970, when the operation began, he said that his actions were necessary:

> To protect our men who are in Vietnam and to guarantee the continued success of our withdrawal and Vietnamization programs, I have concluded that the time has come for action.

And in July 1970, when describing the reason for this operation, he said:

> The President of the United States has the constitutional right—not only the right, but the responsibility—to use his powers to protect American forces when they are engaged in military actions.

But, today is the day that the American military presence in Vietnam is officially at an end.

I am deeply concerned that none of the laws enacted by Congress affecting Cambodia allow the policy now apparently being pursued there and which policy was most accurately phrased by Secretary Rogers when he testified before the House Foreign Affairs Committee on March 14, 1972, in support of the Cambodian aid request, stating:

> As you know, one of the reasons we have increased the request for Cambodia assistance is that we are anxious to see that the Government in Cambodia survives.

Nor do I find anything in article 20 dealing with Cambodia and Laos of the Agreement on Ending the War and Restoring the Peace in Vietnam signed in Paris on January 27, 1973, to authorize the hostilities being engaged in absent the concurrence of the Congress.

The pertinent provisions of the laws affecting air bombing in Cambodia were contained in the Supplemental Foreign Assistance Act of 1970, section 6 6(b), of which read as follows:

> Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense.

I was myself the author of this section (6b). It has undergone some change in succeeding acts, but still reads as follows:

> Enactment of this section shall not be construed as a commitment by the United States to Cambodia for its defense.

Accordingly, I believe it appropriate to ask if we are going to continue the bombing in Cambodia in support of the forces of the Central Government of that country. If so, then the President should seek the concurrence of Congress.

It is my considered judgment that if the War Powers Act as passed by the Senate by a vote of 68 to 16 in 1972 were now in effect, the President would be required to make such a request according to the procedures specified in that act. I believe it greatly in the interest of our country that a comparable request should

now be made by the President before proceeding further in Cambodia.

I would like to quote the majority leader, Senator MANSFIELD, who said recently, regarding the military action in Cambodia:

If we are not careful, we have got the makings of another Vietnam.

These words should be carefully heeded by all in Congress and the Executive, especially in light of the recent tragic chapter of history in Vietnam.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

THE CONTINUED BOMBING IN CAMBODIA—BY WHOSE LEAVE?

Mr. EAGLETON. Mr. President, I would like to join the sentiments and remarks just expressed by the distinguished Senator from New York. I likewise am troubled by the bombing in Cambodia, inasmuch as it has no legal or constitutional basis.

As the Senator from New York has stated, the SEATO Treaty cannot apply as a legal justification for our action in Cambodia. This treaty requires the unanimous agreement of all parties before it can be implemented in the defense of either a signatory or a protocol nation. In addition, of course, the SEATO Treaty, as is the case with other mutual defense treaties, can be used as a vehicle for engaging in hostilities only in accordance with the constitutional processes of each nation.

To even suggest that this treaty could be used to demonstrate legal authority for the bombing in Cambodia would be an insult to this Congress and to the American people.

The Gulf of Tonkin Resolution has long since been repealed. Since the repeal of that resolution in January 1971, the President has, in my opinion, been on very shaky legal ground in conducting offensive military operations in Indochina. Now, however, I do not think that, even using the broadest and most Gargantuan interpretation of the Commander in Chief's authority, the President may unilaterally continue bombing in Cambodia. The one legal straw the President did have after the repeal of the Gulf of Tonkin Resolution—the protection of American forces—is no longer applicable.

The initial foray into Cambodia and the bombing in Cambodia, Laos, and Vietnam was considered at one time to be a part of the President's power to protect American troops there during the withdrawal process. Now that our troops have been totally withdrawn, that rationale for operation in Cambodia goes by the board.

I pay tribute to the Senator from New York for making these remarks on the floor of the Senate, and I agree with him that had the War Powers Act been enacted by Congress last year—as he mentioned, it passed the Senate but an agreement could not be reached in conference with the House—we would have had an appropriate vehicle to determine whether the President had this authority. In my opinion he clearly does not.

As long as we have no legislation in the war powers area, the President is free to describe his power in the broadest possible way. Even before passage of our bill, however, we should not permit such broad interpretations.

What the State Department is now preparing as legal justification for our bombing in Cambodia should be a lesson to this Congress that, if we are to protect our own constitutional prerogatives in the warmaking area, we must carefully delineate the powers of both the President and Congress.

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

Mr. EAGLETON. I yield.

Mr. JAVITS. I wish to pose a rhetorical question to the Senator. There is nothing in the War Powers Act to prevent the President from asking immediately and getting action on the part of Congress immediately; there is no requirement, under the War Powers Act or whatever the methodology may be; he can ask immediately and get action immediately, is that not true?

Mr. EAGLETON. The Senator is correct.

Mr. JAVITS. I thank my colleague.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION FROM DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes (with an accompanying paper). Referred to the Committee on Agriculture and Forestry.

REPORT OF NATIONAL COMMISSION ON CONSUMER FINANCE

A letter from the Chairman, National Commission on Consumer Finance, transmitting, pursuant to law, a report of that Commission, dated December 31, 1972 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON STUDIES OF DEATH, INJURIES, AND ECONOMIC LOSSES RESULTING FROM ACCIDENTAL BURNING OF PRODUCTS, FABRICS, OR RELATED MATERIALS

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on studies of death, injuries, and economic losses resulting from accidental burning of products, fabrics, or related materials, for the fiscal year 1972 with an accompanying report). Referred to the Committee on Commerce.

REPORT ON UTILIZATION OF AUTHORITY TO DESIGNATE AND RENT INADEQUATE QUARTERS

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the utilization of authority to designate and rent inadequate quarters, lease family housing and hire quarters, for the calendar year 1972 (with an accompanying report). Referred to the Committee on Commerce.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Need to Control Discharges From Sewers Carrying Both Sewage and Storm Runoff," Environmental Protection Agency, dated March 28, 1972 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON STATUS OF THE COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the status of the Colorado River storage project and participating projects, for fiscal year 1972 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

REPORT OF GOVERNMENT COMPTROLLER FOR GUAM

A letter from the Deputy Assistant Secretary for Territorial Affairs, Department of the Interior, transmitting, pursuant to law, the annual report of the Government Comptroller for Guam of the fiscal condition of the Government of Guam, for the year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

REPORT OF IMMIGRATION AND NATURALIZATION SERVICE

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a report of that Service, for the year ended June 30, 1972 (with an accompanying report). Referred to the Committee on the Judiciary.

REPORT OF ACTION

A letter from the Assistant Director of ACTION Congressional Affairs, transmitting, pursuant to law, a report of that Agency, for the period July 1971, through June 1972 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT ON FUTURE PLANS FOR CERTAIN PUBLIC HEALTH SERVICE HOSPITALS

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on future plans for certain Public Health Service hospitals (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM CIVIL SERVICE COMMISSION

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to provide for payments by the Postal Service to the civil service retirement and disability fund for increases in the unfunded liability of the fund due to increases in benefits for Postal Service employees, and for other purposes (with accompanying papers). Referred to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION FROM THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Highway Safety Act of 1966, title 23, United States Code, section 401 et seq., and for other purposes (with accompanying papers). Referred to the Committee on Public Works.

PROPOSED LEGISLATION FROM ATOMIC ENERGY COMMISSION

A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the EURATOM Cooperation Act of 1958, as amended (with accompanying papers). Referred to the Joint Committee on Atomic Energy.

LEGISLATIVE REVIEW REPORT OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—REPORT OF A COMMITTEE (S. REPT. NO. 93-95)

Mr. JACKSON. Mr. President, in accordance with the provisions of section 118 of the Legislative Reorganization Act of 1970, I submit the legislative review report from the Committee on Interior and Insular Affairs.

The 1970 act requires that each standing committee of the Senate shall review and study, on a continuing basis, the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee.

The report I submit today covers the activities of the Committee on Interior and Insular Affairs during the 92d Congress, and I ask that it be printed at this point in the RECORD.

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

OVERSIGHT FUNCTION AND REVIEW ACTIVITIES OF THE SUBCOMMITTEE ON INDIAN AFFAIRS FOR THE 92D CONGRESS

JURISDICTION

The Subcommittee carries jurisdictional responsibility for the oversight activities over the full range of social and economic issues inherent in the Federal relations of American Indians and Alaska Natives. In addition, the Subcommittee maintains an official interest in the programs and activities of the Bureau of Indian Affairs, the Indian Claims Commission, and the Indian Health Services of the U.S. Public Health Service.

No major Subcommittee oversight hearings were conducted into Indian Affairs during the 92nd Congress. However, Subcommittee staff, assisted by GAO supervisory auditors from the Washington, D.C. headquarters and Denver regional offices, conducted an investigation of the activities of Fort Belknap Builders, Inc., a tribal corporation conducting business on the Fort Belknap Reservation, Montana.

The issue on the Fort Belknap Reservation, in general, involved the following:

(1) The official tribal governing body established a corporation under State law whose major purpose was to enter the home construction field.

(2) It was proposed that this corporation, The Fort Belknap Builders, Inc., would assume construction of various Federally subsidized housing projects designated for this Reservation.

(3) The official tribal governing body and the corporation borrowed heavily from private banks in the State of Montana to finance their operation.

(4) The corporation contracted with a private consulting firm to provide general managerial support for the corporation's activities.

(5) Despite the fact that the corporation experienced a substantial cash flow, both from the loans from private banks and Federal funds to support the housing projects, the Builders' corporation subsequently faced a serious financial crisis and found itself behind schedule in completion of the required units in the housing project.

(6) Both the official tribal governing body and the corporation are faced with a heavy indebtedness with no prospect of meeting these obligations.

(7) This entire issue raises serious questions concerning the role and responsibilities of the Department of the Interior and the Department of Housing and Urban Development.

The Subcommittee staff investigation of this issue was incorporated into a formal Committee Print for the use of the full Committee and the public.

OVERSIGHT FUNCTION AND REVIEW ACTIVITIES OF THE SUBCOMMITTEE ON WATER AND POWER RESOURCES

The Subcommittee on Water and Power Resources has the legislative oversight responsibility for legislation and activities relating to irrigation, reclamation, water supply, and related power, recreation, and fish and wildlife conservation; interstate compacts apportioning water; the Federal desalting program; water resources research, planning, and development; and weather modification for increasing water supply. The subcommittee's jurisdiction includes all or part of the activities of the following Federal agencies:

Department of the Interior:
Bureau of Reclamation.
Bonneville Power Administration.
Southeastern Power Administration.
Southwestern Power Administration.
Office of Saline Water.
Office of Water Resources Research.
National Water Commission.
Water Resources Council.

Legislative actions

During the 92d Congress, the Committee undertook legislative oversight hearings of a number of programs on the occasion of considering specific legislation as follows:

Water resources research

In consideration of S. 219 (H.R. 10203), that portion of the program of the Office of Water Resources Research which supports the work of the research institutes in the several states was reviewed in detail. A number of administrative revisions were made in the program including a major increase in the annual level of funding (P.L. 92-175).

Saline water conversion program

A fundamental review of the Federal program for research and development in desalting was initiated by the Committee in the 91st Congress. In the 92d Congress, a report requested by the Chairman from the Office of Science and Technology was received. The enabling legislation authorizing the program was substantially redrafted to reflect the status of the technology and emerging new needs of society for desalting (S. 991). Major redirections and an extension of the authority were made (P.L. 92-60).

Small reclamation loan program

A number of changes were made in the procedures of the small reclamation projects loan program to correct problems which have been experienced in its administration thus far (P.L. 92-167). A complete review of the program's accomplishments was made.

Colorado River storage project

A review of the status of work by the Bureau of Reclamation on the comprehensive Colorado River Storage Project was made in connection with the authorization of additional appropriations (P.L. 92-370).

Missouri River Basin

A regular two-yearly review of the status of work by the Bureau of Reclamation in the Missouri River Basin was made in connection with the authorization of continued appropriations (P.L. 92-371).

Irrigation Distribution System Loan Program

A review was made of the accomplishments and performance of the Bureau of Reclamation under the loan program for construction of irrigation distribution systems. Changes in the administration of the program were made (P.L. 92-487).

Special actions

Southwest Powerplants

The Committee undertook a major study of the impact upon the desert regions of the Southwest of construction of a coal-fired powerplant complex involving a variety of Federal actions within the Committee's oversight jurisdiction. Hearings and inspections were held in the Southwestern States, and hearings were held in Washington, D.C. The Committee reported its findings and recommendations to the Senate on August 4, 1972 (S. Rept. 92-1015).

Rehabilitation and Betterment Projects

In accordance with the provisions of the enabling Act, four reports of the findings of the Secretary of the Interior concerning proposed plans for the rehabilitation and betterment of existing reclamation projects were received and reviewed by the Committee prior to initiation of the work.

Small Reclamation Projects

In accordance with the provisions of the enabling Act, findings of the Secretary of the Interior on two proposed loans for the construction of small reclamation projects were received and reviewed prior to initiation of the work.

Water Research Grants

Proposed grants for research under the provisions of the Water Resources Research Act were submitted to the Committee for review prior to commitment of the funds.

Periodic reports

Annual reports were received by the Committee as follows:

Status of the Colorado River Basin Project;
Quality of Water, Colorado River;
Activities of the National Water Commission;
Activities of the Office of Water Resources Research;
Activities of the Bonneville Power Administration;
Activities of the office of Saline Water;
Progress of Work on the Western U.S. Water Plan;
Reports of River Basin Commissions established under the Water Resources Planning Act;
Activities of the Water Resources Council;
Status of the Upper Colorado River Basin Fund;
Operation of Colorado River Basin Storage Facilities; and
Status of the Colorado River Storage Project and Participating Projects.

RE: OVERSIGHT FUNCTIONS OF THE PARKS, AND RECREATION SUBCOMMITTEE

Oversight hearings on snowmobiles and other off-road vehicles—May 15, 1971

Basically the following conclusions were reached at this session.

(a) Development and production of these vehicles have moved faster than our regulatory and legislative machinery.

(b) Existing State law and Federal regulations are not adequate for the job.

(c) Until recently, we have proceeded under the assumption that when a vehicle is not used on public highways, it need not be licensed. It is now known that this assumption is no longer valid. The proliferation of off-road vehicles is an immediate problem.

(d) An off-road vehicle is any motorized vehicle capable of being utilized off an established road. This definition encompasses a variety of four-wheeled vehicles including those with four-wheel drives, dune buggies, and amphibians, two-wheeled vehicles from trail bikes to motorcycles, snowmobiles, and a variety of specialized propelled vehicles. New air-cushioned machines are now appearing.

(e) Uses cover a wide range. There are individual activities including cross-country

tours, exploration, sightseeing, and transportation to hunt and fish. There are numerous group activities which encompass the types of use just mentioned plus competitive events which draw numerous participants and spectators.

Uses also cover a wide variety of lands. Vehicles can now travel over swamp, tundra, marsh, sand dunes, ice and snow fields, and steep terrain. They are often powerful enough to bring along sufficient supplies for lengthy stays.

(f) There are good and there are harmful aspects in the development of off-road vehicles. Public land managers actually pioneered in the use of some of these vehicles for administrative purposes. Search and rescue missions, firefighting, and other emergency work are obvious pluses. To the frustrated and harassed urban dweller, they provide both release and recreation. Properly operated, individual vehicles do only limited damage to the soil, water, vegetation, and fauna resources during most periods of the year. A major impact is from their sheer numbers: The multiplicity of small impacts. Intensive use on limited areas or on fragile sites leaves devastating scars. Heavy indiscriminate use may have substantial irreversible effects.

(g) In certain respects the vehicles are self-defeating. The two- and four-cycle engines used on vehicles, not licensed for highway use, present substantial noise problems. Areas which were once remote find their quiet shattered. The vehicle destroys the solitude sought.

Many drivers of off-road vehicles are in clubs or organizations that seek to establish safe and considerate practices.

(h) Groups such as the dune buggy operators often construct their own vehicles and proceed with a strong sense of comaraderie in what becomes a family enterprise. The snowmobilers have likewise shown a commendable interest in improved use and safety conditions. The pickup camper group is another highly organized group of users. Motorcyclists are likewise organized but exhibit more individualistic characteristics.

(i) Tragic accidents involving use of off-road vehicles are on the increase. A certain number of accidents is probably inevitable. However, a complicating problem on the public lands is the fact that many visitors are urban dwellers unfamiliar with the hazards of the open country. Another is the large number of dangers that exist on the public lands carrying over from the day when these lands were essentially remote and inaccessible. Abandoned mining shafts and pits are one example.

Specific recommendations were submitted at this hearing which reflected the convictions of a majority of the individuals in attendance. These were:

1. All off-road vehicles should be registered and licensed by the state through a system having appropriate national standards, such as that used for boats. Fees should be established and administered on the principle that the users pay for the services and accommodations they receive. Fees should be adequate to cover the total cost of the program, including land classification, trail or area designation and maintenance, effective education, and enforcement. Authority for enforcement must be clearly established. It is shocking that the Bureau of Land Management lacks anything approaching adequate enforcement authority although it administers the largest acreage of public lands where demands for the use of a variety of types of off-road vehicles are constantly increasing. Full flexible authority should be granted immediately to all federal, state, and local governmental land-managing agencies for handling these vehicles.

Use of off-road vehicles should be permitted only in designated areas or on specific trails at prescribed periods of time. Flexible authority should be granted to permit top-level administrators to close any area or trail upon one or two days notice to prevent erosion, curtail resource degradation, minimize irritating recreational conflicts, eliminate opposition to off-road vehicular activities with the primary purposes of an area, and enhance safety. The overall goal should be to permit reasonable use of off-road vehicles, while simultaneously preventing and minimizing degradation and destruction of (1) fragile soils and aquatic areas, (2) biotic communities, (3) fish and wildlife food and cover and forest seedlings, (4) other important landscape and economic values, and (5) citizen property and privacy rights.

Regulations should prohibit the pursuit, harassment, and taking of all wildlife with the aid of any off-road vehicle. Chasing and killing foxes, coyotes, and other creatures with the aid of snowmobiles and other vehicles, as has been done in past years, should be prohibited. Similarly, off-road vehicles should not be permitted in or near winter concentrations of wildlife. At least some snowmobiles may not realize that disturbing wildlife, such as deer or elk, during the critical winter months can cause additional stress that often means the difference between life or death. This is especially true toward the end of winter when deer and other yarding mammals may have small energy reserves. These reserves can be depleted quickly and the animals exhausted if they are forced to struggle through deep snow in attempting to escape curious pursuers. Concentration areas of wintering deer and other forms of wildlife should be non-use areas for off-road vehicles.

4. Perhaps, by attacking this problem in its early stages, it was concluded that we might avoid the complexities and enigmas which have characterized our experience with the close to 100 million automobiles and trucks that now operate on the streets and highways of this country.

General oversight hearings on the National Parks to cover such problems as traffic management, safety and vandalism were held on June 15, 1971

This was an effort to "take stock" of certain trouble spots that have developed within the national park structure and to ascertain from proper officials what the plans are for future developments or refinement in the Park System.

The concept of a National Park, originally designed for nature preservation, has evolved during the past 100 years with many mutations and innovations in response to national needs. For example, in 1906, largely in response to the depredations on the Indian ruins of the Southwest, the Congress authorized the President to establish—by Proclamation—National Monuments from lands owned or controlled by the United States to protect "historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest."

The Act of March 3, 1933, providing for reorganization within the Executive Branch, resulted in an Executive Order transferring to the Department of the Interior for administration by the National Park Service the national memorials and parks of our Nation's Capital, many national monuments, and historical and military parks administered by other Federal agencies.

Again, in 1935, the Congress authorized the Secretary of the Interior—by Secretarial Order—to establish National Historic Sites in either private or Federal ownership to preserve our national history.

In the meantime, the Congress adopted by law a wide variety of park concepts, such as "National Historical Park," "National Military Park," "National Memorial Park," "National Battlefield," "National Battlefield Park," and "National Battlefield Site."

In 1936, the Congress enacted the Park, Parkway and Recreation Area Study Act directing the Secretary of the Interior to make "a comprehensive study * * * of the public park, parkway, and recreational-area programs of the United States * * * such as will provide data helpful in developing a plan for coordinated and adequate public park, parkway, and recreational-area facilities for the people of the United States."

These studies developed the National Seashore and Recreation Demonstration Area concepts. (Some of these Recreation Demonstration Areas, such as Prince William Forest Park and Catoctin Mountain Park were retained in the National Park System while others were transferred to the States.)

This history is necessary in order to demonstrate the various development phases that took place during the formative stages of the System.

The principal concern presently with regard to the National Parks is the very high level of visitor usage—and the attendant automotive traffic that such usage brings to the Parks. The number of visitors in and of themselves is not threatening to the parks, but it is firmly believed that the number of automobiles presently funneled into park units are the cause of substantial damage. The Park Service recognizes this because it is presently banning automobiles from one or two congested parks, or parts of them, and is considering implementing this policy in other areas.

There is no conflict between protecting parks in their natural state and providing outdoor recreation for those who seek it. The need is for a combination of wilderness protection and increased recreation within the parks for the enjoyment and appreciation of these areas in both their natural and developed state. More recreational development outside the parks in the public and private lands of the surrounding regions is also necessary.

There have been heavy expenditures for roads to make it easier for millions to enter the parks. There have not been corresponding increases in expenditures for personnel to supervise the crowds and to protect the parks. This is best demonstrated by the increase in vandalism in some of the parks and the difficulty experienced in handling large volumes of traffic without sufficient personnel. This situation is also reflected in the troublesome safety condition that has sprung up in a few locations. This has caused serious public reaction, and again it is felt that increased ranger protection would lessen the problems measurably.

Consideration of steps that might be taken to increase the ratio of rangers to visitors ought to be approached on an emergency basis and then followed with regulations by the Secretary of the Interior.

Summer resort and carnival features within the parks can be cut back. Vehicles adapted to off-road use have multiplied at an alarming rate and should be restricted in all parks as soon as practical.

The oversight hearing also disclosed that the National Park Service has made some remarkable advancement in recent years in such important fields as general management, maintenance, law enforcement, and personnel development. The public has responded through an ever increasing patronage of the 290 units in the Park System and by an avalanche of commendatory letters. As an illustration of this improvement the Service points to:

Travel expenditures of $7.8 billion by visitors in 1970 on their way to, and in the vicinity of, the areas of the National Park System, amount to more than ten percent of the total expenditures in the travel industry.

Significantly, this gross expenditure of park visitors resulted in personal income of $5.9 billion to employees and businesses pro-

viding tourist services along the way and in the parks.

Of this personal income, an estimated $1.2 billion was returned to the Federal Treasury in Federal taxes, to say nothing of uncounted taxes at the State and local levels of Government.

Another commendable practice which the National Park Service has adopted within the last year is to hold pre-master plan hearings, at which the Service does not present any plan but simply listens to the ideas offered by the public. Once it has heard the public, it develops its own recommendations and then later holds a public meeting (for master plans) or hearing (for wilderness plans) at which it presents the NPS proposal. Once it has taken the public's views into consideration it publishes its final plan (in the case of master plans) or sends its recommendations to Congress (in case of wilderness plans).

The pre-master plan hearing is a highly desirable step because it allows the public to formally present its ideas to the agency team before it has begun to crystalize its own ideas. Another step in this direction: include public members on all master planning and wilderness teams, and let the public be involved in the selection.

The Senate Subcommittee on Parks and Recreation feels strongly that over-sight hearings on the operations and development of practically all Federal Agencies is a desireable practice. It provides both the legislators and the agency an opportunity to constructively review accomplishments and problems that have developed over a designated period.

OVERSIGHT FUNCTION AND REVIEW ACTIVITIES OF THE SUBCOMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

The Subcommittee is primarily responsible for the oversight of legislation and activities relating to the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa. On-site examination of activities at these jurisdictions is hampered due to time and distance factors. Numerous reports from the comptrollers of the Virgin Islands and Guam were received and reviewed during 1971–72.

Guam

The Chairman and staff of the Subcommittee attended the 1971 Conference of Pacific Legislators in Guam, and subsequent to the conference made a visual inspection of a number of facilities constructed in the territory pursuant to legislation enacted in the 88th Congress (Public Law 88–170) to provide for the rehabilitation and replacement of facilities that were destroyed by typhoons in 1963. Authorization for the rehabilitation program expires in fiscal year 1973. Upon return to Washington legislation was introduced to extend and expand the program to meet unanticipated needs following receipt of a complete audit of construction activities.

Other matters of continuing interest to the Subcommittee are:

(a) Needed revision of the tax code relating to equal treatment of U.S. firms doing business in Guam.

(b) The need for a forum before which Guamanians may appear to press their claims for fair value of lands acquired by the U.S. Navy immediately following the retaking of Guam from the Japanese in 1944.

Trust Territory of the Pacific Islands

The most significant legislation relative to the Trust Territory of the Pacific Islands enacted during the 92nd Congress provided for the establishment of the Micronesian Claims Commission to adjudicate both World War II and postwar claims of the citizens of the territory who were damaged by wartime activities.

A second piece of major legislation would expand the Economic Development Loan Fund available to the territory in order to encourage further development and job opportunities through expansion of the business community.

During hearings on these two legislative proposals the Subcommittee had before it representatives of the administration of the territory and examined closely the background need for the bills, as well as the effectiveness of the already existing economic development program.

The Micronesian Claims Commission had just been appointed and begun to function at the conclusion of the 92nd Congress and will be the subject of further study by the Subcommittee in the carrying out of its responsibilities over the four-year span of life the Commission has been given.

The review of the economic development loan program resulted in the enactment of Public Law 92–257 which substantially strengthened the guidelines for the making of loans, the terms and conditions thereof, and other appropriate directives to administrators in order to make the program more effective than it has been in the past.

At the outset of the 93rd Congress it will be necessary to authorize funds for the continued administration of the Trust Territory. At that time close examination will be made into progress of the capital improvement program which has been steadily increased during the past four years.

The Subcommittee has held several informal meetings with members of the U.S. team of negotiators who are currently involved in working out a new political status for Micronesia. It is contemplated that legislation to terminate the existing trusteeship and to establish a new but as yet undetermined relationship with the territory will be forthcoming in the 93rd Congress.

Virgin Islands

The Chairman of the Subcommittee visited the Virgin Islands during the 92nd Congress, spoke with local officials, and has introduced legislation directed to solving minor problems in the territory.

A Constitutional Convention has been operating for several months in the Virgin Islands, and it is expected that at the beginning of the 93rd Congress proposed legislation will be submitted to the Congress to provide for a constitution for the territory, or, in the alternative, a revision of the 1954 Organic Act. At that time, the Subcommittee plans to hold extensive hearings on legislative and administrative issues.

The Committee has expressed concern to the Governor of the Virgin Islands about certain deficiencies in the proper accounting of the expenditure of local funds, as noted by the Virgin Islands Comptroller, and oversight in the matter is continuing.

American Samoa

A review of activities in American Samoa will be undertaken in the 93rd Congress when legislation relating to the election of the Governor and economic development of the territory is considered.

REPORT OF LEGISLATIVE REVIEW ACTIVITIES SUBCOMMITTEE ON MINERALS, MATERIALS AND FUELS, 92D CONGRESS

The Subcommittee on Minerals, Materials and Fuels of the Senate Interior and Insular Affairs Committee is responsible for all proposed legislation and other matters including legislative oversight relating to the mineral resources of the public lands, including public lands withdrawn as forest reserves and the Outer Continental Shelf; alien ownership of mineral lands; mining interests generally; mineral laws, including mining and leasing laws governing the disposition lease and sale of mineral interests owned by the United States and activities of the Bureau of Land Management, Geological Survey and the Bureau of Mines in administering such mineral laws; mining schools and experimental stations, supervision as trustee of mineral rights owned by the Indians and petroleum conservation and conservation of natural mineral resources.

Special Committee action included the following:

A review in March of 1971 of the Helium Conservation program of the Department of the Interior, including the preparation of a printed record of the proceedings.

A review in November of 1971 of the Department of Interior's proposed prototype oil shale leasing program under the Mineral Leasing Act of 1920, including the environmental problems of oil shale, the economics of environmental protection and a review of the draft environmental impact statement under Section 102(2)(c) of the National Environmental Policy Act of 1969.

The Subcommittee also heard testimony on the opinion of the Solicitor dated October 28, 1971 (M–36839) which allowed the Department of the Interior to lease competitively oil shale lands covered by unpatented mining claims, pending ultimate judicial determination of the rights of the parties.

In August of 1971, the Subcommittee conducted an inspection and field hearing on the environmental impact of mining activities in the Custer and Gallatin National Forests in Montana. A specific problem was the effect of proposed Forest Service regulations on access roads for mineral activity.

In addition, the Subcommittee made field inspection trips of surface mining operations in Tennessee and Kentucky and Indian, private and public domain lands in Utah, Wyoming and Idaho. The inspection trips were an important background study to the surface mining legislation pending before the Committee and offered an opportunity to view surface mining activities covering a variety of minerals and under a wide range of differing geologic conditions nation wide.

The staff of the Subcommittee in cooperation with the staff of the Library of Congress prepared and published a background paper entitled the *Issues Related to Surface Mining*.

Legislative review of the activities of the Bureau of Mines included review of Bureau of Mines contracts for research in excess of $25,000, submitted to the Subcommittee and the Congress pursuant to the provisions of Public Law 89–672 (Act of October 15, 1966).

OVERSIGHT FUNCTION AND REVIEW ACTIVITIES OF THE SUBCOMMITTEE ON PUBLIC LANDS

The Subcommittee on Public Lands has oversight jurisdiction which extends to the public lands generally, including forest reserves created from the public domain, and embraces all actions relative to such lands. Examples would be disposals, entries, easements, leases, patents, withdrawals, grazing activities, and wilderness and wild river designations.

The Senate Subcommittee on Public Lands during the 92nd Congress probed deeply into questions of timber management on Federal holdings.

Chairman Frank Church conducted hearings in mid-1971 that zeroed in on one of the most controversial questions ever to involve the nation's Federal timberlands—the practice of clear-cutting. More than 90 witnesses were heard in five days of testimony, including members of Congress, State officials, environmentalists, professional foresters and other scientists, and representatives from the timber and housing industries, the Forest Service, the Bureau of Land Management, and the Department of Housing and Urban Development.

The Subcommittee's attention was directed primarily to clear-cutting practices on the National Forests, especially on examples in Montana, West Virginia, Wyoming and Alaska. This was done because there had

been complaints of the practice on four specific National Forests. Such practices were attacked vehemently by the environmentalists, but clear-cutting as a method was strongly defended by representatives of the timber industry, the Forest Service and representatives of the professional Society of American Foresters. Some of those who opposed clear-cutting suggested a permanent moratorium on all clear-cutting on Federal timberlands. Those who defended the practice basically felt that no Congressional action was needed to limit the use of clear-cutting.

Some serious scientific questions were raised, such as possible long range adverse effects of clear-cutting on soil nutrients. Conversely, other professional forestry witnesses detailed the results of clear-cutting and the scientific research, mainly by the Forest Service through its Nation-wide system of forest experiment stations, demonstrating the need for clear-cutting of certain important tree species if they are to be reforested successfully.

Subcommittee report

Subsequent to the hearings, the Subcommittee issued a full report which was published as a committee print entitled "Clear-cutting on Federal Timberlands" (92nd Congress, 2nd Session; March 1972). The report concluded as follows:

"As indicated in the foregoing the Committee became aware of two major problem areas relating to the selection and conduct of timber harvesting operations on Federal forest lands. First, certain areas have been selected for cutting which should not have been subjected to any activity relating to timber harvesting for any of a number of reasons. These were areas of special scenic values, fragile soils, or other limiting physiographic conditions, areas where adequate regeneration could not be assured, and areas where the costs of special measures to avoid environmental damage or assure regeneration were so high that the activity was imprudent and relatively uneconomic.

"The second problem area relates to the manner in which harvesting operations are carried out. This involves selection of a harvesting method, the manner in which a sale is conducted and to minimize or avoid environmental injury, and careful supervision and enforcement of environmental conditions in road building and timber sale contracts.

"The Committee recognizes that the timber needs of the Nation are incerasing at a rapid pace. The National Forests and other Federal forest lands will play a vital role in meeting those needs. Substantial testimony convinced us that measures to assure adequate timber supplies are essential if we are to house our people and serve other wood product needs at reasonable cost. The measure needed to help the Federal forests play their role must include intensified forest management practices such as reforestation, thinning, genetic improvement, salvage of dead timber, as well as the reforestation of nonstocked private forest lands.

"Accordingly, the Subcommittee believes it is timely and important to suggest guidelines for the conduct of timber harvesting activity on Federal lands which will assure that the problem areas are eliminated while important national needs for timber are being met. In stating these guidelines the Subcommittee does not presume to substitute its judgment for that of qualified professionals who have on-the-ground knowledge and familiarity with local needs and conditions. However, we believe overall policy direction is essential to make Federal forestry administrators aware of the concern and support of the Congress for stronger consideration of environmental impacts in timber management decisions. We are also aware that the Forest Service and the Bureau of Land Management have taken a number of steps to improve their timber management practices. The guidelines set forth by this Subcommittee should serve to strengthen and supplement these ongoing actions.

"Therefore, the Subcommittee believes timber management activities on Federal lands should be subject to the following policy guidelines:

"1. Allowable harvest levels

a. Allowable harvest on Federal forest lands should be reviewed and adjusted periodically to assure that the lands on which they are based are available and suitable for timber production under these guidelines.

b. Increases in allowable harvests based on intensified management practices such as reforestation, thinning, tree improvement and the like should be made only upon demonstration that such practices justify increased allowable harvests, and there is assurance that such practices are satisfactorily funded for continuation to completion.

If planned intensive measures are inadequately funded and thus cannot be accomplished on schedule, allowable harvests should be reduced accordingly,

"2. Harvesting limitations

Clear-cutting should not be used as a cutting method on Federal land areas where:

a. Soil, slope or other watershed conditions are fragile and subject to major injury.

b. There is no assurance that the area can be adequately restocked within five years after harvest.

c. Aesthetic values outweigh other considerations.

d. The method is preferred only because it will give the greatest dollar return or the greatest unit output.

"3. Clear-cutting should be used only where:

a. It is determined to be silviculturally essential to accomplish the relevant forest management objectives.

b. The size of clear-cut blocks, patches or strips are kept at the minimum necessary to accomplish silvicultural and other multiple-use forest management objectives.

c. A multidisciplinary review has first been made of the potential environmental, biological, aesthetic, engineering and economic impacts on each sale area.

d. Clear-cut blocks, patches or strips are, in all cases, shaped and blended as much as possible with the natural terrain.

"4. Timber sale contracts

"Federal timber sale contracts should contain requirements to assure that all possible measures are taken to minimize or avoid adverse environmental impacts of timber harvesting, even if such measures result in lower net returns to the Treasury.

"IN CONCLUSION

"The Subcommittee recommends that the Federal Government take prompt action toward bolstering the confidence and support of the American people for our nation's forestry program. The considerable testimony before the Subcommittee and the studies that have been completed or are now under way illustrate the necessity for establishing a prudent policy for regulating clear-cutting on our forest lands.

"It is the hope of the Subcommittee that the guidelines it has set forth will be quickly adopted and implemented by the Executive Branch."

Timber management hearings

Although the clear-cutting hearings did not consider legislation, the Subcommittee on Public Lands later conducted extensive hearings on general timber management measures introduced by Senators Metcalf and Hatfield, both members of the Subcommittee. Field hearings were held in Atlanta, Georgia; Portland, Oregon, and Syracuse, New York, with a final hearing for government witnesses in Washington. While no final committee action was taken on the measures, an impressive hearing record was compiled which should provide important direction for any future legislation in this particular field.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Charles C. Edwards, of Maryland, to be an Assistant Secretary of Health, Education, and Welfare; and

William H. Kolberg, of Maryland, to be an Assistant Secretary of Labor.

(The above nominations were reported subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. THURMOND. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 185 general officers in the Air Force and ask that these names be placed on the Executive Calendar.

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

The nominations, ordered to be placed on the Executive Calendar, are as follows:

Brig. Gen. Ralph T. Holland, and sundry other officers of the Regular Air Force, for temporary appointment in the U.S. Air Force, in the grade of major general;

Maj. Gen. George J. Keegan, Jr., (brigadier general, Regular Air Force), U.S. Air Force, and sundry other officers, for appointment in the Regular Air Force, in the grade of major general;

Brig. Gen. Harold R. Vague (colonel, Regular Air Force), U.S. Air Force, and sundry other officers, for appointment in the Regular Air Force, in the grade of brigadier general; and

Col. Charles A. Veatch, Regular Air Force, and sundry other officers, for temporary appointment in the U.S. Air Force, in the grade of brigadier general.

Mr. THURMOND. Mr. President, in addition, there are 1,732 Navy nominations in the grade of captain and below and 2,980 nominations in the grade of colonel and below in the Air Force and Air Force Reserve. Since these names have appeared previously in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

The nominations, ordered to lie on the desk, are as follows:

Thomas G. Abbey, and sundry other officers, for promotion in the Regular Air Force;

Vicente Martinez, and sundry other persons, for appointment in the Regular Air Force;

Walter H. Escue, and Charles W. Couch, Air Force officers, for reappointment to the active list of the Regular Air Force;

John C. Aasen, and sundry other officers, for promotion in the Air Force Reserve;

Thomas J. Abeln, and sundry other officers, for promotion in the U.S. Air Force;

Benjamin L. Aaron, and sundry other officers, for temporary promotion in the U.S. Navy;

Kenneth J. Bays, and sundry other officers, for promotion as Reserves of the Air Force;

Daniel C. Cady, and sundry other officers, for appointment in the Reserve of the Air Force; and

James G. Sanders, and sundry other officers, for appointment as temporary officers in the U.S. Air Force.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHILES:

S. 1414. A bill to strengthen congressional control in determining priorities of appropriations and expenditures by requiring the Budget to be organized and submitted on the basis of national needs, agency programs, and basic program steps. Referred to the Committee on Government Operations.

By Mr. BUCKLEY (for himself, Mr. BAKER, Mr. BENNETT, Mr. BROOKE, Mr. DOMINICK, Mr. GRAVEL, Mr. JAVITS, Mr. SCOTT of Pennsylvania, and Mr. THURMOND):

S. 1415. A bill to amend the Small Business Act to assist in the financing of small business concerns which are disadvantaged because of certain social or economic considerations not generally applicable to other business enterprises. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. LONG:

S. 1416. A bill to amend the Social Security Act to add a new title XX thereto which will provide insurance against the costs of catastrophic illness. Referred to the Committee on Finance.

By Mr. EAGLETON:

S. 1417. A bill for the relief of Maria Estela Lagus. Referred to the Committee on the Judiciary.

By Mr. HATFIELD (for himself, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BROCK, Mr. CLARK, Mr. CRANSTON, Mr. CURTIS, Mr. FANNIN, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HANSEN, Mr. HOLLINGS, Mr. HUGHES, Mr. JAVITS, Mr. MANSFIELD, Mr. MCINTYRE, Mr. PACKWOOD, Mr. SCOTT of Pennsylvania, and Mr. TUNNEY):

S. 1418. A bill to recognize the 50 years of extraordinary and selfless public service of Herbert Hoover, including his many great humanitarian endeavors, his chairmanship of two Commissions of the Organization of the Executive Branch, and his service as 31st President of the United States, and in commemoration of the 100th anniversary of his birth on August 10, 1974, by providing grants to the Hoover Institution on War, Revolution and Peace. Referred to the Committee on Labor and Public Welfare.

By Mr. DOMENICI (by request):

S. 1419. A bill to designate the Aldo Leopold Wilderness, Gila National Forest, N. Mex. Referred to the Committee on Interior and Insular Affairs.

By Mr. FONG:

S. 1420. A bill for the relief of Erminia Ancheta Mandac. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 1421. A bill to amend the administrative procedure provisions of title 5 of the United States Code to make the rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts; to provide for payment of expenses incurred in connection with proceedings before agencies; to provide for waiver of sovereign immunity; to provide for the enforcement of standards in grant programs, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. RANDOLPH, Mr. STEVENSON, Mr. MONDALE, Mr. PERCY, Mr. BIBLE, Mr. MOSS, Mr. BAKER, Mr. PASTORE, Mr. PELL, Mr. NUNN, Mr. INOUYE, and Mr. BAYH):

S. 1422. A bill to establish a National Institute of Justice, in order to provide a national and coordinated effort for reform of the system of justice in the United States, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself and Mr. JAVITS):

S. 1423. A bill to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services. Referred to the Committee on Labor and Public Welfare.

By Mr. SCHWEIKER:

S. 1424. A bill to provide certain benefits for members of the armed forces and civilian employees of the United States who were in a missing status for any period of time during the Vietnam conflict. Referred to the Committee on Armed Services.

By Mr. MOSS:

S. 1425. A bill for the relief of Rosa Amelia Alba Mauricio. Referred to the Committee on the Judiciary.

By Mr. HRUSKA (by request):

S. 1426. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958 and chapter 2, title 18, United States Code, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes. Referred to the Committee on the Judiciary.

S. 1427. A bill to prohibit the unauthorized possession within any Federal penal or correctional institutiton, any substance or thing, designed to damage the institution or to injure any persons within or part of the institution, and for other purposes. Referred to the Committee on the Judiciary.

S. 1428. A bill to amend section 215, title 18, United States Code, receipt of commissions or gifts for procuring loans, to expand the institutions covered; to encompass indirect payments to bank officials; to make violation of the section a felony; and to specifically include offerors and givers of the proscribed payments; and for other related purposes. Referred to the Committee on the Judiciary.

By Mr. STEVENSON:

S. 1429. A bill to amend the Federal Aviation Act of 1958 to authorize free or reduced rate transportation for severely handicapped persons and persons with sight attending such handicapped persons. Referred to the Committee on Commerce.

By Mr. PELL (for himself, Mr. CASE, Mr. MUSKIE, Mr. HOLLINGS, Mr. MAGNUSON, Mr. MOSS, and Mr. WILLIAMS):

S. 1430. A bill to establish within the Department of State a Bureau of Oceans and International Environmental Affairs to be headed by an Assistant Secretary of State. Referred to the Committee on Foreign Relations.

By Mr. BEALL (for himself, Mr. DOMINICK, and Mr. BUCKLEY):

S.J. Res. 86. Joint resolution to suspend, for 2 years, Federal support of projects involving psychosurgery. Referred to the Committee on Labor and Public Welfare.

By Mr. KENNEDY:

S.J. Res. 87. Joint resolution relating to the National Advisory Council on Indian Education. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 1414. A bill to strengthen congressional control in determining priorities of appropriations and expenditures by requiring the budget to be organized and submitted on the basis of national needs, agency programs, and basic program steps. Referred to the Committee on Government Operations.

Mr. CHILES. Mr. President, on March 15, 1973, I offered testimony before the Joint Congressional Study Committee on Budget Control. At that time I stated that I was exploring ways in which to make vital budget information available to Congress through a restructuring of the way the Office of Management and Budget presents the budget to Congress.

I am today introducing the Congressional Budget Control Act of 1973. Through this proposed legislation, I hope to offer a framework to help the Congress regain the control it does not now have over the budget.

I suggest that the most effective way to get that control over programs is to control the early steps which actually determine the level of spending that Congress becomes concerned about later—when it is too late to do anything about it.

I believe that Congress ought to be setting the priorities within a budget target and must, therefore, have the visibility within individual programs to effect control over the dollars that these programs eventually command. I believe that Congress must have a clear picture of what separate public needs the Federal Government is trying to satisfy; and I believe Congress must have the capability to sort out and collect in sensible groupings all the programs and activities we annually budget.

The Joint Congressional Study Committee on Budget Control has cited the need for information which will show the effect on expenditures resulting from existing and proposed legislation. The Legislative Reorganization Act of 1970 directed the Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General, to develop a standardized information and data processing system for budgetary and fiscal data, and to develop also a standard set of classification of programs, receipts, and expenditures to be used in the budget system. The Comptroller General has now stated that—

> The system contemplated by the executive branch will not fulfill the information needs of the Congress.

It is my hope that through the implementation of my bill, these congressional information needs might be met.

I do not think anyone here needs to be convinced that Congress lacks visibility over the budget as a whole and particularly the early phases of new programs. When we use words like "fragmentation," "automization," and lack of "coordination," what we are really saying is that we in Congress have the responsibility to stay on top of a budget over which it is virtually impossible to stay on top of. Yet, it is Congress which ought to be setting the priorities within a budget target. It is Congress which should understand and confirm the missions or functions of executive agencies; and, most important, it is Congress which should have the visibility within

individual programs to effect control over the dollars that these programs eventually command. As I will explain in more detail later, it is at these beginning stages of any program, at the research and development level, that Congress ought to be directing most of its energies, because that 5 percent of the budget develops into 95 percent over the years, through small increases from budget to budget.

The President obviously recognizes the control problem as evidenced by his efforts to set up a "super cabinet" to oversee the programs of groups of agencies. How can we do that? How can we perform our responsibilities of oversight, control, and supervision over such a complex operation?

To answer that question we first must answer why Congress does not have the key elements of budget and program control right now. The basic answer is a lack of organization of budget and program-related information; the way it is presented to us, the information we have to work with; and the way we handle this information.

We simply do not have a clear picture of what separate public needs the Federal Government is trying to satisfy we do not have the capability to sort out and collect in sensible groupings all the programs and activities we annually budget.

Let me give the Senate some examples—

First. On March 14, 1973 I sat in on hearings on the new Federalism before the Senate Subcommittee on Intergovernmental Relations. At that hearing OMB Director Roy Ash presented a chart that would boggle the mind of the most sophisticated bureaucrat in our Government. What the chart showed, supposedly, was how 19 separate and distinct programs within HEW operate to prevent school dropouts. That is, 19 separate programs under at least four separate agencies compete with each other for funds to operate 19 different approaches to preventing school dropouts.

I am told that in the case of HEW there are more than 300 programs of which 54 overlap each other and 36 overlap programs of other Departments.

Second. One of the most alarming areas of disjointed information fed to Congress in fragmented fashion is in the area of defense—but no area is exempt, really. In the Department of Defense there are three Military Departments working under their own definitions of their missions, none of which matches the other. The procurement commission, which I served on, found that new weapon programs often start because one of the services feels they 'need" a new aircraft or missile without adequate attention to why, what military mission capability is to be upgraded, how much it is worth and its relationship to other programs being proposed or in being to accomplish similar purposes.

In defense appropriations, Congress never gets the chance to make a real decision until we reach the high money figures—until we are "locked in" in an expensive program. For example, although the AH–56 Cheyenne helicopter, which Congress canceled last year, appeared for large-scale funding in 1965, it began years earlier in exploratory development under a project titled "Aircraft Suppressive Fire." Another project called "Air Mobility" also helped to finance this early armed helicopter exploration. In about 1963, the project was moved into an advanced development activity identified as the "Aircraft Suppressive Fire System."

Following these early efforts, the Army held a competition and selected a developer and producer of that helicopter. In the years that followed, the helicopter encountered great difficulty in development, and the program was finally terminated after the expenditure of several hundred millions of dollars.

It is these kinds of cases which intensify congressional demands for information and justification. But the response has been so far to burden Congress with detailed reviews and deprive it still of workable information.

The examples are endless. What they all point to is the simple fact that Congress must stop merely shrugging its shoulders over its inability to take a whole, complete, and total look at the budget, and instead take action now to require that budget information is given to us in a workable fashion. It is an elementary observation but one that has evidently not been made or at least gone unheeded for far too long.

What shall we do? Congress must have an early opportunity to debate and understand a program's purpose to understand what problem it is we are trying to solve and the goals that we are trying to attain. That purpose ought to be carefully weighed by the appropriate congressional committees to determine its relationship to national needs and other related Federal programs and whether any new programs should be started at all.

Instead of spending hours looking at individual programs—we ought to be studying how programs fullfill best the missions or functions or priorities we have set; and whether or not this or that program unnecessarily duplicates another program or whether a particular activity might better achieve its mission if operated by another agency. Let me give a clearer example of what I mean—

I am including with my statement several budget structures. 1–A is the current budget structure for the space program of NASA and 1–B is an alternative structure designed around the principles I am advocating here today.

The current budget structure is built around activities and specific programs that have little or no relationship to the end-purpose for spending these funds—to national needs—national priorities—whatever they may be. The alternative budget structure shows how each activity of NASA could be related to specific missions—stated national needs or end-purposes. In other words, the activities performed by NASA would not be described in terms of what they were doing, but rather through accurate descriptions of why the work was being done, charted so as to key directly to national needs and priorities. Individual committees and Congressmen may feel a bit uncertain as to whether to spend more or less for "research and development;" but they surely can better reflect the opinion of their constituents—and more sensibly control the budget—if they are given a chance to see and judge how much is spent for development of pollution monitoring capability.

The advantages of the alternative structure are obvious. If the Congress requires OMB to present to the Congress a budget whose programs are all keyed directly to accepted and understood national needs, Congress could obtain a clearer picture of whether or not it is approving a useless duplication or overlap. And, as I stated, there will be a more sensible basis for expressing congressional judgments on the budget than trying to decipher why all the budget line items for products and activities are being appropriated.

Taking again the NASA example, the committee before which this budget structure would be presented would have before it, at the same time, a total budget prepared by OMB to which it could relate easily and efficiently the specific NASA proposal.

Under "operational missions" for example there would be a program for developing pollution monitoring capability. Now I would assume EPA is also involved—and has direct responsibility for—pollution monitoring. Using the alternative budget structure, a committee member would be able to see that NASA is involved in monitoring pollution—and could check easily under "operational missions" in the total budget to see who else is involved in that same activity—how much it was estimated to cost in total, and so forth. Congress would then be in a much better position to have an understanding of what the Government was trying to do in all its departments and agencies to meet a specific national need.

Table 2–A shows, again roughly, how we today receive, analyze, and digest the budget for national defense. It is not a precise reproduction in every detail, but does show the major breakdown in the way the budget is organized.

I do not want to debate the details on these charts but rather to point out one simple fact: Looking at 1–A and 2–A it is difficult at best and nearly impossible for us in the Congress to answer the basic question, "Why are we spending these moneys: What are the end purposes in terms of national needs which are to be met?" As a consequence, it is impossible to use the current budget structure as a sensible handler for allocating resources to national needs—for setting priorities.

Table 2–B is likewise not intended to be an exact specification for a new budget structuring, but only used to demonstrate how a hiararchy of national needs can form the basis for budget review and authorizations. It is just an example of how it is possible to reformluate the budget so that the dollars we are spending and controlling bear a better correlation to the needs the Congress wants to see met.

Budgets are not controlled and priorities are not set just by pouring money into one account or another, increasing

one appropriation and decreasing another. We may know very well what we are spending, but we do not know what we are buying in terms of meeting any public need.

Congress must have the budget organized at the top level in terms of national needs. And then, money going to programs must be tied into these needs.

Finally, Congress must participate and have control over key program steps: First, the defining of program goals; second, the searching for different ways to meet these goals; third, the choosing of the way we will use to try to meet them; and fourth, the close supervision of how well an individual program is being implemented and is achieving its purpose.

It is these four steps I have just specified which, I believe, are the major turning points in any program. Each requires a key decision and the development of special information to make that decision. When one or more of the steps is not performed or the information to make that key decision is not acquired or is inadequate, programs invariably encounter difficulties in performance, schedule, and costs.

I believe the intent of the Legislative Reorganization Act of 1970 was to provide a more useful budget information system to serve all branches of the Government. The act called upon the Department of Treasury and the Office of Management and Budget to carry out its requirements in cooperation with the Comptroller General. The Comptroller General indicates that this purpose is not being accomplished. OMB and Treasury are, to my understanding, awaiting detailed congressional information requirements which will be considered in the context of overall budgetary considerations.

My purpose is offering the Congressional Budget Control Act of 1973 is to provide those detailed congressional information requirements.

The budget as presented to Congress today is not meaningful. It force-fits activities into program labels that are not real or actual, are not easily comparable to other similar or even identical programs in other Departments. What I am arguing for is a budget structure that is functional—and workable.

At a glance, Congress should be able to determine who is doing what—so that it can spend more time deciding whether or not we should be doing it at all.

It is at the research and development level—the beginning stages of any activity that Congress ought to be directing most of its energies—that 5 percent of the budget which inevitably determines how well or poorly the remaining 95 percent will be expanded years later. The usual mechanisms of legislative oversight—reporting, budget review, investigation tend to be ex post facto in nature and are, therefore, limited in usefulness.

There is, under the present budget structure a pitfall that draws the Congress to dwell excessively on trivial detail. We are challenged to confront the budget on the budget's terms, challenged to become specialists and technical experts on smaller and more detailed aspects of Federal expenditures. And even when we are successful in this battle, we have lost the war because we have fragmented our view and control over the basic thrust, direction, and purpose of Federal expenditures. Such issues are never exposed in our current budget; they are hidden.

In summary then, my purpose this morning is to make more vivid the problem we all know only too well. Budgeting for a modern Government is extremely complex and the armada of officials in executive agencies who prepare and justify the President's Budget far outnumbers the congressional subcommittees and their small staffs. The question of how much money should be spent for a Government program is often without a determinate answer. And though the amounts of money that executive agencies request and Congress appropriates are not unrestrained, Congress is in no position to know whether those amounts are well spent.

Right now neither the executive nor Congress approaches the Defense Budget, for example, as an ad hoc problem, intent on a free-ranging examination of all possible alternatives before making a choice. Both branches of Government begin their thinking about the budget with a common and very narrow range of figures already in mind—based on last year's expenditures. I feel very strongly that if we do not "mission-orient" our budget we will continue to play the kind of game we have been playing—overauthorizing in committee in anticipation of cuts in conference.

Congress cannot practically set priorities until we know the missions—and we cannot know the missions until OMB presents the budget in mission form.

I am suggesting that the way OMB presents its budget to the Congress be changed. I have offered a framework for that change—the budget must be presented to Congress in a workable fashion for Congress to regain control. Individual programs must be keyed to functions and missions of Federal agencies and those functions and missions keyed to national needs and priorities. Congress must have that kind of understandable, coordinated information before it can realistically search for different ways to meet the set goals; choose the way we will try to meet them and closely supervise how well our taxpayers' money is being spent.

Until that requirement is placed upon Treasury and OMB, until the Congress receives a budget that is structured in practical and comparable fashion, Congress can talk all it wants to about reasserting itself. I fail to see how any budget can be controlled until it is fully understood.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of my bill, as well as the tables to which I have referred.

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

S. 1414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Budget Control Act of 1973".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress hereby finds that—

(1) the Congress ought to be setting the priorities within a budget target; must have the visibility within individual programs to effect control over the funds that these programs eventually command; must have a clear picture of what separate public needs the Federal Government is trying to satisfy; and must have the capability to sort out and collect in sensible groupings all the programs and activities for which funds are provided;

(2) the Joint Study Committee on Budget Control has cited the need for information which will show the effect on expenditures resulting from existing and proposed legislation;

(3) the Legislative Reorganization Act of 1970 directed the Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General, to develop a standardized information and data processing system for budgetary and fiscal data, and to develop also a standard set of classification of programs, receipts, and expenditures to be used in the budget system; and

(4) the Comptroller General has now stated that the system contemplated by the executive branch will not fulfill the information needs of the Congress.

(b) It is the purpose of this Act—

(1) to reformulate the structure of the Budget to highlight national needs;

(2) to revise Congressional review of the Budget in a manner to let funds be allocated directly in accordance with national priorities; and

(3) to revise budget, authorization, and appropriation information to be based, first, on national needs, second, on programs, and, third, on basic program steps.

SUBMISSION OF BUDGET ON BASIS OF NATIONAL NEEDS, AGENCY PROGRAMS, AND BASIC PROGRAM STEPS

SEC. 3. (a) The Budget of the United States Government transmitted to the Congress by the President pursuant to section 201 of the Budget and Accounting Act, 1921, for the fiscal year ending June 30, 1977, and each fiscal year thereafter, shall be organized so as to present budget authority, proposed budget authority, outlays, and proposed outlays by—

(1) national needs,

(2) agency programs to meet these needs, and

(3) basic program steps.

(b) To assist the President in carrying out the provisions of subsection (a), each agency—

(1) shall develop its budget plans in accordance with the portions of the hierarchy of national needs for which it has assigned responsibility, and shall clearly delegate these responsibilities between the agency's component organizations, and

(2) shall relate all its programs to assigned national needs, shall organize each program by four basic steps (as prescribed in section 4 (b) (3)), and shall present to the Office of Management and Budget, for inclusion in the President's Budget message, information relating to the program step for which budget authority and outlays are being requested.

(c) Programs within an agency meeting similar national needs shall be coordinated by the agency head. Programs of two or more agencies meeting similar national needs shall be coordinated by the Director of the Office of Management and Budget so that the Executive branch and Congress both have a comprehensive overview of all programs meeting similar national needs.

MEANING OF TERMS

SEC. 4. (a) (1) "National needs"; "functions of the Federal government"; "priorities": National needs are the basic and distinct first-order needs of the Nation, such as the needs for national defense, health, public education, energy, transportation, housing, income security, management of natural resources, and a national base of research and technology. The functions of the Federal government are to meet these national needs. Priorities determine, and are reflected in, the allocation of funds to meet each national need.

(2) "Supporting needs": In order to meet each national need, the Federal government must meet supporting needs associated with that national need, depending on national policy and strategy. To meet the need for national defense, supporting needs may include the needs for strategic offense, fleet air defense, and close air support. To meet the need for public education, supporting needs may include the needs for pre-school education, graduate education, and manpower training.

(3) "Hierarchy of national needs": The combined national needs and supporting needs from a hierarchy of national needs which are the end-purpose for which Federal funds are expended, without regard to the means chosen to meet those purposes.

(b) (1) "Agency missions": Responsibility for meeting national needs and supporting needs shall be assigned to the departments and agencies, and their component subdivisions, of the Executive branch (in this Act referred to as "agencies"). The missions of an agency are to meet those national needs for which they are assigned responsibility. Agency missions must be directly defined in terms of the hierarchy of national needs, and the hierarchy of national needs must be matched to the missions of all agencies.

(2) "Agency programs": In order to perform their missions, agencies will carry on one or more programs. A program is an organized set of activities that are, together, directed to providing goods and/or services that will meet a national need or part thereof.

(3) "Basic steps": Every program must progress through four basic steps, of varying duration, as follows:

(A) "Establishing needs and goals": The first step is defining the need to be met by the program and the objective measures of the end results, or goals, to be sought and attained as a consequence of the program. Goals are independent of the means to be used to achieve them. Goals describe the level of mission capability the agency is seeking, when it is to be made available, and the total program cost of providing that capability. Activities performed to execute this step include studies and analyses and do not generally require separate authorization or appropriation.

(B) "Exploring alternatives": The second step is the creation, definition, and evolution of competing means to meet the need. This step draws directly on the base of organized knowledge in the sciences (including social services) in order to identify and evolve those approaches that are promising, to eliminate those that are not promising, and to supply information on the expected costs and benefits of each approach. Activities performed to execute this step are research, development, testing and evaluation and require separate authorization and appropriations.

(C) "Choosing the preferred program approach": The third step is the evaluation and choice of the preferred program approach from among remaining alternatives. The evaluation will determine which approach will best meet the updated goals of the program and the costs and benefits accruing to each alternative in meeting the agency's mission. Research, development, testing, and evaluation activities support this step.

(D) "Implementation": The fourth step is putting the preferred program approach into operation and monitoring its effectiveness. This includes final development preparation of the chosen approach. Activities that support this step include procurement of necessary equipment, operating, and maintenance activities.

EFFECTIVE DATES

SEC. 5. (a) Not later than June 30, 1975, the Director of the Office of Management and Budget, under the direction of the President, shall—

(1) specify a hierarchy of national needs, and

(2) reconcile and assign the responsibilities of the various agencies to meet the national needs so specified.

(b) Not later than June 30, 1976, the head of each agency shall reconcile the programs of his agency to the national needs assigned to his agency and shall organize program information by basic program steps.

CURRENT BUDGET STRUCTURE: SPACE PROGRAM NASA

- Organized by:
  - Activities
  - Disciplines
- Research and Development:
  - Manned Space Flight
  - Space Science & Applications
  - Space Technology
  - Aeronautical Technology
  - Supporting Space Activities
- Construction of Facilities:
  - Manned Space Flight
  - Space Science & Applications
  - Space Technology
  - Aeronautical Technology
- Supporting Space Activities
- Research and Program Management:
  - Manned Space Flight
  - Space Science & Applications
  - Space Technology
  - Aeronautical Technology
  - Supporting Space Activities

CURRENT BUDGET STRUCTURE: NATIONAL DEFENSE—DOD

- Organized by:
  - Activities
  - Military departments
  - Kinds of products
- Military Personnel:
  - Army
  - Navy
  - Marines
  - Air Force
- Reserve Personnel:
  - Army
  - Navy
  - Marines
  - Air Force
- Operation and Maintenance:
  - Army
  - Navy
  - Marines
  - Air Force
- Procurement:
  - Army:
    - Aircraft
    - Missiles
    - Weapons and Tracked Vehicles
    - Ammunition
    - Other
  - Navy:
    - Aircraft
    - Weapons
    - Shipbuilding and Conversion
    - Other
  - Marines
  - Air Force:
    - Aircraft
    - Missiles
    - Other
  - Defense Agencies
- RDT&E:
  - Army
  - Navy
  - Air Force
  - Defense Agencies
- Military Construction:
  - Army
  - Navy
  - Air Force
  - Defense Agencies
- Family Housing:
  - Army National Guard
  - Air National Guard
  - Army Reserve
  - Air Force Reserve

SAMPLE ALTERNATIVE STRUCTURES SPACE PROGRAM—NASA

- Organized by:
  - Missions
  - Programs/Agencies*
  - Steps
  - Basic Program
- Scientific Exploration:
  - Physics & Astronomy:
    - Program 1
    - Program 2
    - Program 3
  - Lunar Exploration:
    - Program 1
    - Program 2
    - Program 3
  - Planetary Exploration:
    - Program 1
    - Program 2
    - Program 3
- Operational Missions:
  - Weather & Climate
  - Pollution Monitoring
  - Earth Resources
  - Earth & Ocean Physics
  - Communications
  - Education
  - Etc.
- Support Missions:
  - Space Transportation:
    - Program 1 (Shuttle)
    - Launch Vehicle
    - Procurement
  - Technology Base Development
  - Administration
  - Etc.

SAMPLE RECOMMENDED BUDGET STRUCTURE

- Organized by:
  - Mission
  - Program/Agency
  - Basic Program Steps/Activities
- Examples:
  - Strategic Offense:
    - Program 1 (e.g. Navy Trident):
      - Exploring Alternatives
      - **Choosing
      - Implementation:
    - Program 2 (AF)
    - (e.g. Minuteman)
  - Strategic Defense
  - Tactical Warfare
  - Land Warfare
  - (Etc.)
- Support Missions:
  - Technology Base R&D:
    - Army
    - Navy
    - Air Force
  - Administration
  - Training
  - Central Supply and Maintenance
  - Personnel:
    - Army
    - Navy
    - Air Force
    - Marines
    - Etc.

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* Cross agency correlation is particularly important here because NASA basically explores and chooses space options to meet national probems; other agencies must do the implementation.

**NB: Each annual appropriations will cover only one program step (or two if there is overlapping (concurrency))

By Mr. BUCKLEY (for himself, Mr. BAKER, Mr. BENNETT, Mr. BROOKE, Mr. DOMINICK, Mr. GRAVEL, Mr. JAVITS, Mr. SCOTT of Pennsylvania, and Mr. THURMOND):

S. 1415. A bill to amend the Small Business Act to assist in the financing of small business concerns which are disadvantaged because of certain social or economic considerations not generally applicable to other business enterprises. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BUCKLEY. Mr. President, I rise to introduce a bill which is designed to help us achieve our goal of full equality of opportunity for all Americans by opening new sources of financing for minority enterprises. It is a bill which will hasten the development of the managerial skills and self-confidence which are so essential to the advancement of those minority groups which are still to have a full participation in our economic life.

The major victories in the march toward full equality have been accomplished through the striking down of laws which discriminated among Americans on the basis of race, and through the passage of others to guarantee that no one will be denied employment or advancement because of race. These laws against discrimination must be vigorously enforced, but they will not in themselves bring about the conditions of full equality among Americans of different origins. The legal barriers are down, but other barriers—social and psychological—still remain. These we cannot legislate away, but we can work to overcome them by creating the climate which will encourage the growth of mutual respect and self-respect among all Americans. I believe that nothing is more certain to bring this about than the rapid vertical integration of our minorities into the economic life of the Nation.

This economic integration is not something that can be accomplished by government edict. It must be achieved in fair competition. Self-respect requires the knowledge of earned success. Mutual respect will follow on the fact of achievement. But government, and our society at large, must recognize that certain handicaps still exist which make the road to achievement more difficult for some groups of Americans than for others.

Certain of these groups, notable black Americans, suffer from the psychological effects of generations of dependency. As a result, they are handicapped by a deficiency of business traditions and of the skills and self-confidence in commercial matters which have made it possible for other minority groups to take full advantage of the dynamics of the American system of free competitive enterprise.

On January 22, 1970, in his state of the Union message, President Nixon said:

> We can fulfill the American Dream only when each person has a fair chance to fulfill his own dreams.

President Nixon's words go to the heart of the problem. Our system of free enterprise has brought to the people of this Nation economic and social gains unparalleled in history. The opportunity to fulfill one's own dream through participation in the system has been an integral part of what America has always stood for. While the opportunity to test one's own ideas and resources and courage in the marketplace does not guarantee success, the denial of such an opportunity guarantees a loss of faith in the ultimate justice of our economic system.

When an American reaches the conclusion that our economic system is inequitable, he is making a philosophical as well as an economic judgment. He is criticizing ultimately basic principles rather than economic techniques. Such a criticism cannot be answered by references to the gross national product. It must be answered in the terms in which the criticism is framed. The member of a minority group who feels he has been left out of the American Dream says: "Show me." It is not enough to provide statistical data or inspirational rhetoric demonstrating the abstract fact of progress. He must be shown the worth of the American system in the only way that demonstrates that worth—by making sure that he has fair access to it. "A piece of the action" is not just a catch phrase; it is a shrewd and precise summing up of what is necessary to prove that our system works for all Americans.

The core of our national existence is the irrevocable and profound commitment to the individual. If an American is denied an equal opportunity to take his chances in the marketplace, he is, in effect, being denied not only as an "economic man" but in his totality as a human being.

The present administration has gone far in the work to expand the access of our minority groups to our economic system.

Since 1969, the Federal Government's procurement program for purchases from minority contractors has increased from $12.7 to $393.9 million. In the same period, from 1969 through 1972, the amount of SBA loans to minority entrepreneurs has increased from $105 to $258.2 million.

While I am gratified to see the progress being made in the creation and administration of programs intended to foster progress in this area, a great gap still remains unfilled. To date, virtually the entire emphasis on the financing of minority business has been through the extension of loans. These are made either directly by the Government or through private lending institutions, such as commercial banks and minority enterprise small business investment companies—organized pursuant to the Small Business Investment Act of 1958 and the Minority Enterprise Small Business Investment Act—which are provided special Government incentives in the form of loan guarantees.

These Federal programs recognize the fact that minority enterprises face certain inherent obstacles when seeking financing in the marketplace. The minority groups which these programs are designed to assist simply have too little in-built business experience and too limited a pool of managerial skills on which to draw.

Therefore the risk of failure in their enterprises is necessarily higher on the average than is the case with others competing for available dollars. Thus either through direct preferences in the case of SBA loans, or through special incentives provided to commercial banks and to MESBIC's, Government policy has sought to equalize these risks.

The problem, however, is that these governmental efforts have concentrated on the device of facilitating debt financing while virtually ignoring the entire area of equality financing which is the more usual, desirable source of funds for high-risk ventures.

One result of this approach has been the large rate of defaults—more than 30 percent—which has been experienced on SBA-guaranteed bank loans which have been made pursuant to the legislation. Now there is nothing surprising or shameful in the fact that a significant percentage of new enterprises should fail, whether or not they are sponsored by members of minority groups. What is novel is that there should be so large a record of loss in loans extended by lending institutions, such as commercial banks, which usually have a very low bad debt experience because of the collateral and other safeguards they normally require. Therefore, an unusually large record of losses has the undesirable result of unfairly stigmatizing minority entrepreneurs.

What we must understand, in assessing the limitations of the present approach, is the consequence of placing too great a reliance on loans as a source of financing for minority entrepreneurs. Commercial banks and other such institutions are simply not in the business of assuming significant risks. They are accustomed to measuring collateral, demonstrated earning power and managerial experience as a precondition to the extension of credit. They are not in the business of weighing the dreams which are the stuff from which new ventures are built. Yet most of the minority enterprises in need of financing have little but future prospects to offer as security. Thus the granting of loans too often requires a willingness to risk beyond the boundaries normally permitted the ordinary commercial banker.

The unwillingness to risk is understandable considering that risk taking is prudent only when the risk/reward ratio is reasonable. Taking open-ended risks for a return of perhaps 10 percent—the approximate average interest rate charged on small business loans—is neither reasonable nor sensible. Recognizing this, the Government has tried to limit the lender's risk through mechanisms such as the SBA 90-percent loan guarantee. It was thought that this would do the trick by enhancing the risk/reward relationship. This device has helped, but not to the desired degree.

There is another problem in the attempt to route minority enterprise financing through conventional banking channels. It simply does not create the sort of relationship between the parties which is best designed to bring to the new venture the interested help of an experienced management. Yet it is the lack of managerial skills and of a broad

base of business experience which so often prove fatal to fledging enterprises no matter how soundly based in concept. It is simply not the business of commercial banks to help supply these needs. Their prime interest is in the security of their loans; and to the extent that a commerical bank is protected against loss by a Government guarantee, to that extent is its concern for the basic economic health of the borrower diminished.

This fact may account in part for the high rate of default among the loans which they have extended to minority businesses, but there are other factors. Because of the moral suasion which has been applied to them, because of the genuine desire on the part of so many to lend a helping hand, and because the risk of loss has been made so low, lending institutions have too often been careless in the screening process which leads to making a loan; and once made, some have a tendency to write off the loan as a form of charity. In too many instances, this has had the effect of providing financing for ventures which are predestined to fail.

Finally, by channeling financing through the medium of loans, these Federal programs have the unfortunate effect of saddling new businesses with so heavy a burden of debt that it becomes even more difficult for them to succeed. The prior claim on working capital of excessive debt service obligations is a common cause for the failure of otherwise viable ventures.

These shortcomings in the current approach can be overcome by making equity financing more readily available to minority businessmen. Under current conditions, the higher degree of risk which is inherent in their ventures makes it infinitely more difficult for them to secure equity financing through normal business channels. The purpose of the bill which I am introducing today is to reduce that element of risk to a point where minority businessmen can be assured of an interested hearing, and of the needed capital in the event that their concepts are basically sound. My bill, which is cosponsored by 10 of my colleagues, would accomplish this goal by amending the Small Business Investment Act of 1958 so as to provide short-term guarantees limiting the size of potential losses while placing no limits on potential gains.

There are a number of institutions—investment banking firms and others—which are in the business of mobilizing venture capital for investment in the shares of new companies. Their relationship to the enterprises they finance is entirely different from that of the commercial banker. They are in the habit of dealing in futures. They are looking not for a return of capital plus interest, but for the chance to participate on the ground floor in new enterprises whose potential may be unlimited. In a very real sense, such an investor becomes a partner in the enterprise, and will bring to it not only a broad base of experience, but a high degree of commitment to its success.

Investment banking firms will usually be represented on the board of directors of the companies which they help launch so as to safeguard their own investment and that of their clients. Through this relationship, investment firms develop a detailed knowledge of the special needs and problems of each of the companies in which they have made important financial commitments, and they are in a position to make specific recommendations as to a broad range of business needs. These firms have an intimate experience with the special problems faced by any new venture, and their advice can be of critical importance in assuring the maximum chance for success of a new minority business. Finally, they can provide inexperienced businessmen with expert advice on the best form of financing—straight equity, or debt, or a combination of both—for each stage in the organization and growth of a new enterprise. Such advice can help the founders preserve a maximum ownership in their business without incurring an extensive level of debt.

I believe it is important that any measure intended to encourage the establishment and growth of minority enterprises be designed to do no more than overcome the special handicaps to which I have already alluded. It will benefit no one if the element of risk is eliminated to such an extent that potential investors lower or abandon their standards in their assessment of the inherent merits of a business proposal. To encourage an abnormal rate of failure through careless screening procedures would retard the achievement of economic integration by destroying confidence and discouraging further investment.

What we must seek is an approach which will make certain that investment bankers and others engaged in the business of investing venture capital will welcome proposals from minority businessmen and assure that these will be examined on the basis of their inherent merits. Beyond adjusting the element of risk to reflect the special handicaps under which minority businessmen must too often operate, it is essential that the relationship between investor and entrepreneur be built on realistic, sound tested business principles. A business venture built on such a foundation will not only have the best chance for success, but the fact of success will have a tremendously important effect within the minority community itself. A man who succeeds not because he is a member of a minority who is a businessman, but because he is a good businessman who happens to belong to a minority, can do more for the pride and economic development of his community than a dozen Government programs that seek to shelter him from the realities of risk and reward that are at the heart of our economic system.

I have sought to accomplish this, in my bill, by granting qualified investors the right, sharply limited in time, to sell their investment to the SBA at 70 percent of cost. I believe that the risk of loss would thereby be sufficiently large to make certain that no investment is lightly made. By the same token, the investor's stake in the new enterprise is sufficiently large to make sure that any reasonable assistance will be extended to insure its success—especially as the investor will particiapte fully in that success. I would also hope that the provisions contained in the bill would encourage large manufacturers to assist in the organization and financing of minority subcontractors, thus forming a relationship which would have the greatest mutual benefits while benefiting the country at large by hastening the full participation by our minorities in our economic life.

Mr. President, as my bill is written, it will bring the SBA's authority to enter into equity guaranteed agreements within the overall limits on existing loans and guarantees which is established pursuant to section 7 of the Small Business Investment Act of 1958. I believe that in this manner the greatest flexibility is assured in enabling an investment firm or other qualified investor to tailor a financing package, including debt as well as equity, to the needs of the particular enterprise to be financed. By the same token, I believe that the overall ability of the SBA to incur contingent liabilities pursuant to section 4(c)(4) should be expanded so as to acommodate the higher risk equity investments which my bill is designed to encourage.

I have not, at this time, proposed an amendment to section 4(c)(4) to accomplish such an expansion because I believe that the extent to which the authorization should be expanded can be better determined after hearings have been held on my proposal. The opinions of firms experienced in equity financing, of the SBA and of others who may have had direct experience of the financing of minority businesses will be most useful in determining the optimum authorization with which to inaugurate the approach incorporated in my bill.

Mr. President, it seems to have become fashionable of late, at least in certain circles to make ritualistic attacks on our Nation's basic institutions. Among these is our system of free, competitive enterprise. I suggest that the best argument in favor of our system is the argument of opportunity.

I believe my bill will help reinforce that argument by encouraging access to our economic system. Mr. President, I send my bill to the desk and ask that it be appropriately referred. I also ask unanimous consent that it be printed in full at this point in the RECORD.

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

S. 1415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 71 of the Small Business Act is amended by adding at the end thereof a new subsection as follows:

"(g)(1) Whenever the Administration determines that such action is necessary or desirable to assist small business concerns the participation of which in the free enterprise system is hampered because of social or economic considerations not generally applicable to other business enterprises to obtain the equity capital needed for viable and prudently managed business operations, it may guarantee equity investments in such concerns made by investment companies or other qualified investors. Any such guarantee shall be made pursuant to an agreement by the Administration to purchase equity secu-

rities evidencing the interest of an investor in such a concern in accordance with terms and conditions prescribed by the Administration subject to the following limitations and

"(A) No such agreement shall obligate the Administration to purchase securities covered by the guarantee after the expiration of two years following the date on which the agreement is entered into.

"(B) The small business concern issuing such securities is an eligible concern in accordance with standards and criteria prescribed by the Administration having regard to the purposes of this subsection.

"(C) The financing required by such concern cannot reasonably be obtained except with assistance provided under this subsection.

"(D) The Administration determines that the risks assumed pursuant to any such agreement are reasonable having regard to the purposes of this subsection.

"(2) A guarantee agreement entered into under this subsection by the Administration shall obligate the Administration to purchase securities covered by the agreement and held by an investor. An agreement may, having regard to whether the securities will be privately or publicly held, specify either one but not both of the following conditions giving rise to the obligation to purchase:

"(A) If at any time after the expiration of one year following the date on which a guarantee with respect to securities becomes effective the book value of such securities is less than 70 per centum of their book value at the time of purchase by an investor the Administration shall on demand of the investor purchase such securities from the investor at a price equal to 70 per centum of the price paid for the securities by the investor.

"(B) If at any time after the expiration of one year following the date on which a guarantee with respect to securities becomes effective the market price of such securities is less than 70 per centum of the price at which the securities were first offered for sale, the Administration shall on demand of the investor purchase such securities from the investor at a price equal to 70 per centum of the price paid for the securities by the investor.

"(3) The Administration shall fix a uniform fee which it deems reasonable and necessary for any guarantee issued under this subsection to be payable at such time and under such conditions as may be determined by the Administration. Such fee shall be subject to periodic review in order that the lowest fee that experience under the program shows to be justified will be placed into effect. The Administration shall also fix such uniform fees for the processing of applications for guarantees under this subsection as it determines are reasonable and necessary to pay administrative expenses incurred in connection therewith."

SEC. 2. Paragraphs (1), (2), and (4) of section 4(c) of the Small Business Act are amended by inserting "7(g)," after "7(e),".

By Mr. LONG:

S. 1416. A bill to amend the Social Security Act to add a new title XX thereto which will provide insurance against the cost of catastrophic illness. Referred to the Committee on Finance.

Mr. LONG. Mr. President, I am today introducing an amendment to the Social Security Act to establish a program of catastrophic health insurance coverage. This program would protect virtually all Americans against the devastating financial impact of catastrophic illness or accident.

Catastrophic illnesses and accidents strike at random, and the specter of such a disabling or even fatal occurrence is a part of all our lives. However, in this age of medical and scientific progress, families live not only with the specter of disabling or fatal illness, but also with a haunting fear of the financial devastation accompanying these illnesses.

Astonishing medical progress has gone hand in hand with a skyrocketing increase in the costs of medical care—particularly the costs of the new and sophisticated techniques employed in the treatment of catastrophic illnesses or accidents. The costs of the complex medical care necessary for spinal cord injury, strokes, severe burns and cancer, to name only a few conditions, can be staggering and can easily go beyond the reach of the resources of nearly any family in America. Families can and do work for a lifetime, only to lose everything at the time they are struck by a catastrophic illness.

Every family in America needs and deserves protection against the costs of catastrophic illness and our Government's social insurance system should provide that protection. The overall cost of establishing a catastrophic health insurance program is not large, considering the fact that almost every working family and virtually all retirees in America would receive protection.

As Senators may recall that I sponsored a catastrophic health insurance program during the 91st Congress. That plan was approved overwhelmngly by the Committee on Finance in 1970 as an amendment to H.R. 17550; but was voluntarily withdrawn by me on the Senate floor in order to expedite passage of H.R. 17550, which was approved by the Senate in late December.

I reintroduced the same amendment in the 92d Congress as S. 1376. During Finance Committee consideration of H.R. 1, the social security and welfare bill last year, I contemplated offering my catastrophic amendment to the bill. However, as Senators may recall, the administration had made it very clear that any major increase in the cost of H.R. 1 would surely result in a Presidential veto. For that reason alone, I withheld my catastrophic illness amendment, although I did cosponsor with the Senator from Indiana (Mr. HARTKE) on the Senate floor an amendment to cover under medicare patients with chronic kidney disease who needed dialysis or transplantation. These patients with kidney disease not only needed financial assistance now, but many of them also were sure to die if such assistance were postponed another few years. This amendment, I am pleased to say, became law.

In the 93d Congress we should enact a bill providing protection for families against the financial effects of any catastrophic illness. Consequently, I am reintroducing a catastrophic health insurance plan, improved but very similar to the one which was passed overwhelmingly by the Finance Committee in 1970 and introduced in the 92d Congress as S. 1376.

Basically, my bill would provide protection to all those who are currently and fully insured under social security, their spouses and dependents, and to all social security beneficiaries.

This very broad coverage includes about 95 percent of all persons in the United States, and the vast majority of those not covered are Federal employees and State and local employees. Federal employees are eligible for major medical catastrophic protection under the Federal Employees Heath Benefit Act, and State and local employees could buy into the catastrophic program established under this bill.

The types of services covered under the catastrophic plan would be similar to those currently covered under parts A and B of medicare except that there would be no limitation on hospital days or home health visits. Present medicare part A coverage includes 90 days of hospital care, 100 days of post-hospital extended care, and 100 home health visits. Present part B coverage includes physician's services, laboratory and X-ray services, physical therapy services and other medical and health items and services. Unlike medicare which provides basic insurance coverage, people would be responsible for payment for the first 60 days of hospital care and the first $2,000 in medical expenses in a year.

The heart of any catastrophic plan is there deductibles as this basically defines what will be considered a catastrophe, and distinguishes catastrophic coverage from basic health insurance. My proposal contains deductibles of $2,000 per family for part B physicians' benefits and 60 days hospitalization deductible per individual for hospitalization benefits. In other words, benefits would be payable for a family's medical bills beyond $2,000 and hospitalization would be covered from the 61st day of an individual's hospitalization. After the deductibles have been met, benefits will be payable as under medicare, which calls for a coinsurance payment of 20 percent on medical bills and $17.50 per day for hospital coverage. These coinsurance payments would be limited to a maximum of $1,000, at which point no further coinsurance would be charged.

Families would be expected to insure themselves through the use of present private health insurance arrangements against their basic health care costs, including the first 60 days of hospitalization and the first $2,000 of medical bills. For those families without the resources to obtain this basic private health insurance coverage, I believe the Federal Government should play a role in assuring availability of such basic coverage, as we already do for many of the poor through medicaid, and I will be addressing that issue directly in a short time.

The catastrophic program would be administered along with medicare by the Social Security Administration, and it would incorporate all of medicare's quality, cost and utilization controls.

This avoids setting up a new bureaucracy, and relies instead upon a proven Federal agency which has progressively and visibly improved its performance in administering health insurance for 20 million aged citizens.

Mr. President, I ask unanimous consent that a more detailed explanation of

my proposal be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. LONG. Mr. President, while this bill is basically the same as that approved by the Finance Committee in 1970 and introduced in the 92d Congress as S. 1376, it contains several major improvements. First, the more than 20 million aged citizens now covered by medicare would also be covered under catastrophic health insurance. The major effect of this would be to give the aged added protection against the costs of long hospital stays and to treat them in the same fashion as all others covered under the bill. Along with this expanded hospital protection for the aged, the bill would maintain the present medicare 100-day limit on post-hospital skilled nursing facility services, since stays beyond that length do not, in the vast majority of cases, represent extended care as the term has been defined under medicare.

Another significant improvement incorporated in my bill this year would limit total coinsurance payments to a maximum of $1,000 in a year since, in some cases of extremely high cost illnesses, the coinsurance payments themselves could represent a large financial burden. For example, a patient with $20,000 in costs for covered services above the deductible amounts would, under the earlier bills, have been obligated to pay 20 percent of that amount, or $4,000, and the program $16,000. Under the present proposal, as I have noted, his liability would be limited to $1,000 with the program paying $19,000.

Mr. President, the amendment would become effective on January 1, 1975 and would cost an estimated $3.6 billion in the first full year of implementation. It would be financed by a payroll tax of three-tenths of 1 percent each on employees and employers.

The cost estimate on my proposal in 1970 was $3.2 billion a year. The net increase is due primarily to the inflation in medical care prices, which has occurred since that time. This increase highlights, to my mind, the need for Congress to act soon in this area of catastrophic illness as it means that the blameless victims of serious and costly illnesses are currently suffering greater financial losses than they were when Congress began considering my proposal in 1970. The additional costs of including the aged under this bill and the $1,000 limit on a beneficiary's coinsurance liability are generally offset by reductions in the original cost estimate attributable to the coverage of the disabled and those with kidney disease under medicare as provided under H.R. 1.

Mr. President, I believe that of all the constructive legislation this 93d Congress might enact, none would be more appreciated by millions of Americans in all walks of life than providing them with catastrophic health insurance coverage which supplements basic private insurance or medicaid and erases the haunting fear of financial devastation brought about by catastrophic illness.

Mr. President, I send the Catastrophic Health Insurance Act to the desk and ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection it is so ordered.

DESCRIPTION OF CATASTROPHIC HEALTH INSURANCE PLAN

ELIGIBILITY

The amendment establishes a new Catastrophic Health Insurance Program (CHIP) as part of the Social Security Act financed by payroll contributions from employees, employers and the self-employed. Under the plan all persons who are fully or currently insured under the social security program; their spouses and dependents (and all Social Security beneficiaries) would be eligible for CHIP protection. All persons who are entitled to retirement, survivors, or disability benefits under Social Security, as well as their spouses and dependent children, would thereby be eligible for CHIP. This constitutes about 95 percent of the population.

The largest noncovered groups are Federal employees, employees covered by the Railroad Retirement Act, and State and local governmental employees who are eligible for Social Security but not covered due to the lack of an agreement with the State. (There are a small number of people who are still not covered by Social Security or other retirement programs; the majority of these are domestic or agricultural workers who have not met the necessary Social Security coverage requirements.)

Federal employees are, however, eligible for both basic and major medical catastrophic health insurance protection under the Federal Employees Health Benefits Act, with the Federal Government paying 40 percent of the costs of such coverage.

BUY-IN FOR STATE AND LOCAL EMPLOYEES

Under the amendment, State and local employees who are not covered by Social Security could receive coverage under CHIP if the State and local governments exercise an option to buy into the program to cover them on a group basis. When purchasing this protection, States would ordinarily be expected to include all employees and eligible annuitants under a singe agreement with the Secretary. A determination by the State as to whether an individual is an annuitant or member of a retirement system or is otherwise eligible to have such coverage purchased on his behalf would, for purposes of the agreement to provide CHIP protection, be final and binding upon the Secretary. Each State which enters into an agreement with the Secretary of Health, Education and Welfare to purchase CHIP protection will be required to reimburse the Federal Catastrophic Health Insurance Trust Fund for the payments made from the fund for the services furnished to those persons covered under CHIP through the State's agreement with the Secretary, plus the administrative expenses incurred by the Department of Health, Education and Welfare in carrying out the agreement. Payments will be made from the fund to providers of services for covered services furnished to these persons on the same basis as for other persons entitled to benefits under CHIP. Conditions are also specified under which the Secretary of the State could, after due notice, terminate the agreement.

BENEFITS

The benefits that would be provided under CHIP would be the same as those currently provided under Parts A and B of Medicare, except that there would be no upper limitations on hospital days, or home health visits. Present Medicare coverage under Part A includes 90 days of hospital care and 100 days of post-hospital extended care in a benefit period, plus an additional life-time reserve of 60 hospital days; and 100 home health visits during the year following discharge from a hospital or extended care facility. Part B coverage includes physicians' services, 100 home health visits annually, outpatient physical therapy services, laboratory and X-ray services and other medical and health items and services such as durable medical equipment.

The major benefits excluded from Medicare, and consequently excluded from this proposal, are nursing home care, prescription drugs, hearing aids, eyeglasses, false teeth and dental care. Medicare's limitations on extended care, on inpatient care in psychiatric hospitals, which limit payment to active treatment subject to a 190-day lifetime maximum, and the program's annual limitation on outpatient services in connection with mental, psychoneurotic and personality disorders are also retained. An additional exclusion would be for items or services which the Secretary of Health, Education and Welfare rules to be experimental in nature.

DEDUCTIBLES AND COINSURANCE

In keeping with the intent of this program to protect against health costs so severe that they usually have a catastrophic impact on a family's finances, a deductible of substantial size would be required. The proposal has two entirely separate deductibles which would parallel the inpatient hospital deductible under Part A and the $50 deductible under Part B of Medicare.

The separate deductibles are intended to enhance the mesh of the program with private insurance coverage. In order to receive both hospital and medical benefits, both deductibles must be met. If a person were to meet the hospital deductible alone, he would become eligible only for the hospital and extended care benefits. Similarly, if a family were to meet the $2,000 medical deductible, they would become eligible only for the medical benefits. There would be hospital and medical coinsurance requirements (as described below) but these would rise to a maximum of $1,000.

HOSPITAL DEDUCTIBLE AND COINSURANCE

There would be a hospital deductible of 60 days hospitalization per year per individual.

After an individual has been hospitalized for a total of 60 days in one year, he would become eligible for payments toward hospital expenses associated with continued hospitalization. The program would thus begin payment with the 61st day of his hospitalization in that year. Only those post-hospital extended care services which he receives subsequent to having met the 60-day deductible would be eligible for payment.

After the hospital deductible has been met, the program would pay hospitals substantially as they are presently paid under Medicare, with the individual being responsible for a coinsurance amount equal to one-fourth of the Medicare inpatient hospital deductible applicable at that time. Extended care services which are eligible for payment would be subject to a daily coinsurance amount equal to one-eighth of the Medicare inpatient hospital deductible. In 1973, this coinsurance amounts to $17.50 a day for inpatient hospital services and $8.75 a day for extended care services. Thus, the coinsurance could rise yearly in proportion to any increase in hospital costs.

MEDICAL DEDUCTIBLE AND COINSURANCE

There would be a supplemental medical deductible initially established at $2,000 per year per family. The Secretary of Health, Education and Welfare would, between July 1 and October 1 of each year (beginning in 1975) determine and announce the amount of the supplemental medical deductible for the following year.

The deductible would be the greater of $2,000 or $2,000 multiplied by the ratio of the physicians' services component of the Consumer Price Index for June of that year

to the level of that component for December, 1974. Thus, the deductible could rise yearly in proportion to any increase in the price of physicians' services.

After a family has incurred expenses of $2,000 for physicians' bills, home health visits, physical therapy services, laboratory and X-ray services and other covered medical and health services, the family would become eligible for payment under the program toward these expenses. For purposes of determining the deductible, a family would be defined as a husband and wife and all dependents.

After the medical deductible had been met, the program would pay for 80 percent of eligible medical expenses, with the patient being responsible for coinsurance of 20 percent.

DEDUCTIBLE CARRYOVER

As in Part B of Medicare, the plan would have a deductible carryover feature—applicable to both the dollar deductible and the hospital-day deductible—under which expenses incured (or hospital days used) but not reimbursed during the last calendar quarter of a year would also count toward the satisfaction of the deductibles for the ensuing year. For example, an individual admitted to a hospital with a cardiac condition on December 10, 1975, and continuously hospitalized through February 19, 1976, would not, in the absence of the carryover provision meet the hospital-day deductible unless he were to be hospitalized for at least another 10 days in 1976. With a carryover provision, however, the individual described above would meet the hospital deductible on January 30, 1976. Similarly, if a family's first eligible medical expenses in 1975 amount to $1,200 and were incurred during the months of November and December, and an additional $3,000 in eligible medical expenses are incurred in 1976, the family would, in the absence of a carryover provision, be eligible for payment towards only $1,000 of their expenses in 1976. With a carryover provision, however, the family described above would be eligible for payment toward $2,200 of their expenses in 1976.

ADMINISTRATION

Payments made to patients, providers, and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as exist in the Medicare program. Reimbursement controls would include the payment of audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners and other suppliers. However, appropriate modifications will be made to take into account the special features of this program, including a modification to exclude "bad debts" from those costs eligible in computing reasonable cost payments to institutions.

The utilization of services would be subjected to review by present utilization review committees established in hospitals and extended care facilities and by the professional standards review organizations established under P.L. 92-603.

The proposal contemplates using the same administrative mechanisms used for the administration of Medicare, including, where appropriate, Medicare's carriers and intermediaries. Using the same administrative mechanisms as Medicare will greatly facilitate the operation of this program. The proposal also would encompass use of Medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in Medicare would apply to those institutions participatng in CHIP. These standards serve to upgrade the quality of medical care and their application under this program should have a similar salutary effect.

The Social Security Administration, utilizing its network of district offices, would determine the insured status of individuals and relationships within families which are necessary to establish entitlement to CHIP benefits. The determination of whether the deductible expenses had been met would also be handled by the Social Security Administration in cooperation with carriers and intermediaries. The proposed administrative plan envisions establishing a $2,000 minimum expense amount before individual bills would be accepted. This would protect the administrative agencies from being inundated with paperwork.

FINANCING

The amendment would finance the plan with the following contribution schedule: 1975–1977, 0.3 of one percent of taxable payroll on employees and 0.3 on employers; 1978–1981, 0.35; 1982 and after, 0.4. Rates for the self employed would also be 0.3, 0.35 and 0.4 respectively.

The contributions would be placed in a separate Federal Catastrophic Health Insurance Trust Fund from which benefits and administrative expenses related to this program would be paid. The complete separation of catastrophic health insurance financing and benefit payments is intended to assure that the catastrophic health insurance program will in no way impinge upon the financial soundness of the retirement, survivors, or disability insurance trust funds or Medicare's hospital and supplementary medical insurance trust funds. Such separation will also focus public and congressional attention closely on the cost and the adequacy of the financing of the program.

To provide an operating fund at the beginning of the program (in recognition of the lag in time between the date on which the taxes are payable and their collection), and to establish a contingency reserve, a Government appropriation would be available (on a repayable basis without interest) during the first 3 calendar years of the program. The amount which could be drawn in any such calendar year could not exceed the estimated amount of 6 months of benefit payments during that year.

RELATIONSHIP WITH MEDICAID

The catastrophic illness insurance program would be supplemental to the Medicaid program with regard to public assistance recipients and the medically indigent in the same way in which it will be supplemental to private insurance for other citizens Thus, Medicaid will continue to be the program that is intended to cover the basic health needs of categorical assistance recipients and the medically indigent.

In addition, Medicaid will continue to play a substantial role in financing the cost of nursing home care, which represents a catastrophic cost to many people, especially the aged. The catastrophic health insurance program will, of course, lessen the burden on the Medicaid program to some degree, since those covered by Medicaid who are eligible would have a large proportion of their catastrophic expenses covered by this program, leaving only the deductible and coinsurance amounts for the Medicaid program to pay.

CONCLUSION

More than one million families of the approximately 49 million families in the United States annually incur medical expenses which will qualify them to receive benefits under the program. Of course, nearly all American families will receive the benefit of insurance protection against the costs of catastrophic illnesses. The program is not intended to meet the health costs which the population incurs for short-term hospitalization and acute illness. This program is intended to insure against those highly expensive illnesses or conditions which, although a potential threat to every family, actually strike only a relatively few. Individuals should, during their working years, be able to obtain protection against the devastating and demoralizing effects of such costs.

These provisions and the taxes to pay for them would become effective January 1, 1975.

By Mr. HATFIELD (for himself, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BROCK, Mr. CLARK, Mr. CRANSTON, Mr. CURTIS, Mr. FANNIN, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HANSEN, Mr. HOLLINGS, Mr. HUGHES, Mr. JAVITS, Mr. MANSFIELD, Mr. MCINTYRE, Mr. PACKWOOD, Mr. SCOTT of Pennsylvania, and Mr. TUNNEY):

S. 1418. A bill to recognize the 50 years of extraordinary and selfless public service of Herbert Hoover, including his many great humanitarian endeavors, his chairmanship of two Commissions of the Organization of the Executive Branch, and his service as 31st President of the United States, and in commemoration of the 100th anniversary of his birth on August 10, 1974, by providing grants to the Hoover Institution on War, Revolution, and Peace. Referred to the Committee on Labor and Public Welfare.

Mr. HATFIELD. Mr. President, I rise this morning to introduce a bill to commemorate the 50 years of extraordinary and selfless public service of Herbert Hoover, including his many great humanitarian endeavors, his chairmanship of two Commissions of the Organization of the Executive Branch, and his service as 31st President of the United States, and in commemoration of the 100th anniversary of his birth on August 10, 1974, by providing grants to the Hoover Institution on War, Revolution, and Peace.

Mr. President, I propose today that the Government may be authorized to contribute $5 million as an appropriate memorial to President Hoover for the Hoover Institution on War, Revolution, and Peace that exists at Stanford University.

I have discussed this matter with the Hoover family. They feel that this would be a very appropriate memorial. We recognize that today the Hoover Institution on War, Revolution, and Peace is the largest such institution existing in the world for the study of war, revolution, and peace. I am very proud to have as cosponsors of my bill the senior Senator from Iowa (Mr. HUGHES), the junior Senator from Iowa (Mr. CLARK), the senior Senator from California (Mr. CRANSTON), the junior Senator from California (Mr. TUNNEY), the senior Senator from New York (Mr. JAVITS), the junior Senator from New York (Mr. BUCKLEY), the senior Senator from Montana (Mr. MANSFIELD), and the senior Senator from Pennsylvania (Mr. SCOTT), and other distinguished Senators.

Mr. President, at this time I send the bill to the desk for introduction.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. HATFIELD. Mr. President, on August 10, 1974, our country will mark the 100th anniversary of the birth of its 31st President, Herbert Clark Hoover. More than any other American leader of this century, President Hoover exemplifies for us a humanitarian commit-

ment to the needs of people not only in our Nation but throughout the world.

The religious convictions of President Hoover and a request from President Wilson caused him to relinquish a successful, worldwide business career to devote his tireless energies before, during, and after World War I to easing through European relief activities the suffering weighed upon millions of victims of that conflict.

President Hoover continued his efforts in the domestic sphere as Secretary of Commerce for Presidents Harding and Coolidge, and committed those convictions to the improvement of conditions in the fields of child labor and collective bargaining.

President Hoover began this modern success story as an orphaned boy in West Branch, Iowa, was raised by relatives in Newburg, Oreg., and worked his way through high school in Salem, Oreg., as well as through Stanford University in California.

Turned from office by worldwide economic conditions which no man could control, President Hoover offered us not bitterness but continued service to shape our Nation and the world into a better place in which to live.

Among those contributions he gave us were reform proposals written for President Truman increasing governmental efficiency and accountability, including the first all-encompassing general reorganization plan for national Government which continues to benefit us today. Through his efforts to make the organization of Government responsive to the people, President Hoover's name has become synonymous with modern management practices both in Government and in business.

Throughout his life President Hoover sought only a chance to serve his fellow man, and was granted a life and a career as a Presidential counselor and adviser for which all Americans can be thankful. He has truly earned a special niche in our history as a man of achievement and compassion, deserving the respect of his fellow men.

Mr. President, early in the 92d Congress, I introduced legislation, cosponsored by 53 Senators, establishing a commission to formulate plans for a permanent memorial to Herbert Hoover. However, as the anniversary of Mr. Hoover's birth drew nearer and Congress failed to act, it became apparent that insufficient time remained for a commission to be formulated and carry out its work. At that time I introduced the legislation which I am bringing to your attention again today.

This measure provides that a national memorial take the form of a special building at the Hoover Institution on War, Revolution, and Peace at Stanford University. The establishment of such a memorial, to directly further the impulses of humanitarianism and international justice that characterized his life, is a most fitting and appropriate national tribute to Herbert Clark Hoover.

HERBERT HOOVER MEMORIAL TO COMMEMORATE THE 100TH ANNIVERSARY OF HIS BIRTH ON AUGUST 10, 1974

The life and achievements of the 31st U.S. President have been told and retold many times. Orphaned at age 9, he nevertheless became a great engineer, humanitarian, author, public servant, and world statesman. Herbert Hoover was also a warm and compassionate individual who championed the cause of peace both in Government and as a private citizen. His rare executive ability and talent for the ordering of institutional finance, his genius for organization and leadership found their outlets in these many and variegated pursuits.

HUMANITARIAN ACTIVITIES

Human suffering always stirred him to action. Herbert Hoover's compassion for the victims of civil strife had already led him to administer food relief during the Boxer Rebellion in China, where he arrived to work as a mining engineer from western Australia. His 50 years of public service did not begin, however, until the outbreak of World War I. August 1914 found Mr. Hoover organizing the American Relief Committee in London which financially helped 120,000 stranded U.S. citizens to return home from Europe. He subsequently coordinated the delivery of food supplies to that war-torn continent.

Of particular concern to Mr. Hoover was the plight of starving children. The Commission for Relief in Belgium was perhaps the best example of these activities. Organized by Mr. Hoover in response to urgent pleas by the Belgian people, it created a whole new pattern for humanitarian work. Its only real power was that of the spirit, of integrity, and of unselfish service.

President Woodrow Wilson called upon Mr. Hoover to become U.S. Food Administrator in April 1917. In this capacity, he established three boards and introduced pioneering methods for mobilizing food resources in time of war. When that conflict ended, Mr. Hoover returned to Europe with the American delegation to the Paris Peace Conference on which he served as alternate chairman of the Supreme Economic Council. Appointed Director-General of Relief and Reconstruction for Europe in 1918, he also headed the volunteer American Relief Administration which functioned in 33 countries and saved 17 millions of lives during the famine in Russia alone. Whenever war, famine, or flood brought disaster to multitudes of people, the first name that came to mind was that of Herbert Hoover.

At the request of President Harry S. Truman this relief activity was renewed in 1945 by Mr. Hoover, who coordinated the food supply for 800 million people and personally visited 37 countries. Again, starvation would have afflicted millions of people, especially in smaller democracies, had this program not been put into effect. During this period, Mr. Hoover also established Care, Inc., which still operates today and sends food packages from private American citizens to the needy overseas. He directed these humanitarian enterprises on a scale never before attempted, and he never accepted payment for his services.

GOVERNMENT CAREER

Apart from the special humanitarian missions enumerated above, Mr. Hoover served as Secretary of Commerce, 1921 to 1928. He developed the U.S. Census Bureau statistical services to assist agriculture, business, and labor; began regulation of radio and aviation; introduced safety inspection by the Bureau of Mines; sponsored conferences on unemployment; and negotiated the seven-State compact for a Colorado River Commission as one of the measures for better utilization of water resources. In 1927, he directed relief for 1,500,000 people endangered by the Mississippi flood.

As 31st President of the United States, 1928 to 1932, Mr. Hoover urged the 1930 Conference on Limitation of Naval Armaments, which resulted in a treaty; initiated Federal Reserve Board restrictions on credit for speculation; reorganized the air-mail service; developed various conservation programs; and held White House conferences on child health as well as homebuilding and homeownership, which laid the ground for subsequent Federal policy. Mr. Hoover recommended extensive public work programs; organized Federal credit agencies—Reconstruction Finance Corporation and Home Loan Banks—expanded resources of the Federal Land Banks; organized relief to victims of the 1930 drought; and secured the Standstill Agreement that enabled European banks to function. While in the White House he never accepted any salary.

President Truman in 1947 again turned to Mr. Hoover who undertook a mission to Germany, which led to recommendations contributing to the economic recovery of that country. That same year, he was selected as Chairman of the bipartisan Commission on Reorganization of the Executive Branch of the Government. After the greatest 2-year inquiry ever undertaken into the workings of the U.S. Government, a substantial percentage of the Commission's recommendations for policy changes and reorganization were implemented. Mr. Hoover also chaired the second such Commission—1953 to 1955. The two Commissions published the results of their studies in 80 volumes. Congress three times adopted Joint Resolutions of Appreciation for Mr. Hoover's services, a unique distinction.

INTEREST IN SCHOLARSHIP

Less well known are Mr. Hoover's activities in support of universities. Residual funds from World War I relief operations went to various Belgian academic institutions, such as Brussels, Ghent, Liege, and Louvain, each of which received over $3,800,000 from the Commission for Relief in Belgium.

The bill to establish the U.S. National Archives was introduced during Mr. Hoover's Presidency, and he later gave impetus to the concept of Presidential libraries. A trustee of various educational and scientific institutions, he authored 32 books and numerous articles.

Very close to his heart was a research center which he founded with personal funds in 1919 at his alma mater, Stanford University. It bears his name today as the Hoover Institution on War, Revolution, and Peace. Through its collections, research programs, and publications, it has become known as a

major national center for documentation and advanced research on the problems of political, social, and economic change in the 20th century.

President Hoover himself gathered the institution's first documents during the Paris Peace Conference. Since that time six principal area collections have been established on Africa, the Americas, East Asia, Eastern Europe, the Middle East, and Western Europe. The Hoover Institution is now the largest private archive in the United States; its holdings include more than 3,500 individual collections that comprise manuscript memoirs, diaries, and personal papers of men and women important in public affairs, publications of ephemeral societies and of international bodies, both official and unofficial, as well as books and pamphlets, many of them rare and irreplaceable.

The library, which now contains some 1,250,000 volumes, provides research material for advanced scholarship on virtually every aspect of economic, social and political change in this century. It offers students and scholars from the United States and the rest of the world the opportunity to concentrate on one area, to undertake comparative studies, and at the same time to analyze important problems in the perspective of the world as a whole. Each year from 1,200 to 1,500 scholars spend weeks or months of intensive study at the institution. Typically, they represent 25 to 30 different countries and almost every State in the United States.

Hoover Institution collections have received praise from many sources. Prof. David Thomson at Cambridge University stated in the Journal of Contemporary History that

> France has, for thirty years, had its *Institut d'histoire des relations internationales contemporaines*, but neither Britain nor France has any institution in the field that is comparable in importance with the Hoover Institute and Library at Stanford.

G. A. Belov, Director of the U.S.S.R. State Archives Administration, who visited the Hoover Institution as well as the National Archives, Columbia, Harvard, the University of California at Berkeley, and the Library of Congress, wrote in Novaia i Noveishaia Istoriia:

> The largest collection of materials in the United States on the revolutionary movement in Russia and also on the Soviet Union is to be found in the library of the Hoover Institution on War, Revolution and Peace at Stanford University (Stanford, California).

Finally, the Library of Congress in its bulletin has said of the Hoover Institution's East Asian collection:

> It is generally agreed among specialists on the Far East that Hoover, through extensive expenditures of funds and effort, and the application of outstanding administrative flexibility in acquisitions procedures, has developed the strongest collection on modern China in the Western world.

The foregoing comments pertain in large part to the Hoover Archives, which comprise one of the largest and most significant documentation centers in the United States and indeed the world. Over 50 percent of the materials are in languages other than English.

THE HOOVER INSTITUTION

In a statement prepared for the Board of Trustees of Stanford University, Mr. Hoover wrote the following:

> During this century there have developed forces and events which, as never before in our national life, have had so profound an effect on our independence, our form of government, our social and economic system, and the setting of the American people in the international world.
>
> Here in this Institution [Hoover] is the greatest amassing of the records of these forces and events, which exist in the world. Its upbuilding and preservation have become doubly precious to the world because of the wholesale destruction of libraries and historical material during the Second World War. Over fifty organizations and sixty nations have contributed to the building up of this two score millions of documents, books, and items covering the two great wars and their aftermaths....
>
> And finally, among the many other materials in the Hoover Archives is the record of the compassion of the American people, who, by self-denial and long hours of labor, provided the margins of food, medicines, and clothing which, in the wars of the present century, have enabled over one billion four hundred million human beings to survive who otherwise would have perished.

Since President Hoover's death in 1964 at the age of 90, the Hoover Institution has continued to honor the vision and devotion of the founder as well as the many friends and associates who helped to develop it into a world-famous center for advanced research. The documents and papers preserved in the Hoover Institution represent a precious heritage, accessible without charge to citizens of the United States and all foreign countries. As they provide the sources for scholarly research, so does the carillon of 35 bells on the Hoover Tower exemplify the purpose of the work done there. On the largest bell appears the inscription, pro pace sono—I ring for peace.

Over the several decades since the end of World War II, the efforts of five U.S. Presidents to achieve and maintain peace throughout the world have assumed more importance than ever before. The work of private citizens and public servants, researchers and scholars, as they have utilized the Hoover Institution archives, represents an uninterrupted effort to continue the work of Mr. Hoover and those following him, to analyze the causes of war, and to contribute "to freedom and peace." Herbert Hoover's dedication to public service for more than 50 years and his lifelong support of the institution that bears his name attest to the high value he placed on the preservation and use of the materials documenting the progress of peace in the 20th century.

When dedicating the Tower Building in June of 1941, Mr. Hoover stated:

> The purpose of this institution is to promote peace. Its records stand as a challenge to those who promote war. They should attract those who search for peace.

It would be most appropriate, therefore, to memorialize Herbert Hoover's 50 years of devoted and selfless public service by providing grants to the institution which he founded at Stanford University. These funds will honor the memory of a great American on the 110th anniversary of his birth and enable the work he began to continue. On one occasion, when describing the Institution, Mr. Hoover stated:

> Here are the documents which record the suffering, the self-denial, the devotion, the heroic deeds of men. Surely from these records there can be help to mankind in its confusion and perplexities, and its yearnings for peace.

Mr. President, in closing let me demonstrate the timely relevance of Herbert Hoover's thoughts and life by reading the four following selected quotations from Mr. Hoover's speeches and writings:

MEMORIAL DAY ADDRESS—MAY 30, 1929

> Today, as never before in peace, new life-destroying instrumentalities and new systems of warfare are being added to those that even so recently spread death and desolation over the whole continent of Europe. Despite those lessons every government continues to increase and perfect its armament. And while this progress is being made in the development of the science of warfare, the serious question arisis—are we making equal progress in devising ways and means to avoid those frightful fruits of men's failures that have blotted with blood so many chapters of the world's history?

GRIDIRON CLUB—DECEMBER 14, 1929

> There are discordant notes and discordant nations. The old fallacy has been again produced that making war more terrible will frighten nations to peace. War has become more terrible every year since the invention of gunpowder, and every half century has seen more and more men sacrificed upon the battle field. Human courage rises far above any terror yet invented. I have been told that one cannot furnish food to civilians without furnishing it to armies, but no body of armed men ever did starve when food existed. There was no army in the World War that did not feed in full up to the last hour of the armistice, no matter when rows of pinched faces and emaciated children stood by the roadsides and ransacked their offal for wasted bread.
>
> . . . I have seen it stated that public opinion of neutrals had no effect in the last war. On the contrary, when the final verdict of history is given, it will be found that the loser lost, not for lack of efficiency , or valor, or courage, or starvation, but failure to heed the public opinion of what were originally neutral nations.

THE CHALLENGE TO LIBERTY—
HERBERT HOOVER, 1934

> Modern despotism, in every case, has achieved its purpose by fanning the fires of Nationalism. To inflame hate, and to stir the sacred emotion of patriotism as a drug to liberty, is a favorite device of those who seek power. Their effect is to increase enormously the dangers of conflict.

NEW YORK CAMPAIGN SPEECH—
OCTOBER 22, 1928

> It is a false liberalism that interprets itself into the government operation of commercial business. Every step of bureau criticizing of the business of our country poisons the very roots of liberalism—that is, political equality, free speech, free assembly, free press, and equality of opportunity. It is the road not to more liberty, but to less liberty. Liberalism should be found not striving to spread bureaucracy but striving to set bounds to it. True liberalism seeks all legitimate freedom first in the confident belief that without such freedom the pursuit of all other blessings and benefits is in vain. That belief is the foundation of all American progress, political as well as economic.

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

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

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized to make grants to the Hoover Institution on War, Revolution, and Peace at Stanford University, Stanford, California. Such grants shall be made on condition that the funds so granted will be used for the construction of a new building, for the equipment of such building, and for the establishment of a capital fund administered by the Hoover Institution, the income from which shall be used for the purchase and processing of books and other documents for the library of the Hoover Institution.

SEC. 2. There is hereby authorized to be appropriated to the Secretary of the Treasury for making grants under this Act amounts in which the aggregate will not exceed gifts, bequests, and devises of money, securities, and other property, made to the Hoover Institution on War, Revolution, and Peace after the date of enactment of this Act, except that the aggregate amount so appropriated shall not exceed $5,000,000. Funds appropriated under this Act shall remain available until expended.

Mr. CRANSTON. Mr. President, I am today cosponsoring—with Senator HATFIELD and others—a bill to commemorate the 100th anniversary of the birth of Herbert Hoover, the 31st President of the United States, by expanding the singularly important work of the Hoover Institution on War, Revolution, and Peace.

The bill provides grants to the Institution, located at Stanford University, for construction of a new building, for equipment, and for services. The total contribution, in Federal moneys shall not exceed $5 million, with funds to remain available until expended.

Mr. President, Herbert Hoover was one of the most fascinating and complex of American Presidents. He was controversial; but controversy is synonymous with determined leadership in the turbulent years that preceded World War II and left our society forever changed. His role in shaping and responding to those forces of change will be debated for years to come, as we sort through the events of American history that led to this particular society at this particular time.

But the social controversy of Herbert Hoover ends where his international humanitarianism begins. His complete dedication to the cause of world justice and world peace is unique in our time. When he founded the Hoover Institution he characteristically wasted few words in describing the mission he envisioned:

The purpose of this Institution is to promote peace.

Since 1919, its founding year, the Hoover Institution has emerged as a comprehensive center for research and documentation on the currents of political, social, and economic change in the 20th century. As an alumnus of Stanford, I know from personal experience that the institution is a well-catalogued repository for important documents that are relevant to a myriad of issues in public and international affairs. There are some 1.25 million books on virtually every aspect of economic, social, and political change in this century. The institution is the largest private archive in the United States.

Mr. President, I have long been deeply impressed by the work of the institution. I believe, along with Senator HATFIELD, that our support of this measure to expand the facilities and services of the Hoover Institution on War, Revolution and Peace is not only an appropriate memorial to a former President who has received little such attention, but an important contribution by the Congress to the promoting of international peace and understanding.

Mr. BROCK. Mr. President, I am pleased to cosponsor the bill to honor President Herbert Hoover, which has been introduced by the Senator from Oregon (Mr. HATFIELD).

At one time, it was popular to say that history had been cruel to Herbert Hoover. It had blamed him for a great depression which was not of his making, and overlooked the immense contributions which he had made to his country, both before and since his Presidency.

Such sentiments, expressed over a period of time, have a tendency to be self-refuting, and this process has occurred with regard to Hoover. In the years since his death in 1964, Americans have increasingly come to understand that he was a man of remarkable achievements, and one whose selfless activities on behalf of his country and his fellow man deserve our highest admiration.

Thus it is fitting that we act now to establish a fitting memorial to his life and works.

Senator HATFIELD's bill would do just that, it would authorize the Secretary of the Treasury to grant funds to the Hoover Institution on War, Revolution, and Peace, at Stanford University for the purpose of constructing and equipping a new building there in President Hoover's memory.

It is particularly appropriate that the bill seeks to honor Hoover by improving and strengthening his institution, which is one of the very finest centers in America for scholarship on public affairs.

Founded by Hoover himself in 1919, the institution today is the largest private archive in the United States and has made an enormous contribution to the spread of knowledge vital to achieving and maintaining peace in the world.

Indeed, Hoover said in 1941—

The purpose of this Institution is to promote peace.

A similar statement might be applied to Hoover's own life. For his relief work in Europe during World War I, he became known as "The Great Humanitarian." He was a leading force at the Paris Peace Conference following the war, and was described as "the only man who emerged from the ordeal of Paris with an enhanced reputation."

The foreign affairs policies of his administration included many notable achievements in promoting peace among nations. He visited Latin America, and changed the old "dollar diplomacy" attitude with regard to that area of the world. He cooperated with the League of Nations, supported disarmament, and the treaties of the London Naval Conference limiting naval arms.

He was a man of peace and a great humanitarian. He was motivated by the finest instincts of which man is capable.

In honoring his memory as Senator HATFIELD has proposed, we are indeed performing a public service.

By Mr. DOMENICI (by request):

S. 1419. A bill to designate the Aldo Leopold Wilderness, Gila National Forest, N. Mex. Referred to the Committee on Interior and Insular Affairs.

Mr DOMENICI. Mr. President, I am pleased today, in response to requests by the New Mexico Wilderness Study Committee and other concerned environmental and conservation groups, to introduce a bill to create a new wilderness area—the Aldo Leopold Wilderness.

This area would comprise 231,737 acres to be incorporated into the Gila National Forest in New Mexico for addition to the National Wilderness Preservation System.

Much of the 231,737 acres which this legislation asks be set aside, would also be designated as wilderness under S. 601. That bill, introduced by Senator HENRY JACKSON, would set aside 188,095 of this Black Range Primitive Area as wilderness.

Mr. President, I am at this time expressing no opinion as to which piece of legislation I prefer. But I do believe it is important that those groups who would have the larger area designated as wilderness be given the opportunity to present their views and have their opinions brought forth at committee hearings.

I am introducing this measure so that the appropriate Senate committee will have the opportunity to investigate the request that 44,000 acres on the periphery of the core area also be designated as wilderness area.

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

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

S. 1419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Black Range Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Proposed Aldo Leopold Wilderness", dated May 1972, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture, is hereby designated as the "Aldo Leopold Wilderness" within and as part of the Gila National Forest, and shall comprise an area of approximately two hundred thirty-one thousand and seven hundred thirty-seven acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Aldo Leopold Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such description shall have the same force and effect as if included in this Act; except that correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The Aldo Leopold Wilderness shall

be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. The previous classification of the Black Range Primitive Area is hereby abolished.

By Mr. KENNEDY:

S. 1421. A bill to amend the administrative procedure provisions of title 5 of the United States Code to make the rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts; to provide for payment of expenses incurred in connection with proceedings before agencies; to provide for waiver of sovereign immunity; to provide for the enforcement of standards in grant programs, and for other purposes. Referred to the Committee on the Judiciary.

BUREAUCRATIC ACCOUNTABILITY ACT

Mr. KENNEDY. Mr. President, today I take pleasure in introducing the Bureaucratic Accountability Act, providing for various amendments to the Administrative Procedure Act which are designed to increase public participation in Federal agency decisionmaking and to make government officials more responsive to the American people. Congressman DELLUMS, along with a group of cosponsors in the House, introduced identical legislation yesterday.

It has been generally observed that government agencies seldom respond to interests not represented directly in their proceedings; likewise, however, the majority of citizens do not have a sufficient economic stake in the results of a particular proceeding to render practicable the full expenses of direct participation. Thus, the interests of the public which do not coincide with those of trade associations, large corporations, and other Washington pressure groups remain unrepresented for the most part.

This has led to a dissatisfaction from various perspectives with the workings of the day to day processes of government. Consumer advocate Ralph Nader claims that:

Most Americans are shut out of the Federal administration and regulatory system.

John Gardner writes that:

Most parts of the system have grown so rigid that they cannot respond to impending disaster.

Paul Tillich states:

There is a tendency in the average citizen, even if he has a high standing in his profession, to consider the decisions relating to the life of the society to which he belongs as a matter of fate on which he has no influence.

Even President Nixon has observed that:

Most Americans today are simply fed up with government at all levels.

Certainly no single factor can explain this attack on our basic system of government, but there does seem to be broad agreement that the individual's feeling of helplessness to affect those governmental decisions which in turn will affect him may account in large part for this attitude.

The President's Advisory Council on Executive Organization 2 years ago came down with its own verdict after intensively studying the Federal regulatory agencies: those agencies are insufficiently accountable—to Congress, to the President, and ultimately to the public. The traditional theory on which many agencies were founded assumes that the agency itself can effectively represent the public's interests. Speaking in the context of reviewing an FCC license renewal proceeding, however, Chief Justice Burger, as a member of the District of Columbia Circuit Court, wrote that this:

Is no longer a valid assumption which stands up under the realities of actual experience.

The Bureaucratic Accountability Act is intended to strengthen the ability of the ordinary citizen to enforce his rights and voice his interests in administrative proceedings. Title I of the bill extends the procedural safeguards and requirements established by the Administrative Procedure Act relating to rulemaking proceedings to areas previously exempted by the act. This is similar to legislation I have introduced in the previous Congress and coincides in part with recommendations of the Administrative Conference of the United States.

Title II of my bill adds a new section to the APA that would authorize agencies to reimburse indigent participants in administrative proceedings reasonable costs of participation if the agency determines that the person has contributed substantially to promoting agency implementation of its legislated mission.

Title III is identical to a bill I introduced in two previous Congresses to narrow application of the doctrine of sovereign immunity and to implement other related recommendations of the American Bar Association and Administrative Conference.

Finally, title IV requires establishment of a complaint procedure by agencies authorized to make grants by their grantees. This requirement grows out of a desire to facilitate enforcement of standards in Federal grant-in-aid programs, a necessary predicate to which is a workable complaint-handling procedure on the part of grantor and grantee alike.

Let me explain these provisions a little more fully.

PROPRIETARY AND OTHER EXEMPTIONS TO APA RULEMAKING REQUIREMENTS REMOVED

The rulemaking provisions of the Administrative Procedure Act—section 553 of title 5, United States Code—afford an avenue for interested persons to participate in the process by which the policies of Federal agencies are formulated. The requirements for public notice and comment on proposed agency rules is not simply a palliative offered the public for letting off steam. To the contrary, these provisions impose upon the Government a duty to be responsive to commonly felt public needs by offering a genuine opportunity for interested persons—who are often in the best position to furnish needed information to administrative officials—to participate in the rulemaking process. Prof. Kenneth Culp Davis, one of the leading authorities on administrative law, has suggested that the APA rulemaking procedure "is probably one of the greatest inventions of modern Government." The opportunity accorded persons affected by agency rules to present their views enhances the quality of decisionmaking by Government officials and represents an element of our system of participatory democracy.

Exempted from the APA requirements, however, is all rulemaking related to public property, loans, grants, benefits, or contracts. These exemptions were based originally on the uncritical assmuption that the activities excluded were "proprietary matters" wherein the Government is in the position of an individual citizen and is concerned with its own property, funds, or contracts. If that assumption was uncritical and unwarranted when the act was passed in 1946, it is even more so today.

The distinction between proprietary and nonproprietary functions of Government has been discredited both in law and in the public mind. The irrelevancy of the label "proprietary matters" is particularly apparent when we recognize that matters relating to public property, loans, grants, benefits, or contracts represent those very mechanisms most commonly employed by Federal agencies to accomplish their statutory missions. Burgeoning agency programs, involving billions of dollars and affecting millions of citizens, are effectuated through such mechanisms. Obviously these programs have a substantial impact on the public. Similarly, the rules and regulations themselves, developed by the agencies to achieve program objectives, have an enormous effect. Rules prescribing eligibility standards for, or imposing mandatory requirements upon, recipients of loans, grants, or contracts significantly affect substantive private interests and often have an impact beyond the public's choosing.

I have been pleased to see, over the past few years, that a number of agencies and departments have responded to the problems in this area—and to the recommendations of the Administrative Conference—adopting by regulation the APA requirements. HUD and HEW, the largest grant-making agencies, and Interior, with jurisdiction over public lands, led the way with commendable speed. Unfortunately, the major contracting agencies, including GSA and the Defense Department, have yet to recognize the benefit of adopting voluntarily a notice-and-comment rulemaking process. So the need for a general approach on this subject remains.

Title I will thus contribute substantially to achieving the objective, enunciated by the President a few years ago, of giving every American a chance "to participate in a system of government where he knows not only his votes but his ideas count."

REIMBURSEMENT OF EXPENSES INCURRED BEFORE AGENCIES

The Administrative Procedure Act guarantees public participation in agency proceedings, and the right of public par-

ticipation has been firmly established by the courts. This right of participation, however, is hollow and illusory without support from the agencies themselves. Title II recognizes this and provides that in appropriate cases the agencies may reimburse interested persons participating in administrative proceedings.

One of the early recommendations of the Administrative Conference recognized the financial barriers to full participation by the poor in Federal administrative proceedings. The conference suggested a series of procedures useful for insuring that agencies are informed concerning the relevant interests of the poor, and formally recommended:

Federal agencies should engage more extensively in affirmative, self-initiated efforts to ascertain directly from the poor their views with respect to rulemaking that may affect them substantially.

Certainly agencies, to some extent, are already expending funds to provide special representation for the public's interest in various proceedings. In every case in which agency attorneys call witnesses to support the Government's position, the Government pays witness fees and transportation. And the Government position is supposed to be the public-interest position. Thus it would appear desirable that agencies be given the authority to experiment with other methods of getting public inputs by directly supporting participation efforts on the part of those unable to absorb the costs of participation directly, where the participant has made what the agency determines to be "discernible contribution to promoting agency implementation of a purpose of the act of Congress pursuant to which" the proceeding has been conducted.

I personally believe that Government agencies already have both the statutory and inherent powers to allow public intervenors and litigants in administrative proceedings to participate in forma pauperis in agency proceedings, and to use governmental funds to effectuate this participation.

In fact, it would appear that many agencies have direct obligations in this regard. Since legislative authority may not be sufficiently clear, and some further indication of congressional intent desirable, title II is designed to provide adequate and flexible authority for agency support of public involvement. I am presently developing a more comprehensive approach on the question of recovery of attorney's fees in administrative proceedings, and I hope to introduce legislation on this subject during this session.

It should be noted that last year, pursuant to a request from the Federal Trade Commission and after over a year of deliberation, the Comptroller General informed the chairman of the FCC that, as to indigent respondents in adjudicative proceedings, the Commission has full authority to reimburse these parties for expenses incurred in the preparation of their defense. The Comptroller General wrote that:

The use of Commission appropriations to assure such full preparation of cases by impecunious litigants would constitute a proper exercise of administrative discretion regarding the expenditure of appropriated funds.

As to intervenors, the opinion observed that the FTC is specifically authorized by law to grant intervention "upon good cause shown." The opinion concluded:

Thus, if the Commission determines it necessary to allow a person to intervene in order to properly dispose of a matter before it, the Commission has the authority to do so. As in the case of an indigent respondent, and for the same reasons, appropriated funds of the Commission would be available to assure proper case preparation.

This opinion, of course, related to but a single agency and a well-defined set of facts. The need to develop a general approach to this issue of agency reimbursement of expenses—and waiver of certain fees—is evident. Title II provides one approach; I am confident that hearings can further refine and develop this approach, as well as provide alternatives to effectuating full public involvement in administrative proceedings.

NARROWING OF SOVEREIGN IMMUNITY DOCTRINE

The doctrine that "the King can do no wrong" may have gone unquestioned in medieval England. I believe that we would all agree, however, that it has no place in 20th-century America. Yet this seems to be precisely the basis of the judicial doctrine of "sovereign immunity," developed during the past two centuries in this country. To the extent that this immunity doctrine prevents the orderly, rational review of actions of Federal officers, it is inconsistent with the principles of accountable and responsible government.

Under the law as it presently stands—and I emphasize that this judge-made law, since Congress has never spoken directly on this issue—an officer of the U.S. Government can act arbitrarily, capriciously, discriminatorily, illegally, and yet the aggrieved or threatened citizen may have no recourse to the courts. For if he should bring suit against the officer, Justice Department lawyers will surely cry "sovereign immunity" and judges across the land may, with no further analysis or investigation, respond "case dismissed."

The immunity doctrine, as presently applied, is illogical, artificial, erratic, and confusing. In some cases where there may have been strong arguments against judicial intervention, astute lawyers and judges have had little difficulty sidestepping the sovereign immunity doctrine. In other cases, where the Government may have had no substantive interest at stake, summary application of the doctrine has been a source of frustration, uncertainty, and injustice.

Basically, this bill would do two things:

First, eliminate the defense of sovereign immunity in suits for specific relief against the Federal Government.

Second, simplify and clarify the law relating to naming the United States, its agencies, or officers as parties defendant.

Sovereign immunity has never been an absolute bar to judicial intervention in cases of nonstatutory review of administrative action. Courts have in case after case prohibited enforcement of Federal laws or regulation, halted official action, and required official action. But a review of the cases—as confused as they are—reveals one certain conclusion: Where sovereign immunity has been held to be a bar to suit, and where no other defenses retained by the bill would have been applicable, unjust or irrational decisions have resulted.

Hearings were held in the Subcommittee on Administrative Practice and Procedure on an earlier version of this bill in the 91st Congress. Support was forthcoming from the Administrative Conference, the Judicial Conference, and the ABA. In the 92d Congress the subcommittee reported the legislation to the full committee, from which it unfortunately did not emerge. I am hopeful that this provision, as title III of the present bill, will be favorably acted on during the present session.

ENFORCEMENT OF STANDARDS FOR GRANTS

Title IV of the Bureaucratic Accountability Act is directed at ensuring the maintenance of Federal standards of performance and policy in the State and local programs that depend on Federal funds. Under title I of this bill, grant decisions are made subject to the formal notice-and-comment requirements of the APA, allowing many views to be heard before implementation of a grant program at the Federal level begins. This title requires procedures to be established for hearing complaints concerning the administration of a grant program, both at the Federal and at the State or local level. Minimum standards for complaint procedures are outlined.

This provision is based upon the recommendation of the Administrative Conference, which I would like to quote here:

RECOMMENDATION

A. The Federal Administrative Complaint Procedure.

The federal grantor agency should have an administrative procedure for the receipt and impartial consideration of complaints by persons affected by the grant-in-aid program that a plan, project application or other data submitted by a grant applicant or grantee as a basis for federal funding does not meet one or more federal standards. This procedure should afford the complainant an opportunity to submit to the grantor agency for its consideration data and argument in support of the complaint, and should afford the grant applicant or grantee involved a fair opportunity to respond. If the agency determines that the complaint is apparently ill-founded or is insubstantial, it should notify the complainant of its determination and should state in writing the reasons therefor. If the agency determines that the complaint appears to be substantial and supported by the information at hand, it should so notify both the complainant and the grant applicant or grantee of its present determination in this respect and should state in writing the reasons therefor. If the agency exercises discretion not to make a determination on one or more issues raised by a complaint, it should so notify the complainant in writing. The agency should pass upon all complaints within a prescribed period of time.

The complaint procedure administered by the federal grant or agency should also provide for the receipt and impartial consideration of complaints that a grantee has in its administration of the funded program failed to comply with one or more federal standards. It is anticipated that many grantor agencies will find it necessary to

limit their consideration of such complaints to situations in which the complainant raises issues which affect a substantial number of persons or which are particularly important to the effectuation of federal policy and will, therefore, dispose of most individual complaints concerning grantee administration by referring the complainant to such complaint procedures as are required to be established by the grantee. The grantor agency should seek by regulation to define the classes of cases that it will consider sufficiently substantial to warrant processing through the federal complaint procedure and those classes of cases wherein complainants will be required to pursue a remedy through available complaint procedures administered by the grantee.

B. The Grantee's Administrative Complaint Procedures.

The federal grantor agency should require as a grant condition the establishment by the grantee of procedures to handle complaints concerning the grantee's operation of the federally assisted program. These procedures should afford any person affected by an action of the grantee in the operation of the program a fair opportunity to contest that action. The "fair opportunity" to contest will necessarily vary with the nature of the issues involved and the identity and interests of the complainant. In all cases, however, the complainant should have the right to submit to the grantee for its consideration data and argument in support of the complainant's position.

It is acknowledged that Government agencies should attempt to achieve compliance with Federal standards in grant programs by using the full arsenal of enforcement techniques provided by Congress, as well as by trying to keep grantees informed of their obligations under the program. But title IV specifically proposes that Federal agencies develop administrative procedures for handling complaints that a grantee has not complied with Federal standards, and requires that grantees shall also maintain a procedure for the receipt, consideration, and disposition of complaints. It also allows the Attorney General to go to court to enjoin grantees from violating Federal standards, so that fund cutoffs will not be the only alternative to allowing violation by a grantee of Federal regulations.

CONCLUSION

Mr. President, as Federal activities expand to affect more and more elements of our everyday lives, the need for greater public involvement in Government decisionmaking at all levels and the need for increased responsiveness of Government agencies to the needs and wishes of the public becomes more critical. The various provisions in the Bureaucratic Accountability Act are designed to build into administrative procedure further vehicles for insuring this citizen involvement and Government responsiveness.

By Mr. HUMPHREY (for himself, Mr. RANDOLPH, Mr. STEVENSON, Mr. MONDALE, Mr. PERCY, Mr. BIBLE, Mr. MOSS, Mr. BAKER, Mr. PASTORE, Mr. PELL, Mr. NUNN, Mr. INOUYE, and Mr. BAYH):

S. 1422. A bill to establish a National Institute of Justice, in order to provide a national and coordinated effort for reform of the system of justice in the United States, and for other purposes. Referred to the Committee on the Judiciary.

Mr. HUMPHREY. Mr. President, there is no more central issue in American society today than that of justice.

Since World War II, there have been vast social and economic changes in America. These changes have sharpened the need for a new look at our system of justice.

As the power of private and public organizations has increased, the need to assure that their economic or statutory powers are used in a just and equitable way has increased.

As the power and use of technology has increased, the need to prevent that technology from being misused has increased.

As the Nation has become freed from the constraints of tradition and the past, individuals act on their personal convictions. Thus the need to balance private freedom against public rights has increased.

Above all, as the Nation has become more urbanized and interdependent, the need to protect a small number of criminals from paralyzing the functioning of large sections of society, through the power of criminal acts, has become critical.

Justice is based on the rights of human beings to be protected from the arbitrary use of such powers.

But some of these rights are being eroded. The right to freedom of movement—I mean in our own neighborhoods—is being lost due to criminal power. The right to freedom of speech is being eroded due to State power. Both of those declines of freedom are a sign of increasing injustice.

As an abstraction, we have a system of justice to protect these rights. It is a relatively unified, neat system. We have lawyers. We have police. We have civil courts and criminal courts. We have jails and prisons. In theory, they all have their place in our system of justice.

As a reality, the historical changes since World War II have made each of these institutions increasingly unable to deal with the overall problem of criminal and civil justice in our Nation.

Essentially, each of these components tries to deal with its own particular problems in its own particular way. But there is no one focal point in the Nation for viewing each in relation to the other. Nor is there one place in the Nation where each is viewed as a system at the Federal, State, and local level.

The result of all this is that justice in this Nation increasingly falls short of any reasonable ideal. The ideal is that those committing crimes are found, arrested, given a fair trial, with a thoughtful verdict; the ideal is that the sentence is designed to rehabilitate the person as well as to protect society. These ideals are increasingly so removed from reality as to make a mockery of much of our present system.

We have never provided the means whereby our system of justice can be examined in all its parts and improvements made accordingly. Yet legislatures continue to enact new laws on the ashes of the old—some 10,000 new laws each year—without, in most cases, the full examinations which would tell us of their potential impact. Our courts are seriously overburdened. Our law enforcement mechanism ever lessening in prestige, and our jails and prisons, institutions of higher education in crime.

We spend but a single dollar on justice research and development for every several hundred dollars on defense research and development. Justice has been too low, too long, on our priority scale.

Therefore, I propose the establishment of the National Institute of Justice, a nonprofit Institute to be comprised of the finest legal minds in our Nation, to undertake on a national scale the refinement and reform of our judicial and related processes.

Research would be an important function of the National Institute of Justice, as would information gathering and dissemination. But the Institute would go farther. Their review would culminate in the developments of objectives, and advice and assistance to accomplish these objectives. The Institute of Justice would not supplant existing State, local, or Federal entities, but it would both call upon them and be available to assist them, when requested. One of its prime functions would be to coordinate existing data, contracting from professionals in the field for research and evaluation expertise.

The five major functions of the Institute would be:

First, to survey, collect, analyze, and disseminate information about the operation of all levels of our judicial system, with emphasis on improvements and innovations.

Second, to conduct a study of the causes of delay in the administration of justice, identify the problems, and recommend solutions.

Third, to establish priorities, objectives, and continuing evaluation of the judicial system at all levels.

Fourth, to conduct research, either directly or through arrangements with institutions of higher education, law schools, bar associations, or other appropriate professional groups, on neglected aspects of the functioning of the judicial system; and

Fifth, to advise, upon request, Federal State, or local public agencies, professional legal societies, and/or members of the bar.

The National Institute of Justice would report periodically on progress and recommendations, including legislative changes, if indicated. It would be independent of partisan political activity, with its Director serving a 6-year term.

Mr. President, the administration has opposed the idea of a National Institute because it feels it would replace the Law Enforcement Assistance Administration. They are wrong. The Institute would replace nothing. The LEAA is a block grant program directed at criminal justice. It does not include civil justice. Moreover, it does very little in the way of trying to develop broad, systematic guidelines for the overall system of justice in this

Nation. For the most part, LEAA simply hands out block grants to states.

The Institute does, however, command the support of the American Bar Association. In fact, it was Mr. Bert Early, executive director of the ABA, who originally called for the creation of an Institute, in an article in the West Virginia Law Review in April 1972.

A conference was held by the American Bar Association, to discuss the idea of an Institute, on December 6–8, 1972. Following are excerpts from a report on this conference, by Charles Rhyne, chairman of the ABA Commission on a National Institute of Justice. The report shows that there was general agreement that the Institute might be the mechanism to deal with the serious problems of the reform of our system of justice.

I ask unanimous consent that excerpts from the report of the ABA conference be printed at this point in my remarks.

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

EXCERPTS FROM ABA REPORT

The conference was convened with a reception and dinner on the evening of December 6. The Chief Justice of the United States extended his greetings to the conferees, at which time he stated:

"Although there are many questions to be resolved about the organization, scope and functions of a National Institute of Justice before final decisions of support can be made, we should not be confused or deterred by 'doom criers' who conjure up parades of horribles, but even as I say that, I would remind you that objections and opposition will sharpen the debate. This distinguished gathering was not convened to adopt any plan but to debate a wide range of alternatives."

On Thursday, December 7, and Friday, December 8, the conferees conducted their deliberations. They used, as a guideline, five questions, although the questions were not approached as a rigid agenda but rather as a broad framework for discussion:

(1) What are the most important problems of justice today?

(2) What institutions are most in need of improvements in the way of doing justice?

(3) What kinds of improvements are most needed?

(4) What contribution could a National Institute of Justice make towards these improvements?

(5) What considerations should be kept in mind in the organization of a National Institute of Justice so as to permit it to maximize the contribution it might serve?

As had been anticipated, a plethora of ideas were articulated in response to each of the issues raised by these questions. Similarly, a number of alternative structures were sketched in an effort to mold the proposed Institute into a framework that was flexible and adaptable to the needs of the justice system as perceived by the various conferees. No consensus was sought nor achieved, except for what Professor Hazard summarized at the conclusion of the conference as " . . . a strongly shared sense that there should be a National Institute of Justice . . . "

Despite the diversity and occasional disparity in opinions expressed, some common threads did emerge from the conference work sessions. The conferees almost unanimously agreed that public authority at all levels of government is suffering from a severe problem of "credibility". The public perceives the government agencies in all three branches which "dispense" justice as usually being less than truthful about their functions and performance. Furthermore, the public is critical about the agencies' discharge of their responsibilities and, at times, these agencies fail to comprehend the consequences of what they are attempting to achieve. The view was therefore expressed that a National Institute of Justice could and should aim to be the conscience of a national community regarding the provision of equal justice through legally constituted processes and institutions.

Another widely shared recognition was that many of the institutions of justice had become fearful, defensive, and introverted. A qualified belief persisted that a National Institute of Justice could reduce fearfulness by putting the problems of administering justice in larger perspectives of place and time, reduce defensiveness by helping develop new methods and concepts in the administration of justice, and reduce the introversion and isolation of agencies of justice by establishing open and more general bases of communication among them and with the "consumers" of justice and the public at large.

Although no agreement was achieved on the specific questions of role, function, and structure for the proposed National Institute of Justice, the conference did provide invaluable input for the Commission. Professor Hazard summarized the composite perspective achieved in the work sessions as follows:

"Underlying the deliberations of the conference, from which these views emerged, there seemed to be certain fundamental beliefs shared by all who participated: That there is such a thing as objective reality, which may be discerned by careful examination and consideration; that every individual in the national community has a worth and dignity that must be made secure with the aim of law; that renewal of efforts is now necessary to enhance that security through inquiry and public discourse; and that a National Institute of Justice might be an appropriate agency through which to make the effort."

At this writing, the Commission is preparing for the publication of a conference report which will be widely circulated to organizations and groups to solicit a broad range of opinion and comment which will contribute to the further development of the Institute concept.

Respectfully submitted,

CHARLES S. RHYNE,
Chairman.

Mr. HUMPHREY. Mr. President, as these excerpts make clear, the Institute is an idea which is commanding increasing national attention and debate.

However, while it is of the greatest value to have the ABA developing this proposal, I am convinced the time has come for the Congress to take action.

I, therefore, ask unanimous consent that the text of the bill to create a National Institute of Justice be printed in the RECORD.

I also ask unanimous consent to have printed in the RECORD the excellent article I have referred to, written by Bert Early.

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

S. 1422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Institute of Justice Act".

POLICY AND PURPOSE

SEC. 2. In order to provide national direction and leadership that is responsible and responsive and in order to furnish advice to all levels of the judicial system in the United States, it is the purpose of this Act to establish a National Institute of Justice.

ESTABLISHMENT

SEC. 3. (a) There is hereby established an agency to be known as the National Institute of Justice.

(b) The Institute shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, from among persons who have distinguished careers in the field of law, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The term of the Director shall be six years. The Director shall be responsible for carrying out the functions of the Institute and shall have authority and control over all personnel and activities of the Institute.

(c) A Deputy Director of the Institute shall be appointed by the President, by and with the advice and consent of the Senate, from among persons who have distinguished careers in the field of law, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The term of the Deputy Director shall be six years. The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe, and shall act for, and exercise the powers of, the Director during his absence or disability.

FUNCTIONS OF THE INSTITUTE

SEC. 4. (a) In order to carry out the policy of this Act the Institute shall—

(1) undertake surveys, and collect, analyze, and disseminate information relating to the operation of the judicial system in the United States at all levels, with particular emphasis upon information with respect to improvements and innovations in the operation of that system;

(2) conduct, either directly or through contracts, grants, or other arrangements, an evaluation of the principal sources of delay in the administration of justice, criminal and civil, designed to identify existing problems and to provide a diagnosis of new anticipated problems in the timely and efficient disposition of civil and criminal cases;

(3) establish priorities, develop objectives, and provide for the continuing evaluation of administrative actions by Federal and State courts and research programs conducted by or for such courts, concerning any aspect of the effective and timely operation of the judicial system in the United States;

(4) conduct, either directly or by way of grants, contracts, or other arrangements with institutions of higher education, law schools, bar associations, and other appropriate legal and professional associations, research and an evaluation of research in the operation of the judicial system in the United States with particular emphasis upon areas of that operation in which research has been neglected and areas of that operation where judicial reform is an important consideration;

(5) provide advice, upon request, to Federal, State, and local public agencies, to professional legal societies and to members of the bar;

(6) prepare at least annually, and at such other times as the Director may deem appropriate, a report concerning its activities together with such recommendations (including recommendations for additional legislation) as the Director deems advisable.

(b) In carrying out the functions of the Institute under this section, the Director may establish such laboratories and facilities as he deems necessary to be operated by the personnel of the Institute. With a view to obtaining additional scientific and intellectual resources available, the Director shall, whenever feasible, enter contracts with public or private educational or research institutions for the purpose of undertaking any

particular study or research project authorized by this Act.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) In addition to any authority vested in it by other provisions of this Act, the Institute, in carrying out its functions, is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of the Institute; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(3) in the discretion of the Institute, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Institute with a condition or restriction, including a condition that the Institute use other funds of the Institute for the purposes of the gift;

(4) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as it deems desirable to advise the Institute with respect to its functions under this Act;

(5) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no more than three individuals so appointed shall receive compensation in excess of the rate prescribed for GS–18 in the General Schedule under section 5332 of title 5, United States Code;

(6) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate prescribed for GS–18 in the General Schedule under section 5332 of title 5, United States Code;

(7) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(8) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(9) provide for the making of such reports (including fund accounting reports) and the filing of such applications in such form and containing such information as the Director may reasonably require;

(10) make advances, progress, and other payments which the Director deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(11) make other necessary expenditures.

(b) Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

PROHIBITION AGAINST POLITICAL ACTIVITY

SEC. 6. No officer or employee of the Institute shall take any active part in political management or in political campaigns and no such officer or employee shall use his official position or influence for the purpose of interfering with any election or affecting the result of any election.

COMPENSATION OF DIRECTOR AND DEPUTY DIRECTOR

SEC. 7. (a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(95) Director, the National Institute of Justice.".

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(130) Deputy Director, National Institute of Justice.".

DEFINITIONS

SEC. 8. As used in this Act—

(1) the term "Institute" means the National Institute of Justice; and

(2) the term "Director" means the Director of the National Institute of Justice.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

[From the West Virginia Law Review, April 1972]

NATIONAL INSTITUTE OF JUSTICE—A PROPOSAL

(By Bert H. Early*)

FOREWORD BY WARREN E. BURGER †

From his long experience and the vantage point of his unique position in the organized bar, Mr. Early has given voice to a great need—a great void—in our system. He correctly and carefully disclaims any thought of "homogenizing" the systems of justice, but rather presses for some central means to energize the valuable programs for improved justice now in being and to probe for new solutions. We spend more than two billion dollars annually through the National Institutes of Health and the country is better for it. But the social, economic and political health of the country must be fostered by a comparable facility to revitalize the faltering machinery of justice—and happily that can be done for a mere fraction of the NIH budget. Whether it is financed by private as well as public funds is not central to the proposal—the key is the *function* of such an institute.

Mr. Early's provocative article is advanced by him to stimulate debate. It deserves a wide audience and I sincerely hope it will be challenged and debated—vigorously—by the bar and the public.

I. THE PROPOSAL

The intent of this article is to advance a proposal for the creation of a new type of organization, national in scope and purpose, to marshal our resources and energies for an accelerated program of modernization of our system of law and justice to serve better the needs of over 200 million Americans.

Such an organization might be called *The National Institute of Justice*. At the outset, it should be clearly understood that the Institute would not conflict with or duplicate the Federal Judicial Center, the National Center for State Courts or other existing organizations. It would, rather, complement their activities and encourage a broader base of support. In broad perspective the concept may be stated simply: the establishment of a national public agency, governed by the most eminently qualified individuals available, and dedicated to the mission of giving national cohesion and increased public and private support to the now inadequate and piecemeal efforts directed toward improving the justice system at all levels. The National Institute must deal with the system of justice as a whole. That system consists of interlocking and interdependent components—substantive laws; procedures; legislative bodies; institutions for dispute settlement, such as courts and administrative agencies; law enforcement offices and agencies and corrections and rehabilitation facilities and services; and a host of individuals who work within the legal profession. The ultimate aim is to achieve a structure of civil and criminal justice that is more effective, expeditious and accessible to the present day needs of all our people.

The goal is unassailable. It was the dream of our founding fathers and it has been the aspiration of our nation's foremost leaders for nearly two centuries. And yet it has eluded us.

No less a figure in American jurisprudence than Roscoe Pound spoke prophetically of its elusiveness as early as 1906. In his historic paper, entitled *The Causes of Popular Dissatisfaction with the Administration of Justice*,[1] Dean Pound addressed the Annual Meeting of the American Bar Association with these words:

"I venture to say that our system of courts is archaic and our procedure behind the times.

"Uncertainty, delay and expense, and above all the injustice of deciding cases upon points of practice, which are the mere etiquette of justice, direct results of the organization of our courts and the backwardness of our procedure, have created a deep-seated desire to keep out of court, right or wrong, on the part of every sensible business man in the community. . . .

"But too much of the current dissatisfaction has a just origin in our judicial organization and procedure. The causes that lie here must be heeded. Our administration of justice is not decadent. It is simply behind the times. . . .[2]"

Again in 1937, more than thirty years later, in *Law: A Century of Progress*,[3] Dean Pound tolled the same ominous bell:

"Looked at superficially, many features of the legal order of today may well give us pause. . . . The multitude of regulations required by an urban, industrial society encountering the pioneer habits of self-reliance and private judgment which have come down from the past make the time seem one of disrespect for law. . . . The inadequacy of the judicial organization and legal procedure of the past century to deal with the mass of litigation arising in our great urban centers leads to widespread complaint and popular dissatisfaction with the administration of justice. . . .

"Questions of law have ceased to be local. We are so unified economically that no question is limited by jurisdiction and venue as questions used to be. Questions of law today are likely to be questions of business as well. Creative work cannot be done under limitations of party and jurisdiction and venue.

"Even less may the work of reshaping the law be left to occasional legislative commissions or to the intermittent and hurried action of judiciary committees. In such matters as procedure the judicial councils which have been set up so generally in the past decade will do much. *But the ministry of justice, which will take the functioning of the legal order as a whole for its province and give to the problems of peace the continuous study which is so generally given by governments to preparations for war, seems to be a long way off in the English-speaking world.*[4]"

Progress in the administration of justice has been painfully slow. It has failed to keep pace with a burgeoning, automated, electronic society that is increasingly urban, impatient and demanding. Indeed, the situation has taken on crisis dimensions.

This is not to say or to imply that there

Footnotes at end of article.

has been no progress. Indeed, there has been much. However, its hallmarks too frequently have been a patchwork of effort lacking focus, continuity and adequate funding. Notwithstanding accelerating efforts to improve the administration of justice, Chief Justice Burger, in his address on the State of the Judiciary in July, 1971, was compelled to observe that:

"Essentially the problems of the federal courts, in common with state courts and indeed much of the entire fabric of our national life, are suffering from an accumulated neglect. This disrepair became an acute problem as the load increased, and we cannot ignore it any longer."

It is not the purpose of this article to dwell on the obvious and profound inadequacies of our present system of justice. It is rather to suggest that the evolution of our legal system makes it clear that vital elements still are missing. Those elements are focus, continuity, innovation, experimentation, and research, all melded under capable direction and with adequate funding. The catalytic agency to synthesize these elements can, in this writer's judgment, be a National Institute of Justice.

This article is then a document of advocacy. The historical details of our failure to attain the noblest purposes of our founding fathers are left to the legal philosophers and historians. It is sufficient to accept the fact of that failure as a point of reference and to move on to more promising methods that offer brighter hope for future progress.

II. A NATIONAL INSTITUTE OF JUSTICE

It is proposed that the National Institute of Justice take the form of an independent, not-for-profit, federally chartered corporation designed to coordinate and support the machinery of justice. It would be governed by a board composed of the most eminently qualified and widely representative individuals available. Its mission would be to make the administration of justice more fully responsive to the needs of our contemporary society.

Purposes of the institute

The primary purposes of the Institute would be as follows:

First, to provide direction and leadership that would be both responsible and responsive. The Institute would serve as consultant and advisor to all components of the machinery of justice at both federal and state levels.

Second, the Institute would provide a permanent body charged with the development of an overview of the law, with the establishment of priorities, with responsibility for the coordination of educational resources, research activities and projects of the organized bar.

Third, the Institute would serve as a fiscal agent to receive and disburse public and private funds for research, evaluation and action.

There is today no single body or individual in the federal or state governments charged with these ongoing overall responsibilities. Cooperation has improved between states and the federal government, but cooperation is not enough. Although each government has certain officers in each branch responsible for specific areas of the administration of justice, each is limited by constitution or statute to only a part of the law's sweep. It seems clear that the three branches of government should have the benefit of the research, counsel, advice and recommendations of an agency that has the primary mission for and a continuing commitment to the improvement of the quality of the legal system as a whole.

Footnotes at end of article.

Functions of the Institute

It is envisioned that the proposed Institute would perform the following functions:

1. Survey, Appraisal and Information Collection and Dissemination Function

It would be essential that the Institute undertake and maintain an ongoing survey and appraisal of the functioning of the legal system and of the principal efforts to modernize, reform and reconstitute legal processes and the administration of justice. The task of determining what has been and is being done by the federal, state and local governments, private foundations, law schools, interest groups, professional organizations and other educational institutions is a task of great magnitude, but is essential to any coordinated effort directed toward modernization and reform.

The collection and dissemination of information about the operation of our society—*a law society*—is presently conducted by a variety of federal, state and local government agencies, private foundations, the organized bar and private institutions. The present efforts are uncoordinated, frequently incomplete, redundant and permeated with frustrating, circular reference systems. The creation of a National Institute of Justice would, for the first time, provide a single source from which comprehensive and complete information might flow. The Institute could provide an invaluable national link among governmental, private and professional interest groups directly or tangentially concerned with the same or closely related problem areas. The use of modern computer technology makes the goal achievable within a reasonable time and within our economic means.

2. Diagnostic function

The diagnostic function would have as its goal the discovery and evaluation of the principal bottlenecks in the flow of civil and criminal justice and the recognition of new problem areas as they arise. This function has never been assumed by any agency or organization in the country on a continuing and permanent basis. So little attention and money have been devoted historically to this function that the legal profession is constantly in the posture of reacting to certain issues only after they have developed to crisis proportions. With an effective diagnostic function, problem areas can be dealt with more expeditiously and effectively.

3. Coordination function

Coordination would be one of the Institute's foremost roles. This necessarily includes the establishment of priorities, the development of long range goals and a continuing evaluation of the results of action and research programs of the various components of the law society, both public and private.

4. Research catalyst function

The disorganized and proportionately insignificant allocation of resources for legal research is evidence of the crucial need for a catalytic function of the Institute in this area. Although lack of sufficient funding is certainly one of the most crippling aspects of the anemic state of legal research in the nation today, a solution does not involve solely the infusion of more dollars. Continual inquiry must be made as to the value and relevance of research undertakings. The Institute could perform a highly valuable service as a catalyst in the development of areas in which research has been long neglected.

Most legal research of the past has been doctrinal research *in law*. However, studies have begun to appear which shed new light on the operation of the processes of law in society—research *about law*.[5]

5. Advisory function

The Institute could play a significant and effective role as an advisor to all branches of government and to the profession. Its recommendation, based upon research and analysis, would certainly tend to carry great weight.

6. Continuity function

Perhaps one of the critical roles which the Institute would assume is to provide functional continuity for the modernization effort. History demonstrates clearly that continuity of direction and operation has been a principal weakness in the functioning of law and in the quest for more effective administration of justice.

7. Neutrality function

A seventh function of the Institute would be its mandate to insure neutrality. It should remain, as much as possible, free from political control of its decision making. While the rule of law in theory knows no party, the nature of our representative government inevitably brings political influences into the operation of the system of justice. An Institute governed impartially is both possible and essential.

Funding

It is contemplated that the Institute would be funded from both public and private sources. It would be both a grantor and a grantee of funds.

In its role as grantee, the Institute would be authorized to receive funds for its general administration, under contract for specific projects and programs and under grants for either specified or unspecified uses. As grantor, the Institute might serve as a funding agency for investment of public or private funds in research or action programs.

It is this writer's view that the creation by Congress of this Institute would not eliminate the continuing need for funding from numerous other sources including individuals, organizations, foundations and state and local governments. On the other hand, it is perfectly apparent to all who have examined the problem that the costs involved in modernizing the justice system—after generations of neglect—will be so large that additional responsibility for making funds available must necessarily rest with the federal government. As the Institute progresses in its survey function, it will only then be able to project accurately financial needs in a realistic way.

It should also be understood clearly that the Institute is not intended to supplant or put out of business existing agencies performing valuable work in the various areas of law and justice. Its aim will be to do more, not less. The Institute will be in posture to provide a common rallying point for concerned individuals and organizational efforts to obtain congressional and executive response for projected needs.

Staff

It is contemplated that the Institute would have an interdisciplinary, broadly experienced professional staff of modest size. The staff, as directed by the governing authority, would not assume the functions presently performed by other organizations; rather, it would undertake functions not now being performed or being performed on a very limited basis.

It is not anticipated, for example that the Institute would itself be a large research organization. It would contract with universities, law schools, bar associations, legal associations, bar foundations, other professional organizations, private corporations and governments to carry out evaluation and research projects.

The staff would be responsible to and serve under the direction of a governing body

which might be constituted as a Board of Directors.

Governing Authority

It does not seem desirable at this juncture to suggest the specific type, size, or constituency of a governing board. Suffice it to say that the governing body should be appointed for a term of years by the President with the advice and consent of the Senate. Ex officio members might include the Chief Justice of the United States and other high government officers. In all events, members of the governing body should be selected with due regard to their experience, knowledge and proven dedication to the mission of justice.

What the Institute Should Not Be

In any attempt to define what the National Institute of Justice should be, it is critical to inquire as to what it should not be.

The Institute should not usurp functions of existing entities. On the scene today are a number of public and private organizations dedicated to the modernization and efficient functioning of the law society. These include the Federal Judicial Center, the National Center for State Courts, the Law Enforcement Assistance Administration, the American Judicature Society, the American Bar Foundation and other private foundations of research and action in the field of justice, bar-related organizations and research centers. In its coordination role, the Institute would utilize existing organizations, and indeed nurture their further development and usefulness.

The role of the Institute would most certainly not include any attempt to federalize the state courts. Such a statement hardly seems necessary except for the extreme fear of some that action at a national level that involves funding by the federal government may be so motivated. It is contemplated that the Institute would be as much the servant of the states as it would of the federal government. If the Institute were to be successful, its reputation would depend upon its even-handed administration, its thoroughness and its understanding of the broad spectrum of problems in the administration of justice on the local, state and national levels.

It was said long ago and repeated many times since that the law is too important to be left to lawyers. The work of the Institute would be much too pervasive and too important to be other than interdisciplinary in its governing body, its staff and its concept.

The institute is envisioned as a cooperating, coordinating, and consulting organization that would make its resources available for the investigation, analysis and solution of legal and law-related problems. Thus, its staff would primarily perform consulting services, as opposed to having direct responsibility for the implementation of reform movements. In short, the staff would provide insight into ways that modernization resources might be utilized most efficiently.

Because the Institute would not be possessed with coercive power, its effectiveness could only develop as a result of its creativity and its applied expertise in fulfilling its functions. Only if the Institute proves capable of performing that function would its services be in demand or its recommendations be heeded.

III. STRUCTURES OF RESPONSE IN OTHER DISCIPLINES

The concept proposed in this article is not entirely new. Almost precisely fifty years ago Mr. Justice Benjamin Cardozo urged the creation of a ministry of justice.[6] He envisioned that a ministry consisting of five members might observe the law in action, develop recommendations for reform in the civil law and report to Congress and the state legislatures where change was needed. In making his recommendations, Mr. Justice Cardozo observed that his thought was not novel, pointing to the prior proposals of Roscoe Pond, Lord Westbury, Lord Haldane and others.[7]

Other proposals have been made in Congress in more recent years. The late Senator Dirksen and Congressman Emanuel Celler proposed the creation of a national foundation of law in bills submitted in 1967.[8] These bills were offered in full cooperation with the American Bar Association, the Association of American Law Schools and the American Association of Law Libraries. In both the 90th and 91st Congresses Senator Fred Harris submitted proposals for the creation of a National Foundation of the Social Sciences.[9] Senator Harris' proposal envisioned a foundation designed to support academic research, education and training in the fields of political science, economics, psychology, sociology, anthropology, history, law, social statistics, demography, geography, linguistics, communications, international relations, education and other social sciences. In presenting his bill, Senator Harris called particular attention to the fact that his proposed foundation would perform no in-house research, but would, in keeping with the precedents set by the National Science Foundation and the National Foundation for the Arts and Humanities, underwrite, fund and support academic research, education and training in the social science field.

Appropriate inquiry might be made as to whether a National Foundation for the Social Sciences could adequately perform the functions of the proposed National Institute of Justice. The argument can be made quite forcefully that the interdisciplinary atmosphere of an organization devoted to the social sciences might indeed have a statutory effect.

This proposition has been thoughtfully analyzed by Robert B. McKay, Dean of New York University Law School, when he made the following observation: [10]

"[S]ocial scientists do not regard law as a kindred discipline. Accordingly it seems likely that in a social sciences foundation the law would always be the poor relation and that the important tasks we believe should be undertaken would not be supported except where there was an interdisciplinary study to be made in which law could play a complementary, but secondary, role."

With respect to the Dirksen-Celler proposals of 1967, it should be made clear that the leadership of the American Bar Association played a very significant role. Indeed, the leadership of the ABA, the Association of American Law Schools and the American Association of Law Libraries actively solicited the support of Senator Dirksen, Congressman Celler and their colleagues in both the House and Senate in support of that proposal. Why then, it may be asked, after four years has the proposal not been more actively pursued by the associations to the point that it might even today already be a reality. Such legislation commonly requires a germination period. At the time the Dirksen-Celler proposals were introduced it was assumed that it would take a number of years to bring about the adoption of them or similar legislation. Indeed, the history of the several models described above indicates that this has been the pattern in each case.

The present proposal is thus not reflective of any abandonment of the broad principles contained in the original Dirksen and Celler bills, but is rather reflective of the refinements in thought that have evolved during the past four years. Indeed, it is recognized that there may be other refinements of the concept suggested from many sources before any proposal becomes a reality.

Both the Dirksen and Cellar bills and the Harris bills envisioned the creation of their proposed foundations as independent administrative agencies of the federal government—one of four general types of independent government or government funded entities. These are the independent administrative agency, the government owned corporation, the federally chartered not-for-profit corporation, and federally chartered profit making corporation. The National Institute of Justice is envisioned as a federally chartered not-for-profit corporation.

Existing models of independent administrative agencies are the National Science Foundation and the National Foundation of the Arts and Humanities. An example of a federally chartered not-for-profit corporation is the Corporation for Public Broadcasting.

The National Science Foundation was created to strengthen both research and education in the natural sciences. It was brought into existence as the result of a report prepared at the request of the President describing how best to develop a national science policy and to support basic research and education in the natural sciences. The report was submitted in 1945 by Dr. Vannevar Bush, Director of the Office of Scientific Research and Development. It recommended the establishment of an independent federal agency composed of members to be selected by the President. The establishment of the National Science Foundation took some five years after submission of the Bush report. The Foundation is authorized to make grants to institutions and provide fellowship programs for individuals; it now receives about a half-billion dollars annually for its work.

The National Foundation of the Arts and Humanities was created to encourage and support the humanities and the arts through studies and grants. It was many years aborning. In 1951 President Truman requested a report on the status of the arts with respect to government. Two years later a report was submitted to President Eisenhower and in 1962 President Kennedy urged approval of a measure establishing a federal advisory council on the arts. Proposals were made in the next two years for a national council on the arts and a national arts foundation. In 1964 the National Council on the Arts was created and in the following year the National Commission on the Humanities joined forces with the Council to bring about the creation of the National Foundation of the Arts and Humanities. The Foundation has certain unique qualities of organization that are not here relevant. Its importance lies in the fact that responable individuals in the field envisioned an independent agency modeled along the lines of the National Science Foundation, which would provide general support for research and education in the humanities. There appeared to be no other logical place within the federal establishment to provide a home for the arts and humanities.

The Corporation for Public Broadcasting was created in 1967 following a study by the Carnegie Commission on Educational Television. While acknowledging the free speech dangers implicit in government participation in the communications media, the Commission recommended extensive federal funding for television program production. In terms of structure, it is significant that the Commission proposed the establishment of a federally chartered not-for-profit corporation which would be neither an agency nor an establishment of the United States Government. Under the enabling legislation the President of the United States, operating under certain guidelines, appoints the fifteen members of the Corporation's Board of Di-

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rectors. The Corporation may receive funding from federal and other sources.

It was thought that the federally chartered not-for-profit corporate structure would most effectively provide the independence, continuity, funding and political insulation vitally needed for operation in this controversial and sensitive area.

Each of the foundations and corporations described above bears some similarities of purpose and function to the proposed National Institute of Justice. Each is designed to provide a home for a discipline or a profession with great public service commitment that will make possible a continuity of direction and leadership, will encourage development, research and education, will provide responsible funding grants and will insure competent, independent and neutral direction. Each of these provides an analogy and insight for considering the creation of a National Institute of Justice.

IV. THE MANY PRESSURES OF MULTIPLE CHANGE

An overview of developments within the profession emphasizes the need for the creation of a National Institute of Justice.

In addition, inquiry is justified as to whether any existing institution, or a combination of institutions, including the organized bar, are presently capable of performing along the functions deemed necessary for effective and comprehensive modernization.

Accordingly, some of the major areas of evolution in the modernization process are considered, followed by an analysis of the role of the organized bar in this process.

During the Twentieth Century the components of our machinery of justice—the courts, the practicing profession, legal education, the methods of practice, law related research—have too frequently lagged in their response to the problems and challenges of our rapidly changing society. Indeed, the practice of law in this country has been described as the last cottage industry. It should be observed that this has not been for want of concern on the part of dedicated lawyers, judges and numerous organizations of the profession. Rather, problems concerning the administration of justice and the practice of law have for too long been considered primarily the provincial concern of judges, lawyers and their constituent organizations. As has been described, in areas such as medicine, the natural sciences, and the arts and humanities, it was deemed in the national interest to create national organizations to foster development, research and innovation.

In contrast, the failure of this nation, until recently, to view problems concerning the effective administration of justice with sufficient seriousness to warrant a commitment of substantial resources from the federal government, has meant that those struggling to modernize the legal profession, legal education, and our justice machinery, have had to work with minimal funding wholly inadequate to meet the magnitude of the problems. We have too often gone in separate ways without carefully evaluating the merits and effectiveness of our efforts and without resources to interrelate results with the overall problems of judicial administration. The inescapable conclusion one draws from most of these past efforts is that the approach has been comparable to trying to construct a space vehicle by assigning a thousand engineers, each left in isolation, to design one specific component with little comprehension as to how the components would function together when assembled. It may, therefore, be helpful to look briefly at certain components of the justice system in terms of the recognized needs of an urban society.

How law is practiced

In comparison with other vital aspects of society, the practice of law today and the basic methodology of the courts have changed relatively little from the days of Thomas Jefferson and John Marshall.

For many early nineteenth century lawyers the primary and often sole source of legal research and knowledge * * * and Blackstone's *Commentaries*. And between 1790 and 1840 our courts produced only about 50,000 reported decisions. The next fifty years produced about nine times as many—450,000. From 1890 to the present the courts have added almost two million published decisions to our legal storehouses of knowledge. And this does not include the hundreds of thousands of new regulations which have been issued by administrative agencies or the approximately 10,000 new statutes adopted by legislatures each year.

New tasks and new demands have been placed on today's lawyer. The call for equal access to the machinery of justice and to professional legal counselling for the poor and for members of minority groups has created new demands to which the bar has responded. Increasingly, questions are being raised as to the adequacy of available legal services to middle income American families.

Inherent in the increased recognition and utilization of the courts as effective vehicles for social and political change has been the mounting pressure on the lawyers and his profession to promote and protect equally due process, and the "public interest" for those who could not individually afford a lawyer's services. New opportunities for public service by younger attorneys have developed. Law firms and bar associations have been challenged to attain an even higher level of public service activity.

Unlike industry and government, lawyers have not been able to reduce appreciably the number of expensive man-hours they devote to routine legal tasks. With certain exceptions, which will be discussed later, the ideal of the profession has long been to provide custom-tailored services to each client. The sources of essential legal research—court decisions, statutes, and administrative regulations—have skyrocketed quantitatively. Lawyers' research has become increasingly costly, and it is the client who must pay for the straining shelves of law books and the expensive manpower necessary to extract needed materials in them.

Yet young associates and solo practitioners, still pore through indices, digests, cases, commentaries and looseleaf services in the same manner as their great-grandfathers. These laborious methods remain the primary information retrieval system of the profession.

To this day routine legal research remains largely untouched by computer technology. The reasons are probably less the limitations of the computer than the high capital cost of better legal indices for computer use and for programming millions of bits of information. This high initial cost has certainly been a major deterrent to extensive utilization of automated information retrieval.

Another characteristic of the legal profession today is its increasing specialization. The lawyers image of himself as a generalist, fully proficient in the law as a whole, bears little relation to reality. New areas of legal practice and inquiry have been added steadily during this century, *e.g.*, labor relations law, federal tax law, civil rights law, antitrust law, and securities regulation law. Numerous other examples could be cited. The practicing lawyer today is constantly confronted with the problem of how little of the "seamless web of the law" he can hope to practice with proficiency.

The growing national uniformity of laws harbors profound implications for the profession and its admission procedures. This century has been particular witness to the growing influence of federal laws and agencies regulating both man and his industry, labor and finance. The portion of a lawyer's time spent on matters regulated solely by state law has declined steadily. Suffice it to say that many practitioners today devote most of their practice to federal matters which were unknown 75 years ago.

The move toward modernization: An unfinished saga

The American Bar Association and the legal profession as a whole have in recent years devoted increased time and resources to consideration of methods for modernization. There exists a growing awareness in the Bar that the profession as traditionally structured has not met many of the legal needs of individual citizens. Changes in society as a whole have exerted certain but incalculable pressure on the profession to change. They have been affected by the emphasis upon research and innovation and by the increasing demands first of the poor and now of the middle class to share in the benefits of an affluent society, including quality professional services of the doctor and lawyer.

Issues with respect to the modernization of the profession have arisen in two broadly defined areas. First, issues concerned with the internal organization of the legal profession, including specialization, use of paraprofessionals and computer technology are increasingly being considered. Second, issues related to the delivery of legal services to individuals are undergoing intensive scrutiny. These include, *inter alia*, prepaid legal cost programs, group legal practice, legal aid and judicare, and lawyer referral services.

Specialization

Specialization in the legal profession is a fact of life. A proportionately smaller number of lawyers today practice alone or with one partner—the standard form in rural small town America—the America of the Nineteenth Century. Industrialization and urbanization brought the growth of large industrial, financial and governmental organizations. As these institutions grew, so did the law firms which provided them with legal services. As large law firms developed, the lawyers within them often began to specialize and to organize into departments in order to provide better services to the client. Large corporations promoted specialization in the legal profession by employing lawyers as corporate counsel to serve the highly specialized legal needs of the corporation. The growth of widely diversified and specialized government agencies resulted in the need for large numbers of attorneys to work in the agency's specialized area. Government has become a vast training ground for specialized legal practice. As a result of these changes in the structure of the profession, over twenty percent of the lawyers who practice in the United States today are "one client"—government or corporation—lawyers. The move toward specialization also has affected the single practitioner and small firm. Specialities such as personal injury litigation, criminal law, domestic relations, and labor law are increasingly areas of specialization for the single practitioner or small firm lawyer.

While the de facto growth of specialization has been recognized both within the profession and by its clients, the bar has only began to cope with the implication, opportunities, and problems of the formal recognition of specialization. Much experimentation will be necessary concerning certification requirements, e.g., the roles of law school curriculum, "internship" or apprenticeship, continuing legal education and graduate law study in training for a speciality. The area of examinations in speciality certification is still largely unexplored. No state as yet has developed a comprehensive specialist certification procedure, although California presently is experimenting with a certification system for specialists in workmen's compensation, tax law and criminal law.

The implications of specialization also remain largely unexplored. Careful study and

thought must be given to the role of the general practitioner in an era of increasing specialization. A determination must be made as to the appropriate mix of formal education and practice for training in various fields of specialization. For example, it may be reasonable to require a litigation specialist to have more courtroom experience than classroom experience. The mix of the practical and the formal education for a tax expert may be quite different. Heretofore, the resources for exploring these questions have been woefully lacking.

Paraprofessionals

The case for greater utilization of paraprofessional legal assistants was well stated by the ABA Special Committee on Availability of Legal Services, which observed that: "freeing a lawyer from tedious and routine detail, thus conserving his time and energy for truly legal problems, will enable him to render his professional service to more people, thereby making legal services more fully available to the public."

Traditionally lawyers have used clerks and secretaries as assistants for handling administrative aspects of the practice of law such as filing papers, searching court records, preparing forms, and other routine tasks. As the profession strives to extend legal services to more and more individuals in lower and middle income groups, the occasions in which routine operations may be performed by trained lay assistants will be multiplied.

The ABA Special Committee on Lay Assistants for Lawyers recently conducted a pilot training program for legal assistants and is developing model curricula for training law office personnel. The future for the development of educational programs for such training in colleges and law schools and of certification standards and procedures for this new vocation are virtually unlimited.

New systems for delivering legal services to individuals

The profession is in a state of ferment with respect to the development of new systems for the delivery of legal services to persons of moderate means and to the disadvantaged. There are genuine considerations of professional standards concerned with independence of the attorney and with conflicts of interest. Serious questions have been raised as to whether the present pattern of providing legal services to individuals is adequate to enable the average person to know when a problem confronting him is one in which a lawyer can help, to know whether the lawyer's service is worth its cost; and to locate a lawyer he is confident can and will provide the expert legal assistance he needs, at a cost he can afford. The conclusion is unavoidable that the profession, as presently structured, does not adequately meet these criteria, to serve low and middle income people.

Pressures of change have come from several sources. In the 1960s the Legal Services Program of the Office of Economic Opportunity was created, as a result of the widespread recognition of the inadequacy of the then existing legal services delivery system for low income Americans. Today about 2,000 legal services attorneys are handling approximately two million cases each year for the poor. The same questions are being raised now of the adequacy of legal services available to individuals above the poverty line—those in the middle and lower-middle income groups.

Probably the greatest force today behind the development of new systems to make legal services more readily available to middle income groups is the trade union movement. Labor organizations have obtained, through collective bargaining, substantial medical coverage benefits for their members in the form of insurance and group practice programs. It was predictable that they would also turn their attention to legal services available to their members.

Group legal services

The term "group legal services" as discussed here connotes a plan in which a group or organization designates one or more lawyers to represent individual members of a group. Numerous group legal service plans are operating today, frequently under the sponsorship of unions.

These plans have created continuing controversy within the legal profession. However, the issue no longer primarily revolves around whether such plans may be allowed to exist. The United States Supreme Court, in a series of decisions, the most far-reaching of which was *United Mine Workers* v. *Illinois State Bar Association*,[11] has shielded such arrangements against charges of unauthorized practice. One commentator has stated that the holding in the *Mine Workers case* makes it "difficult to conceive a practical and attractive group legal arrangement that would not be protected by the rule it announces."[12]

Group legal services have been around for some time. Certain forms of group practice have been accepted by the profession. Probably the most common group legal service arrangement is in the automobile insurance industry. Individuals protected by automobile casualty insurers must, in the event of a claim, accept counsel of the company's choice. In addition, the legal needs to the poor served through the OEO-funded Legal Services Program are primarily met by a group legal services structure. A substantial amount of additional study and analysis must be performed to determine the effectiveness of group legal services plans. But the need for new methods to better meet the legal services requirements of large numbers of people can be said to constitute one of the most pressing problems facing the profession today. The Bar can ill-afford to ignore the reality of group legal service programs; a brochure published by the ABA Standing Committee on Lawyer Referral Service has observed that "the time may well come when a majority of the general public will receive all needed legal services from lawyers provided by lay organizations."

Prepaid Legal Cost Insurance

Another change in the structure, primarily in the funding of legal services for the middle class, has been embryonic development of prepaid legal cost programs. Examples of the growth and success of hospital and medical insurance plans have raised the question of the feasibility of financing legal services generally through pre-payment plans. The funding of "routine" legal services under this concept is, strictly speaking, a pre-payment or financing mechanism rather than a spreading of the risk. The automobile insurance industry has long had experience in calculating the cost of legal services as part of the insurance premium; but this has been primarily coverage for legal catastrophe. As yet we have had little experience with prepayment mechanisms for routine legal services.

The American Bar Association Special Committee on Prepaid Legal Services is sponsoring a pilot program in Shreveport, Louisiana, in cooperation with the Shreveport and Louisiana State Bar Associations, which has been in operation since January, 1971, with Ford Foundation funding. The Committee is undertaking sponsorship of a pilot program in Los Angeles, California, which has not yet begun operation. Prepaid legal service programs are attractive to trade unions, and other consumer groups, including teachers and municipal, state and federal employee associations. However, problems concerning such sponsorship are myriad. For example, employer contributions to such plans are presently not authorized under the Taft Hartley Act. Unlike health and medical service benefits, contributions to these plans are not tax deductible. Whether state insurance departments will consider prepayment plans as insurance for the purpose of state regulation is not presently known. These and other questions require further exploration.

Many members of the organized bar see prepaid legal cost programs as a vehicle for providing more effective legal services for individuals without placing a lay intermediary between the attorney and his client. Indeed, due in large part to efforts of the Association, twenty-three state bar committees have been established to explore the establishment of prepaid plans.

Lawyer Referral Services

Although lawyer referral systems have been in operation in the United States since 1937, there are today only 267 lawyer referral offices in operation, dealing with approximately 250,000 clients each year.

The present system bears some similarities to the legal aid system as it was constituted prior to the introduction of the OEO Legal Services Program. It is typically under-financed, inadequately advertised, and underutilized. To be sure, the present system is making a substantial day-to-day contribution to the availability of legal services to the public, but those who have given the most penetrating consideration and study to the problem are generally dissatisfied with the capacity of the present system to meet the much wider unfilled needs of middle-income families. The ABA Standing Committee on Lawyer Referrel Service has indicated that a major problem is to provide some assurance to the public that the quality of service which an individual will receive would be significantly better than could be accomplished by selecting a lawyer at random from the yellow pages of the telphone book.

Judicare

The OEO Legal Services Program has almost exclusively utilized the approach of funding offices staffed by attorneys employed to perform legal services for the poor. Only a few OEO-funded programs permit the client to select a private practitioner who is then reimbursed by the funded agency. This system is known in the profession as "Judicare," and its supporters argue with considerable logic that it is the only practical method of providing legal services in rural and sparsely settled areas.

The need for evaluation of methods

Thus, there is a pressing need to intensify the study of the effectiveness and relative cost of new and old systems for the delivery of legal services. The basic obligation of the profession is to provide legal services to the public, to make such services available to all members of society, and, in so doing, to insure that they are performed by qualified persons who have been adequately educated.

Legal education—Law schools in lockstep

Law schools are today in a period of profound soul searching and re-evaluation. With striking uniformity they have followed curriculum and teaching methods developed in the late Nineteeth Century. Most are now revising their curricula to introduce more effective methods of educating and training lawyers to deal with the problems of the late Twentieth Century.

Traditionally, the source of most law school teaching materials has been appellate court opinions. Of course, any practicing lawyer knows that the world of the appellate court opinion is often a considerable distance from the real world of most legal practice. Until recently there was little innovation in law school teaching methods and content. The case method of teaching long reigned supreme.

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It has been suggested that the complete lawyer should receive three types of education which may or may not be subject to combination. He should be taught to analyze the legal significance of issues. He should be taught techniques of practice. He should learn the social, political and economic dynamics of our society inasmuch as the law is the basic regulator of these dynamics. Traditionally too, law schools have seen themselves as educating prospective lawyers to *think* like lawyers, leaving to others education in the technique of practice. Clinical teaching was relatively rare, with legal writing reserved, in the main, for the law review editor.

Until recently little concern was evidenced over the failure of legal education to familiarize prospective lawyers with how society works. But today, law schools are profoundly involved in a re-evaluation of their role and responsibility to themselves and to society as a whole. Law schools are increasingly concerned with the relevance of their curriculums. This concern has produced new courses and orientation. There has been increasing concern with interdisciplinary aspects of legal education. Clinical training is increasingly supplementing the traditional classroom curriculum.

In the past a major limitation of experimentation with curricula and teaching methods was the view perhaps accurate, that most law students were headed in the same direction, i.e., toward traditional private practice. Law schools today are faced with a far greater diversity of student interest. This is due in part to expanded opportunities for legal practice in government, legal aid, and other full-time public service activities, and to the increasing specialization of private practice. Teaching has been oriented to training legal generalists on the theory that even a specialist needs to know something about other areas of the law. However, the reality of specialization has raised questions about whether there is a role for law schools in the training of specialists. Moreover, continuing controversy revolves around the relevance and use of the third year of law school. Clinical training, interdisciplinary studies and specialization are all increasingly vying for that last year of the law student's education.

Increasingly, law schools are asking whether they should break the uniformity of past patterns and begin to develop specialties and particular emphasis, i.e., should urban law schools emphasize urban legal studies with perhaps a greater research and behavioral orientation.

Three major barriers have served to retard experimentation with new curricula; the conservation inspired by the success of the case method in its time: bar examinations; and funding. The so-called "national" law schools are perhaps most affected by the first factor, because they have been most successful by traditional standards of legal education. On the other hand, although the national law schools have not oriented their course primarily toward bar examination, the majority of schools have been sensitive to that practicality. Undoubtedly, tradition-bound bar examinations have discouraged innovation in law schools. Some experimentation with a national bar examination is now going forward under the auspices of the Association of American Law Schools and the National Conference of Bar Examiners. This effort is being widely applauded and carefully observed.

Formal education in the law is still a remarkably young idea in this country. In fact, it has only been in the last half century that the majority of practicing lawyers have been trained by law schools. Historically, young aspirants to a legal career "read law" in the office of a licensed practitioner, and the requirement of formal legal education as a prerequisite to taking a bar examination is a comparatively recent development.

Many law schools had their beginning in the basement of a YMCA and as night schools catering to the part-time student. A large number of schools were started as proprietary institutions and there remain a surprising number of such institutions, especially in the State of California. Among the law-budget proprietary operations large classes are the normal mode of operation. It is also true that even the law schools forming a part of universities are expected to produce a profit. The notion of a university law school receiving research and educational grants from its parent organization generally has been a foreign thought. As an inevitable result, curricular innovation, including greater clinical and research programs, which would require significant increases in law faculties, facilities and funding, have been slow to develop.

Research by law school faculties and students has, over the years, been minimal, especially as compared with other disciplines. That which has been undertaken has largely been of a doctrinal nature.

The history of the funding of legal education and research from private sources suggests that significant change in the foreseeable future is unlikely, unless new and substantial sources of income are made available.

Continuing legal education

Continuing legal education has in recent years become a significantly more important component of the lawyer's training.

This, too, reflects a recognition of the incompleteness of law school education as preparation for legal practice.

The early efforts of the Practising Law Institute and the Joint Committee on Continuing Legal Education of the American Law Institute and the American Bar Association paved the way for rapid growth of programs of continuing legal education. Such programs are now widespread. Today most state and some local bar associations, as well as many law schools, sponsor continuing legal education programs.

Increasingly, the profession sees continuing legal education as at least a partial answer to a number of its problems. It is seen as a way of minimizing the learning which a new attorney might otherwise experience at a client's expense. It is looked upon as a method by which specialists can increase their proficiency and general practitioners develop specialties. It is an avenue for bridging the knowledge gap created every time major new legislation is enacted.

Funding is and will continue to be a major problem in continuing legal education. It restricts the types of programs which can be offered; programs must appeal to significant numbers of attorneys in order to pay for themselves. To a limited extent profitable programs can support the unprofitable ones, but this places serious limitations on developing programs for less profitable specialties or in areas of public service. The result is that these areas are likely to be neglected.

Two illustrations of education in the area of court administration are worthy of note. Until 1964 there did not exist in this country a school for state trial court judges. It was only with the inspired leadership of Tom C. Clark, then Associate Justice of the U.S. Supreme Court, and the infusion of substantial funding by the Kellogg and Fleischmann Foundations that the American Bar Association's National College of the State Judiciary became a reality. More than 30 percent of the state trial judges of courts of general jurisdiction have since attended the college.

Until last year there was no institution in the United States for the education of court administrators and executives. Under the leadership of the Chief Justice, Warren Burger, and with a large grant from The Ford Foundation, the Institute for Court Management was created. It already has graduated two classes and has inspired some law schools to undertake the development of programs leading to a master's degree in Court Administration. It was a large factor in persuading Congress to enact the Court Executives Act creating "business managers" for each of the Federal Circuits.

Regulating professional qualifications

The state has conferred on the lawyer the exclusive right to provide legal services. Yet neither the profession nor the state has developed a procedure for admitting attorneys to the bar which assures the public that those who are licensed to practice have achieved a reasonable level of competency or possess the necessary moral qualifications. It is fair to say that there is near consensus within the legal profession that state bar examinations do not truly test whether an applicant to competent to practice law. Indeed, no law firm would base its decision to employ an admittee on the strength of his passage of such a written examination. The plain fact is that no written test can measure the ability of an applicant to perform many of the facets of practice. Furthermore, while specialization is a growing reality in the legal profession, bar examinations do not reflect this fact, and at the present time there is no later certification procedure regulating such specialization.

Many are of the view that the regulation of professional qualifications is not the concern of the law school. Some suggest that it is the responsibility of the organized bar. Others lay the responsibility on the judicial branch of the state government. In any event, it is certainly the responsibility of some group within the profession, and the plain fact is that professional competency is not now receiving sufficient constructive attention.

Research in and about law

One of the hallmarks of today's society is its reliance upon research as an instrument of development and progress and for the solution of problems. One need look no further than his television set to observe the constant emphasis on research in the advertisements of program sponsors. Typically, one hears such slogan as "progress through research;" "Ford has a better idea;" "progress is our business;" etc.

Insofar as research in the law is concerned, it may be divided into two types: doctrinal and empirical. They have been described by Professor David Cavers of the Harvard Law School as research in law and research about law. In the field of doctrinal research, or research in law, the legal profession has historically made important contributions. This kind of research required little money and could be traditionally performed in the library. This was pointed out by Dean Robert B. McKay of New York University Law School in his testimony before the Senate Subcommittee on Government Research [13] in which he observed that lawyers have made great progress in systematizing and unifying the law through their doctrinal research. This has been true despite the obstacles presented by a diverse federal system comprising more than fifty separate jurisdictions. By way of illustration, Dean McKay pointed to the substantial contributions of the American Law Institute and the Commissioners on Uniform State Laws as examples of what lawyers could do with modest sums of money.

However, it has been only in very recent years that the profession has come to realize the importance of empirical research and the responsibility of the profession for its conduct. This awakening concern for research about the law led to the establishment of the American Bar Foundation, the research arm of the American Bar Association. The work of the Foundation has been

primarily limited by the funds available to it. Law schools evidence a growing commitment to research about the law, but here, too, financial resources are limited.

As Chairman of a Special Committee on Financial Resources of the Association of American Law Schools, Dean McKay conducted a study financed by the Walter E. Meyer Research Institute of Law, the purpose of which was to ascertain the level of private philanthropic contribution to legal education and legal research. The results of that study indicated that private foundation support has not been large. During the twelve-year period of the study most of the funds were granted for construction, fellowships and individual research. Only a modest amount was made available for empirical research.

Of the funds granted to law schools, more than 60 percent was concentrated among five schools and nearly 80 percent was concentrated among ten. The Ford Foundation was the principal grantor, accounting for more than two-thirds of all foundation support. Grant money went primarily to international legal studies, graduate fellowships for law teachers and the administration of justice, particularly in the criminal field. In the final year of the period studied, only a little over one percent of all foundation grants allocated to the sciences and social sciences was directed to law.

In the same period, the government was providing only neglible support for legal research. At the time of Dean McKay's study, the National Science Foundation had made no grants for legal education or legal research. Likewise the National Endowment for the Humanities made no research grants to lawyers. Proposals introduced in Congress for a National Foundation for Social Sciences and a National Foundation of Law and Justice have not yet received wide support.

In contrast, research in support of the physicial sciences has fared very well at the hands of both private and public agencies. Admittedly, the legal profession has been slow to awaken to its responsibilities and opportunities to improve the function of our law society through research about the law. But it has been demonstrated that lawyers working together and working in conjunction with other discipline are quite capable of making the system work better. The obvious need today is to provide adequate funding, continuity and direction.

The crisis in the administration of justice

The inadequacy of our nation's judicial machinery, which was designed to meet the needs of an agrarian society in the late Eighteenth Century, has produced a crisis in our judicial system. This crisis is the result of a multitude of long-neglected problems which, because of increasing demands being placed upon our court system, now threaten much of the system with virtual collapse. There is hardly an urban court which is not touched by the crisis. Interminable delays threaten to destroy the usefulness of our civil courts for the peaceful and orderly resolution of conflicts. Delays in the criminal courts too often mock both the concept of deterrence or the rights of accused. Many judges now must devote an inordinate amount of time to administrative details which could be better handled by others. At the same time, assembly line justice often prevails. Appellate courts are equally affected. In many state systems the average time required to process an appeal can consume in excess of eighteen months.

The task of resolving the problems which contribute to this crisis is not easy, for resort to simplistic solutions usually creates a high risk of destroying the very system which such solutions are intended to save. What is needed is reform within the context of our legal traditions.

The focal point of the machinery of justice in our country is, of course, the judge himself. Too frequently judges, especially in the minor courts that process the bulk of the civil and criminal litigation, receive little or no judicial training or orientation. There remain substantial problems with respect to insuring that judicial officers are competent and have the requisite temperament to adjudicate disputes in a courtroom setting.

On the positive side of the ledger, this is an area which is receiving substantial direction and attention from Chief Justice Burger. He, for example, has been instrumental in the creation of the new National Center for State Courts. His predecessor, Chief Justice Warren, was the moving force in the establishment by Congress of the Federal Judicial Center. Under the broad mandate of Congress, one of the primary functions of the Federal Judicial Center is "to conduct research and study of the operation of the courts of the United States, and to stimulate and coordinate such research and study on the part of other public and private persons and agencies."

The new National Center for State Courts, together with the Federal Judicial Center, the National College of the State Judiciary under the sponsorship of the Section of Judicial Administration of the ABA, and the Institute for Court Management, all are recent examples of advances in strengthening judicial training and support.

V. TRANSLATING DESIRE INTO REALITY

Inherent in the efforts of most legal reformers, voluntary and professional, has been the assumption that if enough human energy were applied by enough dedicated groups existing machinery could be improved and the crisis in justice could be met. The piecemeal, uncoordinated nature of the various efforts seems not to have been regarded as a deterrent. At least they have been accepted as an inevitable fact of judicial life. But with it all, comprehensive, coordinated national planning is lacking and effective modernization of the system appears still to be an elusive and urgently needed element.

From the time of the creation of our constitutional government, the condition of justice has suffered almost directly in proportion to the increasing population and the increasing complexity of our society. The responsibility, although often the subject of partisan political debate, has fallen on the lawyer and ultimately the organized bar. Lawyers are educated to understand and deal with the application of the rule of law. Moreover, they are virtually the only professional group having complete access to the machinery of the administration of justice; the enforcement of societal mandates through law. In short, they are intermediaries between the theory of the law and its application to society.

Yet the very nature of the practice of law can be contradictory in terms of the interests of society and the interests of particular individuals, or organizational and governmental entities. They are paid advocates, ethically bound to consider the client's interest as paramount to virtually all other considerations. This obligation is to be juxtaposed with a commensurate obligation—also a matter of ethics—to work for the public good.

Efforts to accommodate these co-equal obligations have been pursued, in the past, mainly through the organized bar or through government. One has only to consider the makeup of the executive, judicial and legislative branches of government to note the intricate and pervasive involvement of the lawyer in the administration of justice. Chief Justice Burger aptly articulated this in his State of the Judiciary address at the 1971 ABA Annual Meeting several months ago:

"A strong, independent, competent legal profession is imperative to any free people. We live in a society that is diverse, mobile and dynamic, but its very pluralism and creativeness make it capable of both enormous progress or debilitating conflicts that can blunt all semblance of order. One role of the lawyer in a common law system is to be a balance wheel, a harmonizer, a reconciler. He must be more than simply a skilled legal mechanic. He must be that, but in a larger sense he must also be a legal architect, engineer, builder and, from time to time, inventor as well. This is the history of the lawyer in America, and in this respect he is unique among the lawyers of all societies."

While it cannot be said that kinship among lawyers is so great that one may find them huddled together under one roof, they are gregarious enough that the vast majority of them belong to state and local bar associations. More than half of them voluntarily belong to the American Bar Association, the national organization of the profession.

The movement to organize lawyers into bar associations on a national, state and local level is a little over a hundred years old. The organization started in metropolitan areas and the more populated states. The early associations were voluntary in nature and had modest budgets. Permanent staffs did not exist; association projects were carried on by volunteers. The Bar was not seen in those days as responsible for the discipline of members and certainly not as the harbinger of reform.

The passage of time brought many changes. As bar associations assumed larger roles in profesional standards of conduct and practice, and a larger share of responsibility for the machinery of justice, the so-called integrated bar began to develop among the states. This concept, requiring every practicing lawyer to belong to the profesional organization of lawyers in a state, took place largely during the middle third of this century. Today, half of the States have inegrated bars and the trend in that direction is continuing. Even with this movement, inadequate funding has in most states prevented the mounting of effective programs of discipline, education and improvement of judicial machinery.

It may surprise some to realize that the American Bar Association had no permanent staff for the first half of its nearly one hundred years. Indeed, not until the middle of the 1950's did it have sufficient funds to staff a limited number of projects and activities. Membership in the American Bar Association has trebled in the past fifteen years, while its income has grown by more than 600 percent. In the last decade an even more significant development has taken place—the funding of public service and educational projects through foundation and government funds. About half of the Association's annual income now comes from such sources. It is this writer's belief that that percentage will grow in the decade ahead to between 65 percent and 75 percent of the Association's entire income.

Indeed, the progress of the organized bar in the past decade has been so marked that some believe that the crisis in the administration of justice can be met by the organized bar under the direction and leadership of the American Bar Association. While the forward strides of the last decade are a source of encouragement and even some pride, and while the leadership of the American Bar Association is dedicated to the proposition that this organization has the potential for even greater and more significant contributions to the cause of justice, it must be recognized that there are some inherent qualities of a voluntary organization that militate against its completely effective fulfillment of this lofty role.

On the one hand, the ABA House of Delegates includes the widest posible range of

representation from all groups who constitute the legal profession today. The Association's present day structure is its strength when called upon to pass upon the conclusions or proposals of others.—Nevertheless, because it is a voluntary organization and represents so many diverse and often irreconcilable views, it should not surprise or discourage us to note that the contribution of the organized bar to the solution of today's social problems has been, of necessity, confined largely to the realm of ideas. Time freely contributed by voluteers, projects financed by volunteers, machinery tuned to decision by consensus, cannot produce the kind of massive, venturesome, sustained and coordinated attack which is required in the field of justice today. Volunteer bar associations, the American Bar in particular, perform at their maximum efficiency in unfolding and debating a wide range of views. By their very nature, however, voluntary bar associations cannot, at the same time, be fearless in research, forceful in exposition and confident in criticism.

Even if the organized bar could, through reorganization or otherwise, build a sufficient structure from which to conduct far-reaching research programs and substantial pilot programs in our quest for a better society, an argument can well be made against proceeding in that direction. As long as bar associations remain voluntary, their ability to represent all lawyers is impeded. Should the day come when all lawyers speak with one voice, the rest of society may nonetheless readily question both our method and our motive.

The very size of life and society today minimizes the effectiveness which any voluntary group can now offer. Individual contractors alone cannot produce coordinated space programs. Individual railroads cannot serve a sprawling nation. Society today requires a National Institute of Justice.

VI. CONCLUSION

The late Reginald Heber Smith once observed that men can learn, if they must to put up with physical imparity and economic inadequacy; but that a brooding sense of injustice makes them want to tear things down. We who bear the primary responsibility for the machinery of justice in this nation, if we are to be faithful to our oath, must be vigilant in our search to find new and better ways to make equal justice under the law a living reality. It is incumbent upon us to move forward with common purpose and high aspiration that is worthy of our heritage. The National Institute of Justice is a concept whose time has come.

FOOTNOTES

* Executive Director, American Bar Association, Chicago, Illinois; A.B., Duke University, 1944 ('46); J.D., Harvard University, 1949. Mr. Early wishes to thank his associates, John W. Atwood and David C. Long, for their invaluable assistance in the preparation of this article. Mr. Early practiced law in Huntington, West Virginia from 1949 to 1962.

† The Chief Justice of the United States.

[1] Pound, *The Causes of Popular Dissatisfaction with the Administration of Justice*, 40 AM. L. REV. 729 (1906).

[2] *Id.* at 742, 749.

[3] Pound, *A Hundred Years of American Law*, in LAW: A CENTURY OF PROGRESS 8 (A. Reppy, ed. 1937).

[4] *Id.* at 20, 23, 24.

[5] *E.g.* Laswell and McDougal, *Criteria for a Theory About Law*, 44 S. CAL. L. REV. 362 (1971).

[6] Cardozo, *A Ministry of Justice*, 35 HARV. L. REV. 113 (1921).

[7] *Id.* at 114.

[8] S. 2627 and H.R. 13584, 90th Cong., 1st Sess. (1967).

[9] S. 836, 90th Cong., 1st Sess. (1967), and S. 508, 91st Cong., 1st Sess. (1969).

[10] *Hearings on S. 836 Before the Senate Subcomm. on Government Research*, 90th Cong., 1st Sess. (1967).

[11] 389 U.S. 217 (1967).

[12] Schwartz, *Changing Patterns of Legal Services, in* LAW IN A CHANGING AMERICA 117, (G. Hazard, Jr., ed. 1968).

[13] *Hearings on S. 836 Before the Senate Subcomm. on Government Research*, 90th Cong., 1st Sess. (1967).

By Mr. WILLIAMS (for himself and Mr. JAVITS):

S. 1423. A bill to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services. Referred to the Committee on Labor and Public Welfare.

PREPAID LEGAL SERVICES LEGISLATION

Mr. WILLIAMS. Mr. President, in a recent article entitled "Our Forgotten Client: The Average American," Robert W. Meserve, the president of the American Bar Association noted:

> The rich and well-to-do are aware of their need for legal services and have no trouble obtaining them. The poor are being increasingly assured of services. But there is a large segment of the population between these extremes.
>
> This [is a] vast, middle economic-group-the people of moderate means [who are] our forgotten clientele.

Mr. President, one of the glaring injustices in America is that Americans of moderate means neither know when they need legal services, how to obtain them, nor how to finance those services.

With the recognition of these major obstacles, several nongovernmental groups, primarily in the past decade, have begun to experiment with programs designed to insure the availability of legal services. Bar associations across the Nation are experimenting with insurance programs to provide these services. Labor organizations, on their own and jointly with local bar associations have begun establishing legal service programs. Even the U.S. Postal Service is now studying the possibility of establishing a private legal service program. My own State of New Jersey is experimenting with a Blue Cross-type prepaid insurance program.

One major obstacle to the experimentation with and creation of such programs is section 302(c) of the Labor-Management Relations Act which prohibits labor and management from jointly administering trust funds established to provide such legal services to employees, their families and their dependents. Today, management can establish such funds and labor can establish such funds but they are barred from jointly administering such funds.

Today, I offer legislation to remove this obstacle. The bill is a proposed amendment to section 302(c) of the Labor-Management Relations Act of 1947, which presently sets out the fringe benefits of which may be established through joint labor-management administration. These fringe benefits are presently limited to such subjects as pensions, health and welfare plans, life and accident insurance and such matters as education, training, and child day-care centers. This bill would add legal service programs to this list.

The legislation has been made necessary because of the growing recognition that existing methods of delivery of legal services to middle- and working-class citizens are inadequate, and that the establishment of legal service programs through collective bargaining, in a manner similar to the way health benefit programs were established, would be an important step forward toward alleviating this problem.

This bill will not mandate the establishment of such programs, it will not dictate the terms and conditions of such programs, it will not interfere in any way whatsoever with the operations of such programs. And it will not finance such programs. Rather, it will merely remove an unwarranted and unintended Federal roadblock to the establishment of such programs by the private sector, with private funding.

This measure will not replace bar association procedures with Federal procedures, it will not subvert State control over the practice of law with Federal control. It will neither require nor prohibit open panels or closed panels, it will neither require nor prohibit the establishment of such programs, and it will neither require nor prohibit bargaining between labor and management over such programs.

Mr. President, I can conceive of no reason other than an accident of history and unintentional legislative drafting for the Federal Government to be the major obstacle to private arrangements to insure the availability of legal services to the millions of moderate income Americans. This bill will remove that obstacle.

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

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

S. 1423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302 (c) of the Labor Management Relations Act, 1947, is amended by striking out "or (7)" and inserting in lieu thereof "(7)" and by adding immediately before the period at the end thereof the following: "; or (8) with respect to money or any other thing of value paid by any employer to a trust fund established by such representative for the purpose of defraying the costs of legal services for employees, their families, and dependents: *Provided,* That the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust funds."

Mr. JAVITS. Mr. President, I am pleased to cosponsor the bill to permit jointly administered funds to be utilized for prepaid legal services programs under section 302 of the Taft-Hartley Act. The interest of the trade union movement in obtaining for union members legal services under prepaid plans of the type this bill would authorize is one which we in Congress ought to encourage. We are all aware of the problems which lower- and middle-income Americans have in obtaining adequate legal services. Just as prepaid medical plans now permit the

majority of all workers to have access to decent medical care, prepaid legal services may prove to be the mechanism to accomplish the same result for legal services.

At the time the Taft-Hartley Act was enacted, Congress did not foresee the growing trade union interest in securing various kinds of social benefits to their members through the mechanism of collective bargaining. As a result, section 302 was drafted in such a way as to permit only specified kinds of jointly administered funds. In recent years we have amended section 302 to permit the establishment of jointly administered funds to provide day-care facilities and educational scholarships when the Amalgamated Clothing Workers commenced such a program.

The time for prepaid legal services has clearly arrived. The basic idea of prepaid legal services, as well as this particular bill, have been endorsed by the house of delegates of the American Bar Association. Clearly we ought to act with dispatch to pass this bill in order to remove the present legal obstacles to the creation of jointly administered funds to provide prepaid legal services.

By Mr. SCHWEIKER:

S. 1424. A bill to provide certain benefits for members of the Armed Forces and civilian employees of the United States who were in a missing status for any period of time during the Vietnam conflict. Referred to the Committee on Armed Services.

POW BENEFITS LEGISLATION

Mr. SCHWEIKER. Mr. President, with the return of our prisoners of war and, hopefully, many of those men currently in a missing status, I believe our Government has an obligation to assist them in their transition to freedom.

The bill I introduce today is relatively simple. It contains only two provisions, but they will provide for a smooth transition to normalcy and extended medical care.

The first section provides that each day spent in a captured or missing status, by either civilian or military personnel, will count 2 days toward retirement, if the individual so desires. This two for one program will enable these men to retire from active duty earlier than usual. They can then begin a second career or try to make up the years of family life and enjoyment lost in captivity. This elective program will remain open for 2 years following the individual's repatriation. A man choosing to retire early under this program will do so with all retirement benefits entitled him, had he remained in service for his full obligation.

The second section of my bill provides that any member who elects not to remain in the service, will receive health care as long as it is needed to meet his psychological and physical needs. This assistance will be available also to any civilian Government employee, who was captured or missing during the Vietnam conflict.

We learned, following the Korean conflict, that most of the problems faced by former prisoners of war did not manifest themselves until many years later. These psychological and physical problems frequently went undetected and unsuspected and then were not properly diagnosed and treated later.

The Department of Defense currently has a program—the Armed Forces Center for POW Studies—which will follow up on all former prisoners of war for 5 years following repartriation. I believe, however, that the health care program should continue for as long as it is needed by the POW's. Further, the benefits of this program should be available to dependents, who may also incur problems as a result of the prisoner's return, as well as to former POW's who elect to remain in service and their dependents.

These brave men have endured suffering and deprivation that most of us can only guess at. We owe them the opportunity to begin their lives anew. I believe my bill offers such an opportunity and I am hopeful that my Senate colleagues will concur.

By Mr. HRUSKA (by request):

S. 1426. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958 and chapter 2, title 18, United States Code, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, I introduce, by request, a bill to implement the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aircrafts and ask for its appropriate reference. The Convention was signed in Montreal on September 23, 1971, and was forwarded to the Senate for advice and consent in the fall of last year. On October 3, 1972, the Senate agreed unanimously to a resolution of ratification. Before the Convention can be given full effect, however, it will be necessary for the Congress to enact implementing legislation.

The Montreal Convention is a necessary and desirable sequel to the Hague Convention for the Suppression of Unlawful Seizure of Aircraft, which, as my colleagues will recall, was ratified in the fall of 1971. The Hague Hijacking Convention was very significant in that it established a rule of law governing conduct by signatories for assuring the apprehension and punishment of hijackers. Each party to the Convention is required to prosecute hijackers found within its territory, regardless of where the piracy occurred, unless it extradites them. Legislation which in part implements that treaty—S. 39—was passed by this body on February 21.

As I mentioned, the Montreal Convention is a companion to the Hague Convention. Whereas the latter deals with aircraft hijackers, the former deals with individuals who commit related acts of terrorism against or on board aircraft, such as damaging or destroying an aircraft or performing an act of violence against a passenger. Also, like the Hague Convention, the treaty signed in Montreal is designed to impose the same strict requirements upon contracting states. That is, each contracting state is required to take into custody and either extradite or prosecute the saboteurs and terrorists who attack aircraft and passengers, regardless of where these terrible acts take place. The clear purpose is to eliminate safe havens for these international outlaws.

Because of the great importance of the Montreal Convention in our efforts to curb terrorism against international civil aviation, and because of the necessity to pass implementing legislation to give full effect to the treaty, I strongly urge my colleagues to devote their early attention to the bill I introduce today.

I ask unanimous consent that the bill, the Attorney General's March 29, 1973, letter of transmittal to the Vice President as well as the Attorney General's analysis of the bill, be printed in the CONGRESSIONAL RECORD at this point.

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

S. 1426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 31 of Title 18, United States Code, is amended by striking out the words "Civil Aeronautics Act of 1958" and inserting in lieu thereof the words "Federal Aviation Act of 1958," and by adding at the end thereof the following two paragraphs:

"In flight" means any time from the moment all the external doors of an aircraft are closed following embarkation until the moment when any such door is opened for disembarkation. In the case of a forced landing the flight shall be deemed to continue until competent authorities take over the responsibility for the aircraft and the persons and property aboard.

"In service" means any time from the beginning of preflight preparation of the aircraft by ground personnel or by the crew for a specific flight until twenty-four hours after any landing; the period of service shall, in any event, extend for the entire period during which the aircraft is in flight.

SEC. 2. Section 32, Title 18, United States Code is amended to read as follows:

"Whoever willfully sets fire to, damages, destroys, disables, or interferes with the operation of, or makes unsuitable for use any civil aircraft used, operated or, employed in interstate, overseas, or foreign air commerce; or willfully places a destructive substance in, upon, or in proximity to any such aircraft which is likely to damage, destroy or disable any such aircraft, or any part or other material used, or intended to be used in connection with the operation of such aircraft; or willfully sets fire to, damages, destroys or disables any air navigation facility or interferes with the operation of such air navigation facility, if any such act is likely to endanger the safety of any such aircraft in flight; or

"Whoever with intent to damage, destroy, or disable any such aircraft, willfully sets fire to, damages, destroys, or disables or places a destructive substance in, upon, or in the proximity of any appliance or structure, ramp, landing area, property, machine, or apparatus, or any facility, or other material used, or intended to be used in connection with the operation, maintenance or loading or unloading or storage of any such aircraft or any cargo carried or intended to be carried on any such aircraft; or

"Whoever willfully performs an act of violence against or incapacitates any passenger or member of the crew of any such aircraft if

such act of violence or incapacitation is likely to endanger the safety of such aircraft in service; or

"Whoever communicates information, which he knows to be false, thereby endangering the safety of any such aircraft while in flight; or

"Whoever willfully attempts to do any of the aforesaid acts,

Shall be fined not more than $10,000 or imprisoned not more than twenty years, or both."

SEC. 3. Chapter 32, title 18, United States Code is amended by adding a new section to read as follows:

"32A. Offenses in Violation of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation.

(a) Whoever commits an offense as defined in subsection (b) against or on board an aircraft registered in a state other than the United States and is afterward found in this country—

shall be fined not more than $10,000 or imprisoned not more than twenty years, or both."

(b) For purposes of this section, a person commits an "offense" when he willfully—

(1) performs an act of violence against a person on board an aircraft in flight if that act is likely to endanger the safety of that aircraft; or

(2) destroys an aircraft in service or causes damage to such an aircraft which renders it incapable of flight or which is likely to endanger its safety in flight; or

(3) places or causes to be placed on an aircraft in service, by any means whatsoever, a device or substance which is likely to destroy that aircraft, or to cause damage to it which renders it incapable of flight, or to cause damage to it which is likely to endanger its safety in flight; or

(4) attempts to commit, or is an accomplice of a person who commits or attempts to commit, an offense enumerated in this subsection.

(c) The provisions of this section shall become effective one day after fulfillment of the following conditions:

(1) the entry into force for the United States of the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal, Canada, on 23 September 1971; and

(2) the publication in the Federal Register by or on behalf of the Secretary of State of a notice referring to this Act and stating that the Convention has entered, or will enter, into force for the United States on a date specified in that notice.

SEC. 4. Section 101(32) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301 (32)), is amended to read as follows:

"(32) The term 'special aircraft jurisdiction of the United States' includes the following aircraft while in flight—

"(a) civil aircraft of the United States;

"(b) aircraft of the national defense forces of the United States;

"(c) any other aircraft within the United States;

"(d) any other aircraft outside the United States—

"(i) that has its next scheduled destination or last point of departure in the United States, if that aircraft next actually lands in the United States; or

"(ii) having 'an offense' as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, committed aboard, if that aircraft lands in the United States with the alleged offenders still aboard; or

"(iii) regarding which an offense as defined in subsections (d) and (e) of Article I, section I of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation is committed, provided the aircraft lands in the United States with an alleged offender still on board; and

"(e) other aircraft leased without crew to a lessee who has his principal place of business in the United States, or if none, who has his permanent residence in the United States.

For the purposes of this section, an aircraft is considered to be in flight from the moment when all the external doors are closed following embarkation until the moment when any such door is opened for disembarkation, or in the case of a forced landing, until the competent authorities take over the responsibility for the aircraft and for the persons and property aboard."

SEC. 5. Section 902(k) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (k)), is amended by adding subsection (3) to the end thereof, to read as follows:

(k)(3) Whoever while aboard an aircraft in the special aircraft jurisdiction of the United States commits an act which would be an offense under 18 U.S.C. 32 shall be punished as provided therein.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., March 29, 1973.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation signed in Montreal, September 23, 1971, and for other purposes.

The proposal would amend existing Federal legislation dealing with offenses related to air piracy and the destruction of aircraft and aircraft facilities in order to bring our law into conformity with the requirements of the Convention.

The Convention requires, in Article 5, that each contracting state take such measures as may be necessary to establish jurisdiction over the offenses enumerated in Article 1 in specified instances. Article 1 proscribes certain acts, such as damaging or destroying aircraft or air navigation facilities, or committing violence against persons aboard aircraft, if the acts are likely to endanger the safety of the aircraft. In those cases where the signatories are required to establish jurisdiction, it is incumbent upon them to provide "severe penalties" for violations. (Article 3).

Section 1(a) of Article 5 requires that each contracting state establish jurisdiction "when the ofiense is committed in the territory of that state". To a great extent, our existing law already makes unlawful the offenses of Article 1, and the penalties are appropriately severe in most cases. Because of certain significant gaps, however, it is necessary to amend our law to achieve complete conformity. Therefore, the relevant statute—18 U.S.C. § 32, "Destruction of aircraft or aircraft facilities"—has been rewritten in section 2 of the legislation to reflect the changes necessitated by the Convention. Section 2 would also broaden the scope of 18 U.S.C. § 32, as well as make the language of the current statute more concise and clear.

Section 1(b) of Article 5 requires that each contracting state establish jurisdiction over the offenses when they are "committed against or on board an aircraft registered in that state". This is accomplished by the present definition of "special aircraft jurisdiction of the United States" which includes "civil aircraft of the United States". (Section 101(32)(a) of the Federal Aviation Act of 1958, 49 U.S.C. 1301(32)(a)).

Each signatory is also obligated to establish jurisdiction "when the aircraft on board which the offense is committed lands in its territory with the alleged offender still on board". (Article 5 section 1(c)). This is accomplished in part in section 3 of the legislation which creates a new section 32A of title 18, United States Code. The new section prohibits the commission of an offense "against or on board an aircraft registered in a state other than the United States and [the alleged offender] is afterwards found in this country". An amendment to the definition of "special aircraft jurisdiction of the United States" found in section 4 of the legislation, brings our law into complete compliance with this requirement when viewed in conjunction with the new section 32A.

Section 1(d) of Article 5 requires each contracting state to establish jurisdiction over the offenses when committed "against or on board an aircraft leased without crew to a lessee who has his principal place of business or, if the lessee has no such place of business, his permanent residence, in that State". A further amendment to the definition of "special aircraft jurisdiction" has been added in section (4) to meet this obligation.

Lastly, Article 5, section 2, requires that each signatory establish its jurisdiction when "the alleged offender is present in its territory and it does not extradite him . . ." The new section 32A, mentioned above, is also designed to cover this situation to the extent required by the Convention.

The proposed legislation is necessary to fully implement the Montreal Convention, which is very important in the international community's efforts to curb air piracy and related offenses. I therefore urge the early consideration and adoption of this proposed legislation.

The Office of Management and Budget has advised that enactment of this legislation is in accord with the Program of the President.

Sincerely,

———— ————,
Attorney General.

ANALYSIS OF THE PROPOSED LEGISLATION TO IMPLEMENT THE CONVENTION FOR THE SUPPRESSION OF UNLAWFUL ACTS AGAINST THE SAFETY OF CIVIL AVIATION

Section 1 of the proposed legislation adds to 18 U.S.C. § 31 the definitions of "in flight" and "in service". These definitions are necessary because the terms are used in 18 U.S.C. § 32 as amended herein.

Section 2 amends 18 U.S.C. § 32, "Destruction of aircraft or aircraft facilities", in order to fully comply with Article 5, section 1(a) of the Convention which requires that each signatory establish jurisdiction over the Article 1 offenses when they are committed in the territory of that state. To a large extent domestic law already covers the offenses of Article 1, but several significant gaps exist which require amendments to section 32. (It should also be noted that the opportunity was taken to make the section more clear and concise. In this regard, it was not intended in any way to limit or lessen the scope of the proposed statute as compared to that of the current law.)

The first paragraph of section 2 of the proposed legislation essentially incorporates the first paragraph of current 18 U.S.C. § 32 as well as portions of the third and fourth paragraphs of the current statute insofar as the latter two paragraphs relate respectively to willfully placing a destructive substance in, upon, or in the proximity of any aircraft, or willfully setting fire to, damaging, destroying, disabling or interfering with the operation of an air navigation facility. However, it should be noted that the provisions which are being substituted for portions of the third and fourth paragraphs of the current law do not contain the requirement that the proscribed acts be committed with the intent to damage or disable the aircraft. Rather, the substituted provisions only require that the placing of the destructive substance be likely to damage or destroy any such aircraft, or any part, etc., or that the setting fire to, damaging, destroying or disabling of any air navigation facility be of such a nature that it is likely to endanger the safety of any such aircraft in flight. The

omission of the above-mentioned element of proof in the substituted provisions was necessary to avoid a requirement of proof for those offenses which would be greater than that required by the Montreal Convention. The phrase "any part or other material used or intended to be used in connection with the operation of such aircraft" is meant to include the various parts of an aircraft and any material including liquids and lubricants which might be damaged by a destructive substance. These materials are individually listed in the current statute.

Section 2's second paragraph essentially incorporates the second, third and fourth paragraphs of the current section 32 except for the provisions mentioned in the first paragraph of section 2. The phrase listing all of the various types of property including "other material used, or intended to be used in connection with the operation, maintenance or loading or unloading or storage of any such aircraft . . ." is meant to include all of the various types of property and material which are individually listed in the current statute.

Section 2's third paragraph replaces paragraph 2 of the current section 32 by adding passengers to the protected category of persons as required by Article 1, section 1(a) of the Montreal Convention. Since the conduct proscribed by this paragraph could likely endanger the safety of the aircraft at times prior to and after the time that such aircraft is in flight, the jurisdictional base has been extended to cover not only those times when the aircraft is in flight but also the period of time while the aircraft is in service. Although paragraph 5 of the current 18 U.S.C. § 32 requires that the conduct be accompanied with an intent to damage, destroy, disable, or wreck any such aircraft, the substituted paragraph omits this element of proof because it would establish an offense requiring proof exceeding the requirements of the offense established by the Convention.

The fourth paragraph of proposed section 2 of this bill has been added to meet the requirements of Article 1, section 1(e) of the Convention. Currently, the only statutory provisions covering false information are 18 U.S.C. § 35(a) and (b) with regard to bomb hoaxes and 49 U.S.C. § 1472(m) with regard to hijacking hoaxes. However, neither of these provisions has a requirement of endangering the safety of an aircraft while in flight as does Article 1, section 1(e) of the Convention. That is, our current statutory language is broader than that of the Convention and could stand on its own in meeting the Convention's requirements. However, it was felt that to fully implement the Convention this Government should establish more severe sanctions for imparting false information when such imparting endangers the safety of the aircraft. Currently, 18 U.S.C. § 35(b) and 49 U.S.C. § 1472(m)(2) carry maximum jail terms of five years and fines of $5000, but do not require a showing of endangering the safety of the aircraft. Where this additional element is present, we believe it necessary to make the penalty associated with the activity more severe, which has been done by increasing the sanctions for such activities to a maximum of twenty years' imprisonment and a $10,000 fine.

The fifth paragraph of section 2 of this legislation is taken directly from the sixth paragraph of current 18 U.S.C. § 32.

The penalties for violations of the amended statute are the same as those provided in the current law.

Section 3 of the proposed legislation adds a new section 32A to Title 18 of the United States Code, and is designed to implement Article 5, section 1(c), in part, and Article 5, section 2. Article 5, section 1(c) requires each contracting state to establish jurisdiction over the offenses of Article 1 "when the aircraft on board which the offense is committed lands in its territory with the alleged offender still on board." Article 5, section 2 requires each contracting state to establish jurisdiction over the offenses listed in Article 1, sections 1(a), (b) and (c), and in Article 1, section 2 insofar as that section relates to offenses listed in sections 1(a), (b) and (c), "when the alleged offender is present in [the state's] territory and [the state] does not extradite . . ." Normally, of course, the United States would lack jurisdiction to try such individuals.

Jurisdiction is established in subsection (a) of section 32A over anyone who commits one of the offenses listed in subsection (b) on or against an aircraft registered outside of the United States and is afterwards found in this country.

Subsections (b)(1), (2) and (3) of section 32A enumerate the offenses of Article 1, section 1(a), (b) and (c) as required by Article 5, section 2. (It should be noted that Article 5, section 2 of the Convention does not require that the offense of sections 1(d) and 1(e) of Article 1 be covered, so the obligations of Article 5, section 1(c) are met in the new section only to the extent of covering the offenses of Article 1, sections 1(a), (b) and (c). The offenses of Article 1, sections 1(d) and (e) are covered for the purposes of Article 5, section 1(c) in section 4 of the bill, which amends the special aircraft jurisdiction of the United States.) Subsection (b)(4) covering attempts to commit the proscribed acts, and also covering accomplices of those who attempt to commit these acts, is also required by Article 5, paragraph 2 of the Convention.

Section 4 of the legislation implements Article 5, sections 1(b), (c), in part, and (d) of the Convention. The former section requires each contracting state to establish jurisdiction over the offenses "when the offense is committed against or on board an aircraft registered in that state". This is accomplished by section 101(32) of the Federal Aviation Act of 1958 which defines the term "special aircraft jurisdiction of the United States" to include civil aircraft of the United States.

Concerning Article 5, section 1(c), to the extent that it is not implemented in the new section 32A discussed above, it is covered by subsection d(iii) of the amended definition of "special aircraft jurisdiction".

Likewise, the requirements of Article 5, section 1(d) are implemented in subsection (e) of the amended definition.

Section 5 of the legislation adds a new subsection to section 902(k) of the Federal Aviation Act of 1958, 49 U.S.C. § 1472(k). It makes punishable the offenses of 18 U.S.C. § 32 in situations where they are committed aboard an aircraft in the special aircraft jurisdiction of the United States.

By Mr. HRUSKA (by request):

S. 1427. A bill to prohibit the unauthorized possession within any Federal penal or correctional institution, any substance or thing designed to damage the institution or to injure any persons within or part of the institution, and for other purposes. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, I am introducing today at the request of the Department of Justice a bill which would prohibit the unauthorized possession of weapons, or other dangerous things or substances in Federal penal or correctional institutions.

The purpose of this bill is to eliminate a loophole in existing law. Section 1792 of title 18 presently prohibits the conveyance of such weapons, things or substances into or within an institution, but strangely enough does not proscribe the mere possession of these items by Federal prisoners. Thus, unless the evidence is sufficient to prove that a weapon was actually brought into or moved from one location to another inside of a prison, it is not possible to obtain a conviction.

This unfortunate result was reached in a case last year from the 10th Circuit Court of Appeals. In that case—*U.S.* v. *Bedwell* 456 F. 2d 448—the evidence showed that the defendant was found grinding a knife on a belt sander in the prison shoe factory, and that he dropped the knife when approached by the shop foreman. The defendant testified that he had discovered the knife on a nearby bench. While the court recognized that proof of possession under some circumstances could permit an inference of conveyance, it held that the evidence was insufficient in this case. The court concluded:

> Perhaps the statute should make it unlawful for a prison inmate to possess a knife, but the simple fact of the matter is that it doesn't—*Bedwell,* supra, at 451.

I do not believe that the Government should be put to this additional burden when a convict is found with a weapon. The mere fact of possession should be enough to constitute a Federal offense.

I urge my colleagues to join with me in supporting this legislation.

I ask unanimous consent that the Attorney General's letter of transmittal and the text of the bill be printed in the RECORD at this point.

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

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., March 29, 1973.

The VICE PRESIDENT,
U.S. Senate,
Washignton, D.C.

DEAR MR. VICE PRESIDENT: There is enclosed for your consideration and appropriate reference a legislative proposal to amend Section 1792 of Title 18, United States Code, to prohibit the unauthorized possession within any Federal penal or correctional institution of any substance or thing designed to damage the institution or to injure any persons within or part of the institution, and for other purposes.

Under section 1792, it is an offense to convey such substances or things, including firearms and other weapons, from place to place within an institution, but mere possession is not explicitly prohibited. The bill is designed to insure that possesson of such articles would also be covered. The present statute provides a penalty of imprisonment for not more than 10 years, and this would be made applicable to possession offenses.

A recent case from the Tenth Circuit Court of Appeals highlights the need for this amendment. In *United States* v. *Bedwell,* 456 F.2d 448 (1972), section 1792 was successfully challenged on the grounds that the defendant had not actually conveyed the weapon (a knife) within the meaning of the statute, even though he clearly had possession of it. The defendant argued that the statute required a substantial change in the situs of the weapon.

The Office of Management and Budget has advised that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

——— ———,
Attorney General.

S. 1427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1792 of Title 18 is amended by inserting in the first paragraph thereof, after the word "therein" and before the words "any tool," and by inserting in the second paragraph thereof, after the word "therein" and before the words "any firearm," the following: "or possesses therein".

By Mr. HRUSKA (by request):

S. 1428. A bill to amend section 215, title 18, United States Code, Receipt of Commissions or Gifts for Procuring Loans, to expand the institutions covered; to encompass indirect payments to bank officials; to make violation of the section a felony; and to specifically include offerors and givers of the proscribed payments; and for other related purposes. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, today I introduce a bill at the request of the Department of Justice which would amend section 215 of title 18 of the United States Code dealing with the receipt of commissions or gifts for procuring loans and ask for its appropriate reference. By amending section 215, the proposal would incorporate the present provisions of section 216, which would be repealed.

Section 215 presently prohibits any officer, director, employee, agent or attorney of a Federal intermediate credit bank, a National Agricultural Credit Corporation, or any bank the deposits of which are insured by the FDIC from receiving or agreeing to receive any thing of value for the purpose of procuring a loan from the bank or corporation. Violations are punishable by a fine of $5,000 or 1 year imprisonment, or both.

Section 216 deals with similar matters, but has a different scope. It prohibits any officer, director, attorney or employee of a Federal land bank or land bank association, a joint stock land bank organized or acting under authority of any law of the United States, or any small business investment company from receiving, directly or indirectly, any fee or gift in connection with any transaction of the bank or association. The same punishment is provided for violations of this section. Section 216 further prohibits anyone from causing any of the aforementioned banks or associations to charge or receive any fee or commission on pain, again, of a $5,000 fine or 1 year imprisonment, or both.

The Department of Justice believes that these two statutes are obsolete and inadequate; they do not cover all of the institutions or individuals that should be included, nor do they prohibit all of the activities that should be illegal. In addition, the present penalty structure has proved ineffective to prevent violations.

The proposed legislation would make several major changes in the existing law. First, certain institutions would be added to the list of those covered by the statute, such as federally insured savings and loan associations or credit unions, member banks of the Federal Home Loan Bank System, and certain institutions governed by the Farm Credit Administration. The Department has reported that cases have arisen involving these institutions which otherwise would have been appropriate for prosecution.

The legislation would also include bank holding companies and savings and loan holding companies. The employees of a holding company are in a position of influence personnel of the held institution and, therefore, should not be insulated from criminal liability.

Additionally, section 215 would be amended to include those institutions now covered in section 216. This will provide useful uniformity by combining all appropriate banking and financial institutions into one statute.

The bill would also expand the types of bank transactions that are covered. Receiving a gift in connection with any bank transaction would be prohibited. This would conform with the coverage of section 216.

Another significant change would be the revision of the penalty structure. Violations would be made a felony and would carry a penalty of $5,000, or three times the amount of the thing of value which had been offered or received, or 5 years in prison, or both. In cases where the thing of value did not exceed $100, the violation would be a misdemeanor.

Finally, those individuals who make the offer or payment in connection with a banking transaction would be included in the statute. These people are often the instigators, and there is no reason why they should not be covered.

The Department of Justice believes that this legislation would be a significant improvement over the present laws, especially in light of the infiltration of organized crime into legitimate banking activities. I, therefore, commend this bill to my colleagues' attention.

Mr. President, I ask unanimous consent that the Attorney General's letter of transmittal and his section-by-section analysis of the bill, be printed in the RECORD at this point together with the text of the bill.

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

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., March 29, 1973.

THE VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal to amend Chapter 11, Title 18, United States Code, to enhance the integrity and security of federally financed or insured financial institutions.

At the present time, the law governing the receipt of commissions or gifts for procuring loans is inadequate unduly complex, and obsolete. This proposal would improve our ability to maintain the integrity of federally financed or insured financial institutions by expanding the institutions covered and the type of activity prohibited, and by revising the penalty structure to more appropriately reflect the seriousness of the offense covered.

This proposal would effect seven major changes in existing law.

First, federally insured savings and loan associations, federally insured credit unions, member banks of the Federal Home Loan Bank System and certain banking institutions governed by the Farm Credit Administration would be added to the list of institutions covered by Section 215. It is desirable to include these institutions within the coverage of Section 215 because several situations factually appropriate for prosecution under Section 215 have arisen involving these institutions.

Second, the proposal would repeal Section 216 and incorporate into Section 215 those institutions now covered by Section 216. Worthwhile uniformity will be achieved by inserting within one statute all banking institutions which are organized, insured or regulated by the various federal agencies.

Third, the proposal would extend coverage to bank holding companies, and savings and loan holding companies. The additional coverage is warranted because holding company personnel are in a position to directly influence the operations of the held concern and, therefore, to manipulate its operations for their own purposes.

Fourth, the proposal would delete from the list of institutions covered by present Sections 215 and 216 National Agricultural Credit Corporations and joint stock land banks, neither of which are now in existence.

Fifth, the proposal would amend Section 215 by adopting the language of the bribery laws covering Federal officials in defining the solicitation and receipt of payment. The kinds of bank transactions covered would also be expanded to include any transaction or business. This would be in accord with the present coverage of Section 216.

Sixth, violation of Section 215 would be made a felony, except for minor cases involving less than $100. Losses to the bank from bad loans and other transactions resulting from a bank official's activities proscribed by Section 215 can be as great as from his embezzlement, and the bank official's motive in receiving remuneration in connection with the performance of his duties can be as morally corrupt as in his making a false entry in the bank's records with the intent to injure or defraud the bank. Consequently, there is no reason to apply lesser sanctions against such activities. Moreover, an increase in the penalty is necessary in order to deal effectively with the problems created by the infiltration of organized crime into the banking business.

Finally, the proposal would incorporate into Section 215 a prohibition against the offer or payment of a thing of value in connection with a banking transaction. The offeror-payer is often the moving party in existing violations of Section 215, especially in cases involving organized crime. The proposal would eliminate the necessity of charging these persons as aiders and abettors and/or co-conspirators.

The need for enactment of this proposal is underscored by the difficulties in maintaining prosecutions under the present Section 215, the ineffectiveness of the punishment for its violation, and the inappropriateness of having to bring many prosecutions in this area under 18 U.S.C. 656 or 1005. Moreover, increasing involvement of organized crime in legitimate business activities, and especially in the field of banking, demonstrates the need for this amendment.

I urge the early consideration and adoption of this proposed legislation.

The Office of Management and Budget has advised that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

SECTION-BY-SECTION ANALYSIS

SECTION 1

(a) This subsection makes liable any officer, director, employee, agent or attorney of any covered institution who, directly or indirectly, seeks, exacts, accepts, receives or agrees to receive from any person or entity, any thing of value for himself or any other person or entity, other than the financial institution with which he is connected, in connection with any business or transaction of the institution. The language is taken from the Federal bribery statute, 18 U.S.C. § 201, and like that statute, covers both the direct and indirect seeking and receiving of

payments by the employee of the financial institution. It also covers payments to third parties pursuant to an agreement between the giver and the employee other than those payments provided by law or those to the financial institution itself. Any payments "for or in connection with any transaction or business" of the financial institution are encompassed. This expands present law, which is limited to certain specific transactions. The intent of the Section is that the business of financial institutions which are regulated, organized or insured by the Federal Government should be conducted at arm's length.

(b) This subsection parallels subsection (a) in that it directly makes liable the giver or offeror of the proscribed payments to the financial institution employee. It is intended to correct a weakness in the present law which fails to directly provide sanction against the giver or offeror.

The penalty for violations of subsection (a) and (b) is a fine of not more than $5,000 or three times the value of the thing asked, offered, received, given or agreed to be received or given, or imprisonment of not more than five years, or both, if the value of the thing exceeds $100. However, if the value of the thing does not exceed $100, the proposal calls for a fine of not more than $1,000 or imprisonment of not more than one year, or both. Present law in this area provides for a misdemeanor penalty. This proposal makes violations a felony, except in minor cases. The upgrading of penalty reflects the belief that losses to the financial institution can be as great from these offenses as from embezzlement, and that the degree of moral turpitude is often as great. Moreover, the increased penalty is necessary to effectively deal with the infiltration of organized criminal elements into the banking business.

(c) This subsection defines the terms 'financial institution', 'bank holding company' and 'savings and loan holding company'. 'Financial institution' is broken into six categories. The first includes all banks the deposits of which are insured by the Federal Deposit Insurance Corporation. This includes all national banks, 12 U.S.C. § 222, all banks in the Federal Reserve System, 12 U.S.C. § 1814(b), and all state banks insured by the Corporation.

The second category is composed of any member of the Federal Home Loan Bank System, 12 U.S.C. § 1422(4), and any Federal Home Loan Bank. Members of the System can include building and loan associations, savings and loan associations, cooperative banks, homestead associations, savings banks and insurance companies which satisfy the statutory criteria of 12 U.S.C. § 1424(a).

The third category includes institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. The Corporation must insure the accounts of all Federal savings and loan associations established pursuant to 12 U.S.C. § 1464, and it may insure the accounts of building and loan, savings and loan, and homestead associations and cooperative banks chartered or organized under the laws of any state, territory or district of the United States. 12 U.S.C. § 1726(a).

The fourth category is comprised of institutions the accounts of which are insured by the Administrator of the National Credit Union Administration. The Administrator must insure the accounts of all Federal credit unions established under 12 U.S.C. § 1751, et. seq., and he may insure the accounts of credit unions organized and operating under the laws of any state, territory or district of the United States. 12 U.S.C. § 1781 (a).

The fifth category is composed of financial institutions organized or regulated by the Farm Credit Administration. Federal land banks are established and regulated by the Farm Credit Administration. 12 U.S.C. § 672, et. seq. Federal land bank associations are chartered by the Farm Credit Administration, 12 U.S.C. § 719, as are Federal Intermediate credit banks. 12 U.S.C. § 1021. Production credit associations are organized and chatered by the Farm Credit Administration, 12 U.S.C. §1131(d), and banks for cooperatives are established by the same Administration. 12 U.S.C. § 1134.

The last category includes small business investment companies. Small business investment companies are licensed by the Small Business Administration, 15 U.S.C. § 681(c), and operate pursuant to the provisions of Subchapter III, Title 15, United States Code.

Necessarily, there exists some overlapping between the categories; a savings and loan association can be both a subscriber to the stock of a Federal Home Loan Bank and have its accounts insured by the Federal Savings and Loan Insurance Corporation. However, overlap does not occur in all instances and broad provisions are necessary. The coverage is coextensive with that contained in 18 U.S.C. § 2113, the Federal bank robbery statute, and 18 U.S.C. § 1014, which proscribes the making of false statements in order to influence the action of various Federal agencies.

The terms "banking holding company" and "savings and loan holding company" are defined to include any person or entity which controls a financial institution in such a manner as to be a bank holding company or savings and loan holding company under the Bank Holding Company Act of 1956 or the National Housing Act, codified in 12 U.S.C. § 1841, et. seq., and 12 U.S.C. § 1730, respectively.

SECTION 2

This Section repeals Section 216. The provisions of Section 216 are incorporated into proposed Section 215.

S. 1428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21[illegible], title 18, United States Code, be amended to read:

"(a) Whoever, being an officer, director, employee, agent, or attorney of any financial institution, bank holding company, or savings and loan holding company, except as provided by law, directly or indirectly, asks, demands, exacts, solicits, seeks, accepts, receives or agrees to receive any thing of value, for himself or for any other person or entity, other than such financial institution, from any person or entity for or in connection with any transaction or business of such financial institution; or

"(b) Whoever, except as provided by law, directly or indirectly, gives, offers, or promises any thing of value to any officer, director, employee, agent, or attorney of any financial institution, bank holding company, or savings and loan holding company, or offers or promises any such officer, director, employee, agent, or attorney to give any thing of value to any person or entity, other than such financial institution, for or in connection with any transaction or business of such financial institution—

"Shall be fined not more than $5,000 or three times the value of any thing offered, asked, given, received, or agreed to be given or received, whichever is greater, or imprisoned not more than five years, or both; but if the value of any thing offered, asked, given, received, or agreed to be given or received does not exceed $100, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(c) As used in this section the term 'financial institution' means (1) any bank the deposits of which are insured by the Federal Deposit Insurance Corporation; (2) any member, as defined in section 2 of the Federal Home Loan Bank Act, as amended, of the Federal Home Loan Bank System, and any Federal Home Loan Bank; (3) any institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation; (4) any credit union the accounts of which are insured by the Administrator of the National Credit Union Administration under the Federal Credit Union Act of 1934, as amended; (5) any Federal land bank, Federal land bank association, Federal intermediate credit bank, production credit association, bank for cooperatives; and (6) any small business investment company.

"As used in this section the term 'bank holding company' or 'savings and loan holding company' means any person, corporation, partnership, business trust, association or similar organization which controls a financial institution in such a manner as to be a bank holding company or a savings and loan holding company under the Bank Holding Company Act of 1956 or the National Housing Act.

"(d) This section shall not apply to the payment by a financial institution of the usual salary or director's fee paid to an officer, director, employee, agent, or attorney thereof, or to a reasonable fee paid by such financial institution to such officer, director, employee, agent, or attorney for services rendered to such financial institution."

SEC. 2. Section 216 of title 18 is repealed.

By Mr. STEVENSON:

S. 1429. A bill to amend the Federal Aviation Act of 1958 to authorize free or reduced rate transportation for severely handicapped persons and persons with sight attending such handicapped persons. Referred to the Committee on Commerce.

Mr. STEVENSON. Mr. President, I am today introducing a bill which would allow airlines the option under law to offer reduced rates on a reserved-seat basis to severely handicapped persons and persons with sight attending such handicapped persons.

The entire question of airfares is in a state of flux. The Civil Aeronautics Board last December found that youth standby, youth reservation, and family fares are discriminatory. This decision affects promotional fare policy generally. Consumers are now concerned about the maze of airfare costs and promotional fares.

It is my understanding that the Aviation Subcommittee of the Commerce Committee will hold hearings in the near future to determine whether present law—notably, the Federal Aviation Act of 1958—is adequate, and if not, what changes are needed to rationalize the fare structure. I believe that a general rationalization of the fare structure could benefit both the airlines and the air passengers.

In anticipation of these hearings I am introducing this bill. In any airfare system there is a place for reduced fares on a reserved-seat basis for the blind and the other severely handicapped—those who out of virtual necessity must travel with an attendant.

This legislation is permissive. It only permits commercial airlines to grant free or reduced fares. It does not mandate them to do so.

This legislation merely grants the airlines the same authority which is presently available to bus companies and railroads under the Interstate Commerce

Act and Amtrak's authorizing legislation. Before Amtrak was formed, virtually every railroad granted such reduced fares to the blind. Amtrak has continued the preexisting policies of the railroads in regard to the blind.

The situation is different with the airlines. Because of the controversy over youth fares, group fares, and other promotional fares, the airlines have been wary of moving without specific statutory authority. This has been compounded by the December CAB decision, and the CAB was and still is in the process of deciding whether any such reduced fares are allowable under present law.

This legislation would make clear in the law that the airlines can offer a reduced fare to a group which is disadvantaged under present law. The bill is designed to enable people to travel who have difficulty traveling alone and are discouraged by the high cost of traveling with a companion. From the airlines point of view, there is potentially a greater demand for travel and a smaller demand upon airlines personnel. If a handicapped person is to travel by airline, it is in the interest of the airline to encourage an attendant to travel with the handicapped person. In many cases the attendant makes it possible for the handicapped person to travel at all—and in all cases the attendant relieves stewardesses and other personnel of the attentions required by the severely handicapped.

This bill does not attempt to define "severely handicapped persons" other than in a general way, that is, to define them as "the blind, and other persons with physical or mental handicaps so severe or of such a nature as to make their travel by air possible only if accompanied by an attendant." It is possible to write in a stricter definition of blindness, as has been done in certain other pieces of legislation, but I believe this should be done by CAB regulation. There is no need for Congress to struggle over a more complete definition of other severe handicaps. The question—is a person so handicapped that in traveling he would be much aided by personal attention in the person of an attendant—lends itself to regulation and the administrative process.

This legislation contemplates that the potential reduced fares would apply on a reserved-seat basis. Simply offering the reductions on a space-available basis would not be in the interests of the handicapped. Indeed, it would be cruel and counterproductive to lure the handicapped and an attendant to the airport, perhaps for hours, never to get a ticket.

I reemphasize that this legislation is entirely permissive. Filling empty seats on an airplane is the name of the game. If those empty seats can be filled with a severely handicapped person and an attendant—even if filled at less than two full fares—then the airlines cannot but gain. Whether such gains from the offering of these reduced fares to the handicapped and their attendants if offset by the loss of revenue from full-fare passengers who would be displaced is a competitive economic decision that the airlines will have to make. This legislation would merely provide the option to the airlines to institute such a reduced fare program.

This legislation would encourage the handicapped to travel. Travel has of course many purposes—to visit friends and relatives, to engage in business, to vacation, to just get away from it all. But travel is too often denied to the severely handicapped because they need an attendant—either on the plane or after they get to the destination—and the cost of two fares is prohibitive.

The Senate passed such a bill as this last year as an amendment to S. 2280, the antihijacking bill which later became entangled in conference and was never enacted. I am, therefore, hopeful the Aviation Subcommittee, and then the full Commerce Committee and the Senate, will act favorably on this proposal to offer reduced airfare rates to the severely handicapped.

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

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

S. 1429

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

(a) Section 403(b) of the Federal Aviation Act of 1958 be amended by inserting after "persons in connection with such accident;" the following: "severely handicapped persons and persons with sight attending such handicapped persons, when the handicapped person is traveling with such a person in attendance;"

(b) Section 403(b) be further amended by adding at the end thereof the following new sentence: "As used in this subsection, the term 'severely handicapped persons' means the blind, and other persons with physical or mental handicaps so severe or of such a nature as to make their travel by air possible only if accompanied by an attendant."

By Mr. PELL (for himself, Mr. CASE, Mr. MUSKIE, Mr. HOLLINGS, Mr. MAGNUSON, Mr. MOSS, and Mr. WILLIAMS):

S. 1430. A bill to establish within the Department of State a Bureau of Oceans and International Environmental Affairs to be headed by an Assistant Secretary of State. Referred to the Committee on Foreign Relations.

Mr. PELL. Mr. President, during the last decade, the community of nations has begun to realize that this planet represents a closed ecological system, wherein seemingly local events may have a widely distributed international effect. We have become increasingly aware that the dense populations of this Earth are crowded onto relatively small continental islands embedded in the vast expanses of the ocean, and that man's activities are intimately linked to the sea. As a result, there has been a surge of international negotiations and activities designed to preserve and protect our oceans and global environment.

Mr. President, my capacity as congressional adviser to the United Nations Seabed Committee and to the U.N. Conference on the Human Environment has made me acutely aware of the international developments in oceans and environmental affairs, and has alerted me to the fact that our present governmental structure is inadequate to deal with the growing problems in this area.

This is particularly true of the Department of State. At the present time, there is no functional bureau responsible for the formulation and implementation of a comprehensive policy necessary to weld the separate elements of the Department into an effective instrument to deal with the emerging issues of this area.

It seems to me, Mr. President, that the creation of such a bureau is long overdue and that the national interest will be best served by enacting legislation which establishes within the Department of State a Bureau of Oceans and International Environment Affairs.

Therefore, I introduce for appropriate reference a bill which will accomplish this objective. I hope that my colleagues will recognize the importance of this issue and will give this measure their full support.

Joining me in sponsoring this bill are Mr. CASE, Mr. MUSKIE, Mr. HOLLINGS, Mr. MAGNUSON, Mr. MOSS, and Mr. WILLIAMS.

By Mr. BEALL (for himself, Mr. DOMINICK, and Mr. BUCKLEY):

S.J. Res. 86. Joint resolution to suspend, for 2 years, Federal support of projects involving psychosurgery. Referred to the Committee on Labor and Public Welfare.

A 2-YEAR SUSPENSION OF FEDERAL SUPPORT OF PROJECTS INVOLVING PSYCHOSURGERY

Mr. BEALL. Mr. President, I am sending to the desk a joint resolution that would, if enacted, declare a 2-year moratorium on the use of Federal funds and Federal facilities in projects involving the medical procedures known collectively as psychosurgery or psychiatric surgery. This resolution would further direct the Secretary of Health, Education, and Welfare to undertake a comprehensive study of psychosurgery designed to determine the number and type of cases performed during the last 5 years in all public and private hospitals in the United States. I am further asking, Mr. President, that the Secretary compile and analyze data on a sufficient number of cases to provide the basis for an objective scientific evaluation of this surgical technique. This study, which will include followup information on an appropriate number of selected cases, is to be compiled within 1 year from the date of the enactment of this resolution and the Secretary is directed to present to the Congress his views and recommendations as to the circumstances, if any, when it is appropriate to perform psychosurgery. The Congress will then have a full year, before the expiration of the moratorium to determine what the public policy should be with regard to this surgical technique.

Mr. President, my interest in this issue was aroused last year when I read an article entitled "Eerie Brain Surgery—A Curse, or a Blessing?" which appeared in the March 25, 1972, issue of the National Observer. This article reflected the heated debate that took place at a psychiatric symposium conducted last spring in Houston, Tex. During the sym-

posium, one of my constituents, Dr. Peter R. Breggin, a practicing psychiatrist in the District of Columbia, vigorously raised the ethical issue of psychosurgery with several of its practitioners. The ensuing debate was ably reported in the National Observer, and I ask unanimous consent that the complete text of this article be printed at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BEALL. Mr. President, last fall, Dr. Breggin visited my office to discuss language which appeared in Senate report 92–894 which accompanied the Labor-HEW appropriation bill. The language in the Senate report directs the National Institute of Neurological Diseases and Stroke to allocate $1 million for continued work in this field. I promptly wrote to Senator MAGNUSON, the distinguished chairman of the Appropriation Subcommittee on Labor, Health, Education, and Welfare and Related Agencies, requesting a clarification of this language. I placed special emphasis on the need to fully implement the NIH peer review procedures which should carefully review any and all such projects. It should be pointed out, Mr. President, that Dr. Robert M. Vaetch, associate for medical ethics of the Institute of Society, Ethics, and the Life Sciences drew our attention to a serious shortcoming of the peer review procedure when he said:

> Even when it is used in a serious way (which happens all too rarely) it is the peers of the researchers and not the peers of the subjects who are asked to evaluate the ethical acceptability of the proposed research. It is simply too much to ask individuals uniquely committed to the importance of medical research to judge the ethical acceptability of their colleague's work . . .

As a result to my inquiry, the distinguished Senator from the State of Washington (Mr. MAGNUSON) joined the ranking minority member on this subcommittee, (Mr. COTTON, and myself in a colloquy on the floor of the Senate during the debate on final passage of the Labor-HEW bill last October. This discussion sought to clarify the intent of Congress regarding this report language and I ask unanimous consent, Mr. President, that the text of this colloquy be printed in its entirety at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. BEALL. Mr. President, several weeks ago, the Health Subcommittee of the Labor and Public Welfare Committee held 6 days of hearings on the topic of human experimentation. During these hearings, it was clearly established that few, if any, meaningful controls exist to regulate the use of experimental drugs, new and untested medical devices, or experimental surgical techniques. For instance, DES—diethylstilbestrol—is a drug whose carcinogenic characteristics have caused the Food and Drug Administration to severely restrict its use in humans, while banning its use in cattle, but it continues to be widely used as a morning after contraceptive in college infirmaries, clinics, and so forth. It became obvious to the members of the subcommittee that once a drug has been approved, even on a very restrictive basis, it is virtually impossible to prevent it from being prescribed for other unrelated uses. The testimony went on to clearly indicate that the Department of Health, Education, and Welfare has no effective authority to control experimental medical devices, such as the "super coil" which is used to induce midterm abortions, or surgical techniques such as the ones we are discussing today.

These hearings made it increasingly obvious that the Federal Government would have to play a larger role in regulating medical research on humans. My resolution is designed to assert a responsible Federal role in one such area of medical experimentation.

During the 20 years between 1935 and 1955, a surgical technique known as lobotomy was widely practiced in this country and throughout the world. It is estimated that approximately 50,000 Americans underwent this radical surgical technique which produced extreme changes in personality, emotional disturbances, impairment of judgment, and a frequent lack of control of basic impulses. During his testimony before the Health Subcommittee, Dr. Bertram S. Brown, the Director of the National Institute of Mental Health, stated:

> Unequivocally, that no responsible scientist today would condone a classical lobotomy operation.

Mr. President, I do not wish to simplistically equate the more sophisticated psychosurgical techniques with the classical lobotomy, but I do believe that we should take reasonable and responsible steps designed to protect our citizens from these new and essentially experimental surgical procedures. The classical lobotomy, which permanently disabled tens of thousands of our fellow citizens, fell into disuse only after the American public became aware of its dire consequences. The Congress, the American Medical Association, and the American Psychiatric Association all failed to take decisive action to bring this practice to an end.

In the context of the current situation, it is estimated that between 500 and 700 psychosurgical operations are performed each year in this country. Many psychosurgeons, including Dr. O. J. Andy, who testified before our Health Subcommittee, no longer consider this technique to be experimental. Thus, the potential exists for rapid expansion in the number of operations taking place each year, and I believe that the time has come for the Federal Government to assert itself in such a way as to insure that our citizens are not once again victimized by the specious promise of a quick and lasting surgical cure for mental illness.

Mr. President, during the remainder of my remarks, I will attempt to raise, for the consideration of my colleagues, some of the complex and largely unanswered questions that surround the practice of psychosurgery. In his testimony, Dr. Brown stated that:

> We need to know the answers to such questions as: What chemicals are responsible for transmission of nerve impulses within the brain and how do these chemicals control different forms of behavior? What chemical or physical changes occur when learning takes place or when a memory is recovered from the brain? What anatomical systems and what chemicals are responsible for aggressive behavior, sexual behavior, eating behavior, drinking behavior, and the common state of sleep and dreaming? How is the brain and central nervous system related to the autonomic nervous system which controls many life processes such as heart rate, blood pressure, and a wide variety of visceral functions? What happens to the behavior and cognitive processes of men when portions of the brain are damaged through accident, birth injury, malnutrition or disease? Can functions that have been lost through such disruption of the brain be recovered or taken over by other portions of the brain?

In response to a question, Dr. Brown stated that we know much more about the functioning of the human brain today than we did 30 years ago—"but we know very little of what we need to know." I believe that this observation succintly sums up the reasons for suspending Federal support to psychosurgical projects until such time as we have, at our disposal, the type of comprehensive information needed to make a valid policy decision. Dr. Brown reinforced this point when he stated:

> We have no reliable data on the extent of the practice or psychosurgery in this country, the types of patients subjected to this technique, or the after effects on patient behavior. The most systematic attempt (in this country) to assess the effects of psychosurgery on patient behavior and intellectual capacities was the Columbia-Greystone project which was conducted in 1954. Since then, many changes in psychiatric and medical practice have taken place: chemotherapy has dramatically changed the nature of the patient population in mental hospitals, and new surgical procedures have been introduced which are quite different from those studied by the Columbia-Greystone project. In order to make any specific recommendations for overseeing or controlling the clinical practice of psychosurgery a systematic survey of the field must be conducted—perhaps by one of the many professional societies and private foundations that have recently begun to focus on ethical issues in life sciences. We need to gather existing data available from patient histories and other sources which never come to our attention because they are not federally funded. In order to answer the "hard" questions, we must first find out what's going on.

Later on in his testimony, Dr. Brown sought to explain some of the problems confronting the Department of Health, Education, and Welfare with regard to human experimentation for medical purposes. He outlined the HEW regulations related to "informed consent" which cover only those cases involving Federal funds. It became clear during the course of these hearings that these guidelines are most often observed in the breach. I ask unanimous consent, Mr. President, that the portion of Dr. Brown's testimony dealing with the Department of Health, Education, and Welfare's policies on human experimentation and the initial NIH response to the current controversy regarding psychosurgery be

printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 3.)

Mr. BEALL. Mr. President, the observations of Doctor Brown were reinforced in a recent article entitled "Psychosurgery—Myriad Touch Questions" which appeared in the New York Times on March 18, 1973. In this article it was pointed out that psychosurgery—

. . . Raises some difficult questions. Is enough known about how the brain works to be sure the surgery will have the desired beneficial effect and not interfere with otherwise normal responses and feelings? Or will those subjected to the refined techniques of modern surgery be "semi-vegetables" as were some patients who underwent the gross lobotomies of the decade past? How can it be demonstrated with certainty that the patient is unresponsive to more conservative treatment, especially if the patient is in a State institution where treatment is notoriously inadequate?

I might add, Mr. President, that a similar question might be directed to those cases involving small children. Many of the psychosurgeons, including one who testified before our subcommittee, perform surgery on children as young as 5 or 6 or 7 years of age. In fact, many of these children undergo multiple operations—sometimes numbering as high as five or six—until the desired effect is achieved. How can we be sure that the traditional forms of drug and psychiatric treatment have been exhausted when children this young are involved?

Mr. President, I ask unanimous consent that this New York Times article be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 4.)

Mr. BEALL. The ultimate question is probably what types of patients are considered to be acceptable candidates for psychosurgery.

. . . Targets are supposed to be depressed women, hyperactive children, drug addicts, alcoholics, epileptics, neurotics, psychotics, convicts. Targets are often blacks.

Typical patients include those who display what psychosurgeons refer to as "symptoms of abnormal behavior," such as emotional tension, anxiety, aggressiveness, destrictiveness, agitation, distractability, suicidal tendencies, nervousness, mood changes, rage, stealing and explosive emotions. (*Current Magazine*—reprinted in the *Baltimore Sunday Sun*, March 25, 1973.

The vastness of the range of potential psychosurgery patients is, in itself, a compelling reason for the Senate to give prompt and favorable consideration to the joint resolution I am introducing today. If we, as a government, are going to make an error in judgment, then let it be on the side of caution—not on the side of haste. A very pertinent point was made by Dr. Willard Gaylin, president of the Hastings Institute, when he testified that 90 percent of the psychosurgical operations that are presently taking place would not occur if the proper guidelines and precautions were adhered to. This seems to me to be a very compelling argument for us to pursue at this time—a policy that will restrain and not encourage this type of experimental research.

Dr. Breggin, who has emerged as a prominent spokesman in opposition to psychosurgery, expressed another area of concern when he summed up his views by stating that:

. . . The real issues are not scientific or technical. The real issues are moral, political, and spiritual. What is man—a machine, device, a space filled with molecules? Or is man a spiritual being, devine in origin, human in character, charged with life, with will, [and] with the ability to love . . .? And how should man best live—under the control of others through behavioral modification, or to the best of his capacities within an environment that respects his freedom and his unique human and spiritual quality?

Mr. President, in conclusion let me say that the controversy surrounding psychosurgery has grown increasingly intense in recent months. I believe that the people are deeply distressed by the implications of a large scale application of this surgical technique. Thus, the time has come for Congress to provide leadership in seeing that the Federal Government does not inadvertently promote the wide spread use of an experimental surgical technique unless and until a more clearly defined public policy has been determined. The resolution I have introduced today does not seek to preordain what that public policy should be, but it does mandate a pause in all Federal activities in this area until the appropriate officials with the Department of Health, Education, and Welfare have had an opportunity to compile and analyze the vast amounts of existing data. Once this process has been completed, well documented information along with the Secretary's views and recommendations will be presented to Congress for additional action. This study, plus the ensuing debate, will serve to increase public awareness regarding the implications of psychosurgery. I believe that intensified public interest will assist us in the establishment of a proper public policy.

Mr. President, I ask unanimous consent that the text of this Joint Resolution be printed in the RECORD at the conclusion of my remarks along with several additional articles that I have not previously referred to.

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

(See exhibit 5.)

EXHIBIT 1

[From the National Observer, Mar. 25, 1972]

A CURSE, OR A BLESSING?—EERIE BRAIN SURGERY

(By Jim Hampton)

She was 22 and psychotic, seized by outbursts of lethal violence. Twelve times she had attacked others, once knifing a girl through the heart, once plunging scissors into a nurse's lung. But this day she was quiet, the object of an eerie medical treatment that is being hailed for its dramatic promise for the mentally ill and damned for its irreversible effects and potential for mind control.

As the girl walked around her hospital ward, a tiny electrode implanted deep inside her brain worked steadily, silently, painlessly. It sensed miniscule electrical changes as mental reactions to her environment and fellow patients sluiced through her brain. A miniature transmitter-receiver, wired to the electrode, radioed her brain-wave pattern to an electroencephalograph 100 feet away.

There, out of view, her doctors alternately watched the girl and the recorder's rapid, hill-and-valley squiggles. By merely pushing a button they could transmit a burst of low-voltage electricity into any of 12 areas of her brain surrounding the electrode. A burst to one area might evoke a smile of pleasure; to another, nothing; to a third, sudden rage and violence . . .

"A CRIME AGAINST HUMANITY"?

That scene, reminiscent of George Orwell's 1984, occurred in top-rated Massachusetts General Hospital. It was reported here the other day by Dr. Vernon Mark, a neurosurgeon and leading researcher in the rapidly developing field of psychosurgery, or brain surgery performed to correct severe behavioral disorders. And it illustrates techniques and results that a Washington, D.C., psychiatrist, Dr. Peter R. Breggin, says are ample evidence for banning psychosurgery in America.

During the past month Breggin has assailed psychosurgery and psychosurgeons in polemical articles in the Congressional Record, in Medical Opinion magazine, in a Washington newspaper, and in person before 175 physicians—including Mark—attending the Houston Neurological Symposium's session on "Neural Bases of Violence and Aggression."

"Psychosurgery is a crime against humanity," says Breggin, "a crime that cannot be condoned on medical, ethical, or legal grounds." Because it often leaves patients with flattened emotional responses and lessened intellectual capacity, he says, "Psychosurgery in all its forms is a partial absorption of a living human being."

"VOLUNTARY" MAY NOT BE

Breggin insists it is meaningless that psychosurgeons never operate without permission of the patient or his family. Most such patients are in mental institutions, whose custodians can use subtle threats or promises to obtain the patient's consent for surgery, he says. And he says families can become so distraught over a love one's illness that they sign away his human rights simply because they can bear the stress no longer.

Breggin calls psychosurgery "a little murder" because the brain is a unique organ, the seat of man's intelect, emotions, and personality. "It's illegal for me to help you kill yourself," he says, so it should be illegal to perform surgery that partially kills the self. "What a human being is the sum total of his personality, not his body," Breggin adds. Thus he considers it unethical to operate—except where the patient's life is threatened, as by a tumor—if the surgery lessens one's humanness.

Finally, Breggin says psychosurgeons are operating not just on psychotic patients, but primarily on women and increasingly on children as young as 5. 'The vast majority of patients now being operated on are not being wrested from the back wards [where hospitals keep violent, padded-cell cases]," he says. "In most cases the majority are labeled neurotic, simply neurotic."

Breggin says that even severely disordered psychotics can be made manageable through proper psychotherapy, which he says they rarely get because "psychiatry in this country is a farce. The state hospitals are a creation of our society. They are one of our most offensive and reprehensible institutions. The feeling that we have created these horrible institutions must never be used to justify psychosurgery," which Breggin says is for the convenience of the keepers, not the kept.

Slightly built and graying at 35, Breggin is in private practice and also teaches at the Washington School of Psychiatry. He has written two novels: *The Crazy From the Sane*, published last year, and *The Hebrew Disease*, to be published next fall. He graduated from Case Western Reserve University medical school after undergraduate studies at Harvard.

PSYCHOSURGEONS PLEAD INNOCENT

Breggin says he began gathering information on pyschosurgery last April without intending to attack psychosurgeons. He decided to speak out, he says, when he discovered that 400 to 600 Americans a year are undergoing psychosurgery without doctors in general knowing about the trend, which he calls "the return of lobotomy." He adds: "It just got to the point where I couldn't stand it any more."

So, at his insistence, Breggin was placed on the Houston symposium's program as a representative of the Medical Committee for Human Rights, a group working for medical-care reform. The committee was particularly upset because a newspaper had revealed two weeks earlier that psychosurgery was performed on three California prisoners in 1968. All purportedly volunteered for it.

Breggin aimed his attack principally at Dr. Mark and his coworker, Dr. Frank Ervin, a psychiatrist who is director of the Stanley Cobb Laboratories for Psychiatric Research at Massachusetts General Hospital in Boston. Mark and Ervin are coauthors of *Violence and the Brain,* which proposes a nationwide screening program to detect and treat brain-damaged, violence-prone persons early in life.

Ervin and Mark met with reporters and denied Breggin's allegations point by point. They said Breggin has distorted their and others' published papers, slanted quotes by using them out of context, set himself up as an expert in a field that he is professionally unqualified to judge, and made false inferences that "these operations are being done on normal or near-normal people."

A STRONG COUNTERATTACK

"It's good for any field to have a critic," Mark says, but a responsible critic "has to be fair, he has to be accurate, and he has to be knowledgeable." Breggin, he implies, is none of these.

In telephone interviews with The National Observer, some of the other neurosurgeons whom Breggin excoriates expressed substantially the same reply. The strongest counterattack came from Dr. William Beecher Scoville, 66, president of the International Association for Psychosurgery.

His voice etched with fatigue from a long day in surgery, Scoville explains that he is the great-grandson of Henry Ward Beecher, the famed Nineteenth Century preacher; the great-nephew of Harriet Beecher Stowe, author of *Uncle Tom's Cabin;* and the grandson of Thomas Gallaudet, founder of Gallaudet College for the deaf in Washington, D.C., and the American School for the Deaf in Hartford, Conn., where Scoville lives.

"I come of a crusading family," Scoville says, "and maybe that's why I want to fight when somebody like Breggin says we ought to be put in jail." (Breggin didn't go that far.) "I don't like to have all of us allegedly reputable scientists on one side of the fence and him on the other and have you act as if we were coequals. He's not. . . . He's not qualified [to judge psychosurgery]; he's prejudiced; . . . he has misquoted all of us. . . .

"We object to this talk about 'lobotomies,' that we are taking away the soul of a person, making a vegetable out of him. The standard, complete lobotomy was given up 25 years ago," Scoville adds, agreeing that it *was* too destructive and *did* blunt human qualities.

TWO DIFFERENT ARGUMENTS

"But now selective procedures don't do that," he continues. "Now it's as different as day is from night. . . . To argue about the ethics of this seems a little bit absurd to me, because surgery of the brain has always affected behavior."

Any surgery is ethical, in Scoville's view, if two conditions are met. First, the patient and his family must consent in awareness of the possible risks and benefits. Second, "Any operation is ethical if it makes the patient better than he was, and any operation is unethical if it makes him worse."

Here is where the arguments of Breggin and the psychosurgeons begin to pass one another like trains approaching one another on different tracks. For Breggin's chief point is metaphysical ("*All* psychosurgery is immoral because *all* of it dehumanizes"), while their chief reply is medical ("The doctor's duty is to relieve suffering, and psychosurgery helps far more than it harms").

Frank Ervin, a witty man with a chest-length beard, agrees with Breggin that American mental institutions "are miserable: badly designed, understaffed, underfunded." However, Ervin adds, "As long as he bases his debate on these moral grounds, his argument is medically unanswerable."

Yet Breggins raises questions that are not easily pushed aside. They stand despite the polemical nature of his attack on psychosurgery, his obloquies against individual surgeons, and the professional damage he has done to himself by taking his attack noisily into the public prints instead of the quiet gentility of professional journals.

VALID QUESTIONS RAISED

Mark and Ervin, for example, note that three Harvard Medical School "ombudsmen," unrelated to the patient, review all of their psychosurgery candidates beforehand. They say they themselves accepted for psychosurgery only 2 of the last 23 candidates referred to them by other doctors, recommending psychotherapy or drugs for the other 21. But Harvard's rigorous screening might not occur elsewhere, nor is it hard to find other surgeons willing to operate.

Breggin also raises the possibility that psychosurgery holds immense potential for behavior control. The prospect, real if distant, is getting serious consideration among both psychosurgeons and social scientists. Mark and Scoville, for example, took part in a recent seminar on the subject at the Institute of Society, Ethics, and the Life Sciences in Hastings-on-Hudson, N.Y.

Perry London, a psychologist from the University of Southern California and a seminar participant, writes in the institute's magazine that very soon "large domains of behavior, thought to be subject to the individual's own will, and thus his own responsibility, can be removed from his control and placed under the control of other people.

"Most of the other people, presumably, will be doctors" whose only aim is to cure sickness, London adds. "Some of them, on the other hand, will surely be legislators, policemen, and judges, who will have available the same apparatus, but to use on behalf of society, whether or not the individual likes it. At its greatest extreme, in fact, the problem that arises is that the controlled individual probably can be made to like it."

Electrodes in the brain's pleasure or erotic centers, for example, might be triggered to give the individual a euphoric or sensual jolt whenever he performed as the controller wanted him to.

"Since the methods in question are typically used only for the most benevolent purposes, such as medical treatment, their political implications are somewhat subtle, and they are sure to come into more and more widespread, unreflective use," London continues.

"The ethical and legal challenge of behavior control, therefore, is the common problem of how to maintain personal liberty in situations where its suppression may be rationalized both by the common welfare and the individual's happiness."

Breggin lumps today's psychosurgeons with the early lobotomists, but in doing so he appears to be firing for effect and not for accuracy.

LOBOTOMY VERSUS PSYCHOSURGERY

Portuguese neurologist Antonio Egas Moniz won the Nobel Prize for developing the lobotomy in 1936. A last-ditch procedure for severe schizophrenia, lobotomy involves severing the frontal lobes of the brain to reduce psychic tensions. The operation leaves patients passive, with "flattened" emotions, and with impaired ability to think into the future. Electroshock and chemotherapy replaced lobotomy in the 1950s, but by then an estimated 50,000 Americans had been lobotomized.

Vernon Mark's case—the 22-year-old psychotic girl who stabbed two women—illustrates the difference between Moniz-style lobotomy and today's psychosurgery. It also illustrates some of the points that Breggin and others are so concerned about.

The girl contracted encephalitis, a brain disease, before she was 2. She became epileptic at 10, and began having seizures and "racing spells," running mindlessly through the streets. Four times she attempted suicide. Twelve times she attacked others without warning, including stabbing the two women—both of whom survived. She had been treated in three major medical centers and had had psychotherapy, drugs, and 60 electroshock treatments—all to no avail—when Mark took her case.

Tests showed brain damage and electrical "spikes" indicative of temporal-lobe epilepsy, in which seizures are usually expressed as sudden violence. Mark inserted electrodes into both amygdalas, twin almond-shaped organs, one to a side, located in the midbrain. The midbrain and the forebrain make the limbic system, in which reside man's capacity for love, creativity, insight, judgment—all his higher functions.

To insert the electrodes, Mark used stereotactic surgery. This technique permits the surgeon to place the patient's head in a metal frame with cross-hair sights that, combined with X rays, allows precise visual placement of electrodes anywhere in the brain through small holes drilled in the skull. Some psychosurgery patients wear the electrodes for months or years, often under a wig. And some psychosurgeons implant many minuscule electrodes—Breggin says the record is 125—to study brain functions over wide areas.

THE SONG WASN'T FINISHED

Mark performed two amygdalotomies on the girl; neither required a scalpel. Instead, he used radio-frequency energy to heat the electrode, destroying (by baking it) a fingertip-size area of brain. Psychosurgeons also use ultrasonic waves, radium seeds, and, via small stereotactically placed catheters, injections of foreign matter such as olive oil to create lesions.

The girl's symptoms persisted after the surgery on her left amygdala, however. Tests showed that her right amygdala probably was causing her seizures, Mark says. He later operated on the right amygdala, after conducting 100-foot-distant tests.

Before the second operation Mark's team also stimulated the girl's brain with electricity while she sang and played the guitar. After one five-second electrical burst she stopped making music, went mute, and began producing epileptoid brain waves. "This was followed by a sudden and powerful swing of her guitar," Mark says. "She narrowly missed the head of the psychiatrist, and instead the guitar smashed against the wall."

The second operation stopped the girl's seizures, which have not recurred in four years. However, Mark reports, "Her preoperative psychotic behavior has not been modified by this procedure."

The question of psychosurgery on children is charged with both emotion and contradiction. Breggin says the chief U.S. prac-

titioner is Dr. Orlando J. Andy of the University of Mississippi, who, he says, told him that most of his 30 to 40 operations were on children, the youngest age 7.

NO "NEAR-NORMALS" INVOLVED

Andy declines to discuss his practice or Breggin's allegations. "I will give my reports in scientific journals and at [scientific] meetings," not in the newspapers, Andy told The National Observer. He adds: "If it's a matter of philosophy, then I think you ought to get opinions from philosophers. . . . All I can say is that I hope that in the long run we finally end up going in the right direction."

Other psychosurgeons, however, strongly deny Breggin's accusation that psychosurgery is being done on near-normal children, such as hyperactives, to make them easier for their parents to manage.

The typical child psychosurgical patient, Frank Ervin says, is a back-ward mental defective with "evidence of severe, diffuse brain damage" such as epilepsy, cerebral palsy, retardation, or paralysis or weakness of one side of the body. "Some are characterized by what looks like a high drive state: They're in constant motion, hyperactive, self-mutilating, biting themselves. They often attack others like wild animals. I've seen such a kid in a private home [as a consultant] who was kept naked in a room because he shredded everything in sight, including the drapes and the plaster. He even pulled the wiring out of the wall."

IN TIME, THE RIGHT PLACE

Ervin and Mark accept only those patients who have not responded to treatment by other doctors for at least two years. Scoville, the association president, says he requires three years of intractability before he will operate. In one group of six patients, Mark says, three are working full-time after psychosurgery—one for the first time in a decade.

A British neurologist participating in the Houston symposium put the psychosurgery argument into what may be its proper, unemotional perspective. "Clearly psychosurgery will not be the permanent answer," says Dr. Denis Williams, editor of Brain, a British journal. "Neurosurgeons, no matter how good they are, can never put anything back. They can only destroy; they can only take out.

"This is what happens in medicine," Williams adds. "Something works. It's used. It's overused. Then it finds its place."

EXHIBIT 2

[From the CONGRESSIONAL RECORD, Oct. 3, 1973]

BRAIN DISEASE

Mr. COTTON. I would like to raise the issue of brain disease and violent behavior with my distinguished colleague.

I want to reassure the Members of the Senate that any funds in this bill added by the Senate committee for research into brain disease and violent behavior will be awarded to competent scientists and only after such scientists meet the high ethical and medical science standards demanded by the established NIH peer review process which is used in awarding all the grants at NIH. Is that not correct, Mr. Chairman?

Mr. MAGNUSON. The Senator has stated it very well. At this point, Mr. President, I ask unanimous consent to place in the RECORD some pertinent correspondence with the Director of the National Institutes of Health which I believe will serve to further clarify the issue and reassure my colleagues in this matter.

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

U.S. SENATE,
Washington, D.C., September 22, 1972.

Dr. ROBERT Q. MARSTON,
Director, National Institutes of Health, Bethesda, Md.

DEAR DR. MARSTON: This is to call your attention to a passage on page 55 of the Senate report (92-894) accompanying the first 1973 Labor-HEW appropriation bill. The report has earmarked $1 million to continue and expand studies of violent behavior related to brain disease.

Subsequent to Senate action on the first 1973 Labor-HEW bill, the Committee has received several disturbing published reports regarding the use of an earlier appropriation of $500,000 for this work. Consequently, it would be appreciated if NIH would delay the funding of this work at this time. It is the desire of the Committee that, as a condition precedent to the award of any funds to continue such work, the NIH should thoroughly study the earlier work conducted with appropriated funds and determine that the adverse reports regarding this project are without merit.

In the interim, the Committee would also appreciate receiving from you a statement on NIH policy concerning research into the relationships between brain disease and violent behavior.

Thank you for your consideration.

Sincerely,

WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Bethesda, Md., October 2, 1972.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: Thank you for your letter of September 22 about the funding of research on the relationship of brain disease to violent behavior.

We are well aware of the criticism that has been directed toward earlier research projects in this field which were supported by other agencies. We are also, of course, anxious to ensure that there shall be no valid basis for similar criticism in any future work that NIH might support through the appropriation for the National Institute for Neurological Diseases and Stroke.

The policy of NIH, briefly stated, is as follows:

1. There is evidence that some kinds of uncontrolled violence and other forms of unacceptable human behavior are due to abnormal brain development or brain disease. However, the evidence is fragmentary, scattered, and equivocal. We believe that further research is necessary but that a first step should be to collect, correlate, and assess the evidence currently available in order to determine what direction further research should take.

2. Consequently, the National Institute of Neurological Diseases and Stroke has established a task force, as a subcommittee of its Advisory Council, to plan a series of workshops on brain disease in relation to violence. The National Institute of Mental Health—which is not part of NIH but which has previously supported research in this field—has set up a similar task force to study the more restricted topic of psychosurgery. Close liaison is being maintained between these two task forces.

3. Research projects on abnormal behavior and on the physiological factors affecting behavior in animals, including non-human primates, will be supported if they are of high scientific merit and appear to be relevant to the elucidation of behavioral problems in man.

4. Research projects on the genetic, hormonal, biochemical, and neurological factors in abnormal human behavior will be considered only if they conform to the established guidelines governing all research involving human subjects. These guidelines will be most rigorously enforced. The conditions include (a) a thorough initial review and continued surveillance by a multi-disciplinary committee at an institution of high repute that can, and does, accept responsibility for the protection of the subjects involved; and (b) specific grant or contract terms providing for the protection of human subjects including the right of privacy, and requiring their informed consent.

I can give you a firm assurance that no commitment to fund research projects using human subjects for the study of the relationship between brain disease and violent behavior will be made until the results of the discussions now being initiated by the NINDS task force have been completed and considered.

Please be assured of my personal concern in this matter and of my full appreciation of the committee's interest in it.

Sincerely yours,

ROBERT Q. MARTSON, M.D.,
Director.

Mr. BEALL. Mr. President, I wish to thank the distinguished chairman of the Appropriations Committee's Subcommittee on Labor, Health, Education, and Welfare, and Related Agencies, Mr. MAGNUSON, and the distinguished ranking minority member, Mr. COTTON, for engaging in a most fruitful colloquy designed to clarify the intentions of the committee with regard to the language appearing on page 55 of Senate Report No. 92-894—June 21, 1972.

I recently had an opportunity to meet with Dr. Peter R. Breggin who has, as many of us know, become an active and prominent spokesman in opposition to the use of brain surgery as a device to regulate behavior. As a layman, I am unable to pass judgment on a medical matter as complex and as specialized as psychosurgery, but I do share some of the concerns expressed by Dr. Breggin and his colleagues. Because nerve cells do not regenerate, psychosurgery produces a permanent and irrevocable change in the behavior of the individual. For this reason, Mr. President, I believe that we should move carefully and cautiously in this area. I would hope that the National Institute of Neurological Diseases and Stroke will not assume that the report language accompanying this bill constitutes a congressional directive that would override their normal peer review procedures. I believe that the remarks by the distinguished senior Senator from Washington and the distinguished senior Senator from New Hampshire have helped to still my concerns and clarified the congressional intent with regard to this matter.

EXHIBIT 3

(Taken from testimony by Dr. Bertram S. Brown, Director, National Institute of Mental Health, before the Subcommittee on Health, Committee on Labor and Publice Welfare, U.S. Senate, Friday, February 23, 1973)

DHEW POLICY

I know the Subcommittee is quite familiar with the three cardinal principles of DHEW policy guidelines for the protection of human research subjects. They are, briefly: that the rights and welfare of the subjects involved are adequately protected, that the risks to the individual are outweighed by the potential benefit to him or by the importance of

the knowledge to be gained, and that informed consent is obtained in an adequate and appropriate manner.

The securing of informed consent poses a difficult problem even when the human subjects are of normal intelligence and are emotionally healthy and mature. It becomes infinitely more complicated when the subjects are seriously disturbed, below normal intelligence, or children and when the proposed procedures involve serious risks and irreversible consequences. But a clinical investigator may not avoid the solemn responsibility of securing informed consent merely because it is difficult.

DHEW guidelines describe the basic elements of an informed consent as follows:

1. A fair explanation of the procedures to be followed, including an identification of those which are experimental:

2. A description of the attendant discomforts and risks;

3. A description of the benefits to be expected;

4. A disclosure of appropriate alternative procedures that would be advantageous for the subject;

5. An offer to answer any inquiries concerning the procedures; and

6. An instruction that the subject is free to withdraw his consent and to discontinue participation in the project or activity at any time.

In other words, the clinical investigator may not withhold from the subject any facts which are necessary to form the basis of an intelligent consent to the proposed investigation. In addition, it forbids the inclusion of any exculpatory language in the consent form through which the patient waives or appears to waive any of his legal rights, or which he releases the institution or investigator from liability for negligence.

All this assumes that the human subject is himself capable of giving an informed consent. While the DHEW guidelines speak of obtaining consent from the subject "or from his authorized representative," they leave to applicable local law such difficult questions as (1) who may consent for the patient when he is incapacitated—next-of-kin? court appointed guardian? (2) under what circumstances can a substitute or agent consent instead of the patient? (3) may parents ever consent to a risky procedure on behalf of a child when the benefit is primarily for science and the benefits for the child are minimal?

Some hospitals and institutions have been drawing up very detailed and comprehensive procedures for solving these questions. They require the presence of the subject's personal physician, personal lawyer, and immediate kin with periods of time being allotted for reflection, questioning, and debate before consent is given. This is an area that will be receiving increased attention as we work with our sister agencies to refine and expand the DHEW requirements for research on human subjects.

Since most of the biological, medical, and behavioral research conducted in this country is supported by funds from the Department of Health, Education, and Welfare, the Department recognized its responsibility to take the lead in promulgating procedures which would adequately safeguard the rights of human subjects. The Division of Research Grants of the National Institutes of Health and, more recently, its Institutional Relations Branch was charged with the responsibility to formulate and oversee policies that would protect the welfare of human subjects involved in research projects supported with DHEW funds. The NIMH continues to work with NIH in proposing further refinements and modifications of the existing policies.

With respect to the specific issue of psychosurgery, the NIMH and the NINDS have established an Inter-Institute Work Group on Brain and Behavior to examine a variety of aspects of the problem. The Inter-Institute Work Group will be responsible for the formulation of a comprehensive report containing recommendations and policies for further activities in this area.

The ethical and moral problems posed by current medical, biological, and behavioral techniques are of considerable concern to Government agencies as well as the health professions, the scientific communities, religious groups, the Congress, and the lay public. Knowledge, or at least the application of knowledge to wield political or social power, has always been a potentially dangerous concomitant of scientific inquiry. Even new knowledge which at first appears to have only beneficial consequences can create new problems. Potter, in a book called Bioethics puts it quite succinctly: ". . . once we have made the choice to open Pandora's Box of Knowledge, we can never put back its contents, and mankind must continue to search forever for the wisdom that is needed to cope with the avalanche of new knowledge that is upon us." We must somehow evolve a system of technology assessment whereby the state of knowledge can be assessed and its readiness for application can be addressed within the context of relevant social, human, and ethical issues. Such a system would assure the timely application of relevant technology and help prevent the premature use of those techniques not thoroughly explored for their human and social implications.

EXHIBIT 4

[From the New York Times, Mar. 18, 1973]

PSYCHOSURGERY: MYRIAD TOUGH QUESTIONS

A surgeon can take out tonsils and tumors or transplant kidneys and hearts, and rarely is the appropriateness of his actions challenged. But one kind of surgeon—with a special practice called psychosurgery—has found himself in the middle of an international controversy.

The psychosurgeon destroys tiny pieces of tissue deep in the brain to change the way people feel and act—those who suffer from severe emotional or behavioral disorders that seem resistant to traditional treatments. His patients may include intractable depressives, incurable schizophrenics, uncontrollable aggressives, destructive hyperactives, among others.

From the psychosurgeon's viewpoint, he is performing a humane and noble service, rescuing desperate people. But to some, he is a tamperer who "mutilates" the brain, blunts the emotions, distorts the personality and exercises a form of behavior control.

Last week in Detroit the issue became the subject of a courtroom drama that could set a national precedent, not just for psychosurgery but for other radical treatments and for human experimentation in general.

The case centers on a research project in which patients from a state hospital for the criminally insane might be subjected to psychosurgery in an attempt to relieve them of their uncontrollable violent tendencies.

The goal of the project, which was to be carried out by the prestigious Lafayette Clinic, the psychiatric research and training arm of Wayne State University, was to rehabilitate patients and return them to society.

But just before the first patient was to be subjected to the in-depth brain wave studies that would precede surgery, a suit was brought by a civil liberties lawyer. Involuntarily committed persons, he charged, cannot give informed, voluntary consent to such a radical procedure when they may regard it as their only possible ticket out of the institution. The suit also asked whether psychosurgery should not be banned in any case as contrary to the public interest.

Although the original research proposal has now been scrapped as a result of the publicity it generated, the clinic is working on substitute proposals involving psychosurgery and the court has agreed to deal with the core issues of consent to radical treatments by institutionalized persons and the use of psychosurgery as a medical tool.

Modern psychosurgery, a technique that has evolved over the last decade and a half, is currently being used on some 500 patients a year in this country and many hundreds more elsewhere. In most cases, actual destruction of brain tissue is preceded by intensive studies of the brain's electrical activity under a wide variety of circumstances. Usually, electrodes are implanted deep in the brain in regions that are believed to be important in controlling behavior and emotion.

If electrical abnormalities are found in a certain region that appears to be linked to the patient's problem, then a section of brain tissue—probably no more than six-hundredths of an inch—might be destroyed by surgery, electricity, ultrasound or radiation. Sometimes, however, such in-depth brainwave studies do not precede surgery. In these cases, surgery is performed in an area of the brain (which may or may not be abnormal) that influences the behavior or emotion at issue.

The results of psychosurgery vary widely—from reports of 40 per cent to 95 per cent of patients experiencing significant improvement.

Even among supporters of the program, there is dissension. Some argue that only those patients with well-defined organic brain diseases, such as tumors or epilepsy, should be subjected to surgery. Others insist that behavioral or emotional evidence of brain disease is sufficient justification.

The practice raises some difficult questions. Is enough known about how the brain works to be sure the surgery will have the desired beneficial effect and not interfere with otherwise normal human responses and feelings? Or will those subjected to the refined techniques of modern psychosurgery be rendered "semi-vegetables" as were some patients who underwent the gross lobotomies of decades past?

How can it be demonstrated with certainty that the patient is unresponsive to more conservative treatment, especially if the patient is in a state institution where treatment is notoriously inadequate? On the other hand, if conservative methods are unavailable to some patients, is it fair to deny them a more radical treatment that may offer a realistic hope for relief?

How can a person whose brain is supposedly diseased give informed consent to an operation on the self-same organ?

If brain surgery can control aggressive behavior, will it be used to control politically violent individuals or, more realistically, to ease the custodial management of aggressive prisoners or hospitalized patients?

There is a real fear among some of letting psychosurgery out of the laboratory before enough is known about its effects and effectiveness. The present controversy, however, has had the effect of halting nearly all studies of the technique in this country, raising a not unfamiliar medical dilemma: Without further studies the potential of psychosurgery—for good or ill—will never be known.

—JANE E. BRODY.

EXHIBIT 5

SENATE JOINT RESOLUTION 86

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the two-

year period beginning on the first day of the first month which begins not less than 30 days after the date of enactment of this Joint Resolution, no Federal funds shall be expended, or available for expenditure, for the purpose of conducting, or providing assistance in the conduct of, any project or activity which consists of, or includes, the performance of psychosurgery; and during such period, no Federal facilities shall be available for the performance of psychosurgery or for any project which includes the performance of psychosurgery.

SEC. 2. The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") shall (through the National Institutes of Health, or through other appropriate facilities of the Department of Health, Education, and Welfare) conduct a study of the employment of psychosurgery with a view to determining the number and types of cases, during the five-year period ending December 31, 1972, in which psychosurgery has been performed in all private and public hospitals in the United States, and of compiling an analysis, on a case by case basis, of a sufficient number of such cases (together with follow-up information thereon) to provide the basis for an objective scientific evaluation of psychosurgery performed during such period with regard to the types of psychosurgery performed, the conditions for which it was performed, and the results thereof. The Secretary shall complete such study and shall submit to the Congress, not later than one year after the date of enactment of this Joint Resolution, a full and complete report thereon, which report shall contain his views and recommendations as to the circumstances (if any) in which the performance of psychosurgery is appropriate, as well as the reasons and justifications for such views.

SEC. 3. It shall be the duty of each person who is the head of each department and agency of the Federal Government to cooperate with the Secretary in his conduct of the study authorized by section 2, and to provide to the Secretary such information as he may request and is available to such person.

SEC. 4. As used in this Joint Resolution, the term "psychosurgery" means brain surgery on (A) normal brain tissue of an individual, who does not suffer from any pathological disease, for the purpose of changing or controlling the behavior or emotions of such individual, or (B) on diseased brain tissue of an individual, if the sole object of the performance of such surgery is to control, change, or affect any behavioral or emotional disturbance of such individual. Such term shall not include brain surgery designed to cure, or ameliorate the effects of epilepsy; nor shall such term be construed to include electric shock treatments.

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Joint Resolution.

PSYCHOSURGERY: NEW DOUBTS

(By David Holmstrom)

SAN FRANCISCO.—A deepening moral conflict is developing in the United States over the increased use of psychosurgery—operations on the brain—to permanently alter human behavior.

The result, according to concerned lawyers, surgeons, and psychiatrists, is a grim challenge to the fundamental rights granted Americans in the U.S. Constitution—such as protection against deprivation of "life, liberty, or property without due process of law . . ." (5th and 14th Amendments).

The extent of psychosurgery, according to Dr. Peter R. Breggin, a Washington, D.C., psychiatrist and the leading opponent of psychosurgery, is greater in other countries—particularly England, where a total of 20,000 operations have been performed in the last 11 years.

UPWARD TREND SEEN

In the United States Dr. Breggin estimates from scant available data, between 400 and 600 operations have been performed in general hospitals and mental institutions during the last several years, "with the current rate going up rapidly."

He advocates taking psychosurgeons to court on charges of making "exaggerated claims" that lead to "uniformed consent" on the patient's part. He would also like to see federal and state legislation outlawing all forms of psychosurgery in the U.S. as they are in the Soviet Union.

Dr. Breggin and others assert that in the 1940's and 50's more than 50,000 operations were performed. "We are in the midst of a resurgence," he says, "including multiple forms of psychosurgery upon hyperactive children."

QUESTIONS POSED

At a recent symposium here entitled A Clockwork Orange? Psychiatric Experimentation on Prisoners, Dr. Breggin and a panel of lawyers and doctors discussed the legal and moral questions raised by psychosurgery. They asked:

How can mentally troubled patients with a long history of violent or "unacceptable" behavior be protected from brain surgery when mental turmoil is viewed as proof that psychosurgery is needed?

Who has the right to consent to psychosurgery? the patient himself? his family? the doctor? a professional committee?

Even if a person consents to psychosurgery how can he or she be sure that the "full story on the possible outcome" has been carefully explained? Who would explain it?

Does anyone, parents included, have the right to permit psychosurgery of children?

How can psychosurgery be stopped? Should penal institutions be allowed to expand experimentation on inmates?

Dr. Breggin says that "psychosurgery offends the whole Western ethnical tradition of respect for the individual." He says all forms of psychosurgery blunt the individual's emotions and make him docile—"and of course they subject the individual to the control of others."

BIOLOGICAL ORIGIN SUGGESTED

The decline in the use of psychosurgery—or "lobotomies"—in the United States in the late part of the 1950's was apparently in proportion to the rise in the use of electroshock and exotic drugs on patients, noted Dr. Breggin, and the resurgence now hinges on the belief that mental illness may have a biological origin.

Dr. Breggin and others believe that aside from violating all ethical standards, psychosurgery is a tragic mixing of rehabilitation and punishment. And this is clearly seen in efforts by some penal institutions to deal with their most troublesome inmates by attempting to alter their behavior with drugs and psychosurgery.

How can experiments on humans that leave them permanently docile be considered rehabilitation? they ask.

At the symposium it was pointed out that in the recent California Supreme Court decision banning capital punishment there was a nearly overlooked statement that seemed to sanction behavioral control experimentation. The court said: "We do not interpret the constitutional prohibition of cruel or unusual punishments either as a license for the indefinite continuance of all punishments known to the common law . . . nor as a proscription of innovative types of punishment whose purpose is the rehabilitation or reformation of criminal offenders."

PRISONER USE WAS PROPOSED

According to Dr. Philip Shapiro, a Los Angeles psychiatrist, the key phrase is "innovative types of punishment," which could lead to such behavioral control techniques as seen in the current movie, "A Clockwork Orange."

Only last year it was disclosed that the California Department of Corrections had considered using brain surgery on its more hostile and aggressive inmates. But a storm of protest in the press, and among doctors and psychiatrists, forced the state to drop the idea. But recently the Department of Corrections opened a new facility in Vacaville known as the medical-psychiatric diagnostic unit. It is designed to house California's most troublesome prisoners.

It is known that since 1966 some inmates in California prisons have been injected with a drug that causes loss of use of all voluntary muscles, including those used for breathing. It is part of an "aversion therapy" program in which the drug is administered and then the patient is "scolded" in an attempt to associate the drug's terrifying reaction with the crime the patient had committed. The theory is that the patient will no longer want to commit the crime, because he will remember the drug reaction. Many, it is charged; were given the drug without consent.

[From the Washington Star, Sept. 28, 1972]

"MIND CONTROL" HIT

(By Judith Randal)

Uneasy about the ethical implications of experimental surgery intended to alter behavior, scientists and activist groups are urging the Senate Appropriations Committee to drop a $1 million item from the Department of Health, Education, and Welfare budget scheduled to be marked up today.

The budget item would provide money to the National Institute of Neurological Diseases and Stroke, part of the National Institutes of Health, to support violent behavior research at university-affiliated medical centers in Boston, Los Angeles and Houston.

Critics oppose the proposal because it includes provisions for so-called psychosurgery, the implantation of electrodes in the brain for the diagnosis and therapy of organic brain disease associated with violent behavior.

They say the surgery "blunts" personality and that it could be used as a weapon of oppression against women, prisoners and minority groups, for instance.

Furthermore, they charge, the operation—called an amygdalotomy and which destroys a part of the almond-shaped nucleus in the temperal lobes of the brain—is "just a new version of the old-fashioned lobotomy."

Supporters of the research proposal argue that patients are candidates for such surgery only when all other treatments have been tried to no avail. Such patients, they say, are often appalled by the damage their rage inflicts on themselves and others and are desperate for help.

And because so little is known about the physical basis underlying some forms of chronic violence, they add, research on what is called the "limbic system," or emotional brain, is crucial.

While the program would include surgery, it would concentrate at least as heavily on studies of biochemical tests, fingerprints, sex hormone levels and chromosomes. Abnormalities of these factors are often linked to violent behavior, they say.

During the surgery, electrodes are inserted in one or both almond-shaped nuclei in the temporal lobes, paired structures in the brain. The electrodes are used to record electrical discharges in these nuclei and to destroy the nuclei if the discharges are abnormal.

The object, the surgeons said, is to damage the brain as little as possible. Contrary to critics' allegations, they claimed, the op-

eration does not blunt the patients' personalities. Indeed, they said, they are still able to become angry but do not become violent.

"RIGHT OF PRIVACY"

In the last few weeks, Ralph Nader's Center for the Study of Responsive Law has been looking into the situation and Dr. Peter R. Breggin, a Washington psychiatrist and novelist, has urged several senators to withdraw their support for the proposal.

Besides basically objecting to psychosurgery for any reason whatever, Breggin argues that profiles of violence-prone prisoners are being developed from computerized data derived from a study being done for the Justice Department's Law Enforcement Assistance Administration. They say this is "unconstitutional because it constitutes an invasion of the right of privacy."

As a result of these and other pressures, Sen. Warren Magnuson, D-Wash., chairman of the Labor-HEW appropriations subcommittee has written to the director of the National Institutes of Health, Dr. Robert Q. Marston, to ask for clarification and some senators seem to be on the verge of withholding their support for the proposal, pending a thorough review of the issues.

Among these are Sens. Edward Brooke, R-Mass., Edward M. Kennedy, D-Mass., Glenn Beall, R-Md. and Norris Cotton, R-N.H.

One of the things that troubles Brooke, according to an aide, is that Dr. William Sweet, a top advocate of the proposal, told the Senate Appropriations subcommittee last spring that he was "speaking on behalf of the Neurological and Neurosurgical services of Harvard University at the Massachusetts General Hospital."

While Sweet is chairman of neurosurgery at the hospital, a spokesman there says he was not speaking on behalf of the MGH and that his research plans for human subjects were never approved by its research committees because of opposition from staff psychiatrists.

They acknowledged, however, that the hospital rents space to the Neuro-Research Foundation, of which Sweet is an officer, to do some diagnostic tests on outpatients and to conduct animal experiments.

At the hearing Sweet also spoke on behalf of the Neurologic unit at the University of Texas in Houston and the Neuropsychiatric Institute of the University of California in Los Angeles. No opposition witnesses appeared.

Meanwhile, the work has been going forward at the Boston City Hospital, also affiliated with Harvard, where Dr. Vernon L. Mark is chief of neurosurgery. Like Sweet, Mark is an officer of the Neuro-Surgery Foundation which has engaged a Washington lobbyist, Nathaniel Polster, to present its case to Congress and government.

Mark and Sweet said they have studied more than 100 patients subject to repeated violence with the aid of federal funds from LEAA and NIHM, but that only two of these had undergone the implantation of electrodes.

Neither of these, they said, was either a prisoner or otherwise a ward of the state. No patient in any of their work, they added, participates without providing informed consent.

In all, the surgeons have operated on 13 violence-prone patients, all with temporal lobe epilepsy. The progress of six has been followed for three years or more. Of these, two patients are "strikingly better" and two "considerably improved," according to Sweet and Mark.

Should Congress approve the controversial proposal, it will still have to be reviewed by scientists who act as advisors to the National Institute of Neurological Diseases and Stroke in order to be funded. Dr. Murray Goldstein, the institute's associate director said that approval would also entail both adherence to the NIH's regulations on human experimentation and extra ethical safeguards.

[From the Morning Star, Dec. 28, 1972]

MIND-CONTROL CURBS ASKED

(By Frederick P. McGehan)

WASHINGTON.—A panel of distinguished scientists called yesterday for increased controls over psychiatric experimentation ranging from brain surgery to encounter groups.

As it stands now, the panel told a session of the American Association for the Advancement of Science's annual meeting here, there are no effective controls over surgeons who wish to experiment on mental patients, or over non-professionals who organize encounter groups and sensitivity-training sessions.

Without guidelines and limits, the panel warned, a "small number of people will gradually gain control over greater numbers of other people." Such a move could have serious political, moral and ethical consequences, they stated.

The panel discussion was arranged by the Institute of Society, Ethics and the Life Sciences, a nonprofit "think tank" in Hastings-on Hudson, N.Y., concerned with moral and social implications of biological and medical advances.

Appearing on the panel were two psychiatrists, a neurologist, a lawyer, a psychologist and a social scientist.

They adopted both a personal approach—protection of the patient from unwarranted experimentation—and a broad social viewpoint—protecting society from mass-behavior control.

Harold Edgar, associate professor of law at Columbia University, said the only control over brain surgery experimentation now "is the integrity and self-discipline of the surgeon." He called for more formal controls either by professional organizations or by government.

Dr. Herbert G. Vaughan, Jr., associate professor of neurology at Einstein Medical School, Bronx, N.Y., said there has been unwarranted brain surgery in an attempt to cure alcoholism.

"There are no controls at the present time over any kind of surgery," said Dr. Vaughan.

He estimated that there are between 100 and 500 cases of psychosurgery in the United States each year. But because of the lack of any reporting system, it is impossible to determine the exact number, he added.

Willard Gaylin, president of the Institute for Ethics, told of a Mississippi surgeon who during the past 15 years has operated on some 30 children to correct abnormal behavior patterns. There is serious question whether the operations have had any impact on the children's conditions, Mr. Gaylin said at a news conference.

He also told of a Tulane University psychiatrist who has used electric shock therapy to treat one person suffering from recurrent episodes of rage and another man who is a homosexual.

"I feel some form of registry of psychosurgery and electric shock therapy should be developed," said Dr. Gerald Klerman, professor of psychiatry at the Harvard University Medical School.

Dr. Klerman also warned that mass manipulation of the population could theoretically be obtained by use of psychiatric medication or behavior-altering drugs.

Already, he noted, "one-half of the adult population" uses tranquilizers "for minor stress and tension anxieties of everyday life." He speculated that, in the future, drugs may note of caution about vasectomies, a popular memory.

In another presentation at the association's annual meeting yesterday, a group of scientists from Long Island University issued a note of caution about vasectomies, a popular sterilization operation for men.

In studies on rats, the group found serious side effects in about half of a group of 30 that was vasectomized. The effects noted included "abnormal, smaller, soft purplish testes," the development of cysts in sperm ducts and a drop in male hormone production.

The group, led by Dr. A. M. Sackler of the Laboratory for Therapeutic Research in the university's College of Pharmacy, concluded that vasectomies "are not innocuous procedures."

PSYCHOSURGERY DEBATED AT NIH

(By Judith Randal)

Over the past 10 years or so, Dr. Orlando J. Andy, chief of neurosurgery at the University of Mississippi, has performed brain operations on "about 30" children to correct what he terms "their erratic hypersensitivity, aggressiveness and emotional instability."

Popularly known as psychosurgery, the procedures some performed on children as young as five years old—consist of the insertion of thin electrodes into small areas of the brain where they are used to stimulate the tissue and then destroy it.

Speaking at the National Institutes of Health here yesterday. Andy said that such surgery should be considered for both children and adults whenever what he calls "the hyper-responsive syndrome" occurs.

Andy was invited to speak at a panel discussion arranged by the National Institutes of Health-National Institute of Mental Health Ad Hoc Committee on Psychosurgery. The committee has been formed to focus attention on the social and political implications of the behavior-altering surgery and on a request made to Congress by Dr. William Sweet of Harvard University for a $1 million grant to develop centers for the identification and treatment of violent or potentially violent persons.

Sweet, also an advocate of psychosurgery under some circumstances, was invited to participate in the discussion, but declined.

Andy described the conditions he thought justified such surgery.

These, he told an audience of several hundred, included the failure to respond to other treatments. Patients of this kind, he said "are a detriment to themselves and to society." In addition, he said, behavior-altering surgery should be considered when a patient requires "constant attention, supervision and inordinate institutional care . . . or requires such heavy drug dosage that he is nonresponsive and noncommunicative."

Usually, he said, such patients in addition to their antisocial behavior have movement disorders such as cerebral palsy.

As for psychosurgery for children who chronically misbehave, he said: "It should be used in the adolescent and pediatric age group in order to allow the developing brain to mature with as normal a reaction to its environment as possible."

The reason for this, he argued, is that personality patterns formed in youth persist in the behavior of adults.

Andy's views did not go unchallenged. Dr. Peter R. Breggin, a psychiatrist at the Washington School of Psychiatry here, called the operations Andy performs "old fashioned lobotomies in a new guise." Patients become "quiet and manageable" after such operations, he conceded, but the surgery "blunts" the emotions and irreversibly "reduces vitality."

Andy had reported that he prefers to operate on both sides of the brain and said of one patient that he had operated on him variously three, five, or six times—he wasn't sure which, although he did know that the boy was "nine or ten" at the time of the first surgery.

Breggin commented: "You operate and operate until you get the blunting effect." He also noted that one of Andy's patient's intelligence quotient tested at the same level when he was 16 that it had when he was 9, thus indicating that the surgery may have impaired his learning ability.

Other critics included Dr. David Eaton, senior minister of the All Souls Unitarian Church in Washington and Drs. P. D. MacLean and Larry Ng, both of the National Institute of Mental Health.

Eaton expressed fear that the poor, in general and blacks and other minority groups in particular, have been and will be used as guinea pigs for psychosurgery. He warned scientists that it will no longer be possible for them "to hide behind a white coat and say 'I'm being medically objective . . . and devoid of politics.'"

MacLean, said that his experience with brain surgery on animals has convinced him that psychosurgery is unjustified except when there is clearly something wrong with brain tissues. Dr. A. K. Ommaya of the NIH, however, disagreed. Ommaya, a neurosurgeon himself, said there are some rare exceptions. He cited some cases of intractible pain and chronic inability to eat because of an anxiety-producing disorder known as anoexia nervosa as examples.

Ng, a neurologist, summed up the psychosurgery dilemma.

"Compassion and curiosity", he said, "are two powerful elements in human existence. Compassion without curiosity is ineffectual but curiosity without compassion is inhuman . . . We can now ask not whether something can be done, but whether it should be done . . ."

[From the Star and News, Feb. 5, 1973]

CLERGYMAN ASKS PSYCHOSURGERY HALT

(By Rebecca Leet)

A Washington minister yesterday called for an end to brain surgery operations whose sole aim is behavioral modification.

The Rev. David Eaton, senior minister at All Souls Unitarian Church at 16th and Harvard Streets NW, said that about 1,000 such experimental operations have been reported annually in recent years. He said that most of the patients are poor and from minority groups.

Eaton claimed, in his Sunday sermon, that at the present time, the intent of such operations—known as psychosurgery—is simply experimentation. He said research physicians performing them are more interested in collecting medical data than in treating the individual.

The minister said he recently served on a National Institutes of Health panel with four psychosurgeons, has talked with other doctors and has studied the subject.

He said: "Psychosurgery is unsound because no one really understands the brain and none of these experiments has helped in understanding the brain.

"(It is) ethically wrong because it is human experimentation in the guise of therapy, medically untenable because there is no accepted criterion for 'improvement' and politically ominous because it is a potent tool for controlling behavior."

He noted that, in the late 1960s, three Harvard University research doctors received a $100,000 Justice Department grant to study how to control people who had "poor control of dangerous impulses."

"Who is going to determine what dangerous impulses are?" Eaton said.

Eaton noted that "the reason many of us are present today is a direct result of the . . . ingenious people who went before us" in medical research.

However, he added, "the vigil we must keep (over medical research) . . . cannot be lessened." Later, he said, "We must be aware of it (psychosurgery) . . . and fight to prevent its continuation."

Eaton said that, at the NIH panel, a Mississippi psychosurgeon said he had performed 20 such operations. The minister said he guessed the 20 people were poor blacks, but that the doctor would not answer a letter asking if they were. However, Eaton said, a follow-up study, which could locate only four of the 20, noted that all four were black.

Eaton praised the clinical physician, who is involved with treating the individual patient, but criticized the research doctor whose interest is in collecting medical data and not treating the individual.

He said other doctors have told him that some research doctors are not even able to do a thorough medical history of a patient.

Some, he claimed, "don't even want to touch the patient . . . or even see the patient" because they feel this lack of contact will enhance their research objectivity.

[From the Washington Post, Feb. 24, 1973]

PSYCHOSURGERY ASSAILED ON HILL

(By Stuart Auerbach)

The government's chief psychiatrist said yesterday he opposes brain surgery for behavior problems—now being performed at a rate of about 500 a year—because doctors don't know enough about the brain.

The statement by Dr. Bertram S. Brown, director of the National Institute of Mental Health, was the first by a high government health official in open opposition to psychosurgery.

"The goal of responsible researchers in psychosurgery is to pinpoint the exact locus of the undesirable behavior in the brain and destroy only those tissues and nerve cells, leaving other functions and behaviors of the patient unaffected," Brown told a Senate Health subcommittee hearing.

"Frankly," he continued, "current practice of psychosurgery falls short of this goal, and even the best research in this field is not able to achieve such precision.

"My own view is that more knowledge and more refined techniques would be needed before one could determine unequivocal clinical indications for psychosurgical intervention."

Brown's view was disputed as being too hard on psychosurgery by Dr. Orlando J. Andy of the University of Mississippi, who said he has performed 30 to 40 such operations, and as being too easy on psychosurgery by Washington psychiatrist Dr. Peter Roger Breggin.

"It is well established," Andy testified, "that surgery is one of the most effective methods of treating structural pathology of the brain. Psychosurgical procedures are not experimental as implied by some critics."

He insisted that doctors know exactly where to operate on the brain to achieve the desired behavioral changes, that the operation is done only after lengthy consultations with both patient and family.

Subcommittee chairman Edward M. Kennedy (D-Mass.), however, read Andy's own reports on his operations which told how 75 per cent of one group of patients suffered a decrease in verbal intelligence and another patient suffered "intellectual deterioration."

Breggin said psychosurgery should be made illegal. "It's not even a medical procedure any more than the mutilation of an arm for a criminal act is a medical procedure," he told the subcommittee.

Brown said that neither NIMH nor the National Institutes of Health currently supports psychosurgery on humans although they both are supporting animal research on the brain.

"Until we do more animal research," he said, "we don't want to move into experimental psychosurgery."

He said psychosurgery may be of "potential benefit . . . in cases of extreme mental illness, especially those that are life-threatening to the patient or those around him. Psychosurgery should be performed only after extensive attempts at alternate modes of therapy had failed."

Asked by Kennedy about the possibility of psychosurgery being used for behavior control, Brown said it would be "an abuse of the highest order . . . I think it would be dreadful and unAmerican."

Dr. Willard Gaylin, a psychiatrist who heads the Hastings (N.Y.) Institute of Medical Ethics, said he doubted psychosurgery would be used for mass behavior control since there are more efficient means available such as education, television and drugs.

[From the Baltimore Sun, Mar. 3, 1973]

CURING SOCIETY'S ILLS WITH A SCALPEL

(By Nick Thimmesch)

WASHINGTON.—The scariest medical technique to be described before Senator Edward M. Kennedy's subcommittee on health is "psycho-surgery," a surgical procedure intended to alter human behavior. Some scientists believe that many violent people can be relieved of their uncontrollable impulses to assault, rape, kill or riot, if such surgery is performed.

When superficial information about psycho-surgery gets around, there is understandable fear among mental patients, prisoners and minorities, particularly blacks, that psycho-surgery might be performed on them in the interest of law-and-order.

And when large bundles of federal money are granted for studies and experimentation in brain disorders—including those of violent prisoners—well, the fear turns to paranoia, and even to wild charges against the government.

Psycho-surgery is not the type performed for brain disorders caused by injury, disease or tumor formation. Psycho-surgery is performed strictly to alter behavior, though there may be no evidence of brain damage or disease.

An estimated 500 psycho-surgery operations are performed annually. Dr. Orlando J. Andy of the University of Mississippi who testified that he performed 30 or 40, says these procedures are not experimental, but admitted that behavior improvement in many cases also involved reduced verbal intelligence.

Dr. Robert G. Heath of Tulane University's school of medicine testified as to how electrodes were implanted into brain regions of 65 patients in the department of psychiatry under carefully controlled conditions with "gratifying" therapeutic results. Dr. Heath said a medical school human-research committee, made up of scientists, attorneys and clergymen, reviews and approves all procedures of his department.

The Justice Department, through the Law Enforcement Assistance Administration, made an initial grant of $108,931 to the Neuro-Research Foundation of Boston (followed by continuation grants of $85,000) to study brain disorders in violent offenders. A contract totaling $500,000 was made with the foundation by the National Institute of Mental Health, a federal agency, to "understand and control violent and destructive behavior that is presumed to be a direct result of brain disfunction."

What bothered civil libertarians and black spokesmen is that the three top scientists at the foundation, doctors William H. Sweet, V. H. Mark and F. R. Ervin, in 1967 signed a letter which discussed the possible role of brain disorders in "rioters who engaged in arson, sniping and physical assault." The letter cited medical reports of the high incidence of brain disorders in persons arrested for murder in other countries.

Also disconcerting was the recent revelation that three convicts underwent brain operations at the California Medical Facility at Vacaville for the reported purpose of making them more manageable. A request for

funds for more operations of this kind on violent inmates was put aside in the midst of a public uproar.

The trend toward behavior control, through surgery or otherwise, outrages a man like Dr. Peter R. Breggin of the Washington School of Psychiatry, who blames much of this thinking on Harvard's B. F. Skinner and Yale's Dr. Jose Delgado, both believers in medical control of humans.

"Man is seen as nothing more than a collection of molecules," cries Dr. Breggin rhetorically, "a machine programed by an environment, all of which leaves him completely at the mercy of these totalitarians." He sees America threatened by "a new collectivism based on hatred of the individual couched in psychiatric and behavioral jargon."

Well, it's not that bad yet, but I'm glad Dr. Breggin speaks out, and that Senator Kennedy conducts such hearings. The facts are that not a penny of National Institute of Mental Health or Justice Department money has gone for operations of the "psycho-surgery" type. An additional $1 million grant to the Neuro-Research Foundation was suspended when President Nixon vetoed two Health, Education and Welfare bills, though that was not the express purpose of his vetoes. Moreover, Dr. Bertram S. Brown, director of the National Institute of Mental Health, testified last week that he is against "psycho-surgery" because not enough is yet known about it.

Some 50,000 Americans with severe mental illness had prefrontal lobotomies when that brain-damaging operation was the rage, between 1936 and 1955, and that experience is regarded as a mistake. We are fortunate that the Kennedy hearings, and other whistle-blowing actions by concerned Americans, makes medical science restrain itself in fooling around with the brain.

By Mr. KENNEDY:

Senate Joint Resolution 87. Joint resolution relating to the National Advisory Council on Indian Education. Referred to the Committee on Labor and Public Welfare.

INTRODUCTION OF JOINT RESOLUTION TO REQUIRE IMPLEMENTATION OF INDIAN EDUCATION LEGISLATION

Mr. KENNEDY. Mr. President, the administration's 1974 budget proposes rescission of the total funding provided by Congress for fiscal year 1973 to implement title IV of Public Law 92–318, constituting the Indian Education Act. The attitude of this administration toward providing quality education for American Indians has been negative from the start. Proposing no legislation in this area on their own, representatives from the Executive consistently opposed each effort on the part of congressional committees to work up constructive and far-reaching legislation on their own. Despite this opposition, the Congress acted last year and passed title IV, followed by appropriations of $18 million for 6 months of operation of the programs established by the new law.

RESCISSION OF APPROPRIATIONS REQUESTED

As justification for its rescission request, the appendix to the budget suggests (at p. 1074):

> Support for Indian education—which totaled more than $80 million in 1973—is provided under several existing educational authorities. The proposed rescission would eliminate duplication of these exciting authorities and programs.

It is clear that this request for rescission has no operative effect legally. The legislative language of title IV is clear: part A directs the Commissioner of Education to carry out a program of making grants to local educational agencies; part B directs the Commissioner to carry out a program of making grants for the improvement of educational opportunities for Indian children; part C directs the Commissioner to carry out a program of making grants for adult education. There is no discretion, express or implied, in this language. The Commissioner has no legal authority not to carry out these programs; nor does the President of the United States have any power not to effectuate the laws duly passed by Congress and signed into law.

The handwriting on the wall was unfortunately clear last summer, when in informal conversation the then Commissioner of Education suggested that appropriations might be allowed to "lapse" if they applied to fiscal 1973. Then, on November 24, 1972, in a memorandum to the Secretary of Health, Education, and Welfare, Assistant Secretary and Comptroller James B. Cardwell said that:

> We are placing in reserve all discretionary funds appropriated above the level of the President's budget, e.g., program grants for Indian education.

I ask that this memorandum be placed in the RECORD as exhibit 1.

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

(See exhibit 1.)

Mr. KENNEDY. Mr. President, it now appears that this proposed action has become a fait accompli: title IV funds have been placed in limbo, with no sign that they will be released. The Office of Education has indicated that it will not expend or obligate the funds appropriated for fiscal year 1973 until Congress has rejected the proposed recission. This position is clearly legally untenable. I do hope, however, that Congress makes resoundingly clear as soon as possible its intention to see title IV carried out.

Title IV was most assuredly not the product of superficial or hurried legislative action. A Special Subcommittee on Indian Education of the Senate conducted hearings over a period of 2 years, culminating in a final report recommending legislative action to meet the challenge and reverse the tragic history of Indian education programing in the past. After introduction of the Indian Education Act, 3 days of hearings were held by the Senate Labor and Public Welfare Committee, 1 day by the Senate Interior Committee, and 6 days by the House Education and Labor Committee. The act was passed without dissent by the Senate on two separate occasions, and was adopted as title IV of the Education Amendments of 1972 by the House and Senate before passage of that important legislation.

My own review of "existing authorities and programs" convinces me completely that any duplication is minimal and inconsequential. No other authority targets assistance to off-reservation Indian children; none promotes Indian control and involvement in education programs; none provides special resources for Indian-controlled schools, or for Indian adult education programs.

REQUIRED APPOINTMENT OF NATIONAL ADVISORY COUNCIL

In addition to the funding problem, it appears that the White House does not intend to take seriously title IV's provisions for a National Advisory Council on Indian Education. Part D of that title calls for a 15-member Council of Indians and Alaska Natives appointed by the President from a list submitted by Indian tribes and organizations. Despite the compilation of such a list by HEW, the President has made no move to appoint the members of this Council.

The National Advisory Council is the first congressionally established body authorized to play a substantive role in the determination of policy and implementation of programs affecting Indian people. It is also the first Indian advisory body required to be appointed based on input from the Indian community itself. On August 18, 1972, the Commissioner of Education sent out hundreds of letters to tribes and organizations asking for recommendations for the Council. I ask that a sample letter be printed in the RECORD as exhibit 2.

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

(See exhibit 2.)

Mr. KENNEDY. Mr. President, the names are all in now. They were assembled and, according to criteria developed through consultation with Indian leaders, recommendations for appointment were transmitted from the Office of Education to the Secretary's office, for further transmittal to the President, last fall. That was the end of it.

This session Congress has already had to go through tortured processes to obtain "faithful execution" of our laws by the Executive, processes which were not contemplated by the Framers of the Constitution. The Constitution provides that Congress enacts legislation and the President, if he signs a bill into law, will carry it out. If the President does not want to carry out provisions of a bill passed by Congress, then he may veto the bill. He has no item veto power. And of course, Congress may override this veto. The Constitution does not suggest any further action on the part of Congress, once funds have been appropriated to enable execution of a law, to effectuate that law. Nonetheless, we find ourselves having to pass bills and resolutions saying that "we mean really!"—that we are serious about our desire that the law be carried out.

Although I do not believe this process ought to be necessary, and in fact I find it wholly undesirable, it does seem to be called for upon occasion. Thus, although part D clearly reflects Congress' intention that the President appoint a National Advisory Council on Indian Education, I have sent to the desk today a joint resolution, the provisions of which are simple and straight-forward:

> *Be it resolved that* the members of the National Advisory Council on Indian Education for which provision is made by section 442 of the Education Amendments of 1972 shall be appointed not later than 10

days after the enactment of this Joint Resolution.

I expect a similar resolution to be introduced in the House and that Congress will act on this resolution without delay.

ADMINISTRATION RHETORIC

In discussing the failures of this administration to implement the Indian Education Act, I am reminded of the statement made a few weeks ago by the Under Secretary of the Interior, John Whitaker, in a press conference regarding Indian affairs. Introducing for the second time the administration package of Indian legislation, some of which has been strongly opposed by Indians, Mr. Whitaker said:

While the Federal Government has dramatically increased funding for Indian programs in the last four years we have exhausted the limits of existing authority to provide America's Indians the full opportunity to achieve self-determination. We need Congressional action—not inconclusive hearings or an expression of sentiment at a press conference.

I ask Mr. Whitaker, and the administration generally, to reflect on this language as applied to the situation in Indian education. Our hearings were not inconclusive; our expressions of sentiments were translated into direct legislative language which was responsive to the many constructive suggestions of Indian organizations and tribes and educators. Thus I would call upon the administration, with regard to the Indian Education Act, to take even the first steps required by the law, much less to "exhaust the limits of existing authority."

BUDGET PROSPECTS

It is accurate to observe that the Federal budget for Indian affairs has been on the increase. Administration spokesmen do not miss the opportunity to bring this point out at every occasion. But automatic raises in employee salaries, rapidly increasing construction costs, and inflation generally account for a large percentage of any increases. The Alaska Native claims payments account for another large chunk of increases. And some increases represent restoration of cuts from this year's budget, or movement of OEO programs to HEW next year. An excellent article written by Karen Ducheneaux and Richard LaCourse for the American Indian Press Association places the Indian budget in perspective, and I ask that this article be reprinted as exhibit 3.

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

(See exhibit 3.)

Mr. KENNEDY. Mr. President, I think that we must acknowledge that the resources of the executive branch are greater and more capable of making the initial determination of funding needs for various programs. By the same token, the congressional appropriations process allows for full input from outside the Government, as well as from members of Congress directly, and on the basis of these inputs Congress often determines that appropriation requests by the administration are either too high or too low, or that some specific need has been overlooked. The pattern adopted by the administration this year, of impounding or withholding expenditure of funds that were not included in its original request, is unacceptable both from a practical basis—since the administration participates in the appropriation hearings and the President signs the appropriation bills—and from a constitutional basis—since the Constitution does not provide for item vetoes and clearly empowers Congress, not the Executive, to provide for the spending of Federal funds.

Finally, I want to take note of what seems to be a regression in the past few years in the area of tribal participation in the budget process. Extensive discussion of this subject occurred in hearings before my Administrative Practice Subcommittee on November 1971, and officials representing the Department of Interior assured us of their full commitment to tribal involvement in the budget-formulation process. Documents provided for our record contain the following:

From Deputy Commissioner John Crow: "It is our policy to seek the involvement and participation of the Indian people served by the Bureau in developing program and financial plans. . . . *I want the FY 1974 PM* [Program Memorandum] *for each installation to reflect the thinking of Indian people served by the installation.*" (Italics in original).

From the Commissioner of Indian Affairs: "I place absolute top priority on achieving Indian participation in program development. Until Indian people participate in planning and developing Bureau budgets at the Agency level, they will not be completely aware of the scope, commitment or, in some instances, the limitations of BIA programs or other BIA activities."

From Acting Deputy Commissioner Harold Cox: "It is our policy to provide Indian Tribes and other Indian organizations with the maximum opportunity allowed by law to become involved in the operation of BIA funded programs."

Unfortunately, these fine pronouncements have not been translated into action. Let me focus on the example of the Navajo area, which representatives of the Navajo Education Association recently brought to my attention.

It was agreed that there would be increased financial needs for education programs on the Navajo Reservation. Even to maintain programs at the previous year's level, increases in salaries and costs would require some addition to the budget. Despite the feeling on the part of the tribe that educational programs would suffer and many needs would remain unserved if a real expansion of the budget were not allowed, for the sake of economy and to remain within limitations imposed. from above, the education association believed that it could not not only live without expansion—it could provide for absorption of the cost and pay increases within the previous budget level.

The education association, however, desired to control the process of absorption, determining itself which slots and programs were to be cut. The BIA could not live with this brand of self-determination; after all, some sacred cows—sacred especially to superfluous bureaucrats would be gored. So the increased funds were budgeted to come from cutting meat issues to schools for food programs; from deleting the entire summer program; from eliminating a model dormitory program that had shown sufficient promise to have merited an add-on by Congress the previous year; and from curtailing other programs believed by the Indian people to be crucial to their children's needs. In short, the Navajo education budget dispute reveals a strange definition on the part of the BIA of "involvement and participation of the Indian people" in the budget process.

NATIONAL COUNCIL ON INDIAN OPPORTUNITY EDUCATION SUBCOMMITTEE

In the much heralded Presidential message on Indian affairs of July 8, 1970, the only specific proposal for Federal action in Indian education called for by the President was the establishment of an Education Subcommittee of the National Council on Indian Opportunity to assist local communities to take control over their schools. After reciting the statistics of the tragedies of Indian education, the President stated:

Consistent with our policy that the Indian community should have the right to take over the control and operation of federally funded programs, we believe every Indian community wishing to do so should be able to control its own Indian schools. This control would be exercised by school boards selected by Indians and functioning much like other school boards throughout the nation. To assure that this goal is achieved, I am asking the Vice President, acting in his role as Chairman of the National Council on Indian Opportunity, to establish a Special Education Subcommittee of that Council. The members of that Subcommittee should be Indian educators who are selected by the Council's Indian members. The Subcommittee will provide technical assistance to Indian communities wishing to establish school boards, will conduct a nationwide review of the educational status of all Indian school children in whatever schools they may be attending, and, will evaluate and report annually on the status of Indian education, including the extent of local control.

Let me remind my colleagues that this is the only comprehensive statement made by the President on Indian education. Let me also offer the observation that a Special Subcommittee on Indian Education in the Senate had studied the subject for over 2 years and reported to the Congress with specific remedial recommendations, and at almost the same time the Office of Education sponsored a $500,000 study of Indian education. Yet the best the President could come up with was the mandate that a new group study the subject and, incidentally, provide technical assistance to communities wishing to establish school boards.

Mr. President, the Special Education Subcommittee of NCIO reported to the President on November 30, 1972. There was no fanfare or ballyhoo; there were no press conferences or public statements. In fact, the report has to this date been suppressed. I think the following quotes from the subcommittee's major findings tell us why:

The Federal Government is failing to implement its proposed policy that federal elementary and secondary day and boarding schools on or off reservations be placed under organizational and operational control of local school boards with all deliberate speed.

The Special Education Subcommittee, conceived as an action agency to provide technical assistance, was reduced to a token Indian group by withholding official and financial support. . . . The subcommittee was promised, but did not receive, the resources necessary to form an effective technical assistance team(s) that would be accountable to them. . . . This lack of resources engendered the feelings of tokenism on the subcommittee and the impression that implementation of the self-determination without termination policy did not have strong or healthy roots in the Federal Government.

These are the words of a subcommittee set up under direct Presidential mandate, a subcommittee to a body chaired by the Vice President himself. There is little wonder, then, that there has been so little progress in Indian education over the past few years; little wonder that legislative attempts to provide solutions have been opposed by the administration; little wonder that Indian education today remains a national tragedy.

I believe that the major findings and recommendations of this NCIO subcommittee will be of interest to Indian people and to members of the Senate, and I ask that they be included at the end of this statement as exhibit 4. I also want to include in the RECORD as part of that exhibit a section on Scope and Limitations of the Report, which conclude that the subcommittee "made no attempt to recommend solutions for local situations." This can certainly be contrasted with the Presidential direction that the subcommittee work with local communities to assist them in achieving control of their education programs.

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

(See exhibit 4.)

WOUNDED KNEE AND BEYOND

Mr. KENNEDY. Mr. President, shortly after the occupation of Wounded Knee began, almost a month ago, a member of my staff traveled to South Dakota to talk with the Indian people involved. The complaints related were not new:

Exploitation of Indians by white traders and real estate operators.

Federal housing projects that are both inadequate and inappropriate for the life-pattern of the Oglalla people.

Education programs that cost, per pupil, over twice the national average, yet yield a dropout rate of over 60 percent.

Local BIA officials who often appear at best insensitive or paternalistic, and at worst brutal or exploitive.

Discrimination in Federal and State programing.

Continuing failures on the part of Federal officials to abide by their own regulations in dealing with Indian lands.

These are the same complaints I heard in Washington and across the country when I chaired the Indian Education Subcommittee. They are the same complaints I heard in extensive hearings here and across the West and Southwest by my Administrative Practice Subcommittee. They come to me daily in letters from tribal chairmen in Arizona, from welfare recipients in the Midwest, from schoolchildren in Oklahoma, from landowners in the Southwest. Allegations are the same from everywhere: too much "white tape"; too much Government interference; too little funding; inadequate recognition of Indian sovereignty. These are the issues also that were brought to my office by participants in the BIA occupation last November.

Certainly these complaints apply in the area of Indian education. The Office of Education has not implemented the Indian Education Act, and its revenue-sharing proposal threatens other programs benefiting Indians. The Bureau of Indian Affairs is not fully including tribes in the budget process and continues to be reluctant to abandon paternalistic control of Indian programs. The National Council of Indian Opportunity's Education Subcommittee has not been given adequate leeway or resources to achieve the goals set out for it. The White House has made no appointments to the National Advisory Council on Indian Education.

The list of particulars could go on indefinitely. In a test case in New Mexico a Federal judge found last month that the local public school district had "consistently followed a pattern of resource allocation that discriminates against the Indian students," had "violated both the Johnson-O'Malley Act and the title I act" in its regulations, thereby depriving Indian children of equal educational opportunity. As the court concluded, "the Indian children truly have not been given an even chance." The facts giving rise to these conclusions repeat themselves throughout the country.

Though admitting that substantial, and probably drastic, steps were needed to resolve the problems raised relating to off-reservation boarding schools, the BIA has yet to take definitive action. Revision of Johnson-O'Malley regulations has been in process now for 3 years, but new regulations have yet to be promulgated. For a year and a half the BIA has talked about the importance of its proposed student bill of rights; these have yet to take effect. With all the talk of Indian control of schools and other education programs, at this date there are stilly only 7 out of over 200 schools that are community controlled, and only two or three JOM contracts with tribes have been firmed up. Indian employment within the BIA's central office education division continues at disgracefully low levels, despite the growing number of qualified Indian educators and administrators. The backlog on school facility construction continues to grow. Inadequate attention is being given to higher education needs of Indians.

I believe that Congress has taken important first steps in reversing the tragic history of Indian education. Further action is needed, and I am confident that we will meet the challenge from the legislative standpoint. But there must be a corresponding commitment on the part of the executive branch, to carry out the will of Congress and to fulfill its trusteeship toward native Americans. So far, on this score, we have heard a lot but seen very little.

EXHIBIT 1

NOVEMBER 24, 1972.

To: The Secretary.

From: James B. Cardwell, Assistant Secretary, Comptroller.

Subject: Current Activity Report—Week Ending November 24, 1972.

Apportionments. All apportionments associated with the fiscal year 1973 supplemental appropriation bill (except for the Social and Rehabilitation Service account) have been submitted to OMB. Those submitted include all of higher education, emergency school assistance, and the salary and exense accounts associated with those items, including the Office of the Secretary. Non-education items submitted include Head Start and drug abuse. We are requesting apportionment of all funds appropriated at or below the level of the President's budget and mandatory formula grants appropriated above the President's budget, e.g., the veterans cost of instruction payments to institutions of higher education. We are placing in reserve all discretionary funds appropriated above the level of the President's budget, e.g., project grants for Indian education. (Mr. Dukes, Ext. 22573)

Public Assistance Items. The Secretary, the Under Secretary, and others met with Cap Weinberger and staff on November 22 to discuss savings associated with the 1973 and 1974 budgets under cash assistance. The principal objectives of the meeting were to provide OMB with assurances that the savings already estimated could be achieved and also to discuss the possibility of advancing some of the 1974 savings into 1973. Additional staffing for SRS, GC, et al., required to carry out some of the proposed actions was not discussed.

The Under Secretary, SRS staff, and members of this office met with Paul O'Neill and staff on November 22 to deliver and describe the proposed new regulations on social services. Our target is to publish notice of proposed rule making in the Federal Register by December 1, and we alerted OMB to the fact that every month's slippage will cost us approximately $60 million per month. OMB has requested another meeting for November 28, at which time they expect to either be able to give us the go ahead or describe the changes they recommend in the regulations. Presumably, these could be handled in time for the December 1 publication date. Prior to November 28, they have asked us to rack up, if possible, additional possible steps to tighten the regulations and the amounts each would save. (Mr. Canfield, Ext. 21773)

EXHIBIT 2

WASHINGTON, D.C., *August 18, 1972.*

Mr. THEOPHILE O. TRAVERSIE,
Chairman,
Cheyenne River Sioux Tribal Council,
Eagle Butte, S. Dak.

DEAR MR. TRAVERSIE: Since the passage of the Indian Education Act, Title IV, P.L. 92-318, the U.S. Office of Education has been busily engaged in reviewing the intent, direction, and ramifications of this new legislation.

One section in the law calls for the establishment of a National Advisory Council on Indian Education. This Council will have 15 members who are Indians and Alaska Natives representing diverse geographic areas of the country. They will be appointed by the President.

The Council will serve as advisors to my Office on a number of important matters concerning Indian education, including submission of nominations for the Deputy Commissioner of Indian Education.

In accordance with the new law, we are seeking broad participation from Indian tribes and organizations throughout the country. Therefore, I am writing to invite the recommendations of your Tribal Council for the National Advisory Council. If you wish to make any nominations, I would appreciate receiving them by September 25, 1972. In view of the large number of organizations expected to submit names, we ask that you limit recommendations to not more than five.

To assist you in submitting nominations, I enclose several items, as follows:

1. A general information sheet on P.L. 92-318, Title IV, the Indian Education Act;

2. The specific language in the law relating to the role of the Advisory Council; and

3. The forms to be used for submitting nominations. Please provide all the information requested for each nominee.

After my Office receives the nominations, I will move quickly to process them and make recommendations for membership.

I appreciate your assistance and look forward to a more effective joint working relationship with the Indian community as we seek to improve the educational circumstances of all Indian people.

Sincerely yours,

S. P. MARLAND, JR.,
U.S. Commissioner of Education.

EXHIBIT 3

NIXON'S NEW INDIAN BUDGET

(By Karen Ducheneaux and Richard La Course)

WASHINGTON, D.C. — Analysis of the proposed federal budget for the coming fiscal year must be viewed from two standpoints in order to grasp what it will really mean for the Indian people of America.

The first standpoint is the definition of the term "Indians," and the second is the actual cuts or increases in the budget proposed to the Congress by President Nixon.

The most basic viewpoint is that of the definition of terms. Indians have been permitting the federal government to define what constitutes an Indian, what constitutes an "Indian expenditure," and the meaning of the phrase "spent on."

Four major facts emerge from a careful analysis of the new budget.

First, when the President's budget states that $1.45 billion will be spent on the approximately 500,000 reservation Indians and Alaska Natives, it is patently false. At least one-third of the $1.45 billion is money from non-Indian agencies which is available to all Indians on the basis of their U.S. citizenship, not on the basis of their legal Indian identity. Many of the approximately 500,000 non-federally recognized Indians participate in these programs.

Second, not all of the $1.45 million is spent to "support" Indians. A portion is actually spent "against" Indians, or to rectify past mistakes on the part of the federal government. For example, money to support the Justice Department staff which works against Indians before the Indian Claims Commission is included in the total figure, as are monies to support the work of the commission itself, and funds to support the work of the General Services Administration which straightens out federal accounts of Indian money. Another portion is money spent by the U.S. Army Corps of Engineers to build dams on Indian reservations or to pay Indians for lands taken. None of this is money "spent on" Indians.

Third, some of the monies included in the $1.45 billion are monies belonging to Indian tribes themselves, deriving either from claims payments or tribal revenues which the U.S. holds in trust. The figure for this area in Nixon's new budget is $190,000,000.

Fourth, that money spent by the federal government on Indians which comes from non-Indian programs, such as the Veterans Administration or Labor's Manpower Training, is by no means money spent on Indians as Indians, but on taxpaying citizens who have fought in the wars of this country.

The result of this redefining of terms is to leave about half of the $1.45 billion which can accurately be said to be spent "on" Indians. This is the money which will go to the Bureau of Indian Affairs, the Indian Health Service and the National Council on Indian Opportunity.

The second standpoint from which the new budget must be analyzed is that of increases and decreases in "Indian" expenditures and "citizen" expenditures.

At first glance, it would appear the BIA will get a $50 million increase. But analysis shows the increase to be a puff of smoke. Cuts in education and welfare services are hidden by including the $20 million increase in payments on Alaska Native claims. Increases in resource management are due to the transfer of $25 million from the Economic Development Administration to the BIA. This is hardly new money.

And there is some indication that a mix-up on the part of the administration may mean that this $25 million will have to come out of the new BIA appropriation rather than through a supplemental appropriation.

The Indian Health Service budget shows a proposed increase of $8,928,000. Upon analysis, however, one finds that $4,708,000 was cut from the appropriation for the current year and is simply being added back in the new budget.

In their capacity as citizens, the funds Indians have been drawing from other agencies may disappear into special revenue sharing legislation, if the Congress passes the proposed Nixon legislation. Indians have no guarantee they will participate in special revenue sharing as they have in general revenue sharing. Two programs in which Indians have participated as citizens will fall under special revenue sharing concepts if the President has his way with Congress. These are the HEW Office of Education programs and Labor Department manpower training programs.

The purses strings will also be tightened for urban Indians. The federal government has assisted in funding a total of 13 urban centers, to the tune of $1,405,000 during the past year. According to Nixon's new budget proposals, only four centers—called urban demonstration centers—will receive continued funding at their current levels. And Nixon has liquidated the Office of Economic Opportunity (OEO), which in his July 1970 Indian Message he billed as his "lead agency" for urban Indians.

On the brighter side, an increase in monies for the General Services Administration will mean a speed-up in the work of the Indian Claims Commission, due to expire in 1977. Although accelerated work and additional funds do not guarantee that Indians will win their claims, it means at least that many tribes will finally get their day in court.

Although there is a net increase in BIA appropriations, about $23 million will be chipped away in the area of social programs. And while appropriations for Indian health facilities has been cut by about $3 million (with about $48 million needed for new facilities, modernization and repair), the appropriation request for Indian Health Services has gone up a net of about $4 million.

Finally, the really good news in 1973 will be the money going to tribes and Indian communities through general revenue sharing. Indian tribes and communities are receiving about $6 million in general revenue sharing n February. They will be receiving such checks henceforth on a quarterly basis.

EXHIBIT 4

BETWEEN TWO MILESTONES: THE FIRST REPORT TO THE PRESIDENT OF THE UNITED STATES

(By the Special Education Subcommittee of the National Council on Indian Opportunity, November 30, 1972)

CHAPTER I

Major Findings and Recommendations

The Special Education Subcommittee of the National Council on Indian Opportunity was initiated by the Presidential Policy Message of July 8, 1970 to 1) provide technical assistance to local American and Alaskan Native communities wanting to establish local boards of education and 2) to report the status and monitor change in American and Alaskan Native education through a national review and annual assessments. The Specil Education Subcommittee was established as the primary mechanism for implementing the policy of self-determination without termination in the educational sector of American and Alaskan Native affairs. The nine member Subcommittee conducted regional hearings in the contiguous forty eight states and Alaska.

Major findings

On the basis of testimony by American and Alaskan Native people and Subcommittee deliberations, the following summary of major findings is presented:

1. The Federal Government is failing to implement its proposed policy that federal elementary and secondary day and boarding schools on or off reservations be placed under organizational and operational control of local school boards with all deliberate speed. The federal bureaucratic agencies charged with this responsibility are reluctant to abandon the paternalism and patterns of influence which the new policy sought to eliminate. Since July 8, 1970, only eight, out of an approximate total of 200, federal day and boarding schools on-and-off reservations have been placed under the control of local boards of education with Native people as members. An additional six Native communities can be said to be in the process of establishing local boards to operate existing federal elementary and secondary schools. Those instances of actual and proposed assumption of control by Native people have generally been instigated and pursued by the people themselves.

Middle and lower echelons of the Federal Government have not planned for nor pursued implementation of the proposed policy. After two years under the new policy, many local advisory boards have been created, but the actual operational control of the federal schools for American and Alaskan Native children remains in the hands of the Bureau of Indian Affairs. The power to guide and effect this policy clearly resides in the agencies of the Federal Government; it has not been exercised.

2. The July 8, 1970, Presidential Policy Message also called for the vesting of a greater degree of programmatic control over education of Native children in public schools by contracting for the expenditure of Johnson O'Malley educational funds directly with the tribes and communities. During fiscal year 1971, approximately $19,-652,000 was allocated to Johnson O'Malley educational programs. Of this total, $919,000 or about 4.67 percent was contracted directly with tribes or other Native communities. During fiscal 1972, $2,750,000 or about 12.16 percent of the total Johnson O'Malley educational budget of $22,600,000 was contracted directly with tribes and local communities. The Subcommittee interpreted the small proportions of Johnson O'Malley contracted directly to tribes to be evidence of hesitancy or actual failure in policy implementation.

The small proportion of Johnson O'Malley funds actually contracted directly with tribes may be in part due to the fact that needed enabling legislation has not yet been passed by the Congress. In its hearings, the Subcommittee found that the promise of vesting a significant degree of educational programmatic control with Native people at the local level remains largely unfulfilled.

3. A division of organizational authority and responsibility reduces the effectiveness of educational programs and services for American and Alaskan Native children attending public schools. Two uncoordinated federal agencies, the Bureau of Indian Affairs and the United States Office of Education, administer separate programs which have major significance for the education of Native children enrolled in public schools. The Johnson O'Malley program is managed by the BIA, and the USOE distributes resources authorized under P.L. 815, P.L. 874.

several Titles of ESEA, the Vocational Education Act, and other laws.

The Presidential Policy Message recognized the dual relationship of the Federal Government to American and Alaskan Natives stemming from: (1) special treaties, statutes, and executive orders; and (2) rights and responsibilities attending United States citizenship. Under treaty provisions or other arrangements, the Federal Government is obligated to provide educational services to Native children living on designated federal trust land. While the Subcommittee opposes centralized control and student boarding features of the federal schools, it recognizes the important and necessary function of the BIA as an organizational mechanism for implementing and supporting special federal relationships with Native people.

When American and Alaskan Native children attend public schools on or off reservation land, a different set of relationships stemming from citizenship applies. The principal channel of control for public schools flows from a state legislature through a state department of education to local school boards. The principal channel, aptly described by one Subcommittee member as a maze, for federal support and limited control flows from the legislative branch to the USOE and from there to state organizations. These channels of authoritative communication constitute the formal organizational structure for public education.

The BIA is not part of this organization, in spite of the fact that it disbursed $22,600,000 in Johnson O'Malley funds and received an estimate $16,316,226 in set-asides or project grants from the USOE during the fiscal year 1972. Beyond the amount of set-asides and grants to the Interior, the USOE has actual and potential impact on the education of Indian children through such varied programs as Compensatory Education, Bilingual Education, Drop-out Prevention, and other programs not aimed at particular ethnic groups. The passage of the Indian Education Act provides an important opportunity to provide better coordination of educational services provided for Native children enrolled in public schools.

4. The Special Education Subcommittee, conceived as an action agency to provide technical assistance, was reduced to a token Indian group by withholding official and financial support. The Subcommittee was appointed from the Office of the Vice President of the United States, but the prestige of that office was not infused in Subcommittees credentials in spite of repeated requests. The magnitude and importance of the specific charges to the Subcommittee merited greater official support from the Executive Branch of the Federal Government if performance expectations really went beyond the mere preparation of another written report. The effectiveness of the Subcommittee as an administrative mechanism was neutralized through inadequate allocations of financial and/or human resources.

The first charge to the Subcommittee was to provide technical assistance in the formation of local boards of education in Native communities wishing to assume local control of federal schools. Assumption of control of education is a complex task. A team of legal, financial, and educational specialists is needed to create a viable organizational structure. The Subcommittee members were experienced educators, but none of them were lawyers, accountants, or organizational specialists and all of them were employed on a full-time basis in demanding positions. Technical assistance in developing local boards of education to take over federal schools is not a part-time job. The Subcommittee was promised, but did not receive, the resources necessary to form an effective technical assistance team(s) that would be accountable to them.

The second charge to the Subcommittee was the preparation of a national review-status report on Indian education. The third charge called for an annual report that would serve a monitoring function. A national assessment is an undertaking of great magnitude. The 1928 Meriam Report and the seven volume Senate Subcommittee Report each took two years to complete, while the recent Havighurst Study required nearly tree years from its inception. The Havighurst Study, for example, was performed on a grant of $500,000.

The Special Education Subcommittee proposed to meet its charges on a rather conservative budget of $191,000. The needed support was not forthcoming and, only after considerable negotiations, a total of $21,000 plus travel was made available for the Subcommittee technical assistance, national status reporting and annual assessment functions. This lack of resources engendered the feelings of tokenism on the Subcommittee and the impression that implementation of the self-determination without termination policy did not have strong or healthy roots in the Federal Government. Only the collective and individual Subcommittee member commitments to improve the quality of education for Native people deterred resignation of the Subcommittee.

5. The Special Education Subcommittee sensed two general sentiments or points of view among native people toward local control of education at the hearings it conducted. One point of view was characterized by hesitancy and a fear that local control of education would eventually mean a loss of support; another approach to termination. Support for this point of view was phrased in arguments that Native people are not yet ready to assume control, that sufficient numbers of trained Native personnel are not available, and that an assumption of local control might jeopardize existing programs and the progress that has been made.

This point of view tended to be held by Native and non-native people whose status or career goals were linked to the perpetuation of the status quo. This point of view has a strong chance to prevail because its proponents tend to be in positions of influence or have access to those in power. If the implementation of local control of education is left to Natives and non-natives inclined toward this point of view, the process will be prolonged and difficult.

The second point of view toward local control of education by Native people was characterized by receptivity and enthusiasm. People who held this point of view were generally those who felt that they had little to lose as a result of change. These are the Native people who seek relief from the family strains of boarding school, who want curricula and programs which would help their children achieve better in basic subjects, and who want school climates which would be more sympathetic to the Indian and Alaskan Native experience. By and large, the Native people who advocate the assumption of local control see it as a means to better education for their children. Their concerns are not with formal organizational structure but with sensitivity to academic, personal, and social needs in the classroom.

6. The role of the Special Education Subcommittee is unclear. It was unable to execute the specific charges it was given. Its relationship to other American and Alaskan Native Education advisory groups in the Federal Government remains undefined. The future is even more uncertain. The recent Indian Education Act created a National Advisory Council on Indian Education in Health, Education, and Welfare. The language of the act charges the National Council with some of the same responsibilities as the Subcommittee. For example, in Section 442(b)(3) the National Council is charged with responsibility for the evaluation of any program or project involving Indian children or adults carried out under the auspices of Health, Education and Welfare. This responsibility for evaluation overlaps with the second and third specific charges to the Subcommittee which call for a status report and annual assessments.

Section 442(b)(4) states that the National Council shall "provide technical assistance to local educational agencies and to Indian educational agencies, institutions, and organizations to assist them in improving the education of Indian children." The language of this provision clearly includes the primary charge to the Subcommittee in which it was to provide technical assistance to Native communities seeking to establish local boards of education.

The Special Education Subcommittee is concerned that the proliferation of advisory councils of American and Alaskan Natives can become counter-productive. Native involvement in policy formulation is essential, but too many councils or committees can impede real progress in the improvement of educational oportunity. The Federal Government must be commended for its efforts to involve Native people, but it must make a concerted effort to minimize role ambiguity for the advisory bodies it creates. The pressing educational needs of Native people cannot afford duplications of effort which may result in eneffective and inefficient use of available resources.

Recommendations

The educational concerns of American and Alaskan Native people go beyond the problems referred to in the charges of the Special Education Subcommittee. Hearing testimony and Subcommittee deliberations led to the following recommendations:

Recommendation No. 1

Whereas, the cultural backgrounds, economic circumstances, educational needs, and degree of desired responsibility for the management of education are too diverse to be implemented by a single set of operational policies or procedures without violating the individuality of Native people or the spirit of self-determination;

It is recommended that, all agencies of the Federal Government meet the obligation to support Native education and implement the policy of self-determination through a variety of contractual arrangements which are sufficiently flexible to meet the needs of Indian people living under the diverse circumstances of native communities on or off reservations and in pluralistic urban areas.

Recommendation No. 2

Whereas, the local community constitutes the fundamental level at which individuals, families, and other social groups act out their social, political and economic interdependence, and whereas, the local community is the institution which preserves, adapts, and reinforces group mores and cohesiveness, and whereas, people have the right to join together to provide educational opportunities for their children, and whereas, there exists a special relationship between the Federal Government and Native people, and whereas, Native people do exist in both rural and urban communities:

It is recommended that, social change in the Native community be officially accepted by all agencies of the Federal Government, and that, for educational purposes, native tribes, clans, bands, chapters, villages, land claims settlement corporations, or nonprofit educational corporations of parents, who trace their lineage to several traditional Native nations be recognized by the Federal Government as agencies eligible to contract with the Federal Government for the support of the education of their children, and that, guidelines for recognition and appropriation of support be legislated by the Congress of the United States.

Recommendation No. 3

Whereas, the family is the basic unit of social structure in American and Alaskan Native culture, and whereas, the family is the most important social institution for the rearing and nurturing of children:

It is recommended that, federal implementation of self-determination take policy directions and procedural forms which preserve, support, and reinforce the American and Alaskan Native family, that, boarding schools as a normative education process for Native children be phased out as the result of road construction and decentralization programs until the boarding school experience remains only a minor program component of some day schools to accommodate exchange students or local students with special personal circumstances, and that, the emerging day schools be governed by organizational structures which encourage and require direct and elected representative community educational government.

Recommendation No. 4

Whereas, Indian children attending public schools have rights to educational opportunity attendant upon state and federal citizenship, and whereas, the division of responsibility for the education of Native children in public schools between the BIA and the USOE tends to inhibit program coordination and effectiveness, and whereas, the Indian Education Act has created an organizational mechanism within the USOE capable of coordinating all educational efforts in the public schools;

It is recommended that, all programs involving the education of Native people through public school organizations be administered or coordinated by the Bureau of Indian Education in USOE under the direction of a new Deputy Commissioner, and that, the responsibility and authority vested in the new Bureau specifically include the management and distribution of Johnson O'Malley funds.

Recommendation No. 5

Whereas, schools serving children of Native communities need to become an integral part of that community, and whereas, Native people want a choice to hire competent Native teachers, counselors, and administrators, and whereas, it is to the benefit of the Native and non-natives to have Native educators working in public schools which serve few, if any, Native children, and whereas, colleges and universities training teachers should have Native people represented on their staffs;

It is recommended that, federal resources be made available to colleges and universities which have demonstrated involvement of Native communities and organizations of which are prepared to provide quality programs with Native policy input to recruit, train, and assist in placing Native teachers, counselors, curriculum specialists, librarians, special education teachers, school administrators and other educational specialists, and that, a Native organization with a research capability be employed to assess the supply and demand function for such programs.

Recommendation No. 6

Whereas, the revival of interest in Native history and culture is a vital part of an effort by Native people to gain a meaningful social perspective for their lives somewhere between a romantic, but unrealistic, return to the past and a complete, but artificial assimilation with transplanted European culture, and whereas, many of the educational materials are historically incorrect and prejudicial to the image of Native people;

It is recommended that federal resources be allocated to Native organizations for the development of instructional materials, curriculum and library resources which will lead to unbiased perceptions of Indian history and culture by both Native and non-native students in pursuit of Native studies and for incorporation into the study of religion, art, music, dance, and other disciplines of study at elementary, secondary and collegiate levels.

Recommendation No. 7

Whereas, the knowledge and skills offered by institutions of higher education are essential in the conduct of native affairs, and whereas, it is important to Native people to have non-natives become better informed about the past, present, and future of Native life in the context of higher education, and whereas, Native people must have increased access to general and professional programs in established colleges and universities, and whereas, the emergence of Native institutions of higher education is a new trend which promises unique orientation to the needs of Native people, and whereas, the costs of higher education have risen beyond the means of most Native students;

It is recommended that federal resources continue to be made available to established colleges and universities to stimulate Native studies and special professional training programs for Native people with mandatory programmatic control shared with representatives from Native communities, and that, sufficient federal resources be made available to emerging Native institutions of higher education so that they have an adequate opportunity to demonstrate their effectiveness in meeting the needs of Native people, and that, the level of funding for both undergraduate and graduate Native students be increased.

Recommendation No. 8

Whereas, Native students are not adequately informed about undergraduate, graduate and vocational scholarship opportunities in the various colleges, universities, and technical schools, and whereas, there is no formal structure established for the effective dissemination of information already available;

It is recommended that, a central clearinghouse be established with assigned responsibility for collecting, cataloging, and disseminating information from federal, state, tribal and private agencies, regarding the nature of opportunities and levels of support available for Native students in vocational, technical, and higher education, and that, regional branches be established throughout the United States to facilitate communication and the accommodation of diverse geographical needs, and that, application procedures to various sources be consolidated to produce a more simplified, uniform, and expeditious procedure, and that, part of each clearinghouse organization be a Native Student Scholarship Opportunity Committee to actively disseminate scholarship information to Indian high school and college students and recruit applicants for these opportunities.

Recommendation No. 9

Whereas, the movement of Native people to urban areas is predicated on an often unfilled promise of economic opportunity to live a richer life, and whereas, the movement to urban areas tends to drain trained leadership away from Native communities which need the social presence and the services these individuals can provide;

It is recommended that, the policies and procedures for the implementation of self-determination in Native education should reach into other areas of Native affairs so that the impact of vocational, collegiate, and professional training of Native people is felt more strongly in Native communities, and that, long-range plans for staffing the Public Health Service, Legal Assistance, Land Management, and other services provide on-reservation jobs at many skill levels for Native people who have completed appropriate training programs and wish to render service, other than in education, to their home or other reservation community.

Recommendation No. 10

Whereas, American and Alaskan Natives are citizens of the United States and enjoy all rights and privileges, and whereas, the Native people have a unique relationship with the Federal Government through treaties, statutes, executive orders, and whereas, such treaties, statutes, and executive orders conflict with other federal statutes such as the Civil Rights Act of 1964, and whereas, federal funds are appropriated for education and disbursed to public schools, universities and colleges, state and federal agencies and profit and non-profit organizations subject to the conditions of the Civil Rights Act, and whereas, educational funds must also be expended to meet the educational needs of Native citizens residing in either on-or-off-reservation communities;

It is recommended that, legal clarification be immediately undertaken to resolve the status of Native children in school desegregation plans of districts located on or adjacent to reservations; and that, such clarification provide that desegregation plans being enforced by the Federal Government through Civil Rights Act of 1964 not apply to Native people, and that, until such time as the Federal Government officially clarifies the implications of the Civil Rights Act for Native people, desegregation plans not be forced upon or accepted by reservation or non-reservation Native communities.

Recommendation No. 11

Whereas, the areas of technical, vocational and related skills are expanding rapidly and now offer career opportunities which were not previously available to Native students, and whereas, Native students have traditionally been educated for selected technical and vocational careers that have not reflected the diversity of vocational opportunities nor specific skills demanded in the society in which they must compete, and whereas, the need for skilled technicians and tradesmen is severe on reservations and other Native communities, and whereas, a shift of national priorities is reflected in increased federal and state funding for vocational and technical education;

It is recommended that, federal agencies provide human and financial resources for training Native people in all facets of vocational and technical education, and that, federal agencies pool their efforts to have maximum impact in supplying trained Native citizens in various occupations.

Recommendation No. 12

Whereas, American and Alaskan Natives have one of the highest dropout rates of any group of people in the United States, and whereas, educational achievement for Native students remains a critical issue, and whereas, traditional Adult Basic and Continuing Programs have not met the needs of Native people;

It is recommended that, additional federal resources be allocated to Adult Basic and Continuing Education, and that, these programs be redesigned with more mandatory involvement of Native people at the local level to increase their effectiveness in terms of existing opportunities.

Recommendation No. 13

Whereas, there are American and Alaskan Native children attending public federal, and mission schools who are in dire need of special education programs to deal with physical handicaps, emotional problems, mental retardation, and learning difficulties, and whereas, human, plant facility, and funding resources have been inadequate or nonexistent by federal and state governments to accommodate these Native children, and whereas, special educational training programs for professional and para-professional staff have not been developed in colleges and

universities with a specific focus on the problems of Native children;

It is recommended that, the federal and state governments, schools, universities, and colleges make a concerted effort to provide the human and financial resources to develop comprehensive programs and special facilities to meet the special educational needs of American and Alaskan Native children, and that, such resources be extended to include follow-through programs as the children become adults by providing resources in developing skills and job placement, because special education is a continuing process.

Recommendation No. 14

Whereas, the Special Education Subcommittee established by the President's Message on July 8, 1970, related the following specific charges:

"The Subcommittee will provide technical assistance to Indian communities wishing to establish school boards, will conduct a nationwide review of the educational status of all Indian school children in whatever schools they may be attending, and will evaluate and report annually on the status of Indian education, including the extent of local control."

And whereas, the Subcommittee did not receive adequate resources to actively and adequately perform the responsibilities with which it was charged, and whereas, the relevance and need for a thorough performance of those responsibilities continue to increase, and whereas, the local school systems located on and near reservations and in urban settings have not been sensitized to the special and unique educational needs of Native youth, and whereas, the state and federal agencies have had limited effect in monitoring their programs and resources for the education of Native children, and whereas, the Indian Education Act has created a National Council with responsibilities overlapping those of the Special Education Subcommittee;

It is recommended that, the role of the Special Education Subcommittee be clarified, and that, the Subcommittee be continued with sufficient human and/or financial resources made available to insure effectiveness in pursuit of the assessment charge and further study and development of the local organizational control model.

Recommendation No. 15

Whereas, educational resources allocated under the Johnson O'Malley Act are of major importance in the education of Native children, and whereas, the utilization of these resources has been subject to recent intense criticism, and whereas, there appears to be extreme differences in the utilization of these resources among the various states;

It is recommended that, a comprehensive study of the distribution and utilization of Johnson O'Malley resources among the various states be conducted, and that, the data collected be employed to formulate more uniform guidelines for the allocation and expenditure of these important resources.

OVERVIEW OF THE REPORT

The major findings and recommendations presented in this chapter are the end result of activities and deliberations presented in subsequent chapters. Chapter II describes the information of the Subcommittee and presents the general guidelines for its operation. The Subcommittee's deliberations on the basic local control issue are presented in Chapter III. A research design for meeting charges two and three is proposed in Chapter IV. A summary of Subcommittee deliberations on other topics and issues is presented in Chapter V. An appendix to the report provides brief biographical sketches of the Subcommittee members, and a calendar of Subcommittee activities.

* * * * *

SCOPE AND LIMITATIONS OF THE REPORT

The Subcommittee members were concerned by the following factors which impeded the proceedings of the Subcommittee and imposed limitations on the report.

1. The Subcommittee was not provided with the resources necessary to marshal technical assistance teams which would help individual Indian communities to establish school boards to create new schools or take over existing federal Indian schools.

2. The Subcommittee, made up of Indian educators who have full time responsibilities, were unable to meet the charge of conducting a nationwide status study of Indian education. Available resources did not permit employment of a professional staff nor was assignment of staff personnel already employed by federal agencies sufficient to conduct a national study.

Subject to these limitations, the Subcommittee attempted to maximize the impact of those resources which were available. The Subcommittee members combined information from their experience, published documents, hearings, and visits conducted in diverse areas of the country. The report attempts to provide a national focus on the problems and policy issues involved in making equal educational opportunity available to Indian people. While the Subcommittee observed and discussed many educational problems in local Native communities, it made no attempt to recommend solutions for local situations.

ADDITIONAL COSPONSORS OF BILLS

S. 397

At the request of Mr. STEVENSON, the Senator from California (Mr. CRANSTON), and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 397, to require disclosure of financial interests by Members of Congress and certain congressional employees.

S. 587

Mr. BEALL. Mr. President, on January 29, 1973, I introduced along with Senators TOWER and TAFT, S. 587, the National Catastrophic Illness Protection Act, which would amend the Social Security Act to establish a national catastrophic illness insurance program, under which the Federal Government, acting in cooperation with State insurance authorities and the private insurance industry, will reinsure and otherwise encourage the issuance of private health insurance policies which make adequate health protection available to all Americans at a reasonable cost.

I ask unanimous consent that the name of Senator ROTH be added as a cosponsor.

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

S. 909

At the request of Mr. HOLLINGS, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of S. 909, amending the Federal Property and Administrative Services Act of 1949 to permit donations of surplus Federal property to State and local public recreation agencies.

S. 1133

At the request of Mr. METCALF, the Senator from Nevada (Mr. CANNON), and the Senator from Oklahoma (Mr. BELLMON) were added as cosponsors of S. 1133, to provide additional funds to the States for carrying out wildlife restoration projects.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. HUMPHREY, the Senator from Iowa (Mr. HUGHES), the Senator from South Dakota (Mr. McGOVERN), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of Senate Concurrent Resolution 14, relating to national priorities.

SENATE RESOLUTION 87—SUBMISSION OF A RESOLUTION TO REQUEST THE PRESIDENT TO BEGIN A NATIONAL PROGRAM OF PUBLIC INFORMATION REGARDING THE BENEFITS OF CARPOOLING

(Referred to the Committee on Commerce.)

Mr. BARTLETT. Mr. President, on behalf of myself and Senators DOMENICI, McCLURE, and BELLMON, I have today introduced a resolution requesting that the President initiate a national program to encourage the increased use of carpools and economy cars.

The consequences of traffic saturation have adversely affected all America, but particularly our large cities.

No large city has escaped the ravages of pollution. The greatest contributor to pollution is the automobile. I recently read that during morning rush hour on the Shirley Highway leading into Washington, D.C., pollution created by auto exhaust is serious enough to create a present health hazard.

But the adverse effects of the automobile are not limited to pollution. Today, the United States is in the midst of a serious energy crisis. There is a real potential of gas rationing this coming summer. The automobile is the chief culprit in the consumption of gasoline.

Traffic congestion is a significant contributor to our accident rate, to employee loss of time and maybe most importantly, to the immense frustration which every commuter experiences during a typical rush hour.

A recent study by the Department of Transportation indicates that the average commuter car in Los Angeles contains 1.2 people—while the average in Washington contains 1.5. The study estimates that an increase in occupancy from 1.2 to 1.5 results in a 20-percent reduction in auto traffic—an obviously significant reduction.

My resolution requests that the President begin a program to familiarize people with these benefits of carpooling and similarly the smaller economy car. The resolution does not suggest any effort to supplant any other program of mass transit. However, carpools are the most economical and expeditious method of reducing traffic problems and this information should be made available to the American people.

Mr. President, I ask unanimous consent that the resolution be printed in full in the RECORD.

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

S. RES. 87

Whereas, the United States is experiencing an energy crisis and there exists the potential of gas rationing in the months ahead and the automobile is the largest consumer of gasoline; and

Whereas, Automobile traffic has reached the saturation level in many American cities causing loss of time, accidents, and frustration; and

Whereas, The automobile has been a significant contributor to the pollution of our cities; and

Whereas, Some conventional methods of mass transit are necessarily expensive, involve a great deal of lead time and have questionable consumer support; and

Whereas, Studies by the Department of Transportation have shown that by increasing the average commuter auto occupancy from 1.2 persons to just 1.5 persons per car would result in a 20% reduction in auto traffic on the commuter highway; and

Whereas, A 20% reduction in traffic would have a significant beneficial impact on pollution, gasoline consumption, and traffic congestion, be it therefore

Resolved by the United States Senate, That the President of the United States is hereby requested to take such action as is necessary to begin a national program of public information to inform the commuter of the benefits of car pools and economy cars and that the President report to the Congress on possible legislative incentives to promote such a program.

AMENDMENT OF PAR VALUE MODIFICATION ACT—AMENDMENTS

AMENDMENT NO. 69

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

Mr. NELSON. Mr. President, this amendment which I submit has three parts.

First. It establishes an expenditure ceiling of $267,700,000 which is $1 billion less than what the President has requested for fiscal 1974.

Second. It establishes a procedure for the President to follow in any reduction of funds to achieve this ceiling. The President must make such reductions proportionately and may not reduce any activity, program, or approriation item by more than 10 percent.

Third. To the extent that the President exceeds the 10-percent limitation, or wishes to reduce expenditures for any other purpose, he must submit such recommendation of reservation of expenditure for Congress to act on within 60 days. If Congress does not approve such reduction, they do not take effect.

There is no debate between the President and Congress over the necessity for establishing a spending ceiling. Most representatives realize that failure to control spending within reasonable bounds would add further fuel to a dangerous inflationary situation. The debate then between Congress and the President is not over spending but over priorities. Many Members of Congress feel that President is proposing excessive spending for military, space, and foreign assistance while making drastic and unnecessary cuts in vital social programs.

AMENDMENTS NOS. 70 AND 71

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

Mr. McCLURE submitted two amendments, intended to be proposed by him, to the bill (S. 929) to amend the Par Value Modification Act.

AMENDMENT NO. 52, AS MODIFIED

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

Mr. TAFT (for himself, Mr. BELLMON, and Mr. PROXMIRE) submitted amendment No. 52, as modified, intended to be proposed by them, jointly, to Senate bill 929, supra.

AMENDMENT OF OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968—AMENDMENTS

AMENDMENT NO. 72

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

Mr. STEVENS submitted an amendment intended to be proposed by him, to the bill (S. 800) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for the compensation of innocent victims of violent crime in financial stress; to make grants to the States for the payment of such compensation; to authorize an insurance program and death benefits to dependent survivors of public safety officers; to strengthen the civil remedies available to victims of racketeering activity and theft; and for other purposes.

AMENDMENT NO. 73

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

Mr. TALMADGE submitted an amendment, intended to be proposed by him, to Senate bill 800, supra.

NOTICE OF HEARINGS ON INTERIOR DEPARTMENT NOMINATIONS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested persons that the Committee on Interior and Insular Affairs has scheduled open public hearings for Thursday, April 5, 1973, at 2 p.m., to take testimony on the nominations by President Nixon of Dr. Laurence E. Lynn, Jr., of California, to be Assistant Secretary of the Interior for Program Development and Budget, and Kent Frizzell, of Kansas, to be Solicitor of the Interior Department. The hearings will be held in the committee room, 3110 Dirksen Senate Office Building.

Persons wishing to testify or submit statements for the hearing record on either or both of these nominees should so advise the staff of the Interior Committee.

Mr. President, I ask unanimous consent that the texts of brief biographical sketches of both nominees be printed in the RECORD at this point in my remarks.

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

NOVEMBER 1972.

LAURENCE EDWIN LYNN, JR.

Address: 3269 Arcadia Place, N.W., Washington, D.C. 20015.

Date of Birth: June 10, 1937. Married, four children.

Education: Ph. D. (Economics) Yale University, 1966; A.B. (Economics) with honors, University of California, Berkeley, 1959.

Thesis: U.S. Foreign Economic Aid and the U.S. Balance of Payments, 1954–1963.

Honors: Phi Beta Kappa; Yale University Scholarship; Ford Foundation Doctoral Dissertation Fellowship; Secretary of Defense Meritorious Civilian Service Medal; Presidential Certificate of Distinguished Achievement.

EXPERIENCE

June 1971–Present: Assistant Secretary for Planning and Evaluation, U.S. Department of Health, Education, and Welfare. Responsible for coordination of Department activities in economic and social analysis, policy development, policy and program evaluation, and long range planning. Develops and participates in the administration of the Department's planning and evaluation systems.

September 1970–June 1971: Associate Professor of Business Economics, Graduate School of Business, Stanford University. Taught courses in economic analysis, decision-making in the public sector, and business in the changing environment to MBA candidates. Consultant to National Security Council on strategic intelligence, defense programs and policies; Department of Health, Education and Welfare on higher education; Chief of Naval Operations on naval strategies and programs.

January 1969–August 1970: Assistant for Programs to Dr. Henry A. Kissinger, Assistant to the President for National Security Affairs. Directed the Program Analysis Staff (6 professionals), which was responsible for supervising comprehensive country and regional program analyses to be used as the basis for Presidential and NSC decisions on major policy and program issues; provide general staff assistance, direct interagency study groups, prepare studies and analyses on U.S. strategic intelligence estimates and capabilities, strategic arms limitation, defense strategies, programs and budgets, Vietnam policies and programs, other program-related issues.

April 1968–January 1969: Deputy Assistant Secretary of Defense (Economics and Resource Analysis), Office of the Assistant Secretary of Defense (Systems Analysis). Responsibilities included supervising and directing the work of a staff of 70, including 50 professionals, organized into the following divisions: Mobility Forces; Command Control and Communications; Cost Analysis; Manpower Requirements; Special Economic Studies. Worked directly with the Secretary and Deputy Secretary of Defense, Assistant Secretaries of Defense, Secretaries and other senior civilian and military officials of the military departments.

February 1966–April 1968: Director of Strategic Mobility and Transportation Division and then of Economics and Mobility Forces in the Office of the Assistant Secretary of Defense (Systems Analysis). Directed extensive program of research, studies and analyses on U.S. requirements for airlift and sealift forces, national maritime policy, economic impact of defense expenditures, related issues.

July 1965–February 1966: Weapon Systems Analyst, Office of the Assistant Secretary of Defense (Systems Analysis).

July 1963–July 1965: U.S. Army (1st Lieutenant, Infantry).

PUBLICATIONS

"Notes from HEW," in *Evaluation*, Fall, 1972.

"Economic Models in the Analysis of Military Strategic Mobility Requirements," in *Proceedings, 17th Military Operations Research Symposium*, Spring 1966.

"The Analysis of Strategic Mobility Problems," in *Papers—Seventh Annual Meeting,*

Transportation Research Forum, November 1966.

"Strategic Mobility and Logistics" in *Proceedings 20th Military Operations Research Symposium,* Fall 1967.

"Economic Impact of Defense Programs: Progress and Prospects," (with R. Riefler) *1967 Proceedings of the Business and Economic Section—American Statistical Association.*

"Economic Analysis of Public Investment Decisions: Interest Rate Policy and Discounting Analysis," *Hearings Before the Subcommittee on Economy in Government of the Joint Economic Committee,* U.S. Congress, 90th Congress, 2nd Session, Washington, D.C., U.S. Government Printing Office, 1968, pp. 141–150.

"Systems Analysis—Challenge to Military Management," in Cleland, David I., and King, William R., eds. *Systems, Organizations, Analysis, Management: A Book of Readings,* McGraw-Hill, 1969.

Other Research: Performed contract research and engaged in consultation of U.S. foreign economic assistance and the U.S. balance of payments for U.S. Agency for International Development. Reports submitted to A.I.D.: "U.S. Foreign Economic Assistance and the U.S. Balance of Payments, 1954–1962," "Analysis of Regional and Third Country Impact," "The Analysis of Tied Aid: Some Concepts and Methods." Author, "A Program to Compute Partial Correlation Coefficients," Yale Computer Center Memorandum No. 10, May 10, 1963, and "A Program for Obtaining Efficient Estimates of the Parameters of a Set of Single Equation Regressions," Yale Computer Center Memorandum No. 12, May 10, 1963. Participated in drafting chapter on defense programs and budgets for Brookings Institution analysis of the 1972 federal budget.

BIOGRAPHY—KENT FRIZZELL

Personal and Family: Born February 11, 1929, Wichita, Kansas; married, wife Shirley, 5 children.

Education: Wichita Public Schools; Undergraduate Work at Northwestern University, Evanston, Illinois; B. A., Friends University, Wichita, Kansas; J. D., Washburn University Law School, Topeka, Kansas; Lecturer of Business Law, Wichita State University.

Business and Professional: Assistant Attorney General, Land and Natural Resources Division, Department of Justice, Washington, D.C., 1972–1973; Kansas Bar Association, Member; American Bar Association, Member; Federal Bar Association, Member; Legal Counsel for Kansas, Republican National Committee, 1970–1971; Phi Alpha Delta Legal Fraternity.

Public offices held: Republican Precinct Committeeman, 1950–1964; Wichita Board of Education, Member 1959–1965, President 1963–1964; State Municipal Accounting Board, State of Kansas, Member 1961–1964, Chairman 1963; State Senator, State of Kansas, Twenty-fifth Senatorial District, 1965–1969; Attorney General, State of Kansas 1969–1971; Republican Nominee for Governor, State of Kansas, 1970.

Civic and other: Sunflower Boys' State, Past President, 1960; Sedgwick County Campaign Chairman for United States Senator James B. Pearson, 1962 and 1966; State Legal Counsel, Kansas Jaycees, 1965; Judge Advocate, American Legion Department of Kansas, 1966; Trustee, Mid Continent Regional Educational Laboratory, 1966–1968; National Law and Order Committee of the American Legion, Member, 1968–1969; Who's Who in American Politics; Kansas Wildlife Federation, Member 1968–1971; March of Dimes, Campaign Director for Northeastern Kansas, 1971–1972.

Church: St. Luke's Methodist Church, Wichita, Kansas; Director, Methodist Youthville, Newton, Kansas, 1964–1971.

NOTICE OF HEARING ON AMENDMENT OF THE LAND AND WATER CONSERVATION FUND ACT

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that open hearings have been scheduled by the Subcommittee on Parks and Recreation at 10 a.m. on April 12, in room 3110, Dirksen Senate Office Building, on the following bill:

S. 1381, a bill to amend certain provisions of the Land and Water Conservation Fund Act of 1965, relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes.

ADDITIONAL STATEMENTS

VIETNAM—CLOSING THE BOOKS

Mr. SCOTT of Pennsylvania. Mr. President, the American involvement in Vietnam ends today. The last of our prisoners is returned today. This has been a most terrible war. All wars are. But we have learned, I hope, many lessons from this involvement. Mr. President today's Christian Science Monitor clearly details this involvement and some of the lessons we should have learned. I ask unanimous consent that this editorial be printed in the RECORD.

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

VIETNAM—CLOSING THE BOOKS

It's over now—largely. True, there is still American sea and air power around Indo-China. And, also true, President Nixon has threatened to use that power if there is a sudden effort to upset what he considers "peace with honor." And, again true, many more American dollars will be spent in and around Vietnam (North and South both) and there may be more American casualties. There will be tag ends of the great American intervention in Indo-China for a long time.

Yet, in the main, this is the time to close the books on the longest, the most remote and the most controversial military effort in the history of the still relatively young American Republic. In money, it has cost something over $100 billion. No one can say exactly how much because military cost accounting is an art form, not a science. In human life, nearly 50,000 Americans went, and did not come home; roughly double the number killed in Korea, but small in comparison to the number of Vietnamese soldiers and civilians lost in the inconclusive struggle.

Many lessons have been learned.

American power is not all powerful. Lyndon Johnson did not "nail the coonskin to the door." Instead, he left the White House for the ranch on the Pedernales. Another President, Richard Nixon, was left with the thankless task of getting the United States out "with honor."

American ability to understand the outside world is limited and sometimes imperfect. The effort was begun to resist "monolithic" communism, but Mr. Nixon used the China-Russia break in communism as the fulcrum for his disengagement policy.

The American people will not willingly give "their last full measure of devotion" to a cause they do not understand or fully accept. They certainly will not again allow their sons to be conscripted into such a war. An "all volunteer" military force is one result of the Vietnam experience.

What was it really all about? It began with the Truman doctrine, way back in 1946. From then to now, the United States has used its power and spent its blood freely and lavishly on all the continents. In Europe, Greece and Turkey were saved from the Russian embrace and the NATO alliance sheltered the great capitals of the West. In the Middle East Lebanon was protected. In Latin America there was an expedition into Dominica—which some think was unnecessary—but then who can be sure? South Korea was sheltered and built into one of the more flourishing of the new countries which move in the Western orbit.

What would have happened if all this had not been attempted? Who can say? The fear was of Russian communism engulfing the world. Did it really have the capacity? But if there had been no resistance, it might have spread and the world would at the very least have learned how inefficient and heavy-handed the rule of Moscow has always been.

Need the Truman doctrine have been carried on into Indo-China? Probably not. Probably historians of the future will say that communism had spent its momentum and lost its unity before the commitment was made to Vietnam in 1965. Mr. Nixon himself substituted his more modest "Nixon doctrine" for the world-embracing Truman doctrine, and it seems the right thing to do.

Walter Lippmann labels the whole era from the Truman doctrine down to these times as "the romantic period of American imperialism." He links it with "the Great Society" as an example of Americans reaching for unrealistic and unreachable goals. There has been through it all something of the quality of a "noble experiment." The motives were high—all the way through. Certainly most Americans accepted the Vietnam commitment, at least in the beginning as being something which should be attempted. To John F. Kennedy it was necessary if only to show Moscow that he and his country could not be bullied.

And yet this moment of the end of the major American commitment in Vietnam certainly is an end of an era. The reasons which started it have receded into history. The world around is new and different. China and Russia are vying for American friendship, and machine tools. We are thankful that Mr. Nixon has succeeded in bringing this moment to pass. We can join with President Thieu in remembering Abraham Lincoln's injunction at the end of the Civil War. This is another time to bind up the wounds and work for reconciliation of all factions—everywhere. Let there be no more recrimination—although we should all think through the experience to be sure that we have drawn from it the right lessons. We do not want to repeat the old mistakes. There were mistakes. But above all—we are thankful today that the ordeal is substantially over.

CONGRESSIONAL APPROVAL OF PRO RATA REDUCTIONS

Mr. MONDALE. Mr. President, it is extremely important to have congressional review of the way in which the President makes his pro rata cuts in order to reach a budget ceiling.

First, of course, the executive branch might abuse its power to cut on a pro rata basis.

But more important, we must not be fooled into assuming that a requirement that cuts be made on a pro rata basis ends executive discretion. Control of timing and the size of cuts made early in the fiscal year confer enormous discretion on the executive branch.

Initial decisions on pro rata cuts will have to be made early in the fiscal year. These decisions will be based on administration estimates and assumptions of appropriations action to be taken by the Congress at a later time. And the executive branch may base a large cut on faulty assumptions.

They might, for example, respond to congressional appropriations to environment programs with impoundment—on the assumption that Congress would approve in total a large request for military foreign aid at a later time. The Congress might have no intention of appropriating the executive request in full.

I believe that congressional approval would be given in most cases almost automatically. But I also believe that Congress must retain the right to review Presidential actions in order to keep the executive branch honest.

CONGRESSIONAL REFORM CONCERNING THE BUDGET

Mr. BIDEN. Mr. President, the March 20, 1973, edition of the New York Times carried an editorial of considerable insight on the issue of congressional reform in handling of the budget.

The editorial referred specifically to the establishment of a unified congressional committee to study the budget in depth.

In commenting on a specific proposal the Times said:

Reforms of this kind may even surpass in importance the opening up of Congress' own committee hearings which has now begun in the House. An open budget openly arrived at would greately enhance the education of Congress and the public about budget alternatives.

I request unanimous consent to have the editorial printed in its entirety in the RECORD.

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

OPEN BUDGET

The struggle between President Nixon and Congress over the content of the budget has directed attention to a long-standing Congressional weakness. The House and Senate lack a regular system for viewing the budget as a total entity.

As matters now stand, the budget once it reaches Capitol Hill is broken down into large chunks which are assigned to a dozen separate Appropriations subcommittees, whose decisions are usually conclusive.

These subcommittees are often painstaking in their examination of specific programs. Contrary to the impression which the Administration is seeking to create of an irresponsible, free-spending Congress, the Appropriations subcommittees have cut Mr. Nixon's budget requests in the last four years by a total of more than $20 billion. The huge deficits of the Nixon years have been Presidentially-submitted budget deficits.

The fact remains that the subcommittees are too narrowly focused; they tend to concentrate on waste and day-to-day weaknesses in the management of Federal programs. But a Federal budget is much more than an adding up of expenditures or an exercise in cost accounting. It represents a series of judgments about the nation's needs and priorities; it is a kind of social accounting that requires examination in the broad context of the economy's condition and prospects and the society's strengths and weaknesses.

Out of recognition that Congress needs better independent machinery for assessing the unstated assumptions in the President's budget, Senator Humphrey of Minnesota and Representative Moorhead of Pennsylvania have introduced the Fiscal and Budgetary Reform Act of 1973, giving the Joint Economic Committee the power to study the budget and propose an over-all budget ceiling within which the Appropriations Committees would work. The committee would have its own professional staff and its own computers to enable it to analyze budget alternatives for the Congress, as much as the Office of Management and Budget analyzes them for the President.

The bill would also open up the budget process within the Executive branch. Agency heads would submit copies of their initial budget requests to the proposed Congressional Office of Budget Analysis as well as to the O.M.B. Governors and mayors would be permitted to testify; transcripts of all budget sessions would be made available to Congress and public.

Reforms of this kind may even surpass in importance the opening up of Congress' own committee hearings which has now begun in the House. An open budget openly arrived at would greatly enhance the education of Congress and the public about budget alternatives. It would correspondingly reduce the mystery which is now one of the chief props for the President's dominance in this field.

The joint study committee on the budget set by the last Congress is examining ways to strengthen procedures on Capitol Hill to respond to the President's aggressive challenge. The Humphrey Moorhead bill offers that committee a simple yet comprehensive plan which would gradually enable Congress to define its majority judgment on national priorities much more effectively than at present.

THE PUBLIC HEALTH SERVICE ACT EXTENSION OF 1973

Mr. MATHIAS. Mr. President, I was pleased to have voted in favor of S. 1136, the Public Service Act Extension of 1973 which was passed by the Senate Tuesday. My support for this measure stemmed from a longstanding concern which I have expressed to the Congress many times in recent months. In my opening statement last December at the ad hoc hearings on congressional reform in which I cochaired with the distinguished Senator from Illinois, ADLAI E. STEVENSON III, I stated that—

If we have not yet reached the point, then it is far too close for comfort, at which the Congress becomes a little more than a constitutional relic, a vestigial organ of the body politic.

I also pointed out that—

The fact is that, in relation to the executive branch of government, the Congress today has become a third-or-fourth-class power, a separate and thoroughly unequal branch of our national government. The fact is that the executive branch, not the Congress, has come, over the years, to exercise the more effective power over the federal purse.

I echoed this same theme in my remarks at a symposium on congressional reform sponsored by Time magazine in Boston, Mass., on December 12, 1972, and in an article which I wrote for the Washington Post last December.

What was at stake, therefore, in the effort to pass the Public Health Service Act Extension of 1973, was the reassertion of the Congress role and responsibilities under our system of separate and equal powers; otherwise, this body would have taken another step backward toward becoming an archaic echo, bearing little resemblance to its original form and little relevance to contemporary needs.

I noted with great interest, that S. 1136 was reported out of the Labor and Public Welfare Committee by the overwhelming margin of 15 to 1 and that 5 of the 6 Republican members of the committee voted to support this bill.

The situation which has given rise to the need for legislation like the Public Health Service Extension Act of 1973 in a way epitomizes the key issue facing the 93d Congress; namely, should the Congress allow the executive branch to legislate through the budget process. By passing this bill, by the wide margin of 72 to 19, the Senate has demonstrated to the American people that the Congress is the one institution which is uniquely theirs, in which the issues that disturb and divide them can be openly and intelligently discussed and decided, in which various views are fairly represented and fully explored—an institution, in short, that functions as a genuinely democratic deliberative, decisionmaking body.

I am pleased to note that the distinguished ranking Republican of the Labor and Public Welfare Committee, Senator JACOB K. JAVITS, in his statement on March 8 in support of this bill pointed out that—

The legislative extensions of the Public Health Service Act now being considered are not intended to be indicative of any Senator's opposition or support of the President's position regarding a particular provision.

I certainly agreed with that observation. What this bill will do, however, is to provide the Congress with the opportunity to regain the confidence of the American people by demonstrating its competence to cope with the issues represented in the health programs encompassed in this legislation. If there are federally sponsored health programs that should be substantially altered from their present form either through expansion, modification, reduction, or termination, then it should be the Congress working in concert with the executive that determines the destiny of these programs. Mr. President, that is what the Constitution of he United States of America would have us do, and having the power, we also had the duty to act as we did.

ROCHESTER, N.H., STUDENTS SHOW THEY CARE

Mr. McINTYRE. Mr. President, in the last week I have received 23 letters from students at Spaulding High School in Rochester, N.H., dealing with the plight of native Americans and the current situation at Wounded Knee, S. Dak.

If all Americans, of all ages, had thought as deeply and cared as much about this problem 50 or 100 years ago there would not be a confrontation there today and there would not have been a massacre there in 1890.

As I speak here today, there is no peace yet at Wounded Knee. We can only hope that the parties involved will arrive at a compromise that will mean not only peace, but a new beginning of justice for native Americans.

For as much as all of us deplore the violent nature of the Wounded Knee protest, we must all agree that a full investigation of the injustices committed against American Indians is long, long overdue. I am confident that the Senate will move to initiate just those kinds of hearings in the very near future.

Mr. President, I ask unanimous consent to place the letters of the students from Spaulding High School in the RECORD. I want to share with my colleagues their expression of the feelings of millions of Americans that the time has come for justice for native Americans.

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

SPAULDING HIGH SCHOOL,
Rochester, N.H., March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: Enclosed in this envelope are letters written by my eighth period freshman English class concerning the plight of the American Indian in general and the situation at Wounded Knee, South Dakota in particular. While reading Bury My Heart at Wounded Knee the students became aware and concerned about the problems of the American Indians. At this time the Oglala Sioux captured Wounded Knee and made the whole problem contemporary.

These letters here enclosed to you are an English assignment, but are, to my mind, far more important than just that. For most of these students, it is the first time they have ever written to a government official and expressed their opinion on an issue. I am well aware that you are a busy man and cannot answer each student individually. However, if you would please answer their letters with a general response to the class, I would most appreciate it. It was the class decision to write to you. In three years these young people will be voting and such positive reinforcement as an answer from you will aid them in the realization of the responsibilities and privileges of citizenship. Thank you for your attention.

Sincerely,

PANELA J. HUBBARD.

ROCHESTER, N.H.,
March 12, 1973.

Hon. Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I would like to express to you my feeling on the Indian Affairs. I feel that the United States government is neglecting the Indians of America. The Indian reservations are barren and contain unlivable conditions. The Indians on the reservations are mostly unemployed, uneducated, and lack good medical facilities.

Canada has three hundred and sixty thousand less Indians in their country than we do. They also have twenty two hundred more Indian reserves than we do. I feel the government should set up more reservations and provide them with the proper care.

The incident which is now going on at Wounded Knee, South Dakota is only one of many incidents to come if the United States government,continues turning its back on the Indians.

Something must be done to help the Indians, before they decide to do something. We would not want another massacre at Wounded Knee. I do hope you can understand why I feel this way.

Sincerely yours,

SUE BELLEMEUR.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing to you about the situation in Wounded Knee, South Dakota. I have been reading about Indian history and I am very concerned about the way they are being treated. The government has expected many of them to live on dry, barren wasteland without means of irrigation. The Indians live in shabby old buildings because they have no jobs. Their children receive little education. I am asking you to please consider the American Indians and help them to get a better education and better jobs.

Sincerely,

FREDERICK F. HELVIE.

ROCHESTER, N.H.

Hon. Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing in reference to the incidents at Wounded Knee, South Dakota. We, at Spaulding High School, are in the process of reading *"Bury My Heart at Wounded Knee,"* by Dee Brown. The book "painfully and shockingly conveys not how the West was won, but how it was lost."

I wholeheartedly believe that the Indians are being treated like savage, senile prisoners.

We benevolently forced them on a two-bit, good for nothing reservation. Here we made them live on land that was unsuitable for whites, but good enough for the Indians.

I sincerely hope that you take into consideration the things I have said. Thank you.

Cordially,

KAREN LAMONTAGNE.

EAST ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I am writing to you about the conflict at Wounded Knee, S. Dak. I feel that even if you cannot grant the Indians all their demands, you should do something about some and consider the others. We are reading the book *Bury My Heart at Wounded Knee* in our English class, and it tells us how all through the years the Indians have been cheated out of all their agreements with the white people. I think that we are far more modern than we were back in the 1800's and the Indians should be given the chance to have better reservation facilities.

Sincerely,

KEVIN HARTE.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: As a ninth grade student at Spaulding High School I am concerned over the dispute at Wounded Knee. My English class is in the process of reading *Bury My Heart at Wounded Knee* and I think throughout American history the Indians have been treated poorly, to say the least. The colony at Plymouth would have been wiped out if not for the American Indian. I think they should be given full possession of Wounded Knee and much more besides.

The Indians are as human as you or I. We both had good education and a chance for improvement. You certainly have proved that by your position as United States Senator. I feel the Indians should be given that chance also. I don't feel the least bit proud of my American heritage when it comes to the treatment of the Indians by us Americans. Wounded Knee was an Indian land; so was much of our West. If anything should have happened back in those times, it should have been the Indians pushing out the white people as we moved West. In my opinion the reservations should be abolished and the Indians given educational and occupational opportunities, and Wounded Knee be forever theirs.

Yours truly,

LOUISE STODDARD.

UNION, N.H.,
March 8, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing to you with concern about the American Indian. I attend Spaulding High School in Rochester, N.H. My English assignment has been to read the book *Bury My Heart at Wounded Knee.* In reading this book I have found out about how the Indians have been treated. I do not think it was fair to put them on reservations or to have them on reservations now. I would like to see some changes in the conditions of the Indians.

Yours Truly,

LORRAINE JOY.

SANBORNVILLE, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am very concerned about the conditions of the Indians. When the white men tried to change the Indians to their way of life, the Indians followed the white man's life style. He wore white mans clothes and followed his laws and rules. The thing I really don't understand is if the Indians were to be like and live like the white man, why they are on reservations. Americans do not live on reservations, do they? Black men do not live on reservations, nor do Chinese, Mexicans, or any other nationalities that have become citizens of the United States. The Indians have lived in this country much longer than anyone else, yet they seem to have been treated much worse than many people who have just recently become citizens.

I feel that the Indians should be free of the reservations and that you should deal with the poor conditions of the Indians.

I am a student at Spaulding High School, in Rochester, N.H., and my English class and I have been reading the book *Bury My Heart at Wounded Knee* by Dee Brown. We have also been keeping up to date on the happenings at Wounded Knee, South Dakota, I hope you feel the same as I do about the welfare of the Indians and will try to do something for them.

Thank you.

Sincerely,

NANCY CLARK.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing this letter to express my feelings and concern for the American Indians, especially the ones at Wounded Knee. Their living conditions are somewhat less than luxurious. They are forced to live on barren wastelands called "reservations." By coincidence, we happen to be studying the book *Bury My Heart At Wounded Knee* by Dee Brown. This book really shows how the Indians were maltreated and abused, starting with Columbus and hopefully ending within a short period. I feel the Indians should have better land for reservations if they are forced to live on them. Like the buffalo and eagle, they should be preserved.

The battle at Wounded Knee was one of the last, let's keep it that way.

Sincerely,

MIKE COUCH.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing to you in concern about the situation of the American Indian. In my English class at school we are reading the book *Bury My Heart at Wounded Knee.* We have learned how the Indians were abused and how most of their land was taken. Now that they are asking for some things from our government, I think that it would only be fair if we met some of their demands. I think that they should receive more aid from the government, and I hope that many changes will be made in their benefit.

Yours Truly,

CAROL BRYANT.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing to you in regard to the incident at Wounded Knee. The reason I am writing to you is because I feel that the Indians have been totally mistreated. They are human, people with feelings. They have a right to the land that was wrongly taken from them. I do not feel killing is a peaceful way to settle a disagreement. If you don't agree, that is okay, for you also have your opinion. At least look into this as you would any other important incident. Right now it doesn't seem very upsetting, but it could result in the repeating of history mainly December 28, 1890. Please, look into this because people's lives are involved. Thank you.

Respectably,

PEGGY GILMORE.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am deeply concerned about the Wounded Knee situation. I am a student in high school and our class by coincidence is reading the book "Bury My Heart at Wounded Knee." We haven't even finished the book yet and what I have read is terrible! And I hear conditions aren't any better. I truly hope you will do something about this to help the Indians.

I hope you make a thorough investigation on the subject and straighten this whole thing out. And tell the Indians I'm with them all the way!

Sincerely,

DONNA DESMARAIS.

ROCHESTER, N.H.,
March 3, 1793.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: As a concerned citizen, I would like to voice my opinions on the situation in Wounded Knee, South Dakota.

The Indians were the first people to come to America, so I believe that they are entitled to any land they want. If you really thought about it, taxes probably should be paid to the Indians if to anyone. I agree with them for wanting to control their lives on the reservations. Indians also want better schooling for their children, which is something everybody wants with such importance set on education. I have also heard that they want their children to learn their tribal customs and languages. I think this is great because I would like to learn more about my own heritage.

I am not very well informed of the situation, but I would like to learn more.

Sincerely,

DAWN ASHLEY.

ROCHESTER, N.H.,
March 12, 1973.

DEAR SENATOR MCINTYRE: I am writing in regards to the Indian take-over of Wounded Knee, South Dakota.

I am a freshman at Spaulding High School in Rochester and my English class is reading *Bury My Heart at Wounded Knee.*

I think something should be done about the Indian reservations. From what I've heard they aren't fit to live on. Over the years the Indians' condition has been deplorable and something should definitely be done about improving this situation.

Thank you.

Sincerely,

KAREN OSGOOD.

ROCHESTER, N.H.,
March 8, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building.

DEAR SIR: As an informed senator you must listen to the news. One item that sticks in my mind is what is happening at Wounded Knee. It would be disastrous for another massacre to happen as it did so many years ago. You might be thinking that if they get slaughtered it is their fault, but, if they hadn't been cheated through the years, none of this would have happened. Please look into this and if you get a chance, restore the rights to the Indians.

Sincerely,

ANDRE LAURION.

ROCHESTER, N.H.,
March 9, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: It is my opinion that some agreement should be drawn up between the Indians and the "white people." All along we have been unfair to the American Indian and it is my opinion that we should have the reservations checked. Also, if the Indians want to buy Wounded Knee for themselves they should be able to buy it, instead of leaving it open for people to go there and nose around on land that doesn't belong to them. The Indians should have their say in what to do about "The new attack on Wounded Knee."

Have you read the book called *Bury My Heart At Wounded Knee?* Well, if you have not, you should. We are now reading this book in English classes here at Spaulding High School. It tells of some really barbarous things that the "white people" did to the Indians for no good reasons at all. I sincerely hope that your vote can do some good for the American Indian.

Yours Truly,

PENNY MEARS.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am concerned about the recent happenings at Wounded Knee, South Dakota. In my opinion I think it is ridiculous that this sort of thing has not been settled between the Indians and Whites a long time ago. You would think that with the highly developed society of today that this matter would have been resolved. Furthermore, I think something should be done immediately, whether it be exactly what the Indians request or some other improvements for the better.

A Concerned American,

JAMES L. KIROUAC.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I am writing to express my concern for the Indians of America. It is very hard to put my feelings into words. Many people, including myself, feel that the Indians have been maltreated long enough. The white men have deceived them so many times, that they have no trust left in us. Very coincidentally, a day before this Indian conflict started, my English class started reading *Bury My Heart at Wounded Knee* by Dee Brown. This book has given me a better view of how injustly we have treated the Indians. I thought a letter written to you would help to inspire you to try to do something about this situation. We are all very concerned and hope that in some way you can express our concern to others. Thank you so very much for listening.

Sincerely,

CHARLENE MAXFIELD.

OSSIPEE, N.H.,
March 11, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I attend Spaulding High School and am reading *Bury My Heart at Wounded Knee* in my English class. For an English assignment we have to write to either our Senators or Congressman about what we think should be done for the Indians.

I feel that we are not doing enough for the Indians on the reservations. I think that it is terrible the way the Indians were treated in the past. I don't think that it is right for the Indians to have to be put on reservations when they are on worthless ground that nobody else wants. It was terrible the way men got the Indians to sign those papers when the Indians didn't know that they were signing away land.

I think that the Indians should be able to pick their own representatives for Washington. We should be able to have civilized discussions in Washington or wherever they choose with the Indians just like we had over in Paris. We shouldn't want to fight with them like long ago. In the Bible at Isaiah 2:4 it points out that we should not fight: "And they will have to beat their swords into plowshares and their spears into pruning shears. Nation will not lift up sword against nation, neither will they learn war any more." Peace will never come from violence, it has to be talked over in a decent peaceable manner.

Sincerely,

WENDY FISHER.

ROCHESTER, N.H.,
March 12, 1973.

Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing this letter to express my opinion and concern for the Indians in Wounded Knee. I don't think either side will accomplish anything by killing each other. The Indians were there first, we have no right to push them out into some barren little corner.

The Indians should be given their choice of better schools and living conditions. The land they have now (which isn't very much) isn't fit to live on. These Indians deserve a better environment to live in. I want to see something done about this!

Sincerely,

JOAN RINES.

ROCHESTER, N.H.,
March 8, 1973.

Hon. Senator THOMAS MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I would like to express my opinion to you on the Indian affairs in Wounded Knee, South Dakota.

Most of my opinions to the situation which has now arisen have come through class discussion on the book, "Bury My Heart at Wounded Knee," by Dee Brown, which my English class is now reading.

I feel that the Indians should be given a fair chance at living. My father says that the Indians should be going about this the wrong way, but I feel that if they would have gone about it a different way they wouldn't have been heard.

I believe the Bureau of Indian Affairs ought to be thoroughly investigated to show how, if, or why these Indians are being cheated.

All of their lives the Indians have been cheated by white men. Of course, I know that not all Indians were good and not all white men were bad, but I don't see why this should continue. People ought to see to it that they get something out of this instead of living on a reservation whose land is so fallow and dry it won't produce anything, and a water supply with a very high alkalai content.

I feel that all people involved, from the Senate to the Indians, themselves, should see to it that they will have a new start at living and be able to make it work.

After all the Indians are people, too, and there is a law against discrimination.

Thank you for taking the time to read my letter. I realize you must be busy with this going on, but I feel that since it was my parents and friends that elected you, you should at least hear my opinions and at least try to do something about them.

Sincerely,

BARBARA BADGER.

ROCHESTER, N.H.,
March 14, 1973.

Senator THOMAS J. MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am deeply concerned with the situation at Wounded Knee, South Dakota. This country has treated the Indians badly in the past century or so.

I believe that the Indians have a right to the land at Wounded Knee. It belonged to the Indians once, but it was taken away from them. It is rightfully theirs. If the Indians are willing to buy the land, it should be sold to them.

I believe that you should do something about all of the Indians, not just the ones at Wounded Knee. They should have the right to speak what they think about the whole situation. They have their rights also. It is in your power to do something about it.

I am a Freshman in the Spaulding High School in Rochester, N.H. I am currently reading *Bury My Heart at Wounded Knee* for my English class at school. If you haven't read this yet you should. It tells how all the white men took away the Indian's land.

Please send me some information of the Oglala Sioux that are looking over the land at Wounded Knee, South Dakota.

Very Sincerely,

TERRY TOWLE.

DOVER, N.H.,
March 9, 1973.

Senator THOMAS J. MCINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I would first like to open my letter with an explanation which is this: The students in our English class are reading the book *Bury My Heart At Wounded Knee.* It happens that we started the day before the Indian attack on Wounded Knee, S.D. took place. Although we are not very far into the book, we can see an angeringly cruel treatment to the Indians as far back as Columbus' day. These facts led up to this attack some 460 years later. My question is this, Senator McIntyre: how do you stand on this matter? In this letter I would like to bring out some points that hopefully will show you how a vast majority of the public feels.

You see, when a baby is brought into this world, he has no say in the matter as to what race, religion, sex, and nationality he will be. These are decided by society long before he is born. And in this supposedly *"free and democratic"* country, unfortunately so are things like whom he'll associate with, where he'll live, what type he'll marry, and what his career will be. You say, that's not so for most, but think about it Senator McIntyre.

When the child before mentioned is born an Indian, these things are almost mandatory: He'll live on a reservation, which is worse than the ghettos and slums. This reservation land isn't good enough for whites or Negroes. So why is it all that great for Indians? Chances are he may never leave the reservation. His occupation and education will be next to nothing. He'll marry another Indian, his children will have the same kind of life he had, probably wishing they were never born. Man treats the Indian like a dog. Where do they get off putting themselves above the Indians?

Well, Senator McIntrye, again I ask: "What is your position on the matter?" "If they took a vote on this issue right now, how would you vote?" I think almost all the people in New Hampshire would want you to vote in the favor of the Indians. If there was anything I could do for the Indians' fight for right and freedom, I'd do it. But hopefully this letter is my one form of help.

Yours Truly,

MARILYN TAYLOR.

S. 1136—AN OPPORTUNITY LOST

Mr. DOMENICI. Mr. President, on Monday, March 26, I addressed this body on the need for the Congress to begin to confront the issues instead of confronting the President. I pointed out that it was much easier to find fault with what someone else is doing—namely the President—than it is to face up to doing a better job ourselves to develop our own game plan and have the courage to stick to it. I urged the Congress to find that courage and determination to discard its "business as usual" attitude and try to accommodate the President as he seeks to confront the issues.

Yesterday the Senate had a unique opportunity to do all these things in its actions regarding S. 1136, the bill to extend the expiring authorities of various health programs. As reported, that bill would extend those authorities from their expiration date of June 30, 1973, for one full year until June 30, 1974. The estimate of costs during that year's extention was in excess of $2 billion.

The Committee on Labor and Public Welfare in its report recognized a need to reevaluate these authorities, to upgrade, improve, transfer, reduce, and even eliminate certain authorities to achieve more effective programs. The committee and proponents of S. 1136 maintained that the administration had failed to submit legislation for these purposes while admitting that the Senate had likewise failed to do so. The solution suggested by this bill was simply to maintain the status quo for a year while the reevaluation process was being carried out, in spite of the fact that the status quo, admitted to need improvement, could cost the American taxpayer more than $2 billion.

WALTER LIPPMANN AT 83

Mr. BIDEN. Mr. President, Walter Lippmann represented the more thoughtful aspects of journalism. One need not agree or disagree, in whole or in part, to recognize that whatever his judgments, they were arrived at thoughtfully and rationally and without the rancor that often scars contemporary writing today.

On March 25, 1973, the Washington Post published excerpts of an interview between him and Ronald Steel who is writing a biography of Mr. Lippmann. The interview appeared in question-and-answer format. Whatever our political and philosophical tendencies, I believe the interview offers insights to us all.

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

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

Q. Nixon's been President for over four years. How would you assess his performance?

A. His role in American history has been that of the man who had to liquidate, defuse, deflate the exaggerations of the romantic period of American imperialism and American inflation. Inflation of promises, inflation of hopes, the Great Society, American supremacy—all that had to be deflated because it was all beyond our power and beyond the nature of things. His role has been to do that. I think on the whole he's done pretty well at it.

Q. Aside from his prolongation of the Vietnam war, which you've criticized, how do you feel about his domestic policies?

A. He will do anything he thinks is expedient.

Q. Is that necessarily a bad thing?

A. No, it isn't. He's a Keynesian when it suits him and he isn't when it doesn't suit him. That's the way public men have to act.

Q. You see him as responsive to public mood?

A. He's very cunning.

Q. So you would give him rather high marks?

A. Yes. He has played a very disagreeable role, but a role imposed upon him by historical necessity.

Q. Do you look on Nixon's crushing defeat of McGovern as merely a personal victory, or as something deeper—a repudiation of the philosophy of the New Deal and of the Great Society?

A. My feeling is that what happened in the Nixon-McGovern election is what happens in all elections of advanced modern industrial societies when the basic policy of the Jacobin or Rousseauistic philosophy is repudiated. By that I mean the belief that man is essentially good and can be made perfect by making the environment perfect, and that the environment can be made perfect by taxing the mass of people to spend money for improving it. Modern society won't accept that philosophy and it is usually repudiated. Sometimes the repudiation takes the form of fascism, but this rejection is morally and intellectually the equivalent of it, with-

out some of the ugly features of fascism.

Q. What do you mean by the "moral equivalent" of fascism?

A. The equivalent of fascism in my view is the repudiation by the society, by the masses of people, of the whole Rousseauistic belief in man's inherent goodness and perfectability. The mechanics of the repudiation is another matter. Whether the society takes the form of a dictatorship or a parliamentary system is a secondary question to what is being repudiated.

Q. Were these ideas repudiated because they were too ambitious or because they represented something incapable of achievement?

A. I think they represent something that is incapable of being achieved in human society. They are philosophically and morally untrue. Man is not naturally good, nor is his nature perfectable by economic means. The Jacobin philosophy is being repudiated in every advanced society because it involves attempting to do by taxation and appropriation things not possible to do. It's not possible by government action or any other action I know to create a perfect environment that will make a perfect man.

Q. Do you believe that those policies did in fact fail?

A. I don't think every detail of those policies, every reform, failed. But the idea that motivated them has failed.

Q. If the ideal has been repudiated then what happens to the effort to achieve social change through government action? Is that repudiated too?

A. It goes on, but there are a lot of errors that have been discarded in the course of human history, and this is one of them.

Q. Do you think the effort to achieve any kind of social change through the government is undesirable?

A. Certainly it's desirable. It's not the effort to achieve reforms that's wrong, but the inner ideological or philosophical content of these particular efforts. This is where the fallacy lies—the belief in human perfectability through government action.

Q. Did McGovern represent this philosophy?

A. Yes. McGovern believed in all the corollaries that go with this philosophy and he espoused any one of them that seemed to him promising. In this election, the people themselves showed that they won't have it. This is a philosophy that has been more or less prevalent in the Western world since the 18th Century. People have fallen for it for generations. But now it is being repudiated almost everywhere. Sooner or later it always gets repudiated.

Q. How would you distinguish what you all call Jacobinism from the kind of liberalism represented by Lyndon Johnson?

A. The difference is that liberalism is a much more measured form of human improvement. It neither claims nor seeks the exaggerated results claimed by Rousseauism and Jacobinism. It regards man as improvable but not perfectable; it takes a much more modest view of what mortal man is capable of doing.

Q. Were the goals of the New Deal and the Great Society rooted in this Rousseauistic or Jacobin approach?

A. Yes. We have been in the grip of this general view of the nature of society at least since Woodrow Wilson.

Q. If this philosophy has been repudiated, does this mean there will be less government intervention in the lives of the people?

A. No, I wouldn't say it would mean less intervention, but the difference between perfectability and improvability is a very big one. The belief in government as the agent of perfectability is what has been repudiated. People have rejected the idea that you can use the government—by controlling it, by getting the majority or physically seizing it—to do what I regard as what history has now shown to be impossible. Sometimes this repudiation can take the form of facism. But it didn't here. Instead it took the form of Nixon Republicanism. But a corruption of that, or a more extreme form of it, could lead to fascism, just as fascism can lead to Nazism. The Jacobin-Rousseauistic view of society and human nature will lead to the most dangerous forms of fascism or even Nazism if it is not brought under control.

Q. So this administration should be welcomed by liberals because it's headed off a reaction that could have degenerated into fascism?

A. I supported Nixon in '68 and I preferred him vastly to McGovern in '72. In that sense, yes. That doesn't mean I'm enthusiastically pro-Nixon. What he's done is historical: Nixon has performed a service that historically had to be performed if American society was not to be blown up or disintegrate or crumble.

Q. Nixon has certainly appealed to self-reliance and attacked the social welfare programs of the past four years. Won't this lead to a cynical neglect of the poor, the disadvantaged and the abandoned?

A. I thought there was no hope for those abandoned, if you call them that, members of society in those programs. These programs had been greatly excessive, as occurs in every advanced society. But it was much exacerbated in our society because actually taking from those who had really meant taking from whites to give to blacks. That was a cause of deep division and bad feeling in this country.

Q. But if the government does not play a big role, what hope is there for the disadvantaged?

A. I'm not accepting Nixon's philosophy. But no government can bring people up. They have to achieve it themselves. The belief that the government can do it is one of the great illusions of our time.

Q. In the kind of society we have, can the disadvantaged achieve economic and social equality?

A. I don't know. Nobody knows enough now to say yes or no to that question. There are all kinds of hidden assumptions we don't know the answers to.

Q. Being opposed to what you call Rousseaulan Jacobinism, do you consider yourself a conservative?

A. I am a conservative; I think I always have been. But that doesn't mean that I'm a conservative who agrees with William Buckley.

Q. What kind of conservative are you?

A. I never joined Barry Goldwater or anybody like that. I don't consider myself that kind. I hope and trust I am a conservative in the line of Edmund Burke. I believe in certain fundamental things in philosophy and constitutional law which are conservative as against the Jacobins.

Q. One of the definitions of conservatism is a belief in a hierarchical traditional society. Do you believe in that?

A. Well, I believe in what we used to call meliorism. You can make things better, but you can't make them perfect.

Q. Is it effective to deal with the symptoms of poverty, for example, rather than the causes?

A. Can anybody know what the causes are? There are many causes: laziness, wastefulness. Those are traits inherent in human beings. Some make for poverty and some make for wealth.

Q. The liberal would say we can isolate and eradicate the causes of poverty.

A. Does he know them? If he thinks he does, he's mistaken.

Q. Is this rejection of the Rousseaulan philospohy also a repudiation of the goal of social equality and progress?

A. Social equality, if you carry it far enough, is an absurdity. That doesn't mean that you have to be in favor of social privilege or inequality.

Q. I suppose the essence of Rousseau's thought is that man is corrupted by his environment and by social conditions—"Man is born free but he is everywhere in chains." It's this conception you consider false?

A. Yes, if you like, that's one thing.

Q. If you reject Rousseau's argument that man is born free, but is enchained by unjust laws, how do you achieve equality and justice?

A. Look, man isn't born everywhere free and equal. It's impossible that he should be born that way. The Rousseau-Jacobin doctrine was that he could be perfected by changing his environment.

Q. If you reject this, isn't the alternative simply to ride along with the status quo?

A. I don't think so. I don't think it does at all. It just makes you work very hard. You have to do things specifically and practically and in accordance with the possibilities of man. I read the other day a quotation from a Chinese which seems to me to sum up that Jacobin view. He said, "On television we watched the men the Americans put on the moon. We are going to be the first to put a new man on earth." That, I think, is exactly the Jacobin revolutionary philosophy.

Q. I suppose the idea that man is not perfectable is based on the belief in original sin. Do you believe in original sin?

A. In that sense, yes.

Q. Government is playing a much greater role in the lives of its citizens. Do you see this as irreversible?

A. Yes, I do. We're a mass society and a great many of our troubles and evils come from that. There are too many people alive in order to govern, control them and inform them. You have to have things that you wouldn't have dreamt about if you had a smaller population.

Q. So even though the people have rejected the idea of the government as an agent of perfectability, they've accepted that the government must play a powerful role in their lives

A. We've accepted it, but we're very rebellious about it, too. I mean people hate filling out all the forms—I know we do in this house—and we have to employ lawyers and bank people and so on to fill out forms for us and tell us what they mean. Thats a burden. There are a lot of people who have just resigned themselves, taken themselves out of what we would call the welfare state. They don't fill out the forms, they just don't live in it.

Q. As a result of this growing governmental role, do you see a danger of authoritarianism and repression?

A. There's always a tendency of the governing power to be repressive if it can be. That has to be resisted.

Q. What are the best means of resisting? Through the courts?

A. The role of people is crucial. We resisted Joe McCarthy in the 1950s by denouncing him. McCarthy didn't have enough power to arrest us, those of us who did denounce him, and so we revealed him for what he was. Finally a lot of people got angry with him.

Q. Do you see the government's prosecution of Daniel Ellsberg as an act of repression or intimidation?

A. No, I don't think it's an effort to do that. I think public papers which are classified and regarded as secret should not be stolen or revealed by anybody who is not willing to pay the price of doing it. It's the case of the Boston Tea Party: If the king's tea is there and you dump it in the harbor, then you expect to pay the penalty of dumping it in the harbor. One thing I like about Ellsberg is that he doesn't deny that he will take the penalty.

Q. If there's a higher loyalty than the law itself should those with the courage to defy it be applauded?

A. I think it was a good thing to reveal the Pentagon Papers because classification has become a vicious habit which needs to

be resisted. But that doesn't mean that every paper should be stolen or revealed. The penalty for doing that must be enough to deter anybody from doing it frivolously or easily.

Q. There's a great controversy now about executive privilege and whether members of the President's personal staff and his Cabinet should be obliged to testify before Congress. Do you feel the President is abusing this prerogative?

A. While there obviously has to be some kind of executive privilege, it must be used with the utmost discretion and restraint. Our system of government will simply not work if any principle is pushed to an extreme. There must be respect for the rules on the part of everybody—the President, the Congress, the courts. The men who wrote the Constitution were rational gentlemen. They knew the system they were devising could not work unless the rules were respected. Their primary assumption was that the kind of people who were running the government would play by the rules. If the President refuses to do this, nothing works and you don't have our constitutional system. The President of the United States is actually a king, with all the powers and all the limitations inherent in a king. What is important is that there be respect for the unwritten law, which is an important part of the American constitutional system.

Q. It's been said that one of the effects of the Vietnam war has been the questioning of all forms of authority—the family, state, religion. Do you think this is happening?

A. I don't think it's the result of the Vietnam war. The breakdown of forms of authority is a much deeper and wider process in modern history than the Vietnam war. I wrote a book back in the beginning of the century about the dissolution of the ancestral order. Clearly, the ancestral order of the family, for instance, has been much more affected by the contraceptive pill than it has by anybody's speeches or by the war.

Q. Is this breakup of the ancestral order dangerous?

A. Well, yes. It's dangerous in the sense that the fabric of society is of a cellular structure, of families related to each other in tribes and nations. Of course the destruction of that threatens to produce the chaos of modern times.

Q. You see this as leading to authoritarianism or fascism?

A. It's absolutely one of the things that will occur. Yes, there'll be all kinds of repression.

Q. It is said that we live in an age of permissiveness in which all the old values pretty much have been destroyed, including the belief in patriotism and the state. Can people live with that kind of uncertainty in their lives without any focal point of attachment?

A. I think it's a good question, but there's no easy answer to it. Whether people can live without an organized life around authority and the belief in something is a question that the modern age has been experimenting with, and hasn't solved.

Q. I suppose it's in periods like this that people have created new religions in the past.

A. When they've been lucky.

Q. How do you feel about the future of parliamentary democracy?

A. I think it's increasingly unworkable mechanically with the growth of population. Aristotle said long ago that there's a certain size a good city should have so that the human eye could see its limits. There is a limit which we have passed in these mass democracies. Societies are not capable of governing themselves if they're that crowded and that numerous.

Q. Then you look at parliamentary democracy as . . .

A. As a doubtful experiment.

Q. And a parenthesis in history perhaps?

A. Parliamentary democracy was the product of a much simpler, less numerous, stratified society, class system. Whether it can be applied to these massive modern democracies, I don't know. It's very doubtful.

Q. What do you see as the alternative?

A. I don't think anybody can see an alternative. I certainly haven't got a panacea for it. That's a very American question you asked. I'll tell you what: Part of this illusion of what I call Jacobinism for short is that there's a remedy for every evil and a solution for every problem. A lot of things are not solvable.

Q. If they're not solvable, what attitude can we take toward these problems—stoicism?

A. Stoicism, resignation, acceptance. Part of the myth of the perfectability of man is that he can solve everything.

Q. If we're forced to live in a world where we recognize that problems can't necessarily be solved and also that America may not have anything very special to give to the world, we're in for a very difficult process of adjustment. Isn't the basis of our society that we can create the future?

A. It is the American myth.

Q. Other societies have something to fall back on: the continuity of their history, a religion, a strong social structure. We have nothing like that.

A. No, and we have this feeling—this comes from the Puritans—that we are a chosen people with a mandate from God Himself to make a perfect world for ourselves and for everybody else. Of course that is a terrible myth.

Q. There's been a great concern over the freedom of the press recently—the right of newsmen to protect their sources, the effort of the government to intimidate the media. You've been concerned with this problem throughout your career. Do you think there is a serious threat to freedom of the press?

A. I think that very often troubles of the press come from a commercialized desire to get scoops, to be the first to print the news. These "sources" very often are places to get tips of what's going to happen. The desire of newspapers to be the first to print particular information is corrupting to the whole journalistic process. In the journalistic world I grew up in, it wasn't a question of law whether you had to divulge your sources. It was a question of whether the reporter had the guts to refuse to reveal where he got the information, whether he was willing to go to prison if necessary. That was regarded as the elementary code of a newspaper man. The reverse of that was—and this was always my practice—when someone told me something in confidence, I didn't pass it on to the reporters so we could get a scoop. I had a relationship with the man I was interviewing and I didn't want to print that.

Q. Does the press have a responsibility to publish what it thinks is newsworthy at whatever cost?

A. I wouldn't make a generalization. I think raw news, raw fact, is not intelligible anyway to the public, and has to be explained. The explanation is an important as the fact itself. The duty of the press is to put forth no raw news but explained news.

Q. Does the press have a responsibility to the government to keep secrets, even if it thinks the government is doing something wrong—as in the Bay of Pigs or the Pentagon Papers?

A. I think that's a matter of conscience. I would decide only in specific cases.

Q. You've known many officials during your career. What is the proper relationship between reporters and government officials?

A. I certainly have. I feel that newspapermen cannot be the personal or intimate friends of very powerful people. They just can't. It won't work. They'll either end in corruption of the press or a quarrel, and I've said that before. You cannot be in the confidence of a king.

Q. There is a lot of talk now about the press abusing its privileges and of government restraints on the press. Should the press monitor itself through a public commission, as a way of preventing the government from interfering?

A. The press should be responsibility edited. But it shouldn't edit itself by law, decree or flat or anything like that. Commissions to monitor the press and things like that are artificial anyway. They never work.

Q. You have probably been the most successful political journalist we've ever had in this country. But if you had it to do over again would you have chosen a different kind of life?

A. Had I been gifted to do it—and I wish I had—I would like to have been a mathematician.

Q. Why?

A. I would have liked that kind of life. The precision, the elegance . . . there's something about it that attracts me esthetically.

Q. Did you consider the writing of books or your journalism more important?

A. I considered writing books the more important thing. I always viewed journalism as the place where I accumulated facts and information that I used for my books. Being a journalist was rather like the doctor, you know, who has to go and practice.

Q. Forty years ago you launched a new kind of column—serious political analysis—that had never been done before. But with the growth of TV and news magazines, do you think the political column still plays an important role today?

A. I think it plays an important role whether or not it's signed and presented as a column. The columnist is really a specialist writing editorials. The column is an editorial, and an editorial really should be an explanation of a fact. A good editorial is something which makes a fact much clearer.

Q. Are the newspapers performing that task adequately today?

A. No, but it's a very difficult task to perform.

END OF VIETNAM WAR—FOUNDATIONS FOR PEACE

Mr. FONG. Mr. President, I rise to express my heartfelt thanksgiving that all known American prisoners of war of the Indochina conflict have been released and that our troops are now out of Vietnam. Great credit is due President Nixon for this happy day.

Words cannot adequately express the joy that I feel not only for the men themselves, but also for the wives, children, and families of our prisoners of war. Their long and patient vigil has finally come to an end.

At this time of rejoicing, we must not and we do not forget our men who are missing in action. I hope that in the weeks and months ahead total effort will be expended by everyone to have as full and complete an accounting of our MIA's as possible. Nothing less will fulfill our duty to those brave men and their families.

In addition, praise must be given to the millions of Americans who faithfully and loyally served their country at a time when people were criticizing our involvement in behalf of the South Vietnamese and when thousands chose to desert their country. I cannot help but have the highest admiration for those brave young men and women who answered their country's call to leave their families and their jobs, and to put their futures—even their lives—on the line in an effort to assist an ally in need of help. Many have been crippled or scarred or maimed for life; many others—over

50,000—gave their full measure in serving their Nation.

TRIBUTE TO PRESIDENT NIXON

That the prisoner exchange and the return of the last of our troops from Vietnam have been successfully accomplished is due in large measure to President Nixon. When the other side balked, he remained firm and resolute. When the other side refused to reveal the names of all the POW's, he insisted in full disclosure and full release of the men.

All Americans can be thankful that our Nation has in the White House a man of exceptional courage and fortitude and perseverance. He has demonstrated over and over again that he cannot be bluffed or intimidated. As a result, our men have been brought safely home.

As we give thanks for the safe return of our men and for the end of America's military involvement in Vietnam, we also say a prayer that peace will come to all Indochina.

However, in view of numerous cease-fire violations since the agreement went into effect 2 months ago, there is a cause for concern that the fragile cease-fire will be broken. Obviously, peace will not be restored to Indochina if the signators to the Agreement on Ending the War and Restoring Peace in Vietnam do not live up to the provisions of the cease-fire document. I earnestly hope and pray that all parties to the agreement will realize the advantages to making the ceasefire work far outweigh the costs of resuming old hostilities.

President Nixon is to be commended for carrying out his pledge to end the Vietnam war as soon as possible in a way that will not invite future Vietnams.

Merely ending the war by withdrawing our troops as some suggested:

Without any foundation on which to build lasting peace;

Without provisions for the prompt release of all American prisoners of war and a full accounting of the missing in action;

Without safeguards to provide supervisions of the peace agreement;

Without guarantees that the people of South Vietnam would be given the opportunity to determine their own future;

Without these and other provisions which fulfilled our mission in Vietnam—would have made a mockery of the sacrifices that millions of Americans made, including the supreme sacrifice of over 50,000 lives, in behalf of the people of South Vietnam and their right to self-determination.

President Nixon's strong resolve and determination to make the American sacrifices meaningful—and not in vain—resulted in an agreement that can bring peace with honor in Indochina. If all the parties to the accord live up to it, there can be peace in war-torn Indochina for generations to come.

INSURING LASTING PEACE

Mr. President, although large-scale fighting has ended—with lesser attacks constituting violations of the cease-fire agreement still taking place—there is much more that we must do to insure that the peace will be a lasting one. As President Nixon stated in his television address to the American people:

> We must recognize that ending the war is only the first step toward building the peace.

With the major fighting now over, we can concentrate on not only assisting the people of Indochina, but on reuniting the American people and healing the wounds that have been building up over the years.

Mr. President, I am mindful of the fact that no piece of paper or formal agreement can wash away overnight the hatred, distrust, and bloodshed that have been accumulating for the past generation. However, I am confident that if all the parties to the agreement carry out their responsibilities and duties in an honorable and sincere manner, the future can be a bright and peaceful one.

As Dr. Henry Kissinger, President Nixon's capable and dedicated national security adviser, wisely observed at one of his briefing sessions for reporters:

> It will be our challenge in the future to move the controversies that could not be stilled by any one document from the level of military conflict to the level of positive human aspirations and to absorb the enormous talents and dedication of the people of Indochina in tasks of construction, rather than in tasks of destruction.

NIXON DOCTRINE FOR PEACE

As the thorn to better relations and détente between the United States and the Communist world is removed, we can now make a more objective appraisal and analysis of the Nixon doctrine—the foundation and guidepost for our country's foreign policy for the 1970's.

In his address to the United Nations General Assembly on September 18, 1969, President Nixon stated:

> It is not my belief that the way to peace is by giving up on our friends or letting down our allies. On the contrary, our aim is to place America's international commitments on a sustainable, long-term basis, to encourage local and regional initiatives, to foster national independence and self-sufficiency, and by so doing to strengthen the total fabric of peace.

Since taking office, President Nixon has demonstrated his conviction that a world order for peace requires a strong but redefined role for America. The President has repeatedly expressed his belief that as the leader of the free world, the United States needs to strengthen its relations with allies and friends and evoke their commitment to their own future and to the international system.

The Nixon doctrine, therefore, seeks to reflect the folowing realities of the 1970's:

That America must continue to play a major role in international affairs;

That our friends and allies can and should assume greater responsibilities for the preservation and advancement of the free world;

That the change in the strategic relationship among the nuclear powers calls for new doctrines and new approaches; and

That the emerging polycentrism of the Communist world presents different challenges and new opportunities for the evolution of a relatively peaceful world order.

ALL NATIONS MUST WORK FOR PEACE

There cannot be a realistic structure of peace unless other nations help to fashion it. Indeed, in the recognition of this basic fact lies both its hope and its pitfall. The structure of peace cannot be built except by the willing hands—and minds—of everyone.

In this new, dynamic era unprecedented challenges and opportunities beckon the nations and leaders of the world to set aside doctrine and focus on a common goal—world peace and cooperation. A new global partnership could promote a consciousness among all to work for the world's interests instead of narrow national interests.

PRESIDENT NIXON OUTSTANDING LEADER FOR PEACE

At this time in history our country is fortunate to have a leader of President Nixon's caliber at the helm in the White House—a man who has recognized the historic opportunity to seize the creative possibilities of a pluralistic world and to turn the changes of the last generation into new avenues for peace.

In his second annual Presidential review of the U.S. foreign policy, President Nixon made perfectly clear what his administration planned to do in international affairs:

> We must begin with the vision of the world we seek, to infuse our actions with a sense of direction. We need a vision so that crises do not consume our energies, and tactics do not dominate our policies.

Mr. President, historians will undoubtedly give the Nixon administration high marks for its performance in international affairs during the President's first term in office—a performance that truly reflects his credo that crises should not be allowed to exhaust our resources, and tactics should not preponderate our policies.

MAJOR ACHIEVEMENTS FOR PEACE

By starting with proper vision and by making painstaking preparations, the Nixon administration has been involved in some historic and dramatic developments. These are:

Vietnam settlement.—The signing of a cease-fire agreement in Vietnam enabled us to see peace with honor come to Vietnam. This agreement made it possible for first, the release of all American prisoners of war held throughout Indochina; second, the fullest possible accounting of all those who are missing in action; third, the withdrawal of all American forces from South Vietnam; fourth, an internationally supervised cease-fire; fifth, a guarantee for the people of South Vietnam of the right to determine their own future, without outside interference.

Had we cut and run in Vietnam as many had advocated, President Nixon would not have been able to transform the spirit of the international community into one of accommodation and compromise. To wash his hands of the most unpopular war our country has ever waged would have been easy for the President to do, especially since it was not a war he started but a war he inherited. However, he chose to face the lonely vigils, the difficult decisions, the up-and-down emotions of the American people, and the anguish that accompanies the exercise of such immense responsibilities. It is to America's credit that, despite strong criticisms at home

and abroad, she did not abandon an ally; and it is to the President's credit and to the credit of the late President Johnson that they had the courage to persist in the pursuit of an honorable peace agreement.

Breakthrough with the Peoples Republic of China.—The end of President Nixon's first term in office saw the dramatic turn in Sino-American relations from hostility toward normality.

Upon assuming the Presidency, one of the great challenges that Richard Nixon faced was to redirect America from a collision course with the Peoples Republic of China to a pragmatic relationship opening the doors of both countries to trade, commerce and political dialog. In a matter of 4 short years, President Nixon has ended a quarter of a century of unyielding and inflexible hostility on the part of both countries toward each other. Fragile as the historic breakthrough is, this rapprochement between the most powerful nation and the most populous nation in the world could have greater significance for future generations than any other single act of the administration. It represents a necessary and giant step toward the creation of a stable structure for world peace.

Improved relations with the Soviet Union.—The Nixon administration has succeeded in creating a new momentum in the search for more constructive rapport with the U.S.S.R. through a series of concrete agreements which contribute to the lessening of tensions and the improving of relations.

Guided by the desire to place Soviet-American relations on a more stable and constructive foundation, and mindful of their responsibilities for maintaining world peace, the Soviet Union and the United States adopted on May 29, 1972, a document entitled: "Basic Principles of Mutual Relations between the United States of America and the Union of Soviet Socialist Republics." Among the agreements that were reached which will intensify bilateral cooperation in areas of common concern, as well as in areas relevant to the cause of peace and international cooperation, are the following: Limitation of Strategic Armaments; Commercial and Economic Relations; Maritime Matters: Incidents at Sea; Cooperation in Science and Technology; Cooperation in Space; Cooperation in the Field of Health; Environmental Cooperation; and Exchanges in the Fields of Science, Technology, Education and Culture.

Mr. President, at a time when all Americans are rejoicing over the return of our POW's and the final withdrawal of American forces from South Vietnam, it is only appropriate that attention also be focused on the total design of the Nixon doctrine and what it has accomplished over the past 4 years.

There were times when people strongly questioned the wisdom of the President's actions and policy regarding our goals and objectives in Vietnam. However, despite great pressures from his critics and many lonely vigils, President Nixon steadfastly refused to yield to his diehard detractors. He knew that if North Vietnam's aggression against South Vietnam went unchallenged this would mean that the extraordinary relaxation of tensions within the international community of nations would never have taken place.

Although this historic change is encouragingly underway, the transition is far from completed. During this difficult but important period, the task of maintaining a balance abroad and at home will test the capacity of our leaders and the understanding of the American people.

Now, more than ever, if the President's critics will restrain their doomsday rhetoric and give the President's peace plan a chance to bear real fruit, we will be able to bring in a new era of cooperation, good will, and peace.

Mr. President, let us all support our country's efforts to help create an environment that will be conducive to peace and the normalization of relations among all nations of the world—an environment that can nurture peace for generations to come.

TIMELY ACTION TO COORDINATE FEDERAL DRUG LAW ENFORCEMENT

Mr. PERCY. Mr. President, President Nixon sent to Congress yesterday Executive Reorganization Plan No. 2 of 1973. I welcome this as another affirmative step in the President's continuing effort to overhaul the executive branch and better coordinate existing programs and functions.

This plan strengthens the attack on illicit drug traffic and manufacture by realining current Federal law enforcement functions. The President has keenly discerned several ongoing problems in drug abuse law enforcement and has submitted this plan to overcome those difficulties now.

Under the provisions of the Executive Reorganization Act of 1971, either House of Congress can disapprove this Reorganization Plan within 60 days, otherwise it becomes effective. Senator RIBICOFF has already announced that he will hold hearings in the Executive Reorganization Subcommittee of the Government Operations Committee. As a member of this subcommittee, I have participated in a 3-month study of the current drug enforcement efforts within the executive branch. Many of the problems which this study has uncovered would be alleviated shortly after implementation of the plan.

Specifically, the President's proposal clarifies the diffuse responsibilities of the Department of Justice and the Treasury Department by consolidating all drug law enforcement functions in Justice. The Bureau of Narcotics and Dangerous Drugs would be abolished as a separate institution within the Justice Department. Approximately 300 special agents, presently assigned to the Bureau of Customs, would be transferred to a new agency within the Justice Department—the Drug Enforcement Administration.

Thus, all principal investigative and law enforcement functions, some of which have been under the auspices of the Treasury Secretary, will be vested in the Attorney General. Also transferred to the control of the Attorney General would be all law enforcement functions and resources of the Office of Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, and the funding for drug law enforcement research presently carried on by the Law Enforcement Assistance Administration.

The Treasury Department will assume responsibility for conducting ports of entry inspection of all goods and persons entering this country. This function is currently divided between Justice and Treasury, each conducting separate inspection procedures with differing priorities. With the Immigration and Naturalization Service now to be transferred to Treasury, the result will be a uniform border protection policy conducted solely by the Bureau of Customs.

During the last few years, the problem of drug abuse throughout the world has multiplied by a hundredfold. Federal Government reaction to this mushroom effect has been to keep pace, but the effort has been uncoordinated in several important respects. Federal spending on programs to combat and treat drug abuse has increased nearly 10 times since 1969, but currently nine Federal agencies perform related drug law enforcement functions. Seizures of contraband narcotics throughout the world have almost tripled in the last year alone, but illicit drug manufacture is estimated to have increased at an even faster rate.

This country's effort in combating illicit drug traffic has suffered due to overlap and an ineffective coordination of agency resources. It is imperative that our combative procedures be streamlined, along the lines proposed by the President, so we may keep pace with the rapidly growing sophistication employed by world drug traffickers.

The lack of adequate interagency communication of vital intelligence information is another problem which I hope will be substantially relieved when this plan goes into effect. Intelligence data gathering sources and responsibilities are spread throughout several Federal agencies. For all too long, the right arm of this network has been unaware of what the left arm has been doing. Each of the two cabinet departments involved in the reorganization will now have specific and distinct functions in this regard.

Just last week the National Commission on Marihuana and Drug Abuse issued a report based on 2 years' study of the Nation's drug crisis.

In making its recommendations for a more effective drug policy, the Commission concluded that the current Federal response has tended to perpetuate the problem. The report cites interagency rivalry and the lack of coordination at both the local and Federal level as among the primary difficulties with our current drug abuse effort. However, the members of the Commission further stated that "when such responsibility is clearly defined and delegated, such bureaucratic difficulties are much less likely."

This is precisely the course of action the President has proposed. Although the Commission report recommends the creation of a new Federal agency to ad-

minister all drug law enforcement and treatment and prevention, I do not believe that this is the best course to follow at this time—as indeed Senators HUGHES and JAVITS indicated in their judicious dissents on this issue. The Special Action Office for Drug Abuse Prevention, established statutorily last year in the Executive Office of the President, currently oversees all major Federal programs for drug abuse treatment, rehabilitation, education, and research. The Special Action Office, guided since its inception by the very capable leadership of Dr. Jerome Jaffe, has made remarkable progress during its short existence. Disbanding this group and coupling treatment with law enforcement within a single agency would for now only compound the bureaucratic problems we are already experiencing.

The President's proposal will eliminate the problems the Commission addresses without the cost and confusion which a totally new, independent agency would entail. The restructuring clearly outlines the duties and responsibilities of all the participants in our continuing struggle against drug abuse. The President is to be commended for his foresight and personal commitment to this effort.

WHO SPEAKS FOR CONSUMERS?

Mr. RIBICOFF. Mr. President, in today's Washington Post, Mr. Hobart Rowen has written an excellent analysis of the reasons for the present high prices of food products. As the article points out, Secretary Butz seems to be a good advocate for current price levels. But who speaks for consumers—who is arguing for lower prices? The answer is no one, because there is no consumer protection agency.

Mr. President, this article is another demonstration that the consumers of America need a consumer protection agency to speak for them in the departments and agencies of Government.

I ask unanimous consent that Mr. Rowen's article be printed at this point in the RECORD.

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

FOOD PRICES: PAYING NOW FOR PAST MISTAKES

(By Hobart Rowen)

Secretary of Agriculture Earl Butz and others who oppose price controls on food products argue that it's all a question of supply and demand. The artificiality of controls, they suggest, will merely bring about shortages and black markets.

We must suffer the thing through, they say, until the good old free market system, stimulated by high prices, increases producers' incentive to put more food on the table.

Well, where were Mr. Butz and Co a year or two ago?

The real answer, and it was supplied with great candor by none other than Economic Council Chairman Herbert Stein, is that they had forgotten all about the free enterprise system, and were concentrating on getting the farmer to the polling place where he would vote Republican.

Before the White House mafia descends on Mr. Stein, let me hasten to say that he didn't put it in just that language.

But in briefing the press on the worst cost of living data in 22 years, Stein conceded that "one or two years ago," the Administration had not foreseen the extent of demand for agricultural products.

"Now," he said—referring to the desperate attempts to boost farm output—"we have a policy more conducive to the production of farm products than we had (then). . . . I would sound silly if I said we had forecast the situation correctly."

It is true that unfavorable weather conditions, including a corn blight in 1972, and the extraordinary demand from abroad have contributed to the rise in farm prices.

At the same time, the rise reflects the earlier policy of the Nixon Administration. Net farm income declined in 1970 after reaching the highest level in 20 years in 1969. Looking ahead to the 1972 election, the administration became anxious about the farm vote.

The 1971 Economic Report of the President, at a time when the President was saying that "free prices and wages are the heart of our economic system," was duty bound to report the following:

"To some extent, the rise in these (crop) prices was a consequence of Federal cropland adjustment programs, which had diverted substantial acreage from production in the past two years, and the large stocks of commodities built up earlier were thus somewhat diminished."

By early August, 1972, Butz knew the dimensions of the Soviet grain purchase. But as farm expert John A. Schnittker (a former Agriculture department Under Secretary in the Johnson Administration) pointed out in recent Congressional testimony, Butz as late as October wanted a conservative corn crop target. Then, in December, he announced a restrictive program for feed grains that had to be junked in January.

So the Nixon Administration record in the whole area runs from poor to dismal, and one is entitled to view with a jaundiced eye the bland assurances that everything that should be done is now being done, and that price controls would only mess things up.

Reasonable persons can differ about the long run impact of price controls. But there just can't be any doubt that controls would put an end to the present unacceptable level of skyrocketing food prices and put more meat in the supermarkets.

That much is conceded by David Stroud of the National Meat Board. But he contends that pig farmers and cattle breeders who have been urged lately by the administration to stimulate their production and who will—he insists—deliver more meat by the end of 1973, would quit under price controls and return to the old scarcity policy.

No one ever explains why this should be so. The attitude of the authorized spokesmen for the meat industry, such as Mr. Stroud, seems to be that the livestock farmer has gotten a bum rap in the distribution of national income since the end of World War II, and no one should interfere now, because for the first time, he is getting what's coming to him.

There is no reason why the livestock producers should not get a reasonable price for their meat, with controls in effect. If rising demand is there—and this is the element on which Mr. Butz puts most of the blame—it should be able to sustain good prices for heavy marketings over a long period of time, assuring a prosperous time for farmers.

Price controls now, for three or four months, with encouragements rather than discouragements to production, are needed to shoot down the soaring price balloon.

THE FUTURE OF SHIPS

Mr. BEALL. Mr. President, earlier this year I introduced S. 797, the "Bicentennial Advanced Technology Transportation Systems Demonstration Act."

This proposal would authorize a demonstration high-speed land and water during the bicentennial. On December 7 of last year hearings were held on this proposal. During this hearing, we heard from the Navy with respect to their utilization of high-speed marine vessels. In the January issue of Sea Power there is an interesting article entitled "An Attempt to Determine the Future of Ships."

Because of the interest in the Congress in high-speed transportation systems, I ask unanimous consent that this article be printed in the RECORD.

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

AN ATTEMPT TO DETERMINE THE FUTURE OF SHIPS

(By James D. Hessman)

Chief of Naval Operations Admiral Elmo R. Zumwalt, Jr.: The SES program, represents "a technological breakthrough that offers the potential for revolutionizing naval warfare . . . [It] will change warfare at sea in ways we cannot yet fully foresee."

Assistant Secretary of the Navy (Research and Development) Robert A. Frosch: The SES will possess "at least twice what we believe to be the highest speed that we could contemplate building a submarine to go . . . [with a] best efficiency range somewhere between 80 and 100 knots. . .

"Such ships will provide a greater advancement in surface ship capabilities than any in the last century, and hold a potential for revolutionizing naval warfare."

Director of Defense and Research Engineering John S. Foster, Jr.: "We don't look on this as a small thing at all. . . It is an extremely critical experiment in an attempt to determine the future of ships."

Vice Admiral Jerome H. King, Jr.: "[This is] a very exciting thing. It is an area of technology that we must exploit to the fullest."

Zumwalt again: "We believe the potential for [changing] the whole nature of warfare at sea is so great—it is like nuclear propulsion—we ought to go forward [with the SES program]."

The enthusiasm of the speakers—all of the above quotes are from testimony before the House and Senate Appropriations Committees during hearings on the fiscal year 1973 Defense Department appropriations bill—is understandable. They were talking about the Surface Effect Ship, or SES, which in its various future configurations could, among other things:

Literally run rings around a submarine, thus greatly diminishing if not completely eliminating the Navy's aggravating and long-standing ASW problem.

Serve as a super-fast PT boat, darting in from the shallows to deliver a knock-out punch against enemy ships operating in protected waters.

Deploy as a "mini" aircraft carrier, suited with a mix of helicopters, V/STOL (vertical/short takeoff and landing) and fixed wing aircraft, and capable of making the run from the East Coast of the United States to the Mediterranean in a day and a half—or from San Diego to Japan in two days.

Operate as a multi-purpose amphibious vehicle, scooting over shallow water, marshes, and swamps to drop troops and cargo not on the beach, but at staging areas far inland.

THIRTY HOURS TO EUROPE

Potential commercial applications of the SES are similarly mind-boggling. Commander Alfred Skolnick, Director of Technology in the Naval Material Command's SES Project Office (headed by Captain Carl J. Boyd) pointed out in a 1968 monograph that "transport for large volumes of high-value-per-ton cargo, always a problem for aircraft, [could]

be handled smartly by the surface effect ship and delivered, for example, on a *New York-to-Southampton run in less than 30 hours* [emphasis added].

"Passenger capability, ferry service, island hopping, transport of perishables, and numerous other applications are easy to perceive; roll-on and roll-off capabilities and containerized cargo enhance the vision," Skolnick said, adding, perhaps unnecessarily, that "The effect upon ship construction opportunities for existing yards and aggressive aerospace companies is clear, once feasibility of the concept is demonstrated."

Other experts agree with Skolnick. A 1969 SRI (Stanford Research Institute) study gets down to cases with an "actual realistic schedule" setting forth SES sailings "at the same day and time each week to achieve consistent scheduling from the standpoint of the shipper."

The "balanced schedule" wherein specified numbers of ships could maintain a consistent weekly service is laid out by SRI as follows: "[T]wo ships could provide a three-sailings-a-week service each way between New York City and one of . . . three ports in northwestern Europe (Tilbury, Goteborg, or Rotterdam) . . . Japan could be served by two SESs with two sailings each way one week and three the next, or by four [SESs] with five sailings each week."

Other uses are possible. Studies have been underway for some time on an Artic Air Cushion Vehicle (ACV—one of the two major SES subcategories) which could operate with equal facility over the ice cap, open ocean, or Arctic tundra—in the latter case, without causing damage to the delicate tundra vegetation, a matter which has been a prime concern of the ecologists.

Also in the offing are short run SES cargo and passenger systems—possibly using U.S. inland and coastal waterways to ease urban traffic congestion.

THREE CENTURIES OLD

Despite the hyperbole of enthusiasts, the SES is not really a "revolutionary new concept." It is more "an idea whose time has come," as Skolnick points out in another 1968 article (co-authored by SESPO's Z. G. Wachnik) published by the American Society of Mechanical Engineers: "Waterjet [one of several possible SES propulsion systems] is the oldest known type of mechanical propulsions for ships. Patents were granted to Toogood and Hayes in England in 1661, reproposed by Benjamin Franklin in 1775, and actually applied by James Rumsey in 1782, when waterjets were used to propel an eighty-foot passenger boat on the Potomac between Washington and Alexandria."

But if the idea is not new, it was never before feasible on a large-scale basis. Now, with the dramatic advances in metallurgy, marine propulsion systems, and other technologies which have taken place in the last quarter century the time has come, say marine engineers, to get on with the program.

All SES vehicles literally ride on air, but the way they do it makes a difference. The Category I or "aerostatic lift" vehicle is supported by a cushion of air which is constrained in one way or another beneath the vehicle. The Category II or "aerodynamic lift" vehicle would get its support from aerodynamic lift provided by the vehicle's forward motion—which would cause air to pass over (and under) the upper and lower surfaces of SES "wing" components. Category I vehicles can hover, but Category II vehicles, which depend on their transit speeds to develop lift, cannot. Future SES vehicles may make practical application of aerodynamics principles, but current studies assume that, in Skolnick's words, "for multithousand ton SES, air propulsion is unrealistic." Present and prospective test programs are postulated on the assumption, therefore, that aerostatic lift will be "a basic vehicle design feature."

Other studies conducted over the past 12 years by various U.S. government agencies—principally the Navy and the Commerce Department—indicate the most practical aerostatic lift systems for future SES vehicles of the size planned for military and commercial application are those utilizing waterjet propulsion or supercavitating propellers (fully or partially submerged). Both systems use rigid sidewalls—running fore and aft on either side of the ship—and bow and stern seals, or flaps, to produce a CAB (Captured Air Bubble) effect. The waterjets or propellers, located at the after end of the sidewalls, provide the propulsion which enables the SES to ride the captured air bubble at speeds which could reach, in some theoretical studies at least, as high as 180 knots or better.

FAST SHIPS, SLOW TORPEDOES

It is the prospect of such never-before-attainable superspeeds, of course, which so excites senior Navy and Defense Department officials. A closer look at some of the possible combatant ship applications tells why:

In the destroyer mode—2,000 tons or so—a 100-knot SES would restore the combat advantage to the surface ship for the first time since the advent of nuclear propulsion. With several LAMPS (Light Airborne Multi-Purpose System) ASW helicopters aboard, the SES destroyer could patrol and control several hundred square miles of sea, moving in from miles away to destroy a remote contact within minutes. Cruise missiles might provide the submarine some attack capability but the destroyer likely could outrun any torpedo launched against it. (SES cargo ships, of course, would not need destroyers to convoy them; they could rely on their own speed for protection.)

On November 10 the Navy awarded four contracts—to Aerojet General ($2.6 million); Bell Aerospace ($3.0 million); Litton ($2.7 million); and Lockheed ($2.3 million)—to do preliminary designs of a 2,000-ton surface effect prototype ship which presumably could be used, somewhat larger and with several modifications, as an SES destroyer.

The patrol boat SES could hide along the coast line or even—in a "hovercraft" configuration (using a flexible "skirt" rather than rigid sidewalls)—on land. Such craft would have limited range, but a few of them armed with torpedoes and/or cruise missiles could easily control the choke points of vital waterways and deny access to enemy shipping. Two 100-ton SES vehicles built for the Navy by Aerojet General and Bell Aerospace as test beds for multithousand ton SESs have already demonstrated the feasibility of smaller-sized combatant SESs. (Tests indicate, it should be noted, that hydrofoils probably are more efficient than SES craft in the lower tonnages; they are, in fact, expected to be the Navy's patrol boats of the future.)

As a small aircraft carrier or Sea Control Ship (SCS) the 10,000- to 20,000-ton SES could be the end-of-century successor to present day 100,000-ton attack carriers, which Congress is understandably reluctant to replace at a price tag of $1 billion per ship. For the same cost the Navy could have several SES carriers with three times the speed and, if nuclear-powered, virtually unlimited range. The SES would carry fewer but more capable aircraft. The high speed of the SES carrier would be sufficient in itself to permit launch and recovery of aircraft: catapults and arresting gear could be eliminated, a consideration which would hold down the cost, size and complexity of both the carrier and aircraft carried. Present naval aircraft must be extremely rugged to withstand the shock and strain of catapult launches and arresting gear landings. SES carrier aircraft could be appreciably lighter, and thus would be able to fly higher, faster, and farther than their heavier forebears. The SES carrier is still a long way over the horizon, however. As Defense's Foster told the Senate Defense Appropriations Subcommittee last year: "While we might in the future want ships of 20,000 tons or more, we feel at this time 2,000 tons is as far as we can push it on an experimental basis."

TIPTOE THROUGH THE TUNDRA

More immediate—and soon, perhaps, a reality—will be 160-ton amphibious assault landing craft ACVs being developed for the Navy by, once again, Aerojet General and Bell Aerospace. The AALCs will be true amphibians, able to move over the water, through the surf, and onto the beach at speeds up to 50 knots, or five times as fast as World War II landing craft. Payload will be about 60 tons.

The Army and the Defense Department's Advanced Research Projects Agency (ARPA) also are deeply immersed in ACV/hovercraft technology. The Army's Voyageur Air Cushion Vehicle—developed and built by Bell Aerospace Canada—successfully completed its first ship-to-shore military transport trials in October during exercises off Fort Story, Va., near Norfolk. The Naval Ship Research and Development Center headquartered at Carderock, Md., is ARPA agent for a program to develop an Arctic Surface Effect Vehicle (SEV) which will be capable of carrying a variety of cargo, say NSRDC officials, "through ice rubble and snow at minus 65 degrees Fahrenheit as well as the open ocean and tundra quagmire in summertime at speeds averaging 60 knots."

Other countries have not been idle. The British are particularly active in the hovercraft field. The Navy's Frosch noted in his Defense appropriations testimony that 200-300 ton SES vehicles capable of carrying 250-300 passengers provide regular passenger service between Norway and Copenhagen. Lockheed's James G. Wenzel last month told the Senate Commerce Committee's Subcommittee on Surface Transportation—during hearings on Bicentennial Transport demonstrations—that "Commercial SES are proven. . . There are 11 small craft of this type now in worldwide service which have logged over five million fatality free passenger miles with a high mechanical realiability." And SESPO's Skolnick, referring to a 1966 article in Navy (now Sea Power), says "Recent interest has also been demonstrated by the Soviet Union; the obvious speed advantages of SES over submarines make them an attractive anti-submarine warfare platform which the Russians apparently intend to exploit."

As is always the case with "revolutionary new concepts" there have been problems with the SES program, and there undoubtedly will be many, many more. The test schedule for the 100-ton vehicles already has experienced a seven-month slippage. The Commerce Department has dropped out of what had been a 50–50 partnership with the Navy in conducting an SES R&D program—but only because commercial SES is less urgent, and can ride piggyback on the still ongoing naval program, now 100 percent Navy-funded.

Numerous problem areas identified by the SESOC (Surface Effect Ships for Ocean Commerce) Advisory Committee have been arbitrarily classified into "crucial," "important" and "improvement" categories. A few examples of each:

Crucial—A reliable collision avoidance system is mandatory; better stability and control criteria are needed; effective flexible understructures must be developed; the problems of overloading sea conditions, waves of unusual height, and unforeseen structural failures must be solved.

Important—"Highly efficient, high powered, light-weight propulsion systems capable of continuous, reliable, and maintenance-free operation without efficiency degradation in the marine environment" must be developed; further exploration of materials "with regard to rupture, stress corrosion, cavitation erosion, and other special properties" is necessary.

Improvement—Means must be developed to reduce port delays to a minimum; special facilities at terminals "to accomplish fueling, servicing, and maintenance" will be required; special habitability problems must be identified and resolved.

FOCH AND J. P. JONES

Most if not all of these problems, staggering as they seem, fall into the "engineering" category, which means, SES program officials say, that "we know the problems *can* be solved; what we don't know is how." The test program on the 100-ton vessels—which Dr. Foster says will involve about 5,000 individual subsystem tests per vehicle, plus about an additional 160 "test events" involving the "whole SES system"—undoubtedly will resolve numerous problems (but find still more). At the present time, despite all the obstacles, known and unknown, which still must be hurdled, said one SES official, "we're closer to the SES carrier than the Wright Brothers were to the C–5."

Less optimistic persons find solace in the following from Robert D. Heinl's admirable *Dictionary of Military and Naval Quotations:*

"What can you conceive more silly and extravagant than to suppose a man racking his brains, and studying night and day how to fly?" William Law, 1728.

"That's good sport, but for the Army the airplane is of no use." Ferdinand Foch, 1910.

But most Navy men, not only those involved in the SES program, would prefer instead to follow the lead of John Paul Jones, who in a letter to le Ray de Chaumont in November 1778 said: "I wish to have no connection with any Ship that does not sail *fast,* for I intend to go *in harm's way.*"

JAMES THOMPSON, U.S. ATTORNEY

Mr. PERCY. Mr. President, James Thompson, the U.S. attorney in the northern district of Illinois, has shaken up the politics of Chicago in ways few men before him have ever duplicated. He has brought a new vitality to the U.S. attorney's office and a new spirit to Chicago. Once everyone assumed that corruption was a political fact of life, which, like the weather, everyone talked about but no one did anything about. But now there is a renewed faith in the Government's ability to root out corruption.

For the first time in the lives of many of the people of Chicago, "equal justice under law" is not a joke. Jim Thompson has been looking into the nooks and crannies of city hall, the statehouse, and every other place where there is a possibility of corruption by public officials. The list of those he has prosecuted successfully is an impressive testimony to his ability and his determination to do his job.

There are many crimes which society abhors. Robbery deprives a person of his possessions; murder robs someone of his life. But corruption in office has an equally harmful effect on society because it robs society of its faith in its elected officials. Jim Thompson's crusade to eliminate this corruption has helped to shore up the lagging faith in our system of government, especially in Illinois.

Mr. President, I ask unanimous consent that an article from the April 2 edition of Time magazine, which describes the career of Jim Thompson, who I had the honor to recommend as U.S. attorney, be printed in the RECORD.

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

[From Time magazine, Apr. 2, 1973]

ILLINOIS—TROUBLE IN DALEYTOWN

In all his 20 years as boss of Chicago's Democratic machine, Mayor Richard Daley has seldom been so troubled. His most illustrious protégé, former Governor and now Federal Judge Otto Kerner, has been convicted of bribery, conspiracy, income tax evasion, mail fraud and perjury (TIME, March 5). Possibly even more damaging to the machine, one of Daley's oldest political associates, Edward Barrett, was recently convicted of bribery, mail fraud and tax evasion. Since 1955 Barrett had been Cook County clerk, an influential office that carries rich patronage powers. The clerk's office does everything from dispensing birth certificates to buying and operating voting machines—always an interesting function in Cook County.

The man most responsible for indicting both Kerner and Barrett, and shaking the once stubbornly secure Democratic domain, is James ("Big Jim") Thompson, 36. A coolly sagacious but easygoing 6-ft. 6-in. bachelor, he calls himself a "middle-of-the-road" Republican. In the 17 months that he has been U.S. Attorney for the Northern District of Illinois, Thompson has prosecuted scores of mostly Democratic politicians and city employees on a variety of federal charges. Among those indicted by Thompson and his aides are: 81 precinct workers, charged with vote fraud; eleven employees in the Democratic-controlled county assessor's office, charged with offenses that include bribery, tax evasion and mail fraud; and 40 Chicago policemen, charged with extortion of "protection" money from various tavern owners and storekeepers.

A federal grand jury is looking into evidence of even more corruption. Thompson says that the possibly illegal dealings involve race-track stockholders and some Illinois legislators, both Democrats and Republicans. He vows that other criminal indictments will be forthcoming. As he recently promised Attorney General Richard Kleindienst: "I'm going to kick ass until I get rid of the crooks."

Thompson, a Chicago native, became fascinated with criminal law while studying at Northwestern University. He taught the subject there for five years and co-authored two books. At the request of Senator Charles Percy, President Nixon appointed Thompson to the U.S. Attorney post.

Before getting the job, Thompson was acting U.S. Attorney and then first assistant to William Bauer, who quit to become a federal judge. Because they were the first Republicans in nine years to hold the top federal prosecution post in Northern Illinois, Bauer and Thompson had considerable incentive to look into the shenanigans of local Democratic administrations. They also got plenty of help from the Justice Department, which raised their budget, enabling the attorney's office to increase the staff of lawyers from 23 to 73. Many of the scrappy young lawyers whom Thompson recruited were his former Northwestern students, and they were hired on the basis of merit, not because of their political affiliations.

Unlike many Democratic predecessors, Thompson went far beyond the routine prosecution of kidnaping, mail fraud, income tax evasion and draft dodging. He put together a special division with units to handle matters as diverse as official corruption and civil rights violations. Last year the civil rights staff checked out more than 250 complaints of police brutality, mainly in black neighborhoods. Investigations prompted by Thompson's office led to the first guilty verdict ever handed down in the Northern District against a Chicago policeman on charges of a civil rights violation. Thompson's office recently filed suit charging that the Chicago Fire Department discriminates against blacks and Spanish-speaking people. The suit and the conviction of the policeman did much to enhance the U.S. Attorney's credibility in the city's minority communities.

To speed the prosecution of consumer fraud, Thompson has formed a special "Public Protection" unit. "The goal," he says, "is to establish a federal presence in the consumer-fraud field so that the shylock merchant knows that he's got another pair of eyes looking over his shoulder." He says that the unit will keep a close watch on the ghettos, "where people get ripped off the most."

To get political corruption indictments, Thompson has made shrewd use of the immunity statutes. Witnesses, who would otherwise have faced prosecution, testified freely. The most damaging testimony against County Clerk Barrett came from a Philadelphia businessman who was given immunity and admitted that he had bribed Barrett.

Partly as a result of the corruption indictments, Mayor Daley has been increasingly criticized by rank-and-file Democrats. Several weeks ago, he called in heads of city department and issued an ultimatum: either be loyal to Daley or be forced out. Some Democratic chieftains, noting that Thompson is increasingly talked about as a candidate for the mayor's job when Daley steps down on corruption is politically motivated. The attorney convincingly denies the accusation. "I can't go out and hire Republicans to pose as defendants simply because I'm criticized," he says. "How in the world are you going to find Republican corruption in a city that has been under one-party rule for 50 years?"

NEW DIRECTION NEEDED IN FARM POLICY

Mr. McGEE. Mr. President, in the February 1973 publication of the Rocky Mountain Union Farmer, there appeared an editorial entitled "New Direction Needed in Farm Policy."

The writer notes that—

Agriculture—and the nation—needs a publicly-developed set of food and fiber objectives, short and long range; then legislation that stretches toward those goals. Assumably, healthy agriculture industry producing quality food at the lowest reasonable price would be among these goals. An examination and improvement of the inconsistencies and inefficiencies in the marketing system would probably be included.

Our current design is one of non-planning. . . .

The editorial writer offers what I feel to be an intelligent assessment of current farm policy and what direction this Nation should be taking in order to continue to assure all Americans of an adequate supply of quality food and fiber.

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

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

NEW DIRECTION NEEDED IN FARM POLICY

Dozens of news items and opinion pieces have been written and spoken since the Christmas-time cuts in farm programs.

The agricultural press has been cautious, but much of the conventional public media have been on a high horse cheering the end of "hand-outs" and special treatment of the nation's farm sector.

It shows only their poor understanding on the nature of farm programs.

Farm policies are the nation's food and fiber policies and warrant our full attention. Now some of the farm programs are weak in structure and have been subject to abuse—which makes a total defense of them impossible. But instead of whipping up public imagination over a few million farmers, let's look at it from the long-range necessity of

feeding and clothing a few hundred million people:

Agriculture—and the nation—needs a publicly-developed set of food and fiber objectives, short and long range; then legislation that stretches toward those goals. Assumably, healthy agriculture industry producing quality food at the lowest reasonable price would be among those goals. An examination and improvement of the inconsistencies and inefficiencies in the marketing system would probably be included.

Our current design is one of non-planning. Only a few farm programs aim at basic agricultural problems; many treat the symptoms of illness. Every three years Congress passes a new agriculture act, every four or eight years a new president has different ideas about what is good for farmers. Agriculture people themselves get defensive, feel threatened, and fail to improve and update existing farm programs. This history of non-planning has driven people off the land with little to show for a life's work, adds tremors of decay to Rural America, and forces more problems and population on an uncoping urban America.

Now we're seeing broader manifestations of the problem. Rising food prices in the supermarket, shortages in certain areas, indications that the present marketing and handling system is entering convulsions brought on by inefficiency and old age.

The Administration movement toward a so-called "open market" is a paved road to outright disaster. It is an aggravation of what is already weak in agriculture.

Hopeful the nation-wide controversy over the problem will inspire agriculture and the public to new and decisive action and legislation.

Part of the necessary solution lies in reinstatement of programs *until* new decisions are made. Times change and needs change, but totally eliminating existing structure is nihilism.

Rural electrification and associated communication are critical to the future of Rural America. But adjustments may be necessary for those areas that have changed from essentially rural economy to mixed or urban.

Conservation programs for land, water, air and the total environment are essential if we seriously intend to pass on to our children a better nation than we inherited.

Price support and market stabilizing programs for commodity producers can be changed *if* we move into improved systems of production and consumption stabilization. The flowery language of open market proponents sound good only to those who habituate Las Vegas casinos and have sufficient money to survive market chaos. It is not an answer; it is a foolish gamble.

Good solutions are hard to come by and difficult to implement, but some answers are available:

1. Remove the potential food-shortage gamble through national legislation establishing a market-protected food reserve. Not one as large as the early 60's, but large enough to prevent hunger from stalking America. It must be protected for strategic use and not used as a government whip on the annual market.

2. Establish national legislation allowing producers, if they choose, to bargain with processors for price, volume, and conditions of sale. Such a system would provide incentives for a constant flow of food to the consumer; stability of the market and economy, and a practical level of income to the producer. Such techniques could assume many existing USDA functions and actually reduce bureaucracy. National food objectives would be incorporated into the structure while restoring the farmers' role in the marketplace. Such a system would provide even greater incentives for efficient skill among farmers, and with less of the "redtape" everyone objects to now.

3. International trade agreements could be entered which would stabilize the farm economy and aid the U.S. balance of trade. Good farm prices throughout 1973 can only happen if there are poor harvests in much of the world.

World food trade is annually expanding, of course, but the U.S. has no working arrangement with other exporting nations and is engaged in cut-throat competition, even with neighbors such as Canada. It is not necessary. World food objectives and agreements must supersede nationalistic gambles for high and inconsistent profit. There is a difference between competing for profit on transistor radios and the supply of food and clothing.

Some answers exist, therefore. But public and governmental understanding is not adequate. Rural people are cautious about supporting these proposals because they're new, and immediate benefit lies in restoration of existing programs. Understandably, they will not let go with one hand until the other hand has a grip on a better system. That's why renewing existing farm programs is a prerequisite to advancement.

Reaching toward solutions such as these would move this nation ahead of the hassle over "hand-outs." It would move agriculture into a new era, with the more positive goal of feeding the nation and much of the world.

GENOCIDE CONVENTION

Mr. JAVITS. Mr. President, on March 13, the senior Senator from North Carolina, Mr. ERVIN spoke at length on the Genocide Convention. Because his statement has raised questions about the wisdom of ratification, I felt it should be answered at length. At my request, the Department of State has prepared an analysis and rebuttal of these obligations to the Convention, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks. I hope it will be useful to other Senators in answering constituent mail since there appears to be an organized and widespread effort to circulate misinformation about the agreement.

Also I ask unanimous consent that an article in the American Bar Association Journal of February 1972 by Arthur Goldberg and Richard N. Gardner entitled "Time to Act on the Genocide Convention," be printed at the conclusion of my remarks. This article by the former Supreme Court Justice and U.N. Ambassador and the Columbia Law professor is a comprehensive refutation of arguments against the Convention and should be read by every Senator.

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

POINT-BY-POINT REBUTTAL TO SENATOR ERVIN'S ARGUMENTS ON THE GENOCIDE CONVENTION

1. Senator Ervin argues that the Treaty is deficient in that it does not embody the real meaning of the term "genocide". He believes that the term contemplates the complete wiping out of a designated group.

Answer: It is entirely legitimate that the term "genocide" be defined in the Genocide Convention for the purposes of that Convention. "Genocide" was a new term and the definition in the Convention represented the international consensus on its meaning. It seems futile to look beyond that for the "true" meaning of the term.

The proposed understanding of the Senate (Executive Report No. 93–5) clarifies the distinction between genocide and ordinary crime by making clear that a requisite for the crime is an intent to destroy a national, ethnic, racial, or religious group by one of the genocidal acts specified in the Convention in such a manner as to affect a substantial part of the group concerned.

2. Senator Ervin argues that, whether or not the provisions of the Convention are self-executing, they would immediately supersede all state laws and practices inconsistent with them and thereby deprive the states of the power to prosecute and punish in their courts acts condemned by articles II and III of the Convention.

Answer: The Convention is clearly non-self-executing in view of the requirement in Article V that the contracting parties enact the necessary implementing legislation. The proposed declaration (Senate Executive Report No. 93–5) would make clear that the Executive Branch had to await enactment of implementing legislation by the Congress before it could deposit an instrument of ratification, thus making the United States a party to the Convention. If, therefore, there is supersession of any inconsistent state laws, it will be by the federal legislation, not by the Convention. It is difficult to imagine in what way any existing state law or practice could be inconsistent with the Convention.

The enactment by Congress of legislation implementing the Genocide Convention need not automatically preclude the states from prosecuting the acts proscribed by the Convention. Whether or not a Congressional Act preempts an area of law depends on the intent of Congress. If, as could be reasonably argued, Congress did not intend completely to fill this area of law, states would be free to continue to act in this area. To ensure that states would still have such freedom, the Congress could provide in its implementing legislation that nothing in the legislation should be construed as indicating an intent on the part of Congress to occupy, to the exclusion of state or local laws on the same subject matter, the field in which the provisions of the legislation operate. Draft implementing legislation contained in the appendix to Senate Executive Report No. 93–5 does just that.

3. Senator Ervin argues that ratification of the Genocide Convention would have a drastic effect on our system of our criminal justice because many crimes which are now crimes under state law could, with the addition of an allegation with respect to intent, be made federal crimes. This, he argues, would create a situation where it would be uncertain whether it was appropriate to go to a federal or state court, and would allow for dual prosecution of defendants.

Answer: The intent requirements for the crime of genocide are set forth in Article II. In order for genocide to be committed, an act must be directed against the individuals involved *qua* members of a particular group, and there must be a specific intent to destroy the group as such in whole or in part. It would be reasonably difficult to prove this intent element in ordinary homicide cases, and it is unlikely that the United States attorneys would institute a large number of unfounded prosecutions. If an unfounded prosecution were instituted, federal criminal procedures provide many safeguards to ensure that the prosecution would be dismissed. Since the standard is so stringent, it is not reasonable to argue that a major incursion into areas of state law would occur.

4. Senator Ervin raises a series of objections based, on the one hand, on the alleged ambiguity of certain terms in the Convention, and, on the other hand, on the procedures in the Convention for ensuring its application.

a. Senator Ervin believes that the term "mental harm" in Article II(b) of the Convention is incomprehensible.

Answer: "Mental harm" means—and this has been made clear in the Senate Foreign Relations Committee's proposed understanding—permanent impairment of mental faculties. Thus, before a charge can be sustained, it must be proved that permanent

impairment of mental faculties in fact occurred and that the defendant brought about this injury with the specific intent of destroying one of the protected groups. This is reflected in the draft implementing legislation. Thus, the standard is rigid enough to protect against frivolous allegations of genocide.

b. Senator Ervin suggests that, under Article II(b) of the Genocide Convention, state or county officials, who refuse to give a member of one of the four designated groups the amount of welfare benefits being desirable, may be prosecuted for genocide.

Answer: Article II(b) of the Convention provides that one of the ways of committing genocide is by "deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part." This provision is aimed at conditions of life inflicted upon the group which are meant to cause death or grave bodily injury. Generally speaking, the provision covers "slow death" mesaures. (See Pieter N. Drost, *The Crime of State—Genocide*, pages 86–87.) Denial of adequate welfare benefits is of a completely different magnitude than measures calculated to bring about slow death. In addition, the requisite intent to destroy in whole or in part the members of a group would be lacking.

c. Senator Ervin argues that the provision of Article III(c), which makes direct and public incitement to commit genocide punishable, might deprive public officials and citizens of the United States of the right of free speech.

Answer: Under current law, while mere advocacy of illegal activities may well be protected by the First Amendment, direct and public incitement to commit legal activity is surely not protected. See e.g., *Brandenburg v. Ohio*, 395 U.S. 444, 447 (1969). Incitement crosses the bounds between protected and unprotected speech. The provisions of the Genocide Convention therefore do not violate the Constitution. Moreover, were there any conflict, the First Amendment clearly would control. *Reid v. Covert*, 354 U.S. 1 (1957); *Geofroy v. Riggs*, 133 U.S. 258 (1890).

d. Senator Ervin asks what is meant in Article III(e) by "complicity in genocide."

Answer: The prohibition against complicity is clearly aimed at accessoryship in the crime of genocide, as defined in Article II (not the other genocidal acts listed in Article III). When Congress enacts implementing legislation for the Genocide Convention, it will not be necessary to enact a special provision implementing Article III(e) because accessoryship in federal crimes is already outlawed by the United States Code. 18 U.S.C. §§ 2, 3 (1970).

e. Senator Ervin argues that Article VI imposes upon the Congress an implied commitment to support the creation of an international penal tribunal.

Answer: In more than twenty years since the Convention was adopted no international penal tribunal has been created. While one was proposed at the time of the drafting of the Convention, this proposal has long been dormant and there is no reason to suspect that it will be revived. If such a court were proposed in the future, Senate advice and consent would at time be necessary for the United States to adhere to the treaty establishing the court and accept its jurisdiction. The Convention clearly would not require the United States to accept the jurisdiction of such a court.

f. Senator Ervin fears that Article I of the Genocide Convention would require the United States to go to war to prevent the crime of genocide.

Answer: Article I confirms the principle expressed in Resolution 96(I) of the United Nations General Assembly that genocide is a crime under international law in time of peace or in time of war. The parties to the Convention undertake to prevent and punish the crime in the manner set forth in subsequent articles of the Convention. Aside from this declaration, the article has no substantive effect, the main operative provisions being contained in Articles II–VII.

5. Senator Ervin argues that the Genocide Convention would make American soldiers fighting abroad triable in the courts of our enemies for killing or seriously wounding members of the enemies' military forces.

Answer: First, it should be pointed out that combat actions of American troops against enemies do not constitute genocide. For example, it is difficult to conceive that acts committed by U.S. troops in Vietnam could fall within the definition of genocide in Article II. The article requires an "intent to destroy, in whole or in part, national, ethnical, racial, or religious groups, as such." Our involvement in Vietnam was to help the South Vietnamese defend themselves and therefore acts committed against other Vietnamese would not constitute genocide.

Of course, American soldiers who are captive in the country of an enemy of the United States could be subjected to prosecution by the enemy country for the crime of genocide regardless of whether the United States has ratified the Genocide Convention. Although we would feel such treatment entirely unjustified, we would be powerless to do anything about it other than to protest to the country or to the UN. The action of the Senate, in giving its advice and consent to ratification, would therefore have no relevance to this question.

6. Senator Ervin argues that if the Genocide Convention is ratified and legislation is passed implementing it, the executive branch would be under the duty of enforcing both the provisions of the Convention and the implementing legislation.

Answer: Senator Ervin is correct, but this observation is no argument against ratifying the Convention or against adopting the necessary implementing legislation.

7. Senator Ervin dislikes the fact that the Genocide Convention provides in Article IX the disputes between parties relating to the Convention's "interpretation, application, or fulfillment" shall be submitted to the International Court of Justice. He believes this provision nullifies the Connally and Vandenberg reservations to the jurisdiction of the Court. He further argues that the matter is a domestic one and that existing United States laws in this field are adequate.

Answer: Article IX is an entirely appropriate provision. The United States has, in many cases in its treaties, provided that disputes relating to interpretation, application, and fulfillment of a treaty shall be referred to the ICJ. Recent examples where the Senate approved a similar provision are the Convention on the Privileges and Immunities of the United Nations (1970), the Refugee Protocol (1968), and the Supplementary Slavery Convention (1967). A list of treaties with a similar provision is included in the 1970 hearings at page 215.

Article IX does not nullify the Connally or Vandenberg reservation. The Connally Amendment, or self-judging aspect of our domestic jurisdiction reservation, could be employed to prevent the International Court of Justice from deciding a case brought against the United States based on our 1946 across-the-board acceptance of compulsory jurisdiction to any international legal dispute under paragraph 2 of Article 36 of the Court's Statute. The Vandenberg reservation, or multilateral treaty reservation, could prevent jurisdiction under the same paragraph of the Statute in cases arising out of a multilateral treaty where all the parties affected by the decision are not parties to the case or the United States has not specifically agreed to jurisdiction. These reservations could not, however, be invoked under Article IX of the Genocide Convention since the basis for the Court's jurisdiction would be paragraph 1 of Article 36 of the Statute, which gives the Court jurisdiction to decide disputes "specifically provided for . . . in treaties and conventions in force." Article IX of the Convention does have the effect of avoiding the application of the reservation in the extremely small class of potential cases that may arise from unresolved differences over the interpretation, application, or fulfillment of the Convention.

CONCLUSION

Entering into a treaty concerning the prohibition of the crime of genocide is entirely proper. On both moral and practical grounds, the commission of genocide, involving as it must mass action, cannot help but be of concern to the international community. An indication that this is so is the fact that 76 nations have subscribed to the proposition that genocide is an international crime. Similarly, Articles 55 and 56 of the UN Charter illustrate that the protection of fundamental human rights is a matter of international concern.

No one asserts that the physical acts of violence denounced by the Genocide Convention are not also punishable under existing laws of the United States and of its several states. What implementing legislation for the Genocide Convention would do would be to set a higher standard—to make clear that under domestic laws the United States considers genocide abhorrent and attaches severe criminal sanctions to the crime.

TIME TO ACT ON THE GENOCIDE CONVENTION

(By Arthur J. Goldberg and Richard N. Gardner)

It is now more than twenty-five years since the United Nations first took up the question of the prevention and punishment of the crime of Genocide. On December 11, 1946, the General Assembly unanimously adopted Resolution 96(I), which affirmed "that genocide is a crime under international law" and requested the Economic and Social Council to draft a genocide convention. Two years later, on December 9, 1948, by Resolution 260A(III) the General Assembly unanimously approved the text of the Convention on the Prevention and Punishment of the Crime of Genocide.

Seventy-five countries now have ratified the Genocide Convention. The United States is the most prominent U.N. member that has not. One reason for our country's failure to ratify—very possibly the principal reason—has been the opposition of the American Bar Association recorded in a decision of the House of Delegates on September 8, 1949.

Since 1949, however, sentiment within the Association has changed. At the Midyear Meeting of the House of Delegates on February 23, 1970, a proposal to reverse the 1949 position and to place the American Bar Association on record in favor of the Genocide Convention failed by a vote of 126 to 130. Still more significant, every Section and Committee of the Association having specialized competence in the subject matter has come out in support of ratification of the Genocide Convention during the last few years: the Section of Individual Rights and Responsibilities, the Section of International and Comparative Law, the Section of Criminal Law, the Section of Judicial Administration, the Section of Family Law, and the Standing Committee on World Order Under Law.

Ratification of the Genocide Convention also has been endorsed by a number of past Presidents of the Association, including Bernard G. Segal, William T. Gossett, Charles S. Rhyne and Whitney North Seymour; by the Chairman of the Standing Committee on Federal Judiciary, Lawrence E. Walsh; by Solicitor General Erwin N. Griswold and by many other leaders in the Association.

Two distinguished members of the Associa-

tion, Eberhard P. Deutsch and Alfred J. Schweppe, however, appeared on behalf of the Association to testify in opposition to the Genocide Convention in hearings held before a Senate Foreign Relations Subcommittee on March 10, 1971, and presented the legal objections that have been raised against the convention.[1] Given the almost evenly divided vote in the House of Delegates and the support for the convention from relevant specialized Sections and Committees of the Association, we believe that it is appropriate to present the different viewpoints now existing in the Sections and Committees.

The authors of this article appeared at the Senate hearings on behalf of the Ad Hoc Committee on the Human Rights and Genocide Treaties (a committee of fifty-two national, civic, religious and labor organizations) and presented legal arguments in favor of the convention.[2]

The full Senate Foreign Relations Committee reported favorably on the convention by a vote of 10 to 4 and recommended that the Senate advise and consent to ratification. After carefully reviewing the arguments, the committee concluded:

"We find no substantial merit in the arguments against the convention. Indeed, there is a note of fear behind most arguments—as if genocide were rampant in the United States and this Nation could not afford to have its actions examined by international organs—as if our Supreme Court would lose its collective mind and make of the treaty something it is not—as if we as a people don't trust ourselves and our society." [3]

REPORT OF SENATE PROVIDES AUTHORITATIVE REFUTATION

We believe the report of the Senate Foreign Relations Committee provides an authoritative refutation of the legal arguments opponents of the Genocide Convention have employed to justify their opposition for nearly a quarter of a century.

We present here a point-by-point rebuttal of the legal arguments against the convention, drawing from our testimony to the Foreign Relations Committee as well as the committee's own report, in the hope that it may clarify the legal issues and contribute to speedy and favorable action by the Senate.

1. *The convention that the Constitution prevents ratification of the Genocide Convention because genocide is a "domestic" matter is without foundation.*

In his testimony to the Foreign Relations Committee, Mr. Deutsch declared himself fully in agreement with the decision of the United States to vote in favor of the General Assembly resolution on genocide of December 11, 1946: "Standing foremost as a world leader in the protection of individual rights, she could do no less." But he added that "having joined in such a declaration as to a matter *which lies, ultimately, within the domestic sphere of each of the world's nations*, the United States has gone far enough" (italics supplied). The italicized language is clearly incompatible with statement in the General Assembly resolution that "genocide is a crime under international law". Mr. Deutsch's extensive quotations from Resolution 96(I) neglected to include this key provision.

Nowhere in his testimony did Mr. Deutsch explain his conclusion that genocide is a "domestic matter". His reasoning on this general issue may be found, however, in a report which he prepared in 1967 as chairman of the American Bar Association's Standing Committee on Peace and Law Through United Nations. It is there stated that a convention deals with "domestic" matters when it deals "with the relation between a state and its own citizens".[4] But this is not the relevant constitutional test.

As the Supreme Court declared in *Geofroy v. Riggs* 133 U.S. 258, 267 (1890), the treaty-making power may be exercised on any matter "which is properly the subject of negotiation with a foreign country". The United States is a party to numerous international agreements relating to the activities of its own citizens within the United States (and therefore "domestic" under Mr. Deutsch's definition) because those treaties nevertheless deal with matters appropriate for international negotiation. Examples include treaties on narcotics,[5] public health [6] and nature convention,[7] and the Supplementary Convention on Slavery, which Mr. Deutsch initially opposed on the ground that it also dealt with "matters essentially within the domestic jurisdiction of the United States." [8]

In the words of the Special Committee of Lawyers of the President's Commission for the Observance of Human Rights Year, of which retired Supreme Court Justice Tom C. Clark was chairman: "Treaties which deal with the rights of individuals within their own countries as a matter of international concern may be a proper exercise of the treaty making power of the United States . . . It may seem almost anachronistic that this question continues to be raised." [9]

What is "properly the subject of negotiation with a foreign country" and, therefore, a valid subject of a treaty is something the Senate has an obligation to determine in each case. We do not take the position that the executive branch can make any matter "international" by putting it in a treaty. But the question should be determined objectively in the light of the current interests of the United States in an interdependent world and contemporary concepts of international law—not on the basis of notions that may have been appropriate to a different historical era.

By any objective standard, genocide is a matter of international concern and is, therefore, an appropriate subject for the exercise of the treaty-making power. In our shrinking world the massive destruction of a racial, religious or national group in one country has its impact on members of this group in other countries, stimulates demands for intervention and inevitably troubles international relations. The fact that the United Nations General Assembly unanimously declared genocide to be a crime under international law in 1949 and that seventy-five members of the United Nations are parties to the Genocide Convention (including, to name just a few, such democracies as the United Kingdom, Canada, France, Mexico and the Scandinavian countries) is further evidence that genocide can no longer be considered a matter wholly within domestic jurisdiction. As was said by the Senate Foreign Relations Committee: "On both moral and practical grounds, the commission of genocide, involving as it must mass action, cannot help but be of concern to the community of nations."

2. *The contention that the Genocide Convention would alter the balance of authority between the states and the Federal Government is unfounded.*[10]

The Constitution by Article I, Section 8, specifically gives Congress the power to "define and punish . . . offenses against the law of Nations". Genocide is an offense against the law of nations and is thus within the power of Congress to outlaw. Moreover, the power of the Federal Government in this field has been confirmed in the Civil Rights Acts of 1957 and 1964 and the Voting Rights Act of 1965. The Association's Section on Individual Rights and Responsibilities said in its report: "Ratification of the convention will add no powers to those the Federal Government already possesses."

3. *The contention that ratification of the Genocide Convention would subject American citizens to trial in foreign countries like North Vietnam on trumped-up charges of genocide is wholly false.*[11]

There is nothing in the Genocide Convention that would provide warrant for charges by North Vietnam that our prisoners of war, being held under conditions in violation of the Geneva Convention, are guilty of genocide. This is a matter of great concern to the authors and, of course, many Americans regardless of their views about the war in Vietnam. As the Senate Foreign Relations Committee pointed out in its report, however, Hanoi can make trumped-up charges of genocide against our servicemen who fall into their hands with or without reference to the Genocide Convention. In the words of the committee: "It is reality that American prisoners of war in North Vietnam could now be charged by the Hanoi government for war crimes or genocidal acts on whatever trumped-up charges Hanoi wishes to make. Their peril will not be increased by approval of this convention while peril may be avoided for tens of millions by ratification of the convention."

As to the possibility of extraditing Americans from the United States to North Vietnam or other countries for acts of genocide allegedly having occurred there, it should be remembered that under the Genocide Convention, extradition would take place only in accordance with laws and treaties in force. We have no extradition treaties with North Vietnam. Nor do we make such treaties with countries whose legal systems do not afford basic procedural safeguards. We do not grant extradition in any event unless a prima facie case is established against the accused and unless the accused will be afforded by the requesting state the due process provided by our own law.

Finally, the Genocide Convention, in accordance with an agreed interpretation of Article VI which is contained in the relevant U.N. committee report, "does not affect the right of any State to bring to trial before its own tribunals any of its nationals for acts committed outside the State." [12] The Foreign Relations Committee expressed itself as fully satisfied on this point but recommended an understanding to this effect to remove any possible uncertainty. The Nixon Administration has further indicated that any agreements we make covering genocide will assert the right of the United States to refuse to extradite an accused if he is standing trial in the United States or if our Government elects to try him itself. [13]

4. *The argument that ratification of the Genocide Convention would subject the United States to irresponsible charges of genocide arising out of Vietnam, our treatment of American blacks or other situations is without foundation.* [14]

Here again, ratification of the Genocide Convention does not alter the present situation to our disadvantage. Even in the absence of our ratification, there is nothing to prevent a country from making baseless charges of genocide against this country in the U.N. If anything, ratification would improve our position, because the convention requires an "intent to destroy, in whole or part, a national, ethnical, racial or religious group as such".

The tragic events in Vietnam and the terrible loss of life, both military and civilian, that has occurred there do not meet this definition, whatever other domestic legal consequences may flow from allegedly illegal acts there. The treatment of the black community in the United States, which admittedly has suffered widespread discrimination for may years, also does not fall within the definition. In both cases the necessary intent to destroy a racial or ethnic group as such is missing.

As the Senate report indicates, ratification of the convention would, if anything, help us rebut these charges by subjecting our behavior to a precise legal definition of genocide.

5. *The argument that provision for the settlement of disputes by the International*

Footnotes at end of article.

Court of Justice would override the Connally Amendment and unreasonably limit our sovereignty is without substance.[15]

The Connally Amendment applies only to our acceptance of Article 36(2) of the court's statute, the so-called optional clause providing for compulsory jurisdiction across the board. Cases arising as a result of our adherence to the Genocide Convention would fall under Article 36(1) of the court's statute, which covers the court's jurisdiction as provided for in specific treaties. The United States has ratified many treaties containing the same type of provision for the settlement of disputes by the International Court of Justice as is contained in the Genocide Convention. Among these treaties are the Supplementary Convention on Slavery, the Antarctic Treaty, the Statute of the International Atomic Energy, and the Convention on the Privileges and Immunities of the United Nations ratified in 1970.

This provision for the settlement of disputes over the interpretation of the Genocide Convention does not unreasonably limit our sovereignty. Our interests are better served by having any charges of genocide against us considered in a judicial forum like the International Court of Justice than in more politically motivated forums. Of course, by this provision we do undertake a commitment to subject ourselves to third-party judgment in a limited sphere, as do the other parties to the convention. This exchange of commitments may be found in many treaties to which we have become a party. Where the exchange of commitments serves our national interest, as it does here, it provides no valid basis for objecting to the treaty.

It should be noted that the Soviet Union and other countries have ratified the convention subject to a reservation that they do not accept compulsory reference to the International Court of Justice. As a result, the United States will be in a position to invoke these countries' reservations in its own behalf to defeat the court's jurisdiction if a case charging genocide should be brought against us by those countries.

6. *The argument that various provisions in the convention—"in whole or in part", "mental harm", "direct and public incitement to commit Genocide"—are loosely drafted and potentially harmful to our interests is without foundation.*

Words in a statute or treaty are not self-interpreting. They must be read in the context of other provisions and in the light of the legislative or drafting history. The hypothetical interpretations of the Genocide Convention advanced by the critics are invalidated by the language of the convention itself and by the records of the negotiation.

Thus, "in whole or in part" does not mean that the killing of a single individual, profoundly deplorable as any killing is, becomes genocide.[16] As the negotiating history makes clear, substantial numbers must be involved, and for the definition of genocide to be satisfied the acts of homicide must be joined by a common intent to destroy the group. The understanding recommended by the Foreign Relations Committee to confirm this point is wholly consistent with the drafting history.[17]

"Mental harm", in turn, would not support propaganda charges of harassment of minority groups, as charged by some critics,[18] because mental harm becomes an element of genocide only when done with an intent to *destroy* a group. Moreover, as the negotiating history shows, this provision was inserted for the narrow purpose of prohibiting the permanent impairment of mental facilities, as through the forcible application of narcotic drugs. Once again, the understanding recommended by the Foreign Relations Committee is wholly consistent with the drafting history.

"Direct and public incitement to commit genocide" does not cover constitutionally protected speech.[19] It covers incitement which calls for the commission of mass murder, which is actionable under our Constitution as in other countries. As the Supreme Court declared in *Brandenburg* v. *Ohio*, 395 U. S. 444 (1969), "the constitutional guarantees of free speech and free press do not permit a State to forbid or prescribe advocacy of the use of force or of law violation *except where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action*" (emphasis added). In any case, as was stated in *Reid v. Covert*, 354 U.S. 1 (1957), no treaty can override a provision of the Constitution, and there is no doubt that the legislation passed in implementing the Genocide Convention must be interpreted in accordance with the First Amendment.

7. *The contention that ratification of the Genocide Convention would subject American citizens to trial before an international penal tribunal is without foundation.*[20]

Article VI of the convention provides that persons charged with genocide shall be tried "by such international penal tribunal as may have jurisdiction with respect to those contracting parties which shall have accepted its jurisdiction". This part of Article VI, perhaps regrettably, is a dead letter. No such international penal tribunal has been established, and there is no negotiation under way to create one. If such a tribunal were established, action by the Senate would be required, either in the form of advice and consent to ratification of a treaty or action on legislation, before the United States could accept its jurisdiction.

Finally, it should be underlined that the International Court of Justice has no criminal or penal jurisdiction and considers only cases involving states, not individuals.[21]

8. *The argument that the convention does not define genocide as having been committed "with the complicity of government" is no objection to ratification.*[22]

The convention is directed at "persons" whether they are "constitutionally responsible rulers, public officials or private individuals." Each government is committed under the convention to punish such persons. There is no reason why such individuals should not be held responsible for genocidal acts, even without government complicity.

9. *The argument that the Genocide Convention abolishes the defense of "superior orders" is without foundation.*[23]

The convention says nothing about a possible defense of "superior orders", but it is significant that the convention includes "intent" as an element of the crime of genocide. An authoritative review of the drafting history on this point summarizes the matter as follows:

Ordinarily it would seem that no intent could be ascribed to persons merely fulfilling superior orders; intent implies initiative. However, superior orders would not be a justification in such cases where the guilty party was not only a tool of his superiors but participated in the "conspiracy to commit Genocide." Guilt could likewise be established in a case where, although acting under orders, the person was in a position to use his own initiative and thus act with the intent to destroy the group. The non-inclusion of a proviso relating to superior orders thus leaves the tribunals applying the Convention the freedom of interpreting it in accordance with the domestic legislation and the specific circumstances of the case.[24]

10. *The argument that the omission of "political" groups makes the Genocide Convention worthless is unpersuasive.*[25]

It is inconsistent for those who criticize the convention on the grounds that it subjects the United States to too much interference in its domestic affairs to complain at the same time that it fails to cover "political groups". In any event, the absence of one kind of group from the convention is no reason not to protect the groups that are covered.

RATIFICATION OF THE CONVENTION WOULD BE IN OUR BEST INTERESTS

We find the objections against ratification of the Genocide Convention to be without substance. The arguments in favor of ratification, on the other hand, seem to us compelling.

Our adherence to the Genocide Convention can make a practical contribution to the long and difficult process of building a structure of international law based on principles of human dignity. It will put us in a better position to protest acts of genocide in other parts of the world and will enhance our influence in United Nations efforts to draft satisfactory human rights principles.

We do not say that our adherence to this convention will work miracles. It may not bring very dramatic benefits in the short run. Let us remember, however, that none of the great documents of human civilization produced instant morality—not even Magna Carta or our own Bill of Rights. The point is that they did shape history in the long run. We believe the same may be true of the Genocide Convention, if we only give it a chance.

GENOCIDE CONVENTION OUTLAWS REPUGNANT ACTION

The Genocide Convention outlaws action that is repugnant to the American people and to our constitutional philosophy. We should not decline to affirm our support for principles of international law and morality in which we believe. Our country was founded on a passionate concern for human liberty reflected by the Bill of Rights and the Constitution. We believe that concern is very much alive today, as is reflected by the report of the Foreign Relations Committee supporting the convention. It is inconceivable that we should hesitate any longer in making an international commitment against mass murder. At a time when our commitment to human rights is being questioned by some of our own people and by others overseas, it is particularly important that we ratify a treaty so thoroughly consistent with our national purpose.

FOOTNOTES

[1] *Hearings on the Genocide Convention Before a Subcomm. of the Senate Comm. on Foreign Relations*, 92d Cong., 1st Sess. 12–54 cited hereafter as 1971 *Hearings*. The testimony of Mr. Deutsch was virtually identical to his article with Orie L. Phillips, *Pitfalls of the Genocide Convention*, 56 A.B.A.J. 641 (1970).

[2] 1971 *Hearings* at 107–137.

[3] SEN. EX. REP. No. 92–6, 92d Cong., 1st Sess. (1971), cited hereafter as SENATE REPORT.

[4] *Human Rights Conventions, Hearings Before the Senate Comm. on Foreign Relations*, 90th Cong., 1st Sess., Part 2, 70 (1967).

[5] 1912 Convention Relating to the Supression of the Abuse of Opium and Other Drugs (I. S. 612): 1931 Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs (T. S. 863); 1953 Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of the International and Wholesale Trade In, and Use of Opium (T.I.A.S. 5273).

[6] World Health Organization Regulations No. 1 (T.I.A.S. 3482), as amended (T.I.A.S. 3482 and 4409), and World Health Organization Regulations No. 2 (T.I.A.S. 3625), as amended (T.I.A.S. 5156, 4420, 4823, 4896, 5459 and 5863).

[7] 1940 Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere (T. S. 981).

[8] *Human Rights Conventions and Recommendations*, Draft of Proposed Report for Consideration by Section and Committee, April, 1967.

[9] For another example of confusion as to the relevant constitutional test, see Raymond, *Don't Ratify the Human Rights Conventions*, 54 A.B.A.J. 141 (1968). Mr. Ray-

mond, evidently unaware of the treaty cited in note 7, takes the view that the United States can make treaties on the protection of wildlife only when birds fly from one country to another.

[10] This contention appears in the appendix to Mr. Schweppe's statement to the Senate subcommittee. 1971 *Hearings* at 71, although it is not in Mr. Deutsch's testimony.

[11] This contention appears in the testimony of Mr. Deutsch, 1971 *Hearings* at 20, 37–39.

[12] See ROBINSON, THE GENOCIDE CONVENTION—A COMMENTARY 83–84 (World Jewish Congress, 1960), containing citations to the drafting history on this point.

[13] *Genocide Convention, Hearings Before a Subcomm. of the Senate Comm. on Foreign Relations*, 91st Cong., 2d Sess., 45–46 (1970), testimony of George Aldrich, Deputy Legal Adviser, Department of State.

[14] This argument is made by Mr. Deutsch, 1971 *Hearings* at 18, 31–33.

[15] This argument is made by Mr. Deutsch, 1971 *Hearings* at 22, 46.

[16] This claim was made by Mr. Schweppe, 1971 *Hearings* at 61.

[17] 1971 SENATE REPORT at 1, 6, 18. ROBINSON, *supra* note 11 at 63.

[18] Mr. Deutsch, 1971 *Hearings* at 18–19, 33–34.

[19] As charged by Mr. Deutsch, 1971 *Hearings* at 45.

[20] This contention is made by Mr. Deutsch, 1971 *Hearings* at 21, 40–45.

[21] One of the exhibits submitted by Mr. Deutsch stated incorrectly that under the Genocide Convention the "U. N. World Court" would "hear cases of alleged incidents of physical or mental 'genocide' committed by individuals. . . . The accused in such cases would not be protected by the Bill of Rights." 1971 *Hearings* at 50.

[22] This argument is advanced by Mr. Deutsch. 1971 *Hearings* at 17–18, 30–31.

[23] This argument is made by Mr. Deutsch, 1971 *Hearings* at 39–40.

[24] ROBINSON, *supra* note 11 at 72–73.

[25] This argument is made by Mr. Deutsch, 1971 *Hearings* at 19, 35–36.

COL. ROBERT CRANSTON, RETIRING COMMANDER OF AFRTS

Mr. CRANSTON. Mr. President, I rise to pay tribute to Col. Robert Cranston, Commander of the American Forces Radio and Television Service in Hollywood. Colonel Cranston, who incidentally is not related to me, is retiring from the Army after 30 years of active duty.

Colonel Cranston has had a long and distinguished career in broadcasting, serving with AFRTS since its inception during World War II. Currently, as head of the facility's production center, he is responsible for programing 166 radio stations and 55 television outlets overseas. His vast experience and know-how have earned him the respect and admiration of leading motion picture, broadcasting, and recording executives with whom he deals on a daily basis. Colonel Cranston has been particularly instrumental in securing the release of first-rate, current television shows for airing to our servicemen and women stationed on land and sea all over the world.

His success may be summed up by the fact that he has always geared his efforts to the young enlisted personnel, knowing that since many were away from home for the first time, they would appreciate hearing and viewing the kinds of entertainment to which they were accustomed back in the States. That is the prime purpose of AFRTS. And that is what Colonel Cranston has worked toward.

I congratulate Colonel Cranston on his accomplishments, both to the Defense Department and to our country. And I extend to him my very best wishes for an equally productive career as a civilian in the years ahead.

HOMECOMING FOR LAST TROOPS AND PRISONERS

Mr. DOLE. Mr. President, today is a proud day for America and a happy occasion for all its citizens. Our Nation takes pride in having achieved an honorable end to our involvement in the Vietnam conflict—and end which maintains the validity of our commitment to an ally and which achieves the goals established by three Presidents. And we join in happy thanksgiving for the safe return of our men who were held as prisoners of war for so many long years. We have known this day was coming for 2 months, now, since the signing of the Paris peace agreement in January. But it is still difficult to believe after so many years with so much death and loss, and division that the Vietnam war is now in the past, a chapter in history.

2-MONTH ANTICIPATION

The last 2 months have been a moving and meaningful period—a time of relief from the tensions and frustrations which plagued our people for more than a decade. First, came the long-awaited agreement in Paris; then release of the prisoners. Perhaps the tension and anxiety actually mounted between the signing in Paris and that first flight from Hanoi to Clark Air Force Base in the Philippines. Our prisoners were supposed to come out; the agreement was sealed. But would North Vietnam and the NLF comply? Would they live up to this commitment after having broken so many others? Would the men be well? Who knew; who could tell?

So we waited and watched our television screens in the early hours of that February morning when the big C–11 from Hanoi finally touched down at Clark.

And then Capt. Jeremiah Denton walked off the plane to salute our flag—straight and proud and free. And then he stepped to the microphones and said:

We are honored to have the opportunity to serve our country under difficult circumstances. We are profoundly grateful to our Commander in Chief and to our Nation for this day. God bless America.

"God bless America." With these words the tension was broken; the burden and anxiety began to lift. And time after time—as the 557 former prisoners have landed at Clark and we have followed the reunions with their families throughout the United States—the sight of them and the sound of their happy, proud voices have been the most refreshing and rewarding experiences in this Nation's recent memory.

MUST REMEMBER MIA'S

But in this time of rejoicing for our returned men and relief at the end of our involvement in the conflict, we must keep alert to the more sobering, but no less crucial situation of some 1,300 men who are classified as missing in action.

Their situation was clearly illustrated by the unexpected but highly welcome news of the last prisoner of war to be released.

This news began with a confused statement from the Vietcong that they would also be releasing a captive named "Robert Wheme." No such name had appeared on any previous prisoner lists, and our forces had no record of any individual with this name. However, a check of the birth date released with the name revealed that "Robert Wheme" is really Army Capt. Robert T. White of Williamsburg, Va.

No word had been heard from him or about him from the other side since his observation plane was downed by ground fire in the Delta region south of Saigon on November 15, 1969. He had not written his family. He was not on the January lists handed over in Paris. He had, however, been carried in prisoner status on our rolls following verification of his capture.

THE LAST POW

As a story in this morning's paper reports, his wife had never lost faith or given up hope that somehow he was alive—somewhere. And of course we can all understand the relief and joy Mrs. White must have felt when she learned of her husband's safety and forthcoming release.

HOW MANY OTHERS?

But how many other Captain Whites are among the 1,300 MIA's and others who we still list as POW's throughout North and South Vietnam, Laos, and Cambodia? Of course we cannot expect that all of them are alive. Some surely died in combat, aircraft crashes, or while being held captive. But as Captain White's case shows, some may be alive; they may be prisoners. And we must fulfill our obligation to them through insistence on our rights to verification, information and inspection as provided in the Paris agreements.

And we know that others who have not been identified by the other side as captives or casualties while prisoners at one time were alive and well. One powerful reminder of this fact was a full-page advertisement in the December 19, 1972, New York Times. Sponsored by VIVA, the organiaztion which made POW–MIA bracelets a universal symbol of concern for these men, it recounts the story of S. Sgt. David Demmon. Sergeant Demmon was listed as missing in action for 5½ years before his captive status was verified and he became a known POW. However, for all this time the Vietcong have refused to acknowledge holding him, and his family has not heard from him.

There are questions about other men, and there are other families who wait and agonize over a question no one can answer.

FULLEST DEDICATION

Of course our Government is fully dedicated to providing the answers to these questions. Every effort has been made at the highest levels to obtain concrete information and detailed explanations. Our verification center in Thailand is ready

to swing into full-scale operation to investigate every known aircraft crash, every rumor and possible recollection which might lead to some solid evidence of a man's capture or his place of burial. And the effort will not be slackened until the last possible attempt is made to determine the last facts and provide the scintilla of evidence that can be obtained.

MEMORABLE DATE

Today is, of course, a memorable date in our history, and nothing can detract from the significance it holds for the last troops as they depart Saigon and the last group of prisoners as they touch down on free soil once again. They all have earned our utmost respect and lasting gratitude for their service, sacrifice, and dedication.

But as we mark today as the end of our involvement in Vietnam and the completion of the POW's release, we must also maintain our support for those whose fates have not yet been ascertained—the 1,300 who are still missing in action.

The bracelets which many of us still wear cannot yet be removed, and we cannot allow our relief and joy at the return of these first 557 to diminish our dedication to seeing the most complete and thorough verification of those who are still MIA.

The strength and courage and untiring commitment of millions of Americans, and other millions around the world, were major factors in obtaining the prisoner's releases. I believe that same force can be—must be—focused even more sharply now on the verification of our MIA's. For, until that verification and accounting is complete, the Vietnam conflict can never be said to have been completely ended.

RISING FOOD PRICES AND THE BEEF BOYCOTT

Mr. McGEE. Mr. President, in advance of the planned boycott of beef next week, I would like my colleagues to study the remarks of a ranchwife from my own State of Wyoming—Mrs. Gail O'Haver of Sundance.

Writing in the February 1973 edition of the Rocky Mountain Union Farmer, Mrs. O'Haver gives us an insight into a side of this issue for which very little attention has been devoted.

The planned beef boycott certainly will not affect the supermarkets, the chain stores, the wholesaler, and all those people in between the rancher and the meat counter. Once again, the rancher will be the object, or the victim, of efforts to drive meat prices down.

While I share the concern of the consumer over rising food prices, I think it would behoove us to view this problem realistically. I do not see organized boycotts against the housing industry, the automobile industry, the clothing industry, or any other industry in which there are also skyrocketing prices. I think it is unfair in many ways to single out the rancher or the farmer as a vent for our frustrations over rising prices.

I believe it is also worth noting that the farmer and rancher are also entitled to a fair return for their labors. The farmer and rancher have not been getting this return for the past 20 years. Yet, they are entitled to enjoy the same quality of life as everyone else.

I ask unanimous consent that Mrs. O'Haver's article be printed in the RECORD.

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

RIDICULOUS PROBLEMS CITED BY RANCH WIFE

(By Gail O'Haver)

The city housewife looks at a piece of fresh American beef all packaged ready to cook and exclaims at the price, "This is ridiculous!" and slams it back in the meat case.

There's a good many ranchers and farmers that think it's ridiculous that she thinks it's ridiculous.

It's ridiculous that the producer gets only 40¢ of the food dollar that the consumer spends. The producer pays out 30¢ in expenses, leaving only a dime for his labor, investment, management, and income taxes.

The producers' percentage would be even less if records could be kept of food that consumers eat at a restaurants. There seems to be no fall-off of the amount of "eating out" and big juicy steaks continue a favorite on the menu.

Beef prices are not so high they are ridiculous—they have always been so low they were ridiculous.

The President is busy promising cheaper food prices by putting more land into production, removing import quotas, and making other crippling cuts into the farmers' livelihood. We know from experience higher labor costs are one of the main reasons for food prices to go up; and we know lower farm prices for food and fiber means "broke" ranchers and farmers with no money to spend in local stores and businesses.

Keep in mind that we farm housewives too, go to the stores and buy much of our food at the same prices city housewives do.

Most business investments expect a return of 12 to 16 percent. It takes 6 to 10 percent return from any business to make it attractive from the investor's point of view. Even the bank will pay 5¾ percent interest and that sure beats feeding cows on a cold winter day. Imagine what would happen if ranchers and farmers stopped being "next year" creatures—always hoping for better crops, less loss, less expense, and better prices—"next year."

Does the city housewife think it is ridiculous that many workers get $10 to $15 per hour and hardly any below $3.62 per hour? They need as little as 6.9 minutes to 18 minutes to earn a pound of nutritious American beef.

Would the city housewife think it's ridiculous that a tractor costing $3,300 in 1955 costs $5,800 now? And a combine costing $5,900 in 1955 goes for $13,000 now? We do.

It is also ridiculous that we must face uncontrolled waves of imports since quotas have been lifted. If ranchers and farmers are to continue to keep this nation the best fed, consumers must pay enough for our products to give us and the people who work for us as fair return for our labors.

Farmers and ranchers don't want pity, just a chance to share equally in the rising national prosperity and to earn a fair return on their investments and efforts.

Instead of asking "Why are food prices rising?" consumers should be asking "How can they manage to raise food for prices so low in light of the low prices they receive for their products?"

Does the same city housewife think it's ridiculous that our highways are jammed with the working man vacationing with his family in new campers, trailers, tents, boats, motorcycles, and snowmobiles?

Well, we think it's ridiculous when she comes to the food store and expresses dissatisfaction over small increases in food prices.

So much has been and is being said and written about the elimination of farm programs that I shouldn't go into it, but I wonder why our government spends so much rebuilding enemy countries, on foreign aid, on defense and other programs, and then suddenly a program to help preserve the environment for *all* the people must be scrapped?

If American consumers would devote the same energy and time protesting the extravagance of the government as they have over food prices, their savings would be considerably more.

It is time we as farm and ranch people stopped feeling apologetic and fight for farm programs and "subsidies" that help preserve this land, water and air that is so precious to us all. And never, never should we feel apologetic about the prices we're finally getting for some of our food products.

THE PRESIDENT'S DRUG ENFORCEMENT REORGANIZATION PLAN

Mr. JAVITS. Mr. President, the reorganization plan which President Nixon sent to Congress yesterday represents a major step toward the strengthening of the capability of our law enforcement agencies to deal with the magnitude of illicit drug trafficking in the United States and abroad. It represents a continuing determination of the President to end bureaucratic rivalries which have in the past undermined enforcement efforts in the drug area.

As the ranking minority member of the Subcommittee on Executive Reorganization, I will urge my colleagues to give this important proposal expeditious consideration. Senator RIBICOFF, our distinguished chairman of the subcommittee has indicated his intention to hold hearings on the plan and on bills which both he and I have introduced to deal with this same problem.

The plan is a good one and deserves the support of every Member of Congress. I note with satisfaction that in preparing this plan, the administration has responded to the suggestions of both Senator RIBICOFF and myself that a more effective role for the Federal Bureau of Investigation in drug enforcement matters is warranted, proper, and urgently necessary Particularly, I am pleased that the President has restated his determination to deal more effectively throughout the Federal Government with the terribly difficult and sophisticated problems of international narcotics trafficking.

As I previously pointed out in connection with the introduction of my bill, S. 1138, I believe it is critically important that we have more effective government-wide coordination of drug related law enforcement activities, not only among agencies located within the Department of Justice, but also among those located in other agencies, most particularly the Internal Revenue Service, the Department of State, and the Central Intelligence Agency. I commend the administration for making this commitment.

There is a great deal more that must be done.

We need more careful evaluation of

law enforcement efforts at all governmental levels, particularly in terms of quality of cases and real impact of effort.

We must build more relevant and useful data and intelligence capabilities both at the Federal and local levels.

We must expand the use of mobile joint Federal, State, and local task forces of law enforcement and other personnel to reduce trafficking.

We must strengthen bilateral agreements with individual "drug source" nations aimed at more effective international control of illicit narcotics trafficking.

We must have a comprehensive review by the Justice and State Departments of our existing extradition treaties dealing with drug offenses with a view toward expanding the scope of extraditable offenses and facilitating the extradition process.

We must have more effective Federal efforts designed to impact with greater effect upon the problem at the local level.

Mr. President, I commend the President for his proposal.

PROBLEMS OF THE FARMER IN THE STATE OF NEW YORK

Mr. JAVITS. Mr. President, I ask unanimous consent that a letter from Agway, Inc., detailing many of the important problems concerning farmers in my State be printed in the RECORD.

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

AGWAY, INC.,
Syracuse, N.Y., March 2, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: As chief executive of Agway, a diversified purchasing and marketing organization owned by 110,000 farmers in 12 Northeastern states, I am deeply concerned with the serious challenges facing our country in the 70's.

The forces at work that threaten to undermine our nation's vitality take no pause—nor can we, who are dedicated to the principle that vitality springs from hope and hope from opportunity. It is my belief that the highest form of security for an individual or a nation lies in a climate of rationally guaranteed opportunity.

Agriculture has consistently shown its ingenuity in this regard by improving its productivity to a point where plentiful high quality food is taken for granted by an entire nation for the first time in history.

I understand and appreciate that in your high office the task is immense, the pressures strong, and the issues often clouded. I do ask that you consider with me a few concerns simply stated that often become obscure.

(1) Inflation.—Directly correlates to spending more than income. The biggest loser to this insidious attack on our domestic monetary security is nearly always the one who can least afford it and is least responsible for it. There are definite limits to the amounts a family, a business or a government can spend without incurring serious consequence.

Since the Federal government by size of deficit and its influence on the supply of money is the prime contributor to this destructive trend, I ask your consideration and support of ways to search out efficiencies of operation and to achieve the discontinuance of outmoded programs after proper review.

(2) Realistic resource planning—The complexity of our society and the increasing interrelationship among broad issues of resource allocation suggest an immediate need to establish long range, practical national policies in the areas of energy, transportation, agriculture and the environment. American farmers have a great stake in the optimum and efficient utilization of these resources.

(3) Understanding our economic system—The present trend is for proportionately fewer people to be directly involved with the production of goods and services. Consequently, understanding of where our money initially comes from in relation to GNP tends to diminish significantly. This lack of understanding seriously endangers our society in that it allows negative prejudices regarding our system of economics to develop based on emotion and misinformation rather than fact.

An example of this is the fact that it is not generally known that Northeastern farmers are as gravely affected as the individual consumer by the high prices and shortened supplies resultant from such national problems as balance of trade, energy shortage and transportation limitation.

In view of the problems created by this broad lack of understanding, it is my feeling that our nation's leaders should direct themselves to the task of taking the appropriate steps to insure an informed general public.

We who represent Northeast agriculture have great faith in our form of government as well as in our economic system of private enterprise.

We know that the leadership qualities which brought you to your present position will serve you well in making the many difficult decisions which lie ahead.

We believe that the time is upon us to exercise responsibility through bipartisan cooperative action in dealing with those broad issues that affect not only your constituency but the nation.

Sincerely yours,

RONALD N. GODDARD.

EMERGENCY LOAN PROGRAM

Mr. KENNEDY. Mr. President, yesterday the Senate adopted overwhelmingly the House version of H.R. 1975 to restore the emergency loan program for farmers. The bill included the Bergland amendment which is critically important to the farmers of 555 counties in 28 States across this country, including all 14 counties in the Commonwealth of Massachusetts.

On January 18, over 300 farmers in western Massachusetts met in Spencer to protest cutbacks in agricultural programs. The farmers at this meeting signed a petition to the President to extend the emergency loan program which had begun in September, but ended in December before most of them had a chance to qualify for the program.

On February 6, I telegrammed the Secretary of Agriculture to express my concern over the cutback of assistance programs under the Farmers Home Administration including the elimination of the emergency loan program. I ask unanimous consent that a copy of that telegram be inserted in the RECORD.

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

FEBRUARY 6, 1973.

Hon. EARL L. BUTZ,
Department of Agriculture,
Washington, D.C.

MR. SECRETARY: Massachusetts farmers are seriously disturbed over administration's cancellation of Farmers Home Administration programs and other measures desperately needed to insure the livelihood of rural Americans.

I refer specifically to the rural environmental assistance program which has for many years offered farmers an incentive to carry out environmental projects on their land: the Farmers Home Administration emergency loans designed for individuals who have suffered losses from natural disasters: and to cutbacks in the school milk program. In addition, the Farmers Home Administration, primary source of mortgage credit to rural homeowners, has been instructed to cut off all subsidized loans effective January 8.

I share the disappointment and disillusionment of many inhabitants of small towns and rural areas who feel the Administration has failed in its commitment to those Americans who earn their living from the land.

In view of these announced cancellations and cutbacks, I feel that alternate solutions must be found to assist these distressed farmers. I would be happy to arrange a meeting between your representatives and the farmers of Spencer, Massachusetts, to this end and I look forward to hearing from you as soon as possible.

With best wishes.

EDWARD M. KENNEDY.

Mr. KENNEDY. Mr. President, the Department of Agriculture responded that extension of the emergency loan program would be possible if legislation were enacted which eliminated the forgiveness clause and which established a reasonable interest rate. The legislation which the Senate passed and which I fully supported accomplished these objectives.

The Congress has by an overwhelming majority recognized the critical situation for those counties across the country which had been designated by the Secretary as qualifying for emergency loans where natural disasters had adversely affected farming operations. These 555 counties were not given the 18-day period from December 27 to January 15 to apply for emergency aid and many of them had not yet made application though they were relying on the availability of emergency assistance. Every county in Massachusetts was seriously affected by the announcement: Barnstable, Berkshire, Bristol, Dukes, Essex, Franklin, Hampden, Hampshire, Middlesex, Nantucket, Norfolk, Plymouth, Suffolk, and Worcester.

On September 8, 1972, the Secretary of Agriculture declared the counties of Massachusetts disaster areas qualifying for disaster relief. As of March 16, 1973, 804 loans under this program had been approved for farmers in Massachusetts totaling $4,894.404. The designation for disaster relief followed upon excessive rainfall from early spring in 1972 aggravated by the effects of Hurricane Agnes and accompanied by wind and hail storms.

Mr. President, many of the other 5,000 farmers in Massachusetts have protested the cutoff of the loan program on December 27; and it is clear that many of these would have qualified for assistance if they had time to make application. H.R. 1975 passed by the Senate yesterday will give them an additional 18-day period during which to apply;

and I am delighted that this program which I fully support was extended for those farmers hurt by natural disasters in Massachusetts and across the country.

CONGRESSIONAL BUDGET PROCESS

Mr. CRANSTON. Mr. President, I believe that Congress and the President must come to grips with the urgent need to balance overall spending with expected revenues. Frankly, I think the Congress and the President have lost control of expenditures. Countless Californians have expressed to me their deep concern over the prospect of further governmental ravages of their earnings and their savings. They feel caught in a fiscal vise through no fault of their own. I believe our Nation's taxpayers have every right to demand a ceiling on spending. This is what I supported in 1972 when the debt ceiling bill, H.R. 16810, was before the Senate.

I firmly believe that it is the responsibility of Congress as representatives of the people to set budgetary priorities and impose a spending limit. I have joined with Senator PERCY and Senator BYRD of Virginia in introducing a bill, the Legislative Budget Act, S. 846, that would create a permanent, systematic procedure for setting a spending ceiling, determining priorities and revenues, and for controlling expenditures.

I am supporting the budget ceiling bills on the floor today which contain a proportionate limitation on cutting of programs by the President, because the above extension budgetary reforms cannot be enacted in time to affect spending levels for fiscal year 1974. I view what we are doing today as only an interim step to control Federal spending and reassert Congress' role in the appropriations process for the coming year. It is my hope that Congress will take further steps regarding the fiscal 1974 budget to insure that Congress fits all appropriations within a sensible spending ceiling, thereby making all the decisions itself—as it should.

Executive discretion to take unilateral action to impound funds and discontinue programs without being subjected to congressional approval has reached crisis proportions and created havoc across the Nation. For this reason I support the position that the President be required to cut all programs by the same percentage to remain within the budget ceiling as set by Congress, but the cuts cannot exceed 10 percent. Any cuts above this percentage would have to be approved by Congress. Certain programs must be exempted from these cuts, because they are "uncontrollable" budget items.

The power of the purse is the fundamental power of Government. The Founding Fathers framed the Constitution deliberately to keep this power out of the hands of the Executive—placing it instead in the Congress as as to prevent one-man government. This is what a constitutional democracy of three independent coordinate branches with defined, limited powers is all about. I stand firm behind the principle that we must balance the budget, and that Congress, having raised the revenues, must exercise the responsibility to decide among the various competing programs the priorities of the Nation.

RISING PRICES

Mr. MONTOYA. Mr. President, as is true in all parts of the Nation, the citizens of my State, New Mexico, are viewing with increasing alarm the spiraling rise in prices, and particularly in food prices. This concern was clearly stated in an Albuquerque Journal response to a recent statement by Herbert Stein, Chairman of the Council of Economic Advisers, that the administration is "prepared to move," but that "It is not clear that the best move would be to reintroduce the formalities of phase II." The editorial expressed concern that what really is "not clear" is whether the administration is truely prepared to move in any effective direction.

There is little wonder that this concern is growing. We know, for example, that the overall cost of living as measured by the Consumer Price Index, rose 0.8 percent last month alone, the greatest 1-month increase since the Korean war 22 years ago. Grocery store food prices rose 2.4 percent—2.4 percent in 1 month. Meat prices were 13 percent higher last month than a year ago. The story goes on. Since phase III and during the 3 months ending February 1973, grocery store food prices have risen at a seasonally adjusted annual rate of 20.3 percent. Meats, poultry, and fish prices have risen at an annual rate of 38.7 percent, and fruits and vegetables at an annual rate of 13.2 percent.

Higher prices are also hitting Americans where they live. During the last 3 months, the cost of fuel and utilities has risen at an annual rate of 8.5 percent. Rents have gone up at a 5.4-percent annual rate during the same time interval. Then there has been the totally uncontrolled rise in lumber prices that has placed new housing out of reach for many American families. A businessman in my home State tells me, in addition, that lumber prices have become prohibitive and that quotation on future delivery is virtually impossible.

Relief for the consumer does not appear to be near; for wholesale prices—the retail prices of tomorrow—are also on the rampage. Prices for all commodities in February were 8.2 percent above a year ago. Those for farm products were 25 percent higher.

Food-price changes are, of course, in large part due to the varied forces at work in the market; and, given tight supply conditions in many of our key products, one might well question the action of the administration when on January 11 it placed most sectors of the economy under a purely voluntary system of controls. Indeed, administration policies in many instances contributed to current shortages.

It appears, based on testimony before the Subcommittee on Consumer Economics of the Joint Economic Committee, that President Nixon and his advisers have no well thought-out plan for the future to stop the price spiral. In fact, they warn of continued price hikes. Inflation is a cruel taxer, falling disproportionately upon those with low and with fixed incomes. It is time to stop inflation. It is time to restore order to our economy.

RISING LUMBER AND PLYWOOD PRICES

Mr. SCOTT of Pennsylvania. Mr. President, the administration announced yesterday a number of steps it is taking to relieve the current problems associated with rising lumber and plywood prices. I am certainly hopeful that the action taken will soon lead to a significant decrease in the price of lumber and wood products, which in turn will be reflected in lower housing costs.

Representative DAVID MARTIN, of Nebraska, and I on March 20, brought to the President's attention the fact that rising lumber and plywood prices can add $1,200 to the cost of an average new house. Administration moves are designed to roll back these costs.

The problem is relatively simple in economic terms. There is an enormous demand and an inadequate supply. The Japanese are buying huge quantities of logs for their own housing boom—and the domestic supply is reduced. The Government's own timber reserves are not being used to the fullest capacity—and the domestic supply does not increase. I believe the only way to meet the problem is to increase the supply to match the demand. The administration is now moving in that direction.

First, the administration is proposing to increase the internal supply of timber and lumber, in the realization that the Government's forests, in contrast to private forest lands, must serve as the primary source of our wood products. From the Forest Service lands this year, 11.8 billion board feet will be sold. This represents an increase of 18 percent over last year's sales of Government-owned timber.

Second, the administration is consulting with the Japanese Government to explore the possibilities of decreasing U.S. log exports through the discovery and utilization of new markets, such as Canada and the Soviet Union. The Japanese Government is expected to instruct its importers on the situation in the hope that some favorable adjustments can be made.

Mr. President, I regret that we have to add "lumber" to the list of existing Washington crises. It need not stay on the list for long if Government, private industry, and our allies work hard at a solution. The key point here is an increase in supply. Federal land is available and I have no objection to a reasonable harvest of timber. My only concern is that there be an absolute requirement that for every tree taken, one is planted in its place. We simply must have an ambitious reforestation program if American generations to come are to benefit from our timber resources.

REPORT OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA REGARDING OVERSIGHT ACTIVITIES

Mr. EAGLETON. Mr. President, in accordance with section 118(a) of the Leg-

islative Reorganization Act of 1970 I am pleased to report that the Committee on the District of Columbia during the 92d Congress engaged in the following oversight activities.

Oversight hearings were held on the District of Columbia correctional system; drug addiction and treatment; the operation of the bus company; election reform; the future use of R. F. K. Stadium; teachers pay; the solid waste disposal program of the District of Columbia; and veterans unemployment problems, focusing especially upon Vietnam veterans.

In addition, the General Accounting Office was requested to report on the following matters:

First. Investigating the right of set-off of moneys which had been due D.C. Transit for subsidies of schoolbus fares as against payments that were owed the city for track removal undertaken by the Highway Department which were to be billed to D.C. Transit under its charter;

Second. Audit of expenditure of funds by Public Schools of the District of Columbia with the view to assuring that systematic internal controls are being developed which will facilitate sound financial management practices;

Third. Report on the cost of stopping all work on incinerator No. 5 as of November 1, 1971, including paying all penalties for terminating work on the project; and the moneys committed to this project but not expended as of November 1;

Fourth. Request to monitor the work of the internal audit division of the D.C. Government to insure that all Federal requirements are met in their audit of D.C. public school system to determine whether there are any deficiencies in the expenditure of funds by that school system during fiscal years 1970 and 1971. Also requested report as to GAO's view of the audit after its completion.

Finally, the staff of the committee held a series of discussions with the officials of the D.C. Government regarding such matters as the effective operation of the zoning system; the revision of the personnel system; the operation of the police department during the May Day confrontations; revision of the D.C. income tax system; and the operation of the health delivery system in the District of Columbia.

JOHN A. KOSKINEN

Mr. RIBICOFF. Mr. President, fortunate indeed is the Senator with a capable and loyal staff. The keystone of this staff is the administrative assistant. The administrative assistant must organize the office and manage procedural matters. He must be the clearinghouse for ideas and suggestions from constituents. He must oversee casework and deal with the executive branch and with State and local governments. He must be an adviser on world affairs and still be knowledgeable about the problems of each constituent with the huge Federal bureaucracy. He must be a legislative analyst, a public relations specialist, a seasoned politician and a public official all at once. Being administrative assistant means being the first in the office in the morning and the last to leave at night. It means receptions after work and breakfast meetings before. In short, being administrative assistant to a Senator is a tough assignment. It is not the job for a person frail in spirit or constitution.

In my 10 years in the Senate, I have been fortunate in that my three administrative assistants have been very capable men and close personal friends. Jon Newman, my first administrative assistant, is now a Federal judge. Wayne Granquist, my second AA and the manager of my 1968 reelection campaign, is the president of one of Connecticut's leading banks. These are both extraordinary men who went on to assume responsible, challenging roles in their communities. Today, I am announcing that my present administrative assistant, John Koskinen, is going on to a new career.

John Koskinen, who joined my staff as AA in May of 1969, is one of the most brilliant, enterprising, highly motivated men I have ever known. I have never been associated with anyone with a greater capacity for hard work and all-around brilliance. In addition he is the most organized man I know. John also demonstrated—time after time after time—a flawless sense of good judgment. That is an unbeatable combination—hard work and good judgment—and John has it in abundance. He thinks clearly. He writes well. He runs the office efficiently. He comes to work to work. John can field any position and homer every time he comes to bat.

Born June 30, 1939 in Cleveland, Ohio, John Koskinen began building a record of achievements as a young man. He was a national merit scholar and the State public speaking champion while attending Ashland Senior High School in Ashland, Ky. He graduated magna cum laude in physics from Duke University in 1961. His accomplishments included membership in Phi Beta Kappa and being nominated by his university to be a Rhodes scholar.

At Yale Law School, John earned an LL.B. cum laude and was note and comment editor of the Yale Law Journal and was admitted to the Order of the Coif. He was awarded a Yale Law School grant in international law, studying from September 1964 to June 1965, at Cambridge University, Cambridge, England.

Returning to the United States, John went to work as a law clerk to Judge David L. Bazelon, chief judge, U.S. Court of Appeals, Washington, D.C. In August of 1966, he joined the Los Angeles law firm of Gibson, Dunn & Crutcher where he worked until August of 1967 when he was named special assistant to the Deputy Executive Director of the National Advisory Commission on Civil Disorders. In April of 1968, John joined the staff of New York City Mayor John Lindsay, serving as his legislative assistant for congressional affairs with an office in Washington, D.C.

John is an elected member of the executive committee of the Yale Law School Association; a member of the Bar Associations of the U.S. Supreme Court and the States of California and Connecticut; and is the area chairman of the Duke University Alumni Fund.

John and his wife, Patricia, and their son, Jeffrey, live in Washington and New Haven.

John Koskinen has been a close friend and advisor to me for the past 4 years. His administrative skills and his valued counsel will be missed. Mrs. Ribicoff and my entire staff wish him Godspeed success and a full constructive life.

INTERVIEW ON ECONOMIC RELATIONS WITH JAPAN

Mr. JAVITS. Mr. President, I was recently interviewed by a special correspondent for the Japanese newspaper Yomiuri Shinbun on the subject of United States-Japanese economic relations. I feel it might be beneficial to the Members of Congress if they were to see the depth of interest in this subject in Japan. Accordingly, I ask unanimous consent that the text of the interview be inserted in the RECORD.

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

UNITED STATES-JAPAN ECONOMIC RELATIONS? FIVE-POINT PROPOSAL INCLUDES LIBERALIZATION: NEW TRADE BILL IS THE ONLY WAY

(By Special Correspondent Takahama)

An influential Republican (dove faction) Senator. A native of New York, age 68, born in 1904. Graduate of New York University. After practicing law in New York he became a special assistant to the Chief of the Chemical Warfare Service, U.S. Army. Served in the Congress as a Representative, and was elected attorney general of New York. Elected to the United States Senate in 1957; presently serving his third term. He is currently a member of the Senate Foreign Relations Committee and the Joint Economic Committee, and his views, therefore, carry weight in foreign policy matters and international economic affairs. He first visited Japan in 1956, then later again in 1970 and 1971. He has made wide contacts with key Japanese government officials, economists, and students. In the Senate, he is known as one of the leading Japan specialists. He was among the first to approve reversion during the 1971 Okinawa Reversion Deliberations. [End of biographical sketch].

President Nixon will soon submit a new trade bill to Congress, which remains cool towards Japan as protectionist sentiment continues to increase. Accordingly on [Feb.] 28th the Yomiuri correspondent interviewed Senator Javits, on questions dealing with currency reform and U.S.-Japan relations in the wake of the recent yen float. In this context, Senator Javits emphasized that the yen float is merely the first step toward improving U.S.-Japan relations. As measures which Japan must undertake, he proposed five items: (1) A "bona fide" liberalization of trade and capital; (2) Currency reform with surplus nations, and a fixed yen rate based responsibility borne by balance-of-trade on "clean float;" (3) Joint strategy with the EC (European Community); (4) Increasing Japanese investments in the United States; and (5) Economic assistance to the developing countries, particularly in Asia.

Senator Javits considers the new trade bill as the only way to prevent stiffer protectionist legislation, and favors the idea of granting the President the authority to raise tariff rates. However, he is opposed to indiscriminate imposition of import surcharges.

Earlier in Japan, Secretary-General Hashimoto of the Liberal Democratic Party (LDP) said in a speech at the International Economic Meeting sponsored by the Yomiuri, "Despite the economic power that Japan represents, she has not been given an appropriate role in international society." To that

statement, Senator Javits countered with a strong rebuff, "In order for Japan to achieve that position, Japan must first realize her role as a responsible member of international society and conduct herself accordingly." He requested that Japan provide capital for economic assistance to the developing countries. It is noteworthy that he said, "And this is not to be provided in an imperialistic manner as during World War II."

The questions and answers with Senator Javits are as follows.

Q. Japan has been accused of hoarding foreign currency, and thus contributing to the unrest in international monetary transactions. However, now that Japan has embarked on floating the yen, how do you evaluate this?

A. The yen float is a good initial step toward improvement of U.S.-Japan relations. But the question is whether Japan is going to conduct a clean float without government intervention. A dirty float makes no sense at all. How strong the yen really is depends on actual market conditions. But whatever may be said, the fact that a trade imbalance of 4 billion dollars exists cannot be tolerated by the United States. If the imbalance were to continue indefinitely, even I, a free trade advocate, must consider resorting to protectionist measures.

To arrive at such a situation is perilous for Japan which relies on the United States to absorb one-third of her exports. There are five steps which must be taken now to prevent this:

1. Establish a new international monetary agreement in place of the now collapsed Bretton Woods formula. In this new agreement, a country with a surplus in the international balance of payments will be obligated to adopt an adjustment mechanism with deficit countries under international supervision. It is essential to reach a settlement along the line of the U.S. proposal presented at the IMF General Meeting in September of last year.

2. Japan must take realistic steps in trade and capital liberalization. Based on our experience up to now, Japan has liberalized only on the surface, and in reality there are many restrictions still in force. The important thing is liberalization from a spirit of sincerity. This will prove beneficial to both United States and Japanese consumers.

3. Japan and the United States should cooperate in opening the door to the EC. Only then will Japan be able to obtain fair treatment.

4. Japan should actively invest in the United States and elsewhere.

5. Grant long-term loans to developing countries by using the strength that Japan possesses. But this must not be done in an imperialistic manner as during World War II which Asian countries fear. As a consequence, the penetration of the U.S. market will also be eased. At any rate, Japan is now a world success, and must be willing to carry out her responsibilities.

Q. The United States has devalued the dollar for the second time in a 14-month period. Some say that this has hurt America's pride. . . .

A. I don't think so. Even Christ did not fear poverty. America is not poor at all. The dollar is as strong a currency as ever. But we have chosen humility instead of pride. This can be done because, as before, we are great and strong in productivity, and brimming over with power.

Q. Will the effects of the dollar devaluation be felt immediately?

A. The devaluation of the dollar should be construed as allowing us a little more than a year's time for a basic reform. But don't place too great a hope on it. Of course, it can be said that owing to this, the situation will turn for the better. However, we are on the brink of danger. If a currency crisis erupts once more, it may be much worse than now. We are only buying time now.

Q. Compared to the 360 yen to one dollar era the yen has been upvalued approximately 36%. In Japan, some say that this is enough . . .

A. This problem cannot be resolved in a clear-cut manner as in a mathematical formula. It is enough for the moment to say that the money market will decide the actual value. Finally, it will be up to each country to decide the rate of exchange on an individual basis.

Q. President Nixon is trying to incorporate into the trade bill not only the authorization to lower but also to raise trade barriers. Isn't this carrying trade protectionism too far?

A. That is absolutely necessary. The reason is that it is the only way to prevent enactment of stiffer protectionist legislation. It is necessary for Congress to retain its veto power lest this authority be abused.

SENATOR JAVITS OPPOSES IMPORT SURCHARGES

Q. Representative Wilbur Mills, a Democrat (Chairman of the House Ways and Means Committee) has been vigorously pushing for import surcharges. Do you agree?

A. I am opposed to it. The import surcharge has nothing to do with what is vital for America at the present, and would lead to indiscriminate restraints. Rather, it is more important to have the authority to take retaliatory steps against the offending country. Two years ago, the President imposed an import surcharge, but that was done only as an emergency measure.

Q. There is criticism that the reason the dollar has weakened is that the American people don't work. Has this type of attitude weakened the international competitive position of U.S. goods?

A. That's a misunderstanding. It is not that the American people are not working hard. It is a fact that only some people waste manpower. For example, there are too many diesel trainmen on American railroads. Also within labor unions, job classifications are so narrow that a man with a certain job classification is prohibited from working in another capacity. In that sense, I recognize the need for raising work incentives. In Japan, the workers have a strong sense of loyalty to their job. In order to increase this sense of loyalty, it is necessary for us to promote such measures as old age security, profit sharing system in industries, and stock ownership plans.

JAPAN'S POSITION SPEAKS FOR ITSELF

Q. In Japan, one hears that the international position of Japan remains very low, in spite of her economic power. As a matter of fact, in a recent speech, at the Yomiuri-sponsored economic talks, Secretary-General Hashimoto of the LDP said, "Japan has not even been invited to participate in the Paris talks, and, moreover, cannot become a member of the U.N. Security Council. For Japan to be so isolated is not desirable for the world economy or for peace." What do you think about this statement?

A. Both the United States and Japan have begun to normalize relations with China. Both countries do not intend to make normalization mutually unprofitable. Rather, an opportunity has been created whereby good relations can be maintained by cooperating even in matters concerning China. Speaking about Japan, Japan has been able to promote her diplomacy from an independent standpoint without compromising with other countries. That many Japanese have decried the need for political power commensurate with Japan's economic power, is worthy of consideration. On that score, the point made by Secretary-General Hashimoto strikes at the truth. What can be clearly said is that Japan, without having her political responsibility in international society recognized by other countries and busy only in amassing money, must not only manifest her intentions of making contributions to the world, but should give proof of it. When her political responsibility measures up to her powerful economic role, it is then for the first time that the world will recognize Japan's real strength. Moreover, Japan's dream would be fulfilled. At that moment, Japan will find an eminently good friend, in the United States.

Q. It appears that the Emperor may visit the United States sometime during this year. What do you think?

A. I believe it would be a wonderful thing. I believe that for U.S.-Japan relations, there is nothing better than having as many Americans as possible see the Emperor with their own eyes, and listen to him talk.

EXTENSION OF REGULATION Q—RATE CONTROL ON INTEREST PAID BY FINANCIAL INSTITUTIONS

Mr. SPARKMAN. Mr. President, as the Senate knows, the Subcommittee on Financial Institutions—Committee on Banking, Housing and Urban Affairs—has just completed hearings on a series of matters important to the financial institutions of this Nation.

One of the subjects of the hearings was whether or not and for how long the Congress should extend Regulation Q, the provision that authorizes rate control on interest paid depositors of financial institutions.

John E. Horne, former Chairman of the Federal Home Loan Bank Board and now Chairman of the Board of Investors Mortgage Insurance Co., a private mortgage insurer of conventional home loans, submitted a concise statement explaining why he thinks the rate control act should be extended for a minimum of 2 years behind its scheduled date of expiration this June. I commend his statement to you, and ask unanimous consent that it be printed at this point of my remarks.

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

INVESTORS MORTGAGE INSURANCE CO.,
Washington, D.C., March 22, 1973.

Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Financial Institutions, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate the opportunity to submit this brief statement in connection with the hearings by the Subcommittee on Financial Institutions on the extension of existing interest rate control authority.

As you know, this authority was established in its present form by an Act of Congress in September, 1966. A most significant and essential feature provided under the Act is that which makes possible the payment to savings depositors of thrift institutions a slightly higher rate of interest than that paid to savings depositors of commercial banks. It was my honor to be Chairman of the Federal Home Loan Bank Board at that time, and thus I know from experience that the legislation was timely and indeed quite necessary.

In fact, without such a rate differential provision in the Regulation Q legislation passed in 1966 and its implementation by appropriate agencies of the Government, the viability of the thrift industry, which is composed of savings and loan associations and mutual savings banks, would have been jeopardized. Moreover, the volume of home

building which had already reached a perilously low level would have been further reduced.

Congress has acted wisely since the Fall of 1966 in extending Regulation Q in the form then adopted. More than any other one thing, this farsighted provision accounts for the sensational growth of the thrift industry these last six years—an industry which now has more than $300 billion in assets—and its ability to supply approximately two-thirds of the funds invested in housing accommodations. Unquestionably, without Regulation Q as now structured the almost unbelievable growth of the savings and loan and the mutual savings banks industries would not have been possible. And neither would it have been possible to reach the unprecedented volume of more than 2 million housing units annually, excluding mobile homes.

For several reasons, the thrift industry cannot now compete with commercial banks for savings without Regulation Q as presently structured and administered. For example, the investment authority of the thrift industry is far less flexible or diversified. Moreover, the composition of its portfolio is largely in long-term mortgage instruments and thus not subject to quick turnover and higher income opportunities. Because of these and other conditions, the thrift industry cannot adjust to rapid changes in the interest income paid by other investment sources. Since banks are their best known and potentially their most vigorous source of competition for savings, members of the thrift industry must continue to be shielded from unbridled or unrestrained interest rates paid to bank depositors. The American Bankers Association has taken cognizance of this logic and has recommended a two-year extension.

As I have indicated, there are sources other than banks that frequently pay higher interest rates to investors than can the thrift industry. Such instruments as Government bonds, corporate issues, Government agencies, etc., are examples. These, though, are not always easily available to or understood by the general public. Moreover, Congress has provided some protection to the thrift industry by setting a minimum in certain cases on the size of the investment instrument the investor can purchase. Too, the rate of interest or dividend varies from time to time depending upon money market conditions.

Currently, however, these competitive sources appear to be an increasing threat to the thrift industry in capturing savings. Interest on short-term Government bonds has risen rapidly. Surveys show that business expenditures for plant and equipment will rise sharply during the year. Continued and exorbitant inflation is a grave concern and can inhibit savings if not offset by increased salaries to wage earners.

All these factors make for uncertainty in the volume of savings for the year, in the type of investments savers will engage in, and in the availability of funds to meet even our minimum housing needs. These conditions also threaten to force up the interest rates paid by home buyers. Indeed, this has already happened during recent months.

Thus, it would appear to be imperative that Congress extend Regulation Q, and preferably for a minimum of two years. If other legislation that might be considered later in this Congress should necessitate any changes in the two-year extension, and that seems doubtful, the necessary adjustments can be made. Already there are so many disturbing uncertainties faced by financial institutions and the home building industry, it seems wise and proper that all appropriate steps be taken to provide stability to the thrift industry and to prevent repetition of that frightening experience termed disintermediation which we suffered in two of the last five years of the 1960's.

Respectfully,

JOHN E. HORNE,
Chairman of the Board.

John Horne did an outstanding job as Chairman of the Federal Home Loan Bank Board. He brought the savings and loan industry through a stage of its most trying and significant history since the early 1930's. He restructured the legislative foundation to enable the industry to meet its greatly expanded obligations to provide the bulk of housing funds during the coming decades; and he otherwise fulfilled the duties of his office in a highly ethical and satisfactory manner.

To give you some idea of the needed reforms and changes made possible by enabling legislation passed during his membership and term as Chairman of the Board. I ask unanimous consent that this partial list of the alluded to accomplishments be made a part of the RECORD.

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

PARTIAL LIST OF ACCOMPLISHMENTS

1. The structure of Regulation Q in a manner to enable the thrift industry to pay a higher interest rate on deposits than commercial banks.

More than any other one thing, this arrangement accounts for the tremendous net savings inflow to the thrift industry during the past six years.

2. Legislation authorizing service corporations, with authority left with the Board to determine the activities of such entities. This eliminates the necessity of passing new legislation every time the Board approves a new activity for a service corporation.

3. The receivership law which gives the Federal Savings and Loan Insurance Corporation (FSLIC) the right to take over the assets of a disappearing association when the depositors have been paid off. Prior to this law, there were growing examples of successful efforts to prevent the merging of a sick association, and of authorities other than FSLIC becoming the receiver of the assets with little or no protection for FSLIC.

4. The Financial Institutions Supervisory Act which enables the Board to do case-by-case supervision and thus to liberalize rules and regulations for the industry. This legislation also empowered the Board to prevent or stop an unsound practice without having to cancel insurance of accounts of an association. The advantages to the industry of this new Board authority are far-reaching in scope.

5. The Savings and Loan Holding Company Act, not to impair appropriate holding company activities but to prevent abuse and crippling by a handful of such companies of their savings and loan subsidiaries. This Act has benefited the entire industry, both holding companies and individual associations.

6. The authority for associations to invest required liquidity in a multiplicity of items rather than just in Government bonds. Now the required liquidity may also be invested in Government agencies (FNMA, FHLBB, TVA, Export-Import Bank, etc.); bank CD's; municipals; bankers' acceptance, etc. This provides greater opportunity for earning on liquidity and also a more flexible liquidity posture.

7. The right for associations to offer a variety of savings accounts, both in passbook and certificates, in order to appeal to various desires of savers. The ability to compete for savings is thereby greatly strengthened.

8. The right to make loans in the mobile home field.

9. The right for insured associations to sell debentures.

10. The right for associations to make consumer or equipment loans on numerous items that go into furnishing a home.

11. An increase in the amount that can be loaned for home improvement.

12. A 50% increase in the level of insurance of savings accounts.

13. The right for associations to invest in urban redevelopment areas, including equity investments.

14. The authority to make educational loans.

15. The change in terminology from share accounts to deposits, and from dividends to interest. This change enables the thrift industry to be more competitive with commercial banks.

16. Legislation to increase the percentage of an associations' investment in multiple apartment units and other commercial properties.

17. The authority for savings and loan associations to invest up to 1% of their assets in associations and housing activities in foreign countries. These loans carry a 100% AID guaranty.

18. Authority for the Board and for each District Federal Home Loan Bank to erect or otherwise acquire its own office facilities.

A matter not requiring legislation but of tremendous importance to the savings and loan industry is the agreement Horne's Board reached with the Federal Deposit Insurance Corporation (FDIC) to issue identical insurance regulations. This agreement officially established for the first time that FSLIC for the savings and loan industry and FDIC for the banks were on par with one another. Prior to this, banks frequently advertised and otherwise claimed that FDIC was superior.

Horne's Board also began the monthly Federal Home Loan Bank Board Journal to serve as a more effective means of communication between the Board and System members.

Since leaving the Board, Horne has continued to work for the passage of legislation beneficial to the thrift industry.

Among outstanding examples is the Emergency Housing Act of 1970, which among its provisions includes:

First. The authority to establish the Federal Home Loan Mortgage Corporation—FHLMC—as a new source of liquidity for the industry, and the buying and selling of FHA, VA, and privately-insured conventional mortgages.

Second. The authority for the Federal National Mortgage Association—FNMA—to conduct a secondary market operation in conventional loans using private mortgage insurance as one of its tools. Prior to this authority, FNMA could only buy FHA's and VA's.

NATIONAL STRATEGY FOR DRUG ABUSE

Mr. PERCY. Mr. President, the national strategy for drug abuse issued yesterday by the White House represents a quantum leap forward in its candid assessment of the awesome drug problem which currently afflicts this country. It also provides a constructive agenda for action aimd at dealing with the under-

lying causes of drug experimentation and dependency.

The strategy avoids the pitfalls of posing simplistic solutions to what must be recognized as a very complex problem involving pervasive drug use by a large segment of our society. Such use can only be fully explained by reference to the political climate, customs, rituals, laws, and peer group pressures which underlie this society.

The document modestly recognizes, in its conclusion:

. . . that the problems are so diverse and that the responses cut across so wide a spectrum of human activity, that developing a totally coordinated, consistent response is an elusive goal that must be constantly pursued.

That is precisely what I, and my colleagues, Senators RIBICOFF, JAVITS, and MUSKIE, had in mind when we included the requirement for promulgation of an annual national drug strategy in the Drug Abuse Office and Treatment Act of 1972—Public Law 92-255—which I introduced in the 92d Congress and which was unanimously approved by both Houses in March of last year.

I believe that the national strategy also reflects a recognition that, in the past several years of increasing and alarming drug use, the President has acted forthrightly in conceding that a grievous situation existed and was in immediate need of priority attention. The President has personally involved himself in that effort by urging a substantial redirection of Federal drug policies—redirection organizationally, and redirection philosophically. There can be no question that the attention, effort, resources, funds, and, most important of all, the commitment that has gone into this effort represents a bold and positive response.

This is not to say that the strategy document constitutes the be-all and end-all of the Federal drug abuse effort. On the contrary, within the policy and organizational framework which has now been created and which will be furthered by implementation of the President's recently announced Reorganization Plan No. 2 of 1973, substantial issues still remain unresolved. Most of this relates to differences in the treatment versus law enforcement approaches which in the past have accounted for much of the confusion on specific issues evidenced at both the Federal and State levels.

Thus, for example, I think we must give more concerted attention to the needless upset and alienation within our society caused by untold prosecutions and jailings of young people for engaging in an activity—marihuana use and possession—which they themselves do not consider a crime and as to which the best available scientific and medical evidence to date does not justify the severe sanctions which our society imposes. Particular consideration must be given to the effect of Federal crackdowns and border seizures of large amounts of marihuana on the tendency of potential users, deprived of that relatively benign drug, to turn to far more dangerous drugs such as heroin, LSD, barbiturates, cocaine, and speed.

A second, not unrelated issue, which I believe must be given greater consideration, involves the propriety of using Federal and other undercover agents on college campuses and at gathering places for youth for the purpose of busting unsuspected drug users or entrapping them into using or selling dangerous drugs.

Further, while there is considerable factual discussion in this strategy message concerning the proliferation and use of such drugs as amphetamines and related stimulants, and barbiturates and related sedative hypnotics—including methaqualone—I personally believe that it is time to call into question the corporate morality of those ethical drug companies who collectively manufacture literally billions of these tablets. They do so with certain awareness in the face of available evidence that these drugs are being flagrantly abused, and that the potential for serious psychological and physical harm is very great.

In sum, I welcome this national strategy and commend the efforts of the President and Dr. Jerome Jaffe of the Special Action Office for Drug Abuse Prevention in providing us with a particularly valuable assessment of the drug problem in America today, and where we go from here. Because of the urgency and importance of the problem, I am hopeful that we can now move ahead with dispatch in dealing with the diverse aspects of this problem and that some of the policy issues that remain unsolved can now be addressed in short order with the same degree of candor and commitment as are expressed in this strategy.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the summary findings and observations contained in the National Strategy for Drug Abuse:

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

FEDERAL STRATEGY FOR DRUG ABUSE AND DRUG TRAFFIC PREVENTION

IV. SUMMARY

There can be no simple solutions to the problems of drug abuse, and no simple solutions are presented in this first Federal Strategy. The use of drugs for non-medical purposes in the United States in these terms. ticular drug is used in a given society is not only a matter of what that drug does but also of how the people of that society feel about what the drug does and what the majority of people want their society to be. We have reviewed the various drugs that have been and are being used for non-medical purposes is as old as history. Whether a par-

It was the clear intent of the Drug Abuse Office and Treatment Act that the strategy concentrate on those drugs covered by the Controlled Substances Act of 1970. Therefore, although our strategy acknowledges the high social costs of the use of alcohol and tobacco. these are not the foci of this analysis. An entire institute within the National Institute of Mental Health is devoted exclusively to the problems of alcohol.

Yet, our response to the use of drugs such as alcohol and tobacco that have already been incorporated into our customs, commerce, rituals, and regulations cannot, realistically, be the same as our response to those dangerous drugs that are not used by a majority of citizens, and whose use, possession, and sale are currently defined as illegal by Federal and State laws.

The history and the nature of non-medical drug use is such that the medical and social consequences of using a particular drug do not always correlate with the attitudes and use-patterns that develop. For example, the use of an artificial sweetener that, in large doses, has a cancer producing effect in some animals is prohibited, while the smoking of material that is believed to be responsible for cancer in man is not. Nevertheless, inconsistencies of our overall response should not be a justification for abandoning all efforts at developing a rational system that seeks to minimize the harmful effects of drug use.

The medical utility and the medical and social consequences of different drugs produce different patterns of misuse for nonmedical purposes. Thus, the approach to each drug necessarily involves varying degrees of legal regulation and control of availability as well as varied allocation of resources to the enforcement of drug-control laws, to the treatment of the adverse consequences of using the drug, to informing the public of the issues related to its use and abuse, and to developing the increased understanding that will help us to minimize the social costs of abuse in a modern society.

We recognize the difficulty in reaching consensus on the best approach to drug problems in general and to the use of any one drug in particular. Part of the difficulty stems from our incomplete understanding of why certain drugs are used, what factors lead from use to addiction, and what the long term consequences of use and abuse are likely to be. In reviewing the causes of drug use and addiction, some factors emerge as more critical than others. Unfortunately, some of these factors are difficult to influence through direct governmental action.

One of the most important factors determing whether a drug will be used is the availability of the drug itself—in general the use rate is directly related to availability. Another major factor is peer acceptance. While many forms of drug use are solitary behaviors, the varieties that have arisen over the past decade, particularly among young people, are highly dependent on the behaviors and attitudes at the group level. If an individual's friends are drug users or experimenters, then that individual will be much more likely to use drugs regardless of his or her family background or personal characteristics. In this sense, drug use is communicated from one person to another.

Use and experimentation are not necessarily equivalent to abuse and addiction, but should be discouraged. We have lived through times where departure from traditional values and standards, and even the breaking of law, became commonplace. Under these conditions many young people, and older people as well, experimented with marihuana, LSD, barbiturates, amphetamines, and sometimes heroin. Most of these experimenters used the drugs once or a few times and stopped. Others, for a variety of reasons, continued.

The factors associated with continued use are related to the personality of the user, as well as to family structure, the alternative behaviors that are available, and the nature of the drug being used. Some drugs are much more likely to lead to an overwhelming compulsion to continue use (addiction) than others.

Broadly speaking, there are two overlapping and interacting approaches to reduce drug use and abuse in any society. These are those efforts directed at controlling the availability of drugs (drug traffic prevention) and those activities that attempt to reduce the demand for drugs (treatment, prevention, education, research, etc.). We recognize that, without compromising basic constitutional rights, no one of the major approaches available to government—control of drug traffic or efforts at treatment and prevention—can, in and of itself, accomplish the goal of minimizing the social cost of drug abuse and drug addiction. But taken together in appropriate balance and accompanied by broad and the general public, these approaches

have proved to be effective in moving toward this goal.

In considering the drugs covered by the Controlled Substances Act of 1970, we have found the problems related to heroin addiction to be most serious and we have placed emphasis on approaches to reducing the high toll that this form of addiction exacts from our society.

Heroin is among the most addictive of the commonly used substances. The use of heroin showed a sharp rise in the mid-1960's. The number of people becoming addicted increased each year from 1964 through 1969, with each new group adding to the overall growth in the total number of active addicts. While the totals for the years after 1969 are still incomplete, preliminary data indicate that there were fewer new addicts in 1971 than in 1970 and 1969.

Over the same years, the use of marihuana has also become increasingly common. One response has been to learn more about the implications of this increase use and to reflect this information in changes in our policies. Marihuana is no longer considered as hazardous as heroin and its designation under Federal law and associated penalties for its use, possession and sale have been modified accordingly. Nevertheless, our understanding of marihuana is still very incomplete. There are some who now advocate removal of all penalties for use and possession or even total legalization. With such a change or with legalization there would undoubtedly be a substantial increase in the use of this drug. More significantly, there would be an incorporation of the drug into the customs and values of our society that in the cases of alcohol and tobacco has proved irreversible. Given the flexibility of present Federal laws relating to marihuana, no legislative changes are recommended. However, uniform codes for States that are consistent with the Federal standards continue to be recommended and encouraged.

Increases in the use rates of other drugs such as amphetamines and barbiturates and related sedatives are, as with other drugs, partly a function of their availability. Last year amphetamines and related drugs were re-classified to permit the Federal Government to set limits on their production and distribution, and the medical indications for their use were restricted. The impact of these changes on the availability of these drugs should become increasingly apparent over the next two years. The Attorney General's recommendation to reclassify selected barbiturates and related drugs, after receiving legally required concurrence of the Secretary of Health, Education, and Welfare, will permit the establishment in the near future of production and import quotas and better record keeping for these drugs.

Given the wide range of drug abuse problems and the different kinds of people who at some point require some form of treatment, it is not surprising that no single treatment or intervention approach is found to be adequate. Instead, we have set out a policy of developing a variety of treatment approaches, each with its own special advantages and disadvantages, each appealing to somewhat different groups within the heterogenous population of drug users and addicts, but each with at least one common goal—the return of former drug abusers to a useful role in society.

Some treatment approaches are more controversial than others—for example, the use of synthetic narcotics such as methadone in the treatment of chronic heroin addicts, and the use of civil commitment or other involuntary aproaches. We find that the maintenance approach may be necessary for some long-term narcotics addicts at least as an interim step toward full recovery. However, it should not be used indiscriminately or without concern for the hazards caused by illicit methadone diversion. Over the past year we have developed new regulations that will minimize these hazards without interfering with the provision of treatment.

We have launched research efforts that if successful will further reduce the hazards, increase the likelihood of successful withdrawal, and provide further alternatives to the maintenance approach.

Non-voluntary approaches to the treatment of addiction will continue to be required at least for selected groups of addicts—such treatment is currently available through the Federal government (under the Narcotic Addict Rehabilitation Act) and in several States. We have noted, however, that when the power of the court is not used to retain patients in treatment under civil commitment procedures, the results seem no better than voluntary approaches and the overall costs are considerably higher. We have, therefore, advocated maximum expansion of voluntary treatment approaches before investing substantial resources in nonvoluntary treatment systems.

The different approaches to treatment of drug addiction are not equally effective or efficient. It is the responsibility of government to determine the reasons for the differences in outcome and efficiency and, where appropriate, redirect Federal resources. Such evaluative efforts are now underway.

Until the data provide for a more precise policy, we will continue to make a variety of treatments available to those who want treatment, and we will continue our attempts to develop more effective treatment methods.

This general policy has resulted in a very balanced—or multimodality—treatment system for the country as a whole. All treatment approaches funded directly by the Federal government have grown dramatically. Over the past 18 months we have created more treatment capacity than in the previous 50 years. In programs directly funded by the Federal government, more than 60,000 people can be treated at any one time and this translates into treating more than 100,000 on an annual basis; additional thousands are treated in programs funded indirectly by the Federal government through block grants and other revenue sharing devices. The combined Federal, State, local and private capacity is estimated at more than 120,000 at any given time, an annual capacity of more than 200,000.

The use of maintenance treatment in Federally fundéd programs has approximately doubled (from 10,000 in October 1971 to 21,000 in December 1972) but non-maintenance approaches have almost quadrupled—from 10,000 in October 1971 to 39,000 in December 1972. We renew our commitment to continue the expansion of treatment until no one can say he committed a crime to get drugs because there was no treatment available. This Federal commitment requires a similar commitment on the part of State and local governments to continue their present level of support for drug treatment developed with resources under their discretionary control.

While treatment of those who become addicted to drugs is but one facet of an overall approach, it is a keystone of the strategy we have outlined. We believe that once treatment is available to all who want it, there will be substantial changes in the attitudes of courts, and of probation and parole systems. With treatment readily available, the use of drugs will no longer be viewed to the same extent as a mitigating factor in the handling of those who sell drugs or commit crimes against others.

Even so, there will be many accused of minor crimes or of simple possession of drugs whose willingness to consider treatment may not develop until they are arrested.

We have developed programs that will link the criminal justice system more closely to the network of treatment and rehabilitation programs. The linkage is TASC—Treatment Alternatives to Street Crime—which identifies drug users (particularly heroin users) at the point of arrest. If ordinarily these individuals would be released pending trial, the linkage would pemit them to be admitted directly to treatment programs. In some programs, entering and remaining in treatment may be a condition of release; in others, progress in treatment may weigh heavily in sentencing or in the decision to prosecute.

Several pilot TASC programs are operational, and more may be developed pending evaluation of present projects.

Preventive efforts should flow from an understanding of causes of excessive drug use. However, with the exception of controlling drug availability, there is little consensus about root causes and ways to effectively deal with them.

Informing the public of the risks and consequences of drug use and abuse is a responsibility of government at all levels, and of many other social institutions. But if conveying knowledge about possible adverse effects has had any substantial impact to date on the rate of experimentation or addiction, the impact has clearly been inadequate.

Many educational efforts do not have clearly articulated goals.

For example, they have not stated whether they are trying to stop all experimenting with drugs or to prevent experimenters from becoming regular users and addicts; nor have they stated whether they are intended to affect all drug use including alcohol and tobacco or only those drugs that are illegal.

Few of the efforts relying on communication of information, whether through the school systems, social institutions or mass media, have been rigorously evaluated, and where evaluation has been attempted, the data do not show significant impact.

There have been too many films, pamphlets, brochures, posters, and television spots produced by too many agencies, public and private—most of which remain unevaluated in terms of their impact for various target audiences.

Current large scale educational efforts, particularly those aimed at potential or current drug users, whether through school or mass media, must be more carefully evaluated to ensure they are not counter-productive; that they do not stimulate curiosity more than they dampen active interest.

The Federal government has directed all agencies to stop all direct production and the support of the production of new educational and mass media materials related to drug abuse until the impact of presently available materials can be better assessed. In addition, new efforts at developing an evaluation methodolgy are now underway.

Thus, we are refocusing our efforts on devising creative pilot preventive approaches with more clearly articulated goals, designed in ways that will permit objective evaluation.

It is also clear that education is not synonymous with prevention. In some situations the most effective way to reduce the social cost of drug use is to provide meaningful alternatives to the use of drugs. Other effective approaches have involved early intervention efforts that bring drug users into treatment situations before drug use progresses to addiction or becomes incorporated into the individual's values.

Once we accept the premise that a drug should not be freely available, we are obliged to take whatever steps are necessary and appropriate to limit its availability. What is necessary or appropriate is, in turn, a matter of what happens when we fail to limit availability.

In the case of narcotics such as heroin, failure to limit availability leads to increased experimentation, and this, all too frequently, leads to addiction, with its many adverse consequences. Among them are crimes committed to get money to buy drugs.

We have rejected suggestions that low cost heroin be made available in order to reduce crime, because such suggestions do not

deal with the problem of preventing more heroin addicts, and because we believe that a continued increase in the number of heroin addicts is unacceptable to the majority of the American people even if the heroin were to be distributed under medical supervision and were not associated with crime.

Reducing the availability of narcotic drugs involves us in a massive effort to control illicit traffic in narcotics at every point from its origins in the poppy fields of a dozen nations to the addict who gives narcotics to his friends. We have found no point in this chain that is significantly more vulnerable than others. To affect the entire chain requires the cooperation of other nations, vigilance at our borders, and vigorous pursuit of traffickers within our borders.

The keys to effective international narcotics control are better intelligence and better overseas law enforcement, both of which require international cooperation and a firm commitment from foreign governments to act against drug traffickers operating within their borders. United States efforts toward this end are coordinated through the Cabinet Committee on International Narcotics Control chaired by the Secretary of State. Its success, to date, is indicated by the fact that we now have cooperative drug control programs with fifty-nine foreign governments and that global seizures of heroin and morphine-base doubled during 1972.

Drug law enforcement responsibilities have been divided among the Bureau of Narcotics and Dangerous Drugs, the Bureau of Customs, the Office of Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, the Internal Revenue Service, and a number of other Federal agencies such as the Defense Department, the Central Intelligence Agency, and the Coast Guard, which have specialized drug control expertise or resources.

The combined efforts of these agencies have met with considerable success. Drug seizures and arrests are at an all time high; the price of heroine on the streets of the United States has more than doubled during the past two years; and over the Eastern half of the United States there has been a severe heroin shortage that has lasted longer than any similar shortage since the heroin epidemic began in the mid-sixties.

Much more, however, remains to be done with respect to curtailing the availability of illicit drugs. Among the most serious of our current problems is that major narcotics traffickers are far too frequently automatically released on bail pending trial without regard to their threat to the community. Furthermore, even when they are arrested and convicted, they frequently do not receive sentences appropriate to the seriousness of their crimes. Current Federal drug laws are not sufficiently stringent and have far too often been leniently applied by the courts.

The President has recommended to the Congress new legislation which would sharply reduce the availability of bail for those arrested for heroin trafficking and which would create minimum mandatory sentences for heroin traffickers and life imprisonment without the possibility of parole for major repeat offenders. We urge approval of this bill by Congress and recommend that states adopt similar legislation.

During the coming year, we plan to intensify further the effort to reduce the availability of heroin, and the Federal budget provides increased resources for the attack on illicit heroin traffic.

Coordination of the diverse activities related to drug traffic prevention poses a difficult management problem. The task are so diverse and require such a variety of resources and skills that it is impossible as a practical matter to collect them all within any one operating department.

The efforts of the seven Federal entities which contribute to the international control program will continue to be coordinated through the Cabinet Committee on International Narcotics Control.

The presently fragmented Federal drug law enforcement effort will be rationalized by the creation of the Drug Law Enforcement Administration which will report directly to the Attorney General. This agency will assume all the functions of the Bureau of Narcotics and Dangerous Drugs, the Office for Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, and investigatory responsibilities of the Bureau of Customs. The consolidation will be accomplished through Congressional Reorganization Plan Number Two of 1973. Because of its central importance in securing more effective drug law enforcement, we urge the Congress to give this plan its prompt endorsement.

The Drug Abuse Office and Treatment Act of 1972 (PL 92-255) created a temporary structure (the Special Action Office for Drug Abuse Prevention) for coordinating those activities that were related to treatment, prevention, education, and research. This Act also mandated the creation of Single State Agencies that would coordinate all such activities at the State level.

Over the past year, the Special Action Office for Drug Abuse Prevention has moved to concentrate more and more of the discretionary funds for treatment, prevention, education and research into the Department of Health, Education, and Welfare and within HEW into the Division of Narcotic Addiction and Drug Abuse of the National Institute of Mental Health.

We have also taken major steps toward routing an increasing proportion of resources through the states to local programs rather than by-passing state and local government.

The objective is to move support for service projects through the state to communities as much as possible over the next several years, thus shifting responsibility for setting priorities to local jurisdictions. Communities should view drug abuse in context with their other problems and deal with it accordingly with an emphasis appropriate to local conditions.

Eventually, emphasis at the Federal level will be on research and demonstration programs in the areas of treatment, prevention, and training. The exceptions will be the programs of the Bureau of Prisons, Veterans Administration, and Department of Defense where direct care of drug users and addicts, and associated research and evaluation will continue.

The necessary coordination between drug abuse prevention and drug traffic control (both foreign and domestic) will continue to be provided by the Executive Office of the President. A new Office of Federal Drug Management is being created within the Office of Management and Budget to assist in this effort.

Much is still unkown. In every area from treatment to prevention, from control of illicit traffic to the long-term consequences of drug use, there are gaps in our knowledge.

A rational strategy should include a systematic effort to acquire the needed information. Such an effort requires the setting of research priorities. Current priorities include the efforts to measure the size and the rate of change in the drug using population, the adverse consequences of the use of various drugs, the natural history of drug use and addiction, and new approaches to treatment and early intervention, including the advantages and disadvantages of educational efforts and mass media campaigns.

Research efforts are also needed to improve our capacity to control availability. These take the form of better methods to determine the origins of samples of illicit drugs, and to gather and analyze intelligence on illicit traffic and to analyze the relationships between law enforcement activity, judicial actions, and the price and availability of illicit drugs.

Until the gaps are filled, our policies and strategies must be considered tentative and subject to revision. This first Federal Strategy is an attempt to present the background and rationale for the Federal government's policies with respect to problems of drug abuse. It recognizes that the problems are so diverse, and that the responses cut across so wide a spectrum of human activity, that developing a totally coordinated, consistent response is an elusive goal that must be constantly pursued.

This Strategy will be reviewed continuously, modified as new knowledge develops, and promulgated again within one year from the date of this report.

SENATOR DOMENICI CALLS FOR CONTINUED ATTENTION TO TECHNOLOGICAL GROWTH

Mr. HELMS. Mr. President, I rise on this occasion to commend my colleague, the distinguished junior Senator from New Mexico (Mr. DOMENICI), for a fine discussion of one of the major issues facing our Republic today.

In an address to the National Sounding Rocket Conference of the American Institute of Aeronautics and Astronautics, my distinguished colleague called for a balanced commitment to support our domestic programs, while keeping our technological growth vigorous.

I feel the speech of the junior Senator from New Mexico will be of interest to the Members of this great body.

Mr. President, I ask unanimous consent that the speech by the junior Senator from New Mexico be printed in the RECORD at the conclusion of my remarks.

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

ADDRESS OF SENATOR PETE V. DOMENICI

New Mexico's contribution to national rocket research began as far back as 1930, when Dr. Robert Goddard began firing his rockets near Roswell.

It went on to include the famous WAC Corporal in 1954, the first living things carried into space in 1951, the first tropical storm photographed from space in 1954 and the first man-made objects in space in 1957.

I consider myself fortunate to represent a state which—with 40,000 civilian, military and contractor personnel involved full time in science—can truly be said to have a great deal in common with the future of America. Because that is so, when I, as a Senator, address such a great and sustaining national concern as the advancement of science, I know that New Mexico has a vital role and a deep interest in the subject.

Today, our nation, as I see it, is dangerously reducing its research and development efforts. If we ignore this critical priority or slight it, it is my firm belief that we will repeat the historical decay of other countries, in other centuries.

It takes vision and courage to maintain a healthy economy, to keep our position in our collective productive capacity. It is world trade and to continue the growth of impossible for me to conceive that we can do these things without committing ourselves to continuous and aggressive advances in the fields of science and technology.

We are now in an era of peace. I pledge to you that I will look at everything we do in this era of peace from a historical point of view. That perspective demonstrates clearly that we have always made our greatest scientific and technological gains in our country during times of war. But if science and technology are sacrificed to peace, that peace will not bring us the abundance we desire and the solutions to our social problems.

It is a simple fact that today's pure science is tomorrow's technology; that is the day after tomorrow's position as a trader with the world and as a solver of our own national problems.

Make no mistake about this: our country's investments in science and technology have always paid off for America. In large measure it is because of them that we rose to a position of world leadership in less than 200 years of history.

But today, some people seem to think that technology has become a dirty word. They shout, "Less money for technology; more money for social purposes."

They don't understand—or they don't want to understand—that technology is not good or bad in and of itself; it is how we *use* technology that is good or bad. After all, technology simply means pursuing and applying knowledge to solve man's problems. How, under any circumstances, can that be intrinsically anti-social?

It seems clear that what our country needs is a balanced commitment, one which will support our social action programs but will also keep our technological growth vigorous. Unless we can manage to combine these two, we cannot retain our position of importance in the world. There is little need to remind scientists of how Galileo was ridiculed and imprisoned, the Wright brothers laughed at, and automobile pioneers met with cries of "Get a horse."

There have always been men who voted against new ideas. Almost all Americans would agree that Daniel Webster was one of history's greatest senators, yet the record shows that when Congress was asked to appropriate funds to explore and settle the western part of the United States, he voted against the idea. After all, as everyone knows, the West has nothing but scrub cactus, deserts, high mountains and uncivilized savages.

Actually, when Congress voted funds to open up the western frontier, it spent ten per cent of the gross national product to build railroads through the West. At the present time we devote to opening up the space frontier not even one per cent of our gross national product. Actually, the figure is closer to one-third of one per cent, and it is declining.

It is easy to take positions against things, and most of us are all too comfortable when we are doing so. I would like to read you some language from a commission report on the evaluation of a proposal. I am sure that the approach will sound familiar to you. The report says:

"The committee judged the promises and offers of this mission to be impossible, vain and worthy of rejection; that it was not proper to favor an affair that rested on such weak foundations and which appeared uncertain and impossible to any educated person, however little learning he might have."

That is an excerpt from the report of the Talavera Commission. It was made in Spain in 1491 after consideration of a proposal by a fellow named Columbus, who wanted some financing for some kind of exploration he had in mind.

History is full of such examples, but it also teaches us that progressive societies have always invested part of their annual profit in their own future. It is axiomatic, it seems to me, that no first-rate country can ever be or continue to be first-rate unless it has first-rate science and technology.

It is equally true that you can't turn science and technology on and off as you do a faucet, depending on the state of our international and domestic crises. Technology's advance must be steady and constant, and the space program must continue to spearhead that progress.

When we stand at the peak of technological leadership, as our country does today, there are certain questions which we must ask ourselves. Have we learned anything from our past? Is it possible for us to stay at this peak? Are we in fact smart enough and capable enough to solve international and national problems and still advance technology?

I am sure that it is no mere accident of speech that leads us to refer to each new attack we mount on social problems as a War—the War on Poverty, the War on Hunger, the War on Disease. We use the word because we are conscious of the fact that it is a war which has led us to most scientific advances and to most scientific answers. Now it is our job to reach those advances and answers in a time of peace.

We can only do that if our forward motion in science and technology is on an all-encompassing base. It is true that we have made progress to stamp out polio, but we would not have done it unless we had previously developed microscopes which made it possible for cures to be discovered. Heart pacers, in our older citizens and even in children, came into being, not so much directly from an impetus to create them as from research which was done in our space program on totally different uses. The same is true of any future solutions to our environmental problems. They will not come solely from focusing our attention upon environment. They will come only if the whole body of scientific advances, so that we can then select from it those technological improvements which will in fact be the solution to these problems.

We are presently in a period of much soul-searching, considerable fear, doubt and trepidation. But these things merely show that we are mortal men, every doubt is excusable.

What is not excusable is a lack of vision and a lack of courage, at a time when greatness can only come from men of vision and of courage. To lack them would be unforgivable. If, at this juncture in our nation's history, we lack vision and courage, future generations will not forgive us—and they will be right to condemn.

LATIN AMERICAN TEACHING FELLOWSHIP PROGRAM

Mr. JAVITS. Mr. President, I have served for 5 years as a member of the National Advisory Board of the Latin American Teaching Fellowships—LATE—program of the Fletcher School of Law and Diplomacy, Tufts University. I have watched this program develop from a very modest beginning to a point today where it has 95 teaching fellows in Latin America. What has been the key to its success? The central theme has always been that LATF is responsive to educational needs that are defined—and largely financed—by the Latin Americans themselves. A number of my constituents have participated in the LATF program. They have informed me of their good experience with the LATF program.

I have been informed that both AID and the Ford Foundation are going to make some modest administrative support available to the LATF program. I welcome this continued support of this fine program.

I ask unanimous consent that a brochure on the program be printed in the RECORD.

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

LATIN AMERICAN TEACHING FELLOWSHIPS—1973–74

THE I.A.T.F. PROGRAM

Program description

Latin American Teaching Fellowships are offered by the Fletcher School of Law and Diplomacy, Tufts University. This program responds to requests from Latin American universities for junior and intermediate level faculty assistance in the natural and social sciences, engineering, business administration educational theory and administration, and law. Professors selected for the program directly assist local Latin American institutions in teaching and research. They dedicate between half and full time to their university responsibilities. The LATF professors usually fulfill one of two functions: they replace a faculty member currently studying outside the host country, or they offer courses which otherwise would not be offered due to absence of necessary expertise and personnel. Curriculum design and development within the specialized discipline is an important contribution LATF professors can make. The LATF program currently operates in the following countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, Uruguay, and Venezuela.

Some of the positions currently offered by LATF carry an "internship" component. This requires the Fellow to work approximately half-time for a corporation or public agency in the host country. The LATF program is financially supported by major foundations, universities, and corporations in the United States, Canada and Latin America.

Program objectives

The objectives of the LATF program are two-fold:

(1) to assist universities in Latin America to expand and develop their teaching programs by providing highly trained instructors capable of communicating effectively in Spanish or Portuguese.

(2) to provide opportunities for teaching experience and field research to pre- and post-doctoral individuals, and to recipients of law, business and medical degrees.

An additional long-range objective of the LATF program is to improve the quality of North American university instruction relating to Latin America, by maximizing the Teaching Fellow's academic and institutional contacts while in Latin America, in anticipation of his teaching in the United States of Canada.

INFORMATION FOR APPLICANTS

Eligibility

Preference is given to applicants who have completed doctoral or professional degrees, and to doctoral candidates who have completed all degree requirements except the dissertation. There are no citizenship or age requirements. In most cases, selected candidates are required to write and speak the language of the country to which they are assigned at the commencement of their teaching period. Prior teaching experience is desirable but not mandatory.

Time commitment

LATF program positions in most cases are offered for 24 months, although both shorter and longer periods may also be granted. Departure date will be determined by the program, in accordance with university and internship arrangements.

Internships

Some LATF positions are wholly or partially self-supporting through the internship component. In most cases, the Fellow serves as a consultant or advisor to a corporation or agency in his area of competence. The host agency in turn assists in financing the LATF arrangements. Fellows should anticipate spending up to half time on teaching duties, and up to half time on internship responsibilities.

Financial stipends

The financial arrangements for each LATF position are worked out on an individual basis, depending on degrees of support from the host institution, internship payments,

other fellowship or research stipends, and other factors. Average monthly income for 1973–74 Fellows will be between $400 and $700. Incremental increases are frequently provided.

Application process

Application forms may be obtained by writing: Latin American Teaching Fellowships, Fletcher School of Law and Diplomacy, Tufts University, Medford, Massachusetts, 02155. Those applicants deemed eligible and suitable for teaching positions in Latin America will be personally interviewed by an LATF staff officer. Since final selection is contingent upon the applicant's acceptability to a Latin American university, applicants should anticipate some delays in selection notification.

L.A.T.F. ADMINISTRATION

The Latin American Teaching Fellowships program is administered and coordinated at the Fletcher School of Law and Diplomacy, Tufts University. Collaborative relations are maintained with approximately 90 major universities throughout Latin America.

L.A.T.F. Officers

Gary A. Glenn, Executive Director.
William M. Cloherty, Director of Operations.
Lizbeth Lyons, Director of Academic Affairs.
Stephen M. Johnson, Director of Latin American Operations and Representative, Colombia/Venezuela.
Jeanell Cunningham, Staff Officer for Communications and Budgeting.
Oscar F. Porter, Staff Officer for Recruitment and Selection.
Susanne D. Tiktin, Staff Officer for Liaison with Fellows and Representatives.
Janet Ballantyne, Representative, Peru.
Jan Dill, Representative, Central America and Panama.
Theodore Reutz, Representative, Argentina.
Kevin Kinsella, Representative, Mexico.
David H. Gold, Chief of Operations, Sao Paulo, Brazil.

National Advisory Board

William S. Barnes, Fletcher School of Law and Diplomacy (Chairman).
Frank W. Archibald, Southern Peru Copper Corporation.
Lawton M. Chiles, United States Senate.
Frank Church, United States Senate.
Alphonse De Rosso, Exxon Corporation.
Dante B. Fascell, Member of Congress.
Donald M. Fraser, Member of Congress.
James Goodsell, Christian Science Monitor.
Edmund Gullion, Dean, Fletcher School of Law and Diplomacy.
Jacob K. Javits, United States Senate.
Nicholas A. Libertore, Lone Star Cement Co.
Torbert H. Macdonald, Member of Congress.
F. Bradford Morse, Under Secretary General of the United Nations for Political and General Assembly Affairs.
Thomas P. O'Neill, Member of Congress.

FIXED COMMISSION RATES—A GIANT STEP BACKWARD

Mr. WILLIAMS. Mr. President, the new Chairman of the Securities and Exchange Commission announced yesterday that contrary to previous commitments to the Congress and the investing public, the SEC would not require the securities industry to lower the breakpoint for competitive brokerage rates this year. In other words, all charges for brokerage service on exchange transactions below $300,000 will continue to be fixed, and investors who do not trade in such gargantuan amounts will continue to be denied the opportunity to select and pay for the services and only the services they require.

The SEC's decision constitutes a breach of faith with the industry, the Congress and the investing public. There can be no pause in reaching the goal of eliminating fixed rates in the securities industry. They have not preserved profitability; they have not insured market liquidity; and they have not prevented market fragmentation. Quite to the contrary, fixed rates have encouraged inefficiency; they have led to a misallocation of economic resources; and they have obstructed movement toward a true central market system.

The Subcommittee on Securities had been assured by former Chairman Casey that the SEC was inexorably moving toward competitive pricing and that there would be a further reduction in April of this year. Mr. Cook, prior to yesterday, had expressed to me and to the full Senate Committee on Banking, Housing and Urban Affairs his commitment to continue this program. Therefore, I am genuinely shocked by the Commission's reversal of policy.

The Commission's decision not to reduce the competitive break point has neither solid economic data to support it nor sound policy presumptions to explain it. I am forced to conclude that it represents a capitulation, however temporary, to the forces which have consistently opposed all steps toward interjecting muchneeded competition into this industry.

Nearly a year ago the subcommittee received testimony from William Salomon, a forward-looking industry leader, who stated:

At every move to lower the level for negotiated rates, we have been bombarded from many sides with the argument that time is needed to adjust to the change so that the impact of each downward move could be evaluated.

As yet it has not been made clear what adjustments are being made by the firms who oppose negotiated commission rates. The gradual stepping down process presently underway just seems to invite the same opposition at every further downward adjustment. They say "move slowly." There haven't been any plans for adjustment brought forward. Their only aim seems to be to delay the downward movement as long as possible in the hope that it can be permanently stalled.

The resistance to competitive rates continues unabated, and the SEC decision to postpone further progress can only give heart to those who desire the perpetuation of price fixing in the securities industry.

It is appropriate to recall the Commission's own conclusion in its Statement on the Future Structure of the Securities Markets:

Fixed minimum commissions, at least on institutional-size orders, may well make it very difficult, if not impossible, to create the central market system.

I am in full agreement as apparently is Mr. James Needham, chairman of the New York Stock Exchange. The Commission, however, seems to have lost sight of its own point, and by its decision yesterday it has inevitably delayed the startup of a true central market system within which competition can play its necessary role.

In February, when Mr. Cook was appointed chairman of the SEC, I had high hopes that he would be a vigorous chairman, able to lead the industry in the adoption of necessary reforms and modernized procedures. My hopes were reinforced 2 weeks ago, when, in a speech in New York City, Mr. Cook outlined a plan for a central market system which was thoughtfully conceived, workable, and in the public interest. As could have been expected, Mr. Cook's speech brought anguished cries from vested interests on Wall Street that his proposals would bring chaos to this country's securities markets and destroy our capital-raising capacity. Nonsense, of course; Mr. Cook's proposals for a central market system were basically the same as those contained in the Subcommittee on Securities' securities industry study report and in the recent report of the House Subcommittee on Commerce and Finance. The proposals are sound and will create for the investors of this country a fairer, more orderly, more liquid market.

But those on Wall Street whose ox will be gored by the proposals in Mr. Cook's speech are not without power and political influence—and Mr. Cook it appears is highly susceptible to pressure from such quarters. Last Friday a delegation from Wall Street visited Mr. Cook. It is my understanding that they voiced their displeasure with his speech. His reversal of policy on Commission rates appears to have been the direct result of this visit.

Mr. Cook's willingness to compromise established Commission policy in order to appease Wall Street bodes no good for public investors and the integrity of our market system. This action makes more clear than ever the responsibility of Congress to legislate the final abolition of fixed pricing in the securities industry. I believe we can and should act promptly.

SOVIET COPYRIGHT LAW

Mr. McCLELLAN. Mr. President, on March 26 I introduced S. 1359 to amend section 9 of the Copyright Act in response to recent developments in the Union of Soviet Socialist Republics. According to the information currently available there is reason to believe that the Soviet Union may intend to use its adherence to the Universal Copyright Convention as an additional means of suppressing the circulation of works by dissident Soviet authors.

The New York Times of March 28 contains an article from Moscow reporting a statement issued by a group of distinguished Soviet intellectuals to the effect that the Soviet membership in the Universal Copyright Convention could be used to deprive Soviet authors of their rights. In an open letter to the United Nations Educational, Scientific, and Cultural Organization they wrote:

It would be impermissible that censorship should now acquire the possibility of operating on an international scale supported by the Geneva Convention.

The Wall Street Journal of March 29 in its lead editorial entitled "From Russia With Vengeance" states that it concurs in the view that the Soviet membership in the Universal Copyright Convention "was aimed primarily at suppressing for-

eign publication of underground works by Russian authors critical of the regime."

I am pleased that the Wall Street Journal has endorsed the legislation which I sponsored earlier this week. The Journal editorial concludes with advice which is appropriate to all our understandings and arrangements with the Soviet Union. It states:

It is important to enter such agreements with a clear understanding of the regime we are dealing with, rather than entertaining naive expectations that Moscow is finally more interested in international cooperation than in ideological advantage.

In view of the growing interest in this subject, I ask unanimous consent that the articles from the New York Times and the Wall Street Journal be printed in the RECORD.

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

[From the Wall Street Journal, Mar. 29, 1973]

FROM RUSSIA WITH VENGEANCE

Two months ago, when Soviet Russia announced its intention to abide by terms of the Universal Copyright Convention, we expressed skepticism about Soviet motives. We would have liked to join the optimists who viewed the Moscow announcement as an example of Russia's growing maturity and responsibility, but we were worried that the underlying reason for the Soviet turnabout was bound up in the broader purposes of Russian ideology.

We feared that the Soviet announcement, saying it will become a party to the convention effective May 27, was aimed primarily at suppressing foreign publication of underground works by Russian authors critical of the regime. Unhappily, it seems clear that our fear was well taken.

Just recently the Kremlin unveiled Decree 138 of the Supreme Soviet, passed only days after the announcement that it would agree to the copyright convention, saying the pact will apply to all Soviet works—even those not published "but found on the territory of the U.S.S.R. in any objective form." The decree is clearly directed at *"samizdat,"* that clandestine literature that comprises serious Russian literature today, much of which naturally protests the oppressive Soviet regime.

Under this law, a writer could be prosecuted if he admitted authorizing foreign publication of his work. If he denied authorizing foreign publication, as Nobel Prize Alexander Solzhenitsyn denied authorizing foreign publication of two of his major works, Russia could bring legal action against the foreign publisher for violating the copyright convention.

In return for acquiring this club with which to batter dissident intellectuals in the guise of international legality, Russia will give up very little. For years Moscow pirated literary works and compositions at will, picking and choosing from among the world's creative output in order to satisfy domestic propaganda purposes.

Not only did it publish such works without paying royalties (except in a few cases making token payments in rubles spendable only in Russia)—it also distorted much of what it did pilfer, changing dialogue, altering characters and subverting plot. Recently, David Rabe, author of "Sticks and Bones," wrote to the Russian producers of an unauthorized production of his play, protesting the distortions. He wrote, "I feel that you and your entire cast and crew spend the two hours of your performance each night spitting in my face."

When it signs the copyright convention, Russia presumably will have to end such distortions and it can no longer pirate foreign works. And there is always the possibility Moscow may in fact do so, although it will mean reversing a policy that is now deeply ingrained. But there would seem to be no lack of Russian writers capable of grinding out their own propaganda productions. And if Moscow has to get by on home-produced distortion, that will be little enough price to pay for silencing those intellectuals whose eloquent voices are still being heard beyond the grave dug for them by their Soviet jailers.

The board of the American Association of Publishers recently announced that members intend to fulfill the spirit of the copyright convention, as expressed in its preamble, ensuring respect for the rights of the individual. And the Authors League of America properly has urged Congress to change the U.S. copyright law to disallow claims to copyright control by any foreign government, a move that would prevent Moscow from using American courts to enforce its claim over the works of Soviet authors.

As a separate discussion on this page today suggests, it probably is in America's interest to try to reach agreements with Russia on a whole range of technical, cultural and trade arrangements; but each such pact must be weighed on its own merits. It is important to enter such agreements with a clear understanding of the regime we are dealing with, rather than entertaining naive expectations that Moscow is finally more interested in international cooperation than in ideological advantage.

[From the New York Times, March 28, 1973]

SIX SOVIET INTELLECTUALS WARN OF DANGER IN MOSCOW'S ACCEPTANCE OF WORLD COPYRIGHT LAW

(By Hedrick Smith)

Moscow, March 27.—Six Soviet intellectuals, including the physicist Andrei D. Sakharov, warned today that Soviet adherence to the International Copyright Convention could be used to deprive some Soviet authors of their rights rather than to protect them.

"It would be impermissible that censorship should now acquire the possibility of operating on an international scale supported by the Geneva Convention," they declared in an open letter to the United Nations Educational, Scientific and Cultural organization.

On Feb. 27 the Soviet Government formally notified UNESCO of its intention to adhere to the copyright convention beginning May 27. Subsequently, the Government published an amendment to Soviet copyright laws tightening control of foreign publication of Soviet writings by requiring that foreign copyrights be granted only through an official Soviet agency.

Western specialists immediately noted that this would open the way for the Soviet Government to take legal action against such iconoclastic writers as Aleksandr I. Solzhenitsyn for allowing foreign publishers to print works that Soviet censors would not pass.

They also suggested that the new law would provide Moscow with grounds for filing suit against Western publishers who printed works of Soviet authors on the basis only of personal authorization, though it is not clear whether the Soviet case would stand up in Western courts.

In any event, both Western and Soviet observers saw the Government's move as a step to try to shut off the flow of dissident writings published in the West. The letter today was the first publicized warning from Soviet citizens about the potential dangers of the move.

The letter of Mr. Sakharov and the others, including two writers who have encountered official pressure for having privately permitted publication of their works abroad, asserted that Soviet censorship had always been "extremely rigorous" and in recent years had become "even more harsh and arbitrary."

If in the past Soviet censorship had had the force of international law through the International Copyright Convention, the letter warned, "world culture would have been deprived of many remarkable works" by the poets Anna Akhamtova, Boris Pasternak and Aleksandr T. Tvardovsky, by Mr. Solzhenitsyn and Aleksandr Bek and by "other writers, composers, painters, historians and publicists."

The letter asserted that a peculiarity of the Soviet system of state monopoly in foreign trade raised special problems for Soviet authors.

"The international concept of copyrights implies that this right is purely a personal one that the author may transfer to any publishing house, theater, movie studio and so on," it said. "Governments may and must protect copyrights of their citizens but not appropriate them. In the special conditions of our country the law on the monopoly of foreign trade would be transformed into a power that limits and even suppresses international copyrights of Soviet citizens."

The six signers said that while they approved of the Soviet move on the whole as a potentially significant contribution to the cause of free exchange of information and cultural rapprochement among people, they felt it their duty "to express several apprehensions."

They said that their apprehensions were sharpened by the publication of the amendments to the Soviet copyright law published on Feb. 28.

THE OTHER SIGNERS

In addition to Mr. Sakharov, the signers include two other members of the committee on Human Rights—Igor Shafarevich, a mathematician, and Grigory Podyapolsky, a geophysicist; two writers, Alexander Yalich and Vladimir Maxemov, and Alexander Voronel, mathematician.

Both Mr. Galich and Mr. Maximov have been under official pressure because of publication abroad of works that have not been passed by censors here.

Mr. Galich, a well-known screen writer, was expelled from the Writers Union more than a year ago, reportedly for refusing to disavow publication of a Russian émigré publication of politically controversial songs attributed to him.

Mr. Maximov reportedly feared expulsion from the Writers Union after the publication in the West of his novel, "The Seven Days of Creation."

MUSKIE SPEECH CALLS FOR GET-TOUGH POLICY WITH DETROIT

Mr. BIDEN. Mr. President, there has been much discussion recently of the feasibility of meeting the requirements of the 1970 Clean Air Act. This is a matter which deserves the thoughtful consideration of all of our citizens. Senator EDMUND MUSKIE, chairman of the Senate Subcommittee on Air and Water Pollution, responded today to the critics of this act who have suggested that the act be amended and that Congress and the public have asked too much from the automobile manufacturers. I believe that Senator MUSKIE has presented his argument cogently and that the points that he has made should be carefully considered.

Senator MUSKIE pointed out that:

The industry has had the opportunity for a decade to clean up the automobile with only general supervision from the Federal Government. These minimal controls now appear to have been inadequate . . . The harsh truth is that German and Japanese auto companies have developed more new

control technology and have contributed more to the protection of America's health than have General Motors, Chrysler and Ford.

In reference to the auto manufacturer's response to the Clean Air Act requirements for the development of a clean car, Senator MUSKIE said that:

Apparently American auto companies have decided to substitute politics for engineering and public relations for technological progress.

Because the auto manufacturers have made no secret of their intentions to seek a change in the law, Members of Congress should examine carefully what Senator MUSKIE had to say:

Any proposed amendments to the Clean Air Act must improve our capacity to ensure that the goals of the Act are met . . . The Congress will have to consider imposing standards of engine design, performance and fuel economy, and we will need to examine the arguments for improving the competitive structure of the industry.

I ask unanimous consent that the full text of Senator MUSKIE's remarks to the Environmental Writers Association be printed in the RECORD at this point.

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

REMARKS BY SENATOR EDMUND S. MUSKIE

Fifty years ago, the first Henry Ford wrote an autobiography that set out the principles he said had guided him to success. "All that I have done," he wrote in *My Life and Work*, "is to endeavor to evidence by works that service comes before profit and that the sort of business which makes the world better for its presence is a noble profession."

The mass-produced automobile, the creation of Henry Ford's genius, has made the world better. Cheap, rapid transportation has broken down distinctions of class, of geography, of wealth. It has opened up opportunities that now extend into a space and a future we can only dimly imagine.

But America—the most advanced and dependent automotive society in the world—has now reached a time of testing with the automobile. We are faced with the fact that the private car involves grave public risks. We are being forced to examine what Henry Ford put down as a truism: "The machine is the symbol of man's mastery of his environment."

The examination has now reached a critical phase in the issue of standards for automobile exhaust emissions. The question is before the Environmental Protection Agency. It is before the auto manufacturers. It is before the Congress, and it is before the public.

A few weeks ago I discussed the problem with the heads of Ford, Chrysler and General Motors. Today I want to set out my views to you and ask you to reflect on the choices America must make and the forces at work to determine their resolution.

While the immediate problem is the question of extending for one year the deadlines on auto emission levels set by the 1970 Clean Air Act, it is necessary to begin this discussion with some of the background of that legislation. As the principal author of the Act, I am anxious to put on the record the concerns that must govern the implementation of the law.

This year Americans will buy 11 million new trucks and cars. They will spend over $40 billion with the U.S. auto manufacturers whose activity now constitutes roughly one-fifth of our economy. Americans will receive, in return, the means to get to and from their jobs, their schools, their families, and their recreation, the vehicles to carry their goods from maker to buyer and the machines to till their farms and harvest their crops.

Essential as the automobile is, however, its costs must be weighed. One is the cost in fuel—65 billion gallons of petroleum products just for private cars in a year, and 40 percent of all our petroleum consumption committed to use in motor vehicles. Another is the cost in health—the area I will concentrate on today.

Using air quality data of the Public Health Service, whose validity was only recently reaffirmed by new studies by EPA's National Environmental Research Center—we have to conclude that the automobile is a danger to the Nation's health. This year, automobile exhaust will account for two-thirds of the carbon monoxide, half of the hydrocarbons and two-fifths of the nitrogen oxide that pollute our air. And that pollution will be concentrated in our great cities.

The NERC report reached the following conclusions:

PARTICULATE MATTER

"All recent evidence has strengthened the research base upon which the Administrator made his judgment. Thus, the present standards are not deemed unreasonable and it is not recommended that they be changed at this time."

PHOTOCHEMICAL OXIDANTS

"In light of old and new evidence to date, the present primary national air quality standard for photochemical oxidants of 160 ug/m³ (1.08 ppm) maximum concentration for one hour is reasonable. The evidence does not warrant a different standard."

NITROGEN OXIDES

"Based on . . . existing health intelligence, the margin of safety provided by the primary NO_2 standard of 100 ug/m³ (0.05 ppm) is adequate . . . Present evidence does not compel us to suggest a change in the existing standard."

CARBON MONOXIDE

"In view of [the] relatively small margins between present standards and observed health effects, it does not seem that existing standards are unduly restrictive and it does not seem prudent that they should be raised. Although the margins are relatively small, the carboxyhemoglobin levels that will result from adherence to the standard is sufficiently close to background, that no lowering of the standard is recommended either."

The EPA data, when applied to the urban concentration where more than 70 pecent of America's population lives, prove the existence of a clear and present danger to health. In 67 metropolitan areas automobile-related pollution produces a level of air quality which is considered unsafe. In many of these cities, emissions from motor vehicles are responsible for 80 percent of the urban air pollution.

In Baltimore, for instance, motor vehicles produce 96 percent of the carbon monoxide which, on city streets where children live and play, often goes higher than 50 parts per million. Ten parts of carbon monoxide per million dulls thought. One hundred parts per million brings on dizziness and headaches. One thousand parts per million kills.

And the situation in Baltimore is not exceptional. On North Capitol Street, just a few blocks from the Senate Chamber, the carbon monoxide levels often rise to 100 parts per million, twice the maximum health limits for factory workers' safety. In Chicago, the standard of 48 parts of carbon monoxide per million in any one hour is exceeded 48 times a year, and the eight-hour standard is breached 713 times annually. In Washington itself the eight-hour standard is violated 99 times a year.

Of course, one of the worst hit areas in the Nation is the Los Angeles Basin. And it is from there that the pressure has grown for a national response to a problem that never was simply a local concern.

In the fifties, California legislated a requirement that the development of workable pollution control mechanisms—add-on devices—must be followed by the installation of those devices on vehicles sold in that State. By 1964, California was able to certify that three independent manufacturers had developed functioning add-on devices, and the State then required their installation on 1966 model cars.

For years the auto manufacturers had been saying the technology necesary for such emission control was not available. They also argued that the law was unnecessary as they could clean up motor exhausts without such pressure. But within weeks of California's firm stand, they announced they had the means to comply without resorting to add-on devices.

Nevertheless, they opposed the decision of the Congress in 1965 to set Federal standards, applied in 1968, for exhaust levels from new car engines. In 1967, Congress made the Federal standards preemptive over those individual states had set. The Congress made an exception only for California and in return for the preemption of State laws, Congress insisted that Federal controls be sufficiently strict to protect areas with the worst pollution problems.

Studies by the Public Health Service showed that the law was not producing the desired air quality results. The automobile industry was making little progress in developing either a clean conventional engine or a viable alternative. The Nixon Administration called auto and oil industry officials to a White House meeting in 1969, and from that session emerged an agreement for stiffer emission standards in 1975 and a set of goals for clean cars by 1980. These goals and standards, however, fell short of the real requirements. Because of the used car problem, they would not have removed automobiles as a major contributor to air pollution until 1990.

The Congress found the timetable too slow. The Clean Air Act of 1970 required instead that the White House goals be made standards and that they be applied in 1975 and 1976. The Act required in 1975 a 90 percent cut below 1970 emission levels of hydrocarbon and carbon monoxide and set for 1976 a 90 percent reduction below the 1970 levels of emissions of nitrogen oxide.

That Congressional determination rested on four considerations.

First, we weighed the necessity of protecting public health against the disputed facts of economic or technical feasibility, and we decided that public health could no longer be compromised by these lesser considerations.

Second, we insisted on independent monitoring of the facts the manufacturers had, until then, nearly monopolized the true measure of their own efforts and of the technology available to them.

Third, we provided that the deadlines could only be extended by one year and only by the Environmental Protection Agency. It could grant the delay after a finding that the standards were not technologically feasible, that the manufacturers had made a good faith effort to comply, that the National Academy of Sciences could find no available alternatives and that an extension of one year would serve the public interest.

Finally, we established the principle that as long as America could not live without the automobile, it required an automobile it could live with. The burden of producing such a car—without specific inhibitions on the kind or size of engine—was left with the industry itself. And so long as the industry did not want to be told how to manage that burden—so long as the industry insisted that the internal combustion engine should not be abandoned, that the car or engine size need not be restricted, or that no specific fuel economy should be required—it was enough to tell them simply that it had to be done. So we set standards for performance, not for design.

Nearly three years have passed. And now

the auto manufacturers are asking for both the one-year extension and for a relaxation of the law itself.

They say the public health data on which the 1970 determination rests are "arbitrary."

They say the danger is not so great as to require such strict reductions in emission levels.

They say that existing technology cannot effect such reductions.

They say the technology that could do the job would cost too much.

And, they say, it would produce a car that consumed more fuel with less drivability; a car that would not sell.

So the issue is joined. It is appropriate that we examine the conflicting claims and the available evidence. The evidence is detailed and technical. Complicated as it may be to present, it is still essential to understand.

The reports issued during the last several weeks by the National Academy of Sciences and by the Environmental Protection Agency provide the kind of information we need to evaluate the results of the industry's efforts. The information is discouraging.

It indicates that the industry has attached more importance to preserving the internal combustion engine than to finding the best and most effective means of meeting the standards.

It strongly suggests that the industry has failed to seriously consider alternative engine systems as an approach to solving the automotive emissions problems and meeting the statutory deadlines.

The reports of both the National Academy of Sciences and the Environmental Protection Agency conclude that the 1975 standards for hydrocarbons and carbon monixide emissions might be met by using catalytic, add-on systems coupled with the internal combustion engine (ICE)—the approach followed by each of the major domestic manufacturers.

The reports also indicate that the standards can be met by using alternative engine systems, the Wankel rotary engine, the diesel engine, or the stratified charge engine—the approach followed by several foreign manufacturers such as Mercedes-Benz, Honda, and Mazda.

But now the domestic manufacturers argue that the passage of time has eliminated the alternative engine approach to meeting the 1975 standards as far as they are concerned.

With respect to the 1976 standards for nitrogen oxides, both reports conclude that the prospects are still hazy; but both reports also indicate that the prospects for meeting those standards with the alternative engine system are clearly better than are the prospects for success with the catalytic, add-on systems.

Most importantly, however, the NAS report also compared the catalyst and alternative engine approaches in terms of cost, durability, and fuel economy. These comparisons make clear the price the public will have to pay for the industry's decision not to develop alternative engines. The Report states that the dual catalyst system pursued by the domestic manufacturers "is the most disadvantageous with respect to first cost, fuel economy, maintainability, and durability. On the other hand, the most promising system—the carbureted, stratified-charge engine—is superior in all these categories."

According to Philip Handler, President of the Academy, the high costs for the catalyst systems are dominated by the fuel penalty associated with such systems. "These costs," he said, "in dollars and in depletion of fuel reserves, are so great that they should serve as a national incentive to hasten the development of reliable lower-cost alternatives to the dual catalyst system as a solution to the problem of emissions control."

But those prospective costs do not appear to have had that effect. Neither the higher costs to the consumer nor the greater drain on our energy resources has discouraged the U.S. auto manufacturers from choosing the catalyst patch-up over alternative engine systems. And the public will pay the price for that choice. The harsh truth is that German and Japanese auto companies apparently have developed more new control technology and have contributed more to the protection of America's health than have General Motors, Chrysler or Ford.

In the midst of compiling this record with respect to the 1975 and 1976 standards, the companies have repeatedly ignored and violated current requirements of the law. Some of the most flagrant violations occurred in 1971 when Ford shipped 200,000 cars to their dealers in violation of the law, and in 1972 when Ford committed 350 separate criminal violations of the law for which it recently paid a $7 million fine.

Several other companies are involved in an action which began in March of 1972 when EPA sent a memorandum to all the auto manufacturers stating the clear intent of the Clean Air Act that vehicle certifications granted by EPA would apply for only one year. EPA stated: "The statutory language limits to 365 consecutive days the period of time (production period) during which a manufacturer may produce individual models."

EPA revealed on June 19, 1972, that despite this clear direction, ten auto companies planned to produce models under 1972 certifications for periods longer than 365 days. The ten auto companies were: Alfa Romeo, Avanti, Chrysler, Citroen, Ford, General Motors, Lamborghini, Maserati, Mercedes-Benz, and Nissan.

EPA chose not to enforce their March directive, but instead wrote a new memo saying that a year is not 365 days but is any "model year" the auto companies choose to make it. Thus, the manufacturers' preferences prevailed over the clear intent of the Congress.

The most outrageous violations were reported in July, 1972. EPA learned that auto makers were installing emission control devices on 1973 cars which would shut off automatically under many normal driving conditions.

Specifically, it was reported that emission control systems would shut off when the engine is idling, when the outside air temperature was below the minimum test level of 68 degrees, or when major accessories such as air conditioning units were operating. None of these faults were discovered during regular EPA testing because the manufacturers had rigged their cars so that shutoff devices would not be discovered by EPA's tests. And when EPA ordered the removal of these devices in January of this year, the auto makers protested that their production schedules would be disrupted.

We have examined what the industry has done. Let us now look at what they are saying.

Apparently, American auto companies have decided to substitute politics for engineering and public relations for technological progress. The past several months have seen the beginning of a major effort on their part to discredit the requirements of the Clean Air Act and the basis on which it was enacted.

In questioning the basis of the law, for example, General Motors has spent thousands of dollars for special canned presentations, including a slide show and accompanying speeches, in which the Clean Air Act standards are called "arbitrary," "unrealistic," and "overkill." General Motors' memory is very short; the standards in the Act were virtually identical to standards to which the auto industry agreed at the White House meeting in November, 1969. These standards were further supported by extensive studies discussed during hearings on the Clean Air Act in 1970, and have been confirmed again by the studies of the National Environmental Research Center.

Chrysler recently sent to their dealers a slide show, a speech, and pamphlets attacking the Clean Air Act. In the pamphlet, Chrysler argues that "nature produces up to fifteen times more of the automotive emissions than man." That is not the whole story according to Reid A. Bryson of the University of Wisconsin's Institute for Environmental Studies:

"It is true that nature produces more carbon monoxide than man does, but not in the high concentrations that are found on city streets. Nature does produce more hydrocarbons than man, but not in high concentrations in the air. In fact, we burn naturally produced hydrocarbons in our automobiles, but we concentrate the wasted part in the air of our cities. It is totally meaningless to argue that because nature produces more carbon monoxide over the whole world (including the oceans, which are a major source) that concentration of 80–110 ppm in some sections of our cities are of no consequences. The methane produced by a herd of flatulent elephants in Africa has nothing to do with whether there is too much hydrocarbon in the air of Washington, D.C. The argument is even more absurd than telling the condemned man in the electric chair not to worry because lightning kills far more people every year."

And a recent Chrysler newspaper advertisement tells us that: "The automobile industry has not been asleep. We were working hard to reduce harmful emissions from cars some twenty years before the Clean Air Act." Chrysler apparently has forgotten that the auto industry was sued by the Justice Department in 1969 for an illegal conspiracy to suppress the development of emission control technology. "The automobile manufacturers", said the Justice Department, "collectively did all in their power to delay [the] research, development, manufacturing, and installation of control devices from 1953 through the middle 1960's."

The industry has made three principal arguments in attacking the requirements of the law:

First, the companies have argued that the 1975 and 1976 standards will lower the fuel efficiency of new cars, require greater fuel consumption, and substantially worsen the energy crisis. According to the NAS, the catalyst approach the industry has chosen over the alternative engine approach will involve increased fuel consumption. But the truth is that we pay even greater fuel penalties in exchange for vehicle size and accessories than for pollution control devices. And there is no need to pay any fuel penalty at all for emissions control, according to the NAS; in fact, two of the alternative clean engine systems—the diesel and the stratified charge—are more fuel efficient than the 1973 internal combustion engine.

The Environmental Protection Agency has described in detail the relationship between fuel economy and pollution control devices, vehicle size and accessories. Their report indicates that automatic transmissions involve a 5–6 percent fuel penalty, emission control systems an average penalty of 7.75 percent, and air conditioners an average penalty of 9 percent (up to 20 percent on very hot days); vehicle weight increases over the past few years have caused penalties of up to 150 percent.

The second major argument which the industry has advanced is that the technology to meet the 1975–76 standards does not exist. It is the same argument that has been made every time new automotive emission standards have been considered over the last fifteen years; and every time, when the crunch has come, new technology has appeared.

The truth is that the technology *does* exist; we just don't know whether it exists for the domestically manufactured internal combustion engine. General Motors mass produces a diesel car in Europe which meets the 1975 standards. Mercedes-Benz, Mazda

and Honda expect to meet the 1975 standards without serious effects on current performance levels with the diesel, the Wankel and the stratified charge engines, respectively. In fact, EPA has said that Honda will meet the 1975 standards with fuel economy 12 percent better than comparable 1973 vehicles, and that Mercedes will meet the 1975 standards with fuel economy 75 percent better than conventional 1973 vehicles. Honda has also publicly stated that they expect to meet the 1976 standard. In addition, a Mercedes-Benz diesel apparently has been tested and found to meet the 1976 standards.

The *third* argument is that plant closures will be inevitable unless the government relaxes the enforcement of the law. Thus, the industry is trying to use the livelihoods of hundreds of thousands of workers as a huge bargaining chip in its struggle with the government.

But the truth is that if plant closures should be threatened it will be because of bad business decisions of company management, not requirements of the Clean Air Act.

That is the context in which the manufacturers are petitioning for more time. In light of the past performance of the auto industry in resisting, evading, and circumventing laws to control automotive emissions, I hope that the Administrator of the Environmental Protection Agency will examine the manufacturers' request with at least the same degree of skepticism which has marked the manufacturers' approach to the law. In any event, we all must examine carefully the implications of the industry's apparent failures or limited success, and consider the possibility of even stricter controls on automobile design and performance.

The Administrator of EPA is confronted with a difficult task. In deciding whether or not a one-year extension is warranted, the law requires that the industry show that control of technology is not available, that good faith efforts have been made, that an extension would be in the public interest, and that the National Academy of Sciences has not found available alternatives.

The public interest determination will not be easy.

It will require more than an analysis of the impact of the possible suspension of operations of one or more manufacturers.

It will require more than an analysis of the impact of delayed introduction of new models, or of the impact of importing platinum for catalysts from Russia or South Africa, or of the impact of an imperfect technology on energy consumption.

Any test of the public interest must also include an evaluation of what the public can buy in exchange for a one-year extension.

The industry asserts that a commitment to catalytic systems to meet a 1975 deadline is not in the public interest. They urge an extension of time to perfect the catalyst system.

The Administrator must go beyond that premise. He should determine whether the industry's emphasis on catalysts has forced a direction which is not in the public interest, and whether there is any real possibility that a one-year extension will in fact facilitate the development and application of alternative systems.

The industry has argued that an extension would provide time to develop more fuel-efficient control technologies or engine systems. The Administrator must determine whether or not that can in fact be the result of an extension.

The industry has argued that an extension would provide an opportunity to improve the durability, reliability, and drivability of the new vehicles. The Administrator must determine whether or not an additional year can in fact achieve that purpose.

In short, the Administrator must determine not just what the industry says it *hopes* to do, but what the industry is willing to *commit* itself to do. If the Administrator finds that the law does not permit sufficient flexibility to pursue *those* kinds of commitments, he should make appropriate recommendations to the Congress.

The auto companies have indicated that they intend to seek a change in the law regardless of the Administrator's decision on the pending extension request.

As far as I am concerned, any change in the law will be even more sharply focused on what must be done to achieve a clean car.

What this country is entitled to is a fuel efficient, clean car which is durable, drivable, and economical. That must be the objective of the industry.

Until now we have attempted to reach that objective by setting performance standards for the industry rather than design standards. We have depended on their evaluations of their own technology. But, now we have learned that our reliance on the industry was mistaken.

When the auto manufacturers argued against Federal adoption of California's auto emissions standards in 1964–65, the Managing Director of the Automobile Manufacturers Association argued that "controlling potential pollutants at the engine, instead of with accessories added to the exhaust pipe, would in the long run, prove to be technically most sound and economically most feasible." In other words, the industry told us that engine design changes were preferable to add-on devices such as catalysts. But in 1973, in asking for an extension of the 1975–76 deadlines, the manufacturers are making the opposite argument. Yet they have never seriously explored alternatives to the internal combustion engine.

In light of this reluctance, the Congress must consider what alternative engine systems are available, what their possibilities and limitations are, how much it would cost. In this connection, the Congress will have to consider imposing standards of engine design, performance and fuel economy, and we will need to examine the arguments for improving the competitive structure of the industry.

Any proposed amendments to the Clean Air Act must *improve* our capacity to ensure that the goals of the Act are met.

We may have to allow States such as New Jersey and California, which have developed responsible emission control programs on their own, to assume a greater role in controlling emissions from automobiles operating within their boundaries.

We may have to upgrade the Federal role in supervising the development and manufacture of devices relating to the emission control systems.

We may have to broaden the prohibition and criminal penalties under the Act to deter any alterations of emission control systems—not merely those performed by manufacturers or their dealers.

And, finally, we will have to assure that auto workers are not victimized by irresponsibility in the executive offices.

We come back then to what Henry Ford said about his "noble profession". In another portion of his autobiography he spoke of "something sacred about a big business which provides a living for hundreds and thousands of families", and he said, "continuance of that business becomes a holy trust."

But he added the following words: "The employer is but a man like his employees and is subject to all the limitations of humanity. He is justified in holding his job only as he can fill it."

The top officials of the American automobile industry rightly maintain that the health of their industry is crucial to the Nation's prosperity. That reality does not put them beyond the law, nor does it justify their dictating the terms on which they will operate.

Over the past half century this industry has demonstrated ingenuity and enterprise in fashioning an automobile which both whetted and catered to the consumer's appetite for comfort and convenience. We have asked it to assume the high responsibility of turning that same capability to the service of the country's health.

And what is their response?—They are saying that the disease is not grave enough to warrant the costs of cure. And, using their enormous weight in the productive sector, they appear to be issuing all of us an ultimatum. They say, in effect, that the price of protecting public health from air pollution is an unthinkable dislocation of their industry and the American economy—that the public health is inconsistent with the health of the industry.

The American automobile industry *has been on notice for a decade* that air pollution is a grave national concern, that the motor vehicle is a major contributor to the crisis and that Congress is resolved to impose the requirements necessary to preserve the nation's health. *The industry has had the opportunity for a decade* to clean up the automobile with only general supervision from the Federal government; standards have dictated performance, not design. These minimal controls now appear to have been inadequate. The further steps that I have suggested may be necessary—because we must solve the automotive air pollution problem, and solve it without making the public pay for the industry's mistakes.

So it falls to industry—most of all because of its vast importance—to add responsibility to responsiveness. The size of the automobile industry itself requires of its leaders the highest degree of public responsibility.

During the 1970 consideration of the Clean Air Act in the Senate, I said, "Detroit has told the nation that Americans cannot live without the automobile. This legislation will tell Detroit that if that is the case, they must make an automobile with which Americans can live."

To that I would only add one more thought from Henry Ford. "Our invariable reply to 'It can't be done,'" he wrote, is 'Go do it.'"

AUTO EMISSIONS STANDARDS: DO THEY STILL MAKE SENSE?

Mr. HART. Mr. President, Congress, as was intended by the authors of the Constitution, tends to be the most tentative branch of government.

Because of its size, because of the diversity of philosophy represented here, because of occasionally conflicting regional and political interest, Congress is a pot where legislative ingredients tend to simmer slowly until they are indistinguishable in the gruel that finally arrives at the table.

This, in balance, is fine. Programs do stand a better chance if the opposition sector's sharpest teeth are blunted. Minority philosophies should have a degree of influence. Regional interests should not be totally ignored.

Our problem very often is that once we have polished some program into enactable condition with all the compromises, commitments, and political considerations tucked in, it must succeed or fail in that form no matter what changes in circumstances may befall it.

Congress somehow finds itself with little ability to adjust, to trim, to add ballast or remove it once the program has been launched.

The war on poverty might be cited as an example. It was admittedly a some-

what emotional concept structured into legislative form. It was a somewhat uncertain craft—tending at times to be cranky and inefficient but it was nevertheless an inspiring sight as it set out on its rescue mission.

Some parts of it worked. Some parts not. But Congress never really restructured it, cutting off the dragging anchors and providing a better compass.

And as a consequence, an insensitive administration—citing the program's deficiencies—finds itself politically able to scuttle the whole concept of a unified poverty program.

Certainly, it is our obligation—although an admittedly difficult one in view of the nature of the body in which we serve—to make sure that the programs we enact are not made rapidly obsolete by circumstance, not made unrecognizable by bureaucracy, not left to sail through uncertain seas without an occasional change of course or sail.

All of this is a rather wordy prolog to my reexamination of problems that are soon to descend on us—problems generated by the 1970 enactment of the Clean Air Act.

When we passed that legislation many of us—with considerable justification, I think—were particularly sensitive to the distortions of congressional intent that often result when a public law is passed through a bureaucratic filter.

Previously, in matters of health, Congress has left the technical details of discovery and enforcement to the executive branch.

We traditionally let them figure out what the dangers are and what enforcement levels are needed to meet the dangers. This time, we decided that we would be the technicians, that we would determine the requirements and set standards far into the future.

So we did not leave much discretion to the enforcing agencies. We built the ship but before we pushed it off from shore, we set the sails, we locked the rudder, and sent it on its way under the guidance of a largely automatic pilot.

But now it is clearly our responsibility to monitor that voyage closely. I hope we can do that and make whatever adjustments that logic may demand without undue loyalty to the decision that Congress made under other circumstances in 1970.

My suggestion that the act be reexamined will not, I hope, be totally suspect because I am the senior Senator from Michigan. It is true that my constituency is heavily involved in automobile manufacture, but I think many colleagues will recognize that I am not exactly a favorite in the boardrooms of Detroit.

In fact, I have no hesitancy in stating that the crisis we find ourselves in today is in no small part the result of myopia on the part of the auto manufacturers themselves.

They had little or no response to early pollution warnings. Moreover, it is undeniably true that the now-famous California consent decree arrangement offered strong evidence that the companies did, in fact, conspiratorially drag their feet on pollution control.

It might be justifiably said that, had the auto companies in 1970 been more highly thought of in regard to fairness, integrity and consumer concern, the Clean Air Act may have passed in a more moderate form.

The American auto industry certainly has not been noted for individual innovation. When it moves, it almost always moves in lockstep, a characteristic common to concentrated industries.

Nevertheless, I find myself in accord with the National Academy of Sciences, which after reviewing the energy, economic and social impact of the act, recommended:

> These matters are so complex and important that the committee urges an early and thorough examination by Congress, EPA and the academy of all aspects of the motor vehicle pollution standards established in the Clean Air Amendments of 1970—their premises, underlying assumptions, the goals that were set and the interplay among the three pollutants dealt with specifically in the act.
>
> In the light of the material developed in its study, CMVE believes that such a reexamination would be extremely valuable in relating motor vehicle emissions control to the many issues relevant to a sound national environmental policy.

Why is it appropriate for us to now reexamine that 1970 act?

We have grown increasingly concerned about our energy supplies, and it now appears that the systems most likely to be installed to meet the statutory standards will require increased fuel consumption.

We still have no medical evidence—however tentative—of the degree to which public health will be improved by the end-step requirements of the act; thus the cost-benefit ratio is difficult, if not impossible, to compute.

If industry and government do not deviate from their present course, it is apparent that the devices needed to bring cars into compliance with 1975 and 1976 requirements will add about $272 to the price of an auto. The consumers putting out those dollars will be justified in asking precisely what benefits will accrue to themselves and their communities. I am not sure our answers will be very satisfactory, especially to that 30 percent of the Nation's population not living in urban areas.

Technological advances now on the horizon promise cleaner engines at lower prices.

News reports—confirmed by private conversations with EPA staffers—indicate there is new scientific evidence that nitrous oxide—the most difficult of all exhaust gases to eliminate—may not be the national hazard that we earlier thought it to be.

If we elect to continue a breakneck charge toward the 1976 goals, let us all at least understand that the path leads through a swamp of uncertainties.

Certainly, I am aware that many now maintain that the industry made a mistake in its persistent devotion to the conventional internal combustion engine. The automotive genius, Charles Kettering, would have understood that.

It was always his contention that in a factory there is nothing harder to sell than a new idea.

The essential problem as I see it is that we are at present locked into a course that will require additional expenditures by the consumer of at least $2 billion a year if catalytic converters are standard equipment.

It is possible that the total extra car expense may go even higher than that if increased demand drives up gasoline prices.

Many experts in the oil industry, in fact, are predicting gasoline prices of $1 a gallon, the cost being propelled upward by no-lead requirements and by the increased consumption required of pollution devices now being contemplated for installation.

The National Academy of Sciences concludes that:

> These costs, in dollars and in depletion of fuel reserves, are so great that they should serve as a national incentive to hasten the development of reliable lower-cost alternatives to the dual-catalyst system as a solution to the problem of emissions control.

Certainly, everyone will agree that they should. But will they? In view of Mr. Kettering's law and in view of past performance, we cannot at this time promise the consumer that the industry, once the dual-catalyst is comfortably in place, will quickly seek to replace it.

But if we are to require the consumer to spend an extra $2 billion a year, we have to promise him something, right? We almost have to be able to pledge, do we not, that the 1975–76 emissions standards will make his environment either healthier or pleasanter or both.

Well, we assume the environment will be healthier in some selected parts of the country, particularly concentrated urban areas. No one is sure, but we think so.

On the other hand, evidence indicates that in most areas of the country, the new emissions standards won't make a whit of difference. We might as well face it—on our present course we will sooner or later be compelled to tell the auto owner in Germfask, Mich., why he has to pay $272 more for his car because distant cities that he has no prospect of there are serious pollution problems in visiting.

And he might ask some embarrassing questions.

He might ask if the last, and most expensive, emissions controls are really necessary from a health standpoint.

He might ask if local pollution outbreaks might not be more efficiently and more cheaply controlled by local regulation designed to cut back auto traffic.

He might ask, for example, why a federal government worried about pollution in Washington, D.C. might not simply prohibit the use of at least government parking lots to cars carrying fewer than three people.

He might ask why we are not more actively pressing for mass transit systems in stricken areas.

He might point out that a mandatory inspection system that insisted on well-tuned auto engines in high-pollution areas could reduce hydrocarbon and monoxide emissions by some 40 percent at a cost of perhaps $35 a car.

If we stay on our present course, we will also have to prepare a strong case for presentation to families of low and middle income. All the additional costs demanded by the 1975–76 steps will represent a sizable percentage of their income when car-buying time comes around.

Those families will have a right to know precisely what benefits will accrue to them and the Nation as a result of the extra charges we require them to pay.

Once again, I quote from the Academy report:

Whereas pollutant emission is undesirable anywhere, emissions control does not appear, today, to be essential on the basis of either essentially aesthetic or health consideration in large areas of the nation.

Indeed, overall, natural production of hydrocarbons, carbon monoxide, and perhaps nitrous oxide far exceeds that from man-made sources.

In view of the costs to the nation, in dollars and in fuel consumption, of early implementation of the 1975–76 standards, attention seems warranted to the possibility of temporarily enforcing the established emissions only in those specific urban areas where air quality is known to be adversely affected by automotive emissions, reserving national implementation when there are available reliable, relatively inexpensive emissions control systems which exact no fuel penalty.

What the Academy is saying, I think, is that the extra cost of near-total emissions control may be easy to explain to the fellow in Los Angeles but extremely difficult to explain to the fellow in Fayette, Miss., or Germfask, Mich.

It is undeniably true that we have experienced serious outbreaks of pollution in a number of urban areas. But if there is an outbreak of rabies in, say, a dozen cities, is it reasonable to insist that everyone in the Nation undertake an expensive and inconvenient series of innoculations?

And if we think it is, do we not have the duty to prove it?

And certainly a fellow who happens to be employed in making cars will have a right to know precisely what is gained in return for whatever reduced demand results from the higher prices.

After all, hundreds of thousands of families depend on the auto industry for their livelihoods, their very survival.

We cannot responsibly continue on a hasty and uncertain course that may damage their interests unless we are very positive that the damage will be justified by measurable benefits to society.

In 1970 and 1972, we did not budget a great deal of time to the cost-benefit questions. Everyone was in favor of the principle of cleaner air so we banged ahead toward that goal on the basis of whatever information we could scratch together at the time.

But once the costs of that cleaner air are applied, all these questions are going to come. They are legitimate questions deserving factual answers.

It might be appropriate at this moment to note that there is indeed a study underway to determine the relationship between health and emissions.

However, it is my understanding that the study, being conducted by EPA, is not scheduled for completion until the end of this year.

Someone might also ask whether all these expensive devices will really work once installed. I guess no one really knows. If the devices go out, then the companies are supposed to recall them for service. But the owner is not required to accept the offer, and we can justifiably guess that many of them will not. So that raises the specter of millions of cars carrying expensive, and useless, control mechanisms.

More uncertainty is injected by the appearance on the horizon of newer and cleaner powerplants that may offer cheaper alternatives.

The question must also be raised as to whether we can wisely deliver all production and maintenance of pollution devices to the auto makers, thus freezing out the possibility of competition from small manufacturers and perhaps adding to the concentration problem already besetting the industry.

These are questions that we would be irresponsible to avoid. Even environmentalists must agree that the Clean Air Act should be reexamined.

If it is allowed to plow blindly ahead with nothing more to guide it than the automatic pilot set in 1970, the disaster potential is impressive.

If it credibly can be said 4 years from now that we have caused the expenditure of billions to no purpose or to questionable purpose, the clean air cause will have been dealt a blow from which it will be hard put to recover.

These concerns, it should be emphasized, are not about whether the act's standards can be met. That is a problem that Mr. Ruckelshaus is puzzling over and one that he will have to resolve. What we in Congress will have to determine is whether the standards should be met in light of new considerations. And only Congress can make that decision.

For all of us, I know, it is more comfortable to pretend that our legislation, once deliberated, debated, and enacted, can be safely entrusted to the ages.

Moreover, we will risk the appearance of going to the rescue of an industry that is not held in impressively high regard. The trouble with the auto companies is that every time you feel inclined to listen to their logic they commit some new outrage that turns everybody off.

Let me make it clear that the 1970 act has brought the Nation some very good results. And the problem of air pollution is not solved by any means.

Whatever we do, we must maintain all possible pressure on that problem. If we are going to live with ourselves around here, we had better make certain that we continue to push hard.

But let us make sure that when we push, it is toward a technological solution that we can comfortably defend as having a sound cost-benefit ratio.

It is now our responsibility to provide whatever flexibility makes sense. Circumstances have changed. We are clearer as to what we know and what we do not know.

What appeared in the public interest 3 years ago demands constant monitoring if the public interest of 3 years hence is to be served.

We should get at it—and quickly.

DIPLOMATIC RELATIONS WITH CUBA

Mr. McGEE. Mr. President, I ask unanimous consent that there be inserted in the RECORD at the conclusion of these remarks an article from the Chicago Tribune of March 22, 1973, reporting the results of a Harris poll on establishing diplomatic relations with Cuba.

The poll shows that 51 percent favor such action, 33 percent are opposed, and 16 percent are not sure.

Significantly, 2 years ago a similar poll showed 21 percent in favor and 61 percent opposed.

Thus in the last 2 years, there has been a marked shift of public opinion on this subject.

This poll provides further evidence that that opinion is changing with respect to Cuba, not only in Latin America, but also in the United States—everywhere, it seems, except in the State Department.

The Subcommittee on Western Hemisphere Affairs of the Foreign Relations Committee intends to explore U.S. policy toward Cuba further in the coming weeks.

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

NEW FAVOR FOR DETENTE WITH CUBA

(By Louis Harris)

By 51 to 33 per cent, a majority of the American people favors the United States "reestablishing diplomatic relations with Castro Cuba."

This marks a complete turnaround from the 61 to 21 per cent opposition to such recognition of the Communist regime in Cuba recorded by the Harris Survey in early 1971.

In mid-February, a cross section of 1,513 households was asked: "It is argued that with the war in Viet Nam over and with relations with Communist Russia and China getting better, the U.S. ought to reestablish diplomatic relations with Cuba. However, others say that as long as Cuba is under Castro's Communist rule, we ought not to have anything to do with that country. All in all, do you favor or oppose the U.S. establishing diplomatic relations with Cuba?"

[In percent]

	Favor	Oppose	Not sure
Nationwide	51	33	16
By region:			
East	50	32	18
Midwest	55	29	16
South	46	39	15
West	54	33	13
By education:			
8th grade or less	41	39	20
High school	46	37	17
College	65	24	11
By politics:			
Republican	48	36	16
Democratic	47	36	17
Independent	61	28	11
By 1972 vote:			
Voted Nixon	52	35	13
Voted McGovern	57	27	16

As the thaw has taken place in the Cold War vis-a-vis Russia and China, at least a plurality of each major segment of the population across the country now favors diplomatic recognition of the Castro government.

Recently, of course, the United States and Cuba reached an accord governing the handling of hijackers who take American planes to Havana.

When asked for the basis of their opinions, seven major reasons were volunteered by the

American people in support of reestablishing diplomatic relations with Cuba:

"We can benefit by maintaining contact with all nations, even if we disagree with their politics." The reasoning here is that it is better to be talking with Communist countries, even those we have had problems with in the past, than to allow differences to build up into tensions that might lead to war.

"With Cuba so close to the U.S., we should be on good terms with them." This feeling expresses the uneasiness among many Americans over having a hostile power only 90 miles off the Florida coast. Implicit is the sense that we should get along with countries in close proximity to our shores.

"We should be friendly with all nations." In the spirit of accord that has grown over the last year or more, many Americans want this country to extend the olive branch everywhere it might be accepted.

"We have relations now with Communist Russia and China, so why not with Castro Cuba?" This rhetorical question expresses the view of those who see an inconsistency in this country seeking out new relations and rapprochement with Communist superpowers but not with the much smaller and less powerful Cuban Communist government.

"By recognizing them, we have a much better chance to ease tensions with them." The implication of this line of thought is that if the U.S. gives Cuba diplomatic recognition, then it might be possible to obtain from the Cuban regime some agreements to end some of the continuing hostilities that now exist between our countries directly and thruout Latin America.

"It is ridiculous for the U.S. to ignore an established country; we can't isolate the U.S. from Communism forever." People who feel this way are aware that considerable time has passed since the 1962 Cuban missile crisis and that Castro still remains in power. So, they say, why not recognize an "established fact?"

"We have reached an agreement on hijacking, why not extend it to other areas, such as trade?"

Three main arguments were volunteered by those who still firmly oppose diplomatic recognition:

"Recognizing them will only start trouble all over again; we should leave Castro alone." These people feel that altho no crises over Cuba have surfaced for a rather extended period, recognition would legitimatize radical elements in that country.

"They are Communists and we should have nothing to do with them." This represents the residue of a generation of Cold War thinking.

"Castro is bad and has not let the Cuban people have their freedom." The thinking here is that until the Communist regime has been removed from Cuba, it would be antidemocratic to extend recognition.

It is significant, perhaps, that American attitudes toward diplomatic recognition of Cuba now stand at just about the same point they did in May of 1971 toward Communist China, at the time the U.S. Ping-Pong team had been received in friendly fashion in Peking. Since then, public opinion has kept pace with each move to bring Red China into the channels of diplomatic communication.

NATIONAL COMMISSION REPORT ON DRUG ABUSE

Mr. JAVITS. Mr. President, last Thursday, the National Commission on Marihuana and Drug Abuse—of which I and the senior Senator from Iowa (Mr. HUGHES) are members—made its final report to the American people.

The results of its extensive inquiry into the use and abuse of drugs in the United States are impressive in scope and insight, yet sobering to all who have painstakingly sought out answers to the long line of drug related problems which plague our society.

Despite the alleged affluence of the American people, we find reflected in the analysis of the Commission the impact of complex, disordered, and constant change: a population with 9 million alcoholics, 1 million barbiturate addicts, hundreds of thousands of heroin addicts, and uncounted thousands on amphetamines. We found 26 million who have used alcohol, 57 million who smoke tobacco, 26 million who have used marihuana, and millions more who have used cocaine, heroin, LSD, sedatives of all kinds, tranquilizers, and other drugs for nonmedical purposes.

In its 481 page report, entitled "Drug Use in America: Problem in Perspective," the Commission has provided us with a dispassionate, comprehensive, and rational analysis of our national drug problem. Its findings are thoroughly documented and are the springboard to a calm and well ordered discussion of what our national policies should be in the area of drug abuse control. I believe that the major contribution of this Commission will be found in the fact that it dealt, not only with the symptoms of drug use, but also with the underlying assumptions that we have all made regarding drug use in the United States.

Much of the Commission's report is devoted to defining the nature of social concern about drug use. The Commission found that popular conceptions and definitions of drugs and drug use, are in an important sense, the drug problem. It found that many failures of current drug policies reflect failures in perception.

The Commission found that the present institutional response to drug abuse, despite many constructive efforts to have a positive impact on the problem, continues to be predicated upon mistaken assumptions, and indirectly, tends to perpetuate the "problem." Accordingly the Commission set about to examine carefully the goals toward which our policy has been directed and the extent to which our present governmental responses have achieved those goals.

It found that because of the intensity of public concern surrounding the topic of drugs, all levels of Government have become involved in a wide variety of action programs. The result in some cases unfortunately has been the establishment of programs which have not been adequately evaluated and have not been looked at comprehensively, with a view toward longrange community planning and objectives.

In its report, the Commission categorized drug using behavior into five classes:

First. Experimental drug use, motivated primarily by curiosity and occurring most often among young persons in the company of one or more friends or acquaintances;

Second. Recreational drug use, occurring in social settings among friends or acquaintances who desire to share an experience which they define as both acceptable and pleasurable;

Third. Circumstantial drug use, motivated by the user's perceived need to achieve an anticipated effect in order to cope with a specific problem, situation, or condition—including students who use stimulants during exam preparation, long-distance truckers who rely on stimulants for extended endurance, and housewives who seek to relieve tension, boredom, or other stress through sedatives or stimulants;

Fourth. Intensified drug use, occurring at least daily and motivated by an individual's perceived need to achieve relief from a persistent problem or stressful situation; and

Fifth. Compulsive drug use, occurring when drug use dominates the individual's existence and preoccupation with drug use precludes other social functioning.

The Commission found that the overwhelming majority of people who have used psychoactive drugs, whether legally or illegally, can be classified as experimental or recreational users. In most cases, their drug use is not a matter for serious social concern. The Commission also found that the prevalence of circumstantial use has increased substantially in recent years, as more and more Americans resort to drugs to cope with stresses or problems of living. The Commission pointed out that there is a major risk associated with circumstantial drug use in that a person will become conditioned to drug-using responses, escalating to more serious use patterns.

Concluding that major social concern should be the prevention of intensified and compulsive use, the Commission states that public agencies have failed to gather sufficient information on the extent and consequences of these patterns of drug use.

Looking at drug use from another perspective, the Commission's report describes the ways in which drugs can affect the behavior of the user. Noting that the public tends to associate the drug problem with crime, the Commission found that available data justify the following tentative conclusions:

First. Alcohol, the most commonly used drug, is strongly associated with violent crime and with reckless and negligent operation of motor vehicles;

Second. Research findings linking barbiturate and amphetamine users with criminal behavior, especially assaultive offenses, are increasing. While no definitive association has yet been documented in this country, a strong association between amphetamine use and violence has been demonstrated in Sweden and Japan;

Third. Research data regarding the actual relationship between cocaine use and criminal behavior are generally lacking; however, the pharmacologic effects of this drug suggest a potential for drug-induced violent behavior similar to that shown for amphetamine and barbiturate users;

Fourth. Marihuana use, in and of itself, is neither causative of, nor directly associated with crime, either violent or nonviolent. In fact, marihuana users tend to be underrepresented among assaultive offenders, especially when compared with

users of alcohol, amphetamines, and barbiturates;

Fifth. Use of opiates, especially heroin, is associated with acquisitive crimes such as burglary and shoplifting, ordinarily committed for the purpose of securing money to support dependence. Opiate users are significantly less likely to commit assaultive offenses, especially in comparison with users of alcohol, amphetamines, and barbiturates; and

Sixth. Except in relatively rare instances generally related to drug-induced panic and toxic reactions, users of hallucinogens, nonbarbiturate sedative-hypnotics, glue, and similar volatile inhalants are not inclined toward assaultive criminal behavior. It should be noted, however, that some of the nonbarbiturate sedatives, notably methaqualone, and the hydrocarbon solvents have potential for inducing violent behavior.

Mr. President, the Commission has made more than 100 recommendations for both public and private action. Among the proposals are:

First. Increasing control mechanisms on the availability of many psychoactive drugs, particularly cocaine, alcohol, and methaqualone;

Second. Improving and reorienting law enforcement efforts to minimize and interdict the illicit distribution of psychoactive drugs;

Third. Revising the role of the criminal justice system dealing with the consumption of illicit drugs;

Fourth. Establishing an integrated process for providing treatment to drug users and drug-dependent persons, including those who seek treatment voluntarily as well as those apprehended for drug-related crimes;

Fifth. Revitalizing the capacity of private institutions to prevent and respond effectively to disapproved drug use;

Sixth. That the United States work to persuade other countries not to manufacture cocaine for exports, and that the Federal Government reduce legitimate cocaine production in this country to the quantities needed for domestic research and highly limited medical uses;

Seventh. That the medical profession establish guidelines on prescribing practices relating to barbiturates and that State medical societies police these practices;

Eighth. That the National Institute on Alcohol Abuse and Alcoholism devote substantial effort to the development of better nonprohibitory plans for controlling the availability of alcohol;

Ninth. That marihuana be removed from the International Single Convention on Narcotic Drugs where it is improperly classified with the opiates;

Tenth. That the United States not ratify the proposed Convention on Psychotropic Substances in its present form since this treaty is inconsistent with U.S. domestic policy as established in the Controlled Dangerous Substances Act of 1970, and

Eleventh. That the Federal drug response be totally reorganized, and that a single Federal agency be created to administer law enforcement, prevention, treatment, research, and evaluation programs.

Mr. President, while Senator HUGHES and I concurred in virtually all of the Commission's findings and recommendations we did file a dissent in connection with the last mentioned recommendation of the Commission. I ask unanimous consent that the text of our joint statement be printed at this point in the RECORD.

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

STATEMENT

Commissioners Hughes, Senator from Iowa, and Javits, Senator from New York, while concurring in some of the findings of the Commission with respect to the present lack of coordination and effort, do not concur in the recommendation that a single agency be created to house all federal activities in the areas of drug law enforcement on the one hand and, on the other, drug use prevention, that is, education, research, treatment, and rehabilitation.

First, during the 92d Congress both Commissioners were members of the Senate Committees which together carefully examined the administrative problems entailed in developing a coherent federal response to the nationwide drug problem. The Congress and the President then agreed on the Drug Abuse Office and Treatment Act, signed in March, 1972, which provided the legislative foundation for the Special Action Office for Drug Abuse Prevention and directed it to lead in developing federal policy and to coordinate all federal prevention activities.

Several months passed before funds could be appropriated and the Special Action Office could become fully operational. Therefore, the administrative design provided by the Act has been tested for less than a full year. The Special Action Office has faced a most difficult and complex task, and it would be a rare situation indeed if it were not without some problems. But its performance in carrying out its statutory responsibilities must be carefully reviewed by the appropriate committees of Congress in the proper exercise of their responsibility for legislative oversight. In this respect, both Commissioners agree with the recommendation that Congressional Committees undertake an in depth review of the situation. Commissioners Hughes and Javits believe that it is premature to conclude that the design has failed and must be replaced with a new federal agency.

Second, based on their experience in government, at both the state and the federal levels and in both executive and legislative positions, the Commissioners are not now convinced that it is wise to place within one agency functions which are for the most part entirely unrelated and which must be carried out by officials with widely differing training and perspectives. Placing these activities and personnel within one agency might well create more serious problems than those which the proposal is intended to solve. For example, the most difficult task would be the selection of a director who could maintain a steady course while successfully resisting undue pressures from either group. The presence of both sides within the agency could in itself create temptations to compete for dominance on matters of policy. It would perhaps be unrealistic to expect one man to preside over such disparate interests.

Third, Commissioners Javits and Hughes are not persuaded that the Commission has identified major problems of coordination between law enforcement and prevention agencies that require a single agency for their solution. The primary problems of duplication and lack of coordination arise between agencies carrying on similar or closely related activities. The Customs Bureau and the Bureau of Narcotics and Dangerous Drugs have frequently disagreed, and there have been failures of coordination among treatment activities funded by the National Institute of Mental Health, the Office of Economic Opportunity, and the Model Cities programs of the Department of Housing and Urban Development.

As between law enforcement and prevention agencies, the administrative problems most commonly occurring stem from the fact that some of the law enforcement agencies support treatment activities, which are somewhat peripheral to the primary tasks of these agencies. Such activities could be transferred to the prevention agencies.

Finally, while fully sharing the Commission's interest in improving the governmental response to the drug problem, both Commissioners believe that the Commission's analyses do not support the conclusion that a single agency would best serve that goal. The Commission's studies have identified many real problems, but there has been no thorough examination of either the advantages or the disadvantages of a single agency. This can best be done by the Congressional Committees with jurisdiction over these matters.

Mr. JAVITS. Mr. President, the Commission has made available a compilation of all of its recommendations for action and I ask unanimous consent that it also be printed in the RECORD.

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

EXHIBIT B

DRUG USE IN AMERICA: PROBLEM IN PERSPECTIVE

RECOMMENDATIONS FOR PUBLIC INSTITUTIONS

Government organization

Federal

1. Congress should create a Single Federal Agency similar in its legal and political status to the Atomic Energy Commission.* The agency, which might be called the Controlled Substances Administration, would establish, administer and coordinate all drug policy at the federal level and would be the principal, if not sole, point of contact with the state drug programs. The Single Agency would remain separate from all other federal departments and agencies and would be responsible for its own organization and fiscal management.

2. The appropriate Committees of Congress, in reviewing authorizations and appropriations of funds for all federal departments and agencies with drug-related functions, particularly the Special Action Office for Drug Abuse Prevention, should consider this year the feasibility of such a reorganization.

3. The Single Agency should have the authority and capability to do the following:

Distribute and monitor block or formula grants to states for drug dependence treatment, rehabilitation, prevention, education, and law enforcement programs.

Coordinate all substance-related programs

* Commissioners Hughes and Javits, Senators from Iowa and New York, do not concur in the Commission's recommendation that Congress immediately establish a Single Agency. Both feel that many problems would be presented by placing law enforcement and prevention, treatment and scientific functions together in one agency. Further, they believe that the Special Action Office for Drug Abuse Prevention, which has been in operation for less than a year, should not now be abandoned. However, the Senators agree with the Commission that the Congress should now undertake a comprehensive review of the activities of all departments and agencies having drug-related functions and should determine the feasibility of such a reorganization.

which remain external to the agency itself, such as those of the Department of Defense and the Bureau of Prisons.

Provide evaluative capabilities for federally funded drug programs operated at the federal, state and local levels.

Maintain and monitor an ongoing collection of data necessary for present and prospective policy planning, including data on incidence, nature and consequences of drug use.

Develop and implement a general directed research plan.

Provide discretionary funds for those areas in which innovative and experimental programs are necessary at the local level and for other essential programs which cannot be performed adequately by the states.

Direct the federal law enforcement response in the drug field and provide assistance to state law enforcement.

4. In assuming these tasks, the Single Agency would absorb the following functions and agencies:

Those functions now assigned to the Special Action Office for Drug Abuse Prevention.

All functions presently performed by the Bureau of Narcotics and Dangerous Drugs.

Those parts of the Bureau of Customs, including Customs Agency Service, which are involved in drug matters other than routine border inspections.

The Office of National Narcotic Intelligence presently within the Department of Justice.

The Office of Drug Abuse Law Enforcement of the Department of Justice.

All functions now performed by the Division of Narcotic Addiction and Drug Abuse, National Institute of Mental Health.

All drug-related functions that are performed by the Law Enforcement Assistance Administration or that are, or were formerly, performed by the Office of Economic Opportunity.

All research functions related to psychoactive drugs and responsibilities under the Controlled Substances Act now performed by the Food and Drug Administration, other than those relating to the marketing of new drug products.

All drug education and information functions now performed by the Office of Education.

All drug education and information functions performed by the National Clearinghouse for Drug Abuse Information.

5. To avoid institutionalizing the drug "problem," the concept and accomplishments of the Single Agency should be reexamined four years after its creation; and the agency itself, by law, should disband within five years, its surviving components being reassigned to the agencies or departments from which they came (or into others more appropriate), and integrated into the larger social concerns of those organizations.

6. Congress should establish a commission four years hence, with the specific responsibility to:

Evaluate the social response to drug use during the preceding four years.

Consider the results of both directed and undirected research programs.

Recommend to Congress whether the unified federal agency should be continued, dissolved, or modified.

Determine which measures have justified their costs and which have not.

Propose needed new policies, programs and techniques.

Reexamine fully the basic issues and consider whether departures from the present response are required.

State

1. Each state should establish a unified drug agency on the same model as that proposed for the federal government. The single state agency should be equipped to provide information about programs and drug use patterns, and to assume joint responsibility for evaluating federally funded programs.

2. Each state agency should have sufficient powers to coordinate all drug programs at the state level and provide guidance and funding to community programs. The agency should have the responsibility of monitoring implementation of the state plan, as well as all programs operating under it, and should be required to report yearly to the designated state authority on the progress of the state effort measured against the enunciated objectives. All state plans should budget adequate funds for these managerial functions.

Community

Each community with a significant drug use problem should create a coordinating council to insure communication and concert of action between the various drug-related functions in the community.

Legal controls

International

1. The State Department, in conjunction with the Department of Justice, should immediately undertake a comprehensive review of existing extradition treaties dealing with drug offenses with a view toward expanding the scope of extraditable offenses and facilitating the extradition process.

2. The United States should encourage law enforcement agencies in all concerned countries to increase both formal and informal exchanges of information concerning drug traffic and traffickers.

3. The membership of the Commission on Narcotic Drugs should be expanded to permit representatives of the health authorities of member nations equal participation in its deliberations and decisions. Further, the United States should convene, in cooperation with the United Nations, a world-wide conference to consider the issues surrounding prevention of demand for drugs.

4. Both the Single Convention and the proposed Psychotropic Convention should be redrafted to make clear that each nation is free to determine for itself which domestic uses for controlled substances it will allow, provided only that each nation prevent diversion and prohibit exportation and production for exportation for illegal use in other countries.

5. The United States should take the necessary steps to remove cannabis from the Single Convention on Narcotic Drugs (1961), since this drug does not pose the same social and public health problems associated with the opiates and coca leaf products. Similarly, the proposed Psychotropic Convention should be revised to include all cannabis substances, but not under Schedule I, since cannabis products are used for medicinal or self-medicating purposes in many parts of the world.

6. The United States should work through diplomatic channels to persuade other countries not to manufacture cocaine for export.

7. The United States should not ratify the Psychotropic Convention in its present form. If, however, for diplomatic or other reasons, the United States Government does adopt the Convention, the instrument of ratification should include the following declarations:

That it is the understanding of the United States that scheduling decisions adopted by the Commission on Narcotic Drugs and ratified by the membership are not effective within the United States until and unless the procedures established by Section 201 of the Comprehensive Drug Abuse Prevention and Control Act (PL 91–513) are complied with and the Secretary of Health, Education and Welfare and the Attorney General of the United States agree that the substance is subject to control.

That it is the understanding of the United States that the provisions of the Convention do not affect the manner in which the United States restricts availability of substances included in the Convention to medical and scientific purposes.

That it is the understanding of the United States that the definition of punishable offenses in Article XXII, paragraph 1, subparagraph (a) does not include possession of substances in Schedule I for personal consumption.

That it is the understanding of the United States that in Article VII, paragraph (a), the word "establishments" contained in the phrase "in medical and scientific establishments which are directly under the control of their government or specifically approved by them," includes the offices of physicians licensed to practice under the law of the United States.

Federal

1. The American Medical Association should survey the medical profession to determine what, if any, unique therapeutic benefits cocaine has. At the same time, the United States, working through the United Nations and the World Health Organization, should encourage world-wide discussions on the therapeutic uses of cocaine and on its dangers. Taking into account the AMA survey and the results of the international deliberations, the federal government should reduce legitimate cocaine production in this country (including import of coca leaves for purposes of extracting cocaine) to the minimum quantities needed for domestic research and medical uses. If no unique therapeutic use of the drug remains, the government should eliminate manufacture altogether.

2. At this time, none of the barbiturate drugs, including the short-acting barbiturates, should be placed in Schedule II of the Federal Controlled Substances Act. Instead, the AMA should immediately design and furnish to physicians guidelines on the prescribing of barbiturates and actively encourage state medical societies and individual practitioners to respect these guidelines.

3. Since, unlike the barbiturates, methaqualone does not have large-scale medical uses, and does present a significant problem of misuse, it should be placed in Schedule II, along with the amphetamines.

4. Appropriate federal agencies should conduct studies on all other ethical hypnosedative drugs not presently covered by the Controlled Substances Act to determine whether or not further controls are required.

5. Except where the Commission has specifically recommended a change, the present levels of control on availability of psychoactive substances established by the Federal and State Controlled Substances Laws should be maintained.

6. The National Institute on Alcohol Abuse and Alcoholism should devote substantial effort to the development of better non-prohibitory means of controlling the availability of alcohol. In particular, society should alter availability controls to minimize the social costs of alcohol use.

7. With respect to the drug trafficking laws, the trafficking offenses and penalty structure presently in force under the 1970 Comprehensive Drug Abuse Prevention and Control Act should be retained.

Federal and State

1. The Commission reaffirms its recommendations concerning marihuana as set out in its First Report.

2. The unauthorized possession of any controlled substance except marihuana for personal use should remain a prohibited act. As a matter of statutory or enforcement policy, assertion of control over the consumer should not be tied to concepts of criminal accountability but rather to concepts of assistance appropriate in the individual case. The primary purpose of enforcement of the possession laws should be detection and selec-

tion of those persons who would benefit by treatment or prevention services.

3. For those drug-dependent persons who are apprehended for consumption-related offenses, including possession, one of the following dispositions should be mandatory:

(a) Diversion to a treatment program in lieu of prosecution;

(b) Diversion to a treatment program after conviction but before entry of judgment by the court. Failure by an individual to comply with the conditions of treatment would result in his return to the court for prosecution or sentencing. In that event, he should be subject to punishment by up to one year imprisonment, a fine of up to $500 or both.

For those non-drug-dependent persons who are apprehended for consumption-related offenses, including possession, one of the following dispositions should be mandatory:

(a) Diversion to a prevention services program in lieu of prosecution;

(b) Diversion to a prevention services program after conviction but before entry of judgment by the court;

(c) A fine of up to $500; or

(d) Probation with appropriate conditions.

Failure by an individual to comply with the conditions of prevention services under alternatives (a) or (b) would result in his return to the court for prosecution or sentencing. In that event, he should be subject to punishment by up to one year's imprisonment, a fine of up to $500 or both.

State

1. All states shoud attempt to rationalize the operation of the criminal justice system as a process for identifying drug-dependent persons and for securing their entry into a treatment system. The states should establish, as part of the comprehensive prevention and treatment program, a separate treatment process which runs parallel to the criminal process and which may be formally or informally substituted for the criminal process.

2. States which have not already done so should adopt the Uniform Controlled Substances Act, with the modifications suggested in our Reports.

3. Each state should review its penalty structure for trafficking offenses and determine whether the penalties are commensurate with the relative severity of the offenses. The Commission endorses the criminal provisions in the 1970 Federal Controlled Substances Act and recommends that the states use them as a model for their own trafficking penalties.

Law enforcement

Federal

1. Federal criminal investigative agencies should concentrate primarily at the top levels of the illegal drug distribution network: importation, exportation, and large-scale foreign and domestic trafficking.

2. The federal regulatory effort should concentrate on preventing diversion of drugs at the manufacturing and wholesale levels, leaving to the states primary responsibility for supervising retail pharmacies, hospitals and physicians.

3. To deal more effectively with the higher levels of the illegal distribution systems, federal law enforcement agencies must develop long-range strategies. The degree to which an investigation can penetrate the illegal market depends directly on how long it remains undercover before surfacing to make arrests and obtain convictions.

4. Criminal investigation activities at the federal level should not have regional offices, as BNDD and Customs have now, but instead should deploy strike forces, not tied to any one region, which are able to follow the illicit distribution networks wherever they lead.

5. Federal agencies should give high priority to recruitment of qualified drug investigative agents. Screening of recruits should include testing to insure suitability for this type of enforcement.

6. Federal drug law enforcement personnel should receive more intensive training. Career agents should periodically take refresher courses to keep them abreast of current trends.

7. Federal agencies should encourage skilled criminal investigators to remain in the field, giving them equal promotion opportunities within the investigative area.

8. To minimize corruption and the appearance of corruption, a separate unit should be established to maintain internal security among federal drug law enforcement agencies. This unit should be distinct from all other drug law enforcement activities and report directly to the Attorney General of the United States.

9. A separate evaluation unit, distinct from both criminal and regulatory investigative units, also should be created to monitor performance of all operational units.

10. All federal law enforcement agencies, especially the Bureau of Narcotics and Dangerous Drugs and the Bureau of Customs, should use uniform reporting forms to the maximum extent possible so that the information can be combined, studied, and shared.

11. The federal government should provide state and local agencies technical and funding assistance necessary for the development of a national uniform reporting system on drug arrests and case dispositions which can provide reliable, valid and comparable data.

12. The federal government should also make available to state and local law enforcement, through the Law Enforcement Assistance Administration, substantial amounts of "buy money" to enable them to make better quality cases and reach the higher echelons of the illicit drug traffic.

State

In order to complement the federal effort, state enforcement should concentrate on the lower levels of both licit and illicit distribution networks. State criminal investigative agencies should focus on middle-level illicit trafficking within the states. State regulatory agencies, to insure compliance with laws and regulations, should concentrate on inspecting pharmacies, hospitals, physicians and researchers. Both regulatory and investigatory state agencies should work on the problem of pharmacy drug thefts, developing standards to minimize this serious problem.

2. Every state should systematically review and evaluate the operations of its boards of pharmacy and medicine, to insure that they are adequately enforcing the provisions of state and federal law. Professionals who knowingly or repeatedly violate state drug regulations and laws should lose their licenses to practice, in addition to being prosecuted under criminal statutes. Each state should also establish an advisory medical body to act as liaison between the state medical society and law enforcement officals, giving advice and assistance on matters within their area of medical expertise.

3. State and local enforcement agencies should actively recruit younger men and women into their drug investigation units, in order to broaden and update the agencies' perspective. Recruits should be carefully screened and receive extensive training. Federal agencies should continue to provide technical and financial training assistance to state and local police.

4. Each state with a substantial trafficking problem should have a separate unit, responsible to the state attorney general, charged with the responsibility of investigating any evidence of corruption in drug law enforcement agencies.

Community

1. Local police departments should participate with other community institutions in the development of a preventive services program. As part of this program, the departments should formulate precise guidelines for non-arrest dispositions of persons apprehended for consumption-related offenses and for their referral to appropriate prevention or treatment services. Each police department should consider using citations, or other formal means of directing persons into the appropriate program.

Those states which have not already done so should authorize law enforcement officials or public health officers to make non-criminal referrals of persons under the influence of controlled substances or in possession of controlled substances for personal use.

2. Local police should receive appropriate training in dealing with the medical needs of drug-dependent persons, including alcoholics. In particular, guidelines should be developed for diverting such persons to treatment facilities for emergency care, and, if necessary, for formal treatment.

3. Local police should act as an early warning system on emerging patterns of drug use in the community, including changes in at-risk populations and non-drug developments which may be relevant to drug-using trends. For example, a constant analysis of drugs on the street can be extremely useful in preparing other community agencies to launch specifically-targeted preventive efforts.

Treatment and rehabilitation

Federal

1. Though block and formula grants to the states, the federal government should have major responsibility for fundings treatment and rehabilitation services administerd by the States. However, the federal government should retain discretionary funds for direct funding of demonstration and special projects in the field of treatment and rehabilitation. Such funds should be used for innovative and experimental programs, as well as for providing services to communities not receiving sufficient funding from the state.

2. Except for offenders within federally-operated correctional institutions, the federal government should not have direct operating responsibilty for providing treatment and rehabilitation services. Services provided to persons entering treatment on a voluntary basis or through involuntary civil commitment proceedings should be provided only at the state level. Services provided to persons charged with or convicted of federal criminal offenses who are not in a federal correctional facility should be provided through state-operated programs and facilities on a reimbursable basis. The public health hospital operated by the federal government in Lexington, Kentucky should continue to be utilized for clinical research purposes only, and the fifty-bed clinical research unit of the facility should be maintained for human research.

3. The federal government should sponsor a program to evaluate existing drug treatment and rehabilitation programs to see whether they (1) are cost effective; (2) are designed to deal effectively with their client populations; and (3) have established suitable criteria and objectives. After such an evaluation the federal government should establish performance criteria for state drug treatment and rehabilitation programs.

4. All drug treatment and rehabilitation programs receiving federal funds should demonstrate effective efforts consistent with the performance criteria established, and undergo an annual evaluation by independent agencies having no vested interest in either the funding agency or the service delivery agency.

Federal and State

1. To avoid destroying program effectiveness, federal and state regulations concerning maintenance programs should emphasize treatment flexibility, coupled with reasonable measures to prevent diversion.

2. Opiate antagonists, or similar chemical agents, should not be administered involuntarily under any circumstances, either as a method of treatment or as a method of prevention.

3. The government should continue to prohibit heroin maintenance as a treatment modality.

State

1. Each state should establish a comprehensive statewide drug dependence treatment and rehabilitation program including integrated health, education, information, welfare and treatment services, which should be administered as part of the state's broader health care delivery and human resources development systems. The program should:

(a) Provide a full range of treatment and rehabilitation services throughout the state, including emergency, residential, and outpatient services for drug-dependent persons, persons incapacitated by controlled substances or persons under the influence of controlled substances.

(b) Include medical, psychiatric, psychological and social service care; vocational and rehabilitation services; job training and career counselling; corrective and preventive guidance; and any other rehabilitative services, including maintenance, designed to aid the person to gain control over or eliminate his dependence on controlled substances and to make him less susceptible to dependence on controlled substances in the future.

(c) Emphasize the development of community-based emergency, outpatient and follow-up support services.

(d) Utilize and coordinate all appropriate public and private resources, wherever possible utilizing the facilities of and coordinating services with community mental health services and general hospitals.

(e) Allocate services within the state according to an overall plan based on the estimated size and location of the current and potential populations of drug-dependent persons in various communities.

2. The state administrator of such a comprehensive drug dependence treatment program should have statutory responsibility to:

(a) Establish standards and guidelines for effective drug dependence treatment services provided by public or private agencies participating in the program.

(b) Evaluate, on a continuing basis, all public and private treatment services included in the program, in order to assure that such services are adequate and effective according to defined objectives and standards.

(c) Prepare, publish and distribute annually a list of all public facilities and those private facilities to which public agencies are authorized to refer individuals for treatment services.

(d) Assure that the courts of each jurisdiction within the state are periodically notified of facilities through which services are available within the jurisdiction and of the types of treatment offered at each facility, thereby assuring that formal control is not asserted over a person for purposes of treatment when appropriate facilities are not available.

(e) Assure that the services offered within each community include drug-free programs as well as maintenance programs, thereby assuring that persons seeking or referred for treatment have the option of participating in a drug-free program.

3. Each state should review its current statutory mechanisms regarding the process by which drug-dependent persons are permitted or compelled to enter treatment. Those states which have not already done so should modify existing legislation to encourage drug-dependent persons to seek treatment voluntarily. In order to maximize the attractiveness of voluntary programs, formal legal processes should be avoided entirely and absolute confidentiality of the treatment records should be assured.

4. Whenever a state chooses to exert formal control over a drugdependent person for purposes of treatment, either through the criminal process or an involuntary civil process, treatment services should be administered in accordance with the following standards:

(a) Each person has a right to receive such individual treatment as will give him a realistic opportunity to overcome his dependence on controlled substances.

(b) An individual treatment plan, guided by sound medical and clinical judgment and maximizing freedom of choice of the patient, shall be prepared and maintained on a current basis for each person.

(c) No person should be required to receive chemical treatment or maintenance services without his consent, and in the case of a person under 18 years of age, without additional consent of his parents or legal guardian.

(d) Each individualized treatment plan should employ methods which restrict the drug-dependent person's liberty only when less restrictive alternatives would be inconsistent with necessary and effective treatment.

(e) No person should be required to be a subject for experimental research without his expressed and informed consent.

(f) All persons should be required, as a condition of participation in a treatment program, to comply with reasonable conditions, including surveillance techniques such as urinalysis.

5. The state, through legislation or administrative action, should assure that private and public hospitals do not discriminte in either admission or treatment policy against any person on the grounds of use of or dependence on controlled substances.

6. Every state should have confidentiality-of-treatment laws, modeled after the provision in the Uniform Drug Dependence Treatment and Rehabilitation Act currently before the National Conference of Commissioners on Uniform State Laws.

7. In connection with the above recommendations, the Commission supports the adoption of the Uniform Drug Dependence Treatment and Rehabilitation Act presently being considered by the National Conference of Commissioners on Uniform State Laws.

EMERGENCY TREATMENT

1. With respect to drug emergency victims, the federal government should fully enforce Section 407 of the Drug Abuse Office and Treatment Act of 1972, which provides that "Drug abusers who are suffering from emergency medical conditions shall not be refused admission or treatment, solely because of their drug abuse, or drug dependence, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any federal department or agency."

2. At the state level, emergency services should be provided as an integral part of a comprehensive drug-related treatment and rehabilitation program. Where necessary, state funds should be expended to assure the availability of such services. Emergency treatment facilities should always be associated with a general hospital, though they need not be physically located in one.

3. The states should provide by law for emergency detention and treatment of persons so incapacitated by use of a psychoactive drug that they cannot intelligently determine whether they are in need of treatment. Such detention should not exceed 24-hours time, unless further restraint is ordered by a court, in accordance with other applicable law.

Prevention

General

1. Drug use prevention strategy, rather than concentrating resources and efforts in persuading or "educating" people not to use drugs, should emphasize other means of obtaining what users seek from drugs, means that are better for the user and better for society. The aim of prevention policy should be to foster the conditions of fulfillment and instill the necessary skills to cope with the problems of living, particularly the life concerns of adolescents. Information about drugs and the disadvantages of their use should be incorporated into more general programs, stressing benefits with which drug consumption is largely inconsistent.

2. Drug dependence prevention services should include educational and informational guidance for all segments of the population; job training and career counselling; medical, psychiatric, psychological and social services; family counselling; and recreational services.

3. From both cost-benefit and philosophical-constitutional standpoints, the government role should be limited to assuring the availability of accurate information regarding the likely consequences of the different patterns of drug-using behavior. With this basic determination in mind, the Commission recommends the following actions as essential to assure the production and the dissemination of accurate information.

(a) That the federal government establish a procedure for screening all federally-sponsored or funded information materials for accuracy.

(b) That, after institution of the clearance procedure, a single agency, such as the National Clearinghouse for Drug Abuse Information, coordinate dissemination of information. This agency should also maintain up-to-date lists and critiques of all information materials and make them available, together with the federal guidelines for accuracy, to state and local governments as well as to interested private group.

(c) That a moratorium be declared on the production and dissemination of new drug information materials. This step, presently being considered by SAODAP, will enable the federal government to develop necessary standards for accuracy and concept, and allow sufficient time to conduct a critical inventory of presently existing materials.

(d) That policy makers, in recognition of ignorance about the impact of drug education, seriously consider declaring a moratorium on all drug education programs in the schools, at least until programs already in operation have been evaluated and a coherent approach with realistic objectives has been developed. At the very least, state legislatures should repeal all statutes which now require drug education courses to be included in the public school curriculum.

4. Government should not interfere with private efforts to analyze the quality and quantity of drugs anonymously submitted by street users and to publicize the news about market patterns and dangerously contaminated substances.

5. The government should not support, sponsor or operate programs which compel persons, directly or indirectly, to undergo chemical surveillance, such as urinalysis, unless the person is participating in treatment services, is a prospective or actual public employee, is charged with a crime or is a member of the military.

Federal

The federal government should fund prevention services through block and formula grants to the states, and sponsor basic research in the prevention area. The federal government should also retain discretionary funds for direct assistance to innovative and experimental programs, as well as to programs in communities receiving insufficient aid from the state.

State

1. The primary responsibility for designing a prevention strategy and operating appropriate programs should reside at the state and local levels. Each site should establish a comprehensive, statewide drug dependence prevention program including a full range of prevention services attuned to the needs of local communities and designed to reduce the likelihood that an individual or class of individuals will become drug dependent.

2. The state should assist local communities and institutions (such as universities, business and youth groups) to develop prevention services attuned to their respective needs; specifically, state agencies should help communities to select appropriate services and referral procedures and develop evaluative criteria.

Community

1. Prevention requires community-wide strategy, in which all members of a community, and not merely the schools, acquire information about drug use, so that all can work at improving the situation.

2. Community-based prevention services should be initiated only after local policy planners have assessed the needs of their particular target populations.

3. Each community should give high priority to the development of crisis-intervention services for particular populations as part of its overall prevention services.

4. Local communities, with federal assistance and perhaps regional cooperation, should ensure that "hot line" information programs have qualified people running them and that the information they dispense is reliable.

Research

1. Congress should provide SAODAP now, and the Single Agency when and if it is created, with sufficient funds to design and direct an extensive program of research covering all studies touching on drug use. The Department of Health, Education, and Welfare should participate in the design of the research plan to avoid overlap and maximize the cost-effectiveness of federal research efforts. The research design itself should deal not only with the immediate information needed but also with requirements of future and long-term policy making. It should fund not only projects which produce quick results, but also those often overlooked, requiring several years to generate useful data.

2. Money should also be available for non-directed research projects, not included in the plan. These should be handled separately from the directed research, but coordinated with it to avoid duplication of effort.

3. SAODAP (or the Single Agency) should continually monitor all reports of independent research in the biological, behavioral, or social sciences, for further leads in understanding drug-taking behavior.

4. In particular, the directed research plan should include:

(a) A continuing series of projects similar to the two Commission-sponsored National Surveys, as well as other studies to provide a longitudinal data base on public attitudes and drug-taking behavior.

(b) Etiological research focused on populations exhibiting low, as well as high, incidence of use. It is of equal importance for policy purposes to examine and understand those groups who explicitly disavow drug use and faithfully abide by this norm. Techniques, such as medication, which have been employed as alternatives to drug use should also be studied.

(c) Continued support of the basic clinical research program at the NIMH Addiction Research Center in Lexington, Kentucky.

(d) Examination of how well drug offenders perform while on conditional release, including bail, parole, probation and treatment, so that the criminal justice system can better design and implement diversion programs. Also of importance are studies to determine the effect of incarceration for drug offenses on users, especially young users and first offenders.

(e) Longitudinal studies of persons who have completed treatment, comparing them to those who left treatment programs before completion and those who never entered treatment.

(f) Careful systematic study of the dynamics and consequences of systems in other countries where heroin is freely available.

(g) Study of synergistic effects of various psychoactive substances currently used, whether licitly or illicitly. In particular, the National Institute of Alcohol Abuse and Alcoholism should perform ongoing research into the effects of taking alcohol with other drugs, since alcohol is legally available and often used this way.

(h) Research on the effects of drug use on driving. For both research and traffic safety purposes, simple and quick methods for detecting presence of drugs in the body must be refined.

5. The federal government should provide technical assistance and necessary funding to establish a uniform reporting system, together with necessary laboratory support, on drug morbidity and mortality statistics. The current absence of reliable and comparable data in this area has left serious gaps in effective planning with respect to prevention, treatment and control.

6. Government should remove legal and bureaucratic obstacles to research into the possible therapeutic uses of currently prohibited substances, such as marihuana and hallucinogens.

RECOMMENDATIONS FOR PRIVATE INSTITUTIONS

Health professions

1. Schools of medicine, pharmacy, nursing, and public health should include in their curricula a block of instruction dealing with the social and medical aspects of drug use. This instruction should be so designed that health professionals are adequately informed of the problems and possibilities of treating drug use and dependence and understand as well the wider social implications of both licit and illicit drug use.

2. The medical profession should prepare criteria for use of all psychoactive drugs in medical practice. These guidelines should stress restraint in use of such drugs, emphasizing that they are not a treatment of first resort and that when prescribed, they should be given in the smallest dosage units and doses possible. Medical societies should see that the guidelines are widely distributed among health professionals and, in simplified form, made available to patients themselves. Professional organizations should also conduct continuing education courses in the uses and dangers of psychoactive substances.

3. Both doctors and pharmacists should expressly warn patients of the risks of dependence, overdose, and use in conjunction with similar drugs such as alcohol.

Pharmaceutical industry

Manufacturers

1. Manufacturers of psychoactive substances should undertake a major campaign to educate both health professionals and the public about the appropriate role of these drugs in treatment of conditions of anxiety, tension, and depression. Information and advertising aimed at physicians should: emphasize the need for restraint in use of these drugs, particularly the more powerful ones: point out alternative therapies; and plainly disclose harmful side-effects, risks in prolonged use, and dangers in combining use with that of other drugs, including alcohol. In non-technical language, a series of public service advertisements should carry the same message to the lay public.

2. Drug companies should end the practice of sending doctors unsolicited samples of psychoactive drugs.

3. Manufacturers should contribute a significant part of their considerable research capacity to exploring the technical side of the drug use problem: the nature of drug dependence, the development of less harmful substitutes for those substances most often associated with disruptive use patterns, and the search for "anti-drugs"—chemical correctives to dependent and chronic use of psychoactive substances. In particular, the industry should continue to pool its knowledge and resources in the search for effective opiate antagonists.

4. Advertising of proprietary, mood-altering drugs should omit suggestions that the substances can result in pleasurable mood alteration or deal with malaise caused by stress or anxiety. Proprietary drug producers should develop clearly defined standards, which reflect correct use of home-medications, and establish a procedure for insuring industry-wide compliance with these standards. At a minimum, the procedure should contain the following elements:

(1) An independent mechanism to review any advertisement for compliance with the advertising standards;

(2) Opportunity for any member of the public to submit an advertisement for review; and,

(3) Specific sanctions to be imposed on advertisers who do not abide by decisions of the review board.

Retail pharmacies

1. At the retail level, all pharmacists should verify the identity of persons seeking prescription psychoactive drugs. They must also vigorously enforce the regulations which apply to over-the-counter cough preparations containing codeine.

2. Steps should be taken to reinvolve the community pharmacist in the consumption-decision, particularly with respect to psychoactive substances.

Alcohol industry

1. The alcohol beverage industry should take the lead in funding research into the nature of compulsive alcohol-using behavior and the relation between alcohol use and traffic accidents, violent crimes, and domestic difficulties.

2. Manufacturers and distributors of alcoholic beverages should inform the public that compulsive use of alcohol is the most destructive drug-use pattern in this nation. Advertising should emphasize moderate, responsible use and point out the dangers of excessive consumption.

3. The industry should reorient its advertising to avoid making alcohol use attractive to populations especially susceptible to irresponsible use, particularly young people.

Legal profession

1. Bar associations should conduct seminars and courses on handling criminal drug cases. Law schools should develop courses dealing with drug use and behavior as part of the wider socio-legal problems confronting the legal profession.

2. Lawyers, operating both individually and through bar associations, must point out to the public the need for alternatives to the legal response and the urgency of involving other social institutions in the effort to control drug-using behavior. By the same token, the bar has an equally important ob-

ligation to discourage any violations of the law.

Industry

1. Management and unions, supported by the Departments of Labor and Commerce, should cooperatively undertake a comprehensive study of employee drug use and related behavior.

2. The business community should not reject an applicant solely on the basis of prior drug use or dependence, unless the nature of the business compels doing so. When pre-employment screening is necessary, companies should establish appropriate screening procedures, including physical examinations, for job applicants and keep the results confidential.

3. Industry should consider alternatives to termination of employment for employees involved with drugs. Where the nature of the business allows, employees should be referred to company-run or other public and private rehabilitation or counselling programs.

4. The business community should consider adopting employee programs patterned after the "troubled employee" or "employee assistance" concept. This program consists of a management control system based on impaired job performance, determined by minimum company standards. It seeks to determine and treat the underlying causes of poor performance—whatever they may be—rather than limiting itself to the standard responses.

5. The fact of treatment and rehabilitation should be confidential to encourage employees to accept counseling and other assistance. No record of the employee's drug problem should be carried in any file which is open to routine inspection. If treatment requires a temporary absence, the company should attempt to keep the employee's job open for that person.

Colleges and universities

1. Colleges and universities should make their policies and practices regarding drug use, including alcohol, explicit, unambiguous, and readily available to all students.

2. Even those colleges and universities which strongly disapprove of student drug-use behavoir should expand their counselling services, rather than rely upon disciplinary measures alone.

3. Counselling, treatment and rehabilitation programs on campus should ensure confidentiality to their student clients. Specific rules should be set up indicating to whom confidentiality will be extended and under what circumstances.

Mass media

1. Since governmental intervention is inappropriate here, the media, on their own initiative, must reexamine the impact of informational messages on youthful interest in psychoactive drugs. They should look not only at advertising but also at anti-drug public service announcements, at program content, and at news coverage of "drug stories."

2. In conjunction with their self-appraisal, the media should sponsor and support long-term, longitudinal research into effects of various communications on behavior.

Mr. JAVITS. Mr. President, one of the most informative and useful studies conducted by the Commission was a nationwide survey of drug experience, attitudes, and related behavior prepared by the Response Analysis Corp., of Princeton, N.J. It was based upon a national probability sample designed to study these factors among those under 18 years of age and adults. The Commission has issued a summary of the major statistical data found in this survey. I ask unanimous consent that these excerpts be printed in the RECORD.

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

NATIONAL COMMISSION ON MARIHUANA AND DRUG ABUSE EXCERPTS FROM NATIONAL SURVEY OF DRUG USE AND ATTITUDES

The nationwide survey of drug experience, attitudes and related behavior, conducted for the Commission by Response Analysis Corporation of Princeton, New Jersey, is based upon a national probability sample designed to study two parts of the population: adults (18 years and older) and young people (12–17 years old). The findings are based upon responses to face-to-face interviews, conducted during September and October, 1972, given by a total of 3,291 persons (2,411 adults and 880 youth). The data show that:

(1) 24 percent (5,977,200) of youth and 53 percent (74,080,220) of adults had consumed an alcoholic beverage within the week prior to the Survey.

(2) Within the same seven day period, 17 percent (4,233,850) of youth and 38 percent (53,114,120) of adults had smoked tobacco.

(3) 14 percent (3,486,700) of youth and 16 percent (22,363,840) of adults had used marihuana at one time or another, (a two million increase from last year); 13 million stated they consider themselves present users.

(4) 6.4 percent (1,593,920) of youth and 2.1 percent (2,935,254) of adults have experimented at some time with inhaling glue vapors or other volatile solvents.

(5) 3 percent (747,150) of youth and 4 percent (4,590,960) of adults have taken sedatives (barbiturates, hypno-sedatives) for nonmedical reasons.

(6) 3 percent (747,150) of youth and 6 percent (8,386,440) of adults have used tranquilizers (librium, meprobamate, etc.) for nonmedical purposes.

(7) 4 percent (996,200) of youth and 5 percent (6,988,700) of adults have utilized prescription stimulants (amphetamines) for nonmedical reasons.

(8) 6 percent (1,494,300) of youth and 7 percent (9,784,180) of adults have tried proprietary or over-the-counter sedatives, tranquilizers and stimulants for nonmedical purposes.

(9) 4.8 percent (1,195,440) of youth and 4.6 percent (6,429,604) of adults have used LSD or some other hallucinogenic drug.

(10) 1.5 percent (373,575) of youth and 3.2 percent (4,472,768) of adults have tried cocaine at least once.

(11) 0.6 percent (149,430) of youth and 1.3 percent (1,817,062) of adults have tried heroin at least once.

The Survey data on heroin and cocaine use undoubtedly underestimate the amount of use. The majority of street heroin-dependent persons were unlikely to be counted in a household survey such as was conducted by the Commission, because these persons frequently do not have fixed addresses and are otherwise likely to remain "invisible" from census tabulations and other means of identification and enumeration.

Among the number of persons whom the Commission has identified as having used heroin, only a very small percentage, probably less than one-half of one percent, could be classified as heroin-dependent. What this means is that in addition to the substantial but unknown number of heroin-dependent persons at large, we have a substantial number of adults and youth who are not dependent upon heroin but who are "chipping" or experimenting with this very dangerous drug.

Alcohol and tobacco, along with marihuana, are the most widely used drugs in America among both adults and youth. The Commission's study further indicates that about 10 percent of all adults are "heavy smokers" or persons who use more than one pack a day. Among the youth the survey found relatively few "heavy smokers," with most of the teenage group reporting usage of a half pack or fewer cigarettes daily. The National Survey sought to find out about the use of ethical psychotropic drugs (sedatives, tranquilizers, and stimulants) for other than medical purposes. The Survey findings indicate that there is a substantial amount of use of these drugs for nonmedical purposes. The actual amount of such nonmedical use of prescription drugs is very likely to be even higher than the Commission's study found because many persons are unfamiliar with these drugs and, consequently, may not have known of or reported their use. Few persons, adults as well as youths, are aware of the potential effects of these drugs, especially when they are used in combination with another drug, including alcohol, or, as frequently happens, when the dosage taken is substantially greater than medical practice would prescribe.

NATIONAL COMMISSION ON MARIHUANA AND DRUG ABUSE—REPORTED EXPERIENCE WITH DRUG USE FOR RECREATIONAL AND NONMEDICAL PURPOSES BY AMERICAN YOUTH AND ADULTS [1]

[Based on 2d national survey, 1972]

	Youth		Adults	
	Percent	Population	Percent	Population
Alcohol beverages [2]	24.0	5,977,200	53.0	74,080,220
Tobacco, cigarettes [2]	17.0	4,233,850	38.0	53,114,120
Proprietary sedatives, tranquilizers, stimulants [3]	6.0	1,494,300	7.0	9,784,180
Ethical sedatives [3]	3.0	747,150	4.0	5,590,960
Ethical tranquilizers [3]	3.0	747,150	6.0	8,386,440
Ethicel stimulants [3]	4.0	996,200	5.0	6,988,700
Marihuana	14.0	3,486,700	16.0	22,363,840
LSD, other hallucinogens	4.8	1,195,440	4.6	6,429,604
Glue, other inhalants	6.4	1,593,920	2.1	2,935,254
Cocaine	1.5	373,575	3.2	4,472,768
Heroin	.6	149,430	1.3	1,817,062

[1] Figures are not additive, thus, they do not total 100 percent Youth include ages 12 to 17, total population 24,905,000. Adults include ages 18 and over, total population 139,774,000.
[2] Within past 7 days.
[3] Nonmedical use only.

Mr. JAVITS. Mr. President, the more than 60 research studies undertaken by the Commission, together with the technical papers from which our report was drawn will be published in several volumes and made available as an appendix to the report early next summer.

As the Commission has now concluded its work, I wish to commend its members and staff for the extraordinary commitment which they made in time and energy to this important work. The Commissioners—all of whom had difficult and time-consuming responsibilities in their own private and professional lives—brought a wide diversity of experience and viewpoint to the deliberations of the Commission. In addition to Senator HUGHES and myself, the members were:

Chairman, Raymond P. Shafer, former Governor of Pennsylvania and presently chairman, TelePrompter Corporation, New York, N.Y.

Vice Chairman, Dana Lyda Farnsworth, M.D., professor emeritus, Harvard School of Medicine.

Henry Brill, M.D., director, Pilgrim State Hospital, West Brentwood, N.Y.

John A. Howard, president, Rockford College, Rockford, Ill.

Charles O. Galvin, school of law, Southern Methodist University, Dallas, Tex.

J. Thomas Ungerleider, M.D., associate professor of psychiatry, U.C.L.A. Neuropsychiatric Institute, Los Angeles, Calif.

Mrs. Joan Ganz Cooney, president, Children's Television Workshop, New York, N.Y.

Mr. Mitchell Ware, deputy superintendent of police, Chicago Police Department, Chicago, Ill.

U.S. Representative TIM LEE CARTER of Kentucky.

U.S. Representative PAUL G. ROGERS of Florida.

In addition, I should like to mention the considerable contribution to the report made by four of the Commission's staff members. Mr. Michael Sonnenreich, the Executive Director of the Commission and its chief of staff, Deputy Director Louis P. Bozzetti and Associate directors Richard J. Bonnie and Ralph M. Susman performed their extraordinarily difficult tasks with great competence and singular dedication.

Mr. President, an editorial in Tuesday's New York Times comments upon the work and recommendations of the Commission. The Times points out that our drug laws must rest on reason and fact to win public respect. Our Commission has sought to respond to the American drug problem with reason and fact. I believe that it has thoroughly achieved that objective and that it has done so with intelligence, insight, and great distinction.

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

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

STILLING DRUG HYSTERIA

The National Commission on Marijuana and Drug Abuse has just issued a carefully documented final report that is sweeping in scope and fully reflective of a two-year effort to dig into the difficult area of excessive drug use in modern society. The report's major contribution is to substitute a calm appraisal for the nation's lingering hysteria about drugs, especially in regard to their use by the young. It is perhaps a measure of this hysteria that the report found it necessary to reassure Americans that the drug problem will not "collapse our society."

In its useful sections putting today's drug problems in historical perspective, the report notes that alcohol and tobacco should also be classified as drugs and that the compulsive use of alcohol remains the nations' most serious drug problem. It suggests that drugs should be judged not only for their impact on individuals but also for their impact on society and that, under any reasonable standard, marijuana ought to be decriminalized. Marijuana is assigned a "low priority" of risk, and the commission reiterates the recommendation it made earlier that penalties be abolished for its private use and possession.

Noting that Federal spending to combat the drug problem approaches the $1-billion mark, this cautious report warns against "an entirely new drug abuse industrial complex" dedicated to developing preventive and treatment programs but with a stake in perpetuating, rather than solving, the drug problem. It quite properly stresses a need for audit and evaluation of drug programs which sometimes may be doing more harm than good while wasting taxpayer dollars.

The commission's proposal for concentrating all governmental efforts dealing with drug problems, whether with their medical or criminal aspects, in one giant Federal agency is of dubious value, but the report commands unanimous agreement of its distinguished signatories on a number of other solid points.

What is manifestly true is that laws, including marijuana laws, must rest on reason and fact to win public respect. And spending programs, even crash programs mounted in a spirit of crisis, require diligent auditing. In all, the report of the commission, chaired by former Gov. Raymond P. Shafer of Pennsylvania is a sound battle plan for a more intelligent attack on this nation's drug scourge.

ADMINISTRATION REVERSAL OF HOUSING COMMITMENTS

Mr. MOSS. Mr. President, the Department of Housing and Urban Development is apparently reversing commitments it has made to housing projects throughout the country. This action goes beyond the freeze announced by the President stopping all new housing programs. That freeze was deplorable, but the decision to go further than that—to pluck out of the project files and reverse commitments that have actually been made creates a very serious attack on the credibility of our Federal Government.

I am talking about projects when an actual notification of contract approval has been issued by HUD. These notifications have been issued to congressional offices, and we in turn have announced them to local authorities who have heralded the approval of these long-sought funds. In many cases, years have been invested by the local housing authority to prepare applications, to revise them according to HUD directives, and to pursue them to completion. The joy that came with the announcement of the approved contract has now crumbled into the dust of despair brought by the suspension of funds and action that clearly indicate that HUD is attempting to reverse firmly made commitments.

This problem is pervasive throughout the country. In the Denver Regional Office, 13 projects are reported to be in need of "reprocessing"—six of these fall in Colorado, and three fall in my home State of Utah. All three projects are ones that I have announced to local authorities in Beaver, Utah, the Ute Indian Tribal Housing Authority at the Uinta and Ouray Indian Reservation, and the Salt Lake Housing Authority. These announcements were made after receiving a formal HUD notification, in writing. I ask that copies of these notifications appear in the RECORD at the end of my statement. The commitments made to these housing authorities should not be allowed to be reversed by HUD. To do otherwise will compromise the integrity of the whole process of announcing the approval of Federal projects. A credibility gap will be created between the public, their congressional representatives, and the administration. Such arbitrary and unwarranted actions will undermine the trust of the people in their government. We have heard much about building such trust, and reversing negative views held for government, but such promises become empty in the face of concrete actions that threaten the mutual trust of local officials, Members of Congress, and Federal agencies.

How did HUD reach a decision to reverse previous commitments and call for "reprocessing" of applications? Review teams were dispatched from Washington to the regional offices of HUD in January and February. Ostensibly their purpose was to review applications that were still in the pipeline to see whether or not they qualified for funding before the President's freeze was announced. In fact, it appears that these review teams were instructed to cut off and reverse as many projects as possible. The review teams have presented the arguments that many projects were approved in a flurry of action in December when rumors of a possible freeze in HUD projects began to circulate. This is flatly not true. Each of the projects now jeopardized in Utah were based on years of work, careful planning, proper requests for bids, and careful evaluation of community needs. The arguments used by the review teams sent from Washington appear simply to be a cover for brutally jeopardizing projects that have been approved through mutual good faith by local and Federal authorities. The case of the application of the Salt Lake City Housing Authority for the construction of 50 low-rent housing units for families illustrates the arbitrary action of the administration. A contract—an actual contract, not simply a letter of commitment—was received by the Salt Lake City Housing Authority, signed and executed, and returned to HUD. No further word has been received by Salt Lake. Then a notification of contract approval was released by HUD to congressional offices. This in turn was forwarded to the local authority. Based on this documentation, the housing authority has made specific commitments to the developers selected and now finds itself in the position of a possible legal responsibility should HUD withdraw its contract.

I believe there are serious legal ramifications to the actions being taken by HUD. But even more fundamentally, that action threatens the basic relationship between people and their government.

I would hope that the administration would reconsider its ill-conceived actions. I would also urge Senators to join in urging the administration to take a more rational and responsible stand on the housing program.

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

HUD NOTIFICATION: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project Number Utah 3–5.

Approval by Secretary George Romney.

Type: — Loan — Grant X — Contract — Reservation —.

Name of Program Low-Rent Public Housing Program—Turnkey Method.

Amount Obligated Today $——.

Amount Previously Obligated $—— Total Amount $352,200 (TDC).

Recipient and Location of Project Housing Authority of the County of Salt Lake, Salt Lake County, Utah.

Purpose and Brief Description of Project Construction of 15 low-rent housing units for families.

Other Agencies/Contractors Involved ——.

Additional Information ——.

For Further Information: Brian L. Sellers, Executive Director, Housing Authority of the

County of Salt Lake, 2880 South Main Street, Office 206, Salt Lake City, Utah 84111.

HUD NOTIFICATION: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project Number Utah 4–3.
Approval by Secretary George Romney.
Type—Loan—Grant X—Contract—Reservation—.
Name of Program Low-Rent Public Housing—Turnkey Method.
Amount Obligated Today $——.
Amount Previously Obligated $——.
Total Amount $1,145,000 (TDC).
Recipient and Location of Project: Salt Lake City Housing Authority, Salt Lake City, Utah.
Purpose and Brief Description of Project: Construction of 50 low-rent housing units for families.
Other Agencies/Contractors Involved——.
Additional Information ——.
For Further Information: Mr. Paul Herrick, Executive Director, Salt Lake City Housing Authority, Room 101, City & County Building, Salt Lake City, Utah 84111.

HUD NOTIFICATION: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project Number Utah 1–6.
Approval by Secretary George Romney.
Type:—Loan—Grant X Contract—Reservation—.
Name of Program Low-Rent Public Housing Program–Turnkey Method.
Amount Obligated Today $——.
Amount Previously Obligated $——.
Total Amount $922,000 (TDC).
Recipient and Location of Project: Ute Indian Tribal Housing Authority, Uintah & Ouray Indian Reservation.
Purpose and Brief Description of Project Construction of 40 low-rent housing units—30 for Indian families and 10 for Indian elderly.
Other Agencies/Contractors Involved——.
Additional Information ——.
For Further Information: Thomas G. Appah, Executive Director, Ute Indian Tribal Housing Authority, Uintah & Ouray Indian Reservation, Fort Duchaane, Utah 84026.

HUD NOTIFICATION: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project Number Utah 6–1.
Approval by Secretary George Romney.
Type: — Loan — Grant X Contract — Reservation—.
Name of Program: Low-Rent Public Housing—Turnkey Method.
Amount Obligated Today: $——.
Amount Previously Obligated: $——.
Total Amount: $370,000 (TDC).
Recipient and Location of Project: Beaver City Housing Authority, Beaver, Utah.
Purpose and Brief Description of Project: Construction of 20 low-rent housing units for elderly Indians.
Other Agents/Contractors Involved: ——.
Additional Information: ——.
For Further Information: Mr. Halbert T. Lund, Chairman, Beaver City Housing Authority, P.O. Box 469, Beaver, Utah 84713.

Senator FRANK E. MOSS,
Capitol Hill,
Washington, D.C.:

The Ute Indian Tribe received a telephone message from the local housing authority that a delay in elderly and low rent projects number D227–U1–S, forty units was announced by the Housing Urban Development Regional Office, Denver, Colorado on March 13, 1973. The program was approved May 2, 1972 with an $8,000.00 preliminary loan. Invitations to bid were published October 12, 1972; a developer was selected and plans were approved by the authority. The program was publicly announced on January 1 1973. Delays are a handicap in the short summer construction period in this area and we urgently request your immediate assistance in getting our program started by April 1, 1973.

FRANCIS WYASKET,
Chairman Ute Indian Tribe.

ENERGY-ENVIRONMENT-ECONOMY CRISIS

Mr. FANNIN. Mr. President, a very interesting and unusual article by J. T. Claiborne, Jr., chairman of the board of Consolidated Appraisal Co., appeared in the March 22, 1973, New York Times.

The article is short, striking directly to the heart of our energy-environment-economy crisis.

I request that this brief article be printed in the RECORD for the benefit of Senators who are concerned about how we will deal with these crucial issues.

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

A CRISIS NOT OF ENERGY BUT OF MONEY-CHANGERS

(By J. T. Claiborne Jr.)

We are no longer energy-rich. We have become energy-poor, and until we solve our energy shortage, the world's currency managers will distrust the dollar—even when our inflation rate is below that of other nations. They see that we have a new and progressing malignancy that plagues our hopes and even our treadmill efforts.

A measure of our new vulnerability are the projections by Ford, Bacon & Davis Inc., that we will need to import $14 billion of oil and gas by 1975; $30 billion by 1980 and $54 billion by 1985. Until a few months ago, that import rate was $5 billion. It is now over $7 billion, about the same as our over-all trade deficit, which is already intolerable.

The projections are fantasies. Long before 1985, such import needs would bankrupt America, eliminating us as a customer. Our only realistic alternatives are: (a) promptly developing our indigenous reserves of fossil fuel, (b) violently forcing our will on the Arabs, who own two-thirds of the world's developed oil, or (c) collapsing our economy and living standards to Spartan levels.

Of the three alternatives, only the self-improvement one is acceptable. It is also attainable. We have more than enough undeveloped oil, gas and coal. Make that useful and we could be reasonably independent and affluent until, as we must, we have economically and amply harnessed the energy of uranium, the sun, the tides and the heat in the earth's depths.

Unlike China, which is largely a human energy society, we have long been both liberated and straitjacketed by an economy which is totally dependent upon growing quantities of mechanical energy, 75 per cent of it coming from petroleum and natural gas. Western Europe, Israel and Japan are equally dependent. Our joint enthrallment to the Arabs is now stringent and obvious to our potential enemies.

America is uniquely vulnerable. Foreigners now hold over seventy million of our dollars, at least half of which are a nervous glut. Moreover, our people regard it is an inalienable right to receive ever-rising wages and salaries that are always substantially above those paid elsewhere. That bounty would not have been possible without our uniquely abundant and cheap mechanical energy. Stripped of that advantage, and possibly forced to import half or more of our energy needs, we must begin to compete, man to man, in a fierce arena. The money-changers fear the social and political implications of that ugly transition.

We can eliminate our economic cancer. Fortunately, simply giving convincing evidence that we will immediately attack this problem aggressively and wisely could significantly moderate the attitudes of the money-changers and the Arabs even though adequate, concrete results might not be achievable for seven or more years. Until we are validly dedicated, our negotiating strength, and that of our friends, will degrade at a shocking rate.

The wisdom we shall need to avoid economic disaster will entail some bitter choices. It will demand a far greater willingness to compromise on that sacred cow, "tax reform," and such truly sacrosanct issues as Alaska's pristine beauty and the purity of the air we breathe. Unless we now compromise sensibly, the rigors of economic contraction could, before 1975, politically force roughshod abuses on our environment. The ecologists' trading stance, now strong, is in grave danger.

Remember, we must convince savvy, cynical money-changers. They will only question our political sophistication. That type always looks for the Achilles heel. For more than a dozen years we have persisted on a self-destructive political course even though our energy crisis was an obvious threat. We have been naive.

The Federal Power Commission artificially stimulated consumption of natural gas with regulated prices that also discouraged exploration and development. While nature was forcing prospectors to drill deeper, costlier wells in the most hostile places, "tax reformers" sharply reduced the incentive for such endeavors. They used the large Alaskan discoveries as their excuse and then well-meaning but uncompromising ecologists blocked the shipment of this oil. Amateur fears stopped the building of atomic energy plants.

We have neglected our heritage by disbanding to caterwaul ideological opposites instead of jointly seeking our common good. It is high time we exercised enough political maturity to save our economy and make the dollar creditable. We need to be rescued by serious students. The dillettantes are clobbering us.

RESOLUTION OF APPRECIATION TO FORMER SENATOR ALLOTT

Mr. JACKSON. Mr. President, at a recent meeting the Committee on Interior and Insular Affairs adopted a resolution expressing appreciation to our former colleague and ranking Republican member, the Honorable Gordon Allott, of Colorado.

I am especially pleased that the committee has taken this means to give recognition to the outstanding and dedicated service Senator Allott rendered to the committee and to the Senate.

For some 16 years I had the pleasure of working closely with the Senator from Colorado, and at all times I found him to be cooperative, fair and, above all, interested in bringing out of the committee the best legislation possible. I know that without the leadership he so willingly brought to our many tasks there would not have been the volume of progressive legislation the Interior Committee has been able to report in recent years. We shall miss Senator Allott's invaluable assistance very much.

Mr. President, I ask unanimous consent that the resolution adopted by the committee, be printed in the RECORD.

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

RESOLUTION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. SENATE

Whereas, the Honorable Gordon Allott, of Colorado, did serve as a Member of the Senate Committee on Interior and Insular Affairs for some sixteen years, having been appointed to said Committee at the beginning of the 85th Congress; and

Whereas, Senator Allott served as ranking Republican Member of the Committee from January 1969 to January 1973; and

Whereas, Senator Allott did during the years of his association with the Committee play a key role in the consideration and shaping of legislation affecting the Indian tribes, mines and mining development, water and power resources, the public lands, parks and recreational facilities, and the territories of the United States:

Now, therefore, be it resolved, That the Members of the Senate Committee on Interior and Insular Affairs in executive session assembled do hereby express sincere appreciation to the Honorable Gordon Allott for his years of dedicated service to the Senate, his State, and the Nation.

RESOLUTION OF APPRECIATION OF CHARLES F. COOK, JR.

Mr. JACKSON. Mr. President, the Committee on Interior and Insular Affairs, at the executive meeting of January 23, adopted a resolution expressing appreciation to Mr. Charles F. Cook, Jr., for the dedicated service rendered to the committee during the period in which he was minority counsel.

Mr. Cook was appointed by Senator Allott, of Colorado, at the outset of the 91st Congress. During the 4 years of his association with the committee, as the resolution states:

Mr. Cook's services, both professional and personal, were equally available to all Senators on the Committee from either Party and were rendered with professional skill, enthusiasm, and conscientiousness in conformity with the highest traditions of the legal profession of which he is a member.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

RESOLUTION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. SENATE

Whereas, Charles F. Cook, Jr., did serve as the Minority Counsel of the Senate Committee on Interior and Insular Affairs for some four years, having been appointed, with the full concurrence of the membership of the Committee, by Senator Gordon Allott of Colorado at the beginning of the 91st Congress; and

Whereas, Mr. Cook's services, both professional and personal, were always equally available to all Senators on the Committee from either Party and were rendered with professional skill, enthusiasm, and conscientiousness in conformity with the highest traditions of the legal profession of which he is a member:

Now, therefore, be it resolved, That the Members of the Senate Committee on Interior and Insular Affairs in executive session assembled do hereby express appreciation for the dedicated service rendered by Charles F. Cook, Jr., to the Committee, the Senate, and to the Nation.

HIGH PRICES FOR NONFOOD ITEMS

Mr. CURTIS. Mr. President, I wish to speak about inflation and the great increase in the nonfood costs of the American households.

Inflation is here. It is a real problem. The farmers did not cause it. The farmers' income is still only 80 percent of the income of nonfarm people, and food costs have not increased as much as nonfood costs.

According to Labor Department statistics, a 1-year market basket of food for a family that cost $985 in 1952 now costs $1,409. This means that food has gone up by 43 percent in a period of 21 years. Back in 1952 the farmers' share of the food dollar was 47 percent. In February 1973 it was down to 43 percent.

Now let us look and see what has happened in reference to some nonfood items. I have selected some items that are common to every household. These figures are from Labor Department statistics.

A man's suit costs 87 percent more now than it did in 1952—and 62 percent more than in 1962.

A set of tires is 22 percent more than in 1952—28 percent more than in 1962.

A pair of men's shoes costs 81 percent more than in 1952—and 47 percent more than in 1962.

Women's shoes cost 94 percent more than 1952—47 percent more than in 1962.

Your stay in a hospital is 371 percent higher than 1952—165 percent more than in 1962.

It costs 97 percent more for automobile repair than it did in 1952—34 percent more than 1962.

These percentages are interesting and show how most of these nonfood products and services have steadily increased over the past 20 years—while farm prices fluctuated greatly. As the percentages show the trend, I would also like to present the actual dollar cost of some of these items.

A lady's dress that cost $5.94 in 1952 now costs $13.80.

A man's suit that cost $43.60 in 1952 now costs $79.80.

A pair of work shoes that cost $6.98 in 1952 now costs $14.30.

Your telephone bill has increased from $3.06 per month to $6.26.

The newspaper subscription has increased from $8.50 to $17 per year—this is the average price and includes all newspapers, weeklies and daily alike, and does not reflect the home delivery costs we pay for our metropolitan dailies.

That household hammer that you paid $2.42 for in 1952 now costs $5.15.

To have your car brakes relined is up from $17.10 in 1952 to $39.70.

While I have not attempted to enumerate every item that is used, I believe these items are representative of the general price increase that we have experienced. It is clear that the price for nonfood items has increased a great deal more than food prices.

Here I want to stress, however, that farmers do not sell bread—they sell wheat. Farmers do not sell meat—they sell cattle and hogs. Those prices are not out of line. They have been substandard for a long time. Farmers are facing a tremendous increase in their costs, a breakdown of railroad transportation, and many other problems. Within the last few days the prices paid to farmers for hogs and cattle have dropped materially. Wheat is down 60 cents per bushel.

There is a temptation on the part of some to mislead the public on the basis causes of inflation and mislead the public on the fact that nonfood prices have gone up more than food prices in an effort to place price controls on raw agricultural products and in an effort to drive down the price of food.

When a politician or a writer clamors for a reduction in the price of food, where does he think the reduction will come? Does he think that the wages paid in the supermarket will be lowered? Of course not. Does he believe that the rent, utilities, insurance and other costs of running the supermarket will be lessened? Of course that will not happen. Does he expect that the costs of paying the social security tax by the supermarket will be reduced? It is not going to be reduced—it is going to be increased.

Many are demanding a reduction of prices paid to farmers. This I resent. It is unjust. It is an attack upon a minority of the American people whose income amounts to only 80 percent of the income of nonfarm people. I am making this statement in an effort to appeal to fair play for American agriculture.

WALTER LIPPMANN'S POLITICAL VIEWS

Mr. BROCK. Mr. President, Walter Lippman has been one of the giants of American political thought for decades. His opinions have generally been controversial, but they have always been respected. His credibility has been total; his intellectual honesty unchallenged.

Recently, in an interview with his biographer, Ronald Steel, he revealed some perspective on current political questions and on the long-range prospects for our American Republic.

I believe that his insights deserve wide currency. I ask unanimous consent that they be printed in the RECORD.

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

LIPPMANN: NIXON HANDLING ROLE WELL

EDITOR'S NOTE.—Walter Lippmann, the retired columnist renowned for his political commentary, was interviewed by his biographer, Ronald Steel, who also is the author of "Pax Americana" and "Imperialists and Other Heroes." The interview took place in Lippmann's New York City apartment Feb. 25. Lippmann was hospitalized this week.)

(By Ronald Steel)

QUESTION. Nixon's been President for over four years. How would you assess his performance?

ANSWER. His role in American history has been that of the man who had to liquidate, defuse, deflate the exaggerations of the romantic period of American imperialism and American inflation. Inflation of promises, inflation of hopes, the Great Society, American supremacy—all that had to be deflated, because it was all beyond our power and beyond the nature of things. His role has been to do that. I think on the whole he's done pretty well at it.

Q: Aside from his prolongation of the Vietnam war, which you've criticized, how do you feel about his domestic policies?

A: He will do anything he thinks is expedient.

Q: Is that necessarily a bad thing?

A: No, it isn't. He's a Keynesian when it suits him, and he isn't when it doesn't suit him. That's the way public men have to act.

Q: You see him as responsive to public mood.

A: He's very cunning.

Q: So you would give him rather high marks?

A: Yes. He has played a very disagreeable role, but a role imposed upon him by historical necessity.

Q: Do you look on Nixon's crushing defeat of McGovern as merely a personal victory, or as something deeper—a repudiation of the philosophy of the New Deal and of the Great Society?

A: My feeling is that what happened in the Nixon-McGovern election is what happens in all elections of advanced modern industrial societies when the basic policy of the Jacobin or Rousseauistic philosophy is repudiated. By that I mean the belief that man is essentially good and can be made perfect by making the environment perfect, and that his environment can be made perfect by taxing the mass of people to spend money for improving it, Modern society won't accept that philosophy and it is usually repudiated. Sometimes the repudiation takes the form of fascism, but this rejection is morally and intellectually the equivalent of it, without some of the ugly features of fascism.

"I supported Nixon in '68 and I preferred him vastly to McGovern in '72. . . . Nixon has performed a service that historically had to be performed if American society was not to be blown up or disintegrate or crumble."

Q: What do you mean by the "Moral equivalent" of fascism?

A: The equivalent of facism in my view is the repudiation by the society, by the masses of people, of the whole Rousseauistic belief in man's inherent goodness and perfectability. The mechanics of the repudiation is another matter. Whether the society takes the form of a dictatorship or a parliamentary system is a secondary question to what is being repudiated.

Q: Were these ideas repudiated because they were too ambitious, or because they represented something incapable of achievement?

A: I think they represent something that is incapable of being achieved in human society. They are philosophically and morally untrue. Man is not naturally good, nor is his nature perfectable by economic means. The Jacobin philosophy is being repudiated in every advanced society, because it involves attempting to do by taxation and appropriation of things not possible to do. It's not possible by government action or any other action I know to create a perfect environment that will make a perfect man.

Q: Do you believe that those policies did, in fact, fail?

A: I don't think every detail of those policies, every reform, failed. But the idea that motivated them has failed.

Q: If the ideal has been repudiated, then what happens to the effort to achieve social change through government action? Is that repudiated too?

A: It goes on, but there are a lot of errors that have been discarded in the course of human history, and this is one of them.

Q: Do you think that the effort to achieve any kind of social change through the government is undesirable?

A: Certainly, it's desirable. It's not the effort to achieve reforms that's wrong, but the inner ideological or philosophical content of these particular efforts. This is where the fallacy lies—the belief in human perfectability through government action.

Q: Did McGovern represent this philosophy?

A: Yes. McGovern believed in all the corollaries that go with this philosophy, and he espoused any one of them that seemed to him promising. In this election the people themselves showed that they won't have it. This is a philosophy that has been more or less prevalent in the Western world since the 18th Century. People have fallen for it for generations. But now it is being repudiated almost everywhere. Sooner or later it always gets repudiated.

Q: How does this philosophy of human perfectability through government action differ from the kind of liberalism represented by Lyndon Johnson?

A: The difference is that liberalism is a much more measured form of human improvement. It neither claims nor seeks the exaggerated results claimed by Rousseauism and Jacobinism. It regards man as improvable, but not perfectable; it takes a much more modest view of what mortal man is capable of doing.

Q. Were the goals of the New Deal and the Great Society rooted in this Rousseauistic or Jacobin approach?

A. Yes. We have been in the grip of this general view of the nature of society at least since Woodrow Wilson.

". . . The men who wrote the Constitution were rational gentlemen. They knew the system they were devising could not work unless the rules were respected. Their primary assumption was that the kind of people who were running the government would play by the rules. If the President refuses to do this, nothing works, and you don't have our constitutional system. The President of the United States is actually a king, with all the powers and all the limitations inherent in a king. What is important is that there be respect for the unwritten law, which is an important part of the American constitutional system."

Q. If this philosophy has been repudiated does this mean there will be less government intervention in the lives of the people?

A. No, I wouldn't say it would mean less intervention, but the difference between perfectability and improvability is a very big one. The belief in government as the agent of perfectability is what has been repudiated. People have rejected the idea that you can use the government—by controlling it, by getting the majority or physically seizing it—to do what I regard as what history has now shown to be impossible. Sometimes this repudiation can take the form of fascism. But it didn't here. Instead, it took the form of Nixon Republicanism. But a corruption of that, or a more extreme form of it, could lead to fascism, just as fascism can lead to Nazism. The Jacobin-Rousseauistic view of society and human nature will lead to the most dangerous forms of fascism or even Nazism if it is not brought under control.

Q: So this administration should be welcomed by liberals because it's headed off a reaction that could have degenerated into fascism?

A: I supported Nixon in '68 and I preferred him vastly to McGovern in '72. In that sense, yes. That doesn't mean I'm enthusiastically pro-Nixon. What he's done is historical; Nixon has performed a service that historically had to be performed if American society was not to be blown up or disintegrate or crumble.

Q: Nixon has certainly appealed to self-reliance and attacked the social welfare programs of the past four years. Won't this lead to a cynical neglect of the poor, the disadvantaged and the abandoned?

A: I thought there was no hope for those abandoned, if you call them that, members of society in those programs. These programs had been greatly excessive, as occurs in every advanced society. But it was much exaggerated in our society, because actually taking from those who had really meant taking from white to give to blacks. That was a cause of deep division and bad feeling in this country.

Q: But if the government does not play a big role, what hope is there for the disadvantaged?

A: I'm not accepting Nixon's philosophy. But no government can bring people up. They have to achieve it themselves. The belief that the government can do it is one of the great illusions of our time.

Q: In the kind of society we have, can the disadvantaged achieve economic and social equality?

A: I don't know. Nobody knows enough now to say yes or no to that question. There are all kinds of hidden assumptions we don't know the answers to.

Q: Being opposed to what you call Rousseauian Jacobinism, do you consider yourself a conservative?

A: I am a conservative: I think I always have been. But that doesn't mean I'm a conservative who agrees with William Buckley.

Q: What kind of conservative are you?

A: I never joined Barry Goldwater or anybody like that. I don't consider myself that kind. I hope and trust I am a conservative in the line of Edmund Burke. I believe in certain fundamental things in philosophy and constitutional law which are conservative as against the Jacobins.

Q: One of the definitions of conservation is a belief in a hierarchical traditional society. Do you believe in that?

A: Well, I believe in what we used to call meliorism. You can make things better, but you can't make them perfect.

Q: Is it effective to deal with the symptoms of poverty, for example, rather than the causes?

A: Can anybody know what the causes are? There are many causes: Laziness, wastefulness. Those are traits inherent in human beings. Some make for poverty, and some make for wealth.

Q: The liberal would say we can isolate and eradicate the causes of poverty.

A: Does he know them? If he thinks he does, he's mistaken.

Q: Is this rejection of the Rousseauian philosophy also a repudiation of the goal of social equality and progress?

A: Social equality, if you carry it far enough, is an absurdity. That doesn't mean that you have to be in favor of social privilege or inequality.

Q: I suppose the essence of Rousseau's thought is that man is corrupted by his environment and by social conditions—"Man is born free, but he is everywhere in chains." It's this conception you consider false?

A: Yes, if you like, that's one thing.

Q: If you reject Rousseau's argument that man is born free, but is enchained by unjust laws, how do you achieve equality and justice?

A: Look, man isn't born everywhere free and equal. It's impossible that he should be born that way. The Rousseau-Jacobin doctrine was that he could be perfected by changing his environment.

Q: If you reject this, isn't the alternative simply to ride along with the status quo?

A: I don't think so. I don't think it does at all. It just makes you work very hard. You have to do things specifically and practically and in accordance with the possibilities of man. I read the other day a quotation from a Chinese which seems to me to sum up that Jacobin view. He said, "On television we watched the men the Americans put on the moon. We are going to be the first to put a new man on earth." That, I think, is exactly the Jacobin revolutionary philosophy.

Q: I suppose the idea that man is not perfectable is based on the belief in original sin. Do you believe in original sin?

A: In that sense, yes.

Q: Has the power of the President grown because of the particular Presidents we've had, or as a result of America's vastly increased world role over the last 30 years?

A: Of course, as America's growing importance in the world has enlarged and America has accumulated more wealth and power, the presidency has gotten bigger. I suppose 50 years ago the world thought about the United States, but now they would never do anything without consulting it.

Q: Government is playing a much greater role in the lives of its citizens. Do you see this as irreversible?

A: Yes, I do. We're a mass society, and a great many of our troubles and evils come from that. There are too many people alive in order to govern, control them and inform them. You have to have things that you wouldn't have dreamt about if you had a smaller population.

Q. So even though the people have rejected the idea of the government as an agent of perfectability, they've accepted that the government must play a powerful role in their lives?

A: We've accepted it, but we're very rebellious about it, too. I mean, people hate filling out all the forms—I know we do in this house—and we have to employ lawyers and bank people and so on to fill out forms for us and tell us what they mean. That's a burden. There are a lot of people who have just resigned themselves, taken themselves out of what we would call the welfare state. They don't fill out the forms, they just don't live in it.

Q: As a result of this growing governmental role, do you see a danger of authoritarianism and repression?

A: There's always a tendency of the governing power to be repressive if it can be. That has to be resisted.

Q: What are the best means of resisting? Through the courts?

A: The role of people is crucial. We resisted Joe McCarthy in the 1950s by denouncing him. McCarthy didn't have enough power to arrest us, those of us who did denounce him, and so we revealed him for what he was. Finally, a lot of people got angry with him.

Q. Do you see the government's prosecution of Daniel Ellsberg as an act of repression or intimidation?

A. No, I don't think it's an effort to do that. I think the public papers which are classified and regarded as secret should not be stolen or revealed by anybody who is not willing to pay the price of doing it. It's the case of the Boston Tea Party: If the king's tea is there, and you dump it in the harbor, then you expect to pay the penalty of dumping it in the harbor. One thing I like about Ellsberg is that he doesn't deny that he will take the penalty.

Q. If there's a higher loyalty than the law itself, should those with the courage to defy it be applauded?

A. I think it was a good thing to reveal the Pentagon papers, because classification has become a vicious habit which needs to be resisted. But that doesn't mean that every paper should be stolen or revealed. The penalty for doing that must be enough to deter anybody from doing it frivolously or easily.

Q. There's a great controversy now about executive privilege and whether members of the President's personal staff and his Cabinet should be obliged to testify before Congress. Do you feel the President is abusing this prerogative?

A. While there obviously has to be some kind of executive privilege, it must be used with the utmost discretion and restraint. Our system of government will simply not work if any principle is pushed to an extreme. There must be respect for the rules on the part of everybody—the President, the Congress, the courts. The men who wrote the Constitution were rational gentlemen. They knew the system they were devising could not work unless the rules were respected. Their primary assumption was that the kind of people who were running the government would play by the rules. If the President refuses to do this, nothing works, and you don't have our constitutional system. The President of the United States is actually a king, with all the powers and all the limitations inherent in a king. What is important is that there be respect for the unwritten law, which is an important part of the American constitutional system.

Q. It's been said that one of the effects of the Vietnam war has been the questioning of all forms of authority—the family, state, religion. Do you think this is happening?

A. I don't think it's the result of the Vietnam war. The breakdown of forms of authority is a much deeper and wider process in modern history than the Vietnam war. I wrote a book back in the beginning of the century about the dissolution of the ancestral order. Clearly, the ancestral order of the family, for instance, has been much more affected by the contraceptive pill than it has by anybody's speeches or by the war.

". . . We have this feeling—this comes from the Puritans—that we are a chosen people with a mandate from God Himself to make a perfect world for ourselves and for everybody else. Of course, that is a terrible myth."

Q. Is this breakup of the ancestral order dangerous?

A. Well, yes. It's dangerous in the sense that the fabric of society is of a cellular structure of families related in each other in tribes and nations. Of course, the destruction of that threatens to produce the chaos of modern times.

Q. You see this as leading to authoritarianism or fascism?

A. It's absolutely one of the things that will occur. Yes, there'll be all kinds of repression.

Q. It is said that we live in an age of permissiveness in which all the old values pretty much have been destroyed, including the belief in patriotism and the state. Can people live with that kind of uncertainty of their lives, without any focal point of attachment?

A. I think it's a good question, but there's no easy answer to it. Whether people can live without an organized life around authority, and the belief in something, is a question that the modern age has been experimenting with, and hasn't solved.

Q. I suppose it's in periods like this that people have created new religions in the past?

A. When they've been lucky.

Q. How do you feel about the future of parliamentary democracy?

A. I think it's increasingly unworkable mechanically, with the growth of population. Aristotle said long ago that there's a certain size a good city should have, so that the human eye could see its limits. There is a limit which we have passed in these mass democracies. Societies are not capable of governing themselves if they're that crowded and that numerous.

Q: Then you look at parliamentary democracy as . . .

A: As a doubtful experiment.

Q: And a parenthesis in history perhaps?

A: Parliamentary democracy was the product of a much simpler, less numerous, stratified society, class system. Whether it can be applied to these massive modern democracies, I don't know. It's very doubtful.

Q: What do you see as the alternative?

A: I don't think anybody can see an alternative. I certainly haven't got a panacea for it. That's a very American question you asked. I'll tell you what: Part of this illusion of what I call Jacobinism for short is that there's a remedy for every evil and a solution for every problem. A lot of things are not solvable.

Q. If they're not solvable, what attitude can we take toward these problems—stoicism?

A: Stoicism, resignation, acceptance. Part of the myth of the perfectability of man is that he can solve everything.

Q. If we're forced to live in a world where we recognize that problems can't necessarily be solved, and also that America, may not have anything very special to give to the world, we're in for a very difficult process of adjustment. Isn't the basis of our society that we can create the future?

A: It is the American myth.

Q: Other societies have something to fall back on. The continuity of their history, a religion, a strong social structure. We have nothing like that.

A: No, and we have this feeling—this comes from the Puritans—that we are a chosen people with a mandate from God Himself to make a perfect world for ourselves and for everybody else. Of course, that is a terrible myth.

". . . No government can bring people up. They have to achieve it themselves. The belief that the government can do it is one of the great illusions of our time."

Q: There's been a great concern over the freedom of the press recently—the right of newsmen to protect their sources, the effort of the government to intimidate the media. You've been concerned with this problem throughout your career. Do you think there is a serious threat to freedom of the press?

A: I think that very often the troubles of the press come from a commercialized desire to get scoops, to be the first to print the news. These "sources" very often are places to get tips of what's going to happen. The desire of newspapers to be the first to print particular information is corrupting to the whole journalistic process. In the journalistic world I grew up in, it wasn't a question of law whether you had to divulge your sources. It was a question of whether the reporter had the guts to refuse to reveal where he got the information, whether he was willing to go to prison if necessary. That was regarded as the elementary code of a newspaperman. The reverse of that was—and this was always my practice—when someone told me something in confidence, I didn't pass it on to the reporters so we could get a scoop. I had a relationship with the man I was interviewing, and I didn't want to print that.

Q: Does the press have a responsibility to publish what it thinks is newsworthy at whatever cost?

A: I wouldn't make a generalization. I think raw news, raw fact, is not intelligible, anyway, to the public, and has to be explained. The explanation is as important as the fact itself. The duty of the press is to put forth not raw news, but explained news.

KNOXVILLE JOURNAL COMMENTS ON CIVIL RIGHTS COMMISSION POLL

Mr. BROCK. Mr. President, a recent editorial in the Knoxville Journal made some very cogent comments upon reviewing the publication of a poll conducted by the U.S. Commission on Civil Rights.

The poll purported to demonstrate that busing would be more popular if a majority of the people were not so ignorant of what is involved.

The Journal effectively demonstrates how the poll used confusing language and tricky questions to arrive at its point. As many persons are likely to be misled by other reports on the poll, I ask unanimous consent that the Journal editorial be printed in the RECORD, as an extremely well-considered rebuttal.

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

SALES PITCH FOR BUSING

The U.S. Commission on Civil Rights deserves to be reprehended, in our opinion, for its recent "interpretation" of a survey it had done last November and December by Opinion Research Corp. on busing of public school pupils in relation to integration. The manifest purpose is to make busing more popular with the people. The report relies heavily on the theme that busing would be more popular if a majority of the people were not so ignorant of what is involved.

In the first place it is regrettable that the terminology used in the commission's report is inexact and confusing. Likewise some of the questions put to the 2,006 persons interviewed were of inexact meaning and also could be confusing. And some were more or less tricky. (There is no quarrel with the study because of its results, for it showed that 70 per cent of the people oppose busing to implement integration; our complaint is over the failure of the poll questions and of the report to define terms accurately, which added to confusion in the public mind.)

The "interpretation" uses the words desegregation and integration as if they were precise synonyms. They are not, though many people and some judges may not realize the distinction. Webster's New Collegiate Dictionary defines desegregate as "to free of any law, provision or practice requiring isolation of the members of a particular race in separate units." It says to integrate is "to form into a whole; to unite or become united so as to form a complete or perfect whole." In other words, as we understand this a school is desegregated when it does not bar any pupil because of race; it is integrated when there is a deliberate mixing of black and white pupils according to some formula, usually one along the lines of what is called "racial balance."

One question in the poll was: "A law (sic) has been introduced in Congress to prohibit busing of children beyond the nearest schools even where the courts have found unlawful segregation. Do you feel it would be right for Congress to pass such a law?" There were 57 per cent who says yes, 29 per cent said no and 14 per cent gave no opinion.

A companion question was: "Would you favor a constitutional amendment which would make it lawful to keep schools segregated?" Only 30 per cent said yes, 53 per cent were opposed and 17 per cent expressed no opinion. The commission professed to find in these two answers a "contradiction in public opinion." We think not.

Although the word segregation was used in both questions, the meanings were not the same. In responding to the question about busing, it would appear, many were thinking in terms of integration according to a formula. In answering the second they were thinking in terms of a reversion to de jure segregation by which schools formerly could close their doors arbitrarily against members of a race. So far as we are aware, no one is proposing that.

The report uses the term "unlawful segregation" over and over again. What is that? Are there still schools in this nation which will not permit a black student to pass the portal?

Unfortunately there has not been a full analysis of this report for public information. All the people have been favored with is the "interpretation" given by the commission. How are the people to know, when meanings are so mingled, what they should think, how they should respond?

Here is an example of the tricky questions. Those interviewed were asked to say true or false to various statements. One was: "Court-ordered busing of children from suburban school districts into central city school districts is now taking place in some American cities." Another was: "The courts now require the busing of children from suburban school districts into central school districts."

In each case the majority thought the affirmative was the correct answer. It was wrong for the tricky reason that while such actions have been ordered by lower courts they have not yet been upheld by higher courts. So the persons who knew such situations had been ordered but did not know they were being held in abeyance were termed ignorant by the commission. Also, how many did not understand what the word "districts" implied? Were they thinking of areas, not official districts?

Little notice may be taken of the commission's point that so far busing for integration has added less than 2 per cent to overall education costs. It is obvious, of course, that this is only the beginning if busing is to be upheld as a general policy. And there is a lack of candor, too. For example, the report says that in the Charlotte-Mecklenburg, N.C., school system it cost only 1.1 per cent of the overall educational budget to provide extra busing. It did not mention that the actual increase was from $784,000 to $1,600,000 more than double nor that the 1.1 per cent figure did not include the cost of buying new buses or the funds furnished by the state, only the increased money furnished locally.

This editorial is not concerned so much with the pros and cons of the busing issue as with the credibility of an official agency of the U.S. government like the Civil Rights Commission. Surely accuracy and honesty are due the voters.

THE NEED FOR RESEARCH AND DEVELOPMENT OF COAL TECHNOLOGY

Mr. STEVENSON. Mr. President, as consumers we depend on natural gas and oil to supply 79 percent of all our energy needs. Yet natural gas constitutes only 9 percent of our total domestic fossil fuel resources, oil 8 percent, and uranium only 4 percent. The rest—almost 80 percent of our total fossil fuel resources—is made up of our 3,000 billion tons of coal reserves. In short, we have come to rely on those fuels in shortest supply for the greatest part of our energy requirements, while our greatest single source of energy is relatively underutilized.

Coal formerly made up a greater percentage of our energy consumption. It fired the furnaces in many homes and in most of our electrical powerplants. But because it was both cheap and cleaner burning, natural gas began to supplant coal after World War II as a major home fuel. For similar reasons No. 2 heating oil maintained and expanded its competitive edge over coal in the same market.

We also know that in the last several years environmental demands have cut down on the use of high-sulfur coal for use in the stacks of our powerplants—again substituting the use of No. 2 heating oil and the inefficient but cleaner burning natural gas.

We are aware of the increasing pressures on our oil and gas reserves, the more so after the frightening shortages of this relatively mild winter and now the predictions of gasoline shortages this summer and even for this spring's plowing. Given the present demand and domestic supply curves, if we continue our present policies, the situation will become much worse before it becomes any better. The demand for oil by 1985 may reach 10 billion barrels per year, and some experts say that upwards of two-thirds of this demand, given our present methods of producing oil, may have to be met by imports. Even a conservative estimate puts the figure at 50 percent.

Similarly, recent estimates of the natural gas situation predict a near doubling of the demand for natural gas between 1971 and 1985, from 22 trillion cubic feet per year to from 35 to 40 trillion. The gap between this demand and what our domestic reserves can supply in 1985 has been variously estimated at 13 to 17 trillion cubic feet—even with pipelines for Alaska and Canadian imports. As of 1969, the United States had only 18 percent of the world's 1,550 trillion cubic feet of proven natural gas reserves while still producing well over half the world's supply of natural gas.

The implications of importing the 1985 differences in oil and gas are staggering—for our foreign policy, our balance of payments and domestic economy and ultimately for our way and quality of life. We are already seeing the first manifestations. This year's dollar figure for oil imports is expected to be about $6 billion; and there has been much talk that the wealth which has been speculating on the dollar in Europe has a source in the oil-rich countries of the Middle East.

One answer to this dilemma upon us is to turn back to coal, but in new ways. Coal will not be a complete answer, and definitely will not be the final answer. But it is an answer with much potential for the next 30, 50, or even 100 or more years.

It is true that under present technologies coal burning presents environmental dangers. But we have had the capability for some time now to utilize new technologies to transform our tremendous untapped coal reserves into environmentally sound fuels—clean burning gas and oil.

The idea of coal gasification is not a new one—indeed, as recently as the early 1940's, most of the gas being used in the United States was produced from coal. But this was relatively low-grade gas in terms of its energy qualities—400 to 500 Btu's—and with the advent of long distance pipelines which could bring in 1,000 Btu natural gas, coal gasification fell into decline. In addition to its inefficiency, in today's terms it was not, environmentally speaking, clean burning.

As early as 1946, however, work was initiated at the Institute of Gas Technology in Chicago in search of an economical method of synthesizing gas of a quality equal to natural gas. The work proceeded slowly, but was given much impetus in 1964 following the signing of a contract between the Office of Coal Research—a governmental agency in the Department of Interior established pursuant to the Coal Research Act of 1960—and the IGT. This led to the HYGAS demonstration plant in Chicago, which was dedicated in October of 1970. This plant recently achieved 53-hours of sustained operation.

The Office of Coal Research has funded other pilot plants to research and develop other coal gasifying technologies—in Rapid City, S. Dak.; Tacoma, Wash.; Princeton, N.J., and Homer City, Pa. At present, however, the HYGAS plant shows the most promise of early commercial application, perhaps by 1976 or 1977.

The HYGAS plant is for high-Btu coal gasification. It is aimed at producing gas for use in homes through the same pipelines which presently feed homes natural gas. With minimal time and funding low-Btu coal gasification could be utilized at electric power plants. Coal can also be converted into crude oil and then refined into oil's many other products. With a "fluidized bed" process it could be burned cleanly and used to power electrical generating plants.

The implications of this work are staggering. Improved mining techniques, some of them also in the research stage, might make it environmentally feasible to recover about 2,000 billion tons of our Nation's 3,000 billion tons of coal reserves. At a conversion rate of 2 barrels or more of synthetic oil per ton—a much better conversion rate than that expected per ton from oil shale—we would have over 4,000 billion barrels of oil in the form of coal—or 10 times the world's proven reserves. And if this coal were converted to pipeline quality gas, it would yield about 32,000 trillion cubic feet of synthetic gas. Our proven recoverable reserves of natural gas worldwide, as already mentioned, are about 1,550 trillion cubic feet.

These incredible prospects may be for naught if the funds and a coordinated Federal policy for general energy research and development are not present. Industry can provide some of the funds, but to develop this potential in time the Federal Government must join in partnership with industry.

Various bills have already been introduced in the 93d Congress on the subject of energy research and development—such as S. 357 introduced by Senators MAGNUSON, HOLLINGS, and others and S. 1283, Senator JACKSON's mammoth energy R. & D. bill. Senator JACKSON's bill would set up an overall energy research coordinating body, "the energy research management project, and five COMSAT-like quasi-governmental corporations, one of which would be a Coal Liquefaction Corporation. The Nixon administration in the last Congress rejected such corporations. As of this writing, the President has yet to send to Congress his long-heralded energy message, but it may well be that coal research and development will be handled in the "traditional way—through the Office of Coal Research, although at a slightly higher funding level. The proposed 1974 budget calls for a funding level in OCR of $51.3 million contract research; in fiscal year 1973 OCR received $43.4 million for contract research.

I believe that the administration's proposed funding level is not enough, not only for the energy and development of methods for utilizing coal—high and low Btu coal gasification, coal liquefaction, and the fluidized bed process—but also for the concomitant research and development that must accompany this technology.

If about 15 trillion cubic feet annually of synthetic gas will be needed by 1985 to meet the additional demand for gas of the quality of today's natural gas, the Office of Coal Research predicts that 176 commercial gasification plants putting out 250 billion Btu's daily will be required. Coincidentally, the Institute of Gas Technology did a study which found that there were about 176 potential sites in the United States which satisfied the requirements for the commercial utilization of coal gasification—a 20- to 30-year coal reserve, an adequate water supply, and access to markets and pipelines.

Environmental impact statements have been done on the pilot plants the Office of Coal Research has funded. The individual plants have been shown to be environmentally acceptable. But various environmental groups, perhaps correctly, would like to see the broader environmental questions of full-scale coal gasification and liquefaction looked into, such as:

Where will be commercial plants be located?

To what extent will they use strip-mined coal?

If located in the arid or semi-arid western states, where will the large supplies of water necessary for the gasification plants come from?

What will be the general demands and effects on our water resources?

If the plants are located near coal reserves under fertile farm lands, to what extent will there be strip mining and what are the prospects for reclaiming as fertile farm lands, to what extent will there be strip mining and what are the prospects for reclaiming as fertile farm lands the land so strip mined?

The concomitant research and development, then, which must accompany the development of methods to utilize our coal reserves, must include mining techniques. Some experts believe that there can be developed a satisfactory technique midway between the labor-demanding but hazardous technique of deep mining and the environmentally dangerous technique of strip mining. The authority for such research and development has been in the Office of Coal Research, but it has never been adequately utilized.

If there must be strip mining, at the very least adequate reclamation can be demanded—and if the methods to reclaim adequately are unavailable, research and development funds should also be available to develop such methods. There is a growing awareness of the need by the industry to provide adequate reclamation. The National Coal Association recently sponsored the first industry symposium on reclamation—but adequate Federal standards for reclamation are still necessary, as well as Federal funds for reclaiming previously strip-mined lands inadequately reclaimed and funds for the research and development of better reclamation techniques.

This is the general thrust of S. 425, the strip-mining bill before the Interior Committee on which hearings have already begun. As I am not a member of that committee, I hesitate to comment on the merits of particular provisions within the bill without the benefit of a hearing record or a committee report.

I have introduced a bill, S. 946, which would provide $20 million annually for demonstration projects that would utilize residues from sewage treatment processes, such as sludge, to reclaim strip-mined land. Such a project is ongoing and is proving successful in Fulton County, Ill., where sludge from the metropolitan sanitary district of Chicago is being transported. That project and others like it, however, need more funding at the Federal level.

What may be most important for the longer term is to give overall direction to our energy policy—not just to our policy in regard to coal, but also to nuclear energy, oil and natural gas energy, solar energy, geothermal energy, and so on. We must address the implications of our enery policy on our foreign relations and on our economy. Some agency should oversee and coordinate all aspects of energy policy, and in addition closely coordinate them to our environmental needs. The Nixon administration would do this through a supra-Cabinet official, and secondarily through a Department of Natural Resources.

Others recommend a Council on Energy Policy within the Executive Office of the President, similar to the Council on Economic Advisers and the Council on Environmental Quality. Such a Council is called for in S. 70. This three-member Council would establish a central point for the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy use and management. It would prepare a long-range comprehensive plan for energy utilization in order to foster improvement in the efficiency of energy production and utilization, reduction of its adverse environmental impacts, conservation of energy resources for future generations, reduction of excessive energy demands, and the development of technological capabilities to produce alternative clean energy. Perhaps most important of all, the Council would coordinate all energy activities of the Federal Government, and provide a measure of leadership to State and local governments and various other persons and organizations concerned with energy.

In the meantime the development of coal use technology and improved extraction technology could proceed through the Office of Coal Research. This could help supply our energy requirements and also accelerate economic development in many parts of the Nation.

CONDITIONS IN CUBA HAVE NOT CHANGED A BIT

Mr. HELMS. Mr. President, by every report, conditions in Cuba have not changed. The people of Cuba still exist on a semistarvation diet. The mechanical equipment of the country is near collapse. Some 3,000 Soviet "advisers" are still on hand to make sure that the Castro regime adheres to the Communist line. And the Castro regime is as rigorous as ever in extinguishing the liberties of the Cuban people.

It is significant, I think, that the Castro regime is the last one-man military dictatorship in Latin America. There are military juntas, it is true; but Castro is the only one-man dictator in the Western Hemisphere. He has his Soviet advisers and Soviet military equipment to impose his rule on the people. His economy works only because of massive infusions of Soviet aid.

There is no change, then, in the Cuban situation. The reasons for isolating Cuba are as valid now as when they were applied. If we have any decency at all, any sympathy for an oppressed people, we will take no steps whatsoever to stabilize the Castro regime either politically or economically. It is of the utmost importance when the Organization of American States meets here in Washington next week that the United States make it clear that our continued adherence to our present policy does not depend on whether or not the OAS resolution for the isolation of Cuba is reaffirmed.

There may be moves made at the OAS to rescind this resolution, which calls for both diplomatic and economic isolation, as long as Cuba remains a threat to the peace and security of the hemisphere. I presume that they will not be successful. But such moves should not have any coloration whatsoever of U.S. covert support. Nor, if such a move is successful, should the United States seize upon that action as an excuse for resuming diplomatic relations or other type of active liaison.

In addition, we should make it clear that there will be no economic support for Castro or for any other totalitarian regime on Cuba. We should flatly oppose, for example, any attempt to restore Cuba's sugar quota. Nor should there be direct economic aid programs. Just as it is unthinkable that the United States would give aid to North Vietnam under the same enemy leadership and Communist government, it is also unthinkable that we would help Castro to get a firmer grip on his despairing population.

I say it is unthinkable. But our Government has already committed an appalling act in urging the deportation of two Cuban refugees who were attempting to flee from the institutional terrorism of the Cuban regime to a third country—not even to the United States. As fate would have it, their engines failed and they were towed to U.S. waters by the U.S. Coast Guard. The State Department says that it is in the "spirit" of the anti-hijacking agreement to deport these refugees, even though the agreement itself does not literally apply. If there is a change in the Cuban situation, it is the United States that has changed. If it is indeed in the spirit of the agreement, then America has lost its honor and lost its soul.

Mr. President, the WRAL–TV "Viewpoint", in Raleigh, N.C., recently discussed the attempted deportation of the Cuban refugees at greater length. The editorial was presented by Mr. William P. Cheshire, the editorial director. I endorse it, and I commend it to your attention.

Mr. President, I ask unanimous consent that the text of the WRAL–TV "Viewpoint" for March 23, 1973, be printed in the RECORD.

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

WRAL–TV VIEWPOINT

To the sound of many glad hosannahs, the Nixon administration last month signed an anti-hijacking agreement with Fidel Castro's Communist regime in Cuba. Hijacking was defined as seizing an airplane or a boat—almost the only way out of Cuba for enemies of the regime—and each country agreed to deport hijackers or put them in jail. The agreement was hailed by those responsible for it as a stunning diplomatic triumph, causing Cold War temperatures to plummet worldwide.

This week it produced its first fruits when Washington ordered the prompt deportation of two young Cubans whose adversity was such that, when they tried for freedom last week, their boat was tossed up on the once-hospitable shores of the United States.

The two men—21-year-old Orlidio Hernandez and 23-year-old Caridad Perez—are not even hijackers within the meaning of the agreement. True, they tried to take over a fishing boat in international waters, hoping to make Mexico and freedom. But the engine quit off the Florida coast, and the disabled vessel was taken in tow by the U.S. Coast Guard. As soon as the engine quit, the men surrendered to their shipmates. So what the Coast Guard towed into Key West for repairs was not a hijacked boat, but a boat with two prisoners on board. Under the treaty, it makes a difference.

The two men waited until the boat was fixed and then escaped. When the boat headed out to sea again, they jumped over the side and swam ashore. With the help of Cuban exiles, they made their way to Miami, where they surrendered to U.S. Immigration authorities and asked for political asylum. The request was refused. Washington ordered the men deported; and while that callous ruling had been appealed, Washington is still trying to have these men returned to Cuba—evidently so that Dr. Castro will not think us unneighborly.

It is inexcusable. By any reasonable test, these men are political refugees, and political refugees stand outside the terms of the anti-hijacking agreement if there is reason to think—as there is in this case—that deportation means handing them over the their executioners. What we have in the making here is another bungle like the one two years ago when a Lithuanian sailor was beaten and dragged back aboard a Soviet ship while American sailors stood by, hands in pockets, because the brass in Washington didn't want to create an "international incident."

In this case, even Washington acknowledges that, technically speaking, the anti-hijacking agreement has no application. But that doesn't bother the bureaucrats who have effectively pronounced on Hernandez and Perez a sentence of death. State Department spokesman Charles Bray explains that Washington wants to keep, not just the letter of the agreement, but "the spirit" as well.

How nice. And what about the spirit of America—a spirit once exemplified by that bronze lady with the torch out there in New York harbor and all those fine words about "Give me . . . your huddled masses, yearning to breathe free"? What about that spirit? What about, not just Hernandez and Perez, but all those other nameless millions, tempest-tossed and friendless, who once looked to America for hope? And when we have turned our backs on the last of these, what has become of us?

THE WOUNDED KNEE LEADERS

Mr. BROCK. Mr. President, many people think the Indians who challenged the Government in the Wounded Knee, S. Dak., confrontation were a group of high-principled advocates for the down-trodden Indian people. That simply is not accurate.

They are a gang of unprincipled thugs. Worse yet, their operation was financed by you and me, through our tax dollars.

Wounded Knee is situated within the reservation of the Oglala Sioux, but less than 20 of the 250 or more Indians who terrorized the town were of that tribe. In fact, the Oglala Sioux chief and the tribal council wanted the renegades off their property worse than anyone else.

It is no wonder, for it is hard to imagine a more unsavory bunch of characters. One is Dennis Banks, who has a criminal record showing 15 convictions for such offenses as assault and battery and burglary.

Other leaders include Clyde and Vernon Bellacourt. Both have long police records, including armed robbery and burglary.

In fact, they might still be in the crime business if they had not discovered that Government subsidized "social action" pays better. Banks and Clyde Bellacourt first went into the line in 1967, when they joined the staff of a Minneapolis anti-poverty program funded by the Office of Economic Opportunity.

At that time, the Minneapolis program was getting about $400,000 a year from OEO, and the Indians quickly learned that it was much easier to live off that money than it was to rob banks.

All told, this program got over $25 million of your tax money before the Nixon administration cut them off in 1970.

Meanwhile, the Bellacourts, Banks and others had formed their now-famous Indian protest group, AIM, which has also been getting a big piece of the Government pie.

They spent the money on projects like the armed takeover of Alcatraz Island, the occupation of the offices of the Bureau of Indian Affairs in Washington, and Wounded Knee.

The whole story was uncovered by the Detroit News. Frankly, I think the News deserves a Pulitzer Prize for revealing one of the most amazing scandals in recent years, and demonstrating again why the administration and I believe so strongly that OEO must be discontinued.

FINANCIAL STATEMENT OF SENATOR AND MRS. LAWTON CHILES

Mr. CHILES. Mr. President, I ask unanimous consent to have printed in the RECORD the financial statement of Mrs. Chiles and myself, compiled as of January 1973.

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

U.S. SENATE,
Washington, D.C., March 15, 1973.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
The Capitol,
Washington, D.C.

DEAR MR. SECRETARY: My purpose in writing is to report to you a statement of the financial status of my wife and myself. This

statement includes holdings and liabilities and is compiled as of January 1973:

ASSETS

Cash in checking and savings accounts approximately	$1,500.00
Carr & Chiles accounts receivable (approximately)	8,000.00
Stocks and other securities (see Schedule A)	238,976.76
Real Estate (see Schedule B)	351,999.15
Miscellaneous assets (see Schedule C)	12,000.00

LIABILITIES

Accounts payable	500.00
Notes payable	96,000.00
These figures disclose a net worth of approximately	515,975.91

The foregoing, Mr. Secretary, I attest as being a true and accurate statement of the financial holdings and liabilities of my wife and myself.

Most sincerely,

LAWTON CHILES.

SCHEDULE A.—STOCKS AND OTHER SECURITIES

Unlisted securities:	*Shares*
Scholarship Services, Inc	2,693
Lake Bonny Properties, Inc. (⅓ equity)	875
Industrial Development, Inc	5
Wild Animal Kingdom	500
Over-the-Counter Stock:	
Lakeland First Mortgage Corp. (⅓ equity less liabilities)	12,147
Founder's Financial Corp	22,223
Hardwicke Companies, Inc	5,000
Listed securities:	
American Telephone & Telegraph Co	200
American Home Products	100
Marcor, Inc	1,020
Pittsburgh Brewing Co	500
Royal Trust Co	106
Total Unlisted Securities	$33,686.26
Total Value Over-the-Counter Stocks	152,451.00
Total Value Listed Securities	52,839.50
Total Value Stocks and other Securities	238,976.76

SCHEDULE B—REAL ESTATE

The Colonial Building, 910 South Florida Avenue, Lakeland, Florida.—Completed August, 1966, 6 units, 5,000 sq. ft., Lot 100' x 135'. Gross rental $16,000.00 per year. Bldg. $60,000.00, Land $30,000.00 Less Mortgage $44,879.17. Equity $45,120.84 ½ ownership; $22,560.42.

Red Lobster Inn, Lakeland, Florida.—Completed January, 1968, with addition November, 1968. M.A.I. $340,000.00 less Mortgage $169,519.30. Equity $170,480.70.

Red Lobster Inn, Daytona Beach, Florida.—Completed June, 1969. M.A.I. $350,000.00. Less Mortgage $223,111.29. Equity $126,888.71.

Red Lobster Inn, Tampa, Florida.—Completed June, 1969. Value estimate $325,000.00. Less Mortgage $154,010.57. Equity $170,898.43.

Red Lobster Inn, St. Petersburg, Fla.—Completed October, 1969. Value estimate $364,000.00. Less Mortgage $224,492.92. Equity $139,507.08.

Secondary Financing Obligation on 2 of 4 Units: $43,135.39.

Red Lobster Inns—Total equity—(½ Ownership) ($564,639.52, $282,319.76.

James I. Black, Jr., Et Ux—$14,500.000 16.333%, $2,368.29.

Assets: Real Estate

Residence—940 Lake Hollingsworth Drive, Lakeland, Florida. Value Estimate—$50,000.00. Less Mortgage $33,516,000. Equity $16,484.00.

Residence—3807 North Woodstock Drive, Arlington, Virginia 22207 Value Estimate $72,500.00. Less Mortgage $56,735.68. Equity $5,750.00.

Residence—Casa del Mar, Apartment 10–C, 4621 Gulf of Mexico Drive, Longboat Key, Florida. Value estimate $28,750.00. Less Mortgage $23,000.00. Equity $5,750.00.

Real Estate Contracts Receivable

Max Lieder, Et Ux—$7,341.83, 16.333% ownership, $1,199.14.

William M. Skipper, Jr., Trustee—$34,000.00. 16.333% ownership, $5,554.22.

Total real estate: $351,999.15.

SCHEDULE C—TOTAL MISCELLANEOUS ASSETS

Furnishings ---------- $12,000

SOCIAL SERVICES

Mr. HUGHES. Mr. President, for weeks now the mail has been pouring into my office about the administration's proposed social services regulations of February 16, 1973. With the exception, I believe, of one letter, it has all been condemnatory. The letters have come from parents, children, charity organizations, lawyers, doctors, church groups, specialized agencies, welfare agencies. All have been knowledgeable, indicating an understanding of what is at stake. Many have expressed shock and dismay that the U.S. Government would take such a course of action. And while the humanitarian aspects are most often stressed, the shortsightedness in terms of economic consequences is well documented.

Mr. President, the documentation I have received from Iowa indicates clearly that thousands of Iowans will suffer if the promulgated regulations are allowed to stand. Virtually all of the social services agencies in the State have estimated the effect of the regulations in their localities in terms of services affected, funds lost, and persons eliminated from programs.

Typical of the studies made is that of Quenten Emery, Director of the Polk County Department of Social Services in Des Moines, and I ask that his study be included in the RECORD at the conclusion of my remarks. Also to be inserted are the general comments of the Iowa Department of Social Services on the regulations, as well as a copy of the Department's letter to the Administrator of the Social and Rehabilitation Service. In addition, the Johnson County United Way has prepared an analysis of the adverse effect of the regulations on Johnson County and has offered suggestions for changes which would improve administrative and fiscal procedures without sacrificing the thrust of the programs themselves. I ask that this, too be printed in the RECORD.

The final document I ask to be printed at this time is Senate Concurrent Resolution 28 of the Iowa General Assembly. This resolution was passed by a Republican-controlled legislature and bears the signatures of two of Iowa's foremost Republicans, our Lieutenant Governor and President of the Senate Arthur A. Neu, and Speaker of the House Andrew Varley. The resolution states the commitment of the State of Iowa to the principle of assisting families, children, the aged, blind and disabled toward maximum self-support, and urges HEW to rescind or modify its proposed rules. This should dispel, I believe, any claim that opposition to the February 16 regulations is a partisan matter. Iowa cares about its less fortunate and rejects this latest effort to eliminate proven, valuable programs of assistance.

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

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

REPORT ON RESULTS OF NEW FEDERAL REGULATIONS PUT OUT BY HEW

On February 16, 1973 the Health, Education and Welfare Department of the Federal Government published new proposed regulations for social and rehabilitation services 45 CFR parts 220, 221, 222, and 226 titled "Service Programs for Families and Children and for Aged, Blind and Disabled Individuals: Titles I, IV, parts A and B: X, XIV, and XVI of the Social Security Act."

The following information has been compiled by the Polk County Department of Social Services and is designed to inform concerned people of the effects these proposed regulations would have on programs presently providing services to the people of Polk County and on programs that were to begin in 1973.

If the federal government no longer supports these services, either state governments, local governments, or the private sector will have to provide the funding for the continuation of these services or service to the people will simply not be available. If the local governments in Polk County and the private sector would decide that they did not have the means to continue these services there would be 10,162 people who would not receive help with a problem they are having. If the local governments in Polk County and/or the private sector would decide to provide money for continuation of these services it would take $1,396,375.00 for the remainder of 1973. This kind of money is just not immediately available in Polk County, either in local government or in the private sector.

The federal administration has stated that their intent in these regulations is to eliminate those programs that have not proven to be useful and productive in relation to the amount of money that they cost. We also feel that programs that are not producing as they were designed or services that are not correcting the situation they were designed for should be modified or cut back; but as the regulations are written, many of the social service programs that have been successful are also being cut back. A few examples of these are day care, services to the mentally retarded, services to people who have problems with alcoholism and child welfare services to the abused and neglected child.

In the following narrative summary, each section describes a specific service program that is in effect or was about to be put into effect, and the effect of HEW's proposed regulations on that program. Following the narrative summaries there are tables that break down the regulations and show the effect in terms of people that will no longer be able to receive service and the amount of dollars that will have to be generated by local governments, state government, or the private sector in order to continue the service. Unless designated otherwise, all figures are based on an estimated projection of numbers of clients and dollars for April 1 through December 1, 1973.

CHILD GUIDANCE

The Polk County Department of Social Services had developed a contract with the Child Guidance Center of Des Moines to provide four different services.

1. Consultative services for improving foster care services.

2. To develop ADC mothers group for peer support in obtaining or retaining employment.

3. Provide service to children and their

families who are on the verge of being suspended from school for behavior problems.

4. A project to do screening for pre-school children to detect behavior problems before they enter the public school system.

A total number of 120 people will not be eligible to receive services under these contracts. The main reduction in the services will be with the children who are being suspended from school and the pre-school evaluations with a small amount of reduction in the foster care area. The main result of this cut back will be that we will not prevent a number of children, who are not able to handle the public school system, from dropping out, and becoming high risk candidates for the Juvenile Justice system. In the long run the same result will happen with the pre-school evaluation as it's purpose was to get to those children that would be likely to have trouble with the public school system and correct their problem before they get into the school system. If the local governments or the private sector felt that this service was needed it would cost $9,000 to provide it to these children. See Table I.

MENTAL HEALTH SERVICES FOR ADULTS

Two hundred-ninety people during the year 1973 will not receive mental health services from the Polk County Department of Social Services unless the county decides to fund the total cost of providing this service. This means that the local government will have to come up with $284,394 to continue to provide a service to the people of Polk County who are having mental problems. The services that are provided to these people through our agency are geared at getting them back into the community as self-sufficient functioning individuals who would not have to rely on institutionalization or public welfare to survive. If local government can not pick up the cost of continuation of this service, the clients will be left without anything to provide them support to move back into the community. See table II.

PSYCHIATRIC CARE FOR CHILDREN AND OTHER COUNSELING SERVICES

There are very few families who are able to afford the purchase of psychiatric care for their children who are having emotional and psychological problems. These families have, by necessity, depended on government monies to provide this psychiatric care for their children Under the new proposed regulations this type of care is not allowed because it is not defined as a service for which federal funds can be spent In order to provide this service to the twenty-nine children of this community who are or will have emotionally or psychological problems during 1973 would require local government or the private sector to come up with $48,950 See Table III

BIG BROTHERS

People who work with children from single parent families feel that one of the big needs is a Big Brother for male children. In many single parent families the male child has no male to "look up" to, therefore he tends to grow up with a distorted view of how to function in our society. In an effort to provide this service to the male children of ADC families in Polk County, Polk County Department of Social Services was proposing to purchase this service for 75 boys in the community. If we are to provide this service to 75 boys, the local government or private sector will have to provide an additional $11,500.00. See Table IV.

INFORMATION AND REFERRAL SERVICES

A great number of people call the Polk County Department of Social Services seeking help for a problem with marital problems, with children, alcoholism, elderly, etc. Polk County Department of Social Services has four staff members whose function is to help these people with referrals and provide information to them, that will enable them to get the needed service. Our projection at this time would be that we will no longer be able to provide this service to approximately 5,040 people. If the local governments decided that they wanted to maintain this service to the people of Polk County, it would cost $4,989.00. Our estimate is that 25% of the people who call in seeking information or referral would not be eligible under the proposed federal regulations and will have to be told that we are unable to help them. They will have to randomly seek help from all of the agencies in the community. See Table V.

FAMILY PLANNING

Family Planning is a mandatory service to be provided by the states to eligible persons. However, there will be very few people who will be eligible within the guidelines who are not already current recipients of ADC or some other program. An interesting twist in these regulations is that a potential recipient must have a problem that can be dealt with within six months. Therefore, to provide birth control counseling, a person would have to be three months pregnant at the time of initiation of services.

If we are trying to prevent people from having to rely on welfare for subsistence people will need to understand family planning and receive birth control services. In Polk County we are estimating that 2,385 will not be able to receive family planning services during 1973 as a result of the new federal regulations. This results in a $145,125 decrease in federal monies available to the people of Polk County for family planning services. It would cost this same amount ($145,125) if the local government were to decide to provide the funds for continuation of the services. See Table VI.

ALCOHOLISM SERVICES

The federal regulations state that before services can be provided to a person who is defined as alcoholic he must be engaged in an active treatment program for alcoholism. We estimate that 600 people would not be eligible to receive alcoholic treatment services prior to their needing an active treatment program as a result of the proposed HEW regulations. What this means is that 600 people will not be able to receive services that has the potential to prevent them from becoming full fledged alcoholics. In order that preventive services be available to persons inclined towards alcoholism the local governments will have to expend an additional $112,500.00 of local tax funds. See Table VII.

ADOPTIONS

Polk County Department of Social Services provides services to those people who adopt children independently of other adoption agencies. Most of the children who are placed in adoption this way are those of unwed mothers who release their child while in the hospital. The court orders that an adoption study be done by the Polk County Department of Social Services. At the present time we are able to get a 75–25% match for the staff's salaries, that complete the adoptive studies. Under the proposed HEW regulations the funding for staff members engaged in this activity at the Polk County Department of Social Services will have to be transferred to Title IV–B which will cost the state an additional $15,289.00.

Polk County Department of Social Services also had in the proposal stage the Black Adoption project designed to recruite Black adoptive parents for Black children. Black children often remain in long-term foster care because Black parents are not available to adopt. This means that twenty-seven kids will have to remain in foster care unless the local government would provide $9,933 for the project. See Table VIII.

DAY CARE LICENSING

Day care licensing is required by the state law for family day care homes. This responsibility has been delegated to the Polk County Department of Social Services with funding through the Iowa Department of Social Services for the staff members to do the licensing of these homes. The funding for these two positions have been through Title IV–A but with the new regulations will have to be transferred to Title IV–B and will cost the State an additional $15,289.00. See Table IX.

MENTAL RETARDATION

If HEW's proposed regulations go in effect, fifteen mentally retarded individuals from Polk County will no longer be eligible to be involved in service programs. These are basically the services that are given through private institutions throughout the country for the retarded, aimed at helping them to develop to their fullest potential. It will cost the local government $21,822.00 to maintain this service for these individuals. Also the Polk County Department of Social Services has two staff persons who work with the mentally retarded and their families. Under the new regulations, their salaries will have to be transferred to Title IV–B at a cost of $12,447.00 to the State of Iowa. See Table X.

FOSTER CARE LICENSING

Responsibility for licensing of foster homes is delegated to private child placing agencies and county offices of social services. In Polk County the county social service office has two staff members whose job is to recruit and license foster homes. The total funding for these two staff members will have to be transferred from Title IV–A to IV–B at a cost of an additional $14,904 to the State of Iowa. See Table XI.

CHILD NEGLECT AND CHILD ABUSE

Due to the more stringent guidelines for eligibility under HEW's proposed regulations in Title IV–A we estimate that approximately 30% of the cases of child neglect and abuse investigated would not meet the new eligibility guidelines. The costs of investigation of child neglect and abuse would have to be transferred to Title IV–B. This will mean that the State of Iowa will have to bear an additional cost of $4,587.00 for these services provided in Polk County during the remainder of 1973. See Table XII.

SERVICES TO THE ELDERLY

Polk County Department of Social Services provides very few services to the elderly who are not on categorical assistance programs, but we estimate that approximately 15 of those that we do serve will not be eligible under the new federal guidelines. It will cost $1,671.00 to continue the service to these 15 people. This cost will have to be borne by local county government or by the private sector in the community. See Table XIII.

FOSTER CARE FOR CHILDREN

On January 1, 1973 the money to purchase foster care for children was transferred from the Polk County Juvenile Court to the Polk County Department of Social Services. This move was made to allow the Polk County Department of Social Services to be able to provide voluntary foster care and to seek more federal reimbursement for the money spent on foster care in Polk County.

Under the proposed federal regulations for social services, the Polk County Department of Social Services would not be eligible to receive federal reimbursement for voluntary foster care placement. During the first month of operation the Polk County Department of Social Services received seven requests for voluntary foster placement. The Polk County Department of Social Services estimates that 50.2% of the foster care cases will not be eligible under Title IV–A, because they have not been adjudicated as neglected. Therefore 50.2% of the costs will have to be transferred to Title IV–B. This will mean an increased expenditure to the

State of Iowa of $40,608 for foster care within Polk County. See Table XIV.

FAMILY AND CHILD DEVELOPMENT SERVICE

Polk County Department of Social Services is currently funding day care services for 539 children. Two hundred eighty-eight of these children will no longer be eligible for services because of the restrictive income guidelines in the proposed regulations. Polk County Department of Social Services was also planning to expand the services to cover an additional 488 children effective June 1, 1973. It now appears that only 200 additional children will be eligible for the service because of the proposed regulations. The net effect of the proposed regulations in regard to this program will be a loss of child care services for 576 children. If the program was to be continued at the level projected, a total of $737,000 would need to be found at the State or local level. We also project that a sizable number of these families will be forced on welfare because they will be unable to meet the full cost of child care services. See Table XV.

In summary the regulations for social services proposed by the Department of Health, Education and Welfare in the Federal Registar of February 16, 1973 are going to severly limit the social services available to people experiencing problems. In Polk County 10,162 people will either have to solve their own problems or pay for the service themselves during the nine month period of April 1, 1973 to December 31, 1973. If the local governments and/or the private were going to provide funds to continue the provision of these services $1,381,684 would have to be raised within the next nine months. Due to the stringent eligibility guidelines in the proposed regulations for Title IV–A many of the costs will have to be transferred to Title IV–B. Since the State of Iowa is spending its total allotment under Title IV–B any additional costs would have to be borne by the State of Iowa. Just for Polk County this represents a total cost of $102,584 for the nine months in 1973.

TABLE I.—CHANGES DUE TO HEW REGULATIONS, T–3–12.

SERVICE: CHILD GUIDANCE (1) FOSTER CARE (2) ADC MOTHERS CARE (3) UNWELCOME CHILD (4) PRE-SCHOOL

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4–B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation			120	$12,000	
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4–B					
Total			120	[1] 12,000 [2] 9,000	

[1] Apr. 1, 1973 to Apr. 1, 1974.
[2] Apr. 1, 1973 to Dec. 1, 1973.

TABLE II.—CHANGES DUE TO HEW REGULATIONS, T–3–12

SERVICE: MENTAL HEALTH SERVICES FOR ADULTS; S.S. TITLE I, X, XIV, XVI, IV–A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4–B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			90	$4,193.88	
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation			[1] 200	375,000.00	
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4–B					
Total			290	[2] 284,394.00 [3] 279,194.00	

[1] Goodwill west contract and proposed activity center and sheltered workshop expansion.
[2] Apr. 1, 1973 to Apr. 1, 1974.
[3] Apr. 1, 1973 to Dec. 31, 1973.

TABLE III.—CHANGES DUE TO HEW REGULATIONS, T–3–12

SERVICE: PSYCHIATRIC CARE FOR KIDS AND OTHER COUNSELING SERVICES (SOCIAL SERVICE); S.S. TITLE: IV–A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4–B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓% of States financial assistance payment level					
Must have problem that can be helped within 6 mo or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation			[1] 29	$48,950	
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to, title 4–B					
Total			29	48,950	

[1] Includes Turner School contract.

TABLE IV.—CHANGES DUE TO HEW REGULATIONS T–3–12

SERVICE: BIG BROTHERS, S.S. TITLE: IV–A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4–B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federa money lost to State; cost to State to operate the program
133⅓ percent of States, financial assistance payment level					
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money			75	$15,000	
Expenditure is not eligible for Federal participation					
Transfer to title 4–B					
Total			75	[1] 15,000 [2] 11,500	

[1] Apr. 1, 1973, to Apr. 1, 1974.
[2] Apr. 1, 1973, to Dec. 1, 1973.

Note: Also ineligible because not a defined service.

TABLE V.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: INFORMATION AND REFERRAL SERVICES; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			5,040	$4,989	
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B					
Total			5,040	4,989	

TABLE VI.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: FAMILY PLANNING; S.S. TITLE: IV-A; FOR 9 MONTH PERIOD, APR. 1, 1973, TO DEC. 31, 1973

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States' financial assistance payment level			1,150	[1] $46,575	
Must have problem that can be helped within 6 mos. or if canceled from assistance within 3 mos			2,100	[1] 85,050	
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money			225	13,500	
Expenditure is not eligible for Federal participation					
Transfer to title 4-B					
Total			3,475	145,125	

[1] 9 months.

The above figures reflect the number of people in need of service who would not be eligible under these guidelines and the amount of money lost due to the inability to serve them.

Plan was to use $250,000 ($25,000 local—$225,000 Federal) to focus on serving the past and potential recipient ($187,497 for nine months).

This amount would serve approximately 4,100 persons over a one-year period.

An estimated 850 of these would probably remain eligible—thus we would lose 3,250 probable clients at a cost of $146,250 for nine months (14,625 local—131,625 Federal). This assumes CDA would be willing to donate money to serve those few remaining eligibles.

In fact, however, if eligibility guidelines remain this stringent, Community Development will choose not to donate any money to Polk County Department of Social Services and will explore other funding methods—possibly contracting directly with their $25,000. This action would result in the loss of any federal match (a maximum loss of 9 x $25,000, or $225,000 over one year—$168,750 over nine months).

TABLE VII.—SERVICE: ALCOHOLISM SERVICES; S.S. TITLE: XIV

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			300	$75,000	
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr			300	75,000	
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B					
Total			600	[1] 150,000 [2] 112,500	

[1] Apr. 1, 1973 to Apr. 1, 1974.
[2] Apr. 1 to Dec. 1, 1973.

TABLE VIII.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: ADOPTIONS; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			12	$5,145	
Must have problem that can be helped within 6 mo or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI, must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money			15	8,100	
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		[1] 100			$15,289
Total			[2] 27	[3] 13,245 [4] 9,933	15,289

[1] Adoption studies done by the Polk County Department of Social Services.
[2] The Black Adoption project.
[3] Apr. 1, 1973 to Apr. 1, 1974.
[4] Apr. 1 to Dec. 31, 1973.

TABLE IX.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: DAY CARE LICENSE; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		100			$15,289
Total					15,289

TABLE X.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: MENTAL RETARDATION; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation			15	$21,822	
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		100			$12,447
Total			15	21,822	12,447

TABLE XI.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: FOSTER CARE LICENSE; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		100			$14,904
Total					14,904

TABLE XII.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: CHILD NEGLECT AND CHILD ABUSE; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		30			4,587
Total		30			$4,587

TABLE XIII.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: SERVICES TO THE ELDERLY; S.S. TITLE: I, XVI

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			15	$1,671	
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B					
Total			15	1,671	

TABLE XIV.—CHANGES DUE TO HEW REGULATIONS, T-3-12

SERVICE: FOSTER CARE FOR KIDS; S.S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level					
Must have problem that can be helped within 6 mo. or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money					
Expenditure is not eligible for Federal participation					
Transfer to title 4-B		50.2			$40,068
Total					40,068

TABLE XV.—CHANGES DUE TO HEW REGULATIONS, T-3-12—SERVICE: FAMILY AND CHILD DEVELOPMENT, S. S. TITLE: IV-A

Proposed social service regulations by HEW in Federal Register of Feb. 13, 1973	Effects				
	No change	Percent of service transferred to 4-B	Number of people no longer eligible	Federal money lost to Polk County and cost of maintaining service by local government; private	Federal money lost to State; cost to State to operate the program
133⅓ percent of States financial assistance payment level			427	595,250	
Must have problem that can be helped within 6 mo or if canceled from assistance within 3 mo					
Titles I, X, XIV, XVI must be 64½, deterioration of sight, 17½ yr					
Not a defined service as stated in regulation					
Goals specified in regulations—cause a change in type of service provided					
Privately donated funds cannot be used as seed money for Federal money			149	141,750	
Expenditure is not eligible for Federal participation					
Transfer to title 4-B					
Total			576	[1] 737,000	

[1] Based on Apr. 1-Dec. 31 for present slots based on June 1-Dec. 31—new money projected to start June 1, 1973.

EFFECT OF PROPOSED FEDERAL REGULATIONS

The regulations proposed by HEW on February 16, 1973 contain many changes and restrictions to current service programs. The greatest impact are in the following areas:

1. Definition of former or potential recipient:

At the current time most low income persons are eligible for social services, as either a former or potential recipient of welfare. The new regulations sharply limits the number of low income people who can be served by imposing:

(a) An income limit of 133⅓% of the ADC *payment* for gross family income. This means, in Iowa, that a family of four with a *gross* income of $325 is not eligible for day care or any other service.

(b) A former recipient can only receive a service for 3 months after discontinuance of assistance. This time period is now 2 years.

(c) A potential recipient can only receive service for the *specific* problem. That would cause him to become a recipient. In addition the specific service can only be provided for a 6 month period. This period is now indefinite.

The effect of these provisions is to remove any possibility of providing preventive or rehabilitative services that keep people from becoming welfare recipients.

2. Prohibitions against private funds:

Present regulations encourage a partnership of the public welfare agency with the community in providing those services that the community feels that it needs. Private funds from United Way, church groups, and individuals are donated to the county for a specific purpose such as day care or Big Brothers. The county then purchases or provides the service and obtains 75% federal funds for the services as they are actually provided.

The proposed regulations eliminate this partnership by prohibiting the use of any privately donated funds to attract federal matching funds.

3. Services that cannot be paid for:

At the current time the county welfare department can purchase educational and training services leading to employment, psychiatric and psychological treatment to correct or alleviate mental illness or retardation.

The proposed regulations prohibit any purchase of these services. This means that facilities that provide training and rehabilitation for the mentally ill or retarded, and facilities that treat mentally ill or retarded children can no longer be paid from funds with federal participation. This effectively eliminates any extensive county effort to rehabilitate children or adults who have any kind of problem that currently or potentially limits their employment and functioning in the community.

4. Foster Care:

County staff who place and supervise children in foster care are currently paid from 75% federal funds. Facilities which treat children in foster care, such as Orchard Place and Iowa Family and Children's Service are also paid from 75% federal funds. The children now in foster care can be these because their parents have recognized their child's problem and voluntarily agree to foster care. Also a court could place the child in foster care because he is neglected by the parents, or because the court has found that a child is dependent upon the state for help.

The proposed regulations prohibit payment for any foster care from federal 4A funds except for adjudicated neglected children. They also prohibit payment for any treatment provided by a foster care facility. These provisions effectively limit early treatment of parents' or children's problems before they are extremely serious.

The proposed changes in regulations will affect 10,162 people in Polk County. If current services are to be maintained, it will cost the county $1,382,000 and the state $102,600.

GENERAL COMMENTS OF THE IOWA DEPARTMENT OF SOCIAL SERVICES ON PROPOSED FEDERAL REGULATIONS AFFECTING SOCIAL SERVICES

Officials of the Iowa Department of Social Services say they are "violently opposed" to the new social services regulations proposed by the federal government which are tentatively scheduled to go into effect April 1.

Commissioner James N. Gillman called the regulations "extremely negative" and an indication of the federal administration's "compulsive budget-cutting without recognizing the very basic human needs."

The U.S. Department of Health, Education and Welfare says the proposed new rules seek to eliminate abuses in the use of federal matching funds and refinancing of existing state programs; concentrate the use of federal matching funds for social services mainly in behalf of current welfare recipients since funds no longer are available to the states on an "open ended" basis; and to give the states greater flexibility in the way they administer and operate their social services programs by placing fewer federal mandates on them.

Said Harold Templeman, director of the Bureau of Family and Children's Services, which administers the assistance payments programs and service programs: "Our concern is not that Iowa will lose a large amount of federal matching funds in the area of services, but that we will be forced, in the focus of our services, to move away from the area of helping people *stay off* the welfare rolls. Instead, we will be serving only those who are currently on the rolls.

This, in effect, compounds the very problem the federal government most wants to control: more people needing financial assistance, which costs more in the long run than helping them stay off in the first place."

He said: "The proposed regulations would by June 1, 1973, eliminate federally matched services for 12,947 clients currently receiving those services." (This and the following ing information is contained in the accompanying charts.)

In projecting for the fiscal year 1974, Templeman said the number will have grown to an estimated 28,196 clients, which would be more than the total number of clients receiving such services now.

An additional appropriation of $9,600,442 would be necessary for the state to assume the total financial responsibility for these programs in 1974.

The negative aspects of the proposed rules can be more easily understood by looking at specific program areas. For instance, the Governor's Youth Opportunity Program which is funded 5 per cent ($127,000) with state funds, 20 per cent ($496,000) with local public and private funds, and 75 per cent ($1,870,000) federal funds, would no longer be eligible for federal funds. This is because the proposed regulations would no longer pay for work training programs. That means that the current enrollment of 4,721 disadvantaged young people, will be cut to 1,180, perhaps even lower if privately donated funds are also withdrawn. That means a lot of kids who would have been working, might not be.

In the area of day care, the department is currently serving 3,201 children. The projected increase by June of 1974, indicates 7,105 children would be served. The proposed regulations would affect at least 4,000 of these children as a result of the loss of federal matching funds, which are currently available to Iowa.

Templeman characterized the proposed regulations as "taking us full-circle, back to where we were when a client had to be destitute and receiving financial assistance before he or she could receive social services. The whole concept of a person being a 'potential' client, was originally introduced into the regulations years ago, to enable us to provide social services to people in order to keep them self-sufficient. Now, practically speaking, all sense of that idea is gone since the definitions on 'potentiality' are so constrictive. Eligibility under the proposed rules will be so restrictive that a mother with one child, will have to be earning less than $1.15 per hour for a 40-hour week to be eligible for day care or any other services as a 'potential' client. Today's minimum wage is $1.60." Another limitation placed on the definition of potentiality is a reduction in the period of time in which a person can be considered a potential client. Presently that period is five years. The proposed regulations would reduce that to six months, making it particularly harsh on certain groups of people presently eligible for services.

For example, a survey by the department of 21 private training facilities for the men-

tally retarded, serving 822 persons, indicates they will have to close if the proposed regulations go into effect. This is because most of their residents would not qualify as "potential" clients, and because privately donated funds to these facilities could no longer be used in getting federal matching funds. If these community and private facilities close, their clients will either return to their parents or be crowded into public or private institutional facilities.

The limitations will have a devastating effect on the elderly. Many older citizens have been able to receive services as potential clients, starting at age 60, because of the present 5-year interpretation of the "potential" client status. The proposed regulations will mean they will not be eligible for those same social services (on a federally matched basis) until they are 64½ years of age. Now, these people maintain themselves in their own homes. The new rules would likely cause them to go to county homes or nursing homes, or onto the Old Age Assistance rolls.

We believe that one tragic consequence of the new regulations is going to be a drastic increase in all categories of public assistance. For example, in Iowa we have 350,000 citizens over the age of 65. 29.1% of these live at or below the federally defined poverty level. Yet presently only 5.8% of these are on the Old Age Assistance rolls. If we discontinue services for those not on public assistance, it is estimated that an additional 4,200 OAA cases would be opened. Moreover, it is certain that significant numbers of these will be forced out of their homes and into institutional situations.

* * * * *

In light of all this discussion, we have prepared the following recommendations:

1. A six-month limitation in the definition of potentiality is far too constrictive. At the very minimum the period should be at least a year; and, in any case, specific groups should be exempted from any time consideration at all: particularly the retarded, particularly the elderly. We urge that the definition be broadened so that we will be able to provide services before a person has started on an irreversible course toward receipt of public assistance.

2. To further restrict the definition of "potential" to a gross income of less than 133⅓% of our present payment schedules and resources to less than $1100 is, in effect, to eliminate the whole concept of "potentiality" since their income would still be beneath the minimum needs standard.

Practically speaking, the new regulations limit our service caseloads to people eligible for public assistance grants. If there is to be an income ceiling it should be far more than 133⅓% of our present public assistance levels; or should include formulas for adjusting such gross income to allow for taxes, social security, day care and other factors.

3. The absence of federal funding for training and educational programs (other than WIN) means that such programs designed to help people help themselves off public assistance to keep them off our rolls will be discontinued. We believe strongly in such programs and urge that they still be eligible for federal matching funds.

4. Because of the catastrophic impact on our community facilities, we strongly urge that privately donated monies remain eligible for federal matching funds.

IMPACT OF FEDERALLY PROPOSED REGULATIONS ON DIRECT SERVICES (ESTIMATED MONTHLY AND FISCAL YEAR 1974 COSTS) [1]

	Current monthly figures				Federal funds no longer available fiscal year 1974 [3]
	Persons now receiving services [2]	Current cost per month	Persons who will lose service	Federal funds no longer available	
Day care [4]	3,201	$55,753	1,794	$23,438	$348,202
Family planning	3,983	145,558	1,952	53,493	769,868
Mental retardation	935	33,780	654	133,733	253,908
Foster care [4]	5,867	216,013	1,995	55,083	818,426
Homemaker services	1,424	108,973	1,041	59,785	888,270
Vocational education and training	2,172	55,218	1,738	33,130	492,248
Delinquency prevention, commitment	155	$3,678	120	$2,122	$3,490
Protective services	2,516	98,555	1,148	33,708	500,825
Health related	3,744	63,603	463	5,890	87,530
G.Y.O.P. [4]	678	7,533	678	5,650	83,920
Other	2,781	78,648	1,391	29,493	438,235
Total	27,456	867,312	12,974	435,525	4,712,922

[1] These figures are based on a new costing method outlined in the Iowa Department of Social Services' Program and Financial Plan, Appendix J. This method was designed to estimate projections of services and costs.
[2] The current direct service case load of 27,456 persons is based on a report of Feb. 5, 1973. 472R-470.
[3] The fiscal year 1974 projection is based on a 2.032 percent monthly increase in overall services.
[4] The costs shown in this table for day care, foster care, and Governor's youth opportunity program, refer to staff costs only. A significant part of the total expense of these programs are found under purchased services, on the following pages.

IMPACT OF FEDERALLY PROPOSED REGULATIONS ON PURCHASE OF SERVICES (ESTIMATED MONTHLY AND FISCAL YEAR 1974 COSTS)

	Current monthly figures				Federal funds no longer available fiscal year 1974
	Persons now receiving services	Current cost per month	Persons who will lose service	Federal funds no longer available	
Day care	1,365	$175,500	1,207	$116,813	$1,056,245
Foster care	800	101,455	640	60,873	769,968
Alcoholism	340	53,994	280	33,349	140,133
Homemakers	284	10,677	49	1,382	6,247
Sheltered work	314	$41,281	314	$30,968	$391,963
G.Y.O.P. [1]	(2)	(2)	(2)	----------	2,522,964
Total	3,103	382,877	2,490	243,377	4,887,520

[1] Governor's youth opportunity program—During the year of 1972, the program cost $1,682,160, serving 4,721 youth. These youth are mainly served during the summer months, therefore total reporting is not captured on our baseline data used Feb. 5, 1973; 678 of the 4,721 are shown because of their year-round participation. Based on the number of youth anticipated through June of 1974, 7,081 young people will be deprived of G.Y.O.P. services, at a projected cost for that year of $2,522,964.
[2] Monthly count inappropriate.

The above services purchased by the Department are very specialized services purchased from agencies throughout the State of Iowa. Our only resource for sheltered workshops and alcoholism services at the present time is through purchases.

Total Federal Funds No Longer Available:

Direct services	$4,712,922
Purchased Services:	
Governor's youth	2,522,964
Other purchased	2,364,556
Totals	9,600,442

DEPARTMENT OF SOCIAL SERVICES,
Des Moines, Iowa, March 16, 1973.

ADMINISTRATOR,
Social and Rehabilitation Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR SIR: This letter is in response to the proposed Regulations, New Part 221, Service Programs for Families and Children, and for Aged, Blind, or Disabled Persons; Purchase of Service, published in the Federal Register of Friday, February 16, 1973.

The Iowa Department of Social Services, after reviewing the proposed regulations, strongly urges that they be withdrawn. These regulations would seriously restrict the current services being delivered within the State of Iowa. Our concern is not the possible loss of a large amount of federal matching in the area of services, but that we will be forced in the focus of our services to move away from the areas of protective and preventive services and helping to prevent the need for public assistance to serving only those who are currently receiving public assistance. We believe it is extremely important that we serve current recipients and, when possible, help them become totally or partially self-supporting. We also realize that if we are able to intervene and provide services to individuals and families before they are forced into applying for assistance that their chances of staying off and maintaining themselves at a level of self-support are much higher. We believe these services will also be much cheaper to provide. One major concern is the proposed definition of "potential recipient." In the case of an ADC potential child or family, the definition of potential recipient will almost require that the families or individual be eligible for assistance. They are required to have resources which fall within the public assistance guidelines and the income limitation for Iowa will actually be lower than the income level for persons with earned income to be eligible for public assistance.

We are in agreement with the change in the regulations to remove from the general requirements some of the administrative rules, such as use of professional staff, use of sub-professional personnel and staff development. We are concerned that reference to some of these items was excluded from the sections dealing with expenditures in which

federal financial participation is available. Reference is made only in very broad terms and we believe that serious questions can be raised as to whether any of the activities will, in fact, be matched. An example of this is the requirement for advisory committees. Our agency feels that it is important that we continue to use the services of advisory committees, particularly at the state and area level. Under the present regulations such committees are required and expenses for these committees are clearly reimbursable at the 75% rate. In the proposed rules, reference to advisory committees other than the state day care advisory committee have been removed from both the general administrative provisions and the provisions regarding expenditures for which federal financial participation is available. We understood that the general administrative provisions that were being removed were removed on the basis that the states would normally be following these provisions in the course of administering their programs and that having them in the regulations did not serve any real purpose. We further understood that the federal agency still supported these activities as positive features of service programs and that federal financial participation would be available. We believe that there is now serious question as to whether these provisions will be reimbursable.

Specific concerns center in the following areas:

Section 221.2(c). We strongly disagree with moving from the requirement in the present rules for a fair hearings and appeals process to a grievance system. We believe that having a grievance system alongside a fair hearings and appeal system will be confusing to recipients of services, will mean duplication of an already established system, while denying clients what we believe is their right to a fair hearing. The very use of the phrase "grievance system" is obviously intended to lessen the stature of the procedure and we believe this would be a step backwards.

Section 221.3. At several points throughout the regulation, terminology "services which are available without additional cost" is used in the old regulations but was never clearly defined, and we feel that the regulations must contain some definition of what availability without additional cost means.

Section 221.4. We heartily support the concept of giving a client the freedom to accept or reject services. There is one major exception to this freedom of choice in the case of protective services. Having protective services mandated and then giving the client the freedom to accept or reject services is incongruous. We believe this section of the regulations needs to have a clearly stated exception covering protective services for families and children.

Section 221.6(c)(2). We believe the definition of former recipient is too restrictive. The present definition should be retained.

Section 221.6(c)(3). As mentioned earlier, we are particularly concerned about the definition of potential recipient as contained in this regulation. Such a definition is so restrictive that it will not enable states to serve people and prevent people from going on assistance and will instead lead to an increase in the assistance roles. During the past five months, the ADC caseload in Iowa has been decreasing. We believe these regulations will reverse that trend. The most glaring example of the inadequacy of this definition relates to the prevention of births out of wedlock. The regulations clearly place a responsibility on the states to attempt to prevent or reduce the incidence of births out of wedlock with the goal of keeping people from going on assistance. Under this proposed definition, a person who is not currently a recipient of public assistance will have to be three months pregnant before we can define her as a potential recipient of assistance and thus then try to prevent the birth out of wedlock. We are concerned about the income limitation since, first, it does not indicate whether it is gross income or net income and, second, as mentioned before, any person in Iowa who has earned income and can meet the income guideline will already be eligible for public assistance. Couple the income guideline with the resource limitation and you have effectively eliminated the category of potential recipient since most people will be eligible for assistance if they meet these guidelines. If the goal of social services is to prevent people from becoming dependent upon assistance, then such restrictive guidelines are self-defeating. We are further concerned about the severe age limitations with regard to the adult programs, again from the standpoint that being able to provide services only when a person is on the threshold of eligibility for income maintenance often is too late. In most cases, the person will go ahead and fall into the income maintenance program and then it is a much more difficult and a much more expensive job trying to extract him. With the aged, much preventive work can be done to forestall the problems of aging which lead to the need for assistance. We believe that for all practical purposes the proposed definition of potential has eliminated the category of potential recipient. There are a maximum of six conditions of eligibility that have to be met and failure to meet even one of these conditions means that the person does not meet the definition of potential. We strongly urge that this definition be broadened so that we can provide services before the person has already started on an irreversible course toward dependency upon public assistance.

Section 221.7(a). We believe it is impractical and, in most instances, administratively impossible, to make an eligibility determination prior to the delivery of some service. Eligibility should be determined early, but in some instances it cannot be determined before the start of services.

We believe that the information and referral services, offered by public welfare offices, are a vital service to the community. The proposed rules should provide for these services, acknowledging that complete information and referral services may involve several interviews with the person and contacts with other people and community resources. Also, protective services are, by nature, such that service should await eligibility determination.

We believe protective services should be an exception to the proposed rule, allowing public welfare service workers to intervene in all cases of neglect, abuse or exploitation. For people of all ages, this is urgently necessary since no other social service agency is specifically charged with this responsibility and none are equipped by experience to handle these cases, in most communities.

Section 221.7(a)(1). We are concerned that this regulation will require us to set up another administrative procedure which will be rather complicated and which we feel could possibly be accomplished in other ways. The regulation does not appear to permit any latitude in the method of determining a person's current status as a recipient. We feel that in Iowa and in possibly other states, this determination could be made on the basis of the Medical Assistance Card, which in Iowa is issued monthly, and indicates those members of the family who are receiving public assistance. We would urge that this regulation be rewritten to give some latitude as to the method of determining eligibility.

Section 221.7(b). We are concerned that the requirements for re-determination of eligibility for services will be unnecessarily complicated. The regulation contains four separate time periods for re-determining eligibility, and we believe it will require an extremely complicated, if not impossible, administrative system to comply. It is particularly difficult to understand why in the case of those current recipients of assistance who are receiving services, a re-determination of eligibility for services has to be made every three months, while for a public assistance grant re-determination has to be made only every six months. Also, it seems unnecessary for a separate requirement for re-determination within 30 days when a family or a person goes off assistance. We would strongly urge that this rule be changed to provide for a re-determination of eligibility every six months for all cases.

Section 221.8(a). As a pilot state for the implementation of the Goal Oriented Social Services program, we strongly protest the attempt in these regulations to move from a system with four goals to a system with only two goals. We believe that this would, in effect, eliminate the concept of Goal Oriented Social Services. Also, the two goals, as defined, are unclear; it is particularly confusing when the term self-sufficiency is not only one goal, but is also used in defining the other goal. We are not able to distinguish between these two goals. Since we already have in operation a Goal Oriented Social Services System, we question whether we will be required to go back and re-do our present system or whether we will be permitted to use the four goals. We believe that the Goal Oriented Social Services program needs to be implemented, along the lines which it had been proposed originally. We believe that the proposed regulations would only give token recognition to the system and in the end will again be self-defeating. Much concern has been expressed over the past five years about the inability of Social and Rehabilitation Services to explain to Congress what is happening as a result of the money being spent on services. We believe that this will continue unless the Goal Oriented Social Services System is maintained as planned before these proposed regulations.

Section 221.8(b). We agree that the service plan should be reviewed at least every six months, but we would hope that this review could be coordinated with or incorporated into the requirement for service eligibility re-determination. Not having the service plan tied to the eligibility review is very inefficient and only further complicates our problem of trying to determine who has to be reviewed for what and when.

Section 221.8(c). We are concerned as to how this particular rule might be interpreted. It appears to say that only services which will prevent a person from becoming eligible for and requiring public assistance should be provided. We do not particularly argue with that interpretation except that it could be further interpreted to mean that if it appears inevitable, regardless of the provision of services, that a person would become dependent upon public assistance that we would then not be able to provide him any service. This would be particularly true in a case of the mentally retarded where, regardless of the services provided, we will not be able to correct or possibly ameliorate their mental retardation, and yet if we are able to provide some services we may be able to lower the amount of public assistance they require. We believe this question needs to be clarified.

Section 221.8(d). Will this section limit purchase of service contracts to a period not to exceed six months?

Section 221.8 (e). This paragraph seems to be in conflict with Section 221.8(a), which requires that before any service can be given that a case plan has to be established. This section indicates that we will be able to help families clarify their need for services, but does Section 221.8(a) mean that before we can help them clarify their needs, we have to write a case plan saying that we are going to clarify their needs? Does this section say that

before an intake (service) is provided, a case plan must be established?

Section 221.9(b)(3). We believe that the definition of day care services for children needs to be broadened. The title of this service is misleading in that services are not really provided because of the needs of the child, but are initiated and provided because of the needs of a mother or relative for employment or training. This definition needs to be broadened so that it would be possible to provide day care services, in some instances, to meet the needs of the child. This could be particularly important if we are to provide protective services as mandated in 221.5(b)(1). This regulation also appears to prohibit payment of a relative for the care of a child. We believe that there should be an option for paying a relative when it is in the best interest of the child. Many relatives will provide free care, but to expect it in all situations is unrealistic. If a relative says no, then the alternative will be to pay someone else at, most likely, a higher price.

Section 221.9(b)(5). We are deeply concerned that this regulation will not permit federal participation in the cost of training or education for clients. With the implementation of the Talmadge Amendments in the Work Incentive Program, it has become increasingly important for us to offer employment services other than through the WIN Program. Our experience since the implementation of the Talmadge Amendment has been that the number of people enrolled in the WIN Program has steadily decreased while the use of our Individual Work and Training Program has sky-rocketed. Withholding federal matching in the cost of training or education will further hamper our training program and will make it that much more difficult to move people off the assistance rolls. Of the total costs of the Individual Work and Training Program, the cost for training and education represents 15 percent. While it represents a small portion of the total cost, we believe that it is a very crucial part and that payments for training and education should be retained. Failure to retain these provisions will just further indicate to the states that the federal government is not really interested in providing meaningful programs of training and education to enable people to escape the public assistance programs.

Section 221.9(b)(8). The definition of foster care services needs to be broadened to include counseling with children while they are in foster care. The regulations include practically every other service that is needed in any foster care program but fails to recognize the child's emotional and reality problems and his consequent need for counseling. The proposed provision for "supervision of the care of such child in foster care" does not seem to contain any provision for counseling or skilled casework with the child. The inclusion of this service is further questioned since the listed services clearly indicate counseling with the natural parent. If, the intent is to include counseling for the child, then it should be clearly stated; if not, then we strongly disagree and believe that it should be included. The definition of foster care should also include recruitment and evaluation of foster homes. This is an important part of any foster home program and expecting the states to pay for this part of a foster care program is unrealistic and would result in poor recruitment and evaluation of foster homes for children being cared for under these regulations. We are deeply concerned about the restriction contained in this proposed regulation in regard to the payment of services to the foster family home or facility under purchase of service contracts. The regulation clearly permits federal participation in the cost of the direct service staff who in our agencies provide the listed foster care services. It would only seem logical that if this is an allowable expense for direct service staff, that it would also be an allowance expense in the case of a purchase of services contract.

Section 221.30(a)(9). We are not clear as to the intent of all parts of this regulation, particularly where it says that we have to assure that recipients pay for their services. There is no statement as to how to discharge this responsibility, or what our responsibility is if the recipients fail to pay. This section would appear to place on us the responsibility of being a collection agency to which we strongly object.

Section 221.52(d). As mentioned previously, while the rules do require the state's day care advisory committee and clearly spell out that expenses of the day care advisory committee are reimbursable, there is no mention as to whether the expenses of other advisory committees are reimbursable. We believe that this section should be changed to clearly indicate that the expenses associated with other advisory committees will be reimbursable.

Section 221.53(f). These regulations require licensing of foster care facilities, which we believe is an integral product of the overall evaluation of a foster care facility. In most instances the same person who is supervising the placement of the child in the home and periodically reviewing the placement as to its appropriateness is also the person who submits the material for licensing. Because of these overlapping purposes in workers' visits, we believe it impractical to try and factor out the cost of licensing. Also, in view of the fact that licensing is mandated by these regulations and since it is vital to an overall foster care program, we believe that the cost associated with licensing should be matchable at the service rate.

Section 221.62. We recommend that this section of the regulations be changed to permit the use of private funds as the state's share. We cannot understand the rationale for abandoning the use of these funds, except for possible misuses and we believe the current regulations contain adequate guidelines to prevent the misuse of this provision if they were enforced. We believe the present regulations should be retained.

Section 221.53(e). We object to this limitation being placed in the regulations. The WIN Program in Iowa has been moving backwards since the passage of the Talmadge Amendments. The number of persons enrolled in WIN has decreased and while our program was operating strictly on a voluntary basis (with a waiting list), we have now had to resort to mandatory callups. To offset the negative impact of the Talmadge Amendments, we have put more emphasis on our Individual Work and Training Program statewide. Restricting non-WIN employment services to non-WIN areas of the state will mean 80 percent of our assistance caseload will not have this as an option available to them. Further evidence that these regulations will force people to remain on assistance.

We strongly urge that these regulations not be adopted in their present form. While it has been indicated that the purpose of these regulations is to improve the administration of the service programs and to provide the states with more latitude in the operation of their service programs, we believe the opposite to be the result of these regulations. The definitions of persons eligible for services and the definitions of the services themselves are so severely restrictive that there would be very little latitude for states in administering their service programs. The administration of the service programs will become more complicated, particularly with the initial determination process and the re-determination process. A stated goal of these regulations was to reduce federal expenditures in the areas of social services. In our state we believe that the amount of federal participation in social services will not be reduced, and that instead the implementation of these regulations will cause an increase in the cost of the public assistance programs. With the very limited definition of former and potential, we will not be able to prevent dependency; once they are on assistance, the cost of services to help them get off is considerably higher than the cost of helping them stay off initially. We believe there is a need to seriously examine the impact these regulations would have on other programs, such as the categorical assistance programs. We think the end result would be an overall increase in federal expenditures and unnecessary duress and discomfort to many people, especially those who are very poor, yet do not qualify and those in need of protective services. The ultimate effect of the enforcement of these regulations will be testimony to the poor that their full range of service needs will be ignored—that those which relate to employment are considered most important, regardless of individual situations and potential for self-support. Also apparent will be an insensitivity to the social service needs of those at the fringes of poverty, whose incomes may be just over 133 percent of state payment levels

They will effectively serve to further reinforce the isolation from the rest of American society that has been brought about through other "programs for the poor" in the past. Concentration on this group alone, rather than working to treat all recipients of federal subsidies in a consistent manner is counterproductive to the goals of the Administration for sharing of the "good life" for all Americans.

Sincerely yours,

JAMES N. GILLMAN,
Commissioner.

UNITED WAY OF JOHNSON COUNTY,
Iowa City, Iowa, March 15, 1973.

HAROLD HUGHES,
U.S. Senator, New Senate Office Building, Washington, D.C.

DEAR SENATOR HUGHES: The Johnson County, Iowa, community has reviewed the proposed regulations of the Department of Health, Education, and Welfare published February 16, 1973, as it pertains to Services to Families and Children, Aged, Disabled, and Blind. We are enclosing our comments as to the manner in which we feel it will affect our community along with suggestions for change.

It is our understanding that these comments will be reviewed before the regulations go into effect. Thank you for your consideration of these comments and we sincerely hope there will be significant reconsideration and change in the regulations.

Anything you can do to support changes in the proposed regulations in the direction contained in the document will be greatly appreciated. If we can be of further help to you please contact us.

Sincerely,

Mr. RICHARD BARKALOW,
President, United Way of Johnson County.
MR. ROBERT HILGENBERG,
Executive Director, Johnson County Regional Planning Commission.
Mrs. CLEO MARSOLAIS,
Director, Johnson County Department of of Social Services.

JOINT AGENCY POSITION PAPER ON PROPOSED DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE RULE CHANGES, MARCH 14, 1973

INTRODUCTION

The position paper was compiled by a diverse group of representatives from agencies who serve the citizens of Johnson County including the following: Johnson County Social Service Department, Johnson County Regional Planning Commission, and many United Way of Johnson County agencies, i.e. Goodwill Industries of Southeast Iowa,

Lutheran Social Service of Iowa, Johnson County Association for Retarded Children, and Mayor's Youth Employment.

The group would first like to express agreement with the general concept of making social services accountable to improve the delivery of services to clients. The emphasis on goal oriented services is appropriate for social workers and the potential for greater local control is commendable.

However, placing too many restrictions on this local control could cripple it. The Proposed Rule-Making which was published in the Federal Register, Vol. 38, No. 32, Friday, February 16, 1973 tends to stress the limitation of client who can be served more than benefits to clients.

Further the proposed rules need to take into account that there are those individuals who always will require some form of income maintenance and supplementary counseling which enables them to maintain their highest potential.

The above listed representatives from agencies are presenting herewith what they hope to be a compromise proposal between the present Rules and Regulations and the Proposed Rule-Making which might provide both for accountability and improved service to clients.

The suggested amendments are listed with accompanying rationale for the amendments summarized at the conclusion of the paper.

AMENDMENTS

Suggested amendments to the Proposed Rules as written are the following:

I. Section 221.6 Services to additional families and individuals.

Subpoint (C), (2) As Proposed: "(2) families and individuals who have been applicants for or recipients of financial assistance under the State plan within the previous [three-months] *one year*, but only to the extent necessary to complete provision of services initiated before withdrawal or denial of the application or termination of financial assistance."

Subpoint (C), (3) As Proposed: "(3) families and individuals who are likely to become applicants for or recipients of financial assistance under the State plan within [six-months] *two years*; i.e., those who:"

II. Subpoint (C), (3), (i) As Proposed: "(i) Do not have income exceeding [133⅓ percent of the State's financial assistance payment level under the State's approved plan] *current poverty guidelines, i.e., Office of Economic Opportunity Poverty Guidelines updated.*"

III. Subpoints (C)(3)(ii); (C)(3)(iv); (C)(3)(iv)(b); (C)(3)(iv)(C), and (C)(4) "[with six months] *within two years.*"

Suggested additions to the Proposed Rules include the following:

IV. Guidelines in determining social functioning:

1. Stability of Family Relationship

a. Is this a recent teenage marriage?

b. Does either parent have a pattern of repeated separation or divorce?

c. Was this a forced marriage because of out of wedlock pregnancy?

d. Has either parent been involved in repeated criminal behavior?

e. Is there a current divorce or separation or is one contemplated?

f. Is there evidence of poor family functioning?

Q. Have the children been referred by the community for protective services?

2. Emotional Stability of Individual or Parents

a. Is there a past history of hospitalization for psychiatric care?

b. Is one of the parents currently having serious emotional problems that could lead to hospitalization?

c. Is there a past or current history of alcoholism, depression, psychosis, character disorder, schizophrenia, or paranoia of such a degree to impair the individual's social functioning?

GUIDELINES IN DETERMINING ECONOMIC FUNCTIONING

1. Income Level

a. Is the family income at or below public assistance standards?

b. Is the family income at poverty level?

c. Is the family income creating a chronic situation?

d. Is the family heavily in debt?

2. Employability

a. Does the head of the family have less than a high school education?

b. Is the head of the family unskilled?

c. Does the head of the family have previous work experience that shows frequent job changes, menial jobs, seasonal work, and frequent periods of unemployment?

d. Does the head of the family have a physical handicap that prevents employment?

e. Is one member of the family approaching retirement age without a visible means of support?

V. Subpoint (c)(5)

"(5) The severely handicapped persons (SRS Definition) shall be considered potential recipients and shall be exempted from having their eligibility determined exclusively on the basis of income guidelines. A sliding fee scale will be established in order that families with higher incomes would pay a proportionately higher cost for services."

VI. Section 221.8 Individual Service Plan

Subpoint (a)(1) and (2) As Proposed: "(1) Self-support goal. To achieve and maintain the feasible level of employment and economic self-sufficiency. (Not applicable to the aged under the Adult Services program.)

(2) Self-sufficiency goal. To achieve and maintain personal independence, self-determination and security."

Suggested Additions:

"(3) Community-Based Assistance goal. To achieve and maintain a degree of autonomy for the individual who is unable or precluded from functioning in a home setting by allowing the individual to reside in facility within the Community that approximates a home environment and may permit the client to exercise some control on day-to-day activities. This may or may not require continued services.

(4) Institutional Assistance goal. To achieve that condition of living in which the individual resides in a largely publicly operated long-term care facility that exercises continuous supervision over day-to-day activities. The goal of Institutional Assistance is achieved once placement of the individual occurs."

VII. Section 221.9 Definition of Services

Suggested additions:

"(18) Self-support-services-for-the-handicapped. Such services must include, but are not limited to:

(a) *Exploring interests and potentials for self-support in whole or in part.*

(b) *Individual counseling, necessary to deal with family barriers which prevent or limit individuals in their use of training and employment opportunities.*

(c) *Providing for referral to and use of public and voluntary agencies in the fields of vocational rehabilitation, health, education, and employment, including special attention to the capabilities of rehabilitation centers and sheltered workshops, neighborhood centers, and similar organizations."*

VIII. Suggested Amendment:

"Section 221.62 Private sources of State's Share. Donated private funds or in-kind contributions may be considered as the State's Share in claiming Federal reimbursement."

The study group feels that all of the above listed amendments taken together would make for much more realistic departmental rules for social services to follow.

RATIONALE

It is difficult to pinpoint the benefit each preceding proposed amendment and addition would have for clients since the real affect on services occurs when all of the changes are viewed together.

Amendment I has the greatest meaning when combined with Amendments and Additions II, III, IV, V, VI, VII, and VIII, but as much as possible we shall try to identify affects separately.

Amendment I would allow for a more reasonable time criteria for eligibility of clients for services either before or after receiving financial assistance.

An example of the effect of the Proposed Rule-Making without Amendment I is that a retarded child could not be given services until he or she is 17½ years old. The present Rules and Regulations have allowed these youth to be served at 13 years. Amendment I would compromise with the retarded child eligible to receive services at age 16, or two years prior to turning 18 and becoming an adult.

The income guidelines under the Proposed Rule-Making for the state of Iowa could change from the below listed Present Guidelines to the Proposed Rule-Making Guidelines.

PRESENT GUIDELINES

[Based on gross income]

Family size:	*Income per month*
1 person	$433.00
2 people	550.00
3 people	666.00
4 people	784.00

Proposed Rule-Making Guidelines

Family size:	*Income per month*
1 person	$168.00
2 people	200.83
3 people	264.67
4 people	323.19

Amendment II would set guidelines similar to the Office of Economic Opportunity Poverty Guidelines which would be standard for the entire United States instead of varying according to state.

An example of how the Proposed Rule-Making without Amendment II would affect a family would be the case of a mother with one child who is a recipient of ADC. She could receive only $200.83 a month for their living expenses. If she wanted to work to get off ADC she could not afford the $75.00 a month a day care center would cost her in Iowa City, even if she would be reimbursed. She simply would not have the working capital.

Amendment III covers the same issues as Amendment I.

Amendment IV and V would give the Proposed Rule-Making some flexibility in determining eligibility on individual merits. For example, a middle income family with three retarded children would not meet the poverty guidelines as proposed, but would obviously be having financial and emotional strains placed on their family far beyond their limits. At $5.00 to $10.00 a day charge for keeping retarded children on foster care (if a willing foster family is available) even temporary care to allow for a brief vacation away from the children would be prohibitive financially for these people. Complete foster care would cost at minimum $150.00 a month per child.

Although the family pays above average taxes their retarded children can not benefit from education at the public schools and Nelson School costs $8.17 per day per child and is not subsidized *at all* by tax money. So, in order to provide their children with any kind of education or training this family would have an additional outlay for their three retarded children of $492.60 per month. Can they in addition afford services for themselves?

Amendment VI would allow for more realistic goal setting and would take into account the fact touched upon in the Introduction, that certain individuals, i.e., the severely handicapped, will never be completely self-

sustaining or self-supportive, but could possibly manage with community based or institutional assistance. Amendment V is related to this concept also.

Amendment VII allows the handicapped to be served by Sheltered workshops for which there is no replacement. Either a handicapped person receives training and continued supervision in this type of situation or they are left to endure empty, meaningless, and unproductive lines as burdens to society.

Amendment VIII would allow organizations such as the United Way of Johnson County to continue to match Federal monies under the Social Security Act. This Amendment would provide for the continuance of the communities' effective use of funds from the public and private sectors. In combination these funds have been able to serve people far beyond what they could accomplish separately.

Specific programs which would be affected would include the Mayor's Youth Employment Program which last year received $10,000.00 in local money, a combination of tax and voluntary dollars, to match $35,000.00 federal and $5,000.00 state funds. Obviously this program's total budget of $50,000 can not be picked up locally nor can the $10,000.00 be raised by any method other than United Way. This program has served those families who meet the current income guidelines well. When an adolescent from a lower socio-economic background can hold a job the extra income benefits the entire family in self esteem as well as materially.

These Amendments in combination would prevent the following cuts in services by the Johnson County Social Service Department's direct service, and Purchase of Service from Nelson School, Goodwill Industries of Southeast Iowa, and Lutheran Social Services of Iowa—located in Iowa City. Without these Amendments the following clients would not not be served by these agencies:

JOHNSON COUNTY SOCIAL SERVICE DEPARTMENT: DIRECT SERVICES—HOMEMAKER SERVICE

Class	People	House-holds	Per-cent	Cost
Private	30	13	18.8	$907.04
Nonpublic assistance elderly	30	24	34.9	1,683.91
Nonpublic assistance family	52	10	14.5	699.58
All public assistance	77	22	31.8	1,534.15
Total	189	69	100.0	4,824.68

Those who can presently be served will be reduced by an estimated 40%.

Counseling Cases: Number of Cases at beginning of month:

November, 663.

December, 694.

January, 751.

February, 768.

Covered by new regulations: 289 Public Assistance Families.

Not covered by new regulations: 479 non-Public Assistance Families.

Intake Unit:

Female Worker, Interviews 10% ADC Families, 90% non-ADC Families.

Male Worker, Interviews 33% ADC Families, 67% non-ADC Families.

Purchase of Service—Two Major Programs.

1. Day care for the Mentally Retarded—Nelson School, System Unlimited, Inc: Potentially hoped to serve 14 eligible clients in a year period of the contract.

2. Sheltered work services for the Handicapped—Goodwill Industries: Potentially hoped to serve 34 eligible clients in a year period of the contract.

I. Day Care for the Mentally Retarded—Nelson School Development Center.

A. As of January, 1973: 10 clients—eligible for Federal Purchase of Service reimbursement for services—4 ineligible clients currently ($686.28 per month cost).

Total County Expenditure for services $2,222.24 per month.

Reimbursement from Federal Government for eligible children $1,129.47 per month.

B. Under New Federal Guidelines: 6 clients eligible; 8 clients ineligible for services.

Total cost to the County per monthly—$2,222.24 (projected for 1 month).

Reimbursement of Services—$637.26 per month.

We would lose reimbursement for 4 children—$514.71 lost per month in reimbursement.

C. Based on Above Figures—Cost for Total Year: Under Current Program, $26,666.88 cost per year, $13,553.64 reimbursement per year.

Under New Rules Proposed, $26,666.88 cost per year; $7,627.12 reimbursement per year; $6,176.62 lost in Federal Reimbursement for the year.

II. Services to the Handicapped—Goodwill Industries Based on January, 1973 Statistics:

A. Under Current Program: 24 clients eligible for services now $4,992.50; Total cost for the month; $3,744.38; Total Reimbursement would receive.

B. Under Proposed Guidelines: 19 clients eligible: $4,446.00 projected cost; $3,334.50 possible reimbursement.

C. Services Lost: 5 people ineligible with subsequent unmet needs $1,110.00 amount of cost no longer met for these 5 people would have to be picked up by the County or State with no reimbursement.

Mentally Retarded and excluded from "former" and "potential"

Alcoholics and Drug Abusers are also excluded if they are involved in an "active treatment" program.

Lutheran Social Services:

Result: 1. Johnson County must first support its own structure and existing funds which means that its own staff will have to serve many who might otherwise been referred under purchase of service.

2. They will have to take a harder look at a person's ability to pay even partial for his or her service and refer that person on possibly to free up its staff to provide services in required areas. It will not be able at this point to reimburse the serving agency totally or in part for the services it provides.

3. Lutheran Social Services will continue to be asked as in the past to subsidize costs for clients unable to pay cost of service whether they do or do not fall within ADC guidelines, so the 90–10 factor is academic at this point.

4. A result: our service deficit to Johnson County last year was in excess of $25,000, we will be forced eventually to say no to people who cannot support the cost of their service. A subsequent result of course is that people needing service will not receive it either from Johnson County Social Service or Lutheran Social Service.

5. In effect, needed services in family counseling services to single parents, marriage counseling etc. will be severely affected unless other community funding sources fill the gap.

SENATE CONCURRENT RESOLUTION 28

Whereas, we believe in assisting families, children, the aged, blind and disabled toward maximum self-support; and

Whereas, day care services, employment and training services, delinquency prevention services, foster care services, services to the mentally retarded, services to the alcoholic and drug abuser, and family planning services are supportive of this belief; and

Whereas, proposed rules for the Social Security Act (Titles I, IV–A, IV–B, X, XIV, and VI) would reduce federal support of these services in Iowa by at least $5.6 million, effective April 1, 1973,

Now therefore, be it resolved by the Senate, the House concurring, That the Iowa General Assembly urges the Department of Health, Education, and Welfare to rescind or to modify its proposed rules.

Be it further resolved, That copies of this resolution be sent to the President, the Secretary of Health, Education, and Welfare and the Iowa congressional delegation.

ARTHUR A. NEU,
President of the Senate.
ANDREW VARLEY,
Speaker of the House.

I hereby certify that this Resolution originated in the Senate and is known as Senate Concurrent Resolution 28, Sixty-fifth General Assembly First Session.

RALPH R. BROWN.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume its consideration of S. 929, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 929) to amend the Par Value Modification Act.

The PRESIDING OFFICER. By unanimous consent, the Senator from Texas is to be recognized at this time.

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

Mr. EAGLETON. Mr. President, will the Senator withhold that request?

Mr. TOWER. For what reason?

Mr. EAGLETON. I have a substitute amendment pending, which I wish to modify.

Mr. TOWER. I ask unanimous consent that I may yield to the Senator from Missouri for that purpose without losing my right to the floor.

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

Mr. EAGLETON. I thank the Senator from Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EAGLETON. Is my amendment offered yesterday the pending matter before the Senate?

The PRESIDING OFFICER. It is the pending question.

Mr. EAGLETON. I would like to send up a modification of that amendment.

The PRESIDING OFFICER. The Senator has that right. The modification will be stated.

The legislative clerk proceeded to read the modification.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the modification be dispensed with.

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

Mr. EAGLETON'S modification of his amendment (No. 58) is as follows:

On page 2, beginning on line 11, strike all beginning with the words "the amounts' and

ending on line 11 with the word "proposal" and insert in lieu thereof:

"on a proportionate basis the amounts necessary to comply with paragraph (a) of this section (Other than amounts made available for expenditures for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants, medicaid, social service grants under Title IV of the Social Security Act, food stamps, military retirement pay, and judicial salaries.)"

On page 2, line 17, beginning with the "if, before," strike all through line 22.

Mr. EAGLETON. Mr. President, the purpose of the modification is twofold; first, to provide that where Congress fails to come up with alternative budget reductions, the President will be required to make the reductions on a pro rata basis. This is in place of the original amendment which provided that should Congress fail to act, the President's recommendations would stand.

Second. The second modification eliminates that provision of the bill which says in the event the President vetoes the reduction passed by Congress, the ceiling will be adjusted upward accordingly. Rather than that, I think it better to simply require a pro rata reduction in the event the President vetoes.

The basic thrust of the amendment as it stands is:

First, to establish the President's recommended ceiling of $268.7 billion; second, to provide for pro rata cuts in the event that that is necessary; third, to give Congress an option of making other kinds of cuts.

Mr. President, inflation has become a bread-and-butter issue for millions of American families. The cost of food has risen to the highest level in 20 years. Interest rates, after a brief decline, are again on the climb. Rents have soared out of sight in many areas of the country. The prices of other goods and services are not far behind.

In my opinion, the inflation we are experiencing today owes far more to the failure of this administration's economic policies than any failure of Congress to establish a statutory spending ceiling. The administration says Congress is spending recklessly and that is what is heating up inflation. The fact is, regardless of any act of Congress, the Federal Government is spending this year only what the administration decides it should.

At the beginning of this fiscal year, the administration called on Congress to establish a spending ceiling of $250 billion, which it said was consistent with efforts to fight inflation. Congress failed to take that step but that did not prevent the administration, through vetoes, impoundments and other means, from holding Federal outlays this year to the recommended figure. In short, we have a de facto ceiling.

I happen to believe that in many instances the administration acted without legal or constitutional authority. But the fact remains it has acted. Federal spending has been held to the level which the administration certified and maintains today is not inflationary. And yet we are experiencing some of the worst inflation in this country since the Korean war.

The administration cannot have it both ways. If it is going to assume the power to impound and to hold Federal expenditures to the level it chooses, it cannot deny responsibility for the inflation which continues. The administration's effort to make a scapegoat of Congress is a crude diversion designed to draw attention away from the obvious failures of its own economic policies.

Nevertheless, that tactic could succeed if Congress fails to expose it. The best way to do that would be to accept a statutory ceiling and provide a means to assure that the ceiling is honored.

In the past, efforts to establish such a ceiling have foundered on the question of how reductions which may be necessary to stay within the limit should be made. I believe the amendment which I have introduced offers a better solution to the problem. Briefly, it would work this way:

First. The President would advise Congress when the cumulative total of appropriations and other spending bills exceeded the ceiling and offer his recommendations for cuts.

Second. Congress would take those recommendations under consideration. If it failed to act within 30 days the President would be authorized to proportionately reduce all budgets, except for certain uncontrollables, in the amount necessary to meet the ceiling.

Third. However, Congress would have the right, operating under special procedures to assure that the resolution reaches a vote within the 30 days allowed, to substitute its own rescissions equal to the amount needed to stay within the ceiling. Such a resolution would be open to amendment.

Fourth. If, after both Houses passed such a substitute measure, the President failed to sign it into law or vetoed it, the reductions would have to be made on a pro rata basis.

I consider this approach preferable to others which have been offered. But I would agree with the observation made yesterday by the Senator from Minnesota (Mr. MONDALE) that the best approach of all would be to link the spending ceiling and whatever procedure we agree upon for making necessary reductions to legislation which controls executive impoundments. As was pointed out yesterday, this proposed legislation is now before the Government Operations Committee with action on the bill scheduled soon.

Since introduction of my amendment, I have had discussions with other Senators who have amendments. I now understand that the Senator from Wisconsin (Mr. PROXMIRE) will accept modifications of his amendment which will meet my other reservations; namely, that the ceiling is too low and that too much discretion is given the President.

Mr. President, I see that the distinguished Senator from Wisconsin (Mr. PROXMIRE) has now come into the Chamber. May I be privileged to ask a brief question of him, as to whether he will accept modifications of his amendment.

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Missouri (Mr. EAGLETON) and the distinguished Senator from Wisconsin (Mr. PROXMIRE), without losing my right to the floor.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

Mr. EAGLETON. I thank the Senator from Texas.

I ask the Senator from Wisconsin, it is my understanding that perhaps he will accept some modifications to his amendment, the combined Proxmire-Bentsen amendment discussed and debated yesterday.

Mr. PROXMIRE. Yes, indeed. I expect to do that. I expect it to be modified along the lines the Senator from Missouri is interested in. We had discussion with some Senators on it this morning. It is desirable and necessary. I will be very happy to do that.

Mr. EAGLETON. I thank the distinguished Senator from Wisconsin.

Now, Mr. President, I want to make it clear, however, that I believe it is essential that Congress early this year impose on itself a statutory spending ceiling. It is necessary not only to restrain Federal spending but also to bring into focus the real causes of our economic difficulties.

Mr. President, I withdraw my amendment, reserving the right to bring it before the Senate if necessary at another time.

The PRESIDING OFFICER. The amendment is withdrawn.

QUORUM CALL

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without losing my right to the floor.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the other for the quorum call be rescinded.

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

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield to the Senator from Louisiana (Mr. JOHNSTON) without losing my right to the floor.

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

Mr. JOHNSTON. Mr. President, I should like to direct a question to the Senator from Wisconsin.

The PRESIDING OFFICER. Will the Senator from Wisconsin send his modification to the desk, or is he going to do it later?

Mr. PROXMIRE. I will do that a little later.

Mr. JOHNSTON. The so-called Bentsen amendment provides that if there is to be a reduction, that reduction must be applied pro rata—"proportionately," I believe the word is—on all appropriations or other obligational authority. It

further states, in section 3, that in carrying out the provision of the paragraph, "no amount specified in any appropriation or other obligational authority for fiscal 1974 for any activity, program, or item within such appropriation or other authority may be reduced by more than 10 percent."

My question is this: In applying this amendment, if it becomes necessary to reduce any of the appropriations or obligational authority, is it not a fact that all those appropriations or obligational authorities or activities, programs, or items within the appropriations must be reduced proportionately?

Mr. PROXMIRE. Yes, that is certainly the purpose of it.

Frankly, I say to the Senator from Louisiana that we have not absolutely decided on the modification. I had a discussion with Senator BENTSEN and others this morning, and we have considered the possibility of simply providing that any deviation from a proportional reduction would be prohibited, that any cut would have to be proportionate; and the 10-percent leeway matter is something that we have not absolutely determined would be in the modification.

Mr. JOHNSTON. Without regard to the question of 10 percent but with regard to the proportionate nature of each cut, it would seem to me that this language with respect to proportionate cuts for any "activity, program, or item" would require, for example, with respect to the defense budget, that military personnel in the Army, which is a line item within the military budget, would have to be cut, as well as military personnel for the Navy, for the Air Force, for the Marine Corps, for operation and maintenance of the Army or aircraft procurement or weapons procurement—Navy. All these are line items, and there are quite a number of them just in the defense budget itself.

Mr. PROXMIRE. That is correct. The idea is that if that is not feasible, the President can propose a different kind of cut and come back for congressional approval. We want to have some trigger, so that the President would not be in the position of abolishing programs as he has been doing and substitute his priorities for what Congress intended. For example, the President might want to make all the military cuts in the Army. He would no doubt have other preferences, and Congress would go along, to the extent that they were appropriate and logical and did not destroy some of the programs we were interested in.

Mr. JOHNSTON. Is it not true, though, that under the language of the amendment, the coming back to Congress applies only should the President find it necessary or desirable to exceed the 10-percent limitation?

Mr. PROXMIRE. Under the Bentsen language, that is correct. As I say, we have been considering the possibility of further modification, and we are holding our options open on that.

Mr. JOHNSTON. Is it not true that under the present language, until or unless it is changed, the President has no authority even to come back to Congress, except in those cases in which it exceeds the 10 percent, and in all other cases the reductions must be made pro rata, in every line item in every budget, regardless of the fact that, for example, he may find it possible to exceed the proportion with Navy procurement and might need every cent of it in Army personnel salaries?

Mr. PROXMIRE. That is right. That is one of the reasons why we are concerned with it and want to modify it. That is an excellent point.

May I just say that the one kind of language we are considering here is that if it is a roughly proportionate cut, the President does not have to come back to Congress. If it is disproportionate, he would have to do so.

Mr. JOHNSTON. As a matter of fact, it is not a question of being roughly proportionate. It must be exactly proportionate.

Mr. PROXMIRE. That is correct. That is the way it is in its present form. That is why we are concerned with modifying it.

Mr. JOHNSTON. One of the things that concerns me about this amendment—and I say this as a strong supporter of the idea that Congress must seize the initiative, that Congress should be the one to set a spending limit and to set the priorities—is that, without the time for committees to consider this bill, without the time for committees to go over every word very carefully and to consider the implications, we may reach inadvertently the kind of situation, I just outlined, where neither the President nor Congress intends for different items to be cut in the budget, but we might be stuck with a situation where we would have to do it with absolutely no discretion and no flexibility.

Mr. PROXMIRE. I think the Senator raises a highly legitimate point. But the problem is if we do not act now, the other options for acting are limited would not occur until the very end of the fiscal year, and that would be too late. If so, we are in a difficult position. It is not easy to resolve this matter. We will do the best we can.

The matter the Senator is raising on the floor is helpful in highlighting one of the most difficult problems.

Mr. TOWER. Mr. President, I am fully in sympathy with the purpose of the amendments of Senators who would like to see some meaningful restraint placed on governmental spending. A spending ceiling is something that I myself will support in a separate measure, and I think that the President will approve such a separate measure if it is reasonable. The impoundment question does need to be resolved, perhaps through some defined procedure for obtaining congressional participation and approval, as long as adequate allowance is made for some discretion in the Executive to deal with this problem unilaterally where justified. This, too, merits consideration in a separate measure, or together with the spending ceiling measure—but these issues should not be dealt with in the devaluation bill.

There are three very strong reasons why these items should not be taken up in connection with this bill—any one of which is sufficient to justify tabling these amendments:

First. The House will not consider this type of amendment as germane nor as complying with the Constitutional requirement that revenue bills originate in the House.

They would take our bill and not act on it. They would pass a bill of their own and bring it to conference and they would not accept this in conference. Representative MAHON is already considering legislation on the question of impoundment, on the question of a spending ceiling, and certainly the House is not going to preempt the Committee on Appropriations. I think we should study the House a little more in depth, because it is not going to happen.

Second. The Senate has already established a Subcommittee on Budget Management and Expenditure in the Government Operations Committee, given it a budget of $180,000, and asked it to come up with well-considered legislation on spending limitations. This subcommitee does not start hearings until next week, and already the Senate is jumping the gun to take the issue to the floor as a rider on another bill. This is a complex and very important measure and should be the subject of hearings and committee action before the Senate acts—if it is important and justified, it can meet the challenge of passing both Houses and obtaining the President's signature on its own merits, and not because it has to be coattailed onto another measure. Let us give this issue the separate and full consideration that it deserves.

In this same connection, the Government Operations Committee also has before the full committee an Ervin bill on impoundment procedure, which will apparently be acted upon next week. The same considerations apply to this question—the Senate should wait until a committee has taken action on a measure of this type after due deliberation, rather than to jump the gun by going directly to the floor and acting precipitously on a very complex measure.

Third. And, finally, the Senate should take recognition of the fact that this devaluation bill has a very significant role to play in assuring foreign governments and dollar-owners that our Government will meet its international obligations that are involved in parity changes. Money markets are notoriously skittish and subject to sudden and drastic changes due to even a casual word from a major country's finance minister or a mild delay in the legislative process on a bill affecting the monetary system. Right now the United States is in the hotseat of the international monetary system. Any unusual treatment of the devaluation bill will tend to start the international rumor mill going again. One interpretation that might be placed on such amendments as the one presently before us could be an assumption by nervous dollar-owners that Congress does not think that the dollar has yet reached its market-bottom and is, therefore, trying to shore it up with special budgetary action. In any event, any dilatory action by Congress will tend to cause uncertainty

in the money markets about U.S. intentions, and uncertainty is an anathema to restoring stability in the moneymarkets and to preventing another—this time unjustified—devaluation of the dollar.

Mr. President, I, therefore, ask that the Senate support the motion I will make in due course to table this amendment, not to voice opposition to the substance of this and other related amendments, but to express the view that they should properly be taken up independently and after the Committee on Government Operations has reported such measures to the floor.

Mr. President, I ask unanimous consent that I may yield 3 minutes to the Senator from Ohio without losing my right to the floor.

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

Mr. TAFT. Mr. President, I shall at a later time on this bill have a considerably broader discussion and I anticipate presenting the Bellmon-Taft amendment as it presently has been proposed, with minor changes. However, I do wish to address myself at this time merely to the question of the budget ceiling proposed in the Proxmire amendment.

Despite my concurrence in the belief that budget control for the immediate future must be one of our highest priorities, I do not think that it would be wise to enact a $265 billion budget ceiling for fiscal 1974. I feel that such action would result in an unnecessarily high level of impoundments by the executive branch, and could be the cause of needless unemployment, perhaps unemployment in the Federal Government and otherwise in the Nation generally, and other economic developments, and I think it would also unnecessarily broaden the powers whatever they be of the executive to engage in impoundments.

The enactment of any spending ceiling is necessarily accompanied by the implied power to impound funds if it is likely that the spending ceiling would otherwise be exceeded. The Office of Management and Budget can justify impoundments on the grounds that they are necessary to faithfully execute the spending ceiling law. In fact, an OMB official indicated to my staff that in view of the uncertainty of appropriations totals until all appropriations bills are actually passed, OMB might try to help effectuate a spending ceiling by reserving funds from the very beginning of the fiscal year.

It follows that the lower the spending ceiling figure is set, the more massive the impoundments are likely to be. We must, therefore, be careful not to set a ceiling which is lower than necessary, particularly if we are likely to have difficulty keeping spending at or below the ceiling level.

The $265 billion spending ceiling is certainly a case in point, because that goal is going to be tremendously difficult to achieve. It is $3.7 billion below what the President wants to spend, which means that a total of $3.7 billion more in budget cuts than those proposed by the President would have to be made. Senators on both sides of the aisle have already expressed their disapproval with many of the proposed cuts and indicated their intention to restore these cuts. The only way to do this and still keep the budget in line would be to cut expenditures in some budget categories by much more than the President has requested.

I believe that achieving a congressional consensus to make cuts of this type which are large enough to keep the fiscal 1974 budget within the President's proposed spending level is going to be an extremely difficult task. Since the 93d Congress began slightly more than 2 months ago, this body has already approved measures opposed by the President which make available for obligation $2.54 billion. The combined vote on these measures was 529 to 67. Although this record may simply indicate a difference of priorities between Congress and the President, it certainly does not instill overwhelming confidence into the hearts of those who are relying upon Congress to fight inflationary Government spending.

If we require that an additional $3.7 billion of cuts must be made to reach the spending ceiling, our task will become even more difficult. Yet, once we set a budget ceiling at $265 billion, we must either accomplish the task or face inevitable impoundments, possibly on a large scale.

This effort should be made despite its formidable nature only if such an effort is likely to contribute significantly to inflation restraint. The administration does believe, however, that $268.7 billion can be spent without generating inflationary pressures. We should not complicate our job significantly by adopting a budget ceiling much lower than this figure unless we are extremely confident that the administration's assessment is wrong. I have not seen convincing evidence to this effect.

We should also be concerned that if the administration's analysis is correct, a $265 billion budget would be less expansive than the economic situation demands. To the extent that this is true, our efforts to promote full employment would be compromised. Considerable progress has been made during the last year on the employment front. Nevertheless, at 5.1 percent the unemployment rate is still too high. I am sure most of us agree that Government policy must continue to combat unemployment in every responsible way.

I believe, therefore, that it would be wiser to set a ceiling at the President's proposed level of spending than at the $265 billion level.

I noted that in the colloquy which occurred a few moments ago the Senator indicated that perhaps he might be willing to compromise on this point.

Of course, this would not prevent the Government from spending less than $268.7 billion. Congress could still limit the budget to $265 billion, or any other level below $268.7 billion, if it decides that this is desirable and it is able to agree upon cutbacks of sufficient magnitude. On the other hand, if Congress accepts the $265 billion ceiling and then agrees to spend $268.7 billion, $3.7 billion has to be impounded.

I am well aware that some Senators consider the idea of setting a spending ceiling below the President's proposed budget level to have great political attractiveness. In my judgment, however, it would be unwise to support this amendment on partisan grounds. Democrats, at least as much as Republicans, have emphasized the necessity for Congress to retain control of spending priorities and for minimizing the budget control process. Setting an unrealistically and perhaps unnecessarily low budget ceiling level is likely to work against these extremely important goals.

The PRESIDING OFFICER. The 3 minutes of the Senator have expired.

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield an additional 1 minute, with the same understanding that I do not lose my right to the floor.

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

Mr. TAFT. I thank the Senator.

These budget ceiling amendments are too important to be decided upon political considerations. We should enact the amendment which is most likely to facilitate responsible budget control by the Congress. I am convinced that such an amendment should set a budget ceiling of $268.7 billion rather than $265 billion, and that we should set it now. I think that is important.

We have had much discussion as to whether this type of amendment is proper on this particular piece of legislation. I believe it is proper. It has been thoroughly considered. It has been argued in Congress, and actually was done by the Senate last fall when it took the Jordan amendment requiring proportionate cutbacks. So the principle is understood by all Senators. This is not a matter requiring additional committee hearings or additional explanations by Senators as to what is required.

I think what is needed is an expression by the Congress now, before we reach the point in June when it is too late, and that we should proceed under the principle of setting a budget ceiling, and setting it at a responsible level, at this time, at $268.7 billion. So, along with other Senators, I hope that the amount can be cut.

Mr. TOWER. Mr. President, the point remains as to whether this is an appropriate vehicle. The House will not take it; that is all there is to it. So all we are doing is using the Senate as a forum for a very enlightening discussion as to whether this bill is an appropriate vehicle for an amendment that should not be on it.

But the discussion is useless, because the House has said it will not take the bill with the amendment in it. The House is going to be very tough, and we do not have much chance to get the bill through conference.

We are holding up the passage of an important measure, one that the money market people in Europe are waiting for to see what will happen.

The spending ceiling is an extremely important question, one that should be taken up in special legislation. It is entitled to be considered thoroughly by the various committees of Congress, not only those in the Senate.

I hope that when the motion to table is offered, it will be acted on favorably, because this is an extremely important bill.

Mr. President, I ask unanimous consent that I may yield 3 minutes to the Senator from Virginia without losing my right to the floor.

Mr. HARRY F. BYRD, JR. I thank the Senator from Texas, but I cannot do much in 3 minutes. Suppose I wait and get the floor in my own right. I prefer to do that.

Mr. TOWER. If the Senator wants the floor, he will have to wait until the motion to table is acted upon.

Mr. HARRY F. BYRD, JR. I do not think the Senator wants to do that.

Mr. TOWER. How much time does the Senator wish?

Mr. HARRY F. BYRD, JR. Ten minutes.

Mr. TOWER. Mr. President, I yield 10 minutes to the Senator from Virginia—12 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Texas yields 12 minutes to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the Senator from Texas.

I think this question should be put in perspective. There has not been a reduction in the budget. I will read into the RECORD in a little while the new figures, the new budget submitted by the President, which calls for an increase in spending in the amount of $19 billion. There is no reduction by the President.

I support the amendment offered by the Senator from Wisconsin (Mr. PROXMIRE), because I think there should be a ceiling on expenditures. The question is, What ceiling? As I understand the proposal by the Senator from Ohio (Mr. TAFT), he would set the ceiling at $268.7 billion. The ceiling proposed by the Senator from Wisconsin (Mr. PROXMIRE) would be $265 billion. The way to put this question in perspective, as I see it, is this: If we take the Proxmire proposal, there would be an increase of $15 billion in spending permitted under the proposal. If we take the Taft proposal, the increase in spending would be $18.7 billion. I favor the lower proposal, although I think that even it is too high.

As to which bill it should be attached and what the House might do, I am not impressed by the argument that the House might not agree with what the Senate does. The Senate is a responsible body.

The Senate has a responsibility. If the House does not want to accept what the Senate does, that is the prerogative of the Members of the House. However, the Senate has a responsibility. And I submit that the Senate has a responsibility to put a ceiling on expenditures. And that ceiling should be not more than—and in my judgment it should be less than—$265 billion. That in itself is a 6-percent increase over what is being spent this year.

What better proposal to put such a ceiling expenditure amendment on than a dollar devaluation bill? Why is this legislation before the Senate today? Why is the dollar devaluation bill before the Senate today? It is because of the excessive governmental spending by Congress and by the President.

It is before the Senate and House for consideration, because of the excessive expenditures and the huge deficits the Government has constantly been running which have caused a deterioration in the value of the dollar. That is why the devaluation measure is before the Senate. If that were not the case, we would not have the bill up for consideration. The devaluation bill formally recognizes what has already taken place, namely that the dollar is less valuable now than it was in the past.

Secretary Volcker under questioning before the Senate Finance Committee said that devaluation is a radical step. Those are not the words of the senior Senator from Virginia. They are the words of Under Secretary of the Treasury Mr. Paul Volcker. He says that devaluation is a radical step. And there have been two devaluations in 14 months.

I think the Senate should proceed and should put a ceiling on expenditures at a time when so clearly what is needed more than anything else, as I see it, is to put a ceiling on the amount of money that the Government can spend.

The proposal of the Senator from Wisconsin (Mr. PROXMIRE) provides for an increase of $15 billion in spending. I think that is too much. However, it is better than the other proposals. The other proposals would permit an increase in spending of $18.7 billion.

I say again that the new budget submitted by the President calls for an increase in spending of $19 billion. The proposal which the Senator from Wisconsin has introduced and which I have cosponsored proposes that the increase be held to $15 billion.

If we are going to do anything about Government spending at all, certainly we should be willing to go as far as to say that $15 billion is the maximum increase that will be permitted. I think it should be much lower than that. However, I do not think there is any chance of getting through legislation much lower than that. And for that reason I am supporting the $265 billion figure. And I hope that the Senate will approve it, because I do believe that we are in a very dangerous financial position.

I say again that the appropriate vehicle for a debt ceiling is the devaluation bill. The figures that are significant to me, Mr. President—and I will put them in the RECORD in a moment—are that during the 4 fiscal years 1971 through 1974, the accumulated unified budget deficit—and that means after we apply to the total deficit the surplus from the trust funds—will be $85 billion. If we take only the Federal funds deficit—and that is in my judgment what we should take, the Federal funds deficit, the administrative budget—then the accumulated total deficit in that 4-year period will be $121 billion.

I suggest that we are in a very awkard and a very difficult position financially, and that Congress would be well advised to put a ceiling on expenditures. And I understand that is what the President would also prefer. Of course, he prefers the figure of $268.7 billion, while the Senator from Wisconsin and the Senator from Virginia want a figure of $265 billion.

Mr. TAFT. Mr. President, I wonder if the Senator from Texas would yield for the purpose of my engaging in a colloquy with the Senator from Virginia for a few minutes.

Mr. TOWER. Mr. President, could the Senator give me any idea about the time frame?

Mr. TAFT. Mr. President, I think that certainly within 5 minutes I could cover the points I want to cover.

Mr. TOWER. Mr. President, I will first yield to the Senator from Minnesota, because I promised him I would do so, and I will then yield to the Senator from Ohio for that purpose.

Mr. MONDALE. Mr. President, I would be pleased to follow the Senator from Ohio.

Mr. TOWER. Mr. President, I yield 5 minutes to the Senator from Ohio and the Senator from Virginia for the purpose of engaging in a colloquy with the understanding that I do not lose my right to the floor.

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

Mr. TAFT. Mr. President, I thank the Senator from Texas for yielding. The matter on which I want to engage in a colloquy with the Senator from Virginia relates back to the remarks of the Senator from Texas. The Senator from Virginia just mentioned that we should not take note of what the House might or might not do in connection with the legislation if we should put on a spending ceiling and send it to the House.

I find myself very much in agreement with him. In that regard I point out that the House has in their various proposals in this regard set a ceiling after having had only a very few preliminary hearings and no executive session hearings at all. As I understand it, the legislation which would come to the Senate from the House would not come until far later in the fiscal year when there would still be doubt as to what the financial picture of the Nation might be.

Would the Senator from Virginia comment on what the effect of that might be?

Mr. HARRY F. BYRD, JR. The Senator is quite right. This is now Thursday. By next Monday it will be April 2. The fiscal year ends on June 30. The new budget and the appropriations for fiscal year 1974 are under consideration now. Under the rules of the Congress, they should be enacted by the 30th day of June. There is not much more time left between now and the end of this fiscal year.

It seems to me that the more we would like to put on a ceiling—if we are going to put on a ceiling on expenditures at all—the more difficult it will be for the entire appropriating process because, as I mentioned, it is only 3 months from now that the fiscal year will end. And most of the legislation I have seen to help correct this situation for the future would require that a ceiling be put on in January.

Yet we are almost into April.

Mr. TAFT. I thank the Senator for his remarks. Continuing on the same subject, I feel strongly in agreement with the views expressed by the Senator that there is no telling what the House of Representatives might do with this legisla-

tion unless we enact it in this form and send it over to them. Particularly, I would note the comments yesterday of the distinguished chairman of the Finance Committee, in which he admitted, in effect, that this is not a revenue measure, but stated that the House of Representatives would nevertheless not agree to go ahead with it.

I certainly agree that it is not a revenue measure in any sense, under the Constitution, requiring initiation in the House of Representatives. I do not believe anyone in the Senate would take the position that it is, and I doubt whether many Members of the House of Representatives would take such a position. The facts as to the House problems in this regard really relate far more to committee jurisdiction, and the Ways and Means Committee jealously guarding its jurisdiction in relation to debt ceilings, than anything else.

I ask the Senator from Virginia if he would not agree that this is the problem, and that it could be very easily solved by the House of Representatives, if they should agree that this is a proper time and a proper vehicle on which to go ahead with the debt ceiling, by simply referring the matter to Ways and Means, or Banking and Currency and then Ways and Means, both procedures which I think could be handled in a fairly expedited way.

Mr. HARRY F. BYRD, JR. Yes, I think the Senator from Ohio makes an excellent point, and it occurs to me that there probably is no other bill that would be more appropriate to put a spending ceiling on——

Mr. TOWER. Why not independent legislation?

Mr. HARRY F. BYRD, JR. Than this piece of legislation.

Mr. TOWER. What is wrong with independent legislation? I think the matter is sufficiently important to deserve independent legislation, rather than being just the tail on a smaller dog.

Mr. TAFT. Mr. President, in response to the Senator's inquiry, I can only say that independent legislation does not seem to be forthcoming from the appropriate committees, on one of which the Senator from Texas serves.

I refer again to the remarks of the Senator just a few minutes ago as to whether the world money markets might not be shaken if we failed to pass gold devaluation legislation right away. I ask the Senator from Virginia what effect a spending ceiling might have on those markets. I feel that in this field there is no single step we could take that would be more helpful in stabilizing the overall world monetary situation than an expression of the Senate by a strong vote to the effect that we wish to establish and support a spending limitation.

Mr. HARRY F. BYRD, JR. I strongly agree with the Senator from Ohio. It seems to me that would be one of the best things that could be done to stabilize a weakening dollar, for the Senate and Congress to establish a ceiling. That is far more important to the money markets of the world, in my judgment at least, than formal legislation devaluing the American dollar.

Mr. TAFT. I thank the Senator for yielding, and I thank the Senator from Texas.

Mr. HARRY F. BYRD, JR. If the Senator from Texas will permit me to put an insertion in the RECORD, Mr. President, I ask unanimous consent to have printed in the RECORD three tables which I have prepared, one showing receipts and expenditures for fiscal years 1968 through 1974, another showing deficits in Federal funds and interest on the national debt for the 20-year period 1955 to 1974, inclusive, and a third showing U.S. gold holdings, other reserve assets, and liquid liabilities to foreigners.

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

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1955–74 INCLUSIVE

[In billions of dollars]

	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1955	$58.1	$62.3	−$4.2	$6.4
1956	65.4	63.8	+1.6	6.8
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	10.7
1965	90.9	94.8	−3.9	10.3
1966	111.4	106.5	−5.1	12.0
1967	111.8	126.8	−15.0	13.4
1968	114.7	143.1	−28.4	14.6
1969	143.3	148.8	−5.5	16.6
1970	143.2	156.3	−13.1	19.3
1971	133.7	163.7	−30.0	21.0
1972	148.8	178.0	−29.2	21.8
1973 [1]	154.3	188.4	−34.1	24.2
1974 [1]	171.3	199.1	−27.8	26.1
20-year total	2,039.5	2,272.1	232.6	264.7

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

	Fiscal year						
	1968	1969	1970	1971	1972	[1] 1973	[1] 1974
Receipts in billions:							
Individual income taxes	$69.0	$87.0	$90.0	$86.0	$95.0	$99.0	$112.0
Corporate income taxes	29.0	37.0	33.0	27.0	32.0	34.0	37.0
Total	98.0	124.0	123.0	113.0	126.0	133.0	149.0
Excise taxes (excluding highway)	10.0	11.0	10.3	10.5	9.1	9.4	9.6
Estate and gift	3.0	3.5	3.6	3.7	5.2	4.6	5.0
Customs	2.0	2.3	2.4	2.6	3.2	3.0	3.3
Miscellaneous	2.5	3.0	3.4	3.9	3.5	4.0	4.1
Total Federal fund receipts	116.0	143.0	143.0	134.0	149.0	154.0	171.0
Trust funds (Social Security retirenent, highway)	38.0	44.0	51.0	54.0	60.0	71.0	85.0
Total	154.0	188.0	194.0	188.0	209.0	225.0	256.0
Expenditures in billions:							
Federal funds	143.0	149.0	156.0	164.0	178.0	188.0	199.0
Trust funds	36.0	36.0	40.0	48.0	54.0	62.0	70.0
Total	179.0	185.0	196.0	212.0	232.0	250.0	269.0
Unified budget surplus (+) or deficit (−)	−25.0	+3.1	−2.0	−24.0	−23.0	−25.0	−13.0
Federal funds deficit	−27.0	−6.0	−13.0	−30.0	−29.0	−34.0	−28.0

[1] Estimated figures by Office of Management and Budget.

Source: Prepared by Senator Harry F. Byrd, Jr., Jan. 29, 1973.

U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS, AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods in billions of dollars]

	Gold holdings	Total assets	Liquid liabilities
End of World War II	20.1	20.1	6.9
Dec. 31, 1957	22.8	24.8	15.8
Dec. 31, 1970	10.7	14.5	43.3
Dec. 31, 1971	10.2	12.2	64.2
Dec. 31, 1972	10.5	13.2	79.0

Source: U.S. Treasury Department.

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield to the Senator from Minnesota (Mr. MONDALE) without losing my right to the floor.

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

Mr. MONDALE. Mr. President, I understand that shortly the Senator from Texas will move to table the pending amendment, and I shall vote to support that motion.

I want to make it clear that I believe Congress must swiftly impose an overall spending ceiling on Federal Government expenditures. I also believe that we should impose rules on the Executive which would determine the manner in which the President may reduce expenditures, so as to assure that congressional priorities would be observed. And third, I think we must pass an amendment like the Ervin amendment, which, without any doubt, would prevent the President from continuing on his present course of illegal and unconstitutional

impoundment of duly enacted laws and funds.

For several reasons, I do not believe the pending amendment fulfills these objectives. First of all, it does not deal with impoundment. If the present amendment is enacted, the President can cut as much as he wishes under this amendment, and then cut anything else he wants to under his present invalid views of his powers. So not only would impoundments continue, but I predict Congress would be blamed for all the cuts, and that, in addition to endorsing impoundments, we would be voluntarily taking the blame for them.

Second, it seems to me that this amendment is ahead of the proper scheduling, because, as I understand it, the Committee on Government Operations at this time is in the process of marking up a bill dealing with impoundments, a spending ceiling, and the rest. Also, we meet at a time when Senator ERVIN, chairman of the Government Operation Committee and chief sponsor of the bill, cannot be here because of a personal tragedy in his family which prevents him from participating in this debate.

Finally, of course, we have the point which the Senator from Louisiana (Mr. LONG) made yesterday—that these spending ceilings have traditionally been included as part of a revenue measure, on the grounds that the House of Representatives, properly or improperly, considers them to be revenue measures and not germane to nonrevenue measure such or the bill now before the Senate.

It seems to me we would be very foolish—indeed, I think it would be among the worst mistakes we have ever made—to pass a spending ceiling without also including ironclad protections against the kind of illegal impoundments that we see today; because I predict that if we give this President official power to impound, we will never get an anti-impoundment bill across his desk. We have got to make him limit his powers of impoundment as a part of the bargain of getting a spending ceiling; otherwise, I think we will never get a limitation upon illegal impoundment. And if we do not get that, let us face it, Congress is nothing more than an overpaid advisory body. The legislative dictates will henceforth be purely advisory to the administration, and we can point out hundreds of examples now of that kind of disrespect for the law.

Therefore, for all these reasons, I think the worst thing we could possibly do at this point is act on this amendment and, I, therefore, shall support the motion to lay on the table to be made by the Senator from Texas.

However, I hope that shortly we can have recommended out of the Committee on Finance the debt ceiling legislation, and that on that legislation we can attach an amendment which will meet the need which Senator PROXMIRE has raised for an overall spending limitation which would meet the need which Senator BENTSEN has raised to require balanced program reductions in all controllable expenditures, together with Senator ERVIN's amendment on impoundment. Then I think we would have a package an overwhelming majority of the Senate could agree with, it would be on a proper bill, we would have Senator ERVIN here to help, and we could do the job the way I think it ought to be done.

So I shall support the motion of the Senator from Texas.

Mr. TOWER. Mr. President, I want to finally emphasize again my dedication to legislation supporting a spending ceiling, and I shall support such legislation when it is presented to the Senate. I should also like to reiterate my conviction that Congress must be responsible, and I shall demonstrate that conviction by voting against some rather popular measures, and to sustain some rather unpopular vetoes. Let there be no mistake about that.

But this is not the appropriate vehicle for that kind of amendment. Such legislation should be more carefully considered.

Therefore, Mr. President, I move to lay on the table the amendment of the Senator from Wisconsin; and I ask for the yeas and nays.

Mr. PROXMIRE. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 66

Mr. PROXMIRE. Mr. President, I call up my amendment No. 66 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment as follows:

At the end of the bill, add the following:

TITLE II—FOREIGN CURRENCY REPORTS

STATEMENT OF FINDINGS

SEC. 201. The Congress finds that—

(1) the stability of the international monetary system is threatened by the existence of substantial sums of short-term liquid assets at the disposal of large United States business enterprises and their foreign affiliates;

(2) only a small percentage of United States business enterprises need to engage in speculative foreign exchange transactions in order to trigger an international financial crisis;

(3) the Government of the United States does not receive adequate and timely information on foreign exchange transactions conducted by large United States business enterprises and their foreign affiliates; and

(4) periodic and timely reports on foreign exchange transactions on the part of large United States business enterprises and their foreign affiliates would be useful in deterring the possibility of speculative exchange transactions and in providing the Government of the United States with information needed to deal with international financial crises.

AUTHORITY TO PRESCRIBE REGULATIONS

SEC. 202. (a) The Secretary of the Treasury (hereafter referred to as the "Secretary") is authorized and directed, under the authority of this title and any other authority conferred by law, to prescribe regulations requiring the submission of reports on foreign currency transactions consistent with the statement of findings under section 201. Regulations prescribed under this title shall require that such reports contain such information and be submitted in such manner and at such times, with reasonable exceptions and classifications, as may be necessary to carry out the policy of this title.

(b) Reports required under this title shall cover foreign currency transactions conducted by any United States person and by any foreign person controlled by a United States person as such terms are defined in sections 7(f)(2)(A) and 7(f)(2)(C) of the Securities Exchange Act of 1934.

ENFORCEMENT

SEC. 203. (a)(1) Whoever fails to submit a report required under any rule or regulation issued under this title may be assessed a civil penalty not exceeding $10,000 by the Secretary.

(2) In the event of the failure of any person to pay any penalty assessed under this subsection, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

(b) Whenever it appears to the Secretary that any person has violated any rule or regulation issued hereunder, the Secretary may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, seeking a mandatory injunction commanding such person to comply with such rule or regulation, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond.

EFFECT ON OTHER LAWS

SEC. 204. Nothing in this title may be construed to alter or affect in any way the authority of the Secretary under any other provision of law.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) without losing my right to the floor.

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

Mr. HARRY F. BYRD, JR. Mr. President, I want to say that I regret very much the Senator from Wisconsin has withdrawn his amendment providing for the spending ceiling. I submit that today is the time to vote for a spending ceiling.

Mr. PROXMIRE. I could not agree more with the distinguished Senator from Virginia. I intend to press for a spending ceiling before we are through with the bill. We have had a series of conferences with Senators and I have come to the conclusion that this is not the time, today, at this moment at least, to offer this particular spending ceiling provision. There is an excellent chance that, before this bill passes, we can attach a spending ceiling to it.

I want to thank the Senator from Virginia for his excellent speech just a few minutes ago in which he supported the proposal I made. I agree with everything he said, and that the spending ceiling should be lower than $265 billion. I should like very much to have the opportunity to attach a spending ceiling to the bill, which I plan to do subsequently. But at the moment, it is necessary, for a number of reasons, that we postpone that for at least a little while.

Now, Mr. President——

Mr. NUNN. Mr. President, will the Senator from Wisconsin yield briefly?

Mr. PROXMIRE. I am happy to yield.

Mr. NUNN. I should like to commend the distinguished Senator from Wisconsin for advocating a spending ceiling, and also for his sound judgment in withdrawing the amendment at this time. We will have it at the proper time. I should

also like to associate myself with the remarks of the Senator from Minnesota in saying that the impoundment measure and the spending ceiling should be joined as one unit, because that is what we are dealing with here.

Also, I should like to restate the position which 13 new Members of this body took in a letter to the majority and minority leaders, in which we said that this is very important, and that in view of the public interest we have in the overall situation this year, and with the great financial crisis we face today, in devaluation, and otherwise, it is imperative that we deal with the subject of the spending ceiling, and also with the subject of impoundment, and do it prior to going into appropriation measures. If we are going into appropriation measures, it will be a great mistake, because it is important for us to put our congressional house in order first. I shall be happy, at the appropriate time, to join the distinguished Senators from Wisconsin and Virginia and other Senators who are pushing for a spending ceiling and I hope that we will not in any way dilute that effort.

Mr. PROXMIRE. Mr. President, I cannot agree with the Senator from Minnesota when he said that we should wait for the debt ceiling, because that will not come up until next week, and then it will be discussed next week, and the next week, and the next week, and that will take a great deal of time. It will originate in the House with hearings and could not come down to us until a few days before the end of the fiscal year, perhaps. The President himself has said that we should act, as the Senator from Georgia just said, on the spending ceiling, before we take any kind of spending action for 1974. That means that we have to act, in my view, within the next week or so.

I thank the Senator very much for the point that he has made, that one of the reasons why we have done this is that we think, on next Monday, we will be in a much better position to act when the distinguished Senator from North Carolina (Mr. ERVIN) comes back to give us his most important advice. Yesterday the Senator from Georgia raised that point, that he should be consulted and be given the opportunity to give us his opinions on the impoundment measure, as the Senator from North Carolina is the most expert Senator in this body on the subject of impoundment. So we want very much to have his counsel and advice before we proceed.

Mr. NUNN. Mr. President, I should like to state at this point in the RECORD so that it will reflect my understanding, that the Government Operations Committee will be considering the Ervin impoundment measure, originally scheduled to be held yesterday, but because of Senator ERVIN'S family tragedy, he had to be absent from the Senate. It is my understanding that there will be a considerable series of hearings as early as possible. I would join the Senator in hoping that we can get any benefit we may from it and that we should deal with the spending ceiling before we go into appropriations.

Mr. PROXMIRE. I thank the Senator from Georgia.

Mr. President, the amendment now before the Senate would require reports on the foreign exchange transactions of these companies. My amendment would in no way restrict the freedom of large firms to buy or sell foreign currency. Nor does it require the repatriation of foreign currency holdings. Instead, it merely requires that periodic and timely reports be furnished by these companies when they buy or sell foreign currency.

NEW MONETARY SYSTEM

There was a time when the fixed exchange rate system agreed to at Bretton Woods functioned with reasonable stability. However, in the past few years, the international monetary system has been rocked by one financial crisis after another. One of the most important developments leading to instability in the international monetary system has been the growth of large, multinational corporations whose international financial transactions are virtually unregulated. The financial resources at the disposal of multinational corporations are now truly staggering.

I recall reading a book by a distinguished French journalist Servan Schreiber on "The American Challenge," and he pointed out that the largest group of resources in the world, after only the United States and the Soviet Union, is not a third country, but American corporations abroad.

That is something that indicates the great power and strength of America. It is something that offers a challenge and indicates the great competence and know-how of our country.

But I think there are some problems involving some of these multinational corporations with which we must deal, especially in this particular bill.

The financial resources at the disposal of multinational corporations are now more than double the total volume of financial reserves held by all countries and more than triple the reserves held by industrialized countries.

We sometimes think of international money speculators as consisting of Arab sheiks, deposed Latin American dictators, international gamblers, and other sinister characters. However, in today's market, the bulk of currency flows are accounted for by large, multinational corporations.

Fortunately, there is a newly released study, and a superlative study, by the Tariff Commission—I hold a copy of it in my hand—of some 929 pages. It is a very timely study. The findings by the Tariff Commission point toward action by Congress on the amendment I am offering today.

FINANCIAL ASSETS OF MULTINATIONALS

According to a recent study of multinational corporations by the Tariff Commission, the short term assets of companies and individuals active in the international money market reached the staggering sum of $268 billion by the end of 1971. Moreover, these assets have grown at the rate of 30 percent a year over the past 2 years.

U.S. multinational corporations including banks have acquired the lion's share of private funds in international finance. Of the total $268 billion available to private firms and individuals, U.S. firms and individuals accounted for $190 million, or 71 percent of the total. From these figures, it is clear that U.S. multinational corporations dominate our international monetary system.

To put the problem in perspective, consider the $88.5 billion in currency reserves and other assets held by the central banks of the major developed nations. The combined holdings of U.S. multinational corporations alone, is nearly twice this amount.

Who, then, are the really big boys in international currency speculation? It is very clear that they are U.S. owned, multinational corporations. They dominate.

Consider—if the U.S. multinational corporations were to shift their total holdings by just 3 percent, the resulting currency flows would total nearly $6 billion, or more than enough to trigger an international financial crisis. No single country has the reserves to sustain a concerted attack upon its currency on the part of large corporations.

In the words of the Tariff Commission report, central banks are "outclassed" by the resources of the private sector. Given the size of multinational corporations and their rapid growth, it is amazing that the international monetary system agreed to at Bretton Woods has survived as long as it has.

DO U.S. CORPORATIONS SPECULATE?

In reviewing our changing international financial system, a key question must be asked concerning the role of large multinational corporations: Are their activities stabilizing or destabilizing? Do they merely react to financial crises, or do they precipitate those crises? Are U.S. corporations to blame for the attack upon the dollar or were they merely acting to prevent losses in their financial position?

After reviewing the operations of multinational corporations, the Tariff Commission study concluded that—

While it is not appropriate to judge that speculative behavior characterizes the international financial dealings of the great majority of multi-national corporations, it is appropriate to stress that they have been a primary force in the growth of the international money and capital markets. This is the sense in which the multi-national corporations have altered the international realities around which policies of governments—and the international monetary system in general—are framed. . . . In an earlier time, central banks and governments had more freedom to work out appropriate monetary policies because the institutions of international finance were sufficiently underdeveloped that national money markets remained partially isolated from one another. The development of a strong, flexible international money market has taken away that advantage, allowing the international financial community to focus its flows quickly and directly— a focus which, as the recent international monetary crises have shown, has caused serious problems for the world's central banks.

WHO SOLD THE DOLLAR SHORT?

This conclusion was written before the latest dollar devaluation. Recent events have thus amply confirmed the warnings contained in the report. The role of U.S. corporations in the latest financial crisis

is difficult to assess. German bankers report that over one-half of the dollars purchased by the West German Central Bank came from U.S. corporations. The AFL–CIO has charged that by selling dollars abroad, "U.S. corporations and banks put profits ahead of patriotism, selling their country's currency in order to make swift profits for themselves."

Although U.S. corporations were heavily involved in selling dollars, corporate spokesmen maintain their actions were defensive rather than speculative. A GM vice president told a Senate committee that—

General Motors has not and will not speculate in the world money markets.

On the other hand, the Los Angeles Times on March 4 reported that—

Interviews with international bankers, multi-national corporation treasurers, economists and commercial banking officials show the outlines of a speculative pattern.

Business Week, which I think all of us recognize as a responsible and conservative publication, reached a similar assessment. In its February 17 issue, it reported that—

With the announcement of the mammoth $6.4 billion U.S. trade deficit, many multinationals approached the thin line between protection and outright speculation.

The New York Times cites unconfirmed reports that American banks were selling dollars in Frankfurt in the final days before the devaluation.

PROFITS FROM DEVALUATION

All told, American corporations made at least $300 million by switching from dollars to marks. While some or most of this profit may have been "defensive," when the stakes are this large, it is difficult to draw the line between protection and speculation.

Corporations also profit from devaluation to the extent that they have fixed assets in hard currency countries. The value of these assets increase with the upward appreciation of the country's currency. Peter Baer, a partner of the Baer banking house in Zurich, said that IBM, ITT., and Eastman Kodak were among concerns that got a devaluation dividend because of their substantial assets in hard-currency countries.

In one of the most forthright statements on the dollar crisis, the chairman of Gulf & Western Industries warned that—

Continued speculation on the dollar could lead to a wave of protectionism in the United States which in turn would result in the greatest depression ever. . . . The speculators operating in Europe today make Monte Carlo look like a silly little place. . . . There is a $90 billion thundercloud hovering over Europe now which smells bad, and it is equalled only by the wind of isolationism sweeping throughout the United States.

This corporate official hinted that multinational corporations were adding to the wave of currency speculation in Europe, but vehemently denied that Gulf & Western Industries did any speculating.

Similar denials were issued by IBM, Union Carbide, and Pepsi-Cola.

TREASURY DOES NOT KNOW

Mr. President, with all these large companies denying they were involved in speculation, it makes one wonder just who was involved. The sad fact is that we simply do not know. The Treasury does not have the foggiest idea which companies were dumping dollars in foreign currency markets.

This was something that bothered me during the committee's hearings; and when Under Secretary Volcker came before the committee, I questioned him on it. It seemed to me that the Treasury of the United States should have some knowledge, some basis for understanding, about speculation against our dollar, in view of the fact that by far the biggest element in the holding of reserves were the multinational corporations. In view of the great importance to their well-being, as well as the well-being of our country, of a stable dollar and a sound dollar, it seemed to me that the Treasury Department should know the extent to which these very large corporations were involved. So during the committee hearings on the devaluation bill, I asked Treasury Under Secretary Volcker what role U.S. multinational corporations played on the speculative inflow of funds to Germany and Japan. As I say, we have established the fact that more than two-thirds of all the internationally held assets are held by these multinational corporations, that they dominate the field.

Secretary Volcker replied:

I can't answer that question. We don't have the data.

Mr. Volcker went on to say that he would like to have the information, but that a reporting system just had not been set up.

Now, Mr. President, I cannot imagine a more absurd situation. The Government collects statistics on practically everything. Small business firms are flooded with a sea of paperwork, yet the Treasury does not know which corporations are selling dollars during foreign exchange crises, when they are such an important element.

Large multinational corporations receive daily reports on their kinds of businesses. They employ computers and the most sophisticated techniques and management science in managing their cash balances. They collect and disseminate information on a worldwide scale.

By contrast, our Government officials and those of other countries are still scribbling figures on the backs of envelopes.

According to the Tariff Commission report, much of what happens in the international monetary crisis is listed under errors and omissions in the balance of payments accounts. That category has always fascinated me. It is always billions and billions of dollars. It is a confession that we don't know what is going on. The corporations know what is going on. It would not involve a great deal of paperwork. They have the information, but we make no effort to pick it up.

The Tariff Commission report concluded with this strong recommendation:

There is a need for governments—primarily central banks—to develop information systems at least as good as those possessed by the multi-national corporations. Since the multi-national corporations, at least the important ones, already are developing such information for themselves about themselves, it would seem possible and not excessively costly for central banks to require such information, on a confidential basis, from the multi-national corporations. Access to reports on short-term asset and liability positions and where they are held would greatly enhance the perspective of the monetary authorities respecting international financial problems as they develop, and it would provide insights into the possible solutions to solve such problems before they degenerate into international monetary crises.

Mr. President, I think a strong case can be made for keeping this bill as germane as possible. I hope we can still adopt a ceiling amendment. I think that is highly germane. But what could be more relevant and central to our being able to prevent this kind of problem in the future than an amendment that requires the multinational banks to make confidential, regular, periodic reports—which is what my amendment does—to the Treasury.

After all, this is a congressional power we are talking about. The Constitution is very clear on this matter. Congress has the right to coin money and regulate the value of that money. It is our power. The President acted, rightly or wrongly, when he devalued the dollar. This was a devaluation, a usurpation of congressional authority.

I am saying it was necessary for the President to take that action, but when we accept his devaluation action we should at the minimum require a reporting system so that we have data on which the Treasury can inform Congress in the future as to the basis of speculation in the dollar so that we can take the steps necessary to correct the situation.

Mr. TOWER. Mr. President, the Senator might be surprised to know I agree with him. This is germane and an appropriate vehicle for this legislation. I shall oppose the amendment of the Senator, but I am in agreement with him in spirit that something must be done. I will cite my reasons for opposing it. But I do feel the Senator has offered an amendment that is quite germane and pertinent.

Mr. PROXMIRE. I thank the Senator from Texas. He has looked into this matter carefully and he is very well informed in this area.

I am willing to modify my amendment, if there is an amendment by the Senator from Texas with the same thrust, but I think we should act now rather than in a future bill. This is an amendment that would go to the devaluation problem. This is the only time it will be before us forever because Dr. Burns said we will not have another devaluation.

Would the Senator enlighten us as to why we cannot act now?

Mr. TOWER. Rather than give all my argument now I would prefer to wait until the Senator completes his remarks and then I will make my presentation and perhaps we can engage in a colloquy.

Mr. PROXMIRE. Mr. President, the European financial officials also support the need for better information on U.S. multinational corporations. We tend to regard this as a situation in which Monte Carlo gamblers and sheiks are doing this, but Europeans are not under that illusion. They know the facts. About three-fourths of this activity is within the con-

trol of U.S. multinational corporations. They have indicated in about as emphatic and clear way as they can, without being undiplomatic and rude, that the United States should know what is going on by its own companies.

The current chairman of the Common Market Council of Ministers, Mr. Willy Leclerq, suggested that governments should require multinational corporations to disclose how much and what kind of money they are holding, both at their home offices and their foreign branches. This official placed most of the blame for monetary instability on large multinational corporations.

That is about as appropriate an official as I can imagine to comment, who has a position in this area. He is chairman of the Common Market Council of Ministers. He placed most of the blame for monetary instability on large multinational corporations. These gentlemen who occupy positions of this kind are inclined to be extraordinarily careful and guarded in their statements. His conclusion was clear and emphatic:

Most of the blame for monetary instability is on large multinational corporations.

I am not suggesting we should limit them or prohibit their opportunity to buy and sell currency. All I am saying is they should let us know what is going on so Congress can be informed and the President and the country can be informed about these matters, and we would then be in a position to act.

Mr. President, my amendment authorizes and directs the Secretary of the Treasury to require periodic and timely reports from large U.S. corporations dealing in foreign currency.

Originally we had decided we would require daily reports. That might seem to be a great burden. The fact is that the reports are confined to large corporations. They know what is going on. I have modified and changed my amendment before the Senate. It does not require daily reports. It gives that discretion to the Treasury. But it does require timely and periodic reports. These reports could be daily if the Treasury needs the information to keep itself informed about a potential currency crisis.

The reports would cover the activities of the U.S. parent as well as any foreign affiliate. While U.S. laws cannot directly extend to foreign companies, the United States can require U.S. corporations to assemble and report information from their foreign affiliates. Moreover, most of this information is already available in corporate headquarters. As the Tariff Commission report points out:

Basic to the efficient, centralized management of the finances of a large multinational corporation is the existence of only one or a few central profit centers with the ability and the resources to plan the firm's worldwide operations in fine detail.

Under my amendment, the Treasury would have flexibility to determine the extent and timing of these currency transaction reports and to make reasonable exceptions and classifications. For example, it is expected that the reports would be required of only the largest corporations and then only to the extent their foreign exchange operations had a significant effect upon the market. I would envision that daily reports would be required for large and unusual currency transactions which depart from the firm's customary trading pattern.

That would be my intention. The language of the law requires simply periodic and timely reports. I think the experts in the Treasury, under those circumstances, would require daily reports under these circumstances. With the kind of crisis the country and the world had to undergo in January, for example, daily reports would have been enormously helpful.

Furthermore, I believe the following advantages will flow from my amendment if it is adopted:

First, the mere requirement of disclosure would help eliminate unwarranted currency speculation.

So that to the extent that there is speculation—and I think it is obvious that there has been a substantial amount of it—the speculative activity is very likely to be restrained except to the extent that it can be fully justified and that it would not be construed as being counter to the best interests of our country.

Under today's climate of instability, the foreign exchange market is not unlike the securities market of the 1920's. Foreign currency markets can be subject to manipulation the same as securities markets.

We had all kinds of talk about how gold speculators were deliberately driving up the price of gold and making killings along the way; how they were deliberately driving down the value of the dollar and making enormous sums moving their currency into marks and into yens. Of course, there was an opportunity for firms to make tens of millions of dollars, and in some cases hundreds of millions of dollars, in a matter of days, with just a few decisions, and those decisions become easy with colossal assets in the hands of corporations, and with the momentum they generate it is not very difficult to do that.

What is lacking here and in our securities markets is disclosure, so that we can have some knowledge of what is going on, that there is concerted action to drive up a price, which action can be disclosed and watched.

We therefore need to apply the same disclosure approach. Given the size of our international financial system, it only takes a few companies to trigger a worldwide financial crisis. I am not charging that this has been done in the past. But we need to insure that it cannot be done in the future.

Second, my amendment will give our financial officials the information they need to understand what is happening and to prevent another currency crisis. A reporting system will serve as an early warning system for detecting possibly disruptive currency movements.

So not only would it tend to discourage unwarranted and unjustified speculation; it would also give our financial officials information with which to understand what is happening and to prevent and avert a monetary crisis.

Third, my amendment will serve to build confidence in the stability of the international financial system. Because the financial currency transactions of large corporations are often conducted in absolute secrecy, many people feel that they contribute to instability. A reporting sysem will provide some assurance to our major trading partners that our multinational corporations are subject to some governmental scrutiny.

Mr. President, I believe the events of the last few weeks have demonstrated the need for my amendment. No one knows for sure how much power multinational corporations really have and whether their activities are destabilizing. We will never know unless we have more information. That is what my amendment calls for—more information. I am hopeful that the disclosures called for by my amendment will help us to understand the role and function of large multinational corporations.

Mr. President, I would like to read some of the highlights from this very appropriate and pertinent report.

Mr. TAFT. Mr. President, I wonder if the Senator would yield for some questions at this point.

Mr. PROXMIRE. I am happy to yield to the distinguished Senator from Ohio.

Mr. TAFT. I thank the Senator for yielding.

I have listened with interest to his remarks about the possible effect of American multinational corporations dealing with currencies. I am not certain as to what the situation is with respect to disclosure. As I gather from the simple wording of the amendment before us, the information required to be made available to public officials here involved would be disclosed to the public generally. I would like to inquire if that is the case and whether the Senator thinks there are some other restrictions upon disclosure that would apply.

Mr. PROXMIRE. Well, it would depend. It would not be disclosed if it was not required under the Freedom of Information Act. It would be a matter of determination and judgment—the judgment, in the first place, of the Secretary of Treasury, and, in the second place, of the courts if it were challenged. That act does permit the withholding of confidential business information.

Mr. TAFT. If the American multinational corporations are indeed engaging in transactions in money markets for the purpose of making money or taking favorable advantage of foreign exchange situations—whether they are in it or not, they are good businessmen and are aware of the situation in foreign exchange, and whether in addition to their regular operations abroad, nevertheless they are from day to day making decisions as to foreign exchange—would not this really mean they would have to disclose such information, and should not we try to provide a basis over and beyond that which would protect them from being put at a disadvantage insofar as dealing in foreign exchange markets is concerned, with large foreign competitors who would not have to disclose such information?

It seems to me we do not want to put American companies at a great disad-

vantage, particularly at a time when many see some new bogeyman coming into the international money market with respect to our dollars as a result of our energy crisis?

Mr. PROXMIRE. The Senator makes an excellent point. Certainly we do not want to put our companies at a disadvantage as compared with other corporations. The way this amendment would operate, the Secretary of the Treasury would have authority to decide the extent to which information which was confidential should be confidential.

And it would be up to him to comply with the Freedom of Information Act.

It would seem to me that he would have the discretion to protect the interest of American corporations so that they would not be subjected to a competitive disadvantage. At the same time, he would be in a position to inform both himself, the President of the United States, the Chairman of the Federal Reserve Board, and other relevant and appropriate officials as to the situation.

There would be sometimes, such as during the currency crisis we have gone through, when some of this information should be disclosed without seriously inhibiting the action of American corporations in competition with other corporations.

Mr. TAFT. Mr. President, I thank the Senator.

Mr. PROXMIRE. Mr. President, I might say to the Senator from Ohio that this amendment comes from a recommendation in the Tariff Commission report. It is not just my recommendation.

As the Senator knows, the Tariff Commission is a bipartisan body. It explained this matter with great comprehensiveness and thoroughness. It is a remarkable report.

The report in discussing the role of the multinational corporations in generating liquid short-term capital flows and international monetary crises, says:

> Since 1967, the international monetary system has been subjected to a series of shocks that have threatened its foundations, called into question the utility of the Bretton Woods Agreements of 1944 on which it is based, and, finally, forced the abandonment of the parity of its lynchpin, the United States dollar. The only comparable period of such strain on the system within living memory was that of the hectic international monetary history of the 1920's and 1930's. Indeed, the threat of a return to the disordered condition of those two decades—and the fear of it—lend urgency and fire to the current debate about just what is wrong with the present system. It should be clearly underlined, however, that despite the recurrence of severe international *financial* crises in recent years (especially since 1967), the economic troubles which beset the major countries in the 1920's and 1930's have been absent. Despite disruptions in the monetary sphere, world economic growth, world trade, and international investment have reached record levels.
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> THE TYPICAL "CRISIS"
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> The international monetary crises of recent years have been more alike than different. They have so many characteristics in common that it is an easy matter to describe the "typical" financial crisis, which begins with a balance of payments disequilibrium between one country with a relatively large deficit and one or more countries with large surpluses, the counterparts of that deficit. National policies are applied with greater or lesser enthusiasm in order to correct this disequilibrium. Generally, they are applied more severely in the deficit country than in the surplus ones, and sometimes the policies applied by the surplus countries turn out to be perverse, from the balance of payments point of view. That is, they find themselves, despite payments surpluses, in inflationary situations which they attempt to combat with tight money and high interest rates. These kinds of policies work to increase rather than decrease payments disequilibria.
>
> In any case, exchange rates begin to reflect the payments problems. The deficit country's rate becomes "weak" and the surplus countries' rates become "strong." Under a par value system of the Bretton Woods type, exchange rates are fixed within the short run; in practice, the monetary authorities of the developed countries have attempted to keep them fixed in the long run too. Central banks have bent every effort to defend existing rates. In this process, the deficit country must sell off its reserves, while the surplus countries accumulate them.
>
> In fairly short order, this process has led to huge and heavily disequilibrating flows of liquid short-term capital. Funds move away from the weak currency and toward the strong ones.
>
> The deficit country loses its reserves at a rapid rate; the surplus countries gain them equally as fast. The deficits get bigger, and so do the surpluses. Soon, the question of the appropriateness of policies to rectify balance of payments problems in the long run—or even the extended short run—becomes academic. Capital flows have depleted the deficit country's reserves and swelled the surplus countries' holdings to the point of unwelcomeness.
>
> THE ACCUSATION AGAINST THE MNCS
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> Opponents of the MNCs argue that they play a crucial, destructive role in international monetary crises. The argument sometimes includes an accusation that they bear responsibility for at least part of the balance of payments problems that originally generate the crises, but this accusation is not central to the argument. Rather, the central point is that the MNCs are a source of the large flows of liquid short-term capital that are the proximate cause of the wreckage. Moreover, it is argued that these flows arise because the MNCs are predilected toward sustained, unstoppable "speculative" attacks upon exchange rates. Thus, it is held, speculators, with the MNCs in the van, can cause enough havoc within the system to produce the threat of devaluations or revaluations of exchange rates *even if* underlying national economic policies are appropriate and severely enough applied to rectify the balance of payments disequilibria—if only the speculators would give them the necessary time, which they do not.

Mr. President, this is an extraordinary indictment by the Tariff Commission. What they are saying is that no matter what kind of monetary policies are adopted by the United States and other countries, and no matter how sound those policies may be, they can be frustrated by the actions of multinational corporations and banks.

We can have an effective monetary policy limiting the growth in the money supply to an annual rate of 3 percent. We can adopt other policies to improve our balance of payments including restrictions on tourism and direct investment abroad. These policies would all go for naught if the multinational corporations, two-thirds or three-quarters of which are American, took a different course.

I am not asking for regulation; I am asking for information, so that we will know what they are going to do.

Mr. President, the Tariff Commission goes on to say:

> An evaluation of the allegations made against the MNCs should involve an anlysis of flows of liquid, short-term capital as they show up in the balance of payments, isolating and measuring those flows that are attributable specifically to the MNCs. Unfortunately, this is not possible.

Unfortunately, we do not have the information with which to do that. But this is just the information my amendment would provide. Data for the flows attributable to the MNC's are not available In this respect, central banks and governments are technologically inferior to the MNC's which, in their own operations are able to gather, analyze, and act upon the information necessary to them.

Let me say that this amendment takes no pro or con position on multinational corporations, which are highly controversial. Many people in international business feel that multinational corporations are an addition to our economic operations and serve us well. Many in labor organizations are highly critical, saying they have resulted in an exportation of jobs.

Either position may be partly right or entirely right, or partly wrong or entirely wrong. My amendment does not move to that at all. Regardless of the position one takes pro or con on multinational corporations, I do not know how anyone could say that the Treasury of the United States, under the Freedom of Information Act, with a proper opportunity to safeguard confidentiality, should not have this information available so that we would be in a position at least to know what is going on.

As a matter of fact, Under Secretary Volcker, in the hearings before the Senate committee, confirmed that. I asked if he had information on the part that the multinational corporations played. He said, "No." He said, "I would like to have it."

He would like to have it, but he did not have it. This amendment would give it to him.

As the Tariff Commission points out, there is a useful alternative, however. This approach, the one taken in the following analysis, involves, first, an identification of all those kinds of institutions—banks and business firms—which have dealings in the international money markets, as opposed to strictly domestic ones. Once this identification is made, the next step is to add together, as accurately as possible, the total resources—assets and liabilities vis-a-vis each other—which these institutions have at their command. Essentially, this procedure estimates the amounts of short-term funds that can flow in a crisis situation. If the numbers turn out to be small, then it can be concluded that these institutions' financial muscle is overrated by the critics. If they are large, then it can be concluded at least that the possibility of disequilibrating behavior becomes strong. All that is left to ask in the latter two cases is whether this behavior is speculative. That is, do the

MNC's speculate aggressively—by risking assets for financial gain — or do they merely react protectively, to guard their assets against possible loss in value due to an exchange rate change brought on by the underlying balance of payments disequilibrium?

How do you find that out? Well, the Tariff Commission suggests at least seven discrete types of institutions can be identified as significant participants in the international money markets. These are:

First. United States commercial banks;

Second. United States "nonbanks"—that is, nonbanking business enterprises, including the parent firms of the MNC's;

Third. Foreign commercial banks, not including foreign branches of U.S. banks;

Fourth. Foreign governments, central banks, and international organizations;

Fifth. Foreign nonbanks, the counterpart of U.S. nonbanks in second above;

Sixth. Foreign affiliates of U.S nonbanks—the MNC's affiliates;

Seventh. Foreign branches of U.S. banks.

Assets and liabilities of these groups should be included only to the extent that they are connected closely with the international markets, either because of the nature of the institutions which hold them or because of the kinds of transactions from which they derive. Also, the balances measured should be defined as carefully as possible as those short-term, liquid items that could and would move across international boundaries in times of crisis. Thus, one should exclude reserve holdings of the principal central banks, even if they happen to be held as deposits in commercial banks, because it is highly unlikely that the major central banks would engage in speculation with those assets; they probably would remain so loyal to their fraternity that even protective movements against a weak-currency central bank would not take place.

The appropriate estimates for the seven sets of participants appear in a table, which I ask unanimous consent to have printed in the RECORD at this point.

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

ESTIMATED SHORT-TERM ASSET AND LIABILITY POSITIONS OF PRINCIPAL INSTITUTIONS IN INTERNATIONAL MONEY MARKETS, 1969–71

[Billions of U.S. dollars]

Holder of assets or liabilities	Denominated in dollars		Denominated in foreign currencies		Total	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
U.S. banks: [1]						
1969	8.9	28.1	0.5	0.2	9.4	28.3
1970	10.1	21.8	.6	.2	10.7	22.0
1971	12.1	15.8	.9	.2	13.0	16.0
U.S. nonbanks:						
1969	3.5	1.7	.7	.4	4.2	2.1
1970	3.6	2.2	.6	.5	4.2	2.7
1971	4.7	2.2	.5	.4	5.2	2.6
Foreign banks: [2]						
1969	[3] 64.9	[3] 52.3	[3] 10.7	[3] 10.6	[3] 75.6	[3] 63.0
1970	43.0	31.7	5.8	5.8	48.8	37.5
1971	44.3	38.3	8.4	8.2	52.7	46.5
Foreign governments, central banks, and international organizations: [4]						
1969	4.9	([5])	.4	([5])	5.3	([5])
1970	10.0	([5])	2.8	([5])	12.8	([5])
1971	10.7	([5])	8.0	([5])	18.7	([5])
Foreign nonbanks:						
1969	7.3	6.2	([5])	([5])	7.3	6.2
1970	7.6	9.4	([5])	([5])	7.6	9.4
1971	6.8	11.4	([5])	([5])	6.8	11.4
Foreign affiliates of U.S. nonbanks: [7]						
1969	([5])	([5])	([5])	([5])	59.9	34.9
1970	([5])	([5])	([5])	([5])	80.6	46.9
1971	([5])	([5])	([5])	([5])	110.0	63.0
Foreign branches of U.S. banks: [8]						
1969	([9])	([9])	([9])	([9])	([9])	([9])
1970	34.6	36.1	12.7	11.3	47.3	47.4
1971	40.2	42.1	21.2	19.4	61.4	61.5
Totals:						
1969	89.5	88.3	12.3	11.2	161.7	134.5
1970	108.9	101.2	22.5	17.8	212.0	165.9
1971	118.8	109.8	39.0	28.2	267.8	201.0

[1] Data are total foreign short term assets and liabilities of U.S. banks as reported in U.S. sources, less claims on and liabilities to official monetary institutions.

[2] Basically, these data are those reported to the BIS by banks in 8 European countries (Belgium-Luxembourg, France, Germany, Italy, Netherlands, Sweden, Switzerland, and the United Kingdom), plus Canada and Japan. Figures from U.S. sources relating to foreign branches of U.S. banks have been subtracted from these figures and are shown separately in the table for 1970 and 1971. Also, the 8 European countries' asset and liabilities vis-a-vis the United States (denominated in dollars were removed from the totals, and data from U.S. sources on total dollar claims and liabilities against foreigners were added.

[3] Includes foreign branches of U.S. banks.

[4] Data cover (1) identified official holdings of Eurodollars, (2) unidentified holdings of Eurocurrencies plus residual sources of reserves—both as estimated by the IMF—plus (3) claims on U.S. banks of nonmonetary official institutions such as the IBRD and IADB.

[5] Not available.

[6] Available data cover United States and foreign banks' claims on and liabilities to all foreign nonbanks, including foreign branches/affiliates of U.S. nonbanks. To insure elimination of double-counting, since positions of the U.S.-affiliated firms are shown separately, the available data have been reduced by 50 percent—i.e. it is assumed that half of the assets and liabilities reported by United States and foreign banks against foreign nonbanks actually are liabilities and assets, respectively, of foreign affiliates of U.S. nonbanks.

[7] Data are estimated current assets and liabilities of nonfinancial affiliates of U.S. firms.

[8] Figures are from U.S. sources citing total assets and liabilities of branches. Therefore, some long term items are included.

[9] Included under "foreign banks."

Sources: Federal Reserve Bulletin, September 1972; U.S. Treasury Bulletin, September 1972; Bank for International Settlements, Annual Report, 1971 and 1972; International Monetary Fund, Annual Report, 1972; U.S. Commerce Department, Office of Foreign Direct Investment, Foreign Affiliate Financial Survey, July 1971 and Foreign Direct Investment Program, Selected Statistics, July 1971; and data furnished by U.S. Department of Commerce, Bureau of Economic Analysis, Foreign Investment Division.

Mr. PROXMIRE. This table contains some purposeful double counting, in the following sense: as the table is constructed the assets of any one set of factors listed constitute the liabilities of all the others to it. The powers of debtors as well as creditors should be borne in mind. The decision to move a balance from one location to another depends not only on the motivations of the balance's owner—who clearly can shift a deposit, say, from a bank in one country to a bank in another—but also upon those of the institution which owes the money; it can transfer its liability with equal facility. The thrust of the analysis is to identify the decision points and measure the resources that are available at each of them.

There is absolutely no doubt that the table I have placed in the RECORD contains figures that should not be there, either because they are not to be considered volatile or because they represent balances of an essentially domestic, rather than international character. On the other hand, it fails also to account for large balances that should be included, such as the assets and liabilities of non-U.S. MNC's. On balance, there is an error in the overall estimates, in one direction or the other. However, as the subsequent analysis will imply, substantial errors could be present in the estimates without necessitating any fundamental alteration of the conclusions which are derived from them.

The key figures in the table are the overall total asset and liability estimates in the lower right-hand corner. These measure the amounts of short-term funds that may have been capable of flowing within the system at the end of each of the 3 years covered—$162 billion in 1969, $212 billion in 1970, and $268 billion in 1971 on the assets side. Mr. President, note that enormous increase in 3 years: An increase of $100 billion between 1969 and 1971. In fact, in 2 years—and on the liabilities side—$135 billion in 1969, $166 billion in 1970, and $201 billion in 1971.

These indeed are very, very large numbers, and what is even more important, they are increasing and expanding at an enormous, almost geometric rate. They should lay to rest any doubts that the seven sets of organizations involved are capable of generating figures that could disrupt normal payments relationships among countries and, in fact, help to generate international monetary crises and tensions.

As I say, no matter how sound our fiscal policy and monetary policy may be, no matter how truthful and careful we are and our Government may be, and all other governments may be, unless we are able to get the Treasury report, how can we know what is going on and have some basis for activity, so that we can protect the dollar?

Consider the total assets estimated as available at the end of 1971: $268 billion. A movement of a mere 1 percent of these, or $2.7 billion, in response to exchange rate weakness or strength, is quite sufficient to produce a first-class international financial crisis.

Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were not ordered.

Mr. PROXMIRE. Mr. President, I modify my amendment, and I send the modifying language to the desk.

The modification is as follows:

On page 3, strike lines 6 through 11 and insert the following:

"may be assessed a civil penalty not exceeding $10,000 in a proceeding brought under subsection (b) of this section."

On page 3, line 13, after the word "has", insert the following:

"failed to submit a report required under any rule or regulation issued under this Title or has".

On page 3, line 21, change the period to a comma and insert the following:

"and additionally the sanction provided for failure to submit a report under Section (a)".

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, let me briefly summarize this amendment by saying that what this amendment requires is that U.S. multinational corporations, which have $190 billion of the $268 billion that was available at the end of 1971—much of which is available for speculation or for legitimate transactions in foreign currencies—should make periodic and timely reports to the Treasury of the United States, so that the Treasury can inform Congress and inform itself on the speculative activities of these corporations.

It is not a regulatory amendment. It is an amendment that prevents these corporations from doing whatever they wish. They are protected, under the Freedom of Information Act, at the discretion of the Secretary of the Treasury. He is in a position that he does not have to disclose confidential business matters which would in any way prejudice or endanger the competitive strength of these corporations.

Mr. President, I have modified my amendment, in accommodating the Senator from Ohio, to provide that in order to impose a civil penalty to require compliance, it would be necessary for the Secretary of the Treasury to go to court, and only the court would be in a position to require that compliance.

Mr. President, I yield the floor.

Mr. TOWER. Mr. President, the Senator from Wisconsin has hit on an important subject, the matter of short-term capital flows across national borders that have been attacking monetary stability. There obviously is a large supply of dollar balances, particularly, in the hands of both foreign holders and U.S. citizens and corporations, which have been wired across national boundaries in great volume every time there is any tremor in the fixed-rate system. Some of this movement is totally justified for business reasons that come under the category of "hedging"—that is, preparing in advance against the risk that future payments against debts or obligations in foreign currencies will become more expensive to the holders of dollars, if they are depreciated. Some of this movement is "speculative," however, and is simply the result of betting against the dollar's future value by holders of dollar balances who have no business purpose in mind, and who are simply pursuing possible gain from international monetary developments.

We do not really know the extent to which multinational corporations are engaging in the speculative type of foreign exchange operations, as opposed to the hedging type. Many dollar-balance holders are not U.S. citizens or corporations, and we know even less about the extent to which they speculate against the dollar. It probably would be helpful to know more about the capital transactions of our business firms, and at the present time the Treasury is studying improvements in its information gathering system to accomplish just that. Treasury already has statutory authority to gather any monetary-related information it may desire from U.S. citizens and corporations, under the Emergency Banking Act and the Bretton Woods Agreement Act, and it currently has regulations requiring certain types of capital transactions information to be reported.

The information which Treasury now requires is the following:

First. Banking liabilities to foreigners, deposits and assets held in custody—end month;

Second. Banking claims on foreigners—loans, acceptance credits, deposits and other assets held abroad—representing assets of the banks and their domestic customers—end month;

Third. Transactions in long-term securities with foreigners—monthly;

Fourth. Nonbank firms' liabilities to nonaffiliated foreigners—borrowings, trade payables, other payables—end of quarter,

Fifth. Nonbank firms' claims on nonaffiliated foreigners—loans, trade receivables, deposits abroad, other assets—end of quarter.

In addition, the Commerce Department gets quarterly reports from business firms covering their accounts with their foreign affiliates—branches, subsidiaries, and head offices—including short-term claims and short-term liabilities, under authority of the Emergency Banking Act.

As I said, Treasury is studying improvements in this information system now, which we can expect would meet the purposes of the Senator's amendment. Also, the International Monetary Fund in a meeting 2 days ago issued a communique expressing the Fund's intention to study this problem. I quote from the release:

An intensive study should be made of effective means to deal with the problem of disequilibrating capital flows by a variety of measures, including controls, to influence them and by arrangements to finance and offset them. It was noted that the Deputies are establishing a technical group on disequilibrating capital flows, including those associated with Euro-currency markets.

Under Secretary Volcker of the Treasury Department has written to me expressing his concern about his proposal, and I will subsequently read his comments to the Senate before this matter is voted upon. As the Senate is aware, Under Secretary Volcker has been the principal negotiator for the United States in the recent monetary negotiations and is the official most knowledgeable about the impact of the present amendment on the international situation.

I should like to read into the RECORD at this time the letter from Under Secretary Volcker:

THE UNDER SECRETARY OF THE TREASURY FOR MONETARY AFFAIRS,

Washington, D.C., March 28, 1973.

Hon. JOHN G. TOWER,

U.S. Senate, Committee on Banking, Housing and Urban Affairs, Washington, D.C.

DEAR SENATOR TOWER: I understand that in connection with consideration in the Senate of the Par Value Modification Bill (S. 929), some members have expressed a desire to institute a new reporting system which would be designed to obtain information on short-term and speculative capital flows. I would very much hope that such initiatives would be resisted. This is a real problem area here, but I feel that a mandatory legislative initiative of this kind would be untimely and might well have undesirable side effects.

I can assure you that the Administration is quite concerned about the problem of speculative capital flows and that it is being given serious attention both internationally and domestically.

We are examining this problem in cooperation with the other leading financial countries. I have just participated in the meetings which were held by the Committee of 20 on international monetary reform in Washington, in which the Committee specifically endorsed an intensive study of effective means to deal with the problem of disequilibrating capital flows. The Deputies of the Committee of 20 are establishing a technical working group for this purpose.

We are also considering internally how our existing reporting system on capital flows and related statistics can be improved. Decisions on changes that may be administratively feasible and statistically meaningful require very careful planning and study. Our existing legislative authority on reporting is fully adequate to implement any improvements that may be found desirable.

Since we have adequate existing authority in this field, there is a clear danger that new legislative action could be misinterpreted as evidencing an intention to go beyond mere statistical reporting. However unfounded, such misinterpretation could readily fuel new capital movements of the kind that have disturbed exchange markets in recent weeks.

Sincerely yours,

PAUL A. VOLCKER,

In short, one thing the Treasury, I believe, is concerned about is that if the

amendment of the Senator from Wisconsin is passed, it will appear to many to be the harbinger of exchange controls and in anticipation of exchange controls, Mr. President, you could set off another round of speculation that could have very serious consequences.

The department now feels it has the authority it needs and it is in opposition to the amendment of the Senator from Wisconsin.

I agree in spirit with what the Senator is trying to do, and I think we are perhaps very like minded on this matter. But the Treasury Department and Mr. Volcker, who has been an adviser in this matter, feel they have adequate authority and the information the Treasury will require will be available.

Mr. President, I urge that the amendment be rejected.

Mr. PROXMIRE. Mr. President, I shall be brief. I already have spoken on this matter.

I do wish to point out that this is something the Secretary of the Treasury says formally he does not want but I wish to read from the hearings. During the hearings I asked:

Senator PROXMIRE. What role did these corporations play on the speculative inflows of funds to Germany and Japan?

Mr. VOLCKER. I can't answer that question. We don't have the data.

Senator PROXMIRE. Isn't that pretty important to understand what is causing this type of thing to the extent that these are companies that may have an obligation to the United States and be to some extent under our jurisdiction?

Mr. VOLCKER. I would like to know the answer. If we had a good enough statistical reporting network I would respond more intelligently than I am.

We are told we cannot do anything on this; but the President devalued the dollar. There is clear congressional authority and responsibility to determine the value of currency. Of course the President has to act under these circumstances. I do not believe he should not have acted but I say we have every right to modify the bill and that we must act in any way we can to prevent devaluation in the future. It has been established by Senator BYRD and others that devaluation is very expensive. It requires additional appropriations and additional spending by American consumers. So if Congress is going to act on any measure the administration sends down, we have the duty to say that it does not have to be left to big brother, that only he knows. That may be true in some areas. It may be true in connection with foreign policy or military policy, but not in something of this kind.

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

Mr. PROXMIRE. I yield.

Mr. DOMINICK. I gather the Treasury was against this on the ground they already have sufficient authority to do what the Senator is asking. What is the Senator's answer to that?

Mr. PROXMIRE. This is not an indictment of Secretary Volcker or Secretary Shultz, or the President. This is something that the President has had authority to act on for 40 years, ever since the Emergency Banking Act of 1933. In the last 10 years multi-international corporations have gotten so big and have such enormous influence on short flow assets of this kind. They have done nothing. It seems to me this will perpetuate action by them in a modest way.

Mr. DOMINICK. I thank the Senator.

Mr. PERCY. Mr. President, I intend to vote against this amendment. I have read the letter dated March 28 from Under Secretary Volcker to Senator TOWER with regard to this matter. I believe we must be cautioned by, and honor, the Under Secretary's assertion that there is a "clear danger" that our approval of this amendment could be misinterpreted by speculators, and that it could thus "readily fuel new capital movements of the kind that have disturbed exchange markets in recent weeks." In my view this is too great a risk to run. I am in full agreement with my distinguished colleague from Wisconsin (Senator PROXMIRE) that capital flows originated by multinational corporations may pose a serious problem. I also agree that, in ordinary circumstances, a reporting requirement of the kind he suggests would not seem inappropriate.

There is another reason for my vote against the amendment. The Multinational Corporations Subcommittee of the Committee on Foreign Relations, of which I am a member, is in the process of conducting a thorough study of all aspects of the operations of multinational companies. We will certainly look into the problem of such corporations' alleged speculation against the dollar. I think we will be able to frame well-considered legislation to deal with the problem, if we determine that, in fact, the problem is a real one, and that it requires legislation in addition to that which Under Secretary Volcker assures is already available to the Treasury.

Mr. PROXMIRE. Mr. President, we are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified. The yeas have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that the Senator from North Carolina (Mr. ERVIN) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Florida (Mr. GURNEY), and the Senator from Wyoming (Mr. HANSEN) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS) is detained on official business and, if present and voting, would vote "nay."

The result was announced—yeas 46, nays 40, as follows:

[No. 70 Leg.]

YEAS—46

Allen	Hollings	Moss
Baker	Huddleston	Muskie
Bayh	Hughes	Nelson
Bible	Humphrey	Pastore
Biden	Jackson	Pearson
Burdick	Javits	Pell
Case	Johnston	Proxmire
Chiles	Kennedy	Ribicoff
Church	Magnuson	Schweiker
Clark	Mansfield	Stevens
Cranston	Mathias	Stevenson
Eagleton	McClellan	Symington
Gravel	McGovern	Taft
Hart	McIntyre	Williams
Haskell	Metcalf	
Hathaway	Mondale	

NAYS—40

Aiken	Dominick	Percy
Bartlett	Eastland	Randolph
Beall	Fannin	Roth
Bennett	Fong	Saxbe
Bentsen	Goldwater	Scott, Pa.
Brock	Griffin	Scott, Va.
Buckley	Hatfield	Sparkman
Byrd, Harry F., Jr.	Helms	Stafford
	Hruska	Talmadge
Byrd, Robert C.	Long	Thurmond
Cook	McClure	Tower
Cotton	McGee	Weicker
Dole	Nunn	Young
Domenici	Packwood	

NOT VOTING—14

Abourezk	Ervin	Inouye
Bellmon	Fulbright	Montoya
Brooke	Gurney	Stennis
Cannon	Hansen	Tunney
Curtis	Hartke	

So Mr. PROXMIRE's amendment (No. 66), as modified, was agreed to.

Mr. HATHAWAY. Mr. President, I ask unanimous consent to insert in the RECORD at this point a communication I have received from the Hon. Paul A. Volcker, Under Secretary of the Treasury for Monetary Affairs, in response to a question I posed in the hearings on this bill.

I asked whether it would be possible to devise a formula for automatic adjustments in currency values in response to changes in certain economic indices. I believe it is essential to search for ways to avoid the monetary crises and abrupt devaluations which have plagued the international monetary system in recent years.

Under Secretary Volcker, in his reply, discusses the problems involved in developing such a formula, from the standpoint of both economic theory and national policy, and concludes that major changes in reserve positions provide the best indicator of payments disequilibrium, and thus of need for adjustments. He encloses a paper which discusses these points in greater detail. I ask unanimous consent that these materials be inserted at this point in the RECORD.

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

WASHINGTON, D.C.,
March 28, 1973.

Hon. WILLIAM D. HATHAWAY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATHAWAY: This is in response to your letter of March 13, requesting information on the state of inquiry into the possibility of developing a formula for automatic exchange rate adjustment in accord-

ance with economic indices. I should mention that I was not aware that you desired a further response on this question for the record—had I been, we certainly would have attempted to provide any information requested.

The possibility of developing an automatic formula or indicator of the need for exchange rate change has been studied extensively. A bibliography of the major publicly available studies in this area is enclosed.

These studies examine a number of schemes for linking exchange rate adjustments to various economic indices. The most commonly advocated indices have been movements in spot or forward exchange rates or a country's international reserves. Other criteria which have been discussed include movements in various price indices, and in categories of the balance of payments, such as the "basic" balance. Our assessment of the various studies suggests strongly that no single index or set of indices appears to give a reliable enough indication of needed longer run changes in exchange rates to make it desirable or feasible to link exchange rate adjustments automatically to the behavior of an index. Research looking at how various proposals for automatic exchange rate adjustments would have worked in the face of international monetary experience during the postwar period suggests that, while several of these indices might have been helpful guides to adjustment, none is precise enough to serve as a reliable basis for automatic parity adjustments.

In my view, all of the various schemes for automatic adjustment contain three basic problems. First, as indicated above, no single indicator or set of indicators has proved capable of pointing unambiguously and unerringly to the form which payments adjustment should take. Second, even if it were possible to develop such an indicator, I would have strong doubts that it would always point to the exchange rate as the instrument to be used. Important as the exchange rate is, it is not the only instrument of adjustment policy available; nor, in specific instances, will it necessarily be the most desirable. Third, all proposals for automatic adjustment formulae, whether tied to the exchange rate or not, fail to recognize the need and desire on the part of governments to have flexibility of choice in the use of sensitive and powerful economic policy instruments. We believe countries should have the ability to choose from a range of internationally acceptable adjustment policies those best suited to their own particular needs and circumstances.

In developing U.S. proposals for monetary reform, we have attempted to establish a framework within which countries will have effective and equitable incentives to correct their payments imbalances, but will also have needed discretion as to the choice of adjustment policies to be used. Conceptually, and on the basis of historical experience, we believe that major changes in reserve positions provide the best, most comprehensive and least ambiguous indicator of serious payments disequilibrium. We have therefore proposed that movements in countries' reserves be used as a quantitative indicator of the need for payments adjustments. The adjustment actions taken might involve exchange rate changes or other types of measures. While we believe that this indicator would be highly reliable, we also recognize the need to have available provisions enabling the international community to "override" the indicator in cases where it is judged to be wrong.

I am also enclosing a paper presenting the U.S. proposal for the use of a reserve indicator which discusses these questions in greater detail. I hope this information is of use to you. If you have further questions, please do not hesitate to call me.

Sincerely yours,

PAUL A. VOLCKER.

THE U.S. PROPOSALS FOR USING RESERVES AS AN INDICATOR OF THE NEED FOR BALANCE-OF-PAYMENTS ADJUSTMENT

I. INTRODUCTION

1. There appears to be general agreement that a reformed international monetary system should promote prompter and more effective adjustment of balance-of-payments disequilibria. The U.S. proposals are based on the premise that each country will be willing to work within the context of a system that provides strong, equitable and balanced incentives to achieve and maintain external balance.

2. In the U.S. view, the most promising approach is a system in which disproportionate changes in a nation's reserves in either direction serve as objective indicators that balance-of-payments adjustment measures are needed. We visualize a system in which disproportionately large gains in reserves for a particular country indicate the need for adjustment measures to eliminate a balance-of-payments surplus, just as, in any system of convertibility into reserve assets, disproportionately large losses of reserves indicate the need for adjustment to eliminate a balance-of-payments deficit. A variety of adjustment instruments would be acceptable. The purpose of this paper is to develop the logic of this approach.

3. The international monetary system in past years has failed to provide adequate inducements to achieve and maintain balance-of-payments equilibrium, defined as a situation in which external payments are in reasonable balance at normal levels of employment and economic activity, and without inappropriate utilization of controls. This failure was reflected in both large and persistent imbalances, and in recent years in some tendency toward increased use of controls. Deficit countries could often maintain disequilibria for a considerable period through measures distorting trade, capital flows, or the internal economy; they were usually permitted or even encouraged to borrow extensively. (In the case of the United States, this "borrowing" in large part took the form of increased holdings by foreign monetary authorities of U.S. dollar obligations.) Surplus countries, able to accumulate reserves more or less indefinitely, felt under even less pressure to adjust, and an increasingly common response has been controls on the inward flow of capital.

4. Viewed from the perspective of a single country—particularly a country in a relatively advanced stage of development—balance-of-payments surpluses have been considered a more comfortable and more desirable state of affairs than deficit or balance. A surplus country could avoid the politically ambarrassing adjustment actions which a deficit country might be forced to take. A strong trading position was frequently considered a vehicle for domestic economic expansion and maintenance of full employment. A persistently strong currency and large reserves might be felt to provide useful protection against unexpected external influences, and even to symbolize prudent economic management. Prior to the introduction of the SDR scheme, the system depended on balance-of-payments disequilibrium for growth in reserves—growth in global reserves over time could be accomplished only as other countries ran surpluses offset by U.S. deficits, financed through an expansion of U.S. liabilities.

5. Some of these incentives to run surpluses were recognized in the discussion leading up to Bretton Woods, and they were reflected in the strictures placed on competitive devaluation. Nevertheless, while overt competitive devaluations have not been important, many countries still more or less consciously have aimed for payments surpluses and adapted their economic policy instruments to that end. At the very least, surpluses were tolerated while deficits were a source of concern and action. There was nothing in the system to assure compatibility of nations' balance-of-payments objectives—nothing to assure that the surpluses which many countries sought would be offset by targeted deficits in equal amounts on the part of other countries.

6. Within this general context, there were systematic tendencies for surpluses and deficits to fall in a particular pattern. From the viewpoint of the United States, as the largest unit in the world economic system and in important ways in the least flexible position, these pressures toward surplus and currency underevaluation by others have had their counterpart in a persistent deficit in its own accounts. It was long felt inappropriate, in the light of the disturbing implications for stability in world financial markets, for the United States to initiate exchange rate action to correct this deficit. When the imbalance increased substantially and such action was undertaken the resistance by its trading partners seemed to confirm their reluctance to lose a surplus position as well as to demonstrate the difficulty of achieving the needed adjustment in the absence of agreed criteria for reconciling balance-of-payments objectives. From the viewpoint of some other countries, the mechanism that permitted the chronic U.S. deficit and their surpluses to persist—namely, the tendency for that imbalance to be financed, in part, by increased dollar holdings of other countries—indicated that the United States was not subject to the usual constraints of a deficit country. In concept, the introduction of the SDR successfully freed the system of the need for continuous U.S. deficits to meet reserve needs. But by itself that reform was not sufficient to change the basic bias in the system.

7. While the system operated satisfactorily for a number of years—in fact it may have been preferable to any realistic alternative—it was a system of continuous imbalance, of protracted disequilibrium. From the viewpoint of both the U.S. and other nations, the results were increasingly unsatisfactory, creating major stresses that undermined stability. The system failed, in the end, because it depended on a measure of broad equilibrium for sustained satisfactory operation, yet failed to induce the adjustments required to achieve equilibrium. The actions taken by the United States on August 15, 1971, signaled the untenability of the previously existing arrangments. The interim arrangements developed since that time, including the Smithsonian Agreement of December 1971, do not provide a long-term solution to these problems.

8. The U.S. proposals for a future system are designed to encourage equilibrium by promoting needed adjustments actively, rather than simply prohibiting unwarranted moves; and to apply equivalent incentives for adjustment evenhandedly to all nations. The proposals are evolutionary, in the sense that they would build on certain areas of widespread agreement incorporated in past arrangements: the SDR, convertibility, the prohibition on competitive devaluation, and emphasis on the need for international financial arrangements to support liberal trade and payments. They would differ from the past in building these and other elements of the system into arrangements for actively promoting adjustment, reconciling balance-of-payments objectives, and overcoming the systematic bias toward surpluses.

II. THE NEED FOR OBJECTIVE CRITERIA

9. The U.S. proposals take as a point of departure that the stability and durability of a new monetary system will be crucially dependent on finding an equitable and effective means of promoting the adjustment of external imbalances.

10. In approaching that objective, we be-

lieve success is dependent upon finding an appropriate blend among there possible approaches, each of which contains some advantages, but none of which is satisfactory by itself. The three approaches are:

(a) national discretion—a degree of which is essential in a world of sovereign nations and desirable in allowing maximum practicable freedom of action among individual countries, but which, relied on alone, assures neither equilibrium nor an equitable sharing of adjustment responsibilities;

(b) discretionary authority of a central institution—which can bring to bear the influence and collective wisdom of the entire world community on particular adjustment problems, but which can lead to endless debate, indecision or unbalanced decisions in a potentially politically charged atmosphere, and which requires at least the appearance of ceding more authority to an international body than nations will yield at this stage of interntional development; and

(c) objective criteria—which can be helpful in establishing measurements for indicating adjustment needs for various nations and various situations on a standardized basis, but which do not unerringly point to appropriate adjustments or permit needed discretion by national authorities.

11. The U.S. proposal aims at a balance among these approaches—to utilize the advantages of each, while avoiding the disadvantages which might result from excessive or single-minded reliance on any of the three. We propose that objective criteria be established to note and locate the existence of an undesirable degree of balance of payments disequilibrium, and to create a strong presumption that effective adjustment policies should be implemented. But we would leave to the country concerned substantial discretion in determining the composition of those adjustment policies. And international consultations would be utilized to determine the applicability of the criteria to particular situations and to consider exceptional cases in which the rules might be overriden.

12. Use of objective indicators as an important element of the adjustment mechanism appears essential on grounds of efficacy and equity. Adjustment decisions are frequently difficult for any government, and there is a tendency to postpone and avoid such decisions until long after the time when adjustment policies should have been adopted. Equally, international groups are reluctant to deal promptly with difficult and politically sensitive adjustment questions. Without objective indicators there is a danger that needed actions will not be taken. It is much better to get advance agreement in principle that when certain internationally agreed indicators, recognized as being objective, signal adjustment is needed, there will be a strong presumption that appropriate measures will be adopted—but recognizing there might be valid reasons for overriding the indicators in exceptional cases. Such an approach is much more likely to result in equal treatment for all nations: it would call for comparable adjustment inducements for all countries—whether large or small, developed or developing, reserve currency country or not—to eliminate payments disequilibria, whether surplus or deficit.

III. ADJUSTMENT, RESERVES, AND CONVERTIBILITY

13. The U.S. proposals assume that most nations will want to maintain established values for their exchange rates—par values or central rates—in conjunction with a generalized system of convertibility of national currencies into international reserve assets. In a system of established exchange values and convertibility, there is a close relationship between balance-of-payments disequilibria and reserve changes. Accordingly, in our view the single most valid indicator that a country is in actual or emerging disequilibrium—as well as the most readily available, the most comprehensive, and the least ambiguous—is a persistent movement of its reserves in one direction or another.

14. To be viable, a convertibility system must be capable of satisfying the sum of individual countries' normal needs for and secular growth in reserves. Nations individually, either explicitly through formulation of overt balance-of-payments objectives, or more implicitly through their behavior, express an effective demand for reserves. Unless the international monetary system is capable of meeting these national demands in the aggregate and changing the level of reserves to meet changes in such needs over time, a satisfactory reconciliation of national balance of payments aims, and therefore sustained balance-of-payments equilibrium, cannot be assured. For if reserves are not adequate to these demands in the aggregate, nations are incapable by definition of reaching their desired reserve positions simultaneously. A decision to provide the system with too few reserves induces—and sanctions—a destabilizing and ultimately fruitless competition for scarce reserves. Creation of too many reserves pushes too great a share of the adjustment pressures onto surplus countries and facilitates world inflation.

15. A critical defect of the system in the past was that while it tried to promise unlimited convertibility, and while fundamentally it required a broad measure of balance-of-payments equilibrium for sustained operation, it did not provide the supply of acceptable reserve assets or the discipline on adjustment policies necessary to achieve these objectives. A basic feature of the U.S. proposal is that nations must, through the process of negotiation, reach a collective decision on the appropriate normal stock and rate of increase of reserves, and be prepared to accept the consequences of that decision in terms of their own individual reserve positions and their own freedom of action to run surpluses or deficits.

16. It would be essential in the proposed system that countries regard their balance of payments disequilibria, whether surplus or deficit, as a source of concern before the agreed indicators came into play. In other words, countries would not be expected to ignore imbalances blithely until their disequilibria had become so extreme as to prompt strong *international* concern through the indicator mechanism. Reserve fluctuations would signal emerging disequilibria; movement to outer indicators signalling strong international concern would occur only when countries failed to make the appropriate responses as the disequilibria built up.

17. Convertibility itself cannot promote adequate or equitable adjustment. Convertibility is in that sense an asymmetrical tool, operating only on deficit countries. In the framework of the U.S. proposal, the inherent link of convertibility to reserve fluctuations would result in broadly symmetrical pressures upon surplus and deficit nations.

18. In short, the logic of the U.S. proposals is that a) better balance of payments adjustment is required and is essential to the maintenance of a convertibility system; b) such an adjustment process, in turn, requires recognition by both surplus and deficit countries of their obligations and responsibilities to take action; c) in that context, objective indicators of the need for adjustment are essential; (d) a broad equality between the availability of, and demands for, reserves in the system must be satisfied; and e) all of these needs can be brought together, in the context of a system of established exchange rates supported by convertibility, by the use of reserve movements as the main indicator of the need for adjustment.

IV. DESCRIPTION OF THE PROPOSED ADJUSTMENT/RESERVE/CONVERTIBILITY SYSTEM

19. These principles could be incorporated into several alternative operational frameworks. Such alternative formulations could, for example, (a) emphasize the use of net or gross reserves as the basis for measuring fluctuations in reserves; (b) focus attention largely on changes in reserves from an existing starting level or on an appropriate distribution of individual countries' reserves in relation to some "objective" standard; and (c) provide for either relatively narrow or relatively wide ranges of fluctuation in reserves before international disciplines come into play. While the underlying principles and logic of the various approaches would be broadly similar, the particular formulation chosen would determine the speed, force and manner with which the adjustment pressures would operate. For its part the United States wishes to continue to examine the advantages and disadvantages of the alternatives with care, and would welcome the contribution toward this effort that others can make.

20. The use of fluctuations in countries' reserves as the main indicator of adjustment need requires a judgment about a "base" level and trend of reserves for each country. Abstracting from transitional problems (noted later), these "base levels" could be established in several different ways. For instance, the distributional pattern of national quotas in the IMF (allowing for any agreed revisions in the future) might represent one approach toward determining a broadly acceptable distribution of reserves in normal circumstances. Another approach would be to give heavy weight to the actual level of reserves at the start of the system for the majority of countries, relying on separate negotiations for those countries whose reserves at the start of the system were judged to be seriously excessive or inadequate. Countries' "base levels," in any case, would be expected to rise over time, consistent with collective decisions about world SDR creation. The manner in which "base levels" should be calculated would clearly be a matter for careful negotiation. What is necessary is that *some* pattern be accepted that is generally satisfactory.

21. Use of reserves fluctuations to achieve an evenhanded stimulus to adjustment will require a broad consistency between the total of established "base levels" for individual countries and the actual supply of reserves in the system as a whole. Conceptually, in a system which did not provide for reserve currencies, this need could be met simply by assuring that the aggregate of gold, SDR's and IMF positions—that is, "primary reserves"—equaled the aggregate of countries' "base levels" of reserves. If in such a system aggregate "base levels" were above total primary reserves, a destabilizing and potentially deflationary competition for reserves could result; if "base levels" were below the total of primary assets, too large a share of adjustment pressures would be shifted toward surplus countries and world inflation might be facilitated.

22. In practice, we assume that some nations will wish to hold foreign exchange in their reserves and should be permitted to do so. Some nations will want flexibility of reserve management, and the system as a whole will benefit from an ability to respond flexibly to sudden and reversible increases in the need for liquidity during periods of strain related to speculative or other factors. Thus, in structuring the proposed system consideration will need to be given to the complication introduced by the existence of a possibly fluctuating margin of foreign exchange holdings. In a convertibility system, foreign exchange holdings are potential claims on primary reserves. Consequently, a stable system must provide enough primary reserves in relation to the whole to meet reasonable demands for conversion of these potential convertibility claims and/or must limit demands for conversion by individual countries

that would otherwise claim an excessive proportion of the available supply of primary reserves.

23. There are a number of complementary approaches which could reconcile the existence of foreign exchange holdings in reserves with the stability and even-handed working of a system of reserve indicators. One approach would be to equate the aggregate of "base levels" with the total of primary reserves and provide limits on the disproportionate accumulation of primary reserves by a country above its base level. Some assurance against excessive claims for primary reserves growing out of past accumulation of foreign exchange could also be provided by arrangements providing for bilateral or multilateral funding of existing foreign exchange reserves to the extent the holder wished to fund such balances, or by a facility for exchange of such balances—initially or over time—into SDR's. These aspects of the question should receive careful study, but are not further considered here.

24. Under a reserve-indicator system, certain points would be established above and below each country's base level to guide the adjustment process and to assure even-handed convertibility disciplines. Such points would be set according to uniform procedures for each country, and could be described as follows, again abstracting from special arrangements that would be appropriate during a transitional period.

(a) A "low point" would be set at some point below the "base level." In concept, this might approximate a level of reserves considered to be close to the minimum level ordinarily necessary to maintain confidence and to guard against extreme emergencies. If a country's reserves fell below its "low point" for a period of time, definite adjustment pressures would be anticipated and acceptable adjustment measures would be expected. In the absence of adequate policies over a specified period, international sanctions—for example, refusal to provide credit, or loss of scheduled SDR allocations—might become effective. Such sanctions would be avoided only if the IMF, through approval of a satisfactory program of adjustment, made a finding that sanctions were not warranted. Negotiated credits to deficit countries would ordinarily be permitted—but excessive or prolonged borrowing to circumvent the indicators would not be allowed.

(b) A "lower warning point" would be set at a point between a country's "base level" and the "low point." Small devaluations would be freely permitted a country at any time its reserves were below its base level. Proposals for larger devaluations would always require IMF approval; such proposals would not ordinarily be looked upon with favor unless a country's reserves had fallen below its "lower warning point."

(c) An "outer point" would be established above a country's "base level." As a country moved toward its "outer point," it would be expected to apply adjustment measures of progressive intensity. If reserves rose to the "outer point," remained at or above that level for a specified period, and an adequate program of adjustment were not in place, international action to induce adjustment would take effect. For example, the IMF might authorize other countries to impose general import taxes or surcharges against the country concerned, there might be a loss of scheduled SDR allocations, or there might be a tax on the country's excess reserve holdings with proceeds to go to development assistance. Such sanctions could be avoided, or postponed, only if the IMF made a positive finding they were not warranted, on the basis of an agreed program of adjustment—involving, for example, major moves toward liberalization of import restrictions, removal of any controls on the outward flow of capital, provision of concessional untied aid, or revaluation. Standards should be developed for judging the adequacy of such programs and their consistency with progress toward a liberal world economic order. If reserve gains persisted despite the agreed program, authorization for sanctions would, after a further period, take effect. In any event, the IMF would review the country's position periodically, and make such recommendations and authorizations as it deemed appropriate.

(d) An "upper warning point" would be set between the "base level" and the "outer point," analagous to the lower warning point, representing an international judgment that adjustment is called for. The IMF would be expected to report on the country's balance of payments position and prospects, and revaluation or other adjustment measures would be anticipated.

(e) Depending on the volume of total reserves relative to primary reserves in the system, this "upper warning point" might coincide with a "convertibility point" representing the maximum accumulation of *primary* reserves for each country that would be justified, consistent with the level of aggregate primary reserves in the entire system, for the convertibility mechanism to operate equitably with respect to both deficit and surplus countries. Both to provide an incentive for adjustment, and to prevent countries from placing further convertibility pressures on others, a country reaching such a "convertibility point" would be unable to acquire additional primary reserves, through either purchase or SDR allocation.

25. A reserve-indicator system such as the one sketched above should be supplemented and elaborated by consultative procedures within the IMF concerning adjustment programs and problems. For such procedures to be effective, national policy officials at a politically responsive level should be drawn into the process. Such IMF review could take into account supplementary criteria in considering the nature and magnitude of any need for adjustment.

26. Countries would not be expected to delay adjustment action until they had reached the indicator points. The purpose of a reserve-indicator system is to provide strong incentives for countries to act in limited steps, using a variety of tools suited to their circumstances before their situation becomes so urgent as to involve international concern and action. Moreover, while countries would at given points be brought under overt international pressure for adjustment, they would still have a range of policy options at their disposal. The range of "acceptable adjustment measures" for the system would, however, be limited to those consistent with market mechanisms and a liberal world trade and payment order. Exchange rate changes are not seen as the only, or necessarily the most desirable, means of adjustment in all cases.

27. Even though the aim of the system is to promote equilibrium, some scope for fluctuation in reserves is obviously necessary and desirable. No workable system can or should try to assure lock-step economic performance from 124 nations differing greatly in size, stage of development, and economic circumstance. Through the process of negotiation, an international consensus should be reached in defining the indicator points so as to get "enough" elbow room for some fluctuation in reserves to meet transitory payments imbalances, but not "so much" that adjustment is inappropriately delayed.

28. The reserve-indicator system should be designed to permit countries maximum flexibility to the extent compatible with maintaining the system's basic principles:

(a) As noted, a *small* devaluation without requirement for approval might be permitted at any time a country's reserves were below base level. Small revaluations might be permitted at any time. While in practice, situations would seldom, if ever, arise for withholding international approval from larger revaluations, restraint will continue to be necessary to guard against competitive devaluation.

(b) A country could opt for a transitional float, under agreed rules, in lieu of a discrete exchange rate change. If it intended to reestablish and maintain a central value for its currency within a given period, a reserve-deficient country could be permitted, under suitable guidelines, to increase its reserves toward its base level. If a country's reserves were above its base level at the time of initiation of the transitional float, it would not be permitted further reserve accumulation.

(c) A country could depart from the regime of established parities to float for a period of indefinite duration but only if it adhered to internationally agreed standards that would assure the consistency of its actions with the basic requirements of a cooperative order. These standards would relate, for example, to movements in its reserves, its intervention policies, elimination of controls on the inward flow of capital, avoidance of restrictive trade controls imposed for balance-of-payments purposes and elimination of any existing extraordinary balance-of-payments measures. Exchange rate systems nominally establishing a central or par value but envisaging very frequent changes such as those now in force in some less developed countries, could be integrated with this rule.

(d) Any group of countries in the process of forming a monetary union—with an implicit high degree of political and economic integration—could choose to operate as a unit. In this instance, the relevant criteria would be applied to the unit as a whole, which would be expected to speak with one voice in international forums. The reserve norms for the unit would have to be recalculated to reflect external trade and appropriate treatment of intra-unit assets.

(e) On a selective basis, consideration should be given to special arrangements for exclusion from reserves, and thus from measurements of adjustment need, of an "investment fund" of foreign securities or other foreign assets held by official agencies. Such funds might be appropriate for selected countries that wanted to hold over a prolonged period of time within official accounts (or with official inducements), foreign assets for long-term investment purposes. Such countries could be asked to observe certain criteria with respect to term, size and nature of the holdings. Oil producing countries with relatively large external assets would be candidates for such arrangements.

(f) Negotiated official credits (including IMF credits) should be permitted. Satisfactory procedures for the recording of such credits under the reserve-indicator system would need to be devised.

(g) In general, the system should neither ban nor encourage official holdings of foreign exchange. However, in the context of the proposed system, such holdings would presumably not loom so large relatively as in recent years. Each country should have the right to place limits on the further accumulation of its own currency of issue by official instructions in any other individual country or group of countries. Each country that chose to permit foreign official holdings of its currency must provide reasonable and normal investment facilities for those holdings.

29. The United States proposal neither gives special rights to nor imposes special obligations on any country or group of countries. It assumes a monetary system in which all countries are treated equally. All would have the same freedom to use the full exchange rate margins permitted in the system. All would have the same rights to allow their currencies to float, transitionally or indefinitely, under the same internationally agreed rules of behavior and surveillance. All maintaining established values for their currencies would have the same obligation to

assure convertibility of their currencies—meaning that officially held balances of foreign currencies could be freely presented to the issuing country for conversion into primary reserve assets, with the choice among SDR's, reserve positions in the IMF and gold to be made by the issuing country.

V. TRANSITIONAL ARRANGEMENTS

30. At the present time there is a highly unbalanced pattern of reserves and balance-of-payments positions among the major industrial nations. Unquestionably there would be a need for special transitional arrangements to put into being the system proposed by the United States. Various approaches for dealing with these problems can be developed. For example, proposals that have been put forward for funding, consolidating or otherwise dealing with foreign exchange balances which holding countries may regard as excess may be particularly relevant. The U.S. has an open mind on particular arrangements that might be proposed. We merely want to note that some generally acceptable transitional arrangements are necessary. This transitional problem is not unique to the proposed system. Any monetary system based upon concepts of equilibrium and convertibility will require special measures to deal with transitional problems.

VI. SOME QUESTIONS ABOUT THE PROPOSALS

31. Three questions which might be raised about the operational feasibility of the U.S. proposal are discussed below. These questions could arise under any system based on reserves as an indicator of adjustment need. Indeed, we should note comparable problems will arise, perhaps in a different form, in any par value-convertibility system, and often in more severe form.

32. The first question is: Is it possible to *define* reserves so as to assure they are useful and accurate criteria?

33. Based on reserves as the key indicator of disequilibrium and the need for adjustment, the system proposed by the U.S. depends on clear and reliable definitions of what constitutes both primary and total reserves, to assure that they give the appropriate signals in a given situation and to assure that the rules cannot be easily circumvented by artificial reserve transactions or concealment of reserves.

34. Primary reserves are more easily defined. They would consist of SDR's, reserve positions in the IMF, and monetary gold. There would be a precise and known amount of primary reserves for each nation and for the system as a whole.

35. Primary reserves would, of course, be widely transferred among nations for settlement purposes. Primary reserves might also be borrowed and lent. In order to assure the consistency of the aggregate level of primary reserves in the system with the operation of the system, appropriate rules would need to be devised to assure against double counting of primary reserves. For example, it might be agreed that lending and borrowing should not increase the calculated primary reserves of the borrower, nor reduce those of the lender.

36. Definition and measurement of reserves other than primary reserves have in the past been more complicated and more ambiguous. Possibilities for evading the adjustment rules might arise unless there were agreement on a suitability broad definition of what constitutes reserves. An appropriate approach to this problem would be to start from a very broad definition of reserves—all official claims on foreigners, liquid or non-liquid, whether held by or on behalf of the monetary authorities or by other government agencies. Exceptions would be made as appropriate. Long-term aid loans, for example, and normal export credits would presumably be omitted; approved "investment funds," as described above, would be excluded—though care must be taken that such funds not be used as a subterfuge for reserve increases. At any rate, with experience in operating the system, technical discussions would probably help to refine the definitions, so as to reduce the risks of window-dressing and make the system function as effectively as possible.

37. The second question is: How do we deal with problems of *heavy speculative capital flows?*

38. Speculative problems will be a factor in *any* system—indeed, they proved to be a critically important factor in the Bretton Woods system. The system proposed by the U.S. actually contains a number of features which should reduce the problems of speculation, as compared both with the past and with other approaches to reform of which we are aware.

39. The proposal aims at a system which fosters balance, and prompt adjustments to restore equilibrium, through a variety of adjustment measures. Thus, the persistent payments imbalances which in the past were a major factor in generating massive speculative capital movements would be eliminated or sharply diminished.

40. With the system based broadly on the concept of equilibrium, it cannot be overemphasized that national behavior which is truly in the spirit of this concept must help to assure that crisis points are not reached. The existence of the various indicator points on reserve movements does provide limits on disequilibria, and it is possible that movement close to those limits could stimulate some speculative activity, just as very large reserve gains or losses trigger speculative activity in the present system. But for fully satisfactory operation of the system, countries should endeavor to adjust their positions as the disequilibria emerge, and well before they reach the extremes, both because of the consequences involved in reaching the limits, and because they have accepted external balance as a practical, operative balance-of-payments objective. If a country persists in avoiding adjustment, it will eventually—and appropriately—be subject to the disciplines of the system, including speculative pressures. Much as in the past system, adjustment of some kind becomes unavoidable when disequilibria become extreme. What is missing in the past and present systems, and what the proposed system attempts to provide, is a real incentive for needed adjustment to occur before it is forced by crisis.

41. Also, the proposal has to be looked at in the context of a system of adequately wide exchange rate bands, which would be expected to reduce the prospect for large capital flows significantly.

42. Nonetheless, even with an improved adjustment system there could still be some question of whether false signals could result from speculative capital flows. The answer is that the proposed system contains several important "safety valves." First, there are areas, or zones, within which reserves can move in response to speculative or other pressures without bringing overt international requirements for adjustment measures. Second, there is a time factor envisaged at both the "low point" and the "outer point" which would provide scope for speculative or other flows to occur and reverse themselevs, without bringing strong international action to induce adjustment. (This factor could also play an important role in inhibiting speculative movements themselves.) Third, if a nation were pushed across its "outer point" by, say, a heavy inflow of speculative capital, and remained above that point, it need not necessarily appreciate its exchange rate—the requirement is for any "acceptable" adjustment program. Fourth, if the reserve increment were due to capital inflows based on unfounded speculation on an exchange rate change—and the IMF agreed that basic adjustment was not needed—a program dealing exclusively with that problem in an internally acceptable manner would presumably satisfy the international community. The international community could vote to override the reserve indicators in a case where the signals are judged to be obviously wrong.

43. In discussing these "safety valves," however, it should be remembered that signals are not necessarily "wrong" simply because speculative capital flows arise—such flows may indicate a genuine need for adjustment measures. The system cannot enable nations to avoid *needed* adjustments simply by blaming their problems on speculation.

44. The third question is: Aren't reserve indicator *retrospective* and insufficiently refined, pointing to past maladjustments rather than present or future needs and unable to take account of the composition of the balance of payments?

45. Reserves are more comprehensive, more reliable and more quickly available indicators than other criteria of external balance. While reserves may be distorted in the short run, no other single series provides a superior basis for analysis. In a convertibility system, reserve data are necessarily indicative of disequilibrium in the adjustment process: this has always been understood in terms of inducements to adjust for deficit countries—and the concept applies with equal logic to adjustment needs of surplus countries. While other data may provide useful information affecting international judgments of adjustment need, such data should be supplementary.

46. It would, of course, be helpful to have *reliable* indicators of future economic performance. But we don't. It would be useful to know each nation's balance-of-payments position for the next year or two or three—but the present state of the art does not provide data of such reliability that governments can place primary reliance on them in formulating policies for the future. Nor are governments likely to agree on any given assessment of prospects. Attempts to rely on such projections can lead to endless disputes. One has only to recall the discussions prior to the Smithsonian Agreement, of prospective cyclically adjusted current account balances, to realize the opportunities for disagreement.

47. The U.S. proposal does envisage that such "supplementary criteria" as are available should be used to assist the reserve indicators in pointing to adjustment needs. In particular, some countries may have objectives with respect to certain elements in their balance of payments, such as for the current account. And these elements in some cases may be considered more stable. Since inconsistent objectives in that respect could inhibit the process of balance-of-payments adjustment, attention to current account results and objectives could be useful. However, in the end we will require a consistency in the total balance-of-payments results (as reflected in reserve movements) and primary attention to one sector of the balance of payments, however important, would not be consistent with this requirement.

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Mr. TAFT. Mr. President, I call up amendment No. 52, as modified, on behalf of Mr. BELLMON and myself and ask unanimous consent that the Senator from Wisconsin (Mr. PROXMIRE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered. The clerk will state the amendment.

The legislative clerk proceeded to state the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment, as modified, is as follows:

At the end of the bill insert the following new section:

LIMITATION OF EXPENDITURES AND NET LENDING FOR FISCAL 1974

SEC. 2. (a) Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government shall not exceed $268,700,000,000.

(b)(1) In order to effectuate the provisions of subsection (a), the President shall not make reservations from expenditure and net lending, from appropriations or other obligational authority, heretofore or hereafter made available for—

(A) interest;

(B) veterans' benefits and services;

(C) payments from social insurance trust funds;

(D) medicaid;

(E) public assistance maintenance grants;

(F) social services grants under title IV of the Social Security Act, as amended;

(G) food stamps;

(H) military retirement pay; and

(I) judicial salaries.

(2) If, in order to effectuate the provisions of subsection (a), the President reserves amounts proportionately from all budget accounts except those budget accounts for which reservations are prohibited pursuant to paragraph (1), the provisions of subsection (c) shall not apply.

(c)(1) If the President determines that in order to effectuate the provisions of subsection (a) or pursuant to subsection (d) below, it is necessary to make reservations from expenditure and net lending, from appropriations of other obligational authority, heretofore or hereafter made available, he shall make such reservations subject to the provisions of this subsection. The President shall report to the Congress, by special message, each such reservation so made with respect to any single budget account. Each such special message shall be transmitted to the Senate and the House of Representatives within ten days after such reservation has been made, and shall be delivered to the Secretary of the Senate, if the Senate is not in session, and to the Clerk of the House of Representatives, if the House is not in session. Each such special message shall be printed as a document of both Houses.

(2) Any reservation from expenditures and net lending shall cease to be effective if the Senate and the House of Representatives agree to a concurrent resolution disapproving such reservation during the first period of sixty days of continuous session of the Congress after the day on which the special message reporting such reservation is transmitted to the Senate and the House of Representatives. For purposes of the preceding sentence, (A) continuity of session is broken only by an adjournment of the Congress sine die, and (B) days in which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(d) During the fiscal year ending June 30, 1974, nothing contained in any law (other than this section) shall be construed to authorize or empower the President to reserve any amount of obligation or other budget authority or any amount of authority to make outlays, unless (1) the amount so reserved is not necessary for the efficient operation of the activity, program, or project for which such amount was made available at the level intended by the Congress in enacting the laws which authorize such activity, program, or project, and provide such budget authority, and (2) the activity, program, or project can and will be fully carried out at such level without the amount so reserved.

(e) In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this section; and

(2) the allocation, grant, apportionment, or other distribution of funds among receipts is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution; the amount available for obligation (after the application of this section) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

(f) The following subsections of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (g)); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(g) As used in the following subsections of this section, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows (the blank spaces being appropriately filled): "That the Congress disapproves the reservation(s) of expenditures reported in the special message of the President dated _____, 19__ (Senate Document Numbered __, House Document Numbered __)."

(h) A resolution with respect to a special message shall be referred to a committee (and all resolutions with respect to the same special message shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(i)(1) If the committee to which has been referred a resolution with respect to a special message has not reported it before the expiration of ten calendar days after its introduction (or, in the case of a resolution received from the other House, ten calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such special message which has been referred to the committee.

(2) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same special message), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same special message.

(j)(1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a special message, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(k)(1) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a special message, and all motions to proceed to the consideration of other business, shall be decided without debate.

(2) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a special message shall be decided without debate.

(l) If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same special message, then—

(1) If no resolution of the first House with respect to such special message has been referred to committee, no other resolution with respect to the same special message may be reported or (despite the provisions of subsection (i)(1)) be made the subject of a motion to discharge.

(2) If a resolution of the first House with respect to such special message has been referred to committee—

(A) the procedure with respect to that or other resolutions of such House with respect to such special message which have been referred to committee shall be the same as if no resolution from the other House with respect to such special message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such special message the resolution from the other House with respect to such special message

shall be automatically substituted for the resolution of the first House.

(m) For the purposes of this section the term "budget account" means any appropriation account or other account granting obligational authority including, but not limited to, contract authority, authority to spend public debt receipts, and authority to spend agency debt receipts.

(n) The President shall not establish separate ceilings on expenditures or net lending for any budget account which will prevent the obligation of all funds made available for obligation pursuant to this section.

(o) In order to assist Congress in its efforts to prevent expenditures and net lending during the fiscal year ending June 30, 1974, from exceeding $268,700,000, the President shall promptly report to Congress any revised estimates of total expenditures and net lending for fiscal 1974 which have been made by the Office of Management and Budget for those budget categories listed in subsection (b), and any other revised estimates of total expenditures and net lending for fiscal 1974 which have been made by the Office of Management and Budget.

(p) For the purpose of effectuating the provisions of subsection (b) the amount of any single budget account which shall be considered to be available during fiscal 1974 prior to any reservation which may be made pursuant to subsection (b) shall be the amount made available for such budget account for obligation by the Congress during fiscal 1974, or in the case of a budget account available for obligation in more than one fiscal year, the estimated amount to be obligated during fiscal 1974 in the Budget of the United States Government for fiscal year 1974.

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

Mr. TAFT. Mr. President, I yield to the distinguished majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, if I may have the attention of the Senate, that the pending business be laid aside until the hour of 12 o'clock noon, Wednesday next.

Mr. TOWER. Mr. President, if the distinguished majority leader would yield, I think that if the Senator would perhaps propose the entire unanimous-consent request, the Members of the Senate would be more familiar with the matter.

Mr. MANSFIELD. Mr. President, I yield to the distinguished assistant majority leader.

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader, after having consulted with various Senators on both sides of the aisle, to propose the following unanimous-consent request:

That further debate on S. 929, the dollar revaluation bill, be limited to 4 hours; that time on any amendment thereto be limited to 1 hour; that time on any amendment to an amendment be limited to 30 minutes; that time on any debatable motion or appeal be limited to 30 minutes; that time under the control of the managers of the bill may be yielded to any Senator on any amendment, debatable motion or appeal;

Provided further that no nongermane amendment be in order with the exception of any nongermane amendments which may be at the desk at the close of business today, regardless of their germaneness;

Provided further that any amendment dealing with ceilings or impoundments may be in order regardless of its germaneness;

Provided further that the time on the bill is to be under the control of the distinguished manager of the bill, the Senator from Alabama (Mr. SPARKMAN), and the distinguished Senator from Texas (Mr. TOWER), with the time on any amendment, debatable motion, or appeal to be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. MANSFIELD subsequently said: Mr. President, the Senate may recall that before the unanimous-consent request was made, I had made a unanimous-consent request which I had intended to incorporate in the request that has just been agreed to.

Mr. President, I ask unanimous consent that the pending business, S. 929, be laid aside until the hour of 12 o'clock noon, Wednesday next, at which time it will become the pending business again, at which time the distinguished Senator from Ohio would be recognized for the consideration of his amendment, and at which time the limitation already agreed to would begin to run.

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

The unanimous-consent request reads as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective Wednesday, April 4, 1973, during the further consideration of S. 929, a bill to amend the Par Value Modification Act, debate on any amendment shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment and the manager of the bill, the Senator from Alabama (Mr. SPARKMAN), and that in the event that the manager of the bill is in favor of any such amendment, the time in opposition thereto shall be controlled by the minority leader or his designee; and that debate on any amendment to an amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of the amendment and the author of the amendment in the first degree, and that in the event that the author of the amendment in the first degree is in favor of the amendment, the time in opposition thereto shall be controlled by the manager of the bill; and that debate on any debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover and the manager of the bill, and that in the event that the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided*, That no amendment that is not germane to the provisions of the said bill (except those at the Desk at the close of business Thursday, March 29th, or those dealing with expenditure ceilings or impoundments) shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Texas (Mr. Tower) and the Senator from Alabama (Mr. Sparkman): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

CIVIL REMEDIES FOR VICTIMS OF RACKETEERING ACTIVITY AND THEFT ACT OF 1973

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of Calendar No. 84, S. 13, that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

Calendar No. 84, S. 13, a bill to amend title 18 of the United States Code to provide civil remedies to victims of racketeering activity and theft, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill.

Mr. SCOTT of Pennsylvania. Mr. President, I rise to point out that this is the first of a series of five crime bills, so that Senators may be on notice that following action on this bill it is expected that other crime bills will be called up. I did not mean to say that crimes will be perpetrated.

Mr. MANSFIELD. Many of them are perpetrated on the floor, I am sure.

Mr. SCOTT of Pennsylvania. At any rate, other crime bills will be called up. I was going to ask whether they would be brought up today or tomorrow or when.

Mr. MANSFIELD. Mr. President, it is anticipated that they will be brought up today.

These bills were passed unanimously in an omnibus package by the Senate last year. They were not taken up in the House. It would be the hope of the leadership that no one would request a roll-call vote, because basically there is no opposition to them.

I express that hope because some of our Members on both sides of the aisle would like to get away at a reasonable hour. And if we finish this bill at a reasonable hour, we will go over until Monday. If not, we would have to go over until tomorrow.

I would like the Members of the Senate to keep that in mind. There is certainly no doubt how anyone feels on any of these bills.

Mr. SCOTT of Pennsylvania. That is why I spoke with malice prepense. I hope that Senators will find it possible to cooperate. These bills, I am told, are noncontroversial.

Mr. MANSFIELD. Quite the contrary, Mr. President, I think they fit in very well with the splendid crime message sent down by the President on yesterday, which shows that the crime rate has gone downward.

May I say to the distinguished Republican leader that if we finish these crime bills today, we will go over until Monday.

On Monday we will take up the meat inspection bill and also the bill authoriz-

ing an additional appropriation for an international center for foreign chanceries.

On Tuesday we will have the vote on the veto.

Mr. SCOTT of Pennsylvania. Do we have a time limitation on that measure?

Mr. MANSFIELD. We do. The time will begin to run at 12 o'clock.

Mr. SCOTT of Pennsylvania. Mr. President, I thank the distinguished majority leader.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Nebraska, the ranking member of the Judiciary Committee, may be allowed to have Mr. Lazarus of his staff on the floor at this time.

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

Mr. BAYH. Mr. President, I make the same request in behalf of Mr. William Hickman and Mr. Mike Helfer.

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

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the following members of the staff of the Subcommittee on Criminal Laws and Procedures may be allowed the privilege of the floor of the Senate during the consideration of S. 13, S. 15, S. 33, S. 300, and S. 800: G. Robert Blakey, Paul C. Summitt, and Dennis C. Thelen.

Mr. HRUSKA. Including the votes, if any, thereon.

Mr. McCLELLAN. Yes; including the rollcall votes, if any, on these measures.

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

CIVIL REMEDIES FOR VICTIMS OF RACKETEERING ACTIVITY AND THEFT ACT OF 1973

The Senate continued with the consideration of the bill (S. 13) to amend title 18 of the United States Code to provide civil remedies to victims of racketeering activity and theft, and for other purposes.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Is S. 13 the pending business?

The PRESIDING OFFICER. S. 13 is the pending business.

Mr. McCLELLAN. Mr. President, S. 13 was introduced by myself and the distinguished Senator from Nebraska (Mr. HRUSKA). Its provisions also reflect S. 742, introduced by the distinguished Senator from Nevada (Mr. BIBLE). They would extend certain of antitrust type remedies—injunction, treble damages, and so forth—to the victims of the typical techniques employed by racketeers to invade legitimate businesses. They would also strike at the problem of cargo theft by enabling persons entitled to legal possession of goods to sue for treble damages persons responsible for stealing, buying, or reselling goods moving in interstate commerce.

This legislation was introduced last year as S. 16 and S. 2426. It was also processed by the Subcommittee on Criminal Laws and Procedures—see hearings, supra. It was reported by the Judiciary Committee on August 16, 1972—see Senate Report No. 92–1070, 92d Congress, second session—1972. And it passed the Senate by a record vote of 81 to 0 on September 5, 1972—see CONGRESSIONAL RECORD, volume 118, part 22, page 29379. No action was taken by the House.

Since there was no objection last year by the Senate to the passage of this bill, and I know of none this year, I think that further debate is unnecessary.

However, I notice the distinguished ranking minority member of the Subcommittee on Criminal Laws and Procedures is present. I am delighted to yield the floor to him for his comments.

Mr. HRUSKA. Mr. President, I am pleased to join the distinguished chairman of the Subcommittee on Criminal Laws and Procedures as a cosponsor of S. 13, the Civil Remedies for Victims of Racketeering Activity and Theft Act of 1973, and I now take pleasure in urging Senators to support the measure as reported.

A similar bill (S. 16) passed the Senate last year, but, unfortunately, it did not receive action in the House. It is hoped that the measure will receive House consideration this year.

The Department of Justice supports the enactment of S. 13 with the expectation that it will afford civil remedies to those victims who suffer loss due to theft or embezzlement of cargo by allowing injunctive relief and civil actions to recover threefold actual damages and costs of the action.

I salute the senior Senator from Arkansas for his imagination and initiative in processing the bill and for bringing it to the point of Senate passage.

Mr. McCLELLAN. I thank the distinguished Senator from Nebraska.

Mr. BIBLE. Mr. President, may I commend the distinguished senior Senator from Arkansas (Mr. McCLELLAN), chairman of the Subcommittee on Criminal Laws and Procedures of the Judiciary Committee, for the prompt and efficient manner in which his subcommittee has reported this series of anticrime bills for Senate action. His concern for victims of all types of crime merits great commendation, because government in our society these days is unable to protect the lives and property of our citizens.

For the benefit of other Senators, may I trace the background of S. 13 and indicate just how deeply the problem has been examined. It was my pleasure to first propose this legislation (S. 2426) in August, 1971. Through the cooperative efforts of the distinguished senior Senator from Arkansas (Mr. McCLELLAN) and the capable staff of his Criminal Laws Subcommittee, we refined this concept with legislation introduced as my proposed amendments to S. 2994 on December 11, 1971.

We believed at that time and we believe even more strongly today that the Federal tool supplied by this legislation would provide an antitrust-type, treble damage, civil remedy approach to get at all types of property thievery, estimated to cost the American public $16 billion per year.

The Senate Judiciary Committee favorably reported and the Senate subsequently passed, on September 5, 1972, this concept as a part of S. 16, by a vote of 81 to 0. Several weeks later, on September 18, 1972, S. 16 as an amendment (No. 446) to H.R. 8389, a House-passed, drug abuse bill, cleared the Senate for the other body. Because the Congress was approaching sine die adjournment, the other body was unable to consider either measure. Early in this session, steps to enact this anticrime concept were taken again through S. 800 and the identical bills S. 13 and S. 742.

Today the Senate has an opportunity to do what it did in passing this bill last September and move it along to the other body for appropriate consideration.

Mr. President, the genesis of this legislation came out of some 3½ years of hearings before the Senate Small Business Committee, which I have the honor to chair, during which time our committee listened to testimony about thievery of goods from air, truck, rail, and maritime carriers, showing that the American shippers lose over $1.5 billion a year to the cargo thief. These losses are naturally passed on to the American consumer in the form of crime-inflated prices.

Witnesses before our committee have repeated the same theme, that these goods stolen from trucks, railroads, air carriers, and maritime carriers are passed on to unscrupulous buyers for eventual resale in both legal and legitimate markets.

My bill would place a new enforcement tool in the Federal arsenal to reach these criminal dealers, taking the profit out of marketing these stolen goods.

We believe that in past years the criminal fence has been ignored in our efforts to develop measures to curb crimes of theft and burglary. For example, Robert Earl Barnes, one of the better known thieves, said:

> Perhaps the most underrated criminal in the underworld is the receiver of stolen property, the burglar's fence. Few citizens actually understand just how essential the fence is to the burglar. When you think about where your stolen property has gone, don't think about the burglar. He usually doesn't have it, and probably would have trouble getting rid of it alone.
>
> The fences are the key, not only to the burglar, but also to the shoplifter, the petty thief, the automobile-parts thief, mail par-

cel-post thieves, shipping-dock thieves, hijackers, and narcotics addicts—all dealers in merchandise which can be resold in a legitimate market. In connection with all of these criminal acts, the fence indeed plays as major a part as the persons actually doing the stealing. In some cases he may be more important.

Without the receiver of stolen property, none of the burglars—cat burglar, monkey man, or business specialist—could survive. For their efforts, they would have garages full of goods, and merchandise is useless to the thief unless he can sell it.

Mr. President, in my judgment there are two basic elements of a property theft crime: One, the theft itself, and two, the distribution of stolen property. Most prevention efforts have been geared toward combating the crime of theft itself but little is being done to stop the equally, if not more important, aspect of illegal distribution of stolen property or, as it is most commonly known, fencing.

Our Small Business Committee prepared a staff report which analyzed the criminal redistribution systems and their economic impact on small business. Three basic assumptions were made in this report which I think succinctly describe the role of the criminal fence:

First, fences play a vital role in the successful completion of a crime involving a major theft. Without the fence, the theft is a meaningless act.

Second, stolen goods eventually reach a legitimate marketplace. The magnitude of theft is so great that the only reasonable outlet must be to legitimate consumers.

Third, the illegal distribution system from the thief to the marketplace must adversely affect legitimate business enterprises such as storage companies, transporters, manufacturers, wholesalers, retailers, lending institutions, and others who are normally involved in a legal distribution system.

The logic that follows is that whether the theft and distribution process takes place interstate, intrastate, intracity, or even intracommunity, the detrimental effects on legitimate business and commerce have national ramifications.

The logic behind this legislation is to help destroy the thief's market for stolen goods. If a thief does not have a buyer to purchase and resell his "hot cargo," it becomes valueless to him. It is self-evident that if a fence or purchaser of such hot cargo is vulnerable to a lawsuit in a civil proceeding which is governed by a less stringent rule of evidence than a criminal trial, for threefold the fair market value of the stolen goods, then the hot cargo purchaser's marketing ability will be adversely affected, not to mention his pocketbook.

For the benefit of my colleagues, I would like to advise that a number of States are now considering comparable legislation to deal with the intrastate criminal middleman. An example is California, whose legislature last year unanimously passed an act similar to the provisions of this bill.

It was signed into law by Governor Reagan on August 16, 1972.

To acquaint the remaining 49 States with the scope of the problem and to assist them deliberate as to the merits of this approach, I wrote to each of the Governors and provided them with an in-depth background of both the Federal concept and the new California law.

If I remember correctly, in the heyday of the Al Capone reign in Chicago, he was convicted not for murder, theft, the Volstead Act, or other mobster activity, but for income tax evasion. It is now time we go after the modern-day cargo thieves indirectly, too, as this bill proposes and more directly as other pending legislation suggests.

We are hopeful that a coordinated program may evolve, with criminal and civil enactments of legislation at both the Federal and State levels, aimed at dislocating the marketing ability of the criminal fence, thus lowering the value of billions of dollars worth of stolen goods and the ease with which they are reintroduced into legitimate commercial channels.

This, in turn, should result in a substantial lessening of property crimes such as burglary, theft, and shoplifting, while assisting the legitimate merchant to sell his commodities in the markeplace and not compete against the fencing marketeer.

I thank the distinguished Senator for permitting me to provide additional information for Senators with respect to the basis for this legislation. I hope both the Senate and the other body will act expeditiously on this measure and thereby add a new tool to the Federal arsenal of tools to combat this criminal activity, one which nurtures and supports so many forms of thievery for which every consumer pays a higher price in increased costs for goods and services.

Mr. President, I know of no amendments to be offered to the bill. Since there are none, I ask for the third reading and passage of the bill.

The PRESIDING OFFICER. If there are no amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 13) was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 13

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Civil Remedies for Victims of Racketeering Activity and Theft Act of 1973".

RACKETEER CIVIL REMEDIES

SEC. 1. (a) Section 1964 of title 18 of the United States Code is amended by—

(1) inserting in subsection (a) ", without regard to the amount in controversy," immediately after "jurisdiction".

(2) inserting in subsection (b) "subsection (a) of" after "under" each time it appears;

(3) striking the word "action" in subsection (b) and inserting in lieu thereof "proceedings"; and

(4) striking subsections (c) and (d) of such section and inserting in lieu thereof the following:

"(c) Any person may institute proceedings under subsection (a) of this section. In any proceeding brought by any person under subsection (a) of this section, relief shall be granted in conformity with the principles which govern the granting of injunctive relief from threatened loss or damage in other cases. Upon the execution of proper bond against damages for an injunction improvidently granted and showing of immediate danger or irreparable loss or damage, a temporary restraining order and a preliminary injunction may be issued in any action before a final determination thereof upon its merits.

"(d) Whenever the United States is injured in its business or property by reason of any violation of section 1962 of this chapter, the Attorney General may bring a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover the actual damages sustained by it, and the cost of the action.

"(e) Any person who is injured in his business or property by reason of any violation of section 1962 of this chapter may bring a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover threefold the actual damages sustained by him, and the cost of the action, including a reasonable attorney's fee.

"(f) The United States may upon timely application intervene in any civil action or proceeding brought under this chapter, if the Attorney General certifies that in his opinion the case is of general public importance. In such action or proceeding, the United States shall be entitled to the same relief as if it had instituted the action or proceeding.

"(g) A final judgment or decree rendered in favor of the United States in any criminal or civil action or proceeding under this chapter shall estop the defendant in any subsequent civil proceeding as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto.

"(h) Except as hereinafter provided, any civil action under this section shall be barred unless it is commenced within five years after the cause of action accrued. Whenever any civil or criminal action or proceeding, other than an action under subsection (d) of this section, is brought or intervened in by the United States to prevent, restrain, or punish any violation of section 1962 of this chapter the running of the period of limitations prescribed by this subsection with respect to any cause of action arising under subsections (c) and (e) of this section, which is based in whole or in part on any matter complained of in such action or proceeding by the United States, shall be suspended during the pendency of such action or proceeding by the United States and for two years thereafter.".

(b) Section 1965 of title 18 of the United States Code is amended by—

(1) striking out in subsection (b) "action under section 1964 of" and inserting in lieu thereof "civil action or proceeding under";

(2) striking out in subsection (c) "instituted by the United States"; and

(3) inserting in subsection (d) "civil or criminal" immediately before "action".

(c) Section 1966 of title 18 of the United States Code is amended by striking "any civil action instituted under this chapter by the United States" in the first sentence and inserting in lieu thereof "any civil action or proceeding under this chapter in which the United States is a party".

(d) Section 1967 of title 18 of the United States Code is amended by striking "instituted by the United States", and inserting in lieu thereof "or proceeding".

(e) Section 1968 of title 18 of the United States Code is amended by—

(1) striking out "prior to the institution of a civil or criminal proceeding" in the first sentence of subsection (a) and inserting in lieu thereof "before he institutes or intervenes in a civil or criminal action or proceeding";

(2) striking out "case" the first time it appears and inserting in lieu thereof "civil

or criminal action" in paragraph (4) of subsection (f) and striking out "case" each time it appears thereafter and inserting in lieu thereof "action";

(3) striking out "case" each time it appears in paragraph (5) of subsection (f) and inserting in lieu thereof "action"; and

(4) striking out "case" and inserting in lieu thereof "action" in paragraph (6) of subsection (f).

THEFT CIVIL REMEDIES

SEC. 2. (a) Section 659 of title 18 of the United States is amended to read as follows:

"§ 659. Interstate or foreign shipments by carrier; State prosecutions; civil remedies for victims of theft

"(a) It shall be unlawful for any person to embezzle, steal, or unlawfully take, carry away, or conceal, or by fraud or deception obtain, with intent to convert to his own use, any money, baggage, goods, chattels, or other property which is moving as, or which is a part of, or which constitute an interstate or foreign shipment from any pipeline system, railroad car, wagon, motortruck, or other vehicle, or from any tank or storage facility, station, station house, platform, or depot, or from any steamboat, vessel, or wharf, or from any aircraft, air terminal, airport, aircraft terminal, or air navigation facility, or to buy, receive, or have in his possession any such money, baggage, goods, chattels, or other property, knowing, or having reason to know, that it has been embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained.

"(b) It shall be unlawful for any person to embezzle, steal, or unlawfully take, carry away, or conceal, or by fraud or deception obtain, with intent to convert to his own use, any money, baggage, goods, chattels, or other property, which shall have come into the possession of any common carrier for transportation in interstate or foreign commerce, or to break into, embezzle, steal, unlawfully take, carry away, or conceal, or by fraud or deception obtain, with intent to convert to his own use, any of the contents of such baggage, goods, chattels, or other property, or to buy, receive, or have in his possession any such money, baggage, goods, chattels, or other property, knowing or having reason to know that it has been embezzled or stolen or otherwise unlawfully taken, carried away, concealed, or obtained.

"(c) It shall be unlawful for any person to embezzle, steal, or unlawfully take, carry away, conceal, or by fraud or deception obtain, with intent to convert to his own use, any money, baggage, goods, chattels, or other property from any railroad car, bus, vehicle, steamboat, vessel, or aircraft operated by any common carrier moving in interstate or foreign commerce, or from any passenger thereon, or to buy, receive, or have in his possession any such money, baggage, goods, chattels, or other property, knowing or having reason to know that it has been embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained.

"(d) Whoever violates any provision of subsection (a), (b), or (c) of this section shall in each case be fined not more than $5,000 or imprisoned not more than ten years, or both; but if the amount or value of such money, baggage, goods, chattels, or other property does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(e) The district courts of the United States shall have jurisdiction, without regard to the amount in controversy, to prevent and restrain violations of this section by issuing appropriate orders, including, but not limited to: ordering any person to divest himself of any interest, direct, or indirect, in any enterprise; imposing reasonable restrictions on the future activities or investments of any person, including, but not limited to, prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in, the activities of which affect interstate or foreign commerce; or ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons.

"(f) The Attorney General may institute proceedings under subsection (e) of this section. In any proceedings brought by the United States under subsection (e) of this section, the court shall proceed as soon as practicable to the hearing and determination thereof. Pending final determination thereof, the court may at any time enter such restraining orders or prohibitions, or take such other actions as it shall deem proper.

"(g) Any person may institute proceedings under subsection (e) of this section. In any proceeding brought by any person under subsection (e) of this section, relief shall be granted in conformity with the principles which govern the granting of injunctive relief from threatened loss or damage in other cases. Upon the execution of proper bond against damages for an injunction improvidently granted and a showing of immediate danger of irreparable loss or damage, a temporary restraining order and preliminary injunction may be issued in any action before a final determination thereof upon its merits.

"(h) Whenever the United States is injured in its business or property by reason of any violation of this section, the Attorney General may bring a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover the actual damages sustained by the United States, and the cost of action.

"(i) Any person who is injured in his business or property by reason of any violation of this section may bring a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover threefold the actual damages sustained by him, and the cost of the action, including a reasonable attorney's fee.

"(j) Any civil action or proceeding under this section against any person may be instituted in the district court of the United States for any district in which such person resides, is found, has an agent, or transacts his affairs.

"(k) In any civil action or proceeding under this section in any district court of the United States in which it is shown that the ends of justice require that any other party residing in any other district be brought before the court, the court may cause such party to be summoned, and process for that purpose may be served in any judicial district of the United States by the marshal thereof.

"(l) In any civil or criminal action or proceeding under this section in the district court of the United States for any judicial district, subpenas issued by such court to compel the attendance of witnesses may be served in any other judicial district except that in any civil action or proceeding no such subpena shall be issued for service upon any individual who resides in another district at a place more than one hundred miles from the place at which such court is held without approval given by a judge of such court upon a showing of good cause.

"(m) All other process in any civil or criminal action or proceeding under this section may be served on any person in any judicial district in which such person resides, is found, has an agent, or transacts his affairs.

"(n) The United States may, upon timely application, intervene in any civil action or proceeding brought under this section if the Attorney General certifies that in his opinion the case is of general public importance. In such action or proceeding, the United States shall be entitled to the same relief as if he had instituted the action or proceeding.

"(o) A final judgment or decree rendered in favor of the United States in any criminal action or proceeding under this section shall estop the defendant in any subsequent civil proceeding as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto.

"(p) Except as hereinafter provided, any civil action or proceeding under this section shall be barred unless it is commenced within five years after the cause of action accrued. Whenever any civil or criminal action or proceeding, other than an action under subsection (h) of this section, is brought or intervened in by the United States to prevent, restrain, or punish any violation of this section, the running of the period of limitations prescribed by this subsection with respect to any cause of action arising under subsection (g) or (i) of this section, which is based in whole or in part on any matter complained of in such action or proceeding by the United States, shall be suspended during the pendency of such action or proceeding by the United States and for two years thereafter.

"(q) A violation of this section shall be deemed to have been committed not only in the district where the violation first occurred, but also in any district in which the defendant may have taken or been in possession of the said money, baggage, goods, chattels, or other property.

"(r) The carrying or transporting of any such money, baggage, goods, chattels, or other property in interstate or foreign commerce, knowing, or having reason to know, it had been embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained, shall constitute a separate violation and subject the violator to criminal penalties and a civil cause of action under this section and the violation shall be deemed to have been committed in any district into which such money, baggage, goods, chattels, or other property, shall have been removed or into which it shall have been brought by such violator.

"(s) To establish the interstate or foreign commerce character of any shipment in any criminal or civil action or proceeding under this section the waybill or other shipping document of such shipment shall be prima facie evidence of the place from which and to which such shipment was made. The removal of property from a pipeline system which extends interstate shall be prima facie evidence of the interstate character of the shipment of the property. Proof that a person was found in unexplained possession of any money, baggage, goods, chattels, or other property, recently embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained by fraud or deception in violation of this section, shall be prima facie evidence that such person knew that such property was, or that such person had, embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained by fraud or deception such money, baggage, goods, chattels, or other property in violation of this section. Proof that a person bought or received for consideration substantially below its fair market value money, baggage, goods, chattels, or other property embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained by fraud or deception in violation of this section shall be prima facie evidence that such person knew that such property was embezzled, stolen, or otherwise unlawfully taken, carried away, concealed, or obtained by fraud or deception in violation of this section.

"(t) A judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any criminal prosecution under this section for the same act or acts. Nothing contained in this section shall be construed as indicating an intent on the part of Congress to occupy the field in which provisions of this section operate to the exclusion of State laws on the same subject

matter, nor shall any provision of this section be construed as invalidating any provision of State law unless such provision is inconsistent with any of the purposes of this section or any provision theerof."

(b) The analysis at the beginning of chapter 31 of title 18 of the United States Code, for section 659, is amended to read:

"659. Interstate or foreign shipment by carrier; State prosecutions; civil remedies for victims of theft.".

SEVERABILITY

SEC. 3. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 4. This Act shall become effective upon the date of enactment.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which S. 13 was passed.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PUBLIC SAFETY OFFICERS' BENEFITS ACT OF 1973

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 85, S. 15.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 15) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with amendments on page 2, line 4, after the word "parts", strike out "G, H, I, and J" and insert "I, J, K, and L"; in line 6, after the word "part", strike out "E" and insert "G"; in line 8, after the word "Part", strike out "F" and insert "II"; on page 7, line 6, after the word "part", strike out "F" and insert "II"; and in line 19, after the word "after", strike out "October 16, 1972" and insert "October 17, 1972".

Mr. McCLELLAN. Mr. President, S. 15 was introduced by myself and the distinguished Senator from Nebraska (Mr. HRUSKA). It would provide a lump-sum Federal death gratuity of $50,000 to the dependent survivors of public safety officers, including police, firefighters, and correction guards, killed in the line of duty as a result of a criminal act.

This legislation was introduced last year as S. 2087. It was also processed by the Subcommittee on Criminal Laws and Procedures—see Hearings, supra. It was reported by the Judiciary Committee on August 18, 1972 (S. Rept. No. 92-1069, 92d Cong., 2d Sess. (1972)). And it passed the Senate by the record vote of 80 to 0 on September 5, 1972 (CONGRESSIONAL RECORD vol. 118, pt. 22, p. 29379).

The House of Representatives passed similar legislation, a conference was held and a report filed. (See H. Rept. No. 92-1612, 92d Cong., 2d Sess., Oct. 17, 1972.) It was not possible, however, to secure a House vote on the Report prior to adjournment. (See CONGRESSIONAL RECORD vol. 118, pt. 28, pp. 36966 and 37063.)

The text of title III of this proposed legislation is the text agreed upon by the Conference with one exception. The date of the death benefits is made retroactive to the date of the conference agreement, that is, October 17, 1972.

I urge its immediate passage.

Mr. THURMOND. Mr. President, I ask unanimous consent that Mr. Raymond Sifly of the Judiciary Committee staff be allowed the privilege of the floor.

The PRESIDING OFFICER (Mr. McCLURE). Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I yield now to the distinguished Senator from Nebraska, the ranking minority member of the Criminal Laws and Procedures Subcommittee of the Judiciary Committee.

Mr. HRUSKA. Mr. President, S. 15, the Public Safety Officers' Benefits Act of 1973, has the wholehearted support of this Senator.

On June 4, 1971, President Nixon called for Federal legislation to provide $50,000 to the family of any policeman slain in the line of duty. In the President's words, this was done "in further indication of the administration's support of law inforcement officers across the country."

S. 2087, the subject bill in the last Congress, passed the Senate by a unanimous vote. The House passed another version; a conference was thereafter held and agreement was reached to file a conference report, but the Congress adjourned prior to the time when final action could be taken.

The bill which is currently under consideration is substantially the measure agreed to in the Senate-House conference. The primary amendment of that form of the bill is contained in section 5 of S. 15 and would provide that the effective date of the act be October 17, 1972, so as to authorize a death benefit for public safety officers who have been killed since the day of the agreement reached between House and Senate conferees.

I was pleased to join as a cosponsor of the subject bill and believe it is an appropriate recognition of the support due to State and local policemen, firemen, corrections personnel, court personnel.

I urge its enactment.

Mr. McCLELLAN. Mr. President, I now yield to the distinguished Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, I was pleased to join the able and distinguished Senator from Arkansas and the able and distinguished Senator from Nebraska in introducing this bill. It is a very simple one for the public safety officers of the United States, and I sincerely hope that it will pass.

In recent years many of our public safety officers have been killed by felonious assaults, and it is increasingly apparent that violent crime is spreading. Crime knows no jurisdictional boundary, nor respects the color of a law-enforcement officer's uniform. Each officer, whether sheriff, deputy, highway patrolman, or policeman, must be fully cognizant that death may come to him in the performance of his sworn duties.

The administration supports this measure and believes it is warranted because police officers throughout the country are facing a rising tide of violence and need a minimum death benefit that is not tied into State or local compensation programs.

Public safety officers, dedicated to their law-enforcement careers, are not nearly so concerned with their low salaries as they are maintaining and preserving the security of their families.

Mr. President, this is a vital bill and one of great importance and I sincerely hope that it will be passed.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers' Benefits Act of 1973".

SECTION 1. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455 respectively as sections 421 through 425;

(2) redesignating sections 501 through 522 respectively as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I respectively as parts I, J, K, and L of title I; and

(4) adding at the end of part G of title I of the Act, the following new part:

"PART H—DEATH BENEFITS FOR PUBLIC SAFETY OFFICERS

"DEFINITIONS

"SEC. 525. As used in this part—

"(1) 'child' means any natural, adopted, or posthumous child of a deceased public safety officer who is—

"(A) under eighteen years of age; or

"(B) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(C) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(2) 'criminal act' means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government, which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication, or otherwise, the person engaging in the act, omission, or possession was legally incapable of committing a crime;

"(3) 'dependent' means a person who was wholly or substantially reliant for support upon the income of a deceased public safety officer;

"(4) 'intoxication' means a disturbance

of mental or physical faculties resulting from the introduction of alcohol, drugs, or other substances into the body;

"(5) 'line of duty' means within the scope of employment or service;

"(6) 'public safety officer' means a person serving a public agency, with or without compensation, as—

"(A) a law enforcement officer, including a corrections or a court officer, engaged in—

"(i) the apprehension or attempted apprehension of any person—

"(a) for the commission of a criminal act, or

"(b) who at the time was sought as a material witness in a criminal proceeding; or

"(ii) protecting or guarding a person held for the commission of a criminal act or held as a material witness in connection with a criminal act; or

"(iii) the lawful prevention of, or lawful attempt to prevent the commission of, a criminal act or an apparent criminal act or in the performance of his official duty; or

"(B) a firefighter; and

"(7) 'separated spouse' means a spouse, without regard to dependency, who is living apart for reasonable cause or because of desertion by the deceased public safety officer.

AWARDS

"SEC. 526. (a) Upon a finding made in accordance with section 527 of this part the Administration shall provide a gratuity of $50,000.

"(b)(1) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under section 527 of this part.

"(2) The amount of any interim benefit paid under paragraph (1) of this subsection shall be deducted from the amount of any final benefit paid to such person or dependent.

"(3) Where there is no final benefit paid, the recipient of any interim benefit paid under paragraph (1) of this subsection shall be liable for repayment of such amount. The Administration may waive all or part of such repayment.

"(c) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by payments authorized by section 12(k) of the Act of September 1, 1916, as amended, 4–531(1) of the District of Columbia Code.

"(d) No benefit paid under this part shall be subject to execution or attachment.

"RECIPIENTS

"SEC. 527. When a public safety officer has been killed in the line of duty and the direct and proximate cause of such death was a criminal act or an apparent criminal act, the Administration shall pay a benefit as provided in section 526 of this part as follows:

"(1) if there is no surviving dependent child of such officer, to the surviving dependent spouse or separated spouse of such officer;

"(2) if there is a surviving dependent child or children and a surviving dependent spouse or separated spouse of such officer, one-half to the surviving dependent child or children of such officer in equal shares and one-half to the surviving dependent spouse or separated spouse of such officer;

"(3) if there is no such surviving dependent spouse or separated spouse, to the dependent child or children of such officer, in equal shares; or

"(4) if none of the above, to the dependent parent or parents of the decedent, in equal shares;

"(5) if none of the above, to the dependent person or persons who are blood relatives of the deceased public safety officer or who were living in his household and who are specifically designated in the public safety officer's duly executed authorization to receive the benefit provided for in this part.

"LIMITATIONS

"SEC. 528. No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer."

MISCELLANEOUS PROVISIONS

SEC. 2. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated such sums as are necessary for the fiscal year ending June 30, 1974, for the purposes of part H."

SEC. 3. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 4. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 5. This Act shall become effective and apply to acts and deaths occurring on or after October 17, 1972.

Mr. McCLELLAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

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

The motion to lay on the table was agreed to.

PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE ACT OF 1973

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 86, S. 33.

The PRESIDING OFFICER (Mr. BARTLETT). The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 33, to amend the Omnibus Crime Control and Safe Streets Act of 1968, to authorize group life insurance programs for public safety officers, and to assist State and local governments to provide such insurance.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 4, after the word "of", strike out "1972" and insert "1973"; at the beginning of line 6, strike out "title" and insert "Act"; on page 2, line 8, after the word "through", strike out "521" and insert "522"; and in line 9, after the word "through", strike out "570" and insert "571".

Mr. McCLELLAN. Mr. President, S. 33 was introduced by the distinguished Senator from Massachusetts (Mr. KENNEDY). It would establish a nationwide, federally subsidized program of group life, accidental death, and dismemberment insurance for State and local public safety officers defined to include firefighters, correctional guards, and court officers in addition to police. The plan is patterned closely after the Servicemen's Group Life Insurance program which is available to members of our Armed Forces. Coverage would be at a level of the officer's annual salary plus $2,000, starting from a floor of $10,000 coverage and rising to a maximum of $32,000. The Federal Government would pay up to one-third of the total cost of the premiums, leaving the remainder to be covered by the insured officer or the State or local government.

Where existing State or local group life insurance plans already provide coverage for public safety officers, or where it was desired to establish such a program within a year after the effective date of the bill, eligible officers would choose by ballot between the Federal and the State or local plans. If they chose the State or local programs, it would be eligible for the same subsidy which would go to the Federal plan.

This legislation was introduced last year as S. 33. It was also processed by the Subcommittee on Criminal Laws and Procedures. [See Hearings, supra]. It was reported by the Judiciary Committee on September 13, 1972. [See S. Rept. 92–1124, 92d Cong., 2d sess. (1972)]. And it passed the Senate by the record vote of 61 to 6 on September 18, 1972 (CONGRESSIONAL RECORD, vol. 118, pt. 24, p. 31024). No action was taken by the House.

I urge its immediate passage.

Mr. President, I believe there is opposition to this measure. Therefore, I am glad to yield to my friend from Nebraska (Mr. HRUSKA) who is the ranking minority member on the Judiciary Subcommittee on Criminal Laws and Procedures.

Mr. HRUSKA. Mr. President, I am opposed to the enactment of S. 33 and respectfully request that my colleagues consider my views as set forth in the report of the Committee on the Judiciary relative to the subject bill.

I ask unanimous consent that these views be printed in the RECORD, and I take this opportunity merely to highlight them.

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

EXCERPTS FROM ADDITIONAL VIEWS OF SENATOR HRUSKA

I am opposed to the enactment of S. 33. This opposition does not stem from any lack of appreciation or understanding for the contributions made by public safety officers to all of the citizens of our Nation. Indeed, this Senator was an original sponsor of S. 2087, the Public Safety Officers Benefits Act of 1972, in the last Congress. This bill passed the Senate by a vote of 80 to 0, on September 5, 1972. The House passed another version of the proposal; a conference was held

and agreement was reached to file a conference report, but the adjournment of the 92d Congress did not allow time to take up the conference report.

In the current Congress, I am a cosponsor of S. 15, the Public Safety Officers Benefits Act of 1973, a bill identical to S. 2087.[1] This proposal, which is scheduled for early consideration this year, would provide a $50,000 gratuity to the surviving dependents of public safety officers killed in the line of duty as the result of a criminal act or an apparent criminal act. To this Senator, S. 15 is an appropriate recognition by Congress of its responsibility to provide support for those of our citizens who are in the front lines of our efforts to deter crime in this Nation.

I felt duty-bound to oppose the instant bill in the last Congress and do so again.[2] In my view, it suffers a number of serious defects of both a conceptual and practical nature.

LACK OF NEED

Contrary to the statements made by some of the sponsors of S. 33, there is no established need for this legislation. During the course of its consideration of S. 33, the Subcommittee on Criminal Laws and Procedures contacted approximately 100 life insurance companies across the Nation covering a cross section of small, medium, and large group underwriters.[3] In response to the subcommittee's inquiry with respect to the current availability of group life insurance programs for "public safety officers," there was virtual unanimity in the responses of the insurance companies.[4] Private insurers in this country are ready, willing, and able to supply group insurance to law enforcement personnel. Typical of the reaction of group life underwriters to the question of need was the statement from Nationwide Life Insurance Co.—

"It was somewhat of a surprise to us to read a statement that indicated that insurance programs are not generally available to public safety officers. Nationwide Life Insurance Company makes these programs available to legitimate groups applying for coverage at standard minimum group rates for life insurance * * *."[5]

Any public safety officer interested in group life insurance coverage can easily find numerous insurers looking for an opportunity to serve him. In fact, approximately 82 percent of the 700,000 public safety officers across the Nation have taken advantage of this opportunity and have enrolled in fully or partially paid group life insurance programs conducted under the auspices of State and local governments.[6] This represents a fairly high participation percentage, likely due in no small measure to the fact that under these existing programs, the employer normally pays at least 50 percent of the total premiums involved.[7]

With respect to the cost of existing group life insurance programs, it is a gross distortion of fact to suggest, as some have, that public safety officers pay inordinately high premiums due to any added risks of their profession. The single most important factor in computing premiums for a group life insurance program is the age distribution of enrollees. Since public safety officers as a group are relatively youthful, premiums are low. For example, in New Jersey a group life insurance program covering over 20,000 State and local police and firemen calls for a total premium of $.60 per month per $1,000 of coverage.[8] Compare this with the life insurance protection available to Senate employees which involves a total premium of approximately $.73 per month per $1,000 coverage.[9]

Although the vast majority of life insurance groups covering public safety officers are not "loaded," i.e., charged a higher premium, to cover additional risk across the board as just indicated, that portion of the premium which is attributable to the accidental death and dismemberment feature is in a small minority of cases marginally increased. The most common increase in this regard is $.03 per $1,000 per month.[10] This small difference does little to disturb the basically attractive picture for public safety officers seeking group life protection.

Public safety officers are simply not a high-risk group. General construction workers, miners, bartenders, and longshoremen are rated much higher in risk.[11] Policemen and firemen, with minor exceptions, pay the same rates for group life insurance protection as other employee groups with similar age distributions.

FEDERAL/STATE CONFLICTS

As with so many other aspects of life in this country, Federal assumption of responsibility for life insurance for State and local public safety officers is not the answer. Law enforcement has always been primarily a non-Federal responsibility and function in the United States. It was so conceived at the time of the founding of the Nation and it has remained so. This local responsibility for law enforcement has been an instrumental factor throughout our history in preserving justice and equality during periods of war and peace.

Any effort to establish a national police force has always been strongly resisted by Congress and the great bulk of the citizenry. As recently as the establishment of the Law Enforcement Assistance Administration in 1968 and the numerous crime bills approved in 1970, Congress went on record as approving and adhering to the traditional allocation of law enforcement responsibility to State and local governments. Indeed, the declarations and purpose of the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90–351) contained the following:

"Crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively."

This Senator does not contend that Federal life insurance policies will ipso facto result in the creation of a national police force; such a simplistic analysis would be wide of the mark. However, we should be mindful of the maxim that "he who pays the piper calls the tune." A Federal insurance program as envisioned by S. 33 is an additional step away from the traditional policy of having local officials supported primarily by local funds and under local control.

Although the paragraph immediately above sets forth a somewhat academic and general argument with respect to proper State-Federal relations, subpart 2 of S. 33 as presently drafted, in my view all but guarantees the prompt disruption of existing group life insurance programs and is also coercive with respect to the orderly operations of State and local governments.

Subpart 2 would provide assistance to group life insurance programs operated under the auspices of any State or unit of general local government as an alternative to the Federal group life insurance program established by subpart 1.

In order for a State or local group life insurance program to receive a contribution to premiums under S. 33, it would have to be established by date of enactment or within 1 year from the date of enactment. Moreover, there is the additional requirement that eligible public safety officers vote to remain in the existing group. Should they vote to drop out of the State or local program on the other hand, the employer-government must abide by their wishes and seek enrollment under the Federal group established by subpart 1.

One year after enactment of S. 33, all public safety officers desiring a Federal contribution to a group life insurance program would be forced to enroll in the Federal program. This fails to take into account a basic tent of federalism—the differing needs of citizens of different States and localities. In this regard, I can only note that appropriate benefits for public safety officers may differ from one jurisdiction to another. For example, one State may provide substantial death benefits under a retirement program which would obviate any need for large amounts of life insurance. Costs and expenses vary from region to region across the country and are appreciably different in rural and urban areas.

Rather than a single national program of life insurance, separate ones molded to meet the specific and individual needs of the State or community would be far more equitable, workable, and realistic. Other aspects of public safety employment such as pay, working conditions, pension plans, and types of hospitalization coverage are allowed differing regulation from jurisdiction to jurisdiction. Why should life insurance be singled out for special national treatment?

The second disturbing feature of subpart 2 noted above, raises a problem of perhaps greater dimension. A substantial number, if not a majority, of the existing group life insurance programs operated under the auspices of State and local governments include within the group not only public safety officers but also all other employees of the respective government entity.[12] Under the provisions of S. 33, public safety officers may elect against their current enrollment. This would require modification of the existing plans and a potential increase in premiums for the perhaps older enrolees left behind. This points to the inherent disruptive potential of S. 33's "rippling" effect with respect to the order operation of employment affairs by State and local governments.

ANTICOMPETITIVE FEATURE

Section 501(a) of the subject bill requires that the primary insurer of the Federal group life program established by subpart 1 be:

(1) licensed to issue insurance in every State and the District of Columbia; and (2) have control of at least 1 percent of the group life insurance market in the country.

Although this might not sound terribly restrictive at first glance, detailed study would reveal that only the 10 largest group life insurance underwriters in the country could qualify under the provision.[13] Arguably, the class of eligible primary insurers need not be so restricted.[14]

Section 502 of the bill authorizes reinsurance with other life insurance companies which elect to participate in the insurance pool and this provision, to some extent, ameliorates the harshness of section 501. However, the overall effect of sections 501 and 502 is to severely restrict competition in this segment of the group life insurance market. Although small underwriters are allowed to maintain their status quo if they have an identifiable share of the market, they are prevented from increasing their current share of available business. This approach is of dubious validity, in my view, in a multi-employer situation as is the case in these circumstances and it is ironic that this anti-competitive feature has been condoned by the very Committee on the Judiciary which is charged with the responsibility of maintaining the vigil over our laws in the area of antitrust and monopoly.

INEQUITY

If the Senate approves S. 15, the "Public Safety Officers Benefits Act of 1973," referred to above, all that the adoption of S. 33 would mean is that Congress is approving the purchase out of Federal funds of ordinary life insurance to protect against off-duty mishaps and natural events that are not a function of the occupations of public safety officers. Having provided for protection against the

Footnotes at end of article.

risks that are a function of the public safety professions, why should these citizens be singled out for Federal insurance against an automobile accident which occurs on the way to the grocery store or the movie, a fall sustained on a family picnic, or even simply death in bed? There are numerous other citizens, particularly other public service employees, who legitimately may feel that they are entitled to the same consideration.

To the extent that contributions to life insurance premiums are properly considered as just another mode of employees compensation—part of a "wage package," as it were—other State and local government employees would, of course, question the singling out of public safety officers for preferential treatment.

BUDGETARY LIMITATIONS

In addition to the obvious and substantial cost of providing the insurance specified in the bill, there are indications that large administrative and additional expenses would be involved.[15] As public safety officers are now defined, the one-third Federal share of the premium for all public safety officers would be more than $20 million annually. However, this figure does not include the extra expense of collecting the premiums from State and local units of government or administrative costs.

One estimate of this cost of collection and administration is one dollar ($1) per month for every public safety officer insured. This expense would have to be borne by the employing agency or the Federal Government and could amount to approximately $8 million annually for the more than 700,000 public safety officers who would be eligible for insurance under this bill. The appropriation necessary to carry out the purposes of S. 33 should be borne in mind as the Senate considers this bill.

Last year, general revenue sharing became a reality. This revenue sharing program should go a long way in free up State and local funds to meet the increasing wage needs of their personnel.

President Nixon has indicated his desire to hold Federal spending this year to $268.7 billion. By passing ill-conceived and loosely drafted legislation with significant cost considerations such as the subject bill, the Senate would be contributing to mounting congressional pressures for a tax increase.

For the above-stated reasons, I cannot support S. 33. With respect to proper Federal responsibilities, it is my view that S. 15, the "Public Safety Officers Benefits Act of 1973" logically supplants rather than supplements the subject bill. I urge my colleagues to reject S. 33.

FOOTNOTES

[1] See 119 Cong. Rec. S.2262 (Feb. 7, 1973, daily ed.).

[2] See S. Rep. 92–1124, 92d Cong., 2d sess. 1972.

[3] See "Victims of Crime," hearings before the Subcommittee on Criminal Laws and Procedures, Committee on the Judiciary, U.S. Senate (92d Cong., 1st sess. (1972) at p. 755. (Hereinafter cited as hearings.)

[4] Hearings, pp. 955–1004.

[5] Hearings, p. 991.

[6] Hearings, p. 750.

[7] Hearings, p. 962.

[8] Hearings, p. 980.

[9] Federal Employees' Group Life Insurance (FEGLI), 5 U.S.C. 8701 et seq.

[10] Hearings, p. 980.

[11] Hearings, p. 973.

[12] Hearings, beginning at pp. 531 and 955.

[13] Hearings, at pp. 968 and 1002.

[14] Hearing, p. 999.

[15] Hearings, p. 1003.

Mr. HRUSKA. Mr. President, this opposition does not stem from any lack of appreciation or understanding of the contributions made by public safety officers to all of the citizens of our Nation. For example, in the current Congress, I am a cosponsor of S. 15, the Public Safety Officers Benefits Act of 1973.

S. 15 is an appropriate recognition by Congress of its responsibility to provide support for those of our citizens who are in the front lines of our efforts to deter crime in this Nation.

The subject bill, however, suffers a number of serious defects.

It should first be pointed out that there is no established need for this legislation. Private insurers in this country are ready, willing and able to supply group insurance to law enforcement personnel.

As a matter of fact, approximately 82 percent of the 700,000 public safety officers across the Nation have taken advantage of this opportunity and have enrolled in fully or partially paid group life insurance programs conducted under the auspices of State and local governments.

With respect to the cost of existing group life insurance programs, it is a distortion of fact to suggest that public safety officers pay inordinately high premiums due to any added risks of their profession. The single most important factor in computing premiums for a group life insurance program is the age distribution of enrollees. Since public safety officers as a group are relatively youthful, premiums are low.

Public safety officers are simply not a high-risk group. General construction workers, miners, bartenders, and longshoremen are rated much higher in risk.

The second basis of my objection to S. 33 is that it all but guarantees the prompt disruption of existing group life insurance programs and is also coercive with respect to the orderly operations of State and local governments.

One year after enactment of S. 33, all public safety officers desiring a Federal contribution to a group life insurance program would be forced to enroll in the Federal program. This fails to take into account the differing needs of citizens of different States and localities. In this regard, I can only note that appropriate benefits for public safety officers may differ from one jurisdiction to another. For example, one State may provide substantial death benefits under a retirement program which would obviate any need for large amounts of life insurance.

Additionally, a substantial number, if not a majority, of the existing group life insurance programs operated under the auspices of State and local governments include within the group not only public safety officers but also all other employees of the respective government entity. Under the provisions of S. 33, public safety officers may elect against their current enrollment. This would require modification of the existing plans and a potential increase in premiums for the perhaps older enrollees left behind.

Third, under the provisions of S. 33 only the 10 largest group life insurance underwriters in the country could qualify as the primary underwriter of the Federal group. The bill does authorize reinsurance with other life insurance companies which elect to participate in the insurance pool and this has some ameliorating effect. Nonetheless, even though small underwriters are allowed to maintain their status quo if they have an identifiable share of the market, they are prevented from increasing their current share of available business.

Fourth, S. 33 is basically inequitable at its core. To the extent that contributions to life insurance premiums are properly considered as just another mode of employee compensation—part of a "wage package," as it were—other State and local government employees would question the singling out of public safety officers for preferential treatment.

Finally, this legislation would be very expensive. The one-third Federal share of the premium for all public safety officers would be more than $20 million annually. Additionally, the cost of collection and administration would be approximately $8 million annually. President Nixon has indicated his desire to hold Federal spending this year to $268.7 billion. This bill would contribute to mounting congressional pressures for a tax increase.

For these reasons, I cannot support S. 33 and urge my colleagues to reject it.

Mr. KENNEDY. Mr. President, first, I commend the chairman of the Criminal Laws Subcommittee, the Senator from Arkansas (Mr. MCCLELLAN), for bringing this measure to the floor this afternoon and for his cooperation and help in the development of the bill.

The bill before the Senate, S. 33, is based upon a recommendation that was made in the 1967 Report of the National Crime Commission. The 1967 study was, of course, the basis for the 1968 Law Enforcement Assistance Act, but this was one recommendation that was not included in the law at that time.

I have introduced it as a separate measure in each Congress since then. This is the third time it has been before the Senate. Each time it has been considered, it has been overwhelmingly supported by Members of the Senate, for a very simple and fundamental reason—because there is a crucial need for it among our first line of defense in our communities and towns, our law enforcement personnel, as well as our firefighters and correctional personnel.

We on the Criminal Laws Subcommittee have had an opportunity to work with the International Conference of Police Associations, the Fraternal Order of Police, the International Association of Chiefs of Police, the National Sheriffs' Association, and the International Association of Fire Fighters, all of whom have made a very important contribution in the development of the proposed legislation, and all of whom support the measure.

The fact remains that 70 percent of the State law enforcement personnel in this country have insurance of less than $5,000. In my State of Massachusetts, the level in the State program is $2,000, which it has been for approximately 20 years. The cost of individual insurance for those involved in law enforcement is often exceedingly high.

This is an extremely modest measure. The Senator from Nebraska has quoted the figures accurately: approximately $20 million if all the public safety people in the country would take full advantage of the program. Quite clearly, it

will not be so, although I hope it would be so. In any event, it seems to me that $20 million is not an excessive sum to provide security to the families of people who every day of their lives are providing security to the homes and streets and villages of America.

I cannot think of an effort we could make in the whole area of law enforcement that could do as much for the morale and the standing and security of the families of law enforcement personnel as this measure would.

I am hopeful that, once again, the measure will be passed here. I think it is important.

In my own State, police officers have been supported by a club called "The Hundred Club," which is a charitable club made up of public-spirited citizens, mostly in the business community, who contribute a hundred dollars to help pay off the mortgages of firefighters and policemen killed in the line of duty. This club has been very successful in doing so, and similar organizations have been started in various parts of the country. I commend the leadership within the business community that has shown this kind of social consciousness, and I have fully supported their efforts. But I say that the law enforcement people of this country should not have to depend on the charity of well-intentioned businessmen and other citizens to pay off the mortgages of families whose loved ones have been killed in the line of duty. This effort is a modest step toward eliminating that possibility, and the other tragedies which occur when public safety officers die without adequate insurance coverage largely because of their occupation.

Mr. President, for these reasons, I hope this bill will become law, and I want now to go into some detail on its origins, history, and content.

In 1967 the President's Crime Commission submitted its comprehensive report, which spoke of the need to provide our police with more adequate benefits such as group life insurance. In that year I first proposed a national program to make such coverage available to all State and local police officers. Since then the public has become more and more aware of the need for life insurance for policemen, as the rate of assaults on law enforcement officers has risen tragically. And as we have continued to work on legislation in this area, we have become familiar with the difficulties many officers encounter in getting enough insurance at regular rates and conditions, and with the low coverage for which many are forced to settle.

The Senate took action on this problem in 1970 when it passed, as part of the Omnibus Crime Control Act, a law enforcement officer's group life insurance program. Early in 1971 I reintroduced the program as S. 33, and the corresponding House bill was sponsored by Chairman Emanuel Celler of the House Judiciary Committee. The bill was considered at hearings in the last Congress, substantially revised and strengthened and passed by the Senate both separately and as part of the victims of crime package.

This year the bill is again numbered as S. 33 and is also title II of S. 800, the current victims of crime bill. In this Congress a companion bill has been introduced in the House by the new chairman of the House Judiciary Committee, Congressman RODINO.

The arguments against the bill are old, outworn, and unpersuasive. Despite all the protestations from certain narrow commercial interests about what might be able to happen without this legislation, nothing has happened and vast numbers of public safety officers remain without low cost, comprehensive life insurance protection on and off the job. There has now been ample consideration on both sides; there were full hearings in both the Senate and the House during the last Congress. The Senate Criminal Laws Subcommittee, under the leadership of Senator MCCLELLAN, has now twice reported a much improved and broadened bill along with other proposals to aid civilian and governmental victims of crime.

S. 33 in its reported form would establish a nationwide, federally subsidized program of group life, accidental death, and dismemberment insurance for State and local public safety officers, defined to include firefighters, correctional guards, and court officers in addition to police. The plan is patterned closely after the highly successful Federal employees' and servicemen's group life insurance programs, which are available to all Federal civilian employees and to members of our Armed Forces. The Law Enforcement Assistance Administration would buy a national group policy from a nationwide life insurance carrier, so that the underlying coverage would be provided—and much of the administrative work would be handled—by the private sector.

The standard reinsurance formula, favoring small companies, would be used to spread the risk and the income beyond the principal carrier.

Any unit of State or general local government could apply to participate in the program. Officers in participating units could elect not to be covered; those remaining in the program would have their share of the premiums deducted from their wages. Coverage would be at a level of the officer's annual salary plus $2,000, starting from a floor of $10,000 coverage and rising to a maximum of $32,000. Accidental death and dismemberment insurance would be included with the usual double indemnity feature. LEAA would pay up to one-third of the total cost of the premiums, leaving the remainder to be covered by the insured officer or the employing agency.

Where existing State of local group life insurance plans provide coverage for public safety officers, or where it was desired to establish such a program within a year after the effective date of the bill, eligible officers would choose by ballot between the Federal and the State or local plans. If they chose the State or local program, it would be eligible for the same subsidy which would go to the Federal plan. In this way the bill respects existing insurance programs and allows governments and insurance companies a reasonable time to set up programs of their own if they want to, but it still protects the officers' interests by leaving the final decision in their hands. Yet, by also having available a single Federal program in which mny officers would presumably participate, the bill ensures the availability of coverage to all officers without regard to their particuar employer's wealth or generosity and at minimum cost because of efficient large scale operation.

Totaling the four categories of public safety officers—police, firefighters, correctional guards, and court officers—the bill would make its benefits available to approximately 700,000 to 900,000 persons, depending on the administrative application of its definitions. LEAA's estimate of the total annual cost to the Federal Government, which must be regarded as the highest possible figure since it assumes the full one-third Federal subsidy and 100-percent officer participation, is under $22 million including all Federal administrative costs, which LEAA estimates at just over $1 million.

For this sum it is estimated that insurance could be provided to officers at a total rate of less than 70 cents per month per $1,000 of coverage. After the Federal subsidy, the cost to the officer—even assuming no State or local government help—would be under 50 cents a month per $1,000, or under $60 per year for the basic $10,000 coverage. At a relatively low cost to the Government, in other words, we could make a decent amount of life insurance available at very reasonable rates to every full-time public safety officer in the country.

There are many reasons why this program is vitally needed. Most tragically and most prominently of all, the rate of crippling and killing assaults on officers is high and rising alarmingly fast. The number of police killed by criminal acts rose from 86 in 1969 to 100 in 1970 and 126 in 1971. Firefighters, too, are still subject to criminal assaults while on their job; from 1967 through 1969 injuries during civil disorders averaged over 200 per year, and in 1970 the rate remained almost the same at 195.

But this problem is only part of a much larger picture, and measures to deal with it alone will ignore much that should be done. For in their service to protect us all, public safety officers must run several other unusual risks of accident, injury, and death. Among police, those who are in situations of such extraordinary hazard include traffic patrolmen, motorcycle policemen, and police helicopter pilots. Firefighters are, of course, in constant danger of death or serious injury from flame, smoke, and collapsing buildings; in 1970, 115 died in the line of duty. Prison guards and court officers are endangered by riot, jailbreak, and violent suspects and defendants.

Because of these hazards, some public safety officers find regular life insurance coverage hard to come by, unusually expensive, or restricted in the benefits offered. For example, in my own State of Massachusetts the State police helicopter pilots encountered reluctance to issue insurance at all and higher rates as well. The chief actuary of the Life Insurance Association of America told our criminal laws subcommittee that rates for accidental death and dismemberment coverage for policemen could

run up to 100 percent above ordinary rates. A major national life insurance company wrote the Criminal Laws Subcommittee that it normally charges a police or firefighters' group about 20 percent extra for group life insurance and up to 2½ times its regular rate for accidental death and dismemberment coverage.

Yet if a public safety officer tries, even though he may run into such obstacles, to buy as much insurance as he needs for himself and his family, he is held back by the disgracefully low salaries we so often pay. As Quinn Tamm, executive director of the International Association of Chiefs of Police, told our subcommittee—

Salary medians for police officers fall below the pay scales for those positions which we may refer to as nonprofessional semiskilled labor.

In a survey this year of 300 New York City police, 95 percent said they felt their salaries were too low for them to afford adequate life insurance. And for public safety officers other than policemen, the salary situation is even worse.

Further, employer-aided group plans to remedy the insurance problems of public safety officers differ widely in their coverage and are frequently not offered at all. Our data are most complete on police officers; for about 30 percent of them, employer-supported group coverage is simply not provided. For almost 40 percent more, coverage is in the very low zero to $5,000 range, meaning that almost 70 percent of our police have State or local group life insurance no higher than $5,000. S. 33 would make available minimum of $10,000 coverage to 100 percent of our police; now, fewer than 4 percent are in State or local government programs which offer as much. To offer a concrete example, in Massachusetts the basic coverage is only $2,000 and we have had to establish an organization called the Hundred Club to help tide over widows of slain officers. When I testified in support of Chairman Cellers' counterpart bill on the House side, two subcommittee members over there mentioned similar organizations in their home communities. But there are not a great many such programs, and a public safety officer should not have to rely on uncertain private charity to assure his family of financial security in the event of his death.

So because of job hazards, low salaries, and employer inaction—all factors which are related to their public service jobs—many officers and their families are inadequately protected against death or disability on or off the job. This is one important problem that is too often overlooked—that public safety officers' work situations make it difficult or impossible for many of them to obtain adequate life insurance to cover them on or off duty. In other words, if we wish to respond adequately to the problems created by the risks of officers' work, we have to enact legislation which will help them whether they are killed or injured on the job or not, whether by a criminal act or by accident or by natural causes. That is precisely what S. 33 would accomplish, and I am confident that is a major reason why the bill has the enthusiastic support of the leading police and firefighters' organizations in the country, including the International Conference of Police Associations, the Fraternal Order of Police, the International Association of Chiefs of Police, the National Sheriffs' Association, and the International Association of Firefighters.

To summarize the situation as we have seen it in our studies, a few public safety officers are offered quite good benefits at reasonable rates, but many more have little or no coverage, high cost, or unfavorable conditions. Many areas are unable or unwilling to provide group life insurance, which is important both to officers personally and to recruiting and keeping highly qualified personnel. The Fedral Government has committed itself in legislation since 1968 to providing major financial aid to State and local law enforcement, in an effort to help all law enforcement agencies attain a 20th-century level of performance. The basic rationale behind the Federal Government's assumption of this limited additional role, then, is like that underlying the law enforcement assistance program, which we created 4 years ago and have generously supported since. In fact, the small Federal administrative role under the S. 33 insurance program would be handled by the Law Enforcement Assistance Administration.

Given the problem as I have described it and the LEAA precedent, and in full recognition that public safety functions are and must remain a local responsibility, I suggest that the best role for the Federal Government is making available a reasonable minimum nationwide level of life insurance protection. If it is felt that particularly outrageous situations demand additional compensation, as the Senate recognized with respect to killings of public safety officers when it passed the S. 2087 gratuity bill earlier this month, these proposals surely deserve serious consideration.

If a locality or individuals want more coverage, obviously they should and would remain completely free to arrange for it. But the national floor concept of S. 33 would assure that no matter how much legislators might be diverted by officers' most headline-getting problems, and no matter how poor or miserly an officer's area in contrast to its neighbors which provide good coverage, no public safety officer in the country would have to face the risks of his job without being able to get a reasonable amount of full life insurance coverage at a reasonable rate. All of this could be accomplished at low cost to the Federal Government because the Federal share would not be 100 percent or anything like it, merely the one-third or less needed to keep rates within officers' reach.

And there would be no Federal intrusion into the running of State or local public safety affairs. The dealings of the officers and their employers would be almost entirely with each other and with the primary insurance carrier, which would be a private company. The Federal Government's role would consist mainly of a small administrative operation within LEAA and the forwarding of the Federal subsidy to the primary carrier. Finally, as part of the law enforcement assistance statute, the program would be governed by the law prohibiting all Federal departments and personnel from exercising "any direction, supervision, or control" over any State or local law enforcement agency.

I mentioned earlier that there are some changes in this bill from the version that passed the Senate in 1970. The most important, of course, is the addition of firefighters, correctional guards, and court officers. In the course of our work we realized that the reasons why we were concerned about policemen's life insurance applied to some other public servants as well. The rationale on which we made our carefully limited expansion of eligible groups is that all perform a public protection function at unusual risk with inadequate provision available for death or disabling injury, and national pooling of risks can help here to reduce administrative costs. I call our extension a "carefully limited" one because it does not even double the number of persons eligible, though it adds three important groups. The basis on which these groups' inclusion rests should dispel any fears of uncontrollable addition of other hazardous occupation categories.

There are many other changes which we think improve the bill substantially, though most of these individually are too minor and technical to discuss here. I do want to mention three of the most significant, however. First, the bill now includes the same reinsurance requirements as are written into the Federal employees' group life insurance statute. Reinsurance is a standard industry technique by which the business and the risks of a large policy are shared among insurers, and this statutory formula is drafted to favor small companies. Since we expect the program will raise both the number of insured persons and the average coverage level substantially, and since the bill also contains a standard conversion provision, many companies will enjoy business that no one would have gotten at all without the bill.

Second, the permission for State and local governments to set up new group life insurance programs of their own for public safety officers for a year after the bill takes effect, and still be eligible for Federal aid, is a new feature. Before, only preexisting State and local plans were eligible for a Federal subsidy; some such cutoff is essential for the viability of the nationwide program. But the cutoff was moved back a year, which is another example of the lengths to which the bill goes to respect the desires of local governments and officers to set up programs of their own if their particular needs will thereby be better served than under the Federal plan. The same balloting protection, to give each group of eligible officers a choice between the State or local plan and the Federal one, would apply to new State or local programs as to existing ones. Of course, any group which wanted to join the Federal program but keep or add a State or local plan without Federal subsidy would be free to do so.

Third, the subsidy available to State and local plans has been raised from 75 percent to 100 percent of the portion being given to the Federal program. Again, this was done to respect State and local programs by not tipping the balance against them. Of course, there would have to be some limitations on the Federal subsidy available to these plans. Consistently with the uniform national floor concept I mentioned, there would be a Federal subsidy only for amounts of coverage up to the level in the Federal plan. Similarly, the Federal subsidy would be limited to the amounts per unit of coverage available for the Federal program; it would make little sense for the Federal Government to subsidize the inefficiently expensive portion of a State or local plan if it were providing a less expensive program itself.

Finally, I should like to mention how this program relates to the S. 2087 gratuity bill which the Senate passed 2 weeks ago. That bill provides $50,000 to survivors of a public safety officer killed by a criminal act in the line of duty, and a lesser amount for dismemberment.

Some of the two bills' relation has been covered in my remarks already; I do wish to emphasize again that officers' duty hazards make them bad general risks, which can create problems for them in getting insurance to cover them on or off duty. This fact means that to respond adequately to the problems which public safety officers' hazardous duties create for them, we cannot be satisfied with measures which only touch on-duty happenings. I would hope, therefore, that S. 33 could be viewed as the basic vehicle for Federal benefits in this area; alone among the bills on this subject now before the Senate, it does not leave off where the problem continues.

S. 2087 can be a valuable complement to the broader S. 33 insurance approach, but the gratuity plan does not even cover all the extra on-duty hazards of the public safety professions. For S. 2087 allows benefits only when death or dismemberment resulted from a criminal act, and we do not need statistics to know that public safety officers—police helicopter pilots and motorcycle patrolmen, for example, but above all firefighters—are unusually exposed to accidents which have nothing to do with criminal acts. Indeed, S. 2087 would do little for firefighters despite their inclusion in its eligible categories; although they are in danger from arson and attacks, the large majority of their deaths and injuries result from accidents and fires not started by criminal acts.

In conclusion, let me say that I regard this bill as one over which there should be no partisan division. I have supported—despite some reservations—all the other bills in the victims of crime package, some primarily Democratic in origin and others primarily Republican. S. 33 itself has attracted support from Republicans and Democrats, liberals and conservatives alike. It is also supported by the major public safety officers' organizations and by many insurance companies. It will help with morale and in recruiting and keeping good public safety officers, and hopefully it will thereby improve the protection we all receive. And it will go a long way toward alleviating a serious human problem on which the Federal Government is uniquely qualified to act. We owe these men and women no less, and the time for action is now.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, I know of no amendment to the bill. Since there is no amendment, I ask for the third reading of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

S. 33

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers' Group Life Insurance Act of *1973*."

SEC. 101. It is the declared purpose of Congress in this *Act* to promote the public welfare by establishing a means of meeting the financial needs of public safety officers or their surviving dependents through group life, accidental death, and dismemberment insurance, and to assist State and local governments to provide such insurance.

INSURANCE PROGRAM AUTHORIZED

SEC. 102. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455, respectively, as sections 421 through 425;

(2) redesignating sections 501 through 522, respectively, as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I, respectively, as parts I, J, K, and L of title I; and

(4) adding at the end of part F of title I, as amended by this Act, the following new part:

"PART G—PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"DEFINITIONS

"SEC. 500. For the purposes of this part—

"(1) 'child' includes a stepchild, an adopted child, an illegitimate child, and a posthumous child;

"(2) 'month' means a month that runs from a given day in one month to a day of the corresponding number in the next or specified succeeding month, except when the last month has not so many days, in which event it expires on the last day of the month; and

"(3) 'public safety officer' means a person who is employed full time by a State or unit of general local government in—

"(A) the enforcement of the criminal laws, including highway patrol,

"(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

"(D) firefighting,

but does not include any person eligible to participate in the insurance program established by chapter 87 of title 5 of the United States Code, or any person participating in the program established by subchapter III of chapter 19 of title 38 of the United States Code.

"Subpart 1—Nationwide Program of Group Life Insurance for Public Safety Officers

"ELIGIBLE INSURANCE COMPANIES

"SEC. 501. (a) The Administration is authorized, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), to purchase from one or more life insurance companies a policy or policies of group life insurance to provide the benefits specified in this subpart. Each such life insurance company must (1) be licensed to issue life, accidental death, and dismemberment insurance in each of the fifty States of the United States and the District of Columbia, and (2) as of the most recent December 31 for which information is available to the Administration, have in effect at least 1 per centum of the total amount of group life insurance which all life insurance companies have in effect in the United States.

"(b) Any life insurance company issuing such a policy shall establish an administrative office at a place and under a name designated by the Administration.

"(c) The Administration may at any time discontinue any policy which it has purchased from any insurance company under this subpart.

"REINSURANCE

"SEC. 502. (a) The Administration shall arrange with each life insurance company issuing a policy under this subpart for the reinsurance, under conditions approved by the Administration, of portions of the total amount of insurance under the policy, determined under this section, with other life insurance companies which elect to participate in the reinsurance.

"(b) The Administration shall determine for and in advance of a policy year which companies are eligible to participate as reinsurers and the amount of insurance under a policy which is to be allocated to the issuing company and to reinsurers. The Administration shall make this determination at least every three years and when a participating company withdraws.

"(c) The Administration shall establish a formula under which the amount of insurance retained by an issuing company after ceding reinsurance, and the amount of reinsurance ceded to each reinsurer, is in proportion to the total amount of each company's group life insurance, excluding insurance purchased under this subpart, in force in the United States on the determination date, which is the most recent December 31 for which information is available to the Administration. In determining the proportions, the portion of a company's group life insurance in force on the determination date in excess of $100,000,000 shall be reduced by—

"(1) 25 per centum of the first $100,000,000 of the excess;

"(2) 50 per centum of the second $100,000,000 of the excess;

"(3) 75 per centum of the third $100,000,000 of the excess; and

"(4) 95 per centum of the remaining excess.

However, the amount retained by or ceded to a company may not exceed 25 per centum of the amount of the company's total life insurance in force in the United States on the determination date.

"(d) The Administration may modify the computations under this section as necessary to carry out the intent of this section.

"PERSONS INSURED; AMOUNT

"SEC. 503. (a) Any policy of insurance purchased by the Administration under this subpart shall automatically insure any public safety officer employed on a full-time basis by a State or unit of general local government which has (1) applied to the Administration for participation in the insurance program under this subpart, and (2) agreed to deduct from such officer's pay the amount of such officer's contribution, if any, and forward such amount to the Administration or such other agency or office as is designated by the Administration as the collection agency or office for such contributions. The insurance provided under this subpart shall take effect from the first day agreed upon by the Administration and the responsible officials of the State or unit of general local government making application for participation in the program as to public safety officers then on the payroll, and as to public safety officers thereafter entering on full-time duty from the first day of such duty. The insurance provided by this subpart shall so insure all such public safety officers unless any such officer elects in writing not to be insured under this subpart. If any such officer elects not to be insured under this subpart he may thereafter, if eligible, be insured under this subpart upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administration.

"(b) A public safety officer eligible for insurance under this subpart is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule:

"If annual pay is—		The amount of group insurance is—	
Greater than—	But not greater than—	Life	Accidental death and dismemberment
0	$8,000	$10,000	$10,000
$8,000	9,000	11,000	11,000
$9,000	10,000	12,000	12,000
$10,000	11,000	13,000	13,000
$11,000	12,000	14,000	14,000
$12,000	13,000	15,000	15,000
$13,000	14,000	16,000	16,000
$14,000	15,000	17,000	17,000
$15,000	16,000	18,000	18,000
$16,000	17,000	19,000	19,000
$17,000	18,000	20,000	20,000
$18,000	19,000	21,000	21,000
$19,000	20,000	22,000	22,000
$20,000	21,000	23,000	23,000
$21,000	22,000	24,000	24,000
$22,000	23,000	25,000	25,000
$23,000	24,000	26,000	26,000
$24,000	25,000	27,000	27,000
$25,000	26,000	28,000	28,000
$26,000	27,000	29,000	29,000
$27,000	28,000	30,000	30,000
$28,000	29,000	31,000	31,000
$29,000		32,000	32,000

The amount of such insurance shall automatically increase at any time the amount of increase in the annual basic rate of pay places any such officer in a new pay bracket of the schedule and any necessary adjustment is made in his contribution to the total premium.

"(c) Subject to conditions and limitations approved by the Administration which shall be included in any policy purchased by it, the group accidental death and dismemberment insurance shall provide for the following payments:

"Loss	Amount payable
For loss of life	Full amount shown in the schedule in subsection (b) of this section.
Loss of one hand or of one foot or loss of sight of one eye.	One-half of the amount shown in the schedule in subsection (b) of this section.
Loss of two or more such members	Full amount shown in the schedule in subsection (b) of this section.

The aggregate amount of group accidental death and dismemberment insurance that may be paid in the case of any insured as the result of any one accident may not exceed the amount shown in the schedule in subsection (b) of this section.

"(d) Any policy purchased under this subpart may provide for adjustments to prevent duplication of payments under any program of Federal gratuities for killed or injured public safety officers.

"(e) Group life insurance shall include provisions approved by the Administration for continuance of such life insurance without requirement of contribution payment during a period of disability of a public safety officer covered for such life insurance.

"(f) The Administration shall prescribe regulations providing for the conversion of other than annual rates of pay to annual rates of pay and shall specify the types of pay included in annual pay.

"TERMINATION OF COVERAGE

"SEC. 504. Each policy purchased under this subpart shall contain a provision in terms approved by the Administration, to the effect that any insurance thereunder on any public safety officer shall cease two months after (1) his separation or release from full-time duty as such an officer or (2) discontinuance of his pay as such an officer, whichever is earlier: *Provided, however,* That coverage shall be continued during periods of leave or limited disciplinary suspension if such an officer authorizes or otherwise agrees to make or continue to make any required contribution for the insurance provided by this subpart.

"CONVERSION

"SEC. 505. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, for the conversion of the group life insurance portion of the policy to an individual policy of life insurance effective the day following the date such insurance would cease as provided in section 504 of this subpart. During the period such insurance is in force, the insured, upon request to the Administration, shall be furnished a list of life insurance companies participating in the program established under this subpart and upon written application (with such period) to the participating company selected by the insured and payment of the required premiums, the insured shall be granted life insurance without a medical examination on a permanent plan then currently written by such company which does not provide for the payment of any sum less than the face value thereof. In addition to the life insurance companies participating in the program established under this subpart, such list shall include additional life insurance companies (not so participating) which meet qualifying criteria, terms, and conditions, established by the Administration and agree to sell insurance to any eligible insured in accordance with the provisions of this section.

"WITHHOLDING OF PREMIUMS FROM PAY

"SEC. 506. During any period in which a public safety officer is insured under a policy of insurance purchased by the Administration under this subpart, his employer shall withhold each pay period from his basic or other pay until separation or release from full-time duty as a public safety officer an amount determined by the Administration to be such officer's share of the cost of his group life insurance and accidental death and dismemberment insurance. Any such amount not withheld from the basic or other pay of such officer insured under this subpart while on full-time duty as a public safety officer, if not otherwise paid, shall be deducted from the proceeds of any insurance thereafter payable. The initial amount determined by the Administration to be charged any public safety officer for each unit of insurance under this subpart may be continued from year to year, except that the Administration may redetermine such amount from time to time in accordance with experience.

"SHARING OF COST OF INSURANCE

"SEC. 507. For each month any public safety officer is insured under this subpart, the Administration shall bear not more than one-third of the cost of insurance for such officer, or such lesser amount as may from time to time be determined by the Administration to be a practicable and equitable obligation of the United States in assisting the States and units of general local government in recruiting and retaining their public safety officers.

"INVESTMENTS AND EXPENSES

"SEC. 508. (a) The amounts withheld from the basic or other pay of public safety officers as contributions to premiums for insurance under section 506 of this subpart, any sums contributed by the Administration under section 507 of this subpart, and any sums contributed for insurance under this subpart by States and units of general local government under section 515 of this part, together with the income derived from any dividends or premium rate readjustment from insurers, shall be deposited to the credit of a revolving fund established by section 517 of this part. All premium payments on any insurance policy or policies purchased under this subpart and the administrative costs to the Administration of the insurance program established by this subpart shall be paid from the revolving fund by the Administration.

"(b) The Administration is authorized to set aside out of the revolving fund such amounts as may be required to meet the administrative costs to the Administration of the program and all current premium payments on any policy purchased under this subpart. The Secretary of the Treasury is authorized to invest in and to sell and retire special interest-bearing obligations of the United States for the account of the revolving fund. Such obligations issued for this purpose shall have maturities fixed with due regard for the needs of the fund and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligation shall be the multiple of one-eighth of 1 per centum nearest market yield. The interest on and the proceeds from the sale of these obligations, and the income derived from dividends or premium rate adjustments from insurers, shall become a part of the revolving fund.

"BENEFICIARIES; PAYMENT OF INSURANCE

SEC. 509. (a) Any amount of insurance in force under this subpart on any public safety officer or former public safety officer on the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

"(1) to the beneficiary or beneficiaries as the public safety officer or former public safety officer may have designated by a writ-

ing received in his employer's office prior to his death;

"(2) if there is no such beneficiary, to the surviving spouse of such officer or former officer;

"(3) if none of the above, to the child or children of such officer or former officer and to the descendants of deceased children by representation in equal shares;

"(4) if none of the above, to the parent or parents of such officer or former officer, in equal shares; or

"(5) if none of the above, to the duly appointed executor or administrator of the estate of such officer or former officer.

Provided, however, That if a claim has not been made by a person under this section within the period set forth in subsection (b) of this section, the amount payable shall escheat to the credit of the revolving fund established by section 517 of this part.

"(b) A claim for payment shall be made by a person entitled under the order of precedence set forth in subsection (a) of this section within two years from the date of death of a public safety officer or former public safety officer.

"(c) The public safety officer may elect settlement of insurance under this subpart either in a lump sum or in thirty-six equal monthly installments. If no such election is made by such officer, the beneficiary or other person entitled to payment under this section may elect settlement either in a lump sum or in thirty-six equal monthly installments. If any such officer has elected settlement in a lump sum, the beneficiary or other person entitled to payment under this section may elect settlement in thirty-six equal monthly installments.

"BASIC TABLES OF PREMIUMS; READJUSTMENT OF RATES

"SEC. 510. (a) Each policy or policies purchased under this subpart shall include for the first policy year a schedule of basic premium rates by age which the Administration shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, taking into account expense and risk charges and other rates based on the special characteristics of the group. The schedule of basic premium rates by age shall be applied, except as otherwise provided in this section, to the distribution by age of the amount of group life insurance and group accidental death and dismemberment insurance under the policy at its date of issue to determine an average basic premium per $1,000 of insurance, taking into account all savings based on the size of the group established by this subpart. Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company issuing the policy on a basis determined by the Administration in advance of such year to be consistent with the general practice of life insurance companies under policies of group life insurance and group accidental death and dismemberment insurance issued to large employers.

"(b) Each policy so purchased shall include a provision that, in the event the Administration determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, the Administration may approve the determination of a tentative average group life premium, for the first of any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate may be increased by the Administration during any policy year upon a showing by the insurance company issuing the policy that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

"(c) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Administration on a basis consistent with the general level of such charges made by life insurance companies under policies of group life insurance and group accidental death and dismemberment insurance issued to large employers, taking into consideration peculiar characteristics of the group. Such maximum charges shall be continued from year to year, except that the Administration may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by the Administration to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

"(d) Each such policy shall provide for an accounting to the Administration not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Administration, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality, dismemberment, and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charge for that period. Any excess of item (1) over the sum of items (2) and (3) shall be held by the insurance company issuing the policy as a special contingency reserve to be used by such insurance company for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company issuing the policy, which rate shall be approved by the Administration as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Administration determines that such special contingency reserve has attained an amount estimated by the Administration to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under this subpart. If and when such policy is discontinued, and if, after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

"BENEFIT CERTIFICATES

"SEC. 511. The Administration shall arrange to have each public safety officer insured under a policy purchased under this subpart receive a certificate setting forth the benefits to which such officer is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the officer. Such certificate shall be in lieu of the certificate which the insurance company would otherwise be required to issue.

"Subpart 2—Assistance to States and Localities for Public Safety Officers' Group Life Insurance Programs

"SEC. 512. (a) Any State or unit of general local government having an existing program of group life insurance for, or including as eligible, public safety officers during the first year after the effective date of this part, which desires to receive assistance under the provisions of this subpart shall—

"(1) inform the public safety officers of the benefits and allocation of premium costs under both the Federal program established by subpart 1 of this part and the existing State or unit of general local government program;

"(2) hold a referendum of the eligible public safety officers of the State or unit of general local government to determine whether such officers want to continue in the existing group life insurance program or apply for inclusion in the Federal program under the provisions of subpart 1 of this part; and

"(3) recognize the results of the referendum as finally binding on the State or unit of general local government for the purposes of this part.

"(b) Upon an affirmative vote of a majority of such officers to continue in such State or unit of general local government program, a State or unit of general local government may apply for assistance for such program of group life insurance and the Administration shall provide assistance in accordance with this subpart.

"(c) State and unit of general local government programs eligible for assistance under this subpart shall receive assistance on the same basis as if the officer were enrolled under subpart 1 of this part, subject to proportionate reduction if—

"(1) the program offers a lesser amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only to the extent of coverage actually afforded;

"(2) the program offers a greater amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only for the amount of coverage afforded under subpart 1 of this part;

"(3) the cost per unit of insurance is greater than for the program under subpart 1 of this part, in which case assistance shall be available only at the rate per unit of insurance provided under subpart 1 of this part; or

"(4) the amount of assistance would otherwise be a larger fraction of the total cost of the State or unit of general local government program than is granted under subpart 1 of this part, in which case assistance shall not exceed the fraction of total cost available under subpart 1 of this part.

"(d) Assistance under this subpart shall be used to reduce proportionately the contributions paid by the State or unit of general local government and by the appropriate public safety officers to the total premium under such program:

Provided, however, That the State or unit of general local government and the insured public safety officers may by agreement change the contributions to premium costs paid by each, but not so that such officers must pay a higher fraction of the total premium than before the granting of assistance.

"Subpart 3—General Provisions

"UTILIZATION OF OTHER AGENCIES

"SEC. 513. In administering the provisions of this part, the Administration is authorized to utilize the services and facilities of any agency of the Federal Government or a State or unit of general local government or a company from which insurance is purchased under this part, in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

"ADVISORY COUNCIL ON PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"SEC. 514. There is hereby created an Advisory Council on Public Safety Officers' Group Life Insurance consisting of the Attorney General as Chairman, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the

Office of Management and Budget, each of whom shall serve without additional compensation. The Council shall meet not less than once a year, at the call of the Chairman, and shall review the administration of this part and advise the Administration on matters of policy relating to its activity thereunder. In addition, the Administration may solicit advice and recommendations from any State or unit of general local government participating in a public safety officers' group life insurance program under this part, from any insurance company underwriting programs under this part, and from public safety officers participating in group life insurance programs under this part.

"PREMIUM PAYMENTS ON BEHALF OF PUBLIC SAFETY OFFICERS

"SEC. 515. Nothing in this part shall be construed to preclude any State or unit of general local government from making contributions on behalf of public safety officers to the premiums required to be paid by them for any group life insurance program receiving assistance under this part.

"WAIVER OF SOVEREIGN IMMUNITY

"SEC. 516. The Administration may sue or be sued on any cause of action arising under this part.

"PUBLIC SAFETY OFFICERS' GROUP INSURANCE REVOLVING FUND

"SEC. 517. There is hereby created on the books of the Treasury of the United States a fund known as the Public Safety Officers' Group Life Insurance Revolving Fund which may be utilized only for the purposes of subpart 1 of this part."

Subpart 4—Miscellaneous

SEC. 103. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1973, for the purposes of part G."

SEC. 104. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 105. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 106. This Act shall become effective on date of enactment.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VICTIMS OF CRIME ACT OF 1973

Mr. McCLELLAN. Mr. President, I ask unanimous consent for the immediate consideration of S. 300, Calendar No. 87.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was read by title as follows:

A bill (S. 300) to provide for compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with amendments, on page 2, line 9, after the word "through", strike out "521" and insert "522"; in line 10, after the word "through", strike out "570" and insert "571"; on page 8, at the beginning of line 14, strike out "taking office after June 30, 1972,"; at the beginning of line 16, strike out "after June 30, 1972,"; in line 19, after the word "years", strike out "after June 30, 1972;"; on page 14, at the beginning of line 8, strike out "based upon a change in circumstances of the claimant" and insert "based upon a change in financial circumstances of a victim or one or more of his surviving dependents that eliminates financial stress"; on page 15, line 13, after the word "possession," insert "or related series of such acts, omissions, or possessions,"; in line 20, after the word "may", insert "proportionately"; on page 23, at the beginning of line 25, strike out "section 454(e) of part I of this title and with respect to the adequacy of State programs assisted under section 105" and insert "section 454(e) of part F of this title with respect to the adequacy of State programs receiving assistance under paragraph (10) of subsection (b) of section 301 of part C of this title"; on page 27, at the beginning of line 5, strike out "fiscal year ending June 30, 1973" and insert "fiscal year ending June 30, 1973, $5,000,000 for the purposes of part F." "; and, after line 6, strike out:

"(1) $5,000,000 for the purposes of part F; and

"(2) $10,000,000 for the purposes of paragraph (10) of subsection (b) of section 301 of part C."

Mr. McCLELLAN. Mr. President, S. 300 was introduced by the distinguished Senator from Montana (Mr. MANSFIELD) and the distinguished Senator from Minnesota (Mr. MONDALE). It would establish a direct Federal program, estimated to cost $6 million a year, to meet the financial needs of innocent victims of violent crime, when the crime is committed within the District of Columbia, Federal territorial or maritime jurisdiction or on an Indian reservation.

The program would compensate for out-of-pocket losses by a victim, where there was some showing of "financial stress"; it would exclude only those in the upper income strata from coverage.

The title would also provide for a grant program, estimated to cost $22 million a year, with a 50-State participation, covering 75 percent of the costs of State crime compensation plans.

Nine States now have such programs: Alaska, California, Hawaii, Massachusetts, Maryland, Nevada, New Jersey, New York, and Rhode Island.

This legislation was introduced last year as S. 750. It was processed by the Subcommittee on Criminal Laws and Procedures, and a hearing record of some 1,112 pages was compiled. See Victims of Crime, hearings before the Subcommittee on Criminal Laws and Procedures, Committee on the Judiciary, U.S. Senate 92d Congress, 1st session, 1972. It was reported by the Judiciary Committee on September 8, 1972—see Senate Report No. 92–1104 92d Congress, 2d session, 1972. And it passed in the Senate by the record vote of 60 to 8 on September 18, 1972—see CONGRESSIONAL RECORD, volume 118, part 24, page 31009. No action was taken by the House.

I urge its immediate passage.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for 1 minute?

Mr. McCLELLAN. I yield.

Mr. ROBERT C. BYRD. Mr. President, as Senators know, the distinguished senior Senator from North Carolina (Mr. ERVIN) is away today because of the death of his brother. He asked me to insert in the RECORD a statement by him in opposition to the bill. I ask unanimous consent that the statement by Mr. ERVIN be printed at this point in the RECORD.

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

ERVIN OPPOSES RAID ON FEDERAL TREASURY

Mr. President, on its face, the Victims of Violent Crimes Act of 1973 is an attractively packaged and labelled extension of Federal generosity. Nevertheless, there are fundamental reasons which compel me to express my opposition to this proposal.

I believe the Federal government must be just—must balance its budget and pay its debts—before it is generous. Currently, the Federal Treasury has a staggering deficit in excess of $450 billion. We cannot continue to add straws to the Treasury's back.

The proponents of the Victims of Violent Crimes Act conservatively estimate the cost per year of this program to be $30 million. The bill proposes to finance compensation to innocent victims of violent crimes with fines collected in Federal criminal courts. Yet, according to the Attorney General's office, the total fines collected thereby in 1971 was only $8 million.

The financial losses to victims which are covered by this bill are all insurable risks. In many cases they are risks insured by private insurance companies. This legislation provides that government compensation to victims will be reduced by the amount of insurance compensation recoverable. Logically, from the date of enactment of this measure, no insurance company interested in taking profits would provide coverage in any instance where the government would provide compensation. Thus, the cost of the program would immediately escalate geometrically, from $30 million to as much as $150 million. As a matter of theory, it seems superfluous and unwise to tax American citizens to establish another Federal bureaucracy and program for the disbursement of benefits which are presently available through private insurance.

In addition, it is interesting to note what persons are compensable under the provisions of this legislation. According to the bill, eligibility is determined by "financial stress" caused by pecuniary loss resulting from an act of violence. Thus, upper middle class and wealthy Americans would not be eligible because they could not demonstrate resultant "financial stress." Moreover, poor Americans would also be ineligible because their "financial stress" would not be the result of the crime. Such as pattern of compensation is patently unjust.

Mr. President, at a time when Americans are opposed to a further extension of Federal omnipotence, more bureaucracy, and more red tape, the establishment of a Federal program funded out of an empty Federal Treasury cannot be justified. Continued deficit financing can only lead us to two unaccept-

able alternatives—national bankruptcy or confiscatory taxes.

Mr. HRUSKA. Mr. President, I appreciate and applaud the concern of the distinguished majority leader for the unfortunate victims of crime in our country. I, too, believe that we pay far too much interest to the rights of the accused when balanced against the rights of the victimized. However, I am compelled to part company with him on the merits of the subject bill. It is my view that S. 300 is largely inapposite to the real problems of victimization and could indeed be counterproductive with respect to the total operations of the Nation's criminal justice systems.

I ask unanimous consent to have the views of Senators THURMOND, ERVIN and myself as contained in the report of the Committee on the Judiciary printed in full in the RECORD.

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

ADDITIONAL VIEWS OF SENATORS HRUSKA, ERVIN, AND THURMOND

It is likely the height of naivete to expect that any argument would convince a majority of our colleagues to vote against a legislative proposal so fetchingly captioned the "Victims of Crime Act of 1973." Nonetheless, we welcome this opportunity to put forward the basis of our opposition to the subject bill.

It is not for any lack of sympathy for the victims of violent crime that we oppose enactment of S. 300 at the present time. Rather, it is because we believe that this legislation is largely inapposite to the real probems of victimization and could indeed be counterproductive with respect to the total operations of the nation's criminal justice systems.

Perhaps if consideration of this measure had been more deliberate, we would not find ourselves in this unenviable position. Although the genesis of the notion that the federal government ought compensate *certain* victims of crime for *certain* financial losses can be traced to a bill introduced by former Senator Ralph W. Yarborough almost eight years ago,[1] only two brief days of hearings have been held in the Senate on the subject to date.[2]

S. 750, the subject in the 92nd Congress, passed the Senate by an overwhelming vote. At that time, only five other members of the Senate joined us in opposing the measure.[3] However, we continue in the belief that the arguments supporting our position are compelling.

BASIC THEORY

Why should government assume the cost of a program to assist those unfortunate enough to have become the victims of violent crime?

We are first told by the proponents of this program that precedent for such action dates back to the Code of Hammurabi (circa 2380 B.C.) and continues undisturbed through various legal systems which have developed during the course of the ensuing 4,000 years.[4] This is interesting, but hardly responsive to the question. Moreover, it should be noted that much of this precedent was based on a questionable premise that denied the existence of free will and called for social responsibility for a crime.[5]

It is elsewhere intimated that such a program is really one of restitution. Thus, through the establishment of a system of criminal fines, subrogation rights and an indemnity fund, the government would be merely acting as a financial clearing house, but the net effect of the program would be that "criminals" as a class would compensate "victims" as a class.[6] However, the Department of Justice reports that total criminal fines imposed by the Federal government in 1971 approximated only $8 million. Since even the proponents of S. 300 readily acknowledge that their program will cost approximately $30 million per year,[7] it is obvious that the net effect of this bill would be government assumption of the substantial portion of associated costs.

Arguments favoring government compensation to the innocent victims of violent crime must properly proceed along one of two defined approaches. First, one can urge that the state is responsible for the maintenance of order and, failing in that responsibility, must compensate the victims of lawlessness and disorder.[8] Alternatively, one can take the premise that criminal violence is endemic to society, and that the only tolerable way to sustain the resultant financial damage is to share it in common.[9] Compensation, therefore, must be viewed as either a matter of individual right or legislative grace.

The rationale that the state is primarily responsible for violent crimes inflicted upon its citizens has fortunately met with little acceptance even among proponents. Most advocates of victim compensation will therefore agree that primary responsibility for the damages inflicted by crime must ordinarily be assigned to the injuring criminal. One obvious reason behind this conclusion is the fact that if one concludes the State is responsible for losses associated with crime, logic would require that property damage also be included. This judgment in turn, would raise the cost of such a program to many billions of dollars per year.[10]

Thus, we come to the realization that the underlying theory for this victim compensation program is the same as that which supports every other mode of public assistance—the responsibility to provide for the general welfare.

REFLECTION ON THEORY: RESERVATIONS

What class of individuals would be eligible for the public welfare dollars which would be distributed through these victim compensation programs?

Proponents of S. 300 take great pains to point out that this proposal does not employ a "means" test.[11] The approach of the bill in determining the economic class of persons eligible for compensation is to require a finding of "financial stress" which is defined as:

* * * * *

. . . the undue financial strain experienced by a victim or his surviving dependent or dependents as the result of pecuniary loss from an act, omission, or possession giving rise to a claim under this part, disregarding ownership of—

(A) a residence;

(B) normal household items and personal effects;

(C) an automobile;

(D) such tools as are necessary to maintain gainful employment; and

(E) all other liquid assets not in excess of one year's gross income or $10,000 in value, whichever is less.[12]

* * * * *

Thus, it is anticipated that the so-called average middle class American would be eligible for benefits under this program.[13]

The upper middle class and the very wealthy of our nation generally would be ineligible for compensation as they would not be able to demonstrate a state of "financial stress" as the result of any violent crime committed against them. The very poor, on the other hand, would also be ineligible, since under the terms of the bill, the requisite "financial stress" must be the *result* of the crime giving rise to the claim.[14] This latter class of individuals would continue to receive any assistance for which they might be eligible through the modality of existing public assistance programs.

The notion of middle class welfare strikes us as an anomaly.

INSURABLE RISKS

Our misgivings with respect to the basic rationale of S. 300 are heightened by the fact that the losses which are covered by the bill are all insurable risks.

Section 450 (16) of S. 300 sets forth the so-called "pecuniary losses" which would be compensable under this legislation. Included are medical expenses, loss of earnings, child care expenses, burial costs and loss of support. All of these potential losses could, of course, be covered by private insurance coverage with life, medical and income protection policies.

It would be wise for the so-called average American citizens who would come within the purview of this proposal to consider whether they want to be taxed for the establishment of a program which would set up yet another Federal bureaucracy to provide coverage that is now available to them in the private sector. It is our belief that Government participation in this area is best kept to a minimum.

ADMINISTRATION

Statistics available from those states which currently have victim compensation programs in operation reveal that inordinate portions of their budgets are expended to cover administrative costs. For example, during the last fiscal year, the State of New York spent approximately 22 percent of its total budget on administrative expenses.[15] During the same period, the corresponding percentage figure for this purpose in Maryland was approximately 27 percent.[16]

In the Federal victim compensation program which would be established by Part A of S. 300, it is likely that the administrative costs would be even higher. Salaries would be far greater than those provided by the states,[17] and it can also be anticipated that a relatively larger staff would be employed.[18]

STATE PRIORITIES

At the present time, the program of the Law Enforcement Assistance Administration may be characterized as a block grant approach to federal assistance for states and units of general local government in the area of criminal justice.

To these Senators, the subject bill is regressive to the extent it moves toward the outdated notion of categorical grants. Moreover, this suggestion comes at a time when the President has just proposed another logical step towards a "New Federalism"—special revenue sharing in the area of law enforcement.

On March 14, Senator Hruska introduced S. 1234 at the request of the Administration.[19] The sum of this bill is a new mechanism placing crime control at the state and local levels of government where results can be best achieved and where it will be most responsive to the needs of the people. The subject bill flies in the face of this newly proposed direction for LEAA and, in this respect, is ill-advised.

FEDERAL VICTIMS

S. 300 would operate on two levels.

Part A would establish a Federal Compensation Program to provide compensation to victims of crime when the act, omission, or possession giving rise to the claim for compensation occurred—

* * * * *

(1) within the "special maritime and territorial jurisdiction of the United States" within the meaning of section 7 of title 18 of the United Sates Code;

(2) within the District of Columbia; or

(3) within "Indian country" within the

Footnotes at end of article.

meaning of section 1151 of title 18 of the United States Code.[20]

* * * * *

Part B of the bill would function on a second level by providing LEAA funds for similar programs on a State level.[21]

Of the nine States that currently have victim compensation programs in operation, four require as a condition of eligibility, that the offense giving rise to a claim be a crime under State law. Generally, the remaining five States require only that the situs of the crime giving rise to the claim be within the geographic limitations of the jurisdiction.[22]

Under this approach, one can recognize the imminent possibility that in at least four States, a citizen could be injured while assisting a Federal officer in the performance of his law enforcement duties and yet not be eligible for any Federal assistance through the modality of either part A or part B.[23] More importantly, if S. 300 were enacted it would not ensure the availability of compensation to the victims of *Federal* crimes in the future since this would depend upon whether all of the States enacted similar programs.

It would seem to us more appropriate for the Senate to first consider the advisability of providing compensation to the victims of crime which falls within the jurisdictional reach and responsibility of the Federal Government.

COSTS OF COMPENSATION

The proponents of S. 300 urge that the total of this program would approximate only $30 million per annum at a full operational level.[24] I believe this figure is totally unrealistic in view of one extremely significant feature in the bill.

Any compensation due to a victim of crime under this plan would be reduced by the proceeds of insurance which are recovered or recoverable by the victim.[25] This provision all but invites insurance companies to amend their existing life, health and income protection policies so as to disclaim coverage in instances where protection would be afforded by S. 300. This course of action would then permit them to reduce premiums and presumably, attract more business.

The same analysis which led to the $30 million total cost figure referred to above, also indicated that the overwhelming majority (perhaps 80%) of our population is currently covered by health insurance. Should insurers amend their policies around S. 300, the total cost of the bill would increase by perhaps as much as 500%, thus requiring as much as $150 million per year in Federal outlays.

Furthermore, we do not believe it would be advisable to attempt to amend S. 300 to preclude this possibility. Such action would have the net effect of punishing those responsible individuals who have attempted to protect themselves and their families from financial disaster by purchasing insurance.

CONCLUSION

For the above-stated reasons, we are compelled to vote against S. 300, and urge our colleagues to do likewise.

ROMAN L. HRUSKA.
SAM J. ERVIN, JR.
STROM THURMOND.

FOOTNOTES

[1] S. 2155, the "Criminal Injuries Compensation Act", July 17, 1965. 89th Cong., 1st Sess., 111 Cong. Rec. 13997 (1965). Similar bills were also introduced by Senator Yarborough in the 90th and 91st Congresses. S. 646, 90th Cong., 1st Sess. (1967), 113 Cong. Rec. 1491 (1967); S. 9, 91st Cong., 1st Sess. (1969), 115 Cong. Rec. 768 (1969).

[2] See "Victims of Crime", *Hearings* before the Subcommittee on Criminal Laws and Procedures, Committee on the Judiciary. U.S. Senate (92d Cong., 1st Sess. (1972)). Hereinafter cited as *Hearings*.

[3] The vote on final passage of S. 750 was 60–8. 118 Cong. Rec. S. 15099 (daily edition, September 18, 1972). See also the Report of the Senate Committee on the Judiciary on S. 750 (S. Rept. No. 92–1104, 92d Cong. 2d Sess. (1972), and floor debate on the measure at 118 Cong. Rec. S. 15084–99 (daily edition, September 18, 1972).

[4] Secs. 22 to 24 of the Code of Hammurabi referred to in this report, *supra*, p. 2. See also Childres, "Compensation for Criminally Inflicted Personal Injury," 39 N.Y.U. L. Rev. 444 (1964); Wolfgang, "Victim Compensation in Crimes of Personal Violence," 50 Minn L. Rev. 223 (1965); and additional articles gathered at hearings, p. 535.

[5] Italian positivists such as Farofalo and Ferri had a great influence. Mexico, for example, used their concepts as precedent for Article 2, of the Mexican Code which was enacted in 1929 and established a system of reparations. Childress, *supra* at 449–51.

[6] See sections 457 and 458 of part A and section 104 of S. 300.

[7] See hearings, p. 534; and this Report, *supra*, p. 10.

[8] See statement of Senator Walter F. Mondale, *Hearings*, pp. 487–88; and Goldberg, "Equality and Government Action," 39 N.Y.U. L. Rev. 205, 224 (1964).

[9] See statement of Governor Marvin Mandel, *Hearings*, pp. 133–146.

[10] See Report of *The Challenge of Crime in a Free Society* (1967).

[11] See this Report, *supra*, p. 5.

[12] S. 300, Sec. 450 (8).

[13] See this Report, *supra*, p. 5.

[14] S. 300, Sec. 454(a). See similar provision in New York's program, *Hearings*, pp. 627 and 644.

[15] Hearings, p. 728.

[16] Hearings, p. 731.

[17] S. 300, sec. 103.

[18] S. 300, sec. 452.

[19] S. 1234, introduced Mar. 14, 1973. See 119 Cong. Rec. S. 3894–3902 (daily edition, Mar. 14, 1973).

[20] S. 300, sec. 456(a).

[21] S. 300, secs. 105–107.

[22] See Federal Crime Compensation Statute: Major Features, 118 Cong. Rec. S. 15088–91. (Daily edition, Sept. 18, 1973).

[23] This Report at p. 21, *supra*, suggests that such a possibility be eliminated by regulation.

[24] Hearings, pp. 719–48.

[25] S. 300, Secs. 450(15)(c) and (16) and 453(b).

Mr. HRUSKA. Mr. President, we ought first explore the basic underlying theory of S. 300. Why should Government assume the cost of a program to assist those unfortunate enough to have become the victims of violent crime?

There are only two arguments for Government compensation to the innocent victims of crime. First, one can urge that the State is responsible for the maintenance of order and, failing in that responsibility, must compensate the victims of lawlessness and disorder. Alternatively, one can take the premise that criminal violence is endemic to society, and that the only tolerable way to sustain the resultant financial damage is to share it in common. Compensation, therefore, must be viewed as either a matter of individual right or legislative grace.

Since even most proponents disassociate themselves with the former argument, we come to the realization that the underlying theory for this victim compensation program is the same as that which supports every other mode of public assistance—the responsibility to provide for the general welfare.

Now, by the terms of S. 300, the upper middle class and the very wealthy of our Nation generally would be ineligible for compensation. Additionally, the very poor would also be ineligible. This raises a profound reservation with respect to theory as the notion of middle-class welfare strikes this Senator as an anomaly.

My misgivings with respect to the basic rationale of S. 300 are heightened by the fact that the losses which are covered by the bill are all insurable risks.

The subject bill would cover medical expenses, loss of earnings, child care expenses, burial costs, and loss of support. All of these potential losses could, of course, be covered by private insurance coverage with life, medical, and income-protection policies.

It would be wise for the so-called average American citizens who would come within the purview of this proposal to consider whether they want to be taxed for the establishment of a program which would set up yet another Federal bureaucracy to provide coverage that is now available to them in the private sector. It is my belief that Government participation in this area is best kept to a minimum.

The subject bill is also regressive to the extent it moves toward the outdated notion of categorical grants. Moreover, this suggestion comes at a time when the President has just proposed another logical step toward a "new federalism"—special revenue sharing in the area of law enforcement—which would provide a new mechanism placing crime control at the State and local levels of government where results can be best achieved and where it will be most responsive to the needs of the people.

If S. 300 were enacted it would not even ensure the availability of compensation to the victims of distinctly Federal crimes in the future since this would depend upon whether all of the States enacted similar programs.

It would seem to me more appropriate for the Senate to first consider the advisability of providing compensation to the victims of crime which falls within the jurisdictional reach and responsibility of the Federal Government.

Finally, I believe that the $30 million cost estimate for S. 300 is totally unrealistic in view of one extremely significant feature in the bill.

Any compensation due to a victim of crime under this plan would be reduced by the proceeds of insurance which are recovered or recoverable by the victim. This provision all but invites insurance companies to amend their existing life, health and income protection policies so as to disclaim coverage in instances where protection would be afforded by S. 300. Should insurers amend their policies around S. 300, the total cost of the bill would increase by perhaps as much as 300 percent, thus requiring as much as $150 million per year in Federal outlays.

Furthermore, I do not believe it would be advisable to attempt to amend the bill to preclude this possibility. Such action would have the net effect of punishing those responsible individuals who have attempted to protect themselves and their families from financial disaster by purchasing insurance.

For these reasons, I am opposed to the measure. I shall cast my vote in opposition to its passage.

Mr. MANSFIELD. Mr. President, in early February, Senator JOHN MCCLELLAN introduced again the Victims of Crime Act of 1973. The proposal consists of sections dealing with compensation of victims of crime, a special insurance incentive program for public safety officers, the injury benefit plan for police officers, and the extra remedies provided for victims of racketeering. Senator MCCLELLAN responded promptly and the bill has been on the calendar since February 7.

On final passage this same measure passed by a vote of 74 to 0 on September 18, 1972—6 months ago. Every Senator is on record in favor of each provision of the bill.

Every feature of this proposal has undergone exhaustive Senate Committee investigation and consideration. On the calendar today it appears both as a single omnibus bill and as four separate proposals.

The hearing record consists of 1,112 pages of testimony, exhibits, and supporting documents, including cost projections.

Forty-three witnesses appeared in person or submitted statements in support of one or all of the various features of the bill. Not one individual appeared to testify or submitted a statement in direct opposition to the bill as a whole.

The merits of the bill now under consideration are compelling, indeed. Because of violent crime and its effects—and the most up-to-date figures show a sharp increase in crimes of violence, despite the fact that there has been an over-all decrease in crimes, on the basis of the report issued yesterday, for which we are thankful—there are many victims in society who simply cannot pay the bills.

The criminal is taken care of. The constitutional processes for the benefit of the criminal are in the forefront. But the person who is raped, the person who is mugged, the person who is robbed gets little or no consideration.

The legislation would see to it that no citizen is left financially destitute because of crime. Important, too, are the features in this measure that encourage individuals to take the risks law-enforcement officials are compelled to take. The law officer, or the bystander who intervenes to prevent crime, just as the victim, deserve special consideration in our system of justice; and while the victim would be compensated under this proposal, the intervener and the police officer would be singled out for particular attention. When it comes to injuries he receives in the line of duty and when it comes to obtaining insurance against such injuries, the police officer deserves and, under this measure, would obtain, special consideration.

In short, it appears to me that every reason exists to pass this bill as expeditiously as possible. The Committee on the Judiciary has considered it in great detail. The Senate already passed it unanimously.

In response to the points raised in the additional views filed on S. 300, the compensation program for victims of violence, I would only refer to an account of a victim of violence carried in last weekend's press. It tells the story of a young, 14-year-old boy, who was savagely beaten by a gang of roughnecks. He suffered severe injuries, including brain damage. So far his medical costs alone have totaled $25,000. The crime was committed in Maryland, however, and Maryland happens to be one of just nine States in this Nation that provides a compensation remedy to the criminal victim. This young boy and his parents are able to offset some of the enormous costs that stemmed from this vicious and senseless act of violence. Forty-one States would have provided no similar remedy. And there is no such remedy provided at the Federal level covering crimes committed in Federal criminal jurisdictions.

It is to fill this gap in this Nation's system of criminal justice that I introduced S. 300. It does the job. And it reflects what has already been done in so many other areas of the world—in England and Canada, for example, and in Scandinavia, Australia, and New Zealand.

In conclusion, I would like to comment briefly on procedural matters. While all of these crime victim proposals are to be considered separately and jointly as well, it is my firm conviction that when justice for the victim of crime is at long last provided as a part of this Nation's criminal system, every facet of the victims' rights ought to be covered. To do that, in my judgment will require the consideration, as a single proposal, of the omnibus approach as contained in S. 800. S. 800 provides for the victim of violence, the victim of racketeering, and, importantly, it gives special consideration to those who because of their occupations are most vulnerable to crime and lawlessness—the police and public safety officer. As a crime victim, the public safety officer suffers most. He risks his life daily so that others may be protected.

I am confident that the able chairman of the Subcommittee on Criminal Laws agrees with the proposition that if the victim is to be treated, then Congress should see to it that he is treated fully, effectively and adequately. The Omnibus Victims of Crime Act of 1973 does just that. For achieving such a comprehensive and outstanding work product, the Senate owes to Senator JOHN MCCLELLAN its deepest gratitude and appreciation, and the same goes also for the Senator from Nebraska (Mr. HRUSKA), even though we may disagree on items here and there. With their strong leadership, the victim of crime who is today's stepchild in the criminal arena will tomorrow obtain the degree of justice that is long past due.

Mr. THURMOND. Mr. President, I rise in opposition to S. 300. I am going to say only a few words, as the views of the distinguished Senator from Nebraska (Mr. HRUSKA), the distinguished Senator from North Carolina (Mr. ERVIN), and myself are set out in the report on this bill, beginning on page 23 and ending on page 27.

I simply want to say that this bill is injecting the Federal Government into another field of activity. The responsibility for law enforcement rests with the 50 States of the Union, and not with the Federal Government. We have passed some bills here. We have gone as far as we can. We have probably extended the Constitution in trying to enact legislation to stop crime. And crime has become rampant. A burglary is committed every 17 seconds in this Nation. There is a rape every 13 seconds. A murder is committed every 30 minutes. But the primary responsibility, I would remind my colleagues, for law enforcement rests with the States of the Nation. That is not a Federal responsibility, except for interstate crimes, and there we have laws pertaining to them.

I am convinced that this is a responsibility of the States of the Nation. The argument is made that only nine States have assumed this responsibility. Just because only nine States have assumed their responsibility is no excuse for injecting the Federal Government into a field where there is no legal responsibility under the Constitution. The other States may assume it. They probably will not now, if we pass the bill. If we do not pass the bill, the probability is the States will assume their responsibility.

There is no right to pass any piece of legislation on the ground that the States have not acted, and therefore, we at the Federal level must protect the public. What is the use of having a Constitution if we are not going to obey it? The Constitution has certain limits. Law enforcement, I repeat, is the responsibility of the States of the Nation, and that is where it should rest.

Mr. President, I am not going to make an extended talk on this subject, but I want to say that this Congress, for the 18 years I have been here, has been injecting the Federal Government into field after another. That is the reason why I came here with about three men and four secretaries. Now I have about 10 or 12 men and 20-odd secretaries and can hardly keep up with the work. Any Senator knows it is a rat race around here. Why? Because the Federal Government has gone into so many fields of activity. And where is the constitutional authority? I have not found it, and it is not in this field.

It is a nice thing to award compensation to victims of crime. Everybody feels sorry for a victim of crime. Who would not feel sorry for one who has been criminally assaulted or injured in some other way by a criminal? But that is no reason to say the Federal Government should do it. Let the State governments do it. It is a State responsibility.

I would simply point out that it has been estimated that the projected cost of this bill is $30 million. In my judgment, that is an unrealistic figure. I believe the figure will come nearer running $150 million, because crime has been increasing, it is on the rise, and it looks like it will continue to increase.

Also, I want to say this bill appears to be a general welfare bill. The very poor and the wealthy would be ineligible, because they could not show that financial stress was a result of the crime. That is what they would have to show—financial stress. Well, a wealthy man could not show financial stress. A poor man could not show it because he has no finances that are under strain. Therefore, it would

be a welfare bill only for the middle class.

I would remind my colleagues that the losses which are covered here are already insurable risks.

Mr. President, I would also remind my colleagues that the States presently on some of the programs spend up to 27 percent of their budget on administrative costs. Federal costs would probably be higher. And it seems always to cost the Federal Government more to do anything than it does the States.

I am pleased that President Nixon is trying to reverse the flow of power in this Nation and turn the power from the Federal Government back to the States and back to the people. This bill does just the opposite. It brings more power here. It assumes an additional responsibility, a new responsibility, which the Federal Government does not have now, and that is going in the opposite direction from that which the President has recommended and in a direction which I have felt for years had been the wrong direction.

I want to see the power turned back to the States and to the people. I want the States to assume some responsibility.

I want to say that the President has also proposed public revenue sharing in the area of law enforcement. The States will have some funds with which to take care of their responsibility. However, if they do not have any funds coming from the Federal Government to help take care of it, it is their responsibility. And they ought to meet that responsibility. We at the Federal level have enough to take care of already where we do have constitutional authority. And where we do not have constitutional authority, why should we go into another field?

In my judgment, it is a serious error. And I hope that the bill will be voted down.

Mr. McCLELLAN. Mr. President, I support the enactment of the Victims of Crime Act of 1973 I reject arguments advanced against it which would characterize it as "middle-class welfare," impute to it a rejection of individual responsibility, or read into it the assumption of social responsibility for crime.

Mr. President, crime knows no age, sex, or class barrier. All of us—old or young, male of female, rich or poor—may be or have been victims of crime.

This legislation does nothing more than alleviate some of the untoward consequences of such victimization.

It does not relieve the criminal of his legal responsibility to society or to the victim. His responsibility remains the same in both respects.

The bill merely recognizes that more often than not the perpetrator cannot be found, and when he can be found, he is judgment proof. Where that situation occurs, this legislation would help the victim in "financial stress" to meet his needs. Is that "middle-class welfare?" Do we call disaster relief for tornado victims "welfare?" Do we call flood relief "welfare?" Is society responsible for the damage done by wind or water?

I see no reason to use argumentative labels here, or to suggest that this program undermines concepts of individual responsibility any more than special programs of aid to victims of national disasters.

Mr. President, this legislation does not, in my judgment, rest on a "failure to protect" rationale. Society has a duty to provide police services, but this general duty does not give rise to individual liability.

This legislation rests solely on humanitarian considerations. All of us share together the risks of crime in our society. This proposal recognizes that we ought to share together some of its more serious financial consequences.

Mr. President, the resources our society today allocates to the criminal justice system are spent to see that individuals are not victimized by crime in the future. If society may rightfully use its resources to prevent crime from occurring in the future, I can see no reason why it ought not use its resources to repair the consequences of crime in the present.

Are we to look to the future victim, who must always remain nameless, and forget the present victim, who stands before us in need?

I urge the immediate passage of this legislation.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. MONDALE. Mr. President, I strongly support speedy enactment of the legislation under consideration—S. 300, introduced by the distinguished Senator from Montana (Mr. MANSFIELD) and myself. I am privileged to have had the opportunity to help shape this vitally needed measure, which I view as a major step in meeting our obligations as a society to those victimized by criminal activity.

For over 2 years, the Senate has been grappling with the need for comprehensive legislation to meet the need for such compensation. In particular, I would note the leadership of the distinguished Senator from Montana (Mr. MANSFIELD), who since 1971 has played a vital role in leading the fight for compensation of crime victims, and the distinguished Senator from Arkansas (Mr. McCLELLAN), whose own comprehensive legislation has done much to expand the scope of coverage of crime victims legislation. In addition, I am pleased that many features of legislation which I originally introduced in late 1971, as S. 2817, are now embodied in S. 300.

This effort to provide compensation for crime victims has been undertaken by many Members of this body, because of our shared recognition of the need for Federal involvement in the area. In 1971, the FBI uniform crime statistics reported that over 800,000 crimes of violence—murder, rape, robbery, and aggravated assault—took place in the United States. This was almost three times the number of these crimes which occurred in 1960, and even these figures may be severely understated.

In fact, crime victimization studies now being undertaken by the Census Bureau, in cooperation with the Law Enforcement Assistance Administration, may show the American people for the first time the true extent of crime victimization in the United States. Whatever the final victimization figures, however, each of us knows the psychological and physical toll which crime takes on our society—and, most importantly, on the victims of crime.

Unfortunately, in modern times the victim has often become the forgotten person in the criminal triangle. Criminal cases pit the State against the accused suspect, with scarcely a mention of the victim. Yet, it is the victim who is often left to suffer a life of disability. And, all too often, it is the victim's family which is left to mourn a senseless death, which strikes without notice or purpose, and leaves no means for any type of recovery.

S. 300 does much to tangibly express society's concern with the victim of crime. This legislation would establish a direct Federal program designed to meet the financial needs of innocent victims of crime, if such crimes are committed within the District of Columbia, on an Indian reservation, or in Federal territorial or maritime jurisdiction.

Under this program, both victims and "intervenors"—the so-called good Samaritan—would be eligible for compensation. And, while "financial stress" would be a required condition for compensation in most instances, this concept as defined in this legislation is sufficiently broad to allow participation in benefits of all except those in upper-income brackets for whom such compensation would be a "windfall."

In addition, S. 300 establishes a grant program, which would compensate States for 75 percent of the costs of State compensation of crime victims programs which are "susbtantially comparable" to the Federal grant program. In this regard, I am particularly pleased that S. 300 includes a provision of mine to aid in the study of State plans to determine whether such plans are adequately providing the type of compensation designed to meet the real needs of crime victims.

It is estimated that total annual Federal costs of both the Federal direct program and the grant program to the States will stabilize at approximately $28 million per year. This is a modest amount, yet the benefits which this expenditure should provide will underscore our willingness to compensate in whatever tangible way possible for the results of criminal activity. These payments should enable thousands upon thousands of families to better bear the heavy burden which injury or death as a result of criminal activity may bring.

I am also pleased that other measures we are considering provide for a special

insurance incentive program for public safety officers, for additional remedies for victims of racketeering, and for provisions for payment of death benefits to dependent survivors of public safety officers.

This latter feature is particularly significant, in that it expresses our concern for the welfare of the families of policemen, firefighters, and corrections guards. Under this legislation these public safety officers would be provided a $50,000 Federal death benefit if they were killed in the line of duty as a result of a criminal act. This provision, similar to a section of S. 2817, which I introduced in 1971, provides one means of expressing national recognition of the hazards undertaken by those men and women who constantly risk their lives in protection of the lives and property of others.

Taken together, these measures are a highly significant step in our attempt to provide recognition by our society—through a program of public compensation—of its obligation toward the victims of criminal acts. This legislation does much to right the scales of criminal justice as it is now administered, not by removing rights which the Constitution provides to all citizens, but by recognizing the rights of victims of crime and by providing one tangible means of implementing these rights.

Mr. McCLELLAN. Mr. President, I know of no amendments to the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 300) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Victims of Crime Act of 1973".

COMPENSATION FOR VICTIMS OF VIOLENT CRIME

DECLARATION OF PURPOSE

SEC. 101. It is the declared purpose of Congress in this Act to promote the public welfare by establishing a means of meeting the financial needs of the innocent victims of violent crime or their surviving dependents and intervenors acting to prevent the commission of crime or to assist in the apprehension of suspected criminals.

PART A—FEDERAL COMPENSATION PROGRAM

SEC. 102. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455, respectively, as sections 421 through 425;

(2) redesignating sections 501 through 522, respectively, as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I, respectively, as parts I, J, K, and L of title I; and

(4) adding at the end of part E of title I, as amended by this Act, the following new part:

"PART F—FEDERAL COMPENSATION FOR VICTIMS OF VIOLENT CRIME

"DEFINITIONS

"SEC. 450. As used in this part—

"(1) 'Board' means the Violent Crimes Compensation Board established by this part;

"(2) 'Chairman' means the Chairman of the Violent Crimes Compensation Board established by this part;

"(3) 'child' includes a stepchild, an adopted child, and an illegitimate child;

"(4) 'claim' means a written request to the Board for compensation made by or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(5) 'claimant' means an intervenor, victim, or the surviving dependent or dependents of either of them;

"(6) 'compensation' means payment by the Board for net losses or pecuniary losses to or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(7) 'dependent' means—

"(A) a surviving spouse;

"(B) an individual who is a dependent of the deceased victim or intervenor within the meaning of section 152 of the Internal Revenue Code of 1954 (26 U.S.C. 152); or

"(C) a posthumous child of the deceased intervenor or victim;

"(8) 'financial stress' means the undue financial strain experienced by a victim or his surviving dependent or dependents as the result of pecuniary loss from an act, omission, or possession giving rise to a claim under this part, disregarding ownership of—

"(A) a residence;

"(B) normal household items and personal effects;

"(C) an automobile;

"(D) such tools as are necessary to maintain gainful employment; and

"(E) all other liquid assets not in excess of one year's gross income or $10,000 in value, whichever is less;

"(9) 'gross losses' means all damages, including pain and suffering and including property losses, incurred by an intervenor or victim, or surviving dependent or dependents of either of them, for which the proximate cause is an act, omission, or possession enumerated in section 456 of this part, or set forth in paragraph (B) of subsection (18) of this section;

"(10) 'guardian' means a person who is entitled by common law or legal appointment to care for and manage the person or property, or both, of a minor or incompetent intervenor or victim, or surviving dependent or dependents of either of them;

"(11) 'intervenor' means a person who goes to the aid of another and is killed or injured while acting not recklessly to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part, or while acting not recklessly to apprehend a person reasonably suspected of having committed such a crime;

"(12) 'liquid assets' includes cash on hand, savings accounts, checking accounts, certificates of deposit, stocks, bonds, and all other personal property that may be readily converted into cash;

"(13) 'member' means a member of the Violent Crimes Compensation Board established by this part;

"(14) 'minor' means an unmarried person who is under eighteen years of age;

"(15) 'net losses' means gross losses, excluding pain and suffering, that are not otherwise recovered or recoverable—

"(A) under insurance programs mandated by law;

"(B) from the United States, a State, or unit of general local government for a personal injury or death otherwise compensable under this part;

"(C) under contract or insurance wherein the claimant is the insured or beneficiary; or

"(D) by other public or private means;

"(16) 'pecuniary losses' means net losses which cover—

"(A) for personal injury—

"(1) all appropriate and reasonable expenses necessarily incurred for medical, hospital, surgical, professional, nursing, dental, ambulance, and prosthetic services relating to physical or psychiatric care;

"(2) all appropriate and reasonable expenses necessarily incurred for physical and occupational therapy and rehabilitation;

"(3) actual loss of past earnings and anticipated loss of future earnings because of a disability resulting from the personal injury at a rate not to exceed $150 per week; and

"(4) all appropriate and reasonable expenses necessarily incurred for the care of minor children enabling a victim or his or her spouse, but not both of them, to continue gainful employment at a rate not to exceed $30 per child per week, up to a maximum of $75 per week for any number of children;

"(B) for death—

"(1) all appropriate and reasonable expenses necessarily incurred for funeral and burial expenses;

"(2) loss of support to a dependent or dependents of a victim, not otherwise compensated for as a pecuniary loss for personal injury, for such period of time as the dependency would have existed but for the death of the victim, at a rate not to exceed a total of $150 per week for all dependents; and

"(3) all appropriate and reasonable expenses, not otherwise compensated for as a pecuniary loss for personal injury, which are incurred for the care of minor children, enabling the surviving spouse of a victim to engage in gainful employment, at a rate not to exceed $30 per week per child, up to a maximum of $75 per week for any number of children;

"(17) 'personal injury' means actual bodily harm and includes pregnancy, mental distress, and nervous shock; and

"(18) 'victim' means a person who is killed or who suffers personal injury where the proximate cause of such death or personal injury is—

"(A) a crime enumerated in section 456 of this part; or

"(B) the not reckless actions of an intervenor in attempting to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part or in attempting to apprehend a person reasonably suspected of having committed such a crime.

"BOARD

"SEC. 451. (a) There is hereby established a Board within the Department of Justice to be known as the Violent Crimes Compensation Board. The Board shall be composed of three members, each of whom shall have been members of the bar of the highest court of State for at least eight years, to be appointed by the President, by and with the advice and consent of the Senate. The President shall designate one of the members of the Board to serve as Chairman.

"(b) No member of the Board shall engage in any other business, vocation, or employment.

"(c) The Board shall have an official seal.

"(d) The term of office of each member of the Board shall be eight years, except that (1) the terms of office of the members first taking office shall expire as designated by the President at the time of appointment, one at the end of four years, one at a the end of six years, and one at the end of eight years and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(e) Each member of the Board shall be eligible for reappointment.

"(f) Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(g) The principal office of the Board shall be in or near the District of Columbia, but the Board or any duly authorized representative may exercise any or all of its powers in any place.

"ADMINISTRATION

"SEC. 452. The Board is authorized in carrying out its functions under this part to—

"(1) appoint and fix the compensation of an Executive Director and a General Counsel and such other personnel as the Board deems necessary in accordance with the provisions of title 5 of the United States Code;

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed $100 a day for individuals;

"(3) promulgate such rules and regulations as may be required to carry out the provisions of this part;

"(4) designate representatives to serve or assist on such advisory committees as the Board may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies developing or carrying out policies or programs related to the provisions of this part;

"(5) request and use the services, personnel, facilities, and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

"(6) enter into and perform, without regard to section 529 of title 31 of the United States Code, such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private nonprofit organization;

"(7) request and use such information, data, and reports from any Federal agency as the Board may from time to time require and as may be produced consistent with other law;

"(8) arrange with the heads of other Federal agencies for the performance of any of its functions under this part with or without reimbursement and, with the approval of the President, delegate and authorize the redelegation of any of its powers under this part;

"(9) request each Federal agency to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Board in the performance of its functions;

"(10) pay all expenses of the Board, including all necessary travel and subsistence expenses of the Board outside the District of Columbia incurred by the members or employees of the Board under its orders on the presentation of itemized vouchers therefor approved by the Chairman or his designate; and

"(11) establish a program to assure extensive and continuing publicity for the provisions relating to compensation under this part, including information on the right to file a claim, the scope of coverage, and procedures to be utilized incident thereto.

"COMPENSATION

"SEC. 453. (a) The Board shall order the payment of compensation—

"(1) in the case of the personal injury of an intervenor or victim, to or on behalf of that person; or

"(2) in the case of the death of the intervenor or victim, to or on behalf of the surviving dependent or dependents of either of them.

"(b) The Board shall determine the amount of compensation under this part—

"(1) in the case of a claim by an intervenor or his surviving dependent or dependents, by computing the net losses of the claimant; and

"(2) in the case of a claim by a victim or his surviving dependent or dependents, by computing the pecuniary losses of the claimant.

"(c) The Board may order the payment of compensation under this part to the extent it is based upon anticipated loss of future earnings or loss of support of the victim for ninety days or more, or child care payments, in the form of periodic payments during the protracted period of such loss of earnings, support of payments, or ten years, whichever is less.

"(d) The Board may order the payment of compensation under this part to a victim or his surviving dependent or dependents held in abeyance until such time as the victim or his surviving dependent or dependents has exhausted his liquid assets.

"(e)(1) Whenever the Board determines, prior to taking final action upon a claim, that such claim is one with respect to which an order of compensation will probably be made, the Board may order emergency compensation not to exceed $1,500 pending final action on the claim.

"(2) The amount of any emergency compensation ordered under paragraph (1) of this subsection shall be deducted from the amount of any final order for compensation.

"(3) Where the amount of any emergency compensation ordered under paragraph (1) of this subsection exceeds the amount of the final order for compensation, or if there is no order for compensation made, the recipient of any such emergency compensation shall be liable for the repayment of such compensation. The Board may waive all or part of such repayment.

"(f) No order for compensation under this part shall be subject to execution or attachment.

"(g) The availability or payment of compensation under this part shall not affect the right of any person to recover damages from any other person by a civil action for the injury or death, subject to the limitations of this part—

"(1) in the event an intervenor, a victim, or the surviving dependent or dependents of either of them who has a right to file a claim under this part should first recover damages from any other source based upon an act, omission, or possession giving rise to a claim under this part, such damages shall be first used to offset gross losses that do not qualify as net or pecuniary losses; and

"(2) in the event an intervenor, victim, or the surviving dependent or dependents of either of them receives compensation under this part and subsequently recovers damage from any other source based upon an act, omission, or possession that gave rise to compensation under this part, the Board shall be reimbursed for compensation previously paid to the same extent compensation would have been reduced had recovery preceded compensation under paragraph (1) of this subsection.

"(h) The Board may reconsider a claim at any time and modify or rescind previous orders for compensation based upon a change in financial circumstances of a victim or one or more of his surviving dependents that eliminates financial stress.

"LIMITATIONS

"SEC. 454. (a) No order for compensation under this part shall be allowed to or on behalf of a victim or his surviving dependent or dependents unless the Board finds that such a claimant will suffer financial stress from pecuniary losses for which the act, omission, or possession giving rise to the claim was the proximate cause.

"(b) No order for compensation under this part shall be made unless the claim has been made within one year after the date of the act, omission, or possession resulting in the injury or death, unless the Board finds that the failure to file was justified by good cause.

"(c) No order for compensation under this part shall be made to or on behalf of an intervenor, victim, or the surviving dependent or dependents of either of them unless a minimum pecuniary or net loss of $100 or an amount equal to a week's earnings or support, which ever is less, has been incurred.

"(d) No order for compensation under this part shall be made unless the act, omission, or possession giving rise to a claim under this part, was reported to the law enforcement officials within seventy-two hours after its occurrence, unless the Board finds that the failure to report was justified by good cause.

"(e) No order for compensation under this part to or on behalf of a victim, his surviving dependent or dependents, as the result of any one act, omission, or possession, or related series of such acts, omissions, or possessions, giving rise to a claim, shall be in excess of $50,000, including lump-sum and periodic payments.

"(f) The Board, upon finding that any claimant has not substantially cooperated with all law enforcement agencies incident to the act, omission, or possession that gave rise to the claim, may proportionately reduce, deny, or withdraw any order for compensation under this part.

"(g) The Board, in determining whether to order compensation or the amount of the compensation, shall consider the behavior of the claimant and whether, because of provocation or otherwise, he bears any share of responsibility for the act, omission, or possession that gave rise to the claim for compensation and—

"(1) the Board shall reduce the amount of compensation to the claimant in accordance with its assessment of the degree of such responsibility attributable to the claimant, or

"(2) in the event the claimant's behavior was a substantial contributing factor to the act, omission, or possession giving rise to a claim under this part, he shall be denied compensation.

"(h) No order for compensation under this part shall be made to or on behalf of a person engaging in the act, omission, or possession giving rise to the claim for compensation, to or on behalf of his accomplice, a member of the family or household of either of them, or to or on behalf of any person maintaining continuing unlawful sexual relations with either of them.

"PROCEDURES

"SEC. 455. (a) The Board is authorized to receive claims for compensation under this part filed by an intervenor, a victim, or the surviving dependent or dependents of either of them, or a guardian acting on behalf of such a person.

"(b) The Board—

"(1) may subpena and require production of documents in the manner of the Securities and Exchange Commission as provided in subsection (c) of section (18) of the Act of August 26, 1935, except that such subpena shall only be issued under the signature of the Chairman, and application to any court for aid in enforcing such subpena shall be made only by the Chairman, but a subpena may be served by any person designated by the Chairman;

"(2) may administer oaths, or affirmations to witnesses appearing before the Board, receive in evidence any statement, document, information, or matter that may, in the opinion of the Chairman, contribute to its functions under this part, whether or not such statement, document, information, or

matter would be admissible in a court of law, provided it is relevant and not privileged;

"(3) shall, if hearings are held, conduct such hearings open to the public, unless in a particular case the Chairman determines that the hearing, or a portion thereof, should be held in private, having regard to the fact that a criminal suspect may not yet have been apprehended or convicted, or to the interest of the claimant; and

"(4) may, at the discretion of the Chairman, appoint an impartial licensed physician to examine any claimant under this part and order the payment of reasonable fees for such examination.

"(c) The Board shall be an 'agency of the United States' under subsection (1) of section 6001 of title 18 of the United States Code for the purpose of granting immunity to witnesses.

"(d) The provisions of chapter 5 of title 5 of the United States Code shall not apply to adjudicatory procedures to be utilized before the Board.

"(e)(1) A claim for compensation under this part may be acted upon by a member designated by the Chairman to act on behalf of the Board.

"(2) In the event the disposition by a member as authorized by paragraph (1) of this subsection is unsatisfactory to the claimant, the claimant shall be entitled to a de novo hearing of record on his claim by the full Board.

"(f)(1) Decisions of the full Board shall be in accord with the will of a majority of the members and shall be based upon a preponderance of the evidence.

"(2) All questions as to the relevancy or privileged nature of evidence at such times as the full Board shall sit shall be decided by the Chairman.

"(3) A claimant at such times as the full Board shall sit shall have the right to produce evidence and to cross-examine such witnesses as may appear.

"(g)(1) The Board shall publish regulations providing that an attorney may, at the conclusion of proceedings under this part, file with the Board an appropriate statement for a fee in connection with services rendered in such proceedings.

"(2) After the fee statement is filed by an attorney under paragraph (1) of this subsection, the Board shall award a fee to such attorney on substantially similar terms and conditions as is provided for the payment of representation under section 3006A of title 18 of the United States Code.

"(3) Any attorney who charges or collects for services rendered in connection with any proceedings under this part any fee in any amount in excess of that allowed under this subsection shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(h) The United States Court of Appeals for the District of Columbia shall have jurisdiction to review all final orders of the Board. No finding of fact supported by substantial evidence shall be set aside.

"CRIMES

"SEC. 456. (a) The Board is authorized to order compensation under this part in any case in which an intervenor, victim, or the surviving dependent or dependents of either of them files a claim when the act, omission, or possession giving rise to the claim for compensation occurs—

"(1) within the 'special maritime and territorial jurisdiction of the United States' within the meaning of section 7 of title 18 of the United States Code;

"(2) within the District of Columbia; or

"(3) within 'Indian country' within the meaning of section 1151 of title 18 of the United States Code.

"(b) This part applies to the following acts, omissions, or posessions:

"(1) aggravated assault;
"(2) arson;
"(3) assault;
"(4) burglary;
"(5) forcible sodomy;
"(6) kidnaping;
"(7) manslaughter;
"(8) mayhem;
"(9) murder;
"(10) negligent homicide;
"(11) rape;
"(12) robbery;
"(13) riot;
"(14) unlawful sale or exchange of drugs;
"(15) unlawful use of explosives;
"(16) unlawful use of firearms;
"(17) any other crime, including poisoning, which poses a substantial threat of personal injury; or
"(18) attempts to commit any of the foregoing.

"(c) For the purposes of this part, the operation of a motor vehicle, boat, or aircraft that results in an injury or death shall not constitute a crime unless the injuries were intentionally inflicted through the use of such vehicle, boat, or aircraft or unless such vehicle, boat, or aircraft is an implement of a crime to which this part applies.

"(d) For the purposes of this part, a crime may be considered to have been committed notwithstanding that by reason of age, insanity, drunkenness, or otherwise, the person engaging in the act, omission, or possession was legally incapable of committing a crime.

"SUBROGATION

SEC. 457. (a) Whenever an order for compensation under this part has been made for loss resulting from an act, omission, or possession of a person, the Attorney General may, within three years from the date on which the order for compensation was made, institute an action against such person for the recovery of the whole or any specified part of such compensation in the district court of the United States for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action. Any amounts recovered under this subsection shall be deposited in the Criminal Victim Indemnity Fund established by section 458 of this part.

"(b) The Board shall provide to the Attorney General such information, data, and reports as the Attorney General may require to prosecute actions in accordance with this section.

"INDEMNITY FUND

"SEC. 458. (a) There is hereby created on the books of the Treasury of the United States a fund known as the Criminal Victim Indemnity Fund (hereinafter referred to as the 'Fund'). Except as otherwise specifically provided, the Fund shall be the repository of (1) criminal fines paid in the various courts of the United States, (2) additional amounts that may be appropriated to the Fund as provided by law, and (3) such other sums as may be contributed to the Fund by public or private agencies, organizations, or persons.

"(b) The Fund shall be utilized only for the purposes of this part.

"ADVISORY COUNCIL

"SEC. 459. (a) There is hereby established an Advisory Council on the Victims of Crime (hereinafter referred to as the 'Council') consisting of the members of the Board and one representative from each of the various State crime victims compensation programs referred to in paragraph (10) of subsection (b) of section 301 of this title, each of whom shall serve without additional compensation.

"(b) The Chairman of the Board shall also serve as the Chairman of the Council.

"(c) The Council shall meet not less than once a year, or more frequently at the call of the Chairman, and shall review the administration of this part and programs under paragraph (10) of subsection (b) of section 301 of this title and advise the Administration on matters of policy relating to their activities thereunder.

"(d) The Council is authorized to appoint an advisory committee to carry out the provisions of this section.

"(e) Each member of the advisory committee, other than a member of the Board, appointed pursuant to subsection (d) of this section shall receive $100 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the committee. Each member of the Council or advisory committee shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

"REPORTS

"SEC. 460. The Board shall transmit to the Congress an annual report of its activities under this part. In its third annual report, the Board upon investigation and study shall include its findings and recommendations with respect to the operation of the overall limit on compensation under section 454(e) of part F of this title with respect to the adequacy of State programs receiving assistance under paragraph (10) of subsection (b) of section 301 of part C of this title."

COMPENSATION OF BOARD MEMBERS

SEC. 103. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(58) Chairman, Violent Crime Compensation Board."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(95) Members, Violent Crime Compensation Board."

CRIMINAL VICTIM INDEMNITY FUND FINES

SEC. 104. (a) Chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 3579. Fine imposed for Criminal Victim Indemnity Fund

"In any court of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, upon conviction of a person of an offense resulting in personal injury, property loss, or death, the court shall take into consideration the financial condition of such person, and may, in addition to any other penalty, order such person to pay a fine in an amount of not more than $10,000 and such fine shall be deposited into the Criminal Victim Indemnity Fund of the United States."

(b) The analysis of chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"3579. Fine imposed for Criminal Victim Indemnity Fund.".

PART B—FEDERAL GRANT PROGRAM

SEC. 105. Subsection (b) of section 301 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968, is amended by adding at the end thereof the following new paragraph:

"(10) The cost of administration and that portion of the costs of State programs, other than in the District of Columbia, to compensate victims of violent crime which are substantially comparable in coverage and limitations to part F of this title."

SEC. 106. Paragraph (a) of section 601 of part G (redesignated part K by this Act) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking "and" the second time it appears, striking "or" the sixth time it appears, striking

the period, and inserting the following: ", or programs for the compensation of victims of violent crimes."

SEC. 107. Section 501 of part F (redesignated as part I by this Act) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "501" and adding at the end thereof the following new subsection:

"(b) In addition to the rules, regulations, and procedures under subsection (a) of this section, the Administration shall, after consultation with the Violent Crimes Compensation Board, establish by rule or regulation criteria to be applied under paragraph (10) of subsection (b) of section 301 of this title. In addition to other matters, such criteria shall include standards for—

"(1) the persons who shall be eligible for compensation;

"(2) the categories of crimes for which compensation may be ordered;

"(3) the losses for which compensation may be ordered; and

"(4) such other terms and conditions for the payment of such compensation as the Administration deems necessary and appropriate."

PART C—MISCELLANEOUS PROVISIONS

SEC. 108. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated for the fiscal year ending June 30, 1973, $5,000,000 for the purposes of part F."

SEC. 109. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement invalid, the provisions of the other parts and their application shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 110. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any persons or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 111. This Act shall become effective upon the date of enactment.

Mr. McCLELLAN. Mr. President, I move that the vote by which the bill passed be reconsidered.

Mr. TALMADGE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VICTIMS OF CRIME ACT OF 1973

Mr. McCLELLAN. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 25, S. 800.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

Calendar No. 25, S. 800, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for the compensation of innocent victims of violent crime in financial stress; to make grants to the States for the payment of such compensation; to authorize an insurance program and death benefits to dependent survivors of public safety officers; to strengthen the civil remedies available to victims of racketeering activity and theft; and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the name of the Senator from Rhode Island (Mr. PASTORE) be added as a cosponsor to the bill, S. 800.

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

Mr. McCLELLAN. Mr. President, the Senate has once again passed each of the separate component parts of the "Victims of Crime Act of 1973." It now has before it S. 800, which integrates these separate bills into one comprehensive measure. Similar legislation was acted on last year. At that time, this comprehensive measure was cosponsored by the following 43 Senators:

Senators Allen, Bayh, Bentsen, Bible, Burdick, Cannon, Case, Chiles, Church, Cook, Cranston, and Eastland.

Senators Gravel, Griffith, Gurney, Harris, Hart, Hartke, Hollings, Hughes, Humphrey, Inouye, Jackson, Kennedy, Mansfield, Mathias, McClellan, McGovern, McIntyre, Metcalf, and Mondale.

Senators Moss, Muskie, Nelson, Pell, Percy, Randolph, Ribicoff, Roth, Schweiker, Stevenson, Tunney, and Williams.

It was drafted as an amendment to a House bill to give the House an opportunity to act on it as a package prior to adjournment. The amendment was accepted by the Senate by a record vote of 70 to 4—See CONGRESSIONAL RECORD, volume 118, part 24, page 31058. The amended House bill was then passed by a record vote of 74 to 0. No action, however, was taken on this comprehensive measure by the House prior to adjournment.

Mr. President, this legislation has the overwhelming support of the Senate and the Nation. Indeed, on January 31, 1973, the Democratic caucus unanimously called for the taking of immediate action to bring to the Senate this sorely needed legislation. Consequently, I am hopeful that it will be possible for the House to process it during this Congress and that a mutually satisfactory compromise can be sent to the President without delay. I urge its immediate passage.

Mr. President, I yield to the distinguished Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the amendment be considered as having been read.

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

Mr. BAYH's amendment is as follows:

On page 51, after line 14, add the following new subsection:

"(e) In lieu of the benefit provided under subsection (a), any recipient eligible under section 527 may elect to receive compensation under the provision of Subchapter I of Chapter 81 of Title 5, United States Code, except section 8135(a) thereof, as if the public safety officer were a deceased employee as defined by section 8101(1) of such Title 5, whose death resulted from an injury sustained in the performance of duty."

Mr. BAYH. Mr. President, I salute the distinguished senior Senator from Arkansas for the excellent effort that has gone into this proposed legislation, as well as the rest of the package of bills which the Senate has been considering this afternoon.

The amendment I am proposing to S. 800 would permit the dependents of a public safety officer killed in the line of duty to choose to be compensated under the Federal Employees Compensation Act instead of receiving the $50,000 lump-sum payment provided by the bill now.

While in many cases the $50,000 lump-sum benefit is preferable for the survivors, there are situations in FECA benefits which would more adequately provide for a public safety officer's family. For example, a widow with three children would receive, under the relevant FECA provision (8133 U.S.C.), $7,500 a year, assuming her husband's salary was $10,000. This payment would continue until she remarried or died and until her children reached 18 or 23, if full-time students. On the other hand, the $50,000 lump-sum payment, invested at 6 percent, would provide just $5,000 a year for only 14 years, or $3,000 a year in interest indefinitely.

Indeed, I can imagine situations in which the widow and children would prefer the security of the FECA monthly payments, rather than having to maintain as an investment the $50,000 lump-sum payment—even if the resulting benefits were substantially the same. This is an option we ought to give to the families of public safety officers who give their lives in the line of duty.

Though the amendment I propose will ease the hardships of the families of public safety officers, its impact on the Federal budget will be minimal if not positive. I have asked the Library of Congress to review the cost implications of this amendment. Such projections, of course, are very difficult because the cost will turn on individual decisions of the survivors of public safety officers, who will have to consider their own financial situation, personal situation, and desire for security. But, as the Library points out, "to the extent that survivors did choose the option available under the amendment, the immediate budget impact would reflect a saving"; that is, the expenditure in that fiscal year would be 1 year's benefits instead of $50,000. This is important in view of the tightness of our present budget. The long-run costs might or might not be higher than the $50,000 lump-sum payment, depending on the size of the typical benefit under my amendment, the length of time it is paid, and the interest rate the Government pays when it borrows. Even if the cost might eventually be greater, the amount of money involved would not be significant to the Federal Government but would be vitally important to certain families.

Mr. President, title III of S. 800 is de-

signed to assure that the families of slain public safety officers receive a sufficient amount to continue to live in dignity after a tragic loss. We are doing this because of the moral obligation of the Nation to compensate adequately those who risk their lives to protect all of society, as the distinguished Senator from Arkansas (Mr. McCLELLAN) has eloquently pointed out before. And we are doing this because it will improve law enforcement by increasing the morale of those who are on the front lines, as professionals in this field have testified at our hearings. I believe that my amendment furthers these purposes and I hope that it will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. McCLELLAN. Mr. President, I yield to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I am sure that the initiative and the concern of the Senator from Indiana in proposing the instant amendment to the bill now under consideration are very commendable. However, I feel that there are some things that should be said about it.

Title III of S. 800 is designed to provide a flat $50,000 gratuity to the dependent survivors of public safety officers killed in the line of duty as the result of a criminal act or an apparent criminal act. It will provide recipient survivors with a generous cash reserve to supplement annuity-type payments which would very likely be received from State and local government employers as the result of workmen's compensation plans and other survivor benefits paid on a monthly basis.

This cash reserve would allow a widow to meet large cash demands such as college costs or payoff of a mortgage, while annuity-type benefits would operate to satisfy day to day costs of operating a household in place of lost income.

The amendment now under consideration has not had the benefit of committee consideration to resolve technical problems.

There are very possible technical problems, because such problems would be inherent under the terms of the amendment which incorporates the myriad of benefits available under Federal workmen's compensation, and these should come under the scrutiny of the appropriate committee that deals with the Federal compensation system.

I am also wondering Mr. President, if there would not be a dangerous precedent set by this amendment. After all, the payments would be made under the provisions of the Federal Employees' Compensation Act, and it suggests that State and local public safety officers be treated as employees of the Federal Government, for the reason that only employees of the Federal Government come under the provisions of the Federal Workmen's Compensation Act.

It is for these reasons that I raise some apprehension—if for no other purpose than to send up a warning flag to indicate that when the time comes for consideration by the other body, these matters will be taken into consideration.

Again I say I think the Senator should be commended for his initiative and his concern, but I do think that the technical difficulties inherent in the amendment could come back to haunt us.

Mr. BAYH. Mr. President, I appreciate the concerns raised by the Senator from Nebraska. I am hopeful that the amendment will be accepted, and that the questions that the Senator raises would be addressed when we get to the conference stage. I do not share his concern about the technical matters, having studied the matter with great particularity, and realizing that these specific provisions are the same provisions that already apply to the millions of people who work for the Federal Government and who are already covered by the act.

What we are saying to the widow is not "You are forced to take advantage of the Federal Employment Compensation Act," but "If you would rather have the regular annuity payments that any Federal employee has, you may take advantage of that, or you may instead take a $50,000 lump sum."

Mr. McCLELLAN. Mr. President, I see no objection to this amendment on its face. The alternative proposed is, from my viewpoint, entirely satisfactory. If they prefer to choose compensation under the Workmen's Compensation Act, I see no serious objection.

However, it is bad practice to bring up an amendment to a bill on the floor, where the committee has had no opportunity for consideration, study, and the taking of testimony to support it, we ought to give the committee the opportunity to work out the technical issues that may be involved.

I am going to accept the amendment, however, with the hope at least that the House will hold hearings on it and give careful consideration to it. I believe that if it did that, there might be no serious objection.

I should like, however, to have the cooperation of my colleagues hereafter in getting these amendments to us when we consider bills, so that they can be given the proper committee consideration that such legislation as important as this deserves.

The PRESIDING OFFICER (Mr. BARTLETT). The question is on agreeing to the amendment of the Senator from Indiana (Mr. BAYH).

The amendment was agreed to.

Mr. TALMADGE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 65, immediately preceding line 5, insert the following new titles:

"TITLE V—ADDITIONAL SENTENCES FOR COMMISSION OF A FELONY WITH USE OF A FIREARM

SEC. 501. Subsection (c) of section 924 of title 18 of the United States Code is amended to read as follows:

"'(c) (1) Whoever—

"'(A) uses a firearm to commit any felony for which he may be prosecuted in a court of the United States, or

"'(B) carries a firearm unlawfully during the commission of any felony for which he may be prosecuted in a court of the United States,

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than five years or more than fifteen years. The imposition or execution of such additional sentence shall not be suspended and probation shall not be granted.

"'(2) Whoever, after having been convicted of any such felony while so using or unlawfully carrying a firearm as provided in paragraph (1) of this subsection and sentenced to an additional term in connection therewith under paragraph (1), is again convicted of a second or subsequent offense involving the commission of a felony for which he may be prosecuted in a court of the United States while so using or unlawfully carrying a firearm shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than ten or more than thirty years. The imposition or execution of such additional sentence shall not be suspended, probation shall not be granted, and section 4202 and chapter 309 of title 18, United States Code, and the Act of July 15, 1932 (D.C Code, secs 24–203–24–207), shall not be applicable.

"'(3) In no case shall any additional term of imprisonment imposed pursuant to this subsection run concurrently with any term of imprisonment imposed for the commission of any such felony.

"'(4) A conviction shown on direct or collateral review to be invalid, or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of paragraph (2) of this subsection.'

"TITLE VI—CONTROLLED SUBSTANCES ACT AMENDMENTS

"SEC. 601. The Controlled Substances Act, approved October 27, 1970 (84 Stat. 1242), is amended by adding immediately after section 405 thereof the following new section:

"'PUBLIC MENACE

"'SEC. 405A. (a) Notwithstanding any other provision of this Act or of any other law, any person who violates section 401(a) by distributing any controlled substance classified in Schedule I or II which is a narcotic drug shall, if such person is a public menace, be sentenced, in addition to the punishment provided for such violation, to a term of imprisonment for not less than ten years or more than thirty years; except that if such person has previously been convicted of such a violation and sentenced as a public menace, such person shall be sentenced, in addition to the punishment provided for such violation, to life imprisonment. The imposition or execution of any such additional sentence shall not be suspended, probation shall not be granted, and section 4202 and chapter 309 of title 18, United States Code, and the Act of July 15, 1932 (D.C Code, secs 24–203–24–207), shall not be applicable; except that any person so sentenced to life imprisonment may be released on parole after serving not less than thirty years of his life sentence (but in no event shall any period of imprisonment served by him in connection with his punishment for such violation be included within or considered as a part of the thirty-year period which he is required to serve prior to his eligibility for consideration for parole). In no case shall any such additional term of imprisonment (including life imprisonment) imposed pursuant to this section run concurrently with any term of imprisonment imposed for such violation.

"'(b) For purposes of this section, the term "public menace" means any person convicted on or after the effective date of this section of a violation of section 401(a) of this Act by distributing, in an amount in excess of four ounces, any controlled substance or any mixture containing any controlled substance classified in Schedule I or II which is a narcotic drug and, who, at

the time he committed such violation, was not an addict.

"'(c) A conviction shown on direct or collateral review to be invalid, or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of this section.'"

On page 65, line 5, strike "TITLE V" and insert in lieu thereof "TITLE VII".

On page 65, line 7, strike "SEC. 501." and insert in lieu thereof "SEC. 701."

On page 66, lines 2, 10, 17, strike "SEC. 502", "SEC. 503" and "SEC. 504" respectively and insert in lieu thereof "SEC. 702", "SEC. 703" and "SEC. 703".

On page 66, line 17, strike "and IV" and insert in lieu thereof ", IV, V and VI".

Mr. TALMADGE. Mr. President, the amendment which I offer would add two new titles to the pending bill, S. 800, the Omnibus Crime Control and Safe Streets Act Amendments of 1973.

Most major crimes involve one of two implements—firearms or drugs—and, thus, there has been an increasing tendency at the Federal level to attack the implements of crime. I question this approach since, in my view, it serves no useful purpose to legislate against inanimate objects. We need to get at the man who sells the dope and the man who wields the gun. Accordingly, one aspect of my amendment represents a clear and preferable alternative to Federal efforts to require licensing, registration, and confiscation of firearms. These are efforts which I have never supported.

In this regard, the first part of my amendment would require that severe and mandatory penalties be imposed on individuals who use or unlawfully carry a firearm in the commission of a Federal felony. Its operation is simple. When a person is arrested for and convicted of committing a Federal felony, the court must make only one finding in order for this provision to be applicable—that the defendant used or unlawfully carried a firearm in the commission of that underlying felony. If the court makes such a finding, then it must impose the additional punishment required by my amendment. This punishment would be added to the penalty imposed for the underlying felony, and the two sentences could not be served concurrently.

In the case of first offenses under this provision, the additional penalty would be a term of imprisonment for not less than 5 or more than 15 years. The court could not suspend this sentence or grant probation. In the case of second or subsequent offenses under this provision, the additional penalty would be a term of imprisonment for not less than 10 or more than 30 years. The court could not suspend this sentence or grant probation and, furthermore, parole and good time allowance would be prohibited.

The second part of my amendment is aimed at dope peddlers, and specifically the drug pusher who is not himself an addict. His is not a crime of passion. He does not need money to feed his habit. His is a crime of cold, calculated greed. His is a crime which breeds more crime and more suffering. This man is a vulture who preys on the vitals of our society.

My amendment brands the nonaddicted pusher for what he is—a "public menace"—and imposes additional penalties on him.

When an individual is arrested for selling hard drugs, the court must make two findings in order for the "public menace" provisions of my amendment to be applicable. First, the courst must find whether or not the defendant is an "addict," as defined by the Hazardous Substances Act. If he is not an addict and if the court finds that the mixture he sold weighed four ounces or more, then the court must hold that he is a "public menace."

In the case of first offenders under the "public menace" provisions of my amendment, a term of imprisonment for not less than 10 or more than 30 years would be imposed. This sentence would be added to and may not be served concurrently with whatever punishment the defendant received for the underlying crime of selling hard drugs. The court could not suspend this additional sentence or grant probation and, furthermore, parole and good time allowance would be prohibited.

In the case of second or subsequent offenses under the "public menace" provisions of my amendment, the additional penalty would be life imprisonment with no eligibility for parole until 30 years of that life sentence has been served. The court could not suspend this additional sentence or grant probation.

Mr. President, I have drafted the provisions of my amendment for the sole purpose of imposing punishment for certain actions which took place or certain circumstances which existed during the commission of the underlying Federal felony. My intention is not to create a separate and independent crime.

In my judgment, we do not need a multiplicity of new laws defining Federal crimes. Rather, we need to vigorously enforce and, when necessary, strengthen laws already on the books. There is no greater deterrent to crime than the realizations that justice will be swift, stern and impartial, and that criminals will be prosecuted to the full extent of the law.

Virtually every American lives in the shadow of crime. No one is completely safe from the ravages of the lawless elements. For too long, innocent, law-abiding citizens have been defiled and terrorized by crimes involving guns and drugs. We need to scourge the gunmen and the drug pushers from our society like mad dogs.

This is the purpose of my amendment, and I urge its adoption.

I have conferred with the distinguished and able manager of the bill. I hope that he is agreeable to accepting the amendment. I hope the Senate will do likewise.

Mr. McCLELLAN. Mr. President, I regret that the committee has not had an opportunity, as I said about the other amendment, to study and consider the provisions of this amendment. However, the objectives of the amendment have a strong appeal to me, because I favor a strengthening of our laws.

We often pass a law with the idea that it will be a deterrent to crime. I have said, and I repeat again, that it is not the enactment of a law—it is not the fact that there is a law on the statute books—that serves as a deterrent to crime. It is the enforcement of our laws and the penalties that serve as a deterrent; it is not the law itself.

This amendment deals exclusively with punishment for crimes that are already on the books. My judgment is that the present penalties for the crimes are not adequate. So the enactment of this amendment may strengthen those penalties. If it is enforced, it will serve as a deterrent to the commission of the crimes.

I am perfectly willing now to accept the amendment, but I hope the House will hold hearings on these particular features of the bill and make a record of them.

The Senate will have another opportunity to consider these amendments in conference and to vote on the conference report, I will reserve my final judgment on their merit until then.

As I say, I have no objection to the amendment now. But I do not want my acceptance of this amendment or the previous one to be taken as a precedent that the Subcommittee on Criminal Laws and Procedures is going to accept all possibly worthy amendments that may be offered to the bills we report.

I hope Senators having legislation in mind in this field will introduce bills and give the committee an opportunity to consider them.

Mr. President, we have pretty strong laws now which prohibit the carrying of concealed weapons in most States. There is such a law in my State. We have them throughout the country. It is not the law that deters. The reason it does not deter is that the law is not enforced.

I am not persuaded that the enactment of so-called gun laws, to which the Senator from Georgia referred a few moments ago, is a solution to the problem. If we cannot enforce laws against carrying a gun, against hoodlums and thugs who carry them today as weapons, I do not know how we are going to enforce the law against them with respect to the registration of weapons.

So I have been apprehensive that the enactment of laws such as the bills we have considered here in the gun field would simply disarm the law abiding citizens of this country, and the thugs and others who carry these weapons and use them to commit crime would remain armed.

This increased penalty may have some wholesome effect on strengthening the deterrence of the laws we have today.

So I have no objection to the amendment, and unless there is objection to the amendment, I am willing to accept it.

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

Mr. McCLELLAN. I yield.

Mr. BAYH. Mr. President, I do not want to be discourteous to my friend, the distinguished Senator from Georgia, but I, for one, feel, as a member of the Committee on the Judiciary, looking for the first time at the content of this amendment, and remembering that within the last week we have had a message from

the President addressing itself to this matter, that I am not prepared to accept this amendment without serious study. I am not in the position of accepting it or not accepting it. I am in the position, and I feel I have the responsibility, of bringing this particular issue to the awareness of enough Senators so that we actually know what we are doing. Not one person in this body is for crime. Let us look at some of the wording here. It refers to a person who violates section 401(a) by distributing any controlled substance classified under schedules 1 or 2, which is a narcotic drug. That is a violation of the law now. If that person is a public menace—would the Senator from Georgia care to describe what a public menace is?

Mr. TALMADGE. Yes. It is one who peddles drugs; and he is not, himself, an addict. This drug pusher would receive a mandatory sentence, as a public menace, under the provisions of my amendment.

The amendment is aimed at two people: One is the nonaddict, the drug peddler who goes around selling drugs and leads people into lives of degradation and crime. The other is a person who uses or unlawfully carries a gun in the commission of a felony. And the amendment tightens up and stiffens the sentences in both instances.

The only way I know to stop these criminals is to make the penalty more severe, and that is what the amendment would do.

Mr. BAYH. I do not know of anybody on the floor of the Senate who has had any more chance to study gun control. The Senator from Georgia and I do not agree, perhaps, on the final conclusion; but, if he studied these records as carefully as I have, he would find that one of the major problems we have with firearm control is that you cannot get the law providing for strict penalties enforced now. We have people on the streets of Washington carrying firearms. They are brought before the judge and are turned loose, and 48 hours later they have another firearm. That is part of the problem. We also, of course, need laws which prevent criminals from getting a hold of cheap handguns useless for other purposes.

Mr. TALMADGE. My amendment is aimed at the criminal, not the gun. If someone commits a felony and possesses a firearm in the commission of that felony, he will receive a mandatory, separate sentence of at least 5 years for the first offense and a mandatory, separate sentence of at least 10 years with no eligibility for parole for the second offense.

Mr. BAYH. I have talked about the mandatory sentence business, particularly so far as drugs and juvenile activities are concerned, at great length with the Senator from North Carolina (Mr. ERVIN). He has grave reservations about mandatory sentences for a number of reasons.

This amendment does not distinguish between adult three-time felons and a first-time loser who may be 16, 17, 18, or even younger.

I would like us to have enough humanitarianism that we try to have a system that really puts the hard-nut characters where they belong and gives us enough flexibility so that we can recoup some of these lives. I am afraid we are going to make that impossible with this amendment. That is why it should be studied further. let us put these pushers and killers in prison, of course, but let us help those who can again become useful taxpaying citizens to do so.

Mr. TALMADGE. If the Senator really wants to stop crime and drug peddling, this amendment is the surest way to do it. It declares a man who sells drugs and is not addicted to drugs himself, to be a public menace, if the mixture which is sold is at least partially composed of hard drugs and weighs 4 ounces or more. The 4 ounces is generally determined to be more than an addict would need for his own use and thus, he could only be described as a pusher or peddler.

Mr. BAYH. Does the Senator from Georgia really believe that this is a measure that ought to slip through here at a little after 5 in the afternoon, without having the opportunity to examine it at any length.

Mr. TALMADGE. I had some doubts about the wisdom of the Senator's amendment that was put through in a little less than two minutes. His related to taking money out of the Treasury. Mine relates to getting at hard criminals who commit crimes and are the scourge of this country today.

I do not see how anyone who is a member of the Judiciary Committee can stand on the floor of the Senate and oppose a proposal aimed against a peddler of drugs who is not himself an addict. That is what the amendment is designed to get at.

Mr. BAYH. Since the Senator from Georgia raised this matter—I was not going to—I did mention to the distinguished committee chairman, the Senator from Arkansas, that the amendment of the Senator from Indiana was submitted last year and again this year. It is not something that for the first time saw the light of day at a quarter after five.

Mr. TALMADGE. I have no abiding objection to the Senator's amendment. I voted for it.

Mr. BAYH. What I am suggesting is that we are talking about mandatory sentences, and I want to know exactly what we mean. I would like to have the testimony of some people who are involved on the street in catching these criminals, to see what impact a mandatory sentence is going to have.

I am not at all clear on what we really mean by "public menace."

Mr. TALMADGE. I have explained it twice for the Senator. I will explain it again.

This amendment attempts to get at the pusher of hard narcotics who is not an addict himself. It says that in all cases where a man has been arrested for selling drugs, the court must determine whether or not he is a public menace. A public menace is one who is not addicted to drugs and who has sold a mixture which at least is partially composed of hard drugs and which weighs 4 ounces or more.

Mr. BAYH. What is a mixture composed partially of hard drugs? How much is it? How much is the mixture? Is it 1 percent, is it 0.1 percent? Could it be an accidental adulteration?

I am not saying I am opposed to the amendment, but I am opposed to it being considered now until we have an opportunity to study it further. If people are going to be put in jail under a mandatory sentence for life, I want to know exactly under what circumstances and according to what standards—and with what prospect of reaching the goals we all share—this punishment will be applicable.

Mr. TALMADGE. Any amount would be covered which weighs 4 ounces or more, and is at least partially composed of a "narcotic drug" as defined in schedule II of the Hazardous Substances Act. This amendment provides a mandatory sentence for anyone who sells 4 ounces or more of such a mixture, and is not an addict himself.

Mr. BAYH. I am advised by my staff, in reading the language, that the 1970 act already provides that for this type of continuing criminal enterprise, if you have someone who is a pusher, someone who is in the business, that for the first prosecution he mandatorily gets 10 years to life, and a $100,000 fine; for the second offense, he mandatorily gets 20 years to life and a $200,000 fine.

I would hope that the Senator would withhold his amendment. The measures that are going to come down from the President will be referred to the Committee on the Judiciary. I may be for it. I will support any sound, effective measure which combats crime. I want to give these matters careful consideration. These people who stick up stores with firearms and who push drugs must be dealt with. At the same time I want to make sure our laws do not make it impossible to rehabilitate the juvenile offender that we may have a chance to make a member of society instead of making them wards of the state.

Mr. TALMADGE. This is not aimed at addicts, or children, but at the hard, cold-blooded pushers. The first conviction would carry an additional, independently served sentence of 10 to 30 years, with no parole; the second conviction would carry an additional, independently served life sentence with no parole until 3 years of the life sentence has been served .

I think the worst criminal problem we have in the United States is the spread of narcotics by cold-blooded knaves anxious to make money. They peddle drugs and get people hooked on them. Once they are hooked on drugs there are only two ways for them to go. If the person is a female they usually resort to prostitution and if he is a male they resort to burglary and holdups to support their habits. This is aimed at getting pushers of drugs off the street and putting them in the penitentiary where they belong.

That is the best way I know of to stop this drug problem.

The PRESIDING OFFICER. Is there objection to the amendment?

Mr. BAYH. Yes; the Senator from In-

diana will have to object to the amendment at this time.

The Senator from Rhode Island addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. Mr. President, I realize what the doubts of the Senator from Indiana may be, but I think we have reached a critical point in our society when something drastic needs to be done.

As I understand the amendment being proposed by the Senator from Georgia, he is not out to get that addict, the person who in order to satisfy his own addiction might be persuaded to possibly sell the drug to someone else; he is dealing with the individual who is doing this commercially, the hardened criminal, the man who has no conscience at all, the man who is engaged in the most nefarious sort of crime.

When we realize that a person becomes addicted, as the Senator from Georgia said, there are only two outlets: He either gets himself involved in crime to satisfy the habit or he ends up giving himself an overdose and committing suicide.

I say the only way to stop this is to be drastic and severe. I have no compassion for any individual who for the sake of money, who is not an addict himself, and in many instances may be a member of organized crime, will approach this drug and victimize the young of this country to the point where there is no return.

I tell Senators frankly I am going to support the amendment.

Mr. TALMADGE. I thank the Senator.

Mr. BAYH. Mr. President, I have been sitting in my subcommittee all afternoon trying to get the Food and Drug Administration to reclassify barbiturates and methaqualine, which are the next step before heroin, so it is clear on the record that I am no less concerned about jailing pushers than others in our society.

I do not think however we have given careful enough consideration to this particular legislation. I have not had a chance to weigh it and the effect it will have on other legislation. The Senator is talking about putting someone away for life. I want to be sure this is the kind of person we really ought to put away for that period of time.

I just finished reading the Controlled Substances Act to the FDA people. After studying the matter for a year they admit they do not have the expertise to deal with sleeping pills. It is a complicated area.

Mr. PASTORE. I made no disparaging remarks about the Senator from Indiana. I gave the Senator credit for his point of view. I said I understood the reasons for his position. I am only giving my own feelings. Maybe the Senator from Indiana wants to study the matter further. That is all right with me. I am saying I agree with the Senator from Georgia.

The time has come when we have to become severe if we are going to bring any kind of restraint in this nefarious activity.

Since the amendment of the Senator from Georgia deals with addicts, I assume the Senator from Georgia has made a study as to whether this is a drug which relates to addicts.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BAYH. The Senator from Indiana is going to discuss it for a while.

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

Mr. BAYH. If I might make one observation. I have been in executive sessions of the Committee on the Judiciary with a man whom I have as much respect for as any other Member of this body in this area and that is the senior Senator from North Carolina. For us to go ahead here and proceed right now without any advance notice would not be appropriate. I do not say this in any disparaging way at all to the Senator from Georgia. He feels very strongly about this matter, and I share his concern about this problem, but it is fair to say that few Members of the Senate have been put on notice that this kind of amendment was going to be discussed.

If we could have over the weekend to study this matter I might come down on the side of the Senator from Georgia as far as pushers are concerned. But I want to make sure that we are putting away the kind of people that ought to be put away.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly so that I can suggest the absence of a quorum, without his losing his right to the floor?

Mr. BAYH. Yes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

COMPENSATION FOR ELDERLY VICTIMS OF VIOLENT CRIME

Mr. DOLE. Mr. President, I fully support the purpose of the Victims of Crime Act of 1973. The day is long past when our society should start providing means of restoring those who, through no fault of their own, suffer at the hands of violent criminals.

Over the past several decades, court decisions and developing publicity of the various news media have seemed to demonstrate a greater concern and compassion for the criminal in America than for the victims who frequently suffer much more in terms of monetary loss, injury, suffering, and even death, than the criminal himself. A few years in prison, a light sentence or acquittal have frequently been the criminal's lot while permanent crippling injury, ruined financial resources, or loss of a provider or loved one have befallen the victim and his family.

PRIORITY TO VICTIMS

It is time that our system give priority to the innocent victim who bears the harshest burden of the law's violation, and I believe the Victims of Crime Act is a long overdue measure, and I support it again this year as I did when it was considered in the 92d Congress.

By establishing a compensation system, based on the theories of damages which govern our civil tort law, the act presents a reasonable, fair, and manageable means of measuring injury and loss and setting the level of compensation for this injury.

By setting realistic minimum and maximum limitations on damage claims, the act assures, first, that inconsequential and frivolous claims will not clog the compensation board's docket; and, second, that the act's aid will go to the greatest number of those in greatest need of aid.

PROTECTION FOR AVERAGE CITIZEN

There is, however, one point of the act's application which concerns me as possibly working against the intent behind it. Wisely, the act establishes a standard of financial stress for determining eligibility for receipt of compensation. As set forth the term means, "the undue financial strain experienced by a victim or his surviving dependents as the result of pecuniary loss" from something giving rise to a claim. And in an effort to assure that the ordinary property and possessions of an average American do not disqualify an individual from receiving compensation, a number of factors are specified which should not be taken into account in computing financial stress. Thus a person's residence, his normal household items and personal effects, his automobile, the tools of his trade, would not be counted in. And other "liquid assets"—such as stocks and bonds, bank accounts, and other similar personal property—up to the amount of 1 year's income or $10,000—whichever is less—would also be excluded from consideration.

The effect of this latter provision would assure eligibility for compensation under the act for the overwhelming majority of American wage earners who have accumulated a modest savings or a few stocks. It would exclude those who were fortunate enough to have saved or acquired these types of assets in excess of $10,000, but these individuals are not really the ones this bill is designed to reach. This bill is designed for the average citizen who owns his home, has a car, and who perhaps has managed to build up a savings account or purchase a few stocks. And this is as it should be, for these are the people who suffer the harshest and most serious loss at the hands of the violent criminal.

CONCERN FOR ELDERLY

But, as I mentioned earlier, this provision might serve to exclude a great number of individuals who should be major beneficiaries of the act.

The elderly in America are among the violent criminal's most pitiful victims. They are often forced by illness, infirmities, and economic circumstances to give up their automobiles and must walk to the grocery store, to visit friends and family, to obtain the exercise they need to remain alert and involved in life. Being on the streets, particularly in the cities, they are easy prey for the mugger, the strong arm bandit, and the purse snatcher. Frequently in these crimes, elderly victims are assaulted—often

senselessly. They may be hospitalized for long periods as a consequence. Their losses may be catastrophic, both in monetary terms and in physical harm.

But many of these people could possibly be excluded from compensation under the Victims of Crime Act because of the liquid assets provision of the financial stress definition.

As it presently reads, the definition provides ample eligibility for those who could be classified as having "high incomes" but "low assets," that is without "liquid assets" not in excess of the lesser of a year's salary or $10,000—in effect savings or stocks up to $10,000 in value.

SPECIAL SITUATION OF THE ELDERLY

However, the great majority of retired, elderly people could be considered to have "low incomes" but relatively "high assets" in comparison. They live on fixed payments from social security or other pensions which may be a fraction of the income of an employed wage earner and far below $10,000. But they may also have a part-time job or a few stocks or other investments which yield a modest supplementary income. I believe the vast majority of retired people fall into this profile. But by the terms of the act's "financial stress" definition of "liquid assets" any property of this type of a value in excess of the lesser of their "annual income"—which might be extremely low—or $10,000 it seems possible could make them ineligible for compensation if they were the victim of a violent crime. In effect their yearly income—even if from a part-time job or a few stock dividends—would eliminate them from the act's coverage.

Thus I am concerned about the possible construction of this language and would hope that when this act is considered by the house and taken up subsequently in conference that assurances can be provided that such an effect is not intended and would not result.

Perhaps a simple additional provision would be sufficient. It could merely provide that the "financial stress" test for anyone over 65 years of age take into account liquid assets in excess of either a year's income or $10,000, whichever is greater. Thus even if an elderly person did earn an income—up to $10,000 yearly and owned a few liquid assets, he or she would still be covered by the act.

I do not believe anyone supporting this act has any intention to deny compensation to elderly citizens who are fortunate enough to have small additional incomes to supplement their basic social security or pension benefits. I would hope we might clarify this possible oversight and provide the meaningful coverage and benefits which our older citizens so richly deserve.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business, S. 800, be laid aside temporarily; that the Senate return to the consideration of the Talmadge amendment at the conclusion of the vote on the veto of the vocational rehabilitation bill on Tuesday next; that there be a time limitation of 1 hour, the time to be equally divided between the distinguished Senator from Georgia (Mr. TALMADGE) and the distinguished Senator from Indiana (Mr. BAYH); and that there be a time limitation of 30 minutes for other amendments, to be equally divided, under the usual rule.

Mr. McCLELLAN. Mr. President, will the Senator amend his request to allow 10 minutes under the control of the manager of the bill, so that I may have something to say about it if I so desire?

Mr. MANSFIELD. Mr. President, I will make that a part of the request for this amendment and any other amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Provided, That, effective on Tuesday, April 3, 1973, at the conclusion of the vote on the reconsideration of S. 7, the Senate return to S. 800, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, with the pending amendment by the Senator from Georgia (Mr. Talmadge) limited to 1 hour, to be divided 10 minutes to the Senator from Arkansas (Mr. McClellan) and the remaining time (50 minutes) to be equally divided and controlled by the Senator from Georgia (Mr. Talmadge) and the Senator from Indiana (Mr. Bayh), with time on any other amendment to S. 800 to be limited to 30 minutes, to be divided 10 minutes to the Senator from Arkansas (Mr. McClellan) and the remaining time (20 minutes) to be equally divided and controlled by the mover of the amendment and the manager of the bill.

Mr. MANSFIELD. Mr. President, the four bills which have been passed this afternoon will be sent to the House. Is that correct?

The PRESIDING OFFICER. That is correct?

What is the will of the Senate?

Mr. HOLLINGS. Mr. President, the crime control legislation passed by the Senate today is one of the most comprehensive approaches to fighting crime and it could not come at a better time.

One of the most vital features of this bill is what it does for the law enforcement officer and his family. All safety officers—police, firemen, prison guards, are covered in this bill which grants up to $50,000 to the family of an officer killed in the line of duty. It provides needed insurance incentives for people involved in these high-risk occupations. We have to do more to provide for those who daily risk life and limb for the protection of society.

The people of America are tired of living in fear. No one in America feels safe except the criminal element. Over the past few years, we have witnessed the fact that crime does pay. It has been the criminal whose rights are protected not the law-abiding citizen. Murder and violence have become a way of life in America. Drugs are available everywhere—even in our grammar schools.

I feel the legislation passed today gets to the heart of our judicial system—the individual will be directly accountable for the results of his own actions. Criminals will be made to contribute to the fund for his victim. Crime will no longer be free.

The time has come for tough, direct legislation that proves America is a land of law and order. Fear should be taken from the hearts of our law-abiding citizens and placed in the minds of the criminal element. We have been too soft for too long.

I think the drugpusher is going to think a long time before he goes back into our schools.

People who use guns in criminal acts have no regard for property and human life and should be put away for a long time.

I predict this legislation will be a most important step in bringing an end to the era of permissiveness in America.

ORDER FOR RECOGNITION OF SENATORS ON MONDAY, APRIL 2, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. HELMS, Mr. STAFFORD, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

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

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following recognition of Senators on Monday for 15 minute orders, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 3 minutes each.

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

ORDER FOR RECOGNITION OF SENATORS ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. Presdent, I ask unanimous consent that on Tuesday, after the two leaders have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. RIBICOFF, Mr. DOMENICI, Mr. GRIFFIN, Mr. ROBERT C. BYRD.

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

ORDER FOR ADJOURNMENT UNTIL MONDAY, APRIL 2, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock meridian on Monday.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT OF THE PAR VALUE MODIFICATION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return now to the consideration of S. 929, the unfinished business, a bill to amend the Par Value Modification Act, with the understanding that there be no action thereon and that no time under the agreement be charged today.

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

The clerk will state the bill by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 929) to amend the Par Value Modification Act.

THE PANAMA CANAL

Mr. HARRY F. BYRD, JR. Mr. President, the U.S. Ambassador to the United Nations, John Scali, told a meeting of the United Nations Security Council in Panama last week that the United States supports the Panamanian Government's demand for an end to the 1903 treaty under which the United States was granted the Panama Canal Zone in perpetuity.

It was the Johnson administration, in 1967, which put a head of steam behind Panama's resolve to wrest the canal away from undisputed American control. The draft treaties of 1967 made concessions to Panama which many Members of Congress felt were unwise and were, indeed, a submission to Panamanian political blackmail.

I spoke out against the Johnson administration proposals on November 11, 1967. I talked with many of my colleagues in the Congress, who agreed that the United States should not give up its control of the Panama Canal. So great was the opposition that President Johnson never put the proposed treaty changes to a test.

Now we come to 1973—and the same political blackmail is being attempted again. And our State Department is again showing its timidity.

By refusing to show firmness at a January meeting of the United Nations Security Council in New York, it set the stage for a propaganda coup by Panama and her allies. Panama proposed that a special meeting of the Security Council be held in Panama in March of 1973 so that Panama could dramatize to the world the issue between Panama and the United States. The previous American Ambassador to the United Nations spoke against such a proposal, characterizing it as an attempt to pressure the United States into renegotiating the Panama Canal Treaty while bilateral negotiations are still underway between the United States and Panama. But he did not exercise his veto power.

So the meeting was held last week in Panama. A resolution was presented to the Security Council, demanding that the United States conclude "without delay" a new Canal Zone treaty. The American Ambassador, using the third American veto in United Nations history, killed the resolution. The vote was 13 to 1, with only the United States dissenting.

As one who has consistently supported the United Nations, I resent this attempt on the part of the United Nations to inject itself into this matter of a treaty between the United States and Panama.

While I applaud the use of the veto by Ambassador Scali, I feel the United States would be in a much stronger position had the State Department made known its determination in advance that it would not submit to United Nations dictation in a bilateral issue between Washington and Panama. We gained nothing—and perhaps lost much—by not exercising the veto in New York.

The State Department seeks to appease Panama by giving in to part of her demands. It is completely obvious, I feel, that the more we seek to appease, the more appeasing Panama will demand.

There can be no compromise of the basic issue: will the United States voluntarily forfeit its sovereignty over the canal—sovereignty which has been recognized as a part of international law for 70 years?

The United States, by treaty, obtained the right to hold in perpetuity the Panama Canal; as a part of the treaty, the United States paid Panama an initial sum of $10 million; we indemnified neighboring Columbia to the tune of $25 million, and we agreed to pay Panama substantial annual rent, which figure has since been increased several times.

The total cost to the United States for 647 square miles of the Canal Zone far exceeds the price of many other American territorial acquisitions, including the Louisiana Purchase—that vast area stretching from the Mississippi River to the Rocky Mountains, and from the Gulf of Mexico to Canada—and such notable additions as Alaska and Florida.

I have visited the Canal Zone and have looked into this matter first-hand. I see no justification for submission to threats by Panamanian political leaders.

The Congress was told in 1967 that there would be a series of anti-American riots in Panama if the American Government does not give the Panamanians what they want. We are being told the same thing today.

It is vitally important that the United States maintain its position of strength in Latin America, and the pivotal point in those defense arrangements is the Panama Canal and the Canal Zone.

I feel that a canal somewhere in Central America, linking the Atlantic and the Pacific, is vitally important to the United States and to Latin America.

But until a new sea-level canal is constructed, I think it would be unwise for the United States to forfeit voluntarily its sovereignty over the present canal.

I am persuaded that new treaties compromising our rights in the Canal Zone would weaken this country's defense posture in the Western Hemisphere. Could anyone seriously contend that Panama, with a population of 1,500,000—less than a third of Virginia's—could defend the Canal by itself? Could the uninterrupted movement of commercial or military ships be guaranteed under any Panamanian regime of the moment? Is there assurance against some Castro-type government taking control of Panama?

Panama has been notoriously susceptible to political upheaval, with 44 Presidents having come and gone in 70 years.

It was only a few years ago that the President of Panama was assassinated; his First Vice President then assumed office, but was shortly deposed as having been involved in the assassination; the Second Vice President then became President; and he was thrown out the next year.

The Nixon administration should ignore the threats of Panamanian politicians. It should ignore the hypocritical howls from the United Nations.

But if it does not, the Senate of the United States will have the final word.

The United States obtained the Canal Zone in perpetuity as a result of the Hay-Varilla Treaty of 1903. That Treaty cannot be abrogated except by a two-thirds vote of the U.S. Senate.

As to the attitude of my Senate colleagues, I do not know.

But so far as the senior Senator from Virginia is concerned, I shall fight long and hard—until such time as a sea-level canal is built—against any change in the present Treaty which would have the affect of giving up permanent U.S. control over the Panama Canal.

Through the years, the American taxpayers have invested millions of dollars in maintaining and improving the canal. The Panamanian economy has greatly benefited from all this and, as a result, has one of the highest per capita incomes in Latin America.

I have not objected to increasing the annual payments to Panama. This has been done several times.

In addition, the foreign aid we give Panama is substantial—$30 million for 1972, up sharply from $22 million the year before. In fact, U.S. dollars last year made up $167 million of Panama's $363 million in foreign exchange earnings.

I do not want to see our country give up its sovereignty—nor do I regard such action as being in the best interests of Panama or other Latin American countries.

I deplore the American Ambassador's assertion that the State Department supports the Panamanian demand for an end to the 1903 Treaty under which the United States was given sovereignty over the canal.

If the U.S. public becomes aroused, I believe we can defeat the appeasement policies of the State Department and thus protect our vital interests in Latin America.

OUR MONETARY PROBLEMS

Mr. HARRY F. BYRD, JR. Mr. President, the Wall Street Journal of Wednes-

day, March 28, published an excellent commentary by Vermont Royster.

This is one of the most commonsense pieces of writing that I have read in regard to our monetary problems, problems which the Senate has been debating today in regard to the devaluation of the dollar.

Vermont Royster was at one time editor of the Wall Street Journal. He is one of the ablest men in the newspaper business and one of the clearest and ablest writers in the business.

Mr. President, the article has so much good commonsense in it that I ask unanimous consent that the article be printed at this point in the RECORD.

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

MONEY, MONEY, MONEY

(By Vermont Royster)

If you recall that introductory economics course of your college days, you'll remember that money must perform three basic functions. It is a medium of exchange. A measure of value. And, finally, a storehouse of value.

All of these functions can be performed, and in times past have been, without money. If you need a suit of clothes you can obtain it by making shoes for the tailor; you and the tailor have exchanged goods without the intervention of money.

The value of clothes can also be established without the use of money; in competition with other shoemakers you bargain over how many pairs of shoes equal one suit of clothes, and gradually it is established in the market place that so many pairs of shoes are worth one suit.

Any commodity can also be a storehouse of value. You can make shoes and instead of exchanging them right away you may store them on the shelf so that at some future time you can exchange them for what you need.

Some goods, of course, make a better storehouse than others. Shoes vary widely in quality and also deteriorate. So in practice the more useful commodities in terms of the storehouse of value are those in which quality can be readily measured and which can be stored for a long time without deterioration.

There is another important quality in making a commodity a storehouse of value. That is that the supply of it not be subject to rapid changes. If you tried to store the fruits of your labor for future exchange use in shoes, clothes, or wheat, you might find the market glutted from a sudden increase in production so that in terms of their exchange value they would be less tomorrow than they were yesterday.

Hence the universality, from historic times until the present, of the metals and such precious stones as diamonds in performing the three functions as a medium of exchange, a measure of value and a storehouse of value.

Their quality is readily measured by both buyer and seller, and they do not deteriorate with time. Of these gold has been the most widely used, not because it is both useful and pretty, for so are diamonds and silver, but because the supply of it is less subject to wide fluctuations.

So much for the basics of Economics I. The principles may seem simplistic. But they are not unrelated to our present problems of inflation at home and the sagging value of the dollar abroad. They help explain not only our present monetary troubles but also offer some clues as to what to do about them.

For when money first came into use, the monetary unit was substantially nothing more than a warehouse receipt for one of these metals, mainly gold. A dollar was a receipt for so many ounces of gold held in the Treasury warehouse.

Hence the possessor of a dollar bill knew that he could, if he wanted to, exchange the bill for actual gold. In practice, though, it was more convenient to have the bills since they were much more easily handled and—so long as others trusted their value as warehouse receipts—you could exchange them for any number of other commodities. Prices could be measured in terms of dollar bills. Moreover, the receiver could, if he wished, use the bills as a storehouse of value, believing he could spend them tomorrow with reasonable assurance that their value would not have greatly altered.

But here enters another simple principle, that of supply and demand. If a bumper crop of wheat multiplies the supply, wheat will decrease in value relative to money. Any sophomore can understand this. Also, though, if the supply of money multiplies, then money will decrease in value relative to wheat—or shoes, or clothes, or what-have-you. And hardly anybody seems to understand this.

Yet it is the root of all our monetary troubles. In the past quarter century the supply of dollars has multiplied astronomically relative to the supply of wheat, clothes and everything else. You can say, as most people do, that the price of goods has risen and curse the farmer, butcher and automaker. It is more accurate to say that the price of money has decreased, and curse those who have carelessly multiplied the supply of money.

They have been able to do this by divorcing money from any commodity whatever. You can't take a dollar to the Treasury warehouse and get anything for it but another piece of paper. Therefore the monetary authorities could, and have, been free to print up as many dollars as they wished.

There have been several results from this inexorable working of the principle of supply and demand. One, of course, is that it takes more dollars to buy a pound of meat here at home.

Another is that it takes more dollars abroad to buy a Japanese yen or German mark. The latter has happened because we have poured out dollars abroad; that is, multiplied the supply of them floating around the world. To argue about the "intrinsic" value of the mark relative to the dollar is to talk nonsense. The Eurodollar market being flooded with dollars, that law of supply and demand does its work. The dollar falls in value—i.e., is devalued.

This hasn't yet destroyed two of the functions of money. You can still exchange dollars for meat or German marks if you have enough of them. We still use dollars to measure the relative value of a pound of meat and a pound of fish.

What has been destroyed is money as a storehouse of value. People no longer believe that a dollar saved is a value saved, for tomorrow that dollar will buy less.

The consequences of this can already be glimpsed. The laborer seeks a wage increase not only for today's needs but to offset the lesser value of that wage tomorrow. Interest rates rise to cover not only the hire of money today but to protect against future deterioration. The pressure on prices intensifies as anyone receiving a dollar rushes as fast as possible to exchange it for something—anything—that may retain future value.

So destroying this basic function of money, we approach the point where all faith in the dollar is lost, with results terrible to contemplate.

It all happened because clever, sophisticated men thought they could do magic tricks with your money. And the only cure is to learn again the simple lessons of Economics I.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

AUTHORITY FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE A REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare have permission, up until midnight tomorrow, March 30, to file a report pursuant to the Legislative Reorganization Act of 1970.

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

AUTHORITY FOR COMMITTEES TO FILE REPORTS DURING THE ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. I ask unanimous consent that during the adjournment of the Senate over until Monday next, all committees be authorized to file reports.

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

AUTHORITY FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES DURING THE ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment over until Monday next, the Secretary of the Senate be authorized to receive messages from the House of Representatives and the President of the United States, and that those messages may be appropriately referred.

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

AUTHORITY FOR THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, AND THE ACTING PRESIDENT PRO TEMPORE TO SIGN DULY ENROLLED BILLS AND JOINT RESOLUTIONS DURING THE ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate until Monday next, the Vice President, the President pro tempore, and the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

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

PROGRAM

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

The Senate will convene at 12 o'clock meridian.

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

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

At the conclusion of the orders for recognition of Senators on Monday, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes.

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

ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock meridian on Monday next.

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

NOMINATIONS

Executive nominations received by the Senate March 29, 1973:

DEPARTMENT OF STATE

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

EXTENSIONS OF REMARKS

REMARKS ON THE PASSING OF SENATOR WILLIAM BENTON

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NATURAL RESOURCES AND NATIONAL PRIORITIES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, March 29, 1973

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

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

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

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

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

There being no objection, the speech

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

WILDLIFE MANAGEMENT INSTITUTE,
Washington, D.C.

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

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

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

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

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

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

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

Of the fourteen listed major budget categories for fiscal year 1974, the natural resources and the environment function is in next to last place, tied with international affairs and finance in its percentage claim of the federal dollar. And nearly half of the money in the natural resources and the environment account is allocated for water resources and power, activities that do not always get high marks in the conservation and environmental marketplace. There are some pluses in the agriculture and rural development account, but two-thirds of the funds requested there are for farm income stabilization. Little is for protecting the basic soil and water base.

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

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

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

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

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

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

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

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

For example, the most recent report on Fish Kills by Pollution, an annual service report begun in 1960 and issued by the Environmental Protection Agency, advises that "The number of fish reported killed by pollution in 1971 is greater by 81 percent than the number reported in any previous year on record. The data do not indicate whether this is due to better reporting by a concerned public or to greater fish kills."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CANADA CONTINUES TO PARTICIPATE IN ICCS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, yesterday afternoon the State Department was informed that Canada will continue its participation on the International Commission for Control and Supervision of the Vietnam Peace Agreement.

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

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

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

THE CUBA SYNDROME

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

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

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

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

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

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

I insert a related newsclipping:

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

ISOLATION OF CUBA CRITICIZED

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

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

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

HOSTILE ATTITUDE

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

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

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

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

ADJUSTMENTS CITED

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

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

One of the basic objectives of U.S. policy, ——— said, was to isolate Cuba from the rest of the western hemisphere. The question now is, he declared, whether it is we or the Cubans who will be isolated.

Hurwitch conceded that the question may come up at the meeting of OAS foreign ministers here next week. He said it would have a debilitating effect on the OAS if the organization voted to let each nation take unilateral action with regard to relations with Cuba.

VOTES NOT AVAILABLE

He emphasized that the OAS sanctions are a binding obligation on the United States and other member states, to be lifted only by a two-thirds vote. He said by the U.S. count there are not two-thirds of the OAS nations ready to change.

Hurwitch also said he did not think the Russian military relationship with Cuba would change even if a U.S. embassy were re-established in Havana. He said the United States and Russia have about the same number of military personnel, about 5,000 each in Cuba, with the U.S. contingent in the Oriente Province enclave on the Guantanamo Bay Naval Base.

He said Cuba is locked into a dependent relationship with the USSR and he doubted if the Russians would let their Cuban foothold slip away.

LET THE FARMER CATCH UP

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THONE. Mr. Speaker, the American public is being unfair to the farmers. The consumer seemingly does not want the farmer to catch up with the cost of living. The price of food, particularly of meat, has been depressed for years, while all other prices were rising. In 1972, the price that a farmer could obtain for a steer finally equalled what he would get back in 1952.

Consumers are being unrealistic about meat prices. The highest price a farmer has been able to get for a choice steer has been 45 cents a pound. That was several weeks ago. Since then, the price the farmer can get has dropped.

In 1959, a farmer could sell a choice steer for about 29 cents a pound. If the price the farmer receives had gone up as much as the price of a postage stamp, the farmer would now be getting 77 cents a pound. If his price had gone up as much as average hourly wages in the past 22 years, the farmer would now be getting 80 cents a pound. If the farmer's price went up as much as the cost of hospital care, the farmer would now be receiving $1.76 per pound for a choice steer. Prices for livestock producers and livestock feeders just have not kept pace with other increases.

Henry Trysla, publisher and editor of the South Sioux City Star in Nebraska, recently wrote an editorial which succinctly pointed out that consumers are unfairly picking on farmers. Members of the House from urban areas can further their education on food prices if they will read this article. Mr. Speaker, I insert this editorial in the RECORD:

FARMER HAS A POINT

We heard from a farmer the past week and by gosh we believe he's got a point.

He expressed dissatisfaction with the daily newspapers in proclaiming in page one articles: "Cattle Were Higher Today," "Highest Markets Ever" and "Records in Livestock Prices Are Broken."

The farmer continued by saying the newspapers don't say, "The Subscription to This Newspaper Is The Highest Ever," or "Lumber Prices Rose Again," or, "Clothing Is Higher Than Ever" . . . just meat prices. The farmer concluded:

"If any of those guys had to plow in this mud to feed these cattle, hogs or sheep they wouldn't be so fast in putting the blame on the farmer."

We think perhaps the farmer has a point!

Unfortunately food being the necessary commodity that it is—most people spend more of their income for food than for some other necessities.

And unlike food, an individual doesn't have to buy a new suit, a pair of shoes or lumber for that matter, virtually every week.

Even though we sympathize with the farmer we also know that food prices will always be of great concern to the greatest number of people.

And, unfortunately, the farmer will continue to draw the most criticism.

It's time we recognized that the huge increase you've seen in meat prices lately didn't all go to the farmer. Labor . . . labor to move, kill, process, ship, display and sell the meat had a good hand in it, also.

It might just be that the farmer is getting his just reward for the first time while labor has reaped its benefits for years and years.

MAKING SCHOOLBUSES SAFE

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MOSS. Mr. Speaker, I would like to share with my colleagues, an editorial from the Washington Post concerning schoolbus safety. Mr. ASPIN's bill on schoolbus safety which I have the pleasure to cosponsor, is a much needed safeguard to insure the lives of future generations.

MAKING SCHOOLBUSES SAFE

The nation is so accustomed to highway death and injury that usually only large scale crashes receive public notice. For school buses, this is equally true. Accidents, like the one three months ago near Fort Sumner, N.M., that took 19 lives, are apparently needed to arouse interest in school bus safety, and then the interest is usually passing. Against this background of indifference, important bills have been introduced in the Senate and House that may lead to safer school buses. The need is surely present. In 1971, 46,000 accidents occurred, with 150 killed and 56,000 injured.

A specific goal of the legislation is to provide greater structural strength to the bodies of buses that Rep. Les Aspin (D-Wis.) has called "rolling death-traps for our school children." The legislation asks that standards be developed for emergency exits, interior protection for occupants, floor strength, seating systems, crashworthiness of body and frame, vehicle operating systems, windows, windshields and fuel systems. Unlike the situation in some other parts of the transportation industry which resist progressive changes because "the technology isn't feasible," the way to design and build safer school buses is common knowledge. Two companies—Ward and Wayne—have been constructing proto-type safe buses.

Some of the resistance to getting such buses to serve the 20 million school children who could be riding them comes, first from the Department of Transportation. It has never shown a very sustained serious interest in school buses and has taken years even to get up a proposal for safer seats. It is true, as the department has often pointed out, that in comparison with other vehicles, school buses represent one of the safest modes of transportation. Yet, as many have observed, this is less because of federal diligence than because most motorists are cautious around school buses and because the buses are usually driven at low speeds. The second resistance comes from school districts that buy buses according to cost, not safety. Yet, an increase of only $300 per bus is the estimate to make new ones structurally safe. Many parents never dream that the local school buses might not be the safest possible, thus they do not protest to the school boards.

There is no reason not to provide safe transportation for the nation's schoolchildren; the technology is available and at a reasonable cost. The congressional legislation is not the total answer but, if passed, it promises to be more effective than any protection offered to date.

THE POSTAL (SERVICE?)

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, I would like to bring to the attention of my colleagues an article that appeared in the March 4 edition of the Independent.

In this article Mr. Robert Several, editor of the Independent, points out the deterioration of the mail service. He links this deterioration to the change of the Postal Department to a supposed profit making Postal Service. The question he raises in his article reaches the heart of the problem, should public service or the profit motive be the objective of the Postal Service?

I am happy to state that I and several other members of the Post Office and Civil Service Committee agree with Mr. Several that in this vital area of communication public service should come first.

At this point I insert Mr. Several's article into the RECORD:

THE POSTAL (SERVICE?)

(By Robert Several)

A fundamental conflict in our capitalistic society arises from the question of what comes first, the profit motive or the public service ethic.

I'm among those who believe that the public service ethic should come first.

Profit is nothing to disparage or to run away from, but when it becomes the end-all, public service invariably is sacrificed.

The question is especially relevant when it involves crucial endeavors whch affect masses of people—endeavors such as health, utilities, food, transportation, the press . . . and mail delivery.

Mail delivery: that's where the issue of service versus profit is coming to a head these days.

The Mailbox in today's Independent contains a letter from Contra Costa County Congressman Jerome Waldie about that issue. Waldie, a member of the House of Representatives Postal Service Subcommittee, is gravely concerned about the state of affairs in the post office and is planning an investigation which hopefully will lead to reform.

Mail delivery, as we all are aware, has become a national disgrace and joke. Whereas in the old days our mail came twice a day and came promptly, now delivery comes once a day and letters or packages from across town take a week to get to you.

It's not the fault of the poor guys and gals working in the post office. God knows, they're doing their best. They're understaffed and they're working for a pay that's hardly enough to support a family without a second job. But they're laboring under an insurmountable burden.

That burden is the profit motive. Somewhere along the line it was decided that the postal service had to make a profit. The post office was phased out of the realm of pure public service and was turned into a semi-private corporation.

The service, which had been slowly deteriorating thanks to the government's stinginess in funding the post office department, immediately sank through the floor when the service-oriented Post Office Department became the profit-oriented Postal Service.

My father worked in the post office during his career. This column frankly is sort of

an extension of the grumbling he pours into my ears when I visit him. "A profit! We might as well ask the military to make a profit too!" he declares.

Congressman Waldie in his letter has a similar comment: ". . . do we ask our fire departments, police departments, and schools to make a profit? Public services such as delivering mail promptly and efficiently ought to be the primary concern of the postal service. What we have today is a postal service that neither provides adequate service nor makes a profit."

My father has pointed out to me that much of the work handled by the post office requires painstaking human contact—it can't really be mechanized—and that if the government spent more money to upgrade the service, the result would be not only better mail service but more jobs.

Congressman Waldie wants citizens to write to him about their experiences with the postal service. I hope many readers will indeed do that, demanding that public service be reinstated as the primary goal of the U.S. Postal Service.

UNITED STATES-LATIN AMERICAN ECONOMIC RELATIONS IN THE 1970'S

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GONZALEZ. Mr. Speaker, a few days ago, the President of the Inter-American Development Bank gave a profound and important address at the University of Texas, dealing with the future of economic relations between the countries of this hemisphere. Because of the importance of this topic and the very perceptive comments of Mr. Ortiz Mena, I wish to place it in today's RECORD.

Also, I am placing into the RECORD a San Antonio Light report on a related matter.

The material follows:

UNITED STATES-LATIN AMERICAN ECONOMIC RELATIONS IN THE 1970'S

(Speech prepared for delivery by Mr. Antonio Ortiz Mena, President of the Inter-American Development Bank, at the Conference on Latin America—United States Economic Interactions)

Dean Kozmetsky, honored guests and ladies and gentlemen, it is specially gratifying to be invited here this evening as your principal speaker. The theme and issues which this Conference is considering are of the highest importance; moreover, it is timely that they are being discussed at this moment of great changes in the world economic order. A brief glance at the list of conference speakers, assures one that the very best talent has been assembled here both from the United States and the countries in Latin America to lead the analysis and treatment of these important issues. Indeed, I recognize among them many good friends of longstanding who, from their respective positions in the academic, governmental and business sectors of both parts of our hemisphere, have exercised intellectual leadership in the forging of new approaches for Inter-American economic relations.

Perhaps never in the past has the future of the United States-Latin American economic relations been beset by so many uncertainties. At this point in 1973 it is clear that the interaction between the two parts of this hemisphere will be profoundly affected by the change now taking place in world political and economic arrangements. Moreover, certain changes underway within both the United States and Latin America have also begun to assert an influence on the future of this relationship.

Among the many currents of change in the world today, perhaps none is so far reaching in its consequences than the dismantling of the cornerstone premise which underlay the bipolar concept of the Cold War. In its place is emerging a more pluralist system in which power and responsibility both political and economic is shared among a growing number of countries.

The United States has taken history-making initiatives in some of the crucial areas of international relations. On the one hand, by calling the historic meeting which culminated in the Smithsonian Agreement, the United States started an intensive international effort aimed at the reorganization of the world monetary and trade system, which until then had been subject to the rules of the Bretton Woods Agreement and to a lesser extent, of the General Agreement on Tariffs and Trade (GATT).

Furthermore, after the Smithsonian Agreement, new developments have been taking place in the monetary field, the more recent of which was the three per cent revaluation of the Deutsche Mark. This measure was taken against the Special Drawing Rights, thereby substituting the U.S. Dollar as a frame of reference on international markets.

On the other hand, the starting of intensive contacts by the United States and other nations with China and the latter's admission into the United Nations system, the improvement of the political and economic relations with the Soviet bloc and the peace agreements in Vietnam, bring new dimensions and prospects to international relations, which in turn bear profound implications in the economic area, and with respect to hemispheric relations.

I believe that these initiatives have made a very important contribution to world peace, international understanding and, in turn, may create better possibilities for economic and social progress of all nations.

The consequences of these events for Latin America could hardly be more profound and meaningful. For in place of a one-sided dependent relationship reinforced by the tensions existing between two unremittingly hostile camps—the East and the West—comes a fresh opportunity for a more diversified relationship between the countries of Latin America and the economic and political centers of the world. By the same token, the United States is becoming less of a predominant factor in the economic and political life of the Latin American countries as the hegemony of the cold war years is converted into a relationship more solidly based on mutual interest.

In turn, these trends have helped to strengthen the view within the region, that Latin America has no alternative but to assume full responsibility and initiative in solving its problems, and that whatever solutions or recognition needed from the United States or the rest of the world, should be the result of the effectiveness with which Latin America is able to increase its bargaining strength. No longer content to deal with arrangements and policies determined by others, Latin America is aggressively seeking to have a role in their determination. The establishment of the Committee of 20 with some relevant participation by the region's representatives, has been encouraging to the Latin American countries. Central Banks and Finance Ministers have maintained active and intensive contacts with each other in order to present a united front in the negotiations. It is of particular interest that the United States officially noted that the formation of the Committee of 20 will facilitate the full reflection of the developing countries' concerns in the discussions of the reform in the monetary system.

Turning specifically to the United States-Latin American relationship, we should recall that during the 50's, the Latin American countries were only starting to apply the policy of the rationale of development as understood in its contemporary meaning, and as elaborated mainly by ECLA. A combination of nationalistic politicians and new elites of technocrats appeared in several countries, and started to promote a regionally-concerted effort to intensify the cooperation of the United States to Latin America, mainly through public financing and expansion of trade in basic commodities.

The fact that the United States was still the totally dominant world power at the time in the financing and trade fields, induced the Latin American neighbors to carry on both bilaterally and multilaterally an uninterrupted effort to obtain its support for the region's development.

The United States attached political and economic importance to its bilateral relations with the Latin American countries and tried, through varied efforts of cooperation with many of them, to build up a hemispheric system of economic relations, in which in addition to the bilateral institutions, the International Monetary Fund, the World Bank, the Organization of American States and later the Inter-American Development Bank played significant roles.

A greater effort of technical assistance and research on Latin America took place during this decade. A very large number of United States universities and individual economists participated in the diagnosis of development problems, in the formulation of economic policies, in the creation of economic and financial institutions and in the design and execution of development programs and projects. A very large number of Latin Americans were trained as economists in United States universities. A number of United States universities assisted Latin American universities in the modernization of their curricula.

After the Meeting in Bogotá of 1959, the Inter-American System was strongly supported by the commitment of the United States to create the Social Progress Trust Fund.

For a decade starting in 1961, the bilateral and multilateral cooperation of the United States with Latin America was put under the conceptual framework of the Alliance for Progress.

Parallel with the process of world change, important economic developments, within Latin America have been at work. Over the past decade many fundamental changes in the economies of various countries have given rise to new attitudes on the part of their leaders, and radically changed the outlook on the world. All this has resulted in a new economic nationalism which is at once more articulate about the needs and aspirations of these countries, and vastly more assertive in the pursuit of these aspirations. The principal expression of this assertiveness is a demand to take into its own hands the decisions which will determine its own economic destiny. This force is at work to a greater or lesser degree in each country. Perhaps less well recognized is the extent to which it is also at work in the processes of economic integration which are tying the countries of the region closer together, and uniting them around the fundamental principles of the new economic nationalism. To the extent that integration succeeds in this goal it will magnify Latin America's voice and leverage in the bargaining in world trade forums, and in enforcing new approaches to foreign investment and related issues; to that extent will the developed countries find that the achievement of a

satisfactory economic relationship will require negotiated resolution of the issues which presently divide them.

As we witness two processes of change underway at the same time—one concerning the organization of world monetary and trade and the other within Latin America itself—one is tempted to ask: are these two processes inevitably headed to a hopeless collision? It is my conviction that such is not inevitable; indeed given patient negotiation and some reasonably long term view of growing world economic interdependence, I think the chances are good for an improved economic relationship between the United States and Latin America.

When I say this I have in mind that at the bottom of all future sources of conflict between the two, there are really two or three key issues which overshadow all others. From Latin America's point of view I would judge that these would be: first, an expanded opportunity to sell the products of its manufacturing industry and labor in the markets of the United States, and those of other developed countries; second, greater control over the terms and conditions which apply to foreign investment and multinational companies in their countries; and third a flow of financial resources for development on some basis more stable than the present.

Of course, these are not three separate issues at all; they are rather intertwined and what happens with respect to one, has impact on the other two. It is useful to recall that trade between Latin America and the United States is at a level of US$12 billion; while this represents a fraction of total US trade, the balance of that trade remains in favor of the United States by an average of about US$600 million annually. Investments in Latin America by US companies and individuals are estimated to have reached US $16 billion; and it is interesting to note that expropriation of certain natural resource properties in some countries has not prevented the total amount of US investment in Latin American countries from increasing.

In the past, it might have been said that these figures were indicative of the dependence of Latin America on the United States, than of mutual interdependence. While that may have been true in the past, particularly up to the early 1960's the changes which have occurred in both the economies of Latin America and that United States render this judgment outdated and empty. During the past 30 years the economy of the United States has progressively become more open to external influences. 1971 and 1972 were years in which the United States ran heavy deficits on its trade account for the first time in this century. Although corrective measures are being taken to restore balance in the United States trade accounts, the judgment is inescapable that the United States along with all advanced economies, are gradually becoming more—not less—dependent on imports from other countries and, in turn, on exports to pay for them.

New factors coming into view will accelerate this trend. The pressure of the world's great industrialized economies on the available supply of energy and mineral products has reached such proportions that one now hears talk of their dependence on the developing countries for assured supplies of fuels, minerals and raw materials. The so-called energy crises marks the beginning of a growing dependence of the United States on imported petroleum and other forms of energy. Whereas United States imports of fuels were only US$8 billion in 1970, some analysts expect that by 1985, this country will need to import up to US$30 billion in fuels alone. On top of this, it is estimated that the United States will have to depend on foreign sources for more than one-half of its supplies of several certain basic mineral products.

I do not want to suggest that Latin America is capable of filling the entire United States need for all these products. Nevertheless, with its large petroleum reserves, and still to be exploited deposits of minerals, one can confidently foresee that Latin America will remain and become even more important as a source of these basic products to the United States. This will, of course, depend on the ability of the countries to mobilize an adequate volume of investments to develop these resources. But, if this were the extent of it, the problem we are discussing tonight and during this three day conference would be simple indeed. The pattern of relationships between less developed countries exporting raw materials to industrialized countries which, in turn, supply manufactured goods is becoming obsolete as it applies to Latin America.

Latin America's approach to its future economic relationships with the United States reflects, in turn, some basic changes which have occurred in the structure of the Latin American economy. The steady and inexorable progress of the industrial sector of the region, a phenomenon of the past 40 years, has finally, in the seventies, arrived at a most significant point. Throughout the decade of the sixties, manufacturing industry in Latin America has been growing at rates considerably in excess of overall GNP growth rates, with the result that manufacturing industry has become the largest single sector in the Latin American economy. By 1970, manufacturing industry was generating some 25 percent of the region's GNP, while agriculture accounted for about 16 per cent. I dare say there is insufficient awareness of the import of these statistics in the minds of many in the United States and elsewhere in the developed world.

As industrial production in the region advances at these high rates, we are beginning to see evidence that Latin American industry is reaching a new stage. In past decades, the growth of industrial capacity in Latin America has been largely based on the exploitation of internal markets and the opportunities for import substitution. In the decade of the seventies, as these internal markets become satisfied, we are beginning to see a new posture of active and aggressive search for external markets for the products of its industry. This is the meaning behind some recent economic events in the region. It is reflected in the intensive search to broaden limited national markets through economic integration arrangements such as the Andean Group and the Central American Common Market, and it is mirrored in the rapid increases being registered in the region's exports of manufactured goods during the past decade. That category rose faster than any other element of the region's exports. Between 1960 and 1970, manufactured exports from Latin America increased at an average annual rate in excess of 15 per cent—a rate which doubled the proportion of manufactured products to the total of the region's exports—that is, from a level of nine per cent in 1960 to a level of about 18 per cent of the region's exports in 1970. This expansion of export of manufactures by the region continues to accelerate. Recently, several United States and Japanese companies have announced new investments in production facilities for export. The Ford Motor Company will shift its production of engines for one of its products to Brazil. RCA and Sony have announced similar intentions with respect to their color television production.

The meaning behind these statistics could hardly be more profound for Latin America. Fundamentally, this trend signifies a progressive increase in value added within the region; in turn this signifies not only a most promising line of growth and development for these economies, but, more important, expanded employment opportunities for Latin America's vast reserves of underemployed and unemployed manpower residing in the cities of Latin America. As these cities are growing annually at nearly six per cent, a rate double that of the total population of these countries, the problem becomes more urgent every year. It is clear that Latin America cannot give employment to these masses by exporting its raw materials to other centers to be processed. The only hope of meeting the need lies in determined efforts to increase processing operations within the region and being able to market the resulting products in the markets of the developed world.

Thus, as Latin America confronts a world of changing economic relationships, its interest in assuring access to markets for the products of its maturing industries will be primary. The strong protectionist sentiment which currently exists in the United States represents a real threat to Latin America; if that sentiment prevails it is not difficult to foresee conflict between the United States and Latin America. On the other hand, a more hopeful trend is represented in the United States proposal to put into effect a system of generalized preferences. Following discussions in the OECD, several developed countries have moved to put into effect their versions of the generalized preference system. Each of these is hobbled by varying types of restrictions; but clearly, further progress toward a true world system of trade preference for developing countries hinges on the implementation of the United States system. To date protectionist sentiment in this country has been considered too strong to permit passage of the necessary legislation. The outcome is still in the balance; and whatever the outcome, it will have a heavy influence on the future economic relationship between the United States and Latin America.

At the same time that many Latin American countries have turned outward seeking a larger role in world trade, attitudes within the region concerning an acceptable role for foreign investment have also been changing. These changes usually take the form of demands for national control of key enterprises through participation by the state, or majority ownership by national investors and entrepreneurs. The problem is further complicated by the growth of great multinational companies presiding over great numbers of subsidiaries located in many different countries having the power to make decisions effecting the national life in any one of these countries, without reference to the authorities of that country. This feeling of vulnerability gives persuasive support to the contention of some that these great multinational systems unchecked by any authority are in fact a threat to basic sovereignty.

These fears are not new; but their reemergence in coincidence with several sensational cases of expropriation of natural resource and utility companies has combined to give rise to renewed tension between the United States and Latin America. The emotional dust raised by these has made more difficult the reasoned and dispassionate analysis of the Latin American objective.

In the brief time we have together this evening, I can only make one or two observations on where I as an individual believe these conflicting attitudes take us.

In the context of the region's preoccupation with expanding its industry and its exports, it is noteworthy that a very high proportion of Latin America's manufactured exports find their origin in subsidiaries owned by foreign companies. It is not often recognized that growth in value added and, in turn, in export capacity was the subject of a long, private running negotiation between companies and governments. Industrial companies which had originally come to these countries to serve the local, limited market behind high protective barriers eventually

found themselves engaged in what Ray Vernon has labeled the "Struggle over Rewards." Throughout this period, companies were under pressure to import less and purchase more from local sources and when substantial progress was achieved in this area, attention was shifted to export of their manufactured products. In most cases these companies being elements of worldwide marketing systems were able to respond. Indeed, foreign owned subsidaires account for about 40 per cent of Latin American exports of manufactures. Perhaps in this light, it is understandable that these subsidiaries do not appear to be threatened in any way in a region where foreign ownership is a hot issue. Indeed new subsidiaries of these great multinational companies are being established in Latin America at higher rates than ever.

The pattern of interaction between those companies which genuinely identify with their host countries' objectives and continue, through well planned changes, to adjust to accommodate to changes in these aspirations and objectives supports the conclusion that ideology becomes secondary to such considerations as productivity, value added, jobs and exports. In contrast, companies which turn their back on the changes going on about them, and resist taking action necessary to accommodate these changes, eventually run the risk of falling prey to ideology especially when the technology they command becomes commonplace and more or less replaceable from national sources. I can think of no investment which will ever be free of pressure to accommodate in some way to the exigencies of changing national life.

Having offered these generalizations, I must hasten to qualify them. While I believe they stand as generalizations, it is nevertheless true that each country is different and will apply different definitions of what meets the national need. Each case will be subject to negotiation.

Throughout this evening, I have spoken of Latin America as if the needs of all countries of the region were similar. This is, of course, not the case. Certainly, the averages tend to blur the differences among the countries in terms of degree of industrialization and ability to compete in world markets for industrial goods. As a matter of fact, 90 percent of industrial output of the region originates in only seven of the 24 countries of the region. For many of the latter countries there remains a long road ahead to develop industrial capacity equal to the challenge of world competitive forces. Continued and sustained efforts will be required of these countries not only to build infrastructure for industry, but also to improve agriculture which still employs the largest proportion of the economically active population of most countries. Moreover, there remains an unquestioned need for social development projects such as improved and expanded facilities for education and health. What this means is that the need for external financial resources remains as great as ever.

We, at the Inter-American Development Bank are acutely conscious of these disparities hidden within the statistical averages representing the region as if it were a single entity. For this reason, we have initiated new policies which distinguish our member countries according to their state of development and their needs. Thus, the relatively less developed countries of the region are given priority in the allocation of low interest resources; the relatively advanced countries receive financing with resources which the Bank borrows in the capital markets of the world at prevailing interest rates. This technique sharpens the focus on the problems facing the relatively less developed countries and distinguishes them from those facing the higher income countries entering the phase of rapid industrial development.

It is somewhat ironic that as we grow in our ability to forecast more precisely the need for financial resources for development, the sources of these resources are becoming less disposed to provide them. At the present time, one can see in the United States a much lessened resolve to continue to appropriate public funds either for bilateral development programs or for contributions to multilateral agencies such as the Inter-American Development Bank. For the past two years, the Congress has refused to appropriate the funds necessary to fulfill the amounts previously committed to increase the low interest funds of the Bank. We remain hopeful that 1973 will bring more favorable results.

In recent months there has been discussion of new ways to provide financial resources for development, which would be less dependent on the uncertainties of action by individual national legislatures. One such proposal under consideration at this time is that referred to as the "SDR-LINK." Simply stated, this proposal would provide for some means of setting aside some portion of each creation of new Special Drawing Rights to finance projects in developing countries. In this way, some of the supply of development capital would be "linked" to new creations of international liquidity as represented by SDR's. At present this windfall of resources is distributed among the International Monetary Fund member countries according to their share of voting power in that Institution—a method which insures that a handful of the richest and most powerful countries get the lion's share. A number of detailed and complex proposals have been advanced to accomplish this "link"; one of these would provide that the SDR's set aside for development be channeled to international or regional development banks such as the Inter-American Development Bank. Such a scheme would seem to me to make great sense from the point of view of both the advanced as well as the developing countries. Both would be assured that the resources so provided would be allocated for high priority development projects.

I have spoken this evening of several issues which in my judgment as a Latin American will be determinants of the nature of the United States-Latin American economic relationship in the future. I am sure that during the remainder of this Conference other issues will emerge for treatment and discussion. However that may be, I take it to be a cause for optimism that such issues are being uncovered and debated by such responsible institutions as the University of Texas, and by scholars from all parts of the hemisphere.

For I remain hopeful that the attitudes of mutual cooperation and the specific recommendations that result from this Conference will find a place in the policymaking of the countries of the hemisphere.

FOREIGN AID IN TROUBLE

(By Jan Jarboe)

Unless President Nixon exhibits strong leadership, any would-be congressional foreign aid bill is in trouble, U.S. Rep. Henry B. Gonzalez said Saturday.

"At this time, the status of a foreign aid bill is that we haven't one," Gonzalez told the 27th annual convention of the San Antonio Archdiocesan National Council of Catholic Women at the Gunter Hotel.

The veteran lawmaker said one reason last year's foreign aid bill died in committee was that Nixon did not push for the bill.

Gonzalez, who is chairman of the subcommittee on International Finance, said "We have a responsibility that is inescapable" to provide foreign aid to developing countries, but he said opponents of foreign aid legislation have had their way in Congress to date.

During the convention proceedings, the question of the Supreme Court's ruling on the Texas and Georgia abortion law surfaced.

Gonzalez, who is a Catholic, said any attempt to promote a constitutional amendment prohibiting abortions would be "impractical."

"You can do almost anything with a constitutional amendment—maybe even cure fallen arches—but I think the possibility of getting a constitutional amendment of this type is very remote," he said.

Gonzalez said he would advise opponents of the Supreme Court's abortion decision to concentrate their activity at the state level and perhaps "look into the Texas Constitutional Revision Committee."

Mrs. H. R. Giladorf, president of the council, said, "I'm against abortion in any form and under any excuse given for it. I believe it is comparable to murder, and I feel that is the belief of most Catholic women."

The council has spearheaded a legislative group termed "Right to Life" which Mrs. Giladorf said will actively lobby for reversal of the Supreme Court decision.

AIDING RUSSIAN EMIGRANTS

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. NIX. Mr. Speaker, responsible officials of the Department of State are presently conducting final negotiations with U.S. voluntary agencies for use of the $50 million appropriated by Congress last year to help resettle Russian Jews in Israel.

I want to bring to the attention of all my colleagues who are concerned with the Jewish emigration from Russia that a sense of urgency now surrounds these negotiations. Last week the Soviet Union relented on severe emigration restrictions when it unofficially announced "suspension" of the decree requiring heavy exit fees from university-educated citizens emigrating to Israel or other non-Communist countries.

I say this suspension is unofficial for I have the trepidation its longevity may be directly related to the time when the Soviet Union consummates trade agreements with our own Government giving the U.S.S.R. most-favored-nation status. Once they have that agreement in hand I fear they may repeal the waiver of the exit tax.

Therefore, it behooves us to urge the Department of State to press ahead in its negotiations with voluntary agencies with all possible expedition. Since most of the migrants leaving Russia are destined for Israel, the principal voluntary agency concerned is the United Israel Appeal for which the Jewish Agency for Israel will conduct the program.

The Department of State informs me that areas to be supported with U.S. money include: enlargement of a transit center in Western Europe; maintenance of refugees in transit; transportation of refugees and their effects from Western Europe to Israel; construction of hostels; absorption centers and housing in Israel, and education and training assistance, including special youth care.

The Soviet's repressive restrictions on freedom and, specifically, the exit fee are, to me, chilling reminders of the despotism of the cold war era. We in the Congress should seek the abolishment of all such curbs of freedom. If necessary to accomplish this goal, we should line up

solidly against any and all concessions to the Soviet Union for trade preferences.

But in any event, we can be of assistance to those Jews in Russia who wish to migrate to Israel or other non-Communist countries by urging the State Department to conclude negotiations on the use of appropriated moneys—and do it while the suspension of the exit fee from Russia is still in effect.

SEARCH FOR THE TRUTH AT WOUNDED KNEE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ABDNOR. Mr. Speaker, because there seems to be so much controversy over the real facts about media reporting at Wounded Knee, S. Dak., I would like to take this opportunity to share with my colleagues in the House a recent article from the Birmingham News:

ON WOUNDED KNEE OCCUPATION: NEWS MEDIA DO POOR JOB

(By James Free)

WASHINGTON.—The news media have done a mediocre job of reporting on the Indian occupation of Wounded Knee, S.D., and the broadcast media in particular.

This has been impressed on Washington observers not because they knew by long distance what was going on, but because they could not find out from the usual sources.

Who are the leaders of the occupying force? Were they elected by the local reservation Oglala Sioux tribe? Where did most of the "dissident" Indians come from? What do the Oglala Sioux think of all this? Do Indians elsewhere approve of the occupation tactics?

Adequate answers simply were not to be found in the dispatches and broadcasts from Wounded Knee.

The first authentic, comprehensive report to surface in the nation's capital came last Tuesday morning from Rep. James Abdnor, R.-S.D., whose district includes Wounded Knee.

At 10 a.m. Tuesday Abdnor released a two-page statement and held a press conference on Capitol Hill. Neither got much attention. In fact, none at all in the Washington Post and New York Times, and only brief mention in the Washington Star. If it was on the airways, few secrets have been better kept.

On Wednesday Abdnor, still hopeful of getting some Washington and national attention for the untold story—got "special order" time on the House floor and elaborated on his disclosures. This time 10 colleagues, nine Republicans and one Democrat, commended him for his forthright presentation.

Most of the 10, including two who also have Indians in their districts, backed up Abdnor's call for federal authorities to go in and return control to the locally elected Indian leaders.

Once again the Abdnor story about happenings in his constituency was ignored by the media, or at least by those having an outlet in Washington, D.C.

And what is the Abdnor story?

That only one of the AIM (American Indian Movement) occupation leaders "is even remotely connected with the Oglala Sioux Tribe."

Russell Means was born on the reservation (but has spent most of his life elsewhere, more recently in Cleveland, Ohio). Others are from out of the state with prior records of criminal acts.

Most of the occupying force is from outside not only the reservation but South Dakota.

The AIM demand for a referendum on removal of the elected Oglala Sioux leader, Richard Wilson, is a phony. Says Abdnor: "It only takes a petition signed by one-third of the voting members of the tribe to call for such a referendum." Wilson wants the insurrectionists removed, which is one reason why the AIM demands his ouster.

The dissidents have broken both tribal and federal law. They have, according to Abdnor, terrorized other citizens, destroyed private property, rustled and slaughtered cattle, ransacked the post office and abused its employees, closed the schools, vandalized properties on a project where 200 homes are being built for the Indians. They also have assaulted federal officers.

Abdnor and other congressmen made the point that the federal government cannot afford to yield to force and violence at Wounded Knee, particularly after yielding to force and destruction in the seizure of the Bureau of Indian Affairs Building in Washington last fall.

(In the seizure of the B.I.A. Building, the government went further. On directions from the White House, it paid leaders of the occupying force $66,500 to leave Washington.)

Abdnor and other congressmen having Indian reservations in their districts warn that softness in dealing with the renegade leaders at Wounded Knee will encourage similar occupations on other reservations. Certainly the B.I.A. affair in Washington led by AIM, created a climate that made something like Wounded Knee almost inevitable.

HURTS OTHER INDIANS

Rep. John Melcher, D.-Mont., warns that "a second tragedy at Wounded Knee is possible if AIM activists continue to flaunt the law. The Indians have grievance aplenty. Some have been recognized and corrected. . . . Tribal officials elected through the democratic process on each reservation by each tribe should be the official spokesmen for each tribe. . . . The AIM activists are defying the wishes of the overwhelming majority of the Oglala Sioux people. Legitimate grievances of that tribe cannot be considered until order is restored."

Melcher concluded with the remark that "the situation is a sad commentary on our ability to run effective government as we should."

It also is a sad commentary on effective media coverage of events at Wounded Knee, and on the reports of Rep. Abdnor in the Congress.

LACK OF POLITICAL EDUCATION CAUSES RED CHINESE FOOD SHORTAGE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the recent reports from Red China would be passed off as mere propaganda if they were not so serious and did not directly implicate American taxpayers and American farmers.

The American news media is again churning out the heart-rending story of threatened food shortages in Red China because of unfavorable weather conditions. For some reason, the blame for food shortages never mentions the failure of collective farms or the lack of production incentive under the Communist system.

The recent Red China story blames last year's drought, but proceeds to disclose the real reason for any food shortage as the Communist economic system. The article states:

The Party Committee has announced plans to send 100,000 officials to the rural areas and basic level units.

Some Communist offices have reportedly been ordered to send up to two-thirds of their staff out to "the front-line of production." The job of these party bureaucrats is obviously not to pray for better weather or to help in planting, but, as reported, "to educate the peasants politically to make a bigger effort this year."

But as most Americans know, as our President has already announced, and as some national farm organizations have urged, communism does not need to work or to feed its people because our national leaders will give the Chinese people subsidized American food at cut-rate rates in the interest of peace and brotherhood.

Perhaps American agriculture would benefit greater if instead of sending our food to Red China, we sent some of our political bureaucrats to join their Chinese counterparts in educating the peasants. Plans may already be on the drawing board for such a program, in the interest of "normalizing relations" with China.

The more American food the Red Chinese can import from the United States, the greater the number of men relieved to serve the Red army. The more Chinese peasants freed to carry an AK–47 rifle rather than a hoe, the greater the threat to world peace.

[From the Washington Post, March 22, 1973]

WEATHER THREATENS CHINA'S CROPS FOR SECOND YEAR

(By John Gittings)

For the second year running, China's peasants are facing weather conditions that will require all their collective skill to overcome.

Many of the wheat-growing provinces in the west and north have reported a continuing drought, which hampers spring sowing. Party and government officials are being mobilized to get out into the fields to help, and a recent editorial in the People's Daily called for "the strengthening of party leadership in the countryside."

"In a big country like ours," the newspaper said, "natural calamities are not uncommon," and it called for "firm confidence that man can master nature" even in the face of serious calamities.

The experience of last year, when China faced a combination, at different critical times and places, of drought and floods shows that the job can be done.

According to Vice Premier Li Hsien-nien, the deficiency in China's 1972 harvest was limited to "a mere 2 million tons."

WORSE THAN LAST YEAR

But this year, with water tables already lower in the drought areas, and reserves of grain already depleted, is bound to be a greater trial.

In several provinces, teams of officials and other white-collar workers have been sent to help in the countryside.

In rice-growing Hunan, also hit by drought last year, the party committee has announced plans to send 100,000 officials to the rural areas "and basic-level units." From the provincial level downwards, all government offices are being asked to send up to two-

thirds of their staff out to "the front line of production."

In Szechwan Province, where it is said that anything grown in China can grow, teams of officials have been working in the countryside for two months. It is clear from the description that their job is not just to bring more hands to the fields, but to educate the peasants politically to make a bigger effort this year.

OLD TERM RETURNS

These teams are described as "rural work-teams," a term that has not been used since the Cultural Revolution when the former head of state, Liu Shao-chi, was criticized for the heavy-handed way the official work-teams he had sent out in previous years had behaved. They were said to have conducted a political witch-hunt against local peasant leaders, while covering up for mistaken agricultural policies of party bureaucrats.

Today's work-teams are also said to have a political objective; to "deal blows at the sabotage activities of class enemies" and struggle against "the revisionist line of swindlers like Liu Shaochi."

In practical terms, current agricultural policy—which the work-teams will help to propagate, focuses on instilling moderate policies and stirring greater effort by the workers.

First, there is a more balanced emphasis on the need for local initiative in the countryside, while avoiding attempts—now called "ultra-Leftist"—to do too much too fast.

Collective effort is still regarded as crucial, but warnings are now voiced against "egalitarian" policies that deprive the peasant of legitimate material incentives. More work, more pay is not an inflexible rule, and all kinds of social and political considerations are taken into account when calculating each family's share in the collective income, but it is still the basic principle.

NO NEW "LEAP" SEEN

After several years of rapid investment in rural industry and irrigation, the emphasis is now being placed more on quality than quantity, more on consolidating the gains that have been made than on leaping further ahead.

The development of local industry, such as small-scale fertilizer plants, cement factories, and brick kilns, should, according to a recent report, be limited strictly "in scope and speed." It should concentrate on industries serving agriculture directly.

Similarly, in the construction of irrigation works, the top priority in many areas is to check and improve existing structures so that they will operate with maximum efficiency now, when they are most needed. Local plants making farm machinery are also asked to concentrate on providing proper service facilities.

The second theme of current rural policy calls for the peasants not to let the sweat dry on their brows. In Mao's words, they should "dig tunnels deep, store grain everywhere, and never seek hegemony. Hegemonic ambitions in the countryside may sound a bit remote, but the phrase is a warning against all forms of self-interest and individualism.

MASS TRANSIT

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ZWACH. Mr. Speaker, most of the people in our rural Sixth Congressional District of Minnesota are deeply concerned over efforts to divert some of our highway trust funds to mass transit purposes.

The rural people, in general, oppose these efforts, while people in the metropolitan area, and I have some of them in my district also, in general favor it.

Editor O. B. Augustson of the West Central Daily Tribune in Willmar, recently dealt with this problem in an editorial, which, with your permission, I would like to insert in the CONGRESSIONAL RECORD.

As editor Augustson aptly points out, diverting highway trust funds to mass transit could lead to less and less road work in the countryside.

With railroad service deteriorating almost to the point of disappearance, it is essential that we have ample farm-to-market highways in countryside America if we are to keep urban America from going hungry.

The article follows:

MASS TRANSIT

About a week ago there was an important news story on the front page of this newspaper and perhaps many others. A vote held in the Congress about diverting highway funds for mass transit. Guess the policy has always been that federal monies given states should be used solely for highways. Such funds are derived from road-user taxes. In other words gas tax monies.

Efforts along the same line have been evident on the state level where similar proposals have been made. And such proposals have been largely opposed by the outstate and rural areas with the fear that such monies used for mass transit associated with the big cities could lead to less money and less road works in said outstate. As we understand it under the gas tax amendment these road-users monies are shared by the various units of government solely for highway building.

The change in the use of federal and state monies from the sources mentioned could be a threat or loss to the outstate which even now goes somewhat begging for highway improvements. Take our highway 12 for instance. Take the plans for a real thorofare of highway 71. The former a regular necessity and the latter a most desirable tourist route to the north. At times it looks as if the big cities of our metro area seem to favor only those highways which lead to them first in some manner.

So it is the same old story of the outstate and rural areas having to battle perhaps for their rightful share of this highway money and thru such funds have decent highways built out here. If the mass transit projects would tend to less highway construction and maintenance outstate then there is a problem here in the rest of the state. It seems that so much money is spent on the bottlenecks of the Twin Cities that in order to get needed funds for outstate use they have to increase the gas tax levies. It would seem that the mass transit problem is solely one that belongs to the metro complex—their home problem.

EXPLORE ROLES—EXTEND GOALS

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. NATCHER. Mr. Speaker, it is once again my very distinct privilege to pay tribute to the Future Homemakers of America who on April 1 will mark the beginning of their national week of celebration. The theme for 1973 National FHA Week "Explore Roles—Extend Goals" is in itself a capsule definition and accurately describes the purpose and principles which inspired the establishment of this outstanding vocational education youth organization whose members, I can assure you, have established themselves as a vital and integral part of this Nation's youth community.

The Future Homemakers of America was founded on June 11, 1945, as a nonprofit organization and I think it is gratifying to know that for nearly three decades, through its FHA and HERO—Home Economics Related Occupation—chapters, this organization has provided worthwhile experiences which have helped young men and women prepare for the important responsibilities of their future as parents and adult citizens.

FHA has a membership composed of half-a-million girls and boys, grades 7 through 12, in the United States, Puerto Rico, the Virgin Islands, and American schools overseas whose primary dedication is to the homemaker and to the preservation of the integrity of the family as a socioeconomic unit in addition to serving as a practical training ground for the application of knowledge, and expanding and projecting classroom work and experience into the lives and homes of each individual member. Indeed, in my opinion, the Future Homemakers clearly exemplify that tremendous strides have been made whereby this splendid organization has served as a bridge between the classrooms, the home and the community and is the key for developing the potential of each individual member for a productive life in our society.

Much has been accomplished by the Future Homemakers of America since their 28 years of existence in this country and I add with all due pride a twofold reason for my interest in and affection for the Future Homemakers—first, I am privileged to hold a national honorary membership in the FHA and second, Kentucky's State association has the enviable distinction of being the first State organization to affiliate with the National Future Homemakers of America. At the present time, Kentucky's membership has progressed to 16,500 young men and women and naturally I am tremendously proud of the successful activities of the local junior and senior high school chapters in Kentucky, generally and in the Second Congressional District particularly.

Certainly there is no limit to the effectiveness of the numerous projects and activities sponsored by the Future Homemakers of America and during the forthcoming National FHA Week special observances will focus attention on exploration of the multiple roles of the individual in family, community and career life as well as what half-a-million teenagers are doing in a most constructive manner to seek the answers to many of our present-day problems in preparation for a better life in the future. I am confident that these young people are fully aware that they are the future of their country and that they are not only equipped but eager to meet the challenges that lie ahead, and this is evidenced by the creed of this organization which assures us of the concern and con-

sideration by these young men and women for their fellowman.

Mr. Speaker, the Future Homemakers of America has my wholehearted admiration and full support, and I want to take this opportunity to wish the entire membership a future filled with continued success.

CONSTITUTIONAL CRISIS NEARING RESOLUTION

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. STUDDS. Mr. Speaker, the House Rules Committee is currently holding hearings on legislation to resolve one of the most basic questions to come before this Nation: the clear constitutional mandate to the Congress and the Congress alone to raise and to set the priorities for spending the people's money. The present administration's unprecedented impoundment of funds authorized and appropriated for domestic programs has caused a flurry of legislative activity on this floor and in the other body which graphically points out the Congress' immediate desire to restore these funds to the uses for which Congress and the people intended.

As the distinguished chairman of the Rules Committee so succinctly stated yesterday at the opening of hearings to restore congressional control over funding:

> The American public should know that since President Nixon was inaugurated over four years ago, approximately $11 billion $100 million of funds have been impounded which cover housing, education, health, transportation, anti-pollution, hospital construction, including the veterans' hospitals, small business loans, watershed and flood prevention, help for domestic farm labor, food stamp program, rural electrification loans, waste and sewer facilities, etc.

We, in the Congress, know what the death of these and other domestically oriented programs means to our districts and the people we represent. We are the recipients of letters imploring our immediate intervention to restore funds for this or that individual program—funds which the present administration has withheld in open defiance of the expressed intent of the drafters of our Constitution.

We should also recognize the implications of the President's usurpation of legislative authority. It is a radical departure from the American political tradition, presenting us with a grave constitutional crisis. The President's actions strike at the heart of our Constitution's peculiar genius—the system of checks and balances.

I have cosponsored legislation which would give the Congress 60 days to approve or deny a Presidential request to withhold appropriate funds. Identical legislation has been introduced in the other body and has gained the support of both Republicans and Democrats. I urge all of you to give your closest attention to this legislation and to work for its speedy passage by the Congress.

THE FRENCH CONNECTION IS ONLY TEMPORARILY OUT OF OF ORDER

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BRASCO. Mr. Speaker, much has been said about the flow of hard drugs, mainly heroin, into this country. It is difficult to overstate the case, for we are practically awash in this poison. Today it is in virtually every high school of every major metropolitan area. Further, heroin is now common in many elementary schools. Few communities of size are immune to its ravages.

In the past, I have spoken on this subject, consistently hewing to the line that we know where it is coming from, who is bringing it, who distributes it and what the entire process involves, from where it is grown to the pusher on the corner.

The equation remains the same. Most of the joy we reap from close to 600,000 heroin addicts can be traced to our friends, the French, who look the other way as opium from the Middle East is processed in the laboratories of Marseilles.

We know the kingpins in this ongoing horror story are Corsican-French types, as typified by Auguste Joseph Ricorde, who, after running authorities a merry chase for some years, was finally brought to trial in this country. In passing, let it be noted that he was extradited from Paraguay, whose military dictator, Alfredo Stroessner, protected and shielded this man as he has protected so many others, including many Nazi war criminals.

The Government of the United States for once acted in a hard-headed manner, pressuring this man until he finally allowed Ricorde to be extradited for trial to this country. Let it also be noted that although much of the heroin may be moving to this country through Latin American and Caribbean routes, it still moves first through the processing and refining center of Marseilles.

What is particularly of note is that once we squeezed and pried this parasite loose from his protectors, we did as little to him as we could. His trial was a foregone conclusion from the start. This man was caught in a vise it was impossible to escape from. For years he has masterminded a ring that has smuggled tons of heroin to the United States.

Let it be clearly understood that Ricorde typifies the French Connection kingpin. If you have been robbed, mugged or beaten by someone connected with drugs, here is your man. If you have lost a loved one because of heroin, look to Ricorde. If you wonder about the streets of our cities and why they have become no-man's lands after dark, he is part of the answer. He is one of the men who have consistently guaranteed that every city will have its Needle Parks.

Why, then, in the name of all that is holy did he get off so easily? For he did in fact come off easily. We had him in our grasp. He was prosecuted, convicted, and sentenced to the maximum. How, then, did he get away easily, is the next predictable question?

The maximum allowable sentence under Federal law is 20 years. He will be eligible for parole after completing one-third of the sentence, which comes to less than 7 years. By 1979, this assassin of uncounted Americans will presumably be free to resume his profitable activities.

I consider this to be devastating social injustice. In basic self-defense, society should insure that he never sees the outside of a prison again for the rest of his life.

In no way am I criticizing the prosecutor or judge in this case. What I do take issue with is the law as applied here. If ever a penal code required tightening, it is in this respect.

I have joined in sponsoring a measure, which would in fact accomplish this goal. It simply states that nonaddict adult drugpushers would receive a mandatory life sentence. This means they would not be eligible for parole for at least 20 years.

There are many more Ricordes operating as we meet here today. Inevitably and inexorably no matter how many protectors they have, we shall tighten the noose around them in the future. I suspect that when we boast 1 million heroin addicts, and that should be rather soon at the rate we are progressing, we will be in the mood to sweep aside their protectors, fling down the gauntlet to the French and put some merciless heat on the entire system. When that time comes, and it is coming soon, we want to be ready for all the Auguste Ricordes we lay our hands on. Let us guarantee that society will grasp them firmly, try them, and if convicted, place them where they will never again get at our children. This bill is a necessary measure, and deserves the serious consideration of every Member of this House. I do not speak in any partisan sense. I truly believe that men like Ricorde will not stop until they have turned every one of our schools and streets into heroin-infested nightmares, complete with dead teenagers, degraded addicts and terrorized citizenry.

In our growing agony, we have no other choice but to defend ourselves. By passage of such a law, we serve notice on these unspeakable people that they continue this cumulative outrage at ultimate risk to their own lives.

MIKOLAJ KOPERNIK

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, recently Mrs. C. Szmanko of Jersey City, N.J., was kind enough to forward a copy of a letter she has sent to President Nixon urging him to include the Polish form of the name of Nicolaus Copernicus—Mikolaj Kopernik—in his

proclamation of April 23, 1973, in announcing the issuance of a stamp in honor of the great Polish astronomer.

Mrs. Szmanko's point is very well taken and I would like to associate myself with her views. A copy of her letter to Mr. Nixon will appear following my remarks.

Mikolaj Kopernik means so much to the American Polish-descended community that this act by the President—an act which would cost nothing—would earn him the esteem of all of the millions of Americans whose ancestral roots are found in Poland. I urge all of my colleagues on both sides of the aisle to use all of the influence at their disposal to pay deserved honor to Kopernik and to Polonia.

Mrs. Szmanko's letter follows:

MARCH 21, 1973.

President R. M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Since you are being asked to make a proclamation for April 23, 1973, would you kindly include the Polish name before the Latin name for Mikolaj Kopernik (Nicolaus Copernicus) to celebrate the Quincentennial of his birth in his own name.

The United States of America, being a pluralistic society, ought to give proper recognition to a son of Poland who contributed to world knowledge, which was dominated by the Latins then, just for the sake of its citizens of Polish descent and in appreciation of their efforts in the existence of the U.S.A. present and past (Pulaski, Kosciuszko, Krzyzanowski and others in the American Revolution.)

It is unfortunate that the commemorative stamp will not evidence his proper name, Kopernik, because those who are the decision makers in this matter chose to ignore the many people who would have liked to have something to say about it one way or another. It is not fair.

This quincentennial is the most opportune time to re-educate all Americans about the nationality of this astronomer rather than to propagate his history as a Latin. Known for his celestial heliocentric theory, Kopernik should belong to the people of the world, not to the Church only for his religious position therein.

Since the Director of Philatelic Affairs could not help, I hope that you will use your Presidential authority to consider the people of Poland and Americans of Polish descent, not just the Church authority.

I thank you for all that you do to change the balance of power in this Kopernik matter to help the people gain a Polish Image for him.

Sincerely,

MRS. C. SZMANKO.

PHILLIPS DOING WHAT HAS TO BE DONE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. TREEN. Mr. Speaker, the Monroe Morning World of Monroe, La., recently published an editorial concerning the restructuring of OEO. The editorial states:

No doubt, OEO has done a great deal of good. It is an ill wind, indeed, that blows absolutely no good at all. But, evidenced by Phillips' catalog of pure folly and misguided good intentions, there are degrees of good, and the amount of good delivered has come at too high a price.

I feel that this statement is the essence of the reason OEO has to go. Even if one forgets all the illegal activities, mismanagement of funds, and ill-advised legislative initiatives in which OEO agencies have become involved, the major question is whether the taxpayer has been paying too much for the services OEO has provided. A look at the record will give the obvious reply: This country can no longer spend large sums of money on programs which have proven to be failures.

I am inserting the following editorial in the RECORD:

OEO UNSPEAKABLE SPOKEN

A few short years ago, no one would have thought such words could come from the mouth of a government man. Yet, there was Howard Phillips, the nation's new anti-poverty chief, head of the Office of Economic Opportunity (OEO), saying them. His agency was built on the theory of treating the poor as a class. Phillips, at last, had spoken the unspeakable.

The new bureau chief says his agency has been involved too much in trying to change society.

The elimination of poverty—avowed purpose of OEO when it blew in with other Great Society programs in the '60s—naturally would change society, and what is wrong with that? Plenty. There are good changes and bad changes and Phillips has a firmer grip on that distinction than most 32-year-olds.

The OEO, he points out, has operated on the premise that people overcome poverty collectively, not individually, and that "only through politics can you overcome the so-called oppression of the government."

He goes on: "We've had the avowed purpose of adding dollars to the welfare costs of the states and adding people to the welfare rolls and to encourage people to challenge the traditional authority patterns of society."

And on: "I think too many of the underlying concepts were flawed—the concept that you have to have counter institutions and a counter culture and the whole class concept.

"Many of the lawyers in Legal Services think it's their job to change laws and social values. Some of them are getting involved in draft counseling. Some have been distributing radical literature in the prisons. I want to get them out of the business of organizing welfare rights chapters, and farm workers unions, and rent strikes, and politicizing the poor."

As eloquently true as that is, Phillips' summation gets an A-plus for aptness: "The whole thrust (of OEO) has gotten to be civil liberties rather than poverty."

Now, of course, there is nothing wrong with civil liberties, rightly petitioned and properly dispensed. But, as Phillips says, this has little to do with OEO's intended purpose. And he calls the rightness of the petitioning into realistic question, as an unwise mounting of a "widespread challenge to order"—which incidentally has been the most striking American social development in the present generation.

"We have been using money in this agency to change the law . . . to lobby . . . to demonstrate . . . to change public opinion and public policy . . . to draft legislation," says Phillips, adding this thought-provoking zinger: "That kind of activity going on without elected authority is a violation of every citizen's civil rights.

A Harvard graduate, founder of the conservative Young Americans for Freedom, Phillips seems like the right man for the job. He seems off to a right-headed, running start toward dismantling the scattergun agency that OEO had come to be.

He will have to lop off 350 jobs before June 30, getting the agency down from 1,950 positions to the 1,500 which will be carried over to other departments.

This is a healthy development and directly in line with President Nixon's determination to streamline government and pare expenses to a level of effective functionalism.

No doubt, OEO has done a great deal of good. It is an ill wind, indeed, that blows absolutely no good at all. But, evidenced by Phillips' catalogue of pure folly and misguided good intentions, there are degrees of good, and the amount of good delivered has come at too high a price.

Phillips' job will be to see that what good exists is retained in the transfer of duties to other departments. It is a major challenge, but he seems to have the mental wherewith-all to handle it.

TO EXTEND THE COMMUNITY MENTAL HEALTH CENTERS ACT FOR 1 YEAR

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. SHRIVER. Mr. Speaker, I am introducing legislation today to extend the Community Mental Health Centers Act for 1 year.

As a member of the Labor-Health, Education and Welfare Appropriations Subcommittee, I have been impressed over the years by the overwhelming evidence in favor of continued investment in community mental health centers. A 1970 study showed that State mental hospitals that are served by these centers have an admission rate less than half the national average. Because of the centers, many persons can now receive outpatient assistance near their homes rather than costly inpatient care in a State institution which might be several hundred miles away.

Indeed, the administration's request to terminate this program is based on the success of the community mental health center concept. Since the worthiness of these centers has been proven, it is said, the Federal Government can now withdraw from the field. The local and State governments are now expected to step in and construct and staff the additional 1,000 centers which would be needed to make nearby care available to all Americans.

It may be that local and State interests would step in, but I do not believe this has been demonstrated conclusively by any of the testimony presented to our subcommittee. These centers were not built and staffed before Federal assistance became available for start-up costs. What evidence is there that these governments are now willing and able to do this?

Congress needs time to study whatever evidence the administration can present to support termination of Federal support in a way that will not halt or even reverse the momentum which has been generated by these centers. My bill is a simple 1-year extension of the provisions of the act which deal with con-

struction and staffing of centers, alcoholism programs, drug abuse control programs, and special children's mental health activities.

During this 1 year of continued authorization, Congress will have the responsiblity to study the administration's proposal and to offer its own views regarding the Federal role in mental health programs. In the meantime, our subcommittee will recommend interim funding.

I realize that hearings are currently being held on more comprehensive legislation to extend several other programs for which termination of the Federal role has been proposed. Significant and worthwhile programs are involved in this larger bill, but I think we all know what the fate that bill will face if it reaches the President's desk.

Based on the past record of success and the continuing critical need in many areas of our country, I believe the Community Mental Health Centers Act should have top priority for extension. I urge serious consideration and prompt action on this bill.

MRS. BASS EXPRESSES THE VIEWS ON MANY WITH POEMS

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, Mrs. Angie Davidson Bass of Carthage, Mo. has gained considerable fame in southwest Missouri as a poet. Her writings have appeared in many of our newspapers and have been widely distributed and read.

With the heartwarming news that today our last prisoner of war is now on the way home, I would like to offer two poems by Mrs. Bass that I am certain express the views of many of the citizens of this Nation.

The poems follow:

AMNESTY?

(By Angie Bass)

Draft-dodgers ask for amnesty . . .
Do they expect a big brass band
To greet them at the station
With an olive branch in hand?

They didn't like the thought of war,
And took the cowardly way,
Fleeing to a safer place
To live in ease and play.

While men of worth and courage
Answered their Country's call,
To serve their nation long and well—
While many gave their all.

Some languished in dark prisons,
Half-starved and tortured too,
With dreams of home and loved ones,
Lonely, sad and blue.

Now that the war is over,
And peace attained with pride,
Draft dodgers yearn for freedom
For which men fought and died.

Should they be granted amnesty
At the end of this great war?
A country that's great to live in
Should be worth fighting for!

PATH OF PEACE

(By Angie Davidson Bass)

We love you for the way you took sore criticism,
When men were clamoring for "peace at any price."
When demonstrators wailed the chant of doom,
That all would not be worth the sacrifice.

We love you for the way you bore it all in silence,
When fellowmen harassed you day and night,
Because they, with their narrow vision
Could see no hope—nothing but doom in sight.

We love your insight into human nature—
That "badge of courage" you so proudly wore;
That opened wide to nations of the world,
A hope for peace you bravely dared explore.

We love you best of all for prisoners of war,
Who are returning to their homes today;
A ray of light at the end of war's dark tunnel—
To the greatest land in all the world—the U.S.A.

Mr. President, our faith in you was never shaken,
As you sought the path to peace with honor bright;
We knew you held the key to open prison doors,
And faith to hold aloft glad freedom's light.

THERE IS NO LIGHT IN THE UNIVERSITY OF CALIFORNIA BUDGET

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, the administration has started its counteroffensive against congressional criticism of the President's proposed budget. Listening to the administration spokesmen, one is left with the impression that there is no impounding of congressionally appropriated funds, and no cuts in some of our most vital social programs.

In order to dispel this talk, I would like to share with my colleagues an article from the California Monthly of March 1973, which points out that the cuts in Federal aid to the University of California threaten the continued existence of that institution as the premier public university in the Nation. The article follows:

THE UC BUDGET: LIGHT? WE CAN'T EVEN FIND A TUNNEL

Magritte might have put it this way, had he been a writer instead of a painter:

"This is not a story about the University of California's 1973–74 budget."

It's a casualty list.

Once again, Governor Ronald Reagan's budget proposal disappointed the University. And then UC administrators found out what President Richard Nixon had in mind.

If Nixon's budget goes through, says Chancellor Albert H. Bowker, the Berkeley campus could lose $3 million. For the whole system, estimates President Charles J. Hitch, the federal cutback could reach $80 million by 1975.

"Students are in danger of becoming the unwilling victims of the battle between the President and Congress over federal support for education," Bowker warned in late February. "The debate in Washington is beginning to have an impact on the lives of the Berkeley students. The uncertainties about future federal grants and loans, the reduction of research opportunities, and the rising cost of education may force many to consider ending their studies."

The debate in Washington is over the Basic Opportunity Grant (BOG) program which would provide $622 million nationally for the next academic year and almost $1 billion for 1974–75. Congress likes the idea but wants BOG to supplement, not replace, other student aid programs. Along with his BOG allocation, President Nixon proposes to kill two major existing programs:

The Educational Opportunity Grant (EOG), through which 970 Berkeley students received nearly $820,000 in grants this year;

And the National Defense Student Loan program (NDSL), through which Berkeley students borrowed about $2.4 million this year.

Nixon's proposal would provide loan money, but by guaranteeing commercial loans at the commercial interest rate, now seven percent.

"I am afraid that many undergraduate and graduate students will decide against continuing their education rather than incurring thousands of dollars in debts before the completion of their studies," Bowker said.

This was almost the good news. The federal cutback, the chancellor said, would further reduce the campus teaching staff, which went down by 110 positions in state budget slashes two years ago.

He predicted "irreparable damage" to the public health program, which would lose about $800,000. In foreign languages, the federal reductions could cost Berkeley 12 teaching positions and courses which now enroll nearly 300 students.

"Moreover, language fellowships for almost 100 graduate students, totalling over $300,000 annually, would be terminated."

Another fundamental threat was a proposed cut in basic research in favor of more immediately practical projects, an approach which has provoked a national outcry by scientists.

"While funding for basic research in the National Science Foundation budget is being augmented for next year, the increase is too slight even to compensate for inflation," Bowker said.

"At Berkeley, basic research has been the cornerstone of our research effort. But this is being threatened by the proposed budget . . . in the long run, this can prove to be a very costly strategy for the nation."

Aside from Bowker's statement, the irony in the so-called "impracticability" of basic research was highlighted by a federal cutback in support of Berkeley study of the ion.

Although no one is marketing ion products at present, the minute particle is basic mostly in the sense of being possibly fundamental to the health of every living creature. Research has linked it to the strange psychological and physical ailments which accompany such mysterious hot-wind storms as the Santa Ana, and in a Berkeley campus lab, rats which lived in an environment with a low negative ion charge had a markedly higher influenza rate than rats in an environment heavy with the negatively charged atmospheric particles. Ion research is at a basic stage, observed Cal Professor Albert Krueger, but could anyone call it impractical? If pollution reduces the ratio of ions in the air, and this in turn affects health, isn't this basically important if not immediately applicable knowledge?

At the February regents meeting, Hitch said the federal cuts could cost UC's medical schools $18 million. This doesn't include

losses of $1 million to the School of Nursing at San Francisco and $500,000 to the Davis veterinary school.

U.S. Department of Agriculture cuts would reduce research and extension services by $550,000. Hitch said. The new federal budget also would eliminate traineeships, scholarships, and grants which amounted to $14 million for UC graduate students this year. This aid helps support almost one-fourth of Cal's graduate students.

Meanwhile, Berkeley expects a record number of graduate applications for 1973–74. By February 1, the campus received 10,569 graduate applications compared to 9,193 by the same date in 1972. At that rate, the final total could easily exceed the record 15,500 applications received for fall, 1970. Berkeley will have 3,000 graduate spaces open.

The list went on and on. The Lawrence Berkeley Laboratory announced that it would lose 211 positions, about 10 percent of its staff, most of the cuts coming in the high-energy physics program. A similar loss in jobs was announced at the Livermore Laboratory.

Child-care programs which served the children of 200 student parents prepared to close down.

All this didn't include the effects of devaluation, which will probably cost the Berkeley campus library $50,000 in annual purchasing power. Statements about the library no longer sounded so much like warnings as like funeral orations. * * *

FOOD PROGRAMS NOT FARM PROGRAMS

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THONE. Mr. Speaker, compared to other prices, food is still cheap. Food is still a bargain. Until the price advances that began last summer, the average American family spent only 16 percent of net disposable income on food. Even today, the average American housewife spends less of her family's income on food than the housewife in any other nation.

Cheap food has been the order of the day in the United States since the 1930's. The farm programs that began then have been more of a cheap food subsidy to American consumers than a subsidy to American farmers. Therefore, it is logical to refer to them as food programs rather than farm programs.

The March 3, 1973, edition of Farm Journal contained an editorial that expressed this idea extremely well. It has since been reprinted in the Farmers Union Herald and in many other publications interested in production of food. That editorial is reprinted below:

CALL THEM WHAT THEY ARE: FOOD PROGRAMS

While farm-state senators and representatives trip over each other in their mad rush to restore REAP funds and 2% REA loans, a fight far more important to you is taking place in the big-city press.

It's a concerted effort by long-time foes of farm programs to capitalize on consumer resentment against food prices. Their purpose: to kill off farm programs entirely—once and for all. And unless your friends in Congress wake up, and soon, the city votes we must have to pass a new farm law this year will already be committed—against it!

Listen to what The New York Times said in an editorial on Feb. 5: "One constructive by-product of the steep rise in food prices is the pressure it has put on the Administration to start dismantling—we hope permanently—the expensive structure of farm subsidies."

What frightens us even more is the number of short-memoried people in the high councils of government who seem to think the free-market millennium has arrived already. They talk expansively about Russia's long-range commitment to producing more meat and livestock products; about the poor crops shaping up this winter in the Southern Hemisphere nations; even about the great opportunities to sell food to China.

Such words recall still-painful memories of the mid-1960s when a drought in India triggered the phony "world food crisis". The wish for farm prosperity became the fact. Government leaders, farm machinery manufacturers—and farm magazines—began telling each other that happy days were here again: We could sell everything we produced overseas.

John A. Prestbo, a *Wall Street Journal* writer, gives a vivid account of what happened next: "The monsoons started raining on India again, and scientists came up with a bunch of peppy hybrids that were to spawn a 'Green Revolution'. While foreign demand withered, bigger supplies poured forth from other grain-growing countries.

"Two painful lessons emerged from the experience," Prestbo continues. "Don't build hard-to-change production plans on the fast-shifting sands of foreign demand; and don't make long-term changes in farm policy based on short-term factors."

We see signs of these mistakes in the current situation—maybe even in the 1973 farm program changes just announced (see page 25).

To justify their call for a 6 billion-bushel corn crop this year, government planners now say that domestic usage of corn is going up at the rate of 400 million bushels a year, which sounds high to us.

Perhaps the explanation came with the recent 10% devaluation of the dollar. This will have the effect of lowering the overseas prices of grains and other U.S. products by 10%. The likely result is that grain importers should end up buying even more corn than the 1 billion bushels we expect to export this year.

But what worries farmers is that all of this is very iffy. We keep hearing reports about poor crop conditions in South America and Australia, about another light snow cover in Russia's wheat area and about the need for more wheat in India and China. But somehow, we can't forget how suddenly these things can change, as with Russia's crop outlook last year.

Consumers call them "farm subsidies," but if we ever needed proof that commodity programs are designed to subsidize a lot of people other than farmers, the current situation certainly provides it:

Secretary Shultz had his back to the wall in the assault on the U.S. dollar overseas. With other American products priced out of the world market by high labor costs, your wheat, soybeans and corn were his best hope for stepping up exports and correcting our balance of payments.

With their current outcry, consumers have made it clear that they want an assured supply of cheap food. Well, if they're going to deny you the profits from an up market, then they must be willing to protect you from the losses of a down market. The makes it a food program—not a farm program.

A BILL TO AMEND THE TRUTH-IN-LENDING ACT

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GONZALEZ. Mr. Speaker, I am introducing today, a bill which would amend the Truth-in-Lending Act with respect to the disclosure of closing costs, and administrative enforcement of the act.

Presently, the act specifically provides that certain typical costs involved in closing a real estate loan transaction shall not be included in the finance charge. But, there is no requirement that such charges must be itemized and disclosed to the customer in order to be eligible for the exemption from the finance charge, as there is with certain other charges listed in the act—recording fees, taxes, licenses, and so forth. I see no reason for the exception which is applied for closing costs, and I believe that these costs should be disclosed to the customer along with the other disclosures.

Therefore, my bill would provide that the charges be itemized and disclosed to the customer in order to be eligible for the finance charge exemption. Though some of these charges may have to be estimated, such estimates are permitted by the regulation Z implementing the Truth-in-Lending Act. If the concept of early disclosure of real estate transactions is to be meaningful, then this amendment is essential.

It is also important for us to act on another amendment to the act, in order that the Congress intention be clarified. Pending before the Supreme Court is a challenge to one of the Federal Reserve Board's regulations dealing with the "more-than-four installment" rule. Its invalidation would seriously impair the effectiveness of the legislation in the eyes of the Board, and I agree that this Congress must act to prevent this abrogation of the act's impact. My amendment would remove any possible doubt that the act includes transactions payable in more than four installments where there is no identifiable finance charge.

Another question has arisen concerning another regulation section, and being challenged in the courts. The question involves the issue of whether or not the exemption for "extensions of credit" for business or commercial purposes in the act applies to the prohibition against the unsolicited issuance of credit cards and to the $50 limit on liability for their unauthorized use. The Board amended the regulations to indicate that the business and commercial enterprises are indeed covered by the act's maximum liability limit for unauthorized use as well as the restrictions on unsolicited issuance. This would not affect the present business exemption in its application to the disclosure, rescission, and advertising requirements. Since the validity of the Board's interpretation has been chal-

lenged, I believe we should take steps to clarify the law.

And finally, my bill would remove the enforcement responsibility of the Interstate Commerce Commission as recommended by the Federal Reserve Board and the ICC, since they do not have any applicable situations.

The ICC requires that freight charges be prepaid or paid promptly, normally 4 days in the case of railroads and 7 days in the case of truckers. And carriers are not permitted to collect more or less than the applicable rates and charges as published in their tariffs. Since no common carriers are subject to the Truth in Lending Act or regulation Z, this section would merely delete the requirement for ICC's enforcement from the act.

I look forward to considering amendments to the Truth in Lending Act in this Congress. I believe that these proposals which I have made should be considered, as well as the overall impact of the act. I think we have to look at what we have accomplished in view of what our goals were when we enacted the act. Since I am still a member of the Consumer Affairs Subcommittee which has jurisdiction over this subject matter, you can be sure that these and other questions will be given thorough consideration under the able leadership of Congresswoman LEONOR SULLIVAN who chairs the subcommittee.

"ECONOMICS: AN INTRODUCTORY ANALYSIS" BY PROF. PAUL A. SAMUELSON

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WHALEN. Mr. Speaker, 6 years ago I left the classroom to assume my duties as a Member of the House of Representatives. For 14 years prior to coming to Congress I taught economics—and served as departmental chairman—at the University of Dayton. During this period one of my primary tools was Prof. Paul A. Samuelson's monumental work, "Economics: An Introductory Analysis."

According to the March 24 issue of Business Week, Mr. Samuelson's textbook still is the "bible" for many principles of economics students throughout the country. Its contents have been revised to keep the reader abreast of current economic thought. And, in line with present trends, the price, too, has changed—upward, of course.

As the Business Week article observes, the broad circulation of his book makes Samuelson "one of the most influential economists of the century, with a large segment of a whole generation educated by his presentation." Yet, Professor Samuelson's reputation as an economist, states Business Week, emanates more from his work in scientific analysis "that brought him the 1970 Nobel Memorial Prize."

For the information of my colleagues, I take this opportunity to insert the Business Week article in the RECORD:

SAMUELSON'S TEXT NEVER GROWS OLD

It all started modestly enough as a departmental assignment for the young associate professor at the Massachusetts Institute of Technology: Write an introductory economics textbook that would not put the school's bright engineering students to sleep. "MIT students had always hated economics," recalls Paul A. Samuelson. "My only requirement from the department chairman was to make the book interesting."

That was in 1945, and Samuelson found it no easy chore to turn the dry statistics and exotic abstractions of the dismal science into lively reading material. The original one-year, half-time task spread across almost three years, but by 1948, when McGraw-Hill Book Co. deemed the manuscript fit to print, "I knew I had something that would sell well," he says.

He was an astute prophet. Next week, 3-million copies later and several million dollars richer, Samuelson will mark the 25th birthday of *Economics: An Introductory Analysis* with the publication of the textbook's ninth edition, which the author calls "the most thoroughgoing revision of the last dozen years." It retains the basic structure of the first eight editions, but adds new material on the history and criticisms of mainstream economics and presents a new "quality of life" measurement as an alternative to the gross national product.

A PHENOMENON

Not that Samuelson has ever needed any special features to put his book across. In its quarter-century in print, *Economics* has become one of the phenomena of the publishing world, rivaled in exposure by nothing in its field except, perhaps, the compulsory Marxist texts of the Soviet Union. Including second-hand sales, it has probably reached more than 10-million readers in 26 languages (including Russian) with its clear, rigorous exposition of post-Keynesian economics.

The success of the textbook has spawned dozens of imitators and some 50 competitors for the lucrative book market in economic principles courses. The only close rival is another McGraw-Hill introductory text by Campbell R. McConnell, now in its fifth edition, which splits about 30% of the market with Samuelson's primer. But the MIT economist has become the standard expositor of the arcane ideas of economics to the general public.

Even Samuelson is surprised at the book's reception over the years. The first edition sold 50,000 copies, "but I would have sold out for the [rights to] 30,000," he says. "And I thought it would be good for only one or two years." He now can count on sales averaging 100,000 a year, with as many as 150,000 during the first year of a new edition. That means annual royalties well into six figures.

A "VINTAGE" REVISION

The ninth edition, a lavishly diagrammed, 42-chapter, four-color production selling for $11.50, is far removed from the austere 1948 number, whose 27 chapters were illustrated sparsely in black and white and sold for just $4.50. It is now the central feature of a marketing package that includes a study guide, programmed text, outside readings, instructor's manual, test bank, and transparency masters. But the big selling point for the new edition—and its main contribution, in the author's view—is the introduction of a life-quality indicator that he has dubbed "net economic welfare" or NEW.

Samuelson features the idea, which he adapted from research by William Nordhaus and James Tobin of Yale, in the first chart of the first chapter and treats it later in more detail. NEW, he says, corrects GNP for the benefits of leasure, for household work, for pollution and its abatement, for commuting costs, and for "the disamenities of urban life," among other things. "You may have to trade off some conventional GNP growth to get more NEW growth," he says. "It's an absolutely overdue concept in economics, that people can trade off quantity of goods for quality of life." Whether or not his exact formulation of NEW catches on, he says, "the quality-of-life considerations that are involved in NEW will be in all the textbooks 10 years from now."

NEW is not the only new feature in the ninth edition, says Samuelson, who terms this a "vintage revision" comparable to the third edition in 1955 and the seventh in 1967. He has added a chapter on the evolution of economic doctrines, an appendix on Marxian economics, and more extended discussions of cost-push inflation, racial discrimination, poverty, the function of the pricing system, urban problems, and what he calls a "belated" treatment of women and sex discrimination. "I could kick myself that this wasn't in the eighth edition," he says. "My consciousness wasn't sufficiently elevated."

AREA OF INFLUENCE

The broad circulation of Samuelson's *Economics* has helped to make the tweedy, crewcut father of six one of the most influential economists of the century, with a large segment of a whole generation educated by his presentation. But his reputation as an economist emanates more from the scientific work that brought him the 1970 Nobel Memorial Prize for doing "more than any other contemporary economist to raise the level of scientific analysis in economic theory." His 200-odd scientific articles have dealt, mainly in mathematical terms, with virtually every area of economic analysis.

Samuelson, 57, still regards his scientific work as his main concern. This term he is teaching graduate courses at MIT in welfare economics and mathematical economics, writing an article on "Karl Marx as a mathematical economist," and touring Japan and Australia for three weeks in March as a Lincoln lecturer under the Fulbright program. He regards the textbook as "another layer of fame," but points out that his name as an economic scientist had been assured before the first edition of the book appeared.

Nevertheless, Samuelson does not take the textbook lightly. "I've been working on the ninth edition day, night, and weekend since the first of June," he says. The final touch was a revision of data to account for last month's dollar devaluation. He even gets involved in the page display. "I look at every spread," he says. "I think of myself as a student looking at the book at 12 midnight. If a spread looks too heavy, I put in subheads and type variations, so you won't find even a single plain page."

The extra effort is becoming a necessity in an increasingly competitive market. "Samuelson's dominance won't continue indefinitely," says Charles R. Wade, marketing manager for McGraw-Hill's business and economics texts. "How long he can keep his book high on the charts depends upon how well he keeps up with the needs of the field."

LEHMAN INTRODUCES BILL TO COMBAT ALCOHOLISM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. LEHMAN. Mr. Speaker, today I have introduced legislation to inject new life into the Nation's attack on alcoholism.

My bill, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treat-

ment, and Rehabilitation Act Amendments of 1973, extends the grant authority of the National Institute on Alcohol Abuse and Alcoholism for another 3 years. The bill provides contract and project grant authority of $100 million for fiscal 1974 and $120 million for each of the following 2 fiscal years.

In addition, my bill authorizes additional grants to those States who are delaying adopting the Uniform Alcoholism and Intoxication Treatment Act, because of the expense of setting up treatment facilities required by the act as an alternative to the criminal justice method of dealing with alcoholics and alcohol abusers. This section is aimed at encouraging the States to adopt the principle that alcoholism should be treated as a public health problem, not a criminal activity.

Alcohol is our greatest drug addiction problem. More lives are ruined by alcohol than all other forms of drugs combined.

What makes alcohol even more dangerous is its social acceptance.

I include at this point an editorial which appeared in the North Dade Journal some time ago:

BROTHER DIES, BROTHER CRIES: ALCOHOL STILL HARDEST DRUG

His inner agonies I never knew; I just shined his shoes and loved him.

In those days he smiled a lot, the skin wrinkling oddly over his oft-broken nose. He'd inspect his shoes, declaim vigorously upon my incompetency as a shoeshine boy, toss me a quarter and leave.

I'd have given an arm to have gone with him. But when you're 10, you stay at home, count your well-earned coins and dream of the day when you can be like your idol with his penchant for fast cars, pretty girls and the wilder kind of life.

But dreams do not tarry and when we wake we often find our idols have flown. I saw him only infrequently during the last 15 years; each time he had deteriorated further.

Things looked incredibly fine at first.

He married and quickly there were two sons, each more handsome than the other.

But that marriage was wrecked, washed up on the rocks of a bourbon and soda.

Then there was another marriage and another beautiful son. But that marriage drowned also.

Then the physical decline began. A rough and rugged longshoreman became a bent and aging skeleton, alternately bloated and emaciated.

The doctors warned him; another wife watched over him; a mother (as she had for years) wept for him; and a former idolator chastized him.

But he never listened for very long.

Instead he assaulted his body with his particular drug: Sunday that body surrendered.

My brother died. At 40 he became another martyr to a drug culture that has flourished in this nation since the Revolution. He never touched heroin or cocaine or LSD.

He drank. And you may believe what you will, alcohol is still the hardest drug of all.

I believe that my bill speaks to the need for continuing the program of a health care approach to the problem of alcohol abuse.

The text of the bill, as well as a section-by-section analysis, can be found on page 6910 in the RECORD of March 8, 1973.

MASSACHUSETTS ANTIPOVERTY FUNDS TO BE ADMINISTERED THROUGH ELECTED OFFICIALS

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CRONIN. Mr. Speaker, the Boston Globe printed a story on March 21, 1973, which stated that a bill to have the State assume antipoverty funding, which had previously come from OEO, had been endorsed by a legislative committee and had been supported by the Governor. This funding would allow 24 Community Action Agencies to continue to operate after OEO funding ceases on June 30.

To restate President Nixon's position on Community Action Agencies, the decision to continue or not to continue these agencies should be a local decision and should not come from Washington. If the programs are continued and funding does come from local sources, then the local elected officials can be held accountable for the activities of each program and more efficient and well-managed programs will be developed.

The committee of the Massachusetts Legislature which voted to endorse local funding also voted to allow local decisions to be made by local officials who will be held accountable for the responsible expenditure of the antipoverty dollar.

The basic principle of local accountability has been lacking in the past and is one of the major reasons why so much of OEO funding has been misspent and misdirected.

I include the article to be printed in the RECORD. I hope that more communities will follow the principle of local accountability to elected officials which Massachusetts has initiated.

The article follows:

COMMITTEE BACKS MASSACHUSETTS BILL TO FOOT $8 MILLION OEO COST

(By Joseph Rosenbloom)

Responding to the cutoff of Federal funds from the Office of Economic Opportunity (OEO), a legislative committee yesterday endorsed a proposal under which Massachusetts would assume the $8 million cost of operating the state's community action programs.

The Social Welfare Committee also voted to report favorably a bill providing for cost-of-living increases greater than 3 percent for the 350,000 welfare recipients in the state now ineligible for them.

Several hundred persons attended the committee hearings on both measures in Gardner Auditorium of the State House.

Though dozens of proponents waited to testify, the committee terminated the hearings on both bills after less than two hours of testimony on each and voted unanimously in favor of them.

In each case, the heavily partisan crowd, including many welfare recipients and officials, applauded. Seven of the 19 committee members voted in each instance.

The bills now go to the House and Senate for further action.

Administrative heads under Gov. Francis W. Sargent said he supports both pieces of legislation.

Thomas I. Atkins, secretary of the state Office of Community Affairs, said the cutbacks in Federal OEO funds imperil the existence of the 24 community action agencies across the commonwealth.

"We cannot let their existence depend on the vagaries of national politics," he said.

The community action agencies last year received $8.5 million in operating funds from OEO. The Nixon Administration has announced that it will discontinue this funding as of July 1.

The 24 agencies last year administered about $53 million in money from local, state, Federal and private sources for a variety of programs, including day care, work training, drug counseling and family planning, among others.

Rep. Norman S. Weinberg (D-Brighton), who filed the bill, said it would be "cruel" to deprive the indigent "of these services at a time they are so vitally needed."

"We can't just turn our back and walk away from these programs," he said.

According to agency figures, the services, which OEO initiated in 1964, last year benefited 485,456 persons in the state.

In backing the cost-of-living adjustments, Welfare Comr. Steven A. Minter said failure to approve them would render welfare recipients "second class citizens."

The proposal would cover recipients of aid to families with dependent children, of general relief and of disability assistance. Some 57,000 persons who receive old age assistance already qualify for cost-of-living boosts.

The proposal means, for example, that a mother with three children receiving $73.50 a week in welfare payments would collect an additional $2.20 a week, assuming a three percent increase in the cost of living.

The bill also calls for proportional adjustments downwards, if the cost of living declines by 3 percent or more.

The committee heard other legislation which would direct the Public Welfare Dept. to issue identification cards for welfare recipients. Without the cards welfare recipients would be unable to cash a welfare check.

Opponents denounced the measure as a "totalitarian step." Several drew an analogy to South Africa, where under its apartheid laws blacks must carry special identification and passes.

Rep. Melvin H. King (D-Boston) said the costs of administering such a system would exceed the savings in the prevention of welfare fraud.

Sponsor of the bill is Rep. Arthur L. Desrocher (R-Nantucket).

GAO REPORT CRITICAL OF OEO

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BLACKBURN. Mr. Speaker, in an article released on March 17, 1973, Human Events reports that a report which will shortly be released by the General Accounting Office has found may OEO programs deficient in a number of areas. These deficiencies included inadequate controls over cash, payrolls, travel expenses, procurement, consultant services, and property.

In the interest of helping the poor and creating an antipoverty program which actually does work, I insert the following article at this point in the RECORD:

SECRET GAO REPORT SHOWS SCANDALOUS OEO WASTE

Freshman Sen. Jesse Helms (R.-N.C.) who has been digging deeply into the antipoverty program, has uncovered a draft re-

port from the General Accounting Office that greatly bolsters the Administration's case for scrapping the Office of Economic Opportunity and its Community Action Programs (CAPs).

The confidential report, which will probably be released by Helms this week, is actually a revised version of an earlier draft put together by the congressional watchdog agency last June. Why a final report has never been released remains something of a mystery, but the November 30 document obtained by Helms is a devastating indictment of the OEO program.

The GAO found that in 63 per cent of the programs it reviewed there were "significant deficiencies" in the financial operations. These deficiencies included "inadequate controls over cash, payroll, travel expense, procurement, consultant services and property." In 8 per cent of the cases, misappropriations of funds had occurred which were directly traceable to improper management controls.

Moreover, the public accountants used by OEO agencies to audit individual programs were found to be sadly wanting by GAO. Some accountants, the GAO report stated, inexplicably failed to include known deficiencies in their formal audit reports. Much of the work "could not be accepted as adequate professional performance" and in several cases the accountants "did not prepare or retain work papers showing the nature and extent of the audit work done."

In many cases, said the GAO, the public accountants' performance "raises a question as to their independence and their ability to objectively express an opinion on the grantee's financial statements and accounting and internal control systems."

What is especially significant is that the GAO gathered this data from just a small sampling of the nearly 700 anti-poverty auditing reports issued in fiscal 1970 that originally indicated *no* critical deficiencies in program operations. (Some 300 reports showed important deficiencies.) Yet in examining only 27 programs receiving grants ranging from over $200,000 to $2 million, the GAO found that fully 17 of them had been improperly audited. Here, for instance, are just a few of the specific findings by GAO:

An anti-poverty agency in Iowa, whose certified public accountant had given it a clean bill of health, "had been operating with several serious deficiencies in controls over funds, personnel, travel and procurement practices." Blank checks were being stored in an unlocked desk drawer and there was no control over the facsimile signature check-signing machine.

These weaknesses, charges GAO, "enabled one employe to make unauthorized payments to himself amounting to $7,035 during a seven-month period. Of this sum, $6,565 was recorded as salary advances and $470 as travel advances." About 17 months later—after pressure from the bookkeeper—all of the unauthorized advances had been recorded as recovered, but the GAO report suggests possible fraud here as well.

In reviewing the employe's restitution payments, says GAO, it found that $760 of the amount recovered represented his refund of a payment ($1,000 less payroll deductions) he had received for vacation leave but not taken. Yet there were no time and attendance or leave records available to substantiate the propriety of the leave payment. GAO's calculations based on the employe's length of service and his rate of pay indicated that "the employe could not have earned $1,000 in vacation pay by the time payment was made, even if he had never taken a day of vacation leave."

Moreover, during and after he was making restitution of funds, the employe received two extra salary payments totaling $705 in addition to his regular pay. But the records did not show the basis for the extra pay, nor could OEO agency officials provide an adequate explanation for this. Even more curious, the CPA firm had been well aware of all these shenanigans, but had refused to put this information in the audit report because it might have caused the OEO in Washington to terminate the funding of the Iowa anti-poverty agency! Adds the GAO:

"In addition to the lack of time and attendance and leave records for some employes, we noted that: (1) employes were being granted compensatory time off in excess of the amount of leave that they had earned; (2) salary increases were being granted to employes in excess of the 20 per cent limitation in OEO regulations and without the required OEO waiver; (3) purchases were not properly controlled because purchase orders either were not prepared or were prepared after the purchase had been made; and (4) a significant number of travel payments were made which were not supported by travel vouchers. The public accountants were aware of but had not reported the above-noted weaknesses."

A certified public accounting firm's audit report on the operations of a grantee agency in Texas also reflected no significant weaknesses regarding control of financial operations, but the GAO found a number of serious deficiencies.

For instance, no time and attendance records were kept on salaried employes; no records were maintained on employes' leave earned or used; OEO's limitations on starting salaries were not complied with; written purchase orders were not prepared and vendor invoices were paid without evidence that the goods had been received.

In reviewing the few work papers that the public accountant prepared, the GAO found a reference to a case of forgery involving 16 checks totaling nearly $1,000. But the public accountant had not mentioned this in the audit report, claiming the employe had returned the funds.

The CPA firm reporting on a grantee agency in California affirmed that the agency's controls were adequate. No deficiencies were reported and no costs were questioned in the audit report. Yet the GAO found over 13 serious deficiencies. Some of them:

About 20 per cent of the employes' record of leave earned and used was not being maintained on a current basis; no personnel records were maintained for part-time employes; the anti-poverty agency had not complied with Internal Revenue Code requirement that federal income and Social Security taxes be withheld from wages paid to employes. No records, furthermore, were maintained showing the basis for selecting a particular contractor or determining his fees, and contracts awarded by the agency were not specified as to the scope of the services to be provided or the payment terms.

After reviewing the operations of a different California anti-poverty agency, a licensed public accountant reported no significant weaknesses in the accounting system and only minor weaknesses in the area of personnel records. But the GAO found grave deficiencies, such as:

Two large checks ($15,000 and $7,942) were issued for the purpose of providing a camping experience for 1,000 Indian boys, but were made out to an individual in the organization providing services, rather than to the organization. In some cases, the disposition of funds from checks drawn to cash could not be determined. The grantee's executive director was being held liable by the grantee's board of directors for the personal use of $768 which was entrusted to him to reimburse board members for travel.

Procedures were so loose that one individual who alleged the existence of a contract with the anti-poverty agency was paid $972, even though a written contract did not exist and even though the services were not desired by the agency. Travel costs, furthermore, were 40 per cent—or $20,000—over the budget.

In the program year covered by the audit report, grant funds amounting to about $4,500 were expended for an unauthorized trip by agency personnel to Alaska. In another instance, the lack of proper approval requirements allowed about $470 of grant funds to be used to pay for an automobile rented for the personal use of an employe.

These examples, furthermore, are just a fraction of the millions of dollars in waste and unauthorized expenditures that the GAO investigators found in OEO's Community Action Programs. But they clearly point up the reason President Nixon and acting OEO Director Howard Phillips are now diligently trying to eliminate the Community Action Programs and terminate the entire OEO agency.

TENNECO, INC., TAX AVOIDER OF THE WEEK

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, with the date for filing income taxes less than a month away, the average taxpayer in America is entitled to know and to be able to contemplate the amount of taxes that will not be paid by one of the largest and richest conglomerates in the country.

He is entitled to know because he will be making up the difference between what the large corporations ought to be paying in Federal corporate income taxes and what they actually will be paying.

Next month he will be, in effect, helping to subsidize some of the richest, strongest, most economically powerful and overgrown corporations in the country.

He is entitled to know the extent to which he is doing so—and to ask why he is expected to do so.

Therefore, in conjunction with the Tax Action Campaign of the New Populist Action group headed by Senator Fred R. Harris, I am today disclosing for the first time the percentage of Federal corporate income taxes paid in 1971 by one of the most massive of these conglomerates—one which boasts in its advertising that it "touches the life of every man, woman, and child in this land."

At the same time, I am announcing here in Washington the fourth award of the Tax Action Campaign to this particular conglomerate as the Tax Avoider of the Week.

This week's award goes to Tenneco, Inc.—a multi-loophole corporation which controls land holdings of nearly 2 million acres, or twice the size of the State of Rhode Island, and controls 149 subsidiary corporations scattered throughout the world.

It reported net income before Federal taxes in 1971 of $245,220,000. Clearly Tenneco is no hardship welfare case.

Yet in 1971, Tenneco paid not the standard tax rate of 48 percent set by law on net income in excess of $25,000—but

an effective tax rate of no more than 17.1 percent.

The award ought to go more appropriately perhaps to the army of corporate bookkeepers, lawyers, and accountants for Tenneco who accomplished their mission of tax avoidance with efficiency and dedication. The loophole in our tax laws as they exist which made that accomplishment possible deserves the anger and outrage of the average taxpayer.

Tenneco, indeed, "touches the life of every man, woman, and child in this land." It touches them for millions of dollars in what are, in effect, subsidies to the corporation borne by the average taxpayer and running into the millions of dollars.

Sometimes the subsidies are direct.

In 1970, Tenneco received the fifth largest farm payment in the country—$1.3 million—to subsidize H. M. Tenneco agricultural operations in California, my own State.

Tenneco was further subsidized by the State income tax payers in California and specifically property tax payers in Kern and other counties to the tune of several thousand more dollars under the Williamson Act which was designed to keep land in farming by providing the incentive of tax breaks.

Tenneco is paid by Federal taxpayers, therefore, not to grow crops and by California taxpayers to maintain the land for farming.

In point of fact, there is no way at present to accurately tell how many loopholes are employed by Tenneco and to what extent in order to accomplish a lower tax rate on their Federal corporate taxes than the average taxpayer is permitted to enjoy.

But we do know there is a wide variety of choice which enables the discriminating corporate loophole shopper to find just the break he needs and at the right price.

There is scarcely an activity engaged in by Tenneco, with its 149 subsidiaries, ranging from shipbuilding to cattle ranching, to pistachio packaging which does not bring forth its own tax break.

Perhaps the most intriguing of the corporate activities pursued by Tenneco is in land—an activity which "touches" the lives of family farmers in my own State of California, and our small businessmen, property tax payers and all consumers in a manner which ought to disturb anyone at all concerned with the competitive preservation of any concern which is not a corporate giant.

The acquisition in California most notorious for its impact in this regard has been the acquisition by Tenneco of the Kern County Land Co. and subsequently the proliferation of absentee syndicate farming through the Tenneco marketing apparatus which promises to control agricultural production in California "from seedling to supermarket."

The irony is that the family farmer driven from the fields by Tenneco, the small California businessman forced to close his doors and the consumers who face higher prices from ultimate lack of competition are the same ones subsidizing the operation of Tenneco, Inc., by being forced to pay higher taxes themselves.

Such tax practices as Tenneco and other conglomerates are now permitted to engage in quite clearly are long overdue for total revision.

The first step is to determine with precision the exact methods employed by Tenneco to achieve its tax avoidance of a fair and normal share of the overall tax burden.

Therefore, I join with others in calling on Tenneco to make this information public and in calling for tax reform to remove the tax inequities which result in average taxpayers subsidizing huge conglomerates.

EDITORIAL SUPPORT IN THE CLEVELAND NEWSPAPERS FOR THE URBAN EMPLOYMENT ACT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. JAMES V. STANTON. Mr. Speaker, on March 19 I introduced the Urban Employment Act of 1973, which would, for the first time, provide Federal assistance to the large cities in their efforts to retain and strengthen their industrial base. Certainly the need for such legislation has been shown in recent years by the large number of plant closings in the cities, and the industrial migration to suburban and rural areas.

The Urban Employment Act addresses itself to the two major problems confronting industry in the cities: the need for land, and the need for capital. Grants and loans would be offered to cities for the acquisition and development of land, which could then be formed into new industrial parks, and offered to business at a competitive price. Low-cost, long-term loans would also be available to businesses for development of facilities in the cities.

I am extremely pleased that the day after the bill was introduced both of the daily newspapers in Cleveland, the Press and the Plain Dealer, expressed their support for this legislation and other such efforts. I would now like to commend these editorials to the attention of my colleagues:

[From the Plain Dealer, Mar. 20, 1973]

KEEPING JOBS IN CENTRAL CITY

Saving jobs in the central city has become a fierce struggle. Cleveland is striving to stem the outward movement of factories. One method used by other major cities is the "land bank," which offers good industrial sites to companies that might move away.

To bank any central-city land costs more than a city by itself can afford. Land banks have worked so far with the help of the federal Economic Development Administration (EDA). Its grants will be cut off unless Congress passes a pending bill to extend it a year.

Mayor Ralph J. Perk's proposed land bank is therefore in peril. Two area congressmen, Charles A. Vanik, D-22, and James V. Stanton, D-20, are acting to keep the EDA alive, and to revive support for urban employment from the federal level.

A City Planning Commission study recently showed that land bank land in a central-city industrial area would cost $158,761 an acre. Out in Solon or Twinsburg similar land is priced at $15,000 to $20,000.

Without a subsidy it would be impossible to swing the central-city land bank at that spread of prices

Rep. Stanton has introduced a bill which would lend a city 90% of the purchase price for the land. The money could also be used for demolition. Corporations, too, could borrow for construction or to buy equipment. His bill, the Urban Employment Act of 1973, was put together after meetings with Mayor Perk, labor, business and planning spokesmen here.

Without some such federal help central-city jobs can melt away, or be lured to other communities. Cleveland's unemployment hit 11.8% in 1971. That was the highest for the 20 largest U.S. cities. More than 45 manufacturing concerns and more than 25,000 jobs were lost by Cleveland in 10 years, according to Vanik.

Without the strong help of a federal program it will be impossible for Cleveland proper to hold on to the jobs now at stake in its innermost neighborhoods.

[From the Cleveland Press, Mar. 20, 1973]

PUTTING LAND IN BANK

The proposal to help big cities set up "land banks" with the help of federal dollars is an innovative way to protect jobs and keep industry from moving out of urban centers.

Legislation for this was introduced in Congress yesterday by Cong. James Stanton. His bill envisions "banks" of land bought by cities for resale to businesses that might otherwise move from the cities, putting employees out of work.

Stanton views this as attacking the problem of unemployment on another front. Noting that the Federal Government often trains workers for jobs that turn out to be nonexistent, the congressman proposes a measure to insure that businesses stay in big cities where the unemployment problem is most critical.

The City Plan Commission completed a study recently which showed that the high cost of land is jeopardizing Cleveland's efforts to start on its own a land bank for industry.

For instance, Cleveland would have to sell land in the Woodland area for more than $150,000 an acre to recoup its investment. That is an outlandish price, considering industry could buy land in some suburbs for as little as $20,000 an acre.

The Stanton plan would create a pool of $450 million which cities could tap for 90% of the purchase price for land for industry. The city would develop the land and hold it for resale at prices which would compete with cheaper suburban acreage.

There has been a great deal of handwringing in recent years about the flight of industry from Cleveland, but there have not been many bright ideas about how to stem the exodus. Now Stanton has come up with one, and we hope his colleagues in the Congress lend their support to his proposal.

VIETNAMIZATION APPEARS TO BE SUCCEEDING AT LAST

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, our combat presence in Vietnam is, at long last,

at an end. This does not mean however, that we can turn our attention away from that area without fear of consequence. Now is the time when the fruits of Vietnamization, if there are to be such fruits, will begin to show.

A recent GAO report on the logistic aspects of Vietnamization indicates that there has been substantial progress in many areas of the Vietnamese military toward self-sufficiency. There are relatively few U.S. military technical advisers in Vietnam, and that number is steadily decreasing. The ARVN is now extremely well-equipped for almost any function it could conceivably be called upon to perform. Training is going forward rapidly and with success; GAO states that Vietnamese military personnel adapt and train well, and ever-increasing numbers of them are becoming proficient in such essential areas as automatic data processing. ARVN road transportation is rated by U.S. experts as thoroughly capable of performing their assigned tasks, and the roadbuilding program currently underway will provide Vietnam with over 3,000 miles of modern, high-speed highways linking all major population centers. The Vietnamese naval shipyard will also achieve complete self-sufficiency in the very near future.

All these are highly encouraging developments. They point, hopefully, to a time when the Vietnamese will be capable of defending themselves locally without our help. This is not to say, however, that all difficulties have been overcome.

While top Vietnamese management is capable and effective, it is spread very thin, and there is a severe shortage of trained middle managers; control over military material susceptible to black marketeering requires improvement; Vietnamese contractors capable of filling military needs are still scarce; the quality of some military maintenance is questionable, although some is demonstrably superior. None of these problems is so severe, however, that it cannot be overcome, and progress is good.

There remain two major problems that are not so easily solved as those previously mentioned. First, the Vietnamese military establishment is far too large for the Vietnamese economy to support. Admittedly, this is due almost exclusively to the fact that Vietnam has had war as its No. 1 priority for so long. We should hope, however, that the coming peace will be of such a nature that two things will happen: First, the Vietnamese economy will be able to recover to the point that it becomes strong enough to support a reasonable military force; and second, after elections have taken place, all military forces in Vietnam would be drastically reduced in size. These actions would be complementary, and certainly beneficial to all concerned. The unfortunate alternative is a Vietnamese economy so overburdened with the requirement to support a vast military force that it would require massive and constant aid to keep from collapsing.

The second major problem is that, in our munificence, we have given to the Vietnamese military items which there is no conceivable way for them to support unaided. We do our allies no favors by creating in them appetites that they cannot afford, whether because of advanced technology or sheer expense. I would hope that we would be able to confine our assistance to the type of equipment that the recipients could reasonably be expected to support by themselves shortly after receiving it.

This report provides encouraging news at a time when it is sorely needed. No longer is aid on a massive scale required to promote stability in another part of the world, and that is most fortunate because aid is sorely needed for some of our own domestic problems. It is my hope that some of the same successes we can point to abroad will soon begin to appear here at home.

THE 25TH ANNIVERSARY OF NATIONAL ACADEMY OF TELEVISION ARTS AND SCIENCES

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. REES. Mr. Speaker, the Hollywood Chapter of the National Academy of Television Arts and Sciences will celebrate the 25th anniversary of its founding on its annual local area Emmy Awards telecast to be aired in Los Angeles over KTLA, on April 28, 1973.

The Hollywood Chapter of the Academy is the founding chapter, expanded to include New York in 1957. and now including chapters in Chicago, Baltimore, Columbus, Phoenix, Washington, D.C., St. Louis, Seattle, San Francisco, and San Diego. In addition to bestowing the coveted Emmy Awards for outstanding achievement in television, the academy contributes to the development of talent in TV by awarding scholarships and fellowships each year to many promising students and professors in the communications arts.

In addition, the academy continually and tirelessly acquaints its membership with the latest technological developments in the industry, seeks and helps fledgling talent, provides monthly forums and seminars on pertinent topics of interest to all concerned with the growth of television, and stages viewings of foreign television shows for comparative and competitive purposes.

To assist in these functions, the academy maintains the vast and informative archival library of the industry at UCLA on the west coast, and at NYU in New York and American University in Washington, on the east coast, where are preserved films, tapes, kinescopes, scripts, and artifacts representing the development of the industry.

The academy is a truly definitive and unbiased spokesman for the industry because its membership includes the leadership of both management and labor. It is my feeling that the Congress should congratulate the Hollywood Chapter of the National Academy of Television Arts and Sciences on its 25th anniversary of activity in developing television as a creative and provocative communications medium, and should encourage the academy to continue its many rewarding contributions to the industry.

IMPACT OF FEDERAL BUDGET ON THE UNIVERSITY OF CALIFORNIA: $100 MILLION LOSS

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. BURKE of California. Mr. Speaker, Charles Hitch, president of the University of California, has made a comprehensive review of the impact of the proposed administration budget, and he estimates that the total cumulative impact on the university through the 1974–75 fiscal year would be approximately $100 million.

The analysis of President Hitch, which follows below, discusses the specific impact on the university in the areas of student financial aid, graduate student assistance, health manpower, research, agriculture science, and regional medical and other public service programs:

IMPACT OF THE PROPOSED 1972–73 AND 1973–74 FEDERAL BUDGETS ON THE UNIVERSITY OF CALIFORNIA—A FOLLOW-UP REPORT

(By President Charles J. Hitch)

This report supplements my report of last month. It comments on some of the specific Federal programs listed in the attached table and discusses the impact of reductions on University programs and functions.

On February 15, I estimated the total cumulative impact on the University through the 1974–75 fiscal year would approximate $80 million. Subsequent reports from the campuses caused me to reestimate that the gross reduction may be on the order of $100 million over the next 27 months. As time passes, the figure continues to grow. The attached table estimates a $37.9 million reduction in 1973–74 and a $66.5 million reduction from the 1972–73 level in 1974–75, for a cumulative total of $104 million during the next two years.

Let me point out that these Federal impact figures are *gross* rather than net figures, in that they reflect estimated reductions *in those programs which will be reduced* but do not take into account possible increases in other programs. There will be some offsets, but how much they will amount to is far from clear. For example, the new Basic Opportunity Grants program will benefit students directly and, thus, will not be reflected in University records, but they will replace to some extent reductions in institutionally administered financial aid. The same is true of the Federally Insured Student Loans made to students by banks. Also, increases are expected in research grants and contracts in certain areas, and we are receiving some Federal salary range adjustment funds. But the program reductions which have been identified and which I would now like to describe will be very real.

I am informed that the Nixon Administration is determined not to increase any Federal departmental budgets. However, the constitutent agency budgets within the departments may be revised to reflect increases in certain programs and reductions in others. I will recommend to The Regents' Special

Committee on the Federal and State Budgets that we seek appointments with key Administration officials to explain the adverse impact of certain proposed funding levels and how they affect programs vital to the health, well-being, and future prosperity of the Nation and the State of California.

Let me now comment on some of the figures presented in the accompanying table.

STUDENT FINANCIAL AID

In the established category programs, there will be a dramatic shift from institutionally awarded and administered funds to those awarded through the BOG (Basic Opportunity Grants) program by an as yet undesignated agency. In Educational Opportunity Grants (now known as Supplemental Opportunity Grants) and National Direct Student Loans, University of California students will lose about $9 million in financial aid in FY 1973–74. Although we know that our students will qualify for direct Basic Opportunity Grants, the program will not be fully funded, and we and students will not know before fall, at the earliest, the amounts to be paid. Some campuses estimate that BOG grants to their students may total only 25% of the terminated categorical aid programs. The consequence, if alternative fund sources are not developed, will be a serious setback in the University's concerted effort to improve access to disadvantaged students in both undergraduate, graduate, and professional levels. In the Work-Study program, the funding level in the Federal budget, as proposed, will remain the same but proprietary and vocational schools will become eligible to share in the allocation of available funds. The estimated impact on the University is a more than 25% reduction in this very worthwhile self-help program, over $900,000.

GRADUATE STUDENT ASSISTANCE

Many graduate student traineeship, fellowship, and scholarship programs are being phased out. Although it is extremely difficult to obtain precise summary data because of the many Federal programs involved, the best estimate to date is that graduate student and related institutional support will drop from $23.6 million in 1972–73 to $13.7 million in 1973–74, another reduction of nearly $10 million.

Many of these programs are in the health sciences, mental health, and biomedical fields, and a substantial proportion of these funds support instructional programs. One of the consequences of these reductions may be to force admissions committees to include as criteria a student's ability to support himself and not just academic criteria. Nothing could be less desirable than to become "elitist" in an economic, rather than an academic sense. Secondly, many of the fields involved include areas where there are manpower shortages. Society needs biomedical research scientists, mental health workers, specialists in areas of alcoholism, drug abuse, suicide prevention, and other contemporary problems. Thirdly, these reductions will make a serious dent in total Federal graduate financial resources. One campus reports that graduate assistance will drop 24% in 1973–74 alone and 15% in 1974–75. Finally, pre- and post-doctoral trainees have played an important role in both the research and instructional programs in our medical schools and general campus life science programs. Their disappearance would be a grave loss to our undergraduate students.

HEALTH MANPOWER

In 1970, the Federal government declared a crisis due to the shortage of health care personnel and challenged America's colleges and universities to train the desperately needed additional professionals and their assistants. We have responded to that challenge by increasing our enrollments to qualify for Federal health capitation grants, and in November, 1972, the people of California approved the funds necessary to construct the facilities needed to train these students. We now find that this Federal support is not to continue in the vital areas of health sciences capitation grants or institutional assistance for nursing, veterinary medicine, pharmacy, optometry, public health, and allied health fields. In these areas, the prospects are as follows: 50% reductions in 1973–74 and termination in 1974–75 of capitation funds for veterinary medicine, pharmacy, nursing, and optometry; and complete elimination of federal funds for public health, nursing, and allied health instructional support in 1973–74. Losses will total $1.6 million in 1973–74 and $2.7 million by July 1, 1975. Capitation funds support 31% of the Berkeley School of Optometry instructional budget, 15% of the Davis School of Veterinary Medicine budget, and 40% of the San Francisco School of Nursing budget.

RESEARCH

The research picture is particularly unclear. Certain programs will be increased, for example, NIH's Cancer Research Grants. However, these programs are not reflected in the discussion below or in the table. It is impossible to guess to what extent the University of California will be affected. On an overall basis, expenditures are currently exceeding expectations, but there is ample evidence to indicate that the current bull market is about to turn bearish, and I don't think this bear will be golden. We have been advised by campuses that many Federal research programs will be reduced. These reductions are estimated to have a $9.6 million impact on the University in 1973–74 and a $23.2 million impact in 1974–75. On the other hand, there are increases in some categories of Federally supported research, and campuses are generally optimistic that our faculty can successfully compete for whatever resources are available.

A substantial proportion of the reduction is expected in the National Institutes of Health Competing Research Grants Program. Our campuses report their prospects for expenditures in 1973–74 amount to only $23.9 million contrasted with some $28.7 million awarded to them last year.

NIH General Research (and Biomedical Sciences) Support Grants are being phased out. Let me quote from Chancellor McElroy's report for the San Diego campus:

"General research support funds have been used over the years to support faculty in part, to initiate promising research, provide continuity in productive research projects, and meet a wide array of needs in the research program for which no other ready source of funds is available. Phased reduction to zero of the general research support grants over the next several years will seriously affect the vigor of the biomedical research efforts at UCSD School of Medicine as well as others. While the GRS funds are small in comparison with the total research funds coming to the institution, they are used in such a way as to have an effect on the research effort beyond that which would be immediately implied by the amount of the funds."

University-wide, we face losing $2.3 million per year of very flexible research support funds which have added quality and depth to both general campus and health science research programs.

In addition, we face the reduction of National Science Foundation ship operation funds used in conjunction with our Department of Commerce Sea Grant funds. Research efforts of great importance to the marine resource program which have been built up at the Scripps Institution of Oceanography and at other cooperating University and State University campuses will level off this year and then face reduction unless restorations are made in the Federal budget or we receive a State augmentation.

The NASA research budget is also reduced, but our campuses believe that they will compete successfully for those funds available, and perhaps be able to hold even in the year ahead.

At our four AEC-funded Laboratories, we have received preliminary reports that personnel reductions totaling some 475 scientists and support staff will be necessary. The programs at the Lawrence Berkeley and Lawrence Livermore Laboratories will be hardest hit. The dollar impact is in addition to the campus research reductions contained in the attached table.

FEDERAL APPROPRIATIONS—AGRICULTURE AND OTHER

The proposed Federal cut of $550,000 in Hatch Act and other Federal appropriations in the Agricultural Sciences would eliminate 25 FTE Research Scientists. It is based on the notion that our efforts are "primarily of local concern" and therefore of "low national priority." This is incorrect, and in any event a short-sighted policy. California produces more than 90% of sixteen important agricultural commodities, and about one-quarter of the entire U.S. food supply.

These cuts would reduce efforts in such vital areas as the control of crop-destroying, disease bearing insects by non-chemical means—an approach largely developed at the University and now being copied throughout the world. Studies in solid waste disposal, poultry and cattle disease control, development of new high yield plant varieties, genetic improvement of livestock, and new methods of irrigation are developing information vital to California agriculture, but equally valuable beyond the State's borders. More than half of these funds are aimed at the problems of natural resources and people in such areas as: water, air, and soil pollution; erosion control; wild-fire prevention; wildlife protection and management; watershed improvement; improvement of employment opportunities for the rural disadvantaged; enhancement of rural community services; and improvements in human nutrition. Truly a kaleidoscope of concerns that are vital to the State and the Nation.

The benefits of all these endeavors are not restricted to farmers, but aid in sustaining a viable food and fiber industry and in the improvement of the economic and social welfare of rural and urban families. These funds must be replaced so that our faculty members may continue their important research without interruption.

In addition to the reductions in Federal appropriations in Agriculture, Bankhead-Jones funds are also being terminated. This $363,000 appropriation always supported basis instruction costs and is virtually indistinguishable from State funds in its use. The reduction affects 30 FTE faculty in several disciplines, including agriculture, home economics, chemistry, and engineering.

REGIONAL MEDICAL AND OTHER PUBLIC SERVICE PROGRAMS

The discontinuance of Regional Medical Programs (from $5.4 million in 1972–73 to zero in 1974–75) will remove an important catalytic agent between the University's health sciences faculty and their respective communities. Continuing education programs for community health personnel, programs which are stimulating the general improvement of health care and specialized treatment programs, will all suffer. Some student residency programs will also have to be discontinued, including a family practice resident program in Sonoma County.

UNIVERSITY OF CALIFORNIA, SUMMARY OF REDUCED FEDERAL PROGRAMS AND PROPOSED STATE AUGMENTATIONS, 1973–74

Federal programs	Estimated expenditures			1973–74 proposed special State augmentations			
	1972–73	1973–74	1974–75	Instruction	Research	Public service	Financial aid and graduate traineeships
1. Federal appropriations (Bankhead-Jones, Hatch Act, McIntire Stennis, etc.)	$913,000	0	0	$363,000	$404,000	$146,000	
2. Health manpower instructional support [1] (capitation funds, Hill Rhodes, etc.)	3,139,000	$1,566,000	$400,000	1,683,000			
3. Graduate student assistance and related institutional support	23,618,000	13,722,000	3,542,000	3,000,000			[2] $3,000,000
4. Student financial assistance (grants, loans, work study)	14,755,000	4,802,000	4,079,000				[3] 908,000
5. Research [4]	39,212,000	30,654,000	16,004,000		[5] 382,000		
6. Regional medical and other community service programs	9,215,000	2,221,000	270,000	[6] 211,000			
Total	90,852,000	52,965,000	24,295,000	5,257,000	786,000	146,000	3,908,000
Gross 1973–74 Federal reduction		−37,887,000					
Gross 1974–75 Federal reduction from 1972–73			−66,557,000				
Total State augmentations		10,097,000					

[1] Capitation funds include only programs which will be phased out.
[2] Instructional support principally for NIH and NIMH traineeships and language and area centers.
[3] The regents' budget also contains a $2,000,000,000 request for EOP. The $500,000 is for work study.
[4] Federal programs which will be reduced.
[5] For marine sciences research only.
[6] Family practice residents program and nurse practitioner program.

WELCOME VETERANS OF VIETNAM

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DENHOLM. Mr. Speaker, the cease-fire agreement in Vietnam, however delicate or fragile, was welcomed by all Americans weary of war. It was the end of despair—and this is a time of new hope—as the men and women who have served their country with honor come home to loved ones and a future of their own making.

The personal sacrifice of years of war was more than frustration and individual hardship—it was an endurance of national morale.

There is no easy way to say "thank you" to so many that have done so much but to all I ask that my humble words to a great American of my congressional district be printed as a message to each and particularly to those Americans held for years as prisoners of war for what they have done and for what they have sacrificed in the defense of freedom and liberty:

Capt. RONALD M. LEBERT, USAF
Watertown, S. Dak.

DEAR CAPTAIN LEBERT: May I join in humility and pride with your family, friends and a grateful American people in expressing to you my sincere gratitude for your personal sacrifice for all of us. I may never know—but I shall always appreciate a sense of your joy in coming home after years of courage and duty with honor for your country.

You are welcome by the fireside of your countrymen—warmed by the friendship of freedom and the love of all that believe in the Liberty that you have so ably defended for God and country.

Your honest reward is beyond the command of man and may your memories of comrades and country never be forgotten.

Thank you, Sir—Thank you very much.

Sincerely,

FRANK E. DENHOLM,
Member of Congress.

It is appropriate that on Saturday of this week, March 31, 1973, that a grateful America will demonstrate on the streets of New York a symbolic public expression of lasting gratitude and a welcome home to the American service men and women from the battlefields of Indochina. Happiness, home and honor to men of good will—and to the hurt, injured, dead and missing should we give—our prayers forever. And may they never be forgotten.

A REMARKABLE SEASON

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLANCY. Mr. Speaker, in the 51 years of Ohio State basketball tournament history, no Cincinnati team had been able to win the big school division, class AAA.

It gives me great pleasure to report that Elder High School won the State AAA crown Saturday, thus, perhaps, setting a precedent for future Cincinnati teams.

The championship is particularly pleasurable to Elder High School, its students, officials, parents, and alumni, because Elder this year is celebrating the 50th anniversary of its founding. The championship adds luster to the birthday cake.

The Elder Panthers, coached by Paul Frey, are Steve Grote, who has won almost every accolade this school year for his basketball and football skills, Bill Earley, Rick Apke, Henry and George Miller who are twins, John Sharbill, Paul Niemeyer, Ken Brown, Jerry Vogele, Dick Dedel, Donald Kuhn, Terry McCarthy, and Jim Stenger. The assistant coaches are Tom Bushman and Ray Bachus, and the athletic director is Father Edward Rudemiller. The student managers are Bob Wolfram, Mike Keys, Greg Ellison, Bob Meyer, John Duennes, and Joe Berkemeyer.

The team compiled a 22–4 season win-lost record, despite playing against consistently taller teams. The squad's biggest man is its center, Rick Apke, who is 6 feet 4 inches tall. The four lost games were in the early part of the season before Coach Frey merged teamwork and a zone defense with the players' natural hustle, quickness, and aggressiveness.

The unselfishness, the willingness to work together as a team and the desire to excell are a credit to the school, the city of Cincinnati and the State of Ohio. All citizens of the Greater Cincinnati area and the State of Ohio offer sincere congratulations to the basketball champions and Elder High School.

BYELORUSSIAN INDEPENDENCE DAY

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr HELSTOSKI. Mr. Speaker, on March 25, 1918, the Byelorussian people proclaimed their independence and established the Byelorussian National Republic as a free and independent nation.

I am greatly pleased to join my colleagues in the House of Representatives in paying tribute to the Byelorussian people on their day of national independence. This day is being celebrated by Byelorussians throughout the free world, and I am sure that their friends and relatives who remain in their homeland would greatly enjoy being able to join in the celebration.

Mr. Speaker, in population Byelorussia approximates 10 million. To this we can add about 4 million Byelorussians in the Federated Russian Republic and close to a million distributed among the People's Republic of Poland, the Lithuanian S.S.R., and the Latvian S.S.R. This makes Byelorussians in European U.S.S.R. the third largest nation after the Russians and the Ukrainians, and the majority of the Byelorussians live in the Byelorussian S.S.R. The present capital of the B.S.S.R. is Minsk.

In religion the overwhelming mass of the Byelorussians are Orthodox. There is a Roman Catholic minority in the western district which were on the Polish border and there are small numbered groups of Protestants, chiefly Baptists and Methodists.

During World War I, which had overthrown some governments and weakened

others, Byelorussia had awakened to state life. After 3½ centuries of slavery the Byelorussians proclaimed to the entire world that they were living and will live. The Great National All Byelorussian Congress of December 5–17, 1917, caring for the fate of the Byelorussian people, had established on their land a republican system. Carrying out the will of the Congress and protecting the state rights of the people, the executive committee of the Rada of the Congress and protecting the state rights of the people, the executive committee decreed on the state order of Byelorussia and the rights and freedoms of its inhabitants and peoples.

This relatively rapid evolution of the state ideology among the active Byelorussian political workers in Minsk was hastened by events which in the meantime were taking place in the political and cultural center of western Byelorussia, Vilnia, which was separated from the central and eastern areas of Byelorussia by the rigid line of the front and then, after the occupation of Minsk by the Germans, by a no less rigid frontier of the military administrative division.

A second constitutional decree established first the provisional form of the Byelorussian National Republic (B.N.R.) so as to create its complete independent statehood. The further action of the Rada and its executive committee was only the logical result of the situation created by the second constitutional decree. On March 19, 1918, the Rada of the All-Byelorussian Congress broadened its membership by taking in representatives of the cities and counties and became the Rada of the Byelorussian National Republic. Of the national minorities that entered into the Rada, there were seven Jews, four Poles, two Russians, one Ukrainian, and one Lithuanian. A presidium was set up consisting of Dr. I. Syerada, Y. Varonka, and K. Ezavitau. On March 23, the Rada was joined by representatives of the Vilnia Byelorussian Rada.

Then, on March 25, 1918, the Rada of the Byelorussian National Republic solemnly proclaimed the independence of Byelorrussia and established it as such through the publishing of the third constitutional decree which contained the official proclamation. All the Byelorussian political parties, representatives of the Jewish parties, Poalej Syon and Bund, and the representatives of the Polish Socialist Party headed by Prystor, the future Prime Minister of Poland, voted in support of this act. Votes opposed were cast by the Russian Constitutional Democrats—Kadets, and the Russian Socialist Revolutionists—Esers, who formed part of some delegations of a few cities and counties. These even withdrew from the Rada of the B.N.R.

The Byelorussian Government quickly set to work to expand its activity in all fields of national life, with the exception of the military. The Germans forbade this. In spite of great difficulties connected with the war and the devastation of the country, the government made significant advances in the fields of education, culture, social protection, et cetera.

It was also very active in the international field, trying to secure recognition from other states and opening up diplomatic and consular offices in a series of countries. The Byelorussian National Republic was recognized de jure by Austria, Czechoslovakia, Estonia, Finland, Georgia, Latvia, Lithuania, Poland, and Ukraine. It was recognized de facto by Bulgaria, Denmark, France, and Yugoslavia.

After the occupation of Byelorussia in July 1944, Soviet Russia reestablished the B.S.S.R. with all its former details. The one thing new was the admission of the B.S.S.R. in the organization of the United Nations as an independent state and a founding member.

From the very beginning, the occupation by the Communists brought a bloody reprisal on the Byelorussian people. Everything which had a national character was wiped from the face of the Byelorussian land as a manifestation of "Byelorussian bourgeois nationalism." In the cities and towns they undertook mass deportations of Byelorussian national and cultural leaders. In Smolensk, Minsk Vitebsk, Vialeyka, and other cities there were public hangings of the artists of the Byelorussian theaters, teachers, officials of institutions, priests, workers in the relief, et cetera. Mass arrests, shootings, and deportations to concentration camps were carried on of peasants who had left the kolkhoz for individual agriculture.

In 1944, the male population of Byelorussia was taken into the Soviet army and without training sent to the front, where they perished in masses. In the B.S.S.R. the slave kolkhoz was quickly reintroduced, and this time all of rural Byelorussia was collectivized. The independent Byelorussian church was destroyed and in its place was set up the Russian church with its center in Moscow.

Mr. Speaker, I feel that the spirit of healthy nationalism is very strong in Byelorussia. I am sure that in every family in Byelorussia there was at least one member of the family who was destroyed or arrested for supporting the Byelorussian liberation movement.

On this day of national commemoration it is fitting, therefore, that we Americans pay tribute to the gallant Byelorussian peoples. It is also fitting that we take this occasion to reassert our own faith in the principles of democracy, for it is those principles in which we find strength to sustain ourselves as a nation in the trials of the present and future, and it is also in those principles that we find the greatest inspiration for all men who seek a better life.

It is my hope that on this 55th anniversary of Byelorussia's Declaration of Independence, that her spirit of freedom will emerge in triumph and that the liberty of her people will be restored.

"THE GODFATHER"

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RONCALLO of New York. Mr. Speaker, "The Godfather" which is on the way to becoming the biggest money earner in the movie industry provided the vehicle for Marlon Brando to be awarded the Oscar as the best actor. His portrayal of the "Godfather" deprecates and casts a shadow on all Americans of Italian heritage by apparently convincing a great many of the people of this great land that the lifestyle of the "Godfather" is typical of all Americans of Italian heritage. Mr. Brando is a theatrical prostitute who seeks to captivate the imagination and accolades of one minority group at the expense of another. Mr. Brando is a man who fights for many causes—any cause; it is part of his theatrical mind. He deserves one other Oscar—the biggest phony of the year.

ECONOMIC OPPORTUNITY ACT AT WORK

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLAY. Mr. Speaker, we hear a lot of talk these days about the failure of programs operating under the Economic Opportunity Act. Many of us in Congress disagree with these accusations. We believe the Economic Opportunity Act has had a tremendous, positive impact on our communities.

One such program, funded under the Economic Opportunity Act is "Special Impact: or Title 1–D, which provides seed money to urban and rural communities to stimulate business potential and thereby help such communities to revitalize themselves economically."

The Union Sarah Economic Development Corp. in St. Louis, Mo. is a fine example of what special impact can accomplish. The program funded by a $2.1 million grant from OEO is serving the St. Louis community in an extraordinary fashion.

The March issue of the St. Louis West End World has featured the Union Sarah Corp. and I commend this article to my colleagues.

The article follows:

UNION-SARAH ECONOMIC DEVELOPMENT CORP. WORKS FOR AREA IMPROVEMENT

Blight and the concomitant evils of crime and disease are on the increase in cities across the country. In St. Louis, as in most other major cities, the conditions under which many people live strains the credulity of even the most callous. And yet, many in our city have more and live better than their fathers ever dreamed. But these enclaves of relative well being become fewer each year while those of poverty increase. This article concerns one effort, that of the Union-Sarah economic Development Corporation (USE DC) to reclaim the city as a viable community for all who live within its boundaries.

For those not familiar with USEDC, it is a St. Louis-based community development corporation funded by a $2.1 million grant from the Office of Economic Opportunity. It is a for-profit corporation dedicated to improve the economic conditions of its residents through creating new businesses and encouraging others to locate in the Union-Sarah area, and by assisting, financially and otherwise, existing business. To this end USEDC has established subsidiary corporations in real estate investment and development, manufacturing, and retail business,

and has assisted small contractors and businesses by providing low interest loans and technical help. It has been unsuccessful in attracting other new business, and is less than satisfied with its impact on area unemployment.

One of 42 community economic development corporations across the nation, USEDC faces those problems endemic to all efforts created to alleviate poverty; e.g., lack of technical assistance, insufficient community support, and a large dose of that deadly small business disease, economic Darwinism. USEDC has learned that although small business efforts are fine, and entrepreneurship has its value, effective economic development demands projects that are labor intensive. In short, employment is the name of the game. Also, the experience of community development corporations nation-wide indicates that efforts of this magnitude are possible only when those who control the markets, the large corporations, are involved.

In 1971, nine major St. Louis based corporations spent a total of $510,836,000 in capital expenditures—i.e., new plants and additions. Of this amount, $200,000 was spent in the city of St. Louis, none of which was labor generating. These same corporations enjoyed sales of almost $11 billion and profits of over $397 million. Recent news releases indicate that in the coming year the story will be the same, as one company has announced plans for new plant construction of nearly $200 million and another company announced a projected expenditure of $100 million, none of which is likely to be designated for the city of St. Louis. It seems reasonable to ask, why is this?

Are the corporations going to abandon the city of St. Louis, or will they recognize that they are public as well as private and that poverty, disease, and crime are their concern as well as the concern of each of us as individuals?

USEDC is asking that St. Louis corporations join with them in stemming the tide of unemployment and city blight by (1) Participating in joint ventures with USEDC to establish plants in the area, (2) Provide sub-contracts so that USEDC can create new manufacturing efforts, or, (3) Establish plants in the Union-Sarah area instead of Florida, Georgia, or wherever.

To west end residents, we appeal for support in our efforts to convince our major corporations that their welfare and best interests are tied not just to profits, but to the health and vitality of the total community.

REMARKS ON PROPOSED SOCIAL SERVICES REGULATIONS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEHMAN. Mr. Speaker, on March 15, the Select Subcommittee on Education held hearings on the proposed social services regulations to the Social Security Act.

Although I did not offer prepared testimony at those hearings, I would like to include in the RECORD my remarks as a member of the subcommittee on these proposed regulations:

REMARKS OF CONGRESSMAN WILLIAM LEHMAN

Thank you for calling this meeting, Mr. Chairman. One of the best programs we have had in Florida is, of course, the day care centers. As you stated, it seems the big problem in this country today is not necessarily the welfare problem but the working poor problem. That is so much broader and so much greater, I think, than the smaller welfare problem, and yet every single stumbling block possible seems to be thrown in the way of those who want to work.

The old work ethic thing has every possible stumbling block, whether it is the day care center problem or many other things that seem to be thrown into the way of the working poor people.

Perhaps these kinds of hearings should be extended, if the Chairman would consider that, into the areas where day care centers are functioning. There is something about the impact of being where it is happening that would be beneficial.

In a way, not only is the Administration seeming to me to be against work itself, but even against Christian charity, by prohibiting private grants.

THE LEGACY OF JEFFERSON AND JACKSON

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, recently I attended a Jefferson-Jackson dinner in San Jose, Calif. At that dinner, I had the distinct pleasure of listening to a rather eloquent speech given by Dr. Samuel Bloom on the legacy that Thomas Jefferson and Andrew Jackson left for future Americans.

At this time Mr. Speaker, I would like to submit into the RECORD the text of Dr. Bloom's speech and urge that my fellow colleagues take a few minutes in the press of business to read the rather eloquent thoughts of Dr. Bloom and take note of their relevance to the business of the Congress in this day and age.

The text reads as follows:

THE LEGACY OF JEFFERSON AND JACKSON

(By Dr. Samuel B. Bloom)

When Jefferson took office as President in 1801, he said in his inaugural address that now we were all Federalists, all Republicans. This was supposed to usher in an era of good feelings. However, the era got off to a very bad start. Before Adams went to bed, the night before the inauguration, he stayed up until past midnight appointing judges and justices of the peace to the newly reformed federal judiciary. It was no surprise that all the commissions were for loyal Federalists. When Jefferson refused to deliver these commissions a series of events were initiated leading to the famous Marbury vs. Madison decision. This was the decision, I am sure you all know, establishing judicial review of legislative acts. John Marshall, chief justice and a most avid Federalist, knew that Adams had appointed these judges and justices hoping to stem the Republican tide with Federalist dams in the judiciary system just in case all other instruments of government did not. Marshall realized that there was no power in the Supreme Court to force the executive branch to deliver the commissions but he used the court as a podium for attacking Jefferson and his party, holding Jefferson up to public ridicule, hoping to persuade the general public that they had elected a man so sunken in sin, so depraved, so wicked that he could not be expected to fulfill his commitments to carry out the laws of the land honorably, for here he is unwilling to deliver signed and sealed commissions, merely a routine administrative procedure. Jefferson and Marshall were fellow Virginians, distantly related, for a time brought up together and both trained in the legal system. Political feelings and animosities kept these two great Americans apart and enemies to such an extent that, although they lived and worked in the same city for more than thirty years, they never exchanged a word.

Politics then was a full-bodied way of life, rich with feeling, emotion, and prejudice. Does it violate your image of the Founding Fathers to hear that Jefferson attacked the party of Washington as ". . . an Anglican monarchical and aristocratical party . . . whose avowed object is to draw over us the substance, as they have already done the form, of the British Government. . . . It would give you a fever were I to name to you the apostates who have gone over to these heresies. Men who were Samsons in the field and Solomons in the council, but who have had their heads shorn by the harlot England". Stung, and recognizing himself as the object of the barbs, Washington wrote to Jefferson, ". . . I had no conception that parties would or even could go to the length I have been witness to . . . that every act of my administration would be tortured, and the grossest and most insidious misrepresentation made of them . . . and that too in such exaggerated and indecent terms as could scarcely be applied to a Nero, a notorious defaulter or even a common pickpocket".

After Washington left office, the two never met or corresponded. The fundamental political principles Jefferson espoused which produced this reaction in President Washington and Justice Marshall is the legacy we honor tonight. The Jeffersonian creed included the faith that it is possible to improve the lot of common man through the instrument of political democracy; that the care of human life and happiness is the first and only legitimate object of good government; that responsive government, not stable government, is the first priority and to be responsive means to serve faithfully the majority will; and finally, a pragmatic notion that changing conditions call for new laws and new orders rather than worship of established law and order. This Jeffersonian legacy comes directly from our revolutionary roots and calls us to be faithful to our origin.

The legacy from Jackson may be summed up in a few words: if you want to get your political candidate elected, you had better have an organized party. This was the lesson political events taught Andrew Jackson.

When Jackson was denied the Presidency in the election of 1824, through the operation of cronyism, factionalism and King Caucus; when he saw more and more clearly as he stopped to talk with people on his way home from Washington after the action of Henry Clay swinging the Congressional vote to John Quincy Adams, and then when Adams appointed Clay his Secretary of State; when the general cry of outrage of the people he spoke to reached a great crescendo, Jackson yelled foul and vowed that this would not happen next time because there would be a political party dedicated to winning an election and not allowing Congress to decide. In organizing a political party that would reflect the popular choice for President, that would see to it that voting qualifications and election laws would allow the people to decide who the successful political candidates were to be, Jackson was reflecting and embodying the Jeffersonian idea that there must be a party of the people to counteract the conspiracies of privilege. Because of this, it has been charged that the Jacksonian Democratic party lacked any ideological principles, that the party harbored so many diverse groups and sectional interest that, indeed, the only thing they seemed to agree on was that Democrats must get elected. What is overlooked and ignored in this charge is that it does make a difference which party is successful in an election. The Whig politicians recognized this in Thurlow Weeds' statement in 1839 to the effect that anyone who believes that the Democrats should be

driven from office is a Whig, no matter by which name he has been called or is called. But is it also not true that such sentiment reflects a pragmatic concern in politics and exiles ideology to the cloistered halls of universities and debating clubs? Examine the aims and accomplishments of the Jackson administrations and we see the extent to which election laws were changed to make it possible for the previously disenfranchised voters to participate in elections, the liberalization of bankruptcy laws making it more difficult to persecute the poor for indebtedness, the protection of working men with new factory legislation and the fight against the national bank which, in the hands of financiers, had become an instrument for greater centralization and control of money in the hands of a few.

While the Whigs wooed the "better" part of society—meaning by "better" the rich, the aristocrat, the financier, the manufacturer, the banker, and the land speculator—the Democrats wooed the farmer, the workingman, the clerk, the disenfranchised and the poor. No doubt, to some extent, these were campaign slogans and necessities, but it also indicates the alignments sought by these parties and in the case of the Democratic party, it reflects the Jeffersonian view that in every society, by their very constitution, people are divided into two parties—those who fear and distrust the people and wish to draw all power from them into the hands of the higher clases, and those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe depository of the public interest.

Political partisanship is the legacy of Jefferson and Jackson. From Jefferson and Jackson, we have inherited a distrust of privilege and a reaffirmation of the revolutionary slogans of equality and democratic representation. And let us look at this legacy. Would we not prefer a Wilson to a Harding, a Roosevelt to a Hoover, a Truman to an Eisenhower, a Kennedy to a Nixon, and, yes, even a Johnson to a Nixon? It is over and over again a question of the prosperity of most of the people as against the well-being of the privileged.

The prosperity of a country is not defined by the extent or amount of corporate profit, the number of high-interest mortgages held by lending institutions, the indebtedness of the general public to the banks, nor by the few who have swollen incomes on which no or little income taxes are paid. A country is prosperous when the masses of the people are regularly employed at decent paying jobs, producing goods and services which contribute to a peaceful and easier life. When those who produce live in decent houses at fair rents and prices; when ordinary table fare at home is plentiful and wholesome and not taken from the earth through a process of rape and despoliation; when the oppressed, the aged, the infirm, orphaned and unfortunate are treated fairly, with compassion—not recorded, catalogued, numbered, fed into a computer, photographed, and given identity cards; when equality of quality education is generally available and when the opportunity to make something interesting out of your life through the exercise of your talents is encouraged, then, we may speak of a prosperous United States. This is the legacy of Jefferson and Jackson.

CITIZEN INVOLVEMENT WITH THE BUDGET

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RANGEL. Mr. Speaker, the Community Council of Greater New York is an organization dedicated to social service. The council is involved in such activities as consumer protection, family counselling, child care, employment referral, health services, and recreation planning.

A New York Post editorial of March 14 entitled, "Public Eyes" tells of another field that the community council is entering:

PUBLIC EYES

Official Washington is making a good deal lately of the virtues of "grass roots government" but that may be subject to change if it hears often enough from Americans who are tired of being clipped—and even mowed down.

In that connection, the Community Council of Greater New York has formed a special committee to keep track of the Nixon Administration's budgetary proposals and actions on social welfare funding, with a view toward interpreting them carefully and explaining to the public exactly what the extent of the damage is likely to be.

This would be an unusually responsible and helpful enterprise in any year, for which the Council and its president, Mrs. Leonard H. Bernheim, would be entitled to recognition. In this year of ruinous retrenchments by Washington, the new committee qualifies as an essential local resource. It may well be vital for Congress and the public to have continuing, thoroughly reliable analysis of the budget impact, since the Administration obviously plans nothing beyond assurances that urban life was never better.

The co-chairmen of the new committee are Mrs. Elinor Guggenheimer and Rev. M. Moran Watson, both identified with progressive social welfare activities here. Many New Yorkers will look forward to hearing from them and their colleagues.

CONGRESS MUST ASSERT WAR POWERS AUTHORITY

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLEVELAND. Mr. Speaker, I have today joined in introducing legislation to assert the constitutional authority of the Congress over military actions of U.S. Armed Forces overseas.

I have done so in the conviction that the active sharing of constitutional authority will strengthen the ability of this Nation to conduct its defense policy on the basis of greater unity between the executive and legislative branches.

For too long, the executive branch has been the locus of power over the conduct of foreign military operations. This has subjected it to the legitimate criticism of those who deplore erosion of congressional responsibility. It has also led to partisan or misinformed congressional criticism, delivered with impunity resulting from the same de facto lack of responsibility in Congress.

I seek to focus accountability on the Congress as well, so that Members will share with the administration the full consequences of action—and inaction—by the Military Establishment of this Nation in response to varying degrees of threat to our security.

Before discussing its provisions, I wish to emphasize at this point that it in no way represents direct or indirect criticism of the incumbent administration. My steadfast support of President Nixon in his efforts to achieve peace with honor has established my credentials in this respect. Furthermore, the legislation specifically exempts from its application "hostilities in which the Armed Forces of the United States are involved" on its effective date and abrogates no treaty responsibilities.

What it does provide is that, in the absence of a congressional declaration of war or attack on the United States, the President may not commit U.S. forces to actual or potential combat situations except in case of a Presidential declaration of emergency, and then under procedures for congressional oversight.

After making such a finding and committing troops, the President must within 24 hours inform Congress of the full circumstances surrounding his action—or 48 hours if Congress is not in session, in which case he must convene a special session and report within 48 hours.

The Congress must act affirmatively within 90 days to approve and authorize continuation of the action, or disapprove and order termination. No less often than every 6 months thereafter, in case of approval, the President must report to the Congress on the conduct of the hostilities, subject in each case to affirmative approval or disapproval within 30 days. Any failure by the Congress to act during the prescribed periods shall be interpreted as approval of the President's actions.

In the event of disapproval, the President must terminate involvement of our forces "as expeditiously as possible," with due regard for their safety and that of other Americans involved, due notice to allied and other friendly nations, and overall defense of U.S. territory, and possessions.

Mr. Speaker, this is a reasonable balance between the warmaking powers of the Congress and the authority of the President inherent in his role as Commander in Chief of our forces. While we recognize the President's role we must give equal recognition to the enumerated powers of the Congress under article 1, section 8 of the Constitution, which include authority "(t)o make rules for the Government and regulation of the land and naval forces," under which we have legislated in the past. These being in addition to powers to raise armies and declare war.

The effect may be to curb the President in future crises, in some cases, or alternatively to strengthen his hand by formal support of the Congress timely expressed.

I foresee additional benefits. Rather than lead to unwieldy congressional deliberations de novo at the time of crisis, this legislation should foster closer consultation between the administration and the Congress on a continuing basis. Clear vesting of this constitutional prerogative in the Congress in an era of potential brushfire conflicts should assure consultation on the evolving world scene long before the fact of a crisis reaching the point of hostilities.

In such an environment, I have no doubts concerning the capacity of Congress to act expeditiously and responsi-

bly in this role. The result will be a stronger and more unified Nation.

THE INDEPENDENT FOUNDATION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Ms. ABZUG. Mr. Speaker, at a news conference here in Washington on March 12, Sargent Shriver, first Director of the Peace Corps and former Director of the Office of Economic Opportunity, announced the first stage of a national movement to mobilize the more than 75,000 former Peace Corps and VISTA volunteers for an assault on our Nation's social problems.

The movement will be directed by the Independent Foundation—"IF"—a nonprofit organization which will raise funds for and offer technical assistance to the projects of these former volunteers throughout the United States. It will provide a vehicle through which former Peace Corps and VISTA people can effectively use their experience and talents. In addition, it may help take up some of the slack caused by the attempts of the administration to slash Federal funding for social programs.

Six major target cities have been chosen for initial projects in 1973.

Washington, D.C.: Anne Ternes, former Peace Corps volunteer—PCV—in the Dominican Republic, will lead a project of child development.

Los Angeles: Patrick Saccomandi, former PCV in Thailand, will coordinate a program of career education—cultural awareness in junior and senior high schools.

Pittsburgh: Bob Kambic, former PCV in Nepal, will lead projects to create a more livable environment.

Houston: Eric Nelson, former VISTA volunteer, who worked with Chicanos in Houston, will coordinate a consumer education and protection project.

Boston: Steve Cohen, former VISTA volunteer in Buffalo, will coordinate a volunteer technical assistance clearinghouse.

Cleveland: Roland Johnson, former PCV in Kenya, will lead in the establishment of a center to assist citizen groups to expand their participation in local government.

The executive director of the Independent Foundation is Grady Poulard, a former Shriver aide at OEO and an alumnus of the national urban fellows program. Mr. Poulard announced at the news conference that the initial funding for this new thrust of the foundation has been provided by the Irwin-Sweeney-Miller Foundation. He also explained that this new movement is not limited to ex-Peace Corps/VISTA volunteers. Its long range goal is to serve as a catalyst for the involvement of a host of people in many cities who are seriously concerned about the direction in which the Nation is heading. It is beginning with these former volunteers because they have demonstrated their willingness to work toward systemic social change, but it will expand as new funds are received.

Included at this point in the RECORD are several fact sheets on the project and the work of the Independent Foundation:

THE INDEPENDENT FOUNDATION

MEMBERSHIP

The Independent Foundation is an organization of former Peace Corps and VISTA Volunteers. The Board of Trustees of the Foundation is composed entirely of former Volunteers. Ex-Volunteers can obtain full membership in the Foundation with a minimum annual contribution of ten dollars ($10.00). Full membership enables members to be considered for candidacy to the Board of Trustees and also to vote in the Trustee elections. It is not necessary to be an ex-Volunteer to join IF. Anyone can receive the Newsletter who requests it.

Members are asked to stipulate the area in which they are interested in providing voluntary technical assistance. They are also requested to refer IF to other volunteers. IF is interested in groups of former Volunteers that are already operating and in programs that utilize many former Peace Corps or VISTA Volunteers. They are encouraged to let IF know about their activities.

JOBS

The Foundation receives numerous inquiries about jobs from former Volunteers. The few requests for people do not meet the demand for jobs. IF asks that members and friends inform the Foundation of any positions, both voluntary and paid, year-round and summer, that might interest former Volunteers.

ORGANIZING

Members in programs that might need a specific type of expertise may ask the Foundation if another volunteer in their area can supply it. If a member would like to get in touch with other volunteers in their area in order to begin or support a project, ask the Foundation for assistance. Other IF members might live in the area or IF can begin to identify and contact others, introducing them to IF members already in the area.

The Foundation requests that its members and friends refer other former Volunteers. IF is interested in the following information on its members:

Name, Address, Phone.

Peace Corps, VISTA or other and year terminated.

Primary field of expertise, other field of expertise.

Former and current Action staff is also encouraged to participate.

THE INDEPENDENT FOUNDATION

FACT SHEET: 1973 MOBILIZATION

Purpose of press conference—March 12, 1973.

To announce the first stage of a national movement to mobilize the more than 96,000 ex-Peace Corps/VISTA Volunteers for an assault on American social problems.

The Independent Foundation is the only organization which exists for the purpose of tapping the commitment and skills of these ex-Volunteers. It is also unique in that it is not "hung up" by any ideological differences at the national or the grassroots level.

Funding for the initial thrust has been provided by the Irwin-Sweeney-Miller Foundation ($75,000 in 1973; $25,000 in 1974).

There are six target cities in 1973. More will be added as the necessary funds are raised.

Target cities have been selected on the basis of the residency of Trustees in those cities. They are currently serving as field coordinators, without salary.

Boston, Mass.: Volunteer Technical Assistance Clearing House.

Cleveland, Ohio: Study Center for Citizen Participation in Local Government.

Houston, Texas: Consumer Education and Protection.

Los Angeles, California: Volunteers in Public School Programs, emphasis on Career Education.

Pittsburgh, Pennsylvania: Support for Environment: Pittsburgh, an environmental improvement project.

Washington, D.C.: Technical Assistance to Day Care Programs in Anacostia.

Mass meetings are planned for each city by mid-spring.

"IF" seeks to work in cooperation and coalition with other volunteer organizations at both the national and local levels.

With reference to the listing of the Board of Trustees on the inside back cover of the brochure, Sam Carradine, Bob Kambic and Phil Jessup have been recently elected to the Board: Maria Cuadrado, Dave Dawley and William Southworth are no longer members on the Board.

Vernon Alden, President of the Boston Company, is a new Advisory Council member.

Staff of four, at the present time, is supplemented by the voluntary help of former Volunteers.

It is not necessary that one be an ex-Volunteer to join "IF". Other persons who are interested in "IF's" purpose are also welcome.

THE INDEPENDENT FOUNDATION

BACKGROUND

A small group of former Peace Corps and VISTA Volunteers founded the Independent Foundation in December, 1969, seeking to create a vehicle for all former Volunteers to continue and deepen their social commitment. Despite severe funding limitations, IF has managed to attain a credible track record—evidence that, with adequate funding and staff, the Foundation could become a major force for constructive social change in America.

Since inception, the Foundation has:

Recruited 700 members who provide voluntary services to community programs,

Provided volunteer and staff services worth more than $40,000 to 150 community program requests submitted by former Volunteers,

Approved small grants totaling $50,000 to ten community programs,

Assisted six community programs in developing access to major sources of funding resulting in grants and commitments of more than $600,000, and

Performed referral, evaluative and administrative services contracts to various foundations and government agencies totaling more than $64,000.

PURPOSE

The Independent Foundation (IF) is a national, tax-exempt, charitable organization seeking to assist more than 65,000 former Peace Corps and VISTA Volunteers to continue their involvement in the process of domestic social change. Former Volunteers represent over 100,000 man/years of specialized technical expertise—since their inception, the federal government has invested over one billion dollars in the Peace Corps and VISTA programs.

This investment, to a great extent, is being underutilized. Neither the public nor the private sector has seriously attempted to reap the dividend of the resettled Volunteer. In an era of ever-increasing domestic crises—of personal identities, of ethnic polarity, new awarenesses and old fears—The Independent Foundation represents a multi-ethnic co-

hesive force, a potential source for a constructive movement in America, by providing alternatives to "business as usual" or "dropping out and turning off".

The skills, sensitivity, and commitment of former Volunteers are ready to be put to work solving those problems which have been inadequately faced or overlooked in our own country—particularly the problems of the poor and oppressed. The Independent Foundation is presently the only existing vehicle for drawing together the skills and expertise of former Volunteers, for constructive social change in the domestic sphere.

GOALS

Organizing and assisting former Volunteers for local involvement with grassroots community projects is the overall goal of the Independent Foundation. Particular emphasis is placed on projects which have high merit, but low-visibility. By stimulating and coordinating the activities of former Volunteers, the Independent Foundation assists:

Former volunteers—by informing them of the manpower and funding needs of local community programs in which other Volunteers are involved, and by recruiting their services for these programs.

Community groups—by providing voluntary and permanent local staff services for developing program, writing proposals, identifying potential sources of funding, securing funds and managing programs.

Funding sources—by providing manpower to identify community projects worthy of support, evaluating existing or proposed programs and by administering select programs in which the unique experience of Volunteers can play a vital role.

TO FORMER VOLUNTEERS

Renew your commitment to constructive social change—through IF become and remain involved. Members volunteering a few hours a month have become involved by:

Organizing Former Volunteers—Anson Chong, RPCV—Nigeria, has organized HIVA (Hawaiian International Volunteer Association) an organization of 220 former Volunteers that support a variety of grassroots community action programs throughout Hawaii.

Developing Programs/Raising Funds Writing Proposals—Dave Dawley, RPCV—Honduras and IF Trustee has worked closely with inmate councils in Massachusetts' prisons to develop the Inmate Education Fund. His proposal writing and fund raising efforts have generated initial funding for the program.

Providing Management/Legal Support—A management consultant and former Peace Corps staff member, David Lynch has assisted an urban group with its bookkeeping and accounting system. Steve Lieberman, a lawyer and former Volunteer helped a rural community organization by providing legal assistance in the development of its program.

Developing Programs/Raising Funds Organizing—Marcia Lang, RPCV—Brazil, helped to establish the Prince George's Free Clinic. The clinic has been open since December 1970 serving the young in Prince George's County, Maryland. Her fundraising efforts were essential for the institution of this clinic.

If you would like to get involved in a similar capacity in community programs in your locale, contact us and let us know what skills you can offer. If you can afford a small contribution ($10 or more annually), please enclose it and you will become a member of IF. If you can't afford the contribution, we still want your response—your commitment for involvement. Community programs need your skills and we will make certain you are properly linked and matched to the needs of local projects.

MEMBERSHIP

As a member you will be kept abreast of Foundation activities. You will be eligible to vote for the Board of Trustees, or to be elected a Trustee yourself. Trustees serve three year terms, rotating one-third of the Board at annual elections. In addition to being policy-makers, Trustees appoint the Advisory Council and the Executive Director.

The Independent Foundation can become *your* organization—giving focus and impact to your continuing efforts to improve the quality of American community life. If you desire to renew your involvement, as a member or by offering your skills, please return the enclosed post card.

TO COMMUNITY GROUPS

Former Volunteers involved in community projects are invited to use our staff and national network of Volunteers to provide manpower and funding assistance to local programs. The Foundation is endeavoring to expand its funding, staff and local organizational base so that it can respond more rapidly to the increasing number of requests. Given its current financial and manpower limits, the small Foundation staff responds to all requests and provides whatever assistance it has available. In addition to assisting *individual* community programs, the Independent Foundation is seeking funding for functional *group* programs through "community support systems". These support systems permit the Foundation to allocate Volunteers and funds to projects in a given technical area from a single fund, thus greatly increasing management efficiency and flexibility.

The Foundation's pilot project, Community Arts Support System, received funding from the National Endowment for the Arts and the Donner and Strong Foundations. Through this program, IF provides local Volunteers and seed grants to support community arts programs in various locations throughout the U.S. The Foundation is considering the development of support systems in a number of fields.

If you are involved with a program seeking voluntary assistance, bring your program's needs to the attention of the Independent Foundation for evaluation and response by returning the enclosed post card.

TO POTENTIAL SOURCES OF FUNDING

We invite you to review our capacity to use former Peace Corps and VISTA Volunteers to assist you in identifying, evaluating and administering community projects in which you or your organization may have specific programmatic interest. Currently, we provide other foundations, corporations, religious organizations, governmental agencies and individuals our evaluation of suggested programs within their target areas.

Direct assistance to funding sources for evaluation of previous or proposed program areas is also provided. For example, a former Volunteer recently completed a 181 page document for the Donner Foundation which thoroughly explored the possibility of private philanthropy in a new area being considered by some of that Foundation's Trustees.

The Independent Foundation has also successfully completed a series of nine contracts with the Office of H.E.W. Through these contracts, employing a number of former Volunteers and Peace Corps staff, the Foundation designed and administered a system for evaluating all funding request proposals submitted to the Environmental Education Division of the U.S. Office of Education.

Human resources and expertise are the primary assets of IF—it has no endowment funds for operations or grants. Therefore, it seeks from larger foundations, corporations, government agencies, religious organizations and private donors the financial resources necessary for harnessing its vast service potential for bringing about positive domestic social change.

Donors' contributions could be multiplied many times over, considering the more than 65,000 former Volunteers whose skills, energy and commitments are waiting to be channeled into constructive community action. The most immediate need is for funds to get beyond the initial task of organizing former Volunteers at the local level.

The Foundation staff stands ready to prepare and submit proposals for general organizing purposes, as well as brokerage proposals or "community support systems" which could deliver seed grants and technical assistance to over 150 worthy, low-visibility community projects in which former Volunteers throughout the country are involved.

The Independent Foundation has been chartered under District of Columbia law as a nonprofit corporation. Because the Foundation has received a tax-exempt ruling under section 501(C)(3) of the Internal Revenue Code, contributions to it are tax deductible. Additionally, IF has applied to IRS for "public" foundation status. A final ruling has not yet been made, but in the meantime under IRS regulations all contributions received are considered "public" foundation contributions.

If you are interested in providing assistance, or if you would like more information, please contact the Executive Director, Grady Poulard, at:

The Independent Foundation,
1028 Connecticut Avenue, N.W. Suite 509,
Washington, D.C. 20036 (202) 785-1730.

DONORS

Support for IF has come from more than 700 former Volunteer members, as well as individual contributors and foundations, corporations, religious organizations and government agencies.

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MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more

than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

THE AMERICAN LEGION'S COMMUNITY ROLE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DERWINSKI. Mr. Speaker, I was especially pleased when an outstanding publication serving communities in my district, the Press Publications, serving west Cook County, Ill., saw fit to editorialize on the years of effective service that have been rendered by the American Legion.

The editorial very properly emphasizes the contribution of the Legion far beyond the service it renders to veterans. I believe it is a testimonial to a very effective, positive, respected organization.

The editorial follows:

OUR OBLIGATION

When the American Legion was founded in Paris 54 years ago the objective was not "peace in our time" as Chamberlain years later hopefully sought but 'peace for all time.'

Peace was a dream, a shattered dream but nevertheless a worthy objective for all men. Today The American Legion members still hope for peace, perhaps even more so than those who have never known warfare.

The shortcomings of mankind are never more evident than in the failure of human beings to get along with their neighbors.

Far too many persons today have to ask, "Who is my neighbor?" Those who think of American Legion members as "war veterans" tend to forget or never see the great amount of work the organization does in the community.

When the American Legion was founded the organization was dedicated not only to mutual helpfulness but also "to inculcate a sense of individual obligation to community, state, and nation."

The greatest chapter of the story of The American Legion is not in the military service of its members. As civilians they perpetuate the ideals of Democracy for which they served in uniform.

Through its many and varied contributions and services performed for the betterment of its respective communities, The American Legion has become identified as an organization good for any home town and for the nation.

During its 54th anniversary observance, The American Legion is emphasizing its theme for the year, "Reach Out-In Service For America."

There will never be a better world of tomorrow unless we all start with a sense of individual obligation to community, state, and nation.

INTERDEPENDENCE OF LIFE, LAND, AND WATER

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HANSEN of Idaho. Mr. Speaker, one of the most rewarding experiences of my service in Congress was my close association with former Senator Len B. Jordan, who retired from Congress last year after a quarter century of public service including 10 years as a U.S. Senator from Idaho.

One of our Nation's leading water authorities, Senator Jordan was responsible for numerous pieces of important legislation dealing with water resources. In a recent address before the Snake River regional studies program in Caldwell, Idaho, last month, he demonstrated his continuing concern and clear understanding of this priceless resource. As a part of my remarks I would like to include the text of the Senator's important remarks and commend his address to the attention of my colleagues in the House:

LEN B. JORDAN—TEXT OF REMARKS, COLLEGE OF IDAHO SNAKE RIVER REGIONAL STUDIES, CALDWELL, IDAHO, FEBRUARY 6, 1973

Except for the air we breathe, water is the most essential element in our lives. Most of us take water for granted, but long before life existed on this earth, God had to first provide a master plumbing system. In Ecclesiastes we read about the plan:

"All of the rivers run into the sea, yet the sea is not full. Unto the place from whence the rivers come, Thither they return again."

Here in a few words of simple, flowing rhetoric is described the complete hydrologic cycle which makes possible the existence of life on this planet. No one to this day can improve on that language.

From some vantage point in outermost space one might discern that the earth's water supply is fixed in amount, that it is indestructible and that it is constantly circulating and in the process it purifies itself. Each year about 80,000 cubic miles of moisture are evaporated by the sun upward into the atmosphere to return to earth again as rain, snow or dew. This drawing up and dropping down process is repeated in an unending hydrologic cycle. Differences in temperature, topography and winds influence the distribution of moisture laden air, causing precipitation on the earth to vary from one to more than one hundred inches per year. The result is that only a small percentage of the earth's surface receives enough rainfall to sustain human life. Throughout the ages the great civilizations have developed where the water is. One cannot fail to be remained over and over again of an ageless verity—that is the interdependence of life, land, and water.

From this general proposition let us turn to the more specific example of the interrelationship and interdependence of life, land and water in our own modern day world. If I may be pardoned the personal approach, I think I can best describe and assess the importance of water resources by taking you back through the fifty years of my own involvement in water economics.

In 1923 I graduated from the University of Oregon. Dr. James Gilbert was then Dean of the School of Economics and after many consultations with him I decided to work toward a masters degree by exploring the feasibility of barge transportation on the Columbia and Snake rivers. At that time there was not a single dam on either of these rivers. I found that not many people were receptive to my plan. When I sought a loan to further my studies I was challenged on the impracticality of my proposal. Did I not know that navigation alone could not bear the cost of a series of navigation dams and locks that would be required to provide slack water navigation from the ocean to the Inland Empire? When I suggested that hydroelectric power might be the paying partner for navigation in such a venture, the question was then asked—"But who will buy all of that power?" So I gave up and abandoned the project but the idea still persisted.

In 1928 the Corps of Engineers was directed by the Congress to make detailed studies of the Columbia and its tributaries and report on the navigation, power, reclamation and the fish and wildlife potential of the entire river system. That report, published in 1932, was known as the 308 report. It provided the data for the first Columbia River dam at the Bonneville site, which was completed in 1938 and also for the construction of the great Grand Coulee project by the Bureau of Reclamation. Bonneville Power Administration was set up as the sole marketing agency to dispose of all power from federal projects. The power found a ready market with preference going to public entities for distribution.

In the early 1940's Congress instructed the Corps of Engineers to review the 308 Report with particular emphasis on a comprehensive plan of interrelated projects to provide the multipurpose benefits for the basin States. This review report was completed in 1948 which happened to be a year of devastating flood on the Columbia with a great loss of property and some lives in the Portland-Vancouver area. A flood of even greater dimension had occurred in 1894 when the flood flows reached a magnitude of more than one and a quarter million cubic feet per second at The Dalles. The report was indeed timely. It recommended a main control plan with enough headwater storage (including Libby dam) to reduce the 1894 flood flow to a tolerable limit of 800,000 cubic feet per second.

During World War II the Canadians had an acute manpower shortage and were unable to suppress many of their forest fires. The watershed of the Kootenai river in Canada burned out of control until snow put the fires out. Much of the watershed was destroyed. Floods came. In 1948, Kootenai Valley in Idaho was flooded. Water was doorknob high on the first floor of the Boundary County Courthouse at Bonners Ferry. In the early 1950's when I was Governor I called out the National Guard two different years for flood duty on the Kootenai. Regular army troops were assigned to flood duty also.

Heroic efforts by local residents, the army and the Idaho National Guard working round the clock saved Bonners Ferry, but thousands of acres of farmland were flooded when the ditches were breached. Libby dam will remove that flood hazard for Northern Idaho and assist in the main control plan downstream. But I am getting ahead of my story.

Based on data provided by this and earlier reports several multi-purpose projects were built in fairly even succession. Certain benefits such as navigation, flood control, fish and wildlife enhancement were classed as non-reimbursable because they filled an over all public need. Other identifiable benefits such as water for industrial, municipal or reclamation uses were classed as reimbursable, with the beneficiary paying a proper share of the costs with interest—except that reclamation paid no interest, only principal. In the event reclamation costs exceeded the ability of the water users to pay, sufficient power revenues were diverted to assist the payout. Thus was developed the basin account concept without which much of the land in the vast Columbia basin project could not have been developed.

In 1950 I was elected Governor of Idaho and in furtherance of my long time interest in water and land resources it seemed appropriate to suggest formation of a Columbia River Compact among the several States of the basin—this in lieu of a Columbia Valley Authority which had some dedicated sponsors and many detractors. The Compact idea, patterned after the Colorado River Compact (and others), seemed a better plan for the Northwest States and I thought everyone would agree. How wrong I was.

Now, 22 years later, we still have no Columbia River Compact, although on several occasions we came very close. I shall not go into detail here on the various issues that surfaced. To name a few: (1) public vs. private power, with the jealously guarded preference to public bodies that evolved from public development. (2) upstream vs. downstream claims regarding the proper allocation of power and water—principally water, insofar as Idaho is concerned.

Idaho, an upstream state with a vast acreage of potentially irrigable land, was determined to protect not only present consumptive use for irrigation but future consumptive use for new land yet to be developed. Montana, also an upstream state, has few irrigable acres but substantial headwater storage potential in Hungry Horse and Libby sites. Montana insisted on an allocation of power not only for power produced at Montana sites but for a share of power produced downstream by reason of storage projects in Montana. Wyoming, with a much smaller stake and already in compact with Idaho generally went along with Montana and Idaho in espousing what developed into the basin of origin concept—which stated simply, was a fair share in the allocation of water and power to upstream states whose watersheds provided most of the water.

As we shall see later the issues that resulted in a deadlocked compact were dealt with effectively in the Columbia Treaty. A climate of compromise on the international level seemed more conducive to success. The one point of solid agreement that did emerge from the Compact debates, however, was that there would be no diversion of water out of the Columbia basin. Unanimity on this issue was timely because it was to be fully tested in the years ahead.

After my term as Governor, I accepted a Presidential appointment as Chairman of the United States Section of the International Joint Commission. I reported for duty in January 1955. The IJC was established by treaty with Canada in 1908 as an international commission for arbitrating some international problems and, by reference from the two governments, making investigations of prospective development of international waters that either formed the boundary or crossed the boundary between the U.S. and Canada. Of special concern at that time were negotiations on the St. Lawrence Seaway and Power Project and on the Columbia Treaty.

In addition to my IJC duties I was summoned to the White House as advisor to a special cabinet level group charged with the responsibility of developing a water resource policy for the Eisenhower administration. As finally approved, that policy embraced certain fundamentals, e.g.—"the primary responsibility for supplying the power needs of an area should rest with the people locally and not with the Federal government" and—"that all interests participate in the cost of projects in accordance with the measure of their benefits and that the federal government assume the cost of that part of projects where the benefits are widely dispersed and represent substantial contributions to the general economic growth of the country or region or to the national defense."

That was a good water resource policy then and it is a good water resource policy now. One immediate effect it had then was to open the way for international cooperation, notably with Canada in joint venture development of international river resources.

The St. Lawrence Seaway and Power Project became a reality. This project had a two fold objective: a 27-foot navigation channel from the Atlantic ocean to the Great Lakes and the Barnhardt Island power project which is comparable to Grand Coulee in power output. This joint venture was built by two entities—Ontario Hydro for Canada and the Power Authority for the State of New York for the U.S. Power costs and benefits are shared equally. Navigation costs are borne by the country making the improvement.

In order to improve navigation and flood control the range of stage of the levels of Lake Ontario was compressed through regulated flows at Iroquois dam to 244 to 248 feet above mean sea level. In a state of nature the fluctuation had been between 242 and 250 feet. We conducted hearings on both sides of the boundary and I was surprised to hear the skepticism of people in both countries. They wanted assurance that legal redress was available to them in case of flood damage even though they might have built in the flood plain. We were able to give that assurance to Americans—that they could present a claim for alleged damage in any U.S. Federal Court of jurisdiction. The Canadian situation was different. I recall with some surprise that the very distinguished and dignified Counsel for Canada invoked the Doctrine of Sovereign Immunity. Said he, "The Queen does not wish to be sued." So I learned about sovereign immunity then and there. In Canada that ended the argument.

About that time, at a White House conference, President Eisenhower turned to me and asked. "Governor, how are you getting along with the Canadians?" "Well, Mr. President," I said, "sometimes I wonder. They are very tough bargainers. I wish you would instruct me—how far do you want me to go?" Ike smiled. "Go about 51% of the way—but remember you don't have to sell your own country down the river."

The Columbia Treaty presented some thorny problems. By asserting their right to divert 15 million acre feet of Columbia River water annually through the mountains by tunnel near Revelstoke and into the Frazier River drainage, the Canadians held a very potent bargaining advantage because such a diversion would have caused substantial power loss to the United States at all plants downstream from the point of diversion. Fortunately we were able to discourage this diversion but no doubt the threat got a better deal for Canada.

Finally a Columbia Treaty was consummated. It provided that the United States pay Canada immediately about $256 million dollars in cash. Canada agreed to provide about ten and one half million acre feet of storage for flood control and power. Canada would retain all at site power produced and would receive one half of additional power developed at U.S. plants downstream made possible by releases from Canadian storage. The U.S. was granted permission to build Libby dam with some 42 miles of the reservoir extending into Canada. The Treaty was subject to revision and renewal at the end of thirty years.

I mention the Canadian Treaty negotiations in some detail because the same issues were involved there as have plagued us in our efforts to achieve a Columbia River compact between the several states of the basin. It is interesting to note that the U.S. settled with Canada, the upstream country, on very generous terms—much more generous than the downstream states of the Columbia Basin were willing to concede to the upstream states of Idaho and Montana. The basin of orgin concept was fully recognized in the Columbia Treaty.

Perhaps a revival of effort to achieve a Columbia Basin Compact would be in order now that the principles relating to river basin equities has been so painstakingly set forth in the Treaty.

I spent most of the summer of 1956 in Afghanistan on leave from my duties at IJC. I was leader of a survey team of engineers and economists charged with the task of evaluating the Helmand River Reclamation project consisting of two large storage reservoirs and a delivery system for irrigating several hundred thousand acres of land. The project was then under construction by Morrison-Knudsen Co. of Boise. As always, MK was doing a good job but the hundreds of years of abuse of the watershed made reclamation very difficult.

The once timbered foothills of the Hindu-Kush Mountains had long ago been denuded of trees followed by many years of overgrazing. The result was that the steep slopes of the watershed had been eroded to bedrock resulting in flash floods with each storm. There I saw masonry bridges standing stark and alone on the desert—sometimes miles away from the present river channel which changed courses across the flood plain with each devastating flood. Those bridges still haunt me as ghostly monuments to man's abuse of nature and the destruction of his environment.

The year 1956 also marked a bold attempt by a consortium of Southwest Governors, Governor-elect McNichols of Colorado, Governor Simms of New Mexico, and Governor McFarland of Arizona—backed by the Colorado State Chamber of Commerce—to arouse interest in a proposal to divert 1.5 million acre feet of water from the Upper Snake River into the Colorado River basin via Green River. Their effort failed, but it did serve notice of the continuing interest in such diversion if and when the political climate might be favorable.

Because the threat cannot be brushed aside perhaps we should examine briefly the water situation in the Colorado Basin. Prior to 1928 the historic flows of the Colorado river had averaged between 17 and 18 million acre feet annually. A treaty with Mexico called for the delivery of 1.5 million acre feet annually at the Mexican border. Based on record flows, water supply seemed adequate to provide a Compact for the division of water as follows: 7.5 million acre feet annually to the upper basin states and a like amount to the lower basin states as recorded by a gauge at Lees Ferry which was accepted as the midpoint between the upper and lower basins.

The upper basin states thought they were taking care of their own situation by insisting that obligation to the lower basin be met by delivery of 75 million acre feet in the latest ten year period in order to average the flow between years of drought and years of abundance. This seemed like a safe precaution and would have been except that annual flows in the Colorado basin fell to an average of about 14 million acre feet which, of course, presented the acute problem of over commitment of the river's flow.

Water planners in the Southwest were certain that imports to the Colorado from other river basins was the best solution. Hence their interest in the Snake and in the Columbia—but less so in the latter because the economics of interbasin transfer are much less favorable from that source.

This was the water climate in 1968 when the Central Arizona Project Act was passed in the Senate and in quite a different version passed the House also. The House passed bill was especially tough. It provided, among other things, that the Colorado River be relieved of the burden of supplying the Mexican Treaty water by making it a national obligation and furthermore that studies be started forthwith to find supplemental water to bring Colorado basin supplies up to Compact requirements.

The conference between the Senate and House was deadlocked for about 10 days. Except for the diversion language there was much in the bill that had merit. All of the conferees except one was a Westerner and we knew—deep down in our hearts—if we could not resolve our differences and go back to our respective bodies with an acceptable conference report the whole reclamation program would be in jeopardy. A stalled conference might signal the end of federal participation in resource development in the West.

As one of the conferees I felt that the deadlock must be broken. Accordingly, on the 10th day I suggested a compromise that would get the heat off the Northwest for a time at least—that a ten year moratorium on diversion studies to transfer water from the Northwest to the Southwest be written into law as a part of the agreed legislation. I bolstered my argument with data showing the Columbia basin states were busily engaged in conducting a thorough inventory of our own water needs—further that the Northwest was at least a generation behind the Southwest in such resource evaluation—that we would try to compress our work to a ten year period but that we insisted those ten years be free from harassment from the Southwest water planners.

The Jordan Compromise with the 10 year moratorium was adopted, the legislation became law. Time passes. It is hard to realize that by August of this year one half of our time will have expired.

Emerging from the battle of the Central Arizona Act in 1968 with ten years in which to get our own Northwest water affairs in order it seemed appropriate to provide the same period of time to inventory our Idaho water supplies and water needs for all purposes before making further permanent commitments in the Middle Snake.

Accordingly, I introduced with Senator Church as co-sponsor, a bill providing a ten year moratorium on dam construction in the Middle Snake. This bill passed the Senate unanimously only to die in the House. When the next congress convened we passed the moratorium bill again in the Senate—this time for 8 years—only to have the frustration of no action in the House.

The failure to enact a moratorium bill for the Middle Snake set the climate for what I regard as the greatest threat to Idaho's water in my many years of experience. This time the threat came from downstream. This was a proposal by Senator Packwood of Oregon to make the Middle Snake a National River. Information is rather sketchy on the definition of a National River, but we soon detected the inherent mischief in the proposal. At first glance, this bill seemed consonant with the great wave of environmental projects that filled the calendars of various committees of proper jurisdiction. However, when the hearings were held before the Senate Interior Committee it became apparent that the bill as written was totally unacceptable. Senator Packwood testified that existing water rights would probably not be affected, but future upstream consumptive use would be curtailed. With the aid of testimony from several excellent witnesses from Idaho including Harold Nelson, Dr. Robert Lee, Vernon Ravenscroft and Keith Higginson we were able to stop the Packwood bill in committee. Thus Idaho was spared the disastrous effects of what I call the Idaho Water Export Act of 1971.

How long these upstream and downstream harassments will lie dormant is hard to conjecture. We must be eternally vigilant.

I come now to Idaho's stake in water resource development and I am willing to admit that I have been a long time getting here. But there is purpose to my apparent circumlocution. The fact is that no river or segment of river can be properly evaluated in isolation from the river system of which it is a part.

The first point I wish to emphasize is that more than any other tributary of the mighty Columbia river system the Snake is a working river. Its waters are the life blood of Southern and Eastern Idaho. The 3.5 million acres presently irrigated represent only about half of Idaho's irrigation potential. Back through the years leaders of both political parties have stood shoulder to shoulder to insure that this most precious water resource and the land of high potential for reclamation should never be alienated. So far this bipartisan effort has paid off, but we must be ever vigilant so that future generations will bless us for the prudence and foresight of our stewardship.

It is no coincidence that here in Idaho we speak proudly of the Treasure Valley and the Magic Valley. These valleys became treasures through the magic of applying life giving water to arid lands. To illustrate the importance of water to Idaho's economy I have frequently used this illustration. Suppose a major disaster such as a massive tornado or an earthquake reduced every home, every business building, every school, every hospital and church to a mass of rubble and ashes. As long as the Snake River continued to flow the towns and the cities would be rebuilt and revitalized. Like the Phoenix of ancient mythology new structures would rise from the ashes to house a new and thriving economy. But let some major disaster diminish or divert the flow of our Snake River and the towns and cities of the Snake River Valley would wither and die.

The earliest emigrants paid Idaho as little attention as possible. Billowing clouds of sage-scented dust marked the Oregon trail as the covered wagons toiled slowly and laboriously across the rutted plains of the Snake River Valley on their way to the lush meadows and tree clad hills of the Willamette Valley.

Most people do not realize that irrigation has flood control benefits too and they are substantial. This is how it comes about. The Snake River at Weiser contributes about 10% of the normal flow of the Columbia River at The Dalles but, due to the flood retarding effect of reclamation facilities upstream at high flood stage the Snake at Weiser contributes only 5% to the flood flows. Reclamation has tamed the floods by stabilizing the flow of the river. On the other hand the Clearwater and the Salmon and the Imnaha and the Grand Ronde which join the Snake below Weiser contribute about 14% of the normal flow of the Columbia at The Dalles but their contribution increases to nearly 30% of the flood flows.—These percentages are calculated prior to Libby and Canadian Storage which will reduce flood flows at The Dalles to a tolerable level but will have no effect whatever on flood flows in the Lewiston-Clarkston area.

I would point out to those in that area who want all dams below and no dams above that they are courting disaster. The hydrologic potential for a major flood disaster is enhanced by present development of 8 dams downstream which retard the outflow. Their value for power and navigation is unquestioned. In every study made by the Corps of Engineers and other Federal agencies these dams were intended to be operated with adequate upstream storage to retard the runoff for flood protection at the confluence of all these tributaries at Lewiston. When the Lower Granite dam is completed, downtown Lewiston will be protected by dikes.

The question is, will the dikes be adequate? I don't think they will. Modern technology enables us to calculate with great accuracy the amount of the runoff from any watershed. No one has yet devised a way to predict the vagaries of the weather which will determine when or how fast the runoff comes. From a flood control standpoint the eight power and navigation dams are on the wrong end of the river system. When the floods do come and downtown Lewiston is under water, the origin of those flood flows will be the watersheds of the wild and the untamed rivers upstream rather than from the comparatively docile Snake.

It is unfortunate that flood control facilities cannot be operated from the vantage point that hindsight would provide. Instead, they must be operated on a forecast basis. Who among us has the wisdom of a Solomon to decree, in a time of energy crisis, that certain generators must be idled in order to accommodate flood flows which may not come at all this year as nature cooperates and provides another season of orderly runoff.

Idaho has about 2.5 million acres of wilderness and primitive areas, most of it on the headwaters of our wild or our untamed rivers. Another 1.0 million acres of roadless areas are being studied for inclusion in the Wilderness System. Most of these additional areas are also on the headwaters of the same wild or untamed streams. These rivers all converge in the Lewiston-Clarkston area. Are we unwittingly setting the stage for a potential flood comparable to the Kootenai disasters of 1948 and 1954?

Some attention should be given in our College and University research programs to a study of the sequential relationship between wilderness, fires, wild rivers and floods. Here is a sequence that bears looking into if for no other reason than to allay the apprehensions of some of us who spend a lifetime trying to improve our stewardship of our land and water resources.

Turning now to another matter, I am more than a little concerned that those who propose legislation to determine a permanent classification of the Middle Snake area know so little about this great resource. The clamor for a National River may be temporarily stilled but what to do with the Middle Snake is still a lively issue. I am in total disagreement with those who would exercise the power of eminent domain to compel existing ranches to liquidate and allow those private lands to revert to wilderness. In the first place this procedure sets a very dangerous precedent. Secondly, livestock ranches, operating in full compliance with sound conservation practices, are wholly compatible with the Recreation Area concept. This is the policy we followed in setting up the Sawtooth National Recreation Area. We decided that operating ranches there enhanced the recreation potential of the area rather than to detract from it. The same is true of the Middle Snake.

If the ranches must go and those beautiful hayfields return to wilderness then we should go all the way and deny the use of power boats on the river as we do in a true wilderness where all of us are on equal terms. If the ranchers are forced out and the power boats remain, then the Middle Snake will become a rich man's recreation preserve with special privilege to those who can afford the deluxe jet boat service out of Lewiston

in conjunction with special use permits for upstream accommodatons on public lands. I don't think that America can afford to dedicate a resource so precious to the use of so few.

And finally I am apprehensive about the effectiveness of "protective language." Sponsors of Recreation Area legislation now being prepared for the Middle Snake claim that language will be written into the bill which guarantees rights for future upstream consumptive use when more new lands are reclaimed for irrigation. Before officials of Idaho and Oregon cooperate in moves to give the Middle Snake a federal label whether it be for a National River, a Wild or Scenic River, or even a National Recreation Area in the belief that protective language asserting the supremacy of State water law, I think they should consider what has happened to such protective language on other rivers in other Western states. I shall not give details here but the record is available for examination.

In short, the record shows that no protective language, however specific it may be, has ever survived the challenge in later years by those who sought to disregard it. That is why I have grave concern about the ultimate effectiveness of any attempt to incorporate protective language for future upstream consumptive use under state law in any proposal that bears a national label and/or is set aside for a designated national purpose.

To those who are not familiar with the area, the name "Hells Canyon" is a vague but exciting place. Many people confuse the ranching area along the navigable portion of the Middle Snake as Hells Canyon. Having spent twelve years living in this area we speak with some degree of accuracy. In her book "Home Below Hell's Canyon" Grace Jordan took care to emphasize that the ranching area where we lived was many miles below the true Hell's Canyon, described as the deepest canyon in North America. That area lies roughly between the end of navigation upstream from Lewiston and the end of navigation downstream from Weiser. This distance of roughly twenty five river miles is indeed spectacular. No trails, no habitation, walls rising abruptly from the river to the Seven Devils on the Idaho side to the Wallowa Mountains on the Oregon side. That is Hells Canyon, impenetrable except by downstream floating—remote, inaccessible. No matter how you label it the gorge of the Hells Canyon proper is destined to remain unchanged unless it becomes the backwater of a high dam downstream on the Middle Snake.

The ranching area where present interest is focused is not much different than any number of western ranch areas. It is very similar to the Riggins, Whitebird area of the Salmon River. It is accessible by roads, by power boats and by many trails. Moreover it provides a continuing economic contribution to a region where most of the area is already publicly owned. I repeat the suggestion I mentioned earlier. Those who would change the regimen of a productive ranch country for all time should fortify their judgment by spending a week or two in the area at various seasons of the year. I offer my services as a tour guide for such a trip.

A distinguished Supreme Court Justice has declared that a river is more than an amenity—it is a treasure. The Middle Snake is truly Idaho's treasure. In volume alone it is greater than the Colorado River. In multipurpose potential it is unexcelled by any river in America. Some of its tributaries are already included in the National Wild Rivers System: The Lochsa, Selway, Middle Fork of the Clearwater and the Middle Fork of the Salmon contribute about half the mileage of the entire system. The Imnaha and the Grand Ronde are natural wild rivers. But the main stem of the Snake from Wyoming to Weiser is very different.

I wish to re-emphasize the fact that the Snake is a working river—one of the most heavily used rivers in the country. Idaho's major industries—agriculture and food processing are directly dependent upon water from the Snake.

In spite of wishful thinking on the part of many of us, that Idaho should remain unchanged and unspoiled, our state is destined to increase in population. We had better prepare ourselves to manage the inevitable growth so as to retain the best of what we have and to accommodate growth and expansion of the right kind.

Along with our water resources planning we need a comprehensive statewide land use plan that is compatible with our long term objectives. As I said at the beginning of my remarks land and water and life are interdependent.

The best way that we in Idaho can improve the quality of life is to dedicate ourselves to improving the quality of our stewardship over the land and the water resources which are our heritage. Some people equate nonuse with conservation—or conversely, use with exploitation. Neither is true. Wise and responsible use is the essence of true conservation. By using these resources wisely and well, we not only improve the quality of our own lives but we may take pride in passing our heritage on to future generations as good or better than it came to us.

WELFARE SCANDAL

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the mounting list of abuses of our Nation's welfare system demands urgent congressional attention. I am certain that the scandals uncovered by reporters of the Milwaukee Sentinel in the Milwaukee County Welfare Department can be found elsewhere in the country. Today I am inserting into the RECORD the fifth installment of the series by Miss Gene Cunningham and Stuart Wilk.

Opponents of the present slipshod welfare system have charged, often without proof, that much of the cash money allotted to meet food and shelter needs of welfare families is, instead, diverted to pay for unneeded consumer goods or for visits to neighborhood taverns. In this installment, the reporters document several such cases of welfare checks being mailed directly to taverns to pay bar bills for recipients. Certainly such abuses stretch common humanitarianism beyond legitimate bounds.

If the $28 million allegedly wasted in Milwaukee County for welfare last year is even a roughly accurate figure for other jurisdictions, it means that we waste more money each year on welfare than we are spending to clean up our environment. If we truly want to reorder our priorities and control government spending, a top priority should be a top-to-bottom review and reform of our failing welfare system.

The article follows:

AID CHECKS GO DIRECT TO TAVERNS

(By Gene Cunningham and Stuart Wilk)

Some welfare recipients never see their welfare checks. Local taverns do.

In some cases, the checks are mailed to the taverns by the Milwaukee County Welfare Department, instead of to the recipients' homes, according to the tavern owners.

Some welfare checks—whether mailed to the taverns or not—are used to pay off the recipients' bar bills. The bulk of their checks goes to the taverns immediately after the recipients endorse them.

Sometimes they drink away their checks and "by the end of the month, they're living on apples," said Neal Burliant, owner of the Sixteen Hundred Bar, 1600 W. State St.

Burliant told reporters that as many as eight welfare checks had been sent in the past to his tavern each month. Until recently, he said, three recipients had their checks mailed there.

Checks are now being mailed to Curley's Tap, 1744 N. 3rd St., and Curley's West (formerly Hooligan's West), 2713 W. Fond du Lac Ave., acording to Harvey Rotter, owner of both taverns.

Rotter said that four checks are sent each month to Curley's and "about a half dozen" to Curley's West.

The director of the welfare department insists that all checks are mailed to the client's home or are held at the department.

And an official in the State Department of Health and Social Services said that mailing checks to taverns "certainly wouldn't be very good practice."

Welfare checks are mailed "to the home address, or held in the department for an individual if we want to," said Arthur Silverman, welfare director. "In general, checks are mailed to the address."

"Welfare checks cannot be sent to other than the recipient's home or a designated payee," said Lowell D. Trewartha, director of the Bureau of Programs Planning and Development, Division of Family Services.

Trewartha said that if checks are being mailed to taverns, it is not "good practice."

"The implication (in state and federal guidelines) is very strong that checks should be sent to the address where the person is living, he said.

"I know I'll get my money when they (welfare recipients) cash their checks," Burliant told reporters.

TABS RUN HIGH

Some of the tabs at the Sixteen Hundred run as high as $100, Burliant said.

If the bar bill exceeds the amount of the check, Burliant gives the recipient money for rent and carries the balance onto the next month's tab, he said.

Some of his customers "eat bologna sandwiches" all winter at churches that have programs to feed the needy, he said.

The Sixteen Hundred Bar caters to a large welfare clientele. With "35 cents a shot" as a drawing card, the tavern serves many of the blacks, whites and Indians who live in the area.

The 5th and 20th of each month is "Mother's Day" at the Sixteen Hundred, so named because those are the dates that checks come out for Aid to Families with Dependent Children.

The bar is teeming with customers from early in the morning until midnight on those occassions. Some welfare mothers spend a good portion of their checks at his tavern, Burliant said.

Conversation at the bar often revolves around the welfare system—and how to beat it.

METHODS EXCHANGED

One woman bragged to other customers how she defrauded the department of $200 in one day, Burliant recalled. Other custom-

ers tell similar tales and trade schemes on how to get money out of the welfare department.

Rotter told a reporter that he does not give credit to persons who have checks mailed to Curley's and Curley's West.

"It's not that we want their checks so we can get a part of it," he said. "That fact is that the mailboxes don't lock and they can't protect their checks. . . . They know damn well that if their check comes here they're going to get it in their hands."

Silverman is not the only administrator who is confident that checks are mailed to the home and not to taverns or other commercial establishments.

"The postman will not leave the check unless he knows that client is living there," said Frank Pokorny, the department's financial assistance supervisor.

"That's an interagency agreement we have" with the post office, he said.

All checks, Pokorny said, are sent to the client's residence.

"It has to be sent to the residence," Pokorny repeated. "That check would come back to us because that postman knows that guy doesn't live there at that address."

OIL PRODUCERS' VIEWPOINT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ARCHER. Mr. Speaker, last month the Tulsa Daily World published an account of a recent statement concerning a national energy policy issued by the Mid-Continent Oil & Gas Association.

In view of the decreased availability of energy supplies and the controversy over pressure for rising prices, I especially commend the article to the attention of my colleagues:

STATEMENT PREPARED FROM PRODUCERS' VIEWPOINT: PRICE FREEDOM STRESSED IN MIDCO'S ENERGY POLICY

(By Riley W. Wilson)

Leaders from the basic segment of the petroleum industry—the men who find, drill and produce the oil and gas—Thursday gave their version of what a national energy policy should be.

Directors of the national Mid-Continent Oil & Gas Association, a unique union of production men from giant major to small independent companies, didn't contradict other industry groups.

But their policy statement bore down hard on some basic points and went into practical oil-country detail on others, with all points supporting the basic goal of a strong domestic producing industry.

And the point stressed most seemed to be the need for free-play price action, not only to spur supplies but also to curb demand.

Tax incentives, which "reward success," also should be strengthened for exploration and production, and private enterprise should be encouraged, it added.

By design, the Mid-Continent directors spoke as producers, not as representatives of major or independent companies, refiners or marketers.

A year ago, the directors set up a special committee to make sure the producer viewpoint was heard in national energy policy discussions by the numerous industry and government study groups.

Jack Abernathy, president of Big Chief Co. in Oklahoma City and former chairman of the National Petroleum Council, pressed for the producer input action.

The result was a separate policy statement for the Mid-Continent itself.

James Sewell, Dallas Independent and past president of the Mid-Continent, headed the committee.

Retiring Midco chairman N. H. Wheless Jr. of Shreveport, La., was also active in the drafting.

Policy statements by other industry groups have discussed price and associations representing the small producer-explorers have pressed strongly for price increases for crude oil.

Groups covering all sizes of oil companies, however, have tended to couch their discussions of price in such terms as "incentives," except when talking about gas deregulation.

The American Petroleum Institute, representing all segments of the petroleum industry, also referred to "market forces of competitive economy" as a desirable thing and to the "cost of supplying energy."

The producers of the Mid-Continent, however, hit price firmly and often as the best way to handle supply, demand, and what forms of energy should be used where.

"Market price in the free-enterprise system is the most effective regulator of supply and demand and also the best allocator of resources," the Midco statement said in its early listing of policy principles.

Later, it added:

"In all economic ventures, the incentive for greater supply is centered on price, i.e., a higher price elicits an increase in supply and a lower price—lower supply."

Still further:

"End-use controls of energy resources, which would involve federal regulations to dictate priorities for each type of consumer to which a fuel could be sold, would be exceedingly complex to develop and administer. . . . A free marketplace, where the laws of supply and demand are permitted to function, is the best allocator of supply and regulator of demand."

Calling for continued quantitive limits on imports—limited to the difference between domestic supply and demand—the Midco statement also said only foreign crude should be allowed entry.

This would encourage the construction of domestic refineries.

It added:

"Without a strong domestic petroleum producing and refining industry, the United States would be at the mercy of foreign cartels.

"These cartels would be in a position to raise oil prices even more rapidly than they are already being raised today."

In calling for access to federal lands, particularly offshore areas, the Mid-Continent went further than most industry groups in giving specifics.

Instead of generalized statements about "more frequent" sales of offshore leases, the producers said:

"There should be a sufficient number of lease sales each year to support an annual leasing program of 3 million to 5 million acres per year."

The statement also rapped the government's practice of rejecting some bids because they did not "equal a figure held in secret" by the government.

All bids that meet a pre-announced minimum should be honored, the Mid-Continent said." Rejecting bids after disclosing the operator's evaluations is discriminatory and prejudicial" and could destroy the bidders' competitive position in the future, he added.

Because future exploration will be in high-risk and difficult operating areas, the producers also said consideration should be given to lengthening the lease terms beyond the present 5-year awards, "at the option of the Secretary of Interior."

The statement also advocated a single, comprehensive environmental impact report to cover offshore leasing to prevent delays causes by such reports at each stage of development.

Other points made:

Government funding for research should be confined to "exploratory and early development stages," with private industry assuming the responsibility for commercial development.

Emergency supplies of crude should be stockpiled.

The states should continue in charge of conservation controls.

No federal oil company can be justified.

Natural gas prices should be freed of controls.

Environmental-energy balances must be developed.

The health and safety of the public and workers must be safeguarded.

MOST AMERICANS COMPREHEND PATRIOTISM, RESPECT OF POW'S

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BOB WILSON. Mr. Speaker, while millions of Americans wept with joy over the return of our prisoners of war from Vietnam, the dissident few have attempted to cast doubt on the sincerity and true patriotism of these brave men, through charges of "orchestrated Americanism." The nonsense of this accusation has already become too apparent and I am sure many of my House colleagues will enjoy reading the following editorial published in the San Diego Evening Tribune on March 5:

MOST AMERICANS COMPREHEND PATRIOTISM, RESPECT OF POW'S

Old hatreds die hard.

We cannot be surprised then that the expressions of patriotism and pride from returning U.S. prisoners-of-war are treated with skepticism in those Iron Curtain nations where scorn of the United States is a way of life.

Despite the recent signals of civility between the Soviet Union and Washington, Moscow is not yet reconciled to the fact that some Americans like living under the capitalistic system.

Izvestia, the government newspaper, deplored the "brain-washing" of POWs that made them nothing more than "pawns" of the Pentagon and the White House.

The newspaper described "Operation Homecoming" as a two-stage program carefully staged by the Pentagon.

"The Pentagon brain-washes the prisoners and prisoners brainwash the American public," Izvestia concluded.

We can shrug off the pronouncements of the Kremlin's house organ as predictable in a nation treading a diplomatic tightrope through a riven Communist world.

Less understandable, but equally predictable perhaps, are the echoes in our own country among those whose antiwar crusade flounders for want of an objective.

Newsweek's Shana Alexander, whose journalistic career blossomed during a lofty intellectual alliance with former Sen. Eugene McCarthy at the height of his abortive drive for the 1968 presidential nomination, agrees wholeheartedly with Izvestia.

Writing of the prisoners, she mourned ". . . the final irony . . . that after eight

cruel years as prisoners of war, they have now become hostages of propaganda, prisoners of peace with honor."

Unknowingly, perhaps, she parroted the Izvestia conviction that an apparent resurgence of American pride and dignity bears the touch of the "director's guiding hand."

"Stage-managed" was the Alexander term.

The force of the columnist's distrust of the POWs' "smart salutes, the recruiting-poster grins, the radiant wives, the . . . statements of gratitude" was blunted by her concession that the "commercial" must have been produced during a 20-hour plane ride.

The New York Times was similarly aghast at the manipulation of the prisoners by the detested Nixon administration.

The Times implied that the men were programmed like a computer, presumably for the glorification of the Commander-in-Chief and the Defense Department.

It is unfortunate that prejudice should be allowed to mar the joy of the prisoners in their freedom or to cast suspicion on their obvious sense of honor and purpose.

What Izvestia could not know—but what Shana Alexander and the New York Times should know—is that American respect for the qualities of patriotism, morality and self-discipline has not been swept away in a sea of permissiveness.

The contemptible effort to stamp the prisoners as puppets is made ludicrous by the simple mechanics of the homecoming procedure.

It ignores the reality that the majority of the returning POWs are career military men, intelligent, educated and dedicated to the belief that they represent the finest country in the world.

It further fails to understand that the vast majority of the American people, regardless of their feelings toward a particular war, share that belief and find nothing incomprehensible in a public display of respect, loyalty and love.

ADMINISTRATION BUDGET POLICIES REFLECT SLOWDOWN AND STRETCHOUT OF PUBLIC WORKS PROJECTS THROUGHOUT NATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. EVINS of Tennessee. Mr. Speaker, our Subcommittee on Public Works and Atomic Energy Commission Appropriations has recently completed 3 weeks of hearings on the budget request of the U.S. Corps of Engineers for fiscal 1974.

In this connection I must advise the Members of the House that the budget recommends only five new construction starts and only eight planning starts and 10 surveys for the new year.

This represents the smallest recommendation of new starts in my memory as a member and chairman of this Subcommittee on Public Works Appropriations.

This giant step backward in the Nation's public works construction program is a part of the general pattern in the budget of slowdowns, stretchouts, and delays.

The net result will be that the Nation will fall further behind in essential and necessary planning and construction of water resource and needed public works to provide vital and important services for our expanding population.

In addition, the unnecessary delays in public works which this budget envisions will increase the ultimate costs of public works projects when completed. The costs of construction materials and labor are increasing at an average rate of 15 percent annually.

In addition, the people will be denied—by slowdowns—the benefits of projects that could be brought on the line much earlier than the budget contemplates.

In this connection, because of the interest of my colleagues and the American people is a strong, viable, and continuing public works program in the national interest, I place in the RECORD herewith a table summarizing the total reductions for the Corps of Engineers of $412,240,000, comparing the fiscal 1973 budget with the fiscal 1974 requests.

The information follows:

COMPARISON OF FISCAL YEAR 1974 BUDGET REQUEST TO FISCAL YEAR 1973 APPROPRIATION

	Fiscal year 1973 appropriation	Fiscal year 1974 appropriation request	General investigations	Advance engineering and design	Advance land acquisition	Construction	Major rehabilitation	Operation and maintenance	Total
Lower Mississippi Valley Division	$155,115,900	$124,593,000	−$1,077,000	−$1,624,000		−$29,255,000		+$1,433,100	−$30,522,900
Missouri River Division	123,813,500	105,419,000	−2,000	−699,000	−2,000,000	−18,299,000	−200,000	+2,805,500	−18,394,500
New England Division	28,220,500	24,768,000	−575,000	−770,000		−2,423,000		+315,500	−3,452,500
North Atlantic Division	142,823,100	106,074,000	−1,888,000	−624,000		−35,459,000		1,221,900	−36,749,100
North-Central Division	122,376,300	90,864,000	−3,236,000	−870,000	+500,000	−17,799,000		−10,107,300	−31,512,300
North Pacific Division	298,397,300	246,405,000	−500,000	−1,125,000	−100,000	−54,861,000		+4,593,700	−51,992,300
Ohio River Division	261,356,100	209,831,000	+62,000	−2,458,000	−550,000	−50,355,000		+1,775,900	−51,525,100
Pacific Ocean Division	2,052,400	1,081,000	+272,000	−355,000		+200,000		−1,088,400	−971,400
South Atlantic Division	199,117,000	157,430,000	−723,000	−1,557,000	−1,500,000	−46,169,000	+6,900,000	+1,362,000	−41,687,000
South Pacific Division	109,932,300	68,600,000	−1,839,000	−3,309,000		−34,008,000		−2,176,300	−41,332,300
Southwestern Division	249,609,600	186,488,000	−1,561,000	−4,782,000		−59,443,000		+2,664,400	−63,121,600
Subtotal	1,692,814,000	1,321,553,000	−11,067,000	−18,173,000	−3,650,000	−347,871,000	+6,700,000	+2,800,000	−371,261,000
Mississippi River and tributaries (Lower Mississippi Valley)	113,320,000	111,561,000	−145,000	−160,000		−2,554,000		+1,100,000	−1,759,000
Remaining items (not by division)	132,926,000	93,706,000							−39,220,000
Total			−11,212,000	−18,233,000	−3,650,000	−350,425,000	+6,700,000	+3,900,000	−412,240,000

CONSTITUENTS' COMPLAINTS ABOUT SOARING FOOD COSTS

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Miss HOLTZMAN. Mr. Speaker, on a daily basis we are deluged with statistics about the soaring rise in food costs. We know that the typical American family must pay 2.5 percent more this week for its groceries than it paid last week. We also know that if the price of food continues to rise at the same rate, Americans will experience a 34-percent yearly increase in their food bills.

However, as startling as these statistics are, nothing has impressed me more about this problem than the articulate and forthright letters I have received from my constituents explaining their daily battles with their own domestic budgets. Today I introduce into the the CONGRESSIONAL RECORD a typical letter which I have received on this subject. It was written by Mrs. Betty Lavin, a housewife and mother of six children. It portrays more dramatically the nature of the crisis we are confronting than any set of Government statistics.

It is my hope that letters of this nature will spur us to fill the void left by the President's inaction in this area:

Representative ELIZABETH HOLTZMAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN HOLTZMAN: As an enraged housewife I am writing to you to protest against the ungodly inflation of food prices. Today's Daily News featured an article in which you were interviewed on this subject. The general comment of all the Congressmen interviewed was that people were not raising their voices via letters to protest. Allow me to aid in filling this void.

We are a family of eight of better than the national average of means. We have never sought anything for nothing and thank God for what we do have. We have paid through the nose for everything in the manner which all New Yorkers accept as a way of life. We have seen our hard-earned dollars thrown to the winds of waste, destruction, deterioration, and sheer folly. This is New York. Somehow, we managed in spite of it.

But now my kitchen has been invaded. For the record, I won't go down without a fight. I won't go down, period. My family has to eat; farm subsidies, quotas, wheat deals, crime syndicates or anything or anyone else be damned.

You were quoted as favoring price roll-backs. I call on you to speak and act for these roll-backs in Congress. Who is getting the golden egg that last month's chicken laid at 39¢ per pound? That same chicken is now 69¢. Beef is ridiculous and veal is $4.00 per pound.

What we need is immediate action in this "kitchen crisis". Let the agriculture bloc know that America's breadbasket will be a pretty sad sack if it doesn't have America's

back-bone, the long suffering middle class, to hang on. The farmer who gets paid not to raise crops is just as much a free-loader as the welfare recipient who is too lazy to work. I pay for both of them. Let the unions involved know that the American housewife will be heard above their screams for more, more. After all, what does the union man stand to gain from this inflation? He goes home every night to a disgruntled wife, too. She stands next to me at the checkout and winces as each item is rung up. Let them all know—from politician to peddler—that Ms. America is no damn fool.

Once again, I endorse your stand for rollbacks and urge you to push all the way no matter what it takes or who it hurts. My children are waiting for their dinner—with meat and enough of it. I am ready to pay for it at fair prices but I will pay tribute to no one, no way, for it.

Good luck to you, Congresswoman, and good hunting.

Sincerely and hopefully yours,

Mrs. THOMAS V. LAVIN.

PLIGHT OF SOVIET JEWS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEHMAN. Mr. Speaker, another instance of Soviet harassment of Soviet Jews has been brought to our attention.

Mark Yampolsky, 25-year-old recent emigrant from the Soviet Union to Israel, began a hunger strike this morning in front of the Soviet Embassy. His purpose is to get the Soviet authorities to allow his wife's family to leave Russia. A similar hunger strike by the parents and sister of Mark's wife at the Central Telephone Station in Novosibirsk, Siberia, is now in its 6th day. Mark's wife Eleanora, is on a hunger strike in front of the Soviet Embassy in London.

Mark, who is from Kiev, and his wife Eleanora, from Novosibirsk, were granted permission several months ago to emigrate to Israel together with Eleanora's grandfather after considerable harassment from the Russian authorities. However, Eleanora's parents and sister, the Poltinnikovs, who also applied last year to leave Russia have had their emigration application denied.

Last Thursday, Eleanora's grandfather, who was recuperating in Switzerland prior to continuing his journey from Russia to Israel, died at the age of 84. The funeral is to take place April 6.

The Poltinnikovs began an immediate hunger strike in the emigration office of Novosibirsk to press the Russian authorities to allow them to attend the funeral in Switzerland and, subsequently, to emigrate to Israel. Mark and Eleanora decided to resort to hunger strikes when Eleanora was told 2 days ago by telephone by the Russian authorities that "your parents will never be allowed to emigrate."

Dr. Isaac Poltinnikov, 53, Mark's father-in-law, is an outstanding ophthalmologist who retired 2 years ago. Since applying to emigrate to Israel last summer, he has had his pension suspended. In addition, the family has been subjected to ceaseless ordeals and abuses, including imprisonment of the wife and daughter—Eleanora's sister. The imprisonment was terminated when Mrs. Poltinnikov suffered a heart attack while in jail.

The harassment, loss of pension, and arbitrary imprisonment are common measures used by the Soviet Government to terrorize Jews who have applied to emigrate from Russia and to intimidate others from applying.

Mark Yampolsky will be located throughout his hunger strike across the street from the Russian Embassy in front of the building at 1126 16th Street NW.

WE NEED A LONG, HARD LOOK AT THE IMPOUNDMENT BILLS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, the Rules Committee is currently holding hearings on the variety of bills which attempt to reassert congressional control over the President's impoundment of appropriated funds. While I intend to address the Rules Committee on this issue next week, I would like to outline for my colleagues here, my thinking on this important matter.

I will make my remarks as concise as possible. My interest in reasserting the power of the Congress as the first branch of Government dates from late last year when I addressed several communications to all Democrats of the House and Senate calling for reform, reasserting our powers rather than acting as a limp bunch of pumpkins thrashing around in a vacuum as we did in the 92d Congress looked at in retrospect. Considering the fact that the President by Executive fiat cloaked in authority of the 1921 Antideficiency Act has virtually totally frustrated Congress in summarily terminating impact education aid, regional medical programs, economic development, OEO, REAP, REA, medical research training grants, migrant labor camps were placed in jeopardy, and all housing programs of 235–236 and self-help were frozen and child care and certain other social program funds were placed out of reach by impossible regulations.

To get out of our box will not be easy—we did not get in easy. In a report to the Congress in response to a resolution and Public Law 92–599 the Federal Impoundment and Information Act, the President has advised the Congress through the OMB that there is impounded $8.7 billion of fiscal 1973 funds—an amount roughly equal to the funds allocated for general revenue sharing at the close of the last Congress. These items are referred to in the DSG analysis of February 15 last, and the CONGRESSIONAL RECORD of February 5, 1973, at 3282.

I think to fully understand what we must do to get the power we must understand what has been done. On March 15 last at page 8295 in the RECORD I detailed a story on impoundments as prepared by the Library of Congress—senior specialist on Government research—that details 1973 fiscal year impoundment of not $8.7 billion, but in addition five other types of exclusions as follows:

First, $6 billion of EPA contract authority for water sewage treatment excluded on the ground that this is not an appropriation, only contract authority. Whatever the merits of this technical argument, it is not applied consistently by OMB for other contract authority is included in its report.

Second, $3 to $4 billion in highway funds. In June 1972, OMB reported highway-aid impoundments at $5.7 billion; half a year later the amount was down to $2.4 billion. Was there a massive release of highway money? Has highway construction been accelerated? No. What happened was that because of its deadlock over the diversion of highway trust money to mass transit, the 92d Congress failed to adopt a new highway aid bill. Consequently, it was not possible to apportion the funds that would have been in the new legislation or to withhold any funds.

According to Department of Transportation officials, if the highway legislation had been enacted last year, the amount held in reserve would be at least as high as the June 1972 level.

The Bureau of the Budget has made no secret that they intend to impound $2 to $3 billion of any highway funds that are enacted and there is a projected surplus in the highway trust fund admitted in the budget in brief document of $6.73 billion by the end of fiscal 1974. These funds now bask in Government bonds and there is no program in the administration to capture this surplus for its intended purpose.

Third, $380 million in proposed rescissions of 1973 appropriations. In his 1974 budget, the President proposes to rescind $382 million in 1973 appropriations, of which $283 million is for manpower training programs. The OMB report claims that "these amounts have been apportioned to the agencies pending congressional action."

Nevertheless, the administration has taken steps to insure that the anticipated savings will be realized. Otherwise, the moneys might be obligated or spent by the agencies before Congress acts and it would be too late to rescind the appropriations.

Fourth, $1.9 billion in HEW-DOL money appropriated via continuing resolution. No continuing resolution money was incorporated in the February 5 OMB report. It is now certain that HEW-DOL will have to make do with a continuing resolution for all of fiscal 1973. But the President has indicated that he intends to hold spending $1.9 billion below the level authorized by Congress. For all practical purposes, he has decided to impound the funds added by Congress.

Though the House and Senate records are clear that the enacted continuing resolutions calling for funding at the 87 percent level for A and B impact aid children, the administration indicates that these funds will be applied only to military B children.

Fifth, $1 billion plus held up by vari-

ous administration actions. These include the moratorium on subsidized housing, the cutoff of FHA emergency loans, the moratorium on manpower training enrollments, and the change in regulations for social service grants. While the exact amount cannot be determined, $1 billion is a very conservative estimate.

When the figures suggested here are added to the $8.7 reported by the administration, the level of impoundment reaches $18 billion, far above the amounts withheld by any previous President.

Dollars tell only a portion of the story; another part relates to the purpose and duration of the impoundment. The common feature of all impoundments is that budget authority voted by Congress is withheld by OMB. But the historical evidence suggests that in the past normal reserves were established early in the fiscal year to regulate the flow of funds to agencies. This sensible management of the Government's finances was particularly necessary for long-lead time projects for which funds were appropriated on a no-year basis. When agency spending plans firmed, the funds were released by the Bureau of the Budget.

This limited use of impoundments was the avowed practice of the Nixon administration as late as May 1971. At that time, the impoundment report showed $12.2 billion in reserve, two-thirds of which was scheduled for release within a year, with additional amounts held for contingencies. But the May 1971 report claimed that the impoundments were for routine administrative and financial purposes just the "continuous process of funds coming into the tank and funds going out."

However, the current impoundments are for the purpose of terminating or curtailing programs approved by Congress. The Federal Impoundment and Information Act—title IV, Public Law 92–599—requires the President to include in his report the period of time for which the funds are to be impounded. OMB's February 5, 1973, report skirts this requirement by stating that "the period of time during which funds are to be in reserve is dependent in all cases upon the results of such later review."

That report classifies programs according to the reasons for which the funds have been withheld. Significantly, almost $6 billion of the reported $8.7 billion are justified as needed to hold down spending or to maintain economic stability. This includes impoundments for which more than one reason is provided. Impoundments in more than 100 programs are justified on these broad and questionable grounds. These are the programs ticketed for elimination or curtailment. This is the use of impoundment power to override congressional will, to change national policies and priorities.

But not one penny is withheld from military programs for this reason. In the case of the military, all the impoundments are temporary—the routine deferment of construction and procurement spending until the funds are needed. The full brunt of the President's expansion of the impoundment power is delivered on civilian programs. This dual standard suggests that the economy drive in which impoundment is a major weapon is more a strategy to kill social programs than to save taxpayers' dollars.

To retrieve the power a number of suggestions have been offered.

I would include in the RECORD at this point a contrast of the Ervin S. 373 approach and the Mahon H.R. 5193 approach as prepared by the Library of Congress and I will then comment on other solutions and suggest my own.

The main difference in MAHON and ERVIN is that the Senate version would terminate any impoundment unless it is approved by Congress, while the House bill would require the President to cease any impoundment disapproved by Congress. Both approaches have defects.

First, as originally drawn, it is not clear that both bills cover contract authority.

Second, the current bills are directed to Presidential impoundment and may not cover important actions of agency heads on their own initiative—to wit, the new HEW social service regulations, the 18-month freeze on subsidized housing, the cut of disaster loan assistance, the Labor current abatement on manpower training.

Third, in an effort to close all possible loopholes, the Mahon and Ervin bills define impoundment broadly and loosely. Neither takes cognizance of the Antideficiency Act of 1921 (31 U.S.C. 665) which authorizes the establishment of reserves for certain generally noncontroversial purposes. As a consequence, the impoundment review process in Congress must cover both the large number of routine actions for which congressional oversight may be unproductive as well as the smaller number of questionable actions which exceed the purposes of the Antideficiency Act.

While it may be a difficult task, consideration might be given to a definition of impoundment that distinguishes between normal reserves and other action. For this purpose, the language of the Antideficiency Act might be tightened to preclude its use for unspecified "other developments." With such a distinction, congressional review could be targeted to that class of actions that exceeds the strict intent of the Antideficiency Act.

Moreover, in covering "all withholding or delaying the expenditure or obligation of funds" the bills extend an elaborate notification and review procedure to actions that have little—if anything—in common with impoundments. The language probably includes the holding back of payments in contract disputes or in case of fraud, delays in the completion of work, the processing of grant applications, and the like. The problem is compounded by the fact that no minimum time is prescribed for "withholding" or "delaying." A literal reading of this legislation can lead to an inundation of Congress by thousands of trivial items.

It may be prudent for Congress to forgo a no-loopholes approach in favor of one that concentrates legislative attention on the few significant executive actions that warrant review.

Fourth, the House bill generally conforms to the Federal Impoundment and Information Act, Public Law 92–599, enacted last year as part of the debt limit extension and requires prompt reporting and reasons by the President on impoundments. The President's obfuscation and narrow construction of the so-called Humphrey amendment has been confounding.

An alternative to a prompt reporting to Congress of everything impounded or contract authority abated might be to require periodic quarterly reports to the Congress.

Even a 3-month delay, however, sometimes can destroy a program near the end of an appropriation or contract authority period.

The Library of Congress states, "possibly the only way to avoid both this outcome and a flood of impoundment actions in Congress is to distinguish—as was suggested earlier—between those which strictly conform to the Antideficiency Act and those of questionable validity. But this would have to be predicated on a redrawing of the Antideficiency Act and tying it directly to the new legislation.

I have suggested an amendment to the Library that would substantially gut the 1921 Antideficiency Act (31 U.S.C. 665).

I would strike the portion in brackets of the following authority in a composite type amendment to one of the President's choke point bills:

Subsection (c)(2) of the act provides:

"In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations [or other developments] subsequent to the date on which such appropriation was made available. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the purposes of the appropriation concerned, he shall recomemnd the recision of such amount in the manner provided in the Budget and Accounting Act, 1921, for estimates of appropriations."

Fifth, the committee actions called for by the House and Senate bills is somewhat confused. Both use the concurrent resolution form. The House bill confirms considerable authority to the President to impound, gives too much discretion to committee chairmen to bring up a resolution or partial disapproval which is unamendable. The Senate bill would allow an impoundment to be effective for 60 days as drafted and would automatically go directly to the floor without committee action so it would be difficult to appoint conferees to resolve differences.

The Library analysis states:

The 60-day period is designed to give Congress sufficient time to review the President's action. But the impoundment is in effect throughout this period, regardless of subsequent action, unlike the comparable reorganization procedure where the President's plan takes effect only at the conclusion of 60 days. The problem is less critical in the Mahon bill for Congress may vote a resolution of disapproval without waiting for expiration of the 60 days. However, the Ervin bill appears to put Congress in a helpless position regarding those impoundments which it does not approve. Inasmuch as such impoundments lapse after 60 days unless

approved by Congress, there is no mechanism for the expression of congressional intent prior to the end of that period. Thus what is intended to strengthen congressional control of impoundments may actually weaken the capability of Congress during the initial 60 days.

The issue is vital because Congress in this legislation is giving labor backing to Presidential impoundments, even in the absence of specific congressfonal authorization. The *de facto* exercise of Presidential power hereafter will be wrapped in *de jure* status. That this may not be the intention of the legislation does not detract from its effect.

Furthermore, the 60-day period can be used to thwart the will of Congress by terminating programs which lapse during the period. A case in point is the $6 billion withheld by EPA on Presidential order from water treatment projects. OMB has taken the position that once the funds were not allotted to the states by the January 1 deadline specified in the 1972 Act, they automatically lapsed. For this reason, the $6 billion are not included in OMB's official impoundment list.

Congress may wish to model its impoundment procedure after that used for executive reorganizations and provide that they take place after 60 days. But this would curb the capability of the President to establish prudent budget reserves under the Antideficiency Act. This is still another reason for exploring the possibility of distinguishing between ordinary reserves and other impoundments.

Sixth, both bills are silent on the power of the President to impound for 60 days again after congressional action of disapproval.

Is impoundment necessary? I think it is—first for prudent money management it is absolutely required, but we must differentiate between simple money management with which the Congress is not concerned and wholesale termination of programs thwarting congressional will.

Additionally, when a President submits a budget for fiscal 1974 that allegedly is a full employment $11½ billion deficit budget, but in fact involves a $15 billion diversion from the trust funds and an increase in debt at a minimum of $32 billion—$473 billion to $505 billion—then spending must be kept within limits if we are not prepared to endlessly tax.

Ideally, and beyond the scope of the present legislation, the Congress should have a procedure much like the California Legislature where even though each bill has a fiscal review, nothing is really funded until in an omnibus budget procedure at the end of the year, the needs of the State are measured against required taxes and a document in balance is then submitted to the Governor.

It simply does not make good sense to assume that—

First. The debt is immaterial when we will pay $26 billion in interest this year alone.

Second. That taxes are in concrete and inevitable regardless of the Nation's needs.

Third. That we should continue to endlessly raid the trust funds for general fund purposes—now $140 billion.

Fourth. To presume that because Congress stacks appropriations on top of each other without regard for the total that the President should not have some motivation to act if the Congress does not.

We need to get our House in better order—a procedure has been suggested that a flat percentage be taken out of every program—this is the Danielson modified Bow approach which assumes equal importance of everything in the event the President wants to limit. I do not think this approach is optimum although it is a way to protect social programs that many times are scrapped to get funds for Vietnam or defense. The Danielson approach is particularly vulnerable since many times only 10 percent of an appropriation bill are obligated during the first year.

WHAT VEHICLE DO WE USE TO LIMIT THE PRESIDENT'S POWER?

The two so-called choke points that are available are:

First. Supplemental appropriation bill which usually contains the President's required goodies; and

Second. The debt limit bill that must extend the permanent debt limit of $400 billion by next June 30. We would deal with the Appropriations Committee or the Ways and Means Committee. Democratic caucus action in support of an omnibus amendment attached to the original bill made in order by this committee would be the proper approach.

In summary, I think that the President is not going to voluntarily reestablish this branch of Government. We have to take the power back from him. We must make it imperative that he sign a bill. The 1921 antideficiency bill must be amended. We must be careful in giving the President power he does not currently possess unless we provide for a simple resolution procedure of either House without committee action to get the President and his Cabinet back in line with congressional intent.

The Mahon bill has been justified by a New York Times editorial on the basis that the President would veto any approach as drastic as ERVIN's amendment. I frankly think that if we are going to tailor a bill to survive a veto override we will be doing very little to recapture the Congress lost power.

At this point in the RECORD I would like to insert the full text of the comparison of the two major impoundment bills conducted by the Library of Congress. The study follows:

A COMPARISON OF S. 373 AND H.R. 5193 RELATING TO THE IMPOUNDMENT OF FUNDS

This comparison is based on the bills as originally submitted. S. 373 introduced by Senator Ervin currently is undergoing markup and substantial revision by the Senate Government Operations Committee. In the House, hearings will begin shortly on H.R. 5193, introduced by Mr. Mahon.

Both bills have the same general purpose; to require the President to notify Congress whenever he impounds funds and to provide a procedure for congressional review of the President's actions. The main difference is that the Senate version would terminate any impoundment unless it is appproved by Congress while the House bill would require the President to cease any impoundment if it is disapproved by Congress.

DEFINITION OF IMPOUNDMENT

Both bills define impoundment broadly to cover "any type of executive action which effectively precludes the obligation or expediture" of funds. There are slight differences in wording, but not in intent. To ensure that non-appropriated funds are covered, H.R. 5193 encompasses "the creation of obligations by contract in advance of appropriations as specifically authorized by law." (The Ervin bill can be interpreted to include only appropriated funds, but the revision now being considered in committee would expand the definition to encompass other authorized funds as well.)

Comment

In an effort to close all possible loopholes, the Mahon and Ervin bills define impoundment broadly and loosely. Neither takes cognizance of the Antideficiency Act of 1921 (31 U.S.C. 665) which authorizes the establishment of reserves for certain generally noncontroversial purposes. As a consequence, the impoundment review process in Congress must cover both the large number of routine actions for which congressional oversight may be unproductive as well as the smaller number of questionable actions which exceed the purposes of the Antideficiency Act.

While it may be a difficult task, consideration might be given to a definition of impoundment that distinguishes between normal reserves and other actions. For this purpose, the language of the Antideficiency Act might be tightened to preclude its use for unspecified "other developments." With such a distinction, congressional review could be targeted to that class of actions that exceeds the strict intent of the Antideficiency Act.

Moreover, in covering "all withholding or delaying the expenditure or obligation of funds" the bills extend an elaborate notification and review process to actions that have little (if anything) in common with impoundments. The language probably includes the holding back of payments in contracts disputes or in case of fraud, delays in the completion of work, the processing of grant applications, and the like. The problem is compounded by the fact that no minimum time is prescribed for "withholding" or "delaying". A literal reading of this legislation can lead to an inundation of Congress by thousands of trivial items.

It may be prudent for Congress to forgo a no-loopholes approach in favor of one that concentrates legislative attention on the few significant executive actions that warrant review.

While they are diligent to close Presidential loopholes, the two bills may inadvertently open the doors to others. As presently drawn, only Presidentially ordered or approved impoundments are covered. But the procedure might not encompass actions taken by agency heads on their own initiative and without explicit Presidential approval. If this interpretation is correct, the President might not be required to notify Congress of actions similar to the 18-month freeze on subsidized housing by HUD, the Labor Department's halt on enrollments in its manpower training programs, or the cutoff of FHA and SBA declared disasters. To remedy this possibility, the bills might be broadened to cover all impoundments by agency heads responsible to the President.

MESSAGE OF THE PRESIDENT

Both bills provide that within ten days after any impoundment, the President shall transmit a special message to Congress specifying the amount of funds impounded and the reasons for the impoundment. The Mahon bill further requires the special message to notify Congress of the date on which the funds were impounded, the account or agency from which the funds were impounded, the period of time during which the funds are to be impounded, and to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

The Ervin bill provides for publication of the impoundment message in the Federal Register as well for transmittal of a copy to the Comptroller General. It also provides

that in case any impoundment action reported in a special message is subsequently revised, the President shall promptly transmit to Congress a supplementary message. Finally, it requires the publication of a monthly impoundment list in the Congressional Record.

Comment

The additional reporting requirements contained in the house bill conform to the provisions of the Federal Impoundment and Information Act (Title IV, Public Law 92-599). The limited experience with that Act indicates that the Administration prefers to be reticent about the duration and impact of impoundments. Thus in its February 5, 1973 impoundment report OMB explains that "the period of time during which funds are to be in reserve is dependent in all cases upon the results of . . . late review."

The House bill allows for the inclusion of more than one impoundment in a special message but the Senate bill is unclear as to whether there must be a separate message for each impoundment. The question is of some importance for though the House bill allows partial disapproval of an impoundment, Senate action seems tied to the message itself rather than to any specific action reported therein. Moreover, the rules laid down in each bill for consideration of resolutions of approval or disapproval stipulate that no amendment to the resolution shall be in order.

An alternative to the approach embodied in both bills might be to designate the times during which periodic impoundments reports would have to be made by the President. As one possibility, the President might be required to report to Congress quarterly on the impoundments taken during the preceding three months. In this way, Congress would not be bombarded by a flow of impoundments reports with necessary followup action throughout its session. Furthermore, a quarterly system would conform to the time periods used by OMB for the establishment of budgetary reserves.

But in terms of congressional ability to override President impoundments a fixed reporting system has one formidable drawback. It would enable impoundments to be in effect as many as 100 days before Congress was notified and to remain in effect as much as 60 additional days without congressional action. This delay can be fatal for one-year appropriations from which funds are impounded in the fourth quarter. The funds would lapse before Congress had an opportunity to stake its own position.

Possibly the only way to avoid both this outcome and a flood of impoundment actions in Congres is to distinguish (as was suggested earlier) between those which strictly conform to the Antideficiency Act and those of questionable validity. But this would have to be predicated on a redrawing of the Antideficiency Act and tying it directly to the new legislation.

COMMITTEE ACTION

Once the impoundment message is received by Congress, there is considerable difference between the two bills regarding its handling in Congress. The Ervin bill provides that "a resolution introduced with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration." The Mahon proposal, however, calls for referral of any such resolution to the Appropriations Committee. Each Appropriation Committee may determine, subject to the rules of each House, whether to report a resolution. In line with regular congressional procedure, the resolution may be considered by House or Senate only if it has been reported or if the committee has been discharged from its consideration.

Comment

The Ervin bill allows for none of the benefits of committee review and analysis. Once introduced, the impoundment resolution goes directly to the floor for immediate consideration. The Mahon bill, on the other hand, enables the Appropriations Committees to pigeon-hole a resolution and bar consideration by the House or Senate unless a discharge motion is approved.

One way out of these polar alternatives—no committee review versus the potential for killing the resolution in committee—would be to provide for referral of an impoundment resolution to committee subject to automatic discharge if the committee fails to report it within a prescribed period of time. In view of the 60-day periods contemplated in both bills for congressional action, the committees might be allowed 30–45 days after which they would be discharged from consideration.

One difficulty that might emerge from the Ervin bill's failure to provide for committee action would be the procedure for reconciling differing House and Senate resolutions. There would be no committee with special expertise in the area from which conferees may be drawn nor any committee with exclusive jurisdiction. Both the Appropriations Committees and the subject matter committees may claim jurisdiction.

ACTION BY EACH HOUSE

The primary difference between the two bills is that the Mahon bill would allow the impoundment to prevail unless it was disapproved within 60 days while the Ervin bill calls for the lapsing of any impoundment that has not been approved within 60 days. Both bills provide for congressional consideration by means of concurrent resolution rather than the simple resolution procedure used for congressional disapproval of Presidential reorganization plans.

Under both bills, the impoundment continues in force during the 60-day period, unless of course Congress takes earlier action. Both bills detail similar procedures for floor consideration of the concurrent resolution. A motion to proceed to consideration of a resolution is highly privileged and not debatable. Debate on the resolution itself is limited to two hours in the Mahon bill and ten hours in the Ervin proposal. No amendment or motion to recommit is in order. One difference between the two approaches is that the Ervin bill precludes more than one resolution with the same special message. As indicated earlier, the Mahon bill provides that "where a special message specifies more than one impoundment of funds, the resolution may relate to any one or more of such impoundments; and the resolution with respect to any impoundment may express the disapproval of the Congress of any amount thereof and may set forth the basis on which the impoundment is disapproved."

Comment

The 60-day period is designed to give Congress sufficient time to review the President's action. But the impoundment is in effect throughout this period, regardless of subsequent action, unlike the comparable reorganization procedure where the President's plan takes effect only at the conclusion of 60 days. The problem is less critical in the Mahon bill for Congress may vote a resolution of disapproval without waiting for expiration of the 60 days. However, the Ervin bill appears to put Congress in a helpless position regarding those impoundments which it does not approve. Inasmuch as such impoundments lapse after 60 days unless approved by Congress, there is no mechanism for the expression of congressional intent prior to the end of that period. Thus what is intended to strengthen congressional control of impoundments may actually weaken the capability of Congress during the initial 60 days.

The issue is vital because Congress in this legislation is giving legal backing to Presidential impoundments, even in the absence of specific authorization. The *de facto* exercise of Presidential power hereafter will be wrapped in *de jure* status. That this may not be the intention of the legislation does not detract from its effect.

Furthermore, the 60 day period can be used to thwart the will of Congress by terminating programs which lapse during the period. A case in point is the $6 billion withheld by EPA on Presidential order from water treatment projects. OMB has taken the position that once the funds were not allotted to the states by the January 1, 1973 deadline specified in the 1972 Act, they automatically lapsed. For this reason, the $6 billion are not included in OMB's official impoundment list.

Congress may wish to model its impoundment procedure after that used for executive reorganizations and provide that they take place after 60 days. But this would curb the capability of the President to establish prudent budget reserves under the Anti-Deficiency Act. This is still another reason for exploring the possibility of distinguishing between ordinary reserves and other impoundments.

There may be some value in an impoundment procedure that gives Congress an opportunity to express more than an all-or-nothing or yes-no verdict. For example, Congress may wish to allow continuation of the impoundment for a limited period of time or it may accede to an impoundment of a portion of the funds withheld by the President. Still another possibility is to fix conditions for the further withholding of funds. At any rate, the Mahon bill provides for more efficient handling of impoundment matters by allowing their consolidation and differentiation in a single resolution.

Both bills are silent as to whether the President can impound *de novo* when an identical previous action has been disapproved (or not approved) by Congress. Clearly the intent of the resolution is to disallow this practice, but some specific prohibition may be helpful.

JOINT ECONOMIC COMMITTEE'S STUDY

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. HOLT. Mr. Speaker, I rise today to commend the Joint Economic Committee's study entitled "How Public Welfare Benefits Are Distributed in Low Income Areas."

My colleague, Mrs. GRIFFITHS has done a much needed and an outstanding job of chairing this committee and in presenting the results to the Congress. This subcommittee staff study clearly shows the need of congressional action to effect meaningful reform of our nation's welfare programs.

Every abuse associated with the bureaucracy can be found in the welfare system. Currently we have over 1,100 Federal, State, and local agencies administrating over 100 different programs at an annual cost in excess of $100 billion. This is clearly an administrator's nightmare.

This study has demonstrated that there is a huge overlap of programs, that there is a wide disparity in benefits re-

ceived by households in the same economic condition, that there is large disincentives to work created by adding one program on top of another and by individual program benefit regulations, and that much tax money is wasted by duplicated administrative tasks. Many of us have suspected these abuses, we now have documented facts to substantiate our position.

I fully agree with the subcommittee's conclusions that the present income maintenance programs are in a serious need of complete overhaul. We must view this system as a whole with the objective of combining the overlapping programs and refining or eliminating the ineffective ones. This will not be an easy task but it is one that should receive the top priority of Congress. It is my resolve that I will attempt to bring about these needed changes.

I strongly urge my colleagues to join in a bipartisan effort to effect meaningful reform in the welfare system.

AND THE BOMBING CONTINUES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. FRASER. Mr. Speaker, there is growing concern about U.S. bombing in Cambodia. When administration spokesmen made appearances recently at House Foreign Affairs Committee hearings I asked them what authority the President has to order this bombing. The Boston Globe article I am introducing at the conclusion of these remarks indicates that our colleague LES ASPIN has asked Secretary of Defense Elliot Richardson the same question. Presidential spokesmen have failed to provide adequate responses to newsmen seeking this information. None of us has received a satisfactory answer. And the bombing of Cambodia continues.

Mr. Speaker, it is time we had an answer to this question. Our men held prisoner have been returned, our troops are out of South Vietnam and a ceasefire has been negotiated. Previous justifications for bombing Cambodia no longer are valid, if they ever were. Surely the President does not contend that he can bomb whenever and where ever he chooses simply because he has a request from a friendly government to bomb.

The article follows:

[From the Boston Globe, Mar. 23, 1973]

SOUTHEAST ASIA BOMBING ALMOST AS HEAVY AS BEFORE TRUCE

(By Thomas Oliphant)

WASHINGTON.—The intensity of U.S. bombing in Indochina decreased only slightly during the first month of the Vietnam "cease-fire," according to statistics on file at the Pentagon.

Despite the fact that there were two fewer countries to bomb (North and South Vietnam) after the agreement took effect Jan. 28, the tonnage dropped on Laos and Cambodia during February was similar to that dropped during several months of the war when all four nations were being bombed.

Last month's tonnage total was 70,002, according to the Defense Department.

That represents a decline from the 101,394 tons dropped in January, the last month before the cease-fire agreement was signed. However, in terms of the nine-year history of the air war it is a very typical figure.

For example, since the Pentagon began compiling monthly figures in 1966, the average tonnage over 86 months of bombing was about 84,200, just slightly more than the figure for February.

Moreover, last month's total is larger than the monthly average for the years 1966 and 1971, and is just slightly below the average for 1967.

No figures are available from the Pentagon for the years 1964 and 1965, but the February figure is clearly larger than anything that could have been produced in those early years of the war.

It is also a large figure in its own right. If bombing continued at last month's rate for a year, more tons would have fallen than during the Korean War.

The Pentagon provides no breakdown of the tonnage. However, it is known that Laos was bombed every day in February until a ceasefire agreement took effect on Feb. 22.

In addition, Cambodia was bombed for 15 days last month, and raids have continued every day this month.

In both cases, this bombing has had two purposes: to support troops of the Laotian and Cambodian governments against their Communist foes, but also to harass attempts to bring men and supplies into South Vietnam.

However: beyond the fact that bombing is continuing at a historically high level, very little is known.

Each day, the Pacific command in Honolulu puts out a one-sentence statement that simply announces that bombing has occurred "at the request" of the government of the country being bombed.

Moreover, since the Vietnam cease-fire agreement took effect the military has stopped releasing weekly figures on the number of missions being flown by various kinds of planes in Southeast Asia.

No reason has been given for this new restriction on information about the continuing air war.

Meanwhile, there are signs on Capitol Hill of a revival of congressional interest in what remains of American involvement in Indochina.

For example, this week, Rep. Les Aspin (D-Wis.), a dovish member of the House Armed Services Committee, sent a letter to Defense Secretary Elliot Richardson complaining about the secrecy surrounding the bombing of Cambodia.

"What's actually happening," Aspin said, "is that the Administration is conducting its own air war over there and no one seems to know anything about it. It's way past time that we found out who we're bombing, why, how much, and with what authority. It's not just the public that is being kept in the dark, but members of Congress, too."

BUDGET CEILING AT BEGINNING OF EACH FISCAL YEAR

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ESCH. Mr. Speaker, yesterday I indicated that I would be offering an amendment to the Mahon bill on impoundment to provide for Congress to fix a budget ceiling at the beginning of each fiscal year. The following is the text of that amendment:

To amend Section 1 that (a) whenever the President, during any fiscal year for which a budget ceiling has been adopted and observed by Congress under Section 5, impounds any funds authorized for a specific purpose or project, or approves the impounding of such funds by an officer or employee of the United States, he shall, within ten days thereafter, transmit to the House of Representatives and the Senate a special message specifying—

And by adding Section 5. (a) The Congress shall fix by concurrent resolution no later than forty-five days of continuous session after the receipt of the budget message from the President as required by law, a budget ceiling with respect to the next fiscal year. In fixing such ceiling, the Congress shall consider relevant economic indicators, program goals, and any relatively uncontrollable outlays under then existing law, including open-ended programs, and fixed costs.

(b) The budget ceiling established under subsection (a) shall be observed by the Congress in appropriating funds as a limitation on the total amount of funds appropriated for the fiscal year with respect to which budget ceiling is adopted.

ADMINISTRATION'S SLASHES

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MINISH. Mr. Speaker, the administration's slashes in various programs have aroused deep concern among citizens who are familiar with the benefit derived from them. All of us favor Federal retrenchment, but the question arises as to whether the technicians and economists of the Office of Management and Budget are really equipped to render these judgments that will form our future.

A constituent involved in a Neighborhood Youth project has written a letter that I feel is worthy of our colleagues' attention. My constituent, as is true of his counterparts in other programs, could easily find employment elsewhere so the charge of self-interest does not really enter into the picture. What does emerge, as he points out in his letter that follows, is the fact that the success of he program in which he is engaged illustrates the consequences of ruthless across the board slashing.

Because of its pertinence to the debate that is now being waged on this crucial issue, I am inserting the letter that I have received from Mr. John F. Mulvihill, Jr., of Bloomfield, N.J., in its entirety at this point in the RECORD:

BLOOMFIELD, N.J.,
March 13, 1973.

Rep. JOSEPH G. MINISH,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE MINISH: I write to express my deep concern over the apparent indiscriminate discontinuance of Federally funded social programs. I am particularly concerned with the proposed discontinuance of all Neighborhood Youth Corps programs.

As you know the Mount Carmel Guild of Newark, where I am employed, conducts a portion of the Newark city-wide N.Y.C. called "Youth Chance". I also know that you are aware of the success of this program in fulfilling the basic purpose of in-school N.Y.C., i.e., providing meaningful work experience, financial assistance and career development, and reducing the number of high school dropouts. It is because of my exposure to the success of this program through my affiliation with the Guild that I have strong feelings about any across-the-board cuts in Federal programs without considering them on an individual basis.

The Administration claims that there are waste, corruption and ineffectiveness in the programs that it plans to cut. If these claims are true, then the waste, corruption and ineffectiveness should be dealt with appropriately. But after seeing the success of the Youth Chance program I have to conclude that there is much good being accomplished by many of the anti-poverty programs, and any discontinuance should come only after a program-by-program review.

The President has referred quite frequently to the commitment our Government has made over the years to our friends abroad. The social legislation which has come about during the past 40 years and especially during the 1960's is a commitment which our Government has made to the people at home. We cannot hope to successfully meet any foreign commitments if we are going to shirk our domestic commitments.

I feel that there is a real challenge before the people of the United States and men like yourself, as elected representatives, are in the best position to express the response of the people you represent. I strongly urge you to raise your voice on behalf of the people who need the programs that are currently in jeopardy, and that you urge your fellow representatives to join with you in this effort.

Sincerely yours,

JOHN F. MULVIHILL, Jr.

REV. LEON TROY HONORED AS WARREN, OHIO, MAN OF THE YEAR

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on Saturday, March 10, 1973, the Second Baptist Church of Warren, Ohio, honored its pastor, the Reverend Leon Troy, on the eighth anniversary of his service to the church. A banquet was held in his honor with representatives of the clergy, schools, professional fields, local businesses, community service organizations, family, and friends in attendance.

This year, Reverend Troy was the first black man to receive the Warren Area Jaycees' Man of the Year award. The Jaycees selected Reverend Troy for the award because he is an articulate and dedicated spokesman for his people and a man who is greatly respected for his forthright and honest evaluation of problems. In addition to being selected as Warren's Man of the Year, Reverend Troy is the first member of his race to serve on the Warren Board of Education, where he is currently serving as president. He is also serving as president of the Ohio Baptist General Association, treasurer of the Northern Ohio District Congress, vice president of the National Baptist Convention, and trustee of the Ohio Baptist Convention. Even with all of these responsibilities, Reverend Troy finds time to serve on many community and civic boards, including the Trumbull Branch of Kent State University, the YMCA, and the advisory committee of the Welfare Board.

Principal speaker for the occasion was Common Pleas Court Judge Robert Franklin of Toledo, who is a former classmate and longtime friend of the Troy family. In his praise of Reverend Troy, Judge Franklin noted that—

To every task he has undertaken, he has given his best with compassion for his fellow man. Mr. Troy's work has been done simply because he has wanted to lessen someone else's burden.

Mr. Robert L. Dawson, director of Urban Renewal, extended greetings from the city of Warren and commended Mr. Troy for his positive influence on the citizens of Warren. Speaking for the Trumbull County commissioners, Mr. Walter Pestrak commended Reverend Troy as a man who has served his community with distinction. Attorney Lynn B. Griffith, Jr., stated that Mr. Troy had earned the respect of the entire community for the good example he has set. Spokesman for Second Baptist Church was Mr. W. H. McLaughlin.

Plaques were presented to Reverend Troy by Councilman James Isom in recognition of a resolution of commendation passed by the Warren City Council on March 5, and by Mr. Henry Thompson in appreciation from the Second Baptist Congregation. Mr. Robert Tipton spoke on behalf of the congregation's youth. Dr. Richard Huston, director of elementary and secondary education in Warren, introduced the speaker.

Reverend Troy was accompanied by his wife, his four sons, Leon Jr., Keith, Adam, and Eric, his mother, Mrs. William Taylor of Toledo, and many other relatives, including: Kim Allen, Doris Allen, Adrienne Troy, Carolyn Smith, nieces; Mrs. C. P. Cobb, sister; Kent Allen, nephew; Mr. and Mrs. J. Frank Troy, brother and sister-in-law; Mrs. Arthur McBride, sister-in-law; Mrs. Edith Lowndes, grandmother of Mrs. J. Frank Troy; Emory Troy, brother.

Mr. Maron Sibley served as master of ceremonies, and the invocation was given by Rev. W. K. Richardson, pastor of Friendship Baptist Church, and the benediction was given by Rev. Robert Taylor, pastor of Howland Community Church, and music was provided by Mr. John Daniel and his group of vocalists.

In charge of arrangements for the event were: W. H. McLaughlin, deacon, Robert Tipton, youth department; Henry L. Thompson and Harrison Johnson, co-chairmen; Mrs. McLaughlin, Mrs. Thompson, and Mrs. Johnson.

Mr. Speaker, we are proud to have Rev. Leon Troy and his charming family as members of our community.

TRIBUTE TO MR. ELLIOT CURRY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. KETCHUM. Mr. Speaker, on the occason of his retirement as a reporter on the San Luis Obispo County Telegram-Tribune newspaper, I would like to recognize an old friend and a dedicated citizen, Mr. Elliot Curry.

A recent article in the Telegram-Tribune gives an excellent account of his achievements. I would like to submit the following article to the House of Representatives as a tribute to an outstanding American journalist:

ELLIOT CURRY TO RETIRE FROM TELEGRAM-TRIBUNE

(By Warren Groshong)

It takes some imagination to visualize the Telegram-Tribune newsroom without Elliot Curry.

The tall, soft-spoken native of Meyers Falls, Wash., has been the paper's master of the elegant phrase since World War II. And it has always been baffling to other reporters how he has been able to make everything look so easy.

Curry, who just turned 70, has decided it is time to retire.

He will leave the Telegram-Tribune's editorial department on March 30 after 28 years here and 40 years in the news business.

Curry served as managing editor of the paper from 1944 to 1962 and from then on he was a general assignment reporter.

His role in recent years has been a pivotal one.

He is the man the news desk usually turns to when it needs a difficult story done quickly and accurately. He serves as sports editor every Tuesday and it is his job to see that all of the religion news gets written.

When the editor goes on vacation, the task of putting together the editorial page is almost always left to Elliot.

When the courthouse reporter or the city hall reporter can't make the scene, "Mr. Curry" usually wins the assignment.

Outside the office, he has been a lecturer in journalism at Cal Poly and a member of San Luis Obispo's Bicentennial Committee.

Curry has never been one to talk much about himself and his background.

Few people—even in the newsroom—know that he once was postmaster in a small town in Washington.

Curry received his journalism degree from the University of Washington in 1926.

He put himself through the university by washing dishes and waiting tables at Rafferty's Family Style Restaurant on Seattle's skid row.

Fresh out of school in 1927, Curry got into the writing business at the Oroville, Wash. Gazette, circulation 1,000.

The staff at the small weekly paper, says Curry, was "myself and the printer." He was working in the town where he had been raised.

After a jump to another small publication in the apple country near Wenatchee, Curry landed a job on the Examiner at Colville, Wash., 80 miles north of Spokane.

Among other things, he covered the police and courts in Colville and this meant that he had the "bootlegging beat" during prohibition.

"Every so often I would go to the sheriff's office in the morning and the deputy would say, 'Let's go out and knock over a still.'"

So they did.

"And we never had to go far to find one either."

It was during these years in Colville that Curry met Claire Nugent. They now have been married 41 years.

Being a Democrat working for a Democratic paper eventually led the young newspaperman to a different kind of outlet for his talents.

It was 1936 and Franklin D. Roosevelt had been elected to his second term in the White House. Colville's postmaster was a Republican and his days were numbered.

"One day I wrote a story in the Examiner about the possibilities of applying for the postmastership. Then I thought about what I had written and I said to myself, 'I could be postmaster.'"

Off went an application to the area's congressman and two months later Curry won the appointment.

After eight years, he decided to get back into the newspaper game, going to work for the Riverside, Calif. Morning Enterprise. After a short stay in Riverside County, Curry was named managing editor of the Telegram-Tribune, a post he held for 18 years.

He came to San Luis Obispo in 1944 at the height of World War II. Camp San Luis Obispo was flourishing with troops brought there to develop divisions for overseas duty.

There were lots of men in uniform around, but Curry was the only man in the newsroom.

"I had a three-girl staff. One covered the courthouse. Another did the society page and covered the city council and the third one covered the police and wrote features.

George Brand, editor of the Telegram-Tribune said of Curry:

"In every phase of his work, whether it is reporting, writing or editing, he is completely professional. He is never superficial in his work.

"In his relations with the public and with fellow staffers Curry embodies the vey best of what the term 'gentleman' connotes. When I came to the Telegram-Tribune, I discovered some of the staff members addressed him as 'Mr. Curry.' It indicated their attitude of complete respect for him and his work.

"I share that respect."

Curry and his wife have two sons. John, 39, is a reporter for the San Mateo Times, and Gene, 36, is a research engineer for the Ford Motor Co. in Detroit and part-time Episcopal clergyman.

What's in the offing for Curry in his retirement years? "Our plans are indefinite," he said.

TAX RELIEF FOR PUBLIC SERVICE EMPLOYEES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, I am today introducing a bill which would grant to State, local, and Federal Government employees tax exemption relief similar to that which has been available to social security and railroad retirement annuitants for many years. The simple fact is that if you are a Government retiree, you pay taxes on your entire pension, but if your check is coming from the social security or railroad retirement system, then your entire annuity is exempt from taxes.

This obvious inequity should not be allowed to continue. My bill would exempt from gross income for Federal income tax purposes the first $5,000 of aggregate income paid under both public and social security retirement systems. I take this action not in order to grant public service employees any preferential tax status, but rather in order to remedy the unfair and discriminatory hardship public employees now bear.

There are over 5,000 different retirement plans covering State, local, and Federal Government employees, and over 35 percent of the employees retiring under these plans are ineligible for any social security benefits. Statistics show that median pension income under private and public retirement programs is almost identical, when the retiree also receives social security benefits. However, the median pension income for public retirees, not receiving social security benefits, compares very unfavorably with private pension recipients. In view of the tax exempt status of social security benefit payments, the advantage of private over public pensioners becomes even more evident.

In order to understand the real hardship public retirees face in a system that taxes them at a greater rate than other retirees, I believe we must look at recent price increases in areas of the economy where both must allocate their income.

My home State of California provides telling examples of the "built-in" difficulties that any person who lives on a fixed income must face. In Los Angeles and San Francisco total food prices have increased 23.5 percent and 25 percent, respectively, over the last 5 years, while meat, poultry, and fish prices have increased 39 percent and 38 percent respectively, during the same time period. In addition, the general housing index has increased 26.3 percent in Los Angeles and 21.7 percent in San Francisco over the last 5 years.

To the difficulties of public service retirees trying to live in health and decency during these times, the Federal Government has imposed a greater burden of taxation upon governmental retirees than for social security and railroad retirees. In tax year 1968, over 2 million people paid tax on their pensions and annuities. The elderly made total tax payments in that year of $7.6 billion which comes to payments of $1,100 per return filed.

Mr. Speaker, it is not my intention to single out public employees in State, local, and Federal Governments and grant them special privilege available to no other citizens. The deduction prescribed in this bill would not grant those receiving both public pensions and social security benefits any advantage, but would rather grant an exemption for both public retirement and social security benefits roughly equal to the amount deductible under social security alone.

State, local, and Federal employees, having given their productive years to the betterment of Government service, deserve, at least, the same benefits Congress grants other retirement plan recipients. I, therefore, submit this bill for the careful consideration of the Members.

I include the full text of the bill in the RECORD:

H.R. 6399

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts of retirement benefits from public retirement systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125 and by inserting after section 123 the following new section:

"SEC. 124. CERTAIN RETIREMENT BENEFITS FROM PUBLIC RETIREMENT SYSTEMS.

"(a) Exclusion From Gross Income.—Except as provided in subsection (b), gross income does not include any amount received as a pension, annuity, or other retirement benefit under a public retirement system.

"(b) Dollar Limitation.—The amount excluded under subsection (a) by any individual for any taxable year shall not exceed an amount equal to $5,000, less any amount received by such individual during the taxable year as a monthly benefit under title II of the Social Security Act.

"(c) Definition of Public Retirement System.—For purposes of this section, the term 'public retirement system' means a pension, annuity, retirement, or similar fund or system established by the United States, a State, a possession of the United States, any political subdivision of any of the foregoing, or the District of Columbia.".

(b) Section 37(j) of such Code (relating to cross reference) is amended to read as follows:

"(j) Cross References.—

"(1) For disallowance of credit where tax is computed by Secretary or his delegate, see section 6014(a).

"(2) For exclusion from gross income of certain benefits received under public retirement systems, see section 124.".

(c) Section 72(p) of such Code (relating to cross reference) is amended to read as follows:

"(p) Cross References.—

"(1) For limitation on adjustments to basis of annuity contracts sold, see section 1021.

"(2) For exclusion from gross income of certain benefits received under public retirement system, see section 124.".

(d) The table of sections for such part III is amended by striking out the last items and inserting in lieu thereof the following:

"Sec. 124. Certain retirement benefits from public retirement systems.

"Sec. 125. Cross references to other Acts."

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

WOUNDED KNEE UPRISING

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the great Wounded Knee uprising has certainly cooperated with the news media in creating headlines and further misunderstanding among our people.

The decent respectable Indians recognize the renegade AIM as an illegitimate scalping party out to undermine their image as full-blooded American citizens.

According to a report from Detroit, the renegade holdouts at Wounded Knee are a disgrace to all American Indians because their fracas has been financed by the white man through a so-called anti-poverty program.

The disgrace was further compounded by the report that the National Council of Churches, another semipoverty, tax-exempt religious front, was involved in the uprising.

Any American who wants to understand what is taking place at Wounded Knee owes it to himself to read the letter of Dick Wilson, president of the Oglala Sioux tribe, who indicates that the Wounded Knee affair was not intended to shame the great white father in Washington, so much as to embarrass the tribal government of the Oglala tribe. Apparently, the renegades fully understand, and have taken advantage of the depths to which the news media will sink to exploit an unfortunate local matter. Several newsclippings follow:

HALF AIM INDIANS SAID TO RECEIVE U.S. FUNDS

DETROIT, MICH., March 18.—The Detroit News reported today more than half the members of the American Indian Movement are employees of social welfare agencies financed primarily by federal grants.

The News story by John Peterson said the organization whose leaders were instrumental in the takeover of Wounded Knee, S.D., has received more than $400,000 in federal funds since its founding in 1968 as an offshoot of a Minneapolis antipoverty program.

The News said AIM has 258 members.

The paper quoted an unnamed federal official as saying: "When AIM took over Wounded Knee three weeks ago, the Justice Department was all set to move in and make arrests.

"But then AIM leaders threatened to call a press conference and disclose exactly how much financing they've had from the federal government in recent months. That's when the Justice Department backed off."

Peterson's story said a two-week investigation disclosed that last June 21, AIM received a $113,000 grant from the Office of Economic Opportunity. Of that amount, Peterson said, $60,000 was for "survival" schools in Minneapolis, St. Paul and Milwaukee to "instill American Indian culture" in grade school-age children.

[From the Washington Evening Star and Daily News, Mar. 17, 1973]

CHURCHMEN TOLD BY BIA TO LEAVE WOUNDED KNEE

WOUNDED KNEE, S. DAK.—Bureau of Indian Affairs police have ordered all National Council of Churches representatives off the Pine Ridge Indian reservation for aiding and abetting militant Indians entrenched at Wounded Knee.

Armed with a blanket summons issued by the Oglala Sioux Tribal Council, BIA police yesterday ordered about 20 NCC representatives to leave. The NCC volunteers, however, ignored a threat that they would be jailed and said they were staying.

BIA police exerted the power of the summons—which gives them authority to throw out nonresident "undesirables"—last night after a group of about 70 Indians, apparently non Oglala, and whites seized a community hall in the nearby vilage of Porcupine.

Federal officers quickly ousted the group, which apparently was attempting to penetrate the cordon of marshals encircling Wounded Knee. There was no reports of violence.

TALKS EXPECTED TODAY

No negotiations to end the occupation of Wounded Knee were held yesterday because Asst. Atty. Gen. Harlington Wood was delayed in his return from Washington, where he was conferring with Justice and Interior Department officials.

Wood returned to Wounded Knee last night and negotiations were expected to be held today. Observers felt Wood had returned with a government offer to end the 18-day-old occupation by the American Indian Movement (AIM).

Dick Wilson, the Oglala Sioux tribal chairman who has been an outspoken critic of the AIM takeover, said the council declared a state of emergency and authorized the tribal court to issue the blanket summons. When informed NCC representatives planned to stay, he said, "If they do that, they will sit in our jail."

However, there was no immediate move to oust the NCC representatives, who have been serving as mediators between the government and the 200 militant occupants.

MORE FOOD

The NCC was playing a key role in setting up a program providing more food for the occupation force which a spokesman called the "Pine Ridge Reservation Disaster Fund."

The Rev. John Adams of Washington, D.C., said the NCC had pledges totaling more than $6,000 and that $1,200 of that had been allocated for groceries.

The NCC, with government approval, has taken in only two car trunk loads of food and medicine during the past two days.

American Indian Movement leader Russell Means said from inside the village that the occupation force is on a subsistence diet and the village has no fuel.

THE OGLALA SIOUX PRESIDENT ON INDIAN GOVERNMENT AND THE AIM MOVEMENT

During the last few days I have been reading what the white man's newspapers have been saying about the goings-on on our reservations. It has made me really wonder. Why don't the reporters try to find out what's going on before they start writing?

If you want to know what is going on at Wounded Knee now you have to understand what has been happening to our people for the last hundred years. After the United States army invaded our country and our warriors finally had to surrender in 1877, the United States set up an occupation government for us. We were run by the Bureau of Indian Affairs and on our reservation, the superintendent was the mayor, the city council, and the chief judge, all rolled in one. He really was a tin god. Yes, there were also some Indian spokesmen, but they were nothing but puppets.

Our occupation government lasted for a long time. More than 50 years passed before the first change came. Under the Indian Reorganization Act of 1934 we were finally given a chance to set up our own government. We did that by vote of the people in 1935. A majority of the people voted to set up our self government, but there was a strong minority against it. A lot of people were accustomed to being run by the Bureau of Indian Affairs and wanted to keep it that way. Our self government was set up by a vote of 1,348 for and 1,041 against. The opponents of self government, the people who preferred paternalism, have been agitating against our tribal government for a long, long time.

But our tribal self government has existed since 1935. The people elected a president and a tribal council in accordance with our tribal constitution. The council passes ordinances and the president and his staff have to carry them out.

The present council and I, as president, were elected by the voters of the Oglala Sioux Tribe in the tribal election of December 1971. I received 1,554 votes and my opponent received 1,130 votes. We were the top two candidates in the primary, where there were six candidates. The councilmen were elected in the same election, each of them running from his district. We have no political parties in our tribe. Each candidate runs on his own.

Since we took office in 1972, the council and I have tried to run the affairs of the tribe to the best of our ability. It is a hard job. Our people have lots of problems and we sure need more help than we have been getting. But we have tried hard and we have tried to do our best. Everybody knows now who is in charge on this reservation. It is the tribal government, not the Bureau of Indian Affairs.

As I have said, there are some people who haven't liked the tribal government ever since it was set up and they still have supporters today. When they are agitating, they are not just agitating against me personally but against a tribal government that takes charge; they really don't want their own people to run the affairs of the reservation. They have more faith in being run by outsiders than in their own people they believe in paternalism.

I believe in tribal self government and Indian people speaking up for themselves. But I don't believe in taking hostages, in threatening lives. And I don't believe in disrupting government operations. I think that is plain stupid, it doesn't help a single Indian. It sure doesn't help my people. That's why I have been opposed to the AIM movement and have made no bones about saying how I feel. Because I spoke my mind, the AIM people have been against me and have made threats against me and my family.

It would really be funny, if it weren't so serious, that some of the paternalists on our reservation who want to abolish the tribal government and go back to being run by the superintendent have linked up with the same people who tore up the Bureau of Indian Affairs in Washington. But that is what has happened at Wounded Knee. Both sides have only one interest, to embarrass the tribal government of the Oglala Sioux Tribe.

But we are going to stick to our jobs. We are going to do what is right. We are going to see to it that we have law and order on our reservation and we are going to do our very best to give our people a better life. What we are asking the newspapers to do is to be fair to us. Is that too much?

DICK WILSON,
President of the Oglala Sioux Tribe.
PINE RIDGE, S. DAK.

FOREIGN TRADE AND AMERICAN JOBS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, the subject of foreign trade will receive increasing attention this year in view of the precarious international economic situation and expected congressional action this year on a major trade bill. My good friend and colleague from Ohio (Mr. WHALEN) recently addressed himself to this subject in a speech before the Association for Systems Management in Dayton, Ohio. In his address he cogently deals with the major issues involved in the trade question and various approaches to legislatively deal

with these. He has a persuasive manner, he explodes the myth that the only way to protect American jobs is to pass protectionist trade legislation. On the basis of a number of studies, Mr. Whalen concludes:

In fact, it has been established that United States foreign direct investments create, rather than destroy, American jobs.

At this point in the RECORD, Mr. Speaker, I include the full text of Congressman WHALEN's speech and commend it to the reading of my colleagues.

The speech follows:

FOREIGN TRADE AND AMERICAN JOBS

(Remarks by Congressman CHARLES W. WHALEN, JR., March 16, 1973, before the Association for Systems Management, Dayton, Ohio)

I—INTRODUCTION

For years foreign trade has been a neglected element of America's economy. This stems largely from the fact that United States' participation in international commerce has been small in relation to our total economic effort. Our export-import total, as a percentage of gross national product, has been substantially less than that of other major industrial nations. Yet, because of our size, we are the world's leading trading nation (see table 1).

During the past decade, however, there has developed a growing public concern regarding our foreign trade posture. Initial awareness was sparked in the 1960s by recurring balance of payments deficits. Then, in 1971, for the first time in this century, our country suffered a trade deficit (imports exceeded exports). Finally, as domestic unemployment mounted during 1970 and 1971, some began to question whether our international trade patterns might not have contributed to this dilemma.

The following analysis will focus on the last issue: namely, *what effect has United States' foreign trade had upon jobs?* Specifically, has it *created* jobs? Has it *cost* jobs? What is the overall result in terms of *total* jobs?

TABLE 1

	Merchandise exports (bill)	Merchandise imports (bill)	Total trade percent of GNP
U.S. foreign trade:			
1961	$20.1	$14.5	6.6
1971	43.5	45.6	8.4
Other industrial nations (1971):			
Great Britain	22.3	24.0	34.2
West Germany	39.0	34.5	33.8
Netherlands	13.8	15.4	80.0

II—INTERNATIONAL TRADE AND THE LOSS OF JOBS

Macroeconomists (those who study aggregates) tend to ignore microeconomic considerations. Thus, many who argue that tariffs, quotas, and other protective measures harm the *total* economy, fail to consider the plight of those *individuals* who might be adversely affected by foreign imports or by investment of American capital abroad. In so doing, these scholars fail to provide a constructive alternative to protectionism.

Indeed, there is substantial evidence that certain *individual jobs* have been eliminated by imports and foreign investment. Recently a distinguished Brookings Institution economist, Lawrence Krause, undertook a detailed study to measure the effects of foreign trade upon our society. As noted in the November, 1971, issue of Fortune magazine, Professor Krause concluded that ". . . the rise in imports and the decline in certain categories of exports wiped out 182,200 jobs."

The ramifications of this revelation were made clear to me in a very personal way. In 1968, a Dayton firm (in my Congressional District) producing printing machinery employed 655 persons. In that year its product was unchallenged in our country and had little competition abroad. Today two foreign-owned, Italian-based companies have captured almost all of the European market formerly dominated by the Dayton organization. The Italian producers also have made inroads domestically, now accounting for fifty percent of the printing machinery sales in the United States. To combat this competition, the Dayton company has shifted much of its production abroad. As a result, by mid-1972 employment in the Dayton factory had dropped to 185, a loss of 470 jobs in four years. The remaining positions soon will disappear when the firm ceases its Dayton operations.

III—THE ISSUE

Recognizing that importation of foreign-produced goods and exportation of American capital do cost jobs, a fundamental question arises: What can be done to assist the individual suffering the threat of, or the effects of, job elimination without, concurrently, harming the *total* economy?

IV—FAILURE OF PRESENT ASSISTANCE PROGRAMS

In 1962, at President Kennedy's behest, the Congress passed the Trade Expansion Act. This legislation armed the President's Special Trade Representative with the authority to negotiate mutual tariff reductions with other GATT (General Agreement on Trade and Tariff) member nations. The objective, of course, was to expand export opportunities for American producers.

Congress realized, however, that tariff reductions are a two-edged sword. Consequently, incorporated in the Trade Expansion Act of 1962 was a Trade Adjustment section. It was designed to cushion the shock of increased imports emanating from any agreement concluded by the President's trade negotiator.

Regrettably, this provision, in its implementation, has proved to be a dismal failure. Experience during the past ten years reveals that the Trade Adjustment clause contains three fundamental weaknesses.

First, the criteria for assistance are too rigid. In order to qualify for aid, the worker and his firm must prove that injury resulted in *major part* from trade concessions granted by the United States government. Substantiating this is a difficult (if not impossible) and time-consuming task.

Second, adjustment assistance applications, upon submission to federal authorities, face a long investigative process prior to certification.

Third, if the application ultimately is approved, assistance is received long after the problem arises. This fact was verified by James T. Lynn, Under Secretary of Commerce (now Secretary of Housing and Urban Development Department) during his May 10, 1972, appearance before the Foreign Economic Policy Subcommittee of the House Foreign Affairs Committee. Mr. Lynn noted that certification procedures are so lengthy that "many firms do not qualify until they have reached a point of virtual bankruptcy. Too often, then, assistance can become a case of giving blood transfusion to a corpse." Thus, Secretary Lynn conceded that "we can recognize and appreciate the widespread feeling that the present structure of trade adjustment assistance is defective in several important respects."

The results of these deficiencies were delineated by Laurence H. Silberman, Under Secretary of Labor, during the same session of the Foreign Economic Policy Subcommittee. Mr. Silberman testified: "For the first seven years after enactment, until almost the end of 1969, no relief was provided to aggrieved workers or firms because they were not found by the Tariff Commission to meet the qualification standards of the program . . . Since that time, the (Labor) Department has issued 57 certificates of eligibility of workers to apply for trade adjustment assistance under the TEA. The terms of these certificates, which identify workers laid off from a specific plant or section thereof and the impact date, cover approximately 24,000 individuals."

No wonder, then, that the AFL-CIO's 1971 pamphlet, "Needed: A Constructive Foreign Trade Policy," dismissed the adjustment assistance effort as a "hoax."

V. THE NEED—A NEW APPROACH TO THE PROBLEM OF FOREIGN TRADE-RELATED UNEMPLOYMENT

In view of the limitations inherent in present Adjustment Assistance statutes, a new approach to the problem of foreign trade-inspired unemployment obviously is required. Two avenues have been proposed.

First, a substantial majority of the witnesses participating in the Foreign Economic Policy Subcommittee's 1972 hearings advocated enactment of an expanded, more viable trade adjustment assistance program.

Second, several spokesmen representing organized labor urged legislation which would limit imports and restrict investment of United States capital abroad.

The Foreign Economic Policy Subcommittee opted for the first approach. In its report issued August 20, 1972, the Subcommittee concluded:

"In order to strengthen and solidify our domestic economy and our foreign economic policy, adjustment assistance should have the primary claim on policy attention as a far less disruptive alternative to import restrictions."

In conformance with this principle, the Subcommittee then outlined a series of specific proposals. A summary of the principal recommendations follows.

First, an early warning system should be devised to avert economic dislocations and unemployment *before* they occur.

Second, assistance criteria should be simplified and liberalized to lessen the degree of uncertainty and the time lag now extant in the petitioning process.

Third, there should be an increase in the amount and duration of adjustment assistance.

Fourth, the requirements concerning previous work and earnings should be liberalized so that there is broad qualification for those who have been separated from adversely affected employment.

Fifth, adjustment assistance should be made available to workers in separate units of multi-plant firms.

Sixth, older workers must receive more equitable and constructive assistance.

Seventh, the government should assume the responsibility for maintaining the eligibility of an adversely affected worker for family health insurance, social security, and unemployment benefits. Additionally, legislation should be adopted to provide a portability mechanism which would protect the pension rights and other benefits of workers who have changed jobs.

Eighth, the retraining period should be extended to permit completion of the extensive programs required for high skilled services and technologically advanced industries. Further, workers still on payrolls, but who are threatened by the loss of futue employment, should be eligible for retraining programs.

Ninth, a national employment service should be created to undertake expanded job training and counseling efforts. With the aid of an early warning system and a nationwide computer complex, this manpower service should be able to match workers and jobs, reduce actual and antici-

pated critical skill vacancies, and help correct geographic imbalances by directing unemployed workers to areas where their skills are in short supply.

Tenth, more reasonable relocation assistance should be provided to all workers displaced because of foreign competition, not just heads of households.

Eleventh, administrative complexities should be reduced to accelerate certification and delivery of worker benefits.

Twelfth, a special package of benefits, such as extended readjustment allowance, payments, health coverage, and intensive job counseling, should be made available in those special situations where workers are unable to take advantage of regular adjustment programs.

Thirteenth, firms adversely affected by foreign imports should be provided more attractive types of financial assistance. These should include loans with more favorable terms than regular commercial credit and interim financing between approval and delivery of benefits.

Fourteenth, new emphasis should be placed on research and development assistance for projects which create new job opportunities.

Fifteenth, joint worker-firm-community petitions should be permitted. These could facilitate coordination of community development projects which are designed to assist the area to diversify its industrial base and to rehabilitate those injured by foreign competition.

Sixteenth, in cases where adjustment assistance would be an insufficient remedy, the government should have the authority to negotiate orderly marketing agreements.

These arrangements should be limited in time, with a specified termination date, designed, to facilitate, not deter, the adjustment process.

The annual cost estimate of this expanded Adjustment Assistance package ranges from $300 million to $500 million. Some may view this figure with alarm in the light of current budgetary constraints. Yet, the alternatives—protectionism or no action at all—would be considerably more costly to American taxpayers and consumers.

According to Mrs. Gail Bradley, First Vice President of the League of Women Voters of the United States, present trade restraints probably add "about $200 to $300 a year to the average family's budget." As will be explained later, further import restrictions most certainly would boost the cost of living for all Americans.

Totally ignoring trade-inspired unemployment also involves heavy financial burdens. Not only do families of the unemployed suffer economic deprivation, public expenditures will increase substantially to meet mounting welfare and unemployment compensation demands.

On October 14, 1972, I co-sponsored H.R. 17188 which encompassed most of the foregoing recommendations. Time constraints precluded its consideration in the Ninety-Second Congress.

On February 28, 1973, I re-submitted the Trade Adjustment Assistance Organization Act. In offering this bill, I believe it complies with the Subcommittee's consensus "that what is needed are practical and timely adjustment mechanisms to respond to trade-induced unemployment and non-competitive industries on a national basis."

In my opinion, this represents a more economically sensible approach to the problem that the suggested alternative—import and foreign investment restrictions—which I now shall analyze.

VI—ANALYSIS OF THE ALTERNATIVE APPROACH—TRADE AND INVESTMENT RESTRICTIONS

A. Background

The growth of United States-owned foreign assets, coupled with our deteriorating trade balance, led AFL–CIO President George Meany to observe in a filmed speech, presented on June 3, 1972, that "900,000 job opportunities have been lost in the past five years to imports and overseas subsidiaries of U.S. companies." President Meany stated that "the flood of imports is drowning whole communities." He charged that multi-national corporations are making "higher profits by building plants in foreign countries that give industry huge tax breaks and by hiring low-wage workers." Mr. Meany concluded his filmed talk by urging enactment of the Burke-Hartke Bill, which he said is the "common sense" approach to foreign trade and investment.

B. The Burke-Hartke bill

On September 28, 1971, Representative James A. Burke (D-Massachusetts) introduced H.R. 10914—The Foreign Trade and Investment Act of 1972. On the same day a companion measure, S. 2592, was presented in the Senate by Senator Vance Hartke (D-Indiana). These bills were not considered in the 92nd Congress either by the House Ways and Means Committee or the Senate Finance Committee. Thus, the authors are co-sponsoring this legislation again in the 93rd Congress (H.R. 62 and S. 151).

The purpose of this proposal, as defined in its preamble, is "to promote and maintain a fully employed, innovative and diversified production base in the United States." To achieve this, it seeks to insure "that the production of goods which have historically been produced in the United States is continued and maintained" and "production of such goods . . . transferred abroad . . . be encouraged to return to the United States." Burke-Hartke would accomplish these aims in two ways: (1) *restrict imports;* and (2) *limit United States foreign investment.*

Specifically, the recently introduced Foreign Trade and Investment Act of 1973 imposes quotas on all imports not now subject to such provision. The bill provides that 1973 imports for each category of goods shall not exceed the average annual quantity which entered our country during calendar years 1965–1969. This would reduce import levels in 1973 by approximately 30 percent.

Further, Section 103 eliminates the present law which enables American corporations to claim as a full credit against their domestic tax liability those taxes paid to foreign nations on profits earned by subsidiaries operating in those countries.

This, of course, would subject the American firm to double taxation on profits earned abroad—taxes to the host country as well as our own. Burke-Hartke also requires that earnings and profits from foreign investments be reported in the year in which they are earned rather than when they are repatriated.

C. Fundamental questions relating to Burke-Hartke proposal

Any discussion of the Foreign Trade and Investment Act of 1973 should focus on two fundamental questions:

First, are its premises valid? Specifically, has the principal cause of our recent unemployment problem been increased by American imports and foreign investment?

Second, what economic effects would ensue from passage of Burke-Hartke?

How would the individual American family be affected? Would unemployment decrease or increase?

In the following paragraphs I shall examine each of these two issues.

D. Are premises valid?

(1) Net effect of Trade (Exports-Imports) on Domestic Jobs.

As already noted, imports do eliminate domestic jobs. Nevertheless, the question remains: Did imports contribute significantly to the 1970–72 level of unemployment? In the study to which I previously referred, Professor Lawrence Krause concluded that between the first quarter, 1970, and the first quarter, 1971, very little of our unemployment was related to international trade. Professor Krause observed: "If unemployment had increased *only* because of trade dislocations, the unemployment rate would have risen from 4.16 percent at the beginning of the period to only 4.18 percent at the end, rather than to the actual 5.93 percent."

Recent employment statistics reinforce this conclusion. Our nation in 1971 and 1972 sustained, respectively, trade deficits of $2.014 billion and $6.347 billion. Yet, during these same twenty-four months total civilian employment (seasonally adjusted) rose 3,782,000 (from 83,485,000, as of December 31, 1970, to 87,267,000, as of December 31, 1972). Also, during this two-year period unemployment declined 571,000 (from 5,085,000 at the end of 1970 to 4,487,000 by December 31, 1972).

If foreign trade is not the culprit, what caused rising joblessness during 1970 and 1971? Actually, it is attributable to the inflationary crunch of the late 1960s. As prices rose in 1966, 1967, 1968, and 1969, the buying power of a growing number of segments of the economy declined. Let me cite four such areas.

First, those living on fixed incomes, such as pension recipients, witnessed a 16 percent drop in their purchasing capacity between December 31, 1965, and December 31, 1969.

Second, employees of firms operating in a highly competitive environment saw, during those years, their ability to buy dissipate. Their employers simply were unable to offset any cost increases by raising their prices; hence, wages lagged.

Third, certain of our foreign markets were lost during this four-year period. While American prices increased 16 percent, between the end of 1965 and December 31, 1969, the prices of our major foreign competitors rose more slowly. Consequently, potential foreign buyers began diverting their purchases to lower-priced non-American products of equal quality.

Fourth, even those who were protected by large unions saw their "real" wages decline during these same 48 months. For example, in December 1965, according to the Bureau of Labor Statistics, spendable average weekly earnings of manufacturing employees was $104.42 (1967 dollars). Due to the erosive effects of inflation, the manufacturing employee's spendable average weekly earnings, as of December 31, 1969, had dropped to $102.40. This represents a $2.02 per week decline in labor's "real buying power" during the last four years of the past decade.

What lesson can be drawn from this? When consumers (domestic or foreign) suffer a reduction in their purchasing power, they buy less. Following this are cut-backs in production and employment levels. This is as inevitable as night following day. This is why Real Gross National Product *declined* by $2.8 billion in 1970. This reduction in the total output of our nation's goods and services that year was accompanied by a concomitant decline in employment and a swelling unemployment percentage (6.2%).

The question recurs: Why have imports had so little impact on total unemployment? The answer lies in a simple economic fact. When one sells more of his wares, his income rises, thereby expanding his purchasing power. This principle applies equally to international commerce. By increasing their sales in this country, foreigners acquire *more dollars.* These additional dollars are used to obtain more American goods. Consequently, while increased imports in some instances have cost domestic jobs, this loss has been more than offset by the increased employment which expanded exports have sparked.

This conclusion is substantiated by Lawrence Krause's study. Professor Krause finds that: "While the rise in imports and the de-

cline in certain categories of exports (from the first quarter of 1970 through the first quarter of 1971) wiped out 182,200 jobs, the increase in other exports and the decline in a few categories of imports created 182,700."

Imports also affect the purchasing power of domestic consumers. When a United States citizen is able to purchase a foreign-made good more cheaply than its American counterpart, he has more money to spend for *other* domestic items. Let me illustrate. If retailers market an American-made item at $5.00 and a similar German product at $4.00, the buyer, in selecting the foreign commodity, has an additional dollar to spend. If, however, trade restrictions force him to "buy American," his purchasing power actually declines by one dollar. Efficient American producers thereby are penalized.

The thrust of the foregoing is simply this. Imports not only enable foreigners to buy American-made commodities, also, by generating lower domestic prices they expand the ability of our own citizens to purchase domestically-produced goods.

In summary, what has been the effect of foreign trade on American jobs?

First, imports do abolish certain domestic jobs.

Second, by increasing foreign purchasing power, imports help create jobs in American export industries.

Third, the "ability-to-buy" of the American consumer is enhanced when he can procure a more competitively priced import. This has a positive job effect in economically viable domestic industries.

Fourth, during the past three years our foreign trade has resulted in a slight *gain* in total domestic employment (not to mention the uncalculated job increase created by expanded domestic buying power).

(2) Net Effect of United States Foreign Investment Upon Domestic Jobs

In 1961, United States direct investment abroad totaled $32 billion. A decade later it had risen to $86 billion. AFL–CIO President George Meany has argued that this $54 billion growth in American-held foreign assets represents an "export" of jobs, positions which otherwise would have been held by American workers had the investment been made in our country.

This assumption leads to a basic question: Why *do* United States companies build facilities in other countries? Professor Robert Stobaugh, Jr., of the Harvard Business School observes, ". . . such investment is primarily defensive, in the sense that the investor is trying to maintain his place in the world market. Given a choice, the U.S. enterprise had rather produce in the United States than go abroad. But in most cases it does not have this alternative—if it does not expand abroad, it would lose its markets to foreign companies, usually large ones from Europe or Japan. This applies to its U.S. markets that it serves from its foreign plants as well as to its foreign markets."

Professor Stobaugh further suggests that, "Over 90 percent of the output of the foreign plants of American firms is sold abroad. The amount imported into the United States is less than one-quarter of our total imports of manufactured goods, and a substantial portion of this quarter is a result of one special arrangement: the U.S. Canadian Agreement."

A recent Commerce Department study confirms Professor Stobaugh's findings. The Department's findings indicate that of goods manufactured abroad by American-owned subsidiaries: 78 percent is sold in the host country; 14 percent is sold to third countries; and 8 percent returns to compete in the United States (of which three-fourths is automobiles from Canada).

In fact, it has been established that United States foreign direct investments *create*, rather than destroy, American jobs. Professor Stobaugh recently completed a Harvard Business School-sponsored study which concludes that "foreign investment by U.S. enterprises have a positive effect on both U.S. employment and the U.S. balance of payments. We estimate that if there were no U.S. foreign direct investment, some 600,000 jobs in the United States would be lost; and continuing research indicates that 600,000 is a very conservative figure."

Other trade studies echo the Harvard Business School analysis. One conducted by the distinguished economist, Governor Andrew Brimmer of the Federal Reserve System, estimates, "the foreign trade sector of the United States economy may be generating more than 750,000 jobs, even after allowing for the number of jobs that might be displaced by competitive imports."

Why has investment abroad expanded employment opportunities in the United States? Because most American-owned foreign plants, in order to operate, depend upon domestically produced capital machinery, parts, and finished components.

From these facts emerge two conclusions regarding United States investment abroad.

First, with few exceptions, American-financed foreign facilities would not have been constructed in our own country. Therefore, since jobs created by direct investment abroad could not have existed in the United States, they were not "exported."

Second, by requiring American-produced machinery and parts, United States-owned foreign plants actually have increased total employment in this country by 600,000–750,000.

E. Economic effects of Burke-Hartke legislation

The Burke-Hartke proposal, as indicated previously, presents a dual thrust. Through the imposition of quotas, it would reduce imports approximately thirty percent. Simultaneously, by subjecting American-owned subsidiaries to double taxation (by the host country as well as by our own government), it would raise the effective tax rate on foreign operations to more than seventy percent. Since no major nation levies its own corporate taxes on top of those paid by its companies to foreign governments, this feature of the Burke-Hartke Bill would render American overseas operations substantially uncompetitive.

How would these trade restrictions affect our domestic economy?

First, passage of the Foreign Trade and Investment Act of 1973 undoubtedly would save some jobs in uncompetitive American firms.

Second, by losing thirty percent of their sales in the American market, foreigners will be less able to buy United States-produced goods. Thus, employment in our exporting industries will suffer.

Third, many of the two million Americans engaged in marketing foreign products will lose their jobs in the wake of a thirty percent import cutback. There will follow a commensurate decline in domestic purchasing power.

Fourth, retaliation by those countries adversely affected by United States quotas is bound to occur. This ultimately will generate further job losses among exporting firms.

Fifth, the American consumer will have to foot the bill for subsidizing inefficient domestic manufacturers. Thus, he will pay higher prices, just as he currently pays higher prices for fuel oil and other items protected by import quotas. Professor Stephen Magee, University of Chicago economist, estimates that Burke-Hartke would cost the United States $1.1 billion a year for the first five years after passage, $3.5 billion per year in the second five years, and $7 billion annually in the third five year period.

Sixth, this quota-spawned inflation will inhibit the consumer's capacity to obtain domestic commodities which, in the absence of higher prices, he would have been able to procure.

Seventh, if overseas operations are terminated due to the impact of double taxation, United States plants that supply components to foreign subsidiaries would sustain serious employment cut-backs.

In summary, it is evident that passage of the Burke-Hartke proposal would seriously degrade our nation's standard of living. It would spark severe price increases. It would cost more jobs than it would save. It could trigger another international trade war such as that which provoked the Depression of the 1930's.

VII—CONCLUSION

Our nation's balance of payments and balance of trade deficts are among the major concerns of federal policy makers. In the foregoing analysis I have not attempted to deal with the causes and cures of these twin problems. Their resolution, obviously, would require:

First, bringing the dollar into a more realistic relationship with other currencies (this was the objective of our December, 1971, and February, 1973, devaluation);

Second, reducing United States' military commitments in Western Europe and Southeast Asia;

Third, stimulating greater production efficiency on the part of American workers (productivity in the United States, incidentally, increased 4.3 percent in 1972);

Fourth, containing domestic prices (our performance—a 3.5 percent inflation rate during the past twelve months—surpassed that of our principal trading partners: United Kingdom, 7.8 percent; Italy, 7.3 percent; Switzerland, 6.8 percent; France, 6.6 percent; Germany, 6.4 percent; Japan, 5.5 percent);

Fifth, encouraging industry to pursue export markets more vigorously;

Sixth, seeking mutual reduction of non-tariff barriers which currently inhibit free movement of goods throughout the world (while this would help boost American exports, it also would raise our import levels since United States' policies, in most instances, match in their degree of protectionism those of our trading partners).

Rather, the preceding simply acknowledges and demonstrates that imports and foreign investments *do, indeed, affect domestic jobs*. It is this fact which prompted my reintroduction of the Trade Adjustment Assistance Organization Act. In my judgment this measure will ease the shock of changing international trade patterns by: (1) establishing an early-warning mechanism; (2) simplifying and expediting trade adjustment application procedures; (3) providing meaningful worker retraining programs; (4) maintaining displaced employees' incomes at reasonable levels during the re-training process. In so doing, it avoids the deleterious economic effects which protectionist legislation would precipitate.

PRESERVING RAIL TRANSPORTATION IN THE NORTHEAST

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HARRINGTON. Mr. Speaker, the problems facing transportation in the Northeast, particularly rail transportation, are reaching critical proportions. This is nothing new or surprising. It is

someting we have all been hearing for quite some time.

We need innovative ideas to reverse the trend of deteriorating service. We need the financial support of the Federal Government to get the trains on a solid foundation again. What we get instead are tired clichés and minimal support.

The Boston Globe ran an editorial on March 28 addressing this very question in both a wise and timely fashion. I insert that editorial in the RECORD at this time:

ON A SLOW TRACK

It was probably inevitable that the Administration's proposed plan for preserving rail service in the northeast would be as fragmentary and unsatisfactory as it turned out, in various respects, to have been.

The order for the report, delivered to Congress by Transportation Secretary Claude Brinegar on Monday, had been issued only last Feb. 8 in connection with the resolution ending a one-day work stoppage on the bankrupt Penn Central. Brinegar had been on the job only a few weeks and his background as an oil man was perhaps not ideal preparation for the task. He delegated the work, of course, but along with the President must bear the responsibility for the ultimate form of rail service in the area crossed by the Penn Central and five other, smaller bankrupt lines.

Three features stand out in the proposal. First, the solution is to be "private" in the sense that the structure of any new railroad organization is to be the property of stockholders. Second, rules are to be changed allowing the new organization to move much more quickly in eliminating service it feels is unprofitable. And third, the organization is itself to be brand new.

Something clearly has to be done to put rail service in the northeast on a rational footing. The railroads are now for the most part able to meet their immediate cash requirements but they have at best very small reserves to maintain, much less upgrade their equipment and right of way. And there is little visible hope that they might be able to come to grips with their indebtedness.

Brinegar's solution appears to call for some kind of liquidation of the indebtedness of the lines so that they may become part of a conventional business organization, similar to profitable competing lines in the east like the Norfolk & Western and the Baltimore & Ohio-Chesapeake & Ohio. But, since the Federal government is to take a hand at all, one must ask whether this might not be the moment to investigate a much more active role for the Department of Transportation in operating railroads. Such an arrangement would make it easier to attempt new operating techniques. It might help break the impasse over labor rules that were the immediate cause of the current report. And it might allow easier direct subsidy to equipment experiments that would benefit not only the public in the broad sense of the word but the surviving private railroad companies as well. Europe's and Canada's mixed economies have had great success with government-owned lines.

There is a significant pitfall in the second of the suggestions. Brinegar and others who have said similar things about uneconomic rail lines may be perfectly correct in suggesting sharp curtailment of services. But he may also be dead wrong. The absolutely crucial element in any such reduction in service is the preservation of rights of way on lines that are dropped from service. We simply do not know in 1973 what kinds of technical developments may restore the economic possibilities of feeder lines at some point in the future, or whether other modes of transportation might make use of old transportation corridors. It is a blithering shame to see old transportation routes in Greater Boston built up while we are all still at sixes and sevens about the nature of our transportation network. Encroaching on the path of the old connector between the New York Central at Cottage Farm and the Boston & Maine in Somerville is a classic example of the short-sighted foreclosure of alternatives in the name of immediate expediency.

As to the format of the new organization, Brinegar has suggested it might be similar to Amtrak, the government-created organization that now runs most long-distance passenger traffic on American railroads. It might have been much wiser simply to assign the task of reordering the lines to Amtrak itself. Amtrak, after all, has nearly two years of experience in operating its passenger trains and undoubtedly would have a better start than a new organization.

The eastern railroad mess demands some really fresh ideas. Secretary Brinegar's suggestions seem unhappily pedestrian.

INEFFECTIVE CAA'S

HON. ROGER H. ZION

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ZION. Mr. Speaker, in a recent article published in the Indianapolis News, the results of a study of OEO-financed community action agencies were presented. The conclusions point out that most community action agencies have become another example of overstaffed bureaucracy and produce very few tangible services for the poor. I include the following article by Lou Hiner at this point in the RECORD:

[From the Indianapolis News, Mar. 6, 1973]

CAA'S ARE CRITICIZED IN REPORT

(By Lou Hiner, Jr.)

The Nation's poor "should rise up in anger" over the way the Community Action Agencies operate federally-funded programs, a Federal evaluation says.

The report was prepared by Morgan J. Doughton, acting associate director of the Office of Economic Opportunity in charge of program evaluation.

Doughton's study also indicates the nation's taxpayers should join the poor in rising up in anger because of the way their tax dollars are being spent.

"Community Action Agencies (CAA) overall have generated only 80 cents for each OEO Federal dollar," the study says, and Doughton describes the rate of return as "distressingly low."

To show what he considers a good rate of return on a dollar, Doughton used two private help programs in Indianapolis as examples. His report relates:

"In 1959, in Indianapolis, some 320 families in one poor neighborhood began working together in spare hours, contributing labor that became 'sweat equity' in new homes each family would own. . . .

"Foundations and businessmen provided a substantial revolving fund behind the mortgages; the banks agreed to accept the mortgages with the 'sweat equity' as the down payment. Beginning with $50,000 this project triggered well over $3 million in sweat, financing and other outputs. That is a $60 to $1 multiplier and far better than 80 cents to $1, the CAA's report.

"In the mid-1960s, the Indianapolis business community underwrote a modest three-person staff to coordinate volunteers from industry, each of whom, in turn, would intensively counsel one person seeking a job. For several years this initiative successfully placed 90 per cent of the thousands of people seeking help through it . . . representing perhaps $1 million annually in volunteered time and contributed resources. The cost to businessmen was about $60,000 annually, the multiplier was $15 for every $1. The contrast to the 80 cents for every dollar is staggering."

Doughton's report says that even most of the 80 cents actually was obtained through tax dollars. The CAA's "mobilized" $1.3 billion over a four year period, but of that amount $1.1 billion or 87 per cent involved grants to communities for specific local programs ranging from training, health, and community development to education.

"One can seriously question the degree to which CAA's rather than the electoral process itself 'mobilized' the $1.1 million governmental portion; doubtless, the CAA's were involved, but it can be inferred that without the involvement the funds still would have reached the community," the report adds.

Doughton believes it is hardly "praiseworthy" for the CAAs to brag of influencing over a four-year period some 1,743 institutions and 1,593 employers to change their policies toward helping the poor. Since there were nearly 600 CAA's in operation that figures out to each influencing three organizations and 2.5 employers in a span of four years.

The CAA's have not worked hard enough to attract private foundation moneys into their programs, the report says. The 591 organizations received $165 million in private support which represents only 3 per cent of total U.S. private philanthropic dollars disbursed over the four years.

The report concludes: "The basic observation about this study is that it demonstrates that the CAA's have in no way proved to be dynamic engines for change in their communities, mobilizing and marshaling ever-increasing available resources.

"Rather, the study suggests that the CAA's have become yet another level of over-staffed bureaucracy engaged in the destructive game of competitive grantsmanship.

"It now properly rests with the states and cities to decide how best to utilize available funds on the local level where the problems exist."

BLACK HALL OF FAME FORMED IN SAN BERNARDINO

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BROWN of California. Mr. Speaker, I rise today to bring to the attention of the Congress the accomplishments of a group of young people in my district who have come together to form a social action organization called Kutania, which in Swahili means "people helping others."

In the short period Kutania has been in existence, its impact on the local black community of San Bernardino, Calif., has been most positive. These young people—Chairman Wilbur Brown, Vice Chairman Wilmer Carter, and members Larry Blakely, Tony Blakely, Larry Culberson, Sonia Franklin, Theresa Franklin, Edward Johnson, Carolyn Perkins, Judy Rayes, Robert Rochelle, and Jenni-

fer Vaughn—have played a major role in organizing sickle cell anemia screening drives, educational and career development counseling for high school students, and various cultural events.

More recently they have joined the Sportsmen Athletic Club and its president, Leonard Jacks, in sponsoring a "Black Hall of Fame" which was formed to give proper recognition to local black high school and junior college athletes.

Mr. Claude Anderson, day sports editor for the San Bernardino Sun-Telegram, wrote of their recent activity in an article which appeared on Tuesday, March 6, and I take this opportunity to share that article with our colleagues as a way of commending Kutania and the Sportsmen Athletic Club for their recent success:

BLACK HALL OF FAME FORMED IN SAN BERNARDINO

Black athletes have contributed greatly to the success of San Bernardino high school and junior college teams for many years.

In order to properly recognize their role, the Sportsmen Club and the Kutania Club founded the San Bernardino Black Hall of Fame.

The two clubs held their first annual banquet to honor those stars of the past at the Kola Shanah.

Robert Howard, former San Bernardino High and Valley College star and currently a defensive back for the San Diego Chargers, was named the first recipient of the Tom Hester Memorial Award. Hester was an SBHS track star in the early 1960's who died in an auto accident.

He joins such stars as Earnest McMurray, Andy Brown, Charles Tribble, Junior Howard, Atwood Grandberry and Homer Robertson from the pre-1963 period.

Other black athletes added to the "hall" were Ernie Powell and Sherman Sweeney, 1964; Edgar Deimon, 1965; Terry Hall, 1966; George Tribble and John Cain, 1967; Cliff Culbreath, 1968; Larry Jackson, 1969; Tom Cauley, 1970; Remel Diggs, 1971; and Rodney Hunn, 1972.

The selection committee was composed of three members each from Leonard Jacks' Sportsmen Club and President Wilbur Brown's Kutania Club, plus one member-at-large. Eddie Wilson was dinner chairman.

EDWARD TELLER CENTER FOR THE ADVANCEMENT OF SCIENCE, TECHNOLOGY, AND POLITICS

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HANNA. Mr. Speaker, I wish to bring to the attention of my colleagues a recent development in relating technological advancements to human needs. The University of Colorado will be the site of the Edward Teller Center for the Advancement of Science, Technology, and Politics. The center honors Dr. Edward Teller, noted nuclear physicist and director of the University of California's Lawrence Radiation Laboratory. The center was initiated and made possible by a substantial gift from Mr. Arthur Spitzer, a Los Angeles businessman and philanthropist. The center will be financed primarily by private sources. Edward Rozek, professor of political science at the University of Colorado, will be director of the Teller Center. The advisory board will be composed of Dr. J. R. Maxfield, Jr., Astronaut Walter Cunningham, Prof. Edward Rozek, Arthur Spitzer, and Gen. John Allison.

The main purposes of the center are to: First, organize summer programs in science, technology, and politics for high school and college teachers, school administrators, graduate students, and members of the media; second, conduct research in the fields of science, technology, and human welfare and to publish the results; third, organize annual conferences on various aspects of science, technology, and politics, and the relationship of these to human needs and aspirations.

Mr. Spitzer said his commitment to a project like the center was motivated by his regard for Dr. Edward Teller. Mr. Spitzer believes that Dr. Teller's scientific contributions, philosophy, and political realism have not adequately developed or expounded, and he hopes that the Teller Center will fulfill this need.

Mr. Spitzer, in commenting on the Teller Center, said:

Today you cannot separate applied sciences from politics, or science and politics from economy. It is science, politics and economy that shape and fulfill human needs. I hope that the Edward Teller Center will be a human breeding reactor where it will be possible to teach and shape for a strong and positive American way. It will be an important contributor to this country's future and the future of the world at large.

Mr. Speaker, I commend the efforts of Mr. Spitzer and the others involved with the Teller Center. It will provide a worthwhile and important forum for the blending of scientific and technological research and development with the social and economic needs of America. The contributions of such a combination would be of enormous value in the development of an improved way of life for Americans. I wish the Teller Center unbounded success in its endeavors.

VOCATIONAL REHABILITATION LEGISLATION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ESCH. Mr. Speaker, it is high time we take the concerns of the handicapped out of partisan political crossfire. It is time that we realize that whether or not the President's veto is overridden or sustained—a cooperative agreement must be reached if we are to achieve our goals for the handicapped in this country. Therefore, it is essential that legislation be designed to allow the President to effectively run the program.

For this reason, I am today introducing new vocational rehabilitation legislation designed to upgrade and continue current vocational rehabilitation programs for the handicapped, but at a cost far less than the vetoed legislation.

My bill authorizes beginning with fiscal year 1974 a 3-year appropriation of $2.6 billion, with $800 million for fiscal year 1974; $850 million for fiscal year 1975; and $920 million for fiscal year 1976. In addition, language has been added authorizing funds for the remainder of fiscal year 1973 at the level of the administration's original budget request.

I believe that this is a funding level which can be easily worked into a reduced level of Federal expenditures, while at the same time providing for strengthened vocational rehabilitation programs, particularly in the area of research and training.

Substantively, my bill includes most all the provisions of title I of the vetoed bill, expanding the Federal-State grants program and establishing regional offices to assist the States and other groups in establishing rehabilitation programs. Title II of the vetoed bill is taken out, but it has been replaced by a special section "Studies of the Needs of the Severely Handicapped" in the new title II paragraph.

Title II also authorizes other special Federal responsibilities, but decategorizes much of the vetoed bill. As a result my bill does not discriminate among any handicapped group. It is my firm belief that the strength of my legislation is in this flexibility.

With minor changes, with the exception of title VII of the vetoed bill, the rest remains the same. In section VII, the bill further decategorizes the vetoed bill.

This bill emphasizes my strong commitment to the handicapped and to vocational rehabilitation programs across the country. It recognizes the fact that an improved program must be offered that the administration will not refuse to effectively administer. To summarize, my bill can serve as the vehicle for expanded and improved services to the Nation's disabled. I trust my colleagues will recognize the pressing need for enacting this legislation.

I am enclosing for the RECORD a fact sheet on my bill:

FACT SHEET ON THE ESCH-ERLENBORN BILL

Title I: Establishes basic federal-state grants for upgrading and expansion of state services to the handicapped. Calls for state plans and sets up regional offices to advise and assist states and other groups involved in programs to aid the handicapped.

Title II (Vetoed Bill): Title II in HR 17 and 57 is taken out. However, it is replaced by the addition of Section 204 which authorizes the Secretary of HEW to conduct experimental programs for, and study on the needs of the severely and minimally retrainable handicapped who are not presently eligible for services provided under the Act.

Title II (Esch Bill): Establishes special federal responsibilities in construction, vocational training, and in addition to Section 204, other special projects and demonstrations

Title III: Grants for research and training.

Title IV: Administration and project evaluation.

Title V: Office of the Handicapped to advise, provided information and complete research data.

BUDGET AUTHORIZATION

[In millions of dollars]

	Fiscal year			
	1974 budget	1974 Esch	1975 Esch	1976 Esch
Title I:				
Basic Federal-State	610.0	660.0	660.0	710.0
Innov	30.0	50.0	60.0	70.0
Title II:				
Construction	.5	.5	.5	.5
Vocational Training Service	8.3	10.0	15.0	20.0
Special project demonstration	13.7	15.0	20.0	25.0
Title III:				
Research	20.0	20.0	40.0	50.0
Training	17.0	28.0	35.0	40.0
Title IV: Evaluation and administration	0	1.0	1.0	1.0
Title V: Office of the Handicapped	0	SS	SS	SS
Total	700.0	799.5	846.26	921.26
Vetoed bill		1,169.0	1,321.00	

THE NEW FED WEARS TWO HATS—AMERICAN AND INTERNATIONAL

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the recently reported activities of the Federal Reserve Banking System during the dollar devaluation fiasco are most interesting.

Federal Reserve Board Chairman Arthur Burns has been caught wearing the hats of two financial institutions; that is, the Fed and the Committee on Interest and Dividends (CID), the Federal Reserve Bank has sold foreign money in the foreign exchange market; the Federal Reserve of New York is reportedly investing money in international institutions such as the World Bank and the Internaticnal Monetary Fund, and Secretary of Treasury, George Shultz, who is also a member of CID, recently returned from Moscow where he met with the Communist Party bosses in the dual capacity of chairman of the Joint Commission for American-Soviet Commerce.

Time was when many Americans thought that American money and American gold and American credit was for the American people, not for international manipulations. The question is often asked: If our monetary programs are satisfactory, why is it that they aren't working? The only logical conclusion can be that when American financial operations are tailored to others and no longer serve Americans, something must give.

I include the related newsclippings at this point:

[From the Washington Post, Mar. 11, 1973]

ARTHUR BURNS WEARING TWO HATS

(By Joseph R. Slevin)

Federal Reserve Board Chairman Arthur Burns is trying to hold down some interest rates while he nudges others higher and he is succeeding remarkably well.

It is a controversial and somewhat confusing assignment because Burns is wearing two hats.

The canny central banker is nudging rates upward in his role as chairman of the Federal Reserve, the American-style central bank that regulates money and credit.

He is holding other rates down as the presidentially appointed chairman of the Committee on Interest and Dividends, a potent seven-man group that includes Secretary of the Treasury George Shultz among its members.

It is a controversial operation because the main target of Burns's CID restraint efforts are the Nation's biggest commercial banks. They know the same head is inside both hats and that it belongs to the chief of an agency that has tremendous influence over their activities.

Some Federal Reserve purists fear, too, that the central bank's independence is being compromised by Burns' willingness to run a presidential committee. When the CID moves to check an interest rate rise, Burns speaks for the CID. Many people mistakenly think it is the Fed and not the CID that is acting.

But Burns sees no conflict and he has been emphasizing the point recently in Congressional testimony and in talking with visitors.

He accepted the CID chairmanship 16 months ago in the conviction that the best way to keep White House politicians from interfering with Federal Reserve monetary operations was to make certain no administration official would become CID chairman and muscle into the Fed's credit policy domain.

Burns had tangled repeatedly with John Connally, who then was secretary of the treasury. He feared President Nixon would name Connally to the CID chairmanship if he turned it down and that the hard-driving Texan would be more concerned about short-run political objectives than longer range economic and monetary policy goals.

One of the first moves Burns made in the CID was to get an agreement that the group would try to influence administered, institutional interest rates but would not interfere with free market rates. That decision was the key to the success Burns has had in curbing administered rates while raising others.

Market rates must move freely if the Federal Reserve is to control the growth of money and credit and the CID has kept its hands off the money markets.

One of its main targets has been the highly visible prime rate that banks nominally charge for loans to their best corporate customers. Burns, in his CID hat, recently forced four major banks to rescind a boost to 6¼ per cent from 6 per cent. The CID subsequently allowed the increase but only after Philadelphia's Girard Bank had satisfied the group that cost increases justified a higher prime rate.

Other major CID-administered rate targets are mortgage interest charges and various consumer credit, small business and agricultural loan rates. In endorsing the Girard's prime rate boost, two weeks ago, the CID said it wants to see "special moderation" in these charges.

The prime rate has climbed from a low of 4½ per cent early last year to 6¼ per cent at present. Mortgage and consumer loan rates have changed hardly at all over the same period.

But the federal funds rate, the highly sensitive market rate that the Federal Reserve gears its operations to, has jumped from 3¼ per cent to more than 7 per cent during the same period. It has moved steadily higher along with commercial paper, bankers acceptance and other market rates as Burns and the Federal Reserve have tightened their credit faucet in an increasingly stern attempt to prevent an inflationary monetary explosion.

[From the Washington Post, Mar. 6, 1973]

OVERSEAS ASSETS HELD BY FED GAIN

The amount of assets held by the New York Federal Reserve Bank for foreign and international accounts rose $10.1 billion last year—the amount of the official deficit in the nation's balance of payments.

Most of the growth occurred in holdings of U.S. government securities, which rose $8.1 billion to $58.2 billion. Of the total $10.1 billion increase, $8.7 billion represented increased holdings by foreign central banks and governments, with the remaining $1.4 billion for international institutions such as the World Bank and International Monetary Fund.

The total amount of assets managed by the New York Fed for foreign accounts stood at $78.3 billion at the end of 1972. In 1971, when the U.S. balance of payments on an official settlements basis was $29.8 billion, the amount of foreign assets held by the New York Fed rose $29.9 billion.

Foreign central banks and governments who buy dollars to support the currency in their exchange markets usually prefer to invest those dollars in interest-bearing U.S. securities rather than let them lay dormant. Until the President closed the gold window in August 1971, these nations could also have traded the dollars in for gold, but because of the small U.S. gold reserves most refrained from doing so in the late 1960s.

U.S. gold reserves total about $12 billion after the latest devaluation.

[From the Washington Post, Mar. 12, 1973]

FED SOLD $318.6 MILLION IN MARKS

NEW YORK, March 11.—The federal Reserve Bank of New York sold $318.6 million worth of West German marks in the foreign exchange market during January and February in response to developments in the international monetary crisis, a bank official reported today.

Charles A. Coombs, senior vice president of the New York bank and special manager of the system's open market account, said the New York Fed intervened for the first time Jan. 24 with efforts to slow the rise in the mark rate and maintain an orderly market.

It also sold $20.4 million of Dutch guilders in early February when the guilder began rising in foreign exchange dealings, Coombs said.

His comments were made in a semiannual report on U.S. Treasury and Federal Reserve foreign exchange operations, which appears in the New York Fed's March monthly review. The New York Fed handles all foreign exchange operations for the two federal bodies.

A spokesman said the dollar values reported for the sales of the foreign currencies represented the total amount received in the series of transactions, which took place at varying exchange rates as currencies rose and fell.

Coombs said that of the marks sold in a cooperative effort with West German authorities, $104.6 million were acquired in a swap drawing on the West German Federal Bank (Bundesbank); $167.4 million were covered by Federal Reserves balances and $46.6 million by Treasury balances.

The drawing on the Bundes bank was repaid soon after the Feb. 12 devaluation of the dollar, the report showed.

[From the Washington Post, Mar. 26, 1973]

BALANCE OF TRADE DEFICIT WORSENS

(By James L. Rowe, Jr.)

Although exports passed the $5 billion mark last month for the first time, the nation's balance of trade deficit worsened for the first time since November.

The Commerce Department reported yesterday that on a seasonally adjusted basis, imports exceeded exports by $476.2 million in February compared with $303.8 million in January.

It was not clear how much the 10 per cent dollar devaluation of Feb. 12 affected

the import-export figures. Although the trade statistics are adjusted for seasonal variation, they are not adjusted for price changes.

While the long-run purpose of the dollar devaluation was to enhance the nation's competitiveness in the international marketplace by making U.S. goods relatively cheaper and imported products more expensive, most economists agree that the initial effect is "perverse." Because imports and exports do not change overnight, a devaluation's first effect is to worsen the balance of trade statistics by increasing the cost of imported goods.

The Commerce Department said that February's exports totaled $5.065 billion, up from January's $4.977 billion. Imports climbed to $5.541 billion from $5.281 billion. In 1972, the nation's trade deficit exceeded $5 billion, by far the largest in the nation's history. The country ran its first trade deficit this century in 1971.

The department said that, for the four-month period from November through February, exports averaged $4.769 billion a month 14 per cent above the previous four months which averaged $4.187 billion.

Imports, meanwhile, averaged $5.240 billion for the four months ended in February, 12 per cent higher than the $4.658 billion during the preceding four months.

In February, 1972, the trade deficit was $649.1 million on exports of $3.824 billion and imports of $4.473 billion.

[From the Washington Star and Daily News, Mar. 20, 1973]

SHULTZ IN MOSCOW

Between immersions in monetary negotiations with Western Europe, Treasury Secretary Shultz went to Moscow in his new capacity as our chairman on the join commission for American-Soviet commerce. His three days of talks, capped by a session with Communist party chief Brezhnev, were followed by the predictable report of "constructive" exchanges and optimism about solving difficulties standing in the way of large-scale trade.

One of Shultz's jobs was explaining to the Kremlin leaders the main obstacle to implementing last year's comprehensive trade agreement with the Soviet Union. This is the move by a decisive bloc of congressmen to deny most-favored-nation status to the Soviets, under which Russian goods imported into this country would receive low-tariff treatment. The congressional opposition is aimed at pressuring Moscow into dropping the exorbitant exit fees it has put in the path of educated citizens trying to emigrate. The tax is seen as aimed at unhappy Soviet Jews who want to move to Israel.

Shultz assured the Russians of President Nixon's determination to clear the congressional hurdle to putting the trade agreement into effect. We hope this reported determination is matched soon by indications of how the administration plans to work its will on Congress in the matter, especially in the light of Mr. Nixon's all-out war with the legislators on a variety of other issues.

The congressmen should succumb to the logic of the situation, and the overriding interest of the United States in East-West detente, of which normal trade relations form a part.

The Communist practice of denying citizens the right of emigration is properly deplored by free men everywhere. But it would be inconceivable for the Russian leaders to accede openly to a specific condition laid down by American congressmen on what the Kremlin regards as an internal matter. A totalitarian regime concerned about restiveness in segments of its own and satellite populations dares not display such weakness. The Soviet leadership, on the other hand, has shown sensitivity to world opinion on the subject, and has eased restrictions on emigration to Israel. If America's good offices can encourage a liberalization of Kremlin policy, it will be through quiet diplomacy rather than congressional oratory.

Mr. Nixon and his operatives apparently are getting along well with the Soviets on the question of mutually beneficial, peace-insuring trade. At the moment the more urgent missionary work remains to be done on Capitol Hill.

[From the U.S. News & World Report, Mar. 26, 1973]

SINCE MID-1971—DOWN, DOWN GOES THE DOLLAR'S VALUE ABROAD

Since May, 1971, a series of actions here and abroad—including devaluations of the dollar and removal of support of the dollar by some foreign governments—has sent the value of the U.S. currency tumbling all over the world—

AMOUNT OF FOREIGN CURRENCY EQUALING $1

	In mid-1971	Latest (Mar. 16)	Change in dollar's value (percent)
Australian dollars	0.885	0.694	Down 21.6
Austrian schillings	24.9	20.2	Down 18.9
Belgian francs [1]	49.6	38.2	Down 23.0
British pence	41.3	40.5	Down 1.9
Canadian dollars	1.01	0.996	Down 1.4
Dutch guilders	3.46	2.87	Down 17.1
French francs [1]	5.51	4.48	Down 18.7
Italian lire [1]	620	575	Down 7.3
Japanese yen	357	258	Down 27.7
Spanish pesetas	69.4	54.1	Down 22.0
Swedish kronor	5.16	4.41	Down 14.5
Swiss francs	4.06	3.24	Down 20.2
West German marks	3.64	2.82	Down 22.5

[1] Rate used in capital transactions.

Source: First National City Bank, New York.

NO GREATER LOVE

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GOLDWATER. Mr. Speaker, in the March 31, 1973, issue of Human Events, there is an article by Andrew C. Seamans about an organization called America's Sport Stars for the POW's–MIA's, encompassed in a group called No Greater Love. This is a moving tribute to a dedicated group who have tried to provide the children of our POW's and MIA's with activities that their fathers would have provided had they been here. We are all deeply grateful that our men are being returned to us, but many men might not be coming home—our MIA's—and No Greater Love has more work to do still. I commend this article to my colleague's attention:

"NO GREATER LOVE"—SPORTS STARS LEND HAND TO CHILDREN OF POW'S–MIA'S

(By Andrew C. Seamans)

The return of U.S. servicemen and civilians from Vietnamese prisons and tiger cages has had tremendous impact on the American public. Patriotism, all but buried in recent years by left-wing activists and their assorted teams of cheerleaders, has been revived with unabashed statements of love for God and homeland by the ex-POW's (see Human Events, Feb. 24, 1973, page 3).

In return, the public has poured out praise for the returnees and their families to such extent that some of the ex-POWs' loved ones have had to beg respite from overzealous, albeit sincere, well-wishers.

The men have been greeted at every stop on the road home with banners, flowers, gifts, cheers and welcoming kisses from young women. The feeling has been mutual. The men have shown profound, unashamed love for the nation and the people, especially the youth of America.

A common strain of concern for young Americans has come through loud and clear in most of the ex-POWs' statements since the repatriations began in mid-February. In fact, three of the men from the first historic freedom flight visited Virgil I. Grissom Elementary School at Clark Air Force Base the day after they reached the Philippines.

Navy Capt. Jeremiah Denton, the first man off the plane from Hanoi, Air Force Capt. John Borling and Army Master Sgt. William A. Robinson went to the school to thank some 600 fourth-graders on behalf of the other ex-prisoners for Valentines, posters, welcome home signs and crayoned place mats the children had sent to greet the men at the hospital.

Denton, whose "God bless America" statement at planeside electrified the patriotism-starved nation and at the same time raised the hackles on liberal news writers, told the students: "We thought it was wonderful the other day [the airfield welcome], but I know John and Bill are as overwhelmed as I am for being here with little America today."

As the father of seven children, Denton knows what the youngsters mean to a returning serviceman. And for the ex-POWs' children we can but imagine what it must be like finally having their fathers back after all these years.

But what of the thousands of youths whose fathers will not be coming home on the freedom planes? What of the families of the men listed as MIA—missing in action?

Over 1,300 Americans are unaccounted for. Their families still wait in painful vigil with nothing but dim hope of reconciliation. The stark reality is that most of them will never learn the fate of their men.

While this situation will be extremely difficult for wives, parents, brothers and sisters of the MIAs, it will be even worse for the children, those Capt. Denton lovingly calls "Little America."

MIAs' wives will, as have the POWs' spouses, try valiantly to fill the void in these young lives that can only be filled by a father. Women's liberation to the contrary, most mothers are not capable of helping a youngster learn to bat a ball, steal a base, throw a pass or hook a worm.

Although no Big Brother organization exists for the MIAs' children, there is a group that comes close: No Greater Love.

No Greater Love began two years ago as an effort, conceived by a young White House staffer, Carmella LaSpada, to try to do something to ease the plight of the POWs and the MIAs.

Acting on her own, Carmella took a leave of absence without pay in April 1971 to organize America's Sports Stars for the POWs-MIAs.

Miss LaSpada won the support of four prominent athletes to get the idea started: then-Baltimore Colts quarterback Johnny Unitas, who since the beginning has performed yeoman service for No Greater Love, Baltimore Orioles third-baseman Brooks Robinson, Hall of Famer Ted Williams and Olympic swim champ Don Schollander. One of the athletes' first acts was to sign a letter to North Vietnamese Prime Minister Pham Van Dong asking permission to visit Hanoi as private citizens to discuss the POWs' welfare. Naturally, this request and subsequent letters to the North Vietnamese athletes' association were ignored.

Foiled abroad, the sport stars' efforts were soon turned toward the United States as a result of a chance occurrence when some of the missing servicemen's children wrote to Unitas and Robinson to thank the men for

what they had done. Miss LaSpada and the athletes saw an opportunity to ease the loneliness of the youngsters.

With the aid of the National League of Families of Prisoners of War and Missing in Action, letters were sent to mothers of the POW-MIAs' children, describing the organization and asking those who wished to participate to list their children's names and their favorite athletic teams or athletes.

By November 1971 over 600 names had been gathered. Without a budget and with only a handful of volunteers, Miss LaSpada began the task of contacting the kids' idols and favorite teams as a special Christmas project.

Within a few weeks the sports world had responded with autographed photos, posters, pennants and a wide assortment of other gifts. Still the volunteers faced the Herculean chore of wrapping and mailing the packages before Christmas, but they made it on time.

Since that initial project, the outpouring from U.S. athletes for these children has been phenomenal. Miss LaSpada said: "Not one athlete has ever turned down a request from No Greater Love."

Some examples of the response: The Houston Oilers and Philadelphia Eagles gave official National League footballs. Sports Illustrated magazine sent baseball and football games.

Unitas personally autographed over 100 photos with Brooks Robinson signing almost that many. Other stars sent out letters and photos, including Henry Aaron, Arthur Ashe, Wilt Chamberlain, Joe Frazier, Rod Gilbert, Billy Kidd, Al Kaline, Jerry Lucas, Bobby Mercer, Joe Namath, Arnold Palmer, Bart Starr, Roger Staubach, Ron Swoboda, Jerry West and Ted Williams. Some stars even telephoned youngsters.

Rep. Jack Kemp (R.-N.Y.), a former Buffalo Bills quarterback, also joined in the effort.

Even former heavyweight champion Muhammad Ali, who fought against the draft in courts, chipped in by sending one child a watch.

The program has quite naturally resulted in some humorous and touching sidelights.

One youngster, who couldn't pinpoint a favorite athlete, chose the entire Cincinnati Bengals football team. He and his brother received individual photos from each Bengal player. In a letter to the team, the lad thanked the players, adding the postscript: "P.S. My mother didn't make me write this."

The Chicago Bears received the following poignant message from a young girl: "My daddy used to watch your team on TV and I did too. I was waiting for my daddy to come home from Vietnam, but I still watch your games."

Last year No Greater Love stepped up its efforts and added entertainers to its ranks. Brant Parker, cartoonist of the "Wizard of Id" comic strip, designed a special birthday card to be sent to each of the children on his or her birthday. With these distinctive cards went autographed photos of Dallas Cowboys quarterback Roger Staubach, an Annapolis graduate, and such stars as Flip Wilson and Carol Burnett.

Last Christmas the list of participating "Little Americans" had passed the 1,000 mark. Again the teams, the athletes and the show business people came through. Baseball teams sent autographed baseballs. The Philadelphia Phillies, in fact, with pitching star Steve Carlton in the vanguard, sent grab bags filled with baseballs, T-shirts, batting helmets and other gifts. Singer Bobby Sherman joined in with photos and record albums.

Washington area POW-MIA children were the guests of the Washington Redskins with a king-size Santa Claus, played by defensive end Ron McDole. Some of the Baltimore Colts visited with a group of area POW-MIA offspring in the home of one of the mothers.

With the Vietnam cease-fire, many people might assume that No Greater Love is finished with its humanitarian effort. Not so. In fact, the program will have to be stepped up more than ever.

"People say the war is over," said Miss LaSpada. "They fail to realize that 1,300 fathers are still missing. We cannot forget these children. Actually, we want to expand the program to remember all children whose fathers were lost in Vietnam."

Expanding the program, though, is going to cost money. Unitas said: "We can't let these children down. It's going to take at least $100,000 to expand the program and keep it going."

That the program has been able to continue as it has for the past two years is due largely to the efforts of a nucleus of key athletes and Miss LaSpada, who has used up her life savings to keep going without a pay check. Without an increase in contributions, however, No Greater Love may be forced to fade from existence. But anyone who knows Miss LaSpada doubts she will let this happen.

In fact, progress towards an accelerated fund drive has already been made. The Boston *Globe* has offered its help in publicizing the tax-exempt program, as has Washington's WMAL radio-TV station. Others are also expected to join in.

Mrs. Carolyn Cushman, whose husband Air Force Maj. Clifton Cushman has been missing since September 1966, summed up what No Greater Love has done for their seven-year-old son, Colin.

"Most boys are introduced to football By their fathers," said Mrs. Cushman "Colin hasn't been able to do this. But through the program he was introduced to football in a unique way. It's really enriched his life."

Colin recently announced that, as a result of getting signed photos from Staubach and Unitas, he intends to become an NFL football star when he grows up.

While not all of the children will grow up to be professional athletes, the program has had a positive psychological effect for the young people. They cannot boast, as their schoolmates do, of the things they do with their fathers on weekends and after school or about plans for Father's Day. By bringing in photos of personalities in the sports or entertainment field with a personalized signature, the MIA children are able to show they too are special in their own way. Many mothers have said this helps to some extent.

No Greater Love has also helped enrich the lives of those on the giving end. Former heavyweight champ Joe Frazier is an outspoken proponent of No Greater Love:

"I got five of my own [children], so I know what it means to have me around. I'm not home that often, but when I am it's like the star on a crown. With these kids, it's a thrill to know somebody cares for them."

One of the major drives among the anti-war activists since the POWs have begun to re-enter the country has been for amnesty for the draft-dodgers and military deserters. Army Special Forces Maj. James N. Rowe, who escaped from the Vietcong in 1968, said: "Amnesty cannot be considered until all missing in action are accounted for."

In essence, Rowe, who recounted his captivity in his book *Five Years to Freedom*, was saying there can never be an amnesty for the runaways, for the missing in action will never be fully accounted for.

Rather than worrying about amnesty for those who refused to serve the nation, it would be far better to turn our attention towards those who are left behind—the "Little Americans."

No Greater Love cannot rely on only famous sports or entertainment figures for the money to guarantee the program's continued existence. They must turn to the public.

Georgetown University in the Nation's Capital has given a special post office box to No Greater Love (P.O. Box 968, Hoya Station, Washington, D.C 20007) Georgetown students, led by 19-year-old Charles Fazio, have volunteered to help answer the mail. Here's hoping these young people are kept busy.

NIXON ADMINISTRATION'S BRAINWASHING ATTEMPT TO REWRITE HISTORY OF SO-CALLED EXECUTIVE PRIVILEGE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, in recent weeks we have seen a blatant attempt by the administration to brainwash the public in the issue of so-called executive privilege. A Presidential statement issued March 12 vainly tries to make the "privilege" some sort of constitutional doctrine by rewriting history to claim that it dates back to President Washington's administration. This is a clearly demonstrated falsehood. It was totally disproven in testimony last year before the Foreign Operations and Government Information Subcommittee by Prof. Raoul Berger, the Charles Warren senior fellow at Harvard Law School, and the Nation's leading expert on the subject.

As shown in the recent study of "executive privilege," prepared for our subcommittee by the Congressional Research Service, Library of Congress, the claim of such dubious "privilege" dates back only to May 17, 1954—hardly any deep-rooted constitutional doctrine—RECORD, March 28, 1973, page 10078.

An excellent article by Mr. George Lardner, Jr., which discusses the historical fraud of so-called executive privilege, appeared in the Washington Post of March 25, 1973. I commend this thorough review of the history of this important subject to our colleagues and ask that the article be printed at this point in the RECORD:

[From the Washington Post, Mar. 25, 1973]

ONCE DOUBTFUL EXECUTIVE PRIVILEGE EXPANDED IN SCOPE

(By George Lardner, Jr.)

For decades now, U.S. Presidents and their Attorneys General have been sprinkling holy water of constitutional authority on the doctrine of "executive privilege."

President Nixon expanded on the tradition of high-level secrecy this month with a formal statement declaring, as have his predecessors, that it all began with George Washington.

According to the nation's leading legal scholar on the subject, however, "we've been brainwashed." And, says Raoul Berger, the Charles Warren senior fellow at Harvard Law School, "history is being manufactured under our noses."

Faced with growing congressional demands for the testimony of White House aides about the Watergate conspiracy and the investigations stemming from it, Mr. Nixon extended the cover of confidentiality March 12 to all members of his personal staff, both past and present.

"The doctrine of executive privilege," he said, "is well established. It was first invoked by President Washington and it has been recognized and utilized by our Presidents for almost 200 years since that time. The doctrine is rooted in the Constitution . . ."

The fact is that George Washington never "invoked" the privilege at all.

JEFFERSON'S NOTES

The controversy dates back to March of 1792 when the House of Representatives ordered what appears to be the first congressional investigation of conduct within the executive branch. Alarmed by the defeat of Gen. Anthony St. Clair at the hands of some stubborn American Indians, the House assigned a select committee to look into the debacle and to "call for such persons, papers and records as may be necessary to assist their inquiries."

The committee, in turn, asked the Secretary of War for documents on the St. Clair expedition, a step that prompted Washington to call a meeting of his Cabinet, apparently to make sure that no untoward precedents were set.

The first session was inconclusive. Washington told his Cabinet he never "even doubted the propriety of what the House was doing," but, according to the informal notes of Secretary of State Thomas Jefferson, which surfaced years later, the President said he "could readily conceive there might be papers of so secret a nature that they ought not to be given up."

Coming back for a second meeting, Washington and his Cabinet then agreed that the "House was an inquest" and "might call for papers generally." They also felt, Jefferson recorded that "the Executive ought to communicate such papers as the public good would permit and ought to refuse those the disclosure of which would injure the public. Consequently were (sic) to exercise a discretion." But finally, "it was agreed in this case that there was not a paper which might not properly be produced."

Congress, however, was evidently never notified of the mental reservations involved. Instead, Washington simply instructed the Secretary of War on April 4, 1792, to hand over to the House "such papers from your Department as are requested by the enclosed resolution." According to one of Washington's biographers, "not even the ugliest line on the flight of the beaten troops was eliminated."

JAY TREATY

Despite all that, in a lengthy 1957–1958 series of memos that has come to be the modern-day bible for advocates of executive privilege, then Deputy Attorney General William P. Rogers cited the St. Clair episode as the first example of "refusals by our Presidents, and their heads of departments, to furnish information and papers."

By that same bible, Washington is also supposed to have invoked executive privilege in 1796 when he refused a demand by the House for correspondence, documents and instructions sent to John Jay in connection with a controversial treaty with England. But in rejecting the House resolution, Washington held only that the papers were not pertinent "to any purpose under the cognizance of the House."

The first President indicated that the House, in his view, would have had a right to the papers if it had passed a resolution on "an impeachment," but it had not. Only the Senate, the first President said, shared in the treaty-making power set out in the Constitution. And the Senate, he observed, had already been sent "all the papers affecting the negotiations."

Out of such quicksand, Berger and other critics of executive privilege protest, has the practice of withholding information from Congress and the courts been enshrined.

At most, the University of Chicago's Alan C. Swan told a Senate subcommittee in 1971, the so-called precedents from the early days of American history reflect "ambiguous action accompanied by brave words in which Congress never acquiesced."

M'CARTHY ERA

But if Congress has never acquiesced, neither has it ever forced a showdown. From the first to the 93d, no Congress has ever resorted to the courts to challenge a President's asserted right to keep it in the dark, nor has any Congress clapped any White House aides in the Capitol guardroom to stand prosecution. As Sen. Sam J. Ervin Jr. (D-N.C.) observed in an interview last week, the steady buildup of presidential power has been made easy, partly out of congressional laziness, partly out of congressional default.

"As somebody said," Ervin declared of Congress's shrinking role, "It's not altogether homicide. Some of it's suicide."

The modern-day exaltation of executive privilege, by the same token, was largely a response to the rampant investigations during the 1950s of the late Sen. Joseph McCarthy (R-Wis.).

It was not until then, says Sen. Charles McC. Mathias (R-Md.) that executive privilege was raised to "the level of an absolute unqualified power" that could be exercised not only by the President himself, but by subordinate officials who then began applying it "to almost any kind of information."

By 1957, as a consequence, Deputy Attorney General Rogers, now Mr. Nixon's Secretary of State, was unabashedly claiming "an uncontrolled discretion" for both the President and executive department heads "to withhold information and papers" from Congress "in the public interest."

Berger blames the Rogers memo—much of which Berger says was lifted word for word from the 1949 writings of "a lowly subordinate" in the Justice Department—for much of the mischief. The document, he protests, is loaded with "the most amazing contradictions and inconsistencies."

AIDE TESTIFIED

Among them, Berger has pointed out, is a claim on one page that "the courts have uniformly upheld" the uncontrolled-discretion claim and an admission on another that "the legal problems which are involved were never presented to the courts."

At still another point, Rogers acknowledged the existence of a 1789 law making it the "duty" of the Secretary of the Treasury to "give information to either branch of the legislature . . . respecting all matters referred to him by the Senate or House. . . ." The law, however, was evidently overlooked on another page where, the memo asserted, "Congress cannot, under the Constitution, compel heads of departments to give up papers and information, regardless of the public interest involved."

Despite the demolition work Berger aimed at the memo in a detailed 1965 study for the UCLA Law Review, the Harvard scholar said Friday, "It's still the bible," even for many in Congress. "It's pathetic how little they know."

As far as the Nixon administration is concerned in the field of executive privilege, the President began his first term by assuring the House Government Information Subcommittee that the privilege would not be asserted "without specific presidential approval" and issuing instructions throughout the executive branch to that effect.

But as Ervin, among others, has protested, this failed to stop the Pentagon, for example, from summarily denying Congress information on grounds like these: "Inappropriate to authorize release of these documents" (former Secretary of Defense Melvin Laird), and, "No useful purpose would be served by a public report on these materials" (Defense Department general counsel J. Fred Buzhardt).

On a White House level, counsel to the President John W. Dean III in a letter assured the Federation of American Scientists last year, in response to an FAS newsletter on the issue, that "the precedents indicate that no recent President has ever claimed a 'blanket immunity' that would prevent his assistants from testifying before the Congress on any subject."

NIXON DECLINES

The letter was dated April 20, 1972, two days after the White House agreed to let presidential aide Peter Flanigan testify on limited aspects of the ITT controversy then standing in the way of Richard Kleindienst's confirmation as Attorney General.

This month, however, in the wake of congressional pressures for Dean's own testimony on the Watergate investigations, Mr. Nixon declared: "A member or former member of the President's staff shall follow the well-established precedent and decline a request for a formal appearance before a committee of the Congress."

The President said he would be willing to provide "all necessary and relevant information" in response to congressional inquiries but only through "informal contacts" that would give the White House the final say on what would be made available and what would be withheld.

"Under the doctrine of separation of powers, the manner in which the President personally exercises his assigned executive powers is not subject to questioning by another branch of government," Mr. Nixon asserted. "If the President is not subject to such questioning, it is equally appropriate that members of his staff not be so questioned, for their roles are in effect an extension of the presidency."

Court rulings on that score are not unanimous. In the famous case of Marbury vs. Madison, Chief Justice John Marshall recognized that certain Cabinet communications were privileged from any outside inquiry. He later said that "the principle decided (in that case) was communications from the President to the Secretary of State could not be extorted from him."

But Marshall, who presided at the treason trial of Aaron Burr, also saw fit, in 1807, to issue a subpoena duces tecum (to produce documents) to one Thomas Jefferson, then President of the United States. "If, in any court of the United States, it has ever been decided that a subpoena cannot issue to the President," Marshall held, "that decision is unknown to this court."

PRODUCED LETTER

Jefferson claimed that state secrets might be involved in some of the papers sought, but he did not claim immunity from subpoena, even offering to submit to a deposition.

In any event, Berger states, "he fully complied with the subpoena," forwarding a copy of the letter Burr wanted to the government prosecutor in Richmond. The prosecutor excised certain portions, but offered the entire letter to Justice Marshall so that the court—not the executive branch—could decide what should be suppressed.

The Rogers memo on executive privilege tries to dismiss that case as an aberration. But John Henry Wigmore gave it a higher rating in his classic treatise on Evidence in Trials at Common Law, an authority often cited by the Supreme Court. Quoting Marshall's ruling in the Burr case at length, Wigmore concluded, "there is no reason at all" to exclude the chief executive of a state from producing testimony needed to see justice done.

Wigmore allowed that a chief executive could be excused from actual attendance at a trial because of "the priority of his official duties," but he added: "It is less certain that a privilege exists for subordinate executive officials."

From his pronouncements on the issue, President Nixon is hardly likely to accept such a notion in the face of congressional subpoenas, at least not without a court test

which he has said he would "welcome." He has voiced no doubts that he would be upheld, a notion somewhat at variance with the views he expressed on the floor of the House 25 years ago as a freshman congressman from California.

The date was April 22, 1948; the occasion, a drive by the House Un-American Activities Committee for a House resolution demanding an FBI report on Dr. Edward U. Condon. A government physicist who had been associated with the development of the atomic bomb, Condon had been branded by a HUAC subcommittee as "one of the weakest links in our atomic security" despite his emphatic clearance by a loyalty review board.

President Truman responded on March 13 to the clamor for the document by issuing a directive forbidding compliance with any subpoenas or demands for FBI and other investigative reports on the loyalty of government employees.

During the next month's House debate on the Condon resolution, Mr. Nixon, a member of HUAC, took the floor with a tightly worded assault on the President's directive.

He argued that it was untenable "from a constitutional standpoint" and for a very simple reason. To let Mr. Truman maintain it against congressional investigations of alleged security risks. Rep. Nixon protested would mean that President could "arbitrarily" do the same thing in cases of corruption like "Teapot Dome."

Now, as President, Mr. Nixon has somewhat different recollections. Elaborating on his executive-privilege policy at a March 15 news conference, Mr. Nixon offered it as perfectly consistent with his views as a congressman back in the '40s.

Those were the days, he recalled, of congressional inquiries into espionage and Alger Hiss—cases. Mr. Nixon submitted, that should have had "complete cooperation" from the executive branch.

But the Watergate case, he said, was an entirely different matter. Congress, he maintained, "would have a far greater right and be on much stronger ground to ask the government to cooperate in a matter involving espionage against the government than in a matter like this, involving politics."

RESTRUCTURING OF OEO

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, last week a fellow citizen of Massachusetts, who is employed here in Washington at least until the end of the current fiscal year, returned to the "Cradle of Liberty" to deliver a speech regarding the "restructuring" of the Office of Economic Opportunity. He defended the administration's actions wholeheartedly in Boston.

While I am in substantial disagreement with a number of his points, I believe in open forums—and if for no other reason than recognition of his courage, I insert the remarks of Howard Phillips before the Middlesex Bar Association in the RECORD:

REMARKS OF HOWARD PHILLIPS, ACTING DIRECTOR, U.S. OFFICE OF ECONOMIC OPPORTUNITY

Distinguished head table guests, I am grateful for this opportunity to come home today to Massachusetts and honored to speak before this outstanding assemblage of men and women who represent the best in the public life of our great Commonwealth. At times like these, I am reminded of a remark attributed to Winston Churchill on a similar occasion.

As the report goes, Mr. Churchill calmly surveyed the audience and then wisely noted "if the speaker of the evening were scheduled to be hanged, the crowd would likely be twice as great." Needless to say, this speaker is grateful that you were able to assemble so large an audience without the added attraction of having my neck in a noose.

Over the past several weeks, during which I have been serving as Acting Director of the Office of Economic Opportunity, a degree of fame—or at least notoriety—has come my way.

As an unsuccessful candidate for office from Essex County in 1970, I had a very difficult time gaining any attention from the Boston newspapers and electronic media, and it was, therefore, of interest to me when a family friend conveyed to my mother her congratulations about my increased recognition factor as a result of my new job. My mother replied that, after reading the various news accounts, she didn't recognize me at all.

Despite my recent lack of success in effectively communicating the facts and in rebutting the falsehoods regarding my assignment as portrayed through the media, one of my favorite people in Washington is a newsman, David Broder, with whom I have been privileged to have an intermittent conversational acquaintance for several years. In my opinion, Mr. Broder, whose column appears locally in the Boston Globe, is one of our most perceptive and astute observers of the national scene.

You may, for example, recall that in 1968, long before the fact, he stood virtually alone among journalists in forecasting the possibility that Richard Nixon might select Spiro T. Agnew to become his Vice-Presidential runningmate.

I do not *always* agree with Dave Broder's conclusions, but I was very impressed with another column he wrote shortly after the death of Lyndon Johnson. The column appeared on January 28, one day before President Nixon sent his Fiscal Year 1974 budget message to the Congress. Written from the perspective of one who is often an Administration critic, it analyzed the impact of Richard Nixon's Presidency in a broad historical context. Let me quote:

"It is an extraordinary coincidence that has brought within the compass of these few days the inauguration of the President, the death of his predecessor, the end of the Vietnam fighting and—with tomorrow's budget message—the start of a radical redesign of the domestic policies of the past four decades."

"Both ceremony and substance are telling us: One period has ended and now another begins."

"What is ending is an era of international politics shaped by a constant threat of conflict with totalitarian powers. What is ending is an era of domestic politics formed by a fierce struggle over the allocation of government benefits to rival claimant groups."

"The chief byproduct of the era was the creation in Washington of a huge governmental structure, whose existence and activities were premised on the belief that the American government could decide, in specifics, how the world order and the domestic society should be arranged."

The thrust of Broder's article was to argue that Richard Nixon, frequently discounted and almost always underestimated by his adversaries, would likely prove to be the most significant American President in a century.

"He is not the man", Broder observed, "one would have guessed would win a landslide election victory and he is not the President one would have guessed would shape a transition of historic dimensions. But we have underestimated the role history had in mind for him."

The columnist framed his argument by symbolically comparing the funeral of Lyndon Johnson in January, 1973, with that earlier, more tragic funeral in November, 1963, of President John F. Kennedy. In the days following the Kennedy funeral, over which Lyndon Johnson presided, the White House played host to a steady stream of potentates paying respect to the memory of the fallen leader, but also paying homage to the power of the new President.

Whether leaders of great foreign nations such as Charles de Gaulle, or spokesmen for influential domestic organizations, such as, for example, Walter Reuther, the mourners and their constituencies all had at least one thing in common:

They were all clients of a powerful Federal government in Washington and were, in no small measure, dependent on the whims and good wishes of one man—the President of the United States.

And, indeed, in the Johnson era, Presidential power was carried to its ultimate reach, with no problem, at home or abroad, regarded as being beyond the authority and proper concern of the Executive Branch, as led by Mr. Johnson.

Symbolically, there was no such parade of clients through the White House on the occasion of LBJ's state funeral, roughly four years into Richard Nixon's Presidency—And this resulted from no disrespect of Lyndon Johnson.

It was, rather, a consequence and recognition of the redefinition of Federal power and reassignment of responsibility which has gone forward under Richard Nixon.

For, despite all the talk about President Nixon assuming *new* power, the ironic and incontrovertible fact is the unprecedented extent to which he is seeking to reduce the concentration of authority in the Executive Branch and return power to institutions which are not only closer to the people, but also more accountable to them.

Look at the record. The principal heritage of our first four years is the reordering which has occurred in the structure and character of international relations. The Nixon Doctrine has encouraged an end to excessive dependency on American power, while fostering a climate of stability in which self-determination is possible for all nations.

Now, in his second term, we are witnessing the implementation of a domestic Nixon Doctrine. More generally known as the New Federalism, this doctrine will, in my view, prove even more consequential in the history of human liberty than his achievements in foreign policy.

I remarked in Washington last week that Richard Nixon's life embodied the victory of substance over style—a triumph of the content of things over the ofttimes distorted appearance of things. And, mark my words, just as the view from Massachusetts has perhaps at times cast a darker "current" view of Richard Nixon's foreign policy stewardship than a retrospective analysis of his achievements would warrant, so also, will historical fact cause us, years hence, to more kindly perceive his domestic accomplishment.

Like the Nixon Doctrine overseas, at home, the New Federalism seeks to help end dependency on our government in Washington while fostering a climate of stability in which the opportunity for individual and local self-determination is enhanced.

In his 1971 State of the Union message, popularly titled as "The New American Revolution" address, President Nixon outlined to the Nation his perception of the extent to which our institutions have failed to keep pace with the changes in our society and his vision of reform which would preserve American liberty as at least as much a reality 200 years hence as it is today.

The central issue in 1776 was self-determination. The patriots of Massachusetts said: "Don't Tread On Me." Allow us to shape the course of our own lives.

That remains the issue as we approach 1976—except the focus of excess power has moved from London to Washington. Our liberty is defined by the extent to which we can shape the forces and decisions which control our lives.

Let me quote Richard Nixon:

"... history ... tells us that no great movement goes in the same direction forever. Nations change, they adapt, or they slowly die. The time has now come in America to reverse the flow of power and resources from the States and communities to Washington and start power and resources flowing back ... to the people all across America."

"As everything seems to have grown bigger and more complex ... as the forces that shape our lives seem to have grown more distant and more impersonal, a great feeling of frustration has crept across the land. Whether it is the workingman who feels neglected, the black man who feels oppressed, or the mother concerned about her children, there has been a growing feeling that 'things are in the saddle, and ride mankind.'"

"And so let us answer them ... we hear you ... we are going to provide more centers of power where what you do can make a difference ..." For "the idea that a bureaucratic elite in Washington knows what is best for people everywhere and that you cannot trust local government is really a contention that you cannot trust people to govern themselves."

"The people, yes!"—that is Richard Nixon's theme, and that is the thrust of the work in which I am now engaged at OEO. We are not discounting our national commitment to fight poverty. We are giving it new life.

Simply announcing a "War on Poverty" and projecting the appearance of concern, cannot substitute for the substantive success. The rhetoric of compassion may psychically energize the well-to-do who dabble in poverty, but, without results, it does little to overcome the reality of poverty for those who endure it.

Nor does Federal subsidization of poverty professionals overcome poverty, except for those on the payroll.

We are reorganizing Federal anti-poverty activities, so that decisions concerning the use of available resources, are placed in the hands of people who can be held accountable for their success or failure.

Local programs are being returned to the control of local officials, on the dual theory that is is easier for people to influence *local* officials and for *local* officials to understand the people's problems. OEO service programs in such areas as aid to the elderly and health care are being integrated and coordinated to maximize their effectiveness. Research activities are being reassigned to facilitate both planning and the utilization of results.

And, although we recognize that the simple expenditure of funds has not been demonstrated to be an effective panacea, it should be pointed out that we are spending more money of direct benefit to the poor than at any previous time in American history: $30.3 billion in the upcoming Fiscal Year 1974, as compared with only $7.9 billion in Fiscal Year 1964.

In reassigning program responsibility, we are proceeding within the context of established statutory authority, wherein OEO is empowered, as in the past, to delegate program management to other departments and agencies. This has been done before with respect to such programs as Head Start, Rural Loans, Follow Through, and others. After June 30, when the new fiscal year will begin, the recipient departments and agencies will continue to run the programs under existing legislative authority, with funding for them to continue at equivalent or higher levels of expenditure.

There are two programs for which new legislation is being sought: community economic development, for which we hope to assign responsibility to the Office of Minority Business Enterprise and legal services, which we expect will be housed under the aegis of a Federal corporation.

Since this audience is largely comprised by members of the legal profession and, because your Lawyers Referral Service has done so much in providing high quality legal assistance to the indigent, I would like to discuss this subject in some detail. I am further eager to do so because of the widespread misunderstandings which exist concerning the present legal services program and our views of it.

Virtually all lawyers, indeed, virtually all Americans, can be assumed to share the conviction that no one should be denied access to our system of justice, because he lacks the funds to pay an attorney. Historically, both individually and through legal aid societies, attorneys have made themselves available to render professional assistance to needy individuals.

In 1966, Congress passed a law, incorporating into the Economic Opportunity Act a Federal role in assuring the availability of legal representation for the poor.

Over the years, funding has increased from an estimated $5.4 million, largely private, for this activity in 1965, to more than $71 million in Federal funds alone, this year.

During that time period, while the statute remained unchanged, and while the popular perception of the legal services program remained largely constant, the program grew in size. Yet more significantly, to a large extent by administrative regulation and grant authority, it went through some fairly important changes in character.

Today your Federal government directly subsidizes more than 250 projects with about 850 neighborhood offices across the country. There are national training programs and publications, recruitment programs and professional organizations, which at least indirectly are underwritten by the government. Employing in excess of 2200 lawyers, these programs, in many cases, do not merely represent clients. They have been encouraged by OEO to organize groups, publish newsletters, assist lobbying activities, and otherwise engage in advocacy on issues of public policy in ways which do not arise out of the representation of specific clients.

Some special programs have been organized around particular causes and issues such as busing, juvenile law, welfare rights, student rights, abortion, prisoners rights, and draft counseling, to mention only a few.

As the programs have come to rely on OEO officials in Washington for direction, as well as for funding, legal services has in many cases been less accountable to professional standards, as interpreted by the local bar, than was seemingly expected when the statute was drawn, and more accountable to what are essentially political standards, as defined by the program managers.

Thus, until very recently, the official goals of the program and the standards by which evaluators have been instructed to rate programs have included the following language:

"In the area of compulsory work programs, is the program working on ... litigation of constitutional questions raised by compulsory work programs?"

"Record the number of groups advised or represented by the project and the kind of advice or representation given, such as ... representation/advocacy (e.g., legal counsel) during rent strike, advice to welfare demonstrators."

"Are the attorneys in the program familiar with ... the leadership of the local welfare rights organization (WRO)? Does the leadership work with the lawyers? ... Legal issues which should be brought to the attention of the WRO as useful for organizing or of particular concern to an organization of poor people?"

"Are the program attorneys ... assisting in the formation and development of local tenant organizations and tenant unions, in order that the people may help improve their housing situations?"

It is imperative that the program be reformed in such a manner that state and local bar associations have a greater voice in assuring the maintenance of high professional standards—and it is imperative that funds intended to aid the poor not be diverted into political channels.

Law reform which grows out of the needs of a client is praiseworthy; but law reform which grows out of the non-client related agenda of an attorney is another matter. What causes me, and others concern about this kind of law reform is that it aims at an essentially political result but expressly avoids the political process.

In saying these things, we do not deny the tremendous good which has been achieved through the legal services program, nor should the abuses of some be loosely expanded to characterize the conduct of all. Our concern is that public debate focus on the concepts which will govern the program, rather than on individual problems which may arise as the result of broad policies.

Thus, it is not correct to maintain that we oppose class actions or suits against the government or that we condone interference in properly established lawyer-client relationships. We do question exclusive reliance on a staff attorney system which allows priorities on the use of time to be established, less on the basis of client needs than attorney preference.

Similarly, we reject that notion of legal services which defines poverty as a political, rather than an economic problem, which argues that, after a certain point, it is inefficient to represent individual clients whose causes are not of concern to "poor people as a class" and which justifies the use of poverty funds to represent affluent clients because the issues are perceived as "class" issues.

We will shortly be submitting to the Congress legislation for a legal services corporation which will truly place the needs of the poor first, before the political objectives of program attorneys or elected officials. We believe it is a proposal which will stand the test of time, providing high quality legal assistance, no matter which national administration may be in power.

In this, as in all else that we do, our goal is not to enhance Federal power, but to disperse it; not to reduce the resources available to help people, but to give the people themselves greater control over their allocation.

We do not justify our social reforms on the basis of economy, although under the President's budget, tax increases will be avoided by keeping the growth of program expenditures in line with economic growth.

No the argument for the changes which are being made at OEO and across the Federal bureaucracy is that, in the final analysis, this is a people's government, whose authority and resources derive entirely from the people.

If this government is truly *for* the people, it must be accountable to the people. If the electoral process is to be meaningful, decisions must repose, not in the hands of bureaucrats with their own social priorities and values, but must be returned to the control of elected officials, who are periodically required to obtain popular ratification or rejection.

We agree, with the President, that we have arrived at what is surely a genuine turning point in our national history, where the way is opened to a New American Revolution:

". . . a revolution as profound, as far-reaching, as exciting as the first revolution almost 200 years ago—and it can mean that . . . America will enter its third century as a young nation, new in spirit, with all the vigor and the freshness with which it began its first century."

BALANCING THE BUDGET AND INCREASED COST OF LIVING

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DAN DANIEL. Mr. Speaker, while we agonize over balancing the budget, and attempt to determine how much of our increased cost of living is attributable to the export of our own commodities; while efforts are made to bring in line our balance of payments and balance of trade; and, while a troubled world waits anxiously to see when—not if, but when—the North Vietnamese will resume fighting in earnest in the south; some people choose to ignore these problems and debate at length the amount of financial assistance we shall provide to North Vietnam.

These people base the necessity for provision of aid on two assumptions, and I believe this is a proper time to examine these assumptions, for in my view neither is sound.

The first assumption is that North Vietnam is a devastated land, and this devastation is the result—directly and completely—of American bombing. It would appear to me this is the first time in history a nation has emerged from a war declaring simultaneously that it had won the war, but was totally destroyed in the process by the loser.

For nowhere have I read where any North Vietnamese spokesman declared they had lost the war. And nowhere have I read or heard of any offer on the part of that country's government to allow inspection of the devastation reportedly caused by those who are expected to pay for restoration. Rather, there is mounting evidence that North Vietnam continues—indeed, has never stopped—sending the material of war into South Vietnam.

Now, this leaves us with two possible explanations. Either North Vietnam's industrial and agricultural potential have not been destroyed, or other nations are supplying war materials being shipped into the South.

The second assumption is this. Because we provided assistance for the rebuilding of Germany, Japan, and Italy following World War II, it naturally follows we have a like obligation toward North Vietnam.

This, my friends, is hogwash.

To begin with, there is no question that extensive damage was done to those nations during that war. If the aerial reconnaissance photographs we saw had not told the complete story, the reports from our Armies of Occupation surely did.

These nations did what North Vietnam has not done. They surrendered unconditionally, no reservations, no strings attached, to a superior military force. We could, at that time and under those circumstances, afford a certain magnanimity, and it is to our everlasting credit we displayed a charitableness not shown following any other war in recorded history. Not only did we not require or demand reparations—a demand historically made of the vanquished by the victor—we set to work, investing our best talents as well as our material resources, to help these people rebuild their lands. But there were two very considerable conditions, not tied to the surrender, but implicit to rebuilding.

The people of these nations repudiated the leadership which had led them into war. And the potential for further militaristic adventure was removed. Under their postwar constitutions, none of these nations may acquire the means to become military aggressors.

Now measure the demands of North Vietnam against the earlier period, and any justification for assistance melts away.

There is another reason why we should not consider sending your tax dollars to North Vietnam—now, or ever.

Already there are some 80 billion American dollars floating around outside the continental United States. Our primary consideration should be to repatriate these obligations—for that is what dollars are—at all deliberate speed. Evidence is mounting that much of the dollar's trouble abroad results from speculation on the part of large holders, and a lack of trust in America's worth, which has been due in large part to our continued deficit spending both at home and abroad.

There is one other point that ought to be made.

When one of our officials was questioned on assistance to North Vietnam by a committee of the Senate, he declared the funds would not come from domestic programs, but rather from defense funds. As a member of the Committee on Armed Services, I intend to take a hard look at any request for money from the Department of Defense. If indeed there are funds which can be shifted and shunted about so as to provide the billions of dollars discussed for North Vietnam, then the Defense Department budget ought to be reduced by that amount, and I intend to vote for such reductions.

THE IMPOUNDMENT PROBLEM AND SOLUTIONS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, yesterday and today the House Rules Committee, of which I am a member, has been holding hearings in the morning and afternoon, on the subject of impoundment. The focal point of these hearings has been H.R. 5193 as introduced by the distinguished chairman of the House Committee on Appropriations, Mr. MAHON, a bill which would require that the President submit a special message to the Congress anytime he delays or withholds funds which have been appropriated; the message would be referred to the appropriations committees of each house and, if within 60 days both houses pass resolutions of disapproval, the President could not proceed with those impoundments.

It has become apparent during the course of these hearings, that there is a wide diversity of views as to what specific procedures should be adopted to limit presidential impoundment authority. Some favor the Ervin approach which would bring these messages directly to the floor of each House and require that both Houses approve the impoundments or the President could not continue to impound funds beyond that 60-day-period. Others favor a procedure whereby the President would have to give prior notification of an intended impoundment and he could not initiate an impoundment unless the Congress give specific prior approval of it. Still others feel that the Congress should take no action to limit the President's impoundment authority and have questioned the constitutionality of nullifying an impoundment by a simple concurrent resolution which could not be vetoed by the President.

In testimony prepared for delivery before the Rules Committee today, I have suggested yet another alternative in my House Concurrent Resolution 165 which would authorize and direct the Joint Study Committee on Budget Control to report legislation to the Congress no later than June 1, 1973, providing for budgetary control machinery including procedures for the operation of an enforceable spending ceiling beginning with fiscal 1974 and procedures for limiting the impoundment authority of the President.

It seems to me this is the most logical and responsible approach to the problem which is not just impoundment but rather our own ability to manage the fiscal affairs of Government in the Congress, specifically, our ability to take an overview of the budget and to act more responsibly in the entire authorization and appropriations process. If we can succeed at this, we will have obviated the need for impoundments.

I think the approach incorporated in House Congressional Resolution 165 does present us with a sensible alternative to acting on any anti-impoundment bill at this time, for it recognizes the need to coordinate any anti-impoundment procedures with other budgetary control mechanisms which may be recommended by our Joint Committee. Without such a coordinated approach, we will be disciplining the President without first disciplining ourselves, and the results could be disastrous for our economy. My resolution is not an attempt to delay, defer or postpone congressional action in the area of impoundment indefinitely, for it requires that any bill brought to the Congress on June 1 of this year must include anti-impoundment language as well as provisions for an enforceable spending ceiling. Next week I will be circulating a "Dear Colleague" letter soliciting cosponsors for my resolution. I urge all members to give this alternative their most serious consideration. At this point in the RECORD, Mr. Speaker, I include the text of my impoundment testimony:

TESTIMONY OF THE HONORABLE JOHN B. ANDERSON BEFORE THE HOUSE COMMITTEE ON RULES IMPOUNDMENT HEARINGS, MARCH 29, 1973

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to testify today on the important subject of impoundment legislation. As a member of this committee, I know what a high value you place on brevity which is supposed to be the soul of wit. So I shall attempt to be brief if not witty. I simply want to make a few important points about the impoundment problem and a couple of suggestions about proposed solutions. And these observations and proposals have been put forward in somewhat greater detail in the materials which I submitted to each of you yesterday.

First, I think it's extremely important that we put this impoundment problem in proper perspective. We hear and read a lot these days about an "impoundment crisis," and from some accounts you'd think President Nixon invented this whole process. The truth is that Presidents since Jefferson have resorted to one form of impoundment or another. In just the last 13 years since 1960, th annual average impoundment has been 5.6 percent of total budget outlays. In 1961, for example, President Kennedy withheld nearly 8 percent of his budget, and in 1967. President Johnson impounded 7 percent of his budget. By comparison, in this fiscal year President Nixon is holding only 3.5 percent of his budget in reserve, or 2 percentage points less than the annual average of the last 13 years. So, if what confronts us today is an "impoundment crisis," then where oh where was the Mahon bill when we had the "super-catastrophic crisis of impoundment" under President Kennedy and Johnson?

The second point I wish to make is that the lion's share of the impoundments do not come down on the human resource side of the budget, as popular myth would have it, but rather on the space-defense-public works side of the budget. To be specific, of the $8.7 billion currently being withheld, 28 percent is from the highway trust fund, and another 25 percent from the Department of Defense; yet another six percent is from space research and technology, general government, and veterans' benefits and services. Thus, nearly 60 percent of all impoundments are being made not from the human resource side, but from these other areas. In addition, about 22 percent of impoundments are evenly divided between agriculture and rural development, and environment and natural resources; six percent is from housing and community development; and only 4 percent of the impoundments are in the areas of health, income security, education and manpower combined.

So, to those who would argue that impoundments have knocked our priorities out of whack, I would suggest they look back at the facts; and the facts are that the impoundments reflect the very priority preference espoused by those who squawk the loudest against impoundment.

In view of these facts, I find it a bit curious that an impoundment bill is now being rushed through the House with such great sense of urgency. There didn't seem to be any great urgency or concern about holding our Joint Study Committee on Budget Control to its legally mandated final deadline of Feb. 15 for recommending budgetary control procedures and machinery. No, they were given a quiet extension until December 31st, far too late to help us in fiscal 1974.

So, we have the paradox of impoundment control now, spending control later. You can fill in the gap with higher taxes or increased inflation or both. Put another way, we have here the irony of a bill which restrains the President from holding down spending, but does nothing about restraining the Congress from pushing up spending.

Mr. Chairman and Members of the Committee, isn't all this just getting a bit too foolish and ridiculous and irresponsible to even be considered good partisan politicking, posturing or point-making anymore? And, before you protest, let me add that I won't deny for a moment that this is being done by both sides.

But we might all do well to re-read that Dave Broder column from last Sunday's Post. You will recall that he had just returned from a fiesta in a small Mexican town during which an historic mock battle was reenacted. And Broder drew the following analogy:

"To this returned traveler the three-month old battle between the President and Congress seems as full of clatter—an devoid of consequence—as that marathon mock-battle in that little Mexican village."

And Broder goes on to write:

" A fiesta of course is its own justification. It sure beats working in the fields. And a 'constitutional crisis' may serve the same function for Washington, relieving its politicians from the dreadful drudgery of governing."

Mr. Chairman, did you ever stop to think that it might not take the perspective of a Mexican holiday to see the Congress in that light? Did you ever stop to think that to the people of Gary, Indiana or Rockford, Illinois we might resemble those costumed soldiers engaged to mock battles full of clatter and devoid of consequence?

I would only suggest today that we take the issue before us quite seriously and in its proper perspective. There is work to be done in the fields—the dreadful drudgery of governing.

I think this Committee can distinguish itself in this midst of all this clatter by declaring a cease-fire in the battle of the budget between the President and Congress, and furthermore, can be instrumental in drafting a peace agreement that will hold down spending and impoundments.

I don't like impoundments anymore than the next person, but at the same time I realize that these have been necessitated because the Congress has been unwilling to face up to its own responsibilities in this area of holding spending within reasonable limits. But an impoundment bill alone is not the answer: it is only an antidote to neutralize another antidote which many Members of Congress find distasteful. But not only does this antidote not check the spreading poison of irresponsible spending and spiraling inflation which is infecting our system, in neutralizing the antidote being used by the President—his impoundment authority—we are only guaranteeing the further spread of that poison.

All I am urging in the amendment and substitute or companion bill I will be offering at the conclusion of these hearings is that we effectively check the spread of that poison by reasserting our own rights and responsibilities. Put quite simply, if we put a lid on impoundment, we must also put an airtight lid on spending. And if we are going to have an airtight lid on spending, we should have it in time for fiscal 1974, and that means mandating our Joint Budget Committee to produce that for us within the next two months. I therefore will urge adoption of the amendment as well as my companion or substitute resolution.

APPENDIX

Text of Anderson Amendment to H.R. 5193: On page 5, after line 23, add a new Section 5 to read as follows:

"Sec. 5. (a) The provisions of this Act shall take effect in any fiscal year in which the Congress, by act of Congress or by concurrent resolution, fixes a ceiling on outlays for such year, and shall be suspended only when the Comptroller General of the United States makes a determination, and so reports to the Speaker of the House and the President of the Senate, that the Congress has exceeded or is expected to exceed such ceiling.

(b) Such suspension of the provisions of this Act shall remain in effect until the date that the Comptroller General makes a determination, and so reports to the Speaker of the House and the President of the Senate, that appropriate action has been taken by the Congress to insure that outlays for the fiscal year will not exceed the total authorized pursuant to subsection (a) of this section.

Text of H. Con. Res. 165 introduced by Mr. Anderson of Illinois:

"Resolved by the House of Representatives (the Senate concurring), That the Joint Study Committee on Budget Control is authorized and directed to report to the Congress, by bill or resolution, no later than June 1, 1973, its final recommendations with respect to any matters covered under its jurisdiction, provided that such report shall include, but shall not be limited to (1) procedures for improving congressional control of budgetary outlay and receipt totals, including procedures for establishing and maintaining an overall views of each year's budgetary outlays which is fully coordinated with an overall views of the anticipated revenues for that year; (2) procedures for the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973; and (3) procedures for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress."

EXPAND ACIR TO INCLUDE SCHOOL BOARD OFFICIALS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. FASCELL. Mr. Speaker, I am today introducing legislation to expand the membership of the Advisory Commission on Intergovernmental Relations to include two elected school board officials.

Congress authorized the establishment of the Commission in 1959 to provide an ongoing review of intergovernmental programs and problems and to make recommendations for ways to improve the operation of our federal system of government.

A primary objective of the Commission was to encourage the coordination of all levels of government—Federal, State and local—and the general public. Membership on the Commission, determined by law, includes six Members of Congress, three from each body, three officers of the Federal executive branch, four Governors, three State legislators, four mayors, three county officials, and three private citizens. I feel this membership should be expanded to include elected school board officials as well.

Public education directly affects nearly every American home and every citizen. It involves an annual cost of $47 billion, employs 5 million people and directly touches the future of 46 million children. School board officials responsible for public education are, in many cases, the elected official closest to the people. The effects of their actions are immediately visable. This immediacy puts them at the heart of our federal system.

The Advisory Commission has recently been charged by the President with suggesting the form which the "new finance" for education will take. The need for such a study is clear. However, the need for participation in such a study by those

persons most knowledgeable in this area and those most responsible, has been overlooked.

The case for school board official's participation in this instance is clear. In addition, almost every vital action of the Commission in some way affects schools.

The chairman of the Dade County School Board has written:

Since about one-half of the taxes of this country at the state and local levels go toward education, and an ever increasing percentage of federal monies is spent in this fashion, we feel that it's vitally important that our views and concerns are expressed as a working member of the Advisory Commission on Intergovernmental Relations."

Last year the Intergovernmental Relations Subcommittee of the House Government Operations Committee held hearings on proposals similar to the one I am introducing today. I hope that the subcommittee will continue its consideration of this issue in the near future, and urge favorable action.

LATIN AMERICA AND THE WHITE HOUSE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HAMILTON. Mr. Speaker, I would like to bring an article by Sol Linowitz, former U.S. Ambassador to the Organization of American States, to the attention of my colleagues.

The article, from the March 7, 1973, issue of World magazine, is entitled "Look, Mr. President, Latin America Is On the Map, Too." Ambassador Linowitz notes that:

The Nixon administration has seemed rudderless in this area, and Latin Americans speak bluntly of the Nixon "non-policy" toward Latin America.

The article follows:

[From the World magazine, Mar. 7, 1973]

LOOK, MR. PRESIDENT, LATIN AMERICA IS ON THE MAP, TOO

(By Sol M. Linowitz)

(NOTE.—Sol M. Linowitz, an attorney and former chairman of the Xerox Corporation, served from October 1966 until May 1969 as U.S. ambassador to the Organization of American States and U.S. representative to the Inter-American Committee of the Alliance for Progress.)

Not long ago the Jornal do Brasil (a not unfriendly Brazilian newspaper) ran a cartoon that shows President Nixon standing before a globe of the earth contemplating Europe, the United States, and Asia. In the next panel, Nixon, crouching down, peers in astonishment at South America and exclaims: "Look, there's a map on the underside, too!"

The cartoon's implications are painfully clear: To Latin Americans, President Nixon is the first U.S. President in this century who has prided himself on his mastery of world affairs, yet has had literally no policy for Latin America. Other presidents during the past seventy years, whether their goals were regarded as a constructive or jingoistic, at least seemed to have some clear idea of what they wanted to accomplish "south of the border." Theodore Roosevelt had his Big Stick and Gunboat policies, replete with territorial-imperative chest pounding. FDR launched the well-meaning, paternalistic Good Neighbor policy. And John F. Kennedy created the Alliance for Progress, which was later furthered by Lyndon B. Johnson. But the Nixon administration has seemed rudderless in this area, and Latin Americans speak bluntly of the Nixon "non-policy" toward Latin America.

Ironically, the relationship between the United States and Latin America inherited by the Nixon administration was basically a healthy, cooperative one.

There were, of course, problems and quarrels. But under the Alliance for Progress, Latin America had managed to achieve an annual average of 2.4 percent real per capita growth. This was exactly one decimal point below target, but far better than might have been expected during the 1960s, when the area's terms of trade and income from export commodities suffered badly. During that decade the United States contributed over $8 billion in bilateral aid and was responsible for much of the $6.5 billion in loans from international institutions such as the World Bank and the Inter-American Development Bank. The Latin Americans themselves, moreover, put up at least 90 percent of the capital required to fuel development and built up a sizable infrastructure of public-works projects and social programs.

One of the Alliance's crowning achievements was in export expansion and diversification—which is the critical bone of contention between the United States and Latin America today. Under the Alliance, Latin America moved away from the wasteful import-substitution policy that had been its mainstay during the 1950s, and concentrated instead on diversifying its exports. However, toward the end of the decade, Latin American leaders realized that further success in this program would require the United States and other countries of the developed world to tear down the trade barriers to Latin American-manufactured exports. It was at this stage that President Nixon stepped onto the scene.

Then came two striking developments in U.S.-Latin American relations: the Rockefeller mission to Latin America and the Latin American meeting that produced the document called the consensus of Viña de Mar.

In late January 1969, Nixon announced that he was sending Gov. Nelson Rockefeller—a former Co-ordinator of Inter-American Affairs, long known for his deep interest in the area—on a fact-finding mission to a dozen Latin American capitals. Rockefeller surrounded himself with highly respected experts from a wide range of disciplines and embarked on a whirlwind tour of Latin America. Some skeptics asked whether still another study was in fact necessary, but when it came out, the Rockefeller report did demonstrate the importance of Latin America for the United States objectives, and recommended significant action. The President accepted the report, and Latin Americans waited to see whether he would act on it.

Meanwhile—at precisely the same time as the Rockefeller mission—there was a meeting of CECLA—the Special Coordinating Committee on Latin America, which consists of all al OAS members except the United States. The purpose of the meeting was to coordinate the Latin American position within the Alliance, and the conferees agreed on a statement issued as the consensus of Viña del Mar.

The consensus covered a good deal of ground, ranging from international financing to the transfer of technology and the role of foreign direct investment; and from tariffs and quotas to the prices of commodities on the world markets.

Specifically, it asked that the United States eliminate tariff and non-tariff barriers on goods from the developing world and that it champion Latin exports by helping secure similar treatment for them in other developed markets. The CECLA group also sought greater financial cooperation that would allow recipients of aid to set their own priorities with no strings attached to the foreign aid they received.

Few national leaders in their first year in office have had such clear guides as the consensus and the Fockefeller report by which to formulate a foreign policy for a region. Yet for some inexplicable reason, the President failed to respond. In his only major Latin American policy statement, on October 31, 1969, the President, indicated his awareness of the key problems, and then to the great disappointment of Latin Americans did very little about them.

The Nixon proposal for Latin America, as outlined in the October speech, was known as Action for Progress in the Americas; its ideas were meant to be the backbone of the Nixon policy for Latin America. On the face of it, the program seemed to offer highly positive concessions to Latin America in four key areas.

First, with respect to trade preferences, the statement said that the United States would urge other industrialized countries to agree on a uniform, nondiscriminatory system toward developing countries. The system would be very generous, with no ceiling on preferential products that Latin America felt it could sell to the United States; and the United States would be prepared to go ahead with preferences for Latin America on a number of products if Europe and Japan could not be persuaded to go along on a more general trade preference for all developing countries.

A second point was the untying of U.S. AID (Agency for International Development) loans. It was emphasized in the policy statement as a significant step forward. What was not underscored was the fact that while AID recipients would no longer be tied to U.S. sources alone, they would be free to purchase manufactured imports with AID funds only from sources *within Latin America.*

A third and slightly related point was the promise to move toward increased multilateralization of U.S. aid for Latin America.

The program's last key point concerned the need to "deal realistically with governments in the inter-American system as they are." The President conceded that each nation had a right to decide whether or not it wanted foreign private investment. Without threatening countries that might choose the path of expropriation, the President quietly warned that such action might seriously affect investor confidence.

Latin Americans accepted these key policy positions with a sense of hope, which has over the months turned to cynicism and disillusionment.

One major setback to Latin American confidence in the new program came on August 15, 1971, when the Nixon new economic game was announced. The plan placed a 10 percent surcharge on imports to protect the U.S. balance of payments, and Latin America found itself lumped in with the other exporting areas. Many commodities that make up the bulk of Latin American exports were excluded, and White House spokesmen pointed out that only 22 percent of Latin American exports would be affected by the surcharge. However, they missed two important points that did not escape Latin Americans: First, the exports affected were fast-growing manufactured products, which Latin producers had worked long years to be able to manufacture for successful marketing in the United States. Second, Latin America's dollar-trade deficit with the United States had exceeded a billion dollars the previous year; and Latin Americans understandably felt that they should not be penalized in the same category as the European, Japanese, and other exporters who had contributed to the balance of payments predicament of the United States.

Quite clearly, the President had missed an extraordinary opportunity. He could have said he recognized that Latin America was not a factor in U.S. economic problems and could have absolved the area from the added burden of the surtax. Having failed to do so, however, he could no longer blame a protectionist Congress (as his administration had been doing) for the failure to live up to his commitment on trade preferences for Latin America.

The predictable result was to unite Latin America firmly against the United States. Even such strange bedfellows as Brazil and Chile were able to get together with other Latin American countries in an emergency CECLA meeting in Buenos Aires that condemned the U.S. action and explored possible sanctions against the United States. A belated decision (made after the CECLA affair) to roll back the 10 percent AID cut failed to overcome the resentment and hostility that had been aroused.

The promised multilateralization of aid also proved to be a disappointment to the Latin Americans. At the beginning of last year, President Nixon issued a statement that appeared to increase politicization of multilateral aid channeled through the Inter-American Development Bank and the World Bank. He warned that all U.S. aid—including that funneled through multilateral institutions—would, in the absence of special circumstances, be cut off from countries that expropriated U.S. investments without prompt and adequate compensation.

Other statements exacerbated the situation. While still secretary of the treasury, John Connally stated in an interview: "The United States can afford to be tough with Latin Americans because we have no friends left there anymore." Later, as good-will ambassador to Latin America, Connally warned Venezuelans that "the United States has the power to export prosperity or poverty to any country in the world to which it chooses to do so."

Against this background it is quite clear that the Nixon non-policy toward Latin America has had one effect: It has united Latin America in opposition toward the United States and its surrogates—the hundreds of subsidiaries of U.S. corporations spread throughout the region. On other issues it has helped set Latin American leaders against each other in their efforts to vie for leadership of the region precisely at the time when the nations of Latin America should be working solidly together for development of the continent.

Neither the United States nor U.S. private investment in the area has benefited from this non-policy toward Latin America. Therefore, what we now need—and need badly—is a cohesive policy for Latin America that will take into account the hemisphere's special requirements and desires. And this challenge presents the new Nixon administration with an extraordinary opportunity at a pivotal moment.

What should be the ingredients of such a policy? Here are a few suggestions:

1. Define U.S. goals in the hemisphere, and spell out just as clearly what the United States expects of others. Then stick to these commitments.

There is no need of studies and analyses that make clear what our approach should be and how we should go about it. What we need—and desperately—is to recognize that clarity, like charity, must begin at home. To talk about "partnership" at a time when there is not even a constructive dialogue is neither realistic nor constructive. To be effective, a partnership must begin at the top—with the President. There must also be a genuine commitment on the part of the President, which in turn is reflected throughout the administration.

2. Move the Alliance for Progress toward a second stage, in which it would really be directed on a multilateral basis, with goals mutually defined.

We have long since passed the time when the United States can attempt to direct the destiny of Latin America. It is now necessary for all sides to participate in setting up goals and guideposts. The consensus of Viña del Mar and the recommendations of the Rockefeller commission can be important guides in establishing common objectives. The United States should indicate its readiness to join in developing such common goals.

3. Use existing inter-American institutions to conduct as much of our governmental business with Latin America as possible.

The OAS and the Inter-American Development Bank are two established organizations in which the United States can place its trust in dealing with the area. Both are staffed with dedicated international civil servants who are seeking to develop the region and who can speak both the language of the United States and that of Latin America. We should make clear our confidence in, and respect for, such inter-American institutions.

4. Once the United States has agreed to the principle of multilateralism, we should assure that decisions with respect to multilateral aid are truly multilateral.

As is true with any corporate board of directors, the role of the board of a multinational institution is to set overall standards and leave everyday management to the professional managerial staff. The same should apply in the case of international lending institutions. It would be helpful in this regard if Japan, European countries, and others were to join such institutions as the Inter-American Development Bank in order to assure that they are truly multilateral and not dominated by the political influence, express or implied, of the United States.

5. Open up the U.S. market to Latin American products to the greatest extent possible and in a way that will truly benefit interhemispheric trade.

One idea worth exploration would be for the United States to allow Latin American products to come in free of all duties and quotas to the extent of the almost $2 billion trade surplus it has with the region. There is no reason why a nation as powerful as the United States must make its mark at the expense of its developing neighbors. To make the formula more acceptable to Congress, the United States could insist that Latin nations reduce their barriers against U.S. exports to the degree they benefit from increased exports to the United States.

6. Help rekindle the fire of economic integration.

During the first eight or nine years, regional integration worked well, but it has since been stymied in its growth. Both LAFTA (Latin American Free Trade Association), which includes all of South America plus Mexico, and the Central American Common Market have run into difficult times. At the presidents' summit meeting in April 1967, a Latin American common market was the leading item on the agenda. The United States could help revive interest in it by offering to become a non-reciprocal member—which would open up its markets—but not insist on the same from Latin Americans. A major market outside the area could be the stimulus that regional integration needs to set its export goals high and to develop the way to reach them.

7. Make clear the nature of the relationship between the U.S. government and Latin American subsidiaries of U.S. parent companies.

If the U.S. government has a responsibility for helping American companies in conflict with foreign governments, then it must also be prepared to be responsible for companies that conduct themselves badly in a particular country. The United States could insist that American companies follow a specific code of conduct of responsible international companies that would state what rights companies should be able to expect when dealing internationally, and what duties to the host country they have in return. If a U.S. company is wronged under such a code, then the U.S. government could, in good conscience, step in to make this known to an international tribunal, while avoiding any unilateral action.

8. Accept the idea that Latin American countries—like other countries of the world—have the freedom to detemine their own political, social, and economic systems on behalf of Latin Americans and in a Latin American way.

The United States must learn to understand and accept the fact that differences exist among people and their ways of looking at things. And it must learn to adapt to these systems when they pose no intrinsic danger to the United States, and to avoid hostile knee-jerk reaction when disagreement occurs.

There is, of course, no guarantee that such policies will entirely abate hostility and tension. But they could begin to change the climate and move us back to a spirit of cooperation, rather than conflict. The need has never been greater, both in our own interest and in the interest of hemispheric progress and world peace.

NOT EASY TO VOTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RANGEL. Mr. Speaker, in considering legislation concerning the reformation of our voter registration system, we would do well to look at the system administered in other nations. Compared to countries such as England and Canada, the U.S. system of registering eligible voters is antiquated and wholly ineffective. There is one major difference which accounts for so many Americans failing to register and nearly all Britons and Canadians being registered.

We, in this country, leave the initiative and burden of registering on the individual. In other countries, the burden is shouldered, as it should be, by the government. Until we reject the aristocratic notion that one has to prove himself worthy of voting by accomplishing the truly difficult task of registering, fewer and fewer Americans will be eligible to even enter polling places.

I submit for your attention and the attention of my colleagues, a Christian Science Monitor article of November 3, 1972, appropriately entitled "Not Easy To Vote."

I also refer my colleagues to page 19 of hearings before the Post Office and Civil Service Committee in the House, 92d Congress, 2d session, on the concept of national voter registration. Testimony is submitted by J. M. Hamel, Chief Electoral Officer of Canada.

The article follows:

NOT EASY TO VOTE

(By Richard L. Strout)

WASHINGTON.—The problem in Europe is to get yourself *off* the voter registration rolls.

When you reach voting age the thing somehow seems to happen automatically—the appropriate authorities move in and presto,

there your name is on the voting list, at government expense. Try and shake it off by moving—it is as hard as trying to leave no mail forwarding address. It's much the same in Canada, too.

Things are different in the United States. That's one reason the percentage of eligibles who vote in America always seems so melancholy. The burden is on the individual to make the first move, as the burden is on the male in a marriage proposal. Only here it is more difficult in a way because every time you change homes you must take the initiative again all over. Americans are the most mobile race on earth. Move from one suburb to another or to another state, and try to find the central registration point in an unfamiliar part of the metropolis: not too hard, maybe, for the highly-motivated, self-confident, well-established voter but far different for the poor and humble.

Canada had a national election last Monday and the United States has one next Tuesday. It is interesting to note the difference in their registration procedures.

Voting registration laws in the U.S. "constitute a major exception to the practice in most democracies of placing the responsibility for updating registration lists on the government rather than on the individual," remarks Penn Kimball in "The Disconnected" (paperback, Columbia University Press). Maybe that's the reason that the University of Michigan Survey Research Center finds that the proportion of nonvoters here is double that abroad.

In 1964, only 63 percent of America's eligible voters voted. In 1968, it was down to 61.4 percent. In 1972 —? This has been the most apathetic election of modern times; we shall be fortunate if the figure isn't below 60 percent. (The congressional election of 1966 brought out only 46.3 percent.)

Well, then, what does Canada do? Almost before the prime minister dissolved Parliament thousands of official enumerators were out ringing doorbells. It was like a census. They and their deputies printed lists of voters and posted them in public places, and anybody could check them for accuracy. There were no property or educational qualifications.

Canadian enumerators began enrolling voters 49 days before the election. They worked in teams of two for each polling district (roughly 250 to 300 voters) and they went to each residence together at least once during daylight hours. Suppose you or your wife weren't home? Well, they returned at least once during the evening. If they still didn't hit you they left word where they could be reached. There was no ducking them and few wanted to. The enumerators, incidentally, got $32, plus 10 cents per head for each elector bagged on their final list. Spot checks in the past indicated 98 percent of all eligibles were registered.

There's been a drive in Washington to bring the U.S. abreast of Canada and other democracies by instituting universal enrollment laws. These would put the responsibility for registration on the government. It would cost something. The cost of enumeration in Canada is around $13,500,000 or $1.25 a voter. On a proportional basis of population the cost in the U.S. might be $135,000,000. Some congressmen here think it could be done by postcard for $50 million.

Groups like Common Cause, League of Women Voters, Committee for Economic Development and others urge Congress to adopt universal registration, and senators like Hubert Humphrey, Edward Kennedy and Daniel K. Inouye of Hawaii offer plans. It is an idea whose time "has almost come," say sponsors. Alas don't be too sure. How about gun control, no-fault insurance and ending the Electoral College? Washington often seems like a city of ideas whose time has come. And gone.

THE U.S. ENERGY OUTLOOK

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ARCHER. Mr. Speaker, the House Ways and Means Committee heard testimony on February 26, relating to the U.S. energy crisis and its implications on our foreign and domestic policies in general and on our tax policies in particular.

One of the witnesses to testify before the committee was John M. McLean, chairman and chief executive officer of Continental Oil Co. Because of the great public interest in this issue, I believe it appropriate that all Members of Congress be advised of the content of Mr. McLean's statement. A summary of his testimony follows:

THE U.S. ENERGY OUTLOOK AND ITS POLICY IMPLICATIONS

(By John G. McLean)

Summary of testimony

I welcome this opportunity to speak about the U.S. energy outlook and its implications for our domestic and foreign policies in general, and our tax policies in particular. The trend of recent events provides persuasive evidence that energy problems, in all their many ramifications, will rank high on our list of national priorities for at least the next two decades.

I. THE U.S. ENERGY OUTLOOK

The essential facts with regard to the U.S. energy outlook may be summarized as follows:

First, the U.S. energy problem is a medium-term problem—not a long-term problem. We have potentially recoverable, oil, gas, coal, uranium, and shale oil sufficient to meet our energy requirements for at least 200 years, at present consumption rates. Long before the end of that period, advances in technology should bring us new energy sources, such as the breeder reactor, nuclear fusion, solar power, and geothermal power, which will greatly diminish the drain upon our natural energy materials and assure energy availability into the indefinite future. Our problem is to develop our potential resources fast enough to meet our growing requirements in the medium term—the 10-15 years immediately ahead.

Second, U.S. energy requirements will approximately double between now and the middle 1980's. Energy conservation programs, voluntary or mandatory, are not likely to alter the growth pattern in any major degree.

Third, to meet at least 90% of these requirements, we shall have to rely upon the four conventional fuels—oil, gas, coal, and nuclear power—which today supply about 95% of our requirements. Technological problems, together with the long lead times and massive captial inputs required for new plant construction, preclude any major contribution from the newer energy sources before the middle 1980's.

Fourth, the four conventional fuels are not likely to be developed fast enough to meet our energy needs in the period immediately ahead. Hence, we shall have to import a growing volume of oil and gas from overseas. Petroleum imports will run about 6 million B/D in 1973. In my judgment, they will rise to about 12 million B/D by the middle 1980's. This figure could be somewhat lower if the government promptly adopts strong policies aimed at restoring our near self-sufficiency in fuels.

II. ECONOMIC AND POLITICAL IMPLICATIONS

The economic and political implications of our future energy outlook are staggering.

First, as our imports of oil and gas grow, we shall become increasingly dependent upon foreign countries for a vital portion of our energy supplies. In 1970 we were obtaining about 26% of our oil and 12% of our total energy from overseas. By 1985, these percentages will approximately double. Our dependence will not be geographically dispersed; it will be highly concentrated. Most of the oil will have to come from the 11 OPEC countries (particularly Saudi Arabia and Iran) which today have 85% of the Free World crude oil reserves outside the United States and Canada and account for 90% of the oil exports moving into world markets.

Second, our growing requirements for oil and gas imports will provoke a large and growing deficit in the United States balance of trade in fuels. In 190, this deficit was about $2 billion; in 1973, it will be over $4 billion, and by the early 1980's it could exceed $20 billion. Our total exports of all goods and services are only about $70 billion. Our goods and services account in 1972 was for the first time in deficit by about $5 billion. A fuel deficit of some $20 billion will impose a well-nigh intolerable burden on our trade position and make it increasingly difficult to maintain stability of the dollar in the world financial markets.

Third, our growing purchases of oil and gas, coupled with those of Western Europe and Japan, will create major new centers of financial power. We are on the brink of the most dramatic expansion of wealth and financial power by a small group of countries that the world has ever known. By 1985, the OPEC countries could be collecting oil revenues at an annual rate of almost $45 billion, even without additional price increases after 1975. In the 15-year period 1970–1985, the total funds flowing to the OPEC countries could aggregate as much as half a trillion dollars—about nine times the amount they received in the prior 15-year period. Most of these countries are not yet ready to use internally new funds of this magnitude. A large portion of the oil tax revenues will thus move into the long- and short-term money markets of the Free World in ways, and with impacts, which are difficult to predict.

Fourth, as we move from a long period of abundance to a time of growing scarcity in energy materials, our economy will certainly experience rising energy costs. We have already exhausted a large share of our highest quality, most easily accessible and, therefore, cheapest energy materials; new indigenous supplies will necessarily come at higher prices. Higher prices will also be needed to invoke the large capital inputs required to meet our future needs. Higher prices will directly increase internal cash generation, and will increase the presently low rates of return to attract new outside capital. By 1985, energy costs could be 100% higher than they are today. These increases can be absorbed in our economy without serious disruptive effects. Our problem is one of adequacy and continuity of energy supplies—not one of energy costs.

III. GENERAL ENERGY POLICIES

The picture I have sketched of the U.S. energy outlook and its economic and political implications is not a pleasant one; it is profoundly disturbing. Clearly, we should promptly initiate domestic policies to ameliorate our energy problems to the extent we can and foreign policies to minimize the risks implicit in the whole situation.

The first absolutely essential step is to develop a comprehensive national energy policy and to establish a single, high-level agency in our own government to coordinate our national efforts on energy matters, both at home and abroad. I am not suggesting appointment of an "energy czar". I believe the job can best be done by a Cabinet-level Energy Committee, under a strong Chairman,

which would establish priorities and guidelines and be empowered to eliminate the delays, conflicts, and confusion which prevail among the many different federal, state, and municipal agencies presently involved in energy matters. The federal government should not seek to play a direct role in the discovery and development of natural resources; its task should be to create legislative, regulatory, and economic circumstances such that the task can be performed effectively by private enterprise.

Constructive action in the domestic field should be initiated along at least four general lines:

First, we should take all possible steps to stimulate the development of our indigenous energy resources. Among other things: We should accelerate the leasing of federal lands for resource development. We should permit the prices of all fuels, particularly natural gas, to reach competitive market levels. We should strengthen existing tax incentives for energy resource exploration and development. And we should maintain and improve fuel import controls to avoid precipitous dislocations in our balance of trade and discouragement of domestic resource development efforts.

Second, we should seek some reasonable modifications in the ecological restraints which are presently inhibiting the development and consumption of our indigenous fuels. Among other things: We should modify the Clean Air Act of 1970 to incorporate the California standards with respect to automotive emissions. We should approach our goals regarding the elimination of sulphur dioxide from power plant stack gases over a longer time period. We should revise the Federal Coal Mine Health and Safety Act of 1969 to eliminate features which impair productivity without making substantive contributions to the health and safety of miners. We should encourage the aggressive development of surface coal mines with strong, but reasonable, requirements for land reclamation. And we should simplify and expedite all procedures for the siting of nuclear power plants, refineries, and deep water terminals.

Third, we should initiate national programs to reduce waste in the consumption of energy. I am not suggesting curtailments which would have a negative impact on the growth of our economy. There are many areas, such as better insulation of houses and office buildings, in which we could conserve energy without impairing economic growth.

Fourth, we should begin work immediately on research and development programs to take care of our energy needs beyond 1985 and into the long-term future. Our objective should be to regain our historical position of near self-sufficiency in energy supplies as rapidly as possible. As clearly evident, national commitment to this objective will have an important constraining effect on the policies and price demands of the oil exporting countries. We have an adequate resource base. We could have been nearly self-sufficient in energy today if we had foreseen our problems and initiated corrective action some 10 or 15 years ago. We must act now to assure that we do not make the same mistake with regard to the period beyond 1985.

IV. ROLE OF TAXATION POLICY

In light of the foregoing facts regarding the U.S. energy outlook and the national policy imperatives implicit therein, I would next like to deal with certain major tax issues.

In my judgment, the rising costs and capital requirements involved in a national effort to regain our historical position of near self-sufficiency in energy supplies can best be met through a combination of tax incentives and price increases. An increase in tax incentives will probably have a more direct and immediate influence than an increase in prices. A reduction in taxes leads to immediate increases in cash flows and rates of return on investment. Price changes are dependent on market forces, occur more gradually, and may be delayed until triggered by rising costs. Moreover, the affirmative investor response to an increase in tax incentives would be extremely important in provoking new capital inputs. Specific recommendations are as follows:

First, percentage depletion should be restored to the 27½% level and should be removed from the list of items subject to the tax on tax preferences. I am well aware that this recommendation will be unpopular in some quarters and regarded as politically naive in others. It would take great political courage for this Committee to sponsor such a move. Nevertheless, the exigencies of our national energy situation are such that this is the right course of action for our government to take.

Percentage depletion is a particularly effective incentive since it is success oriented, not effort oriented. Only those who discover energy resources, and thus help our energy situation, receive the benefit. Increased percentage depletion would increase cash flows and rates of return and make new investments in exploration and development more attractive.

Second, the right to deduct intangible drilling and development costs when incurred should be continued. This incentive is of vital importance to the petroleum industry. Its repeal would severely curtail the flow of capital into the search for sorely needed new supplies of oil and gas. It would also mean that many marginal producing properties would not be developed; many secondary recovery projects would not be undertaken; and tertiary oil recovery would be materially delayed.

Third, the present tax treatment of foreign operations should be preserved. Over the near term, we must depend to a substantial degree on foreign oil sources. The risk of this dependence is reduced if the sources are well-diversified geographically. The effective costs are also somewhat reduced if the operations are conducted by U.S. companies.

Our U.S. companies must compete abroad with agencies of foreign governments and/or with companies heavily subsidized by foreign governments. These organizations are not necessarily constrained by profit considerations. We cannot put our companies at a further disadvantage and hope to stay in the increasingly competitive race for foreign energy supplies.

United States companies have no special U.S. tax advantages for their overseas operations. They operate under the same tax rules that apply to their comparable domestic operations. They must pay the higher of the U.S. income tax or the foreign income tax on the profits derived from foreign operations. The foreign tax credit merely assures that they are not subjected to double taxation. The foreign tax credit cannot be used to reduce the United States tax on income earned within this country.

In sum, reduction of the petroleum industry's tax incentives in 1969 has exacerbated our energy problems. A return to the incentive levels of 1969 will greatly facilitate efforts to improve our national energy posture.

I know that the House Ways and Means Committee will give thoughtful attention to all aspects of our energy situation in its deliberations. Our problems are serious; they will grow worse. Strong corrective measures are urgently needed in our domestic and foreign programs with respect to energy matters. Tax policies will have an important bearing on the success of these efforts.

AID TO NORTH VIETNAM: OR, TREACHERY REWARDED

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. PRICE of Texas. Mr. Speaker, it is completely intolerable for this Congress to as much as consider the prospect of American aid, be it economic, monetary, military, or otherwise, for North Vietnam, an outlaw nation guilty of the worst type of aggression, terrorism, and utter disregard for international law and the value of human life.

Especially at the time when U.S. domestic programs are necessarily being cut back and internationally this Nation is faced with a critical balance-of-payments deficit, the idea of aiding this renegade regime is an insult to conscience and common sense.

The blood of 50,000 American men has been spilled to stop North Vietnamese aggression; the American people have sacrificed a king's treasure to prevent the darkness of the bamboo curtain from extending still further like a cancerous growth into the bowels of Southeast Asia. After 10 agonizing years of holding the line against North Vietnamese tyranny, without the assistance of most other Free World nations who, on the one hand, did not feel a personal threat to their security but, on the other, readily seek shelter under an American nuclear umbrella, are we now going to ask the American people to dip still further into their pockets to pay tribute to the North Vietnamese barbarians who have, during all this time, attempted to defeat and humiliate the United States?

Mr. Speaker, there can be no justification for aid to the Communist government of North Vietnam. It is true the United States provided assistance to Japan and Germany at the close of World War II, but that was after both Nations had given an unconditional surrender and after both militaristic regimes were deposed. There is no similarity to the situation today where the bandits in charge of the North Vietnamese Government still ride roughshod and impose an iron-fisted tyranny complete with secret police over the people of that unfortunate country.

To the North Vietnamese terror is a weapon that is utilitarian and openly advocated. Captured North Vietnamese documents, which substantiate the testimonies of hundreds of military men and journalists, list and graphically describe the types of terror used against the South Vietnamese and the Americans. For example, on September 1, 1968, doctors at the American Division's 27th Surgical Hospital reported two Montagnard women brought in for treatment for advanced anemia. It was determined that the North Vietnamese had been systematically draining them of blood for the purpose of treating their own wounded. On March 21, 1969, a Kontum Province refugee center was

attacked by PAVN B–40 rockets. Seventeen civilians were killed and 36 wounded, many of them women and children. A third of the center was destroyed. On October 27, 1969, Communists booby-trapped the body of a people's self-defense force member whom they had killed. When relatives came to retrieve the body the subsequent explosion killed four of them.

Terror, always the preferred method of the Communists, is illustrated by the description of the mass graves discovered at Hue which yielded the remains of over 3,000 South Vietnamese victims. Many had been shot with hands tied behind their backs, others were bludgeoned to death, others simply buried alive. None of these victims, moreover, were collaborationists or active anti-Communists.

Terrible as the Hue murders were, many of the worst atrocities of the North Vietnamese have been committed against American prisoners of war. Our POW's have been tortured, publicly paraded through the streets, pressured into making broadcasts of alleged confessions, and denied proper medical treatment. All of the above are in direct violation of the 1949 Geneva Convention relative to the treatment of prisoners of war, to which North Vietnam acceded in 1957.

Article 21 of the Geneva Convention requires that POW's "not be held in close confinement," yet many American POW's have been held in solitary confinement for years. Article 26 requires that prisoners be provided with sufficient food to prevent the loss of weight, yet American POW's were fed pig fat and most have suffered malnutrition. Article 122 requires the prompt listing of all prisoners held, yet North Vietnam for years refused to release an official or complete list. In fact, we may never receive a complete accounting of the men lost in action, and I am not at all convinced that the North Vietnamese have told us all they know or that they have released all of the men taken captive.

Furthermore, I believe we will be hearing further stories of North Vietnamese atrocities as time goes by.

In view of these shocking facts, we must ask, are the American people willing to rehabilitiate the country of those who have treated our countrymen with such disdain? I think not.

When President Lyndon Johnson proposed aid to North Vietnam for rehabilitation in April of 1965, his offer was publicly rejected by the North Vietnamese who labeled Americans as "stupid pirates." Perhaps the North Vietnamese rejected President Johnson's offer of aid because they surmised that if, through the use of terror, the war could be escalated and prolonged the American offer of aid might be multiplied by billions later on. With dishonest accounts of military damage the North Vietnamese could extract from us a tremendous sum in "reparations."

There is nothing new with the proposal of aid to North Vietnam; this Nation has for the past 25 years and at a cost of $140 billion attempted to buy friends and peace around the world. I need not recite the miserable facts—we have no peace, we have no security, and we have very few friends.

President Nixon is correct in seeking a dialog with other Nations, friend and foe, so that the chance for misunderstanding or underestimating the intentions of the United States can be reduced. But to ask working men and women in this Nation to dish out an additional $2.5 billion to reward those who have imposed the darkest hour on this Nation since the Civil War, cannot be justified and must not be permitted under any circumstance or guise.

If we must spend, instead of giving the money or the aid to the Communists, why not use it at home for the benefit of the American people? Why should our people always receive the last consideration when aid programs are designed by our self-serving army of bureaucrats working in Government? How many new school classrooms could be built for American children with this money? How much sooner could we find a cure for cancer if this money were invested for research instead of being squandered upon the Communists? Why do not we help our American Indians here at home instead of those who have plotted against us? What about senior citizens in the United States? How much better would their lot be if this $2½ billion were spent to make their retirement years more comfortable? These are our fathers, mothers, and grandparents—should not they be given a higher priority than foreign Communist aggressors?

The fact is, we cannot afford to squander this money. The contention that this $2½ billion would be "squeezed" from the defense budget is absurd. We must spend whatever is necessary to assure the security of this Nation, and therefore if this $2.5 billion is essential to our military posture, it cannot be spent for aiding the Communists. On the other hand, if this $2.5 is not essential to our defense preparedness, then it should not have been incorporated into the defense budget in the first place.

Mr. Speaker, the time has come to say no. Not one more dime for foreign squandering under the catchy slogan of an "investment for peace." To accede to this preposterous scheme would be to demonstrate again the wisdom of Calvin Coolidge who once observed:

> Nothing is easier than spending the public money. It does not appear to belong to anybody. The temptation is overwhelming to bestow it on somebody.

Mr. Speaker, I am today introducing legislation to prohibit economic assistance to North Vietnam. I call upon the Congress for prompt approval of my bill. Let us "Tell it to Hanoi" that the American people will sacrifice for the cause of freedom but will not pay tribute to a pack of criminals who are not worthy of recognition as a civilized government.

Senator Everett Dirksen once labeled the proposal to give aid to North Vietnam as "another case where American trumpets sound retreat." Like it or not, that is the choice before us, and I believe this Congress would insult the American people and repudiate our sacrifices of the past decade if approval of this scheme is given. Uncle Sam must stop playing the role of Uncle Sap.

DISCRIMINATION IN FACULTY HIRING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CRANE. Mr. Speaker, the Civil Rights Act of 1964 forbids discrimination based upon race, sex, or age in employment.

In recent days it has become clear that an agency of the U.S. Government itself, the Department of Health, Education, and Welfare, is asking all those colleges and universities which receive Federal funds to do precisely what the law forbids: practice racial, age, and sex discrimination.

Unless colleges and universities submit to such regulations, and have stated "quotas" of faculty members of different groups—men, women, whites, blacks, and so forth—they are threatened with the withdrawal of Government funds.

Congress has never passed any law calling for such quotas. In fact, the civil rights legislation it has passed would clearly forbid such quotas. The President himself has said that he opposes quotas. Despite these facts, bureaucrats at the Department of Health, Education, and Welfare are imposing them.

Consider a letter received from Dr. Tullio J. Pignani, chairman of the department of mathematics at East Carolina University by Dr. Paul T. Bateman, chairman of the department of mathematics at the University of Illinois.

Dr. Pignani states that his "reason for writing is to inquire if there is a person associated with your institution who meets the following qualifications." What are the qualifications? The person must be "black or Chicano." The person must be "retired, but of age less than 70."

The candidate for a position at East Carolina College must also have "Directed Ph. D. dissertations in Mathematical Sciences other than Modern Algebra and Topology, and must have a broad view of mathematics."

The possibility of finding a candidate who is black or Chicano, over 65 but under 70, with the particular qualifications set forth is highly unlikely.

Dr. Pignani also states on this letter that "East Carolina University is an Equal Opportunity Employer" and that "a negative answer as well as a positive one" is requested.

It appears that East Carolina University is making this illegal and discriminatory request simply to fulfill quotas set forth by the Department of Health, Education, and Welfare. Why else would a "negative" reply be requested if not to establish the fact that it had done its best to fill the available position in a discriminatory manner?

I wish to share the letter from Dr. Pignani to Dr. Bateman with my colleagues, as an indication of what is happening today on the Nation's campuses with regard to faculty hiring. If this is not racial and age discrimination, I do not know what is. Following is the letter in question:

EAST CAROLINA UNIVERSITY,
Greenville, N.C., February 5, 1973.

Dr. PAUL T. BATEMAN,
Chairman, Department of Mathematics, University of Illinois, Urbana, Ill.

DEAR DR. BATEMAN: My reason for writing is to inquire if there is a person associated with your institution who meets the following qualifications:

Ethnic Group: Black; Chicano.

Age: Retired, but of age less than 70.

Experience: Directed Ph.D. dissertations in Mathematical Sciences other than Modern Algebra and Topology, and must have a broad view of mathematics.

Health: Good.

Please use the enclosed form letter and envelope to supply me with names and addresses of persons who possess the above qualifications. Since East Carolina University is an Equal Opportunity Employer, I would appreciate a negative answer as well as a positive one.

In the past, the Department of Mathematics has maintained one position for the sole purpose of hiring retired mathematicians who have the necessary qualifications to fill our needs. Such a person among our young faculty gives the Department a proper balance. The sudden death of Dr. W. M. Whyburn last May created a vacancy that has not yet been filled.

Your attention and time in replying to my request is greatly appreciated.

Sincerely,

TULLIO J. PIGNANI,
Chairman, Department of Mathematics.

MRS. SLAVIN'S STATEMENT ON RETAIL FOOD PRICE SURVEY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLAY. Mr. Speaker, we have heard many lectures from the President regarding wise shopping.

We also have been given numerous reasons why we are being forced to pay such ridiculous prices for our food.

We also have been urging consumers to get involved and do their own thing to help keep down food prices.

I can proudly say, Mr. Speaker, we are fortunate to have in the First Congressional District of Missouri, Mrs. Alberta Slavin, a woman who has organized, fought for, and championed consumer interests.

As president of "Housewives Elect Lower Prices," she has often appeared before legislative bodies and Government agencies to appeal for commonsense.

Mrs. Slavin's most recent offering is a statement to the Federal Trade Commission regarding the proposed FTC retail food price survey. I commend this outstanding and informative statement to my colleagues. The statement follows:

CLAYTON, MO.,
March 19, 1973.

ASSISTANT DIRECTOR,
Division of General Litigation, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

DEAR SIR: I welcome the opportunity to present my comments to the Federal Trade Commission on the proposed Protocol for the FTC retail food price survey. As President of Housewives Elect Lower Prices, an organization of volunteers who have been surveying retail food prices in the St. Louis Metropolitan area since October 1967. I feel qualified to offer my remarks with the hope that the Commission will give them due consideration.

Before dealing with the mechanics of the proposed Protocol. I feel it is necessary to give you a little background on the survey work we have been doing and the reasons for our continued involvement. Our initial survey was conducted by a group of 20 friends who were concerned about high prices and the overpromotion of food sales with trading stamps and games. Purely by chance, our first survey provided data on the subject of food price discrimination and served as testimony for Congressional hearings conducted in St. Louis by Representative Benjamin Rosenthal.

As a result of these hearings, our organization grew in numbers of volunteers and our work continued in conjunction with other community action organizations. Our first thrust was to correct any imbalance between prices in outlets of the same chain which were located in different neighborhoods. There is no question that this survey work was extremely successful in correcting an identifiable problem, but I question whether or not the long-term effect of this thrust was beneficial, a point I will elaborate on later in this statement.

Over the years our continued surveys have been extremely useful for a variety of reasons and have provided the information needed to give impetus to our various activities. For example, our surveys have:

Provided a backdrop for urging the elimination of trading stamps and games, promotional gimmicks which inflate food prices unnecessarily.

Contributed to a ruling by the FTC requiring availability of advertised specials.

Led to early revelation of the failure of Phase II in controlling the advance of food prices, particularly meat prices.

Showed that Phase III was an even greater failure than Phase II and formed the basis for calling for our "Meatless Thursday" program.

Without this backdrop of experience, I was shocked to see that the FTC was proposing to survey retail food prices with the limited goal of exposing fraudulent advertising claims. This proposal comes about five years too late. Very few consumers today are fooled by extravagant claims of "the lowest prices in town" or phrases of a similar nature. Competition in the area of prices has never been keener with large chains like A&P losing vast sums of money just to entice the shopper back into the store with genuinely low prices. As food prices soar, the retailer has been doing his level best to hold those increases within some family acceptable range to avoid the ire of the irate housewife.

For the FTC to undertake a price survey to expose fraudulent pricing practices is the sheerest of folly. What chain store today can withstand the negative publicity of information suggesting that inner city stores are charging higher prices than stores located in more affluent neighborhoods? Stores located in the inner city of St. Louis have been closing steadily for several years. It is even difficult to make such a comparison as a result of all the closings.

When Bettendorf-Rapp, a chain of Allied Supermarket, sold out to Schnucks, a local chain consisting of ten outlets, Schnucks chose not to open seven of the Bettendorf-Rapp outlets. Three of these were located in hard-pressed north St. Louis. Since that time, a National store on DeBaliviere (one block from a closed Bettendorfs) has closed. The Krogers store which served residents of Pruitt-Igoe, a large housing project, had closed less than one year after the hearings in St. Louis. Many independent stores have also closed during this period of time to the detriment of the neighborhood they served. University City, a suburb directly to the west of north St. Louis, has experienced similar closings.

Now then the FTC proposes to conduct surveys to expose unfair pricing and advertising policies of chain stores with the stated goal of protecting the consumer. The consumer needs other help—he needs stores where he can shop, he needs the government to control inflationary food prices, he needs meaningful price controls, not platitudes, from a government that prefers to export vast quantities of food commodities to meet balance of trade deficits while blaming the American consumer for consuming too much food and driving prices higher.

If the FTC were surveying prices with the intent of reducing them, their goal would be a worthy one supported by all consumers. But if the FTC is going to survey prices to expose unfair claims and take a look at retail competition, this is another waste of the taxpayers' money.

With this lengthy introduction, I would like to direct my remarks now to the mechanics of the survey proposed. There are some basic flaws in approach, which if followed, would render the results of the survey almost worthless. The most glaring of these is to be found on page 5, Section B of the proposed Protocol. It states:

"Immediately after the data is collected a copy of the store's prices will be given to the manager of that particular store or his delegate to be reviewed at that time for surveyor error. The store's representatives must notify the Commission of any inaccurate prices before the surveyor leaves the store."

It would appear that the FTC surveyor will meet with the store manager, show him the survey results and have any "errors" corrected before the surveyor leaves. May I refer you to Representative Benjamin Rosenthal's hearings conducted in St. Louis in November 1967. At that time, Mr. White of Kroger's explained away 48 or 65 surveyed items which were higher in an inner city Kroger store than in other Kroger stores as the result of "human error in marking the prices." If an FTC surveyor had been surveying that store, we could assume that 48 corrections could have been made before the surveyor left the store.

The stated purpose of the FTC survey is to expose such differences. Yet, the machinery provides for correcting these differences before they are exposed. It is even possible that such differences will be corrected just on the possibility that the FTC is proposing to look for them. Stores are very sensitive to the possibility of negative publicity, and they work diligently to avoid it.

Several years ago our organization realized that the biggest problem facing consumers who live in depressed urban areas was in finding a place to shop. Unfortunately, I see nothing in this proposed Protocol which will help to resolve this problem. When the FTC undertook its study to determine the availability of advertised specials, it provided a service of great value to consumers. We cooperated in full with that study by undertaking a volunteer survey and submitting these results to the FTC. The subsequent ruling requiring stores to provide advertised specials in sufficient quantities or to offer substitutes or face punitive fines was an excellent ruling. The effect of that ruling has been extremely beneficial to consumers.

If the FTC has funds to conduct surveys or collect data. I suggest that it undertake a study to see what is needed in the way of federal assistance to encourage retail markets to make a commitment to economically depressed urban areas. Apparently the risks and the problems outweigh the profits, for chains are continuing to close these outlets whenever possible.

It would also be valuable to the consumer if the FTC took a close look at marketing practices engaged in by manufacturers and retail store owners. What kind of price incentives are offered to keep a name brand on the same shelf with a private label brand when the private label brand is exactly the same item in a different package? Why should consumers be tricked into thinking that Wonder Bread is worth more than the same exact item packaged and sold under a private label? Why can't the FTC expose the efforts of retail chain stores to kill the returnable beverage container by dictating to the bottler the kind of package he will permit on his shelves?

This is the kind of restraint of trade which should be thoroughly investigated by the FTC and which would be of great benefit to consumers. The consumer today is the unwitting victim of these "hidden" deals and pays dearly the cost of being brand-washed.

In conclusion, may I urge that the Commission send a representative to St. Louis to personally examine the problems existing in retail food marketing. I also urge our own Congressional representatives to join us in such an in-depth study of the problems which I have raised and can be documented by the living evidence of abandoned buildings.

Sincerely,

ALBERTA SLAVIN (Mrs. Raymond),
President, Housewives Elect Lower Prices.

OFFICE OF ECONOMIC OPPORTUNITY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LANDGREBE. Mr. Speaker, Judge John J. Niblack, of the Marion Circuit Court, 19th Judicial Circuit, has been a judge in Indianapolis since 1941.

I am inserting Judge Niblack's report on the Office of Economic Opportunity in the RECORD:

EVALUATION OF THE INDIANAPOLIS, IND., LEGAL SERVICES ORGANIZATION OF THE OFFICE OF ECONOMIC OPPORTUNITY OF THE UNITED STATES OF AMERICA

(By John L. Niblack)

I was asked by the Office of Economic Opportunity to evaluate the Indianapolis Legal Services Organization. I have been a judge in this city since November 1941, and have two more years to go.

I believe the Legal Services Organization was founded with the best intentions to aid poverty stricken persons who could not afford to hire an attorney on their own. However, the organization has been running wild on activities other than contemplated in the beginning. Please bear in mind that all the attorneys hired by the LSO are also members of the Bar of the State of Indiana and officers of the Courts, including this Circuit Court.

I find that there is a prevalent attitude amongst the cadre of the LSO attorneys of antagonism toward the older established forms and branches of Government, especially the State Courts. However, I must include other branches of Government such as local schools wherein the local LSO has taken Technical High School authorities to Federal Court because they banned a filthy, underground publication by some students at that school, called "The Corn Cob Curtain." I was informed this was done without the consent of the parents of the students, and without appointment of next of friend, Guardian ad litem or anything else. I do not believe it is a proper function of the LSO to represent school children who have parents who can hire their own attorneys and pay their own attorney fees. I am sure the tax payers of the country can find much better use for their money than in the "Corn Cob" case. Incredible as it may seem, the Honorable William Steckler, Chief Justice of our local Federal Court, allowed these children to act on their own as plaintiffs, and, worse yet, on behalf of 300,000 other school children as and for a class action.

I cite herewith some cases wherein the LSO has busied itself with attempts to thwart the State Courts from exercising their constitutional function or have made Judges defendants in frivolous law suits through appeals to the Federal Courts for injunctions in cases pending in the State Courts, to-wit:

No. 1. A prisoner being held in the Marion County jail applied to this Court verbally through the Sheriff's Department that he wanted to file a writ of habeas corpus under the Indiana statutes to fight extradition to another State. I contacted the Honorable George Sawyer, head of the local LSO, and told him I was appointing him as attorney for this prisoner as I regarded it a proper function for the LSO as the man had no attorney and no funds. Mr. Sawyer informed the Court that it was not his business, but the Court made an order directing him to file the writ of habeas corpus, which is in the nature of a civil action rather than criminal, or be held in contempt of Court. Mr. Sawyer complied with the order.

No. 2. There was an aged Negro who lived on the east side of Indianapolis who owned his own home. He was in trouble with the City Sanitation Department about hooking on to a private sewer which had been constructed along his street. At the same time the Health and Hospital Corporation cited him into this Court for not having a sewer. He showed the Court that he had paid a private contractor $400.00 to install the sewer but the contractor had defaulted on the job. I decided I was not competent to defend him in such a complicated matter involving his liberty and property so I appointed the LSO to represent him as he had no funds except his Social Security and was aged and infirm. The LSO refused to enter an appearance until I ordered them to do so, whereupon, one attorney for the organization entered an appearance. However, he failed to put up any defense or file any pleadings and finally the Court fined him $25.00 in cost for contempt of Court, and excused him from the case.

No. 3. In the case of Poole vs. Steele before Honorable Rufus Kuykendall, on December 16, 1970, Andrew Jacobs, Sr., a prominent attorney of this town, filed a possession suit on behalf of Robert E. Poole and Barbara J. Poole, his wife, against one Mary Steele, a tenant of the Poole's, alleging default on contract of $100.00 a month payments for purchase of the real estate. The place had a mortgage on it in the amount of $88.00 a month which had to be paid by the landlord Poole. The latter was a working man and had invested his savings in the rental house which was air-conditioned and in good shape.

Under the Indiana law, plaintiff filed an affidavit for immediate possession and bond was fixed in the amount of $2,000.00. The defendant was notified she had five days to post said bond which she failed to do. Thereafter the Poole's filed a $2,000.00 bond entitling them to immediate possession pending trial. On January 7, 1971, at 3:44 P.M., Mrs. Steele through the Legal Services Organization by Ronald Elberger and John T. Manning, filed a petition with Judge William Steckler, of the U.S. District Court here asking for an injunction againts the Honorable Kuykendall and Lee Eads, Sheriff, and the Pooles from enforcing the writ. The LSO alleged an emergency although it was 22 days after suit was filed. Sixteen minutes later, at 4:00 P.M. on said date, the Chief Judge of the Court, the Honorable Steckler issued a restraining order without notice or any attempt to notify the plaintiffs Poole, and the Sheriff desisted from his effort to serve the writ.

On January 11, the defendant Steele moved out taking with her an expensive bar from the recreation room in the basement of the property of the landlord and other property including wall to ceiling paneling, 3 accordian doors, two hanging lamps, curtain and drapery rods from the windows and locks from the inside doors, as well as carpet in the living room and quarter-round securing same. She also broke or removed plates on electric light outlets on the walls, tore down towel racks and tile soap dishes from the bathroom walls and committed other acts of waste too numerous to mention, all as set out in an affidavit furnished the Federal Court by attorney Jacobs.

On January 19, 1971, the Poole's filed their motion to dismiss the case in Federal Court which was taken under advisement by Judge Hugh Dillin until June 24, 1971, whereupon it was dismissed. The LSO attorneys appealed the dismissal to the 7th Circuit Court of Appeals in Chicago causing the Pooles to have further litigation. The appeal was denied. The LSO theory was that this lady defendant was being denied due process of law because she was not notified about the bond being posted. This has been the law for 150 years. The LSO could and should have entered an appearance in the case in Judge Kuykendall's Court and if not satisfied with the outcome, could have taken an appeal to the Indiana Supreme Court on any constitutional question and not bothered the already over-burdened Federal District Court and the Federal Circuit Court of Appeals. Our U.S. District judges constantly are crying that they are over-loaded. In many, many cases our Federal judges could and should tell applicants to file their suits in the Indiana courts, all of which have just as competent and fair judges as the Federal Bench.

No. 4. The case of J & L Realty Company versus Ray Passwater. This was a case in the Municipal Court One before the Honorable Joseph N. Myers. Allen Goldstein, the attorney for the company, filed a suit for possession on September 8, 1970, of a house rented to defendant Passwater, who was delinquent in his $85.00 a month payment on contract of sale since January of 1970—being about ten months. On October 3, 1970, the LSO through its attorney Peter Wormser, instead of contesting the case in Judge Myers' Court, went straight ot the United States Circuit Court of Appeals at Chicago and got a restraining order versus the plaintiff and Judge Myers from taking any action in the case and the Court sent the case down to Indianapolis for Judge Dillin to try. On October 12, 1970, the J & L Realty Company filed their motion in the United States District Court to vacate the suit and vacate the restraining order. Judge Dillin heard oral argument and said from the bench he would vacate the said order which he did five and a half months later on March 25, 1971. Whereupon the LSO filed notice of appeal to the the 7th Circuit Court of Appeals. Nothing came of the appeal and in April of 1971, the LSO attorney filed an Answer in the Municipal Court Room One, which he should have done in the beginning and cut out the expense to tax payers in fooling around with appeals and expensive briefs in the Federal Court. After trial on the merits in May of 1971 in Municipal Court Room One, judgment for plaintiff was agreed to by the attorneys in the case on a stipulation of facts and in July of 1971 a writ of assistance by the Municipal Court Room One was issued and Mr. Passwater was finally evicted and the landlord given possession. The defendent Passwater had been in possession for 20 months with no payment while the landlord

had to pay the taxes on it at $11.00 a hundred tax rate and keep up the insurance.

No. 5. Mrs. Artie Lindsey vs. Charlie R. Bryant and Virginia Bryant, his wife, is a suit for possession on delinquent payments on a contract of sale. Defendants were living in the house of Mrs. Artie Lindsey and agreed to pay $70.00 a month. They were delinquent three months and in addition they were delinquent in taxes and the insurance in the amount of approximately $1,000 which Mrs. Lindsey had to borrow to pay off. Mrs. Lindsey was a widow, age 72 years old, and had no other income beside Social Security, while the defendant was employed as a maintenance man at a tool and die company at $100.00 a week. The LSO through its attorney, one Ronald Elberger, applied directly to the United States Court of Appeals for the 7th Circuit at Chicago, Illinois, a motion for an emergency temporary restraining order against the Court and plaintiff, Mrs. Lindsey. This was an extraordinary proceeding, if there ever was one.

The Circuit Court of Appeals denied the petition with a stinging rebuke to the Legal Organization, stating among other things, as follows: "As far as we can ascertain from the papers before us, no effort was made to secure injunctive relief from any of the numerous Marion County Courts until the day the motion was tendered for filing in this Court, to-wit: August 12, 1971, nearly a month after the issuance of the writ of possession. This court should not be abused by labeling "emergency" that which is only so by virtue of lack of interim and reasonable diligence. The Bryants have failed to demonstrate any standing for proceedings in this Court. They admittedly have filed no complaint nor attempted to file a complaint in the appropriate court or in the District Court of Indiana."

As may be inferred, this was a profligate waste of taxpayers money in paying the expenses of said Elberger for a plane trip to Chicago and back and otherwise infringing on his time which he could have devoted to much better use on behalf of the poor. Possession was granted to the widow plaintiff in August after the defendant Bryant moved out. In my opinion the old woman should have been the one to receive the services of LSO instead of having to pay her own attorney.

This case is still pending with the Honorable Addison Dowling as Special Judge on complaint and cross-complaint by the LSO attorneys on behalf of Mr. Bryant. The cross complaint challenges the constitutionality of the Indiana statute about writs of possession, etc. Mr. John T. Manning is attorney for the defendants on behalf of Legal Services Organization and has filed a multitude of briefs and pleadings, including one brief of 89 pages, which must have cost the tax payer quite a bit of money. All of this could have been done by contesting the case in Superior Court in the beginning instead of running to the Federal Court in Chicago. Judge Dowling has the matter under advisement and I suppose if he finds against the defendants, there will be a large and expensive appeal on behalf of the Legal Services Organization to the Indiana Supreme Court in the matter, although their client, Mr. Bryant, has a new job which provides him ample salary and free housing at the Evangelistic Center on the south side of the city.

No. 6. The LSO attorneys Elberger and Manning took an appeal consolidating all the above cases to the 7th Court of Appeals which came to nothing but entailed large expenses to the tax payers.

No. 7. This week there appeared in a local newspaper "The Golden Sentinel", a publication or news letter of the Senior Citizens organization of Indianapolis, a combination of several federally funded groups. This ad, a large one, solicits Senior Citizens to draw up a will and to have the LSO do the same. The LSO in the ad promises to furnish transportation for people to come down and have their wills drawn free of charge. It appears to me that if people have enough funds to make a will and bequeath their belongings to someone, they should have enough funds to pay $10.00 or $25.00 to some attorney who has to pay office rent and taxes, as well as support himself and his family instead of having the Legal Services Organization butting in and taking away his legitimate business. I would like to know from the Board of Directors of our Legal Services Organization and its parent body, the Office of Economic Opportunity, under just what theory they are proceeding in this matter of drawing up wills. It is against the Indiana Code of Ethics for private attorneys to advertise for business.

The above are specific examples of meddling and tampering with justice on behalf of the Legal Services Organization of this city which have come to my direct attention. No doubt, there are many others which I am not aware of. Recently I made an order in a case wherein the LSO attorney represented an indigent lady who wanted a divorce. I decreed that she could have a divorce, however, I added an order that neither she nor the husband could have a marriage license granted in this County without first paying the costs in the divorce case. It seemed to me it was only fair that the tax payer should be reimbursed for the divorce if she or the husband either one wanted to get married again and start the same old procedure over once more. Mr. Norman Metzger, head of LSO at the time, took violent exceptions to such a ruling, stating I was denying the lady's constitutional rights and her divorced husband's too, for that matter. Although in my opinion, the question was moot until either applied for a license. He filed a motion to correct errors and harrassed the Court with numerous interviews about such asininity on my part and started an appeal at the taxpayers expense.

I will say that Miss Judy Hamaker, one of the attorneys for LSO who handles most of their divorce cases, has been very respectful to the Courts and has done her best to cooperate with the Court in all things. I believe that if the LSO would get rid of some of the more belligerent, young, left-wing attorneys who are scornful of established institutions that we would all be better off and the tax payer would save a lot of money.

I might add, in Joint Session of all the Courts of Marion County, we adopted a resolution asking that the Marion County-City Council make an independent evaluation of the LSO in this city on behalf of the tax payers which we believe will be a valuable addition to any evaluation made by the organization of itself. Our council has to provide tax money for activities of the LSO.

I assume the LSO was established by Congress to assist the Courts in the administration of justice. The Indianapolis branch solicits law business, represents too many persons who are able to fee their own attorneys, stirs up litigation between class and class, and is adding immensely and needlessly to the burden of the already overburdened tax payers who pays his own legal fees. Although in theory the LSO is under a board of directors, the young law school graduates manning the trenches are a law unto themselves.

I believe the best solution for the LSO problem would be to dissolve it locally and turn the problem of legal aid to paupers or poor people over to the Legal Aid Society of the local Bar Association and let the Federal Government pay the funds into the Legal Aid Society. Maybe a new Board of Control for the Legal Aid Society could be devised with the Bar Association having the major voice, but with the OEO having a representative on the Board and the local judiciary likewise having a representative.

STATEMENT OF REPRESENTATIVE BOB WILSON

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BOB WILSON. Mr. Speaker, I am happy to cosponsor legislation which is being introduced today with the gentleman from Georgia (Mr. BLACKBURN) and 26 cosponsors. This bill will allow use of industrialized construction techniques in federally assisted housing programs.

Due to rising construction costs, the family with an income of $10,000 or less has been effectively forced out of the new housing market. Federal subsidy programs have helped. However, we in the Congress are becoming concerned about the steep increases in fund demands—which now are estimated to be heading for the level of $7 billion a year by 1978. This is five times the current payout. The demand for low-income housing is huge. The Department of Housing and Urban Development has a backlog of 500,000 families who are seeking to get into public housing projects. If we are to meet the housing needs of our Nation today and in future years, we must change our ways of producing housing—right now.

A ready means to cut construction costs is by applying the new and exciting technology brought to us by the space age.

Unfortunately, antiquated building codes and restrictive union work rules are barriers to the use of this new technology in modernizing the housing industry. In an effort to correct this problem I introduced H.R. 18028 in the 91st Congress and H.R. 3679 in the 92d Congress, the latter cosponsored by 30 of my colleagues in the House. The legislation I cosponsor today is an improved version of these two bills. It will preclude local codes, laws, ordinances, or locally made labor agreements from restricting the use of new construction products and technology. I want to commend the gentleman from Georgia (Mr. BLACKBURN) for introducing this bill today. His efforts as a member of the Subcommittee on Housing to eliminate impediments to lower cost housing are well known. I was pleased to be of assistance to him in the preparation of this bill.

The bill's important provisions are:

First. Through a civil court action in a Federal or State court, any person, including a builder, a contractor, or a manufacturer may prevent the enforcement of any local code, law, ordinance, or work rule that restricts his use of new techniques or materials in a federally assisted housing program. In my prior bills, enforcement was left to overburdened Federal officials. In this bill, no action by a governmental agency is required or allowed. The remedy is placed in the hands of the parties who have the greatest direct interest—the manufacturers, contractors, and users.

Second. The remedy does not apply if the restrictive code or work practice is required to protect the health or safety of working or living conditions. However, the person invoking this exception must

show by a preponderance of the evidence: first, that the restraint is necessary to assure safe and healthful working conditions and, second, that the prefabricated product fails to provide this assurance. By placing the burden of proof on the person invoking the health and safety exception, we have modified my former bills. As a result, this new bill omits any concept of making HUD or any agency designated by HUD the arbiter of the safety and healthfulness of new products and techniques. Under the new bill HUD simply is not involved in standard setting or in enforcement. Thus, there is no way in which the bill could lead to the adoption of national building standards.

Third. The court may order equitable or preventive relief and damages, although damages may not be assessed against a local governmental body.

Fourth. The safety and health issue and all other questions under the bill will be decided by a State or Federal court in the locality.

I hope the Subcommittee on Housing will give this bill early consideration. Unless we can employ the newest and best technology in housing construction, we most certainly will fail as a Nation to achieve our national housing goals. And what is more important, we will fail the thousands who so desperately need low cost housing.

The text of the bill follows:

H.R. 6400

A bill to promote the utilization of improved technology in federally assisted housing projects and to increase productivity in order to meet our national housing goals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any provision or requirement in any building code or other local law or ordinance, or in any contract or agreement, or any practice or other restraint which interfers with or restricts the use of new or improved techniques, methods, or materials or the use of preassembled products in connection with any development, construction, rehabilitation, or maintenance activity assisted under any program administered by the Secretary of Housing and Urban Development shall be unlawful with respect to such activity: *Provided,* That nothing contained in this paragraph (a) shall be construed to make unlawful any such provision, requirement, practice or restraint if it is shown by a preponderance of the evidence (1) that such provision, requirement, practice or restraint is necessary to assure safe and healthful working or living conditions and (2) that such technique, method, material or product fails to assure such safe and healthful working or living conditions.

(b) Any person who is aggrieved because of any provision or requirement in any building code or other local law or ordinance, or because of any contract, agreement, practice, or other restraint unlawful under subsection (a) of this Act may bring a civil action in any appropriate United States district court notwithstanding any other provision of law and without regard to the amount in controversy, or in any appropriate State or local court of general jurisdiction to obtain equitable or preventive relief for violations of this section, or appropriate damages, and may request such relief, or enter a claim for such damages, in any court whenever relevant in connection with a defense to, or counterclaim in, any suit or action brought against such person in that court, except that damages shall not be awarded where the person bringing the action under this section is aggrieved by reason of any provision of requirement in any building code or other local law or ordinance.

MASSACHUSETTS SENATORS SPEAK OUT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HARRINGTON. Mr. Speaker, the Massachusetts Senate passed a resolution March 8 memorializing the President and the Congress to consider the plight of Soviet Jews before granting most-favored-nation status to the Soviet Union.

The Soviet Union has recently taken steps to ease the repressive restrictions on the emigration of Jews, but such actions cannot yet be interpreted as a major policy reversal. It is possible that the Soviet Government has responded to the pleas of most Americans and to the probability of congressional action to prevent granting most-favored-nation status until Soviet policy on emigration is changed.

This is possible, but until we are sure that the Soviet Union is, in fact, changing its policies, we should not fall silent. We should continue to speak out and make our position clear because silence can do nothing to impress the Soviets with the seriousness of our convictions.

For this reason, I would like at this time to insert in the RECORD a copy of the resolution of the Massachusetts Senate.

RESOLUTIONS MEMORALIZING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO CONSIDER THE PLIGHT OF SOVIET JEWS PRIOR TO GRANTING FAVORED-NATION STATUS TO THE SOVIET UNION

Whereas, In the Soviet Union men and women are denied freedoms recognized as basic by all civilized countries of the world and indeed by the Soviet Constitution; and

Whereas, Jews and other religious minorities in the Soviet Union are being denied the means to exercishe their religion and sustain their identity; and

Whereas, The government of the Soviet Union is persecuting Jewish citizens by denying them the same rights and privileges accorded other recognized religions in the Soviet Union and by discrimination against Jews in cultural activities and access to higher education; and

Whereas, The right freely to emigrate, which is denied Soviet Jews who seek to maintain their identity by moving elsewhere, is a right affirmed by the United Nations Declaration of Human Rights, adopted unanimously by the General Assembly of the United Nations; and

Whereas, These infringements of human rights are an obstacle to the development of better understanding and better relations between the people of the United States and the people of the Soviet Union; now, therefore, be it

Resolved, That the Massachusetts Senate memorializes the President and the Congress of the United States to consider the plight of Soviet Jews when granting most favored nation status to the Soviet Union and to call upon the Soviet government to end its persecution of the Jews and other minorities and to permit the free exercise of religion by all its citizens in accordance with the Soviet Constitution, to permit its citizens to emigrate from the Soviet Union to the countries of their choice as affirmed by the United Nations Declaration of Human Rights and to use all appropriate diplomatic means to engender the fullest support possible among other nations for such a request to the Soviet Union; and be it further

Resolved, That copies of these resolutions be transmitted by the Senate Clerk and Parliamentarian to the President, the Secretary of State of the United States, the presiding officer of each branch of the Congress of the United States and to each member thereof from the Commonwealth.

Senate, adopted, March 8, 1973.

MINORITY PEOPLES PROBLEM POSES UNITY QUESTION FOR U.S.S.R., SAYS MONITOR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DERWINSKI. Mr. Speaker, among the peoples who have been subject to unusual historic persecution are the Armenians. From the days when they were subject to an attempt by the Turks to eliminate the Armenian nation to the present day when Armenia remains one of the Captive Nations under Communist rule, the Armenian people in the free world have tenaciously maintained the pride, traditions, and culture of their homeland and have never lost confidence in the ultimate restoration of freedom for the Armenian people. The Thursday, March 22, Armenian Weekly, published in Boston, Mass., contained an article which expanded on an earlier story in the Christian Science Monitor.

I submit this item for the attention of the Members who are not consistently mindful of the nationality questions within the U.S.S.R.:

MINORITY PEOPLES PROBLEM POSES UNITY QUESTIONS FOR U.S.S.R., SAYS "MONITOR"

BOSTON, MASS.—Mr. Paul Wohl, writing in the Feb. 7, 1973 issue of The Christian Science Monitor, said in an article entitled "Minority Peoples Nag Russians—Population Growths and Nationalism Pose Unity Question for Soviet Leaders", that "The Kremlin is busy debating how quickly it can absorb the many non-Russian peoples of the Soviet Union into a single people of predominantly Russian language and tradition."

He said:

"The Soviet leaders have ground for concern. The Soviet Union is still basically the empire built by the Czars, in which Russians by and large have ultimate authority over a vast number of non-Russian peoples. Most—but not all of the latter—live in Asia. And among most of them, the birthrate is higher than that among Russians.

"At the last census in 1970, the Russians of the Soviet Union made up only just over one half of the country's entire population. If present trends continue, they are likely soon to be outnumbered."

(Some other authorities on Soviet demography hold that the "nationalities" content of the USSR already outnumbers the "Veliko (Great) Russians" of the federated state.

They cite the present nationality break-down as about 100 million Russians as against about 120 non-Russians.—Ed.)

Mr. Wohl continued:

"For example Russians increased in number by a little less than 16 per cent between 1959 and 1970, while the Uzbeks increased by 53 per cent, Kazakhs by 46 per cent, and Azerbaijani and Kirgizians by 49 per cent. And beyond these statistics, the Soviet Communist Party is alarmed over nationalist stirrings in the 14 non-Russian republics and in several of the autonomous republics of Russia proper.

"In the most restive republics Moscow has reacted with party and government purges, arrests, and even capital punishment with the propaganda machine in favor of a united Soviet Union running full blast.

"In his report last December commemorating the first 50 years of the U.S.S.R. as a state General Secretary Leonid I. Brezhnev spoke of the 'further drawing together of the nations and peoples' of the Soviet Union. Their drawing together, according to Mr. Brezhnev, represents an objective meaning, an inexorable, a preordained process. In his report he adopted a position halfway between those who seek to accelerate the ultimate melting of the many nationalities into a single Soviet nation and the advocates of gradualism.

"Mr. Brezhnev referred to the common Soviet motherland (rodina), to the common fatherland (otchizna), but avoided speaking of a Soviet nation. Instead he used the term 'the Soviet people.'

"The terms "rodina" and "otchizna" have a Russian nationalist ring. They were currently used in the press of Czarist days and went hand in hand with Russification. Lenin never used these terms. Stalin unearthed them.

"The general trend of Mr. Brezhnev's address was against the gradualists: 'Any attempt to restrain the . . . drawing together of the nations, to create hindrances to it under one pretext or another, or artificially to consolidate national isolation . . . (are) inadmissible."

"In the Jan. 1 issue of Kommunist, the Communist Party's theoretical magazine, Russian Premier and candidate member of the Politburo, Mikhail S. Solomentsev, went even further. Mr. Solomentsev hailed the 'monolithic unity of the Soviet people' who are "children of the same fatherland."

"There is evidence that the Soviet leaders are divided about the right approach to the nationality problem.

"Pravda in several articles published in December rejected the thesis of 'speeding up' the drawing together of the Soviet nations. But with the recent hardening of the Kremlin's domestic policy against dissidents of all kinds, the majority of the Politburo now seems to have shifted in favor of a faster and more energetic course.

"A political analyst of Radio Liberty has tabulated the respective use by the 15 republican speakers of the terms "Soviet people" and "Soviet peoples" in an interesting treatment of the nationality problem at the December celebration. The tabulation showed that those who spoke most frequently to 'the Soviet peoples,' thus indirectly stressing the national individuality of their respective republics, also were those who participated the least in what is now occasionally called 'the cult of Mr. Brezhnev's personality.'

"Among the deviationists from Mr. Brezhnev's line were the first secretaries of Armenia, Turkmenistan, Kirghizia, Latvia, Uzbekistan, Azerbaijan, and Lithuania, all republics that in one form or another have been 'delinquent' in the "correct" solution of the nationality problem. The first secretaries of Azerbaijan and Lithuania avoided referring even once to "the Soviet people" in contrast to Russian Premier Solomentsev who used this term 11 times.

"In the context of Mr. Solomentsev's recent article in Kommunist it now looks as if the majority of the leadership had come around to favoring monolithism as the basic principle of Soviet nationality policy, which would mean victory for Mr. Brezhnev over the gradualists."

LEGISLATION TO EXTEND THE AGRICULTURAL ACT OF 1970 FOR AN ADDITIONAL 5 YEARS

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. YOUNG of South Carolina. Mr. Speaker, I am in favor of extending the Agricultural Act of 1970 for an additional 5 years. I favor this extension because in my lifetime this present farm program has proven to be the most effective agricultural program this country has ever known.

It has not been our most costly farm program, but it has provided the most practical solution to our farm problems.

Gentlemen, the American farmer is the most efficient farmer in the world today. In this country 5 percent of the people remain on the farm and they meet the responsibility of feeding this Nation. In many countries it requires 50 percent of the population to produce the food they need.

It is essential that we continue a program that has proven so effective.

The American farmer today, with the help of this present farm program, realizes only about a 5 to 6 percent return on his investment. If this return is reduced, we can reasonably expect even more out-migration from the farms. This our Nation cannot afford to have happen.

Thus, I present to you our proposal to extend for 5 more years the expiring provisions of the Agricultural Act of 1970.

It is a program that is effective and that is working. We need to continue it.

SENATE—*Monday, April 2, 1973*

The Senate met at 12 o'clock meridian and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Lord of all our years and of each new day, we lay before Thee the needs of our Nation, the needs which are obvious and the needs yet obscure, beseeching Thee to give us the strength, wisdom, and courage for their solution. Renew the dedication of all the people to spiritual values and submission to the transcendent moral law Thou hast revealed. As we pray for the Nation, so we pray for ourselves in this place, that to our own human efforts and finite wisdom Thou wouldst add Thy divine blessing and infinite wisdom.

We pray in Thy holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 2, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ROBERT C. BYRD thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of March 29, 1973, the Secretary of the Senate, on March 30, 1973, received the following messages from the President of the United States:

REPORT UNDER FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969—MESSAGE FROM THE PRESIDENT

The Secretary of the Senate, on March 30, 1973, received a message from the President of the United States, which, with the accompanying report was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

In accordance with section 511(a) of the Federal Coal Mine Health and Safety Act of 1969, Public Law 91–173, the Secretary of the Interior annually prepares a report to the Congress and to the Office of Science and Technology on progress made in administering the law.

It is my pleasure to transmit to you the report for Calendar Year 1971 and to commend it to the attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *March 30, 1973.*

EXECUTIVE MESSAGE REFERRED

The Secretary of the Senate, on March 30, 1973, received a message from the

President of the United States submitting the nomination of Graham A. Martin, of North Carolina, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Vietnam, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of March 29, 1973, Mr. WILLIAMS, from the Committee on Labor and Public Welfare, on March 30, 1973, submitted a special report entitled "Legislative Review During the 92d Congress by the Senate Committee on Labor and Public Welfare" (Rept. No. 93–96), which was printed.

Under authority of the order of the Senate of March 29, 1973, Mr. MAGNUSON, from the Committee on Commerce, on March 30, 1973, submitted a special report entitled "Committee on Commerce Oversight Report" (Rept. No. 93–97), which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, March 29, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on March 30, 1973, the President had approved and signed the act (S. 583) to promote the separation of constitutional powers by suspending the effectiveness of the Rules of Evidence for U.S. courts and magistrates, the amendments to the Federal Rules of Civil Procedure, and the amendments to the Federal Rules of Criminal Procedure transmitted to the Congress by the Chief Justice on February 5, 1973, until approved by act of Congress.

BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. ROBERT C. BYRD) laid before the Senate a message from the President of the United States, which, with the accompanying document, was referred to the Committee on Appropriations. The message is as follows:

To the Congress of the United States:

I am today transmitting for your consideration the budget of the District of Columbia for fiscal year 1974, together with a supplementary budget request covering necessary additional expenses for fiscal year 1973.

These budget proposals reflect views expressed by citizens of the District of Columbia at City Council budget hearings and have been examined by the Mayor and the City Council in accordance with their responsibilities under Reorganization Plan No. 3 of 1967. The Office of Management and Budget has also reviewed these proposals as specified in the District of Columbia Revenue Act of 1970.

As a result of prudent and effective fiscal management on the part of the municipal government, this 1974 budget will provide adequately for District needs during the coming year without requiring either additional Federal funds or increased city revenue. The fiscal year 1974 proposals call for the expenditure of $841.2 million in operating funds and $150 million in capital funds.

Timely Congressional action last year on the District's 1973 budget was of great assistance to city officials in planning and executing sound programs to serve the people of Washington. I urge the Congress again to act expeditiously on the District budget for 1974.

RICHARD NIXON.

THE WHITE HOUSE, *April 2, 1973.*

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. ROBERT C. BYRD) laid before the Senate a message from the President of the United States submitting the nomination of Lt. Gen. Ormond R. Simpson, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general, which was referred to the Committee on Armed Services.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 5293. An act authorizing additional appropriations for the Peace Corps;

H.J. Res. 337. Joint resolution authorizing and requesting the President to proclaim April 1973 as "National Check Your Vehicle Emissions Month"; and

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week".

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were severally read twice by their titles and referred, as indicated:

H.R. 5293. An act authorizing additional appropriations for the Peace Corps; to the Committee on Foreign Relations.

H.J. Res. 337. Joint resolution authorizing and requesting the President to proclaim April 1973 as "National Check Your Vehicle Emissions Month"; and

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week"; to the Committee on the Judiciary.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTERNATIONAL CENTER FOR FOREIGN CHANCERIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 93, S. 1235.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 1235, to amend Public Law 90–553, authorizing an additional appropriation for an International Center for Foreign Chanceries.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6 of Public Law 90–553 (82 Stat. 958) is hereby amended to read as follows:

"There is hereby authorized to be appropriated, without fiscal year limitation, not to exceed $2,200,000 to carry out the purposes of section 5 of this Act: *Provided,* That such sums as may be appropriated hereunder shall be reimbursed to the Treasury from proceeds of the sale or lease of property to foreign governments and international organizations as provided for in the first section of this Act."

MEAT PRICE CONTROLS—THE FARMER IS THE SCAPEGOAT

Mr. MANSFIELD. Mr. President, once again, the farmer has been made the scapegoat because of events affecting the economy and, in that respect, he finds himself in the company of Members of Congress who are, all too often, blamed for the ills of the Nation.

The latest action by the President on Thursday last in imposing a ceiling on meat prices is, I think, both unjust and unnecessary. The average rancher today has an income of somewhere around $12,000 a year and he has earned that the hard way over a number of years; I believe I could say the last two decades, because of the increase from a low point of somewhere around $6,000 up to the present figure.

The farmer does not work an 8-hour day. The farmer represents, at the most, 6 percent of the total population and because of the difficulties which have been his, that percentage is steadily going down. The latest move by the President will not be of benefit to the farmer or to

the economy. Why pinpoint meat prices? Why not clothing, automobiles, lumber, and many other commodities and products which I could mention? Why should the farmer, alone, be penalized

Mr. President, let me read a portion of a commentary by Mr. James J. Kilpatrick, a conservative columnist for whom I have the highest regard because, while we may differ, I appreciate his honesty and his forthrightness, and I can understand his logic. The excerpt reads as follows:

The Springfield News & Leader, out in Greene County, Mo., came up with a pointed editorial. Steers were then selling at around $44 to $45 per hundredweight.

If beef prices had increased since 1950 at the same rate as postage stamps, the editor observed, beef would have been at $77. If beef prices had merely kept pace with increases in hourly pay in industry, the figure would have been $80. If the price on beef had followed the price of medical care, a producer would have been getting $179 per hundredweight. Granted, meat prices are high today compared to meat prices a few years ago, but these are not the only comparisons that ought to be made.

Mr. President, in 1951, the beef producer received an average of $34.92 per hundredweight. This was the highest price until 1972 when the average annual price was $35.83 per hundred. Prices have gone up in the last 2 or 3 months and, at the present time, stand somewhere in the vicinity of approximately $44, based on the best estimate possible, and this is a result of a decline over the past several weeks. When comparing these prices, one should keep in mind that during the two decades since the Korean war, the costs to the farmers in all categories have increased substantially. Furthermore, over the years, the farmers have had their ups and downs because the very nature of his occupation makes him a gambler. He has to be because of weather, prices, and other factors inherent in his profession.

The President, instead of penalizing the farmer, should take a new look at the inflationary picture and the first thing he should do would be to abolish phase III with its "flexibility" and a "club in the closet" approach because it just will not work, and return to phase II which did work reasonably well. It did keep inflation down and it did give a sense of security and stability to the American people, as a whole.

The time to act is now, not just on a piecemeal basis, and the time to act is now because of four factors:

First. Inflation, in practically all segments of the economy;

Second. The two devaluations of the dollar which have already occurred and now the "floating" of the dollar;

Third. The drop in the stock market; and

Fourth. The continued adverse balance of trade.

Mr. President, the farmer is a consumer, too, and he is entitled to parity with labor and not a "club in the closet" to be used against him alone.

Mr. President, I ask unanimous consent that the column entitled "Everything Is Going Up, So Why Pick On the Farmer?" written by James J. Kilpatrick, and published in the Baltimore Sun of Sunday, April 1, 1973, and also a table on "Choice Steer Prices, Omaha Market—All Weights" covering annual average 1950–72 and also monthly averages for 1951, 1952, 1971, and 1972 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHOICE STEER PRICES, OMAHA MARKET—ALL WEIGHTS

Annual average

1950	$28.88
1951	34.92
1952	32.37
1953	22.77
1954	23.45
1955	22.16
1956	20.09
1957	22.61
1958	26.39
1959	26.93
1960	25.18
1961	23.78
1962	26.45
1963	22.70
1964	22.21
1965	25.12
1966	25.69
1967	25.27
1968	26.83
1969	29.66
1970	29.33
1971	32.03
1972	35.83

Monthly average 1951

January	33.63
February	35.34
March	35.34
April	35.78
May	35.12
June	34.58
July	34.67
August	35.13
September	35.95
October	35.17
November	34.95
December	33.86

Monthly average 1952

January	33.95
February	33.65
March	33.46
April	33.12
May	32.80
June	31.50
July	32.10
August	32.25
September	32.06
October	31.77
November	31.41
December	29.52

Monthly average 1971

January	28.83
February	31.80
March	31.42
April	31.96
May	32.35
June	31.91
July	31.90
August	32.77
September	32.21
October	32.11
November	33.30
December	33.92

Monthly average 1972

January	35.74
February	36.19
March	35.13
April	34.53
May	35.66
June	37.88
July	38.21
August	35.66
September	34.85
October	34.85
November	33.56
December	36.79

EVERYTHING IS GOING UP, SO WHY PICK ON THE FARMER

(By James J. Kilpatrick)

SCRABBLE, VA.—The Black Angus cows move across our quiet meadows, here in the Blue Ridge Mountains as slowly as shadows, as softly as dark seaweed in some great gray-green rolling sea. Until this past year or so, local farmers might have been better off investing in seaweed or shadows than in cows and calves. They have known hard times. Now they're solvent, and they want to stay that way.

This is cattle country, and in some ways fairly typical cattle country. Virginia has a few large producers, dealing in thousands of animals a year, but most of our livestock men are small operators. This is the picture elsewhere. In the nation as a whole, an estimated 250,000 large producers account for 80 per cent of the beef, but another 1.7 million farm families also earn their living on livestock.

It has been, to put the matter mildly, a very poor living. A typical small rancher in the Southwest, according to a recent study, netted only $327 in actual profits on his few head of cattle last year. A major producer in Idaho or Montana, according to the same report, netted $30,000 on an investment of $460,000—a return of less than 7 per cent without taking his years of labor into account.

In recent months, as meat prices have increased, livestock producers have begun to share in the general increase in disposable income that city dwellers have been enjoying right along. These farm families are getting a pleasant taste of new cars, color television, new furniture and electric appliances. Now they turn on the TV, and see that the wives of workers who make automobiles, furniture and electric appliances are mounting a boycott on meat in an effort to drive the price back down. My country friends are burned up, and justifiably so.

It is a curious notion, or so it seems to me, which holds that food costs should stay down while everything else goes up. No one has proposed a boycott on housing or clothing or automobiles. The housewives who are leading this movement would be angry and alarmed if their own husbands' salaries were subjected to organized assault. Why do they want to hurt the farm family whose average income last year was under $6,800.

The Springfield *News & Leader*, out in Greene county, Mo., came up with a pointed editorial. Steers were then selling at around $44 to $45 per hundredweight. If beef prices had increased since 1950 at the same rate as postage stamps, the editor observed, beef would have been at $77. If beef prices had merely kept pace with increases in hourly pay in industry, the figure would have been $80. If the price on beef had followed the price of medical care, a producer would have been getting $179 per hundredweight. Granted, meat prices are high today compared to meat prices a few years ago, but these are not the only comparisons that ought to be made.

Why does beef cost so much? The answer lies, at bottom, in the inexorable law of supply and demand. Meat production has remained relatively stable, but thousands of families who couldn't afford sirloin steak in the past are now able, willing and eager to put steak on the table. Their cumulative demand drives the price up. Other factors, of course, are involved—import controls, price controls on other goods, even the impact of the food-stamp program. The basic factor is old-fashioned demand.

The housewives' boycott may produce illusory benefits. Temporarily, meat prices may be driven down; over the long haul, organized consumer resistance is bound to be self-defeating. Instead of responding to increased demand by increasing their herds

livestock men will counter by keeping production stable. The farmer has to have some incentive for increasing his investment and thus increasing his risk. The housewives, if they succeed, will take that incentive away.

If we will be patient, a satisfactory answer can be found in simply leaving the market alone. Even at today's prices, livestock producers are not getting rich. For a whole lot of hard work, they're earning a little more money. In simple justice, who can fairly object to that?

Mr. GRIFFIN. Mr. President, there is a great deal of criticism of President Nixon's order of last Thursday because he did not roll back the price of beef, pork, and lamb. Surely the action of the President was a balanced decision which took into account the fact that meat prices at the supermarkets have reached a point just about as high as the housewife can possibly tolerate. President Nixon's order says that prices shall not go higher.

I believe there are a number of things that can be done to fight the battle against inflation. One of the most important actions could be taken right here tomorrow when the Senate will decide, at 2 o'clock, whether to sustain the President's veto of the first major budget-busting bill of this session. At that time, we will see whether or not Congress—particularly this body—will play a responsible role in trying to hold a ceiling on Federal expenditures.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield to the distinguished majority leader.

Mr. MANSFIELD. The distinguished acting minority leader has used the word "balance." I do not think any balance is entailed when the farmer is singled out for specific action, as he was last Thursday.

So far as budget busting is concerned, I would point out that Congress will again, for the fifth time in a row under the present administration, reduce the President's budget request below the figure he requested.

I point out that in the last 4 years, the first 4 years of the Nixon administration, Congress did reduce the President's budget requests by $20.2 billion, but that in that period, the administration accumulated an additional deficit of $104.3 billion.

I am confident that again this year, Congress will reduce the overall spending requests proposed by the administration and it will add some of the savings to matters of higher priority. This is the issue at stake tomorrow, when the Senate confronts the question of whether to override the President's veto of the vocational rehabilitation measure. To this vital proposal, Congress has given a higher priority than has the administration. In turn, Congress will place in a lower priority status certain administration spending requests and will cut those items accordingly. In this fashion, I am confident Congress will reorder the Nation's priorities and will reduce overall spending in doing so.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina is recognized for not to exceed 15 minutes.

THE CONFRONTATION AT WOUNDED KNEE

Mr. HELMS. Mr. President, every day there is a new crisis involving the Indians at Wounded Knee. The confrontation grows uglier and uglier. Although the hostages have been released, a Federal marshal was wounded last week. Even the TV crews have pulled out, because of the tenseness of the situation. If the American public were to believe everything that they see and hear in the Nation's media, they would think the American Indians were rising up as one body against their Federal oppressors, driven to desperation by their grievances, and making a dramatic stand to appeal for justice.

There is only one thing wrong with this picture: It is simply not so.

The handful of Indians at Wounded Knee are surrounded by U.S. marshals. But the U.S. marshals are surrounded by protective forces of the Oglala Sioux Tribe just waiting to get their hands on the seedy band of militants that has besmirched their proud name.

In other words, this dramatic confrontation is nothing but hogwash and hokum. The bullets are real, but any idea that the militants holed up at Wounded Knee are truly representative of the Oglala Sioux, or even of that hypothetical group which the press refers to simply as "the Indians," strains the credulity of the American people. The social problems on the Indian reservations are no doubt real, too, but neither the tactics of the militants nor their official political program gives any confidence that they could solve these problems.

There is a confrontation all right, but it is a staged one. It is contrived. It is intended to exploit the feelings of the Indian people on the one hand and the propensity of the press to wallow in sympathy with anyone who asserts a so-called "grievance" against the U.S. Government. Now that the black militants, the student radicals, and the Vietcong have been squeezed dry of sensationalism, the media need a new cause to help undermine free government.

As for the Indian militants themselves, it is a classic exercise in the highly refined techniques of radical politicization. It is designed to force the Indian people—and principally those upon the reservations—to accept the narrow, extremist social and political views of the so-called American Indian Movement—AIM. It is well-known that AIM is primarily an urban organization, with no understanding or experience of problems on the reservation. Its principal leadership is drawn heavily from criminal elements. It is using gangster-style activities to intimidate and overthrow the traditional leadership of the Indian tribes. Simultaneously, AIM is trying to browbeat the U.S. Government into accepting AIM as sole spokesman for the Indian tribes. The real target of AIM is power.

Suffice it to say that these facts make it very disturbing that AIM with few exceptions, is already presented in the press as the normal and natural expression of Indian aspirations. No inquiry is made into AIM's social demands. No analysis is offered as to the probable effect of AIM's revolutionary proposals. No exhaustive investigative reporting is trained upon AIM's past activities. The overall picture given is that "the Indians" have grievances, that they have been treacherously betrayed by the bureaucracy in Washington, and that in sheer desperation the noble reformers of AIM are making a last-ditch attempt to appeal to the conscience of the American people.

Frankly, I doubt that there is a single citizen of the United States who does not have grievances against the bureaucracy in Washington, but most of us refrain from going on the warpath. We use the constitutional processes of Government to make necessary changes. We do not adopt terrorist and destructive activities. I, myself, as a U.S. citizen, have a grievance against the bureaucracy, and that grievance is the way in which the officials of the Office of Economic Opportunity developed a cozy working relationship with AIM and poured thousands of U.S. tax dollars into an organization whose principle occupation has been to overthrow the orderly processes of the U.S. Government. But that is a subject to which I will return in a few minutes.

The fact is that AIM is advancing its program without any real concern for the hard problems of the Indian tribes or for their wishes. It is conducting political and terrorist agitation to overthrow the tribal leaders who have been elected through orderly techniques of local government. I make no brief for any particular Indian leader or group of leaders. I will leave the workings of the Bureau of Indian Affairs to those who are regularly concerned with those problems. But no one should be allowed to short-circuit the constitutional system and threaten U.S. citizens whether those citizens be Indians or anyone else.

AIM's program is so absurd that it can scarcely bear the light of public scrutiny. Few people realize that AIM is calling for the virtual secession of the Indian tribes from U.S. jurisdiction, while at the same time demanding special privileges with respect to judicial intervention, tribal lands, and the Federalization of crimes against Indians. They are seeking $15 billion in Federal aid. They demand that relations with the Indians be regulated entirely by treaties, even though the Indians have been U.S. citizens since 1871. The concept of a nation making treaties with its own citizens is absurd.

But all these demands—and they are made in great detail—are irrelevant in so far as they are made by self-appointed spokesmen whose only claim to representation is that they claim loudly. They call for the consolidation of all Indian groups into one—obviously their own. They call for Indian sovereignty, and they demand that the Government deal with them. All of this is without reference—indeed, often in direct opposition—to the opinions, decisions, and plans of the tribal chiefs, and their peoples.

In short, it is the typical demand of a revolutionary elite asserting that they

know more about the situation than the people on behalf of whom they present their claim. The people are always the biggest obstacle to revolution because they are too dumb to understand. Therefore the revolution must be imposed whether they like it or not. It is this sense of revolution that is most attractive to the sympathizers of revolution in some branches of the media and in some branches of the Government. Just as Mao Tse-tung was identified as an agrarian reformer, and Castro as a Christian leader, and the Vietcong as beleaguered underdogs in a civil war against corrupt imperialists, so too the self-appointed would-be ruling elite of Wounded Knee is hailed as the flower of the Indian nations.

The libel upon the Indian people is totally unacceptable. The half-dozen leaders of AIM are nothing more than common criminals and men of despicable character. Their police records have even seeped through to public notice, although I have taken the trouble to do a little more investigating on this score. It is not surprising then that AIM provided the impetus for the criminal destruction of the BIA building contents last November, nor that circumstances have implicated AIM leaders in other cases involving arson, riot, and destruction of property. One should certainly have expected the criminal activities for which the AIM leaders are under indictment at Wounded Knee. Their previous convictions ranged from repeated common drunkenness through assault and battery, forgery, burglary, and armed robbery. Indeed, according to one Indian leader, AIM "was cooked up in the Minnesota penitentiary." But now we are asked to forgive everything, because they commit their crimes in the name of politics.

Mr. President, I would like to recount the police records of the principal leaders in the seige at Wounded Knee. It is unpleasant to go in such detals. I believe that every man should be allowed to pay his debt to society and given the opportunity for a fresh start. These men, however, apparently used the opportunity for a fresh start in crime, even though they dress up their actions with the trappings of injustice and politics.

Russell Chares Means, the principal spokesman at Wounded Knee; has a string of arrest dating back to 1957 for petty theft, common drunkenness, assault with a deadly weapon, disorderly conduct, and failure to provide for a minor child. As he became involved in AIM activities, such bookings escalated into trespass, unlawful entry, carrying a concealed weapon, and arson. He is the only AIM leader who is a Sioux.

Dennis Banks, a cofounder of AIM, according to news reports was convicted 15 times on charges including assault and battery and burglary. He was also arrested for forgery of a Government check, although the charge was later dismissed.

Carter Augustus Camp has a record similar to Means for repeated drunk driving, resisting officers, aiding and abeting a felon, and possession of marijuana.

Vernon Franklin Bellecourt, another cofounder of AIM, was convicted of burglary in 1950 and sentenced to 5 to 40 years. In 1956, he was again convicted of armed robbery. He was also held as a parole violator and for check fraud. When he began working with AIM, his activities led to charges of rioting and inciting a riot.

Clyde Thomas Bellecourt, brother of Franklin, was convicted of armed robbery in 1954 and sentenced to serve 2 to 15 years. After parole, he was convicted again in 1958 of burglary, sentenced to 5 years in prison; paroled again; convicted of burglary in 1960, and paroled in 1964. In 1969, he was charged with aggravated robbery and pleaded guilty to simple assault. Thereupon he took up his AIM activities.

Mr. President, some of these details are spelled out in an article that appeared in the Washington Evening Star for November 12, 1972, and I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE THREE INDIAN LEADERS HAD LONG RECORDS

(By Michael Satchell)

Three of the principal leaders of the Indians who looted files, destroyed or stole irreplacable Indian artifacts and caused nearly $2 million in damage during the occupation of the Bureau of Indian Affairs building are well known to police in Minneapolis, where they have extensive criminal records.

A high police official there said Denis Banks, Clyde Bellecourt and his brother, Vernon Bellecourt, have served sentences in Minnesota penitentiaries for a variety of felony offenses, including burglary, aggravated assault and armed robbery.

All three are leaders of the American Indian Movement. Banks, one of the cofounders of AIM is the national field director and lives in Minneapolis. Vernon Bellecourt is a national codirector of the organization and also runs the Denver, Colo., chapter. Clyde Bellecourt is executive director of the Minneapolis group, one of the largest with more than 100 members.

A $113,000 U.S. GRANT

AIM also has a $113,000 federal grant to operate educational facilities for Indians.

The FBI is conducting a "full-scale" investigation into the destruction and theft at the Bureau of Indian Affairs and Justice Department sources said, "We will prosecute in any area we can."

The two Bellecourts, Banks and a fourth Indian, Russell Means of Porcupine, S.D., emerged as the leaders of the six-day occupation of the bureau. Means was formerly an AIM National Director, but resigned and returned to the Oglala Sioux Pine Ridge reservation in South Dakota.

During the siege, Vernon Bellecourt and Means were the most visible leaders, serving as spokesman for the protesters and handling inquiries from the news media. Inside the building, Banks and Clyde Bellecourt were involved in security and other internal aspects of the occupation.

BURNETT CRITICAL

The AIM leaders took over the Trail of Broken Treaties campaign, a peaceful lobbying effort organized principally by Robert Burnett, a Rosebud, S.D. Sioux. Burnett gradually lost control of the program and has since condemned the AIM leaders for their theft of Indian documents and destruction of art.

A Minneapolis police official said Banks has been convicted 15 times on charges including assault and battery and burglary.

Clyde Bellecourt, the officials said, was found guilty of armed robbery in 1954 and was sentenced to serve 2 to 15 years in prison. After parole, police said, he was convicted in 1958 of burglary, sentenced to 5 years in prison, paroled again and then was convicted of burglary in 1960 and paroled in 1964.

Police said Clyde Bellecourt now is facing charges of aggravated criminal property damage involving vandalism at a Minneapolis restaurant.

Vernon Bellecourt was convicted of burglary in 1950 and armed robbery in 1953, receiving a prison sentence of 5 to 40 years, police said.

VOWED TO FIGHT

Members of the American Indian Movement formed the nucleus of the group that occupied bureau headquarters, armed themselves with deadly makeshift weapons, including gasoline bombs, clubs and lances, and vowed to fight to the death to prevent the government from retaking the building.

The organization, according to one national Indian activist, "was cooked up in the Minnesota penitentiary," AIM is described by other leaders as "militant" and "action oriented," and from their descriptions of tactics, operation and goals, seems to exhibit some characteristics of the more militant black activist groups such as the Black Panthers.

George Mitchell of Washington, a codirector with Vernon Bellecourt, said AIM operates "survival schools" for Indian children, with schools in Cleveland, Milwaukee and Minneapolis and on the West Coast.

"SURVIVAL SCHOOLS"

The curriculum, Mitchell said, is about 80 percent "true Indian history" and about 20 percent "the three Rs."

A spokesman for the Office of Economic Opportunity confirmed this week that AIM received the $113,000 grant on May 1 to fund the schools in Milwaukee, Minneapolis and St. Paul. The schools were described on grant applications as institutions for rehabilitating dropouts.

"We call them survival schools because in this society, you've got to condition youngsters to survive," Mitchell said.

AIM was started July 28, 1968, in Minneapolis, Mitchell said. He said he was a cofounder with Banks and Vernon Bellecourt. The organization now has about 4,500 members in 67 chapters in the United States and two in Canada.

Financial support is provided through the Department of Health, Education and Welfare, and the Office of Economic Opportunity, along with substantial funds from church groups and private individuals.

AIM chapters operate with virtually autonomy, with about half located on reservations and the others in urban areas. A feature of their broad program for economic and social gain and tribal self determination is the "security force."

During the occupation of the bureau, several of the weapon-carrying guards were red berets signifying membership in the AIM security patrol. "We have quite a bunch of them," Mitchell said in describing the AIM security guards. "They are our own police."

AIM maintains a six-man office in Washington headed by Mitchell and a 20-man office in Milwaukee. It has full-time staffers on salary, including the Bellecourt brothers and Banks. An approximate number of full-time employees could not be determined.

Mitchell confirmed that AIM leaders were in possession of treaties and documents stolen from the bureau, but said he did not

know who had them, or where they were. He said that if the leaders were prosecuted, he had heard there was a possibility the documents would be destroyed.

"I cannot justify the destruction of the art and artifacts," Mitchell acknowledged. "I am appalled that they were destroyed or taken. I hope they are returned, intact, to the proper people."

Mr. HELMS. It was a pretty crew, therefore, that appointed themselves spokesmen for all the Indians. Recently, the Washington Post printed a letter from the president of the Oglala Sioux Tribe, Dick Wilson. His letter is eloquent and speaks for itself. However, I would like to call attention to one particular paragraph:

I believe in tribal self-government and Indian people speaking up for themselves. But I don't believe in taking hostages, in threatening lives. And, I don't believe in disrupting government operations. I think that is plain stupid, and it doesn't help a single Indian. It sure doesn't help my people. That's why I have been opposed to the AIM movement and have made no bones about saying how I feel. Because I spoke my mind, the AIM people have been against me and have made threats against me and my family.

Mr. President, I ask unanimous consent that the entire text of Mr. Wilson's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE OGLALA SIOUX PRESIDENT ON INDIAN GOVERNMENT AND THE AIM MOVEMENT

During the last few days I have been reading what the white man's newspapers have been saying about the goings-on on our reservations. It has made me really wonder. Why don't the reporters try to find out what's going on before they start writing?

If you want to know what is going on at Wounded Knee now you have to understand what has been happening to our people for the last hundred years. After the United States army invaded our country and our warriors finally had to surrender in 1877, the United States set up an occupation government for us. We were run by the Bureau of Indian Affairs and on our reservation, the superintendent was the mayor, the city council, and the chief judge, all rolled in one. He really was a tin god. Yes, there were also some Indian spokesmen, but they were nothing but puppets.

Our occupation government lasted for a long time. More than 50 years passed before the first change came. Under the Indian Reorganization Act of 1934 we were finally given a chance to set up our own government. We did that by vote of the people in 1935. A majority of the people voted to set up our self government, but there was a strong minority against it. A lot of people were accustomed to being run by the Bureau of Indian Affairs and wanted to keep it that way. Our self government was set up by a vote of 1,348 for and 1.041 against. The opponents of self government, the people who preferred paternalism, have been agitating against our tribal government for a long, long time.

But our tribal self government has existed since 1935. The people elected a president and a tribal council in accordance with our tribal constitution. The council passes ordinances and the president and his staff have to carry them out.

The present council and I, as president, were elected by the voters of the Oglala Sioux Tribe in the tribal election of December 1971. I received 1,554 votes and my opponent received 1,130 votes. We were the top two candidates in the primary, where there were six candidates. The councilmen were elected in the same election, each of them running from his district. We have no political parties in our tribe. Each candidate runs on his own.

Since we took office in 1972, the council and I have tried to run the affairs of the tribe to the best of our ability. It is a hard job. Our people have lots of problems and we sure need more help than we have been getting. But we have tried hard and we have tried to do our best. Everybody knows now who is in charge of this reservation. It is the tribal government, not the Bureau of Indian Affairs.

As I have said, there are some people who haven't liked the tribal government ever since it was set up and they still have supporters today. When they are agitating, they are not just agitating against me personally but against a tribal government that takes charge; they really don't want their own people to run the affairs of the reservation. They have more faith in being run by outsiders than in their own people they believe in paternalism.

I believe in tribal self government and Indian people speaking up for themselves But I don't believe in taking hostages, in threatening lives. And I don't believe in disrupting government operations. I think that is plain stupid, it doesn't help a single Indian. It sure doesn't help my people. That's why I have been opposed to the AIM movement and have made no bones about saying how I feel. Because I spoke my mind, the AIM people have been against me and have made threats against me and my family.

It would really be funny, if it weren't so serious, that some of the paternalists on our reservation who want to abolish the tribal government and go back to being run by the superintendent have linked up with the same people who tore up the Bureau of Indian Affairs in Washington. But that is what has happened at Wounded Knee. Both sides have only one interest, to embarrass the tribal government of the Oglala Sioux Tribe.

But we are going to stick to our job. We are going to do what is right. We are going to see to it that we have law and order on our reservation and we are going to do our very best to give our people a better life. What we are asking the newspapers to do is to be fair to us. Is that too much?

DICK WILSON,
President of the Oglala Sioux Tribe.
PINE RIDGE, S. DAK.

Mr. HELMS. Mr. Wilson is the elected representative of the Oglala Sioux, but he is by no means the only Indian leader who opposes AIM. The Mohawk Indian publication Akwesasne Notes recently printed a partial list of tribal chiefs throughout the United States who disagreed with the activities of AIM.

Mr. President, I ask unanimous consent that the partial list of tribal chiefs opposed to AIM be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST

Donald R. Antona, President of Intertribal Council of Arizona.

Juan B. Abeita, Iseto Pueblo Governor.

Paul Tafoya, Santa Clara Pueblo.

James Porter, Nambe Governor.

Leonard C. Burch, Southern Uts Mountain Tribal Chairman.

Hubert Velarde, President, Jicarilla Apache Tribe.

Pat Toya, Jemez Pueblo Governor.

Harry L. Martinez, Acoma Pueblo Governor.

Clarence Hamilton, Hopi Tribal Council Chairman.

Noah Powell, Principal Chief, Eastern Band of Cherokee Indians, North Carolina.

Enos J. Francisco, Jr., Vice Chairman of the Papago Tribal Council.

Buffalo Tiger, Chairman of the Miccosukee Tribal Council, Frog Station, Florida.

Antone Gonzales, Sr. Chairman of Colorado River Indian Tribes.

Bruce Townsend, President, Oklahoma Intertribal Council.

B. Bob Stopp, Cherokee Nation of Oklahoma.

Joseph Upicksovn, President, Arctic Slove Regional Corporation.

H. Lee Motah, President, United Tribes, Western Oklahoma and Kansas.

Peter Masten, Jr., Chairman, Hoopa Valley Business Council.

James Henry, Tribal Chairman, Turtle Mountain Band of Chippewa.

Mr. HELMS. I might also add that the facts tend to support Mr. Wilson's views. The dissidents on the Oglala Sioux Reservation have tried to impeach him four times, and have been repudiated as many times by their own people. It was the latest rejection that led AIM to indulge in terrorist tactics by seizing hostages, making threats, and assaulting Federal marshals with deadly fire at Wounded Knee. The AIM leaders have been driven to desperation not by their treatment by the U.S. Government, but by their rejection by the bulk of their own people.

What, then, gave AIM its start? At crucial stages in its development, AIM has been given material and moral assistance from the very Federal Government it is attacking.

One of AIM's first activities was the organization of so-called survival schools for Indian children in Milwaukee, Minneapolis, and St. Paul. These are apparently organized along the lines of the infamous Black Panther schools for the political indoctrination of the young. According to the Evening Star article I referred to earlier, the curriculum contained about 80 percent so-called true Indian history, and about 20 percent the three R's. Incredibly, these schools were funded with a $113,000 grant from OEO. Despite the notorious and unsavory character of the leaders of AIM, whose records were easily available if the slightest check had been made, OEO put them in charge of molding the characters of young Indian children. The curriculum alone is suspicious enough, but funding a group led by criminals with Federal funds is inexcusable.

It was this group, then, that came to Washington under the name of "The Trail of Broken Treaties," to lay waste to the BIA. OEO spokesmen have denied that any OEO funds were used for the planning and organization of "The Trail of Broken Treaties." Nevertheless, the $113,000 grant was suspended in November of the then OEO Director Philip Sanchez, when it became apparent that a tie might exist between the BIA takeover and the AIM school grant.

However, an emergency OEO grant of $66,500 was made for the announced purpose of sending the invaders home. This grant was made under very unusual circumstances which demonstrate the close working relationship between OEO and the invaders.

Testimony before the House Interior

Committee shows that, in the first place, the money was given personally to two AIM spokesmen in the form of cash, all $66,500 of it. No accounting was ever received as to how the money was distributed, if it was. What seems to be simply a pro forma request was made for an accounting, but none was received at the time or subsequently. OEO said that they seldom got an accounting of money spent for "family" matters. In fact, the representatives of OEO were escorted from BIA after delivering the currency, but before it was allegedly distributed.

Second, this testimony further shows that the money was made available on a crash basis, even before the grant could be processed, because OEO promised to reimburse AIM for funds they already had in the Riggs Bank in Washington. These funds were $45,000 proceeds from an earlier OEO grant. OEO negotiated with Riggs to allow an overdraft of $20,500 for a few days while the emergency grant was processed.

Thirdly, the peculiar justification presented for the grant needs special scrutiny. The Government was essentially faced with a blackmail situation and it chose to give in to blackmail. To put it bluntly, the Government chose to make a $66,500 cash payoff to AIM to get them to give up their illegal actions. Evidently, this is what has given AIM the feeling that crime, indeed, does pay.

The legal basis for the grant was pure slight of hand. The general counsel of OEO, Burt A. Gallegos, testified that the money was given on the basis of emergency provision in the Economic Opportunity Act of 1964. This law provided—

> Financial assistance for the provision of such medical supplies and services, nutritional foodstuffs, and related services, as may be necessary to counteract conditions of starvation or malnutrition among the poor.

One would hardly have thought that this clause would be invoked when the alleged starvation was willingly undertaken by the victims themselves on behalf of a program of illegal actions. Yet Gallegos, without batting an eye, summed it up this way:

> We were also satisfied that the necessary providing to the Indians, most of whom are poor, an effective but orderly opportunity to present important grievances that they legitimately wish to present to the government, and which they were entitled to present under the Constitution, laws and treaties was consonant with the policy of the EOA [Economic Opportunity Act]. . . . The statutory provision, although of course it centers on problems of nutrition and health is not narrowly construed nor narrowly intended, and it is our understanding that it was intended by the Congress to present a strong and flexible authority for dealing with emergency conditions.

Buttressed by such apologists in government, AIM left with its booty. However, they did not go home. AIM went to Scottsbluff, Nebr., in mid-January to organize another demonstration that ended in a junior high school being firebombed with two molotov cocktails. Five members of AIM were arrested by local authorities on arson-connected charges.

The demonstrations were then taken to Custer, S. Dak. AIM-led mobs broke into the courthouse. The chamber of commerce building was burned to the ground. Two police cars were heavily damaged, and police equipment was stolen.

At this point, AIM was also hot in the middle of its ill-fated campaign to impeach Oglala Sioux President Dick Wilson. The selection of Wounded Knee, with all of its highly emotional historical connotations, was carefully done with an eye to inducing sympathetic elements in the media to play up the confrontation as though the Indians and the U.S. Cavalry were meeting eyeball to eyeball. The truth of the matter is that the real confrontation is between the handful of militants among the Indians, and the great majority of Indians and authentic Indian leaders who reject the militants and their radical program.

Mr. President, I want to make it clear that nothing I have said here today reflects upon the Indian people as a whole, or minimizes the very real problems which they have in today's society. The Indians are the victims of AIM; they are the real target. AIM's aim is to polarize the Indian community in order to split off the real leaders from as much of the community as possible. In any human society there are going to be shortcomings and failures; it is a plain fact of human nature that difficulties and hardships can be nurtured into grievances, and grievances into hostility. The difference is that the objective situation is overlaid with emotional rancor, and the victim is thus prepared to sunder his ties with the society that has supposedly made him unhappy.

It is an old story. By now the techniques have been perfected by revolutionaries of all stripes and motivations. First comes the zeroing in on any local problem that can be identified in a sharply defined class of people. Then comes the so-called development of class consciousness, that is to say, agitation to reinforce the idea that they are being discriminated against as a group. If this is successful, then the group has been alienated first from its old leaders, then from the society in which it occupies a niche. Those who do not go along are induced to remain passive through social pressures, threats, and even terror.

The whole scenario need not be played through, but AIM is making a blatant attempt to play the part as arrogantly as it can. Fortunately, the Indian peoples are not going along; AIM's most important source of support comes from simplistic white men. The Indians reject AIM because it is totalitarian in its philosophy and techniques. It is unconstitutional in its demands, and criminal in its activities. Its proposal for the reassertion of Indian sovereignty and retrocession of U.S. citizenship would be a step backward from which the Indians would never emerge into the modern world. The appointment of AIM as sole Indian representative would grant enormous power to a group of gangsters who are grasping for control.

The Indians today already enjoy a semiprivileged status as long as they live within the tribal structure of the reservation. It is up to the freely elected Indian leaders to govern the tribes; the United States should not arbitrarily impose self-appointed leaders such as AIM upon the Indians. As the Supreme Court stated as recently as Monday, March 26, in McClanahan against Arizona State Tax Commission:

> Indians today are American citizens. They have the right to vote, to use state courts, and they receive some state services. But it is nonetheless true, as it was in the last century, "that the relation of the Indian tribes living within the borders of the United States is an anomalous one and of a complex character. . . . They were, and always have been, regarded as having a semi-independent position when they preserved their tribal relations; not as States, not as nations, not as possessed of the full attributes of sovereignty, but as a separate people, with the power of regulating their internal and social relations, and thus far not brought under the laws of the Union of the State within whose limits they reside."

Mr. President, since many of my colleagues may not be familiar with the 20 demands of AIM, I ask unanimous consent that they be printed in the RECORD at the conclusion of my remarks, and that they be followed by the commentary on them prepared by Mr. Frank Carlucci, Deputy Director of OMB.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"TRAIL OF BROKEN TREATIES": FOR RENEWAL OF CONTRACTS—RECONSTRUCTION OF INDIAN COMMUNITIES AND SECURING AN INDIAN FUTURE IN AMERICA

1. Restoration of Constitutional Treaty-Making Authority. — The U.S. President should propose by executive message, and the Congress should consider and enact legislation to repeal the provision in the 1871 Indian Appropriations Act, which withdrew federal recognition from Indian Tribes and Nations as political entities which could be contract by treaties with the United States, in order that the President may resume the exercise of his full constitutional authority for acting in the matters of Indian Affairs—and in order that Indian Nations may represent their own interests in the manner and method envisioned and provided in the Federal Constitution.

2. Establishment of Treaty Commission to make New Treaties.—The President should impanel and the Congress establish, within the next year, a Treaty Commission to contract a security and assistance treaty, or treaties, with Indian people to negotiate a national commitment to the future of Indian people for the last quarter of the Twentieth Century. Authority should be granted to allow Tribes to contract by separate and individual treaty, multi-tribal or regional groupings, or national collective, respecting general or limited subject matter—and provide that no provisions of existing treaty agreements may be withdrawn or in any manner affected without the explicit consent and agreement of any particularly-related Indian Nation.

3. An address to the American People and Joint Session of Congress.—The President and the leadership of Congress should make commitment now and next January to request and arrange for four Native Americans—selected by Indian people at a future date—the President of the United States and any designated U.S. Senators and U.S. Representatives to address a Joint Session of Congress and the American people through national communications media, regarding the Indian future within the American Nation, and relationships between the Federal Government and Indian Nations—on or be-

fore June 2, 1974, the half-century anniversary of tthe 1924 "Indian Citizenship Act".

4. Commission to Review Treaty Commitments and Violations.—The President should immediately create a multi-lateral, Indian and non-Indian Commission to review domestic treaty commitments and complaints of chronic violations and to recommend or act for corrective actions, including the imposition of mandatory sanctions or interim restraints upon violative activities, and including formulation of legislation designed to protect the jeopardized Indian rights and eliminate the unending patterns of prohibitively expensive lawsuits and legal defenses—which habitually have produced indecisive and indeterminate results, only too frequently forming guidelines for more court battles or additional challenges and attacks against Indian rights. (Indians have paid attorneys and lawyers more than $40,000,000 since 1962. Yet many Indian people are virtually imprisoned in the nation's courtrooms in being forced constantly to defend their rights, and while many Tribes are forced to maintain a multitude of suits in numerous jurisdictions relating to the same or a single issue, or a few similar issues. There is less need for more attorney assistance than there is for institution of protections that reduce violations and minimize the possibilities for attacks upon Indian rights.)

5. Resubmission of Unratified Treaties to the Senate.—The President should submit to the U.S. Senate of the next Congress those treaties negotiated with Indian Nations or their representatives, but never heretofore ratified nor rendered moot by subsequent treaty contract with such Indians not having ratified treaties with the United States. The primary purpose to be served shall be that of restoring the rule of law to the relationships between such Indians and the United States, and resuming a recognition of rights controlled by treaty relations. Where the failure to ratify prior treaties operated to affirm the cessions and loss of title to Indian lands and territory, but failed to secure and protect the reservations of lands, rights, and resources reserved against cession, relinquishment or loss, the Senate adopt resolutions certifying that a prior *de facto* ratification has been effected by the Government of the United States and direct that appropriate actions be undertaken to restore to such Indians an equitable measure of their reserved rights and ownership in lands, resources and rights of self-government. Additionally, the President and Congress should direct that reports be concluded upon the disposition of land rights and title which were to be protected, when such rights and land title were lawfully vested or held, for people of Native Indian blood under the 1848 Treaty of Guadalupe Hidalgo with Mexico.

6. All Indians To Be Governed by Treaty Relations.—The Congress should enact Joint Resolution declaring that, as a matter of public policy and good faith, all Indian people in the United States shall be considered to be in treaty relations with the Federal Government and governed by doctrines of such relationship.

7. Mandatory Relief Against Treaty Rights Violations.—The Congress should add a new section to Title 28 of the United States Code to provide for the judicial enforcement and protection of Indian Treaty Rights. Such section should direct that, upon petition of an Indian Tribe or prescribed Indian groups and individuals claiming substantial injury to, or interference in the equitable and good faith exercise of any rights, governing authority, or utilization and preservation of resources, secured by Treaty, mandatorily the Federal District Courts shall grant immediate enjoinder or injunctive relief against any non-Indian party or defendants, including State governments and their subdivisions or officers, alleged to be engaged in such injurious or interfering actions, until such time as the District U.S. Court may be reasonably satisfied that a Treaty violation is not being committed, or otherwise satisfied that the Indians' interests and rights, in equity and in law, are preserved and protected from jeopardy and secure from harm.

8. Judicial Recognition of Indian Right to Interpret Treaties.—The Congress should by law provide for a new system of federal court jurisdiction and procedure, when Indian treaty or governmental rights are at issue, and when there are non-Indian parities involved in the controversy, whereby an Indian Tribe or Indian party may by motion advance the case from a federal District Court for hearing and decision by the related U.S. Circuit Court of Appeals. The law should provide that, once an interpretation upon the matter has been rendered by either a federal district or circuit court, an Indian Nation may, on its own behalf or on behalf of any of its members, if dissatisfied with the federal court ruling or regarding it in error respecting treaty or tribal rights, certify directly to the United States Supreme Court a "Declaratory Judgement or Interpretation"; regarding contested rights and drawn at the direction or under the auspices of the affected Indian Nation, which that Court shall be mandated to receive with the contested decision for hearing and final judgment and resolution of the controversy—except and unless that any new treaties which might be contracted may provide for some other impartial body for making ultimate and final interpretations of treaty provisions and their application. In addition, the law should provide that an Indian Nation, to protect its exercise of rights or the exercise of treaty or tribal rights by its members, or when engaging in new activities based upon sovereign or treaty rights, may issue an interim "Declaratory Opinion Interpretation of Rights", which shall be controlling upon the exercise of police powers or administrative authorities of that Indian Nation, the United States or any State(s) unless or until successfully challenged or modified upon certification to and decision the United States Supreme Court—and notwithstanding any contrary U.S. Attorney General's Opinion(s), Solicitor's Opinion(s), or Attorney General's Opinion(s) for any of the States.

9. Creation of Congressional Joint Committee on Reconstruction of Indian Relations.—The next Congress of the United States, and its respective houses, should agree at its outset and in its organization to withdraw jurisdiction over Indian Affairs and Indian-related program authorizations from all existing Committees, except Appropriations, of the House and Senate, and create a Joint House-Senate "Committee on Reconstruction of Indian Relations and Programs" to assume such jurisdiction and responsibilities for recommending new legislation and program authorizations to both houses of Congress—including consideration and action upon all proposals presented herewith by the "Trail of Broken Treaties Caravan", as well as matters originating from other sources. The Joint Committee membership should consist of Senators and Representatives who would be willing to commit considerable amounts of time and labors and conscientious thought to an exhaustive review and examining evaluation of past and present policies, programs and practices of the Federal Government relating to Indian people; to the development of a comprehensive broadly-inclusive "American Indian Community Reconstruction Act", which shall provide for certain of the measures herein proposed, repeal numerous laws which have oppressively disallowed the existence of a viable 'Indian life' in this country, and effect the purposes while constructing the provisions which shall allow and ensure a secure Indian future in America.

10. Land Reform and Restoration of an 110 million-Acre Native Land Base.—The next Congress and Administration should commit themselves and effect a national commitment, implement by statutes or executive and administrative actions, to restore a permanent non-diminishing Native American land base of not less than 110 million acres by July 4, 1976. This land base, and its separate parts, should be vested with the recognized rights and conditions of being perpetually non-taxable, except by autonomous and sovereign Indian authority, and should never again be permitted to be alienated from Native American or Indian ownership and control.

10–A. Priorities in Restoration of the Native American Land Base.—When Congress acted to delimit the President's authority and the Indian Nations' powers for making treaties in 1871, approximately 135,000,000 acres of land and territory had been secured to Indian ownership against cession or relinquishment. This acreage did not include the 1867 treaty-secured recognition of land title and rights of Alaskan Natives, nor millions of acres otherwise retained by Indians in what were to become "unratified" treaties of Indian land cession, as in California, nor other land areas authorized to be set aside for Indian Nations contracted by, but never benefitting from, their treaties. When the Congress in 1837, under the General Allotment Act and other measures of the period and "single system of legislation", delegated treaty-assigned Presidential responsibilities to the Secretary of the Interior and his Commissioner of Indian Affairs and agents in the Bureau of Indian Affairs relating to the government of Indian relations under the treaties, the 135-million acres, collectively held, immediately became subject to loss. The 1887 Act provided for the sale of "surplus" Indian lands—and contained a formula for the assignment or allocation of land tracts to Indian individuals, dependent partly on family size, which would have allowed for an average-sized allotment of 135 acres to *one million* Indians—at a time when the number of tribally-related Indians was less than a quarter million or fewer more than 200,000. The Interior Department efficiently managed the loss of 90 million acres of Indian land, and its transfer to non-Indian ownership (frequently by homestead, not direct purchase), in little more than the next quarter-century. When Congress prohibited allotments to Indian individuals, by its 1934 Indian Reorganization Act, it effectively determined that future generations of Indian people would be "landless Indians", except by heirship and inheritance. (110 million acres, including 40 million acres in Alaska, would approximate an average 135 acres multiplied by .8 million Native Americans, a number indicated by the 1970 U.S. Census.)

Simple justice would seem to demand that priorities in restorations of land bases be granted to those Indian Nations who are landless by fault of unratified or unfulfilled treaty provisions; Indian Nations, landless because of congressional and administrative actions reflective of criminal abuse of trust responsibilities; and other groupings of landless Indians, particularly of the landless generations, including many urban Indians and non-reservation Indian people—many of whom have been forced to pay, in forms of deprivations, loss of rights and entitlements, and other extreme costs upon their lives, an "emigration-migration-education-training" tax for their unfulfilled pursuit of opportunity in America—a "tax" as unwarranted and unjustified as it is unprecedented in the history of human rights in mature nations possessed of a modern conscience.

10–B. Consolidation of Indians' Land, Water, Natural and Economic Resources.—The restoration of an equitable Native American Land Base should be accompanied by enlightened revision in the present character of

alleged "trust" relationships, and by reaffirmation of the creative and positive characters of Indian sovereignty and sovereign rights. The past pattern of treating "trust status" as wrongful "non-ownership" of properties, beyond control of individual interests and "owners", could be converted to a beneficial method of consolidating usable land, water, forests, fisheries and other exploitable and renewable natural resources into productive economic, cultural, or other community-purpose units, benefiting both individual and tribal interests in direct forms under autonomous control of properly-defined, appropriate levels of Indian government. For example, the 13.5 million acres of multiple and fractionated heirship lands should not represent a collective denial of beneficial ownership and interests of inheriting individuals, but be considered for plans of collective and consolidated use. (The alternatives and complexities of this subject and its discussion require the issuance of a separate essay at a later date.)

10–C. Termination of Leases and Condemnation of Non-Indian Land Title.—Most short-term and long-term leases of some four million acres of Indians' agricultural and industrial-use lands represent a constant pattern of mismanagement of trust responsibilities—with the federal trustees knowingly and willfully administering properties in methods and terms which are adverse or inimical to the interests of the Indian beneficiaries and their Tribes. Non-Indians have benefit of the best of Indian agricultural range and dry farm lands, and of some irrigation systems, generally having the lowest investment-highest return ratios, while Indians are relegated to lands requiring high investments for low returns. A large-scale, if selective, program of lease cancellations and non-renewals should be instituted under congressional authorization as quickly as possible. As well, Indian Tribes should be authorized to resecure Indian Ownership of alienated lands within reservation boundaries under a system of condemnation for national policy purposes, with the federal government bearing the basic costs of "just compensation" as burden for unjustified betrayals of its trust responsibilities to Indian people. These actions would no way be as extreme as the termination, nationalization, confiscation and sale of millions of acres of reservation Indian land by a single measure as in the cases of the Menominee and Klamath Indian Tribes, and attempted repeatedly with the Colvilles.

10–D. Repeal of the Menominee, Klamath and Other Termination Acts.—The Congress should act immediately to repeal the Termination Acts of the 1950s and 1960s and restore ownership of the several million acres of land to the Indian people involved, perpetually non-alienable and tax-exempt. The Indians' rights to autonomous self-government and sovereign control of their resources and development should be re-instated. Repeal of the terminal legislation would also advance a commitment toward a collective 110 million acre land base for Native Americans—when added to the near 55 million acres already held by Indians, apart from the additional 40 million acres allocated in Alaska. (The impact of termination and its various forms have never been fully understood by the American people, the Congress, and many Indian people. Few wars between nations have ever accomplished as much in the dispossession of a people of their rights and resources as have the total victories and total surrenders legislated by the Termination laws. In the Arab States of the present Mid-East could comparably presume the same authority over the State of Israel, they could eliminate Israel by purchase or by declaring it an Arab State or subdivision thereof; on the one hand, evicting the Israelis from the newly-acquired Arab lands, or on the other, allowing the Israelis to remain as part of the larger Arab Nation—and justify the disposition to the world by claim that, whether leaving or remaining, but without their nation, the Jewish people would still be Jewish. Such an unacceptable outrage to American people could quickly succeed to World War III—except when such actions are factually taken against Menominees, Klamaths, Senecas, Utes, and threatened against many other landed nations of Indian people.)

11. Revision of 25 U.S.C. 163; Restoration of Rights to Indians Terminated by Enrollments and Revocation of Prohibitions Against Dual Benefits.—The Congress should enact new measures fully in support of the doctrine that an Indian Nation has complete power to govern and control its own membership—but eradicating the extortive and coercive devices in federal policy and programming which have subverted and denied the natural human relationships and natural development of Indian communities, and committed countless injuries upon Indian families and individuals. The general prohibition against benefitting dually from federal assistances or tribal resources by having membership or maintaining relationships in more than one Indian Tribe has frequently resulted in denial of rights and benefits from any sources. Blood quantum criteria, closed and restrictive enrollments and "dual benefits" prohibitions, have generated minimal problems for Indians having successive non-Indian parentage involved in their ancestry—while creating vast problems and complexities for full-blood and predominant-Indian-blood persons when ancestry or current relationships involve two separate Indian tribes or more. Full-blood Indians can fail to qualify for membership in any of several tribes to which they may be directly related if quantum-relationships happen to be in wrong configuration or non-qualifying fractions. Families have been divided to be partly included upon enrollments, while some children of the same parents are wrongly (if there are at all to be enrollments) excluded. There should be a restoration of Indian and tribal rights to all individual Indians who have been victimized and deprived by the vicious forms of termination effected by forces choices between multiply-related Tribes, abusive application of blood-quantum criteria, and federally-engineered and federally-approved enrollments. The right of Indian person to maintain, sever, or resume valid relations with several Indian Nations or communities unto which they are born, or acquire relations through natural marriage relationships or parenthood and other customary forms, must again be recognized under law and practice, and also the right of Indian Nations to receive other Indian people into relations with them—or to maintain relations with all their own people, without regard to blood-quantum criteria and federal standards for exclusion or restrictions upon benefits. (It may be recognized that the general Indian leadership has become conditioned to accept and give application to these forms of terminating rights, patterns which are an atrocious aberration from any concepts of Indian justice and sovereignty.)

12. Repeal of State Laws Enacted Under Public Law 280 (1953).—State enactments under the authority conferred by the Congress in Public Law 280 has posed the most serious threat to Indian sovereignty and local self-government of any measure in recent decades. Congress must now nullify those State statutes. Represented as a "law enforcement" measure, PL 280 robs Indian communities of the core of their governing authority and operates to convert reservation areas into refuges from responsibilities where many people, not restricted by race, can take full advantage of a veritable vacuum of controlling law, or law which commands its first respect for justice by encouraging an absence of offenses. These States' acceptance of condition for their own statehood in their Enabling Acts—that they forever disclaim sovereignty and jurisdiction over Indian lands and Indian people—should be binding upon them and that restrictive condition upon their sovereignty be reinstated. They should not be permitted further to gain from the conflict of interest engaged by such States' participation in enactment of Public Law 280—at the expense of the future of Indian people in our own communities, as well as our present welfare and well-being.

13. Resume Federal Protective Jurisdiction for Offenses Against Indians.—The Congress should enact, the Administration support and seek passage of, new provisions under Titles 18 and 25 of the U.S. Code, which shall extend the protective jurisdiction of the United States over Indian persons wherever situated in its territory and the territory of the several States, outside of Indian Reservations or Country, and provide that prescribed offenses of violence against Indian persons shall be federal crimes, punishable by prescribed penalties through prosecutions in the Federal judiciary, and enforced in arrest actions by the Federal Bureau of Investigation, U.S. Marshals, and other commissioned police agents of the United States—who shall be compelled to act upon the commission of such crimes, and upon any written complaint or sworn request alleging an offense, which by itself would be deemed probable cause for arresting actions.

13–A. Establishment of a National Federal Indian Grand Jury.—The Congress should establish a special national grand jury, consisting solely of Indian members selected in part by the President and in part by Indian people, having a continuous life and equipped with its own investigative and legal staff, and presided over by competent judicial officers, while vested with prescribed authorities of indictments to be prosecuted in the federal and Indian court systems, and equipped with the standard powers of process, and subpoena exercised by grand juries. This grand jury should be granted jurisdiction to act in the bringing of indictments on basis of evidence and probable cause within any federal judicial district where a crime of violence has been committed against an Indian and resulted in an Indian's death, or resulted in bodily injury and involved lethal weapons or aggressive force, when finding reason to be not satisfied with handling or disposition of a case or incident by local authorities, and operating consistent with federal constitutional standards respecting the rights of an accused. More broadly and generally, the grand jury should be granted broad authority to monitor the enforcements of law under Titles 18, 25, and 42, respecting Indian jurisdiction and civil rights protections; the administration of law enforcement, confinement facilities and juvenile detention centers, and judicial systems in Indian country; corrupt practices or violations of law in the administration of federal Indian agencies or of federally-funded programs for Indian people—including administration by tribal officials or tribal governmental units—and federal employees; and issue special reports, bringing indictments when warranted, directed toward elimination of wrong-doing, wrongful administration or practices; and improvements recommendations for systems to ensure proper services and benefits to communities, or Indian people.

13–B. Jurisdiction Over Non-Indians Within Indian Reservations.—The Congress should eliminate the immunity of non-Indians to the general application of law and law enforcement within Reservation Boundaries, without regard to land or property titles. Title 18 of the U.S. Code should be amended to clarify and compel that all persons within the originally established bound-

aries of an Indian Reservation are subject to the laws of the sovereign Indian Nation in the exercise of its autonomous governing authority. A system of concurrent jurisdiction should be minimum requirement in incorporated towns.

13–C. Accelerated Rehabilitation and Release Program for State and Federal Indian Prisoners.—The Administration should immediately contract an appropriately-staffed Commission of Review on Rehabilitation of Indian Prisoners in Federal and State Institutions, funded from Safe Streets & Crime Control funds, or discretionary funds under control of the President, and consisting of Indian membership. The review commission would conduct census and survey of all Indian prisoners presently confined, compile information on records of offenses, sentences, actions of committing jurisdictions (courts, police pre-sentence reports, probation and parole systems), and related pertinent data. The basic objective of the review commission would be to arrange for the development of new systems of community treatment centers or national-regional rehabilitation centers as alternative to existing prison situations; to work with Bureau of Prison and federal parole systems to arrange for accelerated rehabilitation and release programs as justified; and to give major attention to the reduction of offenses and recidivism in Indian communities. The commission would act to provide forms by which Indian people may assume the largest measures of responsibility in reversing the rapidly increasing crime rates on Indian reservations, and reapproaching situations where needs for jails and prisoner institutions may again be virtually eliminated. The Congress should provide appropriate authorizations in support of such effort—perhaps extending the protective jurisdiction of the United States over Indians in State institutions, to provide for transfer to Indian-operated rehabilitation and treatment center, at least probation systems, in a bargain of responsibility for bringing about vast reduction in incidences of offenses among Indian communities. (The $8,000,000 BIA Budget for Law & Order is not directed toward such purpose—spending nearly half its present increases on new cards to gauge the increases in reported offenses.)

NOTE on 13—13C: The U.S. has asserted its jurisdiction over Indians nation-wide and may now do so again protectively. The Congress controlled liquor sales to Indians nationally until 1953, allowing prosecution for non-Indian offenders. Education of Indians in public state schools is essentially a contracting of jurisdiction to States.

14. Abolition of the Bureau of Indian Affairs by 1976: A New Structure—The Congress working through the proposed Senate-House "Joint Committee on Reconstruction of Indian Relations and Programs", in formulation of an Indian Community Reconstruction Act, should direct that the Bureau of Indian Affairs shall be abolished as an agency on or before July 4, 1976; provide for an alternative structure of government for sustaining and revitalizing the federal-Indian relationship between the President and Congress of the United States, respectively, and the respective Indian Nations and Indian people at large, consistent with constitutional criteria, national treaty commitments, and Indian sovereignty; and provide for transformation and transition into the new system as rapidly as possible prior to abolition of the BIA.

15. Creation of an "Office of Federal Indian Relations and Community Reconstruction.—The Bureau of Indian Affairs should be replaced by a new unit in the federal government which represents an equality of responsibility among and between the President, the Congress and the Governments of the separate Indian Nations (or their respective people, collectively), and equal standing in the control of relations between the Federal Government and Indian Nations. The following standards and conditions should be obtained:

A. The Office would structurally be placed in the Executive Offices of the President, but be directed by a tri-partite Commission of three Commissioners; one being appointed by the President, one being appointed by the joint congressional committee; and one being selected by national election among Indian people, and all three requiring confirmation by the U.S. Senate.

B. The Office would be directly responsible to each the President, the Congress, and Indian people, represented by a newly-established National Indian Council of no more than twenty members selected by combination national and regional elections, for two year terms, with half expiring each year.

C. All existing federal agencies and program units presently involved or primarily directed toward serving Indians would be consolidated under the new Office, together with the budget allocations to the Department assisting Indians although primarily oriented toward other concerns. All programs would be reviewed for revision of form, or eliminating altogether, or continuance.

D. A total personnel and employee structure ceiling of no more than 1,000 employees in all categories should be placed upon the new office for its first five years of operation. Employment in the Office would be exempt from Civil Service regulations and provisions. (The Civil Service Commission and federal employee unions should be requested to propose a plan for preference hiring in other agencies and for transfer of benefits to new employment, for presentation to Congress, incident to abolition of the BIA and other Indian-related federal programs.)

E. The Office would maintain responsibility over its own budget and planning functions, independent from any control by the Office of Management & Budget (OMB), and should be authorized a $15,000,000,000 budget for the remainder of the 1970s to plan from manage, control, and grant in direct assistance to Indian communities for effecting their reconstruction and qualified indigenous programming, or to otherwise program or provide for assistance. The Office would also recognize needs of non-reservation Indians, and be responsible to them as well as through the National Indian Council.

F. The Appropriations Committees of the Congress should give consideration to the justifications for long-range plans in funding, but maintain oversight over the annual incremental spending under a $15,000,000,000 budget, reviewing the efficiency of the Office and the impact and progress of the programming. The Appropriations Committees should not impose undue interferences in plans—but should insist upon equitable treatment of all Indian Nations and general Indian people who would not be denied their respective direct relations with the Congress, or with the President.

G. The Office of Federal Indian Relations would assume the administrative responsibility as trustee of Indian properties and property rights, until revision of the trust responsibility might be accomplished and delegated for administration as a function and expression of the sovereign authority of the respective Indian Nations.

16. Priorities and Purpose of the Proposed New Office.—The central purpose of the proposed "Office of Federal Indian Relations and Community Reconstruction" is to remedy the break-down in constitutionally-prescribed relationships between the United States and Indian Nations and people and to alleviate the destructive impact that distortions in those relationships has rendered upon the lives of Indian people. More directly it is proposed for allowing broad attacks upon the multitude or millions of problems which confront Indian lives, or consume them, and which can not be eliminated by piece-meal approaches, jerry-built structures or bureaucracies, or by taking on one problem at a time, always to be confronted by many more. The Congress, with assent the Courts, has developed its constitutional mandate to "regulate Indian commerce" into a doctrine of absolute control and total power over the lives of Indians—they failed to give these concerns the time and attention that the responsibilities of such power demand. The Congress restricted the highest authority of the President for dealing with Indian matters and affairs, then abandoned Indian people to the lowest levels of bureaucratic government for administration of its part-time care and asserted all-powerful control. The constitution maintained Indian people in citizenship and allegiance to our own Nations, but the Congress and the Bureau of Indian Affairs have converted this constitutional standard into the most bastardized forms of acknowledged autonomy and "sovereign self-governing control"—scarcely worthy of the terms, if remaining divested of their meaning. A central priority of the proposed Office should be the formulation of legislation designed to repeal the body of "Indian Law" that continues to operate most harmfully against Indian communities—including sections of the 1934 Indian Reorganization Act and prior legislation which instituted foreign forms of government upon our Nations, or which have served to divorce tribal government from responsibilities and accountability to Indian people.

At this point in time, there is demonstrable need for the Congress to exercise highest responsibilities to Indian people in order that we might have a future in our homeland. This requires that Congress now recognize some restrictions upon its own authority to intervene in Indian communities and act to totally exclude the exercises local tribal sovereignty and self-governing control. The proposed Office of Federal Indian Relations and Community Reconstruction should be authorized the greatest latitude to act and to remove restrictions from the positive actions of Indian people. This can be achieved if the Congress establishes a new Office in the manner proposed, and authorizing it in promising degree to operate as instrumentality of its responsibilities.

17. Indian Commerce and Tax Immunities.—The Congress should enact a statute or Joint Resolution certifying that trade, commerce, and transportation of Indians remain wholly outside the authority, control, and regulation of the several States. Congressional acts should provide that complete taxing authority upon properties, use of properties and incomes derived therefrom, and business activities within the exterior boundaries of Indian reservations, as well as commerce between reservations and Indian Nations, shall be vested with the respective or related tribal governments or their appropriate subdivisions—or certify that, consistent with the *Fourteenth Amendment, section 2,* statehood enabling acts, prevailing treaty commitments, and the general policy of the United States, that total Indian immunity to taxing authority of states is reaffirmed and extended with uniformity to all Indian Nations as a matter/established or vested right. (These questions should not have to be constantly carried to the courts for reaffirmation—disregarded as general law and attacked by challenge with every discernible variation or difference in fact not considered at a prior trial.) (Tribes have been restricted in their taxing authorities by some of the same laws which exclude federal or state authority. However, there are areas where taxing authorities might be used beneficially in the generation of revenues for financing government functions, services and community installations.) (The Congress should remove any obstacles to the development of free trade and commerce with various other foreign na-

tions; respect the rights of Indian people to travel freely between Indian nations without being blocked in movement, commerce or trade barriers of borders, customs, duties, or tax.)

18. Protection of Indians' Religious Freedom and Cultural Integrity.—The Congress should proclaim its insistence that the religious freedom and cultural integrity of Indian people should be respected and protected throughout the United States, and provide that Indian religion and culture, even in regenerating or renaissance or developing stages or when manifested in the personal character and treatment of one's own body, shall not be interfered with, disrespected or denied. (No Indian should be forced to cut their hair by any institution or public agency or official, including military authority or prison regulation, for example.) It should be an insistence by Congress that impose strict penalty for its violation.

19. National Referendums, Legal Options, and Forms of Indian Organization.—The Indian population is small enough to be amenable to voting and elective processes of national referendums, local option referendums, and other elections for rendering decisions, approvals or disapprovals on many issues and matters. The steady proliferation of Indian and Indian-interest organizations, Indian advisory boards and the like, the multiplication of Indian officials and the emergence of countless Indian "leaders," represent a less preferable form for decision-making, a state of disorganization, and a clear deflection of deterioration in the relations between the United States and Indian people as contracting sovereigns holding a high standard of accountability and responsibility. Some Indians seem to standby to ratify any viewpoints relating to any or all Indians; others conditioned to accept any viewpoint or proposal from official source. Whereas Indian people were to be secure from political manipulation and the general political system in the service of Indian needs, political favor and cut-throat competition for funds with grants made among limited alliances of agency-Indian friends have become the rule, while responsibilities and accountability to Indian people and Indian communities have been forgotten. While the treaty relationship allows that we should not be deprived by power what we are possessed of by right—little personal power and political games are being played by a few Indians while we are being deprived our rights. This dissipation of strength, energies and commitment should end. We should consolidate our resources and purpose to restore relations born of our sovereignty and to resume command of our communities, our rights, our resources, and our destiny. (The National Council on Indian Opportunity; Association on American Indian Affairs; and Indian directed, and Indian organizations which are among many which could and should be eliminated.) (At least, none should be funded from federal sources.)

20. *Health, Housing, Employment, Economic Development, and Education.*—The Congress and Administration and proposed Indian Community Reconstruction office must allow for the most creative, if demanding and disciplined, forms of community development and purposeful initiatives. The proposed $15,000,000,000 budget for the 1970s remainder could provide for completed construction of 100,000 new housing units; create more than 100,000 new, permanent, income and tribal revenue-producing jobs on reservations and lay foundation for as many more in years following; meet all the economic and industrial development needs of numerous communities; and make education at all levels and provide health services or medical care to all Indians as a matter of entitlement and fulfilled right. Yet, we now find most Indians unserved and programs not keeping pace with growing problems under a Billion Dollar-plus budget annually—approximating a service cost of $10,000 per reservation Indian family per year, or $100,000 in this decade. Our fight is not over a $50 Million Dollar Cutback in a mismanaged and misdirected budget, and cannot be ended with restoration of that then invisible amount—but over the part that it, any and all amounts, have come to play in a perennial Billion Dollar indignity upon the lives of Indian people, our aged, our young, our parents and our children. Death remains a standard cure for environmentally-induced diseases afflicting many Indian children without adequate housing facilities, heating systems, and pure water sources. Their delicate bodies provide their only defense and protection—and too often their own body processes become allies to the quickening of their deaths, as with numerous cases of dysentery and diarrhea. Still, more has been spent on hotel bills for Indian-related, problem-solving meetings, conferences and conventions than has been spent on needed housing in recent years. More is being spent from federal and tribal fund sources on such decision-making activities than is being committed to assist but two-thirds of Indian college students having desperate financial need. Rather, few decisions are made, and less problems solved, because there has developed an insensitivity to conscience which has eliminated basic standards of accountability. Indian communities have become fragmented in governmental, social, and institutional functions as they have been restructured or destructed to accommodate the fragmentation in government programming and contradictions in federal policies. There is need to reintegrate these functions into the life and fabric of the communities. Of treaty provisions standard to most treaties, none has been breached more viciously and often as those dealing with education—first by withdrawing education processes from jurisdiction and responsibility of Indian communities, and from the powers of Indian self-government—and failing yet to restore authority to our people, except through increased funding of old advisory and contract-delegation laws, or through control to conduct school in the conditioned forms and systems devised by non-Indians, or otherwise commended by current popularity. At minimum, Indian Nations have to reclaim community education authority to allow creative education processes in forms of their free choice, in a system of federally-sanctioned unit or consolidated Indian districts, supported by a mandatory recognition of accreditation in all other systems in this land.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., January 16, 1973.

Hon. JAMES A. HALEY,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: When I appeared before your Committee in early December I told you that we had undertaken to prepare an answer to the 20 questions which the Trail of Broken Treaties caravan had laid before us. On January 9, 1973 we transmitted our answers. I thought you would still be interested so I am enclosing a copy for your use.

Sincerely,

FRANK CARLUCCI,
Deputy Director.

1. RESTORATION OF TREATY-MAKING AUTHORITY

The first proposal is that Indian nations should again become sovereign political entities which would contract treaties with the United States—the purpose being "in order that Indian Nations may represent their own interests."

Over one hundred years ago the Congress decided that it was no longer appropriate for the United States to make treaties with Indian tribes. By 1924, all Indians were citizens of the United States and of the states in which they resided. The citizenship relationship with one's government and the treaty relationship are mutually exclusive; a government makes treaties with foreign nations, not with its own citizens. If renunciation of citizenship is implied here, or secession, these are wholly backward steps, inappropriate for a nation which is a Union.

Indians do need to "represent their own interests" and Indian tribes, groups and communities are finding increasingly effective ways of expressing these interests. There are several active and vocal nationwide Indian organizations; there are many tribal governments and these are being strengthened with full Administration support and endorsement. The President has even proposed that the administration and control of most BIA and HEW Indian programs be transferred to Indian tribal government, at the latters' option, but the Congress has not yet approved this legislative proposal.

The President has proposed the creation of an Indian Trust Counsel Authority to represent Indian interests in the vital field of natural resources rights, but the Congress has not enacted this legislation.

The White House and every Department in this Administration meets frequently with Indian leaders and groups, listens to and pays attention to Indian recommendations and, as for example in the development of the Alaska Native Claims legislation, works with Indian representatives on matters vitally affecting Indian people. We will continue to go forward with these many, close relationships.

2. ESTABLISHMENT OF TREATY COMMISSION TO MAKE NEW TREATIES

The points stated in the first response apply to this proposal also.

3. THE PRESIDENT AND INDIANS SHOULD ADDRESS THE CONGRESS

The Congress has been addressed—two and one-half years ago—when the President sent the Congress a Special Message on July 8, 1970 dealing exclusively with American Indian matters. Indian advice about those program proposals was sought and obtained at that time in a series of meetings held throughout Indian country. With two exceptions, none of the President's legislative proposals made in that Message have been enacted by the Congress; some have not even been given hearings.

What is needed is not more addresses and messages; the President will again submit in 1973 legislative proposals to implement his progressive policy for Indians. What is needed is congressional action.

It would be up to the Congress to determine whether it would like to invite four Indians to address a Joint Session. As important, or more so, will be the appearance of Indian representatives at congressional committee sessions which hopefully will be called soon to take up the bills the President has proposed. Administration witnesses will be on hand and fully ready to explain the President's program.

At the present time, the Administration, as well as congressional committees, is again open to any specific Indian suggestions as to how our proposals could be improved or strengthened.

4. CREATE A COMMISSION TO REVIEW TREATY COMMITMENTS AND VIOLATIONS

We already have a Commission: the Indian Claims Commission, a quasi-judicial agency created by the Congress in 1946. Its mandate is to settle finally any and all legal, equitable and moral obligations the United States might owe to the Indians, including the loss of aboriginal lands or in-

adequate payment for them through treaties or otherwise. The Commission has decided on some 190 awards, and has certified $424 million for appropriation as award payments. There are about 250 dockets still pending before the Commission, and in the last Congress the Commission's life was extended another five years.

It is asked that a new Commission formulate legislation to protect jeopardized Indian rights. This legislation has already been formulated and the President proposed it to the Congress two and one-half years ago: the creation of an Indian Trust Counsel Authority. The Authority would be a quasi-independent part of the Executive Branch of the United States Government, would be governed by a three-man Board of Directors, two of whom would be Indians, would have the right to bring suit against the United States or otherwise to intervene in any State or Federal regulatory proceeding to protect Indian natural resources rights, speaking for the United States as trustee for those rights. The Congress has not enacted this legislation: it will be resubmitted to the new Congress and this Administration will again defend and support it, and we are confident we will again have the endorsement and assistance of Indian witnesses also.

Pending the enactment of the Trust Counsel Authority, this Administration has actively defended Indian treaty and trust rights. We have persuaded Congress to restore the Blue Lake lands to the Taos Pueblo; the President has acted to restore to the Yakima Nation the 21,000 acres of land mistakenly alienated from their control 66 years ago: the Administration has filed a number of suits to protect Indian water rights including a suit in the Supreme Court to protect the rights of Indians in Pyramid Lake; the Administration has initiated a procedure whereby, on the request of the Secretary of the Interior, briefs stating the United States' position as trustee of Indian land and water rights will be filed in any Court cases in which the Department of Justice takes a position contrary to those trust interests, so that no Court is ever unaware of the trustee position of the United States concerning these rights.

Briefs supporting Indian trust rights have been filed in the *McClahanan, Kahn, Mescalero,* and *Tonasket* Supreme Court tax cases, the *Stevens* tax case was won in the Ninth Circuit on the strength of the Interior Department's brief as trustee for the Indian defendant.

The Secretary of the Interior has established a special Water Rights Office in the Department of the Interior to give special attention to any Indian water rights problems and allegations of invasion of rights. This Office is headed by an Indian lawyer.

With respect to the stated wish to "eliminate the unending patterns" of lawsuits and legal defense, this desire is rather theoretical, since public life today is full of controversy and legal dialogue. No one can guarantee an end to controversy; what we are trying to guarantee is effective defense, in those controversies, of Indian trust rights by the United States which is itself the trustee of those rights.

The Departments of the Interior and Justice are and will continue to be alert to any specific allegations of violation of Indian trust rights, and will continue to work with Indian leaders and their representatives to ensure effective defense of Indian trust interests.

5. RESUBMIT UNRATIFIED TREATIES TO THE SENATE

As was explained under Point 1, we are now a Union and we have a citizenship rather than a treaty relationship with the people who make up that Union, American Indians included.

The injustices and inequities which were in fact suffered by Indian tribes and peoples because of either unfair or unratified treaties are being dealt with as the Congress has provided in the Indian Claims Commission. This is particularly true in the case of many California Indians, the treaties with whom were negotiated but not ratified, and whose claims have been decided by the Indian Claims Commission and confirmed by the Congress, with award payments even now being disbursed totaling $29,100,000.

The Claims Commission will continue to be diligent and fair as it moves through the remainder of the 250 dockets still pending.

6. ALL INDIAN PEOPLE SHOULD BE IN A TREATY RELATIONSHIP WITH THE UNITED STATES

The Treaties that were concluded and ratified with Indian tribes are still in force and will be respected by the United States. But as explained in points 1 and 5, we are a Union and, since 1871, no longer negotiate new treaties with our citizens as if they were foreign entities.

American Indian people have many needs and concerns; these needs and concerns are being addressed and must be addressed further by both the Executive and Legislative branches of our government. We, in this Administration, want Indian people to continue to work with us in formulating and carrying out specific proposals and actions to meet the pressing economic, legal, educational, health, and housing problems of Indian people.

To call for new treaties is to raise a false issue, unconstitutional in concept, misleading to Indian people, and diversionary from the real problems that do need our combined energies.

7. MANDATORY COURT INJUNCTIONS AGAINST ALLEGED TREATY VIOLATIONS

This demand apparently is based upon a misunderstanding of the judicial process. It is proposed that mandatory injunctions be granted upon the mere filing of an indian complaint that a treaty right is being violated and that such injunctions continue until the court is satisfied a violation is not being committed. It is not clear what is meant by a "mandatory" injunction, although there is a clear implication that concepts of due process should not apply to litigation to enforce treaty rights.

As near as can be determined from the demand, much of what is desired is attainable through existing judicial process, by use of temporary restaining orders (and subsequent injunctive relief) whenever a citizen can show he will suffer irreparable harm. The courts now give priority to requests for temporary restraining orders and injunctions. It seems highly unlikely that the Congress would pass such legislation, and it is questionable as to the authority to do so under the constitution.

8. JUDICIAL RECOGNITION OF INDIAN RIGHT TO INTERPRET TREATIES

This proposal would require the fundamental revision of our judicial processes in order to give Indian groups highly preferential positions in controversies about their treaty rights. To the extent the revision would impinge on the judicial powers of the courts, it would present constitutional problems. Granting a right of appeal to the Supreme Court in Indian cases would necessitate amendment of 28 U.S.C. 1254 and 1257.

At present, all Indian tribes have the right to take a position in any case or controversy on the meaning of their own treaties and to advocate their interpretation through the courts, as any State, locality, citizen, or group of citizens can press for favorite judicial interpretation of their rights. Due process and equal access, however, must be accorded to all citizens involved.

We would reemphasize here the matters stressed in Point 4: this Administration, more than any in American history, has been alert to defend Indian natural resources rights and to urge both the Legislative and Judicial Branches to do the same. What is needed from now on is not the skewing of America's judicial principles or the creation of any new built-in preferences for or against specific groups or institutions. What is needed is a continuing alertness by the Executive Branch, which we pledge, and in addition perhaps a better system by which Indian leaders can bring alleged trust violations more promptly to the Government's attention.

9. A NEW CONGRESSIONAL COMMITTEE STRUCTURE

This proposal, to create a new joint congressional committee, should be addressed to the Congress, and would not be appropriate for Executive Branch comment.

10. LAND REFORM AND RESTORATION OF A 110 MILLION-ACRE NATIVE LAND BASE

The Federal Government now holds in trust about 40 million acres of tribal land owned in common, plus approximately 10 million acres of land held in trust for individual tribal members. In addition, the title to 40 million acres has been confirmed by the Congress as belonging to Alaska Natives. In accordance with their wishes, it will not be held in trust but will be under their full control and inalienable for twenty years.

Assuming the above land is included in the suggested 110 million acres land base, this proposal calls for giving to Indians an additional 20 million acres of land. But what is omitted is the fact that claims concerning some of this additional land (it is difficult to know how much since the 110 million acres are not identified) are undoubtedly involved in the 250 cases now pending before the Indian Claims Commission.

The proposal that this 110 million acres be perpetually nontaxable and inalienable would be in part repetitive of existing rights, would deprive Indians of their right to deal with their lands for the benefit of all their people, and is a legal impossibility as one Congress cannot bind future Congresses amending or repealing such a law. With the consent of the Secretary of the Interior as trustee, individual Indians may exchange or sell their land when it is to their advantage to do so for a worthy purpose. These land owners might not want this right eliminated. Alienation of tribal land requires an Act of Congress. Some tribes for special reasons have obtained this right with the approval of the Secretary of the Interior and would probably be opposed to its being withdrawn from them.

10–A. PRIORITIES IN RESTORATION OF THE NATIVE AMERICAN LAND BASE

The proposal is that the following priorities be followed in connection with the requested 20 million acres of land:

1. The Indian Nations landless because of unratified treaties or unfulfilled treaty provisions.

2. Indian Nations landless because of abuse of trust responsibilities.

3. Urban Indians and non-reservation Indians in some grouping who are landless.

There would be considerable differences of opinion on the proposed priorities. The Federally-recognized tribes with reservations are also interested in obtaining additional land.

In the light of the many individual, piecemeal proposals for the creation of additional parcels of trust land for specific Indian groups, a study of trust land status and eligibility policy has been begun in the Department of the Interior. The study has been delayed by the disruption of the building and records of the Bureau of Indian Affairs during the occupation by the Trail of Broken Treaties two months ago, but it is now resuming.

As the Washington Conference of Eastern Indian peoples recently made clear, the process of identifying these options and costs

is going to require a great deal of research: which Indian groups not now federally recognized live on what land now; what is the status of that land, what services are available and not available to them from what sources, etc. In the end it is the Congress that must set the policy and provide the additional resources, if any. We shall be working with Indian leaders in giving these questions the thorough and detailed attention they deserve. We solicit the cooperation of Indian people, especially those not now federally recognized, in helping us with the rigorous economic and financial research which will be a prerequisite of any conclusions or recommendations.

10–B. CONSOLIDATION OF INDIANS' LAND, WATER, NATURAL AND ECONOMIC RESOURCES

Land owned in common by a number of heirs has long been a difficult unresolved problem. The separate essay promised to the Government on this subject will be given careful study when received.

10–C. TERMINATION OF LEASES AND CONDEMNATION OF NON-INDIAN LAND TITLES

Indian land owners, as individuals or tribes, decide themselves how they want to use their land or whether to lease it to others to obtain income. The Indian owners have to approve any lease. They and the trustee jointly determine the particular way in which the land is to be used. The Indian land owners are being encouraged to use their land themselves whenever they can and whenever it is to their advantage to do so. In many instances, it is impractical for the elderly, a child or woman, or those who are not interested in working on the land to do so. In other instances, because of the size or location of the land or the capital required, a greater return is obtained by lease than self operation.

The Trail of Broken Treaties representatives are free to recommend to their Indian colleagues who are land owners that there should be a large-scale program of lease cancellations and non-renewals. However, some questions need to be faced. Who would pay the lessees who certainly seek damages for cancellation of leases without cause?

It is also proposed here that tribes be given the authority by Congress to condemn any land owned by non-Indians within reservation boundaries, the cost to be borne by the Federal Government. No mention is made of repaying any monies already received for the lands. Such condemnation would involve a large amount of land and money, particularly for the checkerboarded reservations of the plains States. It is doubtful that the Federal Government could or should delegate its powers of eminent domain to non-Federal entities, even if this amount of money were available under present stringent budget strictures.

Enactment of the President's credit legislation would give Indians a further basis for obtaining land necessary for economic development; we look forward to early Congressional hearings on this legislation.

The study referred to under point 10 A. will also pertain to the recommendation made here concerning the resecuring of alienated lands within reservation boundaries.

10–D. REPEAL OF THE MENOMINEE, KLAMATH, AND OTHER TERMINATION ACTS

The Administration has expressed very firmly its strong opposition to any forced termination of the special relationship between the United States of America and Indian tribes involving the trusteeship of tribal land and the providing of special services. The President has specifically asked the Congress to rescind the outdated Termination Resolution of 1953, but the Congress has not yet taken the action the President recommended. Some years ago, Congress did terminate certain tribes based on its conclusion that they were prepared and able to manage their own affairs. Whether the Federal Government should now attempt to unscramble all of the situations that have since intervened and somehow restore the land that was conveyed in fee to the tribes and individuals and the numerous other matters that would be involved, will have to be considered at greater length and, in fact, is part of the study referred to under section 10 A.

With respect to the Menominees specifically, we repeat the pledge made by our convention in the Republican Platform:

"We are fully aware of the severe problems facing the Menominee Indians in seeking to have Federal recognition restored to their tribe, and promise a complete and sympathetic examination of their pleas."

11. REVISION OF 25 U.S.C. 163; RESTORATION OF RIGHTS TO INDIANS TERMINATED BY ENROLLMENT AND REVOCATION OF PROHIBITIONS AGAINST "DUAL BENEFITS"

This proposal urges Congressional recognition of complete and unfettered authority of a tribe to determine its own membership for all purposes, including membership in more than one tribe resulting in dual Federal and tribal benefits. Only in a very few special situations has the Congress enacted legislation affecting the requirements for tribal membership. On occasions when bills have been introduced in Congress that would define tribal membership, the Department has generally opposed enactment as an invasion of tribal rights to self-determination.

It has long been the policy and practice, supported by the courts, to permit tribes by the adoption of their own constitutional provisions or special membership ordinances to determine the qualifications for membership in their tribes. Often a tribe will require that a member may not be enrolled in another tribe. While the Department of the Interior does not have a prohibition against dual membership in tribes, it does not permit individuals to receive distribution of tribal assets held in trust usually in the form of a per capita payment, from more than one tribe.

The Trail of Broken Treaties' authors recognize that their recommendation is contrary to the position taken by the members of tribes in their referendums adopting constitutions setting forth their membership requirements. The TBT argument is really with the tribes who prescribe their membership provisions pursuant to constitutions and by-laws that have been adopted.

12. REPEAL OF STATE LAWS ENACTED UNDER PUBLIC LAW 280 (1953)

Public Law 280 permits a State to acquire civil and criminal jurisdictions in Indian areas but only with the consent of the involved tribe. A State's assumption of jurisdiction under P.L. 280 is voluntary and whether a State repeals the law involved (or any other State law) is also within the discretion of the State. There is a provision in the Indian Civil Rights Act of 1968 which permits States which have acquired jurisdiction under P.L. 280 to retrocede their jurisdiction back to the U.S. They are not required to do so at the request of the tribe.

It is not true that P.L. 280 deprived any Indian tribe of any of its civil or criminal jurisdiction over its members. The jurisdiction of the Federal Government over "major crimes" and under the Assimilated Crimes Act was divided and transferred to the States, but nothing in the Act strips the tribe of its powers.

The Congress possesses the power to provide for the reassuming of Federal jurisdiction in Indian country where the States have acquired it under P.L. 280. The Congress, no doubt, would want to have the views of tribes which had consented to State jurisdiction before taking the action recommended under this proposal.

13. RESUME FEDERAL PROTECTIVE JURISDICTION FOR OFFENSES AGAINST INDIANS

We have difficulty with the constitutionality of the concept that Congress can, by statute, require the judiciary to issue warrants for arrests on the basis of a "written complaint or sworn statement," since in our view, "probable cause" is determined by constitutional rather than legislative standards.

13–A. ESTABLISHMENT OF A NATIONAL FEDERAL INDIAN GRAND JURY

In the first 13 lines of this proposal, one would substitute in place of "Indian" the categories "Black", "Asian", "Chicano", etc. It would be misguided choice indeed to subdivide our American system of justice into ethnic slices, each skewed to give special attention on a racial basis. Our task is to improve our local and Federal systems so that they function in a manner utterly devoid of considerations of race or creed or culture.

Insofar as the proposed Grand Jury would be permitted to return indictments for prosecution in tribal courts and also against tribal officials, the proposal seems to conflict with the idea of tribal self-determination. Congress would also have to make an alteration in the existing concepts of the immunity of Federal officials from criminal actions arising from duties performed under color of their Federal authority.

13–B, JURISDICTION OVER NON-INDIANS WITHIN INDIAN RESERVATIONS

Indian tribal courts currently, we contend, have no judicial jurisdiction over non-Indians in criminal matters and have jurisdiction in civil matters only where the non-Indian consents to jurisdiction. A tribe may have legislative jurisdiction over non-Indians on a reservation, but whether tribal laws can be enforced against non-Indians remains unsettled.

The proposal would, therefore, affect the rights of non-Indians who reside within the "originally-established" exterior boundaries of a reservation and present severe problems of whether it would deprive them of the rights of citizenship in the States in which they reside. Further, it would affect those who are merely traveling through a reservation and arguably could deprive such persons of their immunity and privileges as citizens of the United States.

Finally, it must be noted that the 1968 Civil Rights Act requires that a tribe afford every person under its jurisdiction the fundamental rights of due process and equal protection of the laws. The greater the extent of tribal jurisdiction over non-Indians, the greater claim they have to the right to participate in tribal affairs, i.e., not only would they have a right to protection in judicial proceedings, but they might also have a valid claim to participate in the tribal legislative process.

Before taking any action in the direction of this recommendation, we would wish to have the views of the elected Tribal Chairmen and Tribal Councils, since they are the most competent representatives of Indian Reservation people.

13–C. ACCELERATED REHABILITATION AND RELEASE PROGRAM FOR STATE AND FEDERAL INDIAN PRISONERS

A new cooperative program has been in effect between Interior and Justice for the past two years under which contracts are entered into with tribes for them to provide a rehabilitation program, including vocational training and counselling for Indians in Federal and State prisons.

14–C. ABOLITION OF THE BUREAU OF INDIAN AFFAIRS BY 1976: A NEW STRUCTURE

Two and one-half years ago, the President's message foreshadowed the longer-term nature of the Bureau of Indian Affairs: it will become, in effect, an Indian Trust and Technical Assistance Agency, responding to requests from elected Indian tribal leaders

who will themselves be taking over the management and operation of the Federal programs which serve their reservations. The pace of this change i.e., the degree of transfer of control over program operations, will be at Indian option; the President specifically does not intend to force Indian groups into running their Reservation affairs on any time-table except each Tribe's own.

The trust responsibility will, of course, remain— as long as each Tribe wishes it; the President has repudiated termination.

Whether the changed Bureau would remain within the Department of the Interior, or within a new Department of Natural Resources, or be placed in another Cabinet Department would be a matter which the President would not propose to the Congress until after close consultation with Indian leaders themselves.

15. CREATION OF AN "OFFICE OF FEDERAL INDIAN RELATIONS AND COMMUNITY RECONSTRUCTION

This proposal would create a three-headed agency in the Executive Office, one head being a Presidential appointee, another a Congressional appointee and the third appointed by Indian people; it would be directly responsible to all three sources, would be authorized a 7-year budget of $15,000 - 000,000 and would have few if any restrictions on its program or operations from OMB, the Congress or the Civil Service Commission.

This suggestion may have come from the best of intentions, but it would create a helpless, irresponsible administrative freak, able to spend vast sums without any clear accountability. Indian people, no less than the President and the Congress, could and would be defrauded by such an administrative aberration; neither the President nor the Congress would permit it to be created.

What Indian people ought to have is an effective trust protector and service-delivery system, which makes sure that every dollar of the more than $1 billion in the federal government's current overall budget for Indians actually is put to work directly helping Indian people. To get this requires perhaps tighter rather than looser Departmental management and OMB review, may require closer scrutiny by the Congress or the General Accounting Office or the Civil Rights Commission. In any case it requires unified direction and clear responsibility to the officer to whom the Constitution gives the Executive power: the President.

In the four years that President Nixon has been in office, he has increased the budget of the Bureau of Indian Affairs from $261 million to $571 million and he has brought new talent, mostly Indians, into the senior positions of the Bureau. Other changes will come also (see the response under Section 14) and Indian leaders will be consulted in the process.

16. PRIORITIES AND PURPOSE OF THE PROPOSED NEW OFFICE

Most of this section in the Trail of Broken Treaties paper seems to be directed at the Congress and it would seem appropriate to let the response be primarily from the Congress.

We would add that the principal thrust of the President's own legislative proposals for Indians is toward self-determination and self-government for Indian tribes. If problems have arisen concerning the responsibility and accountability of tribal governments to their people, these should be brought to our attention in the Task Force which was set up to explore this among several other aspects of Indian needs and problems. We would welcome specific legislative or administrative proposals.

17. INDIAN COMMERCE AND TAX IMMUNITIES

Indian land held in trust, either for tribes or individuals, may not be taxed by the States or their subdivisions. States can tax non-Indians within Indian reservations, except licensed Indian traders on sales to Indians. Tribes do have the authority to levy taxes within their reservations. Indian trust lands and proceeds from them are immune from property taxation. Unless current litigation changes this, Indian owners must pay all other taxes such as that on their earned income unrelated to their tax exempt property.' No justification is offered as to why as citizens of a State they should be set apart from their fellow citizens in matters not related to the trust relationship, even if Congress had the authority to give them this exemption.

Having the advantage of the special tax exemption, Indians will want to take the steps necessary to enforce it. Indians, like others, will have to employ attorneys and undertake the burden and expense of litigation to assert their rights, although the access of courts to enforce rights is a precious right in itself. The tribes, however, have the additional benefit of being able to call on the legal services of the Department of Justice and Interior in certain kinds of actions.

The proposal that tribes be treated as soverign nations in relation to trade with foreign nations by removal of barriers of "borders, customs, duties, or tax" is entirely inconsistent with their status as American citizens and could lead to erosion of their special relationship with the Federal Government.

18. PROTECTION OF INDIANS' RELIGIOUS FREEDOM AND CULTURAL INTEGRITY

The American people and their government are particularly concerned that the Indians' religions and culture be protected, and there is no policy or program to remove this protection. Indians, like all citizens, are protected in their religious rights by the First Amendment. If Congress attempts to secure; for Indians greater religious rights than the First Amendment itself provides, it runs the danger of conflicting with the establishment clause, particularly when it is remembered that Indians, like all Americans, belong to different faiths.

The Supreme Court so far has refused to review, and the Courts of Appeals are divided on the question of whether public schools can require students to cut their hair. However, the cases have focused on the issue of the First Amendment freedom of expression rather than on that of religion, and the latter argument would seem to present a stronger case.

19. NATIONAL REFERENDUMS, LOCAL OPTIONS, AND FORMS OF INDIAN ORGANIZATIONS

The Federal Government recognizes the elected tribal governing bodies as the principal spokesmen for the members of their tribes. It is also willing to hear and interested in obtaining the views of individual Indians or groups, such as school boards, Indian women's organizations, Indian professional organizations, etc., and giving them due consideration. (The Trail of Broken Treaties' authors seem to be addressing themselves under this point to various privately organized association and groups of Indians rather than to the Federal Government.)

Certainly not now and probably never will one Indian group have a monopoly of being "the spokesman" for all Indian people.

We might add at this point that the conduct of certain members of the Trail of Broken Treaties during their visit to Washington two months ago was reprehensible and is being investigated for possible criminal prosecution; their actions represented not leadership but a betrayal of the interests of Indian people.

20. HEALTH, HOUSING, EMPLOYMENT, ECONOMIC DEVELOPMENT AND EDUCATION

This is a request for $15 billion in Federal funds to be appropriated for Indians in the remaining years of the 1970's for the enumerated purposes. There is also a very generally stated objection to the manner in which past appropriated funds have been spent.

The Trail of Broken Treaties paper makes no acknowledgment of the fact that under this President and the last two Congresses, the budget for the Bureau of Indian Affairs alone has increased from $261.3 to $571.4 millions, or 218.6%.

The question is not whether Indian people have acute needs in education, housing, health and economic development. The question is whether pumping more money in the direction of those problems in the same old way is the best method of solving them.

This Administration has doubled the Indian budget—but it has done something much more important: it has proposed new and more effective ways of bringing to bear the resources that are available. We want Indian control of the programs operating on reservations; we want Indian parents to have a say in the off-reservation schools which their children attend; we want to see reservation hospitals staffed and managed by responsible Indian officials.

The watchword in the federal human resources budgets of the Second Term is not "more" but "more effective"—and we solicit the cooperation and suggestions of all Indian groups and leaders as to how to ensure that the available resources do in fact accomplish the results for which those resources are invested.

It is urged here that Indian communities reclaim their authority over the education process and that Indian operated schools be recognized by all other school systems through a mandatory accreditation system. It is the President's policy to encourage Indian communities to take over the control and operation of the BIA schools. The movement toward contract schools is a visible commitment to this policy. With the passage of recommended legislation providing for taking over of BIA programs by tribes and permitting Federal employees employed by tribal governments to retain their Civil Service benefits, the move to Indian community control and operation will accelerate.

Accrediting of a school is accomplished by a school joining the privately supported accrediting system and seeking accrediting. Indian schools wanting their students to be prepared to enter accredited schools elsewhere should adhere to certain minimum standards in order to adquately serve their students. It would seem inappropriate for Congress, even if it could, to require on a blanket basis the accrediting of Indian operated schools.

Mr. HELMS. Mr. President, even though some Americans have been misled, I think that it is obvious that AIM is thoroughly disreputable and divisive in its leadership and programs. It certainly does not deserve the sympathy of U.S. citizens whether Indian or otherwise. It is divisive and destructive and tears at the fabric of society. It cannot contribute to solving the problems of poverty or the problems of bureaucracy. Only when the authentic Indian leaders, as many of them have done, are able to engage their people in suitable educational and training programs to overcome the years of neglect will economic progress be made. The only programs which can be successful in the long run are those which are supportive of stability, initiative, and private investment. I join in criticizing Government programs of the handout and paternalism. I think that they have had a deadly effect not only upon many Indians, but upon

many other U.S. citizens as well. Successful social revolution comes through steady organic growth, and can never be enforced by totalitarian political methods.

I cannot leave this topic without commenting upon the whirlwind reaped by OEO from its grants to AIM. We do not have the evidence at this time to show, conclusively, that the criminal activities of AIM are the direct result of OEO programs. Yet OEO funds have provided the juice in which the whole thing has steeped. At the heart of it is the whole philosophy of the Community Action programs which the President has wisely sought to bring to a screaming halt. Implicit in the idea of CAP is the idea that poverty can somehow be cured through political action—that is through manipulating the processes of Government by coercion, organization, pressure, and even blackmail.

This may best be described as the para-governmental approach, since its aim is to circumvent the normal organization of constitutional government. The notion is prevalent that poverty can be eliminated only by boldly wresting political power from the established system. The OEO mentality results in Government financing its own destruction.

Our constitutional system was carefully constructed with a system of checks and balances. The object was to prevent any one sector of society from acquiring enough power to tyrannize over the rest. It is a system that is slow and full of setbacks and disappointments. But it is also a system that results in a broad consensus for the support of political and economic freedoms. It creates the stability necessary for economic growth—and only economic growth can solve the problem of poverty.

U.S. citizens—whether Indian or otherwise—do not need AIM or other OEO supported organizations of that sort. We do not need demonstrations and demands. We do not need totalitarian groups trying to blackmail us into setting aside our normal political processes. And we do not need criminals setting themselves up as social reformers. It is time to recognize AIM for what it is.

Mr. President, I reserve the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, will the distinguished Senator yield to me for not to exceed 2 minutes of his time?

Mr. STAFFORD. Mr. President, I am happy to yield 2 minutes to the Senator from Montana, or more time if he needs it.

Mr. MANSFIELD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Montana is recognized.

THE BASIS FOR U.S. INVOLVEMENT IN CAMBODIA

Mr. MANSFIELD. Mr. President, the staff of the Committee on Foreign Relations has assembled a concise selection of documents relating to the basis for the U.S. involvement in Cambodia, as defined by the executive branch in 1970, and certain legislative responses thereto. This records reveals that, at the outset, the stress in the Senate and in the Congress, clearly, was to limit and to terminate what has since come to be such an ill-fated adventure in Cambodia. Thanks in great part to the leadership and efforts of the Senator from Idaho (Mr. CHURCH), the former Senator from Kentucky (Mr. Cooper), the Senator from Vermont (Mr. AIKEN) and the Senator from Missouri (Mr. SYMINGTON), legislation was passed which required American ground forces to be kept out of Cambodia. Our involvement with the futile government which succeeded that of Prince Sihanouk in Phnom Penh was also limited by legislation. At that time, the President, the State Department indicated that the executive branch was of the same mind as the Congress in holding that the interests of the United States required us to get clear of the Cambodian internal situation and stay clear of it. Since then, however, we have seen the transfer of the focus of the U.S. military involvement from Vietnam to Cambodia, in the form of U.S. airpower coming to the aid of the Lon Nol forces.

The likelihood exists that there will be renewed efforts in the Congress to close the last legislative gap regarding our involvement in Cambodia in the event it is not ended before then. In the circumstances, I think it would be useful to have before the entire Senate the background documents to which I have referred.

I ask unanimous consent, therefore, that they be included in the RECORD at this point.

There being no objection, the documents were ordered to be printed in the Record, as follows:

COMMITTEE ON FOREIGN RELATIONS,
U.S. SENATE,
April 30, 1970.

Hon. WILLIAM P. ROGERS,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: At a meeting of the Foreign Relations Committee this morning. the members agreed unanimously that American participation in South Vietnamese operations in Cambodia raises important questions concerning United States policy. These are some of the questions which are of deep concern to the Committee:

1. Does the Executive Branch consider that the SEATO Treaty has any application to the current situation in Cambodia? Is the Tonkin Gulf Resolution considered to be applicable?

2. What authority is being relied upon to support the sending of United States Forces in Cambodia? If it is to protect American forces in Vietnam, where will the line be drawn? Is it considered that this authority would permit sending U.S. ground forces to knock out enemy bases in Cambodia? Air strikes in support of South Vietnamese or Cambodian troops? The defense of the Cambodian capital? If the enemy forces re-establish bases in another area of Cambodia, or a third country, does the Executive Branch believe it has authority to assist the South Vietnamese in attacking those bases?

3. Does the Administration plan to consult with the Committee on Foreign Relations concerning the sending of additional advisors or additional U.S. military forces of any kind into Cambodia? Is there any intention to ask the Congress to approve U.S. military involvement in Cambodia or the sending of military aid? Will the Administration make public any agreement to provide military aid to Cambodia, directly or indirectly?

4. Is the present operation unique or the beginning of a pattern?

5. Why does the Administration consider that eliminating the enemy bases in Cambodia is more important now than before the overthrow of Sihanouk? Was the existence of these bases an element in planning the Vietnamization strategy?

6. Did either the United States or South Vietnam consult with and obtain the Cambodian Government's approval for conducting the current operation? If its approval was obtained, what, if any, limits were imposed?

7. What impact has this operation had, or is it likely to have, on the efforts by Indonesia and others to bring about an Asian conference to discuss the Cambodian problem?

The Committee has reserved judgment on possible courses of action until it has been more fully imformed. Answers to the above questions will be helpful in its consideration of the policy issues involved. The Committee would, therefore, appreciate having this information as soon as possible.

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

DEPARTMENT OF STATE,
Washington, D.C., May 30, 1970.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: Thank you for your letter of April 30 to Secretary Rogers posing questions about United States policy in Cambodia. Some of these questions have, of course, been answered by the President's speech of April 30 and by other statements of this Administration. I am glad, however, to have an opportunity to put more specific answers on the record, and I hope the following will be helpful to the Committee in the consideration which it is giving to United States policy in Cambodia. My answers correspond to the numbering of your questions.

1. The SEATO Treaty has no application to the current situation in Cambodia. The Protocol to the Treaty designates Cambodia as one of the States covered by Article IV of the Treaty. In 1964 and again in 1965, the Government of Cambodia informed the Secretary-General of SEATO, and its members, that Cambodia categorically refused the protection of SEATO. Neither Cambodia nor any Party to the Treaty has suggested that the Parties should take any action under Article IV.

In his letter to you of March 12, 1970, Mr. Torbert stated that the Administration does not depend on the Tonkin Gulf Resolution, as legal or constitutional authority for its present conduct of foreign relations, or its contingency plans. This continues to be the Department's position.

2. The entry of United States forces into Cambodia was directed by the President in the exercise of his constitutional authority as Commander-in-Chief to protect United States forces which had previously been committed to action in Viet-Nam. From the point of view of international law, the action in Cambodia was an exercise by the United States and the Government of Viet-Nam of their right of individual and collective self-defense under Article 51 of the UN Charter. I enclose a copy of our report to the Security Council which sets out in more detail the basis in international law for our action.

The President has set and announced explicit limits on the actions of U.S. forces in Cambodia. In response to your question about the actions of U.S. ground forces, these limits clearly restrict the action of such forces to the direct threat posed to American and allied forces in Viet-Nam by the existence of the border sanctuaries.

3. It will continue to be the Administration's policy to consult with the Committee on Foreign Relations to the fullest extent feasible in advance of any significant new United States decisions concerning Cambodia and other important foreign policy matters.

As you are aware, we have informed the Congress and announced the decision to provide U.S. military assistance to Cambodia in the amount of $7.9 million in fiscal year 1970. As is the case with other military assistance programs, it will not be possible in most cases to announce publicly the exact levels or types of aid and thereby to reveal military and other information which must remain protected. We will, of course, as is required by law and past practice, inform the Committee on Foreign Relations of the annual proposals for military aid to Cambodia for future years.

4. The present operation in Cambodia is limited in extent, purpose, and duration. Our objective has been to capture enemy stores and supplies; to disrupt Communist logistics and communications capabilities; and to prevent the enemy from building his forces in the sanctuary areas in preparation for attacks on our troops and those of our allies in South Viet-Nam. With the achievement of these objectives our forces will withdraw into South Viet-Nam. As announced by the President, American troops will be out of Cambodia by July 1. Our action was in response to a specific and unique situation.

5. For five years, neither the United States nor South Viet-Nam has moved against these North Vietnamese/Viet Cong sanctuaries because we did not wish to put ourselves at odds with the Sihanouk Government. Even after the Vietnamese Communists began to expand the sanctuaries several weeks ago, we counseled patience to our South Vietnamese allies and imposed restraints upon our own commanders.

In the last two weeks in April, however, the enemy moved to expand the sanctuary areas, and threatened to establish a vast staging area for attacks along the 600-mile Cambodia-South Viet-Nam border.

When the North Vietnamese/Viet Cong forces began to move out of the their sanctuaries in an effort to establish a solid, Communist-held zone, they posed an increased threat to the remaining U.S. forces across the South Vietnamese border. By this time it was clear that the new Cambodian Government of Lon Nol would not object to our acting against the sanctuaries.

6. The United States Government informed the Cambodian Government of its actions against the North Vietnamese and Viet Cong forces in the sanctuaries inside the Cambodian frontier. While Prime Minister Lon Nol was not asked to approve the joint military operations against the sanctuaries, he has said that this action represents a positive United States response to Cambodia's appeal for help in restoring its neutrality and repelling North Vietnamese and Viet Cong invaders.

7. Our operations in Cambodia had no appreciable impact upon the recent 12-nation conference held in Djakarta. We have noted that the communique issued from this conference is a significant manifestation of the determination of countries of the region to restore and maintain peace in Southeast Asia.

I hope the above information will prove helpful to you.

With kindest regards,

Sincerely,

ELLIOT RICHARDSON,
Acting Secretary.

[Press Release, May 5, 1970]

[Following is the text of a letter from Ambassador Charles W. Yost, United States Representative to the United Nations, transmitted today to Ambassador Jacques Kosciusko-Morizet, President of the United Nations Security Council.]

His Excellency
Mr. JACQUES KOSCIUSKO-MORIZET,
President of the Security Council,
United Nations, N.Y.

DEAR MR. PRESIDENT: I have the honor to refer to the letters of February 7 and 27, 1965, from the Permanent Representative of the United States of America to the President of the Security Council concerning the aggression against the Republic of Viet-Nam and to inform you of the following acts of armed aggression by forces of North Viet-Nam based in Cambodia which have required appropriate measures of collective self-defense by the armed forces of the Republic of Viet-Nam and the United States of America.

For five years North Viet-Nam has maintained base areas in Cambodia against the expressed wishes of the Cambodian Government. These bases have been used in violation of Cambodian neutrality as supply points and base areas for military operations against the Republic of Viet-Nam. In recent weeks North Vietnamese forces have rapidly expanded the perimeters of these base areas and expelled the remaining Cambodian Government presence from the areas. The North Vietnamese forces have moved quickly to link the bases along the border with South Viet-Nam into one continuous chain as well as to push the bases deeper into Cambodia. Concurrently, North Viet-Nam has stepped up guerrilla actions into South Viet-Nam and is concentrating its main forces in these base areas in preparation for further massive attacks into South Viet-Nam.

These military actions against the Republic of Viet-Nam and its armed forces and the armed forces of the United States require appropriate defensive measures. In his address to the American people on April 30, President Nixon stated:

" . . . if this enemy effort succeeds, Cambodia would become a vast enemy staging area and a springboard for attacks on South Vietnam along 600 miles of frontier: a refuge where enemy troops could return from combat without fear of retaliation.

North Vietnamese men and supplies could then be poured into that country, jeopardizing not only the lives of our men but the people of South Vietnam as well . . . "

The measures of collective self-defense being taken by U.S. and South Vietnamese forces are restricted in extent, purpose and time. They are confined to the border areas over which the Cambodian Government has ceased to exercise any effective control and which has been completely occupied by North Vietnamese and Viet Cong forces. Their purpose is to destroy the stocks and communications equipment that are being used in aggression against the Republic of Viet-Nam. When that purpose is accomplished, our forces and those of the Republic of Viet-Nam will promptly withdraw. These measures are limited and proportionate to the aggressive military operations of the North Vietnamese forces and the threat they pose.

The United States wishes to reiterate its continued respect for the sovereignty, independence, neutrality, and territorial integrity of Cambodia. Our purpose in taking these defensive measures was stated by President Nixon, in his address of April 30, as follows:

"We take this action not for the purpose of expanding the war into Cambodia but for the purpose of ending the war in Vietnam, and winning the just peace we all desire.

We have made and will continue to make every possible effort to end this war through negotiation at the conference table rather than through more fighting in the battlefield."

I would request that my letter be circulated to the members of the Security Council.

Accept, Excellency, the assurances of my highest consideration.

CHARLES W. YOST.

CAMBODIA'S RELATIONSHIP WITH SEATO

THE LIBRARY OF CONGRESS,
Washington, D.C., April 30, 1970.

(By Larry A. Niksch, Analyst in Asian Affairs, Foreign Affairs Division)

The international agreements provide the basic framework for Cambodia's relationship to the SEATO Treaty: the 1954 Geneva Agreement on Cambodia and the SEATO Pact itself. Article 7 of the Geneva Agreement contained a provision which discusses the limitations on Cambodia's right to join a military alliance or to accept the protection of one.[1] The Article, however, clearly did not bar membership in an alliance and reserved Cambodia's right to call for assistance if threatened. Article 7 read:

"The Royal Government of Cambodia will not join in any agreement with other States, if this agreement carries for Cambodia the obligation to enter into a military alliance not in conformity with the principles of the Charter of the United Nations, or, as long as its security is not threatened, the obligation to establish bases on Cambodian territory for the military forces of foreign powers."

Following Geneva, Cambodia actively sought a direct U.S. defense guarantee [2] but was ultimately persuaded to accept the status of a protocol state under the SEATO Pact. The protocol to the treaty read:

"The parties to the South-East Asia Collective Defense Treaty unanimously designate, for the purposes of Article 4 of the treaty, the States of Cambodia and Laos and the free territory under the jurisdiction of the State of Vietnam."

This protocol remains a part of the treaty; Prince Sihanouk, however, subsequently renounced SEATO protection.

Article 8 of the treaty provides that the signatories may amend the treaty area only by unanimous agreement. However, Article 4 declares that the signatories can take no action under the pact on any territory in the treaty area "except at the invitation or with the consent of the Government concerned." The United States has given explicit recognition to the right of the governments of the protocol states to define their relationship to SEATO. In discussing the Government of Laos' decision to reject SEATO's protection (under the 1962 Geneva Agreement on Laos), Secretary Rusk stated on July 12, 1962:

"Under the SEATO arrangements, the protocol would apply only on the request of the government of one of the protocol states, so that if the Laotian Government announces that it does not expect to call upon that protection, there is no particular problem from the point of view of the law of the matter or the arrangements concerned." [3]

In 1955, Prince Sihanouk began to move Cambodia's foreign policy toward a neutralist stance. In may 1955, he informed the British Government that:

"As regards SEATO, Cambodia is not a member of this organization and is not bound under (the agreement) to support any action by SEATO unless it decides to do so to safeguard the defense of its territory. Again, this commitment is subject to mutual agreement and it is open to Cambodia to refuse to give such aid." [4]

At this point, however, the Prince did not reject SEATO's protection but only stated

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Footnotes at end of article.

that Cambodia did not feel obligated to support actions taken by the alliance. However, later in 1955 and during his trip to Peking in 1956, he did take this step. In September 1955 he rejected the protection offered by SEATO. The National Congress (Cambodia) of December 30–31, 1955 resolved that the government might accept aid "from any quarter, provided that it does not prejudice the sovereignty and the neturality of the Kingdom." [5]

On February 18, 1956, while on a visit to China, Sihanouk said: "Cambodia is neutral. The people themselves request me to remain neutral whatever may happen. The SEATO has told us that we would be automatically protected. We reject such protection which can only bring us dishonor." [6]

Sihanouk had visited the Philippines prior to his trip to China because of an invitation to "participate in a reciprocal pact but I did not want it." but said after he returned home in late February (1956) that "I have refused the proposals of the Philippines to adhere to SEATO." [7]

In 1965, he informed the British Government in a communication:

"I am convinced that you will agree that the Cambodian people have the right to live in peace and also categorically to reject the protective umbrella of SEATO which has brought it only affliction and destruction."

As of today, Sihanouk's statement still stands as Cambodia's policy toward SEATO. The Lon Nol Government, stressing its desire to keep Cambodia neutral, has not moved to restore the SEATO umbrella.

FOOTNOTES

[1] Leifer, Michael. Cambodia: the Search for Security. New York, Washington, London, 1967: pp. 55–60. Smith, Roger M. Cambodia's foreign policy. Ithaca, Cornell University Press, 1965: p. 68. Cambodia actively sought this objective at the Geneva Conference.

[2] Leifer, p. 57. Smith, pp. 68–73.

[3] Department of State Bulletin, July 30, 1962: p. 173.

[4] Smith, pp. 83–84.

[5] Smith, *op. cit.*, p. 85–86.

[6] NCNA, Peking, February 18, 1956 in Smith, *op. cit.*, p. 95.

[7] Smith, *op. cit.*, pp. 97–98.

LEGISLATIVE BACKGROUND OF THE COOPER-CHURCH AMENDMENT ON CAMBODIA

I. FY 1970 DEFENSE APPROPRIATION BILL

On December 15, 1969, Senator Church offered an amendment as a substitute for an amendment offered to the Defense Appropriation bill by Senators Cooper and Mansfield. The Church amendment, as modified, read:

"SEC. 643. In line with the expressed intention of the President of the United States none of the funds appropriated by this Act shall be used to finance the introduction of American ground combat troops into Laos or Thailand."

It was adopted by a vote of 73–17 and the Cooper-Mansfield amendment was subsequently adopted by a vote of 80–9.

II. FOREIGN MILITARY SALES BILL—H.R. 15628

Following the President's decision to send U.S. military forces into Cambodia, Senators Church, Cooper, Aiken and Mansfield introduced an amendment to H.R. 15628 designed to prohibit further U.S. involvement in Cambodia, except the furnishing of military aid, and limited air action, without Congressional approval. On May 11 the amendment was adopted, with modification, by the Committee by a vote of 9–5.

Debate on the bill began in the Senate on May 13 and ended on June 30 after the amendment, with certain changes, was adopted 58–37. The amendments offered to it, and the action taken on them, were as follows:

1. Cooper—Rewrite of the preambular language; adopted 82–11 on May 26.

2. Dole—Make amendment inoperative if President determines POW's were being held in Cambodia; rejected 36–54 on June 3.

3. *Byrd of W. Va.*—Allow President to retain U.S. forces in Cambodia if he thought it necessary to protect the lives of American forces—defeated 47–50 on June 11.

4. *Mansfield*—No impugning of the Constitutional powers of the President—adopted 91–0 on June 11.

5. *Byrd of W. Va.*—Relating to the Constitutional powers of the President as Commander-in-Chief—adopted 79–5 on June 22.

6. *Javits*—Relating to the Constitutional powers of the Congress—adopted 73–0 on June 26.

7. *Griffin*—To permit U.S. to pay for foreign military advisers and mercenaries in Cambodia—rejected 45–50 on June 30.

8. *Jackson*—Allowing U.S. air activities if not in "direct" support of Cambodia—adopted 69–27 on June 30.

The text of the Cooper-Church amendment to H.R. 15628, as passed by the Senate, was:

"SEC. 47. LIMITATIONS ON UNITED STATES INVOLVEMENT IN CAMBODIA.—In concert with the declared objectives of the President of the United States to avoid the involvement of the United States in Cambodia after July 1, 1970, and to expedite the withdrawal of American forces from Cambodia, it is hereby provided that unless specifically authorized by law hereafter enacted, no funds authorized or appropriated pursuant to this Act or any other law may be expended after July 1, 1970, for the purposes of—

"(1) retaining United States forces in Cambodia;

"(2) paying the compensation or allowances of, or otherwise supporting, directly or indirectly, any United States personnel in Cambodia who furnish military instruction to Cambodian forces or engage in any combat activity in support of Cambodian forces;

"(3) entering into or carrying out any contract or agreement to provide military instruction in Cambodia, or to provide persons to engage in any combat activity in support of Cambodian forces; or

"(4) conducting any combat activity in the air above Cambodia in direct support of Cambodian forces."

Subsequently, in view of the passage of the Cooper-Church amendment to the Supplemental Foreign Assistance Bill, the amendment was deleted from H.R. 15628 by the conference committee.

III. FY 1971 DEFENSE APPROPRIATION BILL—H.R. 19590

The Defense Appropriation Bill was amended by the Senate Appropriations Committee at the request of Senators Cooper and Church to add Cambodia to the prohibition against involvement of U.S. ground personnel in Laos and Thailand. The bill was approved by the Senate on December 15, without any objection to this provision. The conference committee reported back with a proviso which made the section read as follows (proviso added in conference is in italic):

"SEC. 843. In line with the expressed intention of the President of the United States, none of the funds appropriated by this Act shall be used to finance the introduction of American ground combat troops into Laos, Thailand, or Cambodia: *Provided, That nothing contained in this section shall be construed to prohibit the President from taking action in said areas designed to promote the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia or to aid in the release of Americans held as prisoners of war.*"

On December 28 the Senate disagreed to the conference report because of this and another proviso added in conference and the bill was returned to the conference committee. It was reported from conference again on December 29 after deleting both the proviso and "Cambodia" from coverage of the amendment, thus leaving the text as it was adopted in the FY 1970 Defense Appropriations Bill. In the meantime, the Cooper-Church amendment to the Supplemental Foreign Assistance Bill was agreed to on December 22.

IV. SUPPLEMENTAL FOREIGN ASSISTANCE AUTHORIZATION BILL—H.R. 19911

On December 13 the Committee adopted, without opposition, an amendment to the Supplemental Foreign Assistance Authorization Act, proposed by Senators Cooper, Church, Javits, Case, and Mansfield, which prohibited sending U.S. ground troops or military advisers into Cambodia. A second amendment, sponsored primarily by Senator Javits, specified that any U.S. aid should not be construed as a comimtment to defend Cambodia. The text of the two amendments follows:

"SEC. 6. (a) In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for Cambodian military forces in Cambodia.

"(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense."

The amendment was not contested in the Senate and the bill passed on December 16. The amendment was accepted by the House conferees—and both the House and the Senate agreed to the conference report on December 22.

COMMENDATION OF ROGER T. KELLEY, ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS

Mr. STAFFORD. Mr. President, on March 21, Secretary Richardson announced that the administration would not seek an extension of the induction authority of the Selective Service Act. The President is to be congratulated for his efforts in leading the country toward eliminating a system of conscription that has been with us, except for a brief pause, for over 30 years.

I personally have awaited this particular announcement since the early days of 1967 when a small group of us in Congress began working toward the day when the power to induct, with all its ramifications, for military manpower affairs and Defense costs, would be removed from the lawbooks. Our recommendations at that time were published in a book entitled "How To End the Draft."

Mr. President, the drive for an all-volunteer force recorded another historic event recently. March 12 was the fourth anniversary of the day Roger T. Kelley assumed his responsibilities as Assistant Secretary of Defense for Manpower and Reserve Affairs. That anniversary was the occasion for an announcement that he would be returning to private life as of June 1.

I have followed closely the progress of the all-volunteer force and I have watched Roger Kelley pursue that goal from his leadership position as Chairman of the Project Volunteer Committee. With the President's support, Kelley has been the driving force behind the

move to a volunteer system and, as such, he deserves the respect and thanks of us all.

I know that Secretary Kelley is deeply respected on Capitol Hill for the quality of his testimony, for his forthrightness and understanding of the complex issues of military manpower. He has demonstrated to a sometimes very skeptical Congress that the all-volunteer force is in the best interests of both the military and civilian sectors of our Government.

In the 4 years which Roger Kelley has served as head of the manpower area, he has laid the groundwork for a future that now promises hope of settling the manpower problems which have plagued the services for generations. His accomplishments reveal his understanding of the importance of the all-volunteer force as an underpinning for manpower policy—a policy which must seek to attract and retain the best talent in society for the purpose of providing our national defense.

He has shown that by creating a professional, volunteer force, the services can expect better quality and better performance, increased readiness and increased effectiveness for what ultimately will be a much more cost-effective defense program.

Much of Secretary Kelley's related work has gone unrecognized by many who do not follow Defense policy, but it shall not go unrecorded. In the years ahead, the Congress will come to realize the important contribution he has made. It would be an impossible task to list those accomplishments, but I would like to take the time to mention just a few of the more significant accomplishments.

Secretary Kelley has provided a new direction for the reserve forces. Having been given the mission of first-line defense behind the active forces, the Reserves were in need of rebuilding. Kelley provided the design and direction for that when he ordered the restocking of Reserve inventories, reoriented their training to accomplish their new mission, initiated new recruiting policies to bolster their ranks with volunteers, and mobilized civilian employers to recognize the important role of the reservist to our Nation, in part by giving their reserve employees the opportunities to serve without sacrifice to their jobs or income.

Secretary Kelley has led the Defense Department in its superior effort to insure equal opportunity to all its members. In many ways, the work he has done at Defense will serve to lead the way for the civilian sector as it continues to move toward an open society for all. Each of the services has lived through its own racial crises over the last several years, and with Kelley's guidance, has come out the better for it.

The Defense Race Relations Institute which Kelley created works. It is a model for the rest of the Nation in reforming an establishment as tradition-bound as the military by teaching it to recognize the needs of all its members and to eliminate imbedded forms of institutionalized discrimination.

Secretary Kelley can be justly proud for having tackled and solved problems which much of America still must face.

Reform of the military compensation and retirement system has been high on Secretary Kelley's list of achievements. In establishing the concept of more compensation to the specific skills and needs of the services and needs of the services and by establishing principles of job-differential and cost-effective spending, as personified by the Uniformed Services Special Pay Act, Secretary Kelley has moved the military toward an ultimate resolution of personnel budget costs.

These are only a few of the areas of responsibility to which Secretary Kelley has contributed so much. There is no doubt that the next generation of managers in Defense manpower will find its jobs easier for Kelley's initiatives. I highly value the association I have had with Roger Kelley. I commend him for his superb performance and extend my thanks to him for his efforts. He will be missed in Washington.

Mr. President, I reserve the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged against the Senator from Michigan.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from North Carolina (Mr. HELMS) have some time remaining?

The PRESIDING OFFICER. The Senator from North Carolina has 5 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from North Carolina may utilize the remainder of his time under the order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina is recognized.

(The remarks Senator HELMS made at this point when he introduced S. 1431, to extend the Vocational Rehabilitation Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged against the time of the Senator from Michigan (Mr. GRIFFIN).

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR EAGLETON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders or their designees under the standing order, the distinguished Senator from Missouri (Mr. EAGLETON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR THURMOND IN LIEU OF SENATOR GRIFFIN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, with respect to the order which has been previously entered for the recognition of the Senator from Michigan (Mr. GRIFFIN), the name of the Senator from South Carolina (Mr. THURMOND) be substituted therefor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, am I recognized on my own time?

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged against my order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF CERTAIN REPORTS OF STANDING COMMITTEES AS SPECIAL REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reports to be submitted by the 17 standing committees of the Senate pursuant to section 136(a) of the Legislative Reorganization Act of 1946, as amended, be printed as special reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may desire, from

the time allotted to me, to the distinguished Senator from Oklahoma (Mr. BARTLETT).

Mr. BARTLETT. Mr. President, I thank the distinguished Senator from the great State of West Virginia.

WOUNDED KNEE AND THE SO-CALLED TRAIL OF BROKEN TREATIES

Mr. BARTLETT. Mr. President, most Americans have a guilt feeling regarding the American Indian and rightfully so. Most would like to square things with our good Indian friends. Wounded Knee offers that opportunity.

The "Trail of Broken Treaties" slogan of AIM militants has strong emotional appeal to support these leaders in their supposed efforts to improve the poverty, health, and low unemployment of the Oglala-Sioux tribe.

But Americans must be careful of just what trail they are going to be taken down.

The primary goal of AIM leaders is to remove Mr. Richard Wilson as chairman of the tribe—by whatever means is possible.

First, a 14 to 4 vote of the tribal council against impeachment took place in December 1972.

Then, in February 1973, AIM used hostages as blackmail in an attempt to remove Mr. Wilson illegally and arbitrarily. The BIA is to be congratulated for resisting this arm twisting and for supporting the Oglala-Sioux's constitution of democratic self-government.

This was followed by intimidations and threats to tribal leaders including three being assaulted.

Now an initiative petition, circulated by tribal members who were apparently encouraged by AIM leadership, calls for a vote to eliminate their constitution and a return to the old paternalistic system of tribal leadership appointed by the BIA. Democratic self-government would be out the window. The validity and the sufficiency of signatures on this petition will be determined by the BIA.

AIM claims the welfare of a poor and impoverished Indian tribe is at stake.

What really is at stake is democratic constitutional government of the Oglala Sioux tribe. AIM is challenging the rights of tribal members to settle any differences they may have by constitutional means without interference and intimidation.

Individual freedom is threatened by armed anarchists.

Is this AIM's answer to self-determination for the American Indian?

And what about the welfare of the tribe?

AIM occupies approximately 4 square miles of Sioux land illegally by force.

All tribal schools were closed for 3 weeks. Two schools with approximately 200 children have been closed for 1 month and will be for the duration. Is this AIM's solution to Indian educational problems?

Some tribal members are prevented by the armed occupation from obtaining medical care in a normal manner. A helicopter is available to fly the sick to a hospital and doctors—is this AIM's answer to poor health care?

The Oglala Sioux's housing construction program of 360 units is shut down completely, costing $3,600 a day in interest, according to Eagle Bull and Vocu. Is this AIM's answer to the Indian housing problem?

I am advised that all tribal improvement programs are stopped by the illegal and unwanted occupancy.

The cost of the marshals already has reached a million dollars—and this expense continues.

The Justice Department expects to be paid by the Interior Department. Will this money come from the programs for the Oglala Sioux or from Indian programs in general?

Why should well-meaning people prolong the suffering of the Oglala Sioux by helping those who are causing it?

Americans can help by working through the Oglala Sioux tribal leaders to meet the real needs of the tribe—and by supporting the democratic principles of the Oglala Sioux—by resisting the AIM efforts of anarchy.

AIM's victory at Wounded Knee would be another loss for the American Indian.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for the quorum call be charged to my allocation.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 3 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ROBERT C. BYRD) laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED LEGISLATION FROM THE PRESIDENT

A communication from the President of the United States, transmitting a draft of proposed legislation to authorize reduction or suspension of import barriers to restrain inflation (with an accompanying paper). Referred to the Committee on Finance.

PROPOSED LEGISLATION FROM NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to amend section 203 of the National Aeronautics and Space Act of 1958, and for other purposes (with accompanying papers). Referred to the Committee on Aeronautical and Space Sciences.

REPORT OF NATIONAL ADVISORY COUNCIL ON CHILD NUTRITION

A letter from the Assistant Secretary of Agriculture, and Chairman, National Advisory Council on Child Nutrition, transmitting, pursuant to law, a report of that Council, for the year 1972 (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

REPORT ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, three reports on overobligations of appropriations within the Department of Defense (with accompanying reports). Referred to the Committee on Appropriations.

PROPOSED LEGISLATION FROM CENTRAL INTELLIGENCE AGENCY

A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, as amended, and for other purposes (with accompanying papers). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 14, United States Code, and certain other laws, to modernize the retirement structure relating to members of the uniformed services (with accompanying papers). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM CANAL ZONE GOVERNMENT

A letter from the Governor, Canal Zone Government, transmitting a draft of proposed legislation to authorize the President to prescribe regulations relating to the purchase, possession, consumption, use, and transportation of alcoholic beverages in the Canal Zone (with an accompanying paper). Referred to the Committee on Armed Services.

REPORT ON BARGE MIXING RULE PROBLEM

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the Barge Mixing Rule Problem (with an accompanying report). Referred to the Committee on Commerce.

REPORTS OF NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President, Public and Government Affairs, National Railroad Passenger Corporation (Amtrak), transmitting, pursuant to law, a report of that Corporation, for the month of December, 1972 (with an accompanying report). Referred to the Committee on Commerce.

A letter from the Vice President, Public and Government Affairs, National Railroad Passenger Corporation (Amtrak), transmitting, pursuant to law, a report of that Corporation, for the month of February, 1973 (with an accompanying report). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to

amend sections 101 and 902 of the Federal Aviation Act of 1958 and Chapter 2, Title 18, United States Code, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

NOMINATION FOR MEMBER OF THE DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

A letter from the Commissioner of the District of Columbia, nominating, pursuant to law, Alfred P. Love for reappointment as a Member of the District of Columbia Redevelopment Land Agency. Referred to the Committee on the District of Columbia.

REPORT OF U.S. TARIFF COMMISSION

A letter from the Chairman, United States Tariff Commission, transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Finance.

PROPOSED LEGISLATION FROM THE RENEGOTIATION BOARD

A letter from the Chairman, The Renegotiation Board, transmitting a draft of proposed legislation to extend the Renegotiation Act of 1951 (with an accompanying paper). Referred to the Committee on Finance.

INTERNATIONAL AGREEMENTS, OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties, entered into by the United States (with accompanying papers). Referred to the Committee on Foreign Relations.

PROPOSED LEGISLATION FROM DEPARTMENT OF STATE

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity (with an accompanying paper). Referred to the Committee on Foreign Relations.

PROPOSED LEGISLATION FROM THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to extend the period within which the President may transmit to the Congress plans for the reorganization of agencies of the Executive Branch of the Government, and for other purposes (with an accompanying paper). Referred to the Committee on Government Operations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements of the Tennessee Valley Authority for Fiscal Year 1972", dated March 27, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Protecting the Consumer From Potentially Harmful Shellfish (Clams, Mussel, and Oysters)", Food and Drug Administration, Department of Health, Education, and Welfare, dated March 29, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Problems in Obtaining and Enforcing Compliance With Good Manufacturing Practices for Drugs", Food and Drug Administration, Department of Health, Education, and Welfare, dated March 29, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON FEDERAL COLUMBIA RIVER POWER SYSTEM

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the Federal Columbia River Power System, for the year 1972 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

PROCEEDINGS OF MEETINGS OF THE JUDICIAL CONFERENCE

A letter from the Chief Justice, Supreme Court of the United States, transmitting, pursuant to law, the proceedings of the meeting of the Judicial Conference held in Washington, D.C., on October 26, 27, 1972 (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to amend Section 215, Title 18, United States Code, Receipt of Commissions or Gifts for procuring Loans, to expand the institutions covered; to encompass indirect payments to bank officials; to make violation of the Section a felony; and to specifically include offerors and givers of the proscribed payments; and for other related purposes (with accompanying papers). Referred to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation to prohibit the unauthorized possession within any Federal penal or correctional institution, of any substance or thing designed to damage the institution or to injure any persons within or part of the institution, and for other purposes (with an accompanying paper). Referred to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS RELATING TO THIRD PREFERENCE AND SIXTH PREFERENCE FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference for certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PERMANENT RESIDENCE STATUS FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting permanent residence status to certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS ON DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders relating to defector aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend for three years the programs for comprehensive State and areawide health planning, and for comprehensive public health service and health services development, and to repeal a requirement that at least 15 per centum of a State's formula allotment for public health services be available only for mental health services (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make permanent the authority to conduct national health surveys and studies (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Drug Abuse Office and Treatment Act of 1972 to modify the authorization of appropriations for the program of special project grants and contracts, and for other purposes (with an accompanying paper.) Referred to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make permanent the program of research and demonstrations relating to health facilities and services (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM COMMITTEE FOR PURCHASE OF PRODUCTS AND SERVICES OF THE BLIND AND OTHER SEVERELY HANDICAPPED

A letter from the Chairman, Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, transmitting a draft of proposed legislation to increase the authorization for fiscal year 1974 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

REPORT OF GIRL SCOUTS OF AMERICA

A letter from the President, and National Executive Director, Girl Scouts of the United States of America, transmitting, pursuant to law, a report of that Organization, for the fiscal year ended September 30, 1972 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ROBERT C. BYRD):

A concurrent resolution of the Legislature of the State of West Virginia. Referred to the Committee on Interior and Insular Affairs:

"SENATE CONCURRENT RESOLUTION No. 3

"Memorializing the Congress of the United States to recognize the natural beauty, scenic splendor and historical significance of the New River and the New River Gorge and expressing the sentiments of the West Virginia Legislature that Congress should, by appropriate legislation, preserve the area in its natural state for posterity and provide the necessary funds to develop it as a national park

"Whereas, The New River and the New River Gorge abound in natural beauty, scenic splendor and historical significance; and

"Whereas, This is an area which should be preserved in its natural state for all posterity and made available for recreational use for people from throughout the country; and

"Whereas, The Federal Government is possessed with the resources to develop this area as a national park, thereby preserving its natural beauty, scenic splendor and historical significance for posterity and enable people from throughout the country to enjoy recreational uses of this area with the people of West Virginia; therefore, be it

"Resolved by the Legislature of West Virginia: That it memorialize the Congress of the United States to recognize the natural beauty, scenic splendor and historical signifi-

cance of the New River and New River Gorge and expresses its sentiments that the Congress, by appropriate legislation, preserve the area in its natural state for posterity and provide the necessary funds to develop it as a national park; and, be it

"*Resolved further,* That certified copies of this resolution be sent to the Clerk of the United States Senate and Clerk of the House of Representatives and to members of the West Virginia congressional delegation."

A resolution of the Sacramento County Central Committee of the American Independent Party of the State of California, praying for a rejection of the United Nations Genocide Convention. Referred to the Committee on Foreign Relations.

RESOLUTION OF THE GENERAL COURT OF NEW HAMPSHIRE ON VIETNAM

Mr. McINTYRE. Mr. President, I ask unanimous consent to have House Concurrent Resolution No. 3 of the General Court of New Hampshire, March 22, 1973, regarding the setting of an official date for the start of the Vietnam conflict, inserted in the RECORD at this point and be referred to the appropriate Committee.

There being no objection, the resolution was ordered to be printed in the RECORD and referred to the Committee on Armed Services, as follows:

HOUSE CONCURRENT RESOLUTION No. 3

Memoralizing the Congress of the United States to enact legislation setting February 1, 1955, as the starting date of the Vietnam Conflict in order to give recognition to all who served in the Vietnam theatre of war

Whereas, on November 8, 1950, the first American United States Air Force advisers arrived in Vietnam to assist the French and South Vietnamese, who at that time were deeply engaged in the Indochina War, and we have remained in Vietnam during twenty years of continuing combat, and

Whereas, after the fall of Dien Bien Phu in May 1954 and the partitioning of Vietnam at the 17th parallel, French forces withdrew and the American presence was gradually increased and escalated as more and more Americans were committed during the ensuing years of insurgency, and

Whereas, many Americans were killed and injured during the twenty years of continuous strife, the first combat death that the government officially recognizes occurred in 1961, over three and one-half years before the date now set as the start of the Vietnam Conflict, August 5, 1964, and

Whereas, the United States Senate has twice voted to repeal the Gulf of Tonkin Resolution that was passed as a result of the attack by the North Vietnamese on August 5, 1964, against United States Navy ships cruising in the Tonkin Gulf. The administration has publicly stated that it does not regard the Gulf of Tonkin Resolution as the basis for its authority to operate in Vietnam, therefore there no longer exists any validity for retaining August 5, 1964 as the starting date of the Vietnam Conflict, now therefore be it

Resolved by the House of Representatives of the State of New Hampshire, the Senate concurring: That the Congress of the United States is hereby memorialized to set February 1, 1955 as the starting date of the Vietnam Conflict for the purposes of veterans administration and all other branches of the federal government so that all Vietnam Veterans may receive their full entitlement to benefits; and be it further

Resolved, that the secretary of state be instructed to forward a copy of this concurrent resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to each member of the congressional delegation from NewHampshire.

LEGISLATIVE HISTORY OF THE COMMITTEE ON FOREIGN RELATIONS REPORT ON THE 92D CONGRESS [S. REPT. NO. 93–98]

Mr. FULBRIGHT, from the Committee on Foreign Relations, pursuant to section 136 of the Legislative Reorganization Act of 1946, as amended, submitted a report entitled "Legislative History of the Committee on Foreign Relations, United States Senate, Ninety-Second Congress," which was ordered to be printed.

EXTENSION OF TIME FOR FILING REPORT OF SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, I ask unanimous consent to move from April 2 to April 30 the date by which the report of the Senate Special Committee on Aging shall be submitted. I am asking for this additional time because: First, new developments in aging are occurring and should be alluded to in the report, and second, I wish to assure that the members of the committee have ample time to review the manuscript of the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

John H. Stender, of Washington, to be an Assistant Secretary of Labor.

The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HELMS (for himself, Mr. McCLURE, Mr. BARTLETT, Mr. PACKWOOD, and Mr. BEALL):

S. 1431. A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 1432. A bill to amend the Federal Aviation Act of 1958 to authorize free or reduced rate transportation for widows, widowers, and minor children of employees who have died while employed by an air carrier or foreign air carrier after twenty or more years of such employment. Referred to the Committee on Commerce.

By Mr. SPARKMAN:

S. 1433. A bill for the relief of James Agudelo. Referred to the Committee on the Judiciary.

By Mr. ROTH (for himself, Mr. HUMPHREY, Mr. BEALL, Mr. BIBLE, Mr. BIDEN, Mr. BROCK, Mr. BURDICK, Mr. COOK, Mr. DOMENICI, Mr. HART, Mr. HATHAWAY, Mr. HUGHES, Mr. INOUYE, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. SCOTT of Pennsylvania, Mr. STEVENSON, Mr. THURMOND, Mr. TUNNEY, Mr. WILLIAMS, and Mr. YOUNG):

S. 1434. A bill to amend the Internal Revenue Code of 1954 to disregard children's benefits received by an individual under the Social Security Act in determining whether that individual is a dependent of a taxpayer. Referred to the Committee on Finance.

By Mr. EAGLETON (for himself, Mr. MATHIAS, Mr. INOUYE, Mr. STEVENSON, and Mr. TUNNEY):

S. 1435. A bill to provide an elected Mayor and City Council for the District of Columbia, and for other purposes. Referred to the Committee on the District of Columbia.

By Mr. HARTKE:

S. 1436. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual may elect to have any employment of self-employment performed by him after attaining age 65 excluded (for both tax and benefit purposes) from coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

By Mr. McCLURE:

S. 1437. A bill for the relief of Mr. Bhagwan Mirchandani. Referred to the Committee on the Judiciary.

By Mr. GURNEY:

S. 1438. A bill to authorize and request the President to issue annually a proclamation designating August 26 of each year as "Equal Rights Day." Referred to the Committee on the Judiciary.

By Mr. MUSKIE:

S. 1439. A bill to reform the Federal income, estate, and gift tax laws. Referred to the Committee on Finance.

By Mr. PROXMIRE:

S. 1440. A bill to assure that Federal housing assistance programs are carried out to the full extent authorized by Congress. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WILLIAMS:

S. 1441. A bill to extend certain benefits to National Guard technicians, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. COOK (for himself and Mr. BAKER):

S. 1442. A bill to amend the Rural Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the Act, and for other purposes. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS (for himself, Mr. McCLURE, Mr. BARTLETT, Mr. PACKWOOD, and Mr. BEALL):

S. 1431. A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. HELMS. Mr. President, today I am introducing a bill to extend the Voca-

tional Rehabilitation Act through fiscal year 1974. This bill has the full support of the administration and was offered for consideration in the House by Congressman CARL LANDGREBE.

I am offering this bill in the midst of the public discussion over the President's veto of the bill, S. 7, providing authorizations for vocational rehabilitation. It is my hope that this bill will provide a constructive alternative to the excessive spending encompassed in S. 7, thereby giving the Members of this body the opportunity to vote against uncontrolled Federal spending, against inflation, but not against full and adequate support for the Federal effort to rehabilitate and train the handicapped.

Let me briefly outline the purposes of my bill:

First. Continue existing programs authorized under the Vocational Rehabilitation Act;

Second. Extend for 2 years authorization for appropriations under the act, eliminate the specific dollar amounts authorized for both formula grants and project grants, and combine into one authorization for appropriations the several existing authorizations under the act. These changes are designed to provide flexibility in the use of Federal resources and to simplify the structure of the existing program and;

Third. Authorize grant funds to be used for assisting in the development of projects for individuals with spinal cord injuries and for low-achieving deaf individuals.

My proposal would authorize for fiscal year 1973, this current fiscal year, $697,482,000 for the traditional program for vocational rehabilitation. For fiscal year 1974, this bill would authorize a total figure of $700,096,000.

The 2-year program would provide a total of $1,397,600.

Mr. President, this is a reasonable amount, an amount that will allow the current vocational rehabilitation program to grow and expand in an orderly manner. The handicapped in this Nation deserve fair and honest treatment. They do not deserve inflated promises and false representations. The person who is handicapped feels the bite of inflation as strongly as any other citizen. Therefore, what I propose is a Federal funding level which is both fiscally responsible and responsive to the vocational rehabilitation needs of handicapped Americans. This bill would not duplicate such existing programs as medicare, medicaid, social services, the Social Security Act, the development disabilities program, and the education programs for the handicapped, as were duplicated in S. 7, the bill vetoed by the President.

As we all know, President Nixon has been an ardent supporter of the vocational rehabilitation program, which is directed toward assisting vulnerable individuals who, without vocational rehabilitation would not be able to function physically in a working setting, as their more fortunate peers can. The President's support is emphasized by the fact that during his administration amounts spent for that program have gone from $371 million a year to $650 million a year, a 75-percent increase. In fact, it is considered one of the most successful of the Federal Government funded programs.

The fashionable idea that the defense budget is bloated at the expense of spending for human needs is a pernicious myth which has no foundation in fact. The defense budget has been reduced to its lowest level—in terms of buying power and percentage of gross national product—in almost a quarter of a century. We are at the razor's edge. Any further cuts in the current, barebones defense budget would weaken the United States at the very time it is realizing the greatest negotiating breakthroughs of its history, including the second round of SALT and the upcoming mutual balanced force reduction talks.

The proposed defense budget is at 6.2 percent of our GNP, the lowest since pre-Korean war days and drastically below the 8.8-percent defense spending taken from the GNP in 1964, or the 9.4 percent it took in 1961.

In fiscal 1968, defense spending consumed 43.95 percent of the Federal budget. In fiscal 1974 it would take only 29.2 percent of the budget. Compare this to the 64 percent which defense took from the fiscal 1953 budget.

While the fiscal 1974 defense budget is only $600 million more than it was 6 years ago—that is about the same—Federal spending for social and economic programs has more than doubled, from $72.8 billion to $153.4 billion.

The national defense share of total public spending—Federal, State, and local—is at the lowest level since 1940.

Military and related civil service manpower has been reduced by 1,588,000 or 32 percent, in the last 6 years.

President Nixon has eliminated the Armed Forces draft, and one cost of achieving an all-volunteer force is that over half of today's defense budget is for personnel. Personnel costs have increased by over $11 billion since 1968.

In terms of constant buying power, there has been a 31-percent cutback in the national defense budget since fiscal year 1968—hardly a misallocation of priorities.

Arguments raised on the theory of reducing defense spending rather than domestic program spending are specious and invalid in that the Congress has the sole responsibility for the national defense, while the programs in the domestic area are not purely Federal in nature. Welfare and social funding, Federal, State, and local, as well as private money, is now more than double the amount spent by the Congress in the defense area.

I hope that my colleagues will support this bill, which I feel represents a prudent, reasonable approach to the need for an extension of the Vocational Rehabilitation Act.

I can understand how tempting the prospect of overriding the President's veto of S. 7 is to some of my colleagues, for there are few causes more worthy than providing an opportunity, through rehabilitation, for the handicapped to become self-sufficient and productive members of society.

But let me add a final word of caution: The American people want to hold down inflation; they want to stabilize Federal spending and halt the increase in prices, because the only alternative to this restraint is a substantial tax increase.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1431

A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Rehabilitation Amendments of 1973".

CONSOLIDATION AND EXTENSION OF APPROPRIATIONS AUTHORIZATIONS

SEC. 2 (a) Section 1(b) of the Vocational Rehabilitation Act is amended to read as follows:

"(b) There are authorized to be appropriated for carrying out this Act $697,482,000 for the fiscal year ending June 30, 1973, $700,096,000 for the fiscal year ending June 30, 1974. Sums so appropriated for carrying out section 4, 12, or 13 shall remain available until expended."

(b) Section 7 of such Act is amended by striking out subsection (d) thereof and redesignating subsection (e) as subsection (d).

(c) Section 10 of such Act is repealed.

(d) Section 12 of such Act is amended by striking out subsection (i) thereof and redesignating subsection (j) as subsection (i).

(e) Section 13 of such Act is amended by striking out subsection (f) thereof.

(f) Subsection (a) of section 15 of such Act is amended by striking out paragraph (2) thereof and redesignating paragraphs (3) and (4) thereof as paragraphs (2) and (3), respectively.

INCLUSION OF PROGRAMS FOR THE LOW-ACHIEVING DEAF AND SPINAL CORD INJURED IN SPECIAL PROJECTS PROVISION

SEC. 3. Subsection (a) of new section 4 of the Vocational Rehabilitation Act is amended by striking out "and" at the end of clause (2)(C) and by inserting before the period at the end of clause (2)(D) the following: ", and (E) make grants to public or nonprofit private agencies for paying part of the cost of planning, preparing for, and initiating programs to provide vocational rehabilitation services to individuals with spinal cord injuries or to low-achieving deaf individuals".

INCLUSION OF SERVICES FOR MIGRATORY AGRICULTURAL WORKERS IN SPECIAL PROJECTS PROVISION

SEC. 4. (a) Subsection (a) of section 4 of the Vocational Rehabilitation Act, as amended by section 3 of this Act, is further amended by striking out "and" at the end of clause (2)(D) and by inserting before the period at the end of clause (2)(E) the following: ", and (F) make grants to any State agency designated pursuant to a plan approved under section 5, or to any local agency participating in the administration of such a plan, for paying part of the cost of pilot or demonstration projects for the provision of vocational rehabilitation services to handicapped individuals who, as determined in accordance with regulations prescribed by

the Secretary of Labor, are migratory agricultural workers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of any such individual and members of his family where necessary to the rehabilitation of that individual. Maintenance payments under clause (2)(F) of the first sentence of this subsection shall be consistent with any maintenance payments made to other handicapped individuals in the State under a State plan approved under this Act. Grants under such clause shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit private agencies having special skills or experience in the provision of services to migratory agricultural workers or their families. In administering the program authorized by clause (2)(F) of the first sentence of this subsection, the Secretary shall, for the purpose of achieving appropriate coordination, periodically consult with other Federal officials who administer programs for migratory agricultural workers under other provisions of law, including title I of the Elementary and secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, and the Farm Labor Contractor Registration Act of 1963".

(b) The Vocational Rehabilitation Act is further amended by striking out section 17 thereof.

REALLOTMENT OF STATE GRANTS

SEC. 5. Section 2 of the Vocational Rehabilitation Act is amended by adding at the end thereof the following new subsection:

"(d) Whenever the Secretary determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he may make such amount available for carrying out the purposes of this section to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this Act, be regarded as part of such State's allotment (as determined under the preceding provisions of this section) for such year."

MODIFICATION OF ALLOTMENT PROVISIONS

SEC. 6. (a) Subsection (a) of section 2 of the Vocational Rehabilitation Act is amended by striking out "authorized to be appropriated by paragraph (1) of section 1(b) for meeting the cost of vocational rehabilitation services" in the first sentence and inserting in lieu thereof "appropriated for grants to States under this section", by striking out the second sentence of such section, and by striking out "two sentences" wherever it appears in the third sentence of such section inserting in lieu thereof "sentence".

(b) Subsection (a) of section 2 of such Act is further amended by striking out "$1,000,000" and inserting in lieu thereof "an amount equal to one quarter of 1 per centum of the amount appropriated for such year for grants to States under this section".

(c) Paragraph (1) of section 15(a) of such Act is amended by striking out "authorized to be appropriated by paragraph (2) of this subsection of meeting the costs described in paragraph (3) of this subsection" in the first sentence and inserting in lieu thereof "appropriated for payments under this section".

PROVISIONS FOR OUTLYING AREAS

Extension of Minimum Allotment to Outlying Areas

SEC. 7. (a) Subsection (a) of section 2 of the Vocational Rehabilitation Act is amended by striking out "(other than the Virgin Islands, Puetro Rico, and Guam)".

Inclusion of American Samoa and Trust Territory of the Pacific Islands in State Programs

(b) Subsection (f) of section 11 of such Act is amended by striking out "and Guam; and, for purposes of sections 4, 7, 12, and 13 only of this Act, American Samoa and the Trust Territory of the Pacific Islands, and for such purposes" and inserting in lieu thereof "Guam, American Samoa, and the Trust Territory of the Pacific Islands; for American Samoa and the Trust Territory of the Pacific Islands".

Application of Minimum Allotment Percentage

(c) Clause (B) of section 11(g)(1) of such Act is amended by inserting "the Trust Territory of the Pacific Islands, American Samoa," following "Guam,".

PROVISION TO ALLOW SOLE STATE AGENCY TO SHARE FUNDING WITH ANOTHER PUBLIC AGENCY

SEC. 8. Clause (ii) of section 5(a)(1)(A) of the Vocational Rehabilitation Act is amended by inserting "or any other public agency" following "another agency of the State".

TAKING INTO ACCOUNT OUTSIDE VIEWS

SEC. 9. Subsection (a) of section 5 of the Vocational Rehabilitation Act is amended by striking out "and" at the end of clause (13), by striking out the period at the end of clause (14)(C) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause:

"(15) provide satisfactory assurance to the Secretary that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of, among others, individuals who are recipients of vocational rehabilitation services, individuals who represent citizen groups, individuals who represent professional groups, and individuals who are providers of vocational rehabilitation services."

INCREASE IN TRAINING ALLOWANCES

SEC. 10. Paragraph (B) of section 13(a)(2) of the Vocational Rehabilitation Act is amended by striking out "$25" and inserting in lieu thereof "$30".

INCREASE IN AMOUNT FOR EVALUATION

SEC. 11. The subsection redesignated as subsection (d) of section 7 of the Vocational Rehabilitation Act by section 2(b) of this Act is amended by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

PARTICIPATION IN THE COST OF SERVICES

SEC. 12. Subsection (a) of section 5 of the Vocational Rehabilitation Act, as amended by section 9 of this Act, is further amended by striking out "and" at the end of clause (14)(C), by striking out the period at the end of clause (15) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause:

"(16) provide, in any case in which an individual is able to participate in the cost of his rehabilitation under the State plan, for such participation in accordance with regulations prescribed by the Secretary in the light of such ability."

TIME LIMITATION ON WORK EXPERIENCE

SEC. 13. Subsection (a) of section 5 of the Vocational Rehabilitation Act, as amended by sections 9 and 12 of this Act, is further amended by striking out "and" at the end of clause (15), by striking out the period at the end of clause (16) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause:

"(17) provide that where an individual participates in a program of work experience under the State plan, such participation shall not exceed one year in duration."

ALLOWING STATE AGENCY FOR THE BLIND TO ACT AS STATE EVALUATION AND WORK ADJUSTMENT AGENCY

SEC. 14. Paragraph (1) of section 15(c) of the Vocational Rehabilitation Act is amended by striking out "(other than the State blind commission or other agency providing assistance or services to the adult blind)".

INCLUSION OF INNOVATION IN REGULAR STATE PROGRAM

SEC. 15. (a) The Vocational Rehabilitation Act is amended by striking out section 3 thereof and redesignating sections 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, and 18, and all references thereto, as sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 16, respectively.

(b) The Vocational Rehabilitation Act is further amended by striking out—

(1) "(except for expenditures with respect to which the State is entitled to payments under section 3)" in section 2(b);

(2) "and section 3" in section 2(c);

(3) "or 3" wherever it appears in the section redesignated as section 4(c) by subsection (a) of this section;

(4) "or 3" in the first sentence of the section redesignated as section 5 by subsection (a) of this section; and

(5) "and 3" in the section designated as section 14(d) by subsection (a) of this section.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 16. The Vocational Rehabilitation Act is amended by inserting after the section redesignated as section 14 by section 15(a) of this Act the following new section:

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 15. An individual who, as a part of his rehabilitation under a State plan approved under section 4 of this Act, participates in a program of work experience in a Federal agency, shall not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits."

EFFECTIVE DATE

SEC. 17. The amendments made by this Act shall become effective with respect to appropriations for fiscal years beginning after June 30, 1973.

By Mr. ROTH (for himself, Mr. HUMPHREY, Mr. BEALL, Mr. BIBLE, Mr. BIDEN, Mr. BROCK, Mr. BURDICK, Mr. COOK, Mr. DOMENICI, Mr. HART, Mr. HATHAWAY, Mr. HUGHES, Mr. INOUYE, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. SCOTT of Pennsylvania, Mr. STEVENSON, Mr. THURMOND, Mr. TUNNEY, Mr. WILLIAMS, and Mr. YOUNG):

S. 1434. A bill to amend the Internal Revenue Code of 1954 to disregard children's benefits received by an individual under the Social Security Act in determining whether that individual is a dependent of a taxpayer. Referred to the Committee on Finance.

Mr. ROTH. Mr. President, late in the last Congress I introduced a simple but nonetheless badly needed amendment to H.R. 1, the welfare reform legislation. The amendment was accepted on October 5, 1972, by a rollcall vote of 43 to 31, when Members rejected a motion to table. Unfortunately, however, the amendment was deleted during conference, and

failed to become law. Therefore, Senator HUMPHREY and I, together with several other Members, are reintroducing the bill now in the hope that it will be enacted during this session.

Essentially, our bill provides that social security survivor benefits paid on behalf of a child shall not be taken into account in determining whether the child is receiving more than one-half his support from a surviving parent. The purpose of the legislation is to correct what I consider to be a gross inequity in the present law.

Under the present law, a parent must prove that he or she has contributed more than one-half of the support of a child before the child can be claimed as a dependent. If the child receives social security survivor benefits because of the death of a parent, the social security payments are considered as the child's contribution to his or her own support. Consequently, the widow or widower must be able to prove that he or she contributed more to the support of the child than the child received in survivor's benefits. While this requirement may appear at first glance to be reasonable, its effect is to discriminate unjustly against widows or widowers in the low or lower middle income brackets and to encourage individuals to accept public assistance rather than work.

Let me illustrate with a simple, but true, example:

One of my constituents was a widow with four children. After the death of her husband, she applied for and received social security survivor benefits on behalf of her children. Her application was approved, and during 1970, she received roughly $2,400 on behalf of the children. Obviously, a family of five cannot live on an annual income of $2,400. So my constituent worked as a secretary and earned $3,700 during 1970. I would like to point out that if my constituent had chosen not to work, she could have applied for and received public assistance—above and beyond the social security payments—valued at more than $5,000. Instead, however, she chose what I consider the more commendable although less financially rewarding alternative: work.

During 1970, my constituent and her children had a total income of about $6,100. Naturally, when she filed her 1970 tax return, she claimed the children as dependents and took deductions accordingly. Unfortunately, the Internal Revenue Service denied her claim and demanded that she pay an additional tax of $433. The Service insisted that she prove—through the presentation of receipts, canceled checks and the like—that she had contributed more than $2,400 to the support of her four children.

I would like to point out that if my constituent had earned $20,000 instead of $3,700, she would have had no difficulty sustaining her burden of proof. Or, if my constituent's income had been supplemented by an annuity or other income so that the survivor benefits could have been placed in savings instead of being spent for food and clothing, she would have had no difficulty sustaining her burden of proof. Or, if she had chosen to draw public assistance instead of working, she would have had no taxes to pay at all. But my constituent made the grievous error of working; and she made the even more grievous error of earning $3,700 instead of $20,000. For those unpardonable sins, we—and I say we because the Congress wrote the law which penalizes my constituent and the other widows like her—subjected her to harassment and intimidation. I hesitate to add taxation because my constituent was able to produce the required canceled checks, receipts, bills, and the like. She was unusual, however. Another of my constituents—a widow with two children—was forced to borrow $350 to pay her taxes. The widow with four children, I might add, has since learned her lesson: She now has the taxes withheld and does not attempt to claim the children as dependents. It is, in some situations, easier to pay than fight.

In many of these cases, Mr. President, these widows are denied the deductions because they are unable to sustain their burdens of proof, not because they failed to contribute the requisite levels of support. I think we will all admit that the retention of bills, receipts, and canceled checks presupposes a degree of knowledge and sophistication that is normally lacking in cases where the widows are earning such small incomes. In cases where the widows are legally denied the deductions, it is because the widow earns such a small income that it is impossible for her to contribute more than one-half to the support of her children.

The irony of these cases is of course obvious: the issue of dependency does not arise if the widow is earning a large income. Rather, the dependency deduction is questioned or denied only if the widow has chosen to work rather than go on welfare, and only if she earns an extremely small amount of money. Even in the cases where the widow is working and earning a small income, the question will not arise if her husband was able to afford an annuity or a large savings account. In those situations, the widow can bank the social security payments; and, if she does, the money is not considered as a child's contribution to his own support. It is only if the monthly payments must be spent for food, clothing, medical care, and like items—in other words, when money is so dear and so scarce that a savings account is impossible—that they are considered as the child's contribution to his own support.

Mr. President, I can honestly say that during my 6 years in the Congress, I have never encountered such systematic and unjust discrimination. It is almost as if this particular provision were designed solely to increase the already heavy burden of impoverished widows. I have no doubt that the situation is only the result of an unhappy convergence of otherwise just and equitable laws. But I also believe that we should change the law as quickly as possible. I hope that this bill will receive early consideration and speedy passage.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 152 of the Internal Revenue Code of 1954 (relating to definition of dependent) is amended by adding at the end therefor the following new subsection:

"(f) CHILD'S SOCIAL SECURITY BENEFITS.—For purposes of subsection (a), child's insurance benefits received by or on behalf of an individual under section 202(d) of the Social Security Act shall not be taken into account in determining whether the individual received more than half his support from the taxpayer."

(b) The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

Mr. SCOTT of Pennsylvania. Mr. President, I am pleased to join my colleagues in sponsoring this bill to disregard children's benefits received by an individual under the Social Security Act in determining whether that individual is a dependent of a taxpayer.

In order to claim their children as dependents under existing law, widows—or widowers—must show that they contributed more to the support of the children than the children received in social security survivor's benefits. The effect of this law is to deny the dependency deduction to those who need it most—low income earners—but grant it to those who need it least—high income earners.

Mr. President, this is a good bill and I hope that our Finance Committee will consider it in its deliberations on tax reform during the 93d Congress.

By Mr. EAGLETON (for himself, Mr. MATHIAS, Mr. INOUYE, Mr. STEVENSON, and Mr. TUNNEY):

S. 1435. A bill to provide an elected Mayor and City Council for the District of Columbia, and for other purposes. Referred to the Committee on the District of Columbia.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, on October 12, 1971, this body by a vote of 64 to 8 passed my bill providing for home rule for the District of Columbia. Unfortunately, the other body failed to act at all on this legislation. So, on behalf of myself, and Senators INOUYE, MATHIAS, STEVENSON, and TUNNEY, I am again introducing a bill to provide for home rule for the District of Columbia.

The bill is virtually identical to the one which passes the Senate in the last Congress and provides for an elected Mayor and City Council, a set formula for a Federal payment to be automatically appropriated by Congress, and delegates the congressional powers necessary to govern the city to the Mayor and City Council. The bill at the same time continues the historic and constitutional role of the Congress in the affairs of the Nation's Capital by providing that no act of the City Council may go into effect if either body of the Congress disapproves of such act within 30 days of its passage.

We have also modified the provision in the previous bill regarding the appointment of judges. The new provision allows the Mayor to appoint judges under what is commonly referred to as the Missouri system. Under this system a board com-

posed of five members will make recommendations for any judicial openings and the Mayor will be limited in his selection to persons whose names are on the submitted list. The selection of the Mayor must then be confirmed by the Senate.

I am sure that many of you have also seen the red and white bumper stickers on cars around this town which describe the District of Columbia as the last colony. It is. We have granted self-government to Puerto Rico, to the United States Virgin Islands and made States of both Alaska and Hawaii, while allowing over 800,000 of our fellow citizens to remain wards of the Congress. Of course we have amended the Constitution to allow those same citizens to vote for President and Vice President. But set their own taxes and pass the laws regulating the health and commerce of the District? No. Those powers we have held unto ourselves. We have so far failed to delegate the licensing of professions, the charting of a firefighting museum, the regulation of kite flying, and the expansion of the police department band.

The time of the Senate is too valuable to be taken up with the routine governance of the District of Columbia. James Madison in the Federalist Papers noted that the framers of the Constitution intended that—

> A municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them.

The home rule bill which we are introducing today would allow just that—a municipal legislature for local purposes—almost 200 years later. The Congress would continue its oversight over the District of Columbia as the Nation's Capital, but it would not waste its time on the flying of kites.

Mr. President, I am proud to serve as chairman of the District of Columbia Committee. I believe, however, that it is the Senate's wish, as it is mine, to substantially reduce the time spent on the conduct of municipal affairs in favor of work on matters of national interest.

The League of Women Voters is beginning a national drive in favor of home rule for the District of Columbia. I commend them for their action. I hope that other groups will join in bringing the plight of the citizens of the District of Columbia to the consciousness and the conscience of the rest of the Nation. For my part I promise prompt hearings and I hope for prompt action to bring home rule to the District of Columbia.

By Mr. HARTKE:

S. 1436. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual may elect to have any employment or self-employment performed by him after attaining age 65 excluded (for both tax and benefit purposes) from coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, there are many inequities in the current social security system, but none is more blatant than the requirement that those over 65 who remain in the work force while receiving benefits continue to have the social security payroll tax deducted from their paychecks. Today, I introduce legislation to eliminate this inequity.

Mr. President, this Hartke legislation defines the term "employment" to exclude any service performed by an individual who has attained age 65. Individuals who reach that age may apply for a certificate which entitles that person, at his election, to have any or all service performed by him excluded from the provisions of the payroll tax. Similar provisions are made for those in self-employment occupations.

The Social Security Administration claims that those over 65 who remain in the work force receive substantially higher benefits, and, therefore, the requirement that such persons continue to contribute to the social security trust fund is a justifiable one. The facts, however, show that the average increase in benefits for such persons is only $6 a month. This rather modest increase is undoubtedly more than offset by the amount of social security payroll taxes which workers over 65 are required to pay.

Mr. President, I emphasize that the Hartke proposal is a voluntary alternative. Workers over 65 may elect to have their earnings excluded from the payroll tax if they so choose. Those workers who might receive higher social security retirement benefits because of their work after 65 would not be likely to make such an election; but 3½ million older Americans would benefit from my proposal at a modest cost to the trust fund of only $800 million for 1974—or between 0.1 to 0.2 percent of payroll.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 210 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Service Performed After Attaining Age 65

"(p) Notwithstanding any other provision of this section, the term employment shall not include any service performed by an individual who has attained age 65 if such individual is the holder of a certificate issued under section 3121 (s) (2) of the Internal Revenue Code of 1954 and has elected to make such certificate applicable to such service as provided in section 3121 (s) (3) of such Code"

(b) Section 3121 of the Internal Revenue Code of 1954 (definitions applicable to tax under Federal Insurance Contributions Act) is amended by adding at the end thereof the following new subsection:

"(s) SERVICE PERFORMED AFTER ATTAINING AGE SIXTY-FIVE.—

"(1) EXCLUSION OF SERVICE FROM EMPLOYMENT.—Notwithstanding any other provision of this section, the term 'employment' shall not for purposes of this chapter include any service performed by an individual who has attained age 65 if such individual is the holder of a certificate issued under paragraph (2) and has elected to make such certificate applicable to such service as provided in paragraph (3).

"(2) CERTIFICATE.—Any individual who has attained age 65 shall, upon application made to the Secretary or his delegate (in such manner and from as may be prescribed by regulations under this chapter), be issued a certificate entitling him at his election to have any or all service performed by him for employers excluded from 'employment' for purposes of this chapter and title II of the Social Security Act. Application for such certificate may be filed at any time on or after the day on which such individual attains age 65.

"(3) APPLICATION OF CERTIFICATE TO SPECIFIC SERVICE.—An individual holding a certificate issued under paragraph (2) may at any time, by filing such certificate or a certified copy thereof with his employer, elect to have all service performed by him for such employer excluded from 'employment' for purposes of this chapter and title II of Social Security Act; and such election shall be effective with respect to all service performed by such individual for that employer on and after the date on which it is made and until terminated or revoked. An election made under this paragraph with respect to service performed for any employer shall terminate if such individual ceases to perform service for that employer on a continuous or regular basis, and may at any time be revoked by such individual by notifying the employer and withdrawing the certificate or copy thereof which was filed with the employer at the time of election; but any such revocation shall not be effective until the close of the calendar month in which it is made.

"(4) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations (including regulations providing for the interchange of information between him and the Secretary of Health, Education, and Welfare) as he deems necessary or appropriate to carry out this subsection."

SEC. 2. (a) Section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Income Derived After Attaining Age Sixty-Five

"(h) Notwithstanding any other provision of this section, the term 'net earnings from self-employment' shall not include any income derived by an individual from a trade or business in any taxable year if (1) at the close of such year such individual has attained age 65, and (2) such individual elects as provided in section 1302 (j) (2) of the Internal Revenue Code of 1954 to have such income exempted from the tax imposed by section 1401 of such Code."

(b) Section 1402 of the Internal Revenue Code of 1954 (definitions applicable to tax under Self-Employment Contributions Act of 1954) is amended by adding at the end thereof the following new subsection:

"(j) INCOME DERIVED AFTER ATTAINING AGE SIXTY-FIVE.—

"(1) EXCLUSION FROM NET EARNINGS.—Notwithstanding any other provision of this section, the term 'net earnings from self-employment' shall not for purposes of this chapter include any income derived by an individual from a trade or business in any taxable year if (A) at the close of such year such individual has attained age 65, and (B) such individual elects as provided in paragraph (2) to have such income exempted from the tax imposed by section 1401.

"(2) ELECTION.—Any individual who at the close of a taxable year has attained age 65, and during such year has derived any income from a trade or business carried on by him, may by including a statement to that effect in self-employment income tax return for such year elect to have such income exempted from the tax imposed by section 1401. Any such election shall be effective only for the taxable year with respect to which it is made, and shall apply to all of the individual's income derived during such year from a trade or business, or (if he carries on more

than one) from the trades or businesses, carried on by him.

"(3) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations (including regulations providing for appropriate refunds of any payments of estimated self-employment tax which may have been made during the taxable year with respect to income exempted from tax by an election made under paragraph (2), and for the interchange of information between him and the Secretary of Health, Education, and Welfare) as he deems necessary or appropriate to carry out this subsection."

SEC. 3. The amendments made by the first section of this Act shall apply only with respect to service performed on or after the first day of the month following the month in which this Act is enacted. The amendments made by section 2 of this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

By Mr. GURNEY:

S. 1438. A bill to authorize and request the President to issue annually a proclamation designating August 26 of each year as "Equal Rights Day." Referred to the Committee on the Judiciary.

Mr. GURNEY. Mr. President, I am submitting a proposal to call for the annual designation of August 26 as "Equal Rights Day." Specifically, the bill calls upon the President to set aside this day for the purpose of commemorating our achievements in the field of women's rights.

Last year, I introduced a similar bill, S. 3490, to proclaim August 26 as "Women's Rights Day." This legislation passed the Senate on August 16, 1972. The House amended the bill to make it effective for 1972 only, and passed it in that form on August 18.

Immediately after House passage, Congress adjourned until early September. In view of the fact that further congressional action was impossible before August 26, the President subsequently issued a proclamation calling for the observance of Women's Rights Day.

This year, I am hopeful that Congress will take more expeditious action on my proposal so that time will allow complete passage as well as the necessary planning for appropriate programs and activities commemorating equal rights for women.

Just a little over 1 year ago—on March 22, 1972—this body passed the equal rights amendment by an overwhelming margin of 84 to 8. Since that time 30 States have ratified the ERA. Eleven States have yet to vote on the issue, and 38 votes are needed for ratification.

August 26 is a significant date in the history of the equal rights movement. It was on that date, in the year 1920, that the 19th amendment guaranteeing women the right to vote was officially certified as a part of our constitution. Like equal rights, the successful consideration of the suffrage movement was a long and arduous process. It took Congress nearly 75 years to pass the suffrage amendment, and a little over a year for the States to ratify it.

Passage of the ERA by Congress took nearly 50 years. I hope that history's habit of repeating itself will be borne out with ratification of this important amendment.

In the meantime, I urge my colleagues to support this proposed proclamation of Equal Rights Day on August 26.

I ask unanimous consent that my bill and also President Nixon's proclamation of August 26, 1972, as "Women's Rights Day" be printed in the RECORD.

There being no objection, the bill and proclamation were ordered to be printed in the RECORD, as follows:

S. 1438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the anniversary of the adoption on August 26, 1920, of the nineteenth amendment to the Constitution granting women the right to vote, the President is authorized and requested to issue annually a proclamation designating August 26 of each year as "Equal Rights Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

WOMEN'S RIGHTS DAY

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Fifty-two years ago the Secretary of State issued a proclamation declaring the addition of the Nineteenth Amendment to our Constitution. That act marked the culmination of a long struggle by the women of this country to achieve the basic right to participate in our electorial process.

As significant as the ratification of the Nineteenth Amendment was, it was not cause for ending women's efforts to achieve their full rights in our society. Rather, it brought an increased awareness of other rights not yet realized.

In recent years there have been great strides in extending the protection of the law to the rights of women, and in promoting equal opportunities for women. Today more women than ever before serve in policy-making positions in the executive branch of our Government. Throughout the Nation, in State and local government and in the private sphere women are playing a more active role.

Although every woman may not desire a career outside the home, every woman should have the freedom to pursue whatever career she wishes. Although women today have a greater opportunity to do that, we still must do more to ensure women every opportunity to make the fullest contribution to our progress as a Nation.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate Saturday, August 26, 1972, as Women's Rights Day and call upon all our citizens and particularly those organizations concerned with the protection of human rights to observe this day with appropriate ceremonies and activities.

In witness whereof, I have hereunto set my hand this 26th day of August, in the year of our Lord nineteen hundred seventy-two and of the Independence of the United States of America the one hundred ninety-seventh.

RICHARD NIXON.

By MR. MUSKIE:

S. 1439. A bill to reform the Federal income, estate, and gift tax laws. Referred to the Committee on Finance.

THE TAX REFORM ACT OF 1973

Mr. MUSKIE. Mr. President, today I introduce The Tax Reform Act of 1973. This bill represents the technical implementation of the detailed proposals I discussed in the Senate on January 23. It would close unjustifiable tax loopholes which benefit large corporations, wealthy individuals, and special interests. And it would raise a substantial amount of additional tax revenue totaling $18 billion in fiscal year 1975 and even more in later fiscal years. But it would not in any way increase the burden on middle-income or low-income taxpayers.

Mr. President, we all recognize the need to control Federal expenditures. We all recognize the need to avoid a tax increase. But we must also recognize that it is possible to raise substantial additional revenues to reduce the budget deficit and pay for important Government programs without raising the tax burden on middle- and low-income Americans.

This is exactly what the Tax Reform Act of 1973 does. The act does not change the existing standard deductions; it does not repeal the deduction for State and local gasoline taxes; it does not change the existing exemption of $100 for qualifying dividends; and it does not affect the present homeowner's deduction for interest paid on mortgages.

Some of these provisions and others which benefit low- and middle-income earners have been criticized as being inequitable and unfair. But I believe that before any of such sections in our tax code are changed, we must rid our tax system of its fundamental inequities: Those loopholes which benefit only the rich, and allow millionaires and multi-billion-dollar corporations to evade their fair share of taxes.

The Tax Reform Act of 1973 attacks these upper-income and corporate loopholes thoroughly and comprehensively—yet without making changes that could have disruptive effects on our economy. This act would make moderate changes—for instance, by marginally increasing the capital gains tax; by allowing a 5-year period for phasing-in taxes on capital gains at death; by marginally decreasing percentage depletion rates; by allowing farm losses in excess of the permitted deduction to be carried forward to future years; and by marginally increasing the minimum tax.

The Tax Reform Act of 1973 would raise $8.1 billion by lessening the unfair advantage of tax shelters and by moderating or abolishing a number of tax preferences. By tightening up our treatment of depreciation, it would raise $5.3 billion. It would give State and local governments an additional $1.3 billion, at a net cost to the Federal Treasury of only $300 million, by allowing taxation of interest on State and municipal bonds. And it would raise $4.9 billion by more equitably taxing the transfer of large estates.

Many tax preferences and tax shelters are being justified for the contributions they are said to make to important social or economy policy goals. The revenues the Federal Government does not collect because of these special provisions are in reality "tax expenditures," almost as if they were direct appropriations from the Federal Treasury. They should be subject to the same scrutiny that we give to the Federal budget: How much do they cost? What goals do they supposedly serve? What benefits do they actually provide? And, finally, are their benefits worth their costs?

Many of these preferences supposedly serve goals with which I agree. But just as I would not vote for an appropriation until I was assured it would produce benefits worth its cost, I cannot condone continued tax expenditure unless I am satisfied that it produces worthwhile results for the people of this country. And the benefits of these tax preferences have not been proven. We know at least one thing for certain—that their costs go directly into the pockets of the wealthy.

In general, the goals of these provisions are better served through direct subsidies and incentives. We can know exactly how much is being spent on such programs. And we can have the benefit of reports assessing their effectiveness. For instance, I agree with the goals of increasing the supply of low-income housing or bolstering foreign trade or the economies of undeveloped areas. I would, therefore, urge Congress to consider responsible Federal programs to replace the tax preferences repealed or modified by the Tax Reform Act of 1973. But there is no justification for retaining these preferences as they now stand.

Following this philosophy, the Tax Reform Act of 1973 contains provisions which would moderate or eliminate tax shelters and tax preferences, to create total increased revenue of $8.1 billion. These provisions, and the extra Federal income they would produce by fiscal year 1975, include:

Increasing the long-term capital gains rates to a maximum of 42 percent for individuals and 35 percent for corporations—instead of current rates of 25 percent for individuals on the first $50,000 and 36.5 percent on the remainder and 30 percent for corporations—$2.1 billion;

Tightening the minimum tax on tax preference items, including reducing the existing $30,000 exemption to $10,000, imposing graduated minimum tax rates, and eliminating the tax carry-forward—$300 million;

Tightening treatment of the farm loss tax shelter by reducing to $15,000 per year the amount of farm loss which can be deducted from nonfarm income—$100 million;

Uniformly reducing by 20 percent the rates for percentage depletion of mineral resources—$300 million;

Requiring capitalization and recapture of intangible drilling and development costs and of mine exploration and development costs—$800 million;

Tightening existing provisions which restrict the amount of deductions of interest on large investments—$300 million;

Six provisions restricting preferential treatment for foreign income and investment—$1.5 billion;

Reforming the investment tax credit given to investments in machinery and equipment by allowing credits only for net increases in investment—$2.5 billion; and

Disallowing excessive deductions by banks of bad debt reserves—$200 million.

In addition, the Tax Reform Act of 1973 would raise $5.3 billion through provisions that reform tax treatment of depreciation. These include:

Modifying ADR, the system which allows corporations to depreciate assets 20 percent faster than the industry average, to permit depreciation only at average industry rates—$4.2 billion;

Reforming tax treatment of real estate investment—$1 billion; and

Repealing rapid amortization provisions for the rehabilitation of low-income housing, railroad rolling stock, and pollution control facilities—$100 million.

Interest on State and local municipal bonds is now tax free. The Tax Reform Act of 1973 would, at the option of State and local governments, make interest on those bonds taxable, thus producing $1 billion in additional revenue for the Federal Treasury. If State and local governments choose to make their bonds taxable, the act contains provisions which would grant a Federal subsidy to States and municipalities of 50 percent of their interest costs. The net effect would be to incur additional Federal expenditures of $300 million, but provide an extra $1.3 billion each year for States and municipalities.

Finally, the Tax Reform Act of 1973 includes five specific measures, raising a total of $4.9 billion, to tax the transfer of large estates more equitably. The amount of $2.4 billion would be raised by taxing the appreciation of capital gains held at the time of death, gains which now entirely escape tax. An additional $2.5 billion would be raised by establishing a unified gift and estate tax, imposing a special tax on generation-skipping transfers of wealth, allowing a spouse to deduct from the estate one half of its value plus $100,000, and changing the rate structure to include a maximum rate of 80 percent on estates and gifts.

Mr. President, I am impressed by the beginning this Congress has made on tax reform. The thorough hearings being conducted by the Committee on Ways and Means in the House of Representatives have, I believe, generated much interest and thought about our tax code. I hope that my contribution to this discussion can help us enact meaningful tax reform this year. On February 28 I introduced S. 1036, a bill to amend the tax code with respect to legislative activity by certain types of exempt organizations. On March 15 I introduced S. 1255, a measure to reform State property taxes by relieving excessive property taxes on the poor and the elderly and encourage States to reform unsatisfactory local property tax administration. Soon I hope to present a proposal to reform the social security payroll tax.

I hope that this Congress, and its distinguished Members who are primarily responsible for writing tax reform legislation, will carefully consider these proposals, and the Tax Reform Act of 1973, which I introduce today. In my judgment passage of a bill such as the Tax Reform Act of 1973 should be a top priority for this Congress.

I ask unanimous consent that a summary of the provisions of the Tax Reform Act of 1973 be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE CONTENTS OF THE TAX REFORM ACT OF 1973

Section 1.—*Short Title, Etc.*

This section provides that the Act may be cited as the Tax Reform Act of 1973, includes a table of contents, and provides for technical and conforming changes.

TITLE I—AMENDMENTS PRIMARILY AFFECTING INDIVIDUALS

Section 101.—*Minimum Tax for Tax Preferences.*

This section strengthens the minimum tax on certain items of "tax preference" by (1) reducing the existing $30,000 exemption to $10,000; (2) imposing a graduated rate of tax of 10 percent on the first $10,000, 15 percent on the second $10,000, and 20 percent of additional amounts of tax preferences; and (3) eliminates deferral of the minimum tax.

Section 102.—*Gains and Losses on Property Held at Death or Transferred by Gift.*

This section imposes a tax on the appreciation of capital assets transferred at death, or by gift, but provides a marital exclusion of one-half of the assets plus $100,000 and an exemption for property given to charity. This section includes a five-year phase-in period for these provisions.

Section 103.—*Interest on Investment Indebtedness.*

This section strengthens current laws which disallows deductions of certain interest paid by an individual for borrowings for large investments. This section reduces the existing $25,000 interest exemptions to $10,000; disallows all investment interest deductions in excess of the exemption level, while present law only limits one-half; and expands the definition of "investment interest" to include interest paid on passive oil, gas, mineral, or real estate investments.

Section 104.—*Earned Income from Sources Without the United States.*

This section terminates the present law which allows U.S. citizens who live abroad to exclude from their taxable income $25,000 (if they are bona fide residents of a foreign country) or $20,000 (if they live abroad for at least 17 out of 18 months).

Section 105.—*Captial Gains.*

This section changes taxation of capital gains for individuals by repealing the provision that permits the first $50,000 of long-term capital gains to be taxed at no more than 25 percent. The section also requires that individuals include 55 percent of their long-term capital gains in their income in the first year of enactment, and 60 percent in their income thereafter, rather than only 50 percent as permitted under present law. The effect would be to have long-term capital gains taxed at 60 percent of normal income tax rates.

Section 106.—*Clerical Amendments.*

This section makes changes in the table of contents of part of the Internal Revenue Code.

Section 107.—*Effective Date.*

This section provides that the changes made by this title apply to taxable years beginning after the date of enactment, unless otherwise specified.

TITLE II—AMENDMENTS PRIMARILY AFFECTING CORPORATIONS

Section 201.—*Limitation of Investment Credit.*

This section restricts the investment tax credit, given to corporations and individuals for investments in machinery and equipment, to allow a credit only for net increases in investment.

Section 202.—*Modification of Class Life System.*

This section modifies the ADR system, under which businesses may take depreciation 20 percent faster than the industry average. The section requires that depreciation rates be no more favorable than the industry average.

Section 203.—*Repeal of Rapid Amortization Provisions.*

This section repeals the rapid amortization allowed under current law for rehabilitation of low-income rental housing, emergency facilities, pollution control facilities, certain railroad rolling stock, certain coal mine safety equipment, and certain expenditures for on-the-job training and child care facilities.

Section 204.—*Termination of Special Treatment of Bad Debt Reserves of Financial Institutions.*

This section would allow commercial banks, mutual savings banks, and savings and loan associations to create bad debt reserves based solely upon their actual loss experience. For purposes of transition, this section would not take effect until 1975.

Section 205.—*Repeal of Deduction for Western Hemisphere Trade Corporations.*

This section terminates the current law which allows U.S. businesses operating in Western Hemisphere countries other than the United States to be taxed at 34 percent, rather than the normal 48 percent corporate rate.

Section 206.—*Taxation of Earnings and Profits of Controlled Foreign Corporations.*

This section adds new provisions to the tax code to eliminate the tax deferral available to United States shareholders of foreign corporations they control, and to tighten the definition of a "controlled foreign corporation" to frustrate tax evasion schemes.

Section 207.—*Termination of Special Tax Treatment for Domestic International Sales Corporations.*

This section terminates the DISC provisions, which now allow export corporations to indefinitely defer from tax up to 50 percent of their income.

Section 208.—*Capital Gains.*

This section increases the corporate tax rate on long-term capital gains from 30 percent to 35 percent.

Section 209.—*Clerical Amendment.*

This section makes changes in the table of contents of part of the Internal Revenue Code.

Section 210.—*Effective Date.*

This section provides that, unless otherwise specified, the changes made by this Title apply only to taxable years beginning after the date this Act is enacted.

TITLE III—AMENDMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

Section 301.—*Real Property.*

This section reforms the present highly favorable tax rules for investments in real estate (such as apartment buildings). The section would: (1) restrict depreciation to the straight line method and to the owner's actual equity; (2) require capitalization of interest and taxes incurred on undeveloped real estate held for investment and during construction; (3) recapture in full at the time of sale the excess depreciation taken on real property; (4) include in taxable income, up to the amount of depreciation previously taken, any proceeds from a mortgage loan which exceed the depreciated cost of the real property to the investor; and (5) provide for review of the useful lives of buildings to determine if present depreciation guidelines are too liberal.

Section 302.—*Intangible Drilling and Development Costs in the Case of Oil and Gas Wells; Intangible Exploration and Development Costs in the Case of Mining Property.*

This section requires that intangible drilling and development costs, and mine exploration and development costs, be capitalized rather than deducted immediately from income. It also provides for the recapture of past deductions when such mineral property is sold.

Section 303.—*Tax Shelter Farm Losses.*

This section reduces from $25,000 to $15,000 the amount of farm losses which can be deducted from non-farm income in any year. It also provides that losses in excess of the limit may be carried over to future years for deduction from farm income. The yearly limit on farm loss deductions is adjusted upward for taxes, interest, losses from fire, storm, or other casualties, abandonment or theft, drought, and losses from sales, exchanges, and involuntary conversions.

Section 304.—*Reduction in Percentage Depletion.*

This section reduces by one-fifth all existing percentage depletion rates for mines, wells, and other natural deposits. For example, it would reduce the depletion rate for oil and gas wells from 22 percent to 17.6 percent.

Section 305.—*Income from Sources Within United States Possessions.*

This section terminates the provision which exempts from federal income taxation certain income earned in possessions of the United States, but it does not affect binding commitments made on or before the date of enactment.

Section 306.—*Foreign Tax Credit.*

This section requires that the foreign tax credit be computed only by the "per country" method, which requires that the computation be made with reference to the income earned in the foreign country whose tax is being credited. In addition, this section prohibits corporations operating in less-developed countries from deducting foreign taxes from income as well as crediting them against United States tax.

Section 307.—*Clerical Amendments.*

This section makes changes in the table of contents of part of the Internal Revenue Code.

Section 308.—*Effective Date.*

This section provides that, unless otherwise specified, the changes made by this title apply only to taxable years beginning after the date this Act is enacted.

TITLE IV—ESTATE AND GIFT TAX AMENDMENTS

Section 401.—*Integration of Estate and Gift Taxes.*

This section enacts the same exemption and tax rate schedule for estate and gift taxation. It exempts $25,000, over and above the liberalized marital deduction contained in Section 402. For estates exceeding exemptions and deductions, the new marginal rate schedule would range from 20 percent for the smallest taxable estates to 80 percent for taxable estates over $5 million.

Section 402.—*Increase in Estate Tax Marital Deduction.*

This section would increase the estate tax deduction allowed to the spouse from one half of the value of the adjusted gross estate to one half of the value of the adjusted gross estate plus $100,000.

Section 403.—*Generation-Skipping Transfers.*

This section imposes a special tax on generation-skipping transfers, such as bequests to grandchildren and great grandchildren, which currently are used to avoid the gift and estate tax. Generation-skipping transfers are defined as distributions to persons other than children, contemporary relatives or friends, or tax-exempt organizations. The tax imposed by this section is three-fifths of the normal estate tax.

Section 404.—*Clerical Amendments.*

This section makes changes in the table of contents of part of the Internal Revenue Code.

TITLE V—STATE AND LOCAL BONDS

Section 501.—*Interest on Certain Governmental Obligations.*

This section allows state and local governments, at their option, to issue bonds which pay taxable interest.

Section 502.—*United States To Pay 50 Percent of Interest Yield On Taxable Issues.*

This section provides that the federal government shall pay 50 percent of the interest cost of state and local government bonds if state and local governments elect to make interest on their bonds taxable.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have the text of the bill printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Tax Reform Act of 1973".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of the technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

(d) TABLE OF CONTENTS.—

TITLE I—AMENDMENTS PRIMARILY AFFECTING INDIVIDUALS

Sec. 101. Minimum tax for tax preferences.
Sec. 102. Gains and losses on property held at death or transferred by gift.
Sec. 103. Interest on investment indebtedness.
Sec. 104. Earned income from sources without the United States.
Sec. 105. Capital gains.
Sec. 106. Clerical amendments.
Sec. 107. Effective date.

TITLE II—AMENDMENTS PRIMARILY AFFECTING CORPORATIONS

Sec. 201. Limitation of investment credit.
Sec. 202. Modification of class life system.
Sec. 203. Repeal of rapid amortization provisions.
Sec. 204. Termination of special treatment of bad debt reserves of financial institutions.
Sec. 205. Repeal of deduction for Western Hemisphere trade corporations.

Sec. 206. Taxation of earnings and profits of controlled foreign corporations.
Sec. 207. Termination of special tax treatment for domestic international sales corporations.
Sec. 208. Capital gains.
Sec. 209. Clerical amendment.
Sec. 210. Effective date.

TITLE III—AMENDMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

Sec. 301. Real property.
Sec. 302. Intangible drilling and development costs in the case of oil and gas wells; intangible exploration and development costs in the case of mining property.
Sec. 303. Tax shelter farm losses.
Sec. 304. Reduction in percentage depletion.
Sec. 305. Income from sources within United States possessions.
Sec. 306. Foreign tax credit.
Sec. 307. Clerical amendments.
Sec. 308. Effective date.

TITLE IV—ESTATE AND GIFT TAX AMENDMENTS

Sec. 401. Integration of estate and gift taxes.
Sec. 402. Increase in estate tax marital deduction.
Sec. 403. Generation-skipping transfers.
Sec. 404. Clerical amendments.

TITLE V—STATE AND LOCAL BONDS

Sec. 501. Interest on certain governmental obligations.
Sec. 502. United States to pay 50 percent of interest yield on taxable issues.

TITLE I—AMENDMENTS PRIMARILY AFFECTING INDIVIDUALS

SEC. 101. MINIMUM TAX FOR TAX PREFERENCES.

(a) Section 56(a) (relating to minimum tax for tax preferences) is amended to read as follows:

"(a) IN GENERAL.—

"(1) IMPOSITION OF TAX.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person, a tax (computed as provided in paragraph (2)) on the amount (if any) by which—

"(A) the sum of the items of tax preference in excess of "$10,000, is greater than

"(B) the sum of the taxes imposed by this chapter for the taxable year (computed without regard to this part and without regard to the taxes imposed by sections 531 and 541), reduced by the sum of the credits allowable under—

"(i) section 33 (relating to foreign tax credit),

"(ii) section 37 (relating to retirement income),

"(iii) section 38 (relating to investment credit),

"(iv) section 40 (relating to expenses of work incentive program), and

"(v) section 41 (relating to contributions to candidates for public office).

"(2) COMPUTATION OF TAX.—The tax imposed by paragraph (1) is—

"If the amount described in paragraph (1) is:	The tax is:
Not over $10,000	10% of such amount.
Over $10,000 but not over $20,000	$1,000 plus 15% of the excess over $10,000.
over $20,000.	$2,500, plus 20% of the excess over $20,000."

(b) Section 56(b) (relating to deferral of tax liability in case of certain net operating losses) is amended by striking out "$30,000" in paragraph (1)(B) and inserting in lieu thereof "$10,000".

(c) Section 56(c) (relating to tax carryovers) is repealed.

(d) Section 57(a) (9) (A) (relating to capital gains of individuals) is amended to read as follows:

"(A) INDIVIDUALS.—In the case of a taxpayer other than a corporation, an amount equal to the amount allowable as a capital gains deduction under section 1202 for the taxable year."

(e) Section 58 (relating to rules for application of minimum tax for tax preferences) is amended—

(1) by striking out "$30,000" each place it appears therein and inserting in lieu thereof "$10,000", and

(2) by striking out "$15,000" in subsection (a) and inserting in lieu thereof "$5,000".

SEC. 102. GAINS AND LOSSES ON PROPERTY HELD AT DEATH OR TRANSFERRED BY GIFT.

(a) Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new sections:

"SEC. 84. GAINS AND LOSSES ON PROPERTY AT TIME OF DEATH.

"(a) IN GENERAL.—Upon the death of an individual, there shall be taken into account in computing taxable income for the taxable period in which falls the date of his death, a percentage (determined under subsection (c)) of the gains and losses which would have been realized and taken into account in computing taxable income (of the decedent or some other person) if all the property (other than property described in subsection (b)) required to be included in determining the value of the decedent's gross estate under chapter 11 had been sold immediately before his death at the estate tax fair market value. This subsection shall not apply unless the aggregate amount of such fair market value exceeds $60,000.

"(b) EXCLUDED PROPERTY.—Subsection (a) shall not apply to—

"(1) property which passes or has passed from the decedent to his surviving spouse and which qualifies for the deduction provided by section 2056;

"(2) property which passes or has passed to a corporation, organization, or other entity described in section 2055 and which qualifies for the deduction provided by such section;

"(3) items of gross income in respect of a decedent described in section 691; or

"(4) any other property includable in the gross estate of the decedent under chapter 11 for which basis is not provided for in section 1014(a).

"(c) RULES FOR APPLICATION OF SUBSECTION (a).—For purposes of subsection (a)—

"(1) The estate tax fair market value of property is the fair market value of the property at the date of the decedent's death, or, in the case of an election under section 2032, its value at the application valuation date prescribed by that section.

"(2) If the aggregate adjusted basis of all property subject to the provisions of subsection (a) is less than $60,000, and the gains under subsection (a) (without the application of this paragraph) exceed the losses, then the aggregate adjusted basis of such property shall be increased to $60,000.

"(3) Losses shall be taken into account without regard to the provisions of section 1091.

"(4) The percentage of gains and losses taken into account shall be determined in accordance with the following table:

"For taxable years beginning:	*Percent*
Less than 1 year after the date of enactment of the Tax Reform Act of 1973	0
1 year or more but less than 2 years after such date	20
2 years or more but less than 3 years after such date	40
3 years or more but less than 4 years after such date	60
4 years or more but less than 5 years after such date	80
5 years or more after such date	100"

"(d) TIME FOR FILING RETURN.—If subsection (a) applies to the taxable year, the time for filing the return for such year shall be the date nine months after the date of the decedent's death if such date is later than the time prescribed in section 6072 for filing such return.

"(e) LIABILITY WITH RESPECT TO PROPERTY TRANSFERRED BEFORE DEATH.—If gain is taken into account under subsection (a) with respect to property transferred by the decedent during his lifetime, the executor shall be entitled, unless the decedent directs otherwise in his will, to recover from the transferee of such property the amount of income tax imposed with respect to such gain.

"SEC. 85. GAINS AND LOSSES ON INTER VIVOS GIFTS.

"(a) IN GENERAL.—In the case of the transfer of property by an individual by inter vivos gift, there shall be taken into account in computing taxable income for the taxable period in which the transfer was made, the gain or loss which would have been realized and taken into account in computing taxable income if the taxpayer had sold the property at its fair market value at the time of the transfer.

"(b) EXCEPTIONS.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a transfer of property, to the extent that, at the time of the transfer, the aggregate fair market value of—

"(A) property (including the transferred property) held by the taxpayer, and

"(B) property previously transferred by the taxpayer after the date of the enactment of the Tax Reform Act of 1973,

does not exceed $60,000.

"(2) GIFTS TO SPOUSE.—Subsection (a) shall not apply to a transfer of property to the taxpayer's spouse.

"(3) GIFTS TO CHARITY.—Subsection (a) shall not apply to a transfer which is a charitable contribution as defined in section 170(c).

(b)(1) Section 1014(b) (relating to basis of property acquired from a decedent) is amended by striking out paragraphs (5) and (6).

(2) Paragraph (9) of section 1014(b) is amended by inserting "and" at the end of subparagraph (A), by striking out subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(3) Section 1015 (relating to basis of property acquired by gifts and transfers in trust) is amended by adding at the end thereof the following new subsection:

"(e) PROPERTY SUBJECT TO TAX UPON TRANSFER.—If the property was acquired by gift in a transfer to which section 85(a) (relating to gains and losses on inter vivos gifts) applied, the basis shall be the fair market value of the property at the time of the transfer."

(4) Section 170(e) (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(3) EXCEPTION.—Paragraph (1) shall not apply to any charitable contribution of property if section 85(a) (relating to gains and losses on inter vivos gifts) applied with respect to the transfer of such property."

(5) Section 6161(a) (relating to extension of time for paying tax) is amended—

(A) by inserting "or income tax for a decedent's final taxable period" after "estate tax" in paragraph (1),

(B) by redesignating subsections (j) and (k) as death after "Estate tax" in the heading of paragraph (2), and

(C) by inserting at the end of paragraph (2)(A) "or of any part of the tax imposed by

chapter 1 attributable to the application of section 84,".

(6) Section 6166 (relating to extension of time for payment of estate tax where estate consists largely of interest in closely held business) is amended—

(A) by inserting "AND INCOME TAX ON GAINS AT DEATH" after "ESTATE TAX" in the heading, and

(B) by redesignating subsections (j) and (k) as (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

"(j) TAX ON GAINS AT DEATH.—Under regulations prescribed by the Secretary or his delegate, the provisions of this section shall apply with respect to so much of the tax imposed by chapter 1 as is attributable to the application of section 84 (relating to gains and losses on property at time of death) in the same manner as it applies to the tax imposed by section 2001."

(c) Section 84 of the Internal Revenue Code of 1954 (as added by subsection (a)) and the amendments made by paragraphs (1), (2), (5), and (6) of subsection (b) shall apply with respect to decedents dying after the date of the enactment of this Act. Sections 85 of such Code (as added by subsection (a)) and the amendments made by paragraphs (3) and (4) of subsection (b) shall apply with respect to transfers of property by inter vivos gift after such date.

SEC. 103. INTEREST ON INVESTMENT INDEBTEDNESS.

Section 163(d) (relating to limitation on interest on investment indebtedness) is amended—

(1) by striking out "$25,000" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "$10,000",

(2) by striking out "$12,500" in paragraph (1)(A) and inserting in lieu thereof "$5,000",

(3) by striking out ", plus" at the end of paragraph (1)(C) and inserting in lieu thereof a period,

(4) by striking out paragraph (1)(D),

(5) by striking out "one-half of" in paragraph (2)(A), and

(6) by adding at the end thereof the following new paragraphs:

"(8) OIL, GAS, OR OTHER MINERAL PROPERTY.—For purposes of this subsection, a passive interest (as defined by the Secretary or his delegate by regulation) in any oil, gas, or other mineral property shall be treated as property held for investment and not as property used in a trade or business.

"(9) COMMERCIAL AND RESIDENTIAL PROPERTY.—For purposes of this subsection, property used for commercial or residential purposes by any person other than the taxpayer shall be treated as property held for investment and not as property used in a trade or business, unless the taxpayer furnishes substantial services in connection with the use of the property."

SEC. 104. EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES.

Section 911 (relating to earned income from sources without the United States) is repealed.

SEC. 105. CAPITAL GAINS

(a) Section 1201(d) (relating to definition of subsection (d) gain) is amended—

(1) by inserting "and" at the end of paragraph (1),

(2) by striking out ", and" at the end of paragraph (2) and inserting in lieu thereof a period, and

(3) by striking out paragraph (3).

(b) Section 1202 (relating to deduction for capital gains) is amended by striking out the first sentence and inserting in lieu thereof the following: "If a taxpayer (other than a corporation) has a net section 1201 gain for a taxable year, the following percentage of such gain shall be allowed as a deduction from gross income:

"(1) 50 percent, in the case of a taxable year beginning on or before the date of the enactment of the Tax Reform Act of 1973,

"(2) 45 percent, in the case of a taxable year beginning within 1 year after the date of the enactment of the Tax Reform Act of 1973, and

"(3) 40 percent, in the case of a taxable year beginning more than 1 year after the date of the enactment of the Tax Reform Act of 1973."

SEC. 106. CLERICAL AMENDMENT

The section analysis of part II of subchapter B of chapter 1 is amended by adding at the end thereof the following:

"Sec. 84. Gains and losses on property at time of death.

"Sec. 85. Gains and losses on inter vivos gifts.".

SEC. 107. EFFECTIVE DATE.

Except as otherwise provided, the amendments and repeals made by this title shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE II—AMENDMENTS PRIMARILY AFFECTING CORPORATIONS

SEC. 201. LIMITATION OF INVESTMENT CREDIT.

(a) Section 46(a)(1) (relating to determination of amount) is amended by striking out "qualified investment" and inserting "net qualified investment".

(b) Section 46(c) (relating to qualified investment) is amended by—

(1) striking out "QUALIFIED INVESTMENT.—"and inserting "NET QUALIFIED INVESTMENT.—";

(2) redesignating paragraphs (1), (2), and (3) as (2), (3), and (4), respectively;

(3) striking out "IN GENERAL.—" in paragraph (2) (as redesignated by this subsection) and inserting "QUALIFIED INVESTMENT.—"; and

(4) inserting before such paragraph (2) the following new paragraph:

"(1) IN GENERAL.—For purposes of this subpart, the term 'net qualified investment' means, with respect to any taxable year, the aggregate amount of the qualified investment for that taxable year reduced by the aggregate amount allowable as a deduction for that year for depreciation (or amortization in lieu thereof) with respect to section 38 property acquired prior to, and in service during, that taxable year."

SEC. 202. MODIFICATION OF CLASS LIFE SYSTEM.

Section 167(m)(1) (relating to class lives in general) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to property placed in service in any taxable year beginning after January 23, 1973."

SEC. 203. REPEAL OF RAPID AMORTIZATION PROVISIONS.

(a) The following sections are repealed:

(1) section 167(k) (relating to expenditures to rehabilitate low-income rental housing),

(2) section 168 (relating to amortization of emergency facilities),

(3) section 169 (relating to amortization of pollution control facilities),

(4) section 184 (relating to amortization of certain railroad rolling stock),

(5) section 187 (relating to amortization of certain coal mine safety equipment), and

(6) section 188 (relating to amortization of certain expenditures for on-the-job training and child care facilities).

(b) Section 48(a) (relating to definition of section 38 property) is amended by striking out paragraph (8).

SEC. 204. TERMINATION OF SPECIAL TREATMENT OF BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) Section 585 (relating to reserves for losses on loans of banks) is amended by adding at the end thereof the following new subsection:

"(c) NO SPECIAL ADDITIONS FOR YEARS AFTER 1974.—Subsection (b) shall not apply in the case of taxable years beginning after December 31, 1974, and the reasonable addition to the reserve for bad debts for any taxable year beginning after such date shall be computed under section 166(c) on the basis of the actual experience of the taxpayer."

(b) Section 593(b) (relating to addition to reserves for losses on loans of mutual savings banks and certain other financial organizations) is amended by adding at the end thereof the following new paragraph:

"(6) NO SPECIAL ADDITIONS FOR YEARS AFTER 1974.—This subsection (other than this paragraph) shall not apply in the case of taxable years beginning after December 31, 1974, and the reasonable addition to the reserve for bad debts for any taxable year beginning after such date shall be computed under section 166(c) on the basis of the actual experience of the taxpayer."

SEC. 205. REPEAL OF DEDUCTION FOR WESTERN HEMISPHERE CORPORATIONS.

(a) Section 921 (relating to Western Hemisphere trade corporations) is amended by—

(1) inserting "(a)" before the first word of the text of that section; and

(2) adding at the end thereof the following new subsection:

"(b) No corporation shall be treated as a Western Hemisphere trade corporation for any taxable year beginning after the date of enactment of the Tax Reform Act of 1973."

(b)(1) Section 170(b)(2) (relating to charitable deductions for corporations) is amended by striking out subparagraph (D).

(2) Section 172(d)(5) (relating to the net operating loss deduction) is amended by striking out "or under section 922 (relating to Western Hemisphere trade corporations)".

(3) Section 1503 (relating to consolidated returns) is amended by striking out subsection (b), and deleting "(a) GENERAL RULE.—" from such section.

(4) Section 1562(b)(4) (relating to multiple surtax exemptions) is amended by—

(1) inserting "and" before "804(a)(3) (relating to deductions for partially tax-exempt utilities)" and

(2) striking out "and 922 (relating to special deduction for Western Hemisphere trade corporations)".

SEC. 206. TAXATION OF EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.

(a) Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by inserting after subpart H thereof the following new subpart:

"Subpart I—Controlled Foreign Corporations

"Sec. 985. Amounts included in gross income of United States shareholders.

"Sec. 986. Definitions.

"Sec. 987. Rules for determining stock ownership.

"Sec. 988. Exclusion from gross income of previously taxed earnings and profits.

"Sec. 989. Adjustments to basis of stock in controlled foreign corporations and of other property.

"Sec. 990. Records and accounts of United States shareholders.

"SEC. 985. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNTS INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation for an uninterrupted period of 30 days or more during any taxable year, every United States shareholder of such corporation who owns (within the meaning of section 987(a)) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in its gross income, for its taxable year in which or with which such taxable year of the corporation ends, its pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—A United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 987(a)) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to its earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the amount determined under subparagraph (A), as (ii) the part of such year described in subparagraph (A)(ii) during which such shareholder did not own (within the meaning of section 987(a)) such stock bears to the entire year.

"(b) EARNINGS AND PROFITS.—For purposes of this subpart, under regulations prescribed by the Secretary or his delegate, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules substantially similar to those applicable to domestic corporations,

"(2) shall be appropriately adjusted for deficits in earnings and profits of such corporation for any prior taxable year beginning after the date of the enactment of the Tax Reform Act of 1973,

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States, and

"(4) shall not include any amount of earnings and profits which could not have been distributed by such corporation because of currency or other restrictions or limitations imposed under the laws of any foreign country.

"(c) COORDINATION WITH ELECTION OF A FOREIGN INVESTMENT COMPANY TO DISTRIBUTE INCOME.—A United States shareholder who, for his taxable year, is a qualified shareholder (within the meaning of section 1247(c)) of a foreign investment company with respect to which an election under section 1247 is in effect shall not be required to include in gross income, for such taxable year, any amount under subsection (a) with respect to such company.

"(d) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"SEC. 986. DEFINITIONS.

"(a) UNITED STATES SHAREHOLDER DEFINED.—For purposes of this subpart, the term 'United States shareholder' means, with respect to any foreign corporation, a domestic corporation which owns (within the meaning of section 987(a)), or is considered as owning by applying the rules of ownership of section 987(b), 1 percent or more of the total value or total combined voting power of all classes of stock.

"(b) CONTROLLED FOREIGN CORPORATION DEFINED.—For purposes of this subpart, the term 'controlled foreign corporation' means any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote is owned (within the meaning of section 987(a)), or is considered as owned by applying the rules of ownership of section 987(b), by United States shareholders on any day during the taxable year of such foreign corporation.

"SEC. 987. RULES FOR DETERMINING STOCK OWNERSHIP.

"(a) DIRECT AND INDIRECT OWNERSHIP.—

"(1) GENERAL RULE.—For purposes of this subpart, stock owned means—

"(A) stock owned directly, and

"(B) stock owned with the application of paragraph (2).

"(2) STOCK OWNERSHIP THROUGH FOREIGN ENTITIES.—For purposes of subparagraph (B) of paragraph (1), stock owned, directly or indirectly, by or for a foreign corporation or foreign estate (within the meaning of section 7701(a)(31)) or by or for a partnership or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries. Stock considered to be owned by a person by reason of the application of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person.

"(b) CONSTRUCTIVE OWNERSHIP.—For purposes of section 986, section 318(a) (relating to constructive ownership of stock) shall apply to the extent that the effect is to treat any domestic corporation as a United States shareholder within the meaning of section 986(a), or to treat a foreign corporation as a controlled foreign corporation under section 986(b), except that—

"(1) in applying subparagraphs (A), (B), and (C) of section 318(a)(2), if a partnership, estate, trust, or corporation owns, directly or indirectly, more than 50 percent of the total combined voting power of all classes of stock entitled to vote for a corporation, it shall be considered as owning all of the stock entitled to vote, and

"(2) in applying subparagraph (C) of section 318(a)(2), the phrase '10 percent' shall be substituted for the phrase '50 percent' used in paragraph (C).

"SEC. 988. EXCLUSION FROM GROSS INCOME OF PREVIOUSLY TAXED EARNINGS AND PROFITS

(a) EXCLUSION FROM GROSS INCOME.—For purposes of this chapter, the earnings and profits for a taxable year of a foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 985(a), shall not, when such amounts are distributed directly, or indirectly through a chain of ownership described under section 987(a), to—

"(1) such shareholder (or any domestic corporation which acquires from any person any portion of the interest of such United States shareholder in such foreign corporation, but only to the extent of such portion, and subject to such proof of the identity of such interest as the Secretary or his delegate may by regulations prescribe), or

"(2) a trust (other than a foreign trust) of which such shareholder is a beneficiary.

be again included in the gross income of such United States shareholder (or of such domestic corporation or of such trust).

"(b) EXCLUSION FROM GROSS INCOME OF CERTAIN FOREIGN SUBSIDIARIES.—For purposes of section 985(a), the earnings and profits for a taxable year of a controlled foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 985(a), shall not, when distributed through a chain of ownership described under section 987(a), be also included in the gross income of another controlled foreign corporation in such chain for purposes of the application of section 985(a) to such other controlled foreign corporation with respect to such United States shareholder (or to any other United States shareholder who acquires from any person any portion of the interest of such United States shareholder in the controlled foreign corporation, but only to the extent of such portion, and subject to such proof of identity of such interest as the Secretary or his delegate may prescribe by regulations).

"(c) ALLOCATION OF DISTRIBUTIONS.—For purposes of subsections (a) and (b), section 316(a) shall be applied by applying paragraph (2) thereof, and then paragraph (1) thereof—

"(1) first, to earnings and profits attributable to amounts included in gross income under section 985(a), and

"(2) then to other earnings and profits.

"(d) DISTRIBUTIONS EXCLUDED FROM GROSS INCOME NOT TO BE TREATED AS DIVIDENDS.—Any distribution excluded from gross income under subsection (a) shall be treated, for purposes of this chapter, as a distribution which is not a dividend.

"SEC. 989. ADJUSTMENTS TO BASIS OF STOCK IN CONTROLLED FOREIGN CORPORATIONS AND OF OTHER PROPERTY.

"(a) INCREASE IN BASIS.—Under regulations prescribed by the Secretary or his delegate, the basis of a United States shareholder's stock in a controlled foreign corporation, and the basis of property of a United States shareholder by reason of which it is considered under section 987(a)(2) as owning stock of a controlled foreign corporation, shall be increased by the amount required to be included in its gross income under section 985(a) with respect to such stock or with respect to such property, as the case may be, but only to the extent to which such amount was included in the gross income of such United States shareholder.

"(b) REDUCTION IN BASIS.—

"(1) IN GENERAL.—Under regulations prescribed by the Secretary or his delegate, the adjusted basis of stock or other property with respect to which a United States shareholder or a United States person receives an amount which is excluded from gross income under section 988(a) shall be reduced by the amount so excluded.

"(2) AMOUNT IN EXCESS OF BASIS.—To the extent that an amount excluded from gross income under section 988(a) exceeds the adjusted basis of the stock or other property with respect to which it is received, the amount shall be treated as gain from the sale or exchange of property.

"SEC. 990. RECORDS AND ACCOUNTS OF UNITED STATES SHAREHOLDERS.

"(a) RECORDS AND ACCOUNTS TO BE MAINTAINED.—The Secretary or his delegate may by regulations require each person who is, or has been, a United States shareholder of a controlled foreign corporation to maintain such records and accounts as may be prescribed by such regulations as necessary to carry out the provisions of this subpart.

"(b) TWO OR MORE PERSONS REQUIRED TO MAINTAIN OR FURNISH THE SAME RECORDS AND ACCOUNTS WITH RESPECT TO THE SAME FOREIGN CORPORATION.—Where, but for this subsection, two or more persons would be required to maintain or furnish the same records and accounts as may by regulations be required under subsection (a) with respect to the same controlled foreign corporation for the same period, the Secretary or his delegate may by regulations provide that the maintenance or furnishing of such records and accounts by only one such person shall satisfy the requirements of subsection (a) for such other persons."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 864(c)(4)(D) is amended to read as follows:

"(D) No income from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States if it consists of dividends, interest, or royalties paid by a foreign corporation in which the taxpayer owns (within the meaning of section 958(a)), or is considered as owning (by applying the ownership rules of section 958(b)), more than 50 percent of the total combined voting power of all classes of stock entitled to vote."

(2) Section 951 is amended by adding at the end thereof the following:

"(e) TAXABLE YEARS ENDING AFTER ENACTMENT OF THE TAX REFORM ACT OF 1973.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1)(A)(ii), or paragraph (1)(B) of such subsection) with respect to a taxable year of a controlled foreign corporation beginning after the date of the enactment of the Tax Reform Act of 1973."

(3) Section 1016(a)(20) is amended by striking out "section 961" and inserting in lieu thereof "sections 961 and 990".

(4) Section 1246 (a)(2)(B) is amended by inserting "or 985" after "section 951" and by inserting "or 988" after "section 959".

(5) Section 1248 is amended—

(A) by striking out subsection (b);

(B) by amending subsection (d)(1) to read as follows:

"(1) AMOUNTS INCLUDED IN GROSS INCOME UNDER SECTION 951 OR 985.—Earnings and profits of the foreign corporation attributable to any amount previously included in the gross income of such person under section 951 or 985, with respect to the stock sold or exchanged, but only to the extent the inclusion of such amount did not result in an exclusion of an amount from gross income under section 959 or 988.":

(C) by striking out in subsection (d)(3) "section 902(d)" and inserting in lieu thereof "subsection (h)", and by adding at the end of such subsection "No amount shall be excluded from the earnings and profits of a foreign corporation under this paragraph with respect to any United States person which is a domestic corporation for any taxable year of such foreign corporation ending after the enactment of this Act"; and

(D) by adding at the end thereof the following:

"(h) LESS DEVELOPED COUNTRY CORPORATION DEFINED.—For purposes of this section, the term 'less developed country corporation' means—

"(1) a foreign corporation which, for its taxable year, is a less developed country corporation within the meaning of section 955(c) (1) or (2), and

"(2) a foreign corporation which owns 10 percent or more of the total combined voting power of all classes of stock entitled to vote of a foreign corporation which is a less developed country corporation within the meaning of section 955(c)(1), and—

"(A) 80 percent or more of the gross income of which for its taxable year meets the requirement of section 955(c)(1)(A); and

"(B) 80 percent or more in value of the assets of which on each day of such year consists of property described in section 955(c)(1)(B)."

(c) EFFECTIVE DATES.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply with respect to taxable years of foreign corporations beginning after the date of the enactment of this Act, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

(2) The amendments made by subsection (b)(4) shall apply with respect to sales or exchanges occurring in taxable years beginning after the date of the enactment of this Act.

SEC. 207. TERMINATION OF SPECIAL TAX TREATMENT FOR DOMESTIC INTERNATIONAL SALES CORPORATIONS.

(a) Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after the date of the enactment of the Tax Reform Act of 1973."

(b) Section 992(a) (relating to definition of DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—Notwithstanding any other provision of this part, no corporation shall be treated as a DISC or former DISC for any taxable year beginning after the date of the enactment of the Tax Reform Act of 1973."

SEC. 208. CAPITAL GAINS.

Section 1201(a) (relating to corporations) is amended to read as follows:

"(a) CORPORATIONS.—If for any taxable year a corporation has a net section 1201 gain, then, in lieu of the tax imposed by sections 11, 511, 821 (a) or (c), and 831(a), there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) which shall consist of the sum of a tax computed on the taxable income reduced by the amount of the net section 1201 gain, at the rates and in the manner as if this subsection had not been enacted, plus 35 percent of the net section 1201 gain for that taxable year."

SEC. 209. CLERICAL AMENDMENT.

The subpart analysis of part III of subchaper N of chapter 1 is amended by adding at the end thereof the following:

"Subpart H. Income of certain nonresident United States citizens subject to foreign community property laws.

"Subpart I. Controlled foreign corporations.".

SEC. 210. EFFECTIVE DATE.

Except as otherwise provided, the amendments and repeals made by this title shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE III—AMENDMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

SEC. 301. REAL PROPERTY.

(a) Section 167(j) (relating to special rules for section 1250 property) is amended to read as follows:

"(j) SECTION 1250 PROPERTY.—

"(1) GENERAL RULE.—In the case of section 1250 property (as defined in section 1250 (c)), subsection (b) shall not apply and the term 'reasonable allowance' as used in subsection (a) means an allowance, computed in accordance with regulations prescribed by the Secretary or his delegate, under the straight line method.

"(2) CHANGE IN METHOD OF DEPRECIATION.—Any change in the computation of the allowance for depreciation required by reason of the application of paragraph (1) shall not be considered a change in method of accounting.

"(3) LIMITATION BASED ON TAXPAYER'S EQUITY.—In the case of section 1250 property, the deduction for depreciation for the taxable year with respect to such property shall not be allowed to the extent it would reduce the adjusted basis of the property at the end of the year below an amount equal to any mortgage indebtedness at the end of the year on the property minus the adjusted basis of the land allocable to such property.

"(4) CARRYOVER OF UNUSED DEPRECIATION.—If the amount of depreciation determined with respect to property to which this subsection applies for any taxable year exceeds the limitation provided by paragraph (3) for that year (hereinafter referred to as the 'unused deduction year'), such excess shall be a depreciation deduction carryover to succeeding taxable years. The amount of the unused deduction shall first be carried over to the taxable year next following the unused deduction year, and then carried over to each succeeding taxable year to the extent that, because of the limitation contained in paragraph (3), such unused deduction may not be used for a prior taxable year to which it might have been carried. The amount of the unused deduction which may be added under this paragraph to any taxable year succeeding the unused deduction year shall not exceed the amount by which the maximum amount allowable under the limitation provided by paragraph (3) exceeds the sum of—

"(A) the deduction allowable under subsection (a) and this subsection for section 1250 property, and

"(B) the amounts which, by reason of this paragraph, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused deduction year."

(b) Part IX of subchapter B of chapter 1 relating to items not deductible) is amended by adding after section 279 the following new section:

"SEC. 280. INTEREST AND TAXES ON INVESTMENT REAL PROPERTY.

"(a) INTEREST AND TAXES DURING CONSTRUCTION OF REAL PROPERTY.—No deduction shall be allowed for interest and real property taxes paid or incurred in respect of investment real property which is under construction. The interest and real property taxes so paid or incurred shall be charged to capital account.

"(b) INTEREST AND TAXES ON UNDEVELOPED REAL PROPERTY.—No deduction shall be allowed for interest on real property taxes paid or incurred in respect of investment real property acquired for the purpose of development (other than for use as the taxpayer's residence or for use in his trade or business). The interest or real property taxes so paid or incurred shall be charged to capital account.

"(c) COMMERCIAL AND RESIDENTIAL REAL PROPERTY.—For purposes of this section, property used for commercial or residential purposes by any person other than the taxpayer shall be treated as property held for investment and not as property used in a trade or business, unless the taxpayer furnishes substantial services in connection with the use of the property."

(c)(1) Section 1250 (relating to gain from dispositions of certain depreciable realty) is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) ORDINARY INCOME.—Except as otherwise provided in this section, if section 1250 property is disposed of after the date of the enactment of the Tax Reform Act of 1973, the amount by which the lower of—

"(1) the recomputed basis of the property, or

"(2)(A) in the case of a sale, exchange, or involuntary conversion, the amount realized, or

"(B) in the case of any other disposition, the fair market value of such property,

exceeds the adjusted basis of such property shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) RECOMPUTED BASIS.—For purposes of this section, the term 'recomputed basis' with respect to any property means its adjusted basis recomputed by adding thereto all adjustments, attributable to periods after December 31, 1963, reflected in such adjusted basis on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for depreciation or amortization (other than amortization under section 168, 169, 185, or 188). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other suffi-

cient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(2) Section 1250(d) (relating to exceptions and limitations) is amended—

(A) by striking out paragraph (4)(E),

(B) by striking out paragraph (6)(B),

(C) by striking out paragraph (8)(D), and

(D) by striking out paragraph (8)(E).

(3) Section 1250 is further amended by striking out subsection (e) (relating to holding period), subsection (f) (relating to treatment of separate elements), and subsection (g) (relating to special rules for low-income housing).

(d) The Secretary of the Treasury or his delegate shall review the useful lives assigned to real property for purposes of determining depreciation allowable under section 167 of the Internal Revenue Code of 1954 (relating to depreciation) with respect to such property and determine whether the lives so assigned should in any cases, be reduced.

(e)(1) Except as provided in paragraph (2), the amendments made by this section shall apply with respect to property acquired by the taxpayer after January 23, 1973, or the construction, reconstruction, or erection of which is begun after such date.

(2) The amendments made by this section shall not apply to property described in paragraph (1) if such property was acquired, constructed, reconstructed, or erected after January 23, 1973, pursuant to a binding contract into which the taxpayer has entered before January 24, 1973.

SEC. 302. INTANGIBLE DRILLING AND DEVELOPMENT COSTS IN THE CASE OF OIL AND GAS WELLS; INTANGIBLE EXPLORATION AND DEVELOPMENT COSTS IN THE CASE OF MINING PROPERTY.

(a) Section 263(c) (relating to the deduction of intangible drilling and development costs) is repealed.

(b)(1) Section 263 (a)(1)(A) (relating to expenditures for the development of mines or deposits) is amended to read as follows:

"(A) expenditures deductible under section 616 or 617,".

(2)(A) Section 616 (relating to development expenditures) is amended by adding at the end thereof the following new subsection:

"(d) TERMINATION OF DEDUCTION.—No deduction shall be allowed under this section for any expenditure paid or incurred in any taxable year beginning atfer the date of enactment of the Tax Reform Act of 1973."

(B) Section 617 (relating to deduction and recapture of certain mining exploration expenditure) is amended by adding at the end thereof the following new subsection:

"(i) TERMINATION OF DEDUCTION.—No deduction shall be allowed under this section for any expenditure paid or incurred in any taxable year beginning after the date of enactment of the Tax Reform Act of 1973."

(c) Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding at the end thereof the following new section:

"SEC. 1254. GAIN FROM DISPOSITION OF CERTAIN OIL, GAS, OR MINERAL PROPERTY.

"(a) GENERAL RULE.—

"(1) ORDINARY INCOME.—Except as otherwise provided in this section, if oil, gas, or mineral property is disposed of during a taxable year beginning after the date of the enactment of the Tax Reform Act of 1973 the amount by which the lower of—

"(A) the cost of the property, or

"(B)(i) in the case of a sale, exchange, or involuntary conversion, the amount realized, or

"(ii) in the case of any other disposition, the fair market value of such property.

exceeds the adjusted basis of such property shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(2) OIL, GAS, OR MINERAL PROPERTY.—For purposes of this section, the term 'oil, gas, or mineral property' means property as defined in section 614 (relating to definition of property).

"(b) EXCEPTIONS AND LIMITATIONS.—Under regulations prescribed by the Secretary or his delegate, rules similar to the provisions of section 1245(b) shall apply for purposes of subsection (a).

"(c) ADJUSTMENTS TO BASIS.—The Secretary or his delegate shall prescribe such regulations as he may deem necessary to provide for adjustments to the basis of property to reflect gain recognized under subsection (a).

"(d) APPLICATION OF SECTION.—This section shall apply notwithstanding any other provision of this subtitle."

SEC. 303. TAX SHELTER FARM LOSSES.

(a) Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 280 (as added by section 301(b) of this Act) the following new section:

"SEC. 280A. LIMITATION ON DEDUCTIONS ATTRIBUTABLE TO FARMING.

"(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"(1) the gross income derived from the business of farming for such taxable year, and

"(2) in the case of an individual, the higher of (A) $15,000, or (B) the amount of the special deductions (as defined in subsection (e)(1)) for the taxable year, or

"(3) in the case of any other taxpayer, the amount of the special deductions for the taxable year.

For purposes of this subsection, the term 'individual' does not include a trust.

"(b) MARRIED INDIVIDUALS AND MEMBERS OF CONTROLLED GROUPS.—

"(1) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a separate return, the $15,000 amount specified in subsection (a) shall be $7,500. The preceding sentence shall not apply if the spouse of the taxpayer does not have any income or deductions attributable to the business of farming for the taxable year.

"(2) MEMBERS OF CONTROLLED GROUPS.—In the case of a controlled group of corporations (as defined in section 1563(a)) the $15,000 amount specified in subsection (a) shall be divided equally among the component members of such group unless all component members consent (at such time and in such manner as the Secretary or his delegate prescribes by regulations) to an apportionment plan providing for an unequal allocation of such amounts.

"(c) EXCEPTION FOR TAXPAYERS USING CERTAIN ACCOUNTING METHODS.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a taxpayer who elects to compute taxable income from farming (A) by using inventories, and (B) by charging to capital account all expenditures paid or incurred which are properly chargeable to capital account (including such expenditures which the taxpayer may, under this chapter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"(2) TIME, MANNER, AND EFFECT OF ELECTION.—An election under paragraph (1) for any taxable year shall be filed within the time prescribed by law (including extensions thereof) for filing the return for such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such election shall be binding on the taxpayer for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"(3) CHANGE OF METHOD OF ACCOUNTING, ETC.—If, in order to comply with the election made under paragraph (1), a taxpayer changes his method of accounting in computing taxable income from the business of farming, such change shall be treated as having been made with the consent of the Secretary or his delegate and for purposes of section 481(a)(2) shall be treated as a change not initiated by the taxpayer.

"(d) CARRYOVER OF FARM OPERATING LOSSES.—The amount not allowed as deductions by reason of subsection (a) for any taxable year shall be treated as a deduction attributable to the business of farming for each succeeding taxable year (to the extent not allowed as a deduction under this subsection for any prior taxable year), except that the amount so treated shall be allowable as a deduction for any such succeeding taxable year only in an amount not to exceed the amount by which—

"(1) the gross income derived from the business of farming for such succeeding taxable year exceeds

"(2) the deductions allowable by this chapter (computed without regard to this subsection) for such succeeding taxable year which are attributable to the business of farming.

"(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) SPECIAL DEDUCTIONS.—The term 'special deductions' means the deductions allowable under this chapter which are attributable to the business of farming and which are attributable to—

"(A) taxes,

"(B) interest,

"(C) losses arising from fire, storm, or other casualty, or from abandonment or theft,

"(D) losses and expenses directly attributable to drought, and

"(E) recognized losses from sales, exchanges, and involuntary conversions.

"(2) INCOME AND DEDUCTIONS.—The determination of whether any item of income is derived from the business of farming and whether any deduction is attributable to the business of farming shall be made under regulations prescribed by the Secretary or his delegate, but gains or losses which for the taxable year are treated under section 1231(a) (after the application of section 1245) as gains and losses from sales or exchanges of capital assets held for more than six months shall not be taken into account.

"(3) BUSINESS OF FARMING.—

"(A) HORSERACING.—In the case of a taxpayer engaged in the raising of horses, the business of farming includes the racing of horses.

"(B) SEVERAL BUSINESSES OF FARMING.—If a taxpayer is engaged in more than one business of farming, all such businesses shall be treated as one business.

"(C) RELATED INTEGRATED BUSINESSES.—If a taxpayer is engaged in the business of farming and is also engaged in one or more businesses which are directly related to his business of farming and are conducted on an integrated basis with his business of farming, the taxpayer may elect to treat all such businesses as a single business of farming. An election under this paragraph shall be made in such manner, at such time, and subject to such conditions as the Secretary or his delegate may prescribe by regulations.

"(4) PARTNERSHIPS.—A business of farming carried on by a partnership shall be treated

as carried on by the members of such partnership in proportion to their interest in such partnership."

(b) Section 1251(b)(2) (relating to additions to excess deductions account) is amended by adding at the end thereof the following new subparagraph:

"(E) TERMINATION.—Subparagraph (A) shall not apply to any taxable year beginning after the date of the enactment of the Tax Reform Act of 1973."

SEC. 304. REDUCTION IN PERCENTAGE DEPLETION.

(a) Section 613(a) (relating to percentage depletion) is amended by striking out "50 percent" and inserting in lieu thereof "40 percent".

(b) Section 613(b) (relating to percentage depletion rates) is amended—

(1) by striking out "22 percent" and inserting in lieu thereof "17.6 percent",

(2) by striking out "15 percent" and inserting in lieu thereof "12 percent",

(3) by striking out "14 percent" each place it appears and inserting in lieu thereof "11.2 percent",

(4) by striking out "10 percent" and inserting in lieu thereof "8 percent",

(5) by striking out "7½ percent" and inserting in lieu thereof "6 percent", and

(6) by striking out "5 percent" and inserting in lieu thereof "4 percent".

SEC. 305. INCOME FROM SOURCES WITHIN UNITED STATES POSSESSIONS.

Section 931 (relating to income from sources within possessions of the United States) is amended by adding at the end thereof the following new subsection:

"(j) TERMINATION.—This section generally shall not apply with respect to taxable years beginning after the date of enactment of the Tax Reform Act of 1973, but it shall continue to apply to taxable years ending before January 1, 1984, in the case of any domestic corporation which qualified before such date of enactment under this section with respect to a trade or business conducted within a possession of the United States, but only with respect to income from that trade or business."

SEC. 306. FOREIGN TAX CREDIT.

(a) Section 902(d) (relating to definition of less developed country corporation) is amended by adding at the end thereof the following new sentence: "No foreign corporation shall be treated as a less developed country corporation for any of its taxable years which begin after the date of enactment of the Tax Reform Act of 1973."

(b) Section 904 (relating to limitation on credit) is amended by—

(1) striking out subsections (a), (b), (e), and (f)(3),

(2) redesignating subsections (f) and (g) as (e) and (f), respectively, and

(3) inserting before subsection (c) the following new subsections:

"(a) IN GENERAL.—The amount of the credit in respect of the tax paid or accrued to any foreign country or possession of the United States shall not exceed the same proportion of the tax against which such credit is taken which the taxpayer's taxable income from sources within such country or possession (but not in excess of the taxpayer's entire taxable income) bears to his entire taxable income for the taxable year.

"(b) SPECIFIC SOURCE RULE.—For purposes of applying subsection (a), the source of income shall be determined under regulations prescribed by the Secretary or his delegate."

SEC. 307. CLERICAL AMENDMENTS.

(a) The section analysis of part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following:

"Sec. 280. Interest and taxes on investment real property.

"Sec. 280A. Limitation on deductions attributable to farming."

(b) The section analysis of part IV of subchapter P of chapter 1 is amended by adding at the end thereof the following:

"Sec. 1254. Gain from disposition of certain oil, gas, or mineral property."

SEC. 308. EFFECTIVE DATE.

Except as otherwise provided the amendments and repeals made by this title shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE IV—ESTATE AND GIFT TAX AMENDMENTS

SEC. 401. INTEGRATION OF ESTATE AND GIFT TAXES.

(a) Section 2001 (relating to rate of estate tax) is amended to read as follows:

"SEC. 2001. IMPOSITION OF TAX.

"(a) GENERAL RULE.—A tax computed in accordance with the following table is hereby imposed on the transfer of the taxable estate (determined as provided in section 2051) of every decedent, citizen or resident of the United States:

"If the taxable estate is:	The tax is:
Not over $15,000	20% of the taxable estate.
Over $15,000 but not over $30,000	$3,000, plus 24% of excess over $15,000.
Over $30,000 but not over $50,000	$6,600, plus 27% of excess over $50,000.
Over $50,000 but not over $75,000	$12,000, plus 30% of excess over $50,000.
Over $75,000 but not over $120,000	$19,500, plus 33% of excess over $75,000.
Over $120,000 but not over $175,000	$34,350, plus 37% of excess over $120,000.
Over $175,000 but not over $250,000	$54,700, plus 40% of excess over $175,000.
Over $250,000 but not over $350,000	$84,700, plus 44% of excess over $250,000.
Over $350,000 but not over $475,000	128,700, plus 47% of excess over $350,000.
Over $475,000 but not over $625,000	$187,450, plus 50% of excess over $475,000.
Over $625,000 but not over $800,000	$262,450, plus 53% of excess over $625,000.
Over $800,000 but not over $1,000,000	$355,200, plus 57% of excess over $800,000.
Over $1,000,000 but not over $1,250,000	$469,200, plus 60% of excess over $1,000,000.
Over $1,250,000 but not over $1,500,000	$619,200, plus 63% of excess over $1,250,000.
Over $1,500,000 but not over $2,000,000	$776,700, plus 66% of excess over $1,500,000.
Over $2,000,000 but not over $2,500,000	$1,106,700, plus 69% of excess over $2,000,000.
Over $2,500,000 but not over $3,500,000	$1,451,700, plus 72% of excess over $2,500,000.
Over $3,500,000 but not over $5,000,000	$2,171,700, plus 76% of excess over $3,500,000.
Over $5,000,000	$3,311,700, plus 80% of excess over $5,000,000.

"(b) ESTATES OF DECEDENTS WHO MADE TAXABLE GIFTS AFTER TAX REFORM ACT OF 1973.—

"(1) IN GENERAL.—In the case of the estate of a decedent, citizen, or resident of the United States who made taxable gifts (within the meaning of section 2503) during a calendar quarter beginning after the date of the enactment of the Tax Reform Act of 1973, there is hereby imposed on the transfer of the taxable estate of such decedent a tax equal to the excess of—

"(A) a tax computed in accordance with the rate schedule set forth in subsection (a) on the amount of the taxable estate (determined as provided in section 2501) increased by the amount of the adjusted inter vivos gifts (determined as provided in paragraph (2)), over

"(B) a tax computed in accordance with such rate schedule on the amount of such adjusted inter vivos gifts as if the taxable estate were equal to such amount.

"(2) ADJUSTED INTER VIVOS GIFTS.—For purposes of paragraph (1), the term 'adjusted inter vivos gifts' means the sum of (A) the amount of taxable gifts (within the meaning of section 2503) made by the decedent on or after the first day of the first calendar quarter beginning after the date of the enactment of the Tax Reform Act of 1973, and (B) the amount of gift taxes, imposed by chapter 12 and paid by the decedent on such taxable gifts, minus the amount (if any) in respect of any gift included in such taxable gifts which is required to be included in the value of the gross estate of the decedent in computing his taxable estate."

(b) Section 2052 (relating to exemption in computing taxable estate) is amended by striking out "exemption of $60,000" and inserting in lieu thereof "exemption of $25,000, less the aggregate of the amounts claimed and allowed as specific exemption to the decedent under section 2521 (relating to specific exemption in computing taxable gifts)".

(c) The rate schedule contained in section 2502(a) (relating to rate of gift tax) is amended to read as follows:

"RATE SCHEDULE

"If the taxable gift is:	The tax is:
Not over $15,000	20% of the taxable gifts.
Over $15,000 but not over $30,000	$3,000, plus 24% of excess over $15,000.
Over $30,000 but not over $50,000	$6,600, plus 27% of excess over $30,000.
Over $50,000 but not over $75,000	$12,000, plus 30% of excess over $50,000.
Over $75,000 but not over $120,000	$19,500, plus 33% of excess over $75,000.
Over $120,000 but not over $175,000	$34,500, plus 37% of excess over $120,000.
Over $175,000 but not over $250,000	$54,700, plus 40% of excess over $175,000.
Over $250,000 but not over $350,000	$84,700, plus 44% of excess over $250,000.
Over $350,000 but not over $475,000	$128,700, plus 47% of excess over $350,000.
Over $475,000 but not over $625,000	$187,450, plus 50% of excess over $475,000.
Over $625,000 but not over $800,000	$262,450, plus 53% of excess over $625,000.
Over $800,000 but not over $1,000,000	$355,200, plus 57% of excess over $800,000.
Over $1,000,000 but not over $1,250,000	$469,200, plus 60% of excess over $1,000,000.
Over $1,250,000 but not over $1,500,000	$619,200, plus 63% of excess over $1,250,000.
Over $1,500,000 but not over $2,000,000	$776,700, plus 66% of excess over $1,500,000.
Over $2,000,000 but not over $2,500,000	$1,106,700, plus 69% of excess over $2,000,000.
Over $2,500,000 but not over $3,500,000	$1,451,700, plus 72% of excess over $2,500,000.
Over $3,500,000 but not over $5,000,000	$2,171,700, plus 76% of excess over $3,500,000.
Over $5,000,000	$3,311,700, plus 80% of excess over $5,000,000."

(d) Section 2521 (relating to specific exemption in computing taxable gifts) is amended by striking out "$30,000" and inserting in lieu thereof "$25,000".

(e) The amendments made by subsections (a) and (b) shall apply with respect to decedents dying after the date of the enactment of this Act. The amendments made by subsections (c) and (d) shall apply with respect to gifts made on or after the first day of the first calendar quarter which commences after the date of the enactment of this Act.

SEC. 402. INCREASES IN ESTATE TAX MARITAL DEDUCTION.

(a) Section 2056(c) (relating to limitation of aggregate marital deduction) is amended by inserting after "shall not exceed" in paragraph (1) "the sum of $100,000, plus".

(b) The amendment made by subsection (a) shall apply with respect to decedents dying after the date of enactment of this Act.

SEC. 403. GENERATION-SKIPPING TRANSFERS.

(a) Subchapter A of chapter 11 (relating to estates of citizens or residents) is amended by inserting after part IV the following new part:

"PART V—GENERATION-SKIPPING TRANSFERS

"Sec. 2060. Imposition of tax.
"Sec. 2061. Transfers in trust.
"Sec. 2062. Election by skipped generation.
"Sec. 2063. Generation-skipping defined.

"SEC. 2060. IMPOSITION OF TAX.

"(a) IN GENERAL.—A tax is hereby imposed on the transfer of that portion of the taxable estate (determined under section 2051) of every decedent to which this subchapter applies which consists of a generation-skipping transfer (as defined in section 2063).

"(b) RATE OF TAX.—The rate of the tax imposed by subsection (a) shall be 60 percent of the highest rate of tax imposed on the taxable estate under section 2001.

"(c) PARENTS OF TRANSFEREE DECEASED.—If a transferee has no living parents at the date of the decedent's death, the rate of the tax imposed by subsection (a) with respect to transfers to such person shall be the lower of—

"(1) the highest rate of tax imposed under section 2001 on the estate of the last surviving parent, or

"(2) the rate determined under subsection (b) of this section.

This subsection shall apply only if distributions to such parent would not be a generation-skipping transfer.

"SEC. 2061. TRANSFERS IN TRUST.

"(a) IN GENERAL.—If an election is not made under section 2063(b) and as of the beginning of any calendar year there are no survivors among the persons described in subsection (b), then a tax shall be imposed on the trust at the rate determined under section 2060 (b) or (c), whichever is applicable. The tax under this section may be imposed on more than one occasion, and in applying section 2060(c) the date the tax is imposed shall be substituted for the date of the decedent's death.

"(b) PERSONS REFERRED TO.—The persons referred to in subsection (a) are the settlor, his children, and any beneficiaries of the trust to whom a distribution would not be a generation-skipping transfer. Once a tax is imposed under this section the persons referred to in subsection (a) are beneficiaries of the trust described in paragraph (2) or (3) of section 2063(c), whichever is applicable.

"SEC. 2062. ELECTION BY SKIPPED-GENERATION.

"(a) IN GENERAL.—The tax imposed by section 2060 or 2061 shall not be imposed to the extent that a distribution to a parent of the transferee would not be a generation-skipping transfer and such parent elects to have any property treated as transferred to him and retransferred to the actual transferee. In applying this part, a person making such election shall be treated as the transferor of the property.

"(b) TIME FOR ELECTION.—An election under subsection (a) shall be made on a transfer tax return for the period in which the decendent's death has occurred and must be made on or before the due date for filing the estate tax return under section 6075 (including extensions).

"(c) TRUSTS.—In the case of a transfer in trust, an election under subsection (a) may, under regulations prescribed by the Secretary or his delegate, be made at any time before the due date of the tax under section 2060 or section 2061. Such election is effective only to the extent the trust property is distributed or is vested in the electing person and his descendants.

"SEC. 2063. GENERATION-SKIPPING DEFINED.

"(a) IN GENERAL.—A generation-skipping transfer is a distribution to a person other than—

"(1) a child of the transferor,

"(2) a brother or sister of the transferor (by whole or half blood),

"(3) a child of an individual described in paragraph (2),

"(4) an ancestor of the transferor,

"(5) a spouse of any of the persons described in paragraph (1), (2), (3), or (4) or of the transferor,

"(6) a person who is older than the transferor or is less than 25 years younger than the transferor, or

"(7) an organization which is exempt from taxation by reason of section 501.

"(b) TRANSFERS IN TRUST.—A transfer in trust is not a generation-skipping transfer unless the decedent by will directs that it be so treated.

"(c) DISTRIBUTIONS BY TRUSTS.—

"(1) IN GENERAL.—Distributions from a trust made after the death of the grantor which would be generation-skipping transfers if made directly by the grantor of the trust shall be considered generation-skipping transfers. The rate of tax shall be determined under section 2060, except that, in applying section 2060(c), the date of the trust distribution shall be substituted for the date of the decedent's death. The tax shall be withheld from the distribution by the trustee.

"(2) TRUST SUBJECT TO TAX.—If the trust has been subject to tax under section 2061, then distributions to the following persons shall not be considered generation-skipping transfers:

"(A) grandchildren of the transferor,

"(B) grandchildren of the transferor's brother or sister (of the whole or half blood),

"(C) a spouse of any of the persons described in subparagraphs (A) or (B), and

"(D) a person who is less than 50 years younger than the transferor.

"(3) MULTIPLE TAX ON TRUST.—Under regulations prescribed by the Secretary or his delegate, rules similar to those prescribed by paragraph (2) shall apply in determining the extent of generation-skipping transfers in the event a trust is subject to tax under section 2061 on more than one occasion."

(b) Section 2512 (relating to valuation of gifts) is amended by inserting after subsection (b) the following new subsections:

"(c) In the case of a generation-skipping transfer (as defined in section 2063(a)) the amount of the gift shall be considered to be 160 percent of the value determined under subsection (a). A transfer in trust shall not be considered a generation-skipping transfer unless the donor so elects on his return. Distributions from a trust during the lifetime of the donor which are generation-skipping transfers under section 2063(c) shall be considered a transfer by the donor in an amount equal to 60 percent of the value of the trust distribution.

"(d) Subsection (c) shall not apply if—

"(1) a transfer to a parent of the transferee would not be a generation-skipping transfer and such parent elects on or before the due date of the donor's return to have the property treated as transferred to him and retransferred to the actual transferee, or

"(2) the transferee has no living parent at the time of the gift and the donor elects to treat the transfer as a transfer to the last surviving parent. In such case a tax at the highest rate of tax imposed under section 2001 on the estate of such parent shall be payable by the donor and deducted from the amount of the gift. This paragraph shall apply only if a gift to such parent would not be a generation-skipping distribution."

(c) The amendment made by subsection (a) shall apply with respect to decedents dying after the date of the enactment of this Act. The amendment made by subsection (b) shall apply with respect to transfers after such date.

SEC. 404. CLERICAL AMENDMENTS.

(a) The part analysis of subchapter A of Chapter 11 is amended by adding at the end thereof the following:

"Part V. Generation-skipping transfers.".

(b) The section analysis of Part I of subchaper A of chapter 11 is amended by striking out the item relating to section 2001 and inserting in lieu thereof the following:

"Sec. 2001. Imposition of tax.".

TITLE V—STATE AND LOCAL BONDS

SEC. 501. INTEREST ON CERTAIN GOVERNMENTAL OBLIGATIONS.

(a) Section 103 (relating to interest on certain governmental obligations) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) ELECTION TO ISSUE TAXABLE BONDS.—

"(1) SUBSECTION (a)(1) NOT TO APPLY.—The issuer of obligations described in subsection (a)(1) may elect to issue obligations to which subsection (a)(1) does not apply.

"(2) ELECTION.—The election described in paragraph (1) shall be made at such time, in such manner, and subject to such conditions as the Secretary or his delegate by regulation prescribes with respect to each issue of obligations to which it is to apply. An election with respect to any issue once made shall be irrevocable.

"(3) CROSS REFERENCE.—

"For provisions relating to the payment by the United States of one-half of the interest cost of an obligation which is part of an issue for which the election described in this subsection has been made, see section 502 of the Tax Reform Act of 1973."

(b) The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 502. UNITED STATES TO PAY 50 PERCENT OF INTEREST YIELD ON TAXABLE ISSUES

(a) There are appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section; and such appropriations shall be deemed permanent annual appropriations.

(b) The Secretary of the Treasury or his delegate shall pay to the issuer 50 percent of the interest yield on each issue of obligations to which an election under section 103 (e) of the Internal Revenue Code of 1954 applies. For purposes of this section, the interest yield on any issue of obligations shall be determined immediately after such obligations are issued. Payment of any interest required pursuant to this subsection shall be made by the Secretary of the Treasury or his delegate not later than 10 days before the time at which the interest payment on the obligation is required to be made by the issuer.

(c) This section shall apply only to obligations which, but for an election under

section 103(e) of the Internal Revenue Code of 1954, would be obligations to which section 103(a)(1) of such Code applies.

(d) The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to carry out this section.

By Mr. PROXMIRE:

S. 1440. A bill to assure that Federal housing assistance programs are carried out to the full extent authorized by Congress. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I am introducing a bill today which would direct the Secretary of Housing and Urban Development to cease the present suspension, or moratorium, on the several HUD programs which provide assistance to families of low and moderate income. These programs are the 235 and 236 interest assistance programs, the rent supplement program, and the public housing program.

As we all know, these programs were suspended without prior warning by the then Secretary of Housing and Urban Development, George Romney, on January 5 of this year. This action was taken without any consultation with the Congress and is, I believe, completely contrary to the expressed intent of the Congress that these very necessary programs be carried out to provide the housing so desperately needed by millions of low and moderate income families. This action was contrary to the national housing goals, of which I was the principal sponsor in 1968, to provide 26 million new or rehabilitated dwelling units in the 10-year period from 1968 to 1978 with 6 million of these units to be provided for low and moderate income families.

The excuses used by the administration to suspend these programs were that they were scandal ridden, ineffective, and not doing the job they were designed for. I thoroughly disagree with this assessment. While I, and many other Members of the Congress, recognize that there have been problems in connection with these programs, these problems have, as stated in a recent report by the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, resulted due to faulty administration by the Department of Housing and Urban Development rather than to any inherent defects in the legislation. As that report indicated, while there are some legislative improvements needed, the programs are not inherently unworkable as some White House spokesmen have charged.

It is amazing that an administration, which a few short weeks prior to the declaration of the moratorium took credit for producing hundreds of thousands of decent dwelling units for low- and moderate-income families under these programs, should now claim that they are truly unworkable. I can only speculate that this action was taken, not because of some inherent defects in the programs, but instead at the expense of those low and moderate income families who most need help. Mr. President, this is inexcusable when we still have millions of families living in inadequate housing, who cannot obtain decent housing within their present limited resources.

I, as much as any other member of the Senate, am interested in achieving true economy in the operations of our Government. I believe that there are a good many changes that can be made in the existing programs to make them more efficient and less costly. I intend to work for such necessary changes and I would hope that the administration has the same intention. However, to make the flatout statement that the programs are not workable and new means of housing low- and moderate-income families must be found without any backup, and then to suspend these programs for as long as 18 months, is not the way to handle the problem. We should proceed with full use of the present programs to the extent authorized by Congress, while at the same time we study what alternative means are available to provide this much needed low- and moderate-income housing and act on such needed changes as quickly as possible.

I, therefore, introduce this bill to reinstitute HUD's 235, 236, rent supplement and public housing programs and to direct the Secretary of HUD to carry out these programs to the extent of the funds appropriated or otherwise authorized by the Congress. Mr. President at the same time I pledge myself to work diligently in cooperation with the administration to bring about such changes as are merited in these programs.

By Mr. WILLIAMS:

S. 1441. A bill to extend certain benefits to National Guard technicians, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes. Referred to the Committee on Post Office and Civil Service.

NATIONAL GUARD TECHNICIANS

Mr. WILLIAMS. Mr. President, I am pleased to introduce again this year a bill that would correct several inequities of the 1968 National Guard Technicians Act. Under that law, these technicians were granted status as Federal employees. However, they were not granted all of the benefits normally extended to Federal employees. My bill intends to correct those inequities.

Specifically, the legislation authorizes the Secretaries of the Army and Air Force to establish and implement a uniform merit promotion program for National Guard technicians. Another major provision is the guarantee of a retirement program which is at least equitable with those of other Federal employees. This retirement program would entitle a technician over 50 years of age with 20 years of service to an annuity if the Secretary of his branch of the military and the Civil Service Commission approves his retirement.

In addition, my legislation concerns other problems which these technicians have been facing. For example, a condition of serving as a National Guard technician is that the individual performs maintenance functions on the Guard's equipment during the week and must also meet all the other requirements of National Guardsmen. However, too frequently, State Adjutant Generals require that these people wear their uniforms at all times. I share the technicians' belief that this is excessive and have included in my bill a provision so that they would no longer be required to wear military uniforms during the week, when they are not actually serving on National Guard duty.

Furthermore, the bill extends to the technicians the right to appeal decisions by the State Adjutant Generals to the Civil Service Commission and it would make them eligible for overtime compensation pay.

Mr. President, I believe the inequities this bill is directed at are clear and the need for it are apparent. I am pleased that it has been endorsed by the National Federation of Federal Employees and hope that the Senate will investigate and resolve the problems which I have addressed today during this session of Congress.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1441

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 709 of title 32, United States Code, is amended by adding at the end thereof the following new sentence: "The Secretary of the Army and the Secretary of the Air Force shall jointly establish and implement a uniform merit promotion program for technicians which shall apply in all States and the Commonwealth of Puerto Rico."

(b) Subsection (d) of such section 709 is amended by adding at the end thereof the following new sentence: "A technician may not be required to wear a military uniform while performing duties within the scope of his employment as a technician."

(c) Subsection (e) of such section 709 is amended by inserting "and" after the semicolon at the end of paragraph (4), and by striking out paragraphs (5) and (6) and inserting in lieu thereof the following:

"(5) A right of appeal to the adjutant general of the jurisdiction concerned exists with respect to paragraph (1), (2), (3), or (4) and if such appeal is made the adjutant general concerned shall make a written record of his decision and his findings supporting such decision. The technician concerned may appeal the decision by the adjutant general concerned to the Civil Service Commission in the manner provided for under chapter 77 of title 5, United States Code, with respect to adverse decisions affecting employees in the civil service. The adjutant general concerned shall take the corrective action which the Civil Service Commission finally recommends."

(d)(1) Paragraph (1) of subsection (g) of such section 709 is amended—

(A) by striking out "Secretary concerned may" and inserting in lieu thereof "Secretary concerned shall," and

(B) by striking out "may be fixed on an annual basis" and inserting in lieu thereof "shall be fixed on an annual basis".

(2) Paragraph (1) of such subsection (g) is further amended by striking out the period at the end thereof and inserting in lieu thereof the following ", except that such additional compensation shall be paid if such unusual or irregular duty or work on nonworkdays exceeds an average of eight hours per week. For the purpose of computing additional compensation, a technican shall be credited with twenty-hour hours for each twenty-four-hour period he is required to be on duty."

(3) Subsection (g) of such section 709 is amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding any other provision of law, any technician who is required to fulfill annual training requirements in order to qualify for his technician's position shall, during any calendar year, be granted appropriate military leave for the purpose of meeting such qualifications, and such military leave shall be in addition to any other annual military leave authorized by law or regulation in the case of such technician."

SEC. 2. (a) Section 8332(b) of title 5, United States Code, relating to creditable service for civil service retirement purposes, is amended by striking out the last sentence thereof which reads as follows: "Service referred to in paragraph (6) is allowable only in the case of persons performing service under section 709 of title 32, United States Code, on or after the effective date of the National Guard Technicians Act of 1968."

(b) Section 8334(c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes, is amended by striking out the last sentence thereof which reads as follows: "Notwithstanding the foregoing provisions of this subsection, the deposit with respect to a period of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be an amount equal to 55 per centum of a deposit computed in accordance with such provisions.".

(c) Section 8336 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

"(h) A person performing service under section 709 of title 32, United States Code, who is separated from such service after becoming fifty years of age and completing twenty years of service in the performance of such duty is entitled to an annuity if the Secretary of the military department concerned recommends his retirement and the Civil Service Commission approves the recommendation."

(d) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (1) thereof which reads as follows:

"(1) In determining service for the purpose of computing an annuity under each paragraph of this section, 45 per centum of each year, or fraction thereof, of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be disregarded.".

(e) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90-486), relating to crediting of National Guard technician service for Federal employees' leave, death, and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the last sentence thereof which reads as follows: "The subsection shall apply only in the case of persons who perform service under section 709 of title 32, United States Code, on or after the effective date of this Act.".

(f) The foregoing provisions of this section (except subsection (c)) shall become effective as of January 1, 1969.

By Mr. COOK (for himself and Mr. BAKER):

S. 1442. A bill to amend the Rural Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. COOK. Mr. President, on December 29 of last year the U.S. Department of Agriculture announced that the REA Electric and telephone 2-percent direct loan programs would be terminated. In the meantime, the 2-percent direct loan program under the Rural Electrification Act of 1936, as amended, has been replaced by guaranteed and insured loan programs at somewhat higher interest rates provided for in the Rural Development Act of 1972. Under this new arrangement, loans are made to rural electric and telephone cooperatives on an insured basis at 5-percent interest and guaranteed loans are available to electric cooperatives when private capital is available on advantageous terms.

By virtue of the 2-percent direct loan program promulgated in the 1936 act, rural electrification has proved to be a huge success. In the 53-year period from 1882, when the first central generating system went into service, to 1935, when REA was created, only 10.9 percent of all farms in the United States had obtained electric service. Today, however, 98.4 percent of the 2.8 million U.S. farms are electrified and REA-financed systems serve slightly more than half these farms. Therefore, it is obvious that in view of this success over the past 37 years, our rural electric co-ops are in a position to be more self-sustaining financially than they were at the inception of the Rural Electrification Administration in 1936.

However, it has been the low cost money over the years which has enabled the rural electric co-ops to meet the power needs of their sparsely settled clientele at reasonable rates. As I indicated, although a majority of the Nation's over 900 rural electric co-ops can indeed afford to pay higher interest on their operating capital, there is still a substantial minority of co-ops that are not fiscally independent and still desperately need the 2-percent low-cost money. It is for this reason that as early as January 24 of this year I advocated that instead of a rigid adherence to 5 percent money, as proposed by the Rural Electrification Administration at the termination of the 2-percent direct loan program on December 29, there should be a formula adopted by the REA which would take into account the ability to pay of the individual rural electric co-ops. At that time I advocated a three-tier program with loans, available at 2 percent, 5 percent, and at the market rate. The first category of borrowers would be composed of the approximately 88 rural electric co-ops serving such thinly populated areas that they are not eligible for financing outside the Government. This group would be eligible for a 2-percent REA loan. The second category of borrowers would be those rural electric co-ops that were more viable financially than the first group but not quite so fiscally sound that they could pay the market rate. This second category of borrowers could, therefore, have been eligible for insured loans at 5 percent interest. The last category of borrowers would be those co-ops that were so independent financially that they could pay interest at the market rate on their loans which would be guaranteed by the Rural Electrification Administration.

Since I made this original proposal on January 24, I have patiently waited to see the exact course that Congress and the Department of Agriculture were ready to pursue in this vital area of rural electrification. Several matters of note have occurred since that time.

The Senate, by virtue of S. 394, approved a bill which basically reinstates the original 2-percent loan program. The administration has presented its own proposal to Congress, and the House Agriculture Committee has worked for several months on compromise legislation which was ordered to be reported out of committee on March 20. I must say that I have not found any of the above approaches to be completely satisfactory, although the Denholm bill which was just reported out of the House Agriculture Committee does in my estimation have a great deal of merit. Nevertheless, it is because of my belief that none of the three approaches just mentioned are completely satisfactory that I introduce the legislation which I do today.

The bill which I am introducing today incorporates the basic features of the compromise bill which was so laboriously arrived at by the House Agriculture Committee, with one very notable exception, the conditions of eligibility pertaining to the 2-percent loan interest REA loans. Therefore, as in the House bill, this legislation would establish a Rural Electrification and telephone revolving fund which would consist of "all notes, bonds, obligations, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made" including all collections of principal and interest received on and after July 1, 1972, all appropriations for interest subsidies and losses which Congress may make, and moneys which the Administration would be authorized to borrow from the Secretary of the Treasury. I feel, as do those who voted for this proposal on the House Agriculture Committee, that the assets of this fund would sufficiently finance most of the future needs of the program.

Second, the bill provides that the Administrator of the Rural Electrification Administration is "authorized and directed" to make loans to the full extent of the assets available in the fund, subject only to limitations as to amounts authorized for loans and advances as may be imposed by Congress. This provision is of particular note since the intent of the language is to preclude the impoundment of the appropriated funds and the termination of the program by the executive branch as occurred on December 29, 1972.

The loan rates, 2 percent, 5 percent, and the market rate, are the same as those in the House bill. However, the criteria regarding the eligibility of rural electric co-ops for 2-percent loans from REA are substantially different. In the bill I am introducing today, any electric or telephone borrower which has an average consumer or subscriber density of 3 or fewer per mile will be eligible for the "special rate" of 2-percent interest if its earnings or margin coverage of interest is less than 1.50, or such coverage of debt service is less than 1.25. In addition, the Administrator of REA in his discretion can approve a 2-percent loan although the borrower does not meet the above criteria if he finds the borrower has experienced extenuating circumstances or extreme hardship or if the borrower is experiencing extreme difficulty in maintaining retail rates which are comparable to those paid by consumers of other suppliers in its general area. Thus, the primary difference between the conditions in the House bill and my proposal is that whereas in the Denholm bill approximately 180 electric cooperatives would be entitled to the 2-percent money by right—as opposed to by discretion of the Administrator—approximately 90 would be entitled to 2-percent money by right under the bill I am introducing today.

It is envisioned, however, that a majority of the loans, as provided for in sections 305(c) and 306, would be insured loans at the "standard rate" of 5 percent, or loans guaranteed up to 90 percent by REA at the market rate. The legislation also provides that the borrower may receive a combination of these two; part 5-percent money and part market-rate money.

Finally, section 310 of the bill I am submitting would provide, at the request of the borrower, refinancing for any loans received by the borrower under the provisions of the Consolidated Farm and Rural Development Act from the time of first utilization by REA for electric and telephone loans until the enactment into law of the bill being submitted today.

Mr. President, it is my hope that the legislation that I am offering today will be accepted as a compromise between the positions of the Department of Agriculture and that of the Rural Electric Cooperative Associations throughout the country. In my opinion, it is this kind of middle-of-the-road meeting of the minds which will enable the Congress to successfully enact legislation to solve the current rural electrification dilemma.

Mr. President, I ask unanimous consent that the text of this bill appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1442

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the policy of the Congress that adequate funds should be made available to rural electric and telephone systems through direct, insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the Rural Electrification Act of 1936, as amended, and that such rural electric and telephone systems should be encouraged and assisted to develop their resources and ability to achieve the financial strength needed to enable them to satisfy their credit needs from their own financial organizations and other sources at reasonable rates and terms consistent with the loan applicant's ability to pay and achievement of the Act's objectives. The Rural Electrification Act of 1936, as amended (7 U.S.C. 901–950 (b)), is therefore further amended as hereinafter provided.

SEC. 2,. Title III of the Rural Electrification Act of 1936, as amended, is amended by striking out all of sections 301 and 302 and inserting in lieu thereof the following new sections:

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

"SEC. 301. (a) There is hereby established in the Treasury of the United States a fund, to be known as the Rural Electrification and Telephone Revolving Fund (hereinafter referred to as the "fund"), consisting of—

"(1) all notes, bonds, obligations, liens, mortgages, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made under sections 4, 5, and 201 of this Act and under this title, as of the effective date of this title, as revised herein, and all proceeds from the sales hereunder of such notes, bonds, obligations, liens, mortgages, and property, which shall be transferred to and be assets of the fund;

"(2) undisbursed balances of electric and telephone loans made under sections 4, 5, and 201, which as of the effective date of this title, as revised herein, shall be transferred to and be assets of the fund;

"(3) notwithstanding section 3 (a) and (f) of title I, all collections of principal and interest received on and after July 1, 1972, on notes, bonds, judgments, or other obligations made or held under titles I and II of this Act and under this title, except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank, which shall be paid into and be assets of the fund;

"(4) all appropriations for interest subsidies and losses required under this title which may hereafter be made by the Congress;

"(5) moneys borrowed from the Secretary of the Treasury pursuant to section 304 (a); and

"(6) shares of the capital stock of the Rural Telephone Bank purchased by the United States pursuant to section 406(a) of this Act and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of title IV of this Act, which said shares and moneys shall be assets of the fund.

LIABILITIES AND USES OF FUND

"SEC. 302. (a) The notes of the Administrator to the Secretary of the Treasury to obtain funds for loans under sections 4, 5, and 201 of this Act, and all other liabilities against the appropriations or assets in the funds in connection with electrification and telephone loan operations shall be liabilities of the fund, and all other obligations against such appropriations or assets in the fund arising out of electrification and telephone loan operations shall be obligations of the fund.

"(b) The assets of the fund shall be available only for the following purposes:

"(1) loans which could be insured under this title, and for advances in connection with such loans and loans previously made, as of the effective date of this title, as revised herein, under sections 4, 5, and 201 of this Act;

"(2) payment of principal when due on outstanding loans to the Administrator from the Secretary of the Treasury for electrification and telephone purposes pursuant to section 3(a) of this Act and payment of principal and interest when due on loans to the Administrator from the Secretary of the Treasury pursuant to section 304(a) of this title;

"(3) payment of amounts to which the holder of notes is entitled on insured loans: *Provided*, That payments other than final payments need not be remitted to the holder until due or until the next agreed annual, semiannual, or quarterly remittance date;

"(4) payment to the holder of insured notes of any defaulted installment or, upon assignment of the note to the Administrator at his request, the entire balance due on the note;

"(5) purchase of notes in accordance with contracts of insurance entered into by the Administrator;

"(6) payment in compliance with contracts of guarantee;

"(7) payment of taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application, and transmittal of collections as necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 7 of this Act in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with the acquisition of such loans or security thereof after default, to the extent determined to be necessary to protect the interest of the Government, or in connection with any other activity authorized in this Act;

"(8) payment of the purchase price and any costs and expenses incurred in connection with the purchase, acquisition, or operation of property pursuant to section 7 of this Act.

"DEPOSIT OF FUND MONEYS

"SEC. 303. Moneys in the fund shall remain on deposit in the Treasury of the United States until disbursed.

"FINANCIAL TRANSACTIONS OF THE FUND

"SEC. 304. (a) The Administrator is authorized to make and issue interim notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations of the fund and for making loans, advances and authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be agreed upon by the Administrator and the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of out-

standing marketable obligations of the United States having maturities comparable to the notes issued by the Administrator under this section. The Secretary of the Treasury is authorized and directed to purchase any notes of the Administrator issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Administrator. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States: *Provided, however,* That such interim notes to the Secretary of the Treasury shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(b) The Secretary of the Treasury is authorized and directed to purchase for resale obligations insured through the fund when offered by the Administrator. Such resales shall be upon such terms and conditions as the Secretary of the Treasury shall determine. Purchases and resales by the Secretary of the Treasury hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(c) The Administrator may, on an insured basis or otherwise, sell and assign any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury or in the private market. Any sale by the Administrator of notes individually or in blocks shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Administrator, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser or purchasers of the individual note or of the certificate of beneficial ownership in a number of such notes. Security instruments taken by the Administrator in connection with any notes in the fund may constitute liens running to the United States notwithstanding the fact that such notes may be thereafter held by purchasers thereof.

INSURED LOANS; INTEREST RATES AND LENDING LEVELS

"SEC. 305. (a) The Administrator is authorized and directed to make insured loans under this title and at the interest rates hereinafter provided to the full extent of the assets available in the fund, subject only to limitations as to amounts authorized for loans and advances as may be from time to time imposed by the Congress of the United States for loans to be made in any one year, which amounts shall remain available until expended: *Provided,* That any such loans and advances shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(b) Insured loans made under this title shall bear interest at either 2 per centum per annum (hereinafter called the 'special rate'), or 5 per centum per annum (hereinafter called the 'standard rate'). Loans bearing the special rate shall be reserved for and made by the Administrator to the full extent of the authorities contained herein for any electric or telephone borrower which meets the following conditions:

"(1) has an average consumer or subscriber density of three or less per mile, and

"(2) its earnings or margin coverage of interest is less than 1.50, or such coverage of debt service is less than 1.25, each determined on the basis of the average of the two highest of the preceding three calendar years: *Provided, however,* That the Administrator may in his sole discretion make a loan, including electric generating and transmission loans, at the special rate if he finds that the borrower:

"(A) has experienced extenuating circumstances or extreme hardship, or

"(B) is experiencing extreme difficulty in maintaining retail rates which are comparable to those paid by consumers of other electric supplies in its general area.

"(c) Loans made under this section shall be insured by the Administrator when purchased by a lender. As used in this Act, an insured loan is one which is made, held, and serviced by the Administrator, and sold and insured by the Administrator hereunder; such loans shall be sold and insured by the Administrator without undue delay.

"GUARANTEED LOANS; ACCOMMODATION AND SUBORDINATION OF LIENS

"SEC. 306. The Administrator may provide financial assistance to borrowers for purposes provided in the Rural Electrification Act of 1936, as amended, by guaranteeing loans, to the extent of 90 percent thereof, made by the Rural Telephone Bank, National Rural Utilities Cooperative Finance Corporation, and any other legally organized lending agency, or by accommodating or subordinating liens or mortgages in the fund held by the Administrator as owner or as trustee or custodian for purchasers of notes from the fund, or any combination of such guarantee, accommodation, or subordination. No fees or charges shall be assessed for any such guarantee, accommodation, or subordination. Guaranteed loans shall bear interest at the rate agreed upon by the borrower and the lender. Guaranteed loans, and accommodation and subordination of liens of mortgages, may be made concurrently with a loan insured at the standard rate. The amount of guaranteed loans shall be subject only to such limitations as to amounts as may be authorized from time to time by the Congress of the United States: *Provided,* That any amounts guaranteed hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States. As used in this title a guaranteed loan is one which is made, held, and serviced by a legally organized lending agency and which is guaranteed by the Administrator hereunder.

"OTHER FINANCING

"SEC. 307. When it appears to the Administrator that the loan applicant is able to obtain a loan for part of his credit needs from a responsible cooperative or other credit source at reasonable rates and terms consistent with the loan applicant's ability to pay and the achievement of the Act's objectives, he may request the loan applicant to apply for and accept such a loan concurrently with a loan insured at the standard rate, subject, however, to full use being made by the Administrator of the funds made available hereunder for such insured loans under this title.

"FULL FAITH AND CREDIT OF THE UNITED STATES

"SEC. 308. Any contract of insurance or guarantee executed by the Administrator under this title shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

"LOAN TERMS AND CONDITIONS

"SEC. 309. Loans made from or insured through the fund shall be for the same purposes and on the same terms and conditions as are provided for loans in titles I and II of this Act except as otherwise provided for in sections 303 to 308 inclusive.

"REFINANCING OF RURAL DEVELOPMENT ACT LOANS

"SEC. 310. At the request of the borrowers, the Administrator is authorized and directed to refinance with loans which may be insured under this Act, any loans made for rural electric and telephone facilities under any provision of the Consolidated Farm and Rural Development Act."

SEC. 3. Section 3(f) of the Rural Electrification Act of 1936, as amended, is amended by striking "Except as otherwise provided in section 301 and 406(a) of this Act," and by inserting ": *Provided, however,* That notwithstanding subsection (a) of this section, payments of such loans heretofore or hereafter made to the Administrator for use in making loans to borrowers under titles I and II shall not include any interest" immediately before the semicolon.

SEC. 4. Section 405 of the Rural Electrification Act of 1936, as amended, is further amended by striking subsection (e) in its entirety and by inserting in lieu thereof a new subsection (e), as follows:

"(e) Thereafter, the cooperative-type entities and organizations holding class B and class C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class; and the commercial-type entities and organizations holding class B and C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class. Limited proxy voting may be permitted, as authorized by the by-laws of the telephone bank. Cumulative voting shall not be permitted."

SEC. 5. The second sentence of section 406 (a) of the Rural Electrification Act of 1936, as amended, is further amended by striking "from net collection proceeds in the rural telephone account created under title III of this Act" immediately after the word "appropriated".

SEC. 6. Subsection (a) of section 407 of the Rural Electrification Act of 1936, as amended, is amended by striking out "eight" in the second sentence and inserting in lieu thereof "twenty", and by striking out all of the third sentence.

SEC. 7. Section 407 of the Rural Electrification Act of 1936, as amended, is amended by adding a new subsection (c) as follows:

"(c) Purchases and resales by the Secretary of the Treasury as authorized in subsection (b) of this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

SEC. 8. Subsection (a) of section 408 of the Rural Electrification Act of 1936, as amended, is amended (a) by inserting the words "or which have been certified by the Administrator to be eligible for such a loan or loan commitment," immediately following the term "this Act," where it first

appears; and (b) by adding at the end thereof the following sentence: "Loans and advances made under this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

SEC. 9. Subsection (b) of section 408 of the Rural Electrification Act of 1936, as amended, is amended by striking out all of paragraph (3) and inserting in lieu thereof a new paragraph (3) reading:

"(3) Loans under this section shall bear interest at the 'cost of money rate.' The cost of money rate is defined as the average cost of moneys to the telephone bank as determined by the Governor, but not less than 5 per centum per annum."

SEC. 10. The right to repeal, alter, or amend this Act is expressly reserved.

SEC. 11. This Act shall take effect upon enactment.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 180

At the request of Mr. WILLIAMS, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 180, the Coastal Environment Protection Act.

S. 413

At the request of Mr. HATFIELD, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 413, a bill to permit American citizens to hold gold in the event of the removal of the requirement that gold reserves be held against currency in circulation.

S. 422

At the request of Mr. HATFIELD, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 422, a bill to authorize the issuance of $25 gold pieces bearing the seal or symbol of the American Revolution Bicentennial Commission.

S. 740

At the request of Mr. WILLIAMS, the Senator from Rhode Island (Mr. PASTORE), the Senator from Wyoming (Mr. MCGEE), the Senator from Utah (Mr. MOSS), the Senator from Iowa (Mr. CLARK), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 740, a bill to extend the Migrant Health Act for 4 years.

S. 868

At the request of Mr. WILLIAMS, the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. HART) were added as cosponsors of S. 868, a bill to provide computation of social security benefits based on combined earnings of married couples.

S. 869

At the request of Mr. WILLIAMS, the Senator from Wyoming (Mr. MCGEE), the Senator from Rhode Island (Mr. PASTORE), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. HART) were added as cosponsors of S. 869, a bill to provide computation of social security benefits for men at age 62.

S. 904

At the request of Mr. WILLIAMS, the Senator from Wyoming (Mr. MCGEE) and the Senator from Nevada (Mr. BIBLE) were added as cosponsors of S. 904, the Truth in Food Labeling Act.

S. 928

At the request of Mr. ROTH, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 928, to create a catalog of Federal assistance programs.

S. 1094, S. 1095, AND S. 1097

At the request of Mr. SCOTT of Pennsylvania, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of S. 1094, to improve the regulation of Federal election campaign activities; S. 1095, a bill to amend the Communications Act with respect to the application of the equal time provisions to candidates for Federal elective office; and S. 1097, a bill to provide that political contributions are not subject to the gift tax.

S. 1147

At the request of Mr. DOMINICK, the Senator from Texas (Mr. BENTSEN), the Senator from Kansas (Mr. DOLE), the Senator from North Carolina (Mr. HELMS), and the Senator from Nebraska (Mr. HRUSKA) were added as cosponsors of S. 1147, a bill to amend the Occupational Safety and Health Act of 1970.

S. 1322

At the request of Mr. WILLIAMS, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Idaho (Mr. CHURCH), and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 1322, the Full Benefits for Elderly Tenants Act.

SENATE JOINT RESOLUTION 24

At the request of Mr. MCINTYRE, the Senator from Minnesota (Mr. MONDALE) and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of Senate Joint Resolution 24, to designate "National Hunting and Fishing Day."

SENATE JOINT RESOLUTION 70

At the request of Mr. WILLIAMS, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of Senate Joint Resolution 70, to authorize the President to proclaim annually the last Friday in April as "National Arbor Day."

SENATE JOINT RESOLUTION 74

At the request of Mr. SPARKMAN, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of Senate Joint Resolution 74, to authorize the President to issue a proclamation designating the last full calendar week in April of each year as "National Secretaries Week."

SENATE JOINT RESOLUTION 80

At the request of Mr. ROTH, the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Nevada (Mr. BIBLE), the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mr. JAVITS), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of Senate Joint Resolution 80, to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month."

SENATE RESOLUTION 88—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF THE REPORT ENTITLED "SECURITIES INDUSTRY STUDY" AS A SENATE DOCUMENT

(Referred to the Committee on Rules and Administration.)

Mr. WILLIAMS submitted the following resolution:

S. RES. 88

Resolved, That the report of the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs entitled "Securities Industry Study" be printed as a Senate document, and that there be printed two thousand additional copies of such document for the use of that committee.

NOTICE OF HEARING BEFORE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. JOHNSTON. Mr. President, the Subcommittee on Production and Stabilization of the Committee on Banking, Housing and Urban Affairs will commence hearings on S. 395, S. 359, S. 413, and S. 741 at 10 a.m. on May 1 and 2, in room 5302 Dirksen Office Building.

All persons wishing to testify should contact Mr. Gerald Allen, room 5300, Dirksen Office Building; telephone 225–7391.

NOTICE OF HEARINGS ON DEEP SEABED HARD MINERAL RESOURCES ACT

Mr. METCALF. Mr. President, I take this means to notify my colleagues that the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs has scheduled hearings on May 17, June 5, 18, and 19 on the Deep Seabed Hard Mineral Resources Act, subject of my remarks at page 6820 in the CONGRESSIONAL RECORD of March 8, 1973.

On May 17, representatives of industry are invited to state the case for it.

On June 5, administration witnesses will give us a status report from the United Nations on negotiations which hopefully will lead to international agreement on the conservation and orderly development of the hard mineral resources of the deep seabed. We also will ask them for their predictions on the progress which may be made during

the meetings of the United Nations Seabed Committee in Geneva July 2 to August 24 in preparation for the 1974 Law of the Sea Conference. We will tell administration witnesses that we will request another progress report soon after the end of the Geneva meetings.

On June 18 and 19 the subcommittee will hear from environmental and conservation groups concerned with the impact of ocean mining on our marine environment and the living resources of the ocean, and from organizations and individuals interested in international management of the deep seabed. Each of these latter groups will have 1 day before the subcommittee.

The hearings will be held in room 3110, Dirksen Senate Office Building, and will begin at 10 a.m. each day.

In this connection, I call the attention of my colleagues to two recent articles in the New York Times.

One article states that the U.S. delegation to the U.N. Seabed Committee has now accredited 109 members and that the delegation consists of persons representing oil, mineral, and fisheries interests and that such representatives "hold views at variance with the official stance taken by the United States." The article further states that if it is learned that any of these delegates express views to other governments contrary to the U.S. position, the credentials of such delegates will be withdrawn.

It is well known that the large advisory group from the industry which assists the Government members of the U.S. delegation were recruited so that the delegation could more adequately represent U.S. industry interests in the law of the sea negotiations. The State Department is to be commended for its foresight in recognizing that the U.N. Seabed Committee negotiations will entail policy issues having potentially significant impact on the well-being of many of our Nation's industrial activities.

Further, State Department recognized that it was in the national interest to seek to accommodate the interests of U.S. citizens engaged in various industrial activities pertaining to ocean resource development. The State Department, as the New York Times article clearly indicated, recognized that the Senate will be deeply concerned about how well U.S. national interests have been represented in the text of any future treaty which the Senate will be called upon to review. To this extent, Mr. President, the State Department is to be commended.

I would oppose any effort that the State Department might consider making to prevent an industrial adviser from freely discussing his personal views or his company's views with members of foreign delegations so long as the adviser clearly distinguishes his personal views from those of the Government representatives on his delegation.

Mr. President, I ask unanimous consent that the New York Times article of March 23, 1973, and an earlier Times piece, this one headlined "U.S. Asking Rules on Mining of the Sea," in the issue of March 20, be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 23, 1973]

U.N. UNIT AT WORK ON A LAW OF SEA

(By Robert Alden)

UNITED NATIONS, N.Y.—Complex negotiations are under way here in an effort to lay groundwork for a law of the sea that will govern on the waters that cover 70 per cent of the earth's surface.

Christopher M. Phillips, a member of the United States delegation, called these talks here "unquestionably the most crucial international negotiations now being undertaken by the United Nations."

At stake are economic resources whose value can only be estimated in the trillions of dollars—nickel, copper, cobalt, manganese, oil, thermal energy and, of course, fish. At stake also is the security of nuclear powers such as the United States and the Soviet Union who feel their atomic submarines must have free access through certain straits.

A CONFLICT IN DELEGATION

At stake also is the ability of the oceans themselves to support sea life. There already exists a considerable body of evidence suggesting that unless there is effective international regulation of the pollution of the seas, the ocean will be poisoned and all living things in it killed.

So important are these talks considered by the United States that it has now accredited 109 delegates to the negotiations.

The unusual size of this delegation has been a matter of some controversy. Some persons on the delegation—representing oil, mineral and fishery interests—hold views at variance with the official stance taken by the United States at the meetings here.

"But we feel that having this kind of broad cross section on the delegation not only gives us a better understanding of the entire complex problem," Mr. Phillips said, "but also gives these people a greater understanding of the over-all problems of drawing an international law of this magnitude.

"Also when the international law is finally drawn and requires Senate ratification, having this kind of broad representation will help a great deal to get that ratification," he added.

So far there are no known instances when members of a delegation have taken positions opposite to the official United States position in talks with members of other delegations. It was made clear by the United States mission here that if contrary views were expressed to other governments the credentials of the delegate involved would be withdrawn.

This week the United States proposed in the seabed committee that temporary regulations be established to cover undersea mining until a permanent treaty could be worked out and ratified.

WORLD BENEFIT SOUGHT

In the United States view such an agreement would make certain that seabed exploitation would begin under an internationally agreed-upon regime and its benefits would accrue to the international community.

With the technology of sea-mining approaching the stage where it will be commercially feasible in a matter of years, some private companies in the United States and in Japan have favored proceeding without international regulation.

Yet because the private investment involved would be so large, they have been unwilling to undertake sea-mining ventures without some assurance from their governments that their rights at sea would be protected.

In support of their position they wrote that since early in the 17th century the doctrine of freedom of the seas has prevailed, under which a private company would have the right to tap the resources of the ocean bottom. Millions of acres of the ocean floor are lined with a dense covering of what are called manganese nodules, about the size and color of a piece of coal. These nodules are rich in copper, nickel, cobalt, manganese and some 17 other metallic elements.

Below the surface there are rich mineral deposits, including oil, natural gas and thermal heat.

Although the views of nations have a wide divergence, particularly with respect to fishing rights and coastal waters, there is now a general body of agreement that the mineral treasures of the deep ocean should be used for the common good.

Thus the enormously complicated effort has been undertaken to achieve an international agreement that would modify the doctrine of the freedom of the seas.

This session is scheduled to end here early in April with a new preparatory session to be convened in Geneva for 10 weeks this summer.

The hope is that the summer meeting will make it possible to convene a law-of-the-sea conference formally during the fall session of the General Assembly.

A working session of the conference would then get under way early in 1974 in Santiago, Chile, and the work on the law of the sea would be scheduled to be completed in 1975.

[From the New York Times, Mar. 20, 1973]

UNITED STATES ASKING RULES ON MINING OF SEA

UNITED NATIONS, N.Y.—The United States proposed today that temporary regulations be established to cover undersea mining of minerals until a United Nations seabed treaty goes into effect.

The complex treaty is being drafted, but it may take years before it is completed, signed and ratified by enough governments to go into operation.

In urging action now, John Norton Moore of the United States told a 91-nation subcommittee of the General Assembly's Committee on the Peaceful Uses of the Seabed that accelerated technology would make it possible to mine the seabed commercially in three to five years. He said that large sums of money were already being invested on preparatory work by some companies in the United States and other companies.

The preliminary response to the American policy statement from a number of Latin-American and African countries, from Canada, Singapore and others, was favorable.

CONCERN OF SMALL COUNTRIES

There has been concern among many of the smaller countries that the few industrial powers that have the technology for undersea mining would begin operating before the United Nations could approve a treaty providing at least some sharing of the ocean wealth.

Largely at their insistence, the General Assembly called two years ago for a moratorium on such exploitation until the treaty went into effect. The United States opposed the Assembly resolution.

Three private concerns in the United States, among them the Hughes Tool Company, have committed a total of $90-million toward deep-sea exploration. Approval by

Congress also has been sought for legislation that, in effect, would authorize the Government to license explorations without waiting for a United Nations treaty.

The Nixon Administration has opposed the pending legislation, Mr. Moore told the United Nations committee. But, he said the Administration was also mindful of the need of private companies for security for their growing financial commitment.

Consequently, he said, the United States proposed to bring into force provisionally these treaty articles that will set up regulations for the seabeds.

NOTICE OF HEARINGS ON CERTAIN JOINT RESOLUTIONS

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Mississippi (Mr. EASTLAND), chairman of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday and Wednesday, April 10 and 11, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following joint resolutions:

S.J. Res. 9—Proposing an amendment to the Constitution of the United States relating to the assignment and transportation of pupils to public schools.

S.J. Res. 14—Proposing an amendment to the Constitution of the United States relating to open admissions to public schools.

S.J. Res. 28—Proposing an amendment to the Constitution of the United States relative to neighborhood schools.

S.J. Res. 35—Proposing an amendment to the Constitution of the United States.

S.J. Res. 36—Proposing an amendment to the Constitution of the United States relative to freedom from forced assignment to schools or jobs because of race, creed, or color.

S.J. Res. 47—Proposing an amendment to the Constitution of the United States relating to open admissions to public schools.

S.J. Res. 62—Proposing an amendent to the Constitution relating to schoolbusing.

NOTICE OF HEARING ON COAL SURFACE MINING AND RECLAMATION STUDY ON APRIL 30, 1973

Mr. METCALF. Mr. President, enactment of legislation to control surface mining activities is one of the highest priorities of the 93d Congress. Too often, the Federal Government deals with critical public policy problems without paying adequate attention to the full consequences of proposed solutions. This has frequently been true in matters involving degradation of our environment, where actions have been proposed, based on emotional reactions without full consideration of all of the impacts of the proposal.

To better understand the problems presented by the admitted abuses of surface mining, the chairman of the committee, Senator JACKSON, requested the Council on Environmental Quality to do a study of various regulatory alternatives, their costs and benefits, their impact on the environment, and how they would influence the social and economic conditions of local communities. This study was received by the committee just prior to the hearings on surface mining legislation held March 13, 14, 15, and 16.

Because witnesses at those hearings had not had an adequate opportunity to study the report, the Subcommittee on Minerals, Materials and Fuels of the Committee on Interior and Insular Affairs has scheduled a hearing on the study on April 30.

The subcommittee has asked a panel of witnesses to appear and give their reactions to the study. It is our hope that their comments, combined with the study itself, will help Congress to enact better legislation. The hearing will be held in room 3110, Dirksen Senate Office Building, beginning at 10 a.m.

ADDITIONAL STATEMENTS

REQUIREMENT FOR SENATORS AND CERTAIN EMPLOYEES TO FILE FINANCIAL DISCLOSURES

Mr. BENNETT. Mr. President, it has become customary each year about this time for the Select Committee on Standards and Conduct to remind Senators and certain employees who are paid by the Senate of their duty to file personal financial disclosure statements as required by Senate Rule 44. Each Senator is required to file two statements before May 15. The first statement, which must be filed with the Secretary of the Senate where it becomes available for public inspection, contains a report of contributions accepted by a Senator and honorariums received by him during the year 1972. The second report is to be filed with the Comptroller General of the United States and includes a copy of the Federal income tax return and supplementary statements of certain personal interests in property, securities, income, and debts.

Each employee who was paid by the Senate at a rate in excess of $15,000 a year at any time during 1972 must also file these same reports.

Also due on May 15 itself is the so-called moonlighting report by each employee, regardless of salary level, who through outside employment or the practice of a profession performs personal service for compensation. This report is made to his supervising Senator in accordance with Senate Rule 41.

Mr. President, the Committee on Standards and Conduct desires to assist Senators and employees in complying with the Senate Rules of Conduct, especially in the filing of disclosure reports. The staff of the committee will counsel in detail on request. Printed instructions and report forms have been revised this year and may be obtained upon telephoning the committee office on extension 2981.

This year we are endeavoring to make these instructions, forms and any other rountine help available through a central source in each office, namely the administrative assistant or staff director. But any inquiry from any individual Senator or employee will, of course, be honored.

A NEED FOR AN IMPROVEMENT IN OUR ENVIRONMENT

Mr. TUNNEY. Mr. President, man is a careless despoiler, and throughout history has ravaged his environment. In the 1960's, however, he began to react against the self-destructive fall out of reckless pollution, and Congress cracked down with the National Environmental Policy Act. When it became law on January 1, 1970, the decade of the environment began.

In late 1970, Congress enacted the Clean Air Act amendments, which gave the Environmental Protection Agency sweeping powers to eliminate smog. Under the act, States are required to establish plans to fight smog, subject to the approval of the EPA Administrator. Recently, EPA proposed possible gasoline rationing in Los Angeles. This is far too drastic.

Consequently, I have introduced legislation for a crash research program to develop, within 3 years, an efficient, smog-free alternative to the internal combustion engine.

The cost could run as high as $900 million, this would be a mere fraction of the $23 billion that the National Academy of Science estimates carowners will pay yearly for smog devices on internal combustion engine.

The legislation provides for investigation of a variety of possible financing, including a minimal 1-year motor vehicle registration fee, an appropriation from general revenues and an appropriate increase in gas taxes. The most sensible way to finance this research, however, is to break open the highway trust fund. The fund, which has encouraged our overdependence on the automobiles by funding up to 90 percent of costs for highway construction, at least should contribute to the development of a private vehicle which is smog free.

Over and above that, I believe the fund should be tapped for mass transit. The Government's share of mass transportation costs is pitifully small in relation to its share of highway costs. During recent debate on the highway bill, I supported an amendment which would allow up to $850 million for mass transit.

WATER QUALITY

Industrial, municipal, and agricultural wastes are the chief source of water pollution.

Last year, the Congress passed a tough water pollution control bill, but so far the administration has stood in the way of its implementation. First, the President vetoed it, and when overridden, he impounded funds Congress had appropriated to clean up our waterways.

As a member of the committee which

spent countless hours refining this crucial legislation, I am distressed by the President's actions for two reasons: First, California will lose more than $293 million in 1973 and again in 1974, sharply curtailing construction of treatment facilities to halt discharge of pollutants into navigable waterways by 1985; second, the administration's action represents a usurpation of the congressional function and threatens the balance of powers set forth in the Constitution. I will continue to urge the President to release this money, but resolution of this question may ultimately be decided by the Supreme Court.

SOLID WASTES

Bottles, cans, cartons, paper, and other trash fill our dump sites and litter our countryside and cities. Scattered refuse is one of the most evident forms of pollution.

I have sponsored legislation to promote recycling and to develop improved methods of sewage and solid waste disposal. In addition, I have cosponsored a bill to assist the States in carrying out programs to dispose of abandoned or junked cars.

NOISE POLLUTION

In March 1972 I introduced the Environmental Noise Pollution Control Act. Big business interests fought the bill, and the majority leader of the Senate said its adoption was a "legislative miracle." The law provides for the first concerted Federal assault on the din which has become a part of modern living.

Within 2 years, the Environmental Protection Agency must develop statistics on the health effects of noise and, after an opportunity for public comment and participation, set standards reducing noise emissions for everything from vacuum cleaners to jackhammers.

Separate provisions are provided for regulating noise from interstate carriers and aircraft. The EPA will set standards for trains within 9 months. In the same period, EPA will review the adequacy of the Federal Aviation Administration's efforts to reduce aircraft and airport noise and make recommendations on possible additional controls. The FAA is then required to follow through. Citizens can sue to enforce the provisions of the act.

CONSERVATION

In America, nearly 70 percent of the population lives in urban areas. Polluted air, noisy surroundings, and general congestion have increased dramatically the demand for more beaches, parks, and wilderness areas. At the same time, increasing acres of coastline and open space rapidly are losing out to ill-planned resort facilities, shopping centers, and parking lots.

I do not believe economic development and environmental quality are mutually exclusive, but to have both will take coordinated planning at local, State, and Federal levels.

This kind of cooperation should be encouraged—especially in fields which promise improved conservation and management of our natural resources.

Congress recognized this need by enacting, for example, the Coastal Zone Management Act, which encourages States to develop a comprehensive set of standards to guide the public and private uses of land and waters in coastal zones.

California voters responded with great foresight by adopting the coastline initiative. They recognized that the Federal legislation depends on the States coming to grip with their coastal land use problems.

I believe the six regional commissions established by proposition 20 can resolve local disputes over development and offer an effective and consolidated statewide plan for our 1,000-mile coastline by the federally set 1975 deadline.

The sad truth is, however, that the $5 million allocated by the State is wholly inadequate. Worse yet is the fact that, once again, the administration has eliminated funds for the Coastal Zone Management Act. I will work to have these vital funds reinstated.

WILDERNESS AREAS

The California wilderness, where man can meet nature on nature's own terms, is in great need of protection. Recreational use of these areas is among the fastest growing forms of leisure pursuit. Furthermore, wilderness areas serve as outdoor classrooms in natural history, laboratories for ecological and a living example of the original American landscape.

Already, Congress has designated 18 wilderness areas in California. These areas are a good first step in setting aside untouched land, but more needs to be done. I have joined Senator CRANSTON in introducing legislation to add an additional 883,000 acres of wilderness in our State (S. 110–115). These bills include Agua Tibia—Cleveland National Forest—Emigrant—Stanislaus National Forest—North and South Yosemite, Santa Lucia—in and near Los Padres National Forest—Snow Mountain—Mendocino National Forest—and Pinnacles—Pinnacles National Monument. Clearly, there are other areas which should be designated and I plan to introduce further wilderness legislation soon.

AN URBAN PARK

I have introduced legislation (S. 1270) to establish the Santa Monica Mountain and Seashore National Urban Park. The bill, cosponsored by Senator CRANSTON, would create a major national park along the beaches of Santa Monica Bay and the mountains and valleys of the Santa Monica Mountains in Los Angeles and Ventura Counties.

Never before in America has such a large, concentrated population suffered from such a scarcity of recreational resources. Ten million people live in metropolitan Los Angeles; yet the city has less open space than any other metropolitan area in the country, including New York. To compound this, over 8 million Americans visit southern California yearly.

If these mountains are developed, residents and visitors will lose the only remaining open space in the Los Angeles basin and the city's last remaining nonpolluting buffer will disappear.

THE FUTURE

I am committed to legislation which is directed at improving the quality of our life. Congress must adopt and oversee legislation which is both innovative and responsive. We must embrace and implement the sense of environmental balance which is absolutely indispensable to our survival.

COMMONWEALTH ELECTRIC CO., INC., OF LINCOLN, NEBR.

Mr. CURTIS. Mr. President, today marks a milestone in the history of one of Nebraska's important industries.

Commonwealth Electric Co., Inc., with headquarters in Lincoln, was founded on April 2, 1923, and during its half century of operations has helped this Nation move from conventional electrical usage by homes, farms, commerce, and industry into a new era of technology requiring massive installations of the highest complexity.

Commonwealth has grown into one of the few contracting and engineering firms with the overall capability of handling all electrical requirements involved in the generation, transmission, distribution, and use of electricity practically anywhere in the United States and Canada.

During its 50 years of service in both peace and war, Commonwealth has been recognized by our Government and by distinguished members of the business and industrial community for technical expertise, management competence, and employee relations.

Many of Commonwealth's present employees have been with the company for 25 years and longer. And the firm's relationship with the International Brotherhood of Electrical Workers is a strong asset in establishing an unblemished record of contract completions.

Founded by Paul Schorr, Commonwealth is still owned and operated by the Schorr family. In addition to managing a successful company, the Schorr family devotes much time and energy to civic activities working continually toward the improvement of community life.

At this milestone in the history of Commonwealth, we pause to recognize this company, its management, and its employees for giving this Nation another great example of the free enterprise system at its best.

INCREASED VIOLENCE REPORTED IN PUBLIC SCHOOLS

Mr. SYMINGTON. Mr. President, according to the Christian Science Monitor, 16 gun-shooting incidents in Kansas City schools have been reported since September.

Everett Copeland, security manager for Kansas City schools, is quoted as saying:

Kids carry guns for different reasons. Some say they have been threatened. Some involve extortion attempts. Some kids just say it's a status symbol.

Violence in our public school systems has ballooned to proportions unheard of a decade ago—not to mention 20 years ago.

Mr. J. Glenn Travis, Deputy to the Superintendent of the School District of Kansas City, Mo., has reported to my staff that $231,801 will be spent in 1973 for guards and other security measures in the public schools; whereas in 1953 no funds were spent for security provisions and it is unlikely that such a plan was even considered at that time.

In the past violence in high schools or elementary schools seldom seemed to amount to more than sporadic vandalism, isolated fist fights, and occasional outbursts by over-enthusiastic students after a football game.

Today students in many cases appear to have found it necessary to carry weapons as an equalizer against possible assailants.

Mr. President, I ask unanimous consent to have printed in the RECORD a recent editorial from the Christian Science Monitor which sums up the unfortunate picture characteristic today, and which could well be a warning for the future.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROBLEM: GUNS IN HIGH SCHOOLS

Gunfire in U.S. high schools is becoming more frequent.

Students are carrying and using more guns in school, and some school guards have armed themselves as a result.

Most incidents occur at inner-city high schools. The weapons are usually cheap, small-caliber handguns, the so-called "Saturday night specials." Officials relate the increase to the revival of juvenile gangs in some cities and the persistence of racial tension.

An Associated Press survey around the country indicates the scope of the problem:

There have been 60 gun episodes in Los Angeles schools since September. Shots from a passing car killed a 16-year-old pupil near Locke High School. The car sped into the school parking lot, and three pupils were later arrested.

Fifteen handguns were confiscated last year in Atlanta schools. A 12-year-old boy, angered when schoolmates chided him for disobeying a traffic signal, got a pistol from home and opened fire on the school playground. He hit no one.

Four high-school pupils, three of them girls, were expelled in January in San Francisco for carrying guns.

School officials in Topeka, Kan., took a gun from a girl who said she needed it for protection.

There were 15 school gun cases in Detroit and four in Seattle during the last year. Since September, 15 incidents were reported in New York and 16 in Kansas City.

"We have a problem and it is increasing," says Everett Copeland, security manager for Kansas City schools. "Kids carry guns for different reasons. Some say they have been threatened. Some involve extortion attempts. Some kids just say it's a status symbol."

RETIREMENT OF WILBURN CARTWRIGHT

Mr. BARTLETT. Mr. President, on January 8, 1973, a truly great Oklahoman retired from public life. Mr. Wilburn Cartwright has one of the longest and most distinguished political careers in Oklahoma history. Mr. Cartwright will always be remembered by Members of the U.S. Congress because of his excellent service as a Member of the House of Representatives from 1927 to 1943. During this tenure Congressman Cartwright served as chairman of the House Roads and Highways Committee. He left his influence on this Nation when he authored, with Senator Hayden of Arizona, the Hayden-Cartwright Highway Act which became a major step in the development of the Federal Interstate Highway System.

In Oklahoma Mr. Cartwright will be remembered as an individual whose honesty has never been questioned and whose dedication to serving the citizens of the State and Nation is to this day unsurpassed.

The Oklahoma Legislature has passed a resolution commending Mr. Cartwright for his distinguished service to the State and Nation.

I now join in saying thank you to Wilburn Cartwright and wish him God's blessings in all he does.

Mr. President, I ask unanimous consent that the resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION NO. 2

A resolution commending the distinguished career of the Honorable Wilburn Cartwright; expressing the grateful appreciation of the legislature and people of the State of Oklahoma for his fifty years of dedicated and productive public service; expressing sadness and regret for his recent accident and tendering our sincere and heartfelt wishes for a speedy and complete recovery; extending best wishes for a happy eighty-first birthday and for health and happiness upon his retirement from public service; and directing distribution

Whereas, on January 8, 1973, a unique and singularly outstanding career of public service came to a close upon the retirement from the Oklahoma Corporation Commission of the Honorable Wilburn Cartwright, member of the Commission since 1954 and holder of high elective office for most of the years since his initial election to the Oklahoma House of Representatives in 1914; and

Whereas, prior to his eighteen years of service as a member of the Corporation Commission, Mr. Cartwright distinguished himself during eight years as a member of the House of Representatives and Senate of the Oklahoma Legislature; sixteen years as a member of the United States House of Representatives from the Third Congressional District; four years as Oklahoma's Secretary of State; and four years as State Auditor of the State of Oklahoma; and

Whereas, during his membership in the House of Representatives of the United States Congress, Mr. Cartwright served with energy, vision and distinction as the Chairman of the Committee on Roads and Highways and, through the Hayden-Cartwright Act of 1934, was instrumental in the establishment of our present national highway system; and

Whereas, as a member of the United States House of Representatives, Mr. Cartwright also served as an active member of the Committee on Indian Affairs and Veterans Legislation and, as Chairman of the Committee on Insular Affairs, was influential in the enactment of legislation granting independence to the Philippine Islands; and

Whereas, Mr. Cartwright's life as dedicated and loyal public servant and citizen also includes several years as teacher and administrator of public schools in Coal, Atoka, Bryan and Pittsburg Counties; as teacher of history and government at Southeastern State College, Durant; as a soldier in World Wars I and II, rising to the rank of Major in the latter war during volunteer service in North Africa, the Mediterranean and Italy prior to being injured at Foggia, Italy; as civil servant with the Veterans Administration, following his service with the United States Army in the second World War; and as a member of several civic and fraternal organizations and associations; and

Whereas, born in a log cabin near Georgetown, Meigs County, Tennessee, on January 12, 1892, Mr. Cartwright moved with his pioneer parents, Jackson Robert and Emma Cartwright, and several brothers and sisters to near Wapanucka, Indian Territory, in 1903, where the family farmed and earned for itself a leading role in the life of this frontier community; and

Whereas, tenacity of will and purpose guided Mr. Cartwright through difficult times and circumstances to an education in the public schools of Tennessee and Oklahoma and to a law degree from the University of Oklahoma in 1920; and

Whereas, an early and abiding concern for the well-being of his community and its people led Mr. Cartwright at a young age into the arena of politics and government and to a larger constituency, to be followed by other members of this pubic-spirited family, including his father, J.R., who served in the Oklahoma House of Representatives; his brothers Clifford (Buck) and Keith, each of whom served in both the House of Representatives and State Senate; and by his nephew Jan Eric, presently serving in the House of Representatives; and

Whereas, vigorous and energetic throughout his life, Mr. Cartwright, one week short of his eighty-first birthday, suffered an unfortunate injury, as a result of a fall on the ice which struck the capital city and state on Friday, January 5, 1973, while making his accustomed walk from home to his office and, coincidentally, his last full working day as a member of the Corporation Commission; and

Whereas, Mr. Cartwright's career of public service, spanning, as it does, virtually the entire history of our great state, stands without parallel in the annals of his beloved Oklahoma, and his contributions to his state and its people will long endure as a memorial to the dedication, energy and integrity which characterized his public trust, and will serve as a beacon for future generations as they seek examples from the past to point the way toward a better and brighter tomorrow.

Now, therefore, be it resolved by the Senate of the 1st session of the 34th Oklahoma Legislature, the House of Representatives concurring therein:

Section 1. That the distinguished career of public service of the Honorable Wilburn Cartwright, spanning half a century and much of the entire history of our great State of Oklahoma, be and hereby is officially commended and extolled.

Section 2. That the many outstanding con-

tributions of the Honorable Wilburn Cartwright to his state and its people be and hereby are commended to the annals of the great State of Oklahoma and offered as inspiring examples to all who aspire to public service.

Section 3. That our best and most heartfelt wishes are extended to Mr. Cartwright for a speedy and full recovery from the serious injury sustained in his recent accident.

Section 4. That our most sincere and grateful appreciation be and hereby is extended on behalf of the people of this state to a dedicated and loyal public servant upon the occasion of his retirement from public office, and our deepest wishes are offered to Mr. Cartwright for a happy eighty-first birthday, to be celebrated on January 12, 1973, and for health, happiness and continued productivity in all his endeavors during his retirement years.

Section 5. That a duly authenticated copy of this Resolution be presented to the Honorable Wilburn Cartwright as a measure of the high esteem of the Legislature and the people of the State of Oklahoma.

SHELLFISH

Mr. RIBICOFF. Mr. President, the GAO has released a study of Government regulation of sanitation and health practices with respect to shellfish. The study concludes that Federal, State, and industry programs designed to guard against health hazards from contaminated shellfish are failing to protect American consumers. Potential health hazards associated with contaminated shellfish include the risk of infectious viral hepatitis, typhoid, salmonellosis, gastroenteritis, and polio. Nearly one-third of the samples analyzed by agencies under the GAO's review exceeded allowable bacteriological standards.

Shocking reports on food inspection programs have by this time become commonplace. Over the past 2 years, the public has learned from reports by the GAO and other Government sources that meat and poultry are processed in insanitary facilities, that frozen and canned fruits and vegetables are processed in similar conditions, and that meat, poultry, eggs, and milk may be contaminated with cancer-causing substances. The latest GAO report, concerning shellfish, is unfortunately typical of what we have seen in other areas.

It is absolutely intolerable for these conditions to continue. One cause of the problem has been the disposition of Federal regulatory authority among several agencies. I shall introduce legislation to centralize responsibilities for these functions and help assure that consumers may finally begin to receive the protection they deserve.

I ask unanimous consent that a digest of the GAO report on shellfish be inserted in the RECORD.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

[Comptroller General's Report to the Congress]

DIGEST

WHY THE REVIEW WAS MADE

The General Accounting Office (GAO) wanted to know whether the National Shellfish Sanitation Program (NSSP)—a voluntary, tripartite cooperative program of Federal, State, and shellfish industry representatives—is effectively insuring that potentially harmful shellfish are not reaching the American consumer and that imported shellfish are meeting U.S. domestic standards.

Background

Under the Food, Drug, and Cosmetic Act (FD&C Act), the Food and Drug Administration (FDA) is responsible for insuring that food—including shellfish—shipped in interstate commerce is safe, pure, wholesome, and processed under sanitary conditions. Shellfish, as defined under NSSP, include all edible species of oysters, clams, and mussels, either shucked or in the shell, fresh or frozen. Processed shellfish, whether domestic or imported, are monitored by FDA under the FD&C Act.

For fresh and frozen shellfish shipped interstate, FDA seldom uses the regulatory powers of the FD&C Act but relies, instead, on its participation in NSSP.

FDA administers this tripartite program for the Federal Government. FDA annually reviews each State's compliance with NSSP requirements and endorses, or withholds endorsement of, a State's program. If FDA withdraws its endorsement of a State's program, other member States must refuse shellfish shipments from that State.

There are 20 shellfish-producing States. During 1971 about 136 million pounds of shellfish were harvested by these States and another 16 million pounds were imported.

About 2 million acres of the national shellfish-harvesting acreage, or about 20 percent, have been closed to domestic harvesting because of contaminated waters. About 1,620 shellfish plants are certified under the program to ship their products in interstate commerce.

GAO reviewed selected activities of four shellfish-producing States—Maryland, Massachusetts, New York, and Washington—to assess the effectiveness of the four FDA district offices responsible for monitoring the activities of these States. These shellfish-producing States accounted for about 53 percent of the dollar value of the national shellfish production in 1971.

GAO asked FDA to analyze water samples collected from 10 approved growing areas in these States and accompanied FDA on its inspection of 30 shellfish plants selected by GAO. These plants represent about 5 percent of the certified plants in the four States and account for about 11 percent of the shellfish sales by these States.

Shellfish meat samples were collected during the plant inspections, and, at GAO's request, FDA analyzed them for bacteria counts and for the presence of toxic metals—mercury, lead, and cadmium—and pesticides.

GAO also used water and shellfish meat sample results previously collected and analyzed by the States to evaluate the timeliness of State actions and the effectiveness of FDA monitorship under the program.

FINDINGS AND CONCLUSIONS

Overall findings

1. Shellfish not meeting NSSP bacteriological standards are reaching the consumer in quantities sufficient for GAO to question NSSP's effectiveness.

2. FDA is not adequately monitoring the States to insure that shellfish reaching the consumer are pure, safe, and wholesome.

3. The States included in GAO's review are not fulfilling their responsibilities for insuring that shellfish are harvested from only safe waters and are processed under sanitary plant conditions.

Potentially harmful shellfish reaching the consumer

There is a potential health hazard associated with eating contaminated shellfish because they can carry infectious viral hepatitis, typhoid, salmonellosis, certain forms of gastroenteritis, and polio.

FDA has not established Federal standards for bacteria or toxic metals, except mercury, in shellfish and has not requested the Environmental Protection Agency—which regulates pesticides—to establish pesticide standards. Instead, FDA relies upon the States to enforce the NSSP bacteriological and pesticide standards. Toxic metal guidelines which NSSP has had under consideration for several years have not yet been made a part of the program.

Analyses of shellfish meat samples furnished to FDA by 14 States in 1970 showed that 24 percent of the samples exceeded allowable limits under the NSSP bacteriological standards. Of the samples analyzed during 1971 by the four States included in GAO's review, 31 percent exceeded the allowable limits.

An FDA analysis of shellfish meat collected during the joint FDA–GAO plant inspections showed that 17 percent of the samples exceeded allowable bacteriological limits. The sample results indicated that the shellfish had fecal contamination—a potential health hazard—and probably had been harvested from improperly classified or closed growing areas.

The shellfish meat samples also contained other contaminants.

The States are not required to sample shellfish. FDA is not required under NSSP to evaluate States' sampling programs that do exist and does not generally collect shellfish samples during its own plant inspections.

Of the four States reviewed, one had a State-wide market-sampling program, two had limited programs, and one had no meaningful program. Neither FDA nor the four States routinely trace violative shellfish to their source to determine whether the waters are misclassified and unsafe for harvesting.

Need for improved monitoring of shellfish-growing waters

Neither approved nor closed shellfish-growing areas were monitored effectively by FDA to insure that shellfish harvested were safe to eat. Timely action was not taken to close areas that had poor water quality, and low-rated areas were not closed, contrary to NSSP requirements. States have not always adequately posted or patroled closed growing areas to deter illegal harvesting.

Plant sanitation conditions

Of the 30 shellfish plants inspected by FDA at GAO's request, 12, or 40 percent, had insanitary conditions, of which 8, or about 27 percent, were considered to be significant.

FDA is not aware of industrywide sanitation conditions because of the limited number of inspections and methods of selecting plants to be inspected. FDA plant evaluation procedures do not give adequate consideration to the effectiveness of States' actions to obtain correction of prior insanitary conditions or to the significance of current plant deficiencies. FDA does not notify violators officially of sanitation standards violated or monitor cases to promote corrective action.

Control over imported shellfish

About 15.8 million pounds of fresh, frozen, and processed (cooked, smoked, etc.) shellfish were imported into this country in 1971, of which 12.4 million pounds were harvested from waters uncertified under NSSP standards. Since the quality of the shellfish harvested and the conditions under which they

were processed were unknown, the domestic safeguards to insure the marketing of safe and sanitary shellfish were not always available. Further, an apparent inequity exists in that foreign shellfishermen are not required to harvest from only certified waters.

RECOMMENDATIONS

With respect to NSSP, GAO recommends that the Secretary, HEW, direct the Commissioner, FDA, to:

Notify States to close growing areas rated below standard unless the States justify, in writing, that there is no health hazard.

Develop with the States a systematic survey plan for monitoring all growing areas, including a minimum number of sampling stations and frequency of sampling.

Develop an effective patrol program with each State specifying frequency of patrols and posting criteria for closed areas.

Withdraw endorsement of a State's program if the State does not take aggressive and timely action to correct program deficiencies relating to control over approved and closed growing areas.

Annually assess the overall sanitation conditions of a representative number of shellfish plants.

GAO has also recommended a number of changes for incorporation into NSSP. The changes, if enacted by the tripartite, will strengthen the existing program by requiring the States to have an effective market-sampling program and to consider the significance of conditions found and the adequacy of followup actions when evaluating plant inspection activities.

Additionally, to carry out its responsibilities under the FD&C Act, GAO recommends that the Secretary, HEW, direct the Commissioner, FDA, to:

Use the regulatory powers under the FD&C Act in those instances where NSSP is not effective in correcting insanitary conditions.

Establish Federal bacteriological standards of quality for shellfish and enforce them if satisfactory compliance cannot be obtained under NSSP.

Establish Federal standards for toxic metals in shellfish and request the Environmental Protection Agency to establish standards for pesticides in shellfish.

Collect and analyze market samples of shellfish meat taken during inspections of shellfish plants.

Issue written notices in all cases where FDA finds insanitary conditions in shellfish plants and request written responses on action taken or planned to correct the violations and to insure continued compliance.

Obtain and monitor the results of all State inspections of shellfish plants and the followup actions taken when insanitary conditions are found.

AGENCY ACTIONS AND UNRESOLVED ISSUES

GAO submitted drafts of this report to the Secretary, HEW; the States agencies responsible for shellfish activities in the four States included in GAO's review; and a representative of the shellfish industry, for comments.

The recipients agreed generally with the findings discussed in the report. HEW concurred in GAO's recommendations and advised that a number of corrective actions had been, or would be, taken.

HEW stated that one of the principal reasons FDA had not played a more active role during the last several years was due to the fact that FDA's limited manpower resources have been directed toward attempting to cope with what appeared to be even more critical problems, such as microbiological contamination and drug hazards.

Need for additional substantive increases in FDA staffing for inspection activities has been recognized by the President, HEW, and FDA, according to HEW, and a substantial increase for such activities was included in the Department's most recent (fiscal year 1973) budget request.

MATTERS FOR CONSIDERATION BY THE CONGRESS

The Congress should consider enacting legislation which permits importing fresh, frozen, and processed shellfish from only those countries that harvest and process shellfish under conditions which are at least equal to domestic standards to insure that only safe and wholesome shellfish are imported.

Under the Federal Meat Inspection Act, a similar requirement exists to insure that imported meat has been slaughtered and processed under conditions at least equal to domestic standards.

PROPER NUTRITIONAL PRACTICES

Mr. CASE. Mr. President, public interest in good nutrition has grown considerably in recent years and attention has been directed to what can be done in schools to teach children proper nutritional practices.

One innovative program has been carried on by Miss Lynn Ketcham, a nutritionist in Washington, D.C.

I ask unanimous consent that an article on Miss Ketcham's project which appeared in the Sunday Star be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Mar. 25, 1973]

THE SAGA OF TWO WHITE RATS—THEY SHOW SIXTH GRADERS THE EFFECTS OF GOOD AND BAD DIETS

(By Ruth Dean)

This is the saga of "Mickey" and "Mighty"—two white rats who live on a windowsill at Gibbs Elementary School and show the children how to eat.

To the sixth graders in the Northeast Washington school, this is more than a classroom nutrition experiment with laboratory rodents.

Every day, they see before their eyes what four weeks of good and bad diets have wrought on their classroom companions.

You would hardly believe "Mickey" and "Mighty" came from the same litter. Or that "Mighty," the larger one weighed less than "Mickey" at birth.

"Mighty" has been fed what nutritionists would call "a well-balanced diet," made from foods the children bring every day, grind up in a blender and feed to him in cake form. His liquid nourishment is a bottle of water he sucks on at will through the day.

As a result, "Mighty" is a frisky, bouncy rodent with good, smooth coat, erect tail and the strength to jump up on the bottom bar of his cage.

His companion by contrast is a forlorn-looking runt who sucks diffidently all day on a bottle of soda pop at cage side. His food wafer from the blender ingredients is loaded with carbohydrates and starches.

"Mickey's" tail is stiff and scaly, his hair is splotchy and broken at the ends. He is fidgety, nervous and timid. His red eyes have a dull look, and he sleeps a lot, according to his sharp classroom observers.

"The children are worried about 'Mickey'," says their teacher, Mrs. Barbara Bullock. "They can hardly wait for the experiment to end, so they can feed him 'a good diet'."

The experiment is more than an exercise in classroom curiosity. It has a message for the class itself.

For "Mickey's" diet is exactly the fare on which many of the youngsters in this poor neighborhood subsist.

The experiment, and one like it at the Miner Elementary School, is the brain child of Miss Lynn Ketcham, a nutritionist from the neighborhood mother and child clinic at 18th and E Streets NE.

Miss Ketcham, 27, is a dedicated young woman whose job at the clinic as counselor to mothers and children up to 12, may be phased out in the near future due to reapportionment of federal funds.

(The project comes under the Maternal and Child Health Services of the Department of Health, Education and Welfare, which after June 30 will lose its authorization to administer project grants. Reapportionment of funds for services such as the Northeast center offers will be folded into state foundation grants.

(Dr. Roselyn Epps, chief of the District's Division of Maternal and Child Health, when contacted by the Star-News, acknowledged that the fund cutback may mean the closing of some local centers, but that she and her staff "are hopeful" congressional efforts to secure supplementary funding "will succeed." Otherwise remaining centers will have to double up on services.)

Miss Ketcham views almost with despair what the fund cutback may do to the northeast neighborhood which so badly needs mother and child services such as prenatal and postnatal care, well baby clinics, supplementary food programs and nutrition education.

"It's like throwing a piece of meat in front of them; then snatching it away," she said bitterly.

"What we see here in the clinic," she said, "is anemia, obesity, lead poisoning and failure to thrive." Anemia is probably the biggest problem. "It's the disease of the malnourished," she said.

"This is the syndrome the child is suffering from on the diet we're feeding "Mickey" in the Gibbs School experiment—soda pop, potato chips, jelly sandwiches, sugar-coated cereals, candy bars and lots of milk."

Milk is a necessary part of diet, but not when the child is exclusively fed "lots of milk by baby-sitters so his stomach is too full for other foods," she explained.

"Milk is low in iron. And if the other foods consist of cookies and potato chips, you're going to have an anemic child on your hands."

Miss Ketcham concedes "a family on public assistance, like most of our families are, is not getting an adequate balanced diet, with foods processed as they are now. They're even putting sugar in baby foods," she lamented. "Can't you see someone on welfare trying to stay on the Weight Watchers diet? Fresh fruit and vegetables are expensive.

"Sometimes I feel that everything's programmed against us, including food coupons."

Referring to a New York Times news clipping on her desk, dated March 7, she observed, "It's discouraging when you read that the Department of Agriculture is cutting out buying canned luncheon meat for its needy families program because it is too expensive, when you already know they've cut out nondry milk solids.

"What do you do? These cuts strike right at the working poor."

As an outgrowth of her "frustration at seeing what people have to live on under some of these food programs," Miss Ketcham said she organized a nutritional legislative committee last year, as a local chapter of the National Society of Nutrition Education.

"I feel if we nutritionists band together and pick up a phone and call our congressmen, maybe we'll get some action," she said.

Despite the gloomy prospects ahead, including limited commodity support of the school lunch program, Miss Ketcham hopes she is sowing the seeds for whatever city or private funding may take its place. Or at least, within the limits of her our program, to inculcate ideas in the young generation that will stick with them for the future.

Every Wednesday, she visits Gibbs and Miner's first, second and third grades with a bag of plastic food models, from which she asks them to grab blindfolded and identify

the "food" they hold in their hands. It is an hour the children look forward to.

"We have fun with foods," she explained. "Sometimes I'll bring a fruit they've never tasted before like cantaloupe, or apricots—even raw spinach, which I tell them can be used as a salad green."

Last year, she had a "class" of overweight children whom she encouraged to substitute carrot and celery sticks for candy bars. What does the mischief, she said, "is an overindulgent grandparent with 15 cents and the availability of a corner store.

"By supper time, he's so stuffed on junk food, he has no room for what may be a nutritious meal at home."

Miss Ketcham pointed out that the ghetto child "who has the Southern black heritage has the advantages of the richest food heritage in America. Having collard greens two or three times a week probably saves him from a worse vitamin deficiency," she said.

"Greens are rich in vitamins A, C and E and iron. But if the child is not hungry when he gets home, it will do him little good."

URBAN RENEWAL: WHERE WOULD CITIES BE WITHOUT IT?

Mr. SYMINGTON. Mr. President, the Kansas City Star recently carried an editorial which presents a realistic evaluation of the urban renewal program as it has operated in that city for the past 20 years.

The article points out that urban renewal has been slow, in some cases unsuccessful, in preventing the spread of blight. As the Kansas City experience demonstrates, however, the program has been effective in many areas in both restoring and stabilizing neighborhoods which might otherwise have deteriorated.

To cite a few examples of the accomplishments, the Land Clearance for Redevelopment Authority in its 20-year history has cleared close to 100 acres of land in the central city and undertaken projects covering almost 8 square miles outside the downtown business district. Among the most notable achievements under urban renewal in Kansas City is the Hospital Hill health complex, in addition to expansion of other hospitals.

This year President Nixon has proposed a new approach to urban development—community development special revenue sharing. Next week, the Senate Subcommittee on Housing and Urban Affairs will begin hearings to examine present urban programs and proposals for restructuring them.

I ask unanimous consent that this interesting editorial be printed in the RECORD.

Thre being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kansas City Star, Mar. 19, 1973]

URBAN RENEWAL: WHERE WOULD CITIES BE WITHOUT IT?

In the long history of the American city no single event has had a more profound effect on the way people live together than federal urban renewal.

It was a program born of necessity. At the end of the Second World War the cities were in miserable condition, the victims of long neglect. First it had been the depression years when dollars were short and little construction took place.

Then came the war. Even routine maintenance was deferred because of national priorities that ranked higher. From 1929 to 1946 little happened in the way of improvement but the forces of decay were not idle.

Washington's answer was urban renewal. It became a gigantic attack on blight, costing billions of dollars. Directly or indirectly it stimulated private and public investments costing tens of billions.

Now it appears that the program, at least in its present form, has become a casualty of President Nixon's "New Federalism." As A. J. Harmon, executive director of Kansas City's Land Clearance for Redevelopment Authority, puts it:

"It's still there but you can't see it. Six months ago I wouldn't have thought complete cutbacks possible, to stop projects in the middle of the stream. Now I believe it. It is being done."

At first it looked as though Kansas City's Convention Center would be an early casualty. Funds were in hand to finish acquisition of the south block of the 2-block site (Central to Broadway, 12th to 14th).

Some leeway was granted to complete projects under way. Federal assistance will be available to acquire the remainder of the site. But that's the lone exception for Kansas City.

UNCERTAINTY IN WASHINGTON

No one can predict what Congress will do, or if a compromise will be worked out with the White House. As of now it seems almost certain that federal urban renewal will not be around after July 1, 1974. That date falls almost exactly 25 years after Congress included urban renewal in the Housing Act of 1949 as an experiment.

It has been charged that President Nixon has written off the cities. This is unfair because it is not true. His plan is to substitute community development revenue sharing, or direct grants to the cities, in place of the present categorical aid grants that are available under urban renewal, Model Cities, the Open Space Act and allied programs.

The President wants the priorities set by the communities involved instead of the bureaucrats in Washington and he has expressed it about that bluntly. Although he will not establish the point without a fight with Congress, perhaps a bitter one, most urban observers believe Mr. Nixon will win in the end.

"It has often been said the cities can make decisions better than Washington," John L. Taylor, city manager, observed recently. "Now we, I think are going to get a chance to demonstrate that. We have a chance to succeed. And, I suppose, a chance to fail."

Harmon adds: "It could become a real dogfight at City Hall to determine who gets what, if all guidelines are removed."

The future is so much in doubt that it is difficult to speculate on what course might be adopted in Washington. It is not premature to look back over the last 24 years to appraise what has occurred. This question seems appropriate: Has urban renewal been a boondoggle of epic proportions, as some have charged, or did it save the American city, as others contend? The answer would seem to lie somewhere in the middle.

Even with a vast expenditure of money the cities are still in trouble and a growing number of people find them unfit places to live. The point, however, is where the cities would be today if the funds had not been spent to wipe away decay. The job is far from complete, but enormous strides have been made since 1949.

"The problem keeps growing," Harmon says. "Blight creeps. Unless we can find some way to stem it, Ward Parkway is going to be a blighted area. Not soon, but one day."

There are many local illustrations. Many neighborhoods that were strong and thriving when the Land Clearance for Redevelopment Authority was organized here in 1953 have slipped badly in the last two decades. Twenty years ago no one would have dreamed that Block 92 (Main to Baltimore, 11th to 12th) would be declared a blighted area and all the buildings demolished. Or that the Emery, Bird, Thayer Building would be rated as one of the two priority sites for redevelopment in Downtown Kansas City.

"If we cut off urban renewal, what is going to happen to the inner city?" Harmon asks. "What is going to happen to Downtown? We think we have made a real bite into it. But there is so much that remains to be done."

The final decision will be made sometime in the next 12 months by Congress and the White House.

Recently Harmon prepared a summary of the Kansas City experience under urban renewal. It is an impressive record that tells a story of gradual but extensive change. The impact of urban renewal, along with the Missouri Redevelopment Act, a companion program, has been so profound that a native son returning after an absence of 20 years would have to ask directions to find his way around Downtown.

Although Harmon is a modest, quiet man who makes no claims, a great deal of the success of the Kansas City program can be credited to his imagination and thoroughness in adapting the Washington guidelines to local needs.

In the last 20 years almost 100 acres in the core of the city have been cleared of blight. This work has directly, and in a few instances indirectly, stimulated new construction with a value of about a quarter billion dollars.

All of the Downtown improvements have not been built on land cleared under the federal or state laws. But it seems fair to say that most of the buildings that have gone up on private property nearby would never have been built if the environment had not been congenial to a major financial investment.

No one in his right mind would build a 20-story building on a site surrounded by worn-out, dilapidated structures almost ready to fall down. Their removal not only upgrade the property they were built on but also adjacent locations. It is the old chain reaction where one improvement encourages others to proceed.

IMPACT BEYOND DOWNTOWN

Because so much emphasis has been placed on the need to save the core cities of America, many people are unaware of the tremendous impact urban renewal has had in the older residential neighborhoods and the areas that border Downtown.

Harmon's report lists projects outside the Central Business District that encompass almost eight square miles. Planned or completed construction in those areas carries a value of about $170 million. Urban renewal had a key role in the new health-care complex on Hospital Hill and in the expansion of St. Mary's and Trinity Lutheran hospitals.

As far as the daily life of individuals is concerned the neighborhood stabilization program has had the most far-reaching effect. Here the effort has been directed at removing the few deteriorating buildings in an otherwise sound neighborhood in order to reverse a downhill trend.

This work, now well under way, cannot be halted without jeopardizing the investment and well-being of tens of thousands of Kansas City families. Neither can Downtown renewal be stopped before the job is completed.

Whether urban renewal continues in its present form, or under Mr. Nixon's proposed community development revenue-sharing plan, is basically immaterial. The important point is that the job of saving the American city is far from completed. The work must go on whether priorities are established at City Hall or in Washington. If it does not proceed, America could, in time, be plunged into a domestic crisis without parallel in its history.

FINANCIAL AID TO NORTH VIETNAM

Mr. HARRY F. BYRD, JR. Mr. President, I have opposed the proposal to extend financial aid to North Vietnam ever since it was first advanced.

I do not believe that we have any obligation to North Vietnam, at whose hands Americans have suffered so much.

Furthermore, the argument that aid to Hanoi would be a parallel to our assistance to Germany and Japan after World War II does not stand up. Unlike Germany and Japan, North Vietnam has not been destroyed, and its militaristic and aggressive government is still in power.

My opposition to proposed assistance for North Vietnam has been strengthened in the last few days with the revelations by former American prisoners of war about the conditions in their prison camps and the brutal treatment accorded them by their captors.

The treatment of our prisoners can only be described as barbarian. It violated the laws of warfare and every standard of humanity and civilization.

For the United States to extend aid to the government responsible for these outrages would be a travesty.

One of the most revealing articles to be published in the press concerning the treatment of our prisoners was an Associated Press story dated March 30 and originating from Portsmouth, Va. It was based on interviews conducted at the Portsmouth Naval Hospital and disclosed much detail about the brutality of the North Vietnamese.

I ask unanimous consent that the text of this article as published in the Northern Virginia Daily on Friday, March 30, be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POW'S SUBJECTED TO INTENSE PHYSICAL AND MENTAL PAIN

PORTSMOUTH, VA.—American prisoners of war were subjected to intense physical and mental pain and in some cases were placed in isolation for as long as four years, four former POWs said Thursday.

Navy Capt. James A. Mulligan Jr. told a news conference at Portsmouth Naval Hospital that no man was immune from what he called "inhumane treatment" and that the North Vietnamese used physical force, beatings and drugs" to make the POWs bend to will.

Mulligan spoke out at the news conference along with Lt. Cmdr. William M. Tschudy, Capt. Allen C. Brady and Cmdr. John H. Fellowes.

'I think you can say treatment was very bad, was inhumane," in the prison camps, Mulligan said.

He said he, personally, spent 42 months in solitary and that another Navy officer, Capt. Jeremiah A. Denton, Jr., was isolated for four years.

Mulligan said the North Vietnamese withheld food, water and medical treatment in adidtion to administering beatings and various other tortures in order to force men to make antiwar statements.

Ninety-five per cent of the American prisoners were physicially tortured, Mulligan said—and torture finally induced more than 80 per cent to make some sort of statement for the enemy.

Asked about the means of torture, Mulligan said men spent long periods of time in stocks, shackles and leg irons; were beaten or tied with ropes, and that men in solitary were placed in tiny rooms in which the windows were bricked up.

Fellowes said the worst torture he underwent was when the North Vietnamese interrogated him "about an aircraft I didn't know anything about."

He said his hands were cuffed behind his back and ropes were tied around his elbows until they met. He then was left for hours, he said.

When he continued to refuse to make any statements, he said, he was blindfolded, gagged and trussed with ropes for nine hours.

Fellowes said the mistreatment severely damaged him physically and that he lost all control of his hands and arms and had to be cared for by his roommate.

He said it was a year before he was able to shave himself, and that he still suffers some effects of the torture.

At one time, Fellowes said, he was in a prison camp in which he was close enough to continually hear beatings and what the POWs referred to as "the fan belts hitting Americans and the screams."

Tschudy said the most trying ordeal for him was that the North Vietnamese would handcuff his hands so tightly that "they would swell up and turn black."

He said one man was cuffed this way for 23 hours, and that when he was freed "his hands were as black as this microphone stand, and blood was coming through the pores of his skin."

Tschudy said the North Vietnamese "experimented" to find out what each man's pain tolerance was.

He said each man had some form of pain he could not tolerate, and that once the North Vietnamese found out what it was, they concentrated on it.

Referring to the years of torture at the hands of the North Vietnamese, Mulligan said in regard to the pain the men suffered:

"I've been broken. I think everyone here has been broken. We went through agony, over and over again."

All four Navy officers said prison camp food basically was bad, although there was slight improvement in 1969, which they credited to American pressures in the form of letter-writing campaigns to the North Vietnamese.

Mulligan, who was shot down in 1966, said his weight was down to about 110 pounds by 1969.

The North Vietnamese refused for years to give the prisoners salt, Mulligan said, because they considered them "war criminals" and feared that salt would reward them.

He said the North Vietnamese finally were convinced the men were suffering from severe dehydration and needed salt.

After the North Vietnamese brought salt into the prison he said, "we stole it and hid it in our rooms for an afternoon snack."

Talking of the eternal hunger felt by the men, Mulligan said:

"If I had dropped a piece of rice on the deck—and it was a very dirty deck, I might add—I picked it up and ate it."

Obviously embittered toward his captors, Mulligar said:

"The North Vietnamese are signatories to the Geneva Convention. It is unfortunate they never saw fit to implement the provisions called for."

He said his captors "used everything to get what they wanted."

"They withheld medical treatment, they withheld food, they withheld water, they used forms of harassment . . . they used threats to our families back home" in addition to physical punishment, he said.

But apparently worst of all for Mulligan, "They used darkness."

Describing his years in solitary confinement, Mulligan, in a barely audible voice, said:

"I was kept like an animal in a cage. You've been to the zoo. Animals there can look through the bars. I didn't have any bars to look through. I didn't see the moon for years—maybe four or five. "It's a very pretty sight."

The Navy captain said the only way to "beat" isolation was through the prisoners' system of communication.

He said a man in solitary could send and receive messages by tapping on a wall, but men on the outside used various forms of code, including hand signs similar to those used by the deaf and a "coughing code."

While in solitary, he said, "You could keep in contact, but you never saw any people."

Punishment for communicating with other prisoners were common, all the ex-POWs said, as were "purges" in which there were mass punishments.

Asked about prisoners killed by the North Vietnamese, Mulligan recounted what he knew of two escape attempts in which all the men were recaptured.

He said one of the men involved disappeared.

"I don't know what happened to him," Mulligan said.

The former prisoners of war said each prisoner worked to keep a mental record on each man he knew to be in captivity in order that all could be accounted for if and when they returned to the United States.

"As POWs, our No. 1 objective was to get an angle on every man in Hanoi," Mulligan said. "We tried to account for every man."

All four men said they know of other Americans who had been severely injured for lack of medical attention.

Brady said many returning prisoners "are deformed today" because they received no treatment for broken bones.

In 1967, Brady said, when many new prisoners were coming in "Men with broken bones were left for days at a time. Many of them never had bones set."

In many instances, Mulligan said, medical treatment purposely was withheld to force the prisoners to capitulate.

Recounting his own experience, Fellowes recalled that his roommate had urgently requested aid after the torture session in which Fellowes lost use of his limbs.

"It took 17 days for them to even come look at me," Fellowes said.

Tschudy said despite all the years of "torment," it was not until shortly before the POWs returned that he got what he called a full picture of communism.

After being tortured so many times, he said, finally "They torture you for a statement saying how well you were treated."

WILDERNESS AREAS

Mr. TUNNEY. Mr. President, the American wilderness—what remains of it—is a precious and nonrenewable resource. Today, recreational use of wilderness areas, where man can meet nature on nature's own terms, is among the fastest growing forms of leisure pursuit.

Furthermore, these areas serve as outdoor classrooms in natural history, as laboratories for ecological research and as living samples of the original American landscape.

Already, the Congress has designated 18 wilderness areas in California under the protection of the national wilderness preservation system established by the 1964 Wilderness Act. These areas are a good first step in setting aside untouched land.

But more needs to be done. I have joined with my colleague, Senator CRANSTON, in introducing legislation to

create six additional wilderness areas in California.

First, is the Agua Tibia Wilderness. This area is a part of the Cleveland National Forest situated north of San Diego at the northern end of the Palomar Mountain Range. The total acreage will be approximately 16,410 acres.

Second, is the Emigrant Wilderness, an important area in the High Sierras. Basically, the area will comprise land in the Stanislaus National Forest totaling about 113,000 acres.

Third, is an area of about 692,500 acres in Yosemite which will be known as Yosemite North and South Wilderness Areas.

Fourth, is a bill to create the Santa Lucia Wilderness, 22,250 acres in and near the Los Padres National Forest.

Fifth, the Snow Mountain Wilderness, will comprise nearly 37,000 acres in the Mendocine National Forest.

Sixth, is the Pinnacles Wilderness, an area within the Pinnacles National Monument comprising about 13,000 acres.

Clearly, there are many other areas in California which should be included in the wilderness system and I plan to introduce legislation to include other areas.

Frankly, I found the Forest Service inventory superficial. It is a strange paradox today to find Federal agencies insisting upon complete purity in wilderness areas—an interpretation which coincidentally has resulted in severely limiting the size of the recommended wilderness areas.

It appears that many areas have not been inventoried as roadless which deserve consideration. The Forest Service has developed its own interpretation of what can qualify as wilderness and that interpretation seems to have strayed from the standards set down by the Wilderness Act.

It is my hope that instead, the Congress will abide by the spirit of the wilderness law in developing and giving final approval to wilderness area proposals.

Finally, Mr. President, I ask unanimous consent to have printed the text of the six proposed wilderness bills (S. 110–115).

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 110

A bill to designate certain lands in the Cleveland National Forest, California, as the "Agua Tibia Wilderness" for inclusion in the National Wilderness Preservation System

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), certain lands in the Cleveland National Forest, California, which comprise approximately sixteen thousand four hundred and ten acres and which are generally depicted on a map entitled "Agua Tibia Wilderness—Proposed" and dated March 1972, are hereby designated as wilderness.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the wilderness area with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the "Agua Tibia Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas.

S. 111

A bill to designate certain lands in the Stanislaus National Forest, California, as the "Emigrant Wilderness" for inclusion in the National Wilderness Preservation System

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), certain lands in the Stanislaus National Forest, California, which comprises approximately one hundred and thirteen thousand acres and which are generally depicted on a map entitled "Emigrant Wilderness—Proposed" and dated March 1972, are hereby designated as wilderness.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the wilderness area with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the "Emigrant Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas.

S. 112

A bill to designate certain lands in the Yosemite National Park in California as wilderness

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(c) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132(c)), certain lands in the Yosemite National Park, California, which comprise about six hundred and ninety-two thousand five hundred acres and which are depicted on a map entitled "Yosemite North Wilderness and Yosemite South Wilderness—Proposed" and dated October 1972, are hereby designated as wilderness: *Provided, however,* That each tract identified on said map as "Wilderness Reserve" is designated as wilderness, subject only to the removal from each such tract of the existing nonconforming improvements, at which times the Secretary of the Interior is directed to publish notice thereof in the Federal Register. Pending such notice, and subject only to the existing nonconforming improvements, each such tract shall be managed as wilderness in accordance with section 3 of this Act.

SEC. 2. As soon as practicable after this Act takes effect, a map and a legal description of the wilderness areas designated by and pursuant to this Act shall be filed with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness areas designated by and pursuant to this Act shall be known as the "Yosemite North Wilderness" and the "Yosemite South Wilderness" and shall be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

S. 113

A bill to designate certain lands in San Luis Obispo County, California, as the "Santa Lucia Wilderness" for inclusion in the National Wilderness Preservation System

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the purposes of the Wilderness Act (78 Stat. 890), certain lands in and adjacent to the Los Padres National Forest, San Luis Obispo County, California, which comprise about twenty-one thousand two hundred and fifty acres and which are generally depicted on a map entitled "Santa Lucia Wilderness—Proposed" and dated January 1973, are hereby designated as wilderness: *Provided, however,* That the tract identified on said map as "Wilderness Reserve" is designated as wilderness, subject only to the removal of the existing and temporary nonconforming improvement, at which time the Secretary of Agriculture is directed to publish notice thereof in the Federal Register. Pending such notice, and subject only to the maintenance of the existing nonconforming improvement, said tract shall be managed as wilderness in accordance with section 3 of this Act.

SEC. 2. As soon as practicable after this Act takes effect, a map and a legal description of the wilderness area designated by and pursuant to this Act shall be filed with the Interior and Insular Affairs Committee of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. (a) The wilderness area designated by and pursuant to this Act shall be known as the "Santa Lucia Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that portion outside the boundary of the Los Padres National Forest shall be so administered by the Secretary of the Interior.

(b) Notwithstanding the provisions of section 5 of the Wilderness Act, the Secretary of Agriculture, and, within the portion of such area outside the boundary of the Los Padres National Forest, the Secretary of the Interior, are authorized to acquire by donation, purchase with donated or appropriated funds, exchange or otherwise any non-Federal lands located within the area designated as wilderness by this Act as the appropriate Secretary may determine necessary or desirable for the purposes of this Act and the Wilderness Act.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

S. 114

A bill to designate certain lands in the Mendocino National Forest, California, as the "Snow Mountain Wilderness" for inclusion in the national wilderness preservation system

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the purposes of the Wilderness Act (78 Stat. 890), certain lands in the Mendocino National Forest, California, which comprise approximately thirty-seven thou-

sand acres, and which are generally depicted on a map entitled "Snow Mountain DeFacto Wilderness Area" and dated June 1971, are hereby designated as wilderness.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the wilderness area with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the "Snow Mountain Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas.

S. 115

A bill to designate certain lands in the Pinnacles National Monument in California as wilderness

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890), certain lands in the Pinnacles National Monument, California, which comprise about thirteen thousand acres and which are generally depicted on a map entitled "Pinnacles Wilderness—Proposed" and dated April 1968, are hereby designated as wilderness.

SEC. 2. As soon as practicable after this Act takes effect, a map and legal description of the wilderness area designated by and pursuant to this Act shall be filed with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the "Pinnacles Wilderness" and shall be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

METHAQUALONE BY THE MILLIONS: MORE STRINGENT CONTROLS NEEDED

Mr. PERCY. Mr. President, in the early 1900's, a nonaddictive so-called wonder drug was marketed as a substitute for morphine. It was called heroin. That treacherous drug still plagues this Nation, leaving us with over 600,000 heroin addicts. Today, another brand of poison saturates our society, and the insidious consequences of drug abuse surface once again. Quaalude, Parest, Sopor, Optimil, and Somnafac are brand names for the drug methaqualone. Methaqualone is the name of a dangerous drug.

Labeled a safe, nonaddictive sleeping pill, methaqualone is promoted as a substitute for barbiturates. Despite advertisements to the contrary, the Medical Letter on Drugs and Therapeutics in 1966 reported methaqualone addiction cases in England. Methaqualone abusers in Japan comprised half the drug addicts hospitalized in that country between 1963 and 1967. German medical journals also record methaqualone poisoning cases. Clinics throughout this Nation now indicate that the tranquilizer is indeed physically addicting. Yet, users find the drug easily obtainable.

The handwriting is on the wall and it is not very hard to read. Dangerous drugs produced in mass quantities invite mass abuse. Methaqualone sales have increased 360-fold since 1965. It quite possibly ranks as the most abused drug on the streets today. Yet, methaqualone is legally made, legally advertised as nonaddicting, and legally prescribed in much the same way as vitamins.

The "underground" did not produce the methaqualone used on the streets. Mass availability of the drug is a product of the conduct of legitimate drug companies. Methaqualone addicts are products of our own negligence.

Methaqualone occupies the dubious position once held by heroin, LSD, and amphetamines among the drug abuse cult. It occupies no position on the Bureau of Narcotics and Dangerous Drugs list of schedule II controlled drugs. The evidence gathered to date suggests that methaqualone is a highly dangerous substance. But until recently, Federal officials considered methaqualone safe. These officials, however, are now beginning to take appropriate action to warn the public of the dangerous physical and mental effects of this drug.

There is a 4- to 5-year interval, even after certification by the Food and Drug Administration, before any drug side effects can be fully realized. We are not certain how this drug affects body chemistry. We are not certain how to treat methaqualone abusers. We are learning, however, and we do know something of the tregedy which can befall such abusers.

Methaqualone's immediate effect is a numbing of the central nervous system. It was never really intended to cause sleep, just sleepiness. The dreamlike, euphoric sensation is lauded by those who abuse it. Abusers receive an exhilarating "high" along with a stupefying drunken sensation. The "thrill" is in resisting the urge to sleep.

Methaqualone is preferred among multiple drug users. When taken in combination with other controlled narcotic substance depressants, such as alcohol or barbiturates, a dangerous or even fatal synergistic effect has been observed. Alcohol reacts adversely with methaqualone, thus increasing the drug's effects and making overdose quite possible. Acute poisoning may result from this mixture, especially in the intoxicated person, who in a judgment-impaired condition may not realize the amount of either drug ingested.

The Rorer Co., original American processors of methaqualone, found that "single doses ranging from 8 to 20 grams have produced severe toxicity and death." According to doctors who have treated methaqualone addicts, most of the patients were taking only four pills, or 1,200 milligrams, a day. BNDD has recently concluded that even these minimal doses produce a severe physical dependence characteristic of the barbiturate-alcohol type. Physicians contend that any sedative-hypnotic can result in a fatal withdrawal. The victim is seized by sudden convulsions and requires immediate medical attention. BNDD studies confirm that abrupt withdrawal causes severe headaches, cramps, compulsive shaking, chills, and loss of appetite.

Users obtain methaqualone with minimum difficulty. Some steal prescription pads and forge them. Others do not need a written prescription. A short call from a sympathetic physician or black marketeer can be sufficient. Drug firm representatives flood medical centers with free samples. Presented as harmless by high-pressure mass advertising, experimenting youth become enticed and entrapped.

In the past, Government has fought drugs with police. We have banned uncontrolled manufacturing of drugs. The President has made great strides toward international drug control. Yet, what good has Government regulation done if we cannot control the distribution of an addicting drug, still being mass produced by our own domestic drug companies?

We know there is a distribution problem. Drug firms make money supplying methaqualone which finds its way to the pusher. In a recently published report entitled "Control Recommendations for Methaqualone," BNDD demonstrated how serious the distribution problem has become. The following tables, supplied by BNDD, reveal the alarming yearly increases in manufacturers' distribution of this drug:

Company No. 1: Methaqualone yearly distribution figures

Date of distribution; 400 mg. dosage units distributed:
Prior to Oct. 1969, 0.
1970, 2,100,000 (approx.).
1971, 3,100,000 (approx.)
1972, 4,000,000 (approx.).

Company No. 2: Methaqualone yearly distribution figures

Date of distribution; 400 mg. dosage units distributed:
Prior to Oct. 1971, 0.
1972, 7,000,000 (approx.).

Company No. 3: Methaqualone yearly distribution figures

Date of distribution; 300 mg. dosage units distributed:
Prior to Feb. 1969, 0.
1970, 3,500,000 (approx.).
1971, 6,000,000 (approx.).
1972, 9,000,000 (approx.).

Company No. 4: Methaqualone yearly distribution figures

Date of distribution; 400 mg. dosage units distributed:
Prior to Sep. 1970, 0.
1971, 10,000,000 (approx.).
1972, 22,000,000 (approx.).

Company No. 5: Methaqualone yearly distribution figures

Date of distribution; 300 mg. dosage units distributed:
Prior to Sept. 1967, 0.
1968, 8,000,000 (approx.).
1969, 47,000,000 (approx.).
1970, 70,000,000 (approx.)
1971, 80,000,000 (approx.).
1972, 105,000,000 (approx.).

We know how to handle the distribution problem. A short time ago, amphetamines were in abundant supply. They are now far more difficult to acquire. Amphetamines were reclassified as

schedule II drugs and removed from the streets. Federal drug officials should consider immediate curtailment of methaqualone production by putting into effect distribution controls which would limit methaqualone use to legitimate medical purposes.

Mr. President, the drug abuse problem is a malignant disease. Small children accidently swallow powerful chemical agents. Youths seek artificial tranquility from pure poison. Adults resort to heavy drug doses to cover, but not solve, their problems. Government policy must be so structured as to safeguard the public from distorted advertising which would shackle human volition.

In January of this year, I wrote Attorney General Richard Kleindienst, Dr. Jerome Jaffe, Director of the Special Action Office for Drug Abuse Prevention, and then-Food and Drug Administration Commissioner Charles Edwards calling their attention to the increasing abuse of methaqualone throughout the United States. I urged each of these officials to report to me on the feasibility and desirability of curtailing methaqualone production and distribution.

The Justice Department forwarded a response in mid-February. It reported that an investigation by the Bureau of Narcotics and Dangerous Drugs was in the final stages at that time. The results would be submitted to the Secretary of Health, Education, and Welfare for his scientific and medical evaluation.

Dr. Jaffe's response stated that—

> There is no question that methaqualone causes physical and psychological dependence and is responsible for intoxication and overdose deaths.

Commenting on the widespread availability and the increasing use of this drug, Dr. Jaffe concluded that—

> More stringent controls seem needed, and it seems to me that bringing this drug under the Comprehensive Drug Abuse Prevention Control Act of 1970 is a necessary step.

FDA Commissioner Edwards reached the same conclusion. After describing the remarkable similarity of the effects of barbiturate and methaqualone abuse, the Commissioner wrote:

> Production of this preparation can be curtailed by transfer of Schedule II of the Comprehensive Drug Abuse Prevention and Controls Act of 1970.

Dr. Jaffe and Dr. Edwards both pointed out, however, that before a schedule II classification can be made, the Bureau of Narcotics and Dangerous Drugs must first submit a report outlining the patterns and extent of abuse, accompanied by recommendations for control, to the Secretary of Health, Education, and Welfare. With this report and the scientific and medical evaluation report compiled by the FDA, the Secretary then determines whether to recommend to the Attorney General that proceedings to add methaqualone to Schedule II be initiated.

On March 15, 1973, John Ingersoll, Director of BNDD, submitted a 36-page report on methaqualone to HEW Secretary Caspar Weinberger. The report concluded that this drug produces a severe dependence effect and is abused by several varying segments of American society. Mr. Ingersoll recommended that methaqualone be placed in Schedule II of the Controlled Substances Act.

Thus, the first step toward curtailment now has been taken. The BNDD report and the Justice Department's recommendation have been completed.

Indeed, the problem has aroused considerable interest in the Senate also. Senator BAYH is currently conducting hearings in the Senate Judiciary Subcommittee on Juvenile Delinquency in order to assure prompt distribution control and production curtailment.

It is clear to me that the necessary evidence and data are complete and sufficient to warrant immediate action on the part of Secretary Weinberger declaring that methaqualone is medically and scientifically dangerous enough to necessitate a schedule II classification. The three officials I contacted all agree that the drug is inherently dangerous. In particular, Commissioner—now HEW Assistant Secretary-designate—Edwards informed me that—

> Methaqualone, which differs chemically from the barbiturates (is remarkably similar in its pharmacological actions.

In a letter dated February 23, 1973, to Mr. Ingersoll, Dr. Edwards stated:

> We believe there are other sedative-hypnotic drugs which *currently constitute a national health hazard* due to their abuse liability. (emphasis added)

He specifically referred to methaqualone as falling within that category. In his response to me, Dr. Edwards included examples of literature reports and articles concerning methaqualone abuse which tend to demonstrate that there is already compiled sufficient information to justify a schedule II classification for methaqualone. I, therefore, urge Secretary Weinberger to submit his determinations to the Attorney General forthwith.

At this point, I ask unanimous consent that the following documents be included in the RECORD: My initial inquiry to the Special Action Office for Drug Abuse Prevention, the Food and Drug Administration, and the Department of Justice; the responses from Dr. Jaffe dated March 9, 1973, Deputy Attorney General Sneed dated February 14, 1973, and Commissioner Edwards dated March 2, 1973, responding to my original inquiry; a summary of literature reports of methaqualone misuse, attached to Dr. Edwards' letter of March 2; Commissioner Edwards' letter to BNDD Director John Ingersoll dated February 23, 1973; the letter from Mr. Ingersoll to me, advising me of his recommendation regarding methaqualone; the BNDD report, "Control Recommendations for Methaqualone," containing the findings and conclusions of the Bureau; an outstanding article titled "Methaqualone: The 'Safe' Drug That Isn't Very" by Danied Zwerdling, appearing in the Washington Post, November 12, 1972; recent articles entitled "Warning on Sopors," and "The Deadly Downer," appearing in Newsweek—February 12, 1973—and Time—March 5, 1973—respectively; and a still more recent piece, "New 'Jekyll-Hyde' Drugs: U.S. Seeks Speedy Action," from the Christian Science Monitor—March 26, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 19, 1973.

DR. JEROME JAFFE,
Director, Special Action Office for Drug Abuse Prevention, New Executive Office Building, Washington, D.C.

DEAR DR. JAFFE: It has recently come to my attention that a drug known as methaqualone is being widely abused in this country, and I would appreciate your investigation into the matter.

Since 1965 when the Rorer drug firm first introduced methaqualone as a "nonbarbiturate" tranquilizer and sleeping pill (under the trade name Quaalude), many other drug manufacturers have entered the methaqualone business: Arnar-Stone with Sopor, Parke-Davis with Parest, Wallace with Optimil.

Advertised as being safe and non-addictive, evidence now indicates that methaqualone can hook persons on a habit as invidious as that brought on by barbiturates and produce withdrawal effects far worse than heroin. As early as 1966, the Medical Letter on Drugs and Therapeutics warned doctors in the United States that the British Medical Journal had discovered instances of physical addiction to methaqualone. According to doctors who have treated methaqualone addicts, most of those hooked were taking only four pills, or 1200 milligrams, a day.

According to reports, there is also a sharp increase in the number of methaqualone overdose cases. Rorer Company itself reportedly found that single doses ranging from 8 to 20 grams have produced severe toxicity and death. In addition, when methaqualone users mix these pills with even small amounts of alcohol, the ill-effects of the drug are multiplied.

Even my own conversations and from accounts I have seen, methaqualone now has a larger market on the streets and college campuses of this country than even marihuana and LSD. Drug clinics around the country report that they have never seen any drugs available so freely in this quantity. Unlike most illicit drugs on the streets, methaqualone is not manufactured underground—almost all of it is produced legitimately by reputable drug manufacturing companies.

Sales of methaqualone have increased 360 times since the year it was introduced. Drug companies are making money even from the methaqualone sold on the black market, since the companies must increase production of the drug to replace the drugs that are diverted from legal channels.

Although the drug manufacturing companies are said to have received many complaints from drug clinics around the country, to date they have refused to change even their advertising or labeling practices.

In view of these circumstances, I would appreciate it if an investigation could be scheduled at the earliest possible date and a report submitted to me describing what can and should be done at this time to curtail production of these pills and to limit their use to legitimate medical purposes, and specifically whether more rigid controls are necessary under the schedules set forth in the Controlled Substances Act of 1970.

In the final analysis, aren't our youth confronted with enough grotesque enticements to wreck their lives through illicit drug use, such that the Federal government need not, by continuing its current policy, aid and abet that tragic development?

Sincerely yours,

CHARLES H. PERCY,
U.S. Senator.

OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, D.C., February 14, 1973.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in response to your letter of January 19, 1973, calling attention to the increasing abuse of methaqualone in the United States.

You may be assured that the Department is not unmindful of this problem and the need to bring this drug under appropriate Federal controls. To that end, the Bureau of Narcotics and Dangerous Drugs is in the final stages of an investigation of the nature and extent of methaqualone abuse in this country, and will, in the near future, submit a control recommendation to the Secretary of the Department of Health, Education, and Welfare for his scientific and medical evaluation thereof. At the present time, a decision as to which schedule of the Controlled Substances Act of 1970, (CSA), methaqualone should be assigned has not been made. However, once that decision has been made and the recommendation paper submitted, the Bureau will be happy to send you a copy.

Inasmuch as the investigation reveals that the methaqualone being abused derives from legitimately manufactured products, controls sufficient to cut down diversion must be imposed. These controls as prescribed in Schedules II and III of the CSA would include stringent security measures, thorough and readily retrievable records, and restrictions on prescriptions. Such controls would have an impact on bulk manufacturers, dosage form manufacturers, distributors, and, of particular importance with regard to methaqualone, on the minority of physicians whose prescribing habits are such that an uncontrolled drug will be dispensed in substantial quantities with little or no professional scrutiny (especially where that drug is touted to be a "safe" alternative to barbiturates).

In closing, I would like to thank you for your interest in this problem, and request that you notify the Bureau of Narcotics and Dangerous Drugs if you have any information that would assist them in the preparation of their recommendation and in the presentation of the government's position in any administrative or judicial proceeding which may result from that recommendation.

Sincerely,

JOSEPH T. SNEED,
Deputy Attorney General.

EXECUTIVE OFFICE OF THE PRESIDENT, SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION,
Washington, D.C., March 9, 1973.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter concerning the abuse of the drug methaqualone. Please excuse our delay in not responding sooner to your inquiry.

It is quite true that methaqualone is causing an increasing number of problems in the current youth drug scene. As you may know, the Bureau of Narcotics and Dangerous Drugs has established a Drug Abuse Warning Network (DAWN), a system by which reports are received from emergency rooms all over the country, indicating drugs being abused, reactions to the drugs, etc. We first became aware of widespread methaqualone abuse some months ago when reports from the DAWN system began to show increasing numbers of cases of adverse reaction to the use of this drug. There is no question that methaqualone causes physical and psychological dependence, and is responsible for intoxication and overdose deaths. It appears that this drug which is so easily available is now being widely used, in part because of such availability. More stringent controls seem needed and it seems to me that bringing this drug under the Comprehensive Drug Abuse Prevention Control Act of 1970 is a necessary step. However, that Act specifically requires that before a drug be scheduled the Attorney General must make certain findings and then request an opinion from the Secretary of HEW relating to medical and scientific considerations set forth in Section 201(b) of PL 91-513. In light of this clear legislative directive, the Attorney General is precluded from even requesting such an opinion until he receives sufficient evidence that the drug or substance in question has a potential for abuse and, among other things, is being abused. I have been advised that the Bureau of Narcotics and Dangerous Drugs has been working, for some time, to develop the necessary evidence of abuse requested under this Title.

In order to bring methaqualone under these appropriate Federal controls the Bureau of Narcotics and Dangerous Drugs has been conducting an investigation of the nature and extent of methaqualone abuse in the United States. This investigation is now in its final stages. Inasmuch as the investigation has revealed that the methaqualone being abused derives from legitimately manufactured products, control sufficient to substantially reduce diversion must be imposed. My Office has been advised that, in the near future, the Bureau of Narcotics and Dangerous Drugs will submit a recommendation to the Secretary of Health, Education, and Welfare to move methaqualone into Schedule Two under the Controlled Substances Act of 1970. However, at the present time, this is not public information and we will appreciate your holding this information in confidence until the recommendation is sent by the Bureau of Narcotics and Dangerous Drugs to the Secretary.

In addition to tighter controls on methaqualone, we are seeking to educate physicians in practice to the hazards inherent in the indiscriminate use of this drug. The Programs Division of the Special Action Office is preparing to distribute to the medical profession, and to other health and drug abuse treatment agencies and programs, information on the hazards of the use of this drug and suggestions for appropriate intervention.

You may be assured that we share your deep concern over the problem of methaqualone abuse and will continue to work toward solutions.

With kind personal regards, I remain,

Respectfully yours,

JEROME H. JAFFE, M.D.,
Director.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
March 2, 1973.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in further reply to your January 19 letter about methaqualone.

As you are aware, the Food and Drug Administration (FDA) is very much concerned about methaqualone abuse, particularly among young drug users, and has been gathering data on the use and misuse of this drug for several months. Methaqualone, a prescription-restricted drug, is a sedative-hypnotic which differs chemically from the barbituates but is remarkably similar to these agents in its pharmacological actions.

Production of this preparation can be curtailed by transfer to Schedule II of the Comprehensive Drug Abuse Prevention and Control Act of 1970. Drugs in Schedule II are those which have a high potential for abuse, while at the same time have a currently accepted medical use. It is the Attorney General who establishes annual production quotas for drugs in Schedule II.

At the request of the Attorney General, the Secretary of Health, Education, and Welfare furnishes the Attorney General with a scientific and medical evaluation of the drug and his recommendations as to whether the drug should be controlled. Although the Attorney General initiates proceedings to control drugs, the Act does make provision for the Secretary to request that action be taken.

The Bureau of Narcotics and Dangerous Drugs of the Department of Justice, which has primary responsibility for enforcing the laws against the misuse of dangerous drugs, has been documenting actual instances of "street" use and making seizures of methaqualone. At the same time, FDA is now evaluating the available data necessary to determine whether to recommend to the Secretary of Health, Education, and Welfare that he request the Attorney General to initiate proceedings to add methaqualone to Schedule II. In the meantime, we have communicated our concern to the Director of the Bureau of Narcotics and Dangerous Drugs (BNDD), Department of Justice, and requested that he complete investigations necessary to determine whether additional controls are warranted to reduce or prevent further widespread abuse of methaqualone. A copy of this letter is enclosed.

As examples of the kinds of information upon which our scientific and medical evaluation are based, we enclose a summary of literature reports of misuse of methaqualone and also copies of several articles on the subject.

We hope this information will be helpful, and we will keep you fully informed of any decisions made concerning the distribution and availability of this drug. If there is any additional assistance we can provide, please let us know.

Sincerely yours,

CHARLES C. EDWARDS, M.D.,
Commissioner of Food and Drugs.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Rockville, Md., February 23, 1973.

JOHN E. INGERSOLL,
Director, Bureau of Narcotics and Dangerous Drugs, Department of Justice, Washington, D.C.

DEAR MR. INGERSOLL: We have recently received your document concerning the abuse of the sedative-hypnotic derivatives of barbituric acid with the recommendations for control under Schedule II of PL. 91-513 of nine specific drugs. We will evaluate the data which you have submitted with particular emphasis on the factors specified in Sec. 201(b) of PL. 91-513.

In addition, *we believe there are other sedative-hypnotic drugs which currently constitute a national health hazard due to their abuse liability.* We, therefore, request that you consider investigating the following drugs to determine whether additional controls are warranted to reduce or prevent widespread abuse.

Glutethimide (Doriden of Ciba Laboratories):

Listed as having a high abuse liability by the WHO, currently in Schedule III.

Methyprylon (Noludar of Roche Laboratories):

Listed as having a high abuse liability by the WHO, currently in Schedule III.

Meprobamate (Miltown of Wallace Laboratories):

Listed as having a high abuse liability by the WHO, currently in Schedule IV.

Methaqualone (Quaalude of Rorer Laboratories):

Current reports of widespread abuse among the youth in the U.S. Listed in the Convention of Psychotropic Substances in Schedule IV with methyprylon and meprobamate, not presently scheduled.

In order to expedite any recommendations

which you may make after gathering the data, we are currently sutdying the scientific and medical aspects of the potential for abuse of these drugs.

Sincerely yours,

CHARLES C. EDWARDS, M.D.,
Commissioner of Food and Drugs.

METHAQUALONE: SUMMARY OF LITERATURE OF MISUSE

Madden, J. S. (1966 Brit. Med. J. 1,676: "Dependency on Methaqualone Hydrochloride (Melsedin)".

Four patients were found to exhibit the following features while taking Mandrax, a combination of methaqualone and diphenhydramine: a strong desire to continue the drug, a tendency to increase the dose, and a psychic dependence on the drug's effects. The first case was an alcoholic who took 1200 mg. daily and died two years later from cardiac failure ("unrelated" to Mandrax). Another alcoholic, after abstaining from alcohol, consumed Mandrax at the rate of 7500 mg. daily, but were so spaced over the day as to enable him to continue working. One other was a woman who ingested 1500 mg. daily and the last, another woman, transferred to Mandrax after establishing a dependence on at least four other barbiturates and she took 3000 mg. daily. Madden notes that he had not had the opportunity to observe the patients when methaqualone was removed, so that he could not in fact confirm the presence of withdrawal symptoms.

DeAlarcon, R. (1969) Brit. Med. J. 1,122–123: "Methaqualone".

A "number" of depression and anxiety patients who had been prescribed methaqualone for insomnia were found difficult to transfer to less powerful hypnotics even after the main psychiatric illness had been treated. Methaqualone was a high preference drug among patients for dealing with chronic insomnia; it was also found to give them a "buzz".

DeAlarcon, R. (1969) Brit. Med. J. 1,319: "Mandrax and Methaqualone".

Three cases of accidental overdose of Mandrax, all in young people with a prior history of drug abuse were indicated.

Benady, D. R. (1969), Brit. Med. J. 1,577–578: "Mandrax".

The author cites two of his own patients as "addicted" to Mandrax including evidence of craving and increase of dosage to 2100 mg. per day. Both patients reported using Mandrax to "escape the conflicts in their lives." Three further cases of "addiction" were said to have been presented by other consultants, details omitted.

"An Epidemiological Analysis of the Fluctuation of Drug Dependence in Japan" Kato, Musaaki, M.D., The International Journal of the Addictions 4(4), pp. 591–621, Dec. 1969.

Methaqualone, known in Japan by the trade name Hyminal, began to be abused after 1960, through December, 1962 when the number of arrested youths rose to 1,942 and further increased until 1964, when it became available by prescription only, and exhibited the word "powerful" as a labeling requirement. The year 1962 showed 58% of the abusers residing in Tokyo (prior to the subsequent spread throughout the country), 72% of them male, 28% female, and 22% in the 15-year-old age bracket, 58% of whom were high and middle school students, 20.8% employed and 21.2% unemployed non-students. In this age group 81.4% of those arrested involved delinquent behavior.

In a survey of drug abusers and addicts treated in 853 mental hospitals in Japan from 1963 to 1966, methaqualone was abused by 42.8% with the greatest concentration falling between ages 21–25, with a 3:1 ratio of male to female. The chief motivation, by self-disclosure, for their drug use was influence of friends to use of mq. The main reason for admission was anti-social behavior as a function of drug action for mq., rather than withdrawal symptoms, although 16% did exhibit withdrawal symptoms, 7% of the convulsive type and 9% of the delirium type. ("Some of the arrested male delinquent abusers continued using mq. until increased "tolerance" toward it required their using larger and larger doses until they were admitted to mental hospitals for the treatment of withdrawal symptoms or antisocial behavior.")

In another hospital (out-patient) population an investigation of 63 drug addicts of all ages was conducted from May 1963 to July 1967 by N. Takahashi to correlate drug choice with three personality syndromes as defined by Takahaski. Most of the addicts were in their twenties and thirties, with the former composing the greater part. The abused drugs were mq, other hypnotics, minor tranquilizers and analgesics. The three personality classes were taken by Takahaski from observations in daily life and psychotherapeutic sessions. They were: historic, acting out, and defensive. "Histrionic" behavior patterns were defined by egocentric, overproud, emotionally unstable behavior of active and talented persons in a particular field who were easily frustrated by ordinary daily life. They abused drugs to overcome frustration and to promote and cultivate their talents and activities and they preferred to use drugs independently, rather than in groups; the second, "Acting out" defined by rebellious, suggestive, immoral, purposeless, immature behavior, was exhibited by persons who preferred to choose "any" fashionable and attractive object and used drugs recreationally. This type liked to use drugs in groups, frequently changed from one drug to another, and they were closely connected with delinquency and crime; the third, the "Defensive" type included nervous, anxious, sensitive behavior and complaints of insomnia, fatigue, inferiority feelings, and other "neurotic" symptoms; they used drugs to overcome the neurotic complaints, particularly, insomnia.

Of those found to abuse methaqualone, 56% were from the histrionic group, 19% were from the defensive group (the least frequently), and 85% were from the acting-out group (the most frequently). The acting-out group expected the exciting effect of methaqualone to be the same as that of alcohol.

"Methaqualone (Quaalude-300 and Rem Sleep" Med. Letts. on Drugs & Therapeutics, II, 65–7, 8 Aug. 1969.

Medical Letter consultants have observed reactions resembling delirium tremors following sudden withdrawal of mq. and they believe that it should be classified as a physical dependence-producing drug, susceptible to abuse.

H. Brill and T. Hirose; Seminars in Psychiatry, 1:179, May 1969.

Authors report abuse of methaqualone is widespread in Japan. Med Letters, Aug. 1969 (above).

Authors conclude that mq. can cause addiction and is susceptible to abuse. They quote the manufacturer of Quaalude (Rorer): "single doses ranging from 8 to 20 grams have produced severe toxicity and death" with the characteristic clinical features: coma, hypertonia, muscle spasm, and convulsions.

Wallace, M. R.: "Recovery after Massive Overdosage of Diphenhydramine and Methaqualone" Lancet 2, 1247–8, 7 Dec. 1968:

Wallace documents an attempted suicide in the case of a 38 year old woman who ingested 180 tablets of Mandrax (mq + diphenhydramine—mg. dosage not stated) and was found unconscious later that evening. The patient recovered completely following hospitalization for 19 days.

Ibe, Karla, "Acute Methadone Poisoning" Archiv fur Toxikologie, (Berlin) 21 (3), 179–198, 1965:

At the time of this article, Methaqualone ("Revonal") was a high preference drug for suicide attempts among Berlin youth, due to its easy access as an over-the-counter drug. Fifteen cases of mq. use for suicide are described—four of them successful. In total there were 9 males and 6 females spanning ages 15 through 72 with the majority in their late twenties, early thirties. Dosage ranged from 8000 to 16,000 mg. of mq, the average dose approximately 11,060 mg. Almost all of them had become unconscious after taking the drug, and about half experienced convulsions at a later time.

Of the four who died, two had taken alcohol concomittantly. Two died from cerebral edema, one, who had taken the alcohol—the third, a man who had not received medical attention until 54 hours had elapsed, and the remaining case, a 72 year-old woman who had other medical complications of a serious nature (lung problems and heart failure).

Matthew, Henry; "Methaqualone: Efficacy As a Hypnotic and Side Effects" Medical Journal of Australia 2, p. 546, 4, Sept. 1971:

Matthew takes issue with the view of Mandrax as safe and effective. He contends that in his experience Mandrax possesses very strong addictive properties, but he does not elaborate further. He also contends that Mandrax is ("presently") misused in Britain.

Sanderson, J. H.; Cowdell, R. H.; Higgins, G., "Fatal Poisoning with Methaqualone and Diphenhydramine" The Lancet; Oct. 8, 1966, ii, 803:

A case of lethal Mandrax poisoning is presented as well as a summary of similar findings of other cases of fatal Methaqualone overdosage. The case found by the three co-authors was that of a 62 year old woman who took 7000-12,500 mg. of Mandrax and exhibited unconsciousness, convulsions, and hemmorhaging. Postmortem examination revealed acute respiratory infection as the cause of death. Five other fatal cases (from Gellmacher, Mallinckrodt and Lautenbach; Schmidt) featured convulsions, tonic & clonic, hemorrhaging and vomiting of blood.

From the documentation report of two patients who died just under 8000 mg dosage, the speculation is made that this may be the minimum fatal dose, although the authors point out that as far as Mandrax is concerned and with each tablet containing 25 mg. diphenhydramine to 250 mg. methaqualone it is difficult to identify methaqualone as the casual agent, particularly when the two components exhibit the same symptoms in poisoning.

As for the dangers of overdosage, mention is made of Schmidt's discovery that in his hospital "not a single case of attempted suicide with barbiturate had died in the year under consideration unless there were very substantial complications, while there were 2 fatal cases of poisoning with Revonal out of a much smaller but unspecified number of cases."

Brown, Stanley S.; Cameron, Jean C.; Metthew, Henry "Tolerance to Mandrax" British Medical Journal, No. 5560: 309, 1967:

These authors report that they have not yet encountered withdrawal features indicative of physical or psychic dependence to methaqualone but argue for the acquisition of tolerance to the drug similar to that of barbiturates.

Evidence is presented in the form of a survey of 107 cases of Mandrax poisoning at different dosage levels. The first 57 patients were hospitalized with levels of 0.2 to 3.5 mg/100 ml. plasma and the remaining patients with levels of 0.2 to 8.3 mg/100 ml. plasma. Very few of the patients in the high dosage group exhibited the features of severe poisoning that characterized a high proportion of the low dosage group—and this, in a population 78 of whom had been actively prescribed mq. over a period of barely two years. Furthermore, the authors claim knowledge of at least two non-fatal cases of poisoning at mq. levels of about 10 mg./100 ml.

Evart, R. B. 2 and Priest, R. G., "Metha-

qualone Addiction and Delirium Tremens" Brit. Med. J. 3, 92:

A case of delirium tremens upon the withdrawal of mq. is documented and offered as evidence of physical dependence (of the barbiturate—alcohol type) upon mq. The example is that of a 47 year old man with a history of barbiturates, which included methaqualone the latter four years. Found unconscious one night, the man was admitted to a hospital the next day in a state of delirium with tremor with anxiousness, restlessness, reporting visual hallucinations.

The author incidentally comment that Melsedin, the British trade name for mq., had been described by its manufacturer as neither tolerance nor addiction producing, but that they have since become aware of the four cases of addiction in addition to the one reported here. Three of the patients had a history of addiction to barbiturates and alcohol as well.

Matthew, Henry, "Methaqualone: Efficacy As a Hypnotic and Side Effects" Med. J. Aust. 2, 546, 4 Sept. 1971:

Matthew takes issue with mq. being described as safe based upon reports of addiction (Kessell) and the author's own finding of "very strong addictive properties." He further contends that the drug is considerably misused in his country (Scotland) by teenagers for "kicks" and notes that it is also taken in overdose acts of suicide and self-poisoning in the country. He asserts that similar misuse in Britain has prompted the scheduling of methaqualone under the Drugs Prevention of Misuse Act.

Burston, G. R., "Self Poisoning with Mandrax" Practitioner (London) 109:340–344, 1967:

The effects of Mandrax poisoning in 12 cases lead to the possible conclusion that acute Mandrax poisoning is the cause of unconsciousness in patients concurrently presenting hyperreflexia, hypertonia, clonus, muscle twitching, carpopedal spasm, and depressed body temperature. A note is made that simultaneous chlorpromazine and Mandrax overdosage may present a particularly lethal combination.

"Mandrax," Canadian Medical Association Journal (Toronto) 100 (10); 491–492, 1969:

These doctors contend that there is no evidence of addictive potential, but that all other precautions indicated with barbiturates should be followed with respect to Mandrax. Overdosage symptoms such as hypotonia, hypothermea, respiratory and circulatory collapse, pulmonary edema, bronchopneumonia, and bleeding tendencies have been observed.

Haider, Ijaz and Oswald, Ian, "Late Brain Recovery Processes after Drug Overdose," Brit. Med. J.; 2, 318, 9 May, 1970:

The authors propose that a withdrawal syndrome indicating a high degree of drug-tolerance and dependence acquired rapidly after drug overdose can manifest itself one to three weeks after ingestion in the expression of restlessness, insomnia, raised paradoxical (R.E.M.) sleep, epileptic phenomena and delirium. This appears true in the case of two overdose patients on Mandrax.

The first patient was a 47 year old woman who took 275–550 mg. Mandrax nightly for three months, then took 11,000 mg. at one time, became unconscious, and regained consciousness 105 hours later; in two days she developed a mild delirium with visual hallucination and disorientation, which cleared at 11 days, and an increased R.E.M. pattern which normalized at 16 nights.

The second case was that of a 69 year old woman who also took about 11,000 mg. Mandrax, fell unconscious and showed a high R.E.M. pattern on the sixth night, in addition to three one-minute spike-and-wave E.E.G. paroxysms of the type in seen epileptic patients. She had no seizures neither current nor past.

"Mandrax," Canadian Medical Assn. Jnl. (100) (10), 491–2, 1969:

In this pharmaceutical breakdown of Mandrax, the precaution is made to see the drug with caution when evidence of depression or suicidal tendencies exists. "Experience has shown that this drug, like other hypnotics, has a suicidal risk." The addiction potential of the drug is not known but chronic clinical investigations of 6 weeks duration and an interim report at 6 months have shown no evidence of addictive properties. Long-term investigations are continuing and animal studies to date show no teratogenic potential. As overdose symptoms, the article lists: hypertonia, increased tendon reflexes, myclonia; in gross Mandrax overdose—respiratory and circulatory collapse, pulmonary edema, bronchopneumonia, and bleeding tendencies. Hypothermia was present from time to time.

Wilkinson, Margaret: Young, J. P. W., "Poisoning with Mandrax," British Medical Journal, Vol. 1, 4 Feb. 1967, p. 301:

Documetnation is made of the case of an elderly woman suffering from hypothyroidism, subject to depression who committed suicide from a dosage of 5250 mg. of Mandrax. Her admission to a hospital was delayed until about four hours after ingestion. (From letter by Wilkinson)

Young, in a separate letter advocates that poisoning and gross overdosage (in the case of Mandrax) should not be confused with fatality. He refers to the 28 cases of gross overdosage cited by Brown (see Stanley S.; Br. Med. J. '67) all of which survived, and he claims to have on record, cases of complete recovery following intake levels much higher than 3.0 mg/100 ml. blood plasma (cited by Brown as dangerous), one in particular in the amount of 10.5 mg./100 ml.—in addition to reports of overdosage from 3,500–10,500 mg. (including three patients at 10,500 mg.)

"Mandrax and Mogadon: Overdosage", Drug and Therapeutics Bulletin, Vol. 4, Mar. 18, 1966; p. 24:

Taken from two German sources, (1, 2*) seven cases of mg. overdose are reported. Of the seven, three died: two after taking 8000 mg., one after an unknown quantity. The remaining four had taken 4000 mg., 8000 mg., and 20,000 mg. and recovered after treatment.

Three cases of overdosage resulting in convulsions and circulatory collapse and three cases followed by pulmonary edema (2, 3*) are also referred to.

1. Drug Therapy Bulletin, 1966, *4*, 5.
2. Schmidt, A. Nervenarzt, 1962, *33*, 418.
3. Geldmacher-Mallinckrodt, M. and Lautenbach, L.; Aoci. Toxik; *20*, 31, 1963.

U.S. DEPARTMENT OF JUSTICE,
BUREAU OF NARCOTICS AND
DANGEROUS DRUGS,
Washington, D.C., March 15, 1973.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: I have recommended to the Secretary of Health, Education, and Welfare that methaqualone be placed in Schedule II of the Controlled Substances Act. This schedule places stringent controls on the manufacturing, distribution and prescribing of the drug. It also permits the setting of annual production quotas.

Attached is a copy of the survey made by the Bureau of Narcotics and Dangerous Drugs upon which my recommendation is predicated.

Sincerely,

JOHN E. INGERSOLL, *Director.*

CONTROL RECOMMENDATIONS FOR METHAQUALONE

I. INTRODUCTION

Methaqualone [1] is a non-barbiturate sedative-hypnotic. Abuse of this drug is increasing in the 1970's in a manner paralleling the abuse of amphetamine in the 1960's. Therefore, the question under consideration by the Bureau of Narcotics and Dangerous Drugs is the extent of controls necessary to prevent illicit diversion and to protect the people.

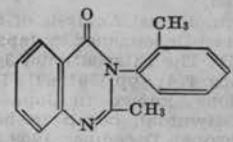
Review by this Bureau was compelled by information received through our own intelligence capabilities and from sources outside the Bureau (members of Congress, the media, State and local medical examiners, drug clinics, and concerned parents and educators), which demonstrated that with the drug's increasing availability on the legitimate market, a concomitant availability for other than medical use is increasing. Accordingly, the Bureau has determined that methaqualone is a dangerous drug that must be included in an appropriate schedule of the Controlled Substances Act.

In November, 1965, the Food and Drug Administration approved the first New Drug Application for a methaqualone preparation. Since that time production and use have increased dramatically. This increase was due largely to the fact that the drug was promoted as an alternative to barbiturates which was efficacious for daytime sedation and nighttime sleep, but which was not accompanied by many of the harmful side effects of barbiturates nor the abuse potential. However, as use and abuse of methaqualone grew it became apparent that the drug did in fact present serious threats to the abuser, primarily due to its ability to produce physical dependence with the accompanying dangers of fatal withdrawal. Although many of the dangers of methaqualone had been reported and documented in medical and scientific literature outside the United States (emanating from Great Britain, West Germany, and Japan where epidemic-like outbreaks occurred during the early and mid-1960's), little was written until recently of methaqualone's impact on the public health of the United States.

This report will examine methaqualone and its abuse. The Bureau does not intend to implicate a particular product as the major source for methaqualone abuse, nor does the Bureau intend, at this time, to suggest which manufacturers are more susceptible to diversion than others.

II. CHEMISTRY

The chemical name for methaqualone is 2-methyl-3-0-tolyl-4(3H)-quinazolinone or 2-methyl-3(0-tolyl)-4-quinazolone. The empirical formula is $C_{16}H_{14}N_2O$ and the structural formula is represented thus:



Methaqualine base is a white, odorless crystalline structure with a molecular weight of 250.3. The free base is sparingly soluble in water and alcohol and practically insoluble in ether. The hydrochloride salt is also a white, crystalline substance and is slightly soluble in water.

The first significant analysis of methaqualone synthesis appeared in Indian literature between 1951 and 1956. References authored by Kacker et al,[2] Rani,[3] and Gujral [4 5 6] reported a methaqualone synthesis involving the condensation of N-acetylanthranilic acid (obtained by the action of acetic anhydride on anthranilic acid suspended in benzene) with aniline, ortho, meta, or para toluidine in the presence of phosphorus. This process is essentially the same as that currently being used by methaqualone manufacturers in the United States. This synthesis can be quite easily performed without elaborate laboratory procedures; therefore, a chemist, for example, could produce methaqualone.

Footnotes at end of article.

III. PHARMACOLOGY

Since the American use of methalqualone began so recently, the amount of scientific information produced in the United States cannot be compared to the volume available on much older drugs of abuse, such as amphetamines and barbiturates. This discussion is based upon American and foreign pharmacological studies where the effects of methaqualone have been observed in humans, as well as monkeys, dogs, fish and rodents.

Methaqualone is a central nervous system depressant, with depression ranging from mild sedation to suppression of the respiratory drive, depending on the dose given. Recommended dosage range from 75 mg. four times daily for daytime sedation to between 150 to 400 mg. for hypnotic effect.[7] The route of administration is oral with onset of effects occurring within 30 minutes of ingestion, and the duration of effects lasting between 6 to 10 hours,[8 9 10].

Methaqualone is readily absorbed from the gastrointestinal tract, and is metabolized almost entirely in the liver and excreted through the bile, urine and feces.[11,12] Because of this metabolic route through the liver, it is important to note that liver damage will slow the rate of metabolism, thus permitting even repeated safe doses to accumulate which may result in the buildup on the drug to toxic concentrations. Inasmuch as abuse of alcohol is a major cause of liver damage, the conjunctive use of methaqualone and alcohol, a prevalent abuse pattern,[13] presents substantial dangers to the individual in situations where the liver becomes damaged.

The toxic effects of methaqualone resulting from excessive or non-therapeutic use are very similar to those resulting from barbiturate abuse, and like the barbiturates, may cause death. Non-fatal side effects include headache, dizziness, drowsiness, nausea, gastro intestinal discomfort, transient paraesthesia, dry mouth and tachycardia. The effects of mild to acute methaqualone poisoning may include respiratory depression, peripheral vascular collapse, feeble heartbeat, lowered body temperature, renal failure, and depressed reflexes. Severe toxic overdose causes pronounced depression of the respiratory centers, which can ultimately lead to asphyxxial convulsions, pulmonary edema, coma, and death. Also important to the toxicology of methaqualone, is the potentiating effects of other central nervous system (CNS) depressants, most notably alcohol and barbiturates.[14] As will be seen in Section V on abuse, the most prevalent pattern of methaqualone abuse is the pattern of conjunctive drug taking. Consequently, the dangers inherent in the abuse of each drug are heightened by the other drugs involved.

IV. DEPENDENCE

The World Health Organization has set four requirements in order to establish drug dependence of the barbiturate type:

(1) Strong desire to continue taking the drug.

(2) Tendency to increase the dose (partly due to a development of tolerance).

(3) A psychic dependence on the effects of the drug.

(4) An abstinence syndrome when the drug is withdrawn, indicating physical dependence.

Madden,[15] in 1966, observed four cases of methaqualone abuse which demonstrated the first three criteria of drug dependence set out above. Benady[16] also observed methaqualone abusers who increased their daily dose and "crave for it." Brown, Cameron and Matthew[17] observed the development of tolerance to methaqualone.

The abstinence syndrome is a complex of symptoms arising after a person dependent upon the drug abruptly stops taking it. These symptoms are evidenced by the progressive development of anxiety, involuntary twitching of muscles, tremor of hands and fingers, progressive weakness, dizziness, headaches, distortion in visual perception, nausea, vomiting, insomnia, weight loss, a precipitous drop in blood pressure on standing, convulsions of a grand mal type, and a delirium resembling alcoholic delirium tremens.

The abstinence syndrome has been seen by Ewart and Priest[18] in 1967, who characterized methaqualone withdrawal as a delirium tremens syndrome of the barbiturate-alcohol type of dependence.

Out of 411 addicts observed by Kato from 1966 through 1969, 176 (42.8%) were methaqualone abusers. Of the 176, 9% exhibited withdrawal symptoms of delirium tremens, and 7% of hte 176 had convulsions.[19]

Most recently, American physicians have observed methaqualone abusers exhibiting withdrawal symptoms, and have admitted them into hospitals for the administration of a withdrawal treatment program. Swartzburg reports cases of methaqualone abuse which convince him that the persons developed tolerance to methaqualone and exhibited withdrawal symptoms when it was withdrawn.[20] The withdrawal symptoms were controlled with pentobarbital withdrawal therapy, a customary withdrawal treatment program which consists of administering the Sodium Pentobarbital Tolerance Test. Under this test a dose of pentobarbital is cross-substituted for an equivalent does of methaqualone. The pentobarbital does is then decreased by 10% per day until the abuser is completeley detoxified.[21]

Kunnes has observed several cases of methaqualone abusers showing withdrawal symptoms, including convulsion. When he re-introduced methaqualone, the symptoms disappeared. Kunnes has referred those person to neuropsychiatric hospital facilities to be treated by pentobarbital withdrawal therapy.[22]

Schulte has also observed methaqualone abusers showing withdrawal symptoms, and has successfully administered the Sodium Pentobaribtal Tolerance Test.[23]

Schnoll reports of withdrawal symptoms in methaqualone abusers and has advised them not to withdraw themselves abruptly, but rather to decrease their daily intake by tapering off, in order to avoid the fatal consequences of abrupt withdrawal.[24]

Addicts themselves have stated in interviews with BNDD representatives that when they stop taking methaqualone they notice the onset of withdrawal symptoms, including:

"the worst headaches I ever had"

". . . began crying . . ."

". . . terrible pain"

"doubled up with cramps"

"stomach tied in knots"

"I experienced a lot of shaking when I stopped taking them."

"I sort of got climbing the walls. I couldn't eat anything and keep it down."

"It felt like somebody was tightening a band around my head."

"I shook so bad I couldn't walk."

"I had cold chills, I couldn't sleep, I was just very confused, I'd change my mind two million times; I was just totally scattered. I couldn't even drink anything and keep it down, water, anything."

"I couldn't keep my balance—my equilibrium."

One addict states, "When I got up into the really high doses, I wasn't getting high on them anymore. I just needed them to function."[25]

Cross-substitution confirms that methaqualone is capable of producing a barbiturate-type physical dependence. Deneau has demonstrated in dogs that cross-substituting methaqualone for sodium barbital has completely suppressed the abstinence syndrome created by the primary drug of dependence, sodium barbital; upon withdrawal of methaqualone following the substitution technique, Deneau observed the appearance of a typical abstinence syndrome.[26]

Bakewell[27] states that persons who are suspected of being physically dependent upon CNS depressants, including methaqualone, should be administered a test dose of pentobarbital 200 mg. If this leads to gross intoxication and, especially, impaired coordination during the test conditions, the person is assumed to have no tolerance to the suspected drug and the likelihood of drug dependence is discounted. However, if a person is not put to sleep nor grossly intoxicated after administration of 200 mg. of pentobarbital every six hours for one day, then he has significant tolerance and merits treatment for drug dependence. After the first 200 mg. dose is administered to the person, if he is alert, comfortable and steady, he has developed marked tolerance.

Schulte,[28] Kunnes[29] and Swartzburg[30] now report such observations after treating methaqualone-dependent persons by using the above-described test.

There is not yet a published methaqualone withdrawal study similar to the chronic barbiturate intoxication study by Dr. Isbell.[31] Dr. Isbell published his study in 1950.

Barbiturates have had a medical use in the United States since 1903 and their abuse was observed in 1904. Dr. Isbell's study, therefore, had the benefit of relying on 47 years of scientific exposure to barbiturates. Forty-six of those years saw abuse of barbiturates.

In the case of Methaqualone, however, several obvious reasons exist to show why there are not the volumes of scientific material concerning methaqualone-produced physical dependence as there are showing the dependence liability of barbiturates.

Methaqualone has only recently (1965) been made available for medical use in the United States. With its introduction, methaqualone was heralded as being free from the barbiturate-type physical dependence characteristic, largely on the basis of it being a non-barbiturate chemically.

Essig, however, disregards a drug's chemical structure for purposes of determining its physical dependence liability, and states that newer depressants can cause physical dependence regardless of their non-barbiturate chemical structure.[32] Bakewell includes methaqualone among those non-barbiturate depressants which share the physical dependence liability of barbiturates. It is now common pharmacological knowledge that non-barbiturate sedatives carry an abuse potential, including likelihood of inducing physical dependence.[33]

Ongoing clinical treatment programs have produced clinical evidence which documents cases of methaqualone withdrawal treatment under conditions strikingly similar to those employed by Isbell in his study. This demonstrates physical dependence upon methaqualone.

Kunnes[34] and Whitehead[35] state that, as with barbiturates, if methaqalone is abruptly discontinued and no withdrawal treatment is administered to the methaqualone-dependent persons, convulsions will likely occur, sometimes leading to death.

Therefore, we conclude that methaqualone produces a severe physical dependence characteristic of the barbiturate-alcohol type.

Psychological dependence has been described by Dr. Jerome H. Jaffe in *The Pharmacological Basis of Therapeutics*, Goodman & Gilman, 1970, page 276, as "effects produced by a drug or conditions associated with its use necessary to maintain an optimal state of well-being. The intensity of the dependence may vary from a mild desire to a "craving" or "compulsion" to take the drug.

Addicts themselves have stated:

Footnotes at end of article.

"I just needed them to function."

"I sort of got climbing walls [without methaqualone]."

During the time interval from September 1972 through January 1973, drug abuse information obtained from Project DAWN (a drug-information gathering project by the Bureau) indicates that out of approximately 1,440 incidents involving methaqualone abusers, 675 (46.9%) self-administered the drug to obtain the psychic effect of euphoria; 219 (15.2%), for unhappiness; 167 (11.4%) for dependence; 90 (6.3%), for self-destruction; and 278 (20.2%), for unknown reasons. The motivation for taking methaqualone, as seen by the percentages of methaqualone abuse and evidenced by the addicts' stated need to take the drug, is indicative of methaqualone's severe psycholgical dependence capabilities.

V. CURRENT PATTERNS OF ABUSE

This section of the report has been divided into three key areas which give a broad picture of methaqualone abuse:

1. method of administration as indicative of different abuse patterns;

2. abuse of methaqualone in conjunction with other drugs;

3. methaqualone abuse within society.

1. *Method of Administration.* Although some "downer-freaks" may attempt injection, the most practical method of administration of methaqualone is oral, largely because its insolubility does not lend itself to injection.

Since methaqualone is commercially manufactured as a tablet or capsule, it is convenient to take, carry and store. These dosage forms are inconspicuous, and therefore may be easily and discreetly sold and transferred. As an oral dosage form, methaqualone retains a lengthy shelf life. A drug abuser need not bother with injectable paraphernalia—spoons, droppers and needles, for methaqualone can be "popped" or "dropped" with the same ease as an amphetamine tablet or a barbiturate capsule.

Methaqualone is particularly attractive to drug abusers because its effects are rapid and long lasting.[36 37 38] It lowers the human inhibitions for those seeking a successful social encounter. A perpetual state of sedation can be maintained by merely taking a pill whenever life's pressures are felt; for the heroin addict who is faced with a short street supply of his drug of choice, or who is unable to maintain his "high" due to low heroin purity, or who is being maintained on methadone, oral administration of methaqualone can compensate for the absence of satisfactory heroin effects; [39] and finally, for the suicide-prone person, the excessive oral overdose of the sedative-hypnotic methaqualone is an efficient method of suicide [40].

It is the magnitude of the oral methaqualone abuse problem and diversion of these tablets and capsules from licit channels which when considered in conjunction with the same problems of barbiturate abuse and diversion, mandates the need for stringent state and federal controls over methaqualone.

2. *Abuse of Methaqualone in Conjunction with Other Drugs.* Methaqualone is a major drug of choice among multiple drug users. Current BNDD Intelligence documents over a thousand cases were hard drug users were also taking methaquolane. These reports show mernaquaine is taken with heroin, with barbiturates, with methadone, with alcohol, and with hundreds of other abusable drugs. This is particularly true in connection with alcohol, where two general abuse patterns are manifested. Many abusers use methaqualone to reduce or remove inhibitions prior to and during a social occasion where they take alcohol.[41] Others may use methaqualone and alcohol to achieve a "tranquility" when unable to cope with day-to-day pressures.

When methaqualone is taken in combination with other CNS depressants, such as alcohol or barbiturates, a synergistic effect will result, potentiating the effects of methaqualone to dangerous or even fatal levels. A further danger exists because the person who combines methaqualone with alcohol, for example, cannot possibly predict the extent and degree of the synergistic effect which results. Acute poisoning may result from automatism, a drug induced state of confusion in which the person forgets having taken certain amounts of the drug, or even whether he had taken any of it at all. Such a state arises in the intoxicated person who, in a judgment-impaired condition, may not realize the amount of either drug ingested and may seek to take more alcohol, or methaqualone, or both. These additional quantities will produce even more marked synergism which can cause a fatal overdose of methaqualone, as well as the other depressants taken with it.[42]

A recent study shows use of alcohol among school age children is dramatic and increasing.[43] The study revealed that 20 percent of sixth graders, 62 percent of seventh graders, 52 percent of eighth graders, and 62 percent of high school students have used hard liquor (the figures for those grades with regard to intoxication are 9, 11, 28, and 38 percent, respectively).

This increase in alcohol use among school-age children and teenagers has been accompanied by an increase in barbiturate abuse. Similarly, a vast, concurrent increase in methaqualone abuse has been seen.

Methaqualone abuse in conjunction with heroin abuse is increasing as successful efforts to interdict the heroin traffic increase.[44] Recent BNDD field reports show that the purity of heroin available on the street is, in most cases, less than 5 percent due to the shortage of the drug. Consequently, addicts supplement their habits with methaqualone,[45] both to potentiate the effects of heroin as well as to ease the withdrawal from heroin.[46]

Closely associated with the problem of methaqualone-heroin abuse is the tendency of heroin addicts participating in methadone maintenance programs to supplement their methadone treatment with methaqualone.[47] Although their physiological need for heroin is adequately substituted by methadone, many heroin addicts miss the feelings and sensations produced by heroin and thus seek an additional drug outlet which will not jeopardize their participation in the program, but will enable them to obtain, inexpensively, the satisfaction they seek. It would be a national tragedy if the solid achievements of the methadone programs were even remotely jeopardized by an uncontrolled flow of methaqualone.

Methaqualone can be used to "draw a person" down from the effects of a psychoactive drug such as "speed." As is the case with any conjunction drug use, the abuser is not fully aware of the consequences of such drug interaction.

3. *Methaqualone Abuse Within Society.* Many adults take excessive doses of properly prescribed drugs either out of habit or to enable themselves to cope with or cloud out unsatisfactory aspects of their lives.

Adults frequently run to the medicine chest for relief from each and every ache, pain, or fit of restlessness or sleeplessness. These patterns are impressionable upon children; to the point of kids mimicking their parents' drug-taking.

Adults generally have easy access to a supply of methaqualone coming from physicians and pharmacies. This group comes to the attention of police or hospitals after an overdose or suicide. A result of this ready access is the ease with which a teenager, for example, could get at this supply of drugs and abuse them.

The dreamlike, euphoric effects of methaqualone have been lauded by those who abuse it and they display their approval by wearing T-shirts emblazoned with one manufacturer's initials. Parties are planned and enjoyed where the sole highlight consists of taking enough methaqualone to "knock yourself out," then resisting the urge to sleep. This produces an exhilarating "high" along with a stupefying drunk effect. At these gatherings special recordings are played, presumably because they can only be enjoyed to the fullest while their listeners are on the effects of methaqualone.

Several dangers come with taking methaqualone for "highs." Among his peers, no one wants to be a "prude", "chicken" or "out of it", so he takes the drug offered to him.

The methodology of methaqualone includes a notion that the drug produces a tingling effect and is therefore an aphrodisiac. While manufacturers of methaqualone have not asserted this claim, a recent headline heralding methaqualone as "Heroin For Lovers" [48] is an example of how the myth is being converted into the "fact". Thus, a unique (if unfounded) dimension of attractiveness has been added to methaqualone for abusers of the drug.

Methaqualone is popular for suicidal purposes. In Dade County, Florida, 11 methaqualone-related deaths have been reported in approximately a one year period.[49]

Methaqualone has had an extensive abuse history in foreign countries, and world literature indicates that from 1960 until the present date, 2,931 (106 suicides; 2,825 poisonings) cases of methaqualone abuse have been reported.

Methaqualone drug abuse is viewed from a number of sources. Physicians, hospital centers, government agencies, state universities, local police officials and BNDD agents have all provided valuable data for the evaluation of methaqualone drug abuse. The recent trend of abuse data, as reported from these sources are indicative of methaqualone's widespread present abuse and potential for even greater future abuse.

Donald J. Foley, Chief of Drug Control of the New Jersey State Department of Health has advised the Bureau of a survey of methaqualone abuse in 60 randomly selected communities located in all areas of the state. The period covered by this survey was May 1, 1972, through January 31, 1973, and showed the following results:

(1) 210 arrests for being under the influence of methaqualone or for possession of methaqualone without a prescription,

(2) 28 hospitalizations for methaqualone overdoses,

(3) 3 methaqualone-related deaths.

Mr. Foley stated that New Jersey is acting to bring methaqualone into Schedule II of the New Jersey Uniform State Act, a schedule similar in drugs covered and in controls to Schedule II of the Federal law.

Between June 1971 and November of 1972, the National Clearinghouse for Poison Control Centers reported a total of 197 methaqualone self-poisonings. Documentation also is available to BNDD indicating the increasing and high incidence of methaqualone abuse relative to suicide and other drug related deaths such as accidental overdoses. From January 1, 1971, through May 1, 1972, reports within the Bureau of Narcotics and Dangerous Drugs alone cited methaqualone abuse involved in 53 suicide-deaths, 267 arrests and 313 overdoses.

The Drug Abuse Warning Network (DAWN) has also contributed to the numerous instances of abuse. DAWN, a project conceived by BNDD, tabulates reports of instances of drug abuse from over 300 selected reporting units. Data collected represents drug abuse information from a wide geographic base and from the following sources: Medical records, hospital out-patient and laboratory records, medical examiner reports, student clinic and health cen-

Footnotes at end of article.

ters, hot-lines, counseling and crisis programs, and free clinics.

For the 4-month period from September to December, 1972, DAWN tabulated 1,373 instances of methaqualone abuse from these reporting units. This was sufficient to place methaqualone among the top ten drugs of abuse in the United States, among such notorious drugs of abuse as, amphetamines, and barbiturates.

Legitimately manufactured methaqualone is easily diverted from licit drug channels because methaqualone is not currently controlled under the Controlled Substances Act.

At this time, evidence does not show that methaqualone is clandestinely manufactured. There are five manufacturers of six marketed dosage form methaqualone products in the United States. Methaqualone may only be dispensed pursuant to a legitimate prescription. Although the regulations of the Bureau do not require a manufacturer of drugs not controlled under the Controlled Substances Act to report production figures, the Bureau does have approximate distribution figures for these five manufacturers, derived from various surveys. These figures reveal large yearly increases in the manufacturers' distribution of methaqualone in the hypnotic dosage level. These increases are shown in each of the tables below.

COMPANY NO. 1.—METHAQUALONE YEARLY DISTRIBUTION FIGURES

Date of distribution and 400 mg. dosage units distributed

Prior to Oct. 1969	0
1970 (approx.)	2,100,000
1971 (approx.)	3,100,000
1972 (approx.)	4,000,000

COMPANY NO. 2.—METHAQUALONE YEARLY DISTRIBUTION FIGURES

Date of distribution and 400 mg. dosage units distributed

Prior to Oct. 1971	0

COMPANY NO. 3.—MATHAQUALONE YEARLY DISTRIBUTION FIGURES

Date of distribution and 300 mg. dosage units distributed

Prior to Feb. 1969	0
1970 (approx.)	3,500,000
1971 (approx.)	6,000,000
1972 (approx.)	9,000,000

COMPANY NO. 4.—MATHAQUALONE YEARLY DISTRIBUTION FIGURES

Date of distribution and 400 mg. dosage units distributed

Prior to Sept. 1970	0
1971 (approx.)	10,000,000
1972 (approx.)	22,000,000

One large manufacturer shows a tremendous increase of methaqualone distribution over the last five years, in the hypnotic dosage form of 300 mg. These distribution figures are represented in the table below.

COMPANY NO. 5.—METHAQUALONE YEARLY DISTRIBUTION FIGURES

Date of distribution and 300 mg. dosage units distributed

Prior to Sept. 1967	0
1968 (approx.)	8,000,000
1969 (approx.)	47,000,000
1970 (approx.)	70,000,000
1971 (approx.)	80,000,000
1972 (approx.)	105,000,000

This distribution increase is due in large part to the promotion of the drug as a "safe" alternative to barbiturate sedative-hypnotics, and its acceptance as such by many physicians. Consequently, the legitimate "pipeline" of methaqualone has been filled to capacity, and the possibility for diversion has increased apace. Diversion from domestic production covers all types of illegal diversion from the legitimate drug pipeline: manufacturer through wholesaler through dispenser (pharmacy, hospital, or physician) to the patient. These include thefts (a storage facility is robbed), employee pilferage (an insider removes drugs from the location), unauthorized sales (a pharmacy sells without a prescription or a wholesaler sells to a person not registered to procure the drug), and in some cases excessive prescribing and dispensing (a physician gives the patient more than is required medically).

Because the Bureau's regulations do not require manufacturers or distributors of non-controlled substances to report thefts of those substances, a total picture of diversion by theft is not available.

However, several incidents have been reported to the Bureau, and it is apparent that had certain physical security controls been in effect pursuant to the Controlled Substances Act, the thefts might well have been averted. For example, one large manufacturer reported the theft of 600,000 methaqualone capsules, which were stolen while contained in bulk shipping drums during processing. According to the manufacturer, approximately 10 days elapsed before the theft was discovered. In another case, an audit performed by the state pharmacy board revealed a shortage of between 300,000 and 400,000 methaqualone tablets while in the possession of a wholesaler, and disclosed that the firm had made several shipments to non-existent firms. In another case involving the arrest of a defendant for the illegal sale of barbiturates, the defendant had in his possession 2,200 methaqualone tablets apparently diverted from a distributor.

Other examples of methaqualone diversion include the case of a defendant pharmacist in the Rocky Mountain area who reported to an undercover agent that methaqualone was readily available, and that he had 250,000 tablets for sale. In addition, he admitted that he diverted 300,000 tablets. A BNDD agent reports that this pharmacist had revealed that, for the past year and a half, he shipped large quantities (25,000 to 200,000 units) to customers in Boston, New York and Columbus, Ohio.

In addition it appears that much of methaqualone's availability is due to the improper prescribing habits of a minority of doctors. This fact is mentioned repeatedly in interviews conducted by Bureau personnel with pharmacists, student health center directors, counselors at drug clinics, and members of the medical community. Again, the facile prescribing of methaqualone is due in large part to the promotion of the drug as a "safe" alternative to barbiturates. It is now necessary for the medical community to become increasingly aware of the fact that these same dangers are inherent in methaqualone.

V. CONCLUSION AND RECOMMENDATION

This report has examined the nature, extent, and danger of methaqualone abuse in the United States for the purpose of instituting proceedings under Section 201 of the Controlled Substances Act of 1970 (CSA), to place methaqualone in the appropriate Schedule prescribed therein.

Based upon the evidence obtained by the Bureau, and presented in this report, it is the recommendation of the Director of the Bureau of Narcotics and Dangerous Drugs that methaqualone be controlled under Schedule II of the CSA and the regulations promulgated thereunder. Although the information available on methaqualone abuse is not of the same magnitude and refinement as that available of barbituates, due to the fact that barbiturates have a much longer history of use and abuse in this country, we believe that we have met the requirement of the CBA that we support our control actions with "substantial evidence of potential for abuse."

The legislative history of the CSA states that as used in the phrase "substantial evidence of potential for abuse," the word ". . . 'substantial' means more than a mere scintilla of isolated abuse, but less than a preponderance."[50] In explaining the meaning of that definition, the Committee on Interstate and Foreign Commerce indicated that:

". . . documentation that, say several hundred thousand dosage units of a drug have been diverted would be 'substantial' evidence of abuse despite the fact that tens of millions of dosage units of that drug are legitimately used in the same time period . . .

Misuse of drugs in suicides and attempted suicides, as well as injuries resulting from unsupervised use are regarded as indicative of a drug's potential for abuse."[51]

With regard to the term "potential for abuse," the Committee adopted the definition appearing in the regulations adopted pursuant to the Federal Food. Drug, and Cosmetic Act (21 CFR 166.2(e)). The definition provides four alternative indicia of a drug's potential for abuse:

"(1) There is evidence that individuals are taking the drug or drugs containing such a substance in amounts sufficient to create a hazard to their health or to the safety of other individuals or of the community; or

(2) There is significant diversion of the drug or drugs containing such a substance from legitimate drug channels; or

(3) Individuals are taking the drug or drugs containing such a substance on their own initiative rather than on the basis of medical advice from a practitioner licensed by law to administer such drugs in the course of his professional practice; or

(4) The drug or drugs containing such a substance are new drugs so related in their action to a drug or drugs already listed as having a potential for abuse, to make it likely that the drug will have the same potentiality for abuse as such drugs, thus making it reasonable to assume that there may be significant use contrary to or without medical advice, or that it has a substantial capability of creating hazards to the health of the user or to the safety of the community."[52]

The Bureau believes that the information presented in this report is such that the criteria of the above definitions and explanations of Congressional intent have been easily met with regard to the decision to initiate proceedings to control methaqualone in Schedule II of the CSA. The following is a list of the important controls that would be imposed on methaqualone as a Schedule II controlled drug:

1. *Security.* The control of methaqualone in Schedule II would subject it to the rigid security requirements imposed by regulations implementing the Controlled Substances Act. Manufacturers or wholesalers would have to store the products in a safe or vault which had a self-locking day-gate, thereby limiting access to only a few authorized individuals. Manufacturing would have to be done in a limited access area under continuous monitoring by supervisory personnel. Storage in pharmacies, hospitals, and physician offices would have to be in a securely locked, substantially constructed cabinet.

All of these controls would reduce the chance for employee pilferage and theft.

2. *Prescription Limitations.* One of the most significant effects of control under Schedule II would be to restrict the prescribing flexibility of a physician. A Schedule III or Schedule IV controlled substance is allowed to be prescribed orally (that is, by telephone) and refills may be authorized up to five times and for a period of six months. Schedule II drugs, on the other hand, must be prescribed in writing (except in limited emergency situations) and may not be refilled.

Thus, the control of methaqualone in Schedule II would greatly reduce the chances

Footnotes at end of article.

for overprescribing by a physician. In addition, the restrictions would compel the patient to receive closer monitoring of his drug use by his physician; in the case of these addictive and overdose-prone drugs, such physician monitoring is imperative.

3. *Quotas.* Controlled substances in Schedule II are subject to quotas on the production permitted in the United States; noncontrolled drugs are not so subject. Quotas have long been recognized as a useful regulatory tool to control the manufacture of substances which have legitimate medical or industrial uses but which also possess high potentials for abuse. A quota represents the quantity or number of dosage units of a drug that may flow through given points in the drug distribution pipeline so that overproduction will be prevented, while assuring that there are sufficient quantities available at the patient end of the pipeline to satisfy the legitimate medical needs.

It has been documented that excessive production of a controlled substance will increase the potential for diversion throughout the pipeline. As production exceeds demand, large quantities of the controlled substance will be added to inventories. This decreases the inventory turnover rate, creating financial pressures to sell the controlled substances to convert inventory into cash, with little regard for the purpose for which the controlled substances are to be used by the buyer. Larger stocks of controlled substances also increase the potential for employee theft and pilferage, and make more attractive targets for burglars.

Quotas properly established to provide for legitimate medical needs may also reduce diversion in another manner. Ethical manufacturers, distributors and dispensers would realize that there will be only a limited quantity of a controlled substance available for legitimate patient use, and thus would scrutinize every transaction involving a controlled substance to be sure that it would be used for a valid medical purpose.

Normally, quotas are used to prevent production from growing faster than legitimate needs. However, when there is a decrease in legitimate medical use of a controlled substance (and a resulting increase in reserve supplies), a quota may be utilized to decrease or "dry up" the excess inventories. As the quota is lowered, the quantity of controlled substances placed into the pipeline is decreased and the manufacturers, distributors, and dispensers would be required to draw from their reserve supplies to satisfy the legitimate medical need.

4. *Import/Export Requirements.* The control of methaqualone in Schedule II would subject the drug to the very rigid controls of the Controlled Substances Import and Export Act.

Currently, methaqualone may be exported from the United States without restriction. Since many countries of the world have no controls whatsoever on nonnarcotic drugs, this permits shipments into those countries for re-shipment elsewhere. It is thus possible for drugs exported from the United States to move through several countries, find their way to the illicit traffic, and ultimately return to the streets of the United States. By being placed in Schedule II, methaqualone could not be exported unless it was shown that the drug was to be used exclusively for medical, scientific, or other legitimate purposes in the country to which it is exported, that it would not be reexported from that country, and that there was an actual need for the drug for legitimate purposes in that country.

On the import side, it is now possible to import an uncontrolled drug in the United States for legitimate purposes. Transfer to Schedule II would limit importation to situations where there was either a shortage of domestic supplies during an emergency, or competition among domestic manufacturers was found to be inadequate.

5. *Order Forms and Reports.* Control of methaqualone in Schedule II would require that all persons selling or purchasing the drug (other than actual patients) use order forms issued by BNDD. The order forms guarantee that only persons specifically authorized to handle these drugs are able to order them, and that all shipments are to be made directly to the address on the form. This avoids the fraudulent use of a BNDD registration number or the diversion of drugs through the theft and misuse of order forms.

In addition, these drugs would become subject to more detailed reports from manufacturers and wholesalers regarding production and inventory. The reports and order forms allow the Bureau to monitor continuously the production and distribution of these drugs throughout the United States and provide investigative leads as to possible points of diversion or other illicit activity.

6. *Recordkeeping.* Schedule II requires that complete records must be maintained. Records of substances in Schedule II must be kept separate and apart from records regarding any other controlled or noncontrolled substances. The Bureau regularly audits all registrants and performs special audits on suspected points of diversion. Through the requirement of separate records, the Bureau's investigators can more effectively perform audits and increase the efficiency of accountability checks.

FOOTNOTES

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[From the Washington Post, Nov. 12, 1972]

METHAQUALONE: THE "SAFE" DRUG THAT ISN'T VERY

(By Daniel Zwerdling)

When the William H. Rorer drug corporation introduced its new tranquilizer and sleeping pill methaqualone on the American market in 1965, president John Eckman knew just what he'd call it. "Our antacid Maalox has been a fantastic seller," he told an FDA official. "If the double A gave us so much luck with Maalox it should do it again with Quaalude."

Since then, the double A in Quaalude has stood not only for growing profits—it's the

number six best-selling sedative—but for addiction and abuse as well. Quaaludes "pave the streets in Columbus, Ohio," according to a street drug clinic, and people cary them "by the bagful" in College Park. In New York City "it's all over the place, and getting even bigger," says a spokeswoman at the city's Addiction Service Agency. Growing numbers of methaqualone poppers are being rushed from "Quaalude parties" with near-lethal overdoses.

Even more troubling is the still little-known fact that methaqualone, far from being "safe" and "nonaddictive" as advertised, can hook people on a habit as tight as barbiturates and give a withdrawal "far worse than heroin," to quote University of Michigan Hospital psychiatrist Richard Kunnes, because, unlike heroin, methaqualone can cause "fatal convulsions."

"The potential threat is equally dangerous as barbiturates," warns Ernest Carabillo of the federal Bureau of Narcotics and Dangerous Drugs. "For every Quaalude addict we come across, that addict seems to know five or six others," says Dr. Kunnes. "We're only seeing the tip of the Quaalude addict iceberg."

THE FIRST ADDICTS

When Rorer started promoting Quaalude as a "non-barbiturate" tranquilizer, doctors welcomed the drug as a valuable alternative. Soon, other drug manufacturers jumped into the methaqualone business: Arnar-Stone with Sopor, Parke-Davis with Parest, Wallace with Optimil, and others. Barbiturates are highly addicting—sudden withdrawal can kill an addict—and highly toxic. Empty barbiturate bottles have become a familiar sight in countless motel room suicides. Rorer and the other methaqualone manufacturers insist their product is different. "Psychological dependence rarely occurs, physical dependence rarely reported," proclaim the Quaalude ads. The PDR (for Physician's Desk Reference), the doctor's bible published by physicians and drug companies reports that "physical dependence has not been clearly demonstrated."

Spurred by these advertising claims, methaqualone has become the hottest drug on the streets and college campus market—bigger than marijuana and LSD. "People who are into downers are constantly looking for a non-addicting drug which will give them a 'buzz' but not get them hooked," says Kunnes. Quaaludes seemed a perfect solution.

"My skin was tingling and I was feeling nice," says John Steinbeck IV, describing a methaqualone trip in the October University Review. "A feeling not unlike what a couple of pipes of opium and a cup of hot tea give you." "For a while you're as light and hollowed out as a marshmallow and inhibitions disappear," says Straight Creek Journal.

Methaqualone poppers claim the drug has aphrodisiac qualities: They call it "heroin for lovers."

The euphoria over methaqualone started cracking this summer as drug takers reported that the stuff was getting them hooked despite the drug companies' claims. "When the first methaqualone addict came in to us this summer she freaked everybody out," says Mike Castleman, a director of Ann Arbor's Drug Help clinic. "She was doing seven 300-milligram tabs a day, and she started to withdraw because she got scared about what she was doing. She got headaches and bad cramps—the first signs of withdrawal. So we immediately called the drug companies and asked about it—and they told us methaqualone's not addictive," Castleman says. "Well, they were wrong."

Since then the University of Michigan Hospital has treated a handful of methaqualone addicts in its psychiatric ward. "Most of them were taking about 1,200 milligrams a day, or just four pills," says resident James Shapiro. Doctors don't know much yet about the addictive qualities of Methaqualone, so they treat addicts by transferring the habit to barbiturates and then gradually reducing the daily dose until they're cured. "It usually takes five days to withdraw the Quaalude addicts completely," Shapiro says.

Dr. Kunnes has seen addicts withdrawing from methaqualone going into convulsions at New York's Bronx Municipal Hospital and in Haight-Ashbury. So far, no one has reported an actual death from methaqualone withdrawal, but doctors believe that it must be the logical result of convulsions that are not treated.

The university hospital also gets methaqualone overdose cases, including three from a recent blues festival. When methaqualone takers start to feel mellow, they drink a little beer or wine to wash the pills down. Alcohol potentiates—or multiplies—the effects of the drug. "These people turn blue, and their breathing is very slow and shallow," Shapiro says. "We have to give them oxygen through a trachea tube for 24 hours.

"We just got an overdose case two nights ago," he told me. "She took 14 300-mg. pills." A few more pills, or a little more time before treatment, and she probably would have died.

German, English and Japanese medical journals have reported numerous methaqualone poisoning cases, including some successful suicides. Rorer itself finds that "singles doses ranging from 8 to 20 grams have produced severe toxicity and death."

Another danger which most users don't know about is that methaqualone may produce fetal deformities in women who get pregnant. The drug has produced mutations in laboratory animals; the Quaalude label insert warns that the drug is "contraindicated in women who are or may become pregnant."

CONTROLS ARE COMING

The methaqualone craze worries officials at FDA and the Bureau of Narcotics and Dangerous Drugs, who have always endorsed the "safe" image which the drug's producers have fostered. BNDD still rates methaqualone on a level with aspirin and vitamins on its drug control list, which means it's a drug doctors don't need to worry about. Anybody can buy it: Just ask a doctor to give your neighborhood pharmacy a call, no written prescription needed. But since the epidemic has hit the college campuses and the street freaks and news of Quaaludes fills the underground press, BNDD has assigned its Project DAWN (Drug Abuse Warning Network) investigators to find just how much methaqualone is really abused. FDA is reviewing medical literature on the drug. BNDD officials expect to place methaqualone on their control list before the end of the year, perhaps at a level with barbiturates.

Drug manufacturers have received piles of letters from drug clinics around the country reporting dangers of methaqualone, but they don't seem ruffled. "We're unaware of any true addiction cases," says Dr. John Zaroslinski, vice president for research at Arnar-Stone. "Addiction is a fuzzy area," says Rorer vice president C. Charles McCallister. "According to reports in our hands, methaqualone has been declared nonaddictive. We have heard reports from widely separated areas—doctors who say they are seeing signs of addiction. But it's unlike anything they've seen before."

And if methaqualone is getting pill takers hooked, drug corporation and government officials say, it's a new phenomenon brought on by irresponsible uses of the drug. "This problem has only come up in the last year," says FDA Bureau of Drugs director Henry Simmons. "We hadn't heard of it before because people weren't abusing it."

But the problem of methaqualone addiction is not new. Surveys in Japan where drug companies have been selling methaqualone since the '50's, show that half the drug addicts in hospitals between 1963 and 1967 were hooked on the stuff. Medical literature contains numerous similar reports dating to the first year Rorer hawked Quaaludes on the American market. The Medical Letter on Drugs and Therapeutics warned U.S. doctors in April, 1966, that the British Medical Journal was finding cases of physical addiction to methaqualone. As the Medical Letter said then, "the claim that methaqualone is nonaddicting has little meaning; even meperidine (Demerol), a highly addicting narcotic, was thought to be nonaddicting when it was new." Doctors thought glutethimide, a non-barbiturate sedative commonly sold as Doriden, was safe but after sales soared they discovered they were wrong about that one, too.

The British Medical Journal has continued over the years to monitor addiction to methaqualone, which English drug manufacturers combine with an antihistamine and call Mandrax. "Addiction to Mandrax is frequently reported," says Dr. Harold Aaron, executive director of the Medical Letter. "Addicts take two Mandrax with a glass of cider. And you don't get addicted to antihistamines—it's the methaqualone."

One issue of the Medical Letter consultants have observed reactions resembling delirium tremens following sudden withdrawal of methaqualone, and believe that *it should be classified as a physical dependence-producing drug"* (emphasis added). That was in August, 1969.

FLOODING THE MARKET

With this medical history as a backdrop, the federal government should have cracked down on methaqualone long ago, when it first hit the market. And now FDA should be forcing drug manufacturers to change their advertising claims. "We've known for a year now that methaqualone is just like barbiturates," says Dr. Edward Tocus, director of FDA's drug abuse staff.

But FDA isn't acting. "There's no drug that doesn't have some problem that isn't stated on its label," says Bureau of Drugs director Simmons. Nor will the drug companies volunteer to change their advertising claims. "From a practical standpoint, it takes several months or longer to change a package label and informational brochures," explains Dr. Zaroslinski at Arnar-Stone. And a change wouldn't do any good anyways, he says: "It would seem unlikely that a street pusher would hand out a package insert with the drugs."

There's one question which puzzles both local drug clinics and Project DAWN investigators: Where are all the methaqualone pills coming from? "I have never *ever* seen any drugs in this quantity," says David Furr, director of Help Center in College Park. "Pushers tell me if you give them a week, chances are 80 per cent they can get you anywhere from 300 to 1,000 pills.

"Most other drugs on the street are very rarely company-made—they're manufactured underground," Furr says. "But almost all the methaqualone we get around here is legitimate." BNDD confirms the same story nation-wide: It's company pills everyone's popping.

Much of the methaqualone supply comes via stolen prescription pads, and some doctors sell prescriptions outright. One Pharmacist in the Washington metropolitan area does a brisk black market business in methaqualone, taking a percentage of the street profits—much higher than he'd get on a doctor's order. And at least two dealers at the University of Maryland buy their stocks from a clerk in a drug company, who buys his supplies from a night watchman.

Doctors in Ann Arbor complain that the drug companies themselves encourage abuse of methaqualone by flooding their offices

with free samples. "Just two months ago a Rorer salesman left a box of 1,000 Quaaludes on a desk in the outpatient clinic, even though we ordered him not to and told him we'd destroy the samples if he did," says University Hospital resident Shapiro. "The next morning they were gone—stolen."

Some drug clinic workers expound a political conspiracy theory: the drug companies and the federal government, as they see it, flood the streets with disabling drugs whenever the "people" start getting dangerous. Heroin did flood the ghettos after the Watts, Detroit and Newark riots; now underground newspapers report that massive quantities of Quaaludes flooded Flamingo Park in Miami, headquarters for demonstrators, during the national political conventions last summer.

But one thing is certain about the methaqualone epidemic: It's making the drug manufacturers a bundle. Sales of the drug have increased 360 times since the year it was introduced. The better methaqualone does on the black market, the more money its producers make—because the more drugs that are diverted from legal channels, the more the companies must produce to replace them. "The drug companies always tell us that once the drug leaves their warehouse platform they're not responsible any more," says one FDA scientist who is studying methaqualone. "But in the final analysis, it's illegal sales of their drugs and there's a profit in it."

CLAIMS ARE DISPUTED

The Government will probably put methaqualone under control, doctors will have a bit more difficulty prescribing it, pharmacists will have to keep special dispensing records and perhaps sales will level off. But if the methaqualone supply dries up on the streets, it will be because street clinics and methaqualone freaks learn on their own what the drug companies wouldn't tell them: that methaqualone is dangerous.

One of the great ironies of the whole episode is that methaqualone isn't much medically anyway, addiction potential aside. The drug companies promote its unique and superior sedative qualities, but "most of these claims are not supported by the published clinical trials," according to the Medical Letter.

For example: Rorer claims that patients on Quaalude awake "refreshed without hangover, drowsiness, headache or other side effects"; the Medical Letter says clinical tests show they do wake up with hangover and dizziness. Rorer claims that Quaaludes cause "little or no suppression of the essential REM or dream stage sleep"—although the Medical Letter finds that "contrary to advertising claims, methaqualone in the usual hynotic dose of 300 mg. produced a significant suppression of REM sleep." Rorer says Quaalude induces sleep "without drugging the higher centers of the brain" as barbiturates do—but as the Medical Letter notes, "there is no evidence."

Methaqualone is a powerful sedative and sleeping pill just like any other. It's useful in some cases under careful medical supervision, but it's dangerous and even deadly. In fact, some BNDD officials say that methaqualone is more dangerous than barbituates and even heroin—simply because people who take it don't know what they're getting into.

The methaqualone boom should make an interesting case study in future medical textbooks: How skillful public relations and advertising created a best seller—and helped cause a medical crisis in the process.

[From Newsweek, Feb. 12, 1973]

WARNING ON "SOPERS"

There was widespread rejoicing among youthful pill-poppers when a new drug called methaqualone reached the counter-culture circuit early last year, accompanied by a reputation for producing a high that was pleasant, safe and supposedly non-addictive. But now the Federal and state investigators suggest that methaqualone may be much more dangerous than anyone realized. Last week, the U.S. Bureau of Narcotics and Dangerous Drugs (BNDD) was preparing a proposal that the manufacture, distribution and prescription of the drug be more tightly controlled.

Methaqualone, which is sold under the brand names Quaalude, Sopor, Parest and Optimil, is a sedative-sleeping pill, available only by prescription. It is administered in dosages of 150 to 300 mgs. to induce sleep, and 75 mgs. for "daytime sedation." Because methaqualone was believed to be non-addictive when it first went on the U.S. market in 1965, it was not placed under the special Federal restrictions that govern substances whose harmful potential has been proved, including morphine, barbiturates, LSD and amphetamines.

BOOM

As a result of its availability and reputation for safety, methaqualone has become the sixth best-selling sedative in the U.S. on the legal market; in addition, a huge supply of the drug has been diverted to campus and street pushers, who have found an apparently insatiable market for the "sopers" (catchall slang for the several brands of methaqualone) at 25 to 50 cents a pill.

The methaqualone boom is still on the rise in many areas of the country. In Berkeley, reports Dr. George Gay of the Haight-Ashbury Free Medical Clinic, "the surge definitely hasn't peaked yet; we've hospitalized a dozen people since December who've overdosed on Quaalude." Doctors cite the manufacturers' explicit warnings that the drug can occasionally produce psychological dependence, should not be combined with alcohol or other drugs and can, in large quantities, lead to delerium, coma, convulsions, liver and kidney damage, pulmonary edema, respiratory arrest—and death. But by now, a number of users have discovered these perilous side effects for themselves; in 1972 alone there were 275 reported poisonings, overdoses and attempted suicides related to methaqualone, with sixteen deaths.

[From Time magazine, Mar. 5, 1973]

THE DEADLY DOWNER

According to its manufacturers, methaqualone is a dependable end effective sleeping pill. Blurbs in the standard *Physicians' Desk Reference* attest to its "sedative and hypnotic" effects and its ability to induce prompt sleep, but warn that the drug may also produce dependency. The warning is appropriate. Though the drug may be safe if it is taken as prescribed by a physician, increasing numbers of Americans—especially on campuses and in ghettos—are obtaining the drug illegally and taking it indiscriminately. Methaqualone is rapidly becoming one of the most popular—and dangerous—drugs of abuse in the U.S. The Government has only recently recognized its dangers and moved toward establishing controls.

On the street and on campus, methaqualone is known by various corruptions of its trade names: "quads" (from Quaalude, made by William H. Rorer Inc.), "French Quaalude" (from mispronunciation of Parest, the Parke, Davis & Co. brand name), and as "soapers" (from Sopor, made by Arnar-Stone Laboratories Inc.), It was so popular among the young people who camped out at last year's political conventions that Miami Beach's Flamingo Park was dubbed "Quaalude Alley." Its abuse is now a major problem at many colleges and high schools. It is currently favored by the addict community in the New York City borough of The Bronx, and is so fashionable among some drug culturists that bowls of it have replaced peanuts as a cocktail-party staple.

Users—who are mostly youngsters—are rhapsodic about the euphoric, spaced-out state the drug can produce. Many, calling methaqualone "heroin for lovers," also believe that it is an aphrodisiac. They are mistaken. As a "downer," or depressant, the drug may release the user from his normal sexual restraints. But it is also likely to make a male incapable of normal sexual performance. As one Vassar man puts it, "All your inhibitions are definitely broken down—like everything else in your body."

The drug's effects on the body can, in fact, be deadly. Most doctors prescribe methaqualone in capsules of 150 mg. to 300 mg., one of which should be enough to put the average adult to sleep. But drug abusers are not content with such tame dosages. Their usual pattern is to take two or more, and then wash them down with a few pints of beer.

The combination can be catastrophic. Methaqualone and alcohol are synergistic: one multiplies the effects of the other. Taken together, they can depress the respiratory center and stop breathing; they may also slow the reflexes in the back of the throat, so that if a user vomits (which may happen after a large dose of methaqualone), he can choke and die.

NO CONTROLS

On top of this, methaqualone is addictive. Unlike insomniacs who abide by their doctor's prescriptions, abusers develop a tolerance for the drug and begin taking increasingly larger doses. Then they may become addicted. "Resistance can develop after only four days," says Mike, a 20-year-old San Franciscan. "Then it takes four to do what one used to do for you. The withdrawals are much worse than heroin, with the same kind of convulsion as in an epileptic fit."

Despite these dangers, however, controls over methaqualone are virtually nonexistent. Federal authorities have been considering regulations for methaqualone for the past few months, but have not yet proposed any controls on production or sales. The individual states have also been slow in acting. In New York, methaqualone is classed as a dangerous drug; that means that pharmacists cannot refill the prescription without written authorization from a doctor. Connecticut and Maryland are considering controls. But in the rest of the country, the drug and its dangers are unrestricted.

[From the Christian Science Monitor, Mar. 26, 1973]

NEW "JEKYLL-HYDE" DRUG: UNITED STATES SEEKS SPEEDY ACTION

(By Robert P. Hey)

WASHINGTON.—A new drug has burst onto the American drug-abuse scene. Virtually unknown two years ago, it now can be bought almost as easily as candy near many American college campuses, high schools, and in ghettos as well.

Two years ago no one had heard of its being used illegally. Yet today it is "among the top 10 drugs of abuse in the United States, among such notorious drugs of abuse as amphetamines and barbiturates," says the Department of Justice's Bureau of Narcotics and Dangerous Drugs. It is mostly abused by the young—from teen-age through mid-20's.

The new drug is methaqualone (pronounced "meth-ah'-kwa-lone"), a sedative medically useful as an aid in sleeping, among other purposes. Drug control authorities say it is especially sinister because until now youths had thought it a "safe" drug—that it gave an escape from reality, like alcoholic drunkenness, but that it was not addictive. That was what its manufacturers had been telling physicians; no one had said differently.

But now, "methaqualone is capable of producing a barbiturate-type physical dependence," warns the Bureau of Narcotics and

Dangerous Drugs. Experts say it is as difficult to shake addiction to it as to heroin, and that medical supervision is required. For untold thousands of pill-popping youths it is a rude shock: They now are methaqualone addicts.

Sen. Birch Bayh (D) of Indiana calls it "a Dr. Jekyll and Mr. Hyde drug—seemingly safe while actually deadly."

He says that "many law enforcement and drug program staffers claim that it is the 'hottest drug on the street,' and that its abuse is rising in 'geometric proportions.'"

Official concern and action suddenly have erupted in Washington. In recent days the Department of Justice has begun the process of placing this drug in a category with other dangerous ones. When the process is complete it will be able to force a reduction in the number of pills produced annually and take several other steps that will make it much harder for youths to get the drug without a medical need.

HEARINGS THIS WEEK

Next Wednesday and Thursday, March 28 and 29, the Senate juvenile delinquency subcommittee, chaired by Senator Bayh, will hold hearings on the new problem. Senator Bayh has introduced a bill that would require that the drug be placed in a dangerous-drug category.

He wants the hearing to spotlight the problem and to prod the other arms of government into fastest possible action to stem the massive illegal flow of methaqualone to youths.

The subcommittee will hear testimony that methaqualone use has spread across much of the United States—among black youths in Chicago, white youths in Texas, and in the heartland of Indiana, where Senator Bayh says that abuse "has increased substantially in the past six months, particularly among youths [aged] 13 to 20."

The subcommittee also will hear of the unique New York City network of social bars geared exclusively to users of methaqualone: Some estimates are as many as 20 such bars. There addicts can obtain pills, drink nonalcoholic juices, and dance—much as in the illicit prohibition speakeasies of the '20's, except that today the patrons become tipsy on methaqualone, not homemade booze.

(In most such bars alcoholic beverages are not served: Combining alcohol and methaqualone can be fatal.)

WASHINGTON HEARS IN 1972

Washington got its first taste of the problem last year, during hearings by Senator Bayh's subcommittee into illegal use of barbiturates. The term "methaqualone" began to crop up increasingly as a similarly abused drug.

By January of this year Sen. Charles H. Percy (R) of Illinois was sufficiently concerned by what he had learned to fire off letters to federal officials. In a letter to Dr. Charles C. Edwards, then commisisoner of the Food and Drug Administration, Senator Percy asked for an investigation into methaqualone, which he said "is being widely abused in this country."

Although "advertised as being safe and non-addictive, evidence now indicates that methaqualone can hook persons on a habit as invidious as that brought on by barbiturates and produces withdrawal effects far worse than heroin," the Senator said.

WHY NO PRIOR WARNING?

Why, he asked, has the addictive aspect of the drug not been widely known? The drug first was introduced in the United States in 1965, he noted. "As early as 1966, the Medical Letter on Drugs and Therapeutics warned doctors in the United States that the British Medical Journal had discovered instances of physical addiction. . . ."

Senator Percy said that, unlike most illicit drugs on the street, methaqualone "is not manufactured underground, almost all of it is produced legitimately by reputable drug manufacturing companies.

"Sales . . . have increased 360 times since the year it was introduced. Drug companies are making money even from the methaqualone sold on the black market, since the companies must increase production to replace the drugs that are diverted from legal channels.

"Although the drug manufacuring companies are said to have received many complaints from drug clinics around the country, to date they have refused to change even their advertising or labeling practices."

ACTION OFFICERS REPLIES

Dr. Jerome H. Jaffe, director of the President's Special Action Office for Drug Abuse Prevention, responded:

"There is no question that methaqualone causes physical and psychological dependence, and is responsible for intoxication and overdose deaths. It now appears that this drug which is so easily available is now being widely used, in part because of such availability. More stringent controls seem needed and it seems to me that bringing this drug under the Comprehensive Drug Abuse Prevention Control Act of 1970 is a necessary step."

Dr. Jaffe understood that the Bureau of Narcotics and Dangerous Drugs was gathering evidence necessary to taking this step, which the Department of Justice and other federal agencies are in the process of taking right now. Some here think that within a month or two the process will be complete. At that time, stricter controls will be possible: Prodded by congressional scrutiny, they are likely to be clamped quickly on methaqualone.

PAKISTANI PRISONERS OF WAR

Mr. PERCY. Mr. President, today, 15 months since the end of the hostilities which involved India, Pakistan, and Bangladesh in 1971, some 92,000 Pakistani prisoners of war are still held in India. It is my feeling that the prisoners could have been released a year ago. But certainly there can be no further excuse to detain them.

It is clear that the reputations of the Governments of India and Bangladesh will continue to suffer in world opinion if they do not agree quickly to release the Pakistani prisoners. I regret this, because both India and Bangladesh can contribute substantial leadership to humane conduct in international relations.

India and Bangladesh have a joint responsibility for the release of the prisoners, although they are held in India, since they were captured by the joint India-Bangladesh Command.

The various preconditions apparently placed by India and Bangladesh on prisoner release do not justify detaining the POW's any longer. The war ended in December 1971. The prisoners should be released to rejoin their families in Pakistan. Moreover, they constitute an unnecessary burden and expense to India and contribute nothing to better international relations for Bangladesh.

THE FUTURE OF STUDENT FINANCIAL AID

Mr. SYMINGTON. Mr. President, since 1958 when the first student assistance program, the national direct student loan, was authorized, the Congress has been committed to the goal of providing postsecondary education to all who wished to pursue it.

In support of that goal, several grant and loan programs have been instituted to assist students who otherwise might not be able to afford a college education. It would be impossible to assess the return on the investment of this Federal money, for we cannot gage the social and economic contribution these students have made that an education placed within their grasp.

Now the administration has proposed to cut back substantially these grant and loan programs and place the greatest emphasis on the new basic opportunity grant, which was first authorized by the Congress last year. According to college financial aid officials, parents, and students, this grant will not be adequate to meet the increasing financial needs of many students—especially as educational institutions have been forced to raise tuition and other fees, and the cost of living for the average family has risen dramatically.

Even if the basic opportunity grant were sufficient, it is unlikely it could be in operation before the school year begins in September. Implementation is 2 to 5 months behind schedule. In any event, September is not the time when students and college officials need to know what financial assistance will be available. They need to know now.

The basic opportunity grant is needed to assist students, but it was not enacted by Congress to replace other student aid programs. Rather it was designed to provide a foundation of financial support for needy students. I would hope that implementation of the basic opportunity grant could be delayed until the 1974–75 school year, and the student aid programs which already have proven their workability and worth could be adequately funded for this school year.

Mr. Lawrence E. Taylor, a Washington correspondent of the St. Louis Post-Dispatch, has recently written two insightful articles on the possible effects of the administration's proposals for student financial assistance, both at the undergraduate and graduate levels. Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch, Mar. 18, 1973]

POOR STUDENTS FACING CUTS IN AID

(By Lawrence E. Taylor)

WASHINGTON, March 17.—When Gregory Rood began to think about attending the St. Louis College of Pharmacy more than four years ago, his approach was in the oldest of American traditions.

Because his parents, with nine children, could not afford to help him financially, Rood, of St. Charles, set out to put himself through school.

He won a science scholarship that paid half his tuition, he worked long hours in a hot St. Louis bakery and as an appliance deliveryman.

And—in an American tradition that is not so old—he obtained educational grants and loans from the Federal Government. When he is graduated next year, Rood will have borrowed $3600 through the National Direct

Student Loan Program. Another $1600 will have come to him through federal educational grants that he will not have to repay.

But even as Rood, 22 years old, prepares for his last year in school, the Nixon Administration is proposing to alter or abolish the programs he has used to pay for his education.

The Administration's plan is to phase out most existing loan and grant programs. These would be replaced with a more expensive system that would increase the number of student aid recipients while reducing the amount any one student could receive.

Thus, while federal student aid would be upped by about $250,000,000 a year, the Gregory Roods of this country—deserving but short of money—would get less.

Critics of the Administration's proposal have charged that the new program would make it harder for poor students to pay for their education.

More ominous, they argue, is the likelihood that the most expensive schools would be beyond the financial reach of poor students, no matter how capable they are. Once again, the prestigious schools, just recently opened to the poor, would be attended only by the sons and daughters of the well-to-do.

For students who, like Rood, want to pursue a graduate or special study program like pharmacy, the Administration has made still more proposals that could affect their chances for an education.

In his budget, Mr. Nixon broadly outlined a series of changes that could hit hard at poor students by reducing the availability of federal scholarships for pharmacy, medicine, nursing, dentistry and the like.

The budget asks Congress to cut health scholarships by one third in fiscal 1974, reducing the amount available to $10,000,000.

More important, the budget outlines a scholarship program that would require recipients to work one year in public health for each year they received assistance.

Although this sounds like a reasonable way to bolster public health manpower, it apparently has its drawbacks, particularly for pharmacy students.

William Skinner, assistant executive secretary for the American Association of Colleges of Pharmacy, said that the new program, called the National Health Service Corps, would reduce sharply the number of pharmacy students eligible for aid.

The scholarships would be based on requests from public health organizations for specialized help, he said. Thus, for each doctor requested, a medical student could be granted a scholarship.

But of 600 persons who recently entered the corps as professionals, only one was a pharmacy student, Skinner said. "There is very little hope of any pharmacists being taken into the scholarship program," he said.

So serious is the situation that dozens of pharmacy schools across the country—including the St. Louis College of Pharmacy—have reported that poor students planning to enroll next fall may find themselves short of funds, ,Skinner said. He said the St. Louis school estimated it would lose more than 40 students.

At the University of California at San Francisco 55 per cent of the pharmacy students are receiving some form of financial aid. Jere Goyen, dean of pharmacy, said in a telephone interview that half of the school's students were blacks, Orientals or Chicanos.

If the scholarship cuts are put into effect, this group is likely to dwindle as the poor students drop out.

"I suggested at a recent staff meeting that we would have to recruit from a brand new minority: rich kids," Goyen said. He said that the pharmacy school's enrollment probably would not drop because there were more applicants than vacancies each year.

If the outlook is bleak at the graduate level, it is no less so for undergraduates hoping to enroll next fall or the following year if the Administration's proposals are adopted by Congress.

But on Capitol Hill the outlook is murky, and chances are increasing that Congress will refuse to accept Mr. Nixon's educational ideas.

The Administration wants Congress to phase out the National Direct Student Loan Program, begun in 1958, which provides federal loans at an interest rate of 3 per cent.

This would force students to turn for money to commercial banks under a guaranteed student loan program that charges 7 per cent interest. This program would be increased in value under the creation of the Student Loan Marketing Association (called "Sally Mae" in bureaucratic language). This association would act as a holding company for the signed notes, buying them from the banks which could then reinvest the money in still more student loans.

Educators, however, are skeptical that this system would meet the demand.

They point out that students have been turned down by banks that were unwilling to make loans at 7 per cent when the money could be invested elsewhere at 8 per cent or more.

Estimates on the turndown range up to 20 per cent from some university financial aid officers, who said they saw little chance for the Administration program to succeed.

One of these is Allan W. Purdy, director of financial student aid services at the University of Missouri. Purdy, in Washington for a conference with Missouri members of Congress, said that the result of the White House proposal "could be a considerable reduction in the ability of the low-income student to get his education."

Under the current system, he said, students can use an assortment of programs to acquire enough money to attend college. These include education grants, work-study programs where students are paid to work in the school library or elsewhere, and National Direct student loans. If these still do not add up to enough, then the student can turn as a last resort to the guaranteed loans from banks, he said.

The Administration, in addition to neutralizing the direct student loans, would set up a new grant system that would provide a maximum of $1400 a year to a student who could not afford to pay any educational costs.

To accomplish this, the Administration has asked Congress to appropriate $622,000,000 to be spent for grants this fall and $959,000,000 the following year.

Despite this sizeable increase over the existing grant program, the new system would be diluted, critics contend. Congressional sources said the program, called Basic Opportunity Grants, would spread the money so thinly among so many students that no one would receive the maximum amount for which he was eligible.

This new system is in keeping with Mr. Nixon's assertion that every qualified student should have a foundation of financial support for post-secondary education, including vocational training.

After all the talk, the question still boils down to whether low-income students can scrape together enough cash. Gregory Rood did it by blending three or four programs. He said he could not have made it otherwise.

"I don't think I could carry the weight if the Government didn't provide these programs," Rood said. "Without the scholarship in particular I couldn't have made it.

"I didn't want to borrow from a bank," he said. "The interest was a lot higher. Besides, I went to a bank. They didn't mention a guaranteed loan. I wouldn't have gone that route at all."

For Rood and other students already in school, the Administration would keep the existing programs in effect. But he and his colleagues could be the last group to have available to it a flexible program of federal aid.

[From the St. Louis Post-Dispatch, Mar. 19, 1973]

AID TO STUDENTS: DEBATE GOES ON

(By Lawrence E. Taylor)

WASHINGTON.—Back in 1963, college debating teams across the nation struggled with the burning issue: "Resolved, that the Federal Government should guarantee a college education to all qualified high school graduates."

A decade later the same question still is being debated, only now the forum is Congress and the answers that are given bear on the lives and futures of millions of students. Moreover, it is difficult to tell who is on what side.

President Richard M. Nixon has announced that he is committed to providing financial aid for students entering institutions of higher learning. He has introduced some legislation which he says will help accomplish that and he plans to introduce still more.

Congressional liberals, on the other hand, have proclaimed the Administration's program unworkable and there are suspicions that it may be designed to thwart the educational ambitions of low-income students.

The Administration's opponents assert that more funds are needed for existing programs to provide flexible sources of money so students could attend the school of their choice.

Thus, Representative Carl Perkins, chairman of the House Education and Labor Committee, has urged his colleagues on the Appropriations Committee to fund Mr. Nixon's proposals and at the same time keep in effect programs the President wants eliminated.

Perkins (Dem.), Kentucky, has advocated approval of the $622,000,000 sought by the President for a new Basic Opportunity Grants program along with $250,000,000 for a continued student work-study program. Both would be in effect the next school year.

Along with this, Perkins has recommended $130,000,000 for supplemental educational grants and $296,000,000 for direct student loans, programs Mr. Nixon wants phased out.

Where all this will end up is uncertain. Mr. Nixon has not yet delivered his State of the Union message dealing with education, and some of his bills have not yet reached Congress.

While these proposals form the backbone of federal aid to education, there are many more student assistance programs scattered throughout the government. Some of them are found in the Agriculture Department and others in the budget of the National Institutes of Health.

Although the Administration has proposed changes—Some of them drastic—in these programs, the final result has not yet been determined. But enough has emerged that educators and legislative strategists are beginning to piece together both the function and the purpose of Mr. Nixon's educational plans.

The philosophy underlying many of the Presidents' ideas appears to be the conservative one that the greatest beneficiaries of higher education are the students themselves.

Aside from any contributions they may make to society, they will earn more money and enjoy better living standards. If this is so, the argument goes, then students clearly ought to pay for most of their own education.

Essentially, this is what Mr. Nixon's educational proposals would do.

His recommendations thus far would provide substantially more money for more students for more fields of study. But it would also reduce the amount for each student and, for lower-income students, limit their choices of schools.

For example, the President's basic educational grant concept would provide a maximum of $14000 a year, but only to students whose families were in the lowest income group of about $7500 a year for four persons.

Above that level the grant would fall off sharply until a student whose family earns $10,000 a year would receive only $441 to attend a college costing $4100 a year. This is because his family would be expected to put up $959.

But these two contributions would total only $1400 a year, leaving the student still $2700 short. Where does that come from?

From private banks at an interest rate of 7 per cent, if the President has his way. This would leave the student after four years with a debt of $12,800.

"At 7 per cent interest, the kid could end up paying as much as $30,000 before the loan was wiped out," said staff member of the Education and Labor Committee. "That's saddling the student with an enormous debt."

It means also that students from low-income families are unlikely to attend better, expensive schools if they face a substantial debt when they are graduated.

What is left for these youths? Many are believed likely to attend community colleges where the fees are lower and so is the quality of education in some cases.

Others may find their way into vocational training programs. Still others may give it all up and join the military.

Whatever the options under the Administration's program, they appear to be limited compared with those currently available to students from poor families.

All this has raised the suspicion that the Administration intended it to be this way all along. It also seems to substantiate the contention by some that the commitment to education for all falls short of the mark.

One university financial aid officer, who asked not to be identified, said that Mr. Nixon's proposals "seem to be leaning the other way" from a guaranteed higher education for all students.

Apparently many colleges agree with this position, including Harvard University, where 40 per cent of the student body is receiving some form of student aid.

Last week, the university's board of overseers, a policymaking group, met to discuss academic problems, among them student aid.

To their dismay, the overseers learned that their alma mater would suffer not only from student assistance cutbacks but also from reductions in federal research and other grants to the school itself. Such grants provide money for faculty saalries as well as repay for part-time student jobs.

Among the most cynical opponents of the Administration's proposals, the rumor has spread that the reductions and the new plans are to last for only one year.

Next year, the rumor goes, the White House will propose sweeping new program to cash in on the fall election campaigns.

But the Harvard spokesman disputed this. "This is not a one-time budget," he said. "It is a pattern for the future. It reflects a disenchantment with education, especially graduate education."

Education authorities in Washington report that up to 10 per cent of the students attending medical schools receive federal scholarships. If these are eliminated where will future low-income students go, they ask.

"The scholarships are essential to allow schools to broaden their enrollment of blacks, Puerto Ricans, poor whites and other groups," said a spokesman for the Association of American Medical Colleges.

"But they are terminating scholarships for medicine, dentistry, nursing, veterinarians and other health students. Now if students want scholarships they must promise to work one year in a public health field for every year of assistance. The program was not designed to work this way.

THE QUALITY OF WORKING LIFE IN AMERICA

Mr. TAFT. Mr. President, I have recently read a speech delivered by my colleague, the senior Senator from Illinois (Mr. PERCY) at the national conference on the changing work ethic in New York on March 26. Senator PERCY's subject was the changed quality of American working life. His speech is a perceptive, most persuasive discussion of a phenomenon of growing importance to our society. Senator PERCY's argument is that Americans have changed with accelerating rapidity in the past 2 decades; they are far better educated, less respectful of our traditional social institutions, more individualistic, and more skeptical of the validity of traditional indudstrial and work organizations. Yet, although the American worker has changed and has forced almost all other social institutions to change, the workplace has hardly changed. It is still very largely a highly regimented, rigid, authoritarian establishment. American workers forced to work in restrictive jobs have naturally rebelled—and the result has been documented in endless articles and reports on a complex of phenomena that have come to be labelled "blue-collar blues" and "white-collar woes."

I believe that Senator PERCY has correctly identified this problem. He said.

A negative way to analyze this problem is . . . to believe that there is something wrong with the American worker—that he is newly prone to alcoholism and drug abuse, that he is innately rebellious, that he bears an inborn grudge against the industrial organization, rather than against the nature of the work he is asked to do. I believe that this is just plain wrong. I believe Americans want to express themselves in creative, valuable ways and that we can so structure their work.

The solution, the Senator suggests, lies mainly with management and labor. He urges them to begin cooperative efforts, perhaps aided by the quality of work program of the National Commission on Productivity, to develop worker participation in job design and the organization of work.

I commend Senator PERCY's address and ask unanimous consent that it and a New York Times article of March 27 relating to it be printed in the RECORD at this point.

There being no objection, the speech and article were ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR CHARLES H. PERCY

I am honored by your invitation to speak here today on the theme of quality of work in America. I know that in this audience are the men and women who have been most adventuresome and most creative in this challenging new field. For you are helping to chip away—through experimentation, research and innovation in the American workplace—at an entrenched, authoritarian industrial system that has taken decades and decades to build.

I have asked myself why such change is so difficult, why many people have tended to resist the simple proposition that by improving the nature of jobs we can both make people better satisfied and become a more productive society.

I think the central reason why change of this kind is so difficult is that our industries have been so enormously successful. With the jobs, income and products created by America's industrial machine we have created very great prosperity and enormous economic muscle. And so we encounter the problem of institutional rigidity. If it works, why change it? And even if it doesn't seem to be working as well it used to, we are accustomed to established ways of doing things, and have difficulty taking the mental leap that is often necessary to break our old habits and find new solutions.

We continue, for example, to think in terms of the idea that work should be broken down into increasingly finer details of specialization and that people should be organized in formal, pyramidic ways, all in the name of efficiency. But if such ideas or organization have now become obsolete because of their adverse effects on people and on the quality of output, efficiency becomes a myth. Then it is time to change.

I would like to suggest four separate but interrelated reasons why I think we are now on the brink of a major breakthrough in the effort to change our ideas about work.

First, we find we are suddenly an educationally affluent society. In quantity, if not yet in quality, Americans must be the best educated society on earth. A short generation ago, 40 percent of all American workers were high-school graduates, up from five percent in 1900. Today, almost 80 percent of the men and women under 34 have at least a high-school diploma, and a third of those go on to a year or more of college.

Second, there has been a collapse of respect for our traditional values and institutions, as documented both by our own observations and national surveys. A Harris poll revealed, for example, that public confidence in the executive branch of government fell from 41 percent to 27 percent between 1966 and 1972; confidence in Congress dropped from 42 percent to 21 percent; confidence in corporations, from 55 percent to 27 percent.

Third, we are becoming perhaps a more conservative, individualistic society. President Nixon's call for a return to individual responsibility finds a response in all levels of the contemporary public, perhaps as a reaction to the fact that many of the Great Society's programs have—unfortunately—not delivered what they promised.

Fourth, I perceive an acute feeling that some parts of the giant, all-powerful industrial machine that we built in the great period of American industrial expansion since the Civil War have developed profound shortcomings. There is a strong feeling that managerial and labor institutions have sometimes grown too rigid. Too often they have become selfish, insensitive to the needs of consumers and blind to the broader needs of our society. There is a growing feeling that American productive know-how is no longer considered—and might never again be—the last best hope for solution of the earth's pressing problems.

These forces have measurably changed almost every social institution in the country from marriage and family through community, church and school. In some cases—for example, the educational establishment—they have been transfiguring.

But, for the most part, the forces visibly whipsawing our society have operated, and continue to operate, outside the plant gate and office door.

As a social institution, the American workplace has stubbornly remained virtually the last redoubt of yesterday's values.

This is the key to the need now for a new awareness of work quality: Americans who

work have significantly changed. But the work they perform and the way they are organized to perform it have not changed.

In the way we structure and organize work, we frequently seem to apply the old paternalistic notions that father—or management—knows best; and that the children—or employees—should be neither expected nor permitted to ask how or why. A question-asker is frequently considered a trouble-maker because his questionings seem to challenge the institution itself. In many of our organizations, the suggestion box is considered proof of enlightenment. Both management and labor tend to view the worker as a person whose value stems only from his function as a fractional part of the vast productive machine.

These attitudes, and the systems that are built on them, are now under serious attack, and I wholeheartedly join in it.

Outside the plant gate or office door is the new American: A future-oriented, demanding, expectant, educated, freedom-loving individual. Inside that gate or door this interesting, creative, inventive American is required to conform to a past-oriented, authoritarian, hierarchical, class-based freedom-fearing social system.

Is there any wonder then that, in the past two years, the national media have given us example after example of the grinding effects of old-style jobs on new workers? Two Washington Post investigative reporters, Haynes Johnson and Nick Kotz, wrote in a major series of articles based on months of interviewing that:

"The worker's complaint is simple. He says he hates the job, particularly the monotonous factory job. At times he hates it so much that he deliberately will throw a monkey wrench in the machinery, or turn to drugs to escape the boredom. To him, whether the job is better than it used to be or pays more and gives greater benefits is beside the point."

Again and again the same theme is stressed: In spite of more pay and benefits than ever before, all kinds of working men and women, "blue collar" and "white collar," are unhappy in their work, and thus unhappy and unfulfilled in a large and very important part of their lives.

In my recent Senate campaign in Illinois this fact was brought home to me again and again. In countless encounters with people in their places of work, it was acutely clear to me how frustrated people seem to be in their jobs.

To me, the fact of job dissatisfaction and the need for a new quality in work is a very clear, very compelling problem.

To my surprise, this conclusion is not as widely accepted as I had thought. I find that the idea is often labelled a fad; it is derogated as pop sociology, or sidewalk psychology. It is even called a threat to free enterprise.

These attitudes are echoed in government, where I have discovered there is a stronger urge to study the problem of worker alienation and job dissatisfaction than there is to do something about it.

We already have a great deal of knowledge—enough to warrant action. We have the results of successful quality of work experiments, some of which are being discussed in this conference. To me, they are proof enough both that there is an immediate and perceivable problem, and that there are available techniques of solving the problem.

A negative way to analyze this problem is to view the cause as worker alienation, to believe that there is something wrong with the American worker—that he is newly prone to alcoholism and drug abuse, that he is innately rebellious, that he bears an inborn grudge against the industrial organization, rather than against the nature of the work he is asked to do. I believe that this is just plain wrong. I believe Americans want to express themselves in creative, valuable ways and that we can so structure their work. Simply measuring how alienated or dissatisfied we have become is nothing more than a superbly bureaucratic way to avoid facing and solving the problem.

The costs to our society of increasing worker frustration are only beginning to be studied, but there is some evidence that profound dissatisfaction with work has a kind of polluting effect on the larger society.

The dissatisfied worker doesn't just shrug off the bad psychological effect of his frustration. It is often expressed in antisocial, harmful, unproductive ways—in absenteeism, high quit rates, wildcat strikes, sabotage, poor quality; in drug and alcohol addiction, aggression, and delinquency; in a decline in physical and mental health, family stability, and community participation and cohesiveness.

For all these reasons government has a stake and must take a part in changing the conditions of work in America. Government can help by creating demonstration projects that reorganize work on the basis of quality of work principles. The Quality of Work Program of the National Commission on Productivity is gearing up to provide such assistance through advice and seed-money.

But the primary responsibility for improving the quality of work lies with the private sector. What can labor and management do together to implement job satisfaction programs?

I suggest the following kinds of initiatives, both for companies and unions:

Question old ways of organizing work.

Find ways to put highly fragmented, fractionated jobs back together into whole jobs.

Use the workers' own knowledge and insights to design work so that they can begin to participate in the management of their jobs, and thus have a personal stake in good job performance.

Look especially closely for unnecessary levels of supervision: There is nothing more damaging to a responsible individual than the lack of trust constantly shown by subjecting his work to unnecessary oversight. Instead, find ways to permit the employee and his co-workers to check their own work.

Most important, stop thinking that you, the manager, the industrial engineer, the fellow with the degree, know all there is to know about the job, the plant and its people. The more you ask the people who do the work how to improve it, the more you'll learn from them.

And finally, share the rewards of increased productivity. Design incentive pay plans based on worker teams or identifiable worker groups, so that the people who work together to increase productivity get the rewards of their group effort.

I am pleased that an amendment I offered to the 1971 Economic Stabilization Act Amendments to provide an exemption from wage controls for incentive pay plans seems to have worked: 75 such plans have been approved for 85 companies in the nine full months since the plan has been available. Though pay alone has been shown to matter increasingly less, particularly to younger workers, it is still an important motivator.

These types of quality of work techniques have worked. One of the leading corporations of my state, Motorola, has dismantled one of its old assembly lines and put jobs back together. One worker now assembles a complex piece of electronic equipment. This has required patience and it has not been cheap, but the experiment has paid off in terms of higher quality and a more satisfied work force.

The NBC-TV First Tuesday program on March 6 impressed me deeply because it showed first-hand how workers involved in quality of work efforts respond to their experience. I've taken this statement by an installer for Chesapeake and Potomac Telephone Company in Northern Virginia from the program's transcript:

"I was ready to quit at one time, 'cause I felt the telephone company had no use for me: I was just another body that came in daily, did what I was told to do, and gave them their answers just the way they wanted them. Now I've got my own area I take care of, and as far as I'm concerned I'm the telephone company, the whole telephone company, in this certain area. It really develops a sense of responsibility and pride in your job, something that I didn't have before."

To me, this is a perfect capsule example of a human response to responsibility and trust. It shows the persistent, obstinate hunger a man has for pride in his work.

I know that many of you can provide similar examples from your own immediate experience. I can only reiterate that it is in your interest—and in the national interest—that we build on these successful experiences and accelerate our efforts to expand them.

We have wonderful raw material to work with: A work force that is well-educated, creative, vigorous, and willing—when motivated. The result will be better use of our human resources—which benefits everyone. Quality of work is as effective for affluent white as for poor minorities. Its goal is to improve work and utilize American human potential. It is an everybody-wins effort because it improves the quality of working life and at the same time makes us a more productive, more competitive, better fulfilled society.

Quality of work is an idea whose time has come. You represent the groups that have the power to implement it. Your survival and our future national economic strength may well depend upon your decisions and the extent of your commitment.

[From the New York Times, Mar. 27, 1973]

PERCY SAYS UNITED STATES IS ON "BRINK OF A MAJOR BREAKTHROUGH" IN ATTEMPT TO CHANGE IDEAS ON WORK

(By Philip Shabecoff)

The United States is "on the brink of a major breakthrough in the effort to change our ideas about work," Senator Charles H. Percy said here yesterday in a speech to the National Conference on the Changing Work Ethic.

Most of the representatives of major corporations and other business and management consulting concerns at the conference appeared to agree with the Illinois Republican that "quality of work is an idea whose time has come."

In a series of workshops, companies now conducting programs to deal with worker alienation, job dissatisfaction and other problems related to the quality of work reported almost without exception that these programs had "paid off" in terms of higher productivity and lower costs.

But labor union officials at the meeting expressed skepticism about the new concern by "management and intellectuals for the in-plant happiness of workers, voicing fears that programs to improve the quality of work were simply an excuse to speed up assembly lines and lay off employes.

OPPOSITION VOICED

"In my union," said William W. Winpisinger, vice president of the International Association of Machinists and Aerospace Workers, "we will never let our members be used as guinea pigs in a speedup designed as a job enrichment program."

All the union officials insisted that the restructuring of work could only be accomplished through collective bargaining. And Peter Ranick of the United Auto Workers said that such programs would not work unless employers viewed "employe relations as human relations."

"First democratize the work-place," he

said. "Higher productivity should not be the goal, although it may follow."

The conference, now going at the New York Hilton Hotel, is the second of three such meetings sponsored by Urban Research Corporation. These meetings reflect a rising interest in the issue of worker alienation among industry, Government and the academic authority.

This interest has been awakened in the last year by the rising incidence of such apparent signs of worker dissatisfaction as absenteeism, inplant crime, drug abuse, vandalism, declining productivity—or hourly output per worker—and indications of rebellion against traditional management authority.

However, a new survey presented at the conference Sunday night by George Gallup, Jr., president of the American Institute of Public Opinion, indicated, he said, "that worker morale in the United States is not on the verge of collapse—that the typical American in both white-collar and blue-collar jobs is, by and large, content."

In the Gallup Poll of 1,520 adults conducted in late January, 77 per cent responded that they were satisfied with the work they do and 48 per cent of the sample said they were very satisfied. Only 11 per cent responded that they were dissatisfied and 12 per cent had no opinion.

But Mr. Gallup pointed out that the number of those satisfied with their work had declined by 10 per cent since the same question was asked in April, 1960. What is more, he reported, young workers under 30 years of age were substantially more dissatified with their jobs than others in the survey.

"AN ENTRENCHED SYSTEM"

Mr. Gallup asserted the results indicated "a greater degree of discontent today then we have found for a number of years—particularly among young persons. I think it is safe to say that young workers dissatisfied with their jobs pose a growing threat to United States industrial output."

Senator Percy placed much of the blame for this dissatisfaction on "an entrenched, authoritarian industrial system that has taken decades and decades to build."

"There is a strong feeling," he asserted, "that management and labor institutions have sometimes grown too rigid. Too often they have become blind to the broader needs of our society."

The Senator from Illinois contended that new forces was changing every American institution, from marriage and the family to schools and churches. But these changes, he said, have stopped at the plant gate and "the American workplace has stubbornly remained virtually the last redoubt of yesterday's values."

But experiments now going on, Mr. Percy said, suggest that there already are techniques available to solve the problems of worker dissatisfaction.

Some of these programs and experiments were described at the conference by experts of the companies involved in them. They included the Chase Manhattan Bank, Corning Glass, Donnelly Mirrors, the General Motors Corporation, the General Foods Corporation, the General Electric Company and others.

Donnelly Mirrors, which makes automobile mirrors, not only has divided its work force into teams with decision-making powers, but also shares productivity gains and guarantees that its workers will not be unemployed because of technology.

A NATIONAL SECRECY ACT?

Mr. HART. Mr. President, last evening my distinguished colleague from Maine, Senator MUSKIE, delivered a speech which raises grave questions about a recent legislative proposal of the administration. Buried deep within S. 1400, the revision of the criminal code, are proposed new criminal code provisions which, taken together, can only be described as a "national secrecy act." I commend Senator MUSKIE's speech to my colleagues and hope that the points it raises will be carefully considered in our deliberation over the criminal code revision.

Mr. President, I ask unanimous consent that Senator MUSKIE's speech, a background memorandum, and the relevant provisions of S. 1400 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR EDMUND S. MUSKIE, FROSTBURG STATE COLLEGE, FROSTBURG, MD., APRIL 1, 1973

This week in Vietnam America reached the end of that famous tunnel where the light of peace flickered for eight long years. This week the last American troops flew out of Vietnam and the last officially recorded American prisoners of war were released to freedom.

This week should have been a joyous and a healing one. It should have signalled a new period in American life, a new era of good feelings such as the one that followed the War of 1812, a new time of reconstruction such as the one that should have followed our own Civil War, a new and constructive engagement with the tasks of restoring unity and advancing the quality of American life.

It was at such a time when Abraham Lincoln, over a century ago, uttered these words: "With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

It is such a summons to greatness and unity which Americans want to hear.

But what did they hear?

It was the week that an American official in Saigon told a reporter: "The first thing that needs to be said about the ceasefire is that the firing hasn't ceased."

It was the week that an American Secretary of Defense in Washington defended the continued daily bombing by our B–52s in Cambodia as necessary "to support our ally there against the continuing efforts to disrupt communications, to isolate Phnom Penh."

It was the week that the President in the White House vetoed legislation to provide vocational rehabilitation to Americans who are crippled, blind or otherwise disabled.

It was also the week when the President asked the Nation to "put aside those honest differences about the war which have divided us" and then sowed new division in America by claiming for himself a monopoly of wisdom about inflation, taxation and responsible government spending.

You can say, perhaps, that it was a week of politics as usual. I would say it was a week of opportunities lost. And I regard that loss as a bad omen. If we could not, in this week of joy, begin, as Abraham Lincoln wanted, "to bind up the Nation's wounds," when will we begin?

Nine years ago, Lyndon Johnson told the Congress in his first state of the Union message: "We seek to establish a harmony between man and society which will allow each of us to enlarge the meaning of his life and all of us to elevate the quality of our civilization."

President Johnson worked to create harmony through shared purpose, yet his efforts fell short. The waste of war killed his hopes.

Now that the war is over, as far as America is concerned, we should be resuming the search for harmony and be moving with new energy and purpose against the poverty, ignorance and disease Lyndon Johnson identified as the common enemies of mankind.

But instead, I fear, we are tangled still in angry and important disputes about presidential and congressional power, about spending and taxation, about social needs and governmental indifference, about the whole structure of our Federal system and about the integrity of our political process.

And to those disputes we must now add a new one brought on by this administration's latest attempt to stifle the flow of official information to the public. The attempt is hidden deep in a lengthy and complex legislative proposal introduced in the Congress this week as a revision of the federal criminal code. Five sections of that proposal, taken together, would establish in peacetime a system of government censorship that a democracy could hardly tolerate in a time of war.

The official secrets act being proposed would punish government officials who disclosed almost any kind of defense and foreign policy information, whether or not its disclosure would endanger national security.

It would punish newsmen who received such information unless they promptly reported the disclosure and returned the material to a government official.

It would punish not only reporters but all responsible officials of their publications or broadcasting companies who participated in making the unauthorized information public.

It would punish government employees who knew of a colleague's unauthorized disclosure and failed to report their co-worker's action.

The law's penalties—from three to seven years in jail, from $25,000 to $50,000 in fines—would be imposed on actions which are not now considered crimes, which are, instead, the applauded work of investigative journalists.

For instance, part of the law would make any unauthorized disclosure of what is called classified information a crime.

And the law would explicitly prevent officials who disclosed such information from defending their action by proving that the information was improperly classified.

Well, what is classified information? According to the administration proposal, it is "any information, regardless of its origin, which is marked or designated pursuant to the provisions of a statute or executive order or a regulation or rule thereunder, as information requiring a specific degree of protection against unauthorized disclosure for reasons of national security."

On its surface, that language sounds reasonable, it does what existing law already does by insuring secrecy of data about our defense codes, about our electronic surveillance techniques, about military installations and weapons, about our atomic secrets and about plans and operations which might aid our enemies. All that information is already kept secret by laws which punish its disclosure with intent to damage America and its security.

But this new law would go farther. It would prohibit and penalize disclosure of any classified information, regardless of whether or not it damaged security.

Classified information, you should know, is any document or record or other material

which any one of over 20,000 government officials might have decided—for reasons they need never explain—should be kept secret? It is any piece of paper marked top secret, secret, or confidential, because someone, sometime, supposedly decided that its disclosure could prejudice the defense interests of the nation.

In practice, however, classified information is material which some individual in the government decides he does not want made public. He could make that decision to hide incompetence. Many have.

He could be trying to conceal waste. Many have.

He could even be attempting to camouflage corrupt behavior and improper influence. Many have.

He could simply be covering up facts which might embarrass him or his bosses. Many have.

Classified information is the 20 million documents the pentagon's own most experienced security officer has estimated to be in defense department files. Classified information is the 26-year backlog of foreign policy records in the state department archives.

And most of that information is improperly classified—not out of evil motives, but out of a mistaken interpretation by conscientious employees of what security actually requires. They do not limit the use of secrecy stamps just to information which would really affect our national defense, if disclosed. They often use them simply to keep material out of the newspapers—to make it a little harder, perhaps, for a foreign nation to get the information, whether the information is defense-related or not.

Let me give you a few examples.

Around 1960, a sign in front of a monkey cage in the national zoo explained that the monkey on display was a research animal who had traveled into space in American rockets. But at the same time the pentagon was classifying all information that showed we were using monkeys in space.

The reason given for trying to keep the information secret was someone's concern that it might damage our relationship with India where some religious sects worship monkeys.

Another example deals with India. Over a year ago when India and Pakistan were at war over the independence of Bangladesh, the Nixon administration insisted in public that it was not interfering in the conflict, that it was trying to be neutral. But Jack Anderson revealed classified information that proved that President Nixon had instructed Dr. Kissinger and others to "tilt" toward Pakistan. That information was being kept secret to conceal a lie.

India and Pakistan knew the truth. Only Americans were being deceived.

Again, back before the Korean war, the Navy Chief of Staff sent a memorandum to his colleagues complaining that too much paper was being circulated marked top secret. His memo itself was marked top secret.

In 1970, the Rand Corporation produced a document for the Defense Department listing the unclassified electronic equipment on U.S. aircraft. Nothing in the document was secret or even drew on any secret data but the Air Force classified the listing as confidential anyway.

Similarly, a laboratory at M.I.T. prepared an assembly manual last February for a gyroscopic device used in missiles. Again the Air Force classified the manual and put the following words on its front page: "Each section of this volume is in itself unclassified. To protect the compilation of information contained in the complete volume, the complete volume is confidential."

And then in 1969 it was disclosed that someone in the Navy Department was clipping newspaper articles that contained facts that were embarrassing to the Navy, pasting those articles onto sheets of paper and stamping the paper secret. It turned out that such a practice was common throughout the Defense Department.

If newspaper articles can be stamped secret as a matter of course, what else is systematically being hidden from the public? Should this administration proposal become law, you and I will never know the answer to that question.

The examples I have given should indicate to you the folly of any blanket prohibition against the disclosure of classified information, as long as our system of classification is so erratic, arbitrary and unmanageable.

Not only would the proposed law perpetuate the widespread abuses of secrecy I have listed, it would enforce public ignorance by making criminals out of honest men and women who put the public interest above bureaucratic secrecy. Indeed, the administration's proposed secrecy law goes far beyond protection of what might be legitimate secrets as determined by a workable classification system, should one be developed.

Additionally, it would punish the unauthorized disclosure of "information relating to the national defense . . . regardless of its origin" which relates, among other things, to "the conduct of foreign relations affecting the national defense." That broad definition could bar intelligent public scrutiny of America's most significant foreign policy decisions.

What could the enactment of such a sweeping gag rule mean to the flow of information to the public?

For one thing, the proposed law would mean that Robert Kennedy, where he alive and writing now, would risk prosecution for publishing in his book, "Thirteen Days," the secret cable Nikita Krushchev sent the White House during the Cuba missile crisis of October 1962.

It would mean that Seymour Hersh of the New York Times could not write, as he did last year, about the still-classified Peers Report—the Army's own investigation of the My Lai Massacre and the responsibility of Army officers for concealing the facts of that event.

It would mean that knowledgeable and conscientious government employees could be brought to trial for telling newsmen about waste in defense contracts, or about fraud in the management of the military P.X. system.

It could mean denying the public the information necessary to understand how cost estimates on 47 weapons systems rose by over $2 billion between March 31 and June 30 last year.

Thus, the administration's official secrets act would create staggering penalties for disclosure of information even when the information is totally misclassified or classified only to prevent public knowledge of waste, error, dishonesty or corruption.

We already have the criminal sanctions we need against disclosure of true defense secrets. To expand the coverage of those penalties can only stifle the flow of important but not injurious information to the press, and therefore, to the public.

With the criminal penalties already in the law and with the proven record of responsible behavior by the great majority of government employees and newsmen, the only purpose behind further expansion of the secrecy laws would be the effort to silence dissent within the government and hide incompetence and misbehavior.

New penalities will not further deter espionage and spying. They will only harm those who want the public to know what the government is doing.

Nothing could be better designed to restrict the news you get to the pasteurized jargon of official press releases than a law which would punish a newsman for receiving sensitive information unless he returned the material promptly to an authorized official.

Nothing could damage the press more than a provision which would make a newsman an accomplice in crime unless he revealed the source of information disclosed to him.

The administration proposal carries an even greater danger in the power it would give to the officials who now determine what shall be secret and what shall be disclosed. Not only would they be able to continue to make those decisions without regard to any real injury disclosure might cause, they would be empowered to prosecute anyone who defied their judgment. Their imposition of secrecy could not be reviewed in the courts. And a violation of their decision would be a crime involving not only government employees but journalists as well.

The Justice Department proposal goes far beyond any laws we have had, even the emergency requirements of World War I and II. No law now gives the government such power to prosecute newsmen not only for revealing what they determine the public should know but just for possessing information the government says they should not have.

Under this proposal, a reporter who catches the government in a lie, who uncovers fraud, who unearths examples of monumental waste could go to jail—even if he could show, beyond any question, that the government had not right to keep the information secret and that its release could not possibly harm national defense.

This law then would force journalists to rely on selfserving press releases manufactured by timid bureacrats—or risk going to jail for uncovering the truth.

It would force Government employees to spy on each other in a manner familiar in communist or fascist states but abhorrent to our concept of an open democracy.

We have had enough of that abuse of secrecy in the attempts to hide the facts about our conduct in Vietnam from the American people. Official secrecy has even been used to keep back vital facts about Government meat inspection programs or pesticide regulations or drug tests or import restrictions or rulings that interpret income tax regulations.

In a democracy there will always be a necessary tension between the right of the people to know and the requirement that Government officials be able to voice their opinions with full candor. To assure that frankness, confidential advice on grave questions of policy should be protected from disclosure. But in the balance between secrecy and disclosure, the public interest requires that the greatest weight be given to informing and involving the people in policy decisions.

Arguments made in private may be persuasive. They may even be correct. But where the public interest is at stake, argument must be open so that it can be rebutted. To be enforceable in a society built on trust, decisions must be reached in a manner that permits all those concerned to have equal access to the decision makers.

So the greatest danger in the proposal is the danger to America as a society built on law and on trust. This law would weaken the first amendment protections of free press and free speech, but it would also further isolate the American people from the information they must have to judge the conduct of Government.

In an emergency situation, censorship can be understandable and acceptable. But this effort to inaugurate a constructive period of peacetime cooperation by throttling dissent and debate is unworthy and dangerous.

Unity in America can only be built out of an informed consensus of all the people, trusting in their leaders and trusting their leaders to trust them. Extinguishing public discussion of policy will not produce har-

mony. The silence such a law would enforce would be the silence of democracy's graveyard.

MEMORANDUM: THE NIXON ADMINISTRATION'S PROPOSALS TO RESTRICT PRESS ACCESS TO GOVERNMENT CONFIDENTIAL SOURCES

On March 14, 1973, President Nixon sent to Congress his message on the federal system of criminal justice in which he proposed a sweeping reform of the Federal Criminal Code in the "Criminal Code Reform Act of 1973;" the actual bill was sent to Congress on Thursday, March 22, 1973 and introduced as S. 1400 on Wednesday, March 28. This legislation, which is approximately 600 pages long, contains some major revisions of the Federal criminal code including the near abolition of the insanity defense, an attempt to revive the death penalty, and other controversial changes in our present Federal criminal laws.

Buried in this massive legislation, and unmentioned in the President's message about it, lies four new sections to Title 18 which would, if enacted, be the equivalent of a National Secrecy Act. This memorandum discusses the scope of these proposed new federal crimes dealing with government secrecy, relates them to the present controversy regarding newspapermen's privilege, and urges that you speak to this issue in the immediate future.

I. THE PROPOSED NIXON NATIONAL SECURITY ACT

a. Limitations on the Disclosure of "Classified" Information

Two new sections of the proposed revised criminal code deal with disclosure of classified information by government employees. Section 1124 of the proposed code makes it a felony for persons having authorized possession or control of classified information to knowingly communicate such information to unauthorized persons. Classified information is broadly defined meaning "any information, regardless of its origin, which is marked or designated pursuant to the provisions of a statute or executive order, or a regulation or rule thereunder, as information requiring a specific degree of protection against authorized disclosure;" this means any information classified not only under the appropriate executive order but under any agency rule or regulation promulgated thereunder is covered.

Section 1124(b) creates an exception to criminal liability for accomplices or conspirators to such unauthorized disclosure if they are persons receiving such classified information. The ostensible purpose of Subsection (b) is to limit the offense to the illegal disclosure by the government employees and to leave the reporter or other recipient of the information without criminal liability. However, as discussed below, this exception has no meaning whatsoever since the reporter will commit a felony if he uses that information in any way whasoever or fails to turn the information over to the government. Indeed, its purpose may well be to eliminate a Fifth Amendment defense when the government seeks from the reporter compulsory disclosure of the source of the information which he obtained. This will also be discussed below.

Section 1124(d) eliminates as a defense to prosecution under this Section the fact that the information divulged was improperly classified either at the time of its classification or at the time of its divulgence. The penalty under this Section is imprisonment of not more than three years and a fine of not more than $25,000, unless the information is communicated to an agent of foreign powers.

A companion section is Section 1125 dealing with unlawfully obtaining classified information. This Section makes it a felony for a person "being an agent of a foreign power" knowingly to obtain or collect classified information which he is not authorized to receive. This Section, to which there can be little objection, clearly exempts reporters from prosecution. The penalty for this felony is not more than seven years imprisonment and $50,000 fine.

These two Sections, on their face, appear to limit the imposition of criminal penalties to those within the government who violate security classification regulations and rules and give classified information, regardless of the reasonability of such classification or regularity of the system under which they were classified, to unauthorized persons. These Sections appear to leave the reporters free from criminal liability.

Such sweeping felony penalties for disclosure of information, even when the information is totally misclassified or classified for the obvious reason of preventing disclosure of waste, mistakes, dishonesty or corruption, should be objected to. It can be convincingly argued that present criminal sanctions against unauthorized disclosure of classified information are adequate, as experience has abundantly shown, and to increase the penalties will only severely hamper the flow of information that should be given to the press, and therefore, to the public.

Both the persons who now have access to this information and the press who could publish it are both responsible enough to avoid the public disclosure of information that would be harmful to the real security interests of the United States. There are few examples of a violation of these standards. The self-censorship of the *New York Times* and the *Washington Post* and other papers in not publishing parts of the material revealed in the Pentagon Papers is a good example of this responsible behavior.

The relevant criminal statutes now in effect dealing with disclosure of classified information are as follows:

18 U.S.C. § 952, forbidding government employees to publish or give to unauthorized persons any diplomatic or military code or any diplomatic or military material that has been encoded.

18 U.S.C. § 954, forbidding any person from knowingly making untrue statements under oath which that person has reason to believe will influence a foreign government and thereby injure the United States.

18 U.S.C. § 793, forbidding persons from stealing documents, from making copies of documents or photographs of military installations, equipment, or of photographs, blueprints, plans, maps, or models of such military installations or material, and forbidding anyone from communicating information relating to the national defense "which information the possessor has reason to believe could be to the injury of the United States or the advantage of the foreign nation" and communicates such information to any person not entitled to receive it.

18 U.S.C. § 794, forbidding people to gather or deliver defense information with the intent or reason to believe that is to be used to the injury of the United States or the advantage of a foreign government.

18 U.S.C. § 798, forbidding persons from knowingly and willfully communicating or making available to an unauthorized person any classified information which is related to codes or cryptographic systems, their design, construction, use, maintenance, etc. that may be used "in any manner prejudicial to the safety or interest of the United States or for the benefit of any foreign government to the detriment of the United States."

All of these Sections, which are not restricted to classified information, are limited in two ways: they deal with strictly military related matters and/or they require an intent to injure the United States or to aid a foreign nation.

With the present criminal penalties and responsibility of government employees and reporters, the only purpose that the further expansion of the secrecy laws could have is to silence dissent within the government, and to hide incompetence and waste. New penalties will not further deter espionage and spying, they will only stop those who want the public to know what is occurring in their government.

b. The Limitations on Reporters' Use of Unauthorized Classified Information

Although the two Sections of the proposed new federal criminal code discussed above appear to carefully carve out the newsmen from criminal liability for obtaining classified information, other carefully drawn sections of the criminal code make any use of that material by a reporter a felony. For example, Section 1122 makes it a felony for any person knowingly to communicate information "relating to the national defense" to a person not authorized to receive it. Thus, any reporter who communicates such information to anyone else *i.e.*, gives it to his paper, television station or causes it to be published and transmitted to the general public has committed a felony. "Information relating to the national defense" is defined as information, regardless of its origin, that relates to U.S. military capabilities, planning, communication, installation, weaponry, weapon development or weapons research, to any intelligence activities of the United States, and to "the conduct of foreign relations affecting the national defense." This sweeping definition is ever broader than the definition of classified information used in the two Sections discussed above. A felony under Section 1122 is punishable by imprisonment of not more than seven years or a fine of not more than $50,000.

If this deterrent to a reporter for using unauthorized communications from government sources were not enough, the proposed revised criminal law contains another section, Section 1123, which again makes it an offense for a person being in possession or control of information relating to national defense to communicate it to a person not authorized to receive it. (Section 1123(a)(1)). The penalty is as in Section 1122.

Thus the proposed revision of the federal criminal code makes it abundantly clear that this proposed legislation intends to make reporters directly criminally liable for any use of information obtained from the federal government by confidential sources when this information pertains to a very broadly defined concept of national defense. Attaching criminal penalties to the use of information by the press is unprecedented in American history except for the Alien and Sedition Acts. In this case, the proposed legislation is not only attempting to tighten up the retention of this information within its own bureaucracy, but is perfectly willing to jail reporters up to seven years for publishing such information, even if that information was improperly classified, related to abuses, dishonesty or waste in the federal government, and it clearly served the national interest to make it public.

When these four provisions are taken together, they can only be described as a "national secrecy act." They impose severe criminal penalties upon all unauthorized distribution of information relating to national defense and foreign relations. Any person involved with such dissemination would be liable, including the editors, publishers, and distributors of newspapers. It would seem that *anyone* who repeated the original publication would also be liable.

c. Methods To Force Disclosure Of the Source Of Unauthorized Government Leaks

Of course, for a national secrecy legislation to be effective, not only must government be able to prosecute the publishers and reporters involved in such dissemination of unauthorized material but also, and more

important, the political leaders of any government must be able to identify the source of such leaks promptly and eliminate them. The legislation is not unmindful of this need to identify the sources of unauthorized disclosures and has provided an effective means for so doing within the statutory framework of its "National Secrecy Act."

First, the Administration has proposed that it be made a felony for a reporter to fail to report that he has received unauthorized information, even if he does not disclose that information to anyone else. Section 1123(a)(3) makes it a felony for an unauthorized person in possession or control of information relating to national defense to "knowingly fail to deliver it promptly to a federal public service servant entitled to receive it." Thus, if a reporter receives the information on a background basis and does not intend to publish it, or he uses that information merely to obtain confirmation from other legal sources, he is still committing a felony unless he reports the illegal receipt of this information to a government official. Thus all reporters not only commit a felony when they use the information, but they commit a felony if they don't turn themselves in when they receive it.

In addition, Section 1123(a)(2)(B) makes it a felony for a person in authorized possession or control of information relating to national defense to "knowingly fail to report promptly to the agency authorizing him to possess or control such information . . . communication to a person not authorized to receive it." Thus, anybody who leaks the information or knows about a co-worker who leaks the information has committed a felony if he does not report such unauthorized disclosure. This Section makes each person in the bureaucracy a spy of all his coworkers to report any unauthorized disclosure of national security information by imposing a felony for failure to make such a report.

But most important for discovering the source of the unauthorized leak is the power that the government would have if the "National Secrecy Act" were enacted to force disclosure of the source by using the present state of the newspaperman's privilege. Under the *Branzburg* v. *Hayes* (408 U.S. 665 [1972]) decision of last summer, newsmen are not provided a constitutional protection for keeping their sources of information confidential or for failing to reveal the contents of the confidential information. Until the enactment of any newspapermen's shield legislation by the Congress, the only protection a reporter has from compulsory disclosure of his sources are those few cases following the *Branzburg* decision that try to salvage some protection from dicta in that decision and the guidelines set forth by the Attorney General in 1970 which limit the federal use of compulsory testimony of reporters to certain situations. It just so happens that if the "National Secrecy Act" were enacted in law, the dicta in the *Branzburg* decision and the Attorney General's guidelines would provide a reporter no defenses whatsoever for a refusal to divulge his sources.

Under the *Branzburg* decision, the Court clearly stated that of all the situations calling for possible constitutional protection under the First Amendment for a newsmen's privilege, the one case that merited no protection under any circumstances was the case where a reporter was protecting the identity of a person who actually committed a crime. Justice White, writing the majority decision, said:

> Although stealing documents or private wiretapping could provide newsworthy information, neither reporter nor source are immune from conviction for such conduct, whatever the impact on the flow of news. (408 U.S. 665, at 691).

Insofar as any reporter in these cases undertook not to reveal or testify about the crime he witnessed, his claim of privilege under the First Amendment presents no substantial question. (*Id.* at 692).

These two sentences in the majority opinion of *Branzburg* make it almost impossible for any lower court judge to hold that a reporter's failure to divulge the source of his information is privileged when disclosure of such information was a felony under the "National Secrecy Act." The reporter who received the information, although not a conspirator or an accessory to the crime, would clearly be a witness to it. His refusal to testify would be, in no uncertain terms, the refusal to identify a felon, and it is clear that the *Branzburg* decision grants no privilege whatsoever to such a refusal.

The Attorney General's guidelines, which claimed to limit and apparently have limited the use by federal prosecutors of subpoenas for reporters' sources of information and confidential information would also clearly permit the forced disclosure of such information. Those guidelines require, in order to issue a subpoena: that a serious crime had been committed, that the information not be available from non-press sources, and that the subpoena be strictly limited in time and scope to the criminal action involved. Once again, the reporter would have no protection. He is a witness to a felony; in fact he probably is the only witness to the felony. A serious crime is under investigation, a felony involving national security. And the subpoena could clearly be limited in time or scope to the communication that was involved.

As Roger C. Crampton, Assistant Attorney General, testified before the House Judiciary Committee on September 21, 1972 about the Attorney General's guidelines: "Compulsory process is utilized only when information necessary to determine the guilt of innocence of persons under investigation for commission of serious crimes can only be obtained from the press."

Thus, once a reporter has printed information that he obtained through unauthorized disclosure, he will be subject to subpoena and can be forced to reveal the sources of his information because the fact of the information's very existence is *prima facie* evidence of a felony having been committed in his presence. In addition, by creating two distinct felonies, one for the disclosure of information (where the reporter is not liable), and the other for the distribution of that information to any other party, it is quite likely that the reporter will not have a Fifth Amendment defense when he is subpoened, for his receipt of the information itself was not criminal. The printing of the information proves that the reporter possessed it, thus making the revelation of its source in no way increasing his jeopardy of conviction of the felony of passing that information on to others. With no Fifth Amendment defense available, the reporter would face the choice of going to jail for contempt or revealing a source. Naturally, the prosecuting attorney has the availability of the other felony for bargaining purposes with the reporter.

Thus, the proposals constitute a comprehensive and effective "national secrecy act." They create a felony for the unauthorized disclosure of a broad category of information, and the publication of such information; it makes it a felony for a reporter to retain that information or for co-employees of the unauthorized source to fail to report the unauthorized disclosure. And it utilizes the present state of the law of compulsory disclosure of newsmen's confidential sources to ensure that the government could obtain the identity of the sources of information or incarcerate the reporters involved.

This situation makes the Administration's refusal to support a newspaper shield law, in either qualified or unqualified form, all the more understandable.

RELEVANT PROVISIONS OF S. 1400

"§ 1122. Disclosing National Defense Information.

"(a) Offense. A person is guilty of an offense if he knowingly communicates information relating to the national defense to a person not authorized to receive it.

"(b) Grading. An offense described in this section is:

"(1) a Class C felony if committed during time of war or during a national defense emergency;

"(2) a Class D felony in any other case.

"§ 1123. Mishandling National Defense Information

"(a) Offense. A person is guilty of an offense if:

"(1) being in possession or control of information relating to the national defense, he recklessly permits its loss, destruction, or theft, or communication to a person not authorized to receive it;

"(2) being in authorized possession or control of information relating to the national defense:

"(A) he intentionally fails to deliver it on demand to a federal public servant authorized to demand it;

"(B) he knowingly fails to report promptly, to the agency authorizing him to possess or control such information, its loss, destruction, or theft, or communication to a person not authorized to receive it; or

"(C) he recklessly violates a duty imposed upon him by a statute or executive order, or by a regulation or a rule of the agency authorizing him to possess or control such information, which statute, order, regulation, or rule is designed to safeguard such information; or

"(3) being in possession or control of information relating to the national defense which he is not authorized to possess or retain, he knowingly fails to deliver it promptly to a federal public servant entitled to receive it.

"(b) Grading. An offense described in this section is:

"(1) a Class E felony in the circumstances set forth in subsection (a)(2)(C);

"(2) A Class D felony in any other case.

"§ 1124 Disclosing Classified Information

"(a) Offense. A person is guilty of an offense if, being or having been in authorized possession or control of classified information, or having obtained such information as a result of his being or having been a federal public servant, he knowingly communicates such information to a person not authorized to receive it.

"(b) Exceptions to Liability as an Accomplice or Conspirator. A person not authorized to receive classified information is not subject to prosecution as an accomplice within the meaning of section 401 for an offense under this section, and is not subject to prosecution for conspiracy to commit an offense under this section.

"(c) Defense. It is a defense to a prosecution under this section that the information was communicated only to a regularly constituted committee of the Senate or the House of Representatives of the United States, or a joint committee thereof, pursuant to lawful demand.

"(d) Defense Precluded. It is not a defense to a prosecution under this section that the classified information was improperly classified at the time of its classification or at the time of the offense.

"(e) Grading. An offense described in this section is:

"(1) a Class D felony if the person to whom the information is communicated is an agent of a foreign power;

"(2) a Class E felony in any other case.

§ 1125. Unlawfully Obtaining Classified Information.

"(a) Offense. A person is guilty of an offense if, being an agent of a foreign power,

he knowingly obtains or collects classified information which, in fact, he is not authorized to receive.

"(b) Defense Precluded. It is not a defense to a prosecution under this section that the classified information was improperly classified at the time of its classification or at the time of the offense.

"(c) Grading. An offense described in this section is a Class D felony.

"§ 1126. Definitions for Sections 1121 through 1125.

"(a) 'authorized,' when used in relation to the receipt, possession, or control of classified information or information relating to the national defense, means with authority to have access to, to receive, to possess, or to control such information as a result of the provisions of a statute or executive order, or a regulation or rule thereunder;

"(b) 'classified information' means any information, regardless of its origin, which is marked or designated pursuant to the provisions of a statute or executive order, or a regulation or rule thereunder, as information requiring a specific degree of protection against unauthorized disclosure for reasons of national security;

"(c) 'communicate' means to impart information, to transfer information, or otherwise to make information available by any means, to a person or to the general public,

"(d) 'communications intelligence information' means information:

"(1) regarding any procedures and methods used by the United States or any foreign power in the interception of communications and the obtaining of information from such communications by other than the intended recipients;

"(2) regarding the use, design, construction, maintenance or repair of a device or apparatus used, or prepared or planned for use, by the United States or a foreign power in the interception of communications and the obtaining of information from such communications by other than the intended recipients; or

"(3) obtained by use of the procedures or methods described in paragraph (1), or by a device or apparatus described in paragraph (2);

"(e) 'cryptographic information' means information:

"(1) regarding the nature, preparation, use or interpretation of a code, cipher, cryptographic system, or any other method of any nature used for the purpose of disguising or concealing the contents or significance or means of communications, whether of the United States or a foreign power;

"(2) regarding the use, design, construction, maintenance, repair of a device or apparatus used, or prepared or planned for use, for cryptographic purposes, by the United States or a foreign power; or

"(3) obtained by interpreting an original communication by the United States or a foreign power which was in the form of a code or cipher or which was transmitted by means of a cryptographic system or any other method of any nature used for the purpose of disguising or concealing the contents or significance or means of communications;

"(f) 'information' includes any property from which information may be obtained;

"(g) 'information relating to the national defense' includes information, regardless of its origin, relating to:

"(1) the military capability of the United States or of an associate nation;

"(2) military planning or operations of the United States;

"(3) military communications of the United States;

"(4) military installations of the United States;

"(5) military weaponry, weapons development, or weapons research of the United States;

"(6) restricted data as defined in section 11 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2014);

"(7) intelligence of the United States, and information relating to intelligence operations, activities, plans, estimates, analyses, sources, and methods, of the United States;

"(8) communications intelligence information or cryptographic information as defined in subsection (d) or (e);

"(9) the conduct of foreign relations affecting the national defense; or

"(10) in time of war, any other matter involving the security of the United States which might be useful to the enemy;

"(h) 'restricted area' means any area of land, water, air or space which includes any facility of the United States, or of a contractor with or for the United States, to which access is restricted pursuant to a statute or executive order, or a regulation or rule issued pursuant thereto, for reasons of national defense.

THE VETO OF THE REHABILITATION ACT

Mr. PERCY. Mr. President, I share the President's resolve to put a ceiling on spending and to hold a firm line on prices, taxes, and inflation. However, I am disappointed that the President has again found it necessary to veto the Rehabilitation Act of 1972, approved so overwhelmingly by the Senate and the House in both 1972 and 1973.

The Rehabilitation Act of 1972 is not a big spending bill that would jeopardize the taxpayers' pocketbooks or the stability of our economy. This bill, though admittedly more than the President requested, provides $900,000 less in authorization than last year's vetoed bill, a reduction of over 25 precent.

This bill should not be looked upon as a big spending measure. I would go as far as to say that it is prime investment material. For many of our physically and mentally handicapped citizens, the only alternative to rehabilitation is custodial care under public assitance, which is often costlier than rehabilitation. In 1972 alone, State vocational rehabilitation agencies served 51,084 public assistance recipients. It is estimated that the public assistance cost for those individuals would have amounted to $34,275,000 just for the first year following rehabilitation.

Vocational rehabilitation is a proven cost-effective program. A number of cost-benefit analyses of the rehabilitation program have agreed on one crucial fact—the benefits of the rehabilitation program are many times its cost. Conservative estimates of the ratio of benefits to cost have ranged from between 8 to 1 and 35 to 1. In other words, for every dollar spent on rehabilitation, $8 to $35 have been returned in welfare costs saved and income taxes paid by workers restored to usefulness.

For example, the total annual earnings of 291,272 individuals rehabilitated in 1971 totaled approximately $1 billion, a net increase of $750,000 over the earnings of these people before rehabilitation. In addition to this contribution to the GNP, the Rehabilitation Services Administration estimates that these individuals, at a minimum, contributed approximately 5 percent of their total income of $58 million to Federal, State, and local governments for taxes. In addition to this tax contribution, there are further Government savings because of the removal of these persons from welfare dependency.

The Illinois Vocational Rehabilitation Agency, I am very proud to say, is a successful example of the cost effectiveness of rehabilitation. In fiscal 1971, the agency served some 55,288 individuals, and 14,001 of them were completely rehabilitated. The total annual earnings of these people in 1971 totaled approximately $47.2 million, showing a net increase of $30 million over their earnings before rehabilitation. If these rehabilitated wage earners contribute 5 percent of their total income to Federal, State, and local governments, their tax contribution for 1 year alone would equal $2.4 million.

In fiscal 1972, the agency served some 58,922 people and completely rehabilitated 314 more persons than in 1971. Of the 14,315 individuals completely rehabilitated, 11 percent or 1,581, were public assistance recipients. Of this total, 741 were removed entirely from the public aid rolls, saving the State approximately $1.2 million in 1 year alone. Coincidentally, it cost the agency about $1.2 million to rehabilitate these people. Moreover, 1,096 of these rehabilitated individuals increased their earning power by $3.9 million per year.

Today, developments in medical science and technology have made rehabilitation cost effective even for the severely handicapped. Therefore, I applaud the major change in the concept of rehabilitation services under the Rehabilitation Act of 1972—the added emphasis on vocational rehabilitation services to the severely handicapped. Until now the severely handicapped in this country have been doomed to a kind of living death, immobilized, hidden away, and written off as beyond redemption. This shortsightedness, in addition to the cost in human agony and waste, has cost society a huge maintenance bill. Liberty Mutual estimates that the lifetime cost of maintaining one paraplegic is $150,000; and the cost jumps to $250,000 to $500,000 for a quadriplegic. HEW estimates that there are 985,000 Americans who suffer from paralysis. Without rehabilitation services, the lifetime maintenance cost for these individuals can amount to $246 billion.

I am convinced that money spent on the rehabilitation of our physically and mentally handicapped citizens is a sound investment, not only in making life more livable for our handicapped citizens but also in returning dollars to the Federal, State, and local treasuries.

Vocational rehabilitation makes good business sense. For this reason I must regretfully vote to override the President's veto of the Rehabilitation Act of 1972. We should find other areas where budget cuts can be made. I intend to sustain certain of the Presidents vetoes and to vote against other spending bills in the authorization or appropriation stage before they are ever sent to the President.

But I cannot walk away from my commitment to the important area vocational rehabilitation for the physically or mentally handicapped. It is one of the best investments, we as a society, can make in one human resources.

MANUFACTURING PRACTICES IN THE DRUG INDUSTRY

Mr. RIBICOFF. Mr. President, the GAO has released a report which states that the FDA has failed to exercise its statutory mandate to assure that drugs are processed under proper manufacturing practices. GAO found that 48 percent of the drug producers studied were found to be deviating from good manufacturing practices on successive inspections by the FDA. In one plant, 78 deviations were found in three inspections, of which 39 were deemed "critical." In spite of this appalling record, FDA failed to take legal action to insure that the requirements of law were met.

Drugs manufactured improperly may cause severe health hazards. Examples of the dangers of improperly manufactured drugs include the so-called Cutter incident in which improperly manufactured polio vaccines caused the paralysis of hundreds of people and the Abbot Laboratory case in which hundreds of people died as a result of receiving contaminated intravenous solutions.

The failure of FDA to enforce a law designed to protect consumers in unfortunately all too typical of our experience with Federal regulatory agencies. Time and again, Congress has passed laws to protect consumers, only to find that inadequate enforcement of those laws renders them useless. I have introduced legislation to establish within the Federal Government a strong and effective consumer advocate to assure that regulatory agencies enforce the laws Congress has enacted. The existence of such an advocate could help preclude the continuance of ineffective regulation.

I ask unanimous consent that a digest of the GAO report be inserted in the RECORD.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

PROBLEMS IN OBTAINING AND ENFORCING COMPLIANCE WITH GOOD MANUFACTURING PRACTICES FOR DRUGS

WHY THE REVIEW WAS MADE

Drugs sold in the United States during recent years have been produced by about 6,400 firms. Although each is accountable for the quality of its products, the Congress placed upon the Food and Drug Administration (FDA) the responsibility that drugs, shipped across State borders, be of satisfactory quality when sold to consumers.

The Federal Food, Drug, and Cosmetic Act (FD&C Act) makes FDA responsible for insuring that adulterated drugs are prevented from reaching the market. This law defines an adulterated drug as one, among other things, which has not been produced in conformity with good manufacturing practices, and requires FDA to inspect drug manufacturers and repackers (referred to hereinafter as drug producers) at least once every 2 years.

Good manufacturing practices include (1) maintaining formula and batch-production control records and procedures, (2) establishing test procedures to insure that drug components or the finished product conform to appropriate standards of identity, strength, quality, and purity, and (3) keeping distribution records of each batch of a drug to facilitate its recall from distribution, if necessary.

In this review the General Accounting Office (GAO) has evaluated FDA's program for inspecting drug producers and enforcing compliance with good manufacturing practices. GAO reviewed the inspection records of 73 drug producers inspected during the 2-year period ended March 31, 1971, and the inspection records of 98 drug producers which were not inspected during this period.

Except for five large drug producers, firms were randomly selected for review. The drug producers were in three FDA districts in which nearly 25 percent of the Nation's 6,400 drug producers were located.

FINDINGS AND CONCLUSIONS

Overall findings

Several factors have hindered FDA's obtaining and insuring compliance with good manufacturing practices by drug producers.

FDA has not always enforced aggressively compliance with good manufacturing practices by many of the drug producers it has inspected, even though deviations from these practices can lead to adulterated products.

Proper and timely written notification of needed corrections was not provided to drug producers' top management; and followup inspections were usually untimely, hampering, in many instances, FDA's efforts to obtain voluntary compliance with good manufacturing practices.

Some drug producers have not been inspected as often as required, although FDA considers its inspection to be an integral part of its defense against adulterated products reaching the consumer.

FDA did not have a complete and accurate list of drug producers required to be registered and inspected.

FDA has taken some steps to overcome these problems. More are needed.

According to FDA, two factors have contributed to existing conditions: (1) its limited resources and (2) its need to be concerned with good manufacturing practices for drugs posing the most significant potential health hazard.

Limited enforcement

FDA inspections have shown a large number of producers to be deviating from good manufacturing practices. Although such deviations can lead to adulterated drugs, FDA has not enforced compliance with good manufacturing practices by many of the drug producers it has inspected.

During fiscal year 1971, FDA made 7,124 inspections of drug producers. Of these, nearly 4,000 were followup inspections where deviations from good manufacturing practices had been reported previously. Over 2,174, showed that producers still were not complying with good manufacturing practices.

In reviewing inspection records of 73 drug producers, GAO found that 48 percent of the producers critically deviated from good manufacturing practices on successive inspections. FDA identifies critical deviations as those having the greatest probability of creating adulterated products.

FDA has taken relatively few legal actions to enforce compliance. During fiscal years 1970 and 1971, FDA approved only 51 seizures, 2 injunctions, and 5 prosecutions for deviating from good manufacturing practices.

GAO believes that producers chronically deviating from good manufacturing practices do not have sufficient incentive to correct their practices because FDA has not used available legal options.

For example, FDA inspected one firm's manufacturing practices three times during the 32-month period ended December 15, 1971, concluding each time that the firm was not complying with good manufacturing practices such as formula and production control records not being maintained.

The number of deviations increased from 6 in the first inspection, to 23 in the second, to 49 in the third inspection. Although 78 deviations were found, of which 39 were critical, legal action was not taken. Instead, FDA relied primarily on oral and written communications with the firm and followup inspections to promote voluntary corrective actions.

The shortcomings in FDA's enforcement are believed to stem primarily from a lack of instructions on when legal actions should be taken and the resultant confusion between district office personnel responsible for recommending legal action and FDA headquarters personnel responsible for approving it.

A February 1972 policy change indicates FDA's intention to enforce good manufacturing practices more aggressively. GAO believes that the continuing lack of guidelines to the district offices will hamper the effectiveness of this change.

Followup actions inadequate

Some drug producers have not corrected deviations from good manufacturing practices because FDA frequently did not take proper followup actions to insure that drug producers' top management was aware of inspection findings.

GAO's examination of reports and other records relating to 150 inspections of 58 producers included in the sample showed that FDA issued a post inspection letter to top management in only 75 of 150 inspections made and that such letters were often untimely.

FDA lacked guidelines for timely scheduling of followup inspections to determine whether producers take needed corrective action. GAO reviewed 83 inspection cases involving deviations from good manufacturing practices for which followup inspections were scheduled to be made during a specific month prior to December 31, 1971. GAO found that only 25 were made when scheduled, 32 were made late, and 26 were not made by December 31, 1971. The timing of followup inspections is left to the discretion of each FDA district office.

The February 1972 policy change discontinued the use of post inspection letters as a means of notifying drug producers of inspection findings. Instead, warning letters will be used for minor deviations. Action to seize products or cite firms for prosecution will be used for critical deviations. Subsequent to the completion of GAO's fieldwork FDA rescinded its policy statement of February 1972 and issued a new policy statement.

However, the policy change does not provide guidelines to insure that drug producers' replies to warning letters or citations will be properly monitored and that timely followup inspections will be made when needed.

Warning letters—unlike post inspection letters and citations—do not specify a time limit in which a drug producer must notify FDA of corrective actions planned or taken.

Inspection coverage

FDA lacks an effective means of insuring that all drug producers are inspected at least once every 2 years as required by law. In the three FDA districts reviewed, at least 213 drug producers, or about 16 percent, had not been inspected during the 2-year period April 1969 through March 1971. Another 123 firms were listed as not inspected but records were not available to substantiate that the firms were in fact subject to inspection.

Records of 98 of the 213 firms not inspected showed that an average of 36 months had elapsed (as of March 31, 1971) since 74 of these firms were last inspected.

The remaining 24 firms had registered for the first time during the 2-year period and were not required to have been inspected by March 31, 1971. The 24 firms had been registered an average of 9 months—7 for over 12 months.

FDA had not established guidelines on how soon firms should be inspected after registration. Since newly registered firms are permitted to produce and distribute drug products for consumer use, FDA should consider making an earlier initial inspection of such firms.

The failure to inspect some producers when required can be attributed to weaknesses in the inspection scheduling process, the priority given to reinspecting other producers with a history of deviating from good management practices, diversion of manpower to crisis situations, and the lack of manpower.

Although GAO found that noninspected firms generally were small producers of nonprescription drugs, the FDC Act clearly requires that FDA inspect all drug producers regardless of size or product type.

Inaccurate drug firm listings

FDA maintains two master firm listings for management and control purposes: the drug firm registration listing and the official establishment inventory.

The purpose of the registration listing is to identify all drug producers subject to the 2-year inspection requirement. The official establishment inventory is FDA's official record of all firms producing products which fall into FDA's regulatory purview. The official establishment inventory is one tool headquarters uses to decide the annual allocation of each district's inspection manpower resources among various types of inspections.

GAO found that these two listings for calendar year 1971 were inaccurate and FDA had neither monitored nor enforced annual registration of drug producers as required by law. In GAO's opinion, the usefulness of the listings has been significantly reduced as a basis for management decisionmaking and control.

Recommendations

The Secretary of Health, Education, and Welfare (HEW) should direct the Commissioner, FDA, to:

Establish more definitive guidelines to be followed by FDA headquarters and district offices, specifying (1) when products should be seized—especially those posing a questionable health hazard, (2) the amount and type of documentation needed to adequately support the seizure action, and (3) when firms should be cited for prosecution.

Consider establishing a time limit for receipt of the written response requested in warning letters.

Correct the inventory of drug products subject to the 2-year inspection requirement so that FDA will have complete and accurate knowledge of the scope of its inspection responsibilities.

Establish an inspection scheduling system monitored by FDA headquarters to insure that all drug producers are inspected at least every 2 years.

Establish guidelines to insure timely initial inspection of newly registered drug producers.

Properly enforce the annual drug producers' registration requirement and effectively monitor the accuracy and completeness of the registration listing to permit its use as a cross-check on the official establishment inventory listing.

AGENCY ACTIONS AND UNRESOLVED ISSUES

HEW concurred in GAO's recommendations and advised that a number of corrective actions had been or would be taken. (See pp. 22, 29, 35, 36, and 41.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

This report provides the Congress with information on FDA's drug firm inspection coverage and enforcement of good manufacturing practices.

RETIREMENT OF ROBERT BALL

Mr. COTTON. Mr. President, as a member of the Health, Education, and Welfare Appropriations Subcommittee which also deals with appropriations for the administration of our vast social security program, I have on many occasions during the last decade listened to and been impressed by the testimony of Commissioner Robert Ball and feel that his outstanding services deserve comment in the Senate.

Robert Ball has retired as Commissioner of Social Security, but the influence he has had on the development and management of the social security program will continue to be felt by many generations. His understanding of the role of the social security program in our country has been evidenced time and again during his appearances before congressional committees. His brilliance is reflected in countless pages of testimony presented in support of some of the most important social legislation in the history of our country.

Robert Ball will no doubt be remembered longest for the role he has had in the development of the social security program. However, I believe he has made equally great and lasting contributions toward assuring the program's responsiveness to its contributors and beneficiaries. Chairman WILBUR D. MILLS of the House Ways and Means Committee called Mr. Ball "a near genius in administration." His success is in large part due to his personal philosophy; his humanitarian ideals have permeated deep into the Social Security Administration.

He is responsible for establishing much of the foundation of administrative excellence in the Social Security Administration. In 1958, when Mr. Ball was the Deputy Director of the Bureau of Old-Age and Survivors Insurance—the predecessor of the Social Security Administration—he originated a statement of objectives of the organization which has since served as a guidepost for employees of the Social Security Administration.

The American people will miss Robert Ball as Commissioner of Social Security. His personal impact on social legislation has not ended though. He soon begins a new career at the National Academy of Sciences' Institute of Medicine as a scholar in residence. I am sure that Robert Ball will continue his selfless efforts on behalf of the American people.

I ask unanimous consent to enter in the RECORD an excellent story based on an interview with Mr. Ball which appeared in the Baltimore Sun. The story really captures some of the personal warmth and caring of Robert Ball's personality as well as an indication of his clear-minded thinking on social matters.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY'S ROBERT BALL—THE COMPLEAT BUREAUCRAT BOWS OUT

(By Theo Lippman, Jr.)

When Robert M. Ball took over as Commissioner of Social Security back in 1962, the New York *Times* described him as "the compleat bureaucrat." He certainly seemed to fit the description. He had spent practically all his life in the bureaucracy, progressing up through jobs with titles that were dripping with red tape words such as "analyst," "research," "program planning." Yet there is probably no less a bureaucratic executive officer in the government today than Bob Ball. Partly that is because of the nature and traditions of the Social Security Administration, and partly it is because of the kind of person Ball is.

He went into public service back in the middle Thirties, one of that breed of young men and women who came out of college with New Deal stars in their eyes. Ball, a native of New York majored in English at Wesleyan, then took a master's degree in economics. One of his professors was a consultant to the federal government when it established the Old Age and Survivors Insurance agency (the predecessor of what is called the Social Security Administration today). He got Ball interested enough to file for a Civil Service examination in the summer of 1936, the year he got his master's.

For over two years, there were no job openings for Ball in the social security field. He turned down other Civil Service appointments, among them fingerprint specialist for the FBI. Meanwhile, he married the former Laura Elizabeth Crump, and began supporting himself first by working in the office of Stern's department store in midtown Manhattan, then as one member of a two-man staff on an activist labor union newspaper in Newark and Paterson, N.J.

In January, 1939, he was hired by the government and assigned to the Newark district office of Social Security (which for convenience will be used here throughout to designate both the old agency and the new one). That specialization of function that is the hallmark of bureaucracy had not reached the degree then that it has now. Ball's first job was "kind of the outside man," he puts it. "What we did in those days was to call on big employers and talk with them about keeping Social Security records. Also, explaining to them what the program was all about. There was quite a lot of resistance to Social Security in those days, and also a lot of misunderstanding. We were also the outside person on claims. I took many claims in people's homes, people too ill to come to the office. We also ran outside contact stations in smaller communities where once a week or say once every two weeks you would be there for several hours, so people could come in there rather than go to the main district office."

From that job, Ball progressed to manager of the Bayonne office (two employees), to assistant manager of the larger Elizabeth office, to the analysis division in the central office in Baltimore.

That was in 1942. The central office was in the Equitable Building at Calvert and Fayette. The Balls lived on a small farm on Weems creek in west Annapolis. He commuted to a job in which he was expected to do research concerning then existing programs and to plan for future changes in the program. He spent much of his time working out ways to extend coverage to agricultural and domestic workers.

Before long Ball was transferred to the training office, to become the number-two man. He conducted classes in the Candler Building near the waterfront. "We were running quite intensive background courses in what Social Security was all about. Not just how you figure benefits and so on, but the history, the philosophy, the ideas, the

alternatives, the foreign systems. I think really it was in the training office that I had the opportunity to learn a great deal about, and think through my own attitudes and views toward Social Security as an historical movement and its relationship to private efforts in this area. Because if you're going to sort things out to teach people, you really start to grapple with it yourself."

Shortly after the end of World War II, Ball temporarily left Social Security to teach what he had learned to people active in the general field of retirement insurance planning both outside and inside government. This was as director of a special committee of the American Council on Education in Washington. After two years in that job, he went to work for a Senate committee studying Social Security. In late 1949, he was named assistant director of Social Security (the predecessor agency), in charge of analysis, legislative and program planning, statistics and research, and moved from the Washington suburbs to Loch Raven. Before long he was deputy director of the growing agency. He was still a Civil Service appointee, and when the top man resigned with the advent of the Republican Eisenhower administration in 1953, Ball was not seriously considered for the job—but he ran the place as acting director for a year. He resumed the deputy's job and title when a presidential appointee came in.

In 1962 President Kennedy, at the urging of Secretary of Health, Education, and Welfare Abraham Ribicoff and his assistant Wilbur Cohen, decided to pick a career man. Ball was the logical choice, as the highest ranking Civil Service executive in Social Security, and with Cohen's and Ribicoff's enthusiastic endorsement, Ball got the job. He immediately did an unusual if not unprecedented thing in the annals of bureaucracy. Instead of empire-building, he cut his realm in half.

"When I became commissioner, the Social Security Administration had in its responsibility not only the contributory social insurance program, but also the Children's Bureau, the federal end of all welfare programs, Cuban refugee programs and some other things. I had always thought that it was a mistake to put under one person the responsibility for the federal-state program for welfare and the direct line operation of what we call Social Security. So I went to work to get a reorganization that would divest me of half my responsibility. I thought it would work better if I would take only half the job, if there were a Social Security commissioner and a Welfare commissioner." It was done.

By 1962 the Balls (they have a son and a daughter) had moved to the Villa Rica section of Baltimore county, a choice made because it would be convenient to the new Social Security headquarters at Woodlawn. Ball had a great deal to do not only with selecting the site, but also with such details as approving the brick used and some of the furniture. He's the kind of person who likes to have his hand in everything. But in addition to that, there is that other, traditional force at work which makes him unlike the general public impression of a bureaucrat. (The word has an unflattering definition in some modern dictionaries.) Each previous chief of Social Security has, like him, been only part administrator. Each has also been part thinker or improviser. That is, unlike agency heads in most of government, Social Security commissioners have been leading policy advocates.

Asked what exactly his job is, Ball replies this way:

"I guess I'd have to plead guilty to being really a social planner, a social reformer, at least as much as an administrator. I really think that to head an organization of this kind, it's best to be able to combine program skills—what the program should be and where it is going—with being able to lead the administration of that program after it is in effect. You find so many people who divide the thing. You have an administrator who is just focused on managing. Theoretically he's a person who can move from one place to another. I don't fully buy that. . . ."

It is possible that Ball has more of an impact on Social Security than any other single man. For twenty years now there has not been an idea that became part of the system with which he personally was not "significantly involved" (his own quote) in the development of. Certainly that is unquestionable in the past decade in which he has served as commissioner. It is a reflection of his own liberalism that Social Security has been liberalized far more than most people who are not directly affected by it realize today. It is, in fact, not really the same program it was 10 years ago. In just the past five years, the level of benefits has gone up by 70 per cent. In addition to that, for the first time there is an automatic provision that makes future benefits inflation proof. And, of course, there is medicare. Social Security has grown so much in the past decade that beginning next year it will be handling something like one-fourth of *all* federal spending.

Ball's admitted liberalism has not been the most precious asset in the past four years. He almost was not retained in the job in 1969, and is not being kept after 1973. His routine letter of resignation has been accepted by the President. The only reason it wasn't accepted four years ago is believed to be that House Ways and Means Chairman Wilbur Mills warned the new President that dumping Ball would be unwise. When Mills learned this year that the dumping was at last taking place, he said that he hoped no "political" appointee would be named.

Ball is of two minds about this—both personally and professionally. "I think this is a good time for me to leave. Congress isn't going to do much more to Social Security in the near future. I'd like to help get a national health insurance plan going, and I think I can do that better from the outside than from the inside."

So after three decades of working for Social Security, Robert Ball is leaving for good. He will apparently continue to live in Baltimore, but not work here. Though there have been some "interesting" job offers in Baltimore, he seems to be leaning toward others in Washington. Probably some foundation will pay him to start thinking full time, absolutely no administrative chores. He will also be lecturing, writing, lobbying—and devoting a little more time than in the past to such leisure time activities as going to plays and concerts here, in Washington and in New York, to loafing at his New Hampshire lake cottage, to badminton and hiking.

At the end of a recent long interview conducted in his handsome offices on the top floor of the main building at Woodlawn, Ball said, "Could I take the initiative on one point I'd like to make? I've been somewhat concerned in recent months at the number of people who are making generalizations across the board about the ineffectiveness of the federal governmnment's programs. I don't know enough about some other programs to make a blanket defense, but if it's true of many programs, it's not true of Social Security, and that's not a small exception.

"I think it's a big mistake for people to fall into the trap that because a few anti-poverty programs didn't work, that everything about the federal government is a mess. . . . I can tell you a lot of programs that didn't turn out as good as they should have, yes, but personally I don't think the problems of America are going to be solved by turning them back over to the states and localities. Some of this [criticism of federal programs] sounds like an excuse for the federal government to withdraw from a role that is perfectly appropriate for the federal government. People who are developing such a thesis forget the successful programs. Take food and drug, the environment thing, aid to education, and so on. The idea of dismantling the federal machinery—I don't want to do that. I am concerned. I feel that the federal government would need to retain more of a role than seems to be the opinion of many people . . . including many in this administration."

TRIBUTE TO JOHN FORD, FILM DIRECTOR

Mr. TUNNEY. Mr. President, on March 31 the American Film Institute, an organization chartered by the Congress, honored John Ford, the distinguished American film director.

In the charter of the American Film Institute, that organization is charged with the preservation of the American film heritage and the advancement of the film art. The American Film Institute, in making the first of its Lifetime Achievement Awards, has chosen wisely. John Ford embodies both elements of that charge given the AFI by the Congress. John Ford represents both the American film heritage and the highest advancement of the film art.

John Ford's career covers more than five decades, from the earliest days of the motion pictures to the present. He directed great silent pictures and his mastery of the art carried him into the sound era as a pioneer and innovator. The names of some of his films give a clue—Arrowsmith, The Informer, The Grapes of Wrath, How Green Was My Valley. It is for these and other achievements that the American Film Institute bestows on John Ford its award. His films, his special movie genius, have provided not only entertainment for millions throughout the world, but a special vision of America.

John Ford, when his country needed him during World War II, also put his talents at his country's service. Some of the films he made for his country are as fine and ennobling as anything he did for his art. It is for this and other services that President Nixon presented him with this Government's Freedom Medal, the highest civilian award.

But it is not only John Ford who is honored by the President and by the American Film Institute. In a measure he symbolizes the whole field of which he is such a glorious part. I mean the American motion picture.

Far too often Hollywood and its films have been a convenient object of attack. Sometimes perhaps they have merited attack. But in the long history of the film—short by other arts, but long in this frantically developing age—in that history there is so much that is fine. It is time, and past time, that a President honor the great spirit of the movie pioneers, the men and women who had a piece of the American dream and who projected it throughout the world by means of the motion picture.

It is these men and women whom John Ford symbolizes in this first American Film Institute Award.

It is particularly fitting that so many of John Ford's films should have been concerned with American history and the growth—in agony and glory—of the American dream. He has recorded all sides of it; all aspects. Now he, through his heroic accomplishments, personifies that American promise and fulfillment.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current Census Bureau approximations, the total population of the United States as of April 1 was 210,508,767. In spite of the widely publicized reductions in our fertility levels, this represents an increase of 1,540,229 since April 1, 1972. It also represents an increase of 128,607 in just the last month.

Over the year, therefore, we have added enough additional people to fill two cities the size of Washington, D.C., and, in just 1 short month, we have added about the equivalent of Little Rock, Ark.

SWEDISH-AMERICAN RELATIONS

Mr. CHURCH. Mr. President, Sweden is one of our most traditional European friends. Millions of its people have come to the United States and contributed to the physical and intellectual development of our own country. In recent years, Sweden's high standards for the common good at home and abroad, and its practical prescription for self-preservation—freedom from alliances to be neutral in time of war—provide this democratic country a unique place in the annals of nations.

Presently, our Government has been cold-shouldering this important country because of Sweden's disapproval of our military conduct in Indochina. Holding a grudge toward those who oppose our actions, however, is neither good policy nor good politics, especially in light of the fact that the negotiated settlement reached at Paris in January was an event the Swedes were urging all along.

The Government of Sweden last week attempted to warm the current chill in the relationship with a forthright and friendly statement in the Riksdag, the Parliament in Stockholm. I ask unanimous consent, Mr. President, that an excerpt from the Government's declaration on foreign policy of March 21 be inserted in the RECORD at this point. I look forward to a similar statement of reconciliation from our Government soon.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM THE SWEDISH GOVERNMENT: DECLARATION ON FOREIGN POLICY

During the last few years Sweden's relations with the United States have been in the centre of attention. The reason has been the American participation in the Vietnam war. With the support of an overwhelming public opinion the Swedish Government has taken a strongly critical attitude towards the United States' Vietnam policy. The intensity of our reaction has been based on an awareness of the suffering especially afflicting the civilian population as well as on a conviction that a small people must have the right to form its own future without interference from the outside. The American Government has reacted by scaling down the diplomatic relations.

We believe that the Swedish-American relations in the long run are better served if we make clear our determination to uphold principles fundamental to us than if we attempt to hide our views. We have noted the reassessment of important elements of American foreign policy which now seems to be under way. This ought to contribute to an international development characterized by détente. In this perspective we can hope that differences of view of the kind that have been caused by the Vietnam conflict will not need to arise in the future.

In this context it could be emphasized that the traditional, lively exchange between Sweden and the United States continues. The personal ties between the two peoples are strong. The American and Swedish societies have many common traits and are basically founded on the same democratic ideals. Both face the task to solve the many complicated technical and social problems of the modern industrial society.

In a time of increased international cooperation and interdependence diplomatic channels are valuable means of contact and information. No nation is served by weakening these channels. Not the least in situations where there are differences of political views we find it important to maintain the possibility of dialogue on a high level. It is our wish that normal diplomatic relations shall exist between Sweden and the United States.

NO-STRIKE STEEL PLAN

Mr. PACKWOOD. Mr. President, the United Steelworkers and the Big 10 steel companies last week completed arrangements and approved in final form a no-strike pact designed to bring stability back to the steel industry and regain the business which has been lost in recent years to foreign competition. The so-called experimental negotiating agreement, approved on March 29 by the United Steelworkers basic steel conference, pledges no industrywide strike over the next 4 years, and provides, as an alternative to the strike, binding arbitration of all unresolved issues after a certain date in contract negotiations. Savings from the no-strike pact will be shared with steelworkers through use of a bonus system.

Mr. President, I for one would like to congratulate and commend the steelworkers and the steel companies for achieving this landmark agreement. As many of my colleagues know, I have been deeply involved in seeking alternatives to the devastation of strikes and lockouts. Without voluntary agreements such as this excellent pact, we in Congress, sworn to protect the public, have no alternative but to seek governmental solutions. But let me be the first to state my conviction that the voluntary approach is far preferable to Government coercion, and the private agreement far more effective than one imposed by Congress or the Executive.

Mr. President, again, I would like to express my heartiest congratulations to the parties involved in working out this forward-looking plan, and my deep and sincere hope that other industries are able to duplicate what will surely be an alternative leading to significant mutual benefits.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two Washington Post articles describing the pact and its impact.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NO-STRIKE STEEL PLAN IS APPROVED

(By John Moody)

PITTSBURGH, March 29.—The United Steelworkers Basic Steel Conference today overwhelmingly approved a pioneering agreement pledging workers not to strike their industry nationwide over the next four years.

The "Experimental Negotiating Agreement," approved earlier by the Big 10 companies of the steel industry, is intended to bring stability to mills that have been losing business and jobs to foreign imports.

Shortly after the 600 delegates, representing 400,000 basic steel employees, shouted approval and celebrated at a cocktail party, I. W. Abel, president of the nation's second largest union, said:

"We have today embarked on an unprecedented experiment that we think will prove there is a better way for labor and management to negotiate contracts."

R. Heath Larry, vice chairman of the U.S. Steel Corp., the nation's No. 1 producer, and chief negotiator of the Big 10 firms, told the joint meeting:

"This experimental agreement should work for the union, the corporations, the customers and the nation."

Flanked by other high officials of both the union and the steel industry at a press conference, Abel and Larry called the agreement "historic."

The unique program specifies that all issues in dispute after a certain date in contract negotiations will be submitted to binding arbitration.

The 11-page agreement sets a specific timetable for basic steel contract negotiations, which begin in February, 1974. All issues must be settled and arbitration decisions made before the current agreement ends July 31, 1974.

The plan assures workers a 3 per cent wage increase in each of the three years of the forthcoming contracts, 1974, 1975 and 1976. It also guarantees a $150 bonus for each worker.

While Abel, at the press conference, stressed the experimental nature of the agreement, officials of the steel industry, which has seen foreign-produced steel take nearly one-fifth of the domestic market in recent years, expressed pleasure with the union's decision.

Larry said the agreement "should help us recapture part of the market we have been losing."

In answer to a question, Abel said he "is sure other international unions are watching the experiment." He named the Seafarers' International Union specifically.

He said he did not see how the plan would have any adverse effect on auto industry or any other labor negotiations scheduled for this year.

Abel said there has been no monetary pattern set in the experimental plan that would put a ceiling on what other unions may ask.

"We have a completely wide-open set of negotiations coming up with no holds barred," he said.

"This is an experiment," Abel said. "It well may last only one term. It very well may fail."

He said George Meany, president of the AFL–CIO, of which the USW is the single biggest member with 1.4 million members,

has expressed keen interest in the experiment. But he said the White House has not been advised and has not commented.

STEEL UNION OFFICIALS OFFER NO-STRIKE PLAN

(By John Moody)

PITTSBURGH, March 28.—United Steelworkers officers today asked representatives of 400,000 basic steel workers to approve an "experimental agreement" that could end nationwide steel strikes and stabilize an industry under constant pressure from foreign competition.

I. W. Abel, USW president, in an innovative move, proposed binding arbitration to settle knotty contract issues. He said the plan would allay customers' fears of strikes and eliminate the need for traditional stockpiling of steel when contracts are being negotiated.

After a day of discussion by 600 members of the Basic Steel Conference, the sentiment was running heavily in favor of approving the plan, an informed source said. The delegates are scheduled to vote Thursday.

The plan, which if approved would become effective May 15, calls for a five-man arbitration board that would convene when the union and negotiators for the Big Ten companies of the steel industry are unable to agree on contract terms.

Steel sources said they know of no such plan in any major industry at the present time. It could, some sources said, have an effect on automobile industry and over-the-road trucking negotiations scheduled for later this year. The plan, which establishes timetables for the 1974 Basic Steel contract negotiations, assures workers a 3 per cent wage increase each year in 1974, 1975 and 1976. It also guarantees a $150 bonus for each worker.

Both the wage figure and the bonus are minimums that could be improved during the 1974 contract negotiations. They will begin in February, 1974.

The average hourly wage for basic steel industry workers currently is just over $5.

Abel, one source said, told the closed conference that the Big Ten steel producers lost $80 million as a result of steel inventory buildups during the 1971 contract talks.

By eliminating the strike threat, the source said, the companies believe they can share profits by paying each worker a bonus and still be ahead.

Both the union and the industry have been seeking ways to eliminate what Abel calls the boom-bust cycle in the steel industry.

The union leader claims that over 100,000 job opportunities have been eliminated in basic steel mills in recent years as a result of foreign steel coming into this country.

In 1971, when the last steel contract was negotiated, steel imports reached a record 18.3 million tons. Despite voluntary agreements with some of the major foreign producers, the import tonnage remained at 17.7 million tons last year.

The pioneer proposal does provide for local union officers to strike an individual plant over local issues at contract time. The strike, though, could be called only after a secret vote and with Abel's approval.

In reality, there has not been an industry-wide steel strike since 1959, when the mills were closed for 116 days. But each year that the steel agreement expires, customers begin worrying about a strike and order extra steel. That requires producers to use obsolete equipment and to pay considerable overtime.

Also, after the 1971 settlement was reached without a strike, customers began using their stockpiles and more than 100,000 steel workers were laid off, some for as long as seven and eight months.

At the same time, many customers find it difficult to get emergency orders filled during the rush period and turn to foreign producers to avert shortages.

For Abel, the no-strike proposal is a second big industrial relations innovation. He set precedents among industrial unions in 1971 by agreeing with the companies to help increase productivity.

That program met with considerable rank-and file resistance for a time. But recent reports indicate that at least local union officers are now working with plant officials of the company to cut costs and improve output.

ARTHUR SPITZER, BEVERLY HILLS, CALIF.—PHILANTHROPIST

Mr. TUNNEY. Mr. President, a fellow Californian and philanthropist, whom I have known for many years, Mr. Arthur Spitzer of Beverely Hills and Rancho Santa Fe, Calif., has made a substantial donation to the University of Colorado.

The board of regents of the University of Colorado has approved the establishment of the Edward Teller Center for the Advancement of Science, Tehnology, and Politics, it was announced by Dr. Frederick P. Thieme, the university's president. The center honors Dr. Teller, noted nuclear physicist, who is currently university professor of physics at the University of California.

Dr. Teller has been an outspoken critic of the antitechnology trend in the United States.

He said recently:

This is clearly illustrated by our present energy crisis, in which insufficient use is being made of scientific research to develop new and improved energy sources.

It is my fervent hope that this new Center at the University of Colorado will help reverse the anti-technology trend and therefore help maintain our country's technological leadership.

Mr. Spitzer said his donation was motivated—

By what I regard as an urgent need to encourage students and teachers to pursue careers in science and technology.

When I met Professor Edward Teller, whose scientific contribution to America and the free world was so enormous, I was very impressed with his philosophy and political realism, which I felt has never been fully explored or recognized.

I hope that the Edward Teller Institute will advance science and will help shape a strong and progressive America. It will be an important contributor to this country's future and the world at large.

The advisory board consists of:

Dr. J. R. Maxfield, noted radiologist expert of Dallas, Tex.

Walter Cunningham, former astronaut.

Prof. Edward Rozek, professor of political science of the University of Colorado.

Mr. Arthur Spitzer.

Dr. Robert V. West, Jr., Ph. D., in geology of San Antonio, Tex.

Gen. John Alison of Northrop of Los Angeles.

Additional public figures and distinguished scholars will be invited to join the advisory board of this center.

Mr. President, Mr. Spitzer's philanthropic efforts and goals are a credit to the American way of life and the betterment of the American people.

THREE POW'S BLAME PROTESTERS, MEDIA FOR PROLONGING WAR

Mr. SCOTT of Pennsylvania. Mr. President, I would like to bring to the attention of the Senate an article published in the March 22 issue of the Philadelphia Inquirer and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THREE POW'S BLAME PROTESTERS, MEDIA FOR PROLONGING WAR

(By Thomas B. Niece, Jr.)

Three former prisoners of war at Valley Forge Army Hospital said on Wednesday that the antiwar movement in America prolonged the Vietnam war and delayed their release from Vietcong prisons.

"The war could have ended three or four years ago if it hadn't been for the antiwar movement and the news media," said Sgt. Carroll Flora Jr., of Brunswick, Md.

Flora, 31, a POW for nearly six years, said he blamed the media for giving too much coverage to antiwar protests.

"Most of the news we got in prison was about the antiwar protests," added CWO Joseph Rose 3d, of Morgantown, W. Va.

When asked if they were affected by news of anti-Vietnam protests, Flora said, "I just looked at the caliber of the people in the movement—hippies, beatniks and bums—people who don't want to work."

The third POW, CWO Roger Miller, 30, of Sharon, Conn., agreed protests prolonged the war, but added, "I think a lot of those people were sincere and if they were doing it out of sincerity, fine."

The three men made their remarks at a news conference prior to leaving the hospital for a convalescent leave. Rose, 26, who married his childhood sweetheart last week, said he planned to go on a honeymoon.

He and his wife Donna, 26, also of Morgantown, were driving off in an Army sedan. Rose said he was due back at the hospital for another checkup on April 30.

Asked if he ever lost faith while in prison, Rose replied, "We were all convinced we were coming back. We always knew we would come home."

Rose said he was pleased by the welcome the men received when they returned to the United States. "It definitely made us feel welcome," he said.

The three former prisoners said they planned to stay in the Army.

When asked if they would go back to Vietnam if ordered, Rose answered, "Yes, I would volunteer." The other two men nodded in agreement.

GIANTS BEYOND FLAG AND COUNTRY

Mr. CHURCH. Mr. President, as chairman of the Multinational Corporation Subcommittee, I welcome the spurt of publications which are now appearing on the complex question of multinational corporations.

Scholars have been making forays into this question only recently. Journalists have also picked up the torch, and Congress, too, has joined in the effort.

Senator RIBICOFF has chaired hearings in his Subcommittee on International Trade of the Finance Committee on the domestic economic effect of the multinational corporation. The Foreign Relations Subcommittee is, at the moment, holding a set of hearings on the ITT involvement in Chile.

These hearings will be followed by others delving into specific economic and political issues raised by the operation of multinational corporations in an increasingly interdependent world.

In this regard, I wish to bring to the attention of my colleagues an article on multinational corporations which appeared in the March 19 magazine section of the New York Times. The author, Harvey D. Shapiro, sums up several of the questions which our subcommittee intends to study in depth.

Mr. President, I ask unanimous consent that this article be inserted here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MULTINATIONALS: GIANTS BEYOND FLAG AND COUNTRY

(By Harvey D. Shapiro)

The meeting at the Palace of Versailles last March had all the trappings of a diplomatic congress. For three days the 90-odd delegates from nine nations held closed-door meetings to discuss international monetary problems, tariffs and foreign-investment restrictions, and they concluded with a joint communiqué setting forth their views. The delegates did not represent any governments, however. The participants included David Rockefeller, chairman of Chase Manhattan Bank, J. Kenneth Jamieson, chairman of Exxon Corporation, and Giovanni Agnelli of Fiat, as well as the top executives from such giant firms as I.B.M., Caterpillar Tractor and Imperial Chemical Industries. Altogether, the 50 European and 40 American executives represented multinational corporations with assets well over $300-billion.

Both the setting and the substance of this meeting may be a commentary on the growing importance of multinational corporations and the questions they raise about the existing system of nation-states. A multinational corporation is one which not only sells in more than one country but also obtains its raw materials and capital, and produces its goods, in several countries. Most important, it is, in some sense, managed from a global point of view.

According to recent estimates, the gross world product is valued at $3-trillion, of which some $450-billion, or 15 per cent, is produced by multinational corporations. This sector is growing at the rate of 10 per cent a year, faster than the economies of many nations, and Prof. Howard V. Perlmutter of the Wharton School has estimated that by 1985 some 300 giant multinational firms will produce more than half of the world's goods and services.

About 200 giant U.S.-based corporations are regarded as multinational, while some 3,600 additional American firms already have at least one foreign subsidiary. American-based firms account for nearly half of total multinational output, but many multinational corporations are based in Europe and Japan, including giants like Unilever and British Petroleum, and 500 or so smaller foreign firms have plants in the U.S.

This month the Senate Finance Subcommittee on International Trade, headed by Senator Abraham Ribicoff, is holding hearings to assess the impact of multinational corporations on the troubled American economy. Multinational firms have been accused of deepening the nation's trade deficit and participating in the currency speculations which helped produce two devaluations of the dollar. According to Burton Teague, a senior research associate at the business-sponsored Conference Board, "Many businessmen look at multinationals as a means of distributing the fruits of technology and managerial expertise throughout the globe, but American labor views them as exporting jobs, while some less developed countries see them as a new generation of exploiters." Political leaders aren't sure what to make of them, but this much seems certain: For the first time since the clash between the emerging nations and the medieval church was settled in favor of the nation-state, a powerful and unique new international entity has emerged in the world that is raising important political, social and legal questions.

Almost everybody knows Hershey bars come from Hershey, Pa., but where do Nestlé's chocolate bars come from? Well, these days they're made in Pereira, Colombia; Tempelhof, West Germany; Cacapava, Brazil, and Fulton, N.Y., as well as dozens of other places around the world. Though many U.S. shoppers think of Nestlé's as another little American chocolate maker, the Nestle Company of White Plains, N.Y., is actually a subsidiary of Nestlé Alimentana, S.A. The name does not evoke an image of massive, many-tentacled power like that of I.B.M. or ITT. Nonetheless, the corporation is the 29th largest in the world in terms of sales, and ranks with Unilever as the largest of the food processors.

The firm had total income of $4.2-billion last year, of which 53 per cent came from Europe, 33 per cent from the Americas, 11 per cent from Asia and 3 per cent from Africa. At headquarters in Vevey, Switzerland, on Lake Geneva, a cosmopolitan group of Nestlé executives orchestrates the activities of the firm's hundreds of subsidiaries, which operate 300 factories, maintain 677 sales offices and employ 110,000 people in 60 countries.

Nestlé Alimentana, a direct descendent of the baby-food business launched by Henri Nestlé in 1866, is now a holding company sitting atop a mind-boggling array of subsidiary companies which it has formed or acquired. It controls two other holding companies, Unilac, Inc., of Panama and Nestlé Holdings Ltd., of Nassau, and beneath this superstructure operates dozens of companies using the Nestlé name and selling Nestlé products such as Nescafé and Nesquik cocoa all over the world. It also controls, or is allied with, dozens of other firms which don't fly the Nestlé flag, like Libby, McNeil & Libby, the giant American canner, Bachmann Bakeries of the Netherlands and the United Milk Company of Thailand. These firms sell their products under hundreds of brand names, including such popular labels as Crosse & Blackwell soups and Deer Park Mountain Spring Water.

The actual production of the firm's coffees, chocolates, baby foods, dairy products and frozen foods is highly decentralized. Cocoa, coffee beans and other raw materials are bought in local markets by individual subsidiaries, and "we vary each product according to local tastes," say Gerard J. Gogniat, chairman of Nestlé's in White Plains. Nestlé's companies make their soups thick and creamy in West Germany and thin, like bouillon, in Latin America.

While the products may be adapted locally, the recipes for marketing and operations are written in Vevey. Headquarters receives regular projections on sales and profits from the subsidiaries, along with plans on how they will achieve their goals, and the parent company takes an active part in developing marketing strategies, brand names and even packages to insure success in each market. Some 25 million foreigners visited Spain last year, and while many may have been mystified by the local food. Nestlé Alimentana made sure they could find their old friend Nescafé in a familiar package.

When new products, marketing techniques or technologies prove successful in one country, they are transmitted via the parent organization to other subsidiaries. And if a Nestlé affiliate should falter, the trouble shooters at Nestlé Products Technical Assistance Co. Ltd. (Nestec) will parachute onto the scene to straighten things out. Headquarters also keeps an eye on coffee and cocoa markets, where Nestlé is among the world's largest customers, and it scans global political and social developments. Are there threats in Chile? New Markets opening in China? A shift to consumer goods in Eastern Europe? A bad cocoa crop in Ghana? A new taste for wine in the U.S.? From listening posts all over the world, reports flow into Vevey. Ultimately, headquarters also coordinates the massive flow of funds among the subsidiaries, lending money to some, drawing down profits from others, always keeping abreast of impending changes in currency exchange rates, and, some say, manipulating the overall flow of funds to minimize the firm's worldwide tax burden and maximize profits.

Nestlé's top executives come from several countries, but they all seem to regard nation-states more like sales territories than sacred ties of blood and history. For example, Nestlé's U.S. chairman, Gerard Gogniat, who is also a director of Libby's, is a native of Switzerland who joined Nestlé Alimentana in 1946. He moved 12 times over the next 20 years, rising through various executive positions with Nestlé affiliates in Canada, Latin America, Stamford, Conn., Vevey and Paris before coming to White Plains in 1966. This summer, the 47-year-old executive, who speaks softly—in five languages—will return to Vevey to become one of the parent company's seven top-level "general managers."

When Gogniat leaves White Plains, Nestlé president David E. Guerrant, an American, will become chief executive of the corporation while remaining chairman of Libby's. His successor as chief executive officer at Libby's was Douglas B. Wells, an American who joined Nestlé's in White Plains in 1949 and served tours of duty with Nestlé affiliates in New Zealand and South Africa before Vevey installed him as president of Libby's last July. To insure a steady crop of good Nestlé men, last fall the parent company converted an old hotel in Rive-Reine to house its International Training Center, at which Nestlé executives from around the world come to prepare for senior management roles. After a little postgraduate training there, one suspects, they go forth to sell chocolates to the world with passports stamped "Swiss" or "French" or "American," but with an outlook marked simply "Nestlé."

The rise of multinational corporations like Nestlé Alimentana is rooted in the logic of economics. Growth is the *sine qua non* of capitalism: As firms saturate their local markets, they broaden their horizons and seek new markets. Instead of expanding existing plants to supply these new markets, it is often more economical to open new factories near them and to buy raw materials in the area. When a new market is in another country, political concerns may require this choice. There are often political dangers for a product labeled "imported," as the Japanese are finding out, but tariffs and quotas on imported goods don't apply to the same goods if they are produced domestically by foreign-owned corporations. So, as the Japanese economist Chiaki Nishiyama notes, "The higher trade barriers become, the more attractive it will be for foreign capital to go into that country for investment." And once a corporation invests in another country, like a person who buys a house in a community, the firm begins an involvement that broadens its interests and its outlook. In contrast to a firm which simply ships in some goods to be sold, a company which makes a direct investment in plant and equipment in another nation becomes an employer and taxpayer, citizen and political participant. It brings in not only goods, but technology and a way of life.

The extractive industries had no choice but to invest wherever natural resources were to be found; so firms like Anaconda, Exxon, British Petroleum and United Fruit were becoming multinational in the 19th

century. Rising tariffs after World War I led many manufacturing companies abroad for the first time, but this movement was slowed by the Depression and World War II. The development of truly multinational corporations began on a broad front in the late nineteen-forties. The movement was led by American corporations which saw lucrative new markets in countries rebuilding their war-torn economies, as well as opportunities to produce cheaply abroad for sale at home. U.S. overseas direct investment increased from $11.8-billion in 1950 to $32-billion in 1960 and $86-billion in 1971. Two-thirds of this postwar growth was in Western Europe, and most of that was concentrated in such fast-growing, nonextractive industries as chemicals, electronics, autos and computers. The number of foreign subsidiaries of U.S. firms increased from 2,300 in 1950 to more than 8,000 in 1970, while total foreign assets controlled reached $125-billion.

In his 1967 book "The American Challenge," J. J. Servan-Schreiber warned of an impending takeover of the European economy by American-based multinationals.* However, Servan-Schreiber sketched only part of the picture. The rise of the Common Market since 1958 has reduced European trade and investment barriers and permitted American-sized economies of scale, while government-encouraged mergers have created a number of trans-European firms that can generate surplus capital. As a result, an impressive number of European firms have been quietly expanding foreign operations recently.

In contrast to the early European investments in raw materials in colonial areas, the recent European foreign investment has been in the U.S., primarily in technologically sophisticated industries such as chemicals and synthetic fibers, as well as consumer goods. These days, the manufacturers of such "all-American" products as 20-Mule Team Borax, Bic pens, Librium, Ovaltine and even Good Humor ice cream are owned by European companies. Two devaluations of the dollar, which have made investments in the U.S. relatively less expensive, serve to accelerate the trend.

Not only are European firms pulled here by the world's largest and richest market and by the sophisticated R. and D. community, they are also being forced to become multinational by competition from American-based multinational companies. Joseph Rubin of the international accounting firm of Alexander Grant, Tansley, Witt, explains: "In order to remain competitive, European firms in multinational industries have had to obtain a foothold in the world's largest market in order to dilute their over-all costs over a greater sales base and lower their per-unit costs."

Japanese companies are also belatedly becoming multinational. Despite its success as an exporter, Japan has only $4.5-billion in overseas direct investments, mainly in raw materials in nearby, less-developed countries. Now that the Japanese Government has eased its stiff controls on the export of capital, however, foreign investment is likely to rise to $10-billion by 1977. Some of this will flow to the U.S., but a significant amount is being directed toward Europe, where Japan's mushrooming export sales totaled $1.6-billion last year and where the kind of protectionist rumblings that have endangered her American markets are beginning to be heard.

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*"The American Challenge" was foreshadowed by Fred McKenzie's "The American Invaders," which warned: "The most serious aspect of the American industrial invasion lies in the fact that these newcomers have acquired control of every new industry created during the past 15 years." McKenzie's book was a best seller when it was published in London in 1902.

Dr. Peter Gabriel, the new dean of Boston University's College of Business Administration, predicts: "The L.D.C.'s [less developed countries] and the Eastern bloc [the Soviet Union, China and Eastern Europe] represent the biggest single growth area for multinational corporations in the remainder of this century." Gabriel, a former partner in McKinsey & Co., an international consulting firm, argues, "The needs of the Third World and the Eastern bloc countries for the resources and capabilities the multinationals possess are almost infinite, but the multinational involvement will be very different from that in the West."

Rising nationalism in the former colonial areas has fostered a suspicion of any new exploitation. Billions of dollars of investments have been expropriated in such countries as Algeria, Argentina, Indonesia and, most recently, Chile. The oil-producing nations have been demanding not only a larger share of profits, but of ownership as well. And in 1970, the Andean Common Market countries stipulated that foreign companies had to turn over ownership of their operations to local control within 15 to 20 years.

"The era of the multinational corporation as a traditional direct investor in the L.D.C.'s is coming to an end," Gabriel says. Instead, firms which once sought 100 per cent ownership of foreign subsidiaries are becoming more flexible. For example, du Pont and American Cyanamid have accepted minority interests in Mexican ventures. Gabriel sees the management contract, in which firms "invest" their skills instead of their money, as an even more likely model for the future. T.W.A. has managed Ethiopian Airlines since World War II, for example, while Goodyear has agreed to operate two state-owned tire companies in Indonesia for a fee based on sales and profits.

Multinationals don't have any opportunities to acquire ownership interests in Eastern bloc countries, except for Rumania and Yugoslavia, but Dr. Gabriel argues these countries will increasingly seek management contracts with multinational firms to obtain the technology, managerial skills and capital they need to compete in the growing East-West trade. These days, a variety of firms have management contracts with the Soviet Union, among them Fiat, which built the Togliatti auto factory in Russia for a reported $50-million, as well as International Harvester and Renault, which have similar arrangements in Eastern Europe.

Some Eastern bloc countries are even developing their own state-owned multinational enterprises. The Soviet Union has a group of eight banks in Western Europe. In a joint venture with Belgian interests called Society Scaldia-Volga, the Russians have opened a small plant near Brussels where Volgas and Moskvitches are assembled largely for the Belgian market. Meanwhile, in October several oil-rich sheikdoms began talking about "downstream" investments in refineries or even gas stations; perhaps Europeans will soon be filling up with Faisal Supreme or Saudi Ethyl.

Whether as owners or managers, as senior or junior partners, multinational enterprises seem destined to continue expanding their role. Only such giants, or major governments, can now afford to develop new technologies and new products. Few institutions in the world, public or private, for example, could have mustered the $5-billion I.B.M. spent to develop its 360 series of computers. Moreover, as multinational firms operate in more and more markets, Joseph Rubin points out, firms in one country must either acquire, or be acquired by, competitors in other nations, just as local and regional industries in the U.S. gradually were consolidated into a nationwide economy earlier in this century.

Earlier this year Carl A. Gerstacker, chairman of Dow Chemical, told the White House Conference on the Industrial World Ahead, "We appear to be moving in the direction of what will not really be multinational or international companies as we know them today, but what we might call 'anational' companies—companies without any nationality, belonging to all nationalities." European firms are leading the way in this. S.K.F., a Swedish ballbearing manufacturer changed its "official language" on all memos and even conversations in its headquarters from Swedish to English, the *lingua franca* of multinational business. Royal Dutch-Shell and Unilever operate companies which, in each case, are controlled by a pair of holding companies, one based in England and the other in the Netherlands; their executives and employes are even more polyglot than their shareholders. Most American-based multinationals still tend to do 70 per cent of their business at home, but a few American firms are also submerging their nationalities. More and more firms are staffing overseas subsidiaries with local citizens, and foreigners have become executives and directors of such corporations as I.B.M., H. J. Heinz and Xerox; in addition, shares of G.E., du Pont, Ford, Kodak and Goodyear are sold on stock exchanges in Paris, Amsterdam, Brussels, and Frankfurt or Düsseldorf.

Paralleling the rise of more "anational" firms, the world's major banks have divided themselves into multinational consortia. The largest, Orion Bank Ltd., was founded in October, 1979, by Chase Manhattan, Royal Bank of Canada, Britain's National Westminster Bank, Westdeutsche Landesbank Girozentrale, Credito Italiano and Mitsubishi Bank. Orion is represented in more than 100 countries and headquartered in London, but it has no real "nationality."

Instantaneous global communications, the computer and the rise of professionally trained managers have made control of these far-flung enterprises feasible, though managerial styles vary from tightly controlled empires to loose confederations. When the Cummins Engine Company of Columbus, Ind., launched Kirloskar-Cummins Ltd. as a joint venture in India a decade ago, Cummins vice president George Thurston recalls, "All the machinery we brought in was based on the concept of a man standing at a machine while doing his work. But we learned the Indian is much more content if he can squat, so we had to re-engineer the machinery and lower the controls so a guy could work squatting." Like many multinationals, Cummins has adopted Nestlé's approach of defining goals but leaving local managers some discretion in how to achieve them. However, the multinational headquarters almost always reserves for itself the tasks of long-range planning, research and development, and finance.

Because they introduce advanced technology and management on a large scale, the corporations have been telescoping the process of development in many countries. In the Third World, Nestlé is teaching new agricultural methods to its suppliers and new child-rearing and health-care practices to mothers to whom it hopes to sell baby food and dairy products. Ultimately, multinational companies "may be a more effective device than foreign trade in improving the standard of living in the L.D.C.'s," says Charles P. Kindleberger, professor of economics at M.I.T. He explains, "You didn't get an equalized standard of living and wage scale in the U.S. until capital moved out through the country, and national companies helped do this, though the populists hated these companies, especially the chain stores." Although multinational firms may move to an area because of its low wages, the firm's payroll may increase local income dramatically. When Cummins opened its Poona, India, plant, George Thurston recalls, "We used to have three buses to pick

up the workers. Now our biggest problem is parking space for their cars and bicycles. People have reached that economic level."

A free flow of goods, investments and technology may heighten worldwide productivity and economic efficiency in the long run, but such free movements could also lead to instability and painful dislocations. Higher living standards, moreover, require new styles of living. For instance, when Sears helped introduce mass merchandising in Mexico, its retail stores provided more varied goods and created new jobs and industries to supply the stores. But these stores, with their impersonal cash-and-carry operations, also replaced the social life that surrounded local markets. Thus, multinational corporations hasten and exacerbate the social changes that accompany development, and sometimes sow tensions which lead to their own expropriation.

While Third World nations would like to acquire the managerial expertise, capital markets and research facilities that come along with multinational headquarters, they are more likely—with their uneducated labor force, low wages and uncluttered land—to attract chemical plants, oil refineries and sprawling, messy, labor-intensive industries. This is particularly so, says Dr. John Hackett, executive vice president at Cummins Engine Company, because "countries like Brazil aren't nearly as concerned about ecology as the U.S. and Japan." Thus, as pollution legislation grows more stringent in the developed countries, multinational corporations are likely to tempt the less-developed nations with incomes approaching New York or Chicago—at the cost of looking and smelling like northern New Jersey or South Chicago.

Trade unions in the industrialized nations are, of course, concerned that the movement of plants to other countries will mean loss of jobs. However, American labor's claim that multinationals "export jobs" from the U.S. is challenged by Prof. Robert B. Stobaugh in a study financed by the U.S. Department of Commerce. Stobaugh and his associates at the Harvard Business School examined nine major overseas investment and concluded they created more jobs for U.S. workers than they eliminated; if these investments hadn't been made, the study asserted, America would have lost 600,000 jobs, since the firms would have been unable to compete successfully. However, the study noted that these investments tended to "displace" production workers, while increasing managerial, research and service jobs.

Union leaders also worry that multinational companies can undermine collective bargaining by threatening to move rather than meet union demands. Henry Ford II, for example, told Prime Minister Edward Heath in 1971 that if striking workers at Ford's Dagenham, England, plant weren't tamed, the company might abandon the factory.

"International bargaining doesn't exist anyplace and I don't see how it can," says Gus Tyler, assistant president of the International Ladies Garment Workers. Garment workers making $3 an hour in the U.S. and 16 cents an hour on Taiwan have little common ground for negotiating with an employer, Tyler says, so to help stanch the flow of jobs abroad American labor is relying for the present on legislation. The A.F.L.-C.I.O. supports the Burke-Hartke bill, which seeks to tighten controls on foreign investment and restrict imports. "In the long run," Tyler admits, "we have to hope wage levels elsewhere will come up."

Perhaps they will, for in an economy dominated by multinational companies, all roads are supposed to lead to equilibrium. In theory, industry would gradually be moved from high-rent, cluttered areas to cheap, vacant land, thus evening out global land use, and global wages, interest and prices would all tend to become more equal. However, the uniformity resulting from thus tying together various national economies is a double-edged sword. Multinationals are making the world's business procedures, measures and standards more uniform, as goods are being made and used in widely varied settings. But they are also fostering a growing sameness in the world's major cities. "It's sad, but work habits are going to become the same everywhere," says Giorgio Della Seta, a vice president of the Pirelli Tire Corporation, who bemoans the decline of the long Italian lunch break. All the typewriters and radios and toys and underwear in the world sometimes seem to be made in the same Hong Kong factory. An effective marketing program demands that all British Petroleum stations look pretty much alike. McDonald's golden arches will soon be everywhere. And a Hilton is a Hilton is a Hilton.

This growing sameness applies to people as well. Professor Kindleberger sees multinations as creating a new cadre of international managers who will be committed to the aggrandizement of their firms and to their own salaries and stock options, but to little else. Like the mobile American executives who shuttle among the bedroom suburbs outside U.S. industrial centers, these international managers will be efficient and useful to be sure, but bland and interchangeable as well. They will be the merchants in the Global Village they're helping to create. They will, that is, unless they are checked by political forces.

The sovereignty of the state requires that it be responsible for all that occurs within its borders. But the multinational corporation requires a free flow of capital, goods, and labor as if there were no borders. Which is to govern: the law of the land or the law of supply and demand? Prof. Raymond Vernon, the director of Harvard's Center for International Affairs, argues this "asymmetry" between multinational corporations and nations can be tolerated only up to a point; the threat, as he sees it, is reflected in the title of his recent book about multinationals, "Sovereignty at Bay."

Business spokesmen often deny there is any conflict. Burton Teague of the Conference Board says, "I'm not convinced by any means that the multinational corporations are exercising political power. They make their decisions on the basis of hard, cold business facts." True enough. The treasurers of many multinational firms acted like textbook examples of profit-maximizing managers when they began speculating in currencies in 1971. By all accounts, their movement out of dollars helped set off the worldwide monetary crisis that became a political issue in several countries and led to the first devaluation of the dollar and the revaluation of the yen. They also are said to have joined in the speculation that led to the second devaluation, though it is impossible to say which of the various types of currency speculators was most responsible for our recent troubles. Whatever their monetary role, it is clear that multinational corporations have economic power, and economic power is political power.

Multinational companies might have caused fewer problems in a 19th-century night-watchman state concerned only with maintaining order, but modern governments have assumed the obligation of managing the economy and promoting the general welfare. "How can a national government operate a domestic financial and economic policy when it can't control the decisions of all the factors within the economy?" George Ball, a senior partner at Lehman Brothers and a former Under Secretary of State, asks. In a democratic society, the government manipulates the environment in which economic decisions are made. But multinational companies inhabit a different environment. A central bank may raise interest rates to slow inflation, but a multinational corporation may borrow funds in a low-interest country. The Canadian Government may attempt to change its unemployment rate, but the nearly 50 per cent of Canada's manufacturing and mining companies controlled by U.S. firms may determine their hiring policies in response to American rather than Canadian economic policies. The U.S. seeks to maintain its military superiority on the basis of its sophisticated weaponry, yet companies like G.E. that build those weapons want to export their military technology through their subsidiaries in other nations.

One alternative is for a nation to lock the door on movements of capital and goods. By taking such a step, however, a country risks falling behind in economic and technological progress in the rest of the world. Despite General de Gaulle's opposition to the American challenge, the French Government found it had to permit G.E. to take over troubled Machines Bull, the principal French computer company. (Honeywell recently acquired it from G.E.) Although the auto industry is often a matter of national pride, France permitted Chrysler to acquire a 77 per cent interest in Simca. After U. S. investment was restricted by France in 1963, U.S. companies set up shop in other Common Market countries, ultimately forcing the Pompidou government to relax the restrictions in order to share in the jobs and income gained by its neighbors.

Whatever their benefits, though, multinational corporations cannot simply be left to their own devices. What's good for General Motors is not always good for the U.S., and even when it is, it may not also be good for the people of Norway, Brazil or other countries. Under chairman Harold Geneen, ITT has become a model of efficiency and "good management," but it has been accused of manipulating governments for its own purposes from Santiago to San Diego. The important decisions about the world's resources cannot be left solely to the profit-maximizing managers of multinational corporations because their calculations leave out the social costs of their actions. They won't pay for cleaning up their pollution or supporting their discarded workers unless someone makes them. The 19th-century experience with laissez faire economics demonstrated that there must be a social and legal framework to insure that corporations ultimately serve the public interest.

But multinational corporations have shaken off the traditional sources of countervailing power. They've outgrown trade unions, consumer groups, local and state governments. Currently, multinational corporations are responsible to both their home country and their host countries, and the jurisdictions are sometimes overlapping but often absent. The host governments' fear of losing the benefits of multinational operations leaves the companies with sufficient bargaining power to forestall regulation in many areas.

The traditional, good liberal, commonsense solution is clear: Global corporations should be responsible to a global regulatory authority. Despite the United Nations' impotence, many still call for a multinational solution. George Ball, for example, proposes a treaty creating a supernational regulatory authority to charter multinational corporations and specify their rights and obligations, while also standardizing host government regulations and taxes. Such a treaty would begin with the developed nations—"The less-developed countries are too concerned with their nationalism right now," Ball says—and, like the International Monetary Fund or the General Agreement on Tariffs and Trade, it would gain signatories over time.

However, even if the dislocations caused by multinational companies were to be regulated by international agreement and cushioned by some form of financial assistance, many nations might still be reluctant to shift part of their economic fate out of their own hands. The less-developed countries may lead rather than follow the industrialized nations in dealing with multinationals, for the

Third World is demonstrating that it can obtain many of the benefits multinational firms offer while retaining national control of its economy. Dr. Gabriel of Boston University foresees a growth in "bilateral relationships" in which corporations and governments will bargain over new and existing investments one by one. "Such a situation would resemble nothing so much as true capitalists in a free market, each seeking his own self-interest," he says. The result would be an untidy and uneven process, as corporations sought outlets for their capital and products and nations looked for corporations to fulfill their plans for national development. When those national aspirations didn't accord with the multinationals' plans—if India wants a steel industry or Norway wants fishermen—then the nation might create *ad hoc* or permanent subsidies and penalties to change the economic landscape and persuade the multinational corporation to do its bidding.

Economic rationality demands that a nation be what it is best equipped to be, but politics holds the promise of being what a nation wants to be. There need not be a conflict, of course, but the nations of managers and researchers and financiers are more likely to accept their lot than those who seem destined to be the world's factory workers and hewers of wood and haulers of water. They may not maximize global economic efficiency that way, but as Professor Kindleberger says: "The political solution to the question of multinational corporations depends on what it is that people want to maximize."

CORPS OF ENGINEERS HARBOR INSPECTORS

Mr. JAVITS. Mr. President, as a result of the request of one of my constituents, whom I wish to commend for his dedication and suggestion, I share with my colleagues the result of his suggestion which will benefit all civilian Corps of Engineers harbor inspectors.

Mr. Edward Canfora, an inspector with the U.S. Army Corps of Engineers, Harbor Supervision and Compliance Section, New York City, made the suggestion to me that corps harbor inspectors be afforded the same status as certain other Federal employees who are protected against acts of intimidation and violence under the provisions of sections 111 and 1114 of title 18 of the United States Code, while performing their duties.

The major duties of Corps of Engineers Harbor Inspectors are to inspect activities and circumstances in navigable waters or which may affect navigable waters, and to insure compliance with the provisions of Federal laws governing navigable waters. He inspects the disposal of refuse and the status of wrecks and abandoned vessels as well as the construction of piers, bulkheads, pilings, breakwaters, and other structures. He is further charged with the duty of identifying violations of Federal navigation laws, report such violations and direct the persons violating such laws to desist in their unlawful activities. These inspectors are threatened and even assaulted as they perform their duties.

As a result of Mr. Canfora's request, I contacted the Office of the Chief of Engineers, and, with their permission, I ask unanimous consent that the complete text of the response be printed in the RECORD.

There being no objection, the text of the response was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., Mar. 23, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: Thank you for your letter of March 6, 1973 in which you inclosed a request to you from Mr. Edward Canfora that Corps harbor inspectors be afforded the same status as certain other Federal employees who are protected against acts of intimidation and violence under the provisions of Sections 111 and 1114 of Title 18 of the United States Code.

I believe that all Corps employees who perform investigative and law enforcement functions and are exposed to possible acts of violence should be afforded the protection which Mr. Canfora requests. These Corps employees should include all of those who are charged with the responsibility of enforcing Corps recreation regulations under the authority of Section 234 of the Flood Control Act of 1970 (Public Law 91–611) as well as all of the Corps employees who are charged with investigation and enforcement concerning the various Corps regulatory responsibilities over navigable waters.

I have directed my staff to gather the necessary background material and prepare a comprehensive legislative proposal to accomplish this purpose for consideration by the Executive and the Congress during the 93d Congress.

I have inclosed an explanation of the major duties of Corps harbor inspectors as you requested. I do not, however, suggest their inclusion within the protective provisions of Title 18 as a separate segment of Corps employees engaged in enforcement activities since harbor inspectors will be included in the aforementioned comprehensive legislative proposal together with all other Corps employees who are similarly situated as to their exposure to possible acts of violence.

Sincerely yours,

F. J. CLARKE,
Lieutenant General, USA Chief of Engineers.

THE INFLATION BLUES

Mr. ALLEN. Mr. President, inflation is a scourge. It must be controlled by whatever means are necessary. The average citizen is not content to sit idly by and twiddle his thumbs while economists debate and Congress flounders.

We have seen evidence of buyers resistance. But those who can bring pressure to bear by this device are among the fortunate. Consider the aged. Consider the social security beneficiary who lives on a fixed income and has long since been compelled to scrimp and scrounge merely to keep a roof over his head, clothes on his back, and food on his table.

Of all those who are innocent victims of inflation, and there are few who escape its effects, no group of citizens is hurt more than the aged. They have no intention of fighting inflation in a rocking chair. They are speaking out and preparing for battle. It would be wise to lend an attentive ear.

Mr. President, my good friend, Rubin Morris Hanan, president of the Alabama League of Aging Citizens, sent me a copy of a letter to President Nixon and enclosed a copy of verse which is making the rounds in his organization. The verse is entitled "The Inflation Blues." Mr. President, I ask unanimous consent that the letter and verse be printed in the RECORD.

Mr. President, "The Inflation Blues" is not a candidate for anybody's anthology of great verse, nor was it intended to be. Yet, the sentiments expressed are universal and socially significant. Who among us will read these lines and fail to hear the plaintive cry which characterized similar verse originating in the bleak depression days of the 1930's. The causes of deprivations of those days are different from those of today but the results are the same and the needs are the same for our senior citizens.

There being no objection, the letter and verse were ordered to be printed in the RECORD, as follows:

ALABAMA LEAGUE OF
AGING CITIZENS, INC.,
Montgomery, Ala., March 8, 1973.

President RICHARD M. NIXON,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: If you will permit me to say, in behalf of our Senior Citizens, and as state chairman for Senior Citizens Committee for Nixon in your last campaign, that unprecedented inflation has swept our own nation. The situation is awful and is growing progressively worse.

Man's ancient desire to live longer is at last being realized. Life expectancy in America has risen to 72 years.

We find our Senior Citizens, recently reduced in spirit by the smouldering fire of inflation and neglect, is once again rising in renewed pride and splendor. They are again endeavoring to assume their rightful place in society, if given an opportunity, but they must survive with dignity to assume such a responsibility.

This can be possible only through price control to safeguard the meager Social Security Pension, with no other income.

Also enclosed is a copy of "The Inflation Blues" which vividly expresses the problems and tribulations that confront our Senior Citizens today.

Respectfully yours,

RUBIN MORRIS HANAN,
President, Alabama's League of Aging Citizens, Inc.

THE INFLATION BLUES

I've got the blues that I can't lose,
And I do mean inflation.
I'm out of luck when just a buck
Buys nothing in our nation.
Now when do we eat, not greens or white meat,
At seventy-five cents by the pound—
Not black-eyed peas, for a helping of these
Costs more than I've got, I have found.

Social Security I get, but you can bet,
With utilities and rent,
Though hard I try I just can't get by
On what has to be spent.
Chorus:
Oh, dollar, my poor dollar, inflation's got me beat—
Never seems to be anything left so I can eat.
So step right up, Mr. President, and we will ever praise
What you can do to help us through in our old-age days.

Verses:
I never go to see a show
Unless it is for free,
Got no TV or Radio,
So it's solitaire for me.
Once I was able to put on the table
Maybe sirloin steak or roast duck,
But now you can see it's oatmeal for me—
But what can you do for a buck?
Because of inflation our sad situation
Is one only you can mend.

To get us all through we're appealing to you
As the One on whom we depend.
So for our sake we hope you will make
A dollar worth one hundred cents,
That peace we may find in body and mind,
And not at our expense!

THE MEAT BOYCOTT AND THE FARM FAMILY

Mr. METCALF. Mr. President, as the week of the meat boycott begins, I believe attention should be called to a most relevant letter from a Montana constituent addressed to President Nixon. However, it should be read by all who are concerned about food prices.

This poignant lament for the passing of the family farm points up a loss to our country way of life that has contributed to every phase of American life including cheaper food prices. So remember when the boycott hits Oppenheimer and the tax-loss farmers, they will just take it out of their income taxes. The family farmers, who for the first time have seen a chance to make a long deferred payment on the mortgage, may have to give up finally and leave their fields to the corporations.

Mr. President, I ask unanimous consent that the letter to which I have referred be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 26, 1973.

To President Nixon: (and to all the secretaries that screen the tons of mail: please pass this one on to the President, please don't reduce this, please have patience with my lack of eloquence, and read on):

I see a problem coming. Some of the symptoms of the problem are the cost of beef, the cost of oranges, the cost of other food products. Not only is this problem very apparent to the lower class, but also to the middle class and now the middle-upper as well. That is a lot of people, a majority even.

You are more aware of the problem than I am, I hope.

The cause I see on a very humble scale here in Montana, yet I am positive it occurs throughout the entire nation on that same humble scale. But when the ruler is read in sixteenths of an inch, it measures out in miles.

The small farmer is becoming extinct. J. D. Salinger's "salt of the earth" is pouring into the cities and becoming salt no more. It is happening in this generation, it is happening now.

The breed of men who can take an old machine, within the budget of the farm that is, who will grease it, add a bolt, a piece of haywire, a little welding, perhaps grind the valves, put in rings, inserts and coax that machine into harvesting just one more crop, one more economically produced crop, are about gone; that same breed of men who will wake up three or four times in a night, night after night, to change irrigating water or deliver a calf or sheep into the world; the same type of men who will build, plumb and wire his own house, barn, chicken coop, pigpen, lambing shed, fix his own fence, tend his own land. They are all departing.

Their departure is a sign of a famine to come.

What is their replacement?

The large corporate farmer or rancher buys a lot of land, lives in the city, and hires it done. But it doesn't get done. Here is why:

The foreman sees the old machine going, perhaps even the other hired men. Who cares? Why should they? It isn't their machine. "Let Mr. Bossman buy a new one. He has the money. Why should we mess with the old, make more work for ourselves. What is there to gain? The salaries are set. What he doesn't know won't hurt him." The mechanic who works on a sales commission will tell him it is beyond repair anyway. The boss buys a new one.

The result is sky-rocketing food costs. So many dollars spent to produce a certain quantity of food.

The same thing goes for beef. Why get up at midnight, check the cows or change the water. Let the cow in birth die. Let the ditches wash out, the grain snow under or rattle loose overripe in the wind, the hay dry out so there is nothing left but straws.

The boss is so busy in the city playing profit and loss. Well, who cares anyway. Besides, the Johnny Carson show is in color and its thirty below outside and the house is warm.

When it is time to harvest the hay and the sickle bar rattles from loose teeth in the mower, let the boss see it, hear it. He will think it's broken, he knows no better. The teeth can be tightened, but instead he will think it is time to trade off the five hundred dollar mower for a five thousand dollar swather. The boss likes the idea anyway. A swather is a status symbol among his neighbors, makes him feel big as he brags at the bar. Now the hundred ton of hay has $5,000 divided into its cost not to mention labor. Hay and cows sell for more and more each year, cows need hay to make the winter.

The small old-time farmer made the mower go, still does. He budgets.

Along comes, pardon the expression, Dude. He doesn't know the difference between a combine and a thrashing machine; between a backwards calf and a forwards one. The cow dies, the calf dies, trying to turn the backward calf out of the womb. He asks the veterinarian why. The vet shakes his head, shrugs his shoulders and says: "Better call me next time when you are calving. Backwards calf." Vet bill added to loss of cows and calves. Added to cost of beef.

The old breed, which my father and myself and many others are, would have been up at 3 a.m., would have by ourselves gone in against the pressure of the womb up to our shoulders inside the cow, got a hold of the calf's front legs, turned the calf around and pulled it out all in rhythm with the contractions of the cow. By 4 a.m. we would be mothering up the calf, holding his wobbly head under the udder and with a teat in its mouth, be moving the calf's jaws teaching it to suck, while the cow mooed on in approval; and not like the dudes the next morning hooking a chain around the dead cow's leg and dragging it off somewhere with their new tractor to rot and fill the air with waste.

Consequently, the dude heads on a collision course with bankruptcy. If it (the farm isn't just a tax dodge to him) doesn't pay off, he has two choices: sell the whole chunk of land at a higher price than he paid for it to land speculators or another dude. Or subdivide. He likes living on the land and playing the part even though he plays the part poorly. So he decides to subdivide. Maybe he starts with a section or two of land. His figuring goes: "Well, I'll sell forty acres in increments of ten acre lots at a thousand an acre." He puts it on the market and to his amazement it sells. Then he again has money. "Oh boy!" Time to buy a new car, new combine, swather, tractor and even hire a man to run them, and in not too long of a time, he is once again on that same collision course with bankruptcy. Better subdivide again; it will be easier this time because the road is now decent and people have moved in. A community has started, call it the Sunrise Community. Put up a big sign that says "come and join us, acreage for sale." They do and they do and they do.

On a small scale this seems all very fine. But, back your way up and look at it. Get your people to subtract all the ten acre, five acre tracts alone (not even the forty acre ones) sold this year alone, and subtract it from the amount of total useable land. It will give you a headache.

Perhaps one could argue that the land is still useable although it is subdivided. What use is made of ten acre tracts. It is a place to have the kids run around in. We don't eat kids. It is a place to build a house. We don't eat houses. It is a place to have a horse or two or three; have to buy hay then, but that doesn't matter. Just raises the cost of beef is all; raising the cost of hay, subtracting the fields to grow it in. We don't eat horses yet, although a few people are considering it. In Korea and Viet Nam, they eat dogs, horses, cats and rats. Where are we going to?

My wife, four year old son and myself took a vacation this last winter. We drove from Livingston, Montana to Albuquerque, New Mexico to Los Angeles. As we drove along, we played a game. One of us would pick horses to count, another sheep, and the first one to ten counting in groups won. Near any large metropolitan area from fifteen thousand up, you could see horses, horses, and more horses. To find cows you had to drive a long ways. Denver, Colorado is an example. We drove over sixty miles south and beyond Denver proper to count one cow. I remember well as I had cows. Sheep were even less frequent and horses almost always won no matter where we went.

Direct result of multiple subdivision. In California, orange groves I had seen on an earlier visit are now housing projects, industrial sites or buried by freeways.

It is time to reconnoiter.

I have stated a problem.

I have stated a cause.

I wish I could give something more than an abstract solution. Maybe freeze the sale of land. Let the subdivision occur only in places where it is already surveyed down to ten acre plots. There are a lot of lots on ten acres.

Somehow get the old farmers to hold on. Make it financially possible for the farmers' sons to carry on. *We* are the only ones who can produce economical food. If the teachers of agriculture were so good they would still be farming, not teaching. Don't have us, the farmers' sons, forced into the city because we cannot afford the cost of a farm. We are not happy at other guilds, other jobs. Some are; let them go.

What good is a color T.V. . . ., two cars and tons upon tons of gadgetry if there is a food shortage?

The land goes under, rich fertile river bottom land, for utility dams. What good is electricity without food? The utilities hold a strong lobby. They gain more strength by threatening shortage. The land goes under in many ways and it makes me sad and makes me afraid.

Perhaps if people were made aware of the growing shortage of useable land they would hold off, but perhaps it would only make a rush on the bank, the bank of land which provides our food.

In Russia I read that they are finding out that the big communal farms don't work. The fertile Ukraine, bread basket of the world, is not fertile when a man cannot own his own land. They are buying our wheat now. I hear they are giving the land back to the farms. Their farmers will produce under democracy. In ten years or less we will be buying their wheat.

The big corporate farms in our country will always be an uneconomical way to grow food as they were in Russia. The big corporate farm is the place where the subdividing should be taking place but not on a ten acre basis, but rather of a size and proportion a farm family might live on. If it is a tax loss they shouldn't mind just giving it to

you, but they won't. Tax loss . . . tax dodge . . . I just don't know.

Farming on a small scale, small budget is a highly learned and skilled trade. It incorporates the knowledge of carpentry, plumbing, electrical work, budgeting, mechanical knowhow and veterinary skills. It takes a sense of timing one can only acquire by the doing. When to plant, when to irrigate, mow, plow, and harvest, when the calf and lamb gelt is due.

You are a wise man, have wise men at your counsel.

Farmers, farmers' sons are wise men also. We have a gift, a talent, a knowledge. I am not alone in this knowledge. Many, many young strong men know what I know. We were born into and trained for eighteen years at least. We go to the cities, farmers' sons, and are as fools here. With hands as strong as a wrench, we wither away in the bars and businesses.

What an incredible waste of natural resource; knowledge slipped away that will be gone forever, unless . . .

I am completely helpless to change any of this. I hope and pray you are not.

If I can be of any help, I am at your disposal.

Respectfully yours,

EARL MARTIN.

THE FIRST UNDERSTANDING OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, during the protracted and intensive efforts to ratify the Genocide Convention, careful attention has been paid to certain sections which have been criticized by opponents of the convention. The results of this careful attention have been four understandings recommended by the Committee on Foreign Relations which could clear up any alleged ambiguities in the language of the convention.

The first understanding deals with the definition of genocide in article II of the convention as any of certain acts "committed with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such. * * *" While the Committee on Foreign Relations explicitly stated that it "had no particular problem with the meaning of these words," it recommended an understanding which stipulated that the acts of article II were performed "in such a manner as to effect a substantial part of the group concerned."

This first understanding emphasizes the importance of the word "intent" in article II. The committee noted that "basic to any charge of genocide must be the intent to destroy an entire group because of the fact that it is a certain * * * group, in such a manner as to affect a substantial part of the group." There is no genocide unless intent to destroy the group as a group is proven. Thus, such actions as school busing, birth control clinics, lynchings, police actions with respect to the Black Panthers, and the incidents at My Lai, do not constitute genocide under the terms of the convention, contrary to what opponents of the convention would have us believe.

The convention requires an intent to destroy a group as such, and if that intent is not present, the killing of isolated individuals cannot be construed as falling within the purview of the Genocide Convention.

Mr. President, we should ratify the convention without delay, in order to reaffirm this Nation's commitment to the principles of international law and justice.

EFFECT OF BUDGET REDUCTIONS ON SOCIAL WORK EDUCATION AT THE UNIVERSITY OF MISSOURI

Mr. EAGLETON. Mr. President, the administration has announced its intention to phase out during fiscal 1974 those training programs for social workers and vocational rehabilitation and aging specialists administered by the Social and Rehabilitation Service in the Department of Health, Education, and Welfare.

The President's budget requests funds only for continuation grants to those currently receiving assistance. No new awards are to be made.

Severe reductions are also being proposed in training programs administered by the National Institute of Mental Health.

These budget reductions are part of a general policy decision on the part of the administration to eliminate support for specialized training in a number of professional disciplines on the theory that adequate support will be available through general student aid programs.

Mr. President, I ask unanimous consent that there be printed at the conclusion of my remarks a letter I have received from Dr. J. F. X. Paiva which describes the effect that the elimination of Federal support would have on the program of the School of Social Work at the University of Missouri-Columbia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MISSOURI-COLUMBIA,
Columbia, Mo., March 13, 1973.

Hon. THOMAS EAGLETON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR EAGLETON: As someone who is deeply interested in and committed to the meeting of human needs within the State of Missouri and the nation, you must be quite distressed over the unanticipated cuts in federal funds directed to these purposes. Programs of service delivery and training of professionals and paraprofessionals in many disciplines concerned with human resources may be greatly reduced and in some instances eliminated. While no one will disagree with the need to have a continuing research and evaluation component related to program funding to insure the best possible use of resources, the arbitrary discontinuance or reduction of programs on a purely fiscal basis seems illogical.

The School of Social Work at the University of Missouri-Columbia is the only public institution in this state which educates professional social workers at the Master's level. Graduates from the program have traditionally assumed leadership roles in many of the state's public and private organizations and institutions concerned with social welfare. Our undergraduate majors in social work are increasingly filling positions of direct service delivery. The rise of interest in social work as a career as demonstrated by choice of a major among college undergraduates has increased 100% in the past two years at this institution. Manpower studies indicate an ever-increasing need for such personnel at all educational levels.

A large number of our students have only been able to receive their education through the provision of federal funds in the form of training grants which support traineeships and faculty. We have very recently been informed that these grants will all be terminated either on June 30, 1973 or at the completion of the project period—in most instances by June 30, 1974. Funds for the training grants come from either Social and Rehabilitation Services or the National Institute of Mental Health. The effects of the withdrawal of these funds on the education of professional social work personnel, manpower supply, state public and private social welfare institutions and the residents of the State of Missouri is almost impossible to estimate.

In order to provide you with some facts about the anticipated effects of the funding cuts on the program of the School of Social Work at the University of Missouri-Columbia, two enclosures have been made: 1) a copy of a letter to the Region VII Office of HEW concerning the immediate impact of the projected budget cut of the SRS-Training Grant for the period of 7/1/73 to 6/30/74 and 2) a fact sheet developed to outline the progressive loss of traineeships and faculty support from both SRS and NIMH if current plans are realized.

It is hoped that these materials will be of maximum use to you in your efforts to restore and improve funding for the human services programs. If we can be of help in providing any additional information, please contact us immediately. We would appreciate you keeping in touch with us on the situation as it is appropriate.

Very truly yours,

J. F. X. PAIVA, Ph. D.,
Director.

UNIVERSITY OF MISSOURI—COLUMBIA,
Columbia, Mo., February 8, 1973.

Mr. RALPH ROGERS,
Regional Manpower Development & Training Specialist, Department of Health, Education and Welfare, Federal Building, Region VII, Kansas City, Mo.

DEAR MR. ROGERS: This is in response to our telephone conversation of February 5, 1973, at which time you advised us of the decision to provide no new stipends and to commensurately reduce faculty support under Section 426 of our Social and Rehabilitation Services Social Work Training Grant. We feel that it is of urgent importance to apprise you of the anticipated effects of such an action on the program of the School of Social Work at the University of Missouri-Columbia.

The School of Social Work at the University of Missouri-Columbia has for a period of years taken the leadership role in social work education in the State for meeting the manpower needs for the development of human resources and for the development of professional educational programs in both public and private educational institutions.

In the new grant proposal which we developed last year, we indicated the fact that the School has developed a new curriculum which is to be implemented in the fall of 1973. The thrust of this effort is to educate students to have a beginning professional competence at the bachelor's level, and for assumption of leadership roles in social welfare at the master's level. Part of the data upon which this plan was developed came from the Department of Health, Education and Welfare and its projection of manpower needs. In accord with the priorities established concerning the need for bachelor level personnel shared with us by your staff last February, we took considerable effort to strengthen that aspect of our program. This can easily be seen by our reallocations of stipend money received to provide for additional undergraduate faculty and student support.

In an effort to meet the mission of the University in providing educational leadership to the State, a great deal of consultation has been given by the School of Social Work to a number of State and private

schools in developing their social work programs. A series of negotiations have taken place in an effort to develop a consortium arrangement between the University School of Social Work and other geographically related schools which would capitalize on the strengths of each and conserve resources of all at the same time. Of particular importance has been the work with Lincoln University which has a large group of minority students who currently have no social work program and are highly desirous of entering this career which could be possible through a consortium plan.

If the reduction of resources which you indicated to me take place it will mean: (1) a loss of vitally needed student support and an immediate effect on the manpower supply of both bachelors and masters degree professionally educated social work personnel; (2) a loss of faculty support which will hinder the implementation of a new curriculum geared toward a generalist practitioner skilled in developing local community resources by and for its citizens and helping established institutions become more responsive to changing needs; (3) reduce the capacity of the University to provide educational leadership to a number of educational institutions developing social work programs of their own.

We hope some way can be found to modify the anticipated action to reduce these social work training funds. If you find that more specific data would be of assistance to you in conveying the impact of this plan on our educational program please contact us immediately.

Very truly yours,

MARILYN E. MADDUX,
Project Director.
J. F. X. PAIVA, Ph. D.,
Director, School of Social Work.

FACT SHEET

1. Current and Projected Federal Support—(Funded through H.E.W.)

Student traineeships

1972–73	38
1973–74	18
1974–75	6
1975–76	0

Faculty positions

1972–73	4.7
1973–74	3.0
1974–75	1.0
1975–76	0

Clerical positions

1972–73	2.0
1973–74	2.0
1974–75	0.5
1975–76	0

In the past decade, 80% of graduate students in social work have required some form of financial support for the two years required to complete the course of study. In 1972–73 only 55% were able to obtain assistance and many well qualified and promising candidates were forced to withdraw for lack of funds. If the projected reductions are carried out, the percentage of a normal sized class who can expect assistance next year will drop to 22% and no monies will be available the following school term. Most drastically effected will be minority group applicants and married male students since they are least likely to have private resources to finance their education.

2. Current Allocation of Traineeships

SRS (Rehabilitation, Child Welfare, Aging)	16
NIMH—Aging (Geriatric services, nursing facilities)	4
NIMH—Corrections (Probation/parole, juvenile courts, correctional institutions)	6
NIMH Psy/Medical (Hospital social work community mental health, mental hospitals	12
Total	38

In Missouri all of the foregoing are priority need areas for professionally trained manpower. The proposed reduction in federal support poses the alternatives of either a curtailment of professional services or a large infusion of scarce state revenues to maintain what is already an austerity program.

DISABLED AMERICAN VETERANS

Mr. HARTKE. Mr. President, in March of 1972 the Disabled American Veterans had the opportunity to appear for the first time before the Senate Veterans' Affairs Committee. To the DAV this was a very significant event because it marked the culmination of a long effort on the part of Disabled American Veterans to have created in the Senate a committee especially for veterans' programs. For a number of years Disabled American Veterans has sponsored legislation calling for a Senate resolution for the purpose of the creation of the committee of which I have the honor to serve as chairman. I think that it might be interesting for us to pause for a moment to review some of the most recent accomplishments of this fine organization of disabled men and women.

Mr. President, I am sure you are aware of the fact that Disabled American Veterans is an organization comprised of nearly 400,000 disabled veterans who suffered disability due to disease or injury incurred during military service. For more than 52 years DAV has been concerned with the welfare of our Nation's disabled men and women who have incurred their disability in the defense of this Nation. In this Chamber there are members of the Disabled American Veterans who by virtue of their military service are eligible for membership in this select group of ex-servicemen and women. Mr. President, I am sure that you are also aware of the fine service program of the DAV. In each regional office of the Veterans' Administration you will find a staff of national service officers fully trained and knowledgeable as to all benefits that are available to all veterans. Let me emphasize that the DAV service program is available to veterans whether or not they are eligible for membership in the DAV. Indeed a great deal of the efforts of national service officers are related to providing a service to veterans who are not eligible for membership in the DAV.

In order to meet the demands of the returning servicemen, both disabled and nondisabled, DAV has recruited young Vietnam veterans to serve the organization in the fulfillment of its mission "to provide a service second to none" and available throughout the Nation in each regional office. Disabled American Veterans has a staff of 221 national service officers of which, Mr. President, 129 are Vietnam veterans. This organization realizes the need and necessity of having service officers who understand the current and the today problems of the disabled veteran. Most of these Vietnam disabled veterans who are beginning their careers as national service officers have gone through the campaigns of Vietnam. These young ex-servicemen know the Vietnam veteran and understand his problems, This is why DAV has built a staff of national service officers for the future and this is why more than 50 percent of the national service officers of this organization are Vietnam veterans. All 129 of these Vietnam veterans have experienced training under career national service officers that go all the way back to World War II. Each trainee must go through a period of 18 months of study before he can become an accredited representative of this organization.

Before I outline for you the increased responsibilities the Disabled American Veterans has assumed during the past several years, I would just like to point out for you their record for the year ending June 30, 1972. Disabled American Veterans assisted our Nation's disabled veterans in recovering monetary awards amounting to $297,822,857.17. This is a national figure. DAV national service officers during this same time made 135,686 rating board appearances; 203,463 disabled veterans and their dependents were personally interviewed by this staff. Throughout the Nation these national service officers reviewed a total of 289,216 case files. Mr. Chairman, the effectiveness of a trained attorney-in-fact taking in hand a disabled veteran's case file is in many cases one of the most important events that assists the disabled Vietnam veteran on his return to civilian life. For it is through the efforts of these national service officers that the avenues of rehabilitation are first made available in many instances through the technical abilities of these trained men and women in the DAV.

Now, Mr. President, I would like to review for you very briefly the expansion of programs that Disabled American Veterans has more recently offered in addition to all the services that I have outlined for my colleagues today. Beginning in 1969 Disabled American Veterans made available a scholarship program for the children of service-connected disabled veterans whose parents could not afford them a college education. The beginning of the program was September, 1969 and as of now 80 young men and women throughout this Nation have been awarded a DAV Scholarship. As of September, 1972, 71 are still in the program. Beginning with the fall term of this year a new group of students will enter into the program. I should emphasize, Mr. President, that these service-connected veterans do not have to be members of the DAV in order for their children to participate in this program.

A few years ago, Disabled American Veterans became aware of the tragedy and hardships that were being inflicted upon this membership as a result of natural disasters, such as hurricanes, tornadoes, earthquakes, and the like. As a result of these disasters DAV established a disaster program to determine whether or not such a program could be meaningful and effective in time of natural disasters that might be visited upon its membership. Recently, Disabled American Veterans has come to the conclusion that this disaster program should be made available to all service-connected disabled veterans whether or not they are members of the DAV.

Effective January 1, this year, 1973, Disabled American Veterans has inaugurated a new program which no veteran's organization on a national level has ever attempted. It is a program to help disabled veterans during periods of emergency when they most need some kind of financial assistance to see them through these troubled times. As you know, Mr. President, sometimes the machinery of the Veterans' Administration requires lengthy periods of time in order to keep up with disabled veterans' compensations and in particular to pay the veteran the total rating to which he is entitled by virtue of hospitalization and service-connected disability. In many instances disabilities of disabled veterans increase radically and requires adjustments by the Veterans' Administration rating agencies all of which likewise takes time. Meanwhile, the family has to eat, the rent has to be paid, the utilities have to be paid, and this is where DAV's relief program becomes an important source of emergency financial aid. I might point out, this is another duty that has been added to the responsibilities of DAV's national service officers because they are responsible for administering this fund throughout the Nation.

Several years ago Disabled American Veterans became interested in problems involving children who suffered congenital disabilities or who suffered from disabilities incurred by disease or injury. The leaders of the Disabled American Veterans believed that much of the experience they had acquired by virtue of their service-connected disability might be passed on to these young people to help them adjust. Thus it was that DAV became involved in a partnership with Boy Scouts of America so that these young children could have the opportunity to experience scouting within the limits of their disablement.

As a result of this effort large numbers of handicapped scouting units sponsored by DAV chapters have become available to our Nation's thousands of disabled children who can benefit from the experience of scouting in spite of their handicap.

Mr. President, Disabled American Veterans continues to receive the support of the American public. Through their national solicitation program for funds Disabled American Veterans has been able to carry on all the programs of which I have spoken today, but there is a second source of strength which Disabled American Veterans need in addition, if they are going to continue to be a successful organization for the benefit and welfare of the disabled veteran and that is membership. While it is true that Disabled American Veterans has grown tremendously in the past several years, it is likewise true that this organization can benefit from a greater membership of those who are eligible to belong to this distinguished group.

As I said earlier, the present membership of this organization is nearly 400,000 strong but it should be much greater. Certainly the programs of the DAV deserve the serious consideration of all disabled veterans in this Nation. Certainly the greater membership the Disabled American Veterans can achieve the more eloquent they can be in sponsoring the cause of the disabled veterans of this country. Most of my colleagues in the Senate Veterans' Affairs Committee are acquainted with the fine efforts of Charles Huber, the organization's national director of legislation. I would suggest, Mr. President, that Chet Huber is one of the outstanding legislative representatives of veterans' organizations that have been working closely with my staff of the Senate Veterans' Affairs Committee, but no matter how capable and no matter how eloquent Chet Huber and his staff can be in furthering the cause of disabled veterans, a healthy membership of the DAV must be behind him if he is going to continue to achieve the kind of success that is so necessary toward the furtherance of the cause of the disabled veteran.

VOTER REGISTRATION ACT

Mr. McGEE. Mr. President, with the Senate's consideration of S. 352 approaching, I want to call the attention of my colleagues to some very pertinent testimony favoring voter registration by mail presented to the Committee on Post Office and Civil Service during hearings March 16. I refer to the statement of Mr. David N. Dinkins, who is president of the Board of Elections of the city of New York.

Interestingly, Mr. Dinkins observed that "mail registration tightens security on registration rather than relaxing it." This, he said, results from the fact that the permanent staff of the Board of Elections in New York City is more competent to check registrations than are volunteers or part-time helpers whose total knowledge of the registering citizen is most often derived from no more than a 2-minute personal exposure.

Even more basic, however, is Mr. Dinkins' statement, in behalf of the board he heads, that—

> It is our contention that participation in the electoral process is an absolute right—not a privilege bestowed by government.
>
> Basic to the guarantee of that right is the adoption and implementation of the philosophy that the ability to cast a ballot in an easy and convenient fashion is a public, governmental obligation. The individual citizen should not have that burden—it is a public obligation, not a private obligation.

With that philosophy, which is widely shared in our society and in this Chamber as well, it follows that, as Mr. Dinkins told the committee—

> It must be recognized that registration should not be used as a means of restricting the number of persons that vote.

Too often, registration procedures do work to restrict participation in our electoral processes. S. 352 would establish a system whereby registration would be made easier, thus opening access to the polling place for many millions of Americans.

Mr. President, I ask unanimous consent that the statement of Mr. David N. Dinkins to which I have referred in my remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF DAVID N. DINKINS ON VOTER REGISTRATION BILL S. 352

Mr. Chairman, Senators, I deem it a privilege to have the opportunity to testify before this Committee before which have come many with unquestioned expertise in the field of Voter-Registration and the election process generally. May I state at the outset, that I do not profess to be such an expert but that there are some things I believe to be fundamental and about which there can be no compromise.

I, my fellow Commissioners (our Board consists of two Republicans—William F. Larkin and J. J. Duberstein, and two Democrats—Gumersindo Martinez and myself), the administrators and other members of our staff are grateful for this forum. Although there may be limited differences as to specifics there is a consensus among all the Commissioners that a system of mail registration such as is provided in S. 352 is highly desirable, in fact, desperately needed.

It is our contention that participation in the electoral process is an absolute right—not a privilege bestowed by government.

Basic to the guarantee of that right is the adoption and implementation of the philosophy that the ability to cast a ballot in an easy and convenient fashion is a public, governmental obligation. The individual citizen should not have that burden—it is a public obligation, not a private obligation.

Our law requires that in order to vote one must first register to vote. To this end, it must be recognized that registration should not be used as a means of restricting the number of persons that vote. That was once the apparent purpose of registration and although it is no longer so intended, such restriction is often the effect of our system of registration.

In the 1968 Presidential Election, only 59.1% of the New York State voting population actually went to the polls. This number was even less than the national figure of 60.1%. In the 1972 election, with approximately 139 million Americans potentially eligible to vote, less than 76,200,000 actually voted, or 76% of the approximately one hundred million who are registered nationally. Note that this 76% of those who are registered represents only 54.5% of the total potentially eligible voting population. New York's statistics for the 1972 presidential election are as low as the national average.

Non-registration is an acknowledged national scandal in a country possessing a great national heritage as a participatory democracy. As has been noted here before, recent elections in Europe have turned out 72% of the qualified electorate in Britain (considered low there); 75% in Ireland; 76% in Canada; 80% in France; 87% in Sweden and Denmark. We in the United States, and particularly we in the Empire State, suffer greatly by comparison.

The difficulties involved in registering to vote would appear to explain the discrepancies between voter turnout in the United States and Europe.

While many believe that so-called voter apathy is mainly responsible for lack of greater voter participation, I do not agree. I associate myself with the remarks made by Senator McGee as he opened hearings on a series of bills focusing on voter registration in October of 1971 when he said in part:

"It also seems somewhat hypocritical to me for these who hold the privilege of political office or influence to call, on the one hand, for feasible participation by all citizens in the affairs of state while, on the other hand, retaining barriers which restrict and in some cases prevent voting.

"A Gallup poll taken in December, 1969, concluded that it was not a lack of interest but rather the residency and other registration qualifications that proved to be the greatest barrier to wider voter participation in our nation."

In New York City, fire-house and mobile registration efforts, and the use of volunteer inspectors or registrars in the communities of our city, conceived and implemented by the late great Maurice J. O'Rourke, and the volunteer or community registration continued even now by the Board of Elections headed until last July by Commissioner Larkin, and now by me, have produced great increases in the number of registered voters. Last year, we registered 453,000 in this fashion. But this is not a satisfactory system. Our State constitution and State laws require bi-partisan registrars which greatly limts our ability to register people with volunteer registrars because only about one-tenth as many of the members of the Republican Party in the City volunteer as do members of the Democratic Party. Consequently there is great difficulty in providing bi-partisan teams of registrars. We can do much better. It is possible to reach most of the potentially eligible voters by a system of mail registration.

We have proposed to the New York State Legislature a system of mail registration on a very simple card form that would be easily available, at each office of the Board of Elections, at public buildings such as the offices of Social Service Department, and Post Office; at private commercial places such as banks, utilities and telephone company offices. This form could as well be included in public or governmental mailings, and private mailings, including mailings of income tax returns, welfare checks, telephone and utility bills.

It would be mailed to any office of the Board of Elections for processing by teams of employees who meet the bi-partisan requirement of our State Constitution. Enrollment, that is, designation by the registrant of a party, could be handled on the same form.

Such a system would be no more susceptible to fraud than the system we now employ.

I include the full text of a statement concerning mail registration contained in a "Preliminary Report and Recommendations for Legislation for Consideration by the 1973 Legislation Session of the Joint Legislative Committee to Make a Study of the Election Law and Related Statutes" dated December 15, 1972. While I may not agree completely with each element of the premise there stated, I certainly concur generally with the conclusion that mail registration is workable and desirable in the State of New York. The point I wish to make by including this statement is that such a plan is deemed to be feasible for the entire State including rural upstate communities that are largely Republican as well as urban centers that are largely Democrats. The Joint Legislative Committee Chairman, and the both houses of our State Legislature as well as the Governor are members of the Republican Party.

STATE OF NEW YORK—JOINT LEGISLATIVE COMMITTEE ON ELECTION LAW

PROPOSAL FOR A SYSTEM OF UNIFORM MAIL REGISTRATION AND ENROLLMENT

The present system of voter registration in the state of New York has proved to be a failure and voters are inconvenienced and frequently denied the right to vote.

The existing system of permanent personal registration requires a citizen to physically appear before a board of election inspectors, either on the days of local registration, or at the offices of the board of elections on approximately 250 other days of the year.

To relieve the inconvenience caused by this system the concept of "mobile" or "sidewalk" registration has been developed in recent years as an expansion of the permanent personal registration system. These registration programs have generally been implemented by utilizing untrained and unqualified personnel. All reports seem to indicate the programs do not work effectively creating additional confusion and error.

Voter registration has been made a political football. Rather than being a means of bringing the citizen into the electoral process, registration drives are used by insurgent groups and others to create spurious issues based on claims that select categories of citizens are being denied their right to vote. Traditionally, voter registration drives appear to benefit the Democratic party and the insurgent groups within it.

This Committee feels the goal is to remove the registration process from their political arena. Only in this way can our citizens obtain a free access to the electoral process without fear or outside pressure to act.

A statewide system of mail registration to be adopted in place of the existing system. Such a system would accomplish the following:

1. Facilitates the registration of voters in upstate areas, where the poor and elderly have difficulty travelling the long distances required to vote.

2. Eliminates registration as a political issue. Registration would be restored to its proper focus within the content of a citizens right and duty to participate in the electoral process.

3. Permits additional time to check and verify the validity of registrations filed.

4. Lingual problems are eliminated.

5. Substantial cost savings can be accomplished.

Mail registration provides a simple system within the understanding of all people. A widely distributed application form could be provided. The application would be designed to elicit only information personally known to applicant and needed by the board of elections to verify the qualifying facts such as residence and age.

The identity of applicant and his signature would be verified by responsible individuals in the community who are readily identifiable. This group could include town and city clerks, county committeemen, union representatives, employers, notary publics, bank officers, and such public employees (welfare case workers) as deemed appropriate. The applicant would prove his identity through means such as personal knowledge of the verifying officer, a driver's license and/or information available to the verifying officer such as employer's records and checking account signature cards. The verifying officer would also be requested to confirm such other information contained in the application of which he has knowledge or previously recorded information in his files. Thus, an employer could confirm the individual's address, duration of residency, social security number and physical description.

Applications, when completed, would be mailed to the board of elections by applicant. Upon receipt, applications would be examined and processed by a qualified and trained bipartisan board of central registration in the same manner as presently provided for new and absentee registrations. In those cases deemed appropriate, the board would order voter check procedures as presently required for new and absentee registrations. This includes the verification of an applicant's residence by an appropriate peace officer or board employee.

Registrations under the system would be "permanent" as at present.

Except for changing the actual process of registration, all other aspects of the present registration system would be retained, basically unchanged. Registration and enrollment lists would be maintained and processed in the same manner. The mail check and cancellation for failure to vote for two consecutive elections would still apply.

Lists of new registrants are presently required to be furnished each Republican and Democratic county chairman. This part of the present system would be modified to require the participation of the political parties in the verification process. The political party would be required to challenge or accept the qualifications of any applicants within a fixed period of time of the submission of the name to it. This would also eliminate voter challenges at the polling place, except for circumstances arising after the date of registration. A new role for the party organization and county committeemen is also created.

Under this system of mail registration no local registration days will be needed. Thus the days of local registration can be eliminated or reduced. This alone could result in tax savings in excess of five million dollars annually.

This proposal for uniform system of mail registration can also be modified to apply to all other elections in the state which require registration.

Since 1964 we have used every conceivable method within our law, and many which stretched the law to its limits, to register our citizens. We have used fire-house registration, mobile registration, sidewalk registration, and registration conducted by concerned community and ethnic groups. In this we have utilized both paid and volunteer registrars. The extent of these undertakings have been expanded each year with increasingly encouraging results until last year when we were able to register some 453,000 new voters. However, I must confess that this is probably the maximum we can hope for under the present system in any year without changes in the law. For instance, we were able to conduct our volunteer registration effort on Sundays, we could greatly increase our yield. (There is legislation now pending in our State Legislature that would remove the prohibition in our present law against registration on Sundays. Further, the Board of Elections itself has brought suit in the United States District Court seeking to have the subject statute declared unconstitutional.) But after the voter attrition due to death etc. was deducted from the total registered in 1972 (some 800,000 when the number registered at local registration is included) that number is reduced to about 500,000 come January, 1973. We can therefore anticipate, no matter what methods we use under the present law, that we will have a constant non-registered 35 to 40% of our otherwise qualified population in New York City.

The inadequacy of results of this method is equalled or surpassed by the defects and shortcomings which attend its operation. In order to conduct a registration drive which will reach into every neighborhood and reach every group in a city of over eight million, there must be a work force of tens of thousands over whose actions and conduct the 328 members of the staff of the Board of Elections could not possibly maintain intimate control. The result inevitably is that a number of these temporary part-time and often voluntary registrars do not accurately transcribe the information they receive from the registrant or they do not timely transmit the completed forms to the Board of Elections. These errors are reflected on Election Day in legitimately registered citizens perhaps being deprived of a vote because of the absence of their records of registration at the polling place. The potential for error cannot be overlooked under such a loosely supervised process and it is a constant subject of attention.

Mail registration provides the following elements whose remedial qualities are self-evident.

If the citizen fills out his own registration form and certifies by his signature to the correctness of the information it shows, the danger of error in transcription is eliminated. Since delivery is to the Board of Elections directly by mail from the registrant, the registrant is personally accountable for the accuracy of the form.

The permanent staff of the Board of Elections are much more competent to check the

veracity of the facts and the authenticity of the signature on a mailed registration form from other publicly available governmental and business records than is a volunteer or paid registrar or inspector whose total knowledge of the registering citizen is most often derived from no more than a two-minute personal exposure. Thus, mail registration tightens security on registration rather than relaxing it.

If the registering citizen mails the completed form directly to the Board of Elections, there will be no danger of careless or intentionally misforwarding or non-forwarding to their proper destination. The Board of Elections promptly receiving the registration cards, there is assurance that they will be processed and in the proper polling place as authority for the citizen to cast his vote on Election Day.

The direct mail of registration forms by the registrant means that registration only becomes a fact when the Board of Elections actually receives the completed duly signed form. This permits the very widest dissimination of blank registration forms without any fear of compromise or fraud. Governmental utility and many business mailings can contain forms with invitations to the recipient to receive them. They can be made available at all government, banks and public utility offices. In this way the *saturation effect* which is the one element missing in present registration systems, can be obtained. Also the privacy afforded by mail registration in filling out the forms obviates the timidity which often prevents the poor and less educated from appearing to publicly relate their personal information to their more advantaged fellow citizens.

There is no danger of inadvertent or fraudulent voting twice by the registrant executing two registration forms under mail registration. As long as the citizen fills both forms out correctly, they will find their way into the same record binder destined for the one polling place, so that the Board of Elections can simply destroy the duplication to prevent multiple voting. As now, if a registrant dishonestly registers under a different name or address, the security checks would disclose that and only then would corrective or penal action be made necessary.

One additional advantage ensues from "mail registration". Under present system the motivation which often impels volunteer registrars to take part in a registration drive is to qualify to vote as many citizens as they can who they know will vote for a certain candidate. This results not in saturation solicitation for registration, which is the goal, but selective canvassing with limited results. With this selective canvassing there is likewise identification of the candidate with the registration effort and sometimes downright canvassing which detracts from the non-partisan spirit which should embue the effort to enfranchise everyone who is entitled and desires to vote. Mail registration on the broadest possible scale would eliminate the partisanship and selectivity which deprecates the spirit and effectiveness of the existing registration drives for more voters.

One final point to be made is not controlling but is worthy of weighted consideration. That is the question of expense. Last year our Local Registration cost the City of New York approximately $2,115,000 and realized 251,393 registrations during the four days it was conducted. That means for every such registration it cost the City approximately $80.00. (And in a non-presidential year when the public interest is far less but our overhead is the same, the cost per registrant is greater.) Fortunately, as I mentioned earlier, in addition some 453,000 were registered by volunteer effort, obviously at a far lesser rate.

Some have estimated that with the use of mail registration the cost per registrant would be twenty-five to fifty cents, including cost of printing, postage and processing. We are aware, of course, that unless the entire registration system were by mail we would probably be obliged to maintain two record systems and two ballot systems. We could not have elections on our present voter machines without seperate machines for federal and state elections or in the alternative, a new type machine designed to accommodate each. Practically however, New York State would in all probability adopt the federal mail registration system and of course S. 352 provides for some subsidization. Accordingly, I am not troubled by this problem. It does not defy resolution.

We find the subject bill, S. 352, to be generally satisfactory but we make these observations:

Section 404 should take into consideration that in some political subdivisions of states, the election officials are an even number with equal representation of the two major parties. A deadlock would provide obvious problems. In such an event, there should be some alternative.

Section 406, while providing in subsection (E) that there is no time limit upon the general availability of registration forms in post offices, etc., directs the mailing at the time of the general election only. Of course, for many of us the primary election is the determining election. Perhaps there should be such a mailing in January, if only one distribution, with forms readily available throughout the year. Better, of course, would be a mail distribution in January and again near the time of the general election. Also, whenever the mailing of forms to postal addresses is to be, there should be some limit or cut-off date for receipt by the Board of Elections of the registration form in order to allow sufficient time for processing.

May I take this opportunity to commend the League of Women Voters of the State of New York for its fine work in all areas of the election process. There should be no need for an organization such as the League, in the sense that there should be no need for the National Association for the Advancement of Colored People (NAACP), Congress of Racial Equality (CORE), or the Anti-Defamation League. There should be within the Board of Elections a well-staffed public information bureau that would continually advise the public in an objective fashion, and encourage voter registration and voter participation.

The National Municipal League observes that "The way information is distributed to voters bears a subtle relationship to the equal opportunity afforded each voter. The experienced well-educated citizen may have many sources of information on candidates and issues involved in an election. The multitude of candidates, the voting mechanism, the form of ballot present little problem to him. He knows of the behavior that is expected of him at the polls as to identification, pulling of the levers, rules against loitering, etc. The presence of party workers or even police may not disturb him. These conditions may bewilder the inexperienced voter sufficiently to confuse him when he goes to the polls, or even deter him from getting there. The kinds of information dissiminated to voters and methods of distribution are therefor an important part of efforts to insure uniform voting opportunity." I concur unequivocally and agree that the minimum information made available by the Board of Elections in simple written form should include—

Who is eligible to vote;

When voting will take place and where;

Procedure for casting ballots;

Understandable explanation of ballot issues;

Names of candidates up for election and offices they seek;

Services available to voters, including challenging procedures;

Explanation of the function of the poll workers the voter is likely to encounter.

If we are really serious about the election process, and the desire to have maximum participation in it, such information must be made readily available by the Board of Elections.

The passage of S. 352 into law should, in New York City at least, have the very beneficial effect of making available funds for such purposes in addition to its main thrust of greatly increasing the size of the electorate.

THE URBAN PARKLAND HERITAGE ACT

Mr. WILLIAMS. Mr. President, at the beginning of this session I introduced S. 12, the Urban Parkland Heritage Act, which would substantially increase the Federal Government's commitment to funding parks and recreational facilities. I have recently received copies of resolutions passed by the San Diego County Board of Supervisors and the Citizen's Advisory Board of the Pennsylvania Department of Environmental Resources in support of S. 12.

Mr. Roger Honberger, San Diego County's Washington representative, indicated in his letter to me that an exhaustive study of the regional park system of San Diego showed that it will be necessary to acquire 35,000 acres in the county to meet the demands of more than 15 million expected visitors in the year 1980. Under the current law and certainly under the current administration's policies, the rapidly increasing open space needs of our major centers of population are likely to go unmet. S. 12 would provide $5 billion over the next 5 years for the acquisition, development, and management of open space lands.

I ask unanimous consent that the letters and resolutions from the Citizen's Advisory Council of the Pennsylvania Department of Environmental Protection and from the San Diego County Board of Supervisors be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COUNTY OF SAN DIEGO,
Washington, D.C., March 12, 1973.

Hon. HARRISON A. WILLIAMS, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: On February 13, 1973, the San Diego County Board of Supervisors passed a resolution in support of S. 12, the Urban Parkland Heritage Act of 1973, which you introduced on January 4, 1973. A copy of this resolution is enclosed for your reference.

I have also enclosed a copy of the Regional Parks Implementation Study for the County of San Diego which was approved by the Board of Supervisors on April 19, 1972. The Study indicates that over 35,000 acres of land must be acquired in the County of San Diego to meet the demands of more than 15 million expected visitors to San Diego regional parks in the year 1980. The Urban Parkland Heritage Act would encourage general purpose local governments to implement environmentally sound urban development plans through Federally assisted acquisition and maintenance of recreational, conservation, and scenic areas.

As the sponsor of this legislation and a

member of the Committee on Banking, Housing and Urban Affairs, I know you will be urging prompt and favorable consideration of this important legislation. If I can be of any assistance to you or your staff, please let me know.

Sincerely,

ROGER F. HONBERGER,
Deputy Administrative Officer.

RESOLUTION RE ENDORSEMENT OF AN URBAN PARKLAND HERITAGE CORPORATION TO PROVIDE FUNDS FOR THE ACQUISITION, DEVELOPMENT, OPERATION AND MAINTENANCE OF OPEN-SPACE LAND

On motion of Supervisor Craven, seconded by Supervisor Brown, the following resolution is adopted by the Board of Supervisors of the County of San Diego.

Whereas, the Urban Parkland Heritage Act of 1973 has been introduced into the Congress of the United States; and

Whereas, the text of the proposed act embodies San Diego County planning goals and objectives; and

Whereas, enactment of the Act would benefit the present and future citizens of San Diego County by:

(1) assisting local governments in developing a balanced urban environment,

(2) preventing the spread of urban blight and deterioration,

(3) encouraging more economic, environmentally sound urban development,

(4) assisting in preservation of historically or architecturally significant areas and properties,

(5) helping provide necessary recreational, conservation and scenic areas.

Now therefore be it resolved that the Board of Supervisors hereby

1. Endorses the Urban Parkland Heritage Act of 1973,

2. Directs its Legislative Representative to transmit certified copies of this resolution to the Honorable Chairman of the United States Senate Committee on Banking, Housing and Urban Affairs, to the Honorable Harrison A. Williams, United States Senator from New Jersey, and to the Honorable Daniel Rostenkowski, United States Representative from Illinois.

Passed and adopted by the Board of Supervisors of the County of San Diego, State of California, this 13th day of February, 1973, by the following vote:

Ayes: Supervisors Walsh, Brown, Conde, Bear and Craven.

Noes: Supervisors None.

Absent: Supervisors None.

DEPARTMENT OF
ENVIRONMENTAL RESOURCES,
Harrisburg, Pa., March 13, 1973.

Hon. HARRISON WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: Enclosed is a resolution unanimously passed at the February 20, 1973 meeting of the Citizens' Advisory Council of the Pennsylvania Department of Environmental Resources. The resolution deals with the Urban Parkland Heritage bill you sponsored in the Senate.

The Citizens' Advisory Council is concerned that present funding arrangements will not adequately finance the construction of park facilities in and around major urban areas, and we feel that passage of the Urban Parkland Heritage will go a long way toward eliminating this possibility. We support you in your efforts, and have mailed letters to the Pennsylvania Congressional Delegation encouraging them to vote for the passage of the bill.

Thank you.

Sincerely,

THOMAS G. MCCLOSKEY,
Executive Director,
Citizens' Advisory Council.

Whereas, Pennsylvania's growing metropolitan regions need the physical and spiritual breathing space of new parks;

Whereas, competing social needs (housing, police, schools) vie for shrinking tax dollars in Pennsylvania's urban areas, many of which face fiscal deficits;

Whereas, the Commonwealth of Pennsylvania has and is, under Secretary Goddard's direction, attempting to expand park opportunities—particularly abutting urban areas;

Whereas, the "Urban Parkland Heritage Act of 1973" introduced in this session of Congress would provide not only acquisition costs but park maintenance and planning and operating funds (grants and loans) up to $5 billion over the next five years, with special concern for low income and poverty areas;

Whereas, categorical federal open space acquisition funding has been replaced by revenue sharing;

Now, this 20th day of February, 1973, be it hereby resolved, that the CAC of one DER, Commonwealth of Pennsylvania, supports the passage of this legislation with copies of this resolution to be sent to all members of the Pennsylvania Congressional delegation and to Senator Harrison Williams and Congressman Dan Rostenkowski sponsors of similar bills in the Senate and the House.

NO-FAULT VERSUS NO-FAULT

Mr. HART. Mr. President, every once in awhile—as President Harry Truman demonstrated so well—a father can no longer fight the temptation to speak out for a child he thinks is being terribly maligned.

Senator MAGNUSON succumbed recently in answering criticisms of S. 354—the national no-fault auto insurance bill. Today I too have caved in.

The issue upsetting me today centers on figures being used by a combination of nine insurance companies to argue that their bill—tagged the "Camelback bill"—would be a worthy substitute for S. 354.

Let me refresh your memory. Last December, top executives of nine insurance companies—Allstate, Firemen's Fund, Hartford Insurance Company of North America, Kemper, Liberty Mutual, Nationwide, State Farm, and Travelers—met at the Camelback Inn in Phoenix, Ariz.

The details of this meeting were spelled out in a very comprehensive and excellent story by Laurence Stern in the Washington Post of March 18, 1973. I ask unanimous consent that the story and a press release from Senator MAGNUSON rebutting the various attacks on the bill be inserted at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HART. Mr. President, at the Camelback meeting, the companies agreed to push for a modified no-fault "joint industry" bill in the legislatures of some 20 States.

The Camelback bill would allow accident victims a maximum of $5,000 in medical, wage loss and other economic benefits from their own company—regardless of fault. Law suits would be permitted when medical bills exceeded $1,000 or there was permanent impairment, disfigurement, or death.

In hearings before the Commerce Committee last month, the companies justified their plan with statistics from one of the Department of Transportation's auto compensation studies.

These figures are the issue today.

Representatives of Allstate, State Farm, and Kemper told the Commerce Committee the DOT study showed:

The number of injured persons with economic loss in excess of $5,000 was 1.5 percent of all injured persons. The number of injured persons with economic loss in excess of $25,000 was one-tenth of 1 percent.

Against those figures, indeed, the industry bill would seem to handle the bulk of the cases with dispatch. But the figures did not ring true. In the past few years, my staff and I have thumbed through the DOT study so much that we have memorized much of it. Yet we could not jibe the industry's testimony with what we knew to be in the report.

Enter the Public Affairs Newsletter—published by Kemper Insurance Co. In the issue of February 20, 1973, the newsletter explained that these figures came from a "study of 23,635 cases in which economic loss was determined with great accuracy."

The study is obviously one done by Kemper—with 15 other companies—for DOT and published in volumes 1 and 2 "Automobile Personal Injury Claims" in 1970.

The newsletter went on to explain:

It is these data which confirm that no-fault plans falling within these parameters are indeed effective no-fault legislation.

It is a pretty thought. But—as I read the study cited—this is not what it shows.

The study shows economic loss until the date of settlement. In other words, that is the loss for victims until 18 to 24 months from the accident.

It omits the most significant loss for those seriously injured: loss of future earnings.

In another volume of the DOT study—"Economic Consequences of Auto Accident Injuries"—we find that for the seriously injured and killed, lost future earnings made up 63 percent of their losses.

In the industry-conducted study, we learn that although only 1.5 percent of those seriously injured or killed in the study had losses over $5,000 at settlement, this group suffered more than 30 percent of the total loss but got back only 17 percent of the total payment dollars. This inadequate compensation would continue under the Camelback plan.

As for those who had more than $25,000 of loss at settlement time at the end of the line—under the tort system—they got back only $1 for each $6 of their loss.

Under the Camelback plan these people—not their insurance company or even that of the driver who may have caused the accident—would bear the terrible financial burden of their loss.

The Camelback plan would solve this by offering us the chance to buy additional coverage to handle these losses. May I remind the Senate that we started down this long road to auto insurance reform because consumers today cannot afford auto insurance coverage.

If we keep most of the inefficiencies of the present system and merely add another premium on top of what we have, we surely will have worsened—not corrected—the problem we set out to solve.

Which means the choices for the seriously injured will too often remain what they are today: Eat the losses themselves—meaning a lower standard of living—or fall back on welfare or social security to at least ease it, with the taxpayer picking up that tab.

Mr. President, one out of every four cars in this Nation is involved in an accident each year. The accident is the threshold to the chance of being in that 1.5 percent whose losses exceed $5.000 at settlement time. Several hundred thousand persons each year cross that threshold. Right now they find themselves caught up in a system that is inhumane, inefficient, and unjust.

Much as I would like to think that agreement on what to do about this could be found by rallying around the Camelback plan so we could quit talking and do something, I cannot.

The figures do not support that conclusion.

EXHIBIT 1

GIANTS MEET PRIVATELY IN DECEMBER—INSURERS PLAN NO-FAULT FIGHT

(By Laurence Stern)

It could have been the setting for a satirical skit on the work ethic in American business—Arizona's Camelback Inn with its ranch-style opulence, its rambling expanse of golf green and thwack of tennis balls in play.

In this leisurely landscape gathered last December the top executives of nine of the nation's leading auto insurance companies, among them such giants as State Farm, Allstate and Nationwide.

The occasion was the private launching of an industrywide campaign to defeat passage of federal no-fault insurance legislation in this session of Congress.

In attendance were board chairmen, presidents and senior vice presidents of the nine companies. Because of its prestigious roster of insurance men the group was described by some industry insiders, "Cloud Nine."

It is the elite of the American auto insurance industry, an inner council that convenes from time to time on issues of transcending importance—matters too sensitive to take up in normal trade association channels.

The concern this time was the imminent revival of the federal no-fault bill sponsored by Senators Warren G. Magnuson (D-Wash.) and Philip A. Hart (D-Mich.) which had been narrowly defeated in the Senate last year. Companion legislation has been introduced in the House by Rep. John E. Moss (D-Calif.)

Public pressure for no-fault has been on the rise because of growing awareness of the costly and capricious nature of the prevailing liability system. Under no-fault there was the promise of quick and automatic settlement with policyholders, irrespective of who caused the accident, and of lower premiums as well as elimination of costly legal fees.

The insurance industry itself was deeply split on the adoption of federal no-fault standards. Nationwide supported Magnuson-Hart last year but switched to the Camelback plan this year. One trade group, the American Insurance Association, has also lined up tentatively behind Camelback.

The "big nine" companies at the Camelback meeting are highly contented with the status quo. Collectively, they take in more than a third of the $16.5 billion in premiums. Profits were up substantially in 1972 and loss pay-outs were down.

The Camelback group, unlike many of their competitors, do their underwriting through their own forces of salaried agents. This enables them to pick the cream of the risk market, people with good driving records who would look presentable in court. The companies were piling up large profits from investment of their cash "floats"—the reserves piled up between premium pay-ins and loss pay-outs.

But the companies were apprehensive that federal no-fault standards would open up auto insurance to invasion from other underwriting fields, mainly the big life, health and accident insurers, including Blue Cross, who see new financial allure in auto insurance under no-fault standards.

And so in the eyes of the Camelback conferees there was enough in the Senate bill to threaten a revolution in the auto insurance business.

After two days of top-secret deliberations, the "Cloud Nine" group emerged with what they decided should become the industry's battle plan for scuttling Magnuson-Hart. It was hailed as the "Treaty of Camelback" and communicated to the industry's three major trade associations.

The minutes of the meeting, which have been described with some asperity as the Camelback Papers, found their way into the unfriendly hands of Sen. Magnuson and Rep. Moss, chairmen respectively of the Senate and House Commerce Committees. They were promptly referred to the Justice Department to screen for possible antitrust violation.

The grand strategy adopted at Camelback was to bypass Congress by pushing for a modified no-fault "joint industry" bill that would be lobbied in the legislatures of ten target states, although the list has now been expanded to 20 states.

The difference between the Magnuson-Hart and the industry bills are major. The Camelback measure would allow policyholders a maximum of $5,000 in medical and economic benefits. Under Magnuson-Hart there would be no limit on "reasonable" medical expenses.

The Senate bill also provides reimbursement for wage loss up to a limit of $50,000 at a monthly rate of $1,000.

The industry proposal would permit lawsuits when medical bills exceed $1,000. The Senate bill eliminates lawsuits altogether, except in cases of catastrophic injury, such as loss of a limb or permanent disfigurement.

The first testing ground for the Camelback compact was the Virginia General Assembly. It turned into a miserable fiasco, embarassing to all.

The insurance lobby introduced the industry's bill as a substitute for the model no-fault proposal sponsored by Governor Linwood Holton. Then the trial lawyers' lobby dismembered the insurance mens' bill and rewrote it to conform to the interests of the lawyers, who are among the most vehement opponents of no-fault.

"The lawyers gutted the no-fault provisions of our bill and opened it up to the skies on legal liability," acknowledged one insurance official. "They turned our child into something we could no longer love and so we had to turn around and kill it."

The spectacle of insurance reform dying in the hand-to-hand combat between competing lobbies did not offer a reassuring prospect for dealing effectively with the issue at state level.

The $1,000 no-fault threshold in the Camelback plan would cover 76 per cent of the lawsuits now being filed under the present tort system. But nearly 60 per cent of legal fees growing out of liability practice are generated by cases with medical losses of more than $1,000, according to the DOT study.

Furthermore, the government study showed that in serious injury cases under the liability system victims recovered a far lower proportion of their economic losses than in minor cases.

Few issues now before Congress touch the pocketbok interests of so large and diverse a constituency. The prospect of injury or liability in auto accidents afflicts almost every American household.

And few social problems have been so intensively studied by the executive and legislative branches in recent years as the present tort liability system of protecting accident victims.

These studies have come to the common conclusion that the fault system of auto insurance is a massive and costly mess. In the words of former Secretary of Transportation John A. Volpe, it ". . . ill serves the accident victim, the insuring public and society. It is inefficient, overly costly, incomplete and slow. It allocates benefits poorly, discourages rehabilitation and overburdens the courts and legal system."

Volpe spoke these words nearly two years ago after completion of a $2 million study of auto insurance performed by the Department of Transportation. The DOT inquiry was further reinforced by another exhaustive investigation conducted by the Senate Antitrust and Monopoly Subcommittee under the chairmanship of Hart.

Hart's inquiry produced 11,000 pages of hearing transcript that became a damning indictment of auto insurance practices. It formed the basis for the Magnuson-Hart bill that is pending again in the Senate.

Last month a coalition of diverse interest groups formed The National Committee for Effective No-Fault and hired a full-time Washington lobbyist to campaign for passage of Magnuson-Hart. The alliance includes national consumer organizations, auto rental fleet companies such as Hertz and Avis, the AFL–CIO, the Teamsters and the truckers.

Proponents of no-fault learned their political lesson in Congress last year when Magnuson-Hart died in a closely divided Senate vote, a casualty in part of the effective lobbying of the American Trial Lawyers Association (ATLA).

ATLA, with a national membership of 27,000 and considerable clout in state legislatures and on Capitol Hill, is back in the fray this year to deploy alongside the insurance lobby against Magnuson-Hart.

The lawyers, too, have engaged a full-time lobbyist, Washington attorney Thomas Bendorf, an amiable-mannered veteran in the art of legislative advocacy who describes himself as an "Aristotelian and Thomist." He speaks reverently of preserving the poor man's right to sue." ATLA reported paying Bendorf $100,000 last year to finance his lobbying operations against no-fault.

Speaking of the Magnuson-Hart bill, Bendorf asserts: "It is not no-fault. It is no responsibility. That's why the fleet operators and truckers are for it. What started out as insurance reform has become transformed into judicial reform."

It takes no great subtlety to discern the interests of the trial lawyers in preserving the present tort liability system. Auto liability produces about $1.5 billion in legal fees annually, according to a Senate Antitrust Subcommittee staff study.

Insurance agents and adjusters also have reason to oppose high no-fault standards. Some $2 billion in commissions are extracted from the premiums of policy holders. A strict no-fault law would cut down substantially on the need for large sales forces of agents and claims processors. It would, obviously, also cut down on administrative overhead.

Despite the fiasco in Virginia, six states have recently enacted modified no-fault systems. Of these, Florida and Massachusetts already have a base of operating experience.

In the case of Massachusetts which had the nation's highest rates, there was a 42 per cent reduction in bodily injury premiums in 1971, first year of operation, and an addi-

tional 27 per cent in 1972. There was an increase in property damage that resulted, too, from the changeover in systems.

Since the Massachusetts compulsory insurance law covered bodily injury only, there was a heavy volume of bodily injury claims. Massachusetts won notoriety in the industry as "The Whiplash State."

The new no-fault system has tended to make claims reporting more honest in Massachusetts. But it is also true that property damage rates have been soaring all over the country.

In the first year of Florida's no-fault program motorists got a 15 per cent reduction in bodily injury and property damage premiums. Another reduction of 11 per cent is expected this year, according to the American Insurance Association. The Florida reduction will come to an aggregate of $100 million this year.

Puerto Rico, which has a state-operated auto insurance program with high no-fault standards, now returns about 90 cents in benefits out of every premium dollar collected. Under tort liability about 45 cents goes back to policyholders in the form of benefits. The rest is claimed by legal costs, commissions and administrative overhead. Massachusetts and Florida no-fault plans return about 55 cents of each premium dollar in benefits. Magnuson-Hart would return about 65 to 70 cents.

Michigan last year adopted the most stringent of the state no-fault laws but it has not been in operation long enough to measure its benefits to policyholders. Michigan's law follows closely the uniform no-fault act of the Conference of Commissioners on Uniform State Laws, which also was the model for the Magnuson-Hart bill.

Nor are the results in yet on modified no-fault adopted by Connecticut, New Jersey and New York.

The prospects are dim for further state action this year in no-fault legislation. Most of the legislatures have already finished their work. The fate that the Camelback joint industry plan suffered in Virginia and Mississippi could well be a harbinger of things to come.

The effect of all this could well be to increase the pressures for action at federal level on the administration and Congress.

One high-ranking trade association executive in "Washington bitterly blamed dismal record of performance at the state level on the trial lawyers

"The lawyer lobby has provided the kiss of death to no-fault in the states," he charged. "First they contend that there is no need for federal legislation since the states can do the job. They then turn around and kill everything at the state level. All they're doing is stoking the furnaces for federal legislation."

The trial lawyers' man in Washington, counsellor Bendorf, insists, nonetheless, that his organization will continue to oppose "any program that withdraws the right to go to court." The trial lawyers are supported in their stand by the American Bar Association, an institution of considerable authority with most legislative bodies.

And so the insurance industry and the legal profession are well represented in the corridors of state capitals and Congress. But the insistent question is who speaks for the policyholders, such as the one who addressed a letter to Hart on June 14, 1971.

"We who have to drive," he wrote, "who cannot do without cars, are burdened with outrageous insurance bills, plus capricious cancellations of our insurance for no cause, plus the prospect of having to pay huge lawyer's fees if we are involved in any accident to get them from the others involved.

'This business of suing, of having to prove 'blame', of crowding already overcrowded court calendars, digging up witnesses, losing time from work, paying out enormous lawyers' fees, has simply reached the point of intolerable burdensomeness."

RELEASE FROM SENATOR WARREN G. MAGNUSON, MARCH 14, 1973

Senator Warren G. Magnuson (D-Wash.), sponsor of the National No-Fault Motor Vehicle Insurance Act, today leveled a blast at insurance companies and others for their "distorted, inaccurate, and misleading representations" concerning the Federal legislation.

Magnuson cited as one example a February 20, 1973 "Public Affairs Newsletter" published by Kemper Insurance Company and widely circulated on Capitol Hill in which the following "major weaknesses" of the Magnuson-Hart No-Fault bill were noted:

"Under the name of "rehabilitation", S. 354 requires payments for expenses incurred while improving one's appearance. This could include hair styling and cosmetics even in the most questionable of injuries . . .

"Another S. 354 provision requires payments enabling the injured victim to return to full enjoyment of life. If a person sustained a hand injury, guitar lessons could qualify for coverage under the language. Other examples are endless—limited only by the imagination of the injured."

Reacting to these and similar allegations, Senator Magnuson said: "I can no longer remain silent as opponents of S. 354 make such distorted, inaccurate, and misleading representations concerning the Federal no-fault legislation. It seems that the opponents will go to any length to discredit this important bill. We welcome constructive comment from any quarter. But we have received very little of that to date."

Senator Magnuson further explained that "the assertions that S. 354 requires payment for hair styling and cosmetics or guitar lessons are completely unreasonable." He explained that the bill requires payment for "allowable expense" defined to mean *"reasonable* charges for reasonably needed products, services, and accommodations . . . including those for medical care, emergency medical and transportation services, rehabilitation, rehabilitative occupational training, and other reasonable *direct* remedial treatment and care. . ." Magnuson continued: "How do you get hair styling and cosmetics or guitar lessons out of that language?"

"There is a certain irony in the statements of the Kemper Insurance Company", Magnuson explained. "When testifying before the Senate Commerce Committee on February 7, 1973, Mr. Lansman of Kemper submitted amendments to the Uniform Motor Vehicle Reparations Act from which the definition of "allowable expense" in S. 354 was derived. He stated that his amendments 'change UMVARA in a way which conforms with what we think is in the interest of the consumer'. His version of UMVARA defines 'allowable expense' in the same way as S. 354 (except he doesn't use the word 'direct') but limits the total amount recoverable to $50,000. *If our bill does what he says it does, then so does his bill.*"

Concluding his remarks, Senator Magnuson expressed the hope that members of the House and Senate will not be mislead by the "misinformation" that will be disseminated in the coming weeks and months by those who have few valid arguments to offer against the Federal no-fault proposal but who "out of self-interest, believe that good no-fault reform at the Federal level must be defeated at any cost."

POSTAL RATES FOR SECOND-CLASS PUBLICATIONS

Mr. NELSON. Mr. President, on January 31, 1973, I reintroduced legislation (S. 630), cosponsored by 20 Senators, which would reaffirm the historical principal of congressional support for the wide dissemination of a diversity of thought and opinion through publications circulated throughout the country by mail.

This morning, Chairman GALE MCGEE and the Senate Post Office and Civil Service Committee began hearings on S. 630 and other legislative proposals relating to postal rates for second-class publications. As the opening congressional witness at the hearings, I expressed my particular concern to the committee over scheduled dramatic increases in postal rates which may be such a financial burden upon the smaller, less profitable journals of news and opinion in this country that some of the most independent publications in this Nation may be effectively silenced and the free flow of ideas and information stifled.

Included with my statements before the committee this morning were a number of letters and editorials which articulate with particular eloquence the issues presented to Congress by increased second-class mail rates.

Mr. President, I ask unanimous consent that my statement this morning, April 2, 1973, before the Senate Post Office and Civil Service Committee, and a selection of the letters and editorials on the subject of the impact of second-class rail rates on newspapers and magazines, be included at this point in the RECORD.

There being no objection, the statement and material were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR GAYLORD NELSON ON S. 630 AND OTHER LEGISLATIVE PROPOSALS RELATING TO POSTAL RATES FOR SECOND-CLASS PUBLICATIONS, BEFORE THE SENATE POST OFFICE AND CIVIL SERVICE COMMITTEE

Mr. Chairman, I appreciate the opportunity to appear this morning before the Senate Post Office and Civil Service Committee to discuss the various issues and legislative proposals relating to postal rates for second-class publications.

The second step of the permanent postal rate increases for second-class mail announced last year by the Board of Governors of the U.S. Postal Service will become effective on July 6, 1973. This second step will represent another significant increase in postal rates for newspapers, magazines and important journals of information and opinion in this country since the Postal Reorganization Act of 1970.

In February 1971, the newly formed independent U.S. Postal Service requested rate increases for second-class mail that would have averaged 143 percent over a 5-year period. When this proposal was instituted on a temporary basis in May of 1971, I became concerned that this dramatic increase would be such a financial burden that it would effectively silence some of the most independent journals and publications in this nation, and stifle the free flow of ideas and information throughout the country.

For 178 years, Congress provided direct legislative support for the wide dissemination of printed publications through the mail, and

set lower postal rates for this matter. In creating an independent U.S. Postal Service, I do not think that Congress intended to reverse this historic policy, nor put aside its concern for the basic educational and informational services, which this self-governing nation requires, and which the U.S. mail uniquely provides.

On June 28, 1972, I introduced legislation (S. 3758) in the 92nd Congress to reemphasize the 178 years of direct congressional support for the dissemination of news, opinion, scientific, cultural, and educational matter through the mails.

On June 29, 1972, the Board of Governors of the U.S. Postal Service announced that so-called "permanent" postal rates would be placed in effect. Two days after last year's Independence Day celebration, second-class postal rates were "permanently" increased an average of 127 percent over a 5-year period.

With the second step of these "permanent" increases facing second-class publications this summer, we must be particularly concerned about the impact of these increased rates upon the smaller, more specialized and less profitable newspapers and magazines which fuel the national competition of ideas with new thoughts, divergent opinions, and singular points of view. It is these voices—the little press, the controversial, the opinion press—which serve the specialized interests of some Americans and the basic interest of all America. Their voices may not be heard or acknowledged in the corporate boardroom of the U.S. Postal Service, where the singular preoccupation appears to be efficiency and size, but I do hope that the case of the small but vital independent voice of journalism will be heard and appreciated in Congress.

The proposition that a healthy free country depends upon the wide distribution of diverse information and opinions by newspapers and periodicals circulated through the mail is just as valid in 1973 as it was in 1792 when Congress first put this principle into law. Accordingly, I reintroduced legislation on January 31, 1973 which would reaffirm the historical principle of congressional support for the wide dissemination of a diversity of thought and opinion through printed publications circulated by mail. This bill, S. 630, is co-sponsored by twenty-one Senators and is one of the measures before the Committee for hearings today.

First of all, S. 630 would amend the policy section of the Postal Reorganization Act of 1970 to make it expressly clear that the Postal Service has an "obligation" to provide postal services at rates which will encourage and assist the wide publishing and circulation of information and differing points of view on all issues of interest to the country.

Second, this bill would set the second-class postal rates at the level of June 1, 1972 for the first 250,000 issues of newspapers and magazines sent through the mails. These rates include the approximately 33 and ⅓ percent increase in rates that were put into effect on a temporary basis on May 1971. This provision would be of particular support to the smaller, almost non-profit independent journals of opinion that already exist. It would also encourage the entry of new publications of this type, and provide continuing outlets for divergent views and fresh ideas.

Any future increases in second-class rates for issues over the 250,000 ceiling would be phased in during a 10-year period under S. 630. This 10-year period would apply only to increases on editorial content; any increases for advertising material would be implemented during 5 years, as is presently the law for both categories.

Finally, and perhaps most important for many small publications, S. 630 would expressly write into law longstanding congressional policy against per-piece surcharges on individual issues of second-class publications. Under the present rate structure, these per-piece surcharges are particularly damaging to the smaller journals.

While the impact of charges based strictly on weight may sometimes be offset by publications turning to a reduced format or lighter weight paper, a set charge for each copy wipes out this advantage and discriminates against the smaller publication which has done everything it possibly could to reduce mailing costs. These per-piece surcharges may increase postal costs hundreds of percent for some publications, particularly endangering those newspapers and journals sent in the mail which are virtually nonprofit and unable to shift the burden of the increases to either subscribers or non-existent advertisers.

There is no doubt that the interests of the larger profit making publications are seriously affected by increased second-class postal rates and deserve some attention in any legislation which is to be considered by the Congress. It cannot be emphasized too strongly, however, that it is the threat to the very existence of the small independent voices that is posed by the excessive rates which bases the case for any legislative relief, and not the guarantee of profits for larger publications. This is the main premise of S. 630. Any legislative proposals dealing with second-class postal rates must recognize that the public interest in the wide circulation of diverse sources of opinion and information comes before the private interest in the financial success of any one publication.

The case for congressional action to insure that a wide and diverse spectrum of published voices is heard in this nation is imperative; it is also historic and based in the philosophy of democratic self-government.

Vigorous public discussion of politics, business, science, education, literature and other matters of national importance has always been an important indicator of a healthy, pluralistic democratic society. When all viewpoints are heard, when all information is being freely exchanged, and when all ideas are openly examined and challenged—then self-government is at work.

The search for a wide range of information, and unfettered inquiry and discussion, have been the methods of seeking moral and political truth since the time of the Greeks and the Socratic dialogs. As explained by Aristotle:

"The ability to raise searching difficulties on both sides of a subject will make us detect more easily the truth and error about the several points that arise."

In a democratic society such as the United States, the necessity for an active pursuit of information and opinion is perhaps best explained by Walter Lippmann in a passage from "The Indispensable Opposition" published in The Atlantic Monthly in 1939:

"The unexamined life, said Socrates, is unfit to be lived by man. This is the virtue of liberty, and the ground on which we may best justify our belief in it, that it tolerates error in order to serve the truth. When men are brought face to face with their opponents, forced to listen and learn and mend their ideas, they cease to be children and savages and begin to live like civilized men. Then only is freedom a reality, when men may voice their opinions because they must examine their opinions."

From the earliest days of this country, our national leaders have recognized that the essential service of keeping the American people informed about a diverse range of ideas and opinions is best performed by the widest possible distribution of newspapers, periodicals, and journals of opinion.

For 178 years, Congress provided very specific and precise encouragement and assistance for the national distribution and wide dissemination of newspapers and magazines. Historically, the Congress of the United States has provided these publications with the benefits of favorable rates in the use of the U.S. mail. Since 1792, the low postal rates which have been set by Congress for distribution of printed publications through the mails have been recognized as a form of national subsidy justified by the educational function and contribution to the self-governing aspects of citizenship.

The Act of February 20, 1792, 1 Stat. 232, gave newspapers a preferential charge of "one cent, for any distance not more than one hundred miles, and one cent and a half for any greater distance" while single letters were to be charged from six cents to twenty-five cents depending upon the mileage. Two years later, this preferred treatment was extended to magazines and pamphlets in the Act of May 8, 1794, 1 Stat. 354, 362.

Subsequent actions of Congress expanded the preferential postal rates given to newspapers and magazines, and in the Classification Act of 1879, newspapers and magazines were placed in the second-class. In describing the Classification Act of 1879 on the House floor, Congressman—and later Senator—Hernando DeSoto Money of Mississippi explained that the legislation merely carried out the historic policy of Congress:

"We know the reason for which papers are allowed to go to a low rate of postage, amounting almost to the franking privilege, is because they are the most efficient educators of our people. It is because they go into general circulation and are intended for the dissemination of useful knowledge such as will promote the prosperity and the best interest of the people all over the country."

This basis for the reduced rates set by Congress for the mailing of newspapers and periodical magazines was reiterated in Postmaster General Charles E. Smith's annual report for 1901:

"Our free institutions rest on popular intelligence, and it has from the beginning been our fixed and enlightened policy to foster and promote the general diffusion of public information. Congress has wisely framed the postal laws with this just and liberal conception. It has uniformly sought to encourage intercommunication and the exchange of intelligence."

Forty-five years later, Justice Douglas emphasized the basis of a policy of reduced rates in *Hannen v. Esquire, Inc.*, 327 U.S. 146 (1946):

"The policy of Congress has been clear. It has been to encourage the distribution of periodicals which disseminated 'information of a public character' or which were devoted to 'literature, the sciences, arts, or some special industry,' because it was thought that some publications as a class contributed to the public good."

At an early time in our nation's history, the vast changes that would occur in this country, and particularly, the developments in the methods of mass communications which have revolutionized modern society, could surely have not been foreseen. The validity of policies which are concerned with assuring sources of popular and diverse information and opinion in this country, however, are even more compelling at a time when the electronic media can report to a nationwide audience of millions the news of an event which occurred only a fraction of a second previously.

There is no doubt that the electronic media can speed a news message to a vast national audience with an immediacy which cannot be equaled in print. However, by using the public airwaves, the electronic media are dependent upon Government licenses for their very existence. As current controversy pointedly demonstrates, governmental pressures for "balance"—or some such judgment—is a constant overriding threat. And with the need to appeal to great numbers of people to pay for the expensive costs of production, it is no wonder that the electronic

broadcast industry is not well equipped to present a multiplicity of opinions and divergent ideas.

The only place where controversy, dissent, criticism, and minority points of view can be effectively expressed and widely disseminated is in the printed media, particularly in the independent journals of opinion. Here, fresh ideas often see their first public exposure. It is here that traditional thoughts and established norms are challenged with uncommon vigor. In our smaller magazines and newspapers, a broad span of issues may be argued in greater depth and with a partisan passion. Complex matters can be discussed and developed over a greater period of time and transmitted to varied audiences.

While the mass media serve to efficiently communicate the common experience to the majority of the nation, it is the little press that performs the crucial function of providing public access to new and untested ideas, to minority thoughts which might otherwise remain hidden, and to the whole range of human experience and expression, which provides the impetus for the continual search for truth in a free society.

When Congress passed the Postal Reorganization Act of 1970 (P.L. 91-375), it did not turn its back on 178 years of historic policy or put aside its concern for the educational services which the U.S. mail uniquely provides.

In Senate Report No. 91-912, which accompanied the Senate version of the reorganization bill on June 3, 1970, the Senate Post Office and Civil Service Committee reported the bill "with the reminder to present and future postal managers that the system will work only if the public interest is kept as the paramount criterion in every decision made."

Sec. 101(a) of P.L. 91-375 also states that "The Postal Service shall have as its basic function the obligation to bind the Nation together through the personal, educational, literary and business correspondence of the people."

In my opinion, the U.S. Postal Service has misread the intent of Congress in enacting the Postal Reorganization Act of 1970, and has instead substituted a single-minded concern for postal revenue for the larger public interest of providing a basic and fundamental service to the American people. I do not think that the educational value of a wide circulation of diverse printed publications throughout this country can be accurately measured using only a green eyeshade, arm garters, a sharp pencil and an accounting pad.

If present postal rate policy of the United States Postal Service is permitted to continue, the only publications which will be able to survive will be the high price, special audience, special interest magazines and newspapers which communicate a narrow message to the restricted audience that can afford to be subscribers. This action can only stifle the wide circulation of popular information and opinion.

In limiting new entry into the publication field, in limiting the range of coverage of news and events, in limiting the extent of circulation, in pricing the dissemination of information and opinion out of range of many people in this nation, and aiding the creation of an educational and information elite, the U.S. Postal Service does not perform a service to the nation.

If the Postal Service were a private enterprise operation, it would be expected that present pricing policies and the present quality of service would result a stock run on Wall Street, or the appearance of some very vigorous competition. But the Postal Service is a government monopoly controlling the rights of circulation between publications and their individual consumers throughout the country. Thus the checks and balances of a free market are unavailable to curb abuses in price or erosions in service.

When the Board of Governors made their announcement on "permanent" postal rate increases last June 29, the Chairman of the Board stated that "the Governors recognize that the increased rates will work a temporary hardship on some users. To small second-class publishers, the inability to absorb increased postal rates and service would hardly seem to be a "temporary hardship."

This shortsighted attitude towards the threat to small publications in drastically increased postal rates was repeated in the remarks of the Postmaster General of the United States in a New York Times article on August 2, 1972. Mr. Klassen opened his article by stating:

"(W)e read a great deal today about unnamed magazines and newspapers facing what is asserted to be a catastrophic situation allegedly caused by recently authorized postal rate increases."

Mr. Klassen then went on to focus attention on only one large publisher—Time, Inc.—and assumed in his example that all publications would be increased by a 127-percent average over 5 years, and that each and every publication had the same ability to pass on the postal increases to either advertisers or subscribers.

Several months later, the inability of Time, Inc. to absorb all postal increases was big news in the New York newspapers. National headlines, editorials, and columns last December paid their last respects to Life magazine as this last great mass-circulation publication in the nation folded. Life's officers cited postal rate increases of 170 percent over the next 5 years as one of the terminal conditions which could not be overcome, and sent this important communicator of American life to join the likes of Collier's, the Saturday Evening Post, and Look.

Looking beyond the experience of large mass-circulation magazines with significant advertising support, however, the heaviest burden of second-class postal increases will fall on the small, non-profit publications. But there were no headlines last year when The Providence Sister, official magazine of the Sacred Heart Province of the Sisters of Charity of Providence, Issaquah, Washington, notified the Catholic Press Association that "This is to advise that Providence Sister magazine has been discontinued due to the excessive cost of publishing and mailing."

I doubt that it will attract much attention either, when some rural newspaper or some small magazine of diverse intellectual or artistic expression can publish no longer. It will not only be the individual subscribers, who no longer can receive the benefits of a special point of view, who will be the lesser for the loss; the entire nation is weakened when one voice is silenced and its singular contribution to the lively public discussion of politics, literature, science, education, and other items of national importance is ended.

Mr. Chairman, over the past months, I have received many communications and letters on the subject of increased second-class postal rates. Many of these letters and editorials have been very eloquent in articulating the issues which are involved, and in describing the direct impact which these rate increases have on individual publications and their ability to serve their readership. I would ask the permission of the Committee to include a selection of these editorials and attributed letters into the hearing record at the end of my prepared statement.

As a final comment, Mr. Chairman, I wanted to associate myself with some remarks which you made in the Congressional Record on January 16, 1973 in introducing legislation relating to the Postal Service. In commenting upon the effect of increased second-class postal rates, you stated:

"I believe that the American public generally has a vested interest in the survival of newspapers and magazines. Regardless of the economical, political, or social policies which they espouse, they contribute to the Nation's thought process. I am personally convinced that the Congress should not permit magazines to go under because the cost of distributing them through the postal system is higher than their readers are willing to pay."

In translating this expression into legislation, I think that the Congress would be reaffirming its intent that the United States Postal Service is to be "a basic and fundamental service provided by the Government of the United States, authorized by the Constitution, created by Act of Congress, and supported by the people."

[From the New York Times, Feb. 9, 1973]

POSTAL OVERCHARGE

Senator Gaylord Nelson of Wisconsin has reintroduced a bill that could save scores of small-circulation periodicals from going the sad way of Look and Life. Those giants were not doomed solely by the staggering rise in second-class mailing rates, but that was a grim and important factor. Even more vulnerable to extinction through higher postal charges are those prestigious but financially precarious journals that feed and reflect the whole gamut of American public opinion.

The Nelson bill would reduce the rate for the first 250,000 copies of each issue of a publication to the level existing on June 1, 1972—the date a new schedule was imposed that would raise second-class postage an average of 127 per cent in the ensuing five years.

The Postal Service's present course is a threat to the freedom of the press by overcharge, a threat as ominous as more overt forms of harassment—and less discriminating. The uncommercial periodicals that would be most gravely affected range from the religious weekly and the journal of opinion—right and left alike—to the scientific monthly, the farm journal and the literary quarterly.

Without this spectrum of the printed word the American people would be handicapped in sustaining a sound democracy. Yet it was precisely to assure a sound democracy that the country's early leaders fostered an informed public, in good part through the wide and inexpensive distribution of journals and periodicals of all kinds. The Postal Service seems to have misread not only the philosophy of the Republic's founders but, as Senator Nelson points out, even the plain objective of the 1970 Postal Reorganization Act, which was an improved mail service, not "a single-minded concern for postal revenue."

[From the Wisconsin State Journal, Feb. 16, 1973]

SMALL PERIODICALS AT STAKE—STOP POSTAL RATE HIKE

Sen. Gaylord Nelson is to be commended for his efforts to stop the increase of second class mailing rates and save scores of small-circulation magazines which would be forced out of business by the added cost.

With higher rates many small publications, covering everything from religion to politics to science, would go the way of such giants as Life and Look.

A bill authored by Nelson would reduce the rate for the first 250,000 copies of each issue of a publication to the level which was in effect June 1, 1972. On that date new rates were imposed which, over the next five years, would increase an average of 127 per cent.

The divergence of opinion put forth in these small speciality magazines plays an important role in sustaining our free society.

The Postal Service, by putting revenue raising ahead of service, is doing a disservice to the entire nation by, in effect, stilling the voices of these small journals.

The founding fathers of this country recognized the need for a well informed public. The First Amendment to the Constitution guarantees press freedom from censorship. The increased postal rates merely impose censorship from another direction.

[From the Stevens Point Daily Journal, Feb. 19, 1973]

SECOND CLASS POSTAL RATES

It was spelled out clearly in the 1970 Postal Reorganization Act that the main objective was an improved mail service and not "a single-minded concern for postal revenue." A fair-minded person would have to admit mail service in 1973 is worse and more expensive than it was in 1970, whatever the reasons.

The U.S. Postal Service last June announced that the rate for second class postage would be increased by 127 per cent over a five year period. This is the class that covers newspapers and magazines. As one direct result of the huge rate increases, two mass circulation magazines—Look and Life—have folded, and a number of smaller journals face a bleak future.

Postal rates, of course, are not the only source of difficulty for the publications, but they are a heavy contributing cause. And if postal rates are a key factor in the cost of disseminating news matter and opinions and comments on events and conditions of importance to the people, then heavy-handed application of rate increases can be an effective method of silencing those publications. That has the same effect as direct censorship.

Sen. Gaylord Nelson, D-Wisconsin, recognizing this danger, has introduced legislation to save scores of small-circulation magazines that would be forced out of business by the scheduled rate increases. His bill, S-630, is intended "to encourage and support the dissemination of news, opinion, scientific, cultural and educational matter through the mails." Under the measure, the rate for the first 250,000 copies of each issue of a publication would be reduced to the level that was in effect on June 1, 1972, the date the new schedule was effective. Any future increase in second class rates would be phased in over a 10-year period.

The Nelson bill deserves full support, for it is needed insurance that the public can continue to be informed. The concept that all classes of mail should "pay their way"—no matter how high the cost or how serious the consequences—is a relatively new one for the nation's postal system. It is in direct conflict with the purposes which brought about the founding of the Post Office, which were to encourage the exchange of information among the citizens of the republic.

One can only imagine what Thomas Paine, himself a prolific pamphleteer, would have to say about the current state of the public's mail delivery system.

[From ADA World, October 1972]

POSTAGE RATES TO KILL SMALL PAPERS

ADA World readers are urged to protest proposed increases in second-class mail rates threatening to stifle the free flow of ideas and information in the U.S.

The U.S. Postal Service has proposed a 142-percent increase in mail rates for newspapers and magazines over the next five years, and it is widely conceded in the industry that such increases will put many publications out of business.

Protests have come from both commercial and non-commercial publications and from conservative as well as liberal publishers. Many small magazines which routinely carry important "think pieces" would cease publication, and nation-wide organizations—like ADA—which depend on a second-class permit to reach a far-flung membership would find survival difficult.

There is no hope of congressional action this year to hold second class rates at old levels and end the first-step increase—a 0.2 cents a copy surcharge—applied in July, but it is important to act now to prevent further drastic increases, according to Kenneth Fiester, executive director of the International Labor Press Association which is leading labor efforts to resist the increases.

Readers are asked to write their senators and representatives urging them to support a bill introduced by Sen. Gaylord Nelson (D-Wis.) and co-sponsored by Sens. Metcalf, Hughes, Eagleton, Humphrey, Chiles, Mondale, Church, Cranston, Kennedy, Case, McIntyre and Hatfield. A companion measure has been introduced in the House.

The Nelson bill would:

Forbid imposition of a per piece surcharge on second class mail.

Roll back pound rates on the first 250,000 copies of second class publications to the temporary rates in effect last June.

Specifically instruct the Postal Service to set rates to "encourage and support the widest possible dissemination of news, opinion, scientific, cultural and educational matter."

Although Congress cannot be expected to reassert direct control over rates, Fiester said the hope is for a ban on the surcharge (a device several times offered by past postmasters general and uniformly rejected by past congresses); a clear legislative admonition to the Postal Service on the primary importance of the public interest; and a ceiling on second class increases.

Fiester said:

"We believe second class publications should be willing to have their rates raised roughly in proportion to the increase in unit costs of the Postal Service as a whole. This would do away with the ancient argument that resisting rate increases is an act of war against postal employees.

"There are more troublesome snags. One is the indisputable fact that postal rates within the means of most non-profit second class mailers—and a lot of commercial second class, too—will require government subsidy on a continuing basis, to the end of time . . .

"But this runs into the loudly-trumpeted proposition that the Postal Reorganization Act of 1970 was intended to make the Postal Service "self-supporting" within a measurable time—perhaps a decade. Congressmen who believed this proposition—or, even worse, said so out loud—are now asked to change their minds. This doesn't come easily. . . .

"The toughest obstacle of all, it seems to us, is that most members of Congress were heartily sick of the rate-making and wage-setting decisions forced upon them by the old system. They truly want these decisions to be made by the quasi-independent Postal Service created by the 1970 act. We can get the relief we so desperately need only by convincing a Congressional majority that the new apparatus is violently abusing the public interest . . ."

[From the New World, July 28, 1972]

NEW POSTAL RATES A THREAT

(Catholic weekly newspaper of the Chicago Archdiocese)

For a long time the Catholic press has been protesting the postal rate increase faced by newspapers and magazines under the new U.S. Postal Service. Therefore it is good news to find that some of the metropolitan daily papers have awakened to the problem.

As Tom Wicker of the New York Times points out about the proposed increases, in an article published in Chicago Today: "It's impact on the flow of ideas and opinion in America is likely to be catastrophic, for it is precisely upon smaller, usually less profitable publications that it will impose the heaviest burden."

Mr. Wicker notes that "it has been Congressional policy since 1972 to provide certain preferential postal rates, not to enrich publishers but because, as Justice Douglas once put it, it was considered that "periodicals which disseminated "information of a public character" or which were devoted to "literature, the sciences, arts, or some special industry" . . . contributed to the public good.

"That is not quite the same thing as subsidizing corporate farmers . . . or subsidizing oilmen with the depletion allowance," Mr. Wicker continues: "the Senate Post Office and Civil Service Committee, reporting on the legislation establishing the Postal Service in 1970, made it quite clear that 'the Postal Service is in fact and shall be operated as a service to the American people, and not as a business enterprise.' "

We join Mr. Wicker in urging that the Congress roll back the second-class rate increases. These can cause the death of many smaller, urgently needed publications—particularly among diocesan newspapers.

Sen. Gaylord Nelson (D., Wis.) has introduced a bill to prevent the planned increases in postal rates for magazines and newspapers. It would freeze the rate at the current level for those with circulations of 250,000 or less. Those with larger circulations would have extra charges per copy above 250,000 but the rate increase would be initiated over five to 10 years.

Senator Nelson sharply criticized the Postal Services for seeking an average 127% increase in second-class rates, which he said could drive many small publications out of business.

The threat of the increases already has put some smaller publications out of business; many more will follow if the Postal Service's program is not changed.

[From the Topeka (Kans.) State Journal, July 29, 1972]

FREE FLOW OF OPINION IN JEOPARDY

Postal rate increases which threaten to stifle the free flow of information and opinion, through a ruinous effect on magazines, newspapers and other publications, are the target of a legislative remedy championed by Sen. Gaylord Nelson, D-Wis., and a group of colleagues in the U.S. Senate.

Nelson has introduced a bill to head off a whopping hike of 127 per cent for second-class mail, as proposed by the postal service in its zealousness to find new revenues.

It would, instead, freeze already-increased rates for mailing of such matter—up to 250,000 copies of each—at the level existing on June 1 of this year.

The senator expresses deep worry, not simply for the business perils involved, but that the American public will be the loser in a more restricted exchange of ideas and comment, which has been the bulwark of their freedoms.

Nelson, and others aware of the threat, have drawn attention to the historic precedents going back to the earliest days of the new republic seeking to assure the widest latitude for sharing views in shaping public affairs and exchange of knowledge.

"For 178 years," says Nelson, "Congress endorsed the concept of low postal rates for printed publications circulated through the mail. In passing the Postal Reorganization Act of 1970, I do not think Congress turned its back on this historic policy nor put aside its concern for the basic educational and informational services which this self-governing nation requires and which the U.S. mail uniquely provides.

"The proposition that a healthy democracy depends upon the wide distribution of diverse information by publications sent in the

mail is just as valid in 1972 as it was in 1792 when Congress first put this principle into law."

His bill would call upon Congress to reaffirm this obligation by specific language in the act under which the postal service operates, "to provide postal service at rates which will encourage and support the widest possible dissemination of news, opinion, scientific, cultural and educational matter."

Significantly affected by higher postoffice charges are the myriad periodicals and weekly and small daily newspapers whose circulation depends largely upon mail delivery. They are a highly important segment of the overall media, depended upon by millions of people for enlightenment and discussion of local and national affairs.

All citizens may well share the concern of Sen. Nelson and his colleagues for a situation which could erode the very foundations of an enlightened democracy.

THE REPUBLICAN NEWSPAPER
OF CALIFORNIA,
March 30, 1973.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: We were delighted to read in the San Diego Union about your measure to freeze at the present level the postage rates for the first 250,000 issues of newspapers and magazines.

Can you please tell us the status of the measure at this point?

The proposal rate hikes are a matter of great concern to us. We feel, as you do, that they would present a serious threat to the existence of small presses.

If we can be of any service to you in this matter, please be sure to let us know.

Sincerely,

JOAN B. GREEN,
Contributing Editor.

POLITICS & SOCIETY,
Los Altos, Calif., March 28, 1973.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Your efforts on behalf of little journals are much appreciated by *Politics and Society*. Increases in postage rates have made it increasingly difficult for us, and other journals like us, to survive. What in your opinion, would be the most appropriate way for us to assist your efforts in getting the Senate to pass S. 630? Should we direct correspondence at the Senate Post Office and Civil Service Committee, or might testimony by journal editors be more useful?

Sincerely,

IRA KATZNELSON.

LA CROSSE TRIBUNE,
La Crosse, Wis., March 29, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: We know there are many newspapers that will supply you with great rhetorical expression about the need to provide wide distribution of diverse information, and other historical background. This is great for our side, but we think it is more impressive to tell you that the rate increase proposed for July will raise our second-class postage bill 33 per cent—from $45,000 to $60,000 a year.

Traditionally we have raised our subscription rates by only those amounts to keep pace with the postage increases and of course have met resistance from our rural readers. To offset the loss of several thousand mail subscribers resulting from price increases, we have established a network of motor route delivery operated by independent contractors to give *same day-seven day* (including postal holidays) right to the farm homes.

In spite of the emergency measures we have adopted—they can only be called delaying actions—our mail circulation will continue to shrink because we will be forced to again raise our mail subscription rates—a continuation of a vicious circle created by exorbitant postage rates.

Our mail subscribers will not be able to express their opinion on these important matters involving postal rates and the manner in which it effects them. You will be providing a great service to rural America if you can somehow describe their position emphatically and truthfully.

Sincerely yours,

ED KEEFE,
Circulation Manager.

STAUFFER PUBLICATIONS, INC.,
Topeka, Kans., March 29, 1973.

Hon. GAYLORD NELSON,
U.S. Senator, Washington, D.C.

DEAR SENATOR NELSON: What must we do to get across to Congress that the whole tenor of American life is being changed by the high rate of second class postage?

Our company besides publishing small dailies also puts out Capper's Weekly (465,000 copies) each week. These rates threaten to force us to discontinue Capper's Weekly which has been published for more than ninety years, and, until 1954, was owned by Senator Arthur Capper.

This magazine goes to every state and to many foreign countries and is read by rural and small town people.

Our fifteen small daily newspapers that we also publish are likewise fighting for their existence.

I hope Congress will see the light and change the direction in which we are headed hell bent.

Sincerely yours,

OSCAR S. STAUFFER.

TRANSACTION INC.,
New Brunswick, N.J., March 29, 1973.

Hon. GAYLORD NELSON,
U.S. Senator, Washington, D.C.

DEAR SENATOR NELSON: Thank you for your letter of March 21 and the informtaion therein contained on your activities with respect to the permanent postal rate increases; and beyond that, some means for congressional legislative support—either for relief of such mail increases, or beyond that, direct subvention.

My friend and colleague at *The New Republic*, Bob Myers, probably has put the matter right in clearly delineating a difference between those magazines in the area of public service which survive from subscription income, and those magazines dedicated to advertising premises and who primarily serve the commodity and business constituencies.

We very desperately need relief, and failing that, some form of subvention; but above all, there must be a clear and distinct separation between modest and very often profitless operations that have been the beacon light of the American liberal imagination since the founding of the nation and those magazines that have no such larger purposes.

It is important here to note that even "special interest magazines" may be of the former or latter variety. The magazine of *Tennis or Yachting* is not necessarily the same as *The Progressive*—or for that matter, society. I am not entirely sure this distinction has been driven home sufficiently; and as a result, the very tenor and nature of the discussion has largely been handled by the magazine association on one hand, and the postal authorities on the other, crunching, but hopefuly not crushing the public service publications such as our own.

Because of this, I am genuinely appreciative of the support you and your colleagues have given to the principle of congressional support for the dissemination of the diversity of thought. Our own Committee for the Diversity of the Press had given testimony earlier on this subject; and I am certain that I express our common sentiment when I say that I hope you are successful in this activity.

Yours, very truly,

IRVING LOUIS HOROWITZ,
Editor-in-Chief.

RIPON COLLEGE,
Ripon, Wis., March 27, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Continually rising costs and the tightening of college enrollments across the nation have placed a severe financial strain on private colleges and universities.

Historically we have enjoyed the privilege of mailing student recruiting, alumni and fund-raising literature at economical 2d Class rates. Any significant increase in these rates will deal a severe blow to our efforts to maintain effective communication with prospective students, alumni and donors to this private educational institution.

Sincerely,

KENNETH E. LAY,
Director of Public Relations.

THE AMERICAN LEGION,
Washington, D.C., March 15, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: The new rate increases arbitrarily imposed on non-profit second-class mailers by the Postal Rate Commission are so excessive and unreasonable that many publications will not survive unless relief is granted by the Congress. The American Legion Magazine, the American Legion Auxiliary National News and many of the state publications of both organizations cannot long continue to publish under the existing phased rate schedule.

The American Legion Magazine was established in 1919, at the time the organization was chartered by the Congress. It is mailed to all Legionnaires and to schools, libraries and veterans hospitals throughout the country. The magazine provides information on matters of concern to veterans and their dependents, and contains articles on patriotism, youth programs and the history and culture of our country. The editorial content averages 75% and the advertising content is 25% or less in each issue. The average press run is 2,700,000 issues per month.

Five years ago the cost of mailing the Legion magazine was approximately $140,000 a year. Last year the cost was $313,000. Under the present schedule of rate increases, by 1980 the cost of mailing the magazine will skyrocket to nearly $1,000,000 a year, an increase of 235%.

The principal inequity is the new charge of up to 1.5 cents per piece because this additional cost does not adjust for publications with a low percentage of advertising income. Until the new schedule of rates became effective, a per piece charge had never been imposed upon authorized nonprofit mailers. This charge is in addition to the per pound rate increase schedule now in effect.

For over half a century prior to enactment of Public Law 91-375 (Postal Reorganization Act), the Congress provided preferential mail rates for publications of veterans organizations, churches and other non-profit groups who disseminated information of benefit to their members and to the public. The language of the Postal Reorganization Act clearly indicates that the Congress had no intention of abandoning the traditional treatment accorded these organizations.

The projected schedule of increases of the Postal Rate Commission will practically eliminate the gap between the profit publications and the non-profit mailers. The Commission has callously ignored those provisions of the Postal Reorganization Act and 55 years of Congressional policy concerning the rate treatment of non-profit organizations. The rates discriminate against a class of publications which are least able to absorb the increases and whose history has been one of disseminating news and useful information in the public interest rather than becoming income oriented through the sale of large amounts of advertising. Subscription costs of our magazine and other Legion publications cannot readily be passed on to our members because these costs are part of the dues structures of the organization.

The Congress should reassert its historic policy which recognizes the enormous contribution that second-class non-profit publications make to the culture of our country. A reassertion of this policy must be accompanied by legislation reestablishing fair and equitable postal rates for authorized non-profit mailers.

The American Legion and the American Legion Auxiliary have always published in strict compliance with the law and the intent of the Congress. We should not be forced to discontinue or curtail our efforts to keep our members informed on matters of vital concern to them. Legislation has been introduced in this session to provide some relief. I respectfully urge you to support it and help our publications to survive.

Sincerely yours,

JOE L. MATTHEWS,
National Commander.

THE COOPERATIVE LEAGUE OF THE USA.,
March 1, 1973.

Hon. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: As the Legislative Director of the Cooperative League of the U.S.A. I have been asked to forward to you the enclosed letter from the officers of the Cooperative Editorial Association expressing support for your bill, S. 630.

They are united in this matter because the proposals of the present Post Office management will put many of them out of business if not changed.

You have their permission to put the letter in the Record or any other way that will be helpful.

Sincerely,

SHELBY E. SOUTHARD,
National Commander.

JOURNAL OF THE EXPERIMENTAL ANALYSIS OF BEHAVIOR,
Rochester, N.Y., February 22, 1973.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: I want to thank you for introducing your bill concerning the exemption of small journals from the proposed postal service rate rise. We have only 4,000 subscribers and are, as are many other scientific journals, a rather marginal operation, with only two full time employees. Last year we were $7,000 in the red. Since our bill for postage was $4,200 you can see that any large percent increases in that would be likely to do us in completely.

Again, thank you for your help. I hope you succeed.

Sincerely yours,

VICTOR G. LATIES,
Professor.

AMERICAN BANKER,
New York, N.Y., February 22, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: As you know I have followed with keen interest your aggressive work on behalf of the publishing industry in the problems it faces with rapidly rising costs and poorer and poorer performance from our postal service.

It is nice to know that there is a distinguished member of the Senate who has an appreciation for the problems we face. Your Bill which would reduce the rate for the first 250,000 copies of each publication to the level of June 1, 1972, would be a great boon to the smaller publishers.

Please keep up the good fight, and if there is any way I can be of service to you, please let me know.

Respectfully yours,

———————.

ENVIRONMENTAL ACTION,
Washington, D.C., February 20, 1973.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: I wish to state my strong support for your recent bill, S. 630, to reduce postage rates for magazines with limited circulation.

As you are well aware, there are numerous financial pressures on magazines these days. With the proliferation of smaller specialized magazines, there is also pressure to keep prices down, as the market can only bear so much. For non-profit organizations like ours, it is especially difficult to make ends meet. Obviously, ever-spiralling postage expenses severely cut into our program.

What is particularly galling about the postage increase is the unbelievably poor service we receive at the hands of the Postal Service. It is not uncommon—in fact, it is the usual case—for a copy of our magazine to take between one and three weeks to reach many of our subscribers. I know of no reader who gets *Environmental Action* in less than five days after it is mailed.

We support your continued action in this direction. Please let us know if we can be of assistance.

Sincerely,

PETER HARNIK,
Editor.

FLIGHT ENGINEERS' INTERNATIONAL ASSOCIATION,
Washington, D.C., February 12, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for the Congressional Record January 31, 1973 and for your continuing fight to allow small publications such as our FEIA NEWS to remain in existence through implementation of reasonable postage rates.

Sincerely,

ERROL L. JOHNSTAD,
President.

COOPERATIVE EDITORIAL ASSOCIATION,
Chicago, Ill., February 20, 1973.

Hon. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: This is to record the strong support of our Association for S. 630, the bill to encourage dissemination of news and opinions through the mails, through keeping the June 1, 1972, limit on second-class postal rate increases. We appreciate your action and those of other Senators in backing these measures.

Our Association is made up of editorial workers on publications owned by or written for cooperatives of all types. These are membership publications that reach families totalling more than 20 million members of cooperatives. Needless to say, the application of fair and reasonable second-class postal rates is the lifeblood of these membership organs, which are not operated to make a profit but to provide essential information to owners of these associations. Prohibitive rates as proposed by the U.S. Postal Service would make publishing these (usually small) publications extremely difficult if not impossible. We would appreciate your continued efforts on behalf of this legislation and will urge our members to follow through, in gaining additional support for it.

Sincerely,

PHILIP J. DODGE,
Executive Secretary.

THE AUTHORS LEAGUE OF AMERICA, INC.,
New York, N.Y., February 9, 1973.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: The Authors League wishes to thank you for introducing your bill to prevent the projected massive increase in second class mailing rates. The Authors League has testified in the House before Mr. Udall's Subcommittee in favor of such legislation. We have asked Senator McGee for an opportunity to testify during the forthcoming hearings on the operations of the Postal Service and we will support your bill.

Sincerely yours,

MILLS TEN EYCK, Jr.,
Executive Secretary.

THE LUTHERAN,
Philadelphia, Pa., January 5, 1973.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: The recent demise of LIFE magazine adds urgency to your proposed legislation to freeze second-class mailing rates and to prevent disastrous increases in the per-piece surcharge. As you re-introduce the measure in this session of Congress, I hope prompt action can be taken by the Committee on Post Office and Civil Service to schedule hearings and produce some action.

With thanks for your continued interest in this matter,

Sincerely yours,

ALBERT P. STAUDERMAN,
Editor.

NEWPORT COVENANT CHURCH,
Bellevue, Wash., December 7, 1972.

Senator GAYLORD NELSON,
New Senate Office Building,
Washington, D.C.

DEAR SIR: I write to encourage you in the bill which you have introduced which would freeze all second class rates at the level of June 1, 1972 for the first 250,000 issues of magazines and newspapers sent through the mails, and would drop the 1½ cents per piece surcharge on all second-class publications. Your bill is commendable and highly in order and in keeping with the spirit of our American democracy. Thanks for your proposal. I sincerely hope it passes.

Sincerely yours,

DELMAR L. ANDERSON, *Pastor.*

THE ADVOCATE,
East Orange, N.J., October 9, 1972.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: I am very much interested in your Senate Bill 3758 to prohibit the imposition of a per-piece surcharge which has been proposed by the Postal Service, and wish to add my support to your efforts.

If and when such an increase as now proposed goes into effect, the results would be catastrophic. Such a rate increase would be unsurvivable for many non-profit publications.

One reason Congress instituted second-class rates was to promote the widespread distribution of printed matter, the theory being that an informed citizenry was one of the best possible safeguards of democracy. That holds true today. However second-class mail would be threatened if existing plans of the Postal Rate Commission are implemented. We look to Congress for survival.

Please keep me informed as to the progress of your Bill and I would appreciate a copy of S-3758.

Wishing your Bill quick passage and with warm personal regards, I remain

Cordially,

ALLEN C. BRADLEY,
Circulation Manager.

THE MISSIONARY TIDINGS,
Winona Lake, Ind., October 19, 1972.

Senator GAYLORD NELSON,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR: As a former Wisconsinite—and soon to return there—I am proud of your integrity in political office. And as editor of a small church magazine, I am very concerned that Bill S. 3758, which you sponsored, be passed.

I am enclosing a carbon copy of my letter to Senator Gale W. McGee which explains our position. I sent similar letters to Repreresentatives Thaddeus J. Dulski and Morris Udall and to the senators from Indiana. I hope you and the various state representatives are flooded with mail from the many who see no justification for this drastic increase.

Sincerely,

ALICE FENSOME.

THE HENRY F. HENRICHS PUBLICATIONS, INC.,
Litchfield, Ill., September 26, 1972.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: I have just read with interest the item in the September issue of "The American Legion Magazine" corncerning your position on second class postal rates. I appreciate your letter to the Editor of "The American Legion Magazine" with reference to your bill S. 3758, which we hope will gain much support and can be put into law.

As publishers we realize how great the blow has been by the increase in second class rates and how difficult it is to continue to pay higher rates for second class mail service, which has certainly not been improved.

We commend you for your attitude in this matter and your action in preparing legislation that we hope will be successful.

Sincerely,

GARTH HENDRICHS.

GOOD NEWS,
Wilmore, Ky., September 12, 1972.

Senator GAYLORD NELSON,
Chairman, House Employment Manpower and Poverty Committee, New Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: I am writing to protest the recent increase in postage rates for religious publications. The radical increase in cost will make it very difficult for non-profit publications such as ours. Since we do not exist to make profit, as do the commercial publications, it seems grossly unfair that we should be forced to pay this unreasonable postage increase.

Those who use the mails for selling merchandise—particularly the direct mail promotion people—are the ones who should pay the postage increase. We certainly do not object to paying a fair share of the cost, but when the postage rates reach a level at which many non-profit publications would be forced to suspend, then the postage rate becomes a punitive measure.

In the interest of fairness, I want to ask you to use your influence to change this discriminatory legislation.

Sincerely,

CHARLES W. KEYSOR,
Editor.

GOSPEL PUBLISHING HOUSE,
Springfield, Mo., September 11, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR NELSON: I am writing to express appreciation to you for Nelson Bill (S. 3758). We believe this bill will greatly affect publishers of magazines and newspapers and we trust it will receive favorable consideration by those whose responsibility it is to either accept or reject passage.

Thanks again for your part in proposing this important legislation.

Cordially,

WILLIAM G. EASTLAKE,
National Director, Division of Publication.

WORLD EVANGELISM, INC.,
San Diego, Calif., September 8, 1972.

Senator GAYLORD NELSON,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: As the publisher of Deeper Life magazine I wish to thank you for your bill (S. 3758) which would freeze postage rates at the June 1 level for the first 250,000 sent through the mails.

This would mean so much to so many if this bill is passed.

Yours very truly,

MORRIS CERULLO.

CHILD EVANGELISM,
Grand Rapids, Mich., September 8, 1972.

Hon. GAYLORD NELSON,
Chairman, House Employment Manpower and Poverty Committee, New Senate Office Building, Washington, D.C.

MY DEAR SENATOR: As an editor of a non-profit Christian magazine for workers with children, namely, Child Evangelism, I take this opportunity to commend you on your encouraging bill (S. 3758) which would freeze postal rates at the June 1, 1972 level for the first 250,000 copies of magazines and newspapers sent through the mail.

Your bill would also eliminate the cent-and-a-half surcharge that the Postal Rate Commission had recommended.

Your bill will mean the difference between the demise or continuation of magazines which have been wholesome as well as a strength to Judeo Christian culture of USA.

This letter is not only to commend you but to support you in this effort. In addition you will find carbon copies of letters which we are today addressing to Senator Gale W. McGee, Chairman, Senate Post Office and Civil Service Commission, also Representative Thaddeus J. Dulski, Chairman, House Post Office and Civil Service Commission, and Representative Morris Udall, Chairman, House Subcommittee on Postal Service.

In supporting your bill, we think it would correct certain aspects of the postal reorganization Act of 1970 which overlooked the importance of free expression and the widest possible dissemination of wholesome information and ideas, planned and hoped for by our founding fathers and supported by them in the need for low cost postal rates for magazines and newspapers.

Cordially yours,

Rev. P. W. BENNEHOFF,
Managing Editor.

ROCHESTER, MINN., *August 28, 1972.*

Hon. SENATOR NELSON,
Senate of U.S., Washington, D.C.

DEAR SENATOR: It has come to my attention that the Postal Department is attempting to raise the price of mailing periodicals such as Church affiliated newspapers and that you have sponsored a bill No. 3758 in the Senate to put curbs on this idea.

Thanks to you, and I hope the thinking of others that this attempt will be stopped. . . I realize there is need for more revenue in the P.O. service but perhaps this step they propose will be hurting the "grass root publications," I feel we have a great need for.

Altho I am from another state I watch with interest legislation by our national leaders and I admire your stand on the issue of which I write.

Sincerely,

WALT BRUZEK.

FAR WEST SKI ASSOCIATION,
San Francisco, Calif., August 25, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: On behalf of the association, we wish to express our support of your S. 3758 which seeks relief for certain second-class postage users.

The association, a division of the United States Ski Association, publishes twenty times yearly its own tabloid newspaper. The rates proposed by the Postal Service would be a severe blow to the financial health of the association, which is a non-profit corporation under the laws of the State of California.

Would you please inform us as to other members of the Senate whom we should contact, and what other actions you recommend?

Sincerely,

JOHN WATSON,
President.

WOMAN'S NATIONAL AUXILIARY CONVENTION,
Nashville, Tenn., August 24, 1972.

Senator GAYLORD NELSON,
Chairman, House Employment Manpower and Poverty Committee, New Senate Office Building, Washington, D.C.

DEAR SIR: As editor of the Co-Laborer magazine I want to thank you for and commend you for the bill S. 3758 that you have recently introduced.

The Co-Laborer is a 2nd class religious non-profit publication with a circulation of 13,000. Our women shall be praying for you as you and your staff work on the passage of this bill.

Sincerely,

CLEO PURSELL,
Executive Secretary-Treasurer.

THE SUNDAY GUARDIAN,
Newark, N.J., August 14, 1972.

Senator GAYLORD NELSON,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for introducing bill S. 3758 in the U.S. Senate. As one who has given his life to this publication and has never accepted a paid advertisement we sincerely hope your bill will keep the rates down.

Respectfully yours,

ROBERT S. WOMER.

AUGUST 7, 1972.

Senator GAYLORD NELSON,
Chairman, House Employment, Manpower and Poverty Committee, New Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: The introduction of your bill (S. 3758) is a bright development for all of us in the field of church publications, and I wish to commend you for this fine work.

Let us hope and pray for the passage of your bill which will correct certain aspects of the Postal Reorganization Act of 1970.

Thank you for what you are doing with reference to this important matter.

Sincerely yours,

O. W. POLEN,
Editor in Chief.

OAKLAND, CALIF.,
August 4, 1972.

Senator GAYLORD NELSON,
Washington, D.C.

Respectfully solicit your support of Nelson S. 3758 bill for press freedom of the huge postal increase on second class mail will force many viable publications to cease publication. Our auditor has forecasted an increase from 15,000 per year to more than 45,000 at the end of the 10 year period. We simply cannot stay in business if this increase becomes a reality.

FRANCIS A. MAUROVICH,
Editor.

THE MORNING STAR,
Lafayette, La., August 4, 1972.

Hon. GAYLORD NELSON,
Committee on Labor and Public Welfare, New Senate Office Building, Washington, D.C.

MY DEAR SENATOR NELSON: As Editor of our Diocesan newspaper, I wish to commend you for the much-needed relief in postal rates provided in the legislation which you are proposing in the Senate today.

We have been fortunate in locating the printing of our paper nearby. For years it had been printed out of state. Our mailing costs, however, even at the present time are a great financial burden. We truly need the succor your bill provides.

Many thanks.

Sincerely yours,
(Rev. Msgr.) RICHARD VON PHUL MOUTON,
Editor.

LABOR,
Washington, D.C., August 3, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR GAYLORD: This is a belated note to express our deep appreciation for the bill you have introduced, with 12 co-sponsors, to freeze postal rates for small publications and to provide a rollback.

We carried a story about your bill in the July 15 issue of LABOR, which you may have seen, but in case you haven't I'm enclosing a tearsheet containing the story.

We were particularly pleased that you underscored the disastrous impact of the postal rate surcharge on the "smallest, lightest weight" publications, particularly those in the non-profit category. The latter face 750 per cent in aggregate increases over a 10-year period under the rates established by the Postal Service. Such non-profit publications have already been hit by a 100 per cent raise in postal rates this year as a first installment.

I am enclosing several additional tearsheets from LABOR with marked stories which describe the seriousness of the rate increases for non-profit periodicals. You may want to have this information for future use.

You are a great Senator and I want to salute you.

Sincerely,
RUBEN LEVIN,
Editor and Manager.

NATIONAL CHRISTMAS TREE GROWERS' ASSOCIATION, INC.,
Milwaukee, Wis., August 3, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: We appreciate and support your leadership in the matter of preserving the concept of low postal rates for printed publications. We will pass the word.

Sincerely,
ALEXANDER T. DAVIDSON,
Secretary.

CAPUCHIN,
August 2, 1972.

DEAR SENATOR NELSON: Enclosed is a copy of a letter that I wrote to Senator Gale McGee regarding your bill S. 3758. Being a Wisconsinite by birth and claim, I have always been a fan of yours and even more so in the bills you have sponsored and supported.

Presently I am a Michigan resident and am also writing to my two Senators here to support you in this bill.

I feel the religious press does valuable work and service for our country—in defusing the emotionalization of the biases that tend to cripple us as a country and in helping us become a more rational people. The loss of our publication would be small, but it would only be a symptom of what is yet to come.

I support you wholeheartedly, and if there is anything I can do to gain support for this bill, don't hesitate to ask.

Sincerely,
FR. ALLEN GRUENKE,
Editor, Sandal Prints.

THE BAPTIST MESSAGE,
Alexandria, La., August 2, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR NELSON: Let me take this opportunity to thank you for the legislation which you have introduced relative to the postal rate increases for church publications.

The new postal rates will do serious, serious, damage to religious journals if allowed to escalate as scheduled.

Sincerely,
JAMES F. COLE.

THE NEW YORKER,
New York, N.Y., August 2, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: William Shawn has shown me your letter concerning your interest in the proposed 127 per cent increase in the second-class postal rate.

Indeed, an increase of anything like that amount would simply paralyze our business—and as you so clearly discern, our business is the national press of this country.

I would like to thank you for your concern and your interest in writing us.

Yours sincerely,
DAVID D. MICHAELS.

CITIZENS FOR EDUCATIONAL FREEDOM,
Washington, D.C., August 1, 1972.

Senator GAYLORD NELSON,
Committee on Labor and Public Welfare, New Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: As vice-president of Citizens for Educational Freedom and as editor of its quarterly publication, a sample of which is attached, may I commend you for your effort to freeze rates on second class publications with circulation of 250,000 or less.

Our organization is one which has been working since 1959 to assure freedom of education in this nation but, as with all citizen groups with more desire than money, we would find it next to impossible to meet higher mail rates to our 50,000 subscribers.

Today I am writing to Senator Gale W. McGee asking that he give favorable consideration to your bill, a necessary piece of legislation if we are to "encourage and support dissemination of news, opinion, cultural and educational matter" through the mails.

Again, may I extend to you my appreciation.

Sincerely yours,
EMILE COMAR,
Vice-President.

MAGNIFICAT,
Buffalo, N.Y., August 1, 1972.

Senator GAYLORD NELSON,
Committee on Labor and Public Welfare, New Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: The enclosed copies are for your information.

Your appreciation of the plight of second-class mail users and the relief you are trying to secure for them through legislation by your introduction in the Senate of bill S. 3758 has won the heartfelt thanks of every religious publication.

We believe the letters that we sent to our Senators and key Congressmen will help achieve passage of your bill through the Senate in its present form.

Very truly yours,
JOSEPH F. DI MAIO,
Comptroller.

CHRISTIANITY TODAY,
Washington, D.C., August 1, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR MR. NELSON: Thank you for your July 8 letter. I approve of the legislation which you have introduced into the Congress concerning the second class postal rates for magazines, etc.

You have my enthusiastic support and endorsement of this move. Thank you for your interest and concern.

With every good wish, I am
Sincerely yours,
HAROLD LINDSELL.

WISCONSIN SOCIETY OF PROFESSIONAL ENGINEERS,
Madison, Wis., August 1, 1972.

GAYLORD NELSON,
U.S. Senator, U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for your letter advising us of your feelings relative to the increase in postal rates for publications. We share your concern that this increase will stifle the free flow of ideas and will threaten the continuation of many publications including the Wisconsin Professional Engineer.

I am not opposed to reasonable and equitable second class rate increases but a 127% increase appears totally unjustifiable.

As we seek lasting solutions to the many great problems and needs of our people, any curtailment of scien-tech information can only be disastrous.

You are to be commended for your initiative and positive action in introducing S 3758. Thank you.

Sincerely,
GLENN E. BURG,
Editor.

COURIER-JOURNAL,
July 31, 1972.

Senator GAYLORD NELSON,
Committee on Labor and Public Welfare, New Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: Enclosed is a copy of a letter that I am sending today to Senators McGee, Fong, Javits and Buckley. I am also sending similar letters to Congressmen Dulski, Conable, Horton, Derwinski, and Rev. Morris K. Udall.

May I offer our support for the introduction of your bill to the Senate which will allow newspapers like ours to continue publishing.

If I can be of help in anyway, please feel free to call on me at anytime.

Sincerely,
ANTHONY J. COSTELLO,
General Manager.

THE WASHINGTON POST CO.,
Washington, D.C., July 31, 1972.

Hon. GAYLORD NELSON,
U.S. Senator, Old Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: Thank you for sending me your statement on postal rates made in the Senate June 28. We are deeply appreciative of your understanding of this issue and of the magazine publishers great concern about it. Oz Elliott has told me of his meeting with you. I am very hopeful that something can be done to alleviate the threat to many publications as well as Newsweek.

Sincerely,

KATHARINE GRAHAM.

CHEYENNE NEWSPAPERS, INC.,
Cheyenne, Wyo., July 31, 1972.

Hon. GAYLORD NELSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Thank you so much for your letter of July 20 and the enclosed statement made by you to the Senate the last of June. I have read all the information you mailed with more than casual interest.

Needless to say, I am much in agreement with your position. Whether or not the Postal Service Board of Governors intended their actions to become a serious threat to the freedom of the press, there can be no doubt as to the end result as far as many magazines and small newspapers are concerned. We have reprinted the Washington Star editorial on this topic and are preparing an editorial of our own for publication soon.

Your support is deeply appreciated.

Sincerely,

ROBERT S. MCCRAKEN.

THE SPARTANBURG HERALD,
THE SPARTANBURG JOURNAL,
July 31, 1972.

Hon. GAYLORD NELSON
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: We greatly appreciate your letter of July 18 with enclosure of your statement before the Senate concerning proposel Postal rates.

The proposed increase of 127 percent is outrageous and poses a grave danger to our Country's free press.

I am quite certain that the Board of Governors of the United States Postal Service has lost sight of the original intent of the Congress in setting postal rates to foster the dissemination of news and opinion among the people of a self governing democracy.

This oversight by the Board of Governors must be corrected by the Congress if we are to save the two to three thousand small daily and weekly newspapers which today are still the only local media of millions of Americans.

Sincerely,

FRED D. MOFFITT,
Publisher.

NEW YORK, N.Y.,
July 28, 1972.

Hon. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: I am in your debt for the privilege of reading the text of your June 28 Senate statement on the postal rate increases. It is, to my mind, the most effective and comprehensive analysis I have seen anywhere on the subject. The combination of historical background and detailed knowledge of the way publications operate gives your statement extraordinary value. My compliments and congratulations.

Recently, I testified before the House Committee in a somewhat similar vein. The text of that testimony is enclosed.

With all good wishes,

NORMAN COUSINS.

HARTE-HANKS NEWSPAPERS, INC.,
San Antonio Tex., July 28, 1972.

Mr. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: I received your letter of July 20 in which you discussed the 127 percent increase in second-class mail rates. I agree with your position and hope that your colleagues will be persuaded to concur.

Sincerely,

ROBERT G. MARBUT.

THE AMERICAN LEGION,
Milwaukee, Wis., July 28, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: We have received a copy of your remarks in the Congressional Record and in newspaper articles had noted your position in support of second-class publications.

We do wish to express our thanks and appreciation to you for your efforts, since the monthly Badger Legionnaire, the official publication of the Wisconsin American Legion, is naturally affected by the postal rates.

With kindest regards, I am

Sincerely yours,

ROBERT G. WILKE,
State Adjutant.

COMMENTARY,
New York, N.Y., July 27, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you very much for sending me your statement of June 28 on the issue of second-class postal rates. I agree with your general position and I certainly hope you succeed in your fight against these postal increases.

Sincerely,

NORMAN PODHORETZ.

EDITOR AND PUBLISHER,
New York, N.Y., July 27, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Many thanks for your letter of July 20 and your enclosure from the Congressional Record explaining your position on the public service aspect of second class mail and your bill S. 3758 which would reiterate Congress's historic position with respect to the widest distribution of information and opinion at the lowest cost through the mails.

As you probably know, it has been our editorial position that Congress should do just that. I have used your letter and material as the basis for a personal column as well as an editorial in our next issue of July 30.

Cordially yours,

ROBERT U. BROWN,
President.

BUILDING OPERATING MANAGEMENT,
Milwaukee, Wisc., July 27, 1972.

Hon. GAYLORD NELSON,
U.S. Senator,
Washington, D.C.

DEAR SENATOR NELSON: Thank you very much for your letter of July 20th forwarding to us the copy of the Congressional Record in which you so eloquently discussed the need for a low second-class mail service in the United States. As publishers of two small size trade journals, we are vitally concerned about the U.S. Postal Service.

Not only are we concerned about the high cost of distribution but we are equally concerned with the relatively slow delivery of controlled circulation magazines by the service. We had hoped with the increase in rate that the service would have improved. Perhaps we can expect to see this in the future.

We do appreciate your interest in our problems and hope that you will continue to speak out.

Sincerely yours,

ROBERT H. APPLE,
Publisher.

THE NEW DEMOCRAT,
New York, N.Y., July 26, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you very much for sending me your statement on the issue of second-class postal rates.

I can only hope that you are successful in this vital effort. The future of magazines like the one I edit and publish, The New Democrat, are directly dependent on the ability to circulate its copies at low cost rates. If those rates are raised, the new Democrat (and other similar magazines) will fail.

Furthermore, the new Democrat is not sold (except in a few, confined areas) at the newsstands. Its entire existence is predicated on its ability to continue to mail within the priviledged second-class category.

I hope you will keep me in touch on your future efforts in this area. If you would desire any testimony or supporting statements on the problems of small magazines, please notify me. I would be most delighted to help in any way possible.

Thank you so much again.

Sincerely,

STEPHEN SCHLESINGER,
Editor and Publisher.

KENOSHA NEWS,
Kenosha, Wis., July 26, 1972.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: I have your letter of July 20 concerning the second class postal rates.

Your concern is much appreciated not only by newspapers but by all publications and, in particular, magazines, some of which would find it difficult to survive were certain proposed postal rates to become law.

With every good wish, I remain

Sincerely,

HOWARD J. BROWN,
Publisher.

AMERICA,
New York, N.Y., July 25, 1972.

Hon. GAYLORD NELSON,
Washington, D.C.

DEAR SENATOR NELSON: My sincerest thanks for your letter of July 20 outlining your views on the increase of 127 per cent for second-class mail rates recently announced by the Postal Service. It is difficult for me to express how much the enlightened interest of you and your distinguished colleagues in the United States Senate means to all of us who are struggling daily for the survival of the American tradition of a free and independent press.

Your statement of June 28 introducing S. 3758 was a masterly presentation of the case for continuing those public policies that insured the widest possible distribution of different points of view and independent information throughout the country. It is reassuring to have this confirmation of your understanding that Congress did not intend to turn its back on a policy that seems more than ever vital for the welfare and progress of our nation as we have known it since its beginnings.

You can be sure that I will regard it as a privilege to call the attention of our magazine's many friends in and out of Congress to the steps you are taking on behalf of the free flow of information in a free society. Please be sure of my sincerest thanks and best wishes for your efforts on behalf of this cause.

Sincerely yours,
DONALD R. CAMPION, S.J.

HEARST MAGAZINES,
New York, N.Y., July 25, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: You very kindly wrote to Bill Hearst on July 14 about your thoughts on postal charges for newspapers and magazines and recording your convictions in the Congressional Record.

We are grateful to you beyond words for your strong stand. This postal situation is becoming a debacle for many publications. I was at the Bohemian Grove last week and talked with Senator Percy on the same subject and I believe that he feels as you do and wants to get action going before we lose too many newspapers and magazines now only marginally profitable.

Again, many, many thanks.

Cordially,
RICHARD DEEMS.

BAY CITY NEWSPAPERS, INC.,
Bay City, Texas, July 24, 1972.

Hon. GAYLORD NELSON,
Senator from Wisconsin,
Senate Office Building,
Washington, D.C.

DEAR SIR: I have been reading about your proposed bill S378 in respect to revising a method of setting second class postal rates.

Your efforts to stabilize what is now an uncertain issue in the interest of those who use second class matter is greatly appreciated, I am sure, by members of the press and I wish to convey my personal appreciation.

Yours truly,
GLENN J. SEDAM,
President and Publisher.

THE ATHENS REVIEW,
Athens, Texas, July 24, 1972.

Sen. GAYLORD NELSON,
Committee on Finance
Washington, D.C.

DEAR SENATOR: Just a note to tell you I appreciate what you are doing to try to keep second class mailing rates from skyrocketing.

Very truly yours,
R. E. DWELLE.

WISCONSIN AGRICULTURIST,
Racine, Wis., July 24, 1972.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: We want to thank you for your interest in pubications like the Wisconsin Agriculturist that rely on the Post Office Department for distribution to subscribers.

The amendment that you have offered to Title 39 United States Code to allevaite the burden of Postal Rate increases on small, Second Class publications, is greatly appreciated.

Your very truly,
VERNON ANDERSON,
President.

CATHOLIC PRESS ASSOCIATION,
New York, N.Y., July 12, 1972.

Mr. DAVID OSTERHOUT,
Legislative Assistant, Office of Senator Gaylord Nelson, Washington, D.C.

DEAR MR. OSTERHOUT: On behalf of the Catholic Press Association officials and members, I want to thank you very much for sending us a copy of S. 3578 as introduced by Senator Nelson, and his speech introducing it.

We are happy to see that Senator Nelson has taken the lead in this effort to have the special position of small newspapers and magazines recognized and protected by the Congress. There is no doubt that if the heavy increases authorized last week by the Board of Governors of the U.S. Postal Service are permitted to go into effect over the next 10 years, large numbers of small non-profit publications will be destroyed. Clearly this was not the intention of Congress when the Postal Reorganization Act was passed. In the case of religious publishers, typically increases over the next 10 years will be in the range of 400 to 750 percent over pre-May-1971 levels.

As you may know, our Association, with our Protestant brothers, the Associated Church Press and the Evangelical Press Association, have fought the Postal Service increases for over a year. We have not had any great success—but we have hopes now that Senator Nelson's bill may provide some desperately needed relief for our member publications and for other non-profit publications. We congratulate the Senator and your staff on this significant step.

I expect to be in Washington next week (Wednesday, June 19) and would welcome the opportunity to visit with you then, if that is feasible, or whenever it may be convenient. I hope you will let me know (if you get this letter in time) if such a visit would be agreeable.

Cordially,
JAMES A. DOYLE,
Executive Director.

COMMONWEAL,
New York, N.Y., July 6, 1972.

Mr. DAVID OSTERHOUT,
Legislative Assistant, Office of Senator Gaylord Nelson, Washington, D.C.

DEAR MR. OSTERHOUT: Many thanks for the welcome news about Senator Nelson's bill and the text in the *Congressional Record*. Since the Post Office department has just decreed another 25% hike in the second class mail rate it seems more essential than ever for our small magazines to be rescued by Congress.

With all best wishes to the Senator and to you and your colleagues,

Sincerely yours,
EDWARD S. SKILLIN,
Publisher.

DAVIS PUBLICATIONS, INC.,
New York, N.Y., July 12, 1972.

Hon. Senator GAYLORD A. NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Having just finished reading the June 28th Minutes of the Congressional Record—Senate, I wanted to tell you how pleased I was to have you introduce Legislation referred to as S3758, to provide some relief to the magazine publishing industry in the face of the monopolistic and inflationary practices of the U.S. Postal Service.

Our own company publishes 34 highly specialized consumer magazines, five of which have Second Class mailing permits which represent a $335,000 increase if the U.S. Congress does not in some way minimize these extraordinary increases which have now become law. Because I have only recently returned from Washington I thought you might be interested in the rather detailed letter I submitted to John Gabusi, the Administrative Assistant to Congressman Udall, who of course is now involved with the hearings in the Sub-Committee for Postal Service matters in the House of Representatives.

It was also interesting to read the comments made by Justice Brennan at Brown University back in 1965, for I am presently a Trustee at Brown and certainly did not feel that I would run across its name in a matter of such vital importance to the entire magazine publishing industry.

Although there are some in the publishing industry who are in the enviable position of falling back on the profits from subsidiaries involved in other forms of communication, our company and many of my co-Directors of the Magazine Publisher Association do not have this opportunity and thus must rise or fall on our own magazine operation.

I sincerely hope that your Bill will receive a receptive chord from your fellow members of the U.S. Senate and that it will eventually become law.

Yours very truly,
JOEL DAVIS,
President and Publisher.

THE AMERICAN LEGION MAGAZINE,
New York, N.Y., July 11, 1972.

Hon. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: The American Legion Magazine deeply appreciates the copy of your statement made in The United States Senate on June 28th, 1972, and its information relative to the introduction by you of legislation aimed at providing relief to publications adversely affected by the increased postal rates announced by the Postal Rate Commission and approved by the Board of Governors. We applaud your efforts and stand ready to testify in support of same, when and if the opportunity to do so is afforded to us.

I am taking the liberty to include a copy of my statement and testimony to the House Sub-Committee on Post Office and Civil Service. Examination of same will, I believe, reveal reasoning similarities in approaching the problem seeking possible remedies.

Non-profit publications, such as The American Legion Magazine, are particularly hard hit by the second-class postage rate schedule. To be true the phase-out covers a ten year period as contrasted to one of five years for other magazines, but the rate increase will total 235% for those of us in the non-profit clasification contrasted to 127% for regular or profit publications.

As you point out, the "killer" to us is the 1.5 cent surcharge that provides no consideration for the differential in editorial and advertising content. The American Legion Magazine averages from 75% to 80% editorial and 20% to 25% advertising. The legislation sponsored by you would remedy this inequity.

More of the non-profit publications, I am sure, would have been included in protesting the abnormal postal rate increases if they could have afforded it. We were forced to present minimal opposition for economic reasons. The suggestion was offered by representatives of the Post Office Department in the hearings that we "pass on" the increased mailing costs to advertisers and subscribers. That is easier said than done. First of all, our subscription revenue is part of the membership dues structure and to increase same requires favorable action by National Convention delegates with actually a two-year freeze at current rates before any increase could become productive, if approved. The advertising potential available to non-profit magazines is restricted now and any jump in rates could have an additional adverse effect.

It seems inconsistent to me that the Post Office Department has been exempted from price controls to which we have been subjected.

Sincerely yours,
JAMES F. O'NEIL,
Publisher.

NATION,
New York, N.Y., July 6, 1972.

DAVID OSTERHOUT,
Legislative Assistant,
Sen. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR MR. OSTERHOUT: Thank you very much for sending me Senator Nelson's statement of June 28th, in introducing S. 3758. It is strong, accurate, and well expressed, and merits wholehearted applause from all publishes of smaller American periodicals, regardless of their political views.

Please convey my appreciation to the Senator for his statement.

Sincerely,

JAMES J. STORROW, Jr.,
Publisher.

FUNDING FOR THE NURSE TRAINING ACT

Mr. HARTKE. Mr. President, I am deeply concerned with the funding for the Nurse Training Act of 1971 which is contained in the proposed budget for fiscal 1974. The $51,348,000 proposed is 16.3 percent of the law's authorization of $313,500,000. Considering the health maintenance organizations' rapid development, the impact of medicare and medicaid upon services rendered by professional, collegiate-educated nurses, and the possibility of a national health insurance program, it is imperative that Federal funds appropriated in the fiscal year 1974 budget be at, or near, the amounts authorized for nurse training.

Mr. President, supporters of the administration's proposals have suggested that nursing students will be able to seek financial assistance for education from other sources. Allow me to share with my colleagues the following facts which were supplied to me by Ms. Helen J. Berry, head of the department of nursing at Ball State University in Muncie, Ind.:

1. The Department of Nursing, established by Ball State University in 1963, will have graduated 346 professional collegiate-educated nurses by the end of the current fiscal year, May 1973. (This is the sixth year that students have been graduated from this National League for Nursing accredited program.)

2. The current educational facility on campus, $1,375,000. structure, was made possible by an $804,671. federal grant under the Health Professions Act of 1963 awarded in 1965. It has been occupied by students since September 1967. Without this facility it is questionable that the current enrollment in the program could be a reality.

3. The enrollment in the programs in nursing has increased considerably in the past three years. The total enrollments by years are enumerated for your perusal.

1970–71	327
1971–72	401
1972–73	566

The 1972–73 figure includes 23 graduate students pursuing master's degree preparation.

In addition to the on-campus students on this undergraduate program on seven since 1970 there have been students enrolled nearby private, institutional campuses. These enrollments are increasing each term. Currently there are 47 students pursuing the freshman and sophmore years in this manner.

4. Of the twenty-five faculty employed as teachers for the nursing courses, twenty (80 percent) received one or more federal nurse traineeships to prepare for their teaching responsibilities. The greater majority (95 percent) of these people have been employed as teachers full-time since earning their teacher preparation. It is questionable that we would have or have had the framework of an adequately prepared faculty to build this program if there had been no federal traineeships available to assist them financially.

5. During March, I have surveyed a portion of graduates and students of our programs relative to financial assistance received, scholarships and/or loans, for their baccalaureate education. Of those replying, the following Table tabulates their responses and identifies the kind of funds and amounts which have assisted or are assisting them with their education. (Two hundred and seventy-two students have received financial assistance since 1965).

The responses of nursing graduates and students at Ball State University regarding financial assistance received during collegiate attendance follows:

Kinds of aids	Number of students replying	Amount	Amount of dollars/students
Scholarships	70	$82,169	$1,173.84
Loans	71	104,955	1,478.23
Student employment	90	(1)	(2)

[1] Unknown.
[2] Unknown, ranged from weekly pocket expenses to full room and board expenses.

It should be noted that only 12 students in the years surveyed, 1968–1975 graduation years, held scholarship funding only; thus the 70 students receiving scholarships may well be duplicated in the loan tabulations also. Many students are unable to attend college without both scholarship and loan financing.

If federal assistance to students is cut drastically, there are many worthy collegiate potential young men and women who will be unable to attend college in pursuit of professional nursing educational goals.

6. Seventy percent of the graduates of this undergraduate program who responded to my inquiry indicated that they had worked while attending Ball State University.

7. Ninety percent of the responding graduates indicated that they were currently full-time employed in a nursing position.

Mr. President, I support the full funding of the capitation grant line item of the Nurse Training Act. With an increase of student enrollment since 1970 of 239 students—327 enrolled in 1970 and 566 in 1972—it is necessary for Ball State and schools in similar situations to hire more qualified teachers for their program. Of these 239 additional students, 142 were permitted to enroll in 1972 because of capitation grant funds available under the Nurse Training Act.

It takes 4 years to educate collegiate professional nurses. Capitation funds are needed for a minimum of the next 3 years to complete the education of these students which was begun under the Nurse Training Act.

Mr. President, this country needs more qualified nurses. We cannot afford to turn back now on a course which Congress charted only recently. The need is still present. I urge my colleagues to support increased funding for the Nurse Training Act of 1971.

THE MYTHS OF THE BUDGET—I

Mr. FULBRIGHT. Mr. President, despite considerable rhetoric to the contrary, the fiscal year 1974 budget, as proposed by the President, is again dominated by military expenditures. Regrettably, the cuts which the President proposes are primarily in programs for human and community development, many of which are of particular importance to Arkansas.

Previous budget presentations have been misleading, but the 1974 proposal is built on a large number of mythical premises and promises.

First is the question of a spending limitation. Nearly everyone agrees that there should be a limitation on spending. However, administration spokesmen imply that somehow it is only the President who wants to limit spending and avoid higher taxes. That simply is not true. It is my view that Congress is equally dedicated to that purpose. This has certainly been the experience of the Joint Committee on Budget Control, on which I serve.

The major difference between Congress and the President is that he insists that he be allowed to determine where cuts will come and opposes a proportional across-the-board cutback, which I and many others have supported. Indeed, through the use of impoundment, the President has moved to make his budget an inviolable document and to impose his policies, disregarding in many cases laws which have been passed by Congress and which he has signed.

Second is the question of a balanced budget. The word "balanced," like many other words in our vocabulary, has come to have a variety of meanings. This administration came into office pledging a balanced budget, but is now proposing its fifth consecutive deficit budget. During the first 4 years of the Nixon administration the national debt has increased by about $107 billion to almost $465 billion. The deficits for both 1972 and 1973 are less than originally estimated, although the 1973 figure will not be final until the end of the fiscal year on June 30. The proposed 1974 budget of $268.7 billion would add almost $28 billion to the debt.

Under the so-called unified budget, there will be a $12.7 billion deficit in fiscal year 1974. However, the unified budget counts the surplus from the trust funds—social security, medicare, highways, and so forth—against the deficit. Thus, the Federal funds or "administrative" deficit would be $27.8 billion. I want to emphasize that it is the administrative or Federal funds figures which are used in calculating the national debt—not the unified budget figure.

As the chairman of the Committee on Appropriations (Mr. MCCLELLAN) pointed out during that committee's hearings on the budget last year, the unified budget may serve some useful purposes, but it does not represent the true deficit situaton of the Government and—

It does not give the picture that really is helpful in making appropriations, because it gets involved with funds that don't have to be appropriated.

In addition to the unified and administrative budgets, we also have what the economic sages in the executive branch call the "full employment budget", which we are told will be in balance for fiscal year 1974. It is supposed to reflect the amount of Government receipts that

would be generated if the economy were on a full-employment basis. This is a big "if," however, with an unemployment rate of more than 5 percent.

As the Wall Street Journal said of the full-employment budget—

This is a means of figuring how much the Government ought to spend that it doesn't have.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table which shows budget figures and deficits for recent years.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal year	"Unified" budget		Trust funds		Administrative or Federal funds deficit
	Budget total	Deficit	Outlay	Receipts	
1970	196.6	−2.8	49.0	59.3	−13.1
1971	211.4	−23.0	59.3	66.2	−29.9
1972	231.9	−23.2	67.1	73.0	−29.1
1973	[1] 249.8	[1] −24.8	82.6	92.0	[1] −34.2
1974	[2] 268.7	[2] −12.7	[2] 90.4	[2] 105.5	[2] −27.8

[1] Not final figure.
[2] Estimate.

Mr. FULBRIGHT. Mr. President, a third myth is the claim that military spending is only 30 percent of the total and that "human resources" account for the largest portion of the budget. The administration states that expenditures for human resources have doubled in 5 years and will be 47 percent of the fiscal 1974 budget. This deceptive claim—which is repeated with drumbeat regularity—is largely based on the inclusion of the social insurance-medicare trust funds under human resources. Yet, the Government simply acts as a trustee for these funds, which can only be used for specified purposes. The administration has no real discretion as to how they are spent.

It is the trust funds which are the most rapidly growing part of the budget. In fiscal 1974, receipts of $105 billion and expenditures of $92 billion are expected. The overwhelming portion of these are social insurance and medicare funds, which account for about two-thirds—65 percent—of what the administration calls human resource funds. So there has been an increase in human resource expenditures, but almost totally because of the trust funds, over which the administration has no control.

In fact, primarily because of the trust funds, 86 percent of the budget of the Department of Health, Education, and Welfare is not controllable. As HEW Secretary Caspar Weinberger pointed out in a recent interview in U.S. News & World Report only $13 billion of the $100 billion-plus HEW budget is in any sense discretionary under current law.

Social security outlays alone have doubled in 5 years, from $27 billion to $54 billion, and are now one-fifth of the budget. Altogether, the retirement-social insurance and medicare trust funds account for nearly one-third of the budget.

The remainder of "human resources" funds as categorized by the administration are for education and manpower, health and public assistance-social services. The proposed budget for education and manpower is actually down from 1973 and would drop to 3.8 percent of total Federal outlays from 4.2 percent a year ago. Medicare and medicaid account for 84 percent of total Federal outlays for health. Other health expenditures have barely increased. According to a report in the Washington Star-News on March 2, HEW Secretary Weinberger conceded that the increases in health spending planned by the Nixon administration for the coming fiscal year are only a small fraction of what they appear to be.

Human resources other than those from the trust funds are only 12½ percent of the overall budget and 18 percent of the budget excluding the trust funds.

THE GROSS NATIONAL PRODUCT

The President also claims that military spending is a declining portion of the gross national product—GNP. This is a highly dubious standard for measurement. As I have endeavored to point out in the past, far from measuring the true production or welfare or economic health of our society, the GNP is simply a crude total of goods and services produced, ranging from gambling to garbage disposal. I do not intend to elaborate in detail on the inadequacies of the GNP as a yardstick. However, they should be obvious.

After all, budget deficits contribute to the GNP—the greater the deficit, the greater the GNP. Even crime and pollution could be seen as stimulating increases in the GNP, because of the need for expenditures for crime prevention and pollution control.

Instead of glorifying the false god of the GNP, we should be concerned about the inflationary and parasitic effects of military spending. The GNP feeds on inflation and military spending drains away funds vital to the improvement of the quality of life in this country.

MILITARY SPENDING

The request for appropriations for the Department of Defense, according to a statement made by the chairman of the Appropriations Committee (Mr. MCCLELLAN) in the Senate on February 6, is $83.5 billion, which would be the largest military appropriation in history.

Of course, Congress cut some $5.2 billion from last year's Pentagon budget request plus $338 million from military construction, and, in effect, $1.5 billion from foreign assistance. I hope the cuts in military spending will be even greater this year, for the proposed increase in the military budget is more than the entire budget for the Office of Education. This is especially paradoxical at a time when we have supposedly ended our military role in Vietnam and following the ABM treaty and strategic arms limitations agreements with the Soviet Union and improved relations with China.

Appropriations for the Pentagon are only a part of the military-related expenditures of the Government. In a newsletter to my constituents earlier this year, I estimated that military and military-related matters, including the space program, much of which is military oriented, would cost about $119 billion in fiscal 1974, according to the President's budget.

Recently I asked the Congressional Research Service of the Library of Congress to attempt to develop a more precise indication of the amount we are spending for military and military related matters. One important aspect of this was to determine how much of the outstanding public debt and the interest on that debt is attributable to military expenditures.

According to the report I have received from the CRS, an estimated 78 percent of the public debt is "defense generated." In arriving at this figure, the following process was used:

Defense related outlays have been assumed to include all outlays for the national defense function, all outlays for the veterans benefit and compensation function, and the percentage of interest outlays related to the accumulated defense generated public debt. All outlays have been expressed as a percent of the Federal funds basis of the budget—all trust fund outlays omitted—since the increase or decrease in the public debt is controlled by the deficit or surplus in the Federal funds.

Using this basis of calculation, the portion of the interest on the national debt generated by present and past military and was expenditures will be $20.4 billion in fiscal 1974, out of a total of $24.7 billion.

The CRS analysis, based on the President's proposed budget for fiscal year 1974, lists estimated spending for the "national defense function" at $81.1 billion, and other "outlays—partially or fully generated by or associated with defense activities" at $33.8 billion. The major components in this category are veterans' programs and interest on the war or defense-generated portion of the debt.

Therefore, the total for military and military-related programs is almost $115 billion. This total does not include the National Aeronautics and Space Administration—$3.1 billion—or civil activities of the Department of Defense—$1.6 billion for the Corps of Engineers, and $4 million for the Panama Canal. If these figures were included, the total for such programs would be $119.5 billion.

The Joint Economic Committee, in its 1973 joint economic report, includes a "national security budget" which it describes as an effort to explain to the American taxpayer the full cost of defense-related activities. The committee estimates 1974 outlays for such activities at $116.1 billion and the requested budget authority for 1974 at $122.9 billion.

The reports of the Library of Congress and the Joint Economic Committee make clear that we are spending much more for military and military-related matters than is generally acknowledged. The manner in which the budget is presented and all the misleading talk about "human resources" gives a very deceptive picture of how our tax money is actually spent.

Military related spending actually accounts for about 44 percent of the total budget or 65 percent of the budget excluding trust funds.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point tables prepared by the Library of Congress Congressional Research Service and the Joint Economic Committee showing military and military-related expenditures.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC COMMITTEE

NATIONAL SECURITY BUDGET [1]

[In millions of dollars]

	Outlays (fiscal years)								Budget authority
	1965	1968	1969	1970	1971	1972	1973 estimate	1974 estimate	1974 estimate
Defense, military assistance and defense related activities:									
DOD military [2]	45,173	77,373	77,877	77,150	74,546	75,151	74,200	78,200	83,481
Military assistance [3]	2,469	1,237	1,355	1,186	2,045	1,806	1,648	1,959	3,038
Atomic Energy	2,625	2,465	2,450	2,453	2,275	2,392	2,194	2,374	2,439
Space Research and Technology	5,093	4,721	4,247	3,749	3,381	3,422	3,061	3,135	3,015
U.S. Arms Control and Disarmament Agency	7	11	1	11	10	9	10	8	7
Renegotiation Board	3	3	3	4	5	5	5	5	5
National Security Council	1	1	1	1	2	2	3	3	2
Stockpiles	16	19	18	15	23	17	17	18	18
Expansion of defense production	60	51	166	−15	−188	−12	66	−8	
Selective Service	43	57	65	75	81	75	92	55	55
Emergency Preparedness	17	12	11	4	13	7	7	8	9
Deductions for offsetting receipts	−124	−115	−133	−118	−89	−108	−751	−382	−382
Subtotal	56,383	85,835	86,065	84,515	82,104	82,766	80,552	85,375	91,677
Payments for past wars and defense program:									
Veterans benefits	6,080	6,882	7,640	8,677	9,776	10,731	11,795	11,732	12,253
Interest [4]	8,577	10,308	11,834	13,734	14,707	15,437	17,106	18,504	18,504
Subtotal	14,657	17,190	19,483	22,411	24,483	26,168	28,901	30,236	30,757
Programs justified on grounds of nationa. defense. [5]									
Ocean shipping	253	227	236	239	321	317	327	377	408
Impacted area school aid [4 6]	263	380	299	492	395	487	351	98	45
Subtotal	516	607	535	731	716	804	678	475	453
Total, national security	71,556	103,632	106,083	107,657	107,303	109,738	110,131	116,086	122,887

[1] This is admittedly an imperfect attempt to explain to the American taxpayer the full costs of national security whether for past or present wars or defense. The committee recognizes that others will question certain items contained in the national security program, that objections will be raised to parts of it, and that suggested changes will be proposed. In the past, the Joint Economic Committee recommended that the full costs of past and current defense-related activities be included in the category of defense programs found in the budget document. No action was taken on this recommendation. We now hope that the national security program breakdown that we have offered will provoke widespread discussion and debate and that the Office of Management and Budget will be moved to incorporate this concept in next year's budget.

[2] DOD military excludes DOD civil outlays which totaled $1,200,000,000 in 1965; $1,300 000,000 in 1968; $1,300,000,000 in 1969; $1,200,000,000 in 1970; $1,400,000,000 in 1971; $1,500,000,000 in 1972 $1,800,000,000 in 1973 (estimated); $1,500,000,000 in 1974 (estimated); and $1,600,000,000 in new obligational authority for 1974.

[3] Includes military assistance program (MAP), supporting assistance, credit sales, and part of the food for peace program. Excluded are outlays for military assistance purposes funded through the Department of Defense. Total obligational authority for this program is shown in the budget as $2,600,000,000 for 1972; $2,900,000,000 for 1973 (estimated); and $2,900,000,000 for 1974 (estimated). The budget authority for credit sales to Israel are under separate legislation. (Military assistance includes military assistance, security supporting assistance, foreign military credit sales, credit sales to Israel, and food for peace (Public Law 480, sec. 104[C]).)

[4] Includes 75 percent of the program.

[5] Portions of programs, other than those listed, have been justified in the past as essential to national security, including the National Defense Highway System, the airport program, and others. The committee intends to further analyze this matter.

[6] Additional authorizing legislation required.

Source: Estimated from data in the U.S. budget, various years.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH—ECONOMICS DIVISION

TABLE 1.—TOTAL FEDERAL BUDGET OUTLAYS FOR NATIONAL DEFENSE FUNCTION, FISCAL YEARS 1973 AND 1974

[In millions of dollars]

Function code, function and department or other unit	Fiscal year 1973	Fiscal year 1974
050 National Defense		
051 Department of Defense—Military	74,200	78,200
057 Military Assistance	600	600
058 Atomic Energy	2,194	2,374
059 Defense-Related Activities:		
Executive Office of the President (Defense Mobilization Functions of Federal Agencies)	4	3
Funds Appropriated to the President (Revolving Fund, Defense Production Act)	66	−8
HEW (Emergency Health)	3	5
Treasury (National Defense Conditional Gift Fund)	(2)	(2)
General Services Administration (Property Management and Disposal Service, Loan Guarantee Activities)	28	27
Selective Service System	92	55
Total 059	192	83
Deductions for offsetting receipts	−751	−382
Total National Defense (050)	76,535	81,074

[1] Funding for NATO and SEATO included in DOD program "support of other nations."

[2] Less than $500,000.

Source: The Budget of the U.S. Government, fiscal year 1974.

TABLE 2.—FEDERAL BUDGET OUTLAYS FOR PROGRAMS PARTIALLY OR FULLY GENERATED BY OR ASSOCIATED WITH DEFENSE ACTIVITIES, FISCAL YEARS 1973 AND 1974

[In millions of dollars]

Function code, function and department or other unit	Fiscal year 1973	Fiscal year 1974
DEPARTMENT OF DEFENSE—CIVIL (SELECTED ACTIVITIES)		
809 Cemeterial Expenses	29	25
809 Soldiers and Airmen's Home	12	15
152 Security Supporting Assistance [1]	563	708
502 Coast Guard	757	781
800 Veteran's Administration	11,578	11,703
502 Maritime Administration [2]	1	1
903 National Security Council	3	3
800 American Battle Monuments Commission	4	4
160 Arms Control and Disarmament Agency	10	8
904 Renegotiation Board	5	5
601 School Assistance in Federally Affected Areas (HEW) [3]	42	118
850 Interest (War or Defense Generated Portion of National Debt) [4]	19,239	20,384
Total, Defense "associated" spending	32,621	33,755

[1] In addition to 057, military assistance, for total international security assistance.

[2] Estimate provided by maritime administration; less than in past, about $50,000 per ship to incorporate defense features.

[3] Based on 90 percent defense factor furnished by HEW.

[4] See enclosed CRS report on allocation of national debt outstanding to defense and nondefense activities.

Sources: The Budget of the U.S. Government, fiscal year 1974, U.S. Maritime Administration, Department of Health, Education, and Welfare.

TABLE 3.—FEDERAL BUDGET OUTLAYS FOR SOME PROJECTS THAT MAY BE PARTIALLY DEFENSE RELATED

[In millions of dollars]

Function code, function and department or other unit	Fiscal year 1973	Fiscal year 1974
250 National Aeronautics and Space Administration [1]	3,061	3,135
DEPARTMENT OF DEFENSE—CIVIL		
401 Corps of Engineers [2]	1,698	1,579
910 The Panama Canal [3]	13	4

[1] Data represent total outlays for space. NASA unable to segregate defense related from other expenses. Most projects have military impact ranging from substantial (space shuttle) through moderate (tracking net, engine research, launch vehicles) to minimal (planetary exploration).

[2] Although a part of DOD, most projects (channels and harbors, locks and dams, erosion control, flood control, power) are not substantially defense related.

[3] DOD component but most outlays (for operation and maintenance of canal, capital improvements, canal zone government) are only indirectly defense related.

Sources: The Budget of the U.S. Government, fiscal year 1974, National Aeronautics and Space Administration, Department of the Interior.

Mr. FULBRIGHT. Mr. President, I should add that there are many other expenditures which in my view are at least partially military related, but which are not included in the figures I have cited. Among these are such activities as Radio Free Europe and Radio Liberty, for which the President has requested $45 million in fiscal 1974, as well as some of

the activities of the U.S. Information Agency, which has a $200 million budget. The figures for the Central Intelligence Agency budget remain secret, of course.

Much is made of the fact that personnel costs are a major part of the military budget and it is true that they amount to a sizable sum, despite the fact that manpower is supposedly at its lowest level in 24 years. Increased salaries for the "volunteer" Army plus the top-heaviness caused by a huge excess of high-ranking officers are significant factors. The budget calls for about $27 billion for active and retired military personnel for the same amount for procurement of aircraft, missiles, ships and weapons, plus research and development. Almost $22 billion would be spent for operations and maintenance and $3 billion for military construction.

We still maintain some 625,000 troops abroad, including more than 300,000 in Europe and 260,000 on the mainland and offshore islands of the Asian continent—40,000 of them in Korea and 45,000 in Thailand.

We have about 2,000 military installations abroad, including 322 major bases. The Navy now homeports ships at nine foreign ports and is planning for more.

The majority leader recently informed us that it costs about $30 billion annually to maintain our bases, troops, and facilities abroad, and that the overall costs of our participation in NATO is about $17 billion. One reason for the growth of these figures is the weakened position of the dollar, and, of course, one reason for the dollar's weakened position is our overcommitment abroad.

Using the figures developed by the Library of Congress and the Joint Economic Committee, it can be determined that about 65 percent—almost two-thirds—of the $183 billion in the budget not coming from medicare or social insurance trust funds goes for military-related matters. The military-related expenditures account for about 44 percent of the President's proposed overall $268 billion budget.

These figures reflect the fact that, despite all the claims to the contrary, we have yet to reverse the trend that has seen us spend about $2 trillion—$2,000 billion—on war and military-related matters since World War II. We have expended $1.5 trillion in direct Defense Department outlays during that period.

Perhaps the biggest misstatement in the President's budget message was the claim that "this administration has succeeded in eliminating unnecessary defense spending." Nothing could be further from the truth. This budget is full of unnecessary and extravagant weapons systems which are in no way vital to our national security, and we continue to have mammoth cost overruns. An analysis of data supplied by the General Accounting Office shows that in recent years the costs of 45 selected major weapon systems have risen by $36.5 billion over the original planning estimates for those weapons. The C–5A is a good example—Lockheed was to build 120 C–5's for $3.4 billion; the Government is now paying almost $5 billion for 81 aircraft, which have had numerous technical difficulties and are highly unsatisfactory. The F–14 seems headed in the same direction. The total program cost for planes that were to be $11.5 million each is now estimated at a staggering $25.8 million per plane.

The administration has not been hesitant to bail out the corporations such as Lockheed, Grumman, and Litton, which have committed the overruns. Lockheed, for example, continues to be a major beneficiary of defense contracts. In fiscal 1972 such contracts with Lockheed totaled $1.7 billion, as did contracts with McDonnell Douglas. This amount is roughly equivalent to the total of all Federal outlays in Arkansas in fiscal 1972, which were $1.8 billion. The Arkansas figure represents all Federal expenditures in the State, including individual payments for social security and the State's pro rated share of the cost of interest on the national debt.

Mr. President, for the first time in American history, the end of a war has been followed not by a reduction but by a proposed increase in military spending. As I stated earlier, Congress trimmed the President's military budget request by more than $5 billion last year and I am hopeful that much more can be cut this year.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Washington Star-News of March 2 entitled "Health Aid 'Rise' Sinks"; an article by Stephen Nordlinger from the Baltimore Sun, "Pentagon: Damn the Torpedoes' Cost"; by Walter Pincus from the New Republic of March 24. "The Military: What's Up in the Budget?"; and by Herbert Scoville, Jr., from the Christian Science Monitor. "The New Peacetime Defense Budget."

I also ask unanimous consent to have printed in the RECORD the report entitled "Estimated Portion of the Public Debt Allocable to Defense and Non-Defense Activities," supplied to me by the Congressional Research Service of the Library of Congress.

There being no objection, the articles and report were ordered to be printed in the RECORD, as follows:

[From the Washington Star and Daily News, Mar. 2, 1973]

HEALTH AID "RISE" SINKS

(By Judith Randal)

Health, Education and Welfare Secretary Caspar Weinberger has conceded to a House subcommittee that the increases in health spending planned by the Nixon administration for the coming fiscal year are only a small fraction of what they appear to be.

Of the approximately $1 billion increase in health in President Nixon's budget for the year that begins in July, Weinberger said yesterday in a hearing, $600 million is merely being shifted from the Office of Economic Opportunity and the rest will be spent over the course of seven years instead of one.

Thus, if Medicare and Medicaid outlays are excluded from consideration, the increase will be a modest one. Various figures were bandied about at the hearing. Weinberger mentioned a true increase of $49–50 million. Subcommitteee Chairman Paul Rogers, D-Fla., said he thought it was only in the $30 million range but that he would accept Weinberger's estimate.

The funds shifted from the dying Office of Economic Opportunity are primarily for the provision of family-planning services. The rest of the money in the claimed increase was part of $700 million to enable the federal government to fulfill its obligations to the nation's 515 community mental-health centers and then phase the program out by 1980.

Weinberger defended the proposed termination of the centers on grounds that the program has shown itself to be a successful demonstration project which should now be taken over by the private sector or state and local governments.

This was hotly contested by Rogers, who said Congress had intended that 2,000 such centers be created so that all Americans would have access to facilities for mental health.

While Congress intended the centers to be demonstration projects that would have federal support for only a limited time, said Rogers, it had not intended that their numbers be so few. Moreover, the program has shown that it is possibile to successfully keep many emotionally disturbed people in their communities without confining them to "warehousing" in more expensive mental hospitals, he said.

Yesterday's session, which lasted four an one-half hours in a packed hearing room, was another of the ongoing confrontations between the Nixon administration and Congress over how federal dollars will be spent. Among the issues raised during the hearing by Congressmen of both parties were:

Failure of the administration to fund beyond a token level the Health Manpower Act which President Nixon called the "most important single piece of health legislation" enacted last year.

The ongoing shortage of physicians—now estimated at 50,000. Administration witnesses admitted that while qualified Americans have difficulty gaining admission to the nation's medical schools, about a third of the nation's doctors are graduates of foreign schools. In most states they said, half the physicians being licensed are graduates of such schools and in some states like Connecticut the proportion is 75 percent or more.

The distinct possibility that the administration's announced intention to phase out research training programs will create a shortage of medical school educators and research scientists skilled in probing disease.

The failure of the administration to provide money in the budget for support for schools of nursing will worsen the current estimated shortage of 100,000–150,000 registered nurses.

The termination of a regional medical program as announced by the administration will stymie efforts to apply research findings to the treatment of the nation's sick.

A similar phase-out of the nation's eight Public Health Service hospitals will cost taxpayers more than it saves, since care of the patients now being treated by the hospitals will have to be contracted out to private institutions.

Weinberger promised Rogers that he will examine the health budget anew with the concerns of the subcommittee in mind and would discuss them with the President. Meanwhile, he added, the administration plans to introduce a plan for national health insurance in Congress this year. He did not say when the introduction would take place but told Rogers that it will not be precisely the same bill that the administration introduced somewhat earlier.

[From the Baltimore Sun, Dec. 24, 1972]

PENTAGON: DAMN THE TORPEDOES' COST

(By Stephen E. Nordlinger)

WASHINGTON.—When the jobs were finished and the bills collected, the Navy faced what turned out to be a historic occasion: Its first big cost overrun. By a wide margin, the admirals had underestimated what it

would cost to build the United States, the Constellation and the Constitution, better known as "Old Ironsides."

"The wood of which the frames were to be made was standing in the forests, the iron for the cannon lying in its natural bed and the flax and hemp perhaps in their seed," the war secretary reported to Congress as he defended the markup. When Congress authorized construction of six frigates in 1794, they were to cost $688,890 and to be delivered the next year. But after financial and production troubles, only three ships were built at $945,000 and they didn't go to sea until 1798. The costs for each vessel had gone from $114,815 to $315,000—an increase of 174 per cent.

And so it went year after year, decade after decade. Delays, changes in design, inflation and canceled orders—all pushed costs higher and higher well beyond military estimates. The public and Congress expressed scant concern. America was well-defended and its citizens were willing to pay the price through the hot wars and the Cold War.

ADMIRALS AND GENERALS

The crunch came toward the end of the Sixties. Disillusioned with the Vietnam War, worried about runaway inflation, disheartened with huge weaponry costs while cities cried for money, the public demanded reform. Cost overruns began making headlines and disturbing even the Pentagon's staunchest allies in Congress.

Countless hearings were held with admirals and generals parading to Capitol Hill to defend their decisions. New approaches were tried. Robert McNamara, the former Defense Secretary, introduced the "total procurement package" but it was jettisoned, with the most notable recent failure being Grumman's overrun on the F–14 Navy fighter plane. The Pentagon is now insisting on holding Grumman to its contract price despite the corporation's claimed loss of $85 million. Melvin Laird, the Defense Secretary, is trying out the "fly-before-you-buy" approach, with the full results not yet in.

Last week, a congressional Joint Economic subcommittee, headed by Senator William Proxmire (D., Wis.), wound up three years of hearings on military acquisitions. But as one witness after another spoke about the serious cost overruns at Lockheed and Litton Industries and Grumman, it appeared that the Navy's Eighteenth Century problems were still around and affecting all the services as well. As Senator Proxmire noted, as if drawing a parallel with the frigates' overruns, five amphibious assault ships being built by Litton will cost $1.2 billion, the same as nine of the craft under the original 1969 contract—an 85 per cent increase. The ships are expected to be 2 to 3 years overdue.

The military apparently has failed to win the battle to control costs. Even those congressional proponents of large military outlays who once gave but cursory examination to Pentagon budgets are fearful that the United States may be pricing itself out of the national security business. An analysis of 45 selected major weapons systems being built shows they will cost $35 billion more than the original estimates, after adjustment for changes in quantities.

A large part of the problem must be traced to the Pentagon's relationship to the few aerospace giants, the big corporations such as Lockheed, which was working on $1.7 billion in contracts with the Defense Department in the last fiscal year. Because the Pentagon can turn to only a few contractors to meet its basic needs, competition for major projects has been weakened. The government's dependency on the private aerospace industry has also eroded accountability and efficiency.

When it comes to contract bidding, as an example, things are often the same. One big corporation will bid to produce a weapon quoting an unrealistically low price to assure winning the contract. The Pentagon accepts the figure and then proceeds to build the weapon, confident it can make up losses through its updated contract changes or by other means. The whole procedure is called the "buy-in." The Proxmire committee was told that Grumman underbid by $500 million on the F–14 contract just about the amount it says it needs to fulfill the rest of its contract with the Navy.

What remedy is left to the Pentagon to enforce discipline under these circumstances?

If the Defense Department should balk at paying the cost overruns, a serious showdown occurs, as is taking place with Grumman and Litton Industries.

In the Grumman case, the Pentagon said two weeks ago it would hold the corporation to its contract for 48 more F–14 planes and would permit no price increase. But the Pentagon also recognizes that it is dependent on private industry to produce weapons. A settlement may well be made with Grumman, especially if the security chiefs insist Grumman remain viable to produce further weapons.

Litton is two to three years behind its contract schedule for the five amphibious assault ships, technically known as landing helicopter assault, or LHA, ships, but a compromise may also be reached. As Gordon W. Rule, chief of the Navy's procurement control section, told the Proxmire subcommittee, "the Marines want the LHA's," despite any cost overruns. A form of "bailout" for Litton has already been allowed by the Defense Department. Last September it agreed to continue to pay the conglomerate for all its LHA costs through February, even though the contract called for payments based solely on completed work. Without the concession, Litton would have had a serious cash flow problem.

SHOULD PUBLIC PAY?

The lack of accountability and industries' enormous inefficiencies—plus the armed forces' penchant for making expensive weapons changes to cope with the advance of technology—all have contributed, therefore, to cost problems.

The question then becomes: Should the public have to pay for the miscalculations of the Pentagon and the mismanagement of the defense contractors?

Those who oppose bailouts shout no. Let inefficient contractors go under no matter what the impact on the economy or the nation's defenses. This is a capitalist system and why should the public provide welfare payments to big government contractors who enter contracts with their eyes open. The Pentagon, however, says this is not so easy. Financial relief may be needed to keep the aerospace industry producing needed weapons.

Perhaps the answer ultimately lies in nationalizing the major segments of the arms industry, a move proposed by John Kenneth Galbraith. This idea came before the Proxmire subcommittee but it received no takers. But it may be the only answer if the increasingly costly, highly advanced weapons are to be produced in sufficient quantities at reasonable cost to insure national security.

TOP 10 DEFENSE CONTRACTORS FOR FISCAL 1972

(Ended June 30, 1972)

Lockheed Aircraft	$1,705,434,000
McDonnell Douglas	1,700,217,000
General Dynamics	1,289,167,000
General Electric	1,258,673,000
Boeing	1,170,878,000
AT&T	1,121,512,000
Grumman	1,119,760,000
United Aircraft	995,619,000
N. American Rockwell	702,862,000
Hughes Aircraft	688,132,000

[From the Christian Science Monitor, Feb. 21, 1973]

THE NEW PEACETIME DEFENSE BUDGET

(By Herbert Scoville, Jr.)

President Nixon's 1974 Budget: "A responsible government continually adjusts its activities to changing national needs . . . Unless vigorous and determined efforts are made in programs which should be restructured, reduced or terminated, they continue—and even grow."

Does President Nixon's current defense budget reflect such efforts? The budget calls for increased national defense outlays from an estimated $76.4 billion in 1973 to $81.1 billion in 1974 and $85.5 in 1975. It requests the Congress to authorize $5.7 billion more for defense activities than it did for fiscal year 1973.

How have our national needs changed in the past year to require this increased funding? The war in Southeast Asia is now over. We have signed SALT agreements with the Soviet Union which put ceilings on the size of the Soviet strategic threat and guarantee our nuclear deterrent. We have professed to subscribe to a Nixon doctrine which limits United States participation in military operations in every corner of the world. Why do we need increased billions for defense when fiscal responsibility calls for an overall U.S. budget ceiling and there are crying needs for resources to deal with our internal social crises? In his message, the President highlights four strategic weapons programs: the Trident ballistics missile submarine; the B–1 bomber; the conversion of our Minuteman and Poseidon missiles to carry multiple warheads which can be aimed at separate targets; and the development of a new submarine strategic cruise missile. None of these are required for our security in the aftermath of SALT I. Instead of being reduced or terminated these programs have been allowed to grow and, in some cases, to begin when they had not been needed before.

The Defense Department budget calls for more than $1.7 billion for Trident, and the AEC's for more than $100 million in addition. This is about $1 billion above last year—and for what purpose? The Polaris submarines are not wearing out; in fact, the conversion program to Poseidon will not yet be finished for two years. The oldest Polaris submarine will have been in service less than 20 years by 1980. There is no foreseeable military threat to the Polaris-Poseidon system. As a result of the ABM treaty, all the present 3,000 submarine missile warheads have a free ride to targets in the Soviet Union. Technology does not exist to even design, much less build, an antisubmarine warfare system which could destroy the Polaris-Poseidon deterrent. Trident may be just as vulnerable to an unknown future threat as Polaris. Even worse, the smaller size of the eventual Trident fleet (It is estimated that when replacement of Polaris by Trident submarines is completed at a cost of more than $40 billion, we would have only 30 submarines compared to the present 41) could make this system much more vulnerable than the present one. Billions of dollars wasted, and our security decreased.

Similar arguments apply to the B–1 bomber for which the administration proposes to spend nearly one-half billion dollars this year.

The budget calls for more than $1 billion to place more MIRVs on our strategic missiles, perhaps even to expand the previously authorized Minuteman III conversion program. However, we already have about 5,000 of these warheads, all with explosive yields several times greater than the Hiroshima bomb. The SALT agreements have ensured that the Soviets cannot shoot these down.

Finally, most absurd of all in the aftermath of SALT, is the decision to begin a new

program for a submarine cruise missile (essentially a submarine-launched pilotless aircraft which would traverse the Soviet Union at low altitudes). Having guaranteed through the ABM treaty that ballistic missiles can effectively penetrate the U.S.S.R., the administration now wants to develop a cruise missile which could be vulnerable to Soviet aircraft defenses not restricted by the treaty. How ironical that arms control negotiations are seized upon by the weaponeers to justify expenditures for every conceivable weapon—previously unnecessary—just because it is not specifically banned by treaty.

By far the largest part of the current defense budget goes to maintaining our general purpose forces and military manpower program; the latter comprises 56 percent of our military expenditures. Manpower costs have skyrocketed primarily because of pay raises to support the all volunteer force. However, despite the fact that the Vietnam war is over, that we are withdrawing from Southeast Asia, and that we have promulgated the Nixon doctrine of noninvolvement of U.S. forces in conflict overseas, we have made no significant reductions in the number of military personnel to compensate for the higher pay. There is no evidence in the proposed budget that the defense establishment has been restructured to satisfy our current needs.

In a strange contradiction, the proposed budget calls for a 30 percent reduction in funds for the Arms Control and Disarmament Agency, from an already minuscule $10 million to less than $7 million. Yet that agency deserves major credit for having negotiated the ABM treaty, which made a critical contribution to the security of our strategic deterrent and resulted in savings over the years of billions of dollars. To cut or impound funds for disarmament, to say nothing of pollution control, low incomes housing, health, mass transportation, and urban renewal, while allowing rising expenditures for wasteful and unnecessary military programs is hardly evidence of a government responsive to changing national needs.

WHAT IS UP IN THE BUDGET?

(By Walter Pincus)

Remember the stern rules for spending that President Nixon enforced on the domestic side of his budget? There had to be a "leaner federal bureaucracy"; "progress" was to be measured "not by the amount of money we put into programs, but by the accomplishments which result from them"; there should be no "overlapping of responsibilities" which "increased the costs of government" and "generated interagency conflict and rivalry." Congress in its "extravagance" has been overly indulgent with committees "sympathetic to particular and narrow causes," "encouraged by special interest groups and by some executive branch officials who are more concerned with expansion of their own programs than with total federal spending and the taxes required to support that spending."

It's worth recalling the President's verbiage with respect to his budget cuts and his reorganization of domestic spending, for none of it seems to have carried over to defense and foreign military aid. Just the opposite. Here pay rates and prices escalate, with expenditures scheduled to rise some $5 billion next year and another $4.5 billion the year after, all with presidential approval.

The biggest defense procurement increase, close to $1 billion, comes in navy shipbuilding which last year had scandalous cost overruns and faulty planning. The major new investment is a new nuclear-powered aircraft carrier—the navy's third—for which the administration seeks $657 million, on top of $299 million received last year. The carrier plays no part in strategic defense. It is a tactical weapon associated with wars such as Vietnam, or any future "limited" war, and when David Packard was Defense under secretary, construction of this third carrier was delayed because of tight budgetary restrictions. During the past two years, with the Vietnam air war in high gear, the navy made do with 14 carriers. The first nuclear carrier will arrive later this year, and the carrier fleet will then return to its traditional 15 in number, continuing at that level through 1980, when this newest carrier is scheduled for delivery.

A second controversial navy construction project which is getting a healthy boost in the fiscal '74 budget ($556 million) to a total of $1.1 billion next year is the Trident, the follow-on ballistic missile submarine designed to replace the Polaris. The navy also wants to push ahead with its less publicized, but cost overrun-plagued program to modernize its guided missile frigates. An additional $186 million is sought for three such ships. Past testimony before Congress has disclosed that this program is running late, and modernization costs often exceed the original price of the ship.

The navy also wants $29.3 million for advanced procurement of a new class of ship. Designed as a mini-carrier it will handle 17 aircraft, including helicopters. In the words of Admiral Elmo R. Zumwalt, Jr., chief of naval operations, this sea control ship is "conceived to provide tactical air capability in lower threat areas" than Vietnam. It would be "useful," he told congressmen last year, "in areas where we don't have carriers."

Thus as we enter the "era of negotiations" and embrace the Nixon doctrine, under which we forswear any ambition to police the world, the navy is preparing and the administration funding, an air capability that will permit us not only to support a war like the one in Vietnam, but also fight future engagements of lesser magnitude, the so-called "brush-fire" wars.

Defense research and development is scheduled to rise some $500 million next year to $8.8 billion for all services. Some of these anticipated projects deserve close review.

Despite the arms limitation treaty which holds the U.S. and Soviet Union to two antiballistic missile sites, the army plans to almost double, from $100 million to $170 million, research on a new hardsite ABM system designed to protect our entire Minuteman force. The level of funding, for a system to follow and supplement the now frozen Safeguard system, appears to be running at the same level as before the treaty with the Soviets was signed.

The Congress and Defense Department last year knocked out appropriations for the army's Cheyenne armed battlefield helicopter program, after spending several hundred million dollars. But the army is back again, asking for $49.3 million in the '74 budget to explore the possibility of constructing a new "advanced attack helicopter" that would provide "fire support at night and in adverse weather." As a piece of transport equipment, the helicopter is to be the recipient also of sharply increased research funds from several services—a situation that was specifically criticized last year by the House Appropriations Committee. The army wants $108.2 million, up from $50 million last year, to develop a replacement for the UH1, the "Huey" that provided general tactical support in Vietnam. Called the UTTAS (utility transport aircraft system), it is programmed even at this stage to cost per unit almost four times the Huey.

The army also will double its research (to $60 million) on designing a new heavy life helicopter. The need, says the Army, is for a helicopter able to lift 22.5 tons—about the weight of the new trouble-prone Sheridan tank. The navy, on the other hand, says *it* needs a heavy lift helicopter that is seaworthy, but that only lifts up to 16 tons. The administration is prepared to give the navy $30 million to develop its version of the heavy lift helicopter—up $20 million from the current year. In 1972, Congress wanted the two programs merged. They were not.

At least two other research items are worth mention. The navy is budgeted for $72.8 million, up from $32 million this year, for a "surface effect ship." This essentially exploratory venture looks toward a propulsion system that would permit high-speed—up to 100 knots—transocean vessels which would ride on a cushion of air. It's recognized as a "far out" idea, but if it can be made to work for large vessels, it would radically alter naval warfare requirements. It poses a neat question of priorities. Given the administration's aversion to extravagance, Congress may question the prudence of spending that much money in pursuit of a naval advantage for which no need has been shown, and which may not be accomplished anyway.

The air force will get $67.2 million to research its advanced short landing and takeoff transport, intended to succeed the C130. Though the latter has performed well and is relatively new, the air force is jumping its funding request for a replacement by $50 million.

In justifying their budget, military men argue that research costs must go up steeply as preliminary work gives way to design. Additional funding, therefore, is only part of a longer term investment and does not reflect year-to-year changes in the political, diplomatic or fiscal position of the country. But that argument loses some of its force if military programs are equal competitiors for federal dollars. The SALT agreement—the one signed and a second one that is to be negotiated—*should* permit less rather than more research on some future ABM system. The elimination of overlapping federal civilian grants, mostly for welfare, would seem to argue at least for consolidation of competing military programs. The scuttling of a weapons system because it had no defined mission should not lead to new investment in new research on the same kind of weapon. After all, the domestic programs that allegedly have failed are not being replaced.

Goldplating, or building an excess of unnecessary equipment into weapons systems, is another part of the '74 budget that deserves scrutiny. For example the marines are scheduled to make their first purchase of a new batch of F4J fighter aircraft. Total cost: $125.6 million or roughly $12.6 million apiece. The air force is also planning to purchase F4s, 24 of them, to replace those lost in the closing months of the Vietnam war. Price tag: $93.6 million, or $4.5 million per plane. Some in Congress are already looking askance at the almost $8 million per plane difference in the two purchases. New avionics and ground support equipment for the marines, they say, doesn't come near justifying so striking a discrepancy in price.

The navy is in there with $455.4 million for 45 more S3A Viking anti-submarine warfare planes, despite a warning last year by the House Appropriations Committee (which cut it back) that this project was nowhere close to being cost effective or justified by mission.

The air force is returning for an additional B747, denied it last year by Congress, which criticized the airborne command post program. Cost for the one plane; $32.3 million. The air force is also seeking $180.6 million to buy 36 more C130 cargo planes. Whether these are intended as replacements for Vietnam losses or are to be turned over to General Thieu cannot yet be determined.

No such ambiguity cloaks the army's request for funds for new equipment to replace material turned over to the South Vietnamese where "peace was at hand." For example the army wants $51.5 million for 24 CH47C Chinook helicopter transports and $96.7 million for 308 Huey light transport helicopters—all of which are paybacks to the

army for Vietnam transfers. Last year the Congress refused to replace any more than 106 additional Hueys the army gave Saigon. The army wanted to give away more, though the South Vietnamese did not have trained crews to handle them. The army is also asking for $164.6 million to buy 480 new M60A1 tanks, the primary tank in the armor division. The army has turned over to Thieu older tanks that were in army reserve and guard inventories. It now wants to replace them with the newer, more costly M60.

When the US quickly transferred a large amount of military equipment to Thieu in the closing days of 1972, F5 jet fighters were included, some taken from squadrons "borrowed" from Taiwan and Korea. Both countries in turn demanded and received the presence of American F4 squadrons, so as to fill the gap created in their air defense structures until *their* F5s could be replaced. The fiscal '74 budget contains $69.3 million for 116 new F5s, some no doubt to replace those given to the Vietnamese. In addition there is $112 million in new funds to purchase 71 of an even faster version of the plane, called the F5E. Since the air force won't fly these planes (they're too cheaply made), they all must be for foreign sales or gifts.

The defense budget also reveals a step-up in purchases of ammunition and equipment to replenish stocks around the world that were somewhat depleted during the war. For instance expenditures for the new Mark 48 torpedo, a conventional weapon to be carried by our nuclear subs both old and news, is boosted to $191.2 million. Funds for the Captor torpedo, a new secret "encapsulated" (whatever that is) weapon, are doubled. A new shoulder-fired flaming rocket launcher is scheduled. Tacfire, a new computerized tractical firing system for field artillery, is being funded at a $40.6 million level.

Despite considerable publicity about the failures of various air-to-air missile systems during the Vietnam war, the services are increasing their purchases of the Sparrow from $40 million to $90 million. The new Phoenix system will get $100.3 million. The standard Pershing missile long-range nuclear fire support weapon will draw $57.8 million in army funds, up $21.5 million from last year. This weapon was not used in Vietnam.

The air force is budgeted for $107 million worth of Maverick air-to-surface, electro-guided rockets, a weapon that came into use in the latter stages of the Vietnam war. The navy wants to begin buying Harpoon, a new ship-launched anti-ship missile that is still being researched.

Thanks primarily to the all-volunteer force, personnel costs of defense are climbing. Overall, they will be up some $2.1 billion, though there will be a drop of over 50,000 in the number of servicemen. Not all of that drop, however, is a complete loss to the defense budget. Reserve forces, if Defense has its way with Congress, will go up by 23,000 and 31,000 of the jobs formerly filled by military men will be taken over by civilians. In addition the services are already seeking an extra $150 million to advertise for volunteers in certain specialties now in short supply. To attract new officers, the college reserve officers training programs have established full scholarship programs at an added cost of almost $30 million. The army guard program is to go up by $136 million, the air force by $76 million.

One program the administration is pushing that will cost over $400 million is a pay boost for retired officers and enlisted personnel, to reflect the increase in pay to servicemen on active duty. Called recomputation, this proposal faces strong opposition on the Hill. But its inclusion in what the administration classifies as a tight budget indicates that the shortage of federal funds for domestic needs does not even carry over to retired military—a good many of whom are in their 40s.

A "generation of peace" and the improbability of a nuclear exchange notwithstanding, the '74 budget for the civil defense agency will rise almost $5 million to a total of $88.5 million. Among the items going up are new warning and communications equipment to signal an attack. The Department of Defense also has earmarked a slight but significant increase of $150,000 for its lobbying on Capitol Hill—which, if approved, would permit $1.3 million to be spent for that purpose.

The Defense Department will have $10 million more to spend on base schools for children of military families where there's no nearby public school. This increase coincides with the administration's decision to cut back federal aid to school districts adjacent to military bases, though these districts will still be expected to educate the military's children.

Higher expenditures for the defense establishment are paralleled in the budget by larger amounts requested for various military assistance items. Direct grants to other countries for military equipment and training will go up by $135 million, to $685 million. Next year's program is still classified, but this year (fiscal '73) Cambodia and Korea are scheduled to get almost half of what is allocated. Other major recipients in fiscal '73 are Thailand, Turkey, Jordan, Indonesia and the Philippines, with Ethiopia and Spain also getting a fair slice. The '74 defense budget retains military assistance for South Vietnam and Laos, $635 million less than in the previous year but still funded at $2.1 billion, just below what it was two years ago when the war was hot and heavy.

The administration also wants to raise security supporting assistance by $132 million, to $732 million. This assistance, most of which is destined for Vietnam, goes for direct budgetary support of a government, or its economic programs. Other countries scheduled to receive this form of aid during the current year are Cambodia ($75 million), Laos ($49 million), Israel ($50 million) and Jordan ($40 million).

Another military grant program will distribute material declared excess to U.S. needs. Under this category Taiwan this year picked up some $28.8 million worth of equipment, Turkey some $52 million and Vietnam $33.2 million.

While the administration seems to hold the upper hand in its enforcement of domestic cuts and impoundments, it may find that the 93rd Congress will exact *its* price for this budgetary stringency by taking a whack or two at defense. Last year Congress cut $5 billion from the President's defense budget, yet legislators found themselves tagged as spenders because of increases approved in the domestic area. Today irritation on Capitol Hill, both toward the White House and the Pentagon, is running high. Whether this will result in even deeper defense budget cuts than last year, depends on the willingness of Congress to take the heat the President and the Joint Chiefs could generate over congressional cuts "endangering of the national security."

The '74 budget abounds in ironies. One may be found in the President's budget message, where he discusses domestic programs. "Delay in congressional consideration of the budget is a major problem," the President said, and he called for "prompt enactment of all necessary appropriation bills before the beginning of the fiscal year (July 1)." In the case of the defense budget, however, Congress this year has been held up by the changeover from Secretary Laird to Secretary Richardson. Indeed Richardson then asked to delay his appearance before the appropriate committees of Congress until after the President had delivered his State of the World address. So the House Appropriations Committee, which undertakes the major defense budget review, will not get started on the defense budegt until April 3, the latest date their hearings have ever begun. It's just another irritant, one of many that may result in the toughest year the military has had on Capitol Hill for a long time.

ESTIMATED PORTION OF THE PUBLIC DEBT ALLOCABLE TO DEFENSE AND NONDEFENSE ACTIVITIES

(By George K. Brite)

How much of the total public debt is national defense generated? This is a constantly recurring question. There is no simple absolute answer. Our public debt has been accumulated over periods of varying levels of defense expenditures. Furthermore, any Federal expenditure, whether for national defense or for other activities or purposes, will serve to increase overall economic activity and increase Federal revenue thus having an effect on the budget deficit. Also there is the additional problem of defining what are national defense costs.

The budget national defense function category includes all activities of the Department of Defense military functions, the expenditures for military assistance, the expenditures for the Atomic Energy Commission, and a subfunction termed defense related activities which includes the Selective Service System and other miscellaneous expenditures associated with the national defense function. In addition to the outlays for the national defense function many persons contend that numerous other Federal outlays are defense related or defense generated. It is generally contended that outlays for veterans benefits and compensation are in the nature of deferred defense costs, inasmuch as these outlays stem from past defense activities. There are some persons who contend that Federal outlays for the space program have been far greater than they would have been if it were not for the military implications. Also there are some persons who contend that a portion of the financial and economic aid granted by the United States in the post World War II period has been, in part, based on military considerations. In addition there are smaller Federal outlay activities such as cemeterial expenses, expenses of Soldiers and Airmen's Home, U.S. Coast Guard, American Battle Monuments Commission and others that might be considered defense generated or defense related.

In an effort to apportion or allocate the total public debt to defense and non defense activities the following procedure has been used. At the end of fiscal year 1916 the public debt amounted to $1.2 billion; most of this debt stemmed from the Civil War. During World War I the total debt increased to $25.5 billion. With the budget surpluses of the 1920's, the debt was gradually reduced to slightly more than $16 billion by the end of fiscal year 1930. During the depression years, 1930–1940, the public debt increased by almost $27 billion to a level of $43 billion at the end of fiscal year 1940. During the period of World War II, most outlays were in support of the war, the total debt rose to $270 billion by the end of fiscal year 1946. Arbitrarily the debt accumulated during the depression has been assigned to non defense activities; and the debt remaining from World War I, and the debt increase during period of World War II has been assigned to defense activities. On this basis at the end of fiscal year 1946, the $270 billion total debt was assigned $243 billion (90 percent of total) for defense and $27 billion (10 percent of total) for non defense. From 1946 to 1948 the public debt was reduced by $19 billion to a level of $251 billion. It has been assumed that the reduction in the public debt was on a basis of 90 percent for defense and 10 percent for non defense. Therefore, the public debt at the end of fiscal year 1948 was allocated $226 billion as generated from defense

activities and $25 billion from non defense activities.

The increase or decrease in the public debt was allocated annually on a defense or non defense basis for fiscal years 1949 through 1974 (estimated) in the following manner. Defense related outlays have been assumed to include all outlays for the national defense function, all outlays for the veterans benefit and compensation function, and the percentage of interest outlays related to the accumulated defense generated public debt. All outlays have been expressed as a percent of the Federal funds basis of the budget (all trust fund outlays omitted) since the increase or decrease in the public debt is controlled by the deficit or surplus in the Federal funds. Total defense related outlays expressed as a percent of total Federal funds outlays have ranged from the low of 56.4 percent estimated for fiscal year 1974 to the high of 83.1 percent for fiscal year 1952—the peak of the Korean war costs—see column 7 of the attached table. The portion of the public debt estimated to be defense generated has declined steadily from the 90 percent high at the end of World War II to the low of 78 percent estimated for fiscal year 1974—see column 10 of the attached table.

It is recognized that the data contained in the attached table are constrained by the assumptions outlined here. Furthermore, it is recognized that by varying the assumptions there could be reasonable arguments that would increase or decrease the portion of the debt allocated to defense activities; however, these changed assumptions would not alter to a major degree the pattern as shown in the attached tabulation.

DEATH OF FORMER SENATOR GILLETTE

Mr. SCOTT of Pennsylvania. Mr. President, former Senator Guy M. Gillette, who passed away on March 3, was a man of great stature and respect in the U.S. Senate when I came to Washington. Senator Gillette, I recall, supported the creation of an independent state of Israel back when the issue was not popular in the United States. Israel's cause became Guy Gillette's cause in 1945 when he assumed the office of presidency of the American League for a Free Palestine. I ask unanimous consent that Guy Gillette's speech at that occasion be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

AMERICAN TRADITION AND HEBREW FREEDOM

(NOTE.—"American Tradition and Hebrew Freedom" is the text of a statement made by The Honorable Guy M. Gillette in Washington, D.C., when he assumed the office of Presidency of the American League for a Free Palestine.)

I am aware that many people will regard it as unusual that I have chosen to decline the gracious offers of a government position by the President and to dedicate myself to the effort of achieving a solution to the Hebrew problem in Europe and Palestine, particularly since it is a non-Hebrew and non-Jew who has undertaken this task. But I believe that this surprise is chiefly due to the general misunderstanding of what we have come to call "the Jewish problem." For it is commonly and universally accepted that the persecution, the homelessness, the enslavement, and the extermination of the Hebrew people is solely a Jewish question and that only Jews need to participate in the various movements that seek to end this tragedy.

I do not share this attitude. I have decided to accept my present task not because I have become a Jew, nor because I intend to settle in Palestine, nor because my love or sympathy for the Jews is in any degree greater than that of the average American. Indeed, I have undertaken this step only as an American who seeks to live up to the traditions and the principles of our nation. For I consider the so-called Jewish problem, not as a Jewish or a Hebrew question, but as an urgent problem of the United Nations and of the decent portion of mankind.

WORLD PEACE AND SECURITY AT STAKE

Because some governments did not share this view of all mankind has paid very dearly in the casualties of our sons and brothers on all the battlefields of the world. I do not consider this problem the most important on the agenda of the United Nations, but I do consider it one of the problems which must be on that agenda. Since America, through the war, through the Atlantic Charter, and through other international relations culminating in the San Francisco agreement has become international in attitude and international in purpose, she cannot and should not fail at this important point either.

I have personally shared the desire for international cooperation, international decency and justice, of the American people. I have given practical expression to that before I became a member of Congress and throughout the twelve years of my service in the House and Senate, and I come to this task with the conviction that unless this particular problem is permanently and effectively solved, it will again be exploited by the forces of reaction to recreate fascism and world war.

Until this war broke out, my interest and my knowledge of this so-called Jewish problem was general and vague. I must confess that even in the first years of war I shared with other Americans the skepticism about the persecution and the extermination suffered by the Hebrew people, the truth of which we have now been forced to believe by incontrovertible evidence. It did not seem possible that in this era of vaunted civilization anyone could be guilty of the savage barbarism and of the bestial crimes that were charged against the leaders of the fascist countries. We have now learned that the facts brought to our attention by the Hebrew Committee on National Liberation and the American groups that supported the Committee in 1943 were under-stated rather than exaggerated.

I am happy and grateful that through the efforts of my present colleagues, I became vitally interested in the plight of the Hebrews in Europe and Palestine and in some degree instrumental in the congressional action that resulted in a few concrete measures, such as the creation of the War Refugee Board, for the alleviation of this tragedy and the rescue of a few thousand individuals from the extermination camps of Central Europe.

What we found in Europe after the end of hostilities there has indeed surpassed our worst fears. The bestiality and ruthlessness of the Germans in the wholesale extermination of the Hebrew people staggers human comprehension. But somehow, miraculously, some two million Hebrews have survived it and the great question is,

WHAT NOW?

Are we simply to forget the five million dead? Are we to ignore the horrible suffering of the survivors and their present plight? Are we to leave them in their present miserable condition, roaming the continent of Europe as "refugees," as "displaced persons," as "stateless Jews," as unwanted, second-rate human beings on God's earth? Or are we, the United Nations, now that the enemy has been beaten and now that we are in position to act if we really want to do so, to give meaning to our oft-repeated expressions of horror and sympathy? Are we to make a real effort to be of assistance to them, to let them rehabilitate themselves and thus defeat the German scheme to exterminate them? Let us then restore them to life and human dignity by recognizing them as a fellow-member of the United Nations, entitled to equal rights with the other fifty member nations, and by letting their representatives and statesmen sit on the councils of the United Nations and secure an adequate solution to their national problems, just as we are endeavoring similarly to settle numerous other problems within the United Nations.

JEWS AND THE HEBREW NATION

And here let me make it quite clear that when I speak of national recognition for the Hebrews of Europe and Palestine, I mean precisely that and not recognition of the Jews as a nation, for Hebrews and Jews should not be regarded as synonymous terms.

The Hebrew Committee of National Liberation in coming into existence as a temporary Hebrew national authority has taken a step of historical consequence. In drawing the distinction between the Jewish religion, on the one hand, and the Hebrew nation, on the other, they have solved a question which has, consciously or subconsciously, been bothering most of us and which has probably been the greatest single stumbling block toward the solution of the so-called Jewish problem in Europe and the deadlock surrounding the Palestinian problem.

On the basis of this distinction the position of these people can be simply and easily understood. There exists a Hebrew nation whose national territory is Palestine, just as Holland is the national territory of the Dutch. Quite apart from the Hebrew nation, there are people of the Jewish faith practically all over the world. Just as the fact that most Irish are Catholics does not make every Catholic an Irishman, the fact that most Hebrews are Jews does not make every Jew a Hebrew. Here in America, for instance, we have Americans of Hebrew descent and of the Jewish faith, even as there are Americans of French origin and of the Catholic faith, or of English descent and of the Protestant faith. I stress these definitions for I believe them to be of the utmost importance. In the course of centuries of abnormal existence, the Hebrew national problem and the Jewish problem have become much too involved and the solution lies in simplification and normalization.

THE RIGHT TO SELF-DETERMINATION

I have decided to dedicate my efforts to the best of my ability and knowledge to see whether, once and for all, an end can be put to this age-long abnormal and intolerable existence of a great and ancient people who have contributed so much to the progress of the world and who have been so ill-repaid.

I believe it to be the elementary dictate of human decency that we must not prolong for one more day the suffering existence of the surviving Hebrews in Europe today. We believe therefore that the Allied control commissions in Europe ought to recognize the Hebrew national status and permit every so-called "stateless Jew," displaced person, or "Axis-Jew" the elementary right of self-determination in order that they may decide of their own free will whether they are Hebrew nationals or whether they want to remain "stateless," or to become once again German or Rumanian or Hungarian nationals. The present policy which regards and treats the greatest victims and enemies of the Germans as Germans, subject to all the laws and regulations imposed upon the barbaric and defeated foe, is a gross injustice and

must evoke laughter in Hell. To offset this policy, the following steps should be taken:

EMERGENCY PLAN

1. All Hebrews are to be freed from their Axis concentration camps in which hundreds of thousands of them are still detained.

2. A commission composed of those Hebrews should be recognized by the occupying authorities and be charged by them with the handling and representation of all Hebrew affairs.

3. UNRRA should immediately extend its relief operations to the Balkan countries where hundreds of thousands of Hebrews, in Rumania and Hungary particularly, are starving and destitute, and have to date not received one ounce of UNRRA aid.

4. Hebrew representatives should be added to the United Nations War Crimes Commission in order to secure the prosecution and trial of the tens of thousands of known criminals who have participated in and carried out the wholesale slaughter of some five million Hebrews and who are today at large with little prospect of being prosecuted.

5. The Reparations Commission in Moscow should consider the claims and rights of the surviving Hebrews and include in the reparations to be given to United Nations also compensation for the losses suffered by the Hebrew people.

These are emergency measures necessary in view of the destruction and chaos of present-day Europe in which over a million Hebrews find themselves without status, without national or legal protection, without representatives to take action on their behalf.

ESSENTIAL STEP

What is of even greater importance are the following steps which we believe essential for the commencement of a solution of the entire problem:

1. The British Government should proclaim the right of every Hebrew in Europe to apply to the nearest British Consulate and receive his first papers of Palestinian citizenship.

2. An Anglo-American-Russian commission should be set up immediately and given adequate powers to effectuate the repatriation, in the speediest manner, of all such applicants to Palestine.

SIN MUST BE ENDED

Now that a new Government has come to power in Great Britain which is publicly and officially committed to the abrogation of the Chamberlain White Paper under which Palestine is administered, Britain's sin of having kept Palestine closed to the martyred Hebrews of Europe at a time of their greatest ordeal and need should be immediately ended. Similarly, the new Government must annul immediately the discriminatory laws against the Hebrews in Palestine that were the products of the Munich and Nuremberg era.

Many words of grief, many resolutions of sympathy, many speeches of protest have been made in our own and other countries. I do not for a moment doubt the sincerity and the noble emotions which have prompted them, but I say in all earnestness: For God's sake, these people have suffered enough! Their age-old and continuous persecution has ended with a national disaster. It is time for action—action *now*. I, for one, am going to take all the action within my power and spare no effort. I shall knock on every door and go through every channel to see to it that the action is taken and taken immediately.

I feel confident of the success of our undertaking because I know that the heart and soul of Americans, irrespective of the national origin or religion, is with us. From the length and breadth of this land genuine human sympathy, understanding, and desire to be of help has been repeatedly and magnificently demonstrated. The will of the American people in this task, adequately expressed, must compel our Government to take appropriate action. For such democratic principles we have fought this war; it is for this that governments are elected and put in power; to express and act on the will of the people.

"DO NOT DESPAIR"

To the surviving Hebrews of Europe (and I hope my word reaches them) I want to say this: Do not despair; do not believe the world is all darkness; humanity is not dead, and the human soul is not all base. The people of this land, engaged as they are in a desperate and bloody struggle against the remaining Axis tyranny, are coming to your aid. Your emissaries and servants of the Hebrew Committee on National Liberation here have not faltered in their task of raising their voice in your behalf. And as for myself, I consider it a great opportunity and honor to lend a helping hand and to serve a cause the solution of which is in the deepest interests of all the United Nations and which has such great appeal to the traditions and the principles that make America.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

AMENDMENT OF THE FEDERAL MEAT INSPECTION ACT AND THE POULTRY PRODUCTS INSPECTION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 90, S. 1021.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

S. 1021 to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 per centum the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

PRIVILEGE OF THE FLOOR

Mr. CURTIS. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture be allowed privileges of the floor during debate and any votes on S. 1021:

Harker Stanton, Forest Reece, Mike McLeod, Bill Taggart, and Jim Giltmier.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me briefly?

Mr. CURTIS. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—after having cleared the request with the distinguished assistant Republican leader, the distinguished Senator from Nebraska (Mr. CURTIS), who is going to manage the bill, the distinguished Senator from Georgia (Mr. TALMADGE), who is chairman of the Committee on Agriculture and Forestry, and with other Senators—that debate on S. 1021 be limited to 2 hours, to be equally divided between and controlled by the distinguished Senator from Nebraska (Mr. CURTIS) and the distinguished Senator from Georgia (Mr. TALMADGE) or his designee; that the time on any amendment in the first degree to limited to 1 hour; that time on any amendment to an amendment, debatable motion, or appeal, be limited to 30 minutes, the time to be equally divided and controlled in the usual form, and with all other matters with respect to the agreement to be in the usual form, with the exception that there be no provision with regard to germaneness.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CURTIS. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, the bill now before the Senate, S. 1021, is virtually identical to S. 1316 which passed this body during the 92d Congress without a single dissenting vote.

S. 1021 authorizes an increase in the Federal contribution to State meat and poultry inspection programs from the current maximum of 50 percent of the costs of such programs to a maximum of 80 percent of such costs.

As my colleagues know, Mr. President, the junior Senator from Nebraska is not one who generally supports increased Federal expenditures. However, I believe this is one program where an increase in the Federal contribution as proposed in the bill now before us will enable many States to continue operating their own meat and poultry inspection programs rather than calling upon the Federal Government to bear the entire cost.

Mr. President, when the Meat Inspection Act of 1967 was passed, it contained a provision that if a State did not want to continue with its meat inspection program, it could turn it over to the Federal Government. It meant that the Federal Government would pay the total cost of all meat inspection throughout the entire country. This has to be very expensive. If a State chose, under existing law, to continue its meat inspection program, the Federal Government would make a contribution of 50 percent of the cost.

Many States are faced with budgetary problems, and there is a temptation for them to just give up the inspection, turn it over to the Federal Government, and

have the Federal Government bear all of the cost.

Inspection by the Federal Government will cost much more than State inspection. In addition to that, the Federal Government will pay 100 percent of it.

Consequently, the Committee on Agriculture and Forestry believes that by raising the contribution of the Federal Government to the State meat inspection programs from 50 to 80 percent will cause a number of States to continue their meat inspection programs and some that have already discontinued them to reinstate them; and that, of course, will save money for the Federal Government.

As pointed out in the Department of Agriculture's legislative report on S. 1316:

Unfortunately, the Wholesome Meat Act provides no incentives for States to continue their meat inspection programs; in fact, it provides a financial disincentive. A State must now bear 50 percent of the cost of carrying out its meat inspection program. But this cost may be totally eliminated simply by turning the program over to us.

The report continued:

We are quite confident that on an 80–20 funding basis most States will continue their programs. We are equally confident that there will be a rapid decline in the number of State inspection programs under the present 50–50 ratio.

I would note that since that report was written on June 28, 1971, my own State of Nebraska, as well as Montana, Minnesota, Missouri, Oregon, Kentucky, Pennsylvania, and Puerto Rico have all turned their meat inspection programs over to the Federal Government as have 13 States in the case of poultry inspection.

As I said a while ago, it is quite likely that some of the States enumerated will reinstate their meat inspection programs if the Federal Government would assist with 80 percent of the cost.

The single difference, Mr. President, between S. 1021 and the bill approved by the Senate previously is a provision in the legislation now pending requiring that the Federal Government contribute no less to any State under cooperative arrangements for meat or poultry inspection under the Talmadge-Aiken Act than the highest percentage contributed to any State under the Federal Meat Inspection Act or the Poultry Products Inspection Act, as the case may be.

By way of clarification, Mr. President, there are presently three separate types of meat and poultry inspection programs.

First, there are the cooperative arrangements under the Talmadge-Aiken Act whereby State employees inspect plants under the overall supervision of a Federal supervisor in the State. The Federal Government presently contributes 50 percent of the cost of this program and the meat or poultry may be shipped in interstate commerce.

Second, there is the cooperative program under the Wholesome Meat Act whereby any state which agrees to adopt standards at least equal to Federal standards may be reimbursed for up to 50 percent of the cost of inspecting plants from which meat and poultry are shipped in intrastate commerce.

Finally, there are plants which are inspected by Federal employees from which products may be shipped either in intrastate or interstate commerce.

Mr. President, the Senate agreed unanimously during the last Congress that this was good legislation. I hope there will be another unanimous vote today.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, will the Senator yield me some time?

Mr. CURTIS. Yes. How much time does the Senator desire?

Mr. GRIFFIN. Ten minutes.

Mr. CURTIS. I yield the distinguished Senator 10 minutes.

Mr. GRIFFIN. Mr. President, I want to indicate my support for the legislation reported by the Senate Agriculture and Forestry Committee and to indicate my agreement with the essential reasoning outlined by the distinguished Senator from Nebraska.

Unless legislation like this is passed, it appears that State standards and State meat inspection programs that are now in effect could well become a matter of history. Moreover the cost to the Federal taxpayers would be, not 80 percent, but 100 percent. But because the purpose of this legislation is to preserve a certain degree of State authority and control, which the Senator from Michigan considers to be desirable, it raises a question to which an amendment that I have prepared will be addressed.

The Federal meat inspection statutes at the present time have been construed by one Circuit Court of Appeals—the Sixth Circuit Court of Appeals—as having the effect of preempting State meat inspection laws and standards which may be stricter than the minimum standards set by Federal law.

This has become a very important issue in my State of Michigan, because in our State we have had a meat inspection law for more than 20 years, and a meat standards law which has worked very well. It has protected the consumers of my State, has been acceptable to the meat processors and packers, and now has been declared abrogated by the Federal law which is on the books.

To be more specific, Mr. President, under Michigan State law, hot dogs and sausages can be made only of skeletal meat and does not include the use of such animals byproducts as snouts, lips, spleens, udders, salivary glands, stomachs, and other organs.

The Federal minimum meat standards law which has been in effect would allow such animal byproducts in the manufacture of hotdogs and sausages.

Furthermore, the Michigan meat standards law provides that hotdogs, for example, must include a minimum protein content of at least 12 percent. As I have already indicated, there is no similar Federal requirement.

The point of all this is that it is fine for the Federal Government to come along later, as we have, and set up some standards—in this case, rather minimal standards. Of course, it is better than having no standards at all. However, in the process, I would hope that we would not, as a matter of intent at least, wipe out stricter standards that States have already provided the consumers in their States. Because of the decision of the sixth circuit court of appeals that is the unfortunate result and the unfortunate effect of the passage by the Federal Government of meat inspection legislation.

There is nothing unusual about the Federal Government setting minimum standards in a field, while recognizing that States may still impose stricter and higher standards than the Federal Government imposes.

I believe it was the intent of Congress that this should have been the case in the meat inspection law. However, if the intent of Congress was not clear, then I think that we should adopt an amendment to the pending bill—which would certainly be a most appropriate vehicle—to make clear that the several States having stricter meat standards would be able to continue to enforce those standards in the interest of their citizens. In addition to Michigan, those States include Massachusetts, Connecticut, Maryland, Nevada, New York, and California.

I would suggest to the distinguished ranking minority member of the committee that my amendment is completely consistent with the philosophy of State's rights which is the main thrust of the bill because the bill itself seeks to preserve the State role in meat inspection and standards. I would find it rather unfortunate if in doing so we should wipe out, at the same time any State regulatory jurisdiction whatsoever.

I would hope very much that it might be possible that an amendment such as the one I have drafted would be accepted by the committee and taken to conference. I do not know whether the Senator from Nebraska might have any comments to make on this matter or not.

Mr. CURTIS. Mr. President, I can understand the urgency of this matter from the standpoint of the distinguished Senator from Michigan. However, the pending bill is a very narrow bill. It deals with just one thing—the financial burden to be borne by the States and the Federal Government. The proposed amendment of the distinguished Senator from Michigan relates to standards of inspection. The present law requires that on the inspection to be carried on by a State, the financial assistance, if there is to be any, must be equal to that provided by the Federal Government.

Now, the question arises, if the amendment of the distinguished Senator from Michigan is offered, as to whether a State can impose requirements over and above the standards of the Federal Government.

I think this is an important question. It merits hearings on the part of Congress. The whole question of State standards should be explored.

I think we should hear from State inspectors and heads of those departments. I think that our people from the Federal inspection program should be heard. I

think that we should also hear from the other interested parties.

It would be my hope that the distinguished Senator from Michigan would not press his amendment at this time. I will certainly join with him in seeking to persuade the chairman of the subcommittee of the Committee on Agriculture and Forestry, the distinguished Senator from Alabama (Mr. ALLEN), to hold hearings on his bill. I think the matter deserves attention, and I think that the subject should be gone into.

Mr. GRIFFIN. Mr. President, it happens that the distinguished Senator from Alabama (Mr. ALLEN), the chairman of the subcommittee, is on the floor. At the very least, it would seem to me that there should be hearings on a bill I have also introduced to carry out the same purpose as a possible amendment to the pending bill.

As I indicated earlier, it is not unusual for a Federal minimum standard to allow for the possibility of a State invoking a higher standard. I refer, for example, to the Federal minimum wage law. There can be no lower minimum wage set within a State, but a State may have a higher minimum wage than is imposed by the Federal Government. The Smith-Hughes Vocational Education Act, I understand, is another example of an area in which the Federal Government sets certain minimum standards, but a State is not precluded from setting higher standards.

I realize that there is a question of the burden or possible interference with interstate commerce in the meat field; but I also am very well aware that in this instance the State of Michigan had a meat law long before the Federal Government thought about it. It would be unfortunate for the Federal Government to deny the people of a State a lawful protection to which they have already become accustomed.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield.

Mr. ALLEN. I shall have something further to say if the amendment is offered. I wish to point out at this time that the U.S. Department of Agriculture published regulations for the use of by-products in such items as hotdogs. I understand they apply also to sausage. They were published originally on December 23, 1972. The Department of Agriculture has received more than 3,000 comments. The proposal was reissued on February 14 and provided for a 30-day comment period, which expired on March 17. So regulations have not been promulgated in final form. It is my understanding that if the proposed regulations become effective, they will then equal the Michigan standards. Therefore, we might be dealing with a moot question in the event the Senator offered his amendment.

Mr. GRIFFIN. I may be wrong, but I believe that the regulations suggested or proposed by the Department of Agriculture do not go to the ingredient standards, but relate to labeling.

Mr. ALLEN. I cannot answer that, because the regulations are not in final form yet. But it has been my understanding that they will. However, I do not know.

Mr. GRIFFIN. Frankly, I think that unless I have some assurance that the subcommittee which has jurisdiction will hold hearings and give the matter consideration, I really have no choice other than to offer my amendment.

Mr. ALLEN. I would be delighted to say to the Senator from Michigan that if the amendment he is discussing—he has not offered it yet——

Mr. GRIFFIN. I have not.

Mr. ALLEN (continuing). Is introduced as a separate bill, and if the bill is referred to the subcommittee of which I am the chairman. I assure the distinguished Senator from Michigan that in the light of the policy we have always maintained, the bill will be set for early hearings. At that time the distinguished Senator from Michigan could come before the subcommittee and explain the bill and offer such other testimony as he might care to adduce. I assure the Senator that there would be no reluctance whatsoever on the part of the Senator from Alabama to hold hearings in his subcommittee. I am sure, though, that the Senator from Michigan is not suggesting that. We have had a number of controversial bills before our subcommittee, and certainly we would not refrain from holding committee hearings on this one.

Mr. GRIFFIN. I thank the distinguished Senator from Alabama for that statement and that commitment. I will say to him that the bill has already been introduced as S. 991.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 408 of the Federal Meat Inspection Act (81 Stat. 600; 21 U.S.C. 678) is amended to read as follows:

"SEC. 408. Requirements within the scope of this chapter with respect to premises, facilities, and operations of any establishment at which inspection is provided under subchapter I of this chapter, which are less stringent than those made under this chapter may not be imposed by any State or territory or the District of Columbia. Marking, labeling, packaging, or ingredient requirements less stringent than those made under this chapter may not be imposed by any State or territory or the District of Columbia with respect to articles prepared at any establishment under inspection in accordance with the requirements under subchapter I of this chapter, and any State or territory or the District of Columbia may exercise concurrent jurisdiction with the Secretary over articles required to be inspected under said subchapter I, for the purpose of preventing the distribution for human food purposes of any such articles which are adulterated or misbranded, or, in the case of imported articles, after their entry into the United States.

Mr. GRIFFIN. Mr. President, with that assurance, I am sure that I shall have some witnesses from my State and perhaps from other States who will agree to come before the subcommittee and present the case because it is a case of States rights.

Mr. ALLEN. I understand; and that makes the Senator from Alabama very much interested in the proposed legislation.

Mr. GRIFFIN. With that assurance and that commitment, I shall not offer the amendment to this bill.

Mr. ALLEN. The Senator from Alabama will say to the distinguished Senator from Michigan that he will be glad to discuss the matter with him and arrange a date for the hearings.

Mr. GRIFFIN. I thank the Senator.

Mr. TUNNEY. Mr. President, I am sending an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, line 19, insert the following:

SEC. 5. Not withstanding any other provision of law to the contrary, the President shall prohibit the exportation outside the United States or any territory or possession of the United States of any meat or live animal livestock when such exportation shall be at an average monthly rate above that which prevailed in 1972.

SEC. 6. (a) "Meat" as used in Sec. 5 means all beef, veal, pork, sheep and lamb products with Standard Industrialization Classification Codes Number 2011 or Number 2013, before or after they have entered into a processing stage, where they are intended for use as or in a product for human ingestion.

(b) "Live Animal Livestock" means all living animals whose production and sale is undertaken for purposes of producing "Meat" as defined in (a).

SEC. 7. Sec. 5 shall remain in effect until the termination of all restraints, ceilings or other limitations imposed on March 29, 1973 on prices of meat under the authority of the Economic Stabilization Act of 1970, as amended, or any subsequent restraints, ceilings or limitations on these products imposed under this same authority.

Mr. TUNNEY. Mr. President, at the appropriate time, I shall ask for the yeas and nays. There does not seem to be a sufficient number of Senators in the Chamber at this time to ask for the yeas and nays, so I shall call for them later.

I am offering today an amendment to S. 1021 which would protect the American consumer from the likelihood of export-induced shortages of the meat products covered by the President's March 29 establishment of price ceilings.

On March 20, 1973, I introduced legislation which would bar export of meat products whose prices were rising at an annual rate of 3.6 percent or more. I pointed out at that time that such export controls would be imperative if controls were placed upon meat prices. Now that the President has promulgated such controls, we must act swiftly to prevent the development of shortages and black markets that will be inevitable if foreign meat and livestock purchasers are free to outbid American consumers for our limited meat supplies.

My amendment is very simple. It says that, as long as meat price controls remain in effect, the President shall not permit the exportation of price-controlled products or of live animals used to produce these products at a rate greater than that which prevailed in 1972.

We could ban meat and livestock ex-

ports altogether. This would help relieve pressure on prices even more than the measure I propose today. However, I recently discussed this question with a number of leading economists. All favored export controls in the present crisis but some expressed the concern that our long-term ability to sell agricultural commodities abroad and thus improve the balance of payments might be injured by the foreign resentment that an abrupt termination of meat exports might cause. By limiting meat and livestock exports to their relatively low 1972 levels, my amendment strikes a fair balance between maintaining the confidence of foreign consumers and preventing wholesale raids on our scarce supplies.

While it is too early to assess the export effects of meat price ceilings, there are disturbing indications that the ceilings will induce American producers to sell substantially higher amounts of their output abroad. The result would be the creation of meat shortages, possibly accompanied by rationing, or black markets, or both. Let us look at the evidence:

First, the two recent devaluations and the dollar float have substantially reduced the price of American meat to foreign consumers.

Second, billions of dollars, each a potential claim against U.S. meat supplies, are held by citizens of Japan and Western Europe where the demand for meat is rising even faster than in the United States and where consumers are accustomed to paying more for meat than Americans do, even at today's price.

Third, with rising world meat demands and great production difficulties in Australia and Argentina, world meat prices are rising rapidly everywhere but in the United States where, of course, they are now controlled.

Fourth, the President's ceilings do not apply to the price of meat sold for export, therefore American meat producers can legally seek and receive foreign prices above those that are permissible in the domestic market.

Fifth, Japanese pork purchases in February were up seventeen fold over the January level. In March, the Japanese bought almost as much pork in 1 month as they did in all of 1972.

Sixth, before the recent devaluation, the dollar float, and the establishment of meat price ceilings, the U.S. Agriculture Department conservatively estimated that red meat exports in 1973 would be at least twice as great as in 1972. The USDA has as yet to publish revised estimates which take into account the export-promoting developments that have occurred since its original estimate.

Mr. President, I could continue to cite data and reports showing that we are facing a most dangerous situation. For once, let us act before it is too late, before shortages and black markets come to pass.

Article XX of the General Agreement on Tariffs and Trade, the basic law of international trade, recognizes every nation's right to control the export of goods in short supply. The Export Administration Act of 1969 established that it is the policy of the United States to protect American consumers through short-supply export control.

Let us not see another failure of public policy. Let us act now before the problem grows to be out of control.

Mr. President, I should now like to quote from a newspaper article published in the Washington Post dated March 31, 1973, written by James L. Rowe, Jr., which states in part:

According to Agriculture Department figures, U.S. pork exports tripled in the first two months of this year, to 17.8 million pounds of pork products.

In addition, according to one Agriculture Department economist, there is evidence that Japan has purchased nearly as much pork just this month as it purchased from the United States during all of last year.

In addition, according to C. W. McMillan, executive vice-president of the American National Cattlemen's Association, the nation's feed lot owners recently have been shipping thousands of head of cattle to Canada for slaughter because the Canadian market "is higher than ours."

Then it goes on to say:

The ceiling announced Thursday does not apply either to exports or to imported meat sold here. Shultz told reporters before the President's address that the administration would monitor the export situation and said the President has the tools to deal with it should it become a problem.

One official of a large food chain said that he is afraid the export situation will become serious because world prices for meat are rising rapidly.

Mr. President, I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEAT EXPORT RISE COULD BUOY PRICES

(By James L. Rowe, Jr.)

A sharp increase in U.S. meat exports could severely limit the price-reducing effect of the President's temporary ceiling on beef, pork and lamb prices.

Treasury Secretary George P. Shultz said Thursday night, however, that the administration does not expect the freeze to draw supplies away from the domestic market.

The nation currently exports only a small proportion of the meat it produces. But, as one food industry official put it, "the wholesale price freeze might push just enough meat products and cattle into the export market to keep meat prices from dropping."

According to Agriculture Department figures, U.S. pork exports tripled in the first two months of this year, to 17.8 million pounds of pork products.

In addition, according to one Agriculture Department economist, there is evidence that Japan has purchased nearly as much pork just this month as it purchased from the United States during all of last year.

In addition, according to C. W. McMillan, executive vice-president of the American National Cattlemen's Association, the nation's feed lot owners, recently have been shipping thousands of head of cattle to Canada for slaughter because the Canadian market "is higher than ours."

He said Canada recently removed its import duties on cattle in order to increase the amount of meat available to its consumers.

Japan temporarily removed its import levies on pork imports during March, and, according to one Agriculture Department expert, is expected to do so again in April.

The ceiling announced Thursday does not apply either to exports or to imported meat sold here. Shultz told reporters before the President's address that the administration would monitor the export situation and said the President has the tools to deal with it should it become a problem.

One official of a large food chain said that he is afraid the export situation will become serious because world prices for meat are rising rapidly.

Both imports and exports still account for a minuscule proportion of the nation's total meat production—imports about 1 per cent, exports less than half that.

Last year, for example, the nation exported 220 million pounds of pork (carcass equivalent) out of a total production of 13.7 billion pounds.

Beef exports are even more limited, roughly 110 million pounds of a total production of 22.4 billion pounds last year. Most of that was in variety meats, McMillan said, such as liver and tongue.

A Cost of Living Council official cautioned that apparent sharp increases in pork exports could be misleading. Any time "you start off with a small base, the percentage increase is going to be large," he said.

In a related development, the Cost of Living Council said yesterday that it had added an additional 250 Internal Revenue Service agents to its 2,500-man economic stabilization staff in order to enforce the freeze on red meat prices.

Council director John Dunlop said the IRS would spend next week working with food stores to insure that they have correctly determined their ceiling prices.

Mr. TUNNEY. Mr. President, the second item is an editorial published in the Washington Post dated March 31, 1973, entitled "Beef, Pork and Lamb."

An excerpt from the editorial reads as follows:

After two devaluations and a float, our products are cheaper than ever for foreign buyers and, here and there, they are prepared to pay more than domestic bidders. Japanese importers are currently buying substantial amounts of American pork. If large numbers of foreign meat buyers are willing to go higher than Mr. Nixon's ceilings, American meat exports will increase sharply and further aggravate the domestic shortage. That dilemma still lies in the future but, perhaps, not very far in the future.

Mr. President, I ask unanimous consent to have the entire editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BEEF, PORK, AND LAMB

Shortly we shall see who was right in the debate over food price controls—President Nixon before Thursday night, or President Nixon after Thursday night. Until Thursday, the President and his administration had earnestly assured the country that controls could not possibly work effectively for agricultural prices. On that day, of course, he applied controls to beef, pork and lamb, with the ringing declaration that "what we need is action that will stop the rise in meat prices now." The pre-Thursday position was, in fact, a good deal more realistic. It is highly questionable whether the new ceilings will have any great and enduring effect on the price of meat.

But if the ceilings are bad economic policy, they are good politics in the most respectable and legitimate sense of that term. The level of public anxiety and resentment had reached a point at which it was necessary for the national government to do something, and now the government has indeed done something. If it turns out not to be very successful, that will not be apparent for several months.

The coming union negotiations, in a series of large and influential industries, made it essential for Mr. Nixon to act quickly. With retail food prices rising at a rate of 28 per cent a year as they did in January and February, it would be foolish to think that

union contracts could be held down to the 5.5 per cent annual wage increase that is Mr. Nixon's target. Mr. George Meany of the AFL–CIO had already explained to Mr. Nixon, very loudly and publicly, what was going to happen. This schedule of labor negotiations, over the spring and summer, is a very sharp pressure on the administration. Mr. Nixon has not applied the wider controls, or the mandatory price reductions, that Mr. Meany had demanded. But he has made an effort to anchor the price of beefsteak and porkchops. While steak and chops are not the basic staples of most people's diet, they have certainly become the focus of the shopper's outrage.

As for the real effects of the new ceilings, they are not easy to predict. The prices of live animals are still uncontrolled, of course, and if they continue to rise the butchers and processors will be caught in the middle. In that case, some of the less profitable cuts of meat will disappear altogether and others will be sold with doubtless, a slight increase in the amounts of bone and fat. There has been some huffing and puffing from the White House to the effect that the trimming of meat cuts will be very closely policed. But actual enforcement, in all but the grossest cases, will be exceedingly difficult. At the retail level, the difference between profit and loss is measured in fractions of ounces.

The next question is the effect of the ceilings on the expansion of the country's meat supply over the next year. In the case of beef cattle, it takes a matter of many years to expand breeding herds and then to raise the calves to full growth. Despite the enormous increases in prices, the amount of red meat that has come to market this winter has been almost exactly the same as last year. That is the essential reason why prices have risen. Demand is running far ahead of supply. But raising animals for market is a highly speculative business. If the men who run the feed lots conclude that they are going to be caught between the high price of feed grain and the ceilings on meat prices, they may well cut back production. That result would only prolong the shortages that have created the past year's shocking rise in prices.

In its present highly uncomfortable position, the administration has one crucial factor in its favor. The prices of feed grain are beginning to drop. Soybeans, wheat and corn have all fallen a little in recent days. They are responding to the Agriculture Department's belated but, within the past month, exceedingly energetic attempts to induce farmers to expand their plantings this spring. If feed grain prices had continued to rise, the White House could hardly have attempted to control meat regardless of Mr. Meany and the AFL–CIO. But now that feed grain prices are turning downward, controls are at least theoretically possible. The possibility of a truly massive grain harvest next summer and fall is currently Mr. Nixon's best hope for stabilizing the American grocery bill. From now on, the Cost of Living Council can only read the weather reports and hope for the best.

But it is idle and, worse, dangerous to assume that Mr. Nixon or anyone else can now lead us back, by controls or any other device, to the relatively stable low prices that we enjoyed before 1971. The rest of the world is rapidly raising its standards of nutrition and many countries are looking to the United States as a major source of the basic grains and feeds. The administration is depending on expanded agricultural exports to help balance our international payments and pay for among other things, our oil imports. After two devaluations and a float, our products are cheaper than ever for foreign buyers and, here and there, they are prepared to pay more than domestic bidders. Japanese importers are currently buying substantial amounts of American pork. If large numbers of foreign meat buyers are willing to go higher than Mr. Nixon's ceilings, American meat exports will increase sharply and further aggravate the domestic shortage. That dilemma still lies in the future but, perhaps, not very far in the future.

The evidence thus suggests that food is going to be a good deal more expensive in the future, and no government can do much about it. The proper policy for the administration, over this coming year, is to expand food production as rapidly as it can. It is far better and cheaper, at this point, to risk a surplus rather than shortage. Meanwhile Mr. Nixon will have to do what he can to damp down the panic of inflation while the country slowly gets used to paying more for its groceries. In the ceilings on meat prices, Mr. Nixon is responding to this danger of panic at the cost of jeopardizing, to some unknown degree, farmers' plans for expanding their meat production. He is doubtless hoping, as we all must hope, that after the first wave of farmers' complaints have passed, they will see how high those ceilings have been set. The truth of the matter seems to be that we are now in a worldwide competition for food and, increasingly, it is American food for which the world is competing.

Mr. TUNNEY. Mr. President, it seems to me absolutely ridiculous for the American housewife to subsidize the European or Japanese housewife when meat prices have been escalating so rapidly in this country.

Anyone who has gone down to the local market has seen the price of hamburger almost double in the past 3 months. Other cuts of beef have also gone up dramatically.

I was in California over the weekend and there is one store in the Los Angeles area that sells only horsemeat. They have been forced to close early every day for the past 2 weeks because housewives have been coming down to the store and, instead of buying horsemeat for their dogs, they are buying it for their husbands and children. The horsemeat store has been doing such a land office business, that within just a few hours after they open, the store is sold out. They just cannot get enough horsemeat.

Mr. President, I just happen to feel that this amendment is most important because it will make it very clear that as a congressional policy we are not going to allow the American housewife—the American meat consumer—to be given the short end of the stick by producers who are going—quite naturally and legitimately—to sell their meat products overseas if they can reap far greater prices than are legally available in this country.

There is a clear and present danger that this will happen. The figures speak for themselves. We have had a tremendous increase in exports to Japan. The Department of Agriculture estimates that meat exports are going to at least double this year. This estimate was made before the recent devaluation of the dollar and all the other items I have mentioned.

Mr. TALMADGE. Mr. President, will the Senator from California yield?

Mr. TUNNEY. I yield.

Mr. TALMADGE. Mr. President, looking at the amendment proposed by the distinguished Senator, it seems to me that some points need clarification in order to have a better understanding as to what the amendment really means.

I start with section 5:

> Not withstanding any other provision of law to the contrary, the President shall prohibit the exportation outside the United States or any terriory or possession of the United States or any meat or live animal livestock when such exportation shall be at an average monthly rate above that which prevailed in 1972.

My first question is this: I take it, from reading that language, that the Senator does not intend to prohibit the exportation to territories and possessions of the United States beyond the boundaries of this country. Is that correct?

Mr. TUNNEY. That is correct.

Mr. TALMADGE. In other words, meat could continue to be exported to Puerto Rico and to any other possession of the United States?

Mr. TUNNEY. That is correct.

Mr. TALMADGE. My second question is this. Section 5 contains this language: "Shall be at an average monthly rate above that which prevailed in 1972." How does the Senator propose that that be enforced? It is now April. Will the ceiling on April exports be the same as the exports during April of 1972, or would it be the total exports of 1972 divided by 12?

Mr. TUNNEY. I think that it would have to be the latter. That is the meaning.

Mr. TALMADGE. The average of the exports?

Mr. TUNNEY. That is correct.

Mr. TALMADGE. In other words, the monthly average would then be computed on the basis of dividing the total exports by 12 for 1972?

Mr. TUNNEY. The Senator is correct.

Mr. TALMADGE. I read section 6(a) of the Senator's amendment:

> "Meat" as used in Sec. 5 means all beef, veal, pork, sheep and lamb products with Standard Industrialization Classification Codes Number 2011 or Number 2013, before or after they have entered into a processing stage, where they are intended for use as or in a product for human ingestion.

What are code numbers 2011 and 2013? Will the Senator clarify that?

Mr. TUNNEY. These are the same as are used in the President's order when he established the ceilings. I took the language of the President's order and applied it to this amendment, because this amendment is effective so long as the President's order is effective.

Mr. TALMADGE. Can the Senator tell me what that covers?

Suppose a citizen of Australia wanted to buy semen from this country to utilize to breed his livestock in Australia. Would the Senator's amendment prohibit the export of that semen?

Mr. TUNNEY. No; certainly not.

Mr. TALMADGE. Would it prevent the export of hides from this country to countries overseas?

Mr. TUNNEY. No.

Mr. TALMADGE. Would it prevent the export of offal products—I do not mean a-w-f-u-l; I mean o-f-f-a-l—for which we have a high demand overseas but no demand here?

Mr. TUNNEY. If it is for human ingestion. If it is not for human ingestion, no.

Mr. TALMADGE. I know there are livestock products for which there is

considerable demand in Europe and other countries, but very limited demand here. I certainly would not want to see any amendment that would prevent the export of a product for which there is a worldwide demand but a limited American demand.

Mr. TUNNEY. The amendment does not intend to do that. The amendment intends to protect American markets for those meat products consumed in this country which have been the subject of the President's order establishing a ceiling. It certainly is not intended to prohibit the export of such things as hides, semen or other items that the Senator from Georgia has mentioned.

Mr. TALMADGE. The committee has not had time, of course, to look carefully into the significance of the Senator's amendment. I do not know how it would affect any number of animal products for which there is a big demand overseas and a limited or no demand here.

I know there is a worldwide demand for breeding stock of some American animals, and there has been a vast increase in the quantities we send overseas.

I have a friend in my State who raises Charolais cattle, and he says there is a tremendous demand in Australia for Charolais cattle for breeding purposes. A great many of them are imported from France, but we have not taken advantage of the export market, and Charolais cattle for breeding purposes bring very high prices.

The Senator states that his amendment would not preclude the exportation of animals for breeding purposes. Is that correct? In reading the language of the amendment, it seems to me that it does, because it is a meat product that could be used for human ingestion.

Mr. TUNNEY. I can only say to the Senator that it was never the intention of the author of this amendment to prevent the export of breeding stock, but it seems to me clear that if there is a massive exportation of breeding stock where there had been little or no exportation before, it could be presumed by the President that perhaps this exportation was not for breeding but was for the purpose of the sale of meat for consumption.

The purpose of this amendment is to limit the export of meat for consumption, and it covers the same ground as the President's order establishing the ceiling.

I say to the distinguished chairman of the committee that it seems to me to be clear that where you have a ceiling based on the price of meat and where you have an expanding market in Europe and Japan, and where you have increased exports to Europe and Japan—I pointed out that U.S. pork exports to Japan tripled in the first 2 months of this year, and it appears that Japan has purchased almost as much pork just this month as was purchased all during last year—we just cannot help but create a pricing situation where some producers will expand their foreign sales. All the boycotts, whether one is for them or against them, are not going to have any impact whatever on the price of meat, because there is always going to be a market overseas. In only person who will be hurt is the American housewife.

It seems to me that by putting in language that prevents exports in excess of 1972 levels, you are protecting foreign export markets and heading off meat shortages and black markets.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. TUNNEY. I yield.

Mr. TALMADGE. We have covered this in a very limited way. I pointed out to the distinguished Senator that there is a tremendous demand for some animal products overseas and a limited demand here. The Senator would not want to impose a limitation on a market that exists overseas but which is limited in this country, I take it.

Mr. TUNNEY. I would not want to do that. By limiting exports to 1972 levels, I think we have covered that contingency. If there is a market in Europe or in Japan, it would be protected by the language that says exports may continue up to the 1972 level.

Mr. TALMADGE. One further question. Some of these animal byproducts, as the Senator knows, have medicinal value and other value, not for human consumption.

I take it the Senator's amendment would in no way limit exports of those items.

Mr. TUNNEY. The Senator is correct.

Mr. TALMADGE. I do not know what we do with pigs' hair in this country, but I know there is a tremendous market for it worldwide; brains are used for medicinal purposes; and other byproducts are used for various purposes.

The Senator's response is that his amendment would not apply to the export of those items or livestock for breeding purposes, but is limited exclusively where there is an edible product and there is a demand in this country as great as the supply.

Mr. TUNNEY. The Senator is correct.

Mr. TALMADGE. I thank the Senator for yielding.

Mr. CURTIS. Mr. President, I ask unanimous consent that Henry Casso be allowed the privilege of the floor during the debate and vote on S. 1021.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, I have no desire to continue the colloquy on the amendment unless some other Senator wishes to speak to it. I would like the yeas and nays, but I do not know if we have a sufficient number of Senators in the Chamber at the present time to request them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. TUNNEY. Maybe to be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I rise in opposition to the amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CURTIS. Mr. President, the amendment offered by the distinguished Senator from California involves many things. It relates to price control and it relates to ceilings. It very definitely involves our balance of payments; it very definitely involves our entire trade program. I do not believe that any step like this should be taken without hearings. I just do not believe that we will serve the consumers or producers or the general economy at all by the adoption of the amendment. Let us look at the facts.

In 1972 we exported 52 million pounds of beef. Mr. President, do you know how much we produced? We produced 23 billion pounds. While this amendment would raise havoc in administering, it would be a great disappointment to purchasing countries. It involves one-fourth of 1 percent of the production of this country.

This amendment could be agreed to and consumers could not find the slightest trace of it in the market, but at the same time there are a number of countries that are dependent upon meat products. Some of them are specialty products for which there is not a great deal of demand in other countries.

Yes, it is true that Japan is buying food products from the United States, but look at the great amount of purchases we are making from Japan. Our trade balances, our outflow of dollars, all of those problems are going to be greatly accentuated if we cut off the exporting of meat to Japan.

But even disregarding that, our production is so great in this country and our exports are so small that this could not possibly help the consumers.

Mr. President, I think it is time that the Senate commenced to consider the entire inflation problem. It is so easy to talk about food because everyone consumes food and only about 5 percent of the country produces it. How does it happen that there are no amendments here dealing with other things? Food has gone up by 43 percent since 1952. That is based upon a Department of Labor study. A market basket of food for a family in 1952 that cost $985 is now $1,409. During that same period the cost of a man's suit has gone up 87 percent, and from 1962 alone a set of tires has gone up 28 percent.

A pair of men's shoes costs 81 percent more than in 1952. Women's shoes have increased 94 percent since 1952. Your stay in a hospital is 371 percent higher than in 1952. It costs 97 percent more for automobile repairs than it did in 1952.

Now, why all of this descending upon a minority of the people whose income is only 80 percent of that of the nonfarm population? A lady's housedress that cost $5.94 in 1952 now costs $13.80. A man's suit that cost $43.60 in 1952 now costs $79.80. A pair of workshoes that cost $6.98 in 1952 now costs $14.30. Your

telephone bill has increased from $3.06 per month to $6.26.

Here is something that may be of interest to the ladies and gentlemen of the press. The newspaper subscription has increased from $8.50 to $17 per year—this is the average price and it includes all newspapers, weeklies and daily alike, and does not reflect home delivery costs we pay for our metropolitan dailies.

The household hammer that you paid $2.42 for in 1952 now costs $5.15. To have your car brakes relined is up from $17.10 in 1952 to $39.70.

We could go on and on. Food products, even at the retail level, and that is what we are talking about, have increased less than all these other things. But furthermore, we are not here to debate price controls or ceilings or foreign trade or quotas. There should be a hearing and those people who are responsible for keeping dollars in this country should have a chance to be heard. This is a narrow bill dealing only with the formula for reimbursing the States for meat inspection and it should not be cluttered with amendments.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Nebraska has said that this is no time to discuss price controls. I think it is a perfect time to discuss price controls because what has been done, in effect, is to put price controls on meat. I was interested in the figures the distinguished Senator has called to the attention of the Senate. I think I should emphasize again now what I did earlier today. It is that the first time that the beef industry approached the prices of 1951 was last year. In those intervening decades, the cost to the beef producer increased measurably.

The beef producer—the farmer in general—does not work an 8-hour day. He is a speculator. He is a gambler, because he has to take a chance on prices, take a chance on weather, and take chances on a lot of other circumstances that the ordinary person does not.

So I think we ought to try to keep our perspectives. I think the President made a most serious mistake.

Mr. CURTIS. Mr. President, I might say I agree with the Senator from Montana thoroughly. I think the ceiling placed on meat was an outrage. It will not help the consumer. It will beat down the prices to the farmer, the feeder, and the rancher. It is most unfair for them. We should treat everybody in the country alike. If prices are frozen or curtailed, it should be done across the board, including wages. I am not advocating that that be done, but certainly this was an injustice and it is not going to work. There is not a merchant in the United States who, if he wanted to resort to trickery, who could not violate the ceiling. All he has to do is label it "imported."

Mr. MANSFIELD. The foundation for a black market is being laid.

Mr. CURTIS. A black market is not necessary. How is one going to determine whether hamburger or any other meat that is all cut up is imported or not? There is no ceiling on imported meat, but there is on meat purchased from our farmers, who pay taxes and who fight in our wars, along with the other citizens.

Mr. MANSFIELD. I want to emphasize again that the farmer does not work an 8-hour day.

Mr. CURTIS. That is correct.

Mr. MANSFIELD. And I want to emphasize that it took 21 years, from 1951 to 1972, for the beef producer to reach the price last year that he had received 21 years ago, but his costs in the meantime had increased. He is a consumer, too. He pays taxes.

I think what we ought to do, if we can work out a system, is to treat the farm economy on the basis of the equality with the labor economy, and in that way the differential which exists today I think could be done away with, and perhaps the farmer would not have such a hard row to hoe.

Mr. CURTIS. I cannot quarrel with the distinguished Senator's position. However, the amendment before us would take away from the farmer, and from our economy generally, all increases in our meat export market. That will have a very injurious effect in the long run.

When we were unable to deliver wheat to various countries because of strikes and other problems, those countries turned elsewhere. We may have lost those markets for a long time because our supplies were not dependable. If we restrict the export of meat, we will be saying to foreign countries, "You cannot depend upon the United States as a consistent supplier."

The essence of this amendment would be to take away a potential market for American agriculture at a time when not only farm prices but food prices are below the price level of nonfood items.

I hope the amendment of the distinguished Senator from California will be defeated. I reserve the remainder of my time.

Mr. TUNNEY. Mr. President——

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing any of his time?

Mr. TUNNEY. I yield.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TUNNEY. I thank the distinguished leader.

Mr. President, I would like to make just a few additional points to my distinguished colleagues.

I feel very strongly that the Senator perhaps does not understand the thrust of this amendment. It is not disrupting foreign export markets at all. What it simply does is limit exports to 1972 levels and say that there is not going to be a windfall to the producer at the expense of the American housewife.

I have not been an advocate of price controls on raw agricultural commodities. I never have been, and I sincerely doubt that I will be. But the amendment I am offering simply says that the American housewife should not have to underwrite the sale of beef to the European and Japanese housewife.

I just want to refer to what Secretary Butz said just last week. He said that "Anyone who advocates food price controls is a damn fool." A few days later the President advocated a ceiling on meat prices. I wonder what kind of conversation the President and the Secretary of Agriculture had at the time the President announced to the Secretary that he was going to advocate a price control on beef.

The Senator from Nebraska suggested that one-fourth percent of the domestic production is exported. Actually, last year it was 1 percent, and this year it looks as though it will be 3 percent or more.

I would like to quote from the Supermarket Institute "Facts about the High Cost of Beef":

> Even a small increase in beef exports . . . obviously would cut into the supply available for domestic consumption. . . ."
>
> U.S. exports of beef, although relatively small, could increase due to devaluations of the dollar. The price is right, competitive with other beef-producing nations.
>
> To meet demand and thereby reduce prices to the consumer, a 10% increase in all meat supplies has been cited as necessary . . .

This is important:

> Rising standards of living in Western Europe, in Japan and in emerging nations have triggered heavy demands for beef that are outstripping world-wide production. . . . Japan boosted its orders of Australian beef by 50% . . . Due to droughts that will reduce production to the lowest level in a decade, prospects are bleak that Australia will be able to ease the supply situation here.

We have a similiar situation in Argentina, which is a major beef producer. So Argentina and Australia will not be able to supply the demands for beef in Western Europe and Japan, and these nations are already moving into our markets.

As I indicated, the Japanese have been buying pork at record levels, and in the first couple of months of this year they bought more than they did the entire last year.

To quote the Washington Post of March 25, 1973:

> The Japanese "have quietly placed a whopping order this month for some 20 million pounds of pork." That's nearly 17 times more pork than Japan ordered in January before devaluation.
>
> European food traders, to, are eager for U.S. bargains. The European Common Market is now dangling an offer to purchase 450,000 pounds of processed beef from U.S. meat houses.

Well, it just seems clear to me that there is going to be a substantial increase in the export of meats, and the American housewife is going to pay for it.

Since we have ceilings on domestic prices and no limits on exports, the outlook is clear: We will have a black market or, in the alternative, the ceilings will fall apart because of the fact that there is a shortage. If the ceilings fall apart, meat prices will shoot up and lead to greater inflation, which would have a severely adverse effect upon our balance of payments. We, in the Senate, know clearly that one of the major reasons for the trouble with our balances of trade and payments is the inflation that we have been having since 1965.

The Chair advises the Senator that all time of the Senator from California has expired. The Senator from Nebraska has 17 minutes remaining.

Mr. TALMADGE. Mr. President, if the distinguished Senator from California needs additional time, I will be glad to yield him 2 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mr. TUNNEY. Mr. President, I think the distinguished chairman of the committee for yielding me the time.

I would like to point out that hearings would delay action because, with the sharp increase in purchases in just the last few days, particularly since devaluation of the dollar, long-term commitments signed for sales abroad will be signed. Couple devaluation of the dollar with the President's ceilings and adding to that the long-term commitments abroad, it seems to me that a 2- or 3-month delay in imposing these export restrictions would render them valueless, or certainly not as valuable and productive as they would be if they were attached to the pending bill.

It seems to me that the time for action is now.

Mr. CURTIS. Mr. President, I yield 5 minutes to the distinguished chairman of the committee, the Senator from Georgia (Mr. TALMADGE).

The PRESIDING OFFICER. The Senator from Georgia is recognized for 5 minutes.

Mr. TALMADGE. Mr. President, the pending amendment was submitted without any advance notice to the Committee on Agriculture and Forestry. We have not as yet been able to ascertain the implications of the amendment. We do know that it affects our international relations and our trade relations. In some instances it may affect trade arrangements we have made with foreign powers. However, we do not know to what extent it affects those things.

It is a dangerous precedent to consider a proposal of such magnitude and importance on the Senate floor without ascertaining what the full effects may be.

The distinguished Senator from Alabama, the chairman of the Subcommittee on Agricultural Research and General Legislation, is on the floor. And he has stated that he is perfectly willing to have hearings on this matter at as early a date as possible so that we might explore the implications of the amendment and determine whether it should be submitted to the Senate for its consideration.

Everyone is concerned over all high prices at the present time, not only the high price of meat, but the high price of everything else. The distinguished Senator from Nebraska pointed out so vividly a few moments ago that the prices of many commodities in the country have accelerated much faster than the prices of meat in recent months. Yet the Senator from California makes no effort to attack that problem.

Let us see where we stand with relation to meat when it comes to trade with foreign countries. Last year we imported into this country 1,355,000,000 pounds of meat which ordinarily would be subject to quotas. During the same period, Mr. President, we exported 458,931,000 pounds of meat. In other words, we are importing about 3 times as much meat into the United States as we export. That was for the year 1972.

Let us see where we are dollarwise. Last year we exported about $203 million worth of meat to foreign countries. And that, Mr. President, was less than 1 percent of what meat products sold for here in the United States of America.

So, the amendment of the Senator deals with a very trivial, minute part of the meat costs at home. I doubt that it would have much effect on American products.

This year we will import into the United States 1,450,000,000 pounds of meat which would be subject to quotas. And that is against exports last year of about 458 million pounds of meat. So, we will import this year more than three times as many pounds of meat as we exported last year.

Mr. TUNNEY. Mr. President, if the Senator will yield, is the Senator saying he feels that this year we will be importing three times as much as we will export?

Mr. TALMADGE. The Senator is correct. I hold in my hand a release from the U.S. Department of Agriculture under date of March 30. It says:

> Secretary Earl L. Butz announced today that in calendar year 1973, the import of meats subject to the meat export law is an estimated 1,450,000,000 pounds.

Mr. TUNNEY. Mr. President what was the estimate of exports that the Department of Agriculture gave?

Mr. TALMADGE. I can give the Senator the exports only for the year 1972. That is all that we have available at this time. It was 458,931,000 pounds.

Mr. TUNNEY. Mr. President, I would remind the distinguished chairman of the Committee on Agriculture and Forestry that the whole point is that exports are going up dramatically this year. Japan has suddenly moved into the marketplace. They cannot get meat from Australia or Argentina.

Mr. TALMADGE. The meat products coming into this country are coming from Australia and New Zealand.

Mr. President, to sum up, this is a matter which should be studied carefully by the Committee on Agriculture and Forestry. If the Senator will submit his amendment to that committee, the Senator from Alabama (Mr. ALLEN) will hold substantial hearings and we will go into the matter of what products are involved and see what is involved in foreign affairs, dollar exchange, and all the manifold problems that remain to be solved, problems which we cannot solve in 1 hour on the Senate floor.

Mr. President, I yield the floor.

Mr. CURTIS. Mr. President, I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. BELLMON. Mr. President, I thank the distinguished Senator from Nebraska.

Mr. President, this amendment troubles me more than anything I have seen proposed on the Senate floor for a long time. One of the great problems in American agriculture is that land has been kept out of production because it is not needed for the production of commodities which can be marketed in this country or abroad. This is done at a cost of some $4.5 billion to the American Treasury. Most of that land could and probably very likely would be utilized in the production of beef and other forms of meat if the demand for those products existed.

The fact is, Mr. President, that at the present time the Japanese are showing a very real interest in the purchase of meat, primarily beef, from this country. Japan is a highly prosperous nation and is a very populous nation. So, potentially Japan alone could be a market for all the meat that could be produced on the many millions of acres of farmland that are presently being kept out of production at a heavy cost to the American Treasury.

For us to take action today that would perhaps interrupt or permanent destroy the potential market for meat in Japan would be extremely short-sighted action that could conceivably cost the American taxpayer and the American consumer huge sums of money for a long time to come.

Mr. CURTIS. Mr. President, will the Senator from Oklahoma yield at that point?

Mr. BELLMON. I yield.

Mr. CURTIS. Is it not true that when we have had transportation difficulties in respect to some agricultural products, and the supply has been interrupted, various countries have not been able to buy all they wanted for the immediate future and have in some instances turned to other countries in an attempt to establish a permanent price arrangement to supply their needs?

Mr. BELLMON. The Senator is absolutely correct. There is a greater problem than I think those of us in this country understand. The Japanese, who live on densely populated islands, have to plan to import food to keep their people alive, and are sometimes more concerned with the reliability of their suppliers than they are with price. Since they are concerned, they have come here and established a market for meat. If they use us as a source for meat, and we take action to terminate their supply at any given time, they will no longer use us as a supplier.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. TUNNEY. This amendment does not prevent the exportation of meat. It merely limits the amount we may export.

Mr. BELLMON. There was virtually no meat exported in 1972. Some very small calves were exported from this country to Japan, whose industry is in its infancy. If we take action to destroy it, we are going to destroy that commerce.

Mr. TUNNEY. I misunderstood the Senator. I thought he said we were dis-

rupting established markets. This amendment does not disrupt established markets. It prevents the development of new foreign markets when we have a critical shortage of beef in this country.

Mr. BELLMON. The Senator's amendment would have the effect that if at any time, for political reasons, the Japanese came here and got meat and raised their people's appetites for it, and then we shut off our exports of meat to Japan, they would be in deep trouble. Several years ago the American beef producers tried to establish a commercial beef business in Japan. At that time, the Japanese were totally disinterested. However, the business was carried on in Korea with great success. Since that time, Japan has seen the error of its ways. They have gone to Korea and seen the program, and last year they allowed a certain number of their cattle to be sent there.

The beef cattle produced in this country went up 4 million head at the beginning of 1972, to 118 million, and at the end of the year it was 122 million head. These cattle are going to market, and probably we will have an oversupply of beef, just as we have had in past years, at the end of a price spiral.

Mr. TUNNEY. If the President will take the ceiling off prices, my amendment would terminate, because it is geared into what the President does. I remind the distinguished Senator from Oklahoma that the Export Administration Act of 1969 says very clearly:

> To the extent necessary to protect the domestic economy from the excess of drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand.

Also, article XX of the General Agreement on Tariffs and Trades, the basic document of international law governing law between nations, provides that a nation may suspend or restrict the export of a commodity when that commodity is in short domestic supply.

It is not going to violate any treaty to do what I propose. We are simply saying that we cannot have increases in exports if they are going to create scarcity in this country.

Mr. BELLMON. The level of exports would not in any way affect the domestic supply of meat. It is such a small part of a trade that is in its infancy that the effect would be infinitesimally small.

Mr. CURTIS. It is small so far as out consumers are concerned, but it is great insofar as its potential in the dollar balance and in the interest of our entire economy, as well as our agriculture, are concerned.

Mr. BELLMON. That is correct. It is tremendously important. We have 60 million acres of land we are trying to keep out of production.

I consider the amendment to be extremely shortsighted. I strongly urge that it be defeated.

Mr. TUNNEY. I should like to know how the Senator feels about the ceiling the President has imposed on meat prices.

Mr. BELLMON. Contrary to some of the statements that have been made by other Senators, I believe there was some justification for his action. The problem is the result of an almost runaway demand for meat. We are going to have some extremely unreal price relationships in the meat-producing area. I believe the net result of what the President has done will bring some stability to the meat industry which will keep producers from losing their customers and will bring about an ultimate decline in meat prices. I am not one of those who believe that the President was greatly mistaken.

Mr. TUNNEY. My feeling is that the President's ceiling is flexible. In addition, it would create a stabilized price for the consumer.

Mr. BELLMON. The amendment would have virtually no effect on prices in this country, but it would have a potential effect on prices in this country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. I yield the Senator 1 more minute.

Mr. BELLMON. The net result will be that we would say to the Japanese, regardless of their needs, that we are going to cut off their supplies any time it serves our purposes.

Mr. CURTIS. Mr. President, I yield 5 minutes on the bill to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I thank the distinguished Senator from Nebraska for yielding me time.

Let me say to the Senator from California, the sponsor of this amendment, that I think enough time has gone by since Thursday night to make us aware that the President's action is directed very much to the psychology of inflation which exists in the country today.

If he sought to placate those in the labor movement, many of whom are coming into great contracts this year, I do not think he has done so. If he sought to stymie, as some have suggested the housewives' boycott, I think that he will not be successful. If he sought to influence the judgment of Congress in writing in the other body a new extension of the Economic Stabilization Act, I think the rhetoric there, in the House indicates that will not be the final result. I think that by and large what was attempted here was to do something about the public psychology which states buy now, because tomorrow prices are going to be very much higher.

It works both ways. I am not in the livestock business; I am an attorney. When I talk to my constituents, I listen, and for a very good reason. They know so much more about it than I do.

What we have here, Mr. President, is a ceiling, not only on the producer, but on the processor, the wholesaler, and the retailer.

We also have a proposal by the President to give him the authority to eliminate tariff arrangements, so that the quotas are gone. We have imported meat and these are under ceilings as before. We have all of these pressures on the producer now.

Let me say at this point that I understand the Senator's amendment. He is seeking to make export quotas the same as last year but last year, I believe we exported only 1 percent of beef of our total production. And last year, we exported only one-half of 1 percent of our pork.

The Senator is right. The press carried stories that the Japanese have asked for more pork in the last month than they did all last year. The Canadians have knocked down their quotas and tariffs, and I understand that Switzerland, an exporting nation, for the first time is seeking to import.

But once the price comes down in the market, you cannot expect it to keep coming down by placing barrier on barrier on barrier on the producer, even if it were justified, because he feels that he is being singled out today. There are no ceilings on the cost of beef production today. So I suggest to the Senator that he would open up export markets and close them down, and then open them up again and close them down.

While I agree with a great deal of what the Senator from California had to say, I most respectfully suggest to him that his amndment would have a detrimental effect if we are going really to do what the Secretary of Agriculture and the President are apparently attempting to do; that is, to bring supply to the point where we can satisfy the demand in this country.

For all these reasons, I would hope that the amendment will be rejected.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally charged against the time on the bill.

The PRESIDING OFFICER (Mr. McCLURE). Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. TUNNEY. Mr. President, I am prepared to vote. I do not have any time.

The PRESIDING OFFICER. Does the Senator from Nebraska yield back his time?

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes.

Mr. CURTIS. I will use it. [Laughter.]

Mr. President, it is understandable that from certain quarters it would be urged we curtail and limit any future export business with reference to meat. It is quite well established that this would not help the consumer alone. In the first place, it is less than 1 percent of our production. Nonfood costs are rising so rapidly, far greater than food costs, so that the consumer will never get any benefit from it.

I might suggest to those who are greatly concerned about the cost of food,

whose prices do they think will be reduced?

Do they think that the rent paid by the supermarket will be reduced? Do they believe that the labor costs paid by the supermarket will be reduced? Do they believe that the insurance and the utilities paid by the supermarket will come down?

Do the people who are so alarmed about food costs believe that the social security tax costs paid by the supermarket would be reduced?

They will be increased.

This is a direct attack on the people who produce food, the only place that can absorb any reduction in cost, and those people only share in income 80 percent of the amount that nonfarm people receive.

As I said a bit ago, if we want to serve the consumer, why not do something about nonfood costs?

Food has gone up 43 percent since 1952.

The PRESIDING OFFICER. All time of the Senator has now expired.

Mr. CURTIS. A suit of clothes for a man has gone up 87 percent——

The PRESIDING OFFICER. All time of the Senator from Nebraska has expired.

Mr. CURTIS. Mr. President, I yield the floor.

The PRESIDING OFFICER. All time on this amendment has now expired.

The question is on agreeing to the amendment of the Senator from California (Mr. TUNNEY).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from West Virginia (Mr. RANDOLPH), are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL), and the Senator from Rhode Island (Mr. PELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Washington (Mr. JACKSON), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from New Mexico (Mr. DOMENICI), the Senators from New York (Mr. JAVITS and Mr. BUCKLEY), the Senator from Maryland (Mr. MATHIAS), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

The Senator from Vermont (Mr. AIKEN), the Senator from Arizona (Mr. GOLDWATER), and the Senator from North Carolina (Mr. HELMS) are detained on official business.

If present and voting, the Senator from South Carolina (Mr. THURMOND) and the Senator from Arizona (Mr. GOLDWATER) would each vote "nay."

The result was announced—yeas 8, nays 61, as follows:

[No. 71 Leg.]

YEAS—8

Johnston	Muskie	Tunney
Kennedy	Pastore	Williams
McIntyre	Ribicoff	

NAYS—61

Abourezk	Dominick	Nelson
Allen	Eagleton	Nunn
Baker	Ervin	Packwood
Bartlett	Fong	Pearson
Beall	Fulbright	Percy
Bellmon	Griffin	Proxmire
Bennett	Gurney	Roth
Bentsen	Hansen	Saxbe
Bible	Hartke	Schweiker
Burdick	Hatfield	Scott, Pa.
Byrd, Harry F., Jr.	Hruska	Scott, Va.
	Hughes	Sparkman
Byrd, Robert C.	Long	Stafford
Case	Magnuson	Stevens
Chiles	Mansfield	Stevenson
Church	McClellan	Symington
Clark	McClure	Taft
Cook	McGee	Talmadge
Cotton	Metcalf	Weicker
Curtis	Montoya	Young
Dole	Moss	

NOT VOTING—31

Aiken	Goldwater	Javits
Bayh	Gravel	Mathias
Biden	Hart	McGovern
Brock	Haskell	Mondale
Brooke	Hathaway	Pell
Buckley	Helms	Randolph
Cannon	Hollings	Stennis
Cranston	Huddleston	Thurmond
Domenici	Humphrey	Tower
Eastland	Inouye	
Fannin	Jackson	

So Mr. TUNNEY's amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, order to be printed in the RECORD, is as follows:

On page 2, strike out lines 17 and 18 and insert in lieu thereof the following:

SEC. 4. The Economic Stabilization Act of 1970 is amended by inserting after section 203 the following new section:

"§ 203A. Rollback of raw agricultural commodity prices

"Immediately following the enactment of this section, the President shall issue an order stabilizing the prices of raw agricultural commodities at levels not greater than the highest levels prevailing for any such commodity on January 2, 1973.

"If no transactions occurred involving the sale of any such commodity the level established under this section shall be the highest applicable level on the nearest previous date in which such transactions did occur. As used in this section, the term 'raw agricultural commodities' means commodities (including livestock to be slaughtered) which are used for human and animal consumption."

SEC. 5. The amendments made by the first three sections of this Act shall become effective beginning with the fiscal year which begins July 1, 1973.

Mr. CURTIS. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RIBICOFF. I am pleased to yield to the majority leader.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I would like to make a unanimous-consent request to the effect that there be a one-half hour limitation on all amendments from now on, with the time to be equally divided between the sponsor of the amendment and the manager of the bill or whomever he may designate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, this amendment freezes the price of all raw agricultural food products including meat, fish, grains, vegetables and fruits prevailing for such commodity on Jan. 2, 1973.

The need for this legislation is obvious. The price of almost all food is skyrocketing and most Americans are finding it increasingly difficult to afford their usual purchases at the grocery store.

Most housewives have known for months that food prices have gotten out of control. Congress, however, refuses to officially recognize the problem and is either relying on consumer pressures or Presidential decrees for a solution.

We are now experiencing the most serious inflation in food prices since the Korean war. In January and February, for example, retail grocery prices jumped at an annual rate averaging over 28 percent. Prices of meat, poultry and fish soared even higher almost reaching an

annual rate of 50 percent. In fact, the increase in those first 2 months of this year almost equaled the entire increase for 1972.

The fundamental reason for these dramatic increases is that the administration's economic stabilization program has never placed controls on the price of raw agricultural food products. Wholesalers and retailers are restricted, but have been forced to pass along increase after increase in the cost of raw products from the farmers to the consumers.

The farming community which used to complain that it received only a small portion of the American food budget now accounts for almost 43 cents of every dollar spent at the market. Statistics reveal that 83 percent of the higher January food costs were attributable to farmers and ranchers.

According to the Agriculture Department, uncontrolled farm product prices, as of January 15, 1973, were 21 percent higher than a year before, even though the prices paid by farmers for commodities, equipment, wages, interest, and taxes had gone up only 9 percent. The 7.6-percent increase in retail food prices during the same period, was only possible because the other links in the food chain—processors, wholesalers, and retailers—absorbed much of the farm-fed inflation.

The evidence is clear that this inflation will not be brought under control until all the prices from farm to market are restricted. During last month's debate on the extension of the Economic Stabilization Act, I offered a similar amendment to the one before us now, but it was defeated.

Unfortunately, for America's consumer Mr. Nixon is unwilling to take the steps necessary to curb further food price rises.

On March 24 he did appear to "throw a bone" to angry shoppers by placing a ceiling on the price of beef, pork, and lamb. It did not take those shoppers long to realize that there was little meat on that bone. As a result, the planned nationwide boycott of meat will take place this week as scheduled.

During his television address the President failed to mention that the ceiling was being imposed at a time where the prices of beef, pork, and lamb were at or near record levels. The day after his speech, the Agriculture Department revealed that prices "on the hoof" climbed by more than 9 percent in the 1 month ending March 15.

Because the President failed to place a ceiling on "on the hoof" prices, there is no guarantee that price will retreat one penny. Instead the farmers and ranchers will continue to charge wholesalers and processors inflated prices.

News reports from the meat industry reveal the belief that unless the prices of live cattle, hogs, and sheep are also brought under control, we can soon expect shortage in popular cuts and slowdowns in packing plant production.

Beef, lamb, and pork are not, however, the only items in the national shopping basket. The costs of almost every food item from poultry and fish to fruits and vegetables are also rising rapidly. Until these costs are also frozen the consumer will find no lasting relief.

The amendment I offer today would fill the gaps in the administration's program by limiting the price of all agricultural food products to the prices charged on January 2, 1973.

Sooner or later this will have to be done. The longer the Congress and the President hesitate, the more damage will be done to our consumers and the entire economy.

Treasury Secretary Schultz has already admitted that the limited action taken by the President should have been taken 2 months ago before the sharp upturn in prices took place. We can correct that and other mistakes by passing this amendment.

Congress decision on food prices may be the most important in the entire anti-inflationary fight.

The AFL–CIO has already gone on record to say that unless the accelerating inflation is curbed it cannot be expected to adhere to the 5.5 percent wage rise guidelines. The working men and women may be forced by Presidential and congressional inaction to demand significantly larger wage boosts when their contracts come up for renewal this year.

Despite Agriculture Secretary Butz's prediction that the ceiling will be lifted by late summer most observers see no end in sight to the present trend.

It is, therefore, our responsibility to act quickly and affirmatively.

The housewives of this country are letting their voices be heard loud and clear. The question is, Is the Senate of the United States listening to what is happening throughout the country? We have failed to take the lead. Will we also now fail to listen to the overwhelming number of housewives of this country?

Despite the arguments made about the small farmer, the figures are to the contrary. Nineteen percent of the U.S. farmers raise over 75 percent of all our agricultural products, and 7 percent of the Nation's ranchers raise 80 percent of the Nation's beef.

What we have in our country today is large agribusinesses which dominate the industry. These are the people who are benefiting from fantastic profits such as agriculture never has had before, and the rest of our economy is suffering.

Under the circumstances, Mr. President, I would hope that the Senate would consider the housewives of America and recognize the overwhelming revolt that is going on in this country today, and take the leadership in giving relief to those people who have to feed their families but find that their paycheck is insufficient to cover the cost of the market basket.

The PRESIDING OFFICER. Who yields time?

The Senator from Nebraska controls the time in opposition.

Mr. TALMADGE. Mr. President, will the Senator yield me 5 minutes?

Mr. CURTIS. I yield 5 minutes to the distinguished Senator from Georgia.

Mr. TALMADGE. Mr. President, this is the identical issue we dealt with when the Senate had before it the economic stabilization bill, and the Senator's amendment, when he proposed it at that time, received nine votes.

We are all concerned about the prices of commodities, not just food, but everything. Many items have increased in price far greater than food, and the Senator's amendment ignores that fact.

I want to give the Senate some statistics. One of the most overlooked aspects of this situation is that the average American has more disposable income now than at any time in the past. Americans want more and better food. They are spending more for it. They are increasing the demand. So in effect they are themselves spending and demanding the country into rising food prices.

For example, since 1965, when the inflationary spiral began, per capita disposable income has risen 62 percent. Food prices have gone up half as much, only 33 percent. There is more buying power because of increased incomes, and more people in families are holding jobs. The employment of women from 1965 to 1972 went up 24 percent, that of teen agers went up 32 percent.

With rising domestic demand and increased foreign demand—again, because of increased affluence—the wonder of it all is that American agriculture, through ingenuity and ability, has been able to produce enough to come anywhere near meeting the demand of the United States and most of the world, and has thereby been able to keep prices from going up even more.

American food is still the best buy in the world. The U.S. consumer spends only 17.6 percent for food. In Canada it is about 20 percent. In Western Europe it is up to 30 percent. In Eastern Europe it is up to 54 percent. In other nations, it is as high as 60 percent.

If we really want to do something about prices and inflation, everything ought to be included, but what the Senator's amendment does is choose one item that is absolutely incapable of control. For instance, the Senator would set the price of lettuce at whatever it was on January 2, 1973.

Will the Senator tell me what the price of lettuce was on that date?

Mr. RIBICOFF. May I say I do not have that figure at the present time.

Mr. TALMADGE. Is it the Senator's intention to predicate that figure on what the price of lettuce was in California, Oregon, or New York City on that date?

Mr. RIBICOFF. It would be predicated on whatever the January 2, 1973, price of lettuce was at the place where lettuce was sold.

Mr. TALMADGE. The Senator knows that the price of lettuce is dependent on freight rates, shipping rates, as well as other factors. He should know that the price of lettuce varies from day to day and area to area, depending on where the lettuce is transported.

Will the Senator tell me what the price of peaches was on January 2?

Mr. RIBICOFF. Well, I do not know where one would buy peaches on January 2d. If they were not being sold on that day, we would have to go back to the nearest previous day when they were sold.

Mr. TALMADGE. As the Senator knows, fresh domestic peaches are not available on that date. What the Senator's amendment would do would be to freeze the price of peaches as of January 2, 1973, to the price of peaches which may have been imported on that date, and for all I know, they might have cost a dollar if they were imported from some tropical country and were made available in the United States. The Senator's amendment would freeze the price of peaches at whatever level the consumer had to pay for the imported peach as of January 2, 1973.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to my distinguished colleague, the ranking minority member of the committee.

Mr. CURTIS. Is it not true that the sale of livestock is priced according to the grade and quality that is established by inspection?

Mr. TALMADGE. The Senator is entirely correct. I want to point out that in my State of Georgia we have 25 or 30 livestock markets, and the price at Moultrie might be much different than at Thomasville. The Senator's amendment would freeze the price at two different points right in the State of Georgia, only 20 miles apart, and no one in the world could tell what was happening there. How could it be enforced without having a separate ceiling for every livestock market? There would have to be a ceiling for every livestock auction market effective January 2, 1973.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Will the Senator yield me 2 minutes?

Mr. CURTIS. I yield 3 minutes to the Senator.

Mr. TALMADGE. The Senator knows the price of livestock in various sections of the country will vary. It will vary depending on grade and quality of the livestock, destination, market, and shipping point. Milk varies in price throughout the United States of America. Eggs vary in price throughout the United States of America. Perishable commodities vary tremendously. We might have a commodity that would be at very low cost in Florida, but the same commodity may be very high in New York. That shows how ludicrous it would be to try to freeze the price of something that is completely perishable, located in a particular area, and which price is unable to be frozen.

We had a freeze on agricultural commodity prices in the past. We remember the OPA days. We remember World War II days. We remember the Korean war days. The net effect of that regulation was to dry up food markets. Commodities were not available, and it made bootleggers out of some of our farmers.

Mr. COOK. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. COOK. Is it not also true that if ceilings are set at different prices in different locations, the farmer will try, to the best of his ability, to ship to the higher priced market, and deprive the lower price market of that respective commodity? In other words, if the price of lettuce is high at one or three or four places, the farmer will try, to the best of his ability, to ship to those markets and deny that commodity to other markets that have a lower price?

Mr. TALMADGE. The Senator is correct. On January 2, 1973, some of the market prices probably were fantastically low. They might have been below the cost of production.

I yield to the distinguished Senator from Connecticut.

Mr. RIBICOFF. Mr. President, the Senator is saying something similar to the statement made by the Secretary of Agriculture a few weeks ago.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RIBICOFF. That statement was to the effect that anyone who asked for price controls on food was a damn fool.

Mr. TALMADGE. Mr. President, I yielded for a question. If the Senator wants to make a speech, he will have to yield on his own time.

Mr. RIBICOFF. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Connecticut has 8 minutes remaining.

Mr. RIBICOFF. Mr. President, I will speak on my own time.

Secretary of Agriculture Butz made a statement a few weeks ago that anyone who asked for price controls on food was a damn fool. Yet, last week the President——

Mr. TALMADGE. I did not say that.

Mr. RIBICOFF. No. The Secretary of Agriculture said that.

Then, after the President came out with a partial freeze on meat, Secretary Butz hedged on his statement. That, of course, is the type of argument made today without any such language being leveled by my distinguished friend against any other Senators. However, the fact remains that farm products are at record prices with no end in sight.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article and tabulation published in the Wall Street Journal of today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM PRICES CONTINUED TO SURGE DURING MONTH THAT ENDED MARCH 15—SIZABLE JUMP IN LIVESTOCK PRICES HELPED BOOST INDEX TO HIGH OF 405, UP 33 PERCENT FROM YEAR BEFORE

WASHINGTON.—Confirming facts evident for some weeks at the supermarket meat counter, the Agriculture Department reported that farm prices continued to boom in the month ended March 15.

Propelled by another big advance in livestock prices, the index of all prices received by farmers jumped a record 7% in the latest month, reaching a high of 405, compared with the previous record of 379 in mid-February. The March 15 figure stood 33% above the year-earlier level.

The index of prices received for livestock advanced 9% for the second month in a row, and was 43% above March 1972. Beef cattle set a record at $43.60 per hundredweight in the latest period, up $3.10 from the previous record a month earlier. Calves moved to an average $58.20 per hundredweight, up $5.70 from the prior February high, and hogs jumped to $38.30, $4.10 above the month-earlier record.

Other contributors to the gain in the general farm price index included soybeans, eggs, cotton, broilers, onions and potatoes. Soybeans boomed to $6.05 per bushel, up 56 cents from the mid-February record, and $2.85 above the year-earlier figure.

Because of the continuing farm boom, department economists raised their forecast of 1973 net farm income to a record $21 billion. Previously, they'd been expecting a slight drop from the record 1972 figure of $19.2 billion.

The department's top economist, Don Paarlberg, said a sampling of farm prices subsequent to the March 15 cut-off for the latest formal report indicates that the overall farm price index slipped about 3.5% in the final two weeks of March. However, Mr. Paarlberg called the present price situation too fluid to predict that the index will remain down for the full month ending April 15.

Inflation pushed farming costs up another 1.5% in the latest month. But the much stronger farm price rise offset this increase, boosting the farm parity ratio to 86, compared with 82 in February and 72 in March 1972. The parity ratio, a closely watched indicator of how well off farmers are in relation to the rest of the economy, is derived from a formula that relates farm prices to farm costs and compares both with a 1910–14 base period.

The adjusted parity ratio, which takes federal subsidy payments into account, advanced to 89 in the latest month from 85 in February. It stood at 77 a year before.

Prices received by farmers for their principal crops compare as follows:

	March 1973	February 1973	March 1972
Wheat, per bushel	2.06	1.97	1.34
Rye, per bushel	.95	.979	.825
Rice, rough, per hundredweight	7.98	7.95	5.60
Oats, per bushel	.771	.776	.638
Corn, per bushel	1.37	1.35	1.10
Barley, per bushel	1.31	1.34	.983
Sorghum grain, per hundredweight	2.60	2.60	1.87
Hay, baled, per ton	35.40	35.40	29.00
Cotton, per pound	.2624	.2355	.2760
Cottonseed, per ton	53.80	51.90	55.90
Soybeans, per bushel	6.05	5.49	3.20
Peanuts, per pound			
Flaxseed, per bushel	4.38	4.15	2.44
Potatoes, per hundredweight	3.86	3.24	1.83
Hogs, per hundredweight	38.30	34.20	23.30
Beef cattle, per hundredweight	43.60	40.50	32.40
Calves, per hundredweight	58.20	52.50	41.70
Sheep, per hundredweight	11.80	10.40	6.78
Lambs, per hundredweight	39.50	34.90	28.20
Butterfat, per pound	.662	.691	.696
Milk, wholesale, per hundredweight	6.50	6.56	6.01
Broilers, live, per pound	.233	.194	.145
Turkeys, live, per pound	.284	.243	.226
Eggs, per dozen	.472	.425	.320
Wool, per pound	.972	.747	.240

HOW NEW YORK AREA MEAT PRICES HAVE RISEN TO PRESENT CEILINGS

[In cents per pound]

	Price range last week	Increase since previous week	Increase since Jan. 1	Increase since freeze of August 1971
Beef:				
Porterhouse steak	175–229	0	10–20	20–30
Sirloin steak	159–199	0	10–20	20–30
Round steak	189–259	0	30–44	30–60
Chuck steak	89–119	0	20	20–24
Boneless chuck roast	129–159	0	20	30–40
Ground chuck	99–119	0	10–14	20
Pork:				
Loin roast, rib end	89–119	0	20	30–40
Loin roast, loin end	99–119	0	20	24–40
Loin chops, center cut	159–199	0	20	40–50
Shoulder chops	89–129	0	10–20	20–40
Shoulder calis, smoked	79–99	0	20	20–30
Veal:				
Rib chops	199–259	0	20	60–80
Shoulder chops	169–209	0	20–30	20–50
Cutlets, leg	349–419	20	30–44	80–90
Lamb:				
Shoulder chops	159–189	0	24–30	30–40
Leg, oven ready	109–139	0	10–20	14–24

Source: New York State Department of Agriculture and Markets. Prices are for the New York City area (the 5 boroughs, Long Island, and parts of Westchester and northern New Jersey) and are those charged by the larger supermarket chains and by a selected sample of independen stores, and verified by State market analysts.

Mr. RIBICOFF. Mr. President, the headline of this article in the Wall Street Journal of today is:

Farm prices continued to surge during month that ended March 15. Sizable jump in livestock prices helped boost index to high of 405, up 33 percent from year before.

The article states in part:

Propelled by another big advance in livestock prices, the index of all prices received by farmers jumped a record 7 percent in the latest month, reaching a high of 405, compared with the previous record of 379 in mid-February. The March 15 figure stood 33 percent above the year-earlier level.

We can use all of the arguments that we have at our command. However, if we can have a freeze on all prices and expect the people to live in accordance with that, we can expect to freeze the prices on agricultural prices as well. We might as well throw the whole Economic Stabilization Act out of the window if we do not freeze the price of food.

The Senator from Georgia makes the statement that what we are trying to do is to put a freeze on food, but not on other commodities.

A few weeks ago Senator from Wisconsin offered an amendment to have a freeze on all items under the Economic Stabilization Act. The Senate voted that amendment down. I would be pleased if the Senators opposing my amendment would support a similar amendment today.

The American housewife can no longer go to the marketplace and feed her family on her husband's pay check. We had better wake up to the emotion sweeping this country. People will not stand idly by while the argument is made that the freeze is being placed on the price of lettuce or peaches when the people know that they cannot afford to buy meat and that pretty soon they will not be able to afford to buy fish or anything else.

We will find that the AFL–CIO will not stand by with a 5.5-percent increase in pay when they know that the people in this country cannot feed their families.

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nebraska has 7 minutes remaining on the amendment.

Mr. CURTIS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. CURTIS. Mr. President, I rise in opposition to this amendment that would place a ceiling on raw agricultural products. I know that the distinguished Senator who offered the amendment means no injustice. However, if this amendment were to become law, it would be most unjust. It would start out with a system of rigid controls against that segment of our population whose income is 80 percent of what the nonfarm people receive. Furthermore, it would be without definitions and without any adjustment geographically. Prices would be frozen as of January 2.

I want to call to the attention of the Senate just what that would mean in the State which I have the honor in part to represent. We have the most serious breakdown in transportation in the history of the United States.

Mr. President, I have recently sent a questionnaire to every grain elevator in the State of Nebraska. Hundreds of replies have come back. The first question on the questionnaire is, "Are you buying grain?"

Close to 40 percent answer "No." Others answer with a qualified yes and say that they buy small amounts if they can ship it out by truck.

If there is no market, the price is zero.

That situation arose last fall. It has reached its peak early in January. As a matter of fact, it was in January when the Committee on Agriculture and Forestry voted to hold hearings on the transportation crisis.

In spite of the sales of wheat to Russia, the transportation crisis is such that the price of wheat is down by 60 cents a bushel.

Mr. President, why should we pick out a group of people just because they constitute a minority? Five percent of the voters of the country are farmers. How come nothing is said about rolling back wages? How come there is such silence in the Chamber about a rollback in the price of other items?

I mentioned awhile ago that the household hammer cost $2.42 in 1952. It now costs $5.15.

How come nothing is said about rolling back the cost of a man's suit of clothes, that has gone up 87 percent since 1952, while the price of food has gone up 43 percent?

How come there is such silence in the Chamber about a rollback in the price of women's shoes that has gone up 94 percent since 1952?

Mr. President, we have a totally unworkable proposal to establish prices on all raw agricultural products, including live animals that are sold according to grade and quality.

I hope that the Government in anything it undertakes will always undertake to do justice. The only way in which we can do justice in such a situation would be to grade every animal before it is offered for sale. It is a totally unworkable proposal. It would not result in a reduction of 5 cents in the price of groceries for a year, because we could enact this measure and it would not stop wage increases. It would not stop profits. It would not stop the social security increase for which Congress voted. It would not stop any of these other things that add to the cost of business.

Mr. President, the pending amendment is not only unworkable, but it is also unjust. It would result in no benefit whatever to the consumer.

I said earlier today that a retailer could sell his meat for any price he wanted under the existing order. All he has to do is to label it "imported meat," because the ceiling is placed upon a product if it was produced in this country; but if it is imported, it sells without any ceiling at all.

Again, I question the workability of the amendment. I question the justice involved. If we are concerned about inflation, let us do something about the causes of inflation. I think we are facing a grave national emergency, but I think it started in this Chamber with the abandonment of all restraint on Government spending, with the abandonment of all restraint on deficit spending, with the abandonment of any idea of restraining the expansion of Government.

We have created a situation not only in this country, but all around the world, in which people are commencing to doubt the financial stability of Uncle Sam. They have commenced to doubt the value of his money. Let us not try to fool the people by saying that an unworkable freeze will solve the problem.

The PRESIDING OFFICER. The Senator from Connecticut has 4 minutes remaining. Does the Senator desire to use his time?

Mr. RIBICOFF. I am pleased to yield back my time.

Mr. GRIFFIN. Mr. President, is an amendment to the amendment in order?

The PRESIDING OFFICER. An amendment to the amendment is in order.

Mr. GRIFFIN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Perfecting amendment by Mr. GRIFFIN to the amendment of Mr. RIBICOFF:

In section 203A as proposed, after the words "prices of raw agricultural commodities at levels not greater than the highest levels prevailing for any such commodity on January 2, 1973" add the words: "and stabilizing all wage rates at levels not higher than those prevailing on the same date."

Mr. GRIFFIN. Mr. President, it seems rather obvious that this is a very lopsided affair, as it has been offered. When President Nixon issued his freeze last August, it was not a freeze on prices alone; it was a freeze on prices and wages. I think that it would be rather ridiculous to debate proposed legislation which would actually roll wages back to what they were in January 1973. Yet I think that is what we ought to try to do if we are going to roll prices back across the board. So I think that appealing as is the amendment offered by the Senator from Connecticut, as nice as it sounds in the interests of consumers, it is unrealistic and should not be adopted.

Mr. President, I do not ask for a vote on my amendment. I withdraw it and hope that it will demonstrate the reasons why I shall vote against the Ribicoff amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, this amendment now offered follows a ceiling justly introduced by the President on the prices of meat which have run away, hence the freeze in this amendment would adversely affect pricing of other raw agricultural products which have not run away—or like feed grains which are too high already, as they impact meat, milk and poultry production, would tend to keep them at these high levels. For these reasons, at this time, my vote must be against this amendment.

The question is on agreeing to the amendment offered by the Senator from Connecticut (Mr. RIBICOFF). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) and the Senator from Colorado (Mr. HASKELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from South Dakota (Mr. MCGOVERN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from New Mexico (Mr. DOMENICI), the Senators from New York (Mr. JAVITS and Mr. BUCKLEY), the Senator from Maryland (Mr. MATHIAS), the Senator from South Carolina (Mr. THURMOND) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from South Carolina (Mr. THURMOND) and the Senator from Arizona (Mr. GOLDWATER) would each vote "nay."

The result was announced—yeas 5, nays 67, as follows:

[No. 72 Leg.]

YEAS—5

Case	Pastore	Weicker
Hart	Ribicoff	

NAYS—67

Abourezk	Ervin	Moss
Aiken	Fong	Nelson
Allen	Fulbright	Nunn
Baker	Griffin	Packwood
Bartlett	Gurney	Pearson
Beall	Hansen	Percy
Bellmon	Hartke	Proxmire
Bennett	Hatfield	Roth
Bentsen	Hathaway	Saxbe
Bible	Helms	Schweiker
Burdick	Hruska	Scott, Pa.
Byrd, Harry F., Jr.	Hughes	Scott, Va.
Byrd, Robert C.	Jackson	Sparkman
Chiles	Kennedy	Stafford
Church	Long	Stevens
Clark	Magnuson	Stevenson
Cook	Mansfield	Symington
Cotton	McClellan	Taft
Curtis	McClure	Talmadge
Dole	McGee	Tunney
Dominick	McIntyre	Williams
Eagleton	Metcalf	Young
	Montoya	

NOT VOTING—28

Bayh	Goldwater	McGovern
Biden	Gravel	Mondale
Brock	Haskell	Muskie
Brooke	Hollings	Pell
Buckley	Huddleston	Randolph
Cannon	Humphrey	Stennis
Cranston	Inouye	Thurmond
Domenici	Javits	Tower
Eastland	Johnston	
Fannin	Mathias	

So Mr. RIBICOFF's amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has disagreed to the amendments of the Senate to the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. STUBBLEFIELD, Mr. ALEXANDER, Mr. BERGLAND, Mr. TEAGUE of California, Mr. WAMPLER, and Mr. GOODLING were appointed managers on the part of the House at the conference.

AMENDMENT OF CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 1975.

The PRESIDING OFFICER (Mr. MCCLURE) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TALMADGE. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCGOVERN, Mr. ALLEN, Mr. HUMPHREY, Mr. DOLE, and Mr. BELLMON conferees on the part of the Senate.

AMENDMENT OF THE FEDERAL MEAT INSPECTION ACT AND THE POULTRY PRODUCTS INSPECTION ACT

The Senate continued with the consideration of the bill (S. 1021) to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 per centum the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes.

Mr. RIBICOFF. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 2, strike out lines 17 and 18 and insert in lieu thereof the following:

SEC. 4. The Economic Stabilization Act of 1970 is amended by inserting after section 203 the following new section:

"§ 203A. Rollback of raw agricultural commodity prices

"Immediately following the enactment of this section, the President shall issue an order stabilizing the prices of raw agricultural commodities at levels not greater than the highest levels prevailing for any such commodity on April 2, 1973.

"If no transactions occurred involving the sale of any such commodity the level established under this section shall be the highest applicable level on the nearest previous date in which such transactions did occur. As used in this section, the term 'raw agricultural commodities' means commodities (including livestock to be slaughtered) which are used for human and animal consumption."

SEC. 5. The amendments made by the first three sections of this Act shall become effective beginning with the fiscal year which begins July 1, 1973.

Mr. RIBICOFF. Mr. President, this is basically the same amendment we just voted on, except that instead of having a rollback to January 2, 1973, it freezes agricultural products as of today, April 2, 1973.

The same arguments that were made on the previous amendment pertain. I see no necessity for spending any more of the Senate's time in arguing further on this amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a 10-minute limitation on this amendment, the time to be allocated as heretofore.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I send to the desk an amendment to the amendment, and I ask for the yeas and nays on the amendment to the amendment.

The PRESIDING OFFICER. An amendment to the amendment is not in order until the time on the amendment has been used or yielded back.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time, subject to that understanding.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The amendment of the Senator from Washington is in order. The clerk will state the amendment to the amendment.

The assistant legislative clerk proceeded to read the amendment to the amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment to the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment to the amendment will be printed in the RECORD.

The amendment to the amendment is as follows:

In lieu of the language proposed by the Senator from Connecticut (Mr. Ribicoff), insert the following:

The Economic Stabilization Act of 1970 is amended by inserting after section 203 the following new section:

"§ 203A. Six-month freeze

"Immediately upon the enactment of this section, the President shall issue an order stabilizing prices (including prices of raw agricultural products), rents, wages, salaries, interest rates, and dividends for a period of one hundred and eighty days from the date of enactment of this section. * * *

Mr. JACKSON. Mr. President, I can make my statement in a couple of minutes.

This amendment is similar to the one offered by Senator PROXMIRE last week, which I supported and some 37 Senators supported, which would mandate a freeze right across the board, freezing everything—prices, wages, interest, rents—for a period of 6 months.

Mr. President, what we are witnessing now in the administration's effort to deal with the No. 1 issue facing this Nation—inflation—is a piecemeal effort to try to cope with inflation.

Last week, the President announced a freeze on meat prices. This is only the tip of the iceberg as far as inflation is concerned and I suggest that the time has come to have a freeze right across the board, while we ascertain the right course to follow in bringing about some kind of price-wage stabilization in this country.

The fact is that we are now going through a drastic cycle of inflation. Tremendous inflation has occurred in the area of food prices. This will serve as the kind of catalytic agent that will set off another round of inflation—what the economists refer to as cost-push inflation. Cost-push inflation, as opposed to classical inflation, thrives when big labor and big industry can set the price-wage pattern for the country. It is obvious that unless we have some kind of freeze now, in the next go-round between labor and management we are going to witness heavy increase in wages in order to offset the increasingly high cost of living, as evidenced by what has happened in the food sector.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. MAGNUSON. I understand that the amendment of my colleague from Washington includes something that I have always maintained was almost the heart of inflation—interest rates. I understand that this amendment does include interest rates.

Mr. JACKSON. The Senator is correct.

May I say on this point, Mr. President—and I am glad that my colleague mentioned this—we are witnessing a rerun, like an old movie, a late movie on Saturday night on television. The scenario is clear. In 1969 and 1970 we watched the same syndrome—inflation, tight money, high interest rates, unemployment.

The reason why the stock market has been going down is that investors see an administration depending on the classic monetarist approach to inflation, thinking that you can control prices by the control of the money supply, that tight money and high interest rates will bring prices down. What that means is that you can only bring about a solution to the problem by creating a recession. I know nothing about economics and do not claim to; but I have been an observer of this scene for a long time now, and it is obvious that the scenario, the pattern, that is being followed here is one that is going to lead to a recession.

I believe that this amendment is the only sensible approach. As we travel around the country and talk to people, we find that the American people are fed up with the piecemeal approach. I say it is high time that we make this fundamental move.

I am confident that the House of Representatives will adopt such an amendment in connection with the economic stabilization bill that is now pending.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. CHURCH. First, I commend the Senator for coming forward with this amendment. The pattern he refers to is clearly directed toward the classical form of inflation. It is not working, and it is not going to work in this kind of cost-push inflation.

Last week, when the distinguished Senator from Wisconsin offered his 6-month freeze, I voted against it. At the time, I questioned whether a temporary freeze would do more than defer the general increase in prices for a period of time, and then result in accentuating the price rise after the freeze ended. However, since the Senate on Senator Proxmire's amendment, the President has invoked a freeze on meat products.

Mr. JACKSON. Only.

Mr. CHURCH. Only. So it is clear now that the President, will select out certain farm commodities, while blinking at the price rise everywhere else. I can see no justification for freezing meat prices in the name of controlling inflation, while doing nothing about the general increase in prices all across the board. So, in the wake of President Nixon's action, I am going to support the Jackson amendment this time. I think it is called for, in view of the discriminatory action taken by the President last week. I wanted the Senator from Wisconsin to know why I am voting for the amendment now, when I could not vote for it earlier.

I thank the Senator for yielding.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. AIKEN. I wish to ask a question about the amendment. Does it apply to imported food and food intended for export?

Mr. JACKSON. It does not.

Mr. AIKEN. Does the Senator realize that in most European countries meats are retailing for twice as much as they are in the United States, and if the price is frozen here, they can buy every pound we have and double the price over there?

Mr. JACKSON. I do not know how to control imports.

Mr. AIKEN. My question is with reference to exports.

Mr. JACKSON. I do not know how to apply it to exports. That relates to the whole question of strengthening the dollar and trying to provide a means to balance payments and trade.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. PROXMIRE. The fact that it does not apply to imports means that we would buy more American products. It is a practical idea. It worked in phase I when there was a freeze.

Mr. AIKEN. If the Senator will read the foreign agricultural report this morning which compares the prices of food, all important foods in foreign countries and the prices here, the Senator will find that in most countries in Europe—Spain, Italy, England, Germany, Luxembourg, Holland, Belgium, and all those other European countries—the price is much higher for retail meats than it is in the United States. In Canada it is almost identical with the price here if one chooses Ottawa and compares it with Washington. Japan is much higher than we are.

If you freeze the price and you cannot ask for more—well, maybe the Senator's amendment does cover lumber, but I do not know what the result would be if we freeze the price of lumber at less than $300 a thousand here when Japan is willing to pay $800 a thousand. I do not know if it covers that or not; but if not, we will suffer.

Mr. JACKSON. Mr. President, I have great respect for the Senator from Vermont. Obviously he is referring to a minor part of the problem. The challenge this body must face is whether we are going to take some serious steps in light of the fact that we have had one series of failures after another in the area of economic stabilization. I believe this is a serious step. It is one we have never taken before and it is absolutely necessary in order to protect the integrity of the dollar and in order to prevent an economic recession.

The alternative to this course, Mr. President, would be monetary controls, and monetary controls presuppose that we are going through the wringer and will have a recession to solve the problem of inflation.

Between January 20, 1969, and August 15, 1971—I believe that is the date—the monetary school of economics prevailed.

The President recognized on August 15, 1971 that monetary controls had failed. The monetarist approach did not stop inflation and since then we have had half-hearted efforts in phase I, phase II, and phase III. What triggered the dollar devaluation was phase III, because holders of Eurodollars came to the conclusion that the United States was not going to get tough about inflation. So we are dealing not only with the integrity of the dollar but also with the situation in which the life savings of millions of Americans are being eroded at a pace unprecedented in American economic history.

Mr. President, if we do not mandate this freeze we are inviting a recession, just as surely as God made little green apples.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. PASTORE. Mr. President, to me this is an issue of guts, guts, guts. The time has come when we should stop blaming one another for the situation; the time has come when we should stop talking about the situation; and I believe the time is here when we should do something about the situation. The only way to bring a halt to the rise in prices is a freeze across the board. That is what this amendment does and I am going to support it.

Mr. RIBICOFF. Mr. President, I accept and support the amendment of the Senator from Washington with enthusiasm. The voices of the housewives of America will not be denied. They seek leadership from the Congress of the United States.

The amendment of the Senator from Washington, of which I am a cosponsor, will finally do the job and provide wage and price controls across the board including raw agricultural products. Then, we can really put a lid on inflation and let the people of this country start living with some chance of economic security.

I hope the Senate will vote for the Jackson amendment. I have offered my two amendments to rollback or freeze food prices in an effort to make the Senate aware of the crisis facing this Nation's families each time they go grocery shopping. Their wages are restricted, interest rates are rising and more than anything else food prices are skyrocketing. The Jackson-Ribicoff-Nelson-Proxmire amendment would be fair to all levels of society. It would mean that no single person, from the farmer to the factory worker would be penalized. It is incumbent on the Senate to act affirmatively now.

Mr. JACKSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. If the Senator from Nebraska will yield to the Senator from Vermont, I will be glad to answer the Senator.

Mr. CURTIS. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. The same report from the Foreign Agricultural Committee to which I referred will show clearly that the rate of inflation on food prices in the United States has been far less than in most other so-called vantage countries of the world. It has been less here.

Mr. JACKSON. Obviously, there are inequities that have to be resolved. There should be adjustments. But all I am saying is that we have fooled around here since 1969 and all we have had is more inflation and more recession, a growing level of unemployment, and I submit very respectfully to this body that unless we take drastic action, action that will somehow shock this economy into stability, we will not get far with our economic problems.

We were assured when phase III started that this would solve the problem. Only a short time after phase III began we had a devaluation of the dollar. Now we have an admission that something should be done about prices when the President froze the price of meat. He has just touched the tip of the iceberg and we have the whole iceberg to deal with. The piecemeal approach will not work.

I submit that now is the time to move decisively in this area of economic stabilization before it is too late to act at all.

Mr. MANSFIELD. Mr. President, would the Senator yield?

Mr. JACKSON. I yield.

Mr. MANSFIELD. I am fully in accord with the amendment of the Senator from Washington. I think it is, as the distinguished Senator from Rhode Island said, and to put it another way, time to fish or cut bait, time to do something or let events take their course, and the sooner we do it, the better off we will be, and certainly the better off the country will be.

Mr. CURTIS. Mr. President, how much time is remaining on the amendment?

The PRESIDING OFFICER. The Senator from Washington has 1 minute remaining and the Senator from Nebraska has 13 minutes remaining.

Mr. CURTIS. Mr. President, it is my understanding that the Senator from Connecticut accepted the amendment as an amendment to his amendment—that the time had expired?

The PRESIDING OFFICER. The yeas and nays were ordered on the Ribicoff amendment and, therefore, it would require unanimous consent to modify the amendment.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, this is a simple bill dealing with one subject, the financial arrangement between the Federal Government and the States on meat inspection.

I hope, whatever merits there may be to a freeze across the board, the Senate will vote on it at a time when it is germane, when there have been some hearings on it, when we have had the benefit of the leadership from the committee that would have jurisdiction of such legislation. Mr. President, I think we at least ought to have a printed copy of it.

The economy of the United States is not simple. It is complex. Oratory can sound good, but we can throw a monkey wrench into the machinery.

I say, in the interest of knowing what we are doing, the question of whether or not there ought to be an across-the-board freeze or rollback should be considered by the Senate when a bill comes before this body after hearings have been had and when it is under the sponsorship of the committee having appropriate jurisdiction.

Therefore, I hope, regardless of what the opinion of Senators may be on the

issue, they do not put it on the pending measure.

If my understanding of the debate is correct, the Senate has already voted on this issue as an amendment to the Economic Stabilization Act, and defeated it 52 to 36, or some such number. Why add it here, when the proposal is not even printed and there have been no hearings on it?

Mr. President, I am prepared to yield back the remainder of my time, if the other side is.

The PRESIDING OFFICER. The Senator from Washington has 1 minute remaining.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays on the amendment to the amendment were ordered.

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment to the amendment has been yielded back.

The question occurs on the amendment by the Senator from Washington to the amendment by the Senator from Connecticut. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Missouri (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) and the Senator from Rhode Island (Mr. PELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Nevada (Mr. CANNON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senators from New York (Mr. JAVITS and Mr. BUCKLEY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

Also, the Senator from Arizona (Mr. GOLDWATER) is necessarily absent. If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Carolina (Mr. THURMOND) would each vote "nay."

The result was announced—yeas 37, nays 39, as follows:

[No. 73 Leg.]

YEAS—37

Abourezk	Fulbright	Montoya
Allen	Hart	Moss
Bentsen	Hartke	Muskie
Bible	Hathaway	Nelson
Burdick	Hughes	Nunn
Byrd, Harry F., Jr.	Jackson	Pastore
Byrd, Robert C.	Kennedy	Proxmire
Case	Magnuson	Ribicoff
Chiles	Mansfield	Stevenson
Church	McClellan	Symington
Clark	McGee	Talmadge
Eagleton	McIntyre	Williams
	Metcalf	

NAYS—39

Aiken	Fong	Percy
Baker	Griffin	Roth
Bartlett	Gurney	Saxbe
Beall	Hansen	Schweiker
Bellmon	Hatfield	Scott, Pa.
Bennett	Helms	Scott, Va.
Brock	Hruska	Sparkman
Cook	Johnston	Stafford
Cotton	Long	Stevens
Curtis	Mathias	Taft
Dole	McClure	Tunney
Dominick	Packwood	Weicker
Ervin	Pearson	Young

NOT VOTING—24

Bayh	Fannin	Javits
Biden	Goldwater	McGovern
Brooke	Gravel	Mondale
Buckley	Haskell	Pell
Cannon	Hollings	Randolph
Cranston	Huddleston	Stennis
Domenici	Humphrey	Thurmond
Eastland	Inouye	Tower

So Mr. JACKSON's amendment to the Ribicoff amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

Mr. ALLEN. Mr. President, I ask for the yeas and nays .

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, what is the question?

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to reconsider. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CURTIS. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. GRIFFIN. I move to lay that motion on the table.

Mr. ALLEN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, what is the question?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan (Mr. GRIFFIN) to lay on the table the motion to reconsider the vote by which the amendment was rejected. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Deleware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH), are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL), and the Senator from Colorado (Mr. HASKELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from West Virginia (Mr. RANDOLPH) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. BUCKLEY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

The Senator from Maryland (Mr. BEALL) is detained on official business. If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 39, nays 35, as follows:

[No. 74 Leg.]

YEAS—39

Aiken	Griffin	Percy
Baker	Gurney	Roth
Bartlett	Hansen	Saxbe
Bellmon	Hatfield	Schweiker
Bennett	Helms	Scott, Pa.
Brock	Hruska	Scott, Va.
Cook	Javits	Sparkman
Cotton	Johnston	Stafford
Curtis	Long	Stevens
Dole	Mathias	Taft
Dominick	McClure	Tunney
Ervin	Packwood	Weicker
Fong	Pearson	Young

NAYS—35

Abourezk	Eagleton	Metcalf
Allen	Hart	Montoya
Bentsen	Hartke	Moss
Bible	Hathaway	Nelson
Burdick	Hughes	Nunn
Byrd, Harry F., Jr.	Jackson	Pastore
Byrd, Robert C.	Kennedy	Proxmire
Case	Magnuson	Ribicoff
Chiles	Mansfield	Stevenson
Church	McClellan	Symington
Clark	McGee	Talmadge
	McIntyre	Williams

NOT VOTING—26

Bayh	Cranston	Gravel
Beall	Domenici	Haskell
Biden	Eastland	Hollings
Brooke	Fannin	Huddleston
Buckley	Fulbright	Humphrey
Cannon	Goldwater	Inouye

McGovern	Pell	Thurmond
Mondale	Randolph	Tower
Muskie	Stennis	

So Mr. GRIFFIN's motion to lay Mr. JACKSON's amendment on the table was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Connecticut (Mr. RIBICOFF).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) and the Senator from Rhode Island (Mr. PELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. BUCKLEY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Carolina (Mr. THURMOND) would each vote "nay."

The result was announced—yeas 2, nays 75, as follows:

[No. 75 Leg.]

YEAS—2

Pastore	Ribicoff

NAYS—75

Abourezk	Chiles	Hartke
Aiken	Church	Hatfield
Allen	Clark	Hathaway
Baker	Cook	Helms
Bartlett	Cotton	Hruska
Beall	Curtis	Hughes
Bellmon	Dole	Jackson
Bennett	Dominick	Javits
Bentsen	Eagleton	Johnston
Bible	Ervin	Kennedy
Brock	Fong	Long
Burdick	Fulbright	Magnuson
Byrd, Harry F., Jr.	Griffin	Mansfield
	Gurney	Mathias
Byrd, Robert C.	Hansen	McClellan
Case	Hart	McClure
McGee	Froxmire	Stevenson
McIntyre	Randolph	Symington
Metcalf	Roth	Taft
Montoya	Saxbe	Talmadge
Moss	Schweiker	Tunney
Nelson	Scott, Pa.	Weicker
Nunn	Scott, Va.	Williams
Packwood	Sparkman	Young
Pearson	Stafford	
Percy	Stevens	

NOT VOTING—23

Bayh	Fannin	McGovern
Biden	Goldwater	Mondale
Brooke	Gravel	Muskie
Buckley	Haskell	Pell
Cannon	Hollings	Stennis
Cranston	Huddleston	Thurmond
Domenici	Humphrey	Tower
Eastland	Inouye	

So Mr. RIBICOFF's amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOLE. Mr. President, I actively supported the Wholesome Meat Act of 1968. It was a good law and still is. I have opposed and will continue to oppose amendments which would weaken it, but as with any program there is always room for improvement. Last year the law was amended to permit the custom slaughter of animals by their owners for their own use. That legislation was made necessary by incorrect assumptions in the regulations issued under the law, for it was never intended that livestock owners be deprived of this privilege.

Now, the Senator from Nebraska (Mr. CURTIS) has introduced S. 1021 which I am proud to cosponsor. It will further refine the Wholesome Meat Act by providing an increase in the Federal assistance for State meat inspection programs which operate under regulations that are certified "equal to" the Federal regulations required by the Wholesome Meat Act. This increased assistance will provide incentives for States to continue their own programs instead of bowing to the provisions of the present law which make it more attractive for them to drop their own systems and let the Federal Government pay 100 percent of the inspection costs.

INCENTIVES TO STATES

The bill would increase the maximum Federal share for the operation of a State meat and poultry inspection program from 50 to 80 percent. It is not my general policy to support such major increases in Federal program costs; however, in this case such a step makes good sense on several counts.

LONG-TERM SAVINGS

First, and most important, it would save the Federal Government the difference between paying up to 80 percent of some State program costs and the 100 percent of the costs that would be incurred if the States simply gave up and handed the program over to Federal administration.

As Secretary of Agriculture Clifford Hardin stated in a letter to Chairman TALMADGE on a basically identical bill in the 92d Congress:

On the basis of 44 "equal to" states, total state inspection costs during fiscal year 1972 are estimated at $53.2 million. The Federal share of this, under the 50–50 formula, will be $26.6 million. Under the proposed 80–20 formula, Federal costs would be $42.6 million—an increase of $16.0 million, but considerably less than the cost of 100 percent funding that will be required if States begin to terminate their inspection programs.

REDUCED FEDERAL INVOLVEMENT

Second, I believe it is important for States to continue to be involved in this field. Meat and poultry production is largely under State jurisdiction, and the State personnel have developed a close understanding of the operations within their areas and have established good working relationships with the people involved in them. I also believe it is important to hold down programs which would increase the number of Federal employees. The Federal bureaucracy has a tendency to grow, perpetuate itself, and drift away from the basis purposes of the laws it administers; and, with the increasing emphasis being given to expanding the authority of State and local governments, it seems preferable that any question of program expansion and Federal personnel increases be settled in favor of strengthened authority for the States rather than Washington.

PREVIOUS APPROVAL

I firmly support S. 1021 as in the interests of better government. This proposal passed the Senate with unanimous approval during the 92d Congress, and I urge that it again be approved and sent to the House. Its early enactment into law will be a major help to the meat and poultry inspection systems which protect the American public in 44 States which have programs with standards equal to the Federal program under the Federal Meat Inspection Act of 1968.

The Kansas State Board of Agriculture has passed a resolution which endorses this legislation, and I ask unanimous consent that a copy of that resolution be printed in the RECORD at this point.

There being no objection, the resolution ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, the meat and poultry inspection program in Kansas and many other states has been certified as "equal to" the federal program; and

Whereas, the livestock and meat industry in Kansas feels very strongly that all state inspected and passed meat and poultry products should not be denied movement in interstate commerce; and

Whereas, state inspected plants are small and widely scattered throughout the state, necessitating considerable travel and expenses in their inspection; and

Whereas, it is more economical for the federal government to have state participation in meat and poultry inspection programs rather than solely a federal inspection program:

Therefore, we the members of the Kansas State Board of Agriculture do hereby request that the members of Congress from the State of Kansas:

1. Support federal legislation which per-

mits the interstate movement of state inspected and passed meat and poultry carcasses, parts thereof, and meat and poultry food products; and

2. Support federal legislation which authorizes the United States Department of Agriculture to provide at least eighty per cent of the financing of state-federal meat and poultry inspection programs.

Mr. CURTIS. Mr. President, I yield back the remainder of my time.

Mr. TALMADGE. I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL), and the Senator from Colorado (Mr. HASKELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. BUCKLEY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Arizona (Mr. FANNIN) is absent on official committee business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER), and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 74, nays 3, as follows:

[No. 76 Leg.]

YEAS—74

Aiken	Brock	Cook
Allen	Burdick	Cotton
Baker	Byrd, Harry F., Jr.	Curtis
Bartlett	Byrd, Robert C.	Dole
Beall	Case	Dominick
Bellmon	Chiles	Eagleton
Bennett	Church	Ervin
Bentsen	Clark	Fong
Bible	Griffin	Fulbright
Gurney	Mansfield	Ribicoff
Hansen	Mathias	Roth
Hart	McClellan	Saxbe
Hartke	McClure	Schweiker
Hatfield	McGee	Scott, Pa.
Hathaway	McIntyre	Scott, Va.
Helms	Montoya	Sparkman
Hruska	Moss	Stafford
Hughes	Nelson	Stevens
Jackson	Nunn	Symington
Javits	Packwood	Taft
Johnston	Pastore	Talmadge
Kennedy	Pearson	Tunney
Long	Percy	Weicker
Magnuson	Proxmire	Williams
	Randolph	Young

NAYS—3

Abourezk	Metcalf	Stevenson

NOT VOTING—23

Bayh	Fannin	McGovern
Biden	Goldwater	Mondale
Brooke	Gravel	Muskie
Buckley	Haskell	Pell
Cannon	Hollings	Stennis
Cranston	Huddleston	Thurmond
Domenici	Humphrey	Tower
Eastland	Inouye	

So the bill (S. 1021) was passed, as follows:

S. 1021

An act to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 per centum the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of paragraph (3) of section 301(a) of the Federal Meat Inspection Act, as amended (21 U.S.C. 661(a)(3)), is amended by striking out "50 per centum" and inserting in lieu thereof "80 per centum".

SEC. 2. The second sentence of paragraph (3) of section 5(a) of the Poultry Products Inspection Act, as amended (21 U.S.C. 454 (a)(3)), is amended by striking out "50 per centum" and inserting in lieu thereof "80 per centum".

SEC. 3. The Act entitled "An Act to provide further for cooperation with States in administration and enforcement of certain Federal laws" (Public Law 87-718) is amended by adding the following new paragraph at the end thereof:

"The percentage of the total cost of any cooperative arrangement for meat or poultry inspection purposes to be contributed to any State by the Secretary under this Act shall be equal to the highest percentage contributed to any State under section 301(a)(3) of the Federal Meat Inspection Act in the case of a cooperative arrangement for meat inspection or the highest percentage contributed to any State under section 5(a)(3) of the Poultry Products Inspection Act in the case of a cooperative arrangement for poultry inspection."

SEC. 4. The amendments made by this Act shall be effective beginning with the fiscal year which begins July 1, 1973.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TALMADGE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF TIME FOR EULOGIES TO FORMER SENATOR GILLETTE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the record be kept open for an additional week, until April 9, 1973, for eulogies to former Senator Gillette.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS TO 1973 SESSION OF THE CONFERENCE ON THE COMMITTEE ON DISARMAMENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the following Senators to the 1973 session of the Conference of the Committee on Disarmament: the Senator from Rhode Island (Mr. PASTORE), the Senator from Maine (Mr. MUSKIE), the Senator from South Dakota (Mr. ABOUREZK), the Senator from New York (Mr. JAVITS), and the Senator from Colorado (Mr. DOMINICK).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider various nominations on the calendar.

There being no objection, the Senate proceeded to consider executive business.

The PRESIDING OFFICER. The clerk will state the first nomination.

U.S. AIR FORCE

The legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The legislative clerk read the nomination of Charles C. Edwards, of Maryland, to be an Assistant Secretary of Health, Education, and Welfare.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of William H. Kolberg, of Maryland, to be an Assistant Secretary of Labor.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations placed on the Secretary's desk in the Air Force and in the Navy.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10:45 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. EAGLETON, Mr. RIBICOFF, Mr. DOMENICI, Mr. THURMOND, Mr. ROBERT C. BYRD.

At the hour of 12 o'clock noon the Senate will proceed to the consideration of the Presidential veto message. There will be 2 hours of debate, equally divided, and the vote on overriding the President's veto of the Vocational Rehabilitation Act will occur at 2 o'clock p.m.

Following that, the Senate will resume the consideration of S. 800, the crime bill. The question will be on the amendment of Mr. TALMADGE (No. 73), on which there is a time limitation. There will be a yea and nay vote on that amendment, and there may be other yea and nay votes on other amendments, and on the passage of the bill. So there will be yea and nay votes tomorrow.

ADJOURNMENT UNTIL 10:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:45 a.m. tomorrow.

The motion was agreed to; and, at 5:34 p.m., the Senate adjourned until tomorrow, April 3, 1973, at 10:45 a.m.

NOMINATIONS

Executive nomination received by the Senate on March 30, 1973, pursuant to the order of March 29, 1973:

DEPARTMENT OF STATE

Graham A. Martin, of North Carolina, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Vietnam.

Executive nominations received by the Senate April 2, 1973:

IN THE MARINE CORPS

Lt. Gen. Ormond R. Simpson, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general in accordance with the provisions of title 10, United States Code, section 5233.

DISTRICT OF COLUMBIA COMMISSIONER NOMINATION

Nomination received by the Senate April 2, 1973, from the Commissioner of the District of Columbia:

DISTRICT OF COLUMBIA, REDEVELOPMENT LAND AGENCY

Alfred P. Love, for reappointment as a member of the District of Columbia Redevelopment Land Agency for a term of 5 years, effective on and after March 4, 1973, pursuant to the provisions of section 4(a) of Public Law 592, 79th Congress, approved August 2, 1946, as amended.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 2, 1973:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Charles C. Edwards, of Maryland, to be an Assistant Secretary of Health, Education, and Welfare.

DEPARTMENT OF LABOR

William H. Kolberg, of Maryland, to be an Assistant Secretary of Labor.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. Charles A. Veatch, xxx-xx-xxxx FR, Regular Air Force, Medical.

Col. Donald N. Vivian, xxx-xx-xxxx FR, Regular Air Force, Medical.

Col. Evan W. Schear, xxx-xx-xxxx FR, Regular Air Force, Medical.

Col. Irby B. Jarvis, Jr xxx-xx-xxxx FR, Regular Air Force.

Col. Benjamin R. Baker, xxx-xx-xxxx FR, Regular Air Force, Medical.

Col. Clifford Schoeffler, xxx-xx-xxxx FR, Regular Air Force.

Col. David B. Easson, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. David O. Williams, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. Richard C. Bowman, xxx-xx-xxxx FR, Regular Air Force.

Col. Clyde F. McClain, xxx-xx-xxxx FR, Regular Air Force.

Col. George R. Guay, xxx-xx-xxxx FR, Regular Air Force.

Col. John E. Pitts, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. Murphy A. Chesney, xxx-xx-xxxx FR, Regular Air Force, Medical.

Col. Gerald J. Post, xxx-xx-xxxx FR, Regular Air Force.

Col. Daniel L. Burkett xxx-xx-xxxx FR, Regular Air Force.

Col. Carl D. Peterson, xxx-xx-xxxx FR, Regular Air Force.

Col. Erskine Wigley, xxx-xx-xxxx FR, Regular Air Force.

Col. Henry B. Stelling, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. Felix J. Zaniewski xxx-xx-xxxx FR, Regular Air Force.

Col. Cecil E. Knox, xxx-xx-xxxx FR, Regular Air Force.

Col. Kermit C. Karericher, xxx-xx-xxxx FR, Regular Air Force.

Col. Frank G. Barnes, xxx-xx-xxxx FR, Regular Air Force.

Col. Don D. Pittman, xxx-xx-xxxx FR, Regular Air Force.

Col. Walter D. Reed, xxx-xx-xxxx FR, Regular Air Force.

Col. Bohdan Danyliw, xxx-xx-xxxx FR, Regular Air Force.

Col. William J. Kelly, xxx-xx-xxxx FR, Regular Air Force.

Col. Robert A. Rushworth, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Jack I. Posner, xxx-xx-xxxx FR, Regular Air Force.

Col. William C. Norris xxx-xx-xxxx FR, Regular Air Force.

Col. Theodore P. Crichton, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. John Kulpa, Jr xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Stanley M. Umstead, Jr., xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Thomas H. McMullen, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Gerald K. Hendricks, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Lyle W. Cameron xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Jasper A. Welch, Jr xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Charles C. Blanton xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Thomas P. Conlin xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Thomas M. Knoles III, xxx-xx-xxxx FR, Regular Air Firce.

Col. Willum H. Spillers, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. John J. Murphy, xxx-xx-xxxx FR, Regular Air Force.

Col. Thomas F. Rew, xxx-xx-xxxx FR, Regular Air Force.

Col. James P. Mullins, xxx-xx-xxxx FR, Regular Air Force.

Col. Richard T. Drury, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Phillip N. Larsen, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. William D. Gilbert, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Lynwood E. Clark, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Michael J. Tashjian, xxx-xx-xxxx FR, Regular Air Force.

Col. Tedd L. Bishop, xxx-xx-xxxx FR, Regular Air Force.

Col. Earl G. Peck, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air

Col. Lawrence A. Skantze, xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Wayne E. Whitlatch xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Richard N. Cody, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Richard G. Collins, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Charles D. Youree, Jr., xxx-xx-xxxx FR (major, Regular Air Force), U.S. Air Force.

Col. Thomas M. Ryan, Jr., xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Thomas E. Clifford, xxx-xx-xxxx FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Malcolm E. Ryan, Jr., [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Richard E. Merkling, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. William R. Yost, [redacted] FR (major, Regular Air Force), U.S. Air Force.

Col. James E. McInerney, Jr., [redacted] FR (major, Regular Air Force), U.S. Air Force.

Col. Carl S. Miller, [redacted] FR (major, Regular Air Force), U.S. Air Force.

Col. James L. Brown, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Garry A. Willard, Jr., [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Andrew P. Iosue, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Robert C. Taylor, [redacted] FR (major, Regular Air Force), U.S. Air Force.

Col. John S. Pustay, [redacted] FR (major, Regular Air Force), U.S. Air Force.

Col. Benjamin F. Starr, Jr. [redacted] FR, Regular Air Force.

Col. Donald M. Davis, [redacted] FR, Regular Air Force.

Col. Charles E. Word, [redacted] FR, Regular Air Force.

Col. William R. Nelson, [redacted] FR, Regular Air Force.

Col. Billy M. Minter, [redacted] FR, Regular Air Force.

Col. Charles E. Shannon, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. Ralph T. Holland, [redacted] FR, Regular Air Force.

Brig. Gen. Harold L. Price, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas W. Morgan, [redacted] FR, Regular Air Force.

Brig. Gen. Robert P. Lukeman, [redacted] FR, Regular Air Force.

Brig. Gen. Richard G. Cross, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Billie J. McGarvey, [redacted] FR, Regular Air Force.

Brig. Gen. Eugene Q. Steffes, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Herbert A. Lyon, [redacted] FR, Regular Air Force.

Brig. Gen. William R. Hayes, [redacted] FR, Regular Air Force.

Brig. Gen. William M. Schomning, [redacted] FR, Regular Air Force.

Brig. Gen. James E. Paschall, [redacted] FR, Regular Air Force.

Brig. Gen. William A. Dietrich, [redacted] FR, Regular Air Force.

Brig. Gen. Jack B. Robbins, [redacted] FR, Regular Air Force.

Brig. Gen. George Rhodes, [redacted] FR, Regular Air Force.

Brig. Gen. Ray A. Robinson, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. William Y. Smith, [redacted] FR, Regular Air Force.

Brig. Gen. Arnold W. Braswell, [redacted] FR, Regular Air Force.

Brig. Gen. John H. Wilkins, [redacted] FR, Regular Air Force, Medical.

Brig. Gen. Edmund A. Rafalko, [redacted] FR, Regular Air Force.

Brig. Gen. John R. Kern, Jr. [redacted] FR, Regular Air Force.

Brig. Gen. Ray B. Sitton [redacted] FR, Regular Air Force.

Brig. Gen. Colin C. Hamilton, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Edward P. McNeff, [redacted] FR, Regular Air Force.

Brig. Gen. Howard P. Smith, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Frank J. Simokaitis, [redacted] FR, Regular Air Force.

Brig. Gen. James A. Knight, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. James M. Breedlove, [redacted] FR, Regular Air Force.

Brig. Gen. Donald G. Nunn, [redacted] FR, Regular Air Force.

Brig. Gen. Lawrence J. Fleming, [redacted] FR, Regular Air Force.

Brig. Gen. Howard M. Fish, [redacted] FR, Regular Air Force.

Brig. Gen. Jeanne M. Holm, [redacted] FR, Regular Air Force.

Brig. Gen. Lester T. Kearney, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Kendall Russell, [redacted] FR, Regular Air Force.

Brig. Gen. Alden G. Glauch, [redacted] FR, Regular Air Force.

Brig. Gen. Charles F. Minter, Sr., [redacted] FR, Regular Air Force.

Brig. Gen. Herbert J. Gavin, [redacted] FR, Regular Air Force.

Brig. Gen. Andrew B. Anderson, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Eugene F. Tighe, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Henry Simon, [redacted] FR, Regular Air Force.

Brig. Gen. Slade Nash [redacted] FR, Regular Air Force.

Brig. Gen. Travis R. McNeil, [redacted] FR, Regular Air Force.

Brig. Gen. Robert F. Timble, [redacted] FR, Regular Air Force.

Brig. Gen. Jack Bellamy, [redacted] FR, Regular Air Force.

Brig. Gen. Harry M. Darmstandler, [redacted] FR. Regular Air Force.

Brig. Gen. Wilbur L. Creech, [redacted] FR, Regular Air Force.

Brig Gen. Evan W. Rosencrans, [redacted] FR, Regular Air Force.

Brig. Gen. Brent Scowcroft, [redacted] FR, Regular Air Force.

Brig. Gen. Raymond B. Furlong, [redacted] FR, Regular Air Force.

Brig Gen. Billy J. Ellis [redacted] FR, Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Maj. Gen. George J. Keegan, Jr., [redacted] R (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jack K. Gamble, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Warren D. Johnson, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Ray M. Cole [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Foster L. Smith [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James A. Hill [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Devol Brett [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas W. Morgan, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Daniel James, Jr. [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Leroy J. Manor [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard G. Cross, Jr., [redacted] R (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Bryan M. Shotts, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Lawrence W. Steinkraus, [redacted] R (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John W. Pauly [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John J. Burns [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Lew Allen, Jr., [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. William J. Evans, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Salvador E. Felices, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Bryce Poe II [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James D. Hughes, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. Richard H. Ellis [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

To be brigadier general

Brig. Gen. Harold R. Vague, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Frank J. Simokaitis, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lester T. Kearney, Jr., [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John B. Kern, Jr. [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Henry Simon, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Travis R. McNeil, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. George Rhodes, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Kendall Russell, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Slade Nash [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jack Bellamy, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Herbert A. Lyon, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harold E. Confer, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Timothy I. Ahearn, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Edmund A. Rafalko, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John R. Hinton, Jr., [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lucius Theus [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William W. Gilbert, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harrison Lobdell, Jr., [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Clyde R. Denniston, Jr., [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles E. Buckingham, [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Louis W. LaSalle, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Hilding L. Jacobson, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ray A. Robinson, Jr., [redacted] R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Guy E. Hairston, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ralph T. Holland, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Eugene B. Sterling, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Alden G. Glauch, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Edwin H. Robertson II, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Brent Scowcroft, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John W. Burkhart, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William F. Georgi, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Herbert J. Gavin [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles F. Minter, Sr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Arnold W. Braswell, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Otis C. Moore, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William Y. Smith, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert C. Mathis, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. James R. Allen [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Andrew B. Anderson, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William R. Hayes, [redacted] FR (colonel, Regular Air Force), U.S. Air Force

Brig. Gen. Eugene F. Tighe, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. George E. Schafer, [redacted] FR (colonel, Regular Air Force, Medical), U.S. Air Force.

IN THE AIR FORCE

Air Force nominations beginning Thomas G. Abbey, to be first lieutenant and ending Charles W. Couch, to be major, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 16, 1973.

Air Force nominations beginning John C. Aasen, to be colonel, and ending Frank A. Grasso, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 29, 1973.

Air Force nominations beginning Thomas J. Abeln, to be colonel and ending William L. Williams, to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 26, 1973.

Air Force nominations beginning Kenneth J. Bays, to be colonel and ending Bobby M. Via, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 12, 1973.

IN THE NAVY

Navy nominations beginning Benjamin L. Aaron, to be captain, and ending Darold L. Johnson, to be lieutenant (j.g), which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 12, 1973.

HOUSE OF REPRESENTATIVES—*Monday, April 2, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Enter into His gates with thanksgiving and into His courts with praise; be thankful unto Him and bless His name.—Psalms 100:4.

Eternal God, our Father, whose love is from everlasting to everlasting and whose truth endureth forever, at the beginning of another week we stand still in Thy presence, lifting our spirits unto Thee in prayer; seeking strength and wisdom as we face the duties of this day.

Lay Thy hand in blessing upon the Members of this House of Representatives and all who work for them and with them. Help them to walk in the light, to live with love in their hearts, and to share their strength that they may be made better than they are, stronger than they seem, and wiser than they realize.

We pray that in our Nation and in our world the spirit of good will may increase, the conditions that make for justice may improve, and the fruits of freedom may be enjoyed everywhere; to the glory of Thy holy name and the good of all mankind. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on March 30, 1973, the President approved and signed a bill of the House of the following title:

H.R. 4278. An act to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3577) entitled "An act to provide an extension of the interest equalization tax, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 13. An act to amend title 18 of the United States Code to provide civil remedies to victims of racketeering activity and theft, and for other purposes;

S. 15. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers;

S. 33. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance; and

S. 300. An act to provide for the compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
March 30, 1973.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 2:35 p.m. on Friday, March 30, 1973, and said to contain a message from the President transmitting the Report of the Secretary of the Interior on administration of the Federal Coal Mine Health and Safety Act in 1971.

With kindest regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

ANNUAL REPORT ON FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

In accordance with section 511(a) of the Federal Coal Mine Health and Safety Act of 1969, Public Law 91–173, the Secretary of the Interior annually prepares a report to the Congress and to the Office of Science and Technology on progress made in administering the law.

It is my pleasure to transmit to you the report for Calendar Year 1971 and to commend it to the attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *March 30, 1973.*

DISTRICT OF COLUMBIA BUDGET, 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-76)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed with illustrations:

To the Congress of the United States:

I am today transmitting for your consideration the budget of the District of Columbia for fiscal year 1974, together with a supplementary budget request covering necessary additional expenses for fiscal year 1973.

These budget proposals reflect views expressed by citizens of the District of Columbia at City Council budget hearings and have been examined by the Mayor and the City Council in accordance with their responsibilities under Reorganization Plan No. 3 of 1967. The Office of Management and Budget has also reviewed these proposals as specified in the District of Columbia Revenue Act of 1970.

As a result of prudent and effective fiscal management on the part of the municipal government, this 1974 budget will provide adequately for District needs during the coming year without requiring either additional Federal funds or increased city revenue. The fiscal year 1974 proposals call for the expenditure of $841.2 million in operating funds and $150 million in capital funds.

Timely Congressional action last year on the District's 1973 budget was of great assistance to city officials in planning and executing sound programs to serve the people of Washington. I urge the Congress again to act expeditiously on the District budget for 1974.

RICHARD NIXON.

THE WHITE HOUSE, *April 2, 1973.*

THE DECADENT STATE OF PUBLIC ENTERTAINMENT

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, the depths to which so-called entertainment, particularly motion pictures and to some extent television, in this country has reached is abhorrent to almost everyone.

Recently I scanned newspaper advertisements in a Washington newspaper entertainment page. Of the more than 100 theaters offering motion pictures for public view, only three of the pictures were rated as suitable for general audiences, and two of these were Walt Disney productions. The remainder ranked from those requiring parental guidance to the downright filth of the "X" rated movies.

On television there is a disturbing loosening of moral codes. The recent broadcast of the Academy Awards presentations showed film clips from five motion pictures nominated for awards. Of the five, only one was available for general audiences, yet tantalizing excerpts from the other four were also pumped into millions of American homes. Swearing is becoming commonplace on television, as are talk and discussion programs advocating drugs, wife-swapping, and prostitution.

Even our colleges and universities are not safe from this kind of smut. There was a recent news account that a sexploitation film was mistakenly distributed to a Virginia college instead of the film originally requested. Even when the error was discovered, the film was shown anyway and a professor later was quoted as saying it was "quite a funny goof."

Is it any wonder the morals of young people today are threatened? Where can they go to see decent films? How can we be certain children are not exposed to filthy movies and obscene television?

The courts have not helped. The Supreme Court has thrown out laws passed by Congress against obscenity. Liberal elements of the press have opposed the passage of legislation to curb pornography. Somewhere, somehow the American people must rise up and, in their indignation, make it known to those who distribute this trash that it is not welcome and will not continue to be tolerated or supported.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE A REPORT ON HOUSE JOINT RESOLUTION 205

Mr. FRASER. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a committee report on House Joint Resolution 205.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

MAJORITY LEADER THOMAS P. O'NEILL, JR., CRITICIZES PRESIDENT'S TELEVISION APPEAL FOR SUPPORT OF VOCATIONAL REHABILITATION VETO

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, the President's nakedly partisan appeal on nationwide television and radio Thursday night was a reprehensible abuse of the prestige and dignity of the high office he holds.

It was a tactic unworthy of a President of the United States.

As President, Mr. Nixon commands virtually unlimited access to the air waves and to the living rooms of millions upon millions of Americans.

Mr. Nixon took advantage of that privilege to make a partisan appeal to the people to support his veto of the Vocational Rehabilitation Act and his projected vetoes of legislation the Congress has not yet even acted upon.

Write your Congressman, he said, and tell him to vote to uphold my vetoes.

That abuse of his access to the Nation's mass communications system is part of a consistent strategy: the President has sought to use the airwaves to push his side of the national policy debate, to intimidate the media, and to drown any voice of responsible dissent from the loyal opposition which controls the Congress.

Yes, Americans, write to your Congressman. Because we are your elected Representatives, and we need your thoughts and feelings to guide our actions. But tell us what you believe—not what Mr. Nixon wants you to tell us.

For too long now, President Nixon has been trying to tell the Congress what kind of laws to pass. We in Congress do not feel that the people elected us to rubberstamp the decisions of one man. It is our responsibility under the Constitution to deliberate national policy, whether it be veterans benefits or defense or international relations, and then—working in concert with the executive—to decide upon courses of action. That is what we are elected to do, and that is what we intend to continue doing.

We do not agree that the President—even with his vast Executive Establishment—is always right.

FARMER AND RANCHER ARE FORGOTTEN SEGMENT OF ECONOMY

(Mr. MARTIN of Nebraska asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MARTIN of Nebraska. Mr. Speaker, I have little patience with the current meat boycott. This evidently is being promoted by people who have no understanding of agricultural problems. Many farm prices until the last 6 months have been at the same level as in 1940. The farmer and rancher have been the forgotten segment of our economy.

The farmer does not put in an 8-hour day, 5 days a week, but from a 10- to 15-hour day, 7 days a week. The cost of machinery has multiplied several hundred percent, and the cost of fertilizer, diesel fuel, and other items purchased to operate a farm or ranch have increased substantially. Only within the last few months has the rancher and cattle feeder been able to receive a fair price in relationship to the cost of items which he has to purchase.

In 1950 choice steers at Omaha were at $28.88 per hundredweight. If they had gone up at the same rate as postage stamps, the price would be $77.02 per hundredweight; as much as total medical care, $72.34; as much as the rise in wage rates, $80.69. Compared to the rise in having a baby, choice steers would be bringing $119.13 per hundredweight. Compared to the rise in the daily cost of hospital service, they would be commanding $176.69. Choice steers are currently at about $48 per hundredweight.

The cattleman and feeder are entitled to receive prices commensurate with the rest of the economy. These women should look at the increases in

the prices of automobiles, ladies dresses, shoes, drugs, beer, and cigarettes, and perhaps stage a boycott against some of these items. I have no sympathy for the current meat boycott.

OUR POW'S ARE NOT LIARS

(Mr. WYMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WYMAN. Mr. Speaker, what on earth is the matter with Jane Fonda? It was bad enough for her to go to Hanoi while the war was on and give aid and comfort to the enemy engaged in shooting and capturing Americans even while she spoke.

Now, back home, Miss Fonda claims our prisoner of war accounts of torture while in captivity are false and that our POW's are liars.

Anyone held captive for years in solitary, who had been brutally tied and whipped and beaten, who had his fingernails pulled off, his feet immobilized, his bones broken or his wounds untreated—to be called a liar when he kept his mouth shut until all our prisoners were out and then recounted the dismal truths of enemy brutalities—this will be bitterly resented by men whose indomitable spirit through such agony is best reflected by their virtually unanimous "God Bless America" on arriving back in the United States.

Either Jane Fonda is suffering from some type of mental disorder or she is willfully disloyal to her country. Her continued provocative misstatements suggest that perhaps both she and the United States would be better off if she took up permanent residence in North Vietnam.

SO-CALLED "WATERGATE AFFAIR"

(Mr. WHALEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHALEN. Mr. Speaker, recently I have received numerous communications regarding the so-called Watergate affair. In view of this mounting constituent concern, it is appropriate that I reiterate and amplify the views I expressed at the time this incident occurred.

I was shocked and dismayed when the Watergate break-in was revealed. This act was repugnant to me. Not only did it represent a transgression of the law, it also violated the traditional American concept of fairplay. Thus, I urged the Justice Department to undertake every effort to apprehend and prosecute those who allegedly instigated and/or perpetrated this act.

Understandably, there existed the possibility of public doubts concerning the willingness of the administration to conduct a detailed scrutiny of those supporting its reelection efforts. I stressed therefore, the need for complete Presidential cooperation with those responsible for handling the Watergate matter.

Regrettably, it now is apparent the this cooperation has not been forthcoming. There has been an excessive reliance on Executive privilege to shield White House officials from interrogation. Federal Bureau of Investigation personnel have been restricted in the conduct of their inquiry and in the presentation of testimony before public bodies.

These efforts to mask the truth endanger the very foundation of Government. This is of greater magnitude than the crime itself. When the credibility of public officials disappears, pronouncements about law and order, narcotics, and the death penalty have a hollow ring. If Government cannot be believed, whom can our citizens trust?

Thus, I again urge the President to use the power of his office to insure that all facts relating to the Watergate breakin be made available to those charged with its investigation. I recommend further that a two-member investigative panel be created, one member appointed by the President, the other jointly by the Speaker of the House of Representatives and the Senate majority leader. This bipartisan approach would assuage any doubts otherwise held by the American public concerning the validity and thoroughness of the investigators' research and ultimate findings.

PRESIDENT'S REMARKS ON TV LAST THURSDAY

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, our majority leader, the gentleman from Massachusetts (Mr. O'NEILL) has engaged in his daily diatribe against the administration and has said that the President's remarks last Thursday were the most nakedly partisan the gentleman from Massachusetts had ever heard. I have not heard anything more partisan than what the majority leader puts out every day in his 1-minute speeches.

It is nothing new for any President to take the air and appeal to the American people.

It seems to me in addition to telling the American people to write their Congressmen, he also told them to write in to say if they were in favor of the income tax increase that would be necessary if we voted for all these excesses the big spenders always talk about, so let us cover both sides of the coin.

APPOINTMENT OF CONFEREES ON H.R. 1975, AMENDING EMERGENCY LOAN PROGRAM UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. POAGE, STUBBLEFIELD, ALEXANDER, BERGLAND, TEAGUE of California, WAMPLER, and GOODLING.

CONFERENCE REPORT ON H.R. 2107, RURAL ENVIRONMENTAL ASSISTANCE AND WATER BANK PROGRAMS

Mr. POAGE submitted the following conference report and statement on the bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance program:

CONFERENCE REPORT (H. REPT. No. 93–101)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2107), to require the Secretary of Agriculture to carry out a rural environmental assistance program, having met, after full and free conference, have been unable to agree.

HERMAN E. TALMADGE,
JAMES B. ALLEN,
WALTER D. HUDDLESTON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

W. R. POAGE,
THOMAS S. FOLEY,
B. F. SISK,
ED JONES,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2107), to require the Secretary of Agriculture to carry out a rural environmental assistance program, submit the following joint statement to the House and the Senate in explanation of the accompanying conference report:

The report states that the conferees have been unable to agree. This is a technical disagreement occasioned by the House rules. The Senate amendment made the same provision for continuation of the water bank program that the House bill made for continuation of the rural environmental assistance program (REAP). Under the House rules this amendment appears to be not germane to the House bill. It is the understanding of the conferees that the Chairman of the House conferees at the appropriate time after presentation of the conference report will move that the House recede from its disagreement and concur in the Senate amendment.

Both REAP and the water bank program were attempted to be terminated by the same press release of December 26, 1972. With the Senate amendment both programs would be restored; and the Secretary of Agriculture would be required to—

(1) make payments under REAP in the full amount appropriated therefor; and

(2) enter into agreements under the water bank program to the full extent permitted by available appropriations therefor.

A description of the water bank program follows:

ASCS BACKGROUND INFORMATION—BI NO. 15—NOVEMBER 1972

Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture

The Water Bank Program

Legislative Authority.—The Water Bank Act, Public Law 91–559 (84 Stat. 1468, 16 U.S.C. 1301), approved December 19, 1970.

Under the Water Bank Act, the Secretary

of Agriculture is authorized and directed to formulate and carry out a continuous program in important migratory waterfowl nesting and breeding areas to prevent the serious loss of wetlands, and to preserve, restore and improve inland fresh water and adjacent areas as designated in the Act.

An Advisory Board, appointed by the Secretary, advises and consults on matters relating to his function under the Act.

Purpose.—The Congress found it in the public interest to provide for conserving surface waters, to preserve and improve habitat for migratory waterfowl and other wildlife resources, to reduce runoff, soil and wind erosion and to contribute to water control.

The Water Bank Program, then, is carried out to meet Congresssional intent:

To preserve and improve habitat for important migratory waterfowl nesting and breeding areas and other wildlife resources.

To preserve, and improve the wetlands of the Nation, and to conserve surface waters.

To reduce runoff, soil and water erosion, and contribute to flood control.

To contribute to improved water quality and reduce stream sedimentation.

To contribute to improved subsurface moisture.

To reduce acres of new land coming into production and to retire lands now in agricultural production.

To enhance the natural beauty of the landscape.

To promote comprehensive and total water management planning.

Program Provisions.—Under the Water Bank Program eligible persons in selected areas having eligible wetlands in important migratory waterfowl nesting and breeding areas may enter into 10-year agreements, with provision for renewal, and receive annual payments for the conservation of water and to meet other purposes of the Act.

In carrying out the program, the Secretary shall not enter into any agreements with owners or operators that will require Water Bank Program payments in any calendar year in excess of $10,000,000.

The Water Bank Program on specified farm, ranch or other wetlands applies to wetlands identified in a conservation plan developed in cooperation with the Soil and Water Conservation District in which the lands are located, and under terms and conditions set forth by the Secretary.

Farmer-elected county committees of ASCS administer the Program. Planning and technical services are provided by the Soil Conservation Service.

The term "wetlands" is defined in the Water Bank Act as meaning the inland fresh areas (types 1 through 5) described in Circular 39, Wetlands of the United States, published by the U.S. Department of the Interior. This definition includes artificially developed inland fresh areas which meet the description of inland fresh areas, types 1 through 5, contained in Circular 39.

In brief, these types include (1) seasonally flooded basis or flats; (2) fresh meadows; (3) shallow fresh marshes; (4) deep fresh marshes, and (5) open fresh water.

Land eligible for designation and placement under an agreement is privately owned inland fresh wetland areas of types 3, 4, and 5 that in the absence of participation in the program, a change in use could reasonably be expected which would destroy its wetland character.

Other privately owned land, including types 1 and 2 wetlands, which is adjacent to designated types 3, 4, or 5 wetlands may be designated upon determination by the county committee that this land is essential for the nesting and brooding of migratory waterfowl.

In entering into an agreement, the owner or operator shall agree:

(1) not to drain, burn, fill or otherwise destroy the wetland character of areas placed under the agreement, nor to use such areas for agricultural purposes, as determined by the Secretary.

(2) to carry out the wetland conservation and development plan for his land in accordance with the terms of the agreement.

(3) not to adopt any practice specified by the Secretary as one that would tend to defeat the purposes of the agreement.

(4) to such additional provisions as the Secretary determines are desirable and includes in the agreement to meet program purposes or to facilitate its administration.

The word "shall" as used in this legislation and similar legislation (H.R. 3298, and S. 394) requires the Executive Branch to use the full amount appropriated by the Congress for the purposes set out in the applicable law.

It does not permit or require any of the funds to be used other than as prescribed by that law. Funds could not be spent for projects that did not qualify and the Executive would be required to use the same degree of administrative care in approving projects that has always been required. No one intends the Executive Branch to approve projects that do not meet the qualifications of the law.

For example, if the Congress should appropriate $200 million for a particular program, and there are only $145 million in qualified applications, the Executive Branch could spend only $145 million, not the full $200 million appropriated.

In the use of the word "shall", the Congress is not trying to tell the Executive Branch that it no longer has the obligation to determine which projects qualify for funding.

By the use of the word "shall" in legislation to restore programs attempted to be terminated by the Exective Branch, the Congress is stating that it expects programs to be funded in accordance with the law as passed by the Congress and signed by the President.

If changes are to be made in programs, they should be made through normal Congressional procedures, and in the meantime all *qualified projects*, under the terms of the law should be funded by the Executive Branch within the limits of available appropriations.

The Managers are mindful that the Administration's temporary halt in the acceptance of contracts under the Water Bank Program and the Rural Environmental Assistance Program is a factor in determining whether the entire appropriation of the Congress may now be needed to match said contract requests for the current year. This is an appropriate subject for the consideration of the Congress at a subsequent date to enactment of H.R. 2107.

The Managers wish to re-emphasize that the Administration's discretion under both the Water Bank and the Rural Environmental Assistance Program is not unbridled; while the Secretary possesses the discretion necessary to permit him administrative flexibility in carrying out the two programs, he has not been given the discretion to thwart the will of Congress by terminating them. This is not a power that has been conceded at any point during debate of the bill. Termination is not a power that is possessed by the Administration.

W. R. POAGE,
THOMAS S. FOLEY,
B. F. SISK,
ED JONES,
Managers on the Part of the House.
HERMAN E. TALMADGE,
JAMES B. ALLEN,
WALTER D. HUDDLESTON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

TECHNICAL AND CONFORMING CHANGES IN SOCIAL SECURITY ACT

Mr. ULLMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3153) to amend the Social Security Act to make certain technical and conforming changes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 228(d)(1) of the Social Security Act is amended by inserting "or supplemental security income benefits under title XVI (as in effect after December 31, 1973)," after "IV,".

SEC. 2. Title XI of the Social Security Act is amended—

(1)(A) by striking out "I,", "X,", "XIV,", and "XVI," in section 1101(a)(1), and

(B) by adding at the end of section 1101(a)(1) the following new sentence: "In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972, shall continue to apply, and the term 'State' when used in such titles (but not in title XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam.";

(2) by striking out "I, X, XIV, XVI," in section 1109 and inserting in lieu thereof "XVI";

(3) by striking out "I, X, XIV, and" in section 1111;

(4)(A) by striking out "I, X, XIV, XVI," in the matter preceding clause (a) in section 1115, and inserting in lieu thereof "VI, XVI,",

(B) by striking out "section 2, 402, 1002, 1402, 1602, or" in clause (a) of such section and inserting in lieu thereof "title VI, part A of title IV, or section", and

(C) by striking out "3, 403, 1003, 1403, 1603," in clause (b) of such section and inserting in lieu thereof "403, 603,";

(5)(A) by striking out "I, X, XIV, XVI," in subsections (a)(1), (b), and (d) of section 1116, and inserting in lieu thereof "VI", and

(B) by striking out "4, 404, 1004, 1404, 1604," in subsection (a)(3) of such section and inserting in lieu thereof "404, 604"; and

(6)(A) by striking out "aid or assistance, other than medical assistance to the aged, under a State plan approved under title I, X, XIV, or XVI, or" in section 1119 and inserting in lieu thereof "aid or assistance under a State plan approved under", and

(B) by striking out "3(a), 403(a), 1003(a), 1403(a), or 1603(a)" in such section and inserting in lieu thereof "403(a)".

SEC. 3. (a) Section 1843(b)(2) of the Social Security Act is amended by adding at the end thereof the following: "Effective January 1, 1974, and subject to section 1902(e), the Secretary at the request of any State shall, notwithstanding the repeal of titles I, X, and XIV by section 303(a) of the Social Security Amendments of 1972 and the amendments made to title XVI by section 301 of such amendments, continue in effect the agreement entered into under this section with such State insofar as it includes individuals who are eligible to receive benefits under part A of title IV, or supplementary security income benefits under title XVI (as in effect after December 31, 1973), or are otherwise eligible to receive medical assistance under the plan of such State approved under title XIX. The provisions of subsection (h)(2) of this section as in effect before the effective date of the repeals and amendments referred to in the preceding sentence shall continue to apply with respect to individuals included in any such agreement after such date.".

(b) Section 1843(c) of such Act is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

(c) Section 1843(d)(3) of such Act is amended to read as follows:

"(3) his coverage period attributable to the agreement with the State under this section shall end on the last day of any month in which he is determined by the State agency to have become ineligible for medical assistance."

(d) Section 1843(f) of such Act is amended—

(1) by inserting "or receiving supplemental security income benefits under title XVI (as in effect after December 31, 1973)," after "IV,";

(2) by striking out "if the agreement entered into under this section so provides,";

(3) by striking out "I, XVI, or"; and

(4) by striking out "individuals receiving money payments under plans of the State approved under titles I, X, XIV, and XVI, and part A of title IV, and".

SEC. 4. (a) Title XIX of the Social Security Act is amended—

(1) by striking out "permanently and totally" in clause (1) of the first sentence of section 1901;

(2) by striking out ", except that the determination of eligibility for medical assistance under the plan shall be made by the State or local agency administering the State plan approved under title I or XVI (insofar as it relates to the aged)" in section 1902(a)(5);

(3)(A) by inserting after "title IV" in section 1902(a)(10) the following: ", or who are receiving a supplemental security income payment under title XVI (as in effect after December 31, 1973) and who would, except for such payment, be eligible for such medical assistance under the State plan or who would have been eligible for such medical assistance under the medical assistance standard as in effect on January 1, 1972 (except that in determining income for this purpose, expenses incurred for medical care must be deducted)",

(B) by striking out "not receiving aid or assistance under any such plan" in subparagraph (A)(ii) of such section and inserting in lieu thereof "pursuant to subparagraph (B)(ii)",

(C) by inserting after "Secretary" in subparagraph (B) of such section "or who are individuals receiving supplemental security income benefits under title XVI (as in effect after December 31, 1973) (which for the purposes of this subparagraph shall be considered to be a State plan) but who are not eligible under subparagraph (A)",

(D) by inserting after "State plan" in subparagraph (B)(i) of such section "or who are receiving a supplemental security income payment under title XVI (as in effect after December 31, 1973) and who would, except for such payment, be eligible for medical assistance under the State plan,", and

(E) by striking out "not receiving aid or assistance under any such State plan" in subparagraph (B)(ii) of such section and inserting in lieu thereof "under clause (i) of this subparagraph";

(4) by inserting after "IV," in section 1902(a)(13)(B) the following: "who are described in paragraph (10) with respect to whom medical assistance must be made available,";

(5)(A) by inserting after "appropriate," in section 1902(a)(14)(A) the following: "or, after December 31, 1973, are required to be covered under section 1902(a)(10)(A) or who meet the income and resources requirement as specified in such section,", and

(B) by inserting after "appropriate" in subparagraph (B) of such section the following: "or who, after December 31, 1973, are included under the State plan approved under title XIX pursuant to paragraph (10)(B),";

(6)(A) by striking out "who are not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV," in the portion of section 1902(a)(17) which precedes clause (A) and inserting in lieu thereof "other than those described in paragraph (10) with respect to whom medical assistance must be made available,", and

(B) by striking out "permanently and totally" in clause (D) of such section;

(7) by striking out "permanently and totally" in section 1902(a)(18);

(8) by striking out "referred to in section 3(a)(4)(A)(i) and (ii) or section 1603(a)(4)(A)(i) and (ii)" in section 1902(a)(20)(C) and inserting in lieu thereof "which the State agency administering the plan approved under title XVI determines to make available or, after December 31, 1973, which the agency administering the program of supplemental security income benefits under title XVI (as in effect after December 31, 1973) determines to make available";

(9) by striking out "money payments" in section 1903(a)(1) and inserting in lieu thereof "aid or assistance", and by inserting ", or supplemental security income benefits under title XVI of such Act (as in effect after December 31, 1973)," in such section after "title IV";

(10) by striking out section 1903(c);

(11) by inserting after "title IV," in section 1903(f)(4)(A) the following: "or supplemental security income benefits under title XVI of such Act (as in effect after December 31, 1973),"; and

(12)(A) by inserting after "title IV," in the matter preceding clause (1) in section 1905(a) the following: "or supplemental security income benefits under title XVI of such Act (as in effect after December 31, 1973),",

(B) by striking out clauses (iv) and (v) of such section and inserting in lieu thereof the following:

"(iv) blind as defined in section 1614(a)(2),

"(v) 18 years of age or older and disabled as defined in section 1614(a)(3), or",

(C) by inserting after "XVI," in clause (vi) of such section "or supplemental security income benefits under title XVI (as in effect after December 31, 1973),", and

(D) by striking out "or XVI" in the second sentence of such section and inserting in lieu thereof ", or supplemental security income benefits under title XVI (as in effect after December 31, 1973),".

(b) Section 1902(f) of such Act is amended by inserting "supplemental security income payment under title XVI and" after "such individual's."

SEC. 5. The amendments made by this Act shall become effective January 1, 1974; except that such amendments (other than the amendment made by section 2(1)(B)) shall not be applicable in the case of Puerto Rico, Guam, and the Virgin Islands.

The SPEAKER. Is a second demanded?

Mr. SCHNEEBELI. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this bill is to enact into law certain technical and conforming changes in the Social Security Act which should have been included in the conference report on H.R. 1 in the 92d Congress—the Social Security Amendments of 1972, which became Public Law 92–603. The bill consists entirely of conforming changes that were omitted from the conference report and in no way changes any decision of the conferees, any information or summary provided when that report was approved, or any cost estimates provided.

Technical and conforming amendments similar to those contained in H.R. 3153 were contained in H.R. 1 of the 92d Congress when the legislation passed the House and the Senate. At the time the conference committee acted on that legislation, there was not sufficient time to modify these technical and conforming changes to reflect the many substantive changes in H.R. 1 which were agreed to by the conference committee. Consequently, when Public Law 92–603 was enacted, it did not contain provisions making these conforming and technical changes. The erroneous cross references and technical inconsistencies in the Social Security Act which resulted from failure to include such provisions in the 1972 amendments would be corrected by the enactment of this bill.

The bill was reported unanimously by the Committee on Ways and Means and would not increase the cost of the programs administered under the Social Security Act.

Mr. Speaker, I urge the House to adopt this bill.

Mr. SCHNEEBELI. Mr. Speaker, I support H.R. 3153, a bill making technical corrections in our social security law.

The purpose of the bill is to correct erroneous cross references and technical inconsistencies in the Social Security Act. Similar technical and conforming amendments were contained in H.R. 1 in the 92d Congress when it was passed by the House and Senate. However, there was not time to modify these amendments in accordance with changes made by the conference committee, so they were not included in the legislation as enacted.

This bill would not make any substantive changes in the social security law but is concerned only with technical corrections. Accordingly, the bill would not result in any additional cost in operating the social security programs.

This legislation is needed in order to make the law technically accurate and more readable. There certainly is no controversy associated with this bill, and I recommend that it be passed by the House.

Mr. ULLMAN. Mr. Speaker, I yield to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Speaker, it is inevitable that in the enacting of legislation as comprehensive as H.R. 1, there be some clarifying follow-on amendments.

However, I would like to note for the RECORD that, although I am certain it was unintended, the effect of one of these amendments is to reduce payments to the "Proutys"—some hundreds of thousands of the elderly who do not receive any other public pension. Apart from that one point, there is a clarifying question which I would like to ask the gentleman from Oregon (Mr. ULLMAN).

The question is this: In section 1905 there are enumerated six classes of per-

sons for whom the States may extend medicaid provisions. More particularly, in subsection V, section 1905(a), the old language of eligibility in terms of the requirement that one must be 18 years or older in addition to being disabled, has been picked up in this proposal.

My question is this: Am I not correct that the language in section 1905(a)(1) "under the age of 21" clearly countenances on its face that if a person is disabled, as is proposed and defined in section 1614(a)(3), if that disabled person so qualifying and otherwise eligible is under the age of 18, such a person is eligible for medicaid benefits if the State so determines under clause 1?

Mr. ULLMAN. I would say to the gentleman from California the answer is definitely "yes."

Mr. BURTON. I raise this point only to make it clear to the very few who read the RECORD on these kinds of proposals that there is no intention on our behalf to in any way preclude consideration of those eligible as disabled and under the age of 18 from being eligible for medicaid in the event the State decides to extend such a program to these persons.

Mr. ULLMAN. The gentleman is correct.

Mr. BURTON. I thank the gentleman.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. ROSTENKOWSKI)

Mr. ROSTENKOWSKI. Mr. Speaker, on February 16, 1973, the Department of Health, Education, and Welfare published in the Federal Register its proposed changes in the regulations for funding and administration of the social services programs under title IVa of the Social Security Act.

These highly restrictive guidelines, if adopted, would establish a new policy which would virtually eliminate these social services and gravely cripple the governmental/private sector partnership in the delivery of such services.

Also, the new restrictive eligibility criteria, which narrowly defines who is a former or potential recipient of services, will exclude nearly all of the working poor from receiving services.

On March 14, 1973, I along with several of my Chicago colleagues, wrote to Secretary Weinberger concerning these new guidelines. In our letter we pointed out that, as written, the title IV guidelines would have the effect of forcing prior welfare recipients back on to the welfare rolls, and would prevent thousands of families from becoming self-supporting.

I am inserting a copy of this letter at this point in the RECORD:

MARCH 14, 1973.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: We the undersigned members of the Congressional Delegation from Chicago, respectfully suggest that the proposed 1974 Department of Health, Education, and Welfare guidelines for Title IV of the Social Security Act, as published in the Federal Register, February 16, 1973, would be seriously detrimental to a large portion of the residents of our city.

We are particularly concerned with those sections of the guidelines which prohibit private funds or in-kind contributions from being included in the 25%/75% state-federal match for funding of social service programs. We are also of the opinion that the proposed eligibility standards would prevent more than half of the children now participating in Chicago Day Care programs from qualifying for services. As they are now written, the Title IV guidelines would have the effect of forcing prior welfare recipients back on to the welfare rolls, and would prevent thousands of families from becoming self-supporting.

We believe that it was the intent of the Congress that the $2.5 billion limitation on Title IV programs imposed by section 1130 of the Social Security Act, be *fully* expended by allotment to the states. The restrictions placed upon Title IV by the 1974 HEW guidelines would make such expenditure impossible.

We respectfully suggest that new guidelines be drafted to comply with the intent of section 1130, and that specific attention be given to relaxing the eligibility requirements for recipients and to eliminating the 'no private matching' clause.

In closing, Mr. Secretary, we would be most anxious to meet with you, at your convenience, prior to the March 19, 1973 deadline set for finalization of the plan, in order to discuss with you the effects of these new guidelines on our city of Chicago. If this is at all possible, please let us know.

We thank you for your consideration, and with best regards we remain

Sincerely yours,

DAN ROSTENKOWSKI,
JOHN C. KLUCZYNSKI,
RALPH H. METCALFE,
MORGAN F. MURPHY,
SIDNEY R. YATES,
Members of Congress.

These guidelines were to take effect on March 19, 1973. It is my understanding that they are presently being rewritten. We can only hope for the best.

On March 28, 1973, I introduced H.R. 6275, a bill to limit the authority of the Secretary of Health, Education, and Welfare to impose, by regulations, certain additional restrictions upon the availability and use of Federal funds authorized for social services under the public assistance programs established by the Social Security Act. Essentially the bill would restore most of the services to those who received them prior to the introduction of the February 16 HEW title IVa guidelines.

I am inserting a copy of H.R. 6275 at this point in the RECORD.

H.R. 6275

A bill to limit the authority of the Secretary of Health, Education, and Welfare to impose, by regulations, certain additional restrictions upon the availability and use of Federal funds authorized for social services under the public assistance programs established by the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

SEC. 2. (a) The regulations of the Secretary of Health, Education, and Welfare (relating to the administration of titles I, X, XIV, and XVI, and part A of title IV, of the Social Security Act) as in effect on January 1, 1973, shall remain in full force and effect insofar as such regulations relate to—

(1) the use of privately contributed funds and in-kind contributions as part of State expenditures, in determining (for purposes of any such title or part A) the amount of the Federal contribution to which any State is entitled on account of expenditures incurred by the State for social services under a State plan approved under any such title or part A: *Provided,* That the Secretary may clarify requirements that such privately contributed funds be expended in accordance with a State plan.

(2) the authority of any State, under any such plan, to define the categories or classes of individuals who are eligible to receive such social services;

(3) the authority of any State, under any such plan, to include, as social services, drug and alcohol treatment programs, education and training services, and comprehensive service programs for children, the elderly, or the disabled (including such programs for mentally retarded children and adults);

(4) reporting requirements of States, under any such plan, with respect to the provision of social services; or

(5) the standards imposed, under any such plan, with respect to the provision, as social services, of day care services.

(b) No regulation, promulgated by the Secretary of Health, Education, and Welfare after January 1, 1973, shall have any force or effect, and any such regulation shall be invalid, if, and insofar as, such regulation is inconsistent with the provisions of subsection (a).

Mr. Speaker, on October 17, 1972, during the consideration of the conference report on H.R. 1, I was careful to point out that it was the intention of the Ways and Means Committee in formulating this legislation that no change be made in the regulations concerning "voluntary funds for social services for matching under title IVa of the Social Security Act."

I see that my good friend and colleague, the Honorable DON FRASER, is present here today. He has been one of the leaders in the House in attempting to change these highly restrictive proposed guidelines. I am sure that he will add to what I have already said.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, today, I support H.R. 3153 which includes technical and conforming changes in the Social Security Act, but I serve notice now that I will never support changes in the medicare bill to conform to the President's proposal to saddle medicare beneficiaries with an increased contribution and burden if they require hospitalization and medical help.

Under the present law, a patient pays $68 and medicare pays $32 of a $100 doctor bill. Under the President's proposal, the patient would pay $88.75 and medicare would pay only $11.25. On a $200 bill, the patient now pays $88 and medicare pays $112. Under the President's proposal, the patient would pay $113.73 and medicare $86.25.

The situation with respect to hospital bills is much the same. At present, seniors pay, on the average, $72 toward the first day's cost of hospitalization. Thereafter they pay nothing until after the 61st day of hospitalization. At that point, they pay $13 a day for the next 30 days and $26 a day for the next 60.

Under the Nixon proposals, our seniors will pay the full costs for the first day of hospitalization. This will be substantially higher than $72 paid at present.

In addition, seniors will be required to pay 10 percent of all costs after that.

Following is a specific description of the change by which President Nixon seeks to increase patient payment for medical and hospital service:

Present system for hospital coverage

Days in hospital:	Patient pays
1st day	$72
2d to 60th day	0
61st to 90th day	18
91st to 150th day	36

NIXON BUDGET PLAN FOR HOSPITAL COVERAGE

First day in hospital, patient pays total cost.

Second to 150th day in hospital, patient pays 10 percent of cost.

PRESENT SYSTEM OF PHYSICIAN COVERAGE

The patient pays the first $60 and 20 percent of the rest of his doctor bills each year.

NIXON BUDGET PLAN FOR PHYSICIAN COVERAGE

The patient would pay the first $85 and 25 percent of the rest of his doctor bills each year.

The administration errs in assuming that medicare patients have contributed to the cost of medical service or that medicare patients can reduce their medical or hospital needs by their own choice.

The food and rent inflation of the last 17 months has devastated the budgets of all Americans—particularly the elderly and the poor. It has "whipsawed" millions of American people from self-sufficiency to demeaning dependency.

Last year's social security increase has already been washed out by the intervening inflation in the cost of food, shelter, and clothing. The President's proposed reduction of medicare benefits would provide only short-term financial gains to the administration and long-term losses. It would plunge millions of our elderly into the ranks of the medically indigent and from self-sustaining citizens to citizens substantially dependent on supplemental support from the community or from the family.

Mr. WYLIE. Mr. Speaker, will the gentleman yield for a question?

Mr. VANIK. I am happy to yield to my colleague from Ohio.

Mr. WYLIE. The gentleman from Ohio mentioned the President's program on medicare several times. From whence does this program come? Is there a bill in on it?

Mr. VANIK. His program is clearly set forth in his message to the Congress. I assume that legislation is coming out to support the message he gave us earlier this year.

Mr. WYLIE. I certainly did not draw the conclusions of the gentleman from Ohio on the message to the Congress. The gentleman can draw his own conclusions.

Mr. VANIK. That is in the President's message, and it was very, very well and thoroughly reported. While he has not sent up legislation, I think it is in this way plain.

We have to assume in this House that there will be legislation to support every thing that the President seems for the instant to consider necessary.

Mr. WYLIE. Mr. Speaker, I thank the gentleman.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Speaker, I would like to take this opportunity to ask about another aspect of the Social Security Act.

Many of us are deeply concerned about the proposed social service regulations issued by the Department of Health, Education, and Welfare on February 15.

We have learned that a wide range of community programs in our districts—from day care for working mothers to homemakers' aid for the elderly—are likely to be terminated if the regulations are implemented.

I would like to ask the gentleman handling the bill if he agrees that the regulations represent an unnecessary restriction on the use of social service funds and move beyond the limitations imposed by Congress last year in the State and Local Fiscal Assistance Act?

Mr. ULLMAN. Mr. Speaker, I agree completely with the gentleman that the proposed regulations issued by the Department of Health, Education, and Welfare move beyond the limitations imposed by Congress last year in the State and Local Fiscal Assistance Act. In that act, we set a dollar limitation on the amount of Federal funds which a State could receive for social services. We also set a limitation with some exceptions on the percentage of funds that could be expended for persons who are not welfare applicants or recipients. As the chairman stated on this floor at the time the conference report on the State and Local Fiscal Assistance Act was being debated, nothing in that act required the issuance of more stringent regulations either as to services which could be provided or persons who could receive such services than were in existence at that time. In my opinion, many of the proposed regulations would have an undesirable effect.

Mr. FRASER. Mr. Speaker, I thank the gentleman very much for his response.

Mr. SCHNEEBELI. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. Speaker, I should like to ask the distinguished gentleman from Oregon (Mr. ULLMAN), if he would respond to one or two questions I might ask.

Mr. ULLMAN. I would be very happy to respond.

Mr. HEINZ. Mr. Speaker, I understand that possibly this bill could be the vehicle which would allow the other body to return to us a welfare reform bill. If that were to be the case, and the other body were to return this bill, amended or changed in the other body, to this House, would the gentleman please give use some indication as to how this body might deliberate upon such provisions as welfare reform in the other body which came back to us in the form of a conference report?

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. HEINZ. I would be happy to yield to the gentleman.

Mr. ULLMAN. Mr. Speaker, this could be true of any social security measure that this House passed. It is always possible that the other body may add amendments.

Let me say that we have discussed this matter generally among the committee members. The chairman has discussed it with us, and if, in fact, there were a major welfare measure attached to this bill, then the chairman and the committee have agreed that the committee itself would take it under consideration before anything further was done, or before a conference committee decision was made.

Now, of course, we have no indication at this time that this might happen, or to what extent, and we certainly would not make any prior judgment at this time as to what would encompass major social security legislation and what would not. I think, if that happened, it would be rather obvious.

Mr. HEINZ. If the gentleman would respond further? If the bill were to come back and the welfare reform bill was considered by the full Committee on Ways and Means and then came to the floor, would the bill be subject to amendment?

Mr. ULLMAN. Well, obviously we cannot answer that question at this point, because there are different alternatives available under the rules. I am sure no one could answer that question at this point.

Mr. HEINZ. In a general way, would it be possible? What opportunities would a Member of this body have to influence the legislations to offer amendments or propose changes to the bill that may be important to their constituents or to the Nation?

Mr. ULLMAN. I would say we have general parliamentary procedures to cover almost any situation, and I would think that the gentleman and the House would utilize those parliamentary procedures that would be available.

Mr. HEINZ. Well, are they going to be available?

Mr. ULLMAN. I would certainly hope that if we had a major welfare measure attached to this or any other bill, we could devise procedures to bring it to the floor whereby it could be amended.

Mr. HEINZ. Thank you very much.

Mr. VANIK. Will the gentleman yield further?

Mr. HEINZ. I yield to the gentleman.

Mr. VANIK. I think the gentleman from Pennsylvania provided a very useful service to this House in making that inquiry on how the bill might come back.

Will the gentleman from Oregon tell me—and I would like to be assured—if the other body were to make it into a trade bill, would the same principle apply and would we have to refer it to the Committee on Ways and Means for complete and thorough action by that committee before it was reported out of the House?

Mr. ULLMAN. I will say to the gentleman, obviously a trade amendment would not be a germane amendment to a social security bill. We are referring

here to germane amendments and procedures that would follow from them, but certainly not that kind of thing, which would clearly be nongermane. I would hope we would not adopt such a nongermane amendment. As the gentleman knows, the rules of the House are clear as to nongermane amendments.

Mr. VANIK. Will the gentleman assure me such action would not be taken among the conferees?

Mr. ULLMAN. I cannot. As far as I am concerned personally, I can assure you, but I cannot speak for the conferees.

Mr. VANIK. I thank you.

Mr. SCHNEEBELI. I would like to reply, also, to the gentleman from Pennsylvania.

At the time this bill was taken up this question was raised in the committee by Members on both sides of the aisle, Republicans and Democrats. The chairman assured them that we would have a committee meeting on it and also have hearings on the subject if necessary. That was back in January when we took the bill up in the committee.

Furthermore, last week I again asked the chairman if that was his intention, and was assured that it was.

Mr. HEINZ. If the gentleman will yield?

Mr. SCHNEEBELI. I yield to the gentleman.

Mr. HEINZ. I simply would like to thank the gentleman from Pennsylvania for having made this inquiry to make it known that if the House has the opportunity to consider fully any legislation that goes beyond the apparent scope of this measure we will do so.

Mr. SCHNEEBELI. I can assure the gentleman that is true and we will have hearings by the committee if necessary.

Mr. Speaker, I have no further requests for time.

Mr. ULLMAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN) that the House suspend the rules and pass the bill H.R. 3153.

The question was taken.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 340, nays 1, not voting 92, as follows:

[Roll No. 63]

YEAS—340

Abdnor	Beard	Brown, Calif.
Abzug	Bennett	Brown, Mich.
Adams	Bergland	Brown, Ohio
Addabbo	Bevill	Broyhill, N.C.
Anderson, Calif.	Biester	Broyhill, Va.
Anderson, Ill.	Bingham	Buchanan
Andrews, N. Dak.	Blackburn	Burgener
Annunzio	Boggs	Burke, Fla.
Archer	Boland	Burke, Mass.
Arends	Brasco	Burleson, Tex.
Ashley	Bray	Burlison, Mo.
Aspin	Breaux	Butler
Bafalis	Breckinridge	Byron
Barrett	Brinkley	Carey, N.Y.
	Broomfield	Carter
	Brotzman	Casey, Tex.
Cederberg	Hogan	Quillen
Chamberlain	Holt	Railsback
Chappell	Holtzman	Randall
Clancy	Horton	Rangel
Clark	Hosmer	Rarick
Clausen, Don H.	Howard	Rees
Clawson, Del	Hudnut	Regula
Cleveland	Hungate	Reuss
Cochran	Hunt	Rhodes
Cohen	Hutchinson	Rinaldo
Collier	Ichord	Roberts
Collins	Jarman	Robinson, Va.
Conable	Johnson, Calif.	Robison, N.Y.
Conlan	Johnson, Colo.	Roe
Conyers	Johnson, Pa.	Rogers
Cotter	Jones, Ala.	Roncallo, Wyo.
Coughlin	Jones, N.C.	Roncallo, N.Y.
Crane	Jones, Okla.	Rooney, Pa.
Daniel, Dan	Jones, Tenn.	Rose
Daniel, Robert W., Jr.	Jordan	Rosenthal
Daniels, Dominick V.	Karth	Rostenkowski
Danielson	Kastenmeier	Roush
Davis, Ga.	Kazen	Rousselot
Davis, S.C.	Keating	Roybal
Davis, Wis.	Kemp	Runnels
de la Garza	Ketchum	Ruppe
Dellenback	Kuykendall	Ruth
Denholm	Kyros	St Germain
Dennis	Landgrebe	Sarasin
Dent	Latta	Sarbanes
Derwinski	Lehman	Satterfield
Devine	Lent	Saylor
Dickinson	Litton	Schneebeli
Diggs	Long, La.	Schroeder
Donohue	Long, Md.	Seiberling
Downing	Lott	Shoup
Drinan	Lujan	Shriver
Dulski	McClory	Shuster
Duncan	McCloskey	Sikes
du Pont	McCollister	Sisk
Edwards, Calif.	McDade	Skubitz
Eilberg	McEwen	Slack
Erlenborn	McFall	Smith, N.Y.
Esch	McKay	Snyder
Eshleman	McSpadden	Spence
Evans, Colo.	Macdonald	Staggers
Evins, Tenn.	Madden	Stanton, J. William
Fascell	Madigan	Stark
Findley	Mahon	Steed
Fish	Mailliard	Steelman
Fisher	Mallary	Steiger, Ariz.
Flood	Martin, Nebr.	Steiger, Wis.
Flowers	Martin, N.C.	Stokes
Flynt	Mathias, Calif.	Stratton
Foley	Mathis, Ga.	Stubblefield
Ford, Gerald R.	Mazzoli	Stuckey
Forsythe	Meeds	Sullivan
Fraser	Mezvinsky	Symms
Frelinghuysen	Miller	Taylor, N.C.
Frenzel	Mills, Md.	Teague, Calif.
Froehlich	Minish	Thomson, Wis.
Fulton	Mink	Thone
Fuqua	Minshall, Ohio	Thornton
Gaydos	Mitchell, N.Y.	Tiernan
Gettys	Mizell	Towell, Nev.
Giaimo	Moakley	Treen
Gibbons	Mollohan	Udall
Gilman	Montgomery	Ullman
Ginn	Moorhead, Calif.	Van Deerlin
Gonzalez	Moorhead, Pa.	Vander Jagt
Goodling	Morgan	Vanik
Grasso	Moss	Veysey
Green, Pa.	Murphy, Ill.	Vigorito
Griffiths	Murphy, N.Y.	Waggonner
Gross	Myers	Waldie
Grover	Natcher	Walsh
Gude	Nedzi	Wampler
Gunter	Nelsen	Ware
Haley	Nichols	Whalen
Hamilton	Obey	White
Hammer-schmidt	O'Brien	Whitehurst
Hanley	O'Hara	Whitten
Hanrahan	O'Neill	Widnall
Hansen, Idaho	Owens	Wiggins
Hansen, Wash.	Passman	Williams
Harrington	Patman	Winn
Hawkins	Patten	Wyatt
Hays	Pepper	Wydler
Hébert	Perkins	Wylie
Hechler, W. Va.	Pettis	Wyman
Heckler, Mass.	Peyser	Yates
Heinz	Pike	Yatron
Helstoski	Poage	Young, Alaska
Henderson	Podell	Young, Fla.
Hicks	Powell, Ohio	Young, Ga.
Hillis	Preyer	Young, Ill.
	Pritchard	Young, Tex.
	Price, Ill.	Zablocki
	Quie	Zwach

NAYS—1

Burton

NOT VOTING—92

Alexander	Gray	Reid
Andrews, N.C.	Green, Oreg.	Riegle
Armstrong	Gubser	Rodino
Ashbrook	Guyer	Rooney, N.Y.
Badillo	Hanna	Roy
Baker	Harsha	Ryan
Bell	Harvey	Sandman
Biaggi	Hastings	Scherle
Blatnik	Hinshaw	Sebelius
Bolling	Holifield	Shipley
Bowen	Huber	Smith, Iowa
Brademas	King	Stanton, James V.
Brooks	Kluczynski	Steele
Burke, Calif.	Koch	Stephens
Camp	Landrum	Studds
Carney, Ohio	Leggett	Symington
Chisholm	McCormack	Talcott
Corman	McKinney	Taylor, Mo.
Clay	Mann	Teague, Tex.
Conte	Maraziti	Thompson, N.J.
Cronin	Matsunaga	Wilson, Bob
Culver	Mayne	Wilson, Charles H., Calif.
Delaney	Melcher	Wilson, Charles, Tex.
Dellums	Metcalfe	Wolff
Dingell	Michel	Wright
Dorn	Milford	Young, S.C.
Eckhardt	Mills, Ark.	Zion
Edwards, Ala.	Mitchell, Md.	
Ford, William D.	Mosher	
Fountain	Nix	
Frey	Parris	
Goldwater	Pickle	
	Price, Tex.	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Maraziti.

Mr. Rooney of New York with Mr. King.

Mr. Biaggi with Mr. Cronin.

Mr. Holifield with Mr. Camp.

Mr. Kluczynski with Mr. Hastings.

Mr. Delaney with Mr. Ashbrook.

Mr. Culver with Mr. Harsha.

Mr. McCormack with Mr. Gubser.

Mr. Hanna with Mr. Bell.

Mr. Pickle with Mr. Hinshaw.

Mr. Rodino with Mr. Sandman.

Mr. Shipley with Mr. Conte.

Mr. Charles H. Wilson of California with Mr. Bob Wilson.

Mr. Wolff with Mr. McKinney.

Mr. Blatnik with Mr. Huber.

Mr. Brademas with Mr. Guyer.

Mr. Brooks with Mr. Harvey.

Mr. Gray with Mr. Talcott.

Mr. Koch with Mr. Clay.

Mr. Leggett with Mr. Mosher.

Mr. Matsunaga with Mr. Frey.

Mr. Dingell with Mr. Michel.

Mr. Nix with Mr. Bowen.

Mr. Smith of Iowa with Mr. Goldwater.

Mr. James V. Stanton with Mr. Sebelius.

Mr. Stephens with Mr. Edwards of Alabama.

Mr. Symington with Mr. Mayne.

Mr. Teague of Texas with Mr. Baker.

Mr. Wright with Mr. Parris.

Mr. Badillo with Mrs. Burke of California.

Mr. Alexander with Mr. Price of Texas.

Mr. Carney of Ohio with Mr. Steele.

Mrs. Chisholm with Mr. Corman.

Mr. Dellums with Mr. William D. Ford.

Mr. Dorn with Mr. Young of South Carolina.

Mr. Fountain with Mr. Scherle.

Mr. Andrews of North Carolina with Mr. Charles Wilson of Texas.

Mrs. Green of Oregon with Mr. Taylor of Missouri.

Mr. Landrum with Mr. Zion.

Mr. Mann with Mr. Eckhardt.

Mr. Melcher with Mr. Metcalfe.

Mr. Milford with Mr. Mitchell of Maryland.

Mr. Reid with Mr. Mills of Arkansas.

Mr. Roy with Mr. Riegle.

Mr. Studds with Mr. Ryan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

ENDORSING OBJECTIVES FOR A JUST AND EFFECTIVE OCEAN TREATY

Mr. FRASER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 330) to endorse objectives for a just and effective ocean treaty.

The Clerk read as follows:

Whereas the oceans cover 70 per centum of the Earth's surface, and their proper use and development are essential to the United States and to the other countries of the world; and

Whereas Presidents Nixon and Johnson have recognized the inadequacy of existing ocean law to prevent conflict, and have urged its modernization to assure orderly and peaceful development for the benefit of all mankind; and

Whereas a Law of the Sea Conference is scheduled to convene in November-December 1973, preceded by two preparatory meetings of the United Nations Committee on the Peaceful Uses of the Seabed and the Ocean Floor Beyond the Limits of National Jurisdiction (hereinafter referred to as the "Seabed Committee"); and

Whereas it is in the national interest of the United States that this Conference should speedily reach agreement on a just and effective ocean treaty: Now, therefore, be it

Resolved, That the House of Representatives endorses the following objectives, envisioned in the President's ocean policy statement of May 23, 1970, and now being pursued by the United States delegation to the Seabed Committee preparing for the Law of the Sea Conference—

(1) protection of (a) freedom of the seas, beyond a twelve-mile territorial sea, for navigation, commerce, transportation, communication, and scientific research, and (b) free transit through and over international straits;

(2) recognition of the following international community interests:

(a) protection from ocean pollution,

(b) assurance of the integrity of investments,

(c) substantial sharing of revenues derived from exploitation of the seabed, particularly for economic assistance to developing countries,

(d) compulsory settlement of disputes, and

(e) protection of other reasonable uses of the oceans beyond the territorial sea, including any economic intermediate zone;

(3) an effective International Seabed Authority to regulate orderly and just development of the mineral resources of the deep seabed as the common heritage of mankind, protecting the interests both of developing and of developed countries; and

(4) conservation and protection of living resources, with fisheries regulated for maximum sustainable yield, with coastal state management of coastal species and host state management of anadromous species, and international management of such migratory species as tuna.

SEC. 2 The House of Representatives commends the United States delegation to the Seabed Committee preparing for the Law of the Sea Conference for its excellent work, and encourages the delegation to continue to work diligently for early agreement on an ocean treaty embodying the goals stated herein.

The SPEAKER. Is a second demanded?

Mr. MAILLIARD. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. FRASER. Mr. Speaker, I yield 20 minutes to the gentleman from California (Mr. MAILLIARD), pending which I yield myself such time as I may consume.

Mr. Speaker, Members of the House, the resolution which is presently before the body is simply a House resolution which will require no action by the other body.

What this resolution does is endorse the principles laid down by President Nixon with respect to the Law of the Sea negotiations which will reach their climax in a conference which will open in New York this fall and continue in Santiago, Chile, next year. These negotiations include matters of vital interest to the United States, such as the question of how far our territorial seas shall extend. At the present time, we claim 3 miles, but many nations claim 12 and some up to 200.

There will be determined the question of how much further than the territorial sea the coastal States shall have right to exploit the economic resources of the sea bed and the fish stocks in the water column above.

There will also be determined what shall happen to the deep seabed beyond the limits of national jurisdiction, who shall control it, and who shall have the right of exploitation and further, how benefits of that exploitation shall be divided, that is, who shall gain the fruits of the exploitation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. The gentleman is not saying that by virtue of this resolution there will be a determination of who controls what underlies the waters beyond what now is the 3-mile limit? He is not saying that, is he?

Mr. FRASER. I am glad the gentleman from Iowa raised the question. The answer is complex for it deals with a number of things among which is control of seabeds minerals and oil beyond the 200-meter isobath, that is generally beyond the continental shelf, rather than what is beyond 3 miles. This resolution simply endorses the position of the President which is being pursued by our negotiating team. This resolution has no force of law. It is simply an expression of the House in support of the negotiating position of the U.S. delegation.

Mr. GROSS. So that, if the territorial limits should be, as a result of the work of this committee and in combination with other nations, a 12-mile territorial limit, this would not mean that without further action on the part of the Congress that the coastal States would be entitled to the offshore oil rights within that 12-mile limit? Is that not true?

Mr. FRASER. You are correct. It would not mean that the coastal States would be entitled to the offshore oil rights within the 12-mile limit. You are speaking of the several coastal States of the United States, I presume, rather than the coastal nations of the world which are referred to as states in the international context. Let me take it step by step. Assuming that there is a convention agreed upon in the final meeting in Santiago de Chile next year, that convention would have to be ratified by countries in accordance with their constitutional processes. The United States could elect not to ratify. If the U.S. position is sustained, that is to say, if a 12-mile territorial sea is established, among other things, it is very clear that all of the resources within that 12 miles would belong exclusively to the United States. The 12-mile zone would be the sovereign domain of this country. The United States, in turn, could apportion it among its own States, under either present or new law. It would belong to the people of the United States.

Mr. GROSS. It would belong to the people of the United States, but would Congress have the authority to make a determination as to the ownership of those undersea deposits or resources or whatever they might be?

Mr. FRASER. My understanding is that the status of law today, based on Federal legislation, is that our States have the right to a claim that goes out to 3 miles, with the exception of two States—Texas and Florida, which by reason of a historic claim have a right to go out to 9 miles. Agreement to a 12-mile territorial sea would not entail any automatic change in this situation. Any further yielding of rights to the States would require congressional action.

Mr. GROSS. I thank the gentleman.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I am glad to yield to the gentleman from New Hampshire.

Mr. WYMAN. Is it the gentleman's position that the resolution now before us, to which he is addressing his remarks, endorses or takes any position with regard to whether we should have a 3-mile limit, a 12-mile limit, a 200-meter depth limit, or any other limit off our coastal waters?

Mr. FRASER. The resolution supports the U.S. position in the law of the sea forum in several respects. In general, the U.S. negotiating position, I can advise the gentleman, is as follows: We are proposing that there be a 12-mile territorial sea. That would commence just at the water's edge on this chart on the easel to my right. Beyond the 12-mile territorial sea we would in our proposal retain to the coastal nation exclusive ownership and the right to exploit the mineral resources, the sea bed resources, out to the 200-meter isobath or depth line, which is shown on this same chart. That, standing alone, is no change from the 1958 Convention which generally defined the rights of coastal States to exploit out to the 200-meter isobath, but it went further and provided rights to depths beyond to the extent technology

permits exploitation. In any event, we would propose to maintain exclusive control from the 200-meter isobath in toward the shoreline.

Beyond the 200-meter isobath out to the beginning of the deep seabed, which is at the end of the continental rise, we are proposing a mixture of international and coastal State—Nation—rights. The coastal State would be the manager of the resources, but the management of those resources by the coastal State would be subject to five principles, as follows:

First is the protection of investment;

Second is the protection of the marine environment;

Third is revenue sharing;

Fourth is the compulsory settlement of disputes; and

Fifth is the protection for other uses, such as scientific research.

Then, with respect to the deep seabed, which is out beyond the continental rise, there would be an international regime which would have the right to license enterprises who want to go out and exploit the seabed.

Mr. WYMAN. If the gentleman will yield further, we have not, however, asserted, at least this body, our jurisdiction to these coastal waters out to 200 meters in depth.

Mr. FRASER. Under the Truman declaration of 1945 and the 1958 convention, we can exploit resources out to the 200-meter isobath and beyond as technology allows.

Mr. WYMAN. Aproximately how far away from the shore, along the eastern coast of the United States, does the 200-meter depth figure extend?

Mr. FRASER. I am glad the gentleman asked that question. This map which I have here shows in yellow the extent of the continental shelf out to the 200-meter isobath. And you can, by closer inspection, get some notion as to how far out the 200-meter isobath is. But in any case it would be some 12 miles or more off New England I believe.

Mr. WYMAN. In any case, it is that far?

Mr. FRASER. The gentleman is correct.

Mr. WYMAN. May I ask the gentleman, has he made any effort to stop the Russian trawlers from fishing within the 200-meter range?

Mr. FRASER. The 200-meter isobath limit does not apply to fishing, but only to exploitation of the seabed. Under present international law, we have a 3-mile territorial sea plus a 9-mile contiguous fishery zone, and for fishing purposes, beyond 12 miles is international waters today.

Mr. WYMAN. I understand. But the gentleman will agree, will he not, that if Congress wanted to, it could unilaterally assert jurisdiction of the United States to exclusively control and use this 200 meters in depth, including the seabed as well as the water?

Mr. FRASER. Well, the United States could unilaterally assert jurisdiction to 200 miles or to a 200-meter depth or to 1,000 or to 10,000 miles, but do we want to? We could make the assertion, but if we did it unilaterally, this would provide a source of conflict with other nations which would take the position that this is not an accepted international standard. We have criticized other nations for making unilateral claims to vast areas of the international ocean, and we have steadfastly refused to recognize such unilateral claims, believing such matters are properly a subject for international agreement in precisely the kind of forum which we have in the forthcoming Law of the Sea Conference.

Mr. WYMAN. Mr. Speaker, will the gentleman yield further?

Mr. FRASER. I yield further to the gentleman from New Hampshire (Mr. WYMAN).

Mr. WYMAN. I understand that is why we are going to the system on the international conference, because they are going more than 200 miles out; is that not so?

Mr. FRASER. Some States have asserted claims of 200 miles of territorial sea of exclusive sovereign jurisdiction; others have claimed 200 miles for the right of resource exploitation, without claiming control over navigation, a zone they call a patrimonial sea. And there are a variety of other claims that exist today.

Mr. WYMAN. Mr. Speaker, assuming that they authorize or approve the 200-meter depth, we would not have to go very far, would we? Because we would be pretty close to the shoreline in Ecuador at 200 meters in depth.

Mr. FRASER. Ecuador has made a claim of 200 miles, not to a depth of 200 meters. Ecuador is a good example of the problem of the unilateral claim.

Mr. WYMAN. Mr. Speaker, I would like to ask the gentleman further, in the question of the seabed, on the offshore claim as it relates to the energy crisis, does the gentleman have any recommendation, or is there anything in the gentleman's resolution before us today as an implication of a provision by this Congress on what would be done with regard to oil from the continental rise on in? Does that belong to us clearly?

Mr. FRASER. The proposal of the United States is that very generally that the area from shore to the 200-meter isobath or depth would belong exclusively to the coastal nation for mining purposes or for the extraction of oil and gas, but not for fishing however; and from the 200-meter isobath to the edge of the continental margin, where the deep seabed begins, the area would be managed by the coastal nation under international standards, with some revenue sharing; and in the deep seabed, the exploitation would be under international management and control, again with revenue sharing with the developing and the land-locked and shelf-locked nations. So, to answer your question the U.S. position would give the United States exclusive right and control from the 200-meter depth line back into the shore.

Mr. WYMAN. And this resolution then would put this House on record as endorsing that provision today, would it not?

Mr. FRASER. Yes, that is correct. We would be endorsing the President's concept of a national area, mixed intermediate zone, and an entirely international deep seabead area, subject to international standards and mandatory disputes settlement.

Mr. WYMAN. I thank the gentleman.

Mr. MACDONALD. Mr. Speaker, would the gentleman yield?

Mr. FRASER. I yield to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Speaker, to go along a little further, I did not quite understand the exchange between the gentleman from Minnesota (Mr. FRASER) and the gentleman from New Hampshire (Mr. WYMAN) as to what effect this would have on offshore drilling for gas and oil.

Would the gentleman explain that further?

Mr. FRASER. This would have no effect, as drilling takes place today. Of course, we do not know what the outcome of the Conference will be, but our purpose is to support the stated U.S. position. There will be no effect on drilling within the 200-meter isobath, which is where all of our commercial developments have taken place so far.

Mr. MACDONALD. Will the gentleman yield further for just one more observation and question?

Mr. FRASER. Yes, I yield to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Speaker, I was concerned as to what effect it would have on the present rights for offshore drilling. Would it expand the present rights or deteriorate their position, or would it close off any exploration past that 200-meter range?

Mr. FRASER. Under the 1958 convention the right of coastal States to explore or exploit for oil to the 200-meter depth was clear.

In addition, under that convention there was a right to go beyond the 200-meter isobath to the extent that exploitability was possible, a continually changing thing which caused and continues to cause impreciseness and confusion.

Mr. MACDONALD. But that is not clear.

Mr. FRASER. You are right. That is not clear. Under the proposal of the President, beyond the 200-meter isobath out to the end of the continental margin the coastal state or nation manages the exploitation of those resources under a kind of trusteeship and does so subject to certain international standards. The coastal states would have control and management of those resources for the international community, and would likely be entitled to a management fee of one kind or another.

Mr. MACDONALD. I thank you.

Mr. SIKES. Will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Florida.

Mr. SIKES. I think the gentlemen's bill is well founded and I intend to support it, but I would like to ask him one or two questions in further clarification.

I would like clarification on the subject of pollution control. Many of us are concerned with pollution control if it is just offshore. Does this bill control Federal and State pollution control efforts?

Mr. FRASER. My understanding is

that within territorial waters and for some yet undefined further area it is the domestic responsibility of the coastal nation. There are pollution standards which are being developed by the International Maritime Consultative Organization on vessel pollution, and this may be broadened. They have a meeting coming up this fall in London.

Mr. SIKES. This bill then would do nothing to discourage this type of effort?

Mr. FRASER. No, not at all. With respect to pollution I think that for international waters there will be some general statements about the problem of pollution, but this will not have any significant impact on territorial waters; and if there is to be a spelling out of pollution standards in the areas further out that remains to be worked out. Incidentally, the United States will make an intervention on pollution this week at the U.N. Seabeds Committee in New York. I will try to provide a copy for the CONGRESSIONAL RECORD.

Mr. SIKES. With regard to the matter of offshore drilling, there has been a controversy for a number of years about who controls the waters to what distance offshore in these jurisdictions. It was resolved between the States and the Federal Government in a generally satisfactory manner. Does this bill change that in any way?

Mr. FRASER. No, sir. The 3-mile rights the States now have and the 9 miles that Texas and Florida have established would not be altered under the U.S. position.

Mr. SIKES. Another item of concern touched on a moment ago is the matter of the claim of some countries to a distance of 200 miles of the waters offshore. We in Florida have had serious problems with some of our neighbors to the south because of their seizure of fishing vessels within the waters that they claim as their own. Does this affect that situation?

Mr. FRASER. We hope it will. We do not recognize the unilateral 200-mile zone of Ecuador and Peru and other nations, and that is where the trouble lies. With respect to fisheries, the U.S. position is that the fish should be managed on a species basis. In general coastal state fishing, that is, for fish found resident in the coastal areas, would be reserved to the costal states, subject only to the concept that if they do not use all of the resources, then other countries would have a right to come in on a nondiscriminatory basis, so that harvestable stocks would not go unused, or be wasted. But the coastal state would have the first right. For highly migratory species such as tuna we are proposing international management since they spawn in international waters and swim all over the oceans, so that no single state should have a rightful claim over them. For the anadromous species, like salmon, which spawn in inland waters, it is proposed that the host state where the fish spawn should have control over their entire life cycle.

My understanding is that all of the fishery groups in the United States are generally in agreement with the position of our Government on those matters, because it protects all our fisheries. The problem the fishermen have is with the time it takes to hammer out an international agreement.

Mr. SIKES. One further question.

The SPEAKER. The Chair will advise the gentleman he has consumed 18 minutes. He has 2 more minutes remaining.

Mr. SIKES. One further brief question if the gentleman will yield further.

Mr. FRASER. I yield further.

Mr. SIKES. Has the gentleman's committee given thought to dealing more specifically with separate legislation on the problem of seizures of American fishing vessels in South American waters?

Mr. FRASER. I can only answer the gentleman that our subcommittee has not been given the jurisdiction over that problem. Hopefully, if the Law of the Sea Conference comes to a fruitful conclusion, we will have ended the problem.

Mr. PIKE. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I will be glad to yield to the gentleman from New York.

Mr. PIKE. Mr. Speaker, under the position of the United States the 200-meter mark marks the limit of State's control of the bottom, but not of the water; is that correct?

Mr. FRASER. That is correct.

Mr. PIKE. Does the United States have a position regarding who controls the fishery resources out to the 200-meter depth mark?

Mr. FRASER. No. The position of the United States on fishing has nothing to do with depth. As I have previously stated, our U.S. proposal on fisheries is that they can be dealt with according to their natural habits, not by artificially or politically defining a zone by mileage or by depth.

Mr. PIKE. We are not going to claim any jurisdiction at all, just on our own Continental Shelf?

Mr. FRASER. The shelf really has very little to do with our Continental Shelf. Our position is that the fish found in coastal waters are subject to the control and use of the coastal state, as are anadramous species. The highly migratory oceanic species are subject to international management and allocation.

Mr. PIKE. This has not been true in the past, and it is certainly not true at the present time.

Let me ask the gentleman one other additional question: Is the lobster a sea bed resource, or is that a fishery resource?

Mr. FRASER. I am not a fishery expert, but I think it would be a fishery resource, since it is not regarded as a creature attached to the shelf.

Mr. PIKE. So we would not have any control over what happens to the lobsters, unless there is international agreement on it, according to the position of the United States; is that correct?

Mr. FRASER. Well, if there is no international agreement we are left where we are today. If there is an international agreement then presumably——

Mr. PIKE. I am trying to find out what we are pushing for, trying to find out what we are endorsing here.

Mr. FRASER. Under the species approach advocated by the United States, the coastal state would have management jurisdiction and a preferential right to that resource.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. MAILLIARD. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, along the lines the gentleman from New York has just developed, and that was the intent of the previous questions I addressed to the gentleman from Minnesota, I was just trying to find out whether by passing the resolution offered by the gentleman from Minnesota we are endorsing the U.S. position that may be taken before the Conference, and generally exactly what that position is. I understand the question asked by the gentleman from New York and the response given by the gentleman from Minnesota, and that is we are going to take a position that we did not assert any control over fisheries out to the 200-meter mark, not the bottom, now, but the fish.

Mr. FRASER. No, that is not right.

Mr. WYMAN. This distresses me.

Mr. FRASER. So far as fisheries are concerned the 200-meter isobath or depth mark makes no difference. The position of the United States is that fish found along the coast, the so-called resident species, are to be controlled, managed, and utilized by the coastal state (nation).

Mr. WYMAN. But we have not asserted that, have we?

Mr. FRASER. Yes, that is our position; that is our negotiating position.

Mr. WYMAN. It may be our negotiating position, but we have not excluded foreign fisheries out to the 200-meter indepth mark, as coastal waters of the United States.

Mr. FRASER. Let me distinguish again. The 200-meter isobath or depth-mark has to do with mining, not with fishes. Foreign fishermen today can legally fish in international waters beyond 12 miles from shore.

Mr. WYMAN. Another thing, section (2)(c) of the resolution offered by the gentleman from Minnesota describes a substantial sharing of revenues derived from exploitation of the seabed.

Is the gentleman proposing that we should share revenues from offshore areas with other nations in the world? And I am talking about offshore of the United States, not down at the bottom of the continental rise.

Mr. FRASER. This proposition is that the rights that we now have would remain, and that is out to the 200-meter isobath, which is where virtually all of the oil drilling is going on so far. But beyond the 200-meter depth out to bottom of the continental margin there would be an intermediate international zone with coastal state management, under certain international standards. It is in that area that it is suggested that any licensing fees or royalties would be shared between the coastal state and the international regime, as well as in the international deep seabed area.

Mr. WYMAN. If we should vote for this resolution today are we voting for that position? Is there an implication that we are voting for that position?

Mr. FRASER. Yes. This is the position announced by the President as one of many aspects of his oceans policy. The answer would be "yes." You are giving general endorsement to that position.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, if I understand what the gentleman has stated, we are going to take some sort of a position on the States' individual control of offshore waters for the purpose of protecting fishing resources in them, and I am just curious, if that were in fact to become the situation as to what degree we would protect those waters. Would it be the job of each individual State to see that in its own territorial waters the vessels of the Soviet Union did not fish, or from some other foreign country? Who would actually go out and board the vessels or drive them away? How would that be done?

If the gentleman will yield further, it seems to me that we are going to end up with a very peculiar situation where somewhere offshore in the oceans the State of Massachusetts and the State of New York might be fighting about whose rights are being violated, or the State of Rhode Island, and that question could become very confused in the high seas hundreds of miles from land. In addition to that, it might require the State of New York to have some sort of a Navy to enforce these rights and protect its waters, and these ships in turn could get in all types of jurisdictional disputes, I should think, over whose rights are being violated.

Mr. FRASER. As the gentleman knows, there are existing international conventions dealing with certain fishing resources in which there is now even a right of boarding in which we have the right to board Soviet vessels, and vice versa. But, the individual States would not enforce the agreement. The Federal Government would have that responsibility.

What we are dealing with here is the rights of fishing nations, not individual States of the United States. The machinery for enforcement remains to be worked out. I should add that in the fisheries area our position is that there should be quick and effective machinery for settlement of disputes, should they arise.

Mr. MAILLIARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I should like to express my support for this resolution. Let me repeat that is all it is—a House resolution. It does not go to the Senate; it does not become law. It is the belief on the part of those of us who sponsored the resolution that what is going on now in this U.N. committee, which is intended to lead on to another major Law of the Sea International Conference, is a matter of very great significance, far more significance perhaps than some of the detailed questions that have been asked today. I realize there are many, many questions that could be asked, but about as far as we could go in this resolution was the endorsement of certain principles which have been taken as the U.S. position in what is a preparatory meeting—one of several leading up to a major conference next year on the whole question of the law of the sea.

I want to emphasize we are not voting here on the terms of any treaty or agreement. It is an expression of approval by the House for the negotiating position of our U.S. delegation to the United Nations Seabed Committee. That is a little bit of a misnomer because this is really a preparatory conference to set up the terms for the Law of the Sea Conference which is of much wider significance than just the question of the seabeds.

The committee is preparing for this conference, and we hope that out of the conference can come agreement on what the international law of the sea will be. The gentleman from Minnesota and I are designated as congressional advisers to this U.N. committee. I believe that this conference could be the most important of the century.

During our hearings former Secretary of State Dean Rusk told the subcommittee this last week, and I will quote:

> Unless the law of the sea is brought up-to-date by general agreement among nations within the next two or three years, we may see a national race for the control of open oceans and seabeds comparable to the race for the control of land areas of the past three centuries . . . it would be sheer insanity for mankind to go down that fork of the road.

President Nixon said in his 1970 ocean policy statement that if the law of the sea "is not modernized multilaterally, unilateral action and international conflict are inevitable."

So the point I am trying to make here is that whether we are successful and can get international agreement on reasonable rules and laws governing the oceans and the resources of the oceans and the resources under the oceans will help to determine the question of war and peace for the next century or several centuries. Conflicts are developing now, as the questions that have been asked today indicate; and without some generally accepted order conflicts are going to become more and more acute as the competition for the resources that are involved becomes more important, and as a matter of fact perhaps resolution is vital with the energy crisis we all know we face.

I think the U.S. position is reasonable and constructive. It is a middle ground between the extremists who have taken hard line positions either for practically the status quo or for territorial seas extending far out into the oceans.

So what we are trying to do is to assure protection of the freedom of the seas beyond what we think will be a 12-mile territorial sea of sovereign jurisdiction. We also want to assure free transit through and over international straits that might otherwise become closed to international traffic by the extension of territorial waters from 3 to 12 miles. It recognizes the mutual interests of nations in protection from ocean pollution, the sharing of some revenues from the exploitation of seabeds, and the prompt compulsory international settlement of disputes that may arise over interpretations of the rules.

Our delegation has also supported an effective international seabed authority to regulate the development of the deep seabed beyond any claim of national control, as well as for the conservation of the fisheries resources.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I am disturbed by a couple of provisions in this resolution. On page 2 it states:

> the House of Representatives endorses the following objectives—

And then it enumerates several, and I read one:

> assurance of the integrity of investments—

And then again I read:

> substantial sharing of revenues derived from exploitation of the seabed, particularly for economic assistance to developing countries—

Now does this mean we would here today be endorsing another foreign handout program, another foreign aid program?

Mr. MAILLIARD. I say to the gentleman, taking the second one first, no, it would not be a question of a foreign aid program. What we are attempting to do is to get something the major nations of the world can agreed on. We all know certain nations are asserting jurisdiction way out into the ocean for various purposes. As a matter of fact, I think the record will show we have heretofore asserted that a 3-mile territorial sea is all a country is entitled to under international law; however, in the present law of the sea deliberations we have indicated a willingness to go to 12 miles provided there is a guarantee of free transit through the international straits that become enclosed in territorial waters. Some 29 nations now agree with us on the existing 3-mile territorial sea, but 89 nations have made some other territorial assertions. Thus, it is perfectly clear we cannot get international agreement on a 3-mile territorial sea.

We think it quite likely we can get agreement on a 12-mile territorial sea, although there are those who are claiming as much as 200 miles. So what this is aiming toward is a clear and realistic arrangement among the nations which would receive general acceptance.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman from California for yielding.

Mr. Speaker, I express my support for the position the gentleman is advancing. It seems to me unilateral actions many other nations have taken are detrimental to our interest, and the very best hope for the U.S. position to be equalized and promoted is through this kind of international agreement.

I think the gentleman answered a further inquiry I had which is with respect to these narrower waters where there is no opportunity for a 9-mile or a 12-mile limit, where the water is narrower than that, or where the seabed is less than 200 meters in depth. Is it our understanding that those waters should be divided equally between the two abutting countries?

Mr. MAILLIARD. The gentleman's question is not entirely clear; however, I will respond to the inquiry by stating that in a situation where a narrow body of water such as a strait separates the national jurisdictions of two nations, I would assume that a median line would divide the waters to prevent overlapping sovereignty. Of course, this is an oversimplified answer. If a 12-mile territorial sea were adopted internationally, then any strait wider than 24 miles would have international waters running through it anyway. On the other hand, if the width of the strait were less than 24 miles, the U.S. position is that there would have to be a right of free transit through, over, or beneath the surface of that strait for vessels or aircraft, whether one or two nations had sovereign jurisdiction over the adjacent shores. One more point—the 200-meter isobath or depth of the water column has nothing to do with the breadth of the territorial sea, or freedom of transit through straits, or with fisheries, or freedom of scientific research, or with pollution. It really only concerns the matter of exploration and exploitation of the remote areas of the continental slope and the seabed; and it constitutes a dividing line between national and international jurisdiction for mining and oil and gas extraction.

A very vital part of our position and one, as far as I am personally concerned that is really virtually nonnegotiable, is the protection of the right to use those international straits which are less than 6 miles under the existing 3-mile territorial sea, we recognize, in which international transportation can pass into the open ocean. When we extend territorial claims to 12 miles, the straits which we now can transit under innocent passage would be closed if we do not maintain the right to free and unhampered transit of those straits.

To me, this is absolutely vital and not a negotiable question. I think that if we do not get that, it will be very dangerous for the United States to sign any convention.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. I think there are several points that are bothering the Members which might be cleared up with regard to our own country so that we can understand this.

The gentleman in the well comes from the State of California. At the present time, California is entitled to the oil offshore for a certain limit. Beyond that, the lands belong to the United States and the United States leases those lands.

Mr. MAILLIARD. Correct.

Mr. SAYLOR. What would be the effect of the 200-meter isobath that has been referred to? Would California get its rights extended out to that depth, or would those, as between the rights of the State of California and the Federal Government, belong to the Federal Government?

Mr. MAILLIARD. In my opinion, this resolution simply does not address itself to this subject at all. This is a matter between the Federal Government and the States, not between the States and the international community. If the gentleman will recall, this was a very controversial item a few years ago. We had a Supreme Court ruling and eventually passed legislation here, the Submerged Lands Act of 1953. This would not, in my judgment, alter any rights the States now have without further legislation.

Mr. SAYLOR. Approximately 20 years ago the International Court in the Hague ruled that open seas did not extend where there was 12 miles or less from headland to headland. It was territorial water.

Is there anything in this agreement which would affect that court case?

Mr. MAILLIARD. I am not sure your figure of 12 miles is correct, because that would presume on internationally agreed-upon territorial sea of 6 miles. However, the answer to the gentleman's question is that the decision of the Law of the Sea Conference might well affect the ICJ decision and make it most.

Mr. SAYLOR. The third point is 2(b), line 14, which says that we are going to assure the integrity of investments.

Mr. FRASER. What we mean by that is very simple.

The U.S. position is that we want to insure that any investment made by an individual or corporation or joint venture of whatever nature is fully recognized and not subject to expropriation without compensation.

Mr. WHITE. Mr. Speaker, will the genleman yield?

Mr. MAILLIARD. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, I wonder if the gentleman would elaborate on one point on page 2, subparagraph (d), speaking of the objectives of the international agreement and compulsory settlement of disputes.

What does the gentleman envision that would include, and to what extent would this be permitted?

Mr. MAILLIARD. I say to the gentleman from Texas that the U.S. position envisions that there must be an end to international litigation, some way to resolve differences or disputes. We envision a different forum to finally settle disputes where fisheries matters are concerned from that where seabed exploration and exploitation are involved. The former tend to involve local or regional resolution, whereas the seabed matters tend to be more truly international. In any event the machinery for resolving disputes will be created in the Law of the Sea Conference.

We already have an international agreement that the coastal state has complete control out to the 200-meter position as far as the seabed resources are concerned.

Now, between the 200 meters and the end of the continental shelf is one of the things that still has to be settled.

Mr. WHITE. I thank the gentleman.

Mr. DOWNING. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Virginia.

Mr. DOWNING. I thank the gentleman.

I am going to vote for this legislation, because I believe a law of the sea is absolutely necessary, and it should be done by the United Nations. However, I am concerned as to the time which is going to be consumed in hopefully reaching this solution.

As the gentleman knows, there is interim legislation which is being considered by various committees of the Congress. I should like to be assured that the passage of this resolution will not preclude any interim legislation the Congress may desire to take up.

Mr. MAILLIARD. I say to the gentleman that obviously it does not preclude it, because until we have a treaty, as to which the United States is a participant, we can assert anything we want to assert unilaterally.

The gentleman knows that I have an interest similar to his. I would hope that we would be able to hold off a little bit, until we see whether this international agreement attempt is going to go on schedule. If it becomes inordinately delayed, I can see that there may be an absolute necessity for some kind of interim legislation. At the moment I would hope we would not have to take that kind of step.

Mr. DOWNING. But this does not preclude it?

Mr. MAILLIARD. It does not preclude it.

Mr. DOWNING. I thank the gentleman.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Minnesota.

Mr. FRASER. I just want to reemphasize a statement the gentleman made about the importance of the right of free transit through and over the international straits. The Strait of Gibraltar, the Strait of Malacca, the Strait of Dover will all be closed under the 12-mile territorial sea unless there is expressly reserved the right of free transit over international straits.

I join with the gentleman in saying that it really is absolutely necessary for the United States to require in any kind of international agreement that there be freedom of transit for navigation through international straits that become overlapped by territorial seas if we go to 12 miles.

Mr. MAILLIARD. I thank the gentleman. It is of tremendous importance.

Mrs. MINK. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentlewoman from Hawaii.

Mrs. MINK. I should like to inquire what concern and deliberations of regard were given by the committee with respect to the unique problem which we in Hawaii face because Hawaii is an in-

sular State and is completely surrounded by ocean waters and without the Continental Shelf that has been made reference to this afternoon.

Also there is the additional factor that the waters between the islands are all international waters. It is now a pursuit of our State to try to close off these waters, so as not to have any confrontation with foreign vessels regarding those international waters and having free access to move in between the islands in any way.

Mr. MAILLIARD. As the gentleman from Hawaii is no doubt aware, a number of ocean island nations such as Indonesia, the Philippines, Fiji, and others are insisting on a special treatment of ocean archipelagoes to protect their national territorial integrity by some straight base lines principle to give them control of their "internal" waters without regard to a 12-mile territorial sea between islands. Resolution of that problem should help Hawaii.

Mr. BURKE of Florida. Mr. Speaker, I wish to acknowledge my support of H.R. 330, the Law of the Sea Conference bill, which endorses President Nixon's ocean policy statement of May 23, 1970, and supports the objections now being pursued by the U.S. delegation to the United Nations Conference on the Law of the Sea.

The great wealth of the sea has been overlooked for many centuries by the various nations of the world, because of the past abundance and assessibility of land resources. However, with the many dire forecasts of possible serious depletions of many precious minerals and fossil fuels we must now look to the oceans for new supplies. The United States is not alone in this problem. It should be remembered that, until 1945, all countries enjoyed unrestricted freedom of the seas, and most nations observed only a 3-mile territorial waters concept.

The objectives expressed in H.R. 330: to establish a 12-mile territorial sea limit for coastal States with recognition of freedom of the seas for navigation, communication, scientific research, and unimpeded transit through international straits; to recognize the international rights of protection from ocean pollution, protection of investments, protection of access to the oceans beyond the 12-mile limits for reasonable uses, with international sharing of revenues from exploitation of waters beyond the territorial limits; to create an International Seabed Authority to regulate the development of the deep seabed; and to conserve living resources, and recognize coastal State management of coastal and anadromous fish areas, are laudable solutions to an international hodge-podge of laws regulating the sea.

As a representative, I sincerely hope that the passage of this resolution will lead to development and use of the oceans by the nations of the world in an orderly manner and will head-off bitter feelings among friendly neighbors in the years ahead. Hopefully our future needs will be our reward for a yea vote today.

Mr. DON H. CLAUSEN. Mr. Speaker, I am pleased the House has before it today legislation endorsing the work of the U.S. delegation at the International Law of the Sea Conference.

It is clear to all that growing technology, improved understanding of oceanography, and the threats of man to other forms of animal life have in recent years made existing agreements on the use of the world's oceans and the management of their resources outdated and conflicting.

By approving this measure we are taking a positive and constructive step forward as the international community begins to work together to resolve the serious problems and competing claims of the various coastal nations.

I would like to comment in more detail about one specific aspect of the legislation which is the endorsement of the fisheries conservation and protection portion of the position our negotiators have adopted.

I expect to introduce legislation in the near future to outline more specifically the so-called three species approach to the protection of fishery and marine resources. This concept recognizes the interests of coastal and fishing nations in the preservation of fish and delineates a guardianship philosophy for each kind of species based upon its particular migration habits.

Those fish and/or bottom fish which inhabit the coastal waters of a single coastal state would be under the protection of that nation, and it would be expected to develop a program of protection and conservation of the species to insure the maximum sustainable yield in perpetuity.

Similarly, nations in whose fresh water streams anadromous fish spawn would have control over them irrespective of where their migratory travels take them. This concept recognizes the cost and responsibility of these nations in making certain that fresh waterways are available to the anadromous fish and that spawning grounds are preserved and enhanced.

In addition, this concept would act as an incentive to build and operate anadromous fish hatcheries, fish conservation programs and to undertake flood control and water conservation programs in a way that would enhance anadromous fish populations.

Finally, pelagic fish, such as tuna, whose migratory patterns are unpredictable and wide ranging, would be regulated through separate international agreements designed to prevent these species from being exploited or decimated by any one nation while off that nation's coast.

While these principles appear to be a reasonable step toward a reasonable policy, there is no question that they will be very difficult to obtain. Our negotiators will need our total support and I hope that our approval of the resolution we are now considering followed by others that will follow will demonstrate our commitment to this goal.

Unfortunately, the fishing nations of the world have a variety of fishing policies that have been seriously detrimental to the world's fishery stocks. Some nations are "quick buck artists" whose fishing fleets care not at all whether there will be future fish for them to obtain. They catch only for today's market and care less about making certain the species they strike can survive their plundering ways.

Other nations have become greedy and inconsiderate. They carefully protect their own stocks by concentrating on sending their fleets to the shores of other nations. This practice could not be condemned if these nations made a practice of using accepted, modern conservation methods but, in fact, they do not.

Devastating inroads into the stocks of some species have focused the attention of the world on these archaic practices and most nations now have more constructive attitudes toward marine conservation.

We must now take advantage of their growing awareness of the long-range impact of their unconcern by advancing a positive program with attainable, effective goals. I believe our position at the International Law of the Sea Conference is just such a program and I personally will be following its progress carefully.

While this legislation is directed toward our objective of establishing protective fishery and marine resource conservation zones contiguous to our coastal States, I want to again remind you that this is, in my view, an improvement over our present situation, the 12-mile limit, but it should be considered as a united step toward what I believe should be our ultimate goal.

Mrs. MINK. Mr. Speaker, House Resolution 330, in the guise of an innocent resolution of House support, would put the stamp of approval on a Presidential policy which I believe is unwise and injurious to the State of Hawaii.

Basically the resolution endorses the position of the Presidential negotiating team with respect to the proposed Law of the Sea Conference. The President's position was spelled out in his ocean policy statement of May 23, 1970, and is now being pursued by the U.S. delegation to the Seabed Committee preparing for the conference.

Unfortunately the President's position ignores the unique geographical status of the State of Hawaii in two major respects.

Free transit through and over international straits is a specific goal set forth in the resolution. While this is commendable as a general policy, no attention is given to the waters between the islands of Hawaii. The distance between our major islands far exceeds the 12 miles specified in the resolution as the "territorial sea" or 24 miles counting the "territorial sea" between two islands. These distances between islands range to 62.9 nautical miles.

The fact that the waters between Hawaii's islands are deemed international, and would continue to be so under the President's policy as endorsed by House Resolution 30, causes problems with respect to communications and security. In no other State is commerce or communication between two areas of the State deemed "international." To illustrate the type of difficulties this raises, currently we are seeking to amend the Federal Highway Act to remove the

restriction on ferry facilities over international waters, as it affects Hawaii.

In addition, by classifying Hawaii's waters as "international" we lose control over our security. Ships of any nation, including warships, can cruise off the coast between islands and there is nothing Hawaii or the United States can do about it legally. In 1967 and 1968, groups of Japanese destroyers conducted training exercises in the Hawaii area. More recently a Russian naval vessel passed around the islands and nothing could be done because of the 3-mile limit.

The United States should insist on a change in the territorial sea to recognize all waters between the islands of Hawaii as within our national jurisdiction. To construe these as international waters entails risks over our ability to protect the islands in any future incident. We have only to recall the attack on Pearl Harbor which precipitated World War II to realize that Hawaii remains an important military position.

When we point out that the United States should recognize Hawaii's status in its policy at these Law of the Sea Conference sessions, the reply is that other nations such as Fiji which are composed of islands will be raising this issue. Why should Hawaii have to look to foreign nations for protection, instead of its own Government? Are we not part of the United States? Certainly, the U.S. Government should afford equal recognition to all of its States, and not tell Hawaii that its interests will be represented by a foreign government. The President should revise his policy in this respect, and Congress should not ratify his policy until he does.

There is another failure of the existing Presidential policy in that it sets an arbitrary standard of a 200-meter "isobath" or depth for determining the extent of a coastal State's exclusive control over the surrounding sea bottom. The undersea area from the shore to the 200-meter depth would belong exclusively to the coastal nation for mining purposes or for the extraction of oil and gas, but not for fishing. From the 200-meter isobath to the edge of the continental margin, where the deep seabed begins, the area would be managed by the coastal nation under international standards, with some revenue sharing; and in the deep seabed, the exploitation would be under international management and control, again with revenue sharing with the developing and the landlocked and shell-locked nations.

This is fine for the continental United States which has a broad Continental Shelf, much of which is less than 200 meters beneath the ocean surface. The shelf and its mineral resources would remain in our Nation's jurisdiction. But Hawaii's islands have no Continental Shelf. They are the tops of underwater mountains which rise steeply from the bottom of the deep sea. Under the President's proposal, we would have very little right to the mineral resources of the ocean around Hawaii since the 200-meter depth is reached very close to shore.

On June 16, 1970, in a letter to the President concerning his May policy statement, the Honorable John A. Burns, Governor of the State of Hawaii, set forth reasons why the 200-meter standard should be revised to take account of Hawaii's needs. Governor Burns stated:

Hawaii, as you know, is the most international of all the States of the Union, and we fully recognize the vital role that we must play in international efforts to assist developing countries. We congratulate you on your vision and statesmanship in recommending that developing countries be the primary recipients of royalties derived from mineral exploitation of the sea beds.

We in Hawaii, however, have a unique situation in that much of our offshore areas reach a depth of more than 200 meters very close to our coastline. As an Island State, our coast and the potential development of the sea beds surrounding our coast are relatively much more important to us than perhaps any other State in the Union. We have taken significant steps in the exploration and development of the oceans surrounding us, including the detailed study and recent publication of a report titled "Hawaii and the Sea." I believe we are the first State to undertake such a plan of development. In the legislative session just concluded, the Hawaii State Legislature passed an omnibus marine package which includes a series of projects to explore and develop the oceans surrounding Hawaii.

In addition to the State's current and planned efforts, there is considerable defense activity on and below the surface of the oceans surrounding Hawaii. For example, the Navy's listening devices to detect foreign submarines are located in many instances, I am informed, at depths beyond 200 meters but within a 3-mile limit of the coast.

We are aware that the International Convention on the continental shelf defines the continental shelf in terms of exploitation of the sea bed and subsoil to a depth of 200 meters or "beyond that limit to where the depth of the superjacent waters admits of the exploration of the natural resources of the said areas . . ." As you know, this definition has been variously interpreted by a number of legal experts as going beyond the 200 meter depth.

We are also aware that the Commission on Marine Science, Engineering and Resources has recommended that the definition of the continental shelf be fixed "at the 200 meter isobath, or 50 nautical miles from the baseline for measuring the breadth of its territorial sea, whichever alternative gives it (the coastal nation) the greater area . . ."

The definition recommended by the Commission would be much more applicable and acceptable to Hawaii because of its unique position in the ocean and the depths of the ocean close to its shores.

I respectfully urge you to consider these factors with respect to Hawaii's unique coastal environment and our strong interest in oceanic development and exploration, as you further your plans for the implementation of your farsighted proposal.

Instead of endorsing a Presidential standard of a 200-meter isobath, we should press for a standard of 200-meters or 50 nautical miles from the baseline, whichever gives the greater area, as suggested by the Commission on Marine Science, Engineering, and Resources. By adoption of this standard endorsed by Governor Burns, all of the sea within 50 miles of Hawaii would remain in our jurisdiction.

Dr. John P. Craven, marine coordinator for the State of Hawaii, has stated that the United States should consider that the Hawaii Island archipelago is 1,500 miles long, and rich in resources of sea life and minerals. In the last several years there has been increasing attention to the possibilities for "mining" of the sea bottom near Hawaii by gathering mineral deposits lying on the ocean floor. I feel we would be surrendering a valuable and vital national resource if we fixed an arbitrary measure for our sea jurisdiction that did not take account of the waters around Hawaii.

Because of this inattention to the State of Hawaii interests, I oppose the adoption of House Resolution 330.

The SPEAKER. All time has expired.

The question is on the motion offered by the gentleman from Minnesota (Mr. FRASER) that the House suspend the rules and agree to the resolution House Resolution 330.

The question was taken.

Mr. DAVIS of South Carolina. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 52, not voting 78, as follows:

[Roll No. 64]

YEAS—303

Abdnor	Conyers	Haley
Abzug	Cotter	Hamilton
Adams	Coughlin	Hammer-schmidt
Addabbo	Daniels, Dominick V.	Hanley
Anderson, Calif.	Danielson	Hanrahan
Anderson, Ill.	Davis, Ga.	Hansen, Idaho
Andrews, N. Dak.	Davis, Wis.	Hansen, Wash.
Annunzio	Dellenback	Harrington
Arends	Denholm	Hawkins
Armstrong	Dent	Hays
Ashley	Derwinski	Hébert
Aspin	Devine	Hechler, W. Va.
Barrett	Dickinson	Heckler, Mass.
Beard	Diggs	Helstoski
Bennett	Downing	Henderson
Bergland	Drinan	Hicks
Biester	Dulski	Hillis
Bingham	Duncan	Hogan
Blackburn	du Pont	Holifield
Boggs	Edwards, Calif.	Holt
Boland	Eilberg	Holtzman
Bolling	Erlenborn	Horton
Brasco	Esch	Hosmer
Bray	Eshleman	Hudnut
Breaux	Evans, Colo.	Hungate
Breckinridge	Fascell	Hunt
Brinkley	Findley	Hutchinson
Brooks	Fisher	Jarman
Broomfield	Flood	Johnson, Calif.
Brown, Calif.	Flowers	Johnson, Colo.
Brown, Mich.	Foley	Johnson, Pa.
Brown, Ohio	Ford, Gerald R.	Jones, Ala.
Broyhill, N.C.	Ford, William D.	Jones, N.C.
Broyhill, Va.	Forsythe	Jordan
Buchanan	Fountain	Karth
Burke, Fla.	Fraser	Kastenmeier
Burleson, Tex.	Frelinghuysen	Keating
Burlison, Mo.	Frenzel	Ketchum
Burton	Froehlich	Kuykendall
Byron	Fulton	Kyros
Carey, N.Y.	Fuqua	Latta
Carter	Gaydos	Lehman
Casey, Tex.	Gettys	Litton
Cederberg	Giaimo	Long, La.
Chamberlain	Gibbons	Long, Md.
Chappell	Gilman	Lott
Clancy	Ginn	Lujan
Clark	Gonzalez	McClory
Clausen, Don H.	Goodling	McCloskey
Clawson, Del	Gray	McCollister
Cleveland	Green, Oreg.	McDade
Cohen	Green, Pa.	McEwen
Collier	Griffiths	McFall
Conable	Gubser	McKay
Conlan	Gude	Madden
	Gunter	Madigan
		Mahon

Mailliard	Price, Ill.	Steele
Martin, Nebr.	Pritchard	Steelman
Martin, N.C.	Quie	Steiger, Ariz.
Mathias, Calif.	Quillen	Stephens
Mayne	Railsback	Stokes
Mazzoli	Rangel	Stratton
Meeds	Rees	Stubblefield
Mezvinsky	Regula	Stuckey
Miller	Reuss	Studds
Mills, Md.	Rhodes	Sullivan
Minish	Rinaldo	Taylor, N.C.
Minshall, Ohio	Robison, N.Y.	Teague, Calif.
Mitchell, Md.	Rodino	Thomson, Wis.
Mitchell, N.Y.	Roe	Thone
Mizell	Rogers	Thornton
Moakley	Roncalio, Wyo.	Towell, Nev.
Mollohan	Rooney, Pa.	Treen
Montgomery	Rose	Udall
Moorhead, Calif.	Rosenthal	Ullman
	Rostenkowski	Van Deerlin
Moorhead, Pa.	Roush	Vander Jagt
Morgan	Roybal	Vanik
Moss	Ruppe	Veysey
Murphy, Ill.	Ruth	Vigorito
Murphy, N.Y.	Ryan	Waldie
Myers	St Germain	Walsh
Natcher	Sarasin	Wampler
Nedzi	Sarbanes	Ware
Nelsen	Saylor	Whalen
Nichols	Scherle	Whitehurst
Obey	Schneebeli	Whitten
O'Brien	Schroeder	Widnall
O'Neill	Seiberling	Williams
Owens	Shoup	Winn
Parris	Shriver	Wyatt
Passman	Shuster	Wylie
Patman	Sikes	Wyman
Patten	Sisk	Yates
Pepper	Skubitz	Yatron
Perkins	Slack	Young, Alaska
Pettis	Smith, N.Y.	Young, Ga.
Peyser	Staggers	Young, Ill.
Poage	Stanton, J. William	Young, Tex.
Podell		Zablocki
Powell, Ohio	Stark	Zwach
Preyer	Steed	

NAYS—52

Archer	Grasso	Pike
Bafalis	Gross	Randall
Bevill	Grover	Rarick
Burke, Mass.	Heinz	Roberts
Butler	Howard	Robinson, Va.
Cochran	Ichord	Roncallo, N.Y.
Collins	Jones, Okla.	Rousselot
Crane	Jones, Tenn.	Runnels
Daniel, Dan	Kazen	Satterfield
Daniel, Robert W., Jr.	Kemp	Snyder
	Landgrebe	Spence
Davis, S.C.	Lent	Symms
de la Garza	McSpadden	Tiernan
Dennis	Macdonald	Waggonner
Donohue	Mallary	White
Evins, Tenn.	Mathis, Ga.	Wydler
Fish	Mink	Young, Fla.
Flynt	Pickle	

NOT VOTING—78

Alexander	Goldwater	Riegle
Andrews, N.C.	Guyer	Rooney, N.Y.
Ashbrook	Hanna	Roy
Badillo	Harsha	Sandman
Baker	Harvey	Sebelius
Bell	Hastings	Shipley
Biaggi	Hinshaw	Smith, Iowa
Blatnik	Huber	Stanton, James V.
Bowen	King	
Brademas	Kluczynski	Steiger, Wis.
Brotzman	Koch	Symington
Burgener	Landrum	Talcott
Burke, Calif.	Leggett	Taylor, Mo.
Camp	McCormack	Teague, Tex.
Carney, Ohio	McKinney	Thompson, N.J.
Chisholm	Mann	Wiggins
Clay	Maraziti	Wilson, Bob
Conte	Matsunaga	Wilson, Charles H., Calif.
Corman	Melcher	
Cronin	Metcalfe	
Culver	Michel	Wilson, Charles, Tex.
Delaney	Milford	
Dellums	Mills, Ark.	Wolff
Dingell	Mosher	Wright
Dorn	Nix	Young, S.C.
Eckhardt	O'Hara	Zion
Edwards, Ala.	Price, Tex.	
Frey	Reid	

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Maraziti.

Mr. Rooney of New York with Mr. King.

Mr. Biaggi with Mr. Hastings.

Mr. Matsunaga with Mr. Ashbrook.

Mr. Kluczynski with Mr. Guyer.

Mr. Delaney with Mr. Conte.

Mr. Culver with Mr. McKinney.

Mr. McCormack with Mr. Symington.

Mr. Hanna with Mr. Sandman.

Mr. Charles H. Wilson of California with Mr. Burgener.

Mr. Shipley with Mr. Camp.

Mr. Bowen with Mr. Milford.

Mr. Blatnik with Mr. Baker.

Mr. Brademas with Mr. Huber.

Mr. Koch with Mrs. Burke of California.

Mr. Leggett with Mr. Goldwater.

Mr. Nix with Mr. Steiger of Wisconsin.

Mr. Smith of Iowa with Mr. Brotzman.

Mr. Teague of Texas with Mr. Frey.

Mr. Reid with Mr. Mosher.

Mr. Dingell with Mr. Andrews of North Carolina.

Mr. Badillo with Mr. Harvey.

Mr. Carney of Ohio with Mr. Harsha.

Mrs. Chisholm with Mr. Corman.

Mr. Dellums with Mr. Eckhardt.

Mr. Landrum with Mr. Sebelius.

Mr. Mann with Mr. Edwards of Alabama.

Mr. O'Hara with Mr. Clay.

Mr. James V. Stanton with Mr. Michel.

Mr. Wolff with Mr. Metcalfe.

Mr. Wright with Mr. Price of Texas.

Mr. Dorn with Mr. Hinshaw.

Mr. Melcher with Mr. Riegle.

Mr. Mills of Arkansas with Mr. Cronin.

Mr. Roy with Mr. Talcott.

Mr. Alexander with Mr. Taylor of Missouri.

Mr. Charles Wilson of Texas with Mr. Wiggins.

Mr. Bob Wilson with Mr. Young of South Carolina.

Mr. Bell with Mr. Zion.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRASER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 330, which was just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERSONAL EXPLANATION

Mr. BAKER. Mr. Speaker, I was absent today when the vote was taken on House Resolution 330, endorsing objectives for a just and effective ocean treaty, and on H.R. 3153, technical and conforming changes in the Social Security Act. If I had been present I would have voted "yea" on both.

PERSONAL STATEMENT

Mr. STUDDS. Mr. Speaker, I was delayed coming from my district and missed rollcall No. 63. I should like to have the RECORD reflect that had I been present, I would have voted "yea."

HARRY M. LIVINGSTON

(Mr. DULSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DULSKI. Mr. Speaker, it is my sad duty to inform the House of the passing yesterday of one of our longtime employees in the House of Representatives.

Harry M. Livingston, a finance officer in the House of Representatives for the past 24 years, died Sunday at Georgetown University Hospital following a brief illness.

Most of the Members of the House had come to know Mr. Livingston through his role in the Finance Office beginning in February 1949. He served under three Speakers of the House in addition to yourself. They are former Speakers John McCormick, the late Sam Rayburn, and the late Joseph W. Martin, Jr. For the past 4 years he had served as budget and operations officer in the Office of the Doorkeeper.

Although he had been in Washington for the past quarter of a century, Harry had continued to maintain his voting residence in my district in Buffalo, N.Y. He had long been active in affairs of the Democratic party and for many years was a ward chairman in Buffalo.

Since coming to Capitol Hill, Harry Livingston had made his mark in several areas in addition to the day-in and day-out assistance which he provided to the Members and congressional staffs in connection with their official duties.

In 1961, he was named to the board of directors of the Congressional Employes Federal Credit Union and 2 years later was named its president, an office to which he had just been reelected several weeks ago. During his years at the helm of the Credit Union, its development was significant, because of his dedication and concentrated effort.

Although born in Rochester, N.Y., he spent most of his life in Buffalo until being named to his position in the House of Representatives.

Born April 24, 1909, he was the son of the late Richard E. and Charlotte McLeod Livingston. He was a graduate of Lafayette High School in Buffalo and took up the trade as a carpenter, later being employed by the City Parks Department. He was a member of Carpenters Union Local No. 9, one of the oldest in the country and had retained his membership.

He was a member of the Kenwood Country Club of suburban Bethesda, Md., and recently was elected to the board of governors. He was active in the Kenwood Men's Bowling League and had been chairman of the Arthritis Ball for the last 2 years.

He is survived by his wife, Loretta T., at home, 5401 Christy Drive, Chevy Chase, Md.; two daughters, Mrs. Francis G. "Joyce" Monan, of Alexandria, Va., and Mrs. Theodore "Patti Anne" Morgan, of Wurzburg, Germany; nine grandchildren; and two brothers, Richard E. Livingston, of Bethesda, secretary-treasurer of the United Brotherhood of Carpenters and Joiners of America, and Donald M. Livingston, of North Tonawanda, N.Y.

Mr. Livingston was active in church affairs and had been an usher at the Little Flower Roman Catholic Church for many years. He was a member of Council 184, Knights of Columbus.

Harry Livingston was a good friend and a fine public servant. His cheerful disposition and friendly nature were well known to all who had the pleasure of working and dealing with him over the years. He will be sorely missed.

CONGRESS SHOULD OVERRIDE THE VOCATIONAL ACT VETO PROMPTLY

(Mr. WON PAT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WON PAT. Mr. Speaker, on behalf of the handicapped people of this great country of ours, and in particular the offshore areas—Guam, American Samoa, and the U.S. Trust Territory—I urge my colleagues in Congress to immediate override the President's veto of the Vocational Rehabilitation Act of 1973, and thus insure that compassion for our fellow man will continue to be one of our fundamental legislative goals.

When the Congress voted unanimously several weeks ago for S. 7, the 1973 Vocational Rehabilitation Act, careful consideration was made by the House and Senate conferees of what impact the spending allocations in the measure would have not only on the Federal budget, but on the existing handicapped aid programs as well.

So great was their just concern for the shape of the Federal budget that $930 million were slashed from the bill's funding level.

But the 327 Members of the House and 70 Members of the Senate, who voted for the final version, were also concerned that inflation and the growing demands for training for the handicapped would hamper nationwide efforts to assist these people to earn an honorable living.

Despite the best efforts of Congress to safeguard both the economy and the needs of the handicapped, S. 7 was still rejected by the White House as being too overzealous in the spending area.

I cannot believe that the American people want programs which have proven their worth many times over hampered by lack of sufficient funding. After all, the goal of helping the handicapped is not one of a free handout, but instead follows the American tradition of helping our neighbors to help themselves.

Nor can I believe that this administration wants to make the handicapped pay for our budgetary sins.

But unless we act soon to restore the full level of funding called for in S. 7, many projects to aid the handicapped in the territories and those in many urban areas across the United States will undoubtedly be forced to operate at a substantially reduced level.

In the case of Guam, failure to override the veto would be extremely injurious to local efforts to train the handicapped. Were the present funding levels maintained, Guam would be denied the benefit of the significant increases which S. 7 authorizes—almost $100,000 during fiscal 1975. As our program on Guam is still in the development stages, the proposed funding increases would be doubly helpful at this time.

None of us wishes to see inflation rear its ugly spector once again. Congress must assure us that the spending which we authorize the administration to carry out is within a sensible limitation, a limitation that will keep our economy at a safe level and still provide our people with the services that are desperately needed.

But is there no other place to seek fiscal relief than from the pockets of the handicapped, the school children, or from the veteran who has served his country without question during our most trying periods?

Surely it is the unspoken duty of a legislator to legislate both wisely and compassionately. Without wisdom our efforts would be meaningless, and we would be rendering our countrymen an ignominious disservice. Yet, without the quality of compassion behind our actions, would we not be doing our countrymen an equally great disservice?

The legislation which Congress enacts is more than a mass of dollar signs for the accountants to ponder and from which the taxpayers seek relief. Hopefully, much of this legislation will serve to lift our fellow man out of the problems which circumstances and life have forced on him.

While we learned from our past mistakes in legislating for social relief, let not the noble goals of President Kennedy and President Johnson's Great Society be left withering in our quest for fiscal balance.

PRESCRIBING MORE POISON

(Mr. DENNIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DENNIS. Mr. Speaker, I insert in the RECORD a recent editorial from the Wall Street Journal, which I commend to the serious attention of my colleagues who would cure all our economic ills by continuing to bust the budget on the one hand, while imposing all sorts of artificial controls on the other:

PRESCRIBING MORE POISON

Congressional Democrats apparently believe, judging from recent words and actions, that the best remedy for a bad case of poisoning is more of the same poison.

Or more specifically, when economic controls aggravate problems, they would cure them with more controls. Senate Democrats last week pushed through a bill that would slap rent controls on apartments in 60 cities. Other Democrats in Congress are pushing for a 60-day freeze on all prices and interest rates; some even favor, so we gather, trying to control the wind and the rain and other factors that determine raw food prices.

All this will hardly be good news for the nation's independent bakers, who are going out of business in droves because the industry's giants have been forced to keep a lid on prices at a time when flour costs have been rising. And it should be disturbing, but maybe isn't, to the building industry, which has had all sorts of trouble with lumber since Phase 2 set lumber price ceilings at artificially low levels.

When demand shot up, lumber producers naturally concentrated on the most profitable items. Shortages developed in items least profitable. Now, the controllers are trying to restrict log shipments to Japan, which of course works just counter to the efforts of those other federal officials who are trying to restore trade equilibrium with Japan.

And everyone traveling the streets of New York can see that rent controls are something less than a great idea. The city has block upon block of decrepit housing that could have been maintained and properly valued had not a long period of rent controls distorted the city's real estate values.

As for interest rates, they were held down quite successfully last year by a liberal Federal Reserve monetary policy and the activities of the Committee on Interest and Dividends. This has helped us get a dollar that buys increasingly less in foreign markets and at home, simply because the policy entailed excessive money creation.

And then there are the fuel shortages, past and future, which Congressmen think can be cured with new controls, jawboning and all those other marvelous gimmicks of modern government. As we've noted before here, there's nothing like holding down the price of a commodity artificially when you are trying to entice someone to increase production of that item.

Agriculture Secretary Butz, who isn't always right but is usually forthright, recently described those who want raw food price controls as "damn fools." Department secretaries aren't supposed to say things like that about Congressmen, but sometimes a man can get so exasperated he can't control himself. And when Congressmen have so little understanding of an economic malaise that they persist in policies that can only make it worse, it is easy to become exasperated.

The year 1972, with controls in place, the Fed printing lots of money and Congress merrily overspending the budget by $11 billion, may have seemed like an economic paradise. But as the events of early 1973 have shown, it was a fool's paradise. If there is any wisdom left in Washington, we won't return to that world of illusion but will instead concentrate on the fundamentals of fiscal and monetary restraint as the only route back to stability.

PRESIDENT THIEU, THE PANHANDLER AND THE PIRATE

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 1 hour.

Mr. DRINAN. Mr. Speaker, today at San Clemente, President Thieu of South Vietnam, opens a 3-day visit in America designed to deceive the people of America and to panhandle from the Congress of the United States.

President Thieu's authoritarian regime has no legitimacy in international law. He is the creation entirely of the U.S. military, the State Department, and the last three or four Presidents of the United States.

In June 1969, I spoke for almost an hour with President Thieu in his heavily fortified imperial palace in Saigon. At that time he was just as cunning and crafty as he will be in the next 3 days during his tour of the United States. It is typical of the Machiavellian tactics of President Nixon and General Thieu that the President of South Vietnam will visit the widow and the grave of President Johnson in Texas. We can similiarily wonder about the legitimacy of the motives of President Thieu in visiting the Pope in Rome on his way back to South Vietnam.

Mr. Speaker, during the next 3 days the Nixon administration will do its best

to persuade the American people that the South Vietnamese Government is one worthy of our continuing support. I reject that contention and assert and will continue to assert that the United States had no interest in intervening in the Indochina war years ago and that the only possible policy consistent with law and reason is for the United States to withdraw right now, as Senator MANSFIELD has put it, "lock, stock, and barrel."

There are many reasons, Mr. Speaker, why this government does not deserve the continuing support of the U.S. Government. I will expand on a few of those reasons.

SOUTH VIETNAM IS NOT A DEMOCRACY IN ANY WAY

In June 1969, I spent more than an hour in the jail cell of Mr. Dzu, the runnerup in the election that brought General Thieu to the presidency of South Vietnam. Mr. Dzu ran on a platform that urged a coalition government in South Vietnam as the only possible and fair way to bring about a cessation of hostilities. After a good deal of harassment during the campaign by his opponents, Mr. Dzu was arrested immediately after the election and charged with a violation of the mandate of the Constitution of South Vietnam which, quite literally, forbids anyone stating anything favorable to the Communists.

Two days before President Thieu boarded in Saigon a luxurious jet rented for him by the U.S. Government he freed Mr. Dzu from jail after 5 long years of imprisonment for the "crime" of teaching that the people of North and South Vietnam must reconcile their differences by means short of war.

Since the jailing of Mr. Dzu, President Thieu has also imprisoned up to 200,000 individuals suspected of being in disagreement with General Thieu. I visited in June 1969, with hundreds of these persons. The number of political prisoners in June 1969, came to at least 30,000. That number has now escalated so that virtually any person in South Vietnam who might form a "third force" or some political opposition to President Thieu has been incarcerated.

Several months ago the U.S. Government acquiesced in a pretense of an election in South Vietnam with President Thieu as the only candidate on the ticket. And the U.S. Government similarily acquiesced in the virtual abolition of any meaningful governmental power and all provincial elections at the local level. Once again, just prior to President Thieu's departure for the United States an announcement has been made that some form of local provincial elections will now apparently be permitted in the future.

The suppression of newspapers in South Vietnam has long been a familiar phenomenon in this country. President Thieu in his hour long talk with me more than 3 years ago expressed his disdain for any criticism for his regime when he simply stated that the 40 newspapers then publishing in South Vietnam were too numerous because they simply confused the people.

During the 3 days of the state visit to America by President Thieu the Nixon administration will seek to create in the minds of the American people the illusion that President Thieu is an ally of the United States in Asia and that this Nation should give considerable aid of all kinds to this dictatorship. Mr. Speaker, I resist every premise and every conclusion in that line of argumentation. The people of South Vietnam do not have the right of self-determination under the regime of President Thieu. He has done everything in his power to prevent any form of real or true democracy in that land. I am certain that he will continue to prevent any emergence or development of any government which does not guarantee his own perpetuation in power.

President Thieu is also apparently seeking a reassurance from the U.S. Government that this Nation will reenter South Vietnam with ground forces if, in the judgment of President Thieu, this becomes necessary.

Some may say that the United States should at this time continue to protect President Thieu because such a course appears to be the most likely way by which we can guarantee economic and political stability in Southeast Asia. Once again, Mr. Speaker, I reject every assumption and every conclusion implicit in the line of reasoning which ends in that judgment. How can we say that President Thieu is the choice of the people of South Vietnam when we have absolutely no evidence to substantiate that conclusion? All of the evidence points rather in the other direction and is indeed overwhelming for the proposition than unless there is some from of coalition government in Saigon within the near future we will have either a much more repressive regime still led by President Thieu or a takeover outside of the political processes by a coalition of dissidents opposed to President Thieu.

We will be told this week that "peace with honor" means the perpetuation of the virtual dictatorship of President Thieu. I reject that thesis. I reiterate that there is nothing in international law, nothing in American tradition and nothing from the mandates of the Congress of the United States that allows, much less requires that the U.S. Government perpetuate in Southeast Asia a regime which in all candor can be called a puppet government of the U.S. military forces in Vietnam.

The terms of the treaty signed by the United States in Paris allow both sides to maintain the level of armaments by giving replacements. Prior to the signing of this treaty the United States poured planes and arms into the South Vietnamese army and air force on an unprecedented scale. In a 1-month period in November and December 1972, the United States sent Saigon over 10,000 tons of military equipment—tanks, personnel carriers, artillery, rifles, ammunition, and bombs. In addition the United States gave Saigon at least 868 aircraft.

This fantastic arsenal is of course buttressed by the presence of at least 45,000 American troops in Thailand to be on hand to support America's apparent continuing air war. Furthermore the administration has revealed no plans to reduce the size of the 7th Fleet in the waters off Vietnam or the Air Force personnel on Guam who have been engaged in B–52 bombings.

This administration assumes that a Congress that declined to withhold funding from a war which it never declared can be relied upon to continue in another form a war which the administration will make as invisible as possible. The pomp and ceremony to be extended to President Thieu this week will seek once again to legitimate and legalize something which has been illegal and wrong from the very beginning

This administration will never concede that the entry of the United States into the civil war in Southeast Asia was a mistake. It will, therefore, seek to perpetuate the status quo of political power in the four devastated nations of Indochina. The administration will camouflage military aid in the form of advisers or humanitarian relief. In addition, the Pentagon and the administration will continue to give away vast millions of dollars in equipment or personnel.

What would happen if the United States insisted that any further aid to President Thieu would be conditioned upon that public official making available in his country those basic liberties inherent in a free society? More specifically what would happen if the United States demanded that President Thieu offer a fair and impartial hearing to the 200,000 political prisoners now being detained only because of their political convictions? When I asked these questions of State Department officials in Saigon and in Washington 3½ years ago, they offered the ridiculous reply that the United States would not be justified in so invading the domestic issues involved in the nation of one of its allies. That I suppose is the answer that this administration would give at this time.

If this Congress is to give nonmilitary aid to South Vietnam, I hope that we will insist in the law granting such aid that the assistance will be given only on the condition that no persons are placed in jail or retained in prison simply, because of their political convictions. The Congress of the United States could fashion an amendment to a bill along the lines of the conditions precedent in the Jackson-Vanik amendment designed to withhold the status of a most favored nation from Russia until the U.S.S.R. eliminates the exorbitant fees which it charges for Soviet Jews who desire to emigrate.

The cease-fire agreement signed by the United States gives President Thieu almost a blank check to demand renewed American bombing. Obviously the decision has been made by the Nixon administration to keep U.S. air power in Indochina for at least a few more years. During this period President Thieu can wipe out his domestic opposition while the United States keeps the military balance in his favor. This strategy is designed to accomplish what has been an obvious and consistent American aim since the Geneva Conference of 1954. In other words the Nixon administration is still out to win politically what they failed to win militarily.

The cease-fire, quite literally gives President Thieu more power than the Congress to decide when the United States shall be drawn back into the war again. The power of the Congress would be strengthened in this regard if the Church-Case amendment passed in the Senate and if the bill proposed by our colleague, Congressman JONATHAN BINGHAM, were enacted in the House.

The coming of President Thieu to the United States this week could well be the beginning of another Indochina war. This war will be waged by the Nixon administration to force the other side to accept the Thieu regime. We are back in 1954. There is, however, one difference: The Congress of the United States hopefully is able and willing to assert its power and to state that it will not permit the United States to attempt once again to solve a political problem by military means.

The Congress and the people of America have slept while the U.S. Government has given to President Thieu the fourth or fifth largest air force in the world. President Thieu can carry on the terror bombing which Vietnamese pilots have learned from their American advisers. But President Thieu cannot execute this new savagery if the U.S. Congress states today and every day during the visit to our Nation of this panhandler that we will no longer allow this self-appointed dictator to sabotage the hopes that we have for our people or to deceive this country to believe that the political regime which he has formed is worth a single more dollar of our investment.

Mr. BURTON. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from California.

Mr. BURTON. Mr. Speaker, I would like to commend my distinguished colleague, the gentleman from Massachusetts, and associate myself with his remarks.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Speaker, I want to compliment the Congressman from Massachusetts (Mr. DRINAN) for arranging this special order. I think perhaps that our joy at seeing the return of our prisoners and the beginnings of the end of this war has dulled our senses or our reactions.

Mr. Speaker, the Thieu regime has never been anything but the shadow of U.S. substance in South Vietnam. Now that our troops have been pulled out, what possible justification is there for the United States to continue military support for this regime?

Yet this week, Mr. Nixon is meeting with this dictator who has stripped his people of all civil rights, closed down the newspapers, warned foreign reporters they might be shot for exposés; who uses soldiers, civil servants, and public equipment to promote his own power, reelecting himself with no semblance of democratic process; who has put the army in control of every level of village administration; is the man the administration asks us to support.

Recently, Dictator Thieu's shocking treatment of political prisoners has come to light in the report of two young Frenchmen, who themselves were imprisoned in South Vietnam for months. They report from firsthand experience the savage beatings, torture, mutilation, and killing of prisoners. Estimates of their number run from 150,000 to 300,000. They are not enemy soldiers, who are usually killed on capture. They are arrested in dragnet raids, Communist and non-Communist alike, Buddhist and Catholic, men, women, even children.

When the infamous tiger cages at Con Son were exposed by two U.S. Congressmen, we believed that the situation was remedied. On the contrary, the Navy Department recently gave a $400,000 contract to a U.S. company to build new tiger cages, that former prisoners say are smaller and in every way worse. Human beings are jammed into cramped positions and left untended; if they complain, the guards throw blinding lime on them.

President Thieu has no intention of releasing these prisoners: they now understand his regime and might unite in a third force against him. Many are people whose views would be listened to with great respect. To avoid releasing them, the young Frenchmen say, he is now stepping up the frequency of executions and torture-deaths. He transfers prisoners far from their homes and labels them all as "criminal" rather than "political," to avoid compliance with the protocol on prisoners.

We are as horrified by these revelations as we are by the stories our returning prisoners of war relate. Torture cannot be condoned, wherever it appears. Certainly it cannot be continued with U.S. tax dollars.

Yet Mr. Nixon is proposing to give another $4 billion in military assistance, direct and indirect, to this regime. Some of the money already spent there is disguised as aid for humanitarian reasons. Last year, my Committee on Government Operations held hearings and reported on U.S. assistance programs in Vietnam. Mr. CONYERS and I stated in our separate views that there was great discrepancy between the stated purpose of the Agency for International Development and the programs it finances in Vietnam. We said that—

> A program that ignores and subverts its stated aims deserves no support from the U.S. Congress. Such is the case with the bulk of the USAID programs in South Vietname. We should eliminate, certainly, all the police, the political, and the paramilitary aid; the economic aid, which is a very small part of what we are sending, should be channeled through international organizations. It requires a major rehauling of the whole AID program. As it is now, the Vietnamese hate us for our aid.

That statement is even more true today, when the hundreds of thousands of political prisoners, their families, and friends, know that the United States paid for the police force that arrested them and the prisons that contain them. They are still barbarously interrogated by individuals trained and advised by the U.S. Government. Due to public pressure, direct funding for police activity was ended on March 28; but it appears that the usual sleight-of-hand will enable Thieu to use unrestricted funds as he pleases.

Basically we must ask, "What is the purpose of the continuing commitment of this administration to the Thieu regime? Are we still clinging to a base of operations, if the President decides to resume bombing in North and South Vietnam?" He has repeatedly threatened to do so. And the Cambodian bombings continue, again without purpose or justification. Even the President's lawyers cannot come up with a convincing rationale for this continuing military operation, after all of our troops are out and a cease-fire agreement signed.

When the 93d Congress convened, I introduced H.R. 3578, a bill providing for an immediate halt to our bombing in Indochina and a cutoff of all military funds—including funds for Mr. Thieu and for civilians paid by the Department of Defense, or any other military or parliamentary personnel under the control or in the pay of the United States—which would cut off illegal activities of such agencies as the CIA and AID.

This, I believe, is the step we must take if we would respect the wishes of the American people, who want this war really ended. It is the step we must take to comply with article 9 of the peace agreement, which states that—

> The South Vietnamese people's right to self determination is sacred, inalienable, and shall be respected by all countries.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I would be happy to yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, on that score, I would like to add a little bit more to what the gentlewoman from New York said about the two young French schoolteachers who were here 2 weeks ago and who spoke to a group of us about the conditions that they met with in South Vietnam where they were prisoners of the Thieu regime.

Now, what was their offense? They were sent to Indochina, to Vietnam, under the French equivalent of our Peace Corps. They were teachers—one taught French, and the other mathematics—in a school there. They went there in 1968. Their names were Pierre Debris and Andre Menras. They were age 27 and 24, respectively.

Although they had no political preconceptions, after 2 years in Vietnam they were so repelled by the atrocities and the corruption of the Thieu regime that they unwisely, as it turned out, took part in one of the political demonstrations against the regime. They were immediately thrown in jail and subjected to unspeakable conditions, until finally the International Red Cross came in, and there was such a hue and cry raised in France that the regime finally, in December 1972, released them and they were sent back to France.

Now, they spoke of some of the condi-

tions that they witnessed with their own eyes, and I want to dilate on that, if I may, for just a minute.

Mr. Speaker, we have all been outraged, and rightly so, at the stories of the atrocities and the acts of torture that were committed against our POW's by the people who were put in charge of them in North Vietnam. There can be no excuse for that kind of treatment of prisoners of war, or any other prisoners, by any regime that lays any claim to respect on the part of mankind.

Unfortunately, however, our own country's position against such atrocities has been undermined by the aid and support that we are giving to the very same kind of oppression on the part of the Thieu regime.

The two young Frenchmen International were themselves placed in leg irons, beaten so badly they have permanent scars, made to live in unspeakable conditions. But their treatment was mild compared to that imposed on Vietnamese prisoners.

Mr. Speaker, let me just read to you a description that these two young Frenchmen made of the day of the last Tet holiday, when for the day the prison that they were located in were allowed to come out of the cages and down into the yard to celebrate the holiday.

They said:

These were political prisoners who had been brought back from the tiger cages in Poulo Condor.

Normally, they were never allowed to go out into the sunlight; but were kept in solitary confinement, in cells without windows or light. But that day. the first day of Tet, they could come down into the prison yard. So we saw, the whole jail saw, for the first time these hundred prisoners from the tiger cages.

And in what condition! They had to crawl down, because they couldn't walk anymore; their knees had been broken. They dragged themselves along the ground with little wooden benches they had made. In the sun they had to close their eyes completely because they'd been blinded from so many years of darkness. Their faces were haggard and lined, their bodies gaunt and emaciated. They were wearing tattered prison uniforms, the standard black pajamas.

Now, Mr. Speaker, they went on to point out that they had seen these cages and talked to the prisoners that were in them. The cages were too low for the prisoners to stand up. They put 3 to 5 in each one, so there was not enough room for them to sleep. They had to take turns lying down while the others crouched. The cages were completely dark rooms, without ventilation. Most of those who managed to live through the experience were completely blind afterwards.

Now, the significant thing, Mr. Speaker, is that these cages were being built with dollars supplied by the United States of America and, furthermore, more cages, as the gentlewoman from New York has pointed out, are being built with American dollars, $400,000 worth, by American contractors, according to a report published by the House Committee on Government Operations last October.

Mr. Speaker, these two French gentlemen went on and made a lot of other statements describing the tortures and the privation and the violation of all sorts of human decency by the regime against prisoners, political and otherwise.

The sad thing is that between 1967 and 1972, according to the U.S. Agency for International Development, the United States has spent $77,800,000 to support the police and jail systems of the Thieu regime.

That is not counting other forms of economic support and support coming through the defense assistance program.

I am now looking at the AID congressional presentation for the fiscal year 1973. I find there is an additional amount of approximately $11 million for this fiscal year, 1973, and it is expected that by the time the program is completed, we will have spent in AID funds alone $103,472,000 to support this type of activity on the part of the Thieu regime.

Mr. Speaker, I would like to mention one other thing. Last fall the House Committee on Government Operations made a study of the U.S. assistance programs in Vietnam. One of the things they brought out was that we were supporting the international police force in Vietnam and the police telecommunications system and "support for Government of Vietnam corrections centers." The AID personnel were interrogated as to the need to expand the capacity for existing prisons in Vietnam and the need for U.S. support.

Mr. Nooter, who was the representative of AID in charge of the programs, said:

It is our objective in the AID program to help the police force and the corrections centers to run both more efficient and more humane operations.

Mr. Speaker, our Government has the power to shut down the Government of South Vietnam tomorrow. With a snap of the fingers, we can demand that the Thieu regime create humane conditions or else they will receive no more U.S. economic support. Yet we have not done so.

I might add that of the total amount of money that has been spent up to now and is projected to be spent for all public assistance, the $103 million I talked about before, $1,918,000 is projected to support improvements in the Vietnam prison conditions. All I can say is this is a poor record for us to face the world with, and it is time we did something about it.

Mr. DRINAN. I thank the gentleman from Ohio, and I am now happy to yield to the gentleman from California.

Mr. WALDIE. I thank the gentleman for yielding.

On the very issue that the gentleman from Ohio is relating to, it might be useful if I recount some personal experiences I had when I visited Vietnam in 1971 with Congressman McCLOSKEY.

During that trip I selected as my own area of interest the Phoenix program. When the final history of American involvement in Vietnam is ultimately revealed. our participation in the Phoenix program may end up to be one of the saddest and blackest and most shameful events in which we have participated in that sad and unhappy country.

As a brief measure of the extent of our participation I have in my files a directive from the Military Assistance Command in Vietnam, in Saigon, that was directed to all American military personnel who are engaged in the Phoenix program.

Although I do not have it before me as I speak. the most startling phrase in that directive was to the effect, "You are hereby directed not to engage further in assassinations." An incredible statement contained in the directive from the highest military command in South Vietnam to American military personnel that from that date forward you are not to engage in assassinations in implementing the objective of the Phoenix program. I think that is a fair indication of the nature of the program that we have in fact established to leave for the South Vietnamese as we depart their country. The Phoenix program was designed by American personnel and initially was staffed by American personnel. When I was there in 1971, although it took a while to penetrate the cover, the essential component of the Phoenix program was the interrogation centers located in every Province to which prisoners who were picked up in the nets that were operating for the Phoenix program would be taken for interrogation.

These Province interrogation centers were built by the American Central Intelligence Agency. Even in 1971, the American advisors to the South Vietnamese personnel that were operating the interrogation centers at the Province levels for the Phoenix program were in fact employed by the CIA, And that issue is not in doubt, that issue is clear, and it is correct.

The Phoenix program in the literature that the American personnel developed to leave with the South Vietnamese who were to man the Phoenix program says that its primary objective is to root out the Vietcong infrastructure and its secondary objective is to prepare the country—and this is almost a literal translation of this document—for the political struggle that is impending at the conclusion of military hostilities and, therefore, it was assigned by American authorities in 1971 as the primary pacification program with the highest priority in South Vietnam—to prepare the country for the political struggle that would ensue at the conclusion of military hostilities.

Now, what type of preparation were they seeking to prepare the country for the political struggle? The type of preparation that the Phoenix program embodied was that the South Vietnamese who would be picked up by the South Vietnamese police, whether they be local or national police—although literally there are no local police, it is entirely a national police system—would be categorized in three categories. Category A—and those would be dead, because they would be killed or assassinated. Category B, which were the lower level Vietcong leaders identified as such by people in the community organization and, most trobulesome of all, category C. Category C as identified in the manual prepared by American personnel and distributed to South Vietnamese personnel who would be running the Phoenix program, was identified as a person who

would, in order to fit into category C, be a person who was described as one who would stand aside from the rest of the village and engage in conversations with one or two people, someone who by their suspicious demeanor you could tell were disloyal to the government. In short, anyone—and I am paraphrasing now my own words—in short, anyone whom the government felt may be a trouble in the political struggle to come.

What happens to these people once they are identified as category A, B or C? If they are identified as category A they are killed. If they are in the B category, they go to the tiger cages. There are no trials in the Phoenix program. You do not have trials in the Phoenix program. You have no representation, no public confrontation by witnesses or accusers. The accused is not even permitted to come before the people who judge his guilt or innocence—and it is usually guilt. Category C people do not go to the tiger cages, they are not killed, they are put in detention camps, and they are held there for periods up to about 6 months, usually, sometimes up to a year, but generally up to 6 months.

What really happens to a poor soul who is picked up in this dragnet under the Phoenix program and labeled a category C detainee is if he is held for only a few weeks, the message is very clear:

> You are now in our dossiers. You have been pointed out as one disloyal to the Government, and if you are to be free from this sort of situation, you had better be supportive of the Government.

Category C has, by far, the largest number of detainees. Category C is the evil of the Phoenix program. It also is the means by which the primary objective of pacification during the 1971–72 years was to be attained, and that primary objective was to prepare the country for the political struggle to ensue at the conclusion of military hostilities. That gives an absolute lie to any possible contention that self-determination of the South Vietnamese people could ever become a reality. When we have set up the program, developed the manuals, and trained the people, to assure that in fact no honest self-determination, no honest political decision can be made at the termination of hostilities, that, if the gentleman will permit me to conclude, is in my view one of the saddest involvements of American knowledge, American power, and American immorality that will result as far as the full history of our involvement in Vietnam is concerned.

For those who believe there will ever be an honest political decision made in South Vietnam. I can only suggest to them they are being greatly misled. It was never our Nation's leader's intention that an honest political decision be made by the South Vietnamese, and it will never be permitted to be made by either our present leaders or our clients who are in power in South Vietnam now.

I thank the gentleman for yielding.

Mr. DRINAN. I thank the gentleman for his remarks.

It is my intention to file as soon as possible a bill which will provide that if this country is going to give nonmilitary aid to South Vietnam, then we must insist that such assistance will be given only on the condition that no person may be placed in jail or retained in jail or otherwise deprived of any of his rights simply because of his political convictions. The Congress could fashion an amendment to a bill along the lines of the conditions precedent in the Jackson-Vanik amendment. That amendment is designed to withhold the status of the most favored nation from Russia until or unless the U.S.S.R. eliminates the exorbitant fees which it charges for Soviet Jews who desire to emigrate. The least we can do to protect the political prisoners of South Vietnam is to insist upon the incorporation of such a proviso in a bill that would give nonmilitary aid.

The cease-fire agreement signed by the United States gives, I am afraid, to President Thieu almost a blank check to demand renewed American bombing.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from New York.

Mr. BINGHAM. First of all, I thank the gentleman for yielding. I want to compliment him on arranging for this special order.

I think it is appropriate that we here in the Congress protest the reception, the official top-level reception, that is being given today to President Thieu.

As the gentleman has pointed out, he is anything but a leader who should be given the accolade of a leader of the free world. He is a general who has presided over a dictatorship now these many years and who has no intention, as other speakers have pointed out, of allowing true self-determination in South Vietnam.

I should also like to compliment the gentleman from Ohio on his statement about the treatment of the political prisoners in South Vietnam. As he said, one of the aspects of this tragic situation is that it makes it virtually impossible for us as Americans effectively to protest the treatment that was accorded to our prisoners of war in North Vietnam, as recently reported by many of those returnees.

I do have a question that I should like to discuss with the gentleman about the statement that he has just made in that the cease-fire agreement signed by the United States gives President Thieu almost a blank check to demand renewed American bombing.

Frankly I do not read the agreement that way. I think that the agreement to the extent it speaks at all of the enforcement of those provisions seems to call for some kind of vague international sanctions, some sort of international agreement, an international commission, and so on. I do not feel that there is anything in the agreement which would in any way justify the United States renewing hostilities in Indochina.

As the gentleman has kindly remarked, I am the principal sponsor in the House of a bill which would make that impossible without official congressional approval, and recently the gentleman has joined me and others in urging that there be hearings on that legislation and other legislation in the House Foreign Affairs Committee, but even absent that legislation I see no justification, legal or otherwise, for the President to renew hostilities, and I certainly do not find it in the terms of the agreement.

This agreement has some good terms in it. Among other things it has in it the requirement that the parties in South Vietnam establish democratic freedoms. I think much of what the gentleman has said here today and as has been said by others indicates that aspect of the agreement has been grossly violated already by the Government of South Vietnam, but that is a pretty good provision that is in the agreement. There are other good things in the agreement.

I hope the gentleman would agree with me that there is really nothing legitimately in the text of that agreement that would give Thieu or anyone else the right to call on the United States to come back in regardless of what North Vietnam does.

Mr. DRINAN. I would agree with the gentleman, whose knowledge of that legislation is of course greater than mine. I would say that President Thieu "almost" has a blank check. I hope the gentleman is correct and if the Bingham legislation or something similar passes I hope it would eliminate that as a possibility.

Mr. BINGHAM. If I might, I would say I know for myself and others on the Foreign Affairs Committee, we will be going over with a very careful eye the request the administration may make—they have not submitted their request yet—for the aid program to be carried out in Vietnam, both South and North, if such proposal is made. Certainly I would agree that there should be conditions imposed that the aid not be misused, as it has been in the past, as the gentleman suggests. I think it is imperative we see to it that our aid, if indeed it is to be extended at all, is to be extended for legitimate constructive purposes.

I am disturbed by the fact that the President's budget for 1974 includes an item of $1.7 billion for military assistance to South Vietnam and this in a time which is supposed to be an era of peace. I, for one, will certainly try to see that aid is eliminated from the authorization bill or any legislation that this Congress will enact. I am sure the gentleman will agree with me on that.

I have further remarks to make, but in the interest of time I will ask unanimous consent to revise and extend my remarks.

We must now recognize, Mr. Speaker, that short of recommitting our ground and air combat forces to Vietnam, we will have quite limited power to enforce the terms of the peace agreement that has enabled us at least to extricate ourselves. That is as it should be. Many of the terms that remain to be implemented have to do with settling the very same disputes between North and South that first got us into Vietnam. It was a mistake for us to have intervened militarily to try to settle those disputes then, and it would be a mistake for us to intervene militarily again now.

Possible future financial assistance to Vietnam, both North and South, raises

the prospect that we may continue to have some influence on the policies particularly of the government in the south, and it is incumbent on the Congress to assure that that influence is employed not to meddle further in the internal political affairs of Vietnam, but rather try to assure within our limited influence adherence to internationally accepted standards of humanitarianism and political freedom.

Reports from South Vietnam on the number of civilian prisoners being held and the treatment being given them by the Saigon government, as well as the reports of our own released prisoners of war, indicate that neither the north nor the south is adhering to such international standards. In the case of the South Vietnamese, at least some of the prisoners being held are innocent children. The conditions of imprisonment in many instances are brutal.

Mr. Speaker, a report of the House Foreign Affairs Committee, of which I am a member, contained detailed descriptions of the treatment accorded political prisoners by the Saigon government. That report, issued in the last Congress, was based on eyewitness accounts of several members of the committee. There is little doubt that such treatment and widespread imprisonment of civilians, is continuing in the south.

The proposals for U.S. assistance to North and South Vietnam will come before the Foreign Affairs Committee as soon as they are submitted by the President. I have no doubt that, under the able leadership of the chairman of our committee, the gentleman from Pennsylvania (Mr. MORGAN), the committee will give long and careful scrutiny to those proposals and that extensive hearings will be held. I certainly intend, Mr. Speaker, in the course of those hearings, to raise many questions and probe deeply into the matter of South Vietnamese activities and policies with regard to political prisoners. My purpose in doing so will be to seek to assure, through an appropriate amendment to the legislation if necessary, that no American funds or other assistance to Vietnam in any way supports or contributes to the continued imprisonment and brutal treatment of Vietnamese civilians whose only crime, if any, has been to express political views that are unpopular with the Thieu regime.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield if he is interested in an extension of this discussion?

Mr. DRINAN. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, it would seem to me that the effect of this state visit by President Thieu is that the President of the United States seems to be embracing the Government of South Vietnam and underwriting in effect our continued commitment to that government. This was the same mistake that Lyndon Johnson made when he embraced President Ky and it just got us in deeper.

I thought one of the virtues of the peace agreement was that we now had a graceful way of extricating ourselves from further involvement in the Government of South Vietnam. I would like to ask the distinguished gentleman if he agrees with that position.

Mr. DRINAN. I agree thoroughly. One of the reasons I called this special order is to discuss what may well be another Black Monday.

Mr. BROWN of California. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Speaker, many years ago the President of South Vietnam came to America and was hailed as a man history would judge one of the great figures of the 20th century. Unfortunately, history instead considers this man a psychotic, petty tyrant, whose ruinous policies led to the Vietnamese war. This Winston Churchill of Asia was Ngo Dinh Diem.

Today America is welcoming another Vietnamese President, Nguyn Van Thieu. Already Mr. AGNEW has trumpeted him as a distinguished, decent man, a patriot and a scholar. Perhaps history will also erode Mr. AGNEW's fine words.

In President Thieu's kind of democracy, what is good for Mr. Thieu is good for the country. Likewise, what is not good for Mr. Thieu is not good for the country.

A critical press is not good for Mr. Thieu. So this means there is no freedom of the press. Mr. Thieu required newspapers to post an exorbitant bond as security against fines. Since only the wealthy, progovernment papers could afford this bond there is no more opposition press.

Since Mr. Thieu equates his own regime with anticommunism, to make a speech critical of President Thieu is to undermine the resolution of the people's will against communism. The speaker will find himself in jail.

There is no freedom of assembly. An antigovernment demonstration also weaken the people's will, so there are no legal demonstrations.

There is no right to a trial—fair or unfair. Under Thieu law a person considered dangerous can be placed in prison for 2 years without a warrant or a trial. And that sentence is renewable until the man dies.

For the good of Mr. Thieu one must not practice any religion that holds as a commandment "Thou shalt not kill." There is no pacificism in Vietnam. In Government Newspeak, pacifism is neutralism, and neutralism is communism. Mahatma Ghandi, Martin Luther King, and Jesus Christ would all be in prison or dead with bullets in their brains if they were born in Vietnam.

But South Vietnam is a democracy, and it does have elections. However, when Mr. Thieu holds an election, he outlaws or arrests his main opponents. He does try to leave a dummy candidate or two to keep the White House happy, but in 1971 he could not even do that.

He keeps from voting anyone who has expressed sentiments against his government, or anyone who has someone in his family who has done the same. Or anyone who has spoken for peace or neutrality.

And when it comes to election day, it is one thing to vote in secret, but to have your own men count the votes in secret?

Even at that he only received 34 percent of the vote in 1967. But Thieu knew all along he would only need a plurality to win. After all, he wrote the election law.

Mr. Speaker, I have been flippant with Mr. Thieu, and I believe the whole world would be flippant with this man if it were not for the fact that he has bought himself respect with the blood of more than a quarter million Americans, and a million of his countrymen.

And now that the conflict is slowing down, Mr. Thieu is buying his respect with the bodies of 200,000 men, women, and children he keeps locked away as political prisoners.

Admittedly some of these prisoners can bribe their way to luxury status behind bars. But for most it means torture, beatings and mutilation. It means a state of constant deprivation.

It is just becoming known the torture our own men were put to. But horror and anger at this criminal, and wanton mistreatment, should not be used as an excuse to turn away from what is being done in South Vietnam today.

The horrors of the Con Son tiger cages, where men drank their own urine for liquid, is well known. The methods of torture still in use throughout government prisons should be known as well: Simple beatings, electric shocks applied to the genitals, pins driven into the fingers, liquid mixtures consisting of lime forced down the throat. This is not pleasant, nor is it all. But the most important thing to understand is that President Thieu could stop it tomorrow if he wished.

But he has no desire to do so. Instead he is subverting the peace agreement in order to keep these people in prison. Thousands of prisoners, arrested on charges of a political nature are being reclassified as common criminals. As such they need not be released, now that the war is officially over. President Thieu wants these prisoners safely tucked away in prisons when time for the next election comes around.

But why talk about political prisoners? There are political prisoners across the globe. Is not that, regrettably perhaps, an internal affair that is none of our business? In this case, no. These people are rotting away in prisons built with American dollars by American technicians and with American material. They are staffed by personnel paid for with American tax moneys.

Mr. Thieu has come to America for more money. If we give him this money without a demand that his Stalinist-style politics halt, we will become accessories once again to this man's crimes.

At a time when America is rejoicing over the release of 600 countrymen, it indeed will be a shame to rise up and honor a man responsible for the imprisonment of 200,000 others.

I would like to insert in the RECORD at this point an article entitled "The Treaty and Thieu" from a document by the Indochina Resource Center, Viet-Nam: What Kind of Peace?

The article follows:

THE TREATY AND THIEU

THIEU BANS PRG POLITICAL ACTIVITY

Even before the treaty was signed, Thieu had issued orders to his army and police forces which in effect forbade any kind of political activity by the PRG. These orders, and many of the laws, edicts and even the constitution of the Saigon government, forbid the very kind of political contest spelled out by the Paris Agreement.

Only days before the public announcement of the cease-fire, Thieu reiterated his long-standing ban on any pro-Communist or neutralist activity. In spite of the fact that the new agreement guarantees freedom of speech, meeting and organization, Thieu's laws forbid such acts as distributing "Communist" leaflets, displaying the PRG flag, or organizing public meetings or demonstrations in favor of any political force other than Thieu. Anyone found organizing villagers to return to their native villages, in short, anyone found informing refugees of their rights under the Paris Agreement to "freedom of movement" or "freedom of residence," will be shot, according to Saigon newspapers quoting official Saigon sources (Wash. Post, Jan. 23, 1973). Refugees who attempt to return to their villages will be arrested. And although the treaty guarantees freedom of the press, strict Saigon government censors will continue to white out areas of newspapers that will be considered "dangerous to the national security."

Editions of newspapers will be confiscated, severely fined or closed down for similar violations of Saigon laws. Writers will be arrested if they write articles or books that are viewed as a challenge to Thieu's manner of governing. As a most recent example, on January 19 four Catholic priests were sentenced in Saigon to five years in prison and were fined VN$300,000 each for publishing a paper entitled "Justice in the World," which they had presented at a recent Southeast Asian Bishops' Conference.

THIEU'S REPRESSION

During the five and a half years that Thieu has been president of the Saigon government, he and his police forces have relied on widespread and often indiscriminate political arrests to maintain the survival of his regime. Mass arrests followed the Tet Offensive of 1968 and the Cambodian invasion of 1970. Students and others were arrested by the thousands in the weeks that preceded Thieu's one-man election in October, 1971. In the wake of the Spring Offensive of 1972 thousands more were arrested. Under South Vietnamese law, persons can be detained without benefit of trial or lawyer for a period of up to two years, which can be renewed at two year intervals.

As news of the cease-fire approached, in particular in the period after the announcement of the draft agreement in October, the number of arrests increased sharply. Hoang Duc Nha, Thieu's nephew and closest advisor, announced on November 8, 1972 that the Thieu government had arrested or killed 50,000 "Communist civilian and military cadre" since October 31, 1972 (CBS News, November 9, 1972).

THIEU'S POLITICAL PRISONERS

As Hanoi and the PRG pressed for the release of these political prisoners through the months of November and December, they charged that Thieu had a "security plan" to assassinate the political detainees as well as suppress democratic freedoms in case of a signing of a cease-fire agreement.

The charges of Hanoi and the PRG were soon given corroboration by reports that appeared in the Western press. Two Frenchmen who had just been released from Thieu's Chi Hoa prison near Saigon returned to Paris and were quoted by Agence France Presse on January 2, 1973 as saying that "South Vietnamese authorities were reclassifying political prisoners as common prisoners to avoid releasing them when a cease-fire comes into force." Reports smuggled out of Saigon's prisons and published by Dispatch News Service reported that many political prisoners were being shifted to other prisons in an effort to hide them, and that in some cases prison authorities were inciting the common-law prisoners "to provoke, sometimes kill political prisoners." George MacArthur of the Los Angeles Times reported on January 1 that U.S. official sources confirmed to him that "Thieu has ordered the arrest and 'neutralization' of thousands of people in the event that cease-fire negotiations with Hanoi are successful. . . . The term 'neutralization' can mean anything from covert execution to a brief period in detention." And the Washington Post reported on January 18 that "President Thieu has given his province chiefs wide latitude to make political arrests after the coming cease-fire and has also empowered them to 'shoot troublemakers' on the spot." In addition, the Post reported, "Those arrested are to be charged with common crimes instead of political ones," so that the prisoners will not fall into the category of political prisoner, whose release is provided for in the Agreement. To handle the new arrests Thieu has reportedly embarked on a crash program to increase his police force from its present level of 122,000 to 300,000 (Le Monde, Sept. 8, 1972).

The Paris Agreement calls for the release of "Vietnamese civilian personel captured and detained in South Vietnam" and admonishes Saigon and the PRG merely "to do their utmost to resolve this question within ninety days after the cease-fire comes into effect." This weak wording of the text of the Agreement hardly ensures that the prisoners will be freed in the suggested time framework.

Thieu has made it no secret that he plans to avoid the release of all the political prisoners. To Thieu the prisoners are a political threat which he can best handle by keeping them in jail. Thieu claims to hold only two political prisoners, although the PRG asserts that he holds 300,000 in his jails.

On February 5, the Thieu government reported that it had released 10,000 to 20,000 political prisoners, adding further confusion to the earlier Saigon claim to hold only two. The Saigon report added further that "those freed had been designated 'New Life Cadres,' meaning that while in captivity they renounced the Communist cause and pledged to support the Saigon government." (NY Times, Feb. 6, 1973) Those released, therefore, are considered to represent no threat to Thieu.

The Agreement is explicit in protecting prisoners "against all violence to life and person, in particular against murder in any form, mutilation, torture and cruel treatment, and outrages against personal dignity." But torture has been common in Thieu's prisons and interrogation centers, and has continued in spite of the international furor that arose following revelation of the "tiger cages" in 1970.

In spite of his recalcitrance, Thieu will be faced with pressures to release the political prisoners. The Two-Party Joint Military Commissions provided for in the Agreement are charged with arranging for these prisoners' release. The commissions are to exchange lists of the civilian detainees within fifteen days of the cease-fire and are physically to observe return of the prisoners. Two or more "national Red Cross societies" shall be designated, if Saigon and the PRG can agree, to visit the political prisoners and "contribute to improving the living conditions of the captured and detained." There will be seven teams, or a total of 56 members, of the ICCS who will visit each place of detention and release of the political prisoners, if Saigon and the PRG can agree on arrangements for these visits.

In obtaining the release of the political prisoners, world opinion will play an important role. Already, Amnesty International and other groups have launched campaigns for the prisoners' release. Furthermore, as the cease-fire goes from weeks into months, families with sons, daughters, fathers, nephews and nieces in jail will try again and again to obtain their lease.

In all likelihood, the PRG will appoint to the third component of the National Council neutralists who are now in jail. If Saigon refuses to release these prisoners it will hold up the functioning of the National Council and draw international attention to the whole political prisoner issue. On the other hand, if Thieu complies and releases these jailed neutralists, they will be powerful spokespersons in the highly visible arena of the National Council to press for the release of the other prisoners.

The neutralists, once successfully appointed to the Council, can be an important element in making the Council work. If they organize among themselves, they may be able to act as a buffer and mediator between Saigon and the PRG, and will be a strong force in stimulating the reconciliation and concord that is the very purpose of the National Council.

THIEU'S POLITICAL WEAKNESS

In preparation for the political struggle, Thieu has taken other drastic measures which he hopes will strengthen him in the post cease-fire period. But these measures are only more intense applications of measures that have failed in the past and, more importantly, reveal the nervous desperation of a regime all too conscious of its basic weakness.

Following soon on the decree made last August that abolished all hamlet and village elections, Thieu is now planning to place his own military officers in control of all hamlets and villages (*Wash. Post*, Nov. 18. 1972). The army would thus be in charge of every level of the Saigon government outside of Saigon itself, where former generals, like Thieu, are in charge. To the Saigon government, the only people they feel they can trust in the face of a challenge from the PRG, are their army officers.

If villagers' support for the Saigon government was weak when they elected their own officials, their support can hardly be expected to be more enthusiastic when they are under the surveillance of a totally unfamiliar army officer. Successive Saigon regimes have always been plagued by the problems that arise when government officers try to win support in an area where they are unfamiliar with the local dialect and customs and are easily branded as outsiders by the local villagers. The elitist and urban ways of the army officers are unlikely to sit well with the villagers, either.

By contrast, the army and political cadre of the PRG are mostly farmers themselves. They usually operate near the region of their origin where they are familiar with the countryside, the local dialect and other local cultural idiosyncracies. In many of the "Saigon-controlled" villages of South Vietnam the farmers and even some of the hamlet chiefs have associations with the PRG. Such a situation is no doubt what prompted Thieu to begin putting his own officers at the head of every hamlet. But these officers are unlikely to reverse this arrangement which has been going on for years. ARVN officers will see their loyalty to the central command above them much more than to the people in the hamlet. Popular alienation against these Saigon-appointed officers will only lead to further village cooperation with the PRG.

ELECTIONS

General elections are provided for in the Agreement. But the offices and bodies for which the voting will take place and the date of the elections are not specified. These

matters and other "procedures and modalities" are the responsibility of the three-part National Council.

Saigon and the PRG are unlikely to agree on these procedures and modalities, and the prospect of elections seems distant indeed. Saigon may offer to hold elections, but only within the framework of the present Saigon constitution under which the National Liberation Front functioning as a political party, and *not* the PRG functioning as a rival government, could participate in an election for the office of president. The PRG, on the other hand, noting the legendary unfairness of Saigon-organized elections in the past, will likely wish to hold elections for a new constitutional assembly which would write an entirely new constitution.

THIEU'S "DEMOCRATIC" PARTY

The strongest sign that Thieu expects elections to take place is his defensiveness in the face of that possibility. Thieu has formed his own political party, the Democratic Party, which he hopes will out-politic the PRG in any pre-election situation in the months ahead. Almost all army officers and civil servants right down to the hamlet level have been given the choice of joining the party or risking losing their jobs. Some officials report that they were "ordered" to join the party (*NY Times*, Nov. 18, 1972). The party claims nearly 200,000 registered members already (*Wash. Star-News*, Dec. 17, 1972).

To assure that its strength would not be weakened by the existence of other parties—there were twenty-four last year in Saigon—Thieu issued an edict on December 27, that effectively eliminates all political parties but is own. By the new edict any party that wishes to continue to exist must establish branches in every city and in at least a quarter of the villages in half of South Vietnam's 44 provinces. In addition, a party must win 20 percent of the total national vote cast for either house of the legislature and 25 percent of the presidential vote if that party wishes to put forth a presidential candidate. Thieu's new party is nothing more than an extension of his government. Like that government, it is coercive, urban and elitist. Saigon Deputy Tran Van Tuyen, leader of the opposition yet staunchly anti-communist, commented that Thieu's new political moves "will drive the people underground and into the Communist side" (*NY Times*, Dec. 29, 1972). In another interview he commented, "The majority of the people are looking for peace, and Thieu is the main obstacle to peace. Most people are looking for his departure" (*Christian Science Monitor*, Nov. 17, 1972).

To be sure, the PRG is in contact with those who are left out of Thieu's increasingly isolated political apparatus. And it won't be the first time the people joined the PRG because they saw no other acceptable political route.

THIEU'S INFORMATION CONTROL

In the months that follow, press coverage of Vietnam in the United States will decrease. With a smaller and less visible U.S. involvement, newspapers will judge the events in Vietnam to be of less interest to Americans. And the Thieu regime will be likely to refuse entrance visas to foreign correspondence if the turn of events worsens from their point of view, or if they have something to hide from the eyes of the rest of the world. Already, according to *Le Monde* (Nov. 16, 1972), "correspondents can only obtain visas that must be renewed each month (three months for bureau chiefs); some journalists have already been limited to renewing their visas every two weeks or even more often." And on January 29 when the first North Vietnamese and PRG delegations arrived in Saigon to take their places on the Joint Military Commissions, six U.S. reporters were arrested by Saigon police while covering the delegations' arrival. The PRG, on the other hand, will open up its areas and welcome foreign correspondents. They will want to demythologize themselves, to show that they enjoy popular allegiance, control territory, and have a viable government in operation.

Thieu will want to control information disseminated to people in South Vietnam as well. He will suppress any mention of the PRG in order to deny any legitimacy to that government. But the people of South Vietnam will still be able to keep abreast of events by listening to the PRG radio and the Vietnamese-language broadcasts of such foreign stations as the BBC. In an ironic twist, many of the Sony transistor radios provided through previous American commodity import programs will serve to evade restrictions set forth by an American-imposed regime.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, I thank the gentleman for yielding.

I compliment the gentleman from Massachusetts for taking this time today for this very important message to the American people.

I would hope that many people are listening and will pay attention to what is said here today, because, as the gentleman from Massachusetts said earlier in his remarks, President Thieu is here in the United States on a panhandling expedition. He wants, according to the President's budget, $1.7 billion in military assistance for next year, and in addition, another $2 billion in economic assistance, which comes to somewhere around $4 billion. That is money right out of the American taxpayer's pocket, and I think we ought to look at it very, very carefully.

I am not at all sure from my limited experience in being in Vietnam how well the money would be spent if it were authorized and appropriated by the Congress. I was in Vietnam in August 1971, and like the gentleman from California (Mr. WALDIE) wanted to visit some of the Operation Phoenix establishments. After a great deal of difficulty, I was finally permitted to visit one compound on the outskirts of Saigon. This compound consisted of 40 or 50 small cells where the prisoners had to sleep on the deck with a small hole in the center for sanitary facilities.

Each month, the Vietnamese who ran this particular operation were told by the Thieu government to meet a given quota of persons they had captured and who they had either incarcerated or put through a period of rehabilitation to make them better Vietnamese.

I visited an orphanage there, too. It was an orphanage of children with Vietnamese mothers and American GI fathers. It was a lovely place, run by two Australian nurses. However, I was surprised and shocked to find out, in talking with the nurses, that not one cent of American AID money was being spent there. All the money was contributed by the Australian nurses themselves, by local inhabitants, or, in some cases, by American GI's who would come occasionally to visit.

I thought then, as I think now, that if we are going to spend these billions of dollars General Thieu came over to get on this trip which starts today—this "Black Monday" as described by the gentleman from Massachusetts—it should be spent on something really worthwhile, rather than, as in the past, lining the pockets of high-ranking officials of the Thieu regime. We do not need more U.S. money going into Swiss banks, buying estates on the Riviera for the retirement of South Vietnamese officials. That is historical. That is what has happened to American AID money in the past.

I should like to have someone explain to me, if we are to vote more money for South Vietnam, what safeguards there will be to prevent the continuing misuse of American tax dollars.

I hope the American people will observe and consider what transpires in the next several days. I believe, as a result of this visit, we are going to be asked in this Chamber to vote for a lot of money with no strings on it whatsoever.

I would think we should do what the gentleman from Massachusetts suggests with regard to strings on the money. For example, the International Red Cross should have total access to the 150,000 or 200,000 prisoners who are incarcerated under unspeakable circumstances in Saigon and elsewhere.

I believe we should also require audits and general reports to the American people. I know that I am not going to vote for any of it unless there are provisions for accounting and other safeguards attached to the bill so that I can be proud I voted for it, and not ashamed.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. Yes; I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I think we are all in the debt of the gentleman from Massachusetts (Mr. DRINAN) for taking this occasion to point out the very serious and possibly calamitous effects for our country of the visit, the very ill-advised visit, of General Thieu to the United States, and I wish personally to commend the gentleman for his efforts in this regard and say that I will be glad to support legislation of the type the gentleman has indicated he is going to prepare.

Mrs. SCHROEDER. Mr. Speaker, I want to thank my colleague from Massachusetts for making available this opportunity to discuss the implications of our continued aid to the regime of South Vietnamese President Thieu. Gen. Edward G. Lansdale, speaking of an earlier U.S.-supported South Vietnamese Government, said:

> I cannot truly sympathize with Americans who help promote a fascistic state and then get angry when it doesn't act like a democracy.

The suppression of political liberties by the Thieu regime should make us question the propriety of continuing the massive aid which administrations past and present have deemed necessary to shore up his narrowly based and dictatorial government. This question is of particular concern at a time when the administration, in the name of fiscal responsibility, is imposing drastic cuts on our own domestic social welfare programs.

The occasion of President Thieu's current visit to the United States presents an opportunity for the administration at least to use its influence with Mr. Thieu to press for needed internal reforms in his government. One area which should be of especial concern to us all is the presence in South Vietnamese prisons of approximately 200,000 political prisoners. Most of these people are in prison simply because they dared to be critical of the policies of President Thieu. We should be concerned about their plight because the United States, through the USAID and the Department of Defense, has financed the construction of many of the prisons and continues to pay for their maintenance and to train and advise the police force which runs them.

Since the exposé of the subhuman conditions of the Con Son Island tiger cages in 1970, there have been increasing reports of the starvation, incredible tortures, and summary execution of political prisoners. While we abhor the sometimes brutal treatment of American POW's by the North Vietnamese and the Vietcong, we should in no way countenance or subsidize equally brutal acts by our ally.

We have also heard of the massive arrests, prior to the cease-fire agreement and after, of persons who might be sympathetic to an alternative government. Article 11 of the peace agreement specifically prohibits such acts of reprisal and calls for a guarantee of the democratic freedoms of speech, press, and political activity.

It is unconscionable that the United States can provide the financial support that enables President Thieu to carry out policies in direct contradiction to the principles for which this Nation stands. The cease-fire agreement is tenuous at best. It will certainly fail if the present regime in South Vietnam does not become more responsive to the needs of its people.

Mr. HARRINGTON. Mr. Speaker, it has been more than 2 months since the United States signed an agreement in Paris ending United States intervention in South Vietnam. Just last week, the last planeload of U.S. prisoners of war were released by the North Vietnamese and the PRG—provisional revolutionary government. Still, the involvement of our country is not yet concluded.

The United States is party to several commissions and conferences that seek to make the Paris agreement a reality. In addition, the United States has pledged itself to provide assistance for North and South Vietnam, as well as the other countries of Indochina.

With this dual responsibility, the people of the United States should now concern themselves with the fate of the many civilian prisoners held by the South Vietnamese Government.

The exact number of civilians held in South Vietnamese prisons is a matter of some dispute. The South Vietnamese Government reports that it has jailed 30,000 prisoners, while other estimates run as high as 400,000. Under the emergency powers assumed by President Thieu on May 9, 1972, several sweeping and ambiguous decrees have been issued. For example:

> Those persons considered dangerous to the national defense and public security may be interned in a prison or designated area or banished from designated areas for a maximum of two years which is renewable.

Another provision states that—

> shall be considered as pro-communist neutralist a person who commits acts of propaganda for incitement of neutralism. These acts are assimulated with the act of jeopardizing public safety.

Many people in this country are concerned about the prison conditions in South Vietnam. The exposure several years ago of the "tiger cages" has created good reason for concern. It is a sign of the severity of the problem that officials of the International Red Cross—the IRC—were told that they might inspect the prisons only in the company of a South Vietnamese Government official. Objecting to such intimidation, the IRC refused.

I received a letter from a constituent a month ago, similar to the many others that I have received, seeking information on the status of eight individuals believed to be held in South Vietnamese prisons. My office contacted the appropriate desk at the Vietnam Working Group at the U.S. Agency for International Development—USAID. My office was told that the request would be processed, and was told, further, that there had been many similar requests. Several weeks later, I received a reply. Mr. Speaker, I insert it in the RECORD:

DEPARTMENT OF STATE,
Washington, D.C., March 5, 1973.

Hon. MICHAEL J. HARRINGTON,
House of Representatives,
Washington, D.C.

DEAR MR. HARRINGTON: I have received your letter regarding the concern of one of your constituents about a number of Vietnamese citizens.

The Agreement of January 27 specifically provides that the matter of South Vietnamese civilians detained in South Vietnamese jails should be resolved through negotiations between the South Vietnamese parties to that Agreement. Pending resolution of the problem, the Agreement provides that all those detained "shall be treated humanely at all times and in accordance with international practice." The Agreement further prescribes all forms of torture and cruel treatment and provides that those detained be given "adequate food, clothing, shelter, and the medical attention required for their state of health." The problem involves not only the prisoners held by the Government of the Republic of Viet-Nam but also the thousands of South Vietnamese civilians abducted by the other side during the course of the war. This issue is complicated and not readily susceptible to outside influence or solutions.

With regard to your constituent's inquiry on Vietnamese citizens, we do not feel it appropriate for the US Government to inject itself into matters that under the terms of the January 27 Agreement are now to be settled among the South Vietnamese themselves. Such inquiries should be directed to the Government of the Republic of Viet-Nam. However, recent charges of general repression, torture and mass incarceration of so-called "political prisoners" by Republic of Viet-Nam authorities have, as often in the past, proved grossly exaggerated.

Please continue to call upon me whenever you believe that we may be of assistance to you.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

This response is unacceptable.

Because of U.S. involvement in the Vietnam war, because of U.S. political, military, and diplomatic support of the Thieu government, and because of, at least partial, U.S. funding of the police and prison network of South Vietnam—this problem is not an "internal" matter for the South Vietnamese alone. The various ways this country has supported and continues to support the South Vietnamese prisons and police should be brought to public attention.

First, the Public Safety Division of the USAID has provided funds for a whole range of security programs. Second, part of the foreign assistance authorization for South Vietnam is in the form of support assistance—a special category of aid that allows Government expenditures on items that cannot otherwise be afforded while maintaining the Military Establishment. Third, some members of the South Vietnamese police force are trained at the International Police Academy in Washington. Finally, it should be recognized that any foreign assistance—economic, military, support, even humanitarian—indirectly supports government operations by allowing the South Vietnamese to shift their own resources between whichever projects they consider most useful.

As a signer of the Paris Agreement on Ending the War and Restoring Peace in Vietnam and its attendant protocols, the United States has a responsibility to insure that South Vietnam fully meets the requirements regarding Vietnamese civilian prisoners. Further, it has been suggested that by supporting the imprisonment of these civilians, many of whom might constitute a viable, neutralist force, the United States may be violating the agreement which stipulates that—

> Foreign countries shall not impose any political tendency or personality on the South Vietnamese people.

Two important issues are involved in the failure of the U.S. Government to accept and deal with the consequences of its policies and its refusal to provide requested information.

First, the U.S. Congress has the constitutional responsibility for the formulation of public policy and for legislative oversight. The President seeks not only to strip the Congress of its role in the former, but also to deny its role in the latter.

Second, the track record in humanitarian affairs of this country under the present administration has been a sorry one. While the Government has responded quickly and generously, as it should, to natural disasters, such as those in the Philippines and in Nicaragua, it has failed to respond to the political tragedies in Biafra and Bangladesh. The present state of affairs in South Vietnam is all the more intolerable because of the unbreakable link between the United States and South Vietnamese policy.

The administration must not be allowed to shirk its clear responsibility. The administration has the power to help persuade the Government of South Vietnam to release these prisoners or improve the conditions of the prisons. We in the Congress, if we will speak out, can help persuade the administration to exercise its influence in this direction. Therefore, I call upon the President of the United States to use his good offices to urge the Government of South Vietnam to release those political prisoners who are unjustly held and to improve the conditions of the prisons for others. And further, to insure that action is taken, the administration should press the South Vietnamese Government to allow inspection of its prisons by the International Red Cross.

Mr. METCALFE. Mr. Speaker, reports concerning political prisoners from individuals familiar with conditions in South Vietnam are very disquieting.

In 1969 a U.S. study team on religious and political freedom went to South Vietnam. The distinguished gentleman from Massachusetts who has arranged for this special order was a member of that group. The committee which sponsored that group defined the objectives of the group as:

First they will seek to identify the variety of religious forces in South Vietnam and the range of political expression existing there. They will seek to investigate the situation of religious groups and the extent of the imprisonment of leaders of nonaligned groups who represent potentially important political sentiment . . . Second, the team will seek to investigate the situation of all prisoners in South Vietnam.

The findings of this group in 1969 indicated that many thousands of persons arrested in South Vietnam were denied procedural protection. This study team further stated that repression was pervasive and brutal. The report continues that—

The large majority of those imprisoned in South Vietnam are held because they oppose the government; they are "political prisoners."

Toward the end of the report we note that—

The Study Team has reached the conclusion that the Thieu-Ky Government has, through the extensive and increasing use of the extra-constitutional military Field Courts imprisoned thousands of persons without the most fundamental element of a fair hearing and, in a shocking number of instances, without even apprising the imprisoned persons of the charges against them.

Reports in the New York Times for November 3, 1972, quote Sean McBride, chairman of Amnesty International and former Prime Minister of Ireland, who estimated the number of political prisoners in Indochina at 200,000. Most of these he said were held by the Government of South Vietnam.

The Department of State in July 1971 conceded that the number of persons confined for political reasons is small. The fact is that prisoners are confined for political reasons. I strongly urge the President to discuss this issue with the South Vietnamese President during his visit to this country and to ask the President to guarantee the right of trial and guarantee minimal care to these men.

We have committed men and financial support to this government. To ask the Government of South Vietnam to permit its citizens to exercise rights which the Constitution of South Vietnam provides is not to ask the impossible. It is consistent with the announced purpose of the American Government's involvement. To do less than protest the treatment of these political prisoners is to fail in our own commitment to international standards of law and justice. I strongly condemn the activities of a government which attempts to stifle ideas by force and is unwilling to test its own viability in a free exchange of ideas. I call upon the President of South Vietnam to commit himself to safeguard the rights of the citizens of his country.

Ms. HOLTZMAN. Mr. Speaker, the purpose of the meeting between President Nguyen Thieu of South Vietnam and President Nixon in San Clemente has not been fully explained by either government. Yet, one does not have to be a seer to know that Mr. Thieu is seeking assurances of American military support as well as additional economic assistance for his government.

However, Mr. Thieu should be made aware, and President Nixon should be reminded, that this country's military resources should not be recommitted to prop up the South Vietnam regime and certainly not by Executive fiat. Now that the last prisoner of war has come home and our military troops have been withdrawn, there is not one shred of constitutional authority remaining for the President to reintervene militarily in that country.

Nonetheless, the President seems intent to support Mr. Thieu. The President has conducted extensive daily bombing raids to protect the faltering Lon Nol government in Cambodia. The President also has warned that further violations of the cease-fire agreement will lead to renewed bombing of North Vietnam. Just yesterday Secretary of Defense Richardson suggested that the administration also would not rule out remining the Haiphong harbor and "other military actions."

It is painful and tragic to remember that the war has cost Americans $110 billion, the lives of over 45,000 fighting men, as well as the scarring of bodies and minds of many of those who served in Vietnam. We have also paid the price of a riotous inflation here at home.

If we cannot afford meat and we cannot afford full Federal commitments to the elderly, housing, education, and health care, then we cannot afford Mr. Thieu either.

And we should not support him. He came to power in an election that makes a mockery of that word. And he remains in power through the brutal confinement of thousands—perhaps hundreds of thousands—of political prisoners.

The cease-fire accords—under which our prisoners of war were returned—provide for the release of "Vietnamese civilian personnel captured and detained in South Vietnam"—Article 8. Yet, news reports from South Vietnam estimate that up to 300,000 civilians have been imprisoned there for political reasons. They indicate also that the number of political arrests has increased substantially within the past year. There are also reports, from released prisoners, letters smuggled out of jails, and non-Communist politicians opposed to the Thieu regime of the unspeakable tortures these prisoners are suffering.

It is clearly the responsibility of the United States as a signatory of the cease-fire accords to press for the prompt release of political prisoners in South Vietnam. And our failure to seek their release would be a bitter comment on the sacrifices Americans have made to bring about freedom in that country.

GENERAL LEAVE

Mr. DRINAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

STEELE DECRIES JANE FONDA'S ATTACK ON U.S. POW'S

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 5 minutes.

Mr. STEELE. Mr. Speaker, I would like to nominate Academy Award-winning actress Jane Fonda for a new award: the rottenest, most miserable performance by any one individual American in the history of our country.

Miss Fonda has said the returning U.S. prisoners of war are "hypocrites and liars."

She has never met the men she has branded, yet in a sweeping statement says they are "hypocrites and liars." Never met them. Never talked to them. Never asked what happened to them. Just branded them, "hypocrites and liars."

Our returned prisoners of war have served our Nation with honor and courage under the most difficult circumstances imaginable, and most Americans have been moved and appalled by their reports of mistreatment and torture.

Can this pampered, privileged young actress who influences so many of our young people be so egotistical and naive as to think that her brief guided tours of North Vietnam qualify her to speak with more authority on how our POW's were treated than the men themselves? Where does she get this colossal gall?

It is one thing to make these charges in a glamorous television studio. I wonder, though, if she would dare to make her charges to the faces of those men who were beaten with rifle butts in the jungle or to the captured airman who was tied down with wire while ants swarmed over his body until he thought he would be eaten alive? Or would she

dare to face the man who had a piece of iron slammed into his teeth so he could not scream while he was being tortured?

I would be more charitable to Miss Fonda then she has been to our returned men. I do not think she is a liar. I think she is a spoiled brat.

Jane Fonda's greatest performance lies ahead. Not in a motion picture where every word is scripted for her. Not in a press conference where her brattiness is gobbled up by the media. But in that confrontation where she says "Liar," and the accused POW tells her the truth.

If a camera could catch the look on her face it would win 10 Academy Awards.

It would also permanently etch on the public mind who is telling the truth.

Jane Fonda, you do not know what you are talking about. Fortunately, most Americans know this.

ONE'S RIGHT NOT TO PARTICIPATE IN ABORTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I have today introduced a bill aimed at respecting an individual's or a hospital's right not to participate in abortions, sterilizations, or related procedures if such procedure is contrary to the individual's moral code or the institution's traditional policy.

The bill extends beyond the terms of similar legislation (H.R. 4797) that I introduced earlier in this session. That bill, known as the Right of Conscience in Abortion Procedures Act, make Federal financial assistance to any hospital, clinic, or medical institution contingent upon proof that employees be allowed to decline participation in the procedure of abortion or the disposition of any aborted fetus. The bill was cosponsored by 44 of my colleagues, and has been referred to the Committee on Interstate and Foreign Commerce.

The legislation I propose today would broaden the scope of H.R. 4797; it incorporates features of a bill introduced in the Senate by Senator CHURCH of Idaho, which was passed by that body, 92 to 1, as an amendment to the Public Health Service Act Extension of 1973 (S. 1136).

The expanded bill which I have proposed today retains the protective features of my initial bill. Hospitals or other health-care institutions shall be precluded from discriminating on the employment, promotion, extension of staff or other privileges—or termination of employment of any personnel—on the basis of their personal religious or moral convictions regarding abortions or sterilization or their participation in such procedures.

At the same time, the new legislation offers protection to the institutions themselves. There are many hospitals and similar facilities operated by dedicated devoted groups of individuals to whom the concept of interference with life is totally repugnant. The legislation that I have introduced today would allow such institutions to post notice of their policy in a public place, and the eligibility of each such institution to apply for Federal financial assistance shall be in no way affected by such a policy.

While it might appear that hospitals are presently free to determine how their facilities are to be used, this is not presently the case. A Federal district court in Montana, in the case of Mike and Gloria Taylor against St. Vincent Hospital, issued a temporary injunction compelling a Catholic hospital, contrary to Catholic beliefs, to allow its facilities to be used for a sterilization operation. The court based its jurisdiction upon the fact that the hospital had received Hill-Burton funds. I might also point out that this decision was in no way related to the Supreme Court's holding in Roe against Wade.

A few points of fact are in order here: 19 percent of the Nation's hospitals are affiliated with one or another church. Of this 19 percent, 29 percent of the church-affiliated hospitals are Protestant, 64 percent are Catholic, 2 percent are Jewish, and 5 percent are of other religious denominations. This legislation, then, adresses itself to a distinct minority of our hospitals. With most of our hospitals not under church ownership, it is obvious that the legislation would in no way affect sterilization or abortions in publicly owned hospitals.

The bill does not establish any requirement on any hospital as to what it may or may not do. Rather, it is directed at what the Federal Government may or may not do.

It is a bill that protects the inalienable rights of conscience of a minority of those involved; and the right of conscience is part of our national tradition.

This is not a matter of concern to any one religious body to the exclusion of all others, or even to men who believe in a God to the exclusion of all others. It has been a traditional concept of our society that the right of conscience—like the right to life from which that conscience is derived—is sacred.

I urge my colleagues to support me on this matter, and welcome any and all who wish to cosponsor this legislation.

TRIBUTE TO EDWARD STEICHEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 5 minutes.

Mr. SARASIN. Mr. Speaker, recently my district and the world were saddened by the passing of Mr. Edward Steichen of Redding, Conn., the great artist, photographer, and humanitarian.

Due to his distinction in his chosen field and the professional accomplishments known throughout the world, his death was noted and mourned here and abroad. There have been many accounts of his artistic triumphs, particularly his renowned "Family of Man" exhibition.

While these worldwide tributes were appropriate and well deserved, I would like to at this time offer for inclusion in the RECORD a different type of tribute to this exceptional man.

I, therefore, submit this editorial from the Danbury News-Times, a daily newspaper serving the area of my district in which Mr. Steichen long made his home, paying tribute to this outstanding man as a neighbor and friend.

EDWARD STEICHEN OF UMPAWAUG FARM

Edward Steichen, the noted photographer, had made his home in Redding for a little less than half his extraordinarily productive lifetime. Death came to him at his Redding home Sunday, less than 48 hours before he would have reached his 94th birthday.

The world knew him as the man who had made photography an art form, for his portraiture of the great in the arts, in business and in other fields in the early decades of this century, as Captain Steichen, the overall director of combat photography in the Navy during World War II, and as director of photography and mastermind of "The Family of Man" exhibition at the Museum of Modern Art in New York City.

Redding knew him as a good neighbor, interested in education, conservation and other matters bearing on the quality of life in his adopted town.

He established a plant breeding program, with emphasis on delphiniums, at Umpawaug Farm in West Redding back in the 1930s.

It was here also, close to the home he had designed, where he planted a shadblow, whose growth and flowering he captured on film to produce what has been described as a startlingly beautiful chronology of its moods and seasons.

A few years ago, he made 270 acres of his farm available for purchase by the town as open space, with another 140 acres acquired by Redding Open Land, Inc., to be preserved in its natural state.

Mr. Steichen's professional honors were many. So where the tributes from his own government and those of France and his native Luxembourg. But these probably meant less to him than the respect of his fellow townsmen in Redding. They looked upon him simply as a good neighbor and a good man.

THE ROLE OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 5 minutes.

Mr. MCFALL. Mr. Speaker, at one of the recent Time, Inc.-sponsored symposia on "the Role of Congress" Dr. Nelson Polsby stated that Congress has the capacity to know whatever it needs to know. Reactions to his opinion that Congress has access to all necessary information on which to base sound legislative decisions made by distinguished Members of Congress Senator ROBERT PACKWOOD of Oregon, and MORRIS UDALL of Arizona and others are inserted below. Louis Banks of Time, Inc., was moderator:

Sen. PACKWOOD. To focus on the House of Representatives, don't forget Henry Clay left the Senate because he thought it was quite a stale and morbid place, ran for the House and on the first day he was elected Speaker of the House.

Mr. BANKS. It would never happen today.

Sen. PACKWOOD. That's correct.

Rep. UDALL. I ran for the Speaker of the House in 1969. I was 47 years old, at an age when many of my contemporaries were grandparents, and said if I would just be patient and sit around 15 or 20 years, I might be ready for leadership in the House. My God, you know this is the only institution

on earth where you can lead the youth rebellion, as I am accused of doing, at age 47.

Mr. BANKS. Let me ask you one, Dr. Polsby.

I am surprised that you say that Congress knows enough to do what it's doing and everything is more or less all right. I remember a time in the mid '60s when Congress did not know what the Viet Nam War was costing. It was appropriating blindly, and at the same time was encouraged to enact large social welfare programs at the rate of $25 billion a year. This is largely responsible for a good many of the problems we have around us now. Can you come up with some reassurance on that?

Dr. POLSBY. I thought what I said was that Congress has the capacity to know whatever it is they want to know. It seems to me I was giving a multi-syllabic version of Senator Packwood's speech, and I tried to give some examples of things they want to know, and therefore, do know.

There are other things obviously they don't want to know, and for good and sufficient reasons, I suppose. It was at those points it seems to me that some of us outside felt like putting a little heat on them. I am more or less in agreement with the premise of your question, but I don't think it contradicts anything I've said.

Mr. BANKS. All right. We'll invite questions from the audience. If you would just rise to the microphone behind you and state your name, sir, we will be off and running.

Mr. SALVATORI. My name is Henry Salvatori. I am very much interested in the discussion of this topic. I am amazed that no one has even mentioned what I consider to be the most important facet of the discussion. That is, whether a Congressman is not very much concerned about the knowledge he has, particularly on what his district is thinking. I can't conceive of a Congressman in a Catholic district, for example, who would vote for abortion, even if he had the facts proving that abortion is the thing to do.

It seems to me this is the crux of the matter. How can Congress rule with 435 people when each man has to be re-elected? Almost immediately after he's elected, election campaigning starts all over again. A Congressman must consider his constituents. He can't vote for something even though he thinks it's a good thing to do if his constituents are opposed to it. I would like to to see some discussion of that problem.

Mr. BANKS. We will let Senator Packwood answer that one.

Sen. PACKWOOD. Mr. Salvatori, I didn't have a chance to meet you before and I appreciate the money you sent me in the 1968 campaign.

Rep. UDALL. I don't recall him on my list.

Sen. PACKWOOD. Your point is well taken, because as opposed to almost any European situation, we in Congress are geographically oriented. In England, you are assigned to whatever district the party wants you to run from, and you toe the party line, and to heck with the district.

On the other hand, I go back to Oregon time after time. But the system works because normally the total of our districts are so diverse that on any particular issue—you mentioned abortion—probably is not more than 20 or 25% of the districts where a person would absolutely vote the district regardless of the facts, regardless of conscience. There is still a majority of congressional districts and states where a particular vote is sufficiently unimportant that you can vote the way you think facts lead, rather than the way you think a particular district is oriented. But your point is well taken. All of us are quite oriented towards a geographic district when it is a matter of something that that district feels very strongly about.

Mr. SALVATORI. I would like to suggest that regarding the Tonkin Gulf Resolution, I doubt that any Congressman who had voted against that and then went back to his district a year later, would get re-elected. This is the basic problem of Congressmen.

Rep. UDALL. I agree. My thesis earlier was that we would have been a lot better off as a country if we had had a big debate about Viet Nam before we slipped in, when we didn't have all the information we needed about the Gulf of Tonkin. There may be two ways to do it. One way unites the country and the other one doesn't. I think the point Bob Packwood is making is that there aren't 10 issues a year where the ordinary machinist, bricklayer or housewife in my district really is concerned. Abortion is one, and the war another. But these are the highly visible issues. The fact is this government is a huge government, there are little nooks and crannies of public policy that vitally affect people that the ordinary citizen doesn't know or care about. I worked on the Post Office Committee. There is hardly a person in the room that gives a damn about junk mail or slow mail service. I can do almost anything I want to on the realm of postal policy.

Teddy White, in his 1960 book, compare society to a wagon train moving across uncharted country. It struggles out over 100 or 200 miles and its advance stops without seeing the promised land. There are the hangers back, those that don't want to go on, and they stay where they are. Then there is the main body of troops. The job of the leader is to listen to all these, place himself a little forward of the main body where he can assess the advance reports from the scouts and yet not lose contact with what the people are thinking.

Mr. UNRUH. My name is Jess Unruh. I really think what is developing here is a gnat-swatting situation. That comes from the saying that sometimes we are guilty of stalking gnats while bears are at large. I think that's where we really are now.

You know, as long as we have the kind of divided authority and fragmented authority that we have, what Mr. Salvatori says here is bound to happen. Each member of the opposition party is responsible not to a party, not to a central authority, not to someone with any kind of ongoing discipline whatsoever, except his district, and I think if you look back historically this is demonstrable. You will find that constantly the press worries about the party out of power. In 1965 the press was terribly worried that the Republican Party was not going to survive after the Johnson landslide. Now we are worried that the Democratic Party may not survive. I really don't think that any kind of doctrine, elimination of the seniority system or the centralization of authority in Congress going back to Joe Cannon or Thomas Brackett Reed or anyone else, is going to materially affect the situation there.

I think there are two things we probably ought to do:

One is, I think, that we should either be prepared to go to some sort of parliamentary system where there is some sort of central ongoing authority for the party out of power, so people have some chance of saying what the non-power party is. I think the U.S. Senate today is a disgrace. What is the Democratic Party? Is it George McGovern or Ed Muskie or Hubert Humphrey or Ted Kennedy or someone else? Really, there is no way of telling. The House is sort of inconsequential mainly because there aren't 435 Congressmen, there are 400 on business and 35 Congressmen, and most of the Congressmen are concerned with their casework to get elected again.

Either you go to a system where the opposition party has a focal point, someone or some group that speaks for the party as a whole, or else you continue to have this situation, and I think that is the choice that we have.

At the local level, I suggest the press is probably the worst enemy we have in developing some sort of opposition to the party in power because they seem to be terribly afraid of any concentration in power. Anything that develops out of the Legislative Branch that looks like a concentration of power immediately gets press opposition to it. I think at the state level the first and most important thing we could do is to get rid of one house of the legislature. We ought to do that at the congressional level. I suggest that the ingrained traditions of America are too great to do that, but at the state level we can certainly do that. All the rest of it seems to be like swatting flies when we ought to be concerned about the huge mastodons that are pressuring our democratic Congress.

Mr. MACNEIL. You laid down a fascinating thesis; it's not a new one. Woodrow Wilson, as a young historian of federal government, in his book, *Congressional Government* in 1885, laid down much the same idea of establishing the parliamentary system. He had, however, made a slight error on the British Parliament. He had never seen it, he had only read about it. The same thing was true about Congress, he had never seen Congress.

It is a neat and tidy suggestion. But the whole question of who is the Senate—is it Ted Kennedy or Senator Packwood—or who is the Congress is not tidy, it's not that neat and it's not efficient. And it's not supposed to be. I think when we go to efficiency and economy in the Government, we run into areas that are not contemplated in the system. Earlier we were talking about the problem of parochialism in Congress. I don't think the members are as bad at representing the people as you suggest. Congressman Udall suggested very clearly a Congress in which members attend to their home bailiwicks, answer the mail, bring home a little bacon. His district will leave him alone on most of the questions across the board. The members of the Congress, those who care to be knowledgeable about it and gutsy about it, are free to act on the national interest and not on a parochial basis.

Mr. BANKS. Dr. Polsby, a moment on this.

Dr. POLSBY. I guess I will have to say that I am in favor of chasing real gnats rather than imaginary bears, and I regard the abolition of the U.S. House of Representatives as an imaginary bear. That is to say, I don't think that it is a likely alternative. I do think there's another point that ought to be made. I think we will find that if we asked members of the out party of most of the parliamentary systems of the world, we will discover that they are fairly dissatisfied too. And they just tend to have their scraps at party conferences; I know Democrats don't do that—

Rep. UDALL. Oh, no.

Dr. POLSBY. —except in Washington.

There is one other reason why I would personally like to see the U.S. House of Representatives survive for perhaps another season, and that's this:

Other than the fact that it gives employment to some quite outstanding public servants, the House of Representatives is the seat of more expertise about what is going on in government than any other place in the country outside of the Executive Branch itself. The House has got a powerful, terribly significant role to play in the process of checking and balancing the Executive Branch. The members know more and they do more. They can, of course, know even more and do even more. Nevertheless, certainly the academic community doesn't know more about what is going on in the Government. I don't think the press knows more about what is going on than that group of Congressmen who have made themselves expert about public policy. That, it seems to me, is one very good reason for hanging on

to the House of Representatives just a little longer.

Dr. HORN. Stephen Horn. I would like to ask two questions. I would agree that we are trying to seek responsiveness and responsibility in terms of elected representatives. It seems to me there are several problems. One is that you have oldtimers in Congress that do acquire a monopoly of subject matter and expertise as Dr. Polsby has pointed out. Another is, there is a need to break that expertise, not only for the good of the country to get a change of values from time to time, but for the good of the junior members who need to be strengthened.

I wonder what the members of the panel would think of the following two suggestions to try to earn a little responsibility and responsiveness. That is, instead of worrying so much about internal seniority, that we think more in terms of the total limit of years of service, such as two terms for the U.S. Senator and six terms for the member of the House of Representatives. And beyond that, getting at what is really the basic flaw in the system, that is how we finance people in public office where we ask them how to decide on behalf of a total constituency or a nation. It costs a million dollars to run a contested primary in the State of California. In 1966, a contested race in Michigan for Congress was budgeted for $180,000. Isn't it time that we face up, not only to a limitation of term, but also face up to the public responsibility for financing both primary and general elections? Let's say to anybody who gets X number of signatures: "Great, you run for office. The public pays your bills up to a certain amount. No other money can get involved."

It seems to me we have to face up to certain basic reforms if we are going to achieve what you gentlemen are talking about, whether we chase gnats or bears.

Sen. PACKWOOD. We haven't scratched the surface of money that is available in small contributions in this country. The Red Cross has done it; the YMCA has done it; the Presbyterian Church has done it. They run basically on small donations from a lot of people and politicians can do the same thing. The money is there. You rap on doors, ask for a dollar or two for your party and you'll get it. But we don't do it. I don't like the idea of public financing of campaigns and I'd do everything I could do to avoid it until you could prove to me there is no other conceivable way to do it.

Rep. UDALL. I totally disagree with Bob about public financing. Teddy Roosevelt advocated it 80 years ago and I advocate it today. I think it's the answer. Although if we are going to have the present system, clearly we ought to have limits. We ought to rely on small contributions, that's the one thing we didn't get in the last bill. The Nixon Administration and the great Democratic Party didn't want a limit. We limited what I spent on my own campaign, $15,000, but there is no limit on what Henry Salvatori can give me if he wants to.

CHURCH PROJECTS ON U.S. INVESTMENT IN SOUTHERN AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, the interest of church groups in the general question of U.S. business involvement in Southern Africa particularly in the employment practices and policies pursued by U.S. businesses in these minority-ruled areas with respect to the African majority continues. Six Protestant groups have now renewed their campaigns for disclosure by certain companies doing business in Southern Africa. I would like to insert in the RECORD at this point two articles reporting on new developments in this area on actions taken by church institutional investors for the thoughtful attention of my colleagues. I also wish to insert a description of the "Church Project on U.S. Investment in Southern Africa—1973."

The items follow:

CHURCH PROJECTS ON U.S. INVESTMENT IN SOUTHERN AFRICA

NEW YORK, N.Y.—The Episcopal Church has filed a stockholder resolution with International Business Machines Corporation (IBM), asking the company "to provide basic data for thoughtful consideration by shareholders concerning the Corporation's South African investments, activities, and employment practices."

The Episcopal Church, through its Committee on Social Responsibility in Investments, filed a similar resolution for inclusion in IBM's 1972 Proxy Statement, but withdrew it prior to the annual meeting when representatives of IBM and the Church's committee reached an agreement on a draft report.

In a letter to IBM, Mr. Paul M. Neuhauser, chairman of the committee, indicated that the company's answer in 1972 "omitted much of the factual material which IBM had promised to supply." He said that about 80 percent of the material in last year's draft report upon which agreement had been reached was omitted from the printed report of the annual meeting.

Further, he said, "of IBM's agreement to provide nine categories of information in response to the stockholder resolution," only one "was fully complied with and in each of the other eight instances either the promised information was not supplied at all or it was supplied in an inadequate fashion."

The Episcopal Church holds 8,496 shares of IBM stock, worth approximately $3,275,-208.

The Episcopal Church is a member of "The Church Project on U.S. Investments in Southern Africa—1973," a coalition of six religious organizations which has filed resolutions at stockholders' meetings expressing the churches' concern about apartheid in Southern Africa.

STOCKHOLDER RESOLUTION FILED WITH 10 CORPORATIONS

NEW YORK, N.Y.—The largest Protestant church cooperative effort to date to challenge American corporations' investments in Southern Africa was announced here today.

Six Protestant church organizations, one of which is the Episcopal Church, said they have filed stockholder resolutions for placement in annual meeting proxy statements with 12 corporations. The purpose of their action, they said, is to bring to the companies' attention church concern about apartheid in the Republic of South Africa and oppressive conditions for Africans in other Southern African countries.

The resolutions ask the companies to disclose the history of their involvement in South Africa, to provide comparative statistics on numbers of workers, wages paid, trade union contracts with African, Asian, colored and white workers, and to describe compliance with apartheid laws and any efforts by corporations to have the government modify the laws.

Three church leaders announced the joint action for the Church Project on U.S. Investments in Southern Africa—1973, at a press conference at the Church Center for the United Nations. The project is a cooperative venture of boards and agencies of the American Baptist Churches, the National Council of Churches, the Episcopal Church, the United Methodist Church, the United Presbyterian Church in the U.S.A. and the Unitarian-Universalist Association. All are substantial institutional investors.

Stockholder resolutions asking for facts about their involvement in South Africa have been filed with 10 companies. They are Caterpillar Tractor Co., Chrysler Corp., Eastman Kodak Co., First National City Bank, General Electric Co., International Business Machines Corp., International Telephone & Telegraph Corp., Minnesota Mining and Manufacturing Co., Texaco Inc. and Xerox Corp.

Church groups filing the resolutions, with a combined total of 118,639 shares, are the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the U.S.A.; American Baptist Home Missions Societies and Board of Education and Publication; National Council of Churches; Board of Christian Education, Commission on Ecumenical Mission and Relations, and Board of National Missions, all of the United Presbyterian Church in the U.S.A., and the Women's and World Divisions of the Board of Global Ministries, United Methodist Church.

A separate resolution has been filed by the Unitarian-Universalist Association with Exxon Corp. asking the company to establish a special committee to investigate implications of a proposed investment in the Portuguese colony of Angola. UUA holds 6,000 shares of Exxon at an approximate value of $486,000. In addition, a separate resolution has been filed by the Episcopal Church with Phillips Petroleum Co. which asks Phillips not to go into Namibia (South-West Africa). The Episcopal Church holds 15,600 shares of Phillips stock, worth approximately $685,000.

The Rev. W. Sterling Cary, newly elected president of the National Council of Churches, said that the joint action was being taken because "United States churches have long been concerned about the oppression of millions of black people by a white minority in Southern Africa. We have spoken out against apartheid in South Africa, colonialism in Angola, Mozambique and Guinea-Bissau, the illegal declaration of independence in Rhodesia and the illegal occupation of Namibia by South Africa."

He added, "We believe it is our responsibility as Christians not only to actively fight racism in America but to also battle it in Africa, the continent from which black America has sprung. The fight against racism is not divisible.

"The time is past when U.S. companies can operate without questions being asked about their role and their operations in South Africa. Hard questions are now being pressed from many sectors of the American public," the NCC leader said.

The Rev. Dr. Gene E. Bartlett, president of the American Baptist Churches, speaking in support of the resolutions, said that questions of racism and colonialism in Souhern Africa "are our questions—not simply because the Christian gospel demand our coscern for the hungry, oppressed and suffering but because world peace rests on the brink there."

Miss Florence Little, treasurer of the Women Division of the United Methodist Church, said today's actions were a way of "translating into action" the churches' expressed opinions regarding colonialism and racism in Southern Africa. The church coalition will solicit supporting proxy votes from universities, foundations, mutual funds, unions, other churches and individual stockholders, she said.

The Church Project on U.S. Investments in Southern Africa was formed in 1971. In 1972 it filed stockholder resolutions requesting full disclosure of the involvement of Mobil, Goodyear, IBM and General Motors in South Africa and Gulf Oil in Angola. Mobil agreed to voluntarily disclose this in-

formation and sent it to all shareholders. IBM made a similar agreement, but in the end disclosed only a portion of the information. Gulf, after a proxy contest, finally disclosed data.

Announced at the press conference was an agreement between the Episcopal Church and GM in which the company agreed to mail to all stockholders a booklet on corporate responsibility, including full disclosure of the company's involvement in South Africa.

The Rev. Stewart MacCell, of the United Presbyterian Church in the U.S.A., announced that the United Presbyterian Church has withdrawn its resolution filed with Burroughs Corp., after that company indicated it planned to publish a report which would outline and explain to shareholders and others their program in areas involving social issues of public concern including South Africa.

Goodyear refused to provide any information and the disclosure resolution was defeated at the company's 1972 stockholders' meeting.

STATEMENTS BY CHURCH LEADERS FOR THE CHURCH PROJECT ON U.S. INVESTMENTS IN SOUTHERN AFRICA—1973

(A cooperative venture of boards and agencies of the American Baptist Churches, the National Council of Churches, the Protestant Episcopal Church, the United Methodist Church, the United Presbyterian Church in the U.S.A., and the Unitarian-Universalist Association.)

STATEMENT OF FLORENCE LITTLE

I am here today as treasurer of the Women's Division of The United Methodist Church. I come to lend support to the Church Project on U.S. Investments in Southern Africa—1973. The Church Project is a cooperative venture of Protestant Church agencies who are deeply concerned about the situation in Southern Africa and the role of U.S. corporations in that area.

The Church Project was formed in 1971 and in 1972 announced its plans to file stockholder resolutions with five corporations investing in Southern Africa. Five Protestant denominations were participants in the Project at that time. Today participation has increased to agencies of six Protestant Church bodies, all of whom are substantial institutional investors. Participants in the Church Project on U.S. Investments in Southern Africa—1973 include agencies of the American Baptist Churches, the National Council of Churches, the United Presbyterian Church, U.S.A., The United Methodist Church, the Protestant Episcopal Church in the U.S.A., the Unitarian-Universalist Association.

Within the denominations specific boards or agencies which are the formal stockholders in these companies have been the filers of the stockholder resolutions we are announcing today.

These actions by the churches in the area of corporate responsibility in Southern Africa represent a major concern of Protestant denominations. In various meetings the churches have made pronouncements expressing their position regarding colonialism and racism in Southern Africa. Today we are translating some of those pronouncements into action.

I might state that the concern of Churches about corporate responsibility encompasses other issues as well as Southern Africa. You might be interested in knowing that through a Church coalition called the Interfaith Committee on Social Responsibility in Investments which I chair, we co-ordinate Church actions on corporate responsibility related to other issues such as ecology, employment practices vis a vis minorities and women, the war in Southeast Asia, and positive social investment options.

The Church Project—1973 will formally seek proxy votes for these stockholders resolutions from stockholders in these companies large and small. We will actively solicit votes from universities, foundations, and mutual funds, Churches and unions, and of course from the concerned individual investors. A proxy statement necessary for formal solicitation will be ready in the near future.

STATEMENT OF THE REV. STERLING CARY

I am here today as President of the National Council of Churches to join in the announcement of an unprecedented action by a broad coalition of Protestant denominations. We are announcing today the filing of 13 stockholders resolutions with U.S. corporations investing in Southern Africa. Never before has such a broad-based coalition of Churches filed so many stockholder resolutions of this kind. We believe this increase in activism mirrors the deepening concern in this nation in the Churchs, minority communities, unions, universities, and Congress about U.S. economic involvement in Southern Africa.

U.S. churches have long been concerned about the oppression of millions of black people by a white minority in Southern Africa. We have spoken out against apartheid in South Africa, colonialism in Angola, Mozambique and Guinea-Bissau, the illegal declaration of independence in Rhodesia and the illegal occupation of Namibia by South Africa. We believe it is our responsibility as Christians not only to actively fight racism in America but to also battle it in Africa, the continent from which black America has sprung. The fight against racism is not divisible.

Therefore U.S. Churches have joined in the fight for self-determination, independence and dignity for black people in Southern Africa. Many denominations have contributed funds to the humanitarian work of liberation movements fighting in Southern Africa. We have worked in Washington to change U.S. government policies which support white minority rule in Southern Africa. And today we announce another chapter in our pressure on U.S. corporations investing in Southern Africa.

For decades U.S. companies have invested in South Africa where apartheid is the law of the land. These operations have been virtually unscrutinized. They have made huge profits there while paying their black workers pitifully inadequate wages. They have run their plants like plantations because they felt no one cared. They have provided products for the white government and military, thereby strengthening white control. They have helped create a flourishing economy—for whites.

The time is past when U.S. companies can operate without questions being asked about their role and their operations in South Africa. Hard questions are now being pressed from many sectors of the American public.

Today we are filing a basic resolution asking for a full disclosure of the facts of the involvement of eleven U.S. corporations in the Republic of South Africa. A similar resolution was filed last year with five corporations. Mobil Oil responded voluntarily without a proxy battle and sent such a report to all shareholders. We believe Mobil's response was a responsible one and ask for the same response from these companies. We see this as a legitimate request so that shareholders will have all the facts before them to evaluate the role of their corporation in South Africa. This resolution has been filed with Burroughs Corporation, Caterpillar Tractor Company, Chrysler Corporation, Eastman Kodak Company, First National City Bank, General Electric, International Business Machines, International Telephone and Telegraph, Minnesota Mining and Manufacturing Co., Texaco Inc., Xerox Corporation.

A separate resolution has been filed with Exxon Corporation urging them to establish a special committee to investigate the implications of a proposed investment in the Portuguese colony of Angola. It seems clear to me that an investment in Angola at this time can only strengthen Portugal which has over 150,000 troops in Africa fighting independence. In fact Portugal has more troops per capita in Africa than the U.S. had in Vietnam at the height of the ground war. This badly strains Portugal's budget and every dollar from an investor helps relieve that strain. Exxon needs to take a long careful look at this proposed investment. This is the purpose of the resolution.

Finally a separate resolution has been filed with Phillips Petroleum Co. which would prevent it from going into Namibia (South West Africa). This territory is illegally occupied by South Africa in defiance of numerous United Nations resolutions. The President of the United States has announced through the former Ambassador to the U.N. that it is official U.S. policy to discourage investment in Namibia. However, Phillips has proceeded to join a consortium which will explore for oil offshore Namibia. It is an investment in direct opposition to the position of the U.N. and the interests of the black people of Namibia.

We believe these resolutions will spark discussion and debate not only in this country but in many areas around the globe. In every case management of these corporations has been contacted and discussions have taken place or will take place between the company and the Churches. It is our expectation that these resolutions will appear on the proxy statements of these corporations which are sent to all shareholders and will be debated in universities, foundations, Churches which hold stock throughout the country. Today marks the beginning of the 1973 debate on U.S. investment in Southern Africa.

(Rev. Cary, an administrator with the United Church of Christ, was elected president of the National Council of Churches at its triennial General Assembly last December in Dallas, Texas. He is the first member of his denomination and the first black to be elected to the presidency of the nation's largest ecumenical body with its 33 Protestant, Orthodox and Anglican communicants.)

STATEMENT OF DR. GENE BARTLETT, PRESIDENT OF THE AMERICAN BAPTIST CHURCHES

I am pleased to be here on the occasion of the announcement of the filing of thirteen stockholder resolutions by participants of the Church Project on U.S. Investments in Southern Africa—1973. As you may be aware there is considerable concern in Christian churches about the whole issue of corporate responsibility. Denominations which are multimillion dollar shareholders in corporate America, are looking beyond dollar returns on investments and are exercising their responsibilities as shareholders to make corporations more responsive to the needs of people.

Churches have a number of concerns: ecology, minority employment, the war, and investment in Southern Africa. Denominations are meeting with management, writing letters of inquiry or support for certain programs, speaking out in public about industrial irresponsibility, attending stockholder meetings, and filing stockholder resolutions to raise issues.

I believe our denomination, the American Baptist Churches, may reflect this growing sentiment in the churches. In November, 1972, our Home Mission Society passed a set of "Guidelines Relating to Social Criteria for Investments." The Guidelines argued that social values and social justice should be given consideration in investing the Society's funds. The Guidelines authorized a series of action responses, including introducing stockholder resolutions, joining in share-

holder litigation and discussions with management. In fact, a special committee was set up in our church to pursue this work.

Guidelines such as these are being passed in numerous church bodies now. More than ever, the church is asking hard questions of government and business as we try to change systems to provide greater justice to our fellow human beings.

Through our appropriate agencies the American Baptists plan to be vigorous members of this coalition, raising questions with these corporations and others about their investments in South and Southern Africa, interpreting these actions to our national constituency and asking for their support, and distributing educational materials so that American Baptists will have a deeper knowledge of colonialism and racism in Southern Africa and U.S. corporate involvement there.

The American Baptist Churches, in their annual meeting on three occasions, have adopted resolutions expressing their deep feeling about racism in Southern Africa. In May 1972 the A.B.C. protested "the willingness of some American corporations and their investors to operate in South Africa in a manner largely uncritical of the apartheid system and in fact profiting from the low wages paid to black workers."

The questions of racism and colonialism in Southern Africa are international questions; they are our questions—not simply because the Christian Gospel demands our concern for the hungry, oppressed, and suffering but because world peace rests on the brink there. Fighting for independence has been going on in the Portuguese colonies for a decade now. It is imperative that we do not support the opponents of independence.

Apartheid in South Africa is our concern. If our corporations make some of the highest profits in the world while doing business there, and we as institutional investors benefit from those profits, we then directly profit from apartheid. Our obligation is also clear. We cannot profit from injustice without challenging injustice. Today is one step in making that challenge a reality.

SOUTH VIETNAMESE POLITICAL PRISONERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, it has been more than 2 months since the United States signed an agreement in Paris ending U.S. intervention in South Vietnam. Just last week, the last planeload of U.S. prisoners of war were released by the North Vietnamese and the PRG—Provisional Revolutionary Government. Still, the involvement of our country is not yet concluded.

The United States is party to several commissions and conferences that seek to make the Paris agreement a reality. In addition, the United States has pledged itself to providing assistance for North and South Vietnam, as well as the other countries of Indochina.

With this dual responsibility, the people of the United States should now concern themselves with the fate of the many civilian prisoners held by the South Vietnamese Government.

The exact number of civilians held in South Vietnamese prisons is a matter of some dispute. The South Vietnamese Government reports that it has jailed 30,000 prisoners, while other estimates run as high as 400,000. Under the emergency powers assumed by President Thieu, on May 9, 1972, several sweeping and ambiguous decrees have been issued. For example:

Those persons considered dangerous to the national defense and public security may be interned in a prison or designated area or banished from designated areas for a maximum of two years which is renewable.

Another provision states:

Shall be considered as pro-communist neutralist a person who commits acts of propaganda for incitement of neutralism. These acts are assimulated with the act of jeopardizing public safety.

Many people in this country are concerned about the prison conditions in South Vietnam. The exposure several years ago of the "tiger cages" has created good reason for concern. It is a sign of the severity of the problem that officials of the Internal Red Cross—the IRC—were told that they might inspect the prisons only in the company of a South Vietnamese Government official. Objecting to such intimidation, the IRC refused.

I received a letter from a constituent a month ago, similar to the many others that I have received, seeking information on the status of eight individuals believed to be held in South Vietnamese prisons. My office contacted the appropriate desk at the Vietnam working group at the U.S. Agency for International Development—USAID. My office was told that the request would be processed, and was told, further, that there had been many similar requests. Several weeks later, I received a reply. Mr. Speaker, I shall insert it in the RECORD.

This response is unacceptable.

Because of U.S. involvement in the Vietnam war, because of U.S. political, military, and diplomatic support of the Thieu government, and because of—at least partial—U.S. funding of the police and prison network of South Vietnam—this problem is not an "internal" matter for the South Vietnamese alone. The various ways this country has supported and continues to support the South Vietnamese prisons and police should be brought to public attention.

First, the Public Safety Division of the USAID has provided funds for a whole range of security programs. Second, part of the foreign assistance authorization for South Vietnam is in the form of support assistance—a special category of aid that allows government expenditures on items that cannot otherwise be afforded while maintaining the military establishment. Third, some members of the South Vietnamese police force are trained at the International Police Academy in Washington. Finally, it should be recognized that any foreign assistance—economic, military, support, even humanitarian—indirectly supports government operations by allowing the South Vietnamese to shift their own resources between whichever projects they consider most useful.

As a signer of the Paris agreement on ending the war and restoring peace in Vietnam and its attendant protocols, the United States has a responsibility to insure that South Vietnam fully meets the requirements regarding Vietnamese civilian prisoners. Further, it has been suggested that by supporting the imprisonment of these civilians, many of whom might constitute a viable, neutralist force, the United States may be violating the agreement which stipulates that "foreign countries shall not impose any political tendency or personality on the South Vietnamese people."

Two important issues are involved in the failure of the U.S. Government to accept and deal with the consequences of its policies and its refusal to provide requested information.

First, the U.S. Congress has the constitutional responsibility for the formulation of public policy and for legislative oversight. The President seeks not only to strip the Congress of its role in the former, but also to deny its role in the latter.

Second, the track record in humanitarian affairs of this country under the present administration has been a sorry one. While the Government has responded quickly and generously, as it should, to natural disasters, such as those in the Philippines and in Nicaragua, it has failed to respond to the political tragedies in Biafra and Bangladesh. The present state of affairs in South Vietnam is all the more intolerable, because of the unbreakable link between the United States and South Vietnamese policy.

The administration must not be allowed to shirk its clear responsibility. The administration has the power to help persuade the Government of South Vietnam to release these prisoners or improve the conditions of the prisons. We in the Congress, if we will speak out, can help persuade the administration to exercise its influence in this direction. Therefore, I call upon the President of the United States to use his good offices to urge the Government of South Vietnam to release those political prisoners who are unjustly held and to improve the conditions of the prisons for others. And further, to insure that action is taken, the administration should press the South Vietnamese Government to allow inspection of its prisons by the International Red Cross.

The reply referred to follows:

DEPARTMENT OF STATE,
Washington, D.C., March 5, 1973.

HON. MICHAEL J. HARRINGTON,
House of Representatives,
Washington, D.C.

DEAR MR. HARRINGTON: I have received your letter regarding the concern of one of your constituents about a number of Vietnamese citizens.

The Agreement of January 27 specifically provides that the matter of South Vietnamese civilians detained in South Vietnamese jails should be resolved through negotiations between the South Vietnamese parties to that Agreement. Pending resolution of the problem, the Agreement provides that all those detained "shall be treated humanely at all times and in accordance with interna-

tional practise." The Agreement further proscribes all forms of torture and cruel treatment and provides that those detained be given "adequate food, clothing, shelter, and the medical attention required for their state of health." The problem involves not only the prisoners held by the Government of the Republic of Viet-Nam but also the thousands of South Vietnamese civilians abducted by the other side during the course of the war. This issue is complicated and not readily susceptible to outside influence or solutions.

With regard to your constituent's inquiry on Vietnamese citizens, we do not feel it appropriate for the U.S. Government to inject itself into matters that under the terms of the January 27 Agreement are now to be settled among the South Vietnamese themselves. Such inquiries should be directed to the Government of the Republic of Viet-Nam. However, recent charges of general repression, torture and mass incarceration of so-called "political prisoners" by Republic of Viet-Nam authorities have, as often in the past, proved grossly exaggerated.

Please continue to call upon me whenever you believe that we may be of assistance to you.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

URBAN MASS TRANSPORTATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH) is recognized for 5 minutes.

Mr. MINISH. Mr. Speaker, I rise to protest an intrusion on the longstanding legislative jurisdiction of the House Committee on Banking and Currency over urban mass transportation.

Since at least 1960, when a bill authorizing loans for the Nation's mass transit systems was referred to the House Committee on Banking and Currency, the committee has exercised jurisdiction in this area.

The committee is justly proud of its record of support for urban mass transit, including the landmark Urban Mass Transportation Act of 1964 and the 1970 amendments, both of which greatly increased the scope of Federal involvement in the urban mass transit field.

Recognizing that the Nation's mass transit systems are in a crisis situation and that there exists a need for greater balance in overall Federal transportation policy, the Banking and Currency Committee decided last month to establish a new subcommittee to deal with the problems of urban mass transportation. I am proud to have been selected chairman of this newly created subcommittee.

Our subcommittee has already completed hearings and markup on legislation to provide $800 million in Federal operating assistance grants over the next 2 years to the country's mass transit systems. In addition, the measure would increase capital grant authority of the Urban Mass Transportation Administration by $3 billion and raise the Federal share for capital grants from a discretionary two-thirds to a mandatory 80 percent.

It is expected that this legislation will come before the full Banking and Currency Committee in short order and be reported for floor action prior to the Easter recess.

Despite the clear jurisdiction of the Banking and Currency Committee over this legislation, it is my understanding that certain members of the House Committee on Public Works have incorporated sections of the same measure into a proposal to be offered as an amendment to the pending highway legislation.

In a desperate attempt to prevent "violation" of the bloated highway trust fund, it apparently has been decided to attempt to ride roughshod over the legislative prerogatives one of the great committees of this Congress.

Mr. Speaker, I intend to fight this unwarranted intrusion into the legislative jurisdiction of my subcommittee and of the entire Committee on Banking and Currency. In the interest of fairness and of the orderly legislative processes of this House, I ask your support and the support of every Member.

At this point, I insert a letter sent by the distinguished chairman of the Committee on Banking and Currency, WRIGHT PATMAN, to the distinguished chairman of the Committee on Public Works, JOHN A. BLATNIK:

Hon. JOHN A. BLATNIK,
Chairman, Committee on Public Works, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that the Committee on Public Works will begin markup on H.R. 6288, the Federal Aid Highway Act of 1973, beginning on Tuesday, April 3. Title III of the bill, H.R. 6288, would amend the Urban Mass Transportation Act of 1964; this act falls within the jurisdiction of the Committee on Banking and Currency. As you may know, the Committee on Banking and Currency has set up a separate subcommittee on Urban Mass Transportation chaired by our distinguished colleague from New Jersey, Joseph Minish. This Subcommittee has already conducted hearings on a number of urban mass transportation proposals and has already concluded its markup session on a 1973 urban mass transportation package, and has already submitted its proposals to the full Committee on Banking and Currency.

The Subcommittee proposals would make substantial changes in the operations of the urban mass transportation program, among which are an increase in the amount of funds authorized for the capital grant program and an increase in the Federal grant ratio to a flat 80 percent Federal grant. Both of these proposals, I note, are contained in Title III of H.R. 6288. I would strongly urge your Committee to forego any legislative action which would amend the Urban Mass Transportation Act.

The Urban Mass Transportation program was initiated by the Committee on Banking and Currency in 1964 and the Committee, as early as 1959, was considering a number of urban mass transportation proposals. We have spent a considerable amount of time on this program and feel that as the authors of our urban mass transportation program that we are the Committee that should make any proposed changes in the Act.

There is a strong feeling in the Committee against any action by your Committee on Public Works which would infringe upon the jurisdiction of the Committee on Banking and Currency. I certainly hope we may be able to work out something beneficial for both the Committees which would provide for greatly needed assistance for our urban mass transportation systems and our Federal aid highway program.

Sincerely,

WRIGHT PATMAN.

BRADEMAS URGES OVERRIDE OF PRESIDENT'S VETO OF THE REHABILITATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, on March 27 President Nixon vetoed, yet again, the Rehabilitation Act.

You will recall, Mr. Speaker, that late last October, the President vetoed a similar, but more expensive, bill after Congress had gone home, and we did not, therefore have an opportunity to override.

Tomorrow we will have that opportunity.

And I want, today, to urge my colleagues to seize it with both hands. For the President has attempted in his ill-informed and misguided veto message, and on national television, to paint a picture of an irresponsible Congress further hurting 200 million Americans suffering under phase III and the ravages of inflation.

And that, Mr. Speaker, is not the situation at all.

For the choice we face is not between supporting 20 million handicapped adults, or their fellow citizens.

The cruel choice the President has forced on us is between supporting 20 million handicapped people or accepting his truly astonishing views with respect to this legislation.

And although I applaud the advances made in services to the handicapped in the last 4 years, my vote must be for the handicapped.

I ask my colleagues, therefore, to consider the heartrending human needs to which the legislation addresses itself.

I ask them to remember the careful study given this measure in both the House and the Senate.

I ask them to recall that we have already met the President more than halfway since he vetoed similar legislation last October.

I ask them, finally, to put aside political loyalties and to continue the unprecedented bipartisan support rehabilitation legislation has always enjoyed.

And let me stress, Mr. Speaker, that although my remarks are pointed, they are not those of a partisan.

For as Dr. Edward Newman, former Commissioner of the Rehabilitation Services Administration, told my subcommittee during our extensive hearings on this measure:

Clearly disability is not a partisan issue nor should any response to it be partisan.

And, Mr. Speaker, the overwhelming bipartisan support this legislation enjoyed in both the 92d Congress and, again, in the 93d, indicates that congressional response to the handicapped has never been partisan.

But before I speak of the surprising message that accompanied the President's veto of this landmark legislation, let me say a word to those of my colleagues who may, I am told, be considering supporting an alternative to the Rehabilitation Act.

SUBSTITUTE MEASURE

For I want to warn my friends that such a decision on their part could have a disastrous effect on the 50-year-old vocational rehabilitation effort. And it could, indeed, seriously jeopardize the entire program.

For I would remind them that a new bill must be referred to committee so that we may begin, once again, the hearing process.

And I would remind them, also, that it took Congress 3 full months merely to reduce the authorizations, contained in the measure originally vetoed, to the level at which we find them today.

And finally I should tell my colleagues, Mr. Speaker, that since the authorizing legislation for vocational rehabilitation expired last June 30, there has been some serious legal question as to the propriety of continuing to expend Federal moneys on this program.

So sustaining the President's veto, Mr. Speaker, in the hope of supporting a substitute bill, might, I here repeat, seriously jeapordize the entire enterprise.

ASTONISHING VETO MESSAGE

So let me now, Mr. Speaker, turn to the truly astonishing message that accompanied the President's veto of the Rehabilitation Act.

And let me repeat that I take the President to task with regard to his message not for any partisan purpose, but only in order to set the record straight with respect to this legislation.

For the veto message leads me to wonder if the President's assistants have the time, in the midst of their other activities, to read the legislation we here on Capitol Hill send to the White House.

Indeed, Mr. Speaker, I do not think it too much to say that the President has been ill-served by the adviser who drafted the false and misinformed message that accompanied the veto of the Rehabilitation Act of 1973.

CONGRESSIONAL SPENDING SPREE

I would cite first, in this regard, the President's surprising assertion that this measure is part of—

> A Congressional spending spree [that] would be a massive assault upon the pocketbooks of millions of men and women in this country.

Surely, Mr. Speaker, the President does not expect those of us, on both sides of the aisle, who have cut $20 billion from his budget requests over the last 4 years, to take such an accusation seriously?

And surely, too, since this is an authorizing, and not an apropriating, bill, such a statement can only be characterized as incorrect and deceptive.

The President then goes on the assert, Mr. Speaker, that the Rehabilitation Act would contribute to the "unacceptable choice of either raising taxes substantially—or inviting a hefty boost in consumer prices and interest rates."

The President goes on to say:

> The American people have repeatedly shown that they want to hold a firm line on both prices and taxes. I stand solidly with them.

So, too, Mr. Speaker, do I.

That is why the Rehabilitation Act contained a change virtually without precedent in legislation which has come before this body.

I refer, of course, to the following fact: the authorized spending provided in this measure for fiscal year 1973, $913 million, is lower than the authorizations for 1971 and 1972 provided in legislation President Nixon, himself, signed into law on December 3, 1970.

Consider that fact: We are suggesting a budget ceiling for 1973 that is fully $97 million below what the President himself approved for both 1971 and 1972.

Is the President, then, really serious when he upbraids us as—and I quote—"big spenders" engaged in a "congressional spending spree"?

CONGRESSIONAL CRUELTY

But the President's adviser, Mr. Speaker, has not been content with the mischief raised so far. For later in the veto message, the President still again returns to the theme of congressional irresponsibility.

Says President Nixon:

> By promising increased Federal spending for this program in such a large amount, S. 7 would cruelly raise the hopes of the handicapped in a way that we could never responsibly hope to fulfill.

I would note first, Mr. Speaker, that this is the first, and in fact, the only reference to handicapped people in the entire veto message.

Indeed, as I read the message for the first time, I had cause to wonder if the President's assistants realized that this bill was, not merely another Federal training program, but a longstanding and successful effort to help the disabled of our land.

But I should just stress again, that this bill promises less money for fiscal year 1973 than was authorized for either 1971 or 1972 in legislation signed by President Nixon, himself, just 2 years ago.

Surely, then, Mr. Speaker, no responsible critic could seriously accuse us of "cruelly raising the hopes of the handicapped"?

I want to assure my colleagues, Mr. Speaker, that none of the disabled people, or the national organizations representing them, writing to me with reference to the veto of this measure, has accused me of "cruelty.'

Indeed, judging from their letters, the only cruelty associated with this measure has been the manner in which the White House responded to this measure.

But I should also note, Mr. Speaker, that the Rehabilitation Act provides only $156 million more for fiscal year 1974 than the legislation we are trying to extend authorized for both 1971 and 1972.

Certainly such a modest increment over 2 years cannot justifiably be termed a "congressional spending spree"?

I wonder, indeed, why the President did not sign this measure, amidst great pomp and circumstance, and claim a victory for his philosophy of self-sufficiency.

And he could, as well, have applauded congressional fiscal responsibility in presenting him with such a modest bill after his veto of similar legislation last October.

DIVERTED PURPOSE

Let me now, Mr. Speaker, turn to what might appear, at first blush, to be sensible objections on the part of the President.

He claims, first, that the Rehabilitation Act would divert the Vocational Rehabilitation program from its original purposes by requiring that it provide new medical services.

The President, Mr. Speaker, is wrong.

For we provide for no services not currently available under vocational rehabilitation.

What we are doing is making more explicit a commitment, in existing law, to persons with severe handicaps.

And my colleagues should know, as well, that the administration itself endorsed that commitment during hearings, and during the House-Senate conference on this measure.

During the conference, for example, the administration's official position was, and I quote from their own memorandum:

> Keep the vocational orientation of present law in Title I. However, authorize as in . . the House bill, a separate program for nonvocational services to the severely disabled.

That is precisely what we have done.

And I am, frankly, perplexed that the same administration today returns to castigate us for agreeing with their advice.

SERIOUS KIDNEY DISEASE

But the President, Mr. Speaker, goes on to compound that error by citing with regard to "new medical services":

> A new program for end-stage kidney disease—a worthy concern in itself, but one that can be approached more effectively within the Medicare program, as existing legislation already provides.

The President is again mistaken.

First, this is not a "new program" as he apparently believes.

For 41 state rehabilitation agencies, last year, provided services to handicapped individuals suffering from serious kidney disease.

And, second, the valuable provisions of the medicare program are complemented, in a most practical manner, by the Rehabilitation Act.

I would cite particularly in this regard the fact that kidney coverage under medicare does not become available until 3 months after need is established. During that time, the rehabilitation agency can assist the handicapped individual.

And I should also add that many individuals, young and old, are ineligible for medicare benefits.

Possibly the President's White House staff does not talk with his administrators in the departments, but for whatever reason, the President has been seriously misled with reference to what he calls "new services."

For we have not, as I hope I have demonstrated, provided for new kidney disease services.

What we have done is react to testimony before my own subcommittee to the effect that adequate services for individuals suffering from serious kidney disease would not be possible without special emphasis.

We have, therefore, attempted to provide that emphasis by highlighting congressional concern for the program—which is of enormous value with reference to enabling these individuals to return to work—and providing a modest authorization for it.

So I trust, Mr. Speaker, that my colleagues will begin to understand the bewilderment with which I received the President's veto message. For he clearly was speaking of a bill other than the one passed with such overwhelming bipartisan support in the 92d, and now again, in the 93d Congress.

CATEGORICAL PROGRAMS

Let me now, Mr. Speaker, turn to the third objection expressed in the President's veto message:

S. 7 would create a hodge-podge of seven new categorical grant programs, many of which would overlap and duplicate existing services. Coordination of services would become considerably more difficult and would place the Federal Government back on the path of wasteful, overlapping program disasters.

This statement of opinion, disguised as fact, Mr. Speaker, simply perplexes me. I certainly would not want to make the delivery of rehabilitation services a more difficult task.

Nor, I am sure, do any of the 318 Members of this body who supported this bill on March 8, advocate wasteful overlapping programs.

So let us look at what the bill does rather than what an unknown Presidential adviser says it does.

I assume, first, that the President includes in the list of "seven new categorical grant programs," the title II services for the severely disabled and the program for persons suffering from end-stage kidney disease.

And I believe I have already addressed these issues in adequate detail, indicating, with reference to the former, that we merely agreed with an administration suggestion, and with reference to the latter, that we have done nothing more than underline congressional intent with regard to renal disease services now available through State rehabilitation agencies.

And although the President does not specify which new programs he finds objectionable, I assume he must be referring to the provisions in this legislation relating to the spinal cord injured, mortgage insurance, and interest grants, for rehabilitation facilities, and programs for the deaf and the elderly blind.

So let me say just a word about each of these.

SPINAL CORD INJURED

With regard to the spinal cord injured, Mr. Speaker, again we are speaking not of a new program, but of the strengthening of existing services in this area.

And we are speaking, as well, of a program which had the endorsement of the administration throughout the development of this measure.

With reference to my first point, Mr. Speaker, my colleagues should know that the Rehabilitation Services Administration reports that it is spending over $3 million to support eight centers for the spinal cord injured.

But, as Mr. E. B. Whitten of the National Rehabilitation Association, pointed out in a recent memorandum to the President:

The situation in the area of comprehensive rehabilitation services to spinal cord injured individuals is appalling. Although we have a few good programs, enough to serve as demonstrations, less than 20% of the spinal cord injured individuals are receiving the kind of services we know how to provide. A special push is going to be required to make a significant breakthrough.

So we accepted this line of reasoning, Mr. Speaker.

And in doing so, I am pleased to tell my colleagues, we were also following the advice of former Secretary of Health, Education, and Welfare, Elliot Richardson.

Said Secretary Richardson to my subcommittee:

We would certainly support in principle the proposition that there should be greater emphasis in those areas and with respect particularly to the spinal cord injuries. So we would propose in our own bill to give this specific recognition.

And I am pleased to note that the amendment to this legislation, offered on the floor by my good friend from Indiana (Mr. LANDGREBE) specifically endorsed services for spinal cord injured individuals.

So I think I am correct in saying that this is yet a third program objected to by the President that his own administration supported as we developed this bill.

Indeed, Mr. Speaker, we have yet to come across one objection that stands up under examination.

OTHER PROGRAMS

But there are still four other provisions in this—and I quote the President, "hodgepodge of seven new programs" that we have not yet addressed.

And although the President is unable to identify them, I believe we can safely guess that they include the provisions relating to interest grants and mortgage insurance for rehabilitation facilities, as well as two programs to serve the special needs of deaf individuals and the elderly blind.

And I believe, Mr. Speaker, that we can safely ignore the President's objections to interest grants and mortgage insurance for rehabilitation facilities.

For surely, Mr. Speaker, the President must realize that these programs will provide vastly less expensive alternatives for much needed facilities construction, than the outright construction grants available under existing law.

Indeed, Mr. Speaker, I would expect that a President busy, as is President Nixon, advocating greater local, State, and private initiative, would have congratulated us for including such provisions in this legislation.

Obviously, Mr. Speaker, I expected too much.

For his inconsistency with respect to these provisions matches his administration's change of heart with respect to the severely disabled, and those suffering from serious kidney disease and spinal cord injury.

DEAF INDIVIDUALS AND THE ELDERLY BLIND

So we are left now, Mr. Speaker, with but two programs to explain to the President and his staff.

Yet again, you will be surprised to learn, the program to provide services to deaf individuals, who have not reached their maximum vocational potential, is an administration suggestion.

For, I should tell the President, in 1971 his administration came to Congress and requested special grant-making authority for the "low achieving deaf."

And, once again, to my astonishment, the President becomes upset because we have taken him at his word.

But, Mr. Speaker, I must here confess that, search as I can, I find no record of administration support for the provisions in the Rehabilitation Act providing vocational rehabilitation services to older blind individuals.

And, of course, I searched for just such a record of support, for it would have completed the tragic and ironic litany of this administration's inconsistencies with regard to the handicapped.

But surely President Nixon does not expect us to support him in his rejection of this important measure, because of a modest program providing $50 million over 3 years for blind people over the age of 55?

The expectation that Congress will agree to torpedo this major legislation, over such a minor disagreement, simply flies in the face of commonsense.

And it contradicts, as well, the equal status accorded Congress and the executive branch in the Constitution drafted nearly 200 years ago.

For surely, Mr. Speaker, even a President would accept the congressional prerogative of adding a modest program to help older blind people, even though he, himself, had not requested it.

RIGID STRUCTURES

Mr. Speaker, the President's next, apparently substantive objection is—and I quote:

By rigidly cementing into law the organizational structures of the Rehabilitation Services Administration and by confusing the lines of management responsibility, S. 7 would also prevent the Secretary of Health, Education, and Welfare from carrying forward his efforts to manage vocational rehabilitation services more effectively.

The President and Congress will have, I think, to agree to disagree on the provisions of section 3 of the Rehabilitation Act, which provides for the establishment of the Rehabilitation Services Administration.

But the President is, in my estimation, mistaken in his view of this situation.

For the testimony before both the House and the Senate indicated the need for a statutory base for the Rehabilitation Services Administration if it is to be able to effectively carry out its work for the handicapped.

And the testimony indicated the need for such provisions, too, if Congress is to be able to hold one official directly accountable for the rehabilitation program.

RELATED PROBLEMS

And let me here note, Mr. Speaker, that this problem is not unique within the Department of Health, Education, and Welfare.

For when Congress in 1965 created the Administration on Aging, we made clear our intent that it serve as a focal point

for the 20 million Americans aged 65 and over.

Yet in 1967, when the Social and Rehabilitation Service Agency was created, we found AOA submerged deeper and deeper within the bureaucracy.

And I was equally critical, at that time, of this move—which was, my colleagues will note, under a Democratic administration.

So we are not, with regard to this Presidential objection, encountering any striking new phenomenon.

We are, rather, witnessing once again, the different institutional viewpoints—between the legislative and executive—with respect to organizational priorities.

Mr. Whitten, yet again, succinctly states the arguments in favor of our case. And, I should tell my colleagues, Mr. Whitten is not entirely convinced of the wisdom of our move—so his testimony is, in no way, self-serving.

Said Mr. Whitten:

It is by no means just an effort on the part of Congress to spite the Administration. Under the administration of SRS, responsibility for administration of vocational rehabilitation programs has been divided between SRS and RSA at both national and regional levels. There has never been a clear expression of policy on the point as to whether SRS is to be an agency to coordinate the programs of the various bureaus, or whether it is to be an agency to actually operate these programs. While talk, generally, has indicated that SRS is a coordinator and service agency to the bureaus, actually, personnel has been drained off the bureaus to SRS, and more and more administrative and policy decisions that previously have been made by the bureaus are now made by SRS. This, in itself, would not have been so objectionable, but funds appropriated for research and training under the Vocational Rehabilitation Act have been thrown into an SRS pool and expended, often, on programs having only peripheral, if any, values to the rehabilitation programs. . . . The confusion that has prevailed at both national and regional levels has been detrimental to programs for handicapped individuals.

And I would just finally stress Mr. WHITTEN'S argument, Mr. Speaker, with respect to the confusion arising from the current situation at SRS.

For the President is mistaken in charging that we are confusing the lines of authority within the Department of Health, Education, and Welfare. Indeed, by providing a legal basis for the agency charged with administering programs for the rehabilitation of handicapped Americans, we, for the first time, clarify that agency's responsibility.

LANDGREBE AMENDMENT

Let me now conclude my review of this unsupportable veto message by saying just a word about the amendment offered by my good friend from Indiana (Mr. LANDGREBE) which the President commends to us.

For I am sure that the President has not seriously examined the alternative which he praises.

That amendment, Mr. Speaker, if adopted, would mean that 48 of the 54 States and territories would lose funds proposed in the President's own 1974 budget.

Again the President abandons his previous commitments.

Indeed, I should point out that the amendment would cost the President's own home State, California, over $45,000, while, at the same time, Maine—hardly a major population center, would stand to gain over $421,000.

Surely the President does not really expect us to take this preposterous proposal seriously?

He is, again, obviously unfamiliar with the legislation about which he speaks, with such great confidence, before the American public.

So let me, then, Mr. Speaker, summarize what I have been trying to say today.

I have told my colleagues that the fiscal and budgetary criticisms of this measure do not stand up under scrutiny.

I have told them of our reasons for seeking to make sure that the Rehabilitation Services Administration has the authority to carry out the responsibilities assigned to it.

And I have told them that the new categorical programs the President opposes are either the creations of his own administration or the strengthening of existing programs.

CONTINUED SUPPORT FOR REHABILITATION

Now let me tell my colleagues, Mr. Speaker, of the overwhelming reasons undergirding our case that the President's veto should be rejected.

Consider that this bill continues one of the most successful Federal-State programs in the history of our great land.

Consider that it makes good on the commitments made in prior legislation to those individuals suffering from the most severe handicaps.

Consider that it authorizes a modest increase in funds, if, in the judgment of Congress through the appropriations process, those funds are available.

Consider that in fiscal year 1972, the earnings of 12,221 rehabilitated individuals climbed to over $41 million after they received rehabilitation services, compared to the $3.6 million they earned annually before rehabilitation.

Now, Mr. Speaker, I ask my colleagues to ponder this tragic fact: The number of handicapped people in our land is not, as we would all hope, declining, but it is increasing.

Indeed, current estimates are that between 7 and 10 million people in need of vocational rehabilitation services are not now receiving them, and that over 500,000 will join that number each year.

Yet the President asks us to sustain him in his rejection of the historic legislation, carefully drafted over a 2-year period, that makes a modest attempt to begin to address this situation.

He asks us, indeed, to ignore the yarning gap between our accomplishments and our aspirations with respect to disabled Americans.

And I say this not for any partisan purpose.

For I know the President supported rehabilitation legislation during his tenure in the House and the Senate, and while he served as Vice President.

And he supported it as President, as well, until he was presented with the Rehabilitation Act.

And I applaud the President for that support, just as I applaud the increase in the numbers of handicapped people served since he took office.

I point out what the President is asking us to do because he has attempted, I here repeat, to paint a picture of an irresponsible Congress damaging 200 million Americans ravaged by inflation.

And the issue, Mr. Speaker, as I noted at the outset of my remarks, is really whether we will today make good on our promises to handicapped Americans, or whether we will support the President in his mistaken views of this bill.

And I hope I have made my own position clear with respect to that choice.

I urge my colleagues to join with me to override the President's veto.

Mr. Speaker, so that my colleagues may understand the dismay with which I viewed the President's veto message, I insert in the RECORD at this point several statements from the administration during the time in which we drafted this measure.

These materials include: Statements by former Secretary Elliot Richardson, and other administration officials, with regard to the Rehabilitation Act; and official administration recommendations with regard to severely disabled during the House-Senate Conference on the Rehabilitation Act, October 192.

Following those statements, Mr. Speaker, I also insert an analysis and several tables, showing the impact of H.R. 6323, introduced by my good friends from Michigan and Illinois, Mr. ESCH and Mr. ERLENBORN. That analysis was developed by the National Rehabilitation Association on behalf of the 30 national organizations urging Congress to override the President's veto.

I include, also, Mr. Speaker, the association's analysis of the myths of the President's veto in light of the reality of the measure approved by Congress:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., February 22, 1972.

Hon. JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR MR. BRADEMAS: I want to express my gratitude for the cooperation shown by the Select Subcommittee on Education in working with the Administration on legislation to renew the Vocational Rehabilitation Act. I am pleased to note that some of the Administration's proposals to improve the Act have been incorporated in the Subcommittee bill reported to the full Committee.

There are some provisions in the bill which I feel are unnecessary and some sound Administration initiatives have not been incorporated in the bill. Nevertheless, I want to commend the Subcommittee for its work with us toward our shared objective: improving the capacity of the vocational rehabilitation program to serve the handicapped.

With kind regard,

Sincerely,

ELLIOT L. RICHARDSON,
Secretary.

REHABILITATION SERVICES
ADMINISTRATION,
Washington, D.C., April 11, 1972.

Hon. JOHN BRADEMAS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. BRADEMAS: As we turn toward the Senate considerations of H.R. 8395, the 1972

Amendments to the Rehabilitation Act, I would be remiss if I did not extend my personal thanks for your leadership and deep concern of the nation's capacity to provide rehabilitative services to handicapped people.

Your personal attention has led to an extraordinary bi-partisan effort to make more visible and expand our commitment to helping disabled people achieve independence and self support.

I am particularly appreciative that you made Jack Duncan available to work with us on the Act. His specific knowledge and programmatic insights were extremely impressive to all of us working on the Bill.

Once again, my sincere personal thanks.

Cordially,

EDWARD NEWMAN,
Commissioner.

ADMINISTRATION STATEMENTS ON VOCATIONAL REHABILITATION

Secretary Richardson, March 21, 1972, hearings before the Select Subcommittee on Education on the Older Americans Act

We look forward to working closely with the subcommittee to produce the best possible bill to achieve our shared objective.

Certainly, Mr. Chairman, I would like to join you, noting the very fruitful results of cooperation that you have already mentioned and particularly to congratulate you on the overwhelming support accorded yesterday for the rehabilitation legislation.

OFFICIAL ADMINISTRATION POSITION DURING HOUSE-SENATE CONFERENCE ON THE REHABILITATION ACT, OCTOBER 1972, WITH REFERENCE TO THE SEVERELY HANDICAPPED

We agree that the basic program should be reformed so as to assure that those whose handicaps are most limiting in terms of ability to become gainfully employed should be served by this program before those with lesser handicaps. . . .

Keep the vocational goal orientation of present law in Title I. However, authorize as in Title III of the House bill, a separate program for non-vocational services to the severely disabled. . . . We are talking about something revolutionary in V.R.—dealing with independent living goals. . . ."

SOURCE: "Administration Recommendations on Major Conference Issues Regarding Vocational Rehabilitation Bill."

ANALYSIS OF H.R. 6323

The thirty organizations of and for the handicapped who are urging Congress to override the Presidential veto of S 7 have issued the following statement relative to HR 6323, Rehabilitation Act Amendments introduced by Mr. Esch of Michigan and Mr. Erlenborn of Illinois. (See Congressional Record of March 29, H 2181.)

"HR 6323, a new rehabilitation bill, was introduced on March 29 by Mr. Esch of Michigan and Mr. Erlenborn of Illinois. Printed copies of the bill were not available until April 2, approximately 24 hours before the scheduled vote to override the President's veto of S. 7. As a result, we have not been able to make a thorough analysis of this bill. However, we are sure of this.

The introduction of a new bill at this time will contribute to confusing the issue, whatever may be the merits of the bill itself. The vote on Tuesday, April 8, will be to *sustain the veto* or to *override the veto*. No other legislation having to do with rehabilitation will be voted upon on that day. Any new bill must be referred to the appropriate committees, hearings must be conducted, and the bill reported in the regular way. There is no way of knowing whether the committees of Congress or the Administration will approve the new bill. In fact, it contains some of the provisions most objectionable to the Administration. Certainly, the introduction of a new bill at this late date cannot be used to avoid responsibility for what may happen if the veto is sustained. This seems to be what some members have in mind, since they have been speaking of HR 6323 as a substitute for S 7.

With respect to the bill, itself, much of it is either identical to or very similar to S 7. The appropriation authority is lowered considerably, which is its principal attraction, we suppose. It is significant, however, that the new bill does not contain the new program features of S 7. It does not contain special emphasis on demonstration programs to serve the older blind, the spinal cord injured, the victims of renal disease, and the deaf. It substitutes a 'study' for the provisions for comprehensive services to the severely disabled. It does not contain the vitally important Commission on Housing and Transportation for the Handicapped and other important features. At best, it cannot be interpreted as more than 'stand pat' legislation, while much more needs to be done.

Accordingly, the organizations of and for the handicapped who are urging you to vote to override the President's veto of S 7 are equally emphatic in saying they cannot support HR 6323 in the form in which it was introduced."

VOCATIONAL REHABILITATION ACT AMENDMENTS AND THE PRESIDENT'S VETO ISSUES AND ANSWERS

(Based on White House Releases of March 27, 1973)

ISSUE—FISCAL IRRESPONSIBILITY

In this case, rhetoric is a substitute for substance. The bill *authorizes* expenditures for various programs. It does not *appropriate* any money for anything. The appropriation bill will come later and may or may not recommend the full amounts authorized. The amount of the authorizations is exaggerated. Accepting the President's figures, authority in the bill is $1.3 billion more than in his substitute bill *over a three-year period*. Congress will be fiscally responsible. The argument is over *how* the money will be spent, not over *how much*. Rehabilitation is cost effective (15–1 ratio). Let's bury the fiscal irresponsibility issue. Additional funds appropriated under the Social Security Act are earmarked to serve Welfare and Social Security beneficiaries referred to vocational rehabilitation agencies under HR 1.

DISTORTS OBJECTIVES

No rehabilitation measure ever passed by Congress has greater vocational rehabilitation emphasis than S. 7. The emphasis is on the vocational rehabilitation services to the *severely disabled*. The small earmarked authority in Title II, optional with the states, is to encourage them to accept individuals for whom vocational rehabilitation goals may not be feasible, at least in the beginning. The question is how far they can go toward complete rehabilitation. The separate fund assures that this program *will not compete* with vocational rehabilitation funds. This program will help the *most neglected disabled people*.

ISSUE—CATEGORICAL APPROACH

Congress, traditionally, has chosen the categorical approach to initiate and get special emphasis on problems of certain target groups. Why should anyone oppose special efforts to facilitate the rehabilitation of the *older blind*, the *spinal cord injured*, the *deaf*, and the victims of *renal disease*? Anyhow, these are special project programs with very modest authority expiring in three years.

ISSUE—PREVENTS EFFECTIVE MANAGEMENT

What this means is that Congress and the President view effective management differently. The executive never wants any restraints on administration. Fortunately, Congress has insisted on some and the programs have been *better administered* as a result. S 7 establishes a Rehabilitation Services Administration in HEW under the direction of a Commissioner who will have responsibility for administering approprate titles of the act. The purpose of this provision is to unify the administration of vocational rehabilitation programs in one administration. Currently, responsibility is divided between various levels in the Department with resulting confusion. Congress has taken similar steps in the fields of education, aging and many others. It is absurd to imply that effective management is impossible under this act.

ISSUE—UNNECESSARY COMMITTEES AND COMMISSIONS

These are unnecessary only if one does not want to do anything to solve the problems to which they are directed. In a TV broadcast (WRC–Mar. 29), Keith Russell, a severely handicapped employee at Walter Reed, emphasized the difficulty, even impossibility, of handicapped people living normal lives because of architectural and transportation barriers. One of the Commissions is directed to the solution of this problem. The President, himself, has appointed many commissions to study and make recommendations. Those in S 7 are appropriate to needs.

WHAT'S IT ALL ABOUT?

Let's not forget what S 7 really is. Legislation directed toward helping severely disabled youths and adults become employable—the extension of the vocational rehabilitation program, a model of effective state-federal relationships, the most cost effective program in the human service area. 300,000 persons were made employable through this program in 1972. Hundreds of thousands of others are watching with interest and concern as this program for their benefit is being used by the President for a confrontation with Congress over fiscal policy. Let's vote to override the veto with a sizeable margin.

SOME FINANCIAL ASPECTS OF THE HOUSE LANDGREBE (ADMINISTRATION) SUBSTITUTE VERSUS S. 7

THE VOCATIONAL REHABILITATION ACT OF 1972

S. 7 was very carefully drawn to make available funds appropriated by the Congress and signed into law by the President. The Landgrebe substitute does not take into account the technical requirements necessary for release of appropriated funds.

The Landgrebe substitute, if it were to be enacted, would cause all except two low effort States to lose money when the allocation of the Landgrebe substitute is compared with S. 7 allocations within the President's expenditure ceiling. If the Landgrebe substitute were used to allocate moneys already appropriated, in excess of $23 million would be lost by 25 high effort States. The States and territories that would lose money and their approximate amount of loss expressed in thousands of dollars are listed below.

State or Territory:	*Loss (in Thousands)*
Alabama	$1,920
Arkansas	1,158
Delaware	68
District of Columbia	260
Georgia	2,052
Hawaii	447
Idaho	238
Iowa	145
Maryland	197
Minnesota	555
Mississippi	927
New York	1,928
North Carolina	2,487
Oklahoma	772
Oregon	53
Pennsylvania	2,287
South Carolina	1,503
South Dakota	58

State or Territory:	Loss in (Thousands)
Texas	$3,433
Utah	168
Vermont	66
Virginia	1,743
West Virginia	1,034
Wyoming	21
Guam	34

SOURCE.—Department of Health, Education and Welfare.

The attached was prepared to illustrate State allotments under provisions of the Landgrebe amendments to the VR Act, assuming an appropriation of $590 million for Section 2, as compared to the allotment of the same amount under the provisions of the present Act.

Column I illustrates the Landgrebe amendment, including:

1) Allotment based on amount appropriated;

2) Re-allotment of unmatched Federal funds according to State estimates available as of March 30, 1973; and

3) However, minimum is shown as $1 million not ¼ of 1 percent ($1,525,000; the impact is minor)

Column II—The President's budget for 1974, as per the present Act.

Column III—Differences, assuming the State matches what they now estimate will be available.

ESTIMATED FEDERAL GRANT FOR FISCAL YEAR 1973

State	Fiscal year— 1973 Landgrebe	1973 budget	Difference
U.S. total	[1] [2] $589,000,000	[1] [2] $589,000,000	
Alabama	16,293,402	16,312,594	−$19,192
Alaska	1,000,000	1,000,000	
Arizona	6,209,101	6,216,415	−7,314
Arkansas	9,328,013	9,339,001	−10,988
California	38,451,639	38,496,941	−45,302
Colorado	6,623,805	6,631,607	−7,802
Connecticut	4,650,082	4,655,559	−5,477
Delaware	1,183,202	1,184,597	−1,395
District of Columbia	4,565,207	4,570,583	−5,376
Florida	21,878,287	21,904,059	−25,772
Georgia	17,751,415	17,772,326	−20,911
Hawaii	1,969,432	1,971,752	−2,320
Idaho	2,910,297	2,913,725	−3,428
Illinois	21,177,508	21,202,454	−24,946
Indiana	8,407,006	8,419,080	−12,074
Iowa	8,362,142	8,371,992	−9,850
Kansas	5,100,350	5,106,000	−5,650
Kentucky	13,056,602	13,068,000	−11,398
Louisiana	15,308,268	15,326,300	−18,032
Maine	3,140,830	2,719,494	+421,336
Maryland	8,902,323	8,912,809	−10,486
Massachusetts	11,913,058	11,927,091	−14,033
Michigan	20,880,857	20,905,453	−24,596
Minnesota	11,064,644	11,077,678	−13,034
Mississippi	$11,912,372	$11,926,404	−$14,032
Missouri	14,381,923	14,398,864	−16,941
Montana	2,544,246	2,543,314	+932
Nebraska	4,472,971	4,467,275	+5,696
Nevada	1,000,000	1,000,000	
New Hampshire	2,298,469	2,301,176	−2,707
New Jersey	14,191,910	14,208,628	−16,718
New Mexico	4,198,878	4,203,824	−4,946
New York	31,684,999	31,722,323	−37,324
North Carolina	21,073,898	21,098,722	−24,824
North Dakota	2,469,140	2,472,049	−2,909
Ohio	28,650,195	28,438,820	+211,375
Oklahoma	9,785,140	9,796,666	−11,526
Oregon	6,230,408	6,237,747	−7,339
Pennsylvania	32,851,931	32,890,629	−38,698
Rhode Island	2,365,774	2,368,561	−2,787
South Carolina	12,170,828	12,185,163	−14,335
South Dakota	2,550,787	2,553,792	−3,005
Tennessee	15,603,359	15,617,500	−14,141
Texas	39,374,836	39,421,219	−46,383
Utah	4,203,312	4,208,263	−4,951
Vermont	1,557,567	1,559,402	−1,835
Virginia	15,788,712	15,807,310	−18,598
Washington	8,261,552	8,271,283	−9,731
West Virginia	7,915,488	7,924,812	−9,324
Wisconsin	12,613,903	12,628,762	−14,859
Wyoming	1,105,999	1,107,302	−1,303
Guam	523,675	524,291	−616
Puerto Rico	16,708,284	16,727,965	−19,681
Virgin Islands	381,974	382,424	−450

[1] Does not include $1,000,000 minimum for evaluation of the vocational rehabilitation program.
[2] No allotment base with a minimum allotment of $1,000,000 or each State.
[3] Under $600,000 authorization figure with $1,000,000 minimum allotment for each State.

SUMMARY OF PROVISIONS OF CONGRESSIONAL OFFICE OF CONSUMER PROTECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. THORNTON) is recognized for 5 minutes.

Mr. THORNTON. Mr. Speaker, on Wednesday of last week I introduced H.R. 6280, a bill to establish a Congressional Office of Consumer Protection.

This bill differs from Consumer Protection legislation previously introduced, by establishing the office as an arm of the Congress, exercising legislative oversight, rather than as an independent executive agency under the President. The Consumer Counsel is given broad authority to seek judicial review of executive agency decisions affecting consumers. A Congressional Office of Consumer Protection will assure an appropriate check and balance and an effective method of representing and protecting the public interest.

The office is authorized to develop consumer education and counseling programs, to conduct investigations, to cooperate with private enterprise in promotion and protection of the interests of consumers, and it is directed to keep Congress fully and currently informed of all its activities and to insure that interests of consumers are given consideration by Federal agencies.

The Consumer Counsel is given authority to take part in any proceeding before a Federal court or Federal agency affecting consumers' interests and to appeal agency decisions to the courts. The Consumer Counsel does not have authority to issue subpenas, but when acting as a part in a proceeding before a Federal agency, may use the agency's subpena powers.

The bill provides that in the event of a judicial appeal from agency action, the Consumer Counsel or his qualified or designated representative will represent the Office of Consumer Protection, while the Attorney General will represent the agency. The bill contains provisions for resolving complaints, for providing consumer information and services, and testing and research, and for annual reports and recommendations for changes in legislation. A more detailed abstract of the bill follows:

ABSTRACT

A declaration that vigorous representation and protection of the interests of consumers is essential to the fair and efficient functioning of a free market economy is contained in section 2.

Section 3. The Office of Consumer Protection established by this bill shall be independent of the President and of the executive departments and under the control and direction of a Consumer Counsel who shall be appointed for a term of 15 years, ineligible to succeed himself, with salaries and retirement benefits established by this bill, and with a provision that the Consumer Counsel—and the Assistant Consumer Counsel—may not be removed except by Congress, for inefficiency, permanent incapacity, neglect of duty, or other specific causes. No employee of the office—except expert consultants—may accept other employment.

The structure of the office provided in this section is similar to that employed in the establishment of a Comptroller General in the General Accounting Office.

Section 4. The Consumer Counsel is granted general authority to employ, subject to civil service and classification laws, such persons as may be necessary to carry out the provisions of the act, and to establish rules, appoint advisors, enter into contracts, and accept services of others.

Under subsection (c) Federal agencies are directed, upon request by the Consumer Counsel, to cooperate with the Office of Consumer Protection and to furnish information and statistics, and to allow access to agency information.

The Consumer Counsel is required to submit an annual report of acts taken, suggestions for legislation, and evaluation of consumer programs to the Congress and the President in January of each year.

Section 5. The Office of Consumer Protection is charged with the duty of protecting and promoting the interests of the people of the United States as consumers. The office shall specifically assure that consumer interests are considered in the formulation of the policies and operation of programs by appropriate Federal agencies, shall develop education and counseling programs, and conduct investigations concerning consumer problems. The office is directed to cooperate with and assist private enterprise in the promotion and protection of the interest of consumers, and to keep committees of Congress informed of its activities.

Section 6. The Consumer Counsel, upon a finding that a matter affecting the interests of consumers is pending before any Federal court or agency and that the intervention of the Office of Consumer Protection is required to adequately protect consumers' interests, may as a matter of right participate in such proceeding in accordance with such agency's generally applicable rules of practice and may obtain a review of agency action directly in any U.S. court of appeals.

In addition, the Consumer Counsel, upon a determination by the court that an agency action may adversely affect consumers, and that the interests of consumers are not otherwise adequately represented, may seek judicial review of agency action in which the Consumer Counsel did not participate. The Consumer Counsel may in the discretion of the agency or court participate as amicus curiae. The Consumer Counsel is authorized to request Federal agencies to initiate proceedings required in the consumer interest and to obtain judicial review of agency action or inaction.

Subsection (e) provides for use by the Consumer Counsel of agency powers of subpena and production of evidence.

Subsection (f) makes clear that the Consumer Counsel, or his designated representative shall represent the Office of Consumer Protection in the courts and that the Federal agencies will be represented by the Attorney General of the United States. The Consumer Counsel may designate qualified representatives for such duties.

Subsection (h) makes clear that the

Consumer Counsel is not authorized to intervene in State or local proceedings, but subsection (i) specifically authorizes communication with other offices and agencies, whether Federal, State or local.

Section 7. Before issuing or adopting any rules, regulations, guidelines, orders, standards or formal policy decisions or before taking any other action which may substantially affect the interest of consumers every Federal agency shall notify the Office of Consumer Protection and take such action with due consideration to such interest. In taking any action which may substantially affect the interest of consumers the Federal agency shall indicate in a public announcement the consideration which has been given to such interest upon request of the Office of Consumer Protection—or if it is a case where a public announcement would normally be made.

Section 8. Upon receipt of any complaint or other information affecting the interests of consumers and disclosing a probable violation of a law of the United States, a rule or order of a Federal agency or office, or a judgment, decree, or order of any court of the United States involving a matter of Federal law the Office of Consumer Protection may take any action within its authority which may be desirable or transmit the complaint to the Federal agency charged with the duty of enforcement. This subsection also allows the Office of Consumer Protection to take action based on information which it has developed on its own initiative.

Subsection (c) directs the Office of Consumer Protection to ascertain the nature and extent of action taken with regard to complaints or other information transmitted to Federal agencies. Upon receipt of complaints against business enterprises such business enterprises will be promptly notified by the Office of Consumer Protection of such complaints against them. The public document room containing all signed consumer complaints together with annotations of actions taken by it shall be maintained by the Office for public inspection and copying subject to the following conditions:

First, that the complaining party has not requested confidentiality,

Second, the party complained against has had 60 days to comment on such complaint, such comment to be displayed with the complaint,

Third, upon referral of the complaint to another entity, that such entity has had 60 days in which to notify the Office of Consumer Protection of the action it intends to take with respect to the complaint.

Section 9. This section allows for the dissemination to the public by the Office of Consumer Protection of information, statistics, and other data which may be of interest to consumers. Subsection (b) of this section authorizes and directs Federal agencies to cooperate with the Office of Consumer Protection in making such information available to the public.

Section 10. All Federal agencies which possess testing facilities and staff relating to the performance of consumer protection and services are directed to perform such tests as the Consumer Counsel within his authority under section 6 of this proposed act may request regarding any matter affecting the interests of consumers. The results of such tests may be used or published only in proceedings in which the Office of Consumer Protection is participating or has intervened pursuant to section 6.

Neither a Federal agency engaged in testing products under this proposed act nor the Office of Consumer Protection shall declare one product to be better or a better buy than any other product. Subsection (d) directs the Office of Consumer Protection to periodically review tested products to assure that information disseminated about them conform to the test results.

Section 11. The section on limitations of disclosures serves to protect first privileged or confidential trade secrets and commercial or financial information, and second, information which comes within the exceptions to the Public Information Act. However, subsection (b) allows such information to be disclosed in an adjudication if the judge or other officer presiding finds that the matter is relevant and that disclosure is necessary. Additional safeguards are provided for release of information in instances which do not involve an administrative proceeding or an adjudication.

Section 12–16. These sections provide for procedural fairness, define terms used in the bill, and contain appropriate savings clauses, conforming amendments and the effective date.

MEAT BOYCOTT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. MATHIS) is recognized for 10 minutes.

Mr. MATHIS of Georgia. Mr. Speaker, many misguided and uninformed consumers across the country have embarked on a meat boycott this week, as I am sure every Member of the House is aware. There is no doubt in my mind as to the long-range outcome of this exercise—it will eventually force meat prices higher.

I have just returned from a weekend in my district where I found farmers and livestock producers more inflamed than I have ever known them to be, and with good reason. These producers of our food have been forced for years to eke out a living on low returns from their considerable investment and none are getting fat now off the sale of their livestock for slaughter. These producers are caught in the same squeeze that every other American consumer is caught in—that of inflation and high prices. The cost of their feeds for their livestock has skyrocketed, in some cases, more than doubled, in the past several weeks. The price they receive for their slaughter animals must increase—just to keep pace with their increased costs of production.

Not only do these producers face frustrated, misinformed consumers, they also face an administration that has done nothing to salve their wounds during this period of their own frustration. These farmers are shaking their heads in disbelief and wringing their hands in agony over the decision to impose ceilings on meat sales at the retail and processor level. This will not, Mr. Speaker, freeze the prices the farmer is receiving for his livestock, but will force them down.

You must understand that the supermarkets' cost of doing business is not frozen, and as labor costs and other operating expenses rise, the supermarkets are not going to take less than the profits they are making at this time on fresh meats; therefore, they will simply pay less to the packers. The packers are caught in the same squeeze, and they will be forced to pay less to the producer. There is no freeze, Mr. Speaker, on the production costs of the producer, so he is the fellow who will finally be punished.

I have numbers of farmers and livestock producers at this time who are ready to throw up their hands and walk off the farm simply because they are sick of being the whipping boy for all of America's economic woes. They are sick of an administration that talks out of both sides of its mouth and then kicks them in the teeth. They are sick of agitators who fail to recognize that food costs in this Nation require a far less percentage to total disposable income than in any other nation in the world. And Mr. Speaker, they are especially sick of uniformed officeholders who continue to demagogue high prices for political purposes.

Instead of leading boycotts—I would suggest to some of my colleagues that they should be leading thanksgivings. They should be saying thank you to these farmers who have fed them, and their constituents, for years without their thanks, without their support, and without their understanding.

Mr. Speaker, I wish to use this opportunity to invite as many urban Members of the House as will accept my invitation to come with me to Georgia and see for themselves the plight of the farmer and livestock producer. I will arrange for you to visit as many farmers and producers as you care to see. I will arrange for you to visit their bankers, implement, and equipment dealers, fertilizer dealers, and others who depend on their efforts for their own livelihood.

I will arrange for you to spend a day, or a week, out there with the farmers, sharing his food and lodging and will offer you the opportunity to work side by side with him—from before dawn until well after dark on most days. And if you are interested after you have had an opportunity to learn more about what it is really like down on the farm—I will arrange for you to talk to some farmers who will be willing to sell you their farms, since you seem to think it is a great way to get rich. Because they are getting ready to get off the land anyway, you might be able to find some bargain basement farm prices.

H.R. 100: PENSION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, it is my

privilege to have introduced H.R. 100—Members joined me in cosponsorship—51 Members of the House have introduced similar legislation. This bill amends title 38 to make certain that recipients of veterans' pension and widows' dependency and indemnity compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

To receive a pension, a veteran must either have attained the age of 65 or older or be totally and permanently disabled from nonservice-connected causes. Pensions for those veterans with service in World War I or after are subject to income limitations which are in the neighborhood of the poverty level. A single, disabled veteran cannot receive a pension if his income exceeds $2,600 annually. Further no disabled veteran can receive a pension if his income is in excess of $3,800, regardless of the number of dependents he may have.

The plight of our pensioned veterans has been significantly intensified by increases in the cost of living which we have suffered over the past few years. Our veterans' benefits have hardly kept pace with this increase. Although, we all felt an economic strain due to inflation, the heaviest toll has been felt by those with a fixed income, such as individuals receiving veterans' pensions.

Congress has recognized the need to offset this spiraling cost of living, as the recent social security increase denotes. However, many veterans will not be able to receive the increase planned by Congress, for they are now in a higher income bracket due to that very social security thus resulting in a decrease in their veterans pensions.

In fact, if we do not amend the present law, over 1.2 million pensioners will have a reduction in their VA pension because of their social security increase. Another 20,0000 pensioners will be dropped from the pension rolls entirely, and 15,000 of these veterans will actually suffer a loss in their aggregate income ranging from $38 to $168 annually. This means an average loss of approximately $108 annually to a veteran drawing a pension who is dropped from the rolls.

The reduction in our veterans' pensions is certainly inequitable and creates an undue hardship on a segment of society which certainly can ill-afford it. The increase in social security does not reflect nor result in an increase in purchasing power that exceeds need. In fact, everyone who draws social security and is not poor will receive a substantial increase except the poor veterans receiving pensions. Certainly our veterans and their survivors must have the full measure of the social security increase provided for in Public Law 92–336 without a significant reduction in their pensions.

President Johnson recognized this situation, and tried to provide for it in January of 1967, when he called upon Congress to:

Make certain . . . (social security increases) do not adversely affect the pensions paid to those veterans and dependents who are eligible for both benefits. Accordingly, I propose that the Congress enact the necessary safeguard to assure that no veteran will have his pension reduced as a result of increases in Federal retirement benefits such as social security.

President Johnson's plea was valid in 1967. It is certainly valid in 1973.

A social security increase is, in reality, a myth for those who need both social security and veterans' pension to survive. An increase in social security means a decrease in veterans' pensions for too many.

Something must be done now. Our veterans have already felt the loss of benefits in the February and March pension allotments. This situation must not continue. Only if H.R. 100 is enacted, will this unfair discrimination be avoided.

PRESIDENT'S FAILURE TO EXECUTE THE LAWS OF THE LAND IS HARMING LOCAL COMMUNITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 15 minutes.

Mr. DANIELSON. Mr. Speaker, the U.S. Constitution requires that the President shall take care that the laws of our land be faithfully executed. The people in my congressional district have been expressing their concern to me in record numbers over the President's failure to execute some of our laws whose provisions relate to our domestic policies.

These failures to execute our laws have caused much worry among the elderly, the sick, and the poor. People are worried about the President's plans for increases in medical costs under medicare; deep cuts in manpower training programs; his freeze on new low-cost housing starts; proposed regulations which have been promulgated by the Department of Health, Education, and Welfare; the arbitrary phasing out of the Office of Economic Opportunity; and his holding back or impounding of money which has already been appropriated in bills which the Congress has passed and the President has approved and signed into law—in short, his refusal to execute the laws of the land.

These people have a right to be concerned, as I am concerned, and as are so many of our colleagues.

It is my intention to do everything I can to insure that valuable Federal programs which have proven successful will be continued, and to fight at every turn in behalf of those who need the help the most.

Mr. Speaker, the 29th District of California is greatly affected by these unwise failures to execute the laws of our land. I am attaching a list of some of those programs in my district to illustrate the far-reaching effect of the cutbacks and the broad scope of the programs involved:

1973 FUNDING CONGRESSIONAL DISTRICT No. 29

[1973 Budget Federal]

Office of Economic Opportunity:	
Oriental Service Center (Council of Oriental Organizations)	$13,513
Educational Participation in Communities (EPIC) (California State University at Los Angeles Foundation)	13,113
Legal Services Program (Los Angeles Legal Aid Foundation)	168,120
Community Organization through Consumer Action (East Los Angeles Community Service Organization)	11,332
Neighborhood Adult Participation Program (NAPP, Inc.)	104,091
School Community Resources Involvement Project (Los Angeles County Schools)	164,020
San Gabriel Legal Services Program (San Gabriel Valley Neighborhood Legal Services)	75,500
Young Adult Leadership Project (East Los Angeles Community Service Organization)	48,306
Community Return Project (Volunteers of America)	44,444
School Community Action Project (Los Angeles City Schools)	22,364
Narcotics Prevention Project (Narcotics Prevention Assoc.)	39,256
OEO program total	$704,059
NATIONAL INSTITUTE OF MENTAL HEALTH—NATIONAL INSTITUTE OF ALCOHOLISM AND ALCOHOL ABUSE	
Alcoholism counseling and rehabilitation project (Los Angeles Community Service Organization)	$22,565
NATIONAL COUNCIL ON THE AGING	
Senior community service project	5,118

	Number of classes	1973 budget (Federal)
Department of Health Education, and Welfare and State Department of Education:		
Headstart program:		
Kedren Community Health Center	3	$79,721
Child care and development services	3	77,229
Los Angeles County schools	22	572,644
Los Angeles Urban League	1	26,268
Movimiento Educativo de los Ninos de Aztlan	3	80,407
Foundation for Early Childhood Education	2	52,409
Azteca preschool	6	160,432
Total, Headstart		1,049,110
Department of Labor: Neighborhood Youth Corps: [1] Out of school program		138,124
District 29, grand total		1,918,976

[1] Inschool New York City program not listed.

And, Mr. Speaker, I would also like to point out the impact that some of the recommendations made by the President's budget would have on the Los Angeles city schools. This following report, showing the loss of Federal aid to the Los Angeles city schools alone, is most revealing:

LOS ANGELES
CITY BOARD OF EDUCATION,
Los Angeles, Calif., March 9, 1973.

Hon. GEORGE E. DANIELSON,
House Post Office,
Washington, D.C.

DEAR GEORGE: I am taking this opportunity to express some of the concerns of the Los Angeles City School District with regard to the proposed revisions in federally funded educational programs. The school district staff and I have reviewed the President's budget recommendations and the accompanying presentations pertaining to educational and community development revenue sharing, and although we can see considerable merit to some of the recommendations, we are seriously concerned should the Congress and the President not act in time to prevent

a break in the continuous funding of our present federally funded programs. Any interruption in continuity in the flow of federal funds could result in the loss of much needed assistance to pupils and community personnel in the many educational programs which have been developed by the Los Angeles Unified School District.

To emphasize some of our concerns, the following summary of major programs, including the positions and the amount of funds, is offered:

Program	Positions subject to termination	Funds subject to termination
ESEA Title I	3,274	$29,171,393
EDSEA Title II	9	895,397
NDEA Title III-A		367,800
Adult Basic Education (ABE)	80	849,000
Industry Sponsored Programs (ISP)	37	267,000
MDTA	189	3,000,000
Model Cities	418	4,508,123
Vocational Education Act	126	2,572,264
Work Incentive (WIN)	100	1,180,000
Neighborhood Youth Corps (Regular) [1]	1,315	1,000,000
Neighborhood Youth Corps (Summer) [1]	5,000	2,140,000
Total	10,548	45,950,977

[1] 6,315 NYC Students.

To the above-listed programs could be added a number of programs funded by the Office of Economic Opportunity, New Careers programs, Narcotic prevention programs, etc., whose curtailment or elimination would have serious implications for the Los Angeles community.

The loss or reduction of almost forty-six million dollars of federally funded programs and the resultant employment cutbacks could have serious and far reaching implications for the Los Angeles School District and its future. To fail to call your attention to the gravity of the situation would place me in a situation where I would be remiss in my duty as superintendent.

Sincerely,

WILLIAM J. JOHNSTON,
Superintendent of Schools.

COMMERCIAL BROADCASTING IN THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, the commercial broadcasters of the United States, the licensees of the public airways, are presently involved in an all-out campaign to expand the broadcast license term and to set standards which will make successful challenges all but impossible.

This legislation may effectively end what little public control over broadcast licensees currently exists. Therefore, I commend to the attention of my colleagues the excellent statement made by Joseph A. Beirne, president of the Communications Workers of America, AFL–CIO, before the Subcommittee on Communications and Power of the Committee on Interstate and Foreign Commerce, March 14, 1973.

Included also are the position statements of the Communications Workers of America and the AFL–CIO Executive Council on the recent Whitehead proposal, which Mr. Beirne feels may be inadvertently adopted in changing the license term.

These statements help clarify what is really at stake in the license renewal question.

STATEMENT OF JOSEPH A. BEIRNE

A massive campaign of scare tactics and bogeymen is under way in the Congress, at the instigation of some of the commercial broadcasters.

These broadcasters want to press the Congress into amending Section 307(d) of the Communications Act so as to provide for a 5-year license term and to make challenges to the stewardship of incumbent liecnsees a practical impossibility.

Currently in circulation is an 8-page paper replete with scare words beginning with the first sentence: "The survival of the free broadcasting system is at stake." This paper, headed "Renewal of Broadcast Licenses—a Background Paper," does not show a source. However, CWA has acquired this paper from the National Association of Broadcasters, which produced it according to reliable information given CWA.

This paper, which cannot be called a fact sheet, makes many sweeping statements "buttressed" by arguments telling, for example, that a certain judge's opinion "implies" that a significant number of licenses should be turned over to newcomers at the end of the three-year license period"; or that "a station's ability to function would be destroyed"; or that "the way would be opened for blackmail and extortion."

Broadcasters, this 8-page paper contends, "are not seeking licenses in perpetuity."

Hopefully, no one besides the scribe who wrote that paper believes what is printed thereon.

The present law, in Section 307(d), provides for 3-year license terms which are renewable "if the Commission (FCC) finds that public interest, convenience, and necessity would be served thereby." This section incorporates by reference Section 405, dealing with petitions for rehearing.

Under the broadcasters' proposal, Congress would be taking away much of the Commission's enforcement power. The first proviso of their proposal, which has numerous variations and many co-sponsors to date, mandates the Commission to renew a broadcast license if the broadcaster has made an as yet undefined "good faith effort" to serve the community and "has not demonstrated a callous disregard" for law or FCC regulations, another undefined concept.

The second proviso of the broadcasters' proposal is to weigh against a renewal applicant his callous disregard or failure to show good faith efforts, if any.

It is that first proviso which serves to choke off the actual possibility of renewal challenge, the only competition present in this monopoly situation.

The Whitehead proposal, which in the last 3 months has caused a shock wave throughout the broadcasting industry, seems not too different from the broadcasters' own proposal. The Administration's clear purpose, however, was to divide stations from their networks, in order to stifle the kind of national news and public affairs being made available to the citizens living far from the seat of government.

The broadcasters appear not to understand that the present language of Section 307(d) is sufficiently protective of their rights and financial interests.

Under the list of precedents and guidelines developed by the Commission, the community-serving broadcaster has a tremendous advantage over any challenger. The present 307(d) language *does not* remove a burden of proof from the challenger, no matter what the trade lobbyists and local broadcasters may say to the contrary.

In recent years, only a few broadcast licenses have been revoked—and those for demonstrably poor public service. Notable examples were the licenses of WHDH, Boston, and WLBT, Jackson, Miss.

The broadcasters seem to have a sizeable error in their reasoning. They seem to be equating the possession of a broadcasting station, in other words, an item of property, with a license to use the airwaves, which are a public resource. I hope the Congress will keep clear the distinction between property and a public resource placed in the hands of a kind of fiduciary. This distinction seems to be getting lost in the efforts to stampede the Congress into action.

Members of Congress have told CWA that they have not had any opposition to the broadcast renewal proposal from their Districts; this is without doubt true. However, limited-group special interest legislation seldom generates any recation from the home District, a fact we all know.

In their eagerness to shut off challenges, the broadcasters have failed to recognize the massive threats that are rampant in the Nation against the true meaning of the First Amendment to the Constitution. They neglect to note that the present climate, as expressed in the Whitehead speech of December 18, 1972, is one marked by the intention to bring the press under close Federal control. The trade-off to sweeten the change is the 5-year license.

The broadcasters may decide they must accept the Whitehead proposal. However, because of the new interpretation of renewal guidelines that must necessarily follow an amendment to Section 307(d), the broadcasters might end up with the same kind of restrictions Dr. Whitehead had in mind when he discussed the Nixon Administration's license renewal proposal. I do not believe the broadcasters truly want that, even if they get their 5-year license authority.

I am certain the members of this Subcommittee are aware of Dr. Whitehead's appearance February 20 before Senator Pastore's Subcommittee, and his inability to cite specifics on the "elitist gossip" and "intellectual plugola" and other "sins" of which broadcasters are presumably guilty, in his view.

What I am trying to convey to the Subcommittee is that any amendment to the Communications Act should be undertaken after the lobby pressure has subsided. New language may lead to restrictions. If a broadcaster observes the proprieties of the Fairness Doctrine and offers a wide range of program content, he need not worry about his license renewal. Even if he is challenged, he will be contending with a private party. I cannot stress too strongly my fear that a change in the Communications Act, as contemplated in the array of bills before this Subcommittee, may lead to the White House as the antagonist in renewal cases.

And that is where I differ with the broadcasters. Let me offer my sympathetic comments to the broadcasting industry. The owners need to make profits in order to continue operating, in addition to justifying investment. I would normally believe that a broadcasting station not operating at a profit would have to be sold at a capital loss. However, I have learned that this is not an axiom. I would suggest, for example, that someone look into the Commission's license file on Station WGKA, Atlanta, which several years ago was sold at a sizeable profit despite its having been operated for some time at a deficit.

Only last week, another ominous incident occurred within broadcasting. CBS, bowing to pressure from a large number of its affiliates, withdrew the Joseph Papp production of "Sticks and Stones," which has been termed an anti-war drama. Of course the stations have denied that the White House has generated the pressure against showing the program. And if broadcast stations carry TV programs that are not anti-war, such as "The Green Berets," then there seems to be

an obligation to carry the periodic dramatization that is anti-war. And no one, his position on Vietnam or any other war notwithstanding, should stifle the traffic in ideas. I am grieved that CBS decided against carrying the program; the resulting furor over cancellation of the program has now made the program, "Sticks and Stones," into a genuine cause.

Aside from abridging the Commission's authority to set the kind of standards necessary to ensure that the airwaves are not abused by licensees, and there have been cases of abuse, the 5-year license renewal period would cause a practical problem at the Commission. The FCC personnel reviewing an application for renewal would have a 5-year period of records to examine, adding significantly to the workload. In a longer license period, a pattern of low quality performance (i.e., not meeting community needs) would be averaged in to a level difficult or impossible to attack. And a period of bad performance at the beginning of a 5-year period would mean an inordinately long time before the enforcement sanctions could set in.

The longer license period would also require the broadcast licensees to go to added work, furnishing information on a period of stewardship longer than the present.

Finally, there is the question of "due process," a cherished concept in American tradition. The station licensee now has standards which have been developed over the years that the present language of Section 307(d) has been in effect. He does in fact have the full due process of law as his protection under the present law.

The terms of art such as "good faith efforts" and "callous disregard" must be defined, for the Commission's guidance, if the Communications Act is amended. Otherwise, the Congress may be creating a truly chaotic situation for the broadcasters.

For the use of the Subcommittee, I have provided copies of the recent statement of the CWA Executive Board, "Broadcasting or 'Narrowcasting'," which condemns the Whitehead proposal. We do not see much improvement in the industry proposals, and can envision that the industry could come to regret having pressed for this legislation.

I was among the supporters of the AFL–CIO Executive Council policy statement of February 23, entitled "The Administration's Attack on the Fairness Doctrine." For the Subcommittee's use, I also am providing copies of the AFL–CIO statement. This statement also opposes amending the Act in the fashion requested by the broadcasters.

BROADCASTING—OR "NARROWCASTING"?

The language of George Orwell's "1984" was "Newspeak," by which truth became falsehood and freedom became slavery.

Recent activities of the Executive Office of the President have indicated that the Nixon Administration has made an Orwellian policy decision to continue its attacks on the First Amendment to the Constitution, by attempting to bring the free press under White House control. If the Administration succeeds, it will make broadcasting into "narrowcasting."

The key issue in the "Pentagon Papers" case was that for a 2-week period, the First Amendment was in a state of suspension by a court edict, which was rolled back by a 1-vote margin in the Supreme Court. Regardless of the merits of the Vietnam war, the press should have been free of government interference in the publication of the papers, since genuine national security was not involved.

In November 1969, Vice President Agnew opened the administration attack on the free press, by his criticism of the broadcasting industry. Since that time, he and others speaking for the President have increased the drum-fire of hostility toward broadcasters and other news media.

Late in 1972, the Administration succeeded in its attempt to subjugate the Corporation for Public Broadcasting, which had been established by the Congress in 1967 as an independent entity. The Administration has all but eliminated effective public affairs programing on the public broadcasting network. Its efforts included the "divide and conquer" strategy, which pits the local public stations against the Corporation on fund allocation, program content and other important matters.

In December 1972, Dr. Clay T. Whitehead, Director of the White House Office of Telecommunications Policy, unveiled the latest assault on the free press. In the guise of helping broadcasters by increasing the license period from 3 to 5 years, the White House is also intending to make broadcasters hesitant to present network news and programing by exercising more "local responsibility."

Dr. Whitehead's December 18 speech is replete with high-sounding phrases about ways in which broadcasters can "offer the rich variety, diversity and creativity of America" on television, and how "the truly professional journalist recognizes his responsibility to the institution of a free press."

In connection with a discussion of the "Fairness Doctrine," Dr. Whitehead stated: "For too long we have been interpreting the First Amendment to fit the 1934 Communications Act," calling that interpretation an "inversion of values."

Dr. Whitehead has proposed that Congress enact his bill, which would have as sweeteners the 5-year license renewal and more stringent requirements for citizen groups to challenge license renewals. The dangerous part of the Whitehead proposal is that government takes unto itself power to determine whether the individual station has been programing to meet vague and undefined government standards. The Communications Act, in its 38 years, never has given government the power to intervene in program content. The Whitehead bill would have that practical effect.

The Executive Board of the Communications Workers of America, recognizing the fragile nature of our First Amendment freedoms, hereby condemns the Whitehead proposal and urges the Congress to take no action thereon.

[Statement by the AFL–CIO Executive Council, Feb. 23, 1973]

THE ADMINISTRATION'S ATTACK ON THE FAIRNESS DOCTRINE

In August 1971, this Council adopted a policy statement which urged the Federal Communications Commission to "broaden and liberalize its fairness and related doctrines" and to "undertake effective enforcement programs to make them a reality." We called attention to and deplored the Commission's long record of lethargic enforcement.

The AFL–CIO shares the concern of the general public that private individuals and groups should have a fair opportunity of access to the airwaves to present their views on public issues, and that these airwaves, which are public property, must not be monopolized by the views of licensees and commercial advertisers. The AFL–CIO has, moreover, a special interest in this subject, in that some licensees are given to disseminating anti-union propaganda generally, while others have sometimes sold time to an employer to state its view during a labor dispute while refusing to sell time to the union.

This Council's August 1971 statement was evoked by the FCC's announcement that it was undertaking a "broad-ranging inquiry into the efficacy of the Fairness Doctrine" and other inter-related rules and principles. In the year-and-a-half since then, the Commission has indeed inquired, but thus far it has brought forth not even a mouse.

Instead, the Administration has recently proposed that the Commission's efficacy be further enfeebled and attenuated (1) by lengthening the license period from three years to five; (2) by forbidding the Commission from adopting "any predetermined performance criteria . . . respecting the content of broadcast programming"; and (3) by providing that a license can be taken from an incumbent and granted to a competing applicant only through a two-hearing proceeding, in which the licensee is first found to have failed in its minimum obligations, and then loses to a competing applicant in a comparative hearing. This last proposal is similar to ones which the industry has been advocating and public interest groups opposing for several years.

Curiously, these proposals to give the industry virtually complete freedom from government scrutiny have been put forward by the Administration at the same time that Administration spokesmen have launched a barrage of attacks upon the networks for supposed "ideological bias" against the Administration, and as dispensers of "elitist gossip". Obviously, the legislative proposals do not logically follow from the thesis of the speeches. The reverse is true: if networks and their affiliates have been derelict in their responsibilities, the rational cure is more government oversight, not less.

The answer to this apparent paradox is, we fear, the one suggested by Commissioner Nicholas Johnson. The Administration proposes to give licensees freedom from even the feeble authority the Commission now exercises, but only if the industry shapes up and eliminates the "ideological bias" against the Administration imputed by Administration spokesmen to the networks. In other words, the content of network news and comment must be made more acceptable to the Administration.

We oppose in toto the proposed legislation, or any other that would weaken the Commission's administration of the Fairness Doctrine and related doctrines.

We assert:

1. The Commission should show more vigor in enforcement of the Fairness Doctrine, not less.

2. Station licensees have too much security of tenure, not too little. Only one licensee has ever lost its license for violations of the Fairness Doctrine, and then by the mandate of the courts, not by the choice of the Commission.

3. The networks, by and large, show a greater awareness of their obligations under the Fairness Doctrine, the personal attack rule, etc., than do most local stations. We assert this flatly, even though we have had disagreements with the networks on this subject and are far from satisfied with their performance. But in our experience the worst offenders are not the networks but local stations—and, very often, the more local the worse the performance.

4. The attempt of the Administration, whether by carrot or stick, to induce licensees to an ideological slant more to the Administration's liking is a grave threat to First Amendment freedoms. It should be flatly rejected by the industry and, if the industry is too short-sighted to perceive its own long-range interest, by the Congress.

EXECUTIVE PRIVILEGE—FOR THE CHIEF EXECUTIVE ONLY

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I am today introducing legislation which would

effectively limit the exercise of any so-called executive privilege to the Chief Executive only. The issue of executive privilege has been of great concern to many of us for a long time. We are all aware of the phenomenal growth of executive power at the expense of the legislative branch. We have all been witness, for example, to the use of executive agreements in place of treaties requiring Senate advice and consent. Such growth threatens the fiber of our government conceived as a system of checks and balances.

My statement today discusses two recent instances that the use of executive privilege hindered Congress in acquiring information for carrying out its duties. It lists in tabular form numerous other instances of the use of executive privilege. Second, it discusses the dubious historical foundation for the privilege.

This past January, Secretary of State William P. Rogers invoked executive privilege and refused to testify before the Senate Foreign Relations Committee on Vietnam War Policy. In the same month, prior to assuming their cabinet duties, Elliot L. Richardson and Claude S. Brinegar expressly declined to comment on the war at Senate confirmation hearings—Congressional Quarterly Weekly Reports for January 13, 1973, at pages 53, 60, and January 20, 1973, at page 67.

In April 1972, prior to confirmation of Richard Kleindienst as Attorney General, the Senate sought information of the dealings of the Justice Department with I.T. & T. Executive privilege was invoked to keep Peter Flanigan from testifying. As a confidential adviser to the President, he was allegedly entitled to claim executive privilege. Inconsistently, it was alleged both that Mr. Flanigan dealt solely with Robert McLaren and also that the President had no knowledge of the McLaren-Flanigan discussions. Eventually, a mutual arrangement was agreed upon which limited the questions Members of Congress could ask Mr. Flanigan. Discussed in detail in an article by Arthur Selwyn Miller, "Executive Privilege: Its Dubious Constitutionality," appearing in the daily edition of the CONGRESSIONAL RECORD for October 2, 1972, at page 33066.

Other instances of claims of executive privilege too numerous to discuss are listed below:

CLAIMS OF EXECUTIVE PRIVILEGE

April 27, 1972: Treasury Secretary John Connally refuses to testify before Joint Economic Committee on matter of the Emergency Loan Guarantee Board refusing to supply requested records on the Lockheed loan to the Government Accounting Office. (*Washington Evening Star*, 4/27/72)

March 20, 1972: Frank Shakespeare, Director of the U.S. Information Agency, refuses to supply copies of USIA program planning papers for various countries—invokes executive privilege. (*Washington Evening Star*, 3/21/72)

March 20, 1972: State Department refuses to supply Senate Foreign Relations Committee with a copy of "Negotiations, 1964–1968: The Half-Hearted Search for Peace in Vietnam." (Washington *Post*, 3/20/72)

March 15, 1972: President Nixon invokes executive privilege in the request of the House Foreign Operations and Government Information Subcommittee for country field submissions for Cambodian foreign assistance for the fiscal years 1972 and 1973. (New York *Times*, 3/17/72; Congressional Record, vol. 118, pt. 7, pp. 8694–8695.)

August 31, 1971: The Department of Defense refuses to supply foreign military assistance plans to the Senate Foreign Relations Committee. (New York *Times*, 9/1/71)

June 9, 1971: The Department of Defense refuses to release computerized surveillance records and refuses to agree to a Senate Constitutional Rights Subcommittee report on such records. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, pp. 398–399)

April 19, 1971: The Department of Defense refuses to allow three designated generals to appear before the Senate Constitutional Rights Subcommittee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, p. 402)

April 10, 1971: The Department of Defense refuses to supply continuous monthly reports on military operations in Southeast Asia to the Senate Foreign Relations Committee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, p. 47).

March 2, 1971: Department of Defense General Counsel J. Fred Buzhardt refuses to release an Army investigation report on the 113th Intelligence Group requested by Senate Constitutional Rights Subcommittee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, pp. 402–405)

March 19, 1970: Secretary of Defense Melvin Laird declines invitation to appear before Senate (Foreign Relations) Disarmament Subcommittee. (New York *Times*, 3/19/70)

December 20, 1969: The Department of Defense refuses to supply the "Pentagon Papers" to the Senate Foreign Relations Committee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, pp. 37–38)

August 9, 1969: The State Department refuses to provide defense agreement between U.S. and Thailand to the Senate Foreign Relations Committee. (New York *Times*, 8/9/69)

June 26, 1969: The Department of Defense refuses to supply the five-year plan for military assistance programs to the Senate Foreign Relations Committee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, p. 40)

April 4, 1968: The Department of Defense refuses to supply a copy of the Command Control Study of the Gulf of Tonkin incident to the Senate Foreign Relations Committee. (Committee on the Judiciary, United States Senate, *Executive Privilege: The Withholding of Information by the Executive*, 92nd Congress, First Session, p. 39)

(Research by Harold C. Relyea, Congressional Research Service, excerpts appeared in daily edition of the *Congressional Record*, 6/20/72 at p. 5820).

Turning from the frequency of use of executive privilege to its validity as a doctrine, there is serious doubt that historical precedent justifies a claim of executive privilege. Prof. Raoul Berger, senior fellow in legal history at Harvard Law School, a member of the American Law Institute also serving as past chairman of its administrative law section, appeared before the House Subcommittee on Foreign Operations and Government Information and extensively documented the lack of historical foundation for executive privilege. Advocates of executive privilege claim that it is based on the doctrine of separation of powers. They reason that Congress encroached upon matters entrusted to the executive. Professor Berger discussed precolonial political thought and oft-cited examples of the use of executive privilege in Washington's administration. He concluded that neither supports the claim that the doctrine of executive privilege is founded on the separation of powers. Professor Berger also discussed the few cases which have considered the problem of executive privilege and concluded that none of them limited the power of Congress to inquire into executive conduct. He proposed these solutions:

(1) a statute authorizing a suit on behalf of Congress against a member of the executive branch.

(2) a permanent attorney who could screen congressional committee application for potential lawsuits.

(3) resort to the Congressional contempt power.

Professor Berger concluded:

Until Congress faces up to the fact that the swelling tide of executive privilege claims can be stemmed only by decisive Congressional action, executive claims will continue to clog Congressional performance of vital functions." (CONGRESSIONAL RECORD, vol. 118, pt. 15, p. 19061.)

The recent pronouncement by President Nixon that "executive privilege" extends not only to current members of the White House staff but to former members as well should serve as an even greater impetus to the Congress to clarify and define what this privilege may be.

The "Nixon Doctrine of Executive Privilege" evolved out of the Senate Judiciary Committee's confirmation hearings on the nomination of L. Patrick Gray to be Director of the Federal Bureau of Investigation. Those hearings disclosed that information concerning the FBI's investigation of the Watergate incident was made available to the President's counsel, Mr. John Dean, in the White House. This unusual procedent appears to have put the chief law enforcement agency, the FBI, squarely in the political arena. Evidence further suggests that the FBI had knowledge of White House staff involvement in the Watergate case and turned that information over to Mr. Dean. At the same time, the White House steadfastly denied any involvement.

Now the President, in connection with the Gray hearings, has refused to allow Mr. Dean to appear before the Senate Judiciary Committee, claiming not only executive privilege but also the attorney-client privilege.

At question is the Congress' ability to perform its constitutional duties. In this case, the Senate is charged with the responsibility of confirming Presidential nominations. If the Senate is to carry out that constitutional power and responsibility, clearly it must have the benefit of all available information. If such information includes the testimony of White House officials, then that testimony should be forthcoming.

I strongly support and defend the fundamental constitutional principle of the separation of powers. I question its

application in the issue of executive privilege however, or even the existence of such a thing as executive privilege, except as it applies directly to the President himself.

The Congress should have access to all information on matters which fall within its jurisdiction. The executive branch has argued that complete access would hinder its discharge of its constitutional responsibilities. I find it difficult to follow this line of reasoning, and cannot understand what information would, if furnished to the Congress, hinder the Executive in this manner.

The bill I am introducing today is simple and straightforward. It amends the Freedom of Information Act and requires that administrative agencies and Executive Office staff members either furnish information or appear before congressional committees when requested by Congress on "matters within its [Congress'] jurisdiction."

Tomorrow the Foreign Operations and Government Information Subcommittee of the House Government Operations Committee begins hearings on the subject of so-called executive privilege, under the very able leadership of Congressman BILL MOORHEAD. I commend Chairman MOORHEAD for scheduling those hearings and share his hope that a "rational and intelligent" solution can be found to the problem.

I submit to the House, that if there is to be "executive privilege" let it extend only to the Chief Executive.

Mr. Speaker, the text of my proposal follows:

H.R. 6438

A bill to amend the Freedom of Information Act to require that all information be made available to Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552 of title 5 of the United States Code (the Freedom of Information Act) is amended by adding at the end thereof the following:

"(d)(1) Whenever either House of Congress, any committee thereof (to the extent of matter within its jurisdiction), or the Comptroller General of the United States, requests an agency to make available information within its possession or under its control, the head of such agency shall make the information available as soon as practicable but not later than thirty days from the date of the request.

"(2) Whenever either House of Congress or any committee thereof (to the extent of matter within its jurisdiction) requests the presence of an officer or employee of an agency for testimony regarding matters within the agency's possession or under its control, the officer or employee shall appear and shall supply all information requested.

"(3) 'agency', as used in this subsection means a department, agency, instrumentality, or other authority of the Government of the United States (other than the Congress or Courts of the United States), including any establishment within the Executive Office of the President."

TOWARD MORE RATIONAL SUPREME COURT DECISIONS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am introducing a resolution proposing an amendment to the Constitution which, if ratified by the States, would require the concurrence of a 2-to-1 majority of all Supreme Court Justices present and sitting in order for the Supreme Court to render an opinion or decision in any case.

As you know, current practice by the Supreme Court requires only a simple majority of those present to render a decision. With nine Justices on the Bench, only five are presently necessary for a decision.

History has recorded several 5 to 4 decisions handed down by the Supreme Court which have significantly changed our understanding of the meaning of State laws, Federal laws and the Constitution itself by virtue of the single vote of one Justice. Such a narrow margin should be insufficient to overrule the prior precedent of established law. Five-four decisions cast grave doubts in the mind of the public and the mind of our legal community as to whether or not a specific decision should be adhered to or compiled with until a clearer statement from the Court indicates permanent application of the decision. Instead of resolving disputes, the present scheme encourages future litigation.

Too often the rule of stare decisis has been circumvented by the Court. Stare decisis is that Latin maxim which means "to abide by, or adhere to, decided cases." Even when a large minority of the Court disagrees, stare decisis may be abandoned and precedent may be overruled with little difficulty.

In dealing with constitutional questions, it is most important that the Court primarily exercise its function of applying the law and avoid "judicial legislation." As Mr. Justice Sutherland said in *West Coast Hotel Co.* v. *Parrish,* 300 U.S. 379, at 404:

> The judicial function is that of interpretation; it does not include the power of amendment under the guise of interpretation. To miss the point of difference between the two is to miss all that the phrase "supreme law of the land" stands for and to convert what was intended as inescapable and enduring mandates into mere moral reflections.

Requiring a larger majority of the Court for opinion would greatly enhance the image and the prestige of decisions handed down by the Supreme Court and, thus, the Court itself.

Mr. Speaker, I urge the support of my colleagues on this much needed legislation.

FREEDOM OF CHOICE ON SCHOOLS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I offer a joint resolution proposing an amendment to the Constitution concerning a fundamental principle cherished by all truly free people—freedom of choice and, specifically, the freedom to select the school which one chooses to attend.

The proposed amendment reads:

> The right of any citizen to be assigned to the public school of his parent's or guardian's choice if a minor, or to the public school of his choice if an adult, shall not be denied or abridged by the United States either directly or by means of a condition to the receipt of Federal financial assistance.

The language is simple and the proposition it enunciates would seem to be self-evident and an inherent attribute of life in a country which prides itself on individual freedom and was founded on the principle of the inalienable rights of all citizens to life, liberty, and the pursuit of happiness.

Nevertheless, the increasingly zealous efforts of the Federal courts to impose artificial racial balances on the Nation's school systems by means of massive and disruptive busing orders, wholesale consolidation of school districts, and enforcement orders which may lead to fund cut-offs, have necessitated the proposed amendment to the Constitution to restore fundamental freedoms which are steadily being eroded. Only recently, February 16, 1973, for instance, a Federal district court judge here in the District of Columbia issued a sweeping order to the Department of Health, Education, and Welfare to take certain enforcement actions against schools and school districts, including higher educational institutions, elementary and secondary schools and vocational schools, which were found to be in violation of requirements of title VI of the 1964 Civil Rights Act and court ordered desegregation plans. The enforcement proceedings ordered by the court could result in the withholding of Federal aid to schools and school districts—aid which is essential to the continued vitality of many of the institutions. The constitutional amendment I propose would make such denial or abridgement of educational opportunity by means of the Damoclean sword of Federal fund cut-off illegal and insure that the right of citizens to attend the school of their choice will not be compromised or conditional.

Cries of racism from professional trouble makers may greet the introduction of a constitutional amendment such as this. However, the cause of freedom for all is advanced, not diluted, by this proposal and the underlying principle of the Supreme Court's decision in Brown against Board of Education—that students cannot be assigned to schools on the basis of race or color—is fulfilled, not defeated, by this amendment. The rationale of Brown has been tortured by the courts which, in their quest for artificial racial balances, have imposed the very racial assignments condemned by the Court nearly 20 years ago. Furthermore, the very underpinnings of the constitutional doctrines which have evolved regarding desegregation—the social science data so eagerly embraced by the Court in Brown and its progeny—have recently been seriously, if not fatally, undermined by studies which demonstrate that racial desegregation does not affect the student's eventual educational attainment.

The route of amending the constitution is a serious one but one which I believe is necessary if we are to be liberated from the tyranny perpetrated by judicial fiat in the name of constitu-

tional rights. As stated recently by Senator ERVIN, a foremost expert in constitutional law:

The adoption of a constitutional amendment is now a prerequisite for restoring freedom to America's schoolchildren and for eliminating judicial tyranny with respect to our public schools.

Mr. Speaker, only by the means of amending the fundamental law of the land, the Constitution, will we be able to readjust the balance so badly skewed in recent years. By this amendment we are not changing the Constitution, but reaffirming its fundamental principles of freedom for all citizens of the United States.

SOVIET TRADE: AT WHAT COST?

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, opponents of granting MFN treatment to the Soviet Union have based their arguments, for the most part, on the question of allowing Soviet Jews to emigrate without having to pay a discriminatory tax to do so. As a cosponsor of the Vanik bill in the House, I feel strongly that this question must be resolved as a precondition to the discussion of this issue by the Congress.

I was interested, however, in an article which appeared in the Exodus, a newspaper of the Union of Councils for Soviet Jews, which appeared in the February 1973 issue, raising the question of whether or not expanded trade with the Soviet Union is in our best interests under any circumstances, considering the monetary and nonmonetary costs involved.

Cited, for example, was James Reston's column which expressed concern that continued and expanded trade with the U.S.S.R. for such things as energy sources controlled by the Soviets would create an unhealthy dependency, which risks the possibility—in the event of a military emergency—that these products could be cut off. According to Reston, trade dependency of this type could present a real security problem for the United States.

Also mentioned, was the definitive study of Soviet trade by Dr. Anthony Sutton, of Stanford University, which has shown that in the past 10 years of trading with the Soviet Union, products made in the United States have turned up in Soviet-made tanks and trucks found in Vietnam and on the Israeli borders. Dr. Sutton's conclusion:

If a decade of such trade (it began in the early 60's) did not produce peace, why multiply the problem.

Historically—when you consider lend-lease—the Soviet Union has proven to be a poor credit risk. To make matters even worse, products that are now being purchased by the U.S.S.R. are being financed by the already overburdened American taxpayer. And what is often overlooked when we talk about our balance-of-payments deficit is that in recent years the largest part of the deficit is not in the actual trade balance itself, but in foreign capital investment.

Mr. Speaker, as food for thought, I ask that the article mentioned in the Exodus for February 1973 follow my remarks at this point.

SOVIET TRADE: AT WHAT COST?

(By Harold B. Light)

Last month I dealt with the phenomenal support built up in Congress to withhold trade concessions to the Soviet Union, unless the USSR grants free emigration and rescinds the ransom tax to Soviet citizens. At this writing over 170 Congressmen have co-sponsored the Vanik Bill. On the surface it would appear that all this effort results from sympathy for the Soviet Jews, but is this entirely true? With only two Jewish Senators, and a sprinkling of Jewish Congressmen, it is obvious that many legislators are seriously opposed to many phases of the Soviet Trade agreements simply because of the inherent disadvantages to broad American interests.

This might be the right time to bring up the question, "What's so good about trading with the Soviet Union?" James Reston wrote recently in the New York Times describing the hundreds of American businessmen visiting the USSR discussing trade exchanging patents and technological methods. They are contracting to build truck plants and chemical plants. The U.S. Occidental Petroleum Corporation has signed a $10 billion deal to develop drilling rights for natural gas and oil, and to build a massive pipeline for the Russians which they cannot build themselves. Reston wonders about "the wisdom of depending upon energy sources controlled by the Soviets, risking the possibility that these sources could be cut off in any military emergency." He asks, "Are the short range interests of commercial deals by the USA compatible with the long range interests of security? Now that the election is over, these commercial deals are being made piecemeal, without references to the strategic problems involved."

Dr. Anthony Sutton's 10-year study of Soviet Trade, conducted at Stanford University, names U.S. companies and products presently being used in Soviet military tanks and trucks appearing in Vietnam and on the Israeli borders. He concludes that "If a decade of such trade (it began in the early 60's) did not produce peace, why multiply the problem?"

Bob Considine has termed the Soviet War Debt terms an insult, showing how the original $11 billion lend lease debt to the U.S. was gradually "negotiated" down to $722 million by Henry Kissinger and President Nixon after 17 years of no payment, and with 30 more years to pay at an unspecified rate. Inflation alone would wipe out that debt, meaning no more repayment at all.

On July 8, 1972, President Nixon granted the USSR $500 million credit to buy U.S. wheat. The lurid details of the wheat deal have revealed that the profits of hundreds of millions of dollars to the insiders will be borne by the American public in increased costs and subsidies. So why is trade so good? SALT talks and Nuclear Disarmament? Yes, but why should the U.S. give the Soviet Union all its computer technology, production know-how, data processing equipment (they are at least 8 years behind us in those fields; see New York Times, October 11, 1972), when they have nothing that we want to buy. Certainly, no American manufacturer will build them a factory and no American bank will finance it, without U.S. Government insurance for the debt; that means the American taxpayer could wind up paying the bill. Historically, the Soviets are a poor credit risk.

At this writing, we are beginning to see important articles written to indicate that the American public should not allow a concern for Soviet Jews to interfere with its "own best interests." Hopefully, the support now built up in the Congress will not run out of momentum by the time Congress gets caught up in its flood of new bills this session. This may very well depend upon a steady stream of letters and telegrams to every Congressman and Senator to support the Vanik Bill (formerly HR 17131) and the Jackson Amendment (S. 2620), on East-West Trade and the Soviet Education Tax.

Perhaps the only positive aspect of the infamous ransom tax is that the Kremlin handed us a valuable weapon to mount an antitrade bill campaign. Otherwise, we could assume that Congress might have already granted these trade concessions. The Vanik and Jackson legislation has given us more time to fight the battle.

If we can delay, or possibly even deny the Soviet Union that which they want most, the Kremlin will know that their treatment of our Jewish brethren has cost them dearly. On many occasions I have told high Soviet officials that eventually they will let our people go. Further, that this will happen when the price is so high that they cannot afford to keep them. It is up to every one of us to keep raising that price. Then, and only then, they will let our people go!

GREAT LAKES FLOODING

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, as a result of a request from our distinguished colleague, Representative CHARLES A. VANIK, the Inter-American Affairs Subcommittee on Friday, March 23, and Monday, March 26, conducted oversight hearings on U.S. participation in the International Joint Commission, United States and Canada—IJC. The issue of primary concern in the hearings was the present and continuing danger of serious flooding along the Great Lakes. The IJC has important responsibilities under the 1909 Boundary Waters Treaty with Canada, which affects lake levels.

In view of information developed at the hearings and the need for urgent action to provide relief, however small, the Subcommittee on Interamerican Affairs sent the following letter to the Secretary of State which I know many of my colleagues will find of interest:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 27, 1973.

Hon. WILLIAM P. ROGERS,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: In view of the current danger of flooding in the Great Lakes area, the Inter-American Affairs Subcommittee urgently requests the Department of State to immediately negotiate an agreement with Canada to seek a report from the International Joint Commission, to be completed within five days, on the advisability of temporarily increasing the diversion of waters of Lakes Michigan-Huron through the Chicago diversion canal.

The subcommittee also requests that urgent attention be given to the legal question of whether the IJC, its U.S. section, or any other U.S. federal agency can seek modification of a U.S. Supreme Court decree now restricting diversions through the Chicago canal.

Positive findings as to the advisability of any additional diversion and the legal status of the federal government would indicate a

need for immediate federal legal action to seek modification of the present U.S. Supreme Court decree to allow diversion required to alleviate flooding conditions threatening large areas of the United States.

Sincerely,

PETER H. B. FRELINGHUYSEN,
CHARLES W. WHALEN, Jr.,
MICHAEL HARRINGTON,
ABRAHAM KAZEN, Jr.,
DANTE B. FASCELL,
BENJAMIN S. ROSENTHAL,
H. R. GROSS,
ROY A. TAYLOR,
ROBERT H. STEELE.

JAMES P. GRANT: WHERE NEXT WITH DEVELOPMENT ASSISTANCE?

(Mr. FRASER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, James P. Grant, president of the Overseas Development Council—ODC—notes that the organization he heads "was established in 1969 to increase American understanding of the problems facing the development countries and the importance of these countries to the United States."

The ODC has now published a survey of the major problems facing the United States in its relations with the developing countries. "The United States and on the general theme. There is an over-the Developing World: Agenda for Action" includes a series of useful chapters view essay by Robert E. Hunter who directed the project. I am familiar with and have long admired Bob Hunter's work. Theodore M. Hesburgh, Chairman of the ODC Board wrote the introduction.

I was especially interested in Jim Grant's contribution to the book. He has wrestled with the question, "Where Next With Development Assistance?" The resulting essay is a provocative one, one that I commend to the attention of my colleagues.

In his foreword to the new book, Jim Grant promises similar follow-on publications if "Agenda for Action" proves helpful to Americans. Based upon my reading of this first agenda project, I suspect Grant, Hunter, and the ODC will be busy for the foreseeable future. "Agenda for Action" fills a very real need: Chapter 5 of the book follows:

CHAPTER V: WHERE NEXT WITH DEVELOPMENT ASSISTANCE?

(By James P. Grant)

President Nixon's successful visits to Peking and Moscow last year marked not only the ending of the cold war era but also of the associated era of foreign aid, in which the justification for large-scale economic cooperation with the low-income countries was largely based on the existence of the global confrontation. As discussed in other chapters, however, continued American progress in a growing number of areas is increasingly dependent on the attitudes of, and developments in, the countries of Asia, Africa, and Latin America—at a time when their needs extend far beyond just the continuation of economic growth. There is an opportunity to be found in the coincidence of certain trends: the shift away from the cold war, the improving economic situation in the United States, and emerging public consciousness of our growing interdependence with other nations—including many in the developing world. This opportunity sets the stage for a major new assessment in 1973 and 1974 of American interest in the low-income countries and the best means of working with them.

As this chapter will argue, however, the United States should take certain actions without waiting for the outcome of this review. First, it should maintain its multilateral and bilateral economic assistance at a level at least sufficient to encourage the still growing development assistance of Western Europe and Japan. Second, the United States should initiate and play a leading part in a multilateral effort for Indochina's economic rehabilitation after the fighting stops. Finally, as a first response to changing needs, it should separate development cooperation from security assistance, while improving subtantially the coordination of the many efforts which affect U.S. economic cooperation with the poor countries.

Since President Truman began the Marshall Plan for Europe in 1948 and the Point IV technical assistance program for the developing world in 1949, foreign economic aid has been a principal symbol of U.S. concern for global problems. In recent years, developing countries have achieved unprecedented progress in increasing industrial and agricultural output. And since 1960, there have been massive increases in Western European and Japanese development aid, the combined total of which is now about $4.5 billion annually. Nevertheless, it is now obvious that U.S. policies must be thought through again. As the American rationale for development cooperation has weakened and become uncertain, U.S. economic assistance of all types has dropped to approximately $3.5 billion a year, including economic aid to Vietnam and credit sales of agricultural surpluses under the Food for Peace program. The United States has now slipped to twelfth among the sixteen industrialized member nations of the Development Assistance Committee (DAC) of the OECD in terms of the proportion of its gross national product (GNP) devoted to development assistance. And the United States is well on its way toward the distinction of last place.

The importance of official development assistance (ODA) from the DAC countries can be seen from the fact that it now totals approximately $8 billion of a total resource flow of some $80 billion annually to developing countries. A slightly larger amount comes from activities such as direct investment, export credits, and private voluntary aid, while nearly 80 per cent of the resource flow is financed by the foreign earnings of poor countries through the sale of goods and services.

In part, the reason for the decline in U.S. official development assistance lies in the increasingly meager support for the program in Congress as the cold war has waned, domestic problems have become more pressing, and the program has been caught in the controversy between Congress and the Executive Branch over Vietnam. Even continuation of the present, already shrunken bilateral program has been in doubt. In recent years, the bilateral aid program has frequently come close to being killed; twice it has been voted down temporarily in the Senate. Currently, foreign aid is in existence only on the basis of a continuing resolution; no appropriation bill has been passed for this fiscal year (FY 1973) for either the bilateral or the multilateral program. Regardless of what happens to appropriations for this fiscal year, new authorizations for FY 1974, beginning July 1, 1973, must be enacted if the bilateral development assistance programs are to be continued. Thus, having rejected the major recommendations of the Peterson Task Force on foreign assistance,[1] Congress must act one way or the other on development assistance legislation in 1973.

MAJOR ISSUES FOR DECISION

There are several major issues to be faced in any reappraisal of the U.S. role in development assistance for the rest of this decade.

1. *Why bother with development assistance?* Most urgent is the need to establish whether or not large-scale development assistance has a major role in the new era that lies ahead. This requires a three-step analysis to show 1) whether we have a stake in the development of the poor countries and in securing their cooperation on issues of concern to us; 2) if so, whether development assistance will help significantly, by meeting some poor-country developmental needs; and 3) if the first two questions are answered in the affirmative, what kinds of development assistance are important in helping to meet those developing-country needs?

The first of these questions is hardest to answer. Having justified development cooperation largely in cold war and humanitarian terms, most Americans have not thought through—to the same extent as have the Europeans and the Japanese—the other purposes which it might serve. There is now a need to examine ways in which development assistance may be important to the new needs of the United States as it increasingly becomes a "have not" nation in terms of raw materials, and as the continued improvement of its well-being becomes ever more dependent on the cooperation of developing countries in such matters as monetary policy, markets to provide U.S. trade surpluses, environmental protection, narcotics control, and hijacking.[2] Thus far, moreover, we have paid little attention to such questions as whether our development assistance policies have been instrumental in the increase of U.S. exports to developing countries by some $5 billion annually over the past ten years, or in the provision of a badly needed $2 billion U.S. trade surplus in 1971. As a consequence, virtually no consideration has been given to determining whether this surplus, or this growing market for U.S. exports, might disappear if the United States does not reverse its present declining participation in development assistance.

2. *How successful have the poor countries been?* There is also a need to examine the ways in which development assistance can make the greatest contribution to development. Of necessity, doing this will require some assessment of developing country progress.

During the 1960s, the developing countries on average achieved a 5.5 per cent increase in GNP—a rate of growth unequalled by the rich countries at a comparable stage of their development. A number of developing countries have experienced very substantial economic growth, attaining GNP growth rates of 10 per cent or even higher. Some low-income agricultural societies have been transformed into industrializing economies in amazingly short periods, and others may well follow suit. Except for petroleum, the growth of trade in primary products has been far from dramatic, but exports of manufactured goods have shown dynamism; for the developing countries as a whole, they have been increasing rapidly and now account for 23 per cent of total world exports. Yet many developing countries' unemployment levels are still increasing, some even exceeding those of our own Great Depression;[3] the income gap between the poorest half of the population and those well-off is actually widening, and urban settlements are mushrooming because of rural migration. In many areas these problems become less

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manageable every day because population growth continues unrestrained. Finally, if the debt burden that has built up in a number of major developing countries continues to accumulate, it will become insupportable. This situation has led some people to throw up their hands in despair, others to argue that aid is only "making the rich richer," and still others to state that development is aggravating global environmental and population problems.

These are real issues which must be met in seeking to answer the question: "Where next with development assistance?" Fortunately, experience in a number of poor countries during the past ten years offers some encouraging evidence that an effective combination of domestic as well as international policies can create new jobs, increase social services, reduce income disparities, and check population growth.[4] The possibility is best illustrated in East Asia, by countries with very different political and economic systems: namely, China and North Korea on one side of the ideological barrier, and South Korea, Taiwan, and the city-states of Hong Kong and Singapore on the other. Contrary to a common assumption of the 1960s, the development record of these countries indicates that policies that enhance social equity need not deter overall economic growth—and can even speed it up. Elsewhere, countries as different as Israel, Cuba, Ceylon, and Yugoslavia have dealt effectively with some of the problems discussed here.

It is no accident that most of the non-Socialist development "successes" have taken place in societies with broad access to a combination of trade, investment, and aid. Nor is it an accident that the major innovations introduced through development cooperation have resulted primarily from U.S. assistance programs—private and public—which explicitly concentrated on particular functional areas. These innovations include the "green revolution," the extraordinary spread of public health measures, and the acceptance of the need for large-scale family planning programs and their subsequent introduction. If the rich countries had also met their assistance targets for the 1960s and had opened their markets more to the products of the poor countries, the record of success in the developing countries might have been even better.

3. Should the goal of development assistance be limited to advancing development? Many observers argue that development assistance should be regarded as a tool for securing cooperation on issues not directly linked to economic or social development, such as winning important U.N. votes, increasing American exports, advancing U.S. private investment, and compelling political reforms by repressive regimes. Other observers argue, with considerable merit, that the objective of development assistance should be that of development alone—a process which is both vastly complex and of great long-range importance for the orderly evolution of a peaceful and cooperative world. The latter group argues that explicit use of development assistance to achieve non-developmental objectives jeopardizes our important interest in development progress in virtually all countries, and that successful cooperation in development progress improves the climate for attaining these other U.S. objectives. The proponents of this view point out that development aid usually is an ineffective means of direct leverage for securing U.S. political goals.

Some categories of aid should indeed be used in the first instance solely to advance development progress, so as to ensure the most effective approach possible to the difficult problems that need to be overcome. These categories include support for multilateral institutions and provision of bilateral technical and material assistance specifically for cooperative efforts on such developmental programs as family planning and rural development. However, there are other types of aid which also come within the OECD definition of official development assistance, but which may be used to advance several—sometimes conflicting—objectives, of which development is only one, as in the case of the provision of economic security aid for Vietnam, where the survival of the Saigon Government took precedence over development objectives.

We need to define more clearly for ourselves the rules for each type of assistance, so that attempting to use aid to advance a short-term interest does not frustrate advancement of other more important U.S. policy objectives. Thus, one can reasonably argue that policy differences with India over the Bangladesh war should not have led the U.S. Government to jeopardize its major policy interest in a successful Indian development effort—although this has been the consequence of the continuing suspension of American aid to India even after the war was over. The United States has an important interest in the continued developmental progress of the world's largest and most poverty-stricken democracy. Similarly, our valid interest in increasing American exports should not prevent the use of development assistance funds to purchase farm machinery available from Taiwan or Japan if these are far more appropriate for use on labor-intensive small farms in India.

In addition to the beneficial results of accelerated development, many other benefits can flow from the favorable atmosphere engendered by effective cooperation in development—an atmosphere which cannot be created if explicit conditions are imposed on development aid for other purposes.

4. What is the primary role of bilateral aid in development cooperation? Development assistance now needs to be reexamined in terms of two quite different but complementary functions. First is the transfer of financial resources to enable low-income countries to acquire needed equipment, raw materials, and on-the-shelf technology from other countries. United States economic assistance of all types, and particularly bilateral development aid, has become a steadily smaller portion of the transfer of resources between rich and poor countries. This is partly due to the increases in aid from other countries and the decline of U.S. aid, but, as mentioned earlier, it is primarily due to the rapidly increasing earnings of the low-income countries from the sale of their goods and services.

But this resource transfer on highly concessional terms continues to have vital importance for the very low-income countries, such as those of South Asia and sub-Saharan Africa, which comprise nearly a billion people. There is also a second function for which development aid is as important as ever: namely, as a means for countries to work together on difficult problems requiring new approaches and ideas as much as financial resources. Thus there is a need for cooperative effort in thinking through and experimenting with new approaches that will 1) create more productive jobs; 2) provide the poorest people in developing countries with at least minimal levels of health and educational services; and 3) lead to rural development and help slow population growth and migration from the countryside to the cities.

In large part, the low-income countries have mastered the art of increasing economic output but, for a variety of reasons mentioned earlier, the benefits of this growth have generally not reached the bottom half of their people. Bilateral development assistance should be increasingly applied to helping developing countries cope with the now more sharply perceived and worsening structural and poverty problems which prevent the benefits of economic growth from reaching the poor.

5. How much development assistance should there be? Pending the outcome of the overall review proposed here, appropriations for development assistance need to remain at least at current levels to avoid placing the global cooperative effort in even greater jeopardy because of a continuing decline in the U.S. effort. Any increase required for Indochina might reasonably come from the sizable savings from reduced security assistance now that the Vietnam War is over. Some overall increase in U.S. development assistance in 1973 and 1974 would have the benefit of encouraging the other developed countries to continue to increase their development assistance allocations, as most have been doing in recent years.

For the longer run, consideration still needs to be given to the U.N. Development Decade target of 1 per cent of GNP for resource transfers through development assistance and private foreign investment—a goal that so far has been largely ignored by the United States, although a number of other developed countries hve already attained it, or will do by mid-decade. The target was made more precise by the United Nations in 1971, when the General Assembly specified that a minimum proportion of this 1 per cent of GNP—0.7 per cent—should be in the form of official development assistance (as distinguished from private investment and export credits on hard terms). Even the 0.7 per cent figure is a crude target at best. It can include all sorts of aid on concessional terms that is explicitly authorized for purposes such as disposing of agricultural surpluses and providing economic assistance to embattled regimes.

Proponents of the 0.7 per cent target claim, with some merit, that a multinational effort to aid developing countries requires a common yardstick for measuring that effort. Members of the United Nations have accepted these targets, although some, including the United States, have not committed themselves to its achievement by any specific date; these targets should be retained until there is agreement on a reasonable alternative. It should also be noted that the goal was originally suggested by the United States itself in the early 1960s.

By contrast, critics of the targets question the political feasibility of a goal which even today would require a doubling of U.S. foreign economic assistance. Moreover, other items in the U.S. budget have to meet strict test of need—that is, can the money be put to wise use? The 1 per cent and the 0.7 per cent targets are certainly valid measures of ability to supply aid, but not of ability to use it well. Thus they are often an object of Congressional criticism.

In this debate, however, it is important for us to recall the basic issue of the U.S. stake in working with the poor countries. The 0.7 per cent target has been accepted by the international community, and it has become a touchstone of broader political relations among countries. Furthermore, there is also a major misconception in the United States about foreign assistance. In fact, most such assistance is not "aid" in the form of "grants," but actually comes back to the United States in loan repayments and benefits the United States by increasing demand for U.S. goods.

The latter reverse flow of economic assistance is particularly important. In fact, the United States now has an excellent opportunity to meet two objectives at the same time; to increase its contribution to development, and thus come closer to the 0.7 per cent target; and to increase its exports to developing countries at the same time. Indeed, the Export-Import Bank could—as is already done at present by the Department

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of Agriculture with regard to the foreign sale of agricultural products—usefully make "soft" loans for the explicit purpose of financing U.S. exports to those countries with very low per capita incomes, for example, under $150. These poorest developing countries, with a total population of about 1 billion, badly need goods for development. Those which account for the great majority of the one billion do actually have good long-term development prospects, but are not at present able to service a high volume of credit on the Bank's regular terms. These easier terms would be compatible with the delayed repayment capacity of the less developed countries and could be as soft as, say, 3 per cent, with 30 years for repayment, and 8 years' grace on interest payments. Since there is idle productive capacity in a number of sectors in the United States and since increased production reduces domestic social costs such as unemployment compensation, the budgetary cost to the United States of such an increased flow of export credits could be very small indeed, and the real economic cost might be nearly zero.

In the final analysis, the question of "How much aid?" is not separable either from the issue of the U.S. stake in cooperating with the developing countries or from other issues affecting resource flows, such as issues of trade and monetary policy. As discussed earlier, these other flows—far more than aid appropriations—determine the volume of resources transferred to the developing countries. Thus if the markets of developed countries were to be opened up, the developing countries could earn billions of dollars more annually in the form of exports by the late 1970s (see Chapter II). However, even if resource transfers were greatly increased under the trade and monetary systems, this would not meet the need of the developing countries for help in such fields as population, health, and education. But if these methods of increasing resource transfers were to become operative, then the requirements for bilateral development assistance programs might be far less than the U.N. target figures.

6. *What is a better way to organize the global community for development cooperation?* This discussion leads to consideration of the need for far more sophisticated ways of assessing the progress of the poor countries, of determining their development wants and needs, and of allocating resource burdens among the rich. Further thought needs to be given to the respective roles of the World Bank and the United Nations bodies, such as the Economic and Social Council and the United Nations Development Programme. At present the Bank has taken over global leadership in the development field—because of the default of other agencies, the size of the Bank's staff and resources, and the dynamism of its President. But it lacks universality because of the non-representation of most "socialist" countries, and suffers from the under-representation of developing countries as well as some developed countries, notably Japan, in its management. It also suffers from growing uncertainty about the degree of support for a continued rapid expansion of its soft loans.

There is the strong possibility that a continued weakening of U.S. support for both the World Bank and the U.N. development agencies, as well as for bilateral aid to Africa and much of Asia, could lead to the weakening of global machinery and to the enhancement of regional blocs—in which Western Europe would have strong investment, trade, and aid links with Africa, Japan with East Asia, and the United States with Latin America. The resulting economic domination might be disadvantageous not only for world trade, but also for the political relations between the developed and developing countries when the latter see themselves in a dependent relationship with the former.

7. *What balance should there be between multilateral and bilateral assistance?* There is a broad but far from universal consensus in the United States that developed countries should provide more of their development assistance through multilateral banking institutions, such as the World Bank and the Inter-American Development Bank and through international agencies such as the United Nations Development Programme. Currently multilateral channels account for about one fifth of development assistance.

However, there is a real debate about the desirable extent and speed of this shift. For example, the fact that bilateral aid programs serve so many interests of individual developed countries makes it highly unlikely that they will be phased out completely. Thus the European countries and Japan have been reluctant to shift too rapidly from bilateral to multilateral assistance because of the special commercial and foreign policy interests served by their bilateral programs—such as France's interest in French-speaking Africa. The United States has these special interests, too, exemplified by its agricultural surplus disposal programs and by its development assistance to Turkey, which is tied to helping farmers shift out of poppy cultivation. For these reasons of special interests alone, therefore, bilateral assistance will be continued for many years to come.

Furthermore, in the interest of advancing development progress, it is also important to remember that the U.S. bilateral development assistance program can tap U.S. professional and academic talents better than can the international agencies. For all its many limitations, the American bilateral program has demonstrated greater administrative flexibility and ability to solve major problems than multilateral and international agencies have done so far.

However, because of the real benefits of both a truly cooperative effort and of a lower U.S. profile in the sensitive business of helping a developing country with change and progress, there is much to be said for supporting as rapid a development and expansion of the multilateral institutions as they are able to handle effectively, and without their becoming, in effect, U.S. "fronts" because of a predominance in funding by the United States.

This last point is an important one. After all, shifting U.S. aid to multilateral institutions too rapidly relative to increases in funding by other contributors, would raise the percentage of U.S. funding. Such a change would increase substantially the danger that both the U.S. Administration and Congress would insist that the multilateral institutions adhere to U.S. policy positions and operate in conformity with standards set for U.S. Government departments—both of which demands, if acceded to, could cripple these institutions.

Therefore, the principal limitation on expanding funds for the International Development Association (IDA)—the "soft" loan window of the World Bank—is the willingness of all member governments to increase their funding proportionately. For the next IDA replenishment period, beginning in fiscal year 1975, the United States should be prepared to support another doubling of funds, to an annual level of $1.6 billion. The U.S. funding share might go down slightly below its traditional 40 per cent to reflect primarily Japan's greater share of the total output of the Western industrial nations. However, it bears remembering that the United States still produces more than 40 per cent of this total, and U.S. per capita income is still double the average for the other developed countries. There is certainly a need in the developing world for this aid, and its expansion would increase the already high capacity of the World Bank to perform a leadership and administrative role which increases the efficiency of the entire development effort. Both the Inter-American Development Bank and the Asian Development Bank—the latter of which has yet to receive its first U.S. soft-loan appropriation of $100 million to cover a three-year period—should also be candidates for expanded support.

By contrast, most of the U.N. technical assistance programs should have their funding increased at a slower rate for the immediate future. This conclusion follows from the study prepared by Sir Robert Jackson for the United Nations in 1969. His report describes some of the limitations of these programs after their recent rapid expansion, including the slowness with which decisions are made to start projects, and the delays in execution. Many of these problems still remain today.

Yet even if the maximum feasible support is provided to multilateral institutions, by 1975 their needs for U.S. funds will still total less than one third of the American disbursements needed to maintain U.S. aid at its present low state—a mere 0.31 per cent of GNP, slated to drop even lower under funding commitments already made. Thus, if the United States desired to support a major development effort, it would have to channel this effort mainly through bilateral programs for years to come. It is worth taking the time in the next two years, therefore, to devise a U.S. bileral economic aid program adequate for the major needs of the 1970s.

8. *What is the best way to organize for the reconstruction of Indochina?* The ending of the war in the Indochina countries will bring with it the need for a major reconstruction effort. President Nixon has specifically mentioned a $7.5 billion reconstruction fund for North Vietnam, South Vietnam, Cambodia, and Laos. Whether this was envisioned as the total for all contributions, or merely the U.S. share of an international effort, the U.S. share clearly will be large. There will be many difficulties. Will there be substantial low-level violence in any of these countries? Will traditionally hostile countries work with one another? Will Japan and other developed countries play a major role in reconstruction?

These questions highlight the problem of finding the best way to work on reconstruction with the countries of Indochina. There are several principal alternatives. One would be to create a special United Nations entity, as was done successfully in 1971 in the case of Bangladesh relief, to administer the assistance program for each of the Indochina countries.

A second approach would be to provide aid through country consortia—a proven and effective technique which has been used in such countries as India, Pakistan, Turkey, and Indonesia. In this arrangement, the World Bank chairs and staffs the India consortium, which on behalf of its members carries out the major dialogue with India on policy issues. The World Bank also provides the mechanism for reaching agreement on the common guidelines under which the individual countries and the World Bank provide their assistance. The OECD performs the same function for the Turkey consortium. In general, the consortium approach combines the benefits of multilateral policy development and negotiation with the implementation benefits of bilateral aid.

A third approach would be to provide assistance under some form of relationship to a United Nations-sponsored regional organization created by the affected countries, such as a new Mekong Commission or a broadened and strengthened Mekong Committee, which would serve a role somewhat analogous to that of the Organization for European Economic Co-operation (OEEC) in Europe for the Marshall Plan. All aid could be provided under its auspices, with bilateral aid from the United States and other countries provided to individual countries through consortia authorized and operating

under guidelines established by the regional structure. There could be different groupings of donors for each country. Thus, the Asian Development Bank might serve in the managerial role for the South Vietnam consortium, the World Bank for the Cambodia consortium, and a single country—such as Russia, China, or Japan—for the North Vietnam consortium. And there might be a sizable special fund for major Mekong River projects benefiting two or more countries directly under the supervision of the regional mechanism, and administered for it by either the World Bank or the Asian Development Bank.

There may now be an opportunity to use the large amount of funds likely to be available not only to reconstruct individual countries, but also to help create and strengthen structures for increasing cooperation by countries of the region, just as the OEEC provided the initial nucleus out of which the Common Market later developed. The regional mechanism might be built around all the countries with a stake in the Mekong River Basin—namely, North and South Vietnam, Laos, Cambodia, and Thailand. While no part of North Vietnam is in the Mekong River Basin, in the past it has been deeply involved economically with the countries of the Basin; North Vietnam could also be a major user of hydroelectric power produced on the Mekong.

The administrative device which is chosen should reflect some estimate of the course of events in Indochina. Thus, if the Indochina settlement is primarily a cease-fire to permit U.S. disengagement, and if the United States wishes to remain as far removed as possible from further involvement in Indochina, U.N. administration of the entire program would offer the major advantage that the United States would not be directly involved. Unfortunately, it is reasonable to expect from past experience that a U.N. agency would be strong in terms of providing relief but relatively weak as a mechanism for long-term reconstruction and development.

Alternatively, if a genuine compromise settlement is reached, and if it is important to implement the reconstruction effort quickly and effectively in order to provide all the parties with a stake in continued peace, then there will be a strong case not only for using the consortium technique, but also for administering the assistance and managerial consortia under the broad umbrella of the U.N.-sponsored, regionally created mechanism described earlier. Reliance solely on the consortium technique could lead to the tragic result of a massive assistance effort, which was successful in individual countries, but which left them at each others' throats, as in the past. If the OEEC type of role is too ambitious for a group of countries which have recently finished warring against each other, an alternative would be an enhanced Mekong Committee, having the major special fund described above and charged, formally or informally, with undertaking an active role in regional planning, exchange of information about country development plans, and the plans and performance of individual country consortia.

Combining the regional and consortium approaches into one of the various forms has the merit of increased self-help through regional cooperation. It would also have the merit of the Mekong label; U.N. sponsorship; burden-sharing with the U.S.S.R. and China (as well as Western Europe and Japan); participation of the World Bank and the Asian Development Bank; and a non-ideological, peaceful forum of cooperation for development which might eventually flower into a permanent regional framework for the five countries of the Mekong Basin area.

But such a mechanism cannot be created instantly, particularly since some time may be required for all local hostilities to end and for passions to subside. To meet immediate needs during the first year, existing U.S. bilateral programs for Vietnam, Cambodia, and Laos probably will need to be continued and a Bangladesh-type U.N. agency created to meet urgent relief and rehabilitation. However, some form of increased regional cooperation will be needed before the first year is out. It will be required not only for the future harmony and progress of the region, but also for generating and sustaining substantial amounts of assistance from countries which may otherwise be inclined to downgrade Indochina aid all too soon before the needed level of reconstruction and development has been achieved.

9. *What short-term and long-term changes are needed in our legislative and managerial structure for development cooperation?* The legislative and managerial structure of the U.S. bilateral economic aid program needs to be reviewed to determine whether it is appropriate to the needs of the new era that lies ahead. However, as stated at the outset, certain obvious steps can be taken now without prejudice to the conclusions of any overall review.

First, with the passing of the cold war era, security assistance should be separated from development assistance, both in legislation and in management (see Chapter VI). This separation is needed not only to help regain support for development aid among many people in the church, academic, and youth communities, but also to avoid the public confusion which stems from endless newspaper stories which subsume the two quite distinct forms of assistance under the single term "foreign aid." Corruption and other misuses of aid are for the most part by-products of security aid, but the resulting press stories tar economic development aid as well. Managerially, no part of security assistance should continue to be the primary responsibility of the development agency.

Second, in view of the growing need for an overall development policy, the principal administrator of development assistance (now the Administrator of the U.S. Agency for International Development) should have a major role in formulating all U.S. programs which bear in important ways on development cooperation. There is much to be said for shifting the supervision of U.S. participation in U.N. assistance programs such as UNDP from the Bureau of Internal Organization Affairs in the State Department to AID itself. The AID Administrator should also have a far greater say in U.S. relations with the multilateral development institutions such as the World Bank. Today, relations with these development institutions are virtually a Treasury preserve. The AID Administrator should also sit on the International Economic Policy Council in the White House, which is the coordinating point for all U.S. economic policy affecting developing as well as developed countries. In general, there is a need for a single U.S. spokesman for development, as there was during the Marshall Plan era. This also means that AID itself should pay more attention to major U.S. Government actions, outside AID's current perspective, which affect development. This change will require changes in the composition of its staff.

Third, there should be another two-year authorization for development assistance at a level at least sufficient to encourage the still growing development assistance of Western Europe and Japan. The Congress in 1973 and 1974 should then join with the Executive Branch in studying the future of development assistance. Legislative action could then follow in the relative calm of the new Congress in 1975, with, hopefully, strong leadership from the Executive Branch and particularly from the President. This strong executive leadership is indispensable if Congress is to vote appropriations for development assistance that are both sizable and unencumbered by special provisions that restrict the quality and value of aid.

A major issue to be resolved by 1974 is the way in which the United States should organize its bilateral development assistance program. Should it follow the prescriptions of the Peterson Report and divide further the administration of the program among several agencies? Or should it, as many observers urge, integrate the several existing parts of the program relating primarily to development cooperation (such as the Overseas Private Investment Corporation, the Peace Corps, the Inter-American Foundation, and AID), while separating itself from primary responsibility for administering security assistance, programs for the disposal of agricultural surpluses, and export credits—which do not have development cooperation as their primary purpose? Such an approach would gather about one third to one half of present U.S. official development assistance funds—or about $1.5 billion (not including funding for Indochina reconstruction)—into one administative entity which would be able to focus exclusively on *development* and related reconstruction and humanitarian assistance. The scale of its funding could be reduced by several hundred million dollars if a separate, major, and "soft" export credit capability were established for the poorest developing countries. If such an integrated agency were created, there would be a series of subordinate questions: What operating methods should the bilateral development assistance program follow? For example, should it have more employees on a contract basis and fewer on a direct-hire basis? Should the program be more aggressive or more deferential to the development policy decisions of recipient countries? Should it concentrate on a few fields of activity, such as rural development, family planning, health, and education—as opposed to a broader approach? Should special arrangements be made to give it maximum efficiency in advancing development goals—such as continuity of funding, untying of commodity purchases, and flexibility in determining when to use grants instead of loans?

These are all serious and difficult questions. But only by posing them, and finding answers, can the United States expect to shape a bilateral economic aid program that will be adequate for the next few years, that will avoid many of the problems of the past, and that will again make U.S. leadership possible in this area.

CONCLUSIONS

U.S. development aid funds are grudgingly appropriated by the Congress. At best, they comprise but a small fraction of the external resources available to poor countries. Securing them takes a toll on the President's relations with Congress and—in some instances—on U.S. bilateral relations with poor countries. Is it worth a major effort to set U.S. development assistance programs on a sounder footing? Certainly, if they are to be continued, they should be improved, and the alternative—the unilateral killing of U.S. development assistance—is far too unattractive to be a real alternative at all.

In sum, the case for continuing U.S. development aid rests on four simple propositions:

1. The United States should want the poor countries to succeed, for self-interest as well as humanitarian reasons;

2. Development aid, although small, can help poor countries in ways that other resources cannot do as well;

3. Development assistance costs the United States relatively little, whether the cost is measured in terms of the balance of payments, the U.S. budget, or real resource costs;

4. Providing development assistance gains at least two important windfall benefits for the United States: first, development aid

helps make possible the export surplus which the United States enjoys with the poor countries, and which at present we want in order to maintain high employment in our economy; second, it helps promote an acceptable image for the United States in the world. For whatever it is worth—and many Americans believe this is important even apart from any considerations of increasing interdependence—the opinion other people have of the richest nation on earth would plummet if we did not carry our share of the development assistance programs for the developing world.

FOOTNOTES

[1] *U.S. Foreign Assistance in the 1970's: A New Approach*, Report to the President from the Task Force on International Development (Washington, D.C.: Government Printing Office, March 1970).

[2] See Lester R. Brown, *The Interdependence of Nations*, Development Paper No. 11 (Washington, D.C.: Overseas Development Council, October 1972), reprinted with permission from *Headline Series 212*, October 1972.

[3] See Robert d'A. Shaw, *Jobs and Agricultural Development*, Monograph No. 3 (Washington, D.C.: Overseas Development Council, October 1970).

[4] See Robert E. Hunter, James P. Grant, and William Rich, *A New Development Strategy? Greater Equity, Faster Growth, and Smaller Families*, Development Paper No. 11 (Washington, D.C.: Overseas Development Council, October 1972).

[5] *A Study of the Capacity of the United Nations Development System*, U.N. Publication Sales No. E.70.1.10, 1970.

INTRODUCTION OF LEAD AND ZINC ACT

(Mr. DUNCAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DUNCAN. Mr. Speaker, joined by 16 other Members of the House, I am introducing a bill which would encourage stability in the American lead and zinc industries and which would encourage increased investment in lead and zinc production facilities in this country.

This bill, the Lead and Zinc Act, is almost identical to a bill which was introduced last August by Mr. ASPINALL and a number of cosponsors. Before I explain the main provisions of the bill, I would like to touch briefly on the problems of our lead and zinc industries.

In introducing a bill to suspend for 2 years the duty on zinc contained in ores and concentrates, Representative ULLMAN has noted the difficulties of the American zinc smelting industry. I simply would add that this industry has undergone a 45-percent loss of capacity in several years' time, and that our zinc mining industry, which is losing the processing outlets for its product, produced less ore and concentrates last year than in any year since 1961.

This country has large, good quality lead ore reserves. Domestic lead mine production has increased, but the increase probably would have been greater had investment conditions been better, especially for lead smelting. Healthy mining and healthy smelting industries go hand in hand, and during the last 3 years two out of eight U.S. lead smelters have shut down.

Because of the closure of U.S. lead smelters, U.S. lead mines, in order to keep going, have exported ores and concentrates. At the same time the United States has been importing higher priced lead metal, about 250,000 tons last year. This, of course, is damaging to our balance of payments.

Lead imports now account for about 25 percent of U.S. consumption. Zinc imports account for about 45 percent of consumption. Last year imports of lead and zinc ores, concentrates and metal added over $300 million to our balance-of-payments deficit. During the past 15 years the United States has spent almost $3 billion on such imports, and over the next 15 years an estimated $7 billion will be spent unless corrective action is taken.

While the United States closes facilities and increases its imports, other countries are expanding production, especially of zinc metal. For example, 15 zinc smelters and refineries are scheduled to be expanded or constructed in Canada, Europe, Japan, and less developed countries. Only one very modest zinc smelter expansion has been announced for the United States.

The smelters which have been closed in the United States were older installations confronting, in many instances, environmental problems, although the closures have been hastened by new construction abroad. Our foreign competitors have also closed older installations, but they have been able to replace their facilities and, in effect, many of ours too.

Mr. Speaker, the American lead and zinc markets are the largest national markets in the world, our reserves are larger than those found in the countries of Western Europe and Japan, and our mines are better located than many foreign mines. Why is it, then, that foreign producers are able to undertake new investments when American producers are unable to do so?

A principal reason is that foreign governments encourage their minerals and metals producers through various forms of assistance, including substantial subsidies, tax holidays, and important contributions to exploration costs.

Most of the lead and zinc smelters and refineries which are being constructed in Western Europe, Japan, and Canada are benefiting from government grants or subsidized loans. In Ireland, where important mine expansions are occurring, the government extends to mine operators a 15-year tax holiday from corporate and income taxes. In the United Kingdom the government has announced a large-scale program to subsidize industry and a $120-million program to help meet exploration costs. In still other countries States-owned companies produce lead and zinc at low levels of profitability or perhaps at a loss.

Mr. Speaker, the bill which I am introducing today would help to offset the advantages which foreign lead and zinc producers enjoy as the result of the policies of their governments. It would create fairer conditions for trade in these commodities, and it would allow American producers to compete with foreign producers on a more equitable basis.

The Lead and Zinc Act would amend the tariff schedules of the United States to provide for rates of duty higher than present rates after certain quantitative levels of imports have been reached in a calendar quarter. It would put no absolute limitations on the importation of the lead and zinc materials and articles specified in the act, and it makes no reference to individual exporting countries.

The quantitative levels proposed in this bill are moderate. They bear reasonable relation to current import requirements of metals and of ores needed by our industries to supplement current levels of domestic mine and smelter production.

Consequently, the higher rates of duty would apply only at points where, without their imposition, U.S. production could be displaced by imports in excess of real need. The bill recognizes the unfortunate need for increased imports of zinc metal by raising the quantitative level on zinc metal imports by almost 40 percent over the limitation in the bill introduced last year.

In addition the Lead and Zinc Act would require the quantitative levels on lead and zinc metal imports to be adjusted every 2 years to reflect changes in consumption. Foreign producers, therefore, would share in any increase in consumption in the U.S. market.

The Lead and Zinc Act would not run counter to the zinc ore duty suspension bill introduced by Representative ULLMAN. It would not do so because it provides that imports of zinc contained in ores and concentrates ordinarily shall be entered free of duty up to a quantitative level of 120,000 tons per calendar quarter. Beyond that level the present rate of duty would be reimposed, but I should note that the quantitative level is well above our current import needs for zinc ores and concentrates.

Mr. Speaker, current developments in our lead and zinc industries damage our balance of payments, jeopardizes our national security, and are costing us job opportunities. The bill which I am introducing today would encourage increased investment in American lead and zinc production facilities. It would be, I believe, fully in accord with the Mining and Minerals Policy Act of 1970—Public Law 91-631—which calls for economically sound and stable domestic mining and metals industries and the orderly and economic development of domestic mineral resources.

Mr. Speaker, I hope that many Members of the House will find the bill worthwhile and will give it their support.

HOSPITAL ACCREDITATION PROBLEMS: CONTINUED

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, in the CONGRESSIONAL RECORD of March 7th, I included material in connection with my several bills providing for a reorganization of the hospital accreditation system of this country. I made particular use of some remarks made by Mr. Kenneth Williamson, who is now the Washington consultant for the American Protestant

Hospital Association. Mr. Williamson has furnished me with a statement of concern by that organization relating to the many problems which face all hospitals across the country, and I bring that statement to your attention today. I am sure our colleagues will find the statement of more than casual interest.

The statement follows:

AMERICAN PROTESTANT HOSPITAL ASSOCIATION—STATEMENT OF CONCERN

Conflict of interest is now being associated directly with a hospital's responsibility to the public. The church affiliated hospital is expected to have an absolutely "pure" record on that score and further, the Protestant church hospital is expected by the public to accept this as a Christian ethic by which they will live.

It is now anticipated that the federal government will begin to take a very hard look at present practices within hospitals. It behooves us all to study immediately all relationships existing in our institutions so as to make sure that they do not in fact permit a conflict of interest to exist. Our measure of possible conflict must be how every relationship would appear to the public and not simply that of a legal justification.

There are at least four primary levels of possible conflict to be considered:

The Board of Trustees (Governing Body); the Administration, the Medical Staff, and the Department Heads.

The pattern and tone of all relationships must be established by the Board of Trustees and in all areas of the Board's activity, the broad question is whether the Trustee's position on the Board is used by him so as to result in profit to him or his company through the purchase of any service or product by the hospital.

At the very least, there should be a full record of open bidding, but in certain circumstances, even this may not be sufficient.

The areas in question may include finances and investments, construction, insurance, laundry, housekeeping, supplies, foods, light and heat, et cetera. The Board may have to consider the very difficult question of members of the medical staff practicing in the hospital, serving on the Board and the obvious conflict of interest that can result.

Any practice by the hospital of providing Free or Part Pay hospital care to Board members, Medical Staff members, the Clergy and their families is seen by the public as constituting a conflict of interest and an unfair practice if the cost of such unpaid service is in any way made up by the paying patients.

The role and interest of the Medical Staff needs to be appraised in light of any possible conflict of interest. The growing patterns of physicians being related to the hospital under various contractural arrangements should be looked at very carefully. This will be especially true where it appears that the hospital contracts with individuals so as to result in substantial profits to such persons.

The rules governing the activities of the Administrator (chief executive officer) should be set by the Board and seen in light of the rules the Board sets for itself. If the Board condones conflict of interest in its own practices, it may well find expression in other relationships in the institutions.

Part time service from an administrator who is employed on a full time salaried basis may be an example of a conflict of interest. If the Board sanctions the administrator supplementing his income by working for others during the regular work week, such earnings should be equated to the remuneration paid him by the hospital. It should further be determined whether such outside activities necessitates the hospital employing additional administrative support with a resultant greater cost to patients.

Any practice of the administrator or other employee selling services or products to the hospital or serving on the boards of organizations which do so should be looked at very carefully as a possible conflict of interest.

The administrator is responsible for judging the activities of department heads. Their full time salaried employment and acceptance of part time service for the hospital so as to permit them to do outside work for pay should be looked at in light of a conflict of interest. Serving as private consultants to other institutions in the area of their particular specialty is an example of questionable practice. The rules guiding such matters should be set forth in any employment agreement agreed to at time of employment.

Every Protestant Church related institution is urged to establish a formal means for a thorough appraisal of all their practices so that if any need for change is found, it is undertaken now.

Approved by the Board of Trustees February 4, 1973.

TELEVISION VIOLENCE

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, for much too long I have shared with other Members of this body and the general public an extreme concern for the amount of violence being thrust upon television viewers. This concern extends to all viewers, but is most acute when thought of in terms of the numbers of children each day who are being exposed to muggings, shoot-outs, and other heinous crimes while innocently sitting in their living rooms. It is estimated that a normal American child is exposed to nearly a million and a quarter of such televised crimes during his childhood and adolescent years. Furthermore, a recent Surgeon General's committee report, released a year ago, has concluded that there exists a "causal link" between violence on television and violence in society.

And yet I am much disturbed to report that in the face of acute concern and mounting scientific verification, there has been no substantial action by the FCC regarding this ongoing problem. I have introduced a joint resolution this session which would direct the FCC to investigate the effects of the display of violence in television programs. There is no doubt that such an investigation would be greatly aided by a universally accepted data base showing the amounts of violence being aired by each individual station across the Nation.

It has come to my attention that there is now pending before the FCC a petition for rulemaking which would require just such a list of violent episodes shown on entertainment programs during a representative week. The list would be incorporated as part of the regular broadcast station requirements for license renewal. Such logs of violent incidents would then be available, not only to the FCC, but also to Members of Congress, social scientists, and any concerned public citizen. The petition was prepared and submitted by a group of George Washington University Law students organized as VIOLENT—viewers intent on listing violent episodes on nationwide television—under the direction of Prof. John Banzhaf III. The FCC is presently accepting letters of comment regarding the petition, and I would like to include it in the RECORD at this time in order that concerned citizens may read it:

[Before the Federal Communications Commission, Washington, D.C. 20554]

IN THE MATTER OF: REVISION OF FORMS 301 AND 303 OF RENEWAL APPLICATION TO REQUIRE A VIOLENCE LISTING SYSTEM SUBMITTED BY THE LICENSEE

To: The Commission.

PETITION FOR RULEMAKING

Precis

Television, America's most important means of mass communication, must share in the responsibility for the current soaring crime rates. Television has made murder seem like child's play; shoot-outs and slugfests are presented as everyday occurrences in modern life.

The adverse effect of televised violence was definitively documented last year for the first time by the report of the Surgeon General's Committee on Televised Violence. The report explicitly stated that televised violence can cause mimicking and imitation in real life among viewers, particularly children. Just as children learn the alphabet from *Sesame Street*, they can learn the violent facts of real life from programs like *Mannix* or *Adam-12*.

Now that it is known that there is a causal link between televised violence and violence in society, a system is needed for the public to learn just how much violence is being broadcast by television stations. In this petition, a self-administered violence listing system is presented for the Commission's consideration. Under the system, stations will be required to list the violent episodes broadcast during the Commission's composite week. The findings of the listing system will then be available to the public.

The proposal steers clear of the censorship prohibitions of Section 326 of the Federal Communications Act. All that is asked for is information. Approval of the proposal should not be seen as a step towards banning all violence on television or limiting it. Rather, the proposal should be seen as a way for the public to learn more about what is being broadcast. Hopefully, armed with that knowledge, everyone will be able to do something about the causes of violence in our society.

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Introduction

Pursuant to 5 U.S.C. S553, the statutory authority, and 47 C.F.R. section 1, 40 (a) the Commission authority, VIOLENT (Viewers Intent On Listing Violent Episodes on Nationwide Television), a group of students from George Washington Law School, as members of the general public, respectfully request that the Commission expand its requirements regarding application for and renewal of television broadcast licenses to include a listing system of all violent episodes aired by each station in the course of entertainment programming during the composite week. VIOLENT is convinced that such a rule would be well within the Commission's power to act in the public interest under S303 (i), (g), (j) of the Communication Act of 1934 and would not be a violation of Section 326 of the Act.

The problem

There now exists a large, long standing, and growing sector of the public concerned over the effects of television violence on the behavior of viewers. For well over a decade, numerous committees and Congressional inquiries have pointed accusing fingers in the direction of televised violence. As early as 1960 and 1964, Senator Thomas Dodd's (D. Conn.) Senate Subcommittee on Juvenile Delinquency conducted hearings on the relationship of television violence to juvenile delinquency. In 1968, the National Commission on the Causes and Prevention of Violence chaired by Milton Eisenhower, suggested that there is "a strong probability that a high incidence of violence in entertainment programs is contributing to undesirable attitudes and even to violence in society." [1]

In 1969, further attention was focused on television in hearings held by Senator John Pastore's Communications Subcommittee. As a result of these hearings, the Surgeon General was instructed to appoint a committee of distinguished men and women from whatever professions and disciplines he deemed appropriate to conduct a study to establish the effects, if any, of televised violence on children.

After nearly three years of study and of continued violence on television, the Surgeon General released his report in January, 1972. The report consisted of five volumes of studies plus one summary volume of conclusions. The Surgeon General's Committee reached two basic but incontrovertable conclusions:

First, violence depicted on television can immediately or shortly thereafter induce mimicking or copying by children. Second, under certain circumstances, television violence can instigate an increase in aggressive acts.[2]

The work of the Surgeon General's Committee centered on both short-run causation studies of aggression among some children and field studies demonstrating that extensive viewing of violence precedes some long-term manifestation of aggressive behavior. In an overview of most recent research on the relationship between children's viewing and their aggressive behavior, Robert M. Liebert in *Television and Social Learning* (Vol. 2 of the Report) states that the following assumptions can be made from the accumulated data:

1. It has been shown convincingly that children are exposed to a substantial amount of violent content on television, and that they can remember and learn from such exposure.

2. Correlational studies have discussed a regular association between aggressive television viewing and a variety of measures of aggression employing impressively broad samples in terms of range of economic background and geographic and family characteristics.

3. Experimental studies preponderantly support the hypothesis that there is a directional, causal link between exposure to television violence and an observer's subsequent behavior.[3]

Additional studies contained in the second volume of the report, *Television and Social Learning,* expand on these conclusions. One study by professors Stein and Friedrich found that the effects of televised violence upon children is subject to certain cultural and sociological factors. Children from lower socio-economic classes with a narrow range of experience respond more to all types of television than do children who have a wider range of experience.[4]

Research done on pre-school children by Harold Stevenson yielded the following results. A child can learn a variety of unique aggressive responses by observing adult aggression. After the initial learning occurs, the degree of response increases with prolonged observation. These effects are not short-term but endure for at least six months past the testing period. Finally, Stevenson concludes that children appear to learn more from observing violence that they are normally willing to display under ordinary circumstances.[5]

Aggression does not appear to be the only response to observation of violent television, although this has been the focus of most testing. An aggressive response is a threat to the individual himself as well as to society. A few studies, however, have explored the adverse effects of televised violence upon children who do not exhibit a highly aggressive response. Scientists have found that televised violence may cause aggression anxiety with a decline in aggressive behavior in some children and adults.[6]

It must be emphasized that most of these studies do not only explore the effects of violence on television. Television has also been studied as an instrument for good. Research shows that children exposed to prosocial programs (i.e. *Misterogers Neighborhood* and *Sesame Street*) showed greater levels of positive behavior than those children exposed to any other type of programming.[7]

The summary volume of the Surgeon General's Committee Report concluded:

Thus, the two sets of findings converse in three respects; a preliminary and tentative indication of causal relation between viewing violence on television and aggressive behavior; an indication that any such causal relation operates only on some children, who are predisposed to be aggressive; and an indication that it operates only in some environmental contexts.[8]

The Report's findings were presented in hearings before Senator Pastore's Subcommittee in March, 1972. During the hearings, the Surgeon General, Dr. Jesse Steinfeld, unequivocally stated regarding the report:

The data on social phenomena such as television and violence and/or aggressive behavior will never be clear enough for all social scientists to agree on the formulation of a succinct statement of causality. But, there comes a time when the data are sufficient to justify action. That time has come.[9]

When asked for specific recommendations as to the course of action to be taken, the Surgeon General suggested the use of a rating system for violence.[10] Senator Pastore endorsed the Surgeon General's proposal and

Footnotes at end of article.

stated, "What has been accomplished will be lost if we do not proceed *expeditiously* and effectively." [11] (emphasis added)

At the same Senate Subcommittee Hearings, Congressman John Murphy (D. New York) commented on the validity of the evidence presented in the Surgeon General's study by saying:

Based on my discussions with the experts in this field, I feel that an objective reading of the scientific evidence will force us to the conclusion that T.V. fare as presently constituted is harmful to our children.[12]

As a possible solution to the harm, a member of the Surgeon General's Committee, Dr. Ithiel de Sola Pool of the Massachusetts Institute of Technology, endorsed the idea of some type of on-going auditing of television violence at the hearings. Dr. de Sola Pool stated, "I would like to associate myself with a suggestion . . . for a continuous monitoring of the amount of violence on television." [13]

Among the representatives of the broadcasting industry to testify in the hearing was Mr. Julian Goodman, President of the National Broadcasting Company. In response to questioning from Senator Pastore, Mr. Goodman stated, "Of course, we agree with you that the time for action has come. And, of course, we are willing to co-operate in any way together with the rest of the industry." [14]

There are others concerned about the level of television violence. In a joint review of the Surgeon General's report, former White House aide, Douglas Cater, and author, Stephen Strickland, write:

In their (program producers) incessant quest for program material, there is a compulsion to supply enough 'action' to keep the TV sets turned on. Violence, it would seem, serves as a punctuation and way of bridling the pause for commercials.[15]

In September of 1972, a presidentially appointed group of advertising executives recommended that advertisers, advertising agencies and broadcasters help reduce violence in programming and advertising. The group, an advertising and promotion subcommittee of the National Business Council for Consumer Affairs, in a report entitled "Violence and the Media," said:

To the extent that depiction of violence in media may contribute to the encouragement of violence, those of us who bear any responsibility for media presentation must be concerned.[16]

What do average Americans think about violence on television and in society? Over 23,000 viewers recently responded to a *Parade Magazine* survey on television violence.[17] The overwhelming response to the survey demonstrates public concern over the violent content of present programming. Such concern is justified and understandable. A look at portions of the Washington area television programming schedule will illustrate this point. On weekday mornings and early afternoons, quiz shows and soap operas dominate the air waves, but by 4:00 the viewing audience is considerably younger. Therefore "action" (i.e. violent) programs take over. On WTOP Channel 9 at 4:00 P.M. children are greeted with the cops and robbers classic of *Dragnet*. On the same channel at 4:30 *Wild, Wild West*, a James Bond-type western, is shown. This program is so violent that it induced the Foundation to Improve Television to attempt to persuade the Commission to revoke the station's license for showing it.

In addition to a regular line-up of violent serials, the Washington area child is exposed to movies replete with violence. On January 6, 1973 at 12:00 noon, a time generally conceded to be prime children's time, WDCA Channel 20 presented a movie called "The Giant Leeches." The basic plot of this movie consisted of showing 20 foot long leeches graphically sucking the blood from a series of human victims.

Are these isolated examples? Unfortunately we have no way of knowing, since there is no nationwide inventory of the amount of violence shown by each individual station.

On the other hand, with regard to violence in real life, figures do exist and these crime figures have been rising steadily in recent years. Such figures stand alongside recent Gallup Poll findings that violence has become a chief concern of the American public. [18] Furthermore, many crimes show a remarkable resemblance to television crimes. On January 4, 1973 this point was driven home to 236 passengers aboard a TWA flight from Madrid to New York. An anonymous caller told airline officials in Madrid that he had placed a pressure bomb on the plane which would detonate on descending to a level of 3,200 ft. Fortunately the plane was directed to high altitude Rapid City, South Dakota where it landed safely. No bomb was found. It was just a sick extortionist's plot. This crime has never been committed as described until the showing of the television program, "The Doomsday Flight" in 1966. The plot of that program, a pressure bomb on a passenger jet, has been copied three times since it was first shown. One of these incidents occurred in Australia, less than a month after the program was first broadcast there. When asked about the most recent attempt at mimicking "The Doomsday Flight," its author, Rod Serling, told reporters, "Yes I wrote the story, but to my undying regret." [19]

Once again there are those who will say that these are isolated examples. The simple truth is that we have no idea how much neighborhood crime is caused by local T.V. because we have no idea how much violent programming exists on each station. The public has a right to such necessary information. Additional time should not be wasted in giving it to them.

Senator Howard Cannon (D. Nev.) summed up many citizens' outrage over the continued saturation of television with violence when he said in the Senate Subcommittee hearings:

So we need to do something affirmatively and specifically and do it now. Not wait until three years from now for the completion of another study. I think this subject has been pretty well studied to death.[20]

The lack of immediate action

Despite the beliefs of the Surgeon General, members of Congress, scientists, and a large sector of the public that the time has come to ascertain the amount of violence on television, no substantial or affirmative action has been taken since the rhetoric of March 1972. Commission Chairman Burch assured Senator Pastore at that time that extensive hearings would be held to inform the Commission on the subject of violence on television.[21] Hearings were held on children's television in October 1972, but they did not address the violence issue.[22]

Therefore, the present situation is that violence on television has long been one of the stated major concerns of the Commission, and yet the Commission remains uninformed as to even the most fundamental data on the quantity of violence shot into living rooms through the tubes of family television sets.

As a belated response to the Pastore hearings in August of 1972, a million dollar study was commissioned by the National Institute of Mental Health to devise a violence indexing system. This report will not be ready until 1976.[23] There is no assurance that the findings of this study will result in any action. Even then, its findings won't be ready for implementation for several more years. The public is being asked again to simply wait. For what and for how long are questions which once again remain unanswered.

Meanwhile the industry's action in this area has been hopelessly inadequate. Although broadcasters appear to have reduced the amount of violence on what is misleadingly labeled "children's television," they have done nothing to curb the general level of violence shown on the air. Children's viewing is not limited to Saturday morning and after school broadcasting. Even pre-school children spend a good deal of time watching programs designed for more mature audiences. Our study has shown that first graders spent 40% of their viewing time watching dramatic programming aired between 4 and 10 P.M.[24] Two researchers for the Surgeon General's Report, Lyle and Hoffman, found that at least one third of sixth graders studied were still watching at 10 P.M., and as many as a quarter might still be viewing until 11 P.M.[25]

Despite the industry's claims that all televised violence has been decreasing, Dr. George Gerbner has recently announced that his measurements show a violence increase in the 1971–1972 television season. This increase reversed the decline in violence levels of previous years.[26] Gerbner's statement supports the findings of the Surgeon General's Committee that television violence "peaks" every four years. The Commission had found that the last violence peak was in 1967.[27] Therefore, the well-publicized decline of violence levels on television since 1967 can be attributed to a cyclical violence trend rather than to positive media control, as can the subsequent rise now noted.

VIOLENT's seeks to represent that portion of the public who, in the best interests of themselves and their children, cannot wait four more years to find out what they already know. In the words of the Surgeon General's mandate: the time for action is now. The two year old child who watched violence on television in 1960 when Senator Dodd held his first hearing has already reached puberty and will be an adult, voting member of society by the projected release date of the NIMH study. By then, one entire generation will have been exposed to the proven ill effects of violent programming without anyone having the knowledge of which stations, programs or time slots have caused this exposure.

The exact effects of televised violence may remain unknown, but the extent of the exposure cannot be underestimated. The average adult watches television for approximately two hours daily.[28] One study by Stein and Friedrich estimates that nursery school children average almost five hours per day viewing time with an increase through elementary school, and then a gradual decrease to the two hour adult level.[29]

Even assuming a conservative estimate of approximately three hours daily and using George Gerbner's 1967–1969 average of 7.4 violent episodes per hour,[30] our two year old child of 1960 will have been exposed to 1,215,450 violent incidents on television by 1975. The cumulative effect of this violence is accentuated by the findings of one researcher that there is a killing every hour on prime time television.[31]

Another social scientist, G. S. Lesser, estimates that by the age of 18 a child born today will have spent more of his life watching television than in any other single activity except sleep.[32]

Undeniably, television is one of the most important factors in a child's development. At the same time, it is the most easily changed. It is difficult to influence the effect of parents, peers, schools and religious institutions. But television unlike the others could be changed. More importantly, television can become a teacher of positive values for the young.

It is VIOLENT's concern for this and future generations of growing citizens which leads it to respectfully request that the following rule be adopted by the Commission.

Footnotes at end of article.

TEXT OF PROPOSED RULE

I. The licensee shall audit all entertainment programming broadcast during the composite week for violent episodes. This audit shall include titles, lead-ins, and actual content of such programming. It shall also include previews shown during the composite week of upcoming entertainment programs. The following auditing system shall be used to determine the violence listing.

II. For the purposes of this rule, entertainment programming is defined in 11(b) of Section IV–B, page ii of the Application for Renewal of Broadcast Station License, FCC Form 303. 11(b) reads as follows: Entertainment programs (E) include all programs intended primarily as entertainment, such as music, drama, variety, comedy, quiz.

III. The basic measurement for violence listing is the violent episode. It is defined as a continuous action, involving the same set of characters (persons or animals), in which any act or acts, whether intentional or accidental, causing physical injury or death to these characters, takes place. A violent episode also takes place when one or more characters compels another set of characters to act because of fear of being hurt or killed.

IV. Each day during the composite week all audited programming shall be listed and categorized as follows: 1) type of episode, 2) duration of episode, 3) type of characters involved in violent episode, 4) name of program, 5) type of entertainment program, and 6) time when program is shown.

V. In the event there is doubt whether or not an episode should be listed, the doubt should be resolved in favor of listing.

VI. The daily violence listing for the composite weeks of the past three years shall be contained in the licensee's renewal application. The licensee should also have this information available to the public in its local place of business during the time in which its application is pending. The licensee shall announce the availability of this information on the air during prime time evening hours on three different dates prior to filing an application for license renewal.

Explanation of the proposed rule

The listing system proposed by VIOLENT does not support or condemn any type of programming. It simply measures the occurrence of basic units of violence and makes them available to interested citizens and the Commission at renewal time. Responsibility for measuring violence is put squarely where it belongs: on the broadcast licensees themselves. The following commentary aids in interpreting the proposed rule.

Part I

A licensed station's self-conducted listing system during the composite week, proposed in Part I, is the most practical means of assisting the amount of violence broadcast. It will be simple to conduct according to the guidelines set out in Parts II–IV. Self-listing answers government and public demands for monitoring, yet avoids the creation of another federal bureaucracy which many broadcasters as well as private citizens fear.[33]

The composite week now used by the Commission to guage types of programming will adequately serve as a fair sample of the amount of violence broadcast. Because the composite week is announced after programs are broadcast, stations would be unable to juggle programming to distort the accuracy of the listing system.

At least 60% of the programming shown by network affiliated stations is provided by the networks. Other syndicates and movie distributors also provide a great deal of programming to individual stations. Both networks and independent distributors, as a service to stations, may wish to audit programs for violence as called for in this petition. The findings of networks and distributors could then be easily disseminated to individual stations. However, rendering of such service should not in any way lessen the responsibility of the individual stations for the accuracy of its listings.

Part II

Part II employs the definition promulgated by the Commission to define entertainment programming. Entertainment programs are the only type of programs which would be covered by this violence listing. Other program categories include religious, news, public affairs, instructional, sports, educational institutions, political, and editorials. Commercial matter and non-commercial announcements are also exempted. Entertainment programming ranges from cartoons to movies to musical variety shows.

Part III

VIOLENT's proposed definition is based on the definition of violence used by the British Broadcasting Corporation's audience research report, *Violence on Television: Programme Content and Viewer Perception*, the definitive British study of televised violence released in 1971.[34] The definition can best be understood by analyzing its five chief clauses and giving appropriate examples of each. The five clauses are: 1) continuous action, 2) involving the same set of characters, 3) intentional and accidental, 4) persons or animals, and 5) compels another to act.

The "continuous action" clause means uninterrupted violence of the same sort. Therefore, a sword fight between the same two characters is one violent episode, even though the principals may strike each other's sword 25 times and the fight lasts five minutes. However, if the two sword fighters stop fighting for several minutes and then continue their fight, two violent episodes should be listed because there has been a break in the continuous action.

The clause "involving the same set of characters" refers to common sources or instigators of violence and common receivers or recipients of violence. This clause is necessary to separate similar violent acts involving different characters. For example, a sheriff may have fist fights with two different outlaws one after the other. The fist fights should be listed as two episodes because of the involvement of two different sets of characters. A different situation is that of one instigator of violence and two receivers. For example, a cartoon super-hero destroys two underwater beasts with *one* shot of his laser beam pistol. This is listed as only one episode because only one shot was fired between the instigator and the two recipients. Violence between groups is a possible third situation. If there is an air view film of a battle scene without specifying individual combatants, the battle should be recorded as one violent episode.

The clause "intentional or accidental" is included so that all violent incidents depicted on television will be recorded. To the viewer the distinction between intentional and accidental makes little difference. The violence itself makes the impression on him. For example, if a detective accidentally shoots and kills an individual, the man is dead. The detective's intent may be important in a court of law but not to the television viewer.

The clause "persons and animals" has been inserted to insure that all violent episodes with persons or animals are listed. Animals are included because in many television programs they play an important character role, for example, Lassie the dog, Flipper the dolphin, or Ed the talking horse. Harm to these characters can leave as deep an impression on a viewer, especially a child, as harm to a person. Episodes showing animals inflicting violence on persons should be listed. So, for example, if giant leeches attack Everglades explorers the incidents are listed. There are also many cartoon programs with animals depicting human-like roles that should be listed, for instance Huckleberry Hound or the Hair Bear Bunch. However, conventional acts of discipline or play with animals such as picking a dog up by his ears, spurring a horse, or prodding a mule with a stick should not be listed.

The "compelling another to act" clause refers to threats or coercion, either physical or verbal. For example, a robber with a gun is shown ordering a storekeeper to hand over the money in his cash register. Fearing the gun, the storekeeper gives the robber the money. He has been forced to act because of fear of being hurt. There are also expressly physical forms of coercion. For example a detective walking up to a house is shot at. He escapes getting hit by a second shot by getting behind a nearby car. He has been forced to take action because of fear of being hurt or killed.

It should be noted that the definition proposed here requires only the listing of on-screen acts of violence. Implied acts, or off-screen acts should not be listed.

Part IV

Part IV calls for a breakdown of the violent episodes into six elements. Number one, the type of violence, simply means a quick description of the violent episode. Examples are: "a gunfight between a sheriff and outlaw," "bombing of a city" or "strangulation scene." Number two measures the time span of the violent episode. For example, one sword fight may last three minutes while another lasts 15 seconds. They both are categorized as a violent episode, but the differing time span of the two incidents will be of interest to many. Number three calls for the type of characters involved in the violent episode. Descriptive terms which can be used here include major character, minor character, female, male, adolescent, old person. In other words, any short, definitive description may be used to identify the characters involved in the violence. Number four requires the name of the program on which the violent episode occurred. This is included for identification purposes and to determine which programs contain the most violence. It will also serve as an indicator of the level of seriousness or the tone of violence. A slugfest on a show like *Here's Lucy* will be different from one on *Mannix*. Number five asks for the type of program. The Nielson rating system provides a broad category system which may be of some use here to show any generic grouping such as adventure, quiz, detective, or western. Number six asks for the time at which the program was broadcast. The need for this is obvious. If a particularly gory mugging scene is shown on Saturday morning, it is going to affect more children than if it were broadcast after midnight on a weekday.

Part V

The meaning of Part V (which calls for a presumption in favor of listing an episode as violent) is clear on its face. The section is necessary to avoid time consuming, hair splitting arguments.

Part VI

Part VI is the basic public disclosure requirement. Its purpose is to insure that private citizens have the violence listings readily accessible to them. For the convenience of the public the listings should be on hand at the local place of business of the television station. Three on-the-air announcements during evening prime time are needed to insure the widest possible audience awareness of the availability of the listings.

Benefits of the proposal

The auditing system proposed by VIOLENT confers benefits on the public, researchers, the Commission and broadcasters. At the same time, the burden of responsibility for

Footnotes at end of article.

the system has been placed in the hands of those most capable of dealing with it, the individual stations. Such an approach is in line with recent statements of Mr. Clay Whitehead of the Office of Telecommunications Policy. Mr. Whitehead has repeatedly stated that individual broadcasters must assume greater responsibility for their programming.[35]

VIOLENT's proposal will benefit the public primarily in that for the first time it will be possible to determine the amount of violent programming for particular time slots and programs in any community. Not everyone has the time, resources or desire to watch lengthy segments of television in an effort to determine the amount of violence present. Yet responsible citizens and parents are concerned about such violent programming and should be allowed access to information about it.

The public will also be benefited in that VIOLENT'S inventory system will not result in another huge outlay of taxpayer money. The proposal places any financial burden for the system within the broadcasting market. Unlike the million dollar study presently being conducted by the NIMH or the expensive Surgeon General's Committee Report, costs incurred by VIOLENT's proposal can be equitably apportioned among sponsors and will eventually be reflected in the price of the sponsor's product.

The Commission and Congress will benefit from the VIOLENT proposal in that no longer will they have to go to the expense and trouble of special studies in order to achieve a readable indicator of the volume and distribution of violence on television. For all their fanfare, these various studies have left both Congress and the Commission in the dark as to the amounts of violence present on television. There are those on the Commission and in Congress, who may fear that such an inventory would be but a first step. They argue that by some "domino theory of regulation," once the amount of violence is determined, we are necessarily on the road to total censorship of violence. Such a theory assumes future irresponsibility on the part of the Commission and Congress, both of whom have been expressly entrusted with the protection of constitutional liberties in communications. On the contrary, VIOLENT's proposal seeks to create a better informed, more responsible Commission and Congress who will not be operating from within a statistical vacuum.

Media social scientists will be aided by VIOLENT's proposal in that they will finally have a broad, standardized, inexpensive data base from which to conduct their research. Presently, without a taxpayer's grant or vested involvement with the broadcasting industry, an independent researcher operates at a distinct disadvantage in his investigations into the effects of televised violence. VIOLENT's proposal would open up the field of research to a larger and more diverse range of media specialists.

Furthermore, broadcasting stations, networks and syndicates will be aided by the proposal. Broadcasters have stated repeatedly that they have an honest and abiding concern for violence on television and that they are, by way of various industry codes, making a good faith effort to curb broadcast violence. But obviously their efforts are failing, since Dr. George Gerbner's recently released figures show that violence is again on the rise. The auditing system proposed will allow the licensees, broadcasters and syndicates to reevaluate the weaknesses of past codes, and formulate more effective codes which will successfully deal with the problem. Publishing the data can act to further benefit the licensees in that they will be able to use the information to authoritatively fend off irresponsible attacks on their programming.

The Commission's Authority

VIOLENT's proposed rule is clearly within the Commission's established powers as expressed in the Communications Act of 1934. The Act gives the Commission the authority to act affirmatively to promote the safety of life and property through the use of wire and radio communications (47 U.S.C. S1).

Specifically, Commission members:

Have the authority to make general rules and regulations requiring stations to keep such records of programs, transmissions of energy, communication or signal as *it may deem desirable.* (emphasis added) (47 U.S.C. S303(j)).

The Commission is empowered through this section to promulgate any rule which it thinks desirable. Nothing more need be proven under this standard to justify Commission action. This is not an enforcement provision, but rather a rule aimed at providing the Commission with information gathering power. As such, the standard of proof required to justify Commission action is the minimal standard of desirability.

In response to this authority, the Commission requests extensive information in its Form 301 and Form 303 which applicants must complete to apply for or renew licenses. In them, the applicant or licensee is requested to give such information as a detailed balance sheet of the applicant for 90 days previous; other businesses in which the applicant or any officer, director or principal stockholder has more than a 25% interest; the make and type of transmitting apparatus, modulation monitors, frequency monitors; and even the date of the last tower repainting.

Also included in Forms 301 and 303 is a requirement for disclosure of program content under Section IV–B "Statement of Television Program Services" which requires the applicant to submit (1) exhibits ascertaining the needs of his particular community; (2) a breakdown of hours, minutes and percent of total air time devoted to News, Public Affairs and other programs, along with a composite log and other requisites with regard to past programming, (3) various estimates as to proposed programming policies, (4) total amount of broadcast time devoted to commercial matter during the composite week; (5) proposed commercial practices; (6) a statement of general station policies and procedures which must include the names of station personnel who make programming determinations, whether or not the station has adopted a code of broadcasting standards and practices, and, if so, a description of such policies.

These requests for desired information, and VIOLENT's proposed rule, are simply requests for disclosure. Therefore, the test to be applied in determining Commission authority is that of desirability.

Further, the Commission is mandated to act "as public convenience, interest or necessity requires" (47 U.S.C. S303).

In its general grant of authority under Section 303, the Communications Act does not enumerate a specific regulatory scheme to be carried out by the Commission. Rather, it allows the Commission to fulfill its duty by determining how the public interest might best be served. As Justice Frankfurter spoke for the Supreme Court in *NBC v. U.S.*

But the Act does not restrict the Commission merely to supervision of the traffic. It puts upon the Commission the burden of determining the composition of that traffic.[36]

As an aid to applicants in conforming with the requirements of Section IV–B of Forms 301 and 303, a policy statement was issued in 1960. The Commission said in that statement:

The regulatory responsibility of the Commission in the broadcast field essentially involves the maintenance of a balance between the preservation of a free, competitive broadcast system, on the one hand, and the reasonable restriction of that freedom inherent in the public interest standard provided in the Communications Act on the other.[37]

The listing system proposed by VIOLENT, like the other requirements of Forms 301 and 303, allows the Commission to obtain factual data to fulfill its public interest mandate without threatening the First Amendment rights of the broadcasters, because there is no system of censorship, judgment or evaluation of data involved in the VIOLENT proposal. The responsibility for measuring program content is left to a free, competitive broadcasting industry.

When the Commission moves into the area of enforcement, S303 contains two tests, (1) public interest and convenience and (2) necessity, for determining whether the Commission may regulate in a given area in a given manner. Under a public interest test, the standard which the Commission uses is that of whether there is a controversial issue of sufficient public importance involved to justify action.

The Commission explained the industry's responsibility to issues of public concern in a series of notices on drug related musical lyrics in 1971. In these notices the Commission referred to the "epidemic of illegal drug use" to which the licensee could not be indifferent to the potential of his facilities to compound the problem.

The plain fact is that the licensee is not a common carrier—that the Act makes him a public trustee who is called upon to make thousands of programming decisions over his license terms. The thrust of the Notice is simply that this concept of licensee responsibility extends to the question of records which may promote or glorify the use of illegal drugs. A licensee should know whether his facilities are being used to present again and again a record which urges youth to take heroin or cocaine—that it is a joyous experience.[38]

Certainly the public concern wtih encouragement of drug use should be no less than the public's concern with the subtle encouragement of violence in this nation. Therefore, even using the higher public interest test, VIOLENT's proposal meets the standard set for Commission action.

The final test devised by S303 is that of necessity. This standard requires proof of necessity before positive action can be taken by the Commission. Commission action need only be based on a preponderance of the evidence test. With cigarette smoking, *Banzhaf v F.C.C.*, as with television violence, the danger is "documented by a compelling accumulation of statistical evidence." [39] All the proof necessary to support VIOLENT's proposal can be found in the six volumes of the Surgeon General's report. It is neither necessary nor practical to allow the effects of televised violence to go unchecked while more incontrovertible data is sought.

VIOLENT's proposal, therefore, meeets each of the 3 tests devised to judge the appropriateness of Commission Action. The listing system, like the other requirements of Forms 301 and 303, allows the Commission to obtain desired factual data through reasonable regulation. The Commission can act to fulfill its public interest mandate without threatening the 1st Amendment rights of the broadcasters, because there is no system of censorship, judgment or evaluation of data involved in the VIOLENT proposal. No specific method of regulation is proposed to come under the challenge of S326. The responsibility for measuring program content is left to a free, competitive broadcasting industry.

VIOLENT'S petition distinguished from other proposals

VIOLENT'S proposal is unlike all previous petitions made to the Commission and the

Footnotes at end of article.

courts concerning televised violence. Foremost among such actions were the 1972 petition of O. R. Grace, Mr. George Corey's petition in the same year, the petition of the Foundation to Improve Television (F.I.T) in 1970 and a subsequent court suit by three individual members of F.I.T. VIOLENT has steered clear of legal pitfalls in these actions while at the same time attempting to improve the basic theme underlying them.

The *O. R. Grace* petition charged that much programming is "vulgar and violent." [40] It urged immediate review of all licensees as well as network practices and policies. This attempted solution does not concern itself on a practical level with the intricate relationship between the Commission and the industry. The Commission has no direct control of network policy and the word "network" appears nowhere in the Communications Act of 1934. Neither does the *O. R. Grace* proposal work within the well established procedures of review followed by the Commission. In its letter of response to O. R. Grace, the Commission states that the proper time for licensee review is at license renewal, and it is at that time that such matters may rightly be discussed. VIOLENT has followed the Commission's recommendations and has geared any considerations regarding violent content of programing to the license renewal forum.

In the *Corey* complaint, petitioner requested two actions from the Commission.[41] First, he sought intervention into license renewal proceedings and the withholding of licenses from three New England stations until either hearings could be held to determine the amount of violence broadcast or until the Commission could establish violence guidelines. Second, he suggested the institution, under the fairness doctrine, of a public service violence warning before the airing of violent programs. Mr. Corey assumes in his petition that stations which broadcast violence are necessarily operating against the public interest. Further, he assumes that the Commission could create a violence standard and then use this standard to justify license revocation and programming control.

VIOLENT's proposal makes no such assumption. It does not create a standard of violence nor is it a rating of violence. It is merely a listing of violent incidents. Clearly such a listing does not of itself create a rating standard by which to justify the revocation of a station's license. Violent has followed the Commission's refusal to deal with the issue in the manner sought in the *Corey* petition. In addition VIOLENT has followed the Commission's recommendations in its response to *Corey* that it is more appropriate to consider industry-wide issues through the rule making forum. VIOLENT's petition, therefore, does not seek to search out violent stations in a "witch hunt" approach to the problem, but rather seeks a rule applicable to all stations.

The *Foundation to Improve Television* (F.I.T.) petition [42] proposed to ban all violence on television during certain evening hours, and to refuse license renewals on the basis of a violence determination. The Commission chose not to deal with the violence question at the time because it was awaiting the results of the Surgeon General's Report before acting on the issue. Although the report has been out for nearly a year, there has been no action on the violence issue.

In a subsequent suit brought by three individual members of F.I.T., *Mary Maguire et. al.* v. *Post-Newsweek stations, et al.*,[43] the complainants sought to restrict the telecast of specific programs which it termed excessively violent. This request was rejected by the Federal District Court for the District of Columbia and on appeal. The rationale for the rejection was that the appropriate forum for such an action is the Commission itself.

VIOLENT suggests none of the above proposals. It does not seek to censor, restrict, or ban questionable entertainment programming. Nor does it desire to deny license renewal on the basis of the amount of violence aired. No value is attached to televised violence, either positive or negative. Nor is the Commission asked to sit in judgement of any or all programming. VIOLENT's proposed rule is restricted to a request for information on programming services from all licensees at the appropriate time of license renewal.

CONCLUSION

VIOLENT's proposal speaks for itself: there is a causal link between televised violence and violence in society. The link has been scientifically proven and attested to by congressional leaders, citizens groups, and members of the broadcasting industry themselves. Despite this overwhelming concern, there has been no real effort made to ascertain the amount of violence broadcast over the nation's air waves.

VIOLENT proposes a system to list violent incidents broadcast during the composite week. Such a listing conforms with and does not significantly differ from other information now requested on the license renewal form. The information so provided will be made accessible to any citizen or group. If approved, the proposal could be put into effect immediately, with a minimum of effort by the Commission.

Such a listing system would benefit the public, Congress, researchers and broadcasters themselves. All will be given a data base from which to discuss and evaluate the detrimental effects of violent programming. No similar data base presently exists. It is inconceivable that a thorough investigation of televised violence can proceed without this data.

VIOLENT's proposal is within the Commission's authority. It does not abridge the statutory guarantees of freedom of expression in section 326 of the Communications Act of 1934. Enactment of the proposal should not be seen as a first step towards censorship, but rather as a means of providing information to stimulate lively public debate.

VIOLENT respectfully requests the Commission to carefully consider its proposal, taking whatever action it deems appropriate.

FOOTNOTES

[1] R. K. Baker and S. J. Ball, *To Establish Justice To Insure Tranquility: A Staff Report to the National Commission on the Causes and Prevention of Violence*, (Washington, D.C., U.S. Government Printing Office, 1969), pp. 201–202.

[2] Surgeon General's Scientific Advisory Committee on Television and Social Behavior, *Television and Growing Up: The Impact of Televised Violence*, (Washington, D.C., U.S. Government Printing Office, 1972), p. 17.

[3] Robert M. Liebert, "Television and Social Learning. Some Relationships Between Viewing Violence and Behaving Aggressively," in *Television and Social Behavior*, Vol. II *Television and Social Learning*, ed. by J. P. Murray, E. A. Rubenstein and G. A. Comstock, Washington, D.C., U.S. Government Printing Office, 1971), p. 29.

[4] Aletha Huston Stein and Lynette Kohn Fredrich, "Television Content and Young Children's Behavior," *Ibid.*, p. 206.

[5] Harold Stevenson, "Television and the Behavior of Preschool Children," *Ibid.*, p. 363.

[6] Stein and Friedrich, *Ibid.*, p. 247.

[7] *Ibid.*, p. 273.

[8] Surgeon General's Committee, *Television and Growing Up*, p. 18.

[9] *Hearings, Subcommittee on Communications of the Committee on Commerce, United States Senate*, 92nd. Cong. 2nd. Session 1972, (Washington, D.C., U.S. Government Printing Office, 1972), p. 29.

[10] *Ibid.*, p. 31.

[11] *Ibid.*, p. 243.

[12] *Hearings, Subcommittee on Communications*, p. 11.

[13] *Ibid.*, p. 50.

[14] *Ibid.*, p. 182.

[15] Douglas Cater and Stephen Strickland, "A First Hard Look at the Surgeon General's Report on Television and Violence," *Hearings, Subcommittee on Communications*, p. 170.

[16] "Ad Leaders urge Self-Restraint on T.V. Violence," *Broadcasting Magazine*, (September 25, 1972), p. 24. (See also National Business Council for Consumer Affairs, *Violence and the Media*, Washington, D.C., U.S. Government Printing Office, 1972.)

[17] Herbert Kupferberg, "Children's TV—your Voice Can Help," *Parade Magazine*, (December 3, 1972), p. 19.

[18] W. Watts and L. Frei, Editors, *State of the Nation*, (Washington, D.C., Potomac Association, 1973), p. 35.

[19] See *Washington Star News*, January 4, 1973, p. 1.

[20] *Hearings, Subcommittee on Communications*, p. 184.

[21] *Ibid.*, p. 104.

[22] "Children's T.V.: Much Talk, Few Answers," *Broadcasting Magazine*, (October 9, 1972), p. 39.

[23] "More Research on Violence," *Television Digest*, (August 21, 1972), p. 4.

[24] Stevenson, *Television*, Vol. II, *Social Learning*, p. 350.

[25] Jack Lyle and Heidi Hoffman, "Children's Use of Television and Other Media," in *Television and Social Behavior*, Vol. IV, *Television in Day-to-Day Life: Patterns of Use*, ed. by E. A. Rubenstein, G. A. Comstock and J. P. Murray, (Washington, D.C., U.S. Government Printing Office, 1971), p. 131.

[26] "How Best to Rate Violence on T.V.?" *Broadcasting Magazine*, (August 7, 1972) p. 23.

[27] David Clark and William Blankenburg, "Trends in Violence Content in Selected Mass Media," in *Television and Social Behavior*, Vol. I, *Media Content and Control*, ed. by G. A. Comstock and E. A. Rubenstein, (Washington, D.C., U.S. Government Printing Office, 1971), p. 188.

[28] Leonard LoSciuto, "A National Inventory of Television Viewing Behavior," *Television*, Vol. IV, *Television in Day-to-Day Life*, p. 77.

[29] Jack Lyle, "Television in Daily Life: Patterns of Use (Overview), "*Ibid.*, p. 7.

[30] George Gerbner, "Violence in Television Drama: Trends and Symbolic Functions," *Television*, Vol. I, *Media Content*, p. 66.

[31] Stevenson, *Television*, Vol. II, *Social Learning*, p. 350.

[32] Liebert, *Television*, Vol. II, Social Learning, p. 8.

[33] Edith Ephron, "A Million Dollar Misunderstanding," *T.V. Guide*, (November 25, 1972), p. 36. (See also *T.V. Guide*, November 11 and 18).

[34] British Broadcasting Corporation, *Violence on Television:* Programme Content and Viewer Perception, (London, British Broadcasting System, 1972), pp. 3–4.

[35] See Speech by Clay Whitehead in Indianapolis before Sigma Delta Chi National Journalism Fraternity on December 18, 1972.

[36] *N.B.C. v. United States*, 319 U.S. 190, 215–216 (1943).

[37] *Report and Statement of Policy re Commission En Banc Programming Inquiry*, F.C.C. 60–970, 25 F.R. 7291, 7293 (July 29, 1960).

[38] *In the Matter of Licensee Responsibility to Review Records Before Their Broadcast*, adopted April 16, 1971, F.C.C. 71–428, 21 R.R. 2d. 1698, 1702.

[39] *Banzhaf v. Federal Communications Commission*, 405 F. 2d. 1082, 1097–1098 (D.C. Cir. 1965).

[40] 25 F.C.C. 2d 667, 18 R.R. 2d 437 (1972).

[41] — F.C.C. 2d —, 25 R.R. 2d 437 (1972).

[42] 25 F.C.C. 2d 830 (1970)

[3] U.S.D.C. Docket no. 3348–70, (appeal denied) U.S. App. D.C. Docket no 71–1163.

MIAMI BEACH MUSIC AND ARTS LEAGUE

Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, it is my honor to bring to the attention of my distinguished colleagues an outstanding cultural organization, the Miami Beach Music and Arts League, whose esteemed president for 1972–73 is Mr. Lee Reiser.

The league, founded by the noted music laureate, Ruth C. Brotman, in January 1951, annually presents a series of eight public concerts in the Miami Beach Auditorium, Miami Beach, Fla.

The purpose of this organization is to provide scholarships for young, talented musicians and those in the allied arts in the Greater Miami area, to further encourage such artistic endeavors, and to recognize artistic accomplishments publicly and annually in the Dade County area.

This nonprofit organization provides musical, social, and other programs for its members and guests throughout the year. The league raises funds through concert subscription sales and through concert subscription sales and through the generous contributions of its sponsors and friends.

Amateur, talented young people, regardless of race, creed, or color, are recognized by this fine organization which gives them, when selected, the opportunity to perform in concert before the league and the general public. Those performing in these concerts are presented with scholarships and awards to enable them to further their careers and develop their artistry at institutions of their choice.

Of great nostalgia to the members of the league is the first concert organized by the league in 1951, under President Ruth Brotman, which included such national and international artists as Dr. Bertha Foster, Mme. Mana Zucca, Frances Seibel, Anthony Loeb, Florence Kutzen, Olga Bibor Stern, Anyuta Melicov, Edward Mandel, Sholom Asch, and Harold Shapiro.

The league, now in its 22d year, has a total membership of over 2,100 devoted sponsors, contributors, and subscribers. In 1972 the league was able to distribute over $4,000 in scholarships and awards to deserving, talented young musicians and artists of Dade County.

The league and all its worthy members are to be commended for the outstanding job they are doing to promote and encourage the cultural enrichment of our area's young people.

A GRACEFUL TRIBUTE TO PUBLIC MEN

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I was privileged to join my distinguished colleague and dear friend, the Honorable ROBERT MOLLOHAN, at a dinner in his honor last fall in his district, at Moundsville, W. Va. The delightful invocation by Father Robert E. Lee of Our Lady of Snows Church-Mount Olivet, Wheeling, W. Va., has stuck in my mind and I thought I might share it with our colleagues on both sides of the aisle. Father Lee has something to say to each of us, I think, as we carry out our responsibilities as elected representatives of all the people:

INVOCATION BY FATHER ROBERT E. LEE

O God, we believe that you are here present with us this evening as we gather to pay tribute to Congressman Robert Mollohan and such public figures as Congressman Claude Pepper, who represent us in the government of county, state, and country. The recognition is for work well done in sharing time and life for the good of constituents, the people, God's people.

Your son Jesus Christ would know about banquets: he attended them while on earth. He ate with sinners as well as saints and He recognized a person's worth as he read a person's soul.

So, we feel very much a community of people, hopefully, as co-creators of good with the Supreme Creator and we say "Well Done" to people who multiply talents for the good of others. Bless, O Lord our representatives for years well spent in our service and God's. Bless and consecrate the minds, ambitions of all in public life . . . Long after election fever has quieted down, may they work for liberty, justice and peace with lofty ambitions, refined consciences and a sense of the Creator's dignity in all people . . .

Finally O God; so that all people can work hand in hand for the good, the true and the beautiful, in the interest of equal time, and for the non-alienation of half my parish, bless also the Republicans.

REMOVING THE RANSOM

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, during the last few days some interesting news has come out of the Soviet Union. It appears that in certain selected cases, the Soviet authorities are waiving their infamous education tax imposed on Jews seeking to emigrate to Israel.

Since we are currently engaged in attempts to pass amendments to the administration's trade bill that would have precisely this effect, I must admit that I am encouraged by the Soviets' actions. American public opinion does indeed have an effect on the Russian Government.

And yet, it is precisely this effect that concerns me as well as pleases me. For it it is transparently obvious that the Russians are reacting directly to stimuli from the American Congress. They desperately want their most-favored-nation trading status, so much so that they are willing to make what is for them a major concession on a point of great sensitivity. Were it not for the determination of the Congress in supporting the Freedom of Emigration Act, the 44 Soviet Jews whose ransoms were waived in the past 2 weeks would still be languishing in Russia.

The Soviet Union seems to be giving quite a lot, but is in effect giving very little. The education tax, which officially became Soviet law last December, is still on the books, and will remain so. The tax is being waived in a very few, selected number of cases. There are still many more people being denied visas than there are cases of visas being granted. The excuses for denials become flimsier and flimsier. For example, the Golygorsky family were denied a family visa on the ground that their older son Vladimir, a 25-year-old violinist served in the army. He did serve for 2 years, but his rank was private and he had no access to secret information. Even with the apparent relaxation of emigration restrictions, no activists and very few scientists are being granted permission to emigrate.

All of this indicates that we should not think that the present relaxation of restrictions means very much in the long run. We should be aware that this is just a ploy by the Soviet Government, to lull the Congress into believing that its objective of easing Russian emigration restrictions has been attained. This objective will not be attained, no matter what reports we may read or hear, until there is no longer any barrier to emigration from the Soviet Union.

We must not think that now we can give up on the Freedom of Emigration Act. This legislation is the only leverage we have on the Russians. The threat of the act's passage was what made them ease off in the first place. If we drop the legislation now, what is to keep the Soviet authorities from reimposing the exit tax, or perhaps imposing even harsher restrictions on the Jews seeking their freedom?

It would be shortsighted folly to give up now, just when we taste the first small fruits of victory. We ought not to back down until we have a complete victory, and the doors to Russia are thrown wide open.

I would like to insert in the RECORD an article from last Friday's New York Post. It should serve to remind us of what we are fighting for.

The article follows:

[From the New York Post, Mar. 30, 1973]

SOVIET JEWS: NO EXIT FOR MANY

(By Stephens Broening)

Moscow.—For 60 rubles a month, Lev Libov nails soundproof padding on the apartment doors of people sensitive to noise. As a Ph.D in the chemistry of metallurgy, he is massively overqualified for his work, but it provides a living for his wife Natalya and their 9-year-old son Dan.

He lost the job he was trained for after he applied for permission to leave for Israel nearly two years ago. Since then he's been assigned to a kind of no-exit purgatory created especially for thousands of Soviet Jews the state refuses to yield.

Like many of the well educated Jews who have tried to join the flow of emigrants to Israel—running about 2300 a month this year—Libov has been prevented from working in his specialty and flatly prevented from leaving. For him and others like him the hurdle of the diploma tax seems light years away.

The men who control emigration apparently feel he knows too much, that his departure will subtract from the national sum of knowledge and slow the march toward communism.

In his desperation Libov has turned to a mild sort of activism, the signing of open letters, petitions and the occasional tentative

sit-in at a government office. During the visit of President Nixon last spring, five policemen arrested him at home before dawn and held him in 10 days' preventive detention. Son Dan told his mother: "I said to the kids at school that papa went on a business trip to Leningrad."

Details of Libov's situation emerged from a series of interviews with Moscow Jews who agreed to discuss their difficulties. They claimed there were thousands like them throughout the Soviet Union. Among those interviewed were the families of:

Yuri Kosharovsky, a physicist who was fired when he applied for the "character references" necessary to support any application for an exit visa. Officials said he could go, but his wife Nora's "special qualifications" as a former mathematician at Moscow State University would keep her here.

An official of the Interior Ministry told her last fall: "If you were a shopgirl you could leave." Kosharovsky works now as a stevedore.

Barukh Enbinder, a former physicist at the Institute of Physical Chemistry of the Academy of Sciences. He applied for character references on Dec. 26, 1971. Two days later, he was fired. He hasn't worked since and risks arrest for "parasitism." He has a wife, Orlova, and a 7-month-old son.

Vladimir Slepak, a computer specialist with two sons, 21 and 13. Slepak and his elder son Alex have been arrested, notably during the Nixon visit. "Will my husband and son be at home when I return or will they have been arrested?" Slepak's wife Maria asks. The Slepaks have appealed to the Interior Ministry and the KGB secret police for a way out. Last October a KGB officer told them: "If you want to live among Jewish people go to Birobidzhan." That is the so-called Jewish autonomous republic that Stalin created between Manchuria and the Soviet maritime provinces.

Barukh Orlov, a historian, and his wife Maria have both been fired from their jobs. "We have no work and no money," they complained. Their 15-year-old daughter, one of two children, gets anonymous threatening phone calls. Orlov has a bad heart.

Mikhail Babel, an engineer fired from his job last June. He initiated administrative action for reinstatement but lost. He works as a loader in a bakery for 70 rubles a month. The ruble is worth $1.34 at the official exchange rate. Helen, his wife, says her daughter hears "nothing but bad words about Israel" in her school, "but Israel is her motherland."

THE BEEF ABOUT BEEF

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, last Thursday night, President Nixon brought us some long-overdue news. He was imposing a price ceiling on meats at their present level.

Unfortunately, this is not good news. For the level at which the price ceiling was imposed was the highest level of meat prices in the history of this Nation. It is the level at which most American consumers could no longer afford to buy meat for their dinner table. It is a level that is prohibitively expensive for all but the wealthy.

The alternatives left open to us are none too good. Fish is nearly as expensive as the cheaper cuts of beef. Eggs are selling for 79 cents a dozen. How many dozens of eggs will it take to feed a family of four that cannot afford meat? This is no bargain either. And cheese prices are equally high.

We are now into a nationwide meat boycott. The power of the housewife is pitted against the might of the meat producing and packing industry. It seems, that for a short time, at least, the housewife will prevail. We have already seen meat prices come down a bit in the last few days. But this will be a temporary victory.

Beef cattle growers are threatening to withhold their animals from the market, seeking to keep prices at their current levels and drive them even higher if possible. Unless the Federal Government steps in and takes an active hand in the matter, the housewife will ultimately be defeated in her attempt to get the best food for her family at the lowest possible price.

The President's price freeze shows good intentions, but we all know the famous saying about good intentions. We need more. We need a rollback of food prices to their levels of last November. We need a thorough revamping of the farm subsidy program that will give the farmer a fair return on his investment without penalizing the consumer with inflated prices. We need a detailed study of the food production and distribution industry in this country to find out precisely where the consumer's food dollar goes. We need to find out how food distribution can be accomplished more efficiently, and how we can improve productivity on the farm, in the middlemen's factories and packinghouses, and in the groceries.

Housewives cannot fight their battle alone any longer. They need to know that the President and the Federal Government are fighting on their side, and protecting their interests. Let us go from a price freeze to a price rollback as soon as possible, and restore some sanity to the dinner table.

INCLUDING MASS TRANSIT IN NATIONAL TRANSPORTATION TRUST FUND

(Mr. PODELL asked and was given permission to extend the remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, I am today introducing a bill to establish a National Transportation Trust Fund. Each year the proponents of mass transit in the Congress fight for the crumbs left by the highway lobby. This year's fight is already in progress. The Senate recently authorized the discretionary use of $850 million of the highway funds for urban areas. If the Members of the House join in this action—and that is doubtful—the first stage of the battle will be won.

The House must go along with this piecemeal approach to funding to salvage a disastrous situation. However, this folly should be ended as quickly as possible. The Congress created the Department of Transportation in recognition of the central role transportation facilities play in national life. Unfortunately the creation of a new Cabinet post did little to unify all the various aspects of transportation policy in the country. While all come under one purview, highways, railroads, airways, and mass transit all remain in their own separate bailiwicks fighting and struggling with each other for a share of available funds. Mass transit for urban areas has remained the stepchild of the lot.

Why should we wait until the transportation problems of the rest of the country are as severe as those of New York City before we act? One of the daily frustrations of living in New York, or any other major metropolitan area, is the noise, pollution, and congestion caused by automobiles. Finding a parking space is cause for rejoicing, and those who do not fight the traffic suffocate in the subways.

A rational approach to the funding and planning of our transportation needs is for many a question of survival and the numbers increase daily. Under my legislation a National Transportation Trust Fund would absorb the separate trust funds which now exist for highways, airports, airways, and other specific categories. It would require the Secretary of Transportation to formulate within 1 year from the date of enactment a comprehensive plan for the effective implementation of a unified transportation program.

It should be clear that this is not an attack on the automobile or the extension and repair of the highway system where needed. It is a call for policies tailored to different regional needs. The Secretary would be directed to consult with regional, State, and local agencies in an effort to achieve a better balanced, more effective system.

My district feels the question of mass transit most sharply but other benefits would accrue from this legislation. For example, the railroads of the Northeast are on the verge of collapse and this must be dealt with in the context of the entire transportation system. The interrelationship of freight and passenger service, of rails, highways, waterways, and rapid transit must finally be recognized.

PUBLIC SAFETY OFFICERS AND SURVIVORS WOULD BE PROTECTED AGAINST CRIMINAL ACTS

(Mr. McCLORY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, today Messrs. SMITH, SANDMAN, RAILSBACK, FISH, HOGAN, and MOORHEAD of the Committee on the Judiciary are joining me in introducing a legislative proposal drafted by the Attorney General entitled the "Public Safety Officers' Benefits Act of 1973."

The purpose of the bill is to provide a $50,000 Federal payment to the survivors of State and local public safety officers, including firemen, who died in the performance of duty as the direct and proximate result of a criminal act.

This legislation is urgently needed because of the growing risk of death that public safety officers face while carry-

ing out their assigned tasks, and because of the existing disparity in survivors benefits from State to State.

Statistics clearly demonstrate the increasing incidence of violent street crime and support official estimates that the rate of violent street crime increased by 156 percent during the decade of the 1960's. In addition, in recent years, more deaths result from the premeditated design of violent dissenters who have chosen public safety officers as a symbolic target for demonstrating dissatisfaction with society.

Notwithstanding the severe occupational hazards which confront policemen, firemen, correctional officers, and other public safety officers, many States have failed to provide sufficient death benefits for the survivors. For example, a study conducted in October 1970 reported that 18 States provided no such financial assistance and even where States have provided death benefits, they are generally inadequate.

For these cogent reasons we believe Federal minimum payment of $50,000 should be provided to meet the immediate financial needs of survivors of public safety officers who give their lives in the line of duty.

In this bill, "public safety officer" is defined to include persons serving public agencies, with or without compensation, in activities pertaining to law enforcement, corrections, courts with criminal or juvenile delinquent jurisdiction, and firefighting. This gratuity would serve as a Federal floor for survivors benefits and, with certain exceptions, would be in addition to any other benefits due the survivors. Benefits due under this proposal would not be subject to Federal income taxation.

It is estimated that the cost of this legislation would be $9.4 million annually, based upon recent statistics on assaults against public safety officers. This cost would consist of approximately $8.3 million in awards and $1.1 million in administrative expenses.

The text of the bill and a section-by-section analysis follows. I urge speedy action by the House to provide these much needed benefits which will help significantly in combating crime.

The material follows:

H.R. 6449

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers' Benefits Act of 1973."

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by adding at the end thereof the following new part:

"PART J—DEATH BENEFITS FOR PUBLIC SAFETY OFFICERS

"DEFINITIONS

"SEC. 701. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child, or stepchild of a deceased public safety officer who is—

"(A) under eighteen years of age; or

"(B) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(C) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code;

"(2) 'criminal act' means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime;

"(3) 'dependent' means wholly or substantially reliant for support upon the income of a deceased public safety officer;

"(4) 'line of duty' means within the scope of employment or service;

"(5) 'public safety officer' means a person serving a public agency, with or without compensation, in any activity pertaining to—

"(A) the enforcement of the criminal laws, or the prevention, control, reduction or investigation of crime; or

"(B) a correctional program, facility or institution where the activity is determined by the Administration to be potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers or parolees; or

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is determined by the Administration to be potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers or parolees; or

"(D) firefighting

"RECIPIENTS

"SEC. 702. Upon a finding by the Administration that a public safety officer has been killed in the line of duty and the proximate cause of such death was a criminal act or apparent criminal act, the Administration shall pay a gratuity of $50,000 to the eligible survivor or survivors in the following order of precedence:

"(1) if there is no surviving dependent child of such officer to the surviving dependent spouse of such officer;

"(2) if there is a surviving dependent child or children and a surviving dependent spouse of such officer, one-half to the surviving dependent child or children of such officer in equal shares and one-half to the surviving dependent spouse of such officer;

"(3) if there is no surviving dependent spouse, to the dependent child or children of such officer in equal shares;

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares; or

"(5) if none of the above, to the dependent person or persons in equal shares who are blood relatives of the such officer or who were living in his household.

"INTERIM BENEFITS

"SEC. 703. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under section 702 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"LIMITATIONS

"SEC. 704. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by the officer's intention to bring about his death; or

"(2) if the actions of any person who would otherwise be entitled to a benefit under this part were a substantial contributing factor to the death of the public safety officer.

"(b) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, § 4–531(1));

"(3) gratuitous lump-sum death benefits authorized by a State, or unit of general local government without contribution by the public safety officer, but not including insurance or workmen's compensation benefits;

"(4) amounts authorized under any Federal program, or program of a State or unit of general local government receiving Federal assistance under this title which provides for the compensation of victims of crime.

"(c) No benefit paid under this part shall be subject to execution or attachment.

"PROCEDURE

"SEC. 705. (a) In the event of the death of a public safety officer serving a State or unit of general local government, the notification of such death shall be filed with the Governor or the highest executive officer of the State.

"(b) The Governor or the highest executive officer of a State upon receipt of notification of the death of a public safety officer, shall promptly notify the Administration of the pendency of a certification, and, after due investigation, shall certify to the Administration all facts relevant to the death upon which the benefit may be paid.

"(c) The Administration upon receipt of certification by a Governor of the highest executive officer of a State shall determine if a benefit is due, and, if so, to whom and in what amounts.

"REGULATIONS

"SEC. 706. The Administration is authorized to establish such rules, regulations and procedures as may be necessary to carry out the purposes of this Act.

MISCELLANEOUS PROVISIONS

SEC. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of Part J."

SEC. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 5. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 6. This Act shall become effective and apply to acts and deaths occurring on or after the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS

The title of the legislation is the "Public Safety Officers' Benefits Act of 1973".

Section 2 amends Title I of the Omnibus Crime Control and Safe Streets Act of 1968,

as amended, by adding at the end thereof a new Part J entitled "Death Benefits for Public Safety Officers". Title I of the Safe Streets Act established, among other things, the Law Enforcement Assistance Administration, and under this proposal LEAA would be given the responsibility of administering the benefits program.

The definitions of terms used in the legislation are set out in section 701 of the new Part J.

The term "child" is defined in subsection (1) to include any natural, illegitimate, adopted, or posthumous child, or stepchild of a deceased public safety officer who is under eighteen years of age, or over eighteen and either incapable of self-support due to mental or physical disability or a student as defined in 5 U.S.C. § 8101. (Section 8101 defines a "student" to be an individual under 23 years of age who has not completed four years of education beyond the high school level and is regularly pursuing a full-time course of study or training at certain types of institutions.) The term "child" is defined broadly (the child may be married, for example) because he must be dependent upon the public safety officer in order to be an eligible survivor. So long as a child is dependent, he would be eligible to recover regardless of certain other conditions such as marital status.

The term "criminal act" is defined in subsection (2) of section 701. The term is relevant because the death of a public safety officer must result proximately from a criminal act or an apparent criminal act before his survivors would be eligible for benefits. "Criminal act" means any crime under the laws of the United States or a state or unit of general local government which poses a substantial threat of personal injury, and includes any act, omission or possession. Even if the individual perpetrating the offense were legally incapable of committing a crime because of age, insanity or intoxication, for example, the officer's survivors would still be eligible for benefits.

The term "dependent" means wholly or substantially reliant for support upon the income of the deceased officer. A survivor must be determined to be financially dependent before he is eligible to recover benefits. The term is intended to be flexible enough to prevent a rigid application of the statute.

"Line of duty" means within the scope of employment or service. An officer must be killed in the line of duty as the proximate result of a criminal act or apparent criminal act before eligibility attaches.

Subsection 5 defines the term "public safety officer". A "public safety officer" is a person serving a public agency, with or without compensation, in any activity pertaining to: (A) the enforcement of the criminal laws, or the prevention, control, reduction or investigation of crime; (B) a correctional program, facility or institution; (C) a court having criminal or juvenile delinquent jurisdiction; or (D) firefighting. With respect to (B) and (C), the activity would have to be determined by the Administration (LEAA) to be potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers or parolees. The intent of the definition is to include only those public servants who risk death from criminal acts because of the inherent nature of their work. (The term "public agency" as used in this definition is itself defined in section 601(i) of the Safe Streets Act, and means generally any state or unit of local government, or any department or agency of such state or unit. It does not include the federal government or federal agencies.)

Section 702 of the new Part J establishes the criteria for eligibility, and delineates the order of precedence among those who may be recipients of benefits under the Act. The section provides that LEAA will pay a gratuity of $50,000 to eligible survivors upon a finding that a public safety officer has been killed in the line of duty and the proximate cause of death was a criminal act or apparent criminal act. To be eligible, survivors would have to be financially dependent upon the deceased public safety officer. The following dependent individuals would be eligible for benefits: a spouse; or if there is a child or children, the spouse and the child or children; or if there is no surviving spouse or children, the parent or parents; or if none of the above, certain blood relatives or household members.

Section 703 provides for the payment of interim benefits not to exceed $3,000 to eligible survivors upon a showing of need before final action is taken by the Administration. ($3,000 would be the maximum amount per case regardless of the number of survivors). Any such interim benefits would be deducted from the amount of the final benefit. Where no final benefit is awarded the recipient of an interim benefit would be liable for repayment. The Administration could waive repayment of any or all of the amount, however. In making this determination, the Administration would be required to consider the hardship which would result from repayment.

Section 704(a) enumerates those situations in which no benefit shall be paid. No benefit shall be paid if death was caused by the officer's international misconduct or by his intention to bring about his own death, or if the actions of any person who would otherwise be an eligible survivor were a substantial contributing factor of the death.

Section 704(b) states that the death gratuity shall be in addition to any other benefit that may be forthcoming from any other source. However, the benefit would be reduced by payments authorized under: (1) 5 U.S.C. § 8191 which makes a non-federal officer eligible for benefits under the Federal Employees Compensation Act when the officer is killed or injured while performing a federal or quasi-federal function; (2) section 4–531(1) of the District of Columbia Code, which provides for similar but not identical benefits to those provided herein for deceased D.C. police and firemen; (3) any state or local program providing gratuitous lump-sum death benefits which are not contingent upon contributions by the officer; and (4) any federal or federally assisted program to comepnsate the victims of crime. These reductions are intended to minimize the inequities that could result from an officer's survivors recovering benefits from more than one program when such programs are designed for essentially the same purpose.

Subsection (c) provides that no benefit paid pursuant to the provisions of the legislation shall be the subject of execution or attachment.

The new section 705 establishes the procedure to be followed with respect to an application for death benefits. Notification of an officer's death must first be filed with the Governor or the highest executive officer of the particular State (subsection (a)). The Governor or executive officer is then required to notify the Administration of the pendency of a certification. After investigation, all relevant facts surrounding the death shall be certified to the Administration. (Subsection (b)). The Administration, upon receipt of certification, then determines if a benefit is due, and if so, to whom and in what amounts. (subsection (c)).

Section 706 authorizes the Administration to establish such rules, regulations and procedures as may be necessary to carry out the purposes of the Act.

Sections 3, 4, 5 and 6 of the legislation are miscellaneous provisions. Section 3 authorizes such sums as may be necessary to carry out the Act; section 4 provides that any appropriation made to the Department of Justice or LEAA may be used to make benefit payments until specific appropriations are made; section 5 makes the provisions of the Act severable; and section 6 provides that the Act shall be effective and apply to acts and deaths occurring on or after the date of enactment.

NIXON'S MEAT PRICE FREEZE IS TOTALLY INADEQUATE

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the President's imposition of a ceiling on the price of meat last week was a hollow gesture which, in my opinion, is a totally inadequate approach to the present price crisis confronting the American consumer.

This freeze on the price of beef, lamb, and pork alone is insufficient for two basic reasons.

First, the President delayed taking action until meat prices had reached such astronomical levels that consumer boycotts and public outrage had made headlines in every newspaper and magazine. The level at which he froze prices is a level which is far too high for public acceptance.

Second, a freeze on the price of meat alone is an economic absurdity which is doomed to disaster from its inception. What the country needs is an immediate freeze on the price of all goods and services, not just on the price of meat, and a gradual rollback of all consumer prices to lower levels. Any future price increases must be subject to strict guidelines and controls. Price controls on meat alone cannot work, for if the costs of the goods and services which farmers must pay in order to produce meat continue to rise, meat production will become unprofitable for them, they will sharply reduce their output, and rationing and black markets may result.

Last week, prior to the President's announcement of meat price controls. I submitted a statement to the House Banking and Currency Committee during the course of that distinguished committee's hearings on the Economic Stabilization Act and the price spiral which has struck our Nation. I am attaching the statement to my remarks of today.

This statement does not reflect the subsequently imposed meat price controls, but I feel that it represents a fair analysis of the factors underlying the shocking rise in national food prices. I have cosponsored the legislation which the Banking and Currency Committee proposed as a solution to our current price crisis—an immediate freeze on interest rates and on the price of all goods, services, and rents, a rollback of those prices within 60 days, and a strict control of all future proposed price rises. I shall continue to support this proposal as a far more realistic and effective course of action than the apparently futile meat price freeze imposed by the President.

I am also attaching an excellent column by Rowland Evans and Robert Novak which appeared nationwide to-

day, entitled "Meat Price Ceiling: Too Little, Too Late."

The statement and article follow:

STATEMENT OF CONGRESSMAN JONATHAN B. BINGHAM

Mr. Chairman, I thank you for this opportunity to discuss the issue of skyrocketing food prices. I would like to commend you and your Committee for the leadership and initiative which you have shown in conducting hearings on the Economic Stabilization Act and in the formulaiton of new legislation aimed at controlling the growing increases in the cost of living which are so adversely affecting the American consumer. The deliberations of this Committee can have a tremendous impact on the American standard of living for years to come.

Mr. Chairman, I am deeply troubled by the rise in food prices which has taken place in the U.S. since the summer of last year. These increased consumer costs have struck particularly hard the elderly, persons living on fixed incomes and pensions, the poor, and families with growing children. The trip to the supermarket or the corner grocery store has turned into a nightmare for many Americans. In urban areas, where in normal times food costs are invariably higher than in rural areas, price rises have been devastating.

This Committee will certainly dig deep in its efforts to answer the questions behind the food cost hikes and to find solutions to this complex problem. I wish to emphasize my own opinion that existing agricultural policy, the failure of the President to impose price controls on raw agricultural products, and the increased export of American food products to foreign markets are among the basic factors which underlie these staggering food price increases. A glance at the record reveals the severity of these increases.

Since January of 1972, eggs have gone up 40 per cent in price, onions are up 33 per cent, bacon is up 29 per cent, and potatoes and milk are up 25 per cent. Hamburger has climbed from 71 cents to 78 cents per pound, bologna from $1.14 to $1.29 and chuck roast from 79 cents to 86 cents. Nationwide wholesale food prices rose by 5 per cent in December, and almost 3 per cent in January.

According to the U.S. Bureau of Labor Statistics, retail food costs in the New York area rose .3 per cent in December, 1.9 per cent in January, and 2.5 per cent in February. The price of meat, poultry, and fish jumped 4.5 per cent in the New York area last month—if that continued for a year, the annual price increase would be a staggering 54 per cent. All existing price rise records are being broken as prices go right through the ceiling.

This is the problem, and Congress must address itself without delay to the development of solutions.

I suggest that there are three courses of action which we should take at once.

First, Congress should press for price controls on food. In 1970, we gave the President authority to control wages and prices, but he committed a number of grave mistakes in the exercise of those powers. He delayed a year in exercising his authority to impose mandatory controls, and when he finally acted, his controls were unfair and out of balance. For example, controls were never established for the prices of raw food. Then, on January 10th of this year, the President abandoned the compulsory wage-price controls of "Phase II," which were at least partially effective in holding down the cost of living and embarked, instead, upon a voluntary system known as "Phase III,"' which has been a dismal failure.

The present wage and price control program includes price restraints on food once it enters the processing stage, but those controls have no effect on the basic cost of food. Congress should formally require the President to exercise his power to control basic food prices. If he is unwilling to take this step, then we as a Congress must legislate a price freeze on food. I am aware that there is conflicting opinion on the effect which a freeze on food prices would have in this country. Some warn that the result would be a farmers' resistance movement, cutbacks in agricultural production, rationing, and black markets. Others contend that business would go on as usual. Congress has alternative actions available which must be explored. A temporary food price freeze could be legislated which might last for a period of several months, a selective freeze on certain products could be enacted, or across the board price controls on all agricultural products could be legislated. What is important is that we take action now which will alleviate the plight of the consumer.

Second, Congress should eliminate subsidy payments to farmers who hold their land out of production. This anachronistic payment system began two generations ago and was initiated to improve an agricultural situation which since has changed drastically. Even with recent reductions in acreage subsidized for non-production, there will still be U.S. Treasury payouts of $2.5 billion for 20 million unused acres this year. A prime factor in the skyrocketing cost of meat is the rise in feed grain prices. Elimination of non-production subsidies and increased grain production would enable ranchers to purchase grain and fatten livestock at lower prices, a saving which could then be passed on to the consumer. Every available acre in the U.S. should be used to increase food production and decrease food costs. Arguments that supply would far exceed demand and farmers would be bankrupted if non-production subsidies were removed ring hollow when the growth of U.S. exports is considered.

In 1972, the U.S. exported over $8 billion in agricultural products, and that figure is expected to rise to at least $10 billion this year. Australia and South Africa have suffered major droughts and will be unable to meet growing demands in Europe and Asia for more food imports. India is in an agricultural crisis and faces a disastrous food shortage. The Soviet Union and China are emerging as potential major importers of U.S. farm products. Both here and abroad the American farmer will surely be able to find adequate markets at a fair price for all the products he can grow on heretofore unutilized land.

The noted economist Charles Schultze has estimated that Federal subsidies to farmers cost the American consumer $4.5 billion annually in hidden food costs. The consumer suffers at the cash register, because of artificially high prices for basic commodities, and again at the hands of the tax collector, who must levy large amounts to pay out farm subsidies.

I do not advocate cutting out all Federal price supports for agricultural products because the consumer could suffer in the long run from an unregulated agricultural market situation. But I do suggest that Congress give very serious consideration to the elimination of wasteful subsidies paid for nonproduction.

Third, Congress must root out and eliminate those taxes on food which are regressive in nature and particularly burdensome to lower-middle income and low income groups. A salient example of this is the so-called "Bread Tax," a 75 cents per bushel tax on wheat which raises the cost of a pound loaf of bread by 2 cents. This tax, incidentally, is levied only upon wheat used for human consumption. In effect, animals get a better shake from the tax collector on wheat than do the consumers of this country.

Mr. Chairman, unless Congress acts decisively and quickly, a full-scale consumer revolt will result.

Housewife and consumer groups have begun organizing food boycotts (my wife and I are participating in such a boycott this coming week), and restaurants are offering discounts to patrons to avoid ordering beef. A recent series of thefts of supermarket meat in Long Island, New York, has been attributed in part to soaring meat prices.

Congress clearly has its work cut out for it. In the development of solutions to the problem, many competing interests must be balanced. Consumers deserve a break, our international balance of payments must be considered, and the price, cost, and profit structure of the enormous American food processing industry must be analyzed. Also, the American farmer must be treated with dignity and understanding, and not be made the whipping boy for our nation's economic and agricultural woes. As is often pointed out, in the past 20 years the prices which farmers receive for crops have risen by only eleven per cent, while retail food rises have climbed 56 per cent. The taxes imposed on farmers grew by 297 per cent, and farm costs climbed by 109 per cent over that period of time, 60 per cent of today's retail cost of food is attributable to the transport, processing and distribution of food, and salaries in those sectors have increased in order to provide improved standards of living for their employees.

Finding solutions and achieving compromises will not be a simple matter, Mr. Chairman. All Americans must be aware of the enormous complexities which confront this distinguished committee and the other concerned organs of Congress which are grappling with the issue of increasing food prices. But all of us must make every effort to come to the rescue of the American consumer and develop a solution to the food price crisis which confronts our nation.

Mr. Chairman, I believe that the legislation you have introduced with a number of Members of this Committee (H.R. 6168), and which I have also introduced (H.R. 6213), requiring the President to impose an immediate freeze on prices—including food prices—and interest rates is one step we simply must take on behalf of the best interests of the American consumer. I congratulate you and the Members of this Committee for your leadership. I urge this Committee to report this legislation out promptly so that it may be enacted into law at the earliest possible date.

[From the Washington Post, Apr. 2, 1973]

MEAT PRICE CEILING: TOO LITTLE, TOO LATE

(By Rowland Evans and Robert Novak)

Invoking meat controls with such typically Nixonian stealth that some high-ranking White House aides were not consulted in advance, President Nixon now confronts a major new political problem: A runaway Congress ready to enact mandatory wage-and-price controls far tougher than he wants.

In the candid words of one presidential assistant, the new ceilings on beef, lamb and pork may only further dramatize the issue of food inflation, "tossing gasoline" on congressional fires already burning furiously in favor of a stringent new controls law.

Thus, Rep. Wilbur Mills of Arkansas, a formidable critic of the permissive Phase III controls program, is now prepared to use his great influence as chairman of the House Ways and Means Committee to force House passage of an across-the-board wage-and-price freeze similar to the historic freeze of Aug. 15, 1971.

Mills had strongly recommended a total retail food-price freeze to Secretary of the Treasury George Shultz. When Mr. Nixon Thursday night bowed to the angry public clamor against soaring food prices by imposing a ceiling severely limited to meat, Mills was both surprised and displeased. He

had expected a much broader emergency program.

Accordingly, Mills is now prepared to take the floor of the House to fully support all aspects (except an interest rate ceiling) of an across-the-board freeze that Rep. Wright Patman of Texas, chairman of the House Banking Committee, will propose when he brings up the bill extending presidential wage-price controls authority.

Moreover, Mr. Nixon's bold appeal to the voters over the head of Congress to back him in the battle over vetoed spending bills which started last week is also likely to stimulate the same congressional demand, particularly among the Democratic majority, for a far tougher controls law than the White House wants. If such a bill went to the White House and were vetoed, the Democrats could use that veto as protection against voting for higher domestic spending.

Even worse for the President than these unwanted congressional repercussions is the mood widely shared among politicians that Mr. Nixon is just groping with, not coming to grips with, the inflation crisis.

Some leading outside economists, for example, were certain that Mr. Nixon shifted ground and trimmed his emergency controls program at the last minute on Thursday. His economic advice still comes mainly from authors of the disastrous Phase III—led by economics czar Shultz, a doctrinaire free-marketeer who has always opposed controls. The Thursday decision is perceived by the outside economists as a sop to public demand—too little, too late—by an administration that isn't sure what to do.

This mood, moreover, may explain the dramatic contrast between Wall Street's tepid reaction Friday, the day after the meat decision, and the record rise in stock prices on Aug. 16, 1971, the day after Mr. Nixon's across-the-board freeze. The probable interpretation: Wall Street's money men, with vast interests at stake in the anti-inflation battle, were left wholly unconvinced that the President's meat decision will help much.

Likewise, if the President's new ceiling on meat was supposed to appease AFL–CIO President George Meany, as many Democrats believed, it was a failure. Meany's blast at the White House for putting a ceiling on meat at the highest prices in history means one thing: His potent lobby will be turned loose for a total effort to persuade the House to impose stringent price controls.

Nor is there any mathematical formula showing that the new meat controls will actually work. Packinghouse operators now cannot bid for choice cattle at higher prices, which means cattle feeders cannot raise their prices to compensate for rising, still uncontrolled, feed costs. This could actually reduce the supply of beef to the market, while keeping prices at their current peak, and lead to rationing, black markets—or both.

In short, Mr. Nixon has taken a high-risk political gamble with a meat-controls program that did not satisfy Congress, consumers and most economists. If the President has restored credibility in his Phase III anti-inflation program, the evidence still lies somewhere off in the future.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CORMAN, for today, on account of official business.

Mr. MATSUNAGA (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. MCCORMACK (at the request of Mr. O'NEILL), for today, on account of death in the family.

Mr. CAMP (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. CRONIN (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. YOUNG of South Carolina (at the request of Mr. GERALD R. FORD), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROBERT W. DANIEL, JR.), to revise and extend their remarks, and to include extraneous matter:)

Mr. STEELE, today, for 5 minutes.

Mr. ROBISON of New York, on April 4, for 30 minutes.

Mrs. HECKLER of Massachusetts, today, for 5 minutes.

Mr. SARASIN, today, for 5 minutes.

(The following Members (at the request of Mr. STUDDS), to revise and extend their remarks, and to include extraneous matter:)

Mr. MCFALL, today, for 5 minutes.

Mr. DIGGS, today, for 5 minutes.

Mr. GONZALEZ, today, for 5 minutes.

Mr. HARRINGTON, today, for 5 minutes.

Mr. MINISH, today, for 5 minutes.

Mr. BRADEMAS, today, for 5 minutes.

Mr. THORNTON, today, for 5 minutes.

Mr. MATHIS of Georgia, today, for 10 minutes.

Mr. FRASER, today, for 5 minutes.

Ms. ABZUG, today, for 10 minutes.

Mr. DANIELSON, today, for 15 minutes.

Mr. TIERNAN, today, for 5 minutes.

Mr. BIAGGI, on April 3, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRASER, in the body of the RECORD, and to include extraneous matter, notwithstanding it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $680.

Mr. MURPHY of New York and to include extraneous matter not withstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $850.

Mr. GRAY in two instances, and to include extraneous material.

(The following Members (at the request of ROBERT W. DANIEL, JR.), and to include extraneous matter:)

Mr. HANRAHAN.

Mr. ZION.

Mr. SNYDER.

Mr. DERWINSKI.

Mr. FISH in two instances.

Mr. QUIE.

Mr. YOUNG of Florida in five instances.

Mr. FROEHLICH in two instances.

Mr. ZWACH.

Mr. DENNIS.

Mr. KEMP.

Mr. CLEVELAND.

Mr. BOB WILSON.

Mr. BRAY in two instances.

Mr. HAMMERSCHMIDT in two instances.

Mr. CARTER.

Mr. VEYSEY in two instances.

Mr. WYMAN in two instances.

Mr. WHITEHURST.

Mr. THOMSON of Wisconsin.

Mr. HOGAN in three instances.

Mr. FRENZEL.

Mr. COUGHLIN.

Mr. HOSMER in two instances.

Mr. MOORHEAD of California.

Mr. MCCLOSKEY.

Mr. PRICE of Texas.

(The following Members (at the request of Mr. STUDDS), and to include extraneous matter:)

Mr. LITTON.

Mr. HARRINGTON.

Mr. DE LUGO.

Mr. HELSTOSKI in 10 instances.

Mr. WILLIAM D. FORD.

Mr. O'HARA.

Mr. KASTENMEIER.

Mr. CARNEY of Ohio in two instances.

Mr. CONYERS in 10 instances.

Mrs. GRASSO in 10 instances.

Mr. BRASCO.

Ms. ABZUG in five instances.

Mr. HANNA in three instances.

Mr. VAN DEERLIN.

Mr. BURKE of Massachusetts.

Mr. EVINS of Tennessee in six instances.

Mr. HUNGATE.

Mr. ANNUNZIO in five instances.

Mr. SATTERFIELD.

Mr. CASEY of Texas.

Mr. ROSTENKOWSKI.

Mr. ZABLOCKI in two instances.

Mr. BENNETT.

(The following Members (at the request of Mr. DRINAN) and to include extraneous matter:)

Mr. BINGHAM in two instances.

Mr. FISHER in six instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 13. An act to amend title 18 of the United States Code to provide civil remedies to victims of racketeering activity and theft, and for other purposes; to the Committee on the Judiciary.

S. 15. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers; to the Committee on the Judiciary.

S. 33. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance; to the Committee on the Judiciary.

S. 300. An act to provide for the compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other purposes; to the Committee on the Judiciary.

ADJOURNMENT

Mr. DRINAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 48 minutes p.m.) the House adjourned until Tuesday, April 3, 1973 at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

692. A communication from the President of the United States, transmitting a draft of proposed legislation to authorize reduction or suspension of import barriers to restrain inflation (H. Doc. No. 93–75); to the Committee on Ways and Means and ordered to be printed.

693. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 14, United States Code, and certain other laws, to modernize the retirement structure relating to members of the uniformed services; to the Committee on Armed Services.

694. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, as amended, and for other purposes; to the Committee on Armed Services.

695. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notice of the proposed donation of certain surplus railroad equipment to the Warren County Chapter of the National Railway Historical Society, Warrenton, N.C., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

696. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting an interim report of the operations of the Corporation during 1972; to the Committee on Banking and Currency.

697. A letter from the Acting Assistant Secretary of State for Congressional Relations transmitting a report on deliveries of excess defense articles during the second quarter of fiscal year 1973, by acquisition cost and value at the time of delivery, pursuant to section 8(d) of Public Law 91–672; to the Committee on Foreign Affairs.

698. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend the authorization of appropriations for educational broadcasting facilities grants; to the Committee on Interstate and Foreign Commerce.

699. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a plan for providing hospital care for merchant seamen and other beneficiaries now served by the Public Health Service Hospitals at Baltimore, Boston, Galveston, New Orleans, San Francisco, and Seattle, pursuant to section 3 of Public Law 92–585; to the Committee on Interstate and Foreign Commerce.

700. A letter from the Secretary of Transportation, transmitting a report on the study of the "barge mixing rule problem," pursuant to Public Law 91–590, excluding the comments and views of the Interstate Commerce Commission and the Secretary of the Army; to the Committee on Interstate and Foreign Commerce.

701. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation; transmitting the financial report of the Corporation for December, 1972, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

702. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

703. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(1)(ii)(b)]; to the Committee on the Judiciary.

704. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the Act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

705. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255(c)]; to the Committee on the Judiciary.

706. A letter from the Governor of the Canal Zone, transmitting a draft of proposed legislation to authorize the President to prescribe regulations relating to the purchase, possession, consumption, use, and transportation of alcoholic beverages in the Canal Zone; to the Committee on Merchant Marine and Fisheries.

707. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to amend section 203 of the National Aeronautics and Space Act of 1958, and for other purposes; to the Committee on Science and Astronautics.

708. A letter from the Administrator of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration; assist States in the establishment and operation of veterans' cemeteries; to revise eligibility for burial allowance; to eliminate certain duplications in Federal burial benefits; and for other purposes; to the Committee on Veterans' Affairs.

709. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity; to the Committee on Ways and Means.

710. A letter from the Chairman of the Council of Economic Advisers, transmitting a report on the repeal of the excise tax on motor vehicles, pursuant to Public Law 92–178; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

711. A letter from the Comptroller General of the United States, transmitting a report on protecting the consumer from potentially harmful shellfish (clams, mussels, and oysters); to the Committee on Government Operations.

712. A letter from the Comptroller General of the United States, transmitting a report on problems in obtaining and enforcing compliance with good manufacturing practices for drugs; to the Committee on Government Operations.

713. A letter from the Comptroller General of the United States, transmitting a report on cost growth in weapon systems in the Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on conference, A conference report to accompany H.R. 2107; (Rept. No. 93–101). Ordered to be printed.

Mr. FRASER: Committee on Foreign Affairs. House Joint Resolution 205. Joint resolution to create an Atlantic Union delegation; (Rept. No. 93–102). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 6415. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Ms. ABZUG:

H.R. 6416. A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. BADILLO:

H.R. 6417. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 6418. A bill to amend section 9 of title 17 of the United States Code; to the Committee on the Judiciary.

H.R. 6419. A bill to provide for the construction of a Veterans' Administration hospital of 1,000 beds in the county of Queens, New York State; to the Comittee on Veterans' Affairs.

By Mr. BIAGGI (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. BROWN of California, Mr. CLARK, Mr. CONYERS, Mr. DAVIS of South Carolina, Mr. EDWARDS of California, Mr. EILBERG, Mr. FISH, Mr. FLOOD, Mr. GAYDOS, Mrs. GREEN of Oregon, Mr. HELSTOSKI, Mr. HOSMER, Mr. HUDNUT, Mr. HUNT, Mr. KYROS, Mr. MAZZOLI, Mr. MEEDS, Mrs. MINK, Mr. MOLLOHAN, Mr. NIX, Mr. PEPPER, and Mr. PETTIS):

H.R. 6420. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. ROE, Mr. RONCALIO of Wyoming, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STUCKEY, Mr. SYMINGTON, Mr. VIGORITO, Mr. WON PAT, and Mr. YATRON):

H.R. 6421. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. BINGHAM:

H.R. 6422. A bill to provide for posting information in post offices with respect to registration, voting, and communicating with lawmakers; to the Committee on Post Office and Civil Service.

H.R. 6423. A bill to amend section 5042(a)(2) of the Internal Revenue Code of 1954 to permit individuals who are not heads of families to produce wine for personal consumption; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. CHARLES H. WILSON of California, and Mr. MAZZOLI):

H.R. 6424. A bill governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

By Mr. BURKE of Florida (for himself, Mr. ARCHER, Mr. BAFALIS, Mr. BROWN of California, Mrs. CHISHOLM, Mr. CRONIN, Mr. DAVIS of South Carolina, Mr. DERWINSKI, Mr. GREEN of Pennsylvania, Mr. HINSHAW, Mr. HORTON, Mr. JONES of North Carolina, Mr. LEGGETT, Mr. MAYNE, Mr. MCCLOSKEY, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. PETTIS, Mr. PODELL, Mr. ROE, Mr. ROSENTHAL, Mr. ROUSH, Mr. WAMPLER, and Mr. WHITE):

H.R. 6425. A bill to amend title 10 of the United States Code in order to make certain totally and permanently disabled World War II servicemen and their dependents eligible for CHAMPUS medical benefits; to the Committee on Armed Services.

By Mr. BURKE of Florida (for himself, Mr. WHITEHURST, Mr. YATRON, Mr. YOUNG of Alaska, and Mr. YOUNG of Florida):

H.R. 6426. A bill to amend title 10 of the United States Code in order to make certain totally and permanently disabled World War II servicemen and their dependents eligible for CHAMPUS medical benefits; to the Committee on Armed Services.

By Mr. BURKE of Florida (for himself, Mr. ARCHER, Mr. BAFALIS, Mr. BROWN of California, Mrs. CHISHOLM, Mr. COLLIER, Mr. CRONIN, Mr. DAVIS of South Carolina, Mr. DERWINSKI, Mr. HINSHAW, Mr. JONES of North Carolina, Mr. LEGGETT, Mr. MCCLOSKEY, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. PODELL, Mr. ROSENTHAL, Mr. ROUSH, Mr. WAMPLER, Mr. WHITEHURST, Mr. YATRON, Mr. YOUNG of Alaska, and Mr. YOUNG of Florida):

H.R. 6427. A bill to amend title 38 of the United States Code in order to provide additional compensation to veterans who are totally disabled as a result of combat injuries; to the Committee on Veterans Affairs.

By Mr. CAREY of New York:

H.R. 6428. A bill to amend the Agricultural Adjustment Act of 1938 to eliminate wheat marketing certificates, and for other purposes; to the Committee on Agriculture.

By Mr. CARTER:

H.R. 6429. A bill to establish Capitol Hill as a historic district; to the Committee on Interior and Insular Affairs.

H.R. 6430. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding supervision; to the Committee on Post Office and Civil Service.

By Mr. CONYERS (for himself, Mr. GONZALEZ, Mr. DRINAN, Mr. MATSUNAGA, and Mr. WOLFF):

H.R. 6431. A bill to amend the Economic Opportunity Act of 1964 to require that any plans to reorganize the Office of Economic Opportunity be transmitted to Congress pursuant to the Executive Reorganization Act, and for other purposes; to the Committee on Education and Labor.

By Mr. CRANE:

H.R. 6432. A bill to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase (on a revenue-sharing basis) in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, and for other purposes; to the Committee on Banking and Currency.

By Mr. DONOHUE:

H.R. 6433. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. DRINAN:

H.R. 6434. A bill to amend the National Science Foundation Act of 1950 in order to establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. DULSKI:

H.R. 6435. A bill to amend section 225 of the Postal Revenue and Federal Salary Act of 1967; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN:

H.R. 6436. A bill to amend the Internal Revenue Code of 1954 to disallow any deduction for depreciation for a taxable year in which a residential property does not comply with requirements of local laws relating to health and safety, and for other purposes; to the Committee on Ways and Means.

By Mr. DUNCAN (for himself, Mr. CAMP, Mr. CLARK, Mr. FLOOD, Mr. FOLEY, Mr. ICHORD, Mr. JOHNSON of California, Mr. MCEWEN, Mr. MCSPADDEN, Mr. QUILLEN, Mr. ROONEY of Pennsylvania, Mr. RUNNELS, Mr. SAYLOR, Mr. SHOUP, Mr. SKUBITZ, Mr. SYMMS, and Mr. UDALL):

H.R. 6437. A bill to protect the domestic economy to promote the general welfare, and to assist in the National defense by providing for an adequate supply of lead and zinc for consumption in the United States from domestic and foreign sources, and for other purposes; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 6438. A bill to amend the Freedom of Information Act to require that all information be made available to Congress; to the Committee on Government Operations.

By Mr. FRASER:

H.R. 6439. A bill to provide local self-government for the people of Washington, D.C.; to the Committee on the District of Columbia.

By Mr. FUQUA:

H.R. 6440. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus supplies and equipment to State education agencies; to the Committee on Government Operations.

H.R. 6441. A bill to amend the Uniform Time Act of 1966 in order to provide that daylight saving time shall be observed in the United States from the first Sunday following Memorial Day to the first Sunday following Labor Day; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself and Mr. BROYHILL of Virginia):

H.R. 6442. A bill to amend title 5 of the United States Code to provide that supergrade employees (and certain other Federal employees) whose pay is subject to a special statutory limitation shall be credited, for civil service retirement purposes, with the full amount of the basic pay they would be entitled to receive in the absence of such limitation; to the Committee on Post Office and Civil Service.

By Mr. HANNA:

H.R. 6443. A bill to assure that Federal housing assistance programs are carried out to the full extent authorized by Congress; to the Committee on Banking and Currency.

By Mr. HASTINGS (for himself, Mr. GAYDOS, Mr. RONCALLO of New York, Mr. BUCHANAN, Mr. ECKHARDT, Mr. DAVIS of Georgia, Mr. KOCH, Mr. CLEVELAND, Mr. HAMILTON, Mrs. CHISHOLM, Mr. HELSTOSKI, Mr. BURTON, Mr. MATSUNAGA, Mr. STEPHENS, Mr. BRADEMAS, Mr. CARNEY of Ohio, Mr. RONCALIO of Wyoming, Mr. RODINO, Mr. MCDADE, Mr. ROSTENKOWSKI, Mr. WALDIE, Mr. MCCORMACK, Mr. FLYNT, Mr. MCSPADDEN, and Mr. MALLARY):

H.R. 6444. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Development Disabilities Services and Facilities Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. HECKLER of Massachusetts:

H.R. 6445. A bill to provide that respect for an individual's right not to participate in abortions contrary to that individual's consciences be a requirement for hospital eligibility for Federal financial assistance and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 6446. A bill to authorize financial assistance for opportunities industrialization centers; to the Committee on Education and Labor.

By Ms. HOLTZMAN:

H.R. 6447. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, to full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 6448. A bill to extend to volunteer fire companies and volunteer ambulance and rescue companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

By Mr. MCCLORY (for himself, Mr. SMITH of New York, Mr. SANDMAN, Mr. RAILSBACK, Mr. FISH, Mr. HOGAN, and Mr. MOORHEAD of California):

H.R. 6449. A bill; Public Safety Officers' Benefits Act of 1973; to the Committee on the Judiciary.

By Mr. MCFALL (for himself and Mr. NIX):

H.R. 6450. A bill to amend the Economic Stabilization Act of 1970 to establish a temporary Price-Wage Board, to provide temporary guidelines for the creation of price and pay rate stabilization standards, and for other purposes; to the Committee on Banking and Currency.

By Mr. MATHIAS of California (for himself, Mr. MCFALL, Mr. CHARLES H. WILSON of California, Mr. BURGENER, Mr. MOORHEAD of California, Mr. HINSHAW, Mr. STARK, and Ms. BURKE of California):

H.R. 6451. A bill to provide for the establishment of the California Desert National Conservation Area; to the Committee on Interior and Insular Affairs.

By Mr. MINISH (for himself, Mr. GETTYS, Mr. HANLEY, Mr. BRASCO, Mr. KOCH, Mr. COTTER, Mr. YOUNG of Georgia, Mr. MOAKLEY, and Mr. STARK):

H.R. 6452. A bill to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for

other purposes; to the Committee on Banking and Currency.

By Mrs. MINK:

H.R. 6453. A bill to amend title 10 of the United States Code to deem service as a member of the Women's Airforce Service Pilots during World War II to be active service for purposes of computing retirement and longevity benefits; to the Committee on Armed Services.

By Mr. O'HARA.

H.R. 6454. A bill to amend title 18 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries authorized by law and conducted by a State, and for other purposes; to the Committee on the Judiciary.

By Mr. PODELL:

H.R. 6455. A bill to establish a Transportation Trust Fund, to encourage urban mass transportation, and for other purposes; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 6456. A bill to amend title 38, United States Code, to provide for a special addition to the pension of veterans of World War I and to the pension of widows and children of veterans of World War I; to the Committee on Veterans' Affairs.

H.R. 6457. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 6458. A bill to amend the Public Health Service act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. SATTERFIELD:

H.R. 6459. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes; to the Committee on Agriculture.

By Mr. SAYLOR:

H.R. 6460. A bill to establish a national land use policy, to authorize the Secretary of the Interior to make grants to encourage and assist the State to develop and implement State land use programs, to coordinate Federal programs and policies which have a land use impact, to coordinate planning and management of Federal lands and planning and management of nearby non-Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6461. A bill to grant a Federal charter to the American Golf Hall of Fame Association; to the Committee on the Judiciary.

H.R. 6462. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING:

H.R. 6463. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents; to the Committee on the Judiciary.

H.R. 6464. A bill to increase the contribution of the Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

H.R. 6465. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 6466. A bill to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 6467. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. SKUBITZ:

H.R. 6468. A bill to amend the Federal Trade Commission Act to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. SLACK:

H.R. 6469. A bill to amend the Lead-Based Paint Poisoning Prevention Act; to the Committee on Banking and Currency.

By Mr. THONE:

H.R. 6470. A bill to amend the Export Administration Act of 1969, as amended; to the Committee on Banking and Currency.

H.R. 6471. A bill to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE (for himself, Mr. STOKES, Mr. MOSS, Mr. EILBERG, and Mr. ST GERMAIN):

H.R. 6472. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WAMPLER:

H.R. 6473. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension will not have the amount of such pension reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. BOB WILSON:

H.R. 6474. A bill to amend title 38, United States Code, to establish a program of insured and direct educational loans for eligible veterans; to the Committee on Veterans Affairs.

By Mr. WINN:

H.R. 6475. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. FINDLEY (for himself, and Mr. SCHNEEBELI):

H.J. Res. 472. Joint resolution to create an Atlantic Union delegation; to the Committee on Foreign Affairs.

By Mr. HOGAN (for himself, Mr. BEVILL, Mr. CAMP, Mr. HUBER, Mr. KEATING, Mr. LUJAN, Mr. MAZZOLI, and Mr. WON PAT):

H.J. Res. 473. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, the ill, the aged, or the incapacitated; to the Commission on the Judiciary.

By Mr. WINN:

H.J. Res. 474. Joint resolution to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. VANIK (for himself, Mr. DIGGS, Mr. DINGELL, Mr. HASTINGS, Mr. MINSHALL of Ohio, Mr. MOSHER, Mr. O'HARA and Mr. YATES):

H. Con. Res. 172. Concurrent resolution requesting the President to negotiate with the Government of Canada to establish water levels for the Great Lakes; to the Committee on Foreign Affairs.

By Mr. FROEHLICH:

H. Res. 336. Resolution to authorize the Committee on Banking and Currency to conduct an investigation and study of all matters relating to the cost and availability of food to the American consumer; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

119. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to the proposed Nantucket Sound Island Trust; to the Committee on Interior and Insular Affairs.

120. Also, memorial of the Legislature of the State of West Virginia, relative to the preservation of the New River Gorge area as a national park; to the Committee on Interior and Insular Affairs.

121. Also, memorial of the House of Representatives of the State of Montana, relative to regional medical programs; to the Committee on Interstate and Foreign Commerce.

122. Also, memorial of the House of Representatives of the State of Montana, requesting Congress to propose an amendment to the Constitution of the United States guaranteeing the right of the States to enact or preserve laws which protect the right to life of unborn human beings; to the Committee on the Judiciary.

123. Also, memorial of the Legislature of the State of Washington, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

124. Also, memorial of the Legislature of the State of Mississippi, relative to support of the commercial fishing industry; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 6476. A bill for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.; to the Committee on the Judiciary.

By Ms. ABZUG:

H.R. 6477. A bill for the relief of Lucille de Saint Andre; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 6478. A bill for the relief of Cmdr. Andrew F. Jensen, U.S. Navy; to the Committee on the Judiciary.

By Mr. STEED:

H.R. 6479. A bill for the relief of Clyde E. Boyett; to the Committee on the Judiciary.

By Mr. WINN:

H.R. 6480. A bill to incorporate in the District of Columbia the National Inconvenienced Sportsmen's Association; to the Committee on the District of Columbia.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

95. By the SPEAKER: Petition of the city council, Elizabeth, N.J., relative to the boycott of meat products; to the Committee on Banking and Currency.

96. Also, petition of the Congress of Micronesia, Trust Territory of the Pacific Islands, relative to the island of Roi-Namur; to the Committee on Foreign Affairs.

97. Also, petition of the Congress of Micronesia, Trust Territory of the Pacific Islands, relative to the future political status of Micronesia; to the Committee on Interior and Insular Affairs.

98. Also, petition of Ronald E. Huffstutler and others, Oneonta, Ala., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

99. Also, petition of Ronald Hasley and others, Hollywood, Fla., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

100. Also, petition of John R. Leach and others, Pembroke Pines, Fla., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

101. Also, petition of William Fearherley, Addison, Ill., and others, relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

102. Also, petition of Mareen A. Lunt and others, Berkeley, Ill., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

103. Also, petition of David J. Petgen and others, Goshen, Ind., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

104. Also, petition of Henry Miller and others, Michigan City, Ind., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

105. Also, petition of Jerry Stoner, Wabash Fraternal Order of Police, Wabash, Ind., and others, relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

106. Also, petition of Ira C. Austin, Sr., and others, New Orleans, La., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

107. Also, petition of R. E. Humphress and others, Berlin, Md., relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

108. Also, petition of Jack K. Richard, Berlin, Md., and others relative to protection for law-enforcement officers against nuisance suits; to the Committee on the Judiciary.

109. Also, petition of A. J. Aranca, Jr., Bloomfield, N.J., and others, relative to protection for law enforcement officers against nusiance suits; to the Committee on the Judiciary.

110. Also, petition of Vincent Raymond, Garfield Heights, N.J., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

111. Also petition of Carl Wiece, Euclid, Ohio, and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

112. Also, petition of Roger Whiting, Hillsboro, Ohio, and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

113. Also, petition of Leland F. Matuszak, Lorain Fraternal Order of Police, Lorain, Ohio, and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

114. Also, petition of H. K. St. John, Northfield, Ohio, and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

115. Also, petition of Bill Moon and others, Pryor, Okla., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

116. Also, petition of David Rogers, Easton, Pa., and others, relative to protection for law enforcement officers against nuisance suits; to the Commitee on the Judiciary.

117. Also, petition of David K. Caldwell and others, Latrobe, Pa., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

118. Also, petition of Jesse L. Wearer and others, Shamokin, Pa., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

119. Also, petition of Gary P. Lenzi, Sharon, Pa., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

120. Also, petition of R. W. Spradling, Charleston, W. Va., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

121. Also, petition of Raymond Fraid, Kenosha, Wis., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

122. Also, petition of the common council, Sturgeon Bay, Wis., relative to the Economic Development Administration and the Upper Great Lakes Regional Commission; to the Committee on Public Works.

123. Also, petition of the city council, Holland, Mich., relative to revenue sharing; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

THE HANDICAPPED AT WORK: TOMORROW'S CHALLENGE

HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Monday, April 2, 1973

Mr. CHURCH. Mr. President, the winning essay in this year's Idaho State "Ability Counts" contest, sponsored by the Governor's Committee on Employment of the Handicapped, is Susanne Jane Mansell of Boise.

I have just had occasion to read her winning essay, entitled "The Handicapped at Work: Tomorrow's Challenge."

Also winning in the Idaho contest is David Sharp, of Idaho Falls, for his poster on Hire the Handicapped. I wish it were possible to reprint this young man's striking poster in the CONGRESSIONAL RECORD. Since we deprive ourselves of graphic representation in the RECORD, however, I can only say that it is a striking piece of work, which I know will be highly effective.

Reading Miss Mansell's essay, it is easy to see why this young woman was selected as a winner in the contest.

Miss Mansell is the daughter of a disabled veteran, and understands the problems of the handicapped from immediate experience.

In her essay, she notes the problems that had to be overcome by the United States to put a man on the moon, and wonders why—if we can overcome those barriers—we cannot at the same time remove the barriers we put in the way of the handicapped.

It is a very legitimate question. As she states in her essay:

The entire space program illustrates the will of mankind to break down barriers and to strive for the impossible dream. Now we need to prove ourselves in the important area of service to humanity.

Mr. President, I ask unanimous consent that the text of Miss Mansell's essay be printed at this point in the Extensions of Remarks.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE HANDICAPPED AT WORK: TOMORROW'S CHALLENGE

(By Susanne Jane Mansell)

Ten, nine, eight, seven, six, five, four, three, two, one, blast off!

A great roar arose, overpowering all other sounds in the area. The ground shook with the force of the rocket's lifting off the launching pad. It seemed as if the whole earth were being jarred loose from its foundations! The air was electric with excitement. The date was July 20, 1969, and man had undertaken his first excursion to the moon.

Some Americans like Joe Blake, born blind, and Marjorie Adams, confined to a wheelchair by multiple sclerosis, could only listen to radioed reports; yet they too experienced the challenge of man's seeking a goal higher than all others and being willing to pay the price to realize that goal.

Since that dramatic "first," four moon landings have occurred. What seemed impossible yesterday is now within reach in the space program. For man to land on the moon he had to overcome obstacles, previously unsurmountable. Now, man can travel through space at extraordinary speed and dares hope to go beyond the moon to more distant planets.

This question comes to my mind: if mankind has advanced sufficiently to venture into outer space against tremendous odds, why can he not break down the barriers that haunt the handicapped worker?

Seeking answers, I talked first with my father, a disabled veteran. To my surprise, he knew a great deal about such barriers. Though he believes attitudes have greatly improved over the past half-century, he cited a recent magazine survey which revealed that "out of 16,000 adults and 1,000 school age children, 63 per cent of the people questioned wanted to get the handicapped out of sight."[1] Considering that "one out of every seven persons in the United States is disabled in some way"[2] that like hiding our heads in the sand.

What is being done to change attitudes toward the handicapped and what is their hope for the future? "The most effective example I know of is LIVE, Inc., in Boise. LIVE strives to establish dignity and self-worth in the disabled person. By training and employing the handicapped worker, LIVE gives him an opportunity to be self-supporting."[3] This improves his opinion of himself; and, in turn, raises other people's opinion of him. A person who is usefully and gainfully employed is happier and better-adjusted.

"As for the future, there is reason to hope. I believe in the human race and have confidence that, as we become aware of the

Footnotes at end of article.

problems, we will respond in a positive way."[4]

How do we become aware? One way is through publicity such as that associated with the "Hire the Handicapped" campaign, which makes the community cognizant of the problems that the handicapped encounter. By informing the public, such measures help to unite communities behind a common cause, the improvement of conditions affecting handicapped workers.

What can be done to change attitudes? "The first and most important goal should be to educate the people."[5] Ignorance and fear are the major obstacles to overcome in changing unfavorable attitudes toward the handicapped. Through greater contact with the disabled, the average able-bodied person will gain a better understanding of the problems handicapped persons face.

I also talked with George Betebenner, a supervisor for Mountain Bell Telephone Company, who employs a handicapped person in his group. "The main objective for us in employing handicapped persons is to find a position in which the person can function well and take pride. In such a position, the employee's feelings of usefulness increase.[6] He has a better self-image as he succeeds in his job; and, when he accepts himself, others accept him the same as they do the physically and mentally fit person.

Given the right environment, the handicapped can succeed. But, along with mechanical assistance such as ramps, elevators, amplifiers for telephone sets, hand-operated vehicles, he needs encouragement and love, the love of someone who cares and who will struggle to help him to feel needed and wanted. No one survives alone.

The amputation of both legs does not keep Chester Smith from his drafting job, nor does a birth defect prevent Phyllis Fisher from teaching drama; a respiratory disease has not deterred Robert Mansell from being a useful, necessary person to his family, church, and community. Despite paralyzed legs, Bill Gratton is an eminently successful radio and television newscaster. Someone who cares—a wife, mother, son, daughter, or friend—has contributed to the success of each. Love can bridge the most difficult of all barriers.

What is the challenge of tomorrow? I believe the acceptance of handicapped persons according to their ability to perform should be the goal. The entire space program illustrates the will of mankind to break down barriers and to strive for the impossible dream. Now we need to prove ourselves in the important area of service to humanity.

I believe that progress is being made toward acceptance of the handicapped. But we have not yet reached a level of full understanding and integration of all persons with physical or mental disabilities to the extent that is necessary for a healthy society. When the United States put John Glenn into space, did we stop? No! A higher goal beckoned and we fought without cessation to attain that goal. The same perseverance and dedication must be applied to the treatment of the handicapped. We cannot stop short of total victory.

Let it be recorded that we have launched another rocket—a rocket aimed at achieving the goal of complete acceptance of the handicapped worker. Now let the countdown begin. Ten, nine, eight, seven, six, five, four, three, two, one, blast off!

FOOTNOTES

[1] Time, XCVIII (December 20, 1971), 67.
[2] World Book Encyclopedia, IX, 41.
[3] Robert Mansell, disabled veteran.
[4] Ibid.
[5] Ibid.
[6] George Betenbenner, Supervising Engineer, Mountain Bell Telephone Company.

NEWS BULLETIN OF THE AMERICAN REVOLUTION BICENTENNNIAL COMMISSION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. WHITEHURST. Mr. Speaker, I am inserting in the RECORD the March 26 edition of the news bulletin of the American Revolution Bicentennial Commission—ARBC. I take this action to help my colleagues be informed of action across the country in preparation for the 200th anniversary of the Nation in 1976. The bulletin is compiled and written by the communications committee staff of the ARBC. The bulletin follows:

AMERICAN REVOLUTION
BICENTENNIAL COMMISSION,
Washington, D.C., March 26, 1973.

The Bicentennial Western Regional Workshop was held in San Francisco on March 19–20. After a welcome address by Mr. Richard Pourade of the California ARBC, several discussion groups led by ARBC staff members explained facets of Bicentennial programs and policy, the national picture, Bicentennial Parks, BINET, Federal Grant programs and Communications.

It was announced at the Western Regional Workshop that Kent B. Williams has been named as Regional Director for the California Regional Bicentennial Office in San Francisco to coordinate activities in eight states. Mr. Williams, formerly Chief of Audio/Visuals and a Press Information Officer for the ARBC, stated at the two-day planning workshop, "The 200th anniversary of American independence should be as vital to the family in San Francisco and Honolulu as it is to the family in Lexington and Concord. Our job will be to develop Bicentennial programs in which the people of the Western United States may actively participate in 1975 and 1976."

The New York City Bicentennial Corporation has recently issued Focus '76: An Interim Report to the Directors on the Plans and Activities of the New York City Bicentenni..l Corporation, July–December, 1972. Inquiries can be directed to the Corporation at 331 Madison Avenue, New York, New York 10017.

Mrs. Charles Dawood, Chairman of the Detroit Mayor's Committee, Keep Detroit Beautiful Teens, writes that the Committee "has been receiving literature and The Bicentennial News and we find it very interesting and informative, so much so, that our Teens would like to take an active part in the Bicentennial Arts Program. Our program is a beautification as well as youth voluntary, and our aims and goals are to beautify our surroundings and to improve the quality of life in our respective communities. We would like you to keep the KDB Teens in mind and please let us know what we can do to contribute to your worth while program."

On February 27, House Concurrent Resolution 15 was passed by the Arkansas Senate. The House of Representatives has previously endorsed this resolution, which provides that the membership of the Arkansas American Revolution Bicentennial Committee be enlarged by two members, the state regent of the Daughters of the American Revolution and the president of the Sons of the American Revolution. Currently, the state D.A.R. regent is Mrs. Silas E. Carroll, Jr. of Benton, and the S.A.R. president is Dr. James Upton of Conway.

The February meeting of the American Revolution Bicentennial Commission of Connecticut adopted a resolution designating an Official Bicentenial Editing Project of the State of Connecticut. The project, in progress since September, 1967, and expected to continue for several years beyond 1976, is the editing of the papers of Jonathan Trumbull, Connecticut's Revolutionary War governor, known affectionately to General Washington as "Brother Jonathan." The Commission's resolution states that Trumbull "has not received the recognition that his contributions to American's independece deserve," a reference to the fact that Trumbull was chiefly responsible for funneling food, clothing and war materiel to the Colonial armies to such an extent that Connecticut became known as "the Provision State." The editing project is in charge of Professor Albert E. Van Dusen of the University of Conecticut. He is also the Connecticut State Historian.

The first Planning Aid Grants have been awarded by the Maine State American Revolution Bicentennial Commission. At a two-day meeting in Waterville, March 8–9, the Commission took final action on all requests for funds received since the program was launched earlier this year. Proposals were put forth by a wide range of non-profit groups, including historical societies, museums, various branches of the University of Maine, the NAACP of Bangor and two local Bicentennial Committees.

Henry Rubin, Director of the Louisiana State Bicentennial Commission, has announced a "Call to Action" for all interested State communities to help plan, encourage, develop and coordinate Louisiana's participation in the 200th Anniversary of the United States of America. Mr. Rubin states "Our concept of a meaningful Bicentennial Celebration is to provide something of lasting value to Louisiana communities and their people. To do this, every city should have a voice. The Louisiana American Revolution Bicentennial Commission has developed procedures to establish a city or parish Bicentennial Commission, the first step toward a successful state celebration." City commissions formed or being formed are: Alexandria, Baton Rouge, Breaux Bridge, Crowley, Ferriday, Lake Charles, Lafayette, Monroe, Natchitoches, New Orleans, Shreveport, and Slidell.

As part of its bibliographic program in observance of the American Revolution Bicentennial, the Library of Congress has published *Creating Independence, 1763–1789, an* annotated bibliography of background reading for young people. Compiled by Margaret N. Coughlan, Children's Book Section, Library of Congress, with an introduction by Richard B. Morris, Gouverneur Morris Professor of History, Columbia University, the bibliography serves as a guide to the selection of materials for young people on the American Revolutionary War period. Included under five broad subject headings—"The Times," "The Rise of Discontent," "The Days of Revolution," "A Constitution is Born," and "Heroes, Heroics, and Traditions"—are accurate, well-documented histories, biographies, and a few historical novels and fictionalized biographies.

The original five-member Nevada American Revolution Bicentennial Commission has been enlarged to accommodate new members and is now operating under the chairmanship of Secretary of State, William D. Swackhamer. The Commission recently officially commended North Las Vegas as Nevada's "first bicentennial city" because a fully active and representative committee is now working on several local bicentennial projects. Two state agencies, the Nevada Highway Department and the Department of Education were commended for completion

of a teaching project keyed to the bicentennial era.

The Indiana ARBC reports that several Hoosier communities are planning Bicentennial Celebrations. Bicentennial committees have been or are being formed in Boone, Cass, Daviess, Delaware, Dubois, Knox, Lake, LaPorte and Allen counties, and in the cities of South Bend and Michigan City. News of others will be forthcoming. Fulton County hopes to dedicate an original log barn, furnish it and begin an annual Round Barn Festival. Hamilton County and Noblesville will carry over many of their Sesquicentennial observances. Wabash College, through Ron Peterson, assistant to President Thaddeus Seymour, has a workshop producing Continental Line uniforms, muskets and a variety of early American products.

OEO NOT COMPLETELY SUCCESSFUL

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. LANDGREBE. Mr. Speaker, during the controversy last fall concerning the funding of the Indianapolis Legal Services Organization, an editorial appeared in the Indianapolis News which I would like to share with you.

I feel that this editorial summarizes many of the unfortunate undertakings that many of the OEO funded legal services organizations have approached.

I include this editorial in the RECORD:

STOP LSO

The Indianapolis Legal Services Organization is supposed to provide the indigent with legal representation. Its actual role in the community, however, is somewhat different and explains a lot about why the agency is increasingly the center of controversy.

LSO faces an acid test soon when the City-Council Council decides on its request for $202,232 in Community Service Program funds, and its prospects for survival are not helped by recent cases in which the agency has revealed its curious character.

In one case, an Indianapolis woman sought assistance in obtaining a divorce. Somehow she ended up in Federal court challenging the Marion County Welfare Department's six-month separation rule for determining ADC eligibility. To LSO's embarrassment, it was revealed that she was mainly concerned with getting a divorce and that she had no intention or knowledge of signing papers to sue on another matter.

There is similarly the case of a reluctant client, an inmate at the Indiana Reformatory at Pendleton, on whose behalf LSO filed a damage suit in connection with the quelling of disturbances at the institution last January. The inmate wrote LSO asking that the suit be dropped, but was then visited by LSO attorney Harold R. Berk and decided to continue with the proceedings. In court the client candidly testified that he had changed his mind several times and was not certain even at that point what he wanted to do.

In another recent case, involving distribution of underground newspapers in the public schools, LSO's cultivated image of championing the poor came unraveled. Investigation revealed that LSO's clients were anything but poverty-stricken. The parents of one of the student publishers had a combined income of close to $27,000, and others had incomes in excess of $15,000.

Similarly, LSO recently represented a member of the U.S. Navy in a divorce proceeding. The matter came under fire from Circuit Court Judge John L. Niblack, who asked pointedly: "Is it the contention of LSO . . . that members of the Armed Forces of the United States are paupers?"

Each of these cases reveals a peculiar activism on the part of LSO, supporting the charges of critics that the agency is more interested in representing causes than poor people. We think it is time for the City-Council Council to put a stop to this flagrant misuse of public funds.

CUTTING DEAD WOOD

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. QUIE. Mr. Speaker, on Saturday, March 17, 1973, a column by William S. White appeared on the editorial page of the Washington Post. Part of his discussion concerned the restructuring of OEO.

In light of the current interest of OEO, I ask that the section concerning poverty in Mr. White's article be printed in the RECORD, as follows:

The long effort of the Democrats to discredit the President's budget as excessively harsh toward the poor and too generous toward the Pentagon is losing for several reasons, including the oldest of all possible reasons. It will fail in the end primarily because it is untrue to suggest that Mr. Nixon is "turning the clock back" and gutting social welfare.

Taking the budget in the aggregate he is planning to spend more, rather than less, on welfare. What he is really trying to do is to cut or to cut down only some programs, notably the highly compassionate but also highly ineffectual "war on poverty" that he inherited from the Johnson administration. What are being chopped down, or at, are schemes that either won't work or are intolerably costly for what they accomplish.

Though there are undeniably scattered instances of hardship for some people in this approach, the central reality is that the President is trying both to clear up a horrendous federal welfare mess based on too much belief that Washington knows best and to fight the real enemy of the poor, which is called inflation.

As truth actually does sometimes do, the truth is slowly coming through here. The Democratic attack on the administration is declining in force because of this and because of collateral circumstances.

Perhaps the most important of these collateral circumstances is that various pressure groups marshalled under the general but not always honest heading of civil rights are heralding "a national spring offensive" against the administration in its entirety. There are threats of street violence as undertones.

The political atmosphere has so far changed in the last four years as to make such allies unwelcome even to most of the ultra-liberal Democrats themselves. They don't want this association. And so for the most part they are beginning to back away and to moderate rhetoric that had pictured the President as deliberately hard-hearted toward the unfortunate.

A NEW ETHIC FOR MEDICINE AND SOCIETY

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HOGAN. Mr. Speaker, the question of abortion continues to arouse great debate around the country. I am inserting in the RECORD today an editorial from California Medicine dealing with the ethical question facng the medical profession regarding abortion:

A NEW ETHIC FOR MEDICINE AND SOCIETY

THE TRADITIONAL WESTERN ETHIC has always placed great emphasis on the intrinsic worth and equal value of every human life regardless of its stage or condition. This ethic has had the blessing of the Judeo-Christian heritage and has been the basis for most of our laws and much of our social policy. The reverence for each and every human life has also been a keystone of Western medicine and is the ethic which has caused physicians to try to preserve, protect, repair, prolong and enhance every human life which comes under their surveillance. This traditional ethic is still clearly dominant, but there is much to suggest that it is being eroded at its core and may eventually even be abandoned. This of course will produce profound changes in Western medicine and in Western society.

There are certain new facts and social realities which are becoming recognized, are widely discussed in Western society and seem certain to undermine and transform this traditional ethic. They have come into being and into focus as the social by-products of unprecedented technologic progress and achievement. Of particular importance are, first, the demographic data of human population expansion which tends to proceed uncontrolled and at a geometric rate of progression; second, an ever growing ecological disparity between the numbers of people and the resources available to support these numbers in the manner to which they are or would like to become accustomed; and third, and perhaps most important a quite new social emphasis on something which is beginning to be called the quality of life, a something which becomes possible for the first time in human history because of scientific and technologic development. These are now being seen by a growing segment of the public as realities which are within the power of humans to control and there is quite evidently an increasing determination to do this.

What is not yet so clearly perceived is that in order to bring this about hard choices will have to be made with respect to what is to be preserved and strengthened and what is not, and that this will of necessity violate and ultimately destroy the traditional Western ethic with all that this portends. It will become necessary and acceptable to place relative rather than absolute values on such things as human lives, the use of scarce resources and the various elements which are to make up the quality of life or of living which is to be sought. This is quite distinctly at variance with the Judeo-Christian ethic and carries serious philosophical, social, economic and political implications for Western society and perhaps for world society.

The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition or status, abortion

is becoming accepted by society as moral, right and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected.

It seems safe to predict that the new demographic, ecological and social realities and aspirations are so powerful that the new ethic of relative rather than of absolute and equal values will ultimately prevail as man exercises ever more certain and effective control over his numbers, and uses his always comparatively scarce resources to provide the nutrition, housing, economic support, education and health care in such ways as to achieve his desired quality of life and living. The criteria upon which these relative values are to be based will depend considerably upon whatever concept of the quality of life or living is developed. This may be expected to reflect the extent that quality of life is considered to be a function of personal fulfillment; or individual responsibility for the common welfare, the preservation of the environment, the betterment of the species; and of whether or not, or to what extent, these responsibilities are to be exercised on a compulsory or voluntary basis.

The part which medicine will play as all this develops is not yet entirely clear. That it will be deeply involved is certain. Medicine's role with respect to changing attitudes toward abortion may well be a prototype of what is to occur. Another precedent may be found in the part physicians have played in evaluating who is and who is not to be given costly long-term renal dialysis. Certainly this has required placing relative values on human lives and the impact of the physician to this decision process has been considerable. One may anticipate further development of these roles as the problems of birth control and birth selection are extended inevitably to death selection and death control whether by the individual or by society, and further public and professional determinations of when and when not to use scarce resources.

Since the problems which the new demographic, ecologic and social realities pose are fundamentally biological and ecological in nature and pertain to the survival and well-being of human beings, the participation of physicians and of the medical profession will be essential in planning and decision-making at many levels. No other discipline has the knowledge of human nature, human behavior, health and disease, and of what is involved in physical and mental well-being which will be needed. It is not too early for our profession to examine this new ethic, recognize it for what it is and will mean for human society, and prepare to apply it in a rational development for the fulfillment and betterment of mankind in what is almost certain to be a biologically oriented world society.

RESULTS OF HON. WILLIAM L. HUNGATE'S LATEST QUESTIONNAIRE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HUNGATE. Mr. Speaker, I would like to bring to the attention of my colleagues the results of my recent questionnaire to my constituents in the Ninth District of Missouri. This year's poll produced 38,000 replies—more returns than in any previous year. The large response indicates to me an increased concern about some of the controversial national issues yet to be solved. For this reason, I believe the results will be valuable to the Members of the House as we seek answers to the Nation's problems through the legislative process.

The questionnaire follows:

9TH DISTRICT (1973) QUESTIONNAIRE RESULTS

[In percent]

	His	Hers	Total
1. Vietnam. With the prospects of peace in Vietnam following the recent cease-fire agreement, what role do you believe the United States should have in Southeast Asia?			
(a) Get out completely from all Southeast Asian nations	30.3	32.1	31.2
(b) Continue to provide military equipment only and technical assistance	11.6	10.1	10.9
(c) Provide funds for rebuilding war-ravaged South Vietnam only	6.9	6.7	6.8
(d) Provide funds for rebuilding both North and South Vietnam	6.6	4.8	5.7
(e) Let the majority of aid to rebuild Vietnam come from the UN or other international sources	43.1	43.5	43.3
(f) No opinion	1.5	2.8	2.1
2. Amnesty. After our POW's have been returned, should the approximately 70,000 young men who left the United States to avoid the draft be—			
(a) Allowed to return without any conditions	4.9	4.8	4.9
(b) Allowed to return on condition they perform some alternate public service for 1 to 2 years	23.1	30.8	26.9
(c) Allowed back to stand trial and receive whatever punishment might be imposed	70.6	62.8	66.8
(d) No opinion	1.4	1.6	1.4
3. Abortion. Should laws governing whether a woman receives an abortion—			
(A) Provide that the decision be left entirely up to the woman and her doctor	52.2	51.2	51.7
(B) Allow abortions only under special circumstances (such as danger to the mother's life or to victims of rape)	35.3	37.4	36.3
(C) Be left up to the States to decide	2.4	1.3	1.8
(D) Provide that abortions not be permitted under any circumstances	7.9	8.9	8.4
(E) No opinion	2.2	1.2	1.8
4. Rural programs. In the President's press conference of Jan. 31, 1973, he stated: "Now 80 percent of this 2 percent [REA] money goes for country clubs and dilettantes, for example, and others who can afford living in the country, I am not for 2-percent money for people who can afford 5 percent or 7." Do you—			
(A) Agree with this assessment of REA program needs	28.3	24.8	26.6
(B) Disagree with this statement and believe the program should be fully reinstated	23.8	23.5	23.7
(C) Favor some cutback in REA and other rural programs	26.2	23.6	25.0
(D) No opinion	21.7	28.1	24.7
5. Minimum wage. As Congress is expected to again consider minimum wage legislation, which do you prefer?			
(a) Providing a gradual increase from $1.60 to $1.80 then to $2 per hour	42.2	44.3	43.2
(b) Minimum wage be established at more than $2 per hour	27.3	26.4	26.8
(c) Minimum wage be established at less than $2 per hour	5.5	5.6	5.6
(d) No new minimum wage legislation should be enacted	22.1	19.1	20.6
(e) No opinion	2.9	4.6	3.8
6. Economy. The President's authority to impose wage and price controls expires on Apr. 30, 1973. Do you believe this authority should be—			
(a) Continued	68.0	65.5	66.8
(b) Discontinued	28.6	28.8	28.7
(c) No opinion	3.4	5.7	4.5

JUSTIN DOUGLAS HALLER

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. MOORHEAD of California. Mr. Speaker, it gives me great pleasure to make the following announcement for the RECORD.

Justin Douglas Haller, the first great great great grandson of Jefferson Davis, soldier, Member of Congress, and Secretary of War, was born on March 9, 1973, to Mr. and Mrs. Howard Edward Haller of Chevy Chase Estates, Glendale, Calif.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

U.S. "FED-UPNESS" WITH INDIA AND SWEDEN

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. SIKES. Mr. Speaker, Mr. William S. White in a column entitled "U.S. 'Fed-Upness' with India and Sweden" appearing in the Washington Post on February 17, expressed the convictions of a great many Americans. It is thought provoking and highly appropriate. I wish to submit it for reprinting in the RECORD.

U.S. "FED-UPNESS" WITH INDIA AND SWEDEN

(By William S. White)

Relations between the United States and the world's two most piously pacifistic nations, India and Sweden, are in deep cold storage and no kind of thaw in sight.

For the first time, Washington is daring to express in public its fed-upness with the moralizing finger-pointers of so called neutralist powers that are in fact habitually "neutral" in favor of any adversary of this country.

The United States now has no Ambassador in Stockholm and no discernible intention to send one any time soon. Daniel Patrick Moynihan has been appointed by the President and confirmed by the Senate to be ambassador to India, but the administration has made it plain that nobody is concerned with any resumption under present circumstances of real diplomatic contact with New Delhi.

All this is novel. For all through the Eisenhower, Kennedy and Johnson administrations, Washington's fixed policy was to exercise a gloomy patience and a very high degree of tolerance when the United States was attacked—as so often it was—by countries which call themselves "nonaligned" but have in fact historically found very little wrong with the Communist side in the cold war.

It was, and particularly to Presidents Kennedy and Johnson, a galling posture, especially having in mind that the "nonaligned world" owes its physical safety to none other than the U.S.

Indeed, President Johnson once wryly observed in private that the one sure way to get extra tenderness and help from the United States government was to kick it as hard as possible and in public.

Nevertheless, a kind of excessive tolerance was maintained through the years in fear that if the United States ever actively resented the abuse routinely directed against it "world opinion" would censure not the abusers but rather the nation being abused.

The Nixon administration has simply decided that turning the other cheek while certainly not dignified is also certainly not effective in any case. Thus it is that while official American displeasure is being directed specifically at Sweden and India, for acts of a grossly hostile nature, the intention is that this displeasure shall be noted elsewhere in the neutralist world as well.

As to Sweden and India, the provocations could scarcely be denied even by those who are convinced that whatever the United States may do or say abroad it is surely wrong. The Swedish Prime Minister Olof Palme has compared American actions in Vietnam to the race-murders of Adolf Hitler. So bitter an insult is not made easier to take by recollections that the Swedes got fat practicing "neutrality" while selling to the Nazis arms with which to kill and enslave other Scandinavians. American troops for their part did a good deal of dying to liberate Nazi Germany's victims.

As for India, Prime Minister Indira Gandhi, daughter of the sainted Prime Minister Nehru and like him a professional pacifist except when sending her troops against weaker neighbors, has now implied that American bombing in Vietnam was racist. Would this have been "tolerated for long had the people been European?" she asks rhetorically.

She is of course furious because her aggression in Pakistan was not saluted by the United States. Her innuendo that the U.S. was killing North Vietnamese Communists for being Asians ignores that the South Vietnamese being defended by the United States are also Asian.

The comments of Palme and Mrs. Gandhi, however, are interesting primarily because they illustrate so well the utter impossibility of getting along with this kind of truth and logic. It can't be done; and this at long last is the conclusion of President Nixon.

SALT TALKS: AN ADVANTAGE TO THE SOVIETS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. RARICK. Mr. Speaker, the Soviets have reacted to the nuclear advantage given them in the SALT talks just as any reasonable observer would have expected them to.

Our numerical inferiority to the Soviets was supposedly justified, according to our decisionmakers, because our nuclear missiles, although fewer in number, had multiple warheads, called MIRV's. Now that SALT I has numerically guaranteed 5 years of Soviet nuclear superiority, the Soviets are altering their single warhead missiles by changing them to MIRV, or multiple warheads identified as the SS–17.

The Russians now have been given missile superiority by our leaders. Who can be so naive, as to believe that after 5 years of such an advantage the Soviets will ever be interested in parity. After all, they have the decided upper hand.

And as if this is not bad enough, we have now announced a $202.4 million Export-Import Bank loan to the Soviets, supposedly for American industrial equipment.

I insert related news clippings in the RECORD, as follows:

[From the Baton Rouge (La.) Sunday Advocate, Apr. 1, 1973]

DO THEY REALLY WANT DEFEAT?

(By Joseph Alsop)

WASHINGTON.—Nowadays, in the dark hours before dawn, you sometimes wonder whether a lot of virtuous Americans do not actually want to see their country defeated. Consider, to begin with, the powerful drive now taking shape among the liberal Democrats in Congress to dismantle the national defense.

Then consider a few other things of some significance, like the dreadful surprise that followed hard on the heels of the first round of SALT talks. The surprise took the form of a Soviet test, demurely delayed until the first SALT round was over, of a submarine-launched ballistic missile with a range of about 4,500 miles.

The surprise was dreadful for several reasons. To begin with, the range of this new submarine-launched missile exceeds by around 1,000 miles the maximum that had been considered possible by the American scientific analysts. The first SALT agreement was squarely based on the U.S. analysts' predictions, which have now turned out to be poppycock.

Then, too, the Soviet test provided that in the first round of SALT talks the Soviet negotiators had been grossly misleading, if not directly untruthful.

"PARITY" RECOGNIZED

They had pleaded that their submarine launched ballistic missiles had a much shorter range than the comparable American weapons. They had stressed the complex operational factors that make an increase of range almost exactly equivalent to an increase of number, in the case of strategic missiles launched from submarines.

Hence the Soviets had claimed they had a right to a lot more submarine-launched missiles than the United States. This claim, made in the sacred name of "parity," was, in fact, recognized. Under SALT I, the Soviets are allowed to build up to a total of 950 submarine-launched nuclear missiles, whereas the United States is held to a level of about 600 such missiles.

Now, however, the Soviets have a submarine-launched missile of much longer range than any in the U.S. arsenal, either in existence or in prospect. Its present accuracy has been questioned, but accuracy can always be improved. With missiles of such range, moreover Soviet nuclear submarines can lurk in the Bering Sea or the Sea of Okhotsk, far beyond the reach of U.S. sea surveillance. And thence they can loft their missiles to almost all the most vital American targets!

In sum, this single Soviet missile test betokens a coming change in the strategic balance that ought to give the creeps to any liberal Democrat who gives a pin about his country's future.

Instead, one of the prime aims of the liberal Democratic attack, now being organized in the Senate, is the destruction of the U.S. Trident program. This is the program, of course, intended to give this country greater and less vulnerable seaborne nuclear striking power.

One of the main objections to Trident, naturally, is that the new missiles will be MIRVed—in other words, will have multiple warheads capable of being independently targeted. The doctrine of the virtuous is that if the United States goes on MIRVing its missiles, the Soviets will then be driven to MIRV their missiles. This, once again, is purest goose-talk.

A WRONG TURN

Soviet nuclear missiles are not MIRVed today, simply because Soviet missile development took a wrong turn a good many years ago. To MIRV a missile successfully, you have to put a complex miniaturized computer on board the missile. For detailed guidance, the Soviets instead relied for a long time on computer systems at the launch point rather than using on-board computers.

Throughout much of the first round of SALT talks, however, it was already perfectly clear that the Soviets were working, all out to correct this past error—and thus to MIRV. Another recent Soviet missile test had shown furthermore, that the Soviets have already achieved considerable success in this intensive effort.

The new missile tested is called the SS–17. It has an on-board computer and a range of 6,000 miles. It can even be regarded as a new "counterforce weapon." But the main point is that the new missile is a long step in the direction of much more widespread Soviet MIRVing, which the goose-talkers say we must not "stimulate." In such matters, the Soviets need no stimulation.

The goose-talkers still quack about "parity." In reality, another question already faces us. How will the Soviets behave if and when they are allowed to acquire a heavy predominance of nuclear striking power? Any sensible man ought to be able to figure out the answer to that question. And the question indicates where the Soviets are heading.

[From the Evening Star and Daily News, Mar. 21, 1973]

SOVIET MISSILE ADVANCE COULD EXPOSE U.S. SILOS

(By William Beecher)

Administration military analysts report that the Soviet Union has conducted its first successful test of a computer aboard a new intercontinental ballistic missile.

This development, the analysts said, is considered highly significant in that it should improve the accuracy of the SS11 missile to the point where it could be used to attack American Minuteman missile silos and not only cities and airfields. Such missiles constitute the bulk of the Soviet ICBM force.

The administration analysts said the placement of a computer aboard an intercontinental missile also could markedly advance the time when the Soviet Union might develop accurate Multiple Independently Targetable Warheads (MIRVs) for its intercontinental missiles.

Administration officials said this technological progress could have some impact both on the current negotiations to seek a treaty limiting or reducing the number of offensive nuclear weapons in the United States and the Soviet Union, and on the administration's interest in improving the capability of its own MIRV warheads.

The Russians have reportedly made four tests of the SS17, an improved version of the SS11—the first last September, the most recent earlier this month.

Analysis of telemetry readings convinced the United States that a computer was aboard on each of the four, ordering corrections in the missile's flight because of high winds and other unanticipated factors affecting the missile's trajectory.

Soviet ICBMs now ready for operation employ a ground-based computer that attempts to forecast before launching such variables as shifting wind, engine velocity and engine burnout time.

The analysts say that if the accuracy of the SS17 could, with an on-board computer, be brought to within a quarter of a mile of its target, it could carry a sufficiently large warhead to be effective against steel-and-concrete Minuteman silos.

[From the Washington Post, Mar. 20, 1973]

SOVIETS TO SIGN $202.4 MILLION U.S. LOAN PACT

The U.S. Export-Import Bank says Soviet officials have agreed to sign a formal pact next week providing for $202.4 million in U.S. loans to Russia's foreign trade bank for the purchase of American industrial equipment.

Eximbank officials said yesterday there will be two loan signing ceremonies—one on March 21 and another on March 23—at the Eximbank's headquarters here.

The Eximbank had approved $101.2 million in direct loans and guarantees for another $101.2 million in matching loans from three U.S. banks. But the formal signing ceremonies were delayed while legal experts for both the lenders and the borrower reviewed the final wording of loan documents.

FIGHTER IN THE CAUSE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. RANGEL. Mr. Speaker, it is indeed fortunate that this country has people like Alma John.

In these times of skyrocketing food prices, widespread consumer fraud, and general insensitivity to the needs of the poor, Alma John is living and working to make her city, New York, just a little more livable for her 8 million neighbors.

It gives me great satisfaction to submit an article from the New York Daily News concerning Alma entitled "Her Gentle Voice Will Be Heard":

HER GENTLE VOICE WILL BE HEARD

(By Joyce White)

"Whenever welfare day arrives, prices go up," said Alma John. In her cozy apartment at W. 137th St. and Madison Ave., she sat discussing what goes on in Harlem.

A gentle, soft-spoken woman, Alma seldom raises her voice, even when talking about the social injustices that exist in her community.

"Living in Harlem, I can easily see the discrepancies in quality of goods and services rendered to this community," she said. "Wilted vegetables and bad meats fill the markets. Merchants in Harlem use all sorts of illegal devices to cheat customers."

However, Alma does more than just talk about the issues. She has been fighting for almost a half century. During the depression, she led a group of Harlem Hospital nurses in a struggle to improve working conditions. Now, she's tackling the merchants.

"I started a program on WWRL radio called "Shopper's Guide," she said. "Several times daily I quote the best buys of the week, give nutrition hints and cooking techniques. And I also warn my listeners to watch out for the piece of metal that merchants often place on the scale, along with the chicken," she said, with twinkling eyes.

In spite of her consumer efforts, whenever Alma is called the black Bess Myerson of Harlem, a slight frown appears on her usually serene face.

"I work at the grassroot level, plus I don't have any mayoralty aspiration," she quickly retorted. "Anyway, our work is completely different. I'm concerned about all aspects of black family life. On my radio program, I advise my listeners on how to eat to live," she added.

Alma's concern doesn't stop with her consumer program. On Saturday morning when most people are sleeping late, she is directing a talent workshop. About 60 persons gather at Sachs Furniture at E. 121st St. and Third Ave. to express their creative talents.

"The people at the workshop relate to each other as a family unit," she said. "Our motto is: Teach what you know; if you don't know, learn.

"At the workshop, you will often see a senior citizen reading a new poem that he has written, or a 5-year-old teaching a new dance step to the entire crowd," she said.

"Several times a year we visit prisons, youth houses, detention centers or so-called 'correctional houses.' We don't go there merely to entertain the inmates, but to let them know we consider them a part of our black family."

"The prison population was 27% black in 1937, today it's 85%," she added softly.

Seemingly, there is no end to Alma's activities. She also produces as well as moderates a TV program called "Black Pride," which appears on WPIX Sunday nights. Mondays, she hosts a talk show on WWRL radio.

She seemed slightly embarrassed when asked to explain how she manages it all. But she said she has her epitaph ready: "She didn't rust out, she just wore out."

ESTABLISH A LOAN PROGRAM FOR VIETNAM VETERANS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BOB WILSON. Mr. Speaker, recently, I met with a group of college veterans representing most of the colleges and universities in my district. They emphasized the difficulties faced by many Vietnam veterans in securing sufficient funds to meet the continuously rising cost of higher education. Congress last year took a major stride forward by substantially increasing the subsistence allowance for Vietnam-era veterans and I was pleased to work for the passage of this legislation.

Nonetheless, with the ever-increasing rise in the cost of living, coupled with skyrocketing costs of education even at State universities, many veterans are unable to take advantage of their education benefits. They simply cannot pay living expenses and tuition costs even though many work at parttime jobs to supplement their incomes. The situation is exacerbated by the slowness in processing their claims, either by the schools themselves or the Veterans' Administration. Eligible veterans may wait several months before getting any money from the VA. In the meantime, they may be forced to drop out of school and go to work fulltime in order to eat.

I am, today, introducing legislation to establish a loan program for Vietnam veterans who have enrolled in a higher education program. With these additional funds, the veteran would be able to assure that he had sufficient income to remain in school. Many veterans are unable to consider attending a private university, because of the higher costs, despite the fact that this particular school might more closely meet their individual educational needs. The loan program I am proposing would thus increase the veteran's educational alternatives by making it possible for him to borrow sufficient money to attend the university of his choice, public or private.

It would also provide VA insured loans to veterans attending institutions of higher education and pursuing degree objectives with interest subsidy provisions similar to the insured loans under the Higher Education Act of 1965, as amended. In addition, the bill provides direct VA loans where insured loans are not available under interest rates prescribed by the Administrator in the veteran's area of residence or not available under the terms and conditions necessary for approval of an insured loan by the Administrator of Veterans' Affairs. Loans up to $1,500 per year would be available, although the maximum insured loans made to any veteran could not exceed $6,000.

I feel very strongly that a veterans' educational loan program should receive priority consideration. Although the Congress and the administration have devoted considerable attention to providing additional funds for higher education loan programs, sufficient funds have unfortunately not become available to meet the current demand. While we are endeavoring to expand the funds available in higher education loans to all students, I think that we need to pay particular attention to the needs of the Vietnam veteran. After interrupting their schooling and careers to serve in the Armed Forces, these young men returned home to find that their contemporaries, who were not called, had a considerable headstart in terms of education and job experience. Regardless of their own feelings on the war which they fought, and undoubtedly their views are as diverse as the Nation as a whole, these men gave their time and put their lives on the line because their country asked them to do so.

Returning home from the most unpopular war in our history, they were not greeted with the much-deserved praise and celebration which presently awaits our prisoners of war nor the thanks for a job well-done which returning GI's received in 1945. While we as a Nation try to bind up our wounds, it is paramount that we provide every possible assistance to those who were in the line of fire.

The loan program I am proposing is not a welfare grant, but a loan to assure that these veterans are able to complete their education and become productive citizens. The loans will be repaid, both in terms of the actual cash value of the loan itself and the investment in our Nation's future productivity and growth. In addition, it will provide greater flexibility to veterans in planning their specific educational programs and would relieve some of the student population crush experienced by many public-financed institutions due to the prohibitive rates at private universities. I would like to reiterate my request for prompt congressional consideration of this legislation.

MR. THIEU'S VISIT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. LEHMAN. Mr. Speaker, with the arrival of President Thieu to meet with President Nixon this week, I hope we will all be on guard so that this visit will not be a springboard for further U.S. involvement in Southeast Asia.

For too many years, the United States has poured too many men and too much of its resources into the maintenance of this despotic regime in South Vietnam. Now that our POW's are home, there is little rationale for the presence of any American military personnel in South Vietnam or elsewhere in Southeast Asia.

I believe that the President recognizes that the American people do not want to see any reinvolvement in Southeast Asia. We must, however, be cautious lest Mr. Thieu attempt to cajole anything else out of the American people during his visit here.

LITHUANIAN INDEPENDENCE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. EILBERG. Mr. Speaker, during the years between 1795 and 1915, the people of Lithuania were subject to the harsh rule of the Russian empire. During World War I, the Lithuanians fell to German domination. In 1918, however, this proud people declared itself a free and united nation. Tragically, this long awaited freedom was to last for but 20 years.

World War II brought occupation by the Red Russian Army and declaration that Lithuania was a constituent republic of the United Soviet Socialist Republic. Soon afterward Nazi Germany attacked the Soviet Union and once again Lithuania fell to the control of the Germans. It was not until 1944 that the Russians regained Lithuania.

The United States has never recognized the Soviet conquest of Lithuania or that of Estonia and Latvia, the other suppressed Baltic States, but has maintained its steadfast adherence to the legal governments of these nations.

As an independent state, Lithuania gained admission to the League of Nations on September 22, 1921. The first President of the Lithuania Republic, Antanas Smetone, was elected under a provisional constitution. The permanent constitution, adopted on August 1, 1922, established as basic rights the freedom of speech, assembly, religion, and communication.

In 1938, a new constitution was established which provided stronger powers for the President, but in general reaffirmed the major provisions of the original document. During the period of independence, great emphasis was placed on improving agriculture, the country's primary industry. A land reform program was instituted, resulting in Lithuania becoming a nation of small farmers. Additionally, industrialization progressed. While in 1913, Lithuania had only 151 industrial establishments with 6,603 employees, by 1939 the industrial establishment had grown to 16,131 enterprises employing 33,000 workers. Lithuania made similar strides in social legislation. A labor control law, the 8-hour day, and several educational reform measures were adopted before the Second World War.

Lithuania was one of the first countries to experience the aggression of both Hitler and the Soviet Union. With war imminent, Lithuania attempted to maintain a policy of absolute neutrality, but was engulfed nevertheless. The first loss occured when Klaipeda was yielded to Germany on March 22, 1939. On June 15, 1940, the Soviets reoccupied the country. Soon afterward, in July of 1940, a rigged election produced a Congress which requested the incorporation of Lithuania into the Soviet Union.

It is estimated that during the first Soviet occupation, the country suffered the loss of about 45,000—many Lithuanians fled, others were arrested or deported. Repeating the history of the First World War, German occupation replaced Soviet. During this time however, the Germans instituted a colonization policy and several thousand German families settled in Lithuania. Almost all Lithuanian Jews were executed by the Nazis. As the war drew to an end, Lithuania returned not to independence, but to Soviet domination.

Under Communist domination, communication between Lithuanians and the free peoples of the world, has been minimal. The country is closed to Western observers. This is regarded as a precautionary measure of the military, due to the fact that the Baltic coast is conveniently located for the establishment of military bases. The Communists appear to have concentrated their efforts on industrialization and on collectivizing agriculture. The few people who have been able to escape since 1945 report a lack of freedom and the imposition of Communist methods on this traditionally freedom loving society.

The United States recognized the independent Lithuanian Government on July 27, 1922, and it continues to maintain diplomatic relations with the representative of the former independent government, which has a legation in Washington.

While joining with our Lithuanian brothers in mourning the loss of their country's too briefly experienced freedom, let us reaffirm our resolution to see that freedom once again established.

MRS. CORINNE C. BOGGS

HON. JOE D. WAGGONNER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. WAGGONNER. Mr. Speaker, I would like to take a moment to welcome to the House, the newest Member from the State of Louisiana, the gentlewoman, Mrs. CORINNE C. BOGGS.

You know it was often said down in Louisiana that the second district was in fact represented by two Members of Congress: Hale Boggs and LINDY BOGGS. Although it is sad that we can no longer say that we have two Members of Congress representing the second district, we can be proud to say that we have one exceptionally qualified Congresswoman; a fine lady for whom I personally have the highest respect and admiration. To know her is to love her.

I think that most of the membership of this body who knew Hale also knew how important a role LINDY played in his life and political career. The quality of representation for the second district will not in any way be diminished, I can assure you.

As the first woman elected to the Congress from the State of Louisiana, LINDY, I would like to extend my congratulations and best wishes to you. The second district has maintained its tradition of fine representation.

STOP "PASSING THE BUCK"

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HARRINGTON. Mr. Speaker, in recent months, the American housewife has been cited as the cause and the solution to many problems in our society. Such an accusation is misleading, unjust, and false.

The housewife is not the "most powerful weapon against high prices" as the President said she is on Thursday, March 22, 1973. The President has at his disposal, the most powerful weapons against high prices. Certainly, a consumer does not have the authority to impose a ceiling on meat prices. When the President said, "the buck stops here," he was very accurate. The buck or blame cannot be passed on to the American housewife for the high cost of living.

It is clear that the administration's economic stabilization program has not achieved its major objectives. We need to control all meat prices, not just put a ceiling on some. In addition, we need general price controls such as those under the phase II program. Finally, the President should accept the blame for the economy's failures, and stop passing it onto the American consumer.

An article by Ms. Ellen Goodman, which appeared in the Boston Globe, March 26, 1973, stresses these points in a decisive fashion:

MUST MOTHER TAKE THE RAP?

In the beginning it wasn't so bad. The housewives of America were just being blamed for water pollution. Somehow the collective guilt of a nation settled onto the woman with the washing machine and detergent and she was exhorted to change washing agents for the future of generations to come.

It was not, of course, the housewife who'd killed Lake Erie but the finger was pointed at her and she crept off to buy low phosphates, thereby being caught between the ads telling her she must have clean white laundry or be considered a wash-out (you should excuse the expression) and the articles telling her she was responsible for the waters and their inhabitants.

Then the housewife was told that those wonderful electrical appliances pushed down her purse for a decade or more were using up too much electricity. Meanwhile, of course, the lights blazed all night in the Pru but, she was told to cut back, brown-out on electricity or be held responsible for the Energy Crisis.

In the meantime, the electric company was running a special on can-openers and air-conditioners were running 24 hours a day in buildings constructed without windows.

With extreme ease however, the housewife was convinced that she had the Responsibility.

Then the health people got into the act. Women were told in somber tones to read the labels on the fast food packages and ask themselves the searing question of whether they really wanted to feed their families dehydrogenated whatever. Back to nature, the health folk told her: bake your own bread, can your own beans, and no matter that you have only 35 minutes from the moment you get home to the moment the family sits down for supper. Is your time worth more than your family's health? Guilt wrapped itself around the housewife if she picked up frozen fried chicken.

Did anyone ever tell the prepared food people how to run their business? No, just the consumer.

Then, it was snacks and cereals. The mother was lectured to by doctor, dentist and nutritionist. Cavities, curvature of the spine and possibly scurvy would occur if her children ate Captain Grapeberry Cereal with Marshmallows and Salty Air Chips. Meanwhile the kids were being sold the stuff on television.

The mothers of young children were given the option of hassling with the kids over breakfast or letting their teeth rot. The mothers of older kids who get the Salty Air Chips at the corner store on the way home were given Guilt.

The manufacturer was never ordered to stop making the garbage, the housewife was ordered to stop buying it.

At this point the housewife was responsible for (1) water pollution, (2) the Energy Crisis, and (3) the health of her family.

Enter Richard Nixon.

Last Thursday the President of the United States said: "I would suggest that the greatest and most powerful weapon against high prices in this country is the American housewife."

The President (and that man's the President) suggested that American housewives "beat" high food prices by "buying more carefully".

Lordie, so that's the trick. And all the time we thought it had something to do with farmers and wholesalers and retailers and labor costs and stuff.

But no, now the housewife has to assume the guilt of inflation and take it upon herself to turn the tide by buying more carefully.

I don't know about you, but I don't know any man or woman who shops casually in the supermarket these days, just romping along piling up the Porterhouse.

With cube steak on sale, pray, for $1.65, anyone with a freezer is living off of the vintage beef. An investment in a meat cellar doesn't seem to absurd.

But to blame the consumer, to blame the victim, is like convicting the driver when the steering wheel of his new car comes off in his hand.

Housewives have become too easy a target, all too ready to pick up the guilt and not organized enough to throw it in the right arena. We have to feed our families something more than "Let's Pretend Loaf" and when the choice is between $1.69 top round and $1.65 Swiss steak, the problem of price control belongs somewhere else. Like the White House, for instance.

WELCOME HOME LARRY STARK DAY

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HANRAHAN. Mr. Speaker, March 25, 1973 was declared as "Welcome Home Larry Stark Day" in Mount Greenwood, Ill. The ex-prisoner-of-war returned home after 5 years in a POW camp in Hanoi.

The following is the telegram which I sent to Mr. Stark:

Mr. LARRY STARK,
C/O Mr. Harry Drake, Superintendent,
Mount Greenwood, Ill.

MARCH 22, 1973.

Dear Mr. Stark: The happiness and excitement you are feeling today is being felt by our entire Nation in what has become one of history's greatest causes for celebration—the return of you and your fellow POW's from Southeast Asia.

My only regret is that I could not be in Illinois to join in honoring you for your great courage and for the sacrifices you have made for your country.

I wish you every possible happiness for the life you have yet to live. Welcome home.

Congressman ROBERT P. HANRAHAN,
Third District, Illinois.

It is indeed a great time for America to be able to witness the return of these fine men who have given so much for their fellow man. Their bravery and endurance are an inspiration to us all. I join with all of America in honoring the returning POW's.

FOOD PRICES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my April 2, 1973, Washington Report entitled "Food Prices:"

[From Washington Report of Congressman Lee Hamilton, April 2, 1973]

FOOD PRICES

With food prices rising faster than at any time in the past 20 years, President Nixon announced a ceiling on the wholesale and retail price of beef, lamb, and pork "for as long as necessary to do the job." The price of food in the typical market basket jumped 2.5 percent from January to February and the President was forced to accept ceiling prices, which he had previously been rejecting because they would contribute to shortage and be counterproductive.

An important factor in the President's decision was his belief that without a halt to rising food prices there would be an explosion in wage increases in the upcoming labor contract negotiations. Already the prospects are diminishing for achieving his goal of holding inflation to 2.5 percent by the end of the year.

The big question, of course, is whether this and the other steps (cited below) will actually work. The hope is that prices will come down with the combination of a ceiling on meat prices, the housewife's rebellion at food prices, and the farmer's increased production.

The fundamental reason for the rising food prices is tight supply combined with strong demand, with several developments converging to cause the price upsurge:

1. Strong consumer demand for food arose from an increase in spendable income arising from higher wages, larger social security payments, and tax refunds.

2. Exports of agricultural products increased sharply. The huge sale of wheat to the Soviet Union last fall took 25 percent of the crop. Poor weather abroad in several countries caused smaller crops at home and more demand for U.S. food, and increased

demand for livestock products from abroad, and the devaluation of the dollar, which made our food exports cheaper, all contributed to an all time record U.S. exports, up 40 percent from the previous year.

3. Domestic food supplies were reduced. Red meat production fell off a shade, freezes and bad weather at harvest damaged the grain crops, and unseasonable weather and Hurricane Agnes hurt the fruits and vegetables.

The imposition of price ceilings on meat is the latest of several moves by the Administration to moderate food prices. The basic approach has been to increase production of agricultural products so that greater supply will reach the market and bring down prices through the law of supply and demand. Specific steps include:

sale of government grain stocks;

discontinuation of direct export subsidies on agricultural products;

suspension of meat import restrictions;

expansion of herds by permitting grazing on idle lands;

efforts to free railroad boxcars for transportation of grain;

retention of price controls on food processors, wholesalers, and retailers;

request for authority to suspend tariffs and quotas on import of food; and

most importantly, adjustment of farm programs to encourage greater production of grains and soybeans.

While I have supported the moves to increase agricultural production, prompter action would have eased the increase on consumer food prices. The major difficulties in the President's proposal are that extended price controls will create shortages and distortions (so, hopefully, the period of imposition will be limited), and the inequities of the imposition of controls on meat products while not imposing controls on other items.

Putting the price of food into broader perspective may not help the family budget, but it does provide a little comfort. Americans enjoy the best food and spend a smaller percentage of their pay checks for it than other people (in 1947, Americans spent 25 percent of their pay check for food; in 1971, only 16.3 percent). While it takes the average American 6 minutes to earn a loaf of bread, it takes a Brazilian 46 minutes and a Soviet citizen 12 minutes. It takes a Japanese worker 10 times as long to earn a pound of sirloin steak as an average American. Moreover, rising food prices are an international problem, with other industrialized countries reporting larger increases than in the U.S.

Elaborate studies have been made to determine who is responsible for the big grocery bills, but the results are inconclusive. They do agree, however, that the American farmer is not responsible because his share of the food dollar dropped to 38 percent in 1971, his costs have risen sharply, and his amazing productivity continues (in 1950, he provided for himself and 15½ others; today, he produces enough for himself and 48 others).

ASSOCIATED PRESS SURVEY SHOWS GUN DEATHS UP 40 PERCENT

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ROSTENKOWSKI. Mr. Speaker, we often hear of the so-called "slaughter on the highways" and the accompanying statistics that show the unusually high traffic death tolls that accompany every long holiday weekend. Unfortunately, Americans do not pay as much attention to a similar statistic which needs no such "holiday weekends" to reach its incredible heights.

The Associated Press has just released its most recent gun survey which demonstrates that death by the gun has become an even more common occurrence than it was 3 years ago. Then, better than 200 people a week were killed by handguns. In the week of March 4 to 11 of this year, 345 people were killed by the discharge of guns. The fact that this statistic includes accidental as well as intentional firings takes little away from the fact that this is an alarming 40-percent increase over the July 1969 survey.

Since the Associated Press article is only too clear in delivering its gruesome message, I would like to insert it in the RECORD as further proof of the need for this Congress to finally take a clear stand for strict limitations on the use of guns, pistols, and rifles. I would hope that the House Judiciary Committee would seriously consider the various proposals that have been introduced in this session of the Congress, including my bill, H.R. 3167, in order that we might greatly reduce the general accessibility of these weapons and the slaughter on the streets which results from their use:

ABOUT 345 IN UNITED STATES KILLED BY GUNS IN 1 WEEK

In one week this month, 345 men, women and children in the United States were shot to death. Some were the victims of armed robbers, some were policemen killed in the line of duty, some were shot during family quarrels.

Other gun deaths were more bizarre: a bartender machine-gunned as he sat in his car at a Boston intersection, a teen-aged couple executed as they kneeled by a sleeping bag in the Arizona desert.

The 345 deaths, counted in an Associated Press survey the week of March 4–11, represented a 40 per cent increase over those counted in the last similar survey four years ago.

In each of three previous AP surveys, gunshot deaths totaled about 200: there were 199 in June 16–23, 1968; 192 in July 7–14, 1968, and 206 in June 15–22, 1969.

The dates for the AP surveys were chosen at random. The first two were taken in the wake of the assassination of Sen. Robert F. Kennedy. The third came a year later after passage of a federal gun control law.

In the latest survey, 236 deaths were classified as homicides, 89 as suicides and 20 as accidents. The total number of gunshot deaths rose 40 per cent since the 1969 survey—homicides climbed 44.5 per cent, suicides 33.7 per cent and accidental deaths 20 per cent.

The weapons included the small, cheap handguns called "Saturday Night Specials" and often used in holdups, a father's revolver in the hands of a curious infant, a shotgun grabbed during a family quarrel.

In most states, there are no attempts to compile comprehensive, statewide records of gun deaths until weeks or months after they occur. And in many cases, the type of weapon is not always listed immediately.

But in the 345 gun deaths counted March 4–11, at least 128—or 37.1 per cent—of the weapons used were pistols. Handguns were responsible for at least 41.4 per cent of the homicides, 25.8 per cent of the suicides, and 20.5 per cent of the accidental deaths.

Ten persons were killed during holdups, and five robbery suspects were killed by police.

The 1968 federal gun control law banned interstate mail order sales of rifles, shotguns and all types of ammunition. It also banned most over-the-counter sales to out-of-state residents.

The 1968 law also banned imports of cheap, small-caliber pistols, but a number of U.S. firms sell "Saturday Night Specials" assembled locally from parts shipped in from overseas.

Attempts to get tighter controls have failed in Congress.

In the latest AP gun death survey, California reported the most deaths—42—during the week. Next came Texas with 33, Michigan 28, New York 25, Illinois 22, Ohio 19, Virginia 17, Louisiana 15, North Carolina 14, Georgia 12. Maryland and the District of Columbia each had 5.

Of California's 42 deaths, 20 were homicides and 22 were suicides. Michigan reported the most homicides—22, followed by New York with 21, California 20, Texas 18, Illinois 16, Ohio, 13, Georgia 13, Virginia 12, Pennsylvania 10, Florida 9, Louisiana 9.

Eight states reported no gun deaths during the period: Colorado, Kentucky, Minnesota, Nevada, New Hampshire, Vermont, Wisconsin and Wyoming.

REPORTS TO CONSTITUENTS

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. PRICE of Texas. Mr. Speaker, as part of my continuing effort to keep my constituents informed of my activities in the Congress, I wish to include in the RECORD at this point the text of my recent weekly Washington Reports:

WASHINGTON REPORT FROM CONGRESSMAN BOB PRICE

MARCH 23, 1973.

This week in a letter to the Chairman of the House Public Works Committee, Congressman Bob Price expressed his support for preserving the Federal Highway Trust fund intact which has provided the chief source of money for the Federal Interstate Highway program since 1956.

Price, who has worked with the Administration in most areas took exception to a recent White House endorsement for diverting some highway trust fund monies for urban transit programs. Labeling a Senate vote this past week to set aside portions of highway trust fund revenues for non-highway use a "mistake," Price told the House Public Works Chairman:

Hon. JOHN A. BLATNIK,
Chairman, House Committee on Public Works, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to express my support for legislation to retain the Federal Interstate Highway program as presently constituted. In behalf of my constituents of the Thirteenth Congressional District of Texas who have written to me in great numbers on this matter, I must oppose any attempt to divert highway trust fund monies for use in urban mass transit projects.

At a time when more and more Americans are using the Comprehensive system of superhighways which are the direct result of the far-sighted Highway Trust Fund established in 1956 for both commerce and recreation purposes, we cannot afford to permit a diversion of the fund monies into areas for which they were not intended. There is today a considerable amount of discussion in support of spending highway trust fund monies

for urban non-highway projects, and this is being proposed as a cure for urban congestion and decline. However, in my opinion, quite the opposite is true. The answer lies not in spending additional money to further attract our people to the large cities, but rather to invest in the development of rural America. If people are to return to the farms and small towns, one of the most essential requirements must be the existence of a comprehensive, modern highway system by which goods and persons can be efficiently transported and economic development encouraged and made feasible.

Your consideration of these views as you decide the future direction of the self-sustaining Interstate Highway trust funds will be greatly appreciated.

Sincerely,

BOB PRICE,
Member of Congress.

MARCH 15, 1973.

In a message to the Congress this week, President Nixon announced his intent to submit to the Congress the Criminal Code Reform Act aimed at providing a comprehensive revision of existing Federal Crime laws. This act proposes needed changes and closely reflects the thinking of the citizens of the 13th Congressional District who recognize the need for more effective law enforcement and criminal prosecution.

The need to reinstate the death penalty, the need to halt the frequency of criminal acts and the need to take positive action against drug offenders are three of the most widely voiced views appearing in the letters received by Congressman Price. The President's Criminal Code Reform Act would be a step in the right direction toward restoring respect for the law and bringing an end to the recent era of permissiveness.

The Criminal Code Reform Act acknowledges the death penalty to be a valuable deterrent to crime and would dissuade individuals from taking the lives of others in the course of committing another crime. As proposed, the death penalty would be imposed for war-related treason, sabotage, espionage, and when the death of an innocent person has been caused due to serious offenses such as kidnaping and aircraft piracy.

The act also provides for stricter penalties for narcotic pushers. Under the new act heroin or morphine pushers would receive higher mandatory sentences with second offenders who are convicted of trafficking in more than four ounces of heroin or morphine receiving a mandatory sentence of life imprisonment without parole. Those charged with trafficking in heroin or morphine would also be denied pre-trial release. The President has also urged that marijuana not be legalized.

It is time that the loopholes surrounding criminal acts are plugged—it is time to insure that our laws and system of criminal justice work, not only to insure the rights of the criminally accused, but also the rights of society and the innocent victims of crime.

MARCH 9, 1973.

Congressman Bob Price returned to his room in the general care section of Bethesda Naval Hospital this week. The Congressman, who underwent additional testing and treatment last week in the coronary unit, has recently been showing signs of improvement and is conducting a limited amount of office business.

The Congressman's office has recently been receiving many letters and petitions from citizens Nation-wide voicing their support of his constitutional amendment which would permit voluntary prayer in our Nation's classrooms. This bill has been referred to the House Committee on the Judiciary.

The United States Department of Agriculture announced this week that farm commodity exports will reach an all time high of $11 billion during Fiscal Year 1973. This figure means a gain of $5 billion during the last four years. These figures prove that agriculture is demonstrating that it is one of our major growth industries and that it has the strength to produce adequate food for nutritious American diets while shipping to major countries abroad at a record pace.

With the return of our POW's from Vietnam, the controversy surrounding the question of amnesty for draft evaders and deserters has once again come under extensive debate. Despite the ending of American participation in the Vietnam Conflict, Congressman Price has reiterated his belief that the granting of wholesale amnesty would undermine the respect for all law. Historically, amnesty has been granted only under limited circumstances, and public opposition toward granting amnesty to all deserters and draft dodgers is showing signs of being on the increase.

MARCH 1, 1973.

Congressman Price this week announced the details of two appointments which he has received. Through a letter from House Minority Leader Gerald Ford, he was informed of his reappointment to the House Republican Policy Committee where he will serve as one of seven Members-at-Large during the 93rd Congress. As a member of the House Republican Policy Committee, the Texas Congressman will work closely with other members of the House leadership in conjunction with the White House to formulate and expedite the enactment of proposals as part of an overall legislative program. In a separate announcement, Congressman Bob Price was also named to serve as a Member of Subcommittee Number One of the House Armed Services Committee, whose major responsibility is legislation affecting programs of research and development for the Department of Defense.

Congressman Price's office is continuing to respond to correspondence and inquiries arriving in the office daily from the Congressman's constituents. The Congressman, who is presently convalescing at Bethesda Naval Medical Center outside of Washington, is receiving information about the various issues of concern to his constituents.

In recent days, a large volume of correspondence, much without return addresses or names, has been received in Congressman Price's office concerning a proposal by a Veterans Administration official to lower the rating schedule for service-connected disability compensation. An inquiry by the Congressman's office has revealed that President Nixon had no personal knowledge of this proposal, nor had he authorized it to be formally presented to the Congress.

Legislation has been introduced which will, if enacted, limit the authority of the Veterans Administration by freezing the service-connected disability compensation rating schedule as in existence in January, 1973. This legislation will also make any proposed changes subject to the approval of the Congress.

FEBRUARY 23, 1973.

Congressman Bob Price continues to make good progress toward recovery at Bethesda Naval Hospital where he has been a patient for the past two and one half weeks.

Doctors there report that additional comprehensive testing and observation of Congressman Bob Price over the past several days have revealed no evidence of a heart attack or further cardiac damage following an incident of chest pain Monday.

The Congressman, who had been readmitted to the coronary unit for further evaluation, has since been moved back to his room in the general care ward of the hospital where he continues to rest comfortably.

Late Thursday, February 22, the House passed legislation, similar to that introduced earlier this year by Congressman Price, to amend the Farmers Home Administration Emergency Loan Program by a vote of 269 yeas to 95 nays. The bill as passed by the House was a more expensive version of the Price legislation. If this legislation is enacted, the "grandfather" amendment attached to the bill Thursday will give all farmers and ranchers in Secretarially designated disaster areas an 18 day period in which they may apply for 1% disaster loans under the $5,000 forgiveness clause. Furthermore, this legislation provides for a 5% interest rate for those loans provided for under the provisions of the Consolidated Farm and Rural Development Act. This legislation is now awaiting further action by the Senate.

FEBRUARY 16, 1973.

During this week while the Congress is in recess in honor of Lincoln's Birthday, Congressman Bob Price continues to make good progress at Bethesda Naval Hospital where he has been undergoing extensive testing and treatment following a mild coronary occlusion last week. Doctors have determined that no complications have been detected and the Congressman is responding well to treatment. Price is expected to remain in the hospital for another two to three weeks before being released.

This week in one of his most strongly worded letters to President Nixon, Congressman Bob Price expressed opposition to any plan or scheme to provide economic assistance to North Vietnam as part of the peace settlement. Price's office has received a tremendous number of letters from concerned constituents who have registered their opposition to any plan for aid to North Vietnam.

The text of Congressman Price's letter to the President is as follows:

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to express my objection in the strongest of terms to any plan which would involve American financial or economic aid to the government of North Vietnam.

Those of us in the Congress who have stood resolutely with you in opposition to the demands among various dissidents in and out of the Congress for peace at any price have done so because of our agreement with your staged premise that Americans who have fought, died, and "paid a price" to resist Communist aggression shall not have done so in vain.

After ten years of cruel war it would be unconscionable to lavish over two billion dollars of assistance upon a government which has been responsible for the deaths of over 50,000 Americans, hundreds of thousands of South Vietnamese, and has practiced the most sadistic and brutal forms of inhumanity and has scoffed at the most elementary rules of civilization and human decency.

It is true that the United States helped rebuild our former enemies of Germany and Japan at the close of World War II, but that was after the militaristic and dictatorial regimes of both nations were deposed. In North Vietnam today the same persons who have attempted to defeat and humiliate the United States are still in control of the government, and any attempt to buy or bribe their friendship or cooperation is as doomed to failure as every other giveaway program this Nation has undertaken in the past.

Mr. President, I supported you in your bid for an honorable conclusion of the Vietnam conflict. Let us not reward those who have

forced upon this Nation our darkest hour since the Civil War. Sir, my conscience will not permit me to do this.

Respectfully,

BOB PRICE,
Member of Congress.

FEBRUARY 8, 1973.

This week Congressman Bob Price was admitted to Bethesda Naval Hospital in Washington for evaluation of an incident of chest pain and discomfort. During the next ten days while the Congress is in recess in honor of Lincoln's Birthday, the Congressman will undergo extensive testing and treatment procedures. As a result of several months of strenuous activity involving an election campaign, the introduction and preparation of several new bills in the 93d Congress, trips to the new 13th Congressional District, and the assumption of responsibilities as one of the few members named to serve on two major Committees in the new Congress, doctors have detected evidence of extensive physical exhaustion requiring an undetermined period of rest and convalescence.

The office of Congressman Price will continue to operate on a full time basis and staff personnel will respond to constituent inquiries and needs until the Congressman returns to the office in the weeks ahead.

On February 7, legislation similar to that introduced by Congressman Price to reinstate the Rural Environmental Assistance Program was approved by a large majority vote in the House of Representatives. Price, as a Member of the House Agriculture Committee, has in recent weeks met several times with Agriculture Secretary Butz to discuss and express his support for REAP, which has been of great benefit to our Nation's farmers in conserving and protecting our land, air and water resources.

The bill now goes to the Senate for action.

Congressman Price has continued to receive encouraging remarks concerning the three bills he has introduced this year which are designed to combat the energy crisis by establishing a Council on Energy Policy and incentives to allow for the continuation of exploration for our oil and gas reserves. Price plans to seek the support of his colleagues in Congress in the months ahead to build up our Nation's energy supply thereby decreasing our dependence on the importation of these vital resources from other countries.

FEBRUARY 2, 1973.

This has been a busy week for the Committee on Agriculture of which I am a Member. On Thursday, the Committee approved legislation to reinstate the Rural Environmental Assistance Program and sent this legislation to the House where it will be voted on within the near future. As a sponsor of a comparable bill to reinstate this valuable Federal cost-sharing conservation program, I could not be more pleased with the outcome of the Committee's decision. I can only hope that the Congress will follow suit by approving this bill as soon as possible.

Monday, February 5, brings another week of meetings for the Committee on Agriculture. During this time hearings will be held on legislation I recently introduced to restore the Farmers Home Administration emergency loan program which has proven to be invaluable to the farmers in our district and the nation who have been hard hit by extremely bad weather conditions during the last several years. It is anticipated that the Agriculture Committee will once again act quickly to approve this legislation and send it to the House Floor for further action.

This has been a week in which Americans have rejoiced over seeing the names of those POW's who will soon be returning to their homes. For the last several years I have been wearing two of the POW bracelets which contain the names of two men who used to be my flying buddies during the Korean Conflict. Soon I hope to send the bracelets I have been wearing to these men who have constantly been in my thoughts as a small expression of appreciation for their extraordinary service to our Nation. Others who have been wearing these bracelets might wish to do the same.

The cold-blooded and cowardly shooting and wounding of Senator John Stennis this week has touched off a new wave of demands for gun control legislation. It is sad that the Congress has, like an ostrich with its head in the sand, ignored the crime epidemic brought on by a decade of liberal, permissive leadership; but just as sad is the way in which the Congress is reacting to the brutal assault of one of its own Members. Contrary to the plea of liberals whose only solution is the confiscation of guns—"Let's get the guns off the streets" they say—the time has come for a return to strict law enforcement and for the infusion of new backbone in our courts and law enforcement system. Instead of getting the guns off the streets, I believe what we really need is to get the criminals off the streets.

JANUARY 24, 1973.

This has been a truly historical week in American history. Starting with ceremonies last Saturday to mark the reinauguration of President Nixon for a second term, citizens everywhere were later stunned upon learning of the untimely death of former President Lyndon B. Johnson.

As a member of the Texas Congressional Delegation, it was my solemn privilege to join in leading our Nation in ceremonies at the Capitol rotunda to honor Mr. Johnson for his tireless service to the Nation and to our State of Texas.

It is ironic that President Johnson's death should proceed by one day the marking of another historic event and a cause for which he labored so hard, the announcement of a ceasefire in the Vietnam War. Americans everywhere have been greatly relieved to hear this long-sought good news, and we can be thankful to both Presidents Nixon and Johnson that they showed great strength and determination to achieve an honorable peace. Perhaps the best news of all is that the waiting and anxiety of the brave families and friends of our Prisoners of War-Missing in Action will soon be at and end.

The legislative activities of the 93rd Congress continued at a fast pace throughout the week. While agreeing in principle with the President's efforts to hold down Federal spending, after much study and several conferences with the Secretary of Agriculture and other Members of Congress, I introduced a bill to reinstate the Rural Environmental Assistance Program which has proven over the years to be of great benefit not only to agriculture, but also to the Nation in the areas of water and soil conservation.

With the energy situation in our country becoming more critical daily, I further submitted a bill similar to one I introduced last year to establish a Council on Energy Policy. It is my hope that the Congress will act quickly on this legislation in order to establish a means to systematically arrive at solutions to the fuel shortage crisis which has crippled communities across the Nation this winter.

JANUARY 23, 1973.

Today Congressman Bob Price introduced legislation which, if enacted, will require the Secretary of Agriculture to carry out the provisions of the existing law providing for the authorization and funding of the Rural Environmental Assistance Program. "While I agree in principle with and applaud the President's efforts to keep Federal expenditures within reasonable limits," Price stated, "I feel that the effects brought about through the discontinuance of this important program would be detrimental to the long range preservation of our most vital human resources—namely our soil, water and air."

Noting that the Rural Environmental Assistance Program has worked effectively as a Federal cost sharing program for conservation programs installed by farmers since the 1930's, the Texas Congressman went on to mention some of the accomplishments made possible through this program: "REAP has enabled our farmers to do more to clean up and preserve our environment than any other federally sponsored program. Through this program our farmers have been able to protect our soil through the establishment and improvement of vegetative cover, strip-cropping practices, terracing, the re-seeding of marginal land, and cross fencing for grazing. REAP has also provided for strides to be made in the areas of sediment retention and chemical runoff control, drainage, irrigation and related practices and livestock water utilization and distribution on ranches. Through this program our farmers have also been able to embark upon activities which have slowed the spread of noxious brush and weeds, accounted for a major portion of our reforestation program on private lands, helped aid wildlife conservation and increased the development of recreational areas."

Price went on to state that it would be unfair of us to demand America's farmers to take on the burden of the conservation of our natural resources single-handed when it is evident that REAP has benefited not only rural America, but our Nation as a whole. He added that it is not feasible at his time for farmers to initiate and continue long range programs without the aid of cost sharing initiatives provided by the Federal Government especially if we are to continue to feed the starving millions abroad.

"I am looking forward to the hearings which will soon be held on this matter by the Committee on Agriculture of which I am a member and I am hopeful that the Administration will reconsider its action with regard to this important program," Price concluded.

JANUARY 4, 1973.

Congressman Bob Price announced early today that he has joined with other Representatives in calling for a bipartisan caucus of all interested House Members to meet this afternoon to discuss recent Administration actions leading to the termination of certain programs within the Department of Agriculture. These programs include the 2% REA loan program, the Farmers Home Administration Emergency Loan Program for farmers hit by natural disasters, the Water Bank program, and the Rural Environmental Assistance Program.

"The purpose of this meeting," Price stated, "will be to find out what alternate procedures could be worked out to allow for budget control without destroying those ongoing programs which have proven of great benefit not only to agriculture, but to the Nation as a whole in the areas of water and soil conservation."

Price will also be joining the other Members of the House Agriculture Committee tomorrow in meeting with the Secretary of Agriculture to discuss this matter at further length. "I am hopeful these meetings will lead to a satisfactory solution for all concerned," Price said.

WASHINGTON, D.C.,

JANUARY 3, 1973.

Immediately upon the convening of the new 93rd Congress today, Congressman Bob Price introduced several bills dealing with a variety of important issues for consideration, including:

A Constitutional Amendment to permit voluntary prayer in the Nation's classrooms and other public buildings.

A Constitutional Amendment setting minimum attendance requirements for Members of Congress—failure to be present and voting on at least 70% of recorded yea and nay votes would result in the dismissal from office of a delinquent Congressman.

A Constitutional Amendment to prohibit deficit spending by the Federal Government except in time of war or national emergency, and to require a retirement of the National Debt over a one hundred year period.

A bill to abolish the limitation on outside income for social security beneficiaries over the age of 65.

A bill to provide tax credits for expenditures made in the exploration and development of new reserves of oil and gas in the United States.

A bill to establish a Council on Energy Policy to advise the Congress and the President in the formation and execution of a national energy policy to meet the future needs of the United States.

A bill to modify the Delaney Amendment to the Federal Food and Drug Act to permit the use of DES in animal feeds when residues from such use may be present in inconsequential and harmless amounts.

A bill to reestablish November 11th for the annual observance of Veterans Day in the United States.

A bill to modify the inheritance tax laws applicable to farmers, ranchers, businessmen and other property owners.

"I believe the 93rd Congress has a great challenge ahead—we have an opportunity to take up the unfinished business of the past and to enact responsible new legislation to meet the pressing needs of the American people. As the Representative of the new 13th Congressional District of Texas, I shall vigorously attempt to promote the views of all of my constituents in the Congress and to seek legislative action in those areas which meet with their needs," Price said.

RESOLUTION NO. 3

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. SNYDER. Mr. Speaker, on April 4 this year the Organization of American States will begin meeting here in Washington. At that meeting an attempt will probably be made by a handful of Castro sympathizers to have the Castro regime admitted to the OAS.

Mr. Speaker, only a scant four out of all the Latin American countries presently recognize Castro—Mexico, Panama, Chile, and Peru. It would be folly to admit to the OAS a government which has repeatedly demonstrated its unwillingness to engage in peaceful cooperation. As the U.S. Ambassador to the United Nations, John Scali, said at the recent Security Council charade in Panama:

Cuba brought the sanctions on itself by exporting revolution. When it stops that, the sanctions will be lifted.

At that same Security Council session, Panamanian strongman Gen. Omar Torrijos, in a bitterly anti-American tirade, tied the Panama Canal question to the admission of Castro's clique to the OAS. Just as General Torrijos was rebuffed on his ludricrous demands relating to the canal, I believe that he and his cohorts should be rebuffed on their madcap scheme on behalf of Castro.

This agitation by a small number of Marxists and other extremists to admit the revolution-exporting Castro regime to the Organization of American States should be resisted here in the Congress and by our State Department.

I believe that a very sound view of this entire issue was eloquently expressed in a resolution adopted by the American Legion at its 54th annual national convention in Chicago last year.

I include the text of this resolution to be printed in the RECORD at this point:

RESOLUTION NO. 3

Committee: Foreign Relations.
Subject: Cuba.

Whereas, since 1960 each annual national convention of The American Legion has urged the Government of the United States to take whatever action may be necessary to free the Cuban nation from communist domination; and

Whereas, United States public policy as proclaimed in Public Law 87-733, effective October 3, 1962, calls for the prevention of the export of aggression or subversion by Cuba to any part of this hemisphere; the prevention of the creation in Cuba of an externally supported military capability endangering the United States; and cooperation with the Organization of American States and with freedom-loving Cubans to support the aspiration of the Cuban people for self-determination; and

Whereas, efforts to attain these objectives have been weak, indecisive and ineffective; and

Whereas, Castro has been active in organizing Communist operations in Latin American countries; and

Whereas, Castro has been collaborating with the U.S.S.R. in the establishment of Military bases in Cuba; and

Whereas, Castro now indicates a desire to reestablish commercial relations with the U.S.A.; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Chicago, Illinois, August 22, 23, 24, 1972 that we reaffirm our position and reiterate our call to the Government of the United States to set up an effective political action program, individually or through the Organization of American States, to eliminate the Castro communist regime in Cuba; and be it further

Resolved, that, until this objective is achieved, all United States political and economic relations with Cuba remain suspended, and that economic and military aid to other member nations of the Organization of American States which unilaterally break the existing trade embargo on Cuba be terminated; and be it finally

Resolved, that The American Legion recommends that diplomatic relations not be reestablished until the Cuban Government stops its efforts to establish and perpetuate Communist activities in the Western Hemisphere.

BLADENSBURG HIGH BASKETBALL CHAMPIONS

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HOGAN. Mr. Speaker, Saturday, March 17, 1973, was a proud day for the Mustangs of Bladensburg High School as they defeated Bethesda-Chevy Chase High School in the Maryland class AA basketball championship. I would like to take this opportunity to commend Coach Roy Henderson and his assistant Ernie Welch for their outstanding coaching ability and their dedication to the game of basketball. I extend my congratulations to all the fine athletes on this team who displayed a great deal of courage while playing under pressure. These players include: Frank Foster, Kurt Schumacher, Waverly Evans, Kelvin Combs, Donald Foster, Toney Pulley, Brian Ball, Steve Ambrose, Tyrone Braxton, Bruce Buckley, Darryll Ritter, Dan Smith, and Charles Hall. And to the team managers, Donald Worley, Roger McDaniels, Randy Colbert, Jay Porter, and Terry Randolph, I wish to commend them in their efforts in helping to bring the Maryland class AA basketball championship to Bladensburg High School.

A HELPING HAND REMEMBERED

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BAFALIS. Mr. Speaker, the number of U.S. servicemen helped by the American Red Cross over the years must be legion.

Unfortunately, it is a human failing to slowly lose the memory of a helping hand once the need is gone.

Not so with one Vietnam veteran, Peter Bordonali of Fort Pierce, Fla.

He was helped. But he remembers. And now he helps others.

For that reason, I recommend to all the following story published in the March 25, 1973, edition of the Fort Pierce News-Tribune:

FP VIETNAM WAR VET REPAYING RED CROSS

Drafted and only three months into a year-long Vietnam stint in 1969, Fort Pierce's Peter Bordonali, 24, was mowed down by an enemy rocket, suffering a traumatic amputation of the left leg.

Bordonali can recall the incident matter-of-factly today, but what he recalls the most about the incident and subsequent hospitalization, is "the Red Cross did me a great service."

"All the time, the Red Cross was at my bedside making sure I was comfortable, helping to keep me from mental collapse, and bringing me hobbies to work with my hands, keeping my mind occupied.

"The Red Cross brought me other than Army food—ice cream. The Red Cross did and does a tremendous service to all soldiers," Bordonali stated.

It was during the days and weeks of hospitalization that Bordonali observed the faithful Red Cross workers and it was in a hospital bed that he decided he had to repay the Red Cross.

"In the hospital bed the thought occurred to me that I had to find some way to repay the Red Cross. As soon as I was released, I made it my business to contact the Red Cross," he explained.

His first actual contact with Red Cross service came last year with the murderous tornadoes that ripped through Okeechobee, taking the lives of several mobile home

residents whose homes were shredded apart by the twisters' strong winds.

"I went to Okeechobee then because they needed help and I decided it was now or never. I've been working as a volunteer with the Red Cross ever since," Bordonali said.

This month is National Red Cross month. "Be a good neighbor. Help the good neighbor. Give," the organization's slogan begs.

"We want to tell the people we're here to help them. People aren't really aware of what we're doing and since this is National Red Cross month, we want to tell them," Bordonali said.

He is the chairman of the Red Cross disaster preparedness committee, and in that capacity he works at the Red Cross headquarters answering the telephone, doing telephone contacts, and delivering disaster books to various organizations.

He has also seen to it that the Red Cross headquarters on N. Seventh Street has a complete citizens band radio outfit.

Bordonali and 15 CB operators make up the disaster preparedness committee.

"These men are ready, able and equipped to handle any emergency for the Red Cross. We can set up immediate communications between any disaster zone and the American Red Cross," Bordonali explained.

The team, in addition to manning the communication lines, is also responsible for search and rescue, maintaining and supplying emergency shelters, and in overseeing the operations at the shelters.

"The men are here for community service to work with the Red Cross. They have donated time and the CB equipment for the use of the Red Cross," Bordonali said.

Working with Bordonali are Don Brown, Red Cross coordinator; Ronnie Anderson, assistant coordinator; Ronald Morahan, Ed Powell, Earl Stroud, Earl Cordary, Matt Schneider, Ed Hutchison, Ed Dunn, Roy Hall, Doyle McPeak, Jim McDonald, Jerry Dubberly and Victor Bryan.

"I would like for the community to know that these men are interested in donating their time to the Red Cross and we hope that will interest others in Red Cross work. We need volunteers," Bordonali pleaded.

He also noted that without funding from the United Fund and without other donations from the community, "The Red Cross can't operate. I also have to stress we need bodies, too. We can't operate without volunteers and donations."

Bordonali is married and has a four month old son. He and his family live at 3400 Ave. G.

REASONS FOR COSPONSORING THE CRIMINAL CODE REFORM ACT

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. FISH. Mr. Speaker, on March 22, I joined with a number of my very able colleagues on the House Judiciary Committee as a cosponsor of the Criminal Code Reform Act of 1973—H.R. 6046. The need to reform and simplify Federal criminal laws is almost universally conceded by the legal community and is long overdue. There is no question but that a rational, integrated code is needed if we are to properly respond to the challenges of crime in 20th century America.

As my colleagues in the House know, however, this administration-backed bill also contains a number of controversial and provocative provisions. There are sections dealing with such sensitive matters as: First, the insanity defense; second, the death penalty; third, the disclosure of classified information; and fourth, mandatory minimum sentences for drugpushers. Despite my reservations over the bill's more controversial proposals, I decided to cosponsor this legislation as evidence of my support for general Federal criminal law revision. This is a large and complex document, and one that must be given considerable scrutiny by the judiciary committees and the entire Congress. Hopefully, these deliberations will be underway shortly. They should provide an excellent forum for discussing what a modern, progressive criminal justice system should encompass.

WELFARE SCANDAL—VI

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, there has been a lot of talk in the media and among the Members of Congress over the desirability of closing loopholes in our laws which undermine the original purposes of legislation enacted by the Congress. Not only in the tax code, but in our welfare legislation is this a pervasive concern.

Our welfare system is a continuing monument to the Congress' inability to design legislation to handle social problems. The present system has not only perpetuated dependence of the needy on society, but has extended that dependence from generation to generation. Further, it has generated a class of criminals whose existence depends completely on the continuance of our ineffective maze of welfare programs.

The past week or so, I have inserted daily into the RECORD installments of a series run recently in the Milwaukee Sentinel exposing the fraud, waste, and failure of the Milwaukee County Welfare Department. Estimates of the slippage run as high as 20 cents on the dollar.

Today's installment deals with the widespread illegal bartering in Federal food stamps and other in-kind disbursements made by the welfare department. It is clear that the program is not operating as designed by the Congress. Too often, at least in this example, the food stamps are not used to secure wholesome and nutritious food for needy families, but are sold at a discount for cash or bartered for liquor.

The article follows:

"MAJOR" SELLS FOOD STAMPS

(By Gene Cunningham and Stuart Wilk)

They call him "The King of the Food Stamps." They also call him "The Major."

Almost any night he'll amble into a North Side tavern—soiled clothes hanging loosely over a bulky frame—a broad grin on his face and government food stamps in his pockets.

He pounds the bar, demands a beer and cocks back his head announcing that The Major has arrived.

"There's only one Major," he declares. "I'm The Major and there's only one."

The regulars laugh and return to their drinks. Others try to ignore him.

"Any stamps to sell?" the bartender asks.

The Major leans forward and enters into a brief, inaudible huddle with the tavernkeeper.

After a few minutes the two men move to a less populated part of the tavern. They motion two customers to join them.

The customers are reporters for The Milwaukee Sentinel—but The Major doesn't know that.

"You wanna buy some stamps?" asks The Major, grasping the bar to regain his equilibrium.

"Sure," says one of the reporters. "How many have you got?"

"Here's $10 worth," he says, pulling out a booklet of five $2 food stamps. "I'll take $8."

Now the reporters huddle,

"That's too much," a reporter decides. "Here's $7—you're still making a profit."

"Don't tell me about profit!" growls the food stamp king.

"$7.50," the reporter offers.

The Major is tempted but not convinced.

"$7.50 and a beer," says the reporter. "That's the top offer."

"Sold!"

The money is exchanged for the food stamps.

The bartender pours the food stamp king a beer and—having made a quick, profitable sale—The Major orders a round of drinks for the house.

A few regulars toast The Major.

Everyone drinks up and The Major waves at the reporters as they leave.

It's easy to buy food stamps in Milwaukee County. Taverns are the most common place to buy them, although, according to some caseworkers, stamps are freely sold by clients on the sidewalks outside the Milwaukee County Welfare Center at N. 12th and W. Vliet Sts.

[The food stamp program is a federal program administered through the county welfare department.]

Buying and selling stamps is a federal offense. But that doesn't hamper pros like "The Major" or others like the man who sold the same two reporters a $5 food stamp in a tavern one night,

"How much you wanna offer?" asked the man.

"Three dollars," answered a reporter.

"Make it $4," insisted the man.

BID ACCEPTED

"$3.50," bid the reporter.

"Sold!"

A Milwaukee bartender told reporters that he has some of his customers buy his groceries.

"I haven't gone into a grocery store in years," said the bartender. "My customers trade me food stamps for drinks. Then they go and shop for me."

They'll also trade bus tickets for drinks. The Milwaukee County Welfare Department gives out the tickets to clients. They're valid on all Transport Co. buses.

The department pays full fare—50 cents for adults—for each ticket.

In November and December of 1972, the welfare department was spending from $1,600 to $4,700 a week for bus tickets bought from the Transport Co.

And the clients trade them freely for drinks.

One night, as reporters watched, a customer pleaded with a bartender to accept a bus ticket for a 35 cent shot of whisky.

"I'll give you a dime," barked the bartender.

The customer stared blankly.

"Ah, get outa here," the bartender shouted. "You're a bum. Get outa here."

The customer put the single bus ticket back in his pocket and shuffled out the door.

BOOMING BUSINESS

"He's a dirty wino," the bartender told a reporter. "What do I need his lousy bus ticket for?"

The bartender does a booming bus ticket business, he explained. He has a cigar box that, on some occasions, is overflowing with tickets stamped "DPW"—Department of Public Welfare. He gets them in exchange for drinks.

One night the bartender told the reporters:

"You want a welfare bus ticket? Have one on me."

He tossed a single bus ticket over the bar.

Sometimes he'll hold "Sunday night specials" to clear out his bus ticket inventory at cut rate prices.

Recently the bartender sold a reporter six bus tickets for $2. They are worth $3 at face value.

The bartender said to come back "any time." There are always bus tickets—or food stamps—to be had, he said.

Some customers will sell welfare department vouchers if they can find a taker, the bartender said. The voucher is made out to the recipient but some stores don't check identification.

Recently, a bartender said, a $70 voucher was sold at his tavern for about $25. There's always a lot of action here," said the bartender.

[The food stamps and bus tickets purchased by reporters were not used. They are being returned to the Milwaukee County Welfare Department. No expenditure of welfare department funds was involved in this project.]

WEST FRONT EXTENSION: LARGE, UGLY, NOT PRODUCTIVE

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. CLEVELAND. Mr. Speaker, it is always a pleasure to receive an expression of informed opinion from one's constituents when taking a position on a matter of some controversy. And as we gear up to repel another architectural assault on the Capitol—extension of the west front—it is particularly reassuring to see that the word is getting around the country.

A great deal has been said and written on the subject. But the following letter from Stephen P. Tracy, an architect in Cornish, N.H., poses the issue with an economy of language and sense of style we would do well to emulate in disposing of the matter:

Hon. JAMES C. CLEVELAND,
U.S. House of Representatives,
Washington, D.C.

DEAR JIM: The purpose of this letter is to solicit your continued opposition to a proposed extension of the West Front of the Capitol Building, and to thank you for your vote last year to prohibit construction on this project at least until a feasibility study has been prepared.

It is my understanding that efforts are again being made to secure the approval of Congress for this extension despite the fact that the report submitted by the engineers who were authorized and instructed to make a feasibility study concluded that the West Front could be and should be restored. It is puzzling to me that the findings of this report should be rejected when, insofar as I know, no one has contended that these findings were not accurate appraisals of the situation.

The following facts represent my understanding of the present situation:

1. The restoration of the West Front is practical from both engineering and economic standpoints.

2. The proposed extension of the West Front will create additional facilities at a cost which cannot be justified inasmuch as equivalent facilities can be provided elsewhere at much lower costs.

3. The preservation of the last remaining facade of the main Capitol Building is important as safeguarding a part of our architectural and historic heritage. How can our heritage be equated with the need for a certain number of square feet of new office space?

Viewing the alternatives from an economic standpoint, I see the following:

1. For less than $4,000,000, the West Front can be restored.

2. For less than $25,000,000, new office space can be provided elsewhere.

3. For $60,000,000, the West Front can be extended to provide the needed additional space.

This Yankee horse trader knows which hoss he likes best: the old strong mare who needs a bit of attention from the veterinarian; not the showy and expensive mare who has been sired by a donkey and whose foal may be large, probably ugly, and certainly not productive.

I hope you agree.

Cordially,

STEPHEN P. TRACY.

PRESIDENT'S BUDGET AND THE POOR

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. FROEHLICH. Mr. Speaker, many recent reports in the news media have conveyed the impression that the Nixon administration, by dismantling the Office of Economic Opportunity, have forsaken the poor and decided to stop all future funds from going to help the poor.

In actuality, the President's budget in 1974 calls for a greater expenditure for the poor than ever before. I am especially pleased that programs to assist Indians have been increased by some $9.7 million. Hence, there are clearly two sides to the debate on OEO, and the administration's side deserves wider dissemination.

I ask unanimous consent that the following article by Allan C. Brownfeld from the March 8, 1973, issue of Roll Call be printed in the RECORD. This article provides some good information on what is happening to some of the programs presently funded under OEO, and I think that this information should be disseminated to the public.

IS OEO "REALLY" BEING DISMANTLED?

(By Allan C. Brownfeld)

Washington is embroiled in a passionate controversy over the future of the Office of Economic Opportunity which, rhetoric aside, has generally failed in its appointed task of assisting the poor to make meaningful and productive lives for themselves.

While many in the Congress proclaim the alleged "success" of O.E.O., they seem not to have listened to the counsel of black leaders who, it seems, are more concerned about really solving problems than producing a constituency of voters in return for federal hand-outs which solve no problems at all.

Bayard Rustin, director of the A. Philip Randolph Institute of New York, said that O.E.O. is an "immoral bag of tricks" amounting to a "new form of slavery." He stated that, "The problem for Negroes and Puerto Ricans and poor whites . . . is that America has no commitment to turn muscle power into skills."

Rustin expressed the view that simply giving people a "dole" without asking them to work and helping them to attain skills is no answer to the real problem. The hopelessness and futility remain, what has been called "the psychology of poverty." Unless this psychology is changed, government programs such as those initiated by the Kennedy and Johnson Administrations, and promulgated during the first four years of the Nixon Administration, provide only a tranquilizer and not a cure. In many instances, these programs have made problems worse.

When President Nixon appointed Howard Phillips, a bright and articulate young man, to "dismantle" O.E.O. the political debate began. In his appearance before the House Subcommittee on Equal Opportunities, Phillips was, in effect, threatened by Black Congressman William Clay of Missouri. Clay at one point berated Phillips about a small American flag in the lapel of his suit. "Let me tell you what poor people think of that flag," he said. "They think their part of the flag is the stick upside of their heads."

Clay declared that a confrontation in the streets "surely will come this summer" if the poor are abandoned and he reminded Phillips of the recent New Orleans incident in which a black sniper was finally killed after murdering a number of innocent bystanders. If a lesson was not learned from that episode, Clay said, "Baby, I think this country is lost."

At this point Phillips, maintaining an extraordinary calm in the face of such an attack, declared: "Let me express the most profound kind of concern for the statement you just made." Clay responded that he didn't understand such big words, and Phillips responded that, "I know what you're talking about and I don't care for it."

The level of Congressional debate over matters of national importance seems to have deteriorated to a new low when a member of Congress can hold up a sniper who has murdered innocent people as an example for the nation, and who threatens violence if his own position is not adopted. If the Congress seeks to censure behavior which brings disrepute to the whole democratic process, William Clay should be one of its first candidates for consideration.

Rep. Frank Thompson of New Jersey performed in a manner equally to the discredit of the democratic process. When Phillips testified that O.E.O. employes had been acting illegally by placing themselves in the position of working, in a partisan political manner, for candidates for public office, for registering voters, and for doing other things clearly prohibited by law, Rep. Thompson replied, in effect, that some laws are made to be broken.

What is unfortunate is that men such as

Reps. Clay and Thompson, and the thousands of "poor people" who marched in an effort to intimidate Congress with the threat of violence if they did not have their way, seem not to understand is that O.E.O. is not really being dismantled at all. Conservatives seem not to understand this fact either, for they are hailing current Administration efforts as if a real dismantlement were in process. Even O.E.O. Chief Phillips himself admits that he does not know where current policy is really leading.

Consider a few facts. The war on poverty was never a single, centralized program. It included a number of programs: the Job Corps, Operations Headstart and Follow Through, Vista (Volunteers In Service To America), Community Action Agencies, Legal services for the poor, Neighborhood health centers, and Programs for Indians and for migrant and seasonal farm workers.

In his budget for the 1974 fiscal year, President Nixon cut out the Office of Economic Opportunity. It is this central office which is being "dismantled."

The only O.E.O. program which the Administration is prepared to eliminate is that of Community Action agencies. The fact is, however, that there are now 907 such agencies employing more than 180,000 people and spending about 1.2 billion dollars of federal money a year—a third of which came from O.E.O. communities which want to continue those agencies beyond June 30. These communities will have the opportunity to continue such agencies at their own expense and, testified Phillips, with funds from other federal sources—such as revenue sharing funds.

Legal services for the poor, another program which conservatives have been criticizing for many years because of its deep involvement in politics and in the unethical practice of stirring up litigation, will not be eliminated at all. Instead, the Nixon Administration is planning to propose legislation to set up a new agency to conduct this program.

If conservatives who are pleased and liberals who are aghast are sincere in their feelings, they should understand that the programs previously being conducted by O.E.O. are not being dismantled.

Community Economic Development is to be shifted to the Office of Minority Business Enterprise in the Commerce Department. Its funding will be increased by 2.6 million dollars. Health and nutrition programs, including the neighborhood health centers, will go to H.E.W. Programs for Indians will also be put under HEW, with spending to go up by 9.7 millions. Aid to migrant and seasonal farm workers will be continued by the Labor Department with a requested appropriation of 40 million dollars—up from 36.3 million. The Job Corps, one of O.E.O.'s notable failures, was transferred by the Nixon Administration to the Labor Department in 1969. The Neighborhood Youth Corps also went to the Labor Department while the Headstart program and the Follow Through program were shifted to H.E.W. In 1971, the VISTA program was put—along with the Peace Corps—into a combined group known as ACTION.

If the Nixon Administration really wanted to "dismantle" O.E.O. it might have made some steps in that direction during its first four years. It did not. Now, it seems to be "dismantling" in words, while continuing in deeds. Perhaps it is seeking to keep conservatives happy, just as they are kept happy by telling them we are "strong," despite the SALT agreements which deteriorate our defense, and are "fiscally sound," despite unprecedented deficits. They have bought such bills of goods before, and the O.E.O. "dismantlement," unfortunately, seems to be another.

NOT A DOLLAR MORE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. GAYDOS. Mr. Speaker, recent reports from Manila are that President Ferdinand E. Marcos has crushed the Maoist insurgency in the southern Philippine province of Mindanao and now is ready to get moving on his promised land reform program—with, of course, Uncle Sam's financial help.

Scripps Howard Writer Alan Horton said in a dispatch the other day that Manila speculation is that the United States will provide from $200 to $300 million which President Marcos needs for his program immediately. The whole thing is estimated conservatively to cost $1 billion. So more from us obviously will be expected later.

But why, when we have poured billions into the Philippines over the last 75 years, must we now be called upon to pay the lion's share of the Marcos' land reform? What of other nations? What about prosperous Japan with its growing stake in the Philippines' market? According to Mr. Horton, Japan has heeded President Marcos' call only to the extent so far of a $75 million loan.

Surely, our country has enough domestic problems begging for money to occupy it without taking on the funding of a Philippines' land distribution. The Marcos idea is to enable 650,000 rice and corn farmers to buy their own farms and pay for them at liberal terms out of future harvests. Our money is to pay off present land owners. In other words, we are to subsidize the transaction with our $200 to $300 million now—and more later.

It seems to me that we have plenty of tenant farmers in our country who like to buy land on terms so generous and at prices so below market that hefty public subsidies would be needed. I am for helping Americans first, if we are to help anyone. The family farm concept needs as much encouragement here as it does in the Philippines.

The point of the Philippines plan to us is this. It shows that not only this far Pacific country, but a great part of the world still seems to be looking to the American taxpayer as the target for any easy touch on any supposedly "reform" scheme that can be concocted. Let a regime get into trouble with its people, or a new one rise to power on a platform of grandiose promises, and the American becomes the money well to be tapped for what is believed needed.

We should have had enough of this by now, with our Federal deficits still menacing and our trade balances persisting against us, and the Philippines case could afford the means of demonstrating this fact. We have given that nation enormous sums and still have it on our foreign aid list this fiscal year to a total of $160 million, none of which, incidentally, is to go for the Marcos land reform. All is earmarked for other purposes. I am against handing over one dollar more on the sound grounds that we sorely need every one of our dollars here at home.

TRIBUTE TO MRS. MATTIE RAMSEY BROWN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. CONYERS. Mr. Speaker, it is a privilege for me to take this time to honor a friend and neighbor who has done so much for the children in her community. On March 30, of this year the State of Michigan, and Detroit in particular, will lose an invaluable educator and civic leader when Mrs. Mattie Ramsey Brown steps down as the executive director of Michigan's first cooperative nursery school. Her retirement, as executive director, will be a great loss to those of us who had the pleasure and privilege of knowing her and working with her.

Mrs. Brown is the founder and executive director of the Peter Pan Nursery in Detroit. She was born in Floster, Miss., and graduated from Alcorn College with a bachelor of science degree. She served as head of the home economics department at Mississippi Industrial College, previously having attended Tuskegee Institute in Alabama and Hampton Institute in Virginia. She continued her child development studies at Wayne State University and at the Merrill-Palmer Institute in Detroit. Later she served as a youth supervisor for the National Youth Administration.

During her career, Mrs. Brown has been honored on numerous occasions for her devotion and leadership in education and civic affairs. A few of the organizations which have bestowed honors upon her are, her sorority, Zeta Phi Beta, the Merrill-Palmer Association of Metropolitan Detroit where she is an alumni board member, the Greater Macedonia Baptist Church, and the Michigan Association of Colored Women's Club.

In 1937 with the help of a few dedicated friends, a small amount of capital, determination, and vision Mrs. Brown founded the Peter Pan Nursery. From the beginning she received continuous inspiration and support from her loving husband, Louis Earl Brown, Sr. and her only son Louis, Jr.

The alumni and friends of Detroit's Peter Pan Nursery will gather at the Sheraton-Cadillac Hotel on March 30 for a dinner honoring Mrs. Brown. The event will be a double celebration, observing not only the 36th anniversary but a mortgage burning for the school as well.

Because of her great love for her community and her continuing interest in the development of preschool facilities I am happy that Mrs. Brown will continue as a consultant to the school which grew and succeeded because of a beautiful, determined and wonderful woman.

"THE EDUCATION THAT CAN'T WAIT," WAITS

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. McCLOSKEY. Mr. Speaker, I would like to call to the attention of the House one more example of the President's unilateral termination of a program recently authorized and funded by Congress. This involves the Environmental Education Act enacted into law on October 30, 1970, and for which this year's estimated expenditure was $3.180 million.

An editorial appearing in the March 17 issue of Environmental Action written by Bickley S. Dodge, discusses the recent division of the administration to completely terminate the program:

"THE EDUCATION THAT CAN'T WAIT," WAITS

(By Bickley S. Dodge)

Two years ago, U.S. Education Commissioner Sidney Marland coined a new slogan when he labeled environmental education "the education that cannot wait." His slogan has become only one of many bitter ironies that have plagued the program from the beginning. Today, environmental education is not only still waiting, it appears to be in imminent danger of total extinction as a federal program.

The 1974 federal budget, released in late January, confirmed a distressing rumor. In one sentence it announced the intention of disposing of environmental education: "This program will be terminated in 1974."

Official Administration opposition to the program, centered within the Department of Health, Education and Welfare (HEW) itself, rests mainly in three arguments. First, it is said, we don't need separate legislation to support environmental education—we can do it through already existing programs. Second, environmental education is a narrow categorical program and therefore conflicts with Administration philosophy. And, third, the program has failed anyway. Each of these arguments can be easily refuted.

The environmental education program has always been described within HEW as "core" funding, as a catalyst which would generate lots of additional federal money for environmental education. This strategy has proven more effective in keeping appropriations for the program low than in actually generating new environmental education money. In fiscal 1972 the total federal appropriation for the Office of Environmental Education (OEE) was only $3.4 million. The Office of Education claimed that in addition it would spend $11 million on environmental education through other programs. To date it has still not been able to document that claim. A list, purporting to document the $11 million expenditure, exists, but the validity of many of the projects listed is so questionable that apparently the commissioner is too embarrassed to release it.

Even if other educational programs *were* doing what they should be, they are limited in their scope and target. Title III of the Elementary and Secondary Education Act, for example, can support environmental education but only through local education agencies. No other program is as flexible as the Environmental Education Act in terms of program content or the range of permitted "target groups." Most importantly for environmental action organizations, no other program has the flexibility of the Environmental Education Act to support non-formal environmental education projects sponsored by community groups.

The language of the Environmental Education Act is strikingly broad in scope and intent, and administrative pronouncements have re-emphasized that breadth. Yet the executioners of the program are now claiming it is too narrow and categorical—and thus inconsistent with the Administration's "New Federalism." In May, 1971 Marland described the program this way:

Environmental education can be the core, the unifying concept around which Office of Education categorical grants can be coalesced into a modern educational response to the environmental/ecological crisis.

Does that sound like a description of a narrow categorical program?

If anything, in fact, some environmentalists have criticized the program for having been too broad in the past, for having stressed the creation of an "environmental ethic" so vague and general as to risk obscuring specific environmental substance and skills. Last year's environmental education grantees, for example, spent 30 percent of their resources on subjects not even covered by the act, and less than 10 percent each on resource depletion, transportation, technology and population, according to a recent survey by Friends of the Earth. There is encouraging evidence of greater substantive focus this year. In any case, the program's focus could tighten up much further before it could accurately be described as a "narrow categorical program."

The official critics' final argument is that the environmental education program has failed anyway, and therefore deserves to die. The program has been subject to internal bureaucratic delays, snafus and harassment at every step of its unhappy existence; there was no director for nine months, no advisory council for a full year, a skeleton staff even now, and of course almost no money. And now those responsible dare to call the program a failure. This is like the boy who kills his mother and father and then pleads to the judge for mercy on the grounds that he is a poor orphan.

Of course, environmentalists have been disappointed in their expectations of what the environmental education program could have been. But the potential still exists. Change, not abolition, seems to be in order. Moving OEE from the Office of Education to a more hospitable home—possibly the Council on Environmental Quality or the Environmental Protection Agency—or elevating it within the HEW bureaucracy might be one improvement.

Since the official arguments against environmental education are all so refutable, what are the *real* reasons it's slated to die? One possibility that must be strongly considered is that, being small, weak, and relatively unnoticed, it is an easy sacrifical lamb for an Admnistration that wants to claim it's cutting government costs without really doing so in any effective way.

Ralph Nader was once asked whether he believed in capitalism. He replied, "I don't know: we haven't tried it yet." The federal environmental education program is in somewhat the same category. It's time we tried it. Whether or not it expires first will depend a great deal on the amount of public and congressional concern expressed in the next few months.

FLORIDA'S LOSS IS NATION'S GAIN

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BAFALIS. Mr. Speaker, for years Florida veterans have been fortunate in having the services of one of the Nation's best Veterans' Administration regional directors, Odell W. Vaughn.

Now, Vaughn, a disabled combat veteran with 26 years of VA service, is leaving Florida.

But there is no dismay among Florida veterans. Their sense of loss is more than offset by the knowledge that Vaughn is coming to Washington to serve as Chief of the VA Department of Veterans Benefits.

As such, he will administer nearly $9 billion in programs, ranging from GI bill education and training to GI home loans to pension and insurance. He will head a department with some 17,000 employees and 57 regional offices.

I am certain he will do an excellent job.

A 1972 nominee for the "Handicapped Federal Employee of the Year" award, Vaughn has received the VA's superior performance award six times in his career. He is rated among the best of the VA's regional managers.

A native of Greenville, S.C., Vaughn enlisted in the Army in World War II and took part in three invasions with the 178th Field Artillery Brigade. He lost both legs late in the war while trying to rescue a comrade-in-arms who lay wounded on a minefield. He won the Silver Star for this gallant effort.

The honor bestowed upon Odell W. Vaughn is a high one but I, for one, am certain the choice was a wise one.

MASSACHUSETTS' LEGISLATORS TESTIFY ON THE BURKE-RIBICOFF TAX CREDIT BILL, H.R. 49

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BURKE of Massachusetts. Mr. Speaker, last Friday, March 30, the House Ways and Means Committee on which I serve, received testimony from Representative Paul White, Democratic Legislator from Dorchester, Mass., on H.R. 49, legislation to provide a tax credit for nonpublic school tuitions. Representative White's presentation was a concise and convincing argument for the tax credit concept. It is for this reason that I have requested time to share his statement with you. I am also submitting for the RECORD the remarks of Representative Raymond Flynn, Democrat, of Boston:

STATEMENT OF MASSACHUSETTS STATE REPRESENTATIVE PAUL WHITE

Mr. Chairman and members of the Ways and Means Committee: Thank you for the privilege of appearing before you today.

Many public officials across the United States, sensing public discontent with certain aspects of our Federal tax laws, successfully campaigned this past Fall on platforms of tax reform. Public expectation in this area is justifiably high. An interrelated issue of great public concern is the quality and cost of education in the United States. These two issues, tax reform, and the quality and cost of education, are of paramount impor-

tance to the citizenry of this nation—the Congress must be responsive to these needs.

Your honorable committee has a number of proposals which seek to respond. One such measure, H.R. 49, recognizes the legitimate concerns of trying to make our tax laws more equitable and our educational policies more flexible—and I therefore appear today to support it wholeheartedly.

The importance of H.R. 49, and the reasons for its public import, are not difficult to substantiate. The cost of education overall is rising, nonpublic school attendance is rapidly diminishing and taxpayers, both parents and nonparents alike, are feeling the pinch.

While the closing of isolated non-public schools may not place an undue burden on the public school system, the wholesale closing of nonpublic schools *particularly* in urban areas—would place an intolerable burden upon the already limited resources of most urban school systems. For example, in Boston, out of a total elementary and secondary student population of 126,841—30,681 students, or approximately 25% attend non-public schools. In Massachusetts 10 largest urban areas out of a total elementary and secondary school population of 218,000 over 50,000 attend non-public schools—again about ¼ of the student population.

This pattern of high concentration of non-public schools in urban areas is not unique to Massachusetts nor New England. 37% of the elementary school pupils in Milwaukee attend non-public schools, 34% in Philadelphia, 33% in Cincinnati, 32% in Chicago, 29% in both St. Louis and Pittsburgh, 28% in New York.

The impact of a rapid decline in non-public school enrollment would clearly be great in cities such as these where a large percent of the school population presently is educated outside of the public school system.

As revealing as these figures are, they represent but the tip of the iceberg—for the true impact of massive non-public school closings can be measured only on the local level—the social, economic and educational disruption that is caused by the closing of a neighborhood school.

A reasonable question is: Will H.R. 49 alleviate a rapid decline in non-public school attendance?

The Special Commission to study Public Financial Aid to Non-Public Primary and Secondary Schools (1971, Mass.) attributed *half* of the enrollment decline to monetary causes. And it is reasonable to expect that as costs rise, schools which previously had not charged tuition, will do so—furthering the enrollment decline. According to a study by the I.N.A. Corporation (commissioned by Cardinal John Krol of Philadelphia). Parochial school costs are rising three times as fast as revenues—whipped along by declining enrollment. The rising costs/declining enrollment cycle, where each increase in cost leads to a decline in enrollment, and each decline in enrollment leads to an increase in costs, will inevitably lead to the eventual shut-down of the non-public school system. It has been estimated that if the *Catholic schools alone* were to close throughout the country, public school operating budgets would have to be increased by some $3.2 billion.

In practical terms, H.R. 49 would mean that the typical taxpayer with a dependent attending a non-public school would not have to pay twice for one education. If the student's yearly tuition were $200. H.R. 49 would allow the parent a tax credit of $100. This measure of relief might be just the impetus parents would need to keep their child in a non-public school. A $100 credit is relatively small in comparison to the current national average per pupil cost of $858 per year in the public schools. A cost, I might add, that would have to be absorbed by the taxpayers if the present trend continues.

The United States Supreme Court has recently held that local property taxes are a constitutionally valid method for financing public education notwithstanding the fact that property tax bases from one community to the next may be inequitable.

Local property taxes in Massachusetts, as in other states, have been rising steadily, particularly in urban areas where a movement towards the suburbs has weakened the already thin tax base. H.R. 49 would provide relief not only for those taxpayers with children in attendance at non-public schools, but also relief for non-parents and the parents of public school children in areas which could be hardest hit by massive non-public school closings. Whether a non-parent or parent of a public school child pays property taxes, state and local income taxes, sales tax or a combination of all three to support local schools—these *taxes will go up* if additional students are thrust into the public school system.

The property tax, however, will have the strongest impact. In the Commonwealth of Massachusetts, non-public school enrollment decline between 1965–1971 cost the taxpayers $66 million (A)—the majority of which was paid out of local property taxes. This additional expense was not, and in the future will not be evenly distributed across the state. (B) Only 33% of the public school districts have Catholic schools in them—and these schools, at least in Massachusetts, make up the majority of non-public schools. Generally, most transferees will start attending public schools in the same district as their former non-public school. Costs, then, will rise in those school districts which receive the transferred pupils, further exasperating the ever-burdened property taxpayers.

In my state, several legislators have recognized the need for relief in Massachusetts and there are currently three bills in committee which would accomplish on the state level, what H.R. 49 proposes on the Federal level.

With regard to the question of constitutionality, a decision by the Federal court in New York which is currently under review by the U.S. Supreme Court is Committee for Public Education and Religious Liberty v. Boylen et al. v. Brydges (U.S. District Ct. S. D. N.Y. Oct. 2, 1972) That decision upheld the validity of the N.Y. tax credit provisions for the following reasons:

(1) Not restricted to areas which by concession are known to contain practically only Catholic parochial schools. Rather, it covers attendance at *all* non-profit private schools.

(2) It does not involve a subsidy or grant of money from the Federal Treasury, *Walz* 397 U.S. at 674, 90 S. Ct. at 1414 (case challenging constitutionality of tax exempt status of church property). Court recognized that "granting tax exemptions to churches necessarily operates to afford an indirect economic benefit," Court also noted in *Walz* that grant of a tax exemption is not sponsorship since the government does not transfer part of its revenue to churches but simply abstains from demanding that the church support the state." In brief, the Court has in these instances accepted the view that exemptions differ from subsidies.

(3) Third, it has a particular *secular intent*—one of equity—to give some recompense by way of tax relief to our citizens who bear their share of the burden of maintaining the public schools and who, because of religious belief or otherwise, send their children to non-public full-term schools as is their constitutional right.

(4) Benefit to the parochial schools, if any, is so remote as not to involve impermissible financial aid to church schools. (The consistent legislative policy ever since the 1917 Revenue Act has been for Congress to permit the deduction of so-called charitable contributions from personal income.)

(5) There is a minimum of administrative entanglement with the non-public schools.

Non-public schools provide elements in education essential to a free society. Children and parents are afforded an alternative educational experience to the public schools through the existence of non-public schools. A heterogeneous school system can contribute more to the educational process than would a uniform system because of the rarity in educational philosophies and approaches to teaching. This diversity has little, or nothing to do with the sectarian basis of many non-public schools.

The philosophies and purposes of the various types of non-public schools are expressive of pluralism in our society, and they also reflect strong moral factors that serve society well. While the public school systems across the U.S. might be capable of absorbing all non-public school students, albeit at a significantly increased cost to taxpayers and disruption of the public schools, many less tangible, but nonetheless important benefits occurring from the private and parochial school systems would be lost to the nation and its citizens.

STATEMENT BY STATE REPRESENTATIVE RAYMOND L. FLYNN

I am here this morning to raise a problem crucial enough to warrant its being raised again and again—until at last our discussion yields a solution, refer to the frustrating question of how we are to effectively save ourselves from the serious cultural loss and enormous financial embarrassment which threatens our large cities in the wake of the probable destruction of the Catholic parochial school system.

I will not be convinced that the constitution of the United States makes this event inevitable. It can only be the case, should we permit this to happen that our wits are dull and our imaginations flacid.

Indeed, the very magnitude of the problem compels a solution. In Boston, the problem approaches sure catastrophe. More than 30,000 of more than 126,000 elementary and secondary school students attend non-public schools—and please remember, for example, that almost 90% of the elementary school students of Massachusetts in non-public schools are in Catholic schools.

Where does anyone think the City of Boston, which has already the highest tax rate in the nation, is going to discover the money or the facilities to absorb 30,000 more students—nothing less than 25% of the cities total elementary and secondary school population. Because we will have to turn again to the already overburdened middle class homeowners and tax payers, we are just going to price ourselves out of business as a viable residential community.

Let me pose to you a startling but very interesting question. Why is it that the same constitution, is used to force us all, at every level of government, to subsidize by tax exemption acres of church property and at the same time prohibits us from subsidizing by a personal tax exemption church facilities the lack of which will cost us a fortune to replace. This is a constitution, by that interpretation, which is picking our pockets—and both at once. (with both hands.)

Nor is this only a matter of money. The cultural loss to the city that will be involved, should the parochial system be destroyed, will be incalculable. More specifically, given the much higher quality of parochial school education, we will also suffer a serious academic loss.

Are we, therefore, compelled to impoverish ourselves not only financially, but also culturally and academically? This is a consti-

tution, or an interpretation of it, that grows more strange and stranger still.

Not only stranger, but less in touch with reality as all our citizens understand it. Just a few weeks ago at a meeting at St. Margarets Church in Dorchester, of which Speaker McCormack is a parishioner, several hundred parents confronted reality—and came close to losing their school. I know only too well that my own parish, the Gate of Heaven in South Boston, has no less urgent problem in the respect. The parish still has a school—but barely, and only because of the dedication and self sacrifice of the good parents of these children.

The inequity of all this is also a matter of real concern; for an important reason that the non public school parent finds it hard to support entirely the non-public school is that he has also to support the public school. That he should do so, in support of what has been called the common good, I do not dispute. But the common good seems lately, in this area, to be rather a secondary consideration in many minds.

The common good that I support is why the government pays farmers not to plant wheat. Then why can we not pay parents to keep their children in parochial schools? I support legislation that would provide income tax exemptions for parents paying tuition for children in non public schools. This involves no direct grant of money from government to the school, remedies the inequities of double taxation on some of our citizens, and most importantly, it will involve no governmental control.

Gentlemen, it is unreasonable for us to stand idle—allowing the demise of quality education in parochial school, while pouring millions into a declining public school system, and gentlemen, don't deceive yourselves, for someday, if not today, the American taxpayer will pay the price.

VA HOSPITALS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HAMMERSCHMIDT. Mr. Speaker, the adequacy of patient care in Veterans' Administration Hospitals has been the subject of controversial discussion in past weeks. Stemming from a House Appropriations Committee investigation, newspapers throughout the Nation cited generalized allegations of patient mistreatment and a poor level of medical service.

As a reflection of the other side of the story and an indication that substandard VA Hospital care does not exist throughout the system, I am inserting in the RECORD a recent article in the Fayetteville, Ark. Northwest Arkansas Times. Following this article are two letters to the editor of the Times from Arkansas veterans describing their first-hand experiences with VA medical treatment:

[From the Arkansas Times, March 9, 1973]

"PATTERN OF NEGLECT" DENIED BY LOCAL VA ADMINISTRATOR

There is no "pattern of neglect" in the Fayetteville Veterans Administration Hospital, according to Fred Hendricks, the administrator, who denied allegations made in a confidential Congressional report that the well-being of hundreds of thousands of patients in VA hospitals is endangered.

Congressional investigators for the House Appropriations Committee based their conclusions on interviews with VA officials and examination of VA records. The report said veterans have to wait for admission, suffer from cramped quarters, poor nursing care because of understaffing and "may leave in worse shape than when admitted."

"This simply does not apply to the local hospital," Hendricks said. "We are in a better position in funding for salaries, operating costs and personnel than we have ever been. Our report to the VA Committee stated we had no unfunded needs."

Hendricks said the hospital operates on a $5.25 million budget compared to $3.09 five years ago.

"I do not feel we are understaffed. Some 41 new positions were funded at the beginning of the fiscal year. This included five registered nurses, four licensed practical nurses, four nursing assistants, two physicians, a dietitian, social worker and other support personnel," Hendricks said.

NEW SERVICES

Another 32 positions are funded to staff new services which are expected to be in operation within the next few weeks, he said.

These include an intensive care unit, a coronary care section, a respiratory treatment center and a pulmonary function laboratory. Recruitment is under way for these 32 positions which include 12 registered nurses; 12 LPNs; one physician, a pulmonary function laboratory technician and other support personnel.

Hendricks said veterans do not have to wait for admission here. "We have no waiting list and have not had one for two years. All sick veterans, who the admitting doctor feels need hospitalization, are admitted immediately," he said.

"Our space is totally adequate and beds are not overcrowded. We are in compliance with national standards as far as the number of square feet required per bed," Hendricks said.

The report indicated the White House Office of Management and Budget was cutting VA hospitals, may force 29 hospitals to close by 1975 and "may intend to force the VA out of the hospital business entirely."

[From the Arkansas Times, Mar. 14, 1973]

FROM THE PEOPLE—BUM RAP FOR THE VA

To the Editor:

I notice in the papers that the VA Hospitals have been accused of not treating patients properly, etc. I can speak for myself in this matter. When I left the service I was under treatment, and I reported to the VA here in Fayetteville in 1963.

Since that time I have been treated as both an IN patient, and an OUT patient, depending upon my condition. Eventually, as time passes, I have become unable to work. The VA in Fayetteville sent me for examination and testing to the VA in Little Rock, where I received the type of treatment found only in the best hospitals in the nation.

Believe me, I know they can always use help, and more help, but to accuse them (the nurses, doctors, orderlies, etc.) of neglect, on the whole is irresponsible. During my stays as an IN patient in both of these hospitals I received the best care and did not see a single patient neglected.

I did see doctors and nurses work beyond their time to help patients. Now I don't say it can't happen—that's too brash a statement—but surely I can say it does not happen here, or in Little Rock. And certainly not in most cases.

By the way, I volunteer to help when I can in the VA Hospital to give those who cannot do for themselves an extra bit of comfort and aid, and I am sure more volunteers would be appreciated in any VA Hospital.

HENRY C. COOGAN.

[From the Arkansas Times, Mar. 19, 1973]

FROM THE PEOPLE—THE BEST THERE IS

To the Editor:

The other day you carried an article about VA Hospitals. That article was full of false information.

In the first place no veteran that needs medical treatment is ever turned away. In the past two years I have had two major operations. One here at the Fayetteville VA, and the other at the Little Rock VA Hospital.

I could not have received better treatment and care at any hospital in the USA, than I did at these VA Hospitals.

The doctors, nurses and staff of those VA Hospitals are the most wonderful and dedicated people I have ever met.

R. L. HUTCHCRAFT.

MARINE CITY, MICH., YOUNG PEOPLE HELP BUILD "A LITTLE BETTER WORLD"

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. O'HARA. Mr. Speaker, it has been my personal privilege this week to serve as host to an outstanding group of young people from Marine City, Mich.—young people interested in the processes of their government and in the interrelationship between their government and their own community.

Each of us, Mr. Speaker, has numerous opportunities to greet groups of his constitutents who journey to their Nation's Capital to learn more about how their Government operates, and I have enjoyed many such occasions in the more than 14 years that it has been my privilege to serve in this body.

What makes this group of young people unique is the nature of the social mission which binds them together. These young people belong to the Marine City chapter of the United Nations Association, and they call themselves, "A Little Better World." The name they have chosen to identify their group springs from the simple philosophy that, "if every one does just a little bit, no one has to do a lot." This is the concept that is worth pondering, because it calls on each member of the group—and, by inference, on each member of society—to do his part toward making their community, their State, their Nation and their world, a little better place in which to live.

It is intriguing, Mr. Speaker, that these young people call on each other to do "just a little bit" and yet, through their group activities, they have done far more than just a little. They have, in fact, done a lot for their community—and, in the process, have done a lot for their own individual and group development.

These young people have, for example, established their own activities center—and have then turned around to the senior citizens of their community and made their headquarters available for older people from 10 a.m. to 3 p.m. each day. This demonstrates a concern for others, particularly the elderly who are so often isolated from the community.

It also demonstrates a sensible utilization of facilities that otherwise would be left to stand idle during the hours when these young people are in their classrooms. It is pleasant to note that the senior citizens have responded enthusiastically to this offer from the young people, and are utilizing the "Little Better World" center on a regular basis.

These young people have identified other needs within their community, and have acted to meet those needs. They made available office space and a telephone in their building, so that a social worker could be assigned to Marine City and provide counseling for families in trouble. In similar fashion, the young people provided space to house a counselor on alcohol and drug abuse. And a "Little Better World" has made its facilities available once each week so that the Air Force can use it for recruiting purposes.

Not all of their work has been as dramatic. They have taken on the more menial tasks of painting and decorating rubbish containers for use in the downtown area of Marine City. They have collected refuse from the shores of the St. Clair River. They have prepared Christmas baskets for needy families in their area. And they have gone door-to-door to collect funds for UNICEF. As I say, Mr. Speaker, this may not be very dramatic—but it is a fine example of young people concerned about the community in which they live, and sufficiently motivated to do something about it.

It was my privilege to have these young people as my guests at breakfast this week. The young people were honored by the presence at that breakfast of the senior Senator from Michigan, the Honorable PHILIP A. HART. Senator HART and I talked with these young people about the origins and development of their government—and we emphasized the same point: That this is a government which was founded by mortal men, and which has been brought forward for nearly two centuries by mortal men. We recognize that governments do err. We know that men do make mistakes. Yet we know that our form of government has endured because men of good will have worked to correct their errors in a free, open and democratic fashion. We explained to these young people that progress is sometimes slow under our system of government. Certainly a monarchy or a totalitarian government might be infinitely more efficient—but, as we told these young people, neither would be as effective as our present system, which calls for the collective judgment of 435 Members of this House and the 100 Members of the other body.

The point, of course, is that the manner in which the Congress of the United States operates—with each Member making his contribution to the deliberations and taking part in the decision-making process—is precisely the same way in which these young people, through their "Little Better World," are approaching the problem-solving efforts of their group.

Mr. Speaker, I was most favorably impressed by these young people, by their interest in the world around them—not only in the world of Marine City but in the world of their nation and the United Nations—and by their keen grasp of the issues. I was also impressed by the quality of the guidance they are receiving from their adult associates—Mrs. Grace Zapel, who helped them found the organization; the Honorable John R. Beauchamp, a member of the City Commission of Marine City; and Mrs. Mary Lou Shackett, who assists Mrs. Zapel in the day-to-day workings of "A Little Better World."

I would like to add a few words in particular tribute to Grace Zapel. A former organizer for the United Auto Workers, a member of a union morale team which visited England to lift the spirits of American servicemen stationed there in the days before the Normandy invasion in World War II, an associate of the late Ambassador John Winant, an ardent supporter of the United Nations, and a school teacher—Grace Zapel is one of life's true humanitarians. These young people are the richer for this opportunity to be associated with Grace Zapel in making this truly, "a little better world."

MEAT BOYCOTT

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ZWACH. Mr. Speaker, the President has declared ceilings on meat prices and consumers are planning a meat boycott, this at a time when the price of meat animals has just reached the point it was 20 years ago.

Since that time, wages have increased 230 percent and hospital costs have more than tripled. Meat prices at the farm went up only 12.6 percent.

Ed Wimmer, president of Forward America, in a letter to the editor of the Cincinnati Enquirer, dealt with the entire question of meat prices in a very enlightening manner.

I would like to insert Mr. Wimmer's letter in the CONGRESSIONAL RECORD and strongly recommend its reading by my colleagues and all of the other readers of the RECORD. The letter follows:

Letters to the EDITOR,
The Cincinnati Enquirer, Cincinnati, Ohio.

SIR: Consumerism reached its lowest level of intellectual bankruptcy when a loud-mouthed, self-styled male spokesman for the boycott movement against the price of beef was cheered when he said:

"We are going to bring the meat industry to its knees."

The facts are, that the meat industry is one of the biggest in the United States, and American cattle raisers, along with hog producers, feeders, packers and independent retailers, have operated on the lowest over-all profit rates of any industry in the country, and have gone broke by the hundreds of thousands.

What the screaming housewives and some of their political front men have overlooked, is that Russia bought a billion dollars worth of feed grain in this country, creating a shortage on the domestic market. That Russia paid a ridiculously low price for this grain after $10 billion in war debts were cancelled; and then Russia took some of its gold and bought up our cheap paper dollars floating around the world, paying us off in our own "trading stamp coin" and they saved a hundred million dollars.

Not a peep from the housewife boycotters or the chains against the deal; not a word of sympathy for those who lost over 500,000 head of cattle that died in the rain soaked mud of Iowa; Kansas, Nebraska, and other states; or a word about the storms that destroyed acres of fruit and vegetables and much of the Southern poultry industry.

Governor Ronald Reagan of California is one of the lone voices urging housewives to end their boycotts, saying that for the first time in several years many of the producers were covering only a small part of their past losses.

Since the 1930's the American housewife has bought bargain priced fruits and vegetables harvested by the lowest paid wage earners in America, with half-starved mothers and children working in the fields like slaves. In this period, 3,000,000 farm families and 100,000 cattle feeders abandoned their farms and feed lots because they couldn't get a fair return on their poultry, pork, beef, and grains.

One of the biggest contributing factors to our federally fed, artificial debt- and deficit-prosperity, has been poor returns to agriculture, and now that the farmer is living off the consumer for a change, all hell is breaking loose.

A question I would like to ask: Who will hire the unemployed workers and pay the taxes lost through the great harm being brought to a great industry—the harm now building up? The answer, of course, is *"the boycotting consumer"*.

Yes, we are living in pretty sad times when one group of people can vindictively threaten to bring an industry "to its knees".

Sincerely,

ED WIMMER,
President, Forward America, Inc.

NATIONAL CONFERENCE ON SOVIET JEWRY WARNS OF CONTINUING POLICE REPRESSION OF SOVIET JEWS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. DRINAN. Mr. Speaker, I include herewith a statement issued by the National Conference on Soviet Jewry denying that there have any dramatic improvements in the situation of Soviet Jews desiring to immigrate from Russia.

The National Conference on Soviet Jewry speaks for nearly 4 million American Jews through the 34 member agencies of the conference and over 220 affiliated local Jewish community councils and federations.

The following statement was made by the conference in response to a statement made by Soviet trade official Vladimir S. Alkhimov in Washington, D.C., in which he asserts that there have been "dramatic changes affecting the emigration of Soviet Jews."

The following information should strengthen the case for the resolution introduced by our colleagues Congressman CHARLES A. VANIK and Congressman WILBUR D. MILLS.

The resolution follows:

The assertions yesterday by Soviet trade official Vladimir S. Alkhimov, in regard to alleged dramatic changes affecting the emigration of Soviet Jews are welcome if, in fact, they reflect new developments. They do not.

In truth, there are over one hundred thousand pending affidavits for Soviet Jews which have not been acted upon by Soviet officials. Despite the welcome increase in emigration in 1972, this only represented one fourth of those Jews known to have such affidavits. Soviet officials are playing a dangerous numbers game when they say that over 95% of all applications last year have been settled. In reality the officials are referring only to those finally permitted to leave after much harassment. In the meantime, thousands of Jewish families have been waiting, in vain, for years. Most of them are under constant surveillance and have been unemployed for months on end.

Mr. Alkhimov distorts the facts when he asserts that "only ten percent (of those who actually emigrated) had to pay something." In reality the imposition of a retroactive ransom tax last August, for those who leave the Soviet Union, has already cut down the number of educated Jews permitted to leave by more than one half—from over 20% in the first part of 1972 to less than 10% in the last six months. Soviet Jews have not been able to pay the $15,000 or $20,000 tax necessary to leave, and hundreds, perhaps thousands, have been discouraged from applying.

Such bland comments by Soviet officials overlook the high degree of continuing police repression of Soviet Jews. Illegal searches and seizures by secret police have led to closed trials of Jewish activists. Jews in Moscow, Minsk and Tbilisi face additional trials in the next few weeks.

The Soviet official, who along with several colleagues has undertaken to lobby on legislative matters while in Washington, as guests of this country, has repeated assertions made two months ago by the Soviet propaganda outlet—Novosti Press Agency. Alkhimov's comments therefore do not reflect any fundamental change in Soviet policy. He has tried to convey a false impression to American public opinion.

HISTORIAN SCHLESINGER EXPOSES MYTH OF SO-CALLED EXECUTIVE PRIVILEGE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, Arthur Schlesinger, writing in Friday's Wall Street Journal, adds significantly to the current dialog on so-called Executive privilege, that mythical entity which exists as a figment in the minds of some Presidents.

What some call "Executive privilege," I call a simple courtesy which the Congress extends to Presidents allowing them a limited amount of intimate dialog with advisers; dialog which the Congress decides is inviolable from congressional scrutiny.

The stress here is on "limited."

Mr. Schlesinger's comments run parallel with a study prepared for me by the Library of Congress which shows clearly that the current interpretation of so-called Executive privilege by the White House did not begin in the Washington administration, but in 1954 when President Eisenhower refused to allow executive employees to testify before the Congress.

I include Mr. Schlesinger's article in the RECORD at this point:

[From the Wall Street Journal, Mar. 30, 1973]

EXECUTIVE PRIVILEGE: A MURKY HISTORY

(By Arthur Schlesinger Jr.)

"The doctrine of Executive privilege is well established," said President Nixon in his statement of March 12. "It was first invoked by President Washington, and it has been recognized and utilized by our Presidents for almost 200 years since that time." With that historical flourish the President issued still another challenge to the Legislative Branch of government, declaring that not only members but former members of the President's White House staff "shall follow the well-established precedent and decline a request for a formal appearance before a committee of the Congress."

Most commentators, while noting that President Nixon was filing an unprecedentedly large claim for Executive privilege, appear to accept his idea that the doctrine has solid and unassailable historical basis. The impression is abroad that George Washington and all his successors, confronted by unacceptable congressional demands for information, simply cried "Executive privilege," and that settled the matter. Yet, when one looks into the problem, one encounters some curious facts. For example, the very term "Executive privilege" seems itself to be of fairly recent American usage. My research is far from exhaustive, but I cannot find that any President or Attorney General used it before the Eisenhower administration. You will look in vain for it as an entry in such standard reference works as the Smith-Zurcher "Dictionary of American Politics," or "The Oxford Companion to American History," or Scribner's "Concise Dictionary of American History." It is not even to be found, I was dismayed to discover, in "The New Language of Politics," compiled by William Safire of Mr. Nixon's very own White House staff.

Of course this may seem a semantic quibble, since the claim of the Executive to deny information to Congress is certainly not novel. Still, if the doctrine of "Executive privilege" were all this well-established and had the sanction, as Mr. Nixon assures us, of almost 200 years of American history, one would expect that the phrase would have been in common usage during the first 180 of these years.

President Nixon's historical recital undoubtedly derives from vagrant memories of Eisenhower days. In May 1954, in the midst of the Army-McCarthy hearings, President Eisenhower instructed employes of the Department of Defense that, if asked by the McCarthy Committee about internal exchanges within the Department, they were "not to testify to *any* such conversations or communications or to produce *any* such documents or reproductions." This was an unprecedentedly sweeping denial to Congress. But it had a certain moral justification in the atrocious character of the McCarthy inquisition, and it was given legal color by an accompanying memorandum from Herbert Brownell, the Attorney General, assigning to the President "an uncontrolled discretion to withhold the information and papers in the public interest." Mr. Brownell then set forth a parade of supposed historical precedents, beginning with Washington. Neither the Eisenhower directive nor the Brownell memorandum, by the way, used the term Executive privilege.

The Brownell memorandum itself had a curious history. The "uncontrolled discretion" phrase—indeed the whole sentence from which it was taken, and a number of other sentences too—were lifted from a series of articles by a Department of Justice attorney named Herman Wolkinson published in the "Federal Bar Journal" in 1949. So too were the historical examples. In recent years the Wolkinson-Brownell version of history, later amplified by Attorney General (now Secretary of State) William P. Rogers in 1958, has received careful examination, most notably at the hands of J. Russell Wiggins, a newspaperman turned historian, and of the legal scholar Raoul Berger. Their research makes it clear that these examples do not prove what President Eisenhower and now President Nixon supposed they prove.

THE WASHINGTON PRECEDENT

Did George Washington, for example, ever invoke Executive privilege? In the first case of supposed presidential denial—a House inquiry into the St. Claire expedition in 1792—Washington actually gave the House all the papers it wanted and sent his Secretaries of War and the Treasury before the investigating committee. In the privacy of the Cabinet, the President and his colleagues agreed that, as Jefferson noted in his diary, "the Executive ought to communicate such papers as the public good would permit, and ought to refuse those, the disclosure of which would injure the public: consequently were to exercise a discretion"; but this notion was not transmitted to the Congress nor announced to the public. The second Washington example is equally irrelevant. When the House asked for papers relating to the Jay Treaty, the President declined to send them on the ground that the House had no constitutional role in the treaty-making process and that anyway the papers had already gone to the Senate. In neither case, in short, did Washington withhold from Congress the information it requested. In neither case did he invoke Executive privilege.

It would have been surprising had he done so. For the prevalent assumption, inherited from British parliamentary experience, was that Congress was among other things a "grand inquest" and thereby had a right to inform itself on public matters. The Constitution itself laid on the President the duty "from time to time [to] give to the Congress Information of the State of the Union," nor was this duty considered to be discharged by the annual presidential message. Though, as Washington's Cabinet thought, there might be occasions when disclosure as a practical matter could be against the public interest, the Executive presumption in the early republic was always that Congress should and would receive the information it sought. There was certainly no idea of an "uncontrolled" presidential discretion.

Our first Presidents were in consequence exceedingly chary about denial. Jefferson once withheld material he had received on the Burr conspiracy. He explained that it contained "a mixture of rumors, conjectures and suspicions," but in any case the congressional request had specifically exempted anything the President "may deem the public welfare to require not to be disclosed." Monroe once withheld on the ground of potential damage to innocent persons; again Congress had asked for information only in "so far as he may deem compatible with the public interest." In both cases Presidents were exercising, not discretion they claimed for themselves, but discretion conferred on them by Congress. The first President to invoke privilege in anything like the contemporary sense was Jackson on two or three occasions;

but his practice did not settle the constitutional issue.

Through most of American history the situation rocked along, with Presidents acceding to most congressional requests but sometimes reserving and very occasionally insisting on their right not to do so, and with Congress in such cases generally acquiescing for practical reasons in presidential denial but never admitting any principle of uncontrolled presidential discretion. Disagreements were always absorbed in the political process, and contention never led to a serious Executive-Legislative showdown.

MR. BROWNELL'S CLAIM

Mr. Brownell did make the curious claim in 1954 that the "courts have uniformly held" that the President had uncontrolled discretion. But the Attorney General did not cite a single case—for the entirely understandable reason that there were no cases to cite. There had never been up to 1954 a judicial decision dealing with the Executive denial of information to Congress. Nor has there been one to this day.

Thus up to twenty years ago, presidential withholding, not yet blessed with the impressive sobriquet of Executive privilege, was a practice to which Presidents very occasionally resorted in cases where they could expect support and understanding in Congress and in public opinion. Our system in its pragmatic beauty had declined to confront the theoretical question whether Congress had an absolute power to demand or the presidency an absolute power to deny. On the whole, Executive privilege was not an urgent issue.

What precipitated the contemporary definition (as well as the designation) of Executive privilege was the system of internal security set up during and after World War II. Some members of Congress, not always the most admirable, liked to get into personal security files, and Presidents were reluctant to indulge them for much the reasons advanced by Jefferson and Monroe—such files were too often a mixture of rumor, conjecture and suspicion calculated to do damage to innocent persons. So in 1941 Robert H. Jackson, then Attorney General, declined to give FBI reports to the House Naval Affairs Committee. His list of historical precedents undoubtedly supplied the basis for the Wolkinson articles.

The Wolkinson inquiry itself was undoubtedly stimulated by the determination of the Truman administration not to give security files to the House Un-American Activities Committee. This determination, by the way, was angrily protested by Congressman Richard M. Nixon of California, who said on April 22, 1948, that the Truman order "cannot stand from a constitutional standpoint." It would mean, young Mr. Nixon continued, "that the President could have arbitrarily issued an Executive order in the Meyers case, the Teapot Dome case, or any other case denying the Congress of the United States information it needed to conduct an investigation of the Executive department and the Congress would have no right to question his decision." Add the Watergate case to Mr. Nixon's list, and it would make a pretty good speech today for Senator Ervin or Congressman Moorhead.

It was similarly Joe McCarthy's inquiry into the loyalty of individuals that provoked the sweeping Eisenhower directive of 1954. But the language of the Eisenhower directive covered matters far beyond the original question of securtiy files and ushered in the greatest orgy of Executive privilege in American history. From June 1955 to June 1960 there were at least 44 instances when officials in the Executive Branch refused information to Congress on the basis of the Eisenhower directive—more cases in these five years than in the first century of American history. Yet even President Eisenhower, not grasping the truth recently revealed to President Nixon about the immunity of White House staff members, permitted Sherman Adams to appear before a congressional committee in 1958.

PRESIDENT KENNEDY'S CONCERN

When President Kennedy came into office, he was considerably disturbed by the growing and manifest abuse of Executive privilege. He had served 14 years in Congress; his Attorney General had been counsel to congressional committees; and they took effective action to bring the matter back into its historical balance. Still, as Congressman Moss presciently said in 1963, "The powerful genie of Executive privilege momentarily is confined but can be uncorked by future Presidents."

President Nixon has uncorked it with a vengeance. The claim that not only present but past members of the White House staff are immune to congressional inquiry is wholly unprecedented. The President, it is true, says "Executive privilege will not be used as a shield to prevent embarrassing information from being made available but will be exercised only in those particular instances in which disclosure would harm the public interest." But it is hard to see how this principle would save John Dean or Dwight Chapin—as Mr. Nixon seems determined to save them—from undergoing congressional interrogation about the Watergate affair. Here, if anywhere, the presidential concern can only be political embarrassment—unless, of course, our President has reached that point of self-delusion where he thinks anything that hurts his administration politically must by definition harm the public interest.

President Nixon, like President Eisenhower before him, makes a great deal of the separation of powers as a ground for Executive privilege. But the Constitution does not establish impassable barriers between the branches of government. Justice Jackson put it memorably: "While the Constitution diffuses power the better to secure liberty, it also contemplates that practice will integrate the dispersed powers into a workable government. It enjoins upon its branches separateness but interdependence, autonomy but reciprocity."

When congressional requests have been too outrageous, public opinion—indeed, responsible congressional opinion—has accepted presidential refusals. But a President has the correlative duty to fill all reasonable congressional requests for information. He has the responsibility to preserve the spirit of comity on which the separation of powers depends. He is not an absolute monarch, nor is his Executive privilege uncontrolled. President Nixon's extravagant claims find no support in historical precedent.

As Madison said in the 49th Federalist, none of the branches of government "can pretend to an exclusive or superior right of settling the boundaries between their respective powers." If President Nixon is determined to outdo all his predecessors and push his extraordinary claims to the point of unresolvable conflict with Congress, then the disagreement between two branches of government might well be passed on to the third. The Supreme Court has never had occasion to consider the issue of Executive privilege. Perhaps this is an idea whose time has come.

CONSUMER PROTECTION—INEVITABLE AND INEXORABLE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BRASCO. Mr. Speaker, for the past decade, there has been a growing awareness in the Nation that the average shopper is being victimized in a number of ways by those providing goods and services in the marketplace.

Ralph Nader probably will be noted by historians as the first person who took the concept of "consumerism" and made it meaningful to the mass of Americans, while prodding Congress to take its first halting steps toward reform in this area. We have come a long way since then in terms of awareness and indignation. Unfortunately, in terms of concrete, effectively enforced measures, we are woefully remiss as a society.

We know now much of the food we consume is "doctored" with a variety of additives, many of which are believed by some authorities to be unsafe. We know now that the Food and Drug Administration, on paper a consumer safety organization, is in fact basically a protector of industry, which it is required by law to police on behalf of the consumer.

We know now this agency is sort of an "on-the-job-training" point for food and drug industry executives, who put in stints there between moves to other private organizations.

We know now that government is aware of and winks at a variety of shoddy corporate practices which endanger the public, offer us worthless merchandize and services and take staggering sums in profit from the average consumer.

We know now some such practices are perpetrated by small groups of large companies, acting in collusion with one another.

In the past several years, we have learned about Corvairs, bad tires, cars made to fall apart in low-speed collisions, tainted foods, dirty meat, cancerous poultry, warranties that do not warrant, and guarantees guaranteeing nothing but continued aggravation.

We now know about hot dogs, containing more garbage than real meat and more additives than garbage, as well as 30 percent fat, which we are told is good for us.

We know our foods are not truthfully labeled in terms of real ingredients identifiable to the discerning concerned shopper.

We know they are not identifiable in terms of nutritional content.

We know they are not labeled to inform us when a product should be taken off the shelf.

We know there is no uniform system of retail quality grade designations. There is no requirement for labeling of food, drug, and cosmetic products to contain name and place of the true manufacturer. If these makers are so proud of products they sell, and their cacophonious advertising dins such messages into our ears, then there is no reason why an average shopper cannot be told on the label who makes it and where his plant is located.

We have no unit pricing. Nor do we possess any information on labels of durable consumer products as to performance life of the product.

Nor are we ever informed of the date of manufacture of any product whose design or performance may be changed. Here is perhaps one of the worst scandals

of all. Today industry deliberately seeks to make product life as short as possible and models as short lived as it dares. This in turn gives them an excuse to substitute a new model, declare others obsolete and therefore desirable to replace. Even though the older model may be perfectly adequate, industry feels it must hustle products on and off the consumer stage as fast as possible in order to maximize profit and minimize consumer use of what they peddle.

All this, mind you, to accompaniment of the most outrageous, ridiculous claims by Madison Avenue hucksters who would not know a legitimate product claim if they tripped over it in their board rooms.

Meanwhile, the public is beset on all sides by what can best be termed a "hustle," of the first chop. The great "game" is to enter some contest, promising the consumer something for nothing, usually an exotic trip or some glittering assortment of merchandise. Such promotional games are almost always rigged in some manner. For years a continuing battle has raged in Washington as consumer advocates have sought to get the Federal Trade Commission to use its authority to outlaw these frauds. Alas, the battle too often has gone against the public; special interests have too often prevailed.

What it all boils down to is that the consumer in America today has never had it so unsafe, tainted, flimsy, and false.

Good consumer protection laws sit on the Federal statute books unenforced by civil servants who remain paragons of paper shuffling and masters of bureaucratic obfuscation.

Whatever happened to the Safe Toy Act, several years on the books? Piously we are informed by the FDA that they are working day and night to get unsafe toys off store shelves. The same is true for the Flammable Fabrics Act, designed to save lives of 4,000 and more small children who burn to death because the Federal Government has taken years to make manufacturers flameproof garments and fabrics.

A cumulative education process is required, in tandem with grim determination on the part of many in Congress to keep pressing the consumer protection cause until we have cleansed the marketplace of products, practices, and entities who find it more profitable to peddle junk, tell lies, and deceive the public than to perform with any degree of honesty. Several Members of the House have been fighting this battle for a number of years. One is our distinguished colleague, Mr. ROSENTHAL of New York. He has again this year introduced a package of excellent, constructive consumer protection measures. As I did previously, this time I am joining in sponsorship of these measures; all of them. Each is badly needed. Each will eventually be enacted into law. Each will be battled over in this Congress, and it is my pleasure to join in that struggle.

These are the measures in question:

First. H.R. 1650, Truth in Food Labeling Act—requiring full disclosure of ingredients by percentage according to their common names.

Second. H.R. 1652, Nutritional Labeling Act—requiring statement of nutritional content of food products.

Third. H.R. 1654, Open Dating Perishable Food Act—requiring labeling of date beyond which products should not be sold.

Fourth. H.R. 1656, Consumer Food Grading Act—requiring a uniform system of retail quality grade designations.

Fifth. H.R. 1658, Honest Label Act—requiring labeling of food, drug, and cosmetic products to contain name and place of business of true manufacturer.

Sixth. H.R. 1660, Unit Pricing Act—requiring disclosure by retailers of the unit price of commodities.

Seventh. H.R. 1662 meat price freeze—stabilizing the retail prices of meat at November 1972 prices.

Eighth. H.R. 1664, meat quota repeal—repealing the Meat Quota Import Act of 1964 to increase the supply of lower cost meats.

Ninth. H.R. 1667, Performance Life Disclosure Act—requiring manufacturers of durable consumer products to disclose on a label the performance life of each product.

Tenth. H.R. 1668, Appliance Dating Act—requiring the date of manufacture of any product whose design or performance capabilities may be changed.

Eleventh. H.R. 1670, Sales Promotion Game Act—prohibiting manufacturers, producers or distributors from requiring or encouraging any retail seller to engage in promotional games.

Twelfth. H.R. 1672, Intergovernmental Consumer Assistance Act—providing Federal grants and technical assistance in the establishment and strengthening of State and local consumer protection offices.

It all boils down to a few very essential principles. Do consumers have a right to know what is in a product, who makes it, when it was made and what its nutritional value is? I say yes.

Do they have a right to be free of advertising gimmicks, phony guarantees and warranties, and similar deceptive practices? I believe they do.

If Upton Sinclair were alive today and could see what has happened to the American marketplace, he could write an updated version of "The Jungle," hitting American in the digestive tract again. Only he could add chapter after chapter dealing with other frauds infesting the marketplace today.

Government is as guilty as private business. It has no will to protect consumers today, just as it has no will to seek enforcement of laws already on our statute books.

Who, then, is the more guilty party? The manufacturer who deliberately puts bad perishables or unsafe, unworkable products on the market? Or is it the government bureaucrat, safe within the civil service system, who by his own inertia prevents enforcement of existing law? Both are equally to blame. Both should be equally exposed and mercilessly dealt with. Each of these proposed measures will eventually become law. Consumer protection is a concept that can best be termed both inevitable and inexorable in its progress toward fruition.

BUREAUCRATIC ARROGANCE IN OEO

HON. ROGER H. ZION

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ZION. Mr. Speaker, a few weeks ago the Indianapolis News printed an article criticizing the OEO employees who brought a class action suit against Acting OEO Director Howard Phillips. Author Lou Hiner points out that employees are far more interested in keeping their own jobs than in providing programs for the poor.

Mr. Hiner's article follows:

[From the Indianapolis News, Mar. 5, 1973]

BUREAUCRATIC ARROGANCE IN OEO

(By Lou Hiner Jr.)

It was the height of bureaucratic arrogance last week when a group of employes of the Office of Economic Opportunity filed a law suit challenging the right of the Nixon administration to curtail or abolish OEO programs.

The class action suit was filed in "behalf of all OEO employees" against Howard Phillips, acting OEO director, but actually it was an indirect challenge to President Nixon which said, in effect:

"Just try to abolish OEO. We'll show you who's running things!"

Phillips has been the target for some time of certain lawyers' groups, community poverty agencies and persons supposedly working for him in OEO.

(The law suit was not exactly 100 per cent in the interest of the nation's poor people. One of the charges was that OEO's 2,100 employes would suffer "irreparable loss or injury due to the loss of their jobs.")

Phillips' critics portray him as a tight-fisted, heartless gauleiter who is racing to dismantle OEO and cause increased suffering among the poor. The Washington Post, which takes a dim view of Phillips and a bright view of OEO, quoted an unidentified source as describing Phillips: "He is not a nut. He is a very conservative guy who thinks this (OEO) is a lot of crap."

The 32-year-old Phillips has said on several occasions that he is carrying out President Nixon's announced program to transfer some of OEO's programs to other agencies which in effect are duplicating those programs. But many of the poverty help programs will be given back to the states and local communities and financed under revenue sharing.

It is Phillip's theory that local people know more about handling problems of their poor than a bunch of bureaucrats in Washington. He also believes the dollar will stretch farther on the local level.

"The nation's poor are entitled to a dollar's worth of results for every dollar spent in their name," Phillips told a reporter, and he emphasized again: "I don't think you'll see any wholesale termination of programs."

Rep William O. Bray, R-Ind., has struck out at some of those who are griping about the OEO phase-out. He aimed his barbs particularly at some local officials who have said such action may lead to civil disturbances.

"What are we to say about this witless chatter? It is just the thing to inflame and outrage various groups and send them once more helling into the streets on a mindless, violent orgy of destruction," Bray said. "Is this intended to frighten the Congress? The administration? Or, the taxpayers?"

Sen. Jesse A. Helms, R-N.C., has said OEO's advocates have generated "a lot of misinformed debate about the value of these programs and their place in the overall structure of national policy."

Helms said that since 1964 more than $2.8 billion has been poured into OEO programs with few concrete results to show in improving the economic opportunity for the poor. He conceded some of the programs have worked in certain localities and he observed:

"Any community action program that has demonstrated a fine record should be able to convince state, local and private sources to continue funding. . . . If they had tangible results, they should have the know-how and the experience to argue persuasively with local leaders."

The basic concept of the community action programs was to mobilize local resources to help the poor. Helms explained his opinion of what happened:

"The vast majority of these community action projects have been merely a conduit to fund the salaries of the local organizers, creating unseemly divisions among various factions in the poor neighborhoods scrambling for salaries. These projects suffered from lack of accountability, both in financial terms and in accomplishment."

Often 85 per cent of OEO's funds for local projects went for staff salaries and other administrative expenses. People administering those projects seldom scoured the local bushes for money to help pay the costs.

As Helms has said, no one is arguing that the social problems of the country should be ignored. But no one can hold up the nine-year-old OEO as the model for mobilizing community resources.

"It is plain that the federally funded community action agencies have failed to provide the poor with workable examples of true community action. Some people seem to regard the OEO programs as a sop to the poor, a symbol of national interest. Yet, their effect upon the improvement of the lot of the poor has been negligible," Helms told a newsman.

JAMES G. HANLON, VICE PRESIDENT OF WGN CONTINENTAL BROADCASTING CO.

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ANNUNZIO. Mr. Speaker, on Monday, March 26, Chicago lost one of its most distinguished citizens—Mr. James G. Hanlon, vice president and manager of public relations and advertising for the WGN Continental Broadcasting Co.

He had been associated with WGN for almost 30 years, and during that span of time, he compiled an admirable record of public service in the broadcasting field.

Beginning in 1943 as a writer with the WGN Publicity Department, he moved up quickly to public relations manager in 1948, manager of promotion and research in 1960, and manager of public relations and advertising in 1965.

Jim was one of those indispensable people in whom most everyone placed the highest trust, and because of his basic decency and selflessness, he gained many friends for WGN.

His ability and dedication merited his election as a vice president of WGN Continental Broadcasting Co. in 1968. Additionally, he served as acting chairman of the company's editorial board and as a member of the WGN continental expansion committee in 1970. In these capacities, he made a major contribution toward guiding the growth and development of WGN during its formative years.

Ward Quaal, the outstanding president of WGN Continental Broadcasting Co. said of Jim Hanlon:

We lost a great friend and colleague who was one of the architects of broadcasting and who in the early days of our administration helped mold the new WGN radio and television of today.

Prior to joining WGN, Jim Hanlon was a highly-regarded columnist, feature writer, and editorial production manager of Radio Guide and its successor, Movie Radio Guide.

Mrs. Annunzio joins me in extending our deep sympathy to his wife, four children, and to all of his coworkers at WGN, for Jim Hanlon was a man who was highly respected and he will be sorely missed by those who had the opportunity of knowing him.

ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HOGAN. Mr. Speaker, today I would like to insert further excerpts of medical evidence from the Massachusetts criminal abortion trial, Commonwealth against Brunelle.

The excerpts follow:

GUEST COMMENT

This opinion discusses most of the relevant legal issues at a time when the *defense* of abortion statutes was almost solely predicated upon the state's inherent right to protect life. Although still effective, this argument by implication or, as lawyers say, by negative pregnant (e.g. I have not beat my wife *today*.) inferentially concedes that a state such as New York may determine that it will not protect fetal life. Currently, and because of the New York statute, the argument has shifted focus to the state's *duty* to protect human life at any stage of its development.

In syllogistic form the current argument is as follows:

1. The United States Constitution protects all individual human life from destruction without due process or without the equal protection of the law.

2. But fetal life is individual human life.

3. Therefore, fetal life cannot be destroyed without having first been given the protection of due process and equal protection under the United States Constitution.

Before either the due process of equal protection clauses are applicable to the abortion situation, the abridgement of those clauses must be found in some form of state action prohibited by the Fourteenth Amendment to the United States Constitution. This state action occurs (as it did in New York) when the state withdraws all penal sanctions which formerly protected uterine life. The withdrawal of protection from this segment of humanity constitutes a deprivation under the Federal Constitution of that portion of humanity's due process and equal protection rights.

For example, if the state were to withdraw its protection from a certain class of individuals as the Nazi State did *vis-a-vis* the Jew in Germany, then under our Constitution any individual in that group would be deprived of due process of law and equal protection of the law. Such an invidious discrimination is prohibited by our laws.

At the time *Commonwealth* v. *Brunelle* was argued, the defense made to the attack on the abortion statutes was that the state had the power to declare fetal life human life, and, therefore, protect it by statutes which allowed the taking of that fetal life only when necessary to save the life of the mother. The legal theory relied upon for the therapeutic exception was that of self-defense. An individual attacked by another is entitled to protect his life even if it means taking the life of the aggressor. If the abortion were not performed, two lives would be lost: the mother's and the child's. At least under these difficult medical circumstances, the law acts to preserve one life.

The effectiveness of this argument (The state has the power to protect fetal life.) is evident from its victories in the *Brunelle* case under consideration here.

That a state may pass laws to protect the health and welfare of its children even against the ". . . parents' claimed control of the child or one that religious scruples dictate contrary action . . ." is no longer open to doubt. *Prince* v. *Massachusetts*, 321 U.S. 168, 169 (1944). Indeed, the Supreme Court has taught that "the well being of its children is, of course, a subject within the state's constitutional power to regulate." *Ginsberg* v. *New York*, 390 U.S. 629, 638 (1968).

We take exception to the portion of the *Brunelle* opinion which indicates that possibly the primary purpose of the abortion statute when passed in 1845 in Massachusetts was the protection of the health of the mother. The purpose of this statute was to protect the unborn child as well as the mother. The great medical battle of the 19th century was to persuade legislatures to eliminate the requirements of quickening and to condemn abortion from conception. The annals of the *Journal of the American Medical Association* show conclusively that the association unanimously condemned abortion as the destruction of human life.

Even prior to the development of the science of fetal physiology all doubts were resolved in favor of the unborn child. Commencing in 1803 medical jurisprudential texts urged state legislators to pass statutes protecting the lives of unborn children at all periods of fetal gestation. (See Quimby, Isaac M. Introduction of Medical Juris Prudence. *JAMA*, Vol. 9, p. 164, Aug. 6, 1887 and Markham, H. C. Feticide and its Prevention. *JAMA*, Vol. 11, p. 805, Dec. 8, 1888; American Medical Association. Minutes of the Annual Meeting 1859. *The American Medical Gazette*, Vol. 10, p. 409, 1859; Chauncey D. Leake (Ed.) *Percival's Medical Ethics*. Williams and Wilkins, 1927, pp. 134–135.)

Abortion statutes have always been considered as having been passed to protect the unborn child's right to life. *State* v. *Howard*, 32 Vt. 380 (1859); *State* v. *Murphy*, 27 N.J.L. 112, 114 (Sup. Ct. 1858); *Mills* v. *Commonwealth*, 13 Pa. St. 630; *Anderson* v. *Commonwealth*, 190 Va. 665 (1950).

Prior to these attacks on abortion statutes, there has never been any doubt as to the constitutionality of this type of legislation. That is, until we reached this era of sexual permissiveness. Statutes prohibiting abortions are as old as written extant law. The Code of Hammurabi written in 1728 B.C. contains strict prohibitions against abortion. It is fairly certain that this code is but a compilation of much older laws.

Individual human life begins at conception. There is no other logical or scientific starting point and, in fact, any other starting point for this consideration would be made on other than scientific grounds (perhaps "philosophical," perhaps "religious," perhaps "convenience"). The United States Constitution protects human life against arbitrary, invidious classifications and discriminations. It protects human beings from destruction at the mere whim or caprice of a woman. It protects human life from destruction without due process and without the

equal protection of the law. It protects fetal life from conception.

The issue we are concerned with is one of civil rights. One segment of humanity cannot, under our form of constitutional republicanism and under our Constitution, determine that another segment of humanity does not have civil rights. The child in the womb has a civil right to life guaranteed it by the United States Constitution. We, as citizens of the United States and as persons living in the United States, are under a duty to protect the lives of all human beings that may be destroyed without conformity to just laws. It is our duty as citizens and persons to protect the lives of the children from wantonly being destroyed, throughout this nation. This is our duty as citizens and persons in this republic and not merely as members of any sectarian religious faith.

DENNIS J. HORAN, Esquire.

CHICAGO, ILL.

CROSS EXAMINATION OF HERBERT RATNER, M.D., BY MR. OTERI

Q. (by Mr. Oteri) Doctor, do you personally feel that a woman has an obligation to complete a pregnancy, or does she have a right to terminate it at some point?

A. (Dr. Ratner) The thing that complicates the problem from the medical point of view, for the physician, is that once a pregnant woman steps into his office, he, unfortunately for this situation, has an obligation to two patients—the mother and the baby—and any time we take a patient in an obstetrical service, we have an obligation for two patients. That is why you frequently see us knocking ourselves out, doing things which a mother permits, even at risk to the mother, to save the baby. We work in the delivery or operating room, where, 90 percent of the time, we are knocking ourselves out trying to save a baby with forceps, transfusions, and intrauterine transfusions.

We even have a new specialty of pediatrics called fetology. The New York Academy of Medicine's publication *The Sciences* has an entire article indicating the kind of things that relate to saving the baby *in utero*. The article concludes "the fetus may be the littlest patient, but he is by no means the least."

And that's the problem when a pregnant woman walks in; whether we like it or not, we have, automatically, two patients.

Q. The fact of the matter is that when a woman comes into your office, the pregnant woman, and she tells you she wants to terminate a pregnancy, she is a month pregnant. . .

A. Right.

Q. . . . do you feel any obligation to this woman to cooperate with her in terminating this pregnancy?

A. The obligation I feel with this woman is to help her resolve the situation she is in. I am not a technician, doing what she asks me to do; I have to do what both medically and professionally I have an obligation to do, so I can't. It goes against both the Hippocratic Oath and the purposes of the medical art. I cannot do that, because she is asking me to eliminate another human being's life, so my answer to that is no.

Q. Let me ask you a question. Are you familiar with—do we have any medical textbook in obstetrics or gynecology which you are aware of that in any place uses the term "human being" to describe the zygote?

A. I would like to first make it clear that we are not dealing with zygotes, when a woman comes into your office. By the time she knows she is pregnant and wants an abortion, she is now six to eight weeks pregnant, and we are dealing with a recognizable human being.

Q. That is not my question. My question was, are you familiar with any medical textbook in the field of obstetrics and gynecology that refers to the zygote as a human being?

A. When they refer to the zygote, the implication is that it is a human being. When you pick up a book in pediatrics, they do not refer to the child as a human being; they refer to it as a child.

A zygote is an analogous term as fetus, infant, child, adolescent, adult. They are all stages of a human being. It is not customary to go out of the way to specify a stage as a human being, because everybody knows it.

Q. Is a human being, as you know it—and you talked about evolution of the species—is the human being that you and I know different in any characteristics other than size from a one week old zygote: Is there anything I can do that a zygote can't do?

A. Say that again. Other than . . .

Q. Other than my size, what are the differences between me and a one week old zygote in a womb?

A. There are numerous differences.

Q. I can think, the zygote can't?

A. Yes.

Q. I can talk and the zygote can't?

A. Yes.

Q. I can sustain myself; I don't need a womb to support me in life?

A. No. The zygote sustains its own life in the same sense that the newborn infant or the young infant can sustain its own life.

I don't know what your relation is to your mother. Maybe you're dependent upon your mother, but the infant is dependent on the mother, and the zygote is dependent on the mother.

Q. The infant is dependent on the mother?

A. As well as the zygote.

Q. I am not dependent on the mother?

A. Not at this point.

Q. The infant is dependent on the mother to clean out its urinary tract?

A. Yes.

Q. Feed it?

A. Yes.

Q. Sustain it?

A. Right.

Q. If the infant, is born at one month, will it live?

A. Not at the present stage of technological development, it won't live.

Q'. At two months?

A. It won't live.

Q. Five months?

A. It won't live.

Q. In other words, this zygote or embryo or fetus, if it were allowed to develop without any interruption, could possibly become a human being?

A. I don't understand. It is a human being. It is not a matter of becoming a human being. We grant that human beings at different stages of life have different qualities, which doesn't make the zygote or infant any more or less of a human being. It has not the capacity that a mature human being has.

Q. Would you refer me to one textbook on obstetrics and gynecology that refers to the zygote as a human being?

A. Yes . . .

Q. I am talking about obstetrics and gynecology.

A. Here is a book entitled, *Modern Motherhood*, by Dr. Liley.

Q. Is that a textbook in gynecology?

A. It is a textbook that we have some of our medical students read.

Q. Is it a textbook in gynecology and obstetrics?

Is it a book that you read to learn your medicine from?

A. It is one of the things we read.

Q. Is it a textbook in obstetrics and gynecology?

A. It is a textbook that can be used, because it is dealing with modern motherhood, which the pediatrician . . .

Q. A pediatrician isn't an obstetrician.

A. The obstetrician doesn't have charge of the baby.

Q. Does the pediatrician . . .

A. The specialty of fetology is a sub-specialty of pediatrics and not obstetrics. You are limiting the concept to the erroneous belief that it is only the person who delivers who has any kind of medical obligation to the fetus.

Q. Who does the pregnant woman go to—the pediatrician or obstetrician?

A. The modern development in this area today, in good hospitals, is for the woman to get to both before she delivers.

Q. The lady living in Oak Park, your suburb, and she comes up and misses a period and decides she might be pregnant . . .

A. She goes to the obstetrician. That is the obstetrical side of it.

Q. Now, Doctor, you . . .

A. But it is not the pediatric side of it.

Q. I know that.

Q. You refer to the zygote as being in residence in the womb of the mother, is that correct?

A. Yes, for about 20 minutes, because quickly thereafter it is no longer a zygote.

Q. What does it become after 20 minutes?

A. It has a continuous development. For language's sake, we have a rough division so we can refer to them: We talk of the zygote, embryo, fetus, of the infant, the child.

Q. When you talk about residence in the womb of the mother while it proceeds in its own development, you are talking about zygote, embryo, to fetus?

A. The zygote is normally no longer a zygote after six days or a couple of days have passed and it has got into the womb.

Q. It is not 20 minutes?

A. It takes about six days to go down.

Q. Now, Doctor, while this zygote is going for the six days from the womb to implanting in the wall, how is it sustained?

A. It is sustained by its own nutrition, and the heat is supplied by the mother.

Q. After it implants in the wall of the mother, does it receive its nourishment from the mother?

A. It receives its food in the same way that the infant at the breast receives its food from the breast.

Q. The infant at the breast is outside of the mother?

A. I am trying to clarify it receives its nourishment from the mother in the same way.

Q. If there were some interference with the food supply between the mother and the embryo attached to her, the embryo would die?

A. And the same way the infant in the burning house, unattended, would die.

Q. When the embryo—by the way, how many spontaneous abortions are there?

A. A high incidence. About 25 percent.

Q. Is that in the period between fertilization and implantation?

A. No, there is a high incidence there, but it continues through the first three months. One out of seven pregnancies ends in a miscarriage in the United States, this is nature's means of getting rid of human beings who just aren't capable of surviving.

Q. Nature gets rid of human beings?

A. That's right. The way it does in epidemics and other tragedies.

Q. Do you think we should attempt to stop epidemics?

A. We certainly should.

Q. I have no further questions.

THE 152D ANNIVERSARY OF GREEK INDEPENDENCE DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ANDERSON of California. Mr. Speaker, on March 25, 1821, a Greek

patriot, Alexander Ypsilanti, unfurled the flag that sparked the revolt resulting in Greek independence.

March 25, 1973, was the 152d anniversary and celebration of the beginning of modern Greek independence.

Unfortunately, since 1821, the Greek people have not enjoyed a smooth democratic history.

With their declaration of independence, the struggle had just begun. The Greeks still had to defend their freedom from the Turks.

Then from 1837 until the 1843 coup, the Greeks were virtually a Bavarian protectorate.

After the Young Turk revolt of 1909, the Balkan wars of 1912–13, and World War I, the Greeks faced another crisis when Gen. Theodros Pangalos seized power in 1925 and became a dictator the following January.

An attempted coup and a chaotic political situation characterized the early and midthirties until Gen. John Metaxas made himself a dictator with the consent of the king.

In 1940, Greece rejected the Italian Fascist ultimatum for capitulation, but the Germans occupied all of Greece in 1941 with the Greeks resisting with guerrilla warfare.

Soon after the Germans withdrew, civil war broke out in 1945.

When pressure began to mount between Greece and her Communist neighbors, President Harry S Truman announced that the United States would assist the Greek people as well as the Turks in their fight against communism. Truman's statement came to be known as the Truman Doctrine.

After several years of political disorder, a group of conservative army officers seized control of the Government in 1967 because they believed the leftists were planning to use upcoming elections to stage their own coup.

Since the 1967 junta, the Government has suspended the original Constitution, instituted Marshall law, and imprisoned persons of differing political beliefs.

Recently the junta government has made large economic strides and has begun to reinstitute some civil liberties. However, there are still no parliamentary elections or a timetable for the implementation of elections even though the Government's own Constitution provides for them.

With the ancient Greek heritage as one of the world's first democracies and as a leader of cultural advancements, it is particularly unfortunate that Greeks today are not enjoying full citizens' rights.

But, the spirit of the Greek people is well known because of the Greeks' ability to come through hard times.

As the esteemed modern Greek writer, Nikos Kazantzakis, has written:

> Greek soil has been so saturated with blood, sweat, and tears, the Greek mountains have witnessed so much human struggle, that you shudder in contemplating the fact that here on these mountains and shores, the destiny . . . of all mankind, was at stake.

Mr. Speaker, Mr. Kazantzakis has captured the essence of the men and women of Greece. Today, in recognition of the Greek Independence Day, I salute the traditions and history of Greece and its sons and daughters around the world.

NEW YORK TIMES RECOGNIZES CONGRESSMAN EARL LANDGREBE

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BRAY. Mr. Speaker, the New York Times of March 31, 1973, devoted part of the front page of the second section to a profile of our colleague from the Indiana Second District, EARL F. LANDGREBE. I am pleased to insert it at this point:

HOUSE FOE OF SPENDING OUT-NIXONS NIXON

(By Marjorie Hunter)

WASHINGTON, March 30.—The electronic scoreboards perched along the rims of the House balconies blinked fitfully.

Aye: 284 . . . 302 . . . 382 . . .

Nay: 1 . . .

Time: 2:16 . . . 1:05 . . . 0.13 . . .

Moments later, it was all over. A bill to authorize $475-million for clean air programs had passed, 387 to 1

Sitting in isolated splendor midway in the chamber was the man whom colleagues have jokingly dubbed the naysayer from Valparaiso, Earl Frederick Landgrebe, Republican of Indiana, who had cast the sole no vote.

The most consistent champion of the Nixon Administration's efforts to trim the budget, Earl Landgrebe (pronounced LAND-greeb) thinks that even President Nixon, on occasion, is too much of a spendthrift.

"The President has asked us to go with him a mile, and I say that's fine," he said later, moving restlessly around his office. "That's somewhere in the Bible; maybe I don't have it exactly right."

But one time, Mr. Landgrebe said, "is not enough to balance the budget as it should be."

"I say, let's go another mile and cut it some more," he continued.

A SELF-MADE MAN

A devout Lutheran, his pockets often crammed with religious tracts, Mr. Landgrebe speaks with all the zeal of an old-fashioned evangelist.

Two years ago, he left for Moscow on a House Education Committee study with a carton of 75 Bibles and a suitcase containing 30 more Bibles and 250 religious books. These, he distributed, as he said later, "in the dark of the night," until he was picked up for questioning by the Soviet police.

Behind his desk is a row of Bibles. Nearby is a Biblical tract entitled "Good Laugh?" and taped to a tall red lamp on his desk is a cartoon, showing a male stick-figure saying, "Some folks are good for nothing but I'm going to ask for pay . . ."

The cartoon, perhaps more than the Bibles, best explains the philosophy of a man who proudly proclaims that he made it on his own and thinks everyone who is able should also work hard for a living.

His naysaying on a vast array of domestic spending bills this year has astounded even his fellow conservatives in the House.

"A lot of them have been scolding me," he said. "They tell me, 'Listen, Earl, how can you be so blind as to follow Nixon'?" Well, I just have to call the shots as I see them. The rest of them like to claim they're conservative but they don't follow through."

Some of his friends, he said, seem to think he lives in a cave.

"I guess a lot of them expect me to show up on the floor one of these days wearing a bearskin," he said, grinning ruefully. "Well, I don't live in a cave. I like air conditioned homes and good cars just like everybody else, but you have to pay for them."

Mr. Landgrebe thinks that the Congress and the nation "should thank God for a President who has brought tough guys to town to hold down all this spending we've been doing."

His current field idols are Caspar W. Weinberger, the Secretary of Health, Education and Welfare; and Howard Phillips, who has been assigned the job of dismantling the antipoverty agency, the Office of Economic Opportunity.

"It's damn exciting to be here at this moment in history with people like Weinberger and Howard Phillips around," he said.

NEW PRECEDENT

He told of Mr. Phillips coming to his office, a few weeks ago, to ask him to vote against any further funding for the anti-poverty agency.

"That's the first time, believe me, that kind of thing ever happened to me; a bureaucrat asking me to vote him out of a job," Mr. Landgrebe said happily.

"Well," he went on, "when I'd recovered from the shock, I looked at the guy and told him, 'You sure don't look like a nut to me, but I'm sure surprised.' Mr. Phillips just smiled and said, 'Oh, that's all right. When I get O.E.O. cleaned up, then I'll go on to another agency.' Now, you've got to admit that's a refreshing situation."

Defending himself against those who say he has moved even to the right of the President, Representative Landgrebe who has been in the House since 1969, insists he is not for cutting everything.

FREE ENTERPRISE LAUDED

"I just think we should screw the faucet down a little and let the free enterprise system take over again," he said.

It was through free enterprise, he reminds visitors, that he made it, working his way through high school with a variety of menial jobs and later starting a truck hauling business with only a little cash.

"I'm a rather wealthy man now, but I worked hard to get it," he said, "and I don't want America to lose everything it's got through irresponsible spending."

Although Mr. Landgrebe has consistently voted to trim domestic spending and twice received awards from businessmen for his efforts—he has been a strong advocate of defense outlays and may support whatever the President requests in aid for North Vietnam.

FINANCING OWN TRIP

"I want to go to Hanoi and see for myself," he remarked. "I've already applied for a visa, and I'll go on my own money."

Representative Landgrebe is aware that many of his constituents oppose rehabilitation aid for North Vietnam but he thinks that "if it takes a few billion dollars to win the peace, then it's worth the price to keep America strong and sweet."

His role as the most persistent of Congressional budget-cutters has not escaped the attention of the White House.

"I was down at the White House few weeks ago and I told the President I was with him all the way in cutting out all this big spending," Mr. Landgrebe said.

"You know, he really seemed to appreciate it," he went on. "The President even followed me a few steps to say thanks."

JULIAN GOODMAN

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. CARTER. Mr Speaker, it is with great pleasure that I submit the following biography of my friend and fellow Kentuckian, Julian Goodman, president of the National Broadcasting Co. Having received the International Radio and Television Society's highest honor—the 1972 Gold Medal—he has proved himself to be a man of outstanding achievement, strength, and creativity.

His contributions in the field of broadcasting have received widespread acclaim, and I am confident that he will continue to be a leader in his field in the years to come.

His biography follows:

JULIAN GOODMAN

". . . a faithful reporter, a daring innovator, a tireless and effective champion of freedom, a forceful and timely spokesman for the broadcasting industry . . ."

With this citation, the International Radio and Television Society awarded NBC President Julian Goodman its highest honor—the 1972 Gold Medal—for his achievements in and contributions to broadcasting, in which he has worked for more than 25 years.

Since becoming NBC's President in March 1966, Mr. Goodman has established himself as a strong and effective spokesman for broadcasting, and as a creative force within the ranks of television's top management. He has been an industry leader on a variety of issues involving the relationship between Government and broadcasting and the Constitutional right of the American people to a free flow of information.

Mr. Goodman was named NBC's Chief Executive Officer on Jan. 1, 1970, and, two years later, was elected a Director of RCA Corporation. He came to his present position after a 20-year career with NBC News, during which he not only produced a variety of news programs and special coverage projects, but developed many of the production and program techniques that have since become familiar in radio and television.

He pioneered the use of tape for radio broadcast of news events; participated in the development of the "instant news specials" initiated by NBC News; supervised NBC News coverage of many major stories; directed the development, production and broadcast of scores of significant NBC News specials, and managed a full-time worldwide staff which at the time totaled 900 writers, editors, cameramen and technicians.

As broadcasting's only top management executive with a background in program production, he has stimulated a number of program and policy innovations within NBC, ranging from cultural and informational projects and children's programming to industrywide research studies.

Among these projects was the "NBC Experiment in Television" series, which was widely acclaimed for its exploration of new forms and concepts in the medium. Another was the initiation of a worldwide search for talented young filmmakers, resulting in highly praised programs on "the new communicators."

In one of a series of steps to provide more professional concentration on improved children's programming, Mr. Goodman, in January, 1970, established, within the Television Network, a new office of Vice President, Children's Programs, headed by a producer of children's programs with a 20-year record of experience. NBC–TV was the first network to make such an appointment.

Mr. Goodman also directed the funding of a long-term NBC Research study, begun in March, 1969, to assess the possible effects of television on the behavior of young people. The study has been commended by a specialist in the field as "an unprecedented, major study . . . using carefully validated reporting methods."

Mr. Goodman joined NBC as a news writer for WRC, NBC's owned radio station in Washington, D.C., in the summer of 1945. He was appointed Washington editor for "News of the World," an NBC Radio Network broadcast that included news pickups from all major capitals.

Shortly thereafter he became Manager of News and Special Events for the Radio Network, then NBC's principal broadcast operation. As television networking developed, Mr. Goodman was also appointed Manager of News and Special Events for the NBC Television Network in August, 1951. The operations were combined under his charge.

In 1959, when television was growing rapidly and NBC News had become a separate and major division of the company, Mr. Goodman was assigned to NBC News' New York headquarters as Director of News and Public Affairs. He was appointed Vice President, NBC News, in January, 1961, and Executive Vice President on Oct. 4, 1965.

On Dec. 13, 1965, in a realignment of NBC's top corporate management, he became chief administrative officer of the company with the title of Senior Executive Vice President. On Jan. 10, 1966, he was elected to the NBC Board of Directors, and on March 4, 1966, he was elected President of the Company.

In 1952, Mr. Goodman directed NBC News film coverage of the political conventions, which won wide critical acclaim; in 1956, he supervised the operation of NBC's central news desk at the conventions; during the 1960 national election campaign, he produced the October 7 broadcast of "The Great Debates," the second of four historic encounters between Presidential candidates John F. Kennedy and Richard M. Nixon.

While in Washington, Mr. Goodman took a leading part in extending television and radio coverage to important governmental news events. He obtained permission for the first live broadcast of a Congressional committee hearing and he helped open the way for the first filming of a Presidential news conference in 1955.

After his assignment to New York, Mr. Goodman supervised such specials as the "Journey to Understanding" series that covered the travels of President Eisenhower and Soviet Premier Khrushchev; the "JFK" series that reported periodically on the Kennedy Administration; and the "Breakthrough" series of medical programs. He produced "Comment" and "Ask Washington," as well as "Report From Alabama," which won a Robert E. Sherwood Award.

Mr. Goodman was born in Glasgow, Kentucky, May 1, 1922. He attended Western Kentucky University but left before graduation to join the Army in 1943. After leaving the Army he served as office manager for the Combined Production and Resources Board in Washington, D.C., until 1945. He then enrolled in George Washington University, in Washington, and earned his AB degree.

At the University's Winter Convocation in February, 1966, Mr. Goodman was honored with an Alumni Achievement Award by the Board of Trustees.

He was awarded the honorary degree of Doctor of Laws by William Jewell College, Liberty, Missouri, in November, 1967. Also in November, 1967, Mr. Goodman was honored as a leader in the field of journalism by election as a Fellow of Sigma Delta Chi, national professional journalism fraternity, at its annual convention in Minneapolis, Minnesota.

In 1970, Mr. Goodman was named "Kentuckian of the Year" by "The Kentuckians," becoming only the fifth man in the organization's 67-year history to be so honored.

Mr. Goodman and his wife, the former Betty Davis of Dawson Springs, Kentucky, have four children and live in Larchmont, New York. Mr. Goodman is an ardent sports fan. He golfs, plays tennis, fishes and frequently sails in Long Island Sound near his home.

STARK REALITIES OF THE AFTERMATH

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. LITTON. Mr. Speaker, today we stand on the threshold of a historic week in our country's history. It is the first week in many years that we have not had prisoners of war in North Vietnam, or combat troops in Southeast Asia.

Along with many thoughtful constituents, other American citizens, and numerous congressional colleagues, I consider the prolog of this past week's events as the first stage of our Nation's resurrection from patriotic disunity—one paralleled only by events leading to the American Revolution almost 200 years ago, and the Civil War of the 1860's.

Today, we face the stark realities of the aftermath. We turn our attention to healing both physical and emotional wounds. We must prepare ourselves to begin the second stage in the quest for peace. We all know true peace, in an ultimate sense, is not yet to be. It will not become a reality until the problems growing out of the long and bloody Southeast Asian struggle are laid to rest.

In the coming months, the eyes of the world will be focused upon the U.S. Congress as the problems embracing Southeast Asia and America are sifted and weighed. To many, the fulfillment of our task seemingly knows no boundaries. First, we must grasp the problem of aid to North Vietnam set forth in our peace agreements under article 21. Secondly, we must resolve the question of amnesty on the home front. Neither problem could be explored in open discussion as long as we had POW's and combat troops in the Southeast Asian war zone.

I believe that under our leadership the cause of unity between the North and South Vietnamese can be greatly advanced, the amnesty question of American boys who refused to answer the call of their country settled, and guidelines for a program of rejuvenation established. If a majority of American citizens, and my colleagues in the Congress, concur with what might, at first, seem a provocative but, in the final analysis, sensible solution, hopefully we can pursue a program that would solve both the problem of aid to North Vietnam and the problem of amnesty.

But first, let us closely examine the problem of amnesty. Almost 50,000 Americans who served in the Southeast Asian conflict lost their lives. Nearly 300,000 more were wounded, some severely. Many who served will spend the rest of their days in hospitals, hopelessly crippled or blinded. The war will never end for those parents, widows, and orphans who suffered anguish through loss of their sons, husbands, and fathers. For this country to provide unconditional amnesty to those who refused to serve, or who subsequently deserted after having been called, would, in effect, be saying that the almost 50,000 who did die, and the nearly 300,000 who were injured, were wrong and those who refused to serve, or deserted, were right.

Further, I believe that exoneration of draft dodgers and deserters would set a precedent which could pose a threat to our national security. If we leave it up to each individual to decide whether or not they will serve their country, or which laws are to be obeyed, or scoffed, we turn our backs on our democratic system and invite chaos. We also ignore the sacrifices made by every veteran who ever served in any prior war in which our Nation has been involved. In my view, anyone who has fought for this country to insure for future generations the precious legacy of life, liberty, and the pursuit of happiness, deserves an endless debt of gratitude. Amnesty would be an offense to their patriotism.

Equally significant is the awesome thought that, should unconditional amnesty be provided for all who refused to serve in Southeast Asia, how would it be possible for us, at any future date, to expect a future generation to answer the call to arms when a prior generation, who refused to serve, was spared punishment? This factor deserves special consideration in view of the fact that we anticipate having an All Volunteer Army with fewer and more specialized members in the service.

Inevitably, there will be individual cases which warrant a comprehensive review. Therefore, I would favor, as did President Truman following World War II, the establishment of an Amnesty Board to consider the petitions of those violators who wish to come out of exile and seek to have their cases reviewed. It is conceivable, through such procedure, that some equitable compromise might emerge to balance amnesty with retribution.

I feel very strongly that the United States should not and cannot continue to be the caretaker of the world. Hopefully, Vietnam has taught us that. However, neither can we isolate and shield ourselves completely from international affairs.

However badly we blundered and stumbled, Vietnam was not a war where we had aims or desires of conquest—we were there solely to aid. Probably no nation of the world would have sacrificed equally with only the intent of helping others defend themselves. It began in the best of our traditions—one befitting a great and generous nation.

The administration insists that aid to North Vietnam is a financial investment in peace—that with ample money and materials, North Vietnam will turn inward to peace instead of war. I sincerely hope that this would be the case, but I have doubts. Internal warfare was raging for years before we even became involved in Indochina. I fear that the quest for reunification of all of Vietnam under Communist rule is still top priority in the minds of North Vietnamese leaders.

It is bad business to sacrifice nearly 50,000 American lives and $135 billion in helping South Vietnam stand on its feet—we have built their air force to the fourth largest in the world—and then counter our 10 years of work and sacrifice, including war expenditures totaling one-third of the national debt our country has accumulated in its lifetime, by building up North Vietnam so that it may continue to strengthen its aggression toward the south. I think it is not unreasonable to assume that for every dollar of assistance we give North Vietnam, another dollar will be freed to build up their defense program to advance their cause.

One political analyst for the Washington Star expects Hanoi to receive an estimated $1.7 billion per year in foreign assistance. This amount is just about the size of its 1970 GNP and much higher than the GNP for 1972. My first thought is how will Hanoi handle this huge sum of money. If leaders use the money to better living conditions and promote peace, then it could be a worthwhile investment. But past experience shows that this is not likely. After the 1954 reconstruction program, only 15 percent of total investment was allocated to restoring the devastated agricultural sector where 91 percent of population lives. According to a U.S. News & World Report issue of February 19, the first priority in Hanoi for use of U.S. reconstruction funds would be the restoration of railroads, highways, communication, and powerplants. Then would come the rebuilding of industrial facilities. Last is aid to the people.

It goes without saying that I would unilaterally oppose any aid which appeared to be reparations or expiation for the sins of imperialistic America, as North Vietnam might make it look. Many officials favor multilateral aid to North Vietnam possibly through the United Nations or the World Bank. But Hanoi stubbornly insists on bilateral aid.

Then there is the argument that points to our reconstruction of Germany and Japan after World War II with the Marshall plan. Many would assume that we should do likewise in North Vietnam. The difference between World War II and the Korean conflict is vast indeed but the most significant is the fact that Germany and Japan promised to set up working democracies with fair and equal representation—and obviously from all indications Hanoi has no intention of doing this.

The difference goes much further than this. After World War II, there was an unconditional surrender by Japan and Germany and a commitment to an end in hostilities. In North Vietnam the situation is not this pleasant. Hanoi has not surrendered; 150,000 of their troops remain in South Vietnam and an end in hostilities is unlikely. Thus, as long as North Vietnam is continuing major hostilities toward South Vietnam and we continue economic aid to repel these hostilities, it would be absurd to provide North Vietnam with funds.

The American people have been told for the past decade that once the war in Vietnam was ended, money would be made available for domestic programs of construction and assistance. We have been led to believe that such domestic moneys would build rural water and sewer systems, new and better methods of transportation systems, housing units, recreational facilities, flood control impoundments, and power-generating facilities, such as the Pattonsburg Lake Reservoir in Missouri's Sixth District.

Perhaps we can solve both the problem of aid to North Vietnam as we promised in article 21 of the cease-fire agreement and amnesty for those who refused to serve by sending those people who seek amnesty to North Vietnam—instead of money—to help them rebuild their country.

If those in America who evaded military service loved the North Vietnamese too much to fight them, perhaps they still love them enough to help them in their reconstruction program. The sickening stories of torture being related back to the American people by our returning POW's would not indicate that the North Vietnamese have any love for Americans.

I personally do not favor aid to North Vietnam or unconditional amnesty, but if we are to aid North Vietnam and if we are going to permit those who refused to serve when called to work for mankind in return for amnesty, then I see no reason why we cannot accomplish both of these objectives by sending those who seek amnesty to North Vietnam to serve a given number of years in helping rebuild that country in lieu of money which is so badly needed not only for domestic programs here in America, but also to bolster the value of the sagging U.S. dollar.

DISABLED AMERICAN VETERANS SERVICE PROGRAM

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. DORN. Mr. Speaker, I would like to insert into the RECORD an updated review of the activities of the Disabled American Veterans. The Disabled American Veterans is an organization comprised of nearly 400,000 veterans who suffered disabilities due to disease or injury incurred during wartime or warlike military service. Since 1921, a period of 52 years, Disabled American Veterans has been concerned with the welfare of our Nation's disabled men and women who have incurred their disability in the defense of this Nation. Counted among its many members are prominent national figures and government leaders who themselves were injured or disabled in line of duty.

One of the primary functions of the Disabled American Veterans has always been to provide a service through its national service program for the benefit of the disabled veteran and his dependents. In each regional office of the Veterans' Administration you will find a staff of Disabled American Veterans national service officers fully trained to assist veterans in filing for the many benefits which the Congress of the United States has provided for our Nation's defenders. These national service officers are attorneys-in-fact appearing before the Veterans' Administration rating agencies when authorized to do so by the veteran or his dependents. These appearances are made each time the case of the veteran is considered by a Veterans' Administration rating agency. Among the many duties of national service officers is the responsibility for preparing legal briefs to be submitted to the VA Board of Appeals in Washington, D.C. when this becomes necessary.

The Disabled American Veterans was founded in 1921 when its first national convention was held in Detroit, Mich. National headquarters is located in a beautiful plant in Cold Spring, Ky., just across the river from Cincinnati, Ohio. This organization employs an approximate average of 700 persons per year at its national headquarters. DAV also maintains a national service headquarters in Washington, D.C., to administer the service program. DAV depends upon the support of the public to assist in meeting the heavy financial burdens imposed by the service program of the organization which includes the salaries of the national service officers who assist thousands of disabled veterans each year. For instance, Mr. Speaker, at the end of the last fiscal year, Disabled American Veterans assisted our Nation's disabled veterans in recovering awards amounting to $297,822,857.17 throughout the Nation. These attorneys-in-fact made 135,686 rating board appearances; interviewed 203,463 disabled veterans and their dependents; and reviewed a total of 289,216 VA case files in connection with their duties.

Many of my colleagues will recall that Disabled American Veterans utilized the American University and the facilities of the Veterans' Administration to train national service officers to assist disabled veterans following World War II. I am very pleased and very proud to report to my colleagues that of a total of over 221 national service officers today, 129 of them are Vietnam veterans. Disabled American Veterans realizes the need and necessity of having service officers who understand the current and today problems of the disabled veteran. Trained under an experienced career national service officer of the Disabled American Veterans, each national service officer trainee goes through a period of 18 months of study and application of principles of service work before he can become an accredited representative of the organization fully qualified to assist veterans in all phases and in all matters pertaining to benefits for the disabled veteran and his dependents.

Mr. Speaker, I was very interested in receiving information concerning the expansion of programs that the Disabled American Veterans offers the disabled veteran. These are recent programs and indicates that DAV indeed deserves the support of the American public in carrying out this pledge as provided by its charter and constitution "to provide for the welfare of the disabled veteran and his dependents." Beginning in 1969 the organization offered a scholarship program for the children of service-connected disabled veterans whose parents could not afford them a college education. Eighty young men and women throughout this Nation have been awarded a DAV scholarship. As of September 1972, 71 are still in the program. Beginning with the fall term, September 1973, a new group of students will be entered into this scholarship program. Bear in mind, Mr. Speaker, that these service-connected veterans do not have to be members of the DAV in order for their children to participate in this program.

Several years ago, Disabled American Veterans adopted a disaster fund program to assist its members in the event of a natural disaster. Now, DAV has expanded this program to include all service-connected disabled veterans who suffer losses due to such disasters.

Effective January 1, this year, Mr. Speaker, DAV has inaugurated a new program to provide emergency relief to service-connected disabled veterans. This is another duty that has been added onto the shoulders of the national service officers who administer the funds in each national service office located in VA regional offices throughout the Nation.

A few years ago, DAV became interested in the problems of handicapped children. In order that the organization might provide meaningful assistance to these unfortunate children, many of whom are born with birth defects or who acquire disabilities due to injury or disease, DAV entered into a partnership with Boy Scouts of America for the purpose of establishing handicapped Boy Scout troops throughout the Nation. As a result of this program many DAV chapters throughout the Nation are engaged in helping these young boys learn scouting and learn to do what they can do with their disabilities. DAV has expended almost $450,000 thus far on its scholarship program, disaster fund, emergency relief, and scouting program. These figures will increase each year.

Disabled American Veterans has been described by some as a single purpose organization, but I believe, Mr. Speaker, that in view of the expansion of their programs it can be said that Disabled American Veterans is continuing its mission to provide a full and complete service to all service-connected disabled veterans of this Nation.

I know that my colleagues will join with me in expressing the appreciation of this august body to this fine organization for the great efforts that they are making in providing for the needs of disabled veterans through its legislative program. Charles L. Huber, the national director of legislation, is in charge of this vital program and each year he and the national commander of the Disabled American Veterans, presents its legislative program to this committee. The policy statement of the organization provides that the Disabled American Veterans should exert its efforts in behalf of the service-connected disabled veteran and while they do not oppose other programs such as pension benefits, the primary thrust of the DAV is for our Nation's defenders who need help in overcoming the rigors of their disabilities.

I know that the American public will continue to support Disabled American Veterans and that all those eligible for membership in the DAV will continue to support the organization through its membership, because this is the only veterans organization devoted exclusively to the welfare of the disabled veteran.

JAN KRYSKY, ANOTHER VICTIM OF SOVIET TYRANNY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BIAGGI. Mr. Speaker, the plight of the Soviet Jews continues to rank among one of the most serious human problems in the world today. I would like to briefly relate for my colleagues the tragic story of yet another refugee from Soviet oppression, Mr. Julius Krysky, who is in this country now on behalf of his son, Jan.

The senior Krysky was permitted to leave the Soviet Union for Israel in November 1972. In the typical Soviet manner, he and 70 other highly educated Jews were granted permission to leave provided they would get out of the country within 7 days—a move clearly timed to the U.S. Presidential elections.

His son, Jan, however, who is 21, was tossed in a mental institution a year ago on charges of "militant Zionism." In a ward for the criminally insane, Jan has been given injections which leave him delirious and force him to stay in bed for months on end.

He told his mother, who had a rare opportunity to visit him earlier this month, that he does not believe he will be able to last very much longer. His father has come to this country seeking help.

The tale of how Jan ended in the mental institution belongs in a book of fiction, not real life. In October 1971, Jan was escorting a girl home from a concert when a drunk, Bykov, insulted him with the term "Zhid." A fight ensued and Jan was brought to trial. Bykov then submitted a letter to the court in which he admitted guilt for starting the incident and Jan was acquitted.

The case was reopened, however, in January 1972, when the Krysky family applied for permission to emigrate to Israel. Julius Krysky was told that his son would either be given 10 years in a labor camp or he could be institution-

alized as a "schizophrenic" for his Zionist beliefs. The family chose the institution believing that Jan would soon be released.

Julius Krysky has asked me to assist him in pressuring the Soviet Government for his son's release. Therefore, I am sending around a letter to my colleagues today asking them to join me in writing to Premier Alexi Kosygin, asking him to release Jan, and to President Nixon, asking him to assist us in this effort.

Mr. Speaker, I hope all those here who share with me a deep concern for the plight of the Soviet Jews will join with me in this important effort.

UNITED STATES-RED CHINA DIPLOMATIC EXCHANGE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. RARICK. Mr. Speaker, the United States-Red China diplomatic exchange has now been announced.

Here in Washington we get Gen. Huang Chen, one of Mao's most dedicated Communist fanatics.

In turn, we send to Peking Alfred L. Jenkins, David K. E. Bruce, John Holdridge, and Charles W. Freeman.

As the usual dealings with the Reds, they gain by sending us trained agents.

I insert the related news clippings:

[From the Washington Star and Daily News, April 1, 1973]

TEAM OF DIPLOMATS LEAVES FOR PEKING

A five-member State Department advance team left yesterday en route to Peking to establish a 'liaison mission" for the first formal U.S. diplomatic dealings with mainland China in more than two decades.

The group, headed by China expert Alfred L. Jenkins, flew commercially by way of Chicago to Hong Kong, where its members will confer with officials of the U.S. Consulate General before entering China April 5.

Jenkins and his aides will make final preparations for the arrival of David K. E. Bruce, one of the nation's most seasoned diplomats whom President Nixon brought out of retirement to head the Peking mission.

The Chinese said their own advance party will arrive in Washington some time in April to prepare for the opening of the mission here. The two liaison offices—embassies in all but name—will open for business simultaneously in early May. Bruce has said he will be in Peking by then.

Peking announced Friday that its chief of mission will be Huang Chen, who has been serving as ambassador to France and is regarded in Washington as the top diplomat of the People's Republic of China. He is the only envoy known to be a member of the Communist Central Committee.

Bruce will be accompanied to Peking by John Holdridge, a member of the President's National Security Council who will share with Jenkins the title of deputy chief of mission. Holdridge is described as a protege of presidential adviser Henry A. Kissinger, who made the arrangements for Nixon's trip to China last year.

Among those accompanying Jenkins on the advance assignment, and also to remain on the liaison mission staff, is Charles W. Freeman, a fluent writer and speaker of Mandarin Chinese who has been heading the State Department's China desk.

Marshall Green, assistant secretary of State for East Asia and Pacific affairs, predicted that the United States will quickly become second only to Japan as a top trading partner of the Chinese.

The missions are being called liaison offices rather than embassies in deference to Peking's refusal to have full scale diplomatic relations with any country continuing to recognize the Nationalist Chinese government on Taiwan.

[From the Washington Star and Daily News, Mar. 31, 1973]

CHINA'S U.S. LIAISON IS MAN OF THE ARTS

Huang Chen, one of China's most seasoned diplomats and a figure of marked importance within the country's Communist party, was named yesterday to head China's liaison office in Washington.

In his 64 years Huang has been a soldier, propagandist, playwright and artist. His interest in the arts, fostered in his early years, remains lively today. Central to Huang's life, however, has been an unflagging dedication to China's Communist party, a loyalty that goes back at least 42 years and has rewarded him with membership in the party's central committee.

Huang Chen was born into a peasant family in southwest Anhwei and went to school in Anching, a Yangtze port city 30 miles from his birthplace. He graduated from the fine arts academy in Shanghai and remains one of the few Chinese in high positions to have had training in this field.

At the age of 23 he became a party member and served as a political commissar at the divisional level when the Communist headquarters was in the southwestern part of Kiangsi Province.

He fought with the Red Army of Mao Tse-tung and Chu Teh and at one time commanded a regiment, the 13th, which belonged to the Third Army Corps. Later he served as a propaganda worker, and while on the Long March from Kiangsi to the new base in Yenan, he wrote two plays that were staged just before the Red Army made the difficult crossing of the upper Yangtze in the spring of 1935.

During this period Huang made sketches of the Red Army in the field, some of which were published in book form in 1962 under the title "A Collection of Drawings During the Long March."

Through all of the years that followed Huang combined an active military career with political groundwork for the party when the central government was formed in the fall of 1949, after the Nationalists were driven from the mainland, he was working in the political department of the people's Revolutionary Military council, the highest military organ of the government, with the rank of general.

The following year Huang was assigned to the foreign ministry and was named Peking's first ambassador to Hungary. In 1954 he was reassigned to Indonesia. It was during this period that the Afro-Asian conference was held in Bandung, and Huang, as part of the Chinese delegation headed by Premier Chou En-lai, was successful in establishing China as a friend of the small Asian and African countries.

During his stay in Jakarta relationships were strained over the treatment of the three million Chinese in Indonesia often victims of blatant discrimination and the target of riots. Finally a treaty was signed in 1960, after six years of negotiations.

From 1961 to 1964 Huang served in Peking as deputy minister of foreign affairs, a period during which he tried to consolidate the start made at Bandung to improve China's relations with the developing countries.

In this capacity he made four trips abroad, including one in which he accompanied Chou on a visit to 10 nations in Africa.

In 1964 Huang became Communist China's ambassador to France.

Relaxed and affable, Ambassador Huang was a familiar figure in diplomatic circles during his eight years in Paris—a big man with a round, heavy face, he was often clad in Gray Mao vests and sported a Mao cap.

n 1964 Huang became Communist China's ambassador to France.

His wife, Chu Lin, was active in making contacts with French groups as well as the overseas Chinese in Paris.

After President Nixon's visit to Peking last year, Huang held frequent meetings with the United States Ambassador to France, Arthur K. Watson, within the framework of the opening stages of the new Chinese-U.S. relationship.

They exchanged gifts, Huang presenting Watson with Mao-Tai, a Chinese brandy, and Watson recriprocating with bourbon.

EXTRA DIVIDENDS ON A SMALL FINANCIAL INVESTMENT IN THE DISTRICT OF COLUMBIA

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ROUSH. Mr. Speaker, committee responsibilities often require Members of Congress to travel great distances to acquire information on matters related to their committee work.

Last Friday I took a short trip—some 5 miles from the Capitol and by car a 7-minute ride—to the Congress Heights section of the District of Columbia. I wanted to learn more about the lives of the people there since I am a new member of the District of Columbia Subcommittee of the House Appropriations Committee.

I went in particular to observe the activities of a community group that has organized itself there as the Mission of Community Concern. It is nonpartisan; nondenominational. I was so impressed by the work of this group—accomplished on a shoestring finacially—that I would like to describe to you what I saw and what I learned.

Two members of my staff and I first went to the small office on Martin Luther King Boulevard maintained by Father Shane MacCarthy, a priest from Assumption parish in the neighborhood, who is the organizing genius behind the group, but who would be the first to say that the success of the Mission derives from the work of everybody involved—and I met them all. In that small office, Will Hudgins, the project director, and Valentine Burroughs, the social services director, initiated us to the work that is being done out of an office in Hart Junior High and a youth recreation center.

The Mission of Community Concern functions as an educational-recreational service for the large number of students in that area who are truants and dropouts from school. Operating on large measures of faith, hope, and charity are

20 full-time personnel, 8 full-time Neighborhood Youth workers, 6 regular volunteers, 3 part-time professional staff people. They manage to provide services for some 1,200 people—direct and indirect—on a grant of $66,000 from the Department of Health, Education, and Welfare's Youth Development and Delinquency Prevention Administration.

The services performed include the operation of a recreation center headed by a full-time director, Gilbert Hall, where youth come for chaperoned dances, for art lessons conducted in connection with Trinity College's art department, for games, for modern dance lessons, homemaking courses, for friendship, even babysitting. Membership is free and cards are distributed—if they are lost a fee is exacted—so the center knows how many youths are involved in their varied activities.

At Hart Junior High School, Val Burroughs runs an office, staffed by VISTA and other volunteers. Here they are accessible to the students all day and from here they seek to bring truants back into the classroom. A special class is conducted by the volunteers in this program to help students who have missed out on classroom work or never reached the academic level their age required. Math, English, history are key subjects handled in this class.

I visited Hart Junior High. I listened while Val and the social services workers described how they tutored the children there, what they did when they visited the children's families and how they showed them ways to be supportive to their children in their schoolwork.

About half a mile away at the Linda Pollin apartments. I visited the youth recreation center. I have a copy of the March calendar of events indicating that four and five events are scheduled daily, starting at 4:30 p.m. These include dances and pingpong tournaments, special classes, and group activities away from the center. There is an elected youth council which meets weekly with Mr. Hall to discuss the schedule.

Other services provided include taking children to the Baltimore Bullets basketball game—free—and once to a special Kennedy Center performance when a charitable contribution made this possible. There are visits to a swimming pool at a local military facility and a special summer camp is planned this year.

One of the most interesting features of all this is the people who do the work. I cannot talk about them all but I would like to point out that among the volunteers who are full time are six men on release—for this work—from Lorton Reformatory. Six days a week they are picked up, brought to Congress Heights and paid the handsome sum of $5 a day by the Mission—at no cost to the District—for multiple services. One of the Lorton men visits the parents of truant children; another one conducts an amazing class for children who are underachievers. I visited that classroom and was awed at the quiet and concentration of children interrupted by visitors. These Lorton men also supervise athletic activities at the center, and the swimming activities away from the center. They make sure kids who come to the dances stay there, when the parents request that they do so.

I can tell you that I was most impressed with these men. I talked with them. I saw the work they were doing. I even asked them if the parents resented their helping the kids because of their background and if the kids looked up to them for the same background. In both cases the anwer was "No." The parents, they said, responded to someone caring about their children. For example, at the recreation center, if a child misbehaves he or she is not thrown out, but taken home because they want the parents to know what the child is up to and what is needed to work with that child. As far as admiration for their prison record is concerned, the Lorton men felt that their lives were an example of what not to do, since they had been there and found it not so good. They felt the kids saw that clearly.

Before the day was over I was feasted at a luncheon prepared especially in honor of the occasion by Mrs. Conyers, the mother of one of the Lorton workers. I never tasted such good crab cakes before. There was a delicious salad and macaroni and cheese; fruit punch and chocolate frosted cake. And we all had our picture taken together. I left there feeling that I had made some very good friends, people for whom I have great respect.

As I made this visit I reflected on our present fiscal crisis and the need for cost-effective social programs, those with definable benefits. I remembered being told that 400 youth had crammed into the youth center the night before for a dance. The youth center is obviously doing something right to get that number there. And since this is the only recreation center in the immediate neighborhood, I was struck with the thought that these same kids might well have gotten into a great deal of trouble had this activity not been arranged for them and chaperoned with care.

If there were an award offered for the best of Federal moneys, I am sure that the Mission of Community Concern would take the prize. I told Father MacCarthy that I thought he should be working for the Appropriations Committee of the Congress. Somehow, I think he likes what he is doing better.

There is no question that these dedicated people are enlarging the lives of the children of the Congress Heights area and through them, the parents. Throughout our conversations I was impressed with the way in which the parents were always brought into the picture. This is one of the cardinal principles of their operation.

This Mission of Community Concern is encouraging kids to stay in school, helping them to study, supplying motivation to do so; introducing them to new experiences that are educational and social. In many cases lives and futures are being salvaged. The individuals who are involved in the Mission of Community Concern are doing this community and their Nation a great service. I was certainly enriched by my experience on last Friday and humbled by the example I was given.

WELCOME FOR THIEU

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BINGHAM. Mr. Speaker, on the matter of South Vietnamese President Thieu's visit and the continuing imprisonment and mistreatment by his government of civilian political prisoners, which is the subject of a special order today by Mr. DRINAN, a most relevant and thought-provoking article appeared in today's New York Times. That article, entitled "Whom We Welcome," by reporter Anthony Lewis, follows:

[From the New York Times, Apr. 2, 1973]

WHOM WE WELCOME

(By Anthony Lewis)

LONDON.—Those with weak stomachs for the unpleasant should stop reading now.

"It is not really proper to call them men any more. 'Shapes' is a better word—grotesque sculptures of scarred flesh and gnarled limbs . . . years of being shackled in the tiger cages have forced them into a permanent pretzel-like crouch. They move like crabs, skittering across the floor on buttocks and palms."

That was a description in Time magazine recently of an exceptional group of beings: former political prisoners in South Vietnam. They are exceptional because they exist. Those who go to South Vietnam's prison island, Con Son, rarely emerge in any living form.

The Time report, filed by David DeVoss, quoted one of the men as saying he had been arrested one day in a park, with his wife and children. "The police attached electrodes to my genitals," he said, "broke my fingers and hung me from the ceiling by my feet. They did these things to my wife, too, and forced my children to watch."

In the tiger-cage cells on Con Son, the report said, "water was limited to three swallows a day, forcing prisoners to drink urine. Those who pleaded for more food were splashed with lye or poked with long bamboo poles."

That picture of what happens to those arrested by the Saigon Government on political suspicion is the same as many other conscientious and unhysterical observers have given. Some of the evidence is so much more horrible that no paper would want to print it; reading it, no one could doubt that a large number of prisoners in South Vietnam suffer systematic torture and starvation.

But why mention it now? Americans are trying to forget Vietnam, and they have never shown much interest in the torments of the political prisoners anyway. Well, the answer is that an occasion makes remembering a duty. That is the forthcoming visit to President Nixon in San Clemente by the South Vietnamese President, Nguyen Van Thieu.

Delicacy of feeling is a luxury that governments seldom feel they can afford in international relations. If we restricted our relations to those regimes whose standards of justice and decency we approve, it might be rather a limited list. Realism requires us to do business with all sorts of governments,

Communist dictatorships and rightist tyrannies among them.

But doing business is quite a different matter from giving a symbolic stamp of approval. There are credible arguments for keeping up links with South Africa and Greece, for example, but it would be another thing to invite Prime Minister Vorster or Premier Papadopoulos to the United States.

In the case of President Thieu, it is easy to understand the reason for his visit. He has proved a much stronger, more durable leader than most of us who have been his critics expected. His determination made it possible for Mr. Nixon to get American forces out of Vietnam as he wanted to, without a final political settlement.

But even within the scope of the Nixon policy, it is questionable wisdom to give Thieu the accolade of an American trip. The interest of the United States now is to encourage an indigenous political process in South Vietnam, a peaceful evolution away from the polarization of the war. Our direct military role is about over, now we want to move toward a period of political benign neglect.

President Thieu is of course a polarizing figure par excellence. Neutralism is a crime in his universe. To show a continued American investment in his pre-eminence must inhibit any process of peaceful change—and, once again, unnecessarily commit American prestige. We link our destiny to his.

That is the commonsense political argument against welcoming Nguyen Van Thieu to the United States. But there is also, inescapably, the argument or feeling. The world is full of cruelties, and we cannot cure them, but it is not necessary to proclaim our insensitivity by such a symbolic act.

Estimates of the number of political prisoners in South Vietnam range up to 300,000. The leading American authority, Dan Luce, puts the figure at 200,000. Half that, 100,000, is the equivalent in population terms of more than 1 million political prisoners in the United States.

A Frenchman who spent more than two years in South Vietnamese prisons, Jean-Pierre Debris, spoke recently of the apparent American indifference to the problem. He said:

"If they could bring one Vietnamese from the tiger cages of Con Son to the United States, and people could just look at him, that would be enough. He would not have to speak English. There would be no need of press conferences, articles, speeches. If the American people could just see that one man, half-blind, unable to walk, tubercular, scarred, it would be enough."

WATERGATE'S STINK WILL LINGER LONG

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. RIEGLE. Mr. Speaker, I would like to bring the following editorial from the Flint Journal of March 25, 1973, to the attention of all those concerned with the impact of the Watergate affair on American politics. The editorial was illustrated by a cartoon which depicts the President delivering the message, "When we fail to make this criminal pay for his crime, we encourage him to think that crime will pay . . ." We see the President sitting at his desk while on either side of his chair, concealed under the American and the Presidential flags, are two men: "Bugging" and "Espionage."

The editorial follows:

WATERGATE'S STINK WILL LINGER LONG

James J. Kilpatrick is a newspaper columnist who is known not only for his conservative views, but also for his writing style and high regard for choosing the right word.

So, when speaking to a Flint audience, he declared, "The whole Watergate bugging business stinks" he was not falling into the vernacular, but choosing the best words to describe the mess.

Despite an investigation by the Senate Judiciary Committee, it is highly unlikely there will be a definitive answer to how high up in the White House the responsibility for Watergate rests.

Bruce Biossat, Newspaper Enterprise Assn. columnist who appears on these pages, thinks it highly improbable that the President was aware of the spying until it exploded and that it is not likely the few men closest to the President were aware of plans for direct bugging of the Democratic headquarters at Watergate.

His logic is good: The President was conscious of the great advantage he held over the Democrats at the time, he is too smart a politician and lawyer to take such risks for so little gain and he probably would have considered the project counterproductive.

Still it is generally conceded somebody with considerable authority—enough to have control over large sums of campaign funds and a recognized power to set policy—had to be involved. And even if the top level of the Nixon campaign organization or administration was not aware of the plot, the stench clings because Nixon has retreated behind executive privilege, political power and personal loyalties rather than to try to root out the mess.

It is not enough to dismiss the whole business as one of gross stupidity and almost incredible bungling. The damage is not restricted to the Republican party's political standing.

The grievous harm in the Watergate affair and all its ramifications (hidden political funds, FBI files, confessions of criminal activities under the guise of political campaigning and the widening of the split between Congress and the administration) lies in the damage done to our political system.

It feeds and swells the ranks of those who have accepted the theory that "politics is a rotten business" and that conspiracy and deviousness and greed is the name of the game.

It is these people, although they deplore their version of politics, who will buy the "defense" of some apologists for the party that Watergate was just a different way of playing the same old game, that it was a modernization of the rules and not a change. But it is not true. Spying and wiretapping are not variations but a retreat to the days of voting cemetery lots and stealing ballot boxes. They are a new, insidious and degrading ingredient in politics—and those who speak so highly of the "old virtures" of yesterday and who praise personal integrity and self-reliance should realize it.

In discussing Watergate, Biossat writes:

"Most of the newsmen who cover politics hard and long don't accept the conspiratorial theory, the idea that all politicians are dishonest, the notion that the reality is always hidden and never easily unearthed. They find hundreds of "clean" politicians, find them often more hard-working and dedicated than men in almost any other field, find them congenial, balanced people with a constructive, hopeful outlook."

The stench from Watergate provides ammunition for the conspiratorial theorists, it diminishes the defenses of those who agree with the opinion of Biossat (one we share) that the absurdities of the 1972 campaign must not be allowed to blacken those who work hard and honestly in the vineyards of democratic government.

In the long run, accepting the necessity for an ever-alert skepticism and querulousness on the part of the citizenry and press, democratic government must rest ultimately on the trust of the people in their government, upon their final decision that those they have elected are fundamentally acting in their behalf and, within the limits of human frailty, are worthy of their support.

Watergate and all it represents, does incredible damage to that trust no matter on which side of the political fence one chooses to stand.

That is why the stink of Watergate, goes beyond the immediate vicinity and penetrates far up in the administration. It will linger until the President chooses to let in the air at whatever cost to his aides.

FEDERAL RESERVE BOARD CONTROL OF COMMODITY FUTURES MARKET

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. FRENZEL. Mr. Speaker, the House Banking Committee chairman has announced markup sessions beginning tomorrow on his bill, H.R. 6168. The bill contains a provision mandating Federal Reserve Board Control of Commodity Futures Markets.

No participants in futures markets have been asked to testify before the committee. No other expert witness has mentioned this subject except in response to questions from sponsoring members of the committee.

Members of the Minneapolis Grain Exchange have been concerned that legislation might be enacted without study or debate. They have caused me to be furnished with a copy of a statement by W. F. Brooks of the National Grain Council, which I am informed they have endorsed.

The Brooks statement follows. It is rich in the history of congressional rejections of similar proposals. As in the past, there is no reason to have this provision slipped through the Congress now.

STATEMENT OF THE NATIONAL GRAIN TRADE COUNCIL

My name is William F. Brooks. I am President and General Counsel of the National Grain Trade Council. We appreciate this opportunity of registering our views against the approval, by House Committee on Banking and Currency, Section 206 of H.R. 6168.

The stated purpose of this section is to prevent "excessive speculation in and the excessive use of credit for, the creation, carrying or trading in commodity futures contracts, having the effect of inflating consumer prices and industrial costs". To accomplish this, the Board of Governors of the Federal Reserve would prescribe regulations which apparently would give the Federal Reserve System the same powers to set margin requirements in connection with trading in commodity futures contracts that it now holds in the setting of margins for credit transactions on the stock exchanges.

On a number of occasions Congressional committees have studied proposals which

would grant to government officials authority to set margin requirements on futures transactions in commodities. We have opposed this grant of authority because in our considered judgment, no public official or group of public officials, such as the Board of Governors, are so omniscient as to determine when speculation might become excessive in commodity transactions and to determine when any degree of speculation in commodity futures contracts would have the effect of inflating consumer prices.

We are convinced that speculative transactions have little effect on the price paid by consumers for commodities and that speculation is not a basic factor in determining the general level of prices in the long run. We doubt that it is an appreciable factor even in the short run and we are quite certain that relatively little credit is used in connection with futures trading.

The proposal embodied in Section 206 is based on a misconception of the nature of commodity contracts markets, on the nature of trading in commodity futures contracts, and on the functions of margins in connection with the commodity futures contracts when attempts are made to draw an analogy between them and the down payment required to obtain a title to stock or goods and chattels or real estate.

Organized contract markets are recognized commercial institutions. Most of the commodities for which futures trading is available, are subject to the Commodity Exchange Act. Additional commodities may become subject to this Act.

These recognized commercial institutions make possible an orderly movement of agricultural commodities from production to consumption. Their operations assure a rough equality on the buying and selling sides of the market. The availability of futures contracts makes substantial contributions to the financing of crops as they are planted, harvested, and start thereafter through the marketing channels to ultimate end users. Speculation within the commodity markets makes hedging possible and permits the operation of the Nation's low-cost efficient grain marketing system.

The grain marketing system, because of the availability of futures markets where people trade in futures contracts covering grain, is a highly competitive, low-cost marketing system. The function performed by futures markets is to register the forces of supply and demand by open public trading. In doing this through the medium of futures transactions, producers, processors, exporters, and others are offered an opportunity to obtain price insurance that today they may agree to deliver in the future something they may not now own, or that today they may agree to take delivery in the future of goods they may now anticipate they will need, or that today they may obtain a price certain for commodities they are buying or have bought and intend to carry awaiting sales or use for processing. Through trading on exchanges, a steady flow of commodities moves from production into consumption.

The rules of futures markets require that the users of these markets deposit collateral in the form of margins, to guarantee the performance of their contracts. The minimum margin to be deposited is determined by the governing boards of contracts markets. Futures commission merchants can and often do require deposits in excess of the minimum established by governing boards. The minimums required are subject to constant review. They vary by commodities, by type of trade, and may be different for different delivery months.

Attempts are at times made to draw an analogy between the margin required to enter into a contract for the future sale or purchase of a commodity, and the down payment required to obtain title to stock, or goods and chattels, or real estate.

There is no analogy between these transactions.

In speculative securities transactions actual title to the number of securities traded passes from the seller to the buyer. The speculator in securities deposits his own money in the amount required by the Federal Reserve Board to obtain title to the securities, and his broker then loans the balance, either from his own funds or from a lending bank to complete payment for the transactions. In speculative securities transactions actual title to securities, evidencing the acquisition or disposal of an equity, passes from a seller to a buyer.

So, too, as to transactions involving goods and chattels or real estate. There, purchasers obtain a title by making a down payment and arrange to pay the balance either with the seller or through a bank on terms satisfactory to the buyer, the seller, and the bank. The buyer receives a title to something tangible—something he can use—something he can deal with—subject, of course, to the rights of the lender—the seller or the bank—as those rights may be defined in a chattel mortgage or mortgage deed.

In transactions covering agreements to sell or buy commodities for future delivery or receipt, no title passes to the buyer and no title passes from the seller. Each party to such a contract entered into on a commodity exchange deposits with his broker an amount of earnest money to assure compliance with the contract when, in the future, it matures, or until an offsetting contract is entered into. Only if the contract is completed by delivery, when it matures, does a title pass. And then, contrary to the practice in transactions involving securities or goods and chattels or real estate, full payment must be made.

Implicit in each futures transaction is an intention on the buyer's part to make delivery, and on the seller's part to take delivery. These obligations often are liquidated by offsetting trades. To the extent that they are not so offset, delivery will be made by the seller and title to the grain covered by the contract will be accepted by the buyer.

The experience of late 1947 as to grain prices, indicates that in commodity markets, where the volume of speculative trading has been limited, prices react in response to supply and demand factors. In October of 1947, as demanded by the President, a 33⅓ percent margin was set by the exchanges for speculative transactions. At that time May (1948) wheat at Kansas City was selling at $2.62¼. May wheat continued upward, reaching nearly $3.00. During this period the markets lost much if not all their liquidity, and such trades as were available to hedgers—processors or exporters, county and terminal handlers—caused rather wide changes in prices.

No compelling public interest existed during World War II to require the Government to attempt to govern the margin requirements necessary to contract, as a speculator, for the purchase or sale of commodities for future delivery. It was not until April 1946 that the OPA attempted to exercise such authority. At that time this agency decreed that margins on new speculative trades in cotton futures should be $50 a bale on transactions based on a price above 28 cents a pound. If news stories describing the promulgation of this order are accurate, the then Secretary of Agriculture signed the order after he had been "ordered by Economic Stabilizer Bowles to sign it". Mr. Bowles at that time stated as the reason for the order "the prevention of further speculative rises in cotton". Why he then had to order the Secretary of Agriculture to sign is conjectural. The order to sign may have been required because the then Secretary of Agriculture believed then, as we do now, that it is not necessary but rather harmful and dangerous for the Government, through the exercise of control over margins in speculative contracts for future delivery, to interfere with the mechanism of free, open, competitive markets, and that attempts to control prices through this interference will not work.

It is significant that shortly thereafter, and before the decree became effective, Congress repealed the law under which the decree was issued.

This decision of Congress to remove (from the control sphere of the Government) control over margins was undoubtedly a decision based on full consideration of the merits of the question whether the Government should have authority to set margins on future transactions in commodities. Whatever the Congressional reason then, it is obvious that in view of subsequent legislative events, Congress has been consistently convinced thereafter that there was little or no merit in the request that the Government should have this authority.

In 1947 the Joint Committee on the Economic Report held extensive hearings on prices throughout the country and in Washington. During these hearings people connected with all segments of those industries that make use of futures markets testified on the operation of those markets. They explained the operation of those markets; the function of the speculator; the contribution he makes to a market's liquidity; the use of markets, in view of their liquidity, by producers, handlers, processors, exporters, and others, in buying, storing, processing and exporting to insure inventories; and how, in view of these uses, sellers of the Nation's grains are not left to the mercy of a few or a single buyer; and buyers of the Nation's grains, as it moves from production into consumption, are not left to the mercy of a few or a single seller.

All opposed the suggestion that the Government should be granted the authority to set margins on speculative transactions. At that time, as now, the proponents of the suggestion stated that this authority was needed to prevent excessive speculation. They agreed then, and they agree now that futures markets, including speculation, perform an economic function in moving crops for, by them, hedging is possible. They agreed then and seem to agree now, that speculation is a stabilizing force and that its presence in open regulated market places "focuses all of the forces that affect price in one place where everybody can see it".

Since that date responsible committees of Congress have studied proposals to grant control to the Government to set margin requirements in connection with trading in commodity futures contracts.

In February 1948, the Senate Committee on Agriculture held hearings on a bill which, if enacted, would have granted margin control authority. Hearings on this bill (S. 1881, 80th Congress, 2nd Session) extended over four days with a number of witnesses from the administration, the farm groups and industry interested in futures trading, appearing before the Committee. This Senate Committee after hearings and study of the testimony produced at these hearings, took no action.

In the 81st Congress, companion bills—H.R. 4685 and S. 1751, embodying the same proposal, were referred to appropriate committees.

Neither bill was reported.

A Subcommittee of the House Committee on Agriculture was named to study H.R. 4685, and conducted an investigation into the operation of commodity exchanges.

Thereafter this Subcommittee recommended that no new and additional regulation of commodity exchanges appeared necessary.

In 1950 and 1951, in connection with the Defense Production Act and its extension, the House and Senate Committees on Banking and Currency, considered proposals to grant to the Government authority to set margins in connection with trading in commodity futures contracts. Congress did not approve the grant of this authority.

In 1966, a Subcommittee of the House Committee on Agriculture held hearings on a bill which would have granted a number of authorities to the Secretary of Agriculture, including the authority to set margins on commodity futures contracts. According to the U.P. ticker of April 6, 1966, Congressman Matsunaga, after the hearings had been concluded told newsmen that if this Committee approved any part of the bill it would only be in greatly modified form. The same news item reported that comments by other subcommittee members indicated the margin control section of the bill was not expected to survive.

That Subcommittee did not report a bill.

During the 90th Congress, a Subcommittee of the House Committee on Banking and Currency held hearings on H.R. 11601. Section 207 of that bill was nearly identical to the provisions of Section 206 of H.R. 6168 granting, as it does, certain authorities to the Board of Governors of the Federal Reserve.

After hearings directed specifically to Section 207 of H.R. 11601, the Subcommittee in 1967 made no recommendation that that proposal be reported favorably and acted on by Congress.

This Committee is, in effect, therefore considering a proposal which, in substance, has been considered by other committees and subcommittees in prior Congresses and found wanting. We recommend that this Committee make a similar finding.

We oppose this grant of authority because we are convinced that this method of attempting to prevent inflated consumer prices will not work. We oppose this grant of authority because an attempt by the government to exercise control over margins may well cause a breakdown in the entire marketing structure, leaving State trading as the only alternative. Raising margins will not keep prices from going up. It seems to be admitted that commodities that have no futures market are usually more erratic in price than those that have. By raising margins you can reduce and eliminate volume of trading. But you cannot control prices. And, you might wreck the market structure.

REGULAR MEMBERS

Amarillo Grain Exchange.
Baltimore Chamber of Commerce.
Barley and Malt Institute.
Denver Grain Exchange.
Des Moines Grain Exchange.
Destrehan Board of Trade.
Enid Board of Trade.
Fort Worth Grain Exchange.
Houston Merchants Exchange.
Indianapolis Board of Trade.
Lincoln Grain Exchange.
Los Angeles Grain Exchange.
Lubbock Grain Exchange.
Merchants Exchange of St. Louis.
Milwaukee Grain Exchange.
Minneapolis Grain Exchange.
New Orleans Board of Trade.
North American Export Grain Association.
Northern California Grain Exchange.
Omaha Grain Exchange.
Peoria Board of Trade.
Salina Board of Trade.
Sioux City Grain Exchange.
Terminal Elevator Merchants Association.
Toledo Board of Trade.
Wichita Board of Trade.

IN APPRECIATION OF EARLE B. OTTLEY

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. DE LUGO. Mr. Speaker, when the 10th Legislature of the Virgin Islands convened January 8, 1973, it was the first time in 26 years that the legislative branch of the Government of the Virgin Islands could not boast of Earle B. Ottley as one of its members. The legislature, not to mention the people it represents, is certainly much poorer for Senator Ottley's determination to retire.

As the primary driving force of the senate, Earle Ottley was responsible for more social legislation beneficial to the people he represented than perhaps any single individual has been in any comparable circumstances. He accomplished this laudable record by virtue of a superb ability as a legislative tactician and a unique grasp of the governing process. The application of these abilities, in conjunction with an unwavering dedication to and compassion for our people, enabled him to achieve so much for our islands.

It was my privilege to serve with Earle Ottley for approximately 9 years in the Virgin Islands Senate. For 4 of those years he served as president of the senate while I was minority leader. During all of those years, and especially during that time we served as leaders of opposing parties, I never saw need to question his love for our Virgin Islands and his determination to act in their best interest.

Mr. Speaker, the only consolation that we in the Virgin Islands have in the retirement of this great progressive populist leader that it is partial. Earle Ottley is continuing, with his usual breathless energy, his involvement with other responsibilities in the islands. These include, but are not limited to, his chairmanship of the V. I. Commission on Human Resources, the presidency of the V.I. Labor Union, and publishing the Carib-Post, a weekly newspaper.

Earle B. Ottley, through public office, labor organizing, journalism, and party leadership has been at the vanguard of the struggle to secure an equitable and prosperous Virgin Islands. His current activity promises continued dividends for our people's rights and welfare. I am now pleased to insert in the CONGRESSIONAL RECORD a resolution passed by Senator Ottley's colleagues in one of the closing sessions of the Ninth Legislature of the Virgin Islands:

RESOLUTION OF THE NINTH LEGISLATURE OF THE VIRGIN ISLANDS OF THE UNITED STATES

Resolution to cite the services of and to express appreciation and extend congratulations to the Honorable Earle B. Ottley on completion of twenty-six years of dedicated service as an elected representative of the people of the Virgin Islands

Whereas Senator Earle B. Ottley, a native of the Virgin Islands, born on the Island of St. Thomas, was first elected to public office in 1946, as a member of the Municipal Council of St. Thomas and St. John; was thereafter re-elected to that body continuously through 1954; was elected to the First Legislature of the Virgin Islands in 1954; and has since been re-elected to each succeeding Legislature through the Ninth, now sitting; and

Whereas over the years, Senator Earle B. Ottley has held several legislative offices, including that of President of the Legislature, has served on every important committee of the Legislature and has been chairman of many, including the Committee on Rules and the Committee on Finance, has served on numerous public boards and commissions, and is now Chairman of the Second Constitutional Convention of the Virgin Islands; and

Whereas during his twenty-six years of service, Senator Earle B. Ottley has been a champion of the rights and welfare of the people of the Virgin Islands and has sponsored and pushed to fruition important legislation in many fields of public endeavor, including labor and employment, workmen's compensation, homesteading, housing, health, education, social welfare, etc.; and

Whereas Senator Earle B. Ottley was one of the chief architects of the Election Code of 1963, which code was an outstanding contribution to the political development of the Virgin Islands, due to the fact that it transformed temporary political associations from mere social and restricted membership clubs into legally recognized, controlled and supervised stable political organizations in which voters could enroll freely, and which Election Code contributed substantially to the subsequent enactment of the Elective Governor's Act of 1968 by the Congress of the United States; and

Whereas Senator Earle B. Ottley has been in the forefront of every liberal movement during his years of public service and has worked tirelessly for the right of the people of the Virgin Islands to elect their Governor and for full internal self-government; and

Whereas the public career of Senator Earle B. Ottley has been brilliantly distinguished in its devotion to the interests of the people of the Virgin Islands; and

Whereas Senator Earle B. Ottley has now completed twenty-six consecutive years of service as an elected representative of the people of the Virgin Islands; Now, Therefore, be it

Resolved by the Legislature of the Virgin Islands:

That, through the medium of this Resolution, the officers and members of the Ninth Legislature, on behalf of the people of the Virgin Islands, cite the distinguished and devoted service of, and express appreciation and extend warm congratulations to Senator Earle B. Ottley on his completion of twenty-six consecutive years of public service as an elected representative of the people; and provided further

That a copy of this Resolution be printed, framed and presented to the Honorable Earle B. Ottley at a Testimonial Dinner to be held in his honor by the Ninth Legislature of the Virgin Islands:

Thus passed by the Legislature of the Virgin Islands on December 20, 1972.

PLANNED FISCAL REFORM NEEDED

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. BENNETT. Mr. Speaker, today I was the first Member of Congress to testify before the Senate Subcommittee on

Budgeting, Management and Expenditures of the Committee on Government Operations, currently studying legislation to give Congress stronger controls over the Nation's fiscal policies. And I would like to include hereunder the testimony which I gave:

STATEMENT OF THE HONORABLE CHARLES E. BENNETT

Mr. Chairman, I very much appreciate having this opportunity to be here today to speak in support of my bill H.R. 5388 which I have introduced to improve and implement procedures for fiscal controls in the government. This legislation is identical to S. 40 introduced by Senator Brock.

Congress, as now operating, can be compared to a poorly run corporation. There are 500 men on the Board of Directors, a board that won't pass on the corporation's annual budget. It has no overall mastery of the total budget and no real list of priorities.

Instead, it farms out small parts of the budget to scores of committees and subcommittees, each concerned with an office or two. Then, bit by bit, hearings are held; and 20 finalized mini-budgets pass in a random fashion before the entire board. Only a handful of the members really understand the issues behind the separate budgets; so, trusting their specializing colleagues, they vote in favor of measure after measure largely on the basis of whether the programs appear good rather than on whether they are good and can be afforded. The budget takes shape at a snail's pace, and still, no member of the board can be sure what the final total of expenditures will be.

Nor is any study conducted to see what this year's new program will cost next year; nor is there care enough given as to whether the program will work at all. Billion dollar programs are thrown at the country without any preliminary testing and they grow and grow, year after year, unchecked and untested by the board. That leads to wasteful government spending and costs you and me, the taxpayers, too much money in taxes and inflation.

It seems amazing that the federal government's legislative branch, handling the biggest budget in the world, has so poor a grip on the fiscal process. It is because of this slippery grip that the nation spends and spends until today we are facing a serious fiscal crisis. I and others in Congress have introduced legislation in an effort to correct these procedures.

Government, generally, is growing at an astounding rate in the United States. Governments at all levels will spend $370 billion this year. The federal government alone will spend $250 billion of this amount. In the past quarter century, total government expenditures, Federal, State and local have gone from about 18% of the gross national product to cover 33% of the gross national product. In other words, the governmental sector of the American economy is growing more than twice as fast as the private sector.

The greatest increases have been in state and local governments; and in many cases these local increases have been inspired or required by new federal programs requiring local matching funding. The federal government in the meantime is spending much more money than ever before.

In the 54 years since 1920 the federal budget has been in deficit 37 times. In 32 of these years, Presidents submitted budgets to the Congress with deficits. Since 1931, there have been only six surpluses, 1947, 48, 51, 56, 60 and 69.

The largest deficits in the administrative budget have occurred in recent years as follows: 1968—$28 billion; 1970—$13 billion; 1971—$30 billion; 1972—$29 billion; 1973—$34 billion (estimate).

In the past decade, the average family's share of the national budget has risen 82% from $2022 to a projected level this year of $3,681. We are still spending billions more each year than we take in. This year, alone, 10% of your family's tax dollars will go down the drain paying the interest on the national debt.

Every day, I receive letters from constituents in Jacksonville which I represent in the Congress asking that I do something to stop uncontrolled spending. But I receive many more letters which ask that spending be increased for various specific programs, which add to greater federal spending than we now have or ever expect to have. Everyone seems to agree that taxes should not go up and in fact federal taxes have gone down dramatically in the last 15 years, necessarily further devaluing the dollar through excessive borrowing in good times.

To meet the problem I have introduced the "Federal Act to Control Expenditures and Upgrade Priorities" (F.A.C.E. U.P.). This "Face-Up" bill is even more comprehensive than the congresisonal budget bill I introduced a few months earlier. The bill would require Congress to project all major federal expenditures over a five year period. Secondly, it would require that federal programs be reevaluated every three years. It would require the pilot testing of every proposed major federal program. The "Face-Up" bill would designate a joint Congressional committee to evaluate the federal budget in terms of priorities. Finally, my bill would subject federal programs, financed through trust funds, to the annual appropriation process just as other tax-supported programs. I am now working closely with Congressman Robinson in seeking co-sponsors for this vital legislation.

Because of the ballooning costs of federal programs, in years following their enactment, it is no longer acceptable to evaluate and plan expenditures on a one year basis. Therefore, the five year budget projection for programs will give us full recognition of the long range costs of programs. Congress will be better able to judge the worth of programs in relationship to the cost.

The trend today is to add on to existing programs without terminating those older, expensive programs that may have grown wasteful and unnecessary after a few years. We must force program administrators to justify their existence and the best way to do this is to put a three year limitation on authorization, causing periodic review of all programs.

The "Face-Up" bill calls for a two year pilot testing of major programs to provide a better estimate of costs and also to permit a complete evaluation of a program before national implementation. Pilot testing is to be conducted under conditions similar to those expected if the full program were enacted. The testing would be monitored by the Comptroller of the United States.

The Joint Committee on the Budget would develop a legislative budget to serve as a guideline discouraging uncontrolled federal spending and foster proper implementation of national goals and priorities. The joint committee is to be composed of 18 members and will be adequately staffed and become a permanent part of the budgetary process. The House or Senate would not consider a bill unless a statement from the joint committee is attached.

Title Five of the bill, the final section of the legislation, establishes the requirement of annual appropriations by Congress, including those expenditures made by trust funds. Currently, there are 800 federal trust funds with a permanent budgetary authority. They too should come under a thorough annual appropriations review.

The five points contained in this bill that Senator Brock and I are pushing will bring about the long needed reforms in the cumbersome corporation we know as the Congress. Only in this way can Congress regain control of the priorities of government, a power our forefathers thought should be in Congress by legislation rather than in the hands of one man, the President, by personal decree.

Thank you for giving me this opportunity to testify in favor of this legislation and hope the Committee will take prompt action on it.

ANNUAL QUESTIONNAIRE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. FISH. Mr. Speaker, once again, as I have every year since I entered the Congress, I am sending a congressional questionnaire to my constituents in the 25th Congressional District of New York. Through this form of communication, I am seeking to obtain their views regarding some of the pressing matters which confront us here in the House of Representatives. When the results of this opinion poll are available, I will certainly share them with my colleagues.

The questionnaire reads as follows:

1973 QUESTIONNAIRE

Dear Friend and Neighbor:

As the new session of Congress begins, we have some new problems to face, in addition to those that have followed us from the last session. I hope you will spend a few minutes answering this, my fifth annual Legislative Questionnaire, as your opinion will be most helpful to me in the months ahead.

Although, as your Congressman, I assume the final responsibility for my voting record, your opinions on the important issues facing our country are of great importance to me, and I can assure you that your collective opinion will weigh heavily in my considerations. Of necessity, the questions and answers are sweeping in nature, so if you wish to express more detailed opinions on these or other questions, please write, as I welcome your views.

I consider it a privilege and honor to represent you in Congress, and I look forward to hearing from you.

Sincerely,

HAMILTON FISH, Jr.,
Member of Congress.

THERE TO HELP YOU

As I pledged, I now have three full time District Offices in the 25th Congressional District. My Peekskill, Poughkeepsie and Kingston offices are manned by skilled staff members from 9 a.m. to 5 p.m., Monday through Friday. My Carmel office, although on a part time basis, is also there to serve you.

Each of these offices is there to be of help to you. If you have a problem or need information concerning the Federal government, either write or phone my District Office nearest you. We're here to serve you.

Peekskill: 738 South Street, Peekskill, New York 10566, Telephone (914) 739–8282.

Poughkeepsie: 62 Market Street, Poughkeepsie, New York 12601, Telephone (914) 452–4220.

Kingston: 292 Fair Street, Kingston, New York 12401, Telephone (914) 331–4466.

Carmel: Main Street, Carmel, New York 10512.

WHAT DO YOU THINK?

[Provision for "yes", or "no" answers in "his," "hers," and "youth" categories.]

Do you Favor?

1. Legislation to restore the death penalty in certain crimes such as murder, treason, and hijicking.

2. The Supreme Court decision limiting the power of the states to regulate abortions.

3. Increased trade with China and the Soviet Union.

4. Longer sentence including mandatory life for traffickers in heroin.

5. War Powers legislation requiring Congressional consent to a commitment of U.S. armed forces to hostilities.

6. Plans to construct nuclear power plants in the Hudson Valley to provide power for the MTA.

7. Diversion of a part of the Highway Trust Fund (gasoline tax) to provide inter-city and mass transit systems.

8. Removal of the Social Security earnings limitations.

9. A lowering of the age, that men and women become eligible for Social Security benefits.

10. Reconstruction for North Vietnam.

11. Tax credits for tuition paid for non-public education.

12. Mandatory price controls on raw agricultural products and meat.

13. Administration impounding of funds, ending or cutting programs in agriculture, housing, anti-poverty, urban renewal and water pollution.

14. Tougher environmental standards on industry.

15. An increase in the Federal minimum wage.

16. With respect to amnesty for draft evaders, do you favor?

(check one)

a. no amnesty

b. conditional amnesty with alternate service requirements

c. total amnesty

17. If you would like to receive future special reports from me, please complete the following information: Last name; first name; middle initial. Street address. City and State. Zip code.

To help me analyze the results of this poll, please indicate your age and sex:

M: 21–30; 31–45; 46–65; over 65.

F: 21–30; 31–45; 46–65; over 65.

Y: 16 and under; 17; 18; 19; 20.

Labor Union: M, F.

Veteran: M, F.

Occupation: Answer male, female, or youth.

Hourly Employee.

Farmer.

Retired.

Salaried Employee.

Business or Profession.

Educator.

OEO FUNDS ABUSE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. KEMP. Mr. Speaker, in order to help all Members be apprised of as much new information as possible, on issues of immediacy and national concern, I recommend for perusal a recent article which addresses the issue of use and abuse of OEO funds. The Detroit News on March 21 printed a story which suggests that OEO funds were used to subsidize demonstrations which occurred in the city of Washington, D.C., on February 20, 1973. The Economic Opportunity Commission of Nassau County—EOCNC—was one of the groups responsible for a great deal of the planning that went into those demonstrations.

I encourage my colleagues to read the article, and include it in the RECORD:

USE OF ANTIPOVERTY FUNDS TO STAGE DISTRICT OF COLUMBIA PROTEST RALLIES IS CHARGED

(By Seth Kantor and John E. Peterson)

WASHINGTON.—Federal authorities are investigating the alleged use of Office of Economic Opportunity (OEO) funds to sponsor rallies in Washington, protesting recent federal cutbacks in anti-povetry programs.

The investigation centers around the Economic Opportunity Commission of Nassau County (EOCNC), a Long Island, N.Y., anti-poverty agency that receives $1.5 million a year in federal grants from the OEO.

OEO investigators said the Long Island agency, which operates 11 anti-poverty centers in densely populated (1.5 million persons) Nassau County, organized the first of several such protest rallies in the nation's capital Feb. 7.

More than 3,000 demonstrators from Nassau and adjoining Suffolk County made the 250-mile trip to Washington and OEO investigators estimate the rally may have cost the taxpayers nearly $50,000.

OEO investigators also are probing the firing of nine EOCNC employes who refused to participate in the agency's "March on Washington." The nine—all with excellent work records—were fired without benefit of notice, two days after the protest.

The Feb. 7 protest was followed by a series of small protests that culminated with a big rally Feb. 20 that drew some 10,000 social workers and their sympathizers from anti-poverty agencies along the Eastern Seaboard.

Federal officials are afraid the Feb. 20 protest also may have been paid for with federal funds and indicate that as many as half-dozen new investigations may be launched before the end of this month.

"If present indications prove correct," said one high-ranking official, "it's quite possible that middle-level bureaucrats who head these agencies have spent hundreds thousands of dollars earmarked for services for the poor in a gigantic lobbying effort to save their own jobs."

The OEO, now being dismantled by the Nixon administration, is the principal agency conducting various facets of the anti-poverty program. Some of its functions are being transferred to other agencies.

Investigators from the OEO did not begin their probe of the Nassau County agency's Washington rally until March 6, although they made an initial attempt Feb. 28.

But EOCNC's executive director, John Kearse, refused to let OEO investigators audit the agency's books at that time on the grounds "that we have to know the specific charges and the complainants."

"It really was an incredible situation," said an OEO investigator.

"OEO was supplying Kearse's agency with $1.5 million a year and he refuses to let us see how he's spending it. They finally let us in a week later after OEO headquarters in Washington sent a telegram threatening to cut off their funds. With that kind of delay, we were lucky to find any books left to audit."

Even though OEO investigators termed EOCNC's accounting controls "practically non-existent," they did manage to uncover a number of facts. Among them:

The Nassau County agency transferred $50,000 from its operating account into a private "slush fund," a week prior to the Washington protest.

Shortly before the rally, EOCNC tapped the "slush fund" for $28,000—allegedly to charter 68 buses and pay the living expenses of 80 of its employes who "volunteered" for the trip, 300 employees of the agency's delegate or subsidiary agencies and the nearly 2,700 other "sympathizers" it recruited from its poverty clientele and, in many cases, "just off the street," OEO investigators said.

All employes of OEO-funded agencies who made the trip (about 380 in all) were given the day (Wednesday, a normal working day) off with full pay. And the agencies were shut down.

The nine employes of EOCNC who refused to make the trip were fired without notice two days later.

It was the firing of the nine employes who declined to go on the trip to Washington that eventually brought the OEO investigators into the picture.

One of the employees fired, a woman supervisor, in charge of training new employes, took her case to James Davis, the president of the Glen Cove chapter of the NAACP.

"It didn't take me long to determine that the nine had all been fired in direct violation of their civil rights," Davis said.

"For one thing, the 1967 amendments to the Economic Opportunity Act clearly forbids OEO employes to be paid for lobbying. And, for another, it's highly unconstitutional to fire esomeone—particularly from a government job—for refusing to support a certain political persuasion."

Davis quickly sent a letter demanding a full-scale investigation of the matter to Angel Rivera, executive director of OEO's Region 2 in New York City.

When Rivera didn't respond, Davis contacted OEO's headquarters in Washington. The investigators it dispatched searched for three days before they found Davis' initial letter to Rivera—a letter Rivera says he never saw.

"I heard later that Kearse had some real close friends in the Region 2 office that headed off trouble for him," Davis said.

"It's a funny thing that my letter finally blew the whistle on the Economic Opportunity Commission because originally we (the NAACP) were all for the lobbying trip to Washington.

"In fact, we and a number of other organizations offered to donate funds to help pay for the trip but Kearse turned us down. He said he didn't need any money and that they weren't going to charge anyone that went.

"We did help them recruit demonstrators, though. They hired 68 buses and they wanted to fill them—for a while they were taking kids out of school . . . picking up winos off the street, anyone they could get."

Davis said he would have been more suspicious but Kearse told him that EOCNC had received some "large donations from a number of private sources," and that he shouldn't worry.

"I do know that OEO has been investigating them for several weeks now and some real heat is being applied," Davis said. "George Jackson, who was chairman of EOCNC, and Kearse's boss, resigned last week."

EOCNC officials, while refusing to talk about the $50,000 "slush fund," have been quite open in commenting on the reasons for firing the nine and their motives in making the Washington trip.

"All commission staff members who did not attend the rally and didn't have a prior excuse were terminated," said EOCNC's public information director, Nat Trammel, in a statement to the press the day after the firings (Feb. 10).

One of the fired employes, Mrs. Nancy Reimer, of Rockville Centre, N.Y., said she had no warning about her dismissal until she picked up her paycheck on Friday afternoon (Feb. 9).

"Inside my check was a small note that said, 'you are being terminated because you failed to demonstrate concern and agreement with the agency's philosophy.'

"I was really shocked. I worked for them for six years, never had any criticism about my work and was rarely sick. Then just like that—goodby."

Three days after Trammel's initial statement, Kearse called a press conference and denied firing the nine because they had refused to participate in the Washington protest.

"We were belt-tightening and they just weren't productive," he said. "But their failure to attend was one of the factors and may have been the final indicator in our decision."

Last week, however, Kearse said the firings "are no one's business, but our own."

"That ——— Nixon is slashing our funds and these people didn't even care enough to go down there on a free trip and demonstrate," he said. "Now they can find out what it's like to be on welfare."

One of the OEO officials brought in to dismantle that agency and transfer its more effective programs to other departments said he runs into similar attitudes quite often.

"We're all for helping the poor," he said, "but, when you ask some of these professional do-gooders to open their books and show you how much of their grants have actually gone to the poor, they get this arrogant attitude and just about tell you to go to hell."

"The situation in Nassau County has prompted us to take a close look at other agencies present at the demonstrations here. Once our investigations are completed, you can be sure we will take appropriate action."

"Appropriate action," he said, could mean cutting off federal funds, giving agencies probation time to shape up or even lead to requests that the Justice Department prosecute individual officials for fraud and other crimes.

"I wouldn't bet on getting many convictions, though," he said, "because the accounting conditions have been so lax at many of these agencies that it's often downright impossible to find out where any of the money went."

A call to the EOCNC yesterday evoked this answer from a switchboard operator:

"No one's here today; you'll have to call back tomorrow."

"Where is everyone?," she was asked.

"Oh, they've all gone to Albany to lobby," she replied. "But they'll be back tomorrow. You call back then."

LOG EXPORTS: THE ALASKAN TIMBER INDUSTRY

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. YOUNG of Alaska. Mr. Speaker, on March 28, the Alaska Lumber Association and the Alaska Loggers' Association testified before the Subcommittee on International Finance of the Senate Committee on Banking, Housing and Urban Affairs and presented their case with regard to that portion of Senator PACKWOOD's Senate bill 1033 which will limit the foreign export of lumber to 4½ inches in thickness.

Simply, their position is this: If the Alaska timber industry is forced to reduce the maximum thickness of its foreign export lumber to 4½ inches, it will lose the Japanese lumber export market. Ninety-five percent of Alaska's sawmill production is exported to Japan. The economics of export marketing in relation to the product capable of being produced by Alaska forests are such that shipments of lumber to Japan in thicknesses of up to a nominal 8 inches must be made in volumes large enough to insure that the balance of the production which can meet a 4½-inch limitation can be successfully marketed. If their sawmills lose this market, this loss will in successive turn substantially wipe out the existing sawmill industry, the pulp industry, and the logging industry. Inasmuch as these industries in combination constitute the third largest industry in Alaska, and the largest industry in southeast Alaska, the economic disaster befalling Alaska from this sequence of events is self-evident in any context.

Mr. Speaker, I would like to call to the attention of my colleagues the testimony of the Alaska Lumber Association and the Alaska Loggers' Association and urge that the State of Alaska be exempt from the log export restrictions as set out in the Packwood bill:

THE ALASKA TIMBER INDUSTRY

OPERATIONS AT FULL CAPACITY

Today, ninety-five percent of Alaska's sawmills are operating at one hundred percent capacity. All are operating on two shifts per day. Three shift per day operations are not presently possible, due to the time required to perform daily maintenance. The mills operate year around, with shutdowns limited to those caused by breakdown. Two additional mills will be in operation in 1973, and these also will be operating at one hundred percent capacity within the time required to break them in. At present, twelve to fourteen different Japanese trading companies are in vigorous competition for the production of these mills. By way of comparison, in 1967 there was only one such trading company in the Alaska market, none of the mills operated the year around, and none of them were on double shift operations.

EXISTING EXPORT REGULATIONS CRITICAL TO GROWTH

Forest Service regulations controlling the extent of primary manufacture in Alaska necessary before export to Japan would be permitted, have been critically important to the development of Alaska's export market in Japan. Recognizing that Alaska's own domestic demand would not support a viable sawmill industry in Alaska within the regrowth cycle of Alaska's existing forests, and that Alaska sawmills had little chance of ever placing their production into the domestic United States market at a profit, they did, and still do, permit the export from Alaska of lumber up to a nominal eight inches in thickness. This limitation was determined over the years to be the stage of primary manufacture which would give Alaska the optimum benefits of primary manufacture, while at the same time giving them a market for their product.

EFFECT OF JONES ACT

It has often been suggested by those outside of the Alaska timber industry that a repeal of the Jones Act would enable the Alaska lumber to be marketed into the domestic United States at a profit, due to the supposed reduction in shipping rates which would follow if we were permitted to use foreign bottoms to move our product. As we stated at the round log hearings held in January of 1968, this is simply not so for several reasons.

In the first place, Alaska lumber is being lifted by Japanese ships with capacities in excess of eight million board feet. This lumber is loaded at rates in excess of one million board feet per day, the ships are highly sophisticated, and represent a huge investment made over the past ten years by the Japanese, specifically designed for the Alaska lumber trade. There are no other ships available to Alaska to move Alaska lumber at the volume and the loading rates required. If our export to Japan is cut off, the Japanese obviously will not allow us to use these ships to move our products into the United States domestic market. During the time it would take for other foreign or domestic shipping to develop the necessary shipping capacity for Alaska's use, the Alaska timber industry would have gone out of business.

In the second place, the cost of producing lumber in Alaska is so much higher over the cost of production in the Northwest, that there is simply no way meaningful competition in the United States domestic market for Alaska lumber could be achieved. Labor costs in logging camps and sawmills range twenty-five to thirty-five percent higher in Alaska over Northwest costs. Gross logging costs exceed Northwest costs by 35–40%. Local purchase costs are twenty-five percent higher than the Northwest. When these higher costs are considered with the fact that the Alaska timber produces a much higher percentage of low grade lumber than does the Northwest timber, it becomes obvious that the Alaska product cannot be marketed at a profit in the domestic United States market, regardless of a lowering of shipping rates.

FOUR AND ONE-HALF INCH LIMIT WILL NOT CREATE MORE JOBS

Assuming that the Japanese market would accept Alaska's lumber production in sizes not exceeding four and one-half inches in thickness, no real benefit to the Alaska economy would be achieved. Four and one-half inch lumber can be produced with the same equipment as is presently being utilized for six and eight inch lumber without any significant increase in employment. Production costs, on the other hand, would increase, because the rate of production would necessarily fall in accommodation to sawing the lumber down to the smaller dimension. At the same time, although some of Alaska's lumber does in fact bring a fair return from the Japanese market in four inch thick sizes, most of Alaska's lumber would suffer a reduction in market value if sold in thicknesses below the present six and eight inches being used. Here, again, we come back to the problem of the high percentage of defect in Alaska timber. Reducing the thickness limitations to four and one-half inches would force Alaska mills to cut the defect out and chip the resulting waste. Leaving the defect in, however, permits the Japanese to cut the defect out in a manner which gives them much more than wood chip recovery from the defect at higher values than wood chip recovery. In other words, Alaska sawmills can sell an eight inch thick piece of lumber to the Japanese at a higher price than could be obtained for two four inch pieces. The four inch lumber presently being sold by Alaska industry to Japan is primarily obtained from trees which, due to their small size, cannot produce a merchantable product in excess of four inches in thickness. As the tree size increases, the tree can accommodate the production of six and eight inch thick lumber with a higher return to the Alaska timber industry and Alaska economy than would be recovered if the industry was forced to reduce all of their production to the four and one-half inch limits.

JAPAN WILL LOOK TO OTHER SOURCES

The question may well be asked, and often has been, as to why we cannot force the Japanese market to accept a more finished product from Alaska than is presently exported under existing Forest Service regulations. As earlier mentioned, the Japanese timber industry is one essentially of remanufacture. Over thirty-six thousand sawmills

are involved. If the Japanese market accepted finished lumber, these mills would go out of business.

Before Japan will let that happen, she will exhaust every effort to keep these mills in operation. If Alaska can't supply Japan with a product suitable for remanufacture, Canada will be (and has been) more than willing to do so. Alaska's present export to Japan is in direct competition with Canadian export, and Alaska's penetration into the Japanese market is based principally upon being able to produce lumber up to eight and one-half inches in thickness, rather than upon the inability of Canada to meet the volume demands of the Japanese market. As the pinch on Japan's wood sources increases, the need for Japan to make favorable arrangements with Russia for access to its huge volumes of soft wood timber could well lead to arrangements being worked out between them to resolve Japan's wood shortage. Once either Canada or Russia or both take up the slack caused by Alaska's forced withdrawal from the market, there would be little hope of Alaska ever being able to reenter the Japanese market on any terms.

THE ALASKA PULP INDUSTRY

Initial large scale utilization of Southeast Alaska timber commenced in the early 1950's with the construction of a dissolving pulp mill at Ketchikan, Alaska, and a dissolving pulp mill at Sitka, Alaska. All of the pulp production of the Sitka mill goes into foreign export (Japan), and eighty percent of the Ketchikan pulp mill's production goes into the domestic United States market, and twenty percent goes into foreign export (Mexico and South America). The Ketchikan pulp mill supplies twenty-five percent of the United States domestic requirement for dissolving pulp.

Original investment costs for these two mills exceeded $152,000,000.00 dollars. Since the original construction, $74,000,000.00 dollars have been expended in capital improvements. Within the next 5 years, total expenditures to meet environmental controls will exceed $40,000,000.00 dollars.

Pulp prices are set on the world market for pulp, irrespective of whether the product is placed into the domestic or world market. Pulp prices historically resist increasing costs of production. In 1954, for example, Ketchikan Pulp Company was selling its production for $185.00 dollars per ton, and in 1972 it was selling its production for $203.50 dollars per ton. This represents less than a 10 percent increase in twenty years. During the same period of time, raw log cost to the pulp mills (inclusive of stumpage) increased from $32.79 dollars per thousand board feet to $78.54 dollars per thousand board feet, an increase of 140 percent.

Until the development of the Japanese export market for Alaska lumber, the pulp mills were forced to pulp all logs, regardless of quality, with no appreciable return in increased end product value over the end product available from low grade logs. Unless another use for the high grade logs could be found, so that a dollar return commensurate with their basically higher value could be recovered, it became evident that the pulp mills would soon reach the point at which the dollar return from pulp would no longer support the investment, costs of raw material acquisition, and operating and marketing costs. In fact, the very ability of these mills to survive had become questionable.

The development of viable sawmill industry in Southeast Alaska thus became one of absolute necessity if the pulp mills were to survive.

THE LOGGING INDUSTRY IN ALASKA

The Alaska timber industry is dependent upon the logging effort of one thousand five hundred loggers employed in forty-five camps located throughout the Tongass National Forest. Employment in these camps ranges from a low of two men for the smaller camps to two hundred men for the largest camps. The larger camps are in fact small communities, including streets, family housing, schools, sanitary facilities, power plants, water systems, airplane and boat loading facilities, machine and repair shops, supply warehouses, bulk fuel supply storages, as well as the customary bunkhouses and mess houses.

The Tongass National Forest consists of twenty-five thousand square miles, 17% of which contains presently merchantable timber stands and extends through the Alexander Archipelago for a distance of four hundred miles along the coast of Southeast Alaska. Within this area are located 18 villages, towns and cities ranging in population from twenty people to eight thousand people. The logging operations and logging camps are remote from these "population centers", and access to these camps is limited to travel by airplane or by boat. All employees, families, supplies, and equipment must be first imported into Alaska, and then transhipped by boat or air to the camps. The logging product itself must be truck hauled from the cutting areas for distances up to forty miles, dumped in the tide water for bundling and rafting, and then towed to the mills and storage areas for distances up to two hundred miles.

All logging in the Tongass National Forest is conducted under multiple use concepts, and consequently the technique of merely "punching in" a logging road to the cutting areas is lost to history. Alaska logging roads are constructed to Forest Service standards, and many are designed to furnish continued access to the forests long after the logger has moved on to another cutting location. Since 1954, over 2,000 miles of such roads have been constructed in the Tongass National Forest by the logger at his own expense. The cost of building these roads in 1954 was $23,000.00 dollars per mile; in 1972, the cost had risen to $50,000.00 dollars per mile. In terms of cost per thousand board feet, these roads now cost anywhere from $6.00 dollars per thousand board feet to $25,000.00 dollars per thousand board feet, depending upon the terrain, the cutting sequence layout of the sale, and the volume of timber available per acre.

Wages paid the Alaska logger are based upon wage scales twenty-five percent to thirty-five percent higher than those prevailing in the Western states. All supplies, foods, clothing, materials, etc., required by the logger, cost at least twenty-five percent more than do similar purchases made in the Western states.

In recent years, the matter of environmental control has had a serious cost impact upon the Alaska logging industry. Camp site costs have increased one thousand percent since 1967 (before the advent of such controls). Changes in cutting practices to accommodate the scenic value regulations of the Forest Service are causing an yet undefined escalation in logging costs. Delays in scheduling the relocation of camps into new cutting areas, inherent in the environmental impact statement requirements, is contributing to significant additional costs. The requirements relating to the development of dry land storage, as opposed to water storage, is further compounding the problem of logging costs.

The remoteness of the logging areas of itself is significant in determining the cost of logging in Alaska. As a result of the factors above mentioned, the total logging investment in depreciable items (i.e., camps, equipment), and facilities in Southeast Alaska as of 1972, exceeded $60,000,000.00 dollars. When this is compared with the fact that these camps harvested five hundred forty million board feet of trees in 1972, it becomes readily apparent that no place else in the United States requires this huge an investment to harvest this fairly insignificant volume of trees (insignificant when compared to the 1972 harvest in Washington, Oregon, and California).

Further contributing to the loggers' cost dilemma has been the fact of the over maturity of the trees in the Tongass National Forest. This over maturity causes a significant volume of what the logger cuts down to be left behind, because he could not be paid for gathering it up and shipping it to the market. The reason he could not get paid for this effort was simply because there was no market price available which would support the cost of getting the product to the market. The loss sustained in removing the defect from the logs shipped to market was carried by the logger himself. As with the pulp mills, the logging industry within the past few years has been faced with little chance of survival unless the end product recovery value could be raised to support the extreme costs of logging. The present ability of the logging industry in Alaska to survive is directly dependent upon the continued growth and development of the Alaska sawmill industry. With the development of the Alaska sawmill industry, as we know it today, and as we expect it to expand, the end value of what the logger produces has increased to the point where logging costs can be covered, and profits anticipated. The ability of the sawmills, through the export of their product to Japan, to develop a highly integrated operation with the pulp mills, has resulted in the recovery of end product values which simply did not exist five years ago. As previously mentioned, for example, in 1972, fifty million board feet of logs were released from pulping (at no reduction in pulp production) for sawmill use at a far greater return than is possible from pulp use. Commencing in 1973, the logger is starting on a program under which he will gather and recover the defective wood formerly passed by, and he will be paid a price for this effort which will make it worthwhile for him to do so.

Under the circumstances above outlined, it must be readily apparent that the Alaska logging industry cannot survive if the Alaska sawmill industry is forced to meet the manufacturing requirements of Senate Bill No. 1033, and lose the benefit of existing export manufacturing requirements under existing law.

THE ARMS TRADE—PART XVII

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. COUGHLIN. Mr. Speaker, from time to time I have inserted in the RECORD comments and articles on the international trade in armaments which I believe might be of interest to my colleagues. Recently, there have occurred developments which I feel might be of further interest to them.

A few weeks ago our Government announced that it was relaxing its arms embargo against India and Pakistan, imposed after the 1971 war in East Pakistan or Bangladesh. The principal beneficiary of this new policy, it appears, will be Pakistan, since it lost the 1971 war as well as the 1965 Kashmir conflict.

Under the terms of the new policy, Pakistan will be allowed to buy "nonlethal" weapons, including 300 armored

personnel carriers, reconditioned aircraft engines, parachutes, and a wide variety of spare parts. Somewhat surprisingly, the Defense Department appears to consider ammunition, the item which actually kills people, as nonlethal equipment and is prepared to sell it to both India and Pakistan.

Mr. Speaker, I believe that it is time that some questions were raised. Are we creating a situation, for instance, which will encourage the use of arms to settle differences as happened in 1965 and 1971? Is this change in policy designed to curb hostilities in the area, or is it, in fact, meant to ease our balance-of-payments deficit through the maximum sale of U.S. arms abroad? Considering the fact that both India and Pakistan are in the firm grip of advanced poverty and hunger, can we in good conscience force-feed them with arms in return for their meager supply of hard currencies?

Are we falling into the trap of believing that if we do not supply these weapons to Pakistan and India, the two countries will gratefully accept Communist arms and, as a result, immediately slide into the Marxist camp?

How, Mr. Speaker, can ammunition be defined as "nonlethal"? I have written to both the State Department and the Defense Department seeking an answer to this question, and it is with some anticipation that I await their answers.

The basic question which haunts me, Mr. Speaker, and no doubt others who look upon these developments with some skepticism, is: Do we, in fact, know what we are doing here?

The same could be said of our recent agreement with Iran in which we have agreed to sell it $2 billion worth of our military equipment over the next several years. Now, Mr. Speaker, it does not take an expert in international affairs to realize that such a sale is wildly extravagant, that it will not add to the stability of the Middle East, and that it may well work against the best interests of the United States.

Iran needs $2 billion worth of arms like it needs more poverty. The American rationale for selling these arms seems to be that Iran has a large income from its budding oil industry; that we have a balance-of-payments problem; that we need Iran as an ally; and, therefore, in return for helping us out financially, Iran remains a friend and has fancy military equipment to defend its oil industry.

Mr. Speaker, I believe it is time that Congress and the American public begin to review our arms aid policy, and begin to ask the questions and require the clear answers which hopefully will bring some sanity to this area of endeavor in our Government.

Below are two newspaper articles which outline the recent developments on which I have commented above:

[From the New York Times, Mar. 15, 1973]

UNITED STATES EASES CURB'S ON PAKISTAN ARMS

(By John W. Finney)

WASHINGTON, March 14.—The United States relaxed its total embargo on arms shipments to India and Pakistan today, thus permitting the Pakistanis to receive some 300 armored personnel carriers, spare parts for previously supplied arms and some "nonlethal" military equipment.

In announcing the decision, made at the request of the Pakistani Government, the State Department said it would not alter the military balance or stimulate an arms race. Officials explained that India, as a result partly of her military victories over Pakistan in 1965 and 1971 and partly of large-scale Soviet arms aid in recent years, now held an overwhelming military position.

PAKISTAN MAIN BENEFICIARY

The new policy was decided upon at the White House. Under it, the United States will sell "nonlethal" equipment and spare parts to either Pakistan or India, but State Department officials acknowledged that Pakistan would be the principal beneficiary.

The decision was made, officials said, more for political and psychological reasons than for military ones.

They said that Pakistan was in an intricably defensive mood following the destruction of much of her military forces in the war with India in December, 1971, and the loss of her eastern region, which became Bangladesh.

By providing an assurance of renewed American support and limited military aid, the officials said, the Administration hopes Pakistan will become more amenable to a settlement of some of her political problems with India and with Bangladesh.

The United States imposed its total embargo on arms shipments to the Indian subcontinent following the Indian-Pakistani war of 1971. The decision announced today returns United States policy basically to what it was in 1967, when a limited embargo was in force.

Pakistan will now be able to receive some $1.2-million in spare parts, parachutes and reconditioned aircraft engines that she ordered but whose export was blocked with the embargo.

In addition, Pakistan will be able to buy 300 armored personnel carriers worth $13-million. Pakistan contracted to buy the vehicles in 1970 and had made a down payment before the imposition of the embargo.

NONLETHAL AMMUNITION

Officials said that the policy decision made it possible to sell ammunition to either India or Pakistan. They explained that ammunition, according to definitions used by the Defense Department, could be regarded as "nonlethal" equipment.

Weapons, however, are not regarded as "nonlethal," and technically the armored personnel carriers ordered by Pakistan should be excluded. But Charles W. Bray 3d, the State Department spokesman, said their shipment would be permitted "in order to wipe the slate clean" of arms commitments entered into before the 1971 embargo but never fulfilled.

Mr. Bray and other officials stressed that "nonlethal" military aid from the United States to Pakistan was not going to upset the present "military ratio" between the Pakistanis and the Indians.

In announcing the relaxation of the embargo, Mr. Bray also emphasized that it continued to be the administration's intention "to avoid involvement in anything which might be considered an arms race in the subcontinent."

In principle, India would be allowed to complete her purchase of some $91-million in communications equipment for an air defense system that was blocked by the embargo. Whether India, which has now turned to the Soviet Union for arms, intends to purchase the equipment was left unclear by United States officials.

The United States policy on arms sales to the Indian subcontinent has gone through various phases since the shipment of all military equipment was first embargoed after the Indian-Pakistani war of 1965.

This embargo was modified in 1966 to permit the sale to both countries of "nonlethal end items"—a category that was construed to include ammunition.

In 1967, the policy was further relaxed to permit the sale of spare parts for military equipment already provided the two nations, with a further exception made in 1970 to permit Pakistan to order the armored personnel vehicles.

[From the New York Times, Feb. 22, 1973]

IRAN WILL BUY $2 BILLION IN U.S. ARMS OVER THE NEXT SEVERAL YEARS

(By John W. Finney)

WASHINGTON, February 21.—Iran has contracted in recent months to buy more than $2-billion in military equipment from the United States in what Defense Department officials describe as the biggest single arms deal ever arranged by the Pentagon.

Officials said that the purchase would include such equipment as helicopter gunships, F–5E supersonic interceptors, F–4 fighter-bombers and C-130 cargo planes. But the officials were reluctant to talk about the specifics because of the reported sensitivity of the Shah of Iran to publicity about the transaction.

Senate sources who had been briefed on the arms deal said they understood that Iran would also purchase such advanced weapons as laser bombs, the guided bombs used against North Vietnamese targets in the final stages of the Vietnam war.

It was also understood by Senate sources that at the Shah's request the United States would station an unusually large detachment of 300 military personnel in Iran to train Iranians in the use of the new weapons.

SHAH SAID TO DO CHOOSING

The arms to be purchased were said to have been determined largely by the Shah, who over the years has favored the most advanced weapons produced by the United States and who with his oil revenues has the money to buy them.

For example, in addition to the F–4's that he has been purchasing for the last decade, the Shah reportedly expressed an interest in the F–15, a new Air Force interceptor not yet in production.

State and Defense Department officials said that the large-scale transfer of arms, which is to go on over the next several years, would help reinforce what they described as "a point of stability" in the Persian Gulf area.

* * * * *

At the same time, both Defense and State Department officials emphasize that aside from such considerations, the deal was entered into on the ground that it would be highly profitable in helping American arms manufacturers caught in a post-Vietnam slump in orders and in helping to redress this country's deficit in balance of payments.

CASH ON THE BARRELHEAD

The Shah, according to defense industry sources, will pay "cash on the barrelhead" for the weapons.

"It sure is going to help fill in some of the gaps on our production line," said a representative of one aircraft manufacturer that is to get a major part of the order to fill.

As described by State Department officials, the arms purchases are part of a five-year modernization program that the Shah adopted for his armed forces two years ago. The officials said that with the withdrawal of British forces from the Persian Gulf in late 1971, Iran, decided to accelerate and compress the modernization program.

For more than two decades, the United States and Britain have been the traditional

arms suppliers to Iran, with the Shah on occasion threatening to turn to the Soviet Union for arms if he could not obtain them from Western sources.

Beginning in 1950, the United States gave more than $800-million in military aid to Iran, but in recent years, as Iran grew wealthy from oil, the military assistance shifted from such aid to sales of the arms on basically commercial terms.

As it became apparent that Britain would withdraw from the Persian Gulf, the Shah began stepping up his purchases of arms, turning to the United States primarily for aircraft and to Britain for ships and tanks.

Both State and Defense Department officials acknowledged that the ordered arms were beyond the Shah's needs for maintaining internal security in his country. But, it was said, the Shah's basic concept is that he needs a military force that could discourage any Soviet adventurism in the area and block any move by neighboring Iraq, which has received substantial military equipment from Moscow.

EXACT SIZE OF ORDER SECRET

The exact size of the arms deal is still kept secret. Senate sources said that they understood the total was nearly $3-billion, but defense officials said it was "closer to $2-billion."

More than half of the orders are said to be for several hundred helicopters and interceptors.

The Bell Helicopter Company, for example, has received an order for 202 Ah-Ij helicopters, a gunship used by the United States Marine Corps, and for 234 model 214–A helicopters, a 16-passenger cargo helicopter. The helicopters are to be built at Fort Worth, Tex. The Bell company officials describe the order worth at least $700-million over the next five years.

In addition Iran has reportedly placed an order with the Northrop Corporation in Hawthorne Calif. for about 140 F–5E's a new interceptor particularly designed for foreign air forces as a defense against the Soviet-built MIG–21. The F–5G, a fighter that is easy to maintain is expected to cost about $1.5-million a plane.

The Iranian deal reportedly reflects a new emphasis by the Nixon Administration on promoting foreign military sales. In some ways, officials say the Nixon Administration is returning to a policy of a decade ago when the Defense Department pushed foreign military sales so aggressively that Prime Minister Harold Wilson of Britain publicly deplored the "high-pressure salesmanship of the Americans."

The promotion campaign led in the late nineteen-sixties to Congressional restrictions, initiated largely by the Senate Foreign Relations Committee. The Senate committee was concerned that the sales were promoting arms races and imposing undue financial burdens on developing countries.

After a slowdown in arms sales, "the pendulum is beginning to swing the other way," according to one State Department official involved in setting policy on military sales.

This time, however, officials insist that it is the State Department, not the Defense Department, that will have the dominant voice in controlling military sales.

Vice Adm. Raymond E. Peet, the Deputy Assistant Secretary of Defense for Security Assistance, also insists that his military teams have orders not to "promote" arms sales to other countries.

Arms sales, meanwhile, have surged upward from a low of $925-million in 1970. They reached $2.1-billion in 1971, $3.45-billion in 1972 and are expected to total $3.8-billion in 1973.

WITH FRIENDS LIKE THIS, AMTRAK DOESN'T NEED ANY ENEMIES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. PICKLE. Mr. Speaker, on the March 11 "60 Minutes" TV show, there was a segment on Amtrak, the National Rail Passenger Corporation. This report, based on interviews conducted by CBS's Mike Wallace, shocked many Americans. In fact, my office received many letters in response to the show.

I was particularly disturbed by the interview with Mr. Lewis Menk, chairman of the board of the Burlington Northern Railroad, and also a board member of the Amtrak Corporation. During the interview, one received the clearest impression that Mr. Menk desires Amtrak, or any intercity rail passenger service, outside the East to go away—to be discontinued.

Mr. Speaker, I think rail passenger service will be a vital, if not essential, mode of moving people in the future. This is why I support strongly efforts to make operational 300 m.p.h. trains in America. This is why I support strongly this Nation's high-speed ground transportation research and development program for such trains.

In the meantime, I will support the continuation of Amtrak, despite what its board members may feel.

I include the dialog between Mr. Wallace of CBS and Mr. Menk of the Amtrak directors in the RECORD at this time:

WALLACE-MENK INTERVIEW ON MARCH 11, CBS 60 MINUTES PROGRAM

WALLACE. Lewis Menk is chairman of one of the railroads that makes its profit out of freight, not passengers—the Burlington Northern. And he sits on Amtrak's Board of Directors. He got there by buying Amtrak stock. Not because he believed in it, but because he could take the purchase price as a business expense—a loss. Aboard one of his company cars, Lew Menk told us how he feels about Amtrak's future.

How much did you pay for your stock in Amtrak?

MENK. Thirty-three million plus.

WALLACE. And you carry it in your—on your books right now at how much?

MENK. One dollar.

WALLACE. Why?

MENK. We wrote it down because we thought that was the value of the stock.

WALLACE. You think that Amtrak's stock is worthless?

MENK. I do. In the context of the present time, it is.

WALLACE. You say, "In the context of the present time." Do you expect it's going to be worthless in the future?

MENK. I don't expect that Amtrak will ever be a profitable corporation; if that's what you're asking, yes, that's my answer.

WALLACE. So you feel that passenger trains by and large—with the exception of in the—the highly populated corridors—should be permitted to die an honorable death, right?

MENK. Yes, sir.

WALLACE. And Mr. Quinn of the Milwaukee Road feels the same way, right? He's publicly stated that.

MENK. I assume so. Yes, I think that's so.

WALLACE. And Mr. Moore of the Penn Central feels the same way, right?

MENK. I would expect so.

WALLACE. Okay. This trinity—Menk, Quinn and Moore—are on the Board of Directors of Amtrak, and Amtrak is committed to speedy and efficient passenger traffic. You see no conflict of interest there?

MENK. No, do you?

THE WAR STILL CONTINUES IN CAMBODIA

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. KASTENMEIER. Mr. Speaker, although American servicemen have been withdrawn from South Vietnam, our involvement in the Indochina conflict still continues as the President orders war planes to bomb in Cambodia.

Although the original rationale given, back in 1970, for the Cambodian bombing, that of protecting American troops, is no longer valid, Nixon continues to make war.

Like many of us, the Washington Post, in a March 30, 1973 editorial, takes issue with the President's war policy.

THE CAMBODIAN ISSUE: PRESIDENT OR KING?

On June 3, 1970, Mr. Nixon promised he would henceforth bomb in Cambodia only "to protect the lives and security of our forces in South Vietnam." Those forces have now gone home. But the President continues to bomb. The contradiction is acute and it is made the more so for the President by the fact that its implications extend beyond Cambodia. In Paris, Mr. Nixon made Hanoi and the Vietcong a deal hinging in part on his threat—reaffirmed by implication last night—to start bombing them again under certain conditions. Now, by completing troop withdrawals, he has removed his sole previously claimed rationale to bomb *anywhere in Indochina*. He is in the position of a man who threatens to shoot in a jurisdiction where there is no justification, by his own terms, to use firearms.

One begins to understand the administration's frantic and so far futile search for a reason for the Cambodian bombing that will make it look like Mr. Nixon is doing something other than roughly and arbitrarily asserting American—and Executive—power. One official, conceding constitutional justification is a joke, submitted that "the justification is the re-election of President Nixon." By that theory, he could level Boston. Others suggest Mr. Nixon is merely "responding to a request" from the Cambodian government, as though any such request confers its own legitimacy. It is said the United States will stop bombing when the Communists in Cambodia stop shooting. That will happen when they topple the government, perhaps quite soon. What will Mr. Nixon order the B52s to do then?

The plain truth is that Mr. Nixon bombs to save a policy which, in its Cambodian aspect, was bankrupt from the start. The 1970 American intervention into Cambodia—ostensibly conducted to clean out the sanctuaries, buy time for Vietnamization and protect Americans in Vietnam—in fact made little sense if Mr. Nixon were not prepared to continue propping up a pro-American government in Phnom Penh indefinitely. None-

theless, Secretary of State Rogers insisted (May 13, 1970) that the U.S. would not "become militarily involved in support of the Lon Nol government—or any other government" in Phnom Penh. "I'm talking about U.S. troops or air support or something," he underlined. Now Mr. Nixon tramples on his own and Mr. Rogers' pledges not to adopt Lon Nol.

In 1970, Mr. Nixon, describing his Cambodian adventure strictly in terms of its Vietnam impact, hailed it as "a decisive move . . . the most successful operation of this long and difficult war." In fact, in the adventure's Cambodian aspect, he bought into ocean-front property which was already underwater. The Cambodian insurgents, although divided among themselves, are collectively mopping the floor with the Lon Nol troops, whose abundant American supplies and air support are patently inadequate to offset their own poor training, leadership and motivation.

Mr. Nixon should stop bombing Cambodia at once. He may not quail at Senator William Fulbright's threat of public hearings, although we would hope all senators with a concern for constitutional government and the Senate's integrity would demand such hearings. But the President might further consider that he is bombing not only Cambodia but his remaining chances of getting reconstruction aid for Hanoi.

If the bombing is halted, Lon Nol might well decide to head for the Riviera, and the insurgents would probably take over Cambodia. The prospect is not much in doubt; nor is it very fearsome. The United States can expect to do very little to avert it, even by perpetual bombing. The contending Cambodians will need time to sort out their own feuds; they will be chiefly interested in how things go in Cambodia. In the incomplete but prevailing cease-fire situation in Vietnam, it cannot be nearly as important as before whether Hanoi has extra military supply routes and sanctuaries in Cambodia. Hanoi's and the Vietcong's decisions in South Vietnam will depend on many factors, not solely on who runs Phnom Penh.

By bombing, Mr. Nixon tears at the American political fabric and harmfully asserts a strictly American responsibility for what happens in Cambodia. Instead, he should be respecting the law and temper of the United States, and he should be trying by diplomacy to draw outside and local states into an Indochina-wide settlement that will not stand or fall on the unilateral application of American power. Evidently the President has still to learn he is not an absolute monarch in the United States. He has also to learn he is not King of Cambodia—or perhaps some kind of Southeast Asian emperor?

INFLATION MUST BE CURBED

HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. CASEY of Texas. Mr. Speaker, inflation is a sore subject with every Amercan, and the person who feels the pinch the hardest is the homemaker. She has to make ends meet in order to insure adequate nutrition for her family at a reasonable cost.

The following letter was sent to me by my constituent, Mrs. Lloyd D. Hoffman of Pasadena, Tex. As a family man I can well understand Mrs. Hoffman's plight and know of her concern. I am sure my colleagues will agree with me that steps must be taken to curb inflation and keep food a necessity and not a luxury.

I've been a registered voter for ten years now and I've never written any of my political representatives until now because I felt they were doing all in their power to look out for my interests. Oh, I haven't always completely agreed with them; however, I never disagreed drastically enough to voice my discontent. However, I feel I must at this time tell someone about one of my greatest disappointments with my country's government.

I write as a wife, mother, homemaker, and citizen to voice my disappointment in prices. I feel it is sad that a father has to work two jobs to pay all of his family's bills and buy their food. This is our case. Lloyd, my husband, works six days a week, leaving the house at seven in the morning and not returning home until midnight sometimes—Monday thru Friday and 8–5 Saturdays.

We have two sons, ages 3 and 1½ years. We didn't ask much of life for them except the necessities and somewhat a secure future. However, it looks pretty dim for their future, if the cost of living doesn't quit going up. Sincerely, Mr. Casey, I don't want this to be taken as a hate letter because I love my country and love living here. It worries me the way it is headed though.

Our family doesn't try to outspend the neighbors, etc. So we don't spend money foolishly. I budget groceries and do a good job, I feel. However, it really takes some doing to feed my family on an average of $25–$30 a week. According to L. Jean Boger, Pr. D. in Nutrition and Physical Fitness, my food budget should be about ¼ of our income because I'd say we're in a moderate income bracket. So I try to use this principle when buying groceries.

By making a lot of baked goods, using meat substitutes, shopping specials, using no convenience foods whatsoever, etc., I do keep it under the ¼ margin—or at least up until now. It does concern me to go to the store where I shop regularly and see the prices go up so quickly.

I'll illustrate this with two items. I shop at a food store located in Pasadena. The first item is a 4-pound box of bacon ends. January 28, 1973, I bought it for $1.49; February 4, 1973, I paid $1.59 for it. The first price I ever paid was $.99 sometime the latter part of 1972. Then it jumped to $1.39, I think. However, these two dates I gave you I am sure of because I shop every two weeks and these were my last two shopping days and I have the two packages in my refrigerator right now.

Item 2 is a 5-pound sack of flour (brand name Harvest Blossom). January 28, 1973 cost $.37 and February 4, it jumped to $.43. I'm aware these are cheaper than most items of this type and that this grocery store has good prices; however, I'm afraid to see what the prices will be next time. If just these two items have jumped this much what has happened to the rest of their items in stock. Milk jumped from their regular $.99 a gallon to $1.03 a gallon.

Congressman Casey, I majored in Home Economics and received my B.S. in 1964 from Sam Houston State in Huntsville, and I really don't know just how women that haven't been trained can afford to buy groceries for their families. I buy ground beef because I can stretch it, chicken because it goes so far, etc. So you can see I'm not extravagant with my food dollar.

What I'm trying to say is Help. I need help from my government to be able to meet everyday needs. After paying a house payment (it went up $10 as of February 1), utilities and buying food, we don't have anything left to save for the proverbial rainy day.

I am sure my colleagues will agree that making ends meet and dreading every shopping day is not a satisfactory way of life. Inflation must be curbed, and as Members of Congress, we must take the lead to fight this "green" monster.

THE BUDGET PROCESS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HAMMERSCHMIDT. Mr. Speaker, the Nation today is faced with a disturbing fiscal situation which has resulted in confrontation of the three branches of our Government over Federal spending. With the release of the 1974 budget, this complex issue has generated keen interest throughout the Nation.

The President is seeking to control the level of Federal outlays, Congress is working through its Joint Study Committee on Budget Control toward a permanent mechanism for fiscal responsibility, and the judiciary is being called upon for interpretive answers to questions on who may constitutionally establish spending priorities.

Because of the historical evolution of fiscal policies and the complexities which come to play in the present-day situation, I have devoted a series of seven newsletters to "The Budget Process." Because this series tries to present a summary of the issue, I am sharing it with my colleagues by publication in the RECORD:

THE BUDGET PROCESS

I. INTRODUCTION

This is Congressman John Paul Hammerschmidt in Washington with Comment from the Capitol.

In describing the relationship between the executive and legislative branches of federal government it is often said—"The President *Pro*poses; Congress *Dis*poses." Such is the budget process.

The President has sent to Congress his budget for Fiscal Year 1974. It calls for the expenditure of $268,700,000,000 (billion). To pay the bills, there would be estimated tax receipts of $256,000,000,000 (billion) and a shortage of $12,700,000,000 (billion). The shortage would be covered by borrowing, or "deficit financing."

The Budget is the President's plan of operation, set down in much detail, in terms of expenditures. It is the basis for all federal operations for one full twelve-month fiscal year period, as the Executive Branch sees national needs.

The Budget sets the direction which the Administration proposes to take. Now Congress, by the process of congressional review, will begin disposing with a wide range of options.

Congress can change programs, eliminate them, enact new ones. Congress can increase or reduce presidential spending recommendations.

When the majority of Congress and the

President are of the same political party, there is generally much less friction than when they are of different political parties.

However it is invariably true that both the Executive Branch and the Congress have high-minded goals. They both want to establish the most important national priorities possible, and use the best means to meet them.

The goals generally shared above all others are high employment, prosperity without inflation and without war. The President in his budget proposed how we can try to achieve these most desirable goals. For the next several months, Congress will be reviewing the budget, and deciding what to accept and what to change.

II. BUDGET STUDY COMMITTEE

More and more there is concern for putting the nation's economy in order.

There are many indications of the need for positive action.

The recent devaluation of the dollar points up the trade aspect of the problem. The President's budget and tight spending ceiling; the Executive Branch impoundment of funds; Congress fighting appropriations, recision and program cutback; all are indications of serious conditions which must be corrected. The flaws are derived from long periods of economic instability, characterized principally by excessive inflation.

Last year Congress formally acknowledged the problem when it temporarily increased the public debt limit. While refusing to accede to the President's proposal for a rigid spending ceiling, it established the Joint Study Committee on Budget Control.

This group draws bi-partisan membership from fiscal experts of both the House and Senate. Senator John McClellan is a co-vice chairman among the thirty-two members.

The Committee has met this year, charged with exploring ways to tighten congressional control over budgetary outlay and receipt relationships. It is supposed to devise a method which will give a comprehensive overall view of each year's federal spending and revenues, to replace the haphazard agency-by-agency, department-by-department, program-by-program approach of the past which has not provided the desired budget control.

Too often attractive programs have received inordinately large authorizations, and subsequently appropriations.

In my judgment, we must find ways to assure true congressional responsibility in seeking a balance between revenues and spending, in enacting programs and appropriating funds to carry them out.

III. FOUR DEFICIT DECADES

The record of deficits since 1931 demonstrates beyond doubt the need for spending-and-taxing coordination in dealing with the budget.

In the last 42 years, there have been only six years of surplus in the administrative budget, the last for 1960 in the amount of $785,000,000 (million). Since then approximately $200,000,000,000 (billion) in deficits have been recorded by the federal government spending more than it takes in, year after year, without interruption. The $200 billion figure includes estimated imbalance for fiscal year 1974.

World War II is often singled out as the time America got the big-spending habit and accepted deficits. In each of the critical years of the war, 1943–44–45, the nation rolled up deficits in excess of $50,000,000,000 (billion).

Yet that $150,000,000,000 (billion) total deficit for peak wartime expenditures, in a struggle for our very freedom, was far less than the huge budgetary failures of the past decade. The erosion of the budget process since 1960 is another legacy of the war in Southeast Asia, the cost of which contributed enormously to sustaining the deficit position

From any view of the problem, one thing is evident: Some of the blame rests with Congress for the size of deficits, and their constancy, through Congressional failure to arrive at budgetary decisions on an overall basis.

The Joint Congressional Study Committee on Budget Control is examining this very basic problem. It is to determine a procedure for Congress to follow in establishing responsible budget control. In my judgment, nothing is more important to a sound economy, free from excessive inflation.

In a later report I shall look at the history of budget control in Congress, the development of the relationship between spending and taxes, and how the present inadequate system came about.

IV. BUDGET CONTROL HISTORY

This report deals with the evolution of our federal budgetary system.

Historically, Congress has taken varying approaches to balancing income and expenditures. For the first 75 years of the federal government, Congress exercised tight, unified budget control through committees, Committee on Ways and Means in the House, and the Committee on Finance in the Senate. Each committee had jurisdiction over both spending and taxing.

In 1865, as a result of the overwhelmingly heavy burdens imposed on Congressmen in financing the Civil War, the Ways and Means Committee relinquished some of its jurisdiction.

While retaining authority over taxation and the raising of revenue, the committee turned over its spending jurisdiction to the newly created Committee on Appropriations. The Senate took similar action. The first major change—the responsibilities of these two committees, the first major breakdown in overall Congressional budget and also control.

During debate on the changes, some Members prophetically pointed out the dangers of separating the two jurisdictions.

Further dilution of Congressional control occurred as various legislative committees of the House and Senate took over spending jurisdiction from the Appropriations Committees. With the greater fragmentation of control over federal spending, it became increasingly difficult for Congress to obtain comprehensive cost information on programs.

This situation prevailed until Congress passed the Budget and Accounting Act of 1921, which further de-emphasized the Congressional role in budget matters. This Act is a principal source of today's budgetary differences between Congress and the Executive Branch. I shall make it the subject of a later report in the series of Budget Control.

V. EXECUTIVE BUDGET CONTROL

This report continues the series of discussions on budget control. The subject is especially important in time of inflationary pressure.

In 1921, Congress changed directions. Whereas in earlier years, Congress had been the focal point of budgetary control, it passed that responsibility over to the White House by approving the Accounting Act of 1921. That measure, for the first time, made the Executive Branch the focal point of budget control.

To tighten up its own procedures, Congress returned to the Appropriations Committee full authority over spending. This action was intended to re-centralize spending control which, between the Civil War and World War I, had been grabbed by several legislative committees

Passage of the Budget and Accounting Act, however, gave only temporary relief. Congress began to circumvent the authority of the Appropriations Committee by the device known as "backdoor spending".

These actions, once again, have divided spending control among several committees. "Backdoor spending" in essence creates mandatory spending. So large is its impact that the Appropriations Committees of the House and Senate actually control only about 50 percent of all spending.

Further curtailing the effectiveness of Congress as a budget control institution is the Appropriations Committee practice of considering each appropriations bill as a separate entity . . . not as a party of an overall package.

This is not to say that Congress is not careful and painstaking in dealing with each annual appropriation measure. It is. What is lacking in coordination and constant attention to the big picture with all its fiscal policy and budgetary implications.

Next in this series . . . a closer look at "backdoor spending".

VI. "BACKDOOR SPENDING"

Congress is under constant admonishment to cut out unnecessary federal spending. However, its system of budget control has deteriorated so greatly that it is not always possible to be sure just what is "necessary" or "unnecessary" in terms of the budget and the nation's fiscal policy.

Congressional control over spending rests with the Appropriations Committees of the House and Senate, but time after time Congress bypasses these committees and nullifies their role as control points for spending. This is done by "Backdoor Spending."

Backdoor spending may take the form of "contracting authority". Such authority on low-rent public housing added $150,000,000 (million) in obligations in Fiscal Year 1973.

Backdoor spending may also rely on unlimited and indefinite "borrowing authority". Student loan guarantees are backed by this kind of borrowing, without appropriations limitation.

"Permanent Appropriations" constitute another type of backdoor authority, with appropriations provided by the legislation itself. For example, the interest on the public debt is indefinite as to time and amount, but is a firm obligation without Appropriations Committee review.

Congressional studies show that over a five-year period, backdoor spending exceeded budget requests by $30,000,000,000 (billion). By contrast, budget requests considered by the Appropriations Committees were reduced substantially.

In my judgment, any effective budget control reform in Congress must require sharp restrictions on and eventual elimination of backdoor spending.

VII. "THE WORKABLE BUDGET"

Congress needs to determine a way to develop and maintain effective budget control.

In recent reports I have discussed the history of the problem, and factors which hamper overall control of federal income and expenditures.

One difficulty is the sluggishness of the Congressional legislative process. A program must be authorized before the Appropriations Committee may act. Appropriations are often held over into the fiscal year for which they are needed; even into the second Congress of the fiscal year. Such delays increase uncertainty.

Another practice that is costly is the renewal of authorizations each year—rather than for several years. This requires annual appropriations and tends to drive up program spending levels!!

The establishment of ceiling levels is generally agreed to be an essential for budget control. But this is easier said than done.

Members of Congress vary in their views on what ceiling levels are sensible. They disagree on the extent of new budget authority needed, the rate of spending to be continued, even the danger of legislative bills which by-

pass the appropriations process. To gain general agreement on ceiling levels would seem to require extensive inquiry and debate, with the schedule of activities already jam-packed.

These are among the major problems being considered by the Joint Committee on Budget Control. Its findings and recommendations may well determine whether this nation shall follow sound fiscal policies. Its recommendations could help Congress establish a truly effective system of overall budget control, and improve our ability to evaluate budget controversies.

In my judgment, this is essential if Congress is to deal wisely with Executive Branch proposals, if Congress is to tax and spend with discipline and understanding, if Congress as a body is to have sufficient understandings of and respect for the intricacies and importance of sound fiscal and economic policies.

TRIBUTE TO CAPT. JOHN FER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ANDERSON of California. Mr. Speaker, all of us have been touched by the war in Indochina. All of us have witnessed directly or indirectly the death and destruction—the adversity, the distress, the torment—of the people of this area plagued by years of war.

Many served our country fighting for the principles of freedom, fighting to preserve a small nation, fighting to prevent the rule of force in Southeast Asia.

The fighting has now stopped for U.S. servicemen, but many did not return.

Many did return, leaving an arm, a leg, an eye on the battlefield.

We grieve for the families of those who made the supreme sacrifices and we pledge to make every effort to heal the wounds and repay our commitment to those who suffered in service to our country.

And, now, the prisoners of war are coming home to a well-deserved welcome, greeted by a proud country which is in their debt.

Yes, they are heroes, and they deserve our accolades and tributes. But, so do the other soldiers, the sailors, the airmen, and the marines who also served so honorably.

The prisoners of war, Mr. Speaker, symbolize the American spirit and the American servicemen. They are proud, yet humble they are loyal, yet firm they are tired of war, yet patriotic they are candid, yet sincere they are just, yet compassionate.

We in San Pedro are proud to welcome home a man who epitomizes these virtues.

That man is U.S. Air Force Capt. John Fer.

John Fer, U.S. Air Force captain, returned to California this March from 6 years imprisonment after being shot down over North Vietnam on February 4, 1967.

Captain Fer has returned to a community which remembers him well from his growing up years in San Pedro.

A native of San Pedro, John attended Mary Star of the Sea and Leland Avenue Grammar Schools, and Dana Junior High School where he was student body president.

Active in high school student government and athletics, Captain Fer was graduated from San Pedro High School in 1955.

A successful college career followed at the University of Southern California and the U.S. Air Force Academy. While at USC, John ran track and cross country.

Captain Fer's military career began to blossom at the Air Force Academy. At the Academy, John was chairman of Honor Committee, squadron commander, outstanding athlete of the graduating class, school record holder in cross country and in the 2-mile track run, and captain of both the cross-country and track teams.

He was commissioned as a second lieutenant in June 1962, and attended pilot training in Laredo, Tex., in August 1963.

John's first assignment was to Plattsburg Air Force Base as a B–47 copilot beginning in October 1963.

In February 1966, Captain Fer began training at Shaw Air Force Base. That June, John left this country for an assignment to Takhli Air Force Base, Thailand.

Less than 1 year later, on February 4, 1967, Captain Fer was shot down over North Vietnam.

For the next 6 years and 1 month, John was a prisoner of war.

His unwavering loyalty to his Nation during his captivity is an example in patriotism worthy of our emulation.

Captain Fer's dedication to the United States has carried over into his plans for his future.

John plans to make the Air Force a career.

Captain Fer is aleady scheduled to be promoted within the next few months. I would like to be one of the first to congratulate Captain Fer on becoming Major Fer.

Our Air Force will certainly be better off for the leadership and abilities of Captain—soon to be Major—Fer.

Mr. Speaker, I proudly join with John's parents, Mr. and Mrs. Ernest Fer of Vista, John's brother, Mr. Peter Fer, and the citizens of San Pedro in welcoming Captain Fer home.

The residents of San Pedro will formally welcome Captain Fer home with an open air rally and dinner on Saturday, April 7.

All the service organizations in San Pedro are cooperating to organize the events under the leadership of Richard Bauer, president of the San Pedro Chamber of Commerce.

Chairman for the dinner is Mario Perkov. Others directing the dinner plans are Andy Wall and Jack Pearson.

I am proud that the community of San Pedro is giving Captain Fer such a warm welcome home.

A hero such as Captain John Fer deserves a hero's welcome.

OEO LOSS TO HAVE IMPACT ON BOSTON AREA

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. DRINAN. Mr. Speaker, on March 23, 1973, the Subcommittee on Equal Opportunity of the House of Representatives under the distinguished leadership of our colleague Congressman AUGUSTUS HAWKINS, of California, conducted a hearing on the dismantling of the Office of Economic Opportunity at Faneuil Hall in Boston.

Humberto Cardinal Medeiros, the archbishop of Boston, gave a moving statement to the subcommittee on what the disappearance of the OEO would mean to Greater Boston. Cardinal Medeiros stated that the Community Action programs of the OEO constitute a "healthy, three-way partnership among government, private institutions, and private citizens." The cardinal went on to state that—

I hate to see it end. I pray that it will continue.

The complete statement of Cardinal Medeiros follows:

TESTIMONY OF HUMBERTO CARDINAL MEDEIROS

Congressman Hawkins, Members of the Committee, I wish to join Mayor White and other citizens of Boston and Massachusetts in welcoming you to this historic city that cherishes the traditions of justice and liberty which permeate the history of our country. I want to assure you of my blessings and prayers as you conduct your hearings and deliberations throughout this land.

I am appearing before you today to express my personal concern over the impact that the dismantling of a major portion of the programs sponsored by the Office of Economic Opportunity will have on thousands of low income people in Boston and throughout this Commonwealth.

I do not pretend to be an expert on the technical and statistical details of the OEO programs that are being shut down. Others appearing today will provide that information.

I do not come here today as a Democrat or a Republican or as a critic of action taken or omitted by the Administration or Congress. Like all government agencies, OEO must be accountable to higher governmental authority. It would be foolish to suggest that its programs have been an unqualified success, or should be immune from criticism.

What I want to do today is to speak as a Bishop who has a pastoral responsibility and a deep, personal concern for the poor of all denominations, races, cultures, and backgrounds. I know from personal experience both the difficulties of being poor and the innate desire of every man who is poor to raise himself and his family above that degree of poverty that impedes his development as a citizen and as a human being in this land of opportunity.

Poverty is complex and the steps we must take to eradicate both the cause and the effects of unjust, unwanted, and oppressive poverty would seem to be equally complex. The history of our own country and of modern society gives ample evidence that attempts to deal with the problems of the poor as if there were an inherent connection between poverty and immorality have not only

not produced the desired results but, in most instances, have wrought terrible injustices upon those they were designed to help. I am disturbed, in observing the current scene, to feel an undercurrent of discontent, and even animosity, towards our more deprived brothers and sisters, arising no doubt, at least in part, from the astronomical costs involved in public programs to assist the poor. Although I am painfully aware, from my own experience in attempting to provide fiscal support for the human service programs in the Archdiocese, of the high cost of such efforts, I nevertheless must state emphatically that we cannot allow costs or even the occasional misuse of our public generosity to deter us from fulfilling our moral and civic obligations.

What has impressed me about the OEO programs has been the wide range of services and opportunities available to the participants and, most of all, the principle of involvement of the poor in the solution of their own problems that has characterized the Community Action Programs. It saddens me to learn that so many of these programs are being ended after so many people have invested themselves, their energy, and their hope in the design and operation of the programs.

In Boston alone, for example, some 350 people—most of them low income persons—serve without compensation on the local APAC Boards. Eight of the eleven neighborhood Boards in this city will cease to function within months. Many of the employees of the local programs and of Action for Boston Community Development were once welfare clients. They face the loss of their jobs within six months, and the prospect of a return to welfare subsistence or unemployment compensation. Think of the damage that will do to the human spirit and the morale of these people and their families.

Some 54,000 people who annually are served by OEO programs will be deprived of services. These include elderly people who were being given hot meals, medical care, transportation, companionship, consumer aid and other simple but vital services in East Boston, Charlestown, and other neighborhoods; young people in Jamaica Plain, Brighton, and elsewhere enrolled in drug abuse prevention programs; more than 5,000 youths employed for the summer by the City-wide Neighborhood Youth Corps; and some 20,000 unemployed people being offered counseling, placement, and follow-up services in Neighborhood Employment Centers.

These are just a few of the programs and they reflect only the impact on Boston. Similar programs in other cities throughout the Archdiocese will suffer. To whom will these people turn? Our economy is in poor shape. Unemployment in some low income areas is as high as 28%.

Many will turn to the Churches and social agencies. We try our best through parish St. Vincent de Paul conferences, our schools, Catholic Charities, Family Counseling, our Planning Office for Urban Affairs to be of assistance, but we cannot begin to meet the needs without the co-relative efforts of our Federal government. Many of our priests, sisters, and lay people serve as volunteer members of the local Boards and programs along with the low income representatives. This has been a healthy, three-way partnership among government, private institutions, and private citizens. I hate to see it end. I pray that it will continue.

Members of the Committee, I respectfully urge you to do all in your power to convey to the Congress and to the Administration the importance of continuing programs to provide these services to the poor and to insure their participation in the design and delivery of such programs. The hour is late, the problems are burdensome, but I am confident that Americans of good will, courage and compassion will not turn their backs on those fellow citizens who so desperately need their understanding and support.

Thank you.

RISING FOOD PRICES

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. FROEHLICH. Mr. Speaker, I am today introducing legislation to instruct the House Banking and Currency Committee to conduct a full and complete investigation and study of all matters affecting, influencing, or relating to the cost and availability of food to the American consumer.

The incredible increases in retail food prices in recent months have caused an uproar in the supermarket checkout line and helpless frustration on the part of many families. Grocery prices went up 2.3 percent in February of this year, on top of the 2.5-percent increase in January, thus resulting in a 4.8-percent increase for the first 2 months of 1973 alone.

This situation is intolerable, and the end is not yet in sight. It is also an extremely complex situation which I do not feel can adequately be resolved by piecemeal action. It cries out for the in-depth consideration and study proposed in my bill.

The President announced last week that he was imposing a ceiling on the price of beef, lamb, and pork, in an attempt to halt rising meat prices. I welcome this move, but it is, at best, a temporary measure, of limited benefit, and it points up the need for comprehensive action which addresses itself to the total problem and seeks long range and far-reaching permanent solutions.

In the mail, I have received from my constituents, as well as in my personal contacts with constituents when I hold office hours in my district, one constant plea predominates: "Do something about food prices." Just what that something is, it is up to the Congress to determine. We will be in a much better position to make this determination, after the Banking and Currency Committee has looked at the total picture, as it relates to domestic production, trade policy, and present Federal, State, and local statutory authority, and has pulled all of the facts together in a clear and comprehensive way.

Hopefully, we can then arrive at a sound and workable solution to this domestic crisis—a solution which will take the myriad aspects and ramifications of the problem into consideration, and a solution which will relieve the American consumer of the mammoth food cost burden he is now being forced to bear.

I might add that my bill is similar in purpose to legislation which has been introduced by a number of Members to create a Select Committee on the Cost and Availability of Food. I commend these Members for their active interest and concern. I do feel, however, that the creation of a new committee would not be the most efficient or effective manner in which to handle this problem. A new committee would require time to get organized; it would require the hiring of a complete staff; it would lack the expertise and familiarity with the legislative process now enjoyed by the Members and employees of a standing committee; and it would require additional funding. My proposal would eliminate these drawbacks and would, instead, rely on the experienced and competent Members and employees of the House Banking and Currency Committee.

In addition, there would be no need to appropriate additional funds for this purpose, a fact I consider of prime importance if we are to make an honest effort to reduce Federal spending and return to this country some semblance of fiscal sanity.

The text of my bill follows:

RESOLUTION TO AUTHORIZE THE COMMITTEE ON BANKING AND CURRENCY TO CONDUCT AN INVESTIGATION AND STUDY OF ALL MATTERS RELATING TO THE COST AND AVAILABILITY OF FOOD TO THE AMERICAN CONSUMER

Whereas, retail food prices have risen 33 percent during the past 8 years and 16 percent during the past four years;

Whereas, farm prices in February 1973 were 22 percent higher than in February 1972;

Whereas, government economists are now predicting an increase in retail food prices for 1973 in excess of 6.5 percent—the largest annual increase in 22 years;

Whereas, Federal regulation and management of the Nation's food marketing system has failed, on a continuing and systematic basis, to provide consumers with food at reasonable prices and farmers with a fair return on invested capital;

Whereas, Government trade policies and purchases of food influence the cost of food to consumers;

Whereas, it is in the long range best interests of both consumers and farmers for there to be an abundant, wholesome and reasonably-priced food supply; and

Whereas, the rate of increase in retail food prices disrupts the fair and efficient functioning of our market system and is unacceptable to and a hardship on the American consumer: Now, therefore, be it

Resolved, That the Committee on Banking and Currency, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of all matters affecting, influencing, or relating to the cost and availability of food to the American consumer.

Such investigation shall include:

(1) The production, processing, marketing, merchandising, advertising, labeling and retailing of food products for sale to the American consumer;

(2) The profits, price spreads, productivity, market structure and competition in all segments of the food industry;

(3) The trade policies, practices, regulation, services and organization of the Federal Government and, to the extent they affect interstate commerce, the State and local governments affecting, influencing, or in any manner relating to the cost and availability of food to the consumer.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

GRAND JURY REFORM AND THE FORT WORTH FIVE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. RANGEL. Mr. Speaker, the grand jury system is older than this country, but the recent practices of the Justice Department demonstrate that the grand jury does not always fulfill its original function of protecting the innocent from unwarranted prosecution.

The case of the "Fort Worth Five" is merely one example of how the present grand jury process can be abused. A House Judiciary Subcommittee is presently investigating this matter, but the fact cannot be denied that almost a year ago these five men were dragged from their homes in New York and taken to Fort Worth, Tex., to testify before a grand jury. They have remained interned there ever since. I feel it is quite apparent that the Justice Department is engaged in a deliberate policy of harrassment against these men.

I am planning on introducing legislation in the very near future that will not only eliminate some of the real and potential abuses of the grand jury as it presently operates in the Federal criminal justice system, but also, in some ways, actually speed up the grand jury process. It is my feeling that proper legislation can restore to the grand jury its original purpose of protecting the innocent citizen without removing its effectiveness as a tool for investigating and returning indictments.

Unfortunately, that does not solve the immediate problem at hand. The unjustifiable conduct of the Justice Department has spurred many people into action. The Rockland County legislature, in the State of New York, recently passed a resolution calling for the return of the "Fort Worth Five" member who is a resident of Rockland County, Mathias Reilly.

I would like to insert this resolution into the RECORD for the benefit of my colleagues. It is my hope that the goals of this resolution can soon become a reality for all five men:

RESOLUTION NO. 264 OF 1973 MEMORIALIZING THE PRESIDENT AND CONGRESS TO EFFECT THE IMMEDIATE RETURN OF THE "FORT WORTH FIVE" TO THE STATE OF NEW YORK FOR TRIAL

Mr. John Murphy offered the following resolution which was seconded by Mr. Grant and unanimously adopted:

Whereas, it is a cardinal principle of American justice that those accused of a crime be promptly tried by a jury of their peers in the community in which they reside, and

Whereas, it is vital to our system of American justice that our citizens have absolute confidence in its fairness and impartiality, and

Whereas, it is especially critical that the application of American justice be always free from any taint of subservience to the political interests of a foreign power, and

Whereas, one resident of the County of Rockland has been spirited to a Texas jail far from his family, friends, and community and is being held there without having been convicted of any crime against the American people, and

Whereas, there is widespread belief that his prolonged and arbitrary incarceration so far from his home is being continued in direct furtherance of the political aims of a foreign power, and

Whereas, his continued incarceration under the charges in which he is being held without conviction is a violation of the spirit of American justice and is inherently alien to our doctrine of fairness, and

Whereas, his continued incarceration is a violation of his civil rights and is a direct threat to the freedom of action and belief of other Americans who oppose the policies of a foreign power, now therefore be it

Resolved, that the Legislature of the County of Rockland convey, through the President and Congress of the United States, its determination that this man should forthwith be returned to our State and that he be speedily tried on the charges against him in order to restore respect for American justice and confidence in its independence from foreign political dictates, and be it further

Resolved, that copies of this resolution be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives and to each member of the Congress of the United States from the State of New York.

DOWN SOUTH WITH SENATOR CHILES

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. SIKES. Mr. Speaker, I am impressed, as I think many will be, by an article appearing in the Miami Herald on February 13 about the work and the attitude of Florida's junior Senator, the Honorable LAWTON CHILES. It is entitled "Down South With Senator CHILES." It makes a lot of sense. I submit it for reprinting in the RECORD.

IN PERU, BRAZIL, ARGENTINA—DOWN SOUTH WITH SENATOR CHILES

(By Nathan A. Haverstock)

Since coming to the Senate two years ago, Lawton Chiles, Florida's junior senator, has—at his own out-of-pocket expense—made two fact-finding trips south of the border, visiting such key nations as Peru, Brazil, Argentina, and Chile. His conclusions deserve attention, if only because the Congress has so little information about Latin America, and yet is called upon so often to take legislative action affecting that area and U.S. relations with it.

Chiles traveled—as he did on his now celebrated walks across the state of Florida that helped him win election to his office—in search of ordinary citizens, people representing as broad a spectrum of views on their national problems as possible.

In an abnormally relaxed mood, the senator recently expounded his views on Latin American to this reporter, an audience of one. Though it was obviously a busy day for the 42-year-old Floridian—he had to duck out for two votes on the Senate floor—he made clear his feeling that Florida's obvious interest in the area alone justifies the time he is devoting to learning something about our hemisphere neighbors. As far as the rest of the Senate is concerned, it can only benefit from the energy and interest shown by Chiles along with pitifully few others.

"You learn more by listening than you do by talking," Chiles said of his unusual travel style. "I didn't want to go on the official embassy circuit, or as the guest of my government. I wanted to set my own schedule." But he didn't want to cause trouble or embarrassment, so he checked out his plans with the foreign ministries of all countries visited.

"I found that they didn't really have any objection to my talking with anyone I pleased. Once people locally are really convinced that you want to hear from all sides on questions, so as to draw your own conclusions, no one has any objection to your talking to anybody in sight."

Not speaking Spanish as fluently as he hopes to some day, Chiles relied for interpretation on Colin Bradford, a 33-year-old, Yale-trained Ph.D. in history, who will be joining the senator's staff in early March, specifically to help Chiles keep up on Latin America. Contacts Bradford had developed five years ago while spending a year studying economic planning in Chile, under the previous administration of President Eduardo Frei, were of help in planning the Senator's casual encounters with Chileans.

Noting that nationalism is on the rise in Latin America, Chiles said "it is tremendously interesting to see all the different ways in which Latin American societies are reorganizing themselves to promote the welfare of the ordinary man."

The senator said he knocked heads with some of his Chilean hosts on the issue of the expropriation of American-owned business assets. He pointed out to them that they could not expect this country to accept takeovers of U.S. interests lying down. His hosts, in turn, educated him on some political facts of life in today's Chile—namely, that no matter what party might be in power there it would be political suicide to come out against nationalization of key industries.

"We need more consultation with our Latin American neighbors on important changes of policy," Chiles said, "and we need to carry out some of our promises to them." Chiles mentioned as one specific that the United States should grant trade preferences to Latin nations "where it is in our nation-

al interest . . . it should be at least as easy for us to grant them preferences as it has been for us to grant preferences to the Japanese in the past."

American businessmen should get more help from our government, he said. "It is ironical that Japanese and German companies receive much more government support than U.S. companies, and yet we get blamed for government intervention in Latin American affairs." It would be better, he added "if our government were involved at an earlier stage . . . encouraging the kinds of trade and investment that Latin Americans want before a crisis occurs . . . and we should be anticipating problems in such areas as natural resource exploitation . . . and we should be thinking of how we can get business disputes resolved through some form of international settlement."

The views voiced by the Florida senator are scarcely novel ones. Indeed, they are shared by senators on both sides of the aisle. Thus, the Latin American problem remains where it has for years on Capitol Hill, on the willingness of senators other than Chiles to take the time to do something to promote acceptance—in forms of legislative action—of their commonly shared views.

ADMINISTRATION'S HOUSING MORATORIUM

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. HANNA. Mr. Speaker, as many of my colleagues can recall, I have recently addressed this body on the matter of the administration's housing moratorium. Although I was generally aware of the theoretical problems such an action must create, I have since that time been made painfully aware of the immediate and concrete impact of the freeze on a number of very worthwhile projects in my area.

It appalls me that anyone can conceive of a policy which commits people and substantial dollars to a program in good faith and then permits them to be dropped virtually by a hangman's ax as being in any way a "right" or correct national policy. I can understand that some might be frustrated with certain such programs, but I cannot see how we can suspend indefinitely such programs with no available alternatives to maintain this vital capability.

HUD has offered no alleviation of the problems caused those who, in all good faith, merely tried to do what their Government wanted. I am, therefore, today introducing legislation to rescind the present moratorium. This is the least we can do while both we and the administration evaluate our past efforts and prepare for future directions in housing policy. The text of the bill follows:

H.R. 6443

A bill to assure that Federal housing assistance programs are carried out to the full extent authorized by Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Housing and Urban Development shall immediately cease any suspension of Federal housing assistance programs, or any withholding of funds for such programs, and shall carry out such programs in the current and each succeeding fiscal year to the full extent possible pursuant to the contract authority or other funds appropriated or otherwise authorized or made available by the Congress for such programs in each such fiscal year.

SEC. 2. The Secretary, in carrying out his responsibilities under this Act, shall not withhold or delay the approval of applications for contracts under the Federal housing assistance programs, the entry into contracts under such programs, or the expenditure of funds appropriated for such programs. He further shall take no action which effectively precludes or delays the approval of applications for contracts for such programs, the entry into contracts for such programs, or the expenditure of funds appropriated for such programs.

SEC. 3. "Federal housing assistance programs" means the programs established under section 235 and section 236 of the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, Title IV of the Housing Act of 1950, and the United States Housing Act of 1937.

FOOD FOR THOUGHT

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. DENNIS. Mr. Speaker, the following is a letter to the editor of my hometown newspaper, the Richmond, Ind., Palladium-Item, which may give my metropolitan and urban colleagues some food for thought:

ANY TAKERS?

Editor, The Palladium-Item:

Mr. and Mrs. City Slicker: Ways to remedy your high food price dilemma.

(1) Get rid of your garbage disposal.

(2) Fence in your beautiful lawn.

(3) Turn your garage into a barn.

(4) Need $400 in cash for your investment.

Go to a farm sale, stand in the mud all day to buy a pig, one half dozen hens, one rooster and an old gentle cow.

You have enough ground in the average yard to feed the pig and chickens the necessary roughage.

You will have to buy the following items: a small amount of corn, hay and a few minerals from the elevator.

Now if you are real energetic, you can probably get all the hay that you require by helping some farmer make hay at haymaking time or extra money at the high hourly rate of $2 per hour.

Also, after corn harvest, many farmers would gladly let you pick up the corn that was missed in the field for your animals.

Now save all your high priced garbage and dishwater to slop the hog. Do you realize that enough garbage goes down the drain to feed that pig?

The end results:

A pig to butcher.

A calf from the cow to butcher.

All the eggs you need plus some poultry to eat.

Contributions to ecology:

Eliminates chemical fertilizer for your yard because you have nature's natural fertilizer, but of course you will have to spread it.

Eliminates spray you buy for your bushes because the chickens take care of the bugs.

When you butcher the hog take the excess lard and make your homemade soap which will eliminate the harsh detergents and gets your clothes much whiter and brighter.

There is one big drawback—the hogs, chickens and the cows must be fed and taken care of twice a day, 365 days out of the year. Even through vacations and weekends but just think of how much money you are saving by staying home on your vacation to take care of your livestock.

FORREST DAVIS.

RURAL ROUTE, LYNN, IND.

POSTAL SERVICE

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, the U.S. Postal Service has been the subject of much controversy. Its work is under scrutiny by Congress, the media, and the millions of Americans who daily use the mails.

There is no question that the Postal Service in recent years has had more than its share of problems and that the caliber of service has been subject to justified criticism. Congress' decision to make the Postal Service a quasi-independent organization was aimed at correcting many of the problems which made the old Department little more than a moribund institution.

Postmaster General Klassen is doing a good job of turning the Postal Service around. While service can still be faulted, I have observed real progress. Considering the massive nature of the system required to provide postal service to more than 200 million Americans, I think we need to recognize not only the Postal Service's problems but its achievements as well.

The following letter to the editor of the Oshkosh Daily Northwestern by the postmaster of the U.S. Post Office in Oshkosh, Wis., is one which I feel deserves attention:

[From the Oshkosh (Wis.) Daily Northwestern, Mar. 10, 1973]

POSTAL SERVICE TRYING TO MODERNIZE

(By C. W. Spalding, Postmaster, U.S. Post Office, Oshkosh, Wis.)

(NOTE.—The U.S. Postal Service has been receiving a great deal of notice lately, notably as the subject of an investigation by a Senate committee. An editorial earlier this week drew the following article in reply from Oshkosh Postmaster C. W. Spalding.)

Reference is made to the editorial entitled, "Some Government Costs Can Be Cut," which

appeared in the Tuesday, March 6, 1973, issue of the Oshkosh Daily Northwestern.

In this statement, you would like the public to believe that the U.S. Postal Service is operating inefficiently, is over priced and forces customers to use their services because of the "monopoly on first class mail."

As for the "woes of the U.S. Postal Service" which you stated were caused by employee benefits, let me state that today the benefits paid to government employees do not far exceed those paid in private industry. We are tied into a very fine retirement plan, but this plan is largely financed by a seven per cent deduction from the base salary of the employee.

Vacations in the private sector are very close to, and in some instances exceed the length of those earned by government employees.

Let us take a look at our competition. United Parcel Service provides a very fine service to its customers. They do not, however, offer their services to each and every person who wants to mail a parcel. It is very probable that if they reach the point whereby they are required to accept any item that any individual wishes to send anywhere, they would then inherit the same problems faced by the postal service.

As long as they can remain selective in regards to their clientele, they should be able to provide their services at the present standard. Who can predict what will happen if the conditions change?

The law does provide the U.S. Postal Service with a monopoly on the delivery of first class mail. This does not and never has prevented any company from handling its own, intra company messages or billing service.

It seems plausible to believe that if private business had found it less expensive and more efficient to provide their own delivery service, it would have done so. The trend up to this point has been in the other direction.

The Independent Postal Service has established "local" branches in several large cities in the country, and has tendered a possibility of delivering local letters for five cents. This is however, a strictly local operation and does not make allowances for the vast transportation network which must be maintained to move the mail across our nation and around the world. Admittedly, for the postal service this is accomplished by contracts with private business enterprises. If IPSA were to go into nationwide distribution, they too would have to establish a transportation network.

A review of postage rates over the past quarter century shows that postage rates on first class mail increased from two cents an ounce to the present eight cents. In the same period all other living costs have risen by at least the same rate. The cost of the Oshkosh Daily Northwestern during this period has risen from two cents a copy to the present 15 cents a copy—double the rate of increase over the first class postage rate!

The new U.S. Postal Service is in the process of modernizing facilities, equipment and work methods. This however, cannot be accomplished overnight in an operation as widespread and complex as this new corporation.

Over the past years while private industry was changing their operating policies, no money was available to the Post Office Department for improvements in operation. We struggled along using the same methods and techniques established by Ben Franklin.

Today we are in the throes of a change in management policies, and improved techniques to provide for more effective use of our facilities and manpower.

We can only request that our customers consisting of every man, woman and child in the nation, bear with us during this period of conversion.

WASHINGTON SEMINAR

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. ASPIN. Mr. Speaker, a teacher and constituent of mine, Mr. John W. Eyster, recently came to Washington with seven of his students to take part in a Washington seminar of their own planning.

The project began with the Janesville, Wis. students and their teachers making intense preparations for the visit. Once in Washington, the group experienced numerous facets of Washington life.

They had interviews with members of both the executive and legislative branches. They viewed the operations of the Voice of America and prepared a tape for broadcast. They met with department officials from the Department of Health, Education, and Welfare and other agencies. Prepared with specific topics and areas of interest, the group brought their questions to the top lawmakers and law-enforcement agencies in our country.

I am certain that this direct contact with Government officials has given these students a much keener insight and a much greater understanding of the complexities of Government.

I hope this experience has given them a much greater appreciation for what Government can and is doing for them. I further hope that this trip will have instilled in them the desire to be active and productive citizens within their own communities.

Hopefully, future groups will be able to make this important trip so that more citizens can study first-hand the inner workings of our governmental system.

TRIBUTE TO GEN. LEWIS B. HERSHEY—A GREAT AMERICAN RETIRES FROM PUBLIC SERVICE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. EVINS of Tennessee. Mr. Speaker, Gen. Lewis B. Hershey, who served our Nation faithfully and ably as Director of the Selective Service System for more than 30 years, is retiring from public service.

General Hershey brought a special competence and compassion to a thankless job—the supervision of the drafting of millions of young Americans in World War II, the Korean war, and the Vietnam war.

He is dedicated and devoted to the national interest and he accepted criticism philosophically and without rancor—he had a job to do and he did it.

General Hershey appeared regularly before the Subcommittee on Housing, Space, Science, and Veterans Appropriations during the time I was honored to serve as chairman of this subcommittee, and he acquitted himself with distinction and devotion to the public interest. He was unfailingly responsive, courteous, and cooperative in his relationships with our committee.

The Nation owes General Hershey a great debt of gratitude for his outstanding record of public service and I am sure we all wish him the very best of good luck and success as he begins his richly deserved retirement.

HOUSE SELECT COMMITTEE ON CRIME

HON. DAVID E. SATTERFIELD III

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 2, 1973

Mr. SATTERFIELD. Mr. Speaker, this Nation is indebted to Chairman CLAUDE PEPPER and to the members and staff of the House Select Committee on Crime, which has done much to dramatize the scope of criminal activity in this country.

An editorial which appeared in the Richmond News-Leader on March 20, contained well-deserved observations about the effect of the work of this committee.

The editorial follows:

DEATH OF A COMMITTEE

On June 30, the House's Select Committee in Crime will go out of business. It isn't that no more crime exists to investigate, but rather that a majority of the House believed that the select committee's functions overlap the territories of other committees.

That's a pity, because the committee has done a good job. It was established four years ago when a concensus in the House agreed that Congressman Emanual Seller's Committee on the Judiciary was neglecting the problem of crime. Florida's Claude Pepper became chairman; five Democrats and five Republicans completed the committee. As a select committee, the Pepper Committee could investigate crime and issue reports of its findings, but it could not initiate legislation, and its "select" status meant that it was only temporary.

The committee tackled its task with gusto. It scheduled hearings in a number of cities, including Boston, New York, San Francisco, Omaha, and Columbia. Its hearings focused on drug abuse, gambling, and organized crime's links with professional sports. It found that at least one-third of amphetamines manufactured annually were winding up in a lucrative black market. Its reports on juvenile crime offer an authoritative summary of that problem. It examined drug abuse in the schools.

Although the committee produced no leg-

islation directly, it was responsible for indirectly influencing some measures aimed at reducing drug abuse. It found that a profitable market had been estabilshed for heroin paraphernalia, leading 34 States to adopt laws prohibiting the manufacture or sale of this paraphernalia. Above all, the committee's activities dramatized the scope of the crime problem, bringing many aspects of crime into sharper focus. But now it will disband, leaving the investigation of crime to other House committees. The House would be foolish to accept a lesser performance from these other committees than the Pepper Committee successfully gave.